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City of Bethlehem

Finance Committee Presentation

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PARTNER

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City of Bethlehem – Required Communications

- Our responsibilities under Generally Accepted Auditing Standards, Government Auditing Standards, and Uniform Guidance
- Significant accounting policies
 - Adoption of GASB 87 *Leases*
- Accounting estimates
 - Validity and collectability of receivables
 - Fair value of investments
 - Depreciable lives of capital assets
 - Actuarial assumptions of the pension and other post employment benefit plans and the related deferred inflows and outflows of resources
 - Calculations of lease receivables and liabilities

City of Bethlehem – Required Communications

- Disclosures
- No difficulties encountered in performing the audit
- Corrected and uncorrected misstatements
- No disagreements with management

City of Bethlehem – Required Communications

- Management representations
- Management consultations with other independent accountants
- Issues discussed prior to retention
- Other matters
 - Supplementary information
 - Required supplementary information (RSI) unaudited
 - Supplementary information compared or reconciled to underlying records

City of Bethlehem – Results of Audit

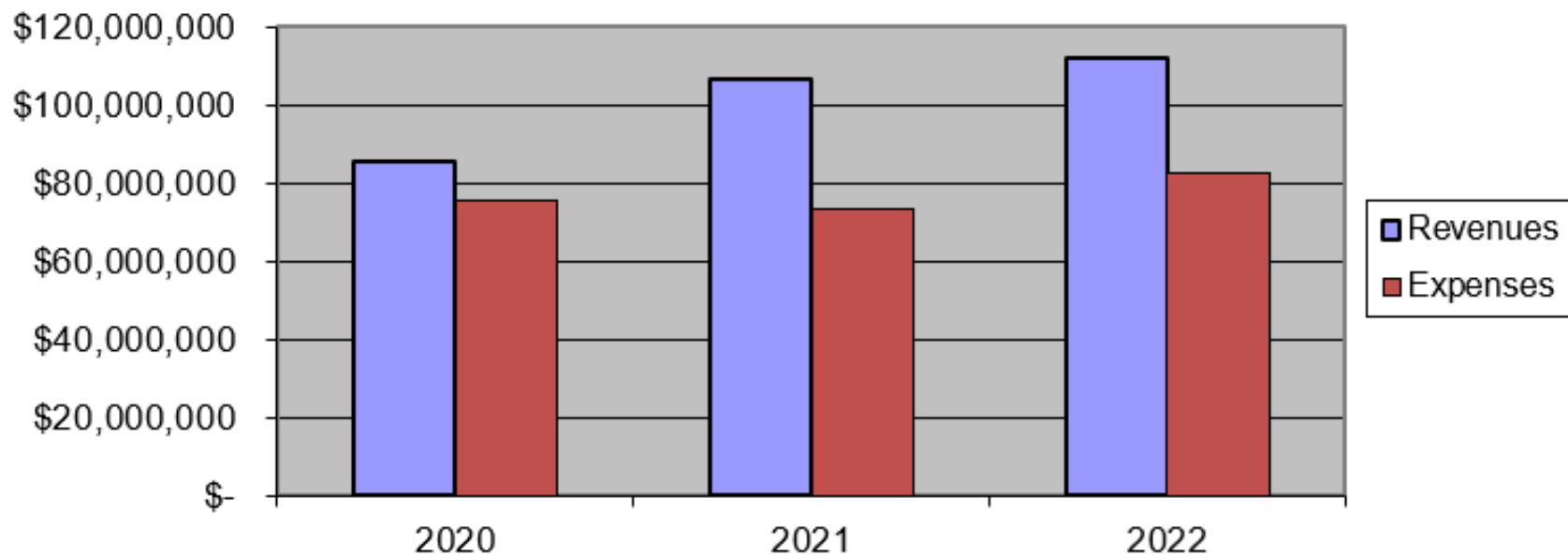
- Financial statements
 - Unmodified opinion
 - RSI
 - M D & A
 - Budgetary comparison information
 - Historical pension/OPEB information
 - Supplementary information
 - Government Auditing Standards
 - Not for Parking Authority, Redevelopment Authority, or Library

City of Bethlehem – Governmental Activities

- Financial highlights
 - Change in Net Position
 - 2022 - \$29.5 million increase
 - 2021 – \$33.0 million increase
 - 2020 – \$10.3 million increase
 - Revenues (includes transfers in)
 - 2022 - \$112.1 million
 - 2021 – \$106.4 million
 - 2020 – \$85.7 million
 - Expenses
 - 2022 - \$82.5 million
 - 2021 – \$73.4 million
 - 2020 - \$75.5 million

