

**ADDENDUM DATED APRIL 24, 2026  
TO PRELIMINARY OFFICIAL STATEMENT DATED APRIL 16, 2026**

**New Issue**

**Rating: S&P Global Ratings "AA+"/Stable**

**CITY OF WHITE BEAR LAKE, MINNESOTA  
(Ramsey and Washington Counties)**

**\$1,970,000\* GENERAL OBLIGATION  
STREET RECONSTRUCTION BONDS, SERIES 2026A**

**PROPOSAL OPENING:** April 28, 2026, 10:00 AM C.T.

Changes to the Preliminary Official Statement include:

- The par amount increased from \$1,805,000 to \$1,970,000. As a result, the minimum proposal amount and good faith deposit amount have changed.
- S&P Global Ratings has assigned a rating of "AA+" /Stable outlook to the above-referenced Bonds.
- Updated County values have been included.

Following is the revised Preliminary Official Statement.

# PRELIMINARY OFFICIAL STATEMENT DATED APRIL 16, 2026

In the opinion of Kennedy & Graven, Chartered, Bond Counsel, based on present federal and Minnesota laws, regulations, rulings and decisions (which exclude any pending legislation which may have a retroactive effect) and, assuming the accuracy of certain representations and continuing compliance with certain covenants set forth in the resolutions approving the issuance of the Bonds, interest to be paid on the Bonds is excludable from gross income for federal income tax purposes and, to the same extent, is excludable from taxable net income of individuals, trusts, and estates for Minnesota income tax purposes, and is not a preference item for purposes of computing the federal alternative minimum tax or the Minnesota alternative minimum tax imposed on individuals, trusts, and estates. However, such interest is included in determining the adjusted financial statement income of applicable corporations for purposes of computing the alternative minimum tax imposed on such applicable corporations and is subject to Minnesota franchise taxes on certain corporations (including financial institutions) measured by income. No opinion will be expressed by Bond Counsel regarding the other state or federal tax consequences caused by the receipt or accrual of interest on the Bonds or arising with respect to ownership of the Bonds. See "TAX EXEMPTION" herein.

The City will designate the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

**New Issue**

**Rating: S&P Global Ratings: "AA+"/Stable**

## CITY OF WHITE BEAR LAKE, MINNESOTA (Ramsey and Washington Counties)

### \$1,970,000\* GENERAL OBLIGATION STREET RECONSTRUCTION BONDS, SERIES 2026A

**PROPOSAL OPENING:** April 28, 2026, 10:00 A.M., C.T.      **CONSIDERATION:** April 28, 2026, 7:00 P.M., C.T.

**PURPOSE/AUTHORITY/SECURITY:** The \$1,970,000\* General Obligation Street Reconstruction Bonds, Series 2026A (the "Bonds") are being issued pursuant to Minnesota Statutes, Section 475.58, subd. 3b, and Chapter 475, as amended, by the City of White Bear Lake, Minnesota (the "City"), to finance certain street reconstruction projects described in the City's Five -Year Street Reconstruction & Overlay Plan, dated March 10, 2026. The Bonds will be general obligations of the City for which its full faith and credit and taxing powers are pledged. Delivery is subject to receipt of an approving legal opinion of Kennedy & Graven, Chartered, Minneapolis, Minnesota.

**DATE OF BONDS:** May 19, 2026

**MATURITY:** February 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2028	\$110,000	2033	\$125,000	2038	\$140,000
2029	115,000	2034	125,000	2039	145,000
2030	115,000	2035	130,000	2040	150,000
2031	115,000	2036	130,000	2041	155,000
2032	120,000	2037	135,000	2042	160,000

**\*MATURITY ADJUSTMENTS:** The City reserves the right to increase or decrease the principal amount of the Bonds on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

**TERM BONDS:** See "Term Bond Option" herein.

**INTEREST:** February 1, 2027 and semiannually thereafter.

**OPTIONAL REDEMPTION:** Bonds maturing on February 1, 2037 and thereafter are subject to call for prior optional redemption on February 1, 2036 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

**MINIMUM PROPOSAL:** \$1,944,390.

**GOOD FAITH DEPOSIT:** A good faith deposit in the amount of \$39,400 shall be made by the winning bidder by wire transfer of funds.

**PAYING AGENT:** Bond Trust Services Corporation.

**BOND COUNSEL:** Kennedy & Graven, Chartered.

**MUNICIPAL ADVISOR:** Ehlers and Associates, Inc.

**BOOK-ENTRY-ONLY:** See "Book-Entry-Only System" herein (unless otherwise specified by the purchaser).

This Preliminary Official Statement and the information contained herein are subject to completion and amendment. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy these securities nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. This Preliminary Official Statement is in a form deemed final as of its date for purposes of SEC Rule 15c2-12(b) (1), but is subject to revision, amendment and completion in a Final Official Statement.



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## REPRESENTATIONS

No dealer, broker, salesperson or other person has been authorized by the City to give any information or to make any representation other than those contained in this Preliminary Official Statement and, if given or made, such other information or representations must not be relied upon as having been authorized by the City. ***This Preliminary Official Statement does not constitute an offer to sell or a solicitation of an offer to buy any of the Bonds in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction.***

This Preliminary Official Statement is not to be construed as a contract with the Underwriter (Syndicate Manager). Statements contained herein which involve estimates or matters of opinion are intended solely as such and are not to be construed as representations of fact. Ehlers and Associates, Inc. prepared this Preliminary Official Statement and any addenda thereto relying on information of the City and other sources for which there is reasonable basis for believing the information is accurate and complete. Bond Counsel has not participated in the preparation of this Preliminary Official Statement and is not expressing any opinion as to the completeness or accuracy of the information contained therein. Compensation of Ehlers and Associates, Inc., payable entirely by the City, is contingent upon the delivery of the Bonds.

## COMPLIANCE WITH S.E.C. RULE 15c2-12

Certain municipal obligations (issued in an aggregate amount over \$1,000,000) are subject to Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as amended (the "Rule").

**Preliminary Official Statement:** This Preliminary Official Statement was prepared for the City for dissemination to potential investors. Its primary purpose is to disclose information regarding the Bonds to prospective underwriters in the interest of receiving competitive proposals in accordance with the sale notice contained herein. Unless an addendum is posted prior to the sale, this Preliminary Official Statement shall be deemed nearly final for purposes of the Rule subject to completion, revision and amendment in a Final Official Statement as defined below.

**Review Period:** This Preliminary Official Statement has been distributed to prospective bidders for review. Comments or requests for the correction of omissions or inaccuracies must be submitted to Ehlers and Associates, Inc. at least two business days prior to the sale. Requests for additional information or corrections in the Preliminary Official Statement received on or before this date will not be considered a qualification of a proposal received from an underwriter. If there are any changes, corrections or additions to the Preliminary Official Statement, interested bidders will be informed by an addendum prior to the sale.

**Final Official Statement:** Copies of the Final Official Statement will be delivered to the Underwriter (Syndicate Manager) within seven business days following the proposal acceptance.

**Continuing Disclosure:** Subject to certain exemptions, issues in an aggregate amount over \$1,000,000 may be required to comply with provisions of the Rule which require that underwriters obtain from the issuers of municipal securities (or other obligated party) an agreement for the benefit of the owners of the securities to provide continuing disclosure with respect to those securities. This Preliminary Official Statement describes the conditions under which the City is required to comply with the Rule.

## CLOSING CERTIFICATES

Upon delivery of the Bonds, the Underwriter (Syndicate Manager) will be furnished with the following items: (1) a certificate of the appropriate officials to the effect that at the time of the sale of the Bonds and all times subsequent thereto up to and including the time of the delivery of the Bonds, this Preliminary Official Statement did not and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; (2) a receipt signed by the appropriate officer evidencing payment for the Bonds; (3) a certificate evidencing the due execution of the Bonds, including statements that (a) no litigation of any nature is pending, or to the knowledge of signers, threatened, restraining or enjoining the issuance and delivery of the Bonds, (b) neither the corporate existence or boundaries of the City nor the title of the signers to their respective offices is being contested, and (c) no authority or proceedings for the issuance of the Bonds have been repealed, revoked or rescinded; and (4) a certificate setting forth facts and expectations of the City which indicates that the City does not expect to use the proceeds of the Bonds in a manner that would cause them to be arbitrage bonds within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, or within the meaning of applicable Treasury Regulations.

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**CITY OF WHITE BEAR LAKE  
CITY COUNCIL**

		<u>Term Expires</u>
Mary Nicklawske	Mayor	January 2030
Kevin Edberg	Council Member	January 2030
Steven Engstran	Council Member	January 2028
Ellen Gurrola	Council Member	January 2030
Bill Walsh	Council Member	January 2028
Andrea West	Council Member	January 2028

**ADMINISTRATION**

Lindy Crawford, City Manager  
Kerri Kindsvater, Finance Director  
Caley Longendyke, City Clerk

**PROFESSIONAL SERVICES**

Kennedy & Graven, Chartered, Bond Counsel and City Attorney, Minneapolis, Minnesota

Ehlers and Associates, Inc., Municipal Advisors, Minneapolis, Minnesota  
*(Other office located in Waukesha, Wisconsin)*

# INTRODUCTORY STATEMENT

This Preliminary Official Statement contains certain information regarding the City of White Bear Lake, Minnesota (the "City") and the issuance of its \$1,970,000\* General Obligation Street Reconstruction Bonds, Series 2026A (the "Bonds"). Any descriptions or summaries of the Bonds, statutes, or documents included herein are not intended to be complete and are qualified in their entirety by reference to such statutes and documents and the form of the Bonds to be included in the resolution authorizing the issuance and sale of the Bonds ("Award Resolution") to be adopted by the City Council on April 28, 2026.

Inquiries may be directed to Ehlers and Associates, Inc. ("Ehlers" or the "Municipal Advisor"), Minneapolis, Minnesota, (651) 697-8500, the City's municipal advisor. A copy of this Preliminary Official Statement may be downloaded from Ehlers' web site at [www.ehlers-inc.com](http://www.ehlers-inc.com) by connecting to the Bond Sales link and following the directions at the top of the site.

## THE BONDS

### GENERAL

The Bonds will be issued in fully registered form as to both principal and interest in denominations of \$5,000 each or any integral multiple thereof, and will be dated, as originally issued, as of May 19, 2026. The Bonds will mature on February 1 in the years and amounts set forth on the cover of this Preliminary Official Statement. Interest will be payable on February 1 and August 1 of each year, commencing February 1, 2027, to the registered owners of the Bonds appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board ("MSRB"). **The rate for any maturity may not be more than 1.00% less than the rate for any preceding maturity. (For example, if a rate of 4.50% is proposed for the 2028 maturity, then the lowest rate that may be proposed for any later maturity is 3.50%.)** All Bonds of the same maturity must bear interest from the date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

Unless otherwise specified by the purchaser, the Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). (See "Book-Entry-Only System" herein.) As long as the Bonds are held under the book-entry system, beneficial ownership interests in the Bonds may be acquired in book-entry form only, and all payments of principal of, premium, if any, and interest on the Bonds shall be made through the facilities of DTC and its participants. If the book-entry system is terminated, principal of, premium, if any, and interest on the Bonds shall be payable as provided in the Award Resolution.

The City has selected Bond Trust Services Corporation, Minneapolis, Minnesota ("BTSC"), to act as paying agent (the "Paying Agent"). BTSC and Ehlers are affiliate companies. The City will pay the charges for Paying Agent services. The City reserves the right to remove the Paying Agent and to appoint a successor.

\*Preliminary, subject to change.

## OPTIONAL REDEMPTION

At the option of the City, the Bonds maturing on or after February 1, 2037 shall be subject to optional redemption prior to maturity on February 1, 2036 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the selection of the amounts and maturities of the Bonds to be redeemed shall be at the discretion of the City. If only part of the Bonds having a common maturity date are called for redemption, then the City or Paying Agent, if any, will notify DTC of the particular amount of such maturity to be redeemed. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interest in such maturity to be redeemed.

Notice of redemption shall be sent by mail not more than 60 days and not less than 30 days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books.

## AUTHORITY; PURPOSE

The Bonds are being issued pursuant to Minnesota Statutes, Section 475.58 and Chapter 475, as amended, by the City, to finance the 2026 street reconstruction projects described in the City's Five -Year Street Reconstruction & Overlay Plan, dated March 10, 2026.

## ESTIMATED SOURCES AND USES\*

### Sources

Par Amount of Bonds	\$1,970,000	
Prepaid Assessments	<u>52,900</u>	
<b>Total Sources</b>		<b>\$2,022,900</b>

### Uses

Total Underwriter's Discount (1.300%)	\$25,610	
Costs of Issuance	62,000	
Capitalized Interest	45,311	
Deposit to Construction Fund	1,887,253	
Rounding Amount	<u>2,726</u>	
<b>Total Uses</b>		<b>\$2,022,900</b>

\*Preliminary, subject to change.

## SECURITY

The Bonds will be general obligations of the City for which its full faith and credit and taxing powers are pledged without limitation as to rate or amount. The City anticipates that the debt service on the Bonds will be paid from ad valorem property taxes. In accordance with Minnesota Statutes, the City will levy each year an amount not less than 105% of the debt service requirements on the Bonds.

Although property taxes are pledged to the payment of the debt service on the Bonds each year, the City intends to reduce the property taxes for the Bonds on an annual basis with special assessments.

Should the ad valorem property taxes pledged for payment of the Bonds be insufficient to pay the principal and interest as the same shall become due, the City is required to pay maturing principal and interest from moneys on hand in any other fund of the City not pledged for another purpose and/or to levy a tax for this purpose upon all the taxable property in the City, without limitation as to rate or amount to make up any deficiency.

## **RATING**

The City received a "AA+"/Stable outlook rating on the Bonds from S&P Global Ratings ("S&P"), and bidders were notified as to the assigned rating prior to the sale. Such rating reflects only the views of such organization and explanations of the significance of such rating may be obtained from S&P.

Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. There is no assurance that such rating will continue for any given period of time or that it will not be revised downward or withdrawn entirely by such rating agency, if in the judgment of such rating agency circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Bonds.

Such rating is not to be construed as a recommendation of the rating agency to buy, sell or hold the Bonds, and the rating assigned by the rating agency should be evaluated independently. Except as may be required by the Disclosure Undertaking described under the heading "CONTINUING DISCLOSURE" neither the City nor the underwriter undertake responsibility to bring to the attention of the owner of the Bonds any proposed changes in or withdrawal of such rating or to oppose any such revision or withdrawal.

## **CONTINUING DISCLOSURE**

In order to assist brokers, dealers, and municipal securities dealers, in connection with their participation in the offering of the Bonds, to comply with Rule 15c2-12 promulgated by the Securities and Exchange Commission, pursuant to the Securities and Exchange Act of 1934, as amended (the "Rule"), the City shall agree to provide certain information to the Municipal Securities Rulemaking Board ("MSRB") through its Electronic Municipal Market Access ("EMMA") system, or any system that may be prescribed in the future. The Rule was last amended, effective February 27, 2019, to include an expanded list of material events.

On the date of issue and delivery of the Bonds, the City shall execute and deliver a Continuing Disclosure Certificate, under which the City will covenant for the benefit of holders including beneficial holders, to provide electronically, or in a manner otherwise prescribed, certain financial information annually and to provide notices of the occurrence of certain events enumerated in the Rule (the "Disclosure Undertaking"). The details and terms of the Disclosure Undertaking for the City are set forth in Appendix D. Such Disclosure Undertaking will be in substantially the form attached hereto.

A failure by the City to comply with any Disclosure Undertaking will not constitute an event of default on the Bonds. However, such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

In the previous five years, the City believes it has not failed to comply in all material respects with its prior undertakings under the Rule. The City has reviewed its continuing disclosure responsibilities along with any changes to the Rule, to ensure compliance. Ehlers is currently engaged as dissemination agent for the City.

## LEGAL OPINION

An opinion as to the validity of the Bonds and the exemption from taxation of the interest thereon will be furnished by Kennedy & Graven, Chartered, Minneapolis, Minnesota, Bond Counsel to the City ("Bond Counsel"), and will be available at the time of delivery of the Bonds. The legal opinion will state that the Bonds are valid and binding general obligations of the City; provided that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights and by equitable principles (which may be applied in either a legal or equitable proceeding). See "FORM OF LEGAL OPINION" found in Appendix B.

## TAX EXEMPTION

On the date of issuance of the Bonds, Bond Counsel will render an opinion that, at the time of issuance and delivery of the Bonds to the original purchaser, based on present federal and State of Minnesota laws, regulations, rulings and decisions (which exclude any pending legislation which may have a retroactive effect), and assuming the accuracy of certain representations and continuing compliance with certain covenants set forth in the Award Resolution, interest on the Bonds is excludable from gross income for federal income tax purposes and, to the same extent, is excludable from the taxable net income of individuals, trusts, and estates for Minnesota income tax purposes, and is not a preference item for purposes of computing the federal alternative minimum tax or the Minnesota alternative minimum tax imposed on individuals, trusts, and estates. However, interest on the Bonds is included in determining the annual adjusted financial statement income (as defined in Section 59(k) of the Internal Revenue Code of 1986, as amended (the "Code")) of applicable corporations (as defined in Section 59(k) of the Code) for purposes of computing the alternative minimum tax imposed on such applicable corporations and is subject to Minnesota franchise taxes on certain corporations (including financial institutions) measured by income. Section 59(k) of the Code defines "applicable corporation" as any corporation (other than an S corporation), a regulated investment company, or a real estate investment trust which meets the average annual adjusted financial statement income test set forth in Section 59(k) of the Code in one or more taxable years. No opinion will be expressed by Bond Counsel regarding other federal or State of Minnesota tax consequences caused by the receipt or accrual of interest on the Bonds or arising with respect to ownership of the Bonds.

Noncompliance following the issuance of the Bonds with certain requirements of the Code and covenants of the Award Resolution may result in the inclusion of interest on the Bonds in gross income (for federal tax purposes) and taxable net income (for State of Minnesota tax purposes) of the owners thereof. No provision has been made for redemption of the Bonds, or for an increase in the interest rate on the Bonds, in the event that interest on the Bonds becomes subject to United States or State of Minnesota income taxation.

The Code imposes an alternative minimum tax with respect to individuals on alternative minimum taxable income.

The Code provides that in the case of an insurance company subject to the tax imposed by Section 831 of the Code, the amount which otherwise would be taken into account as "losses incurred" under Section 832(b)(5) shall be reduced by an amount equal to the applicable percentage of the interest on the Bonds that is received or accrued during the taxable year.

Interest on the Bonds may be included in the income of a foreign corporation for purposes of the branch profits tax imposed by Section 884 of the Code. Under certain circumstances, interest on the Bonds may be subject to the tax on "excess net passive income" of Subchapter S corporations imposed by Section 1375 of the Code.

The above is not a comprehensive list of all federal tax consequences which may arise from the receipt of interest on the Bonds. The receipt of interest on the Bonds may otherwise affect the federal or State income tax liability of the recipient based on the particular taxes to which the recipient is subject and the particular tax status of other items or deductions. Bond Counsel expresses no opinion regarding any such consequences. All prospective purchasers of the Bonds are advised to consult their own tax advisors as to the tax consequences of, or tax considerations for, purchasing or holding the Bonds.

## **Legislative proposals**

Bond Counsel's opinion is given as of its date and Bond Counsel assumes no obligation to update, revise, or supplement such opinion to reflect any changes in facts or circumstances or any changes in law that may hereafter occur. Proposals are regularly introduced in both the United States House of Representatives and the United States Senate that, if enacted, could alter or affect the tax-exempt status on municipal bonds. For example, legislation has been proposed that would, among other things, limit the amount of exclusions (including tax-exempt interest) or deductions that certain higher-income taxpayers could use to reduce their tax liability. The likelihood of adoption of this or any other such legislative proposal relating to tax-exempt bonds cannot be reliably predicted. If enacted into law, current or future proposals may have a prospective or retroactive effect and could affect the value or marketability of tax-exempt bonds (including the Bonds). Prospective purchasers of the Bonds should consult their own tax advisors regarding the impact of any such change in law.

## **QUALIFIED TAX-EXEMPT OBLIGATIONS**

The City will designate the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code relating to the ability of financial institutions to deduct from income for federal income tax purposes, interest expense that is allocable to carrying and acquiring tax-exempt obligations.

## **MUNICIPAL ADVISOR**

Ehlers has served as municipal advisor to the City in connection with the issuance of the Bonds. The Municipal Advisor cannot participate in the underwriting of the Bonds. The financial information included in this Preliminary Official Statement has been compiled by the Municipal Advisor. Such information does not purport to be a review, audit or certified forecast of future events and may not conform with accounting principles applicable to compilations of financial information. Ehlers is not a firm of certified public accountants. Ehlers is registered with the Securities and Exchange Commission and the MSRB as a municipal advisor. Ehlers makes no representation, warranty or guarantee regarding the accuracy or completeness of the information in this Preliminary Official Statement, and its assistance in preparing this Preliminary Official Statement should not be construed as a representation that it has independently verified such information.

## **MUNICIPAL ADVISOR AFFILIATED COMPANIES**

BTSC and Ehlers Investment Partners, LLC ("EIP") are affiliate companies of Ehlers. BTSC is chartered by the State of Minnesota and authorized in Minnesota, Wisconsin, Colorado, and Illinois to transact the business of a limited purpose trust company. BTSC provides paying agent services to debt issuers. EIP is a Registered Investment Advisor with the Securities and Exchange Commission. EIP assists issuers with the investment of bond proceeds or investing other issuer funds. This includes escrow bidding agent services. Issuers, such as the City, have retained or may retain BTSC and/or EIP to provide these services. If hired, BTSC and/or EIP would be retained by the City under an agreement separate from Ehlers.

## **INDEPENDENT AUDITORS**

The basic financial statements of the City for the fiscal year ended December 31, 2024 have been audited by Abdo, Minneapolis, Minnesota, independent auditors (the "Auditor"). The report of the Auditor, together with the basic financial statements, component units financial statements, and notes to the financial statements are attached hereto as "APPENDIX A – FINANCIAL STATEMENTS". The Auditor has not been engaged to perform and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. The Auditor also has not performed any procedures relating to this Preliminary Official Statement.

## **RISK FACTORS**

The following is a description of possible risks to holders of the Bonds without weighting as to probability. This description of risks is not intended to be all-inclusive, and there may be other risks not now perceived or listed here.

**Taxes:** The Bonds are general obligations of the City, the ultimate payment of which rests in the City's ability to levy and collect sufficient taxes to pay debt service. In the event of delayed billing, collection or distribution of property taxes, sufficient funds may not be available to the City in time to pay debt service when due.

**State Actions:** Many elements of local government finance, including the issuance of debt and the levy of property taxes, are controlled by state government. Future actions of the State of Minnesota (the "State") may affect the overall financial condition of the City, the taxable value of property within the City, and the ability of the City to levy and collect property taxes.

**Future Changes in Law:** Various State and federal laws, regulations and constitutional provisions apply to the City and to the Bonds. The City can give no assurance that there will not be a change in or interpretation of any such applicable laws, regulations and provisions which would have a material effect on the City or the taxing authority of the City.

**Ratings; Interest Rates:** In the future, the City's credit rating may be reduced or withdrawn, or interest rates for this type of obligation may rise generally, either possibility resulting in a reduction in the value of the Bonds for resale prior to maturity.

**Tax Exemption:** If the federal government or the State of Minnesota taxes all or a portion of the interest on municipal obligations, directly or indirectly, or if there is a change in federal or state tax policy, the value of the Bonds may fall for purposes of resale. Noncompliance following the issuance of the Bonds with certain requirements of the Code and covenants of the Award Resolution may result in the inclusion of interest on the Bonds in gross income of the recipient for United States income tax purposes or in taxable net income of individuals, estates or trusts for State of Minnesota income tax purposes. No provision has been made for redemption of the Bonds, or for an increase in the interest rate on the Bonds, in the event that interest on the Bonds becomes subject to federal or State of Minnesota income taxation, retroactive to the date of issuance.

**Continuing Disclosure:** A failure by the City to comply with the Disclosure Undertaking for continuing disclosure (see "CONTINUING DISCLOSURE") will not constitute an event of default on the Bonds. Any such failure must be reported in accordance with the Rule and must be considered by any broker, dealer, or municipal securities dealer before recommending the purchase or sale of the Bonds in the secondary market. Such a failure may adversely affect the transferability and liquidity of the Bonds and their market price.

**Levy Limits:** The State Legislature has periodically imposed limitations on the ability of municipalities to levy property taxes. While these limitations have expired, the potential exists for future legislation to limit the ability of local governments to levy property taxes. All previous limitations have not limited the ability to levy for the payment of debt service on bonded indebtedness. For more detailed information about Minnesota levy limits, contact the Minnesota Department of Revenue or Ehlers and Associates.

**State Economy; State Aids:** State of Minnesota cash flow problems could affect local governments and possibly increase property taxes.

**Book-Entry-Only System:** The timely credit of payments for principal and interest on the Bonds to the accounts of the Beneficial Owners of the Bonds may be delayed due to the customary practices, standing instructions or for other unknown reasons by DTC participants or indirect participants. Since the notice of redemption or other notices to holders of these obligations will be delivered by the City to DTC only, there may be a delay or failure by DTC, DTC participants or indirect participants to notify the Beneficial Owners of the Bonds.

**Economy:** A combination of economic, climatic, political or civil disruptions or terrorist actions outside of the control of the City, including loss of major taxpayers or major employers, could affect the local economy and result in reduced tax collections and/or increased demands upon local government. Real or perceived threats to the financial stability of the City may have an adverse effect on the value of the Bonds in the secondary market.

**Secondary Market for the Bonds:** No assurance can be given that a secondary market will develop for the purchase and sale of the Bonds or, if a secondary market exists, that such Bonds can be sold for any particular price. The underwriters are not obligated to engage in secondary market trading or to repurchase any of the Bonds at the request of the owners thereof. Prices of the Bonds as traded in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and other prevailing circumstances. No guarantee exists as to the future market value of the Bonds. Such market value could be substantially different from the original purchase price.

**Bankruptcy:** The rights and remedies of the holders may be limited by and are subject to the provisions of federal bankruptcy laws, to other laws, or equitable principles that may affect the enforcement of creditors' rights, to the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against local governments. The opinion of Bond Counsel to be delivered with respect to the Bonds will be similarly qualified.

**Cybersecurity:** The City is dependent on electronic information technology systems to deliver services. These systems may contain sensitive information or support critical operational functions which may have value for unauthorized purposes. As a result, the electronic systems and networks may be targets of cyberattack. There can be no assurance that the City will not experience an information technology breach or attack with financial consequences that could have a material adverse impact.

The foregoing is intended only as a summary of certain risk factors attendant to an investment in the Bonds. In order for potential investors to identify risk factors and make an informed investment decision, potential investors should be thoroughly familiar with this entire Preliminary Official Statement and the Appendices hereto.

# VALUATIONS

## OVERVIEW

All non-exempt property is subject to taxation by local taxing districts. Exempt real property includes Indian lands, public property, and educational, religious and charitable institutions. Most personal property is exempt from taxation (except investor-owned utility mains, generating plants, etc.).

The valuation of property in Minnesota consists of three elements. (1) The estimated market value is set by city or county assessors. Not less than 20% of all real properties are to be appraised by local assessors each year. (2) The taxable market value is the estimated market value adjusted by all legislative exclusions. (3) The tax capacity (taxable) value of property is determined by class rates set by the State Legislature. The tax capacity rate varies according to the classification of the property. Tax capacity represents a percent of taxable market value.

The property tax rate for a local taxing jurisdiction is determined by dividing the total tax capacity or market value of property within the jurisdiction into the dollars to be raised from the levy. State law determines whether a levy is spread on tax capacity or market value. Major classifications and the percentages by which tax capacity is determined are:

Type of Property	2022/23	2023/24	2024/25
Residential homestead <sup>1</sup>	First \$500,000 - 1.00% Over \$500,000 - 1.25%	First \$500,000 - 1.00% Over \$500,000 - 1.25%	First \$500,000 - 1.00% Over \$500,000 - 1.25%
Agricultural homestead <sup>1</sup>	First \$500,000 HGA - 1.00% Over \$500,000 HGA - 1.25% First \$1,890,000 - 0.50% <sup>2</sup> Over \$1,890,000 - 1.00% <sup>2</sup>	First \$500,000 HGA - 1.00% Over \$500,000 HGA - 1.25% First \$2,150,000 - 0.50% <sup>2</sup> Over \$2,150,000 - 1.00% <sup>2</sup>	First \$500,000 HGA - 1.00% Over \$500,000 HGA - 1.25% First \$3,500,000 - 0.50% <sup>2</sup> Over \$3,500,000 - 1.00% <sup>2</sup>
Agricultural non-homestead	Land - 1.00% <sup>2</sup>	Land - 1.00% <sup>2</sup>	Land - 1.00% <sup>2</sup>
Seasonal recreational residential	First \$500,000 - 1.00% <sup>3</sup> Over \$500,000 - 1.25% <sup>3</sup>	First \$500,000 - 1.00% <sup>3</sup> Over \$500,000 - 1.25% <sup>3</sup>	First \$500,000 - 1.00% <sup>3</sup> Over \$500,000 - 1.25% <sup>3</sup>
Residential non-homestead:	1 unit - 1st \$500,000 - 1.00% Over \$500,000 - 1.25% 2-3 units - 1.25% 4 or more - 1.25% Small City <sup>4</sup> - 1.25% Affordable Rental: First \$174,000 - 0.75% Over \$174,000 - 0.25%	1 unit - 1st \$500,000 - 1.00% Over \$500,000 - 1.25% 2-3 units - 1.25% 4 or more - 1.25% Small City <sup>4</sup> - 1.25% Affordable Rental: First \$100,000 - 0.75% Over \$100,000 - 0.25%	1 unit - 1st \$500,000 - 1.00% Over \$500,000 - 1.25% 2-3 units - 1.25% 4 or more - 1.25% Small City <sup>4</sup> - 1.25% Affordable Rental - 0.25%
Industrial/Commercial/Utility <sup>5</sup>	First \$150,000 - 1.50% Over \$150,000 - 2.00%	First \$150,000 - 1.50% Over \$150,000 - 2.00%	First \$150,000 - 1.50% Over \$150,000 - 2.00%

<sup>1</sup> A residential property qualifies as "homestead" if it is occupied by the owner or a relative of the owner on the assessment date.

<sup>2</sup> Applies to land and buildings. Exempt from referendum market value tax.

<sup>3</sup> Exempt from referendum market value tax.

<sup>4</sup> Cities of 5,000 population or less and located entirely outside the seven-county metropolitan area and the adjacent nine-county area and whose boundaries are 15 miles or more from the boundaries of a Minnesota city with a population of over 5,000.

<sup>5</sup> The estimated market value of utility property is determined by the Minnesota Department of Revenue.

## CURRENT PROPERTY VALUATIONS

**2024/25 Economic Market Value<sup>1</sup>** \$4,105,440,374<sup>2</sup>

### 2025/26 Assessor's Estimated Market Value

	<b>Ramsey County</b>	<b>Washington County</b>	<b>Total</b>
Real Estate	\$4,036,379,400	\$56,786,900	\$4,093,166,300
Personal Property	22,846,900	165,300	23,012,200
Total Valuation	<u>\$4,059,226,300</u>	<u>\$56,952,200</u>	<u>\$4,116,178,500</u>

### 2025/26 Net Tax Capacity

	<b>Ramsey County</b>	<b>Washington County</b>	<b>Total</b>
Real Estate	\$45,906,161	\$665,413	\$46,571,574
Personal Property	446,154	3,306	449,460
Net Tax Capacity	<u>\$46,352,315</u>	<u>\$668,719</u>	<u>\$47,021,034</u>
Less:			
Captured Tax Increment Tax Capacity <sup>3</sup>	(249,003)	0	(249,003)
Fiscal Disparities Contribution <sup>4</sup>	(4,291,725)	(59,706)	(4,351,431)
Taxable Net Tax Capacity	<u>\$41,811,587</u>	<u>\$609,013</u>	<u>\$42,420,600</u>
Plus: Fiscal Disparities Distribution <sup>3</sup>	4,591,620	64,294	4,655,914
Adjusted Taxable Net Tax Capacity	<u>\$46,403,207</u>	<u>\$673,307</u>	<u>\$47,076,514</u>

<sup>1</sup> Most recent value available from the Minnesota Department of Revenue.

<sup>2</sup> According to the Minnesota Department of Revenue, the 2024/25 Assessor's Estimated Market Value (the "AEMV") for the portion of the City in Ramsey County was about 97.18% of the actual selling prices of property sold in the City and the portion of the City located in Washington County was 95.69%. The sales ratio was calculated by comparing the selling prices with the AEMV. Dividing the AEMV of real estate by the sales ratio and adding the AEMV of personal property and utility, railroads and minerals, if any, results in a 2024/25 Economic Market Value ("EMV") for the City of \$4,105,440,374.

<sup>3</sup> The captured tax increment value shown above represents the captured net tax capacity of tax increment financing districts in the City.

<sup>4</sup> Each community in the seven-county metropolitan area contributes 40% of the growth in its commercial-industrial property tax base to an area pool which is then distributed among the municipalities on the basis of population, special needs, etc. Each governmental unit makes a contribution and receives a distribution--sometimes gaining and sometimes contributing net tax capacity for tax purposes.

## 2025/26 NET TAX CAPACITY BY CLASSIFICATION

	<b>2025/26 Net Tax Capacity</b>	<b>Percent of Total Net Tax Capacity</b>
Residential homestead	\$25,170,468	53.53%
Commercial/industrial	10,650,891	22.65%
Railroad operating property	156,058	0.33%
Non-homestead residential	10,559,949	22.46%
Commercial & residential seasonal/rec.	34,208	0.07%
Personal property	449,460	0.96%
	<u>                    </u>	<u>                    </u>
Total	<u><u>\$47,021,034</u></u>	<u><u>100.00%</u></u>

## TREND OF VALUATIONS

<b>Levy Year</b>	<b>Assessor's Estimated Market Value</b>	<b>Assessor's Taxable Market Value</b>	<b>Net Tax Capacity<sup>1</sup></b>	<b>Adjusted Taxable Net Tax Capacity<sup>2</sup></b>	<b>Percent Increase/Decrease in Estimated Market Value</b>
2021/22	\$3,156,599,200	\$3,051,027,300	\$36,356,567	\$36,687,247	1.54%
2022/23	3,601,334,200	3,520,636,464	41,334,763	41,710,214	14.09%
2023/24	3,788,048,400	3,711,307,858	44,027,991	44,475,383	5.18%
2024/25	3,985,827,800	3,860,210,589	45,566,607	45,836,242	5.22%
2025/26	4,116,178,500	3,996,350,895	47,021,034	47,076,514	3.27%

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<sup>1</sup> Net Tax Capacity is before fiscal disparities adjustments and includes tax increment values.

<sup>2</sup> Adjusted Taxable Net Tax Capacity is after fiscal disparities adjustments and does not include tax increment values.

## LARGEST TAXPAYERS

Taxpayer	Type of Property	2025/26 Net Tax Capacity	Percent of City's Total Net Tax Capacity
WBL Lochner, LLC	Apartment	\$594,485	1.26%
TCD 265 MN Property Inc.	Industrial	589,886	1.25%
Timberland White Bear Woods, LLC	Apartment	555,696	1.18%
SRRT WBL LLC	Commercial	444,298	0.94%
Xcel Energy	Utility	393,472	0.84%
Menard Inc.	Commercial	373,930	0.80%
Norman White Bear MN, LLC	Industrial	328,034	0.70%
3820 Hoffman Rd PropcoLLC	Apartments	305,911	0.65%
Taylor Corporation	Commercial	301,282	0.64%
CARS-DB4 LP	Commercial	295,898	0.63%
Total		\$4,182,892	8.90%

City's Total 2025/26 Net Tax Capacity \$47,021,034

**Source:** Current Property Valuations, Net Tax Capacity by Classification, Trend of Valuations and Largest Taxpayers have been furnished by Ramsey and Washington Counties.

## DEBT

### DIRECT DEBT<sup>1</sup>

#### General Obligation Debt (see schedules following)

Total G.O. debt secured by special assessments and taxes	\$12,850,000
Total G.O. debt secured by tax abatement revenues	2,380,000
Total G.O. debt secured by tax increment revenues	1,485,000
Total G.O. debt secured by taxes (includes the Bonds)*	21,180,000
Total G.O. debt secured by utility revenues	2,560,000
Total General Obligation Debt*	\$40,455,000

\*Preliminary, subject to change.

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<sup>1</sup> Outstanding debt is as of the dated date of the Bonds.

**DEBT PAYMENT HISTORY**

The City has no record of default in the payment of principal and interest on its debt.

**FUTURE FINANCING**

The City has plans to issue general obligation financing in the amount up to \$8,300,000 for annual street and utility projects in 2027, but no determinations have been made regarding the scope or timing of any such potential project.

**DEBT LIMIT**

The statutory limit on net debt of Minnesota municipalities other than school districts or cities of the first class (Minnesota Statutes, Section 475.53, subd. 1) is 3% of the Assessor's Estimated Market Value of all taxable property within its boundaries. "Net debt" means the amount remaining after deducting from gross debt the amount of current revenues which are applicable within the current fiscal year to the payment of any debt and the aggregate principal of certain obligations enumerated under Minnesota Statutes, Section 475.51, subd.4, including the following: (1) obligations issued for improvements payable wholly or partly from special assessments levied against benefitted property; (2) warrants or orders having no definite or fixed maturity; (3) obligations payable wholly from the income of revenue producing conveniences; (4) obligations issued to create or maintain a permanent improvement revolving fund; (5) obligations issued to finance any revenue producing public convenience; (6) funds held as sinking funds for payment of principal and interest on debt other than those deductible under Minnesota Statutes, Section 475.51, subd. 4; (7) obligations to repay energy conservation investment loans under Minnesota Statutes, Section 216C.37; (8) obligations issued to pay certain postemployment benefit liabilities; (9) obligations issued to pay certain judgments against the City; and (10) all other obligations which are not to be included in computing the net debt of a municipality under the provisions of the law authorizing their issuance.

2025/26 Assessor's Estimated Market Value	\$4,116,178,500
Multiply by 3%	<u>0.03</u>
Statutory Debt Limit	\$123,485,355
Less: Long-Term Debt Outstanding Being Paid Solely from Taxes (includes the Bonds)*	<u>(21,180,000)</u>
Unused Debt Limit*	<u><u>\$102,305,355</u></u>

\*Preliminary, subject to change.

City of White Bear Lake, Minnesota  
Schedule of Bonded Indebtedness  
General Obligation Debt Secured by Special Assessments and Taxes  
(As of 05/19/2026)

	Improvement Bonds Series 2012B		Improvement Bonds 1) Series 2018A		Improvement Bonds Series 2019A		Improvement Bonds 2) Series 2020A		Improvement Bonds 3) Series 2021A	
Dated	12/19/2012		06/14/2018		07/18/2019		07/16/2020		06/17/2021	
Amount	\$2,555,000		\$3,995,000		\$1,925,000		\$2,450,000		\$1,335,000	
Maturity	02/01		02/01		02/01		02/01		02/01	
Calendar Year Ending	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2026	0	1,700	0	44,825	0	21,100	0	20,375	0	8,000
2027	100,000	2,400	190,000	86,800	110,000	40,000	145,000	38,575	125,000	14,750
2028	70,000	700	190,000	81,100	110,000	35,600	150,000	34,150	125,000	12,250
2029			195,000	75,325	115,000	31,100	150,000	29,650	125,000	9,750
2030			200,000	69,400	115,000	27,075	150,000	25,150	130,000	7,200
2031			205,000	63,325	95,000	23,925	155,000	21,350	130,000	4,600
2032			210,000	56,969	100,000	21,000	100,000	18,800	130,000	2,325
2033			215,000	50,328	100,000	18,000	105,000	16,750	90,000	675
2034			215,000	43,475	100,000	15,000	105,000	14,650		
2035			225,000	36,325	100,000	12,000	105,000	12,550		
2036			230,000	28,788	65,000	9,525	110,000	10,400		
2037			235,000	20,941	65,000	7,575	90,000	8,400		
2038			240,000	12,775	70,000	5,550	90,000	6,600		
2039			245,000	4,288	75,000	3,375	95,000	4,750		
2040					75,000	1,125	95,000	2,850		
2041							95,000	950		
	170,000	4,800	2,795,000	674,663	1,295,000	271,950	1,740,000	265,950	855,000	59,550

- 1) This represents the \$3,995,000 Improvement portion of the \$5,850,000 General Obligation Bonds, Series 2018A.
- 2) This represents the \$2,450,000 Improvement portion of the \$4,440,000 General Obligation Bonds, Series 2020A.
- 3) This represents the \$1,335,000 Improvement portion of the \$4,280,000 General Obligation Bonds, Series 2021A.

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City of White Bear Lake, Minnesota  
Schedule of Bonded Indebtedness continued  
General Obligation Debt Secured by Special Assessments and Taxes  
(As of 05/19/2026)

	Improvement Bonds Series 2022A		Improvement Bonds Series 2024A		Improvement Bonds 4) Series 2025A							
<b>Dated</b>	06/02/2022		06/06/2024		05/29/2025							
<b>Amount</b>	\$3,010,000		\$2,290,000		\$1,345,000							
<b>Maturity</b>	02/01		02/01		02/01							
<b>Calendar Year Ending</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Principal</b>	<b>Total Interest</b>	<b>Total P &amp; I</b>	<b>Principal Outstanding</b>	<b>% Paid</b>	<b>Calendar Year Ending</b>
2026	0	38,336	0	50,675	0	30,525	0	215,536	215,536	12,850,000	.00%	2026
2027	185,000	73,898	120,000	98,350	70,000	59,300	1,045,000	414,073	1,459,073	11,805,000	8.13%	2027
2028	190,000	68,273	125,000	92,225	70,000	55,800	1,030,000	380,098	1,410,098	10,775,000	16.15%	2028
2029	195,000	62,498	130,000	85,850	75,000	52,175	985,000	346,348	1,331,348	9,790,000	23.81%	2029
2030	195,000	56,648	135,000	79,225	75,000	48,425	1,000,000	313,123	1,313,123	8,790,000	31.60%	2030
2031	200,000	50,723	140,000	72,350	80,000	44,550	1,005,000	280,823	1,285,823	7,785,000	39.42%	2031
2032	205,000	44,648	145,000	65,225	85,000	40,425	975,000	249,391	1,224,391	6,810,000	47.00%	2032
2033	205,000	38,395	150,000	57,850	85,000	36,175	950,000	218,173	1,168,173	5,860,000	54.40%	2033
2034	210,000	31,963	155,000	50,225	90,000	31,800	875,000	187,113	1,062,113	4,985,000	61.21%	2034
2035	215,000	25,268	165,000	42,225	95,000	27,175	905,000	155,543	1,060,543	4,080,000	68.25%	2035
2036	220,000	18,308	170,000	33,850	95,000	22,900	890,000	123,770	1,013,770	3,190,000	75.18%	2036
2037	225,000	11,131	175,000	26,100	100,000	19,000	890,000	93,147	983,147	2,300,000	82.10%	2037
2038	230,000	3,738	180,000	19,000	100,000	15,000	910,000	62,663	972,663	1,390,000	89.18%	2038
2039			190,000	11,600	105,000	10,900	710,000	34,913	744,913	680,000	94.71%	2039
2040			195,000	3,900	110,000	6,600	475,000	14,475	489,475	205,000	98.40%	2040
2041					110,000	2,200	205,000	3,150	208,150	0	100.00%	2041
	2,475,000	523,823	2,175,000	788,650	1,345,000	502,950	12,850,000	3,092,335	15,942,335			

4) This represents the \$1,345,000 Improvement portion of the \$2,270,000 General Obligation Bonds, Series 2025A.

**City of White Bear Lake, Minnesota**  
**Schedule of Bonded Indebtedness**  
**General Obligation Debt Secured by Tax Abatement Revenues**  
**(As of 05/19/2026)**

<b>Tax Abatement Bonds</b>								
<b>Series 2018B</b>								
<b>Dated</b>	06/14/2018							
<b>Amount</b>	\$3,330,000							
<b>Maturity</b>	02/01							
<b>Calendar Year Ending</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Principal</b>	<b>Total Interest</b>	<b>Total P &amp; I</b>	<b>Principal Outstanding</b>	<b>% Paid</b>	<b>Calendar Year Ending</b>
<b>2026</b>	0	38,250	0	38,250	38,250	2,380,000	.00%	<b>2026</b>
<b>2027</b>	150,000	74,250	150,000	74,250	224,250	2,230,000	6.30%	<b>2027</b>
<b>2028</b>	155,000	69,675	155,000	69,675	224,675	2,075,000	12.82%	<b>2028</b>
<b>2029</b>	160,000	64,950	160,000	64,950	224,950	1,915,000	19.54%	<b>2029</b>
<b>2030</b>	165,000	60,075	165,000	60,075	225,075	1,750,000	26.47%	<b>2030</b>
<b>2031</b>	170,000	55,050	170,000	55,050	225,050	1,580,000	33.61%	<b>2031</b>
<b>2032</b>	175,000	49,766	175,000	49,766	224,766	1,405,000	40.97%	<b>2032</b>
<b>2033</b>	180,000	44,219	180,000	44,219	224,219	1,225,000	48.53%	<b>2033</b>
<b>2034</b>	190,000	38,319	190,000	38,319	228,319	1,035,000	56.51%	<b>2034</b>
<b>2035</b>	195,000	32,063	195,000	32,063	227,063	840,000	64.71%	<b>2035</b>
<b>2036</b>	200,000	25,519	200,000	25,519	225,519	640,000	73.11%	<b>2036</b>
<b>2037</b>	205,000	18,684	205,000	18,684	223,684	435,000	81.72%	<b>2037</b>
<b>2038</b>	215,000	11,463	215,000	11,463	226,463	220,000	90.76%	<b>2038</b>
<b>2039</b>	220,000	3,850	220,000	3,850	223,850	0	100.00%	<b>2039</b>
	2,380,000	586,131	2,380,000	586,131	2,966,131			

**City of White Bear Lake, Minnesota**  
**Schedule of Bonded Indebtedness**  
**General Obligation Debt Secured by Tax Increment Revenues**  
**(As of 05/19/2026)**

**Tax Increment Revenue Bonds**  
**Series 2016A**

<b>Dated</b>	03/10/2016							
<b>Amount</b>	\$2,275,000							
<b>Maturity</b>	02/01							
<b>Calendar Year Ending</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Principal</b>	<b>Total Interest</b>	<b>Total P &amp; I</b>	<b>Principal Outstanding</b>	<b>% Paid</b>	<b>Calendar Year Ending</b>
<b>2026</b>	0	18,156	0	18,156	18,156	1,485,000	.00%	<b>2026</b>
<b>2027</b>	110,000	35,213	110,000	35,213	145,213	1,375,000	7.41%	<b>2027</b>
<b>2028</b>	115,000	32,963	115,000	32,963	147,963	1,260,000	15.15%	<b>2028</b>
<b>2029</b>	120,000	30,553	120,000	30,553	150,553	1,140,000	23.23%	<b>2029</b>
<b>2030</b>	125,000	27,918	125,000	27,918	152,918	1,015,000	31.65%	<b>2030</b>
<b>2031</b>	130,000	25,048	130,000	25,048	155,048	885,000	40.40%	<b>2031</b>
<b>2032</b>	135,000	21,933	135,000	21,933	156,933	750,000	49.49%	<b>2032</b>
<b>2033</b>	140,000	18,563	140,000	18,563	158,563	610,000	58.92%	<b>2033</b>
<b>2034</b>	145,000	15,000	145,000	15,000	160,000	465,000	68.69%	<b>2034</b>
<b>2035</b>	150,000	11,125	150,000	11,125	161,125	315,000	78.79%	<b>2035</b>
<b>2036</b>	155,000	6,931	155,000	6,931	161,931	160,000	89.23%	<b>2036</b>
<b>2037</b>	160,000	2,400	160,000	2,400	162,400	0	100.00%	<b>2037</b>
	1,485,000	245,800	1,485,000	245,800	1,730,800			

**City of White Bear Lake, Minnesota**  
**Schedule of Bonded Indebtedness**  
**General Obligation Debt Secured by Taxes**  
**(As of 05/19/2026)**

	Equipment Certificates 1) Series 2018A		Equipment Certificates 2) Series 2020A		Equipment Certificates 3) Series 2021A		Capital Improvement Plan Bonds Series 2022B		Capital Improvement Plan Bonds Series 2023A	
<b>Dated</b>	06/14/2018		07/16/2020		06/17/2021		12/13/2022		03/23/2023	
<b>Amount</b>	\$1,855,000		\$1,130,000		\$480,000		\$6,990,000		\$10,000,000	
<b>Maturity</b>	02/01		02/01		02/01		02/01		02/01	
<b>Calendar Year Ending</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Interest</b>
2026	0	21,528	0	8,100	0	2,800	0	138,825	0	191,085
2027	85,000	41,781	130,000	14,250	55,000	5,050	250,000	271,400	275,000	375,295
2028	90,000	39,156	135,000	10,275	55,000	3,950	250,000	258,900	325,000	360,295
2029	90,000	36,456	135,000	6,225	55,000	2,850	275,000	245,775	410,000	341,920
2030	95,000	33,681	140,000	2,100	55,000	1,750	275,000	232,025	435,000	320,795
2031	95,000	30,831			60,000	600	300,000	217,650	455,000	300,820
2032	100,000	27,844					315,000	202,275	470,000	282,320
2033	100,000	24,719					325,000	187,900	490,000	263,120
2034	105,000	21,450					340,000	174,600	510,000	245,160
2035	110,000	17,956					350,000	160,800	525,000	228,338
2036	110,000	14,313					370,000	146,400	545,000	210,274
2037	115,000	10,516					375,000	131,500	565,000	190,703
2038	120,000	6,475					375,000	116,500	585,000	169,710
2039	125,000	2,188					400,000	101,000	605,000	147,544
2040							425,000	84,500	630,000	123,600
2041							450,000	67,000	655,000	97,900
2042							465,000	48,700	680,000	71,200
2043							485,000	29,700	705,000	43,500
2044							500,000	10,000	735,000	14,700
	1,340,000	328,894	540,000	40,950	280,000	17,000	6,525,000	2,825,450	9,600,000	3,978,278

- 1) This represents the \$1,855,000 Equipment Certificates portion of the \$5,850,000 General Obligation Bonds, Series 2018A.
- 2) This represents the \$1,130,000 Equipment Certificates portion of the \$4,440,000 General Obligation Bonds, Series 2020A.
- 3) This represents the \$480,000 Equipment Certificates portion of the \$4,280,000 General Obligation Bonds, Series 2021A.

