



December 15, 2020

City Council and Management
City of Bethany
6700 N.W. 36th Street
Bethany, OK 73008

Members of the City Council and Management of the City:

The City of Bethany, Oklahoma (the City) engaged Crawford and Associates, P. C. to provide certain professional services as identified in the Scope and Objectives of Our Services section below.

Scope and Objective of Our Services

The scope of our professional services was limited to performing certain consulting services designed to assist the City Council of the City in meeting its fiduciary responsibilities. These services were performed in accordance with the standards applicable to consulting engagements of the American Institute of Certified Public Accountants. With regards to this specific engagement, the scope of our services included certain internal audit-type procedures in regards to certain concerns expressed to us by the City Council.

The objective of our services in this engagement was to obtain information, conduct interviews of various personnel, review selected accounting records related to these concerns and to report our findings to the City. This report addresses our procedures and findings resulting from the performance of these procedures.

1. *Review of error in beginning carryover number in annual budget, including analysis of increases in expenses and other financial condition concerns:*

Crawford and Associated, PC prepared a Performer[®] financial analysis of the City's financial health and performance for fiscal years ending June 30, 2016 through 2019. Fiscal year 2020 financial information has not been included due to the annual audit not yet being completed and finalized.

In short, the City's fiscal health and performance suffered during FY 2019, with an overall score of 5.6 on a scale of 0-10, with 0 being indicative of poor financial health and performance, and a 10 being indicative of an excellent financial health and performance. In comparison, the City scored an 8.0 in FY 2018. An excerpt from the overall score page of that report is reproduced and included as Appendix A to this report.

As previously discussed in the December 2019 budget workshop held by the City, an error on the FY 2020 General Fund budget summary from the annually adopted budget document was noted. This error related to the amount of fund balance (basically, unspent revenues from previous fiscal years) that is carried over from year to year in the City's General Fund.

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In summary, the City has historically, at least as far back as FY 2015, carried over approximately \$4 million of fund balance each year in the City's General Fund, which is then used to supplement the revenues collected in the next fiscal year in order to pay for all of the upcoming fiscal year's annual expenditures. However, in FY 2019's budget (which would have been developed in April-June months of 2018), an erroneous amount began appearing as the beginning fund balance carryover number of the General Fund, and that error has expounded well into the FY 2020 budget adoption process, in effect making it look like the City's General Fund has had more money available for appropriation than it actually had. We can find no source of documentation at the City for how this error occurred or what information the City erroneously used in order to determine this number. It appears to simply be a mistake in the use of an incorrect number for the General Fund fund balance carryover amount. The error came to light early in FY 2020 when the City asked for us to conduct a review of the budget, which then prompted us to hold a budget workshop in December 2019 to illustrate what had occurred.

We have attempted to recreate what that summary would have looked like had the correct numbers for the carryover been used. In addition, the General Fund budget summaries from the FY 2018 and FY 2019 budget documents are also shown for comparison purposes. This information has been included in Appendix B to this report.

2. *Review of policies and procedures and internal controls related to utility billing and a review of adjustments and billing;*

Inquiry, observation and a walk-through of internal controls was performed of the utility billing and collection functions. The walk-through included a review of policies and procedures and other supporting documentation.

Policies and procedures surrounding utilities and the related billings and collections are primarily found in the Code of Ordinances, which is made available electronically through Bethany's website.

As the personnel currently assigned to utilities are all fairly new employees (due to a significant amount of turnover in the last few years), the information available on previous day-to-day operations of employees and operating procedures was limited overall. Nonetheless, through these discussions it was noted that an emphasis has been placed on the following areas to strengthen the overall environment of the department:

- All relevant documentation is to be scanned into the Laserfiche software as support.
- The Utility Billing Clerk does not receive payments from customers whenever possible, in order to adequately separate those duties when other personnel are present.
- Generally, either the Utility Billing Clerk or the Municipal Accountant prepares the deposit instead of the Customer Service personnel that have actually received the payments from customers.

