

**City of
Mound
2018
Financial
Statement
Audit**

Introduction

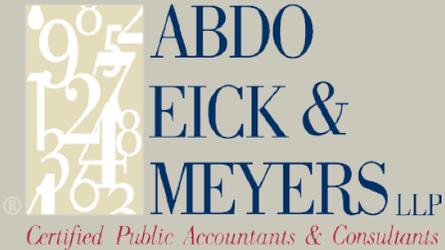
Audit Opinion and Responsibility

General Fund Results

Other Governmental Funds

Enterprise Funds

Ratios



Audit Results

Auditor's Opinion



Minnesota Legal Compliance



Audit Results

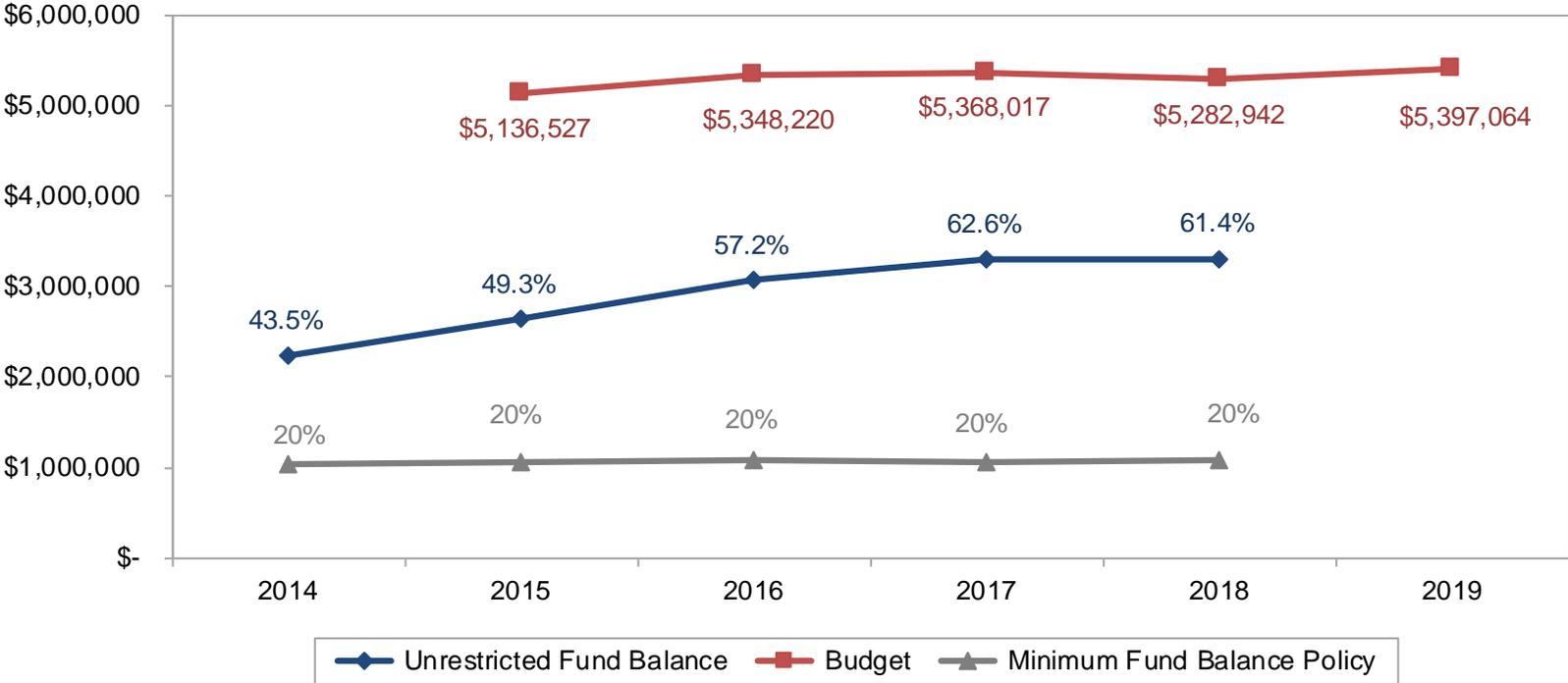
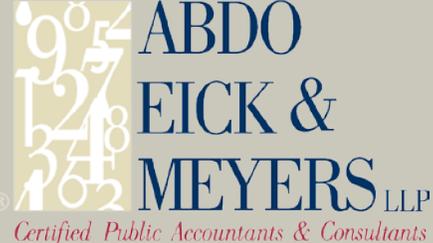
2018 Audit Finding



Minnesota Legal Compliance Testing - Collateral Coverage

- Finding: As of December 31, 2018 the market value of the City's collateral was equal to 109% of the deposits over FDIC coverage, which is \$135,886 short of the 110% required by Minnesota State Statute.
- Management Response: The par value of collateral was 111% of the deposits over FDIC coverage, but the market value was reduced as a result of the Federal Reserve raising rates in December. The additional 10% serves as a buffer for these rate fluctuations and we will be more sensitive to their potential impact in the future.

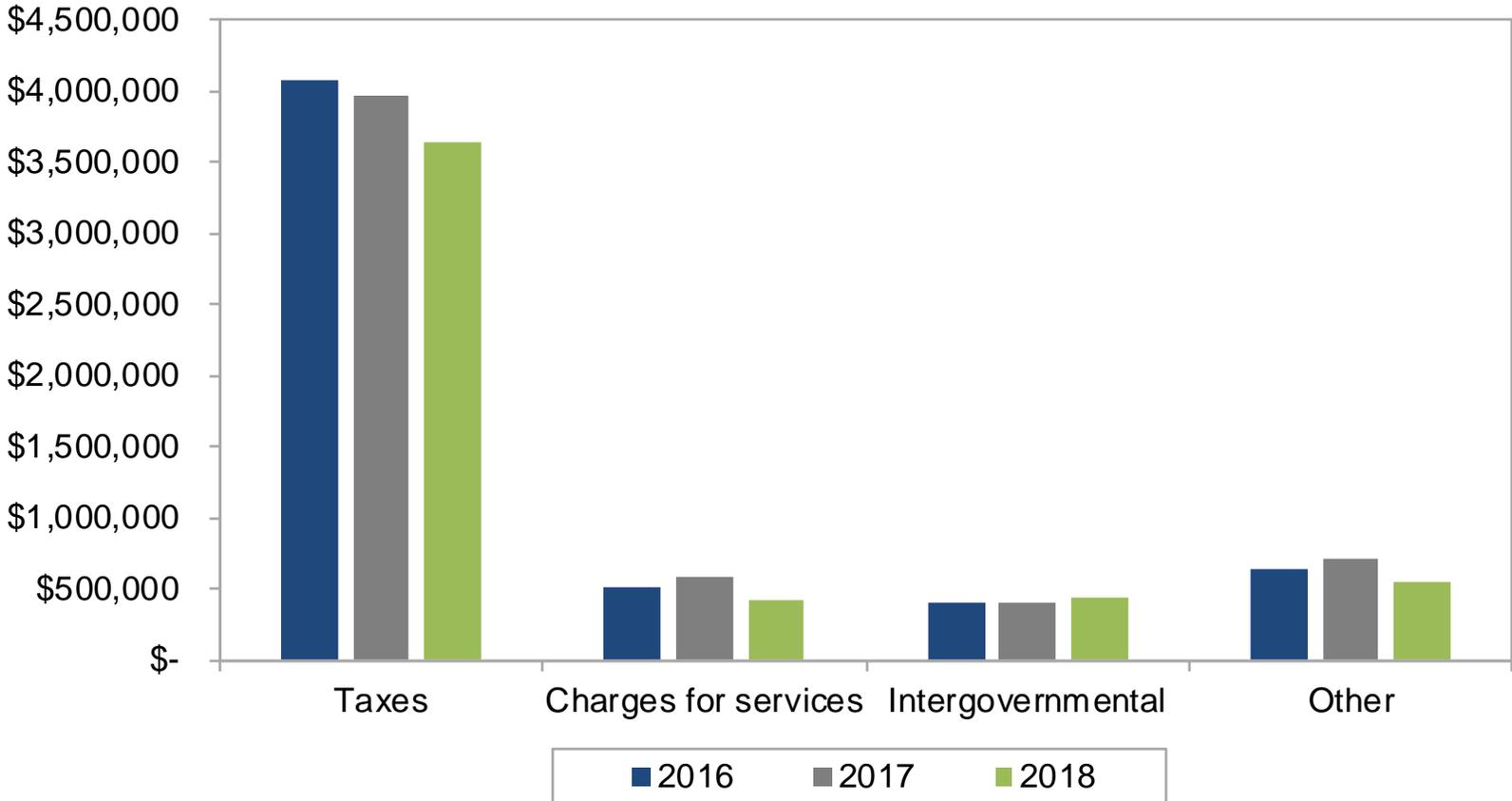
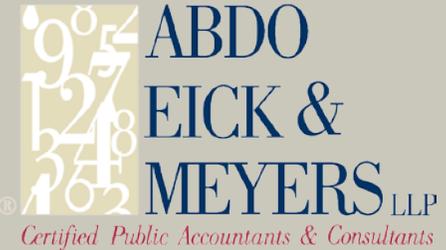
General Fund - Fund Balances



