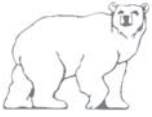


2022

City of White Bear Lake, Minnesota Annual Budget



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Adopted By:

Mayor

Jo Emerson

Councilpersons

Bill Walsh – Ward 1

Doug Biehn – Ward 2

Dan Jones – Ward 3

Kevin Edberg – Ward 4

Steven Engstran – Ward 5

Presented By:

Management Team

Ellen Hiniker, City Manager

Rick Juba, Assistant City Manager

Kara Coustry, City Clerk

Paul Kauppi, City Engineer

Kerri Kindsvater, Finance Director

Anne Kane, Community Development Director

Julie Swanson, Police Chief

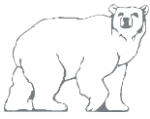
Greg Peterson, Fire Chief

Mark Meyer, Public Works Superintendent

Cover:

Sailing at White Bear Lake circa 1950-1960
Courtesy of White Bear Lake Area Historical Society

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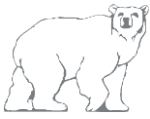
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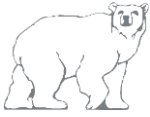
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GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished Budget
Presentation Award*

PRESENTED TO

**City of White Bear Lake
Minnesota**

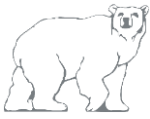
For the Fiscal Year Beginning

January 01, 2021

Christopher P. Morill

Executive Director

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City of White Bear Lake, Minnesota

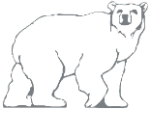
2022 Budget Highlights

- The 2022 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. S&P assigned its AA+ rating to the 2021 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 2022 Budget recommends General Fund expenditures of \$12,929,506. The General Fund expenditures are allocated to the major divisions as follows:

<u>Division</u>	<u>2022 Expenditures</u>
General Government	\$2,206,438
Public Safety	7,538,582
Public Works	3,052,001
General Services/Contingency	<u>132,485</u>
Total	<u>\$12,929,506</u>

- The tax levy for 2022 is \$8,080,000 and represents a \$710,000 increase above the 2021 tax levy.
- Residential taxable property valuation increased an average of 2.4% overall, compared to the 5.22% in 2020. The median value home changed from \$256,000 in 2020 to \$260,300 in 2021. The City share of the 2022 property tax levy on a median value home will be \$547.62.
- The budget funds initiatives to address environmental concerns regarding surface water run-off. Funding for projects involving the retention and infiltration of surface water allows pollutants to be contained or absorbed before the water reenters lakes and streams.
- The budget recommends modifications to the Enterprise Fund fee structures for Water, Sewer, Environmental Waste Removal, Ambulance, and Pioneer Manor to reestablish or maintain the individual fund's financial integrity.
- The City is in the midst of a project upgrading all residential and commercial water meters to a radio read model. The new technology improves the utility billing process, as the majority of meters are 20-30 years old.
- The City received \$1,413,839 of its total allocation of \$2,782,846 as part of the American Rescue Plan Act (ARPA) of federal funding in 2021 to assist communities in navigating the challenges related to the pandemic and replace lost public sector revenue to support government services.
- The budget adds two full-time Firefighter/Paramedic positions as part of a three-year plan to build a third 24/7 full-time crew to the Fire and Ambulance staffing structure. It also adds an Accounting Technician position to support the work of the Finance Department.
- Allocation of the Firefighter/Paramedic positions changes from 20% Fire / 80% Ambulance to 25/75 in 2022 in the effort to balance the budgets of each department while continuing to provide timely high quality service to those calling for service.
- The Capital Improvement Plan within the City's Financial Management Plan funds a major construction project to the Public Safety Facility adjacent to City Hall. The project adds a garage for all Police vehicles and completely renovates the Fire Department garage while improving offices/sleeping quarters for the full-time staff.
- The City expects to remain one of the lowest per capita tax levies statewide for communities with a population between 16,000 and 37,000.

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November 4, 2021

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 2021 and proposed 2022 annual budgets. This combined document contains information to provide the citizens of White Bear Lake, their elected officials, City staff and other interested parties, with information about the revenues and expenditures planned for municipal services and investments for the coming year. In addition to serving as a work plan, the budget document also incorporates departmental goals and measureable workload data. The budget assigns objective measures in these categories, which assist residents in determining whether the City is achieving its overall mission while providing a reasonable return on their tax investment. This budget addresses both short-term financial issues in the next year and the longer-term issues in the next 2-5 years. These issues include, but are not limited to, maintenance of municipal service levels that meet public expectations in consideration of the tax levy impact, current economic challenges due to the global pandemic, long range financial planning, capital improvement planning, and environmental protection activities.

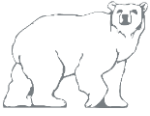
PRIORITIES, OPPORTUNITIES AND ISSUES

Serving the public during the COVID-19 pandemic definitely tested our organization. Though difficult, the challenges created opportunities to revisit our daily service delivery model, creatively adapt policies and practices to meet the needs of the community, incorporate more flexibility into our internal processes and expand technology use in our daily operations.

The 2022 Budget reflects the City's long-standing philosophy to promote a steady revenue stream in order to eliminate wide fluctuations, and provide transparency of financial operations. New Special Revenue and American Rescue Plan Aid Funds have been incorporated into this budget to account for the federal aid received to support economic relief as cities continue to navigate the pandemic related challenges.

Council/Manager:

The Council and Staff participated in numerous work sessions during 2021 to discuss long-term planning for capital and finances, economic development, in-depth reviews of the Fire, Ambulance and License Bureau operations, the Public Safety Facility project, lake level litigation updates, and other natural resource related projects. In addition to work sessions, key activities included work with the Welcoming and Inclusive Community Task Force and the Housing Policy Task Force; both initiatives involved extensive community outreach and engagement.



Plans for 2022 include but are not limited to final work for the Public Safety building project, planning for downtown street reconstruction and improvements, and further refinement of the long-range financial management plan.

Finance and Capital Planning:

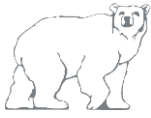
The City's fiscal condition continues to evolve, change, and adapt to economic realities. The City's fiscal status over an eleven-year period, beginning with the great recession, was one of revenue stagnation marked by market realities. While this period reflected overall declining revenues in local government aid and interest earnings, the City has been able to maintain high quality services and preserve critical infrastructure. The City addressed the financial challenges presented by the great recession through strategic utilization of fund balances/reserves to fund a portion of operations and infrastructure projects.

However, continued reliance on fund balance draw-downs without an increase in offsetting revenues was not sustainable and required that the City begin issuing municipal bonds to maintain the City's critical infrastructure and capital investments. While most metro area cities have historically relied on annual municipal bonding, this practice is relatively new for the City of White Bear Lake; consequently, there is a greater annual impact on the City's tax levy as bonds are issued without the offsetting benefit of retiring older bonds, which would otherwise cancel corresponding old debt service obligations. As demonstrated through the City's long-range financial management plan first presented to Council in 2017, alternative options to bonding for near term infrastructure projects are limited to either significantly reducing operations and services or revoking scheduled capital improvement projects and equipment purchases. Despite increased reliance on municipal bonding, City residents remain among the lowest taxed per capita when compared to cities our size throughout the state.

The City's fiscal policies have evolved over the last several years through the development of its long-range financial management plan. Long-range financial management planning combines financial forecasting with strategizing. This process has enabled the City to align its financial capacity with its long-term service and infrastructure objectives. Action taken this year by Council to increase the levy in support of operations embedded in the Construction Fund illustrates strategic application of the Long-range Financial Management Plan (FMP); it was a decision by Council to methodically increase the City's revenue structure to ensure future fund balance stability.

S&P Global Ratings supported the City's approach to financial planning when they affirmed the City's long-term debt rating of AA+ during the 2021 debt issuance process. Their report identifies the following key variables supporting their decision:

- Very strong economy, with access to a broad and diverse metropolitan statistical area
- Strong management, with good financial policies and practices under their Financial Management Assessment (FMA) methodology



- Strong budgetary performance
- Very strong budgetary flexibility
- Very strong financial liquidity
- Weak debt and contingent liability
- Strong institutional framework score

The City's financial future for 2022 and beyond is well positioned based upon the solid framework noted by S&P Global Ratings. Continued attention to maintenance of capital fund balances supported by secure revenue streams is critical. As outlined in the FMP, accelerated dedication of tax revenues to capital funds coupled with continued municipal bonding to assist with capital project financing will accomplish this objective.

Infrastructure:

In typical years, the City's annual pavement rehabilitation projects include both full reconstruction and mill and overlay projects as part of the City's pavement management program. Given the economic challenges due to the pandemic, the City did not undertake the 2021 street reconstruction projects scheduled in its Capital Improvement Program, but rather, focused its efforts on lower cost mill and overlay projects.

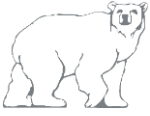
2021 pavement projects included the municipal parking lots at Matoska and Podvin Parks, as well as 2.72 miles of streets; 1.54 miles of mill and overlay, 1.12 miles of full pavement replacement and .06 miles of alley reconstruction in the following areas:

- Southwestern section on Elm Street, Fair Oaks Drive, Fair Oaks Court, and Savannah Avenue
- Central section on Lakehill Circle
- Northeastern section on Fifth Street, Sixth Street, and an alley
- Northern section on Birch Lake Avenue
- Northern section on Campanaro Lane, Garden Lane, Georgia Lane, and Woodcrest Road

More than 3.34 miles of streets were seal coated and over 8.9 miles of streets received crack sealing to prevent water from accelerating deterioration of the pavement. These pavement maintenance projects are critical to the preservation of the substantial investment made in reconstructing streets and must be timely to be most effective.

There has also been considerable inter-jurisdictional coordination of infrastructure planning efforts following passage of the White Bear Lake School District's facilities referendum in 2019 and in anticipation of a transit stop at 7th and Washington, all of which is in the area of a vibrant and expanding arts district. These planning efforts are significant and will continue into 2022-2023.

Finally, the City remains committed to the maintenance and development of its pedestrian and bicycle infrastructure. The long awaited So Shore Trail project will commence in 2022, adding another significant segment to the Lake Links Trail. The City and Township will also



continue their work in 2022 toward the development of design options for a trail on the north side of the lake along T.H. 96.

Facilities:

The City has invested over the years in a variety of energy-related improvements and furthered its commitment to these efforts in 2021 by contracting with Trane Technologies to perform an investment grade audit of the Sports Center and conduct a city wide lighting analysis. This work resulted in the identification of a variety of projects that together demonstrate a return on investment through energy savings over approximately nine (9) years. Work on these energy improvements will commence late 2021 and carry through 2022.

At its 2017 goal setting session, the City Council identified as a priority, replacement of North Station's fire apparatus bay and construction of a garage for indoor storage of patrol squads and administrative fire and police vehicles. In July, 2019 the Council authorized issuance of an RFP for consultant services to perform a related space needs study and site master plan, which was ultimately awarded to Wold Architects in October of that year.

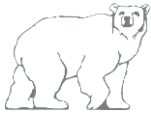
Wold presented its findings from the space needs study, along with a site master plan, early 2020. After considerable discussion of the project scope, funding options and tax impacts, the City Council unanimously approved a contract with Wold Architects in January 2021 to enter the design development phase of the project. The resulting plans were presented to the City Council at a work session in September of this year, and again at an October City Council meeting, at which the Council unanimously approved a resolution authorizing Wold to proceed with final design and preparation of construction bid documents. The project timeline estimates award of a construction contract in April, 2022, with total project costs estimated to be \$12.5 million. The state legislature will consider the City's request for partial funding of the project as part of its 2022 bonding bill, and the City intends to issue Capital Improvement Bonds for the remaining costs up to the total.

The City's ten-year Capital Improvement Plan contains other future improvements for city owned facilities; however, there are no additional large scale projects anticipated during this time period.

Economic Development & Redevelopment:

Many White Bear Lake businesses were critically impacted by the pandemic, most notably those in the hospitality industries. The City continued to connect with hospitality and retail businesses in 2021 to develop creative strategies to support their operations.

Considerable time and effort was also dedicated to the work of the City's Housing Policy Task Force, its Welcoming & Inclusive Community Initiative, and the Arts, Culture & Education Study. Findings and recommendations from each of these important initiatives will need to be considered and prioritized by Council in 2022. Additionally, the City will be launching its County Road E Corridor Study in 2022, funded in part through a Ramsey County grant.



Over the next several years, the City will continue its work with the Downtown commercial core to ensure it remains vibrant and relevant as “walkable urban places” become a preferred setting. The impending downtown street reconstruction project offers opportunities for additional parking and pedestrian related improvements. The City will engage in a comprehensive mobility study in 2022 to identify these opportunities, which will involve the active participation of downtown businesses and property owners.

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

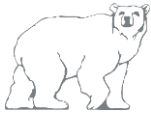
Technology:

The City continues to invest in technology to better serve our residents and enhance internal productivity. In recent years, the demand for public access to digital data and a general migration toward a paperless environment has led to the implementation of an electronic document management system (EDMS) through the purchase of Laserfische. EDMS is a collection of technologies that work together to provide a comprehensive solution for managing the creation, capture, indexing, storage, retrieval, and disposition of records and information. The City made significant progress in its efforts to electronically index all official records maintained by the City Clerk and the Accounts Payable records. Projects in 2021 focused on Human Resources documentation. The focus for the next 2-5 years is complete indexing the historical engineering, building and planning department records.

After implementing an electronic workflow system for the accounts payable process in 2020, the Finance Department implemented a new online payment solution providing customers with a complete, simple and secure electronic bill payment solution in 2021. Additional system benefits allow utility customers the option for paperless billing and electronic access to their previous bills.

The City participates in a local government consortium for finance, payroll, human resources and utility billing software. Involvement with this group provides the City an opportunity to utilize software systems it would not be able to buy on its own. Current systems have been in place since the early 2000's. The consortium is currently seeking responses to a Request for Proposal to replace all systems with a new Enterprise Resource Planning (ERP) software to manage the day to day business activities for the functions.

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



GIS into the Police and Fire Departments, and expand geographic capabilities over a wide range of City operations.

Public Safety:

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

The City Council supported a significant shift in the delivery model for fire and ambulance services through the approval of 12 full-time firefighter/paramedic positions in 2018. Initial analysis after completing approximately three full years under this new model demonstrates operational efficiencies and success in meeting the demands of increasing calls for service. The 2022 Budget includes funding for two additional full-time positions as part of a three-year plan to build a third crew to help cover duties.

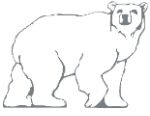
Faced with the limitations of ambulance service revenues due in part to Medicare collection limits and the expansion of patient deductibles, the City has begun migrating its personnel cost allocations between Fire and Ambulance toward a more sustainable split. The 2022 budget reflects a 25% Fire and 75% Ambulance personnel allocation, with plans to move toward a 40/60 allocation over the next few years.

WHAT GUIDES BUDGET DECISIONS

Budget development focuses on meeting resident requirements and expectations within realistic financial parameters. Two significant guides for the budget are the City's long-range Capital Improvement Plan (CIP) and the long-range financial management plan (FMP). The updated 2022 CIP was incorporated into the 2022 planning cycle for Council review.

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

- 1) A commitment to continue high quality services while maintaining operational costs within logical parameters.
- 2) Maintaining a competitive tax rate that is realistic in providing adequate resources to meet citizen's service expectations.
- 3) Application of a fiscal policy that defines the standards for the City's budget and financial management decisions.



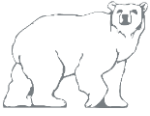
- 4) A comprehensive review of the condition of capital equipment to ensure that the most cost-effective replacement schedule is incorporated into the budget process.
- 5) A team approach that encourages interdepartmental planning to meet immediate and long-term operational, infrastructure and facility needs as well as creativity and innovation.
- 6) A lean financial management philosophy that supports the implementation of Council policies and recognizes the need to be responsive to changing community conditions while constantly seeking the least costly means of providing services.
- 7) An organization that is agile and able to respond quickly to changing conditions.

TAX LEVY

In accordance with the City Charter and State Statute, the City Council will adopt the 2022 budget and the 2021 tax levy collectible in 2022 on December 14, 2021. Staff prepared the budget based upon an \$8,070,000 tax levy, which will fund general operations and debt obligations. In addition to the funds supported by property taxes, the budget includes all other operating or capital funds presented as Special Revenue, Debt Service, Capital Project, Enterprise or Internal Service Funds.

The following funds utilize general property taxes:

- General Fund for general government operations and services.
- 2018A General Obligation Debt Service Fund for debt service related street improvements.
- 2018B General Obligation Tax Abatement Debt Service Fund for debt service on the Sport Center renovation / YMCA loan.
- 2019A General Obligation Debt Service Fund for debt service related street improvements.
- 2020A General Obligation Debt Service Fund for debt service related to street improvements and equipment purchases.
- 2021A General Obligation Debt Service Fund for debt service related to street improvements and equipment purchases
- Construction Fund for addressing the Emerald Ash Borer tree disease.



BUDGET FORMAT

As in past years, the 2022 Budget for each fund presents two years of historical activity; the adopted 2021 budget, revisions to the 2021 budget based on current revenue and expenditure estimates, and revenue estimates and proposed expectations for the coming year. The budget document is intended to provide information that will assist the reader in determining whether proposed expenditures will allow the City to meet service needs and expectations and the City Council's determination of the reasonableness of proposed expenditure and service levels.

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

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

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

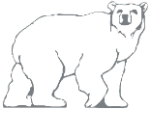
MEASUREABLE WORKLOAD

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

The City has maintained departmental goal development and measureable work load data for over twenty years. The 2022 budget generally reports actual 2019 and 2020 measureable workload results, 2021 workload estimates, and establishes goals for 2022. The budgets of each department detail the measurable workload data related to operations. This provides the City Council and residents a "snapshot" of how the departments are providing their recurring service levels. It is within this framework that the City reports the efficiency and effectiveness of its service delivery.

PURCHASING PROCEDURES

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



has been to receive City Council authorization for purchases that are greater than \$100,000 but less than \$175,000. Purchases over \$175,000 may only be approved by the City Council and require competitive bids. Purchases over \$5,000 occur only after multiple quotations are received and the lowest responsible price is selected.

ACKNOWLEDGEMENTS

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

In addition to the management team, special recognition is given to Assistant Finance Director, Jessica Saari, for the many hours spent developing, modifying, and incorporating readability improvements to the document. The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of White Bear Lake for its annual budget for the fiscal year beginning January 1, 2021.

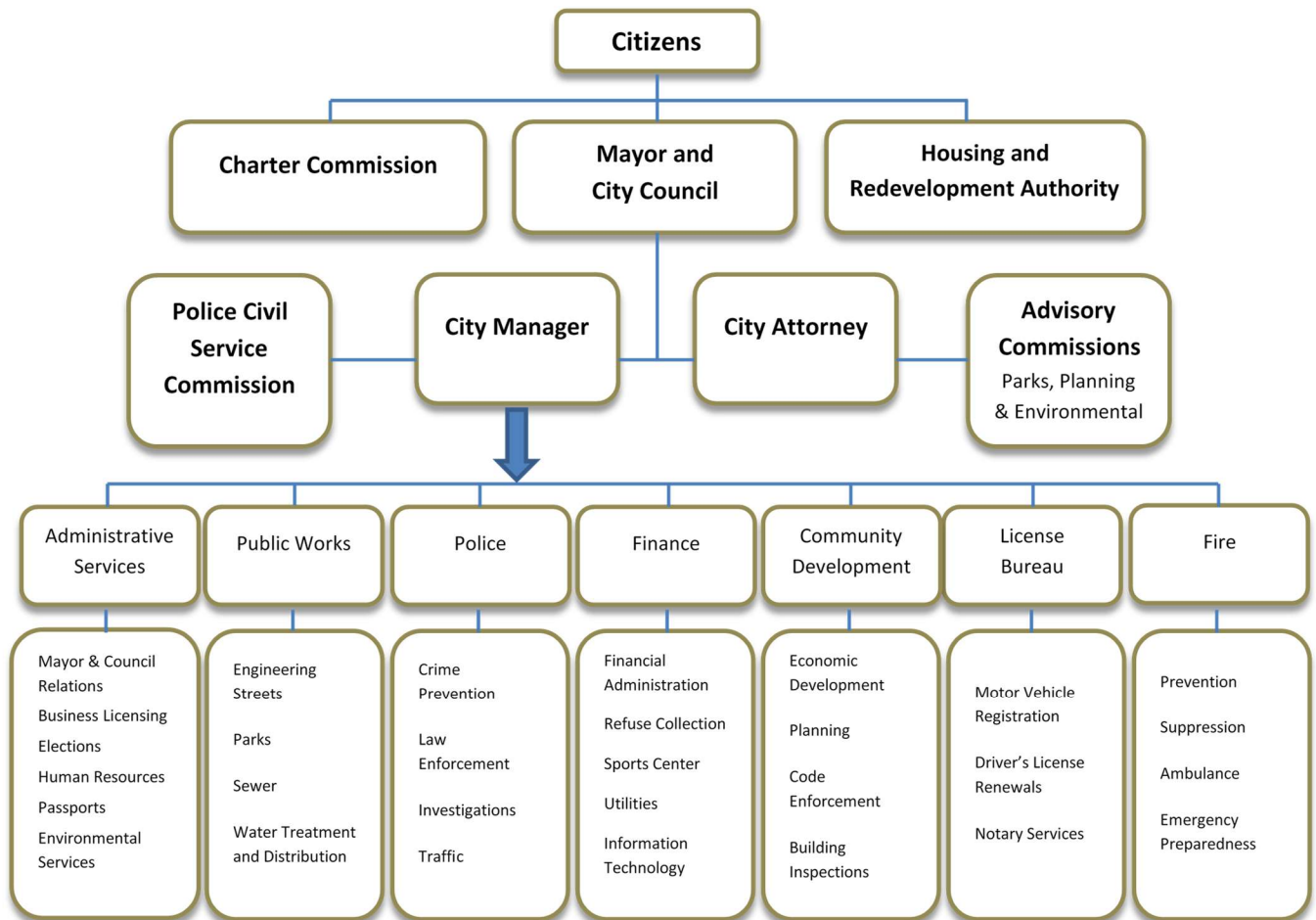
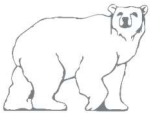
This was the 20th consecutive year the City has received this award, which is a reflection of the excellent work of those involved.

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

Respectfully submitted,

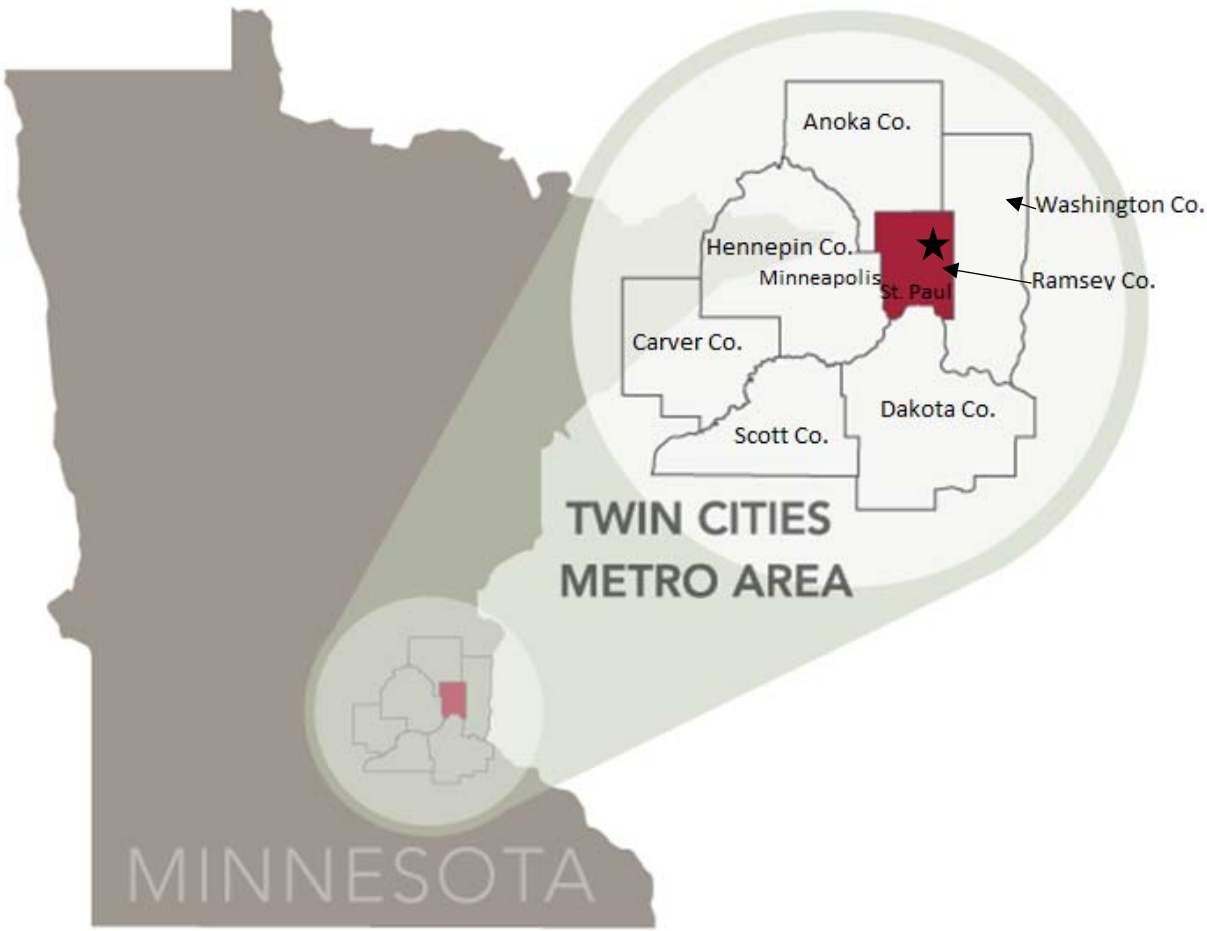
Ellen Hiniker
City Manager

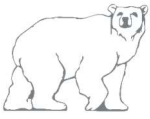
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City of White Bear Lake

Geographical Location





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

Historical Beginnings

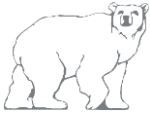
The earliest inhabitants of the White Bear Lake area were the Dakota and Ojibwa Indians who used it for their migratory hunting and harvesting grounds. The United States government designated the area as Dakota land in an 1825 treaty, but later purchased all Dakota Territory east of the Mississippi to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

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

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

Legend of White Bear Lake

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



This summarizes the budget process, City policies directly influencing budget development, accounting methodology, the basis of how each department's budget is developed, and the means to amend the budget.

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

Budget Process

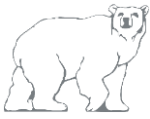
Section 5.03 through 5.09 of the White Bear Lake City Charter sets forth the requirements that the City Manager must prepare and submit an annual budget to the City Council. The City Council conducts two public meetings before adopting the budget. The first is a budget study session and the second is 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 Council adopts the proposed tax levy, the final tax levy can be decreased, but not increased, over the certified proposed tax levy.

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

- Each June, department supervisors receive access to documents containing two years of historical data, current year budget and year to date actual expenditure amounts. Supervisors use this information to create expenditure estimates for budget account for the remainder of the current fiscal year and for the next fiscal year.
- During this process, supervisors review programs and related performance measurements associated with each department to provide an analysis of each program, how it works towards achieving the department's performance measurements and goals, and the associated costs. The budget requests should include recommendations for the continuation of programs as they relate to performance indicators and departmental goals at their existing levels or at a new level with the additional costs or savings generated by program or service level changes.

The Finance Department reviews the submitted documents and works with the supervisors to develop an understanding of any new programs, personnel, and expenditure requests. This information is compared to the department's goals and objectives for the coming year.

- Department supervisors, Finance Department representatives and the City Manager meet to discuss departmental operations, goals, and the how department requests relate to the City's overall goals and objectives. The City Manager adjusts department expenditure 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 requiring property tax levy support.



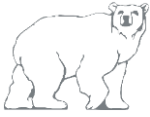
- The City Council will conduct a public hearing on the budget on December 14, 2021, before adopting the budget.
- The City Council will legally approve the budget at their regularly scheduled meeting on December 14, 2021.
- After the approval but prior to December 30th, the Finance Director submits the tax levy to the County Auditor.
- The City Council must approve any subsequent revisions to the budget that increases the total budgeted expenditures of any department for governmental type funds.

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

Budget Calendar

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

Date	Process
June 11th	Budget documents and current year activity reports distributed to departments.
June 14th - June 25th	Departments prepare budget requests and submit to Finance Director for review.
June 28th - July 30th	Departments discuss budget requests with Finance Director and City Manager.
September 9th	Finance Director and City Manager complete a preliminary budget.
September 28th	City Council adopts preliminary tax levy and establishes the Truth in Taxation hearing date.
September 29th	Finance Director certifies the preliminary levy and hearing date to Ramsey County.
September 6th - November 4th	Finance Director and City Manager prepare budget document for City.
November 5th	City Council receives proposed budget document.
December 14th	City Council holds its Truth in Taxation hearing.
December 14th	City Council adopts the tax levy collectible in 2022, the Revised 2021 Budget and the 2022 Budget.
December 28th	Finance Director submits the 2021 tax levy collectible in 2022 to State and County agencies.



Basis of Budgeting

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

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

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

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

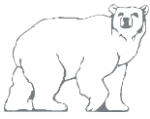
- Non-cash items, such as investment adjustments to market value, pension expense, and other post-employment benefit expense (OPEB) are not budgeted
- Capital outlay within the Enterprise Funds are recorded as assets in the CAFR but are expended in the budget
- Principal payments on long-term debt within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

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

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

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

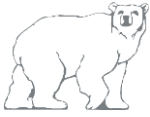
The following chart explains how the budgeted funds in this document relate to the financial reporting structure within the Annual Comprehensive Financial Report:



City of White Bear Lake, Minnesota Summary Information

Budget Fund Structure	Budget Fund Number	Fund Type	Financial Reporting	Financial Reporting Function*
General Fund	1000	Govt	Major	Allocated
Special Revenue Funds				
American Recovery Act	2020	Govt	Major	Allocated
Armory	2030	Govt	Non-Major	Parks
Surface Water Pollution Prevention	2040	Govt	Non-Major	Public Works
Marina	2050	Govt	Non-Major	Parks
Sports Center	5200	Govt	Non-Major	Parks
Forfeiture	2060	Govt	Non-Major	Public Safety
Economic Development	4240	Govt	Major	Development
Debt Service Funds				
Municipal Building	3020	Govt	Non-Major	Interest
Non-Bonded Special Assessment	3070	Govt	Major	Public Works
2003 Refunding Tax Increment Pioneer Manor	3040	Govt	Non-Major	Interest
2012 Special Assessment	3071	Govt	Non-Major	Interest
2016 Tax Increment Boat Works	3081	Govt	Non-Major	Interest
2018A General Obligation	3082	Govt	Non-Major	Interest
2018B General Obligation	3083	Govt	Non-Major	Interest
2019A General Obligation	3084	Govt	Non-Major	Interest
2020A General Obligation	3085	Govt	Non-Major	Interest
2021A General Obligation	3086	Govt	Non-Major	Interest
Capital Project Funds				
Equipment Acquisition	4100	Govt	Non-Major	Allocated
Municipal Building	4300	Govt	Major	Allocated
Park Improvement	4010	Govt	Non-Major	Parks
Water Improvement	4220	Govt	Non-Major	Public Works
Sewer Improvement	4200	Govt	Non-Major	Public Works
Construction	4400	Govt	Major	Public Works
Community Reinvestment	4770	Govt	Major	General
HRA Tax Increment	4600	Govt	Major	Development
Enterprise Funds				
Water	5010	Proprietary	Major	Water
Sewer	5050	Proprietary	Major	Sewer
Environmental Recycling/Water Disposal	5100	Proprietary	Major	Refuse
Ambulance	5250	Proprietary	Major	Ambulance
Pioneer Manor	5300	Proprietary	Non-Major	Pioneer Manor
License Bureau	5350	Proprietary	Non-Major	License Bureau
Internal Service Funds				
Insurance	6000	Proprietary	Non-Major	Allocated
Employment Expense	6200	Proprietary	Non-Major	Allocated

* Allocated - Expenditures are assigned to function categories based on their purpose:
 General, Development, Public Safety, Public Works, Parks, Water, Sewer, Refuse, Ambulance,
 Pioneer Manor, License Bureau



The City Manager and the Finance Department prepare estimates for the annual budget. The document is presented by fund and department and includes budgets for all funds and departments of the City. Each fund and department provides justification of its budget requests through a narrative which compares the requests to previous service levels and financial obligations at the departmental level.

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

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

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

The Fund Summary prepared for each fund includes a statement of anticipated revenues. The revenue statement of each fiscal year specifies the following items: Resources received 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:

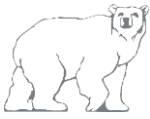
1. Legislative action; past and anticipated
2. Consultation with departments directly involved in raising certain revenues
3. Revenue history review
4. Economic trends
5. Current indexes; public and private sectors

The statement of expenditures for each budgeted fund and/or 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.

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:

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

Debt Management

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

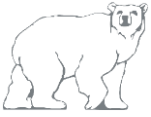
The Non-Bonded Debt Service Fund provides support to the Ambulance Fund in the 2019 and 2020 Budget to support the transitions to a cost share split with the Fire Department and a new combination-staffing model.

When the City finances capital projects through a bond issue, it will pay back the bonds within a period not to exceed the expected useful life of the project. The City will attempt to limit the long-term obligation on any project to no more than 20 years. The City will not incur long-term debt to support current operations.

The City issued bonds in 2021 to purchase a tandem axle dump truck, a loader, a multi-use truck for the Parks Department, the annual street improvement projects and residential water meters.

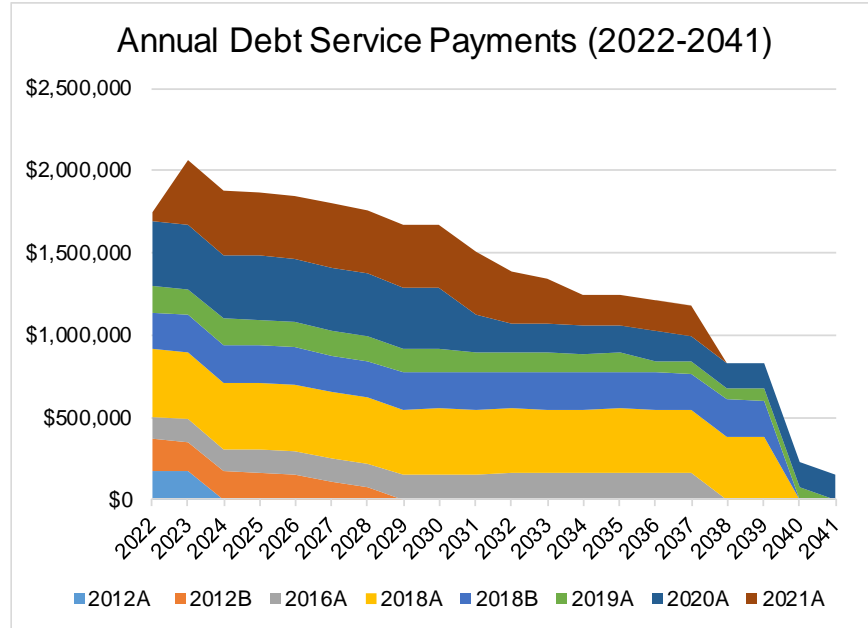
The City anticipates issuing debt obligations to finance the renovation of the Public Safety Facility and fund the annual street improvement projects in 2022.

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



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

The following graph illustrates the City's debt service principal and interest payments for all outstanding debt as of December 31, 2021.



Reserve Policy

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

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

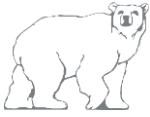
The reserve balance anticipated for December 31, 2021, reserves 44.98% of the proposed General Fund 2022 expenditures, which complies with the State Auditor guidelines.

Capital Project Funds, Water Fund and Sewer Fund all contain reserves to provide funding sources for future equipment or construction improvements.

The City remains in compliance with its reserves policy.

Fund Balance Policy

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



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

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

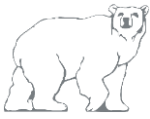
The City remains compliance with its fund balance policy.

Investment Policy

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

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

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

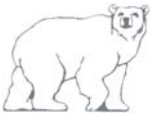


The City remains in compliance with its investment policy.

Public Involvement

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

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



City of White Bear Lake, Minnesota

Summary of Revenue Sources and Assumptions for all Funds

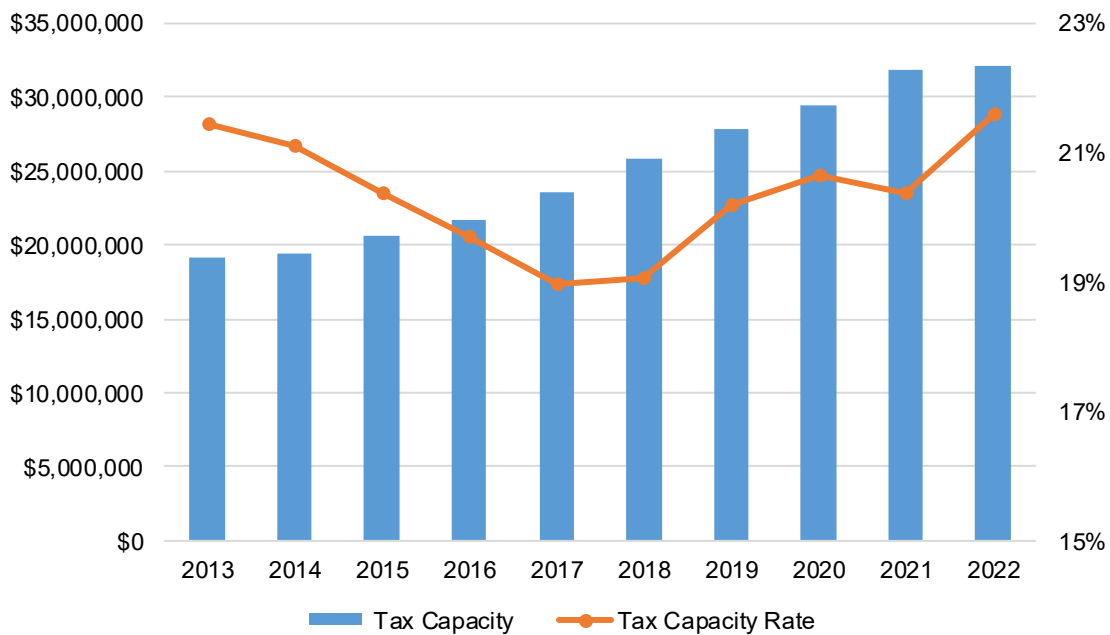
General Property Taxes – The General Fund, Construction Fund, and several Debt Service funds receive general property tax revenue per the 2021 Revised and 2022 Budget document. The tax levy uses by fund or fund type are listed below:

- General Fund – support governmental operations and services
- Debt Service Funds – pay annual debt service obligations
- Construction Fund – finance Emerald Ash Borer (EAB issues in trees on public property)

Allocation of the tax levy to properties begins with the County Assessor’s Office setting the taxable values for each property and making adjustments for the tax increment property valuations and contributions to the Fiscal Disparity Program to general the total net tax capacity value for the City. The City calculates its tax capacity rate by dividing the annual tax levy by the net tax capacity value received from the county. Finally, the City’s tax capacity rate is multiplied by the taxable value of each property to determine the property’s share of the tax levy.

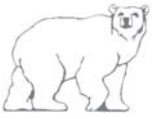
The City’s 2022 tax capacity rate is 22.216%, which is 1.86% higher than the 2021 rate. Even though the tax levy increases \$710,000 in 2022, the impact on the tax capacity rate is minimal since the property values used in the net tax capacity calculation increases \$187,822. The graph below demonstrates the relationship between the City’s tax capacity rate and the net tax capacity of the past 10 years. As you can see by the information, as the net tax capacity value increases, the tax capacity rate will typically decrease as the levy is distributed over a great base for the year. The information for 2018 through 2022 deviates from that norm as the levy increased at a percentage higher than the taxable values increased.

Tax Capacity and Tax Capacity Rate



Per information from Ramsey and Washington Counties, the overall market growth in White Bear Lake increased \$66.8 million or 2.2%. 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 2021 and into 2022.

The City’s residential housing market continues to expand with overall growth. The median market value home for the 2022 payable tax year is \$260,300, which is \$4,300 higher than the median market value



City of White Bear Lake, Minnesota

Summary of Revenue Sources and Assumptions for all Funds

home for the 2021 tax year. The 1.7% increase in the median value home is slightly lower than the average increase for residential property values, which is 2.4%. As illustrated below, White Bear Lake market values have increased at a lower rate than countywide values.

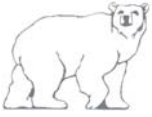
	WBL Properties % Increase in Values for Pay 2022	Ramsey County % Increase in Values for Pay 2022
Residential (SF)	2.4%	3.4%
Apartments	5.2%	5.7%
Commercial	.6%	.4%
Industrial	.9%	4.5%

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

1. The Homestead Market Valuation Exclusion will continue to decline in 2021 as the residential property values increase. For every \$10,000 in valuation increase above \$76,000, the taxable market value for a residential property increases \$9.
2. Commercial property continues to comprise the largest portion of the property tax burden since the taxable valuation percentage applied to market values of commercial/industrial properties is higher than the percentage for residential properties. Commercial/industrial properties have 2.0% applied to their market value over \$15,000, while residential properties apply 1.0% to the first \$500,000 of market value and 1.25% to any value over the \$500,000 limit. The vast majority of residential properties have a market value less than \$500,000 and use the 1.0% in calculating the taxable value. Residential property taxes increase as the commercial property values decrease because the residential properties would be responsible for a larger share of the total.
3. In general, property taxes for apartment complexes in White Bear Lake will increase as seen in the information above; however, newer facilities may experience a higher rate based on their specific circumstances. As the apartment complexes increase in value, the residential property taxes decrease as their segment of the City’s total value is lower.

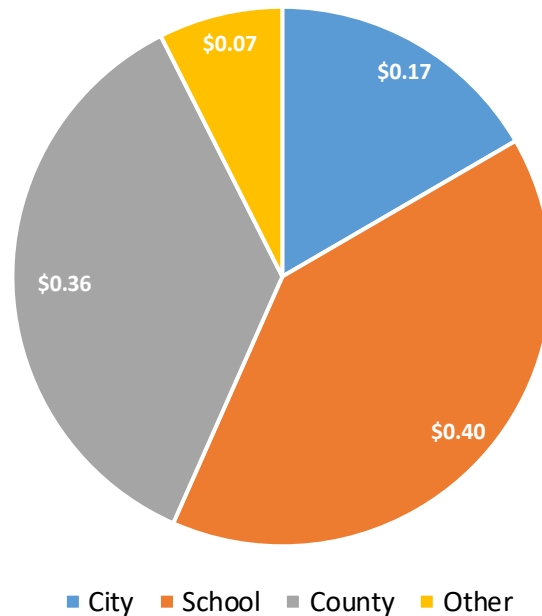
Since the onset of the COVID-19 pandemic, the City focused on the taxpayers’ ability to pay the property taxes when due and how to handle any shortages if the taxes were not paid on time. The City receives tax payments from the counties three times a year: July, December and a small amount in January as residents make payments before year-end. Collections paid to the City in July 2020, December 2020, and January 2021 were at levels consistent with previous years. This indicates that the economy has weathered through despite pandemic challenges and the government assistance programs have provided enough support to taxpayers. The City anticipates 2022 tax collections to remain consistent with previous years.

Several governmental entities assess taxes to properties. For every property tax dollar paid, \$0.17 is collected by the City of White Bear Lake. The remainder is then divided up among Ramsey and Washington Counties, Independent School District #624, and other agencies, which includes various watershed districts.



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

Where does your total tax dollar go?



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. The 2022 Budget bases tax increment revenue estimates on prior years' historical information and actual revenue receipts for 2021 as of August 2021.

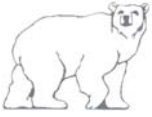
Tax increment revenue has fluctuated between \$450,000 to \$825,000 between 2005 and 2020. The budget estimates tax increment revenue \$594,763 for 2021 and \$593,000 for 2022.

- Tax Increment District 25 should remain stable for the district's duration, which the City anticipates decertification of the district in 2025.
- Tax Increment District 26 began in 2009 to facilitate the development of Hoffman Place Apartments. The City signed a developer agreement which pledged future tax increment receipts to pay a developer note with Sand Companies.
- 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.

Ehlers, Inc. is currently preparing a Tax Increment Financing Management Plan to analyze activity in each of the three districts and determine a financial plan for the increment received. The City has no plans to add any new districts in 2022.

Special Assessments - Revenue collected from property owners to pay for improvements benefiting certain properties. The 2022 budget uses actual collection rates in prior years to build the budget projections.

The City has levied between \$772,000 and \$1,650,000 annually in special assessments since 2005. The 2022 budget anticipates special assessment collections to be approximately \$864,000.



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

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

Annual electrical consumption continues to grow in our community, even though residents strive to conserve energy in their daily lives. In previous years, the City budgeted a 3.00% increase in this revenue source to account for growth, but the amount received often exceeds that estimate. The scenario changed in the 2019 franchise fee received in 2020 in part due to the Tax Cut Jobs Act tax reform. Since the City’s agreement with Xcel Energy is percentage-based, it can fluctuate because of the number of customers and their energy use during the different seasons and weather conditions during the year. The 2022 franchise fee payment was estimates a small 2.42% increase from 2021.

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

The 2022 fine revenue anticipates collections to match historical levels for county ticket fines relating to our jurisdiction, city administrative tickets, and the city share of state administrative tickets.

License/Permits – Revenues in this category fall into either a “business” or a “non-business” classification.

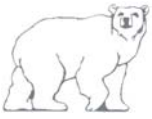
- Business Licenses – fee collected from certain businesses for authority to operate
 - Fee covers a portion of the administration costs to monitor business
 - Type of businesses include liquor sales, cigarette sales, entertainment devices, gambling-site operations, and residential property rentals
- Non-Business Licenses – fee collected to enforce construction activities
 - Collected at time of permit issue to cover inspection services
 - Depending on permit type, fees calculated either on project value or a flat fee
 - Redevelopment activity on blighted areas currently driving revenues in this category

Non-Business Licenses for building permit activities remain steady due to multiple redevelopment projects. The community passed the White Bear Lake Area School District’s \$326 million bond referendum in November 2019 to fund a multi-year improvement plan for additions and renovations to current buildings. The plan is both complex and comprehensive as it touches each of their buildings in some way. Passing of the referendum increases building permit activity throughout 2021 and into 2022. Currently, the Metropolitan Council is in the planning stages of a multi-year transit project that includes access to the White Bear Lake area. This plan interests developers looking to invest in housing and retail opportunities along the transit line and adjacent to stations.

An annual review of both the business licenses and the non-business licenses ensures the fees received cover the cost of the monitoring activities within each category. Due to the tremendous financial impact of the COVID-19 pandemic on the bar and restaurant establishments, the City Council passed a resolution to waive the 2021 on-sale liquor license fees. To account for the loss in revenue resulting from these waivers, the Economic Development Fund transferred \$87,100 of its COVID relief reserves to the General Fund. The pandemic did not deter or negatively affect developer interest in potential projects within the City.

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

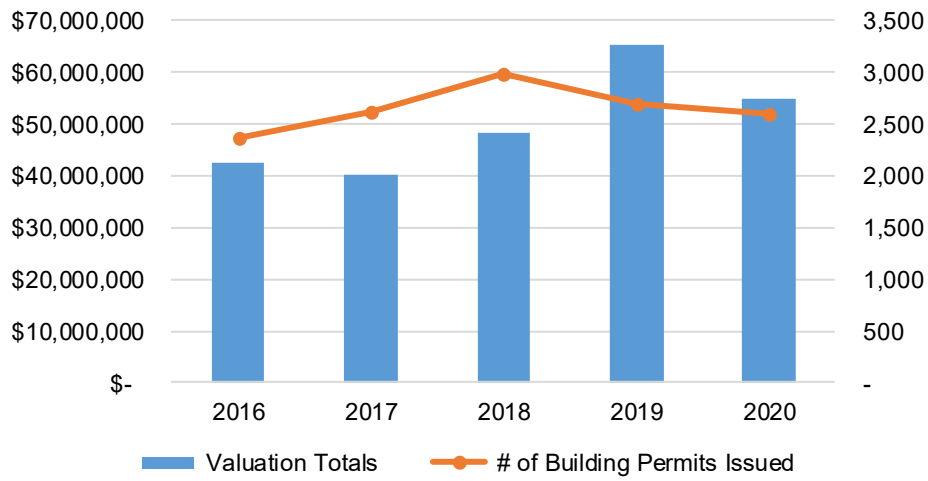
The graph below compares total building permit valuation to the number of building permits issued from 2016-2020. Valuation totals spiked in 2019 due to the redevelopment of several land parcels into a large market-rate apartment complex.



City of White Bear Lake, Minnesota

Summary of Revenue Sources and Assumptions for all Funds

Building Permit History

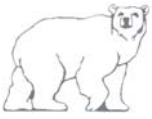


Intergovernmental – The State of Minnesota provides the City with a variety of shared revenue streams. The City records these revenues in the General Funds as many of these revenues relate to General Fund operations.

Of the funding sources in this category, the primary support received is the state Local Government Aid (LGA). The state created the LGA program to stabilize the local property taxes and ensure that quality basic city services are available in all Minnesota cities, regardless of population or property tax base. LGA has been an important part of the City’s budget throughout the years. The City received notice in 2020 that the 2021 allocation will decrease \$254,000. Though initially thought to be a one-time drop, further investigations reveals this might be the beginning of a shift in LGA funding to the City. Per information from the Minnesota Department of Revenue, White Bear Lake has an above average tax base growth that is coupled with a growing tax base per capita, which contrasts with many of the cities receiving LGA. In recent years, White Bear Lake’s unmet need calculated through the LGA formula went below the LGA amount and were it not for the 2019 legislative changes a reduction would have occurred in the City’s LGA distribution in 2020. The State capped the annual LGA reduction at \$10 per capita for pay year 2021. For pay year 2022, the City’s allocation decreased by \$258,000. However, the State approved supplemental LGA for cities whose allocation had dropped based on the formula to hold their 2021 LGA level for 2022. It is likely the City will experience a reduction in the LGA allocation for 2023.

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

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



City of White Bear Lake, Minnesota

Summary of Revenue Sources and Assumptions for all Funds

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 \$697,000 or 65% of its 2021 allotment to the Interim Construction Fund to assist in financing a portion of the 2021 street reconstruction project. Due to the COVID-19 pandemic and budget shortfalls, the State decreased the City's allotment by 8.5% in 2021. The State of Minnesota does not give final aid distribution amounts until January of the budget year, so the 2022 Budget estimates that the City's allotment will be consistent with 2021. The City chose to absorb the reduction in the Interim Construction Fund and maintain the funding level assigned to the General Fund at levels consistent with previous years.

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

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

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

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

The formula used to distribute the operation and capital expenditures for contracted services provided to other communities varies by service type.

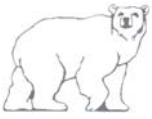
- Police – distribution based on population
- Fire – based on a combination of taxable property value and population
- Fire Inspection – based on a predefined percentage
- Building Inspection – based on percentage of building activity within the two communities

Construction activity estimates the receipt of inspection service charges from Mahtomedi of \$140,000 in both 2021 and 2022.

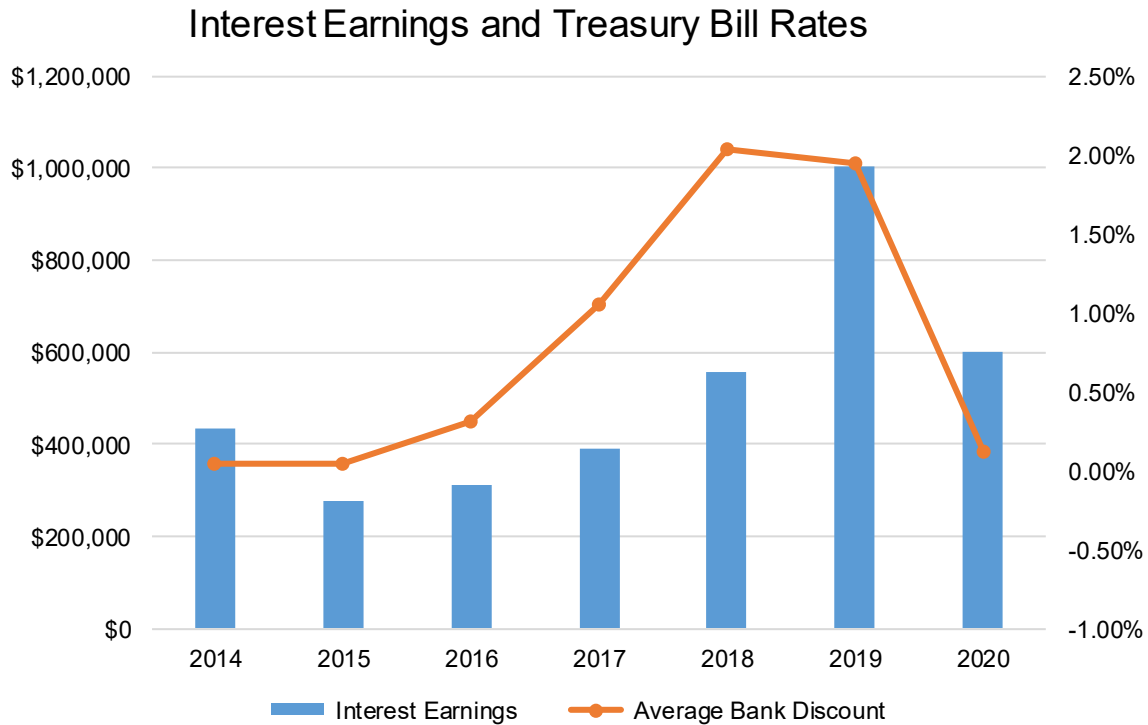
The City anticipates contract revenue from public safety and building inspection services to surrounding communities to increase proportionately based upon service delivery cost increases. Any fluctuation in building inspection fees relates to building permit activity within the communities. A detailed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

Interest Earnings – The City distributes investment earnings to each fund based on an average cash balance in the fund for the year. The City's interest revenue depends on available rates when making the investments and on available cash balances.

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

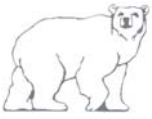


City of White Bear Lake, Minnesota Summary of Revenue Sources and Assumptions for all Funds



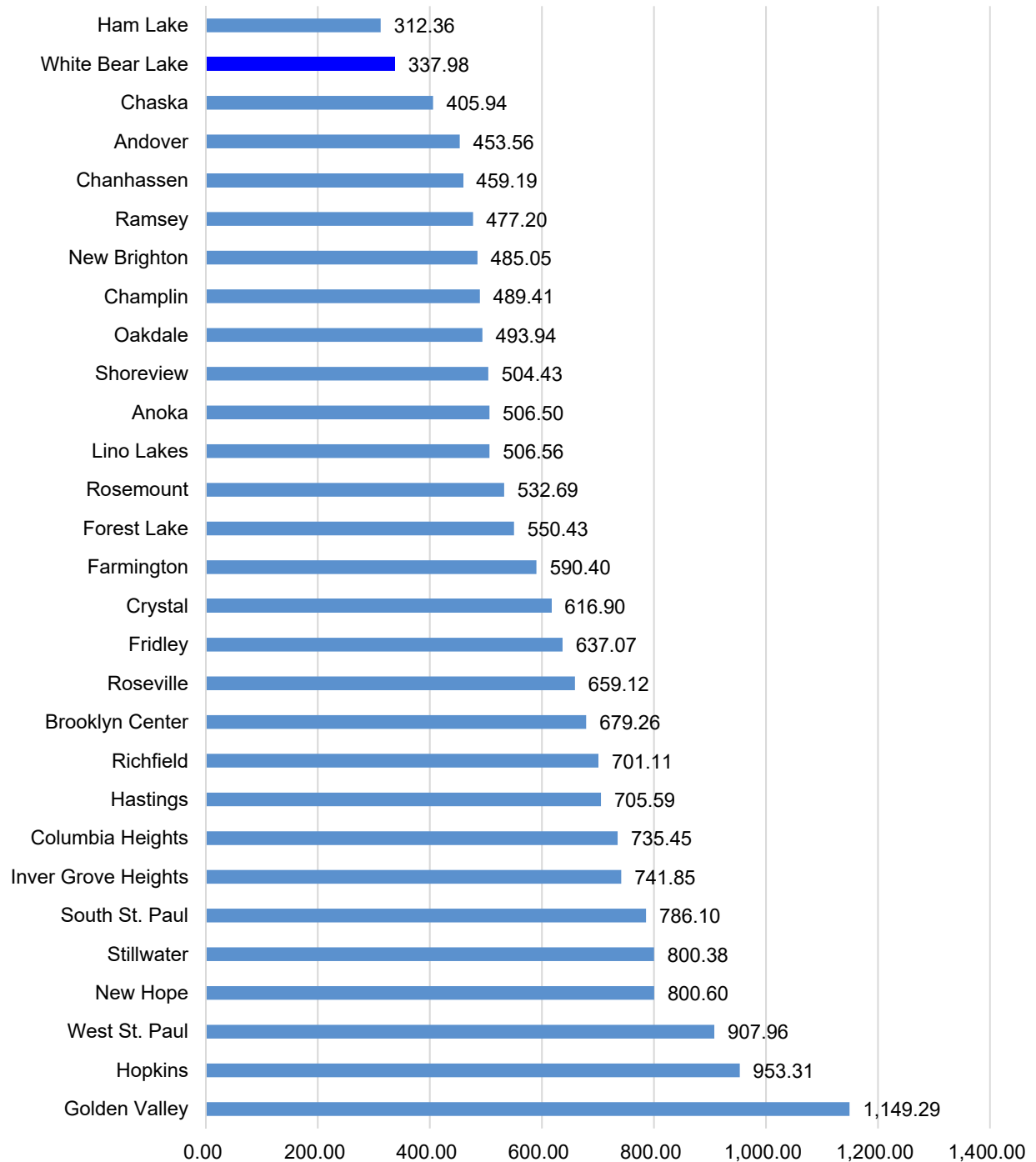
After experiencing increased interest earnings in recent years, the tide changed with the arrival of the COVID-19 pandemic in 2020. As of January 1, 2020, the 13-week Treasury bill rate was 1.51%. By March 2020, the 13-week Treasury bill rate dipped to a low of -0.05%. From January 2021 through October 2021, the rate has fluctuated between a low of 0.01% and a high of 0.09%. Given the lack of yield in the market across all investment types, coupled with the thin supply of Certificate of Deposits, the City conservatively estimated total interest earnings for both 2021 and 2022.

Other Revenues – This includes miscellaneous sources of revenue, which do not fit into any other categories. In the enterprise funds, they include the non-operating revenues of forfeited discounts, sale of scrap and surplus. The City does not budget for all of these revenues as they are not guaranteed each year; however, the expectation is actual revenues for 2021 and 2022 will remain consistent with previous year's experiences.



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

2021 Tax Levy and Local Government Aid per Capita for Metro Cities with a Population Between 16,000 - 37,000



**City of White Bear Lake
Tax Levy**

Annual Budget

Tax Levy Year	Total	General Levy	Debt Service			
			Municipal Facilities or Equipment Certificates	YMCA/Sports Center	Street Construction	Emerald Ash Borer
2012	\$ 4,755,000	\$ 4,557,000	\$ 66,000	\$ 132,000	\$ -	\$ -
2013	4,755,000	4,557,000	-	198,000	-	-
2014	4,845,000	4,779,000	-	66,000	-	-
2015	4,927,000	4,795,000	-	132,000	-	-
2016	5,173,000	5,041,000	-	132,000	-	-
2017	5,625,000	5,493,000	-	132,000	-	-
2018	6,345,000	5,993,000	-	132,000	220,000	-
2019	6,908,000	6,450,000	-	132,000	301,000	25,000
2020	7,370,000	6,653,000	152,000	132,000	408,000	25,000
2021	8,080,000	7,200,000	215,000	132,000	508,000	25,000

City of White Bear Lake
Property Tax Capacity Valuation & Rate

Annual Budget

Item	Property Value for Taxes Collectable in 2018	Property Value for Taxes Collectable in 2019	Property Value for Taxes Collectable in 2020	Property Value for Taxes Collectable in 2021	Property Value for Taxes Collectable in 2022
Total Estimated Market Value	<u>\$ 2,558,489,600</u>	<u>\$ 2,739,232,500</u>	<u>\$ 2,804,152,700</u>	<u>\$ 3,108,858,300</u>	<u>\$ 3,160,276,100</u>
Taxable Property Value					
Real estate	\$ 28,577,080	\$ 30,809,390	\$ 32,814,944	\$ 35,193,508	\$ 35,959,433
Personal property	622,593	659,373	616,990	691,896	467,548
Total property value	<u>29,199,673</u>	<u>31,468,763</u>	<u>33,431,934</u>	<u>35,885,404</u>	<u>36,426,981</u>
Tax increment project valuations	<u>(475,519)</u>	<u>(515,812)</u>	<u>(529,588)</u>	<u>(609,646)</u>	<u>(604,064)</u>
Subtotal - City	28,724,154	30,952,951	32,902,346	35,275,758	35,822,917
Fiscal disparity contribution	<u>(2,916,271)</u>	<u>(3,206,991)</u>	<u>(3,465,043)</u>	<u>(3,426,066)</u>	<u>(3,785,403)</u>
Net Tax Capacity Value	25,807,883	27,745,960	29,437,303	31,849,692	32,037,514
Fiscal disparity distribution	<u>3,725,181</u>	<u>3,966,912</u>	<u>4,137,333</u>	<u>4,299,572</u>	<u>4,728,004</u>
Total Tax Capacity	<u>\$ 29,533,064</u>	<u>\$ 31,712,872</u>	<u>\$ 33,574,636</u>	<u>\$ 36,149,264</u>	<u>\$ 36,765,518</u>
Tax Capacity Rate					
Levy	\$ 5,625,000	\$ 6,345,000	\$ 6,908,000	\$ 7,370,000	\$ 8,080,000
Fiscal disparity distribution levy	<u>(706,621)</u>	<u>(756,030)</u>	<u>(835,344)</u>	<u>(886,963)</u>	<u>(962,390)</u>
Net Levy	<u>4,918,379</u>	<u>5,588,970</u>	<u>6,072,656</u>	<u>6,483,037</u>	<u>7,117,610</u>
Divide by net tax capacity	<u>25,807,883</u>	<u>27,745,960</u>	<u>29,437,303</u>	<u>31,849,692</u>	<u>32,037,514</u>
Tax Capacity Rate	<u>19.058%</u>	<u>20.143%</u>	<u>20.629%</u>	<u>20.355%</u>	<u>22.216%</u>

City of White Bear Lake

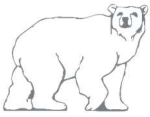
Annual Budget

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

Tax Levy Year	Total	City	School District	County	Other
2010	96.23	16.52	21.72	50.07	7.92
2010*	0.19	-	0.19	-	-
2011	103.26	17.71	22.52	54.68	8.36
2011*	0.24	-	0.24	-	-
2012	117.31	19.94	26.10	61.32	9.96
2012*	0.25	-	0.25	-	-
2013	125.34	21.45	28.56	65.14	10.19
2013*	0.26	-	0.26	-	-
2014	123.22	21.10	28.56	63.74	9.83
2014*	0.27	-	0.27	-	-
2015	115.13	20.37	26.66	58.92	9.18
2015*	0.24	-	0.24	-	-
2016	113.86	19.69	26.24	58.89	9.05
2016*	0.24	-	0.24	-	-
2017	106.85	18.97	23.48	55.85	8.56
2017*	0.23	-	0.23	-	-
2018	104.95	19.06	23.69	53.96	8.25
2018*	0.22	-	0.22	-	-
2019	107.42	20.19	26.08	52.88	8.27
2019*	0.23	-	0.23	-	-
2020	117.96	20.63	36.78	52.30	8.25
2020*	0.22	-	0.22	-	-
2021	113.00	20.36	37.07	47.76	7.82
2021*	0.18	-	-	-	-
2022	114.97	22.22	34.76	48.03	9.96
2022*	0.19	-	-	-	-

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

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City of White Bear Lake, Minnesota

How to Calculate Your Residential Property Taxes Payable

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

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

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

The chart below demonstrates how the estimated market value is used to calculate property taxes payable in 2022 for a residential homestead.

