



CPAS & ADVISORS

Joint Powers District #938 MAWSECO

Audit Report

June 30, 2022

Auditor's Opinion

Pages 2-4:

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

Auditor's Opinion (Cont'd)

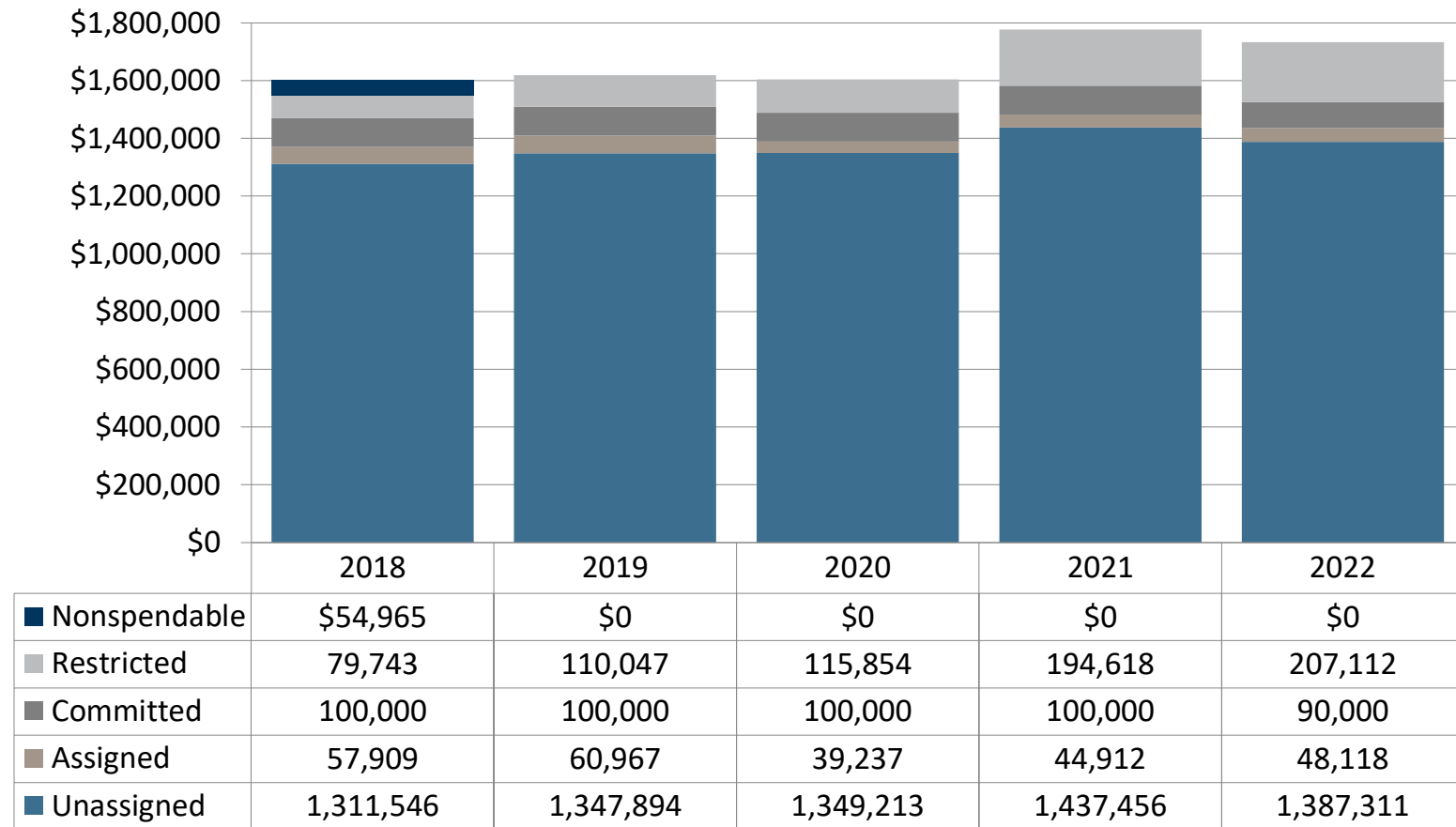
Pages 2-4:

