



## City of East Bethel

### April 2023 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 April with \$8,787,290 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 \$57,298—delinquent taxes derived from balances remaining through 2022.

**Special Assessments Deferred:** The City has future special assessment principal balances from various sources in the amount of \$811,587.

**Land/Other Fixed Assets:** The City had roughly \$41,070,369 in capitalized infrastructure and other fixed assets (net of depreciation) at the end of fiscal year 2022.

##### Liabilities

**Contract Retainage:** Contract retainage is money owed, but held by the City in relation to the 181<sup>st</sup> Avenue and 2022 General Street Project. This amount is \$11,502 at months end.

**MCES Reserve Capacity Loan:** The Reserve Capacity loan balance at year end 2022 was \$1,530,450 and has a maximum cap of \$2M. The Reserve Capacity Loan ERU goal for 2023 is 208 of which 6 have been secured through April.

**External Debt:** The City of East Bethel has two outstanding bond issues at the end of the month—2014A and 2015A totaling \$15,215,000 in principal.

**Escrows:** The City requires escrow accounts for various purposes to ensure City guidelines are followed and fulfilled. Escrow amounts totaled \$163,810 at the end of April.

##### Fund Balance

**Fund Balance:** The City of East Bethel began fiscal year 2023 with a General Fund balance of \$3,672,546 and has since (1/1/23 to 4/30/23) incurred an excess of expenditures over revenues of (\$2,330,548)—leaving the City with a total General Fund balance of \$1,341,999 at the end of April.

## Revenue / Expense Statement – General Fund

### Revenue

**Property Tax and State Grants:** The City will receive its first property tax settlement revenue in July of 2023.

**Franchise Taxes:** Franchise tax revenue consists of franchise fees administered by Midcontinent Communications. The City has received \$15,138 or 23% of the year to date budget in this classification through the month of April.

**Licenses and Fees:** Licenses and Fee revenue consists of mostly fees derived from the selling of liquor and tobacco licenses. The City has received \$960 in this revenue source or 2% of the annual budget through the month of April.

**Building Inspection:** Building inspection revenues are comprised of the various permits associated with building projects—plumbing, electrical, building, and mechanical. The City has received roughly \$81,495 in Building inspection revenue or 27% of the annual budget through the month of April.

**State Aid:** State Aid revenue is mostly comprised of street maintenance aid and fire relief aid. The City has received \$110,905 in this revenue source or 40% of the annual budget through the month of April.

**Fines and Forfeits:** The City has received roughly \$3,984 or 14% of the annual budget in this classification through April.

**Site Lease Revenue:** Site Lease revenue consists of revenue from American Tower and Verizon in relation to leasing land for their respective cell towers. The City has received \$50,717 or 69% of the annual budget through April.

**Interest Earnings:** The City has received \$28,828 in interest revenue or 182% of the annual budget through the month of April.

Overall, General Fund Revenues are coming in at roughly \$605,845 or 9% of the annual budget through April.

### 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 \$489,420 or 38% of the annual budget through April.

**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 \$157,457 or 23% of the annual budget through April.

**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 \$1,023,594 or 46% of the annual budget through April.

**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 \$613,822 or 39% of the annual budget through April.

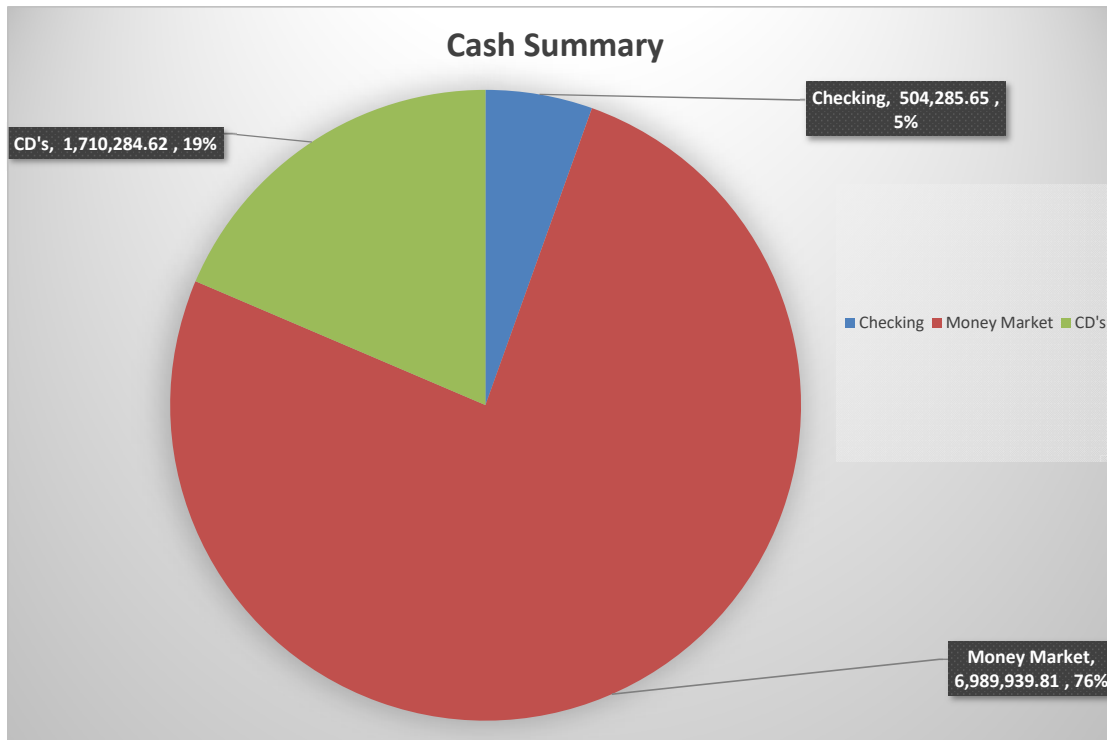
**Transfers / Other:** All internal transfers to Building Capital, Street Capital, and Parks Capital have been completed and total \$650,000.

