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City of Breezy Point

Audit Presentation
Breezy Point City Council

Agenda

- Audit Results
- Financial Results
- Key Issues/Summary



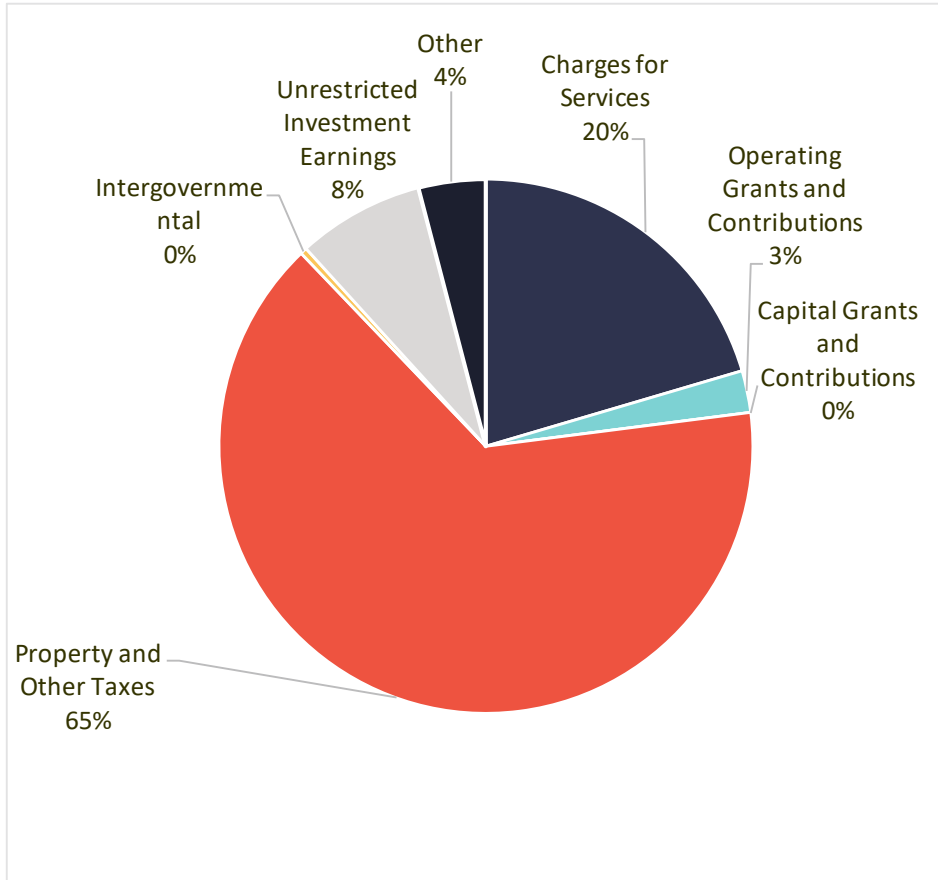
City's Audit Results

- Unmodified Opinion
 - On the basic financial statement
- Compliance and Internal Control Over Financial Reporting
 - Three material weaknesses:
 - Segregation of duties
 - Internal control over the financial reporting process
 - Material audit adjustments
- Minnesota Legal Compliance
 - Seven areas – No issues for 2024

