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City of Bethlehem

Finance Committee Presentation

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PARTNER

12/3/2024

City of Bethlehem – Required Communications

- Our responsibilities under Auditing Standards Generally Accepted in the United States of America, Government Auditing Standards, and Uniform Guidance
- Significant accounting policies
 - No new accounting policies were adopted, and the application of existing policies was not changed during 2023.
- Accounting estimates
 - Fair value of investments
 - 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 of independent auditors
- Other matters
 - Supplementary information
 - Required supplementary information (RSI) unaudited
 - Supplementary information compared or reconciled to underlying records

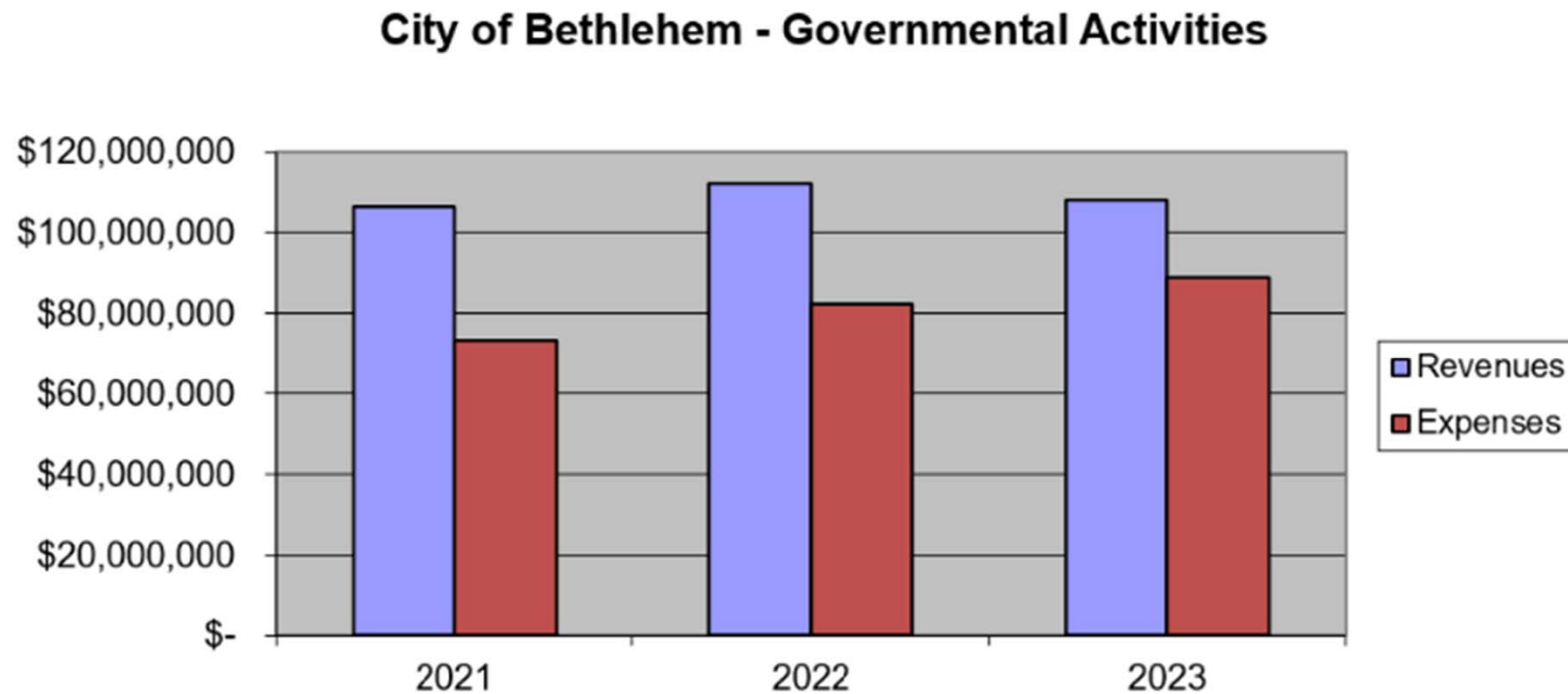
City of Bethlehem – Results of Audit

- 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

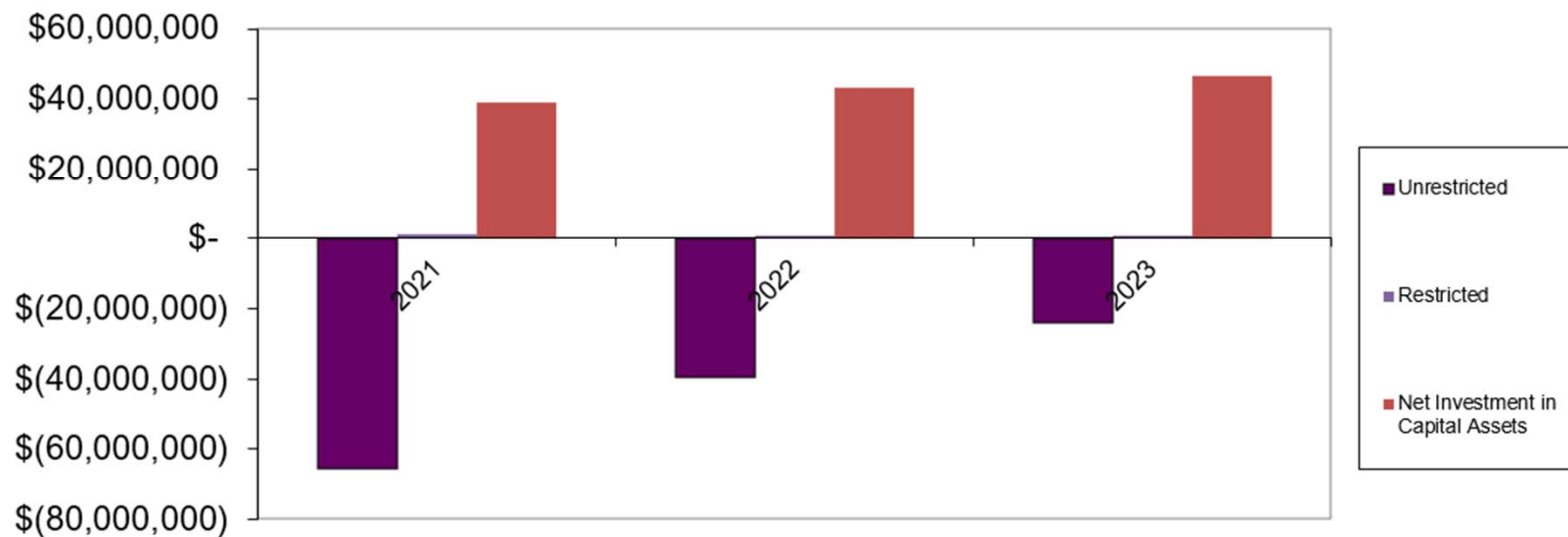
- Financial highlights
 - Change in Net Position
 - 2023 - \$19.0 million increase
 - 2022 – \$29.5 million increase
 - 2021 – \$33.0 million increase
 - Revenues (includes transfers in)
 - 2023 - \$108.1 million
 - 2022 – \$112.1 million
 - 2021 – \$106.4 million
 - Expenses
 - 2023 - \$89.1 million
 - 2022 – \$82.5 million
 - 2021 - \$73.4 million