- MD&A (pages 5-15), Schedule of Proportionate Share of the Net Pension Liability (page 52), Schedule of Employer Contributions (page 53) and Schedule of Changes in the District's Total OPEB Liability (page 54) are required supplementary information and unaudited
- Internal control letter on pages 71 and 72

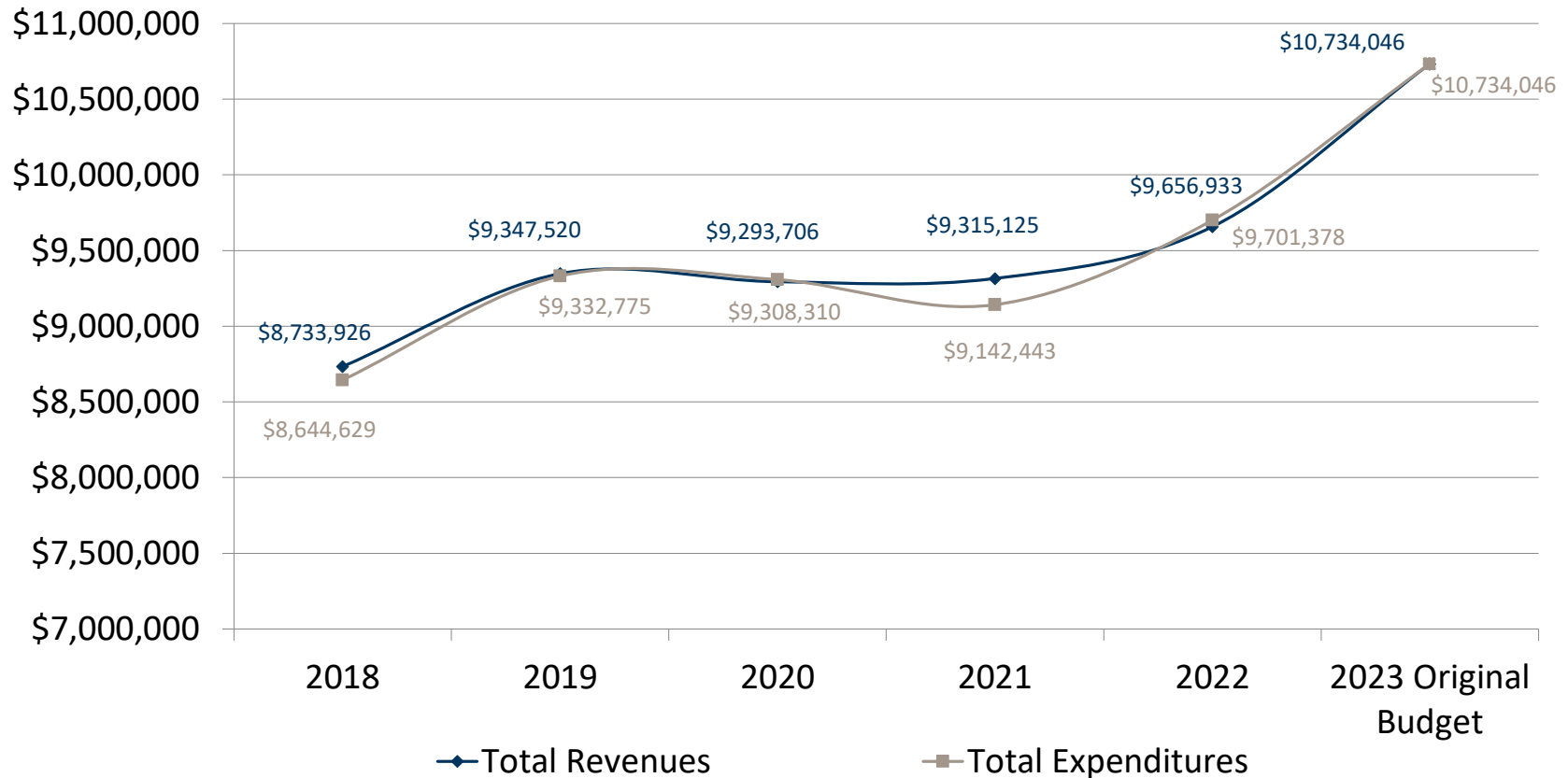
Statement of Net Position

	June 30,		
	2022	2021	Change
Assets			
Current and Non-Capital	\$ 3,508,675	\$ 3,392,715	\$ 115,960
Capital and Right to Use	1,651,781	1,889,677	(237,896)
Total Assets	<u>5,160,456</u>	<u>5,282,392</u>	<u>(121,936)</u>
Deferred Outflows of Resources	<u>2,634,015</u>	<u>3,237,391</u>	<u>(603,376)</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 7,794,471</u>	<u>\$ 8,519,783</u>	<u>\$ (725,312)</u>
Liabilities			
Current	\$ 1,776,134	\$ 1,615,729	\$ 160,405
Long-Term	5,602,657	8,590,553	(2,987,896)
