



CPAS & ADVISORS

# Joint Powers District #938 MAWSECO

Audit Report

June 30, 2019

# Auditor's Opinion

## Pages 2-4:

- Financial statements are the responsibility of the District's management
- Our responsibility is to express opinions on these financial statements based on our audit
- Conducted audit in accordance with Generally Accepted Auditing Standards and *Government Auditing Standards*
- Obtain reasonable assurance financials are free of material misstatement

## Auditor's Opinion (Cont'd)

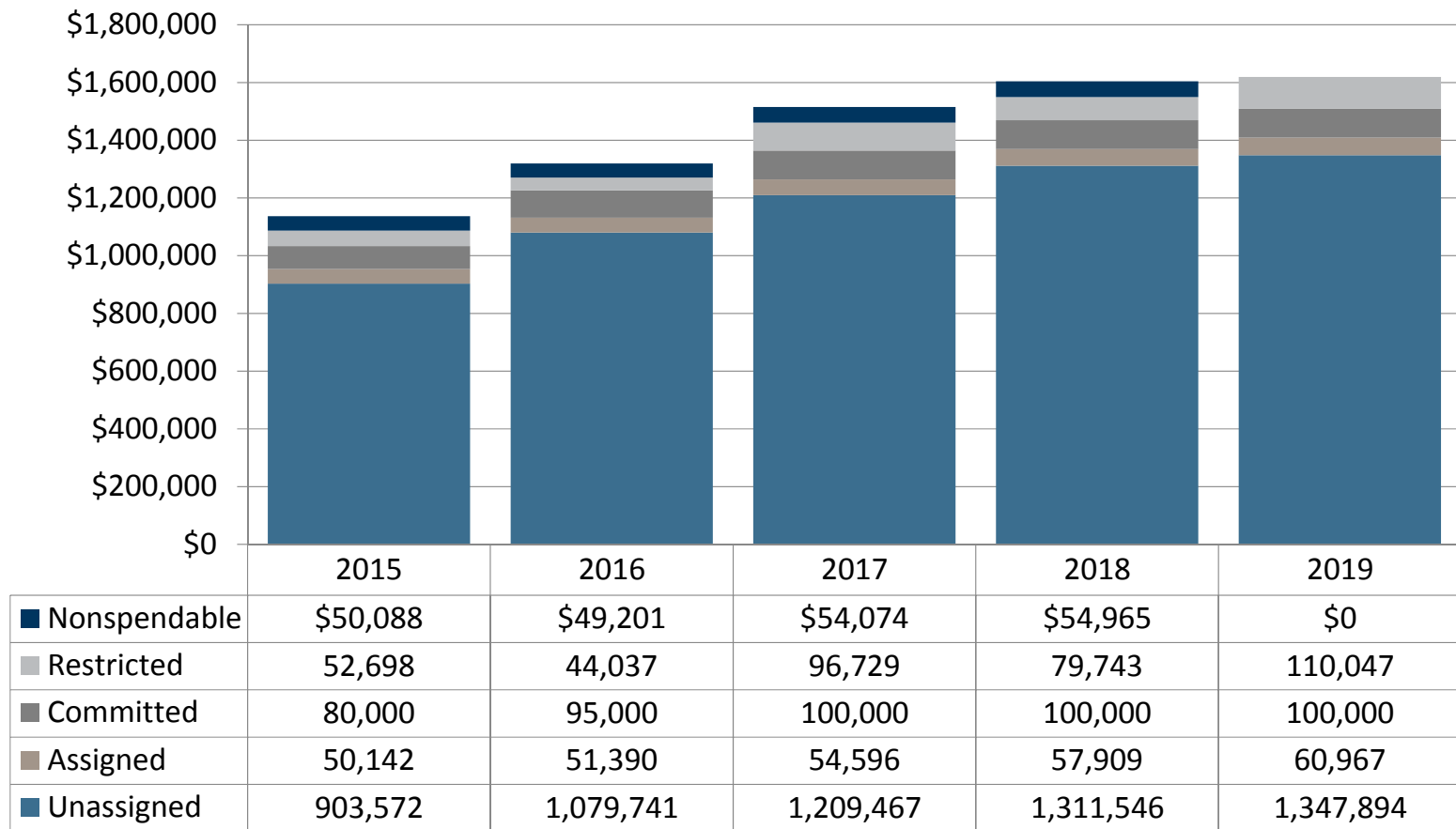
### Pages 2-4:

- **Financial statements are presented fairly in our opinion**
- MD&A (pages 5-15), Schedule of Proportionate Share of the Net Pension Liability (page 50), Schedule of Employer Contributions (page 51) and Schedule of Changes in the District's Total OPEB Liability (page 52) are required supplementary information and unaudited
- Internal control letter on pages 65 and 66

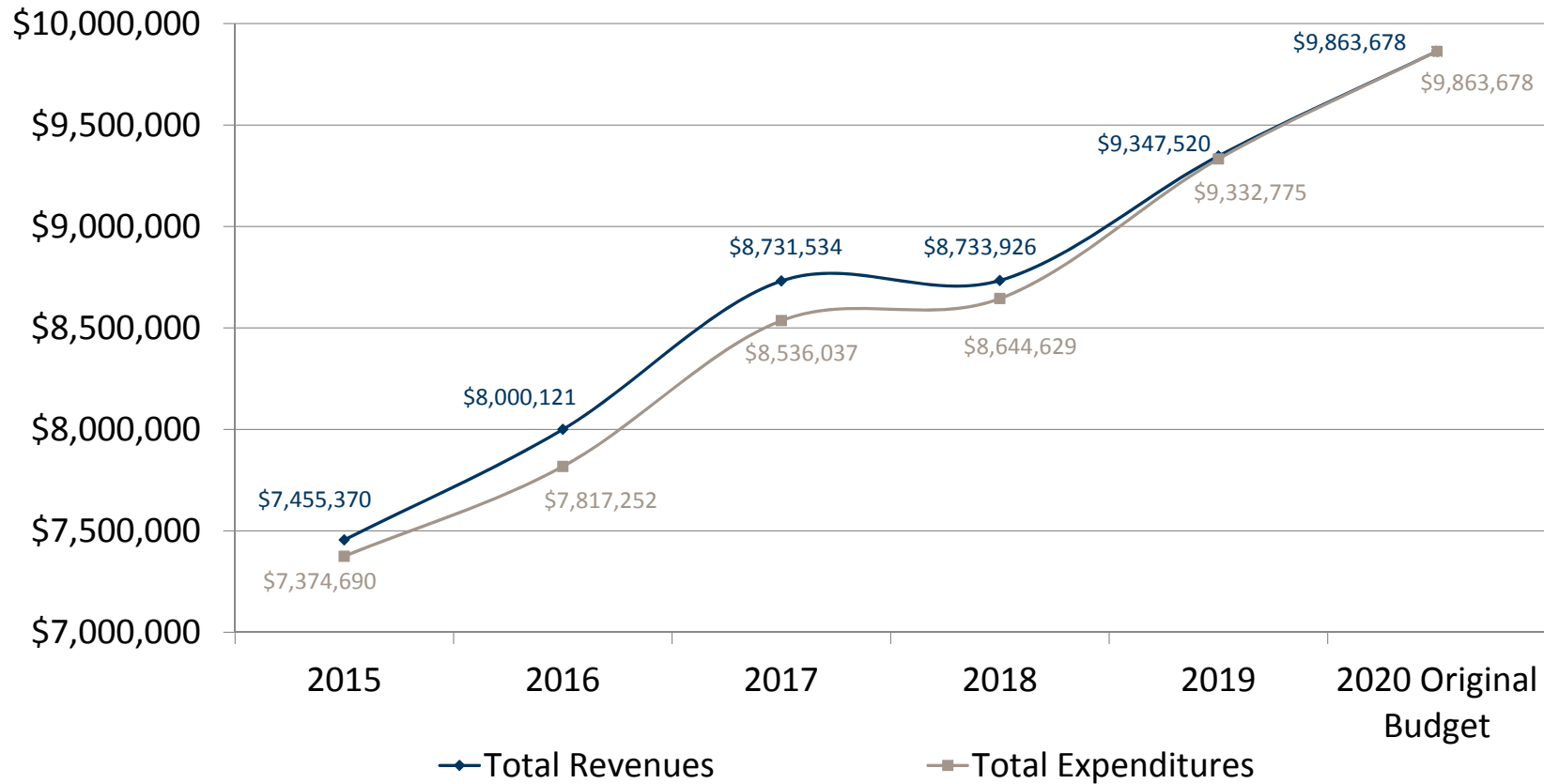
# Statement of Net Position

	June 30,		
	2019	2018	Change
<b>Assets</b>			
Current and Non-Capital	\$ 3,234,547	\$ 3,012,675	\$ 221,872
Capital	131,325	122,897	8,428
Total Assets	<u>3,365,872</u>	<u>3,135,572</u>	<u>230,300</u>
Deferred Outflows of Resources	<u>6,684,815</u>	<u>8,855,819</u>	<u>(2,171,004)</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 10,050,687</u>	<u>\$ 11,991,391</u>	<u>\$ (1,940,704)</u>
<b>Liabilities</b>			
Current	\$ 1,615,639	\$ 1,408,512	\$ 207,127
Long-Term	5,446,397	15,513,581	(10,067,184)
