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City of Bethlehem

Finance Committee Presentation

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PARTNER

12/2/2025

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
 - GASB 100 *“Accounting Changes and Error Corrections”* and 101 *“Compensated Absences”* were adopted during 2024.
- 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

City of Bethlehem – Required Communications

- No sensitive disclosures affecting the financial statements
- No difficulties encountered in performing the audit
- Corrected and uncorrected misstatements
- No disagreements with management
- 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

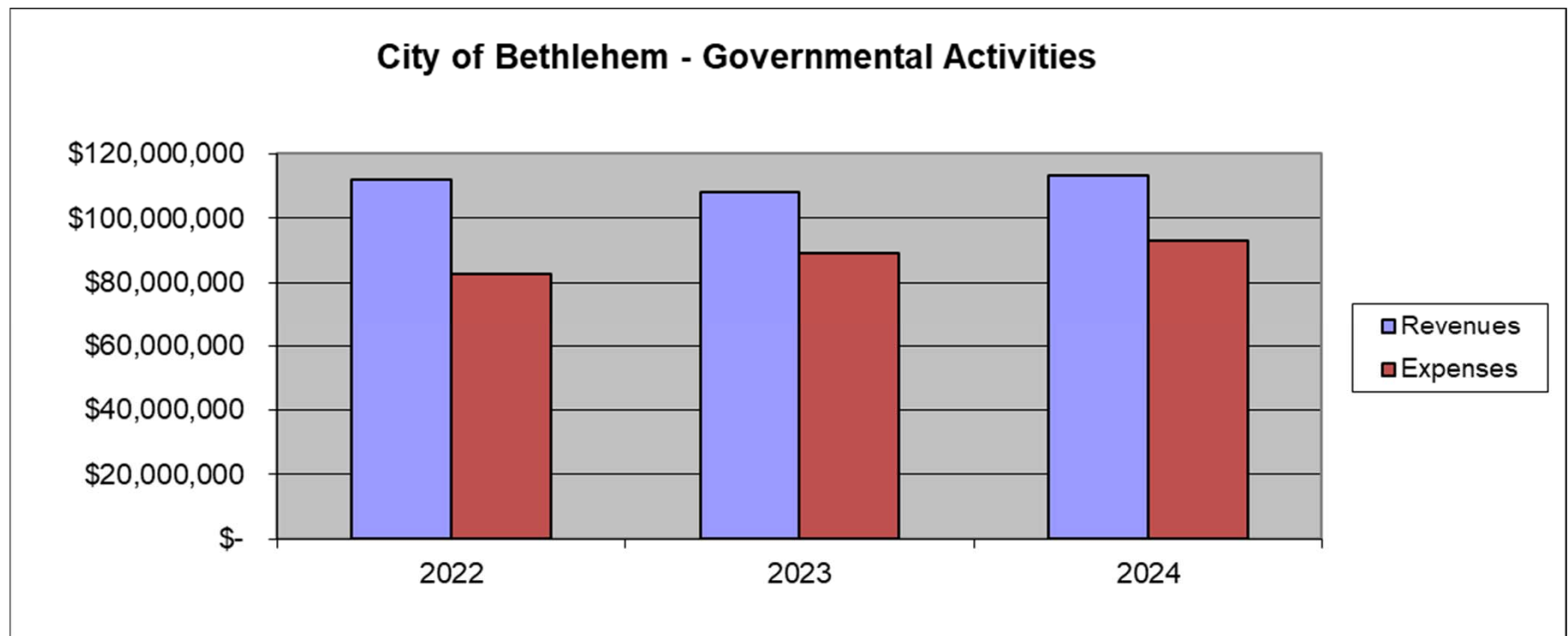
City of Bethlehem – Results of Audit

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

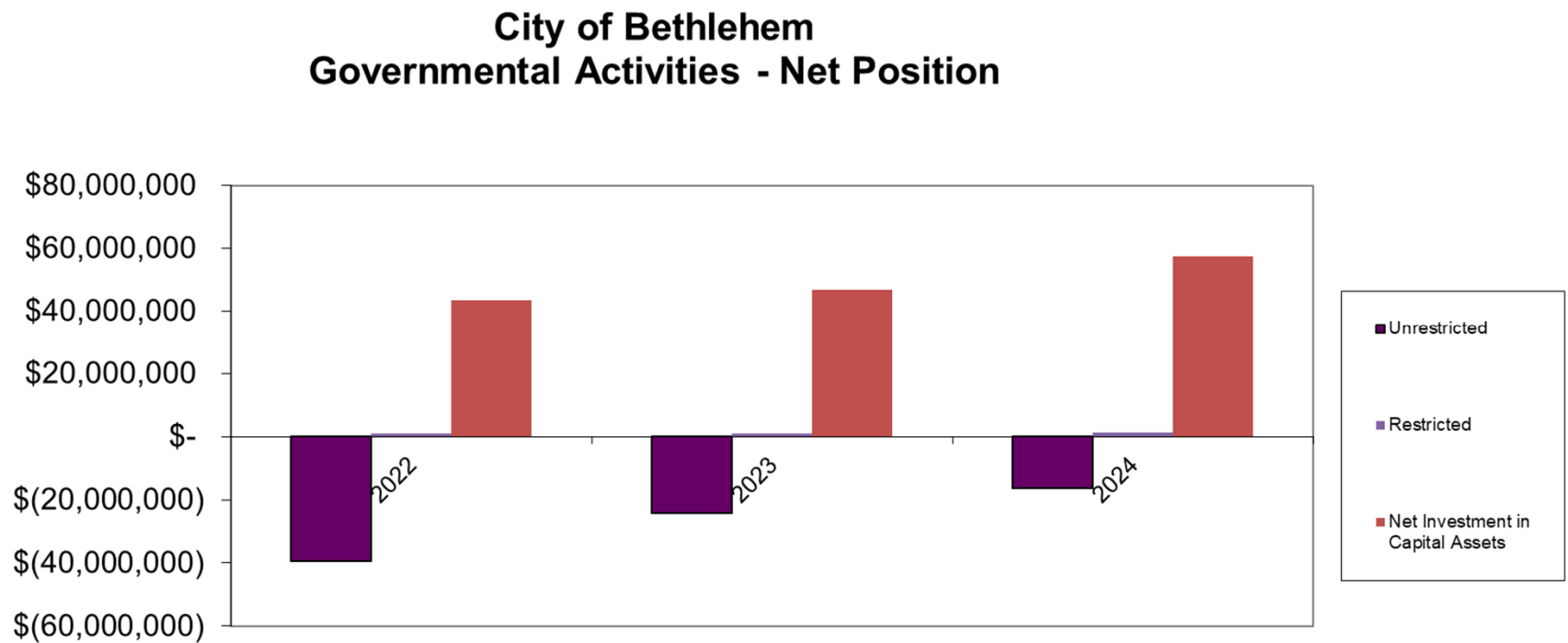
City of Bethlehem – Governmental Activities

- Financial highlights
 - Change in Net Position
 - 2024 - \$20.0 million increase
 - 2023 - \$19.0 million increase
 - 2022 – \$29.5 million increase
 - Revenues (includes transfers in)
 - 2024 - \$113.2 million
 - 2023 - \$108.1 million
 - 2022 – \$112.1 million
 - Expenses
 - 2024 - \$93.1 million
 - 2023 - \$89.1 million
 - 2022 – \$82.5 million