--Continued on next page

**City of White Bear Lake, Minnesota**  
**Schedule of Bonded Indebtedness continued**  
**General Obligation Debt Secured by Taxes**  
**(As of 05/19/2026)**

	<b>Equipment Certificates 4) Series 2025A</b>		<b>Street Reconstruction Bonds Series 2026A</b>							
<b>Dated</b>	05/29/2025		05/19/2026							
<b>Amount</b>	\$925,000		\$1,970,000*							
<b>Maturity</b>	02/01		02/01							
<b>Calendar Year Ending</b>	<b>Principal</b>	<b>Interest</b>	<b>Principal</b>	<b>Estimated Interest</b>	<b>Total Principal</b>	<b>Total Interest</b>	<b>Total P &amp; I</b>	<b>Principal Outstanding</b>	<b>% Paid</b>	<b>Calendar Year Ending</b>
2026	0	22,550	0	0	0	384,888	384,888	21,180,000	.00%	2026
2027	75,000	43,225	0	77,676	870,000	828,677	1,698,677	20,310,000	4.11%	2027
2028	75,000	39,475	110,000	63,328	1,040,000	775,379	1,815,379	19,270,000	9.02%	2028
2029	80,000	35,600	115,000	60,430	1,160,000	729,256	1,889,256	18,110,000	14.49%	2029
2030	85,000	31,475	115,000	57,440	1,200,000	679,266	1,879,266	16,910,000	20.16%	2030
2031	90,000	27,100	115,000	54,393	1,115,000	631,394	1,746,394	15,795,000	25.42%	2031
2032	95,000	22,475	120,000	51,100	1,100,000	586,014	1,686,014	14,695,000	30.62%	2032
2033	100,000	17,600	125,000	47,454	1,140,000	540,793	1,680,793	13,555,000	36.00%	2033
2034	100,000	12,600	125,000	43,548	1,180,000	497,358	1,677,358	12,375,000	41.57%	2034
2035	110,000	7,350	130,000	39,435	1,225,000	453,879	1,678,879	11,150,000	47.36%	2035
2036	115,000	2,300	130,000	35,113	1,270,000	408,399	1,678,399	9,880,000	53.35%	2036
2037			135,000	30,574	1,190,000	363,292	1,553,292	8,690,000	58.97%	2037
2038			140,000	25,725	1,220,000	318,410	1,538,410	7,470,000	64.73%	2038
2039			145,000	20,559	1,275,000	271,290	1,546,290	6,195,000	70.75%	2039
2040			150,000	15,100	1,205,000	223,200	1,428,200	4,990,000	76.44%	2040
2041			155,000	9,304	1,260,000	174,204	1,434,204	3,730,000	82.39%	2041
2042			160,000	3,160	1,305,000	123,060	1,428,060	2,425,000	88.55%	2042
2043					1,190,000	73,200	1,263,200	1,235,000	94.17%	2043
2044					1,235,000	24,700	1,259,700	0	100.00%	2044
	925,000	261,750	1,970,000	634,336	21,180,000	8,086,657	29,266,657			

\* Preliminary, subject to change.

4) This represents the \$925,000 Equipment Certificates portion of the \$2,270,000 General Obligation Bonds, Series 2025A.

**City of White Bear Lake, Minnesota**  
**Schedule of Bonded Indebtedness**  
**General Obligation Debt Secured by Utility Revenues**  
**(As of 05/19/2026)**

	Utility Revenue Bonds 1) Series 2020A		Utility Revenue Bonds 2) Series 2021A							Calendar
Dated Amount	07/16/2020 \$860,000		06/17/2021 \$2,465,000							Year
Maturity	02/01		02/01							Ending
Calendar Year Ending	Principal	Interest	Principal	Interest	Total Principal	Total Interest	Total P & I	Principal Outstanding	% Paid	Calendar Year Ending
2026	0	7,650	0	16,361	0	24,011	24,011	2,560,000	.00%	2026
2027	40,000	14,700	155,000	31,173	195,000	45,873	240,873	2,365,000	7.62%	2027
2028	40,000	13,500	160,000	28,023	200,000	41,523	241,523	2,165,000	15.43%	2028
2029	40,000	12,300	160,000	24,823	200,000	37,123	237,123	1,965,000	23.24%	2029
2030	40,000	11,100	165,000	21,573	205,000	32,673	237,673	1,760,000	31.25%	2030
2031	45,000	10,050	170,000	18,223	215,000	28,273	243,273	1,545,000	39.65%	2031
2032	45,000	9,150	170,000	15,248	215,000	24,398	239,398	1,330,000	48.05%	2032
2033	45,000	8,250	175,000	12,660	220,000	20,910	240,910	1,110,000	56.64%	2033
2034	45,000	7,350	175,000	10,035	220,000	17,385	237,385	890,000	65.23%	2034
2035	45,000	6,450	180,000	7,373	225,000	13,823	238,823	665,000	74.02%	2035
2036	50,000	5,500	180,000	4,538	230,000	10,038	240,038	435,000	83.01%	2036
2037	50,000	4,500	185,000	1,526	235,000	6,026	241,026	200,000	92.19%	2037
2038	50,000	3,500			50,000	3,500	53,500	150,000	94.14%	2038
2039	50,000	2,500			50,000	2,500	52,500	100,000	96.09%	2039
2040	50,000	1,500			50,000	1,500	51,500	50,000	98.05%	2040
2041	50,000	500			50,000	500	50,500	0	100.00%	2041
	685,000	118,500	1,875,000	191,553	2,560,000	310,053	2,870,053			

1) This represents the \$860,000 Utility Revenue portion of the \$4,440,000 General Obligation Bonds, Series 2020A.

2) This represents the \$2,465,000 Utility Revenue portion of the \$4,280,000 General Obligation Bonds, Series 2021A.

**OVERLAPPING DEBT<sup>1</sup>**

<b>Taxing District</b>	<b>2025/26 Adjusted Taxable Net Tax Capacity</b>	<b>% In City</b>	<b>Total G.O. Debt<sup>2</sup></b>	<b>City's Proportionate Share</b>
Ramsey County	\$895,085,667	5.1842%	\$201,490,000	\$10,445,645
Washington County	527,263,316	0.1277%	86,215,000	110,097
I.S.D. No. 622 (North St. Paul-Maplewood-Oakdale)	150,326,847	0.0090%	407,730,000 <sup>3</sup>	36,696
I.S.D. No. 624 (White Bear Lake Area Schools)	142,684,744	32.5120%	401,815,000 <sup>4</sup>	130,638,093
I.S.D. No. 832 (Mahtomedi Public Schools)	38,736,647	1.7382%	46,045,000 <sup>4</sup>	800,354
Metropolitan Council	6,503,726,905	0.7238%	186,870,000 <sup>4</sup>	<u>1,352,565</u>
City's Share of Total Overlapping Debt				<u>\$143,383,449</u>

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<sup>1</sup> Overlapping debt is as of the dated date of the Bonds. Only those taxing jurisdictions with general obligation debt outstanding are included in this section. It does *not* include non-general obligation debt, self-supporting general obligation revenue debt, short-term general obligation debt, or general obligation tax/aid anticipation certificates of indebtedness.

<sup>2</sup> Outstanding debt is based on information in Official Statements obtained on EMMA and the Municipal Advisor's records.

<sup>3</sup> Minnesota School Districts may qualify for aid from the State of Minnesota through the Debt Service Equalization Formula, School Building Bond Agricultural Credit and Long Term Facilities Maintenance Revenue programs. While some of the districts listed may receive these aids, Ehlers has not attempted to estimate the portion of debt service payments that would be financed by State aids for the purposes of the Bonds.

<sup>4</sup> The above debt includes all outstanding general obligation debt supported by taxes of the Metropolitan Council. The Council also has general obligation wastewater revenue, grant anticipation notes and certificates of participation outstanding all of which are supported entirely by revenues and have not been included in the overlapping debt or debt ratios sections.

## DEBT RATIOS

	G.O. Debt	Debt/Economic Market Value \$4,105,440,374	Debt/ Per Capita 24,372 <sup>1</sup>
Direct G.O. Debt Secured By:			
Special Assessments & Taxes	\$12,850,000		
Tax Abatement Revenues	2,380,000		
Tax Increment Revenues	1,485,000		
Taxes*	21,180,000		
Utility Revenues	2,560,000		
Total General Obligation Debt*	<u>\$40,455,000</u>		
Less: G.O. Debt Paid Entirely from Revenues <sup>2</sup>	(2,560,000)		
Tax Supported General Obligation Debt*	<u>\$37,895,000</u>	0.92%	\$1,554.86
City's Share of Total Overlapping Debt	<u>\$143,383,449</u>	<u>3.49%</u>	<u>\$5,883.12</u>
Total*	<u><u>\$181,278,449</u></u>	<u><u>4.42%</u></u>	<u><u>\$7,437.98</u></u>

\*Preliminary, subject to change.

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<sup>1</sup> Estimated 2024 population.

<sup>2</sup> Debt service on the City's general obligation revenue debt is being paid entirely from revenues and therefore is considered self-supporting debt.

## TAX LEVIES, COLLECTIONS AND RATES

### TAX LEVIES AND COLLECTIONS

Tax Year	Net Tax Levy <sup>1</sup>	Total Collected Following Year	Collected to Date	% Collected
2021/22	\$8,069,651	\$8,017,290	\$8,052,043	99.78%
2022/23	9,931,380	9,864,570	9,924,412	99.93%
2023/24	11,969,875	11,894,317	11,947,360	99.81%
2024/25	13,713,211	13,615,151	13,615,151	99.28%
2025/26	15,015,000	In process of collection		

Property taxes are collected in two installments in Minnesota--the first by May 15 and the second by October 15.<sup>2</sup> Mobile home taxes are collectible in full by August 31. Minnesota Statutes require that levies (taxes and special assessments) for debt service be at least 105% of the actual debt service requirements to allow for delinquencies.

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<sup>1</sup> This reflects the Final Levy Certification of the City after all adjustments have been made.

<sup>2</sup> Second half tax payments on agricultural property are due on November 15 of each year.

**TAX CAPACITY RATES<sup>1</sup>**

	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>2024/25</b>	<b>2025/26</b>
Ramsey County	43.987%	41.231%	41.681%	43.686%	46.331%
Washington County	27.532%	23.625%	21.991%	23.846%	24.449%
City of White Bear Lake	22.271%	24.054%	27.319%	30.401%	32.059%
I.S.D. No. 622 (North St. Paul-Maplewood-Oakdale)	32.173%	29.826%	29.550%	32.002%	31.607%
I.S.D. No. 624 (White Bear Lake Area Schools)	34.805%	32.398%	34.006%	35.285%	35.074%
I.S.D. No. 832 (Mahtomedi)	29.032%	23.941%	23.316%	23.796%	25.780%
Metro Watershed	2.893%	2.667%	2.652%	2.612%	2.541%
Metropolitan Council (portion applicable to Ramsey County)	1.882%	1.681%	1.545%	1.592%	1.577%
Metropolitan Council (portion applicable to Washington County)	0.630%	0.537%	0.590%	0.572%	0.578%
Metropolitan Mosquito (portion applicable to Ramsey County)	0.381%	0.340%	0.313%	0.324%	0.331%
Metropolitan Mosquito (portion applicable to Washington County)	0.361%	0.309%	0.301%	0.331%	0.323%
Ramsey County Regional Rail Authority	4.054%	3.683%	3.974%	4.176%	4.024%
Regional Rail 519	0.149%	0.122%	0.109%	1.552%	0.107%
Rice Creek Watershed	1.830%	1.671%	1.607%	1.552%	1.547%
Rice Creek Watershed 38	1.805%	1.559%	1.612%	1.655%	1.576%
Transit District 509	1.056%	0.912%	0.809%	0.972%	0.885%
Valley Branch Watershed	2.885%	2.885%	2.595%	2.259%	2.419%
Washington County CDA	1.287%	1.093%	1.024%	1.200%	1.155%
<i>Referendum Market Value Rates:</i>					
Washington County	0.00308%	0.00261%	0.00235%	0.00236%	0.00228%
I.S.D. No. 622 (North St. Paul-Maplewood-Oakdale)	0.15595%	0.15048%	0.14839%	0.14887%	0.15187%
I.S.D. No. 624 (White Bear Lake Area Schools)	0.19261%	0.18282%	0.16377%	0.16877%	0.17208%
I.S.D. No. 832 (Mahtomedi)	0.28696%	0.21652%	0.20841%	0.23252%	0.29675%

**Source:** Tax Levies and Collections and Tax Capacity Rates have been furnished by Ramsey and Washington Counties.

<sup>1</sup> After reduction for State aids. Does not include the statewide general property tax against commercial/industrial, non-homestead resorts and seasonal recreational residential property.

## THE ISSUER

### CITY GOVERNMENT

The City was incorporated as a village by special law in 1881, and established as a municipality in 1921. The City operates under a home rule charter form of government consisting of a six-member City Council of which the Mayor is not a voting member. The City Manager and Finance Director are responsible for administrative details and financial records.

### EMPLOYEES; PENSIONS; UNIONS

The City currently has 118 full-time and 11 part-time employees. All full-time and certain part-time employees of the City are covered by defined benefit pension plans administered by the Public Employee Retirement Association of Minnesota (PERA). PERA administers the General Employees Retirement Fund (GERF) and the Public Employees Police and Fire Fund (PEPFF) which are cost-sharing multiple-employer retirement plans. PERA members belong to either the Coordinated Plan or the Basic Plan. Coordinated members are covered by Social Security. See the Notes to Financial Statements in Appendix A for a detailed description of the Plans.

#### Recognized and Certified Bargaining Units

<b>Bargaining Unit</b>	<b>Expiration Date of Current Contract</b>
Law Enforcement Labor Services Local 286	December 31, 2026
International Operating Engineers Local 49	December 31, 2027
International Association of Firefighters Local 5202	December 31, 2026
Minnesota Public Employees Association Police Officers	December 31, 2026

### POST EMPLOYMENT BENEFITS

The City has obligations for some post-employment benefits for its employees. Accounting for these obligations is dictated by Governmental Accounting Standards Board Statement No. 75 (GASB 75). The City's most recent actuarial study shows a total OPEB liability of \$2,545,197 as of December 31, 2025. The City has been funding these obligations on a pay-as-you-go basis.

**Source:** The City's most recent actuarial study.

### LITIGATION

There is no litigation threatened or pending questioning the organization or boundaries of the City or the right of any of its officers to their respective offices or in any manner questioning their rights and power to execute and deliver the Bonds or otherwise questioning the validity of the Bonds.

## MUNICIPAL BANKRUPTCY

Municipalities are prohibited from filing for bankruptcy under Chapter 11 (reorganization) or Chapter 7 (liquidation) of the U.S. Bankruptcy Code (11 U.S.C. §§ 101-1532) (the "Bankruptcy Code"). Instead, the Bankruptcy Code permits municipalities to file a petition under Chapter 9 of the Bankruptcy Code, but only if certain requirements are met. These requirements include that the municipality must be "specifically authorized" under State law to file for relief under Chapter 9. For these purposes, "State law" may include, without limitation, statutes of general applicability enacted by the State legislature, special legislation applicable to a particular municipality, and/or executive orders issued by an appropriate officer of the State's executive branch.

As of the date hereof, Minnesota Statutes, Section 471.831, as amended, authorizes municipalities to file for bankruptcy relief under Chapter 9 of the Bankruptcy Code. A municipality is defined in United States Code, title 11, section 101, as amended through December 31, 1996, but limited to a county, statutory or home rule charter city, or town; or a housing and redevelopment authority, economic development authority, or rural development financing authority established under Chapter 469, a home rule charter or special law.

### FUNDS ON HAND (as of December 31, 2025)

<b>Fund</b>	<b>Total Cash and Investments</b>
General	\$9,624,796
Special Revenue	4,542,484
Debt Service	5,408,921
Capital Projects	21,055,801
Enterprise Funds	7,915,119
Internal Service Funds	<u>7,557,126</u>
Total Funds on Hand	<u><u>\$56,104,247</u></u>

## ENTERPRISE FUNDS

Revenues available for debt service on the City's enterprise funds have been as follows as of December 31 each year:

	<b>2022 Audited</b>	<b>2023 Audited</b>	<b>2024 Audited</b>
<b>Water</b>			
Total Operating Revenues	\$2,512,675	\$2,779,923	\$2,679,250
Less: Operating Expenses	<u>(1,682,574)</u>	<u>(2,217,684)</u>	<u>(2,002,202)</u>
Operating Income	\$830,101	\$562,239	\$677,048
Plus: Depreciation	<u>142,579</u>	<u>210,505</u>	<u>256,512</u>
Revenues Available for Debt Service <sup>1</sup>	<u><u>\$972,680</u></u>	<u><u>\$772,744</u></u>	<u><u>\$933,560</u></u>
<b>Sewer</b>			
Total Operating Revenues	\$3,618,815	\$3,928,039	\$3,706,793
Less: Operating Expenses	<u>(2,867,241)</u>	<u>(3,087,812)</u>	<u>(2,999,251)</u>
Operating Income	\$751,574	\$840,227	\$707,542
Plus: Depreciation	<u>169,662</u>	<u>161,127</u>	<u>164,219</u>
Revenues Available for Debt Service	<u><u>\$921,236</u></u>	<u><u>\$1,001,354</u></u>	<u><u>\$871,761</u></u>
<b>Refuse</b>			
Total Operating Revenues	\$1,729,251	\$1,801,630	\$1,987,804
Less: Operating Expenses	<u>(1,617,987)</u>	<u>(1,776,296)</u>	<u>(1,827,552)</u>
Operating Income	\$111,264	\$25,334	\$160,252
Plus: Depreciation	<u>0</u>	<u>0</u>	<u>0</u>
Revenues Available for Debt Service	<u><u>\$111,264</u></u>	<u><u>\$25,334</u></u>	<u><u>\$160,252</u></u>
<b>Ambulance<sup>2</sup></b>			
Total Operating Revenues	\$2,166,899	\$1,931,650	N/A
Less: Operating Expenses	<u>(2,300,566)</u>	<u>(3,353,206)</u>	N/A
Operating Income	(\$133,667)	(\$1,421,556)	\$0
Plus: Depreciation	<u>123,584</u>	<u>116,626</u>	N/A
Revenues Available for Debt Service	<u><u>(\$10,083)</u></u>	<u><u>(\$1,304,930)</u></u>	N/A

<sup>1</sup> Includes a periodic major maintenance project.

<sup>2</sup> In Fiscal Year 2024, the Ambulance Fund was determined to be a non-major fund. See "Appendix A - Financial Statements."

**SUMMARY GENERAL FUND INFORMATION**

The following are summaries of the revenues, expenditures and fund balances for the City's General Fund. These summaries are not purported to be the complete audited financial statements of the City, and potential purchasers should read the included financial statements in their entirety for more complete information concerning the City. Copies of the complete statements are available upon request. Appendix A includes the 2024 audited financial statements.

COMBINED STATEMENT	FISCAL YEAR ENDING DECEMBER 31				
	2020 Audited	2021 Audited	2022 Audited	2023 Audited	2024 Audited
<b>Revenues</b>					
General property taxes	\$6,428,061	\$6,667,935	\$7,174,250	\$8,163,075	\$9,723,361
Special assessments	0	0	0	0	1,439
Licenses and permits	827,378	1,393,967	1,625,552	1,721,660	1,219,605
Fine and forfeits	60,489	78,008	68,385	52,548	66,835
Intergovernmental	3,900,062	2,481,616	2,576,763	2,623,256	2,380,776
Charges for services	748,825	730,177	862,424	932,410	3,562,994
Franchise fees	294,079	307,570	336,014	371,353	373,557
Investment income	73,380	(25,701)	(193,573)	272,348	315,259
Rental income	29,386	50,392	50,266	45,793	50,110
Refunds and reimbursements	2,302	4,028	23,221	30,081	6,310
Donations	800	1,175	665	1,020	10,506
Miscellaneous	20,517	22,030	38,559	22,006	28,047
<b>Total Revenues</b>	<b>\$12,385,279</b>	<b>\$11,711,197</b>	<b>\$12,562,526</b>	<b>\$14,235,550</b>	<b>\$17,738,799</b>
<b>Expenditures</b>					
General government	\$1,721,609	\$1,732,265	\$1,836,772	\$1,961,492	\$1,984,947
Public safety	6,539,777	7,070,825	7,607,354	7,940,986	11,507,061
Public works	1,845,723	1,906,361	2,223,970	2,391,763	2,424,115
Parks and recreation	595,022	609,424	740,573	806,092	773,135
Community development	344,825	374,622	308,737	385,679	402,514
<b>Total Expenditures</b>	<b>\$11,046,956</b>	<b>\$11,693,497</b>	<b>\$12,717,406</b>	<b>\$13,486,012</b>	<b>\$17,091,772</b>
<b>Excess of revenues over (under) expenditures</b>	<b>\$1,338,323</b>	<b>\$17,700</b>	<b>(\$154,880)</b>	<b>\$749,538</b>	<b>\$647,027</b>
<b>Other Financing Sources (Uses)</b>					
Sale of capital asset	\$443	\$3,123	\$359	\$3,395	\$246
Transfers in	1,378,150	1,432,100	1,236,210	1,048,600	1,442,842
Transfers (out)	(1,814,375)	(600,000)	(323,485)	0	(1,189,561)
<b>Total Other Financing Sources (Uses)</b>	<b>(435,782)</b>	<b>835,223</b>	<b>913,084</b>	<b>1,051,995</b>	<b>253,527</b>
<b>Net changes in Fund Balances</b>	<b>\$902,541</b>	<b>\$852,923</b>	<b>\$758,204</b>	<b>\$1,801,533</b>	<b>\$900,554</b>
General Fund Balance January 1	\$4,902,116	\$5,804,657	\$6,657,580	\$7,415,784	\$9,217,317
Prior Period Adjustment	0	0	0	0	0
General Fund Balance December 31	<b>\$5,804,657</b>	<b>\$6,657,580</b>	<b>\$7,415,784</b>	<b>\$9,217,317</b>	<b>\$10,117,871</b>
<b>DETAILS OF DECEMBER 31 FUND BALANCE</b>					
Nonspendable	\$15	\$0	\$1,045	\$5,205	\$1,655
Restricted	0	0	0	451,939	0
Unassigned	5,804,642	6,657,580	7,414,739	8,760,173	10,116,216
<b>Total</b>	<b>\$5,804,657</b>	<b>\$6,657,580</b>	<b>\$7,415,784</b>	<b>\$9,217,317</b>	<b>\$10,117,871</b>

**GENERAL FUND BUDGET SUMMARY**

COMBINED STATEMENT	FISCAL YEAR ENDING DECEMBER 31		
	2025 Adopted Budget	2025 Revised Budget <sup>1</sup>	2026 Adopted Budget <sup>1</sup>
Revenues			
General property taxes	\$11,353,000	\$11,353,163	\$12,305,000
Special assessments	0	8,000	3,660
Licenses and permits	942,055	669,222	763,421
Fine and forfeits	59,000	61,300	61,300
Intergovernmental	2,593,814	2,461,150	2,712,615
Charges for services	3,426,559	3,456,691	3,723,172
Franchise fees	460,000	477,785	430,000
Investment income	150,000	225,000	225,000
Rental income	44,655	54,206	52,165
Refunds and reimbursements	6,500	34,547	29,500
Donations	0	13,800	0
Miscellaneous	8,500	10,420	8,500
<b>Total Revenues</b>	<u>\$19,044,083</u>	<u>\$18,825,284</u>	<u>\$20,314,333</u>
Expenditures			
General government	\$2,354,493	\$2,430,316	\$2,649,551
Public safety	12,978,151	12,830,261	13,939,033
Public works	2,797,938	2,705,377	2,886,300
Parks and recreation	1,334,154	1,219,836	1,543,259
Community development	441,734	436,268	459,573
<b>Total Expenditures</b>	<u>\$19,906,470</u>	<u>\$19,622,058</u>	<u>\$21,477,716</u>
<b>Excess of revenues over (under) expenditures</b>	(\$862,387)	(\$796,774)	(\$1,163,383)
<b>Other Financing Sources (Uses)</b>			
Transfers in	\$878,336	\$886,970	\$957,260
Transfers (out)	0	0	(174,033)
<b>Total Other Financing Sources (Uses)</b>	<u>878,336</u>	<u>886,970</u>	<u>783,227</u>
<b>Net changes in Fund Balances</b>	\$15,949	\$90,196	(\$380,156)
General Fund Balance January 1	\$10,117,871		
Prior Period Adjustment	<u>0</u>		
General Fund Balance December 31	\$10,133,820		

<sup>1</sup> The 2025 revised and 2026 budgets were adopted on December 9, 2025.

## GENERAL INFORMATION

### LOCATION

The City, with a 2020 U.S. Census population of 24,883 and a 2024 population estimate of 24,372 comprising an area of 10.06 square miles, is located approximately 10 miles northeast of St. Paul, Minnesota.

### LARGER EMPLOYERS<sup>1</sup>

Larger employers in the City include the following:

<b>Firm</b>	<b>Type of Business/Product</b>	<b>Estimated No. of Employees</b>
I.S.D. No. 624 (White Bear Lake Area Schools)	Elementary and secondary education	1,235
Century College	Post-secondary education	857
Taymark Corporation <sup>2</sup>	Marketing supplies	600
Trane	HVAC distributor	360
Cerenity Care Center of White Bear Lake	Nursing home and senior living facilities	300
Life Time Fitness	Health club	200
Saputo Dairy	Dairy products	150
Sam's Club	Discount retail store	140
International Paper	Corrugated box plant	140
The City	Municipal and government services	129

**Source:** Data Axle Reference Solutions, written and telephone survey, and the Minnesota Department of Employment and Economic Development.

---

<sup>1</sup> This does not purport to be a comprehensive list and is based on available data obtained through a survey of individual employers, as well as the sources identified above.

<sup>2</sup> Taymark is affiliated to Taylor Corporation, both based in the White Bear Lake location.

**BUILDING PERMITS** (as of March 19, 2026)

	2022	2023	2024	2025	2026
<u>New Single Family Homes</u>					
No. of building permits	7	8	4	6	0
Valuation	\$2,570,000	\$4,612,370	\$2,210,000	\$3,011,116	\$0
<u>New Multiple Family Buildings</u>					
No. of building permits	0	1	10	0	0
Valuation	\$0	\$44,700,000	\$3,160,422	\$0	\$0
<u>New Commercial/Industrial</u>					
No. of building permits	2	1	1	1	0
Valuation	\$8,618,144	\$685,251	\$100,000	\$3,584,741	\$0
<u>All Building Permits</u> <i>(including additions and remodelings)</i>					
No. of building permits	3,758	3,466	2,618	2,556	361
Valuation	\$127,581,676	\$117,740,425	\$89,728,936	\$27,495,726	\$8,179,108

**Source:** The City.

**U.S. CENSUS DATA****Population Trend:** The City

2010 U.S. Census population	23,797
2020 U.S. Census population	24,883
Percent of Change 2010 - 2020	4.56%
2024 Metropolitan Council Population Estimate	24,372

**Income and Age Statistics**

	<b>The City</b>	<b>Ramsey County</b>	<b>State of Minnesota</b>	<b>United States</b>
2024 per capita income	\$46,608	\$46,355	\$48,237	\$44,673
2024 median household income	\$83,554	\$81,568	\$89,062	\$80,734
2024 median family income	\$104,825	\$108,692	\$113,993	\$99,999
2024 median gross rent	\$1,601	\$1,329	\$1,280	\$1,413
2024 median value owner occupied units	\$331,800	\$326,600	\$329,300	\$332,700
2024 median age	41.9 yrs.	36.1 yrs.	38.8 yrs.	38.9 yrs.

	<b>State of Minnesota</b>	<b>United States</b>
City % of 2024 per capita income	96.62%	104.33%
City % of 2024 median family income	91.96%	104.83%

**Housing Statistics**

	<b><u>The City</u></b>		<b>Percent of Change</b>
	<b>2020</b>	<b>2024</b>	
All Housing Units	10,447	10,437	-0.10%

**Source:** 2010 and 2020 Census of Population and Housing, and 2024 American Community Survey (Based on a five-year estimate), U.S. Census Bureau (<https://data.census.gov>), and 2024 Population Estimates, Metropolitan Council (<https://metro council.org/>).

**EMPLOYMENT/UNEMPLOYMENT DATA**

Rates are not compiled for individual communities within counties.

<b>Year</b>	<b><u>Average Employment</u></b>		<b><u>Average Unemployment</u></b>	
	<b>Ramsey County</b>		<b>Ramsey County</b>	<b>State of Minnesota</b>
2022	278,919		2.5%	2.5%
2023	279,249		2.6%	2.8%
2024	279,350		2.9%	3.0%
2025	280,804		3.8%	3.9%
2026, February	273,421		4.7%	5.3%

**Source:** Minnesota Department of Employment and Economic Development.

**FINANCIAL STATEMENTS**

Potential purchasers should read the included financial statements in their entirety for more complete information concerning the City's financial position. Such financial statements have been audited by the Auditor, to the extent and for the periods indicated thereon. The City has not requested or engaged the Auditor to perform, and the Auditor has not performed, any additional examination, assessments, procedures or evaluation with respect to such financial statements since the date thereof or with respect to this Preliminary Official Statement, nor has the City requested that the Auditor consent to the use of such financial statements in this Preliminary Official Statement. Although the inclusion of the financial statements in this Preliminary Official Statement is not intended to demonstrate the fiscal condition of the City since the date of the financial statements, in connection with the issuance of the Bonds, the City represents that there have been no material adverse change in the financial position or results of operations of the City, nor has the City incurred any material liabilities, which would make such financial statements misleading.

Copies of the complete audited financial statements for the past three years and the current budget are available upon request from Ehlers.

# City of White Bear Lake Minnesota



## Annual Comprehensive Financial Report

For the year ended December 31, 2024

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# **ANNUAL COMPREHENSIVE FINANCIAL REPORT**

CITY OF WHITE BEAR LAKE  
WHITE BEAR LAKE, MINNESOTA

FOR THE YEAR ENDED  
December 31, 2024

(Member of the Government Finance Officers Association  
of the United States and Canada)

**Cover photo courtesy of White Bear Lake staff**

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City of White Bear Lake, Minnesota  
Annual Comprehensive Financial Report  
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For the Year Ended December 31, 2024

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INTRODUCTORY SECTION  
CITY OF WHITE BEAR LAKE  
WHITE BEAR LAKE, MINNESOTA

FOR THE YEAR ENDED  
DECEMBER 31, 2024

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City of White Bear Lake, Minnesota  
 Elected and Administrative Officials  
 For the Year Ended December 31, 2024

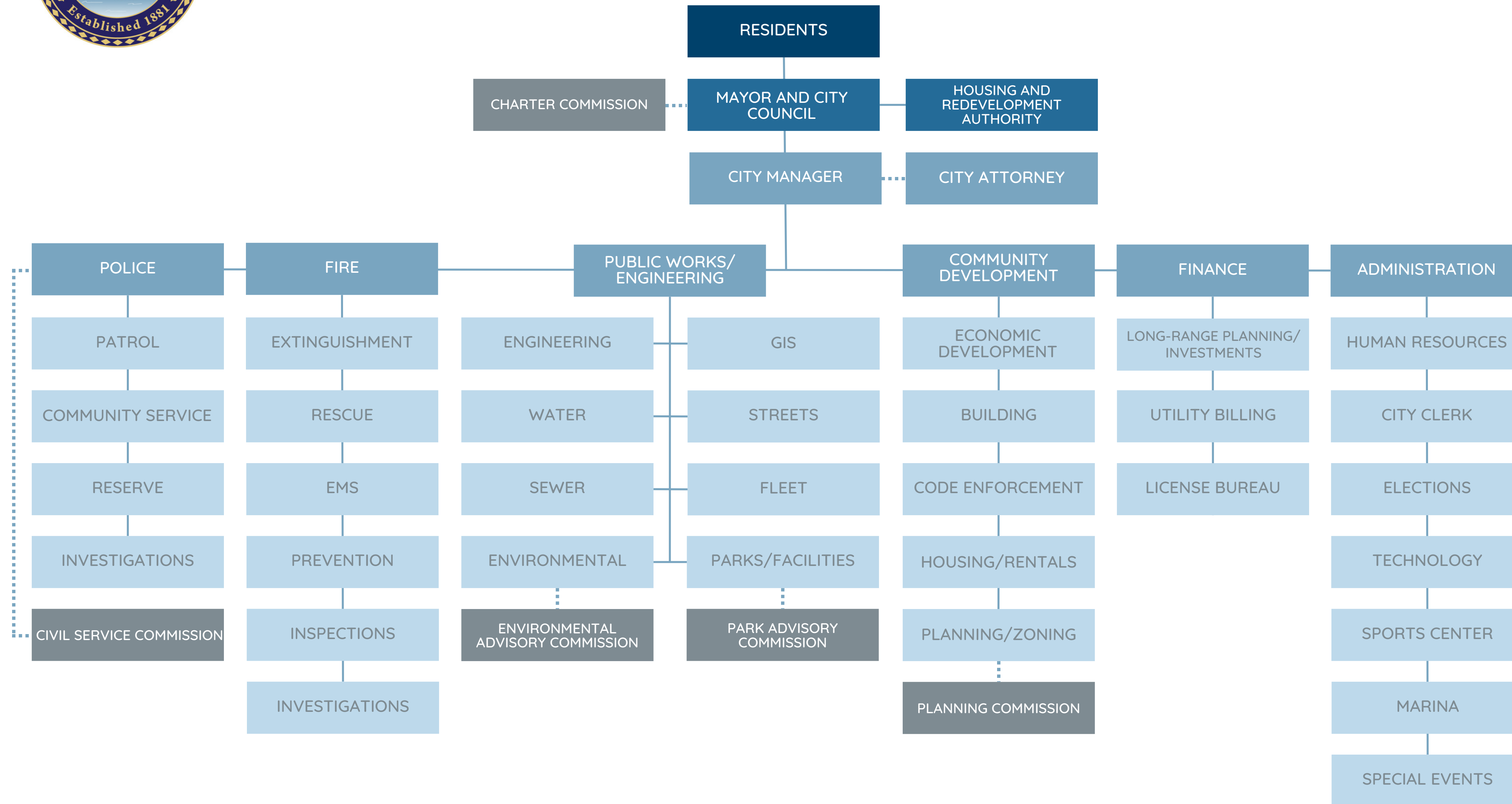
Name	Title	Term Expires
Dan Louismet	Mayor	12/31/25
Bill Walsh	Council Member	12/31/27
Heidi Hughes	Council Member	12/31/25
Andrea West	Council Member	12/31/27
Kevin Edberg	Council Member	12/31/25
Steven Engstran	Council Member	12/31/27

**Administrative Officials**

Lindy Crawford	City Manager
Rick Juba	Assistant City Manager
Jason Lindahl	Community Development Director
Paul Kauppi	City Engineer
Kerri Kindsvater	Finance Director
Dale Hager	Police Chief
Greg Peterson	Fire Chief

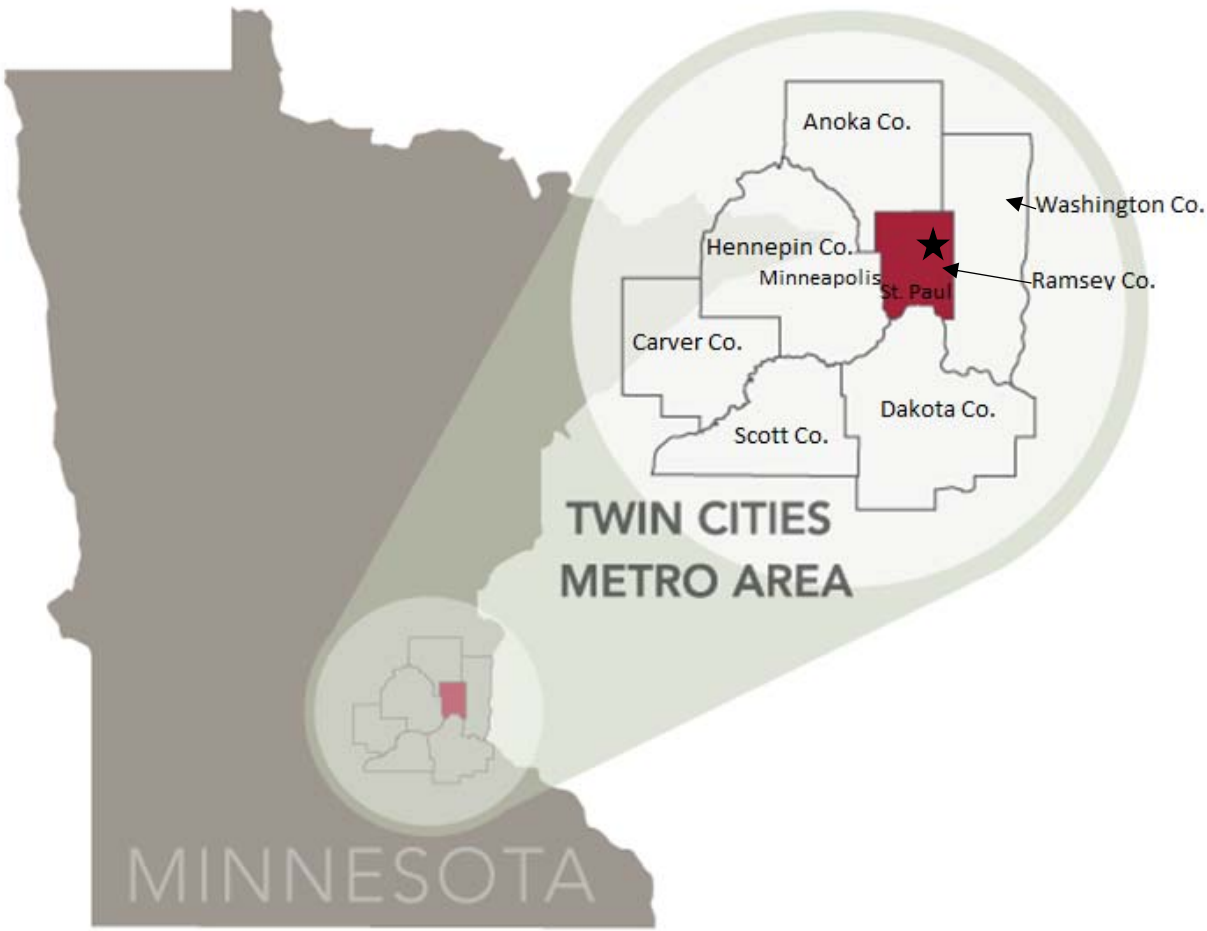


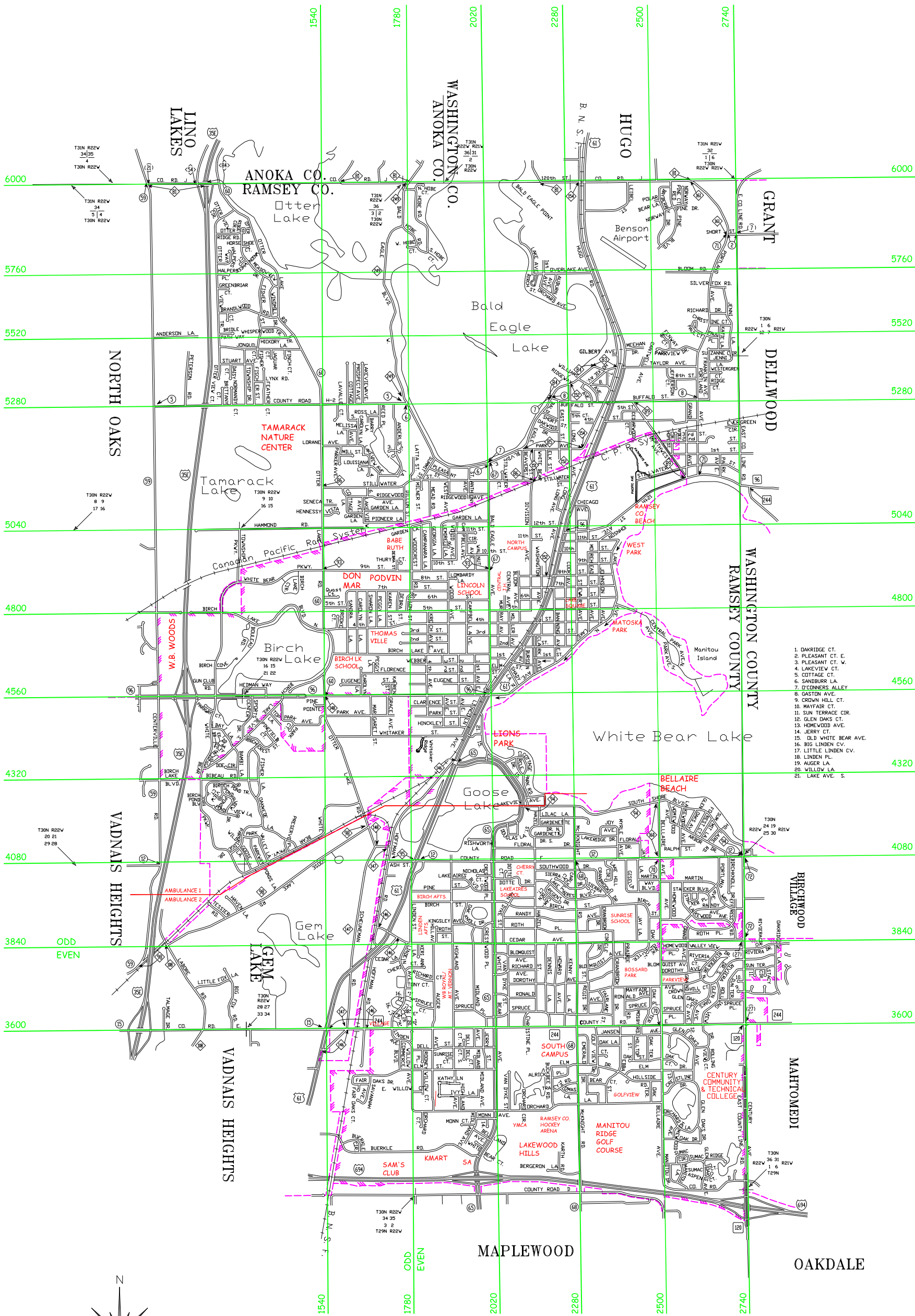
# CITY OF WHITE BEAR LAKE ORGANIZATIONAL CHART



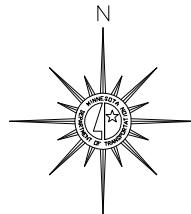
# City of White Bear Lake

## Geographical Location





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

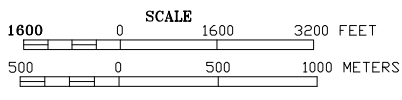


**LEGEND**

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

MUNICIPALITY OF  
**WHITE BEAR LAKE**

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



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

2005

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

### *Historical Beginnings*

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

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

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

### *Legend of White Bear Lake*

The legend of White Bear Lake is one of forbidden love and courage. Like all folklore, some parts of the story may be true; however, all of it is interesting and captivating. It seems that every spring, people from the Dakota Indian tribe visited the island in the middle of White Bear Lake to make maple sugar. Tradition says that on the island, now called Manitou Island, an Indian princess and an Indian brave fell in love. They could not marry since the princess' father, the chief, thought 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.

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## City of White Bear Lake

4701 Highway 61 N.  
White Bear Lake, Minnesota 55110  
651-429-8526 | [www.whitebearlake.org](http://www.whitebearlake.org)

May 14, 2025

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

Minnesota State Statutes require each city to issue an annual report on its financial position and activity prepared in conjunction with accounting principles generally accepted in the United States of America. In accordance with the State Statutes and White Bear Lake City Charter provisions, we respectfully submit the Annual Comprehensive Financial Report (ACFR) of the City of White Bear Lake as of December 31, 2024, and for the year then ended.

The City of White Bear Lake's management is responsible for the accuracy, completeness, and the fairness of this report. We believe the report is accurate in all material aspects, is presented in a manner designed to fairly set forth the financial position and results of City operations as measured by the financial activity of its various funds, and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial conditions have been included.

The ACFR consists of three sections: Introductory, Financial and Statistical. The Introductory section includes this transmittal letter, a list of principal officials, the City's organizational chart, maps and historical information about the city. The Financial section includes the independent auditor's report, Management's Discussion & Analysis (MD&A), financial statements and financial schedules. The Statistical section includes select financial and demographic information, generally presented on a multi-year basis.

For additional discussion of the financial information, please refer to the Management's Discussion and Analysis document.

### **Government Structure**

The City operates with a Modified Council-Manager form of government within the structure of its home rule charter, first adopted in 1921. The city charter presents the mayor as the chief

executive officer of the City, with the position responsible for the enforcement of provisions of the city charter and ordinances. The mayor does not have a vote on the council but does have veto authority over council actions. The council may reconsider any vetoed action at the next regular meeting and override the mayor's veto with a four-fifths vote of all members.

An at-large election occurs for the mayor position, which is a four-year term. Residents elect five councilmembers by wards, who serve four-year staggered terms. The elections for mayor, wards two and four coincide with each other and two years later the elections for wards one, three and five coincide with each other. The council election is on a non-partisan basis.

The council establishes policies, adopts ordinances for municipal regulation, adopts the budget, appoints committee members, and appoints both the city's manager and attorney. The city manager is responsible for executing the ordinances and policies of the council, overseeing the day-to-day operations of the government, appointing department supervisors, recommending and enforcing the budget, and keeping the mayor and council advised as to the financial needs and condition of the City.

### **City Profile**

The City of White Bear Lake is a second-tier St. Paul suburban community within two counties. The majority of the City is in northeast Ramsey County; however, a small section of the southeast area lies within western Washington County. The City incorporates an area of approximately 10 square miles, with a 2020 population of 24,883, according to data from the U.S. Census Bureau. The City is approximately 12 miles from downtown St. Paul and 20 miles from the Minneapolis/St. Paul International Airport.

### **Reporting Entity**

This report contains the financial information relating to all funds of the City of White Bear Lake and its component units. The City provides a full range of municipal services to its citizens. These services include but are not limited to general administration; planning; building and code enforcement; police and fire protection; construction and maintenance of streets; parks and recreational facilities; housing and economic development; water, surface water and sanitary sewer utilities; refuse collection and disposal; ambulance service; a senior housing facility; and deputy registrar services.

The White Bear Lake Housing and Redevelopment Authority (HRA) is a blended component unit of the City. The HRA is a legally separate unit created by the City Council to carry out responsibilities associated with redevelopment within the City's tax increment districts. The HRA governing body consists of five council members with the city manager serving as the executive director. The HRA financial statements are prepared in conjunction with the City's ACFR and are included as a Capital Project Fund of the city. The HRA does not publish a separate financial statement.

## **Independent Audit**

The Council appointed the Certified Public Accountants with Abdo to audit the City's financial statements. The independent audit involved examining evidence on a test basis to support both the amounts and disclosures in the financial statements; assessing the accounting principles and significant estimates used by management; and evaluating the overall financial statement presentation. Based upon the audit, the independent auditor rendered an unmodified or "clean" opinion that the City's financial statements, for the year ended December 31, 2024, are in conformity with Generally Accepted Accounting Principles (GAAP) accepted in the United States of America.

## **Accounting System and Internal Controls**

This report, with its accompanying financial statements and statistical tables, was prepared in conformance with governmental accounting and financial reporting principles developed by the Governmental Accounting Standards Board (GASB).

Specific funds account for all financial transactions of the City. The City maintains its accounting records on an accrual or modified accrual basis, as appropriate. The notes to the financial statement (Note 1) present a summary of the significant accounts policies.

In developing and evaluating the City's accounting system, management established internal controls designed to safeguard the assets and provide a proper recording of all financial transactions. Because of inherent limitations, no set of control procedures can absolutely ensure that all issues, including fraud, have been eliminated or detected. Inherent limitations exist through the possibility of faulty judgments, errors, circumvention, collusion and management override. To the best of our knowledge and belief, this report is complete and reliable in all material respects.

## **Long-Term Financial Planning**

The City utilizes a Capital Improvement Plan (CIP) and Financial Management Plan (FMP) for long-term financial planning purposes.

The CIP provides 10-year data for the major maintenance and replacement needs of all City facilities, equipment, parks, and transportation projects. Each item in the plan has a useful life used for planning purposes, not guaranteed purchase dates. Annually, management and department supervisors analyze all items in the plan to verify necessity and cost. If the item's condition does not warrant purchase or replacement in the planned year based on the review, management and department supervisors delay the funding to a future year.

The FMP allows the City to project expected revenues, operating expenditures, and CIP expenditures over a 10-year period to help anticipate financial requirements in future years. Staff update the forecast each year to add the prior year final audit results, approved budget

amounts, and updated CIP data. The FMP analysis only assumes known decisions and does not presume future decisions of the Council.

Through these planning tools, the City analyzes each capital budget to determine if sufficient resources are in place to meet future infrastructure improvements with the goal of maintaining the fund balances at optimal levels set by the Council. In years when General Fund balances exceed the fund balance requirements, Council allocates the excess amounts to the Equipment Acquisition, Municipal Building, or Pavement Management Fund to provide additional funding and reduce the need for future debt issuance to support operations.

### **Budget Preparation and Controls**

Preparing the City's annual budget is a formal process that incorporates the data from the CIP, FMP, cash flow projections, and department operating plans into one overall document that aligns with the City's policies for operations, financial management, debt management, reserves, investments, and amendments. The City creates a budget for all City funds.

Budget preparations begin each January with departments updating their CIP. This information flows into the FMP for discussion on funding for large-scale purchases and projects with the Council in June. Each department submits their operating budget requests to the finance department in July. These requests combine with projected revenue data and results from the FMP discussion to begin development of the budget. The city manager and finance director present a preliminary budget to the Council prior to September 15 each year. At that time, the Council sets the preliminary tax levy. The Council holds budget work sessions and a formal public hearing prior to adopting the final budget and tax levy before December 20. The Council may adopt a final tax levy in December that is lower than the preliminary amount set in September; however, the levy may not increase.

The city manager has expenditure discretion within expenditure categories; however, adjustments between departments or funds require a budget amendment adopted by the Council.

### **Fiscal Stewardship**

The City's Fiscal Policy provides that one-time revenue sources should fund capital improvements or non-recurring expenses rather than operations and that sufficient cash reserves be maintained to maintain operational efficiencies, thus avoiding any need for short-term borrowing to meet operational requirements.

The City's General Fund balance and reserve for cash flow in the 2024 Revised Budget is 42% of the 2025 expenditure budget and 60% of the City's projected property tax collection, local government aid (LGA), and police aid payments, which are the significant operating revenue sources not received until the second half of the fiscal year.

The City's computations of its direct debt and its legal debt margin report that it holds \$20,282,955 in debt obligation that has general property taxes as its sole source of revenue. The City has 83% of its legal debt limit, or \$99,375,429 available for debt bonding as of December 31, 2024. Net of premiums and discounts, the city has \$21,534,006 outstanding in Tax Increment, Special Assessment, and Tax Abatement debt as of December 31, 2024.

The City anticipates incurring a debt obligation in 2025 to fund the 2025 annual street improvement project and the purchase of a fire truck. A debt issuance is also planned for 2026 to fund the 2026 downtown street improvement project.

### **Debt Administration**

In 2024, S&P Global Ratings affirmed their AA+ long-term rating for the City. The AA+ rating is one step below the highest possible rating of AAA. S&P Global Ratings cited the City's very strong economy, strong budgetary performance, strong management with good financial policies and practices under their financial management assessment methodology, and very weak debt and contingent liability profile as basis for their rating.

### **Factors Affecting Financial Condition**

This report provides the reader with a clear understanding of the City's financial condition and data needed to conduct their analysis. It is important to recognize that factors other than financial operation results and the balance sheet also influence the City's fiscal soundness. Therefore, readers should consider the financial statement information within the context of the external economic environment to gain a good understanding of the City's operations. The following three sections will provide information on the local economy, redevelopment activities and future development opportunities.

#### LOCAL ECONOMY

Located within the Minneapolis / Saint Paul metropolitan area, White Bear Lake benefits from being in a region that is economically resilient due to having a broad mix of industries, with no single industry dominating the regional economy. This diversity of business sectors insulates it from economic instability due to downturns in any one sector. Home to several Fortune 500 headquarters, the metropolitan area's vibrant business base includes companies involved in manufacturing electronics, national retail, leading-edge medical technology, milling, machine and product manufacturing, food processing, banking, higher education and research, graphic and performing arts, and professional athletics. These businesses, and others, have helped make the Twin Cities area one of the largest commercial and cultural centers between Chicago and the West Coast. Additionally, the area is well known for its high quality of life including leading health care systems, strong educational systems and desirable outdoor recreation, making it easier to attract and retain a high-quality labor force.

Locally, the City benefits from an educated workforce, highly engaged civic and volunteer sector, excellent access to the regional highway and interstate system, positionality to the urban cores of Downtown Saint Paul and Minneapolis and localized diversity in industries. The community is supported by a school district and a community college with a strong dedication to workforce development, both of whom partner with local businesses to address needs for specialization in the labor force. White Bear Lake is a regional entertainment, cultural and tourist destination, with a bustling downtown commercial district, active outdoor recreation opportunities including lakes, trails and parks, an Arts District, and many community events throughout the year.

