

# Town of Henlopen Acres, Delaware

PRESENTATION OF FINANCIAL STATEMENTS

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DECEMBER 13, 2024

FOR

JUNE 30, 2024

# Opinion

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## Pages 1 through 3 of the Basic Financial Statements

- Unmodified
  - Highest level of opinion Certified Public Accountants can give

## Pages 38 and 39 of the Basic Financial Statements

- Report on internal control over financial reporting and on compliance and other matters
  - Not an opinion report
  - We did not identify any material weaknesses in internal control over financial reporting.
  - Significant deficiencies reported – segregation of duties.
  - We did not identify any instances of noncompliance that we were required to report under *Government Auditing Standards*

# Statement of Net Position

## Government-Wide Statements

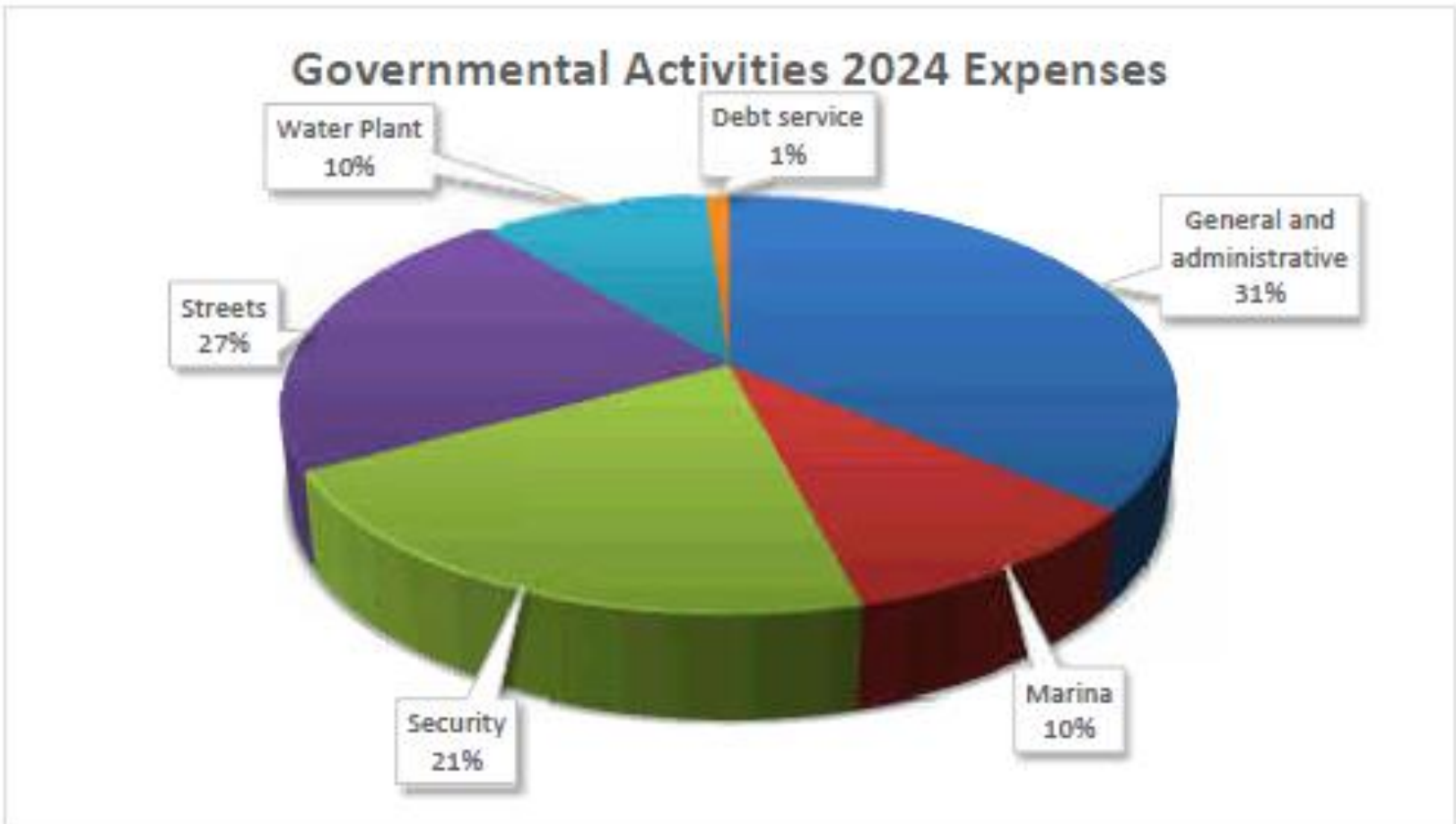
	Governmental Activities June 30, 2024	Governmental Activities June 30, 2023	Change
<b>ASSETS</b>			
Current and other assets	\$ 2,714,723	\$ 2,392,811	\$ 321,912
Capital assets, net	1,530,805	1,577,796	(46,991)
Total assets	<u>4,245,528</u>	<u>3,970,607</u>	<u>274,921</u>
<b>LIABILITIES</b>			
Current liabilities	54,073	24,860	29,213
Long-term liabilities	6,563	10,704	(4,141)
Total liabilities	<u>60,636</u>	<u>35,564</u>	<u>25,072</u>
<b>DEFERRED INFLOW OF RESOURCES</b>			
Deferred financing inflow - grants		6,576	(6,576)
<b>NET POSITION</b>			
Net investment in capital assets	1,527,593	1,572,929	(45,336)
Restricted	1,659,643	1,337,202	322,441
Unrestricted	997,656	1,018,714	(21,058)
Total net position	<u>\$ 4,184,892</u>	<u>\$ 3,928,845</u>	<u>\$ 256,047</u>

