

**City of
Mound**

**2020
Financial
Statement
Audit**

Introduction



Audit Opinion and Responsibility

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Enterprise Funds

Key Performance Indicators

Audit Results

No Audit Findings in 2020



Auditor's Responsibility



Single Audit Report



Minnesota Legal Compliance Report



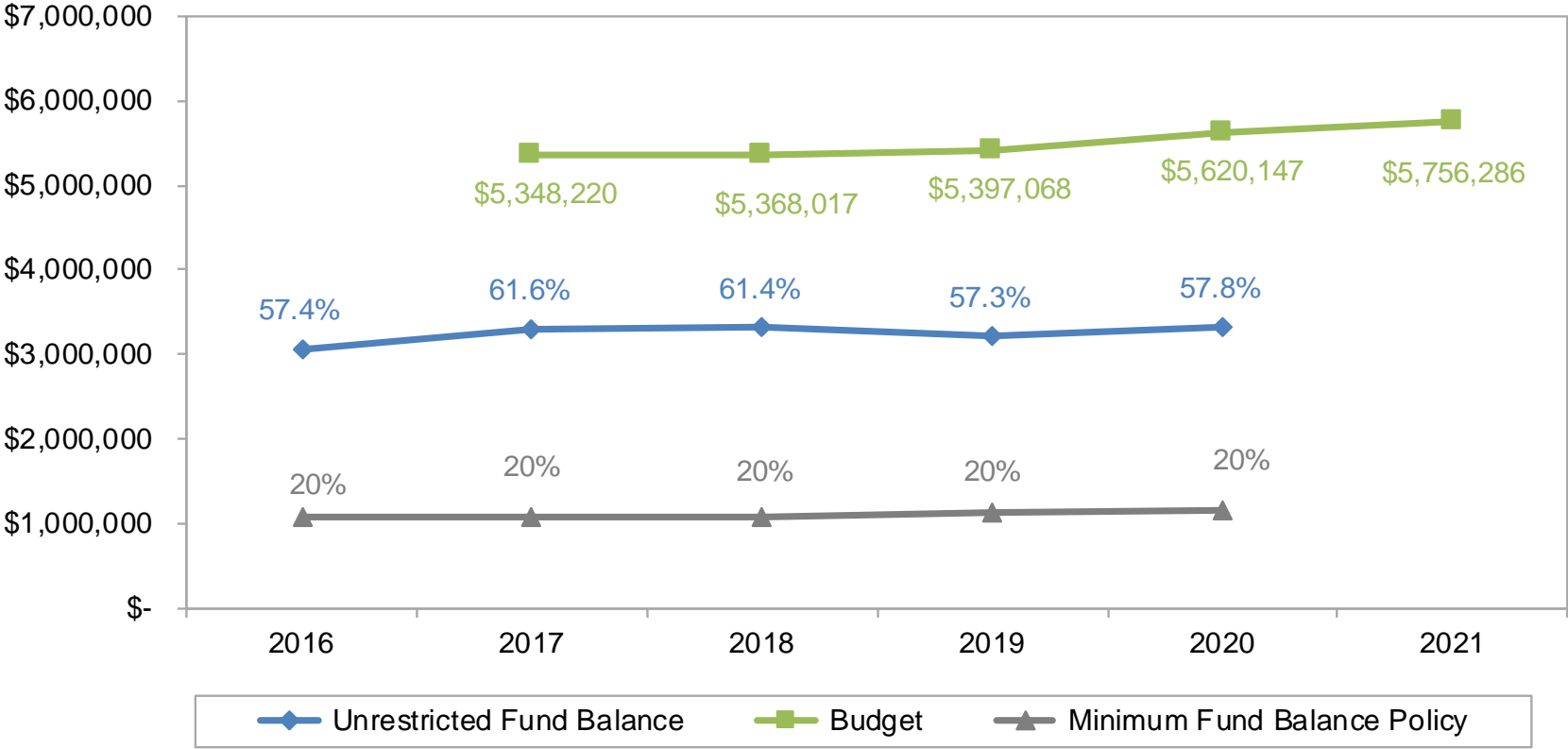
Results From Prior Year



Minnesota Legal Compliance Testing - Timing of Payments

- Legal Compliance Finding
- Minnesota statute section 471.425 requires that the City pay bills within 35 days from receipt. If the invoice is not paid within the 35 days, interest at 1.5 percent per month is to be added to amount due.
- This finding was corrected in 2020 and is no longer reported.

General Fund - Fund Balances

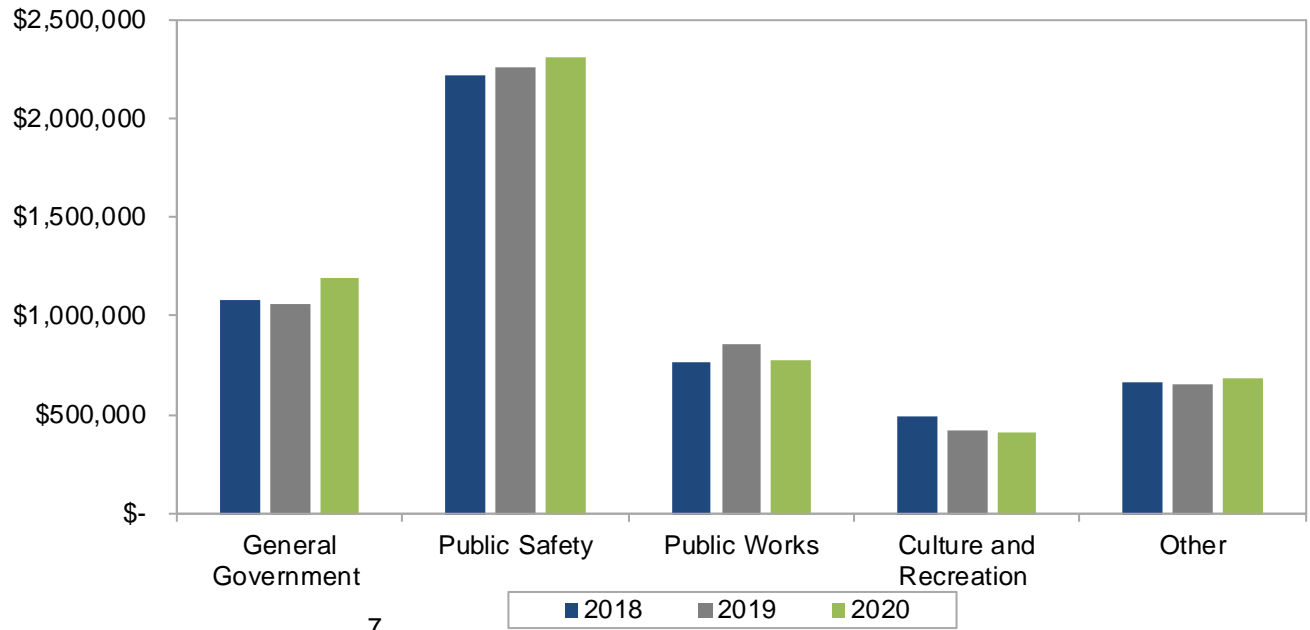
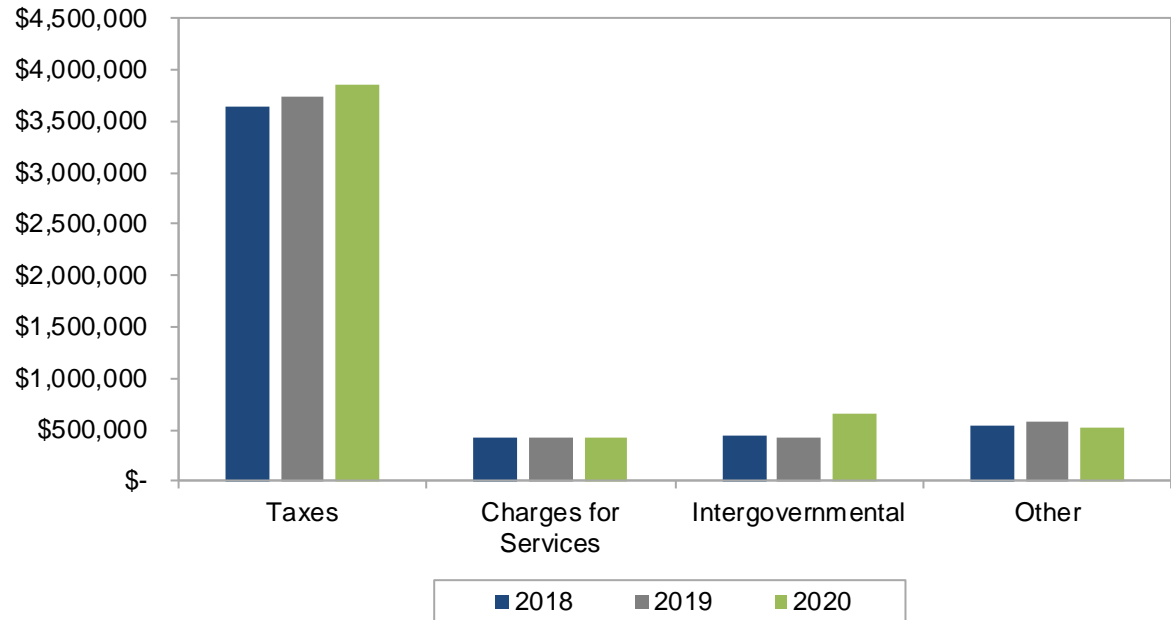