How to Calculate Your Residential Property Taxes Payable in 2022		
	Instructions:	Example:
Step 1: Determine Home Market Value	This is the estimated market value that the Assessor has assigned to the property. You can find this amount in the Valuation Notice sent out by Ramsey County for 2021 values for taxes payable in 2022.	\$250,000
Step 2: Calculate the Market Value Homestead	A. Maximum Exclusion: multiply the first \$76,000 of taxable market value by 40% B. Value over \$76,000: taxable market value less \$76,000 C. Benefit reduction amount: B x 9% D. Homestead exclusion amount: A - C*	A. \$76,000 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
Step 3: Calculate the Taxable Market Value	Subtract the homestead exclusion amount calculated in Step 2D (rounded to the nearest 100) from your home market value in Step 1	\$250,000 - \$14,740 = \$235,260 (rounded up to \$235,300)
Step 4: Calculate the Tax Capacity	Multiply the taxable market value calculated in Step 3 by the statutory class rates for residential homestead property: A. Multiply the first \$500,000 of taxable market value by 1.00% B. Multiply the remainder of the taxable market value by 1.25% C. A + B = total tax capacity	A. \$235,300 x 1.00% = \$2,353 B. \$0 x 1.25% = \$0 C. \$2,353 + 0 = \$2,353
Step 5: Calculate the Tax Capacity Tax	Multiply the tax capacity of the property calculated in Step 4 by the City's tax capacity rate. The total tax capacity rate in tax year 2022 for the City is 21.59%, as noted on the previous page.	\$2,353, x 21.59% = \$508.01
Residential Property Taxes Payable in 2022	This amount is the total residential property taxes payable in 2022 for the City of White Bear Lake. This does not include the property taxes payable to the School District, County, or other taxing entities.	\$508.01

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

**City of White Bear Lake
2022 Budget Summary**

**Annual Budget
All Funds**

Item	2020 Actual	2021 Actual	2021 Adopted	2021 Revised	2022 Budget
Revenues					
General property taxes	\$ 6,248,634	\$ 6,876,001	\$ 7,386,500	\$ 7,387,506	\$ 8,096,000
Tax increment	589,052	596,082	475,745	594,763	593,000
Special assessments	1,448,466	1,424,125	918,132	1,002,419	864,365
Licenses and permits	880,240	827,378	763,850	984,504	1,006,690
Franchise fees & fines	417,216	354,568	363,000	380,570	381,000
Intergovernmental	3,672,622	5,898,878	2,930,154	4,456,750	4,374,164
Charges for services	10,312,601	10,139,494	10,828,084	11,370,918	11,451,732
Interest on investments	759,096	524,217	317,081	388,066	372,068
Rental income	1,681,095	1,723,406	1,682,900	1,726,400	1,629,300
Loan repayments	565,337	336,232	72,500	319,000	72,500
Bond sale	2,089,335	4,842,715	5,395,000	4,398,686	16,669,000
Reimbursements	3,175,390	3,321,469	3,475,945	3,481,178	4,022,250
Miscellaneous	1,781,715	1,550,535	699,140	1,327,766	518,985
Total operating revenues	<u>33,620,799</u>	<u>38,415,100</u>	<u>35,308,031</u>	<u>37,818,526</u>	<u>50,051,054</u>
Transfers in	4,154,817	5,805,591	2,583,400	5,276,636	2,879,900
Total revenues	<u>37,775,616</u>	<u>44,220,691</u>	<u>37,891,431</u>	<u>43,095,162</u>	<u>52,930,954</u>
Expenditures					
Personnel services	15,178,601	15,660,051	16,704,353	16,558,707	18,111,334
Materials and supplies	1,063,277	1,658,182	1,250,396	1,262,020	1,311,918
Other services and charges	8,350,117	9,321,943	8,987,524	9,224,887	9,187,822
Capital outlay	6,152,047	6,555,036	10,160,981	8,602,666	23,725,494
Debt service	1,132,551	1,237,449	1,370,027	1,493,708	1,788,828
Total expenditures	<u>31,876,593</u>	<u>34,432,661</u>	<u>38,473,281</u>	<u>37,141,988</u>	<u>54,125,396</u>
Transfers out	5,754,817	5,805,591	2,491,900	5,295,136	2,901,400
Total expenditures and transfers out	<u>37,631,410</u>	<u>40,238,252</u>	<u>40,965,181</u>	<u>42,437,124</u>	<u>57,026,796</u>
Revenues over (under) expenditures	<u>144,206</u>	<u>3,982,439</u>	<u>(3,073,750)</u>	<u>658,038</u>	<u>(4,095,842)</u>
Reserve adjustment (to) from	<u>321,125</u>	<u>(884,175)</u>	<u>317,500</u>	<u>(199,642)</u>	<u>196,764</u>
Fund balance, January 1	<u>27,307,211</u>	<u>27,772,542</u>	<u>28,054,402</u>	<u>30,870,806</u>	<u>31,329,202</u>
Fund balance, December 31	<u>\$ 27,772,542</u>	<u>\$ 30,870,806</u>	<u>\$ 25,298,152</u>	<u>\$ 31,329,202</u>	<u>\$ 27,430,124</u>
Reserves	<u>4,319,125</u>	<u>5,815,810</u>	<u>5,524,679</u>	<u>5,635,599</u>	<u>5,735,599</u>
Total fund balance and reserves, December 31	<u>\$ 32,091,667</u>	<u>\$ 36,686,616</u>	<u>\$ 30,822,831</u>	<u>\$ 36,964,801</u>	<u>\$ 33,165,723</u>

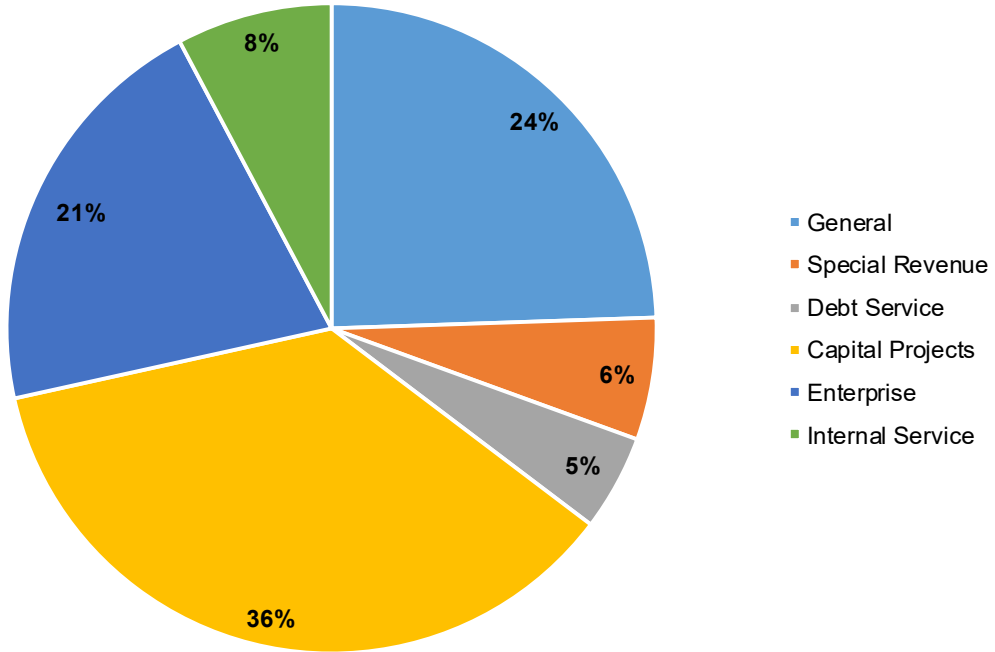
**City of White Bear Lake
2022 Budget Summary**

**Annual Budget
By Fund Type**

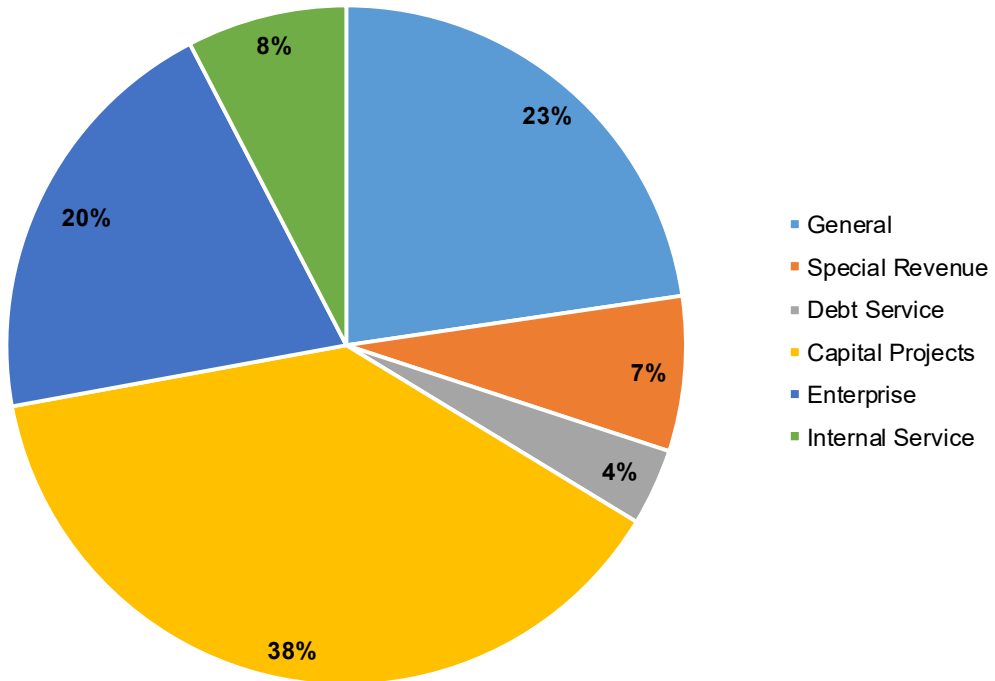
Fund Description	2019 Actual	2020 Actual	2021 Budget	2021 Revised	2022 Budget
Revenue					
General	\$ 11,983,883	\$ 13,763,872	\$ 12,142,468	\$ 12,500,672	\$ 12,947,906
Special Revenue	1,908,808	3,613,459	1,724,205	3,491,776	3,221,442
Debt Service	3,412,757	2,052,864	2,461,857	2,872,591	2,518,675
Capital Projects	6,265,333	8,151,374	5,346,829	7,103,240	19,179,668
Enterprise	10,292,109	12,298,999	12,457,697	13,099,626	10,960,963
Internal Service	3,912,726	4,340,123	3,758,375	4,027,257	4,102,300
Total revenue	<u>37,775,616</u>	<u>44,220,691</u>	<u>37,891,431</u>	<u>43,095,162</u>	<u>52,930,954</u>
Expenditures					
General	10,846,574	12,861,331	12,115,591	12,498,133	12,929,506
Special Revenue	2,545,482	2,858,740	2,124,614	3,493,170	4,205,594
Debt Service	3,769,037	1,907,581	1,917,497	2,202,682	2,083,019
Capital Projects	7,182,757	7,564,969	7,716,640	7,008,063	21,914,032
Enterprise	9,418,906	11,319,893	13,151,415	13,178,823	11,553,319
Internal Service	3,868,654	3,725,738	3,939,425	4,056,253	4,341,325
Total expenditures	<u>37,631,410</u>	<u>40,238,252</u>	<u>40,965,181</u>	<u>42,437,124</u>	<u>57,026,796</u>
Revenues over (under) expenditures	<u>144,206</u>	<u>3,982,439</u>	<u>(3,073,750)</u>	<u>658,038</u>	<u>(4,095,842)</u>
Reserve adjustment (to) from	<u>321,125</u>	<u>(884,175)</u>	<u>317,500</u>	<u>(199,642)</u>	<u>196,764</u>
Fund balance January 1	<u>27,307,211</u>	<u>27,772,542</u>	<u>28,054,402</u>	<u>30,870,806</u>	<u>31,329,202</u>
Fund balance December 31	<u>\$ 27,772,542</u>	<u>\$ 30,870,806</u>	<u>\$ 25,298,152</u>	<u>\$ 31,329,202</u>	<u>\$ 27,430,124</u>
Reserves	<u>4,319,125</u>	<u>5,815,810</u>	<u>5,524,679</u>	<u>5,635,599</u>	<u>5,735,599</u>
Total fund balance and reserves, December 31	<u>\$ 32,091,667</u>	<u>\$ 36,686,616</u>	<u>\$ 30,822,831</u>	<u>\$ 36,964,801</u>	<u>\$ 33,165,723</u>

2022 Budget by Fund Type

Total Revenues \$52,930,954



Total Expenditures \$57,026,796



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

**Annual Budget
Full-Time Equivalent Positions**

	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
General Fund					
General Government					
Legislative	6.50	6.50	6.50	6.50	6.50
Administration	2.50	2.50	2.50	2.50	2.50
Finance (1)	5.00	5.00	5.00	5.30	6.00
City Hall	2.00	2.00	2.00	2.00	2.00
Planning	3.00	3.00	3.00	3.00	3.00
Total General Government	<u>19.00</u>	<u>19.00</u>	<u>19.00</u>	<u>19.30</u>	<u>20.00</u>
Public Safety					
Police	35.65	36.95	36.95	38.50	38.50
Fire (2)	9.10	9.30	9.50	9.10	11.45
Building & Code	6.00	6.00	6.00	6.00	6.00
Total Public Safety	<u>50.75</u>	<u>52.25</u>	<u>52.45</u>	<u>53.60</u>	<u>55.95</u>
Public Works					
Engineering	6.00	5.00	5.50	4.50	5.00
Public Works Facility	0.90	0.90	0.90	0.90	0.90
Streets	4.00	4.00	4.00	4.00	4.00
Parks	6.00	5.00	5.00	5.00	5.00
Central Garage (3)	1.00	1.00	1.00	1.50	2.00
Total Public Works	<u>17.90</u>	<u>15.90</u>	<u>16.40</u>	<u>15.90</u>	<u>16.90</u>
Total General Fund	<u>87.65</u>	<u>87.15</u>	<u>87.85</u>	<u>88.80</u>	<u>92.85</u>
Special Revenue Funds					
Armory	0.35	0.35	0.35	0.35	0.35
Surface Water	0.50	0.50	1.00	1.00	1.00
Sports Center	4.15	4.10	4.20	4.22	4.22
Economic Development	1.50	1.15	1.15	1.15	1.15
Total Special Revenue Funds	<u>6.50</u>	<u>6.10</u>	<u>6.70</u>	<u>6.72</u>	<u>6.72</u>
Enterprise Funds					
Water Distribution	2.55	2.55	2.55	2.55	2.55
Water Treatment	2.15	2.15	2.15	2.15	2.15
Sewer	4.40	4.40	4.40	4.40	4.40
Ambulance (2)	31.90	32.70	33.50	31.90	31.55
Licensing (4)	12.80	9.20	8.60	9.50	9.90
Total Enterprise Funds	<u>53.80</u>	<u>51.00</u>	<u>51.20</u>	<u>50.50</u>	<u>50.55</u>
Total	<u>147.95</u>	<u>144.25</u>	<u>145.75</u>	<u>146.02</u>	<u>150.12</u>
Total Full Time Equivalents	76.45	112.25	112.75	115.02	119.12
Firefighters (Volunteer/Paid-on-call)	55.00	5.20	5.40	5.00	6.25
Ambulance support (Paid-on-call)	10.50	20.80	21.60	20.00	18.75
Mayor & Council	6.00	6.00	6.00	6.00	6.00
Total	<u>147.95</u>	<u>144.25</u>	<u>145.75</u>	<u>146.02</u>	<u>150.12</u>

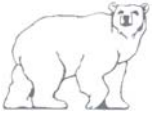
All positions are presented as full-time equivalent except for Mayor & Council which are part time and Firefighters (paid-on-call), and ambulance paid-on-call support who are considered volunteers.

(1) At the end of 2021, the Finance Department intends to hire a new Accounting Technician position.

(2) In 2022, the City intends to hire two new full-time positions as part of a three-year plan to build a third 24/7 full-time crew. Additionally, the budget is built with 20% of the associated staffing costs for Firefighter/Paramedic positions and the remaining 80% assigned to the Ambulance Fund since a significant portion of the calls are for emergency medical issues. In 2021, the City re-evaluated this split and determined it was not adequate to fund Ambulance operations. Given this information, the 2022 Budget is moving from the 20% and 80% split to a 25% and 75% split.

(3) After completing a comprehensive review of garage operations and out-sourced repair projects in recent years, the Public Works Departments chose to reorganize staff and utilize budget savings in the Parks Department to hire a second mechanic mid-year 2021.

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

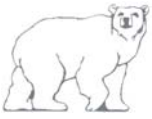


From February to May 2019, the White Bear Lake City Council and senior leadership team engaged in a strategic planning process. The process resulted in a strategic plan covering 2019-2022. The plan consists of six strategic priorities – the issues of greatest importance to the City over the three-year period. The planning effort began with an examination of the operating environment via a Strength, Weakness, Opportunity, and Threat (SWOT) analysis and a staff review of current conditions. On February 23, 2019, the City Council and senior leadership team held a strategic planning retreat. They developed a set of priorities, key outcomes and performance targets, and refined the City’s vision and mission. Based upon those priorities, the City’s senior staff met March 28, 2019 to identify a set of strategic initiatives and begin the process of developing detailed action steps.

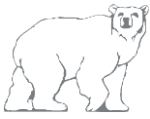
The 2019-2022 Strategic Plan is one of many strategic documents that were used as a guide in the preparation of the City’s annual budget. The Strategic Plan serves as a road map to prioritize the initiatives, resources, goals, and department operations and projects. The major themes (or strategic priorities) 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"> 1. Decrease reliance on taxes in General Fund 2. Clear picture of long-term financial position 3. Stable enterprise fund balances 	<ol style="list-style-type: none"> 1. Complete utility rate study 2. Develop the financial management plan 3. Evaluate fees and charges 4. Coordinate long-range financial planning with other taxing jurisdictions
Clear community vision	<ol style="list-style-type: none"> 1. City's strategic vision is aligned with citizen expectations 2. City's strategic vision is responsive to the needs of community stakeholders 3. Staff performance is aligned with the City's vision and values 	<ol style="list-style-type: none"> 1. Engage partners and outside stakeholders in development of Community Vision 2. Develop a communication and feedback system 3. Develop staff performance metrics around vision and values
Reliable, high quality infrastructure	<ol style="list-style-type: none"> 1. Improvement in water treatment/conveyance systems 2. Facilities that meet our needs 3. Completion of an asset management and funding plan by 12/31/2021 	<ol style="list-style-type: none"> 1. Complete space needs analysis 2. Conduct an inventory and condition study/review 3. Develop an asset management plan
Focused redevelopment	<ol style="list-style-type: none"> 1. A vibrant County Road E corridor 2. A housing stock that serves older and younger buyers 3. Be prepared for the Bus Rapid Transit services coming to the City (jobs, infrastructure, housing, parking, bus connections) 	<ol style="list-style-type: none"> 1. Complete comprehensive housing analysis 2. Facilitate targeted redevelopment along County Road E corridor 3. Explore community land bank opportunities 4. Examine neighborhood stabilization opportunities
Modern operating systems	<ol style="list-style-type: none"> 1. Improved technology efficiency in three areas: Geographic Information System (GIS), Police, and Fire 2. Increased response time targets 3. Broad and responsive community systems 	<ol style="list-style-type: none"> 1. Implement GIS 2. Draft a mobile technology strategy 3. Establish processing response time benchmarks and performance measurements 4. Conduct communications audit and develop strategies
Talented and engaged workforce	<ol style="list-style-type: none"> 1. Satisfied employees 2. Well-trained work force 3. Adequate staffing levels comparable to peer cities where appropriate 	<ol style="list-style-type: none"> 1. Conduct employee survey 2. Create performance standards 3. Strengthen annual performance review and goal setting process 4. Conduct staffing review using comparable cities 5. Establish annual staff development program 6. Develop employee engagement strategy



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

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

Items impacting the long-term financial management plan include:

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

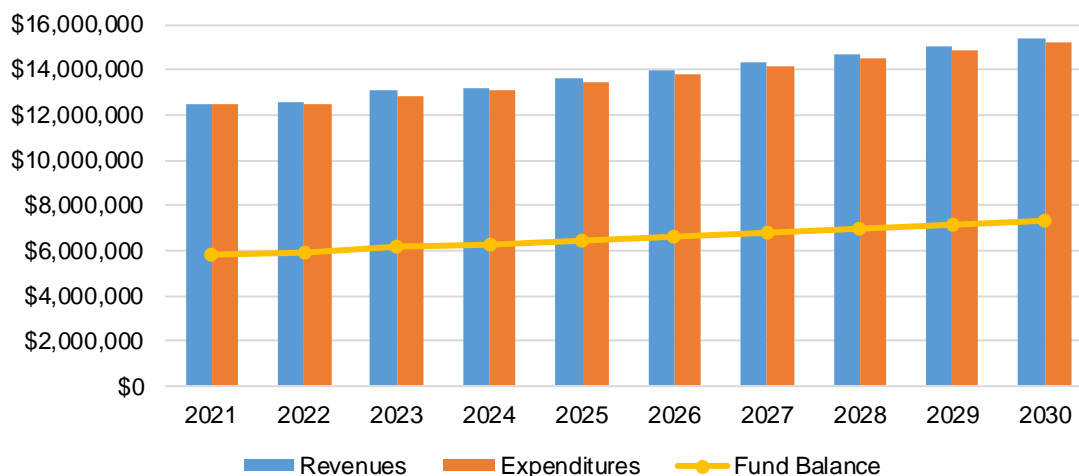
The plan also assumes that the population will remain stable at the current level over the next 10 years as the City is a primarily built-out community with few undeveloped sites left.

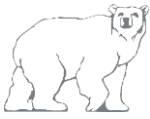
In the General Fund, annual expenditures are projected to increase by 2.5% per year, interest earnings are projected to increase by 1.5%, and all other non-property tax revenues are projected to increase by 2.0%. The annual property tax levy is calculated by taking the difference between the expenditures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

The General Fund Financial Management Plan includes an allocation of \$100,000 in 2022 to account for any additional staff that are hired during the year. This allocation increases by 2.5% each year of the plan.

Per information from the Minnesota Department of Revenue, the City has an above average tax base growth that is coupled with a growing tax base per capita, in contrast with many of the other cities receiving Local Government Aid (LGA). As the City's market value continues to increase, it reduces the eligibility to receive aid through this program. As a conservative measure, the City has begun preparing for the possible reduction of LGA by allocating a portion of the LGA to the Equipment Acquisition and Municipal Building Funds and moving the tax levies previously allocated to these two budgets to the General Fund to decrease its direct reliance on LGA for funding. The General Fund allocation of LGA decreases by 5% in each year of the financial management plan, which in turn increases the property tax levy.

General Fund





The Capital Project Funds in the Financial Management Plan are the Equipment Acquisition, Municipal Building, Park Improvement, Community Reinvestment, and Construction Funds. For each of these funds, annual operating expenditures are projected to increase by 2.5% per year, capital expenditures are projected to increase by 3.5%, interest earnings are projected to increase by 1.5%, and all other non-property tax revenues are projected to increase by 2.0%.

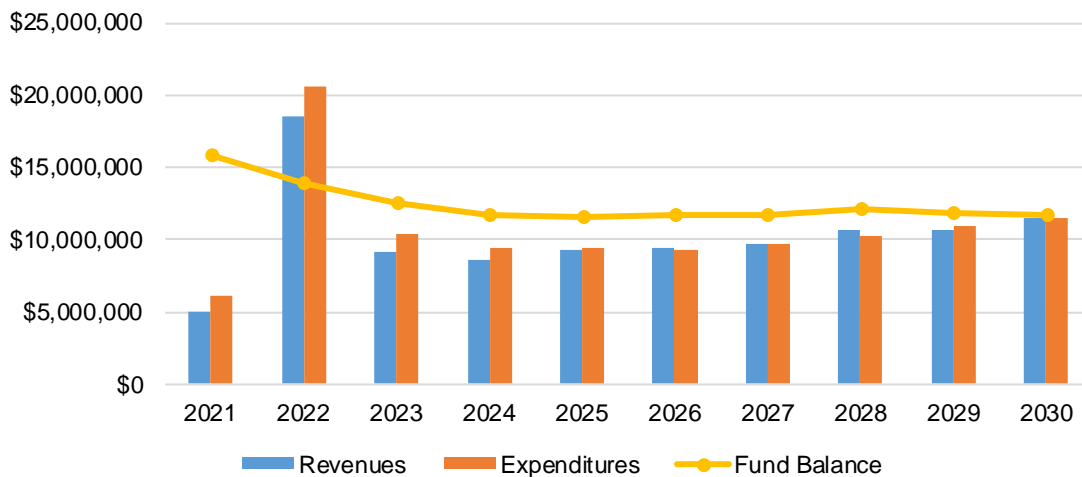
The large spike in 2022 occurs within the Municipal Building Fund, which expects approximately \$13,000,000 for an expansion to the Public Safety Facility. The City intends to bond for this project. The Municipal Building Fund begins receiving a property tax allocation in 2023 to fund the annual Public Safety Facility bond principal and interest payments, which also begin in 2023.

In order to support park improvement expenditures, the Park Improvement Fund will start receiving an annual transfer in from the Marina Fund in 2023, and in 2024, the Fund will begin levying for property taxes.

The Equipment Acquisition Fund begins levying for property taxes in 2024 to cover Equipment Certificate debt service payments and to build the fund balance.

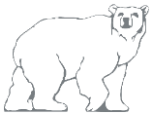
Currently, the Construction Fund only levies property taxes to manage the impacts of the Emerald Ash Borer tree disease. The Fund has previously received a transfer in from the License Bureau fund to help the annual street improvement project, but this transfer was eliminated in 2020 as the License Bureau no longer had the resources. As a result, the Fund continues reliance on property tax levies to fund the street improvement projects and annual debt service payments.

Capital Project Funds



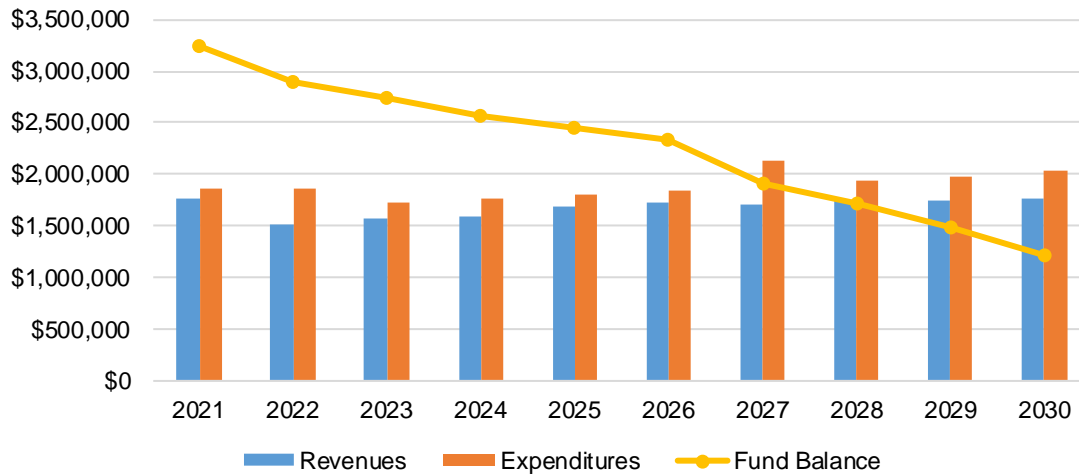
The Special Revenue Funds included in the Financial Management Plan are the Surface Water, Marina, Sports Center and Economic Development Funds. For each fund, capital expenditures are projected to increase by 3.5% each year, personnel expenditures are projected to increase 3.0%, operating expenditures are projected to increase by 2.5%, interest earnings are projected to increase by 1.5%, and all other non-property tax revenues are projected to increase by 2.0%.

The City currently does not levy property taxes for the Sports Center Fund, but beginning in 2023, the Financial Management Plan includes a levy to support operations. Similarly, the City currently does not levy property taxes in the Economic Development Fund, but is projected to do so beginning in 2025. The fund balance begins to decrease in 2022 due to a planned increase in economic development spending. As mentioned above, the Marina Fund will begin an annual transfer out in 2023 to help fund park improvement



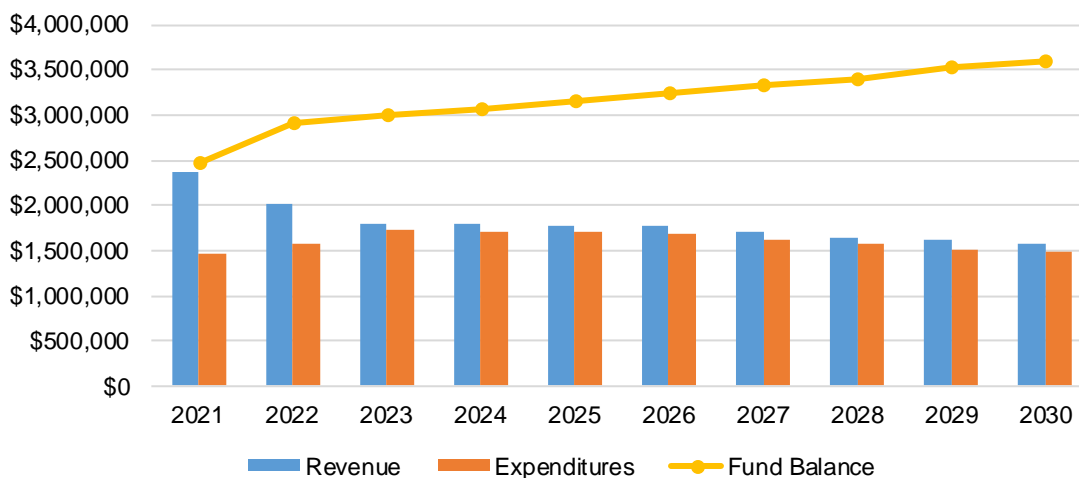
expenditures. Expenditures spike in 2027 due to the planned replacement of the Normandy Center Roof, which is included in the Capital Improvement Plan for the Economic Development Fund.

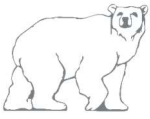
Special Revenue Funds



The Debt Service Funds included in the Financial Management Plan are the 2018A GO Bond, 2018B GO Tax Abatement Bond, 2019A GO Bond, 2020A GO Bond, 2021 GO Bond, and the Non-Bonded Special Assessments Funds. The fund balance goal in these funds is 105% of the next year's debt payment. Projected revenues include special assessments and property taxes. The Non-Bonded Special Assessments Fund also includes revenues related to a 20-year loan agreement the City entered into with the White Bear Lake Hockey Association to help cover their agreed portion of the Sports Center renovation. The majority of expenditures included the financial management plan for debt service funds are scheduled principal and interest payments.

Debt Service Funds





City of White Bear Lake, Minnesota 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 2021-2022 approved capital purchases are incorporated into the budget for all departments.

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

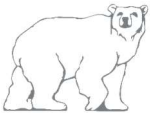
Departments evaluate the need for CIP projects and submit their proposed requests in February of each year. In late-February, the City Manager and Finance Director discuss the proposed requests with each department and prepare a draft CIP. In early-March, the City Council holds a CIP workshop, followed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

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

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

Reconciliation of Total CIP in the Budget to the CIP Document

2021-2022 total per the Capital Improvement Plan	\$	32,621,037
Total CIP in budget document:		
Ambulance Fund		250,000
American Rescue Plan Aid Fund		1,445,900
Economic Development Fund		192,700
Equipment Acquisition Fund		2,682,186
Interim Construction Fund		6,028,263
Municipal Building Fund		16,081,428
Park Improvement Fund		1,059,461
Pioneer Manor Fund		123,000
Surface Water Pollution Prevention Fund (Included in object 6560)		292,877
Sewer Fund		865,285
Water Fund		3,599,937
 Total	 \$	 32,621,037



Ambulance Fund (Business Unit 5252)

The department typically uses four ambulances in its operations, with two ambulances stored at each fire station. The department primarily functions with three units, using the fourth oldest unit when there are four simultaneous calls for service, or if one of the main units is out of service for maintenance. The City has a 10-year replacement schedule for ambulances. In line with this schedule, the City plans to replace one ambulance in 2022, 2024, 2028, and 2029. 2023 also includes a \$54,700 allocation for four Lucas Chest Compression Systems.

American Rescue Plan Aid Fund (Business Unit 2022)

The City's share of the American Rescue Plan Act (ARPA) relief package was \$2,738,015. The State of Minnesota distributed 50% of the total amount to the City in July 2021, with the remaining 50% to be distributed in the summer of 2022. The funds can be used through December 31, 2024. The City intends to expend \$1,795,000 of these funds on the following capital projects in 2022:

- City Hall - \$260,000 is budgeted for the replacement of City Hall's air handler and south-side exhaust well. An additional \$140,000 is budgeted for an office expansion. \$200,000 is allocated to relocate the License Bureau from City Hall to the Normandy Center to provide a workspace that is more efficient and allows for proper social distancing for staff and customers.
- Police - \$165,000 is budgeted for squad car replacements. \$55,000 is set aside for 800MHZ radios, squad laptops, and squad cameras.
- Fire - \$20,000 is budgeted for four 800MHZ radios.
- Public Works - \$125,000 is budgeted for a backup generator for the Public Works Facility, and \$230,000 is budgeted for the replacement of a single axle dump truck used by the Streets Department. The Water Treatment Plant intends to install security fencing, gates, and card readers for \$180,000, and the Water Well 3 rehab is budgeted for \$40,000.

Economic Development Fund (Business Unit 4242)

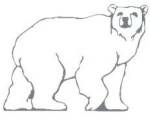
The City owns Normandy Center, which is home to a dance center, Comcast, Suburban Cable Channel, and the City's future License Bureau location. The CIP includes \$67,700 of funds set aside in 2021 for parking lot repairs, lighting improvements, and a roof safety railing. An additional \$200,000 is set aside in 2027 for the replacement of Normandy Center's roof.

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

Equipment Acquisition Fund (Business Units 4102-4119)

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

- **Building (4104)** – The Building department follows a 7-year replacement plan for its six vehicles. In 2021-2023, the department will replace three of its vehicles for a total of \$110,500. \$40,000 is budgeted for a vehicle each year from 2027-2030, which is in-line with the 7-year replacement plan.
- **City Hall (4102)** – Routine computer and office equipment replacements are budgeted at a total of \$530,000 over the next ten years. Computer licensing and server expenditures are budgeted at \$458,000 over the same time period. In 2021-2022, the City included \$40,000 for upgrades to Laserfiche, a business process automation, and document imaging software. The upgrade also includes creating a portal of documents that will be available to the public. The City budgeted \$19,200 in 2021 for a legal review and update to the City's existing codes. Approximately \$107,000 is allocated over the life of the plan for routine software subscriptions. \$10,000 is set aside in 2022 for City Hall's meeting room conference equipment and monitors.
- **Engineering (4105)** – The Engineering department budgeted \$35,000, \$45,000, and \$35,000 in 2021, 2023, and 2024, respectively, for the replacement of vehicles. An additional \$109,000 is set aside from 2021-2030 for maintenance of the City's communication towers. \$30,000 was earmarked in 2026 for new survey equipment.
- **Fire (4109)** – The replacement of three fire engines are the most significant requests in the Fire CIP for a total of \$1,125,000 over the ten years shown. \$200,000 is also budgeted in 2023 for the



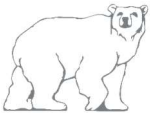
replacement of a fire squad and the fire boat. Approximately \$192,000 was budgeted over 2021-2030 for 800MHZ radios and exercise equipment. \$30,000 is budgeted in 2022 for the installation of an alarm system at Fire Station 2.

- **Parks (4107)** – The majority of CIP requests for the Parks department are for vehicle purchases or replacements. The Plan includes \$254,000 for the purchase water tanker truck and garbage/multi-use truck in 2021-2022, \$40,000 for the replacement of a sidewalk sweeper in 2022, \$55,000 for the replacement of a ¾ ton pickup with a plow in 2023, and \$155,000 for the replacement of another ¾ ton pickup with a plow and a 1.5 ton dump truck with a plow in 2024.
- **Police (4108)** – The Police department includes \$1,645,000 over the life of the CIP for police squad car replacements. The Police department rotates between replacing three squads and one administration vehicle one year and four squads the next year. \$25,000 is also budgeted in 2022 for a John Deere Gator. The remainder of the Police department CIP includes the replacement of computers and office equipment budgeted at \$92,000 for 2021-2030, body and squad cameras plus annual service fees budgeted for a total of \$467,000, and 800MHZ portable radios, squad laptop computers, tasers, and other miscellaneous equipment budgeted for a total of \$734,000.
- **City-wide Improvements (4116)** - \$270,000 has been earmarked in 2021-2030 for general security upgrades and improvements across the City. The City also set aside \$25,000 each year of the CIP for a general maintenance contingency.
- **Public Works (4118)** – The City allocated \$116,500 from 2022-2026 for a fuel management system, a four-post lift replacement, a floor scrubber, and other miscellaneous equipment. \$210,000 was set aside in 2027 for a gasoline pump station and fuel management interface. An additional \$250,000 was set aside in 2028 for a facility generator.
- **Sports Center (4119)** – The Sports Center CIP includes \$30,000 budgeted for a fiber optic connection in 2021. \$115,000 is also include for the replacement of a Zamboni in 2022. This would replace the current Zamboni, a 2002 Olympia Ice Resurfacer.
- **Streets (4106)** – The Streets department has budgeted for the replacement of several large vehicles and equipment over the next ten years, including three dump trucks, three loaders, a hotbox patcher, a street sweeper, and a trackless sidewalk plow. The department has also set aside funds for the replacement of other smaller vehicles and equipment including a ¾-ton pick-up truck, a paver unit, a Wildcat snow blower, a roller, a brine applicator, and several plows.

Construction Fund (Business Units 4402-4599)

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

- **General Expenditures** - The City maintains decorative streetlights for the downtown area, along Lake Avenue, and in the median of County Road 96. The CIP has allocated \$71,000 over 2022 and 2023 to replace aging street lights and implement the use of LED lighting to save energy and reduce monthly electrical costs. Another \$155,000 has been set aside in 2023 for decorative light pole painting and the Sports Center parking lot mill and overlay. The CIP also sets aside approximately \$506,100 over the life of the plan for retaining wall improvements/replacements at the City's parks.
- **Emerald Ash Borer** – The Emerald Ash Borer is an invasive beetle that is one of the most destructive and costly forest insects in urban forest history. Proper treatment and prevention can protect healthy ash trees. The Emerald Ash Borer program budgets \$55,000 in 2021 and 2022 for 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 \$963,000 has been budgeted for crack sealing over the life of the CIP. The plan allocates approximately \$2,765,000 for seal coating during the same time frame.
- **Pavement Rehabilitation Projects:**
 - **Mill and Overlay Improvements** – The Mill and Overlay Rehabilitation Program removes the

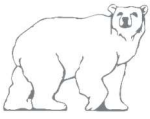


- top 2 inches of asphalt off the existing damaged road surface and then applies a new layer of asphalt, creating a smooth, even driving surface, which extends the overall life of the road. The City's plan provides for a mill and overlay process in the 20th – 25th year of the street's life cycle. Mill and overlay improves the condition of the City's streets, and is less expensive than street reconstruction. Miles of streets rehabilitated each year varies – as of 2021, 23%, or 21 miles, of streets have been completed city-wide since 2011. In 2021-2030, \$22,010,000 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 50th year in the street's life cycle. The city reconstructs approximately 2-3 miles of streets each year, prioritizing the streets selected for reconstruction based on a rating system (pavement condition, drainage problems, etc.), area, and special projects and/or requests of property owners. Over 80 miles, or 94%, of streets have been reconstructed since the 1980's. Approximately \$11,850,000 in reconstruction is planned in 2021-2030 through the Reconstruction Program.
 - **Miscellaneous Concrete Projects** – Approximately \$650,000 is earmarked over the life of the CIP for miscellaneous street and sidewalk concrete projects.
 - **Miscellaneous Street-Related Projects** – The CIP plans for \$2,473,000 in miscellaneous street-related projects from 2021-2030. Included in this allocation are various traffic signal projects, sidewalk/trail expansions, and median upgrades.

Municipal Building Fund (4304-4323)

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

- **Armory (4308)** – The White Bear Armory, constructed in 1922-23, currently operates as a multi-purpose rental facility for local non-profit groups, private parties and recreational activities. As the building ages, maintenance costs continue to rise. The CIP supports elevator upgrades of \$144,150 in 2021 and 2022 and HVAC rooftop unit replacement of \$60,000 and gym ceiling repairs of \$10,000 in 2023.
- **Boatworks Commons (4322)** – The Boatworks Commons area is a combination of a privately owned multi-family apartment building, multi-tenant retail building with a lakefront restaurant and publically owned community room facility, public art, restrooms, and a boardwalk. The onsite parking ramp also has split ownership. The plan includes a \$15,000 appropriation to sand and refinish the community room wood floors every 7 years, and a 2024 appropriation of \$20,000 for painting of the walls and ceilings for the publicly owned parking ramp level.
- **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:
 - \$132,000 in 2022 for elevator upgrade and waterproofing
 - \$60,000 for the first-floor restroom project in 2023 and \$59,000 for the second-floor restroom project in 2024
 - \$235,000 in 2024 for window replacements
 - \$65,000 in 2025 for attic fire suppression upgrade
- **Depot (4323)** – The Depot, originally built in 1935 and rehabilitated in the 1980s, offers office space for the White Bear Area Chamber of Commerce and features a display of railroad history by the White Bear Lake Area Historical Society. Its use remains the same today. In 2021, \$38,500 was set aside in the CIP for the caboose rehabilitation and windows, doors, chimney, and tuckpointing. \$30,000 is set aside in 2023 for a paver block walkway.
- **Fire Station 1 (4312)** – Fire Station 1 was built in 1959. In the CIP, the Fire department has budgeted \$2,500 in 2022 to paint walls and \$9,000 in 2024 for entrance door replacements.
- **Fire Station 2 (4314)** – Fire Station 2 was built in 1972. The more significant projects included within the CIP include:
 - 2021 – \$23,000 for a dumpster enclosure.

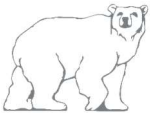


- 2022 – \$205,000 for a new roof, an LED lighting upgrade, and the removal of a diesel fuel tank
 - Operating Budget Impact – The annual cost savings of the lighting upgrades are expected to be \$2,190 and the simply payback is 11 years.
- 2023 – \$20,000 for training tower repairs
- 2024 – \$18,000 garage floor epoxy enhancements
- 2025 – \$29,000 for an exterior door and \$24,500 to paint the utility room, hose tower, main garage, and stairwells
- 2026 - \$55,000 for a privacy fence and retaining wall
- **Public Safety Facility (4310)** – The Public Safety Facility, built in 1996, houses the Police Station and main Fire Department offices. One of the improvements the Police and Fire Departments includes the additional of a police garage, replacement of the fire apparatus bay, and modification to the current building interior to better accommodate current police and fire operations. The project will extend to the two City owned properties directly across from the station and are currently utilizing one for surface parking. \$13,500,000 has been budgeted for the construction of a public safety facility in 2021-2022.
 - Operating Budget Impact – The design phase will have no impact on operations. Once constructed, it is estimated that the facility will have an additional 22,272 of useable square footage. Based on the current gas and electric cost per square foot in the existing facility, this will result in an estimated increase of \$32,400 in annual gas and electric costs. This increase will be partially offset by increases in efficiencies related to a new roof, a centralized HVAC digital control system that will increase energy efficiency, and new low voltage lighting controls that will provide occupancy control, dimming, daylight harvesting, and energy saving measures.
- **Public Works Facility (4316)** – The current Public Works Facility was constructed in 2010. Significant projects in the CIP include:
 - 2021 – \$35,100 to install exterior service doors and two water heaters
 - 2024 – \$28,000 for a camera update
 - 2025 – \$30,000 to wash and clean shop walls
 - 2026 – \$155,000 to seal concrete floors in the main garage
 - 2027 – \$150,000 for a canopy for the fuel island and the replacement of two boilers.
 - 2028 – \$95,000 for two HVAC rooftop units
 - 2029 – \$65,000 for the replacement of two boilers
 - 2030 – \$450,000 to replace the facility's roof
- **Sports Center (4320)** – The Sports Center was newly renovated in 2018. The CIP includes a budget of \$15,000 for commissioning of the newly reconstructed building in 2021. An additional \$116,000 is budgeted in 2021 for a fire suppression system, FOB access, new office doors and doors into the ice rink, and water heaters and venting for the resurfacer room. \$30,500 is allocated in 2022 for work on the racquetball area upper walls and a water heater for the racquetball end of the facility. \$70,000 is allocated in 2023 for upgrades to the conference room and waiting area and rubber flooring replacement.
- **Energy Performance (4324)** - \$1,556,344 is set aside in 2021 and 2022 for energy improvements.
 - Operating Budget Impact – A detailed investment grade energy performance audit was performed on the Sports Center and city-wide lighting. Energy conservation measure options that were determined through this audit included lighting upgrades, insulation, building envelope, controls upgrades, and mechanical upgrades. The annual cost savings of these five measures is estimated to be \$68,424 and the average simple payback is 8.7 years.

Park Improvement Fund (Business Unit 4012-4078)

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

- **Boatworks Park (4079)** – The Boatworks Park CIP includes \$80,000 in 2025 for new tables, chairs, and benches in outdoor common spaces.
- **Hidden Hollow Park (4024)** – \$90,000 is budgeted in 2025 for a new pavilion.
- **Lions Park (4036)** – Improvements for Lions Park in the CIP include \$130,000 for a shelter



replacement and \$130,000 for a restroom replacement, both of which were budgeted for in 2022.

- **Lakewood Hills (4033)** – The White Bear Lake Lion’s Club has generously donated \$300,000 to the City for an All Abilities Park. In 2021, the City budgets to expend \$243,000 of these funds to begin the construction of the playground. Residents have expressed a desire for a “fitness trail”, an outdoor route with exercise stations that provide a variety of strength building exercises that can be done in between walking or jogging along the trail. The CIP includes \$30,000 for the exercise stations in 2023. An additional \$83,000 is budgeted in 2023 for picnic table replacements, restroom upgrades, pavilion steps and apron, trail mileage marks, and other small maintenance items. \$225,000 is budgeted in 2024 to pave and connect trails. \$150,000 is budgeted in 2025 to upgrade the ballfield lighting to LED and to perform upgrades to the three ballfield shelters.
- **Matoska Park (4039)** – The Matoska Park CIP budgets a total of \$178,000 for restoration of the gazebo. \$150,000 of this project was funded by a generous local donor. \$50,000 is budgeted in 2022 for an entrance sign and exercise equipment.
- **McCarty Park (4042)** – \$90,000 is budgeted in 2029 for a picnic shelter.
- **Memorial Beach (4045)** – \$145,000 is budgeted in the CIP in 2021 to create more flat space, add additional picnic tables, and create a third path within the park.
- **General Parks (4012)** – The General Parks CIP accounts for general expenditures for all parks from 2021-2030 including Arbor Day plantings of \$90,000, playground equipment at \$100,000, tree trimming at \$100,000, and bench restoration at \$60,000.
- **Weyerhauser Park (4072)** – The CIP includes \$20,000 in 2021 to rebuild failing dugouts, \$75,000 in 2026 to install player benches and shelters and to upgrade the irrigation system, and \$80,000 in 2029 to replace the spectator stand concrete and continue the trail to the ballfield.

Pioneer Manor Fund (Business Unit 5302)

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

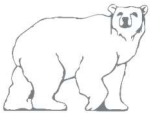
- 2021 – \$44,500 for new boiler units, an entry system, security cameras, and second and third floor common space carpeting
- 2022 – \$78,500 for an FOB access system, fire panel, garage air exchanger, and first floor corridor carpeting
- 2023 – \$35,500 for second and third floor corridor carpeting, a carpet extractor, and property management software
- 2024 – \$149,000 to paint the entry area, install new boiler units, upgrade the elevator, and replace common area lighting fixtures

Surface Water Pollution Prevention (Business Unit 2042)

The Surface Water Pollution Prevention Fund accounts for expenditures related to the City’s Municipal Separate Storm Sewer System (MS4) General Permit Requirements. The MS4 General Permit is designed to reduce the amount of sediment and pollution that enters surface and ground water from storm sewer systems to the maximum extent practicable. Through its MS4 General Permit, the City developed a stormwater pollution prevention program which has been incorporated into this CIP.

Significant expenditures included in the CIP include:

- East Goose Lake – The City will collaborate with Vadnais Lake Area Water Management Organization to implement the adaptive lake management programs and projects. \$565,000 is included for this program over the life of the CIP
- Wilkinson Lake – \$100,000 is budgeted for 2022-2023 for a phosphorus regional treatment project. The City will be partnering with multiple government agencies for this project.
- Alleys – \$200,000 is included in the CIP from 2022-2025 to address existing localized street flooding issues during the City’s planned street reconstruction projects
- Pond sediment dredging and testing – \$560,000 is budgeted between 2023-2027 to monitor sedimentation and implement pond cleanout and dredging, when needed
- Gisella Boulevard – \$100,000 is budgeted in 2027 to install a controlled outlet for the City-owned infiltration basin on Gisella Boulevard
- Treatment opportunities – The City budgeted \$2,100,000 over the life of the CIP to perform treatment in accordance with the MS4 General Permit’s best management practices during City



street and parking lot reconstruction

- Street sweeping equipment – \$250,000 is budgeted in 2029 to purchase a new street sweeper

Sewer Fund (Business Unit 5052)

The plan includes an allocation of \$125,000 each year from 2021-2025 for sewer lining projects, which installs a fiberglass liner to the pipe to add strength and integrity. The plan also includes \$40,000 per year for manhole lining projects in 2021-2025. 2022 includes an allocation of \$125,000 for a sanitary sewer extension on South Shore Boulevard and \$190,000 for an easement at Willow Avenue. The plan also allocates funds to repair and replace coating on several sewer lift stations that pump wastewater or sewage from a lower to higher elevation, at a total of \$150,000 from 2021-2025. \$300,000 is budgeted in 2027 for the replacement of the City's Vacon truck. Additional smaller items consist of sewer inspection cameras, a trailer mounted generator, a lift station generator, and the replacement of a ¾ ton pickup.

Water Fund (Business Units 5012 & 5013)

Significant Water Fund expenditures in the CIP include:

- 2021 – \$2,500,000 has been earmarked for water meter replacements. The project is paid for with a bond issuance. The CIP allocation also includes \$235,000 to replace a tandem axle tanker, \$50,000 for lagoon demo and cold storage construction, and \$80,000 to replace treatment plant and well doors
 - Operating Budget Impact – The City issued Utility Revenue bonds in the amount of \$2,465,000 in 2021. The bond proceeds will cover the purchase and installation the meters. The City will pay the principal and interest payment on the bond over a 15-year period water user fees. Currently, the City budgets \$63,000 each year to replace failing residential meters. It is expected that this annual expenditure will no longer be necessary as all meters will be new. Additionally, the City expects to save money on contracted meter reading services. Previously, the City has contracted with a company who reads the meters on a monthly basis. Many of the meters the City intends to replace require the reader to physically see the meter or even go into the resident's house to read the meter. The new meters will be radio read meters, which can be read from the reader's vehicle and are much less time consuming. The contract with the meter reading company is set to expire at the end of 2021, and the City will begin performing meter reads in-house. The City expects to save approximately \$71,500 per year due to this change.
- 2022 – The CIP supports \$165,000 to replace two ¾ ton pickups and \$400,000 for a water treatment slaker
- 2023 – \$58,000 is budgeted for Water Well #4 rehab, \$150,000 for Water Well #3 generator replacement, \$200,000 for the water lagoon cold storage construction, \$250,000 for the Water Treatment Plant backup generator, and \$300,000 for the Water Treatment Plant filter room rehab/painting
- 2024 – \$150,000 is budgeted for Well #4 generator replacement
- 2025 – The CIP includes \$100,000 for Well #3, 4, and 5 security card access
- 2026 – \$60,000 is budgeted for Water Well #1 rehab

City of White Bear Lake

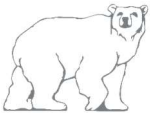
Annual Budget
Capital Improvement Plan

Business Unit	Funding Source	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Ambulance Fund											
5252	Mobile equipment	\$ -	\$ 250,000		\$ 250,000	\$ -	\$ -	\$ -	\$ 250,000	\$ 250,000	\$ -
5252	Equipment and technology	-	-	54,700	-	-	-	-	-	-	-
	Total Ambulance Fund	-	250,000	54,700	250,000	-	-	-	250,000	250,000	-
American Rescue Plan Aid Fund											
2022	City Hall	-	400,000	-	-	-	-	-	-	-	-
2022	Normandy Center	-	200,000	-	-	-	-	-	-	-	-
2022	Police	-	220,000	-	-	-	-	-	-	-	-
2022	Fire Department	-	20,000	-	-	-	-	-	-	-	-
2022	Public Works	-	605,900	-	-	-	-	-	-	-	-
	Total American Rescue Plain Aid Fund	-	1,445,900	-	-	-	-	-	-	-	-
Economic Development Fund											
4242	General	-	100,000	-	-	-	-	-	-	-	-
4247	Normandy Center	67,700	-	-	-	-	-	200,000	-	-	-
4248	Boatworks Commons	-	25,000	-	-	-	-	-	-	-	-
4250	Rental properties	-	-	-	-	-	-	-	-	-	-
	Total Economic Development Fund	67,700	125,000	-	-	-	-	200,000	-	-	-
Equipment Acquisition Fund											
4104	Building department	33,500	38,500	38,500	-	-	-	40,000	40,000	40,000	40,000
4102	City Hall	163,083	152,862	112,200	117,250	119,550	119,600	119,650	119,700	369,750	119,800
4105	Engineering	66,000	34,000	78,600	38,600	3,600	33,600	3,600	3,600	3,600	3,600
4109	Fire	449,300	39,527	920,000	20,000	20,000	20,000	20,000	145,000	20,000	20,000
4107	Parks	105,290	193,000	55,000	155,000	-	-	-	-	-	-
4108	Police	298,256	115,961	302,750	319,500	319,500	324,500	324,500	454,500	329,500	334,500
4116	General	60,000	111,075	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
4118	Public Works	-	39,000	19,500	48,000	-	10,000	210,000	-	-	-
4119	Sports Center	32,420	121,600	-	-	-	-	-	-	-	-
4106	Streets	333,017	295,795	227,000	405,000	-	180,000	-	-	50,000	180,000
	Total Equipment Acquisition Fund	1,540,866	1,141,320	1,803,550	1,153,350	512,650	737,700	767,750	812,800	862,850	747,900
Construction Fund											
4402	General expenditures	51,200	75,900	255,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
4491	Emerald ash borer	30,488	25,000	-	-	-	-	-	-	-	-
4404	Seal coating and crack sealing	262,675	375,000	375,000	375,000	375,000	375,000	375,000	375,000	375,000	375,000
	Street reconstruction projects	-	2,000,000	4,000,000	2,500,000	3,350,000	-	-	-	-	-
	Pavement Rehabilitation	-	-	-	-	-	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
	Mill and overlay projects	1,410,000	1,000,000	-	1,300,000	800,000	-	-	-	-	-
	Miscellaneous concrete projects	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000
	Miscellaneous street related projects	-	668,000	675,000	405,000	475,000	50,000	50,000	50,000	50,000	50,000
	Total Interim Construction Fund	1,819,363	4,208,900	5,370,000	4,695,000	5,115,000	4,040,000	4,040,000	4,040,000	4,040,000	4,040,000
Municipal Building Fund											
4308	Armory	19,150	125,000	70,000	-	-	-	-	-	-	-
4322	Boatworks Commons	5,000	-	-	20,000	5,000	-	-	10,000	-	-
4304	City Hall	68,810	160,900	142,000	331,100	107,000	27,100	27,200	27,300	27,400	27,500
4323	Depot	38,520	9,500	30,000	-	-	-	-	-	-	-
4312	Fire Station 1	-	2,500	-	9,000	-	-	-	-	-	-
4314	Fire Station 2	42,180	186,473	24,373	18,973	54,573	62,673	1,273	1,373	1,473	1,573
4310	Public Safety Facility	546,160	13,117,500	23,625	12,725	23,400	2,400	2,500	6,600	2,700	2,800
4316	Public Works Facility	41,100	336	6,936	28,536	30,636	155,736	150,836	95,936	66,036	451,136
4320	Sports Center	116,455	20,500	70,000	-	-	-	-	-	-	-
4321	City-wide	-	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
4324	Energy Performance	540,952	1,015,392	-	-	-	-	-	-	-	-
	Total Municipal Building Fund	1,418,327	14,663,101	391,934	445,334	245,609	272,909	206,809	166,209	122,609	508,009

City of White Bear Lake

Annual Budget
Capital Improvement Plan

Business Unit	Funding Source	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Park Improvement Fund											
4079	Boatworks Park	3,700	3,700	3,700	3,700	82,700	3,700	3,700	3,700	3,700	3,700
4012	Downtown	9,000	11,000	-	-	-	-	-	-	-	-
4021	Ebba Park	3,500	4,300	-	-	-	-	-	-	-	-
4024	Hidden Hollow Park	2,000	32,000	-	2,000	100,000	-	2,000	-	2,000	-
4030	Lakeview Park	-	-	-	5,500	-	-	-	-	-	-
4033	Lakewood Hills	-	255,936	113,000	228,500	154,000	-	-	-	-	-
4036	Lions Park	1,200	261,200	1,200	-	-	35,000	-	-	-	-
4039	Matoska Park	178,000	-	54,500	-	-	10,000	-	-	-	-
4042	McCarty Park	-	-	-	-	-	-	-	-	93,300	-
4045	Memorial Beach	149,525	10,000	-	-	-	-	-	-	-	-
4012	General parks	55,000	43,000	43,000	43,000	43,000	43,000	43,000	43,000	43,000	43,000
4048	Podvin Park	-	8,700	16,200	3,100	-	25,000	-	-	8,000	-
4051	Railroad Park	1,500	-	12,000	-	-	-	-	-	-	-
4054	Ramaley Park	-	-	20,800	-	-	-	-	-	-	-
4057	Rotary Nature Preserve	-	-	13,000	-	-	-	-	-	55,000	-
4060	Spruce Park	-	-	9,600	-	-	9,000	-	-	-	-
4063	Stellmacher Park	-	-	-	7,200	-	15,000	-	-	-	-
4066	Veteran's Memorial Park	-	-	5,000	-	-	-	-	-	-	-
4069	West Park	6,200	-	9,700	-	-	-	-	-	-	-
4072	Weyerhauser Park	20,000	-	-	-	-	75,000	-	-	80,000	-
4078	Yost Park	-	-	-	5,000	-	-	-	-	-	-
	Total Park Improvement Fund	<u>429,625</u>	<u>629,836</u>	<u>301,700</u>	<u>298,000</u>	<u>379,700</u>	<u>215,700</u>	<u>48,700</u>	<u>46,700</u>	<u>285,000</u>	<u>46,700</u>
Pioneer Manor Fund											
5302	Building upgrades	44,500	78,500	30,500	149,000	5,000	-	14,000	-	-	-
5302	Software	-	-	5,000	-	-	-	-	-	-	-
	Total Pioneer Manor Fund	<u>44,500</u>	<u>78,500</u>	<u>35,500</u>	<u>149,000</u>	<u>5,000</u>	<u>-</u>	<u>14,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Surface Water Pollution Prevention											
2042	Surface water projects/management	117,877	175,000	570,000	365,000	590,000	510,000	600,000	495,000	765,000	540,000
	Total Surface Water Fund	<u>117,877</u>	<u>175,000</u>	<u>570,000</u>	<u>365,000</u>	<u>590,000</u>	<u>510,000</u>	<u>600,000</u>	<u>495,000</u>	<u>765,000</u>	<u>540,000</u>
Sewer Fund											
5052	Equipment and technology	89,785	12,000	-	-	75,000	-	-	-	-	-
5052	Mobile equipment	-	-	80,000	-	-	-	300,000	-	-	-
5052	Sanitary sewer projects	175,000	480,000	165,000	165,000	165,000	-	-	-	-	-
5052	Lift station improvements	30,000	78,500	32,500	45,000	30,000	-	-	-	-	-
	Total Sewer Fund	<u>294,785</u>	<u>570,500</u>	<u>277,500</u>	<u>210,000</u>	<u>270,000</u>	<u>-</u>	<u>300,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Water Fund											
5012/5013	Equipment and technology	2,501,200	413,437	400,000	150,000	-	-	-	-	-	-
5012/5013	Mobile equipment	235,000	165,000	-	-	-	-	-	-	-	-
5012/5013	Building improvements	197,000	12,000	500,000	34,000	67,000	7,500	15,000	-	-	-
5012/5013	Pump improvements	54,300	20,000	58,000	44,000	100,000	60,000	40,000	40,000	40,000	-
5012/5013	Other improvements	-	2,000	-	25,000	-	500,000	-	-	-	-
	Total Water Fund	<u>2,987,500</u>	<u>612,437</u>	<u>958,000</u>	<u>253,000</u>	<u>167,000</u>	<u>567,500</u>	<u>55,000</u>	<u>40,000</u>	<u>40,000</u>	<u>-</u>
	Total	<u>\$ 8,720,543</u>	<u>\$ 23,900,494</u>	<u>\$ 9,762,884</u>	<u>\$ 7,818,684</u>	<u>\$ 7,284,959</u>	<u>\$ 6,343,809</u>	<u>\$ 6,232,259</u>	<u>\$ 5,850,709</u>	<u>\$ 6,365,459</u>	<u>\$ 5,882,609</u>



City of White Bear Lake, Minnesota Debt Summary

General Obligation Debt

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

As of December 31, 2021, the long-term bonded debt of the City consisted of the following:

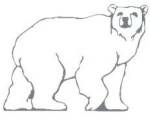
	Interest Rate	Issue Date	Final Maturity	Original Issue	Principal Outstanding
Governmental activities					
G.O. Tax Increment Refunding Bonds, Series 2012A	2.00%	4/3/2012	2/1/2023	\$ 2,650,000	\$ 340,000
G.O. Improvement Bonds, Series 2012B	0.40-2.00%	12/19/2012	2/1/2028	2,555,000	975,000
G.O. Tax Increment Revenue Bonds, Series 2016A	2.00-3.00%	3/10/2016	2/1/2037	2,275,000	1,965,000
G.O. Bonds, Series 2018A	3.00-4.00%	6/14/2018	2/1/2039	5,850,000	5,390,000
G.O. Tax Abatement Bonds, Series 2018B	3.00-3.38%	6/14/2018	2/1/2039	3,330,000	3,080,000
G.O. Improvement Bonds, Series 2019A	3.00-4.00%	7/18/2019	2/1/2040	1,925,000	1,825,000
G.O. Improvement and Equipment Certificate Bonds, Series 2020A	2.00-3.00%	7/16/2020	2/1/2041	3,580,000	3,580,000
G.O. Improvement and Equipment Certificate Bonds, Series 2021A	1.50-2.50%	6/17/2021	2/1/2037	1,815,000	1,815,000
Business-type activities					
G.O. Utility Revenue Bonds, Series 2020A	2.00-3.00%	7/16/2020	2/1/2041	860,000	860,000
G.O. Utility Revenue Bonds, Series 2021A	1.50-2.50%	6/17/2021	2/1/2037	2,465,000	2,465,000
Total				\$27,305,000	\$22,295,000

Bond Rating

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

Legal Debt Limit

According to Minnesota Statutes, the City's net debt cannot exceed 3% of the estimated market value of taxable property in the municipality. For 2021, the total debt applicable is \$3,085,480 which is 0.10% of the City's preliminary total estimated market value of \$3,160,276,100.



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

Document	Link
2040 Comprehensive Plan	https://www.whitebearlake.org/communitydevelopment/page/2040-comprehensive-plan-update
Fee Schedule	https://www.whitebearlake.org/finance/page/fee-schedule
Comprehensive Annual Financial Report	https://www.whitebearlake.org/finance/page/comprehensive-annual-financial-report-cafr
Facebook	https://www.facebook.com/cityofwhitebearlake/
Twitter	https://twitter.com/Cityofwhitebear
White Bear Lake Historical Society	https://whitebearhistory.org/
White Bear Area Chamber of Commerce	https://www.whitebearchamber.com/
White Bear Lake Area Schools	https://www.isd624.org/
Marketfest	https://marketfestwbl.com/
Explore White Bear	https://explorewhitebear.org/

RESOLUTION NO. 12899

**RESOLUTION APPROVING THE 2021 TAX LEVY
COLLECTIBLE IN 2022**

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, 2021; and

WHEREAS, detail for the revised 2021 and 2022 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 2021, collectible in 2022, upon the taxable property in said City of White Bear Lake for the following purposes:

General Fund	\$ 7,200,000
Emerald Ash Borer	25,000
Debt Service: YMCA/Sports Center	132,000
Debt Service: Street Construction - 2018	220,000
Debt Service: Street Construction - 2019	81,000
Debt Service: Street Construction - 2020	107,000
Debt Service: Equipment Certificates - 2020	152,000
Debt Service: Street Construction - 2021	100,000
Debt Service: Equipment Certificates - 2021	<u>63,000</u>
Gross Levy	8,080,000
Less: Fiscal Disparity	<u>(962,390)</u>
Net Levy	<u><u>7,117,610</u></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

RESOLUTION NO. 12899

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 2022 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

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

Ayes	Biehn, Edberg, Engstran, Jones, Walsh
Nays:	None
Passed:	December 14, 2021



Jo Emerson, Mayor

ATTEST:



Kara Coustry, City Clerk

RESOLUTION NO. 12898

**RESOLUTION ADOPTING THE 2022 BUDGET AND REVISING THE 2021 BUDGET
AS ADOPTED BY RESOLUTION NO. 12684**

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.12684 adopted the 2021 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 2022 operating budget shall be adopted and the 2021 operating budget shall be revised as follows:

Revenue:	<u>2021 Budget</u>	<u>2022 Budget</u>
<u>General Fund</u>		
General Property Tax	\$ 6,669,500	\$ 7,216,000
Franchise Fees and Fines	380,570	381,000
Licenses and Permits	984,504	1,006,690
Intergovernmental	2,110,312	2,143,315
Charges for Services	718,736	782,251
Miscellaneous	129,950	125,650
Transfers In	1,507,100	1,293,000
Total General Fund	<u>12,500,672</u>	<u>12,947,906</u>
 <u>Special Revenue Funds</u>		
Amercian Rescue Plan Aid	1,413,839	1,369,007
Armory	72,300	67,300
Surface Water Pollution Prevention	201,167	236,170
Marina Operations	384,000	400,000
Sport Center	639,604	619,165
Forfeiture	41,000	41,000
Economic Development	739,866	488,800
Total Special Revenue Funds	<u>3,491,776</u>	<u>3,221,442</u>

RESOLUTION NO. 12898

<u>Debt Service Funds</u>		
Non-Bonded Special Assessment	765,010	735,110
2012 Special Assessment	200,000	192,000
2012 Refunding Tax Increment (PM)	160,000	160,000
2016 Tax Increment (BWC)	140,000	140,000
2018A G.O. Improvement and Equip. Cert.	455,504	409,200
2018B G.O. Tax Abatement Bonds	300,205	245,200
2019A G.O. Improvement Bonds	140,480	133,310
2020A G.O. Improvement and Equip. Cert.	653,432	310,855
2021A G.O. Improvement and Equip. Cert.	57,960	193,000
Total Debt Service Funds	<u>2,872,591</u>	<u>2,518,675</u>
 <u>Capital Project Funds</u>		
Equipment Acquisition	1,614,216	574,475
Municipal Building	1,868,562	13,545,000
Park Improvement	577,880	111,400
Construction	2,330,916	4,238,000
HRA Tax Increment	598,000	598,000
Total Capital Project Funds	<u>6,989,574</u>	<u>19,066,875</u>
 <u>Enterprise Funds</u>		
Water Utility	4,602,820	1,999,790
Sewer Utility	3,592,290	3,521,000
Environmental Recycling & Disposal Waste	1,798,116	1,762,333
Ambulance	1,947,000	2,456,000
Pioneer Manor	412,850	429,500
License Bureau	746,550	792,340
Total Enterprise Funds	<u>13,099,626</u>	<u>10,960,963</u>
 <u>Internal Service Funds</u>		
Insurance	562,621	311,502
Employee Expense	3,464,636	3,790,798
Total Internal Service Funds	<u>4,027,257</u>	<u>4,102,300</u>
Revenue Subtotal	<u>42,981,496</u>	<u>52,818,161</u>
Community Reinvestment	<u>113,666</u>	<u>112,793</u>
 Total Revenue	 <u>\$ 43,095,162</u>	 <u>\$ 52,930,954</u>

RESOLUTION NO. 12898

Appropriations/Reserves:	<u>2021 Budget</u>	<u>2022 Budget</u>
<u>General Fund</u>		
Legislative	\$ 153,386	\$ 156,713
Administration	396,593	441,538
Finance	652,353	724,024
Legal	77,469	68,583
City Hall	331,536	355,682
Elections	83,434	84,505
Planning	379,294	375,393
Public Safety		
Public Safety Facility	-	86,547
Police	4,965,645	5,174,627
Fire	978,944	1,105,721
Dispatch	220,700	223,300
Legal Prosecution	153,591	158,233
Animal Control	22,399	24,433
Emergency Preparedness	14,549	16,569
Building and Code Enforcement	638,038	749,151
Public Works		
Public Works Facility	211,177	214,223
Engineering	660,424	752,243
Garage	177,225	255,860
Streets	585,690	613,432
Snow and Ice Removal	259,757	282,067
Street Lighting	202,958	218,084
Parks	631,890	716,092
Non-Departmental		
General Services	-	26,000
Senior Bus	7,500	7,500
Lake Conservation District	42,660	36,025
Northeast Youth and Family Services	50,920	52,960
Contingency	-	10,000
Transfers	600,000	-
Total General Fund	<u>12,498,132</u>	<u>12,929,505</u>
 <u>Special Revenue Funds</u>		
American Rescue Plan Aid	585,000	1,875,900
Armory	74,212	78,355
Surface Water Pollution Prevention	286,139	361,927
Marina Operations	377,499	341,282
Sport Center	641,013	675,929
Forfeiture	46,204	34,100
Economic Development	1,483,103	838,102
Total Special Revenue Funds	<u>3,493,170</u>	<u>4,205,595</u>

RESOLUTION NO. 12898

Debt Service Funds

Non-Bonded Special Assessment	774,750	389,000
2012 Special Assessment	198,820	191,470
2012 Refunding Tax Increment (PM)	179,660	176,260
2016 Tax Increment (BWC)	139,048	139,473
2018A G.O. Improvement and Equip. Cert.	417,341	409,116
2018B G.O. Tax Abatement Bonds	225,535	226,710
2019A G.O. Improvement Bonds	166,420	165,060
2020A G.O. Improvement and Equip. Cert.	101,108	343,360
2021A G.O. Improvement and Equip. Cert.	-	42,570
Total Debt Service Funds	<u>2,202,682</u>	<u>2,083,019</u>

Capital Project Funds

Equipment Acquisition	1,540,866	1,391,320
Municipal Building	1,418,327	14,663,101
Park Improvement	660,625	629,836
Construction	2,886,255	4,733,900
HRA Tax Increment	263,090	256,975
Total Capital Project Funds	<u>6,769,163</u>	<u>21,675,132</u>

Enterprise Funds

Water Utility	4,840,338	2,280,234
Sewer Utility	3,236,983	3,444,603
Environmental Recycling & Disposal Waste	1,726,582	1,762,253
Ambulance	2,101,384	2,597,050
Pioneer Manor	480,770	523,302
License Bureau	792,765	945,877
Total Enterprise Funds	<u>13,178,822</u>	<u>11,553,319</u>

Internal Service Funds

Insurance	431,750	445,750
Employee Expense	3,624,503	3,895,575
Total Internal Service Funds	<u>4,056,253</u>	<u>4,341,325</u>

Appropriations/Reserves Subtotal

<u>42,198,222</u>	<u>56,787,895</u>
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Community Reinvestment

<u>238,900</u>	<u>238,900</u>
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Total Appropriations/Reserves

<u>\$ 42,437,122</u>	<u>\$ 57,026,795</u>
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RESOLUTION NO. 12898

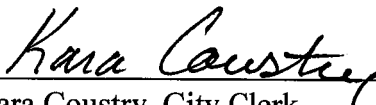
The foregoing resolution, offered by Councilmember **Jones**, and seconded by Councilmember **Biehn**, was declared carried on the following vote:

Ayes: Biehn, Edberg, Engstran, Jones, Walsh
Nays: None
Passed: December 14, 2021



Jo Emerson, Mayor

ATTEST:



Kara Coustry, City Clerk

RESOLUTION NO. 12900

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	2021	2022
Special Revenue			
American Recovery Act Fund	Community Utilization	\$ 828,839	\$ 321,946
Armory	Community Utilization	25,897	14,843
Surface Water Pollution Prevention	Storm Water Run Off Control	761,313	635,556
Marina	Community Utilization	286,203	344,921
Sports Center	Community Utilization	85,514	28,750
Forfeiture	Public Safety	77,135	84,035
Economic Development	Economic Improvement	2,227,354	1,878,052
Debt Service			
Non-Bonded Debt	Special Assessment Finance	493,236	839,346
Special Assessment - 2012	Street Improvements	30,400	30,930
Tax Increment - 2012	Pioneer Manor	53,134	36,874
Tax Increment - 2016	Boatworks Commons	32,133	32,660
G.O. Impr. And Eq. Cert. - 2018	Street Impr, SC Equipment	431,380	431,464
G.O. Tax Abatement - 2018	Facility Renovation	228,037	246,527
G.O. Improvement - 2019	Street Improvements	437,316	405,566
G.O. Impr. and Eq. Cert. - 2020	Street Impr, Equipment	604,768	572,263
G.O. Impr. and Eq. Cert. - 2021	Street Impr, Equipment	57,960	208,390
Capital Projects			
Equipment Acquisition	City Equipment Purchases	2,360,889	1,544,044
Municipal Building	City Facility Construction	1,367,518	249,417
Park Improvement	Park Construction	1,529,530	1,011,094
Construction	Street Construction	3,849,016	3,353,116
Community Reinvestment	Infrastructure Finance	7,577,030	7,450,923
HRA	Tax Increment Finance	1,390,832	1,731,857

RESOLUTION NO. 12900


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 14, 2021



Jo Emerson, Mayor

ATTEST:



Kara Coustry, City Clerk

RESOLUTION NO. 12902

**RESOLUTION AUTHORIZING CITY CONTRIBUTIONS TOWARDS VOLUNTEER
AND EMPLOYEE RECOGNITION PRESENTED IN THE
2021 REVISED AND 2022 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 2021 and 2022 specifically authorizes the following appropriations, which recognize volunteer and employee achievements.


<u>General Fund</u>	<u>2021</u>	<u>2022</u>
Legislative		
Employee Appreciation Lunch	\$ 1,000	\$ 1,000
Service Awards (attached)	2,500	2,500
Civic Promotion (plaques/mugs)	1,200	1,200
Volunteer Recognition Dinner	1,700	1,700
Council Appreciation	200	200
Police		
Service Awards	100	100
TRIAD Events and Recognition	200	350
DARE	3,500	3,500
Crime Prevention	225	225
Volunteer Shirts/Award	1,000	1,000
CPA Shirts and Supplies	600	650
Fire		
Service Awards	500	500
Annual Banquet (current and retired)	7,000	7,000
Explorer Recognition	250	250
Pioneer Manor		
Social Activities	1,750	3,000
Insurance		
Safety Awards	100	100

RESOLUTION NO. 12902


**RESOLUTION AUTHORIZING CITY CONTRIBUTIONS TOWARDS VOLUNTEER
AND EMPLOYEE RECOGNITION PRESENTED IN THE
2021 REVISED AND 2022 BUDGET**

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

Ayes: Biehn, Edberg, Engstran, Jones, Walsh
Nays: None
Passed: December 14, 2021


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. 12901

**RESOLUTION AUTHORIZING AND ACKNOWLEDGING
CITY CONTRIBUTIONS AND INVOLVEMENT IN PROMOTING BUSINESS AND
CULTURAL ACTIVITIES IN WHITE BEAR LAKE IN THE
2021 REVISED AND 2022 BUDGETS**

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

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

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

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

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of White Bear Lake that the expenditure budgets for 2021 and 2022 specifically authorize the following appropriations for which the City receives services of value exceeding the cost.

General Fund	2021	2022
Legislative		
Chamber of Commerce	\$ 560	\$ 560
Economic Development		
Marketfest	7,000	7,000
Historical Society	15,000	19,800

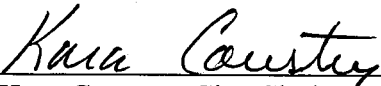
The foregoing resolution, offered by Councilmember **Edberg** and seconded by Councilmember **Engstran**, was declared carried on the following vote:

Ayes: Biehn, Edberg, Engstran, Jones, Walsh
Nays: None
Passed: December 14, 2021



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 to support the operations of twenty-two different departments. The following paragraphs describes each source in detail, followed by a brief discussion of expenditure presentation.

Revenues - Property Taxes

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

The total proposed levy is \$8,080,000, of which \$7,200,000 or 89% supports General Fund operations. The City Council's upholds a philosophy to maintain a steady revenue stream to eliminate wide fluctuations and provide residents with transparency in understanding tax levy increases.