The community's approval of a referendum in 2019 to invest \$326 million has led to transformational improvements and expansion of the White Bear Lake Area School District facilities making our community an even more attractive place for families with children. In the fall of 2024, the unified high school opened, bringing together the district's entire grades 9-12 student body at one campus for the first time since 1972. Included in the improvements was a state-of-the-art field house, outdoor athletic facilities and performing arts center, which allow the high school to host regional events, bringing both students and their supporters to the area. This increased activity benefits local business as the additional visitors patronize businesses in Downtown White Bear Lake.

In addition to the City's focus on economic development, several organizations support the local business community, including the White Bear Lake Economic Development Corporation, White Bear Area Chamber of Commerce, White Bear Lake Main Street Inc., and Explore White Bear. The presence of these organizations along with many other active civic groups fosters a collaborative environment which enhances the local economy and spurs strong resident support for local businesses. In turn many of those businesses support philanthropic activities that strengthen the local quality of life and sense of community.

According to the Bureau of Labor Statistics as of February 2025 the local unemployment rate for White Bear Lake is 4.1%. While that represents an increased unemployment rate since 2024, the Twin Cities area's unemployment rate remains strong and has outperformed the nation as a whole, with an unemployment rate of 3.5% as of February 2025. The national unemployment rate for February 2025 is 4.1%.

White Bear Lake experienced a few years of elevated permit activity due to major local investments including the expansion and renovation of White Bear Lake Area School District's facilities and the development of a large multifamily housing project, as well as permits for storm damage repair from major weather events. In 2024, permitting levels returned to more typical levels.

May 14, 2025

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Permits Issued	2599	2817	3767	3476	2650
Permit Valuations (all types)	\$ 54,730,496	\$ 137,576,203	\$ 140,811,845	\$ 167,738,046	\$ 95,780,999
New Construction:					
Residential	\$ 2,540,000	\$ 7,006,960	\$ 4,612,025	\$ 4,612,370	\$ 5,370,422
Commercial	\$ 8,600,000	-	\$ 8,618,144	\$ 45,385,251	\$ 100,000
	<u>\$ 11,140,000</u>	<u>\$ 7,006,960</u>	<u>\$ 13,230,169</u>	<u>\$ 49,997,621</u>	<u>\$ 5,470,422</u>

Based on the projects currently in the development pipeline, the City anticipates construction activity in 2025 to be more in line with 2024 levels.

The County Assessor’s valuation of the median value home within the community increased 6.61% to \$334,200 in 2024 for taxes payable in 2025. While there has been some volatility in the one-month supply of for sale housing over the past 13 months, ranging between 0.7 to a peak of 2.4 in September 2024, those swings are likely reflective of changing mortgage rates. Other housing market metrics over this timeframe remain steady, with consistency in the number of closed sales and a median home sales price that has remained virtually unchanged at \$350,000 over the past year.

While the economic outlook for the City remains strong, the community is not immune to regional, national and global economic conditions. Potential challenges include limited opportunities for redevelopment, inflation, increased interest rates, a weakening global economy, changing federal policies and a need for additional lifecycle housing.

### REDEVELOPMENT ACTIVITIES

Construction for The Lochner, a 244-unit market rate multifamily project, was completed in summer of 2024. The project has significantly increased the tax base, with an estimated market value of \$40,034,600 for taxes payable in 2025 and a preliminary estimated value of \$47,318,800 for 2026, up from an estimated market value of \$2,229,000 for taxes payable in 2024. With a lease-up rate of nearly 94%, the project demonstrates there is still strong demand for housing in the area.

SmarteCarte, a local manufacturer, has completed a major expansion, increasing the property’s taxable value by nearly \$2,000,000 dollars. Properties in the downtown area continue to see private investment as property owners renovate and rehabilitate their buildings. Wildwood Rowhomes, a 9-unit for-sale townhome development, is underway with completion anticipated in the second half of 2025. The project’s site is formerly a vacant gas station, which was a blighted nuisance property at a highly traveled intersection. The City secured grants through the Metropolitan Council and Minnesota Department of Employment and Economic Development for grant funds to mitigate the costs of redevelopment and site cleanup on behalf of the developer.

The White Bear Lake Area Historical Society purchased the Armory facility from the City in fall 2022 to utilize as a local history museum. Currently, the property is undergoing a major façade renovation, ensuring the historic architecture remains intact for years to come.

## FUTURE DEVELOPMENT

The City's 2040 Comprehensive Plan incorporates both a housing and an economic competitiveness section, which guide the community's future development. The City expects much of this work to create new private investment opportunities for White Bear Lake, capitalize on opportunity sites, generate new resources for homeowners and businesses, and help create an economic development plan to guide the community through 2040.

While the city is nearly fully developed, opportunities remain for infill development to create additional housing options and job producing commercial development. The City controls a number of sites with potential future uses that are in line with housing and economic development goals. Some are shovel ready, while others will require site preparation or assembly prior to moving forward with development.

The City has entered into a purchase agreement to acquire a site for assembly with a property already owned by the City at the intersection of County Road E and Bellaire. Prior to the purchase, funding was secured through Ramsey County to conduct a Phase I and Phase II Environmental Assessment of the site. The assembly of these two parcels will create a more viable redevelopment opportunity. Additionally, a city owned parcel on Highway 96 is being actively marketed for infill housing development. A preferred developer had previously been selected for the site, but due to unforeseen circumstances the developer had to back out of the project.

Addressing the community's housing needs continues to be a strong focus of the City. In evaluating recommendations from the Housing Task Force, the Council has indicated a preference for pursuing a proactive approach in expanding housing options within the city. Additionally, they have indicated they are receptive to opportunities to preserve and maintain the existing housing stock as well as programs and policies that keep residents housed. A lack of supply and robust demand in White Bear Lake, and the Twin Cities in general, continues to cause both owner and renter occupied housing costs to increase. Development of many of the City's opportunity sites will incorporate housing and drive development within the city in future years.

In 2023, the Minnesota Legislature created a Local Affordable Housing Aid program funded through a metro-wide sales tax. The City receives an allocation of this funding, which is an additional tool the City may use for the development of housing for people with low and moderate incomes. Additionally, the City revised and updated public financing policies to clearly communicate with developers what types of projects it will consider supporting financially.

The County Road E Corridor remains a primary focus for economic development within the community. The City received funding through a Ramsey County Corridor Improvement Program to develop a Corridor Action Plan in partnership with the neighboring cities of Vadnais Heights and Gem Lake to assist in the revitalization of the corridor. The project concluded in fall

2022 after an extensive amount of community engagement and generated a significant amount of synergy between the partnering communities. In 2023, the City secured additional funding from Ramsey County in partnership with Vadnais Heights and Gem Lake which is supporting the creation of a branding, marketing and place-making strategy to enhance the perception of the corridor and attract residents and visitors to the businesses within it.

The City has concluded a Downtown Mobility and Parking Study, which is a precursor to Downtown street and public parking reconstruction projects, as well as a guide for future public realm improvements. Currently plans are being drafted to reconstruct the City's downtown public parking lots in 2025 in advance of street reconstruction that is anticipated to begin in 2026. Improvements in Downtown will increase the attractiveness of private investment in both residential and commercial projects as well as be a catalyst for tourism.

Additionally, an update of the City's zoning code is nearing completion, which will be the first substantial revision since 1983. Modernizing the zoning code will make the development process more predictable and bring it into alignment with the 2040 Comprehensive Plan, which will increase the ability of the City to attract developers to produce projects aligned with the City's goals.

The Community Development Department continues to receive inquiries about potential commercial and residential projects, as well as general inquiries looking for available sites. Based on land use applications and the frequency of inquiries, it appears market pressures on real estate development, including interest rates, construction costs and general market uncertainties, have softened demand. While many of these conditions are outside of its control, staff believe the investments the City continues to make have ensured it is well positioned to weather economic challenges and remain attractive for private investment.

### **Pension Reporting**

The ACFR dated December 31, 2024, incorporates GASB Statement No. 68 "Accounting and Financial Reporting for Pensions". The Statement requires the City to report a net pension liability of \$3,148,626. The City calculates this liability by comparing its share of the statewide plan (PERA) of \$7,131,186 with its share of the local Fire Relief Association credit (over 100% funded) of \$3,982,560.

Minnesota State Statutes do not require any local governmental unit to be responsible for any statewide pension funding deficit. The State legislature has previously utilized its statewide funding resources to ensure local pensions are sufficiently funded.

### **Reporting Awards**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for ACFR for the fiscal year ended December 31, 2023. This was the thirty-fourth consecutive year that the city

May 14, 2025

received this prestigious award. To receive the Certificate of Achievement in Excellence Reporting award, the City must publish an easily readable and effectively organized annual report. This report satisfies both the General Accepted Accounting Principal and legal requirements.

A Certificate of Achievement for Excellence in Financial Report is valid for a period of one year only. The City will submit 2024 financial report to the GFOA to determine its eligibility for another certificate.

In addition, the City also received the GFOA's Distinguished Budget Presentation Award for its annual budget document dated January 1, 2024, which represents the twenty-fifth consecutive year the city received the award. To qualify for the Distinguished Budget Presentation Award, the City's budget document was judged as proficient in several categories, including as a policy document, a financial plan, an operations guide, and a communications device.

### **Acknowledgements**

We would like to express our appreciation to all members of the finance department who assisted and contributed to the preparation of this report. Recognition is also extended to the Mayor and Council for their responsible policies involving the City's financial operations, along with their solidarity in placing long-range and infrastructure needs ahead of popular expenditures and careful consideration of staff recommendations.

Respectfully Submitted,



City Manager



Finance Director



Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of White Bear Lake  
Minnesota**

For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

December 31, 2023

*Christopher P. Morill*

Executive Director/CEO

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FINANCIAL SECTION  
CITY OF WHITE BEAR LAKE  
WHITE BEAR LAKE, MINNESOTA

FOR THE YEAR ENDED  
DECEMBER 31, 2024

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## **INDEPENDENT AUDITOR'S REPORT**

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

### **Report on the Financial Statements**

#### **Opinions**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of White Bear Lake, Minnesota (the City), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City as of December 31, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Change in Accounting Principle***

As described in Note 19 to the financial statements, the City adopted the provisions of Governmental Accounting Standard Board (GASB) Statement No. 100, Accounting Changes and Error Corrections and Governmental Accounting Standard Board (GASB) Statement No. 101, Compensated Absences, for the year ended December 31, 2024. Adoption of the provisions of these statements results in significant change to the classifications of the components of the financial statements. Our opinion is not modified with respect to this matter.



## Other Matters

### **Required Supplementary Information**

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis starting on page 35, the General Fund Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget to Actual, the Schedules of Employer's Share of the Net Pension Liability and the Schedule of Changes in Net Pension Liability (Asset) and Related Ratios starting on page 116, and the Schedule of Changes in Total OPEB Liability and Related Ratios to be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects in relation to the basic financial statements as a whole.

### **Other Information**

Management is responsible for the other information in the report. The other information comprises the introductory section and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statement do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated May 14, 2025, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



**Abdo**  
Minneapolis, Minnesota  
May 14, 2025



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## Management's Discussion and Analysis

As management of the City of White Bear Lake, Minnesota (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended December 31, 2024.

### Financial Highlights

- The assets and deferred outflows or resources of the City exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year as shown in the summary of net position on the following pages. The unrestricted amount of net position may be used to meet the City's ongoing obligations to citizens and creditors.
- The City's total net position increased as shown in the summary of changes in net position table on the following pages. The increase is mainly due to an increase in capital grants and contributions, in operating grants and contributions and an increase in property taxes levied for general purposes.
- For the current fiscal year, the City's governmental funds fund balances are shown in the Financial Analysis of the City's Funds section of the MD&A. The total fund balance increased in comparison with the prior year. This increase was mainly due to an increase in general property taxes and the issuance of the G.O. Capital Improvement Plan Bonds, Series 2024A. The total of assigned and unassigned as shown in the governmental fund balance table is available for spending at the City's discretion.
- Total fund balance in the General fund as shown in the financial analysis of the City's funds section increased from prior year.
- The City's total bonded debt increased during the year. The increase is mainly attributable to the issuance of the G.O. Capital Improvement Plan Bonds, Series 2024A.

## Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplemental information in addition to the basic financial statements themselves. The following chart shows how the various parts of this annual report are arranged and related to one another:

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of combining and individual fund financial statements and schedules that further explains and supports the information in the financial statements. Figure 1 shows how the required parts of this annual report are arranged and relate to one another. In addition to these required elements, we have included a section with combining and individual fund financial statements and schedules that provide details about nonmajor governmental funds, which are added together and presented in single columns in the basic financial statements. Internal service funds statements are also included, reflecting balances prior to their elimination from the government-wide financial statements, to avoid "doubling-up" effect within the governmental and business-type activities columns of said statements.

**Figure 1**  
**Required Components of the**  
**City's Annual Financial Report**

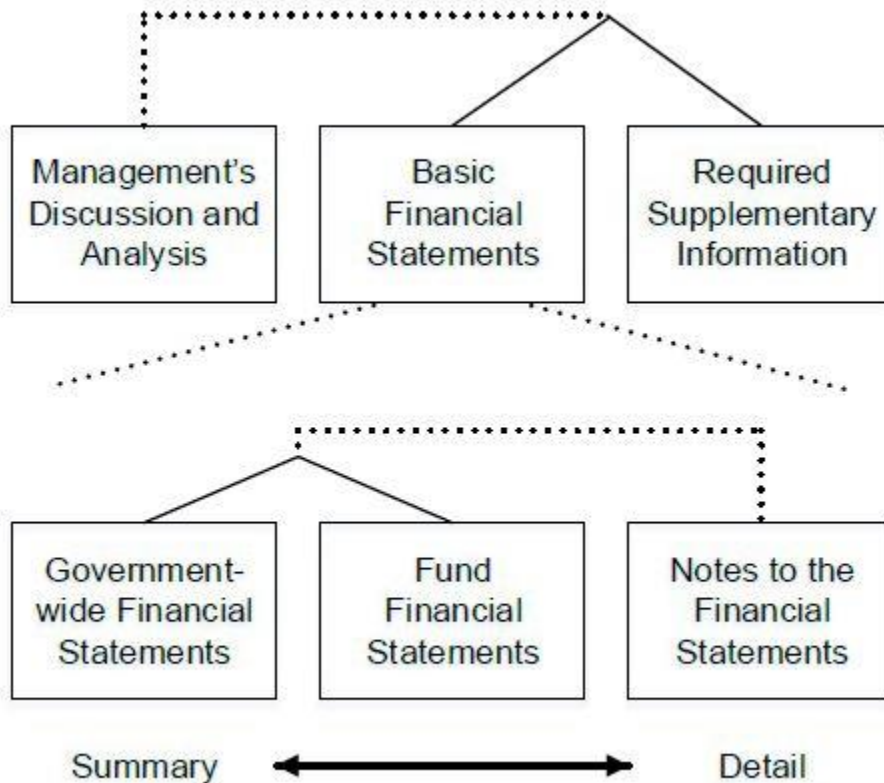


Figure 2 summarizes the major features of the City’s financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis explains the structure and contents of each of the statements.

**Figure 2**  
**Major Features of the Government-wide and Fund Financial Statements**

	Fund Financial Statements		
	Government-wide Statements	Governmental Funds	Proprietary Funds
Scope	Entire City government (except fiduciary funds) and the City’s component units	The activities of the City that are not proprietary or fiduciary, such as police, fire and parks	Activities the City operates similar to private businesses, such as the water and sewer system
Required financial statements	<ul style="list-style-type: none"> <li>• Statement of Net Position</li> <li>• Statement of Activities</li> </ul>	<ul style="list-style-type: none"> <li>• Balance Sheet</li> <li>• Statement of Revenues, Expenditures, and Changes in Fund Balances</li> </ul>	<ul style="list-style-type: none"> <li>• Statement of Net Position</li> <li>• Statement of Revenues, Expenses and Changes in Fund Net Position</li> <li>• Statement of Cash Flows</li> </ul>
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term
Type of deferred outflows/inflows of resources information	All deferred outflows/inflows of resources, regardless of when cash is received or paid	Only deferred outflows of resources expected to be used up and deferred inflows of resources that come due during the year or soon thereafter; no capital assets included	All deferred outflows/inflows of resources, regardless of when cash is received or paid
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year, regardless of when cash is received or paid

**Government-wide Financial Statements.** The *government-wide financial* statements are designed to provide readers with a broad overview of the City’s finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the City’s assets and deferred outflows of resources, and liabilities and deferred inflows of resources, with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the City's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes).

Both of the government-wide financial statements distinguish functions of the City that are principally supported by taxes and intergovernmental revenue (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City include general government, public safety, public works, culture and recreation, economic development, and interest on long-term debt. The business-type activities of the City include water, sewer, refuse, license bureau, pioneer manor, and ambulance.

The government-wide financial statements include not only the City itself (known as the *primary government*), but also a legally separate Economic Development Authority for which the City is financially accountable. Financial information for this *component unit* is discretely presented from the financial information presented for the primary government itself.

The government-wide financial statements start on page 51 of this report.

**Fund Financial Statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

**Governmental Funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact by the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The City maintains numerous individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General fund, Non-Bonded Debt fund, Pavement Management fund, Municipal Building fund, Equipment Acquisition fund, and the Community Reinvestment fund which are all considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of *combining statements or schedules* elsewhere in this report.

The City adopts an annual appropriated budget for its General fund and some nonmajor special revenue funds. A budgetary comparison schedule has been provided as RSI for the General fund to demonstrate compliance with this budget.

The basic governmental fund financial statements start on page 56 of this report.

**Proprietary Fund.** The City maintains one type of proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City uses enterprise funds to account for its water, sewer, refuse, license bureau, pioneer manor, and ambulance operations.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for each of the major enterprise funds. Data from the other proprietary funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor proprietary funds is provided in the form of *combining statements or schedules* elsewhere in this report. *Internal service funds* are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for insurance, and Employment Expense. Because these services benefit both governmental and business-type activities, they are allocated to both governmental and business-type activities in the government-wide financial statements.

The basic proprietary fund financial statements start on page 64 of this report.

**Notes to the Financial Statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements start on page 77 of this report.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pensions and other postemployment benefits to its employees. Required supplementary information can be found starting on page 116 of this report. The combining statements referred to earlier in connection with nonmajor governmental, proprietary funds and internal service funds are presented following the required supplementary information. Combining and individual fund financial statements and schedules start on page 132 of this report.

**Supplementary Information.** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension benefits to its employees. Required supplementary information can be found starting on page 116 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented following the notes to the financial statements. Combining and individual fund financial statements and schedules start on page 132 of this report.

## Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources as noted below at the close of the most recent fiscal year.

### City of White Bear Lake's Summary of Net Position

	Governmental			Business-type		
	2024	2023	Increase (Decrease)	2024	2023	Increase (Decrease)
<b>Assets</b>						
Current and other asstes	\$ 62,817,258	\$ 62,072,721	\$ 744,537	\$ 10,121,055	\$ 9,363,226	\$ 757,829
Capital assets	89,196,525	84,400,051	4,796,474	6,954,396	7,658,618	(704,222)
Total Assets	<u>152,013,783</u>	<u>146,472,772</u>	<u>5,541,011</u>	<u>17,075,451</u>	<u>17,021,844</u>	<u>53,607</u>
Deferred Outflows of Resources	10,120,067	10,320,170	(200,103)	123,574	2,976,233	(2,852,659)
<b>Liabilities</b>						
Long-term liabilities outstanding	49,926,108	48,800,396	1,125,712	3,663,395	5,858,577	(2,195,182)
Other liabilities	3,533,595	4,393,512	(859,917)	721,277	790,957	(69,680)
Total Liabilities	<u>53,459,703</u>	<u>53,193,908</u>	<u>265,795</u>	<u>4,384,672</u>	<u>6,649,534</u>	<u>(2,264,862)</u>
Deferred Inflows of Resources	15,040,966	13,287,454	1,753,512	403,432	2,857,735	(2,454,303)
<b>Net Position</b>						
Net Investment in Capital assets	51,289,366	52,246,551	(957,185)	3,902,799	4,418,349	(515,550)
Restricted	8,747,921	7,938,900	809,021	-	-	-
Unrestricted	<u>33,595,894</u>	<u>30,126,129</u>	<u>3,469,765</u>	<u>8,508,122</u>	<u>6,072,459</u>	<u>2,435,663</u>
Total Net Position	<u>\$ 93,633,181</u>	<u>\$ 90,311,580</u>	<u>\$ 3,321,601</u>	<u>\$ 12,410,921</u>	<u>\$ 10,490,808</u>	<u>\$ 1,920,113</u>
<b>Net Position as a Percent of Total</b>						
Net Investment in						
Capital Assets	54.8%	57.8%		31.4%	42.1%	
Restricted	9.3%	8.8%		0.0%	0.0%	
Unrestricted	<u>35.9%</u>	<u>33.4%</u>		<u>68.6%</u>	<u>57.9%</u>	
	<u>100.0%</u>	<u>100.0%</u>		<u>100.0%</u>	<u>100.0%</u>	

The largest part of the City's net position reflects its investment in capital assets. The investment in capital assets (e.g., land, buildings, machinery and equipment) is reduced by any related debt used to acquire those assets that is still outstanding to arrive at capital assets net of related debt. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the City's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position* may be used to meet the City's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City is able to report positive balances in all three categories of net position, both for the City as a whole, as well as for its separate governmental and business-type activities.

## City of White Bear Lake's Changes in Net Position

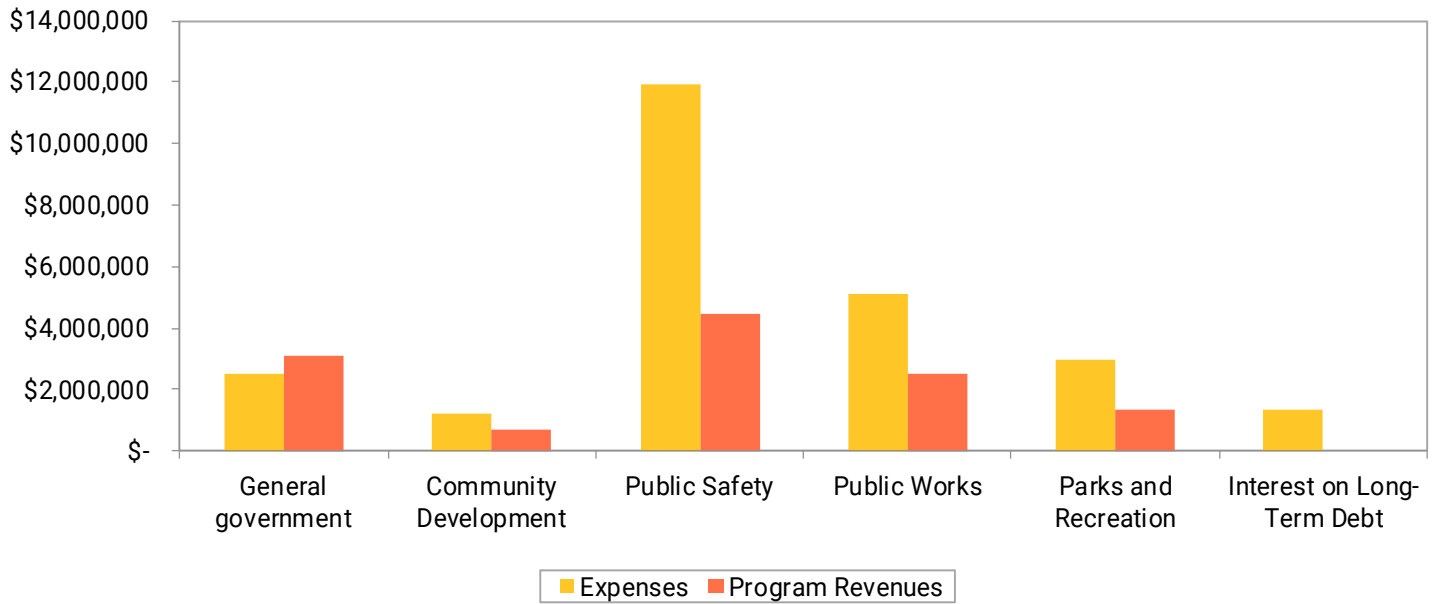
	Governmental Activities			Business-type Activities		
	2024	2023	Increase (Decrease)	2024	2023	Increase (Decrease)
<b>Revenues</b>						
Program Revenues						
Charges for Services	\$ 7,836,353	\$ 5,374,311	\$ 2,462,042	\$ 9,884,505	\$ 11,745,614	\$ (1,861,109)
Operating grants and contributions	3,245,489	3,391,532	(146,043)	64,723	366,699	(301,976)
Capital grants and contributions	1,085,162	357,531	727,631	-	-	-
General revenues						
Property Taxes	11,993,423	9,846,759	2,146,664	-	-	-
Other Taxes	713,457	1,050,856	(337,399)	-	-	-
Grants and contributions not restricted specific programs	1,245,446	1,127,728	117,718	-	-	-
Sale of Capital Assets	45,294	49,600	(4,306)	-	12,381	(12,381)
Other	2,108,619	2,211,622	(103,003)	239,222	215,610	23,612
<b>Total Revenue</b>	<b>28,273,243</b>	<b>23,409,939</b>	<b>4,863,304</b>	<b>10,188,450</b>	<b>12,340,304</b>	<b>(2,151,854)</b>
<b>Expenses</b>						
General government	2,489,548	2,622,891	(133,343)	-	-	-
Public Safety	11,936,809	8,555,389	3,381,420	-	-	-
Public Works	5,098,037	5,182,844	(84,807)	-	-	-
Community Development	1,187,378	2,584,811	(1,397,433)	-	-	-
Parks and Recreation	2,979,235	2,645,681	333,554	-	-	-
Interest on long-term debt	1,331,205	1,365,349	(34,144)	-	-	-
Water and Sewer	-	-	-	5,089,244	5,377,491	(288,247)
Refuse	-	-	-	1,829,340	1,777,238	52,102
Ambulance	-	-	-	-	3,355,106	(3,355,106)
Senior Housing	-	-	-	339,889	358,583	(18,694)
License Bureau	-	-	-	939,294	859,776	79,518
<b>Total Expenses</b>	<b>25,022,212</b>	<b>22,956,965</b>	<b>2,065,247</b>	<b>8,197,767</b>	<b>11,728,194</b>	<b>(3,530,427)</b>
<b>Increase (Decrease) in Net Assets Before Transfers</b>	<b>3,251,031</b>	<b>452,974</b>	<b>2,798,057</b>	<b>1,990,683</b>	<b>612,110</b>	<b>1,378,573</b>
Internal capital/debt transfers	(1,155,252)	(10,967)	(1,144,285)	1,155,252	10,967	1,144,285
Internal transfers	1,225,822	553,833	671,989	(1,225,822)	(553,833)	(671,989)
<b>Increase (Decrease) in Net Position</b>	<b>3,321,601</b>	<b>995,840</b>	<b>2,325,761</b>	<b>1,920,113</b>	<b>69,244</b>	<b>1,850,869</b>
<b>Net Position, January 1</b>	<b>90,311,580</b>	<b>89,315,740</b>	<b>995,840</b>	<b>10,490,808</b>	<b>10,421,564</b>	<b>69,244</b>
<b>Net position, December 31</b>	<b>\$ 93,633,181</b>	<b>\$ 90,311,580</b>	<b>\$ 3,321,601</b>	<b>\$ 12,410,921</b>	<b>\$ 10,490,808</b>	<b>\$ 1,920,113</b>

- Revenues from governmental activities increased during the current year mainly due to an increase in charges for services related to ambulance operations now being recorded in governmental activities as of January 1, 2024, and an increase in tax revenues during the year, while revenues from business-type activities decreased during the current year mainly due to a decrease in charges for services related to moving the ambulance operations to governmental activities.
- Expenses from governmental activities increased during the year mainly due to an increase in public safety costs incurred during the year related to the ambulance operations, while expenses from business-type activities decreased during the year mainly due to ambulance operations being recognized as governmental activities in the current year.

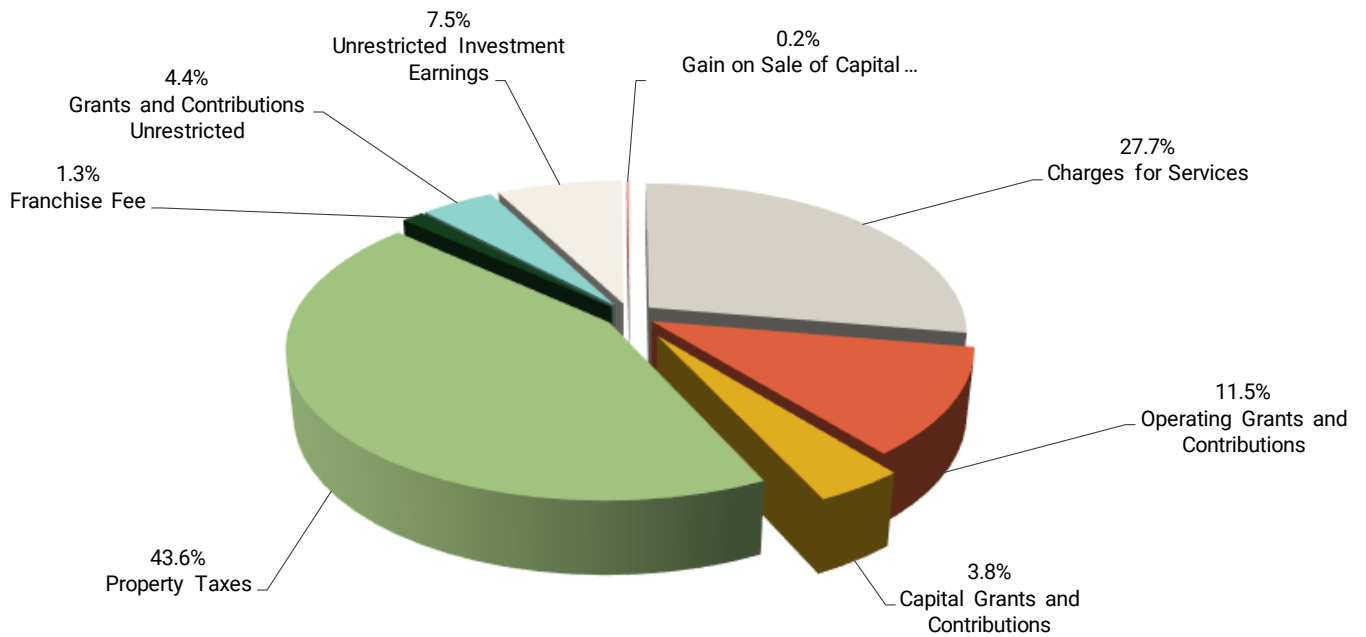
**Governmental Activities:** Governmental activities increased the City's net position as shown below.

The following graph depicts various governmental activities and shows the revenue and expenses directly related to those activities.

### Expenses and Program Revenues - Governmental Activities

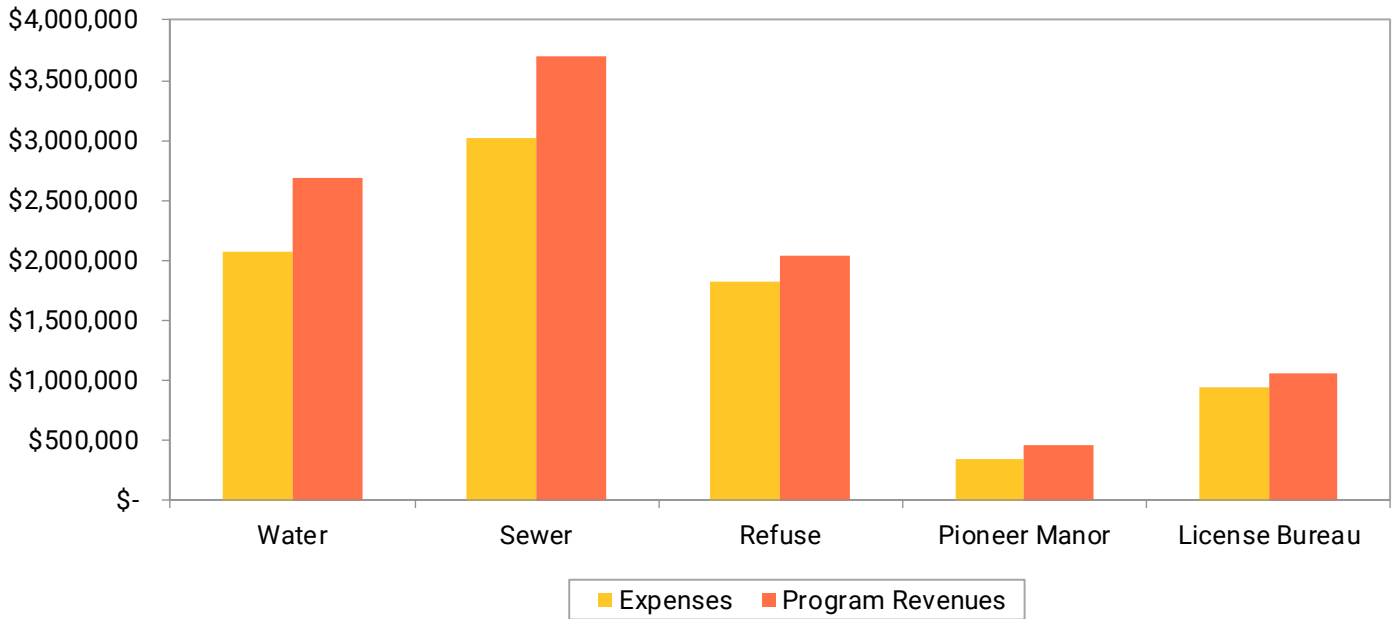


### Revenues by Source - Governmental Activities

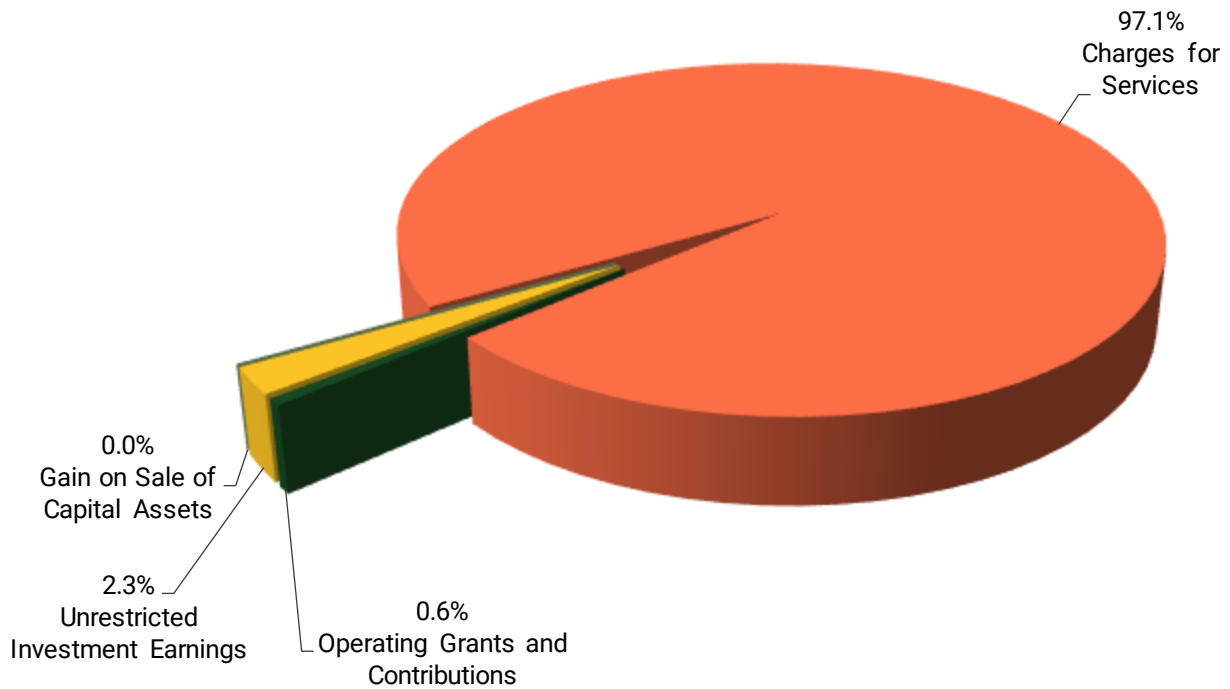


**Business-type Activities:** Business-type activities increased the City's net position, as shown in the changes in the net position table.

### Expenses and Program Revenues Business-type Activities



### Revenues by Source Business-type Activities



## Financial Analysis of the Government's Funds

As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the year.

**Governmental Funds.** The focus of the City's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. The table below outlines the governmental fund balances for the year ending December 31, 2024.

	General Fund	Non-Bonded Debt	Pavement Management	Municipal Building	Equipment Acquisition	Community Reinvestment	Non-Major Governmental Funds	Total	Prior Year Total
Fund Balances									
Nonspendable	\$ 1,655	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 83	\$ 1,738	\$ 5,288
Restricted	-	-	-	868,689	-	-	3,766,494	4,635,183	9,709,368
Committed	-	-	-	-	3,405,974	6,561,958	6,285,964	16,253,896	15,045,213
Assigned	-	1,673,308	5,876,844	1,124,259	-	-	840,487	9,514,898	6,835,107
Unassigned	10,116,216	-	-	-	-	-	(149,393)	9,966,823	8,351,927
	<u>\$ 10,117,871</u>	<u>\$ 1,673,308</u>	<u>\$ 5,876,844</u>	<u>\$ 1,992,948</u>	<u>\$ 3,405,974</u>	<u>\$ 6,561,958</u>	<u>\$ 10,743,635</u>	<u>\$ 40,372,538</u>	<u>\$ 39,946,903</u>

As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances shown above. Additional information on the City's fund balances can be found in Note 1 starting on page 77 of this report.

The General fund is the chief operating fund of the City. At the end of the current year, the fund balance of the General fund is shown in the table above. As a measure of the General fund's liquidity, it may be useful to compare unassigned fund balance to total fund expenditures. The total unassigned fund balance as a percent of total fund expenditures is shown in the chart below along with total fund balance as a percent of total expenditures.

	Current Year Ending Balance	Prior Year Ending Balance	Increase/ (Decrease)
General Fund Fund Balances			
Nonspendable	\$ 1,655	\$ 5,205	\$ (3,550)
Committed for	-	451,939	(451,939)
Unassigned	10,116,216	8,760,173	1,356,043
	<u>\$ 10,117,871</u>	<u>\$ 9,217,317</u>	<u>\$ 900,554</u>
General Fund expenditures	\$ 17,091,772	\$ 13,486,012	
Unassigned as a percent of expenditures	59.2%	65.0%	
Total Fund Balance as a percent of expenditures	59.2%	68.3%	

The fund balance of the City's General fund increased during the current fiscal year as shown in the table above. This increase in fund balance was due to an increase in revenue received related to charges for services and property taxes during the year as well as positive overall budget variance in expenditures.

Other major governmental fund analysis is shown below:

	December 31, 2024	December 31, 2023	Increase (Decrease)
Non-Bonded Debt fund	\$ 1,673,308	\$ 1,359,988	\$ 313,320
<i>The Non-Bonded Debt fund increase in fund balance during the year was due to special assessment collections exceeding debt service related expenditures and operating transfers out.</i>			
Pavement Management	\$ 5,876,844	\$ 4,634,632	\$ 1,242,212
<i>The Pavement Management total fund balance increased during the year mainly due to an increase Municipal State Aid and delayed projects due to the public building project.</i>			
Municipal Building	\$ 1,992,948	\$ 5,405,112	\$ (3,412,164)
<i>The Municipal Building fund total fund balance decreased during the year due to capital outlay costs for the public safety building.</i>			
Equipment Acquisition	\$ 3,405,974	\$ 2,827,220	\$ 578,754
<i>The Equipment Acquisition total fund balance increased during the year due to the operating transfer in from the General Fund for the 2023 surplus to support equipment purchases and improvements.</i>			
Community Reinvestment	\$ 6,561,958	\$ 6,954,259	\$ (392,301)
<i>The Community Reinvestment total fund balance decreased during the year due to the operating transfer out to support capital projects in parks, municipal buildings and street improvements.</i>			

**Proprietary Funds.** The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Net position of the City's proprietary funds increased as follows:

	Ending Net Position 2024	Ending Net Position 2023	Increase/ (Decrease)
Water	\$ 4,895,651	\$ 4,399,738	\$ 495,913
<i>The increase primarily is attributed to operating revenues exceeding expenses.</i>			
Sewer	\$ 5,028,276	\$ 4,399,159	\$ 629,117
<i>The increase primarily is attributed to operating revenues exceeding expenses.</i>			
Refuse	\$ 509,397	\$ 396,468	\$ 112,929
<i>The increase primarily is attributed to operating revenues exceeding expenses.</i>			

## General Fund Budgetary Highlights

	Original Budgeted Amounts	Budget Amendments	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues	\$ 17,312,522	\$ (248,420)	\$ 17,064,102	\$ 17,738,799	\$ 674,697
Expenditures	18,379,297	(214,516)	18,164,781	17,091,772	1,073,009
Excess of Revenues Over Expenditures	(1,066,775)	(33,904)	(1,100,679)	647,027	1,747,706
Other Financing Sources (Uses)					
Sale of capital assets	-	246	246	246	-
Transfers in	1,067,520	375,322	1,442,842	1,442,842	-
Transfers out	-	(1,189,561)	(1,189,561)	(1,189,561)	-
Total Other Financing Sources (Uses)	1,067,520	(813,993)	253,527	253,527	-
Net Change in Fund Balances	745	(847,897)	(847,152)	900,554	1,747,706
Fund Balances, January 1	7,492,775	1,724,542	9,217,317	9,217,317	
Fund Balances, December 31	\$ 7,493,520	\$ 876,645	\$ 8,370,165	\$ 10,117,871	\$ 1,747,706

The City's General fund budget was not amended during the year as shown above. Actual revenues were over the final budget and expenditures were under the final budget amounts as shown above.

## Capital Asset and Debt Administration

**Capital Assets.** The City's investment in capital assets for its governmental and business-type activities as of December 31, 2024, is shown below in capital asset table (net of accumulated depreciation). This investment in capital assets includes construction in progress, land, buildings and improvements, furniture and equipment, other infrastructure, and distribution and collection system. The total increase in the City's investment in capital assets for the current fiscal year for governmental activities is mainly due to the completion of the public safety building project. The decrease in the business-type activities investment in capital assets is due to the accumulated depreciation increasing on depreciable assets.

Additional information on the City's capital assets can be found in Note 3C starts on page 88 of this report.

### City of White Bear Lake's Capital Assets (Net of Depreciation)

	Governmental Activities			Business-type Activities			Total		
	2024	2023	Increase (Decrease)	2024	2023	Increase (Decrease)	2024	2023	Increase (Decrease)
Construction in progress	\$ 190,473	\$ 13,091,380	\$ (12,900,907)	\$ -	\$ 144,615	\$ (144,615)	\$ 190,473	\$ 13,235,995	\$ (13,045,522)
Land	9,666,893	9,666,893	-	490,275	490,275	-	10,157,168	10,157,168	-
Buildings and improvements	30,511,224	14,004,004	16,507,220	1,246,301	1,216,240	30,061	31,757,525	15,220,244	16,537,281
Furniture and equipment	4,610,087	4,049,097	560,990	1,152,358	1,743,109	(590,751)	5,762,445	5,792,206	(29,761)
Infrastructure	44,217,848	43,588,677	629,171	-	-	-	44,217,848	43,588,677	629,171
Distribution and collection system	-	-	-	4,065,462	4,064,379	1,083	4,065,462	4,064,379	1,083
Total	\$ 89,196,525	\$ 84,400,051	\$ 4,796,474	\$ 6,954,396	\$ 7,658,618	\$ (704,222)	\$ 96,150,921	\$ 92,058,669	\$ 4,092,252
Percent increase (decrease)			5.7%			-9.2%			4.4%

**Long-term Debt.** At the end of the current fiscal year, the City had total bonded debt outstanding consisting of special assessment debt, revenue related debt and general obligation debt as noted in the table below. While all of the City's bonds have revenue streams, they are all backed by the full faith and credit of the City.

### City of White Bear Lake's Outstanding Debt

	Governmental Activities			Business-type Activities			Total	
	2024	2023	Increase (Decrease)	2024	2023	Increase (Decrease)	2024	2023
Tax Increment Bonds	\$ 1,690,000	\$ 1,785,000	\$ (95,000)	\$ -	\$ -	\$ -	\$ 1,690,000	\$ 1,785,000
Special Assessment Bonds	13,775,000	14,895,000	(1,120,000)	-	-	-	13,775,000	14,895,000
Tax Abatement Bonds	2,675,000	2,815,000	(140,000)	-	-	-	2,675,000	2,815,000
Capital Improvement Bonds	19,280,000	16,990,000	2,290,000	-	-	-	19,280,000	16,990,000
Utility Revenue Bonds	-	-	-	2,935,000	3,115,000	(180,000)	2,935,000	3,115,000
<b>Total</b>	<b>\$ 37,420,000</b>	<b>\$ 36,485,000</b>	<b>\$ 935,000</b>	<b>\$ 2,935,000</b>	<b>\$ 3,115,000</b>	<b>\$ (180,000)</b>	<b>\$ 40,355,000</b>	<b>\$ 39,600,000</b>
Percent increase (decrease)			2.6%			-5.8%		

The City's total debt increased due to the issuance of the G.O. Capital Improvements Bond, Series 2024A.

Minnesota statutes limit the amount of net general obligation debt a City may issue to three percent of the market value of taxable property within the City. The current debt limitation for the City of White Bear Lake is \$119,658,384. The City had \$20,282,955 of debt applicable to this limit at year-end.

Additional information on the City's long-term debt can be found in Note 6 starts on page 92 of this report.

#### Economic Factors and Next Year's Budgets and Rates

- Ramsey County had an annual average unemployment rate at the end of 2024 of 2.4%. This compares with unemployment rates of 3.0% for the State of Minnesota and 3.8% for the United States.
- The City's local tax capacity will increase by 3.13% for property taxes payable in 2025.
- City population is expected to remain stable in 2025.

These factors were considered in preparing the City's budget for the 2025 fiscal year. The City's adopted 2025 budget includes a property tax levy of \$13,785,000, which is 14.85% more than the prior year's levy.

#### Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact the Finance Department at the City of White Bear Lake, 4701 Highway 61 North, White Bear Lake, Minnesota 55110-3227 or 651-429-826.

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GOVERNMENT-WIDE FINANCIAL STATEMENTS

CITY OF WHITE BEAR LAKE  
WHITE BEAR LAKE, MINNESOTA

FOR THE YEAR ENDED  
DECEMBER 31, 2024

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City of White Bear Lake, Minnesota  
Statement of Net Position  
December 31, 2024

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Cash and investments	\$ 47,349,753	\$ 6,925,275	\$ 54,275,028
Interest receivable	277,681	-	277,681
Accounts and loans/notes receivable, net	2,608,389	2,300,216	4,908,605
Taxes receivable	171,904	-	171,904
Special assessments receivable	3,353,853	429,447	3,783,300
Lease receivable	210,489	-	210,489
Intergovernmental receivable	242,393	65,588	307,981
Internal balances	(400,412)	400,412	-
Prepaid expenses	1,738	117	1,855
<b>Non-current assets:</b>			
Lease receivable	5,018,910	-	5,018,910
Net pension asset - Fire Relief Association	3,982,560	-	3,982,560
<b>Capital assets, net of accumulated depreciation:</b>			
Land and improvements	9,666,893	490,275	10,157,168
Buildings and improvements	27,636,984	977,589	28,614,573
Other improvements	2,874,240	452,336	3,326,576
Furniture and equipment	4,610,087	1,152,355	5,762,442
Infrastructure	44,217,848	-	44,217,848
Distribution / Collection system	-	3,881,841	3,881,841
Work in progress	190,473	-	190,473
Total Assets	<u>152,013,783</u>	<u>17,075,451</u>	<u>169,089,234</u>
<b>Deferred outflows of resources</b>			
Deferred pension resources	8,851,031	123,574	8,974,605
Deferred OPEB resources	1,269,036	-	1,269,036
Total Deferred Outflows of Resources	<u>10,120,067</u>	<u>123,574</u>	<u>10,243,641</u>
<b>Liabilities</b>			
Interest payable	564,578	23,222	587,800
Accounts and contracts payable	2,234,700	557,323	2,792,023
Accrued wages payable	622,358	-	622,358
Intergovernmental payable	1,650	91,357	93,007
Deposits payable	77,395	34,569	111,964
Unearned revenue	32,914	14,806	47,720
<b>Noncurrent Liabilities</b>			
Due within one year			
Long-term liabilities	2,523,772	193,672	2,717,444
Net OPEB liability	169,415	-	169,415
Due in more than one year			
Long-term liabilities	38,133,036	2,857,925	40,990,961
Net pension liability	6,519,388	611,798	7,131,186
Net OPEB liability	2,580,497	-	2,580,497
Total Liabilities	<u>53,459,703</u>	<u>4,384,672</u>	<u>57,844,375</u>
<b>Deferred inflows of resources</b>			
Deferred lease resources	4,903,537	-	4,903,537
Deferred pension resources	9,796,338	403,432	10,199,770
Deferred OPEB resources	341,091	-	341,091
Total Deferred Inflows of Resources	<u>15,040,966</u>	<u>403,432</u>	<u>15,444,398</u>
<b>Net Position</b>			
Net investment in capital assets	51,289,366	3,902,799	55,192,165
Restricted for debt service	4,574,995	-	4,574,995
Restricted for public safety	35,661	-	35,661
Restricted for housing	154,705	-	154,705
Restricted for Fire Relief Association	3,982,560	-	3,982,560
Unrestricted	33,595,894	8,508,122	42,104,016
Total Net Position	<u>\$ 93,633,181</u>	<u>\$ 12,410,921</u>	<u>\$ 106,044,102</u>

The notes to the financial statement are an integral part of this statement.

City of White Bear Lake, Minnesota  
Statement of Activities  
For the Year Ended December 31, 2024

Function/Programs:	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental activities</b>				
General government	\$ 2,489,548	\$ 2,824,532	\$ 3,905	\$ 258,545
Community development	1,187,378	492,282	193,141	-
Public safety	11,936,809	2,732,453	1,760,268	4,105
Public works	5,098,037	459,339	1,273,645	801,468
Parks and recreation	2,979,235	1,327,747	14,530	21,044
Interest on long-term debt	1,331,205	-	-	-
Total Governmental Activities (See Note 1)	<u>25,022,212</u>	<u>7,836,353</u>	<u>3,245,489</u>	<u>1,085,162</u>
<b>Business-type activities</b>				
Water	2,074,213	2,680,570	9,995	-
Sewer	3,015,031	3,706,793	-	-
Refuse	1,829,340	1,987,804	54,728	-
Pioneer Manor	339,889	459,932	-	-
License Bureau	939,294	1,049,406	-	-
Total Business-Type Activities	<u>8,197,767</u>	<u>9,884,505</u>	<u>64,723</u>	<u>-</u>
<b>Total Government</b>	<u>\$ 33,219,979</u>	<u>\$ 17,720,858</u>	<u>\$ 3,310,212</u>	<u>\$ 1,085,162</u>

General revenues:  
 Property taxes levied for general purpose  
 Property taxes levied for tax increments  
 Franchise taxes  
 Grants and contributions not restricted to specific programs  
 Investment income  
 Gain on sale of capital assets  
 Internal capital transfers  
 Internal transfers  
 Total general revenues and internal transfers

Change in Net Position

Net Position, January 1

Net Position, December 31

The notes to the financial statement are an integral part of this statement.

