



City of East Bethel

November 2016 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 November with \$7,831,501 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 \$146,095—delinquent taxes derived from balances remaining from 2000 through 2015.

Special Assessments Deferred: The City has future special assessment principal balances from various sources in the amount of \$313,907. These are outstanding principal balances with annual payment schedules, which are then used to assist in the payment of their respective bond issues.

Due from Other Entities: The City has roughly \$10,223 due from North Bound Wood Woodworks in relation to the SAC/WAC Loan Program.

Land/Other Fixed Assets: The City had roughly \$44,499,849 in capitalized infrastructure and other fixed assets (net of depreciation) at the end of fiscal year 2015.

Liabilities

MCES Reserve Capacity Loan: The Reserve Capacity loan balance at year end 2015 was \$99,940. The Reserve Capacity Loan ERU goal for 2016 is 69.

External Debt: The City of East Bethel has six outstanding bond issues at the end of the month—2013A, 2008A, 2010, 2014A, 2010C and 2015A totaling \$19,690,589 in principal.

Escrows: The City requires escrow accounts for various purposes to ensure City guidelines are followed and fulfilled. Escrow amounts totaled \$72,175 at the end of November.

Fund Balance

Fund Balance: The City of East Bethel began fiscal year 2016 with a General Fund balance of \$2,625,806 and has since (1/1/16 to 11/30/16) incurred an excess of revenues over expenditures of \$771,602—leaving the City with a total General Fund balance of \$3,397,408 at the end of November.

Revenue / Expense Statement – General Fund

Revenue

Property Tax and State Grants: The City has accrued property tax revenue of \$4,045,679 or 98% of the 2016 budget through November.

Franchise Taxes: Franchise tax revenue consists of franchise fees administered by Midcontinent Communications. The City has received \$51,432 in this revenue source or 103% of the annual budget through the month of November.

Licenses and Fees: Licenses and Fee revenue consists of mostly fees derived from the selling of liquor and tobacco licenses. The City has received \$33,758 in this revenue source or 84% of the annual budget through the month of November.

Building Inspection: Building inspection revenues are comprised of the various permits associated with building projects—plumbing, building, and mechanical. The City has received roughly \$254,043 in Building inspection revenue or 178% of the annual budget through the month of November.

Building Inspection (Oak Grove / Bethel): Building inspection revenues from the City's of Oak Grove and Bethel totaled roughly \$179,382 or 163% of the annual budget through the month of November.

State Aid: State Aid revenue is mostly comprised of street maintenance aid and fire relief aid. The City has received \$270,202 in this revenue source or 108% of the annual budget through the month of November.

Fines and Forfeits: The City has received roughly \$38,720 or 71% of the annual budget in this classification through November.

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 \$50,371 or 123% of the annual budget through November.

Interest Earnings: The City has received \$5,961 in interest revenue or 275% of the annual budget through the month of November.

Overall, General Fund Revenues are coming in at roughly \$5,122,086 or 103% of the annual budget through November.

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 \$869,231 or 80% of the annual budget through November.

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 \$364,946 or 85% of the annual budget through November.

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 \$1,551,941 or 96% of the annual budget through November.

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 \$1,021,284 or 80% of the annual budget through November.