Revenues - Franchise Fees & Fines

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

Anticipating the 2021 fee for receipt in 2022 remains difficult with lingering impacts from business and residential usages changing due to the COVID-19 pandemic. The 2022 estimate increases slightly above the actual received in 2021 to recognize business re-openings and higher residential use as many employees continue to work remotely.

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

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

Fund: General Fund 1000

Revenues - Business Licenses

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

Revenues - Non-Business Licenses

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

The community passed the White Bear Lake Area School District's \$326 million bond referendum in November 2019 to fund a multi-year improvement plan for additions and renovations to current buildings. The plan is both complex and comprehensive as it touches each of their buildings in some way. Passing of the referendum increases building permit activity between the end of 2020 and 2022.

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

Revenues - Intergovernmental

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

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

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

Fund: General Fund 1000

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

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

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

Revenues - Charges for Service

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

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

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

Revenues - Miscellaneous Income and Transfers

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

The City’s 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 2021 and 2022 conservatively estimate interest earnings due to the uncertainty of future adjustments to the discount rate by the Federal Reserve and continuing effects of the COVID-19 pandemic has on the economy.

Fund: General Fund 1000

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

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

The General Fund receives one-time transfers from the Economic Development and American Rescue Plan Aid (ARPA) Funds in the Revised 2021 and 2022 Budget to utilize federal funding received to support operations and additional expenditures related to the pandemic.

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 2019 and 2020 and estimated results for 2021 and 2022.

Reserve:

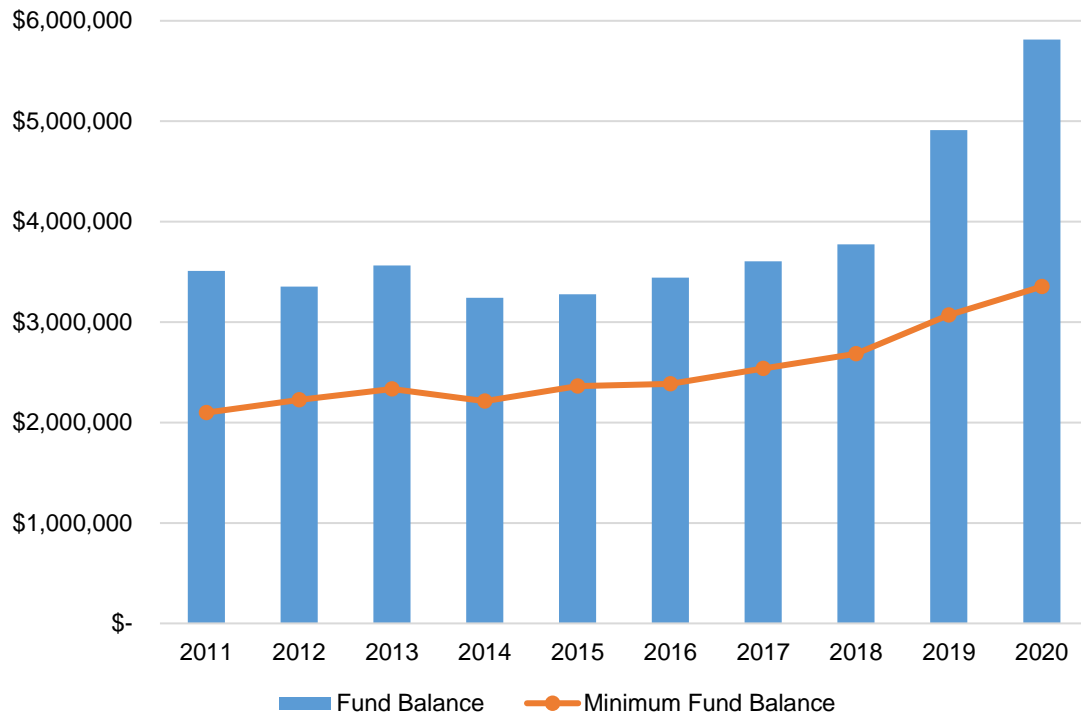
The City receives the General Fund's major revenue sources of property taxes and local government aid in July and December each year and the State of Minnesota distributes the Police State Aid, which partially funds police officers' pension costs, in October. The gap between receiving these revenue sources and paying the City's operating expenses is bridged by the General Fund cash flow reserve. The reserve fund is \$4,010,000 as of December 31, 2022.

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

The graph below illustrates the General Fund's total fund balance as compared to the minimum required fund balance for 2011-2020. 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.

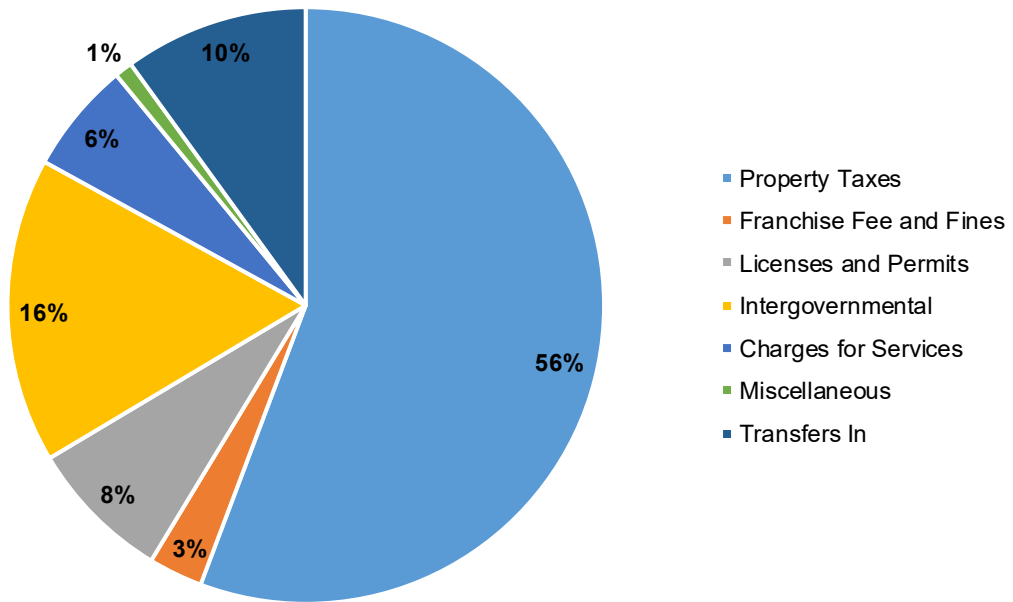
Fund: General Fund 1000

Total Fund Balance History

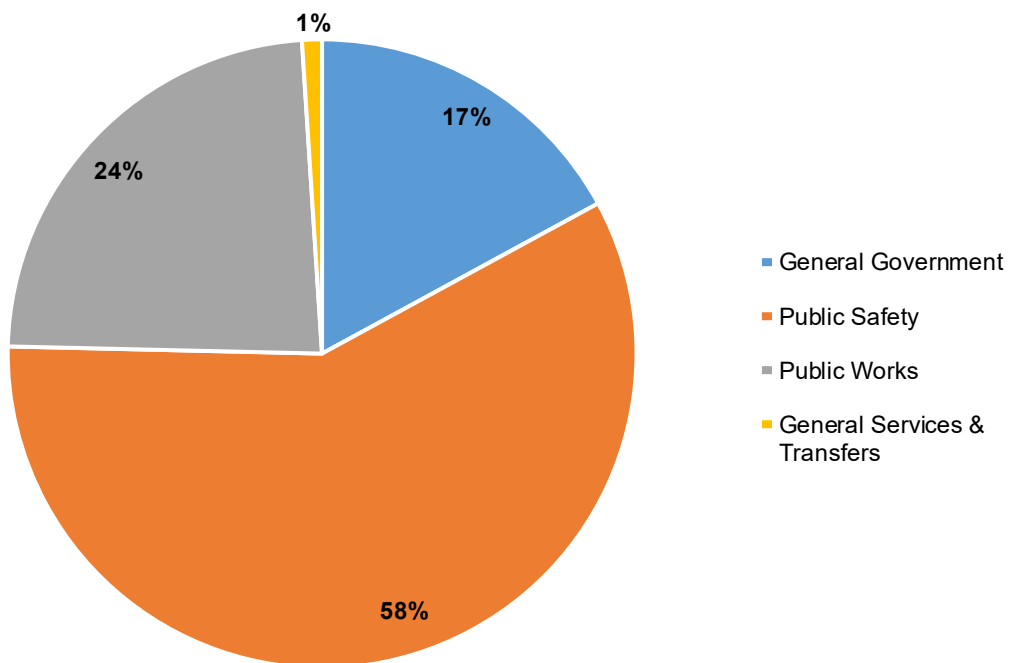


2022 General Fund Budget

Total Revenues \$12,947,906

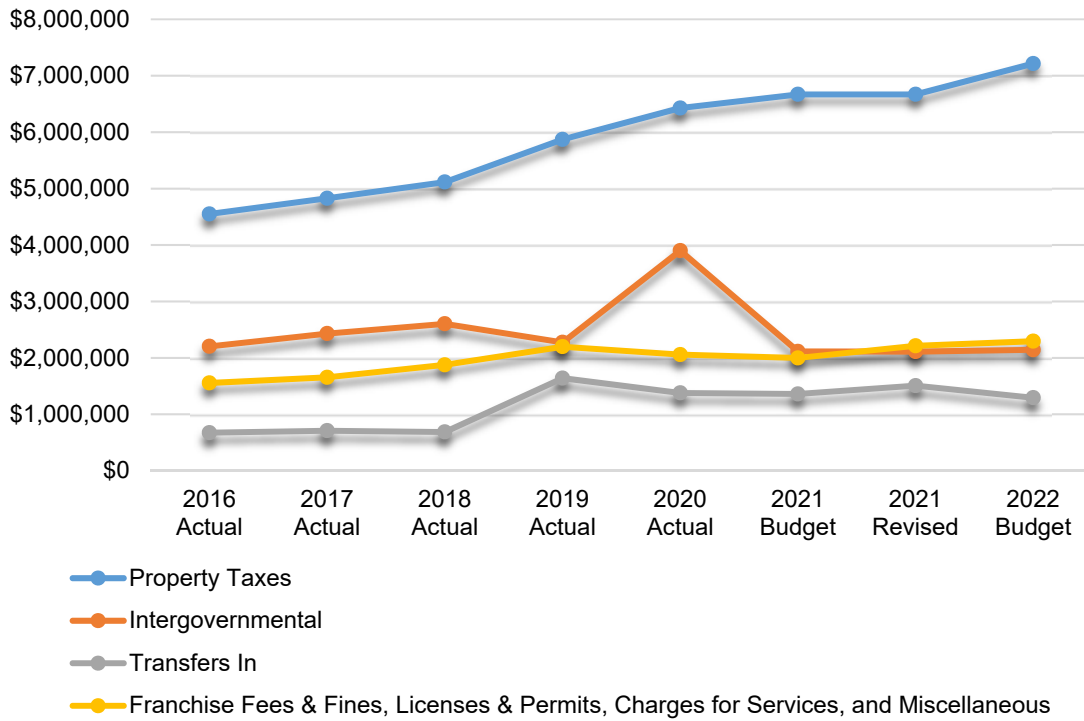


Total Expenditures \$12,929,506

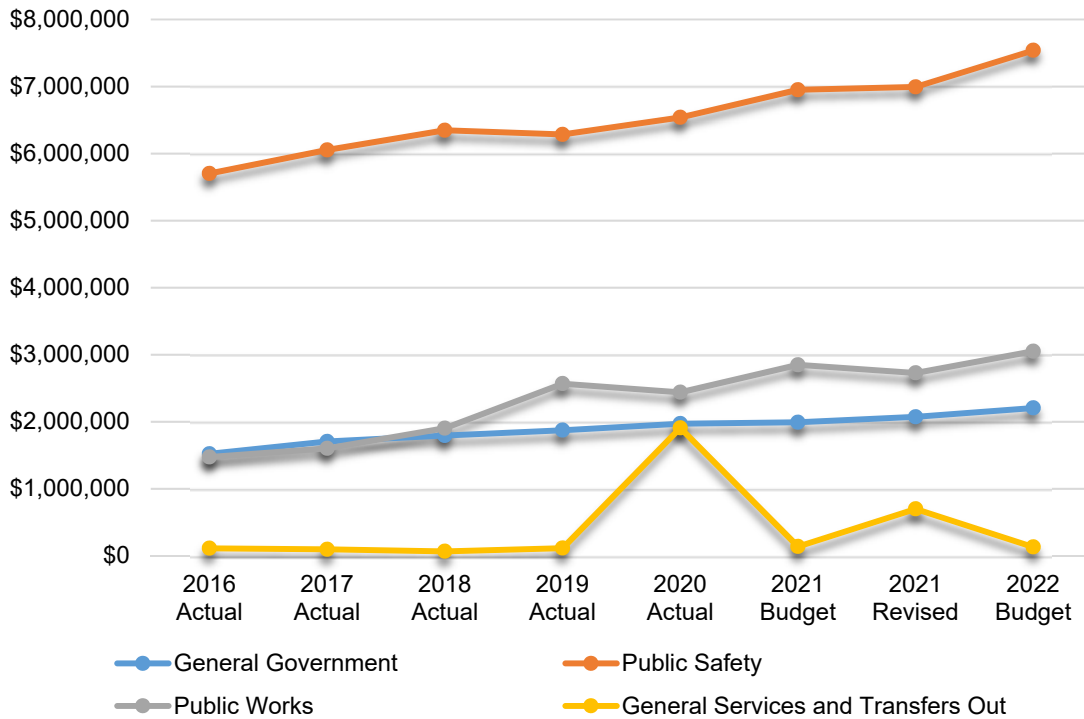


General Fund Trend Analysis

General Fund Revenue



General Fund Expenditures



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

Annual Budget

Item	2019 Actual	2020 Actual	2021 Budget	2021 Revised	2022 Budget
Revenue					
Property taxes	\$ 5,871,634	\$ 6,428,062	\$ 6,669,500	\$ 6,669,500	\$ 7,216,000
Franchise fees and fines	417,216	354,568	363,000	380,570	381,000
Licenses and permits	880,240	827,378	763,850	984,504	1,006,690
Intergovernmental	2,274,684	3,900,062	2,114,297	2,110,312	2,143,315
Charges for services	656,426	748,825	714,671	718,736	782,251
Miscellaneous	243,683	126,827	157,150	129,950	125,650
Total Operating Revenue	<u>10,343,883</u>	<u>12,385,722</u>	<u>10,782,468</u>	<u>10,993,572</u>	<u>11,654,906</u>
Transfers In	<u>1,640,000</u>	<u>1,378,150</u>	<u>1,360,000</u>	<u>1,507,100</u>	<u>1,293,000</u>
Total Revenue	<u>11,983,883</u>	<u>13,763,872</u>	<u>12,142,468</u>	<u>12,500,672</u>	<u>12,947,906</u>
Expenditures					
General government	1,875,054	1,972,283	2,049,352	2,074,066	2,206,438
Public safety	6,285,628	6,539,782	7,059,988	6,993,865	7,538,582
Public works	2,569,640	2,440,745	2,864,671	2,729,122	3,052,001
General service and contingency	91,252	94,146	116,580	101,080	132,485
Total operating expenditures	<u>10,821,574</u>	<u>11,046,956</u>	<u>12,090,591</u>	<u>11,898,133</u>	<u>12,929,506</u>
Transfers Out	<u>25,000</u>	<u>1,814,375</u>	<u>25,000</u>	<u>600,000</u>	<u>-</u>
Total expenditures	<u>10,846,574</u>	<u>12,861,331</u>	<u>12,115,591</u>	<u>12,498,133</u>	<u>12,929,506</u>
Revenues over (under) expenditures	<u>1,137,309</u>	<u>902,541</u>	<u>26,877</u>	<u>2,539</u>	<u>18,400</u>
Reserve adjustment (to) from	<u>(425,000)</u>	<u>(150,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance January 1	<u>338,666</u>	<u>1,050,975</u>	<u>972,100</u>	<u>1,803,516</u>	<u>1,806,055</u>
Fund balance December 31	<u>\$ 1,050,975</u>	<u>\$ 1,803,516</u>	<u>\$ 998,977</u>	<u>\$ 1,806,055</u>	<u>\$ 1,824,455</u>
Reserve for operations	<u>3,860,000</u>	<u>4,010,000</u>	<u>4,010,000</u>	<u>4,010,000</u>	<u>4,010,000</u>
Total fund balance and reserve for operations	<u>\$ 4,910,975</u>	<u>\$ 5,813,516</u>	<u>\$ 5,008,977</u>	<u>\$ 5,816,055</u>	<u>\$ 5,834,455</u>

City of White Bear Lake
General Fund Revenues

Annual Budget
Business Unit: 1001

Code	Item	2019 Actual	2020 Actual	2021 Budget	2021 Revised	2022 Budget
General Property Taxes						
4015	Current	\$ 5,137,961	\$ 5,622,459	\$ 5,766,037	\$ 5,766,037	\$ 6,237,610
4040	Fiscal disparities	731,399	777,523	886,963	886,963	962,390
	Total current ad valorem taxes	<u>5,869,360</u>	<u>6,399,982</u>	<u>6,653,000</u>	<u>6,653,000</u>	<u>7,200,000</u>
4025	Delinquent	808	27,002	15,000	15,000	15,000
4030	Penalties and interest	1,466	1,078	1,500	1,500	1,000
	Total general property tax	<u>5,871,634</u>	<u>6,428,062</u>	<u>6,669,500</u>	<u>6,669,500</u>	<u>7,216,000</u>
Franchise Fee						
5095	Franchise fee - utilities	<u>330,153</u>	<u>294,079</u>	<u>294,000</u>	<u>307,570</u>	<u>315,000</u>
Licenses and Permits - Business						
4305	Liquor, intoxicating	88,575	72,197	87,000	2,555	86,255
4307	Liquor, nonintoxicating	2,975	4,312	3,000	800	4,200
4309	Cigarette	3,700	3,600	3,450	3,750	3,600
4311	Entertainment	785	810	800	-	-
4315	Rental housing fee	19,888	21,202	19,000	41,600	40,000
4317	General contractor	10,535	9,977	10,500	10,500	10,000
4319	Solicitor	1,785	2,050	2,000	3,000	2,000
4321	Service station	5,175	5,325	5,000	-	-
4323	Other	5,038	5,253	5,000	5,500	5,000
4325	Gambling permits	2,700	2,625	2,600	2,475	2,400
	Total business licenses and permits	<u>141,156</u>	<u>127,351</u>	<u>138,350</u>	<u>70,180</u>	<u>153,455</u>
Non-Business						
4345	Animal	5,954	2,425	3,000	5,454	2,400
4350	Launch	10,000	10,000	16,000	16,000	16,000
4405	Building	398,271	391,743	380,000	622,500	560,400
4406	Building plan reviews	140,936	131,380	95,000	100,000	117,935
4415	Electrical	50,709	52,471	35,000	50,000	50,000
4420	Heating and air conditioning	63,378	47,526	45,000	65,000	55,000
4425	Plumbing	45,865	33,913	35,000	37,000	35,000
4430	Water and sewer	2,991	5,353	3,000	4,000	3,000
4435	Sign	3,480	5,761	3,500	3,500	3,500
4437	Driveway	7,600	8,555	4,000	6,870	6,000
4439	Right of way	9,900	10,900	6,000	4,000	4,000
	Total non-business licenses and permits	<u>739,084</u>	<u>700,027</u>	<u>625,500</u>	<u>914,324</u>	<u>853,235</u>
	Total licenses and permits	<u>880,240</u>	<u>827,378</u>	<u>763,850</u>	<u>984,504</u>	<u>1,006,690</u>
Fines						
4510	County	76,303	54,644	60,000	55,000	55,000
4520	Administrative - City fines	960	1,785	1,000	1,000	1,000
4522	Administrative - City share of State fines	9,800	4,060	8,000	17,000	10,000
	Total Fines	<u>87,063</u>	<u>60,489</u>	<u>69,000</u>	<u>73,000</u>	<u>66,000</u>

City of White Bear Lake
General Fund Revenues

Annual Budget
Business Unit: 1001

Code	Item	2019 Actual	2020 Actual	2021 Budget	2021 Revised	2022 Budget
Intergovernmental						
4604	Federal grants	196,840	1,819,365	59,500	41,190	40,000
4624	State local government aid	1,203,195	1,203,195	1,202,297	1,202,297	1,233,615
4626	State aid street maintenance	375,000	382,183	375,000	375,000	375,000
4630	State police relief aid	266,390	278,806	265,000	274,245	275,000
4644	State police POST board	28,831	27,286	25,000	27,000	27,000
4646	State aid - other	32,163	13,012	11,500	14,380	11,500
4662	County aid - other	21,265	21,215	21,000	21,200	21,200
4666	Local aid - school district resource officers	151,000	155,000	155,000	155,000	160,000
	Total intergovernmental	2,274,684	3,900,062	2,114,297	2,110,312	2,143,315
Charges for Services						
4807	Customer service taxable	445	45	-	10	-
4809	Customer service non-taxable	29,786	20,272	14,000	20,280	18,000
4832	Fire services	387,552	465,677	467,993	467,993	528,065
4834	Police services	63,228	80,531	85,378	85,378	91,186
4835	False alarm services	4,800	700	1,000	575	500
4836	Public safety services	7,585	1,032	4,000	4,000	4,000
4842	Public works services	392	-	1,800	-	-
4845	Building inspection services	161,838	179,968	140,000	140,000	140,000
4846	Fire inspection services	800	600	500	500	500
	Total charges for services	656,426	748,825	714,671	718,736	782,251
Miscellaneous Revenues						
4955	Interest	169,651	73,380	115,000	75,000	80,000
4975	Rental income	42,070	29,386	35,650	44,550	37,650
4990	Donations	2,150	800	-	600	-
5010	Sale of property	1,643	443	-	-	-
5318	Gambling regulatory tax	22,456	6,089	3,000	5,000	5,000
5350	Miscellaneous revenues	1,596	14,428	-	1,500	-
5360	Refunds and reimbursements	4,117	2,301	3,500	3,300	3,000
	Total miscellaneous revenues	243,683	126,827	157,150	129,950	125,650
Transfers for Administrative Charges						
5205	ARPA Fund	-	-	-	50,000	74,000
5205	Economic development	-	53,150	-	87,100	-
5205	Water distribution	101,000	101,000	108,000	108,000	112,000
5205	Water treatment	18,996	19,000	20,000	20,000	21,000
5205	Sewer	110,004	110,000	120,000	120,000	124,000
5205	Refuse	110,004	110,000	110,000	110,000	114,000
5205	Ambulance	140,004	140,000	140,000	140,000	145,000
5205	Pioneer Manor	-	-	17,000	17,000	18,000
5205	License Bureau	-	-	-	-	50,000
5205	HRA Redevelopment - District 25	24,996	25,000	25,000	25,000	25,000
5205	Marina	69,996	70,000	70,000	80,000	85,000
5205	Interim Construction	1,065,000	750,000	750,000	750,000	525,000
	Total transfers	1,640,000	1,378,150	1,360,000	1,507,100	1,293,000
Total		\$ 11,983,883	\$ 13,763,872	\$ 12,142,468	\$ 12,500,672	\$ 12,947,906

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

Annual Budget

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Department of Administration						
1010	Mayor and council	\$ 150,600	\$ 138,585	\$ 156,491	\$ 153,386	\$ 156,713
1020	City manager	377,740	390,777	402,573	396,593	441,538
1030	Finance	605,016	633,460	627,854	652,353	724,024
1040	Legal counselor	46,039	69,612	65,569	77,469	68,583
1050	City hall	305,455	335,612	331,535	331,536	355,682
1060	Elections	59,409	59,412	84,461	83,434	84,505
1070	Planning	330,795	344,825	380,869	379,294	375,393
	Total general government	<u>1,875,054</u>	<u>1,972,283</u>	<u>2,049,352</u>	<u>2,074,066</u>	<u>2,206,438</u>
Department of Public Safety						
1100	Public safety facility	-	-	-	-	86,547
1110	Police	4,460,827	4,679,631	5,002,617	4,965,645	5,174,627
1210	Fire	854,379	872,576	986,352	978,944	1,105,721
1114	Dispatch	204,157	214,530	218,000	220,700	223,300
1041	Prosecution	148,408	153,174	158,591	153,591	158,233
1118	Animal control	15,652	14,114	24,024	22,399	24,433
1220	Emergency preparedness	11,094	6,927	16,414	14,549	16,569
1080	Building and code enforcement	591,111	598,830	653,990	638,038	749,151
	Total public safety	<u>6,285,628</u>	<u>6,539,782</u>	<u>7,059,988</u>	<u>6,993,865</u>	<u>7,538,582</u>
Department of Public Works						
1300	Public works facility	192,594	199,280	193,932	211,177	214,223
1310	Engineering	618,430	642,567	726,320	660,424	752,243
1320	Garage	122,956	120,279	151,770	177,225	255,860
1410	Streets	523,232	503,534	587,948	585,690	613,432
1420	Snow and ice removal	265,345	203,752	272,964	259,757	282,067
1430	Street lighting and signals	180,867	176,309	203,669	202,958	218,084
1510	Parks	666,216	595,024	728,068	631,890	716,092
	Total public works	<u>2,569,640</u>	<u>2,440,745</u>	<u>2,864,671</u>	<u>2,729,122</u>	<u>3,052,001</u>
Non-Departmental						
1610	General services	6,487	-	-	-	26,000
	Lake Conservation District	36,581	33,954	42,660	42,660	36,025
	Northeast Youth and Family Services	40,684	43,451	50,920	50,920	52,960
	Senior bus	7,500	5,000	7,500	7,500	7,500
	Contingency	-	11,741	15,500	-	10,000
	Total non-departmental	<u>91,252</u>	<u>94,146</u>	<u>116,580</u>	<u>101,080</u>	<u>132,485</u>
	Total operational expenditures	<u>10,821,574</u>	<u>11,046,956</u>	<u>12,090,591</u>	<u>11,898,133</u>	<u>12,929,506</u>
Transfers Out						
	Armory	25,000	25,000	25,000	-	-
	Economic Development	-	1,789,375	-	-	-
	Equipment Acquisition	-	-	-	400,000	-
	Municipal Building	-	-	-	200,000	-
	Total transfers out	<u>25,000</u>	<u>1,814,375</u>	<u>25,000</u>	<u>600,000</u>	<u>-</u>
Total		<u>\$ 10,846,574</u>	<u>\$ 12,861,331</u>	<u>\$ 12,115,591</u>	<u>\$ 12,498,133</u>	<u>\$ 12,929,506</u>

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 tax levies, and provide external auditing. In addition to these duties, the mayor appoints members to advisory boards and commissions and performs other responsibilities assigned by the City Charter.

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

Budget Summary:

The City is fortunate to have active and engaged community members promoting the vibrant life available in the area through City amenities, active civic groups, a strong school district and thriving businesses. The budget for the Other Supplies account includes funding for the City Council to support civic events and honor both City volunteers and employees. The City recognizes volunteers and employees at separate events each year. Staff members diligently plan both events to provide a cost-effective celebration to recognize people for their commitment and help in making our programs succeed. Volunteer representatives receive a small token of appreciation at the evening event, while 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 to participate in organizations such as the League of Minnesota Cities, the Association of Metropolitan Municipalities, and the Ramsey County League of Local Governments.

Training opportunities were greatly reduced during 2020 and 2021 due to the pandemic; however, the 2022 budget resumes support of training through both internal Council work sessions and external conferences sponsored by government agencies and the League of Minnesota Cities to pre-pandemic levels.

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:

	2019 <u>Actual</u>	2020 <u>Actual</u>	2021 <u>Budget</u>	2022 <u>Budget</u>
Number of City Newsletters	2	2	2	2

City of White Bear Lake
General Government - Legislative

Annual Budget
Business Unit: 1010

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 81,159	\$ 80,371	\$ 82,681	\$ 82,512	\$ 83,663
6117	Overtime - regular employees	-	-	500	500	500
6119	Salaries - temporary employees	1,780	-	-	-	-
6122	PERA	2,554	2,618	2,706	2,693	2,780
6124	FICA/Medicare	6,283	5,988	6,363	6,350	6,438
6128	Insurance contribution	5,015	5,266	5,529	5,529	3,920
6138	Worker's compensation	715	715	650	650	780
6148	Other benefits	700	700	700	700	950
	Total personnel services	<u>98,206</u>	<u>95,658</u>	<u>99,129</u>	<u>98,934</u>	<u>99,031</u>
Supplies						
6248	Community engagement supplies	845	-	-	-	-
6250	Other supplies	4,961	2,707	7,200	7,200	7,500
6290	Uniforms	-	-	-	-	200
	Total supplies	<u>5,806</u>	<u>2,707</u>	<u>7,200</u>	<u>7,200</u>	<u>7,700</u>
Other Services and Charges						
6412	Cellular	-	285	-	390	-
6434	General liability insurance	2,092	2,092	2,092	2,092	3,347
6445	Postage	-	-	100	-	-
6450	Outside printing	3,270	3,218	3,500	3,500	3,700
6455	Legal notice publishing	1,555	868	2,000	2,000	2,000
6460	Subscription/memberships	31,667	31,898	33,385	34,485	33,450
6470	Training	5,892	359	7,025	2,725	5,425
6486	Travel	-	-	50	50	50
6492	Advertising	2,112	1,500	1,410	1,410	1,410
6560	Other contractual services	-	-	600	600	600
	Total other services and charges	<u>46,588</u>	<u>40,220</u>	<u>50,162</u>	<u>47,252</u>	<u>49,982</u>
Total		<u>\$ 150,600</u>	<u>\$ 138,585</u>	<u>\$ 156,491</u>	<u>\$ 153,386</u>	<u>\$ 156,713</u>

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.

Budget Summary:

This department budget includes the full-time salary and benefits for the City Manager and Assistant City Manager positions in this department, while the City Clerk position is split 50/50 between this budget and the Legislative department budget.

The current City Manager will retire in December 2021, after six years of service in the position. The City Council contracted David Drown Associates to coordinate a hiring process. The Employee Expense Fund budget includes the hiring contract expenditure. A new City Manager was selected, who will assume her duties on December 20, 2021.

The budget continues to fund training opportunities for employees; however, 2021 Budget removes allocations for participation in national or local conferences and leadership development groups due to the challenges of attending during the pandemic and the retirement of the current City Manager. Funding for these opportunities return in the 2022 Budget.

Goals:

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

Measureable Workload Data:

	<u>2019 Actual</u>	<u>2020 Actual</u>	<u>2021 Budget</u>	<u>2022 Budget</u>
Number of resolutions prepared	185	190	200	200

City of White Bear Lake
General Government - Administration

Annual Budget
Business Unit: 1020

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 293,475	\$ 310,487	\$ 317,082	\$ 312,574	\$ 342,243
6122	PERA	22,009	23,286	23,781	23,443	25,668
6124	FICA/Medicare	21,798	23,476	24,257	23,912	26,182
6128	Insurance contribution	14,660	15,393	16,163	16,163	19,600
6138	Worker's compensation	2,100	2,100	2,150	2,150	2,580
6148	Other benefits	2,510	2,510	2,510	2,510	4,750
	Total personnel services	<u>356,552</u>	<u>377,252</u>	<u>385,942</u>	<u>380,752</u>	<u>421,023</u>
Supplies						
6210	Office supplies	70	-	100	100	140
6220	Equipment supplies	-	-	100	100	100
6248	Community engagement supplies	-	356	-	-	-
6250	Other supplies	161	-	150	-	150
6290	Uniforms	-	-	-	100	-
	Total supplies	<u>231</u>	<u>356</u>	<u>350</u>	<u>300</u>	<u>390</u>
Other Services and Charges						
6401	Professional services	613	440	710	710	710
6402	Data processing	-	-	-	-	200
6411	Telephone	657	673	870	870	1,000
6412	Cellular	344	185	-	60	400
6434	General liability insurance	1,941	1,941	1,941	1,941	2,135
6445	Postage	501	205	400	450	500
6449	In-house printing	-	-	300	-	300
6450	Outside printing	-	-	-	75	-
6460	Subscription/memberships	2,136	1,858	2,300	2,080	2,520
6470	Training	8,238	566	3,200	2,495	5,600
6485	Building maintenance service	6,314	6,314	6,360	6,360	6,360
6492	Advertising	-	699	-	-	-
6505	Equipment maintenance service	213	288	200	500	400
	Total other services and charges	<u>20,957</u>	<u>13,169</u>	<u>16,281</u>	<u>15,541</u>	<u>20,125</u>
Total		<u>\$ 377,740</u>	<u>\$ 390,777</u>	<u>\$ 402,573</u>	<u>\$ 396,593</u>	<u>\$ 441,538</u>

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Department: Finance 1030

Fund: General Fund 1000

Department Activities and Responsibilities:

The Finance Department manages all financial aspects for the City. Duties include financial reporting, budgeting, 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), a consortium of cities formed to provide cost-effective computer system options for local governments. LOGIS supplies the City with software for the financial reporting, payroll, human resources, and utility billing systems.

In 2021, the Finance Department completed the implementation of Invoice Cloud, a simple and secure electronic bill presentment and payment solution. With this implementation, the City is able to offer a wider array of online payment options. Invoice Cloud also offers residents the ability to access a history of utility bills online and the option to receive paperless statements. This not only reduces operating costs associated with sending out paper bills but also moves the City towards a greener utility billing process.

As with many other local governments and businesses, the COVID-19 pandemic forced the City to rethink day-to-day operations. The Finance Department quickly shifted into remote operations; working within a remote environment accelerated the move toward a more paperless environment. To continue the migration to a paperless work environment, the department is implementing a comprehensive Human Resources records management solution through Laserfische in October of 2021. In addition to efficiency improvements, this move also prepares the City for an electronic open enrollment process in 2022.

Budget Summary:

The 2021 and 2022 Personnel Services Budget funds the addition of a full-time Accounting Technician position beginning late 2021. This additional of this position allows consolidation of the cash receipts and accounts receivable to one staff member while also providing accounting capabilities for other department functions.

The 2022 Professional Services account includes an allocation for an actuarial valuation required by the Governmental Accounting Standards Board's Statement No. 75 for Other Post-Employment Benefits (OPEB). The Statement No. 75 requires a biennial OPEB actuarial valuation.

The Cellular expenditures in the Revised 2021 Budget reimburse employees for use of their personal cell phone while working remotely. New headsets purchased allows employees to answer their work phone through their computer connection and eliminates the use of cell phones moving forward.

The budget continues to fund training opportunities for employees; however, the 2021 Budget removes allocations for participation in conferences and a local leadership development program due to the challenges of attending during the pandemic and time constraints. Funding for these opportunities return in the 2022 Budget.

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

Department: Finance 1030

Fund: General Fund 1000

Goals:

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

Measureable Workload Data:

	2019 <u>Actual</u>	2020 <u>Actual</u>	2021 <u>Budget</u>	2022 <u>Budget</u>
Standard & Poor's Debt Credit Rating	AA+	AA+	AA+	TBD
Receive the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the US and Canada (GFOA)	Yes	TBD	TBD	TBD
Receive the Distinguished Budget Presentation Award from the Government Finance Officers Association of the US & Canada (GFOA)	Yes	Yes	Yes	TBD
Percent of invoices paid by paper checks	100%	100%	100%	75%
Percent of paperless utility billing customers	0%	0%	8%	15%

City of White Bear Lake
General Government - Finance

Annual Budget
Business Unit: 1030

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 383,955	\$ 398,009	\$ 405,182	\$ 420,679	\$ 470,315
6117	Overtime - regular employees	4,238	6,959	5,000	11,000	5,000
6122	PERA	29,170	30,373	30,764	32,376	35,649
6124	FICA/Medicare	30,034	31,418	31,379	33,023	36,362
6128	Insurance contribution	37,800	39,690	41,675	41,675	47,040
6138	Worker's compensation	8,415	8,415	3,075	3,075	3,690
6148	Other benefits	4,650	4,650	4,650	4,650	11,400
	Total personnel services	498,262	519,514	521,724	546,478	609,456
Supplies						
6210	Office supplies	800	277	1,500	1,350	1,500
6250	Other supplies	95	-	50	50	50
6290	Uniforms	30	-	50	-	50
6295	Small tools	33	-	350	150	350
	Total supplies	958	277	1,950	1,550	1,950
Other Services and Charges						
6401	Professional services	27,454	23,423	11,550	11,550	14,350
6402	Data processing	48,952	53,193	61,170	61,170	66,000
6411	Telephone	950	980	1,265	1,265	1,455
6412	Cellular	-	300	-	390	-
6434	General liability insurance	5,230	5,230	5,230	5,230	5,753
6445	Postage	3,096	3,681	3,200	3,200	3,200
6450	Outside printing	1,870	-	1,350	750	1,250
6455	Legal notices publications	505	4,407	2,725	3,300	3,300
6460	Subscription/memberships	892	952	930	715	960
6470	Training	2,204	1,970	2,935	935	3,210
6485	Travel	353	-	500	-	500
6505	Equipment maintenance service	1,542	2,036	2,350	2,350	2,500
6545	Credit card fees	-	-	-	12,490	9,160
6560	Other contractual services	12,748	17,497	10,975	980	980
	Total other services and charges	105,796	113,669	104,180	104,325	112,618
Total		\$ 605,016	\$ 633,460	\$ 627,854	\$ 652,353	\$ 724,024

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

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

A lawsuit filed against Tally's Dockside during 2020 challenged the placement of their fuel tank on the Whitaker Street end. The lawsuit named the City as a defendant as the owner of the Whitaker Street end and one of the permitting authorities regarding the tank. The Revised 2021 Professional Services expenditures budget includes costs to defend the legality of the tank placement.

The Revised 2021 Contractual Services expenditures budget includes an allocation to have legal files scanned to electronic documents.

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>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021*</u>
Counselor fees	\$95,935	\$63,744	\$58,703	\$74,163	\$47,513

*Partial year (January – August)

City of White Bear Lake
General Government - Legal Counselor

Annual Budget
Business Unit: 1040

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
	Other Services and Charges					
6401	Professional services	\$ 44,370	\$ 65,531	\$ 63,900	\$ 68,300	\$ 66,747
6434	General liability insurance	1,669	1,669	1,669	1,669	1,836
6560	Contractual services	-	2,412	-	7,500	-
	Total other services and charges	<u>46,039</u>	<u>69,612</u>	<u>65,569</u>	<u>77,469</u>	<u>68,583</u>
	Total	<u>\$ 46,039</u>	<u>\$ 69,612</u>	<u>\$ 65,569</u>	<u>\$ 77,469</u>	<u>\$ 68,583</u>

Department: City Hall 1050

Fund: General Fund 1000

Department Activities and Responsibilities:

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

Budget Summary:

In the Personnel Services account section, the 2022 Insurance Contribution Budget increased as a result of a change in philosophy to more accurately account for how the insurance contributions are allocated to each department. The Other contractual Services account includes additional funds for irrigation and ground maintenance for the campus.

Capital Outlay:

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

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

The number of community organization meetings held in the City Hall facility dropped dramatically in 2020 due to pandemic limitations, facility closures to non-employees, and departments using the meetings rooms as work space to social distance employees working in the building. While some community groups are meeting in the facility again in 2021, the number of events are still low as multiple conference rooms remain as work spaces for departments.

Goals:

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

Measurable Workload Data:

	<u>2019 Actual</u>	<u>2020 Actual</u>	<u>2021 Budget</u>	<u>2022 Budget</u>
Number of community organization meetings held in facility	364	53	76	100

City of White Bear Lake
General Government - City Hall

Annual Budget
Business Unit: 1050

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 139,705	\$ 143,571	\$ 147,503	\$ 149,292	\$ 154,144
6117	Overtime - regular employees	-	423	-	-	-
6122	PERA	10,478	10,800	11,063	11,197	11,561
6124	FICA/Medicare	11,332	11,245	11,284	11,421	11,792
6128	Insurance contribution	7,725	8,111	8,517	8,517	15,680
6138	Worker's compensation	1,105	1,105	1,150	1,150	1,380
6148	Other benefits	650	650	650	650	3,800
	Total personnel services	<u>170,995</u>	<u>175,905</u>	<u>180,166</u>	<u>182,227</u>	<u>198,357</u>
Supplies						
6210	Office supplies	7,274	5,453	8,050	8,025	8,450
6220	Equipment supplies	511	948	800	800	1,000
6240	Building supplies	5,849	9,347	6,800	5,500	6,800
6250	Other supplies	2,292	11,664	3,500	2,500	2,500
6255	Landscaping supplies	192	1,063	500	500	500
6295	Small tools	123	175	300	300	300
	Total supplies	<u>16,241</u>	<u>28,650</u>	<u>19,950</u>	<u>17,625</u>	<u>19,550</u>
Other Services and Charges						
6401	Professional services	-	40	100	100	100
6402	Data processing	21,387	23,777	26,720	29,320	28,600
6411	Telephone	8,295	8,213	10,355	10,115	11,300
6412	Cellular	71	218	120	450	450
6422	Electric	13,028	12,423	15,000	12,500	15,000
6423	Natural gas	4,492	3,099	4,400	4,125	4,400
6434	General liability insurance	10,009	10,009	10,009	10,009	11,010
6436	Equipment liability insurance	304	304	-	-	-
6445	Postage	7,137	(4,568)	3,500	3,500	3,500
6450	Outside printing	-	-	150	-	150
6470	Training	13	-	-	-	-
6485	Travel/mileage reimbursement	1,200	1,200	1,200	1,300	1,300
6505	Equipment maintenance service	4,409	6,162	6,330	5,860	6,330
6515	Building maintenance service	7,730	10,111	10,800	11,750	11,835
6555	Equipment rental	5,473	4,915	5,400	5,440	5,550
6560	Other contractual services	34,671	55,154	37,335	37,215	38,250
	Total other services and charges	<u>118,219</u>	<u>131,057</u>	<u>131,419</u>	<u>131,684</u>	<u>137,775</u>
Total		<u>\$ 305,455</u>	<u>\$ 335,612</u>	<u>\$ 331,535</u>	<u>\$ 331,536</u>	<u>\$ 355,682</u>

Department: Elections & Voter Registration 1060

Fund: General Fund 1000

Department Activities and Responsibilities:

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

Budget Summary:

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

Ramsey County's new contract extends from January 1, 2021 through December 31, 2026, which spans three 2-year election cycles. The 2021 and 2022 contract costs of \$74,000 are reasonable and comparable to the staffing costs the City incurred when handling the election services in house. All jurisdictions contracting with Ramsey County will operate under the same contract, with terms and conditions of the contract being non-negotiable by individual municipalities.

Ramsey County and all municipalities and school districts within the County purchased new voting equipment through a joint powers agreement in 2016. Collectively, all parties pay to maintain that equipment on an annual basis. The cost to do so will rise each year as the equipment ages. The 2022 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:

	<u>2019 Actual</u>	<u>2020 Actual</u>	<u>2021 Budget</u>	<u>2022 Budget</u>
Persons Registered as of 7:00 A.M.				
Primary	0	15,978	0	17,000
General Election	9,046	16,335	16,500	17,500
Person Registered on Election Day				
Primary	0	81	0	250
General Election	105	848	100	900
Total Number of Persons Voting				
Primary	0	3,990	0	4,500
General Election	3,024	14,959	3,100	12,500
Percent of Voter Turnout to Registered Voters				
Primary	0%	25%	0%	26%
General Election	33%	87%	34%	68%

City of White Bear Lake
General Government - Elections

Annual Budget
Business Unit: 1060

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Other Services and Charges						
6434	General liability insurance	436	436	436	436	480
6445	Postage	-	-	25	25	25
6455	Legal notices publications	-	3	500	500	500
6505	Equipment maintenance service	8,473	8,473	9,500	8,473	9,500
6560	Other contractual services	50,500	50,500	74,000	74,000	74,000
	Total other services and charges	<u>59,409</u>	<u>59,412</u>	<u>84,461</u>	<u>83,434</u>	<u>84,505</u>
	Total	<u>\$ 59,409</u>	<u>\$ 59,412</u>	<u>\$ 84,461</u>	<u>\$ 83,434</u>	<u>\$ 84,505</u>

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Department: Planning and Zoning Department 1070

Fund: General Fund 1000

Activities and Responsibilities:

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

White Bear Lake is a community with a rich history, whose growth through the years now provides very limited availability of vacant land within the City. Given this challenge, the current focus is on redevelopment of underutilized areas to attract new residents and businesses. Redevelopment efforts are vital because enhanced amenities and business opportunities draw people to the area, increase property values, and provide the City more tax revenues without increasing property taxes for landowners each year. Activities to support redevelopment concentrate on marketing potential business locations to new or existing companies, processing redevelopment plans to encourage improvements to blighted areas, working to keep a vibrant downtown district, promoting growth and property improvements in the County Road E Corridor, and continuing overall City beautification efforts.

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

Budget Summary:

The 2021 Budget includes an allocation for severance costs incurred as a full-time employee completes their 10 years of service minimum with the City during the year. The department recognizes the expenditure in the employee's anniversary year and transfers the amount to the Employment Expense Fund for recordkeeping until the employee leaves their position with the City. Additional resources support cellular expenditures as employee work environments changed during the pandemic and these changes improve services return to in person operations.

The 2022 Budget resumes funding for staff to attend the American Planning Association national conference.

Goals:

1. 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.
2. Continue Station Area Planning activities along the planned Rush Line bus rapid transit corridor between St. Paul and Downtown White Bear Lake.
3. Identify opportunities to implement the 2040 Comprehensive Plan with priority for future housing needs and opportunities for redevelopment within the community.
4. Initiate a Small Area Plan for the Arts, Culture and Education (ACE) District to identify preferred land use and long range infrastructure improvements.
5. Study alternate strategies to implement the policy and program recommendations of the 2020 Housing Task Force, as adopted and prioritized by the City Council.
6. Initiate a business retention and expansion visitation program in conjunction with the White Bear Area Chamber of Commerce.

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
2015	5	4	*	4	7	23	1	44
2016	15	1	*	1	7	21	0	45
2017	9	1	*	2	4	23	0	39
2018	9	3	0	0	0	18	0	30
2019	10	2	2	3	8	10	0	33
2020	14	0	1	1	1	19	0	36
2021 (to 8/31)	14	2	0	1	4	18	0	39

* Not previously recorded.

City of White Bear Lake
General Government - Planning and Zoning

Annual Budget
Business Unit: 1070

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 245,981	\$ 257,249	\$ 264,186	\$ 263,589	\$ 272,156
6117	Overtime - regular employees	290	19	-	-	-
6122	PERA	18,471	19,295	19,814	19,769	20,412
6124	FICA/Medicare	18,722	19,577	20,210	20,165	20,820
6128	Insurance contribution	21,000	22,050	23,153	23,153	23,520
6138	Worker's compensation	3,300	3,300	2,000	2,000	2,400
6146	Severance	-	-	21,798	21,690	-
6148	Other benefits	3,000	3,000	3,000	3,000	5,700
	Total personnel services	310,764	324,490	354,161	353,366	345,008
Supplies						
6210	Office supplies	112	124	900	700	850
6220	Equipment supplies	-	30	100	80	100
6250	Other supplies	175	203	450	450	450
6280	Books/manuals	-	-	100	100	100
6290	Uniforms	4	-	25	-	50
6295	Small tools	-	-	200	150	175
	Total supplies	291	357	1,775	1,480	1,725
Other Services and Charges						
6401	Professional services	268	40	560	460	510
6402	Data processing	4,753	5,152	5,940	5,940	6,600
6411	Telephone	557	571	735	735	845
6412	Cellular	360	900	780	1,170	1,170
6434	General liability insurance	3,168	3,168	3,168	3,168	3,485
6445	Postage	1,607	1,701	2,000	2,200	2,400
6449	In-house printing	-	-	100	100	100
6450	Outside printing	4	148	500	500	500
6455	Legal notices publications	1,320	1,979	2,200	2,200	2,500
6460	Subscription/memberships	799	416	1,600	1,450	1,525
6470	Training	1,822	520	2,200	1,250	3,375
6485	Travel allowance	2,945	2,400	2,400	2,600	2,600
6486	Mileage reimbursement	-	-	300	200	350
6492	Advertising	-	-	100	75	100
6505	Equipment maintenance service	2,137	2,983	2,200	2,300	2,500
6560	Other contractual services	-	-	150	100	100
	Total other services and charges	19,740	19,978	24,933	24,448	28,660
Total		\$ 330,795	\$ 344,825	\$ 380,869	\$ 379,294	\$ 375,393

Department: Public Safety Facility 1100

Fund: General Fund 1000

Departmental Activities and Responsibilities:

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

Budget Summary:

The City is adding a budget for the Public Safety Facility in 2022 to provide an efficient method for tracking costs related to maintaining the campus. This budget was created by transferring costs of central supplies, utilities, and maintenance services for the facility out of the Police and Fire Department budgets.

Capital Outlay:

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

Goals:

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

City of White Bear Lake
Public Safety - Public Safety Facility

Annual Budget
Business Unit: 1100

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
	Supplies					
6240	Building supplies	-	-	-	-	1,487
6255	Landscaping supplies	-	-	-	-	100
	Total supplies	-	-	-	-	1,587
	Other Services and Charges					
6422	Electric	-	-	-	-	38,000
6423	Natural gas	-	-	-	-	10,900
6515	Building maintenance service	-	-	-	-	13,460
6555	Equipment rental	-	-	-	-	1,300
6560	Other contractual services	-	-	-	-	21,300
	Total other services and charges	-	-	-	-	84,960
	Total	\$ -	\$ -	\$ -	\$ -	\$ 86,547

Department: Police 1110

Fund: General Fund 1000

Department Activities and Responsibilities:

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

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

The department's calls for service, which range from emergency 911 calls to officer self-initiated filed activity such as a traffic stop or extra patrol, reflect the primary measure of productivity. The department anticipates responding to approximately 22,000 calls for service in 2021 and 2022. Currently, the department staffs 31 sworn officers, 3.5 full-time equivalent support staff and 4 Community Service Officers. Within the 31 sworn officer count, four sergeants and sixteen officers cover the patrol shifts and respond to the calls for service. When full strength, each shift consists of one Sergeant and four Officers. The shift minimums allow for one officer off per shift. However, if the shift strength is at or below four officers, an officer on overtime, Administrator or Investigator fills the open shift time. The department will continue to monitor their staff resources and duties to ensure an appropriate balance remains between the two.

Officers may work extra hours during their off-duty times to assist with driver safety programs subsidized by State grants, or to provide police coverage at special events. The City receives reimbursement from the outside agencies and organizations to cover the overtime costs associated with these efforts. As of September 2021, the City has received approximately \$31,500 in overtime reimbursements.

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

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

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

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

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

Department: Police 1110

Fund: General Fund 1000

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

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

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

Budget Summary:

Salaries and related benefits increase in the 2022 Budget as a result of step increases and the annual cost of living adjustment.

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

In addition to funding mental health support to response in calls for service, the City recognizes the need to provide similar support for its employees whose job responsibilities include traumatic high stress situations. Therefore, an allocations of fund were included in the Revised 2020 budget for Professional Services. The 2021 and 2022 budgets continue the support.

The Police Department and Fire Station 1 are located within the same facility. To improve methods of tracking costs related to the facility operations, the 2022 Budget creates a Public Safety Facility budget to manage the costs of central supplies, utilities, and maintenance services for the campus. The budgets for the Electric, Natural Gas, Building Maintenance, Equipment Rental and Contracted Services accounts decrease in the Police Department budget because funding for the expenditures were transferred to the Public Safety Facility budget.

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 are in the Summary Data section of the document.

Goals:

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

Department: Police 1110

Fund: General Fund 1000

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

Measurable Workload Data:

	2019 <u>Actual</u>	2020 <u>Actual</u>	2021 <u>Budget</u>	2022 <u>Budget</u>
Number of police service calls	27,396	22,497	22,000	22,000
Number of Citizen Police Academy trainings held	1	0	5	5
Number of neighborhood watch groups maintained	60	55	50	55
Number of National Night Out gatherings	58	0	34	40
Number of community events held	20	0	8	15
Number of trainings presented in collaboration with the White Bear Lake School District	2	0	0	2
Number of enforcement events held in partnership with Ramsey County Traffic Safety Initiative	30	14	30	30

City of White Bear Lake
Public Safety - Police

Annual Budget
Business Unit: 1110

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 2,765,834	\$ 2,960,237	\$ 3,113,304	\$ 3,085,041	\$ 3,206,115
6117	Overtime - regular employees	195,103	140,765	170,000	170,000	170,000
6119	Salaries - temporary employees	58,756	65,840	67,048	69,109	64,503
6122	PERA	482,575	528,116	561,648	557,795	578,181
6124	FICA/Medicare	59,575	62,762	65,426	66,788	68,615
6128	Insurance contribution	288,800	313,241	328,903	334,388	365,612
6138	Worker's compensation	140,255	143,105	159,100	159,100	190,920
6146	Severance pay	-	10,205	4,718	13,423	6,288
6148	Other benefits	47,250	48,150	48,150	48,150	67,355
	Total personnel services	<u>4,038,148</u>	<u>4,272,421</u>	<u>4,518,297</u>	<u>4,503,793</u>	<u>4,717,589</u>
Supplies						
6210	Office supplies	1,706	3,019	3,000	2,100	3,000
6220	Equipment supplies	5,179	24,065	15,800	12,850	15,850
6221	Range supplies	7,133	10,731	12,775	12,775	13,175
6230	Vehicle supplies	11,569	12,790	13,200	13,200	18,700
6240	Building supplies	5,713	6,935	7,150	5,200	7,150
6248	Community engagement supplies	9,790	1,307	5,550	4,800	5,850
6250	Other supplies	11,129	2,408	9,065	8,345	9,265
6272	Motor fuels	77,879	58,792	83,300	77,300	83,300
6280	Books & periodicals	-	-	285	-	250
6290	Uniforms	44,333	41,174	37,100	44,400	38,500
6295	Small tools	2,256	2,381	1,900	1,400	1,400
	Total supplies	<u>176,687</u>	<u>163,602</u>	<u>189,125</u>	<u>182,370</u>	<u>196,440</u>
Other Services and Charges						
6401	Professional services	16,201	13,211	60,850	48,321	52,225
6402	Data processing	8,174	8,899	10,240	10,240	11,000
6411	Telephone	6,987	6,900	6,845	8,180	15,045
6412	Cellular	8,814	9,869	10,250	11,290	11,290
6422	Electric	22,944	22,400	24,000	24,000	-
6423	Natural gas	4,687	3,637	4,000	4,600	-
6434	General liability insurance	31,475	31,475	31,475	31,475	34,623
6436	Vehicle liability insurance	7,826	7,826	10,500	10,500	10,815
6445	Postage	1,542	1,496	2,000	1,700	1,700
6450	Outside printing	1,689	1,836	2,750	2,300	2,800
6460	Subscription/memberships	3,434	2,602	3,475	3,066	3,575
6470	Training	29,242	17,571	26,890	22,990	27,740
6492	Advertising	-	-	1,000	250	500
6505	Equipment maintenance service	5,231	6,080	6,460	5,710	6,460
6510	Vehicle maintenance service	22,065	21,269	21,200	21,200	22,025
6515	Building maintenance service	16,749	10,364	7,510	6,985	3,900
6555	Equipment rental	2,485	2,505	2,500	2,500	1,200
6560	Other contractual service	56,447	75,668	63,250	64,175	55,700
	Total other services and charges	<u>245,992</u>	<u>243,608</u>	<u>295,195</u>	<u>279,482</u>	<u>260,598</u>
Total		<u>\$ 4,460,827</u>	<u>\$ 4,679,631</u>	<u>\$ 5,002,617</u>	<u>\$ 4,965,645</u>	<u>\$ 5,174,627</u>

Department: Fire 1210

Fund: General Fund 1000

Department Activities and Responsibilities:

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

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

The City began shifting from the volunteer staffing structure in 2014 by adding four full-time medical responders to begin developing a "combination staffing model" of full-time and on-call employees. Results from the strategic planning process indicated need for additional full-time staff to meet the high call volume. New full-time positions created during 2018 and 2019 brought the staff complement to 12 full-time positions. Under this model, all full-time and part-time staff were supervised by the Chief and Assistant Chief, leaving a gap in the onsite supervision of staff. In 2021, the City incorporated a Captain position to operate as a shift lead for each crew into the Fire Department staffing structure. These assignments did not add to the existing crew, but rather promoted three current full-time staff to the Captain positions. In 2022, the Department intends to hire two new full-time positions as part of a three-year plan to build a third 24/7 full-time crew. The department continues to employ paid-on-call members to fill in for a third crew to help with duties.

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

The 2021 Budget for Fire Department Personnel Services is built with 20% of the associated staffing costs for Firefighter/Paramedic positions, with the remaining 80% assigned to the Ambulance Fund budget since a significant portion of the calls are for emergency medical issues. However, this configuration is not feasible for future years as the Ambulance Fund experiences financial challenges as rate increases are not fully captured due to Medicare's limited reimbursement amount, a high delinquency in self-pay accounts and the creation of high deductible insurance plans. In light of these issues, the City began to compare its service model and funding arrangement with that of cities with similar staffing models and calls for service. The ultimate goal is to balance both budgets while continuing to provide timely high quality service to patients.

Comparison results demonstrate a need for the City to either allocate a higher percentage of the Firefighter/Paramedic salaries to the Fire Department or combine the two budgets together to create a Special Revenue Fund and add a separate emergency response tax levy to support the combined operations. Ambulance revenues can offset operating costs of the combined operations as a whole, however, they cannot support the ambulance service on its own. Given this information, the 2022 Budget is moving from the 20% and 80% split for Firefighter/Paramedic positions to a 25% and 75% split with recognition that the percentage will need to be increased again in future year's budgets.

Department: Fire 1210

Fund: General Fund 1000

Budget Summary:

The full-time firefighter/paramedic employees voted in union representation in 2019. The current contract ends as of December 31, 2021, and union negotiations are underway for the 2022 budget year. As discussed above, the significant increase in the 2022 Personnel Services budget is a result of a combination of the promotion of three current employees to the Captain position, the hiring of two additional full-time positions, and the change in the salary split between the Fire Department and the Ambulance Fund. With the hiring of two additional full-time staff in 2022, the Salaries – Temporary Employees budget allocation saw a correlating decrease.

The on-call Fire Department members belong to a Relief Association managed by a group of elected leaders who represent the current membership. The primary function of the Relief Association is to handle the investments related to the membership's retirement fund. The Association membership and the City Council both approved the transition to the Minnesota Public Employee Retirement Association (PERA) as of January 2019. Therefore, the 2% fee the State of Minnesota applies to all property insurance policies to fund the retirement plans is now sent directly to PERA for investment instead of the City. The Association and City Council will both retain the responsibility to assess fund balances and approve pension payment increases through this agreement. The Board and City Council may cancel the agreement with PERA and have the Fire Relief Association Board manage the funds if they are not satisfied with PERA service.

The Equipment Supplies budget increases in 2021 to replace hoses and firefighting equipment. This expenditure level continues in 2022. The addition of full-time staff stabilizes expenditures for outfitting and training members for duty, which eliminates expenditures due to the high turnover rate in temporary employees as they left for full-time employment opportunities with other agencies or they could not meet the required time commitment.

The Police Department and Fire Station 1 are located within the same facility. To improve methods of tracking costs related to the facility operations, the 2022 Budget creates a Public Safety Facility budget to manage the costs of central supplies, utilities, and maintenance services for the campus. The budgets for the Electric, Natural Gas, Building Maintenance, Equipment Rental and Contracted Services accounts decrease in this budget because funding for the expenditures were transferred to the Public Safety Facility budget.

Capital Outlay:

The Equipment Acquisition Fund, found in the Capital Projects section of the budget, details the capital equipment requests for the department. The 2021 Budget originally planned for the purchase of a \$1,020,100 ladder truck, but \$600,000 of the truck was actually paid for at the end of 2020. The 2021 Revised Budget was adjusted down to reflect the partial payment. The 2021 Budget also allocated funds to replace 800MHZ radios and equipment at Fire Station 2.

The Municipal Building Fund, found in the Capital Projects section of the budget, reports the capital building expenditures for the department. The 2021 Revised Budget for Fire Station 2 allocates funding for a dumpster enclosure, repairs and maintenance at the training tower, and a basement utility room sink and water fountain. The 2022 Budget for Fire Station 2 plans for a roof replacement, an LED lighting upgrade, the removal of the diesel fuel tank, and other minor maintenance.

Department: Fire 1210

Fund: General Fund 1000

Goals:

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

Measurable Workload Data:

	2019 <u>Actual</u>	2020 <u>Actual</u>	2021 <u>Budget</u>	2022 <u>Budget</u>
Number of Fire and Rescue Calls	1056	939	950	950
Public Education Events Held	62	37	60	60
Smoke Detectors, Carbon Monoxide Detectors, and Fire Extinguishers Given Out Free of Charge	50	16	170	100
Average Response Times	6:14	5:54	5:59	5:59

City of White Bear Lake
Public Safety - Fire

Annual Budget
Business Unit: 1210

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 301,841	\$ 345,171	\$ 339,066	\$ 338,753	\$ 442,878
6117	Overtime - regular employees	34,188	38,957	43,426	31,703	47,744
6119	Salaries - temporary employees	31,353	43,615	103,589	102,405	74,527
6122	PERA	56,027	66,881	66,580	64,455	85,400
6124	FICA/Medicare	11,117	9,201	14,152	13,884	13,691
6128	Insurance contribution	21,200	22,260	23,373	23,373	47,040
6131	Health savings account contribution	43,430	-	-	-	-
6132	Volunteer life insurance	2,880	2,880	2,880	2,880	2,880
6138	Worker's compensation	103,650	103,650	101,750	101,750	122,100
6148	Other benefits	9,250	9,250	9,250	9,250	11,400
	Total personnel services	614,936	641,865	704,066	688,453	847,660
Supplies						
6210	Office supplies	366	383	1,700	1,700	1,700
6220	Equipment supplies	5,276	4,539	5,200	8,000	8,100
6230	Vehicle supplies	5,656	5,095	5,500	5,500	5,500
6240	Building supplies	5,597	8,166	6,525	6,525	5,813
6248	Community engagement supplies	1,333	-	600	600	600
6250	Other supplies	3,195	2,943	4,350	4,350	4,350
6255	Landscape supplies	129	59	200	200	100
6272	Motor fuels	8,087	4,750	14,000	14,000	14,000
6274	Lubricants & additives	-	13	-	-	-
6280	Books & periodicals	4,001	5,020	6,095	6,095	6,095
6290	Uniforms	28,156	36,028	38,800	38,800	38,800
6295	Small tools	1,252	534	3,000	3,000	4,000
	Total supplies	63,048	67,530	85,970	88,770	89,058
Other Services and Charges						
6401	Professional services	18,996	23,852	37,550	37,550	37,550
6402	Data processing	5,703	6,187	7,130	7,130	7,700
6411	Telephone	2,517	2,572	3,160	3,160	3,550
6412	Cellular	5,256	5,528	7,780	7,780	7,780
6422	Electric	18,791	18,550	20,500	20,500	6,500
6423	Natural gas	5,669	5,013	8,400	8,400	2,500
6434	General liability insurance	9,561	9,561	9,561	9,561	10,517
6436	Vehicle liability insurance	13,039	13,039	2,200	2,200	2,266
6445	Postage	158	251	600	300	600
6449	In-house printing	-	-	250	250	250
6450	Outside printing	202	-	900	900	900
6460	Subscription/memberships	3,498	4,142	5,660	6,040	6,040
6470	Training	25,322	11,569	23,800	23,800	23,800
6492	Advertising	1,145	-	2,000	2,000	2,000
6505	Equipment maintenance service	10,579	15,094	17,550	17,550	17,550
6510	Vehicle maintenance service	30,221	18,659	14,950	14,950	14,950
6515	Building maintenance service	15,212	19,764	18,500	18,975	9,600
6525	Electrical maintenance service	-	-	-	3,525	-
6555	Equipment rental	-	169	100	100	100
6560	Other contractual service	10,526	9,231	15,725	17,050	14,850
	Total other services and charges	176,395	163,181	196,316	201,721	169,003
	Total	\$ 854,379	\$ 872,576	\$ 986,352	\$ 978,944	\$ 1,105,721

Department: Dispatch 1114

Fund: General Fund 1000

Department Activities and Responsibilities:

The City contracts with Ramsey County Emergency Communication Center for dispatching services. Prior to 2018, White Bear Lake remained the only city in Ramsey County to offer independent dispatching of personnel for emergency and non-emergency calls for service. As the number of calls for service continued to rise, equipment replacement deadlines approached, and industry standards evolved, it became evident that transitioning to Ramsey County for dispatch services offered cost savings, increased capacity, efficiencies of scale, and direct connections to other emergency response agencies through a shared communications center. Given these factors, the City Council authorized staff to transition dispatch services to Ramsey County during 2018.

Budget Summary:

The Joint Powers Agreements for dispatching services between Ramsey County and the member cities 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. The rate increases in the 2022 Budget are based on an increase in the three-year rolling average of the City's share of calls for service from 2018-2020.

Goals:

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

Measurable Workload Data:

	2019 <u>Actual</u>	2020 <u>Actual</u>	2021 <u>Budget</u>	2022 <u>Budget</u>
Total service calls	27,396	22,497	22,000	22,000
Gas Drive Off Investigations	16	9	10	10
CAD Quarterly User Group Committee Meetings Attended	4	4	4	4

City of White Bear Lake
Public Safety - Dispatch

Annual Budget
Business Unit: 1114

<u>Code</u>	<u>Item</u>	<u>2019 Actual</u>	<u>2020 Actual</u>	<u>2021 Adopted</u>	<u>2021 Revised</u>	<u>2022 Budget</u>
	Other Services and Charges					
6413	Radio communications	2,881	2,881	3,000	3,000	3,000
6470	Training	(154)	-	-	-	-
6560	Other contractual service	<u>201,430</u>	<u>211,649</u>	<u>215,000</u>	<u>217,700</u>	<u>220,300</u>
	Total other services and charges	<u>204,157</u>	<u>214,530</u>	<u>218,000</u>	<u>220,700</u>	<u>223,300</u>
	Total	<u>\$ 204,157</u>	<u>\$ 214,530</u>	<u>\$ 218,000</u>	<u>\$ 220,700</u>	<u>\$ 223,300</u>

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Department: Legal Prosecution 1041

Fund: General Fund 1000

Department Activities and Responsibilities:

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

The City Council appointed Robb Olson and the law office of GDO Law 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.

In 2019, the Department 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 the Public Safety Facility to address minor motor vehicle and code violation issues through the City's Administrative fine process.

Department: Legal Prosecution 1041

Fund: General Fund 1000

Measurable Workload Data:

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

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021*</u>
Prosecutor	\$142,875	\$154,584	\$149,692	\$151,832	\$101,333

*Partial year (January - August)

City of White Bear Lake
Public Safety - Legal Prosecution

Annual Budget
Business Unit: 1041

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 240	\$ -	\$ -	\$ -	\$ -
6119	Salaries - temporary employees	-	1,400	1,292	1,292	1,331
6124	FICA/Medicare	18	107	99	99	102
	Total personnel services	<u>258</u>	<u>1,507</u>	<u>1,391</u>	<u>1,391</u>	<u>1,433</u>
Other Services and Charges						
6401	Professional services	<u>148,150</u>	<u>151,667</u>	<u>157,200</u>	<u>152,200</u>	<u>156,800</u>
	Total other services and charges	<u>148,150</u>	<u>151,667</u>	<u>157,200</u>	<u>152,200</u>	<u>156,800</u>
	Total	<u>\$ 148,408</u>	<u>\$ 153,174</u>	<u>\$ 158,591</u>	<u>\$ 153,591</u>	<u>\$ 158,233</u>

Department: Animal Control 1118

Fund: General Fund 1000

Department Activities and Responsibilities:

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

The City currently has a two part approach to animal control services. When lost animals are found, the department houses the animals at the station for the first 24 hours while attempting to locate the owner through social media posts. If the pet remains in custody after that time, the Department moves the animal to Saint Paul Animal Control and Impound under a boarding service contract. This system reunites approximately 95% of the pets received with their families sooner than past practices and has reduced boarding costs for both the owner and the City. In addition to seeing a significant decrease in the number of impounded animals, the program has become a positive community engagement activity.

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 regularly reviews 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. Confirm 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:

	2019 <u>Actual</u>	2020 <u>Actual</u>	2021 <u>Budget</u>	2022 <u>Budget</u>
Total number of animal control calls	442	364	400	375
Number of animals taken in at Saint Paul Animal Control	8	3	8	8
Number of lost pets posted to White Bear Lake Police Facebook page	24	22	20	20

City of White Bear Lake
Public Safety - Animal Control

Annual Budget
Business Unit: 1118

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Personnel Services						
6119	Salaries - temporary employees	\$ 9,995	\$ 9,764	\$ 15,206	\$ 15,136	\$ 15,590
6124	FICA/Medicare	764	747	1,163	1,158	1,193
	Total personnel services	<u>10,759</u>	<u>10,511</u>	<u>16,369</u>	<u>16,294</u>	<u>16,783</u>
Supplies						
6250	Other supplies	120	302	1,050	1,050	1,050
	Total supplies	<u>120</u>	<u>302</u>	<u>1,050</u>	<u>1,050</u>	<u>1,050</u>
Other Services and Charges						
6402	Data processing	1,521	1,651	1,905	1,905	1,900
6470	Training	-	-	400	200	400
6565	Disposal fees	2,762	300	2,700	1,350	2,700
6570	Impound fees	490	1,350	1,600	1,600	1,600
	Total other services and charges	<u>4,773</u>	<u>3,301</u>	<u>6,605</u>	<u>5,055</u>	<u>6,600</u>
Total		<u>\$ 15,652</u>	<u>\$ 14,114</u>	<u>\$ 24,024</u>	<u>\$ 22,399</u>	<u>\$ 24,433</u>

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Department: Emergency Preparedness 1220

Fund: General Fund 1000

Department Activities and Responsibilities:

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

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

Budget Summary:

The Community Engagement Supplies had no activity in 2020 given COVID-19 social distancing guidelines. With the loosening of guidelines in 2021, Community Engagement Supplies activities returned to normal levels.

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. The City is currently in the process of replacing all five sirens over a five year period that began in 2018. The final siren replacement will occur in 2022.