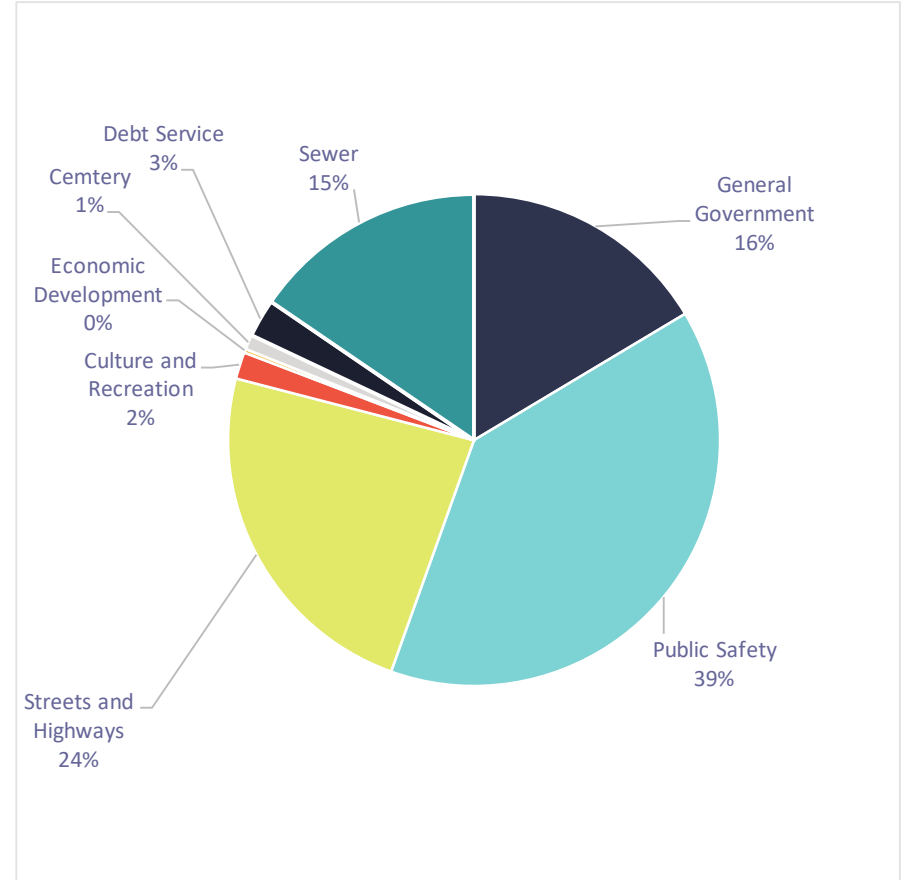


Financial Results

Government-Wide Revenues

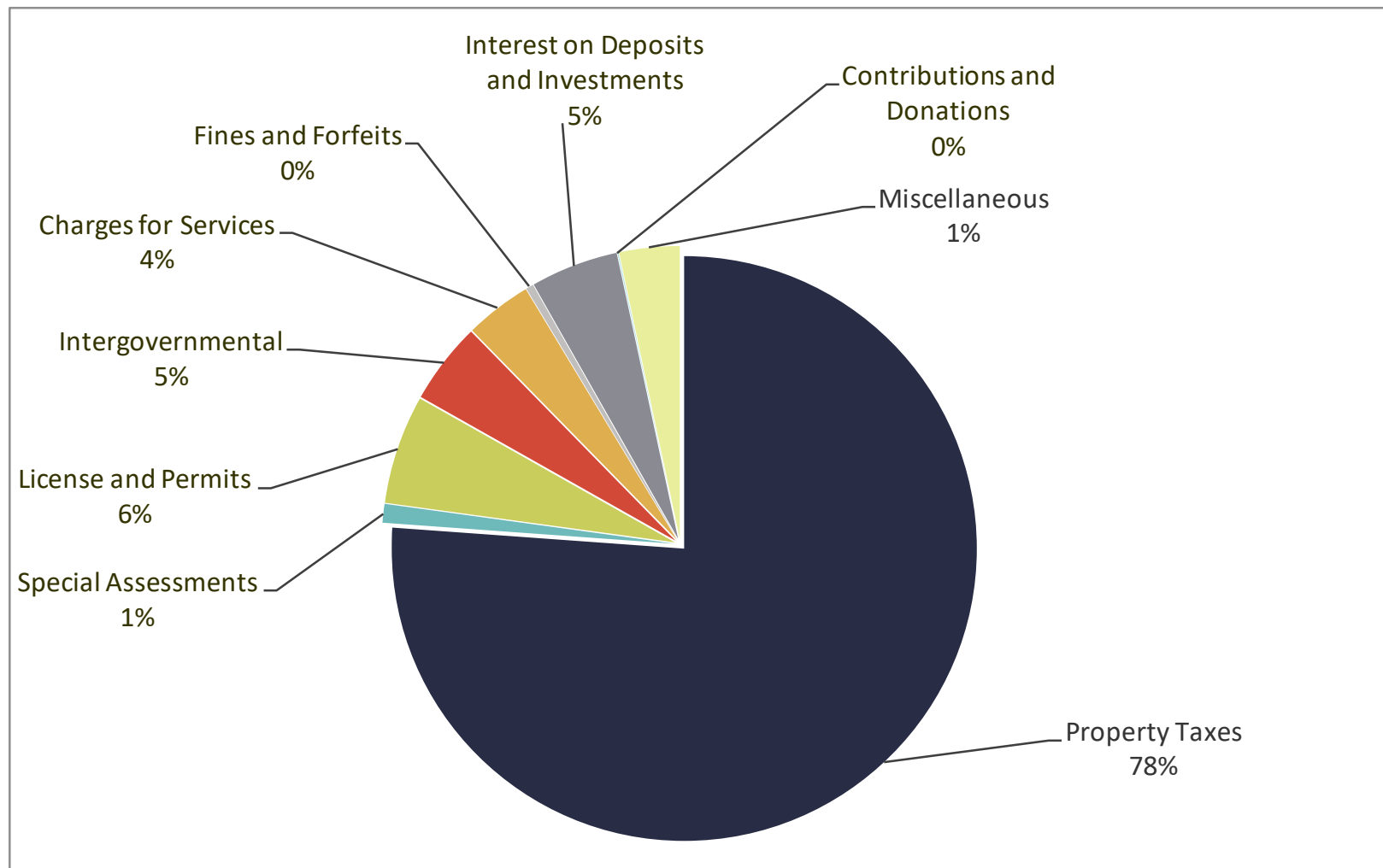


Government-Wide Expenses



