



Lighting the path forward

Comfort Lake – Forest Lake Watershed District

2023 Financial Statement Audit



Audit Results

Auditor's Opinion



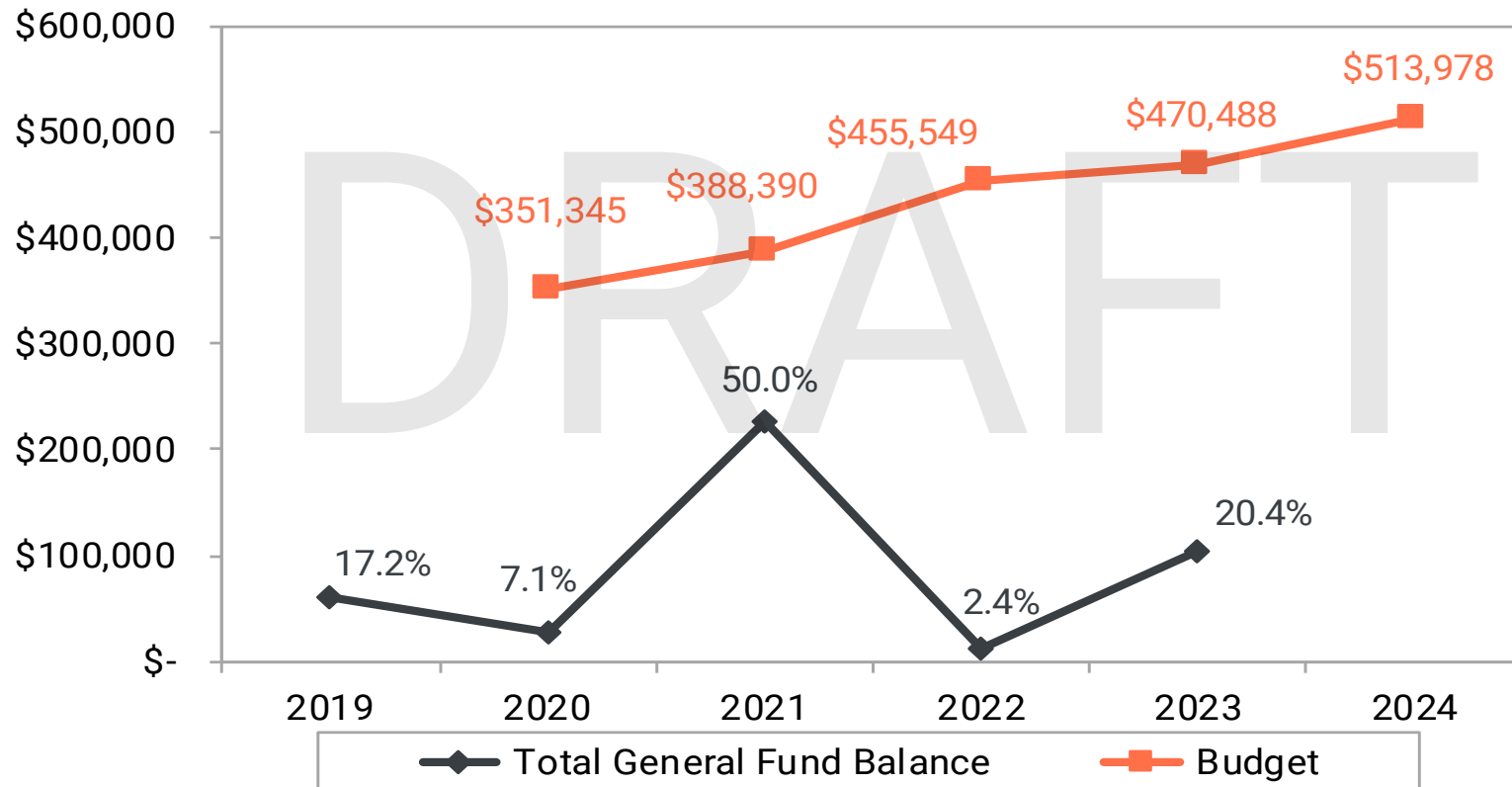
Unmodified Opinion

Minnesota Legal Compliance



No MN Legal Compliance Findings in 2023

General Fund Balance Compared to Future Year Budget



General Fund Budget to Actual

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues	\$ 263,200	\$ 264,016	\$ 816
Expenditures	<u>476,488</u>	<u>539,524</u>	<u>(63,036)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(213,288)	(275,508)	(62,220)
Other financing sources Transfers in	<u>-</u>	<u>368,998</u>	<u>368,998</u>
Net Change in Fund Balances	(213,288)	93,490	306,778
Fund Balances, January 1	<u>11,510</u>	<u>11,510</u>	<u>-</u>
Fund Balances, December 31	<u><u>\$ (201,778)</u></u>	<u><u>\$ 105,000</u></u>	<u><u>\$ 306,778</u></u>

- Note the District did budget for a decrease in fund balance of \$213,288 bringing the ending fund balance to a deficit.
- Revenues - Comparable to budget for 2023, no significant variances
- Expenditures - The largest negative expenditure variance in the General fund was mainly due to accounting, engineering and administrative wage and benefits in excess of budget.
- This negative variance was offset by a positive budget variance in other office expenses of \$8,389.

Program and Project Implementation Fund Budget to Actual

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues	\$ 4,059,363	\$ 2,445,057	\$ (1,614,306)
Expenditures			
Program costs	1,229,137	993,225	235,912
Project costs	<u>3,095,066</u>	<u>2,399,223</u>	<u>695,843</u>
Deficiency of Revenues Under Expenditures	<u>(264,840)</u>	<u>(947,391)</u>	<u>(682,551)</u>
Other Financing Sources (Uses)			
Loans issued	1,200,000	986,604	(213,396)
Transfers out	<u>-</u>	<u>(368,998)</u>	<u>(368,998)</u>
