



City of East Bethel

June 2021 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 June with \$7,676,395 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 \$110,865—delinquent taxes derived from balances remaining from 2000 through 2020.

Special Assessments Deferred: The City has future special assessment principal balances from various sources in the amount of \$942,942. These are outstanding principal balances with annual payment schedules, which are then used to assist in the payment of their respective bond issues.

Land/Other Fixed Assets: The City had roughly \$38,391,845 in capitalized infrastructure and other fixed assets (net of depreciation) at the end of fiscal year 2020.

Liabilities

MCES Reserve Capacity Loan: The Reserve Capacity loan balance at year end 2020 was \$883,542. The Reserve Capacity Loan ERU goal for 2021 is 152 of which 93 have been secured.

External Debt: The City of East Bethel has two outstanding bond issues at the end of the month—2014A, and 2015A totaling \$15,930,000 in principal.

Escrows: The City requires escrow accounts for various purposes to ensure City guidelines are followed and fulfilled. Escrow amounts totaled \$404,359 at the end of June.

Fund Balance

Fund Balance: The City of East Bethel began fiscal year 2020 with a General Fund balance of \$3,427,667 and has since (1/1/21 to 6/30/21) incurred an excess of expenditures over revenues of (\$2,411,240)—leaving the City with a total General Fund balance of \$1,013,081 at the end of June.

Revenue / Expense Statement – General Fund

Revenue

Property Tax and State Grants: The City will receive its first tax settlement revenue in July of 2021.

Franchise Taxes: Franchise tax revenue consists of franchise fees administered by Midcontinent Communications. The City has received roughly \$27,473 or 41% of the annual budget through the month of June.

Licenses and Fees: Licenses and Fee revenue consists of mostly fees derived from the selling of liquor and tobacco licenses. The City has received 33,486 in this revenue source or 77% of the annual budget through the month of June.

Building Inspection: Building inspection revenues are comprised of the various permits associated with building projects—plumbing, building, and mechanical. The City has received roughly \$265,240 in Building inspection revenue or 89% of the annual budget through the month of June.

State Aid: State Aid revenue is mostly comprised of street maintenance aid and fire relief aid. The City has received \$98,661 in this revenue source or 38% of the annual budget through the month of June.

Fines and Forfeits: The City has received roughly \$15,016 or 42% of the annual budget in this classification through June.

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 \$52,921 or 76% of the annual budget through June.

Interest Earnings: The City has received \$1,566 in interest revenue or 5% of the annual budget through the month of June.

Overall, General Fund Revenues are coming in at roughly \$846,984 or 14% of the annual budget through June.

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 \$625,446 or 54% of the annual budget through June.

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 \$266,643 or 44% of the annual budget through June.

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 \$1,034,661 or 50% of the annual budget through June.

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 \$712,714 or 48% of the annual budget through June.