Overall, General Fund Expenditures totaled roughly \$2,936,393 through April or 46% of the annual budget.

**City of East Bethel  
Bank Reconciliation  
Fiscal Year 2023  
4/30/23**

<i>Institution</i>	<i>Instrument</i>	<b>4/1/2023</b>	<i>Deposits</i>	<i>Expenditures</i>	<i>Transfers</i>	<i>Interest</i>	<b>4/30/2023</b>
First Bank and Trust	Main Checking	198,839.80	72,386.52	416,953.31	650,000.00	12.64	504,285.65
		198,839.80	72,386.52	416,953.31	650,000.00	12.64	504,285.65
Village Bank	CD - Village Bank	228,956.07					228,956.07
		228,956.07	-	-	-	-	228,956.07
4M Fund	Money Market	7,604,523.82	5,926.87		(650,000.00)	29,489.12	6,989,939.81
	CD - BMW Bank North America	248,729.64					248,729.64
	CD - Sallie Mae	248,725.57					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
			9,085,852.37	5,926.87	-	(650,000.00)	29,489.12
<b>Total Cash per Statements</b>		<b>9,513,648.24</b>	<b>78,313.39</b>	<b>416,953.31</b>	<b>-</b>	<b>29,501.76</b>	<b>9,204,510.08</b>

<b>G xxx-10100</b>	<b>BDS</b>	<b>8,787,290.35</b>
	<b>Outstanding</b>	<b>417,219.73</b>
	<b>Total</b>	<b>9,204,510.08</b>
	<b>Unreconciled</b>	<b>-</b>
	<b>PB Collateral</b>	<b>914,820.69</b>