General Fund Budget to Actual



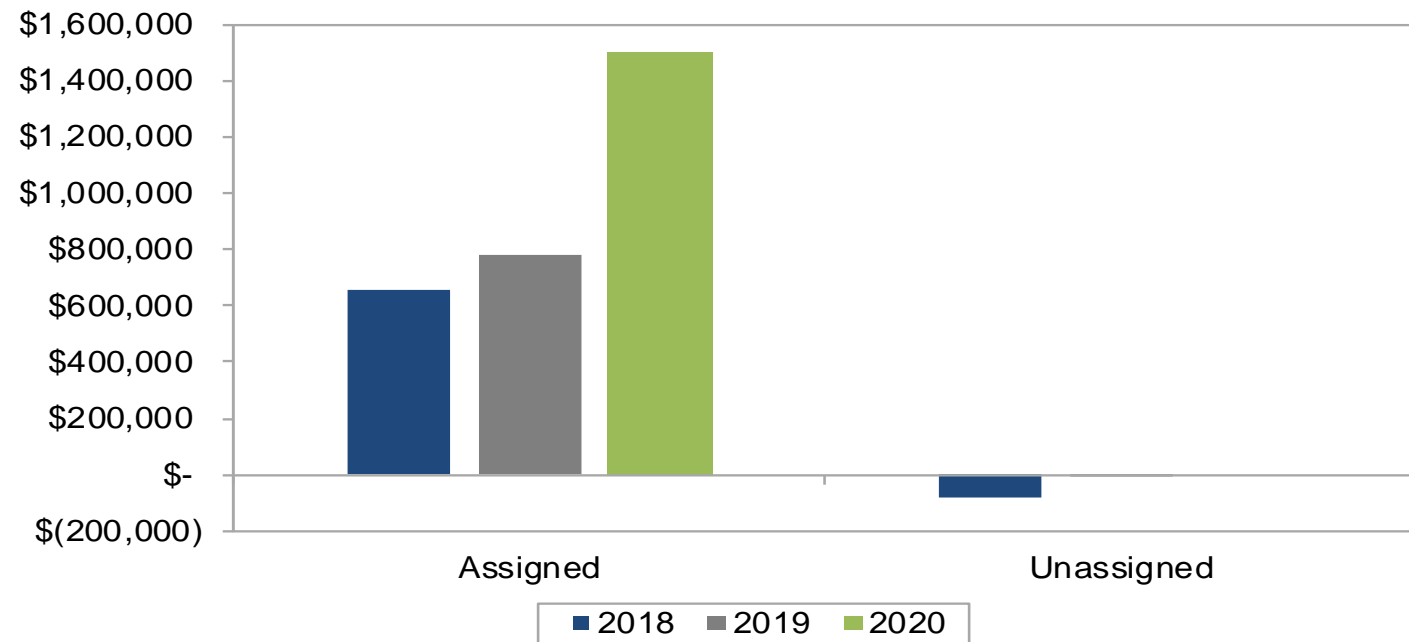
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues	\$ 5,044,625	\$ 5,044,625	\$ 5,284,532	\$ 239,907
Expenditures	4,996,668	4,996,668	4,726,048	270,620
Excess of Revenues Over Expenditures	47,957	47,957	558,484	510,527
Other Financing Sources (Uses)				
Transfers in	175,000	175,000	175,000	-
Transfers out	(623,479)	(623,479)	(648,653)	(25,174)
Total Other Financing Sources (Uses)	(448,479)	(448,479)	(473,653)	(25,174)
Change in Fund Balances	(400,522)	(400,522)	84,831	485,353
Fund Balances, January 1	3,242,489	3,242,489	3,242,489	-
Fund Balances, December 31	<u>\$ 2,841,967</u>	<u>\$ 2,841,967</u>	<u>\$ 3,327,320</u>	<u>\$ 485,353</u>

General Fund Revenues and Expenditures by Type



Special Revenue Fund Balances

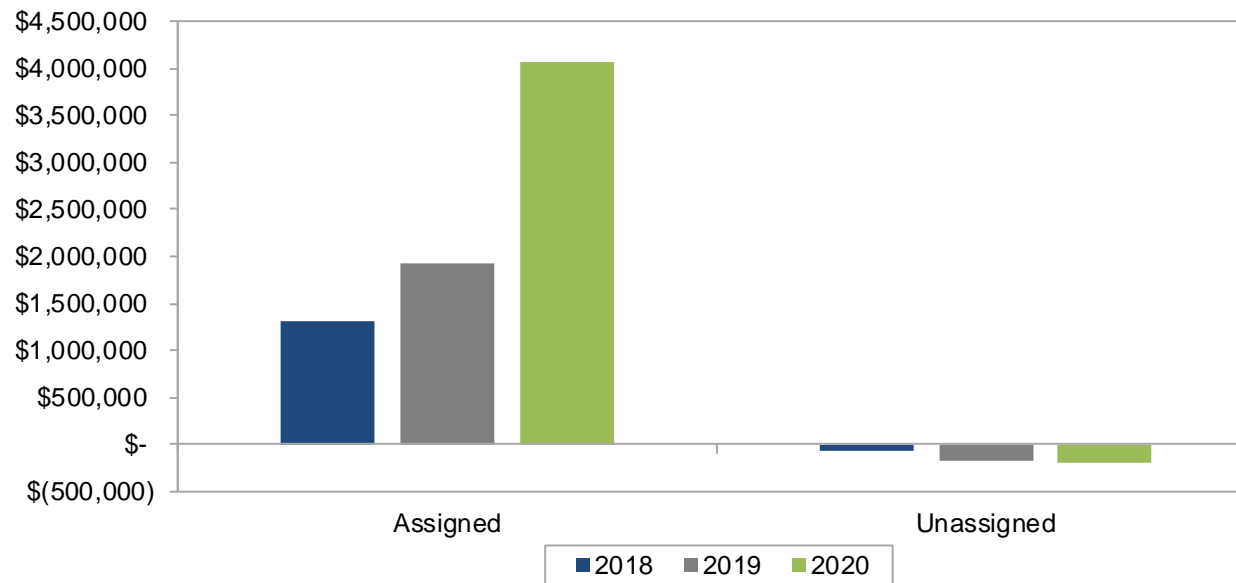
Fund	Fund Balances December 31,		Increase (Decrease)
	2019	2020	
Major			
Area Fire Service	\$ 554,056	\$ 1,105,067	\$ 551,011
Nonmajor			
Federal Programs	\$ -	-	-
Dock	223,729	291,433	67,704
HRA	(9,082)	111,042	120,124
Total	<u>\$ 768,703</u>	<u>\$ 1,507,542</u>	<u>\$ 738,839</u>



Note: Minor nonspendable fund balance not shown in in chart above.