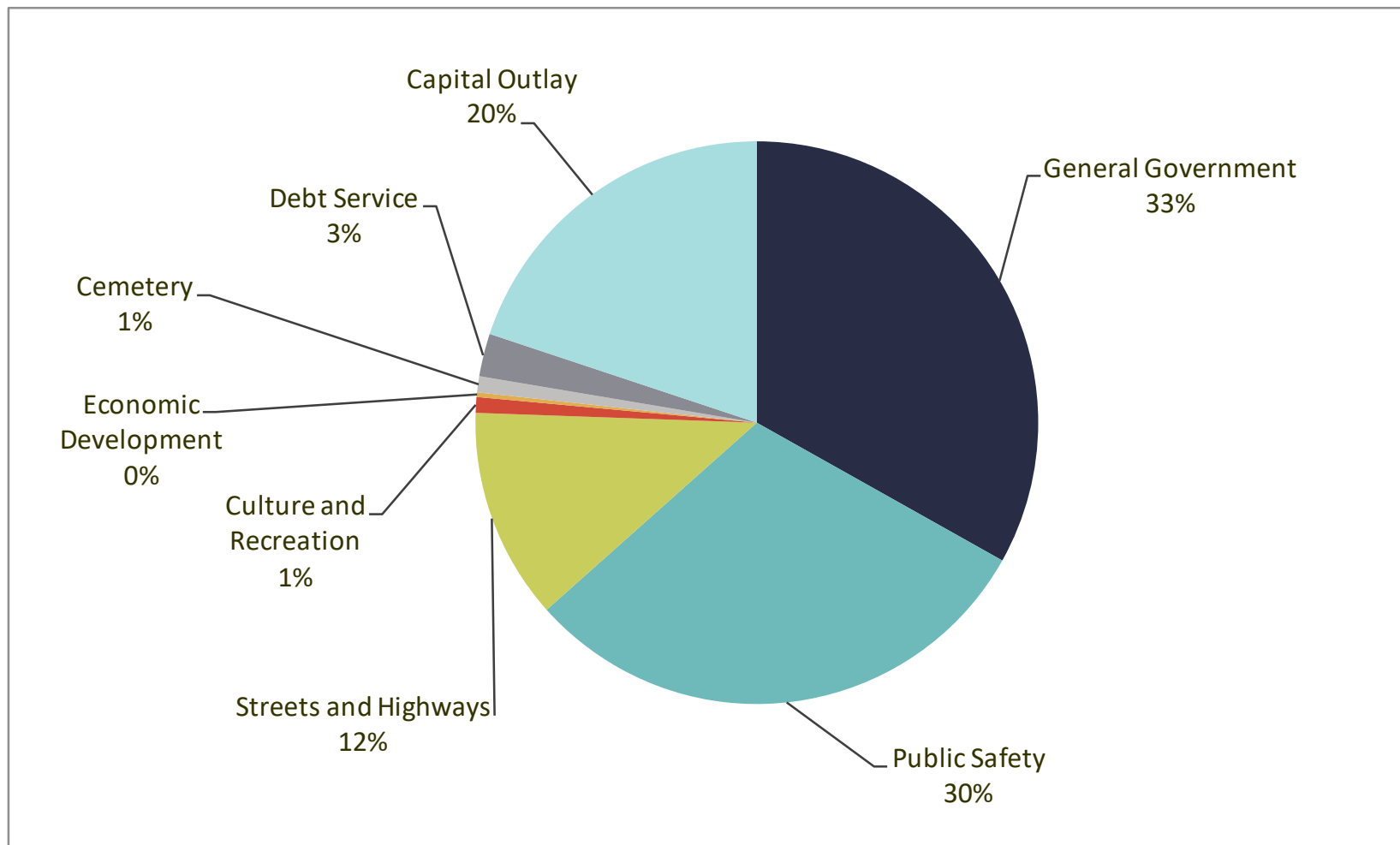
Financial Results

Governmental Funds Revenues



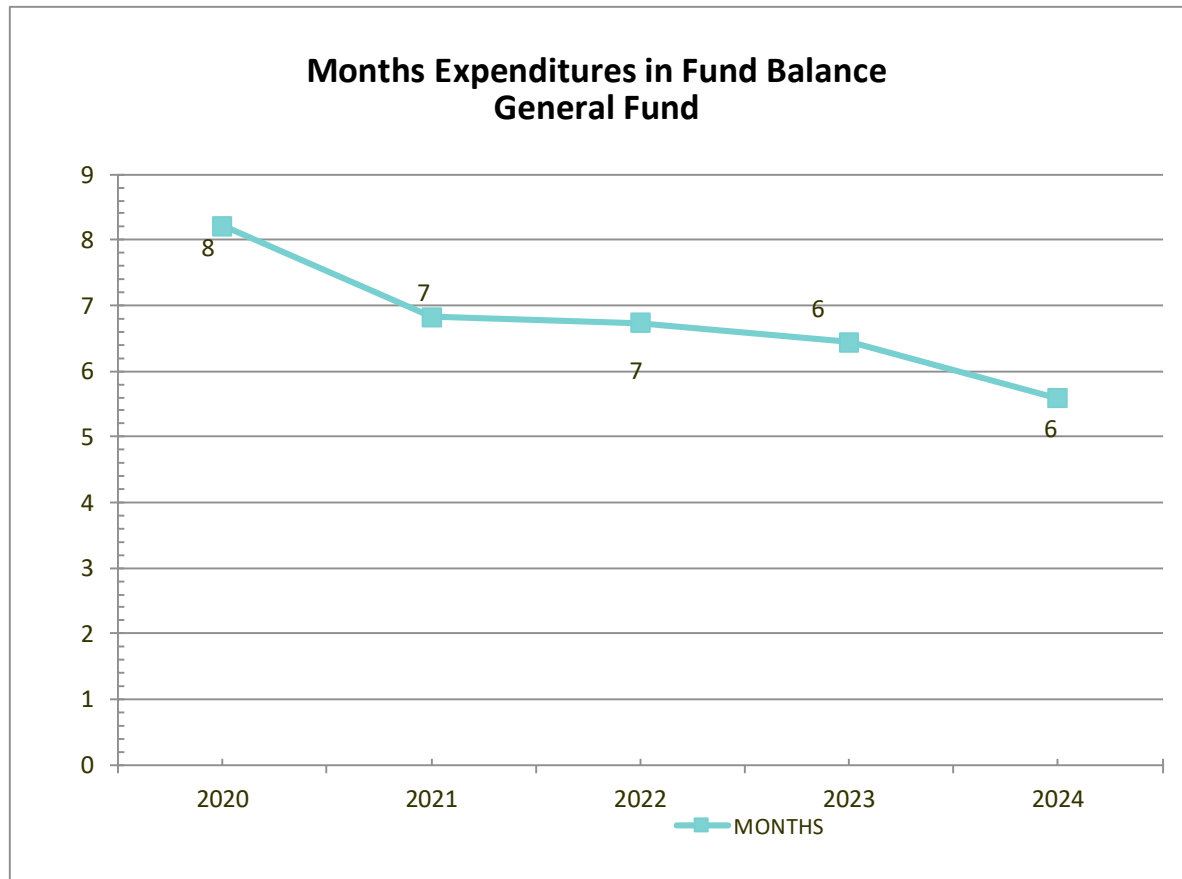
Financial Results (Continued)

