



## City of East Bethel

### August 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 August with \$11,436,328 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 17 have been secured through August.

**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 \$107,835 at the end of August.

##### 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 8/31/23) incurred an excess of expenditures over revenues of (\$619,186)—leaving the City with a total General Fund balance of \$3,053,361 at the end of August.

## Revenue / Expense Statement – General Fund

### Revenue

**Property Tax:** The City has received \$2,713,397 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 \$35,041 or 53% of the year to date budget in this classification 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 \$35,310 in this revenue source or 91% 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, electrical, building, and mechanical. The City has received roughly \$262,458 in Building inspection revenue or 87% 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 \$217,810 in this revenue source or 79% of the annual budget through the month of August.

**Fines and Forfeits:** The City has received roughly \$13,575 or 47% of the annual budget in this classification through August.

**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 \$68,890 or 94% of the annual budget through August.

**Interest Earnings:** The City has received \$60,350 in interest revenue or 402% of the annual budget through the month of August.

Overall, General Fund Revenues are coming in at roughly \$3,907,887 or 61% 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 \$871,156 or 67% 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 \$330,592 or 49% 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 \$1,571,403 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 \$1,089,013 or 70% of the annual budget through August.

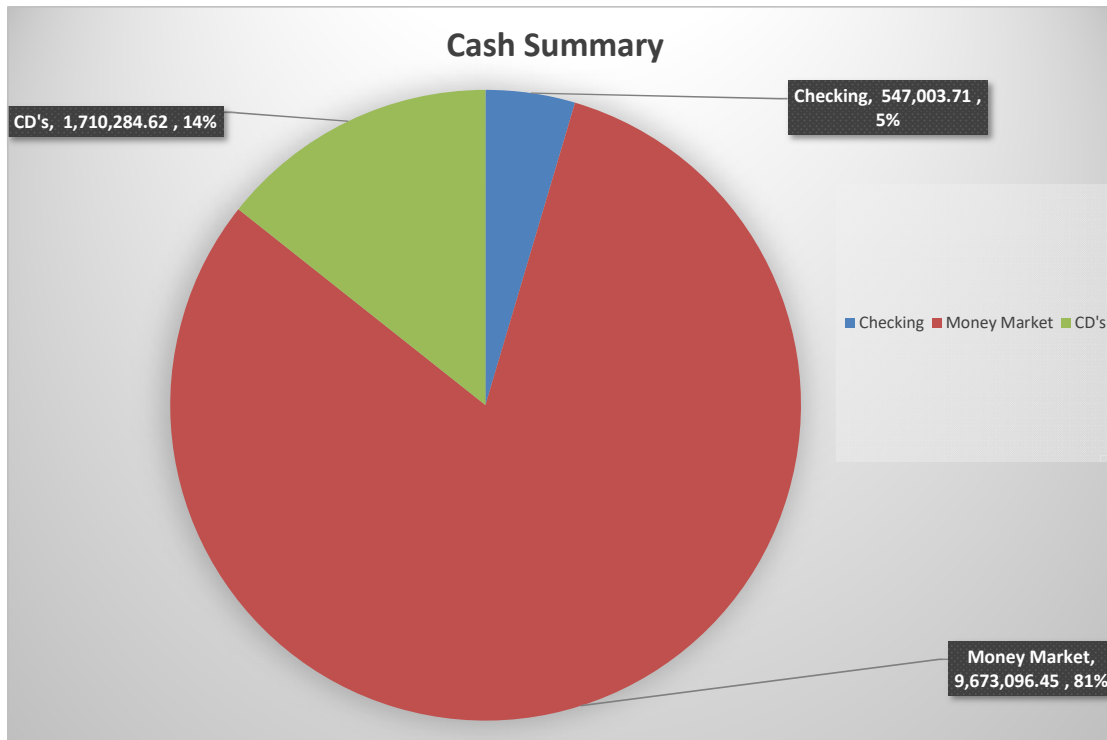
**Transfers / Other:** All internal transfers to Building Capital, Street Capital, and Parks Capital have been completed and total \$650,000.

Overall, General Fund Expenditures totaled roughly \$4,527,072 through August or 70% of the annual budget.

