

# White Bear Township, Minnesota



## Popular Annual Financial Report To The Community

For the fiscal year ended December 31, 2018

### Inside this issue:

<b>General Fund</b>	2
<b>Internal Service Funds</b>	3
<b>Long-Term Debt</b>	3
<b>Special Revenue Funds</b>	3
<b>Demographics</b>	3
<b>Capital Funds</b>	4
<b>Enterprise Funds</b>	4
<b>Overall Financial Condition</b>	4
<b>Monthly Bill</b>	4

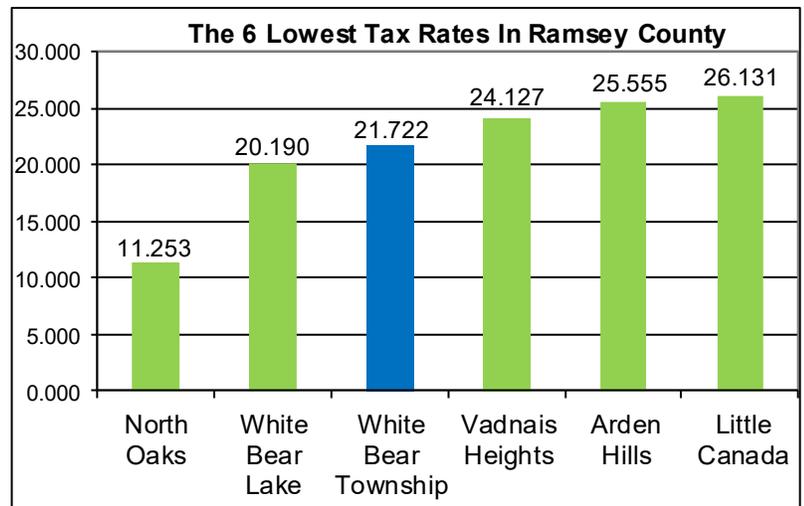
### Making Cents

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, 2018. 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 2018 comparison of communities in Ramsey County, the average cost of services on a median valued home of \$265,900 in terms of property taxes showed White Bear Township ranking as one of the lowest. A \$265,900 valued home in the Township would pay \$45.75 per month in property taxes to the Township.



### Dividing Up Your Property Tax Dollar

Your tax dollar is divided between several governmental entities. The Town collects 20 cents of every tax dollar for Town services. The remaining portions are divided among Ramsey County, the school district and other agencies.



48¢ Ramsey County  
20¢ White Bear Township  
24¢ School District  
8¢ Other agencies