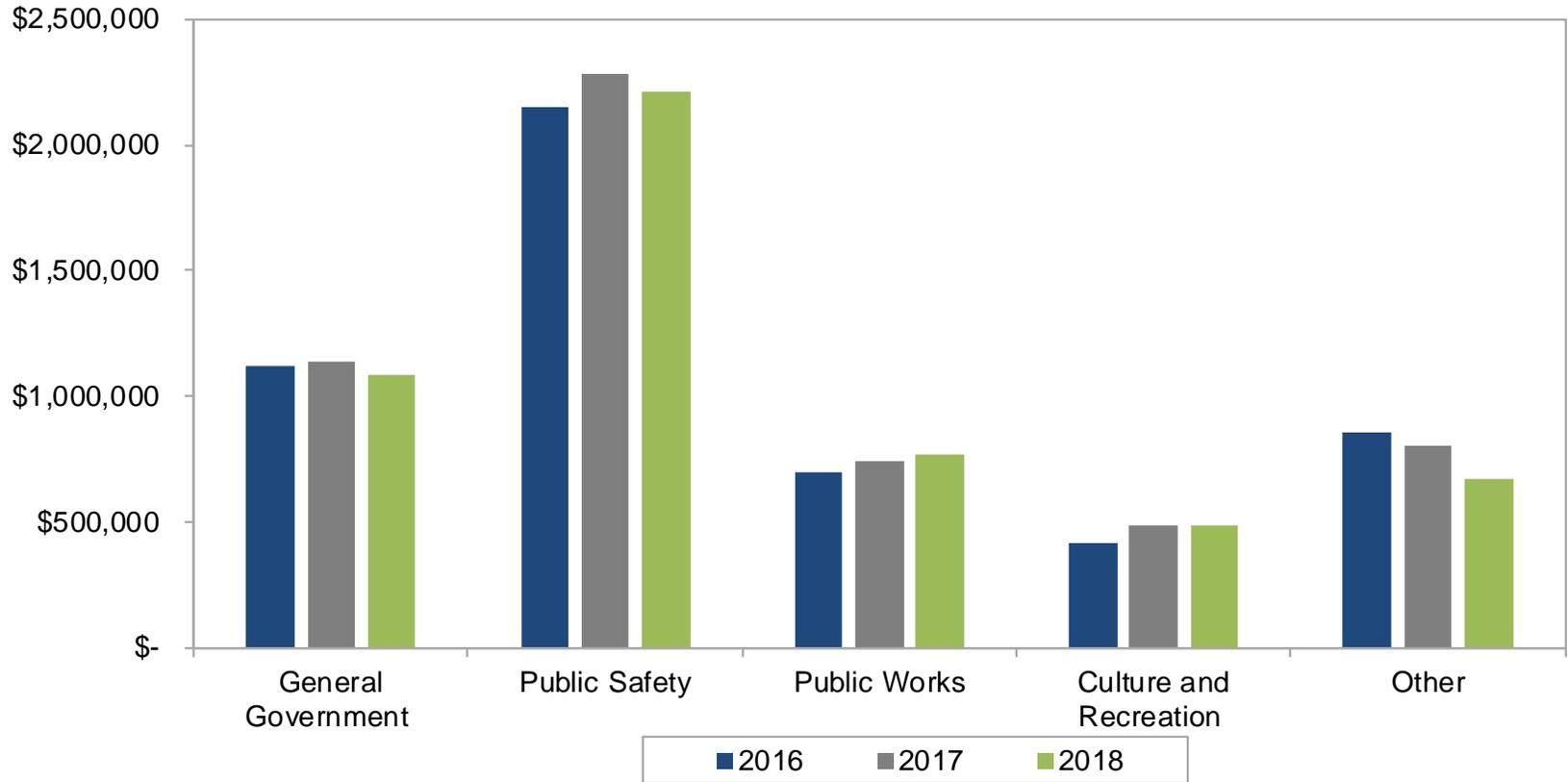
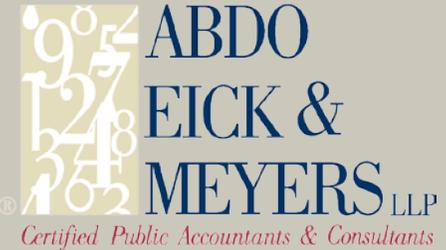
General Fund Budget to Actual

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues	\$ 5,225,466	\$ 4,883,813	\$ 4,923,035	\$ 39,222
Expenditures	4,793,966	4,733,966	4,575,842	158,124
Excess of Revenues Over Expenditures	431,500	149,847	347,193	197,346
Other Financing Sources (Uses)				
Transfers in	128,072	128,072	128,072	-
Transfers out	(548,976)	(548,976)	(646,160)	(97,184)
Total Other Financing Sources (Uses)	(420,904)	(420,904)	(518,088)	(97,184)
Change in Fund Balances	10,596	(271,057)	(170,895)	100,162
Fund Balances, January 1	3,503,008	3,503,008	3,503,008	-
Fund Balances, December 31	<u>\$ 3,513,604</u>	<u>\$ 3,231,951</u>	<u>\$ 3,332,113</u>	<u>\$ 100,162</u>

General Fund Revenues by Type

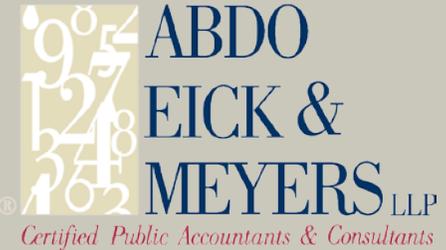
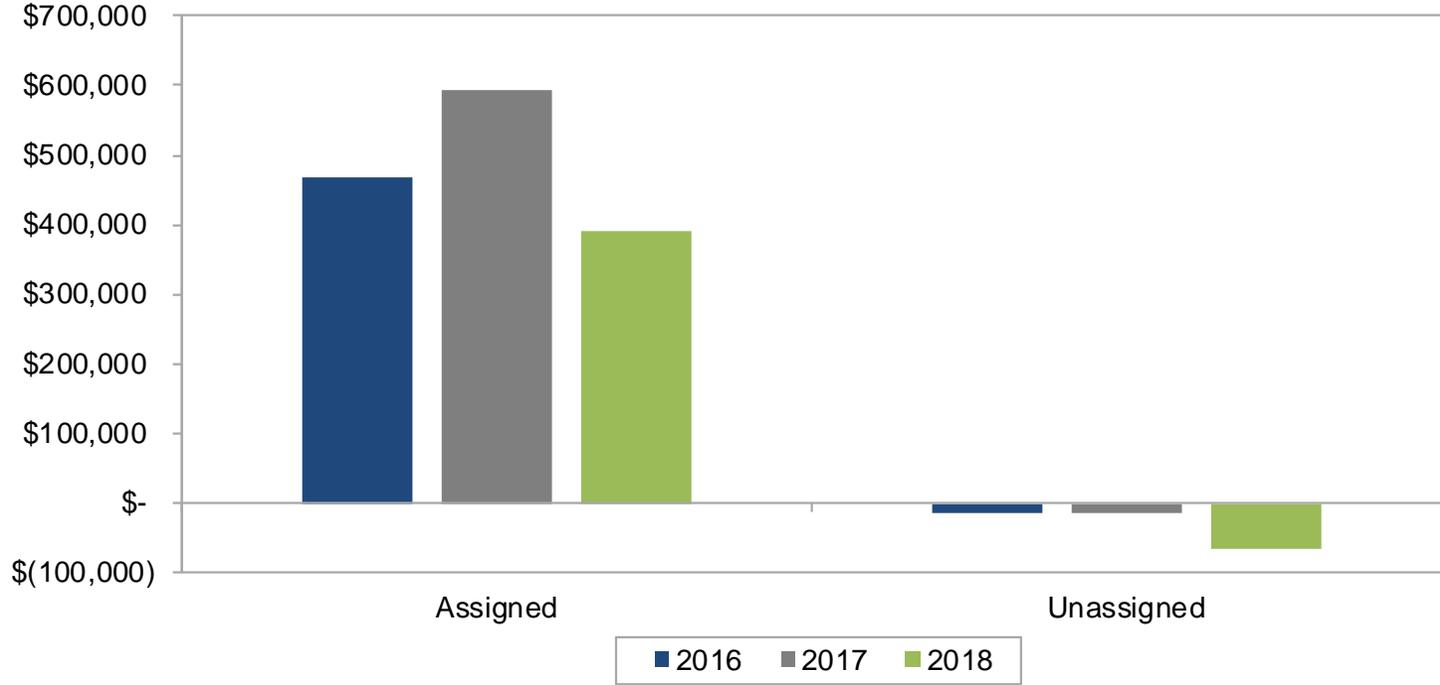