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- Adjustments to utility accounts are to only be made once proper supporting documentation is received on any potential misreads, etc. Any potential leak-related adjustments would need to be approved by the City Manager.
- Any rate changes made to the system are reviewed for accuracy by the individual assigned to billing and adjustments prior to implementation.
- Random countdowns of cash drawers are now performed by the Court Administrator.

Even though procedural emphasis has been placed on ensuring that documentation scans are maintained, duties are segregated when possible, deposits are made by individuals not receiving the payments, adjustments are only made when justified with adequate explanations and approvals, rate changes are reviewed before going live, and countdowns of cash are being performed, it was noted that utility billing could still benefit from the development of formalized policies and procedures on the above noted items as they are not at this time included in an approved written policy. Per discussions with the Finance Director, the goal is to have written policies and procedures in place within the next month or so.

Although the current personnel were not necessarily present at the time, the following was noted in part from a copy of the *City of Bethany Newsletter* from the summer of 2018:

“After an internal audit of the water billing department, it was found that there was an error in billing after our last rate increase. When the rate schedule was changed, the base rate was supposed to reflect a 1,000 gallon addition. Unfortunately, our computer system did not pick up the change and customers were billed for the 1,000 gallons. To correct this, until the customers are credited the billed amount, we will have 2,000 gallons of water as our base rate. We expect this to be in effect for the next 16 months or until our customers have been credit back all that they were billed for.”

Although this credit of 2,000 gallons appears to have been undertaken by a previous City Administration to rectify a billing error that impacted all citizens with water bills, it does not appear that the previous City Administration sought to receive approval by the City Council, which is the body charged with establishing the rates and charges per ordinance.

Recommendations: The City should design, implement and formally document policies and procedures for the utility billing department to formalize operations already put into place.

In addition to the above walk-throughs, the following tests of rates and adjustments were performed:

We obtained the following data to attempt a recalculation of the amounts billed by the utility billing system:

- Utility Billing Rates
 - Rates in effect, per City Ordinance

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- Incode Utility Billing System Data
 - Billing Consumption
 - Period of May 2020

We also obtained the system adjustment report for July 1, 2018, to June 30, 2020, to perform specific data analytic procedures to identify any trends within the adjustment data and perform a sample of adjustments to obtain supporting documentation related to those adjustments.

- Adjustment Report
 - July 1, 2018 to June 30, 2020

Using the information above, we imported the utility billing system data into our own data analytic software and performed recalculations of all amounts to be billed for water consumption, and compared those calculations to the amount reported in the Tier Consumption Data reports for the period reviewed.

Observations

For the period of May 2020, our data analytic software recalculated 6,895 account billings, noting the agreement of the amounts billed by the City's utility system with a \$0 variance in 6,705 records, or 97.2% of calculations. Of the remaining 190 records, or 2.8% that contained a calculation variance, we selected a sample of 10 accounts to review further in an attempt to identify any justification for the variance in the amounts billed and the amounts recalculated. Of the ten accounts selected we were able to determine a justification for each variance that was considered reasonable and acceptable.

From the Incode system adjustment report, we defined two populations, one for FY 2019 and the other for FY 2020. We summarized the data by customer account and performed statistical sample calculations. This resulted in a total sample for the two fiscal years of 49 adjustments. Most of the adjustments were for a change in the meter reading based on a re-read of the meter based upon a suspected error in the reading, or an adjustment related to what appears to be significant water leaks. Because we were unable to observe any of these adjustments actually occurring, we can only base our conclusions on what the records appear to indicate.

Recommendation

We recommend that the City develop and implement a policy regarding additional monitoring-type internal controls to strengthen the current utility internal control system as it relates to issuing and approving adjustments. We recommend these internal control improvements include an individual independent of the utility department obtain a quarterly report of all utility system adjustments to identify any unusual transactions, adjustments, or other identifiers based on professional judgment. Ideally, this individual would be someone in upper management. This review would assist in ensuring that Utility Department employees follow City policies related to adjustments and that prior approval is obtained if required for the type of adjustment.