**City of East Bethel  
Bank Reconciliation  
Fiscal Year 2023  
8/31/23**

<i>Institution</i>	<i>Instrument</i>	<b>8/1/2023</b>	<i>Deposits</i>	<i>Expenditures</i>	<i>Transfers</i>	<i>Interest</i>	<b>8/31/2023</b>
First Bank and Trust	Main Checking	246,983.23	446,818.48	446,814.52	300,000.00	16.52	547,003.71
		246,983.23	446,818.48	446,814.52	300,000.00	16.52	547,003.71
Village Bank	CD - Village Bank	228,956.07					228,956.07
		228,956.07	-	-	-	-	228,956.07
4M Fund	4M   4MP	9,365,467.24	563,192.77		(296,986.97)	41,423.41	9,673,096.45
	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
		10,846,795.79	563,192.77	-	(300,000.00)	44,436.44	11,154,425.00
<b>Total Cash per Statements</b>		<b>11,322,735.09</b>	<b>1,010,011.25</b>	<b>446,814.52</b>	<b>-</b>	<b>44,452.96</b>	<b>11,930,384.78</b>

<b>G xxx-10100</b>	<b>BDS</b>	<b>11,436,327.90</b>
	<b>Outstanding</b>	<b>494,056.88</b>
	<b>Total</b>	<b>11,930,384.78</b>
	<b>Unreconciled</b>	<b>-</b>
	<b>PB Collateral</b>	<b>877,637.16</b>



**City of East Bethel**  
**Balance Sheet**  
**Fiscal Year 2023**  
**8/31/23**

Fund Name	General Fund	Special Revenue Funds	Debt Service Funds	Governmental Funds - Committed	Governmental Funds - Restricted	Enterprise Funds	All Funds
G xxx-10100 Cash	3,166,609.25	239,535.67	628,561.77	4,158,263.96	439,747.94	2,803,609.31	11,436,327.90
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>3,259,521.27</b>	<b>241,901.62</b>	<b>29,990,387.60</b>	<b>6,516,864.31</b>	<b>439,747.94</b>	<b>14,599,161.52</b>	<b>55,047,584.26</b>
G xxx-20400 Sales Tax Payable	1,475.04	-	-	-	-	-	1,475.04
G xxx-20600 Contract Retainage	-	-	-	3,569.66	7,933.04	-	11,502.70
G xxx-20810 State Surcharges	2,759.12	-	-	-	-	163.41	2,922.53
G xxx-20820 SAC	-	-	-	-	-	15,925.00	15,925.00
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	(10,054.65)	-	-	-	-	-	(10,054.65)
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	-	-	214,843.00	-	-	-	214,843.00
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	107,834.97	-	-	-	-	-	107,834.97
<b>Total Liabilities</b>	<b>206,160.60</b>	<b>2,365.95</b>	<b>16,746,141.78</b>	<b>862,815.37</b>	<b>191,024.28</b>	<b>1,546,538.41</b>	<b>19,555,046.39</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 8/31/23)	(619,185.54)	(72,935.35)	4,984.08	1,040,645.86	953,161.90	80,391.69	1,387,062.64
<b>Total Fund Balance</b>	<b>3,053,360.67</b>	<b>239,535.67</b>	<b>13,244,245.82</b>	<b>5,654,048.94</b>	<b>248,723.66</b>	<b>13,052,623.11</b>	<b>35,492,537.87</b>
<b>Total Liabilities and Fund Balance</b>	<b>3,259,521.27</b>	<b>241,901.62</b>	<b>29,990,387.60</b>	<b>6,516,864.31</b>	<b>439,747.94</b>	<b>14,599,161.52</b>	<b>55,047,584.26</b>