General Fund Expenditures by Type



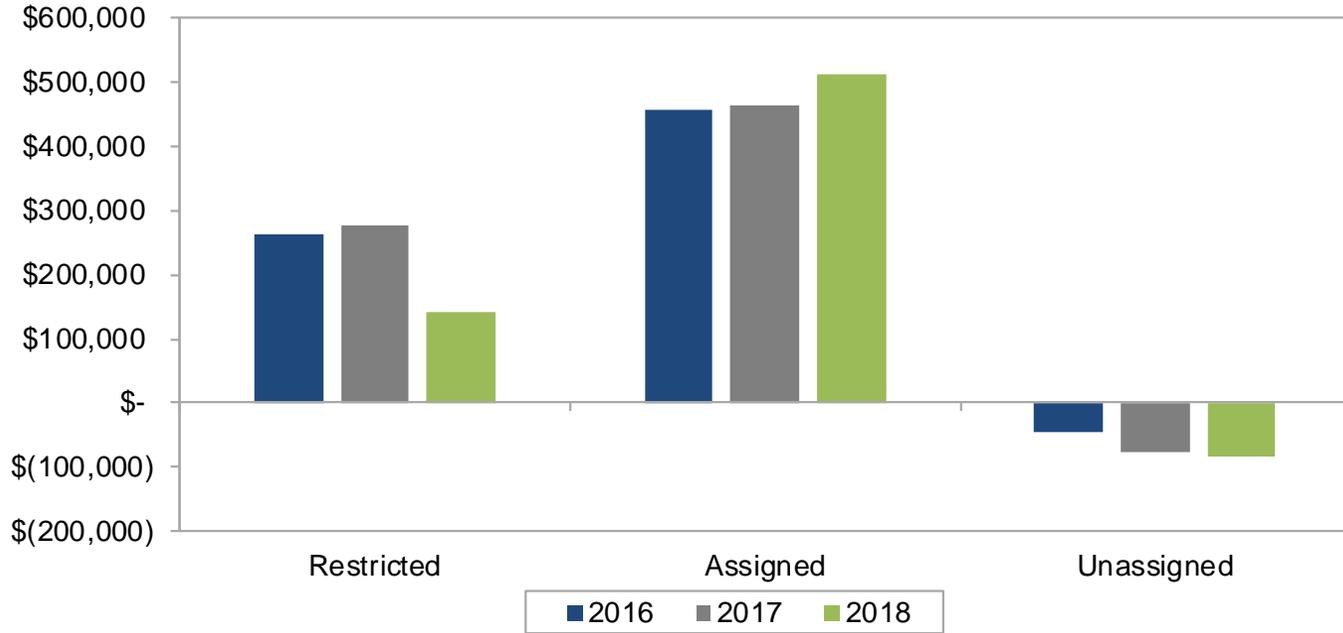
Capital Projects Fund Balances

Fund	Fund Balances December 31,		Increase (Decrease)
	2018	2017	
Major			
Capital Improvements	\$ 919,055	\$ 699,181	\$ 219,874
Nonmajor			
Municipal State Aid	-	490,029	(490,029)
Capital Replacement Vehicles	6,591	-	6,591
Community Investment	71,922	-	71,922
Capital Replacement Buildings	2,035	-	2,035
Street Maintenance	308,801	103,224	205,577
TIF 1-3	(66,354)	(15,324)	(51,030)
Total	\$ 1,242,050	\$ 1,277,110	\$ (35,060)



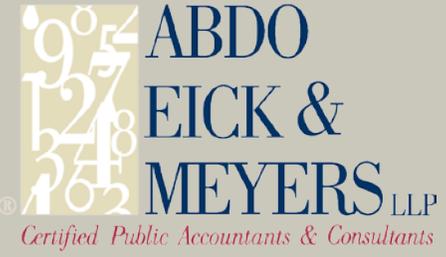
Special Revenue Fund Balances

Fund	Fund Balances December 31,		Increase (Decrease)
	2018	2017	
Major			
Area Fire Service	\$ 511,540	\$ 464,870	\$ 46,670
Nonmajor			
Dock	147,937	282,875	(134,938)
HRA	(80,720)	(74,986)	(5,734)
Total	\$ 578,757	\$ 672,759	\$ (94,002)

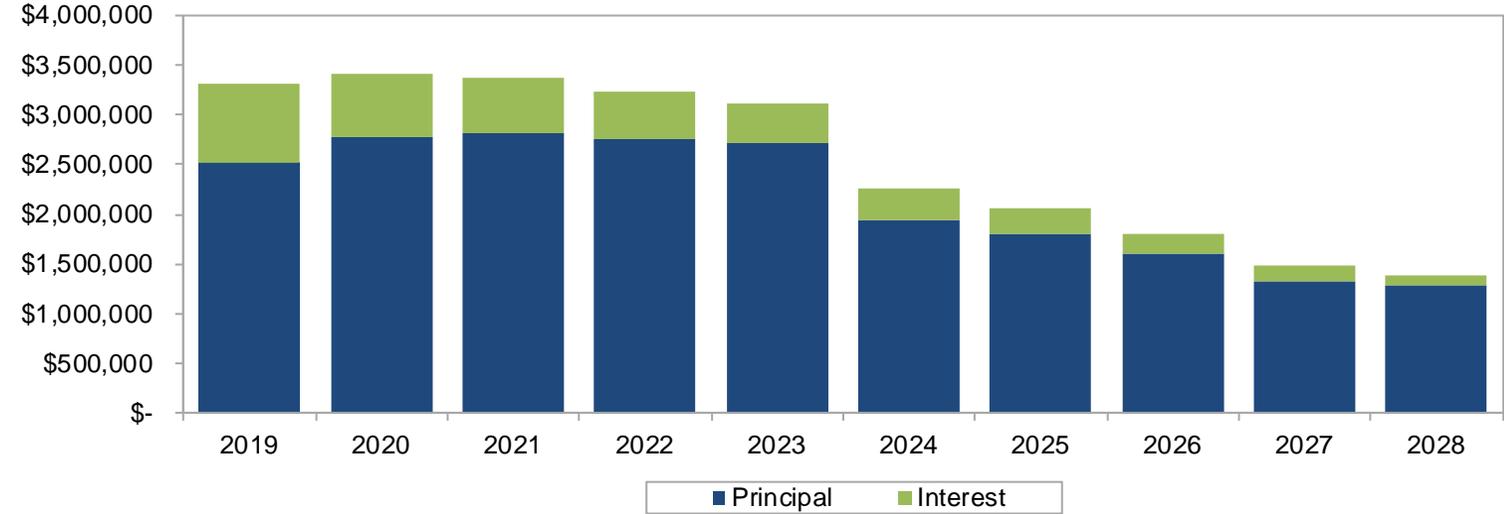


Note: Minor nonspendable fund balance not shown in in chart above.