Governmental Activities - Rev/Exp



Governmental Activities - Net Position

City of Bethlehem
Governmental Activities - Net Position

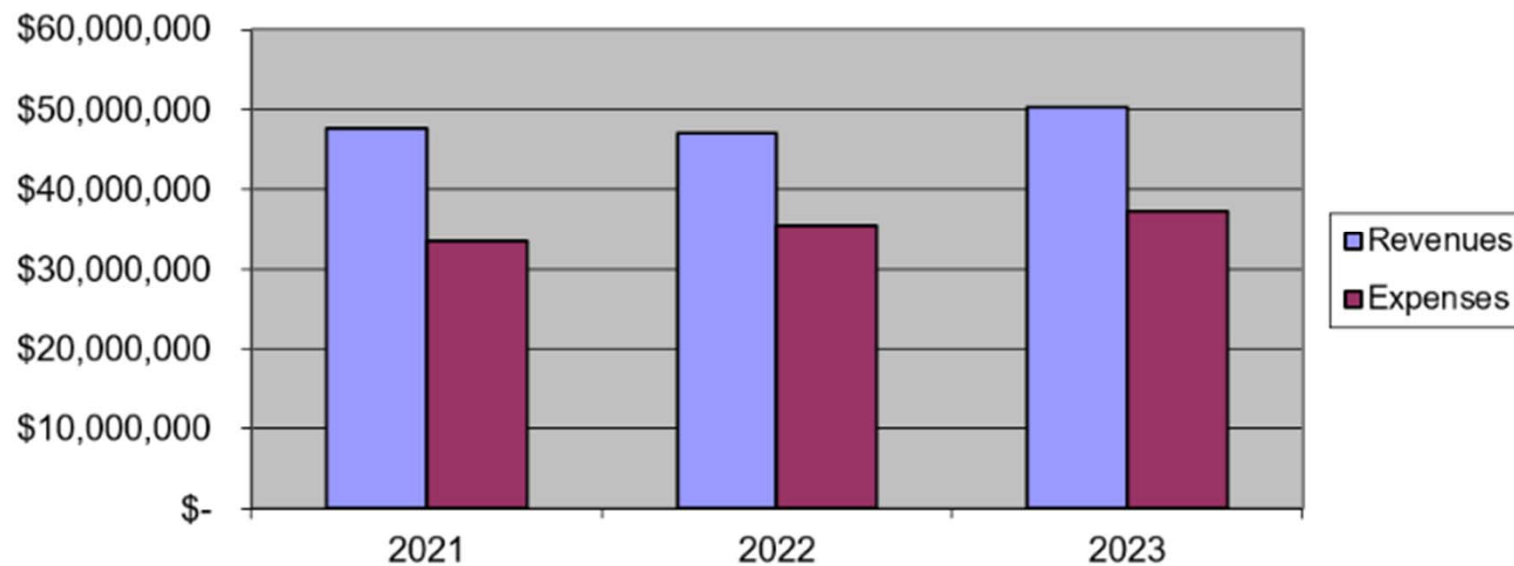


City of Bethlehem – Business-Type Activities

- Financial highlights
 - Change in Net Position
 - 2023 - \$12.8 million increase
 - 2022 – \$11.6 million increase
 - 2021 – \$14.2 million increase
 - Revenues (net of transfers out)
 - 2023 - \$50.2 million
 - 2022 – \$47.1 million
 - 2021 – \$47.7 million
- Expenses
 - 2023 - \$37.4 million
 - 2022 – \$35.5 million
 - 2021 – \$33.4 million