Capital Projects Fund Balances

Fund	Fund Balances December 31,		Increase (Decrease)
	2019	2020	
Nonmajor			
Capital Improvements	\$ 1,343,246	\$ 1,726,509	\$ 383,263
Capital Replacement Vehicles	161,108	209,545	48,437
Community Investment	(56,107)	(48,746)	7,361
Capital Replacement Buildings	(1,592)	65,775	67,367
Street Maintenance	414,347	340,786	(73,561)
TIF 1-1	(686)	11,537	12,223
TIF 1-3	(107,182)	(142,593)	(35,411)
Total	<u>\$ 1,753,134</u>	<u>\$ 2,162,813</u>	<u>\$ 409,679</u>



Note: Minor restricted (TIF 1-1) fund balance not shown in in chart above.

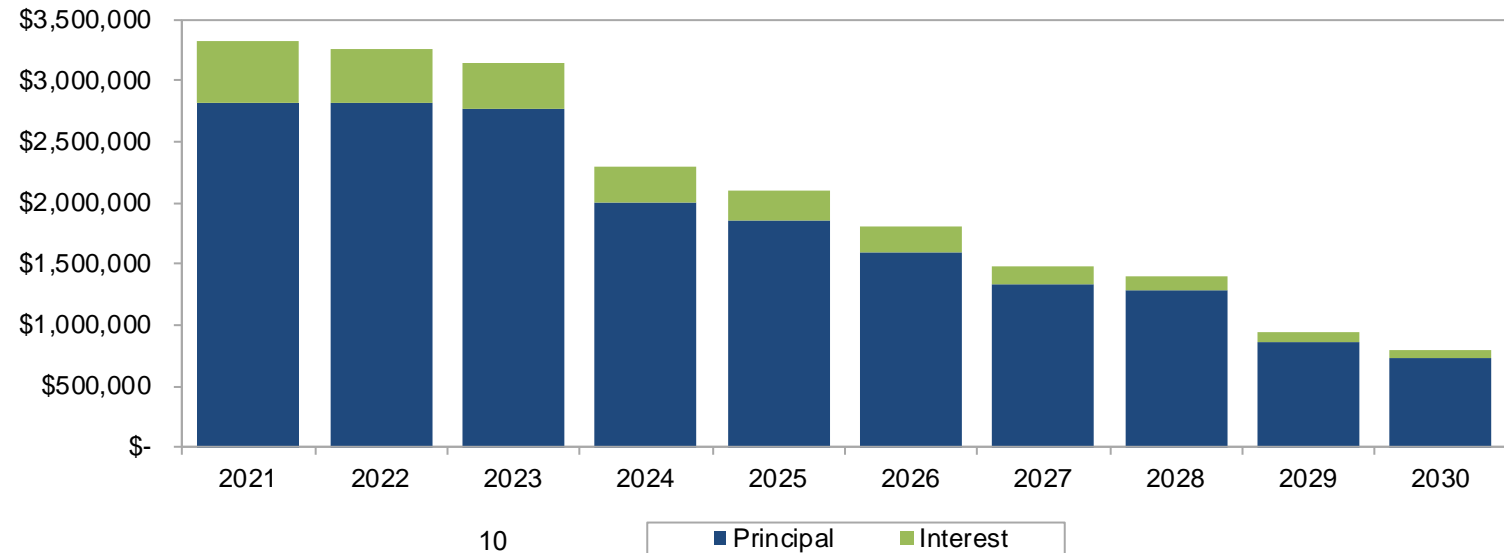
Debt Service Funds



Fund No.	Debt Description	December 31, 2020			Final Maturity Date
		Total Cash	Total Assets	Remaining Bonds	
355	G.O. Tax Increment Bonds 2006 & 2013B	\$ 843,295	\$ 846,911	\$ 1,850,000	08/15/26
370	G.O. Refunding Bonds 2011A	125,879	157,637	651,519	02/01/24
368	G.O. Refunding Bonds 2014B	165,479	165,804	145,000	02/01/21
350	G.O. Tax Abatement Bonds, 2015B	221,587	221,587	2,150,000	02/01/35
362	G.O. Refunding Bonds 2016B	-	95,375	355,000	02/01/24
363	G.O. Refunding Bonds 2018A	187,878	445,004	1,200,000	02/01/25
375	G.O. Tax Increment Refunding Bonds 2018A	-	-	1,815,000	02/01/31
364	G.O. Bonds 2020A	675,840	1,008,848	1,875,000	02/01/28
365	G.O. Bonds 2012A	718,984	1,184,695	1,275,000	02/01/28
371	G.O. Refunding Bonds 2012B	492,076	492,076	1,320,000	02/01/23
310	G.O. Bonds 2013A	704,500	1,152,408	1,770,000	02/01/29
311	G.O. Bonds 2014A	338,716	497,005	505,000	02/01/30
312	G.O. Bonds 2015A	678,896	1,017,141	1,870,000	02/01/32
313	G.O. Bonds 2016A	192,670	457,907	1,820,000	02/01/32
222	G.O. Bonds 2016A, 2020A	1,148,222	1,148,222	1,145,000	02/01/30
Total		<u>\$ 6,494,022</u>	<u>\$ 8,890,620</u>	<u>\$ 19,746,519</u>	