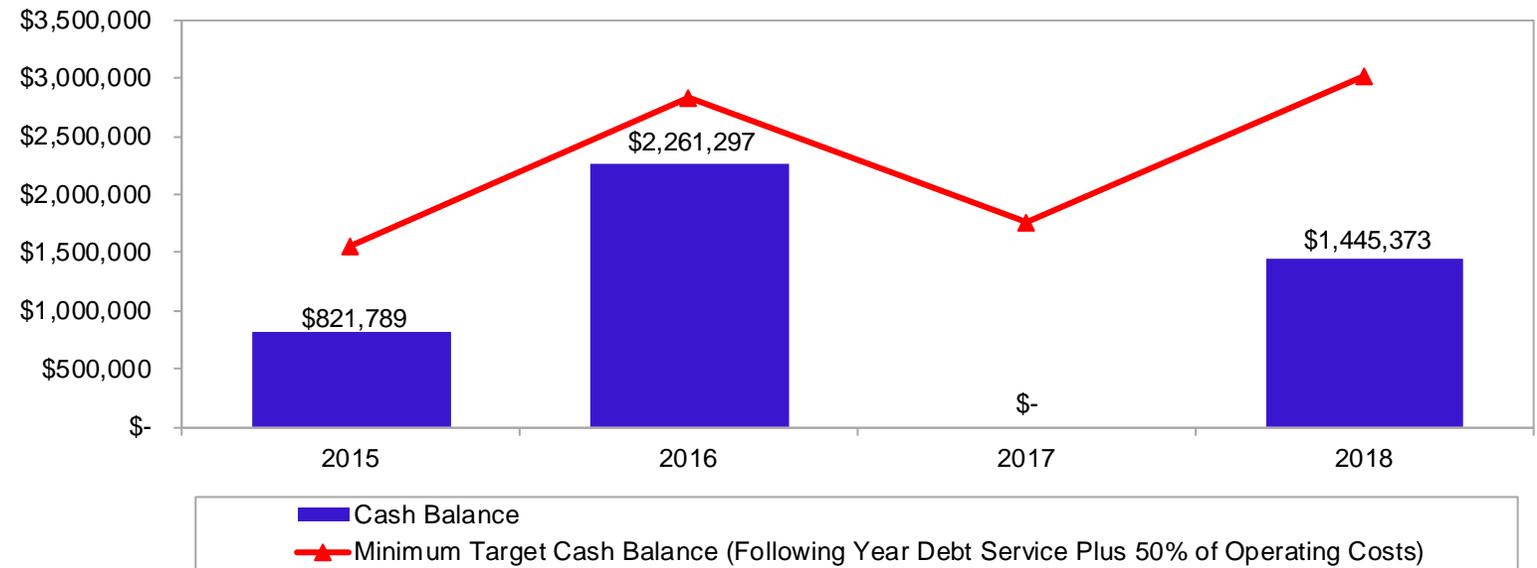
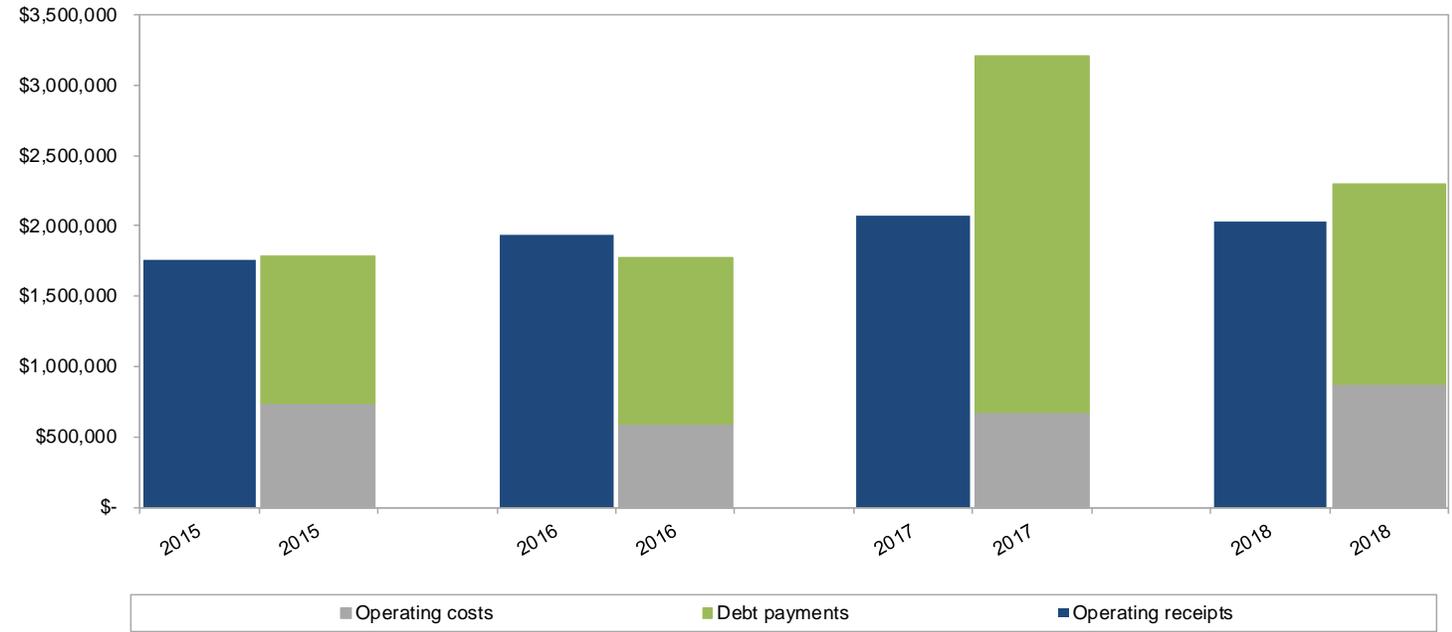
Debt Service Funds



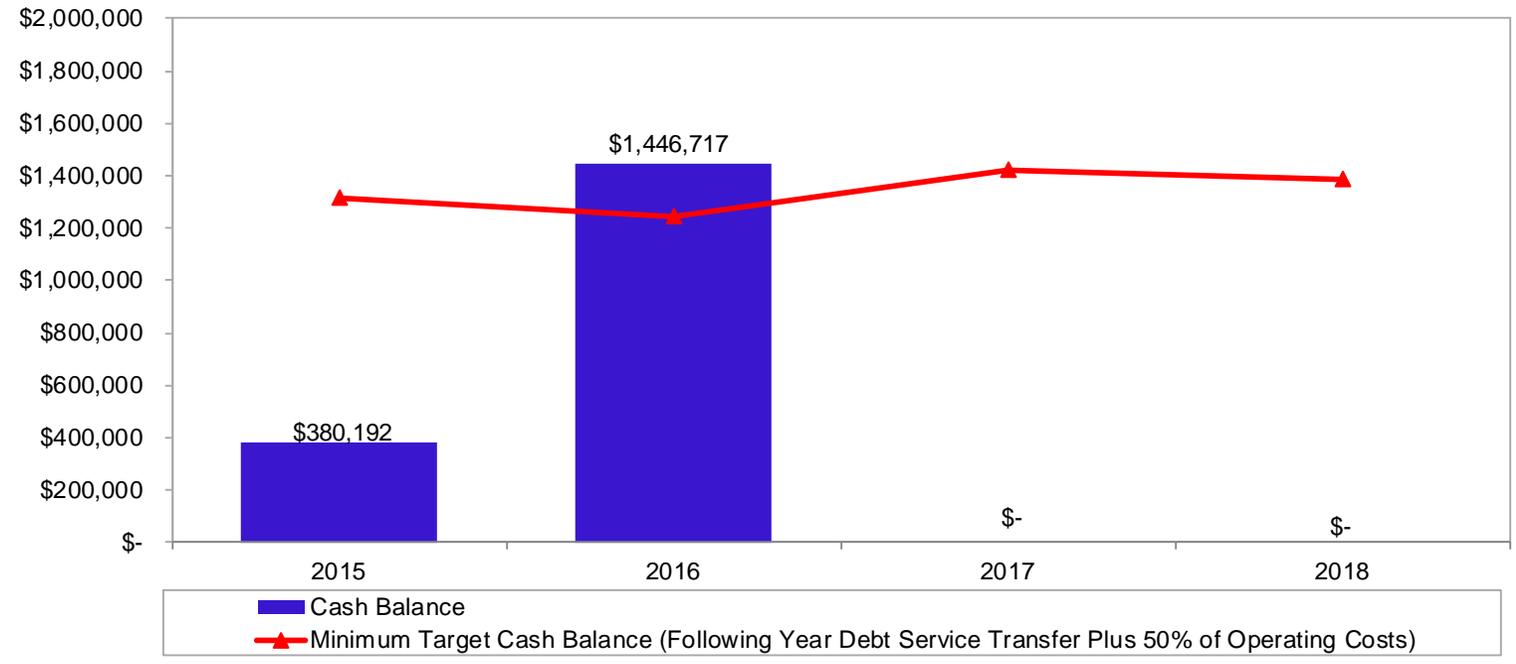
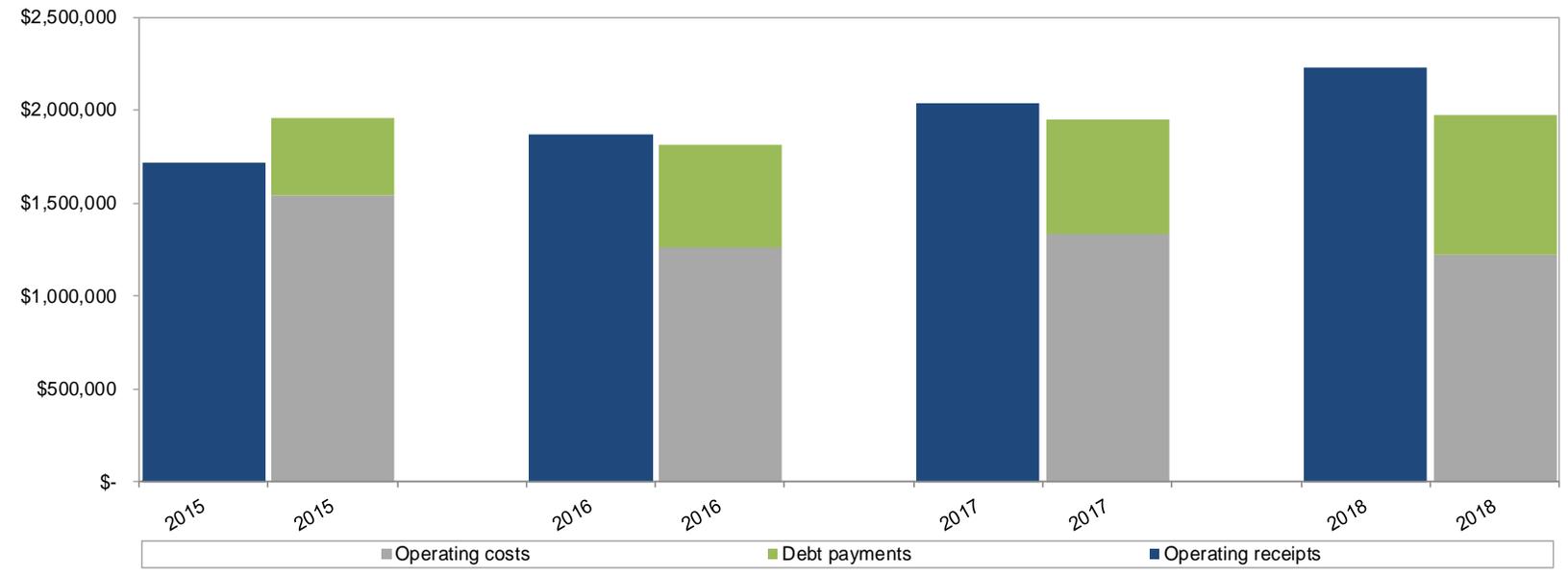
Fund No.	Debt Description	December 31, 2018			Final Maturity Date
		Total Cash	Total Assets	Remaining Bonds	
355	G.O. Tax Increment Bonds 2013B	\$ 539,408	\$ 539,408	\$ 2,572,000	02/01/27
370	G.O. Refunding Bonds 2011A	289,211	353,433	1,328,660	02/01/24
368	G.O. Refunding Bonds 2014A	262,789	303,512	425,000	02/01/21
375	G.O. Tax Increment Refunding 2009D	3,020,332	3,020,536	3,155,000	02/01/31
350	G.O. Tax Abatement Bonds, 2015B	138,310	216,006	2,590,000	08/01/27
362	G.O. Refunding Bonds 2016B	-	149,964	520,000	02/01/24
363	G.O. Bonds 2009A	1,848,622	2,267,858	5,285,000	02/01/25
364	G.O. Bonds 2011B	683,430	1,150,826	2,345,000	02/01/32
365	GO Bonds 2012A	843,453	1,390,122	1,560,000	02/01/28
371	GO Refunding Bonds 2012B	427,204	427,204	2,135,000	02/01/23
310	GO Bonds 2013A	709,233	1,323,665	2,120,000	02/01/29
311	GO Bonds 2014A	306,410	520,802	595,000	02/01/30
312	GO Bonds 2015A	737,030	1,266,236	2,345,000	02/01/35
313	GO Bonds 2016A	211,332	554,672	2,780,000	02/01/37
Total		\$ 10,016,764	\$ 13,484,244	\$ 29,755,660	
Total Future Scheduled Interest Payments				\$ 4,119,392	