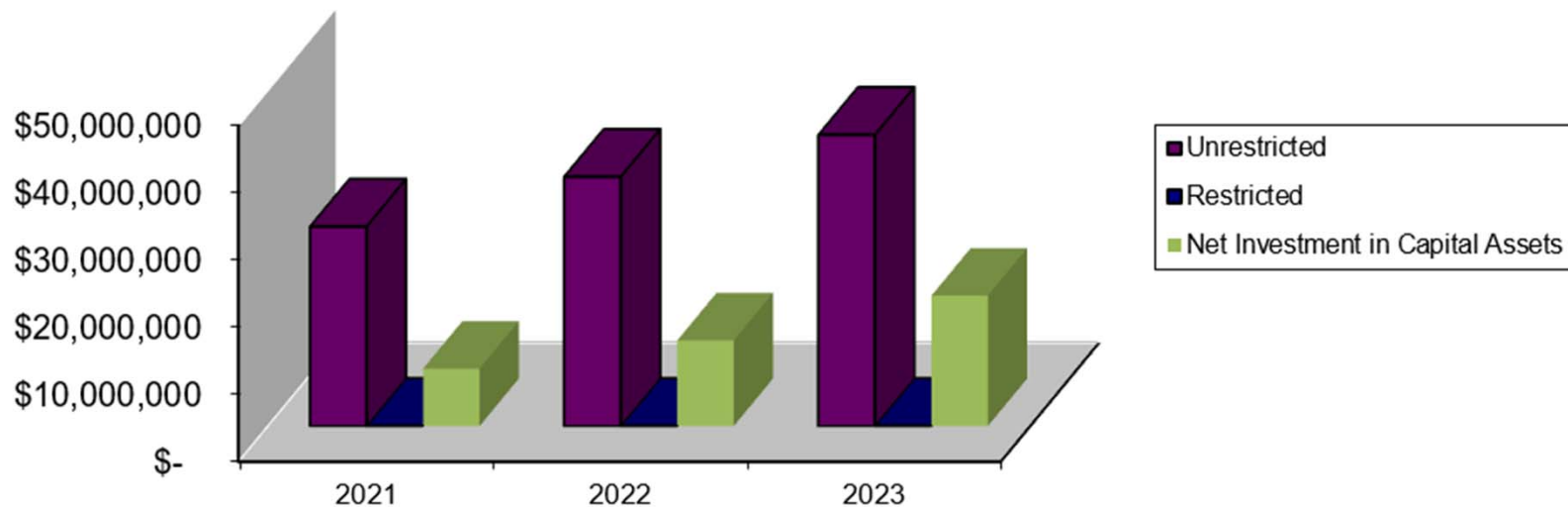
Business-Type Activities – Rev/Exp

City of Bethlehem Business-type Activities



Business-Type Activities – Net Position

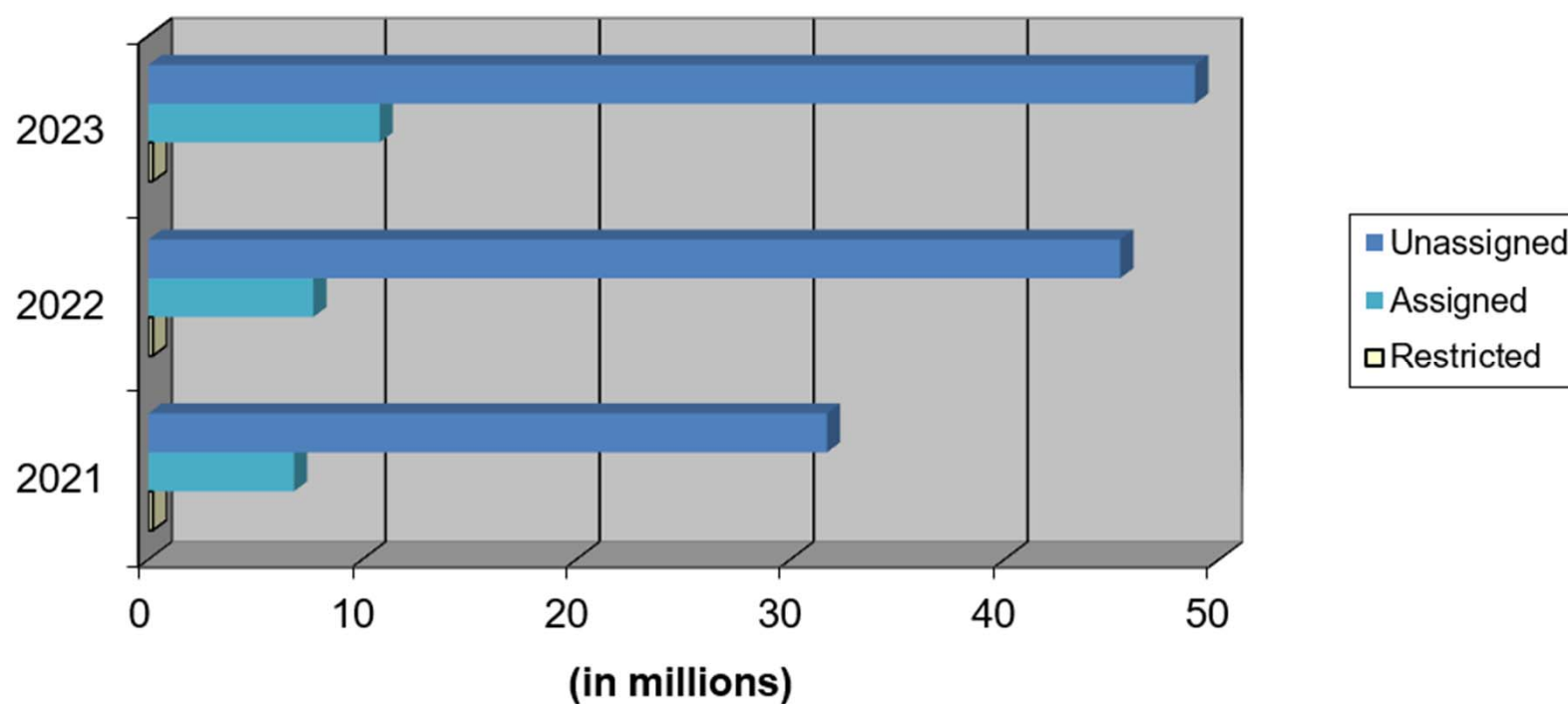
City of Bethlehem
Business-Type Activities - Net Position



