



City of East Bethel

August 2022 Financial Statement Analysis

The summary below was derived from observations related to the City of East Bethel's monthly financial statements, which should be read in conjunction with the analysis below. The City of East Bethel utilizes a fund accounting system consisting of a General Fund, Special Revenue Funds, Debt Service Funds, Other Governmental Funds and Enterprise Funds.

Balance Sheet

Assets

Cash and Cash Equivalents: The City of East Bethel ended the month of August with \$9,893,459 in reconciled bank balances. A summary of the City's cash account holdings is chronicled on the attached bank reconciliation sheet. The city also holds \$150 in petty cash and is reconciled on a daily basis.

Taxes Receivable: The City has tax receivables of roughly \$53,967—delinquent taxes derived from balances remaining from 2000 through 2021.

Special Assessments Deferred: The City has future special assessment principal balances from various sources in the amount of \$869,175.

Land/Other Fixed Assets: The City had roughly \$42,594,123 in capitalized infrastructure and other fixed assets (net of depreciation) at the end of fiscal year 2021.

Liabilities

Contract Retainage: Contract retainage is money owed, but held by the City in relation to the Sandhill Parkway Street Project. This amount is \$117,105 at months end.

MCES Reserve Capacity Loan: The Reserve Capacity loan balance at year end 2021 was \$995,062 and has a maximum cap of \$2M. The Reserve Capacity Loan ERU goal for 2022 is 178 of which 6 have been secured.

External Debt: The City of East Bethel has two outstanding bond issues at the end of the month—2014A and 2015A bond issues totaling \$15,565,000 in principal.

Escrows: The City requires escrow accounts for various purposes to ensure City guidelines are followed and fulfilled. Escrow amounts totaled \$192,672 at the end of August.

Fund Balance

Fund Balance: The City of East Bethel began fiscal year 2022 with a General Fund balance of \$3,411,004 and has since (1/1/22 to 8/31/22) incurred an excess of expenditures over revenues of (\$642,114)—leaving the City with a total General Fund balance of \$2,768,890 at the end of August.

Revenue / Expense Statement – General Fund

Revenue

Property Tax: The City has received \$2,721,905 in property tax revenue through the month of August or 53% of the annual budget.

Franchise Taxes: Franchise tax revenue consists of franchise fees administered by Midcontinent Communications. The City has received roughly \$37,621 or 57% of the annual budget through the month of August.

Licenses and Fees: Licenses and Fee revenue consists of mostly fees derived from the selling of liquor and tobacco licenses. The City has received \$34,767 in this revenue source or 89% of the annual budget through the month of August.

Building Inspection: Building inspection revenues are comprised of the various permits associated with building projects—plumbing, building, and mechanical. The City has received roughly \$197,314 in Building inspection revenue or 64% of the annual budget through the month of August.

State Aid: State Aid revenue is mostly comprised of street maintenance aid and fire relief aid. The City has received \$222,077 in this revenue source or 83% of the annual budget through the month of August.

Fines and Forfeits: The City has received roughly \$12,587 or 43% of the annual budget in this classification through August.

Site Lease Revenue: Tower Lease revenue consists of revenue from American Tower and Verizon in relation to leasing land for their cell towers. The City has received \$63,794 or 90% of the annual budget through August.

Interest Earnings: The City has received \$9,003 in interest revenue or 60% of the annual budget through the month of August.

Overall, General Fund Revenues are coming in at roughly \$3,655,695 or 58% of the annual budget through August.

Expenses

General Government: General Government expenditures include salaries / benefits, supplies and purchased services in conjunction with activities performed by the Mayor, four City Council Members and City Administration / Finance team. Expenditures for Legal and Assessing services are also captured in this classification. General Government expenditures total roughly \$820,549 or 62% of the annual budget through August.

Community Development: Community Development expenditures include salaries / benefits, supplies and purchased services in conjunction with activities performed by the departments Director, Building Official, Building Inspector and Administrative support personnel. Community Development expenditures totaled roughly \$375,112 or 59% of the annual budget through August.

Public Safety: The City of East Bethel contracts with Anoka County to provide police services and has an in-house fire department. Public Safety expenditures totaled roughly \$1,496,979 or 71% of the annual budget through August.

Public Works: Public Works expenditures include salaries / benefits associated with the departments full and part time employees. This classification captures expenditures of supplies and purchased services that are used to maintain the city parks and streets. Public Works expenditures totaled roughly \$946,665 or 62% of the annual budget through August.