Net (Expense) Revenue  
and Changes in Net Position

Governmental Activities	Business-Type Activities	Total
\$ 597,434	\$ -	\$ 597,434
(501,955)	-	(501,955)
(7,439,983)	-	(7,439,983)
(2,563,585)	-	(2,563,585)
(1,615,914)	-	(1,615,914)
<u>(1,331,205)</u>	<u>-</u>	<u>(1,331,205)</u>
<u>(12,855,208)</u>	<u>-</u>	<u>(12,855,208)</u>
-	616,352	616,352
-	691,762	691,762
-	213,192	213,192
-	120,043	120,043
-	110,112	110,112
<u>-</u>	<u>1,751,461</u>	<u>1,751,461</u>
<u>(12,855,208)</u>	<u>1,751,461</u>	<u>(11,103,747)</u>
11,993,423	-	11,993,423
339,900	-	339,900
373,557	-	373,557
1,245,446	-	1,245,446
2,108,619	239,222	2,347,841
45,294	-	45,294
(1,155,252)	1,155,252	-
1,225,822	(1,225,822)	-
<u>16,176,809</u>	<u>168,652</u>	<u>16,345,461</u>
3,321,601	1,920,113	5,241,714
<u>90,311,580</u>	<u>10,490,808</u>	<u>100,802,388</u>
<u>\$ 93,633,181</u>	<u>\$ 12,410,921</u>	<u>\$ 106,044,102</u>

The notes to the financial statement are an integral part of this statement.

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FUND FINANCIAL STATEMENTS

CITY OF WHITE BEAR LAKE  
WHITE BEAR LAKE, MINNESOTA

FOR THE YEAR ENDED  
DECEMBER 31, 2024

City of White Bear Lake, Minnesota

Balance Sheet  
Governmental Funds  
December 31, 2024

	General	Non-Bonded Debt	Pavement Management	Municipal Building	Equipment Acquisition
<b>Assets</b>					
Cash	\$ 9,510,640	\$ 1,303,425	\$ 6,767,091	\$ 3,578,985	\$ 3,129,452
Accounts receivable (net)	749,072	137,810	910	-	-
Accrued interest receivable	-	-	-	-	-
Taxes receivable	131,201	-	-	-	-
Special assessments receivable	37,395	1,384,373	200,772	-	-
Due from other governments	214,236	-	-	-	1,078
Advances to other funds	-	213,750	-	-	-
Leases receivable	-	-	-	-	4,956,016
Loans receivable	-	-	-	-	-
Notes receivable	-	1,447,839	-	-	-
Prepaid items	1,655	-	-	-	-
<b>Total Assets</b>	<b>\$ 10,644,199</b>	<b>\$ 4,487,197</b>	<b>\$ 6,968,773</b>	<b>\$ 3,578,985</b>	<b>\$ 8,086,546</b>
<b>Liabilities</b>					
Accounts and contracts payable	\$ 287,141	\$ 2,353	\$ 891,087	\$ 731,037	\$ 48,072
Deposits payable	76,895	-	-	-	-
Intergovernmental payable	1,446	-	70	-	-
Advances from other funds	-	-	-	855,000	-
Unearned revenue	4,865	-	-	-	-
<b>Total Liabilities</b>	<b>370,347</b>	<b>2,353</b>	<b>891,157</b>	<b>1,586,037</b>	<b>48,072</b>
<b>Deferred Inflows of Resources</b>					
Unavailable revenue					
Property taxes	118,586	-	-	-	-
Special assessments	37,395	1,363,697	200,772	-	-
Loan/Notes receivable	-	1,447,839	-	-	-
Deferred lease resources	-	-	-	-	4,632,500
<b>Total Deferred Inflows of Resources</b>	<b>155,981</b>	<b>2,811,536</b>	<b>200,772</b>	<b>-</b>	<b>4,632,500</b>
<b>Fund Balances</b>					
Nonspendable	1,655	-	-	-	-
Restricted	-	-	-	868,689	-
Committed	-	-	-	-	3,405,974
Assigned	-	1,673,308	5,876,844	1,124,259	-
Unassigned	10,116,216	-	-	-	-
<b>Total Fund Balances</b>	<b>10,117,871</b>	<b>1,673,308</b>	<b>5,876,844</b>	<b>1,992,948</b>	<b>3,405,974</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>	<b>\$ 10,644,199</b>	<b>\$ 4,487,197</b>	<b>\$ 6,968,773</b>	<b>\$ 3,578,985</b>	<b>\$ 8,086,546</b>

The notes to the financial statement are an integral part of this statement.

Community Reinvestment	Non-Major Governmental Funds	Total Governmental Funds
\$ 6,284,277	\$ 10,035,644	\$ 40,609,514
-	189,392	1,077,184
277,681	-	277,681
-	40,703	171,904
-	1,731,313	3,353,853
-	26,361	241,675
-	1,391,250	1,605,000
-	273,383	5,229,399
-	55,693	55,693
-	-	1,447,839
-	83	1,738
<u>\$ 6,561,958</u>	<u>\$ 13,743,822</u>	<u>\$ 54,071,480</u>
\$ -	\$ 246,491	\$ 2,206,181
-	500	77,395
-	134	1,650
-	750,000	1,605,000
-	28,049	32,914
<u>-</u>	<u>1,025,174</u>	<u>3,923,140</u>
-	3,391	121,977
-	1,700,585	3,302,449
-	-	1,447,839
-	271,037	4,903,537
<u>-</u>	<u>1,975,013</u>	<u>9,775,802</u>
-	83	1,738
-	3,766,494	4,635,183
6,561,958	6,285,964	16,253,896
-	840,487	9,514,898
-	(149,393)	9,966,823
<u>6,561,958</u>	<u>10,743,635</u>	<u>40,372,538</u>
<u>\$ 6,561,958</u>	<u>\$ 13,743,822</u>	<u>\$ 54,071,480</u>

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City of White Bear Lake, Minnesota  
Reconciliation of the Balance Sheet of Governmental Funds  
to the Statement of Net Position  
Governmental Funds  
December 31, 2024

Amounts reported for governmental activities in the statement of net position are different because:

Total Fund Balances - governmental funds	\$ 40,372,538
Capital assets used in governmental activities are not financial resources and, therefore, not reported in the governmental funds.	
Capital assets	146,789,842
Less accumulated depreciation	(57,593,317)
Other long-term assets are not available to pay current period expenditures and, therefore, are reported as unavailable revenue in the funds.	
Taxes	121,977
Special Assessments	3,302,449
Notes	1,447,839
Governmental funds do not report long-term amounts related to pensions	
Deferred outflows of pension resources	8,851,031
Net pension asset	3,982,560
Net pension liability	(6,519,388)
Deferred inflows of pension resources	(9,796,338)
Internal service funds are used by the City to charge the costs of certain activities, such as insurance, employee benefits to individual funds and maintenance of City vehicles. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	
	2,014,414
Governmental funds do not report a liability for accrued interest until due and payable	
	(564,578)
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.	
Bonds payable	(37,420,000)
Bond premiums are reported as a liability within the Statement of Net Position and are reported as an other financing source in the year the debt is issued in governmental funds	
	(1,355,848)
Net position of governmental activities	\$ 93,633,181

The notes to the financial statement are an integral part of this statement.

City of White Bear Lake, Minnesota  
Statement of Revenues, Expenditures and Changes in Fund Balances  
Governmental Funds  
For the Year Ended December 31, 2024

	General	Non-Bonded Debt	Pavement Management	Municipal Building
<b>Revenues</b>				
General property taxes	\$ 9,723,361	\$ -	\$ -	\$ -
Tax increment	-	-	-	-
Franchise fees	373,557	-	-	-
Licenses and permits	1,219,605	-	-	-
Fines and forfeits	66,835	-	-	-
Intergovernmental	2,380,776	-	881,978	161,744
Charges for services	3,562,994	-	-	-
Special assessments	1,439	447,515	119,827	-
Investment income	315,259	37,921	255,100	535,797
Rental and lease income	50,110	-	-	-
Refunds and reimbursements	6,310	137,810	20,892	257,106
Donations	10,506	-	-	-
Dedicated fees	-	-	-	-
Miscellaneous	28,047	-	56,569	-
	<u>17,738,799</u>	<u>623,246</u>	<u>1,334,366</u>	<u>954,647</u>
<b>Total Revenues</b>				
<b>Expenditures</b>				
<b>Current</b>				
General government	1,984,947	-	-	12,495
Public safety	11,507,061	-	-	203,041
Public works	2,424,115	-	407,800	14,971
Parks and recreation	773,135	-	-	27,461
Community development	402,514	-	-	-
<b>Capital outlay</b>				
General government	-	-	-	33,715
Public safety	-	-	-	4,839,938
Public works	-	-	2,063,198	385
Parks and recreation	-	-	-	115,104
Community development	-	-	-	-
<b>Debt service</b>				
Principal retired on bonded debt	-	-	-	-
Interest and other expenditures	-	17,926	73,612	-
	<u>17,091,772</u>	<u>17,926</u>	<u>2,544,610</u>	<u>5,247,110</u>
<b>Total Expenditures</b>				
Excess (deficiency) of revenues over (under) expenditures	<u>647,027</u>	<u>605,320</u>	<u>(1,210,244)</u>	<u>(4,292,463)</u>
<b>Other Financing Sources (Uses)</b>				
Sale of capital assets	246	-	623	299
Bonds issued	-	-	2,220,087	-
Premium on bonds issued	-	-	216,746	-
Transfers from other funds	1,442,842	-	115,000	880,000
Transfers to other funds	(1,189,561)	(292,000)	(100,000)	-
Total Other Financing Sources (Uses)	<u>253,527</u>	<u>(292,000)</u>	<u>2,452,456</u>	<u>880,299</u>
Net Change in Fund Balance	900,554	313,320	1,242,212	(3,412,164)
Fund Balances, January 1	<u>9,217,317</u>	<u>1,359,988</u>	<u>4,634,632</u>	<u>5,405,112</u>
Fund Balances, December 31	<u>\$ 10,117,871</u>	<u>\$ 1,673,308</u>	<u>\$ 5,876,844</u>	<u>\$ 1,992,948</u>

The notes to the financial statement are an integral part of this statement.

Equipment Acquisition	Community Reinvestment	Non-Major Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 2,226,126	\$ 11,949,487
-	-	346,953	346,953
-	-	-	373,557
-	-	13,100	1,232,705
-	-	-	66,835
266,986	-	780,559	4,472,043
-	-	1,132,810	4,695,804
-	-	469,039	1,037,820
175,727	247,699	320,108	1,887,611
357,515	-	890,433	1,298,058
127,458	-	6,755	556,331
4,105	-	15,030	29,641
-	-	14,400	14,400
-	-	26,313	110,929
<u>931,791</u>	<u>247,699</u>	<u>6,241,626</u>	<u>28,072,174</u>
-	-	-	-
16,123	-	10,000	2,023,565
99,546	-	7,160	11,816,808
27,601	-	246,333	3,120,820
-	-	905,893	1,706,489
-	-	787,173	1,189,687
62,688	-	422,958	519,361
540,296	-	138,293	5,518,527
294,156	-	-	2,357,739
116,191	-	81,562	312,857
-	-	3,000	3,000
-	-	1,355,000	1,355,000
-	-	1,409,010	1,500,548
<u>1,156,601</u>	<u>-</u>	<u>5,366,382</u>	<u>31,424,401</u>
<u>(224,810)</u>	<u>247,699</u>	<u>875,244</u>	<u>(3,352,227)</u>
44,003	-	123	45,294
-	-	69,913	2,290,000
-	-	-	216,746
759,561	-	716,600	3,914,003
-	(640,000)	(466,620)	(2,688,181)
<u>803,564</u>	<u>(640,000)</u>	<u>320,016</u>	<u>3,777,862</u>
578,754	(392,301)	1,195,260	425,635
<u>2,827,220</u>	<u>6,954,259</u>	<u>9,548,375</u>	<u>39,946,903</u>
<u>\$ 3,405,974</u>	<u>\$ 6,561,958</u>	<u>\$ 10,743,635</u>	<u>\$ 40,372,538</u>

The notes to the financial statement are an integral part of this statement.

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City of White Bear Lake, Minnesota  
Reconciliation of the Statement of Revenues, Expenditures,  
and Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
For the Year Ended December 31, 2024

Amounts reported for governmental activities in the statement of activities are different because:

Net Change in Fund Balances - total governmental funds	\$	425,635
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the costs of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays were below depreciation in the current period.</p>		
Capital outlay		8,391,470
Depreciation expense		(3,971,965)
Capital contributions from enterprise funds		(1,155,252)
<p>The net effect of various miscellaneous transactions involving capital assets (i.e., sales and donations) is to decrease net position.</p>		
		(8,127)
<p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p>		
Delinquent taxes		36,883
Special assessments		(222,578)
Notes receivable		(87,601)
<p>The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>		
Proceeds from long-term debt		(2,290,000)
Debt issuance premium		(216,746)
Principal repayments		1,355,000
Interest payments		102,272
<p>Long-term pension activity is not reported in governmental funds.</p>		
Pension expense		590,594
Pension revenue		206,783
<p>Premiums are recognized when debt is issued in the governmental funds but amortized over the life of the debt in the Statement of Activities</p>		
		67,071
<p>Internal service funds are used by the City to charge the costs of certain activities, such as insurance, employee benefits to individual funds, and maintenance of City vehicles. The net revenue (expense) of the internal service funds is reported in governmental activities.</p>		
		98,162
Changes in net position of governmental activities	\$	3,321,601

The notes to the financial statement are an integral part of this statement.

City of White Bear Lake, Minnesota  
Statement of Net Position  
Proprietary Funds  
December 31, 2024

	Water	Sewer
Assets		
Current Assets		
Cash	\$ 2,063,389	\$ 3,779,184
Receivables		
Unremitted special assessments	7,079	-
Delinquent special assessments	54,078	-
Deferred special assessments	305,694	62,596
Accounts, net	1,740,742	385,080
Intergovernmental	-	10,269
Prepaid expenses	-	-
Total Current Assets	4,170,982	4,237,129
Noncurrent Assets		
Capital Assets		
Land	79,990	-
Buildings	2,170,267	109,501
Other improvements	-	-
Equipment	1,691,383	1,412,310
Wells	930,811	-
Distribution system	7,203,548	-
Collection system	-	5,231,656
Less accumulated depreciation	(7,853,126)	(5,498,747)
Total Net Capital Assets	4,222,873	1,254,720
Total Assets	8,393,855	5,491,849
Deferred outflows of resources		
Deferred pension resources	38,721	30,690
Deferred OPEB resources	-	-
Total Deferred Outflows of Resources	38,721	30,690

The notes to the financial statement are an integral part of this statement.

Refuse	Non-Major Enterprise Funds	Total Enterprise Funds	Governmental Activities - Internal Service Funds
\$ 481,951	\$ 600,751	\$ 6,925,275	\$ 6,740,239
-	-	7,079	-
-	-	54,078	-
-	-	368,290	-
166,016	8,378	2,300,216	27,673
52,834	-	63,103	718
-	117	117	-
<u>700,801</u>	<u>609,246</u>	<u>9,718,158</u>	<u>6,768,630</u>
-	410,285	490,275	-
-	2,537,238	4,817,006	-
-	376,522	376,522	-
-	181,592	3,285,285	-
-	-	930,811	-
-	-	7,203,548	-
-	-	5,231,656	-
-	(2,028,834)	(15,380,707)	-
-	<u>1,476,803</u>	<u>6,954,396</u>	-
<u>700,801</u>	<u>2,086,049</u>	<u>16,672,554</u>	<u>6,768,630</u>
435	53,728	123,574	-
-	-	-	1,269,036
<u>435</u>	<u>53,728</u>	<u>123,574</u>	<u>1,269,036</u>

The notes to the financial statement are an integral part of this statement.

City of White Bear Lake, Minnesota  
Statement of Net Position (Continued)  
Proprietary Funds  
December 31, 2024

	Water	Sewer
<b>Liabilities</b>		
<b>Current Liabilities</b>		
Accounts payable	\$ 141,197	\$ 151,747
Accrued wages payable	-	-
Accrued interest payable	23,222	-
Intergovernmental payable	1,330	77,035
Deposits payable	-	-
Unearned revenue	1,526	13,280
Compensated absences payable	-	-
Bonds payable (net of unamortized premiums and discounts)	193,672	-
Net pension liability	-	-
Net OPEB liability	-	-
<b>Total Current Liabilities</b>	<b>360,947</b>	<b>242,062</b>
<b>Noncurrent Liabilities</b>		
Bonds payable (net of unamortized premiums and discounts)	2,857,925	-
Net pension liability	191,681	151,965
Compensated absences payable	-	-
Net OPEB liability	-	-
<b>Total Noncurrent Liabilities</b>	<b>3,049,606</b>	<b>151,965</b>
<b>Total Liabilities</b>	<b>3,410,553</b>	<b>394,027</b>
<b>Deferred inflows of resources</b>		
Deferred pension resources	126,372	100,236
Deferred OPEB resources	-	-
<b>Total Deferred Inflows of Resources</b>	<b>126,372</b>	<b>100,236</b>
<b>Net Position</b>		
Net Investment in capital assets	1,171,276	1,254,720
Unrestricted	3,724,375	3,773,556
<b>Total Net Position</b>	<b>\$ 4,895,651</b>	<b>\$ 5,028,276</b>

The notes to the financial statement are an integral part of this statement.

Refuse	Non-Major Enterprise Funds	Total Enterprise Funds	Governmental Activities - Internal Service Funds
\$ 177,887	\$ 86,608	\$ 557,439	\$ 28,519
-	-	-	622,358
-	-	23,222	-
10,391	-	88,756	-
-	34,569	34,569	-
-	-	14,806	-
-	-	-	655,677
-	-	193,672	-
-	-	-	-
-	-	-	169,415
<u>188,278</u>	<u>121,177</u>	<u>912,464</u>	<u>1,475,969</u>
-	-	2,857,925	-
2,148	266,004	611,798	-
-	-	-	1,225,283
-	-	-	2,580,497
<u>2,148</u>	<u>266,004</u>	<u>3,469,723</u>	<u>3,805,780</u>
<u>190,426</u>	<u>387,181</u>	<u>4,382,187</u>	<u>5,281,749</u>
1,413	175,411	403,432	-
-	-	-	341,091
<u>1,413</u>	<u>175,411</u>	<u>403,432</u>	<u>341,091</u>
-	1,476,803	3,902,799	-
<u>509,397</u>	<u>100,382</u>	<u>8,107,710</u>	<u>2,414,826</u>
<u>\$ 509,397</u>	<u>\$ 1,577,185</u>	<u>\$ 12,010,509</u>	<u>\$ 2,414,826</u>

Total net position of enterprise funds \$ 12,010,509

Adjustment to report the cumulative internal balance for the net effect of the activity between the internal service funds and the enterprise funds over time.

400,412  
\$ 12,410,921

The notes to the financial statement are an integral part of this statement.

City of White Bear Lake, Minnesota  
Statement of Revenues, Expenses and Changes in Net Position  
Proprietary Funds  
For the Year Ended December 31, 2024

	Water	Sewer
Operating Revenues		
Charges for services	\$ 2,633,265	\$ 3,687,219
Penalties	4,155	-
Rent	-	-
Premium reimbursement	-	-
Sale of recyclables	-	-
Other	41,830	19,574
Total Operating Revenues	2,679,250	3,706,793
Operating Expenses		
Personal services	567,551	469,646
Supplies	312,046	39,871
Other services and charges	715,886	234,510
Disposal charges	150,207	2,091,005
Depreciation	256,512	164,219
Total Operating Expenses	2,002,202	2,999,251
Operating Income (Loss)	677,048	707,542
NonOperating Revenues (expenses)		
Investment income	68,807	130,575
Intergovernmental	9,995	-
Miscellaneous revenues	1,320	-
Interest expense	(47,957)	-
Total Nonoperating Revenues	32,165	130,575
Income (loss) before capital contributions and transfers	709,213	838,117
Transfers of long-term capital and debt to governmental activities	-	-
Transfers to other funds	(213,300)	(209,000)
Change in Net Position	495,913	629,117
Net Position, January 1, as previously presented	4,399,738	4,399,159
Change within financial reporting entity (major to nonmajor fund)	-	-
Net Position, January 1, as adjusted	4,399,738	4,399,159
Net Position, December 31	\$ 4,895,651	\$ 5,028,276

The notes to financial statements are an integral part of this statement.

The notes to the financial statement are an intergal part of this statement.

Refuse	Formerly Major Fund Ambulance	Non-Major Enterprise Funds	Total Enterprise Funds	Governmental Activities - Internal Service Funds
\$ 1,962,789	\$ -	\$ 1,036,910	\$ 9,320,183	\$ 4,725,275
-	-	-	4,155	-
-	-	458,325	458,325	-
-	-	-	-	34,207
4,417	-	-	4,417	-
20,598	-	12,459	94,461	-
<u>1,987,804</u>	<u>-</u>	<u>1,507,694</u>	<u>9,881,541</u>	<u>4,759,482</u>
4,806	-	887,556	1,929,559	4,267,417
1,361	-	11,664	364,942	3,424
89,904	-	277,370	1,317,670	662,583
1,731,481	-	-	3,972,693	-
-	-	94,399	515,130	-
<u>1,827,552</u>	<u>-</u>	<u>1,270,989</u>	<u>8,099,994</u>	<u>4,933,424</u>
<u>160,252</u>	<u>-</u>	<u>236,705</u>	<u>1,781,547</u>	<u>(173,942)</u>
18,949	-	20,891	239,222	222,288
54,728	-	-	64,723	-
-	-	1,644	2,964	-
-	-	-	(47,957)	-
<u>73,677</u>	<u>-</u>	<u>22,535</u>	<u>258,952</u>	<u>222,288</u>
233,929	-	259,240	2,040,499	48,346
-	-	1,155,252	1,155,252	-
(121,000)	-	(682,522)	(1,225,822)	-
<u>112,929</u>	<u>-</u>	<u>731,970</u>	<u>1,969,929</u>	<u>48,346</u>
396,468	(573,230)	1,418,445	10,040,580	2,366,480
-	573,230	(573,230)	-	-
<u>396,468</u>	<u>-</u>	<u>845,215</u>	<u>10,040,580</u>	<u>2,366,480</u>
<u>\$ 509,397</u>	<u>\$ -</u>	<u>\$ 1,577,185</u>	<u>\$ 12,010,509</u>	<u>\$ 2,414,826</u>

Change in net position from  
enterprise funds \$ 1,969,929

Adjustment for the net effect of the  
current year activity between the  
internal services funds and the  
enterprise funds (49,816)

Changes in net position of business-  
type activities \$ 1,920,113

The notes to the financial statement are an integral part of this statement.

City of White Bear Lake, Minnesota  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended December 31, 2024

	Water	Sewer
Cash flows from operating activities		
Receipts from customers	\$ 2,341,335	\$ 3,630,318
Receipts from other funds	-	-
Payments to vendors	(1,008,352)	(279,654)
Payments to employees	(567,551)	(469,646)
Payments to other governments	(171,266)	(2,110,304)
Other receipts	43,150	19,574
	<u>637,316</u>	<u>790,288</u>
Net cash provided (used) by operating activities		
Cash flows from noncapital financing activities		
Intergovernmental receipts	9,995	-
Transfers to other funds	(213,300)	(209,000)
	<u>(203,305)</u>	<u>(209,000)</u>
Net cash provided (used) by noncapital financing activities		
Cash flows from capital financing activities		
Acquisition of capital assets	(130,291)	(27,713)
Payment of long-term debt	(180,000)	-
Interest paid on long-term debt	(58,560)	-
	<u>(368,851)</u>	<u>(27,713)</u>
Net cash provided (used) by capital financing activities		
Cash flows from investing activities		
Investment income received	68,807	130,575
	<u>68,807</u>	<u>130,575</u>
Increase (decrease) in cash and cash equivalents	133,967	684,150
Cash and cash equivalents at beginning of year	<u>1,929,422</u>	<u>3,095,034</u>
Cash and cash equivalents at end of year	<u>\$ 2,063,389</u>	<u>\$ 3,779,184</u>

The notes to the financial statement are an integral part of this statement.

Refuse	Non-Major Enterprise Funds	Total Enterprise Funds	Governmental Activities - Internal Service Funds
\$ 1,904,631	\$ 1,881,065	\$ 9,757,349	\$ -
-	-	-	4,697,602
(1,812,593)	(275,197)	(3,375,796)	(2,447,680)
(4,806)	(916,665)	(1,958,668)	-
-	-	(2,281,570)	(1,843,972)
25,073	12,459	100,256	197,636
<u>112,305</u>	<u>701,662</u>	<u>2,241,571</u>	<u>603,586</u>
54,728	-	64,723	-
(121,000)	(682,522)	(1,225,822)	-
	-		
<u>(66,272)</u>	<u>(682,522)</u>	<u>(1,161,099)</u>	<u>-</u>
-	(38,000)	(196,004)	-
-	-	(180,000)	-
-	-	(58,560)	-
<u>-</u>	<u>(38,000)</u>	<u>(434,564)</u>	<u>-</u>
18,949	20,891	239,222	222,288
64,982	2,031	885,130	825,874
416,969	598,720	6,040,145	5,914,365
<u>\$ 481,951</u>	<u>\$ 600,751</u>	<u>\$ 6,925,275</u>	<u>\$ 6,740,239</u>

(Continued)

City of White Bear Lake, Minnesota  
Statement of Cash Flows (Continued)  
Proprietary Funds  
For the Year Ended December 31, 2024

	Water	Sewer
Reconciliation of Operating Income (Loss) to net cash provided (used) by operating activities:		
Operating Income (Loss)	\$ 677,048	\$ 707,542
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Depreciation	256,512	164,219
Miscellaneous	1,320	-
(Increase) decrease in assets/deferred outflows of resources		
Accounts receivable	(265,345)	(62,100)
Special assessments	(30,740)	5,199
Intergovernmental receivable	4,377	(4,484)
Deferred outflows in OPEB resources	-	-
Deferred outflows in pension resources	34,971	25,860
Increase (decrease) in liabilities/deferred inflows of resources		
Accounts payable	19,580	(5,273)
Wages payable	-	-
Intergovernmental payable	(43)	(2,485)
Deposits payable	-	-
Deferred inflows in pension resources	32,489	28,191
Deferred inflows in OPEB resources	-	-
Net pension liability	(92,853)	(66,381)
OPEB Liability	-	-
Compensated absences	-	-
	<u>\$ 637,316</u>	<u>\$ 790,288</u>
Noncash capital and related financing activities		
Amortization of bond premium	\$ 8,672	\$ -
Capital transfers to governmental activities	\$ -	\$ -
Net pension liability transferred to governmental activities	\$ -	\$ -

The notes to the financial statement are an integral part of this statement.

Refuse	Non-Major Enterprise Funds	Total Enterprise Funds	Governmental Activities - Internal Service Funds
\$ 160,252	\$ 236,705	\$ 1,781,547	\$ (173,942)
-	94,399	515,130	-
-	1,644	2,964	-
(7,416)	499,676	164,815	(27,673)
-	-	(25,541)	-
(50,742)	-	(50,849)	61,004
-	-	-	110,839
557	47,066	108,454	-
10,153	(21,921)	2,539	25,848
-	-	-	59,135
1,032	-	(1,496)	-
-	(79,732)	(79,732)	-
149	47,000	107,829	-
-	-	-	38,134
(1,680)	(123,175)	(284,089)	-
-	-	-	47,205
-	-	-	463,036
<u>\$ 112,305</u>	<u>\$ 701,662</u>	<u>\$ 2,241,571</u>	<u>\$ 603,586</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,672</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ 385,096</u>	<u>\$ 385,096</u>	<u>\$ -</u>
<u>\$ -</u>	<u>\$ 1,540,348</u>	<u>\$ 1,540,348</u>	<u>\$ -</u>

The notes to the financial statement are an integral part of this statement.

City of White Bear Lake, Minnesota  
Statement of Fiduciary Net Position  
Fiduciary Funds  
December 31, 2024

	<u>Custodial Funds</u>
Assets	
Cash	\$ 364,301
Accounts Receivable	82
Total Assets	364,383
Liabilities	
Accounts payable	1,259
Deposits payable	320,001
Total Liabilities	321,260
Net position	
Restricted for individuals, organizations, and other governments	\$ 43,123

The notes to the financial statement are an integral part of this statement.

City of White Bear Lake, Minnesota  
Statement of Changes in Fiduciary Net Position  
Fiduciary Funds  
For the Year Ended December 31, 2024

	<u>Custodial Funds</u>
<b>Additions</b>	
Geographic information system fees collections	\$ 36,930
Fireworks contributions collections	42,875
Manitou Days event contributions collections	7,868
Manitou Days parade fees collections	15,076
Deputy Registrar collections	6,702
Total Revenues	109,451
<b>Deductions</b>	
Geographic information system fee disbursements	39,859
Fireworks disbursements	34,312
Manitou Days events disbursements	10,265
Manitou Days parade disbursements	8,359
Total Expenditures	92,795
Net increase (decrease) in fiduciary net position	16,656
Net Position, January 1	26,467
Net Position, December 31	\$ 43,123

The notes to the financial statement are an integral part of this statement.

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City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
December 31, 2024

**Note 1: Summary of Significant Accounting Policies**

**A. Description of Government-Wide Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other non-exchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support.

**B. Reporting Entity**

The City of White Bear Lake (the City) is established as a chartered "home rule" city as permitted under the laws of the State of Minnesota. The charter provides for a council/manager form of government. Within this form, the City is a municipal corporation governed by an elected mayor and five-member council. The City provides the following services: general administration, planning, zoning, public safety, streets, parks, public improvements, water, sewer and refuse utilities, ambulance services, sports center facility, senior housing facility, and motor vehicle registration and vehicle licensing.

As required by generally accepted accounting principles, these financial statements present the City of White Bear Lake and its component units, entities for which the City is considered to be financially accountable. Blended component units, although legally separate entities, are, in substance, part of the City's operations. Therefore, data from these units are combined with data of the primary government.

**Blended Component Unit:** The White Bear Lake Housing and Redevelopment Authority (the Authority) was created by the City to carry out the responsibilities associated with housing and redevelopment. The Authority provides this assistance through the administration of various programs. The Authority is governed by a five-member council comprised of the White Bear Lake five ward council members and the Authority's Executive Director is the City Manager. Because the City Council ward members also serve as the Authority's governing body, the Authority is reported as a blended component unit of the City and has operational responsibility for the component unit. The Authority does not issue separate financial statements. The Authority's financial activity is reported in a separate fund within the City's Capital Project Funds.

**C. Basis of Presentation - Government Wide Financial Statements**

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the government's proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As discussed earlier, the government has one blended component unit. While the White Bear Lake Housing and Redevelopment Authority is not considered a major component unit, it is a blended component shown in a separate column in the governmental fund financial statements. As a general rule, the effect of inter-fund activity has been eliminated from the government-wide financial statements.

Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the inter-fund services provided and the charges between other functions of the government. Elimination of these charges would distort costs and program revenues reported for the various functions.

City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
December 31, 2024

**Note 1: Summary of Significant Accounting Policies (Continued)**

**D. Basis of Presentation - Fund Financial Statements**

The fund financial statements provide information about the government's funds, including its fiduciary funds and blended component units. Separate statements for the fund categories of governmental, proprietary, and fiduciary are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, with each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds. The non-major funds are presented in separate columns in the Combining statements and schedules sections of the report.

The City reports the following major governmental funds:

The General Fund is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Non-Bonded Debt Fund provides for street construction costs that will be financed through special assessments not associated with a specific debt issue.

The Pavement Management Fund accounts for transactions pertaining to public improvement construction projects.

The Municipal Building Fund accounts for capital improvement project costs to municipal facilities.

The Equipment Acquisition Fund accounts for costs pertaining to capital equipment purchases.

The Community Reinvestment Fund provides constant funding for street, park, and municipal building improvements and is governed by City ordinance.

The City reports the following major proprietary funds:

The Water and Sewer Funds account for the activities related to the City's water and sewer services.

The Refuse Fund accounts for weekly collection and disposal of residential garbage, yard waste, and recyclable materials.

Additionally, the City reports the following fund types:

Internal service funds account for the activities provided to other departments of the City on a cost reimbursement basis for insurance and employment expenses.

Custodial funds report fiduciary activities that are not held in a trust or equivalent arrangement. The City's custodial funds account for activities of deputy registrar activities and miscellaneous funds held for other organizations.

During the course of operations, the City has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances from/to other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column. However, interfund services provided and used are not eliminated in the process of consolidation.

City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
December 31, 2024

**Note 1: Summary of Significant Accounting Policies (Continued)**

Furthermore, activities occur during the year which involve transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the City's enterprise funds and of the City's internal service funds are charges to customers for sales and services.

Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**E. Measurement Focus and Basis of Accounting**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements 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 government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, franchise fees, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period.

Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is actually received by the government.

City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
December 31, 2024

**Note 1: Summary of Significant Accounting Policies (Continued)**

**F. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position / Fund Balance**

**1. Cash and cash equivalents**

The City's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from date of acquisition. The proprietary funds' portion in the government-wide cash and temporary investments pool is considered to be cash and cash equivalents for the purposes of the Statement of Cash Flows.

Cash balances from all funds are pooled and invested, to the extent available, in certificates of deposit and other authorized investments. Earnings from such investments are allocated on the basis of applicable participation by each of the funds.

Minnesota Statutes authorizes the City to invest in obligations of the U.S. Treasury, agencies, and instrumentalities, shares of investment companies whose only investments are in the aforementioned securities, obligations of the State of Minnesota or its municipalities, certificates of deposit, bankers' acceptances, future contracts, repurchase and reverse repurchase agreements, and commercial paper of the highest quality with a maturity of no longer than 270 days and in the Minnesota Municipal Investment Pool.

Minnesota Statutes also authorize the City to invest in long-term equities. The City must maintain the highest bond rating by a national bond rating agency to qualify for this investment authority. The law limits the equity investment to index mutual funds that are held for long-term capital plans or long-term obligations. The amount invested cannot exceed 15 percent of the sum of unassigned cash, cash equivalents, deposits and investments. Equity Investments are limited to mutual funds indexed to the S & P 500, Dow Jones U.S. Total Stock Market Index or investments with the State Board of Investment.

Certain investments for the City are reported at fair value as disclosed in Note 3. The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The City has the following recurring fair value measurements as of December 31, 2024:

- US Treasury bills and notes and government agency securities of \$38,731,471 are valued using quoted market prices (Level 1 inputs)
- Negotiable certificates of deposits of \$5,758,031 are valued using a matrix pricing model (Level 2 inputs)

Brokered certificates of deposit classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

**2. Accounts Receivable**

Accounts receivable include amounts billed for services provided before year end. Accounts receivable of the General fund relate to ambulance services that are reported net of uncollectible amounts of \$158,832. Delinquent utility charges are annually certified to the county for collection. As a result, there is no allowance for uncollectible amounts in the other enterprise funds.

City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
December 31, 2024

**Note 1: Summary of Significant Accounting Policies (Continued)**

**3. Lease Receivable**

The City's lease receivable is measured at the present value of lease payments expected to be received during the lease term. Under the lease agreement, the City may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received.

A deferred inflow of resources is recorded for the lease. The deferred inflow of resources is recorded at the initiation of the lease in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease.

**4. Prepaid expenses**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

**5. Capital assets**

Capital assets, which include property, plant, equipment, and infrastructure (i.e., streets, sidewalks, distribution systems, and similar items), are reported in the applicable governmental or business-type activity columns in the government-wide financial statements. The City defines capital assets as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost where historical records are available and at an estimated historical cost where no historical records exist. As the City constructs or acquires additional capital assets each period, including infrastructure assets, they are capitalized and reported at historical cost. The costs of normal maintenance and repairs that do not increase asset value or materially extend asset lives are not capitalized. Donated capital assets are valued at their acquisition value on the date received.

Land and construction in progress are not depreciated. Buildings, equipment, and infrastructure of the City are depreciated using the straight-line method over the following estimated useful lives:

Assets	Useful Lives in Years
Buildings and improvements	10 - 50 years
Furnitures and fixtures	5 - 15 years
Machinery and equipment	5 - 20 years
Distribution and collection systems	25 years
Streets	20 years
Storm sewers	25 years
Intangibles	5 - 20 years

City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
December 31, 2024

**Note 1: Summary of Significant Accounting Policies (Continued)**

**6. Deferred outflows of resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has two items that qualify for reporting in this category. Accordingly, the items, deferred pension resources and deferred OPEB resources, are reported only in the statement of net position. This item results from actuarial calculations and current year pension contributions made subsequent to the measurement date.

**7. Deferred inflows of resources**

In addition to liabilities, the statement of net position and fund financial statements will report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The City has four items which qualify for reporting in this category. Delinquent property taxes are reported as deferred inflows of resources because the date of collection is unknown. Unavailable special assessments are reported as deferred inflows because the actual collection is legally delayed between one and twenty years. The amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The City also recognizes a deferred lease receivable, which is reported under both the modified accrual and full accrual basis. Loan/notes receivable are reported as deferred inflows because the collection is delayed according to the payment schedule in the loan agreement. Deferred pension resources and deferred OPEB resources are reported only in the statements of net position and results from actuarial calculations.

**8. Compensated Absences**

It is the City's policy to permit employees to accumulate earned but unused vacation, comp time, and sick pay benefits. The accumulation of unused vacation and comp time is limited based upon employee classification. Upon separation, the City will reimburse the employee for accumulated vacation and comp time not to exceed established maximums. The amount of unused sick leave accumulation is not limited. Upon retirement, or upon separation in good standing for employees, the City reimburses eligible employees a portion of unused sick leave according to the personnel policy and contractual agreements. All compensated absences are accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements.

All liabilities for vacation leave and severance, both current and long-term portions, are recorded in the Employment Expense Fund, which is an Internal Service Fund. No liability is recorded for unpaid accumulated sick leave, except for the portion that is payable to employees as severance and the amount expected to be used under GASB 101.

Each year, compensated absence expenditures and expenses are recorded in the governmental and enterprise funds based on the total amount accrued by the employees during the year. These charges are offset by a corresponding transfer of assets from the home departments to the Employment Expense Fund to fund the liability. The personnel policy and union contracts limit the annual accumulation of benefits that can be accumulated from year to year and the amount of severance available.

**9. Long-term obligations**

Long-term obligations are recorded in the City's government-wide statement of net position when they become a liability of the City.

The obligations are recognized as a liability of a governmental fund only when payment is due or when resources have been accumulated in a debt service fund for payment early in the following year. Long-term obligations financed through proprietary funds are accounted for in those funds.

City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
December 31, 2024

**Note 1: Summary of Significant Accounting Policies (Continued)**

**10. Net position flow assumption**

The City on occasion will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted - net position and unrestricted - net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the City's position to consider restricted net position to have been depleted before unrestricted net position is applied.

**11. Fund balance policies**

In the fund financial statements, fund balance is divided into five classifications based primarily on the extent to which the City is bound to observe constraints imposed upon the use of resources reported in the governmental funds. These classifications are defined as follows:

Non-spendable - Amounts that cannot be spent because they are not in spendable form, such as prepaid items.

Restricted - Amounts related to externally imposed constraints established by creditors, grantors or contributors; or constraints imposed by state statutory provisions.

Committed - Amounts constrained for specific purposes that are internally imposed by formal action (resolution) of the City Council (the Council), which is the City's highest level of decision-making authority. Committed amounts cannot be used for any other purpose unless the Council modifies or rescinds the commitment by resolution.

Assigned - Amounts constrained for specific purposes that are internally imposed. In governmental funds other than the General Fund, assigned fund balance represents all remaining amounts that are not classified as non-spendable and are neither restricted nor committed. In the General Fund, assigned amounts represent intended uses established by the Council itself or by an official to which the governing body delegates the authority. The Council has adopted a fund balance policy which delegates the authority to assign amounts for specific purposes to the Finance Director.

Unassigned - The residual classification for the General Fund and also negative residual amounts in other funds.

The City considers restricted amounts to be spent first when both restricted and unrestricted fund balance is available. Additionally, the City would first use committed, then assigned, and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

The City has formally adopted a fund balance policy for the General Fund. The City's policy is to maintain a minimum unassigned fund balance of one-half of the City's General Fund major revenue sources which are property taxes, local government aid and police state aid. Property taxes and local government payments are not received until July and December each year. Police state aid is not received until November. The reserve funding provides sufficient resources to meet cash flow needs.

City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
December 31, 2024

**Note 1: Summary of Significant Accounting Policies (Continued)**

**G. Revenues and Expenditures / Expenses**

**1. Program revenues**

Amounts reported as program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions (including special assessments) that are restricted to meeting the operational or capital requirements of a particular function or segment. All taxes, including those dedicated for specific purposes and other internally dedicated resources, are reported as general revenues rather than as program revenues.

**2. Property taxes**

Property tax levies are set by the City Council in December each year, and are certified to Ramsey and Washington Counties for collection in the following year. In Minnesota, counties act as collection agents for all property taxes.

The Counties spread all levies over assessable property; the taxes become a lien on January 1st and are recorded as receivables by the City on that date. Property taxes are paid by taxpayers in two equal installments, May 15th and October 15th, without penalty. Personal property taxes are payable in one installment on May 15th.

The Counties remit collections to the City three times a year: January, July and December. Revenues are accrued and recognized in the government-wide financial statements in the current period. In the fund financial statements, taxes that remain unpaid at December 31 are classified as delinquent taxes and fully offset by deferred inflows of resources, because it is not known when they will be available to finance current expenditures.

**3. Special assessments**

Special assessments are levied against the benefited properties for the assessable costs of improvement projects in accordance with State Statutes. The City generally adopts the assessment rolls when the individual projects are complete or substantially complete. The assessments are collectible over a term of years generally consistent with the term of years of the related or proposed bond issue. Collection of annual installments (including interest) is handled by the County in the same manner as property taxes. Property owners are allowed to prepay total future installments without interest or prepayment penalties.

The City recognizes special assessment revenue in the government-wide financial statements when the assessment rolls are levied. In the fund financial statements, the City recognizes special assessment revenue when it becomes both measurable and available. Current assessments, which remain unpaid at December 31, are classified as delinquent receivables and, together with deferred assessments, are fully offset by deferred inflows of resources because it is not known when they will be available to finance current expenditures.

**4. Pensions**

For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Public Employees Retirement Association (PERA) and additions to/deductions from PERA's fiduciary net position have been determined on the same basis as they are reported by PERA except that PERA's fiscal year end is June 30. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. The General Fund is typically used to liquidate the governmental net pension liability.

City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
December 31, 2024

**Note 1: Summary of Significant Accounting Policies (Continued)**

The total pension expense for the General Employee Plan (GERP), Police and Fire Plan (PEFPF), DCP and the White Bear Lake Fire Department Relief Association is as follows:

	GERF	PEFPF	PEDCP	FRA	Total
City's proportionate share	\$ 240,833	\$ 1,187,651	\$ 792	\$ (352,884)	\$ 1,076,392
Proportionate share of State's contribution	<u>1,669</u>	<u>20,142</u>	<u>-</u>	<u>-</u>	<u>21,811</u>
Total pension expense	<u>\$ 242,502</u>	<u>\$ 1,207,793</u>	<u>\$ 792</u>	<u>\$ (352,884)</u>	<u>\$ 1,098,203</u>

**5. Bond discounts / premiums / issuance costs**

In governmental fund types, bond discounts / premiums are recognized in the current period. Bond discounts/premiums for proprietary fund types are deferred and amortized over the term of the bonds using the bonds outstanding method, which approximates the effective interest rate method. Bond discounts are presented as a reduction of the face amount of bonds payable and premiums are presented as an increase of the full amount of bonds payable. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**6. Inter-fund transactions**

Internal services provided and used between the funds are accounted for as revenues and expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. Other inter-fund transactions are reported as transfers.

Inter-fund transactions within the respective categories of governmental activities and business-type activities in the government-wide statement of activities are eliminated. The internal balances caption on the government-wide statement of net position represents inter-fund receivables or payables between the governmental and business-type activities.

**Note 2: Stewardship, Compliance and Accountability**

**A. Budgetary Information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles.

The City Charter grants the City Council full authority over the financial affairs of the City. The City Manager is charged with the responsibility of preparing the annual budget estimates and enforcing the financial management provisions specified in the budget. Upon adoption of the annual budget resolution by the Council, the budget becomes the formal appropriation for City operations. Legal compliance is adhered to as budgetary and actual amounts are presented in the Required Supplementary Information according to Generally Accepted Accounting Principles (GAAP). Once the budget resolution is adopted, the Council can increase the budget only if actual receipts exceed the budgeted estimates, or by a four/fifths vote authorizing the transfer of sums from the previous fiscal year's assigned or unassigned fund balances.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments corresponding to unperformed (executor) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. The City has no outstanding encumbrances as of December 31, 2024.

City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
December 31, 2024

**Note 2: Stewardship, Compliance and Accountability (Continued)**

**B. Deficit Fund Balance/Net Position**

At December 31, 2024, individual funds with deficit fund balances/net position are as follows:

Fund	Amount
Non Major Governmental	
HRA District 27 Boatworks	\$ 149,393
Non Major Enterprise	
License Bureau	240,357
Internal Service Fund	
Employment Expense Fund	629,153

Deficits will be eliminated with future charges for services and tax increments.

**Note 3: Cash Deposits and Investments with Financial Institutions**

**A. Deposits**

Cash balances of the City's funds are combined (pooled) and invested to the extent available in various investments authorized by Minnesota Statutes. Each fund's portion of this pool (or pools) is displayed in the financial statements as "cash and cash equivalents" or "investments". For purposes of identifying risk of investing public funds, the balances and related restrictions are summarized below.

**Custodial Credit Risk - Deposits:** The City addresses custodial credit risk by having the authority from the City Council to maintain deposits with various financial institutions that are members of the Federal Reserve System.

As required by Minnesota Statutes, any of the City's deposits are to be protected by \$250,000 of federal depository insurance and pledged collateral. The market value of pledged collateral must equal 110% of the deposits not covered by insurance or bonds.

As of December 31, 2024, the City was not exposed to custodial credit risk because deposits were fully collateralized. The City had bank deposits of \$3,251,666 as of December 31, 2024. The City's book balance for cash as of December 31, 2024 was \$3,116,849.

City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
December 31, 2024

**Note 3: Cash Deposits and Investments with Financial Institutions (Continued)**

**B. Investments**

The following chart summarizes the City's deposits and investments using segmented time distribution.

Types of Investments	Credit Quality/Ratings (1)	Segmented Time Distribution (2)	12/31/2024	Fair Value Measurement Using		
				Level 1	Level 2	Level 3
Pooled investments at amortized costs						
4M Fund	N/A	Less than 1 year	\$ 4,406,228	\$ -	\$ -	\$ -
Brokered money market funds	N/A	Less than 1 year	2,626,750	-	-	-
Non-pooled investments at fair value						
US Treasury bills and notes	AAA	Less than 1 year	4,103,310	4,103,310	-	-
US Treasury bills and notes	AAA	1 to 5 years	11,251,623	11,251,623	-	-
Government agency securities	AAA	Less than 1 year	10,228,028	10,228,028	-	-
Government agency securities	AAA	1 to 5 years	12,648,005	12,648,005	-	-
Government agency securities	AAA	5 to 10 years	500,505	500,505	-	-
Negotiable certificates of deposits	N/A	Less than 1 year	1,923,964	-	1,923,964	-
Negotiable certificates of deposits	N/A	1 to 5 years	3,834,067	-	3,834,067	-
<b>Total investments</b>			<b>\$ 51,522,480</b>	<b>\$ 38,731,471</b>	<b>\$ 5,758,031</b>	<b>\$ -</b>

(1) Ratings are provided by various credit rating agencies where applicable to indicate associated credit risk.

(2) Interest rate risk is disclosed using the segmented time distribution method.

N/A indicates not applicable or available.

**Credit Risk:** Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Ratings are provided by various credit rating agencies and where applicable, indicate associated credit risk. Minnesota statutes and the City's investment policy limit the City's investments to the list above.

**Custodial Credit Risk:** Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, a government will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The City's investment policy does not address custodial credit risk but typically limits its exposure by purchasing insured or registered investments.

**Concentration of Credit Risk:** Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. In accordance with the City's investment policy, the City diversifies its investment portfolio to eliminate the risk of loss resulting from over-concentration of assets in a specific maturity, a specific issuer or a specific class of securities. As of December 31, 2024, the City is in compliance with its investment policy. The City had invested 5% or more of its total investment portfolio in the following issuers: FHLB (46%), FHLMC (11%), FNMA (6%), and FFCB (16%).

**Interest Rate Risk:** Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the City will minimize interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations. Also, no more than 30 percent of the portfolio should have maturities exceeding 5 years.

City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
December 31, 2024

**Note 3: Cash Deposits and Investments with Financial Institutions (Continued)**

**C. Cash and Investments Summary**

A reconciliation of cash and investments as reported on the statement of net position follows:

Carrying Amount of Deposits	\$ 3,116,849
Investments	<u>51,522,480</u>
 Total	 <u><u>\$ 54,639,329</u></u>
 Primary Government	
Cash and temporary investments	\$ 54,275,028
Fiduciary Funds	
Cash and temporary investments	<u>364,301</u>
 Total	 <u><u>\$ 54,639,329</u></u>

**Note 4: Lease Receivable**

As of December 31, 2024, the City had the following lease receivables:

Description	Issue Date	Discount Rate	Current Year Inflow of Resources	Balance at Year End
Verizon Century Water Reservoir	5/1/1989	1.48 %	\$ 82,213	\$ 1,381,567
Verizon Centerville Road	8/1/1997	1.59	34,524	651,755
T Mobile Century Monopole	9/1/1996	1.44	37,464	550,666
T Mobile Centerville Road	6/1/1996	1.44	33,104	489,700
T Mobile 4701 Miller Road	2/17/1998	0.69	32,024	64,266
SBA Stellmacher	6/1/2009	1.27	23,696	247,455
AT&T Century Monopole	10/11/2006	1.75	46,922	1,570,605
Suburban Community Channels	6/1/2022	1.10	66,515	-
Comcast	2/1/2022	1.10	25,970	55,983
S and Y Foods, LLC	12/1/2017	1.10	21,316	30,669
White Bear Lake Area Varsity Girls Hockey	7/1/2022	1.10	11,148	8,764
White Bear Lake Area Hockey Association	8/11/2021	2.26	24,735	<u>177,969</u>
 Total				 <u><u>\$ 5,229,399</u></u>

Under the Cell Tower leases, the Tenants pay rent in exchange for the right to use the City's communications tower or water reservoirs for the purpose of maintaining and operating radio-based communications service facilities. Details on each cell tower lease are below.

Verizon Century Water Reservoir – under this lease, the Tenant pays \$62,665 in rent to the City annually. The current lease term extends through 4/30/2025 with three more options to renew for five-year terms. With each five-year renewal, rent increases by 27.7%.

Verizon Centerville Road – under this lease, the Tenant pays \$34,524 in rent to the City annually. The current lease term extends through 7/31/2027 with three more options to renew for five-year terms. Rent increases by 3.0% annually.

City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
December 31, 2024

**Note 4: Lease Receivable (Continued)**

T Mobile Century Monopole – under this lease, the Tenant pays \$32,802 in rent to the City annually. The current lease term extends through 6/30/2028 with one more options to renew for five-years terms. Rent increases by 4.0% annually.

T Mobile Centerville Road - under this lease, the Tenant pays \$31,381 in rent to the City annually. The current lease term extends through 12/31/2026 with two more options to renew for five-years terms. With each five-year renewal, rent increases by 24.0%.

T Mobile 4701 Miller Road - under this lease, the Tenant pays \$35,285 in rent to the City annually. The current lease term extends through 12/31/2026 with no options to extend. Rent only increases at the beginning of the five-year lease term.

SBA Stellmacher - under this lease, the Tenant pays \$22,711 in rent to the City annually. The current lease term extends through 5/31/2024 with two more options to renew for five-years terms, with the first option exercised. Rent increases by 4.0% annually.