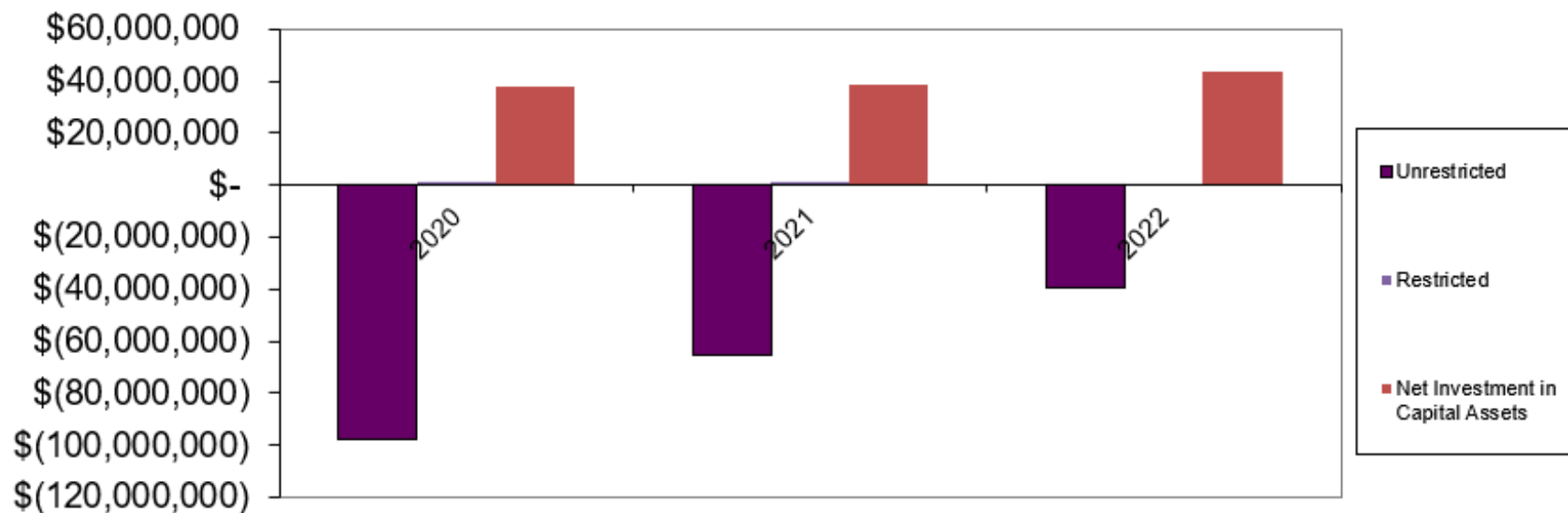
Governmental Activities - Rev/Exp

City of Bethlehem - Governmental Activities



Governmental Activities - Net Position

**City of Bethlehem
 Governmental Activities - Net Position**

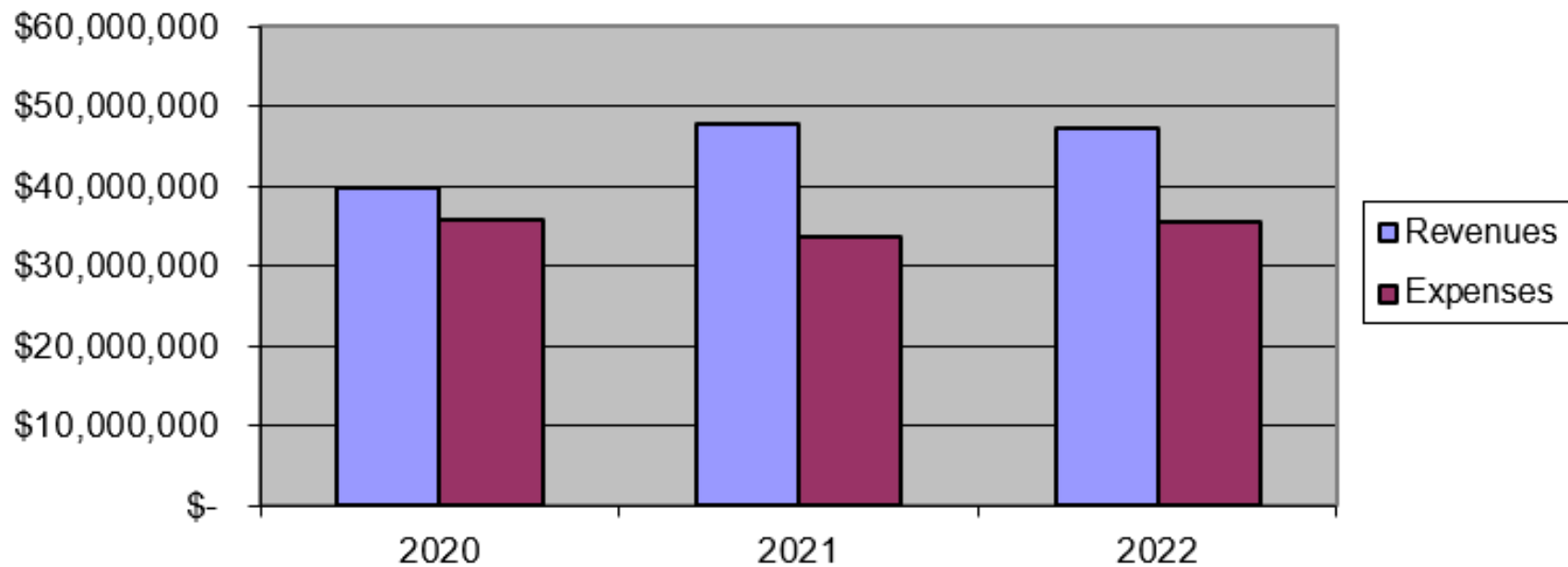


City of Bethlehem – Business-Type Activities

- Financial highlights
 - Change in Net Position
 - 2022 - \$11.6 million increase
 - 2021 – \$14.2 million increase
 - 2020 – \$4.0 million increase
 - Revenues (net of transfers out)
 - 2022 - \$47.1 million
 - 2021 – \$47.7 million
 - 2020 – \$39.6 million
- Expenses
 - 2022 - \$35.5 million
 - 2021 – \$33.4 million
 - 2020 – \$35.6 million