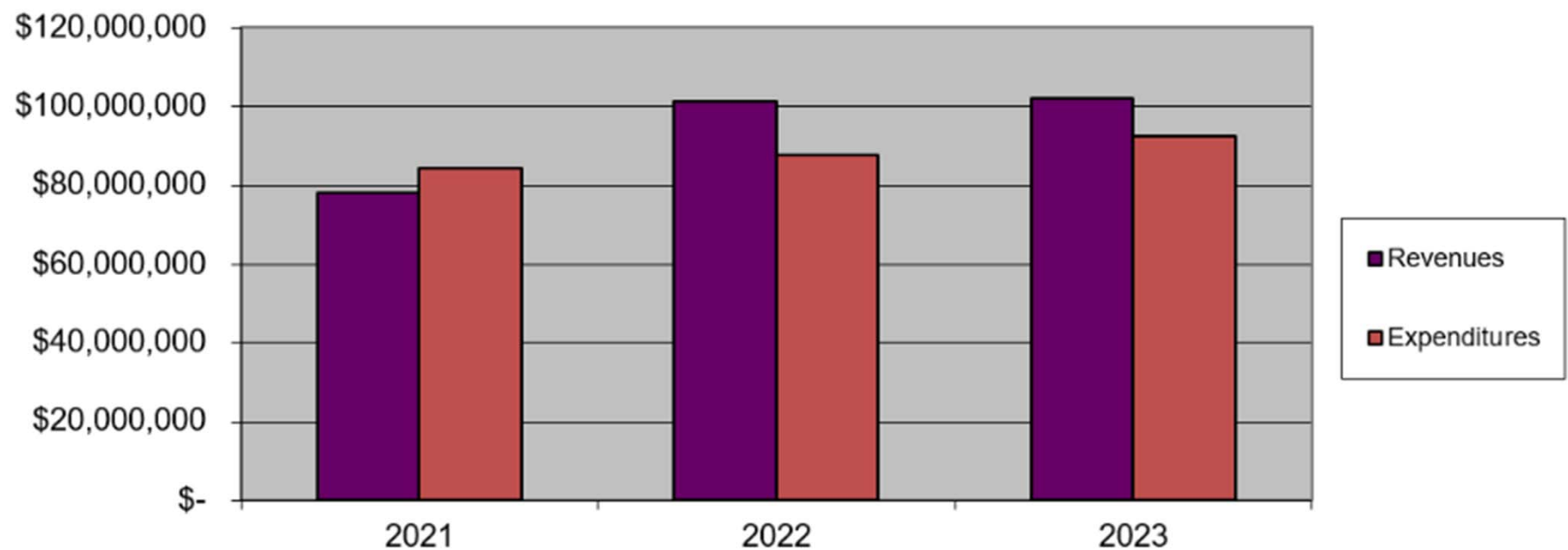
City of Bethlehem – General Fund

- Financial highlights
 - Change in fund balance
 - 2023 - \$6.6 million increase
 - 2022 - \$14.0 million increase
 - 2021 – \$16.8 million increase
 - Revenues and other financing sources
 - 2023 - \$99.3 million
 - 2022 - \$101.9 million
 - 2021 – \$101.2 million
 - Expenditures and other financing uses
 - 2023 - \$92.7 million
 - 2022 - \$87.9 million
 - 2021 – \$84.5 million