Governmental Funds Expenditures



Financial Results (Continued)

Months of Expenditures in General Fund Balance

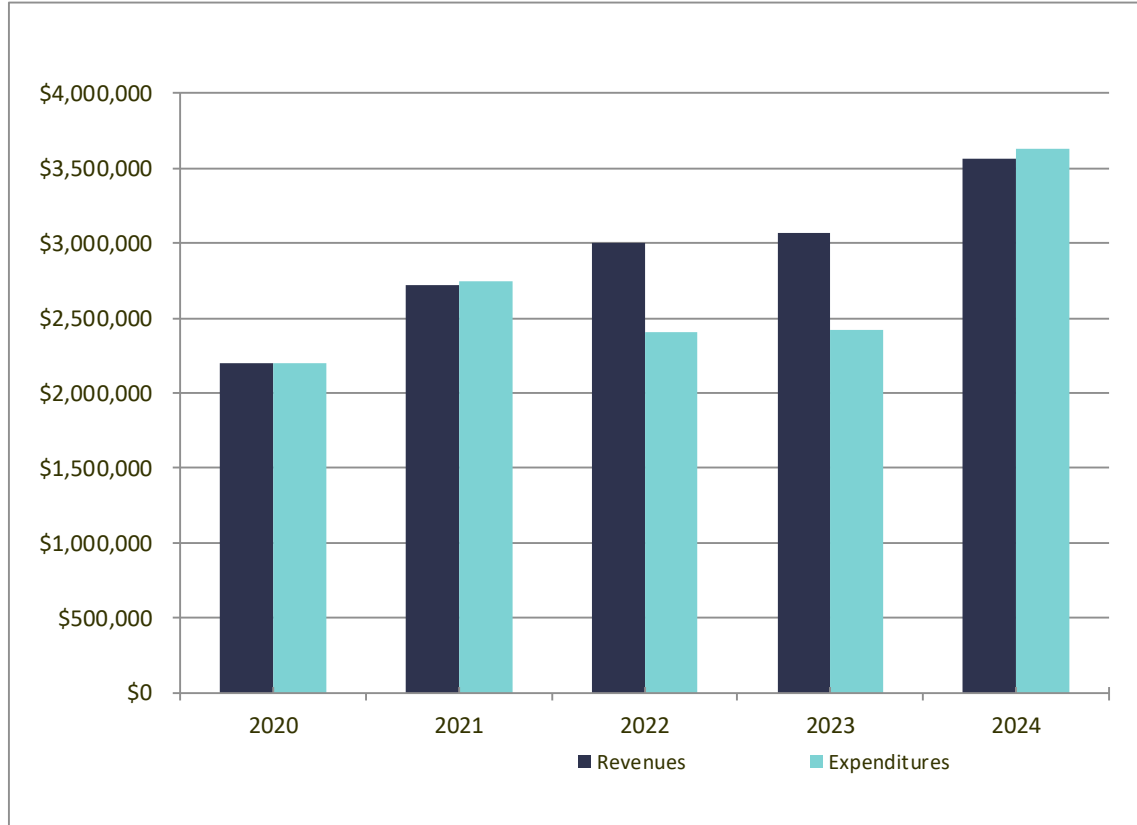


- MN Office of the State Auditor recommends no less than 5 months
- Slightly above target as of December 31, 2024

	2020	2021	2022	2023	2024
Expenditures	2,194,642	3,037,700	3,038,541	2,813,134	3,627,822
Fund Balance	1,501,387	1,726,067	1,705,726	1,509,914	1,687,340

Financial Results (Continued)