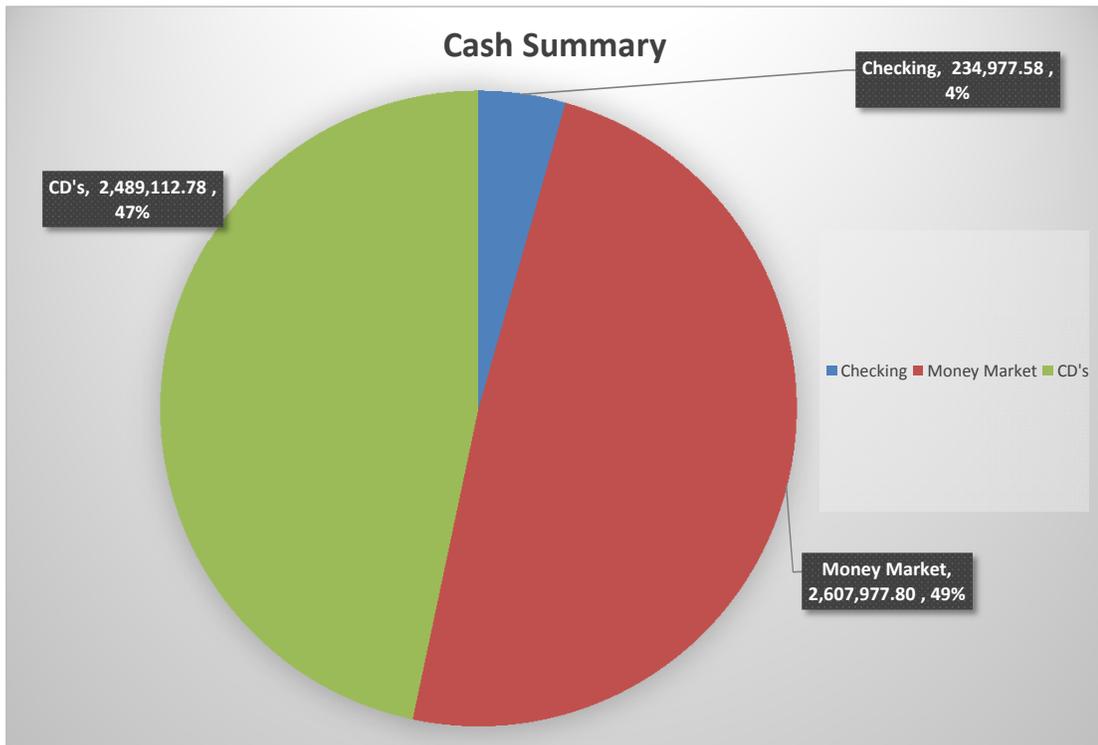
Transfers: All internal transfers to Building Capital, Street Capital, and Parks Capital have been completed and total \$530,000 or 100% of the annual budget.

Overall, General Fund Expenditures totaled roughly \$4,350,484 through November or 87% of the annual budget.

**City of East Bethel
Bank Reconciliation
Fiscal Year 2016
11/30/16**

<i>Institution</i>	<i>Instrument</i>	11/1/2016	<i>Deposits</i>	<i>Expenditures</i>	<i>Transfers</i>	<i>Interest</i>	11/30/2016
Peoples Bank	Main Checking	177,137.14	132,387.56	974,561.94	900,000.00	14.82	234,977.58
	DDA Account	844,372.31			300,000.00	194.75	1,144,567.06
		1,021,509.45	132,387.56	974,561.94	1,200,000.00	209.57	1,379,544.64
Village Bank	Money Market	12,631.21				1.04	12,632.25
	CD - Village Bank	201,403.84					201,403.84
		214,035.05	-	-	-	1.04	214,036.09
4M Fund	Money Market	2,473,264.73	4,052.55		(1,199,375.36)	462.80	1,278,404.72
	CD - Discover	224,439.28					224,439.28
	CD - Goldman	224,439.28					224,439.28
	CD - Bank of the West	225,000.00					225,000.00
	CD - Enerbank	224,662.47			(190.25)	190.25	224,662.47
	CD - American Express	224,434.44					224,434.44
	CD - Compass	224,433.75					224,433.75
	CD - CIT Bank / Onewest	244,400.00					244,400.00
	CD - Sonabank	244,800.00					244,800.00
	CD - Ally Bank	225,436.96					225,436.96
	CD - Wells Fargo	225,662.76			(434.39)	434.39	225,662.76
	Money Market - Water/Sewer	172,336.53				37.24	172,373.77
			4,933,310.20	4,052.55	-	(1,200,000.00)	1,124.68
Total Cash per Statements		6,168,854.70	136,440.11	974,561.94	-	1,335.29	5,332,068.16

G xxx-10100	BDS	7,831,500.61
	Outstanding	(2,499,432.45)
	Total	5,332,068.16
	Unreconciled	-
	OK	
	PB Collateral	1,541,083.82