# Statement of Revenues, Expenses and Changes in Net Position

	Governmental Activities <u>June 30, 2024</u>	Governmental Activities <u>June 30, 2023</u>	<u>Change</u>
<b>REVENUES</b>			
Program revenues			
Charges for services	\$ 627,820	\$ 463,413	\$ 164,407
Operating grants and contributions	40,886	17,033	23,853
Capital grants and contributions	40,000	136,684	(96,684)
General revenues			
Taxes and assessments	756,978	577,561	179,417
Other revenue			
Unrestricted investment income	56,768	34,078	22,690
Restricted investment income	95,953	52,745	43,208
Gain on sale of capital assets		9,374	(9,374)
Miscellaneous	31,428	28,710	2,718
Total revenues	<u>1,649,833</u>	<u>1,319,598</u>	<u>330,235</u>
<b>EXPENSES</b>			
General and administrative	428,023	241,419	186,604
Marina	138,482	139,707	(1,225)
Security	295,779	283,817	11,962
Streets	388,201	347,993	40,208
Water plant	143,136	117,774	25,362
Debt service - leases	165	229	(64)
Total expenses	<u>1,393,786</u>	<u>1,130,939</u>	<u>262,847</u>
Change in net position	256,047	188,659	67,388
<b>NET POSITION, BEGINNING</b>	3,928,845	3,739,808	189,037
<b>PRIOR PERIOD ADJUSTMENT*</b>		378	(378)
<b>NET POSITION, ENDING</b>	<u>\$ 4,184,892</u>	<u>\$ 3,928,845</u>	<u>\$ 256,047</u>

# Governmental Activities- Expenses

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# General Fund

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- Budget Comparison Schedule on pages 34 through 37
- Actual amounts were favorable compared to the budget by \$54,643
  - Expenses were unfavorable by \$27,055 largely due to unfavorable variance in Gen & Admin with a favorable variance in Streets to offset
  - Revenues were favorable by \$81,698 due to licenses and permits and investment income
- Unassigned fund balance totaling \$248,589 or 9% of fund balance.
  - GFOA recommends, at minimum, the general fund have no less than two months of operating expenditures in unassigned fund balance.

# Auditor Communications

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Management letter – auditors' recommendations

- Reimbursement policy
- Expense classifications
- Credit cards

Communication to those Charged with Governance

- No new accounting pronouncements in 2024
- No difficulties or disagreements with management
- Report material audit adjustments

# Questions

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