Total Future Scheduled Interest Payments

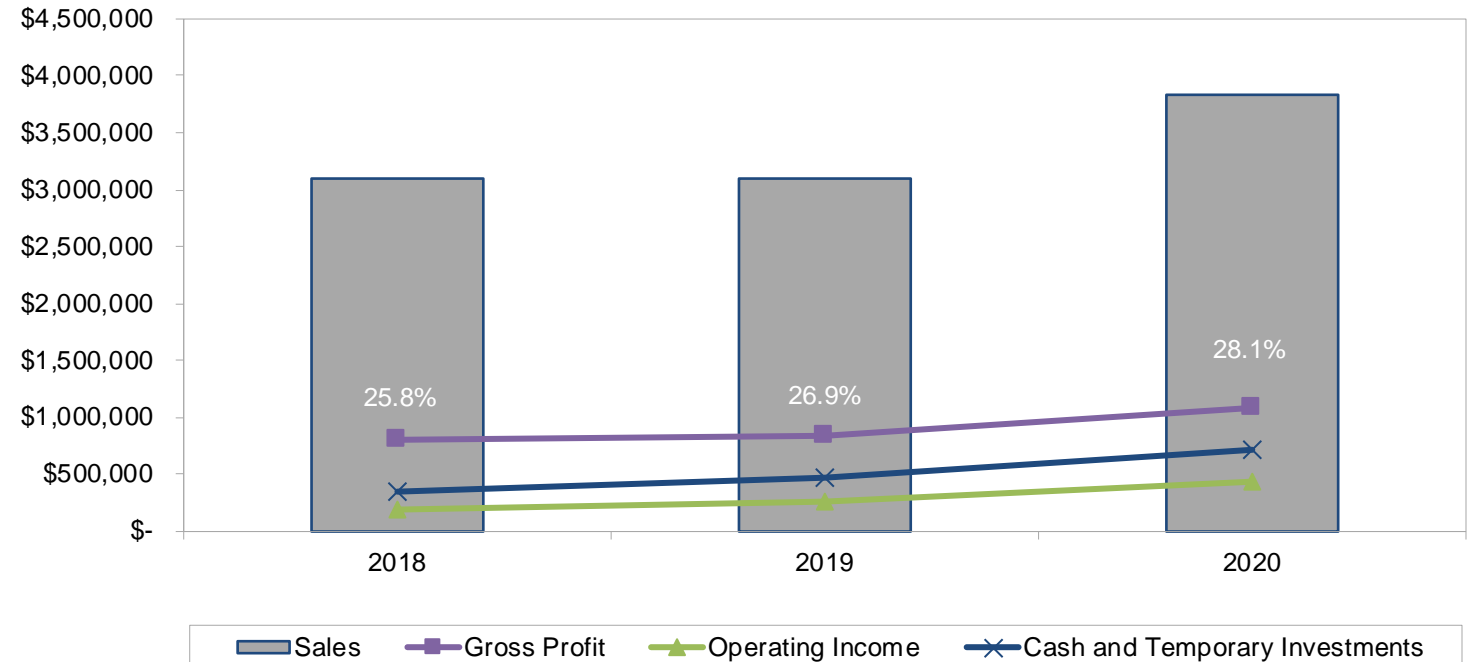
\$ 2,546,481



Liquor Fund



	2018		2019		2020	
	Total	Percent	Total	Percent	Total	Percent
Sales	\$ 3,092,958	100.0 %	\$ 3,093,819	100.0 %	\$ 3,838,205	100.0 %
Cost of Sales	(2,295,344)	(74.2)	(2,262,396)	(73.1)	(2,760,265)	(71.9)
Gross Profit	797,614	25.8	831,423	26.9	1,077,940	28.1
Operating Expenses	(612,616)	(19.8)	(570,552)	(18.4)	(636,575)	(16.6)
Operating Income	184,998	6.0	260,871	8.4	441,365	11.5
Nonoperating Expenses	19,219	0.60	9,120	0	1,399	-
Net Transfers	(128,072)	(4.1)	(175,695)	(5.7)	(175,000)	(4.6)
Change in Net Position	<u>\$ 76,145</u>	<u>2.5 %</u>	<u>\$ 94,296</u>	<u>3.0 %</u>	<u>\$ 267,764</u>	<u>6.9 %</u>
Cash	<u>\$ 344,588</u>		<u>\$ 460,482</u>		<u>\$ 712,075</u>	
Interfund Loans	<u>\$ 55,700</u>		<u>\$ -</u>		<u>\$ -</u>	



Liquor Fund - Statewide Averages

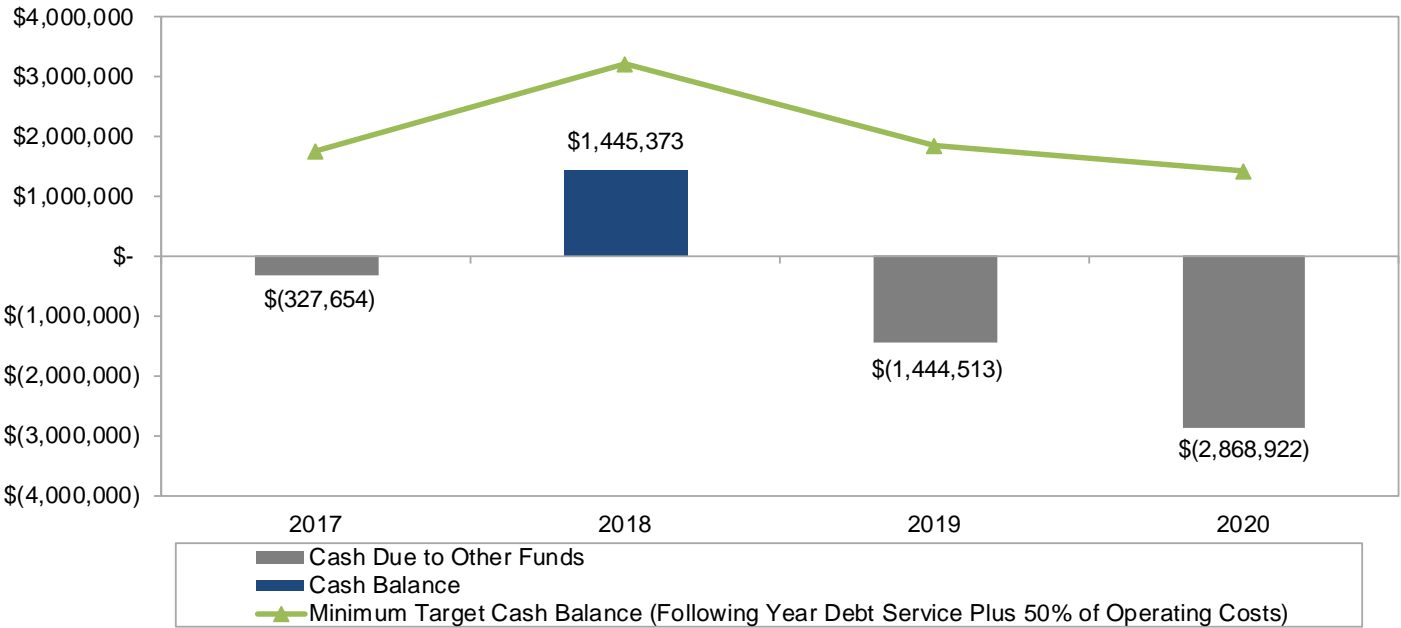
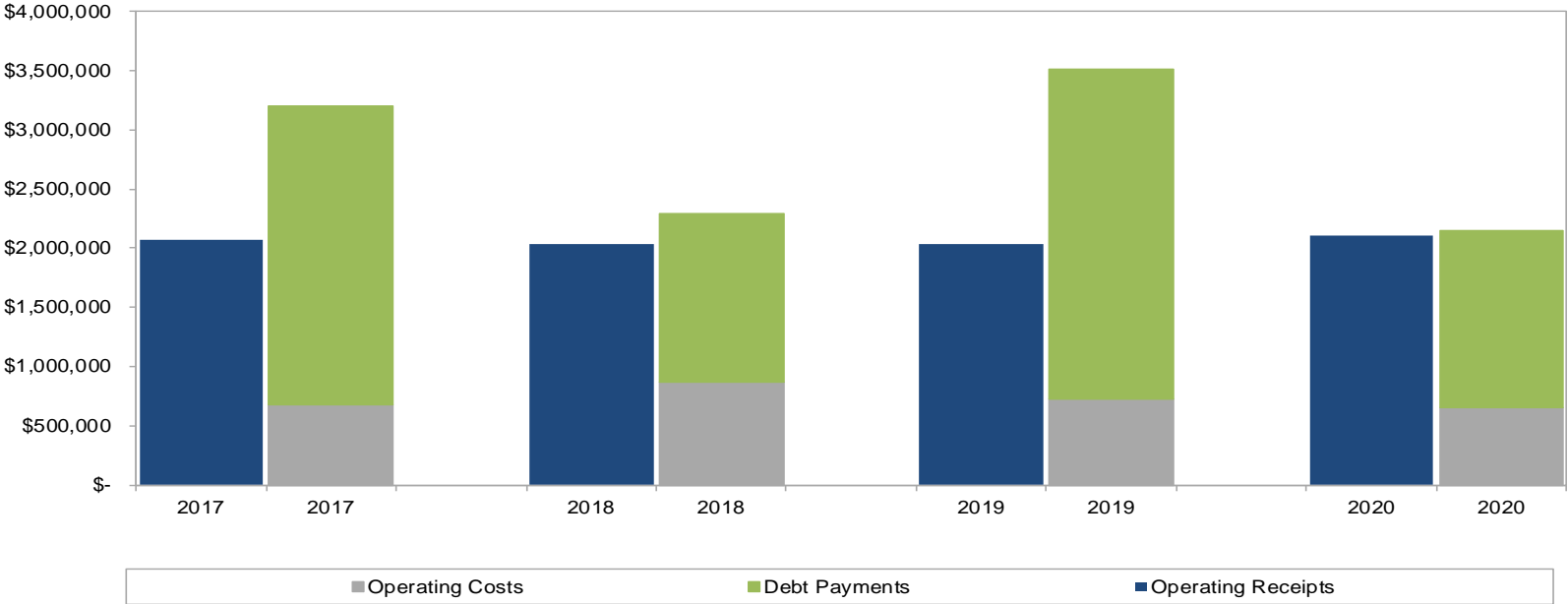