Goals:

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

Department: Emergency Preparedness 1220

Fund: General Fund 1000

Measurable Workload Data:

	2019 <u>Actual</u>	2020 <u>Actual</u>	2021 <u>Budget</u>	2022 <u>Budget</u>
Number of CERT Volunteer Hours	1,700	3	300	500
CERT Team Activations	2	1	1	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

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Supplies						
6220	Equipment supplies	-	339	400	200	400
6248	Community engagement supplies	2,619	-	2,865	2,150	2,940
6250	Other supplies	445	-	800	-	800
6290	Uniforms	719	859	2,300	2,300	2,300
6295	Small tools	-	-	900	800	950
	Total supplies	<u>3,783</u>	<u>1,198</u>	<u>7,265</u>	<u>5,450</u>	<u>7,390</u>
Other Services and Charges						
6422	Electric	3,567	4,083	3,800	3,800	3,800
6423	Natural gas	1,694	1,347	2,000	2,000	2,000
6434	General liability insurance	299	299	299	299	329
6450	Outside printing	-	-	50	-	50
6505	Equipment maintenance service	1,751	-	3,000	3,000	3,000
	Total other services and charges	<u>7,311</u>	<u>5,729</u>	<u>9,149</u>	<u>9,099</u>	<u>9,179</u>
Total		<u>\$ 11,094</u>	<u>\$ 6,927</u>	<u>\$ 16,414</u>	<u>\$ 14,549</u>	<u>\$ 16,569</u>

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Department: Building and Code Enforcement 1080

Fund: General Fund 1000

Departmental Activities and Responsibilities:

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

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

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

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

Budget Summary:

The 2021 Budget included a salary allocation for a full-time Building Inspector position, which was vacated at the end of 2020. After reviewing the Department staffing needs and the competitive job market for individuals with these skills, the department chose to restructure the vacant position and hire an Assistant Building Official in June 2021.

The Professional Services budget provides resources for contracted electrical inspection work. Electrical permit fees paid by property owners offset the expenditures for this service. In 2019, White Bear Lake ISD #624 passed a \$326 million building bond referendum to provide the funding to undertake a comprehensive capital improvement plan throughout the District. In order to accommodate the surge in plan review and building inspection activity, the Revised 2021 and 2022 Budgets include a \$10,000 and \$30,000 allocation, respectively, for temporary plan review and building inspection services.

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

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

Capital Outlay:

The Equipment Acquisition Fund, found in the Capital Projects Fund section of the documents, replaced a department vehicle in 2021 and anticipates replacing another vehicle in 2022.

Department: Building and Code Enforcement 1080

Fund: General Fund 1000

Goals:

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

Measurable Workload Data:

	2019 Actual	2020 Actual	2021 Budget	2022 Budget
Total Inspections for All Permits	4,702	4,223	3,700	4,000
Total Number of Permits Issued	2,687	2,685	2,500	2,500
Total Number of Permits Completed	2,115	1,875	1,500	1,700
Number of Certificates of Occupancy Issued	46	19	20	30
Number of Rental Inspections Performed	327	217	300	250
Total Value of Construction (in millions)	\$65,328	\$54,730	\$39,000	\$39,000
Number of New Single Family Dwelling Permits	13	4	10	10
Number of Town Homes Permits	0	0	0	0
Number of Apartment Permits	1	0	0	0

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

Annual Budget
Business Unit: 1080

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 380,854	\$ 393,802	\$ 433,281	\$ 402,949	\$ 461,359
6117	Overtime - regular employees	28	-	-	-	-
6122	PERA	28,566	29,535	32,496	30,221	34,602
6124	FICA/Medicare	28,220	29,418	33,146	30,826	35,294
6128	Insurance contribution	38,600	40,530	42,557	42,557	47,040
6138	Worker's compensation	5,500	5,500	2,775	2,775	3,330
6146	Severance pay	-	-	-	-	6,806
6148	Other benefits	4,300	4,300	4,300	4,300	11,400
	Total personnel services	486,068	503,085	548,555	513,628	599,831
Supplies						
6210	Office supplies	367	313	1,000	700	1,000
6220	Equipment supplies	142	292	200	400	200
6230	Vehicle supplies	2,939	1,065	1,500	1,500	1,500
6250	Other supplies	108	30	100	100	100
6272	Motor fuels	4,498	2,681	5,200	5,200	5,200
6280	Books & periodicals	-	977	1,300	1,000	1,300
6290	Uniforms	78	161	200	200	200
6295	Small tools	1,073	1,050	2,000	2,000	2,000
	Total supplies	9,205	6,569	11,500	11,100	11,500
Other Services and Charges						
6401	Professional services	49,749	39,581	35,100	50,200	70,200
6402	Data processing	32,793	35,547	40,975	40,975	44,000
6411	Telephone	1,185	1,214	1,470	1,470	1,675
6412	Cellular	2,342	3,420	3,760	3,960	4,490
6434	General liability insurance	3,165	3,165	3,165	3,165	3,482
6436	Vehicle liability insurance	1,663	1,663	1,100	1,100	1,133
6445	Postage	605	502	1,000	600	1,000
6450	Outside printing	1,059	140	400	400	400
6460	Subscription/memberships	-	135	410	410	410
6470	Training	2,345	3,171	5,190	5,190	5,190
6505	Equipment maintenance service	357	309	500	500	500
6510	Vehicle maintenance service	342	44	600	600	600
6545	Credit card fees	5	11	25	4,500	4,500
6560	Other contractual service	228	274	240	240	240
	Total other services and charges	95,838	89,176	93,935	113,310	137,820
Total		\$ 591,111	\$ 598,830	\$ 653,990	\$ 638,038	\$ 749,151

Department: Public Works Facility 1300

Fund: General Fund 1000

Departmental Activities and Responsibilities:

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

Budget Summary:

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

The 2021 Revised Budget includes an increase in the Equipment Supplies account to purchase forklift parts, hoses, and storage racks and the Other Supplies account to purchase safety supplies. The additional funding in the Electrical Repair Service budget installed generator connections that allows other departments to work remotely at the site if there were public unrest or a natural disaster in the area. The Other Contractual Services budget provided funds to level out the recently purchased land north of the Public Works Facility for tree trust plantings.

The 2022 Budget maintains operations at a level similar to the expenditures in the Revised 2021 Budget.

In regards to the 2020 actual fuel expenditures, the year to date amount includes expenditures that should have been allocated to other General Fund departments prior to the end of the year. There was no effect on the General Fund balance at year end since all departments are within the same fund. A new procedure implemented in 2021 will prevent this issue from occurring again.

Capital Outlay:

The Municipal Building Fund in the Capital Projects Funds contains allocations in 2022 for washing and cleaning shop walls and a canopy for the fuel island.

Goals:

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

City of White Bear Lake
Public Works - Public Works Facility

Annual Budget
Business Unit: 1300

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 68,478	\$ 60,945	\$ 63,515	\$ 67,049	\$ 69,238
6117	Overtime - regular employees	825	290	750	750	750
6122	PERA	5,198	4,593	4,820	5,085	5,249
6124	FICA/Medicare	5,475	4,731	4,916	5,187	5,354
6128	Insurance contribution	6,150	6,458	6,781	6,781	7,056
6138	Worker's compensation	2,120	2,120	2,325	2,325	2,790
6148	Other benefits	780	780	780	780	1,710
	Total personnel services	<u>89,026</u>	<u>79,917</u>	<u>83,887</u>	<u>87,957</u>	<u>92,147</u>
Supplies						
6210	Office supplies	1,046	1,107	1,200	1,900	1,900
6220	Equipment supplies	541	2,695	1,200	4,300	3,550
6230	Vehicle supplies	-	331	500	500	500
6240	Building supplies	4,962	7,978	6,200	6,200	6,200
6250	Other supplies	1,754	2,094	1,590	2,840	2,840
6255	Landscaping supplies	77	92	50	100	100
6272	Motor fuels	129	16,488	710	1,925	1,925
6274	Lubricants & additives	-	-	1,000	500	1,000
6290	Uniforms	3,589	2,031	2,150	2,500	2,500
6295	Small tools	3,512	139	900	1,775	1,050
	Total supplies	<u>15,610</u>	<u>32,955</u>	<u>15,500</u>	<u>22,540</u>	<u>21,565</u>
Other Services and Charges						
6401	Professional services	34	86	800	500	800
6402	Data processing	2,852	3,091	3,565	3,565	4,400
6411	Telephone	3,157	2,862	3,415	3,415	3,600
6412	Cellular	404	459	640	695	780
6422	Electric	21,824	24,833	25,000	25,000	25,000
6423	Natural gas	12,093	10,547	12,000	12,600	12,600
6434	General liability insurance	4,000	4,000	4,000	4,000	4,400
6436	Vehicle liability insurance	1,000	1,000	200	200	206
6445	Postage	296	1,460	400	300	400
6450	Outside printing	555	85	600	600	600
6460	Subscription/memberships	232	91	500	500	500
6470	Training	30	-	800	800	800
6492	Advertising	374	-	400	400	400
6505	Equipment maintenance service	958	1,933	1,285	1,285	1,285
6515	Building maintenance service	23,948	13,510	24,680	25,630	25,630
6525	Electrical repair service	-	(2,958)	500	2,500	2,500
6555	Equipment rental	1,731	1,926	1,150	2,000	2,000
6560	Other contractual services	14,334	14,943	14,610	16,690	14,610
6565	Disposal Fees	136	8,540	-	-	-
	Total other services and charges	<u>87,958</u>	<u>86,408</u>	<u>94,545</u>	<u>100,680</u>	<u>100,511</u>
Total		<u>\$ 192,594</u>	<u>\$ 199,280</u>	<u>\$ 193,932</u>	<u>\$ 211,177</u>	<u>\$ 214,223</u>

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Department: Engineering 1310

Fund: General Fund 1000

Department Activities and Responsibilities:

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

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

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

Budget Summary:

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

The City welcomed a new City Engineer/Director of Public Works in the end of 2018 when the previous employee retired after 30 years with the City. A concurrent opening in the Assistant City Engineer position allowed the City Engineer an opportunity to review employee responsibilities and projects to determine the most efficient operating structure for the department upon his arrival. Updated staffing plans anticipate promoting the current Civil Engineer employee to the Assistant City Engineer in 2022, leaving the Civil Engineer position vacant at this time. A vacancy in an Engineering Technician position during 2021 will return to the budget in 2023. In addition to these changes, the City intends to add a Geographic Information Systems (GIS) specialist to the team. The 2021 budget funded the position as of September 1, 2021; however, a delay in the hiring process moved the start date to the beginning of 2022.

The 2022 Budget for Data Processing includes an additional \$10,000 to train the GIS Specialist on our system.

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 purchase a vehicle and a speed sign with counter capabilities in 2021 and replace data collector equipment in 2022.

Goals:

1. Update the City's Capital Improvement Plan which provides the framework for future infrastructure needs.
2. Review the pavement management system and complete annual pavement condition assessments.
3. Design and administer the City's annual street reconstruction and maintenance projects.

Department: Engineering 1310

Fund: General Fund 1000

Goals (Continued):

4. Prepare and scan paper project files and record plans for archival into the Laserfiche software.
5. Review building and development proposals to ensure the City's objectives, standards, and policies are met.
6. Update and expand the City's GIS with water, sewer, and roadway and other infrastructure data.

Measurable Workload Data:

	2019 <u>Actual</u>	2020 <u>Actual</u>	2021 <u>Budget</u>	2022 <u>Budget</u>
Miles of street and alley reconstruction completed	1.98	1.12	0.06	2.00
Miles of mill and overlay completed	1.37	3.03	2.53	2.00

City of White Bear Lake
Public Works - Engineering

Annual Budget
Business Unit: 1310

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 409,479	\$ 429,005	\$ 472,835	\$ 424,241	\$ 461,850
6117	Overtime - regular employees	11,537	6,806	15,000	10,000	15,000
6119	Salaries - temporary employees	15,368	17,860	22,140	22,750	23,433
6122	PERA	31,577	32,686	36,588	32,568	35,764
6124	FICA/Medicare	32,070	33,336	39,013	34,960	38,272
6128	Insurance contribution	46,300	48,615	51,046	51,046	55,860
6138	Worker's compensation	7,000	7,000	3,100	3,100	3,720
6146	Severance pay	-	-	-	-	4,366
6148	Other benefits	6,500	6,500	6,500	6,500	11,400
	Total personnel services	<u>559,831</u>	<u>581,808</u>	<u>646,221</u>	<u>585,165</u>	<u>649,665</u>
Supplies						
6210	Office supplies	870	424	2,100	1,500	2,200
6220	Equipment supplies	1,078	15	1,000	1,000	2,500
6230	Vehicle supplies	20	2,895	1,560	1,560	1,560
6250	Other supplies	35	-	200	200	200
6272	Motor fuels	1,978	1,681	2,000	2,000	2,000
6280	Books & periodicals	-	-	100	150	150
6290	Uniforms	37	32	250	250	500
6295	Small tools	1,012	230	1,500	1,500	1,500
	Total supplies	<u>5,030</u>	<u>5,277</u>	<u>8,710</u>	<u>8,160</u>	<u>10,610</u>
Other Services and Charges						
6401	Professional services	-	66	300	300	300
6402	Data processing	35,067	38,233	44,700	44,700	63,735
6411	Telephone	730	750	970	970	1,115
6412	Cellular	1,438	1,681	2,300	1,950	2,700
6434	General liability insurance	5,274	5,274	5,274	5,274	5,801
6436	Vehicle liability insurance	1,073	1,073	400	400	412
6445	Postage	1,951	1,460	2,400	1,870	2,400
6449	In-house printing	-	-	500	200	500
6450	Outside printing	376	-	400	400	400
6460	Subscription/memberships	522	765	895	685	955
6470	Training	3,253	1,398	6,500	3,400	6,700
6485	Travel allowance	2,413	2,549	2,650	2,850	2,850
6505	Equipment maintenance service	1,472	1,011	2,000	2,000	2,000
6510	Vehicle maintenance service	-	1,222	2,000	2,000	2,000
6560	Other contractual services	-	-	100	100	100
	Total other services and charges	<u>53,569</u>	<u>55,482</u>	<u>71,389</u>	<u>67,099</u>	<u>91,968</u>
Total		<u>\$ 618,430</u>	<u>\$ 642,567</u>	<u>\$ 726,320</u>	<u>\$ 660,424</u>	<u>\$ 752,243</u>

Department: Central Garage 1320

Fund: General Fund 1000

Departmental Activities and Responsibilities:

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

Budget Activity:

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

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

The budget allocations for Electric and Natural Gas charges at the old Public Works Garage at 4200 Hoffman Road were eliminated in the Revised 2021 and 2022 Budgets. Previously, the electric and natural gas costs were split between the Streets, Parks, Water, Sewer, and Garage departments; however, the expenditures were transferred to the Economic Development Fund to properly align the expenditures with the rent revenues received for that space.

Goals:

1. Implement the new Enterprise Asset Management software as of January 1, 2022.
2. Begin assessing fleet lifecycle cost data to help keep a green fleet and reduce spending on poor fuel economy and inefficient equipment.
3. Promptly complete all vehicle maintenance requests to reduce down time for other departments.
4. Complete the majority of repair requests to reduce outsourcing costs and control quality of work.
5. Update stock inventory for more accurate and efficient spending.
6. Expand training on the diverse fleet of equipment needed to maintain the City's expectations.

Measurable Workload Data:

	2019 <u>Actual</u>	2020 <u>Actual</u>	2021 <u>Budget</u>	2022 <u>Budget</u>
Vehicle and equipment repair projects	185	223	300	300
Oil changes and preventive maintenance projects	190	163	200	200
Department of Transportation safety inspections	16	16	16	16

City of White Bear Lake
Public Works - Garage

Annual Budget
Business Unit: 1320

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 65,834	\$ 60,301	\$ 69,557	\$ 94,549	\$ 141,101
6117	Overtime - regular employees	-	-	513	513	513
6122	PERA	4,937	4,523	5,255	7,130	10,621
6124	FICA/Medicare	4,622	4,168	5,360	7,272	10,833
6128	Insurance contribution	7,615	7,996	8,396	8,396	15,680
6138	Worker's compensation	3,880	3,880	3,225	3,225	3,870
6148	Other benefits	845	845	845	845	3,800
	Total Personnel Services	87,733	81,713	93,150	121,930	186,418
Supplies						
6210	Office supplies	-	-	100	100	100
6220	Equipment supplies	10,612	9,743	13,850	14,850	16,500
6230	Vehicle supplies	5,358	3,583	6,100	6,100	7,500
6240	Building supplies	528	371	1,000	2,700	2,600
6250	Other supplies	14	174	1,000	1,650	1,650
6274	Lubricants & additives	3,557	4,426	4,000	4,000	4,000
6290	Uniforms	430	400	400	1,230	1,230
6295	Small tools	1,115	3,054	3,500	4,500	4,800
	Total Supplies	21,614	21,751	29,950	35,130	38,380
Other Services and Charges						
6401	Professional services	34	376	200	395	200
6422	Electric	2,038	-	6,500	-	-
6423	Natural gas	898	-	2,200	-	-
6434	General liability insurance	2,920	2,920	2,920	2,920	3,212
6445	Postage	-	-	50	50	50
6450	Outside printing	12	66	200	200	200
6460	Subscription/memberships	40	-	100	100	100
6470	Training	-	-	2,000	2,000	3,000
6505	Equipment maintenance service	2,160	4,574	5,500	5,500	5,500
6555	Equipment rental	3,053	2,939	2,700	2,700	3,000
6560	Other contractual services	2,454	5,940	6,300	6,300	15,800
	Total Other Services and Charges	13,609	16,815	28,670	20,165	31,062
Total		\$ 122,956	\$ 120,279	\$ 151,770	\$ 177,225	\$ 255,860

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Department: Streets 1410

Fund: General Fund 1000

Department Activities and Responsibilities:

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

The City maintains a Pavement Management Program (PMP) to coordinate the maintenance, rehabilitation, and reconstruction of the City's pavement infrastructure. Annual adherence to the program simplifies long range financial planning through consistent expenditure levels and provides a longer lifespan for the road system. Regular inspections 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 20th – 25th year of the street's life cycle. With this strategy, each road receives approximately three sealcoating cycles before the more extensive overlay rehabilitation process is required. Following the mill and overlay guidelines in the PMP is essential 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 50th 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:

A staffing model change in the City's Garage Department results in more repairs being completed in-house rather than sending the projects out to a repair shop or other vendor. To recognize this shift in operations, the department moved budget appropriations from the Equipment and Vehicle Maintenance Service accounts that support out-sourced expenditures to the Equipment and Vehicle Supplies accounts that purchase items needed for the in-house work.

The budget allocations for Electric and Natural Gas charges at the old Public Works Garage at 4200 Hoffman Road were eliminated in the Revised 2021 and 2022 Budgets. Previously, the electric and natural gas costs were split between the Streets, Parks, Water, Sewer, and Garage departments; however, the

Department: Streets 1410

Fund: General Fund 1000

expenditures were transferred to the Economic Development Fund to properly align the costs with rent revenues received for the space.

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

Capital Outlay:

Capital equipment purchases for this department are included in the Equipment Acquisition Fund, which is part of the Capital Projects Funds section of this document. The 2021 Budget supports the replacement of two dump trucks and a John Deere Loader, while the 2022 Budget appropriation replaces a ¾ ton pickup truck.

Goals:

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

Measurable Workload Data:

	2019 <u>Actual</u>	2020 <u>Actual</u>	2021 <u>Budget</u>	2022 <u>Budget</u>
Cubic Yards of Debris Swept	2,331	1,952	1,700	1,900
Miles of Streets Swept	752	652	600	650
Tons of Asphalt used for street patching	261	322	300	300
Man Hours Spent Tree Trimming	917	957	750	1,000

City of White Bear Lake
Public Works - Streets

Annual Budget
Business Unit: 1410, 1411

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 230,649	\$ 220,836	\$ 231,915	\$ 231,625	\$ 239,153
6117	Overtime - regular employees	3,116	1,337	3,265	3,265	3,290
6119	Salaries - temporary employees	8,918	11,129	15,800	15,080	15,532
6120	Overtime - temporary employees	-	-	600	600	600
6122	PERA	17,532	16,663	17,638	17,617	18,183
6124	FICA/Medicare	17,565	17,003	19,246	19,169	19,781
6128	Insurance contribution	32,045	33,647	35,329	35,329	37,240
6138	Worker's compensation	19,890	19,890	21,955	21,955	26,346
6148	Other benefits	2,820	2,820	2,820	2,820	7,600
	Total personnel services	332,535	323,325	348,568	347,460	367,725
Supplies						
6210	Office supplies	-	-	250	250	250
6220	Equipment supplies	16,816	17,045	16,550	20,550	22,250
6230	Vehicle supplies	6,779	3,696	6,000	9,000	10,000
6250	Other supplies	2,869	378	3,100	3,100	3,250
6253	Street materials	5,514	15,061	27,000	27,000	27,000
6254	Signs & stripping materials	9,321	9,394	15,000	15,000	15,000
6272	Motor fuels	24,441	13,232	24,000	24,000	24,000
6274	Lubricants & additives	-	1,193	800	1,000	1,500
6290	Uniforms	1,675	1,699	3,000	3,350	3,550
6295	Small tools	780	364	1,500	1,500	1,500
	Total supplies	68,195	62,086	97,200	104,750	108,300
Other Services and Charges						
6401	Professional services	375	478	500	500	500
6402	Data processing	5,418	6,741	7,770	7,770	8,800
6411	Telephone	432	443	570	570	655
6412	Cellular	417	435	400	800	800
6422	Electric	509	-	800	-	-
6423	Natural gas	225	-	800	-	-
6434	General liability insurance	17,340	17,340	17,340	17,340	19,074
6436	Vehicle liability insurance	3,532	3,532	2,600	2,600	2,678
6445	Postage	-	-	100	100	100
6450	Outside printing	198	-	150	150	150
6460	Subscription/memberships	150	150	150	150	150
6470	Training	90	-	2,000	2,000	2,000
6505	Equipment maintenance service	26,728	11,720	10,000	6,000	6,000
6510	Vehicle maintenance service	901	1,115	5,000	2,000	2,000
6555	Equipment rental	225	-	500	500	1,500
6560	Other contractual services	65,962	76,169	93,500	93,000	93,000
	Total other services and charges	122,502	118,123	142,180	133,480	137,407
Total		\$ 523,232	\$ 503,534	\$ 587,948	\$ 585,690	\$ 613,432

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Department: Snow and Ice Removal 1420

Fund: General Fund 1000

Department Activities and Responsibilities:

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

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

Budget Summary:

Per the Minnesota Department of Natural Resources, the area received 18.2 inches of snow in the first four months of 2021. This was a decrease from a total of 25.9 inches of snowfall during the same time period in 2020. As a result, the 2021 Revised Budget allocates a decreased appropriation for related employee overtime in 2021. The decrease in snowfall also contributed to a savings in contracted snow removal services in the 2021 Revised Budget.

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

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 needed to treat the road surface.

Capital Outlay:

The Equipment Acquisition Fund, which is part of the Capital Project Funds section of the budget, funds the capital purchases for this department. The 2021 Budget allocated amounts to purchase a Wildcat snow blower.

Department: Snow and Ice Removal 1420

Fund: General Fund 1000

Goals:

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

Measurable Workload Data:

	2019 <u>Actual</u>	2020 <u>Actual</u>	2021 <u>Budget</u>	2022 <u>Budget</u>
Seasonal Snowfall in Inches	94.50	34.50	30.00	90.00
Snow plow events outside regular working hours	13	7	7	8
Road salt de-icing/anti-caking usage per ton	743	325	250	650
Snow plow sessions needing Cul-De-Sac plowing	20	11	6	20

City of White Bear Lake
Public Works - Snow Removal

Annual Budget
Business Unit: 1420

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 26,017	\$ 38,620	\$ 55,533	\$ 55,534	\$ 57,339
6117	Overtime - regular employees	31,254	19,994	25,000	20,000	25,000
6122	PERA	4,296	4,396	6,040	5,665	6,175
6124	FICA/Medicare	4,224	4,364	6,161	5,778	6,299
6128	Insurance contribution	7,650	8,033	8,435	8,435	9,310
6138	Worker's compensation	5,620	5,620	5,620	5,620	6,744
6148	Other benefits	1,000	1,000	1,000	1,000	1,900
	Total personnel services	<u>80,061</u>	<u>82,027</u>	<u>107,789</u>	<u>102,032</u>	<u>112,767</u>
Supplies						
6220	Equipment supplies	23,046	8,859	15,000	15,000	15,000
6230	Vehicle supplies	1,533	1,702	1,700	1,700	1,700
6250	Other supplies	60,250	73,568	72,800	72,800	76,500
6272	Motor fuels	15,299	402	20,000	20,000	20,000
6274	Lubricants & additives	-	509	1,000	1,000	1,000
6295	Small tools	-	180	300	300	300
	Total supplies	<u>100,128</u>	<u>85,220</u>	<u>110,800</u>	<u>110,800</u>	<u>114,500</u>
Other Services and Charges						
6401	Professional services	-	-	-	-	-
6434	General liability insurance	4,125	4,125	4,125	4,125	4,538
6436	Vehicle liability insurance	843	843	400	400	412
6450	Outside printing	-	-	250	250	250
6470	Training	145	-	600	600	600
6505	Equipment maintenance service	10,193	4,750	10,000	10,000	10,000
6510	Vehicle maintenance service	-	687	3,000	3,000	3,000
6560	Other contractual services	69,850	26,100	36,000	28,550	36,000
	Total other services and charges	<u>85,156</u>	<u>36,505</u>	<u>54,375</u>	<u>46,925</u>	<u>54,800</u>
Total		<u>\$ 265,345</u>	<u>\$ 203,752</u>	<u>\$ 272,964</u>	<u>\$ 259,757</u>	<u>\$ 282,067</u>

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 529 city-owned decorative streetlights and operating charges for 952 Xcel Energy cobra light poles and 24 signalized intersections in the City.

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

Budget Summary:

The Other Supplies expenditure budget allocates funds for the replacement of broken decorative streetlight ballasts and globes, as well as the replacement of aging poles. As the infrastructure continues to age, additional electrical repairs and pole replacements are budgeted for 2022. This work and painting of the poles will keep the structures in good condition and prevent issues that are more extensive. The Other Supplies expenditure budget also includes an allocation for new street lights at intersection/cul-de-sac locations.

Goals:

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

Measurable Workload Data:

	2019 <u>Actual</u>	2020 <u>Actual</u>	2021 <u>Budget</u>	2022 <u>Budget</u>
Number of repair calls for downtown streetlights	36	11	5	10
Number of decorative street light poles painted	25	0	9	0
Number of light poles or fixtures replaced	4	3	2	4

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

Annual Budget
Business Unit: 1430

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 7,601	\$ 7,828	\$ 8,024	\$ 8,024	\$ 8,285
6117	Overtime - regular employees	219	-	-	250	260
6122	PERA	586	587	602	621	641
6124	FICA/Medicare	596	599	614	633	654
6128	Insurance contribution	775	814	855	855	784
6138	Worker's compensation	475	475	475	475	570
6148	Other Benefits	-	-	-	-	190
	Total personnel services	<u>10,252</u>	<u>10,303</u>	<u>10,569</u>	<u>10,858</u>	<u>11,384</u>
Supplies						
6220	Equipment supplies	1,436	1,126	2,100	2,100	2,700
6250	Other supplies	9,299	7,038	17,000	17,000	29,500
	Total supplies	<u>10,735</u>	<u>8,164</u>	<u>19,100</u>	<u>19,100</u>	<u>32,200</u>
Other Services and Charges						
6422	Electric	12,162	12,954	13,000	13,000	13,000
6505	Equipment maintenance service	5,875	273	7,000	6,000	7,000
6525	Electric maintenance service	17,678	14,059	16,000	16,000	16,500
6560	Other contractual services	124,165	130,556	138,000	138,000	138,000
	Total other services and charges	<u>159,880</u>	<u>157,842</u>	<u>174,000</u>	<u>173,000</u>	<u>174,500</u>
Total		<u>\$ 180,867</u>	<u>\$ 176,309</u>	<u>\$ 203,669</u>	<u>\$ 202,958</u>	<u>\$ 218,084</u>

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Department: Parks 1510

Fund: General Fund 1000

Department Activities and Responsibilities:

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

The Park Improvement Fund supports the significant building and other capital improvements in the City's parks. While these past and current 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:

As mentioned above, responsibilities performed by department employees each year continue to increase through the added amenities in park improvement projects. The department utilizes a combination of full-time and temporary employees to complete the work.

The 2021 Budget for the Parks Department included funding for a full-time Building Maintenance position. After completing a comprehensive review of overall Public Works operations, the City chose to reorganize staff and eliminate the planned position and utilize the savings to hire a second mechanic for the City's Central Garage mid-year 2021. The department will continue to monitor the need for additional assistance in the building maintenance work to determine if the eliminated position should be added in a future year's budget.

The 2022 Budget includes an allocation for severance costs incurred as a full-time employee completes their 10 years of service minimum with the City during the year. The department recognizes the expenditure in the employee's anniversary year and transfers the amount to the Employment Expense Fund for recordkeeping until the employee leaves their position with the City.

The staffing model change in the City's Garage Department results in more in-house repair work instead of out-sourcing the projects a repair shop or other vendor. To recognize this shift in operations, the department moved budget appropriations from the Vehicle Maintenance Service account which supports out-sourced expenditures to the Vehicle Supplies account to purchase items needed for the in-house work in the Revised 2021 and 2022 Budgets.

The 2021 Revised Budget corrects the allocations for the White Bear Lake Conservation District dock permits fees for Matoska Park buoys, boat skids and canoe/kayak racks. The 2022 budget continues the permit fees for these amenities.

The 2022 Other Contractual Service budget includes an extra \$7,500 allocation for boulevard tree removal in anticipation of an increase in diseased trees that will require removal.

Department: Parks 1510

Fund: General Fund 1000

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 2021 Revised Budget provides funding for backpack blowers, weed whips, a water tanker truck. Due to supply chain delay, the department had to transfer the funds to purchase the multi-use/garbage truck to the 2022 Budget since the vehicle will not be ordered or received until that budget year. The only other equipment request planned for 2022 is a sidewalk sweeper.

Goals:

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

Measurable Workload Data:

	2019 <u>Actual</u>	2020 <u>Actual</u>	2021 <u>Budget</u>	2022 <u>Budget</u>
Hours Spent Mowing for the Season	735	756	900	900
Number of Park Reservations	311	175	67	300
Number of Tree Inspections Performed	66	66	66	66
Man Hours Spent Tree Trimming	254	158	150	250
Number of Special Events Supported	88	66	50	70
Instances of Vandalism	6	9	10	10

City of White Bear Lake
Public Works - Parks

Annual Budget
Business Unit: 1510

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 364,749	\$ 296,151	\$ 357,813	\$ 283,337	\$ 303,220
6117	Overtime - regular employees	7,556	7,721	11,583	11,583	11,960
6119	Salaries - temporary employees	35,864	36,386	39,396	43,306	44,605
6120	Overtime - temporary employees	-	72	-	-	-
6122	PERA	27,923	22,719	27,705	22,119	23,639
6124	FICA/Medicare	30,449	25,135	31,273	25,874	27,524
6128	Insurance contribution	38,290	40,866	42,909	42,909	46,550
6138	Worker's compensation	19,655	19,655	22,525	22,525	27,030
6146	Severance pay	-	-	-	-	12,974
6148	Other benefits	3,865	3,865	3,865	3,865	9,500
	Total personnel services	528,351	452,570	537,069	455,518	507,002
Supplies						
6210	Office supplies	-	52	375	375	375
6220	Equipment supplies	11,271	14,302	12,300	12,300	12,550
6230	Vehicle supplies	4,268	5,570	4,700	9,700	12,700
6240	Building supplies	7,871	10,504	13,500	13,250	13,500
6250	Other supplies	3,609	4,041	7,861	6,058	7,961
6253	Street materials	589	78	600	600	600
6255	Landscaping supplies	11,927	13,624	19,540	19,100	19,700
6272	Motor fuels	20,184	11,676	17,200	14,000	17,200
6274	Lubricants & additives	-	497	660	660	660
6280	Books & periodicals	-	-	100	100	100
6290	Uniforms	4,316	3,274	4,750	5,037	5,162
6295	Small tools	4,615	3,396	5,000	5,000	5,000
	Total supplies	68,650	67,014	86,586	86,180	95,508
Other Services and Charges						
6401	Professional services	235	921	600	645	950
6411	Telephone	583	597	770	770	885
6412	Cellular	2,246	970	1,075	675	675
6422	Electric	20,330	18,128	29,000	22,700	29,000
6423	Natural gas	2,463	1,610	4,000	2,400	4,000
6434	General liability insurance	12,148	12,148	12,148	12,148	13,363
6436	Vehicle liability insurance	2,690	2,690	1,800	1,800	1,854
6450	Outside printing	-	269	400	-	400
6460	Subscription/memberships	305	240	500	3,435	3,535
6470	Training	1,540	2,363	5,000	3,500	5,350
6505	Equipment maintenance service	3,175	1,911	6,500	5,500	6,500
6510	Vehicle maintenance service	-	4,574	8,000	3,000	3,000
6515	Building maintenance service	2,316	790	4,500	3,500	4,050
6525	Electrical maintenance service	2,870	2,616	1,500	1,500	2,900
6540	Vandalism	701	3,387	5,000	5,000	5,000
6555	Equipment rental	1,683	3,443	3,000	3,000	4,000
6560	Other contractual services	15,930	18,783	20,620	20,620	28,120
	Total other services and charges	69,215	75,440	104,413	90,193	113,582
Total		\$ 666,216	\$ 595,024	\$ 728,068	\$ 631,890	\$ 716,092

Department: General Services and Contingency 1610

Fund: General Fund 1000

Department Activities and Responsibilities:

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

Budget Summary:

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

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

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

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

Transfers:

An annual transfer to the Armory Fund provides support to maintain a positive fund balance and prevent a possible revenue shortfall. The City plans to utilize monies received from the American Rescue Plan Aid (ARPA) to fund the 2021 and 2022 annual transfers as part of the replacement of lost public sector revenues.

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

The General Fund saw a considerable increase in fund balance in 2020, therefore, a one-time transfer was made to the Equipment Acquisition Fund and Municipal Building Fund to support future capital purchases.

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

The City Council approved Resolution 12888 at their November 23, 2021 meeting creating a 15-year internal loan with a 1.5% interest rate to assist in financing the cost of the contract. The \$855,000 internal loan to the Municipal Building Fund consists of \$213,750 contributed from the Non-Bonded Fund and \$641,250 contributed from the Economic Development Fund. The loan repayment to each of these funds is through \$57,855 of the guaranteed energy savings realized from the improvements in the General Fund and the Sports Center Fund. The annual payments beginning in July 2023 will reimburse the Economic Development and Non-Bonded Funds based on their percentage of the original contribution to the internal loan.

Department: General Services and Contingency 1610

Fund: General Fund 1000

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

Payment Date	General Fund Interest 1.5%		Sports Center Interest 1.5%		Total Principal	Total Interest	Total Payments
	Principal	Interest	Principal	Interest			
7/1/2023	\$ 22,000	\$ 330	\$ 35,000	\$ 525	\$ 57,000	\$ 855	\$ 57,855
7/1/2024	22,000	330	35,000	525	57,000	855	57,855
7/1/2025	22,000	330	35,000	525	57,000	855	57,855
7/1/2026	22,000	330	35,000	525	57,000	855	57,855
7/1/2027	22,000	330	35,000	525	57,000	855	57,855
7/1/2028	22,000	330	35,000	525	57,000	855	57,855
7/1/2029	22,000	330	35,000	525	57,000	855	57,855
7/1/2030	22,000	330	35,000	525	57,000	855	57,855
7/1/2031	22,000	330	35,000	525	57,000	855	57,855
7/1/2032	22,000	330	35,000	525	57,000	855	57,855
7/1/2033	22,000	330	35,000	525	57,000	855	57,855
7/1/2034	22,000	330	35,000	525	57,000	855	57,855
7/1/2035	22,000	330	35,000	525	57,000	855	57,855
7/1/2036	22,000	330	35,000	525	57,000	855	57,855
7/1/2037	22,000	330	35,000	525	57,000	855	57,855
	<u>330,000</u>	<u>4,950</u>	<u>525,000</u>	<u>7,875</u>	<u>855,000</u>	<u>12,825</u>	<u>867,825</u>

City of White Bear Lake
General Services and Contingency

Annual Budget
Business Unit: 1610

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
General Services						
6148	General	\$ 6,487	\$ -	\$ -	\$ -	\$ 26,000
6560	WBL Conservation District	36,581	33,954	42,660	42,660	36,025
6560	Northeast Youth & Family Services	40,684	43,451	50,920	50,920	52,960
6560	Senior Bus	7,500	5,000	7,500	7,500	7,500
6560	Emergency appropriations	-	11,741	15,500	-	10,000
	Total contingency	<u>91,252</u>	<u>94,146</u>	<u>116,580</u>	<u>101,080</u>	<u>132,485</u>
Transfers to Other Funds						
7605	Armory operations	25,000	25,000	25,000	-	-
7605	Economic Development	-	1,789,375	-	-	-
7605	Equipment Acquisition	-	-	-	400,000	-
7605	Municipal Building	-	-	-	200,000	-
	Total transfers	<u>25,000</u>	<u>1,814,375</u>	<u>25,000</u>	<u>600,000</u>	<u>-</u>
Total		<u>\$ 116,252</u>	<u>\$ 1,908,521</u>	<u>\$ 141,580</u>	<u>\$ 701,080</u>	<u>\$ 132,485</u>

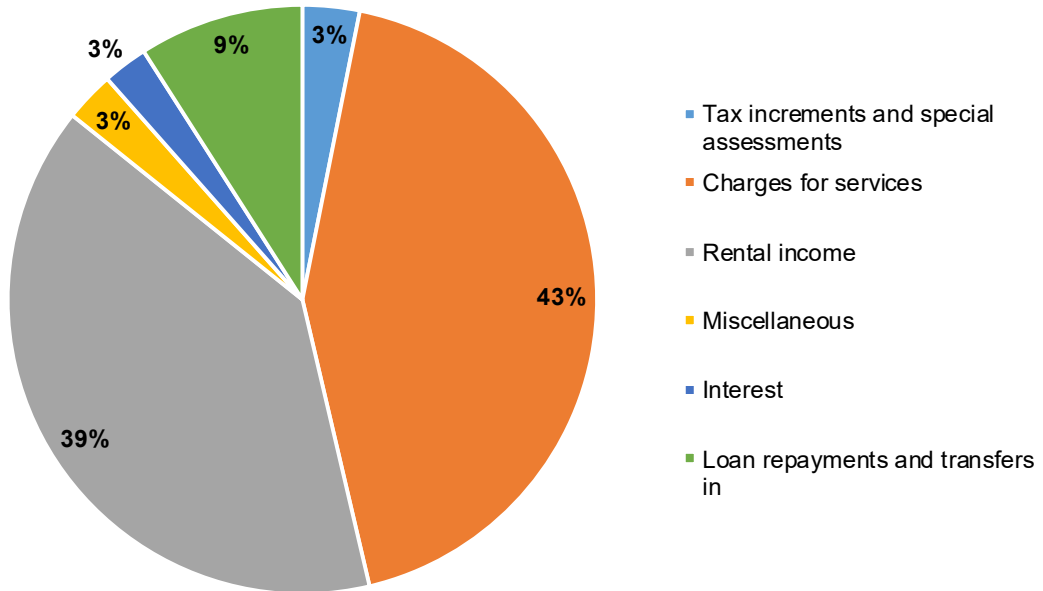
**City of White Bear Lake
Special Revenue Funds**

Annual Budget

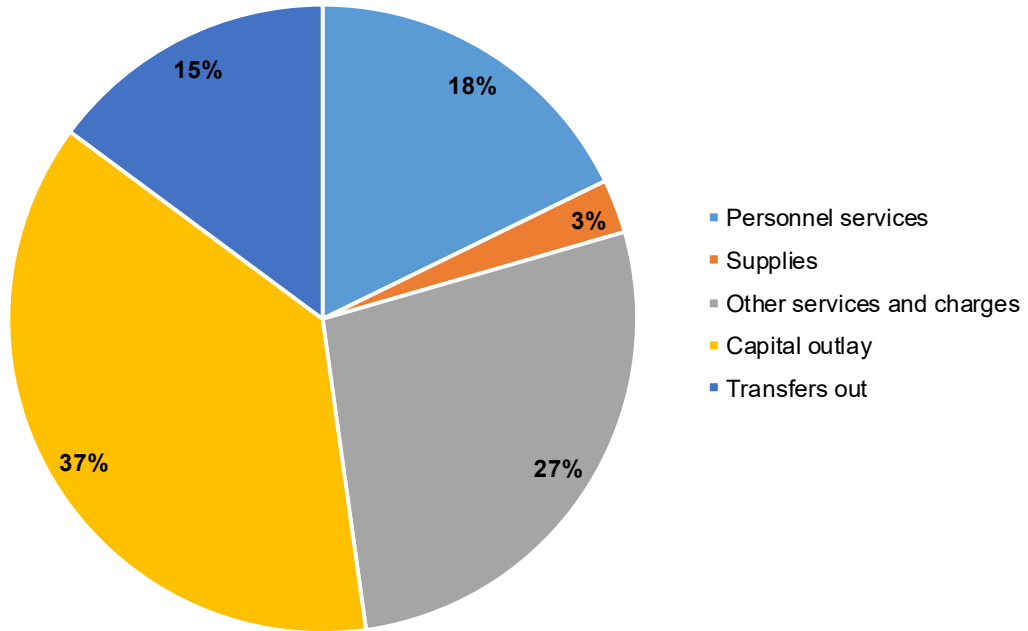
Item	2019 Actual	2020 Actual	2021 Budget	2021 Revised	2022 Budget
Revenues					
Tax increment	\$ 46,091	\$ 3,019	\$ -	\$ 1,763	\$ -
Special assessments	60,057	65,773	54,000	58,608	58,000
Intergovernmental	113,636	146,089	-	1,444,886	1,369,007
Charges for services	586,531	360,068	679,055	729,224	800,160
Rental income	839,921	854,987	837,900	844,900	730,300
Miscellaneous	88,656	515,821	50,750	56,395	50,475
Interest	68,579	64,128	5,000	46,000	46,000
Loan repayments	80,337	62,232	72,500	185,000	72,500
Transfers in	25,000	1,541,342	25,000	125,000	95,000
Total revenues	<u>1,908,808</u>	<u>3,613,459</u>	<u>1,724,205</u>	<u>3,491,776</u>	<u>3,221,442</u>
Expenditures					
Personnel services	612,375	609,238	697,660	702,042	747,368
Supplies	82,133	658,359	97,465	123,600	116,410
Other services and charges	750,180	768,256	931,989	1,030,979	1,145,917
Capital outlay	865,794	237,358	152,000	67,700	1,570,900
Transfers out	235,000	585,529	245,500	1,568,850	625,000
Total expenditures	<u>2,545,482</u>	<u>2,858,740</u>	<u>2,124,614</u>	<u>3,493,170</u>	<u>4,205,594</u>
Revenues over (under) expenditures	<u>(636,674)</u>	<u>754,719</u>	<u>(400,408)</u>	<u>(1,394)</u>	<u>(984,152)</u>
Reserve adjustment (to) from	<u>800,000</u>	<u>(37,500)</u>	<u>(15,000)</u>	<u>(15,000)</u>	<u>(30,000)</u>
Fund balance, January 1	<u>3,120,354</u>	<u>3,283,680</u>	<u>3,477,628</u>	<u>4,000,899</u>	<u>3,984,505</u>
Fund balance, December 31	<u>\$ 3,283,680</u>	<u>\$ 4,000,899</u>	<u>\$ 3,062,220</u>	<u>\$ 3,984,505</u>	<u>\$ 2,970,352</u>
Reserves	<u>255,250</u>	<u>292,750</u>	<u>307,750</u>	<u>307,750</u>	<u>337,750</u>
Total fund balance and reserves, December 31	<u>\$ 3,538,930</u>	<u>\$ 4,293,649</u>	<u>\$ 3,369,970</u>	<u>\$ 4,292,255</u>	<u>\$ 3,308,102</u>

2022 Special Revenue Funds

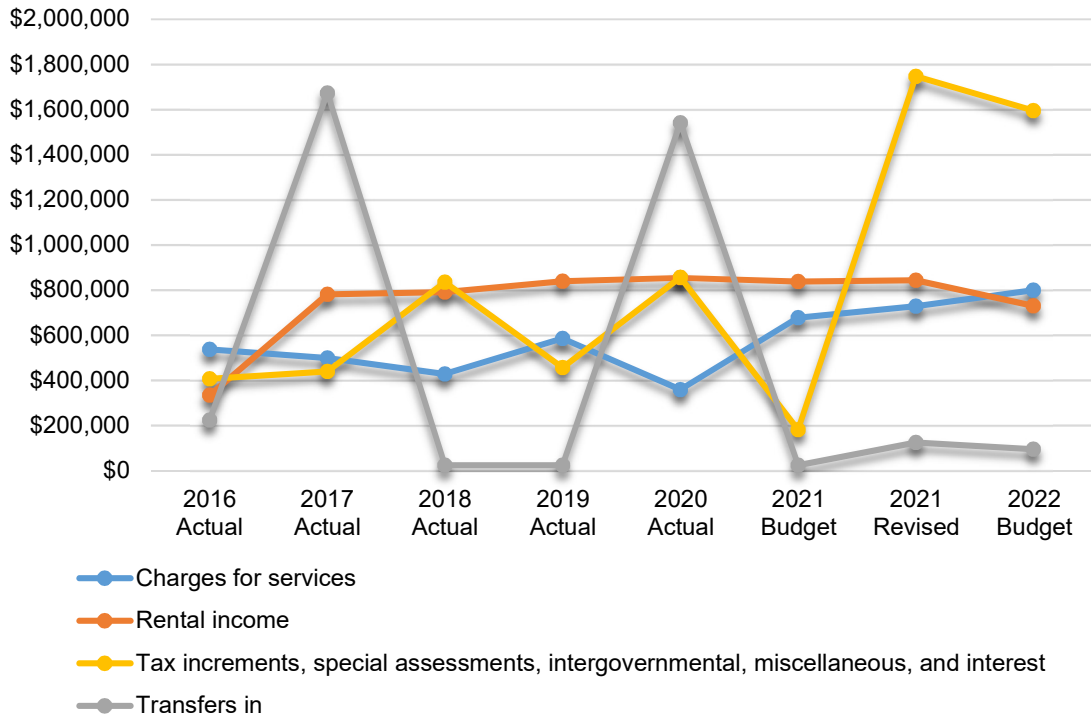
Total Revenues \$3,221,422



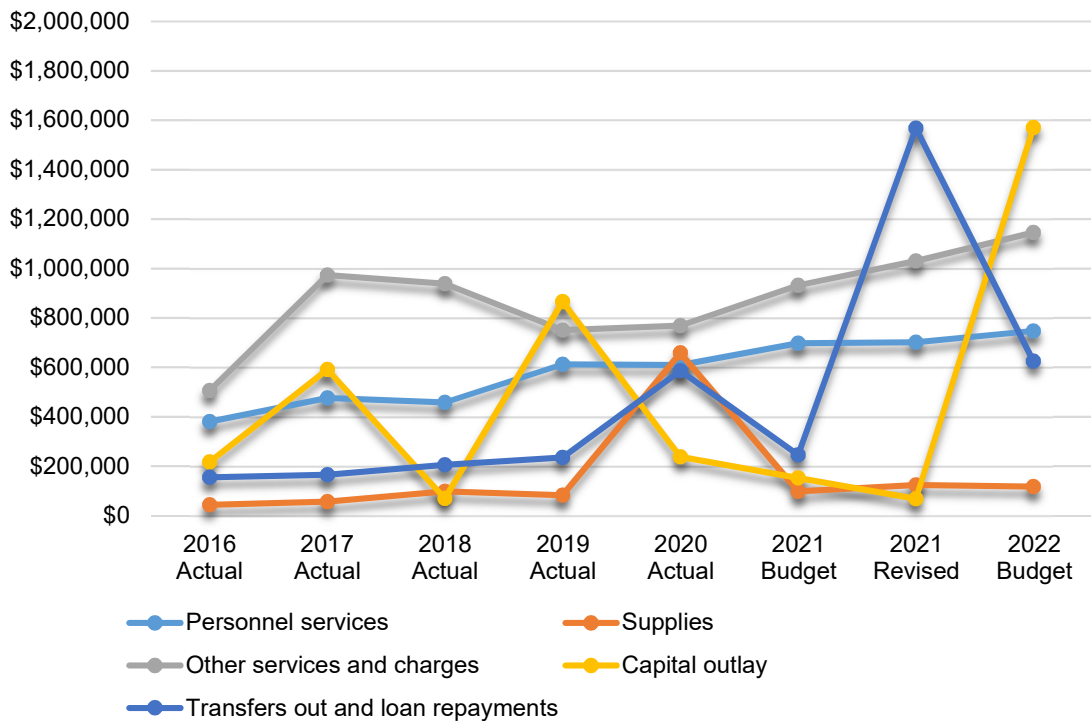
Total Expenditures \$4,205,594



Special Revenue Funds Revenue Trend Analysis



Special Revenue Fund Expenditure Trend Analysis



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Fund: American Rescue Plan Aid Fund 2020

Department Activities and Responsibilities:

On March, 11, 2021, the American Rescue Plan Act (ARPA) of 2021 was signed into law. The economic relief package included \$130 billion for local governments. Cities with populations under 50,000 were allocated monies according to population share, with the allocation not exceeding 75% of their most recent budget as of January 27, 2021. The City's share of these funds was determined to be \$2,738,015. The State of Minnesota distributed 50% of the total amount to the City in July 2021, with the remaining 50% to be distributed in the summer of 2022. The funds can be used through December 31, 2024.

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

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

Though all five categories are important in consideration of assistance to the community as the City continues to navigate challenges related to the pandemic, replacement of lost public sector revenue offers the most flexibility toward using the funds to support government services. The U.S. Treasury established a methodology to calculate lost revenue to ensure consistency of application between organizations. The calculation format uses entity-wide revenues and can be calculated each year throughout the aid program. White Bear Lake's calculated revenue loss was approximately \$2 million.

The City created the American Rescue Plan Aid Fund to receive the funds and to help track expenditures and transfers out to other funds. In the 2021 Revised and 2022 Proposed Budgets, the funds were used to support some operations; however, application of ARPA funds primarily focuses on one-time expenditures or capital projects. This was done in the pursuit of the following goals:

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

Budget Summary:

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

Fund: American Rescue Plan Aid Fund 2020

Planned ARPA Expenditures

	2021	2022	2023	2024	Total
Support Public Health Expenditures					-
Assistance to Northeast Youth and Family Services	-	10,000	-	-	10,000
	-	10,000	-	-	10,000
Negative Impacts Caused by the Public Health Emergency					
City Hall Air Handler	-	245,000	-	-	245,000
City Hall Exhaust Well	-	15,000	-	-	15,000
License Bureau Relocation	-	200,000	-	-	200,000
	-	460,000	-	-	460,000
Revenue Loss Recapture					
Fire Department 800MHz Radios	-	20,000	-	-	20,000
Public Works Back-up Generator	-	125,000	-	-	125,000
Streets Single Axle Dump Truck	-	230,000	-	-	230,000
City Hall Office Expansion	-	140,000	-	-	140,000
Police Squad Car Replacements	-	165,000	-	-	165,000
Police 800MHz Portable Radios	-	20,000	-	-	20,000
Police Squad Laptop Computers	-	20,000	-	-	20,000
Police Squad Cameras	-	15,000	-	-	15,000
City Manager Department - ARPA Funds Administration	25,000	25,000	-	-	50,000
Finance - ARPA Funds Administration	25,000	25,000	-	-	50,000
Fire Department - New Medic	-	24,000	24,000	24,000	72,000
Armory - Operating Expenditures	50,000	45,000	-	-	95,000
Sports Center - Operating Expenditures	75,000	50,000	-	-	125,000
Municipal Building - Energy Performance Contract	360,000				360,000
Ambulance - Operating Expenses	-	68,400	-	-	68,400
Ambulance - New Medics	-	157,600	144,000	80,000	381,600
License Bureau - Operating Expenses	50,000	25,000	-	-	75,000
	585,000	1,155,000	168,000	104,000	2,012,000
Investment in Water, Sewer, and Broadband					
Water Treatment Plant Security Fencing, Gates, Card Readers	-	180,000	-	-	180,000
Water Treatment Plant Upgrade Security Camera System		21,500	-	-	21,500
Water Treatment Plant Intrusion Alarm		9,400	-	-	9,400
Water Well Rehab	-	40,000	-	-	40,000
Unallocated	-	-	-	49,946	49,946
	-	250,900	-	49,946	300,846
Total	585,000	1,875,900	168,000	153,946	2,782,846

City of White Bear Lake
American Rescue Plan Aid

Annual Budget
Fund Summary

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Revenues						
4604.1	Federal grants	\$ -	\$ -	\$ -	\$ 1,413,839	\$ 1,369,007
	Total revenues	-	-	-	1,413,839	1,369,007
Expenditures						
Other Services and Charges						
6401	Professional Services	-	-	-	-	10,000
	Total other services and charges	-	-	-	-	10,000
7160	Capital Outlay	-	-	-	-	1,445,900
Transfers Out						
7605	General Fund	-	-	-	50,000	74,000
7605	Armory Fund	-	-	-	50,000	45,000
7605	Sports Center Fund	-	-	-	75,000	50,000
7605	Municipal Building Fund	-	-	-	360,000	-
7605	Ambulance Fund	-	-	-	-	226,000
7605	License Bureau Fund	-	-	-	50,000	25,000
	Total transfers out	-	-	-	585,000	420,000
	Total expenditures	-	-	-	585,000	1,875,900
	Revenues over (under) expenditures	-	-	-	828,839	(506,893)
	Fund balance January 1	-	-	-	-	828,839
	Fund balance December 31	\$ -	\$ -	\$ -	\$ 828,839	\$ 321,946

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Fund: Armory Fund 2030

Department Activities and Responsibilities:

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

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

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

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

The facility's current rental rates have been in effect since January 2016, except for Private Party hourly rates which were effect as of January 2019. The rates are as follows:

	Resident	Non-Resident
Private Party Daily Rates		
Full Day Rental	\$ 650	\$ 900
Kitchen Rental	100	150
Private Party Hourly Rates		
Monday-Thursday	80	90
Friday-Sunday	100	120
Hourly Activities		
Athletics or meetings	25	25

Though the City does not intend for the facility to be self-supporting, the current business model for the Armory is not financially viable as the fund balance continues to decline because expenditures exceed revenues each year. The fund is now at a point that it either needs significant support to continue operations at its current state or a re-structuring of to increase revenues. Staff plans to ask the City Council to issue a Request for Proposal in 2022 to seek options for alternative uses of facility to determine a long-term function that delivers a public benefit and provides resources to support the operations.

Budget Summary:

The decrease in the 2021 Revised Rental Income Budget is a direct result of decreased reservations due to the COVID-19 pandemic.

In 1996, the City paid \$86,000 for a bus garage. The bus garage was originally used by the Armory, but since there was no space by the Armory, the garage was built in an area that is now near the White Bear Lake Area School District's North Campus. In 2000, the School District began leasing the bus garage from

Fund: Armory Fund 2030

the City for \$4,250. In 2021, the City sold the garage to the School District for \$1 once the historical designation was removed by the State and eliminated the annual lease revenues for the site.

The 2021 Revised and 2022 Budgets include a transfer in of American Rescue Plan Aid funds to provide funding for operational costs as part of the recapture of lost revenues qualifications of the aid. This assistance subsidizes the operations until the City can determine a more sustainable use for the facility.

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.

Goals:

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

Measurable Workload Data:

	2019 <u>Actual</u>	2020 <u>Actual</u>	2021 <u>Budget</u>	2022 <u>Budget</u>
Private Parties Rentals				
Resident	8	9	10	10
Non-Resident	16	3	3	5
Non-Profit Group Rentals				
Resident	17	22	25	25
Non-Resident	1	0	0	1
Community Group Rentals				
Resident	1	22	0	5
Non-Resident	0	4	4	5
WBL School District	127	95	105	110
Sporting Group Rentals				
Resident	152	56	90	100
Non-Resident	<u>71</u>	<u>65</u>	<u>91</u>	<u>100</u>
Total	<u>393</u>	<u>276</u>	<u>328</u>	<u>361</u>
Overall Use Analysis				
Resident	178	109	125	140
Non-Resident	88	72	98	111
WBL School District	<u>127</u>	<u>95</u>	<u>105</u>	<u>110</u>
Total	<u>393</u>	<u>276</u>	<u>328</u>	<u>361</u>

**City of White Bear Lake
Armory**

**Annual Budget
Fund Summary**

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Revenues						
4955	Investment income	\$ 1,646	\$ 1,094	\$ -	\$ -	\$ -
4975	Rental income	32,732	16,078	27,000	17,000	17,000
4975	Lease - armory bus garage	4,250	4,250	-	-	-
4975	Lease - Lions	3,300	3,300	3,300	3,300	3,300
5010	Sale of property	619	-	-	-	-
5360	Refunds and reimbursements	5,019	2,041	2,450	2,000	2,000
	Total operating revenues	<u>47,566</u>	<u>26,763</u>	<u>32,750</u>	<u>22,300</u>	<u>22,300</u>
Transfers In						
5205	General Fund	25,000	25,231	25,000	-	-
5205	American Rescue Plan Aid	-	-	-	50,000	45,000
	Total transfers	<u>25,000</u>	<u>25,231</u>	<u>25,000</u>	<u>50,000</u>	<u>45,000</u>
	Total revenues	<u>72,566</u>	<u>51,994</u>	<u>57,750</u>	<u>72,300</u>	<u>67,300</u>
Expenditures						
Personnel Services						
6105	Salaries - regular employees	22,758	23,503	24,231	24,216	25,003
6117	Overtime - regular employees	506	469	1,000	1,000	1,000
6119	Salaries - temporary employees	5,357	619	3,801	1,296	1,335
6122	PERA	2,105	1,812	2,177	1,988	2,050
6124	FICA/Medicare	2,068	1,776	2,221	2,028	2,091
6128	Insurance contribution	2,350	2,468	3,325	3,325	3,430
6138	Worker's compensation	300	300	910	910	1,092
6148	Other benefits	-	-	560	560	665
	Total personnel services	<u>35,444</u>	<u>30,947</u>	<u>38,225</u>	<u>35,323</u>	<u>36,666</u>
Supplies						
6210	Office supplies	1	-	50	-	-
6240	Building supplies	2,554	1,310	1,505	850	850
6250	Other supplies	-	-	300	-	150
6295	Small tools	-	-	625	-	625
	Total supplies	<u>2,555</u>	<u>1,310</u>	<u>2,480</u>	<u>850</u>	<u>1,625</u>
Other Services and Charges						
6401	Professional services	467	747	550	725	800
6411	Telephone	677	690	800	700	800
6422	Electric	7,863	6,409	6,500	8,000	8,000
6423	Natural gas	4,956	4,441	5,000	5,000	5,000
6492	Advertising	-	-	500	-	-
6505	Repair/maintenance equipment	139	831	1,400	1,439	1,439
6515	Repair/maintenance building	8,543	14,599	7,775	8,475	9,775
6535	Repair/maintenance other	-	-	200	200	200
6555	Equipment rental	-	-	250	-	250
6560	Contractual services	6,629	2,371	4,175	3,500	3,800
	Total other services and charges	<u>29,274</u>	<u>30,088</u>	<u>27,150</u>	<u>28,039</u>	<u>30,064</u>
7605	Transfers Out Municipal Building Fund	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>
	Total expenditures	<u>77,273</u>	<u>72,345</u>	<u>77,855</u>	<u>74,212</u>	<u>78,355</u>
	Revenues over (under) expenditures	<u>(4,707)</u>	<u>(20,351)</u>	<u>(20,105)</u>	<u>(1,912)</u>	<u>(11,055)</u>
	Fund balance January 1	<u>52,867</u>	<u>48,160</u>	<u>34,223</u>	<u>27,809</u>	<u>25,897</u>
	Fund balance December 31	<u>\$ 48,160</u>	<u>\$ 27,809</u>	<u>\$ 14,118</u>	<u>\$ 25,897</u>	<u>\$ 14,843</u>

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Fund: Surface Water Pollution Prevention 2040

Department Activities and Responsibilities:

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

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

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

BMP 1: 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.

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 2021 street reconstruction project, the City provided a curb cut for one residential property and paid Sandstrom Land Management for the cost to install the raingarden. The City received a reimbursement from the Vadnais Lake Area Water Management Organization (VLAWMO) as a cost share partnership for expenditures related to the contract with Sandstrom Land Management. The property owner paid the City for the share of expenditures not covered by the VLAWMO reimbursement. Also included in the contract with Sandstrom Land Management was the cost to repair an existing raingarden that was originally installed in 2019. The City received reimbursement from Rice Creek Watershed District for half the cost of the repair).

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

Budget Summary:

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

Fund: Surface Water Pollution Prevention 2040

Residential and commercial customers began paying a flat quarterly fee of \$5.00 in 2021. The fee increases to \$7.00 for both residential and commercial customers in 2022 to support projects that have either been put on hold due to lack of funding in previous years or are newly identified as required work.

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

The Other Contractual Services Budget allocates funding for capital improvement projects, routine maintenance, and license fees. A detailed discussion of the capital improvement projects in the 2021 Revised and 2022 budgets can be found in the Capital Improvement Plan in the Summary Data section of the document.

Goals:

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

Measurable Workload Data:

	2019 <u>Actual</u>	2020 <u>Actual</u>	2021 <u>Budget</u>	2022 <u>Budget</u>
Number of educational materials/articles distributed	27	24	25	25
Number of water quality BMPs installed ⁽¹⁾	13	3	4	5
Number of BMP’s inspected ⁽²⁾	27	29	29	31
Number of BMP’s maintained ⁽³⁾	10	20	20	20
Phosphorus load reductions to Bald Eagle Lake (lbs/yr) ⁽⁴⁾	11.1	11.1	11.1	13
Phosphorus load reductions to Kohlman Lake (lbs/yr) ⁽⁴⁾	31.4	33.7	33.7	36
Number of areas restored with native vegetation	1	0	1	2

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

⁽²⁾ Includes BMP’s inspections by sewer department staff (Fund 5050)

⁽³⁾ Includes BMP’s maintained by sewer department staff (Fund 5050)

⁽⁴⁾ Reductions as reported in the MS4 permit annual report to the MPCA (cumulative totals). Starting in 2022, MS4 permits will require phosphorus load reduction reporting for all impaired waterbodies.

City of White Bear Lake
Surface Water Pollution Prevention

Annual Budget
Fund Summary

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Revenues						
Intergovernmental						
4624	Local government aid	\$ 90,000	\$ 90,000	\$ -	\$ -	\$ -
4682.1	Intergovernmental operating grants	22,397	1,525	-	31,047	-
4882	Infrastructure fee	-	-	164,040	165,120	231,170
4955	Interest	16,081	15,184	5,000	5,000	5,000
5360	Refunds & reimbursements	7,831	-	-	-	-
	Total revenues	136,309	106,709	169,040	201,167	236,170
Expenditures						
Personnel Services						
6105	Salaries - regular employees	33,436	36,391	78,139	77,757	80,284
6117	Overtime - regular employees	1,825	-	-	-	-
6122	PERA	2,644	2,729	5,860	5,832	6,021
6124	FICA/Medicare	2,578	2,674	5,978	5,948	6,142
6128	Insurance contribution	4,550	4,778	9,500	9,500	9,800
6138	Worker's compensation	750	750	575	575	690
6148	Other benefits	400	400	1,600	1,600	1,900
	Total personnel services	46,183	47,722	101,652	101,212	104,837
Supplies						
6220	Equipment supplies	1,047	3,181	1,000	1,000	1,000
6250	Other supplies	3,164	797	1,500	1,500	1,500
6255	Landscaping supplies	-	-	1,000	500	1,000
6290	Uniforms	-	-	100	-	100
6295	Small tools	60	-	1,300	300	1,000
	Total supplies	4,271	3,978	4,900	3,300	4,600
Other Services and Charges						
6401	Professional services	172	2,508	5,500	2,515	4,515
6402	Data processing	1,500	1,500	1,500	1,500	1,500
6412	Cellular	317	420	850	420	450
6422	Electric	276	270	300	450	450
6445	Postage	-	-	200	-	200
6450	Outside printing	584	-	2,000	2,000	2,000
6455	Legal notices publications	87	-	100	90	100
6460	Subscription/memberships	3,294	3,361	7,500	6,800	7,300
6470	Training	608	85	2,375	2,375	2,375
6486	Travel	209	13	400	100	400
6505	Equipment repair service	-	2,491	-	-	-
6560	Other contractual services	49,764	33,130	155,600	165,377	233,200
	Total other services and charges	56,811	43,778	176,325	181,627	252,490
	Total expenditures	107,265	95,478	282,877	286,139	361,927
	Revenues over (under) expenditures	29,044	11,231	(113,837)	(84,972)	(125,757)
	Fund balance January 1	806,010	835,054	695,617	846,285	761,313
	Fund balance December 31	\$ 835,054	\$ 846,285	\$ 581,780	\$ 761,313	\$ 635,556

Fund: Marina Fund 2050

Department Activities and Responsibilities:

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

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

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

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

Budget Summary:

The Marina Fund Budget remains stable as the lake level maintains the desired level set by the Minnesota Department of Natural Resources. The high water levels from recent years supported the lake during the extremely dry hot weather during the summer of 2021. Customers rented all available marina slips during the 2019 through 2021 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 2022 Budget increases the rental fee to \$2,500, which is 4.2% above the 2020 rate of \$2,400.

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

Temporary staff time allocated to the budget provides for Police Community Service Officers (CSOs) to patrol the area during high usage times. Due to a change in philosophy of how health insurance was calculated per employee, the 2021 Revised and 2022 Budgets now include an allocation for health insurance.

The City completed installation of the new dock system at the marina in 2017. A reserve account created in 2020 receives annual allocations to save for future maintenance and replacement costs.

Measurable Workload Data:

	2019 <u>Actual</u>	2020 <u>Actual</u>	2021 <u>Budget</u>	2022 <u>Budget</u>
Boat slips rented	160	160	160	160

**City of White Bear Lake
Marina**

**Annual Budget
Fund Summary**

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Revenues						
4975	Rental					
	Slips	\$ 367,200	\$ 384,000	\$ 384,000	\$ 384,000	\$ 400,000
	Storage	16,800	12,800	-	-	-
	Property	5,388	5,388	-	-	-
4955	Interest	3,889	4,919	-	-	-
	Total revenues	<u>393,277</u>	<u>407,107</u>	<u>384,000</u>	<u>384,000</u>	<u>400,000</u>
Expenditures						
Personnel Services						
6105	Salaries - regular employees	-	256	-	-	-
6119	Salaries - temporary employees	20,793	22,466	27,583	29,286	30,165
6122	PERA	-	71	-	2,196	2,262
6124	FICA/Medicare	1,591	1,738	2,110	2,240	2,308
6128	Health Insurance	-	-	0	1,827	6,067
6138	Worker's compensation	-	-	160	160	190
	Total personnel services	<u>22,384</u>	<u>24,531</u>	<u>29,853</u>	<u>35,709</u>	<u>40,992</u>
Supplies						
6220	Equipment supplies	3,168	413	5,500	2,850	5,500
6240	Building supplies and parts	865	22	1,000	700	1,000
6250	Other supplies	-	315	500	350	500
6295	Small tools	-	300	500	250	500
	Total supplies	<u>4,033</u>	<u>1,050</u>	<u>7,500</u>	<u>4,150</u>	<u>7,500</u>
Other Services and Charges						
6401	Professional Services	72,950	68,950	86,530	86,010	88,910
6455	Legal notices publications	104	113	130	130	130
6460	Subscriptions and dues	110	1,310	250	250	250
6505	Equipment repair service	9,629	2,290	5,000	2,750	5,000
6555	Equipment rental	-	-	500	-	500
6560	Contractual services	3,901	1,670	3,000	3,000	3,000
	Total other services and charges	<u>86,694</u>	<u>74,333</u>	<u>95,410</u>	<u>92,140</u>	<u>97,790</u>
7160	Capital Outlay	-	24,651	-	-	-
Transfers Out						
7605	General Fund	70,000	70,000	70,000	80,000	85,000
7605	Municipal Buidling Debt Service	155,000	-	-	-	-
7605	2018B Tax Abatement Debt Service	-	111,000	165,500	165,500	110,000
7605	Insurance Fund	-	44,000	-	-	-
	Total transfers out	<u>225,000</u>	<u>225,000</u>	<u>235,500</u>	<u>245,500</u>	<u>195,000</u>
	Total expenditures	<u>338,111</u>	<u>349,565</u>	<u>368,263</u>	<u>377,499</u>	<u>341,282</u>
	Revenues over (under) expenditures	<u>55,166</u>	<u>57,542</u>	<u>15,737</u>	<u>6,501</u>	<u>58,718</u>
	Capital reserve adjustment (to) from	<u>-</u>	<u>(37,500)</u>	<u>(15,000)</u>	<u>(15,000)</u>	<u>(30,000)</u>
	Fund balance January 1	<u>166,994</u>	<u>222,160</u>	<u>214,372</u>	<u>242,202</u>	<u>233,703</u>
	Fund balance December 31	<u>\$ 222,160</u>	<u>\$ 242,202</u>	<u>\$ 215,109</u>	<u>\$ 233,703</u>	<u>\$ 262,421</u>
Reserves:						
	Capital infrastructure reserves - docks	<u>\$ -</u>	<u>\$ 37,500</u>	<u>\$ 52,500</u>	<u>\$ 52,500</u>	<u>\$ 82,500</u>

Fund: Sports Center Fund 5200

Department Activities and Responsibilities:

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

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

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

The new 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 partnership or operating agreement 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 through economies of scale with two rinks.

Three primary users provide the majority of revenues to the Sports Center through ice rental. Each provides services to area youth and compete to rent prime ice time hours. The White Bear Hockey Association utilizes the facility for practice sessions, games, and several tournaments throughout the winter. The City operated Skate School offers skating lessons to participants of all levels, from beginning students in "Learn to Skate" classes, to competitive figure skating programs. 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 a \$12,000 payment to the Sports Center operations to support 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.

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

Budget Summary:

The Sports Center experienced a significant decrease in revenue during the COVID-19 pandemic in 2020 as a result of an 11-week closure and the Governor's order on youth sports that decreased the number of skaters that could be allowed on the ice. In 2021, the City expects Sports Center revenues to rise back to an amount similar to pre-pandemic levels.

As mentioned above, the City began leasing the racquetball court space to the Hockey Association in August 2021. This operation change significantly increases the Court Fees revenue in 2022.

Fund: Sports Center Fund 5200

The 2021 Revised and 2022 Budgets include a transfer in of American Rescue Plan Aid funds to provide funding for operational costs as part of the recapture of lost revenues qualifications of the aid. This assistance subsidizes the operations until the facility can return to pre-pandemic activity levels.

The budget allocation for Insurance Contribution in the Personnel Services section increases in 2022 as a result of a change in philosophy of how the insurance contribution is calculated per employee for budget purposes.

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

The Building Maintenance Service Revised 2021 Budget includes adds additional funding for HVAC repairs, office and rink door replacement, air sensor replacement, and light repairs.

The 2021 Revised Budget incorporates a line item for Credit Card fees for the competition entry application software. The Sports Center recovers these costs through the participant's registration fees.

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

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

The Sports Center will recognize savings in operational expenditures once the improvements are installed. If the energy savings to not meet projected targets during the annual contracts, Trane will reimburse the City for the different at the end of each contract year. Typically, cities maintain the verification services no longer than three years once confidence in the return on investment has been thoroughly satisfied.