Total Liabilities	<u>7,062,036</u>	<u>16,922,093</u>	<u>(9,860,057)</u>
Deferred Inflows of Resources	8,900,906	2,668,857	6,232,049
<b>Net Position</b>			
Net Investment in Capital Assets	131,325	122,897	8,428
Restricted	110,047	79,743	30,304
Unrestricted	(6,153,627)	(7,802,199)	1,648,572
Total Net Position	<u>(5,912,255)</u>	<u>(7,599,559)</u>	<u>1,687,304</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 10,050,687</u>	<u>\$ 11,991,391</u>	<u>\$ (1,940,704)</u>

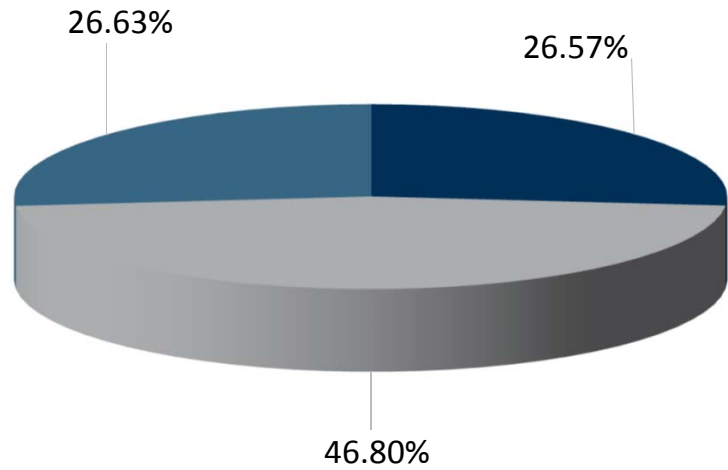
# General Fund – Fund Balances



# General Fund Revenues and Expenditures



# General Fund Revenues

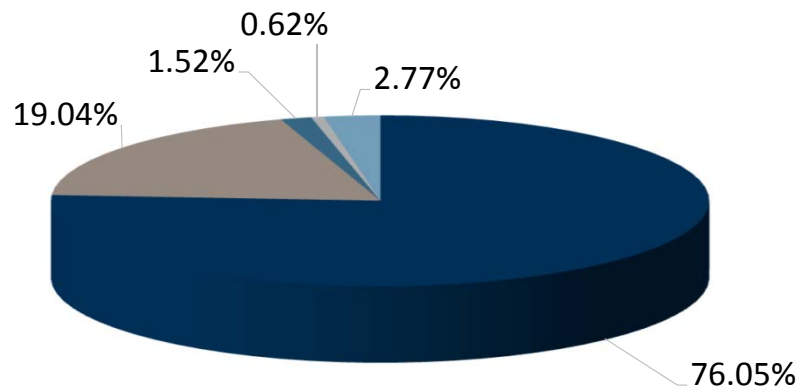


- Other Local and County Revenues
- State Sources
- Federal Sources

In Thousands

	Local & County Sources	State Sources	Federal Sources
2019	\$ 2,484	\$ 4,375	\$ 2,489
2018	2,292	4,116	2,326
2017	2,524	4,043	2,164
2016	2,306	3,445	2,249
2015	2,021	3,107	2,327