	Off Sale		
	2017	2018	2019
	Percent of Sales	Percent of Sales	Percent of Sales
Sales	100.0 %	100.0 %	100.0 %
Cost of Sales	<u>73.7</u>	<u>73.6</u>	<u>73.6</u>
Gross Profit	26.3	26.4	26.4
Operating Expenses	<u>18.8</u>	<u>18.5</u>	<u>18.5</u>
Operating Income	7.5	7.9	7.9
Nonoperating Revenue	0.1	1.4	1.4
Nonoperating Expenses	<u>(4.1)</u>	<u>(0.5)</u>	<u>(0.5)</u>
Income Before Transfers	<u><u>3.5 %</u></u>	<u><u>8.8 %</u></u>	<u><u>8.8 %</u></u>

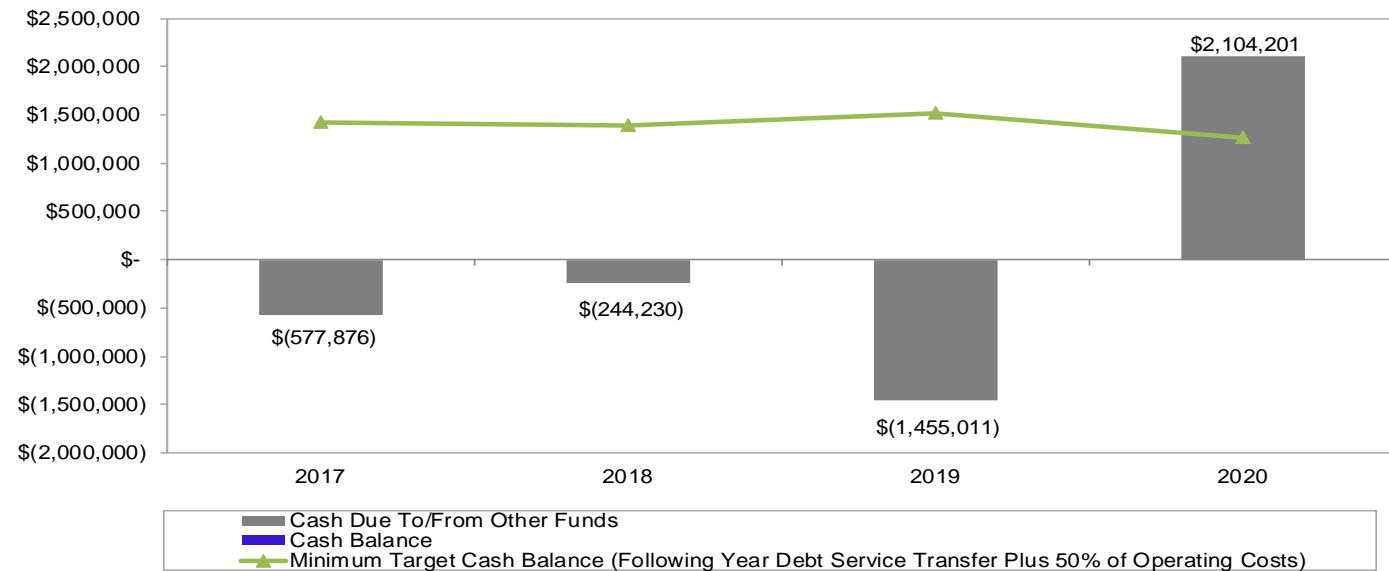
Source: Analysis of Municipal Liquor Store Operations, for the year ended December 31, 2019

Published by the Minnesota Office of the State Auditor

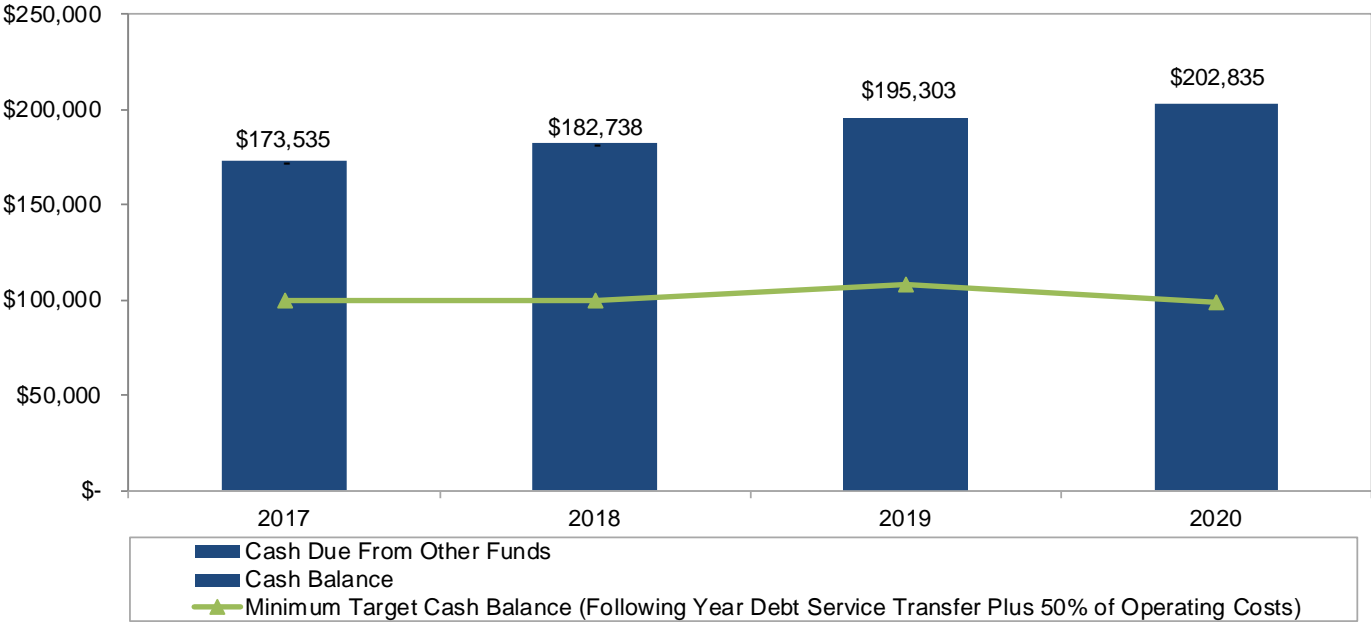
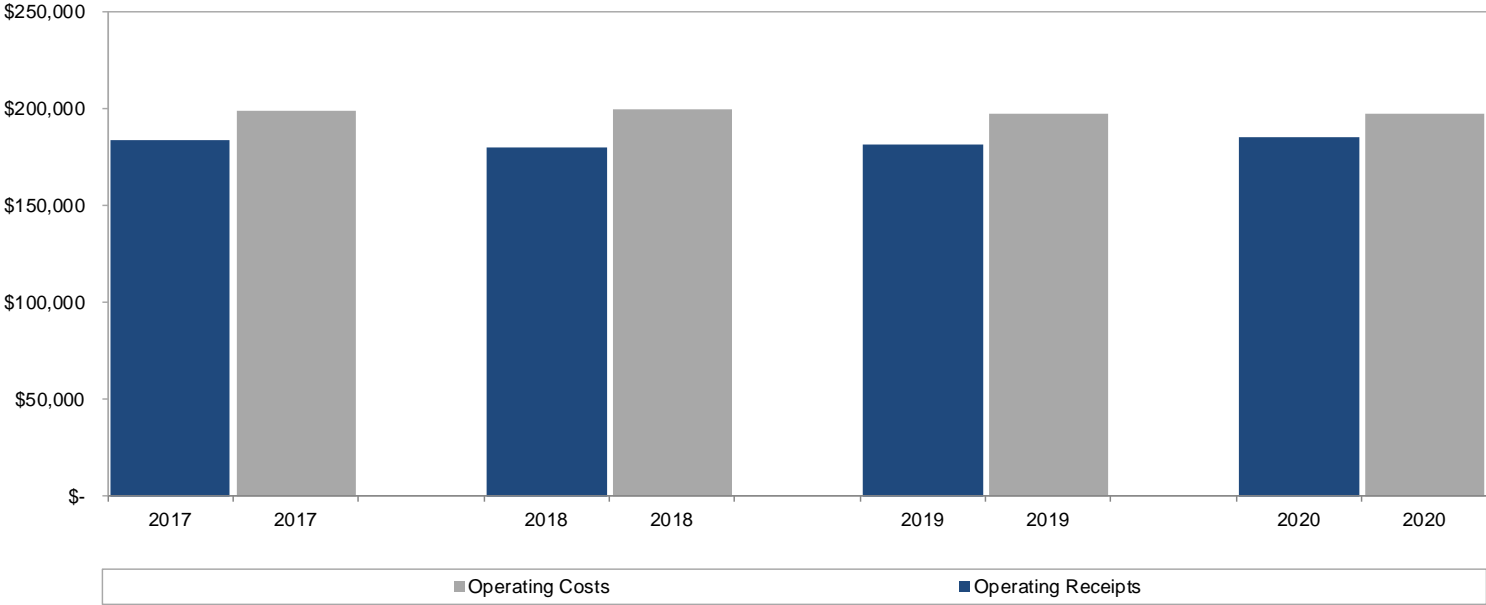
Water Fund - Cash Flows from Operations and Cash Balances



