

White Bear Township, Minnesota



Popular Annual Financial Report To The Community

For the fiscal year ended December 31, 2014

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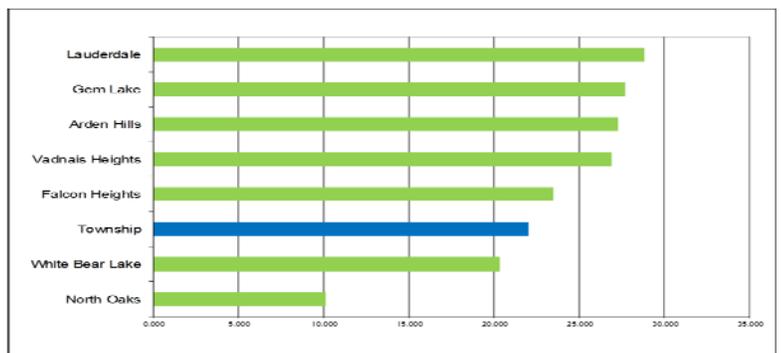
Making Cents

White Bear Township presents its Popular Annual Financial Report [PAFR]. The purpose of this report is to inform the community of the Town's financial activity in a simple, easy-to-read format for the fiscal year ending December 31, 2014. These highlights are based upon the Town's Comprehensive Annual Financial Report [CAFR] which is a more inclusive, audited document.

Township Ranked Well Against Surrounding Areas

Tax Rate Comparison

In a 2015 comparison of communities in Ramsey County, the average cost of services on a home-stead home valued at \$227,200 in terms of property taxes showed White Bear Township ranking as one of the lowest. A \$227,200 valued home in the Township would pay \$39.58 per month in property taxes to the Township.



Township's Six Basic Fund Types

In order for the Town to manage the community finances smoothly, it divides various activities into several different funds.

Dividing Up Your Property Tax Dollar

Your tax dollar is divided between several governmental entities. The Town collects 19 cents of every tax dollar for Town services. The remaining portions are divided among Ramsey County, the school district and other agencies.



- The **General Fund** accounts for revenues and expenses that provide for *basic operations of the Town* i.e., police and fire protection and street maintenance.
- The **Capital Fund** collects revenues from special assessments, state, and county aids and allots them toward *construction or major capital expenses*.
- **Special Revenue Funds** account for activities restricted to *specific purposes* like economic development.
- **Enterprise Funds** account for *activities that operate as public enterprises* which are paid for by user fees, i.e., water, sewer & surface water management.
- **Debt Service Funds** track revenues and expenses related to *repayment of long term debt*.
- **Internal Service Funds** account for the acquisition, operation, and maintenance of governmental facilities and services,

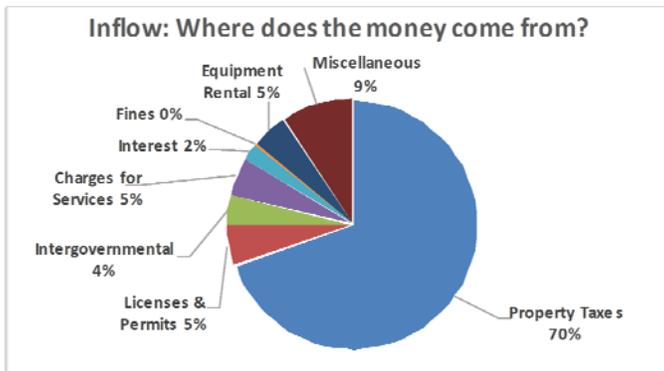
General Fund Revenue

The Town's General Fund is the largest fund and also one of the most vital to the Town's operation. The General Fund is the primary fund that accounts for everyday general expenditures like street and park maintenance, police protection, and fire protection while at the same time supplementing portions of the other funds. Like most funds, the General Fund relies on the inflow of cash, shown as revenues and subsequently the outflow listed as expenditures. The primary revenue for the General Fund is property taxes.