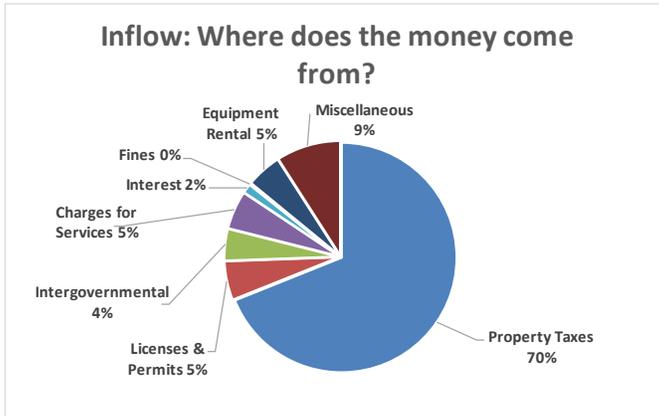
### Township's Six Basic Fund Types

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

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

## General Fund Revenue

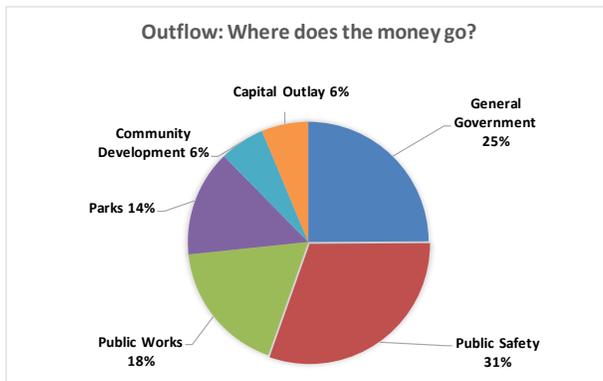
The Town's General Fund is the largest fund and also one of the most vital to the Town's operation. The General Fund is the primary fund that accounts for everyday general expenditures like street and park maintenance, police protection, and fire protection while at the same time supplementing portions 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. Intergovernmental revenues are items like state/county aid and grants. For 2018 the Town's revenue total was \$4,679,135 which was a \$122,269 (7.4%) increase from the previous year. This is mainly due to an increase in the property tax levy and revenues received from the Pine Hill and Three Oaks Residential Development projects. The other revenue classifications were similar to revenues received in 2017.



	2017	2018
Property Taxes	2,989,737	3,224,905
Licenses & Permits	233,907	257,957
Intergovernmental	189,536	210,381
Charges for Services	174,699	254,412
Interest Earnings	80,103	62,864
Fines	12,184	11,073
Equipment Rental	278,055	233,055
Miscellaneous	398,645	424,488
<b>Total Revenues</b>	<b>4,356,866</b>	<b>4,679,135</b>

## General Fund Expenditure

The Town's total General Fund expenditures for 2018 was \$4,275,461 which was \$231,970 (5.7%) over the final budget. Overall, General Fund expenditures increased \$385,050 (9.9%) from 2017. General Government costs increased \$87,368 because of the update to the Town's Comprehensive Plan, Public Works increased \$4,788, and Parks increased \$190,374, due to park improvements and maintenance items. The \$17,762 decrease in capital outlay is the result of smaller equipment purchases in 2018 compared to 2017. The chart below highlights the amounts funded to each of the Town's functions.



	2017	2018
General Government	977,656	1,065,024
Public Safety	1,215,198	1,303,621
Public Works	762,130	766,918
Parks	421,578	611,952
Community Development	227,580	259,439
Capital Outlay	286,269	268,507
<b>Total Expenditures</b>	<b>3,890,411</b>	<b>4,275,461</b>

## 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.

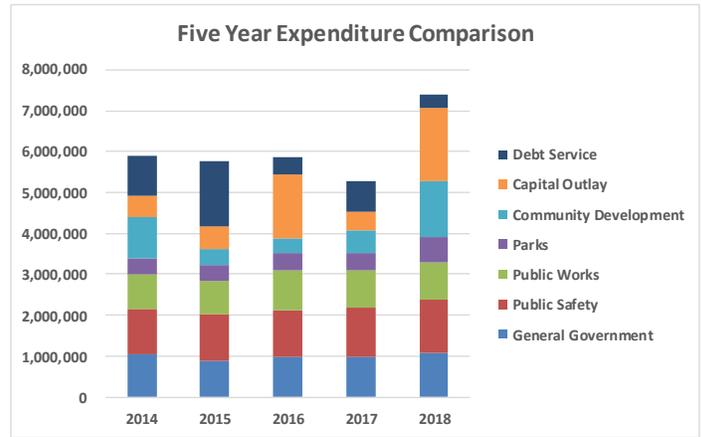
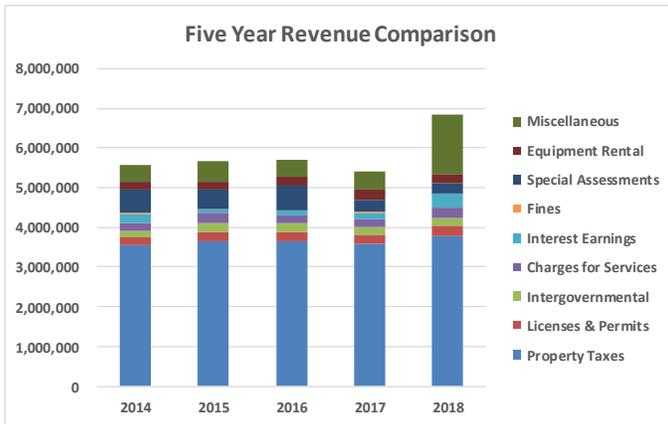
**Community Development:** This department is responsible for ensuring that laws, ordinances, and zoning codes are enforced. It is also responsible for Economic Development within the Town.