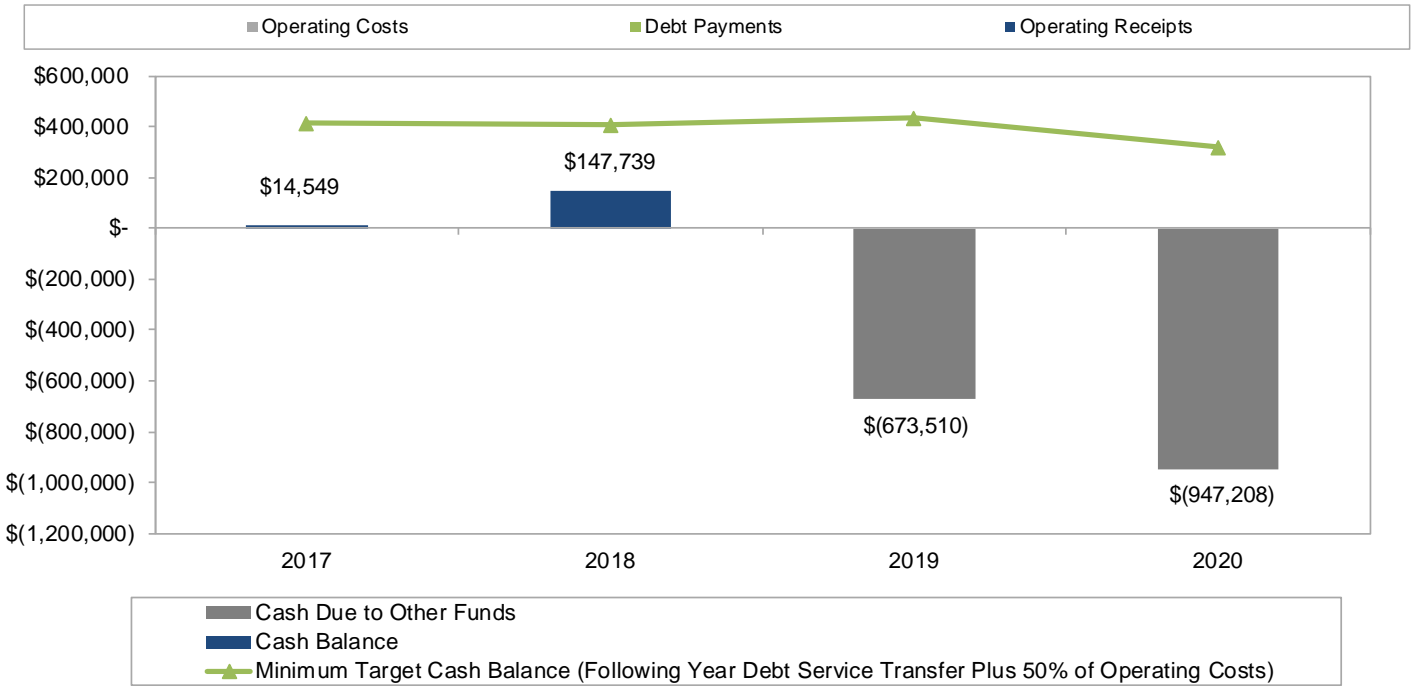
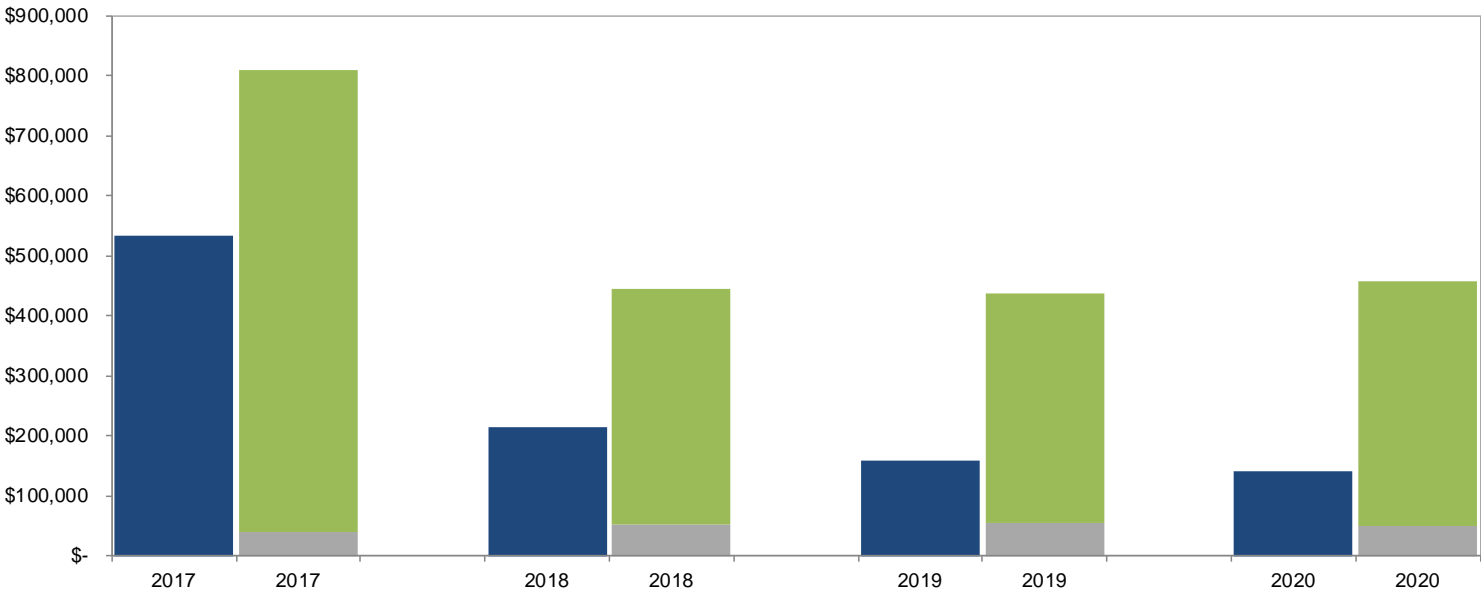
**ABDO
EICK &
MEYERS_{LLP}**
Certified Public Accountants & Consultants