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3. *Review of raises provided in the past three years to determine if raises were included in original budget and/or amendments to the original budget that were approved by City Council;*

Budgets for fiscal year 2018 to 2020 were reviewed to determine if raises were included in the original budget. Based upon budget documents obtained from the State Auditor and Inspector website, it is not easy to determine if the raises were originally budgeted. It is noted below that the resolutions adopting these budgets discuss amended pay plans.

The fiscal year 2018 and 2019 Budget Message, discusses staffing and staffing realignment and gives a comparison and the number of budgeted positions between fiscal years.

Resolutions 1444, 1507 and 1544 adopting the fiscal years 2018, 2019 and 2020 budgets discuss amended pay plans for city personnel.

Raises related to employees covered under the FOP and IAFF contracts, if any, are contained in the contracts and the City Council votes on these contracts separate from the annual budget.

Since we were not present at any of the City Council meetings where the original budgets and/or amendments to the budget were approved, it is difficult for us to say whether or not these salary adjustments, staffing realignments, or pay plan adjustments were adequately highlighted or explained to the City Council in an understandable manner.

4. *Review of internal controls related to municipal court and a follow-up on previous court recommendations;*

Inquiry, observation and a walk-through of internal controls was performed of the municipal court function. The walk-through included a review of policies and procedures and other supporting documentation, and also included a follow-up on recommendations from the previous internal control review.

The previous internal control review provided recommendations on four areas of court-related activity. The following is a brief summary of these recommendations along with a status update for each item:

- A monthly reconciliation should occur between the subsidiary municipal court receivable records and the general ledger municipal court receivables.
 - Status update: Per work conducted on the FY 2020 financial statements, it was noted that the balances between these receivables at June 30, 2020 were not reconciled. As such, this recommendation has not been implemented and is still a work in progress.
- Reviews of adjustments to tickets should occur, and this process should ideally be performed by an individual independent of the court cash receipts, posting, and ticket issuance processes.

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- Status update: Per discussion with the Court Administrator, a review of adjustments is performed on a monthly basis.
- Surprise cash counts should be performed at least semi-annually.
 - Status update: Per discussion with the Court Administrator, this process is now occurring on a quarterly basis.
- Court deposits should be taken to City Hall on a daily basis for deposit in accordance with 62 O.S. § 513
 - Status update: Excluding isolated instances during the initial shut-down of the City due to Covid-19 and the resulting lack of available personnel, this recommendation appears to have been implemented and the deposits are being made daily. Besides the status updates on the previously issued recommendations above, no additional recommendations were noted at this time.

5. *Review of legal fees related to TIF Districts and water settlements;*

In prior years, the City created two Tax Increment Districts for the economic revitalization of the 23rd Street Corridor and the Northwest 39th Gateway. Both project plans and related documents were created with the assistance of the Center for Economic Development. For the period of December 2018 through the date of this report, the City has paid \$102,768.52 in fees to the Center for Economic Development.

Legal fees related to the water settlement were withheld from the final settlement totaling \$1,519,614. In addition, we noted expenses to the City's local attorney in the amount of \$26,000, however, other expenses to the local attorney may exist that were not listed separately on the bill.

6. *Review of internal controls related to City purchasing cards;*

In prior years the City had a purchasing card program where certain members of management, staff and certain City Council members used City issued purchasing cards to purchase transactions and procure goods and services on behalf of the City. In 2020, the City discontinued this program, collected the majority of these cards and had most of the accounts closed. Currently, the City maintains one purchasing card in the Finance Department that can be used by other departments upon request. In order to use the purchasing card, each department must have a completed and approved purchase order, and also complete an additional form to authorize the use of card, which must then be signed off on by the Finance Department. Current card usage is usually limited to online purchases and are now very infrequent.

Since the program was significantly scaled back in 2020, previous controls and policies of the program were not reviewed since those controls, policies and procedures of the program are no

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longer applicable. In addition, two separate other reports, one by our Firm and another by an Attorney, have been issued on the use of these cards in the past two years.