**City of East Bethel**  
**Balance Sheet**  
**Fiscal Year 2023**  
**4/30/23**

Fund Name	General Fund	Special Revenue Funds	Debt Service Funds	Governmental Funds - Committed	Governmental Funds - Restricted	Enterprise Funds	All Funds
G xxx-10100 Cash	1,507,060.55	149,460.25	369,926.69	4,054,784.87	95,464.03	2,610,593.96	8,787,290.35
G xxx-10200 Petty Cash	150.00	-	-	-	-	-	150.00
G xxx-10400 Interest Receivable	4,671.72	-	-	-	-	-	4,671.72
G xxx-10401 Mark to Market	(31,814.06)	-	-	-	-	-	(31,814.06)
G xxx-10700 Taxes Receivable-Delinquent	44,146.12	2,365.95	10,786.05	-	-	-	57,298.12
G xxx-12200 Special Assess Delinquent	-	-	-	24,869.60	-	-	24,869.60
G xxx-12300 Special Assess Rec-Deferred	60,000.00	-	93,450.52	639,214.55	-	18,922.42	811,587.49
G xxx-13100 Due from Other Funds	15,758.24	-	-	-	-	-	15,758.24
G xxx-xxxx Pension (Deferred Outflows)	-	-	1,658,366.00	-	-	-	1,658,366.00
G xxx-xxxx Fixed Assets	-	-	80,811,147.44	4,773,741.26	-	18,518,017.24	104,102,905.94
G xxx-xxxx Accumulated Depreciation	-	-	(53,211,924.18)	(3,079,225.06)	-	(6,741,387.45)	(63,032,536.69)
<b>Total Assets</b>	<b>1,599,972.57</b>	<b>151,826.20</b>	<b>29,731,752.52</b>	<b>6,413,385.22</b>	<b>95,464.03</b>	<b>14,406,146.17</b>	<b>52,398,546.71</b>
G xxx-20400 Sales Tax Payable	172.06	-	-	-	-	-	172.06
G xxx-20600 Contract Retainage	-	-	-	3,569.66	7,933.04	-	11,502.70
G xxx-20810 State Surcharges	212.79	-	-	-	-	(11.20)	201.59
G xxx-20830 MCES Reserve Capacity Loan	-	-	-	-	-	1,530,450.00	1,530,450.00
G xxx-20900 Due from Other Funds	-	-	-	-	15,758.24	-	15,758.24
G xxx-217xx Payroll Liabilities	(10,367.41)	-	-	-	-	-	(10,367.41)
G xxx-22200 Deferred Revenues	104,146.12	2,365.95	(770,596.22)	664,084.15	167,333.00	-	167,333.00
G xxx-23110 Bonds Principle Payable	-	-	15,215,000.00	-	-	-	15,215,000.00
G xxx-21500 Accrued Interest Payable	-	-	219,843.00	-	-	-	219,843.00
G xxx-23900 Compensated Absences Payable	-	-	-	195,161.56	-	-	195,161.56
G xxx-23999 Pension Liability	-	-	2,086,895.00	-	-	-	2,086,895.00
G xxx-24500 Escrow	163,810.32	-	-	-	-	-	163,810.32
<b>Total Liabilities</b>	<b>257,973.88</b>	<b>2,365.95</b>	<b>16,751,141.78</b>	<b>862,815.37</b>	<b>191,024.28</b>	<b>1,530,438.80</b>	<b>19,595,760.06</b>
<b>Fund Balance</b>							
G xxx-25300 Unreserved Fund Balance at 12/31/22	3,672,546.21	312,471.02	13,239,261.74	4,613,403.08	(704,438.24)	12,972,231.42	34,105,475.23
Excess of Revenues over Expenses (1/1/23 to 4/30/23)	(2,330,547.52)	(163,010.77)	(258,651.00)	937,166.77	608,877.99	(96,524.05)	(1,302,688.58)
<b>Total Fund Balance</b>	<b>1,341,998.69</b>	<b>149,460.25</b>	<b>12,980,610.74</b>	<b>5,550,569.85</b>	<b>(95,560.25)</b>	<b>12,875,707.37</b>	<b>32,802,786.65</b>
<b>Total Liabilities and Fund Balance</b>	<b>1,599,972.57</b>	<b>151,826.20</b>	<b>29,731,752.52</b>	<b>6,413,385.22</b>	<b>95,464.03</b>	<b>14,406,146.17</b>	<b>52,398,546.71</b>

**City of East Bethel  
Income Statement (Summary)  
Fiscal Year 2023  
1/1/23 to 4/30/23**

<b>General Fund</b>	<b>Account Description</b>	<b>2023 Actual 1/1/23 through 4/30/23</b>	<b>2023 Budget</b>	<b>YTD as a % of Budget</b>
<b>Revenues</b>				
	Property Tax	-	5,144,600.00	0%
	Use of Fund Balance	-	145,000.00	0%
	Franchise Tax	15,137.84	65,500.00	23%
	Special Assessments	-	13,500.00	0%
	Licenses and Fees	960.00	39,000.00	2%
	Building Inspection Permits	81,495.39	300,000.00	27%
	Building Inspection Permits (Bethel)	462.61	2,000.00	23%
	State Aid	110,905.00	276,000.00	40%
	Fines and Forfeits	3,983.80	29,000.00	14%
	Intergovernmental Charges	286,700.73	296,000.00	97%
	Other Fees	8,323.73	10,700.00	78%
	Cemetery Revenue	800.00	5,000.00	16%
	Site Lease Revenue	50,716.80	73,000.00	69%
	Refunds and Reimbursements	1,508.71	20,000.00	8%
	Gambling Contribution	16,023.08	15,000.00	107%
	Interest Earnings	28,827.52	15,000.00	192%
<b>Total Revenues - General Fund</b>		<b>605,845.21</b>	<b>6,449,300.00</b>	<b>9%</b>
<b>Expenditures</b>				
<b>General Government</b>				
	Mayor and Council	35,665.87	77,900.00	46%
	Administration	132,950.14	441,900.00	30%
	Elections	-	4,000.00	0%
	Finance	144,458.48	409,200.00	35%
	Assessing ( <i>Services Paid through March</i> )	14,828.75	62,500.00	24%
	Legal ( <i>Services Paid through March</i> )	47,970.13	170,000.00	28%
	Government Buildings	12,670.22	43,000.00	29%
	Risk Management	100,876.00	92,500.00	109%
<b>Total General Government</b>		<b>489,419.59</b>	<b>1,301,000.00</b>	<b>38%</b>
<b>Community Development</b>				
	Planning and Zoning	40,139.01	298,300.00	13%
	Building Inspection	117,317.47	374,100.00	31%
<b>Total Community Development</b>		<b>157,456.48</b>	<b>672,400.00</b>	<b>23%</b>
<b>Public Safety</b>				
	Police Protection ( <i>Services Paid through June</i> )	634,019.00	1,226,000.00	52%
	Fire Protection	389,574.53	987,500.00	39%
<b>Total Public Safety</b>		<b>1,023,593.53</b>	<b>2,213,500.00</b>	<b>46%</b>
<b>Engineering</b>				
	Engineering ( <i>Services Paid through March</i> )	2,100.88	40,000.00	5%
<b>Total Engineering</b>		<b>2,100.88</b>	<b>40,000.00</b>	<b>5%</b>
<b>Public Works</b>				
	Park Maintenance	174,275.93	519,600.00	34%
	Street Maintenance	439,546.32	1,046,300.00	42%
<b>Total Public Works</b>		<b>613,822.25</b>	<b>1,565,900.00</b>	<b>39%</b>
<b>Civic Events</b>				
	Civic Events	-	6,500.00	0%
<b>Total Culture and Recreation</b>		<b>-</b>	<b>6,500.00</b>	<b>0%</b>
<b>Transfers / Other</b>				
	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	100,000.00	100,000.00	100%
<b>Total Other</b>		<b>650,000.00</b>	<b>650,000.00</b>	<b>100%</b>
<b>Total Expenditures - General Fund</b>		<b>2,936,392.73</b>	<b>6,449,300.00</b>	<b>46%</b>
<b>Excess of Revenues over Expenditures - General Fund</b>		<b>(2,330,547.52)</b>	<b>-</b>	<b>N/A</b>

