



Lighting the path forward

Comfort Lake – Forest Lake Watershed District

2022 Financial Statement Audit



Audit Results

Auditor's Opinion



Unmodified Opinion –
Findings on Next Slide

Minnesota Legal Compliance



No MN Legal Compliance
Findings in 2022

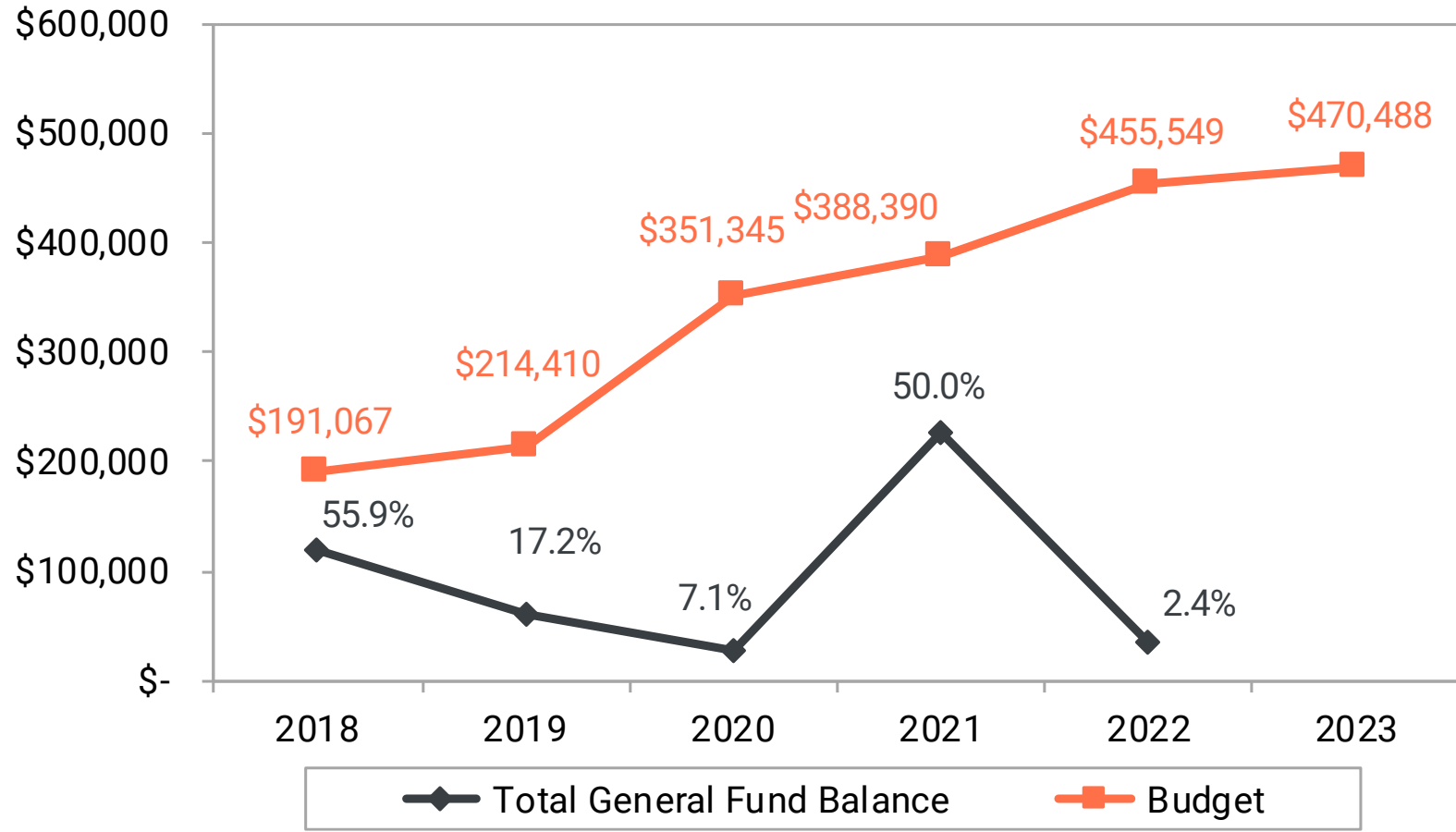
Audit Results

2022 Audit Findings

- Authorized Bank Signatories
 - Internal Control Finding
- Material Audit Adjustments
 - Internal Control Finding



General Fund - Fund Balance Compared to Future Year Budget



General Fund Budget to Actual

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues	\$ 263,200	\$ 263,228	\$ 28
Expenditures	<u>455,549</u>	<u>479,492</u>	<u>(23,943)</u>
Net Change in Fund Balances	(192,349)	(216,264)	(23,915)
Fund Balances, January 1	<u>227,774</u>	<u>227,774</u>	<u>-</u>
Fund Balances, December 31	<u><u>\$ 35,425</u></u>	<u><u>\$ 11,510</u></u>	<u><u>\$ (23,915)</u></u>

- Note the District did budget for a decrease in fund balance of \$192,349
- Revenues - Comparable to budget for 2022, no significant variances
- Expenditures - The largest negative expenditure variance in the General fund related to engineering and accounting, which had a negative budget variance of \$54,875 combined.
- This negative variance was offset by a positive budget variance in rent/debt service of \$19,290.

Program and Project Implementation Fund Budget to Actual

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues	\$ 2,652,433	\$ 2,606,363	\$ (46,070)
Expenditures			
Program costs	1,309,712	1,614,149	(304,437)
Project costs	<u>2,860,381</u>	<u>1,831,087</u>	<u>1,029,294</u>
Deficiency of Revenues Under Expenditures	(1,517,660)	(838,873)	678,787
Other Financing Sources (Uses)			
Loans issued	<u>1,600,000</u>	<u>763,394</u>	<u>(836,606)</u>
Net Change in Fund Balances	82,340	(75,479)	(157,819)
Fund Balances, January 1	<u>989,555</u>	<u>989,555</u>	<u>-</u>
Fund Balances, December 31	<u><u>\$ 1,071,895</u></u>	<u><u>\$ 914,076</u></u>	<u><u>\$ (157,819)</u></u>

- Revenues - The largest revenue variance in this fund related to permit fees under budget by \$60,069 and grant revenue under budget by \$16,156.
- Expenditures - The largest expenditure variance in this fund related to individual lake projects costs over budget by \$346,171.
- Other Financing – loans issued were under budget by \$836,606. Note costs were incurred and submitted for reimbursement in the amount of \$236,606 from 2022 and amounts were received in January of 2023.

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