AT&T Century Monopole - under this lease, the Tenant pays \$41,524 in rent to the City annually. The current lease term extends through 10/11/2025 with six more options to renew for five-years terms. Rent increases by 3.0% annually.

Under the Suburban Community Channels lease, the Tenant pays rent in exchange for operating its business within a 6,416 square foot area of the City's 23,880 square foot Bellaire Center building. The Tenant pays \$65,122 in rent to the City annually with a 3.0% increase each year. The current lease term extends through 4/30/2025 with one option to extend for five more years.

Under the Comcast lease, the Tenant pays rent in exchange for operating its business within a 1,702 square foot area of the City's 23,880 square foot Bellaire Center building. The Tenant pays \$25,530 in rent to the City annually with a 3.0% increase each year. The current lease term extends through 1/31/2027 with one option to extend for five more years.

Under the S and Y Foods, LCC lease, the Tenant pays rent in exchange for operating its business within a 1,058 square foot building owned by the City. The Tenant pays \$1,819 in rent to the City per month. The current lease term extends through 5/31/2026 with one option to extend for three more years.

Under the White Bear Lake Area Varsity Girls Hockey lease, the Tenant pays rent in exchange for the dedicated use of the locker rooms at the Sports Center. The Tenant pays \$1,100 of rent per month to the City. The current lease term extends through 6/30/2025.

Under the White Bear Lake Area Hockey Association lease, the Tenant pays rent in exchange for the dedicated use of the court area at the north end of the Sports Center. The Tenant pays \$2,186 of rent per month to the City with a 3% annual increase. The current lease term extends through 8/11/2031.

City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
December 31, 2024

**Note 5: Capital Assets**

Capital asset activity for the year ended December 31, 2024 was as follows:

	Beginning Balance	Increases	Capital Transfers	Decreases	Ending Balance
<b>Capital Assets, not Being Depreciated</b>					
Land	\$ 9,666,893	\$ -	\$ -	\$ -	\$ 9,666,893
Construction in progress	13,091,380	190,472	-	(13,091,379)	190,473
<b>Total Capital Assets not Being Depreciated</b>	<b>22,758,273</b>	<b>190,472</b>	<b>-</b>	<b>(13,091,379)</b>	<b>9,857,366</b>
<b>Capital Assets Being Depreciated</b>					
Buildings and improvements	28,341,756	17,814,457	-	-	46,156,213
Other improvements	9,682,470	466,832	-	-	10,149,302
Furniture and equipment	11,771,470	1,177,525	1,337,471	(346,945)	13,939,521
Infrastructure	64,986,711	1,833,563	-	(132,834)	66,687,440
<b>Total Capital Assets Being Depreciated</b>	<b>114,782,407</b>	<b>21,292,377</b>	<b>1,337,471</b>	<b>(479,779)</b>	<b>136,932,476</b>
<b>Less Accumulated Depreciation for</b>					
Buildings and improvements	(17,438,946)	(1,080,283)	-	-	(18,519,229)
Other improvements	(6,581,276)	(693,786)	-	-	(7,275,062)
Furniture and equipment	(7,722,373)	(996,084)	(952,375)	341,398	(9,329,434)
Infrastructure	(21,398,034)	(1,201,812)	-	130,254	(22,469,592)
<b>Total Accumulated Depreciation</b>	<b>(53,140,629)</b>	<b>(3,971,965)</b>	<b>(952,375)</b>	<b>471,652</b>	<b>(57,593,317)</b>
<b>Total Capital Assets Being Depreciated, Net</b>	<b>61,641,778</b>	<b>17,320,412</b>	<b>385,096</b>	<b>(8,127)</b>	<b>79,339,159</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 84,400,051</b>	<b>\$ 17,510,884</b>	<b>\$ 385,096</b>	<b>\$ (13,099,506)</b>	<b>\$ 89,196,525</b>
<b>Capital Assets, not Being Depreciated</b>					
Land	\$ 490,275	\$ -	\$ -	\$ -	\$ 490,275
Construction in progress	144,615	-	-	(144,615)	-
<b>Total Capital Assets not Being Depreciated</b>	<b>634,890</b>	<b>-</b>	<b>-</b>	<b>(144,615)</b>	<b>490,275</b>
<b>Capital Assets Being Depreciated</b>					
Buildings and improvements	4,668,910	148,096	-	-	4,817,006
Other improvements	376,522	-	-	-	376,522
Equipment	4,574,848	47,908	(1,337,471)	-	3,285,285
Distribution / collection system	13,221,400	144,615	-	-	13,366,015
<b>Total Capital Assets Being Depreciated</b>	<b>22,841,680</b>	<b>340,619</b>	<b>(1,337,471)</b>	<b>-</b>	<b>21,844,828</b>
<b>Less Accumulated Depreciation for</b>					
Buildings and improvements	(3,758,644)	(80,773)	-	-	(3,839,417)
Other improvements	(70,548)	(37,262)	-	-	(107,810)
Equipment	(2,831,739)	(253,563)	952,375	-	(2,132,927)
Distribution / collection system	(9,157,021)	(143,532)	-	-	(9,300,553)
<b>Total Accumulated Depreciation</b>	<b>(15,817,952)</b>	<b>(515,130)</b>	<b>952,375</b>	<b>-</b>	<b>(15,380,707)</b>
<b>Total Capital Assets Being Depreciated, Net</b>	<b>7,023,728</b>	<b>(174,511)</b>	<b>(385,096)</b>	<b>-</b>	<b>6,464,121</b>
<b>Business-type Activities Capital Assets, Net</b>	<b>\$ 7,658,618</b>	<b>\$ (174,511)</b>	<b>\$ (385,096)</b>	<b>\$ (144,615)</b>	<b>\$ 6,954,396</b>

City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
December 31, 2024

**Note 5: Capital Assets (Continued)**

Depreciation expense was charged to City functions for the year ended December 31, 2024, as follows:

**Governmental Activities**

General government	\$ 389,497
Public safety	486,602
Public works	2,082,911
Culture and recreation	<u>1,012,955</u>

Total Depreciation Expense - Governmental Activities \$ 3,971,965

**Business-type Activities**

Water	\$ 256,512
Sewer	164,219
Pionner manor	<u>94,399</u>

Total Depreciation Expense - Business-type Activities \$ 515,130

City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
December 31, 2024

**Note 6: Long-Term Debt**

**A. 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 entity'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, 2024, the long-term bonded debt of the financial reporting entity consisted of the following:

Description	Authorized and Issued	Interest Rate	Issue Date	Maturity Date	Balance at Year End
<b>Governmental Activities</b>					
G.O. Improvement Bonds, Series 2012B	\$ 2,555,000	0.40 - 2.00 %	12/19/12	02/01/28	\$ 475,000
G.O. Special Assessment Bonds, Series 2018A	4,660,000	3.00 - 4.00	06/14/18	02/01/39	4,660,000
G.O. Special Assessment Bonds, Series 2019A	1,925,000	3.00 - 4.00	7/18/2019	2/1/2040	1,515,000
G.O. Improvement and Equipment Certificate Bonds, Series 2020A	3,580,000	2.00 - 3.00	7/16/2020	2/1/2041	2,815,000
G.O. Improvement and Equipment Certificate Bonds, Series 2021A	1,815,000	1.50 - 2.50	6/17/2021	2/1/2037	1,475,000
G.O. Improvement Bonds, Series 2022A	3,010,000	3.00 - 3.25	6/2/2022	2/1/2038	<u>2,835,000</u>
Total General Obligation Special Assessment Bonds					<u>\$ 13,775,000</u>
G.O. Tax Increment Revenue Bonds, Series 2016A	2,275,000	2.00 - 3.00	03/10/16	02/01/37	<u>\$ 1,690,000</u>
G.O. Tax Abatement Bonds, Series 2018B	3,330,000	3.00 - 3.36	06/14/18	02/01/39	<u>\$ 2,675,000</u>
G.O. Capital Improvement Plan Bonds, Series 2022B	6,990,000	4.00 - 5.00	6/14/2018	02/01/44	\$ 6,990,000
G.O. Capital Improvement Plan Bonds, Series 2023A	10,000,000	3.20 - 5.00	3/23/2023	02/01/44	10,000,000
G.O. Capital Improvement Plan Bonds, Series 2024A	2,290,000	4.00 - 5.00	6/5/2024	02/01/40	<u>2,290,000</u>
Total General Obligation Capital Improvements Bonds					<u>\$ 19,280,000</u>
<b>Business-Type Activities</b>					
G.O. Utility Revenue Bonds, Series 2020A	\$ 860,000	2.00 - 3.00 %	07/16/20	02/01/41	\$ 755,000
G.O. Utility Revenue Bonds, Series 2021A	2,465,000	1.50 - 2.50	06/17/21	02/01/37	<u>2,180,000</u>
Total General Obligation Utility Revenue Bonds					<u>\$ 2,935,000</u>

City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
December 31, 2024

**Note 6: Long-Term Debt (Continued)**

The above G.O. Utility Revenue Bonds will be repaid with revenues from the City's municipal water system and with the full faith and credit and taxing powers of the City. Annual revenues from operating revenues were \$2,670,562 and principal and interest payments totaled \$227,955. The percentage of revenues covering principal and interest payments was 1,129% for 2024.

**B. Minimum Debt Payments**

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year	Governmental Activities					
	G.O. Tax Increment Bonds		G.O. Special Assessment Bonds		G.O. Tax Abatement Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 100,000	\$ 39,913	\$ 1,140,000	\$ 381,384	\$ 145,000	\$ 83,175
2026	105,000	37,363	1,145,000	349,541	150,000	78,750
2027	110,000	35,213	1,125,000	317,503	150,000	74,250
2028	115,000	32,963	1,115,000	285,453	155,000	69,675
2029	120,000	30,553	1,060,000	253,853	160,000	64,950
2030 - 2034	675,000	108,460	4,415,000	865,346	880,000	247,428
2035 - 2039	465,000	20,456	3,510,000	293,734	1,035,000	91,578
2040 - 2044	-	-	265,000	4,925	-	-
	<u>\$ 1,690,000</u>	<u>\$ 304,921</u>	<u>\$ 13,775,000</u>	<u>\$ 2,751,739</u>	<u>\$ 2,675,000</u>	<u>\$ 709,806</u>

Year	Governmental Activities		Business-type Activities	
	G.O. CIP Bonds		G.O. Utility Revenue Bonds	
	Principal	Interest	Principal	Interest
2025	\$ 400,000	\$ 816,533	\$ 185,000	\$ 54,198
2026	580,000	775,670	190,000	50,098
2027	645,000	745,045	195,000	45,873
2028	700,000	711,420	200,000	41,523
2029	815,000	673,545	200,000	37,123
2030 - 2034	4,640,000	2,751,540	1,075,000	123,636
2035 - 2039	5,575,000	1,735,543	790,000	35,885
	<u>\$ 13,355,000</u>	<u>\$ 8,209,296</u>	<u>\$ 2,835,000</u>	<u>\$ 388,336</u>

City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
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**Note 6: Long-Term Debt (Continued)**

**C. Changes in Long-Term Liabilities**

Long-term debt activity for the year ended December 31, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
<b>Governmental activities</b>					
Bonds Payable					
Tax Increment Bonds	\$ 1,785,000	\$ -	\$ 95,000	\$ 1,690,000	\$ 100,000
Special Assessment Bonds	14,895,000	-	1,120,000	13,775,000	1,140,000
Tax Abatement Bonds	2,815,000	-	140,000	2,675,000	145,000
Capital Improvement Bonds	16,990,000	2,290,000	-	19,280,000	400,000
Bond premium	1,206,173	216,746	67,071	1,355,848	83,095
Compensated absences Payable*	1,417,924	463,036	-	1,880,960	655,677
Governmental Activities Long-term Liabilities	<u>\$ 39,109,097</u>	<u>\$ 2,969,782</u>	<u>\$ 1,422,071</u>	<u>\$ 40,656,808</u>	<u>\$ 2,523,772</u>
<b>Business-type activities</b>					
Bonds Payable					
G.O. Utility Revenue Bonds	\$ 3,115,000	\$ -	\$ 180,000	\$ 2,935,000	\$ 185,000
Bond Premium	125,269	-	8,672	116,597	8,672
Business-type Activity Long-term Liabilities	<u>\$ 3,240,269</u>	<u>\$ -</u>	<u>\$ 188,672</u>	<u>\$ 3,051,597</u>	<u>\$ 193,672</u>

\*The change in compensated absences is presented as a net change

City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
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**Note 7: Defined Benefit Pension Plans - Statewide**

**A. Plan Description**

The City participates in the following cost-sharing multiple-employer defined benefit pension plans administered by the Public Employees Retirement Association of Minnesota (PERA). These plan provisions are established and administered according to Minnesota Statutes chapters 353, 353D, 353E, 353G and 356. Minnesota Statutes chapter 356 defines each plan's financial reporting requirements. PERA's defined benefit pension plans are tax qualified plans under Section 401(a) of the Internal Revenue Code.

General Employees Retirement Plan (General Plan)

Membership in the General Plan includes employees of counties, cities, townships, schools in non-certified positions, and other governmental entities whose revenues are derived from taxation, fees, or assessments. Plan membership is required for any employee who is expected to earn more than \$425 in a month, unless the employee meets exclusion criteria.

Public Employees Police and Fire Plan (Police and Fire Plan)

Membership in the Police and Fire Plan includes full-time, licensed police officers and firefighters who meet the membership criteria defined in Minnesota Statutes section 353.64 and who are not earning service credit in any other PERA retirement plan or a local relief association for the same service. Employers can provide Police and Fire Plan coverage for part-time positions and certain other public safety positions by submitting a resolution adopted by the entity's governing body. The resolution must state that the position meets plan requirements.

**B. Benefits Provided**

PERA provides retirement, disability, and death benefits. Benefit provisions are established by state statute and can only be modified by the state Legislature. Vested, terminated employees who are entitled to benefits, but are not receiving them yet, are bound by the provisions in effect at the time they last terminated their public service. When a member is "vested," they have earned enough service credit to receive a lifetime monthly benefit after leaving public service and reaching an eligible retirement age. Members who retire at or over their Social Security full retirement age with at least one year of service qualify for a retirement benefit.

General Employee Plan Benefits

General Employees Plan requires three years of service to vest. Benefits are based on a member's highest average salary for any five successive years of allowable service, age, and years of credit at termination of service. Two methods are used to compute benefits for General Plan members. Members hired prior to July 1, 1989, receive the higher of the Step or Level formulas. Only the Level formula is used for members hired after June 30, 1989. Under the Step formula, General Plan members receive 1.2 percent of the highest average salary for each of the first 10 years of service and 1.7 percent for each additional year. Under the Level formula, General Plan members receive 1.7 percent of highest average salary for all years of service. For members hired prior to July 1, 1989 a full retirement benefit is available when age plus years of service equal 90 and normal retirement age is 65. Members can receive a reduced requirement benefit as early as age 55 if they have three or more years of service. Early retirement benefits are reduced by .25 percent for each month under age 65. Members with 30 or more years of service can retire at any age with a reduction of 0.25 percent for each month the member is younger than age 62. The Level formula allows General Plan members to receive a full retirement benefit at age 65 if they were first hired before July 1, 1989 or at age 66 if they were hired on or after July 1, 1989. Early retirement begins at age 55 with an actuarial reduction applied to the benefit.

City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
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**Note 7: Defined Benefit Pension Plans - Statewide (Continued)**

Benefit increases are provided to benefit recipients each January. The postretirement increase is equal to 50 percent of the cost-of-living adjustment (COLA) announced by the SSA, with a minimum increase of at least 1 percent and a maximum of 1.5 percent. The 2024 annual increase was 1.5 percent. Recipients that have been receiving the annuity or benefit for at least a full year as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least one month but less than a full year as of the June 30 before the effective date of the increase will receive a prorated increase.

Police and Fire Plan Benefits

Benefits for Police and Fire Plan members hired before July 1, 2010, are vested after three years of service. Members hired on or after July 1, 2010, are 50 percent vested after five years of service and 100 percent vested after ten years. After five years, vesting increase by 10 percent each full year of service until members are 100 percent vested after ten years. Police and Fire Plan members receive 3 percent of highest average salary for all years of service. Police and Fire Plan members receive a full retirement benefit when they are age 55 and vested, or when their age plus their years of service equals 90 or greater if they were first hired before July 1, 1989. Early retirement starts at age 50, and early retirement benefits are reduced by 0.417 percent each month members are younger than age 55.

Benefit increases are provided to benefit recipients each January. The postretirement increase is fixed at 1 percent. Recipients that have been receiving the annuity or benefit for at least 36 months as of the June 30 before the effective date of the increase will receive the full increase. Recipients receiving the annuity or benefit for at least 25 months but less than 36 months as of the June 30 before the effective date of the increase will receive a reduced prorated increase.

**C. Contributions**

Minnesota Statutes chapters 353, 353E, 353G and 356 set the rates for employer and employee contributions. Contribution rates can only be modified by the state Legislature.

General Employees Fund Contributions

General Plan members were required to contribute 6.50 percent of their annual covered salary in fiscal year 2024 and the City was required to contribute 7.50 percent for Coordinated Plan members. The City's contributions to the General Employees Fund for the years ending December 31, 2024, 2023 and 2022, were \$420,932, \$395,924 and \$376,589, respectively. The City's contributions were equal to the required contributions for each year as set by state statute.

Police and Fire Fund Contributions

Police and Fire Plan members were required to contribute 11.80 percent of their annual covered salary in fiscal year 2024 and the City was required to contribute 17.70 percent for Police and Fire Plan members. The City's contributions to the Police and Fire Fund for the years ending December 31, 2024, 2023 and, 2022 were \$957,533, \$841,686 and \$804,804, respectively. The City's contributions were equal to the required contributions for each year as set by state statute.

City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
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**Note 7: Defined Benefit Pension Plans - Statewide (Continued)**

**D. Pension Costs**

General Employees Fund Pension Costs

At December 31, 2024, the City reported a liability of \$2,407,043 for its proportionate share of the General Employees Fund's net pension liability. The City's net pension liability reflected a reduction due to the State of Minnesota's contribution of \$16 million. The State of Minnesota is considered a non-employer contributing entity and the state's contribution meets the definition of a special funding situation. The State of Minnesota's proportionate share of the net pension liability associated with the City totaled \$62,241.

City's Proportionate Share of the Net Pension Liability	\$	2,407,043
State of Minnesota's Proportionate Share of the Net Pension Liability Associated with the City		62,241
Total		\$ 2,469,284

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2023 through June 30, 2024, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was 0.0651 percent at the end of the measurement period and 0.0639 percent for the beginning of the period.

For the year ended December 31, 2024, the City recognized pension expense of \$240,833 for its proportionate share of the General Employees Plan's pension expense. In addition, the City recognized an additional \$1,669 as pension expense (and grant revenue) for its proportionate share of the State of Minnesota's contribution of \$16 million to the General Employees Fund.

During the plan year ended June 30, 2024, the State of Minnesota contributed \$170.1 million to the General Employees Fund. The State of Minnesota is not included as a non-employer contributing entity in the General Employees Plan pension allocation schedules for the \$170.1 million in direct state aid because this contribution was not considered to meet the definition of a special funding situation. The City recognized \$110,746 for the year ended December 31, 2024 as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the General Employees Fund.

City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
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**Note 7: Defined Benefit Pension Plans - Statewide (Continued)**

At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	\$ 225,441	\$ -
Changes in Actuarial Assumptions	11,949	898,669
Net Difference Between Projected and Actual Investment Earnings	-	666,762
Changes in Proportion	33,810	45,540
Contributions Paid to PERA Subsequent to the Measurement Date	210,876	-
Total	\$ 482,076	\$ 1,610,971

The \$210,876 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

2025	\$ (762,709)
2026	(99,128)
2027	(293,449)
2028	(184,485)

Police and Fire Fund Pension Costs

At December 31, 2024, the City reported a liability of \$4,724,143 for its proportionate share of the Police and Fire Fund's net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportionate share of the net pension liability was based on the City's contributions received by PERA during the measurement period for employer payroll paid dates from July 1, 2023 through June 30, 2024, relative to the total employer contributions received from all of PERA's participating employers. The City's proportionate share was 0.3591 percent at the end of the measurement period and 0.3494 percent for the beginning of the period.

The State of Minnesota contributed \$37.4 million to the Police and Fire Fund in the plan fiscal year ended June 30, 2024. The contribution consisted of \$9 million in direct state aid that meets the definition of a special funding situation, additional one-time direct state aid contribution of \$19.4 million, and \$9 million in supplemental state aid that does not meet the definition of a special funding situation. Additionally, \$9 million supplemental state aid was paid on October 1, 2024. Thereafter, by October 1 of each year, the state will pay \$9 million to the Police and Fire Fund until full funding is reached or July 1, 2048, whichever is earlier. The \$9 million in supplemental state aid will continue until the fund is 90 percent funded, or until the State Patrol Plan (administered by the Minnesota State Retirement System) is 90 percent funded, whichever occurs later. The State of Minnesota's proportionate share of the net pension liability associated with the City totaled \$180,082.

City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
December 31, 2024

**Note 7: Defined Benefit Pension Plans - Statewide (Continued)**

City's Proportionate Share of the Net Pension Liability	\$	4,724,143
State of Minnesota's Proportionate Share of the Net Pension Liability Associated with the City		180,082
Total		\$ 4,904,225

For the year ended December 31, 2024, the City recognized pension expense of \$1,187,651 for its proportionate share of the Police and Fire Plan's pension expense. In addition, the City recognized an additional \$20,142 as pension expense (grant revenue) for its proportionate share of the State of Minnesota's contribution of \$9 million to the Police and Fire Fund.

The State of Minnesota is not included as a non-employer contributing entity in the Police and Fire Pension Plan pension allocation schedules for the \$28.4 million in supplemental state aid because this contribution was not considered to meet the definition of a special funding situation. The City recognized \$101,969 for the year ended December 31, 2024 as revenue and an offsetting reduction of net pension liability for its proportionate share of the State of Minnesota's on-behalf contributions to the Police and Fire Fund.

At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	\$ 1,824,382	\$ -
Changes in Actuarial Assumptions	5,238,998	6,769,414
Net Difference Between Projected and Actual Investment Earnings	-	1,510,011
Changes in Proportion	229,008	295,094
Contributions Paid to PERA Subsequent to the Measurement Date	507,958	-
Total	\$ 7,800,346	\$ 8,574,519

The \$507,958 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2025. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

2025		\$ (122,317)
2026		1,217,894
2027		(720,486)
2028		(1,766,085)
2029		108,863

City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
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**Note 7: Defined Benefit Pension Plans - Statewide (Continued)**

**E. Long-term Expected Return on Investment**

The State Board of Investment, which manages the investments of PERA, prepares an analysis of the reasonableness on a regular basis of the long-term expected rate of return using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce an expected long-term rate of return by weighting the expected future rates of return by the target asset allocation percentages. The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Return on Investment</u>
Domestic Equity	33.5 %	5.10 %
International Equity	16.5	5.30
Fixed Income	25.0	0.75
Private Markets	<u>25.0</u>	5.90
Total	<u><u>100.0 %</u></u>	

**F. Actuarial Assumptions**

The total pension liability for each of the cost-sharing defined benefit plans was determined by an actuarial valuation as of June 30, 2024, using the entry age normal actuarial cost method. The long-term rate of return on pension plan investments used to determine the total liability is 7.0%. The 7.0% assumption is based on a review of inflation and investment return assumptions from a number of national investment consulting firms. The review provided a range of investment return rates considered reasonable by the actuary. An investment return of 7.0% is within that range.

Inflation is assumed to be 2.25% for the General Employees Plan and Police and Fire Plan.

Benefit increases after retirement are assumed to be 1.25% for the General Employees Plan and 1.0% for the Police and Fire Plan.

Salary growth assumptions in the General Employees Plan range in annual increments from 10.25% after one year of service to 3.0% after 27 years of service. In the Police and Fire Plan, salary growth assumptions range in annual increments from 11.75% after one year of service to 3.0% after 24 years of service.

Mortality rates for the General Employees Plan are based on the Pub-2010 General Employee Mortality Table. Mortality rates for the Police and Fire Plan are based on the Pub-2010 Public Safety Employee Mortality tables. The tables are adjusted slightly to fit PERA's experience.

Actuarial assumptions for the General Employees Plan are reviewed every four years. The General Employees Plan was last reviewed in 2022. The assumption changes were adopted by the board and became effective with the July 1, 2023 actuarial valuation. The Police and Fire Plan were reviewed in 2024. PERA anticipates the experience study will be approved by the Legislative Commission on Pensions and Retirement and become effective with the July 1, 2025 actuarial valuation.

City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
December 31, 2024

**Note 7: Defined Benefit Pension Plans - Statewide (Continued)**

The following changes in actuarial assumptions and plan provisions occurred in 2024:

General Employees Fund

Changes in Actuarial Assumptions

- Rates of merit and seniority were adjusted, resulting in slightly higher rates.
- Assumed rates of retirement were adjusted as follows: increase the rate of assumed unreduced retirements, slight adjustments to Rule of 90 retirement rates, and slight adjustments to early retirement rates for Tier 1 and Tier 2 members.
- Minor increase in assumed withdrawals for males and females.
- Lower rates of disability.
- Continued use of Pub-2010 general mortality table with slight rate adjustments as recommended in the most recent experience study.
- Minor changes to form of payment assumptions for male and female retirees.
- Minor changes to assumptions made with respect to missing participant data.

Changes in Plan Provisions

- The workers' compensation offset for disability benefits was eliminated. The actuarial equivalent factors updated to reflect the changes in assumptions.

Police and Fire Fund

Changes in Actuarial Assumptions

- There were no changes in actuarial assumptions since the previous valuation.

Changes in Plan Provisions

- The State contribution of \$9 million per year will continue until the earlier of 1) both the Police and Fire Plan and the State Patrol Retirement Fund attain 90.0 percent funded status for three consecutive years (on an actuarial value of assets basis) or 2) July 1, 2048. The contribution was previously due to expire after attaining a 90.0 percent funded status for one year.
- The additional \$9 million contribution will continue until the Police and Fire Plan is fully funded for a minimum of three consecutive years on an actuarial value of assets basis, or July 1, 2048, whichever is earlier. This contribution was previously due to expire upon attainment of fully funded status on an actuarial value of assets basis for one year (or July 1, 2048 if earlier).

**G. Discount Rate**

The discount rate used to measure the total pension liability in 2024 was 7.0 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at rates set in Minnesota Statutes. Based on these assumptions, the fiduciary net position of the General Employees and Police and Fire Plans were projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
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**Note 7: Defined Benefit Pension Plans - Statewide (Continued)**

**H. Pension Liability Sensitivity**

The following presents the City's proportionate share of the net pension liability for all plans it participates in, calculated using the discount rate disclosed in the preceding paragraph, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

	1 Percent Decrease (6.0%)	Current (7.0%)	1 Percent Increase (8.0%)
General Employees Fund	\$ 5,257,369	\$ 2,407,043	\$ 62,390
Police and Fire Fund	11,164,072	4,724,143	(564,387)

**I. Pension Plan Fiduciary Net Position**

Detailed information about each pension plan's fiduciary net position is available in a separately issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained on the Internet at [www.mnpera.org](http://www.mnpera.org).

City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
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**Note 8: Public Employees Defined Contribution Plan (Defined Contribution Plan)**

Three part-time ambulance personnel of the City of White Bear Lake are covered by the Defined Contribution Plan (DCP), a multiple-employer deferred compensation plan administered by PERA. The DCP is a tax qualified plan under Section 401(a) of the Internal Revenue Code and all contributions by or on behalf of employees are tax deferred until time of withdrawal.

Plan benefits depend solely on amounts contributed to the plan plus investment earnings, less administrative expenses, therefore, there is no future liability to the employer. *Minnesota statutes*, chapter 353d.03, specifies plan provisions, including the employee and employer contribution rates for those qualified personnel who elect to participate. For ambulance service personnel, employer contributions are determined by the employer, and for salaried employees contributions must be a fixed percentage of salary. Employer contributions for volunteer personnel may be a unit value for each call or period of alert duty. Employees who are paid for their services may elect to make member contributions in an amount not to exceed the employer share. Employer and employee contributions are combined and used to purchase shares in one or more of the seven accounts of the Minnesota Supplemental Investment Fund. For administering the plan, PERA receives 2.0 percent of employer contributions and twenty-five hundredths of 1 percent (0.25 percent) of the assets in each member's account annually.

Pension expense for the year is equal to contributions made. Total contributions made by the City during the fiscal year 2024 were:

Contribution Amount		Percentage of Covered Payroll				Required Rate
Employee	Employer	Employee		Employer		
\$ 792	\$ 792	5.00	%	5.00	%	5.00 %

The City and member's contributions to the DCP plan for the years ending December 31, 2024, 2023 and 2022 were \$792, \$545, and \$545, respectively.

Pensions

For purposes of measuring the net pension liability (asset), deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the defined benefit plan administered by the City of White Bear Lake and additions to and deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. Investments are reported at fair value.

**Note 9: Defined Benefit Pension Plan - Fire Relief Association**

**A. Plan description**

The White Bear Lake Fire Department (the Department) participates in the Statewide Volunteer Firefighter Retirement Plan (Volunteer Firefighter Plan accounted for in the Volunteer Firefighter Fund), an agent multiple-employer monthly defined benefit pension plan administered by the Public Employees Retirement Association of Minnesota (PERA). The Volunteer Firefighter Plan covers volunteer firefighters of municipal fire departments or independent nonprofit firefighting corporations that have elected to join the plan. As of December 31, 2024, the plan covered 26 active firefighters and 62 vested terminated firefighters whose pension benefits are deferred. The plan is established and administered in accordance with Minnesota statutes, chapter 353g.

**B. Benefits provided**

The Volunteer Firefighter Plan provides retirement, death, and supplemental benefits to covered firefighters and survivors. Benefits are paid based on the number of years of service multiplied by a benefit level approved by the City. Members are eligible for a monthly retirement benefit at 50 years of age with five years of service. Plan provisions include a pro-rated vesting schedule that increases from 5 years at 40 percent through 20 years at 100 percent.

City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
December 31, 2024

**Note 9: Defined Benefit Pension Plan - Fire Relief Association**

**C. Contributions**

The Volunteer Firefighter Plan is funded by fire state aid, investment earnings and, if necessary, employer contributions as specified in Minnesota statutes and voluntary City contributions. The State of Minnesota contributed \$349,607 in fire state aid to the fund for the year ended December 31, 2024. Required employer contributions are calculated annually based on statutory provisions. The City did not contribute to the Volunteer Firefighter Fund for the year ended December 31, 2024. The City's contributions were equal to the required contributions as set by state statute. In addition, the City made no voluntary contributions to the plan.

**D. Pension costs**

At December 31, 2024, the City reported a net pension asset of \$3,982,560 for the plan. The net pension liability (asset) was measured as of December 31, 2023. The total pension liability used to calculate the net pension liability (asset) in accordance with GASB 68 was determined by Gabriel Roeder Smith & Company applying an actuarial formula to specific census data certified by the Department as of December 31, 2024. The following table presents the changes in net pension liability (asset) during the year.

	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a-b)
Beginning Balance January 1, 2023	\$ 4,067,038	\$ 7,017,016	\$ (2,949,978)
Changes for the Year			
Service cost	81,473	-	81,473
Interest on pension liability (asset)	240,110	-	240,110
Liability experience gains and losses	-	-	-
Changes of assumptions	-	-	-
Projected investment return	-	1,036,324	(1,036,324)
Contributions (employer)	-	317,500	(317,500)
Benefit payments	(293,346)	(293,346)	-
Administrative expenses	-	(658)	658
Other	-	999	(999)
Total Net Changes	<u>28,237</u>	<u>1,060,819</u>	<u>(1,032,582)</u>
Ending Balance December 31, 2023	<u>\$ 4,095,275</u>	<u>\$ 8,077,835</u>	<u>\$ (3,982,560)</u>

For the year ended December 31, 2024, the City recognized negative pension expense of \$352,884.

City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
December 31, 2024

**Note 9: Defined Benefit Pension Plan - Fire Relief Association (Continued)**

At December 31, 2024, the City reported deferred inflows of resources and deferred outflows of resources, its contributions subsequent to the measurement date, related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ -	\$ 14,280
Changes in Actuarial Assumptions	9,653	-
Net Difference Between Projected and Actual Earnings on Plan Investments	332,923	-
Contributions to Plan Subsequent to the Measurement Date	349,607	-
Total	\$ 692,183	\$ 14,280

Deferred outflows of resources totaling \$349,607 related to pensions resulting from the City's contributions to the plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended December 31, 2024. Other amounts reported as deferred outflows and inflows of resources related to the plan will be recognized in pension expense as follows:

2024	\$ 53,901
2025	170,397
2026	227,001
2027	(123,003)
Total	\$ 328,296

**E. Actuarial assumptions**

The total pension liability at December 31, 2023 was determined using the entry age normal actuarial cost method and the following actuarial assumptions:

Active Firefighters are assumed to retire at the later of age 53 and 20 years of service	
Salary increases	N/A
Investment rate of return	6.00%
Inflation rate of return	3.50%

The 20-year municipal bond yield actuarial assumption changed from 4.05% in 2022 to 3.77% in 2023. There were no other changes in actuarial assumptions in 2023.

City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
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**Note 9: Defined Benefit Pension Plan - Fire Relief Association (Continued)**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimates for expected future real rates of return (expected returns, net of inflation) were developed for each asset class using the plan’s target investment allocation along with long-term return expectations by asset class. Inflation expectations were applied to derive the nominal rate of return for the portfolio.

The target allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Domestic Stocks	35.00 %	5.10 %
International Stocks	15.00	5.30
Bonds	45.00	0.75
Unallocated Cash	<u>5.00</u>	-
Total	<u><u>100.00 %</u></u>	

**F. Discount rate**

The discount rate used to measure the total pension liability was 6.0 percent. The projection of cash flows used to determine the discount rate assumed that contributions to the plan will be made as specified in statute. Based on that assumption and considering the funding ratio of the plan, the fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**G. Pension liability sensitivity**

The following presents the City’s net pension liability (asset) for the plan, calculated using the discount rate disclosed in the preceding paragraph, as well as what the City’s net pension liability (asset) would be if it were calculated using a discount rate 1 percent lower or 1 percent higher than the current discount rate:

	<u>1 Percent Decrease (5.00%)</u>	<u>Current (6.00%)</u>	<u>1 Percent Increase (7.00%)</u>
Defined benefit plan	\$ 3,588,046	\$ 3,982,560	\$ 4,311,440

**H. Pension plan fiduciary net position**

Detailed information about the Volunteer Firefighter Fund’s fiduciary net position as of June 30, 2023, is available in a separately-issued PERA financial report that includes financial statements and required supplementary information. That report may be obtained at [www.mnpera.org](http://www.mnpera.org).

City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
December 31, 2024

**Note 10: Inter-fund Receivables, Payables and Transfers**

**A. Interfund Assets/Liabilities**

The internal balances amount on the Statement of Net Position represents the consolidation of internal service fund activities related to governmental and enterprise fund activities. This is a reconciliation adjustment and is not a formal due to and due from fund.

The Municipal Building Fund and the HRA Tax Increment Pool Fund have interfund balances from various funds as follows:

Receivable Fund	Payable Fund	Purpose	Amount
<b>Due from/to other funds</b>			
Governmental Economic Development	Governmental Municipal Building	Project funding	\$ 641,250
Governmental Non-Bonded Debt	Governmental Municipal Building	Project funding	213,750
Governmental Economic Development	Governmental HRA Tax Increment Pool	TIF deficit cash	<u>750,000</u>
Total Due to/from Other Funds			<u><u>\$ 1,605,000</u></u>

**B. Transfers**

The composition of inter-fund transfers for the year ended December 31, 2024 is as follows:

Fund	Transfer in					Total
	General Fund	Pavement Management	Municipal Building	Equipment Acquisition	Nonmajor Governmental Funds	
Transfers Out						
General	\$ -	\$ -	\$ 430,000	\$ 759,561	\$ -	\$ 1,189,561
Non-Bonded Debt	-	-	-	-	292,000	292,000
Pavement Management	100,000	-	-	-	-	100,000
Community Reinvestment	-	115,000	450,000	-	75,000	640,000
Nonmajor Governmental	134,520	-	-	-	332,100	466,620
Water	213,300	-	-	-	-	213,300
Sewer	209,000	-	-	-	-	209,000
Refuse	121,000	-	-	-	-	121,000
Nonmajor enterprise	665,022	-	-	-	17,500	682,522
Total	<u>\$ 1,442,842</u>	<u>\$ 115,000</u>	<u>\$ 880,000</u>	<u>\$ 759,561</u>	<u>\$ 716,600</u>	<u>\$ 3,914,003</u>

City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
December 31, 2024

**Note 11: Note Receivable / Loans Receivable**

On December 11, 2017, the City entered into an agreement with the White Bear Lake Area Hockey Association to share the cost of the Sports Center Renovation. The Association agreed to provide up to \$2,500,000 in cost sharing for the project, \$500,000 of which was fronted as an initial contribution to the project. The annual interest rate is 3.27%. Annual principal and interest payments are due December 1 of each year and are summarized below:

Year	Principal	Interest	Total
2025	\$ 90,465	\$ 47,344	\$ 137,809
2026	93,423	44,386	137,809
2027	96,478	41,331	137,809
2028	99,633	38,176	137,809
2029	102,891	34,918	137,809
2030-2034	567,179	121,868	689,047
2035-2039	397,770	27,004	424,774
	<u>\$ 1,447,839</u>	<u>\$ 355,028</u>	<u>\$ 1,802,867</u>

In addition, the City has economic development loans outstanding totaling \$55,693.

**Note 12: Components of Fund Balance**

At December 31, 2024, portions of the City's fund balance are not available for appropriation due either not being in spendable form (Non-spendable); a prepaid item or has legal restrictions (Restricted); and/or being held because of City Council action (Committed). The following is a summary of the components of fund balance:

	General	Non-Bonded Debt	Pavement Management	Municipal Building	Equipment Acquisition	Community Reinvestment	Non-Major	Total
<b>Nonspendable</b>								
Prepaid items	\$ 1,655	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 83	\$ 1,738
<b>Restricted</b>								
Economic Development	-	-	-	-	-	-	73,616	73,616
Public Safety Facility	-	-	-	868,689	-	-	-	868,689
Forfeiture	-	-	-	-	-	-	35,661	35,661
Public Safety LGA	-	-	-	-	-	-	-	-
Local Affordable Housing	-	-	-	-	-	-	154,705	154,705
Debt Service	-	-	-	-	-	-	3,502,512	3,502,512
Total Restricted	<u>-</u>	<u>-</u>	<u>-</u>	<u>868,689</u>	<u>-</u>	<u>-</u>	<u>3,766,494</u>	<u>4,635,183</u>
<b>Committed</b>								
Surface Water	-	-	-	-	-	-	397,640	397,640
Marina	-	-	-	-	-	-	540,141	540,141
Sports Center	-	-	-	-	-	-	221,029	221,029
Capital Improvement	-	-	-	-	3,405,974	6,561,958	1,323,853	11,291,785
Economic Development	-	-	-	-	-	-	3,803,301	3,803,301
Total Committed	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,405,974</u>	<u>6,561,958</u>	<u>6,285,964</u>	<u>16,253,896</u>
<b>Assigned</b>								
Capital Improvement	-	-	5,876,844	-	-	-	-	5,876,844
Public Safety Facility	-	-	-	1,124,259	-	-	-	1,124,259
Surface Water	-	-	-	-	-	-	840,487	840,487
Debt Service	-	1,673,308	-	-	-	-	-	1,673,308
Total Assigned	<u>-</u>	<u>1,673,308</u>	<u>5,876,844</u>	<u>1,124,259</u>	<u>-</u>	<u>-</u>	<u>840,487</u>	<u>9,514,898</u>
<b>Unassigned</b>	10,116,216	-	-	-	-	-	(149,393)	9,966,823
<b>Total</b>	<u>\$ 10,117,871</u>	<u>\$ 1,673,308</u>	<u>\$ 5,876,844</u>	<u>\$ 1,992,948</u>	<u>\$ 3,405,974</u>	<u>\$ 6,561,958</u>	<u>\$ 10,743,635</u>	<u>\$ 40,372,538</u>

City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
December 31, 2024

**Note 13: Other Commitments and Contingencies**

In connection with the normal conduct of its affairs, the City is involved in various claims, litigation and judgments. It is expected that the final settlement of these matters will not materially affect the financial condition of the City.

The City Attorney has indicated that existing and pending lawsuits, claims and other actions in which the City is a defendant are either covered by insurance; of an immaterial amount; or, in the judgment of the City attorney, remotely recoverable by plaintiffs.

**Note 14: Federally Assisted Programs - Compliance Audits**

The City receives financial assistance from Federal and State governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the applicable fund.

However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the City at December 31, 2024.

**Note 15: Risk Management**

The City established the Insurance Fund to account for losses related to torts; theft of, damage to, or destruction of assets; errors or omissions; injuries to employees; or natural disaster. The Insurance Fund provides for losses up to \$25,000 for each claim (annual aggregate is \$100,000). The City purchases commercial insurance coverage above the deductible amount through the League of Minnesota Insurance Trust with other cities in the State. This is a public entity risk pool currently operating as a common risk management and insurance program. The City pays an annual premium to the League for its insurance coverage. The League of Minnesota Cities Insurance Trust is self-sustaining through member premiums and re-insures through commercial companies for excess claims. The City is covered through the pool for any claims incurred but unreported, but retains risk for the deductible portion of its insurance policies. The amount of the deductibles is considered immaterial to the financial statements.

There were no significant reductions in insurance from the previous year or settlements in excess of insurance coverage for any of the past three fiscal years.

The City's workers compensation insurance is a deductible premium option. Transactions related to workers compensation insurance are reported in the Employment Expense Fund.

The Insurance and Employment Expense Funds are presented as internal service funds. All funds of the City participate in the programs and make payments to the Insurance and Employment Expense fund based on historical cost information. At December 31, 2024, there is no liability reported in the funds based on the requirements of Governmental Accounting Standards Board Statement Number 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
December 31, 2024

**Note 16: Postemployment Benefits Other Than Pensions**

**A. Plan Description**

The City's defined benefit OPEB plan provides a single-employer defined benefit health care plan to eligible retirees. The plan offers medical coverage. Medical coverage is administered by Medica. Dental coverage is administered by Health Partners. It is the City's policy to periodically review its medical coverage and to obtain requests for proposals in order to provide the most favorable benefits and premiums for City employees and retirees. No assets are accumulated in a trust.

At December 31, 2024, the following employees were covered by the benefit terms:

Inactive Plan Members or Beneficiaries Currently Receiving Benefit Payments	12
Active Plan Members	77
Total Plan Members	89

**B. Funding Policy**

The plan is required by State Statute to provide healthcare insurance for eligible retirees and their spouses through the City's group health insurance plan, which covers both active and retired members. Retirees reimburse the city of the total cost of their healthcare insurance.

For the year ended December 31, 2024, the City's average contribution rate was 33.72 percent of covered-employee payroll. For the fiscal year 2024, the City contributed \$94,380 to the plan, while implicit contributions totaled \$75,380. The General fund is typically used to liquidate the governmental portion of the net OPEB obligation.

**C. Actuarial Methods and Assumptions**

The City's total OPEB liability of \$2,749,912 was measured as of January 1, 2024, and the OPEB liability was determined by an actuarial valuation as of January 1, 2024. Roll forward procedures were used to roll forward the total OPEB liability

The total OPEB liability in the January 1, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Investment rate of return		3.50% net of investment expense
Expected Long-Term Investment Return		3.00% to 10.25% for General Employees; 3.00% to 11.75% for Police and Fire Employees
Inflation		2.25%
Healthcare cost trend increases	7.25% initially, gradually decreasing to an ultimate rate of 3.5% in year 15	
Mortality assumption		Pub-2010 Mortality Table adjusted for mortality improvements using projection scale MP-2020

City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
December 31, 2024

**Note 16: Postemployment Benefits Other Than Pensions (Continued)**

The actuarial assumptions used in the December 31, 2024 valuation were based on the results of an actuarial experience study for the period January 1, 2024 - December 31, 2024.

The discount rate used to measure the total OPEB liability was 4.08% based on the estimated yield of 20-Year-AA-rated municipal bonds.

**D. Changes in the Total OPEB Liability**

	Total OPEB Liability
Balances at December 31, 2023	\$ 2,702,707
Changes for the Year	
Service Costs	139,857
Interest Costs	101,335
Assumption Changes	(75,379)
Differences between expected and actual experience	50,807
Benefit Payment	(169,415)
Net Changes	\$ 47,205
 Balances at December 31, 2024	 \$ 2,749,912

Since the prior measurement date, the following assumptions changed:

- Changes of assumptions and other inputs reflect a change in the discount rate from 3.77% in 2023 to 4.08% in 2024.

Since the prior measurement date, the following plan provisions changed:

- None

Since the prior measurement date, the following benefit terms changed:

- None

**E. Sensitivity of the Net OPEB Liability**

The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using a discount rate one percentage point lower or one percentage point higher than the current discount rate:

1 Percent Decrease 3.08%	Discount Rate Current 4.08%	1 Percent Increase 5.08%
\$ 3,003,298	\$ 2,749,912	\$ 2,525,622

City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
December 31, 2024

**Note 16: Postemployment Benefits Other Than Pensions (Continued)**

The following presents the City's net OPEB liability, as well as what the City's net OPEB liability would be if it were calculated using a healthcare cost trend rate one percentage point lower or one percentage point higher than the current healthcare cost trend rate:

1 Percent Decrease 6.25% Decreasing to 2.5%	Healthcare Cost Trend Rates 7.25% Decreasing to 3.5%	1 Percent Increase 8.25% Decreasing to 4.5%
\$ 2,459,118	\$ 2,749,912	\$ 3,090,385

**F. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended December 31, 2024, the City Recognized negative OPEB expense of \$880,740. At December 31, 2024, the City reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Economic Experience	\$ 1,073,192	\$ 1,017
Changes in Actuarial Assumptions	195,844	340,074
Total	\$ 1,269,036	\$ 341,091

Other amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in pension expense as follows:

2025	\$ 124,401
2026	124,401
2027	124,401
2028	125,168
2029	117,572
Thereafter	312,002

City of White Bear Lake, Minnesota  
Notes to the Financial Statements  
December 31, 2024

**Note 17: Conduit Debt Obligations**

Conduit debt obligations are certain limited obligation revenue bonds or similar debt instruments issued for the express purpose of providing capital financing for a specific third party. The City has issued various revenue bonds to provide funding to private-sector entities for projects deemed to be in the public interest. Although these bonds bear the name of the City, the City has no obligation for such debt beyond the resources provided by related leases or loans. Accordingly, the bonds are not reported as liabilities in the financial statements of the City. The outstanding balance of conduit debt at December 31, 2024, is \$28,585,885.

**Note 18: Subsequent Events**

On May 13, 2025, the City issued \$2,270,000 General Obligation Bonds, Series 2025A to finance the City's 2025 pavement rehabilitation project and for the purchase of a fire truck.

**Note 19: Adjustments to and Restatements of Beginning Balances**

Change within Major and Nonmajor Fund Reporting

During fiscal year 2024, the Ambulance fund was determined to be nonmajor. The effects of the changes within the financial reporting entity are shown in the statement of revenues, expenses and changes in net position for the proprietary funds.

Change in Accounting Principle

During fiscal year 2024, the City adopted the provisions of Governmental Accounting Standard Board (GASB) Statement No. 100, Accounting Changes and Error Corrections, and Statements No. 101, Compensated Absences, for the year ended December 31, 2024. Adoption of the provisions of these statement results in significant change to the classifications of the components of the financial statements. There were no adjustments or restatements of beginning balances needed for the adoption of these statements.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF WHITE BEAR LAKE  
WHITE BEAR LAKE, MINNESOTA

FOR THE YEAR ENDED  
DECEMBER 31, 2024

City of White Bear Lake, Minnesota  
Required Supplementary Information  
For the Year Ended December 31, 2024

**Schedule of Employer's Share of PERA Net Pension Liability - General Employees Fund**

Fiscal Year Ending	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability (a)	State's Proportionate Share of the Net Pension Liability Associated with the City (b)	Total (a+b)	City's Covered Payroll (c)	City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll (a/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
6/30/2024	0.0651 %	\$ 2,407,043	\$ 62,241	\$ 2,469,284	\$ 5,510,538	43.7 %	86.7 %
6/30/2023	0.0639	3,573,216	98,559	3,671,775	5,083,056	70.3	83.1
6/30/2022	0.0662	5,243,062	153,844	5,396,906	4,927,083	106.4	76.7
6/30/2021	0.0639	2,728,816	83,394	2,812,210	4,574,545	59.7	87.0
6/30/2020	0.0641	3,843,088	118,549	3,961,637	4,570,467	84.1	79.0
6/30/2019	0.0649	3,588,176	111,495	3,699,671	4,708,610	76.2	80.2
6/30/2018	0.0723	4,010,908	131,615	4,142,523	4,743,584	84.6	79.5
6/30/2017	0.0734	4,685,808	58,907	4,744,715	4,549,458	103.0	75.9
6/30/2016	0.0684	5,553,741	72,541	5,626,282	4,421,511	125.6	68.9
6/30/2015	0.0717	3,715,866	-	3,715,866	2,814,226	132.0	78.2

**Schedule of Employer's PERA Contributions - General Employees Fund**

Year Ending	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	City's Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
12/31/2024	\$ 420,932	\$ 420,932	\$ -	\$ 5,612,427	7.50 %
12/31/2023	395,924	395,924	-	5,278,984	7.50
12/31/2022	376,589	376,589	-	5,021,189	7.50
12/31/2021	356,261	356,261	-	4,750,144	7.50
12/31/2020	337,960	337,960	-	4,506,136	7.50
12/31/2019	343,333	343,333	-	4,577,777	7.50
12/31/2018	357,270	357,270	-	4,763,605	7.50
12/31/2017	355,409	355,409	-	4,738,783	7.50
12/31/2016	328,868	328,868	-	4,384,906	7.50
12/31/2015	327,158	327,158	-	4,362,105	7.50

City of White Bear Lake, Minnesota  
Required Supplementary Information (Continued)  
For the Year Ended December 31, 2024

**Notes to the Required Supplementary Information - General Employee Retirement Fund**

Changes in Actuarial Assumptions

2024 - The following changes in assumptions are effective with the July 1, 2024 valuation, as recommended in the most recent experience study (dated June 29, 2023): Rates of merit and seniority were adjusted, resulting in slightly higher rates. Assumed rates of retirement were adjusted as follows: increase the rate of assumed unreduced retirements, slight adjustments to Rule of 90 retirement rates, and slight adjustments to early retirement rates for Tier 1 and Tier 2 members. Minor increase in assumed withdrawals for males and females. Lower rates of disability. Continued use of Pub-2010 general mortality table with slight rate adjustments as recommended in the most recent experience study. Minor changes to form of payment assumptions for male and female retirees. Minor changes to assumptions made with respect to missing participant data.

2023 - The investment return and single discount rates were changed from 6.5 percent to 7.0 percent.

2022 - The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021.

2021 - The investment return and single discount rates were changed from 7.50 percent to 6.50 percent, for financial reporting purposes. The mortality improvement scale was changed from Scale MP-2019 to Scale MP-2020.