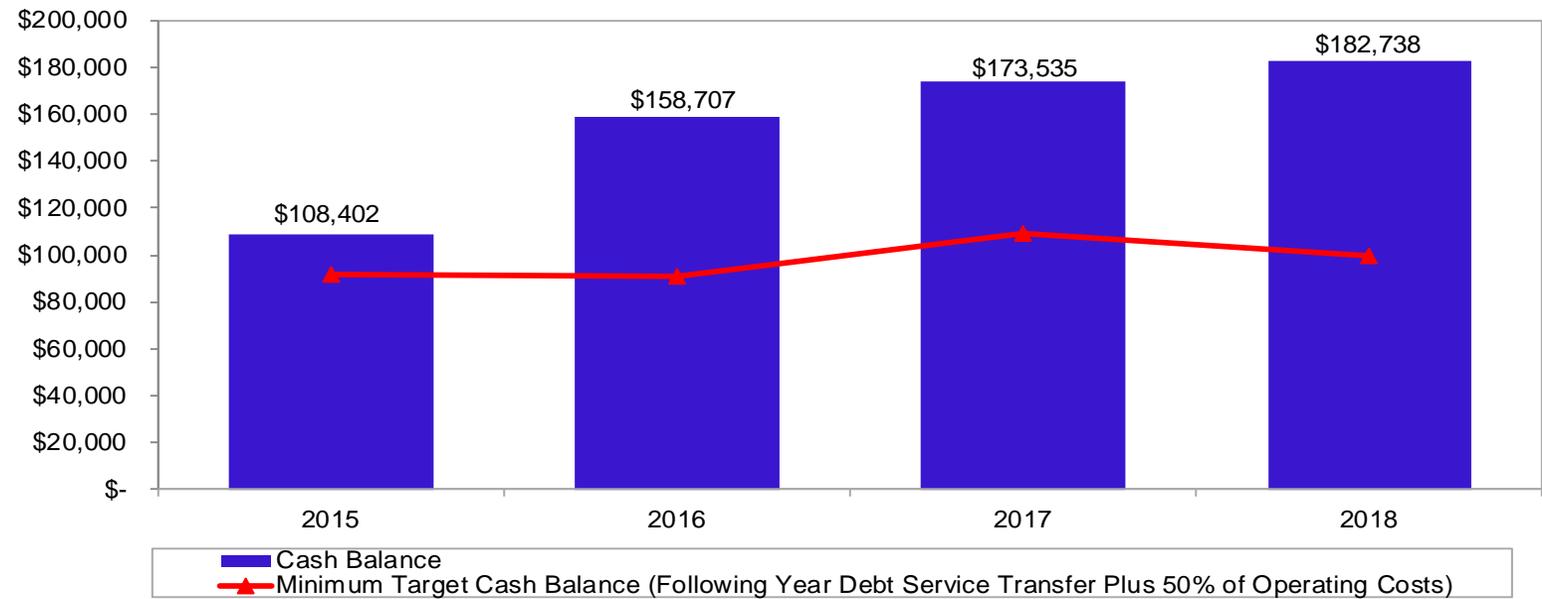
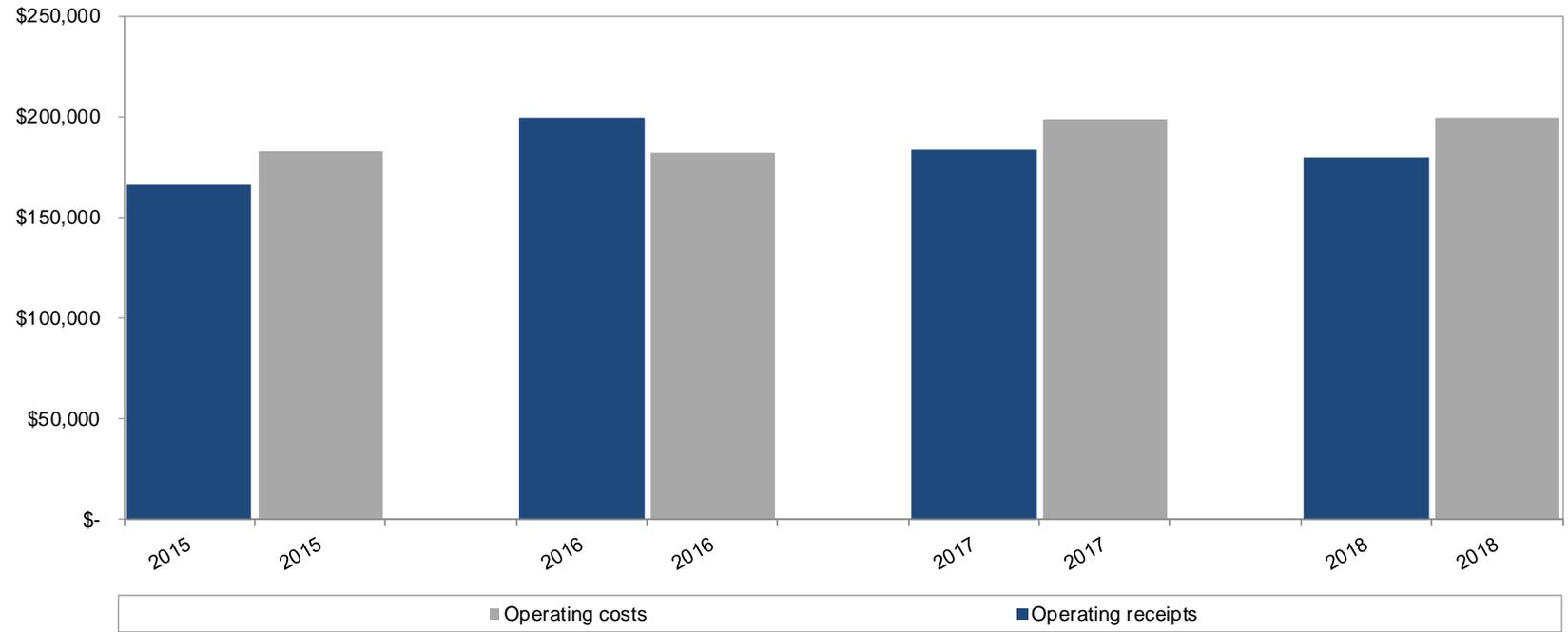
Water Fund - Cash Flows from Operations and Cash Balances