7. *Review of economic development agreements and tax abatements;*

The City has explored many options over the past several years to encourage economic growth within the City limits. These endeavors have created two Tax Increment Financing (TIF) Districts: the 23rd Street Corridor Project and the NW 39th Street Project. In addition, the Bethany Development Authority and the City of Bethany have entered into an Economic Development Agreement with a retailer in December 2018 for a sales tax rebate in order to spur overall economic growth.

The two TIF Districts were also created to encourage economic growth within the City. Currently, there are no proposed businesses or projects underway within these Districts. Both TIF Districts are comprised of and funded with incremental sales taxes and ad valorem (property) taxes.

As mentioned above, the City and the Economic Development Authority entered into a sales tax rebate agreement with a retailer. In exchange for the retailer locating within Bethany's city limits and creating no less than four full-time jobs, the City agreed to rebate 62% of the sales tax generated from the retailer for each of the first two years of operation, and during years three through seven, the City will rebate fifty-two percent of the sales tax generated by the retailer. Payments are made annually based upon the anniversary date of the retail store opening and after documentation is presented by the retailer. Should the retail store discontinue operations before the end of the rebate period, the City would have no further obligation to make any further payments. The retail store opened in October 2019. To date, the City has made no rebate payments and the first rebate payment will not be due until early 2021.

8. *Status of funds related to Hospital Trust and Water Well settlement;*

The Bethany Hospital Trust (BHT) is a separate legal entity created under Title 60 § 176 to 180 of the Oklahoma State Statutes. The City of Bethany maintains the accounting record of the BHT in a separate fund within the City accounting software system. All monies coming into or out of the BHT are recorded in that fund. These monies are used for the purpose set forth in Trust Indenture. Under the terms of the INTEGRIS Settlement Agreement (September 2000), the BHT received a twenty-five year annuity that pays the BHT \$200,000 per year through September 2028. The annuity is recorded as an investment in the BHT fund.

In addition, the City of Bethany and the Bethany Public Works Authority (BPWA) entered into a Settlement Agreement with two Aerospace Companies related to possible contamination of the City/BPWA public water supply wells. The settlement was for five million dollars prior to legal and other expenses related to the settlement. The City paid legal and other fees of \$1,519,614 and deposited \$3,480,386 into the BPWA in February 2020. Also, the City received \$250,000 from the Oklahoma City Airport Authority. The monies are being accounted for in a separate general ledger

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line item with in the City's accounting software system in the BPWA fund. As of the date of this report, none of these monies have been expended. The settlement agreement did not place any restrictions on the use of these monies and to date, neither the City Council nor the Board of Trustees of the BPWA have placed any restrictions on the use of the funds.

9. *Creation of monthly financial summary/treasury report;*

The City's Finance Director has prepared a financial report for the General Fund, the Public Works Authority, and the Capital Improvement Fund that is now being presented monthly to the City Council. The report presents budget-to-actual comparisons and an analysis of utility revenues and sales tax. The report appears to communicate appropriate monthly information related to the major funds of the City in order for the Council to exercise their fiduciary responsibilities and oversight of such information.

10. *Explanation of Hospital Contract related to improvements in lieu of rent;*

The lease agreement for the Hospital allows the Tenant to perform "Tenant Improvements" in an original amount not to exceed \$2,000,000. The improvements will be applied as a credit to reduce the monthly base rent of the Tenant. In addition, the Tenant is required to keep and maintain the Facility Assets in good repair and operating condition. The Tenant agrees to pay 100% of the cost of Integral Improvements, but shall have the right to offset 50% of the expenditures as a rent credit. Integral improvements include any capital improvements for structural related items that would remain at the facility at the termination of the lease and that are necessary to ensure the integrity and safety of the leased premises. Integral improvements include, but are not limited to, roof, windows, exterior or load bearing walls, parking lot, plumbing, electrical HVAC Systems, boilers, asbestos cleanup, utility hookups, and other improvements that support facility integrity and safety. (Source: Sublease and Agreement with UHS)

Based upon amortizations schedules provided by the City for the annual audit, the Tenant has made tenant improvements and integral improvements totaling \$2,888,676. This amount is being amortized as a rental credit at \$18,000 per month or \$216,000 per year. As of June 30, 2020, the amount remaining to be amortized was \$1,952,676.