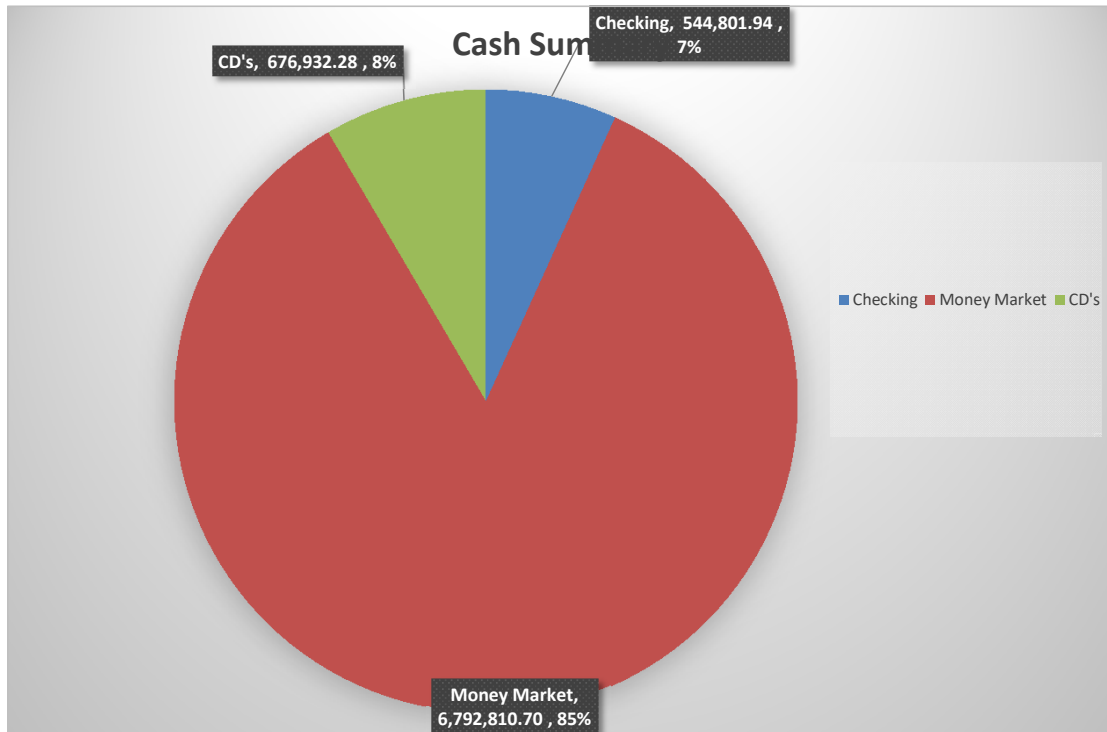
Transfers / Other: All internal transfers to Building Capital, Street Capital, and Parks Capital have been completed and total \$615,000.

Overall, General Fund Expenditures totaled roughly \$3,258,224 through June or 54% of the annual budget.

**City of East Bethel
Bank Reconciliation
Fiscal Year 2021
6/30/21**

<i>Institution</i>	<i>Instrument</i>	6/1/2021	<i>Deposits</i>	<i>Expenditures</i>	<i>Transfers</i>	<i>Interest</i>	6/30/2021
First Bank and Trust	Main Checking	128,987.80	268,083.37	2,752,321.37	2,900,000.00	52.14	544,801.94
		128,987.80	268,083.37	2,752,321.37	2,900,000.00	52.14	544,801.94
Village Bank	CD - Village Bank	227,625.24					227,625.24
		227,625.24	-	-	-	-	227,625.24
4M Fund	Money Market	6,533,579.37	3,158,722.34		(2,899,657.56)	166.55	6,792,810.70
	CD - Wells Fargo	224,654.76			(342.44)	342.44	224,654.76
	CD - Goldman Sachs	224,652.28					224,652.28
		6,982,886.41	3,158,722.34	-	(2,900,000.00)	508.99	7,242,117.74
Total Cash per Statements		7,339,499.45	3,426,805.71	2,752,321.37	-	561.13	8,014,544.92

G xxx-10100	BDS	7,676,395.30
	Outstanding	338,149.62
	Total	8,014,544.92
	Unreconciled	-
	OK	
	PB Collateral	3,044,788.59



