



2025 Financial Statement Audit

City of Mound



Introduction

- Audit Results
- General Fund Results
- Other Governmental Funds
- Enterprise Funds
- Key Performance Indicators



Audit Results

Auditor's Opinion

modified opinion for
GASB 87, 75, 68
- Control Findings
Noted on next
slide

Minnesota Legal Compliance

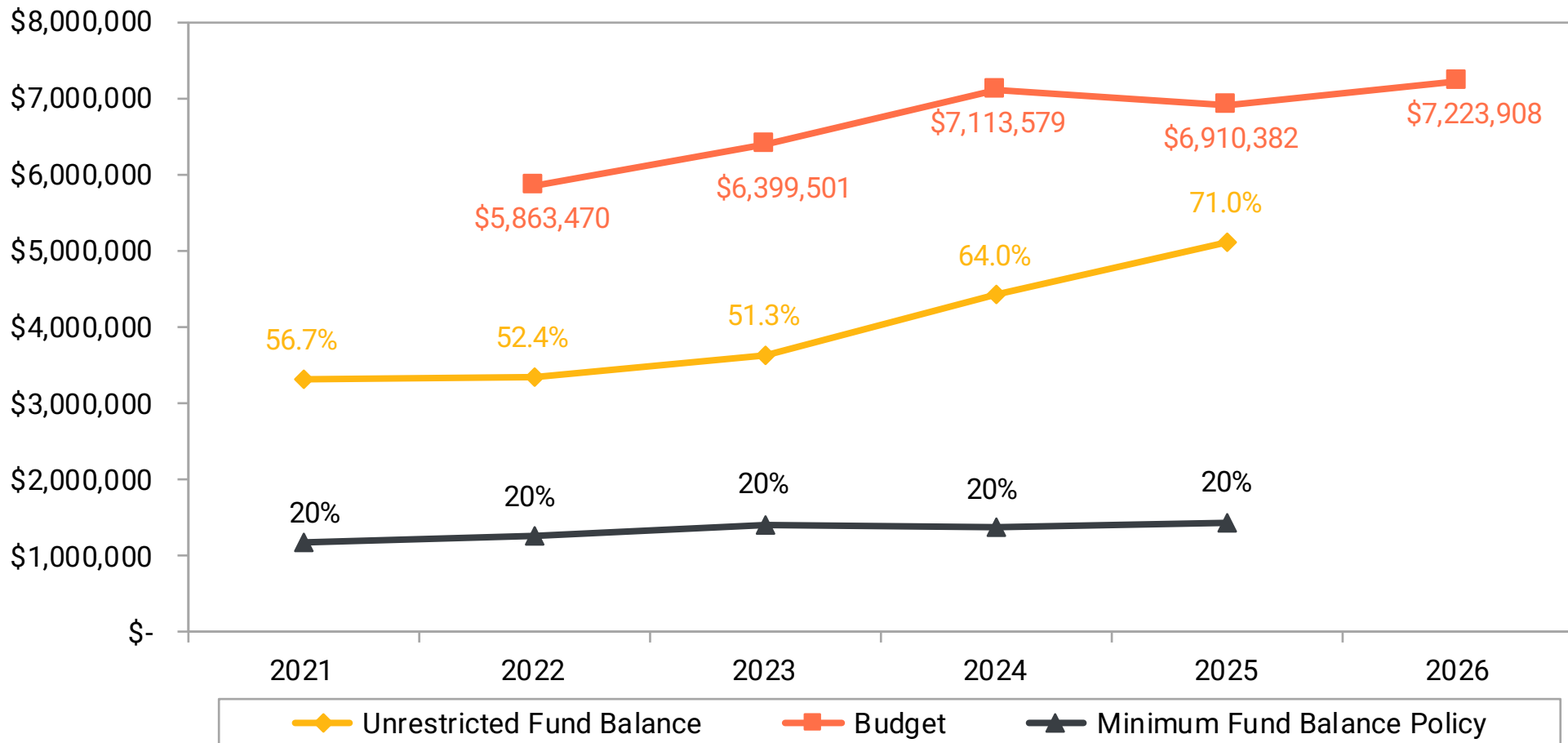
Two instances of
noncompliance

AUDIT RESULTS

Fiscal Year 2025 Findings

- Limited of Segregation of Duties
 - *Internal Control Finding*
- Preparation of Financial Statements
 - *Internal Control Finding*
- Inadequate Retention of Receipts
 - *Internal Control Finding*
- Incomplete Claims List Provided to City Council
 - *Legal Compliance Finding*
- Late Payment of Claims
 - *Legal Compliance Finding*