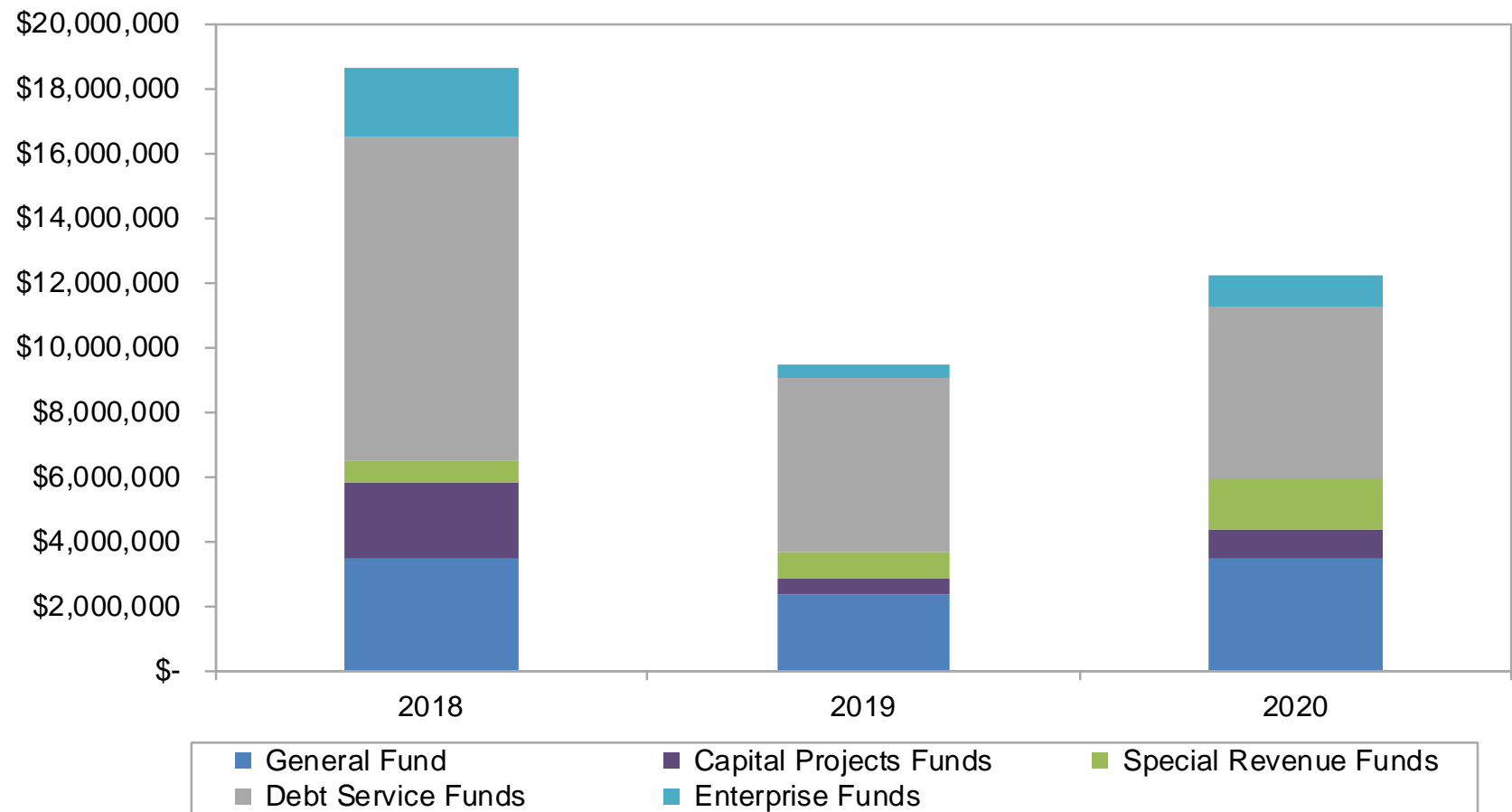
Recycling Fund - Cash Flows from Operations and Cash Balances



Storm Water Fund- Cash Flows from Operations and Cash Balances



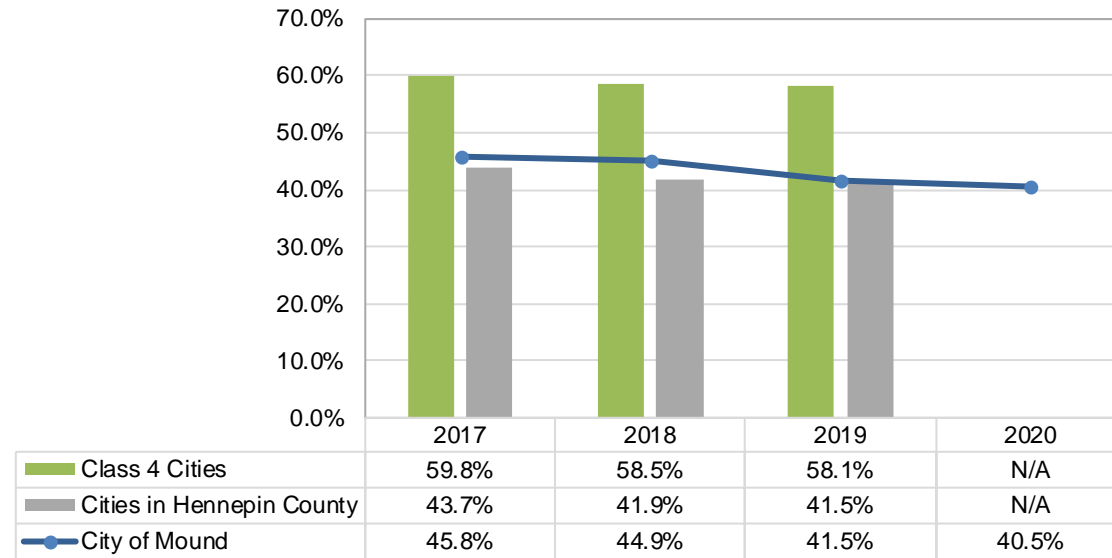
Cash and Investments Balances by Fund Type