General Fund Revenues & Expenditures

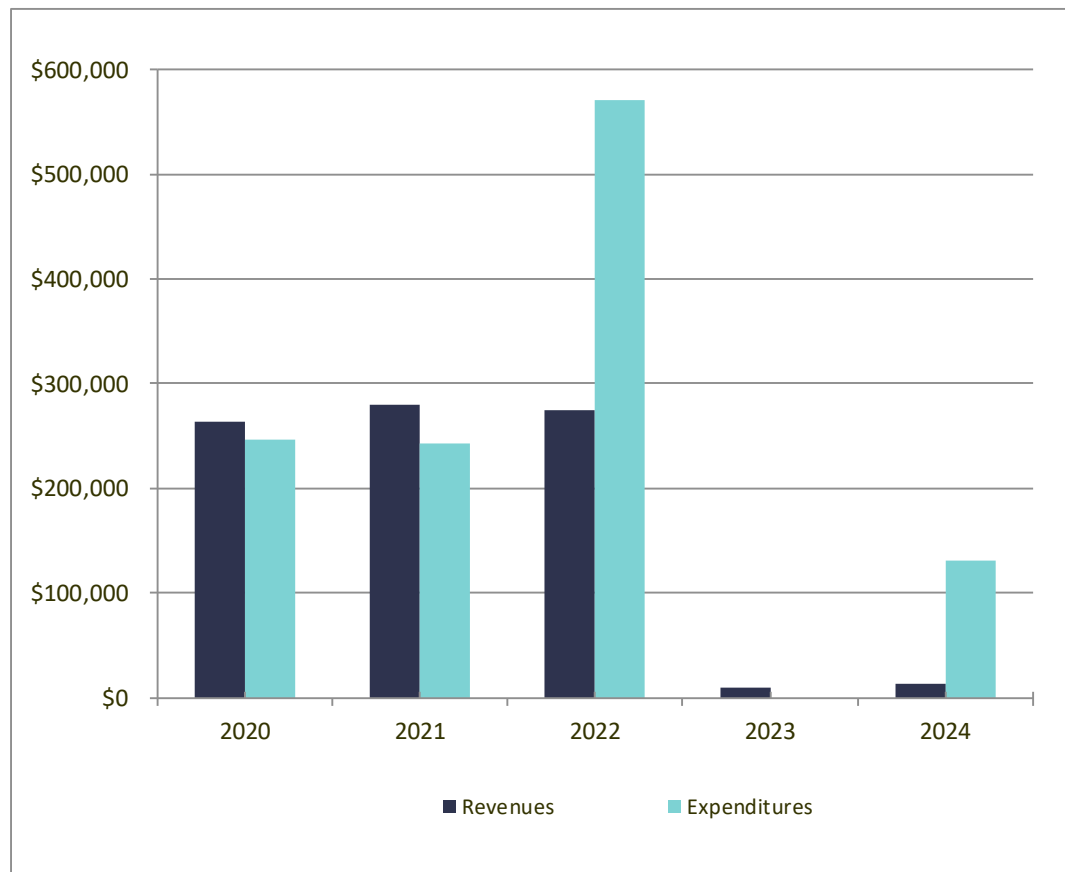


- Increase in revenues is mostly due to an increase in taxes and grants
- Expenditures increased due to wage increases and higher fire payments in 2024
- Transfer out of \$642,000
- Transfer in of \$423,000
- Fund balance of \$1,856,027

	2020	2021	2022	2023	2024
Revenues	2,716,070	3,000,785	3,065,116	3,566,554	3,972,677
Expenditures	2,194,642	2,747,605	2,406,311	2,424,108	3,627,822

Financial Results (Continued)

Debt Service Fund Revenues & Expenditures

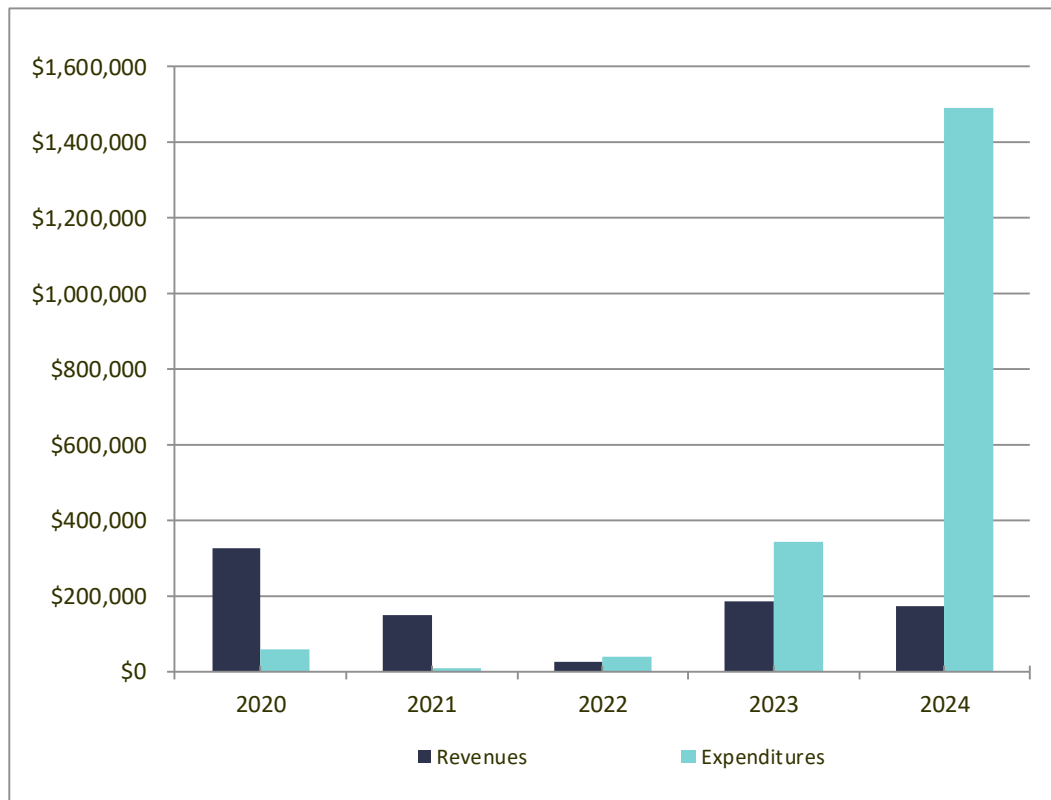


- Revenues remained consistent
- Expenditures related to new debt issued
- Receivable booked of \$1,335,000 to offset bonds issued
- Fund balance of \$1,648,967