11. *Review of financials to determine if monthly activity is being posted and reconciliations being posted;*

After reviewing financials and discussing monthly procedures with the Finance Director, it was determined that financial activity is being recorded monthly, including electronic fund transactions. Monthly reconciliations of bank accounts are completed through August 2020, and significant portions of the September 2020 reconciliations are complete. However, the City currently remains approximately 2 months behind in preparing its monthly bank reconciliations for FY 2021. Due to the number of credit card transactions and bank accounts that receive the credit card payments, the

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monthly bank reconciliation process is time consuming and difficult. Finance staff have been performing an analysis of the revenue collection process and postings to determine a way to make the monthly bank reconciliation process less difficult and more timely.

12. Review of internal controls related to purchasing;

A review was completed of the City's current Purchasing Manual and a sample of fifteen purchases pulled to determine compliance with current purchasing policies and procedures. Of the fifteen items pulled, it was noted that in three instances, competitive quotes that would normally be required of such purchases were not attached to the purchase order. In addition, some purchases require City Manager approval when the purchase order is issued. We noted one instance where City Manager approval was dated after the invoice was received and not at the time the purchase order was issued.

One item selected was an emergency purchase. It was noted that quotes were not attached to the purchase order and that City Manager approval was not documented with the purchase order.

Two items selected were items purchased from a state contract. One of these items did not have the state contract attached as required by City policy.

13. Total purchase price of new refuse equipment purchased in FY 2019;

In early 2018, the City Council approved the purchase of three new sanitation trucks and equipment and the purchase of new equipment for existing sanitation trucks. The equipment was purchased through Oklahoma Central Purchasing. The equipment was ordered in fiscal year 2018 and delivered and expensed in fiscal year 2019 as the trucks had to be built and delivered to the City. Capital assets added to the City's capital asset accounting system for the new trucks and equipment totaled \$595,658. In addition, the City purchased new poly-carts totaling \$596,000.

14. Review of ADA compliance project to determine amount spent;

The City of Bethany received an ADA accessibility complaint concerning access to Bethany City Hall. The City entered into mediation concerning the renovation of City Hall as funds are available. Until City Hall is renovated, the City has agreed to relocate the City Council meetings to the Bethany Library or the Municipal Court Building and the meetings will be livestreamed on Facebook.

The City had entered into a contract in October 2019 with Troy D Rhodes Company, Inc., totaling \$65,450 for the design and renovation of City Hall for ADA compliance. The City has paid architectural fees totaling \$10,183.25 from the period of December 2019 to March 2020. In addition, payments totaling \$2,955.44 related to ADA compliance at City Hall were paid to the same company in December 2018.

The project is ongoing and the Troy D Rhodes Company has not completed the design phase of the project. Management has communicated that the fiscal year 2021 budget includes \$160,000 for

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the project. At this time management is concentrating on the ADA accessible ingress/egress to the building. Renovation of the Council Chamber and restrooms will be a project in the future.

15. *Analysis of restricted revenues and investments;*

In the normal course of operations the City of Bethany collects revenue that is restricted for certain purposes. Restrictions come from several sources including the State of Oklahoma, grant agreements, a vote of the citizens, debt covenants, donations from outside sources and ordinances passed by the City Council. The balance of the monies from the collection of each of these revenues changes daily as the City receives revenue and pays the related expenditures/expenses.

The following is a list of restricted revenue sources collected by the City.