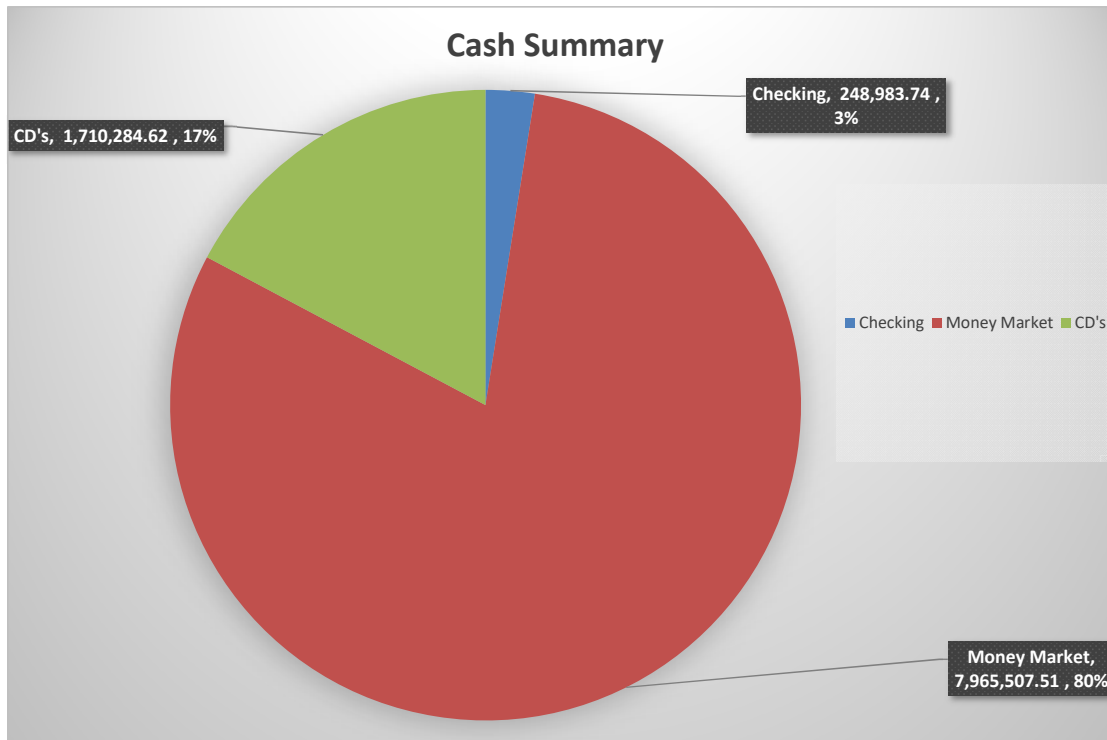
Transfers / Other: All internal transfers to Building Capital, Street Capital, and Parks Capital have been completed and total \$645,000.

Overall, General Fund Expenditures totaled roughly \$4,297,809 through August or 68% of the annual budget.

**City of East Bethel
Bank Reconciliation
Fiscal Year 2022
8/31/22**

<i>Institution</i>	<i>Instrument</i>	8/1/2022	<i>Deposits</i>	<i>Expenditures</i>	<i>Transfers</i>	<i>Interest</i>	8/31/2022
First Bank and Trust	Main Checking	410,363.71	172,234.20	583,625.41	250,000.00	11.24	248,983.74
		410,363.71	172,234.20	583,625.41	250,000.00	11.24	248,983.74
Village Bank	CD - Village Bank	228,956.07					228,956.07
		228,956.07	-	-	-	-	228,956.07
4M Fund	Money Market	8,194,801.88	4,486.41		(246,986.97)	13,206.19	7,965,507.51
	CD - BMW Bank North America	248,729.64			(1,475.77)	1,475.77	248,729.64
	CD - Sallie Mae	248,725.57			(1,537.26)	1,537.26	248,725.57
	CD - Capital One DTC	245,699.46					245,699.46
	CD - Goldman Sachs Bank	245,699.46					245,699.46
	CD - BMO Harris	246,237.21					246,237.21
	CD - Discover	246,237.21					246,237.21
			9,676,130.43	4,486.41	-	(250,000.00)	16,219.22
Total Cash per Statements		10,315,450.21	176,720.61	583,625.41	-	16,230.46	9,924,775.87

G xxx-10100	BDS	9,893,458.70
	Outstanding	31,317.17
	Total	9,924,775.87
	Unreconciled	-
	OK	
	PB Collateral	556,050.36