	2020	2021	2022	2023	2024
Revenues	263,853	279,630	274,313	9,776	13,336
Expenditures	246,525	242,649	570,865	-	130,610

Financial Results (Continued)

Revolving Capital Fund Revenues & Expenditures

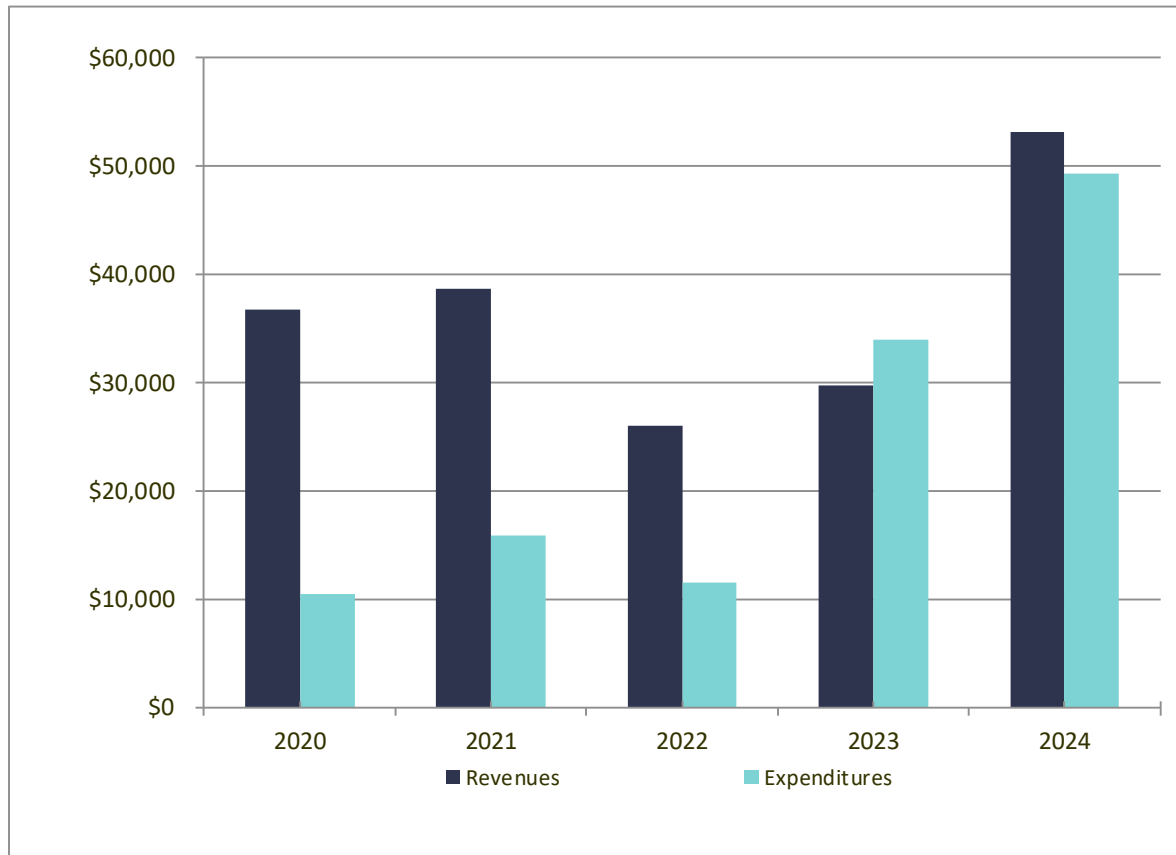


- Revenues remained consistent
- Expenditures increased due to city hall project
- Used to track all capital projects
- \$642,000 transfer in from General Fund for future projects
- Fund balance of \$3,605,976

	2020	2021	2022	2023	2024
Revenues	326,854	148,679	27,885	186,191	172,189
Expenditures	58,789	9,050	39,994	341,973	1,489,884

Financial Results (Continued)