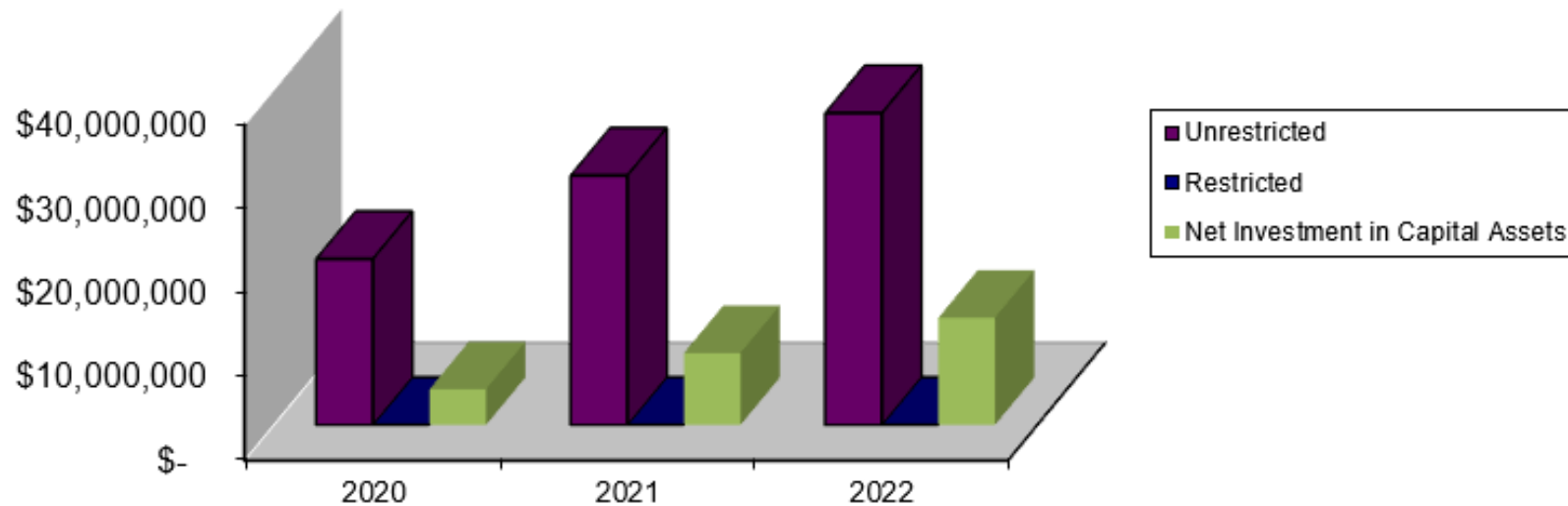
Business-Type Activities – Rev/Exp

City of Bethlehem Business-type Activities



Business-Type Activities – Net Position

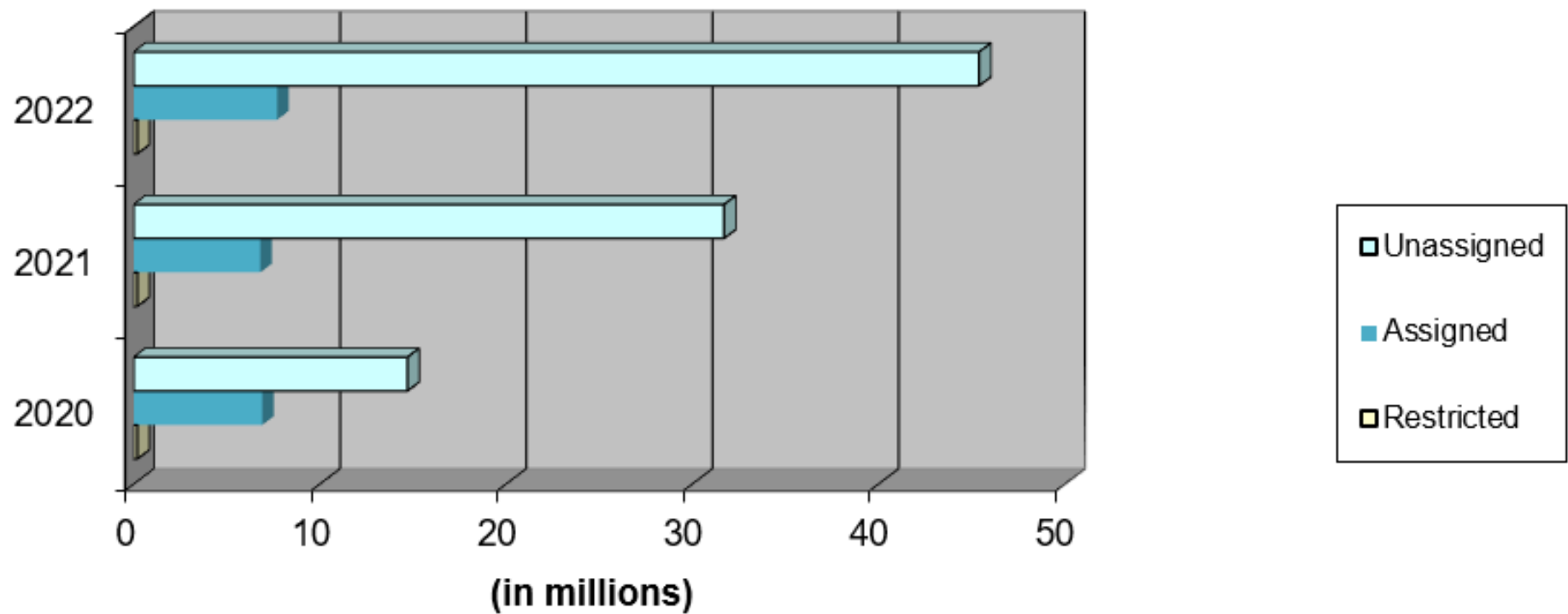
City of Bethlehem
Business-Type Activities - Net Position