Governmental Activities - Rev/Exp



Governmental Activities - Net Position

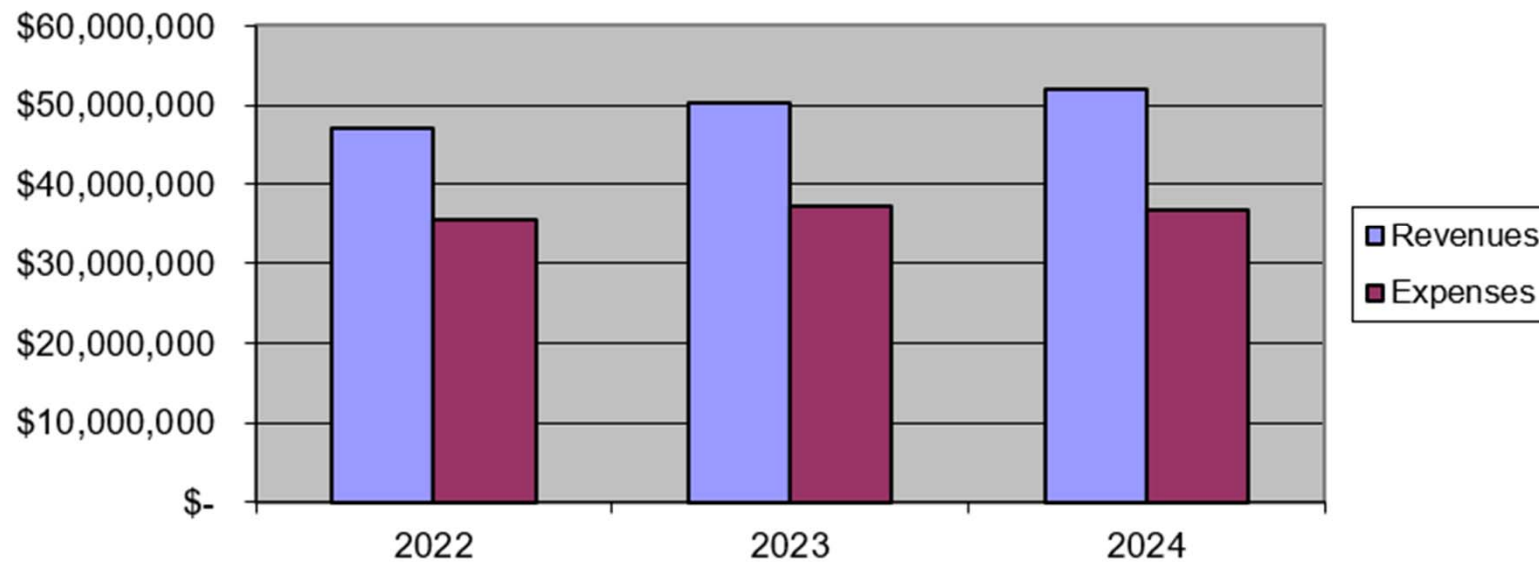


City of Bethlehem – Business-Type Activities

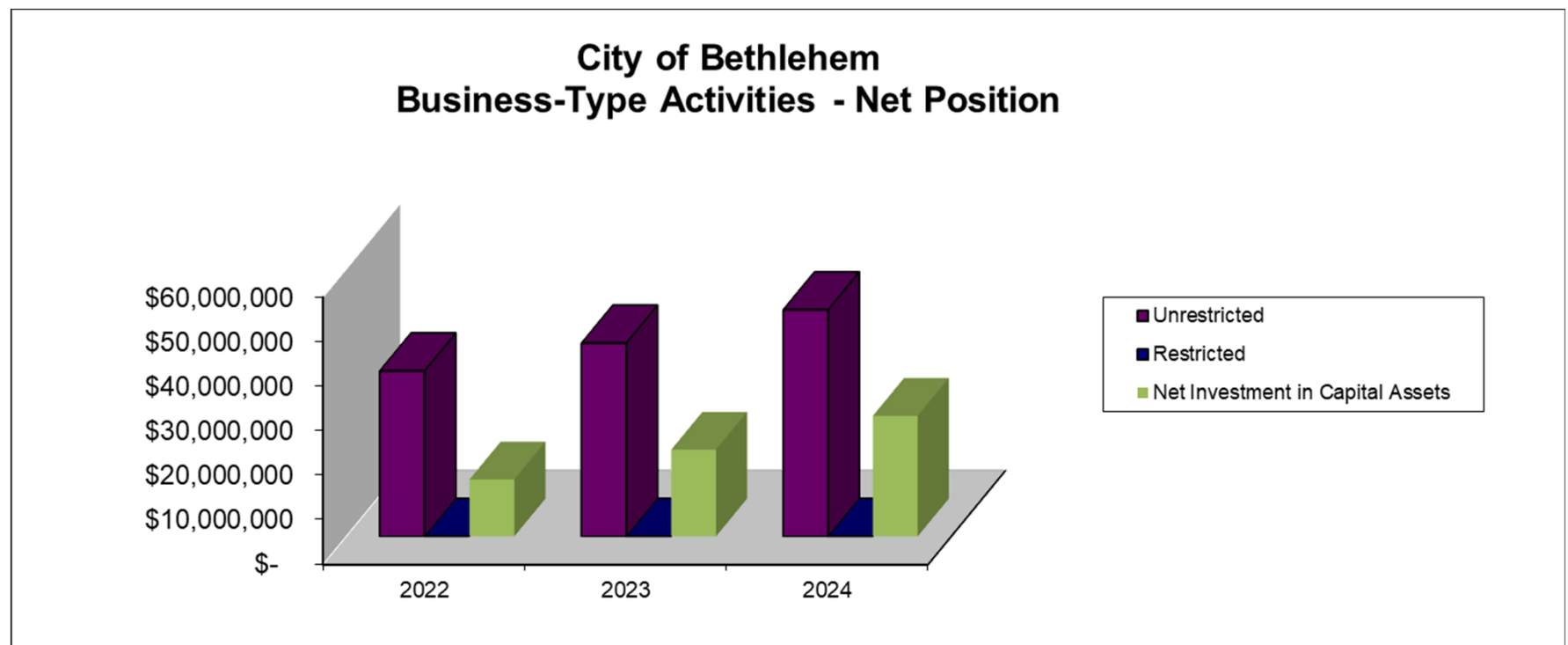
- Financial highlights
 - Change in Net Position
 - 2024 - \$15.2 million increase
 - 2023 - \$12.8 million increase
 - 2022 – \$11.6 million increase
 - Revenues (net of transfers out)
 - 2024 - \$52.0 million
 - 2023 - \$50.2 million
 - 2022 – \$47.1 million
- Expenses
 - 2024 - \$36.8 million
 - 2023 - \$37.4 million
 - 2022 – \$35.5 million