	2013	2014
Property Taxes	2,815,835	2,778,830
Licenses & Permits	167,323	208,418
Intergovernmental	173,712	155,481
Charges for Services	160,587	191,436
Interest Earnings	(50,523)	88,889
Fines	11,516	11,622
Equipment Rental	172,625	186,925
Miscellaneous	348,857	366,966
Total Revenues	3,799,932	3,988,567

Inter-governmental revenues are items like state/county

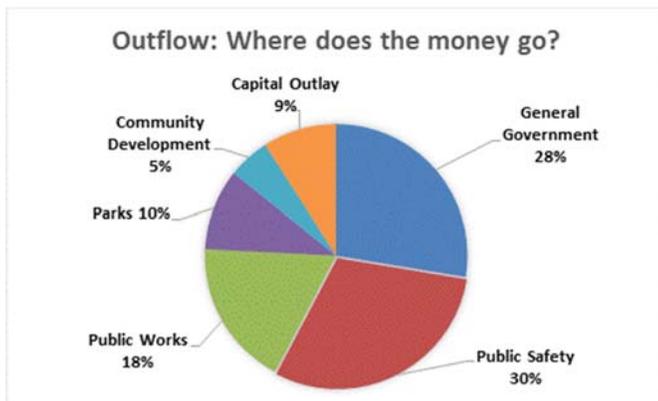
aids and grants. For the year end of 2014, the Town's revenue total was \$3,988,567 which was a \$188,635 (4.9%) increase from the previous year. This is mainly due to an increase in license permit revenue on commercial construction, and an increase in interest earnings as the Town is required to report investments at market value at year-end.



General Fund Expenditure

The Town's total General Fund expenditures for 2014 were \$3,747,296 which was \$127,975 (3%) under the final budget. Overall, General Fund expenditures increased \$327,934 (9%) from 2013. General Government costs increased \$159,369 (18% of the increase from 2013) due to staff reorganization and Capital

	2013	2014
General Government	874,877	1,034,246
Public Safety	1,107,462	1,127,832
Public Works	634,706	678,214
Parks	368,132	373,204
Community Development	184,710	192,825
Capital Outlay	249,475	340,975
Total Expenditures	3,419,362	3,747,296



Outlay increased \$91,500 (37%) for

equipment purchases, while other departments had slight increases or decreases as a result of department activity. The chart to the left highlights the amount funded to each of the Town's functions.

Township Departments

General Government: This department provides the overall direction for the Town as determined by the Town Board. It is responsible for maintaining Town records; issuing licenses; administering Town policies; election procedures; and the financial affairs of White Bear Township in accordance with the Government Accounting Standards Board (GASB) and Generally Accepted Accounting Principals (GAAP).

Public Safety: This department includes police, and fire protection, and code enforcement, which includes building inspection activities.

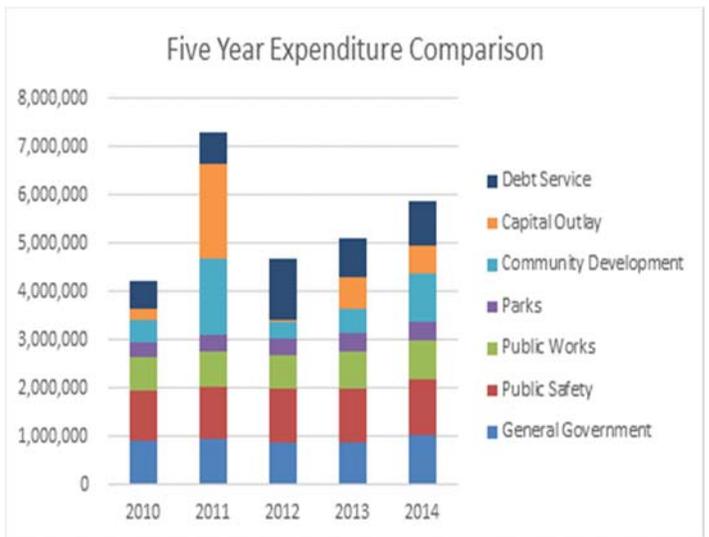
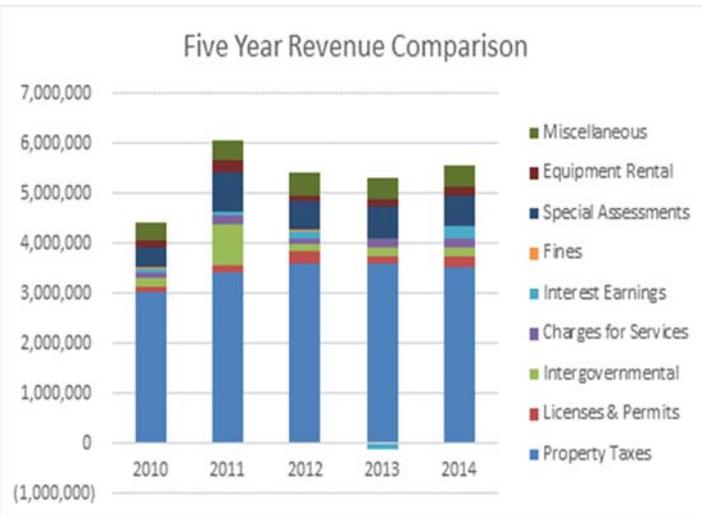
Community Development: This department is responsible for ensuring that laws, ordinances, and zoning codes are enforced. It is also responsible for Economic Development within the Town.