City of East Bethel
Balance Sheet
Fiscal Year 2022
8/31/22

Fund Name	General Fund	Special Revenue Funds	Debt Service Funds	Governmental Funds - Committed	Governmental Funds - Restricted	Enterprise Funds	All Funds
G xxx-10100 Cash	2,937,282.77	169,695.48	536,891.07	3,878,340.88	(223,890.91)	2,595,139.41	9,893,458.70
G xxx-10200 Petty Cash	150.00	-	-	-	-	-	150.00
G xxx-10400 Interest Receivable	1,949.86	-	-	-	-	-	1,949.86
G xxx-10700 Taxes Receivable-Delinquent	41,586.20	2,166.52	10,213.91	-	-	-	53,966.63
G xxx-12200 Special Assessment Delinquent	-	-	-	528.65	-	-	528.65
G xxx-12300 Special Assess Rec-Deferred	71,755.00	-	99,524.42	688,739.92	-	9,155.40	869,174.74
G xxx-13100 Due from Other Funds	10,600.00	-	-	-	-	-	10,600.00
G xxx-xxxx Pension (Deferred Outflows)	-	-	1,525,674.00	-	-	-	1,525,674.00
G xxx-xxxx Fixed Assets	-	-	79,273,963.58	4,482,271.24	-	18,532,306.68	102,288,541.50
G xxx-xxxx Accumulated Depreciation	-	-	(50,698,933.23)	(2,825,950.77)	-	(6,169,534.86)	(59,694,418.86)
Total Assets	3,063,323.83	171,862.00	30,747,333.75	6,223,929.92	(223,890.91)	14,967,066.63	54,949,625.22
G xxx-20400 Sales Tax Payable	303.38	-	-	-	-	-	303.38
G xxx-20600 Contract Retainage	-	-	-	-	117,104.56	-	117,104.56
G xxx-20810 State Surcharges	888.50	-	-	-	-	262.29	1,150.79
G xxx-20820 MCES SAC	-	-	-	-	-	3,185.00	3,185.00
G xxx-20830 MCES Reserve Capacity Loan	-	-	-	-	-	995,062.00	995,062.00
G xxx-20900 Due from Other Funds	-	-	-	-	10,600.00	-	10,600.00
G xxx-217xx Payroll Liabilities	(12,772.11)	-	-	-	-	-	(12,772.11)
G xxx-22200 Deferred Revenues	113,341.20	2,166.52	(804,775.41)	689,268.57	864,010.00	-	864,010.88
G xxx-23110 Bonds Principle Payable	-	-	15,565,000.00	-	-	-	15,565,000.00
G xxx-21500 Accrued Interest Payable	-	-	225,156.00	-	-	-	225,156.00
G xxx-23900 Compensated Absences Payable	-	-	-	225,033.84	-	-	225,033.84
G xxx-23999 Pension Liability	-	-	1,819,493.00	-	-	-	1,819,493.00
G xxx-24500 Escrow	192,672.41	-	-	-	-	-	192,672.41
Total Liabilities	294,433.38	2,166.52	16,804,873.59	914,302.41	991,714.56	998,509.29	20,005,999.75
Fund Balance							
G xxx-25300 Unreserved Fund Balance at 12/31/21	3,411,004.25	233,304.16	14,639,808.96	4,432,574.12	(1,726,152.60)	13,506,132.48	34,496,671.37
Excess of Revenues over Expenses (1/1/22 to 8/31/22)	(642,113.80)	(63,608.68)	(697,348.80)	877,053.39	510,547.13	462,424.86	446,954.10
Total Fund Balance	2,768,890.45	169,695.48	13,942,460.16	5,309,627.51	(1,215,605.47)	13,968,557.34	34,943,625.47
Total Liabilities and Fund Balance	3,063,323.83	171,862.00	30,747,333.75	6,223,929.92	(223,890.91)	14,967,066.63	54,949,625.22

City of East Bethel
Income Statement (Summary)
Fiscal Year 2022
1/1/22 to 8/31/22