Business-Type Activities – Rev/Exp

City of Bethlehem Business-type Activities



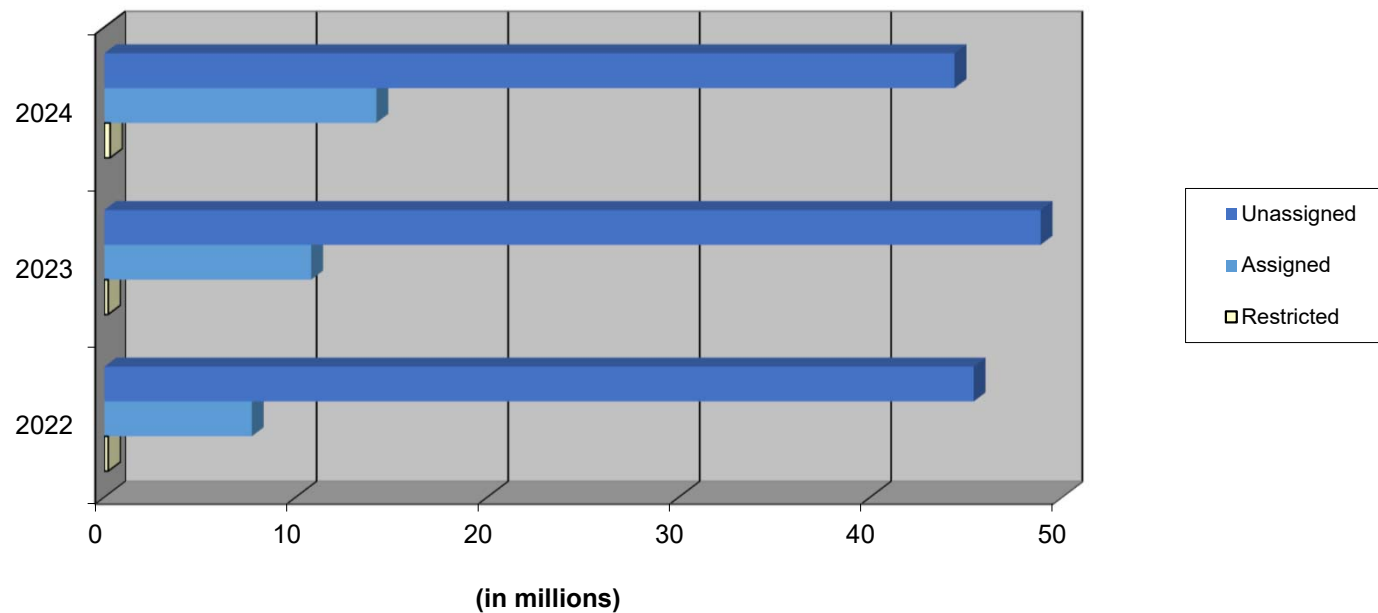
Business-Type Activities – Net Position



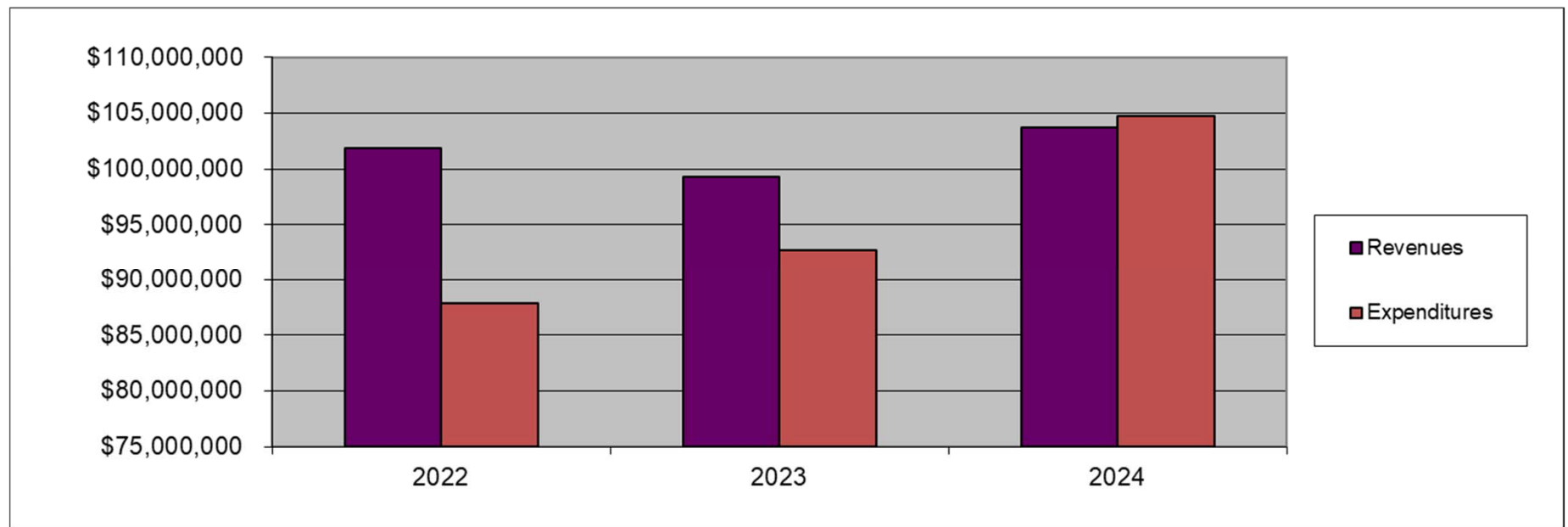
City of Bethlehem – General Fund

- Financial highlights
 - Change in fund balance
 - 2024 - \$1.0 million decrease
 - 2023 - \$6.6 million increase
 - 2022 - \$14.0 million increase
 - Revenues and other financing sources
 - 2024 - \$103.7 million
 - 2023 - \$99.3 million
 - 2022 - \$101.9 million
 - Expenditures and other financing uses
 - 2024 - \$104.7 million
 - 2023 - \$92.7 million
 - 2022 - \$87.9 million