**City of East Bethel
Balance Sheet
Fiscal Year 2021
6/30/21**

Fund Name	General Fund	Special Revenue Funds	Debt Service Funds	Governmental Funds - Committed	Governmental Funds - Restricted	Enterprise Funds	All Funds
G xxx-10100 Cash	1,409,124.17	12,457.99	(722,288.34)	3,187,793.48	1,961,447.41	1,827,860.59	7,676,395.30
G xxx-10200 Petty Cash	150.00	-	-	-	-	-	150.00
G xxx-10400 Interest Receivable	3,026.03	-	-	-	-	-	3,026.03
G xxx-10700 Taxes Receivable-Delinquent	82,155.20	3,166.52	25,543.51	(0.35)	-	-	110,864.88
G xxx-12200 Special Assess Delinquent	-	75.00	500.00	38.00	-	-	613.00
G xxx-12300 Special Assess Rec-Deferred	-	-	185,281.67	749,592.88	-	8,067.32	942,941.87
G xxx-13100 Due from Other Funds	2,584.94	-	-	-	-	-	2,584.94
G xxx-xxxx Pension (Deferred Outflows)	-	-	1,068,179.00	-	-	-	1,068,179.00
G xxx-xxxx Fixed Assets	-	-	71,935,876.22	4,354,435.38	-	18,532,306.68	94,822,618.28
G xxx-xxxx Accumulated Depreciation	-	-	(48,295,085.14)	(2,554,552.66)	-	(5,581,135.85)	(56,430,773.65)
Total Assets	1,497,040.34	15,699.51	24,198,006.92	5,737,306.73	1,961,447.41	14,787,098.74	48,196,599.65
G xxx-20400 Sales Tax Payable	573.66	-	-	-	-	-	573.66
G xxx-20810 State Surcharges	3,628.17	-	-	-	-	244.97	3,873.14
G xxx-20820 SAC	-	-	-	-	-	19,110.00	19,110.00
G xxx-20830 MCES Reserve Capacity Loan	-	-	-	-	-	883,542.00	883,542.00
G xxx-20900 Due to Other Funds	-	-	-	-	2,584.94	-	2,584.94
G xxx-217xx Payroll Liabilities	(11,757.07)	-	-	-	-	-	(11,757.07)
G xxx-22200 Deferred Revenues	82,155.20	3,241.52	(835,027.25)	749,630.53	-	-	-
G xxx-23110 Bonds Principle Payable	-	-	15,930,000.00	-	-	-	15,930,000.00
G xxx-21500 Accrued Interest Payable	-	-	241,973.00	-	-	-	241,973.00
G xxx-23900 Compensated Absences Payable	-	-	-	210,921.40	-	-	210,921.40
G xxx-23999 Pension Liability	-	-	1,482,173.00	-	-	-	1,482,173.00
G xxx-24500 Escrow	409,359.29	-	-	-	-	-	409,359.29
Total Liabilities	483,959.25	3,241.52	16,819,118.75	960,551.93	2,584.94	902,896.97	19,172,353.36
Fund Balance							
G xxx-25300 Unreserved Fund Balance at 12/31/20	3,424,321.05	186,338.26	7,953,253.13	4,017,222.07	794,757.77	13,737,590.74	30,113,483.02
Excess of Revenues over Expenses (1/1/21 to 6/30/21)	(2,411,239.96)	(173,880.27)	(574,364.96)	759,532.73	1,164,104.70	146,611.03	(1,089,236.73)
Total Fund Balance	1,013,081.09	12,457.99	7,378,888.17	4,776,754.80	1,958,862.47	13,884,201.77	29,024,246.29
Total Liabilities and Fund Balance	1,497,040.34	15,699.51	24,198,006.92	5,737,306.73	1,961,447.41	14,787,098.74	48,196,599.65