To assist in financing the improvement projects, the City Council approved Resolution 12888 at their November 23, 2021 meeting creating a 15-year internal loan with a 1.5% interest rate. The \$855,000 internal loan to the Municipal Building Fund consists of \$213,750 contributed from the Non-Bonded Fund and \$641,250 contributed from the Economic Development Fund. The loan repayment to each of these funds is through \$57,855 of the guaranteed energy savings realized from the improvements in the General Fund and the Sports Center Fund. The annual payments beginning in July 2023 will reimburse the Economic Development and Non-Bonded Funds based on their percentage of the original contribution to the internal loan.

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

Fund: Sports Center Fund 5200

Payment Date	General Fund Interest 1.5%		Sports Center Interest 1.5%		Total	Total	Total
	Principal	Interest	Principal	Interest	Principal	Interest	Payments
7/1/2023	\$ 22,000	\$ 330	\$ 35,000	\$ 525	\$ 57,000	\$ 855	\$ 57,855
7/1/2024	22,000	330	35,000	525	57,000	855	57,855
7/1/2025	22,000	330	35,000	525	57,000	855	57,855
7/1/2026	22,000	330	35,000	525	57,000	855	57,855
7/1/2027	22,000	330	35,000	525	57,000	855	57,855
7/1/2028	22,000	330	35,000	525	57,000	855	57,855
7/1/2029	22,000	330	35,000	525	57,000	855	57,855
7/1/2030	22,000	330	35,000	525	57,000	855	57,855
7/1/2031	22,000	330	35,000	525	57,000	855	57,855
7/1/2032	22,000	330	35,000	525	57,000	855	57,855
7/1/2033	22,000	330	35,000	525	57,000	855	57,855
7/1/2034	22,000	330	35,000	525	57,000	855	57,855
7/1/2035	22,000	330	35,000	525	57,000	855	57,855
7/1/2036	22,000	330	35,000	525	57,000	855	57,855
7/1/2037	22,000	330	35,000	525	57,000	855	57,855
	<u>330,000</u>	<u>4,950</u>	<u>525,000</u>	<u>7,875</u>	<u>855,000</u>	<u>12,825</u>	<u>867,825</u>

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. Continue to work with Trane Co. to analyze potential energy savings in the facility, including solar power.
2. Continue discussions with White Bear Lake Are School District regarding school day schedule time change and impact on ice time and the potential for a long-term partnership.
3. Expand advertising options in the facility.

Fund: Sports Center Fund 5200

Measurable Workload Data:

	2019 <u>Actual</u>	2020 <u>Actual</u>	2021 <u>Budget</u>	2022 <u>Budget</u>
Ice time hours rented based on a 17-hour day (6 a.m. to 11 p.m.)	1,585	1,718	2,750	2,750
Registrations for skating lessons and programs (does not include competition skaters)	1,300	597	950	1,000
Number of high school games	8	6	13	13
Energy consumption (in kWh)	1,143,919	862,051*	985,000	985,000
Average monthly energy charge	\$8,995	\$7,085*	\$8,300	\$8,500

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

City of White Bear Lake
Special Revenue - Sports Center Fund

Annual Budget
Fund Summary

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Revenues						
4604	Federal grants	\$ -	\$ 787	\$ -	\$ -	\$ -
Charges for Services						
4888	Ice rental	259,168	203,444	260,000	260,000	260,000
4890	Skating school	197,065	114,641	150,000	175,000	175,000
4891	Skate camps	52,104	7,271	48,000	57,600	50,000
4892	Open skate	22,936	11,418	13,000	22,800	22,000
4894	Hockey games	10,172	7,357	9,600	10,800	9,600
4896	Court fees	16,509	5,436	12,000	11,350	24,240
4955	Interest	4,683	2,843	2,000	2,000	2,000
4975	Rent	16,975	3,486	13,500	13,500	13,500
5310	Vending sales	567	252	1,000	1,000	2,000
5312	Sale of goods	1,959	983	1,915	3,654	4,250
5350	Miscellaneous	4,393	2,937	4,000	6,400	6,400
	Total charges for services	<u>586,531</u>	<u>360,068</u>	<u>515,015</u>	<u>564,104</u>	<u>568,990</u>
Other Revenue						
4990	Donations	153	200	-	500	175
Transfers In						
5205	American Rescue Plan Aid Fund	-	-	-	75,000	50,000
5205	Economic Development Fund	-	4,236	-	-	-
	Total transfers in	-	4,236	-	75,000	50,000
	Total revenues	<u>586,684</u>	<u>365,291</u>	<u>515,015</u>	<u>639,604</u>	<u>619,165</u>
Expenditures						
	Operations	<u>592,639</u>	<u>543,205</u>	<u>626,702</u>	<u>641,013</u>	<u>675,929</u>
	Revenues over (under) expenditures	<u>(5,955)</u>	<u>(177,914)</u>	<u>(111,687)</u>	<u>(1,409)</u>	<u>(56,764)</u>
	Fund balance January 1	<u>270,792</u>	<u>264,837</u>	<u>122,351</u>	<u>86,923</u>	<u>85,514</u>
	Fund balance December 31	<u>\$ 264,837</u>	<u>\$ 86,923</u>	<u>\$ 10,664</u>	<u>\$ 85,514</u>	<u>\$ 28,750</u>

City of White Bear Lake
Special Revenue - Sports Center Fund

Annual Budget
Business Unit: 5200 - 5205

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 206,002	\$ 210,152	\$ 218,968	\$ 218,319	\$ 225,417
6117	Overtime - regular employees	6,109	1,459	6,000	8,000	8,000
6119	Salaries - temporary employees	75,391	48,677	76,000	73,056	79,367
6122	PERA	19,671	18,282	21,373	21,364	22,296
6124	FICA/Medicare	21,679	19,319	23,024	22,902	23,928
6128	Insurance contribution	29,100	30,555	32,083	32,083	41,356
6138	Worker's compensation	7,730	7,731	11,050	11,050	13,260
6148	Other benefits	4,000	4,000	4,000	4,000	8,018
	Total personnel services	<u>369,682</u>	<u>340,175</u>	<u>392,498</u>	<u>390,774</u>	<u>421,642</u>
Supplies						
6210	Office supplies	632	364	955	955	955
6220	Equipment supplies	1,291	784	1,125	1,125	2,525
6230	Vehicle supplies	678	215	1,270	965	1,180
6240	Building supplies	4,482	6,602	4,000	3,640	3,600
6250	Other supplies	12,757	8,651	16,900	14,803	18,925
6255	Landscaping supplies	342	-	2,250	-	200
6272	Motor fuels	2,258	1,822	2,700	3,688	3,900
6274	Lubricants and additives	-	-	-	10	-
6290	Uniforms	1,306	1,237	1,600	1,350	1,650
6295	Small tools	3,352	1,626	1,425	1,035	2,775
	Total supplies	<u>27,098</u>	<u>21,301</u>	<u>32,225</u>	<u>27,571</u>	<u>35,710</u>
Other Services and Charges						
6401	Professional services	3,538	1,269	5,675	3,590	6,000
6402	Data processing	9,030	9,788	11,280	11,280	12,100
6411	Telephone	1,999	2,146	2,340	2,340	2,480
6412	Cellular	360	600	400	800	800
6422	Electric	96,705	84,944	90,660	99,660	99,675
6423	Natural gas	20,931	16,523	18,000	18,000	18,000
6434	General liability insurance	15,529	15,529	15,529	15,529	17,082
6436	Vehicle liability insurance	929	929	200	200	206
6445	Postage	134	220	200	200	200
6450	Outside printing	997	-	1,150	1,050	1,150
6460	Subscription/memberships	4,870	4,647	7,660	6,075	7,060
6470	Training	830	-	1,525	1,525	1,525
6486	Mileage Reimbursement	-	19	50	50	50
6492	Advertising	986	-	1,425	1,425	1,425
6505	Equipment maintenance service	13,119	17,723	17,875	18,565	20,990
6510	Vehicle maintenance service	1,453	8,509	225	450	450
6515	Building maintenance service	11,242	15,064	13,110	27,550	15,110
6525	Electrical maintenance service	990	697	1,000	2,610	2,000
6545	Credit card fees	-	1,114	-	1,570	1,600
6555	Equipment rental	8,364	1,618	8,550	7,240	7,800
6560	Other contractual service	1,431	390	1,675	1,675	1,675
7570	Cost of goods sold	2,422	-	3,450	1,284	1,200
	Total other services and charges	<u>195,859</u>	<u>181,729</u>	<u>201,979</u>	<u>222,668</u>	<u>218,578</u>
Total		<u>\$ 592,639</u>	<u>\$ 543,205</u>	<u>\$ 626,702</u>	<u>\$ 641,013</u>	<u>\$ 675,929</u>

Fund: Forfeiture Fund 2060

Department Activities and Responsibilities:

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

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

Budget Summary

The revenues and expenditures in this fund fluctuate based on the seizure activity. As mentioned above, the City utilizes additional revenues or excess fund balance to purchase allowable expenditures.

The 2021 Revised Budget for Small Tools allocates resources to replace tasers assigned to officers and two security cameras with the ability to read license plates for crime prevention at the City’s Sports Center facility. The 2022 Budget expands the exterior security monitoring capabilities at the Sports Center with plans to purchase three additional cameras.

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

Goals

1. To punish and deter criminal activity by depriving criminals of property used in or acquired through illegal activities.
2. Ensure the program is administered professionally, lawfully, and in a manner consistent with sound public policy.
3. To recover assets that will be used to support investigations and operations that further the law enforcement goals or missions.
4. Utilize recovered assets that may be used to provide training and education necessary to perform official law enforcement duties, such as Crisis Intervention Training, De-escalation, and Implicit Bias Training.

Measurable Workload Data:

	2019 <u>Actual</u>	2020 <u>Actual</u>	2021 <u>Budget</u>	2022 <u>Budget</u>
Number of forfeiture incidents report to the State	60	37	55	55
Net forfeiture proceeds	\$31,258	\$28,698	\$30,000	\$30,000

**City of White Bear Lake
Forfeiture Fund**

**Annual Budget
Fund Summary**

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Revenues						
4975	Interest	\$ 1,239	\$ 1,427	\$ -	\$ 1,000	\$ 1,000
5350	Criminal case proceeds	11,332	9,488	10,000	10,000	10,000
5360	DUI case proceeds	33,646	28,170	30,000	30,000	30,000
	Total revenues	<u>46,217</u>	<u>39,085</u>	<u>40,000</u>	<u>41,000</u>	<u>41,000</u>
Expenditures						
Supplies						
6220	Equipment supplies	-	-	200	-	200
6230	Vehicle supplies and parts	692	62	500	250	500
6240	Building supplies and parts	15,478	-	-	-	-
6250	Other supplies	-	-	300	-	300
6295	Small tools	-	-	2,800	24,454	5,800
	Total supplies	<u>16,170</u>	<u>62</u>	<u>3,800</u>	<u>24,704</u>	<u>6,800</u>
Other Services and Charges						
6401	Professional services	16,623	165	5,850	-	5,000
6560	Contractual services	20,993	10,564	17,800	21,500	22,300
	Total other services and charges	<u>37,616</u>	<u>10,729</u>	<u>23,650</u>	<u>21,500</u>	<u>27,300</u>
	Total expenditures	<u>53,786</u>	<u>10,791</u>	<u>27,450</u>	<u>46,204</u>	<u>34,100</u>
	Revenues over (under) expenditures	<u>(7,569)</u>	<u>28,294</u>	<u>12,550</u>	<u>(5,204)</u>	<u>6,900</u>
	Fund balance January 1	<u>61,614</u>	<u>54,045</u>	<u>79,417</u>	<u>82,339</u>	<u>77,135</u>
	Fund balance December 31	<u>\$ 54,045</u>	<u>\$ 82,339</u>	<u>\$ 91,967</u>	<u>\$ 77,135</u>	<u>\$ 84,035</u>

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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 leaves very limited availability of vacant land within the City boundaries. The community relies on redevelopment to expand housing options and business opportunities to draw people to the area.

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

City Owned Rental Properties

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

Special Service Districts

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

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

The Birch Lake Improvement District levy provides funding to develop and implement activities that improve and protect the quality of Birch Lake. The annual assessment charges lakeshore property owners approximately \$21,000 for improving and protecting the lake.

Revolving Business Loans:

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

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

For both loan programs, businesses may receive a maximum loan of \$40,000 at a 2% interest rate with a required 100% match from a local bank at a negotiated rate. A Building Façade Grant up to \$3,000 is available for the first loan event, with a total of \$5,000 available for all loan events on the property. The success of the program is evident through the amount of investment it has supported in the community. The program has made forty-four loans for commercial properties during its existence. Additionally, as a revolving fund, the interest paid generates additional funds for future use.

Fund: Economic Development Fund 4240

Internal Loan Obligations

The Boatworks Commons project required a \$750,000 internal loan to complete financing of the redevelopment project within TIF District #27. The City established the internal loan interest rate at 3.00%, 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
2023	\$ -	\$ 22,500	\$ 22,500	3.000%
2024	-	22,500	22,500	3.000%
2025	-	22,500	22,500	3.000%
2026	-	22,500	22,500	3.000%
2027	-	22,500	22,500	3.000%
2028	-	22,500	22,500	3.000%
2029	-	22,500	22,500	3.000%
2030	-	22,500	22,500	3.000%
2031	-	22,500	22,500	3.000%
2032	10,000	22,350	32,350	3.000%
2033	10,000	22,050	32,050	3.000%
2034	10,000	21,750	31,750	3.000%
2035	10,000	21,450	31,450	3.000%
2036	10,000	21,150	31,150	3.000%
2037	10,000	20,850	30,850	3.000%
2038	190,000	17,850	207,850	3.000%
2039	200,000	12,000	212,000	3.000%
2040	200,000	6,000	206,000	3.000%
2041	100,000	1,500	101,500	3.000%
Total	750,000	369,450	1,119,450	

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

The City Council approved Resolution 12888 at their November 23, 2021 meeting creating a 15-year internal loan with a 1.5% interest rate to assist in financing the cost of the contract. The \$855,000 internal loan to the Municipal Building Fund consists of \$213,750 contributed from the Non-Bonded Fund and \$641,250 contributed from the Economic Development Fund. The loan repayment to each of these funds is through \$57,855 of the guaranteed energy savings realized from the improvements in the General Fund and the Sports Center Fund. The annual payments beginning in July 2023 will reimburse the Economic Development and Non-Bonded Funds based on their percentage of the original contribution to the internal loan.

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

Fund: Economic Development Fund 4240

Payment Date	Econ Dev. Fund Loan \$641,250		Non-Bonded Fund Loan \$213,750		Total	Total	Total
	Principal	Interest	Principal	Interest	Principal	Interest	Payments
7/1/2023	\$ 42,750	\$ 641	\$ 14,250	\$ 214	\$ 57,000	\$ 855	\$ 57,855
7/1/2024	42,750	641	14,250	214	57,000	855	57,855
7/1/2025	42,750	641	14,250	214	57,000	855	57,855
7/1/2026	42,750	641	14,250	214	57,000	855	57,855
7/1/2027	42,750	641	14,250	214	57,000	855	57,855
7/1/2028	42,750	641	14,250	214	57,000	855	57,855
7/1/2029	42,750	641	14,250	214	57,000	855	57,855
7/1/2030	42,750	641	14,250	214	57,000	855	57,855
7/1/2031	42,750	641	14,250	214	57,000	855	57,855
7/1/2032	42,750	641	14,250	214	57,000	855	57,855
7/1/2033	42,750	641	14,250	214	57,000	855	57,855
7/1/2034	42,750	641	14,250	214	57,000	855	57,855
7/1/2035	42,750	641	14,250	214	57,000	855	57,855
7/1/2036	42,750	641	14,250	214	57,000	855	57,855
7/1/2037	42,750	641	14,250	214	57,000	855	57,855
	641,250	9,619	213,750	3,206	855,000	12,825	867,825

Farmer's Market

The City sponsors a weekly Farmer's Market from late June through October each year in its Central Business District. Vendors pay a reservation fee to participate in the market in order to offset the City's operating costs to host the event.

Flower Program

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

Budget Summary:

As a recap of significant 2020 activities, the fund received an allocation of the City's Coronavirus Aid, Relief, and Economic Security Act (CARES) funding to help cover unexpected costs incurred due to the COVID-19 pandemic. Expenditures covered by the funding included personnel costs for the department's staff person to become a temporary Community COVID Coordinator position, social distancing signs, and miscellaneous small business assistance expenditures through August 31, 2020. After that time, the City Council authorized assignment of the remaining funding reimbursements to public safety payroll expenditures through September 30, 2020. This allowed the General Fund to transfer a portion of the current year operating revenues in an amount equal to the public safety payroll expenditures to the Economic Development Fund to further support any city funds experiencing hardship due to the pandemic and create grant programs for local residents, businesses and non-profit organizations with demonstrated economic impact from COVID-19. The fund balance continues to hold the remaining unspent aid.

The majority of the rental revenues in this fund relate to the Bellaire Center facility leases. Two factors impact the lease revenues for 2022. First, during 2021, turnover in two spaces and a third tenant is experiencing a re-organization which leads to a change in space needs. The City is currently working with an architect to re-configure the available areas for interested lessees. Through this tenant turnover process, the leases for all spaces at the facility will be standardized for consistent application among all properties. Second, the City's License Bureau Department will be one of the new tenants. Current plans estimate the

Fund: Economic Development Fund 4240

department moving mid-year 2022 but no specific date is available based on needed renovation work. Therefore, the 2022 lease revenues do not include any revenues from the License Bureau space. The department will begin making payments in January 2023.

Revenues increase in the Revised 2021 Budget as four revolving business loans were paid off early during the year.

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

The Revised 2021 Budget incorporates additional funding in the Other Supplies account to provide a business assistance grant through the 2020 CARES funding to one organization that did not originally receive funds; the Professional Services account to support a small area study in the "arts" district of town, the housing task force work and the creation of a welcoming and inclusive initiative; and the Training account for a delegates to travel to Germany for the Climate Smart Municipalities program.

The 2020 Budget includes additional resources for a County Road E corridor grant program and consulting communication work for the Automated Vehicle pilot project scheduled within our community.

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 2021 Budget includes appropriations for a roof safety railing, parking lot rehabilitation and lighting improvements at the Bellaire Center. The 2022 Budget funds the addition to two entrance monuments at the south side of the City, monument lighting for at the green space adjacent to the Boatworks Commons as well as security and technology improvements at the facility. The Capital Improvement Plan section in the Summary Data section of the document discusses these projects in greater detail.

City of White Bear Lake
Economic Development Fund

Annual Budget
Fund Summary

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Revenues						
4045	Excess TIF	\$ 46,091	\$ 3,019	\$ -	\$ 1,763	\$ -
4210	Special assessments - service district	58,722	60,943	54,000	57,000	58,000
4215	Special assessments prepaid to County	-	135	-	-	-
4225	Special assessments - delinquent	-	-	-	1,174	-
4230	Special assessments - penalty/interest	111	411	-	434	-
4220	Special assessments prepaid to City	1,224	4,284	-	-	-
4604	Federal grants	-	52,350	-	-	-
4818	Farmers Market	5,760	5,400	5,000	5,525	5,000
4955	Interest	46,963	42,931	-	40,000	40,000
4975	Rental income	417,801	436,721	426,900	443,900	313,300
5010	Land sale	-	415,020	-	-	-
5322	Revolving Loan repayment	57,837	62,232	50,000	162,500	50,000
5322	Boatworks loan repayment	22,500	-	22,500	22,500	22,500
5360	Reimbursement	1,652	32,281	-	4,420	-
5350	Miscellaneous	15,094	15,671	-	650	-
	Total operating revenues	<u>673,755</u>	<u>1,131,398</u>	<u>558,400</u>	<u>739,866</u>	<u>488,800</u>
Transfers In						
5205	General Fund	-	1,511,875	-	-	-
	Total transfers in	<u>-</u>	<u>1,511,875</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total revenues	<u>673,755</u>	<u>2,643,273</u>	<u>558,400</u>	<u>739,866</u>	<u>488,800</u>
Expenditures						
Personnel Services						
6105	Salaries - regular employees	103,037	114,357	84,670	86,690	89,508
6117	Overtime - regular employees	558	466	1,500	1,500	1,500
6119	Salaries - temporary employees	16,329	18,077	20,639	21,814	21,840
6122	PERA	7,770	8,612	6,463	6,614	6,826
6124	FICA/Medicare	8,648	9,661	8,171	8,415	8,633
6128	Insurance contribution	1,300	13,650	10,925	10,925	11,270
6138	Worker's compensation	740	740	1,225	1,225	1,470
6148	Other benefits	300	300	1,840	1,840	2,185
	Total personnel services	<u>138,682</u>	<u>165,863</u>	<u>135,432</u>	<u>139,023</u>	<u>143,232</u>
Supplies						
6220	Equipment supplies	1,694	1,264	1,800	1,900	2,000
6240	Building supplies	3,533	4,342	4,410	3,800	7,150
6248	Community engagement	253	275	300	4,000	6,000
6250	Other supplies	12,400	613,594	29,275	42,550	31,850
6254	Signs and striping	-	9	-	-	-
6255	Landscaping materials	10,080	11,064	10,575	10,575	12,800
6295	Small tools	46	110	200	200	375
	Total supplies	<u>28,006</u>	<u>630,658</u>	<u>46,560</u>	<u>63,025</u>	<u>60,175</u>
Other Services and Charges						
6401	Professional services	121,484	110,471	82,900	134,250	126,600
6412	Cell phone	-	272	400	400	450
6421	Water and sewer	1,785	2,181	2,100	2,100	2,350
6422	Electric	6,909	16,916	21,950	20,860	25,275
6423	Natural gas	2,779	6,424	3,750	7,050	9,195
6434	Insurance	-	-	-	-	5,300
6445	Postage	-	2,210	-	300	100
6450	Outside printing	-	-	500	400	125
6455	Legal notices publications	261	2,246	550	550	600
6460	Subscription/memberships	130	1,076	1,075	1,000	1,150
6470	Training	972	329	2,800	8,070	8,300
6486	Mileage reimbursement	237	12	400	300	350
6492	Advertising	-	26,735	2,400	4,200	3,250

City of White Bear Lake
Economic Development Fund

Annual Budget
Fund Summary

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
6505	Equipment repair service	-	333	500	500	1,550
6515	Building repair service	21,582	70,322	14,250	26,100	32,300
6525	Electrical repair service	2,025	-	5,000	9,700	5,500
6535	Other repair service	-	-	-	200	-
6540	Vandalism	-	219	-	-	-
6555	Rental of equipment	2,317	4,421	2,500	3,200	3,200
6560	Contractual services	183,445	183,432	266,400	265,825	284,100
	Total other services and charges	<u>343,926</u>	<u>427,599</u>	<u>407,475</u>	<u>485,005</u>	<u>509,695</u>
	Capital Outlay					
7110	Land	865,794	-	-	-	-
7120	Building	-	212,707	10,000	2,700	-
7160	Other improvements	-	-	142,000	65,000	125,000
	Total capital outlay	<u>865,794</u>	<u>212,707</u>	<u>152,000</u>	<u>67,700</u>	<u>125,000</u>
	Total operating expenditures	<u>1,376,408</u>	<u>1,436,827</u>	<u>741,467</u>	<u>754,753</u>	<u>838,102</u>
	Transfers Out					
7605	General Fund	-	53,150	-	87,100	-
7605	Armory	-	231	-	-	-
7605	Equipment Acquisition	-	59,583	-	-	-
7605	Municipal Building	-	62,460	-	641,250	-
7605	Water	-	1,434	-	-	-
7605	Sewer	-	44	-	-	-
7605	Sports Center	-	4,236	-	-	-
7605	Ambulance	-	149,847	-	-	-
7605	Pioneer Manor	-	829	-	-	-
7605	License Bureau	-	12,940	-	-	-
7605	Employee Expense	-	5,775	-	-	-
	Total transfers out	<u>-</u>	<u>350,529</u>	<u>-</u>	<u>728,350</u>	<u>-</u>
	Total expenditures	<u>1,376,408</u>	<u>1,787,356</u>	<u>741,467</u>	<u>1,483,103</u>	<u>838,102</u>
	Revenues over (under) expenditures	<u>(702,653)</u>	<u>855,917</u>	<u>(183,067)</u>	<u>(743,237)</u>	<u>(349,302)</u>
	Reserve adjustment (to) from	<u>800,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Fund balance January 1	<u>1,762,077</u>	<u>1,859,424</u>	<u>2,331,648</u>	<u>2,715,341</u>	<u>1,972,104</u>
	Fund balance December 31	<u>\$ 1,859,424</u>	<u>\$ 2,715,341</u>	<u>\$ 2,148,581</u>	<u>\$ 1,972,104</u>	<u>\$ 1,622,802</u>
	Reserves:					
	Revolving loans	\$ 232,960	\$ 232,960	\$ 232,960	\$ 232,960	\$ 232,960
	Special Service District - Downtown	22,284	22,284	22,284	22,284	22,284
	Special Service District - Birch Lake	6	6	6	6	6
	Balance, December 31	<u>\$ 255,250</u>	<u>\$ 255,250</u>	<u>\$ 255,250</u>	<u>\$ 255,250</u>	<u>\$ 255,250</u>
	Fund Balance Reconciliation to Financial Statements:					
	Budget fund balance December 31	\$ 2,114,674	\$ 2,970,591			
	Advances to other funds	750,000	750,000			
	Loans receivable	394,554	337,982			
	Financial statement fund balance December 31	<u>\$ 3,259,228</u>	<u>\$ 4,058,573</u>			

City of White Bear Lake
Economic Development Fund

Annual Budget
Fund Detail

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
4241-						
4242	General Economic Development					
	Revenue	\$ 201,737	\$ 2,146,376	\$ 85,100	\$ 137,066	\$ 125,500
	Expenditures	1,191,428	1,328,535	364,342	1,111,843	475,727
	Revenues over (under) expenditures	<u>\$ (989,691)</u>	<u>\$ 817,841</u>	<u>\$ (279,242)</u>	<u>\$ (974,777)</u>	<u>\$ (350,227)</u>
4244	Economic Development Loans					
	Revenue	\$ 57,837	\$ 62,232	\$ 50,000	\$ 162,500	\$ 50,000
	Expenditures	-	-	69,000	69,000	70,000
	Revenues over (under) expenditures	<u>\$ 57,837</u>	<u>\$ 62,232</u>	<u>\$ (19,000)</u>	<u>\$ 93,500</u>	<u>\$ (20,000)</u>
4245	Flower Program					
	Revenue	\$ -	\$ -	\$ -	\$ -	\$ -
	Expenditures	15,003	13,321	18,475	19,875	22,625
	Revenues over (under) expenditures	<u>\$ (15,003)</u>	<u>\$ (13,321)</u>	<u>\$ (18,475)</u>	<u>\$ (19,875)</u>	<u>\$ (22,625)</u>
4247	Bellaire Center					
	Revenue	\$ 288,947	\$ 294,847	\$ 265,000	\$ 274,000	\$ 144,500
	Expenditures	79,329	81,815	167,150	158,285	123,300
	Revenues over (under) expenditures	<u>\$ 209,618</u>	<u>\$ 213,032</u>	<u>\$ 97,850</u>	<u>\$ 115,715</u>	<u>\$ 21,200</u>
4248	Marina Triangle					
	Revenue	\$ 2,885	\$ 10,020	\$ -	\$ 2,000	\$ 3,000
	Expenditures	55,032	92,421	61,725	54,175	77,375
	Revenues over (under) expenditures	<u>\$ (52,147)</u>	<u>\$ (82,401)</u>	<u>\$ (61,725)</u>	<u>\$ (52,175)</u>	<u>\$ (74,375)</u>
4249	4th Street Development					
	Revenue	\$ 114,485	\$ 103,124	\$ 114,000	\$ 116,000	\$ 117,500
	Expenditures	34,277	36,535	43,100	45,900	44,600
	Revenues over (under) expenditures	<u>\$ 80,208</u>	<u>\$ 66,589</u>	<u>\$ 70,900</u>	<u>\$ 70,100</u>	<u>\$ 72,900</u>
4250	WBL Rental Houses					
	Revenue	\$ 7,864	\$ 26,674	\$ 23,300	\$ 27,000	\$ 27,000
	Expenditures	1,339	216,846	3,675	7,825	6,475
	Revenues over (under) expenditures	<u>\$ 6,525</u>	<u>\$ (190,172)</u>	<u>\$ 19,625</u>	<u>\$ 19,175</u>	<u>\$ 20,525</u>
4251	4200 Hoffman Road					
	Revenue	\$ -	\$ -	\$ 21,000	\$ 21,300	\$ 21,300
	Expenditures	-	17,883	14,000	16,200	18,000
	Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ (17,883)</u>	<u>\$ 7,000</u>	<u>\$ 5,100</u>	<u>\$ 3,300</u>

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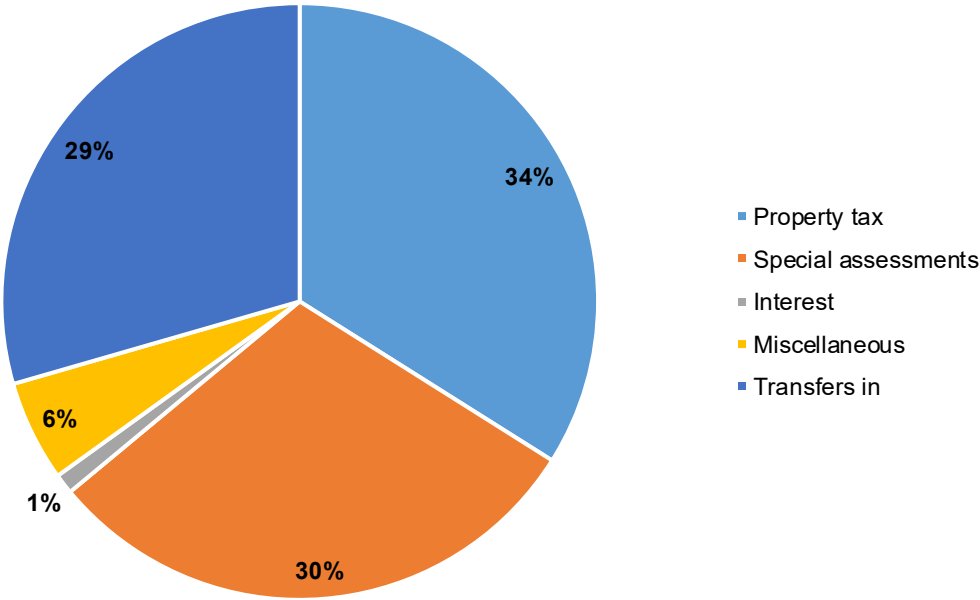
**City of White Bear Lake
Debt Service Funds**

Annual Budget

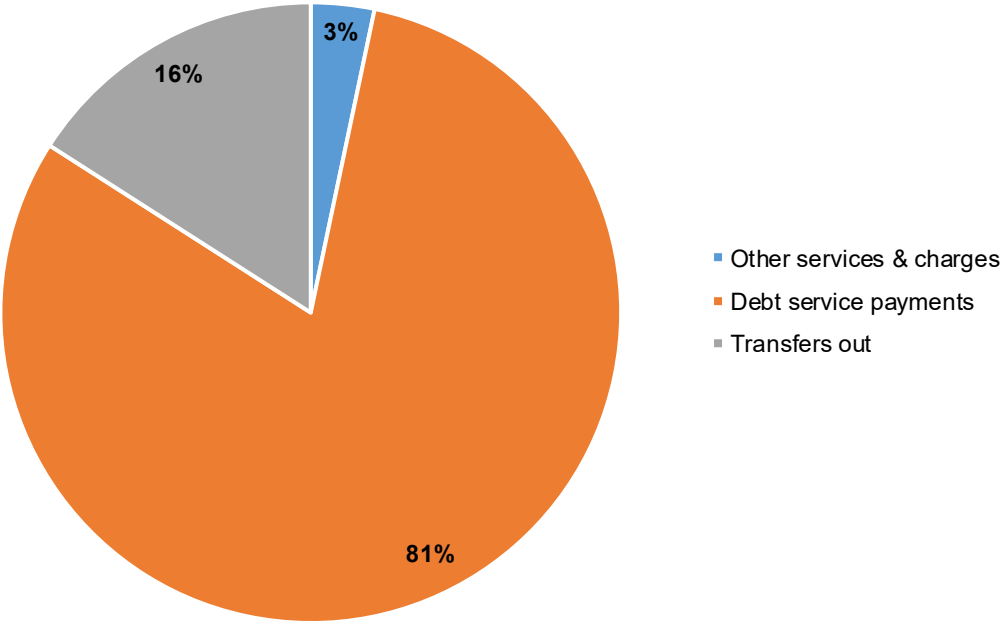
Item	2019 Actual	2020 Actual	2021 Budget	2021 Revised	2022 Budget
Revenues					
Property tax	\$ 352,000	\$ 422,939	\$ 692,000	\$ 693,006	\$ 855,000
Special assessments	1,217,843	862,046	814,132	843,023	756,365
Loan repayments	50,000	-	-	-	-
Bond sale	92,493	51,973	-	22,960	-
Miscellaneous	200,000	76,913	137,810	137,810	137,810
Interest	23,304	22,993	2,415	23,400	27,500
Transfers in	1,477,117	616,000	815,500	1,152,392	742,000
Total revenues	<u>3,412,757</u>	<u>2,052,864</u>	<u>2,461,857</u>	<u>2,872,591</u>	<u>2,518,675</u>
Expenditures					
Other services & charges	86,869	39,526	63,470	66,930	68,780
Debt service payments	1,132,551	1,221,055	1,370,027	1,418,002	1,682,239
Transfers out	2,549,617	647,000	484,000	717,750	332,000
Total expenditures	<u>3,769,037</u>	<u>1,907,581</u>	<u>1,917,497</u>	<u>2,202,682</u>	<u>2,083,019</u>
Revenues over (under) expenditures	<u>(356,280)</u>	<u>145,283</u>	<u>544,360</u>	<u>669,909</u>	<u>435,656</u>
Fund Balance, January 1	<u>1,909,452</u>	<u>1,553,172</u>	<u>1,544,382</u>	<u>1,698,455</u>	<u>2,368,364</u>
Fund Balance, December 31	<u>\$ 1,553,172</u>	<u>\$ 1,698,455</u>	<u>\$ 2,088,742</u>	<u>\$ 2,368,364</u>	<u>\$ 2,804,020</u>

2022 Debt Service Funds

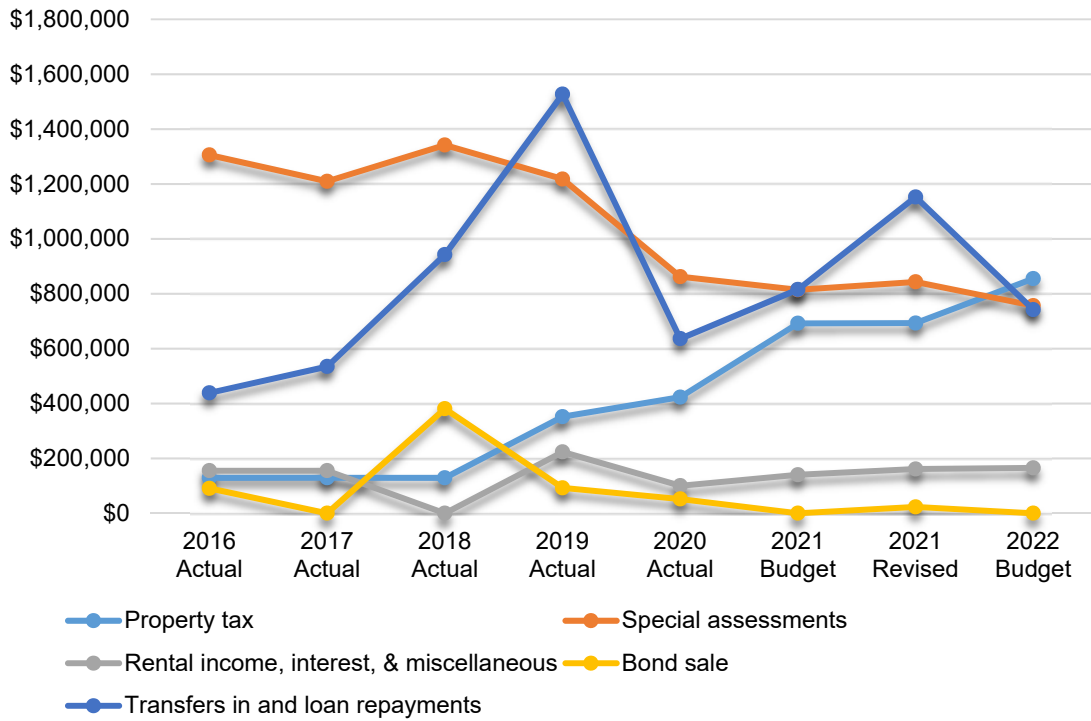
Total Revenues \$2,518,675



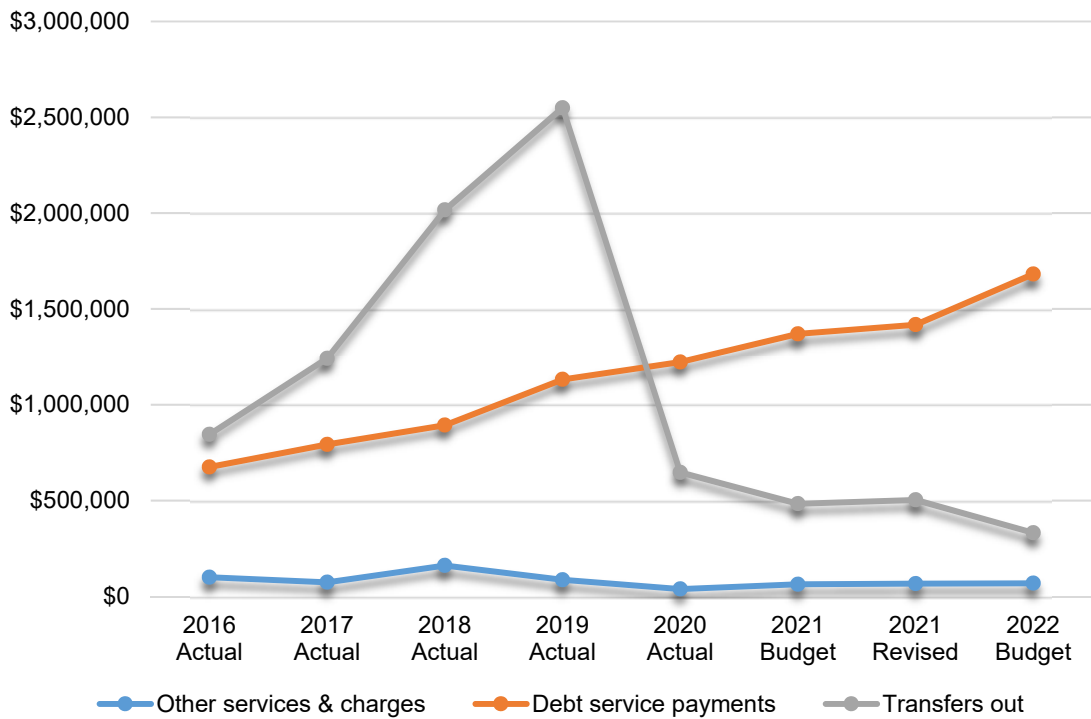
Total Expenditures \$2,083,019



Debt Service Funds Revenue Trend Analysis



Debt Service Funds Expenditure Trend Analysis



Fund: Municipal Building General Obligation Debt Service 3020

Department Activities and Responsibilities:

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

Budget Summary:

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

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

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

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

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

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

Annual Budget
Fund Summary

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Revenues						
	General property tax					
4015	Regular levy YMCA/Sports Center	\$ 132,000	\$ -	\$ -	\$ -	\$ -
4955	Interest	2,307	-	-	-	-
	Total revenues	<u>134,307</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Transfers In					
5205	Marina Fund	155,000	-	-	-	-
	Total revenues	<u>289,307</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures						
Debt Service						
YMCA/Sports Center internal loan						
7410	Principal	215,000	-	-	-	-
7420	Interest	70,000	-	-	-	-
	Total expenditures	<u>285,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Transfers Out					
7605	Non-Bonded Debt Fund	204,341	-	-	-	-
	Total expenditures	<u>489,341</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Revenues over (under) expenditures	<u>(200,034)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Fund balance January 1	<u>200,034</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Fund balance December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

Department Activities and Responsibilities:

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

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

Budget Summary:

The City does not expect any general tax levy will be required to retire this bond obligation. At the end of 2022, the City's principal obligation on the bond issue will be \$170,000. 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
2023	\$ 170,000	\$ 1,700	\$ 171,700	2.000%
Total	170,000	1,700	171,700	

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

Annual Budget
Fund Summary

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Revenues						
4955	Interest	\$ 1,477	\$ 164	\$ -	\$ -	\$ -
5205	Transfers In Pioneer Manor Fund	160,000	160,000	160,000	160,000	160,000
	Total revenues and transfers in	161,477	160,164	160,000	160,000	160,000
Expenditures						
Debt Service						
7410	Principal	160,000	160,000	170,000	170,000	170,000
7420	Interest	15,000	11,800	8,500	8,500	5,100
	Total debt service	175,000	171,800	178,500	178,500	175,100
Other Services and Charges						
6401	Professional services	-	633	660	660	660
7430	Fiscal agent fees	500	500	500	500	500
	Total other services and charges	500	1,133	1,160	1,160	1,160
	Total expenditures	175,500	172,933	179,660	179,660	176,260
	Revenues over (under) expenditures	(14,023)	(12,769)	(19,660)	(19,660)	(16,260)
	Fund Balance January 1	99,586	85,563	72,628	72,794	53,134
	Fund Balance December 31	\$ 85,563	\$ 72,794	\$ 52,968	\$ 53,134	\$ 36,874

Fund: Non-Bonded Special Assessment Debt Service Fund 3070

Department Activities and Responsibilities:

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

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

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

As mentioned above, the City and the White Bear Lake Hockey Association partnered in the project to renovate the Sports Center Facility. The City Council adopted Resolution No. 12138 in December 2017 to approve a financial agreement with the Association. The City agreed to issue debt to cover the entire project, while the Association agreed to pay an initial contribution of \$500,000 at the completion of the renovation and annual payments up to \$2 million dollars for 20 years to assist in paying debt service costs. Annual contributions for the loan began in 2019.

This fund holds the annual payments from the Hockey Association and transfers amounts to the debt service fund as needed to ensure compliance with arbitrage rules. The Association's annual principal and interest payments as of December 31, 2022 are as follows:

Year	Principal	Interest	Total	Rate
2023	\$ 84,779	\$ 53,031	\$ 137,810	3.27%
2024	87,551	50,259	137,810	3.27%
2025	90,414	47,396	137,810	3.27%
2026	93,370	44,439	137,810	3.27%
2027	96,423	41,386	137,810	3.27%
2028	99,576	38,233	137,810	3.27%
2029	102,833	34,977	137,810	3.27%
2030	106,195	31,614	137,810	3.27%
2031	109,668	28,142	137,810	3.27%
2032	113,254	24,556	137,810	3.27%
2033	116,957	20,852	137,810	3.27%
2034	120,782	17,028	137,810	3.27%
2035	124,731	13,078	137,810	3.27%
2036	128,810	8,999	137,810	3.27%
2037	133,022	4,787	137,810	3.27%
2038	13,378	437	13,815	3.27%
Total	1,621,743	459,215	2,080,965	

Fund: Non-Bonded Special Assessment Debt Service Fund 3070

Two bond issues covered the total expenditures for the Sports Center renovation project. The Association's annual payments will cover the bond issue payments for the refrigeration equipment accounted for in the 2018A General Obligation Bond Debt Service Fund. The Association does have the option to prepay the loan without penalties. The tax levy previously assigned to repay the YMCA/Sports Center debt supports the annual debt service payments for the second bond issue accounted for in the 2018B General Obligation Tax Abatement Bonds Debt Service Fund.

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

Year	Amount
2023	\$ 178,000
2024	170,000
2025	163,000
2026	155,000
2027	102,000
2028	70,000
Total	<u>838,000</u>

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

The City Council approved Resolution 12888 at their November 23, 2021 meeting creating a 15-year internal loan with a 1.5% interest rate to assist in financing the cost of the contract. The \$855,000 internal loan to the Municipal Building Fund consists of \$213,750 contributed from the Non-Bonded Fund and \$641,250 contributed from the Economic Development Fund. The loan repayment to each of these funds is through \$57,855 of the guaranteed energy savings realized from the improvements in the General Fund and the Sports Center Fund. The annual payments beginning in July 2023 will reimburse the Economic Development and Non-Bonded Funds based on their percentage of the original contribution to the internal loan.

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

Fund: Non-Bonded Special Assessment Debt Service Fund 3070

Payment Date	Econ Dev. Fund Loan \$641,250		Non-Bonded Fund Loan \$213,750		Total	Total	Total
	Principal	Interest	Principal	Interest	Principal	Interest	Payments
7/1/2023	\$ 42,750	\$ 641	\$ 14,250	\$ 214	\$ 57,000	\$ 855	\$ 57,855
7/1/2024	42,750	641	14,250	214	57,000	855	57,855
7/1/2025	42,750	641	14,250	214	57,000	855	57,855
7/1/2026	42,750	641	14,250	214	57,000	855	57,855
7/1/2027	42,750	641	14,250	214	57,000	855	57,855
7/1/2028	42,750	641	14,250	214	57,000	855	57,855
7/1/2029	42,750	641	14,250	214	57,000	855	57,855
7/1/2030	42,750	641	14,250	214	57,000	855	57,855
7/1/2031	42,750	641	14,250	214	57,000	855	57,855
7/1/2032	42,750	641	14,250	214	57,000	855	57,855
7/1/2033	42,750	641	14,250	214	57,000	855	57,855
7/1/2034	42,750	641	14,250	214	57,000	855	57,855
7/1/2035	42,750	641	14,250	214	57,000	855	57,855
7/1/2036	42,750	641	14,250	214	57,000	855	57,855
7/1/2037	42,750	641	14,250	214	57,000	855	57,855
	641,250	9,619	213,750	3,206	855,000	12,825	867,825

Budget Summary:

In 2019, the White Bear Lake Hockey Association paid additional principal on the loan for the Sports Center renovation. In 2020, the Association's fundraising efforts were negatively impacted by the COVID-19 pandemic. The City and the Association reached an agreement that allowed the Association to reduce their 2020 principal payment by the amount of additional principal paid in 2020. In the 2021 Budget, the Association contribution returns to the annual principal and interest amount of \$137,810. The 2021 and 2022 Budgets transfer some of the Association's money to the 2018A General Obligation Debt Service Fund for the Sports Center debt service payment.

As noted above, the 2021 Budget also includes the final transfer to the Insurance Fund to pay off the internal loan established in 2009.

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

The transfer to the 2018A General Obligation Debt Service Fund varies each year based on the amount needed in the debt service to pay the annual debt service costs while complying with arbitrage rules.

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

Annual Budget
Fund Summary

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Revenues						
4210	Special assessments current	\$ 611,824	\$ 561,093	\$ 546,000	\$ 546,000	\$ 525,000
4215	Special assess. prepaid to county	165,805	100,341	48,000	60,000	48,000
4220	Special assessments prepaid to city	1,708	4,973	-	-	-
4225	Special assessments delinquent	15,170	9,846	10,000	10,000	10,000
4230	Special assess. penalties and interest	9,543	4,524	2,500	2,500	2,500
4955	Interest	8,616	11,271	-	8,700	11,800
5323	Internal loan repayment for YMCA	50,000	-	-	-	-
5360	WBLHA debt service contribution	200,000	76,913	137,810	137,810	137,810
	Total revenues	<u>1,062,666</u>	<u>768,961</u>	<u>744,310</u>	<u>765,010</u>	<u>735,110</u>
Transfers In						
5205	Water Fund	125,000	-	-	-	-
5205	G.O. Building Debt Fund	204,341	-	-	-	-
	Total transfers in	<u>329,341</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total revenues	<u>1,392,007</u>	<u>768,961</u>	<u>744,310</u>	<u>765,010</u>	<u>735,110</u>
Expenditures						
Other Services and Charges						
6401	Professional services	9,193	6,148	-	7,000	7,000
6560	Other contracted services	18,868	17,598	50,000	50,000	50,000
	Total other services and charges	<u>28,061</u>	<u>23,746</u>	<u>50,000</u>	<u>57,000</u>	<u>57,000</u>
Transfers Out						
7605	2012 Special Assessment Debt Service Fund	225,000	205,000	200,000	200,000	192,000
7605	2018A G.O. Debt Service Fund	412,776	-	150,000	170,000	140,000
7605	Municipal Building Fund	-	-	-	213,750	-
7605	Interim Construction Fund	107,500	-	-	-	-
7605	Ambulance Fund	200,000	200,000	-	-	-
7605	Insurance Fund	-	242,000	134,000	134,000	-
7605	Municipal Building Fund Debt Service	1,400,000	-	-	-	-
	Total transfers out	<u>2,345,276</u>	<u>647,000</u>	<u>484,000</u>	<u>717,750</u>	<u>332,000</u>
	Total expenditures	<u>2,373,337</u>	<u>670,746</u>	<u>534,000</u>	<u>774,750</u>	<u>389,000</u>
	Revenues over (under) expenditures	<u>(981,330)</u>	<u>98,215</u>	<u>210,310</u>	<u>(9,740)</u>	<u>346,110</u>
	Fund balance January 1	<u>1,386,091</u>	<u>404,761</u>	<u>405,989</u>	<u>502,976</u>	<u>493,236</u>
	Fund balance December 31	<u>\$ 404,761</u>	<u>\$ 502,976</u>	<u>\$ 616,299</u>	<u>\$ 493,236</u>	<u>\$ 839,346</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, 2022, for the Special Assessment Bonds are as follows:

Year	Principal	Interest	Total	Rate
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	800,000	38,432	838,432	

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

Annual Budget
Fund Summary

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Revenues						
4955	Interest	\$ 325	\$ -	\$ -	\$ -	\$ -
5205	Transfers In Non-Bonded Fund	225,000	205,000	200,000	200,000	192,000
	Total revenues	225,325	205,000	200,000	200,000	192,000
Expenditures						
Debt Service						
7410	Principal	185,000	185,000	180,000	180,000	175,000
7420	Interest	21,653	19,802	17,660	17,660	15,310
	Total debt service	206,653	204,802	197,660	197,660	190,310
Other Services and Charges						
6401	Professional services	-	634	660	660	660
7430	Fiscal agent fees	500	500	500	500	500
	Total other services and charges	500	1,134	1,160	1,160	1,160
	Total expenditures	207,153	205,936	198,820	198,820	191,470
	Revenues over (under) expenditures	18,172	(936)	1,180	1,180	530
	Fund balance January 1	11,984	30,156	29,219	29,220	30,400
	Fund balance December 31	\$ 30,156	\$ 29,220	\$ 30,399	\$ 30,400	\$ 30,930

**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.

Budget Summary:

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

The City's principal obligation on the bond issue will total \$1,875,000 as of December 31, 2022. 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
2023	\$ 90,000	\$ 45,612	\$ 135,612	3.000%
2024	95,000	42,837	137,837	3.000%
2025	100,000	39,912	139,912	3.000%
2026	105,000	37,363	142,363	2.000%
2027	110,000	35,212	145,212	2.000%
2028	115,000	32,962	147,962	2.000%
2029	120,000	30,552	150,552	2.100%
2030	125,000	27,917	152,917	2.200%
2031	130,000	25,047	155,047	2.300%
2032	135,000	21,932	156,932	2.400%
2033	140,000	18,563	158,563	2.500%
2034	145,000	15,000	160,000	2.500%
2035	150,000	11,125	161,125	2.750%
2036	155,000	6,932	161,932	2.750%
2037	160,000	2,400	162,400	3.000%
Total	1,875,000	393,366	2,268,366	

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

Annual Budget
Fund Summary

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Revenues						
4955	Interest	\$ 790	\$ -	\$ -	\$ -	\$ -
Transfers In						
5205	HRA Fund Boatworks Commons TIF	135,000	140,000	140,000	140,000	140,000
Total revenues		135,790	140,000	140,000	140,000	140,000
Debt Service						
7410	Principal	75,000	80,000	85,000	85,000	90,000
7420	Interest	55,738	53,413	50,938	50,938	48,313
Total debt service		130,738	133,413	135,938	135,938	138,313
Other Services and Charges						
6401	Professional services	-	4,383	3,160	2,660	660
7430	Fiscal agent fees	450	450	500	450	500
Total other services and charges		450	4,833	3,660	3,110	1,160
Total expenditures		131,188	138,246	139,598	139,048	139,473
Revenues over (under) expenditures		4,602	1,754	402	952	527
Fund balance January 1		24,825	29,427	31,179	31,181	32,133
Fund balance December 31		\$ 29,427	\$ 31,181	\$ 31,581	\$ 32,133	\$ 32,660

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

Department Activities and Responsibilities:

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

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

The City and the White Bear Lake Hockey Association partnered in the project to renovate the Sports Center Facility. The City Council adopted Resolution No. 12138 in December 2017 to approve a financial agreement with the Association. The City agreed to issue debt to cover the entire project, while the Association agreed to pay an initial contribution at the completion of the renovation for construction costs and annual payments for 20 years to assist in paying debt service costs up to \$2 million dollars.

Two bond issues covered the total expenditures for the project. The Hockey Association's annual payments will cover the bond issue payments for the refrigeration equipment accounted for in this fund. The tax levy previously assigned to repay the YMCA/Sports Center debt supports the annual debt service payments for the second bond issue accounted for in the 2018B General Obligation Bond Debt Service Fund.

Bonds maturing on or after February 1, 2027, are subject for early redemption call at par at the option of the City.

Budget Summary:

The White Bear Lake Hockey Association signed a financial agreement with the City on December 11, 2017, stating it agrees to make a contribution to the City to support the renovation work at the Sports Center. The Association paid \$500,000 in 2018 for initial project costs. In 2019, the Association began making their annual payments; total installments paid will equal an additional \$2,000,000 principal and associated interest at the bond issue rate. The 2019 and 2020 payments were initially recorded in this fund; however, the City moved those two payments to the Non-Bonded Special Assessment Fund to be compliant with arbitrage requirements. The Non-Bonded Special Assessment Fund will receive the future payments from the Hockey Association and make an annual transfer to this fund to provide revenues to support the debt service payment.

The 2020 actual expenditures include an allocation in the Professional Services account for interim arbitrage work required for compliance with IRS regulations. Arbitrage analysis reports will occur on every five-year anniversary of the issuance until the bond is paid.

As of December 31, 2022, the City's principal obligation on the debt is \$5,155,000. Future principal and interest obligations on this debt by expense category are as follows:

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

Year	GO Improve. Principal	GO Improve. Interest	SC Equipment Principal	SC Equipment Interest	Total	Rate
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	3,505,000	1,035,264	1,650,000	499,990	6,690,254	

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

Annual Budget
Fund Summary

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Revenues						
4015	Regular Levy street reconstruction	\$ 220,000	\$ 187,341	\$ 220,000	\$ 196,000	\$ 220,000
4025	Delinquent Property Taxes	-	743	-	509	-
4040	Fiscal Disparities	-	25,874	-	24,000	-
	Total property taxes	<u>220,000</u>	<u>213,958</u>	<u>220,000</u>	<u>220,509</u>	<u>220,000</u>
4210	Special Assessments Current	63,482	51,635	48,945	58,400	42,900
4215	Special Assess. Prepaid to County	35,944	28,590	-	-	-
4220	Special Assess. Prepaid to City	4,616	463	-	405	-
4225	Special Assessments Delinquent	-	828	-	442	-
4230	Special Assess. Penalties and Interest	258	170	-	48	-
4955	Interest	4,668	4,075	-	5,700	6,300
	Total operating and other revenues	<u>328,968</u>	<u>299,719</u>	<u>268,945</u>	<u>285,504</u>	<u>269,200</u>
Transfers In						
5205	Non-Bonded Debt Service Fund	<u>277,776</u>	-	<u>150,000</u>	<u>170,000</u>	<u>140,000</u>
	Total revenues	<u>606,744</u>	<u>299,719</u>	<u>418,945</u>	<u>455,504</u>	<u>409,200</u>
Expenditures						
Other Services and Charges						
6401	Professional services	-	3,135	660	660	660
6560	Contracted services	-	302	-	-	-
7430	Fiscal agent fees	500	500	500	500	500
	Total other services and charges	<u>500</u>	<u>3,937</u>	<u>1,160</u>	<u>1,160</u>	<u>1,160</u>
Debt Service						
7410	Principal	-	225,000	235,000	235,000	235,000
7420	Interest	216,452	188,081	181,181	181,181	172,956
	Total debt service	<u>216,452</u>	<u>413,081</u>	<u>416,181</u>	<u>416,181</u>	<u>407,956</u>
	Total expenditures	<u>216,952</u>	<u>417,018</u>	<u>417,341</u>	<u>417,341</u>	<u>409,116</u>
	Revenues over (under) expenditures	<u>389,792</u>	<u>(117,299)</u>	<u>1,604</u>	<u>38,163</u>	<u>84</u>
	Fund Balance January 1	<u>120,724</u>	<u>510,516</u>	<u>381,558</u>	<u>393,217</u>	<u>431,380</u>
	Fund Balance December 31	<u>\$ 510,516</u>	<u>\$ 393,217</u>	<u>\$ 383,162</u>	<u>\$ 431,380</u>	<u>\$ 431,464</u>

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

Department Activities and Responsibilities:

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

The City and the White Bear Lake Hockey Association partnered in the project to renovate the Sports Center Facility. The City Council adopted Resolution No. 12138 in December 2017 to approve a financial agreement with the Association. The City agreed to issue debt to cover the entire project, while the Association agreed to pay an initial contribution at the completion of the renovation and annual payments for 20 years to assist in paying debt service principal costs up to \$2 million dollars and the associated interest at the City's bond interest rate for the issue. Two bond issues covered the total expenditures for the project.

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

The Hockey Association's annual contributions cover the bond issue payments for the refrigeration equipment accounted for in the 2018A General Obligation Bond Debt Service Fund for Street Reconstruction and Sports Center Refrigeration Equipment.

Bonds maturing on or after February 1, 2027, are subject for early redemption call at par at the option of the City.

Budget Summary:

As of December 31, 2022, the City's principal obligation on the debt is \$2,950,000. Future principal and interest obligations on this debt by expense category are as follows:

Year	Principal	Interest	Total	Rate
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%
Total	2,950,000	888,832	3,838,832	

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

Annual Budget
Fund Summary

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Revenues						
4015	Regular Levy YMCA/Sports Center	\$ -	\$ 128,374	\$ 132,000	\$ 116,000	\$ 132,000
4025	Delinquent Property Tax	-	-	-	305	-
4040	Fiscal Disparities	-	-	-	16,000	-
4955	Interest	3,028	724	2,415	2,400	3,200
	Total operating revenues	<u>3,028</u>	<u>129,098</u>	<u>134,415</u>	<u>134,705</u>	<u>135,200</u>
Transfers In						
5205	Marina Fund	-	111,000	165,500	165,500	110,000
5205	Insurance Fund	195,000	-	-	-	-
	Total transfers in	<u>195,000</u>	<u>111,000</u>	<u>165,500</u>	<u>165,500</u>	<u>110,000</u>
	Total revenues	<u>198,028</u>	<u>240,098</u>	<u>299,915</u>	<u>300,205</u>	<u>245,200</u>
Expenditures						
Other Services and Charges						
6401	Professional services	-	3,134	660	660	660
7430	Fiscal agent fees	500	500	500	500	500
	Total other services and charges	<u>500</u>	<u>3,634</u>	<u>1,160</u>	<u>1,160</u>	<u>1,160</u>
Debt Service						
7410	Principal	-	125,000	125,000	125,000	130,000
7420	Interest	118,708	103,125	99,375	99,375	95,550
	Total debt service	<u>118,708</u>	<u>228,125</u>	<u>224,375</u>	<u>224,375</u>	<u>225,550</u>
	Total expenditures	<u>119,208</u>	<u>231,759</u>	<u>225,535</u>	<u>225,535</u>	<u>226,710</u>
	Revenues over (under) expenditures	<u>78,820</u>	<u>8,339</u>	<u>74,380</u>	<u>74,670</u>	<u>18,490</u>
	Fund balance January 1	<u>66,208</u>	<u>145,028</u>	<u>158,790</u>	<u>153,367</u>	<u>228,037</u>
	Fund balance December 31	<u>\$ 145,028</u>	<u>\$ 153,367</u>	<u>\$ 233,170</u>	<u>\$ 228,037</u>	<u>\$ 246,527</u>

Fund: 2019A General Obligation Improvement Bonds Debt Service Fund 3084

Department Activities and Responsibilities:

The \$1,925,000 General Obligation Improvement Bonds, Series 2019A issued on June 25, 2019, pursuant to Minnesota Statutes, Chapters 429 and 475 financed the costs associated with the City's annual street improvement project. The bonds are a general obligation of the City for which the City pledges its full faith, credit and taxing powers for the repayment.

Bonds maturing on or after February 1, 2030, are callable February 1, 2029 or any date thereafter.

Budget Summary:

The 2021 Budget originally included funding for interim arbitrage work required for compliance with IRS regulations in the Professional Services account; however, since the arbitrage work will not take place until 2022, the budget moves the funds to 2022 to follow the schedule. Arbitrage analysis reports will occur on every five-year anniversary of the issuance until the bond is paid.

As of December 31, 2022, the City's principal obligation on the debt is \$1,725,000. Future principal and interest obligations on this debt by expense category are as follows:

Year	Principal	Interest	Total	Rate
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	1,725,000	454,450	2,179,450	

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

Annual Budget
Fund Summary

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Revenues						
4015	General property tax levy	\$ -	\$ 70,579	\$ 81,000	\$ 74,000	\$ 81,000
4025	Delinquent property tax	-	280	-	192	-
4040	Fiscal disparities	-	9,748	-	7,000	-
4210	Special assessments current	-	59,385	52,890	48,013	46,110
4215	Special assess. prepaid to county	1,703	39,121	-	4,445	-
4220	Special assess. prepaid to city	307,790	1,025	-	216	-
4230	Special assess. penalties and interest	-	52	-	14	-
4955	Interest	2,093	6,288	-	6,600	6,200
5324	Bond issuance fees	92,493	-	-	-	-
	Total revenues	404,079	186,478	133,890	140,480	133,310
Expenditures						
Other Services and Charges						
6401	Professional services	-	634	3,160	545	3,160
7430	Fiscal agent fees	-	475	850	475	500
7440	Discount on bonds sold	56,358	-	-	-	-
	Total other services and charges	56,358	1,109	4,010	1,020	3,660
Debt Service						
7410	Principal	-	-	100,000	100,000	100,000
7420	Interest	-	69,834	65,400	65,400	61,400
	Total expenditures	56,358	70,943	169,410	166,420	165,060
	Revenues over (under) expenditures	347,721	115,535	(35,520)	(25,940)	(31,750)
	Fund balance January 1	-	347,721	413,046	463,256	437,316
	Fund balance December 31	\$ 347,721	\$ 463,256	\$ 377,526	\$ 437,316	\$ 405,566

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Fund: 2020A General Obligation Bonds Debt Service Fund 3085

Department Activities and Responsibilities:

On July 16, 2020, the City issued General Obligation Bonds, Series 2020A in an aggregate principal amount of \$4,440,000. The bond issuance consists of:

\$2,450,000 for General Obligation Improvement Bonds issued pursuant to Minnesota Statutes, Chapters 429 and 475 to finance the costs associated with the City's annual street improvement project.

\$1,130,000 for General Obligation Equipment Certificates issued pursuant to Minnesota Statutes chapter 475 and Minnesota Statutes, Sections 410.32 and 412.301 to finance the purchase of capital equipment.

\$860,000 for General Obligation Utility Revenue Bonds issued pursuant to Minnesota Statutes, Chapters 444 and 475 to provide financing for utility improvements.

This fund accounts for payments related to the General Obligation Improvement Bonds and the General Obligation Equipment Certificates. The Water Fund in the Enterprise Fund section accounts for the payments related to the General Obligation Utility Revenue Bonds.

The bonds are a general obligation of the City for which the City pledges its full faith, credit, and taxing powers for the repayment. Bonds maturing on or after February 1, 2031, are callable February 1, 2030 or any date thereafter.

Budget Summary:

In the Revised 2021 Budget, the fund receives a transfer of \$316,892 from the Construction Fund for special assessments collected in 2020 above the pre-assessment amount established in the bond documents. This transfer correctly records the payments in this fund to pay debt service payments.

As of December 31, 2022, the City's principal obligation on the debt is \$3,330,000. Future principal and interest obligations on this debt by expense category are as follows:

Fund: 2020A General Obligation Bonds Debt Service Fund 3085

Year	GO Improve. Principal	GO Improve. Interest	GO Equipment Principal	GO Equipment Interest	Total	Rate
2023	\$ 140,000	\$ 57,850	\$ 115,000	\$ 30,600	\$ 343,450	3.000%
2024	140,000	53,650	120,000	27,150	340,800	3.000%
2025	145,000	49,450	120,000	23,550	338,000	3.000%
2026	145,000	45,100	125,000	19,950	335,050	3.000%
2027	145,000	40,750	130,000	16,200	331,950	3.000%
2028	150,000	36,400	135,000	12,300	333,700	3.000%
2029	150,000	31,900	135,000	8,250	325,150	3.000%
2030	150,000	27,400	140,000	4,200	321,600	3.000%
2031	155,000	22,900	-	-	177,900	2.000%
2032	100,000	19,800	-	-	119,800	2.000%
2033	105,000	17,800	-	-	122,800	2.000%
2034	105,000	15,700	-	-	120,700	2.000%
2035	105,000	13,600	-	-	118,600	2.000%
2036	110,000	11,500	-	-	121,500	2.000%
2037	90,000	9,300	-	-	99,300	2.000%
2038	90,000	7,500	-	-	97,500	2.000%
2039	95,000	5,700	-	-	100,700	2.000%
2040	95,000	3,800	-	-	98,800	2.000%
2041	95,000	1,900	-	-	96,900	2.000%
Total	2,310,000	472,000	1,020,000	142,200	3,944,200	

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

Annual Budget
Fund Summary

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Revenues						
4015	General property tax levy	\$ -	\$ -	\$ 259,000	\$ 226,000	\$ 259,000
4040	Fiscal disparities	-	-	-	33,000	-
4210	Special assessments current	-	-	105,797	77,540	51,855
4955	Interest	-	471	-	-	-
5324	Bond issuance fees	-	51,973	-	-	-
	Total operating and other revenues	-	52,444	364,797	336,540	310,855
Transfers In						
5205	Construction Fund	-	-	-	316,892	-
	Total revenues	-	52,444	364,797	653,432	310,855
Expenditures						
Other Services and Charges						
6401	Professional services	-	-	660	660	660
7430	Fiscal agent fees	-	-	500	500	500
	Total other services and charges	-	-	1,160	1,160	1,160
Debt Service						
7410	Principal	-	-	-	-	250,000
7420	Interest	-	-	51,973	99,948	92,200
	Total expenditures	-	-	53,133	101,108	343,360
	Revenues over (under) expenditures	-	52,444	311,664	552,324	(32,505)
	Fund balance January 1	-	-	51,973	52,444	604,768
	Fund balance December 31	\$ -	\$ 52,444	\$ 363,637	\$ 604,768	\$ 572,263

Fund: 2021A General Obligation Bonds Debt Service Fund 3086

Department Activities and Responsibilities:

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

\$1,335,000 for General Obligation Improvement Bonds issued pursuant to Minnesota Statutes, Chapters 429 and 475 to finance the costs associated with the City's annual street improvement project.

\$480,000 for General Obligation Equipment Certificates issued pursuant to Minnesota Statutes chapter 475 and Minnesota Statutes, Sections 410.32 and 412.301 to finance the purchase of capital equipment.

\$2,465,000 for General Obligation Utility Revenue Bonds issued pursuant to Minnesota Statutes, Chapters 444 and 475 to provide financing for utility improvements.

This fund accounts for payments related to the General Obligation Improvement Bonds and the General Obligation Equipment Certificates. The Water Fund in the Enterprise Fund section accounts for the payments related to the General Obligation Utility Revenue Bonds.

The bonds are a general obligation of the City for which the City pledges its full faith, credit, and taxing powers for the repayment. Bonds maturing on or after February 1, 2031, are callable February 1, 2030 or any date thereafter.