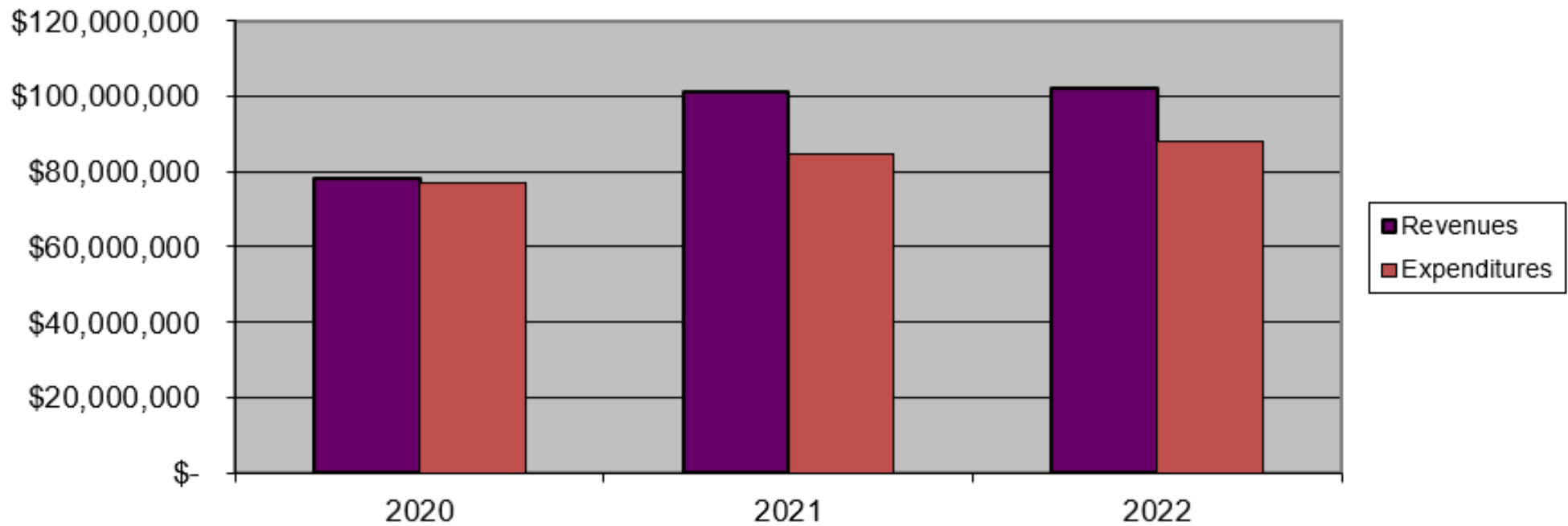
City of Bethlehem – General Fund

- Financial highlights
 - Change in fund balance
 - 2022 - \$14.0 million increase
 - 2021 – \$16.8 million increase
 - 2020 – \$1.5 million increase
 - Revenues and other financing sources
 - 2022 - \$101.9 million
 - 2021 – \$101.2 million
 - 2020 – \$78.3 million
 - Expenditures and other financing uses
 - 2022 - \$87.9 million
 - 2021 – \$84.5 million
 - 2020 – \$76.8 million