2020 - The price inflation assumption was decreased from 2.50% to 2.25%. The payroll growth assumption was decreased from 3.25% to 3.00%. Assumed salary increase rates were changed as recommended in the June 30, 2019 experience study. The net effect is assumed rates that average 0.25% less than previous rates. Assumed rates of retirement were changed as recommended in the June 30, 2019 experience study. The changes result in more unreduced (normal) retirements and slightly fewer Rule of 90 and early retirements. Assumed rates of termination were changed as recommended in the June 30, 2019 experience study. The new rates are based on service and are generally lower than the previous rates for years 2-5 and slightly higher thereafter. Assumed rates of disability were changed as recommended in the June 30, 2019 experience study. The change results in fewer predicted disability retirements for males and females. The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 General Mortality table, with adjustments. The base mortality table for disabled annuitants was changed from the RP-2014 disabled annuitant mortality table to the PUB-2010 General/Teacher disabled annuitant mortality table, with adjustments. The mortality improvement scale was changed from Scale MP-2018 to Scale MP-2019. The assumed spouse age difference was changed from two years older for females to one year older. The assumed number of married male new retirees electing the 100% Joint & Survivor option changed from 35% to 45%. The assumed number of married female new retirees electing the 100% Joint & Survivor option changed from 15% to 30%. The corresponding number of married new retirees electing the Life annuity option was adjusted accordingly.

2019 - The mortality projection scale was changed from MP-2017 to MP-2018.

2018 - The mortality projection scale was changed from MP-2015 to MP-2017. The assumed benefit increase was changed from 1.00 percent per year through 2044 and 2.50 percent per year thereafter to 1.25 percent per year.

2017 - The Combined Service Annuity (CSA) loads were changed from 0.8 percent for active members and 60 percent for vested and non-vested deferred members. The revised CSA loads are now 0.0 percent for active member liability, 15.0 percent for vested deferred member liability and 3.0 percent for non-vested deferred member liability. The assumed post-retirement benefit increase rate was changed from 1.0 percent per year for all years to 1.0 percent per year through 2044 and 2.5 percent per year thereafter.

2016 - The assumed post-retirement benefit increase rate was changed from 1.0 percent per year through 2035 and 2.5 percent per year thereafter to 1.0 percent per year for all future years. The assumed investment return was changed from 7.9 percent to 7.5 percent. The single discount rate was changed from 7.9 percent to 7.5 percent. Other assumptions were changed pursuant to the experience study dated June 30, 2015. The assumed future salary increases, payroll growth and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth and 2.50 percent for inflation.

2015 - The assumed post-retirement benefit increase rate was changed from 1.0 percent per year through 2030 and 2.5 percent per year thereafter to 1.0 percent per year through 2035 and 2.5 percent per year thereafter.

City of White Bear Lake, Minnesota  
Required Supplementary Information (Continued)  
For the Year Ended December 31, 2024

**Notes to the Required Supplementary Information - General Employee Retirement Fund (Continued)**

Changes in Plan Provisions

2024 - The workers' compensation offset for disability benefits was eliminated. The actuarial equivalent factors updated to reflect the changes in assumptions.

2023 - An additional one-time direct state aid contribution of \$170.1 million will be contributed to the Plan on October 1, 2023. The vesting period of those hired after June 30, 2010, was changed from five years of allowable service to three years of allowable service. The benefit increase delay for early retirements on or after January 1, 2024 was eliminated. A one-time non-compounding benefit increase of 2.5 percent minus the actual 2024 adjustment will be payable in a lump sum for calendar year 2024 by March 31, 2024.

2022 - There were no changes in plan provisions since the previous valuation.

2021 - There were no changes in plan provisions since the previous valuation.

2020 - Augmentation for current privatized members was reduced to 2.0% for the period July 1, 2020 through December 31, 2023 and 0.0% after. Augmentation was eliminated for privatizations occurring after June 30, 2020.

2019 - The employer supplemental contribution was changed prospectively, decreasing from \$31.0 million to \$21.0 million per year. The state's special funding contribution was changed prospectively, requiring \$16.0 million due per year through 2031.

2018 - The augmentation adjustment in early retirement factors is eliminated over a five-year period starting July 1, 2019, resulting in actuarial equivalence after June 30, 2024. Interest credited on member contributions decreased from 4.0 percent to 3.0 percent, beginning July 1, 2018. Deferred augmentation was changed to 0.0 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply. Contribution stabilizer provisions were repealed. Postretirement benefit increases were changed from 1.0 percent per year with a provision to increase to 2.5 percent upon attainment of 90.0 percent funding ratio to 50.0 percent of the Social Security Cost of Living Adjustment, not less than 1.0 percent and not more than 1.5 percent, beginning January 1, 2019. For retirements on or after January 1, 2024, the first benefit increase is delayed until the retiree reaches normal retirement age; does not apply to Rule of 90 retirees, disability benefit recipients, or survivors. Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017 - The State's contribution for the Minneapolis Employees Retirement Fund equals \$16,000,000 in 2017 and 2018, and \$6,000,000 thereafter. The Employer Supplemental Contribution for the Minneapolis Employees Retirement Fund changed from \$21,000,000 to \$31,000,000 in calendar years 2019 to 2031. The state's contribution changed from \$16,000,000 to \$6,000,000 in calendar years 2019 to 2031.

2016 - There were no changes in plan provisions since the previous valuation.

2015 - On January 1, 2015, the Minneapolis Employees Retirement Fund was merged into the General Employees Fund, which increased the total pension liability by \$1.1 billion and increased the fiduciary plan net position by \$892 million. Upon consolidation, state and employer contributions were revised.

City of White Bear Lake, Minnesota  
 Required Supplementary Information (Continued)  
 For the Year Ended December 31, 2024

**Schedule of Employer's Share of PERA Net Pension Liability - Police and Fire Fund**

Fiscal Year Ending	City's Proportion of the Net Pension Liability	City's Proportionate Share of the Net Pension Liability (a)	State's Proportionate Share of the Net Pension Liability Associated with the City (b)	Total (a+b)	City's Covered Payroll (c)	City's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll (a/c)	Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
6/30/2024	0.3591 %	\$ 4,724,143	\$ 180,082	\$ 4,904,225	\$ 4,972,383	95.0 %	87.0 %
6/30/2023	0.3494	6,033,684	243,058	6,276,742	4,588,572	131.5	86.5
6/30/2022	0.3627	15,783,271	689,419	16,472,690	4,405,863	358.2	70.5
6/30/2021	0.3613	2,788,853	125,365	2,914,218	4,269,582	65.3	93.7
6/30/2020	0.3639	4,796,591	-	4,796,591	4,104,019	116.9	87.2
6/30/2019	0.3236	3,445,049	-	3,445,049	3,277,386	105.1	89.3
6/30/2018	0.2543	2,710,576	-	2,710,576	2,808,744	96.5	88.8
6/30/2017	0.2540	3,429,302	-	3,429,302	2,514,962	136.4	85.4
6/30/2016	0.2500	10,032,935	-	10,032,935	2,503,201	400.8	63.9
6/30/2015	0.2530	2,874,672	-	2,874,672	1,287,418	223.3	86.6

**Schedule of Employer's PERA Contributions - Police and Fire Fund**

Year Ending	Statutorily Required Contribution (a)	Contributions in Relation to the Statutorily Required Contribution (b)	Contribution Deficiency (Excess) (a-b)	City's Covered Payroll (c)	Contributions as a Percentage of Covered Payroll (b/c)
12/31/2024	\$ 957,533	\$ 957,533	\$ -	\$ 5,409,791	17.70 %
12/31/2023	841,686	841,686	-	4,755,289	17.70
12/31/2022	804,804	804,804	-	4,546,915	17.70
12/31/2021	757,809	757,809	-	4,281,408	17.70
12/31/2020	746,128	746,128	-	4,215,413	17.70
12/31/2019	657,326	657,326	-	3,878,031	16.95
12/31/2018	474,595	474,595	-	2,929,600	16.20
12/31/2017	408,224	408,224	-	2,519,899	16.20
12/31/2016	402,054	402,054	-	2,481,816	16.20
12/31/2015	400,740	400,740	-	2,473,702	16.20

City of White Bear Lake, Minnesota  
Required Supplementary Information (Continued)  
For the Year Ended December 31, 2024

**Notes to the Required Supplementary Information - Police and Fire Fund**

Changes in Actuarial Assumptions

2024 - There were no changes in actuarial assumptions since the previous valuation.

2023 - The investment return assumption was changed from 6.5 percent to 7.0 percent. The single discount rate changed from 5.4 percent to 7.0 percent.

2022 - The mortality improvement scale was changed from Scale MP-2020 to Scale MP-2021. The single discount rate changed from 6.50 percent to 5.40 percent.

2021 - The investment return and single discount rates were changed from 7.5 percent to 6.5 percent, for financial reporting purposes. The inflation assumption was changed from 2.5 percent to 2.25 percent. The payroll growth assumption was changed from 3.25 percent to 3.0 percent. The base mortality table for healthy annuitants and employees was changed from the RP-2014 table to the Pub-2010 Public Safety Mortality table. The mortality improvement scale was changed from MP-2019 to MN-2020. The base mortality table for disabled annuitants was changed from the RP-2014 healthy annuitant mortality table (with future mortality improvement according to Scale MP-2019) to the Pub-2010 Public Safety disabled annuitant mortality table (with future mortality improvement according to Scale MP-2020). Assumed rates of salary increase were modified as recommended in the July 14, 2020 experience study. The overall impact is a decrease in gross salary increase rates. Assumed rates of retirement were changed as recommended in the July 14, 2020 experience study. The changes result in slightly more unreduced retirements and fewer assumed early retirements. Assumed rates of withdrawal were changed from select and ultimate rates to service-based rates. The changes result in more assumed terminations. Assumed rates of disability were increased for ages 25-44 and decreased for ages over 49. Overall, proposed rates result in more projected disabilities. Assumed percent married for active female members was changed from 60.0 percent to 70.0 percent. Minor changes to form of payment assumptions were applied.

2020 - The mortality projection scale was changed from MP-2018 to MP-2019.

2019 - The mortality projection scale was changed from MP-2017 to MP-2018.

2018 - The mortality projection scale was changed from MP-2016 to MP-2017.

2017 - Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34 percent lower than the previous rates. Assumed rates of retirement were changed, resulting in fewer retirements. The Combined Service Annuity (CSA) load was 30 percent for vested and non-vested deferred members. The CSA has been changed to 33 percent for vested members and 2 percent for non-vested members. The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the mortality tables assumed for healthy retirees. Assumed termination rates were decreased to 3.0 percent for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall. Assumed percentage of married female members was decreased from 65 percent to 60 percent. Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females. The assumed percentage of female members electing joint and survivor annuities was increased. The assumed post-retirement benefit increase rate was changed from 1.0 percent for all years to 1.0 percent per year through 2064 and 2.5 percent thereafter. The single discount rate was changed from 5.6 percent to 7.5 percent.

2016 - The assumed post-retirement benefit increase rate was changed from 1.0 percent per year through 2037 and 2.5 percent per year thereafter to 1.0 percent per year for all future years. The assumed investment return was changed from 7.9 percent to 7.5 percent. The single discount rate was changed from 7.9 percent to 5.6 percent. The assumed future salary increases, payroll growth and inflation were decreased by 0.25 percent to 3.25 percent for payroll growth and 2.5 percent for inflation.

2015 - The assumed post-retirement benefit increase rate was changed from 1.0 percent per year through 2030 and 2.5 percent per year thereafter to 1.0 percent per year through 2037 and 2.5 percent per year thereafter.

City of White Bear Lake, Minnesota  
Required Supplementary Information (Continued)  
For the Year Ended December 31, 2024

**Notes to the Required Supplementary Information - Police and Fire Fund (Continued)**

Changes in Plan Provisions

2024 - The State contribution of \$9.0 million per year will continue until the earlier of 1) both the Police and Fire Plan and the State Patrol Retirement Fund attain 90.0 percent funded status for three consecutive years (on an actuarial value of assets basis) or 2) July 1, 2048. The contribution was previously due to expire after attaining a 90.0 percent funded status for one year. The additional \$9.0 million contribution will continue until the Police and Fire Plan is fully funded for a minimum of three consecutive years on an actuarial value of assets basis, or July 1, 2048, whichever is earlier. This contribution was previously due to expire upon attainment of fully funded status on an actuarial value of assets basis for one year (or July 1, 2048 if earlier).

2023 - An additional one-time direct state aid contribution of \$19.4 million will be contributed to the Plan on October 1, 2023. The vesting requirement for new hires after June 30, 2014 was changed from a graded 20-year vesting schedule to a graded 10-year vesting schedule, with 50 percent vesting after five years increasing incrementally to 100 percent after 10 years. A one-time non-compounding benefit increase of 3.0 percent will be payable in a lump sum for calendar year 2024 by March 31, 2024. Psychological treatment is required effective July 1, 2023 prior to approval for a duty disability benefit for a psychological condition relating to the member's occupation. The total and permanent duty disability was increased, effective July 1, 2023.

2022 - There were no changes in plan provisions since the previous valuation.

2021 - There were no changes in plan provisions since the previous valuation.

2020 - There were no changes in plan provisions since the previous valuation.

2019 - There were no changes in plan provisions since the previous valuation.

2018 - As set by statute, the assumed post-retirement benefit increase was changed from 1.0 percent per year through 2064 and 2.5 percent per year, thereafter, to 1.0 percent for all years, with no trigger. An end date of July 1, 2048 was added to the existing \$9 million state contribution. New annual state aid will equal \$4.5 million in fiscal years 2019 and 2020, and \$9 million thereafter until the plan reaches 100 percent funding, or July 1, 2048, if earlier. Member contributions were changed from 10.8 percent to 11.3 percent of pay, effective January 1, 2019 and 11.8 percent of pay, effective January 1, 2020. Employer contributions were changed from 16.2 percent to 16.95 percent of pay, effective January 1, 2019 and 17.7 percent of pay, effective January 1, 2020. Interest credited on member contributions decreased from 4.0 percent to 3.0 percent, beginning July 1, 2018. Deferred augmentation was changed to 0.0 percent, effective January 1, 2019. Augmentation that has already accrued for deferred members will still apply. Actuarial equivalent factors were updated to reflect revised mortality and interest assumptions.

2017- Assumed salary increases were changed as recommended in the June 30, 2016 experience study. The net effect is proposed rates that average 0.34 percent lower than the previous rates. Assumed rates of retirement were changed, resulting in fewer retirements. The combined service annuity (CSA) load was 30.0 percent for vested and non-vested, deferred members. The CSA has been changed to 33.0 percent for vested members and 2.0 percent for non-vested members. The base mortality table for healthy annuitants was changed from the RP-2000 fully generational table to the RP-2014 fully generational table (with a base year of 2006), with male rates adjusted by a factor of 0.96. The mortality improvement scale was changed from Scale AA to Scale MP-2016. The base mortality table for disabled annuitants was changed from the RP-2000 disabled mortality table to the mortality tables assumed for healthy retirees. Assumed termination rates were decreased to 3.0 percent for the first three years of service. Rates beyond the select period of three years were adjusted, resulting in more expected terminations overall. Assumed percentage of married female members was decreased from 65.0 percent to 60.0 percent. Assumed age difference was changed from separate assumptions for male members (wives assumed to be three years younger) and female members (husbands assumed to be four years older) to the assumption that males are two years older than females. The assumed percentage of female members electing joint and survivor annuities was increased. The assumed postretirement benefit increase rate was changed from 1.0 percent for all years to 1.0 percent per year through 2064 and 2.5 percent thereafter. The single discount rate was changed from 5.6 percent per annum to 7.5 percent per annum.

2016 - There were no changes in plan provisions since the previous valuation.

2015 - The post-retirement benefit increase to be paid after attainment of the 90 percent funding threshold was changed, from inflation up to 2.5 percent, to a fixed rate of 2.5 percent.

**City of White Bear Lake, Minnesota**  
**Required Supplemental Information (Continued)**  
**For the Year Ended December 31, 2024**

**Schedule of Changes in the Fire Relief Association's Net Pension Liability (Asset) and Related Notes**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>Total pension liability</b>										
Service cost	\$ 81,473	\$ 73,993	\$ 72,365	\$ 118,371	\$ 114,923	\$ 156,301	\$ 151,749	\$ 137,576	\$ 133,569	\$ 145,189
Interest	240,110	243,091	251,818	259,796	267,297	253,096	253,714	261,707	249,002	247,887
Changes of benefit terms	-	-	-	-	-	406,243	-	-	-	-
Differences between expected and actual experience	-	(28,562)	-	(59,709)	-	(466,686)	-	(194,578)	-	(14,592)
Changes of assumptions	-	19,127	-	5,106	-	(370,400)	-	-	190,378	-
Benefit payments, including refunds of employee contributions	(293,346)	(436,261)	(506,254)	(314,826)	(706,520)	(381,789)	(505,020)	(229,516)	(433,174)	(239,818)
<b>Net change in total pension liability</b>	<b>28,237</b>	<b>(128,612)</b>	<b>(182,071)</b>	<b>8,738</b>	<b>(324,300)</b>	<b>(403,235)</b>	<b>(99,557)</b>	<b>(24,811)</b>	<b>139,775</b>	<b>138,666</b>
<b>Total pension liability - January 1</b>	<b>4,067,038</b>	<b>4,195,650</b>	<b>4,377,721</b>	<b>4,368,983</b>	<b>4,693,283</b>	<b>5,096,518</b>	<b>5,196,075</b>	<b>5,220,886</b>	<b>5,081,111</b>	<b>4,942,445</b>
<b>Total pension liability - December 31, (a)</b>	<b>\$ 4,095,275</b>	<b>\$ 4,067,038</b>	<b>\$ 4,195,650</b>	<b>\$ 4,377,721</b>	<b>\$ 4,368,983</b>	<b>\$ 4,693,283</b>	<b>\$ 5,096,518</b>	<b>\$ 5,196,075</b>	<b>\$ 5,220,886</b>	<b>\$ 5,081,111</b>
<b>Plan fiduciary net position</b>										
Contributions - employer	317,500	289,125	276,820	263,727	248,007	241,116	232,194	231,628	229,853	216,807
Net investment income	1,036,324	(1,248,748)	738,115	998,251	1,129,252	(479,034)	966,600	495,777	(293,258)	278,508
Benefit payments, including refunds of employee contributions	(293,346)	(436,261)	(506,254)	(314,826)	(706,520)	(381,789)	(505,020)	(229,516)	(433,174)	(239,818)
Administrative expense	(658)	(2,283)	(905)	(3,110)	(17,118)	(45,208)	(29,980)	(24,898)	(32,395)	(29,243)
Other	999	2,000	2,000	5,707	(59,536)	1,000	2,000	-	275	137
<b>Net change in plan fiduciary net position</b>	<b>1,060,819</b>	<b>(1,396,167)</b>	<b>509,776</b>	<b>949,749</b>	<b>594,085</b>	<b>(663,915)</b>	<b>665,794</b>	<b>472,991</b>	<b>(528,699)</b>	<b>226,391</b>
<b>Plan fiduciary net position - January 1</b>	<b>7,017,016</b>	<b>8,413,183</b>	<b>7,903,407</b>	<b>6,953,658</b>	<b>6,359,573</b>	<b>7,023,488</b>	<b>6,357,694</b>	<b>5,884,703</b>	<b>6,413,402</b>	<b>6,187,011</b>
<b>Plan fiduciary net position - December 31 (b)</b>	<b>\$ 8,077,835</b>	<b>\$ 7,017,016</b>	<b>\$ 8,413,183</b>	<b>\$ 7,903,407</b>	<b>\$ 6,953,658</b>	<b>\$ 6,359,573</b>	<b>\$ 7,023,488</b>	<b>\$ 6,357,694</b>	<b>\$ 5,884,703</b>	<b>\$ 6,413,402</b>
<b>Fire Relief's net pension liability (asset) - December 31 (a-b)</b>	<b>\$ (3,982,560)</b>	<b>\$ (2,949,978)</b>	<b>\$ (4,217,533)</b>	<b>\$ (3,525,686)</b>	<b>\$ (2,584,675)</b>	<b>\$ (1,666,290)</b>	<b>\$ (1,926,970)</b>	<b>\$ (1,161,619)</b>	<b>\$ (663,817)</b>	<b>\$ (1,332,291)</b>
<b>Plan fiduciary net position as a percentage of the total pension liability (b/a)</b>	197.25%	172.53%	200.52%	180.54%	159.16%	135.50%	137.81%	122.36%	112.71%	126.22%
<b>Covered payroll</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>Fire Relief's net pension liability (asset) as a percentage of covered payroll</b>	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**Notes to Schedule:**

*Benefit changes.* There have been no plan changes since the January 1, 2018 valuation.

*Assumption changes.* There have been no plan changes since the January 1, 2022 valuation.

City of White Bear Lake, Minnesota  
 Required Supplemental Information (Continued)  
 For the Year Ended December 31, 2024

**Schedule of Employer's Fire Relief Association Contributions**

Year Ending	Actuarial Determined Contribution (a)	Actual Contributions Paid (b)	Contribution Deficiency (Excess) (a-b)
12/31/23	\$ 317,500	\$ 317,500	\$ -
12/31/22	289,125	289,125	-
12/31/21	276,820	276,820	-
12/31/20	263,728	263,728	-
12/31/19	248,007	248,007	-
12/31/18	241,116	241,116	-
12/31/17	232,194	232,194	-
12/31/16	231,628	231,628	-
12/31/15	229,853	229,853	-
12/31/14	216,807	216,807	-

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City of White Bear Lake, Minnesota  
Required Supplementary Information (Continued)  
For the Year Ended Decemeber 31, 2024

**Schedule of changes in the City's OPEB Liability and related ratios**

	2024	2023	2022	2021	2020	2019
Total OPEB Liability						
Service Costs	\$ 139,857	\$ 138,091	\$ 187,283	\$ 69,413	\$ 59,639	\$ 46,821
Interest Costs	101,335	76,920	39,302	29,148	36,519	34,686
Assumption Changes	(75,379)	68,114	(343,513)	(1,463)	89,717	201,075
Plan Changes	-	16,409	-	-	-	-
Differences between expected and actual experience	50,807	632,694	8,536	608,442	24,185	187,941
Benefit Payment	(169,415)	(119,493)	(87,984)	(83,746)	(87,266)	(80,547)
Net Change in Total OPEB Liability	47,205	812,735	(196,376)	621,794	122,794	389,976
Total OPEB Liability - Beginning	2,702,707	1,889,972	2,086,348	1,464,554	1,341,760	951,784
Total OPEB Liability - Ending	<u>\$ 2,749,912</u>	<u>\$ 2,702,707</u>	<u>\$ 1,889,972</u>	<u>\$ 2,086,348</u>	<u>\$ 1,464,554</u>	<u>\$ 1,341,760</u>
Covered - Employee Payroll	\$ 8,154,012	\$ 7,153,027	\$ 6,662,986	\$ 7,102,031	\$ 6,599,353	\$ 6,264,746
City's total OPEB liability as a percentage of covered employee payroll	33.72 %	37.78 %	28.37 %	29.38 %	22.19 %	21.42 %

*Changes in assumptions:*

• None

*Changes in Plan Provisions:*

• None

*Changes in benefits:*

• None

Note: Schedule is intended to show 10-year trend. Additional years will be reported as they become available.

Note: The City's plan has no accumulated assets in a GASB-compliant trust.

City of White Bear Lake, Minnesota  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
General Fund (Continued on the Following Pages)  
For the Year Ended December 31, 2024

	Budget		Actual	Variances with Final Budget
	Original	Final		
Revenues				
Property taxes	\$ 9,730,000	\$ 9,730,000	\$ 9,723,361	\$ (6,639)
Franchise fees	360,000	373,557	373,557	-
Licenses and permits				
Business license and permits	163,850	191,480	210,314	18,834
Non-Business license and permits	729,000	887,000	1,009,291	122,291
Total license and permits	892,850	1,078,480	1,219,605	141,125
Fines	62,300	58,900	66,835	7,935
Intergovernmental				
Federal grants	167,000	135,871	141,013	5,142
State grants	2,121,890	1,928,851	1,976,891	48,040
County grants	21,500	21,500	2,052	(19,448)
Local grants	171,000	260,820	260,820	-
Total intergovernmental	2,481,390	2,347,042	2,380,776	33,734
Charges for services				
General government	24,000	10,800	5,950	(4,850)
Public safety	3,394,327	3,085,077	3,375,989	290,912
Other	-	-	6,130	6,130
Inspection services	160,000	160,000	174,925	14,925
Total charges for services	3,578,327	3,255,877	3,562,994	307,117
Special Assessments	-	-	1,439	1,439
Interest income	150,000	150,000	315,259	165,259
Rental Income	42,655	47,350	50,110	2,760
Refunds and reimbursements	6,500	6,151	6,310	159
Donations	-	4,595	10,506	5,911
Miscellaneous	8,500	12,150	28,047	15,897
Total Revenues	17,312,522	17,064,102	17,738,799	674,697
Expenditures				
General government				
Mayor and Council				
Personal services	104,109	104,109	96,300	(7,809)
Supplies	17,975	14,698	7,503	(7,195)
Other services and charges	47,974	33,416	31,314	(2,102)
Total Mayor and Council	170,058	152,223	135,117	(17,106)

City of White Bear Lake, Minnesota  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
General Fund (Continued)  
For the Year Ended December 31, 2024

	Budget		Actual	Variances with Final Budget
	Original	Final		
Expenditures (Continued)				
General government (Continued)				
City Manager				
Personal services	\$ 592,004	\$ 598,031	\$ 589,497	\$ (8,534)
Supplies	570	250	331	81
Other services and charges	35,776	34,426	34,563	137
Total city manager	<u>628,350</u>	<u>632,707</u>	<u>624,391</u>	<u>(8,316)</u>
Finance				
Personal services	518,169	511,018	485,026	(25,992)
Supplies	2,200	2,890	1,444	(1,446)
Other services and charges	137,088	128,796	123,552	(5,244)
Total finance	<u>657,457</u>	<u>642,704</u>	<u>610,022</u>	<u>(32,682)</u>
Legal counselor				
Other services and charges	<u>83,851</u>	<u>83,851</u>	<u>95,704</u>	<u>11,853</u>
City hall				
Personal services	87,834	87,834	87,606	(228)
Supplies	20,900	19,425	16,977	(2,448)
Other services and charges	158,176	141,161	110,773	(30,388)
Total city hall	<u>266,910</u>	<u>248,420</u>	<u>215,356</u>	<u>(33,064)</u>
Technology				
Personal services	125,392	125,392	124,284	(1,108)
Supplies	3,630	2,250	818	(1,432)
Other services and charges	14,213	24,183	23,241	(942)
Total technology	<u>143,235</u>	<u>151,825</u>	<u>148,343</u>	<u>(3,482)</u>
Elections				
Other services and charges	<u>81,062</u>	<u>81,762</u>	<u>81,213</u>	<u>(549)</u>
Total general government	<u>2,030,923</u>	<u>1,993,492</u>	<u>1,910,146</u>	<u>(83,346)</u>
Community development				
Planning				
Personal services	381,000	382,164	380,285	(1,879)
Supplies	1,500	1,300	562	(738)
Other services and charges	33,078	30,088	21,667	(8,421)
Total community development	<u>415,578</u>	<u>413,552</u>	<u>402,514</u>	<u>(11,038)</u>
Public safety				
Public Safety Facility				
Supplies	4,625	5,450	14,373	8,923
Other services and charges	167,189	162,140	142,877	(19,263)
Total public safety facility	<u>171,814</u>	<u>167,590</u>	<u>157,250</u>	<u>(10,340)</u>
Police				
Personal services	5,334,516	5,173,307	5,043,842	(129,465)
Supplies	229,450	259,740	212,871	(46,869)
Other services and charges	305,991	364,856	340,878	(23,978)
Total police	<u>5,869,957</u>	<u>5,797,903</u>	<u>5,597,591</u>	<u>(200,312)</u>
Dispatch				
Other services and charges	<u>254,300</u>	<u>254,300</u>	<u>253,209</u>	<u>(1,091)</u>
Animal control				
Personal services	12,616	12,364	12,244	(120)
Supplies	1,050	1,050	352	(698)
Other services and charges	5,000	5,929	6,339	410
Total animal control	<u>18,666</u>	<u>19,343</u>	<u>18,935</u>	<u>(408)</u>

City of White Bear Lake, Minnesota  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
General Fund (Continued)  
For the Year Ended December 31, 2024

	Budget		Actual	Variances with Final Budget
	Original	Final		
Expenditures (Continued)				
Public safety (Continued)				
Legal prosecution				
Personal services	\$ 1,523	\$ 1,482	\$ 334	\$ (1,148)
Other services and charges	143,100	138,820	138,720	(100)
Total legal prosecution	<u>144,623</u>	<u>140,302</u>	<u>139,054</u>	<u>(1,248)</u>
Fire				
Personal services	1,361,086	1,356,769	1,370,896	14,127
Supplies	106,325	110,400	120,903	10,503
Other services and charges	219,746	224,905	179,910	(44,995)
Total fire	<u>1,687,157</u>	<u>1,692,074</u>	<u>1,671,709</u>	<u>(20,365)</u>
Emergency preparedness				
Supplies	5,950	5,755	5,275	(480)
Other services and charges	11,563	10,868	6,985	(3,883)
Total emergency preparedness	<u>17,513</u>	<u>16,623</u>	<u>12,260</u>	<u>(4,363)</u>
Building and code enforcement				
Personal services	692,568	688,687	684,246	(4,441)
Supplies	14,250	15,375	10,366	(5,009)
Other services and charges	204,516	208,289	165,697	(42,592)
Total building / code enforcement	<u>911,334</u>	<u>912,351</u>	<u>860,309</u>	<u>(52,042)</u>
Ambulance				
Personal services	2,598,846	2,593,331	2,452,896	(140,435)
Supplies	159,900	159,500	141,102	(18,398)
Other services and charges	262,225	263,292	202,746	(60,546)
Total ambulance	<u>3,020,971</u>	<u>3,016,123</u>	<u>2,796,744</u>	<u>(219,379)</u>
Total public safety	<u>12,096,335</u>	<u>12,016,609</u>	<u>11,507,061</u>	<u>(509,548)</u>
Public works				
Shop				
Personal services	104,095	104,095	102,950	(1,145)
Supplies	33,600	35,864	29,556	(6,308)
Other services and charges	159,015	155,205	120,617	(34,588)
Total shop	<u>296,710</u>	<u>295,164</u>	<u>253,123</u>	<u>(42,041)</u>
Engineering				
Personal services	740,027	742,317	721,245	(21,072)
Supplies	22,010	8,585	2,891	(5,694)
Other services and charges	109,572	98,520	89,034	(9,486)
Total engineering	<u>871,609</u>	<u>849,422</u>	<u>813,170</u>	<u>(36,252)</u>
Garage				
Personal services	224,946	224,947	227,109	2,162
Supplies	55,415	50,915	28,960	(21,955)
Other services and charges	36,962	32,962	21,506	(11,456)
Total garage	<u>317,323</u>	<u>308,824</u>	<u>277,575</u>	<u>(31,249)</u>

City of White Bear Lake, Minnesota  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
General Fund (Continued)  
For the Year Ended December 31, 2024

	Budget		Actual	Variances with Final Budget
	Original	Final		
Expenditures (Continued)				
Public works (Continued)				
Streets				
Personal services	\$ 419,230	\$ 418,347	\$ 447,819	\$ 29,472
Supplies	135,420	134,220	107,251	(26,969)
Other services and charges	149,756	145,126	127,508	(17,618)
Total streets	<u>704,406</u>	<u>697,693</u>	<u>682,578</u>	<u>(15,115)</u>
Snow and ice removal				
Personal services	115,329	115,329	46,853	(68,476)
Supplies	137,700	143,043	110,931	(32,112)
Other services and charges	57,106	38,106	25,681	(12,425)
Total snow and ice removal	<u>310,135</u>	<u>296,478</u>	<u>183,465</u>	<u>(113,013)</u>
Street lighting				
Personal services	12,057	12,057	11,757	(300)
Supplies	35,600	27,600	24,418	(3,182)
Other services and charges	206,100	217,200	178,029	(39,171)
Total street lighting	<u>253,757</u>	<u>256,857</u>	<u>214,204</u>	<u>(42,653)</u>
Total public works	<u>2,753,940</u>	<u>2,704,438</u>	<u>2,424,115</u>	<u>(280,323)</u>
Parks and recreation				
Personal services	616,800	571,154	534,112	(37,042)
Supplies	138,360	135,990	104,620	(31,370)
Other services and charges	246,386	248,871	134,403	(114,468)
Total parks and recreation	<u>1,001,546</u>	<u>956,015</u>	<u>773,135</u>	<u>(182,880)</u>
Non-departmental				
General services	80,975	80,675	65,818	(14,857)
Contingency	-	-	8,983	8,983
Total non-departmental	<u>80,975</u>	<u>80,675</u>	<u>74,801</u>	<u>(5,874)</u>
Total Expenditures	<u>18,379,297</u>	<u>18,164,781</u>	<u>17,091,772</u>	<u>(1,073,009)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,066,775)</u>	<u>(1,100,679)</u>	<u>647,027</u>	<u>1,747,706</u>
Other Financing Sources (Uses)				
Sale of capital assets	-	246	246	-
Transfers from other funds	1,067,520	1,442,842	1,442,842	-
Transfers to other funds	-	(1,189,561)	(1,189,561)	-
Total Other Financing Sources (Uses)	<u>1,067,520</u>	<u>253,527</u>	<u>253,527</u>	<u>-</u>
Net Change in Fund Balances	745	(847,152)	900,554	1,747,706
Fund balances, January 1	<u>7,492,775</u>	<u>9,217,317</u>	<u>9,217,317</u>	<u>-</u>
Fund balances, December 31	<u>\$ 7,493,520</u>	<u>\$ 8,370,165</u>	<u>\$ 10,117,871</u>	<u>\$ 1,747,706</u>

City of White Bear Lake, Minnesota  
Required Supplemental Information (Continued)  
For the Year Ended December 31, 2024

**1. Budgetary Reporting**

**A. The Schedule**

The budgetary comparison schedule presents the comparison of the original and legally amended budget with actual amounts on a departmental level for the General and Special Revenue funds. The departmental level budgets are adopted on a basis consistent with generally accepted accounting principles. The fund balance reports revenue in the period in which they become measurable and available.

**B. Summary of Significant Budget Policies**

The City Charter, Sections 5.03 through 5.09, sets forth the requirements that the City Manager must prepare and submit an annual budget to the City Council. The Council conducts informal budget discussions with the City Manager on an ongoing basis. The Mayor, City Council, and citizens are asked to convey budget priorities to the City Manager prior to preparation of the proposed 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 budget and proposed tax levy be approved by the City Council prior to September 30 of each year. State statutes require the preliminary property tax levy be certified to the County Auditor by September 30. Once the City adopts the proposed tax levy, the final tax levy can be decreased, but not increased, over the certified proposed tax levy. The City Council is required to adopt the final tax levy and submit the levy to the County Auditor by December 28.

**C. Budget Amendments**

After the budget resolution has been adopted, the 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. The Council may at any time, by resolution, reduce the sums appropriated for any purpose by the budget resolution. The 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.

**D. Budgetary Compliance**

There were no budgetary compliance violations for the fiscal year ending December 31, 2024.

INDIVIDUAL FUND FINANCIAL SCHEDULES AND STATEMENTS

CITY OF WHITE BEAR LAKE  
WHITE BEAR LAKE, MINNESOTA

FOR THE YEAR ENDED  
DECEMBER 31, 2024

City of White Bear Lake, Minnesota  
Combining Balance Sheet  
Non-Major Governmental Funds  
December 31, 2024

Special Revenue Funds

	American Rescue Plan	Surface Water Pollution Prevention	Marina	Forfeiture	Economic Development
<b>Assets</b>					
Cash	\$ 140,058	\$ 1,206,625	\$ 540,141	\$ 35,661	\$ 2,363,316
Accounts receivable	-	45,700	-	-	37,827
Taxes receivable	-	-	-	-	-
Special assessments receivable	-	-	-	-	64,808
Due from other governments	-	-	-	-	-
Advances to other funds	-	-	-	-	1,391,250
Leases receivable	-	-	-	-	86,652
Loans receivable	-	-	-	-	55,693
Prepaid expenses	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 140,058</b>	<b>\$ 1,252,325</b>	<b>\$ 540,141</b>	<b>\$ 35,661</b>	<b>\$ 3,999,546</b>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities</b>					
Accounts payable	\$ 135,419	\$ 14,198	\$ -	\$ -	\$ 33,509
Deposits payable	-	-	-	-	500
Intergovernmental payable	-	-	-	-	6
Advances from other funds	-	-	-	-	-
Unearned revenue - other	4,639	-	-	-	-
<b>Total Liabilities</b>	<b>140,058</b>	<b>14,198</b>	<b>-</b>	<b>-</b>	<b>34,015</b>
<b>Deferred Inflows of Resources</b>					
<b>Unavailable revenue</b>					
Property taxes	-	-	-	-	-
Special assessments	-	-	-	-	63,524
Deferred lease resources	-	-	-	-	98,706
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>162,230</b>
<b>Fund Balances</b>					
Nonspendable	-	-	-	-	-
Restricted	-	-	-	35,661	-
Committed	-	397,640	540,141	-	3,803,301
Assigned	-	840,487	-	-	-
Unassigned	-	-	-	-	-
<b>Total Fund Balances</b>	<b>-</b>	<b>1,238,127</b>	<b>540,141</b>	<b>35,661</b>	<b>3,803,301</b>
<b>Total Liabilities, Deferred Inflows of resources, and fund balances</b>	<b>\$ 140,058</b>	<b>\$ 1,252,325</b>	<b>\$ 540,141</b>	<b>\$ 35,661</b>	<b>\$ 3,999,546</b>

Special Revenue Funds		Debt Service Funds				
Sports Center	Housing Fund	2012 Special Assessment	2016 Tax Increment	2018 General Obligation Bonds	2018 Tax Abatement	2019 Improvement Bonds
\$ 131,062	\$ 154,705	\$ 27,686	\$ 36,378	\$ 417,247	\$ 239,598	\$ 362,361
104,449	-	-	-	-	-	-
-	-	-	-	3,611	2,167	1,362
-	-	-	-	199,716	-	222,422
26,361	-	-	-	-	-	-
-	-	-	-	-	-	-
186,731	-	-	-	-	-	-
-	-	-	-	-	-	-
83	-	-	-	-	-	-
<u>\$ 448,686</u>	<u>\$ 154,705</u>	<u>\$ 27,686</u>	<u>\$ 36,378</u>	<u>\$ 620,574</u>	<u>\$ 241,765</u>	<u>\$ 586,145</u>
\$ 31,705	\$ -	\$ 550	\$ -	\$ -	\$ -	\$ 245
-	-	-	-	-	-	-
128	-	-	-	-	-	-
-	-	-	-	-	-	-
23,410	-	-	-	-	-	-
<u>55,243</u>	<u>-</u>	<u>550</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>245</u>
-	-	-	-	-	-	-
-	-	-	-	199,262	-	220,907
172,331	-	-	-	-	-	-
<u>172,331</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>199,262</u>	<u>-</u>	<u>220,907</u>
83	-	-	-	-	-	-
-	154,705	27,136	36,378	421,312	241,765	364,993
221,029	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>221,112</u>	<u>154,705</u>	<u>27,136</u>	<u>36,378</u>	<u>421,312</u>	<u>241,765</u>	<u>364,993</u>
<u>\$ 448,686</u>	<u>\$ 154,705</u>	<u>\$ 27,686</u>	<u>\$ 36,378</u>	<u>\$ 620,574</u>	<u>\$ 241,765</u>	<u>\$ 586,145</u>

City of White Bear Lake, Minnesota  
Combining Balance Sheet (Continued)  
Non-Major Governmental Funds  
December 31, 2024

Debt Service Funds- continued

	2020 General Obligation Bonds	2021 General Obligation Bonds	2022 General Obligation Bonds	2022 Capital Improvement Plan Bonds	2023 Capital Improvement Plan Bonds
<b>Assets</b>					
Cash	\$ 579,145	\$ 319,318	\$ 426,023	\$ 398,862	\$ 425,659
Accounts receivable	-	-	-	-	-
Taxes receivable	4,235	2,594	3,349	9,078	10,916
Special assessments receivable	302,905	162,713	423,001	-	-
Due from other governments	-	-	-	-	-
Advances to other funds	-	-	-	-	-
Leases receivable	-	-	-	-	-
Loans receivable	-	-	-	-	-
Prepaid expenses	-	-	-	-	-
<b>Total Assets</b>	<b><u>\$ 886,285</u></b>	<b><u>\$ 484,625</u></b>	<b><u>\$ 852,373</u></b>	<b><u>\$ 407,940</u></b>	<b><u>\$ 436,575</u></b>
<b>Liabilities and Fund Balances</b>					
<b>Liabilities</b>					
Accounts payable	-	-	-	3,000	-
Deposits payable	-	-	-	-	-
Intergovernmental payable	-	-	-	-	-
Advances from other funds	-	-	-	-	-
Unearned revenue - other	-	-	-	-	-
<b>Total Liabilities</b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>-</u></b>	<b><u>3,000</u></b>	<b><u>-</u></b>
<b>Deferred Inflows of Resources</b>					
<b>Unavailable revenue -</b>					
Property taxes	-	-	-	-	-
Special assessments	299,930	162,565	417,887	-	-
Deferred lease resources	-	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b><u>299,930</u></b>	<b><u>162,565</u></b>	<b><u>417,887</u></b>	<b><u>-</u></b>	<b><u>-</u></b>
<b>Fund Balances</b>					
Nonspendable	-	-	-	-	-
Restricted	586,355	322,060	434,486	404,940	436,575
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
<b>Total Fund Balances</b>	<b><u>586,355</u></b>	<b><u>322,060</u></b>	<b><u>434,486</u></b>	<b><u>404,940</u></b>	<b><u>436,575</u></b>
<b>Total Liabilities, Deferred Inflows of resources, and fund balances</b>	<b><u>\$ 886,285</u></b>	<b><u>\$ 484,625</u></b>	<b><u>\$ 852,373</u></b>	<b><u>\$ 407,940</u></b>	<b><u>\$ 436,575</u></b>

Debt Service Funds	Capital Projects Funds			Total Non-Major Governmental Funds
	2024 Capital Improvement Plan Bonds	Park Improvement	HRA District 26 Hoffman Place	
\$ 207,274	\$ 1,348,531	\$ 74,112	\$ 601,882	\$ 10,035,644
-	1,300	-	116	189,392
-	-	-	3,391	40,703
355,748	-	-	-	1,731,313
-	-	-	-	26,361
-	-	-	-	1,391,250
-	-	-	-	273,383
-	-	-	-	55,693
-	-	-	-	83
<u>\$ 563,022</u>	<u>\$ 1,349,831</u>	<u>\$ 74,112</u>	<u>\$ 605,389</u>	<u>\$ 13,743,822</u>
-	\$ 25,978	\$ 496	\$ 1,391	\$ 246,491
-	-	-	-	500
-	-	-	-	134
-	-	-	750,000	750,000
-	-	-	-	28,049
-	<u>25,978</u>	<u>496</u>	<u>751,391</u>	<u>1,025,174</u>
-	-	-	3,391	3,391
336,510	-	-	-	1,700,585
-	-	-	-	271,037
<u>336,510</u>	-	-	<u>3,391</u>	<u>1,975,013</u>
-	-	-	-	83
226,512	-	73,616	-	3,766,494
-	1,323,853	-	-	6,285,964
-	-	-	-	840,487
-	-	-	(149,393)	(149,393)
<u>226,512</u>	<u>1,323,853</u>	<u>73,616</u>	<u>(149,393)</u>	<u>10,743,635</u>
<u>\$ 563,022</u>	<u>\$ 1,349,831</u>	<u>\$ 74,112</u>	<u>\$ 605,389</u>	<u>\$ 13,743,822</u>

City of White Bear Lake, Minnesota  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Non-Major Governmental Funds  
For the Year Ended December 31, 2024

	Special Revenue Funds				
	American Rescue Plan	Surface Water Pollution Prevention	Marina	Forfeiture	Economic Development
<b>Revenues</b>					
General property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
Tax Increment	-	-	-	-	7,053
Licenses and permits	-	-	-	-	-
Intergovernmental	571,251	16,667	-	-	39,735
Charges for services	-	440,147	-	-	6,990
Special assessments	-	-	-	-	70,604
Investment income	-	43,920	20,253	1,358	97,278
Rental and lease income	-	-	442,285	-	405,611
Refunds and reimbursements	-	-	-	170	1,513
Donations	-	-	-	-	500
Dedicated fees	-	-	-	-	-
Miscellaneous	-	-	-	5,198	38
<b>Total Revenues</b>	<u>571,251</u>	<u>500,734</u>	<u>462,538</u>	<u>6,726</u>	<u>629,322</u>
<b>Expenditures</b>					
<b>Current</b>					
General government	10,000	-	-	-	-
Public safety	-	-	-	7,160	-
Public works	-	246,333	-	-	-
Parks and recreation	-	-	90,389	-	-
Community development	-	-	-	-	723,204
<b>Capital outlay</b>					
General government	422,958	-	-	-	-
Public safety	138,293	-	-	-	-
Parks and recreation	-	-	32,010	-	-
Community development	-	-	-	-	3,000
<b>Debt service</b>					
Principal retired on bonded debt	-	-	-	-	-
Interest and other expenditures	-	-	-	-	-
<b>Total Expenditures</b>	<u>571,251</u>	<u>246,333</u>	<u>122,399</u>	<u>7,160</u>	<u>726,204</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>-</u>	<u>254,401</u>	<u>340,139</u>	<u>(434)</u>	<u>(96,882)</u>
<b>Other Financing Sources (Uses)</b>					
Sale of capital assets	-	-	-	-	123
Bonds issued	-	-	-	-	-
Transfers from other funds	-	-	-	-	59,600
Transfers to other funds	-	-	(262,000)	-	(39,200)
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>(262,000)</u>	<u>-</u>	<u>20,523</u>
<b>Net Change in Fund Balance</b>	<u>-</u>	<u>254,401</u>	<u>78,139</u>	<u>(434)</u>	<u>(76,359)</u>
<b>Fund Balances, January 1</b>	<u>-</u>	<u>983,726</u>	<u>462,002</u>	<u>36,095</u>	<u>3,879,660</u>
<b>Fund Balances, December 31</b>	<u>\$ -</u>	<u>\$ 1,238,127</u>	<u>\$ 540,141</u>	<u>\$ 35,661</u>	<u>\$ 3,803,301</u>

Special Revenue Funds		Debt Service Funds				
Sports Center	Housing Fund	2012 Special Assessment	2016 Tax Increment	2018 General Obligation Bonds	2018 Tax Abatement	2019 Improvement Bonds
\$ -	\$ -	\$ -	\$ -	\$ 215,463	\$ 129,277	\$ 81,289
-	-	-	-	-	-	-
-	-	-	-	-	-	-
681,333	152,906	-	-	-	-	-
-	-	-	-	38,447	-	49,473
11,023	1,799	1,166	1,823	10,888	6,701	11,117
39,337	-	-	-	-	-	-
4,956	-	-	-	-	-	-
3,714	-	-	-	-	-	-
-	-	-	-	-	-	-
21,077	-	-	-	-	-	-
<u>761,440</u>	<u>154,705</u>	<u>1,166</u>	<u>1,823</u>	<u>264,798</u>	<u>135,978</u>	<u>141,879</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
774,926	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	160,000	95,000	250,000	140,000	105,000
-	-	11,144	43,724	154,392	88,386	55,986
<u>774,926</u>	<u>-</u>	<u>171,144</u>	<u>138,724</u>	<u>404,392</u>	<u>228,386</u>	<u>160,986</u>
<u>(13,486)</u>	<u>154,705</u>	<u>(169,978)</u>	<u>(136,901)</u>	<u>(139,594)</u>	<u>(92,408)</u>	<u>(19,107)</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	172,000	139,000	120,000	96,000	-
(3,920)	-	-	-	-	-	-
<u>(3,920)</u>	<u>-</u>	<u>172,000</u>	<u>139,000</u>	<u>120,000</u>	<u>96,000</u>	<u>-</u>
(17,406)	154,705	2,022	2,099	(19,594)	3,592	(19,107)
238,518	-	25,114	34,279	440,906	238,173	384,100
<u>\$ 221,112</u>	<u>\$ 154,705</u>	<u>\$ 27,136</u>	<u>\$ 36,378</u>	<u>\$ 421,312</u>	<u>\$ 241,765</u>	<u>\$ 364,993</u>

City of White Bear Lake, Minnesota  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances (Continued)  
Non-Major Governmental Funds  
For the Year Ended December 31, 2024

	Debt Service Funds- continued				
	2020 General Obligation Bonds	2021 General Obligation Bonds	2022 General Obligation Bonds	2022 Capital Improvement Plan Bonds	2023 Capital Improvement Plan Bonds
<b>Revenues</b>					
General property taxes	\$ 252,679	\$ 154,742	\$ 199,794	\$ 541,596	\$ 651,286
Tax Increment	-	-	-	-	-
Licenses and permits	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Charges for services	-	-	-	-	-
Special assessments	54,857	31,850	68,914	-	-
Investment income	15,067	7,706	10,446	4,004	3,103
Rental and lease income	-	-	-	-	-
Refunds and reimbursements	-	-	-	-	-
Donations	-	-	-	-	-
Dedicated fees	-	-	-	-	-
Miscellaneous	-	-	-	-	-
<b>Total Revenues</b>	<u>322,603</u>	<u>194,298</u>	<u>279,154</u>	<u>545,600</u>	<u>654,389</u>
<b>Expenditures</b>					
<b>Current</b>					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Public works	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Community development	-	-	-	-	-
<b>Capital outlay</b>					
General government	-	-	-	-	-
Public safety	-	-	-	-	-
Parks and recreation	-	-	-	-	-
Community development	-	-	-	-	-
<b>Debt service</b>					
Principal retired on bonded debt	260,000	170,000	175,000	-	-
Interest and other expenditures	77,286	33,911	93,484	304,761	545,550
<b>Total Expenditures</b>	<u>337,286</u>	<u>203,911</u>	<u>268,484</u>	<u>304,761</u>	<u>545,550</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>(14,683)</u>	<u>(9,613)</u>	<u>10,670</u>	<u>240,839</u>	<u>108,839</u>
<b>Other Financing Sources (Uses)</b>					
Sale of capital assets	-	-	-	-	-
Bonds issued	-	-	-	-	-
Transfers in from other funds	-	-	-	-	-
Transfers to other funds	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	(14,683)	(9,613)	10,670	240,839	108,839
<b>Fund Balances, January 1</b>	<u>601,038</u>	<u>331,673</u>	<u>423,816</u>	<u>164,101</u>	<u>327,736</u>
<b>Fund Balances, December 31</b>	<u>\$ 586,355</u>	<u>\$ 322,060</u>	<u>\$ 434,486</u>	<u>\$ 404,940</u>	<u>\$ 436,575</u>

Debt Service Funds	Capital Projects Funds			Total Non-Major Governmental Funds
2024 Capital Improvement Plan Bonds	Park Improvement	HRA District 26 Hoffman Place	HRA District 27 Boatworks	
\$ -	\$ -	\$ -	\$ -	\$ 2,226,126
-	-	50,807	289,093	346,953
-	13,100	-	-	13,100
-	-	-	-	780,559
-	4,340	-	-	1,132,810
154,894	-	-	-	469,039
2,091	52,729	2,004	15,632	320,108
-	3,200	-	-	890,433
-	-	-	116	6,755
-	10,816	-	-	15,030
-	14,400	-	-	14,400
-	-	-	-	26,313
<u>156,985</u>	<u>98,585</u>	<u>52,811</u>	<u>304,841</u>	<u>6,241,626</u>
-	-	-	-	10,000
-	-	-	-	7,160
-	-	-	-	246,333
-	40,578	-	-	905,893
-	-	46,920	17,049	787,173
-	-	-	-	422,958
-	-	-	-	138,293
-	49,552	-	-	81,562
-	-	-	-	3,000
-	-	-	-	1,355,000
386	-	-	-	1,409,010
<u>386</u>	<u>90,130</u>	<u>46,920</u>	<u>17,049</u>	<u>5,366,382</u>
<u>156,599</u>	<u>8,455</u>	<u>5,891</u>	<u>287,792</u>	<u>875,244</u>
-	-	-	-	123
69,913	-	-	-	69,913
-	130,000	-	-	716,600
-	-	-	(161,500)	(466,620)
<u>69,913</u>	<u>130,000</u>	<u>-</u>	<u>(161,500)</u>	<u>320,016</u>
226,512	138,455	5,891	126,292	1,195,260
-	1,185,398	67,725	(275,685)	9,548,375
<u>\$ 226,512</u>	<u>\$ 1,323,853</u>	<u>\$ 73,616</u>	<u>\$ (149,393)</u>	<u>\$ 10,743,635</u>

