



CPAS & ADVISORS

Joint Powers District #938 MAWSECO

Audit Report

June 30, 2025

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)

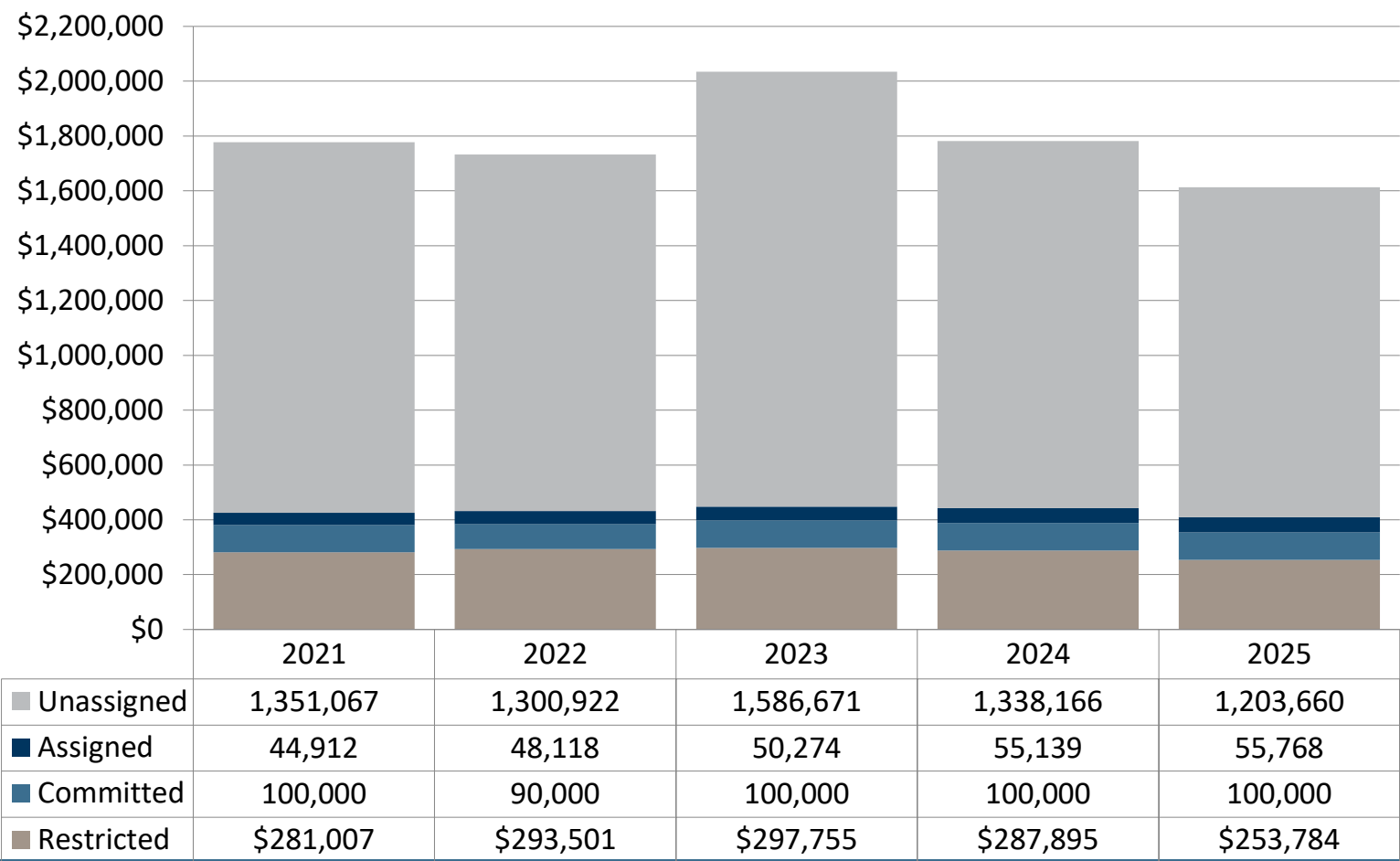
Pages 2-4:

- MD&A (pages 5-15), Schedule of Proportionate Share of the Net Pension Liability (page 55), Schedule of Employer Contributions (page 56) and Schedule of Changes in the District's Total OPEB Liability (page 57) are required supplementary information and unaudited
- Internal control letter on pages 76 and 77