Budget Summary:

As of December 31, 2022, the City's principal obligation on the debt is \$1,815,000. Future principal and interest obligations on this debt by expense category are as follows:

Year	GO	GO	GO	GO	Total	Rate
	Improve. Principal	Improve. Interest	Equipment Principal	Equipment Interest		
2023	\$ 120,000	\$ 25,300	\$ 50,000	\$ 9,475	\$ 204,775	2.500%
2024	120,000	22,300	50,000	8,225	200,525	2.500%
2025	120,000	19,600	50,000	7,100	196,700	2.000%
2026	120,000	17,200	50,000	6,100	193,300	2.000%
2027	125,000	14,750	55,000	5,050	199,800	2.000%
2028	125,000	12,250	55,000	3,950	196,200	2.000%
2029	125,000	9,750	55,000	2,850	192,600	2.000%
2030	130,000	7,200	55,000	1,750	193,950	2.000%
2031	130,000	4,600	60,000	600	195,200	2.000%
2032	130,000	2,325	-	-	132,325	1.500%
2033	90,000	675	-	-	90,675	1.500%
Total	1,335,000	135,950	480,000	45,100	1,996,050	

City of White Bear Lake
2021A GO Street Reconstruction and Equipment Certificates Bonds Debt Service Fund (3086)

Annual Budget
Fund Summary

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Revenues						
4015	General property tax levy	\$ -	\$ -	\$ -	\$ -	\$ 163,000
4210	Special assessments current	-	-	-	-	30,000
4220	Special assessments prepaid to city	-	-	-	35,000	-
5324	Bond issuance fees	-	-	-	22,960	-
	Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>57,960</u>	<u>193,000</u>
Expenditures						
Other Services and Charges						
6401	Professional services	-	-	-	-	660
7430	Fiscal agent fees	-	-	-	-	500
	Total other services and charges	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,160</u>
Debt Service						
7420	Interest	-	-	-	-	41,410
	Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>42,570</u>
	Revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>57,960</u>	<u>150,430</u>
	Fund balance January 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>57,960</u>
	Fund balance December 31	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 57,960</u>	<u>\$ 208,390</u>

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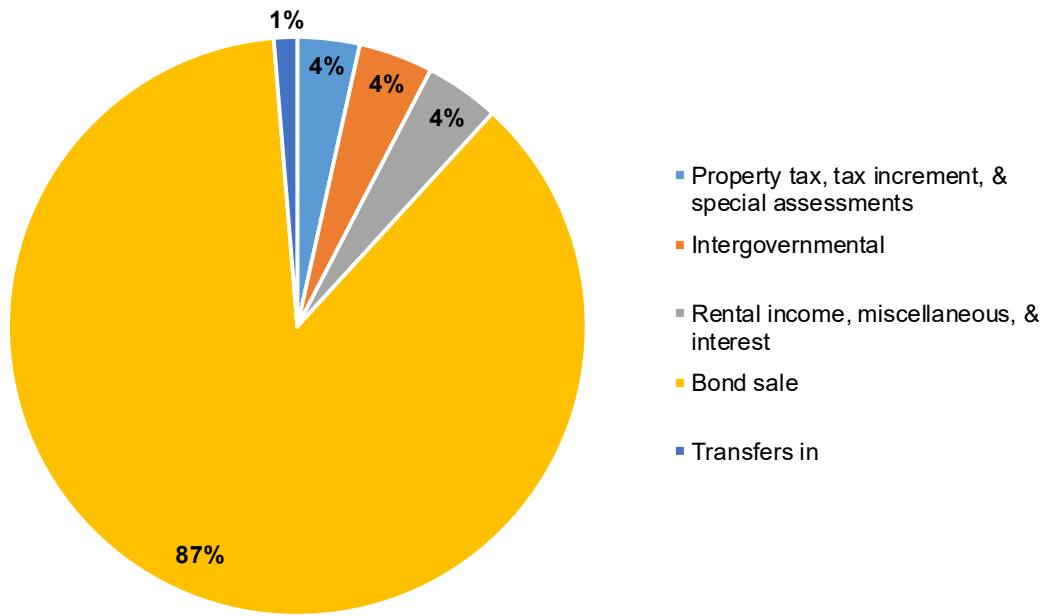
**City of White Bear Lake
Capital Project Funds**

Annual Budget

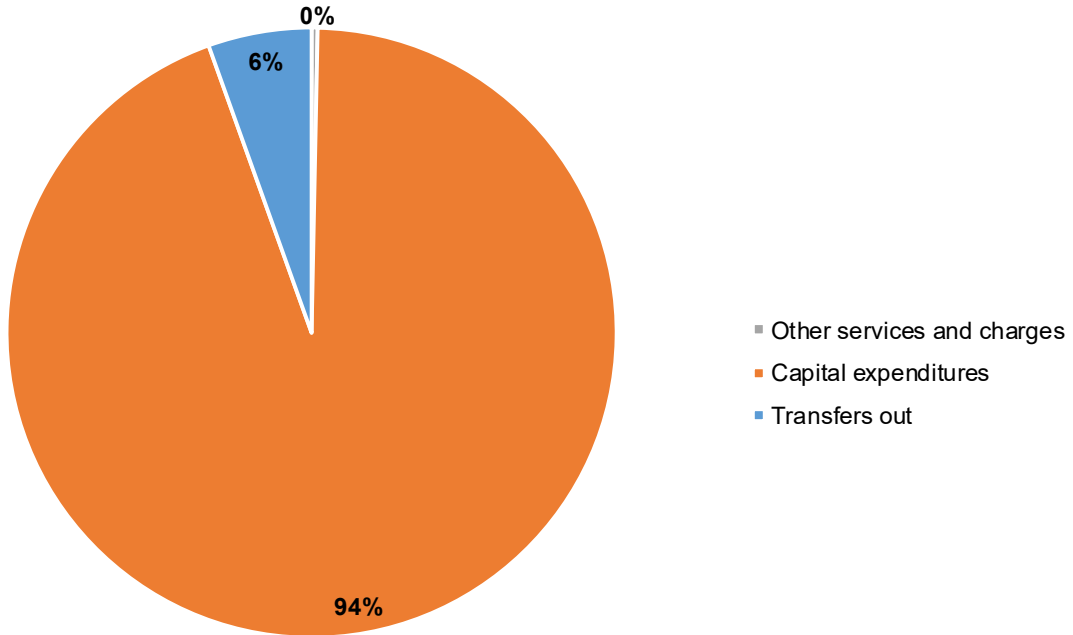
Item	2019 Actual	2020 Actual	2021 Budget	2021 Revised	2022 Budget
Revenues					
Property tax	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Tax increment	542,961	593,063	475,745	593,000	593,000
Special Assessment	170,566	496,306	50,000	100,788	50,000
Intergovernmental	1,004,884	1,263,300	753,518	829,874	796,200
Interest	554,238	307,293	244,666	244,666	223,568
Rental income	441,278	466,819	433,000	469,500	473,000
Miscellaneous	752,064	383,652	221,000	710,542	101,000
Loan repayments	200,000	-	-	-	-
Bond sale	1,996,842	3,869,998	2,895,000	1,821,726	16,669,000
Transfers in	577,500	745,943	248,900	2,308,144	248,900
Total revenues	<u>6,265,333</u>	<u>8,151,374</u>	<u>5,346,829</u>	<u>7,103,240</u>	<u>19,179,668</u>
Expenditures					
Other services and charges	336,504	108,943	60,960	79,590	70,475
Capital expenditures	5,051,053	5,412,339	6,483,280	5,208,181	20,643,157
Transfers out	1,795,200	2,043,687	1,172,400	1,720,292	1,200,400
Total expenditures	<u>7,182,757</u>	<u>7,564,969</u>	<u>7,716,640</u>	<u>7,008,063</u>	<u>21,914,032</u>
Revenues over (under) expenditures	<u>(917,424)</u>	<u>586,405</u>	<u>(2,369,811)</u>	<u>95,177</u>	<u>(2,734,364)</u>
Reserve adjustment (to) from	(43,875)	(9,823)	(6,000)	(512)	(6,000)
Fund balance, January 1	<u>18,250,240</u>	<u>17,288,941</u>	<u>18,037,986</u>	<u>17,865,523</u>	<u>17,960,188</u>
Fund balance, December 31	<u>\$ 17,288,941</u>	<u>\$ 17,865,523</u>	<u>\$ 15,662,175</u>	<u>\$ 17,960,188</u>	<u>\$ 15,219,824</u>
Reserves	<u>43,875</u>	<u>1,048,287</u>	<u>912,156</u>	<u>893,076</u>	<u>893,076</u>
Total fund balance and reserves, December 31	<u>\$ 17,332,816</u>	<u>\$ 18,913,810</u>	<u>\$ 16,574,331</u>	<u>\$ 18,853,264</u>	<u>\$ 16,112,900</u>

2022 Capital Project Funds

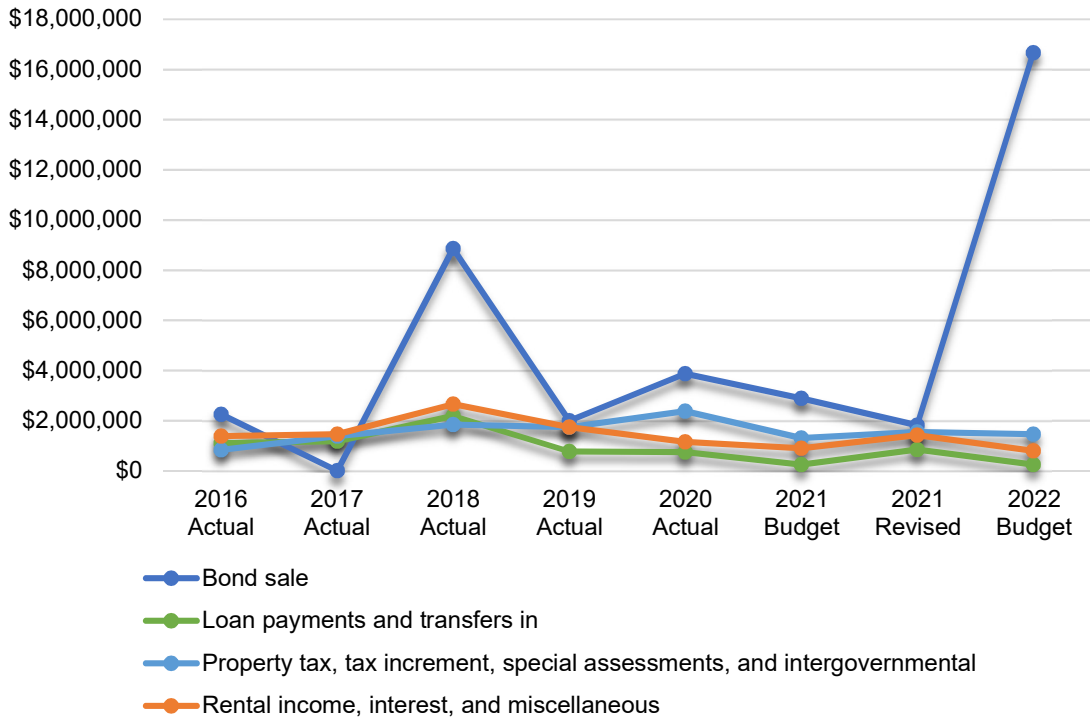
Total Revenues \$19,179,668



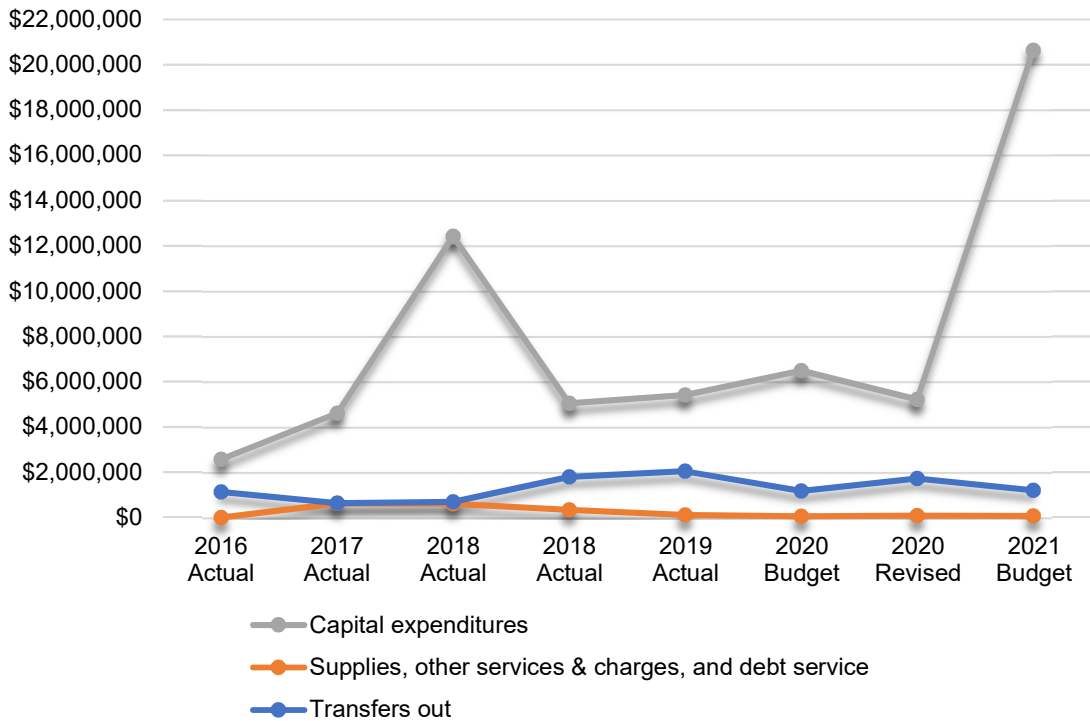
Total Expenditures \$21,914,032



Capital Project Funds Revenue Trend Analysis



Capital Project Funds Expenditure Trend Analysis



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Fund: Equipment Acquisition Fund 4100

Department Activities and Responsibilities:

The Equipment Acquisition Fund accounts for major capital equipment purchases identified in the City's long-range plans for departments in the General and Special Revenue Funds.

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

The City designates special revenue from lease payments for cell tower sites on City properties and the franchise fee from Ramsey Washington Cable to provide additional revenue to this Fund. These special revenue streams represent 97% of the fund's operating revenue in the 2022 Budget.

Budget Summary:

The Local Government Aid (LGA) formula for the 2021 distribution anticipates a reduction in the allocation to the City. Therefore, the 2021 Budget removes the Local Government Aid (LGA) as a funding source for the year. The City originally anticipated re-instating LGA revenues to this budget in 2022; however, information from recent years indicate a possible reduction in the calculated LGA amount distributed to the City each year due to high tax base growth when compared to other communities and a growing tax base per capita. This situation requires the City to rely heavily on the long range financial management plan when considering other options or revenue streams to fund the purchases each year.

A restructuring of the franchise fee distribution calculation and a reduction of the distributable amount reduces the amount Ramsey-Washington Cable will pay to the City in 2021 and 2022 as customers choose options other than cable for television and internet service.

The City issued equipment bonds in 2021 to purchase a multi-use utility/garbage truck, dump truck, and a loader. In lieu of issuing debt to purchase capital equipment in 2022, the City intends to apply a portion of the calculated revenue loss amount covered by the American Rescue Plan Aid (ARPA) of 2021 to acquire scheduled equipment purchases. The savings realized in this fund by utilizing the ARPA resources in 2022 provides financial support to significantly reduce the bonds needs for 2023 and 2024.

Since the General Fund saw a considerable increase to fund balance in 2020, the General Fund made a one-time transfer in 2021 to reduce bonding needs for future equipment purchases.

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

Current supply chain challenges are impacting the delivery of the tandem axle dump truck for the Street Department, the multi-use garbage truck for the Parks Department and the zamboni for the Sports Center. Each item was ordered in early 2021 with planned deliveries before year end. Vendors recently contacted each department letting them know a manufacturing delay moves the delivery of their purchase to January to February 2022; therefore, some or all of the 2021 Budgeted amounts for these items move to 2022 to align with when the payments will be made.

The Equipment Acquisition Fund transfers funding to the Ambulance Fund supporting the purchase of an ambulance to replace a 2012 unit in 2022 since the operations cannot support the purchase. Staff will thoroughly review the need for replacement before moving forward with the purchase. This transfer will occur only if the department proceeds with the process for the new vehicle.

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

City of White Bear Lake
Equipment Acquisition Fund

Annual Budget
Fund Summary

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Revenues						
4604	Federal grants	\$ -	\$ 13,403	\$ -	\$ -	\$ -
4624	Local government aid	195,000	195,000	-	-	-
4682.2	Intergovernmental capital contribution	-	1,130	1,200	1,500	1,200
4955	Interest	37,531	32,979	16,500	16,500	18,275
4975	Rental income - cell towers	421,012	440,555	415,000	450,000	455,000
4990	Donations	3,200	-	-	-	-
5010	Sale of equipment	39,953	44,704	-	79,519	-
5360	Ramsey Washington Cable	258,597	234,579	185,000	163,096	100,000
5105	Bond proceeds	-	1,249,183	545,000	503,601	-
	Total operating revenues	<u>955,293</u>	<u>2,211,533</u>	<u>1,162,700</u>	<u>1,214,216</u>	<u>574,475</u>
Transfers In						
5205	General Fund	-	300,000	-	400,000	-
5205	Economic Development Fund	-	59,583	-	-	-
5205	Insurance Fund	40,000	-	-	-	-
	Total transfers in	<u>40,000</u>	<u>359,583</u>	<u>-</u>	<u>400,000</u>	<u>-</u>
	Total revenues	<u>995,293</u>	<u>2,571,116</u>	<u>1,162,700</u>	<u>1,614,216</u>	<u>574,475</u>
Expenditures						
	Capital	<u>1,115,793</u>	<u>1,323,094</u>	<u>2,558,930</u>	<u>1,540,866</u>	<u>1,141,320</u>
Transfers out						
	Sewer Fund	-	8,215	-	-	-
	Ambulance Fund	235,200	-	-	-	250,000
	Total transfers out	<u>235,200</u>	<u>8,215</u>	<u>-</u>	<u>-</u>	<u>250,000</u>
	Total expenditures	<u>1,350,993</u>	<u>1,331,309</u>	<u>2,558,930</u>	<u>1,540,866</u>	<u>1,391,320</u>
	Revenues over (under) expenditures	<u>(355,700)</u>	<u>1,239,807</u>	<u>(1,396,230)</u>	<u>73,350</u>	<u>(816,845)</u>
	Fund balance January 1	<u>1,403,432</u>	<u>1,047,732</u>	<u>2,785,981</u>	<u>2,287,539</u>	<u>2,360,889</u>
	Fund balance December 31	<u>\$ 1,047,732</u>	<u>\$ 2,287,539</u>	<u>\$ 1,389,751</u>	<u>\$ 2,360,889</u>	<u>\$ 1,544,044</u>

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

Annual Budget

Business Unit	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
4102	City Hall	\$ 80,046	\$ 106,606	\$ 119,600	\$ 163,083	\$ 206,039
4104	Building	21,576	32,294	38,500	33,500	38,500
4106	Streets and Snow Removal	68,835	169,111	525,030	333,017	295,795
4105	Engineering	-	-	40,000	41,000	9,000
4107	Parks	124,926	580	274,000	105,290	193,000
4108	Police	192,990	256,341	310,400	298,256	115,961
4109	Fire	582,791	687,657	1,044,400	449,300	37,425
4116	City Wide Improvements	-	-	60,000	60,000	60,000
4117	Communication Towers	19,298	49,847	25,000	25,000	25,000
4118	Public Works Facility	21,909	18,666	-	-	39,000
4119	Sports Center	3,422	1,992	122,000	32,420	121,600
	Transfers out	235,200	8,215	-	-	250,000
	Total	\$ 1,350,993	\$ 1,331,309	\$ 2,558,930	\$ 1,540,866	\$ 1,391,320

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Fund: Municipal Building Fund 4300

Department Activities and Responsibilities:

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

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

Budget Summary:

Since the General Fund saw a considerable increase to fund balance in 2020, the General Fund made a one-time transfer in 2021 to support future building projects.

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

The City Council approved Resolution 12888 at their November 23, 2021 meeting creating a 15-year internal loan with a 1.5% interest rate to assist in financing the cost of the contract. The \$855,000 internal loan to the Municipal Building Fund consists of \$213,750 contributed from the Non-Bonded Fund and \$641,250 contributed from the Economic Development Fund. The loan repayment to each of these funds is through \$57,855 of the guaranteed energy savings realized from the improvements in the General Fund and the Sports Center Fund. The annual payments beginning in July 2023 will reimburse the Economic Development and Non-Bonded Funds based on their percentage of the original contribution to the internal loan. In addition to the internal loan, the fund received transfers from the American Rescue Plan Aid Fund, the Park Improvement Fund and the Water Fund to pay for the improvement projects.

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

The 2022 Budget anticipates issuing bonds for a building expansion project at the Public Safety Facility.

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

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Revenues						
4604	Federal grants	\$ -	\$ 22,398	\$ -	\$ -	\$ -
4624	Local government aid	100,000	100,000	131,318	131,318	100,000
4955	Interest	31,191	16,598	12,000	12,000	10,000
4975	Rental income - Counseling Center	6,000	6,000	6,000	6,000	6,000
5105	Bond sale proceeds	-	-	-	-	13,369,000
5360	Refunds and reimbursements	34,612	-	-	-	-
	Total operating revenues	<u>171,803</u>	<u>144,996</u>	<u>149,318</u>	<u>149,318</u>	<u>13,485,000</u>
Transfers In						
5205	American Rescue Plan Aid Fund	-	-	-	360,000	-
5205	Armory Fund	10,000	10,000	10,000	10,000	10,000
5205	Economic Development Fund	-	62,460	-	641,250	-
5205	Non Bonded Fund	-	-	-	213,750	-
5205	Park Improvement Fund	-	-	-	231,000	-
5205	Community Reinvestment Fund	-	50,000	50,000	50,000	50,000
5205	Water Fund	-	-	-	13,244	-
5205	General Fund	-	-	-	200,000	-
	Total transfers in	<u>10,000</u>	<u>122,460</u>	<u>60,000</u>	<u>1,719,244</u>	<u>60,000</u>
	Total revenues	<u>181,803</u>	<u>267,456</u>	<u>209,318</u>	<u>1,868,562</u>	<u>13,545,000</u>
Expenditures						
	Capital	<u>317,934</u>	<u>275,048</u>	<u>403,650</u>	<u>1,418,327</u>	<u>14,663,101</u>
	Revenues over (under) expenditures	<u>(136,131)</u>	<u>(7,592)</u>	<u>(194,332)</u>	<u>450,235</u>	<u>(1,118,101)</u>
	Reserve adjustment (to) from	<u>-</u>	<u>(6,000)</u>	<u>(6,000)</u>	<u>(6,000)</u>	<u>(6,000)</u>
	Fund Balance January 1	<u>1,000,589</u>	<u>864,458</u>	<u>814,756</u>	<u>850,866</u>	<u>1,295,101</u>
	Fund Balance December 31	<u>\$ 864,458</u>	<u>\$ 850,866</u>	<u>\$ 614,424</u>	<u>\$ 1,295,101</u>	<u>\$ 171,000</u>
Reserve						
	Reserve - Counseling center	<u>\$ 60,417</u>	<u>\$ 66,417</u>	<u>\$ 72,417</u>	<u>\$ 72,417</u>	<u>\$ 78,417</u>

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

Annual Budget

Business Unit	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
4304	City Hall	\$ 88,488	\$ 100,411	\$ 60,600	\$ 68,810	\$ 160,900
4308	Armory	26,486	8,899	10,000	19,150	125,000
4310	Public Safety Facility	59,988	47,919	29,800	546,160	13,117,500
4312	Fire Station 1	-	8,600	-	-	2,500
4314	Fire Station 2	61,170	67,689	51,000	42,180	186,473
4316	Public Works Facility	71,587	41,129	87,000	41,100	336
4320	Sports Center	6,500	-	85,250	116,455	20,500
4321	General City Wide Improvements	3,715	401	25,000	-	25,000
4322	Boatworks Commons	-	-	5,000	5,000	-
4323	Depot	-	-	50,000	38,520	9,500
4324	Energy Performance Contract	-	-	-	540,952	1,015,392
	Total	\$ 317,934	\$ 275,048	\$ 403,650	\$ 1,418,327	\$ 14,663,101

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Fund: Park Improvement Fund 4010

Department Activities and Responsibilities

This fund accounts for the acquisition, development, and improvements to City owned parkland and facilities. Primary revenue sources are park dedication fees levied against all new buildings constructed within the City, boat launch tag sales at Matoska Park, and an annual transfer from the Park Improvement Trust within the Community Reinvestment Fund. The fund also receives donations from local non-profit organizations to support projects that benefit their groups' activities.

The City Council delegates the prioritization of park improvement designs to the Parks Advisory Commission. The improvement project process begins at the commission meetings with the development of detailed plans the City Council will review for final approval. Both the Park Advisory Commission and the City Council approve any major park renovations before construction commences. For the past several years, the commission recommendations typically focus improvements one to two parks per year in order to make a more meaningful impact with available funds.

Budget Summary

The White Bear Lake Lions Club contributed \$300,000 to the City for the construction of an all abilities park at Lakewood Hills Park during the years 2019-2021. With an estimated total price tag of approximately \$550,000, additional fundraising is needed to cover the project costs. To help reduce the fundraising needs, the White Bear Lake Lions Club asked the City to apply for a grant through the playground equipment manufacturer. The City received a grant in the amount of \$117,448 for the project if the equipment was purchased during 2021 in anticipation of a 2022 project. The City will purchase the equipment with the Lions Club funds currently being held in an unearned revenue account. The entire \$300,000 donation is recognized in the 2021 Revised Budget. The payment will be held in a prepaid expenditure account until the equipment is received in 2022, at that time the amount will become an expenditure for the fund. The difference between the donation and the equipment purchase will be held as restricted fund balance for the project. The Lion's Club will secure additional fundraising and grants to pay for the site work, curbing, sidewalk, pour in place surface and sire restoration related to the installation. No City funds will be used to build this incredible amenity to our park.

A generous local donor contributed \$150,000 during 2021 to support the rehabilitation of the Geist Gazebo in Matoska Park. The work on this popular landmark by the lake was done in such a way to respect the look and feel of the original structure. The project retained as much of the original structure while utilizing modern materials that are durable and require minimal maintenance.

The 2021 Revised Budget transfers \$231,000 to the Energy Performance Contract business unit within the Municipal Building Fund to pay for costs associated with upgrading park lighting to LED technology as part of the contract with Trane Technologies approved by the City Council in 2021.

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

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

**City of White Bear Lake
Park Improvement Fund**

**Annual Budget
Fund Summary**

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Revenues						
4350	Launch tag revenues	\$ 12,034	\$ 18,255	\$ 10,000	\$ 11,500	\$ 10,000
4955	Interest	50,258	31,877	22,500	22,500	22,500
4975	Rental income	2,232	2,009	2,000	2,000	2,000
4990	Donations	19,071	1,800	-	450,000	-
5045	Park dedication fees	37,634	1,279	15,000	1,000	1,000
5046	Tree dedication fees	12,249	24,285	-	14,980	-
	Total operating revenues	<u>133,478</u>	<u>79,505</u>	<u>49,500</u>	<u>501,980</u>	<u>35,500</u>
Transfers In						
5205	Community Reinvestment Fund	<u>30,000</u>	<u>75,900</u>	<u>75,900</u>	<u>75,900</u>	<u>75,900</u>
	Total revenues	<u>163,478</u>	<u>155,405</u>	<u>125,400</u>	<u>577,880</u>	<u>111,400</u>
Expenditures						
	Other services and charges	61,994	54,089	-	-	-
	Capital	91,973	153,781	324,500	429,625	629,836
		<u>153,967</u>	<u>207,870</u>	<u>324,500</u>	<u>429,625</u>	<u>629,836</u>
Transfers out						
7605	Municipal Building Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>231,000</u>	<u>-</u>
	Total expenditures	<u>153,967</u>	<u>207,870</u>	<u>324,500</u>	<u>660,625</u>	<u>629,836</u>
	Revenues over (under) expenditures	<u>9,511</u>	<u>(52,465)</u>	<u>(199,100)</u>	<u>(82,745)</u>	<u>(518,436)</u>
	Fund balance January 1	<u>1,655,229</u>	<u>1,664,740</u>	<u>1,523,335</u>	<u>1,612,275</u>	<u>1,529,530</u>
	Fund balance December 31	<u>\$ 1,664,740</u>	<u>\$ 1,612,275</u>	<u>\$ 1,324,235</u>	<u>\$ 1,529,530</u>	<u>\$ 1,011,094</u>

**City of White Bear Lake
Park Improvement Fund**

Annual Budget

Business Unit	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
4012	General park improvements	\$ -	\$ -	\$ 11,000	\$ 9,000	\$ 11,000
4012	Trail repairs and maintenance	-	-	-	-	-
4012	Miscellaneous projects	978	5,443	43,000	55,000	43,000
4015	Bossard Park	-	-	-	-	-
4021	Ebba Park	-	-	3,000	3,500	4,300
4024	Hidden Hollow Park	-	-	2,000	2,000	32,000
4027	Marina	-	-	-	-	-
4030	Lakeview Park	-	-	-	-	-
4033	Lakewood Hills Park	53,521	47,832	-	-	255,936
4036	Lions Park	1,476	-	1,000	1,200	261,200
4039	Matoska Park	20,405	-	-	-	-
4045	Memorial Beach	-	1,478	240,000	149,525	10,000
4042	McCarty Park	-	-	-	-	-
4048	Podvin Park	1,600	7,950	-	-	8,700
4051	Railroad Park	16,231	7,654	-	1,500	-
4054	Ramaley Park	-	-	-	-	-
4057	Rotary Nature Preserve	-	-	-	-	-
4060	Spruce Park	-	-	-	-	-
4063	Stellmacher Park	3,645	-	-	-	-
4065	Varney Lake Trail	-	-	800	-	-
4066	Veteran's Memorial Park	17,213	8,681	-	-	-
4069	West Park and Memorial Beach	(2,062)	128,832	-	6,200	-
4072	Weyerhauser Park	30,500	-	20,000	20,000	-
4078	Yost Park	10,460	-	-	-	-
4079	Boatworks Park / Boardwalk	-	-	3,700	3,700	3,700
4081	Geist gazebo	-	-	-	178,000	-
	Total	\$ 153,967	\$ 207,870	\$ 324,500	\$ 429,625	\$ 629,836

Fund: Water Improvement Fund 4220

Department Activities and Responsibilities

This fund accounted for resources to provide system-wide expansion and improvements to the City's water production and distribution network that may or may not provide direct benefit or be assessable to private property. These improvements included water main replacements, treatment plant equipment upgrades, and major water infrastructure renovations to facilities such as wells or reservoirs.

In 2020, the City transferred the December 31, 2019, fund balance of the Water Improvement Fund to the Water Fund to merge the infrastructure budget costs with the operating budget into one fund. This combination allows the Water Fund to prepare a comprehensive budget for all expenditures related to the activity and ensure rates are set at an appropriate level to support operations.

City of White Bear Lake
Water Improvement Fund

Annual Budget
Fund Summary

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Revenues						
4955	Interest	\$ 11,588	\$ -	\$ -	\$ -	\$ -
5025	Connection charges	90,380	-	-	-	-
5105	Bond sale proceeds	-	-	-	-	-
5360	Refund - Township Whitaker Lift Stat.	-	-	-	-	-
	Total revenues	<u>101,968</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures						
7220	Building Improvements (4222)	64,351	-	-	-	-
7220	Equipment Improvements (4222)	-	-	-	-	-
7220	Pump Improvements (4224)	32,485	-	-	-	-
	Total expenditures	<u>96,836</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transfers Out						
7605	Water Fund	-	370,689	-	-	-
	Total expenditures	<u>96,836</u>	<u>370,689</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Revenues over (under) expenditures	<u>5,132</u>	<u>(370,689)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Fund balance January 1	<u>365,557</u>	<u>370,689</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Fund balance December 31	<u>\$ 370,689</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Fund: Sewer Improvement Fund 4200

Department Activities and Responsibilities

This fund provided for system-wide expansion and improvements to the City's sanitary sewer network, which may or may not provide direct benefit or be assessable to private property. These improvements included sanitary sewer main upgrades, lift station expansions, and sewer flow metering.

In 2020, the City transferred the December 31, 2019, fund balance of the Sewer Improvement Fund to the Sewer Fund to merge the infrastructure budget costs with the operating budget into one fund. This combination allows the Sewer Fund to prepare a comprehensive budget for all expenditures related to the activity and ensure rates are set at an appropriate level to support operations.

City of White Bear Lake
Sewer Improvement Fund

Annual Budget
Fund Summary

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Revenues						
4955	Interest	\$ 10,414	\$ -	\$ -	\$ -	\$ -
5025	Connection charges	89,040	-	-	-	-
5360	Refund - Township Whitaker Lift Stat.	6,237	-	-	-	-
	Total revenues	<u>105,691</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures						
7220	General Improvements (4202)	-	-	-	-	-
7220	Sewer Relining Projects (4204)	119,931	-	-	-	-
	Total expenditures	<u>119,931</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transfers Out						
7605	Sewer Fund	-	488,383	-	-	-
	Total expenditures	<u>119,931</u>	<u>488,383</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Revenues over (under) expenditures	<u>(14,240)</u>	<u>(488,383)</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Fund balance January 1	<u>502,623</u>	<u>488,383</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Fund balance December 31	<u>\$ 488,383</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Fund: Community Reinvestment Fund 4770

Department Activities and Responsibilities:

During the 1996 Budget process, City staff expressed concern regarding the high cost of street improvement projects assessed to homeowners and the expected loss of revenue from dedicated park availability fees imposed against new construction projects. To address these concerns, the City established the Community Reinvestment Fund through Ordinance No. 96-3-931 with the intent of building a significant fund balance to use as an endowment to assist in reducing the cost of street improvements assessed to homeowners and securing a perpetual source of park improvement funding. The endowment has grown substantially through the years from settlements, interest earned on special assessments and debt service savings gained through special assessment debt restructuring.

In 2019, the City Council modified the provisions of the original ordinance in Ordinance No. 19-12-2041 to allow the fund to spend down the balance to a minimum of \$6,000,000 for capital expenditures to include support of the Interim Construction Fund, Park Improvement Fund and the Municipal Building Fund.

Budget Summary:

Through analysis of the current economic environment for investment interest rates, bond interest rates, and the City's Financial Management Plan, the 2021 and 2022 Budgets incorporate a planned drawdown of the reserve balance per direction of the City Council. To accomplish this strategy, the 2021 and 2022 Budgets record a reduced amount of interest revenue to the fund while increasing the transfers to offset street improvement costs budgeted in the Interim Construction Fund, park improvement costs budgeted in the Park Improvement Fund, and public facility capital needs budgeted in the Municipal Building Fund.

The analysis will continue each year to monitor the Fund Balance and determine the appropriate interest revenues and transfers out to support the street, park, and municipal building improvements.

**City of White Bear Lake
Community Reinvestment Fund**

**Annual Budget
Fund Summary**

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Revenues						
4955	Interest	\$ 284,084	\$ 137,080	\$ 113,666	\$ 113,666	\$ 112,793
	Total revenues	<u>284,084</u>	<u>137,080</u>	<u>113,666</u>	<u>113,666</u>	<u>112,793</u>
Transfers Out						
7605	Interim Construction Fund - Streets	105,000	113,000	113,000	113,000	113,000
7605	Park Improvement Fund - Parks	30,000	75,900	75,900	75,900	75,900
7605	Municipal Building Fund - Buildings	-	50,000	50,000	50,000	50,000
	Total transfers out	<u>135,000</u>	<u>238,900</u>	<u>238,900</u>	<u>238,900</u>	<u>238,900</u>
	Revenues over (under) expenditures	149,084	(101,820)	(125,234)	(125,234)	(126,107)
	Fund balance January 1	<u>7,655,000</u>	<u>7,804,084</u>	<u>7,680,009</u>	<u>7,702,264</u>	<u>7,577,030</u>
	Fund balance December 31	<u>\$ 7,804,084</u>	<u>\$ 7,702,264</u>	<u>\$ 7,554,775</u>	<u>\$ 7,577,030</u>	<u>\$ 7,450,923</u>
Reserve						
	Street Improvements	\$ 6,096,463	\$ 6,016,922	\$ 5,901,706	\$ 5,919,091	\$ 5,820,578
	Park Improvements	<u>1,707,621</u>	<u>1,685,342</u>	<u>1,653,069</u>	<u>1,657,939</u>	<u>1,630,345</u>
	Balance, December 31	<u>\$ 7,804,084</u>	<u>\$ 7,702,264</u>	<u>\$ 7,554,775</u>	<u>\$ 7,577,030</u>	<u>\$ 7,450,923</u>

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Fund: HRA Tax Increment Financing Pool Fund 4600

Department Activities and Responsibilities:

This fund accounts for the revenues and expenditures related to the City's tax increment districts. Tax Increment Financing (TIF) is a statutory tool used by local governments to assist in paying for qualifying improvements through the increased property taxes generated from the new development, redevelopment, or housing that would not have otherwise occurred "but for" the use of TIF. Tax increment is the difference between the existing taxes on a parcel before development or redevelopment occurs and the increased property taxes created by the new development.

After approving a TIF plan, the City must request certification of the district by the county auditor, who then certifies the district's original values. Requests for certification made on or before June 30 each year will have their original values based on the previous assessment year, and requests after June 30 will have their values based on the current assessment year information.

The four most commonly used types of tax increment districts available to a city are housing, economic development, redevelopment, and soils districts.

Housing districts provide affordable, safe, and sanitary housing options for low and moderate-income occupants. Housing may be either rental or occupant owned and based on income limits defined by the Internal Revenue Code.

Economic development districts promote economic development through the establishment of increased tax base and job creation. Eligible development is generally restricted to manufacturing, industrial, and warehouse type developments.

Redevelopment districts promote the redevelopment of blighted properties and most often involves acquiring parcels of land, which contain blighted structures, removing the structures, and conveying the site to a redeveloper.

Soils districts help pay the remedial expenses associated with the cleanup of polluted soils in order to encourage development. In the past, cities could also create soils districts to improve soils that were not polluted but deficient for building purposes due to other characteristics, i.e. organic content. However, current laws require the soil must have a hazardous substance, pollution, or contaminants to establish a soils district.

In 1982, statute amendments loosened restrictions to allow cities to "pool" tax increment districts, which groups several districts together into a master project area and allows tax increment from one district's development to fund improvement expenditures in other districts in the larger project area. The policy changes do not allow the increment revenue to fund improvements or activities other than those allowed for the specific district type from which they were derived. For example, the restrictions placed on tax increments from a "soils" district require use of those funds on expenditures for soil mitigation within the master project area pooling multiple districts.

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

Year	Principal	Interest	Total	Rate
2023	\$ 90,000	\$ 45,612	\$ 135,612	3.000%
2024	95,000	42,837	137,837	3.000%
2025	100,000	39,912	139,912	3.000%
2026	105,000	37,363	142,363	2.000%
2027	110,000	35,212	145,212	2.000%
2028	115,000	32,962	147,962	2.000%
2029	120,000	30,552	150,552	2.100%
2030	125,000	27,917	152,917	2.200%
2031	130,000	25,047	155,047	2.300%
2032	135,000	21,932	156,932	2.400%
2033	140,000	18,563	158,563	2.500%
2034	145,000	15,000	160,000	2.500%
2035	150,000	11,125	161,125	2.750%
2036	155,000	6,932	161,932	2.750%
2037	160,000	2,400	162,400	3.000%
Total	1,875,000	393,366	2,268,366	

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

Year	Principal	Interest	Total	Rate
2023	\$ -	\$ 22,500	\$ 22,500	3.000%
2024	-	22,500	22,500	3.000%
2025	-	22,500	22,500	3.000%
2026	-	22,500	22,500	3.000%
2027	-	22,500	22,500	3.000%
2028	-	22,500	22,500	3.000%
2029	-	22,500	22,500	3.000%
2030	-	22,500	22,500	3.000%
2031	-	22,500	22,500	3.000%
2032	10,000	22,350	32,350	3.000%
2033	10,000	22,050	32,050	3.000%
2034	10,000	21,750	31,750	3.000%
2035	10,000	21,450	31,450	3.000%
2036	10,000	21,150	31,150	3.000%
2037	10,000	20,850	30,850	3.000%
2038	190,000	17,850	207,850	3.000%
2039	200,000	12,000	212,000	3.000%
2040	200,000	6,000	206,000	3.000%
2041	100,000	1,500	101,500	3.000%
Total	750,000	369,450	1,119,450	

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 2021 Revised Budget for Professional Services includes funding for Ehler’s to create a Tax Increment Management Report that will summarize all aspects of the City’s Tax Increment Financing districts, review tax increments received, potential refinancing options for bond issue and internal loan, and development of a financial plan.

The year-end fund balance is comprised of activity in the following tax increment districts:

District	Business		Type	Balance	Balance
	Unit	Name		12/31/2021	12/31/2022
N/A	4601	HRA Fund General Revenues	N/A	\$ 25,320	\$ 30,320
25	4640	Project C	Redevelopment	1,065,392	1,335,267
26	4644	Hoffman Place	Housing	55,104	61,104
27	4645	Boatworks Commons	Redevelopment	255,016	315,166
Total				1,400,832	1,741,857

City of White Bear Lake
HRA Tax Increment Pool

Annual Budget
Fund Summary

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Revenues						
4020	Tax increment	\$ 542,961	\$ 593,063	\$ 475,745	\$ 593,000	\$ 593,000
4955	Interest	7,299	13,021	5,000	5,000	5,000
5325	Loan repayments	200,000	-	-	-	-
	Total revenues	<u>750,260</u>	<u>606,084</u>	<u>480,745</u>	<u>598,000</u>	<u>598,000</u>
Expenditures						
Other Services and Charges						
6401	Professional services	7,656	8,428	7,660	18,115	8,750
6434	General liability insurance	1,207	1,090	1,250	1,250	1,375
6455	Legal notice publication	260	295	350	225	350
6550	Developer payments	40,183	42,554	44,000	54,000	54,000
6560	Contractual services	202,030	2,222	6,000	6,000	6,000
6590	Administration charges	674	265	1,700	-	-
7420	Debt interest	22,500	-	-	-	-
	Total other services and charges	<u>274,510</u>	<u>54,854</u>	<u>60,960</u>	<u>79,590</u>	<u>70,475</u>
Transfers Out						
7604	Loan payment	200,000	-	-	-	-
7605	Transfer out - General Fund	25,000	25,000	25,000	25,000	25,000
7605	Transfer out - Economic Development	-	-	22,500	22,500	22,500
7605	Transfer out - 2016 G.O. TIF Bonds	135,000	162,500	136,000	136,000	139,000
	Total transfers out	<u>360,000</u>	<u>187,500</u>	<u>183,500</u>	<u>183,500</u>	<u>186,500</u>
	Total expenditures	<u>634,510</u>	<u>242,354</u>	<u>244,460</u>	<u>263,090</u>	<u>256,975</u>
	Revenues over (under) expenditures	<u>115,750</u>	<u>363,730</u>	<u>236,285</u>	<u>334,910</u>	<u>341,025</u>
	Fund balance January 1	<u>576,442</u>	<u>692,192</u>	<u>1,016,834</u>	<u>1,055,922</u>	<u>1,390,832</u>
	Fund balance December 31	<u>\$ 692,192</u>	<u>\$ 1,055,922</u>	<u>\$ 1,253,119</u>	<u>\$ 1,390,832</u>	<u>\$ 1,731,857</u>
Fund Balance Reconciliation to Financial Statements:						
	Budget fund balance December 31	\$ 692,192	\$ 1,055,922			
	Advances to other funds	(750,000)	(750,000)			
	Financial statement fund balance December 31	<u>\$ (57,808)</u>	<u>\$ 305,922</u>			

City of White Bear Lake
HRA Tax Increment Pool

Annual Budget
Fund Detail

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
4601	HRA Fund General Revenues	<u>\$ 7,299</u>	<u>\$ 13,021</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>	<u>\$ 5,000</u>
4630	Smith - Birch Cove					
	Revenue	\$ 200,000	\$ -	\$ -	\$ -	\$ -
	Expenditures	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Revenues over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
4640	Downtown Expansion Parcel C - District 25					
	Revenue	\$ 290,793	\$ 318,149	\$ 250,240	\$ 303,000	\$ 303,000
	Expenditures	<u>227,019</u>	<u>26,946</u>	<u>32,250</u>	<u>32,705</u>	<u>33,125</u>
	Revenues over (under) expenditures	<u>\$ 63,774</u>	<u>\$ 291,203</u>	<u>\$ 217,990</u>	<u>\$ 270,295</u>	<u>\$ 269,875</u>
4644	Hoffman Place - District 26					
	Revenue	\$ 46,490	\$ 48,076	\$ 40,885	\$ 60,000	\$ 60,000
	Expenditures	<u>41,324</u>	<u>44,185</u>	<u>44,500</u>	<u>54,000</u>	<u>54,000</u>
	Revenues over (under) expenditures	<u>\$ 5,166</u>	<u>\$ 3,891</u>	<u>\$ (3,615)</u>	<u>\$ 6,000</u>	<u>\$ 6,000</u>
4645	Boatworks - District 27					
	Revenue	\$ 205,678	\$ 226,838	\$ 184,620	\$ 230,000	\$ 230,000
	Expenditures	<u>166,167</u>	<u>171,223</u>	<u>167,710</u>	<u>166,385</u>	<u>169,850</u>
	Revenues over (under) expenditures	<u>\$ 39,511</u>	<u>\$ 55,615</u>	<u>\$ 16,910</u>	<u>\$ 63,615</u>	<u>\$ 60,150</u>
	Totals					
	Total revenues	\$ 750,260	\$ 606,084	\$ 480,745	\$ 598,000	\$ 598,000
	Total expenditures	<u>634,510</u>	<u>242,354</u>	<u>244,460</u>	<u>253,090</u>	<u>256,975</u>
	Revenues over (under) expenditures	<u>\$ 115,750</u>	<u>\$ 363,730</u>	<u>\$ 236,285</u>	<u>\$ 344,910</u>	<u>\$ 341,025</u>

Fund: Construction Fund 4400

Department Activities and Responsibilities:

The Construction Fund handles the revenues and expenditures for City projects relating to street rehabilitation, sidewalks, trails, and traffic signals.

Budget Summary:

Multiple revenue sources come together in this fund to provide support for the project expenditures. A major revenue is the State of Minnesota's financial assistance to cities with high volume or key streets covered by the municipal state-aid street system. Funding for the assistance comes from transportation-related taxes, which the state distributes based on a statutory formula.

The property tax levy funds activities to manage the impacts of the Emerald Ash Borer tree disease.

In years when the interest earnings were very high, the City paid a large portion of the street reconstruction expenditures with the interest revenues and did not need additional financing. However, reduced interest revenues from low interest rates, declining fund balances, and decreasing support from the License Bureau Fund, the City began issuing bonds in 2018 to cover expenditures for the annual street improvement projects. This funding arrangement continued in 2019 with a smaller scale construction project and lower costs. The City's Financial Management Plan continues the policy to utilize annual bond issuance as financial support for smaller scale projects in the coming years.

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 2022 Budget did not include an allocation for refunds and reimbursements 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 relies on a transfer from the Community Reinvestment Fund to reduce street improvement costs for residents. In the past, the Non-Bonded and License Bureau Funds also transferred resources in to the Construction Fund to further lower project costs assessed to property owners; however, these revenue streams ended as each fund does not have the means to continue the provisions.

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.

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

In the Revised 2021 Budget, the Fund transfers out \$316,892 to the 2020 Debt Service Fund for special assessments that were collected in 2020 above the pre-assessment amount. These amounts should have gone to the 2020 Debt Service Fund when received, so this transfer corrects the issue.

**City of White Bear Lake
Construction Fund**

**Annual Budget
Fund Summary**

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Revenues						
4015	General property tax levy	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
4210	Special assessments	170,566	496,306	50,000	100,788	50,000
4626	MSA maintenance	709,884	790,369	621,000	697,056	695,000
4670	Met Council grant	-	141,000	-	-	-
4955	Interest on investment	121,873	75,738	75,000	75,000	55,000
5010	Sale of goods and property	834	404	-	747	-
5105	Bond sale proceeds	1,996,842	2,620,815	2,350,000	1,246,290	3,300,000
5324	Bond issuance fees	-	-	-	71,835	-
5350	Miscellaneous revenue	68,650	3,986	-	(2,841)	-
5360	Refunds and reimbursements	91,607	72,615	21,000	4,041	-
	Total operating and other revenues	<u>3,185,256</u>	<u>4,226,233</u>	<u>3,142,000</u>	<u>2,217,916</u>	<u>4,125,000</u>
Transfers In						
5205	Non-Bonded Debt Fund	107,500	-	-	-	-
5205	2018A GO Improvement Bonds	135,000	-	-	-	-
5205	Community Reinvestment Fund	105,000	113,000	113,000	113,000	113,000
5205	License Bureau Fund	150,000	75,000	-	-	-
	Total transfers in	<u>497,500</u>	<u>188,000</u>	<u>113,000</u>	<u>113,000</u>	<u>113,000</u>
	Total revenues	<u>3,682,756</u>	<u>4,414,233</u>	<u>3,255,000</u>	<u>2,330,916</u>	<u>4,238,000</u>
Expenditures						
Construction projects						
4402	General expenditures	33,695	26,088	51,200	51,200	54,900
4404	Seal coating and crack sealing	198,165	206,201	300,000	262,675	375,000
4405	Sidewalks and trails	275	8,993	50,000	-	250,000
4491	Ash Borer	30,161	21,177	25,000	30,488	25,000
	Street reconstruction projects	2,710,843	1,678,683	-	-	2,000,000
	Mill and overlay projects	335,447	1,719,274	2,400,000	1,410,000	1,000,000
	Miscellaneous concrete projects	-	-	65,000	65,000	65,000
	Miscellaneous street related projects	-	-	305,000	-	21,000
	Miscellaneous trail projects	-	-	-	-	418,000
	Total construction projects	<u>3,308,586</u>	<u>3,660,416</u>	<u>3,196,200</u>	<u>1,819,363</u>	<u>4,208,900</u>
Transfers out						
	General Fund	1,065,000	750,000	750,000	750,000	525,000
	2020 Debt Service Fund	-	-	-	316,892	-
	Total transfers out	<u>1,065,000</u>	<u>750,000</u>	<u>750,000</u>	<u>1,066,892</u>	<u>525,000</u>
	Total expenditures	<u>4,373,586</u>	<u>4,410,416</u>	<u>3,946,200</u>	<u>2,886,255</u>	<u>4,733,900</u>
	Revenues over (under) expenditures	<u>(690,830)</u>	<u>3,817</u>	<u>(691,200)</u>	<u>(555,339)</u>	<u>(495,900)</u>
	Reserve adjustment (to) from	<u>(43,875)</u>	<u>(3,823)</u>	<u>-</u>	<u>5,488</u>	<u>-</u>
	Fund balance January 1	<u>5,091,368</u>	<u>4,356,663</u>	<u>4,217,071</u>	<u>4,356,657</u>	<u>3,806,806</u>
	Fund balance December 31	<u>\$ 4,356,663</u>	<u>\$ 4,356,657</u>	<u>\$ 3,525,871</u>	<u>\$ 3,806,806</u>	<u>\$ 3,310,906</u>
Reserve for Emerald Ash Borer						
	Balance, January 1	\$ -	\$ 43,875	\$ 47,698	\$ 47,698	\$ 42,210
	Additions	43,875	3,823	-	-	-
	Usages	-	-	-	(5,488)	-
	Balance, December 31	<u>\$ 43,875</u>	<u>\$ 47,698</u>	<u>\$ 47,698</u>	<u>\$ 42,210</u>	<u>\$ 42,210</u>

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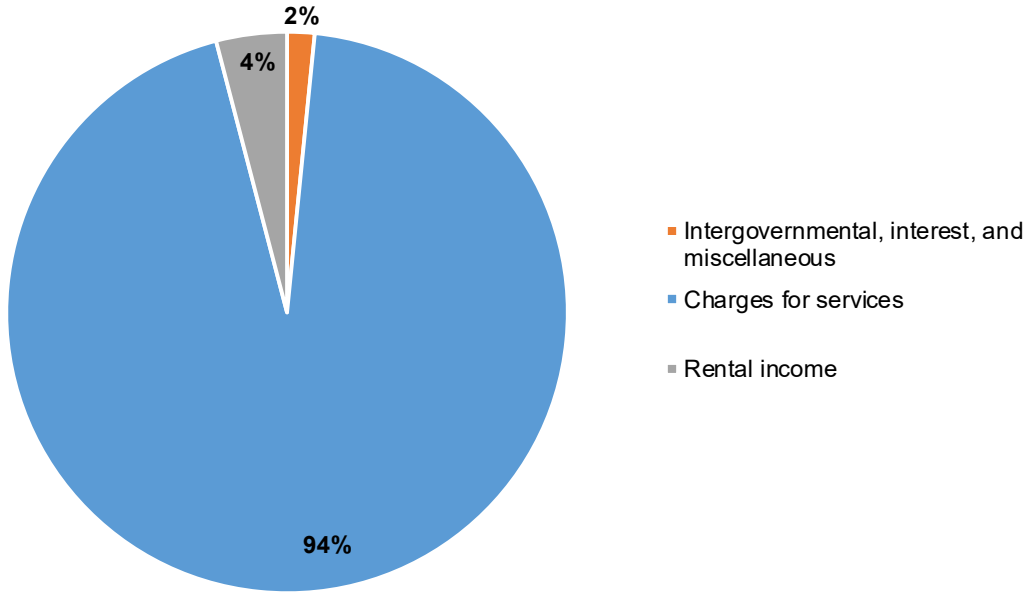
**City of White Bear Lake
Enterprise Funds**

Annual Budget

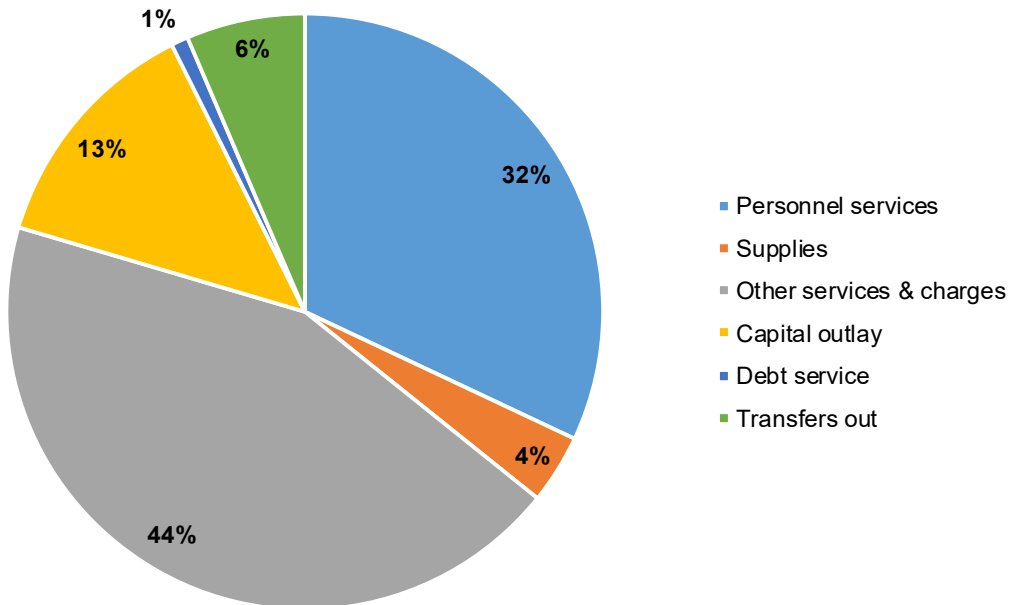
	<u>2019 Actual</u>	<u>2020 Actual</u>	<u>2021 Budget</u>	<u>2021 Revised</u>	<u>2022 Budget</u>
Revenues					
Intergovernmental	\$ 279,418	\$ 589,427	\$ 62,339	\$ 71,678	\$ 65,642
Charges for services	9,069,644	9,030,601	9,434,358	9,922,958	9,869,321
Rental income	399,896	401,600	412,000	412,000	426,000
Interest	28,826	47,455	10,000	14,000	15,000
Bond sale proceeds	-	920,744	2,500,000	2,554,000	-
Miscellaneous	79,125	76,791	39,000	74,990	84,000
Transfer in	435,200	1,232,381	-	50,000	501,000
Total revenues	<u>10,292,109</u>	<u>12,298,999</u>	<u>12,457,697</u>	<u>13,099,626</u>	<u>10,960,963</u>
Expenditures					
Personnel services	3,098,646	3,157,438	3,357,141	3,297,501	3,697,687
Supplies	414,305	445,160	457,200	433,116	434,355
Other services & charges	4,755,755	6,080,562	5,246,373	5,357,471	5,059,252
Capital outlay	235,200	905,339	3,525,701	3,326,785	1,511,437
Debt service	-	16,394	-	75,706	106,589
Transfers out	915,000	715,000	565,000	688,244	744,000
Total expenditures	<u>9,418,906</u>	<u>11,319,893</u>	<u>13,151,415</u>	<u>13,178,823</u>	<u>11,553,319</u>
Revenues over (under) expenditures	<u>873,203</u>	<u>979,106</u>	<u>(693,718)</u>	<u>(79,197)</u>	<u>(592,356)</u>
Reserve adjustment (to) from	<u>(10,000)</u>	<u>(686,852)</u>	<u>338,500</u>	<u>(184,130)</u>	<u>232,764</u>
Fund balance, January 1	<u>614,304</u>	<u>1,477,507</u>	<u>1,198,526</u>	<u>1,769,761</u>	<u>1,506,434</u>
Fund balance, December 31	<u>\$ 1,477,507</u>	<u>\$ 1,769,761</u>	<u>\$ 843,308</u>	<u>\$ 1,506,434</u>	<u>\$ 1,146,842</u>
Reserves	<u>160,000</u>	<u>464,773</u>	<u>294,773</u>	<u>424,773</u>	<u>494,773</u>
Total fund balance and reserves, December 31	<u>\$ 1,637,507</u>	<u>\$ 2,234,534</u>	<u>\$ 1,138,081</u>	<u>\$ 1,931,207</u>	<u>\$ 1,641,615</u>

2022 Enterprise Funds

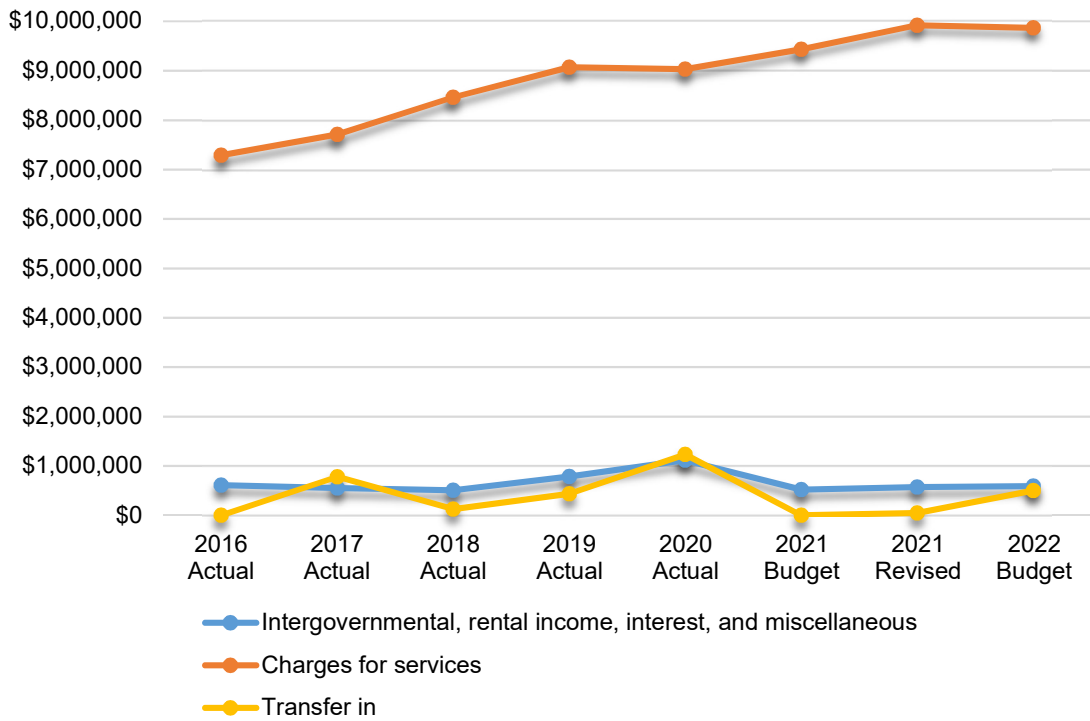
Total Revenues \$10,960,963



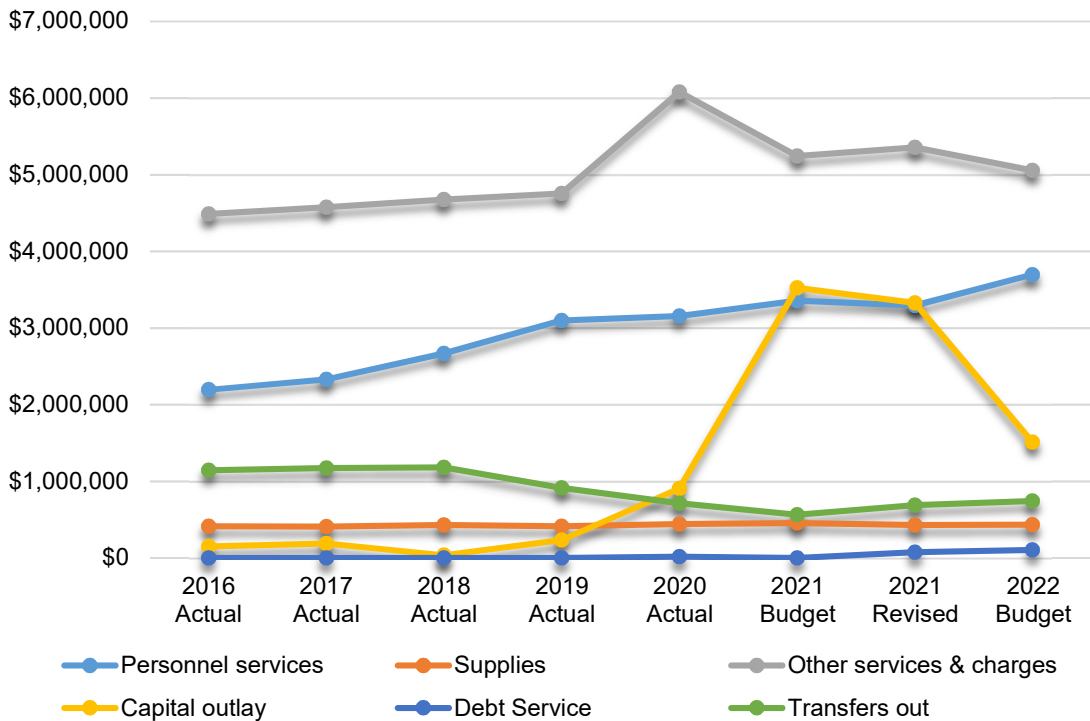
Total Expenditures \$11,553,319



Enterprise Funds Revenue Trend Analysis



Enterprise Funds Expenditure Trend Analysis



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Fund: Water Fund 5010

Department Activities and Responsibilities:

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

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

The water level in White Bear Lake dropped significantly in 2008 and remained low for the following years. Some lakeshore property owners became concerned that City pumping activities in the local aquifer were drawing down the lake level. They formed the White Bear Lake Restoration Association to protect the interests of the lake by submitting a lawsuit against the Minnesota Department of Natural Resources regarding the water pumping permits given to the City of White Bear Lake. The City was not originally part of the lawsuit; however, the legal challenge directly involved City operations. Therefore, in 2014, the City intervened in the lawsuit, authorizing the City Manager and City Attorney to take all actions necessary to protect the City's investments in its public water supply infrastructure. The Water Fund originally absorbed the legal costs within the operating budget; however, as the legal expenses depleted the Fund Balance, the City added a lake level litigation fee to the quarterly utility bills to subsidize the costs. At that point, the litigation fees collected from users and legal costs moved to the Insurance Fund to account for the situation as a claim against the City.

In the initial lawsuit, 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. In 2020, the Minnesota State Supreme Court reversed the decision of the Court of Appeals and the City is beginning a Contested Case hearing to revise the proposed water permit amendments. The City terminated the lake level litigation fee at the end of 2020 after collecting revenues to cover legal expenditures paid to date. Since the City anticipates minimal litigation costs remaining at this point of the lawsuit, the 2021 Budget redirects any future litigation expenditures to the Water Fund.

Budget Summary:

The City strives to create a balanced budget for the Water Fund operations. This complicated goal requires a thoughtful process that promotes water conservation to customers to encourage reduced pumping and production activities, while trying to receive sufficient revenues to support expenses. The City must consider two key components in stabilizing the department's fund balance and the customer rate structure.

First, it is essential to account for all water-related expenditures in one fund. Previously, the Water Fund budget supported operating expenditures and the Water Improvement Fund budget financed the capital expenditures. In 2020, the City simplified the budget and long range planning process by transferring the December 31, 2019, fund balance, current revenues and current expenditures of the Water Improvement Fund into the Water Fund to create a comprehensive plan for the activities. The annual water connection fees and the Water Improvement Fund balance established a new Capital Infrastructure Reserve to fund major improvement costs in future years.

Second, rates must be set at an appropriate level to support both operations and infrastructure replacement costs. To build on the new financial management process started in 2020, the City implemented an in-house analytics software designed for government entities that provide water services. The software enables users to integrate revenue, operating and capital costs, and reserve information on one platform and visually display impacts of rate increases and potential expenditures over time. The software also provides opportunity to enter different scenarios for comparisons. Through the analysis, the City determined a need to incorporate an infrastructure fee into the quarterly water billings to begin saving for future projects related to the aging infrastructure. The City chose to begin the fee at the same dollar value

Fund: Water Fund 5010

as the terminated lake level litigation fee to avoid an increase to the property owners' bills.

The 2022 Budget includes a modest rate adjustment to maintain the financial stability of the Fund as well as a change in the name of the billing unit of measure. The name change does not have any effect on the charge; it only simplifies the reading unit for customers. Currently customers receive bills calculated based on a "unit" measure, where 1 unit is equal to 750 gallons. In 2022, customers will see bills calculated based on gallons used. The following charts presents past rates, current rates, proposed rates and a conversion between billing unit descriptions:

Residential Units Consumed	(Billed in Units) 2020 Rate	(Billed in Units) 2021 Rate	(Billed in Gallons) Proposed 2022 Rate
0-6,000 gallons (0-8 units)	\$13.80 flat fee	\$13.76 flat fee	\$14.16 flat fee
Winter qtr >6,000 gallons (> 8 units)	1.65 per unit	1.72 per unit	1.77 per 750 gal
Non-winter qtr >6,000 gallons (>8 units)	2.00 per unit	2.08 per unit	2.14 per 750 gal

Commercial Units Consumed	(Billed in Units) 2020 Rate	(Billed in Units) 2021 Rate	(Billed in Gallons) Proposed 2022 Rate
0-6,000 gallons (0-8 units)	\$13.80 flat fee	\$13.28 flat fee	\$13.67 flat fee
6,001-20,250 gallons (8-27 units)	1.60 per unit	1.66 per unit	1.71 per 750 gal
20251-56,250 gallons (27-75 units)	1.65 per unit	1.72 per unit	1.77 per 750 gal
>56,250 gallons (>75 units)	1.85 per unit	1.92 per unit	1.98 per 750 gal
Non-winter quarter over base	2.00 per unit	2.08 per unit	2.14 per 750 gal

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

As mentioned above, the City chose to repurpose the discontinued lake level litigation fees to create a new infrastructure fee to support capital expenditures in the Water Fund in 2021. These additional resources provide the operations with much needed funds with minimal effects on customers. The 2022 budget increases the commercial fee from \$17.50 to \$21.00 per quarter and the residential fee from \$5.00 to \$6.00 per quarter.

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

As the City moves into the project to convert all meters to the radio read model, customers will pay replacement costs over the life of the meter on both residential and commercial quarterly utility bills, eliminating the need for commercial property owners to pay for the meter at the time of replacement. Residential customers will not receive an additional charge for the meter as a portion of the residential infrastructure fee will a pay for the meter replacements. Commercial customers will begin paying a meter

Fund: Water Fund 5010

replacement fee because the commercial account infrastructure fee cannot support the high cost for the larger sized meters. The quarterly replacement fee for commercial customers incorporated in the 2022 Budget corresponds to the size of the meter. This change spreads the meter purchase and installation costs over the 15-year life of the meter to reduce the financial impact on commercial customers at the time of replacement. Commercial customers who have already installed the new radio read meters prior to the bond issuance will be refunded via an account credit. This refund, totaling \$162,600, is accounted for in the Water Distribution budget's Other Contractual Services expense account. The calculation refunds the property owner the difference between the cost they paid for the meter and installation and the total of the quarterly meter charges incurred from the time of purchase according to the new fee schedule. This ensures equal treatment of accounts receiving meters prior to this program and those receiving meters in 2022 and forward under the new infrastructure rate structure.

The quarterly meter charge for commercial customers is detailed below:

Commercial Meter Size	2022 Quarterly Fee
1"	\$ 8.00
1.5"	18.00
2"	21.00
3"	55.00
4"	67.00
6"	110.00

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

The City received a second water efficiency grant from the Metropolitan Council in August 2020 to support resident installation of EPA Water Sense-certified low-flow toilets during the calendar year 2021 and 2022. The grant covers 75% of program costs with the municipality providing the remaining 25% as a match.

The 2021 Revised Budget includes \$185,000 for system connection charges. The significant increase is a result of two large permits issued in 2021 related to the first phase of the White Bear Lake Area Schools \$326 million construction project.

On July 16, 2020, the City issued General Obligation Bonds, Series 2020A in an aggregate principal amount of \$4,440,000. Of that total, this fund accounts for payments related to the \$860,000 of General Obligation Utility Revenue Bonds issued pursuant to Minnesota Statutes, Chapters 444 and 475 to provide financing for utility improvements at the City's 1 million gallon north water tower. The 2020A General Obligation Bonds Debt Service Fund in the Debt Service section of this budget accounts for the remainder of the bond issuance payments. As of December 31, 2022, the City's principal obligation on the debt is \$825,000. Future principal and interest obligations on this debt by expense category are as follows:

Fund: Water Fund 5010

Year	Principal	Interest	Total	Rate
2023	\$ 35,000	\$ 19,500	\$ 54,500	3.000%
2024	35,000	18,450	53,450	3.000%
2025	35,000	17,400	52,400	3.000%
2026	35,000	16,350	51,350	3.000%
2027	40,000	15,300	55,300	3.000%
2028	40,000	14,100	54,100	3.000%
2029	40,000	12,900	52,900	3.000%
2030	40,000	11,700	51,700	3.000%
2031	45,000	10,500	55,500	2.000%
2032	45,000	9,600	54,600	2.000%
2033	45,000	8,700	53,700	2.000%
2034	45,000	7,800	52,800	2.000%
2035	45,000	6,900	51,900	2.000%
2036	50,000	6,000	56,000	2.000%
2037	50,000	5,000	55,000	2.000%
2038	50,000	4,000	54,000	2.000%
2039	50,000	3,000	53,000	2.000%
2040	50,000	2,000	52,000	2.000%
2041	50,000	1,000	51,000	2.000%
Total	825,000	190,200	1,015,200	

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

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

As of December 31, 2022, the City's principal obligation on the debt is \$2,465,000. Future principal and interest obligations on this debt by expense category are as follows:

Fund: Water Fund 5010

Year	Principal	Interest	Total	Rate
2023	\$ 140,000	\$ 45,948	\$ 185,948	2.500%
2024	145,000	42,448	187,448	2.500%
2025	150,000	38,823	188,823	2.000%
2026	155,000	35,823	190,823	2.000%
2027	155,000	32,723	187,723	2.000%
2028	160,000	29,623	189,623	2.000%
2029	160,000	26,423	186,423	2.000%
2030	165,000	23,223	188,223	2.000%
2031	170,000	19,923	189,923	2.000%
2032	170,000	16,523	186,523	1.500%
2033	175,000	13,973	188,973	1.500%
2034	175,000	11,348	186,348	1.500%
2035	180,000	8,723	188,723	1.500%
2036	180,000	6,023	186,023	1.650%
2037	185,000	3,053	188,053	1.650%
Total	<u>2,465,000</u>	<u>354,593</u>	<u>2,819,593</u>	

Water Distribution:

The 2021 Revised Budget for the Small Tools account decreases the allocation for residential meter replacements as the City began the new meter installation project during the year. The expenditure decreases one more time in 2022 upon completion for the project and will remain low until the new meters near their end of useful life and need replacement again.

The Professional Services expenditure budget includes appropriations for meter reading services. In 2021, the monthly rate increased dramatically as the vendor plans to end their contract meter reading work at yearend. Since it is difficult to find services to perform these duties, the City agreed to the higher terms with the understanding that the department will work to reading the meters internally beginning in 2022. The installation of new meters in 2021 eliminates this \$70,000 expenditure from the budget in future years. The 2021 Budget also provides funding for assistance with the City's Wellhead Protection Plan Part B Update and a Risk and Resilience Assessment and Emergency Response Plan.

The 2021 Revised Other Contractual Services budget includes a one-time refund of \$162,600 to commercial accounts who paid the City for their new radio read meter in full between 2014 and 2021, as described above.