**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 Fund Revenue & Expenditure

The Town's revenues for 2018 (for all funds except Enterprise and Internal Service Funds) totaled \$6,829,269 an increase of 25.9% from 2017. This increase is attributable to increases in property taxes, licenses & permits, and charges for services related to two new residential developments. Miscellaneous Revenue increased \$1,015,136 for the payment of developer infrastructure costs. The graph below illustrates the Town's various revenue sources.



The Township prides itself on controlling spending while providing the best services possible. In 2018, the Town's expenditures (for all funds except Enterprise and Internal Service Funds) totaled \$7,406,039, an increase of 40.3% from 2017. The increase was due to a increase in capital outlay as a result of infrastructure improvements and the refunding of excess tax increments on developments for redistribution to taxing jurisdictions within the districts. 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 no 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 2018 CAFR for more information.

## Internal Service Funds

Internal service funds are an accounting device used to accumulate and allocate costs internally among the Town's various functions. As these funds accumulate, the Town will increase deductibles or self-insure assets of the Town to lower future insurance premiums. The Town maintains an internal service fund for risk management (insurance activities).

Revenue — \$188,216

Expenses — \$121,321

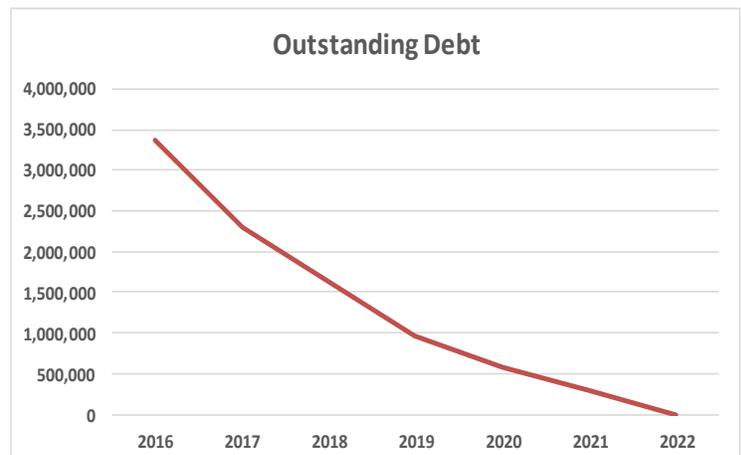
## Township Demographics

Population	11,789
Township Employees (FTE)	21.30
Miles of Streets	70.50
Acres of Parks	191.65
Market Value	\$1,416,566,500
Per Capita Personal Income	\$58,448
Median Age	36.2
Unemployment Rate	2.70%

## Long Term Debt

White Bear Township maintains a very good "Aa2" rating from Moody's Investor Service, which allows the Town to borrow funds at low interest rates and reflects sound financial position. The Town currently has four G.O. bond issues outstanding, with the final payment scheduled to be made through 2022.

In 2018, the Township did not issue any new debt and made its debt payments as scheduled. In the past, the Town has retired other bond issues early to reduce future interest payments. The chart also shows the Town is committed to repaying its debt in a timely manner. The 2018 revenues were \$134,214 in special assessment collections, property taxes and interest, expenditures were \$346,243 and transfers in from TIF districts and Utility funds were \$84,273.





### 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 2018 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, consult the 2018 CAFR available on the Town's website at [www.whitebeartownship.org](http://www.whitebeartownship.org) or from the Finance Department at 651-747-2750.