Total Liabilities	<u>7,378,791</u>	<u>10,206,282</u>	<u>(2,827,491)</u>
Deferred Inflows of Resources	6,831,622	5,137,400	1,694,222
Net Position			
Net Investment in Capital Assets	(78,322)	(30,257)	(48,065)
Restricted	207,112	194,618	12,494
Unrestricted	(6,544,732)	(6,988,260)	443,528
Total Net Position	<u>(6,415,942)</u>	<u>(6,823,899)</u>	<u>407,957</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 7,794,471</u>	<u>\$ 8,519,783</u>	<u>\$ (725,312)</u>

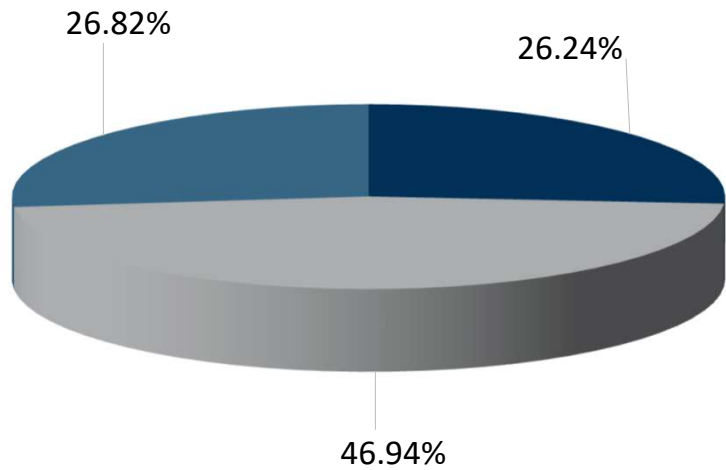
General Fund – Fund Balances



General Fund Revenues and Expenditures



General Fund Revenues

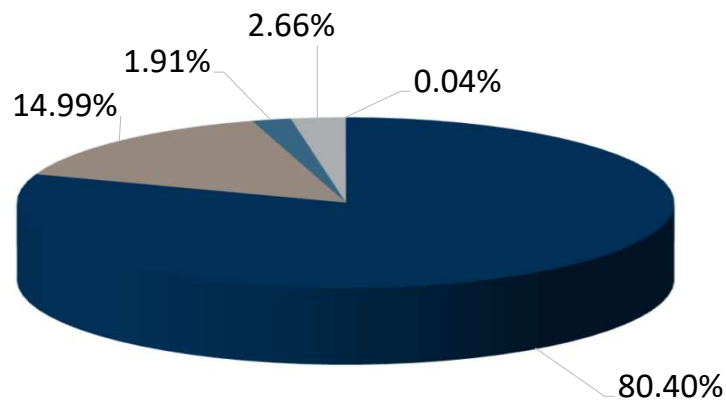


- Other Local and County Revenues
- State Sources
- Federal Sources

In Thousands

	Local & County Sources	State Sources	Federal Sources
2022	\$ 2,534	\$ 4,533	\$ 2,590
2021	2,508	4,487	2,320
2020	2,535	4,258	2,500
2019	2,484	4,375	2,489
2018	2,292	4,116	2,326

