

From: [Patrick Davidson](#)
To: [Angela Ternus](#)
Cc: [Tracy Hutchins](#); [Loren Einspahr](#); [Michael Schroder](#); [Shannon Downs](#); [Dave Conley](#); [Steve Gaither](#); [Patrick Davidson](#); [Hannah Bruce](#)
Subject: RE: Analysis of the 2024 Financials
Date: Thursday, February 27, 2025 8:58:03 AM
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)
[image004.png](#)
[image005.png](#)

Good morning, Mayor,

Thank you for bringing the issue of the November financials to my attention. They have been updated to the Town's website.

In Caselle we use period 13-YY for reversing journal entries to accrue and defer expenses that expand over multiple years. This change for 2024 is based on a change suggested by the auditor for closing out the financials for 2024. For example, CORE and Black Hills meter reads start in the middle of a month, and then end in the middle of the following month. On the financials that were initially posted online, we ran through period 13-YY to capture all reversing journal entries that may have occurred in that period. Consequently, including the column "period actual" encompasses not only all January through December expenses, but reversing entries and/or auditor entries for the same year.

If viewed differently, the carry forward from 2023 is identified as period 00-24 in Caselle, and the opening account balances are carried forward from 2023 to populate these accounts. The system does not allow for any adjustments for that period. Then month 01-24 is January through 12-24 which is December. That still leaves Caselle periods 13-24 and 14-24 which are used for accruing and deferring any expenses to balance accounts for audit purposes.

So, if the financials are run from 00-24 through 12-24 it fails to take into consideration both expenses and revenue for FY 2024 that are made through adjusting journal entries and therefore incomplete. If the financials are run 00-24 through 14-24 which is the audit period only, this encompasses any adjustments or corrective entries. The "period actual" was removed to better reflect the actual financials through the year and remove the potential confusion arising from periods 13-24 and 14-24.

We have posted the "Updated 2024 Draft December Financials" onto the website, to reflect your request. It will show the expenses and revenue for the period 12-24. However, if you look at many of the "period actual" entries you will note a zero/0 in for these accounts. Those numbers will not include those general entries made in period 13-24 to reflect reversing entries and/or auditor entries for the same year.

Please let me know if you have any additional questions or concerns.

Patrick

Patrick G. Davidson, Town Administrator
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From: Angela Ternus <aternus1@townofelizabeth.org>
Sent: Wednesday, February 26, 2025 4:35 PM
To: Patrick Davidson <pdavidson@townofelizabeth.org>
Subject: Re: Analysis of the 2024 Financials

Patrick,

The November Financials have not been posted to the Town's website. The December Financials that you just sent show all zeros in the "Period Actual" column for Revenues and Expenses.

Please explain how that happens.

Can we get copies of the November Financials?

Thank you,
Angela Ternus
Mayor - Town of Elizabeth

Angela Ternus
Mayor - Town of Elizabeth
aternus1@townofelizabeth.org



From: Patrick Davidson <pdavidson@townofelizabeth.org>
Sent: Wednesday, February 26, 2025 12:20 PM
To: Angela Ternus <aternus1@townofelizabeth.org>; Tracy Hutchins <thutchins@townofelizabeth.org>; Loren Einspahr <leinspahr@townofelizabeth.org>; Michael Schroder <mschroder@townofelizabeth.org>; Shannon Downs <sdowns@townofelizabeth.org>; Dave Conley <dconley@townofelizabeth.org>; Steve Gaither <sgaither@townofelizabeth.org>
Cc: Patrick Davidson <pdavidson@townofelizabeth.org>; Michelle Oeser <moeser@townofelizabeth.org>; Hannah Bruce <hbruce@townofelizabeth.org>
Subject: Analysis of the 2024 Financials

Good afternoon, Mayor, Mayor Pro Tem, and Members of the Board of Trustees:

As you know, the monthly financials are regularly posted to the Town's website for a review by the Board and the public. Beginning in the Fall of 2023, I was asked to provide an annual summary of the financials once all outstanding revenue was received for each year. Attached is the newest review with a brief cover memo. The Town is in a good position, financially, and I believe it is important that this information is relayed to the public. Recall that the Town's budget is designed as an annual plan for the organization and is always subject to revision based on the needs of the community and the desires of the Board of Trustees. Some of those revisions are reflected within the memo and within the financials for 2024. Should you have any questions or concerns, please feel free to reach out to Hannah or me to discuss in more detail.

Have a great day!

Patrick

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