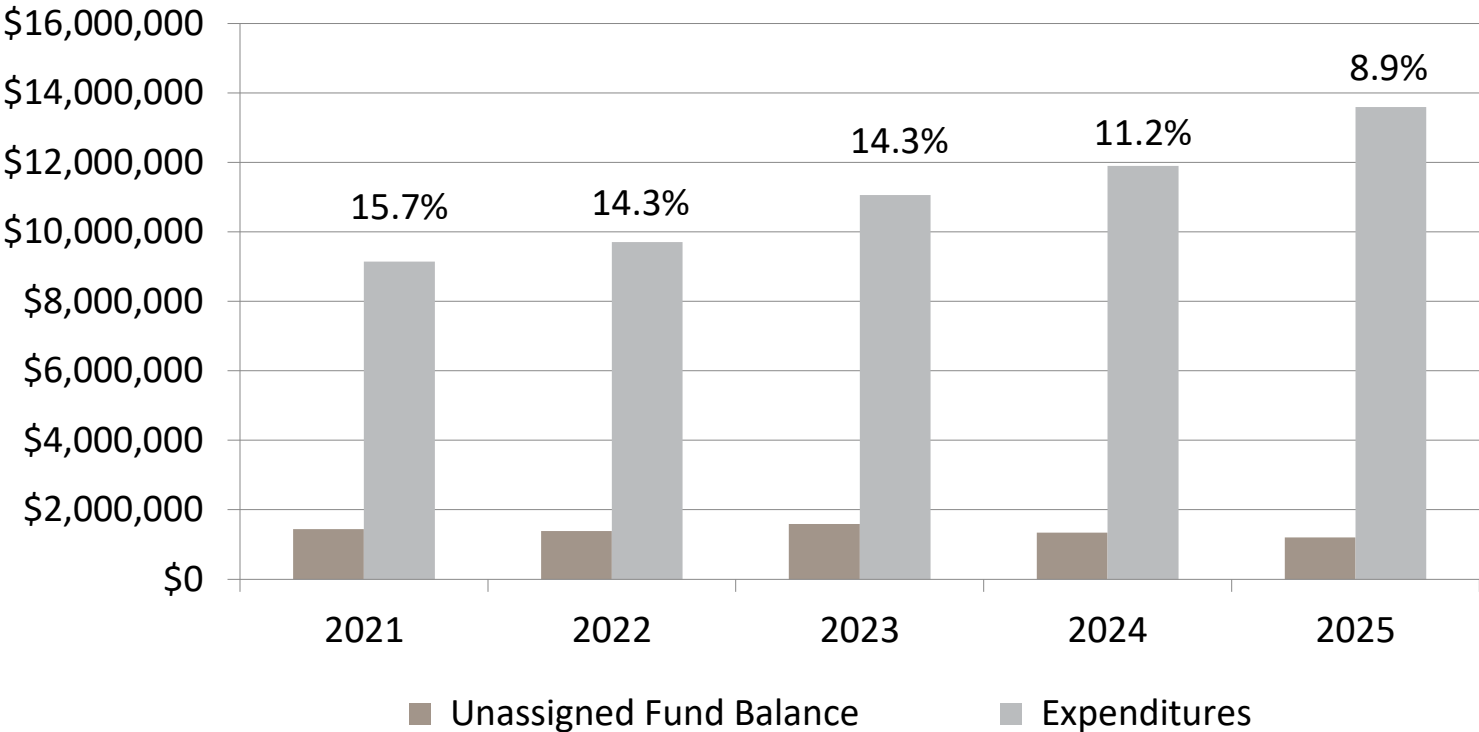
Statement of Net Position

	June 30,		
	2025	2024	Change
Assets			
Current and Non-Capital	\$ 4,362,131	\$ 3,839,894	\$ 522,237
Capital and Right to Use	1,037,851	1,249,629	(211,778)
Total Assets	5,399,982	5,089,523	310,459
Deferred Outflows of Resources	2,494,063	2,323,079	170,984
Total Assets and Deferred Outflows of Resources	<u>\$ 7,894,045</u>	<u>\$ 7,412,602</u>	<u>\$ 481,443</u>
Liabilities			
Current	\$ 2,757,006	\$ 2,068,264	\$ 688,742
Long-Term	7,899,160	9,437,523	(1,538,363)
Total Liabilities	10,656,166	11,505,787	(849,621)
Deferred Inflows of Resources	2,136,828	689,260	1,447,568
Net Position			
Net Investment in Capital Assets	(94,175)	(89,170)	(5,005)
Restricted	253,784	287,895	(34,111)
Unrestricted	(5,058,558)	(4,981,170)	(77,388)
Total Net Position	<u>(4,898,949)</u>	<u>(4,782,445)</u>	<u>(116,504)</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>\$ 7,894,045</u>	<u>\$ 7,412,602</u>	<u>\$ 481,443</u>