Revenue	Restriction	Description
Motor Vehicle and Commercial Vehicle Tax	Title 11 O.S. § 36-114	State shared revenue from the State motor fuel tax and the motor vehicle license and registration tax may be expended only for construction, maintenance, repair, improvement or lighting of streets and alleys.
Stormwater Compliance Fee	Ordinance 1767 and 1865	\$1 monthly service charge on each utility bill to assist in the maintenance, repair and improvement of the storm sewer system of the City of Bethany.
Emergency Services Fee	Ordinance 1766	\$1.50 monthly fee to help defray the cost of providing ambulance and emergency medical services within city limits.
Grant Revenue	Grant Agreements	Restricted to the purpose of the grant award.
Impound Fees	Ordinance 1812, amended by Ordinance 1828, amended by Ordinance 1843	Restricted for the enforcement of traffic safety and administration of impounded vehicles.
Drug Forfeiture Equitable	Title 63 O.S. § 2-416	Restricted for law enforcement

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Sharing Revenues		purposes.
E-911 Taxes	Title 62 O.S. § 28.11-21	Restricted to fund the cost associated with the operation of the emergency telephone service.
Sales Tax – Capital Projects	Ordinance 1740	By a vote of the citizens 70% of one-cent of sales tax is restricted for capital improvements.
Ad Valorem Taxes	Art. 10 § 9, 10, & 35, OK Constitution & 62 O.S. § 361-5	Ad Valorem (property) taxes are limited to the repayment of principal and interest on general obligation bonds.
Meter Deposits	Ordinance 1925	Held for refund to customers or apply to final bill upon finalization of service.
Juvenile Court Fees	Ordinance 1531	Restrict to fund local programs that address problems of juvenile crime and related administrative cost.
12.5% of Cemetery Interment and Lot Sales	Title 11 O.S. § 26-109	12.5% of revenue from the sales of cemetery lots and from interments shall be limited to purchasing cemetery land and for cemetery capital improvements. Interest from investments of the 12.5% principal is limited to the same purpose above plus costs of cemetery upkeep and maintenance.
25% of all Cemetery Monies Received	Ordinance 1604	There shall be established the Cemetery Care Fund into which not less than 25% of all money received from the sale of lots and interment shall be segregated and set aside as a permanent fund to be known as "The Cemetery Care Fund." The fund shall be

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		expended in purchasing of land for cemeteries, and for making capital improvements, as defined in 11 O.S. § 17-110, if necessary. The Cemetery Care Fund to be invested as provided by applicable state law and city ordinance and resolution. The earnings from the investment shall be used for the same purposes as the principal or in improving, caring for and embellishing the walks, lots, drives, parks and other necessary improvements.
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16. Review of proper documentation and approval of budget amendments;

In accordance with Oklahoma State Statutes Title 11 §17-201 through 17-218 the governing body must approve by resolution the budget for the upcoming fiscal years at least seven days prior to the start of the fiscal year, and file such budgets with the State Auditor’s office. Once the budget is adopted, amendments can be made at any time. Amendments that are supplements for total fund revenue and/or expenditure increases or decreases require governing body approval and also require a filing with the State Auditor’s office.

In addition, under Resolution 819, adopted in November 1989 and referenced in the resolutions adopting the last several years’ budgets, the City Council authorized the City Manager to make transfers of budgeted funds between object categories within a department of the General Fund and to approve budgeted transfers between departments of the General Fund within a 10% limit

A review of minutes for the past three years, indicates budget supplements are being prepared, taken to council and approved by the City Council. During the course of our work, Crawford & Associates, did not trace each change to the original budget to a sources document, as the prior fiscal years are completed and a new budget is in place.

17. Provide list of financial statement auditors for the past several years;

- HBC CPAs and & Advisors (Fiscal years 2011 and 2012)
- Casey J. Russell CPA, Inc. (Fiscal year 2013)
- Russell & Williams CPAs, PC (Fiscal years 2014 through 2017)
- Elfrink & Associates, PLLC (Fiscal years 2018 through 2020)

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We would like to express our appreciation for all the courtesy and assistance we received from staff during the engagement listed above and hope that this report will be of benefit to the City of Bethany.

Crawford & Associates, P.C.