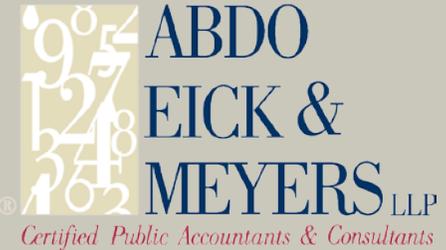
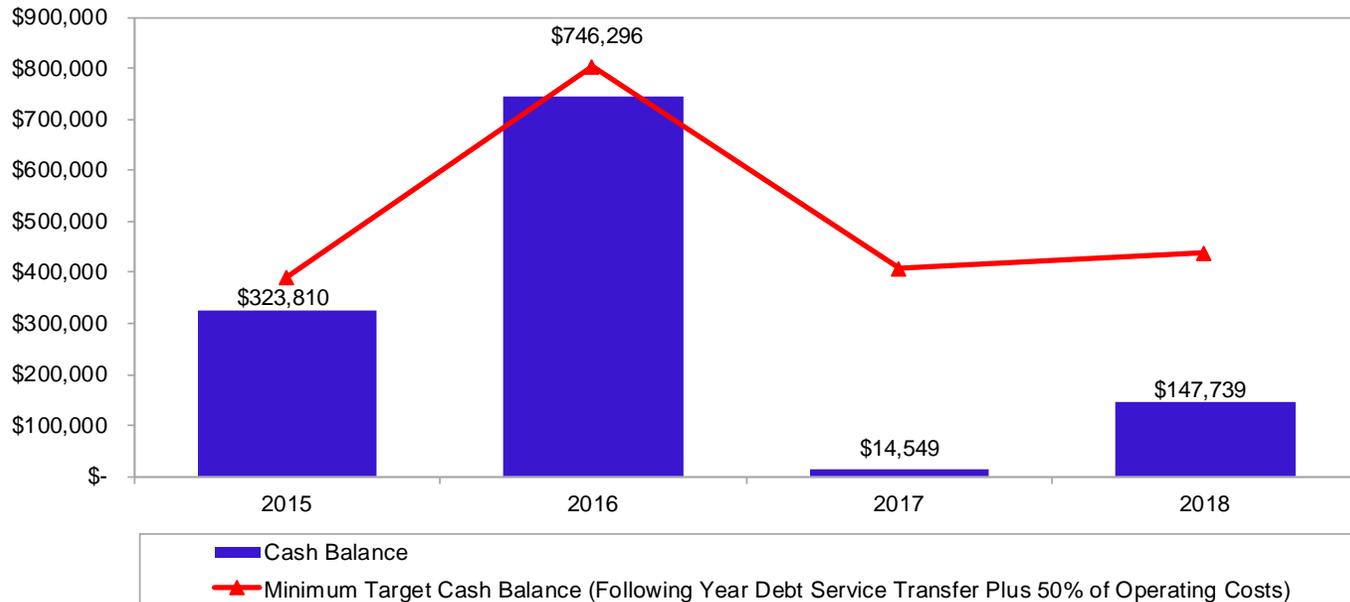
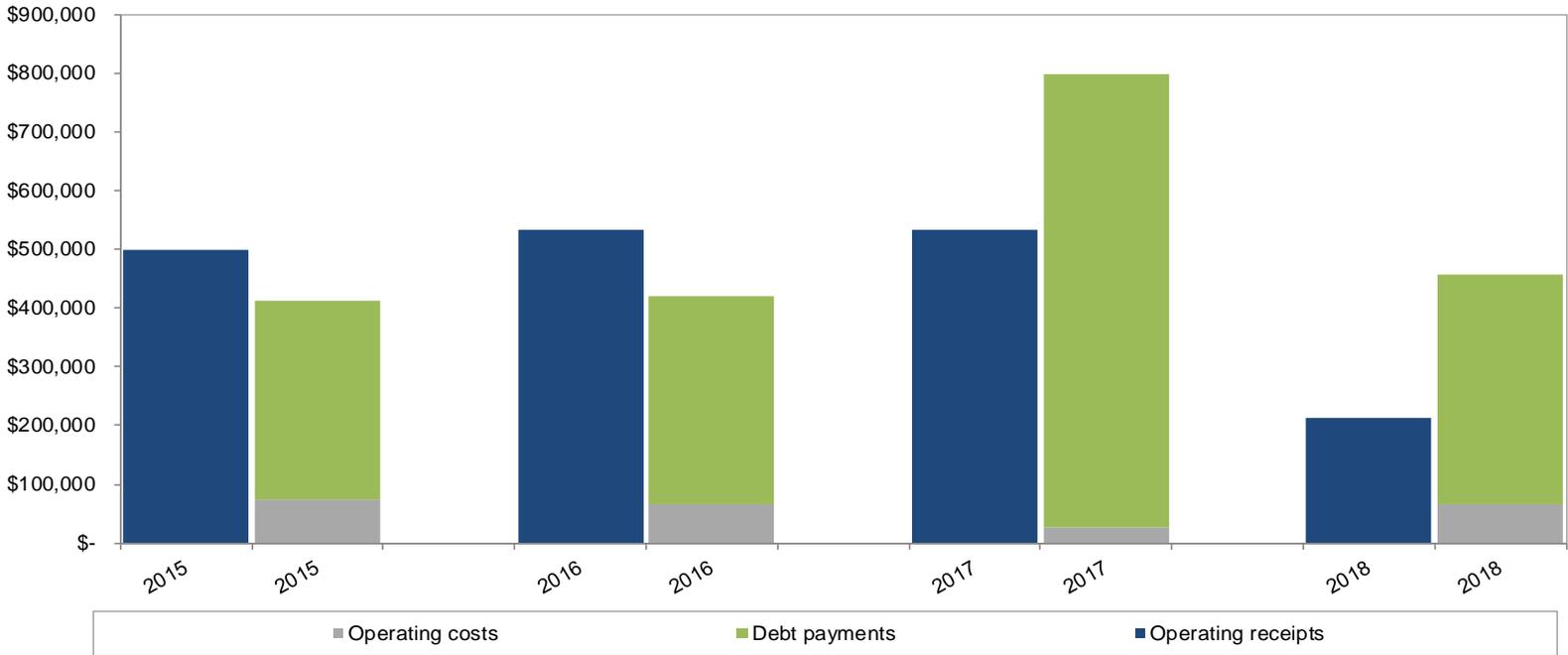
Sewer Fund - Cash Flows from Operations and Cash Balances



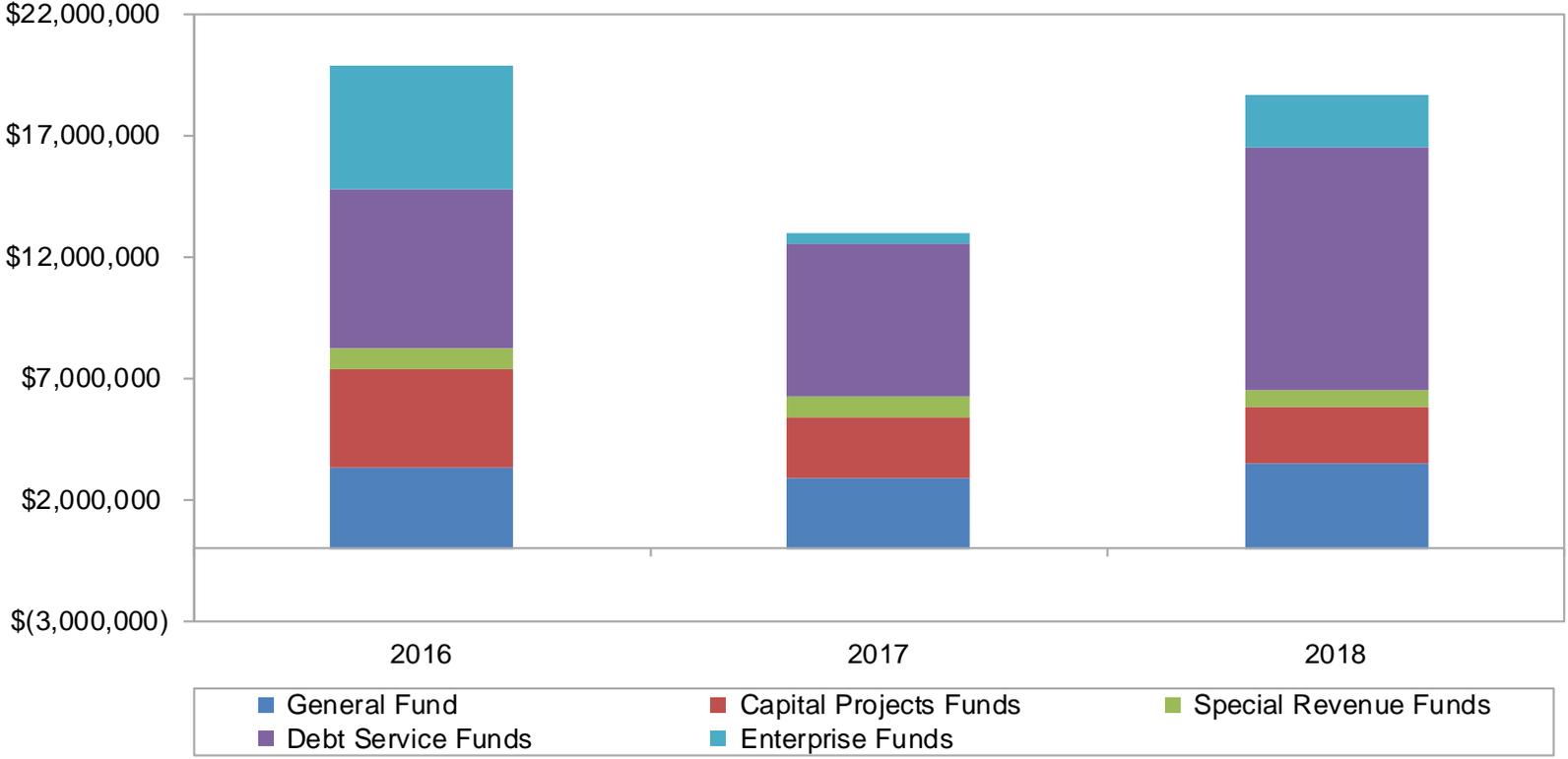
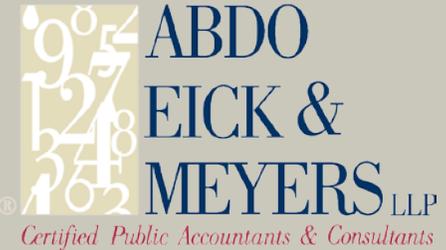
Recycling Fund - Cash Flows from Operations and Cash Balances