General Fund – Fund Balances

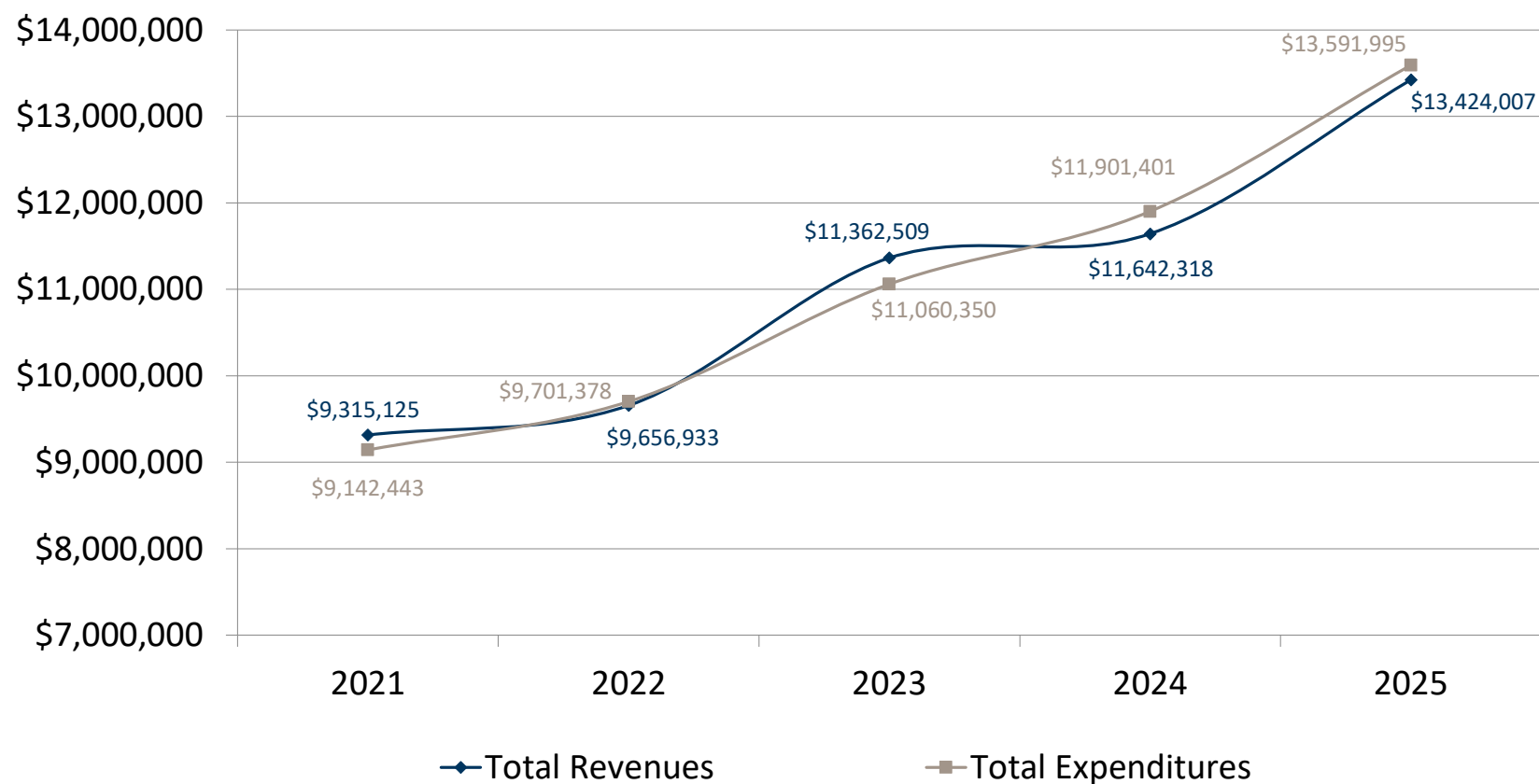


Unassigned Fund Balance Compared to Expenditures

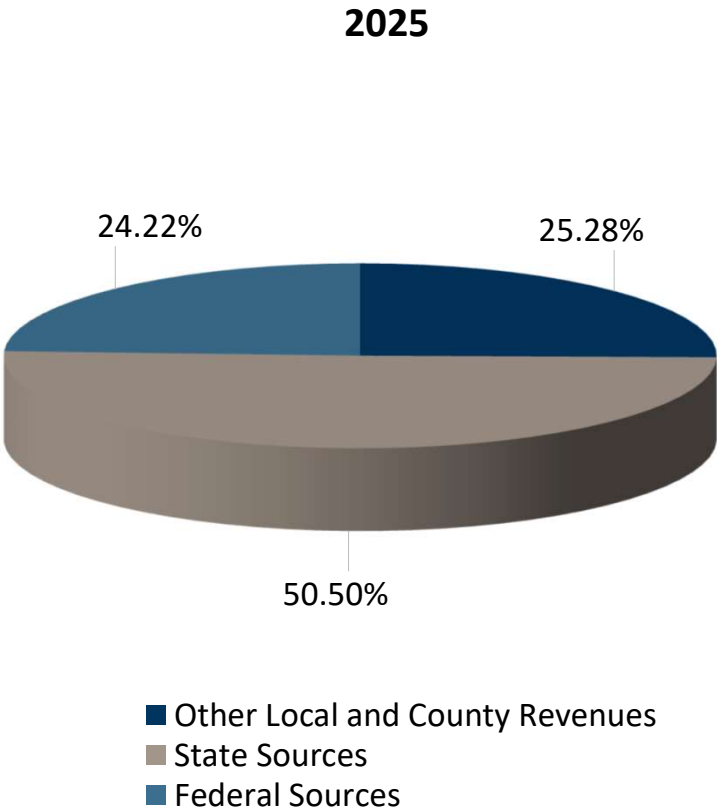


Note: The Board has approved setting unassigned fund balance percentage at a minimum of 10% of expenditures for cash flow purposes.

General Fund Revenues and Expenditures

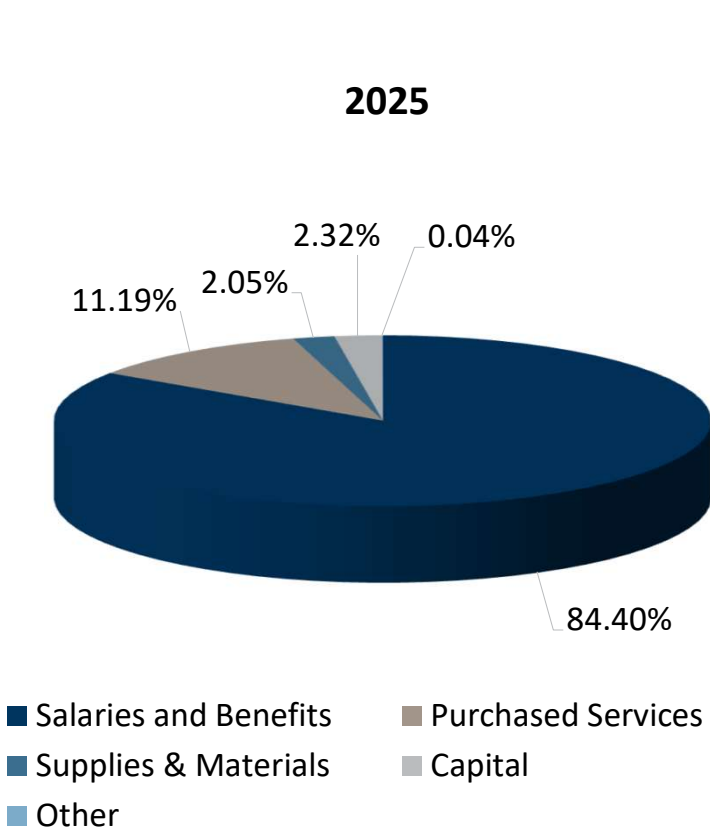


General Fund Revenues



	In Thousands		
	Local & County Sources	State Sources	Federal Sources
2025	\$ 3,393	\$ 6,779	\$ 3,251
2024	3,018	5,642	2,982
2023	2,930	5,369	3,064
2022	2,534	4,533	2,590
2021	2,508	4,487	2,320

General Fund Expenditures



	In Thousands				
	Salaries & Benefits	Purchased Services	Supplies & Materials	Capital	Other
2025	\$ 11,471	\$ 1,521	\$ 278	\$ 316	\$ 6
2024	9,917	1,307	286	322	69
2023	8,838	1,676	194	288	64
2022	7,800	1,454	186	258	3
2021	7,337	1,531	196	33	46

Compliance Section

Minnesota Legal Compliance (page 75)

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

Government Auditing Standards (pages 76-77)

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

Questions or Comments?

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