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APPENDIX A

Excerpt from the FY 2019 Performer

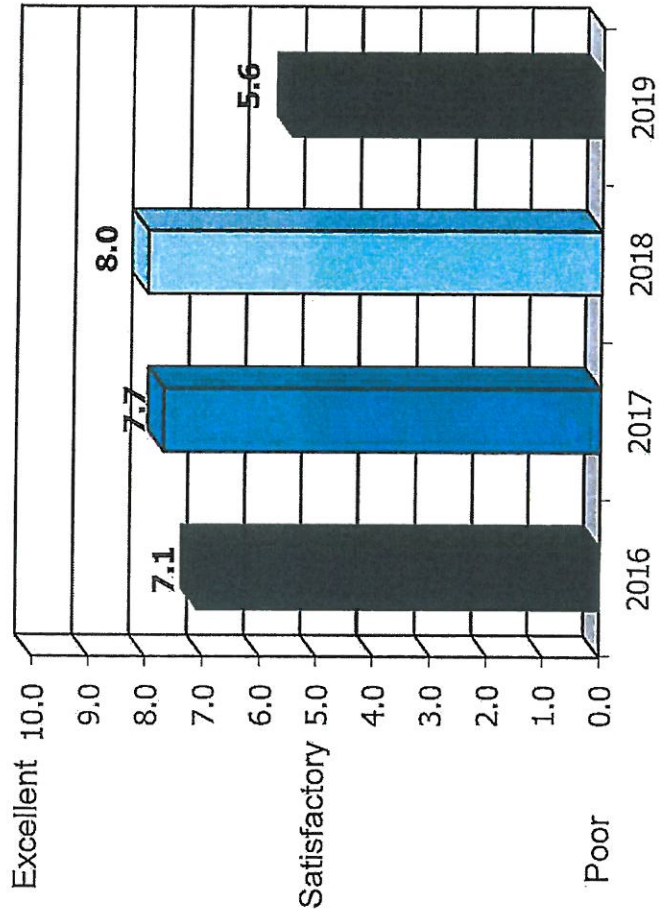


Performer® Reading

For the 2019 fiscal year, the readings by ratio category were as follows:

Financial Position	5.9
Financial Performance	4.6
Financial Capability	<u>6.8</u>
Overall Rating	5.6

Overall Reading



The strongest component of the ratings was the City's financial capability during FY 2019. In addition, the City's financial position at June 30, 2019 also reflects an slightly above satisfactory rating.

However, the City's financial performance fell below satisfactory. The 2019 overall reading of 5.6 indicates the evaluator's opinion that Bethany's overall financial health and performance deteriorated significantly during FY 2019 due to a number of factors outlined on the following pages.

APPENDIX B

Various FY Budget Summaries

FY 2020 BUDGET SUMMARY

**GENERAL FUND
FY 2020 FINANCIAL SUMMARY**

FINANCIAL SUMMARY

	Actual FY18A	Budget FY19B	Estimate FY19E	Budget FY20
Revenue				
Carryover From Previous Year	① \$ 7,592,570 ^{3,864,594}	\$ 8,802,565 ^{4,594,636}	\$ 8,802,565 ^{4,594,636}	\$ 5,813,536 ^{1,605,607}
Total Operating Revenue	7,233,362	7,144,173	6,889,617	6,877,593
Sales Tax Transfer From Okla Tax Comm	4,725,427	4,700,000	4,562,058	4,700,000
Operating Transfer From Public Works	4,701,519	4,467,019	650,000	2,200,000
Transfers From Other Funds	10,000	24,000	14,434	45,000
<u>Revenue Available for Appropriation</u>	② \$ 24,262,878 ^{12,572,608}	\$ 25,137,757 ^{16,995,192}	\$ 20,918,674 ^{12,116,109}	\$ 19,636,129 ^{13,822,593}
Expenditures				
Maintenance and Operations	10,376,360	12,384,612	10,543,080	11,930,222
Capital Expenditures	351,601	1,287,740	-	-
Contingency	6,925	1,910,000	-	2,857,340
Transfer BPWA Pledged Sales Tax	4,725,427	4,700,000	4,562,058	4,700,000
Transfer To Other Funds	-	64,500	-	139,500
Total Expenditures and Transfers	③ \$ 15,460,313 ^{11,842,566}	\$ 20,346,852	\$ 15,105,138	\$ 19,627,062
FB Carryover to Next Fiscal Year	\$ 8,802,565 ^{4,594,636}	\$ 4,790,905 ^{582,976}	\$ 5,813,536 ^{1,605,607}	\$ 9,067 ^(4,192,862)

④ **3,864,594** IS THE ACTUAL FUND BALANCE FOR THE BEGINNING OF FY 2018 FROM THE FY 2018 AUDIT REPORT.