Public Works: This department manages the Town's infrastructure as it relates to roadways, water, sewer, and surface water management.

Parks & Recreation: This department is responsible for maintaining the Town's parks and trails.

Governmental Revenue & Expenditure

The Town’s revenues for 2014 (for all funds except Enterprise and Internal Service Funds) totaled \$5,558,831 an increase of 7.1% from 2013. This increase is mainly attributable to a increase in investment earnings, as the Town is required to report investments at fair market value at year-end. The graph below illustrates the Town’s various revenue sources.



The Township prides itself on controlling spending while providing the best services possible. In 2014, the Town’s expenditures (for all funds except Enterprise and Internal Service Funds) totaled \$5,890,422, an increase of 15.3% from 2013. The increase was largely due to a refund of Tax Increment payments to the Ramsey County for redistribution to taxing entities. The chart above highlights the Town’s ability to control its expenditures over a five year period and demonstrates the Town’s priorities over different departments within the individual year.

Special Revenue Funds

The Township has two special revenue funds. Special revenue funds are used to account for revenues derived from specific taxes or other earmarked revenue sources. They are required by statute to finance particular functions, activities, or governments. See the 2014 CAFR for more information.

EDA=Economic Development Authority, had revenues of \$759,656 and expenditures of \$823,450. The main revenue source is tax increments, which are used for economic development purposes. The main expenditure in 2014 was a refund of past tax increments collected to Ramsey County for redistribution.

The other Town special revenue fund is the Town’s Park Acquisition and Development Fund, which is for the development of parks within the Township. For 2014 the Park Acquisition Fund had revenues of \$25,631 and expenditures of \$34,981.

Internal Service Funds

Internal service funds are an accounting device used to accumulate and allocate costs internally among the Town’s various functions. The Town maintains an internal service fund for risk management (insurance activities).

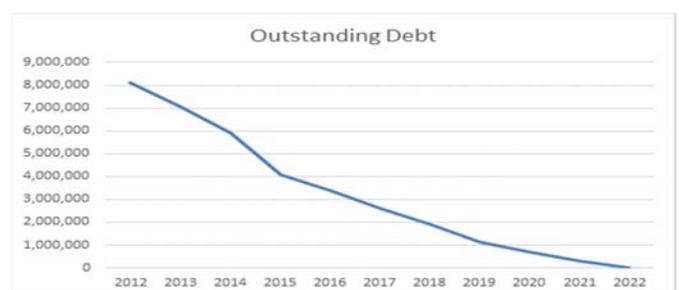
Revenue — \$154,489

Expenses — \$112,958

Long Term Debt

White Bear Township maintains an “Aa2” rating from Moody’s Investor Service. The Town currently has six G. O. bond issues outstanding, with the final payment scheduled to be made in 2022. The Township retired the 2004A Public Facility Bonds in early 2015.

In 2011, the Township refinanced two bond issues because of lower interest rates. In addition the Town has retired two bond issues early to reduce interest payments in the future. The chart also shows the Town is committed to repaying its debt in a timely manner. The 2014 revenues were \$335,608 in special assessment collections, property taxes and interest, expenditures were \$955,355 and transfers in from TIF districts and Utility funds were \$370,940.