General Fund Expenditures

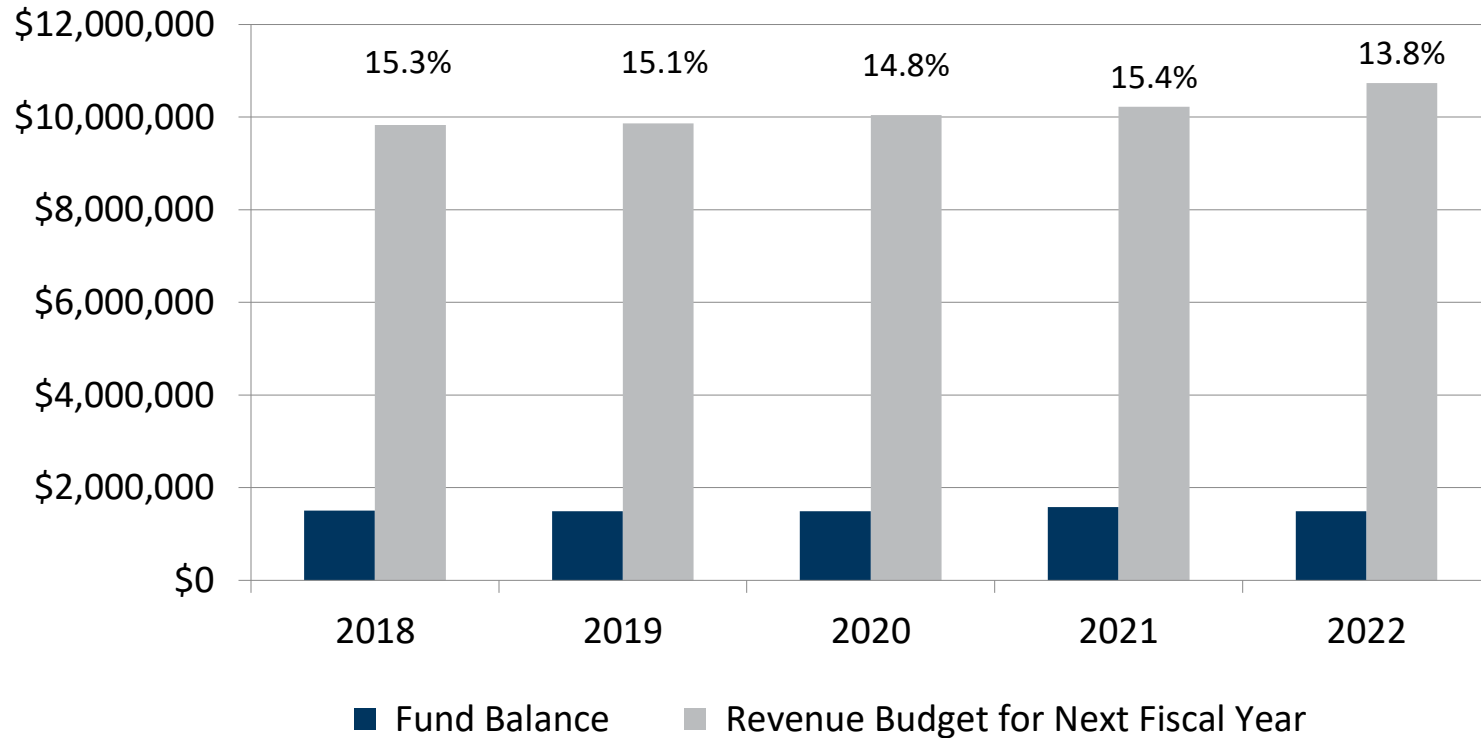


- Salaries and Benefits
- Purchased Services
- Supplies & Materials
- Capital
- Other

In Thousands

	Salaries & Benefits	Purchased Services	Supplies & Materials	Capital	Other
2022	\$ 7,800	\$ 1,454	\$ 186	\$ 258	\$ 3
2021	7,337	1,531	196	33	46
2020	7,392	1,681	120	81	34
2019	7,098	1,777	142	58	258
2018	6,782	1,661	126	45	31

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 70)

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

Government Auditing Standards (pages 71-72)

- Internal Control
 - Two significant deficiencies noted
 - Limited Segregation of Duties
 - Auditor Prepared Financial Statements
- Compliance and Other Matters
 - No instances noted

Compliance Section (Cont'd)

Single Audit (pages 73-75)

- 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

- Governmental Accounting Standards Board Statement No. 96, *Subscription-Based Information Technology Arrangements*

Questions or Comments?

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