General Fund - Fund Balance

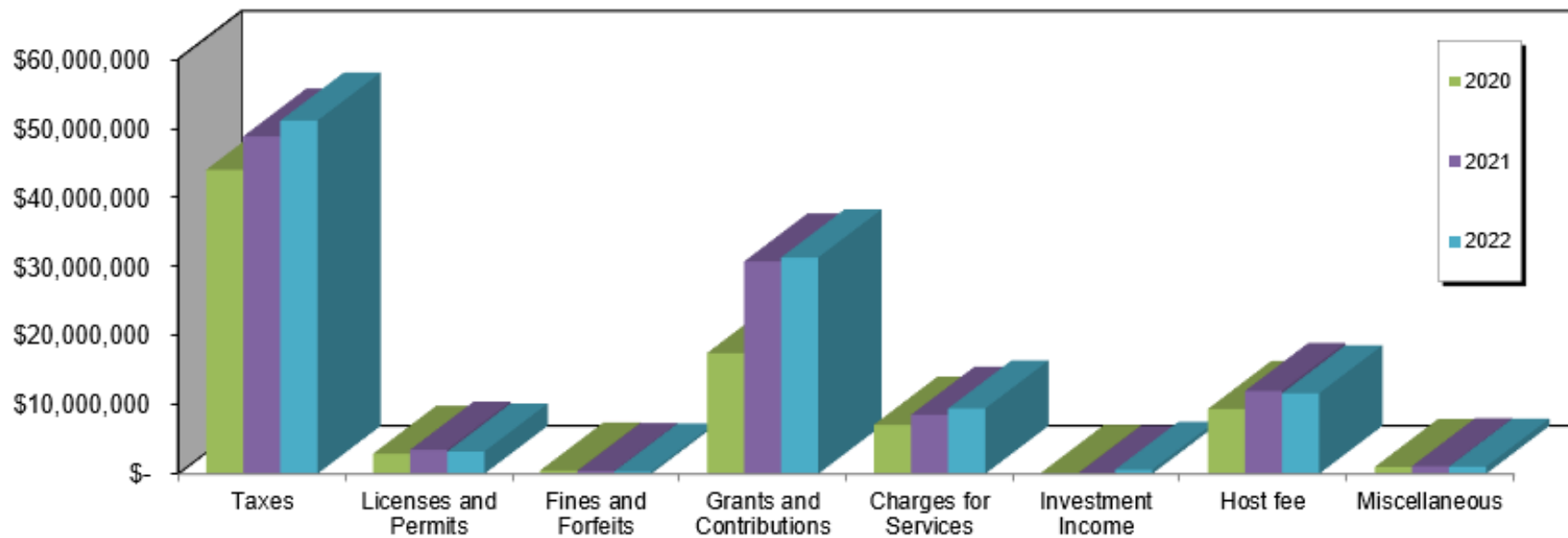


General Fund – Rev/Exp



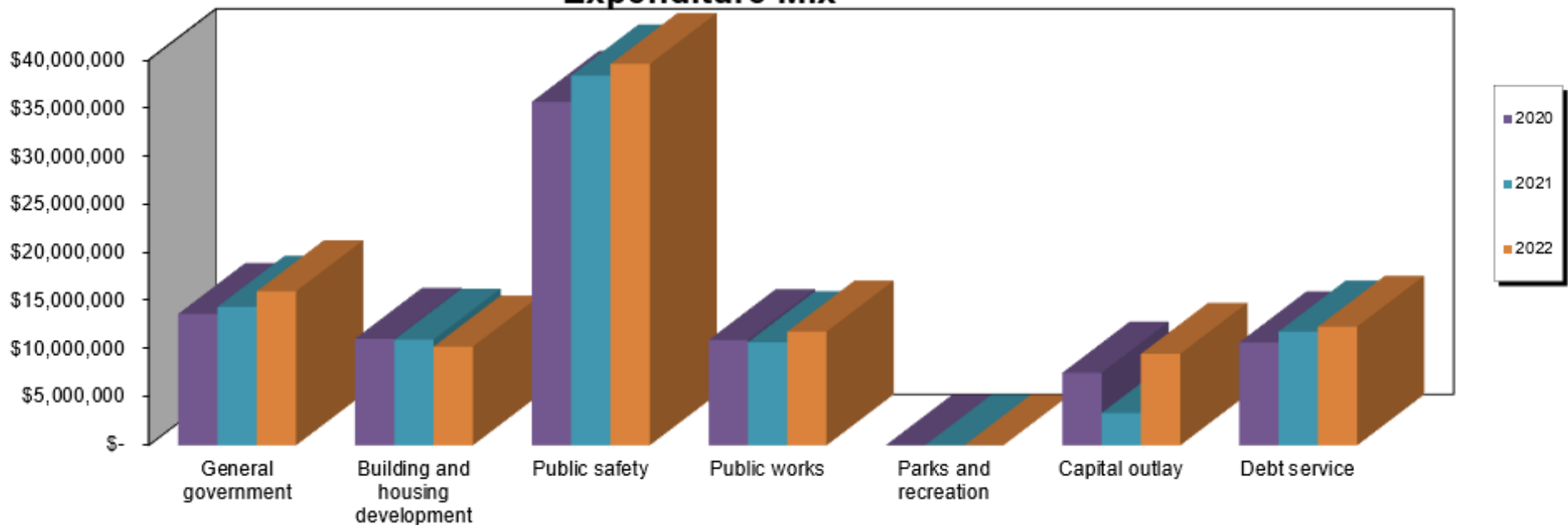
Governmental Funds – Revenue Mix

City of Bethlehem Governmental Funds Revenue Mix



Governmental Funds – Expenditure Mix

**City of Bethlehem
 Governmental Funds
 Expenditure Mix**



City of Bethlehem

- Single Audit results
 - No Government Auditing Standards findings to report for 2022

 - Federal program programs: no findings in 2022; Unmodified Opinion
 - Four major programs tested in 2022 and no findings to report: Community Development Block Grants(CDBG)/Entitlement Grants, Coronavirus State and Local Fiscal Recovery Fund (ARPA), Capitalization Grants for Drinking Water State Revolving Fund, and Epidemiology and Laboratory Capacity for Infectious Diseases

City of Bethlehem

- Management letter
 - Enhancing procedures over sewer administrative charges **(repeat)**
 - Developing a technology disaster recovery plan **(repeat)**
 - Strengthening IT Controls

Questions? Contact us!



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