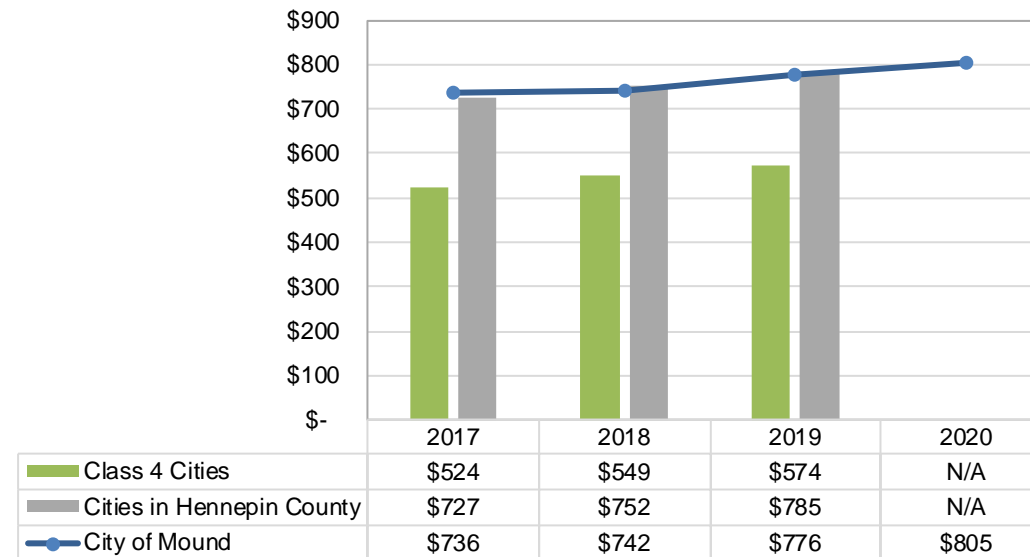
Key Performance Indicators - Taxes



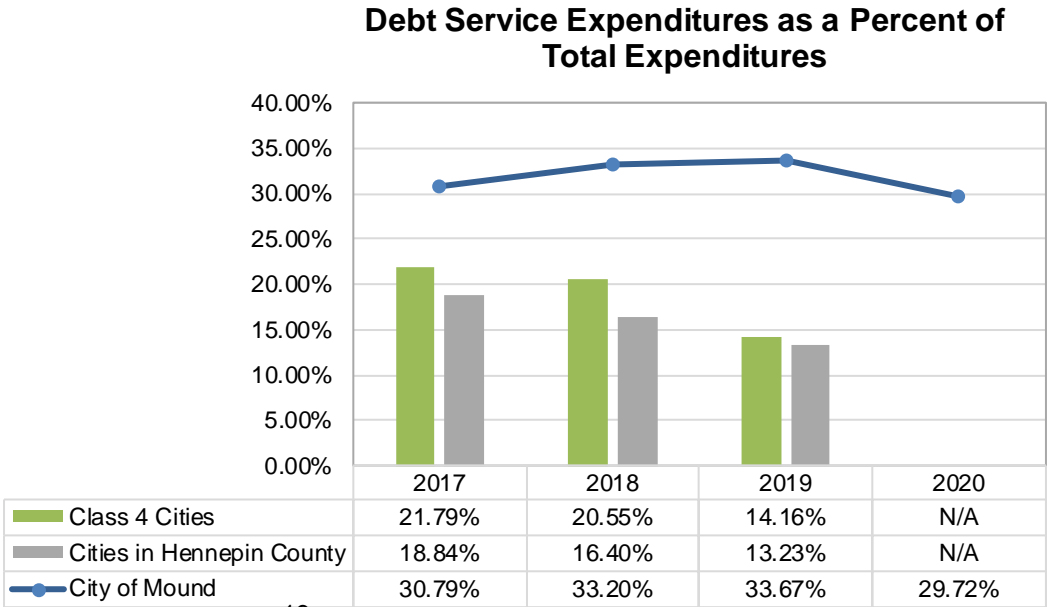
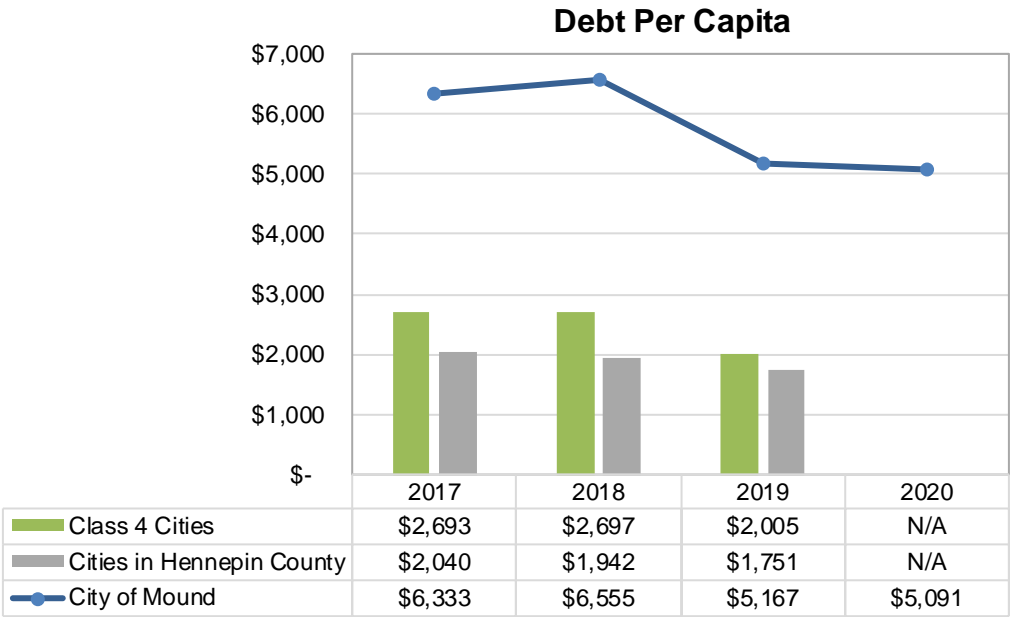
Tax Rates



Taxes Per Capita



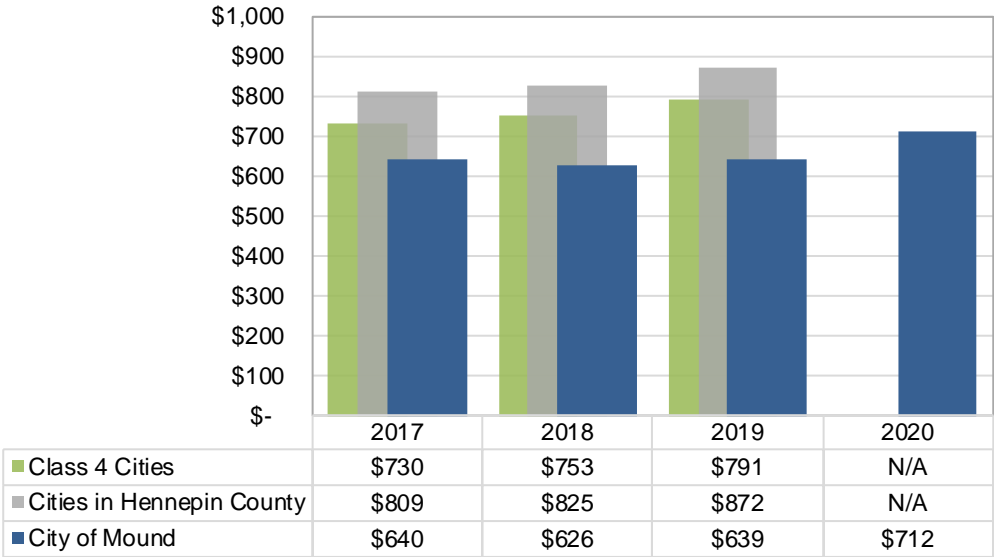
Key Performance Indicators - Debt



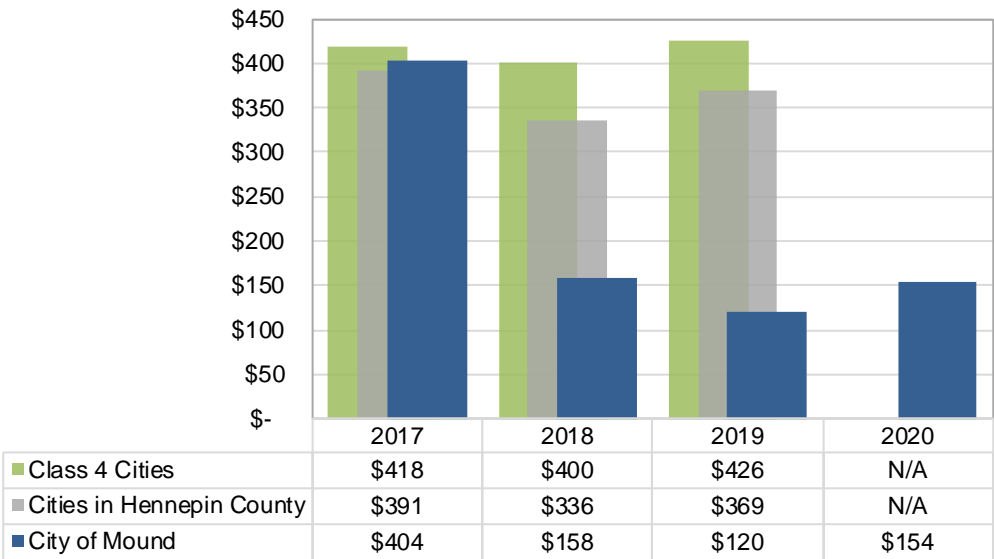
Key Performance Indicators - Expenditures



Current Expenditures Per Capita



Capital Expenditures Per Capita



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