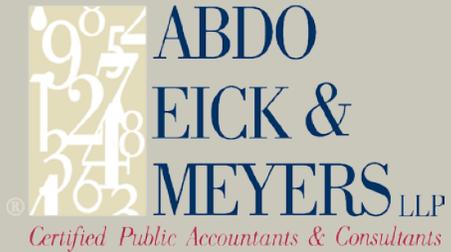
Storm Water Fund - Cash Flows from Operations and Cash Balances



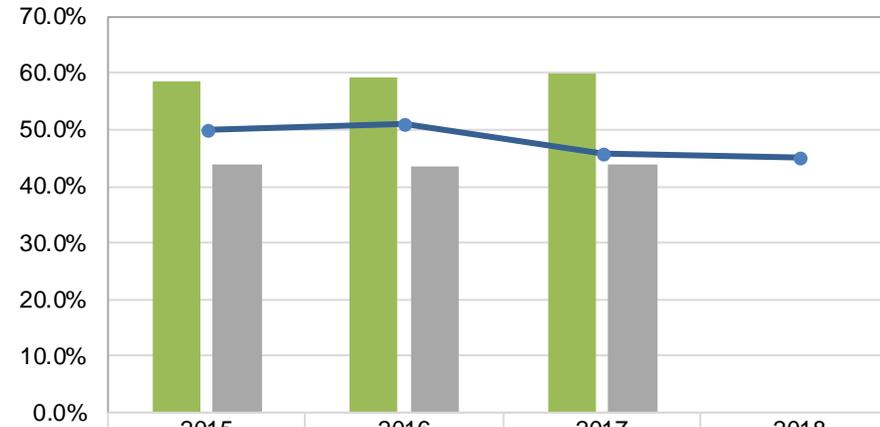
Cash and Investments Balances by Fund Type



Key Ratios Taxes

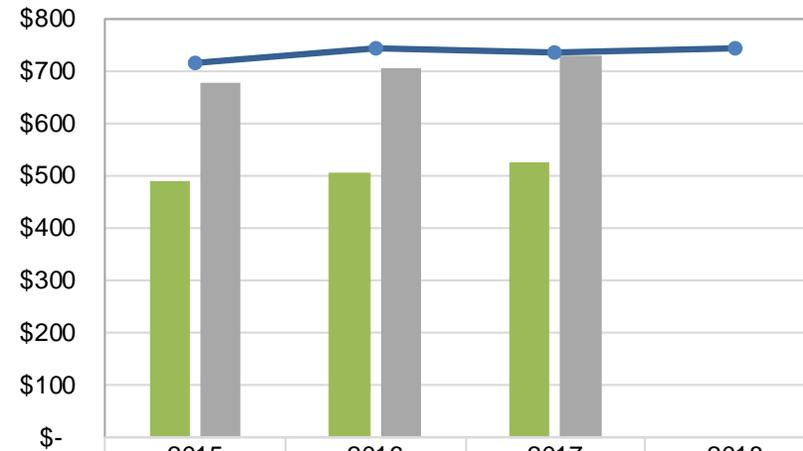


Tax Rates



	2015	2016	2017	2018
Class 4 Cities	58.4%	59.1%	59.8%	N/A
Cities in Hennepin County	44.0%	43.5%	43.7%	N/A
City of Mound	50.1%	51.1%	45.8%	44.9%

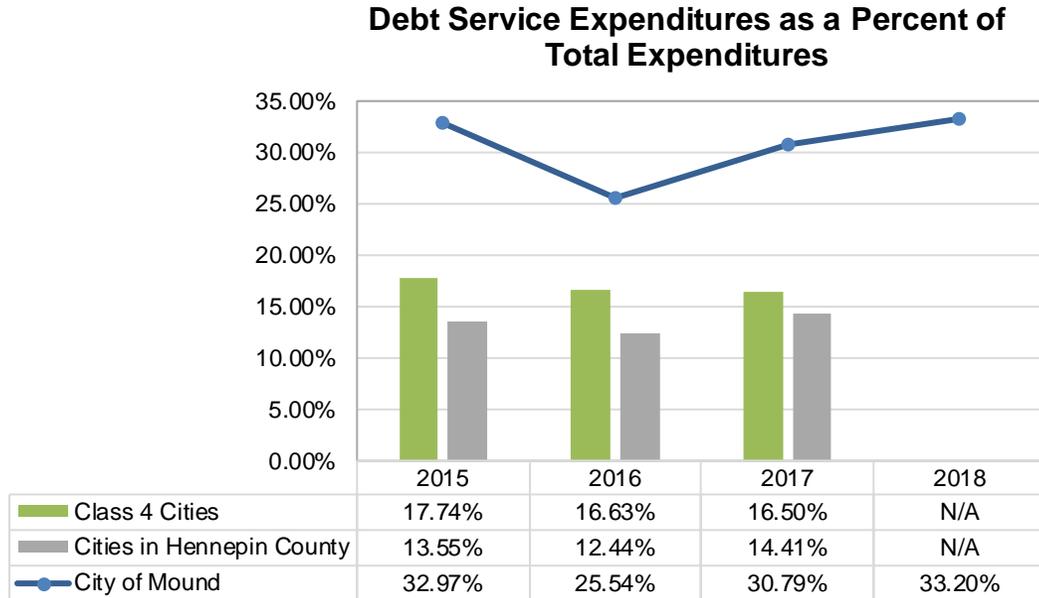
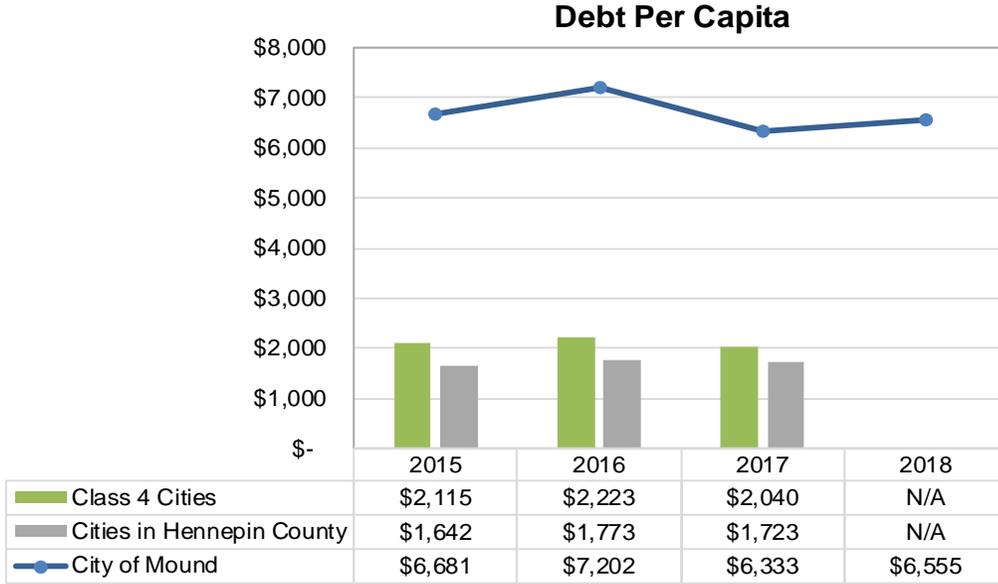
Taxes Per Capita