**City of East Bethel**  
**Income Statement (Summary)**  
**Fiscal Year 2023**  
**1/1/23 to 8/31/23**

<b>General Fund</b>	<b>Account Description</b>	<b>2023 Actual 1/1/23 through 8/31/23</b>	<b>2023 Budget</b>	<b>YTD as a % of Budget</b>
<b>Revenues</b>				
	Property Tax	2,713,397.41	5,144,600.00	53%
	Use of Fund Balance	-	145,000.00	0%
	Franchise Tax	35,041.03	65,500.00	53%
	Special Assessments	6,500.00	13,500.00	48%
	Licenses and Fees	35,310.10	39,000.00	91%
	Building Inspection Permits	262,457.91	300,000.00	87%
	Building Inspection Permits (Bethel)	4,481.99	2,000.00	224%
	State Aid	217,810.00	276,000.00	79%
	Fines and Forfeits	13,574.94	29,000.00	47%
	Intergovernmental Charges	310,811.26	296,000.00	105%
	Other Fees	10,314.20	10,700.00	96%
	Cemetery Revenue	7,200.00	5,000.00	144%
	Site Lease Revenue	68,889.76	73,000.00	94%
	Refunds and Reimbursements	16,163.95	20,000.00	81%
	Conduit Debt Fee	100,000.00	-	N/A
	Gambling Contribution	45,584.28	15,000.00	304%
	Interest Earnings	60,349.81	15,000.00	402%
<b>Total Revenues - General Fund</b>		<b>3,907,886.64</b>	<b>6,449,300.00</b>	<b>61%</b>
<b>Expenditures</b>				
<b>General Government</b>				
	Mayor and Council Administration	51,272.69	77,900.00	66%
	Administration	279,070.53	441,900.00	63%
	Elections	2,593.26	4,000.00	65%
	Finance	273,362.40	409,200.00	67%
	Assessing (Services Paid through June)	29,657.50	62,500.00	47%
	Legal (Services Paid through July)	109,559.84	170,000.00	64%
	Government Buildings	23,763.60	43,000.00	55%
	Risk Management	101,876.00	92,500.00	110%
<b>Total General Government</b>		<b>871,155.82</b>	<b>1,301,000.00</b>	<b>67%</b>
<b>Community Development</b>				
	Planning and Zoning	91,106.85	298,300.00	31%
	Building Inspection	239,485.62	374,100.00	64%
<b>Total Community Development</b>		<b>330,592.47</b>	<b>672,400.00</b>	<b>49%</b>
<b>Public Safety</b>				
	Police Protection (Services Paid through September)	953,856.50	1,226,000.00	78%
	Fire Protection	617,546.60	987,500.00	63%
<b>Total Public Safety</b>		<b>1,571,403.10</b>	<b>2,213,500.00</b>	<b>71%</b>
<b>Engineering</b>				
	Engineering (Services Paid through July)	8,407.31	40,000.00	21%
<b>Total Engineering</b>		<b>8,407.31</b>	<b>40,000.00</b>	<b>21%</b>
<b>Public Works</b>				
	Park Maintenance	340,619.26	519,600.00	66%
	Street Maintenance	748,394.22	1,046,300.00	72%
<b>Total Public Works</b>		<b>1,089,013.48</b>	<b>1,565,900.00</b>	<b>70%</b>
<b>Civic Events</b>				
	Civic Events	6,500.00	6,500.00	100%
<b>Total Culture and Recreation</b>		<b>6,500.00</b>	<b>6,500.00</b>	<b>100%</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>4,527,072.18</b>	<b>6,449,300.00</b>	<b>70%</b>
<b>Excess of Revenues over Expenditures - General Fund</b>		<b>(619,185.54)</b>	<b>-</b>	<b>N/A</b>

**City of East Bethel**  
**Income Statement (Summary)**  
**Fiscal Year 2023**  
**1/1/23 to 8/31/23**

**Special Revenue Funds**

<b>Revenues</b>				
	Recycling	1,484.41	68,200.00	2%
	HRA	45,241.26	78,000.00	58%
	EDA	71,991.59	137,200.00	52%
<b>Total Revenue - Debt Service</b>		<b>118,717.26</b>	<b>283,400.00</b>	<b>42%</b>
<b>Expenses</b>				
	Recycling	30,018.59	68,200.00	44%
	HRA	30,000.00	30,500.00	98%
	EDA	131,634.02	133,800.00	98%
<b>Total Expenditures - Debt Service</b>		<b>191,652.61</b>	<b>232,500.00</b>	<b>82%</b>
<b>Excess of Revenues over Expenditures - Debt Service</b>		<b>(72,935.35)</b>	<b>50,900.00</b>	

**Debt Service**

<b>Revenues</b>				
	2015A   2014A	526,109.08	964,500.00	55%
<b>Total Revenue - Debt Service</b>		<b>526,109.08</b>	<b>964,500.00</b>	<b>55%</b>
<b>Expenses</b>				
	2015A   2014A	876,125.00	875,000.00	100%
<b>Total Expenditures - Debt Service</b>		<b>876,125.00</b>	<b>875,000.00</b>	<b>100%</b>
<b>Excess of Revenues over Expenditures - Debt Service</b>		<b>(350,015.92)</b>	<b>89,500.00</b>	

**Other Governmental Funds**

<b>Revenues</b>				
	Other Governmental Funds	2,653,265.33	925,000.00	287%
<b>Total Revenue - Other Governmental Funds</b>		<b>2,653,265.33</b>	<b>925,000.00</b>	<b>287%</b>
<b>Expenses</b>				
	Other Governmental Funds	659,457.57	-	N/A
<b>Total Expenditures - Other Governmental Funds</b>		<b>659,457.57</b>	<b>-</b>	<b>N/A</b>
<b>Excess of Revenues over Expenditures - Other Governmental Funds</b>		<b>1,993,807.76</b>	<b>925,000.00</b>	

**Enterprise Funds**

<b>Revenues</b>				
	Water	247,952.21	235,000.00	106%
	Sewer	214,500.38	253,300.00	85%
	Arena	77,639.55	216,600.00	36%
<b>Total Revenue - Enterprise Funds</b>		<b>540,092.14</b>	<b>704,900.00</b>	<b>77%</b>
<b>Expenses</b>				
	Water	152,747.10	398,500.00	38%
	Sewer	186,828.47	993,500.00	19%
	Arena	120,124.88	216,600.00	55%
<b>Total Expenditures - Enterprise Funds</b>		<b>459,700.45</b>	<b>1,608,600.00</b>	<b>29%</b>
<b>Net Income - Enterprise Funds</b>		<b>80,391.69</b>	<b>(903,700.00)</b>	