**City of East Bethel
Balance Sheet
Fiscal Year 2016
11/30/16**

Fund Name	General Fund	Special Revenue Funds	Debt Service Funds	Governmental Funds - Committed	Governmental Funds - Restricted	Enterprise Funds	All Funds
G xxx-10100 Cash	3,458,917.36	896,702.76	1,241,891.39	2,345,414.51	(260,150.02)	148,724.61	7,831,500.61
G xxx-10200 Petty Cash	150.00	-	-	-	-	-	150.00
G xxx-10400 Interest Receivable	7,812.30	-	-	-	-	-	7,812.30
G xxx-10700 Taxes Receivable-Delinquent	119,531.78	3,244.84	23,318.30	-	-	-	146,094.92
G xxx-12300 Special Assess Rec-Deferred	-	34,751.20	271,056.11	-	-	8,100.17	313,907.48
G xxx-13300 Due from Other Entities	-	10,223.12	-	-	-	-	10,223.12
G xxx-xxxxx Pension (Deferred Outflows)	-	-	558,749.00	-	-	-	558,749.00
G xxx-xxxxx Fixed Assets	-	-	63,588,231.02	3,008,395.41	-	18,377,099.27	84,973,725.70
G xxx-xxxxx Accumulated Depreciation	-	-	(36,733,402.49)	(1,229,655.29)	-	(2,510,819.29)	(40,473,877.07)
Total Assets	3,586,411.44	944,921.92	28,949,843.33	4,124,154.63	(260,150.02)	16,023,104.76	53,368,286.06
G xxx-20400 Sales Tax Payable	363.83	-	-	-	-	-	363.83
G xxx-20810 State Surcharges	1,652.45	-	-	-	-	443.08	2,095.53
G xxx-20830 MCES Reserve Capacity Loan	-	-	-	-	-	99,940.00	99,940.00
G xxx-20840 Due to Entity	10,526.79	-	-	-	-	-	10,526.79
G xxx-217xx Payroll Liabilities	1,379.23	-	-	-	-	-	1,379.23
G xxx-22200 Deferred Revenues	119,531.78	37,996.04	(157,527.82)	-	-	-	-
G xxx-23110 Bonds Principle Payable	-	-	19,690,589.20	-	-	-	19,690,589.20
G xxx-21500 Accrued Interest Payable	-	-	295,441.00	-	-	-	295,441.00
G xxx-23200 Bond Premium	-	-	161,408.00	-	-	-	161,408.00
G xxx-23900 Compensated Absences Payable	-	-	-	146,614.95	-	-	146,614.95
G xxx-23999 Pension Liability	-	-	1,203,498.00	-	-	-	1,203,498.00
G xxx-24500 Escrow	55,549.51	-	-	-	16,625.00	-	72,174.51
Total Liabilities	189,003.59	37,996.04	21,193,408.38	146,614.95	16,625.00	100,383.08	21,684,031.04
Fund Balance							
G xxx-25300 Unreserved Fund Balance at 12/31/15	2,625,806.31	884,816.88	7,222,020.58	4,398,537.41	340,616.96	15,788,501.96	31,260,300.10
Excess of Revenues over Expenses (1/1/16 to 11/30/16)	771,601.54	22,109.00	534,414.37	(420,997.73)	(617,391.98)	134,219.72	423,954.92
Total Fund Balance	3,397,407.85	906,925.88	7,756,434.95	3,977,539.68	(276,775.02)	15,922,721.68	31,684,255.02
Total Liabilities and Fund Balance	3,586,411.44	944,921.92	28,949,843.33	4,124,154.63	(260,150.02)	16,023,104.76	53,368,286.06

City of East Bethel
Revenue / Expense Statement
Fiscal Year 2016
1/1/16 to 11/30/16