Total Other Financing Sources (Uses)	<u>1,200,000</u>	<u>617,606</u>	<u>(582,394)</u>
Net Change in Fund Balances	935,160	(329,785)	(1,264,945)
Fund Balances, January 1	<u>914,076</u>	<u>914,076</u>	<u>-</u>
Fund Balances, December 31	<u>\$ 1,849,236</u>	<u>\$ 584,291</u>	<u>\$ (1,264,945)</u>

- Revenues - The largest revenue variance in this fund related to reimbursements/grants under budget by \$1,611,539.
- Expenditures - The largest expenditure variance in this fund related to projects costs under budget by \$695,843, mainly due land acquisition being under budget in the current year.
- Other Financing – Loans issued were under budget by \$213,396. Note costs were incurred and submitted for reimbursement in the amount of \$236,606 from 2022 and amounts were received in January of 2023.

Debt Service Fund

	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Revenues			
Property taxes	350,000.00	347,020.00	\$ (2,980)
Other	-	9,001	(9,001)
Total	<u>350,000</u>	<u>356,021</u>	<u>(11,981)</u>
Expenditures			
Principal	<u>150,000</u>	<u>150,000</u>	<u>-</u>
Net Change in Fund Balances	200,000	206,021	(11,981)
Fund Balances, January 1	<u>11,510</u>	<u>201,372</u>	<u>(189,862)</u>
Fund Balances, December 31	<u>\$ 211,510</u>	<u>\$ 407,393</u>	<u>\$ (201,843)</u>

Description	Authorized Date	Maturity Date	Interest Rate	Authorized	Issued	Balance at Year End
Minnesota CWP Loan - 2020	5/22/2018	12/15/2031	- %	1,500,000	1,500,000	\$ 1,200,000
Minnesota CWP Loan - 2022-2023	12/27/2021	12/15/2033	-	1,750,000	1,749,998	<u>1,749,998</u>
Total						<u>\$ 2,949,998</u>

Your Abdo Team



Andrew Berg, CPA
Partner

andrew.berg@abdosolutions.com



Justin Nilson, CPA
Partner

justin.nilson@abdosolutions.com



Mathato Makhaye
Senior Associate

mathato.makhaye@abdosolutions.com



John Stachel
Senior Associate

john.stachel@abdosolutions.com



Phien Doan
Intern

phien.doan@abdosolutions.com