

White Bear Township, Minnesota



Popular Annual Financial Report To The Community

For the fiscal year ended December 31, 2019

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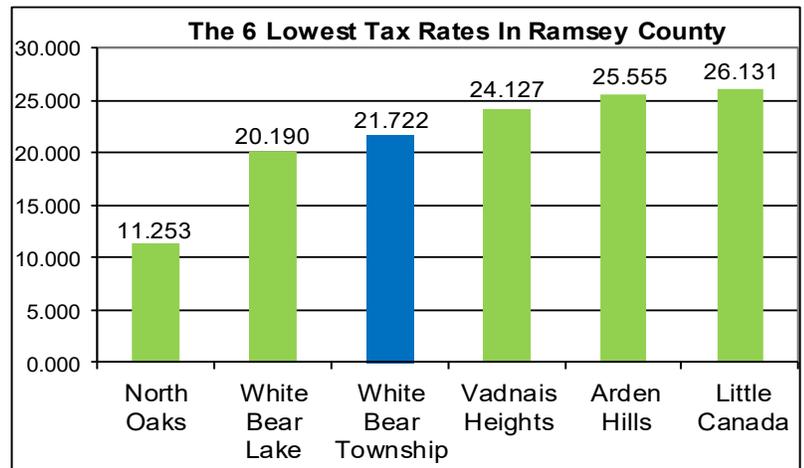
Making Cents

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, 2019. These highlights are based upon the Town's Comprehensive Annual Financial Report [CAFR] which is a more inclusive, audited document and available on the Town's website. Both the Town's CAFR and PAFR are consistent with generally accepted accounting principals (GAAP).

Township Ranked Well Against Surrounding Areas

Tax Rate Comparison

In a 2019 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

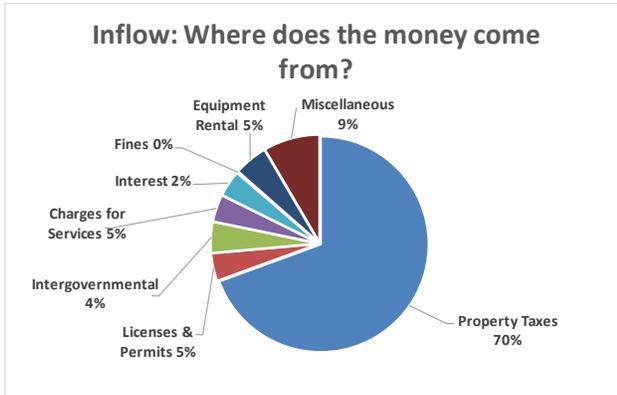
Township's Six Basic Fund Types

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

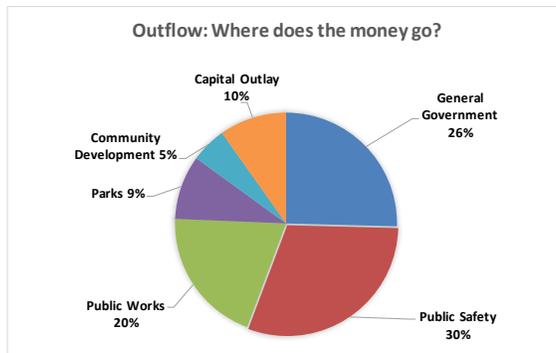
The Town's General Fund is the largest fund and also one of the most vital to the Town's operation. The General Fund is the primary fund that accounts for everyday general expenditures like street and park maintenance, police protection, and fire protection while at the same time supplementing portions 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 2019 the Town's revenue total was \$4,808,962 which was a \$129,827 (2.8%) increase from the previous year. This is mainly due to an increase in the property tax levy and revenues received interest earnings on investments. The other revenue classifications were similar to revenues received in 2018.