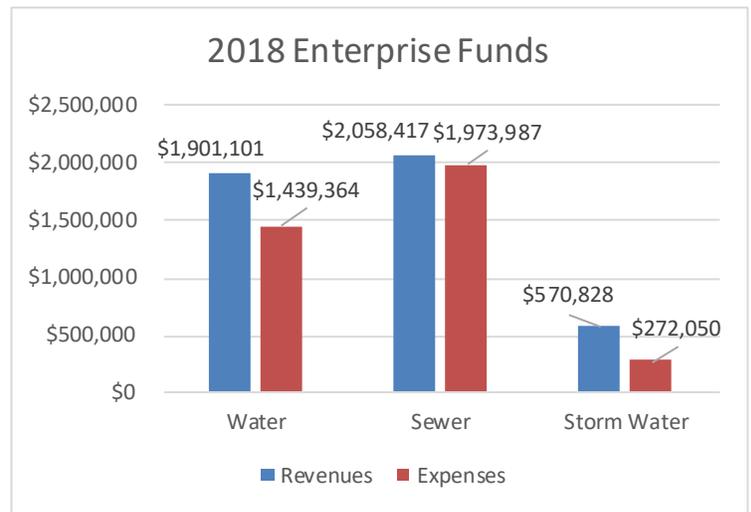


## Capital Funds

The Township has five Capital Project Funds, one of which is for economic development, one for road improvements and additions, and three which are for park and trail improvements. The Town has a 10-year pavement management plan for maintaining the life of Township streets, which identifies and tracks street conditions to ensure that the proper maintenance is scheduled at the appropriate time. The main revenue source for this fund is special assessments to benefitting properties and interest earnings. Revenue sources for the park improvement funds include billboard lease revenues, park dedication fees, interest earnings, and transfers from other funds. Improvement projects in these capital funds are scheduled in the Town's 10-year Capital Improvement Plan (CIP). The Capital Project funds had revenues of \$2,015,920 in 2018. Transfers from other funds totaled \$83,838. Projects in 2018 included the Town's annual sealcoat project, playground equipment replacement, improvements to Bellaire Beach and a land purchase for future development. Total expenditures were \$1,680,821 in 2018.

## Enterprise Funds

These funds consist of utility services provided to the community by the Town such as water, sanitary sewer, and storm water. Annually a comprehensive rate study is completed. As a result of the study, the Town adjusts the rates to cover 100% of operating costs and 75% of asset depreciation expenses. In 2018 the Town Enterprise Funds all showed revenues above expenses.



## Overall Financial Condition

Overall the Township's financial condition remains stable in 2018 as demonstrated by the increase in the Town's net position to \$42,241,903. Cash and investments decreased to \$10,660,402 due to capital expenses. At the same time the Town's outstanding debt decreased by \$656,204 to \$1,776,754.

## How Tax Dollars Buy Town Services

### Check Register

ITEM NO.	DATE	DESCRIPTION OF TRANSACTION	PAYMENT / DEBIT (-)	DEPOSITS CREDIT (+)	BALANCE
		<b>Public Safety</b>			<b>\$18 00</b>
		<b>General Government</b>			<b>\$13 18</b>
		<b>Parks &amp; Recreation</b>			<b>\$ 6 96</b>
		<b>Public Works</b>			<b>\$ 7 61</b>
		<b>Debt Services</b>			<b>\$ 0 00</b>
		<b>Total</b>			<b>\$45 75</b>

Residents receive a variety of Township services at an affordable price. The cost of Township services in 2018 for the owner of a median valued home (\$265,900) in White Bear Township is \$45.75 per month. Utilities remain competitively priced in 2018. The value received from Town services compared favorably to charges of other monthly bills.

### 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 4,642 gallons per month, monthly cost of utilities for a home in the Town is \$51.24 in 2018 (The Town bills on a quarterly basis). The bill includes water, sewer, and storm water.