<u>General Fund</u>	Account Description	2016 Activity 1/1/16 to 11/30/16	2016 Budget	YTD as a % of Budget
Revenues				
	Property Tax	4,045,678.79	4,109,300.00	98%
	Franchise Taxes	51,432.36	50,000.00	103%
	Licenses and Fees	33,758.35	40,000.00	84%
	Building Inspection Permits	254,043.26	143,000.00	178%
	Building Inspection Permits (Bethel / Oak Grove)	179,382.24	110,000.00	163%
	State Aid	270,202.46	250,100.00	108%
	Fines and Forfeits	38,719.88	51,000.00	76%
	Intergovernmental Charges	127,956.36	127,000.00	101%
	Other Fees	3,034.18	3,500.00	87%
	Cemetery Revenue	3,850.00	6,000.00	64%
	Site Lease Revenue	50,371.28	41,000.00	123%
	Refunds and Reimbursements	22,184.76	23,000.00	96%
	Gambling	35,511.79	20,000.00	178%
	Interest Earnings	5,960.50	2,000.00	298%
Total Revenues - General Fund		5,122,086.21	4,975,900.00	103%
Expenditures				
General Government				
	Council	57,421.52	73,700.00	78%
	City Administration	263,655.02	318,900.00	83%
	Elections	7,840.74	13,800.00	57%
	Finance	214,297.15	244,000.00	88%
	Assessing	40,869.00	54,500.00	75%
	Legal	108,547.22	150,000.00	72%
	Government Buildings	25,963.99	41,500.00	63%
	Risk Management	81,313.00	104,000.00	78%
	Central Services	69,323.13	86,500.00	80%
Total General Government		869,230.77	1,086,900.00	80%
Community Development				
	Planning and Zoning	141,064.71	175,600.00	80%
	Building Inspection	223,880.81	252,400.00	89%
Total Community Development		364,945.52	428,000.00	85%
Public Safety				
	Police Protection	1,029,014.25	1,034,000.00	100%
	Fire Protection	522,926.69	586,300.00	89%
Total Public Safety		1,551,940.94	1,620,300.00	96%
Engineering				
	Engineering	10,583.26	35,000.00	30%
Total Engineering		10,583.26	35,000.00	30%
Public Works				
	Public Works - Parks Maintenance	332,971.09	409,700.00	81%
	Public Works - Streets	688,313.09	863,500.00	80%
Total Public Works		1,021,284.18	1,273,200.00	80%
Civic Events				
	Civic Events	2,500.00	2,500.00	100%
Total Culture and Recreation		2,500.00	2,500.00	100%
Transfers				
	Transfer to Capital Funds	530,000.00	530,000.00	100%
Total Other		530,000.00	530,000.00	100%
Total Expenditures - General Fund		4,350,484.67	4,975,900.00	87%
Excess of Revenues over Expenditures - General Fund		771,601.54	-	

City of East Bethel
Revenue / Expense Statement
Fiscal Year 2016
1/1/16 to 11/30/16

Account Description	2016 Activity 1/1/16 to 11/30/16	2016 Budget	YTD as a % of Budget
<u>Special Revenue Funds</u>			
Revenues			
Recycling	35,900.35	56,100.00	64%
Donations	3,606.72	-	N/A
HRA	2,254.96	-	N/A
EDA	143,187.13	123,022.00	116%
Total Revenue - Debt Service	184,949.16	179,122.00	103%
Expenses			
Recycling	55,840.83	56,100.00	100%
Donations	6,146.40	-	N/A
HRA	25,280.00	26,600.00	95%
EDA	75,572.93	123,022.00	61%
Total Expenditures - Debt Service	162,840.16	205,722.00	79%
Excess of Revenues over Expenditures - Debt Service	22,109.00	(26,600.00)	
<u>Debt Service</u>			
Revenues			
2013A, 2005B, 2008A, 2010, 2015A, 2014A, 2010C	1,168,935.27	1,178,000.00	99%
Total Revenue - Debt Service	1,168,935.27	1,178,000.00	99%
Expenses			
2013A, 2005B, 2008A, 2010, 2015A, 2014A, 2010C	1,868,660.90	1,870,600.00	100%
Total Expenditures - Debt Service	1,868,660.90	1,870,600.00	100%
Excess of Revenues over Expenditures - Debt Service	(699,725.63)	(692,600.00)	
<u>Other Governmental Funds</u>			
Revenues			
Other Governmental Funds	610,931.70	530,000.00	115%
Equipment Replacement Fund	284,514.11	-	N/A
Total Revenue - Other Governmental Funds	895,445.81	530,000.00	169%
Expenses			
Other Governmental Funds	1,597,775.51	-	N/A
Equipment Replacement Fund	336,060.01	-	N/A
Total Expenditures - Other Governmental Funds	1,933,835.52	-	N/A
Excess of Revenues over Expenditures - Other Governmental Funds	(1,038,389.71)	530,000.00	
<u>Enterprise Funds</u>			
Revenues			
Water	77,845.19	77,800.00	100%
Sewer	113,296.87	104,800.00	108%
Arena Operations	172,227.86	237,500.00	73%
Total Revenue - Enterprise Funds	363,369.92	420,100.00	86%
Expenses			
Water	47,451.59	315,500.00	15%
Sewer	70,010.79	378,200.00	19%
Arena Operations	111,687.82	237,500.00	47%
Total Expenditures - Enterprise Funds	229,150.20	931,200.00	25%
Net Income - Enterprise Funds	134,219.72	(511,100.00)	