	2017	2018	2019
Property Taxes	2,989,737	3,224,905	3,338,245
Licenses & Permits	233,907	257,957	200,707
Intergovernmental	189,536	210,381	223,891
Charges for Services	174,699	254,412	196,193
Interest Earnings	80,103	62,864	191,031
Fines	12,184	11,073	9,728
Equipment Rental	278,055	233,055	243,300
Miscellaneous	398,645	424,488	405,867
Total Revenues	4,356,866	4,679,135	4,808,962

General Fund Expenditure

The Town's total General Fund expenditures for 2019 was \$4,338,107 which was \$250,409 (5.5%) below the final budget. Overall, General Fund expenditures increased \$62,646 (1.5%) from 2018. General Government costs increased \$37,331 due to the hiring of interns to begin scanning of all Town documents into electronic format. Public Works increased \$98,237, and Parks decreased \$205,836, due to park improvements and maintenance items. The \$156,067 increase in capital outlay is the result of larger equipment purchases in 2019 compared to 2018. The chart below highlights the amounts funded to each of the Town's functions.



	2017	2018	2019
General Government	977,656	1,065,024	1,102,355
Public Safety	1,215,198	1,303,621	1,314,534
Public Works	762,130	766,918	865,155
Parks	421,578	611,952	406,116
Community Development	227,580	259,439	225,373
Capital Outlay	286,269	268,507	424,574
Total Expenditures	3,890,411	4,275,461	4,338,107

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.

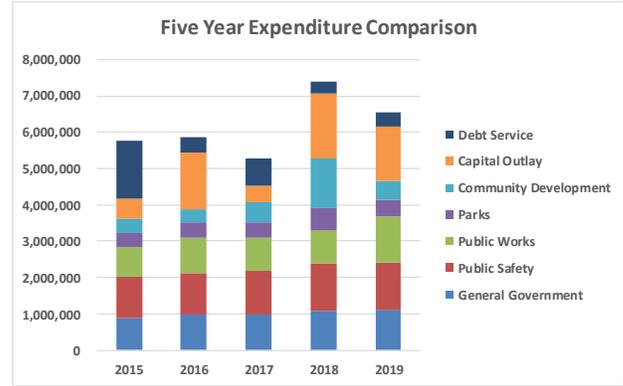
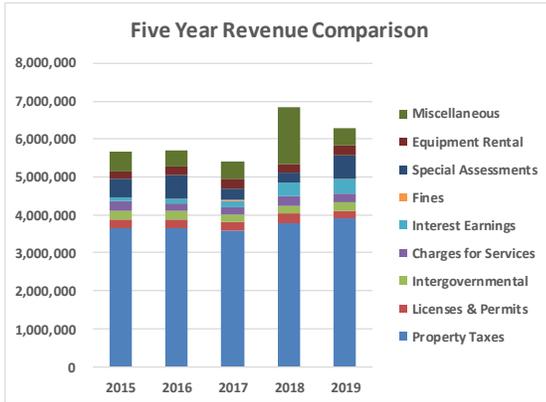
Community Development: This department is responsible for ensuring that laws, ordinances, and zoning codes are enforced. It is also responsible for Economic Development within the Town.

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 2019 (for all funds except Enterprise and Internal Service Funds) totaled \$6,292,937 a decrease of 7.9% from 2018. There was increase in property taxes due to an increase in the property tax levy and interest earnings due to better returns on Town investments. However, miscellaneous Revenue decreased \$1,000,416 due to the payment of developer infrastructure costs. Paid in 2018 compared to no developer costs in 2019 The graph below illustrates the Town's various revenue sources.



The Township prides itself on controlling spending while providing the best services possible. In 2019, the Town's expenditures (for all funds except Enterprise and Internal Service Funds) totaled \$6,549,756, a decrease of 11.6% from 2018. The decrease was due to a decrease 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 2019 CAFR for more information.

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 five G.O. bond issues outstanding, with the final payment scheduled to be made through 2029.

Internal Service Funds

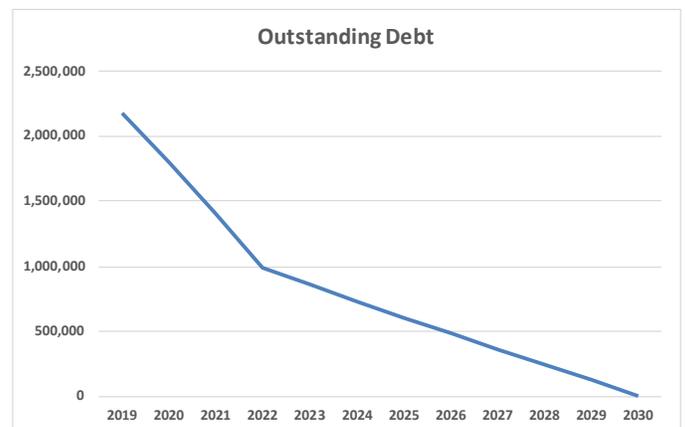
Internal service funds are an accounting device used to accumulate and allocate costs internally among the Town's various functions. As these funds accumulate, the Town will increase deductibles or self-insure assets of the Town to lower future insurance premiums. The Town maintains an internal service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