# General Fund Expenditures



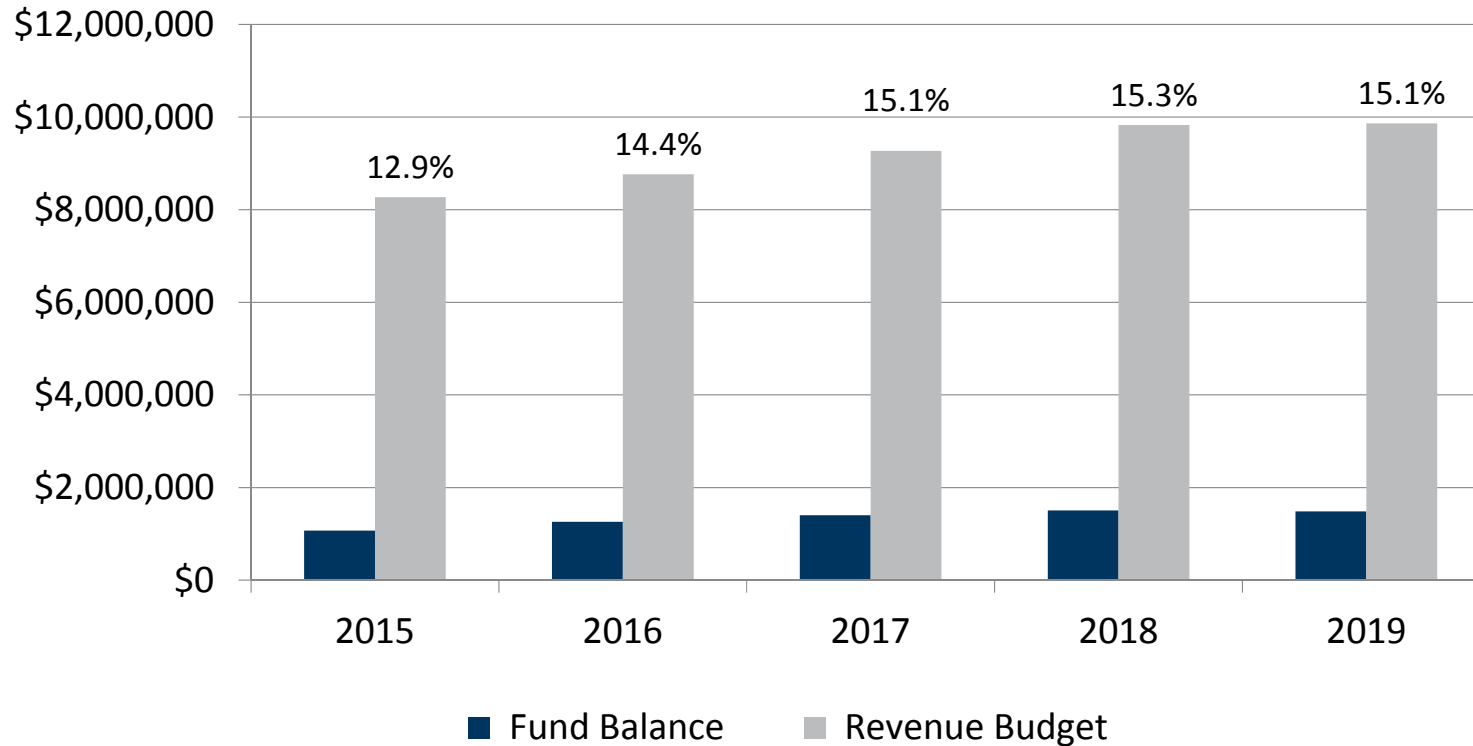
- Salaries and Benefits
- Purchased Services
- Supplies & Materials
- Capital
- Other

In Thousands

	Salaries & Benefits	Purchased Services	Supplies & Materials	Capital	Other
2019	\$ 7,098	\$ 1,777	\$ 142	\$ 58	\$ 258
2018	6,782	1,661	126	45	31
2017	6,577	1,567	116	53	224
2016	5,843	1,852	79	30	13
2015	5,759	1,495	66	46	9



# Fund Balance Compared to Budget



Note: September 1995, Superintendents/Board approved setting fund balance percentage of budget cap at 15% for cash flow purposes.

## Compliance Section

### **Minnesota Legal Compliance (page 64)**

- In accordance with Audit Guide issued by OSA
- No compliance issues noted

### **Government Auditing Standards (pages 65-66)**

- Internal Control
  - One significant deficiency noted
    - Limited Segregation of Duties
- Compliance and Other Matters
  - No instances noted

## Compliance Section (Cont'd)

### **Single Audit (pages 67-68)**

- Compliance
  - No compliance issues noted
- Internal Control over Compliance
  - No material weaknesses noted

## Communications

- Accounting Practices
- No Difficulties Encountered
- Corrected and Uncorrected Misstatements
- No Disagreements with Management
- Management Representations
- No Management Consultations with Other Accountants
- Other Audit Findings or Issues

## Management Letter

### **General Recommendations**

- Approval of Journal Entries and Reimbursements

Questions or Comments?

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