General Fund	Account Description	2022 Actual through 8/31/22	2022 Budget	YTD as a % of Budget
Revenues				
	Property Tax	2,721,904.80	5,104,200.00	53%
	Franchise Tax	37,621.25	66,500.00	57%
	Gambling 3% Tax / 10% Contribution	39,753.77	40,000.00	99%
	Special Assessments	6,750.00	13,500.00	50%
	Licenses and Fees	34,766.69	39,000.00	89%
	Building Inspection Permits	197,314.47	306,000.00	64%
	Building Inspection Permits (Bethel)	663.60	2,000.00	33%
	State Aid	222,077.00	268,000.00	83%
	Fines and Forfeits	12,586.54	29,000.00	43%
	Intergovernmental Charges	289,001.91	292,000.00	99%
	Other Fees	2,345.80	3,700.00	63%
	Cemetery Revenue	5,750.00	5,000.00	115%
	Site Lease Revenue	63,793.91	71,000.00	90%
	Refunds and Reimbursements	12,362.39	26,000.00	48%
	Interest Earnings	9,002.65	15,000.00	60%
Total Revenues - General Fund		3,655,694.78	6,280,900.00	58%
Expenditures				
General Government				
	Mayor and Council	65,202.46	77,900.00	84%
	Administration	260,048.63	445,000.00	58%
	Elections	2,738.91	21,500.00	13%
	Finance	242,671.13	415,200.00	58%
	Assessing <i>(Services Paid through June)</i>	29,490.00	62,500.00	47%
	Legal <i>(Services Paid through July)</i>	94,762.20	165,000.00	57%
	Government Buildings	36,958.46	43,000.00	86%
	Risk Management	88,677.00	92,500.00	96%
Total General Government		820,548.79	1,322,600.00	62%
Community Development				
	Planning and Zoning	163,244.22	284,200.00	57%
	Building Inspection	211,867.68	352,100.00	60%
Total Community Development		375,111.90	636,300.00	59%
Public Safety				
	Police Protection <i>(Services Paid through September)</i>	915,885.75	1,179,000.00	78%
	Fire Protection	581,093.63	933,800.00	62%
Total Public Safety		1,496,979.38	2,112,800.00	71%
Engineering				
	Engineering <i>(Services Paid through July)</i>	7,003.94	40,000.00	18%
Total Engineering		7,003.94	40,000.00	18%
Public Works				
	Park Maintenance	310,070.07	496,700.00	62%
	Street Maintenance	636,594.50	1,022,500.00	62%
Total Public Works		946,664.57	1,519,200.00	62%
Civic Events				
	Civic Events	6,500.00	5,000.00	130%
Total Culture and Recreation		6,500.00	5,000.00	130%
Transfers / Other				
	Transfer to Building Capital	50,000.00	50,000.00	100%
	Transfer to Street Capital	500,000.00	500,000.00	100%
	Transfer to Parks Capital	95,000.00	95,000.00	100%
Total Other		645,000.00	645,000.00	100%
Total Expenditures - General Fund		4,297,808.58	6,280,900.00	68%
Excess of Revenues over Expenditures - General Fund		(642,113.80)	-	N/A

City of East Bethel
Income Statement (Summary)
Fiscal Year 2022
1/1/22 to 8/31/22

Special Revenue Funds

Revenues				
	Recycling	1,617.12	67,100.00	2%
	HRA	41,547.19	78,000.00	53%
	EDA	131,959.13	137,200.00	96%
Total Revenue - Debt Service		175,123.44	282,300.00	62%
Expenses				
	Recycling	28,501.03	66,100.00	43%
	HRA	30,000.00	30,500.00	98%
	EDA	180,231.09	130,200.00	138%
Total Expenditures - Debt Service		238,732.12	226,800.00	105%
Excess of Revenues over Expenditures - Debt Service		(63,608.68)	55,500.00	

Debt Service

Revenues				
	2015A / 2014A	502,571.20	947,000.00	53%
Total Revenue - Debt Service		502,571.20	947,000.00	53%
Expenses				
	2015A / 2014A	907,150.00	904,000.00	100%
Total Expenditures - Debt Service		907,150.00	904,000.00	100%
Excess of Revenues over Expenditures - Debt Service		(404,578.80)	43,000.00	

Other Governmental Funds

Revenues				
	Other Governmental Funds	2,452,470.52	925,000.00	265%
Total Revenue - Other Governmental Funds		2,452,470.52	925,000.00	265%
Expenses				
	Other Governmental Funds	1,064,211.70	-	N/A
Total Expenditures - Other Governmental Funds		1,064,211.70	-	N/A
Excess of Revenues over Expenditures - Other Governmental Funds		1,388,258.82	925,000.00	

Enterprise Funds

Revenues				
	Water	425,093.55	194,000.00	219%
	Sewer	313,118.63	173,400.00	181%
	Arena	79,091.96	216,800.00	36%
Total Revenue - Enterprise Funds		817,304.14	584,200.00	140%
Expenses				
	Water	109,801.64	374,800.00	29%
	Sewer	152,296.63	1,019,500.00	15%
	Arena	92,781.01	216,800.00	43%
Total Expenditures - Enterprise Funds		354,879.28	1,611,100.00	22%
Net Income - Enterprise Funds		462,424.86	(1,026,900.00)	
Net Income - All Funds		740,382.40	(3,400.00)	