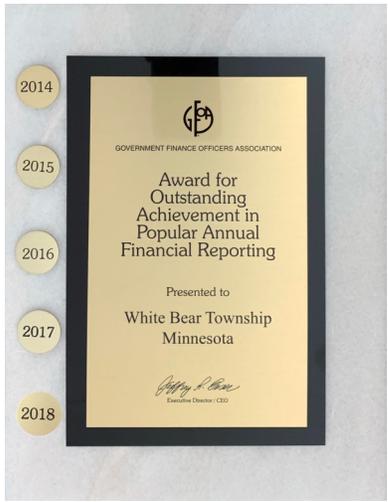
In 2019, the Township issue \$1,210,000 of new debt for road improvements and made its debt payments as scheduled. In the past, the Town has retired other bond issues early to reduce future interest payments. The chart also shows the Town is committed to repaying its debt in a timely manner. The 2019 revenues were \$588,770 in special assessment collections, property taxes and interest, expenditures were \$339,199 and transfers in from TIF districts and Utility funds were \$97,375.

Revenue — \$216,238
Expenses — \$128,199

Township Demographics

Population	11,095
Township Employees (FTE)	21.30
Miles of Streets	71.50
Acres of Parks	191.65
Market Value	\$ 1,491,651,600
# of Building Permits Issued	603
# of Water Customers	4,789
Per Capita Personal Income	\$60,301
Median Age	44.2
Unemployment Rate	3.10%





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 2019 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 [2019 CAFR](#) available on the Town's website at www.whitebeartownship.org or from the Finance Department at 651-747-2750.

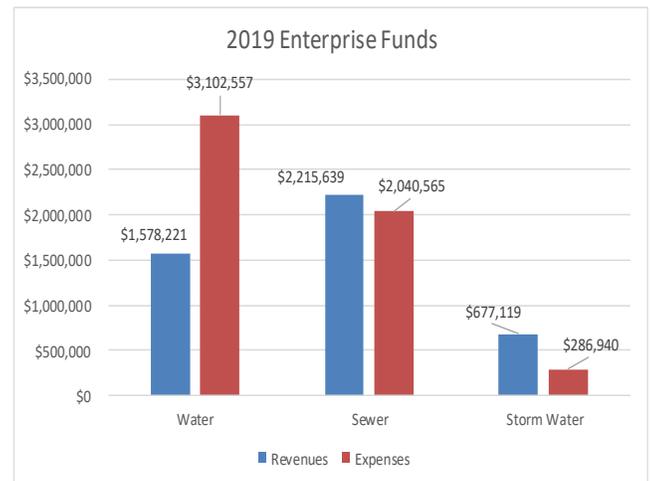


Capital Funds

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. The Capital Project funds had revenues of \$2,199,883 in 2019. Transfers from other funds totaled \$288,356. Projects in 2019 included the Town's annual sealcoat project, playground equipment replacement, improvements to Bellaire Beach, a land purchase for future development, and a road reconstruction project. Total expenditures were \$1,991,681 in 2019.

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 2019 the Sewer and Storm Water Funds showed revenues above expenses. The Water Fund shows a lose due to the painting of a water tower and replacing water meters.



Overall Financial Condition

Overall the Township's financial condition remains stable in 2019 as demonstrated by the increase in the Town's net position to \$43,711,262. Cash and investments increased to \$11,283,763 due to interest earnings. At the same time the Town's outstanding debt increased by \$623,700 to \$2,259,998.

How Tax Dollars Buy Town Services

Check Register

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

Residents receive a variety of Township services at an affordable price. The cost of Township services in 2019 for the owner of a median valued home (\$265,900) in White Bear Township is \$45.75 per month. Utilities remain competitively priced in 2019. 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 4,692 gallons per month, monthly cost of utilities for a home in the Town is \$54.79 in 2019 (The Town bills on a quarterly basis). The bill includes water, sewer, and storm water.