**City of East Bethel
Income Statement (Summary)
Fiscal Year 2021
1/1/21 to 6/30/21**

General Fund	Account Description	2021 Actual through 6/30/21	2021 Budget	YTD as a % of Budget
Revenues				
	Property Tax	-	4,836,000.00	0%
	Franchise Tax	27,473.36	67,500.00	41%
	Gambling Tax	25,341.88	40,000.00	63%
	Licenses and Fees	33,486.00	43,500.00	77%
	Building Inspection Permits	265,240.42	296,500.00	89%
	Building Inspection Permits (Bethel)	6,787.87	2,000.00	339%
	State Aid	98,660.50	259,200.00	38%
	Fines and Forfeits	15,015.56	35,500.00	42%
	Intergovernmental Charges	275,601.88	285,000.00	97%
	Other Fees	1,585.12	3,000.00	53%
	Cemetery Revenue	8,800.00	5,000.00	176%
	Site Lease Revenue	52,921.33	70,000.00	76%
	Refunds and Reimbursements	34,504.06	27,000.00	128%
	Interest Earnings	1,565.93	30,000.00	5%
Total Revenues - General Fund		846,983.91	6,000,200.00	14%
Expenditures				
General Government				
	Mayor and Council Administration	43,731.92	77,900.00	56%
	Administration	194,329.79	429,200.00	45%
	Elections	2,419.13	3,000.00	81%
	Finance	160,520.64	313,800.00	51%
	Assessing	29,817.50	60,500.00	49%
	Legal	64,469.39	151,000.00	43%
	Government Buildings	38,031.68	43,000.00	88%
	Risk Management	92,126.00	90,000.00	102%
Total General Government		625,446.05	1,168,400.00	54%
Community Development				
	Planning and Zoning	108,216.22	267,900.00	40%
	Building Inspection	158,426.94	344,400.00	46%
Total Community Development		266,643.16	612,300.00	44%
Public Safety				
	Police Protection	603,490.00	1,162,000.00	52%
	Fire Protection	431,170.53	899,700.00	48%
Total Public Safety		1,034,660.53	2,061,700.00	50%
Engineering				
	Engineering <i>*paid for services through March</i>	3,760.20	40,000.00	9%
Total Engineering		3,760.20	40,000.00	9%
Public Works				
	Park Maintenance	223,296.33	483,400.00	46%
	Street Maintenance	489,417.60	1,014,400.00	48%
Total Public Works		712,713.93	1,497,800.00	48%
Civic Events				
	Civic Events	-	5,000.00	0%
Total Culture and Recreation		-	5,000.00	0%
Transfers / Other				
	Transfer to Building Capital	50,000.00	50,000.00	100%
	Transfer to Street Capital	475,000.00	475,000.00	100%
	Transfer to Parks Capital	90,000.00	90,000.00	100%
Total Other		615,000.00	615,000.00	100%
Total Expenditures - General Fund		3,258,223.87	6,000,200.00	54%
Excess of Revenues over Expenditures - General Fund		(2,411,239.96)	-	N/A

**City of East Bethel
Income Statement (Summary)
Fiscal Year 2021
1/1/21 to 6/30/21**

Special Revenue Funds

Revenues				
	Recycling	860.00	67,100.00	1%
	HRA	43.71	70,500.00	0%
	EDA	6.45	126,200.00	0%
Total Revenue - Debt Service		910.16	263,800.00	0%
Expenses				
	Recycling	26,989.43	67,100.00	40%
	HRA	30,000.00	30,500.00	98%
	EDA	117,801.00	126,200.00	93%
Total Expenditures - Debt Service		174,790.43	223,800.00	78%
Excess of Revenues over Expenditures - Debt Service		(173,880.27)	40,000.00	

Debt Service

Revenues				
	2013A, 2008A, 2015A, 2014A	256.71	1,138,600.00	0%
Total Revenue - Debt Service		256.71	1,138,600.00	0%
Expenses				
	2013A, 2008A, 2015A, 2014A	1,789,621.67	1,123,175.00	159%
Total Expenditures - Debt Service		1,789,621.67	1,123,175.00	159%
Excess of Revenues over Expenditures - Debt Service		(1,789,364.96)	15,425.00	

Other Governmental Funds

Revenues				
	Other Governmental Funds	4,089,922.90	895,000.00	457%
Total Revenue - Other Governmental Funds		4,089,922.90	895,000.00	457%
Expenses				
	Other Governmental Funds	2,166,285.47	-	N/A
Total Expenditures - Other Governmental Funds		2,166,285.47	-	N/A
Excess of Revenues over Expenditures - Other Governmental Funds		1,923,637.43	895,000.00	

Enterprise Funds

Revenues				
	Water	164,267.02	175,000.00	94%
	Sewer	164,608.89	166,300.00	99%
	Arena	98,666.68	219,300.00	45%
Total Revenue - Enterprise Funds		427,542.59	560,600.00	76%
Expenses				
	Water	93,327.54	373,100.00	25%
	Sewer	124,310.50	838,000.00	15%
	Arena	63,293.52	219,300.00	29%
Total Expenditures - Enterprise Funds		280,931.56	1,430,400.00	20%
Net Income - Enterprise Funds		146,611.03	(869,800.00)	
Net Income - All Funds		(2,304,236.73)	80,625.00	