General Fund - Fund Balance

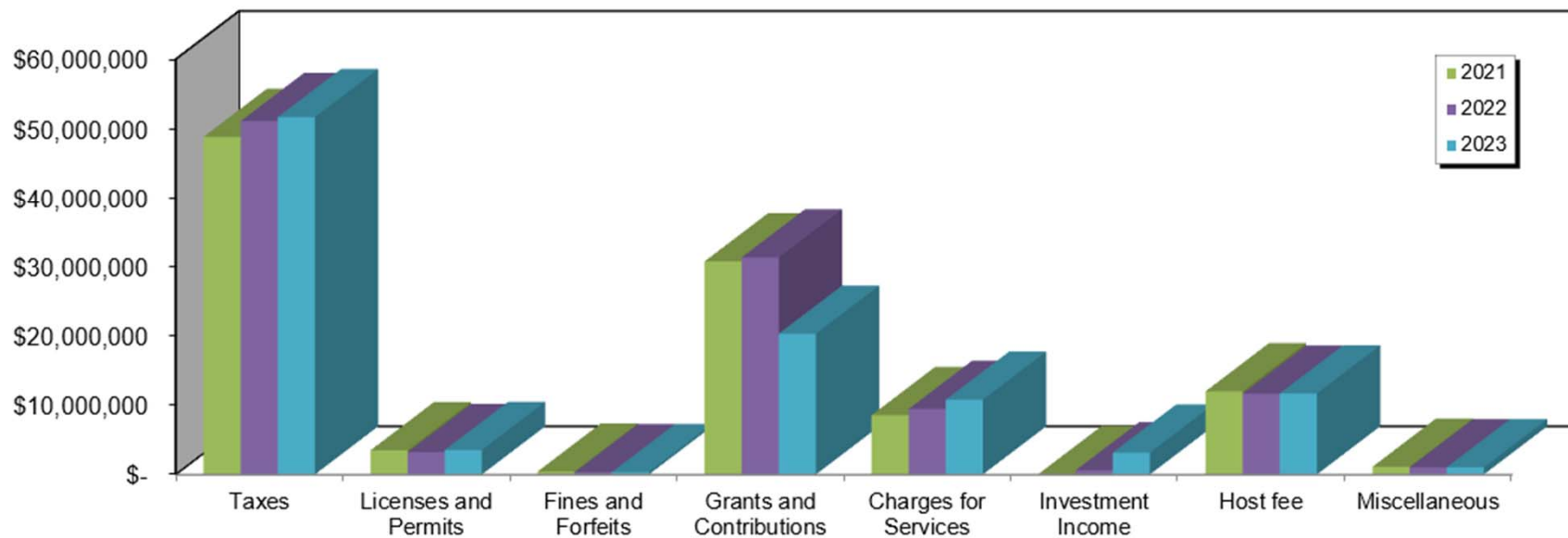


General Fund – Rev/Exp

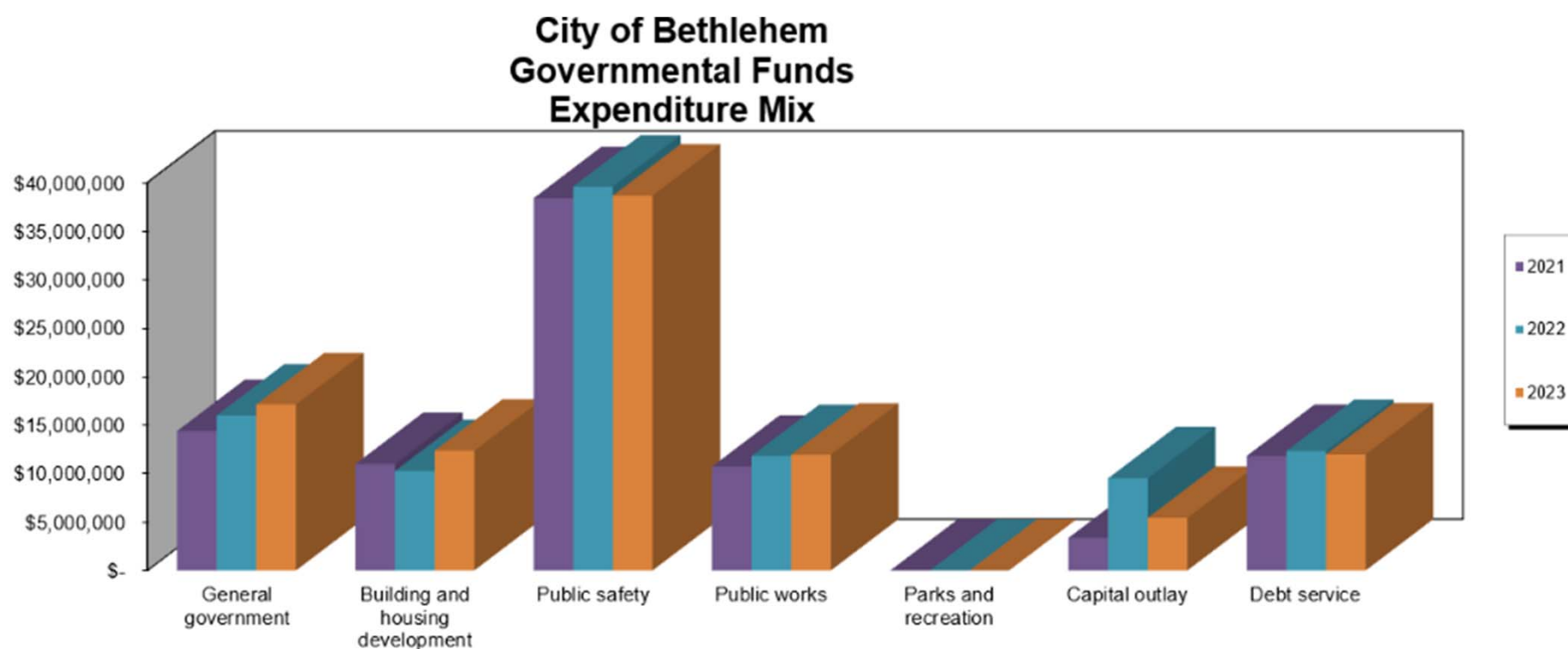


Governmental Funds – Revenue Mix

City of Bethlehem Governmental Funds Revenue Mix



Governmental Funds – Expenditure Mix



City of Bethlehem

- Single Audit results
 - One Government Auditing Standards finding to report for 2023
 - The City did not have adequate procedures in place to ensure the preparation of a complete and accurate Schedule of Expenditures of Federal Awards for the year ended December 31, 2023.
 - Federal program programs: no findings in 2023; Unmodified Opinion
 - One major program tested in 2023 and no findings to report: COVID-19: Coronavirus State and Local Fiscal Recovery Funds

City of Bethlehem

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

Questions? Contact us!



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