Water Treatment:

Water Treatment operations remain relatively consistent with previous years. The Equipment Maintenance Service account adds funding in the Revised 2021 Budget for unexpected slaker repairs. The 2022 Building Supplies budget adds \$5,000 to replace the water treatment plant's conference table and chairs and funds to the Contracted Services account for the SCADA control system.

Capital Outlay:

The 2021 Budget replaces the tank truck, adds fiber connections to equipment in lift stations and wells, replaces residential and commercial water meters, completes a water treatment plant system analysis, rehabilitates one well, demos the lagoon facility, cleans the 3 million gallon south water tower tank, and

Fund: Water Fund 5010

replaces doors at the treatment plant and well facilities. The 2022 Budget plans to replace two ¾ ton pickup trucks, replace the lime slaker, replace water treatment plant radiator heat registers, purchase an RTK-PRO Utility Locator, upgrade to LED lighting, and replace flow meters at water wells 1-4.

Goals:

1. Develop and implement conservative measures with goal of reducing water consumption by three to five percent.
2. Monitor/adjust utility rates in a fiscally responsible matter that will result in the Water Fund financial stability.
3. Ensure that a high quality, reliable, secure water supply is readily available to residents and businesses of White Bear Lake.
4. Continue to install radio read metering equipment and to administer the large meter replacement and calibration program.

Measurable Workload Data:

	2019 <u>Actual</u>	2020 <u>Actual</u>	2021 <u>Budget</u>	2022 <u>Budget</u>
Number of Gallons (in Millions) Pumped and Treated	718	727	770	750
Meters converted to T10 Sensus radio read units	282	113	6,100	0*
Flush water mains and exercise gate valves and hydrants annually to ensure reliable operations.	100%	100%	100%	100%

*The Water Department intends to have all City meters converted to the radio-read equipment by December 31, 2021.

City of White Bear Lake
Enterprise - Water Fund

Annual Budget
Fund Summary

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Revenues						
4670	Met Council water conservation grant	\$ -	\$ 13,428	\$ -	\$ 9,290	\$ 3,254
4882	Charges for services	1,374,931	1,776,636	1,568,000	1,616,900	1,595,300
4842	Miscellaneous public works charges	7,170	10,350	5,000	7,500	5,000
4886	Penalties	98,313	26,469	50,000	19,500	78,000
4889	Capital infrastructure fees	-	-	199,130	199,130	288,236
4955	Interest	-	10,457	-	5,000	5,000
5010	Sale of goods and property	23,027	34,106	12,000	1,500	-
5025	System connection charges	-	28,811	10,000	185,000	20,000
5105	Bond sale proceeds	-	920,744	2,500,000	2,554,000	-
5350	Miscellaneous	5,472	7,877	5,000	5,000	5,000
	Total operating and other revenues	<u>1,508,913</u>	<u>2,828,878</u>	<u>4,349,130</u>	<u>4,602,820</u>	<u>1,999,790</u>
Transfers In						
5205	Economic Development Fund	-	1,434	-	-	-
5205	Water Improvement Fund	-	370,689	-	-	-
	Total transfers in	<u>-</u>	<u>372,123</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total revenues	<u>1,508,913</u>	<u>3,201,001</u>	<u>4,349,130</u>	<u>4,602,820</u>	<u>1,999,790</u>
Expenditures						
	Operating - Distribution	720,109	1,689,027	921,273	1,053,025	826,309
	Operating - Treatment	528,744	593,676	545,162	582,864	601,899
	Capital equipment - Distribution	-	-	-	-	165,000
	Capital equipment - Treatment	-	9,499	235,000	269,300	25,437
	Capital infrastructure - Distribution	-	-	2,598,200	2,558,200	-
	Capital infrastructure - Treatment	-	-	145,000	160,000	422,000
	Total expenditures	<u>1,248,853</u>	<u>2,292,202</u>	<u>4,444,635</u>	<u>4,623,388</u>	<u>2,040,645</u>
Debt Service						
7410	Principal	-	-	-	-	35,000
7420	Interest	-	-	-	21,406	71,589
7450	Bond issuance fees	-	16,394	-	54,300	-
	Total debt service	<u>-</u>	<u>16,394</u>	<u>-</u>	<u>75,706</u>	<u>106,589</u>
Transfers Out						
7605	General Fund - Distribution	101,000	101,000	108,000	108,000	112,000
7605	General Fund - Treatment	19,000	19,000	20,000	20,000	21,000
7605	Non-Bonded Fund	125,000	-	-	-	-
7605	Municipal Building Fund	-	-	-	13,244	-
	Total transfers out	<u>245,000</u>	<u>120,000</u>	<u>128,000</u>	<u>141,244</u>	<u>133,000</u>
	Total expenditures	<u>1,493,853</u>	<u>2,428,596</u>	<u>4,572,635</u>	<u>4,840,338</u>	<u>2,280,234</u>
	Revenues over (under) expenditures	<u>15,060</u>	<u>772,405</u>	<u>(223,505)</u>	<u>(237,518)</u>	<u>(280,444)</u>
	Capital reserves adjustment (to) from	<u>-</u>	<u>(382,079)</u>	<u>168,500</u>	<u>(224,130)</u>	<u>302,764</u>
	Fund balance January 1	<u>133,157</u>	<u>148,217</u>	<u>126,869</u>	<u>538,543</u>	<u>76,895</u>
	Fund balance December 31	<u>\$ 148,217</u>	<u>\$ 538,543</u>	<u>\$ 71,863</u>	<u>\$ 76,895</u>	<u>\$ 99,214</u>
	Capital infrastructure reserves	<u>\$ -</u>	<u>\$ 382,079</u>	<u>\$ 213,579</u>	<u>\$ 606,209</u>	<u>\$ 523,445</u>
Fund Balance Reconciliation to Financial Statements:						
	Budget fund balance December 31	\$ 148,217	\$ 920,622			
	Deferred outflows of pension resources	33,540	19,032			
	Net pension liability	(263,763)	(291,407)			
	Deferred inflows of pension resources	(86,535)	(35,240)			
	Net capital assets	1,662,248	1,552,767			
	Accounts receivable	1,227,788	1,335,929			
	Special assessments receivable	346,716	338,072			
	Bonds payable	-	(919,389)			
	Bond premium amortization	-	(1,355)			
	Accrued interest	-	(9,350)			
	Financial statement fund balance December 31	<u>\$ 3,068,211</u>	<u>\$ 2,909,681</u>			

City of White Bear Lake
Enterprise - Water Distribution

Annual Budget
Business Unit: 5012

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 159,004	\$ 158,910	\$ 179,960	\$ 180,746	\$186,620
6117	Overtime - regular employees	14,719	4,458	14,500	14,500	14,500
6122	PERA	13,029	12,252	14,585	14,643	15,084
6124	FICA/Medicare	12,984	12,266	14,876	14,936	15,386
6128	Insurance contribution	12,300	12,915	24,225	24,225	24,990
6138	Worker's compensation	6,150	6,150	7,800	7,800	9,360
6148	Other benefits	1,500	1,500	4,080	4,080	4,845
	Total personnel services	<u>219,686</u>	<u>208,451</u>	<u>260,026</u>	<u>260,930</u>	<u>270,785</u>
Supplies						
6210	Office supplies	-	-	100	100	100
6220	Equipment supplies	1,491	378	4,000	4,000	4,000
6230	Vehicle supplies	276	2,443	3,500	3,500	3,500
6240	Building supplies	(171)	207	750	750	750
6250	Other supplies	13,279	11,053	31,400	31,400	31,400
6255	Landscaping supplies	-	32	200	200	1,500
6272	Motor fuels	7,453	5,651	9,000	9,000	9,000
6274	Lubricants & additives	-	99	400	400	400
6280	Books & periodicals	-	-	100	100	100
6290	Uniforms	944	867	1,300	1,850	1,850
6295	Small tools	88,494	85,679	64,400	29,700	20,900
	Total supplies	<u>111,766</u>	<u>106,409</u>	<u>115,150</u>	<u>81,000</u>	<u>73,500</u>
Other Services and Charges						
6401	Professional services	52,690	80,443	142,450	125,900	62,550
6402	Data processing	27,280	29,572	34,090	34,090	37,300
6411	Telephone	691	707	915	915	1,055
6412	Cellular	933	815	925	925	925
6422	Electric	146,813	149,720	170,000	170,000	170,000
6423	Natural gas	9,665	8,629	13,000	13,000	13,000
6434	General liability insurance	21,217	21,217	21,217	21,217	23,339
6436	Vehicle liability insurance	6,634	6,634	1,500	1,500	1,545
6445	Postage	5,746	5,549	6,000	6,000	6,000
6450	Outside printing	3,422	346	2,900	2,900	2,900
6455	Legal notices and publications	1,121	-	1,000	1,000	1,200
6460	Subscription/memberships	475	521	825	825	900
6470	Training	-	46	2,200	2,200	2,200
6487	Water conservation	-	17,230	-	12,613	4,400
6492	Advertising	-	344	300	300	300
6505	Equipment maintenance service	1,969	3,231	5,575	5,575	5,575
6510	Vehicle maintenance service	456	3,295	1,500	1,500	2,000
6515	Building maintenance service	1,502	-	4,000	17,000	4,000
6525	Electrical repair service	-	-	5,500	5,500	5,500
6535	Other maintenance service	97,021	30,369	110,000	103,300	110,000
6545	Credit card fees	-	35	-	35	35
6555	Equipment rental	525	711	700	700	1,000
6560	Other contractual services	10,497	1,014,753	21,500	184,100	26,300
	Total other services and charges	<u>388,657</u>	<u>1,374,167</u>	<u>546,097</u>	<u>711,095</u>	<u>482,024</u>
	Total operating expenditures	<u>720,109</u>	<u>1,689,027</u>	<u>921,273</u>	<u>1,053,025</u>	<u>826,309</u>
Capital Outlay						
7120	Building	-	-	-	-	-
7140	Equipment	-	-	-	-	165,000
7220	Infrastructure	-	-	2,598,200	2,558,200	-
	Total capital outlay	<u>-</u>	<u>-</u>	<u>2,598,200</u>	<u>2,558,200</u>	<u>165,000</u>
Debt Service						
7410	Principal	-	-	-	-	35,000
7420	Interest	-	-	-	21,406	71,589
7450	Bond issuance fees	-	16,394	-	54,300	-
	Total debt service	<u>-</u>	<u>16,394</u>	<u>-</u>	<u>75,706</u>	<u>106,589</u>
Transfers						
7605	Non-bonded fund	125,000	-	-	-	-
7605	General Fund - administration charge	101,000	101,000	108,000	108,000	112,000
	Total transfers	<u>226,000</u>	<u>101,000</u>	<u>108,000</u>	<u>108,000</u>	<u>112,000</u>
Total		<u>\$ 946,109</u>	<u>\$ 1,806,421</u>	<u>\$ 3,627,473</u>	<u>\$ 3,794,931</u>	<u>\$ 1,209,898</u>

City of White Bear Lake
Enterprise - Water Treatment

Annual Budget
Business Unit: 5013

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 164,088	\$ 181,165	\$ 164,659	\$ 169,023	\$ 174,516
6117	Overtime - regular employees	6,126	8,377	10,763	7,500	10,000
6122	PERA	12,766	14,216	13,157	13,239	13,839
6124	FICA/Medicare	13,138	14,588	13,420	13,504	14,115
6128	Insurance contribution	23,900	25,095	20,425	20,425	21,070
6138	Worker's compensation	13,660	13,660	7,800	7,800	9,360
6148	Other benefits	3,000	3,000	3,440	3,440	4,085
	Total personnel services	<u>236,678</u>	<u>260,101</u>	<u>233,664</u>	<u>234,931</u>	<u>246,985</u>
Supplies						
6210	Office supplies	-	227	350	350	350
6220	Equipment supplies	9,939	10,298	6,500	9,500	10,500
6230	Vehicle supplies	11	3,948	1,000	1,000	2,000
6240	Building supplies	6,914	2,556	3,700	4,100	10,600
6250	Other supplies	297	136	1,750	1,750	1,750
6255	Landscaping supplies	-	349	500	500	500
6260	Chemicals	119,718	134,316	135,000	135,000	137,400
6272	Motor fuels	22	385	500	1,410	500
6274	Lubricants & additives	23	-	250	250	250
6280	Books & periodicals	-	-	100	100	100
6290	Uniforms	1,719	1,378	1,500	2,000	2,150
6295	Small tools	2,521	6,255	3,550	3,550	6,000
	Total supplies	<u>141,164</u>	<u>159,848</u>	<u>154,700</u>	<u>159,510</u>	<u>172,100</u>
Other Services and Charges						
6401	Professional services	67	95	525	525	525
6411	Telephone	1,714	1,755	2,095	2,095	2,305
6412	Cellular	1,413	1,295	1,420	1,420	1,420
6434	General liability insurance	23,866	23,866	23,865	23,865	26,252
6436	Vehicle liability insurance	3,983	3,983	3,983	3,983	4,102
6460	Subscription/memberships	156	110	360	360	885
6470	Training	542	300	1,800	1,800	1,800
6487	Water conservation	-	-	100	100	100
6505	Equipment maintenance service	3,249	20,046	9,750	21,750	11,750
6510	Vehicle maintenance service	-	-	1,000	1,000	1,000
6515	Building maintenance service	1,986	5,755	3,100	3,100	5,800
6525	Electrical repair service	6,873	3,055	4,000	8,000	6,000
6535	Other maintenance service	-	263	-	275	275
6555	Equipment rental	795	760	900	900	900
6560	Other contractual services	24,728	8,734	11,600	11,600	15,100
6565	Disposal fees	81,530	103,710	92,300	107,650	104,600
	Total other services and charges	<u>150,902</u>	<u>173,727</u>	<u>156,798</u>	<u>188,423</u>	<u>182,814</u>
	Total operating expenditures	<u>528,744</u>	<u>593,676</u>	<u>545,162</u>	<u>582,864</u>	<u>601,899</u>
Capital Outlay						
7120	Building	-	-	-	-	12,000
7140	Equipment	-	9,499	235,000	269,300	13,437
7220	Improvements	-	-	145,000	160,000	422,000
	Total capital outlay	<u>-</u>	<u>9,499</u>	<u>380,000</u>	<u>429,300</u>	<u>447,437</u>
Transfers						
7605	General Fund - admin. Charge	19,000	19,000	20,000	20,000	21,000
7605	Municipal Building	-	-	-	13,244	-
	Total transfers	<u>19,000</u>	<u>19,000</u>	<u>20,000</u>	<u>33,244</u>	<u>21,000</u>
	Total	<u>\$ 547,744</u>	<u>\$ 622,175</u>	<u>\$ 945,162</u>	<u>\$ 1,045,408</u>	<u>\$ 1,070,336</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 needs to consider two key components in relation to revenues and sustainable rate structures.

First, all expenditures for the activity are now accounted for in one fund. Prior to 2020, the Sewer Fund budgeted for operating expenditures and the Sewer Improvement Fund maintained the infrastructure expenditure budgets. To improve the long range planning process, the City transferred the December 31, 2019, fund balance, revenues and expenditures of the Sewer Improvement Fund into the Sewer Fund to create a comprehensive plan for the activities. The annual sewer connection fees and the fund balance provide a beginning balance for a new Capital Infrastructure Reserve to fund major improvement costs in future years.

Second, rates must be set at an appropriate level to support both operations and infrastructure replacement costs. After multiple years without a sewer rate increase, the City began adjusting rates in 2016 to avoid a fund deficit. Annual rate adjustments since that time have provided revenues at a level to cover current operating expenditures and a significant portion of the required capital expenditures beginning in 2020.

The chart below compares recent rates with the proposed rates for 2022.

Units Consumed	(Billed in Units)	(Billed in Units)	(Billed in Gallons)
	2020 Rate	2021 Rate	Proposed 2022 Rate
0-6,000 gallons (0-8 units)	\$34.45 flat fee	\$35.50 flat fee	\$36.80 flat fee
>6,000 gallons (>8 units)	4.30 per unit	4.45 per unit	4.60 per 750 gal

The City recognizes the need for a sewer rate structure to guarantee a steady funding source for operations, capital and infrastructure expenditures in future years. The Professional Services budget allocates funds for an in-house rate study software to support long-range financial planning and eliminate rate spikes when emergencies occur.

The 2021 Revised Budget includes \$185,000 for system connection charges. The significant increase is a result of two large permits issued in 2021 related to the first phase of the White Bear Lake Area Schools \$326 million construction project.

The annual Municipal Waste Charge for disposal fees fluctuates each year based on the City's percentage of the total regional flow through the system. For the 2022 cost calculation, both the City's portion of the regional flow and the City's total flow through the system decreased. These two factors reduce the City's

Fund: Sewer Fund 5050

Municipal Waste Charge by approximately \$118,000 for 2022. The Metropolitan Environmental Services

division continues to prioritize planning for capital infrastructure purchases and begin building financial stability into their fund balance through the annual rate structure.

Capital Outlay:

The 2021 Budget allocates resources for equipment purchases of a pipe inspection camera, a mobile generator, and a small sewer line jetter, while large scale projects include the lining project for sewer line, manholes, and lift stations. The 2022 Budget includes funding for the purchase of a work light for the generator and the Whitaker lift station generator connection. It also includes funding for capital infrastructure improvements including the Whitaker lift station gate valve repair and bypass pumping, the Willow Avenue easement, upgrades to lift station #2 and #16, and the annual sewer and manhole lining projects.

Goals:

1. Monitor and maintain a reliable collection system for City sanitary sewer flow by performing routine maintenance work.
2. Improve public awareness of City’s technology to investigate potential sewer problems through brochures, website, cable access, utility bill information, in addition, newspaper articles.
3. Restructure sanitary sewer maintenance inspections to take full advantage of the new remote telemetry alarm systems.

Measurable Workload Data:

	2019 <u>Actual</u>	2020 <u>Actual</u>	2021 <u>Budget</u>	2022 <u>Budget</u>
Miles of Sewer Lines Rodded and Jetted	27	19	18	20
Number of Public Line Sewer Backups	5	3	4	3
Number of Private Line Sewer Backups	40	30	35	40
Percent of Sewer Lift Station Monthly Alarm Checks	100%	100%	100%	100%

City of White Bear Lake
Enterprise - Sewer Fund

Annual Budget
Fund Summary

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Revenues						
4604	Federal grants	\$ -	\$ 2,147	\$ -	\$ -	\$ -
4882	Charges for services	3,304,973	3,234,699	3,317,300	3,395,100	3,496,000
4955	Interest	7,212	20,145	5,000	5,000	5,000
5025	System connection charges	-	28,810	10,000	185,000	20,000
5316	Sewer availability charge retainer	5,045	1,069	-	7,000	-
5360	Refunds and reimbursements	1,774	4,508	-	190	-
	Total operating and other revenues	<u>3,319,004</u>	<u>3,291,378</u>	<u>3,332,300</u>	<u>3,592,290</u>	<u>3,521,000</u>
Transfers In						
5205	Economic Development Fund	-	44	-	-	-
5205	Equipment Acquisition Fund	-	8,215	-	-	-
5205	Sewer Improvement Fund	-	488,383	-	-	-
	Total transfers in	<u>-</u>	<u>496,642</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total revenues	<u>3,319,004</u>	<u>3,788,020</u>	<u>3,332,300</u>	<u>3,592,290</u>	<u>3,521,000</u>
Expenditures						
	Operating	498,886	625,184	637,385	644,398	690,423
	Disposal	2,278,929	2,286,487	2,177,800	2,177,800	2,059,680
	Capital Equipment	-	519,318	90,000	89,785	22,000
	Capital Infrastructure	-	-	425,000	205,000	548,500
	Total expenditures	<u>2,777,815</u>	<u>3,430,989</u>	<u>3,330,185</u>	<u>3,116,983</u>	<u>3,320,603</u>
Transfers Out						
7605	General Fund	110,000	110,000	120,000	120,000	124,000
	Total transfers out	<u>110,000</u>	<u>110,000</u>	<u>120,000</u>	<u>120,000</u>	<u>124,000</u>
	Total expenditures	<u>2,887,815</u>	<u>3,540,989</u>	<u>3,450,185</u>	<u>3,236,983</u>	<u>3,444,603</u>
	Revenues over (under) expenditures	<u>431,189</u>	<u>247,031</u>	<u>(117,885)</u>	<u>355,307</u>	<u>76,397</u>
	Capital reserves adjustment (to) from	<u>-</u>	<u>(374,773)</u>	<u>150,000</u>	<u>20,000</u>	<u>(100,000)</u>
	Fund balance January 1	<u>182,162</u>	<u>613,351</u>	<u>370,287</u>	<u>485,609</u>	<u>860,916</u>
	Fund balance December 31	<u>\$ 613,351</u>	<u>\$ 485,609</u>	<u>\$ 402,402</u>	<u>\$ 860,916</u>	<u>\$ 837,313</u>
	Capital Infrastructure Reserves	<u>\$ -</u>	<u>\$ 374,773</u>	<u>\$ 224,773</u>	<u>\$ 354,773</u>	<u>\$ 454,773</u>
Fund Balance Reconciliation to Financial Statements:						
	Budget fund balance December 31	\$ 613,351	\$ 860,382			
	Deferred outflows of pension resources	23,953	14,780			
	Net pension liability	(188,371)	(226,306)			
	Deferred inflows of pension resources	(61,801)	(27,367)			
	Net capital assets	1,152,281	1,565,231			
	Accounts receivable	289,900	317,880			
	Unearned revenue	-	(13,280)			
	Financial statement fund balance December 31	<u>\$ 1,829,313</u>	<u>\$ 2,491,320</u>			

City of White Bear Lake
Enterprise - Sewer

Annual Budget
Business Unit: 5052

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 238,767	\$ 270,010	\$ 299,628	\$ 302,625	\$ 316,355
6117	Overtime - regular employees	6,867	4,055	8,200	8,200	8,200
6119	Salaries - temporary employees	6,025	3,114	8,096	6,760	6,963
6122	PERA	18,423	20,555	23,087	23,312	24,342
6124	FICA/Medicare	19,682	21,564	24,168	24,295	25,361
6128	Insurance contributions	33,900	35,595	41,800	41,800	41,160
6138	Worker's compensation	19,785	19,785	26,160	26,160	31,392
6148	Other benefits	3,600	3,600	7,040	7,040	7,980
	Total personnel services	<u>347,049</u>	<u>378,278</u>	<u>438,180</u>	<u>440,192</u>	<u>461,753</u>
Supplies						
6210	Office supplies	-	-	400	400	400
6220	Equipment supplies	8,809	10,170	15,200	15,200	16,200
6230	Vehicle supplies	3,486	1,894	1,600	4,000	4,000
6240	Building supplies	988	293	2,200	2,200	2,200
6250	Other supplies	66	8,067	900	2,700	1,300
6260	Chemicals	-	-	1,500	1,500	1,700
6272	Motor fuels	7,242	5,967	9,000	9,000	9,000
6274	Lubricants & additives	48	199	600	200	600
6290	Uniforms	1,671	3,578	2,900	3,100	3,400
6295	Small tools	2,399	3,469	4,000	8,510	9,600
	Total supplies	<u>24,709</u>	<u>33,637</u>	<u>38,300</u>	<u>46,810</u>	<u>48,400</u>
Other Services and Charges						
6401	Professional services	9,220	8,790	13,385	13,300	13,600
6402	Data processing	27,280	29,572	34,090	34,090	37,300
6411	Telephone	575	588	760	760	875
6412	Cellular	900	1,306	1,370	1,281	1,250
6422	Electric	12,448	9,906	14,000	11,200	14,000
6423	Natural gas	1,535	343	1,700	1,700	1,700
6434	General liability insurance	30,500	30,500	30,500	30,500	33,550
6436	Vehicle liability insurance	5,310	5,310	1,500	1,500	1,545
6445	Postage	5,880	5,085	5,000	5,300	5,300
6450	Outside printing	142	346	700	700	700
6460	Subscription/memberships	448	450	1,000	1,000	1,000
6470	Training	1,613	690	2,300	2,300	2,300
6505	Equipment maintenance service	6,611	1,356	8,500	16,500	15,150
6510	Vehicle maintenance service	-	10	4,000	4,000	4,000
6515	Building maintenance service	-	-	15,600	7,765	12,500
6525	Electrical repair service	-	-	2,000	2,000	2,000
6535	Other maintenance service	17,144	17,979	12,000	11,000	17,000
6555	Equipment rental	-	151	1,000	1,000	1,000
6560	Other contractual service	7,522	100,887	11,500	11,500	15,500
6565	Disposal charges	2,278,929	2,286,487	2,177,800	2,177,800	2,059,680
	Total other services and charges	<u>2,406,057</u>	<u>2,499,756</u>	<u>2,338,705</u>	<u>2,335,196</u>	<u>2,239,950</u>
Capital Outlay						
7140	Equipment	-	519,318	90,000	89,785	22,000
7220	Infrastructure	-	-	425,000	205,000	548,500
	Total capital outlay	<u>0</u>	<u>519,318</u>	<u>515,000</u>	<u>294,785</u>	<u>570,500</u>
Transfers						
7605	General Fund - administration charge	110,000	110,000	120,000	120,000	124,000
	Total transfers	<u>110,000</u>	<u>110,000</u>	<u>120,000</u>	<u>120,000</u>	<u>124,000</u>
Total		<u>\$ 2,887,815</u>	<u>\$ 3,540,989</u>	<u>\$ 3,450,185</u>	<u>\$ 3,236,983</u>	<u>\$ 3,444,603</u>

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Fund: Environmental Recycling and Waste Disposal Fund 5100

Department Activities and Responsibilities:

This department accounts for costs related to refuse collection and recycling services to residents. The City works with three main organizations to accomplish these activities: a contracted collection and hauling company, a waste to energy processing center, and a recycling processing facility.

Contract Collection and Hauling Services

Republic Services provides organized collection of residential refuse, recyclables, and yard waste through wheeled cart service on a weekly basis. The contract defines residential service as single-family homes, duplexes, triplexes, quad homes, and townhomes. This structure allows for a lower rate through efficient service routes, guarantees collection from all residential properties, reduces the wear on City streets by limiting the number of heavy vehicles traveling the streets each week, and improves residential recycling participation through coordinated pick up. The City charges residents for this service on their quarterly utility bills and remits one payment to Republic.

The City's contract with Republic Services began in October 2016, when they purchased the remaining time of the previous hauler's contract with the City at the original rate and terms. While advantageous to the City, the previous hauler's rates were lower than the industry standards and resulted in losses for Republic. Since assuming the contract in 2016, Republic's rates had only increased 2% by the beginning of 2019. Republic absorbed the losses for the short term, but 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 current 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 county and state refuse taxes calculated for residential bills. The hauling contract does not include recycling processing, which is handled under a separate contract with Eureka Recycling, and the refuse disposal/tipping costs are paid directly by the City. As such, the hauler costs for the pick-up of recycling and refuse are equal, as each require a separate truck. Ramsey County taxes all residential refuse at a rate of 28%, so the ability to shift more of the cost toward recycling reduces the tax burden to homeowners.

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 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 which pays the cost of operating the recycling and energy center. Prior to 2016, when a private company owned the center, Ramsey County issued a rebate to waste haulers to subsidize their overall tipping costs and encourage them to bring the waste to the center instead of landfills. Now under the joint ownership of Ramsey and Washington Counties, the law requires trash delivery to the center and eliminates the need for the subsidy. The rebate program ended in the beginning of 2020. This change requires haulers, residents, and businesses to pay the full cost of responsibly managing trash disposal.

Fund: Environmental Recycling and Waste Disposal Fund 5100

The funds previously used for hauler rebates will support activities to help the counties meet the state's goal of a 75% recycling rate and focus on their targeted waste plan initiatives.

The following chart illustrates the historical impact of the disposal fee and rebate changes for the facility over the last twelve-year period, while showing the significant increase is the City's costs to tip trash at the required center.

Year	Cost per ton	County Rebate	Net		% Change
			Disposal Cost		
2011	\$ 68.00	\$ 14.00	\$ 54.00		3.85%
2012	72.00	14.00	58.00		7.41%
2013	84.00	28.00	56.00		-3.45%
2014	84.81	28.00	56.81		1.45%
2015	86.22	28.00	58.22		2.48%
2016	70.00	12.00	58.00		-0.38%
2017	70.00	12.00	58.00		0.00%
2018	77.00	12.00	65.00		12.07%
2019	79.00	10.00	69.00		6.15%
2020	82.00	-	82.00		18.84%
2021	84.00	-	84.00		2.44%
2022	86.00	-	86.00		2.38%

Recycling Processing Facility

While Republic Services collects the recyclables from residential customers, their responsibility ends when they transport the materials to the recycling processing facility. Therefore, the City contracts with Eureka Recycling, a non-profit recycling processing center, to handle the materials after drop off. Eureka Recycling relies on local markets to ensure the materials are managed responsibly and uses best management practices to lead the local industry in innovation and environmental stewardship by focusing on a wide range of initiatives related to reuse, recycling, composting, waste reduction, and producer responsibility. Eureka Recycling provides a single sort processing system, which is consistent with the long-range policy of the City's Environmental Advisory Commission.

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

Recyclers are struggling with China's shunning of the US waste exports. Experts in the industry say the current challenges could ultimately prompt changes that make recycling more efficient, widespread, and sustainable across the country. Eureka estimates that 93% of what comes in to their plant goes to companies that make cardboard, bottles, cans, and other items.

State law mandates every county, and every community with 5,000 or more people, give residents an opportunity to recycle through either a recycling center or providing curbside pickup. Collected recyclable materials cannot be sent to landfills or incinerators without state permission. By 2030, counties in the Twin Cities metro area will be required to recycle 75% of the solid waste they generate. Those efforts include the construction or expansion of more US recycling plants and the development of new uses and customer for recycled products. Any reduction of contaminated items in recycling materials will reduce the cost to process the recycling and provide greater value of the end products.

Fund: Environmental Recycling and Waste Disposal Fund 5100

Budget Summary:

The City passes all collection, disposal and recycling processing costs directly to customers through a tiered volume-based rate structure. There are three sizes for refuse containers, and four rates (one for senior with 30-gallon service). Each size has a corresponding monthly charge that the City bills to residents on a quarterly basis. The hauler bills property owners directly for all extra refuse service.

The City monitors the residential rates to ensure they provide sufficient revenue to offset contract costs and provide financial integrity to the fund. 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.

As described above, the revenues for the recycling processed at the Eureka Recycling facility were not enough to cover the processing costs in 2019 and 2020. The City implemented a monthly recycling surcharge in the 2020 and 2021 budgets to pay the additional expenditures. The recycling markets strengthened as of March 2021 and revenues began to exceed processing costs. As a result, the City is eliminating the \$1.00 per bill fee in the 2022 Budget.

While the 2022 Budget contains a rate increase for each service level in order to avoid an operating deficit in the fund, the overall rate per service level decreased with the elimination of the recycling processing fee.

Monthly Service Level	2019 Rate	2020 Rate	2021 Rate	Proposed 2022 Rate
30 gallon senior	\$ 10.55	\$ 12.81	\$ 13.51	\$ 12.78
30 gallon	10.80	13.02	13.72	13.00
60 gallon	15.90	18.36	19.17	18.61
90 gallon	21.65	24.51	25.45	25.08

The City provides a local clean up day in May and October each year at the Public Works facility to give residents an opportunity to more conveniently dispose of large items, hazardous waste products, or other items. The City coordinates these events with the garbage hauler and other recycling companies to simplify the disposal process. Residents are charged to help the City recover some of the disposal costs.

Goals:

1. Continue to advertise ways to improve the efficiency of single sort recycling.
2. Investigate options to incorporate multi-unit housing into organized recycling collection.

Measurable Workload Data:

	2019 <u>Actual</u>	2020 <u>Actual</u>	2021 <u>Budget</u>	2022 <u>Budget</u>
Number of collection accounts	7,531	7,539	7,528	7,530
Tons of Residential Garbage Collected	5,968	6,268	6,120	6,000
Tons of Residential Recycling Collected	1,898	2,152	2,000	2,000

City of White Bear Lake
Enterprise - Environmental Recycling and Waste Disposal

Annual Budget
Fund Summary

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Revenues						
Charges for Services						
4882	Disposal charges	\$ 1,110,700	\$ 1,054,797	\$ 1,079,928	\$ 1,079,928	\$ 1,107,945
4884	Renewable waste charges	278,738	490,670	501,000	501,000	512,000
4887	Recycling processing fee	-	69,324	90,900	90,900	-
	Total charges for service	<u>1,389,438</u>	<u>1,614,791</u>	<u>1,671,828</u>	<u>1,671,828</u>	<u>1,619,945</u>
Other Revenue						
4660	County aid - SCORE grant	66,997	62,339	62,339	62,388	62,388
4955	Interest	10,774	4,259	5,000	4,000	5,000
5010	Sales recyclables	166	69	-	41,900	57,000
5350	Miscellaneous	4	-	3,000	-	-
5350	Clean up	20,015	8,302	16,000	18,000	18,000
	Total other revenues	<u>97,956</u>	<u>74,969</u>	<u>86,339</u>	<u>126,288</u>	<u>142,388</u>
	Total revenues	<u>1,487,394</u>	<u>1,689,760</u>	<u>1,758,167</u>	<u>1,798,116</u>	<u>1,762,333</u>
Expenditures						
	Operational	248,280	240,276	170,057	199,582	203,353
	Disposal	<u>1,257,509</u>	<u>1,469,835</u>	<u>1,540,900</u>	<u>1,527,000</u>	<u>1,558,900</u>
	Total expenditures	<u>1,505,789</u>	<u>1,710,111</u>	<u>1,710,957</u>	<u>1,726,582</u>	<u>1,762,253</u>
	Revenues over (under) expenditures	<u>(18,395)</u>	<u>(20,351)</u>	<u>47,210</u>	<u>71,534</u>	<u>80</u>
	Fund balance January 1	<u>100,561</u>	<u>82,166</u>	<u>6,155</u>	<u>61,815</u>	<u>133,349</u>
	Fund balance December 31	<u>\$ 82,166</u>	<u>\$ 61,815</u>	<u>\$ 53,365</u>	<u>\$ 133,349</u>	<u>\$ 133,429</u>
Fund Balance Reconciliation to Financial Statements:						
	Budget fund balance December 31	82,166	61,815			
	Deferred outflows of pension resources	259	94			
	Net pension liability	(2,035)	(1,442)			
	Deferred inflows of pension resources	(668)	(174)			
	Accounts receivable	129,100	132,400			
	Financial statement fund balance December 31	<u>208,822</u>	<u>192,693</u>			

City of White Bear Lake
Enterprise - Environmental Recycling and Waste Disposal

Annual Budget
Business Unit: 5100

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Expenditures						
Personnel Services						
6117	Overtime - regular employees	\$ 2,655	\$ 1,745	\$ 4,350	\$ 4,350	\$ 4,491
6122	PERA	199	131	326	326	337
6124	FICA/Medicare	204	133	333	333	344
	Total personnel services	<u>3,058</u>	<u>2,009</u>	<u>5,009</u>	<u>5,009</u>	<u>5,172</u>
Supplies						
6250	Other supplies	1,073	529	1,600	1,600	1,600
	Total supplies	<u>1,073</u>	<u>529</u>	<u>1,600</u>	<u>1,600</u>	<u>1,600</u>
Other Services and Charges						
6401	Professional services	9,077	8,867	10,725	10,600	10,800
6402	Data processing	27,280	29,572	34,090	34,090	37,300
6434	General liability insurance	3,983	3,983	3,983	3,983	4,381
6445	Postage	5,746	5,007	8,000	5,500	5,500
6450	Outside printing	6,495	6,783	6,900	6,900	6,900
6486	Mileage reimbursement	20	-	50	-	-
6492	Advertising	-	796	-	-	-
6555	Rental of equipment	140	70	200	200	200
6560	Other contractual services	81,408	72,660	99,500	21,700	17,500
6565	Disposal fees	1,257,509	1,469,835	1,540,900	1,527,000	1,558,900
	Total other services and charges	<u>1,391,658</u>	<u>1,597,573</u>	<u>1,704,348</u>	<u>1,609,973</u>	<u>1,641,481</u>
Transfer						
7605	General fund - administration charge	110,000	110,000	-	110,000	114,000
	Total	<u>\$ 1,505,789</u>	<u>\$ 1,710,111</u>	<u>\$ 1,710,957</u>	<u>\$ 1,726,582</u>	<u>\$ 1,762,253</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 130th year of service to White Bear Lake area in 2018, the City has only provided the emergency medical services to the area since the 1990s. As with the progression of any long-term organization, change is inevitable and necessary to meet customer needs. After a long history of providing service through the paid on call volunteer staffing model, ever-increasing call demands prompted a comprehensive strategic planning process to assess operations and identify improvements to the City's emergency medical response and fire service.

The City began to shift from the volunteer staffing structure to a "combination staffing model" of full-time and on-call employees in 2014 when it added four full-time medical responder positions. Results from the strategic planning process supported the shift and indicated need for additional full-time staff to meet the high call volume. New full-time positions created during 2018 and 2019 brought the staff complement to 12 full-time positions. Under this model, all full-time and part-time staff were supervised by the Chief and Assistant Chief, leaving a gap in the shift supervision of staff. In 2021, the City incorporated a Captain position to operate as a shift lead for each crew into the staffing structure. These assignments did not add to the existing crew, but rather promoted three current full-time staff to the Captain positions. In 2022, the Department intends to hire two new full-time positions as part of a three-year plan to build a third 24/7 full-time crew. The department continues to employ paid-on-call members to provide additional help with duties.

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

The 2019-2021 Budgets for Fire Department Personnel Services were built with 20% of the associated staffing costs for Firefighter/Paramedic positions, with the remaining 80% assigned to the Ambulance Fund budget since a significant portion of the calls are for emergency medical issues. This cost distribution is not feasible for future years as any rate increases added to provide financial stability to the fund are not fully captured due to Medicare's limited reimbursement amount, a high delinquency in self-pay accounts and the creation of high deductible insurance plans requiring patient payments until deductible levels are met. Due to these challenges, the City began to compare its service model, funding sources and expenditure allocations to cities with similar staffing models and number of calls for service.

The comparison results demonstrate that though the City's service model is comparable to other departments, there are other options available to support balancing both budgets while continuing to provide timely high-quality service to patients. Other departments support the operations by allocating a higher percentage of the Firefighter/Paramedic salaries to the Fire Department or combining the departments into one in either the General Fund or a Special Revenue Fund to allow for tax levy support of the combined operations. All agencies recognize that ambulance transportation revenues can offset operating costs of the combined operations as a whole, however, they cannot support the ambulance service on its own. Given this information, the 2022 Budget changes the 20% and 80% split for Firefighter/Paramedic positions to a 25% and 75% split with recognition that the percentage will need to be increased again in future year's budgets.

As an Enterprise Fund in the City's financial structure, the Ambulance Fund operates similar to a private business with revenues from user charges funding the operating and capital costs of the department. The City Council establishes the service rates billed to patients on a per run basis, which are consistent with the

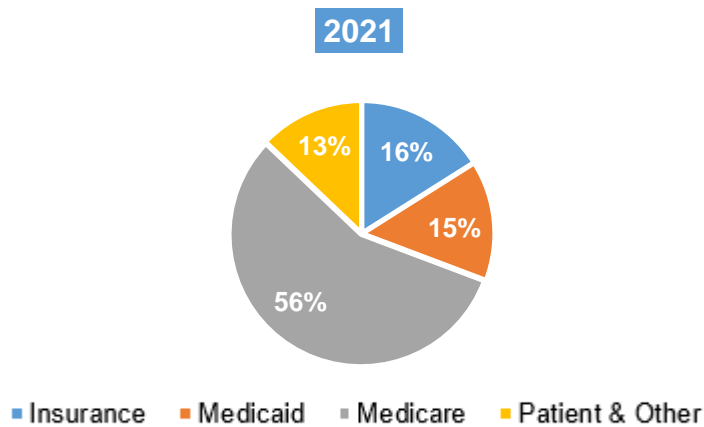
Fund: Ambulance Fund 5250

metropolitan average rates. Third party denials for selected billings and client non-payments reduce the revenue collections for the department.

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

Approximately 71% of the department’s collections are for patients who fall under this revenue collection restriction through government programs such as Medicare or Medicaid. These accounts significantly reduce the ambulance billing revenues due to the federal law. Below is a graph depicting the City’s patient mix for May 1, 2021 – October 26, 2021.

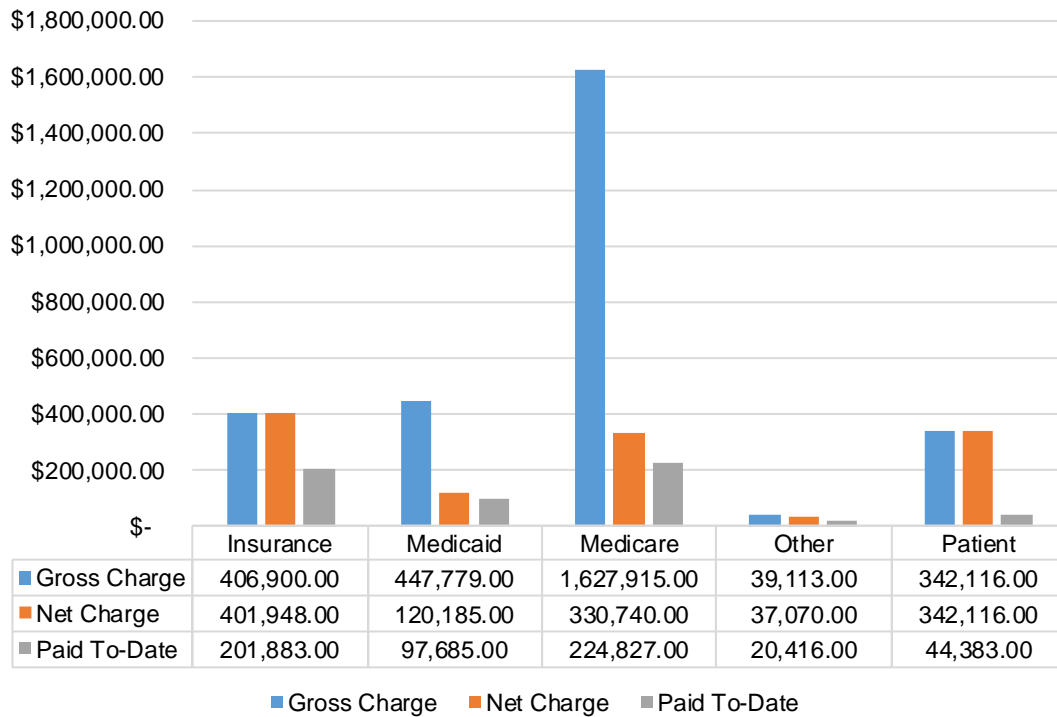
White Bear Lake Patient Mix



The graph on the following page compares gross charges (the amounts originally charged by the City) to net charges (the amount the City is able to charge after taking into account adjustments due to third-party denials and the allowable reimbursement rate set by law for government insurance coverage), and the year-to date payments collected on each patient type. The information shown is for May 1, 2021 – October 26, 2021. The graph illustrates how, on average, the City is only able to charge approximately 20% of total fees on Medicare claims and 27% on Medicaid claims.

Fund: Ambulance Fund 5250

Gross Charges, Net Charges, and Paid To-Date



The 2022 Budget conservatively assumes no increase in Medicare and Medicaid reimbursement rates since the actual change is unknown at this time.

In light of the revenue collection limits and the additional staff needed to respond to calls for service, a review of ambulance rates demonstrates a need to adjust the rates in the 2022 Budget to provide financial support to the fund. A comparison of recent rates and the proposed rates are as follows:

Call Type	Rates Effective 1/1/2019	Rates Effective 1/1/2020	Rates Effective 1/1/2021	Rates Effective 1/1/2022
Basic Life Support	\$ 1,415.00	\$ 1,457.00	\$ 1,505.00	\$ 1,550.00
Advanced Life Support-1	1,865.00	1,921.00	1,980.00	2,040.00
Advanced Life Support-2	2,035.00	2,096.00	2,160.00	2,225.00
Treatment No Transport	475.00	489.00	505.00	520.00
Mileage per mile	30.00	31.00	32.00	33.00

Budget Summary:

The Fund is experiencing challenges in revenue collections as a majority of the calls are for patients covered by government plans that limit the allowable reimbursement amount for each transport and the increase of patients who have high deductible insurance plans and must pay the total amount due until they reach their annual deductible amount. These issues compound as the staffing model changes to ensure timely response to all calls for service.

The Fund received a transfer from the Non-Bonded Fund in 2019 and 2020 to stabilize the Fund Balance. The City considers both transfers a one-time event instead of an internal loan; therefore, no repayment terms were created. The 3.0% rate increase in the 2022 Budget recognizes the need for additional revenues to support the operations yet understands the rates need to stay within a reasonable range.

Fund: Ambulance Fund 5250

The Equipment Acquisition Fund transfers funding in to support the purchase of an ambulance to replace a 2012 unit in 2022 since the operations cannot support the purchase. Staff will thoroughly review the need for replacement before moving forward with the purchase. This transfer will occur only if the department proceeds with the process for the new vehicle.

The Fund will receive a \$226,000 transfer in from the American Rescue Plan Aid Fund in 2022 to support operating expenses and to fund the hiring of two new medics.

As mentioned above in the Department Activities and Responsibilities section, the 2022 Budget is moving from the 20% and 80% split for Firefighter/Paramedic positions to a 25% and 75% split with recognition that the percentage will need to be increased again in future year's budgets.

The full-time firefighter/paramedic employees voted in union representation in 2019. The current contract ends as of December 31, 2021, and union negotiations are underway for the 2022 budget year. As discussed above, the significant increase in the 2022 Personnel Services budget is a result of a combination of the promotion of three current employees to the Captain position and the hiring of two additional full-time positions. With the hiring of two additional full-time staff in 2022, the Salaries – Temporary Employees budget allocation saw a correlating decrease.

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 transfer to the General Fund supports the Ambulance Fund's share of dispatch services and administrative services.

Goals:

1. Effectively deploy personnel and apparatus to increase overall service delivery.
2. Adjust personnel utilization to provide appropriate service levels.
3. Continue involvement of members in various community education endeavors including general health awareness and CPR training.
4. Implement new technology and skills to improve patient care for critically ill patients.

Measurable Workload Data:

	2019	2020	2021	2022
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Budget</u>
Medical Response Calls	3,355	3,292	3,400	3,400
Average Response Times	6:14	5:54	5:59	5:59
Net Collection Rate for Ambulance Calls*	81%**	86%**	90%	90%
Percentage of Patients that Utilize Medicare, Medicaid, and Other Government Plans	72%	72%	72%	72%
CPR Training Classes Held	14	0	6	10

*Per the National Academy of Ambulance Compliance, the net collection rate for ambulance is 80-85%.

**Still actively collecting claims.

City of White Bear Lake
Enterprise - Ambulance

Annual Budget
Fund Summary

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Revenues						
Charges for services						
4882	Ambulance charges	\$ 1,924,571	\$ 1,769,476	\$ 1,947,000	\$ 1,947,000	\$ 1,980,000
	Total charges for services	<u>1,924,571</u>	<u>1,769,476</u>	<u>1,947,000</u>	<u>1,947,000</u>	<u>1,980,000</u>
Other revenue						
4604	Intergovernmental - Federal Grant	-	115,608	-	-	-
4646	Intergovernmental - State Grant	8,250	-	-	-	-
4955	Interest	-	2,333	-	-	-
4990	Donations	2,453	-	-	-	-
5010	Sale of property	17,076	12,946	-	-	-
5350	Miscellaneous revenue	-	4	-	-	-
5360	Refunds/reimbursements	56	-	-	-	-
	Total other revenue	<u>27,835</u>	<u>130,891</u>	<u>-</u>	<u>-</u>	<u>-</u>
Transfers in						
	Amercian Rescue Plan Aid Fund	-	149,847	-	-	226,000
	Non Bonded Fund	200,000	200,000	-	-	-
	Equipment Acquisition Fund	235,200	-	-	-	250,000
	Total transfers in	<u>435,200</u>	<u>349,847</u>	<u>-</u>	<u>-</u>	<u>476,000</u>
	Total revenues	<u>2,387,606</u>	<u>2,250,214</u>	<u>1,947,000</u>	<u>1,947,000</u>	<u>2,456,000</u>
Expenditures						
	Operations	1,928,240	2,067,094	2,169,048	2,101,384	2,347,050
	Capital	235,200	-	-	-	250,000
	Total expenditures	<u>2,163,440</u>	<u>2,067,094</u>	<u>2,169,048</u>	<u>2,101,384</u>	<u>2,597,050</u>
	Revenues over (under) expenditures	<u>224,166</u>	<u>183,120</u>	<u>(222,048)</u>	<u>(154,384)</u>	<u>(141,050)</u>
	Fund balance January 1	<u>(65,615)</u>	<u>158,551</u>	<u>381,713</u>	<u>341,671</u>	<u>187,287</u>
	Fund balance December 31	<u>\$ 158,551</u>	<u>\$ 341,671</u>	<u>\$ 159,665</u>	<u>\$ 187,287</u>	<u>\$ 46,237</u>
Fund Balance Reconciliation to Financial Statements:						
	Budget fund balance December 31	158,551	341,671			
	Deferred outflows of pension resources	990,595	973,789			
	Net pension liability	(789,380)	(1,202,540)			
	Deferred inflows of pension resources	(1,138,657)	(766,216)			
	Net capital assets	595,350	450,678			
	Accounts receivable	834,306	802,971			
	Recognize part of A/R	(120,000)	(120,000)			
	Financial statement fund balance December 31	<u>530,765</u>	<u>480,353</u>			

City of White Bear Lake
Enterprise - Ambulance

Annual Budget
Business Unit: 5252

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 752,924	\$ 910,340	\$ 877,167	\$ 872,255	\$ 996,335
6117	Overtime - regular employees	135,987	155,216	173,707	126,811	143,231
6119	Salaries - temporary employees	263,699	175,807	241,707	238,945	223,582
6122	PERA Defined Benefit	146,919	184,206	181,518	172,371	197,382
6123	PERA Defined Contribution	5,099	2,673	3,565	3,564	3,564
6124	FICA/Medicare	30,086	31,016	36,455	35,479	36,254
6128	Insurance contribution	56,000	58,800	61,740	61,740	117,600
6138	Worker's compensation	119,000	119,000	117,100	117,100	140,520
6148	Other benefits	10,000	10,000	10,000	10,000	22,800
	Total personnel services	<u>1,519,714</u>	<u>1,647,058</u>	<u>1,702,959</u>	<u>1,638,265</u>	<u>1,881,268</u>
Supplies						
6210	Office supplies	-	7	50	50	50
6220	Equipment supplies	12,671	1,449	3,000	3,000	3,000
6230	Vehicle supplies	1,722	6,564	5,000	5,000	5,000
6240	Building supplies	8	-	-	-	-
6250	Other supplies	41,110	54,808	55,000	55,000	55,000
6272	Motor fuels	28,400	18,683	24,000	24,000	24,000
6280	Books & periodicals	-	-	600	600	600
6290	Uniforms	8,705	4,461	10,000	10,000	10,000
6295	Small tools	7,546	18,335	18,520	12,150	10,000
	Total supplies	<u>100,162</u>	<u>104,307</u>	<u>116,170</u>	<u>109,800</u>	<u>107,650</u>
Other Services and Charges						
6401	Professional services	110,891	122,381	126,650	126,650	126,650
6402	Data processing	8,555	9,293	10,710	10,710	12,100
6405	Minnesota Care 2% Tax	21,971	21,968	20,000	23,000	23,000
6412	Cellular	3,926	4,170	6,500	6,900	4,600
6434	General liability insurance	6,634	6,634	6,634	6,634	7,297
6436	Vehicle liability insurance	7,967	7,967	2,000	2,000	2,060
6450	Outside printing	84	-	100	100	100
6460	Subscription/memberships	-	-	325	325	325
6470	Training	335	(773)	11,000	11,000	11,000
6505	Equipment maintenance service	-	1,768	7,000	7,000	7,000
6510	Vehicle maintenance service	8,001	2,321	19,000	19,000	19,000
6560	Other contractual service	-	-	-	-	-
	Total other services and charges	<u>168,364</u>	<u>175,729</u>	<u>209,919</u>	<u>213,319</u>	<u>213,132</u>
Capital Outlay						
	Equipment	<u>235,200</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>250,000</u>
	Total capital outlay	<u>235,200</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>250,000</u>
Transfers						
	General Fund	<u>140,000</u>	<u>140,000</u>	<u>140,000</u>	<u>140,000</u>	<u>145,000</u>
Total		<u>\$ 2,163,440</u>	<u>\$ 2,067,094</u>	<u>\$ 2,169,048</u>	<u>\$ 2,101,384</u>	<u>\$ 2,597,050</u>

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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 renews for 3-year periods if not cancelled 90 days in advance. Staff and residents remain satisfied with this contract due to Walker Methodist's experience in managing senior facilities and their strong customer service.

In 2012, the annual debt service analysis indicated an advantage in refinancing the debt issue to recognize interest savings available through record low rates in the market. Even though this process reduced the Fund's annual required debt payment, the City chose not to base the transfer to the Debt Service Fund on the new amortization schedule and continue to transfer \$160,000 per year according to the original plan. This decision provides budget consistency from year to year and allows the Debt Service Fund to accumulate fund balance to cover the higher annual payments at the end of the bond. The debt obligation will expire in 2023.

Budget Summary:

The City plans a minimal rate increase each year in April to maintain current operations. The 2022 Budget plans a 4.0% rate increase effective in April. This provides additional means to sustain the Fund but recognizes the limited monthly budget of many senior citizens. The following schedule provides the rental rates from 2018 through the proposed 2022 fee adjustment. The facility's caretaker occupies one two-bedroom unit.

<u>Type of Unit</u>	<u>No. of Units</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
1 bedroom	23	\$690	\$705	\$715	\$730	\$760
1 bedroom/den	3	740	755	765	780	810
2 bedroom	6	805	825	840	855	890
2 bedroom deluxe	10	855	875	890	905	940
Garage	20	56	57	58	59	62

Capital Outlay:

The 2021 Capital Outlay budget includes funding for second and third floor carpeting, a boiler replacements, and the installation of security cameras and an entry system. The 2022 Budget plans for the replacement of first floor carpeting, installation of an FOB access system, a fire panel, and a garage air exchanger.

Goals:

1. 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. Invest in capital improvement projects as outlined in the current 10-year Capital Improvement Plan
5. Conduct an annual survey to ascertain resident satisfaction with the facility and property management.

Measurable Workload Data:

	<u>2019</u> <u>Actual</u>	<u>2020</u> <u>Actual</u>	<u>2021</u> <u>Budget</u>	<u>2022</u> <u>Budget</u>
Number of Unit-day vacancies per year	38	108	140	75
Scheduled resident events	215	139	184	200

City of White Bear Lake
Enterprise - Pioneer Manor Fund

Annual Budget
Fund Summary

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Revenues						
4604.1	Federal grant	\$ -	\$ 494	\$ -	\$ -	\$ -
4604.2	County capital grant	-	379,351	-	-	-
4955	Interest	4,292	4,400	-	-	-
4975	Rents	399,896	401,600	412,000	412,000	426,000
4990	Donations	-	-	-	100	-
5350	Miscellaneous	2,788	1,432	2,500	500	3,500
5360	Refunds and reimbursements	50	2,768	-	250	-
	Total operating revenues	<u>407,026</u>	<u>790,045</u>	<u>414,500</u>	<u>412,850</u>	<u>429,500</u>
Transfers In						
5205	Economic Development Fund	-	829	-	-	-
	Total revenues	<u>407,026</u>	<u>790,874</u>	<u>414,500</u>	<u>412,850</u>	<u>429,500</u>
Expenditures						
	Operating	397,519	412,073	435,950	436,270	444,802
	Capital equipment	-	-	13,000	-	-
	Capital infrastructure	-	376,522	19,500	44,500	78,500
	Total expenditures	<u>397,519</u>	<u>788,595</u>	<u>468,450</u>	<u>480,770</u>	<u>523,302</u>
	Revenue over (under) expenditures	<u>9,507</u>	<u>2,279</u>	<u>(53,950)</u>	<u>(67,920)</u>	<u>(93,802)</u>
	Capital reserves adjustment (to) from	<u>(10,000)</u>	<u>70,000</u>	<u>20,000</u>	<u>20,000</u>	<u>30,000</u>
	Fund balance January 1	<u>53,109</u>	<u>52,616</u>	<u>77,977</u>	<u>124,895</u>	<u>76,975</u>
	Fund balance December 31	<u>\$ 52,616</u>	<u>\$ 124,895</u>	<u>\$ 44,027</u>	<u>\$ 76,975</u>	<u>\$ 13,173</u>
	Capital reserves	<u>\$ 160,000</u>	<u>\$ 90,000</u>	<u>\$ 70,000</u>	<u>\$ 70,000</u>	<u>\$ 40,000</u>
Fund Balance Reconciliation to Financial Statements:						
	Budget fund balance December 31	212,616	214,895			
	Net capital assets	1,465,093	1,751,531			
	Financial statement fund balance December 31	<u>1,677,709</u>	<u>1,966,426</u>			

City of White Bear Lake
Enterprise - Pioneer Manor

Annual Budget
Business Unit: 5300

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Supplies						
6210	Office supplies	\$ 788	\$ 1,314	\$ 1,000	\$ 1,000	\$ 1,000
6240	Building supplies	20,042	31,990	17,300	17,300	19,500
6250	Other supplies	140	179	500	500	500
6255	Equipment supplies	202	549	1,200	1,200	750
6295	Small tools	3,802	1,619	1,500	4,500	1,500
	Total supplies	<u>24,974</u>	<u>35,651</u>	<u>21,500</u>	<u>24,500</u>	<u>23,250</u>
Other Services and Charges						
6401	Professional services	43,687	44,181	46,200	46,100	48,200
6411	Telephone	2,173	2,168	2,400	2,200	2,400
6421	Water/sewer	6,724	6,296	7,000	7,000	8,000
6422	Electric	12,098	12,812	15,500	15,500	16,300
6423	Natural gas	7,867	6,552	9,500	9,500	10,000
6434	General liability insurance	3,320	3,320	3,320	3,320	3,652
6445	Postage	100	185	180	260	300
6487	Programs	2,680	2,038	3,000	1,750	3,000
6505	Equipment maintenance service	149	99	1,000	1,000	1,000
6515	Building maintenance service	101,608	66,051	84,500	81,090	84,600
6517	Apartment turnover maintenance	-	34,767	30,000	30,000	27,300
6560	Other contractual services	32,139	37,953	34,850	37,050	38,800
	Total other services and charges	<u>212,545</u>	<u>216,422</u>	<u>237,450</u>	<u>234,770</u>	<u>243,552</u>
Capital Outlay						
7120	Capital infrastructure - building	-	376,522	19,500	44,500	78,500
7140	Equipment	-	-	13,000	-	-
	Total capital outlay	<u>-</u>	<u>376,522</u>	<u>32,500</u>	<u>44,500</u>	<u>78,500</u>
Transfer						
7605	General Fund	-	-	17,000	17,000	18,000
7605	Debt Service Fund	160,000	160,000	160,000	160,000	160,000
	Total transfer	<u>160,000</u>	<u>160,000</u>	<u>177,000</u>	<u>177,000</u>	<u>178,000</u>
	Total	<u>\$ 397,519</u>	<u>\$ 788,595</u>	<u>\$ 468,450</u>	<u>\$ 480,770</u>	<u>\$ 523,302</u>

Fund: License Bureau Fund 5350

The License Bureau serves as a Deputy Registrar on behalf of the Minnesota Department of Public Safety. The office handles transactions for motor vehicle registrations, title transfers, driver's license renewals, instruction permits, ID cards, watercraft, snowmobiles, off-road vehicles, and hunting licenses.

As an Enterprise Fund in the City's financial structure, the License Bureau operates similar to a private business with revenues from user charges covering the operating costs of the department. The State of Minnesota sets the fees the department receives per for each transaction type, mandates the department to submit transaction reports, and requires transfer of applicable license fee revenues to the State's bank account on a daily basis.

The Fund also employs a full-time Passport Clerk to assist customers with passport applications and passport photos. Federal security regulations require passport activities be physically separate from all driver's license or motor vehicle transaction operations to restrict personnel from handling both transaction types. Based upon these requirements, the office is in a separate secure work area within City Hall.

Department Activities and Responsibilities:

As an agent of the State of Minnesota, the department must follow State requirements for equipment and computer systems to process customer transactions. After many years of planning and preparation, the State launched a new secure web-based system, Minnesota Licensing and Registration System (MNLARS) in 2017 to replace the 30-year old legacy IT system. The project contained two implementation phases, the first phase in 2017 concentrated on the vehicle registration and ownership transactions and the second phase in 2018 focused on the driver's license and identification card transactions.

Despite improvements since the initial implementation of the first phase handling the vehicle registration and ownership records, significant issues remained. The State Legislature voted during their 2019 session to replace the MNLARS system with The Vehicle Title and Registration System named "MNDrive" because the cost of continuing to fix MNLARS was greater than implementing an entirely new system. The State launched the new "MNDrive" system in November 2020, with full implementation as well as the decommissioning of MNLARS completed by the fall of 2021.

Through the implementation of both MNLARS phases, the State of Minnesota transferred many duties previously completed by its staff to the local Deputy Registrar offices to streamline transaction processing. This continues with the implementation of MNDrive. Our department staff now enters all information directly into MNDrive to provide real-time data for the Department of Public Safety and system users. This shift in responsibilities drastically affected the department's operations. Since State Statutes set the rate for the transaction filing fees, which are the main revenues in the Fund, the City has no influence on changes to its revenue sources and can only balance the budget with strict expense management. This situation presents a major challenge as the department operations revolve around staff costs in a customer service driven department.

The Minnesota Legislature recognized that some of the financial challenges the MNLARS implementation caused for Deputy Registrar offices through their passage of two financial assistance programs in 2019. First, the Governor signed legislation appropriating \$13 million as reimbursement to deputy registrar offices for costs associated with the new MNLARS system. Of that total, the City received \$204,171 based on a formula that distributes some of the available funds equally and the rest of the funds allocated proportionally based on the number of transactions with a filing fee retained by the deputy registrar from August 1, 2017 through December 31, 2018. This payment replenishes the fund balance for extremely high expenses experienced due to the implementation. Second, the Governor also signed legislation to increase filing fees the Deputy Registrars collect from customers for long and short motor vehicle applications by \$1 per transaction. Though the additional funds assist to support operating activities, the amount is lower than Deputy Registrars hoped to receive as compensation in relation to the amount of work they assumed for each application. Of greatest importance is the State's lack of increase in transaction filing fees paid to Deputy Registrars for driver's license applications.

Fund: License Bureau Fund 5350

The following table depicts the current fee structure after the most recent increase:

<u>Transaction Type</u>	<u>Rates as of 1/1/14</u>	<u>New Rates as of 8/1/2019</u>
Long Forms for Title Changes	\$10.00	\$11.00
Short Forms for Tab Renewals	6.00	7.00
Drivers Licenses	8.00	8.00

Budget Summary:

Though the COVID-19 pandemic created a challenging time for the License Bureau operations, the period offered a time to reflect on operations and determine necessary improvements to increase both staff and customer satisfaction.

Financial Analysis

The City's review of the Department's revenues and expenses highlighted the fact that the filing fee paid to the License Bureau per driver's license transaction did not cover the City's cost of processing the transaction. The department did not experience this issue prior to the Real or Enhanced ID regulations because multiple transactions were completed each hour producing revenues exceeding expenditures. An average Standard ID transaction required approximately 15 minutes to process. However, the implementation of the Enhanced ID and Real ID regulations increased the per transaction time to 30 minutes due to the additional documentation required from the customer. Using an average of the License Bureau staffs' hourly salaries and benefits, excluding any other variable or overhead costs of the Department, the cost to the City to process one Standard ID transaction is \$9.53 and the cost to process one Enhanced ID or Real ID transaction is \$19.06. As mentioned above, the City only receives \$8.00 per driver's license transaction processed, whether or not it is a Standard, Enhanced, or Real ID. Looking at the volume of driver's licenses customers assisted provides an understanding of why the Fund is experiencing financial instability. The Department processed 1,250-2,130 driver's license transactions per month from January 2019 through February 2020, of which most transactions were for Real or Enhanced IDs. The fees received did not cover the staff expenditures to process the licenses.

Based on this information, the City considered two different scenarios for the department: continuing to provide full driver's license services or offering limited driver's license services (no first-time applications or renewals accepted). Ultimately, it was decided to continue offering full driver's license services. While offering limited driver's licenses would result in decreased expenses, the City believed it was important to continue to offer a wide-array of services to its customers. The hope is that the State will increase driver's license transaction filing fees paid to Deputy Registrars in the next legislative session to reflect the amount of work associated with each transaction.

Pandemic Impacts on Operations

In order to comply with public health measures to prevent the spread of COVID-19, the License Bureau closed to the public on March 16, 2020. The department experienced a significant decline in revenues through the closure as the department could not process any transactions during that time. The License Bureau received authorization from the State of Minnesota to open as an essential service, without in-person customer contact, in April and began offering drop-box services to provide customers with an easy way to complete tab renewals, title transactions, and DNR transfers and renewals. Given the decline in business, the department struggled to provide enough work for employees to meet their weekly hours. In the beginning of May, the City made the difficult decision to lay off three of the department's eleven clerks.

The State of Minnesota allowed Deputy Registrars to reopen to the public on May 19, 2020. The City choose to step back into the realm of in-person customer service by offering scheduled appointments for driver's license services and title transfers, while continuing drop box services for other transactions. This structure, which was similar to other area Deputy Registrar offices, allowed the department to assist customers with backlogged services, manage the workload with the current staff and continue social distancing guidelines in the department's small office area. Revenue remained lower than normal during this time due to available appointment times each day.

Fund: License Bureau Fund 5350

In July 2021, the License Bureau completely re-opened to the public with in-person full services of all transactions and phased-out the online appointment scheduling for driver's license services. With the full re-opening, the License Bureau has been processing anywhere between 55-63 transactions per day. This increase is attributable to the fact that multiple employees can process driver's license transactions simultaneously, rather than the limited number assisted in appointment times. In addition, the State implemented an online process during 2021 that allows customers to pre-apply for a driver's license. The decreased time needed to finish the transaction with the State's enhancement and staff's increased knowledge of the system reduces the per transaction cost for driver's license work.

Other Activities

The Department received an allocation of the City's Coronavirus Aid, Relief, and Economic Security Act (CARES) funding in 2020 to help cover the costs of sanitizer, gloves, a drop box, increased postage for transactions not typically done through the mail, and Emergency Family and Medical Leave related to COVID-19. In 2021 and 2022, the Fund will receive a transfer in from the American Rescue Plan Aid Fund totaling \$50,000 and \$25,000, respectively. The funds will be used to cover operating expenses.

When the License Bureau closed to the public in March 2020, the City temporarily halted passport operations because it wasn't feasible to provide safe separation between the applicant and the staff with the current office set-up. This office location challenge aligns with the City's exploration of available office space to relocate the License Bureau to improve the layout, efficiency, and workflow of the operations. The current layout does not provide an ideal space staff or customers who are waiting in line. In 2021, a tenant turnover at the City owned Bellaire Center at the corner of County Road F and Bellaire Avenue provides a potential new space for both the License Bureau and the Passport Office. The City intends to use \$200,000 of American Rescue Plan Aid in 2022 to renovate the space and relocate the department by June 2022.

In addition to the department's financial analysis during the year, staff and management participated in a workplace review to build a stronger, cohesive team with open communication lines between department co-workers and management staff. Group discussions supported the change of part-time positions to full-time opportunities and expanded customer service hours to provide greater flexibility for customers using our services.

Staff levels increase at the end of April, as the City hired a ninth clerk to help with the increasing workload as the License Bureau began to reopen to the public. By the end of 2021, the City intends to promote one of the clerks to a Lead Clerk position.

The 2021 Revised Professional Services Budget provides \$9,360 in funding for a temporary employee through Robert Half from March 2021-April 2021 to help with the increased workload as the License Bureau began to fully reopen from the pandemic. This hiring of the new staff person in April eliminated the need for this assistance. The budget also added \$12,380 for the consultant directing the workplace review project.

In previous years, the City chose to transfer the Fund's profits to the Interim Construction Fund to support the annual street reconstruction program. Though the annual transfer remained consistent for many years, the extra operating expenses associated with the MNLARS system affects the transfer amounts in future years. The transfer for 2020 is 20% of the amount transferred in 2017. The 2021 Budget eliminates the transfer, as the Fund is no longer able to support it due to the declining fund balance. The 2022 Budget starts an annual transfer to the General Fund to support administrative services provided by the Finance Department.

Capital Outlay:

The American Rescue Plan Fund, in the Capital Project Funds section of the budget, includes \$200,000 in 2022 for the relocation and renovation of the new License Bureau location at the Bellaire Center.

Fund: License Bureau Fund 5350

Goals:

1. Enhance relationship with local automobile by maintaining current relationships and acquiring more dealership customers.
2. Provide services to increase revenue by maintaining and increasing the drop box and walk-in services. Kiosks may be offered by Minnesota Driver & Vehicle Services for deputies to operate – look into additional resources like this or advertising.
3. Adjust staffing levels throughout 2022 based on customer and dealer transactions.