General Fund - Fund Balance

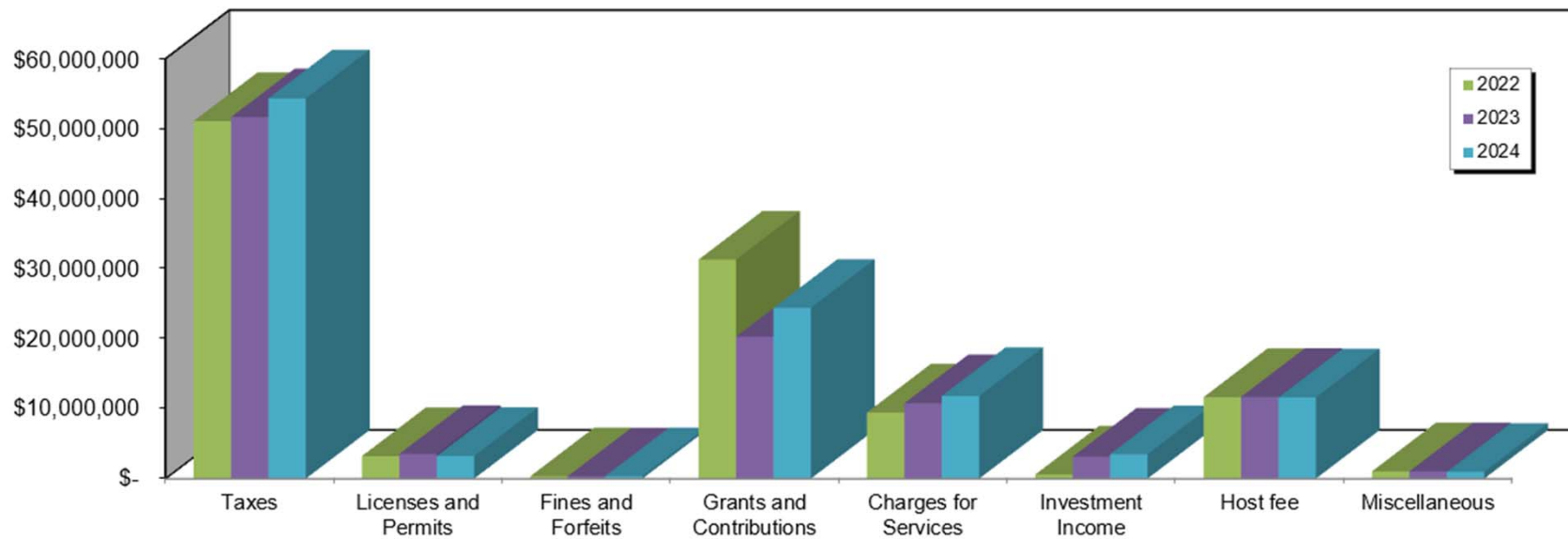


General Fund – Rev/Exp

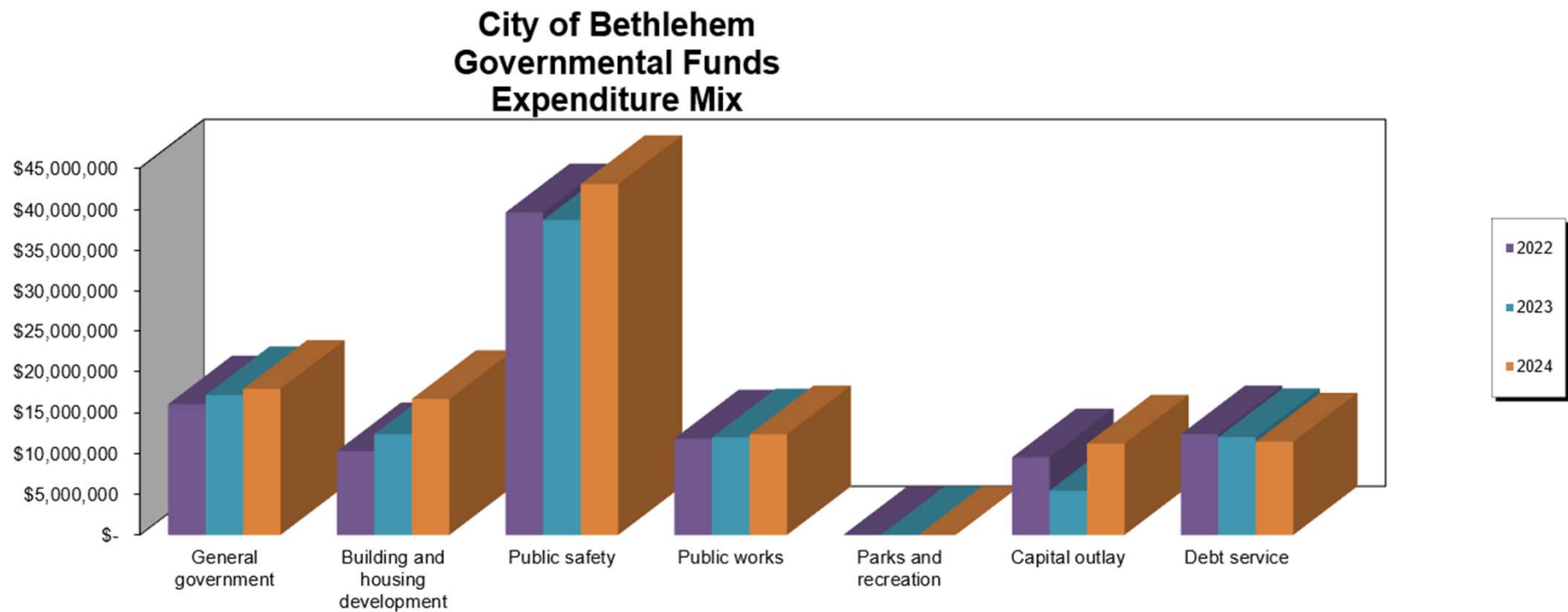


Governmental Funds – Revenue Mix

**City of Bethlehem
Governmental Funds
Revenue Mix**



Governmental Funds – Expenditure Mix



City of Bethlehem

- Single Audit results
 - No Government Auditing Standards findings to report for 2024
 - Federal program programs: no findings in 2024; Unmodified Opinion
 - Three major program tested in 2024 and no findings to report:
 - COVID-19: Coronavirus State and Local Fiscal Recovery Funds
 - Highland Conservation
 - Economic Development Initiative Community Project, and Miscellaneous Grants

City of Bethlehem

- Management letter (Best Practice Recommendations)
 - Enhancing procedures over sewer administrative charges **(repeat)**
 - Properly approving P-card statements **(new)**

Questions? Contact us!



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