Capital Funds

Improvement Fund

The Town has a successful program for maintaining the life of Township streets. The Town identifies, inventories, and tracks street conditions to ensure that the proper maintenance is done at the appropriate time. The program includes annual crack sealing and a seal coating project area to prolong pavement life and reduce overall costs to property owners. The program was initiated to insure a good maintenance program for Township aging streets.

Revenues (*Assessment & Interest*) — \$393,919
Expenses — \$269,067

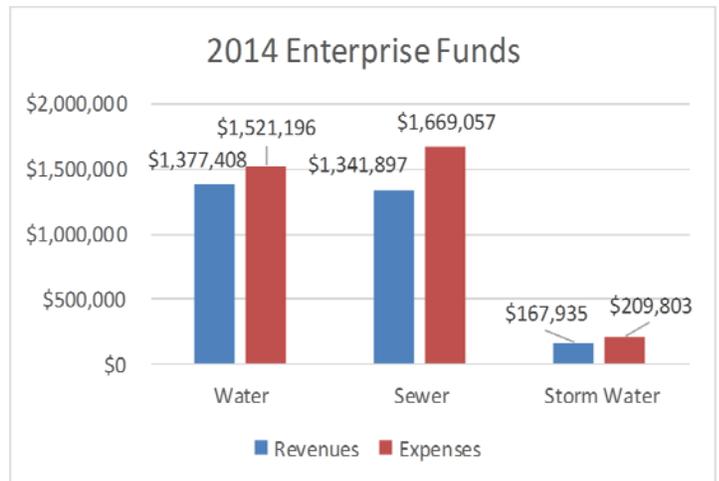
Community Park Improvement Fund

The Community Park Improvement Fund receives the majority of its funding through billboard revenues for the financing of capital improvements to the Town's Community Park (Polar Lakes Park). The park consist of baseball/softball and soccer fields, an amphitheater, and a playground.

Revenues - \$55,450
Expenses — \$60,273

Enterprise Fund

These funds consist of utility services provided to the community by the Town such as water, sanitary sewer, and storm water. A comprehensive water rate study was completed in 2012 and reviewed in 2013. As a result of that study, the Town changed to a tiered rate system effective 2012. The sanitary sewer and storm water rates were studied in 2014 resulting in the first rate increase in seven years.



About this Report

White Bear Township reports financial year-end results in the Comprehensive Annual Financial Report (CAFR). The Popular Annual Financial Report (PAFR) is an unaudited report that summarizes the most significant data from the 2014 CAFR, and is consistent with Generally Accepted Accounting Principles. The report reflects the net tax cost by service expenditure, developed by crediting related revenues against appropriate expenditures and allocating local taxes against the remaining balance.

For a complete review of the Town's financial position for 2014, consult the 2014 CAFR available on the Town's website at www.ci.white-bear-township.mn.us, the **Town's Facebook Page**, or from the Finance Department at 651.747-2750.

How Tax Dollars Buy Town Services

Residents receive a variety of Township services at an affordable price. The cost of Township services in 2015 for the owner of a median valued home (\$227,200) in White Bear Township is \$39.58 per month. Utilities remain competitively priced in 2015. The value received from Town services compared favorably to charges of other monthly bills.

Description of Transaction	Balance
Public Safety	\$12.88
General Government	\$ 9.51
Parks and Recreation	\$ 6.10
Public Works	\$10.01
Debt Services	\$ 1.08
Total	\$39.58

Homeowner White Bear Township, MN	DATE	January 1, 2015	101
PAY TO THE ORDER OF	White Bear Township \$ 39.58		
	Thirty Nine & 58/100 DOLLARS		
YOUR BANK 1221 Main Street Anywhere, US 10001 MONTHLY police, fire, street FOR maintenance, parks, programs etc.			
		Homeowner	
33401068		7269914625* 0101*	

Property Tax-Supported Services

The checkbook shows how the monthly cost of property tax-supported services was divided among Town departments.

Monthly Cost of Utilities

Based on an average usage of 4,800 gallons per month, monthly cost of utilities for a home in the Town is \$36.71 in 2015 (The Town bills on a quarterly basis). The bill includes water, sewer, and storm water.