Cemetery Fund Revenues & Expenditures

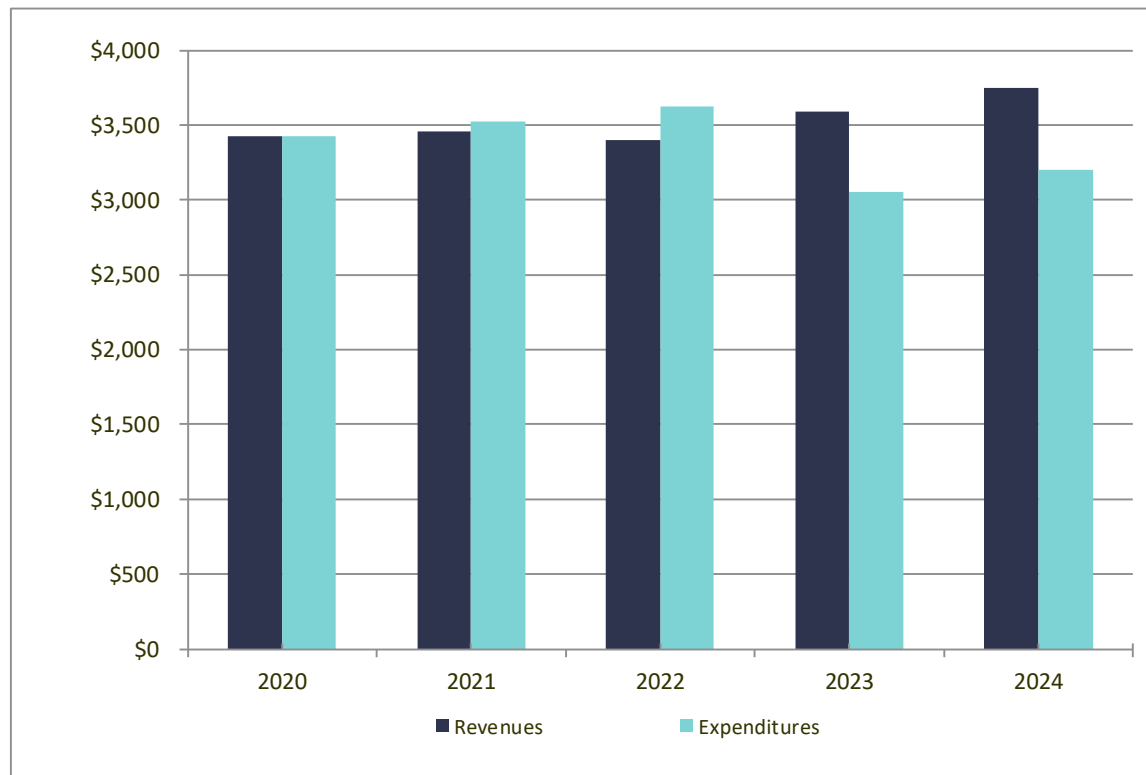


- Increase in revenues is mostly due to an increase in taxes
- Expenditures increased due to project costs in 2024
- Transfer out of \$5,000
- Fund balance of \$201,845

	2020	2021	2022	2023	2024
Revenues	36,725	38,740	26,069	29,759	53,202
Expenditures	10,463	15,899	11,522	34,034	49,296

Financial Results (Continued)

Economic Development Authority Fund Revenues & Expenditures

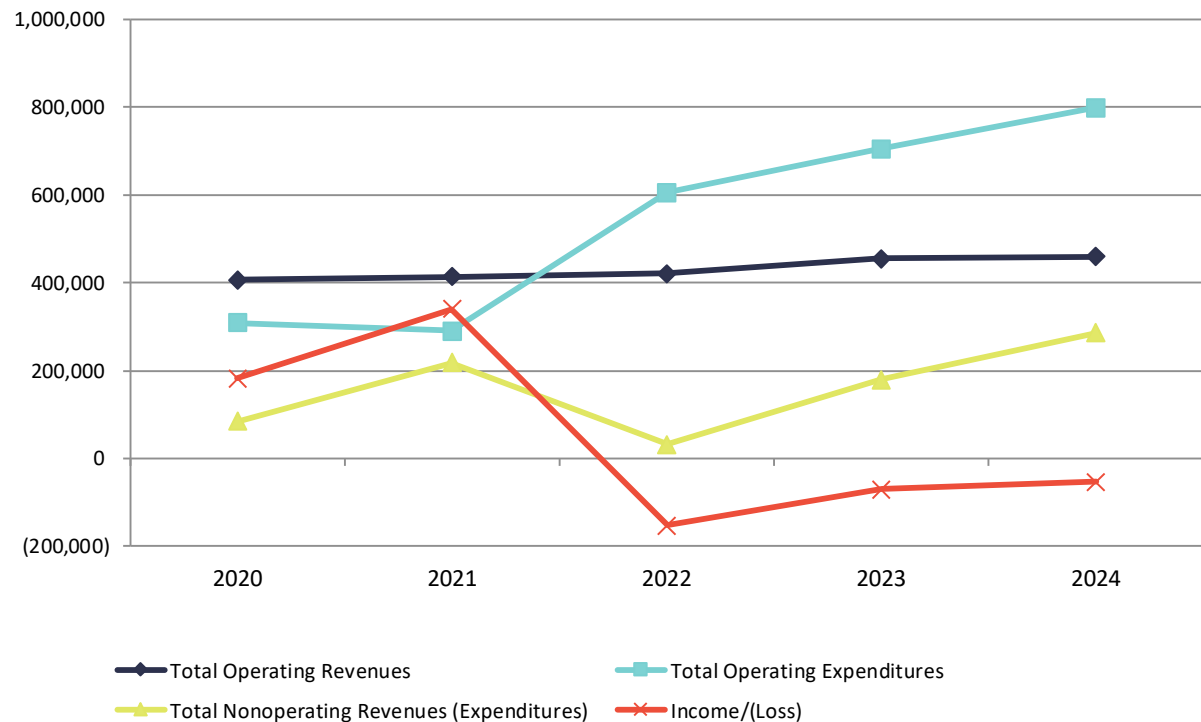


- Revenues mainly from taxes
- Expenditures similar to prior year
- Fund balance of \$2,670