Measurable Workload Data:

	2019 <u>Actual</u>	2020 <u>Actual</u>	2021 <u>Budget</u>	2022 <u>Budget</u>
Transactions processed, Counter	91,328	52,956	60,000	70,000
Transactions processed, Dealer	22,509	18,481	21,600	22,000
Drivers licenses processed	20,880	6,609	8,750	16,000
License Bureau transactions processed per hour	5.36	3.68	4.04	5.00
Passport transactions processed	2,093	420	0	1,200

City of White Bear Lake
Enterprise - License Bureau

Annual Budget
Fund Summary

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Revenues						
4604	Federal aid	\$ -	\$ 16,060	\$ -	\$ -	\$ -
4646	State aid	204,171	-	-	-	-
4811	Deputy registrar	859,987	520,642	555,000	696,000	720,000
4812	Passports	73,255	14,105	65,300	-	29,641
4814	Passport photos	21,304	3,465	20,000	-	9,385
4816	Passport renewal photos	15,702	2,347	15,800	-	7,814
4955	Interest	6,548	5,861	-	-	-
5010	Sale of goods	481	63	-	50	-
5350	Miscellaneous	718	1,768	500	500	500
5360	Refunds and reimbursements	-	1,879	-	-	-
	Total operating revenues	<u>1,182,166</u>	<u>566,190</u>	<u>656,600</u>	<u>696,550</u>	<u>767,340</u>
Transfers In						
5205	American Rescue Plan Aid	-	-	-	50,000	25,000
5205	Economic Development Fund	-	12,940	-	-	-
		<u>-</u>	<u>12,940</u>	<u>-</u>	<u>50,000</u>	<u>25,000</u>
	Total revenues	<u>1,182,166</u>	<u>579,130</u>	<u>656,600</u>	<u>746,550</u>	<u>792,340</u>
Expenditures						
	Operating - License Bureau	751,341	691,163	706,198	792,480	842,835
	Operating - Passport Office	69,149	18,345	73,941	285	53,042
	Total expenditures	<u>820,490</u>	<u>709,508</u>	<u>780,138</u>	<u>792,765</u>	<u>895,877</u>
Transfers Out						
	Interim Construction Fund	150,000	75,000	-	-	-
	General Fund	-	-	-	-	50,000
	Total transfers out	<u>150,000</u>	<u>75,000</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
	Total expenditures	<u>970,490</u>	<u>784,508</u>	<u>780,138</u>	<u>792,765</u>	<u>945,877</u>
	Revenues over (under) expenditures	<u>211,676</u>	<u>(205,378)</u>	<u>(123,538)</u>	<u>(46,215)</u>	<u>(153,537)</u>
	Fund balance January 1	<u>210,930</u>	<u>422,606</u>	<u>235,525</u>	<u>217,228</u>	<u>171,013</u>
	Fund balance December 31	<u>\$ 422,606</u>	<u>\$ 217,228</u>	<u>\$ 111,987</u>	<u>\$ 171,013</u>	<u>\$ 17,475</u>
Fund Balance Reconciliation to Financial Statements:						
	Budget fund balance December 31	\$ 422,606	\$ 217,228			
	Deferred outflows of pension resources	55,669	25,348			
	Net pension liability	(437,788)	(388,106)			
	Deferred inflows of pension resources	(143,629)	(46,934)			
	Net capital assets	341	0			
	Financial statement fund balance December 31	<u>\$ (102,801)</u>	<u>\$ (192,464)</u>			

City of White Bear Lake
Enterprise - License Bureau

Annual Budget
Business Unit: 5352

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 519,354	\$ 462,618	\$ 450,620	\$ 504,666	\$ 548,543
6117	Overtime - regular employees	4,134	2,615	3,000	3,000	3,000
6119	Salaries - temporary employees	10,236	4,283	13,791	13,728	14,173
6122	PERA Defined Benefit	39,260	34,889	35,056	39,105	42,429
6124	FICA/Medicare	38,823	33,480	35,757	39,887	43,277
6128	Insurance contribution	80,000	89,500	81,700	88,160	105,840
6138	Worker's compensation	11,500	11,500	4,400	5,000	5,280
6146	Severence	-	-	11,697	9,782	-
6148	Other benefits	6,200	6,200	13,760	14,848	20,520
	Total Personnel Services	709,507	645,085	649,782	718,175	783,061
Supplies						
6210	Office supplies	3,625	2,249	3,700	3,645	3,645
6220	Equipment supplies	96	374	200	200	200
6240	Building supplies	167	774	200	240	1,900
6250	Other supplies	454	53	1,230	1,826	180
6290	Uniforms	-	-	0	60	60
6295	Small tools	3,476	774	2,600	3,925	600
	Total Supplies	7,818	4,224	7,930	9,896	6,585
Other Services and Charges						
6401	Professional services	71	263	225	21,980	2,725
6402	Data processing	8,555	9,273	10,690	10,690	12,100
6411	Telephone	2,724	2,782	2,255	3,290	3,630
6422	Electric	1,453	1,380	1,700	1,360	1,700
6423	Natural gas	499	448	800	600	800
6434	General liability insurance	7,233	7,233	7,233	7,233	7,956
6445	Postage	1,464	11,001	10,900	7,400	5,900
6450	Outside printing	84	-	100	84	100
6460	Subscription/memberships	1,440	1,000	1,000	1,100	1,200
6470	Training	370	613	570	335	570
6486	Mileage Reimbursement	-	-	75	-	75
6492	Advertising	1,623	-	2,438	1,738	2,438
6505	Equipment maintenance service	8,174	6,988	9,500	7,000	9,700
6515	Building maintenance service	-	-	-	-	3,570
6560	Other contractual services	326	873	1,000	1,600	725
	Total Other Services and Charges	34,016	41,854	48,486	64,410	53,189
Transfers						
7605	Interim Construction Fund	150,000	75,000	-	-	-
7605	General Fund	-	-	-	-	50,000
	Total Transfers	150,000	75,000	-	-	50,000
Total		\$ 901,341	\$ 766,163	\$ 706,198	\$ 792,480	\$ 892,835

City of White Bear Lake
Enterprise - Passports

Annual Budget
Business Unit: 5353

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Personnel Services						
6105	Salaries - regular employees	\$ 47,380	\$ 4,833	\$ 43,211	\$ -	\$ 26,229
6117	Overtime - regular employees	-	-	700	-	700
6119	Salaries - temporary employees	1,728	3,634	5,000	-	5,000
6122	PERA defined benefit	3,554	362	3,293	-	2,020
6124	FICA/Medicare	3,577	627	3,742	-	2,443
6128	Insurance contribution	5,695	5,980	9,500	-	9,800
6138	Worker's compensation	915	915	475	-	570
6148	Other benefits	105	105	1,600	-	1,900
	Total personnel services	<u>62,954</u>	<u>16,456</u>	<u>67,521</u>	<u>-</u>	<u>48,662</u>
Supplies						
6210	Office supplies	2,539	555	1,225	-	735
6220	Equipment supplies	100	-	125	-	75
6250	Other supplies	-	-	100	-	60
6295	Small tools	-	-	400	-	400
	Total supplies	<u>2,639</u>	<u>555</u>	<u>1,850</u>	<u>-</u>	<u>1,270</u>
Other Services and Charges						
6401	Professional services	-	-	20	-	20
6411	Telephone	216	222	285	285	330
6445	Postage	3,096	997	3,300	-	1,925
6450	Outside printing	124	-	125	-	75
6460	Subscription/memberships	-	-	140	-	140
6492	Advertising	-	-	500	-	500
6505	Equipment maintenance service	120	115	200	-	120
	Total other services and charges	<u>3,556</u>	<u>1,334</u>	<u>4,570</u>	<u>285</u>	<u>3,110</u>
Total		<u>\$ 69,149</u>	<u>\$ 18,345</u>	<u>\$ 73,941</u>	<u>\$ 285</u>	<u>\$ 53,042</u>

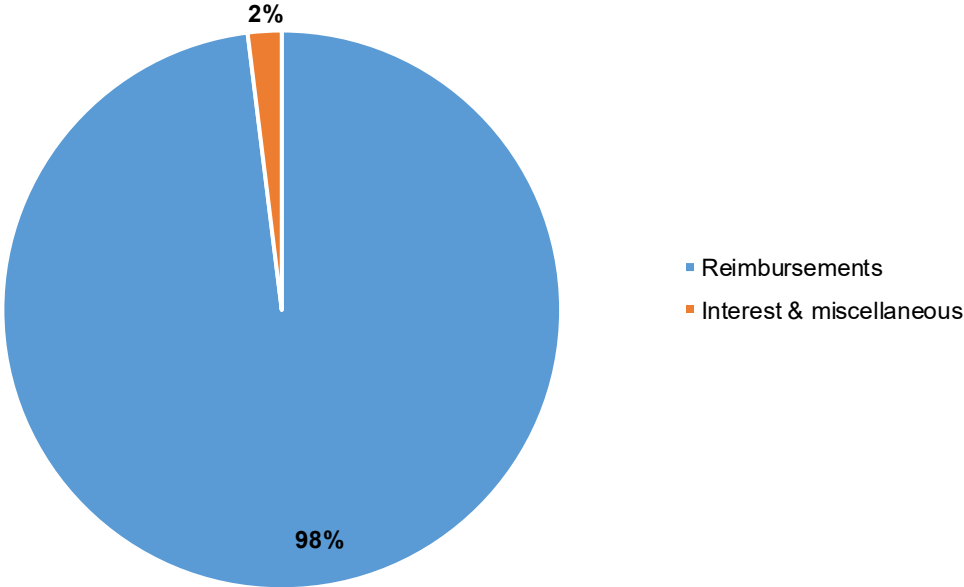
**City of White Bear Lake
Internal Service Funds**

Annual Budget

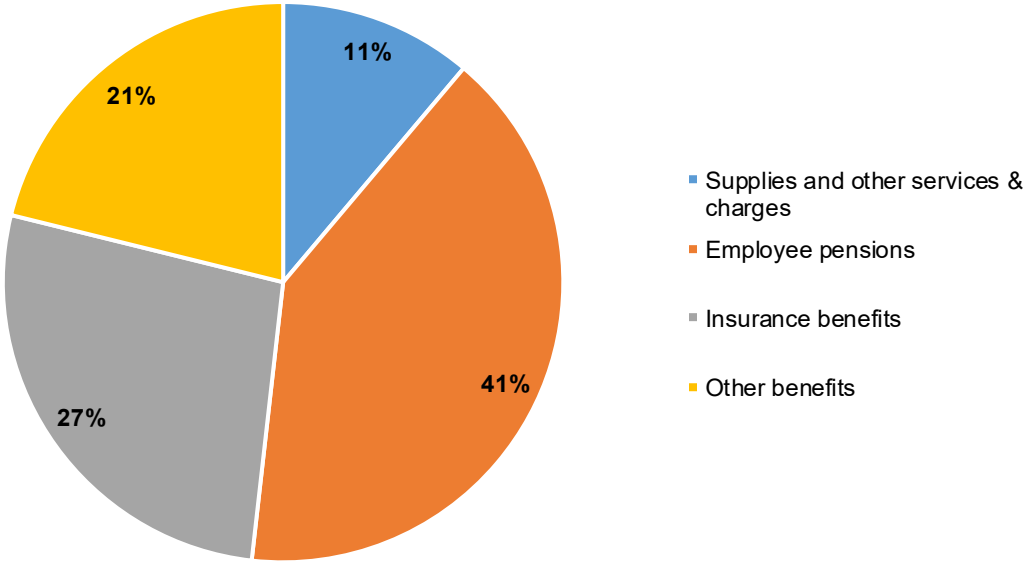
	2019 Actual	2020 Actual	2021 Budget	2021 Revised	2022 Budget
Revenues					
Reimbursements	\$ 3,175,390	\$ 3,321,469	\$ 3,475,945	\$ 3,481,178	\$ 4,022,250
Miscellaneous	418,187	370,531	93,430	218,079	20,050
Interest	84,149	82,348	55,000	60,000	60,000
Loan repayments	235,000	274,000	-	134,000	-
Transfers in	-	291,775	134,000	134,000	-
Total revenues	<u>3,912,726</u>	<u>4,340,123</u>	<u>3,758,375</u>	<u>4,027,257</u>	<u>4,102,300</u>
Expenditures					
Supplies	507	648	1,750	1,750	1,750
Other services & charges	444,791	365,586	445,175	491,575	482,575
Employee pensions	1,459,646	1,516,692	1,639,000	1,639,000	1,764,000
Insurance benefits	1,017,829	1,110,123	1,105,500	1,111,500	1,175,000
Other benefits	710,881	732,689	748,000	812,428	918,000
Transfers out	235,000	-	-	-	-
Total expenditures	<u>3,868,654</u>	<u>3,725,738</u>	<u>3,939,425</u>	<u>4,056,253</u>	<u>4,341,325</u>
Revenues over (under) expenditures	<u>44,072</u>	<u>614,385</u>	<u>(181,050)</u>	<u>(28,996)</u>	<u>(239,025)</u>
Fund balance, January 1	<u>3,074,195</u>	<u>3,118,267</u>	<u>2,823,780</u>	<u>3,732,652</u>	<u>3,703,656</u>
Fund balance, December 31	<u>\$ 3,118,267</u>	<u>\$ 3,732,652</u>	<u>\$ 2,642,730</u>	<u>\$ 3,703,656</u>	<u>\$ 3,464,631</u>

2022 Internal Service Funds

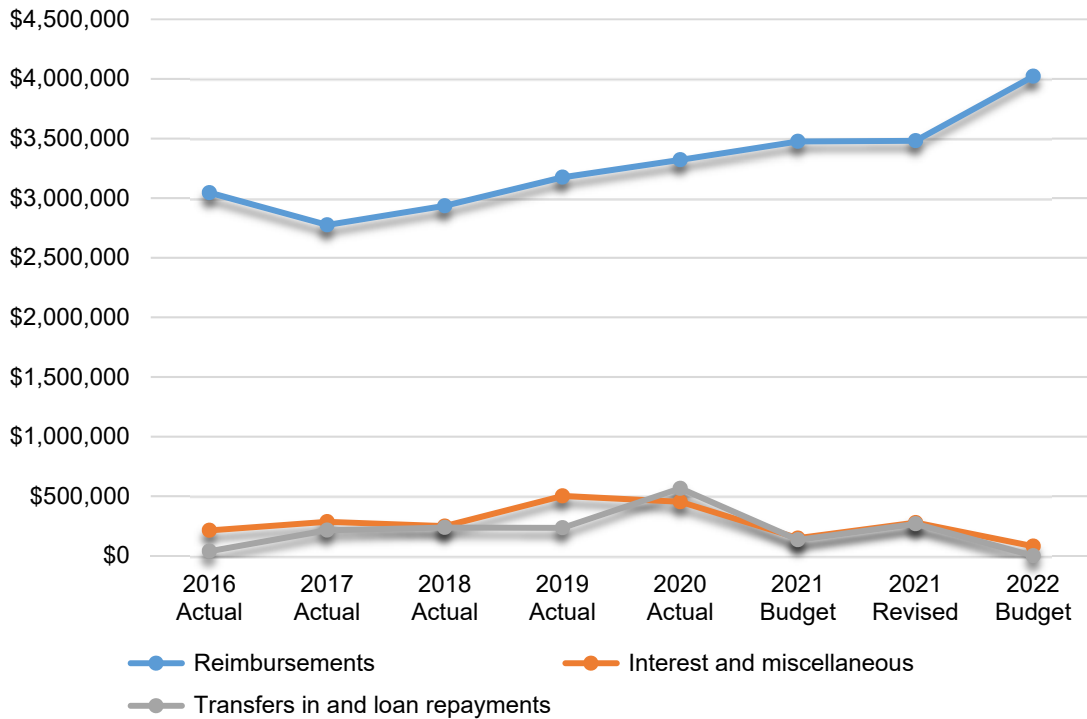
Total Revenues \$4,102,300



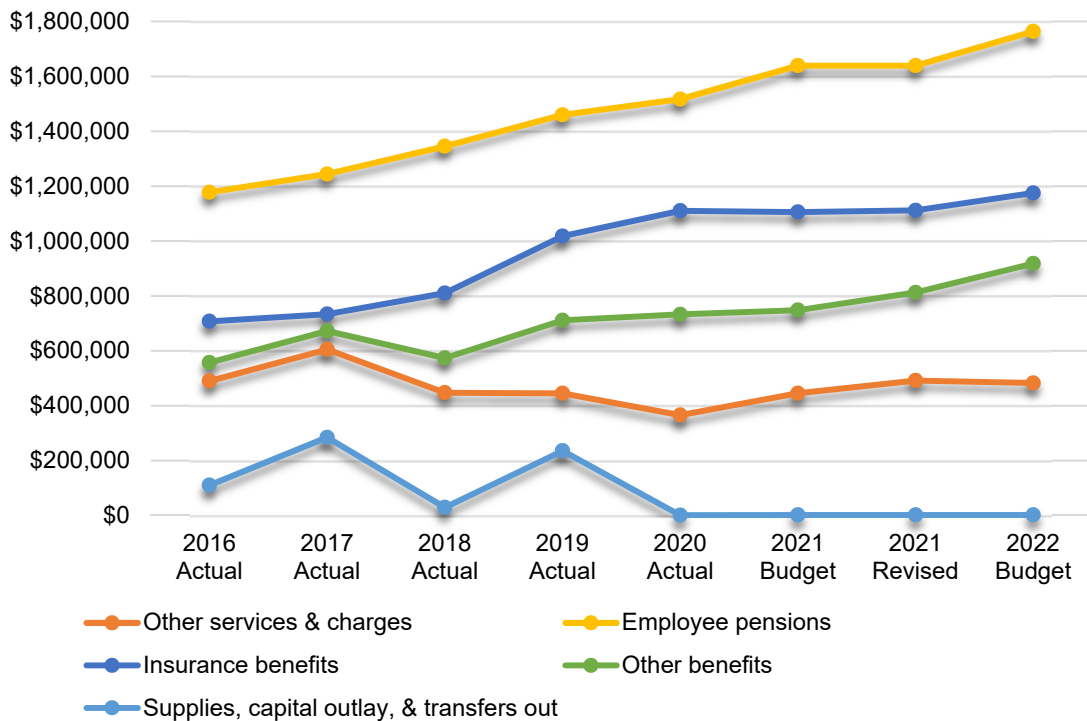
Total Expenditures \$4,341,325



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. 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 internal loan. The final loan payment of \$134,000 for this fund will be made in 2021.

A group of residents formed the White Bear Lake Restoration Association to protect the interests of the lake by submitting a lawsuit against the Minnesota Department of Natural Resources regarding the water pumping permits given to the City of White Bear Lake. The City was not originally part of the lawsuit; however, the legal activities revolved around City operations. Therefore, in 2014, the City intervened in the lawsuit, authorizing the City Manager and City Attorney to take all actions necessary to protect the City's investments in its public water supply infrastructure.

The Water Fund originally absorbed the legal costs within the operating budget; however, as the extra expenditures began to deplete the fund balance, the City added a lake level litigation fee to the quarterly utility bills to subsidize the costs. At that point, the litigation fees collected from users and legal costs moved to the Insurance Fund to account for the situation as a claim against the City. The fee provides approximately \$150,000 annually to help cover litigation costs. The fee continued through 2020. At that time, the City had recovered expenditure costs through the fee revenues. Since the City anticipates minimal remaining litigation costs, the City redirected future litigation fees and expenditures to the Water Fund as of 2021.

Budget Summary:

Total reimbursements from other departments decreased in the 2021 Budget based on an in-depth analysis of the general liability and auto insurance premiums that should be allocated to each department. In the 2022 Budget, general liability reimbursements were increased by 10% and auto insurance reimbursements were increased by 3%.

The City's long-term objective is to build an adequate reserve to increase the insurance deductible amount to lower the City's overall insurance premium costs.

In 2019, the Fund used the proceeds from the YMCA 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 final principal balance and interest. Moving forward, the fund will not make a transfer to the 2018B General Obligation Tax Abatement Bond as the debt service revenue will now be applied as originally directed by the City Council.

**City of White Bear Lake
Insurance Fund**

**Annual Budget
Fund Summary**

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Revenues						
4819	Department reimbursements					
	General Fund	\$ 146,822	\$ 146,822	\$ 134,052	\$ 134,052	\$ 147,159
	HRA Fund	-	-	-	1,250	1,375
	Water Fund	55,699	55,699	46,582	50,565	55,238
	Sewer Fund	35,810	35,810	32,000	32,000	35,095
	Refuse Fund	3,983	3,983	3,983	3,983	4,381
	Sports Center Fund	16,458	16,458	15,729	15,729	17,288
	Ambulance Fund	14,601	14,601	8,634	8,634	9,357
	Pioneer Manor	3,320	3,320	3,320	3,320	3,652
	License Bureau	7,233	7,233	7,233	7,233	7,956
	Total reimbursements	<u>283,926</u>	<u>283,926</u>	<u>251,533</u>	<u>256,766</u>	<u>281,502</u>
	Other Revenue					
4885	Lake litigation fees	171,909	170,180	75,000	-	-
4955	Interest	39,879	42,371	25,000	30,000	30,000
5010	Sale of property	3,650	2,502	-	-	-
5322	Loan principal repayment	215,000	274,000	-	126,000	-
5323	Loan interest repayment	20,000	-	-	8,000	-
5360	Refunds and reimbursements	74,227	103,633	-	7,855	-
	Total other revenue	<u>524,665</u>	<u>592,686</u>	<u>100,000</u>	<u>171,855</u>	<u>30,000</u>
	Transfers In					
5205	Marina Fund	-	44,000	-	-	-
5205	Non-Bonded Fund	-	242,000	134,000	134,000	-
	Total transfers in	<u>-</u>	<u>286,000</u>	<u>134,000</u>	<u>134,000</u>	<u>-</u>
	Total revenues	<u>808,591</u>	<u>1,162,612</u>	<u>485,533</u>	<u>562,621</u>	<u>311,502</u>
Expenditures						
	Supplies					
6220	Equipment supplies and parts	-	-	1,500	1,500	1,500
6230	Vehicle supplies and parts	-	523	-	-	-
6240	Building supplies and parts	36	125	150	150	150
6250	Other supplies and parts	471	-	100	100	100
	Total supplies	<u>507</u>	<u>648</u>	<u>1,750</u>	<u>1,750</u>	<u>1,750</u>
	Other Services and Charges					
6401	Professional services	49,709	21,262	31,000	6,250	6,500
6434	General liability insurance	210,031	219,683	227,000	245,000	264,000
6436	Auto liability	24,049	21,636	23,000	24,000	27,000
6460	Subscriptions and dues	-	-	500	500	500
6470	Training and subsistance	15,612	8,058	10,000	8,250	10,000
6510	Vehicle repair service	1,818	-	-	10,000	-
6515	Building repair service	-	580	-	-	-
6560	Contractual services	135,703	88,696	136,000	136,000	136,000
	Total other services and charges	<u>436,922</u>	<u>359,915</u>	<u>427,500</u>	<u>430,000</u>	<u>444,000</u>
	Transfers Out					
7605	2018 GO Tax Abatement Bonds	195,000	-	-	-	-
7605	Equipment Acquisition Fund	40,000	-	-	-	-
	Total transfers out	<u>235,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Total expenditures	<u>672,429</u>	<u>360,563</u>	<u>429,250</u>	<u>431,750</u>	<u>445,750</u>
	Revenues over (under) expenditures	<u>136,162</u>	<u>802,049</u>	<u>56,283</u>	<u>130,871</u>	<u>(134,248)</u>
	Fund balance January 1	<u>1,964,799</u>	<u>2,100,961</u>	<u>1,971,980</u>	<u>2,903,010</u>	<u>3,033,881</u>
	Fund balance December 31	<u>\$ 2,100,961</u>	<u>\$ 2,903,010</u>	<u>\$ 2,028,263</u>	<u>\$ 3,033,881</u>	<u>\$ 2,899,633</u>
Fund Balance Reconciliation to Financial Statements:						
	Budget fund balance December 31	2,100,961	2,903,010			
	Advances to other funds	400,000	126,000			
	Financial statement fund balance December 31	<u>2,500,961</u>	<u>3,029,010</u>			

Fund: Employment Expense Fund 6200

The Employment Expense Fund centralizes reporting for employment–related costs for all City employees. Expenditure categories include the Public Employees Retirement Association (PERA), FICA, Medicare, employee insurances and Workers' Compensation.

Department Activities and Responsibilities:

Pension Benefits:

The City participates in the Public Employees Retirement Association (PERA), a statewide pension program administered and managed by the State Legislature. The City employees qualify for one of two plans, the Coordinated Plan or the Police and Fire Plan. PERA contribution rates adjust periodically to ensure the financial integrity of the plans.

Pension rates for Coordinated Plan members remain consistent with previous years. During 2018, the Legislature passed a bill during their session to increase the Police and Fire Pension Plan contributions in 2019 and 2020 to provide long-term financial stability. Rates for both pension plans are as follows:

<u>Year</u>	<u>Coordinated</u>		<u>Police/Fire</u>	
	<u>Employee</u>	<u>Employer</u>	<u>Employee</u>	<u>Employer</u>
January 1, 2015	6.50%	7.50%	10.80%	16.20%
January 1, 2019	6.50%	7.50%	11.30%	16.95%
January 1, 2020	6.50%	7.50%	11.80%	17.70%

Coordinated Plan participants receive retirement benefits from PERA and Social Security. Police and Fire Plan participants receive retirement benefits from only PERA.

Health Insurance Options:

The City created an Employee Health Insurance Committee, composed of representatives from each bargaining and non-bargaining group, to provide employee feedback regarding insurance coverages.

Through its most recent request for proposal (RFP) process in 2018, the Employee Health Insurance Committee chose Medica Health Plans as the insurance carrier for the three plan levels, effective in 2019. For 2020, Medica expanded their coverage offerings to include three additional lower cost plans with a narrow service provider network to help employees save on monthly insurance premium costs. The 2021 proposal received from Medica continued to provide for these six plan options with a 3% increase for all premiums.

During 2022, the Local Government Information Systems (LOGIS) health insurance group invited the City to take part in their 5-year RFP process. The Employee Health Insurance Committee chose to participate for the opportunity to compare current insurance plan options with those of a larger insurance group to review potential premium savings. The insurance coverage selected by LOGIS through the process contained higher premiums, higher deductibles, and did not allow access to specialty care facilities such as Mayo. Given these significant benefit reductions from the City's current stand-alone group coverage through Medica, the Employee Health Insurance Committee declined participation in the group and continued negotiations for insurance coverage through Medica in 2022.

The 2022 proposal from Medica continues to provide the six plan options available the past two years at a 9% increase for all premiums.

Monthly premiums vary considerably between the plan options. The City's monthly contribution to the insurance coverage varies by employee based on the level of insurance selected, the employee's bargaining group, and participation in the non-smoking incentive program. In some years, the City splits health insurance premium increases with employees, notably in years when the increases are quite high. However, the City has taken the opportunity, when increases are more reasonable, to expand contributions

Fund: Employment Expense Fund 6200

for employee health insurance premiums in order to remain competitive for both existing and prospective employees. For 2022, the City will cover 75% of the 9% increase in premiums for employees.

A unique clause in the City's benefit offerings allows an employee to opt out of the health insurance plan and receive a deposit to their retirement account in lieu of a contribution to a health insurance premium. Roughly 35% of the workforce opts out of the City's health insurance, which considerably reduces the group size. The City Council approved the current contribution amount paid to employees who opt out of the City's health insurance coverage in 2010. There is no change in the amount for the 2022 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 is required to prepare a Request for Proposal (RFP) for insurance coverage every five years per State Statute; however, the City does have the option to prepare one more frequently if necessary. The City's practice is not to request an additional RFP if the insurance provider presents what is considered a reasonable proposal within the five-year time frame.

Life Insurance:

The City purchases life insurance policies for each employee at their annual salary up to \$100,000. Employees may purchase individual or family supplemental policies on their own. There is no change to the life insurance coverages through Securian and Minnesota Life Insurance for 2022. The City Council approved the renewal of a three-year rate guarantee for the coverage through 2024.

The plan administrator, Ochs Agency, offered two Plan Enhancements at no additional cost. The first is a special guaranteed issue enrollment opportunity for active employees. This will be a special one-time guaranteed issue opportunity to elect or increase coverage by \$50,000 without evidence of insurability. The second increases the supplemental life maximum from \$300,000 to \$500,000.

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.

As the provider reviewed actual plan usage to prepare a quote for the current two-year coverage period, data indicated a significant increase in benefits paid in recent years. Since the short-term disability insurance rates did not change for more than 7 years, the plan provider proposed a 5% rate increase for 2021. During negotiations, the provider offered to reduce the premium increase if policy provisions changed benefit qualification dates from day 1 of hospitalization to day 30 to match the qualifications of the non-hospitalized injuries/illnesses. Employee Insurance Committee members voted to continue current plan benefits, accept the proposed rate increase for 2021, and carry the rates through 2022.

Long-term disability insurance rates remain unchanged for 2022 through 2023.

The dental insurance plan offered to employees is a pooled voluntary dental product through HealthPartners, which provides employees additional coverage if they select a HealthPartners or Park Dental clinic. The rate increase for dental insurance premiums in 2022 is 4%.

Fund: Employment Expense Fund 6200

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 Retrospective Worker's Compensation Rated Premium Option offered by the League of Minnesota Cities as a means to reduce costs if workers' compensation claims were minimal. Though the City recognized a savings in many years, significant claims expenditure in a few years of the coverage resulted in the City paying a substantial share of those claims. Therefore, 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.

In an effort to reduce insurance premium costs while trying to maintain sufficient coverage, staff reviewed the 4-year Premium Assessment report prepared by the League of Minnesota Cities as part of the renewal process for 2021 coverage. This tool calculates the City's best overall premium option based on an average of the four year actual claims data. Based on this analysis, the City chose to change the Workers Compensation coverage to a \$10,000 deductible premium program for 2021. Moving forward, staff will review this assessment report annually as part of the renewal process.

Claims from the Retrospective Rating Program automatically close after 16 years. Each September the League of Minnesota Cities Insurance Trust analyzes the retrospective claims and either refunds excess reserves or requests reimbursement for additional claim expenditures within the recent year. Therefore, the City either receives a premium refund or pays the additional expenditures each year after the review. The League delayed their 2019 adjustment until the beginning of 2020, which was a refund entered into the Refunds and Reimbursement account. The annual analysis in 2020 required a payment by the City, while the 2021 review resulted in a refund to the City. Continuing obligations remain for the Retrospective Rating Premium coverage due to four open claims; however, these costs will decrease over time as reserves build. The City will experience the close out process from the Retrospective Rating Program through 2032 when the final claims insured under the program from 2016 reach the maximum limit unless the City chooses to pay extra to close out an old retro-rated year early.

Budget Summary:

The 2022 Budget bases employee related expenditures on a full complement of positions throughout the entire year. The Medica health insurance premiums increased 9% for 2022. The budget includes an increase the City contribution to cover 75% of the 9% increase in employee health insurance premiums.

Workers' Compensation rates for all position types except full-time fire and part-time fire increased in the 2021-2022 renewal, resulting in a 15% increase in the total Workers' Compensation premium.

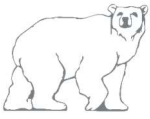
The current City Manager announced her retirement as of December 17, 2021. The Revised 2021 Professional Services Budget includes a \$21,000 allocation to David Drown Associates for the new City Manager search and hiring process. The budget also sets aside funds of \$25,000 and \$20,000 in 2021 and 2022, respectively, to conduct a salary survey and compensation study.

**City of White Bear Lake
Employment Expense Fund**

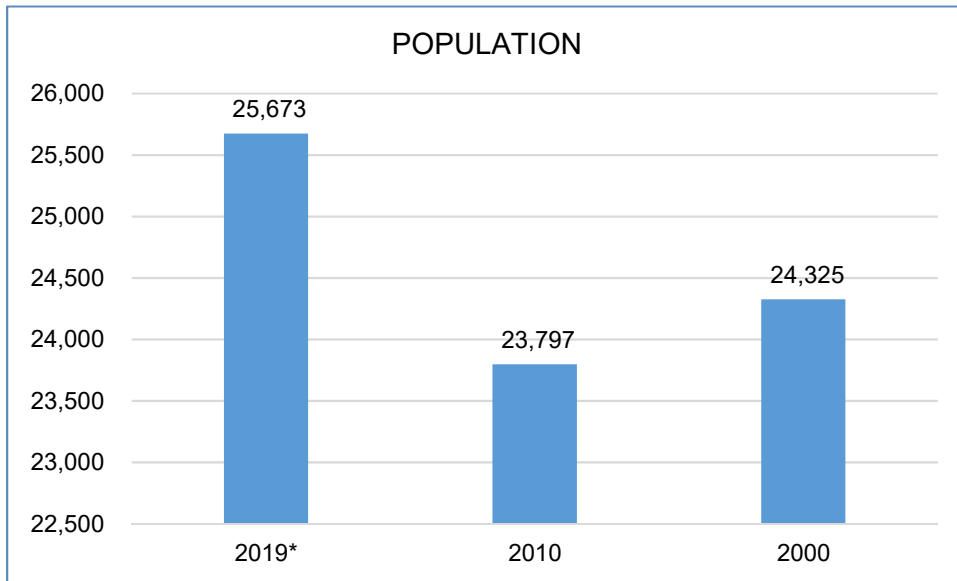
**Annual Budget
Fund Summary**

Code	Item	2019 Actual	2020 Actual	2021 Adopted	2021 Revised	2022 Budget
Revenues						
4819	Department reimbursements					
	General Fund	\$ 1,991,313	\$ 2,101,610	\$ 2,226,079	\$ 2,226,079	\$ 2,561,313
	Marina Fund	1,591	1,809	2,270	2,270	2,353
	Armory Fund	6,822	6,357	9,577	9,577	10,138
	Surface Water	10,923	11,331	23,513	23,513	24,553
	Economic Development Fund	18,758	32,963	28,624	28,624	30,384
	Municipal Building Fund	20,025	-	-	-	-
	Water Fund	112,427	115,642	123,808	123,808	132,134
	Sewer Fund	95,389	101,099	122,255	122,255	130,235
	Refuse Fund	403	264	659	659	681
	Sports Center Fund	82,180	79,887	91,530	91,530	108,858
	Ambulance Fund	362,005	403,022	406,814	406,814	506,765
	License Bureau	189,628	183,559	189,283	189,283	233,334
	Engineering	-	-	-	-	-
	Total reimbursements	<u>2,891,464</u>	<u>3,037,543</u>	<u>3,224,412</u>	<u>3,224,412</u>	<u>3,740,748</u>
	Other revenue					
4604	Federal grants	-	14,890	-	-	-
4646	Miscellaneous state aid - PERA	17,350	-	17,350	17,350	17,350
4809	Charges for services	1,033	1,078	1,080	1,080	2,700
4955	Interest	44,270	39,977	30,000	30,000	30,000
5350	Miscellaneous revenue	16	36	-	-	-
5360	Refunds and reimbursements	150,002	78,212	-	191,794	-
	Total other revenue	<u>212,671</u>	<u>134,193</u>	<u>48,430</u>	<u>240,224</u>	<u>50,050</u>
	Transfers In					
5205	Economic Development Fund	-	5,775	-	-	-
	Total revenue	<u>3,104,135</u>	<u>3,177,511</u>	<u>3,272,842</u>	<u>3,464,636</u>	<u>3,790,798</u>
Expenditures						
	Employee pensions					
6122	PERA - defined benefit	1,000,660	1,084,089	1,150,000	1,150,000	1,240,000
6123	PERA - defined contribution	5,198	2,722	5,000	5,000	4,000
6124	FICA	453,788	429,881	484,000	484,000	520,000
	Total employee pensions	<u>1,459,646</u>	<u>1,516,692</u>	<u>1,639,000</u>	<u>1,639,000</u>	<u>1,764,000</u>
	Insurance benefits					
6130	Health insurance	835,186	907,299	900,000	900,000	963,000
6131	Health savings account contribution	53,632	67,803	64,000	70,000	70,000
6132	Life insurance	4,972	8,888	11,000	11,000	11,500
6134	Dental insurance	2,242	(100)	500	500	500
6136	ICMA contributions	121,797	126,233	130,000	130,000	130,000
	Total insurance benefits	<u>1,017,829</u>	<u>1,110,123</u>	<u>1,105,500</u>	<u>1,111,500</u>	<u>1,175,000</u>
	Other employee benefits					
6138	Worker's compensation	541,953	514,782	565,000	610,000	694,000
6144	Unemployment	19,978	32,921	15,000	15,000	20,000
6146	Severance pay	148,950	184,986	168,000	187,428	204,000
	Total other employee benefits	<u>710,881</u>	<u>732,689</u>	<u>748,000</u>	<u>812,428</u>	<u>918,000</u>
	Other services					
6401	Professional services	1,777	2,441	4,000	50,000	24,000
6455	Legal notices publications	-	-	300	300	300
6470	Training	301	-	-	-	-
6560	Contractual services	5,791	3,230	13,375	11,275	14,275
	Total other services	<u>7,869</u>	<u>5,671</u>	<u>17,675</u>	<u>61,575</u>	<u>38,575</u>
	Total expenditures	<u>3,196,225</u>	<u>3,365,175</u>	<u>3,510,175</u>	<u>3,624,503</u>	<u>3,895,575</u>
	Revenues over (under) expenditures	<u>(92,090)</u>	<u>(187,664)</u>	<u>(237,333)</u>	<u>(159,867)</u>	<u>(104,777)</u>
	Fund balance January 1	<u>1,109,396</u>	<u>1,017,306</u>	<u>851,800</u>	<u>829,642</u>	<u>669,775</u>
	Fund balance December 31	<u>\$ 1,017,306</u>	<u>\$ 829,642</u>	<u>\$ 614,467</u>	<u>\$ 669,775</u>	<u>\$ 564,998</u>
Fund Balance Reconciliation to Financial Statements:						
	Budget fund balance December 31	\$ 1,017,306	\$ 829,642			
	Deferred outflows of OPEB resources	352,771	420,340			
	Net OPEB liability	(1,341,760)	(1,464,554)			
	Deferred inflows of OPEB resources	(24,883)	(22,033)			
	Financial statement fund balance December 31	<u>\$ 3,434</u>	<u>\$ (236,605)</u>			

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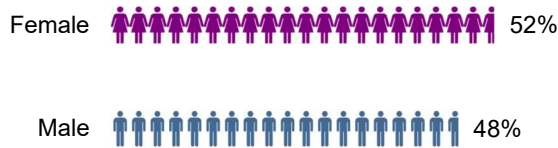
2019 POPULATION INFORMATION



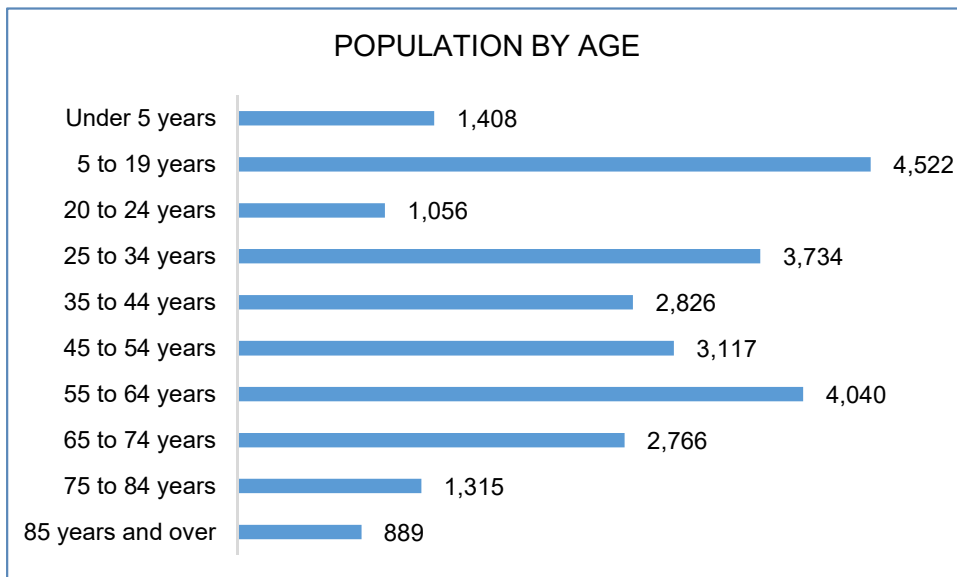
*2019 is an estimate from the United States Census Bureau.

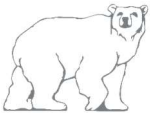
Population by Sex

Median Age



42 years

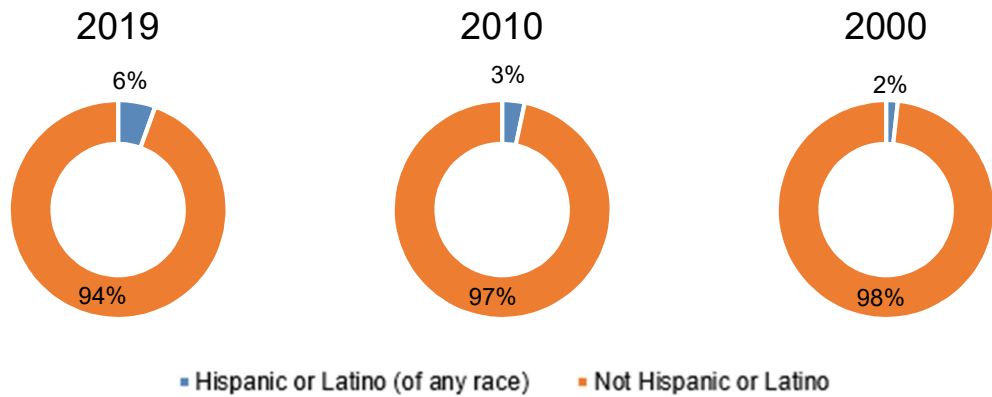




2019 POPULATION INFORMATION (CONTINUED)

POPULATION BY RACE

Race	2019	2010	2000
White	23,268	21,433	23,183
Black or African American	664	589	262
American Indian and Alaska Native	73	97	89
Asian	700	842	374
Other race	384	231	98
Two or more races	584	605	319

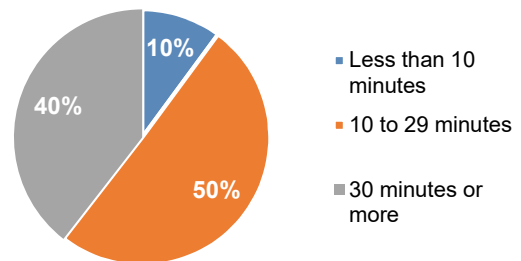


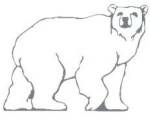
2019 OCCUPATION INFORMATION

Civilian employed population 16 years of age and over:

13,419

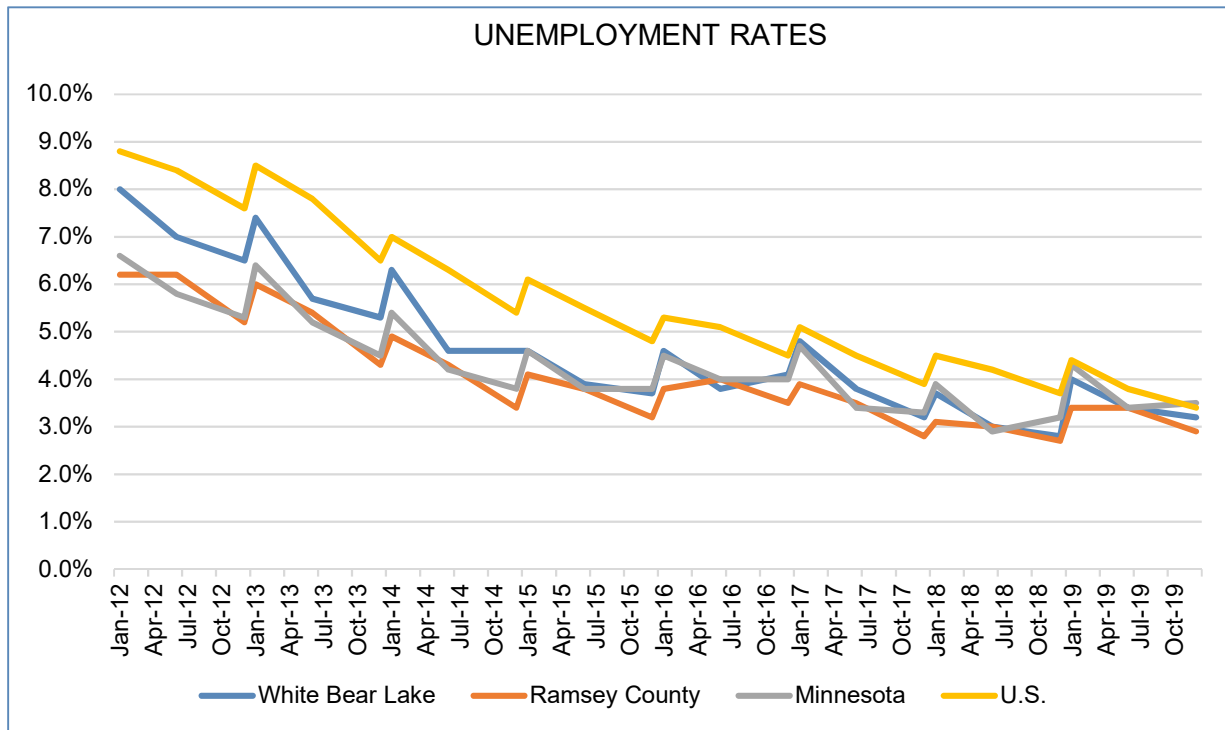
Travel Time to Work





2019 OCCUPATION INFORMATION (CONTINUED)

Industry:	Number of civilians employed
Construction	834
Manufacturing	1,522
Wholesale trade	441
Retail trade	1,368
Transportation and warehousing, and utilities	558
Information	390
Finance and insurance, and real estate and rental and leasing	800
Professional, scientific, and management, and administrative and waste management services	1,660
Educational services, and health care and social assistance	3,352
Arts, entertainment, and recreation, and accommodation and food services	1,216
Other services, except public administration	724
Public administration	554



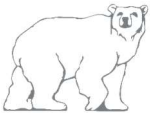
2019 HOUSING CHARACTERISTICS

Total housing units:

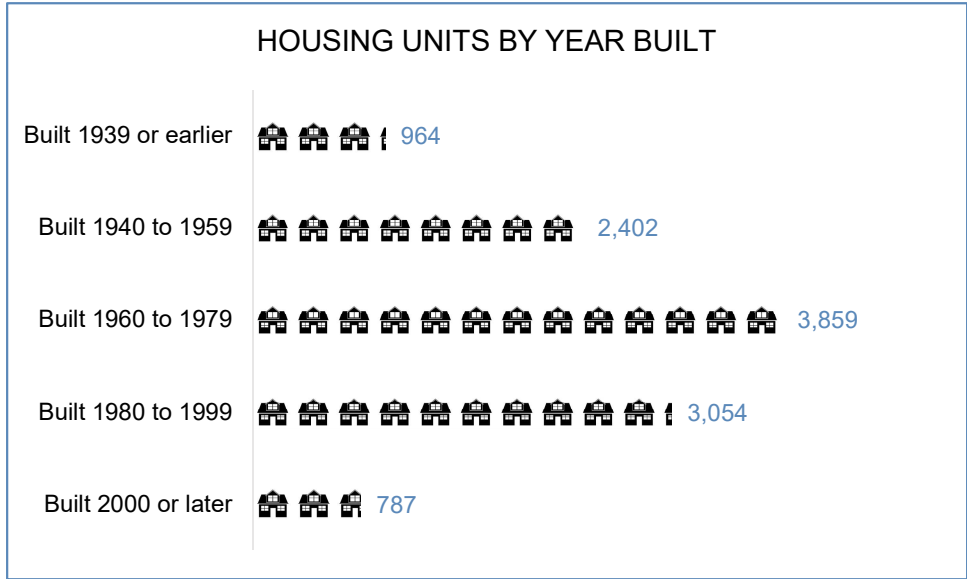
10,638

Average household size:

2.38



2019 HOUSING CHARACTERISTICS (CONTINUED)

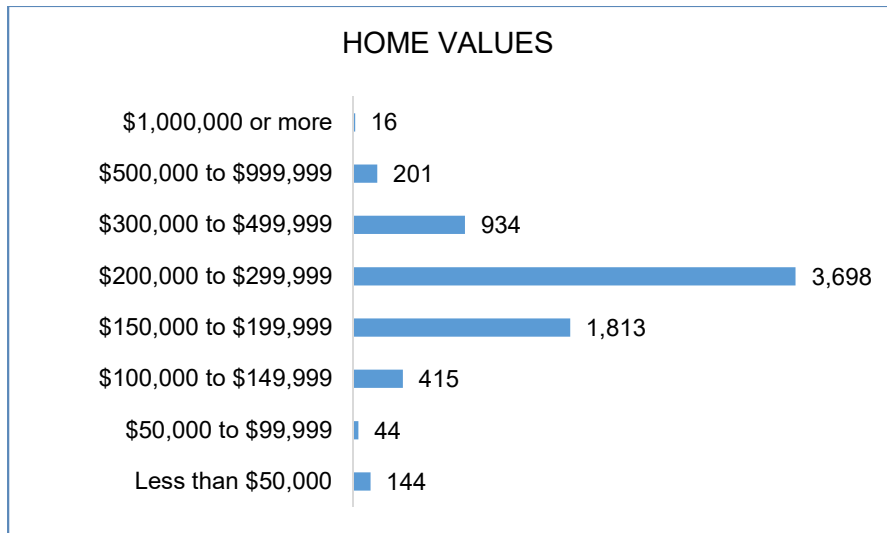


Median Home Value:

Median Monthly Mortgage Cost:

\$226,000

\$1,576



Occupied housing units: **10,664**

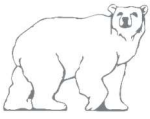
Vacant housing units: **402**

Owner-occupied units: **7,265**

Renter-occupied units: **3,351**

Housing units with a mortgage: **4,593**

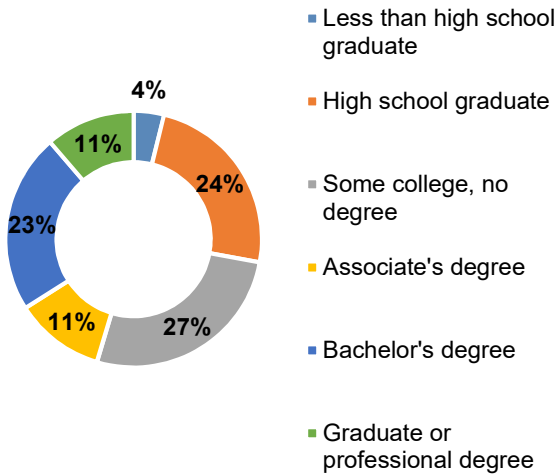
Housing units without a mortgage: **2,672**



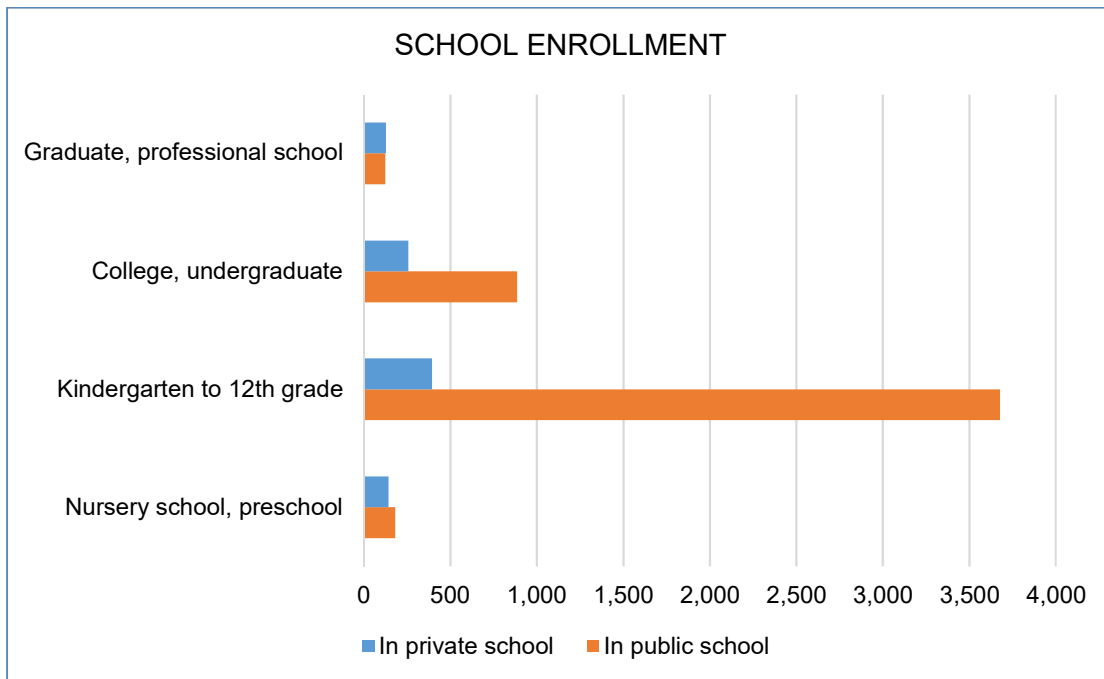
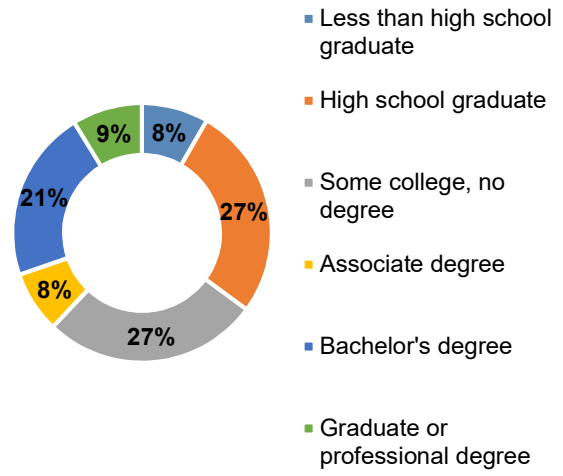
2019 EDUCATIONAL ATTAINMENT

96.2% of residents over 25 are high school graduates or higher.

2019 - 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				
	2011	\$ -	\$ 3,070,000	\$ -	\$ -				
2012	2,555,000	2,650,000	-	-	5,205,000	1,218,273,900	0.43%	23,820	218.51
2013	2,555,000	2,195,000	-	-	4,750,000	1,286,899,744	0.37%	24,074	197.31
2014	2,340,000	1,745,000	-	-	4,085,000	1,497,574,000	0.27%	24,100	169.50
2015	2,125,000	1,280,000	-	-	3,405,000	1,347,975,564	0.25%	24,159	140.94
2016	1,920,000	3,415,000	-	-	5,335,000	1,458,514,512	0.37%	24,138	221.02
2017	1,720,000	3,260,000	-	-	4,980,000	1,458,514,512	0.34%	25,001	199.19
2018	7,436,187	3,035,000	3,330,000	-	13,801,187	1,491,125,376	0.93%	25,512	540.97
2019	9,332,390	2,800,000	3,336,090	-	15,468,480	1,550,188,536	1.00%	25,752	600.67
2020	12,825,993	2,560,000	3,210,784	919,389	19,516,166	1,601,568,384	1.22%	25,752	757.85

City of White Bear Lake
Legal Debt Margin

Annual Budget

		<u>2021</u>
Estimated taxable market value		<u>\$ 3,160,276,100</u>
Debt limit - 3% of market value		94,808,283
Total bonded debt	\$ 23,053,675	
Less:		
Tax increment bonds	\$ 2,305,000	
Special assessment bonds	14,195,583	
Revenue bonds	<u>3,467,612</u>	
	<u>19,968,195</u>	
Total debt applicable		<u>3,085,480</u>
Legal debt margin		<u>\$ 91,722,803</u>

**City of White Bear Lake
Principal Property Taxpayers**

Annual Budget

Taxpayer	2020			2011		
	Tax Capacity Value	Rank	Percentage of Total City Tax Capacity	Tax Capacity Value	Rank	Percentage of Total City Tax Capacity
White Bear Woods Apartments	\$ 559,129	1	1.55%	\$ 224,813	3	0.95%
Xcel Energy	476,394	2	1.32%			
White Bear Marketplace	320,388	3	0.89%			
Trane Corporation	272,946	4	0.76%			
The Waters of White Bear Lake	265,000	5	0.74%	266,172	2	1.12%
Aspen Research	245,654	6	0.68%			
Birch Lake Townhomes	245,125	7	0.68%	176,768	6	0.74%
White Bear Shopping Center	232,576	8	0.65%			
The Pillars of White Bear Lake	226,000	9	0.63%	201,262	5	0.85%
Taylor Corporation	203,040	10	0.56%	148,532	9	0.63%
Sam's Club Retail				269,250	1	1.13%
K-Mart Corporation				209,250	4	0.88%
Festival Foods				163,250	7	0.69%
Life Time Fitness				155,250	8	0.65%
Cummins Sales and Services				133,840	10	0.56%
Total	\$ 3,046,252		8.46%	\$ 1,948,387		8.20%
Total Tax Capacity of City	\$ 35,992,838			\$ 23,760,537		

Source: Ramsey and Washington Counties

City of White Bear Lake
Larger Employers

Annual Budget

2020		
Employer	Type of Business/Product	Estimated Number of Employees
ISD No. 624 (White Bear Lake Area Schools)	Elementary and secondary education	1,338
Century College	Post-secondary education	600
Trane Corporation	HVAC distributor	360
Cerenity Care Center of White Bear Lake	Nursing home and senior living facilities	277
Life Time Fitness	Health club	200
Sam's Club	Discount retail store	180
City of White Bear Lake	Municipal and government services	153
Saputo Dairy	Dairy products	150
International Paper	Corrugated box plant	130
Taymark Corporation	Marketing supplies	100

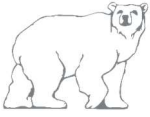
Source: Data Axle Reference Solutions, written and telephone survey (April 2021), and the Minnesota Department of Employment and Economic Development.

City of White Bear Lake
Capital Asset Statistics by Function

Annual Budget

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
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	17.00	17.00	18.00	18.00	17.00	19.00	19.00	20.00	19.00	19.00
Fire										
Stations	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Fire trucks	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	5.00
Rescue boats with motors	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Public Works										
Streets										
Miles (1)	114.81	114.81	114.81	114.81	114.81	114.81	114.81	114.81	114.81	114.81
Street lights	515.00	515.00	515.00	515.00	515.00	515.00	515.00	523.00	529.00	529.00
Parks and recreation										
Public docks	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00
Outdoor ice rinks	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Playgrounds	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00	11.00
Softball fields	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00	13.00
Basketball court	2.00	2.00	2.00	2.00	2.00	2.00	2.00	5.00	5.00	5.00
Disc golf course	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Sports Center										
Indoor ice rink	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Racquetball courts	4.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00	5.00
Water										
Miles of watermains	126.81	126.81	126.81	126.81	126.81	126.81	126.81	126.95	127.08	127.08
Fire hydrants	907.00	907.00	907.00	907.00	907.00	907.00	907.00	908.00	909.00	909.00
Sewer										
Miles of storm sewers	49.72	50.02	50.02	50.02	50.61	50.61	50.61	50.97	51.21	51.21
Miles of sanitary sewers	120.36	120.36	120.36	120.36	120.36	120.36	120.36	120.36	120.36	120.36

(1) Street miles listed on this report include City, County, MSA, and State and Private mileage within the City limits.



GLOSSARY OF TERMS

Accounting System: The total set of records and procedures which are used to record, classify, and report information on the financial status and operations of an entity.

Accrual Basis of Accounting: The method of accounting under which revenues are recorded when they are earned (Whether or not cash is received at that time) and expenditures are recorded when goods and services are received (whether cash disbursements are made at that time or not).

Amortization: (1) The portion of the cost of a limited-life or intangible asset charged as an expense during a particular period. (2) The reduction of a debt by regular payments of principal and interest sufficient to retire the debt by maturity.

Appropriation: An authorization made by the legislative body of a government which permits officials to incur obligations against and to make expenditures of governmental resources. Appropriations are usually made for fixed amounts and are typically granted for a one-year period.

ARPA: American Rescue Plan Act

Assessed Valuation: A valuation set upon real estate or other property by a government as a basis for levying taxes.

Assessment: (1) The process of making the official valuation of property for taxation. (2) The valuation placed upon property as a result of this process.

Assets: Property owned by a government which has a monetary value.

Audit: An objective examination and evaluation of the financial statements of an organization to make sure the financial records are a fair and accurate representation of the transactions they claim to represent.

Bond: A written promise to pay (debt) a specified sum of money (called principal or face value) at a specified future date (called the maturity date [s]) along with periodic interest paid at a specified percentage of the principal (interest rate). Bonds are typically used for long-term debt.

Budget: A plan of financial operation embodying an estimate of proposed expenditures for a given period and the proposed means of financing them.

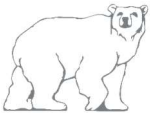
Budget Document: The official written statement prepared by the budget office and supporting staff which presents the proposed budget to the legislative body.

Budget Message: A general discussion of the proposed budget presented in writing as a part of or supplement to the budget document. The budget message explains principal budget issues against the background of financial experience in recent years and presents recommendations made by the chief executive and budget officer.

Capital Assets: Assets of significant value and having a useful life of several years. Capital assets are also called fixed assets.

Capital Improvements Budget: A plan of proposed capital expenditures and the means of financing them. The capital budget is usually enacted as part of the complete annual budget which includes capital outlays. The capital budget normally is based on a capital improvement plan (CIP).

Capital Improvement Plan (CIP): A plan for capital expenditures to be incurred each year over a fixed period of several future years setting forth each capital project, identifying the expected beginning and



ending date for each project, the amount to be expended in each year, and the method of financing those expenditures.

Capital Outlays: Expenditures for the acquisition of capital assets.

Capital Projects: Projects which purchase or construct capital assets. Typically a capital project encompasses a purchase of land and/or the construction of a building or facility.

CARES Act: Coronavirus Aid, Relief, and Economic Security Act

Cash Basis: The method of accounting under which revenues are recorded when received in cash and expenditures are recorded when paid.

CATV: Cable television

City Charter: Legal document which establishes the formal government and powers of the City.

Community Oriented Policing: Residents and Police Officers work together to promote safety in the City.

Comprehensive Annual Financial Report (CAFR): The official annual report of a government. It includes (a) the five combined financial statements in the combined statements-overview and their related notes and (b) combining statements by fund type and account group financial statements prepared in conformity with GAAP and organized into a financial reporting pyramid. It also includes supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions, required supplementary information, extensive introductory material and a detailed statistical section.

Conditional/Special Use Permit: Those uses which may be appropriate or desirable in a zoning district, but require special approval because they may create problems such as excessive height or bulk, traffic congestions, strain on essential facilities and services, etc.

Contingency Account: A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted for.

CPR: Cardiac Pulmonary Resuscitation

CPTED: Crime Prevention Through Environmental Design

DARE: Drug Abuse Resistance and Education

Debt: An obligation resulting from the borrowing of money or from the purchase of goods and services. Debts of governments include: bonds, time warrants and interest.

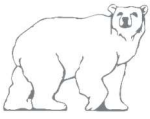
Debt Service: Payment of interest and repayment of principal to holders of a government's debt instruments.

Debt Service Fund: A fund established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Deficit: (1) The excess of an entity's liabilities over its assets (See Fund Balance); (2) the excess of expenditures or expenses over revenues during a single accounting period.

Department: A distinct division of an organization having a specialized function and personnel.

Depreciation: (1) Expiration in the service life of capital assets attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence; (2) that portion of the cost of capital asset



which is charged as an expense during a particular period.

EMS: Emergency Medical Services

Enterprise Fund: (1) A fund established to account for operations finance and operated in a manner similar to private business enterprises. In this case, the governing body intends that costs of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges.

Expenditures: Where accounts are kept on the accrual or modified basis of accounting, the cost of goods received or services rendered whether cash payments have been made or not. Where accounts are kept on a cash basis, expenditures are recognized only when the cash payments for the above purchases are made.

Fines & Forfeits: A sum of money imposed or surrendered as a penalty.

Fiscal Disparities: A distribution of 40% of the growth in commercial and industrial properties within the seven-county metropolitan area since 1971.

Fiscal Year: A 12-month period to which the annual operating budget applies and at the end of which a government determines its financial position and the results of its operations.

Full Faith And Concept: A pledge of the general taxing power of a government to repay debt obligations (typically used in reference to bonds).

Fund: An independent fiscal and accounting entity with a self-balancing set of accounts recording cash and/or other resources together with all related liabilities, obligations, reserves, and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives.

Fund Balance: The excess of funds assets over its liabilities. A negative fund balance is sometimes called a deficit.

General Fund: The fund used to account for all financial resources, except those required to be accounted for in another fund.

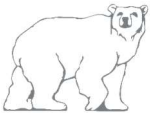
General Obligation Bonds: When a government pledges its full faith and credit to the repayment of the bonds it issues, then those bonds are general obligation (GO) bonds. Sometimes the term is also used to refer to bonds which are to be repaid from taxes and other general revenues.

General Obligation Revenue Bonds: Intended to be paid first from the revenues of the enterprise fund. They are backed by the full faith, credit and taxing power of the City.

Generally Accepted Accounting Principals (GAAP): Uniform minimum standards and guidelines for financial accounting and reporting. They govern the form and content of the financial statements of an entity. GAAP encompass the conventions, rules and procedures necessary to define accepted accounting practice at a particular time. They include not only broad guidelines of general application, but also detailed practices and procedures. GAAP provide a standard by which to measure financial presentations. The primary authoritative body on the application of GAAP to state and local governments is the GAAP.

G.I.S.: Geographic Information System

Governmental Accounting Standards Board (GASB): The authoritative accounting and financial reporting standard-setting body for government entities.



Governmental Funds: Funds used to account for the acquisition, use and balances of expendable financial resources and the related current liabilities-except those accounted for in proprietary funds and fiduciary funds. Under current GAAP, there are four governmental fund types: general, special revenue, debt service and capital projects.

Grant: A contribution of assets (usually cash) by one governmental unit or other organization to another. Typically, these contributions are made to local governments from the state and federal governments. Grants are usually made for specified purposes.

Homestead and Agricultural Credit Aid (HACA): A property tax relief program that replaced the former homestead credit program and the agricultural credit program. HACA is tied to class rate reductions for certain classes of property.

HRA: Housing and Redevelopment Authority

HVAC: Heating, Ventilation, Air Conditioning system

Infrastructure: The basic facilities, equipment, services and installations needed for the growth and functioning of a community. Includes roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems.

Intergovernmental Revenues: Revenues from other governments in the form of grants, entities, shared revenues or payments in lieu of taxes.

Internal Service Fund: A fund used to account for the financing of goods or services provided by one department of agency to other departments or agencies of a government, or to other governments, on a cost-reimbursement basis.

IUOE Local 49: International Union of Operating Engineers

Legal Debt Limit: The maximum amount of outstanding gross or net debt legally permitted.

Legal Debt Margin: The legal debt limit less outstanding debt subject to limitation.

Legislative: Having the power to create laws.

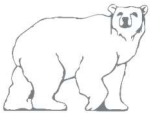
Levy: (1) (Verb) To impose taxes, special assessments or service charges for the support of government activities. (2) (Noun) The total amount of taxes, special assessments or service charges imposed by a government.

Local Government Aid (LGA): A state government revenue sharing program for cities and townships that is intended to provide an alternative to the property tax. LGA is distributed through a formula based on tax base, population, population decline, age of housing and the percent of market value classified as commercial or industrial.

LOGIS: Local Government Information Systems Association. A consortium of twenty-three Minnesota cities providing computer services to members under the governing of its members.

Market Value: An assessor's estimate of what property would be worth on the open market if sold. The market value is set on January 2 of the year before taxes are payable.

Market Value Credit Aid: A state government obligation to pay a certain portion of residential property tax. Homes valued at \$76,000 or less receives a \$304 state credit. The credit decreases \$9 for \$10,000 increase in market valuation. The credit is eliminated on homes valued at more than \$413,000.



Modified Accrual Basis: The basis of accounting under which expenditures other than accrued interest on general long-term debt are recorded at the time liabilities are incurred and revenues are recorded when received in cash except for material and/or available revenues, which should be accrued to reflect properly the taxes levied and revenue earned.

Maturities: The dates on which the principal or stated value of investments or debt obligations mature and may be reclaimed.

MS4: Municipal Separate Storm Sewer System. A conveyance or system of conveyances (roads with drainage systems, municipal streets, catch basins, curbs, gutters, ditches, man-made channels, storm drains, etc.) that is also:

- owned or operated by a public entity (which can include cities, townships, counties, military bases, hospitals, prison complexes, highway departments, universities, etc.) having jurisdiction over disposal of sewage, industrial wastes, stormwater, or other wastes, including special districts under State law such as a sewer district, flood control district or drainage districts, or similar entity, or an Indian tribe or an authorized Indian tribal organization, or a designated and approved management agency under section 208 of the Clean Water Act that discharges to waters of the United States;
- designed or used for collecting or conveying stormwater;
- which is not a combined sewer; and
- which is not part of a publicly owned treatment works.

NPDES: Federal National Pollutant Discharge Elimination System

Object of Expenditure: Expenditure classification based upon the types or categories of goods and services purchased. Typical objects of expenditure include:

- personal services (salaries and wages);
- contracted services (utilities, maintenance contracts, travel);
- supplies and materials; and,
- capital outlay.

Objective: Serving as a goal; being the object of a course of action.

Operating Budget: A plan of financial operation embodying an estimate of proposed expenditures for the calendar year and the proposed means of financing them (revenue estimates).

Operating Expenses: Proprietary fund expenses related directly to the fund's primary activities.

Operating Transfer: Routine and/or recurring transfers of assets between funds.

Ordinance: A formal legislative enactment by the government body of a municipality. If it is not in conflict with any higher form of law, it has the full force and effect of law within the boundaries of the municipality to which it applies.

PERA: Public Employees Retirement Association

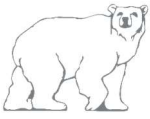
Performance Indicators: A quantitative or qualitative measurement of activity.

Policy: A set of guidelines used for making decisions.

Pre-Emptive Devices: Radio frequency controlled traffic light on emergency vehicles.

Program: Group activities, operations or organizational units directed to attaining specific purposes or objectives.

Proprietary Funds: Account for government's ongoing organizations and activities that are similar to those often found in the private sector. All assets, liabilities, equities, revenues, expenses and transfers relating



to the government's business and quasi-business activities are accounted for through proprietary funds. The GAAP used are generally those applicable to similar businesses in the private sector and the measurement focus is on determination on net income, financial position and changes in financial position. Includes enterprise and internal service funds.

Reserves: Assets kept back or saved for future use or special purpose.

Residual Equity Transfer: Non-recurring or non-routine transfers of assets between funds.

Retained Earnings: An equity account reflecting the accumulated earnings of the government's proprietary funds (those funds where service charges will recover costs of providing those services).

Revenue: The term designates an increase to a fund's assets which:

- does not increase a liability (e.g., proceeds from a loan);
- does not represent a repayment of an expenditure already made;
- does not represent a cancellation of certain liabilities; and
- does not represent an increase in contributed capital.

Revenue Estimate: A formal estimate of how much revenue will be earned from a specific revenue source for some future period; typically, a future fiscal year.

Special Assessment: A compulsory levy made against certain properties to defray part or all of the cost of a specific improvement or service deemed to primarily benefit those properties.

Special Revenue Fund: A fund used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditure for specified purposes.

SWPPP: Stormwater Pollution Prevention Program

Tax Capacity: A valuation set upon real estate and certain personal property by the County Assessor as a basis for levying property taxes. The assessor determines the estimated market (resale) value of the property. This value is converted to tax capacity by a formula specified in state law.

Tax Capacity Rate: The property tax rate which is based on the taxes levied as a proportion of the property value. A tax rate of 18.751% produces \$18.75 of taxes on each \$100 of tax capacity that a property is valued at.

Tax Levy: The total amount to be raised by general property taxes for the purposes stated in the resolution certified to the County Auditor.

Taxes: Compulsory charges levied by a government to finance services performed for the common benefit.

TRIAD: Local senior citizens group working with police officers to promote safety in their daily lives.

Truth In Taxation: The "taxation and notification law" which requires local governments to set estimated levies, inform taxpayers about the impacts, and hold a separate hearing to take taxpayer input.

Variance: A relaxation of the terms of the zoning ordinance where such variance will not be contrary to the public interest and where, owing to conditions peculiar to the property and not the result of the actions of the applicant, a literal enforcement of the ordinance would result in unnecessary and undue hardship.

VTRS: Vehicle Title and Registration System