City of White Bear Lake, Minnesota  
Combining Statement of Net Position  
Non-Major Proprietary Funds  
December 31, 2024

	License Bureau	Pioneer Manor	Ambulance	Total Non-Major Enterprise Funds
<b>Assets</b>				
<b>Current Assets</b>				
Cash	\$ 143,456	\$ 457,295	\$ -	\$ 600,751
Receivables:				
Accounts receivable	8,378	-		8,378
Prepaid expenses	117	-	-	117
<b>Total Current Assets</b>	<u>151,951</u>	<u>457,295</u>	<u>-</u>	<u>609,246</u>
<b>Capital Assets</b>				
Land	-	410,285	-	410,285
Buildings	5,760	2,531,478	-	2,537,238
Other Improvements	-	376,522	-	376,522
Equipment	21,569	160,023	-	181,592
Less accumulated depreciation	<u>(27,329)</u>	<u>(2,001,505)</u>	<u>-</u>	<u>(2,028,834)</u>
<b>Total Net Capital Assets</b>	<u>-</u>	<u>1,476,803</u>	<u>-</u>	<u>1,476,803</u>
<b>Total Assets</b>	<u>151,951</u>	<u>1,934,098</u>	<u>-</u>	<u>2,086,049</u>
<b>Deferred outflows of resources</b>				
Deferred pension resources	<u>53,728</u>	<u>-</u>	<u>-</u>	<u>53,728</u>
<b>Liabilities</b>				
<b>Current Liabilities</b>				
Accounts payable	4,621	81,987	-	86,608
Deposits payable	-	34,569	-	34,569
<b>Total Current Liabilities</b>	<u>4,621</u>	<u>116,556</u>	<u>-</u>	<u>121,177</u>
<b>Noncurrent Liabilities</b>				
Net pension liability	<u>266,004</u>	<u>-</u>	<u>-</u>	<u>266,004</u>
<b>Total Liabilities</b>	<u>270,625</u>	<u>116,556</u>	<u>-</u>	<u>387,181</u>
<b>Deferred inflows of resources</b>				
Deferred pension resources	<u>175,411</u>	<u>-</u>	<u>-</u>	<u>175,411</u>
<b>Net Position</b>				
Investment in capital assets	-	1,476,803	-	1,476,803
Unrestricted	<u>(240,357)</u>	<u>340,739</u>	<u>-</u>	<u>100,382</u>
<b>Total Net Position</b>	<u>\$ (240,357)</u>	<u>\$ 1,817,542</u>	<u>\$ -</u>	<u>\$ 1,577,185</u>

City of White Bear Lake, Minnesota  
Combining Statement of Revenues, Expenses and Changes in Net Position  
Non-Major Proprietary Funds  
For the Year Ended December 31, 2024

	License Bureau	Pioneer Manor	Formerly Major Fund Ambulance	Total Non-Major Enterprise Funds
Operating Revenues				
Charges for services	\$ 1,036,910	\$ -	\$ -	\$ 1,036,910
Rent	-	458,325	-	458,325
Other	12,063	396	-	12,459
Total Operating Revenues	<u>1,048,973</u>	<u>458,721</u>	<u>-</u>	<u>1,507,694</u>
Operating Expenses				
Personal services	887,556	-	-	887,556
Supplies	5,608	6,056	-	11,664
Other services and charges	39,418	237,952	-	277,370
Depreciation	-	94,399	-	94,399
Total Operating Expenses	<u>932,582</u>	<u>338,407</u>	<u>-</u>	<u>1,270,989</u>
Operating income	<u>116,391</u>	<u>120,314</u>	<u>-</u>	<u>236,705</u>
Nonoperating Revenues				
Investment income	7,043	13,848	-	20,891
Miscellaneous revenues	433	1,211	-	1,644
Total nonOperating Revenues	<u>7,476</u>	<u>15,059</u>	<u>-</u>	<u>22,535</u>
Income before transfers	123,867	135,373	-	259,240
Transfers from other funds	-	-	1,155,252	1,155,252
Transfers to other funds	<u>(62,000)</u>	<u>(38,500)</u>	<u>(582,022)</u>	<u>(682,522)</u>
Change in Net Position	<u>61,867</u>	<u>96,873</u>	<u>573,230</u>	<u>731,970</u>
Net Position, January 1, as previously presented	(302,224)	1,720,669	-	1,418,445
Change within financial reporting entity (major to nonmajor fund)	<u>-</u>	<u>-</u>	<u>(573,230)</u>	<u>(573,230)</u>
Net Position, January 1, as adjusted	<u>(302,224)</u>	<u>1,720,669</u>	<u>(573,230)</u>	<u>845,215</u>
Net Position, December 31	<u>\$ (240,357)</u>	<u>\$ 1,817,542</u>	<u>\$ -</u>	<u>\$ 1,577,185</u>

City of White Bear Lake, Minnesota  
Combining Statement of Cash Flows  
Non-Major Proprietary Funds  
For the Year Ended December 31, 2024

	License Bureau	Pioneer Manor	Ambulance	Total Non-Major Enterprise Funds
Cash flows from operating activities				
Receipts from customers	\$ 1,037,420	\$ 459,804	\$ 383,841	\$ 1,881,065
Payments to vendors	(43,216)	(231,981)	-	(275,197)
Payments to employees	(916,665)	-	-	(916,665)
Other receipts	12,063	396	-	12,459
Net cash provided (used) by operating activities	<u>89,602</u>	<u>228,219</u>	<u>383,841</u>	<u>701,662</u>
Cash flows from noncapital financing activities				
Transfers (to) other funds	<u>(62,000)</u>	<u>(38,500)</u>	<u>(582,022)</u>	<u>(682,522)</u>
Cash flows from capital financing activities				
Purchase of property and equipment	<u>-</u>	<u>(38,000)</u>	<u>-</u>	<u>(38,000)</u>
Cash flows from investing activities				
Investment interest	<u>7,043</u>	<u>13,848</u>	<u>-</u>	<u>20,891</u>
Increase (decrease) in cash and cash equivalents	34,645	165,567	(198,181)	2,031
Cash and cash equivalents at beginning of year	<u>108,811</u>	<u>291,728</u>	<u>198,181</u>	<u>598,720</u>
Cash and cash equivalents at end of year	<u><u>\$ 143,456</u></u>	<u><u>\$ 457,295</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 600,751</u></u>
The notes to financial statements are an integral part of this statement.				
Reconciliation of Operating Income (Loss)				
to net cash provided (used) by operating activities:				
Operating Income (Loss)	\$ 116,391	\$ 120,314	\$ -	\$ 236,705
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:				
Depreciation	-	94,399	-	94,399
Miscellaneous	433	1,211	-	1,644
(Increase) decrease in assets/deferred outflows of resources				
Accounts receivable	77	-	499,599	499,676
Deferred outflows in pension resources	47,066	-	-	47,066
Increase (decrease) in liabilities/deferred inflows of resources				
Accounts payable	1,810	12,027	(35,758)	(21,921)
Deposits payable	-	268	(80,000)	(79,732)
Deferred inflows in pension resources	47,000	-	-	47,000
Net pension liability	(123,175)	-	-	(123,175)
Net cash provided (used) by operating activities	<u><u>\$ 89,602</u></u>	<u><u>\$ 228,219</u></u>	<u><u>\$ 383,841</u></u>	<u><u>\$ 701,662</u></u>
Noncash capital financing activities				
Capital transfers to governmental funds	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 385,096</u>	<u>\$ -</u>
Net pension liability transferred to governmental funds	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,540,348</u></u>	<u><u>\$ -</u></u>

City of White Bear Lake, Minnesota  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
American Rescue Plan Fund  
For the Year Ended December 31, 2024

	Budget		Actual	Variances with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 570,638	\$ 575,891	\$ 571,251	\$ (4,640)
Expenditures				
General government				
Current				
Other services and charges	10,000	10,000	10,000	-
Capital outlay	-	-	422,958	422,958
Total general government	10,000	10,000	432,958	422,958
Public safety				
Capital outlay	-	-	138,293	138,293
 Total Expenditures	 10,000	 10,000	 571,251	 561,251
Net Change in Fund Balance	560,638	565,891	-	(565,891)
Fund Balances, January 1	-	-	-	-
Fund Balances, December 31	<u>\$ 560,638</u>	<u>\$ 565,891</u>	<u>\$ -</u>	<u>\$ (565,891)</u>

City of White Bear Lake, Minnesota  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
Surface Water Pollution Prevention Fund  
For the Year Ended December 31, 2024

	Budget		Actual	Variances with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 49,000	\$ 56,200	\$ 16,667	\$ (39,533)
Charges for Services	437,428	437,428	440,147	2,719
Interest income	20,000	24,120	43,920	19,800
Total Revenues	<u>506,428</u>	<u>517,748</u>	<u>500,734</u>	<u>(17,014)</u>
Expenditures				
Public works				
Current				
Personal services	142,065	142,065	140,908	(1,157)
Materials and supplies	3,750	3,350	1,800	(1,550)
Other services and charges	91,285	62,677	37,650	(25,027)
Capital outlay	303,000	146,370	65,975	(80,395)
Total Expenditures	<u>540,100</u>	<u>354,462</u>	<u>246,333</u>	<u>(108,129)</u>
Net Change in Fund Balance	(33,672)	163,286	254,401	91,115
Fund Balances, January 1	<u>838,828</u>	<u>983,726</u>	<u>983,726</u>	<u>-</u>
Fund Balances, December 31	<u>\$ 805,156</u>	<u>\$ 1,147,012</u>	<u>\$ 1,238,127</u>	<u>\$ 91,115</u>

City of White Bear Lake, Minnesota  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
Marina Fund  
For the Year Ended December 31, 2024

	Budget		Actual	Variances with Final Budget
	Original	Final		
Revenues				
Rental income	\$ 444,145	\$ 444,145	\$ 442,285	\$ (1,860)
Interest income	8,000	10,650	20,253	9,603
Total Revenues	<u>452,145</u>	<u>454,795</u>	<u>462,538</u>	<u>7,743</u>
Expenditures				
Parks and recreation				
Current				
Materials and supplies	6,450	2,637	2,372	(265)
Other services and charges	97,875	89,275	88,017	(1,258)
Capital outlay	65,000	115,000	32,010	(82,990)
Total Expenditures	<u>169,325</u>	<u>206,912</u>	<u>122,399</u>	<u>(84,513)</u>
Excess of revenues over expenditures	282,820	247,883	340,139	92,256
Other Financing sources (uses)				
Transfers to other funds	<u>(262,000)</u>	<u>(262,000)</u>	<u>(262,000)</u>	<u>-</u>
Net Change in Fund Balance	20,820	(14,117)	78,139	92,256
Fund Balances, January 1	<u>347,674</u>	<u>462,002</u>	<u>462,002</u>	<u>-</u>
Fund Balances, December 31	<u>\$ 368,494</u>	<u>\$ 447,885</u>	<u>\$ 540,141</u>	<u>\$ 92,256</u>

City of White Bear Lake, Minnesota  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
Forfeiture Fund  
For the Year Ended December 31, 2024

	Budget		Actual	Variances with Final Budget
	Original	Final		
Revenues				
Miscellaneous	\$ 2,000	\$ 4,765	\$ 5,198	\$ 433
Interest income	800	800	1,358	558
Refunds and reimbursements	5,000	170	170	-
Total Revenues	<u>7,800</u>	<u>5,735</u>	<u>6,726</u>	<u>991</u>
Expenditures				
Public safety				
Current				
Materials and supplies	8,000	5,442	5,442	-
Other services and charges	13,800	2,300	1,718	(582)
Total Expenditures	<u>21,800</u>	<u>7,742</u>	<u>7,160</u>	<u>(582)</u>
Net Change in Fund Balance	(14,000)	(2,007)	(434)	1,573
Fund Balances, January 1	<u>27,332</u>	<u>36,095</u>	<u>36,095</u>	<u>-</u>
Fund Balances, December 31	<u>\$ 13,332</u>	<u>\$ 34,088</u>	<u>\$ 35,661</u>	<u>\$ 1,573</u>

City of White Bear Lake, Minnesota  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
Economic Development Fund  
For the Year Ended December 31, 2024

	Budget		Actual	Variances with Final Budget
	Original	Final		
<b>Revenues</b>				
Tax increment	\$ -	\$ -	\$ 7,053	\$ 7,053
Intergovernmental	30,000	388,353	39,735	(348,618)
Charges for services				
Farmer's Market	6,300	7,050	6,990	(60)
Loan repayments	11,000	11,000	-	(11,000)
Special assessments	65,924	66,600	70,604	4,004
Rental income	373,104	365,855	405,611	39,756
Miscellaneous	-	-	38	38
Interest income	65,500	56,533	97,278	40,745
Refunds and reimbursements	-	-	1,513	1,513
Donations	2,820	2,820	500	(2,320)
<b>Total Revenues</b>	<b>554,648</b>	<b>898,211</b>	<b>629,322</b>	<b>(268,889)</b>
<b>Expenditures</b>				
Community Development				
Current				
Personal services	166,605	169,669	167,193	(2,476)
Materials and supplies	66,305	38,242	25,608	(12,634)
Other services and charges	794,901	1,055,753	530,403	(525,350)
Capital outlay	167,500	292,500	3,000	(289,500)
<b>Total Expenditures</b>	<b>1,195,311</b>	<b>1,556,164</b>	<b>726,204</b>	<b>(829,960)</b>
Excess (deficiency) of revenues over (under) expenditures	(640,663)	(657,953)	(96,882)	561,071
<b>Other financing sources (uses)</b>				
Sale of capital assets	-	331	123	(208)
Transfers from other funds	17,500	40,000	59,600	19,600
Transfers to other funds	(19,600)	(19,600)	(39,200)	(19,600)
<b>Total other financing sources</b>	<b>(2,100)</b>	<b>20,731</b>	<b>20,523</b>	<b>(208)</b>
<b>Net Change in Fund Balance</b>	<b>(642,763)</b>	<b>(637,222)</b>	<b>(76,359)</b>	<b>560,863</b>
Fund Balances, January 1	1,529,838	2,214,370	3,879,660	1,665,290
Fund Balances, December 31	<u>\$ 887,075</u>	<u>\$ 1,577,148</u>	<u>\$ 3,803,301</u>	<u>\$ 2,226,153</u>

City of White Bear Lake, Minnesota  
Schedule of Revenues, Expenditures and  
Changes in Fund Balance - Budget and Actual  
Sports Center Fund  
For the Year Ended December 31, 2024

	Budget		Actual	Variances with Final Budget
	Original	Final		
<b>Revenues</b>				
Charges for services	\$ 683,103	\$ 665,203	\$ 681,333	\$ 16,130
Interest income	4,200	4,315	11,023	6,708
Rental income	42,632	42,632	39,337	(3,295)
Donations	3,400	4,129	3,714	(415)
Refunds and reimbursements	325	-	4,956	4,956
Miscellaneous	13,700	16,384	21,077	4,693
<b>Total Revenues</b>	<u>747,360</u>	<u>732,663</u>	<u>761,440</u>	<u>28,777</u>
<b>Expenditures</b>				
Parks and recreation				
Current				
Personal services	536,734	525,690	510,750	(14,940)
Materials and supplies	40,290	37,657	38,045	388
Other services and charges	299,589	246,325	226,131	(20,194)
<b>Total Expenditures</b>	<u>876,613</u>	<u>809,672</u>	<u>774,926</u>	<u>(34,746)</u>
Excess (deficiency) of revenues over (under) expenditures	(129,253)	(77,009)	(13,486)	63,523
Other financing sources (uses)				
Transfers to other funds	(3,920)	(3,920)	(3,920)	(11,760)
Net Change in Fund Balance	(133,173)	(80,929)	(17,406)	51,763
Fund Balances, January 1	<u>209,623</u>	<u>225,541</u>	<u>238,518</u>	<u>12,977</u>
Fund Balances, December 31	<u>\$ 76,450</u>	<u>\$ 144,612</u>	<u>\$ 221,112</u>	<u>\$ 64,740</u>

City of White Bear Lake, Minnesota  
Combining Statement of Net Position  
Internal Service Funds  
December 31, 2024

	Insurance	Employment Expense	Total Internal Service Funds
<b>Assets</b>			
<b>Current Assets</b>			
Cash	\$ 3,058,982	\$ 3,681,257	\$ 6,740,239
Receivables			
Accounts	11,815	15,858	27,673
Intergovernmental	-	718	718
Total Assets	3,070,797	3,697,833	6,768,630
<b>Deferred Outflows of Resources</b>			
Deferred other postemployment benefit resources	-	1,269,036	1,269,036
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Accounts payable	26,818	1,701	28,519
Accrued wages payable	-	622,358	622,358
Compensated absences payable	-	655,677	655,677
Net OPEB liability	-	169,415	169,415
Total Current Liabilities	26,818	1,449,151	1,475,969
<b>Noncurrent Liabilities</b>			
Compensated absences payable	-	1,225,283	1,225,283
Net OPEB liability	-	2,580,497	2,580,497
Total Noncurrent Liabilities	-	3,805,780	3,805,780
Total Liabilities	26,818	5,254,931	5,281,749
<b>Deferred Inflows of Resources</b>			
Deferred other postemployment benefit resources	-	341,091	341,091
<b>Net Position</b>			
Unrestricted	\$ 3,043,979	\$ (629,153)	\$ 2,414,826

City of White Bear Lake, Minnesota  
Combining Statement of Revenues, Expenses and Changes in Net Position  
Internal Service Funds  
For the Year Ended December 31, 2024

	<u>Insurance</u>	<u>Employment Expense</u>	<u>Total Internal Service Funds</u>
Operating Revenues			
Charges for services	\$ 317,580	\$ 4,407,695	\$ 4,725,275
Premium reimbursement	29,660	4,547	34,207
Total Operating Revenues	<u>347,240</u>	<u>4,412,242</u>	<u>4,759,482</u>
Operating Expenses			
Personal services	-	4,267,417	4,267,417
Supplies	3,424	-	3,424
Other services and charges	461,028	201,555	662,583
Total Operating Expenses	<u>464,452</u>	<u>4,468,972</u>	<u>4,933,424</u>
Operating Income (Loss)	(117,212)	(56,730)	(173,942)
NonOperating Revenues			
Investment income	116,893	105,395	222,288
Change in Net Position	(319)	48,665	48,346
Net Position, January 1	<u>3,044,298</u>	<u>(677,818)</u>	<u>2,366,480</u>
Net Position, December 31	<u>\$ 3,043,979</u>	<u>\$ (629,153)</u>	<u>\$ 2,414,826</u>

City of White Bear Lake, Minnesota  
Combining Statement of Cash Flows  
Internal Service Funds  
For the Year Ended December 31, 2024

	Insurance	Employment Expense	Total Internal Service Funds
Cash flows from operating activities			
Receipts from other funds	\$ 305,765	\$ 4,391,837	\$ 4,697,602
Payments to vendors	(438,375)	(2,009,305)	(2,447,680)
Payments to other governments	-	(1,843,972)	(1,843,972)
Other receipts	29,660	167,976	197,636
	(102,950)	706,536	603,586
Cash flows from investing activities			
Investment income received	116,893	105,395	222,288
	13,943	811,931	825,874
Increase (decrease) in cash and cash equivalents			
Cash and cash equivalents at beginning of year	3,045,039	2,869,326	5,914,365
Cash and cash equivalents at end of year	\$ 3,058,982	\$ 3,681,257	\$ 6,740,239
 Reconciliation of Operating Income (Loss) to net cash provided (used) by operating activities:			
Operating Income (Loss)	\$ (117,212)	\$ (56,730)	\$ (173,942)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities			
(Increase) decrease in assets/deferred outflows of resources			
Accounts receivable	(11,815)	(15,858)	(27,673)
Due from governments	-	61,004	61,004
Deferred outflows in OPEB resources	-	110,839	110,839
Increase (decrease) in liabilities/deferred inflows of resources			
Accounts payable	26,077	(229)	25,848
Wages payable	-	59,135	59,135
Deferred inflows in OPEB resources	-	38,134	38,134
OPEB liability	-	47,205	47,205
Compensated absences	-	463,036	463,036
	(102,950)	706,536	603,586
Net cash provided (used) by operating activities	\$ (102,950)	\$ 706,536	\$ 603,586

City of White Bear Lake, Minnesota  
Combining Statement of Fiduciary Net Position  
Fiduciary Funds  
December 31, 2024

	<u>Deputy Registrar</u>	<u>Ramsey County GIS User Group</u>	<u>Fireworks Contributions</u>	<u>Manitou Days</u>	<u>Total</u>
<b>Assets</b>					
Cash	\$ 4,185	\$ 154,042	\$ 125,501	\$ 80,573	\$ 364,301
Accounts receivable	-	82	-	-	82
<b>Total Assets</b>	<u>4,185</u>	<u>154,124</u>	<u>125,501</u>	<u>80,573</u>	<u>364,383</u>
<b>Liabilities</b>					
Accounts payable	-	1,259	-	-	1,259
Deposits payable	235	167,077	85,545	67,144	320,001
<b>Total Liabilities</b>	<u>235</u>	<u>168,336</u>	<u>85,545</u>	<u>67,144</u>	<u>321,260</u>
<b>Net position</b>					
Restricted for individuals, organizations, and other governments	<u>\$ 3,950</u>	<u>\$ (14,212)</u>	<u>\$ 39,956</u>	<u>\$ 13,429</u>	<u>\$ 43,123</u>

The notes to the financial statement are an intergal part of this statement.

City of White Bear Lake, Minnesota  
Combining Statement of Changes in Fiduciary Net Position  
Fiduciary Funds  
For the Year Ended December 31, 2024

	Deputy Registrar	Ramsey County GIS User Group	Fireworks Contributions	Manitou Days	Total
<b>Additions</b>					
Geographic information system fees collections	\$ -	\$ 36,930	\$ -	\$ -	\$ 36,930
Fireworks contributions collections	-	-	42,875	-	42,875
Manitou Days event contributions collections	-	-	-	7,868	7,868
Manitou Days parade fees collections	-	-	-	15,076	15,076
Deputy Registrar collections	6,702	-	-	-	6,702
Total Revenues	<u>6,702</u>	<u>36,930</u>	<u>42,875</u>	<u>22,944</u>	<u>109,451</u>
<b>Deductions</b>					
Geographic information system fee disbursements	-	39,859	-	-	39,859
Fireworks disbursements	-	-	34,312	-	34,312
Manitou Days events disbursements	-	-	-	10,265	10,265
Manitou Days parade disbursements	-	-	-	8,359	8,359
Total Expenditures	<u>-</u>	<u>39,859</u>	<u>34,312</u>	<u>18,624</u>	<u>92,795</u>
Net increase (decrease) in fiduciary net position	6,702	(2,929)	8,563	4,320	16,656
Net Position, January 1	<u>(2,752)</u>	<u>(11,283)</u>	<u>31,393</u>	<u>9,109</u>	<u>26,467</u>
Net Position, December 31	<u>\$ 3,950</u>	<u>\$ (14,212)</u>	<u>\$ 39,956</u>	<u>\$ 13,429</u>	<u>\$ 43,123</u>

The notes to the financial statement are an integral part of this statement.

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STATISTICAL SECTION (UNAUDITED)

CITY OF WHITE BEAR LAKE  
WHITE BEAR LAKE, MINNESOTA

FOR THE YEAR ENDED  
DECEMBER 31, 2024

City of White Bear Lake, Minnesota  
 Net Position by Component  
 Last Ten Fiscal Years  
 (accrual basis of accounting)

	Fiscal Years				
	2015	2016	2017	2018	2019
<b>Governmental activities</b>					
Net investment in capital assets	\$ 69,690,757	\$ 66,342,321	\$ 66,079,290	\$ 63,483,876	\$ 62,561,789
Restricted for stormwater	31,033	31,033	31,033	31,033	-
Restricted for debt service	127,709	103,228	139,623	122,200	1,847,261
Restricted for economic development	-	629,646	464,393	-	-
Restricted for public safety	-	-	-	-	-
Restricted for Fire Relief Association	-	-	-	-	-
Unrestricted	29,293,742	28,839,930	26,022,816	31,026,459	29,497,391
<b>Total governmental activities net position</b>	<b>\$ 99,143,241</b>	<b>\$ 95,946,158</b>	<b>\$ 92,737,155</b>	<b>\$ 94,663,568</b>	<b>\$ 93,906,441</b>
<b>Business-type activities</b>					
Net investment in capital assets	\$ 4,189,988	\$ 4,034,239	\$ 3,935,132	\$ 5,070,706	\$ 4,875,313
Unrestricted	2,208,696	1,762,479	2,331,483	2,204,090	2,957,997
<b>Total business-type activities net position</b>	<b>\$ 6,398,684</b>	<b>\$ 5,796,718</b>	<b>\$ 6,266,615</b>	<b>\$ 7,274,796</b>	<b>\$ 7,833,310</b>
<b>Total primary government</b>					
Net investment in capital assets	\$ 73,880,745	\$ 70,376,560	\$ 70,014,422	\$ 68,554,582	\$ 67,437,102
Restricted for stormwater	31,033	31,033	31,033	31,033	-
Restricted for debt service	127,709	103,228	139,623	122,200	1,847,261
Restricted for economic development	-	629,646	464,393	-	-
Restricted for public safety	-	-	-	-	-
Restricted for Fire Relief Association	-	-	-	-	-
Unrestricted	31,502,438	30,602,409	28,354,299	33,230,549	32,455,388
<b>Total primary government net position</b>	<b>\$ 105,541,925</b>	<b>\$ 101,742,876</b>	<b>\$ 99,003,770</b>	<b>\$ 101,938,364</b>	<b>\$ 101,739,751</b>

Fiscal Years					
2020	2021	2022	2023	2024	
\$ 59,068,600	\$ 56,335,785	\$ 53,084,601	\$ 52,246,551	\$ 51,289,366	
-	-	-	-	-	
2,265,278	3,153,831	3,760,306	3,784,772	4,574,995	
324,051	759,213	1,551,852	71,116	-	
82,339	74,887	31,845	1,133,034	35,661	
-	-	5,566,397	2,949,978	3,982,560	
31,196,628	33,092,881	25,320,739	30,126,129	33,595,894	
<u>\$ 92,936,896</u>	<u>\$ 93,416,597</u>	<u>\$ 89,315,740</u>	<u>\$ 90,311,580</u>	<u>\$ 93,478,476</u>	
\$ 4,400,818	\$ 4,140,024	\$ 4,206,358	\$ 4,418,349	\$ 3,902,799	
4,076,149	5,061,486	6,215,206	6,072,459	8,508,122	
<u>\$ 8,476,967</u>	<u>\$ 9,201,510</u>	<u>\$ 10,421,564</u>	<u>\$ 10,490,808</u>	<u>\$ 12,410,921</u>	
\$ 63,469,418	\$ 60,475,809	\$ 57,290,959	\$ 56,664,900	\$ 55,192,165	
-	-	-	-	-	
2,265,278	3,153,831	3,760,306	3,784,772	4,574,995	
324,051	759,213	1,551,852	71,116	-	
82,339	74,887	31,845	1,133,034	35,661	
-	-	5,566,397	2,949,978	3,982,560	
35,272,777	38,154,367	31,535,945	36,198,588	42,104,016	
<u>\$ 101,413,863</u>	<u>\$ 102,618,107</u>	<u>\$ 99,737,304</u>	<u>\$ 100,802,388</u>	<u>\$ 105,889,397</u>	

City of White Bear Lake, Minnesota

Changes in Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Years			
	2015	2016	2017	2018
<b>Expenses</b>				
<b>Governmental activities:</b>				
General government	\$ 1,289,857	\$ 1,894,885	\$ 2,032,563	\$ 2,229,732
Community development	976,641	1,274,267	1,303,137	996,161
Public safety	5,866,999	7,344,542	6,901,502	6,938,342
Public works	3,316,921	6,081,952	5,136,511	3,477,255
Parks and recreation	1,673,231	1,949,905	2,196,181	2,443,894
Interest on long-term debt	201,602	216,142	286,638	583,390
<b>Total governmental activities expenses</b>	<b>13,325,251</b>	<b>18,761,693</b>	<b>17,856,532</b>	<b>16,668,774</b>
<b>Business-type activities:</b>				
Water	1,218,301	1,436,995	1,522,190	1,530,821
Sewer	2,407,703	2,583,294	2,821,396	2,717,434
Refuse	1,347,339	1,266,330	1,238,814	1,292,427
* Ambulance	1,561,444	1,401,154	1,300,483	1,900,790
Pioneer Manor	221,177	231,666	275,119	265,272
License Bureau	593,088	627,705	758,487	860,555
<b>Total business-type activities expenses</b>	<b>7,349,052</b>	<b>7,547,144</b>	<b>7,916,489</b>	<b>8,567,299</b>
<b>Total primary government expenses</b>	<b>\$ 20,674,303</b>	<b>\$ 26,308,837</b>	<b>\$ 25,773,021</b>	<b>\$ 25,236,073</b>
<b>Program Revenues</b>				
<b>Governmental activities</b>				
<b>Charges for services</b>				
Community development	\$ 486,528	\$ 552,222	\$ 601,369	\$ 534,884
Public safety	1,333,433	1,462,598	1,324,364	1,491,098
Public works	2,852,668	1,198,061	1,248,613	2,545,402
Other activities	1,964,137	1,732,107	1,653,693	1,598,321
Operating grants and contributions	758,819	2,013,226	1,773,381	2,529,915
Capital grants and contributions	1,235,765	236,298	193,819	2,786,239
<b>Total governmental activities program revenues</b>	<b>8,631,350</b>	<b>7,194,512</b>	<b>6,795,239</b>	<b>11,485,859</b>

		Fiscal Years									
		2019	2020	2021	2022	2023	2024				
\$	1,780,202	\$	2,280,521	\$	2,238,562	\$	2,471,461	\$	2,622,891	\$	2,489,548
	913,745		2,017,503		1,028,532		1,070,005		2,584,811		1,187,378
	8,107,785		6,698,809		7,057,931		8,929,360		8,555,389		11,936,809
	4,982,461		5,913,052		5,251,766		7,511,369		5,182,844		5,098,037
	2,110,546		2,141,183		2,376,238		2,841,886		2,645,681		2,979,235
	586,792		575,748		565,989		799,644		1,365,349		1,331,205
	18,481,531		19,626,816		18,519,018		23,623,725		22,956,965		25,022,212
	1,383,570		2,389,924		1,922,192		1,757,373		2,282,156		2,074,213
	2,900,620		3,014,410		3,037,166		2,882,783		3,095,335		3,015,031
	1,394,947		1,596,463		1,590,039		1,618,519		1,777,238		1,829,340
	2,177,945		2,152,677				2,349,885		3,355,106		-
	316,986		339,860		312,942		329,175		358,583		339,889
	869,093		606,698		693,524		902,607		859,776		939,294
	9,043,161		10,100,032		7,555,863		9,840,342		11,728,194		8,197,767
\$	27,524,692	\$	29,726,848	\$	26,074,881	\$	33,464,067	\$	34,685,159	\$	33,219,979
\$	549,179	\$	575,201	\$	574,468	\$	416,393	\$	415,315	\$	492,282
	1,669,572		1,710,271		2,232,412		2,699,639		2,683,538		2,732,453
	1,741,350		150,297		199,499		353,634		268,436		459,339
	1,873,465		1,643,239		1,976,677		1,914,814		2,007,022		4,152,279
	1,816,662		3,579,830		1,658,897		3,065,285		3,391,532		3,245,489
	234,945		1,502,431		2,054,214		1,033,013		357,531		1,085,162
	7,885,173		9,161,269		8,696,167		9,482,778		9,123,374		12,167,004

(Continued)

City of White Bear Lake, Minnesota

Changes in Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Years			
	2015	2016	2017	2018
Business-type activities:				
Charges for services				
Water	\$ 1,033,562	\$ 1,317,467	\$ 1,352,090	\$ 1,631,823
Sewer	2,278,271	2,458,993	2,737,128	3,137,600
Refuse	1,331,974	1,287,837	1,313,995	1,345,541
* Ambulance	1,533,843	1,364,463	1,819,626	1,617,467
Pioneer Manor	379,942	379,437	382,935	390,436
License Bureau	1,009,610	1,036,532	971,880	972,573
Operating grants and contributions	-	146,693	77,717	60,691
Capital grants and contributions	-	-	-	-
Total business-type activities program revenues	<u>7,567,202</u>	<u>7,991,422</u>	<u>8,655,371</u>	<u>9,156,131</u>
Total primary government program revenues	<u>\$ 16,198,552</u>	<u>\$ 15,185,934</u>	<u>\$ 15,450,610</u>	<u>\$ 20,641,990</u>
Net (Expense)/Revenue				
Governmental activities	\$ (4,693,901)	\$ (11,567,181)	\$ (11,061,293)	\$ (5,182,915)
Business-type activities	218,150	444,278	738,882	588,832
Total primary government net expense	<u>(4,475,751)</u>	<u>(11,122,903)</u>	<u>(10,322,411)</u>	<u>(4,594,083)</u>
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes	5,430,074	5,425,913	5,638,926	6,161,456
Unrestricted grants and contributions	1,542,705	1,542,738	1,543,705	1,587,299
Investment earnings	275,401	314,014	390,231	556,126
Miscellaneous	-	-	-	-
Gain on sale of capital assets	205,895	39,118	-	84,222
Capital transfers	-	-	-	(1,459,723)
Transfers	881,506	1,048,315	279,428	1,056,920
Total governmental activities	<u>8,335,581</u>	<u>8,370,098</u>	<u>7,852,290</u>	<u>7,986,300</u>
Business-type activities:				
Investment earnings	-	-	-	-
Gain on sale of capital assets	12,236	2,071	10,443	16,546
Capital transfers	-	-	-	1,459,723
Transfers	(881,506)	(1,048,315)	(279,428)	(1,056,920)
Total business-type activities	<u>(869,270)</u>	<u>(1,046,244)</u>	<u>(268,985)</u>	<u>419,349</u>
Total primary government	<u>\$ 7,466,311</u>	<u>\$ 7,323,854</u>	<u>\$ 7,583,305</u>	<u>\$ 8,405,649</u>
Change in Net Position				
Governmental activities	\$ 3,641,680	\$ (3,197,083)	\$ (3,209,003)	\$ 2,803,385
Business-type activities	(651,120)	(601,966)	469,897	1,008,181
Total primary government	<u>\$ 2,990,560</u>	<u>\$ (3,799,049)</u>	<u>\$ (2,739,106)</u>	<u>\$ 3,811,566</u>

\* The ambulance business-type activity was closed into governmental activities on January 1, 2024.

		Fiscal Years									
		2019	2020	2021	2022	2023	2024				
\$	1,630,455	\$	1,949,067	\$	2,087,357	\$	2,513,365	\$	2,782,538	\$	2,680,570
	3,301,230		3,284,394		3,665,021		3,618,815		3,928,039		3,706,793
	1,422,623		1,626,462		1,794,669		1,729,480		1,801,633		1,987,804
	1,991,667		1,738,264		1,940,031		2,166,899		1,931,650		-
	402,734		405,800		412,151		433,814		442,144		459,932
	972,466		545,311		688,447		740,433		859,610		1,049,406
	279,418		210,076		261,657		333,838		366,699		64,723
	2,453		379,351		-		175,000		-		-
	10,003,046		10,138,725		10,849,333		11,711,644		12,112,313		9,949,228
\$	17,888,219	\$	19,299,994	\$	19,545,500	\$	21,194,422	\$	21,235,687	\$	22,116,232
\$	(10,596,358)	\$	(10,465,547)	\$	(9,822,851)	\$	(14,140,947)	\$	(13,833,591)	\$	(12,855,208)
	959,885		38,693		3,293,470		1,871,302		384,119		1,751,461
	(9,636,473)		(10,426,854)		(6,529,381)		(12,269,645)		(13,449,472)		(11,103,747)
	6,753,944		7,476,766		8,338,199		9,046,807		10,897,615		12,706,880
	1,588,195		1,588,195		1,333,615		1,333,615		1,127,728		1,245,446
	975,843		554,412		(171,564)		(986,376)		2,211,622		2,108,619
	-		-		-		91,701		-		-
	50,949		394,010		114,058		-		49,600		45,294
	(9,500)		-		-		(172,657)		(10,967)		(1,155,252)
	479,800		(517,381)		688,244		727,000		553,833		1,225,822
	9,839,231		9,496,002		10,302,552		10,040,090		14,829,431		16,176,809
	28,826		47,455		(19,460)		(123,634)		215,610		239,222
	40,103		40,128		15,069		26,719		12,381		-
	9,500		-		-		172,657		10,967		1,155,252
	(479,800)		517,381		(688,244)		(727,000)		(553,833)		(1,225,822)
	(401,371)		604,964		(692,635)		(651,258)		(314,875)		168,652
\$	9,437,860	\$	10,100,966	\$	9,609,917	\$	9,388,832	\$	14,514,556	\$	16,345,461
\$	(757,127)	\$	(969,545)	\$	479,701	\$	(4,100,857)	\$	995,840	\$	3,321,601
	558,514		643,657		2,600,835		1,220,044		69,244		1,920,113
\$	(198,613)	\$	(325,888)	\$	3,080,536	\$	(2,880,813)	\$	1,065,084	\$	5,241,714

(Continued)

City of White Bear Lake, Minnesota  
Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

	Fiscal Years				
	2015	2016	2017	2018	2019
General Fund					
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-
Unassigned	3,275,500	3,443,521	3,604,779	3,773,666	4,902,116
Total general fund	<u>3,275,500</u>	<u>3,443,521</u>	<u>3,604,779</u>	<u>3,773,666</u>	<u>4,902,116</u>
All Other Governmental Funds					
Nonspendable					
Capital improvements	-	-	-	-	2,400
Sports center	-	-	-	-	-
Restricted					
Surface water pollution prevention	31,033	31,033	31,033	31,033	-
Debt service	149,490	171,524	139,623	323,327	1,148,411
Public safety	-	-	-	-	-
Capital asset acquisition	-	-	-	-	-
Economic development	-	629,646	464,393	-	-
Committed					
Armory	62,013	68,460	59,643	52,867	48,160
Surface water pollution prevention	-	-	-	-	-
Marina	408,717	420,002	73,083	166,994	222,160
Sports center	344,004	347,985	283,171	270,792	264,837
Forfeiture	-	153,554	128,818	61,614	54,045
Debt service	428,022	899,591	846,323	386,091	-
Advances	1,220,000	1,025,000	1,000,000	1,750,000	750,000
Capital improvements	15,173,631	13,964,494	13,240,444	12,642,847	12,298,103
Economic development	1,104,556	1,113,652	2,837,301	3,261,231	2,509,228
Assigned					
Surface water pollution prevention	766,754	805,238	822,597	774,977	835,054
Capital improvements	3,553,171	3,726,267	2,775,587	5,091,368	4,400,538
Debt service	-	-	-	-	404,761
Advances	-	-	-	-	-
Economic development	2,386,090	1,649,148	-	-	-
Unassigned	(4,478,829)	(1,828,066)	(1,623,966)	(1,588,524)	(57,808)
Total all other governmental funds	<u>21,148,652</u>	<u>23,177,528</u>	<u>21,078,050</u>	<u>23,224,617</u>	<u>22,879,889</u>
Total Fund Balances	<u>\$ 24,424,152</u>	<u>\$ 26,621,049</u>	<u>\$ 24,682,829</u>	<u>\$ 26,998,283</u>	<u>\$ 27,782,005</u>

Fiscal Years				
2020	2021	2022	2023	2024
\$ 15	\$ -	\$ 1,045	\$ 5,205	\$ 1,655
-	-	-	451,939	-
5,804,642	6,657,580	7,414,739	8,760,173	10,116,216
5,804,657	6,657,580	7,415,784	9,217,317	10,117,871
-	243,463	-	-	-
3,263	-	8,041	83	83
-	-	-	-	-
1,195,479	2,051,287	2,395,132	2,970,963	3,657,217
-	74,887	7,112,846	6,025,707	904,350
-	-	5,324	645,000	-
305,922	741,553	1,548,459	67,725	73,616
27,809	24,191	-	-	-
-	-	43,208	143,239	397,640
279,702	305,108	363,694	462,002	540,141
83,660	192,121	257,254	238,435	221,029
-	-	-	-	-
-	-	-	-	-
750,000	1,348,500	1,391,250	1,391,250	1,391,250
12,519,361	12,092,106	10,722,210	10,321,877	11,291,785
3,308,573	2,552,660	2,218,999	2,488,410	2,412,051
846,285	840,487	840,487	840,487	840,487
4,404,356	3,844,530	4,415,270	4,634,632	7,001,103
502,976	554,450	880,958	1,146,238	1,459,558
-	199,500	213,750	213,750	213,750
-	-	-	-	-
-	(2,679)	(844,467)	(408,246)	(149,393)
24,227,386	25,062,164	31,572,415	31,181,552	30,254,667
\$ 30,032,043	\$ 31,719,744	\$ 38,988,199	\$ 40,398,869	\$ 40,372,538

City of White Bear Lake, Minnesota  
Changes in Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

	Fiscal Years			
	2015	2016	2017	2018
<b>Revenues</b>				
Taxes	\$ 5,513,046	\$ 5,410,913	\$ 5,588,926	\$ 6,102,456
Licenses, fees and permits	743,511	637,247	696,282	785,141
Fines and forfeits	106,539	92,968	89,062	78,357
Charges for services	962,246	1,243,285	989,085	1,035,730
Special assessments	1,423,952	1,363,846	1,268,893	1,405,265
Intergovernmental	3,316,877	3,574,867	3,318,121	4,146,233
Investment earnings	238,901	271,982	350,481	528,626
Other revenues	3,013,404	2,271,189	2,280,430	3,463,864
<b>Total Revenues</b>	<b>15,318,476</b>	<b>14,866,297</b>	<b>14,581,280</b>	<b>17,545,672</b>
<b>Expenditures</b>				
General government	1,179,741	1,396,395	1,617,010	1,653,756
Public safety	5,547,655	5,749,040	6,262,229	6,860,710
Public works	1,827,692	1,848,175	3,231,023	2,135,159
Parks and recreation	1,461,734	1,403,256	1,718,351	1,854,616
Social and economic development	967,991	1,121,905	1,294,178	1,053,737
Capital outlay	4,896,700	4,216,946	2,451,652	11,211,655
Debt service				
Principal	680,000	345,000	355,000	420,000
Interest	205,925	169,628	312,139	425,058
<b>Total Expenditures</b>	<b>16,767,438</b>	<b>16,250,345</b>	<b>17,241,582</b>	<b>25,614,691</b>
<b>Excess of revenues over (under) expenditures</b>	<b>(1,448,962)</b>	<b>(1,384,048)</b>	<b>(2,660,302)</b>	<b>(8,069,019)</b>
<b>Other Financing Sources (Uses)</b>				
Bonds issued	-	2,275,000	-	9,180,000
Premium on bonds issued	-	-	-	67,581
Sale of capital assets	262,667	51,960	47,082	79,972
Transfers in	4,484,192	4,159,689	5,101,950	3,856,096
Transfers out	(3,471,782)	(2,905,704)	(4,426,950)	(2,799,176)
<b>Total Other Financing Sources (Uses)</b>	<b>1,275,077</b>	<b>3,580,945</b>	<b>722,082</b>	<b>10,384,473</b>
<b>Net changes in fund balances</b>	<b>\$ (173,885)</b>	<b>\$ 2,196,897</b>	<b>\$ (1,938,220)</b>	<b>\$ 2,315,454</b>
<b>Debt service as a percentage of noncapital</b>	<b>7.4%</b>	<b>3.5%</b>	<b>4.5%</b>	<b>6.0%</b>

		Fiscal Years									
		2019	2020	2021	2022	2023	2024				
\$	6,829,685	\$	7,472,082	\$	8,036,638	\$	8,725,394	\$	10,518,501	\$	12,296,440
	892,276		845,633		1,405,865		1,641,987		1,739,885		1,232,705
	87,063		60,489		78,008		68,385		52,548		66,835
	1,267,682		1,133,738		1,569,743		1,687,657		1,856,391		4,695,804
	1,448,465		1,424,125		1,235,409		1,225,027		814,264		1,037,820
	3,393,992		5,308,025		3,790,103		4,292,590		4,512,998		4,472,043
	855,613		472,064		(147,934)		(856,588)		2,023,028		1,887,611
	2,716,316		2,144,866		2,687,808		2,437,313		2,241,120		2,382,916
	17,491,092		18,861,022		18,655,640		19,221,765		23,758,735		28,072,174
	1,779,680		1,908,340		1,912,857		2,027,179		2,156,701		2,023,565
	6,498,002		6,662,012		7,251,601		7,756,025		8,204,427		11,816,808
	2,294,282		2,193,221		2,406,231		2,897,797		3,035,193		3,120,820
	1,504,270		1,366,047		1,492,158		1,673,359		1,712,997		1,706,489
	1,093,417		1,623,799		1,013,106		960,620		2,561,230		1,189,687
	5,357,364		5,012,902		3,858,090		6,110,431		13,687,692		8,711,484
	420,000		775,000		895,000		1,150,000		1,335,000		1,355,000
	606,920		560,709		592,195		787,340		1,036,916		1,500,548
	19,553,935		20,102,030		19,421,238		23,362,751		33,730,156		31,424,401
	(2,062,843)		(1,241,008)		(765,598)		(4,140,986)		(9,971,421)		(3,352,227)
	1,925,000		3,580,000		1,815,000		10,000,000		10,000,000		2,290,000
	164,335		341,970		101,720		360,156		326,692		216,746
	42,430		460,571		118,059		104,222		49,600		45,294
	5,119,617		4,281,435		3,700,136		4,858,340		2,126,485		3,914,003
	(4,404,817)		(5,090,591)		(3,145,892)		(4,131,340)		(1,572,652)		(2,688,181)
	2,846,565		3,573,385		2,589,023		11,191,378		10,930,125		3,777,862
\$	783,722	\$	2,332,377	\$	1,823,425	\$	7,050,392	\$	958,704	\$	425,635
	6.7%		7.7%		8.7%		9.6%		11.7%		12.4%

City of White Bear Lake, Minnesota  
Assessed Tax Capacity and Market Value of Property  
Last Ten Fiscal Years

Levy Year	Fiscal Year	Real Property		Personal Property	
		Assessed Tax Capacity	Market Value	Assessed Tax Capacity	Market Value
2015	2016	\$ 24,139,655	\$ 2,170,883,643	\$ 539,526	\$ 37,543,257
2016	2017	26,067,338	2,323,498,521	593,786	40,182,579
2017	2018	28,577,080	2,514,995,277	622,593	43,494,323
2018	2019	30,809,390	2,692,665,548	659,373	46,566,953
2019	2020	32,814,944	2,756,482,104	616,990	47,670,596
2020	2021	35,193,508	3,056,007,709	691,896	52,850,591
2021	2022	35,930,953	3,102,937,014	425,614	53,662,186
2022	2023	40,900,039	3,540,077,400	434,724	61,256,800
2023	2024	43,578,304	3,730,007,164	449,687	64,337,156
2024	2025	45,174,361	3,920,806,382	459,626	67,806,418

Source: Ramsey County and Washington County

Total				
Assessed Tax Capacity	Market Value	% Total of Assessed Tax Capacity to Market Value	Total Direct Tax Rate	
\$ 24,679,181	\$ 2,208,426,900	1.12%	19.690	
26,661,124	2,363,681,100	1.13%	18.969	
29,199,673	2,558,489,600	1.14%	19.058	
31,468,763	2,739,232,500	1.15%	20.143	
33,431,934	2,804,152,700	1.19%	20.629	
35,885,404	3,108,858,300	1.15%	20.355	
36,356,567	3,156,599,200	1.15%	22.271	
41,334,763	3,601,334,200	1.15%	24.054	
44,027,991	3,794,344,320	1.16%	27.263	
45,633,987	3,988,612,800	1.14%	30.384	

City of White Bear Lake, Minnesota  
Property Tax Rates - Direct and Overlapping Governments  
Last Ten Fiscal Years

Tax Rates  
(Per \$100 of Tax Capacity Valuation)  
(Per \$100 of Market Valuation)

	Fiscal Year	City				Ind. School District No. 624	Ramsey County	Other Special Districts	Total
		General Fund	Debt Service	Capital	Total				
(A)	2015	18.682	0.277	1.408	20.368	26.660	58.922	9.179	115.129
	2015					0.240			0.240
(A)	2016	18.223	0.528	0.939	19.690	26.236	58.885	9.052	113.863
	2016					0.235			0.235
(A)	2017	17.936	0.484	0.550	18.970	23.454	55.920	8.565	106.909
	2017					0.212			0.212
(A)	2018	17.548	0.446	0.999	18.993	23.631	53.692	8.215	104.531
	2018					0.223			0.223
(A)	2019	19.070	0.420	0.700	20.190	26.081	52.879	8.265	107.415
	2019					0.232			0.232
(A)	2020	19.261	0.394	0.974	20.629	36.777	52.302	8.249	117.957
	2020					0.220			0.220
(A)	2021	18.375	0.365	1.616	20.355	37.074	47.760	7.815	113.004
	2021					0.180			0.180
(A)	2022	19.845	0.364	2.062	22.271	34.805	48.070	9.970	115.116
	2022					0.190			0.190
(A)	2023	19.893	0.319	3.842	24.054	32.398	44.901	8.740	110.093
	2023					0.180			0.180
(A)	2024	22.547	0.304	4.927	27.778	33.940	45.446	8.961	116.126
	2024					0.160			0.160
(A)	2025	25.037	0.291	5.072	30.401	35.285	47.476	9.234	122.396
	2025					0.169			0.169

(A) Voter approved referendums are levied against market value rather than tax capacity value of the taxing authority.

City of White Bear Lake, Minnesota  
Principal Property Taxpayers  
Current Year and Nine Years Ago

Taxpayer	2024			2015		
	Tax Capacity Value	Rank	Percentage of Total City Tax Capacity Value	Tax Capacity Value	Rank	Percentage of Total City Tax Capacity Value
White Bear Woods Apartments	\$ 603,151	1	1.32%	\$ 366,575	2	1.48%
Tundra Companies	555,988	2	1.22%			
WBL Lochner Apartments	500,433	3	1.10%			
Martco Apartments	457,180	4	1.00%			
White Bear Marketplace	376,194	5	0.82%			
Xcel Energy	353,516	6	0.77%	574,364	1	2.32%
Trane Corporation	309,640	7	0.68%	246,482	3	1.00%
White Bear Polar Chevrolet/Mazda	304,880	8	0.67%			
Taylor Corporation	288,164	9	0.63%	166,802	7	0.68%
MG White Bear Lake Warehouse	285,390	10	0.63%			
Sam's Club				218,364	4	0.88%
White Bear Shopping Center				180,326	5	0.73%
Aspen Research				173,820	6	0.70%
Birch Lake Townhomes				148,856	8	0.60%
Cummins North Central				143,084	9	0.58%
The Boulders Senior Apartments				138,565	10	0.56%
<b>Total</b>	<b>\$ 4,034,536</b>		<b>8.84%</b>	<b>\$ 2,357,238</b>		<b>9.54%</b>
<b>Total Tax Capacity of City</b>	<b>\$ 45,633,987</b>			<b>\$ 24,704,927</b>		

Source: Ramsey County and Washington County

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City of White Bear Lake, Minnesota  
Property Tax Levies and Collections  
For the Last Ten Fiscal Years

Fiscal Year	Total Levy	(1)		Collections/ Refunds in Subsequent Years	Total Collections to Date	
		Collection of Current Year's Levy	Percentage of Levy Collected		Amount	Percentage of Levy
2015	\$ 4,845,000	\$ 4,841,359	99.92%	\$ 3,641	\$ 4,845,000	100.00%
2016	4,927,000	4,878,320	99.01%	41,321	4,919,641	99.85%
2017	5,173,000	5,076,444	98.13%	81,037	5,157,481	99.70%
2018	5,625,000	5,540,565	98.50%	44,952	5,585,517	99.30%
2019	6,345,000	6,238,360	98.32%	70,127	6,308,487	99.42%
2020	6,908,000	6,846,046	99.10%	14,397	6,860,443	99.31%
2021	7,370,000	7,370,000	100.00%	-	7,370,000	100.00%
2022	8,080,000	7,996,739	98.97%	7,378	8,004,117	99.06%
2023	9,955,000	9,888,232	99.33%	-	9,888,232	99.33%
2024	12,003,000	11,898,768	99.13%	-	11,898,768	99.13%

(1) Includes state paid property tax credits.