	2015	2016	2017	2018
Class 4 Cities	\$488	\$507	\$524	N/A
Cities in Hennepin County	\$676	\$706	\$727	N/A
City of Mound	\$714	\$743	\$736	\$742

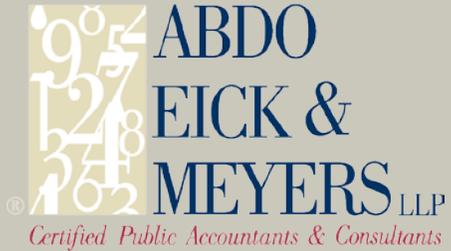
Key Ratios

Debt

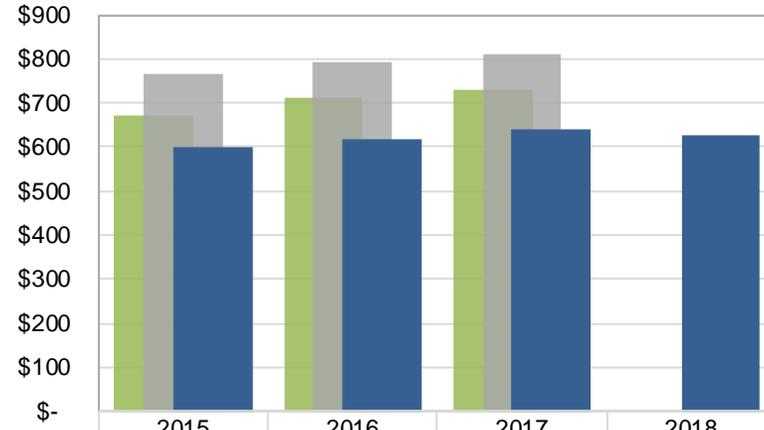


Key Ratios

Expenditures

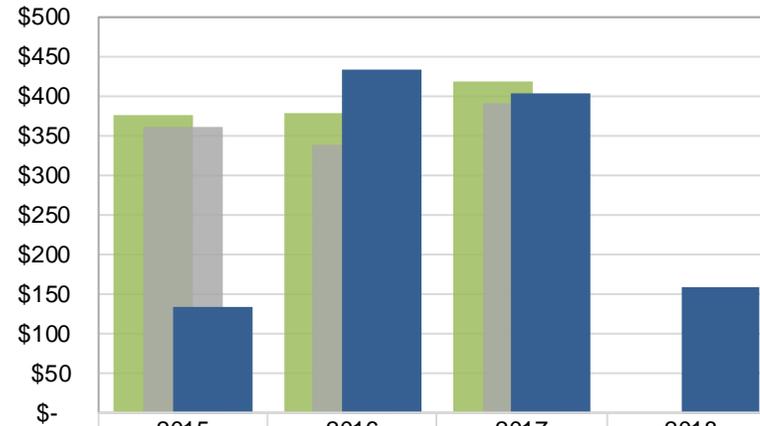


Current Expenditures Per Capita



	2015	2016	2017	2018
■ Class 4 Cities	\$672	\$713	\$730	N/A
■ Cities in Hennepin County	\$767	\$793	\$809	N/A
■ City of Mound	\$599	\$618	\$640	\$626

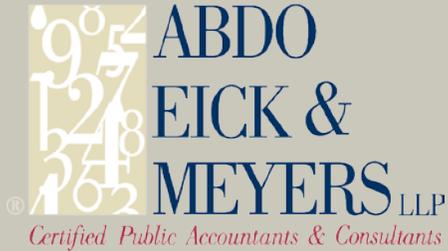
Capital Expenditures Per Capita



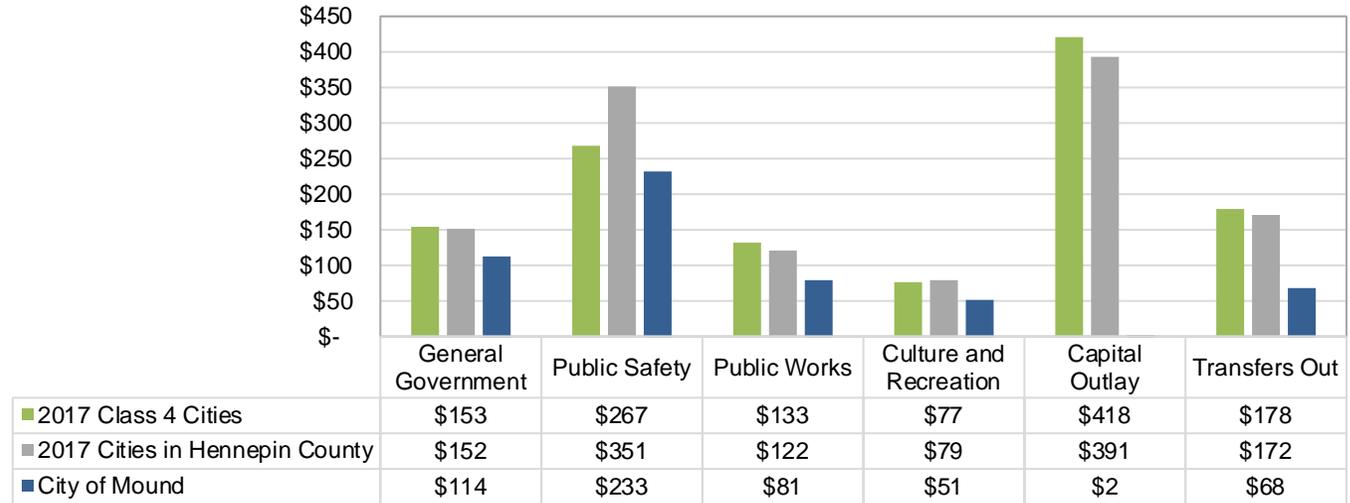
	2015	2016	2017	2018
■ Class 4 Cities	\$375	\$377	\$418	N/A
■ Cities in Hennepin County	\$361	\$338	\$391	N/A
■ City of Mound	\$134	\$433	\$404	\$158

Key Ratios

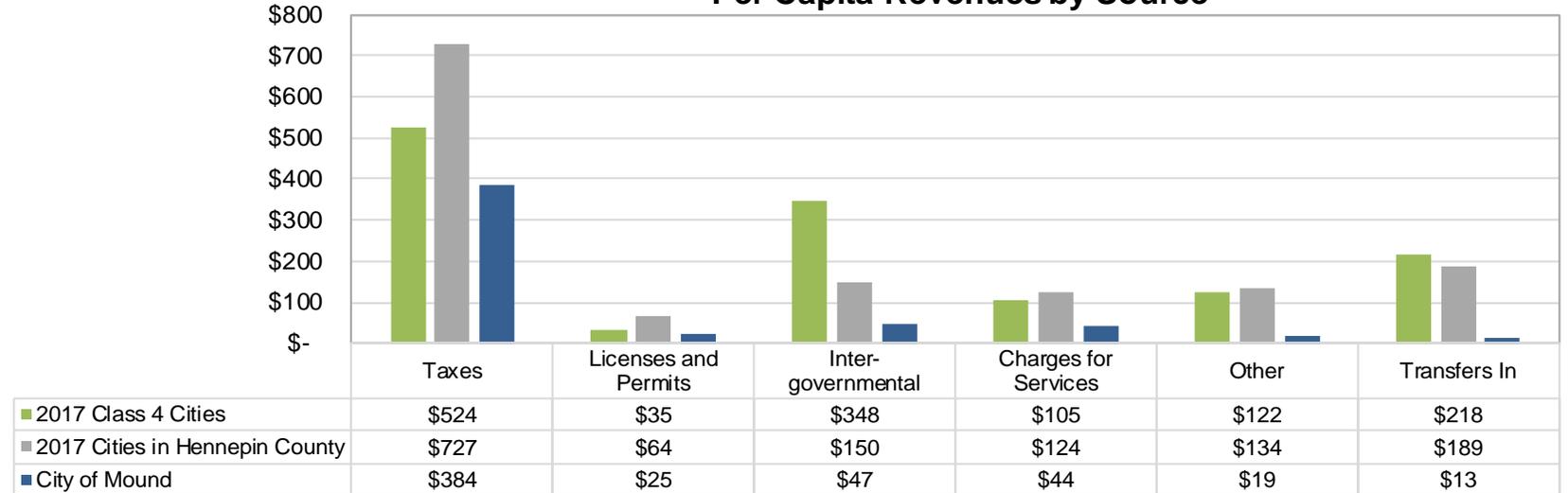
Expenditures & Revenue by Source



Expenditures by Program Per Capita



Per Capita Revenues by Source



Questions?

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