- ① Carry over from previous yr
- + ② Revenues - Annual
- ③ Expenditures - Annual

- = ④ Carry over to next yr

FY 2018 BUDGET SUMMARY

City of Bethany

GENERAL FUND FINANCIAL SUMMARY

GENERAL FUND		Actual FY16A	Budget FY17B	Estimate FY17E	Budget FY18
	Revenues				
	Carryover From Previous Year	\$ 5,050,649	\$ 4,110,641	\$ 5,010,641	\$ 5,066,297
	Total Operating Revenue	8,141,168	7,920,827	8,187,175	8,201,499
	Sales Tax Transfer From Public Works	3,082,294	3,873,375	4,010,029	4,010,029
	Operating Transfer From Public Works	1,900,100	2,200,000	2,200,000	4,971,519
	Transfers From Other Funds	37,455	41,295	38,611	805,550
	Revenue Available for Appropriation	<u>\$ 18,211,665</u>	<u>\$ 18,146,138</u>	<u>\$ 19,446,457</u>	<u>\$ 23,054,895</u>
	Expenditures				
	Maintenance and Operations	\$ 8,865,695	\$ 10,034,125	\$ 9,269,267	\$ 11,489,759
	Capital Expenditures	166,019	245,130	130,251	1,278,400
	Contingency	-	505,000	120,000	480,000
	Transfer Sales Tax to Public Works	3,989,310	4,700,000	4,860,642	4,860,642
	Transfer To Other Funds	180,000	-	-	127,400
	Total Expenditures and Transfers	<u>\$ 13,201,024</u>	<u>\$ 15,484,255</u>	<u>\$ 14,380,160</u>	<u>\$ 18,236,201</u>
	FB Carryover to Next Fiscal Year	<u>\$ 5,010,641</u>	<u>\$ 2,661,883</u>	<u>\$ 5,066,297</u>	<u>\$ 4,818,694</u>

FY 2019 BUDGET SUMMARY

GENERAL FUND FINANCIAL SUMMARY

	Actual FY17A	Budget FY18B	Estimate FY18E	Budget FY19
<u>Revenue</u>				
Carryover From Previous Year	\$ 4,260,510	3,864,594	4,149,200	4,095,928
Total Operating Revenue	\$ 6,281,947.46	6,662,642	6,662,642	6,611,370
Sales Tax Transfer From Public Works	8,202,792.07	8,127,315	7,617,749	7,690,094
Operating Transfer From Public Works	4,016,024.44	4,010,029	3,705,759	3,877,500
Transfers From Other Funds	2,200,000.00	4,629,019	4,971,519	4,732,519
Revenue Available for Appropriation	32,745.00	41,295	32,745	1,087,715
	\$ 20,733,509	\$ 23,470,301	\$ 22,990,414	\$ 23,999,198
<u>Expenditures</u>				
Maintenance and Operations	\$ 9,011,972	\$ 11,664,708	\$ 10,812,462	\$ 12,203,726
Capital Expenditures	181,453	1,278,400	694,753	1,286,240
Contingency	9,533	402,100	380,000	2,180,000
Transfer Sales Tax to Public Works	4,867,908	4,860,642	4,491,829	4,700,000
Transfer To Other Funds	-	64,500	-	129,500
Total Expenditures and Transfers	\$ 14,070,866.97	\$ 18,270,350	\$ 16,379,044	\$ 20,499,466
FB Carryover to Next Fiscal Year	\$ 6,662,642.00	\$ 5,199,950	\$ 6,611,370	\$ 3,499,732
	3,864,594	7,440,192	4,095,928	984,296