	2020	2021	2022	2023	2024
Revenues	3,427	3,461	3,398	3,589	3,752
Expenditures	3,425	3,526	3,625	3,051	3,200

Financial Results (Continued)

Sewer Fund Operations



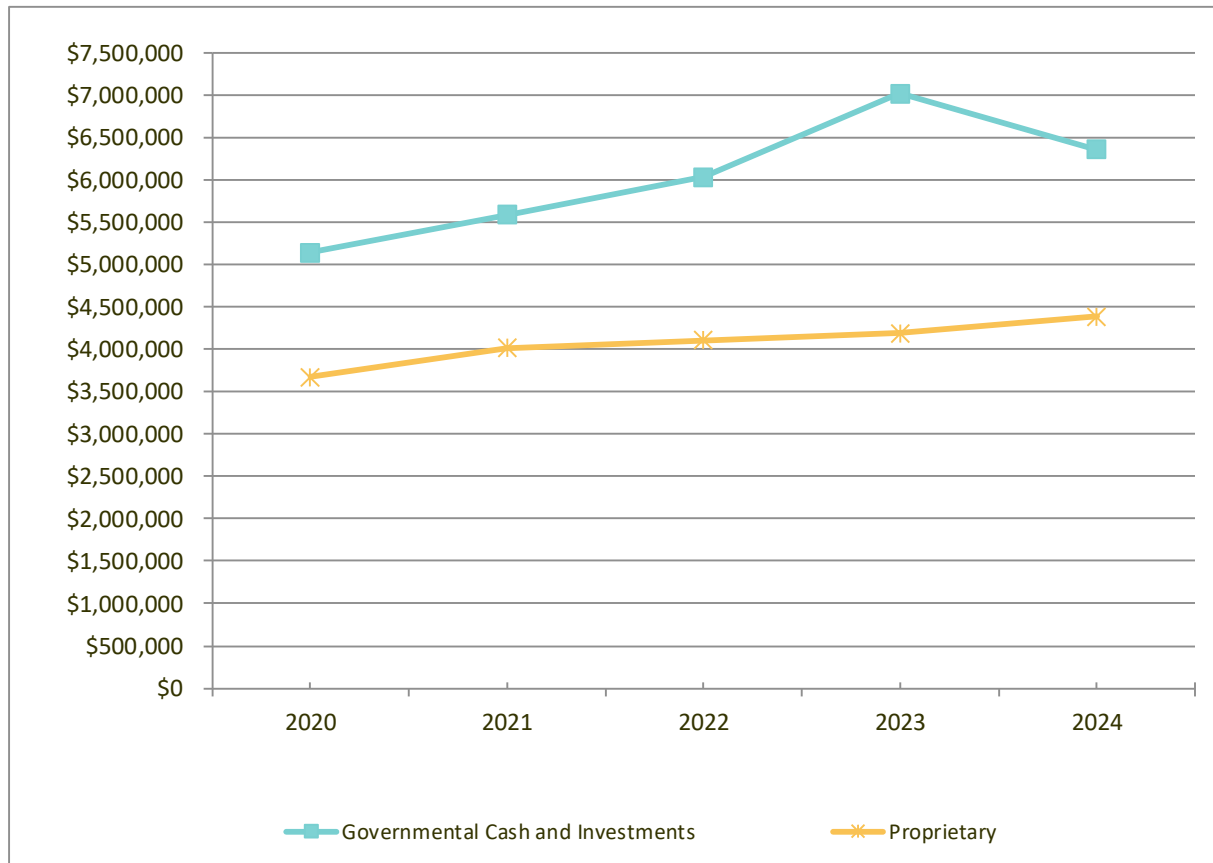
- Overall increase in cash of \$197,776
- Cash flow used by operating activity is \$73,527
- Net investment in capital assets of \$3,593,982

	2020	2021	2022	2023	2024
Total Operating Revenues	407,315	413,766	421,039	454,794	459,163
Total Operating Expenditures	308,936	291,111	605,384	705,547	799,665
Total Nonoperating Revenues (Expenditures)	84,018	217,507	32,049	179,823	286,337
Income/(Loss)	182,397	340,162	(152,296)	(70,930)	(54,165)
Unrestricted Net Position	3,671,268	4,011,430	4,321,516	4,634,814	4,783,627



Financial Results (Continued)

Total Cash



- Cash increased in the Sewer fund by approximately \$198,000
- Cash decreased in governmental funds by approximately \$655,000

Financial Results (Continued)

- Other Financial Highlights
 - Financial statements and the required State Auditor Reporting form will be submitted to the applicable state agency before the deadline
 - Deadline is June 30, 2025
 - TIF District
 - TIF revenue of \$14,701
 - Payments made of \$10,464
 - Ended with fund balance of \$5,958



Key Issues/Summary

- Financial stability
 - General Fund had an increase of approximately \$126,000 after net transfer out of \$219,000
 - Revolving Capital Fund had a decrease of approximately \$1,094,000
 - Sewer Fund has the ability to cash flow projects
 - Cash of \$4,387,999 with expenses of \$799,665



*Thank you to all for helping to get
this audit completed timely and for
allowing us to serve you!*

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