City of East Bethel  
Income Statement (Summary)  
Fiscal Year 2023  
1/1/23 to 4/30/23

**Special Revenue Funds**

<b>Revenues</b>				
	Recycling	544.50	68,200.00	1%
	HRA	1,891.69	78,000.00	2%
	EDA	52.70	137,200.00	0%
<b>Total Revenue - Debt Service</b>		<b>2,488.89</b>	<b>283,400.00</b>	<b>1%</b>
<b>Expenses</b>				
	Recycling	14,612.66	68,200.00	21%
	HRA	30,000.00	30,500.00	98%
	EDA	120,887.00	133,800.00	90%
<b>Total Expenditures - Debt Service</b>		<b>165,499.66</b>	<b>232,500.00</b>	<b>71%</b>
<b>Excess of Revenues over Expenditures - Debt Service</b>		<b>(163,010.77)</b>	<b>50,900.00</b>	

**Debt Service**

<b>Revenues</b>				
	2015A   2014A	5,161.50	964,500.00	1%
<b>Total Revenue - Debt Service</b>		<b>5,161.50</b>	<b>964,500.00</b>	<b>1%</b>
<b>Expenses</b>				
	2015A   2014A	613,812.50	875,000.00	70%
<b>Total Expenditures - Debt Service</b>		<b>613,812.50</b>	<b>875,000.00</b>	<b>70%</b>
<b>Excess of Revenues over Expenditures - Debt Service</b>		<b>(608,651.00)</b>	<b>89,500.00</b>	

**Other Governmental Funds**

<b>Revenues</b>				
	Other Governmental Funds	1,627,605.42	925,000.00	176%
<b>Total Revenue - Other Governmental Funds</b>		<b>1,627,605.42</b>	<b>925,000.00</b>	<b>176%</b>
<b>Expenses</b>				
	Other Governmental Funds	81,560.66	-	N/A
<b>Total Expenditures - Other Governmental Funds</b>		<b>81,560.66</b>	<b>-</b>	<b>N/A</b>
<b>Excess of Revenues over Expenditures - Other Governmental Funds</b>		<b>1,546,044.76</b>	<b>925,000.00</b>	

**Enterprise Funds**

<b>Revenues</b>				
	Water	88,668.18	235,000.00	38%
	Sewer	87,677.77	253,300.00	35%
	Arena	74,561.57	216,600.00	34%
<b>Total Revenue - Enterprise Funds</b>		<b>250,907.52</b>	<b>704,900.00</b>	<b>36%</b>
<b>Expenses</b>				
	Water	121,428.00	398,500.00	30%
	Sewer	164,714.37	993,500.00	17%
	Arena	61,289.20	216,600.00	28%
<b>Total Expenditures - Enterprise Funds</b>		<b>347,431.57</b>	<b>1,608,600.00</b>	<b>22%</b>
<b>Net Income - Enterprise Funds</b>		<b>(96,524.05)</b>	<b>(903,700.00)</b>	