City of White Bear Lake, Minnesota  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years

Fiscal Year	Governmental Activities				Business-Type Activities		Total Primary Government
	Special Assessment Bonds	Tax Increment Financing Bonds	Capital Improvement Bonds	Tax Abatement Bonds	General Obligation Bonds		
2015	\$ 2,125,000	\$ 1,280,000	\$ -	\$ -	\$ -	\$ -	3,405,000
2016	1,920,000	3,415,000	-	-	-	-	5,335,000
2017	1,720,000	3,260,000	-	-	-	-	4,980,000
2018	7,436,187	3,035,000	-	3,336,394	-	-	13,807,581
2019	9,332,390	2,800,000	-	3,336,090	-	-	15,468,480
2020	12,825,993	2,560,000	-	3,210,784	919,389	-	19,516,166
2021	14,195,585	2,305,000	-	3,085,480	3,467,613	-	23,053,678
2022	16,428,554	2,045,000	7,329,747	2,955,175	3,423,941	-	32,182,417
2023	15,451,146	1,785,000	17,635,157	2,819,871	3,240,268	-	40,931,442
2024	16,792,410	1,690,000	17,603,389	2,679,566	3,051,596	-	41,816,961

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

Personal Income	Percentage of Personal Income	Population	Per Capita
\$ 1,347,975,564	0.25%	24,159	\$ 140.94
1,458,514,512	0.37%	24,138	221.02
1,458,514,512	0.34%	25,001	199.19
1,491,125,376	0.93%	25,512	541.22
1,550,188,536	1.00%	25,752	600.67
1,601,568,384	1.22%	24,883	784.32
1,634,215,908	1.41%	25,067	919.68
1,824,877,600	1.76%	24,583	1,309.13
1,824,877,600	2.24%	24,617	1,662.73
1,833,080,288	2.28%	24,617	1,698.70

City of White Bear Lake, Minnesota  
Ratios of Net General Bonded Debt Outstanding  
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds (1)	Less Amount Restricted to Debt Service (2)	Net General Bonded Debt	Market Value of Property	Percentage of Market Value of Property	Assessed Value of Property
2015	\$ 3,405,000	\$ 127,709	\$ 3,277,291	\$ 2,139,511,900	0.15%	\$ 23,893,184
2016	5,335,000	103,228	5,231,772	2,208,426,900	0.24%	24,679,181
2017	4,980,000	139,623	4,840,377	2,558,489,600	0.19%	29,199,673
2018	13,740,000	122,200	13,617,800	2,739,232,500	0.50%	31,468,763
2019	15,468,480	1,847,261	13,621,219	2,804,152,700	0.49%	33,431,934
2020	19,516,166	2,265,278	17,250,888	3,108,858,300	0.55%	35,885,404
2021	23,053,678	3,153,831	19,899,847	3,156,599,200	0.63%	36,356,567
2022	32,182,417	3,760,306	28,422,111	3,601,334,200	0.79%	41,334,763
2023	40,931,442	4,574,995	36,356,447	3,794,344,320	0.96%	44,027,991
2024	41,816,961	4,574,995	37,241,966	3,988,612,800	0.93%	45,633,987

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

(1) This is the general bonded debt of both governmental and business-type activities, net of original issuance discounts and premiums.

(2) This is the amount restricted for debt service principal payments.

Percentage of Assessed Value of Property	Population	Per Capita
13.72%	24,159	\$ 135.66
21.20%	24,138	216.74
16.58%	25,001	193.61
43.27%	25,512	533.78
40.74%	25,752	528.94
48.07%	24,883	693.28
54.74%	25,067	793.87
68.76%	24,583	1,156.17
82.58%	24,617	1,476.88
81.61%	24,617	1,512.86

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City of White Bear Lake, Minnesota  
 Computation of Direct and Overlapping  
 Bonded Debt and Comparative Debt Ratios  
 December 31, 2024

Jurisdiction	Net General Obligation Bonded Debt Outstanding	Percentage Applicable to City	Amount Applicable to Government
<b>Direct Debt:</b>			
Special Assessments	\$ 16,792,410	100.00%	\$ 16,792,410
Tax Increment	1,690,000	100.00%	1,690,000
Capital Improvement	17,603,389	100.00%	17,603,389
Tax Abatement	2,679,566	100.00%	2,679,566
Subtotal	<u>38,765,365</u>		<u>38,765,365</u>
City of White Bear Lake	<u>38,765,365</u>	100.00%	<u>38,765,365</u>
<b>Overlapping Debt:</b>			
Ramsey County	142,225,224	4.90%	5,956,762
Washington County	93,574,289	0.11%	104,711
Independent School District #622	417,293,896	0.08%	344,859
Independent School District #624	408,343,972	31.65%	129,234,863
Independent School District #916	66,840,000	7.74%	5,175,369
Metropolitan Council - Parks	(7,921,537)	1.00%	(79,215)
Metropolitan Council - Regional Transit	275,681,466	1.00%	2,756,815
Total overlapping debt	<u>1,396,037,310</u>		<u>143,494,162</u>
<b>Total direct and overlapping debt</b>	<u>\$ 1,434,802,675</u>		<u>\$ 182,259,527</u>

Source: Information obtained from Ramsey County and Washington County.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of White Bear Lake. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and business should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

City of White Bear Lake, Minnesota  
Legal Debt Margin Information  
Last Ten Fiscal Years

	Fiscal Years				
	2015	2016	2017	2018	2019
Debt limit	\$ 64,185,357	\$ 66,276,306	\$70,917,876	\$77,077,101	\$ 82,176,975
Total net debt applicable to limit	-	-	-	-	-
Legal debt margin	\$ 64,185,357	\$ 66,276,306	\$ 70,917,876	\$77,077,101	\$82,176,975
Total net debt applicable to the limit as a percentage of the debt limit	0.00%	0.00%	0.00%	0.00%	0.00%

Market value	<u>\$ 3,988,612,800</u>
Debt limit - 3.00% of market value (Note A)	<u>\$ 119,658,384</u>
Total bonded debt	41,816,961
Less (Note B)	
Tax Increment Bonds	1,690,000
Special Assessment Bonds	16,792,410
Revenue Bonds	<u>3,051,596</u>
	<u>21,534,006</u>
Total debt applicable	<u>20,282,955</u>
Legal debt margin	<u>\$ 99,375,429</u>

The debt limit percentage of market value was established at 3.00% beginning in fiscal year 2011.

Note A:

M.S.A. Section 475.53 (Limit on Net Debt)

"Subdivision 1. Generally, except as otherwise provided in Sections 475.51 to 475.75 to municipality, except a school district or a city of the first class shall incur or be subject to a net debt in excess of 3.00% of the market value of taxable property in the municipality.

Note B:

M.S.A. Section 475.51 (Definitions) "Subdivision 4. Net Debt means the amount remaining after deducting from its gross debt the aggregate of the principal of the following":

1. Obligations issued for improvements which are payable wholly or partly from the proceeds of special assessments levied upon property specially benefited thereby, including those which are general obligations of the municipality issuing them, if the municipality is entitled to reimbursement in whole or in part from the proceeds of the special assessments.
2. Warrants or orders having no definite or fixed maturity.
3. Obligations payable wholly from the income from revenue-producing conveniences.
4. Obligations issued to create or maintain a permanent improvement revolving funds.
5. Obligations issued for the acquisition, and betterment of public water works systems and public lighting, heating or power systems and of any combinations thereof, or for any combination thereof, or for any other public convenience from which a revenue is or may be derived.
6. Amount of all money and the face value of all securities held as a sinking fund for the extinguishment of obligations other than those deductible under this subdivision.
7. All other obligations which under the provisions of the law authorizing their issuance are not to be included in computing the net debt of the municipality.

Fiscal Years				
2020	2021	2022	2023	2024
\$ 87,849,879	\$ 94,808,283	\$ 108,100,236	\$ 113,835,417	\$ 119,658,384
-	3,085,480	10,241,250	20,455,028	20,282,955
\$ 87,849,879	\$ 91,722,803	\$ 97,858,986	\$ 93,380,389	\$ 99,375,429
0.00%	3.25%	9.47%	17.97%	16.95%

(Continued)

City of White Bear Lake, Minnesota  
Revenue Bond Coverage  
Last Ten Fiscal Years

Fiscal Year	Gross Revenue	Direct Operating Expenses (A)	Net Revenue Available for Debt Service	Principal	Interest	Total Debt Requirements	Coverage
2015	\$ 1,043,648	\$ 1,113,192	\$ (69,544)	\$ -	\$ -	\$ -	0.00%
2016	1,366,067	1,318,148	47,919	-	-	-	0.00%
2017	1,375,334	1,398,799	(23,465)	-	-	-	0.00%
2018	1,647,495	1,441,743	205,752	-	-	-	0.00%
2019	1,653,482	1,271,411	382,071	-	-	-	0.00%
2020	2,007,058	2,290,738	(283,680)	-	7,995	7,995	-3548.22%
2021	2,109,547	1,751,530	358,017	-	39,084	39,084	916.02%
2022	2,502,745	1,539,995	962,750	35,000	56,866	91,866	1047.99%
2023	2,850,292	2,007,179	843,113	175,000	63,173	238,173	353.99%
2024	2,759,372	1,745,690	1,013,682	180,000	58,560	238,560	424.92%

(A) Direct Operating Expenses exclude related depreciation.

City of White Bear Lake, Minnesota  
Demographic and Economic Statistics  
Last Ten Fiscal Years

Fiscal Year	Population (1)	Personal Income	Per Capita Personal Income (2)	School District Enrollment (3)	Ramsey County Unemployment Rate (4)
2015	24,159	\$ 1,347,975,564	\$ 55,796	8,038	3.80%
2016	24,138	1,458,514,512	60,424	8,206	3.50%
2017	25,001	1,458,514,512	58,338	8,551	2.90%
2018	25,512	1,491,125,376	58,448	8,593	2.90%
2019	25,752	1,550,188,536	60,197	8,602	2.80%
2020	24,883	1,601,568,384	64,364	8,478	5.10%
2021	25,067	1,634,215,908	65,194	8,282	2.80%
2022	24,583	1,824,877,600	74,233	8,279	2.60%
2023	24,617	1,824,877,600	74,131	8,224	2.30%
2024	24,617	1,833,080,288	74,464	8,290	2.90%

Sources:

- (1) Metropolitan Council
- (2) U.S. Department of Labor
- (3) White Bear Lake Area School District
- (4) Minnesota Department of Economic Development - Ramsey County rate

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City of White Bear Lake, Minnesota  
Principal Employment Industries  
Current Year and Nine Years Ago

Employer	2024			2015		
	Number of Employees	Rank	Percentage of Total City Employment	Number of Employees	Rank	Percentage of Total City Employment
Educational Services	1,769	1	14.99%	2,312	1	20.16%
Health Care and Social Assistance Services	1,476	2	12.51%	1,419	2	12.37%
Accommodation and Food Services	1,439	3	12.19%	1,229	4	10.72%
Retail Trade	1,383	4	11.72%	1,397	3	12.18%
Administrative, Support, Waste Management, and Remediation	876	5	7.42%	547	8	4.77%
Other Services (except Public Administration)	845	6	7.16%	832	6	7.25%
Professional, Scientific, and Technical Services	722	7	6.12%	732	7	6.38%
Wholesale Trade	683	8	5.79%	540	9	4.71%
Manufacturing	651	9	5.52%	981	5	8.55%
Construction	406	10	3.44%			
Finance and Insurance				427	10	3.72%
Total Industries Listed	<u>10,250</u>		<u>86.85%</u>	<u>10,416</u>		<u>90.83%</u>
Total City Employment	<u>11,802</u>			<u>11,468</u>		

Source: Minnesota Department of Employment and Economic Development's website [www.mn.gov/deed](http://www.mn.gov/deed)

City of White Bear Lake, Minnesota  
 Full-Time Equivalent City Government Employees by Function/Program  
 Last Ten Fiscal Years

	Fiscal Years				
	2015	2016	2017	2018	2019
General government					
Legislative	0.65	0.50	0.50	0.50	0.50
Administration	1.55	2.30	2.50	2.50	2.50
Finance	4.90	5.00	5.00	5.00	5.00
City Hall	1.00	1.40	1.40	2.00	2.00
Technology	-	-	-	-	-
Elections	0.25	0.40	0.20	-	-
Planning	3.00	3.00	4.00	3.00	3.00
Public Safety					
Police	31.81	32.01	32.01	32.40	35.65
Dispatch	5.75	5.50	5.50	2.75	-
Fire	2.75	3.00	3.00	1.75	4.10
Building / Code Enforcement	5.00	5.00	6.00	6.00	6.00
Public Works					
Streets	4.70	4.20	4.20	4.00	4.00
Engineering	6.00	6.00	6.00	6.00	6.00
Garage	1.30	1.30	1.30	1.00	1.00
Public Works Facility	-	-	-	0.90	0.90
Parks and recreation	5.70	6.40	6.40	6.00	6.00
Armory	0.35	0.35	0.35	0.35	0.35
Surface Water	-	0.50	0.50	0.50	0.50
Sports Center	3.50	3.50	3.50	4.15	4.15
Economic Development	-	-	0.50	1.50	1.50
Water	4.80	4.70	4.70	4.70	4.70
Sewer	4.50	4.40	4.40	4.40	4.40
Refuse	0.70	-	-	-	-
Ambulance	7.25	7.25	7.25	13.75	11.90
License Bureau	8.90	10.10	11.10	11.30	12.80
<b>Total</b>	<b>104.36</b>	<b>106.81</b>	<b>110.31</b>	<b>114.45</b>	<b>116.95</b>

Note: Details regarding the City's full time equivalents can be found the in the City's budget document.

	Fiscal Years				
2020	2021	2022	2023	2024	
0.50	0.50	0.50	0.50	0.50	0.50
2.50	2.50	2.50	3.50	3.50	3.50
5.00	5.00	5.00	4.00	4.00	4.00
2.00	2.00	1.00	1.00	1.00	1.00
-	-	1.00	1.00	1.00	1.00
-	-	-	-	-	-
3.00	3.00	3.00	3.00	3.00	3.00
36.95	38.50	38.20	38.80	39.80	39.80
-	-	-	-	-	-
4.10	4.10	5.25	6.00	6.50	6.50
6.00	6.00	6.00	6.00	6.00	6.00
4.00	4.00	4.00	4.00	4.00	4.00
5.00	4.50	5.00	5.00	5.00	5.00
1.00	1.50	2.00	2.00	2.00	2.00
0.90	0.90	0.90	0.90	0.90	0.90
5.00	5.00	5.00	5.00	5.00	6.00
0.35	0.35	0.35	-	-	-
0.50	1.00	1.00	1.00	1.00	1.00
4.10	4.22	4.22	4.57	4.57	4.57
1.15	1.15	1.15	1.15	1.15	1.15
4.70	4.70	4.70	4.70	4.70	4.70
4.40	4.40	4.40	4.40	4.40	4.40
-	-	-	-	-	-
11.90	11.90	12.75	14.00	15.50	15.50
9.20	9.50	9.90	9.40	9.40	9.40
112.25	114.72	117.82	119.92	123.92	123.92

City of White Bear Lake, Minnesota  
 Operating Indicators by Function/Program  
 Last Ten Fiscal Years

	Fiscal Years				
	2015	2016	2017	2018	2019
<b>Building</b>					
Building permits issued	968	883	1,156	1,356	1,091
Other permits issued	1,537	1,479	1,461	1,622	1,594
<b>Police</b>					
Number of Calls for Service	24,270	26,475	28,491	26,538	27,396
Administrative Citations					
City	309	207	44	30	21
State	352	292	383	409	336
Total	661	499	427	439	357
<b>Fire</b>					
Fire calls*	126	115	229	0	-
Staged responses (Silent)*	339	359	226	0	-
Rescue calls*	104	136	129	0	-
Fire/Rescue Calls*	-	-	-	300	510
<b>Parks</b>					
Reservations	242	240	311	342	311
<b>Water</b>					
Gallons pumped	777,995,000	815,073,000	813,123,000	731,118,167	717,745,028
Water main breaks	11	13	16	17	22
<b>Refuse</b>					
Accounts serviced each week	7,662	7,660	7,654	7,601	7,530
<b>Ambulance</b>					
Ambulance calls	2,739	2,631	2,948	3,047	3,619
<b>License Bureau</b>					
Motor Vehicle transactions	94,280	94,842	90,085	88,923	80,122
Drivers License transactions	18,634	18,696	17,724	18,090	20,880
DNR licenses	6,214	6,676	5,747	6,316	5,938
Game and Fish licenses	648	538	500	439	292

Note: Details regarding the City's operating indicators can be found in the annual finance

\* In 2018, the fire department no longer has staged responses or rescue calls - fire calls are now classified as fire/rescue calls.

	Fiscal Years				
	2020	2021	2022	2023	2024
	1,024	1,087	1,886	1,540	932
	1,575	1,730	1,878	1,936	1,718
	22,499	22,309	20,454	15,414	17,486
	10	6	21	9	3
	137	521	259	134	223
	147	527	280	143	226
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	822	933	958	1,090	1,141
	175	409	419	395	488
	727,055,858	760,002,312	719,668,225	642,488,179	685,297,240
	9	16	23	18	16
	7,539	7,524	7,514	7,517	7,527
	3,289	3,663	4,325	3,865	3,643
	48,739	54,185	54,323	60,279	58,501
	6,609	8,990	18,787	21,349	20,736
	4,162	4,532	5,175	4,126	3,413
	55	243	290	240	257

City of White Bear Lake, Minnesota  
 Capital Asset Statistics by Function  
 Last Ten Fiscal Years

	Fiscal Years				
	2015	2016	2017	2018	2019
<b>Public Safety</b>					
Police					
Stations	1	1	1	1	1
Patrol Vehicles	17	19	19	20	19
Fire					
Stations	2	2	2	2	2
Fire trucks (1)	6	6	6	6	6
Rescue boats with motors	2	2	2	2	2
<b>Public Works</b>					
Streets					
Miles	114.81	114.81	114.81	114.81	114.81
Street lights	515	515	515	523	529
Parks and recreation					
Public Docks (1)	9	9	9	9	9
Outdoor ice rinks	5	5	5	5	5
Playgrounds	11	11	11	11	11
Softball fields	13	13	13	13	13
Basketball court	2	2	2	5	5
Disc golf course	1	1	1	1	1
Sports Center					
Indoor ice rink	1	1	1	1	1
Racquetball courts	5	5	5	5	5
<b>Water</b>					
Miles of watermains	126.81	126.81	126.81	126.95	127.08
Fire hydrants	907	907	907	908	909
Water tower storage	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
<b>Sewer</b>					
Miles of storm sewers	50.61	50.61	50.61	50.97	51.21
Miles of sanitary sewers	120.36	120.36	120.36	120.36	120.36

Sources: Various city departments

**Note:**

- (1) Street miles listed on this report includes City, County, MSA, State and Private mileage within the City limits.
- (2) The number of fire hydrants owned by the City increased in 2023. The City now has it's own Geographical Information System Technician who was able to provide a more accurate count.

	Fiscal Years				
	2020	2021	2022	2023	2024
	1	1	1	1	1
	19	20	19	19	20
	2	2	2	2	2
	5	5	5	5	5
	2	1	1	1	2
	114.81	114.71	114.77	114.77	114.77 (1)
	529	529	525	525	525
	9	9	9	9	7
	5	5	5	5	4
	11	11	11	11	12
	13	13	13	13	11
	5	5	5	5	5
	1	1	1	1	1
	1	1	1	1	1
	5	0	0	0	0
	127.10	127.10	127.30	127.30	127.30
	913	913	916	1,144	1,166 (2)
	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
	51.32	51.39	51.39	51.39	51.65
	120.36	120.36	120.50	120.50	120.50

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OTHER REQUIRED REPORTS  
CITY OF WHITE BEAR LAKE  
WHITE BEAR LAKE, MINNESOTA

FOR THE YEAR ENDED  
DECEMBER 31, 2024

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**INDEPENDENT AUDITOR'S REPORT  
ON MINNESOTA LEGAL COMPLIANCE**

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

We have audited, in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of White Bear Lake, Minnesota (the City), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated May 14, 2025.

In connection with our audit, nothing came to our attention that caused us to believe that the City failed to comply with the provisions of the contracting and bidding, deposits and investments, conflicts of interest, public indebtedness, claims and disbursements, miscellaneous provisions, and tax increment financing sections of the *Minnesota Legal Compliance Audit Guide for Cities*, promulgated by the State Auditor pursuant to Minn. Stat. § 6.65, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the City's noncompliance with the above referenced provisions, insofar as they relate to accounting matters.

The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing, and not to provide an opinion on compliance. Accordingly, this communication is not suitable for any other purpose.



**Abdo**  
Minneapolis, Minnesota  
May 14, 2025

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of White Bear Lake, Minnesota (the City), as of and for the year ended December 31, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated May 14, 2025.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters, that are required to be reported under *Government Auditing Standards*.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



**Abdo**  
Minneapolis, Minnesota  
May 14, 2025



**FORM OF LEGAL OPINION**

(See following pages)



Fifth Street Towers  
150 South Fifth Street, Suite 700  
Minneapolis, MN 55402  
(612) 337-9300 telephone  
(612) 337-9310 fax  
kennedy-graven.com  
Affirmative Action, Equal Opportunity Employer

§ \_\_\_\_\_  
CITY OF WHITE BEAR LAKE, MINNESOTA  
GENERAL OBLIGATION STREET RECONSTRUCTION BONDS  
SERIES 2026A

We have acted as bond counsel to the City of White Bear Lake, Ramsey and Washington Counties, Minnesota (the "Issuer") in connection with the issuance by the Issuer of its General Obligation Street Reconstruction Bonds, Series 2026A (the "Bonds"), originally dated \_\_\_\_\_, 2026, and issued in the original aggregate principal amount of \$\_\_\_\_\_. In such capacity and for the purpose of rendering this opinion we have examined certified copies of certain proceedings, certifications and other documents, and applicable laws as we have deemed necessary. Regarding questions of fact material to this opinion, we have relied on certified proceedings and other certifications of public officials and other documents furnished to us without undertaking to verify the same by independent investigation. Under existing laws, regulations, rulings and decisions in effect on the date hereof, and based on the foregoing we are of the opinion that:

1. The Bonds have been duly authorized and executed, and are valid and binding general obligations of the Issuer, enforceable in accordance with their terms.

2. The principal of and interest on the Bonds are payable from ad valorem taxes levied by the Issuer on all taxable property of the Issuer, but if necessary for the payment thereof, additional ad valorem taxes are required by law to be levied on all taxable property of the Issuer, which taxes are not subject to any limitation as to rate or amount.

3. Interest on the Bonds is excludable from gross income of the recipient for federal income tax purposes and, to the same extent, is excludable from taxable net income of individuals, trusts, and estates for Minnesota income tax purposes, and is not a preference item for purposes of the computation of the federal alternative minimum tax, or the computation of the Minnesota alternative minimum tax imposed on individuals, trusts and estates. However, such interest is included in determining the annual adjusted financial statement income (as defined in Section 59(k) of the Internal Revenue Code of 1986, as amended (the "Code")) of applicable corporations (as defined in Section 59(k) of the Code) for purposes of computing the alternative minimum tax imposed on such applicable corporations and is subject to Minnesota franchise taxes on certain corporations (including financial institutions) measured by income. The opinion set forth in this paragraph is subject to the condition that the Issuer comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes and from taxable net income for Minnesota income tax purposes. The Issuer has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes and taxable net income for Minnesota income tax purposes retroactively to the date of issuance of the Bonds. We express no opinion regarding tax consequences arising with respect to the Bonds other than as expressly set forth herein.

4. The rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights generally and by equitable principles, whether considered at law or in equity.

We have not been asked and have not undertaken to review the accuracy, completeness or sufficiency of the Official Statement or other offering material relating to the Bonds, and accordingly we express no opinion with respect thereto.

This opinion is given as of the date hereof and we assume no obligation to update, revise, or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

Dated \_\_\_\_\_, 2026 at Minneapolis, Minnesota.

### BOOK-ENTRY-ONLY SYSTEM

1. The Depository Trust Company ("DTC"), New York, New York, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for [each issue of] the Securities, [each] in the aggregate principal amount of such issue, and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.]
2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).
3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.
4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. [Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.]
6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.
7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).
8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the City or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.
9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to [Tender/Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to [Tender/Remarketing] Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to [Tender/Remarketing] Agent's DTC account.
10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to the City or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.
11. The City may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.
12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the City believes to be reliable, but the City takes no responsibility for the accuracy thereof.

**FORM OF CONTINUING DISCLOSURE CERTIFICATE**

(See following pages)

§ \_\_\_\_\_  
CITY OF WHITE BEAR LAKE, MINNESOTA  
GENERAL OBLIGATION STREET RECONSTRUCTION BONDS  
SERIES 2026A

**CONTINUING DISCLOSURE CERTIFICATE**

\_\_\_\_\_, 2026

This Continuing Disclosure Certificate (the “Disclosure Certificate”) is executed and delivered by the City of White Bear Lake, Ramsey and Washington Counties, Minnesota (the “City”) in connection with the issuance of its General Obligation Street Reconstruction Bonds, Series 2026A (the “Bonds”) in the original aggregate principal amount of \$ \_\_\_\_\_. The Bonds are being issued pursuant to a resolution adopted by the City Council of the City (the “Resolution”). The Bonds are being delivered to \_\_\_\_\_, (the “Purchaser”) on the date hereof. Pursuant to the Resolution, the City has covenanted and agreed to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events. The City hereby covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. This Disclosure Certificate is being executed and delivered by the City for the benefit of the Holders (as defined herein) of the Bonds in order to provide for the public availability of such information and assist the Participating Underwriter(s) (as defined herein) in complying with the Rule (as defined herein). This Disclosure Certificate, together with the Resolution, constitutes the written agreement or contract for the benefit of the Holders of the Bonds that is required by the Rule.

Section 2. Definitions. In addition to the defined terms set forth in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Report” means any annual report provided by the City pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

“Audited Financial Statements” means annual financial statements of the City, prepared in accordance with GAAP as prescribed by GASB.

“Bonds” means the General Obligation Street Reconstruction Bonds, Series 2026A, issued by the City in the original aggregate principal amount of \$ \_\_\_\_\_.

“City” means the City of White Bear Lake, Ramsey and Washington Counties, Minnesota, which is the obligated person with respect to the Bonds.

“Disclosure Certificate” means this Continuing Disclosure Certificate.

“EMMA” means the Electronic Municipal Market Access system operated by the MSRB and designated as a nationally recognized municipal securities information repository and the exclusive portal for complying with the continuing disclosure requirements of the Rule.

“Final Official Statement” means the Final Official Statement, dated \_\_\_\_\_, 2026, which constitutes the final official statement delivered in connection with the Bonds, which is available from the MSRB.

“Financial Obligation” means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of a Financial Obligation as described in clause (a) or (b). The term “Financial Obligation” shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“Fiscal Year” means the fiscal year of the City.

“GAAP” means generally accepted accounting principles for governmental units as prescribed by GASB.

“GASB” means the Governmental Accounting Standards Board.

“Holder” means the person in whose name a Bond is registered or a beneficial owner of such a Bond.

“Material Event” means any of the events listed in Section 5(a) of this Disclosure Certificate.

“MSRB” means the Municipal Securities Rulemaking Board located at 1300 I Street NW, Suite 1000, Washington, DC 20005.

“Participating Underwriter” means any of the original underwriter(s) of the Bonds (including the Purchaser) required to comply with the Rule in connection with the offering of the Bonds.

“Purchaser” means \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_.

“Repository” means EMMA, or any successor thereto designated by the SEC.

“Rule” means SEC Rule 15c2-12(b)(5) promulgated by the SEC under the Securities Exchange Act of 1934, as the same may be amended from time to time, and including written interpretations thereof by the SEC.

“SEC” means Securities and Exchange Commission, and any successor thereto.

### Section 3. Provision of Annual Financial Information and Audited Financial Statements.

(a) The City shall provide to the Repository not later than 12 months after the end of the Fiscal Year commencing with the year that ends December 31, 2025, an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Certificate. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Certificate; provided that the Audited Financial Statements of the City may be submitted separately from the balance of the Annual Report.

(b) If the City is unable or fails to provide to the Repository an Annual Report by the date required in subsection (a), the City shall send a notice of that fact to the Repository and the MSRB.

(c) The City shall determine each year prior to the date for providing the Annual Report the name and address of each Repository.

Section 4. Content of Annual Reports. The City's Annual Report shall contain or incorporate by reference the following sections of the Final Official Statement:

1. Current Property Valuations
2. Direct Debt
3. Tax Levies and Collections
4. US Census Data/Population Trend
5. Employment/Unemployment Data

In addition to the items listed above, the Annual Report shall include Audited Financial Statements submitted in accordance with Section 3 of this Disclosure Certificate.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the City or related public entities, which have been submitted to the Repository or the SEC. If the document incorporated by reference is a final official statement, it must also be available from the MSRB. The City shall clearly identify each such other document so incorporated by reference.

Section 5. Reporting of Material Events.

(a) This Section 5 shall govern the giving of notice of the occurrence of any of the following events ("Material Events") with respect to the Bonds:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB), or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security;
7. Modifications to rights of security holders, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the securities, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the obligated person;

13. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. Incurrence of a Financial Obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the obligated person, any of which affect security holders, if material; and
16. Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the obligated person, any of which reflect financial difficulties.

(b) The City shall file a notice of such occurrence with the Repository or with the MSRB within ten (10) business days of the occurrence of the Material Event.

(c) Unless otherwise required by law and subject to technical and economic feasibility, the City shall employ such methods of information transmission as shall be requested or recommended by the designated recipients of the City's information.

Section 6. EMMA. The SEC has designated EMMA as a nationally recognized municipal securities information repository and the exclusive portal for complying with the continuing disclosure requirements of the Rule. Until the EMMA system is amended or altered by the MSRB and the SEC, the City shall make all filings required under this Disclosure Certificate solely with EMMA.

Section 7. Termination of Reporting Obligation. The City's obligations under the Resolution and this Disclosure Certificate shall terminate upon the redemption in full of all Bonds or payment in full of all Bonds.

Section 8. Agent. The City may, from time to time, appoint or engage a dissemination agent to assist it in carrying out its obligations under the Resolution and this Disclosure Certificate, and may discharge any such agent, with or without appointing a successor dissemination agent.

Section 9. Amendment; Waiver. Notwithstanding any other provision of the Resolution or this Disclosure Certificate, the City may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if such amendment or waiver is supported by an opinion of nationally recognized bond counsel to the effect that such amendment or waiver would not, in and of itself, cause a violation of the Rule. The provisions of the Resolution requiring continuing disclosure pursuant to the Rule and this Disclosure Certificate, or any provision hereof, shall be null and void in the event that the City delivers to the Repository an opinion of nationally-recognized bond counsel to the effect that those portions of the Rule which impose the continuing disclosure requirements of the Resolution and the execution and delivery of this Disclosure Certificate are invalid, have been repealed retroactively or otherwise do not apply to the Bonds. The provisions of the Resolution requiring continuing disclosure pursuant to the Rule and this Disclosure Certificate may be amended without the consent of the Holders of the Bonds, but only upon the delivery by the City to the Repository of the proposed amendment and an opinion of nationally-recognized bond counsel to the effect that such amendment, and giving effect thereto, will not adversely affect compliance with the Rule.

Section 10. Additional Information. Nothing in this Disclosure Certificate shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Material Event, in addition to that which is required by this Disclosure Certificate. If the City chooses to include any information in any Annual Report or notice of occurrence of a Material Event in addition to that which is specifically required by this Disclosure Certificate, the City shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Material Event.

Section 11. Default. In the event of a failure of the City to comply with any provision of this Disclosure Certificate any Holder of the Bonds may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the City to comply with its obligations under the Resolution and this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default with respect to the Bonds and the sole remedy under this Disclosure Certificate in the event of any failure of the City to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the City, the Participating Underwriters, and the Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

(The remainder of this page is intentionally left blank.)

IN WITNESS WHEREOF, we have executed this Disclosure Certificate in our official capacities effective as of the date and year first written above.

**CITY OF WHITE BEAR LAKE, MINNESOTA**

By \_\_\_\_\_  
Mayor

By \_\_\_\_\_  
City Manager

**TERMS OF PROPOSAL**

**\$1,970,000\* GENERAL OBLIGATION STREET RECONSTRUCTION BONDS, SERIES 2026A  
CITY OF WHITE BEAR LAKE, MINNESOTA**

Proposals for the purchase of \$1,970,000\* General Obligation Street Reconstruction Bonds, Series 2026A (the "Bonds") of the City of White Bear Lake, Minnesota (the "City") will be received at the offices of Ehlers and Associates, Inc. ("Ehlers"), 3001 Broadway Street, Suite 320, Minneapolis, Minnesota 55413, municipal advisors to the City, until 10:00 A.M., Central Time, and **ELECTRONIC PROPOSALS** will be received via **PARITY**, in the manner described below, until 10:00 A.M., Central Time, on April 28, 2026, at which time they will be opened, read and tabulated. The proposals will be presented to the City Council for consideration for award by resolution at a meeting to be held at 7:00 P.M., Central Time, on the same date. The proposal offering to purchase the Bonds upon the terms specified herein and most favorable to the City will be accepted unless all proposals are rejected.

**AUTHORITY; PURPOSE; SECURITY**

The Bonds are being issued pursuant to Minnesota Statutes, Section 475.58, subd. 3b, and Chapter 475, as amended, by the City, to finance certain street reconstruction projects described in the City's Five -Year Street Reconstruction & Overlay Plan, dated March 10, 2026. The Bonds will be general obligations of the City for which its full faith and credit and taxing powers are pledged.

**DATES AND MATURITIES**

The Bonds will be dated May 19, 2026, will be issued as fully registered Bonds in the denomination of \$5,000 each, or any integral multiple thereof, and will mature on February 1 as follows:

<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>	<u>Year</u>	<u>Amount*</u>
2028	\$110,000	2033	\$125,000	2038	\$140,000
2029	115,000	2034	125,000	2039	145,000
2030	115,000	2035	130,000	2040	150,000
2031	115,000	2036	130,000	2041	155,000
2032	120,000	2037	135,000	2042	160,000

**ADJUSTMENT OPTION**

The City reserves the right to increase or decrease the principal amount of the Bonds on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

**TERM BOND OPTION**

Proposals for the Bonds may contain a maturity schedule providing for any combination of serial bonds and term bonds, subject to mandatory redemption, so long as the amount of principal maturing or subject to mandatory redemption in each year conforms to the maturity schedule set forth above. All dates are inclusive.

## **INTEREST PAYMENT DATES AND RATES**

Interest will be payable on February 1 and August 1 of each year, commencing February 1, 2027, to the registered owners of the Bonds appearing of record in the bond register as of the close of business on the 15th day (whether or not a business day) of the immediately preceding month. Interest will be computed upon the basis of a 360-day year of twelve 30-day months and will be rounded pursuant to rules of the Municipal Securities Rulemaking Board. **The rate for any maturity may not be more than 1.00% less than the rate for any preceding maturity. (For example, if a rate of 4.50% is proposed for the 2028 maturity, then the lowest rate that may be proposed for any later maturity is 3.50%.)** All Bonds of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

## **BOOK-ENTRY-ONLY FORMAT**

Unless otherwise specified by the purchaser, the Bonds will be designated in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"). DTC will act as securities depository for the Bonds, and will be responsible for maintaining a book-entry system for recording the interests of its participants and the transfers of interests between its participants. The participants will be responsible for maintaining records regarding the beneficial interests of the individual purchasers of the Bonds. So long as Cede & Co. is the registered owner of the Bonds, all payments of principal and interest will be made to the depository which, in turn, will be obligated to remit such payments to its participants for subsequent disbursement to the beneficial owners of the Bonds.

## **PAYING AGENT**

The City has selected Bond Trust Services Corporation, Minneapolis, Minnesota ("BTSC"), to act as paying agent (the "Paying Agent"). BTSC and Ehlers are affiliate companies. The City will pay the charges for Paying Agent services. The City reserves the right to remove the Paying Agent and to appoint a successor.

## **OPTIONAL REDEMPTION**

At the option of the City, the Bonds maturing on or after February 1, 2037 shall be subject to optional redemption prior to maturity on February 1, 2036 or any date thereafter, at a price of par plus accrued interest to the date of optional redemption.

Redemption may be in whole or in part of the Bonds subject to prepayment. If redemption is in part, the selection of the amounts and maturities of the Bonds to be redeemed shall be at the discretion of the City. If only part of the Bonds having a common maturity date are called for redemption, then the City or Paying Agent, if any, will notify DTC of the particular amount of such maturity to be redeemed. DTC will determine by lot the amount of each participant's interest in such maturity to be redeemed and each participant will then select by lot the beneficial ownership interest in such maturity to be redeemed.

Notice of redemption shall be sent by mail not more than 60 days and not less than 30 days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books.

## **DELIVERY**

On or about May 19, 2026, the Bonds will be delivered without cost to the winning bidder at DTC. On the day of closing, the City will furnish to the winning bidder the opinion of bond counsel hereinafter described, an arbitrage certification, and certificates verifying that no litigation in any manner questioning the validity of the Bonds is then pending or, to the best knowledge of officers of the City, threatened. Payment for the Bonds must be received by the City at its designated depository on the date of closing in immediately available funds.

## LEGAL OPINION

An opinion as to the validity of the Bonds and the exemption from taxation of the interest thereon will be furnished by Kennedy & Graven, Chartered, Minneapolis, Minnesota, Bond Counsel to the City ("Bond Counsel"), and will be available at the time of delivery of the Bonds. The legal opinion will state that the Bonds are valid and binding general obligations of the City; provided that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, reorganization, moratorium, and other similar laws affecting creditors' rights and by equitable principles (which may be applied in either a legal or equitable proceeding). See "FORM OF LEGAL OPINION" found in Appendix B.

## SUBMISSION OF PROPOSALS

Proposals must not be for less than \$1,944,390 plus accrued interest on the principal sum of \$1,970,000 from date of original issue of the Bonds to date of delivery. Prior to the time established above for the opening of proposals, interested parties may submit a proposal as follows:

- 1) Electronically to [bondsale@ehlers-inc.com](mailto:bondsale@ehlers-inc.com); or
- 2) Electronically via **PARITY** in accordance with this Terms of Proposal until 10:00 A.M., Central Time, but no proposal will be received after the time for receiving proposals specified above. To the extent any instructions or directions set forth in **PARITY** conflict with this Terms of Proposal, the terms of this Terms of Proposal shall control. For further information about **PARITY**, potential bidders may contact IHS Markit (now part of S&P Global) at <https://ihsmarkit.com/products/municipal-issuance.html> or via telephone (844) 301-7334.

Proposals must be submitted to Ehlers via one of the methods described above and must be received prior to the time established above for the opening of proposals. Each proposal must be unconditional except as to legality. Neither the City nor Ehlers shall be responsible for any failure to receive a facsimile submission.

**A good faith deposit ("Deposit") in the amount of \$39,400 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the proposal opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of proposals.** The City reserves the right to award the Bonds to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the City may award the Bonds to the bidder submitting the next best proposal provided such bidder agrees to such award. The Deposit will be retained by the City as liquidated damages if the proposal is accepted and the Purchaser fails to comply therewith.

The City and the winning bidder who chooses to so wire the Deposit hereby agree irrevocably that Ehlers shall be the escrow holder of the Deposit wired to such account subject only to these conditions and duties: 1) All income earned thereon shall be retained by the escrow holder as payment for its expenses; 2) If the proposal is not accepted, Ehlers shall, at its expense, promptly return the Deposit amount to the winning bidder; 3) If the proposal is accepted, the Deposit shall be returned to the winning bidder at the closing; 4) Ehlers shall bear all costs of maintaining the escrow account and returning the funds to the winning bidder; 5) Ehlers shall not be an insurer of the Deposit amount and shall have no liability hereunder except if it willfully fails to perform or recklessly disregards, its duties specified herein; and 6) FDIC insurance on deposits within the escrow account shall be limited to \$250,000 per bidder.

No proposal can be withdrawn after the time set for receiving proposals unless the meeting of the City scheduled for award of the Bonds is adjourned, recessed, or continued to another date without award of the Bonds having been made.

## **AWARD**

The Bonds will be awarded to the bidder offering the lowest interest rate to be determined on a True Interest Cost (TIC) basis. The City's computation of the interest rate of each proposal, in accordance with customary practice, will be controlling. In the event of a tie, the sale of the Bonds will be awarded by lot. The City reserves the right to reject any and all proposals and to waive any informality in any proposal.

## **BOND INSURANCE**

If the Bonds are qualified for any bond insurance policy, the purchase of such policy shall be at the sole option and expense of the winning bidder. Any cost for such insurance policy is to be paid by the winning bidder, except that, if the City requested and received a rating on the Bonds from a rating agency, the City will pay that rating fee. Any rating agency fees not requested by the City are the responsibility of the winning bidder.

Failure of the municipal bond insurer to issue the policy after the Bonds are awarded to the winning bidder shall not constitute cause for failure or refusal by the winning bidder to accept delivery of the Bonds.

## **CUSIP NUMBERS**

The City will assume no obligation for the assignment or printing of CUSIP numbers on the Bonds or for the correctness of any numbers printed thereon, but will permit such numbers to be printed at the expense of the winning bidder, if the winning bidder waives any delay in delivery occasioned thereby.

## **QUALIFIED TAX-EXEMPT OBLIGATIONS**

The City will designate the Bonds as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended.

## **CONTINUING DISCLOSURE**

In order to assist the Underwriter (Syndicate Manager) in complying with the provisions of Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 the City will enter into an undertaking for the benefit of the holders of the Bonds. A description of the details and terms of the undertaking is set forth in Appendix D of the Preliminary Official Statement.

## **NEW ISSUE PRICING**

The winning bidder will be required to provide, in a timely manner, certain information necessary to compute the yield on the Bonds pursuant to the provisions of the Internal Revenue Code of 1986, as amended, and to provide a certificate which will be provided by Bond Counsel upon request.

(a) The winning bidder shall assist the City in establishing the issue price of the Bonds and shall execute and deliver to the City at closing an "issue price" or similar certificate satisfactory to Bond Counsel setting forth the reasonably expected initial offering price to the public or the sales price or prices of the Bonds, together with the supporting pricing wires or equivalent communications. All actions to be taken by the City under this Terms of Proposal to establish the issue price of the Bonds may be taken on behalf of the City by the City's municipal advisor identified herein and any notice or report to be provided to the City may be provided to the City's municipal advisor.

(b) The City intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the Bonds) will apply to the initial sale of the Bonds (the "competitive sale requirements") because:

- (1) The City shall disseminate this Terms of Proposal to potential underwriters in a manner that is reasonably designed to reach potential investors;
- (2) all bidders shall have an equal opportunity to bid;
- (3) the City may receive proposals from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- (4) the City anticipates awarding the sale of the Bonds to the bidder who submits a firm offer to purchase the Bonds at the highest price (or lowest interest cost), as set forth in this Terms of Proposal.

Any proposal submitted pursuant to this Terms of Proposal shall be considered a firm offer for the purchase of the Bonds, as specified in this proposal.

(c) If all of the requirements of a "competitive sale" are not satisfied, the City shall advise the winning bidder of such fact prior to the time of award of the sale of the Bonds to the winning bidder. In such event, any proposal submitted will not be subject to cancellation or withdrawal and the City agrees to use the rule selected by the winning bidder on its proposal form to determine the issue price for the Bonds. On its proposal form, each bidder must select one of the following two rules for determining the issue price of the Bonds: (1) the first price at which 10% of a maturity of the Bonds (the "10% test") is sold to the public as the issue price of that maturity or (2) the initial offering price to the public as of the sale date as the issue price of each maturity of the Bonds (the "hold-the-offering-price rule").

(d) If all of the requirements of a "competitive sale" are not satisfied and the winning bidder selects the hold-the-offering-price rule, the winning bidder shall (i) confirm that the underwriters have offered or will offer the Bonds to the public on or before the date of award at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the proposal submitted by the winning bidder and (ii) agree, on behalf of the underwriters participating in the purchase of the Bonds, that the underwriters will neither offer nor sell unsold Bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5<sup>th</sup>) business day after the sale date; or
- (2) the date on which the underwriters have sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The winning bidder will advise the City promptly after the close of the fifth (5<sup>th</sup>) business day after the sale whether it has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The City acknowledges that in making the representation set forth above, the winning bidder will rely on:

(i) the agreement of each underwriter to comply with requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-price rule, if applicable to the Bonds, as set forth in an agreement among underwriters and the related pricing wires,

(ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and

(iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is party to such agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The City further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price rule of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule as applicable to the Bonds.

(e) If all of the requirements of a "competitive sale" are not satisfied and the winning bidder selects the 10% test, the winning bidder agrees to promptly report to the City, Bond Counsel and Ehlers the prices at which the Bonds have been sold to the public. That reporting obligation shall continue, whether or not the closing date has occurred, until either (i) all Bonds of that maturity have been sold or (ii) the 10% test has been satisfied as to each maturity of the Bonds, provided that, the winning bidder's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the City or bond counsel.

(f) By submitting a proposal, each bidder confirms that:

(i) any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is party to such third-party distribution agreement, as applicable, to:

(A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred until either all securities of that maturity allocated to it have been sold or it is notified by the winning bidder that either the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the City or bond counsel.

(B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the winning bidder and as set forth in the related pricing wires, and

(ii) any agreement among underwriters or selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group and each broker dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to:

(A) to promptly notify the winning bidder of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and

(B) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public.

(g) Sales of any Bonds to any person that is a related party to an underwriter participating in the initial sale of the Bonds to the public (each term being used as defined below) shall not constitute sales to the public for purposes of this Terms of Proposal. Further, for purposes of this Terms of Proposal:

- (i) "public" means any person other than an underwriter or a related party,
- (ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the City (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Bonds to the public),
- (iii) a purchaser of any of the Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (A) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) "sale date" means the date that the Bonds are awarded by the City to the winning bidder.

### **PRELIMINARY OFFICIAL STATEMENT**

Bidders may obtain a copy of the Preliminary Official Statement relating to the Bonds prior to the proposal opening by request from Ehlers at [www.ehlers-inc.com](http://www.ehlers-inc.com) by connecting to the Bond Sales link. The Underwriter (Syndicate Manager) will be provided with an electronic copy of the Final Official Statement within seven business days of the proposal acceptance. Up to 10 printed copies of the Final Official Statement will be provided upon request. Additional copies of the Final Official Statement will be available at a cost of \$10.00 per copy.

Information for bidders and proposal forms may be obtained from Ehlers at 3001 Broadway Street, Suite 320, Minneapolis, Minnesota 55413, Telephone (651) 697-8500.

By Order of the City Council

City of White Bear Lake, Minnesota

# PROPOSAL FORM

The City Council  
City of White Bear Lake, Minnesota (the "City")

April 28, 2026

RE: **\$1,970,000\* General Obligation Street Reconstruction Bonds, Series 2026A (the "Bonds")**  
DATED: **May 19, 2026**

For all or none of the above Bonds, in accordance with the Terms of Proposal and terms of the Global Book-Entry System (unless otherwise specified by the Purchaser) as stated in this Official Statement, we will pay you \$ \_\_\_\_\_ (not less than \$1,944,390) plus accrued interest to date of delivery for fully registered Bonds bearing interest rates and maturing in the stated years as follows:

_____ % due	2028	_____ % due	2033	_____ % due	2038
_____ % due	2029	_____ % due	2034	_____ % due	2039
_____ % due	2030	_____ % due	2035	_____ % due	2040
_____ % due	2031	_____ % due	2036	_____ % due	2041
_____ % due	2032	_____ % due	2037	_____ % due	2042

The City reserves the right to increase or decrease the principal amount of the Bonds on the day of sale, in increments of \$5,000 each. Increases or decreases may be made in any maturity. If any principal amounts are adjusted, the purchase price proposed will be adjusted to maintain the same gross spread per \$1,000.

**The rate for any maturity may not be more than 1.00% less than the rate for any preceding maturity. (For example, if a rate of 4.50% is proposed for the 2028 maturity, then the lowest rate that may be proposed for any later maturity is 3.50%.)** All Bonds of the same maturity must bear interest from date of issue until paid at a single, uniform rate. Each rate must be expressed in an integral multiple of 5/100 or 1/8 of 1%.

**A good faith deposit ("Deposit") in the amount of \$39,400 shall be made by the winning bidder by wire transfer of funds. Such Deposit shall be received by Ehlers no later than two hours after the proposal opening time. Wire transfer instructions will be provided to the winning bidder by Ehlers after the tabulation of proposals.** The City reserves the right to award the Bonds to a winning bidder whose wire transfer is initiated but not received by such time provided that such winning bidder's federal wire reference number has been received by such time. In the event the Deposit is not received as provided above, the City may award the Bonds to the bidder submitting the next best proposal provided such bidder agrees to such award. The Deposit will be retained by the City as liquidated damages if the proposal is accepted and the Purchaser fails to comply therewith. We agree to the conditions and duties of Ehlers and Associates, Inc., as escrow holder of the Deposit, pursuant to the Terms of Proposal. This proposal is for prompt acceptance and is conditional upon delivery of said Bonds to The Depository Trust Company, New York, New York, in accordance with the Terms of Proposal. Delivery is anticipated to be on or about May 19, 2026.

This proposal is subject to the City's agreement to enter into a written undertaking to provide continuing disclosure under Rule 15c2-12 promulgated by the Securities and Exchange Commission under the Securities Exchange Act of 1934 as described in the Preliminary Official Statement for the Bonds.

We have received and reviewed the Official Statement, and any addenda thereto, and have submitted our requests for additional information or corrections to the Final Official Statement. As Underwriter (Syndicate Manager), we agree to provide the City with the reoffering price of the Bonds within 24 hours of the proposal acceptance.

This proposal is a firm offer for the purchase of the Bonds identified in the Terms of Proposal, on the terms set forth in this proposal form and the Terms of Proposal, and is not subject to any conditions, except as permitted by the Terms of Proposal.

By submitting this proposal, we confirm that we are an underwriter and have an established industry reputation for underwriting new issuances of municipal bonds. YES: \_\_\_\_ NO: \_\_\_\_.

If the competitive sale requirements are not met, we elect to use either the: \_\_\_\_ 10% test, or the \_\_\_\_ hold-the-offering-price rule to determine the issue price of the Bonds.

Account Manager: \_\_\_\_\_ By: \_\_\_\_\_  
Account Members: \_\_\_\_\_

**Award will be on a true interest cost basis.** According to our computations (the correct computation being controlling in the award), the total dollar interest cost (including any discount or less any premium) computed from May 19, 2026 of the above proposal is \$ \_\_\_\_\_ and the true interest cost (TIC) is \_\_\_\_\_ %.

The foregoing offer is hereby accepted by and on behalf of the City Council of the City of White Bear Lake, Minnesota, on April 28, 2026.

By: \_\_\_\_\_ By: \_\_\_\_\_  
Title: \_\_\_\_\_ Title: \_\_\_\_\_