General Fund Budget to Fund Balance

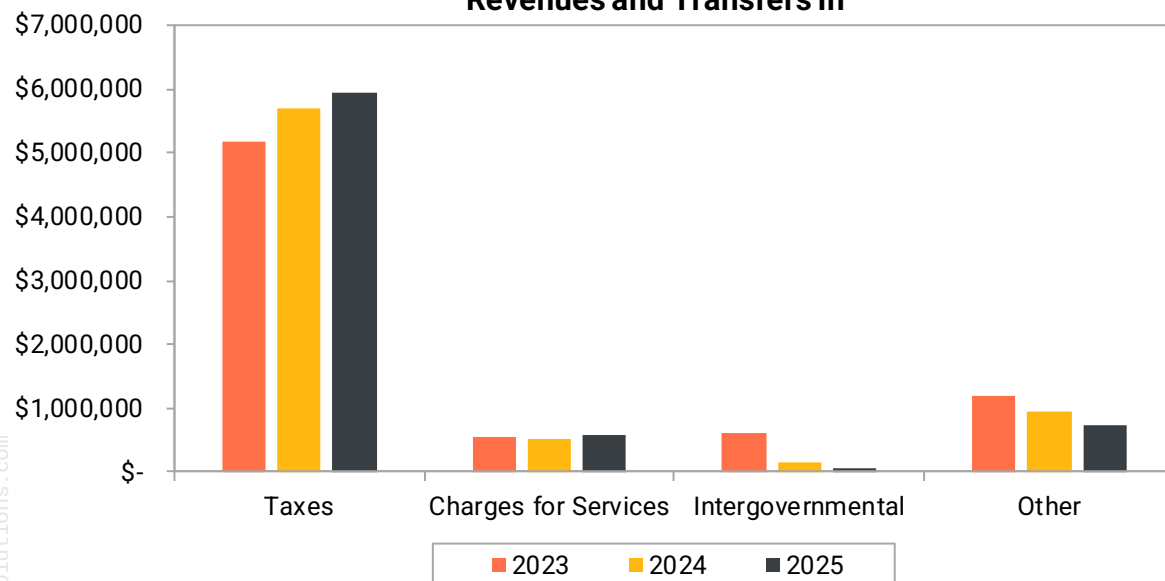


General Fund Budget to Actual

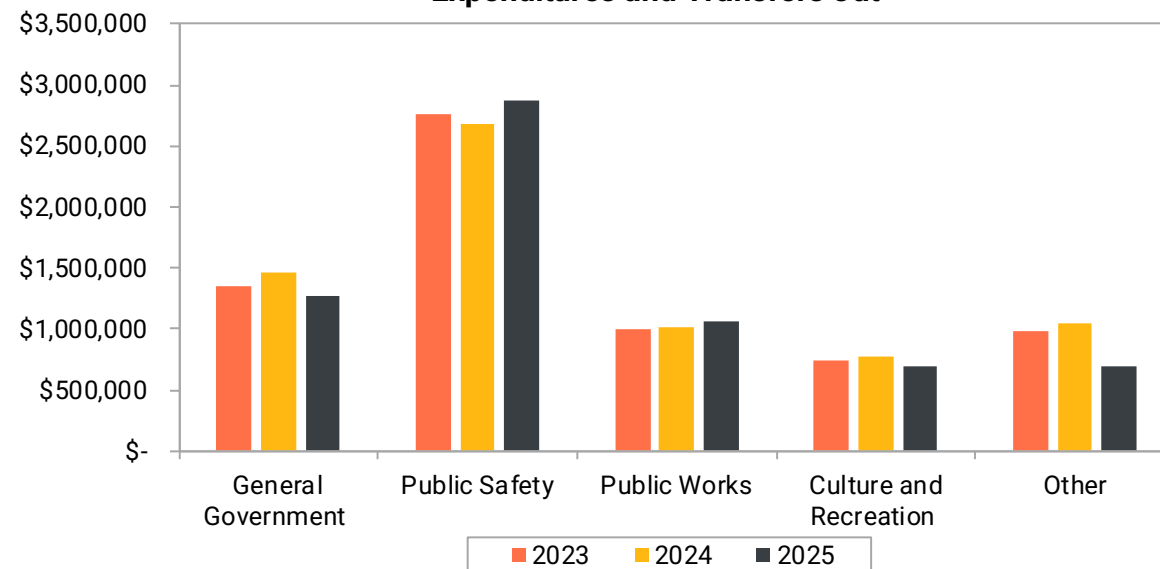
	Original and Final Budget Amounts	Actual Amounts	Variance with Final Budget
Revenues	\$ 6,910,382	\$ 7,318,931	\$ 408,549
Expenditures	<u>6,218,140</u>	<u>5,927,096</u>	<u>291,044</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	692,242	1,391,835	699,593
Other Financing Sources (Uses) Transfers out	<u>(692,242)</u>	<u>(692,242)</u>	<u>-</u>
Change in Fund Balances	-	699,593	699,593
Fund Balances, January 1	<u>4,426,023</u>	<u>4,426,023</u>	<u>-</u>
Fund Balances, December 31	<u><u>\$ 4,426,023</u></u>	<u><u>\$ 5,125,616</u></u>	<u><u>\$ 699,593</u></u>

General Fund Revenues, Expenditures, and Other Financing Sources (Uses)

Revenues and Transfers In

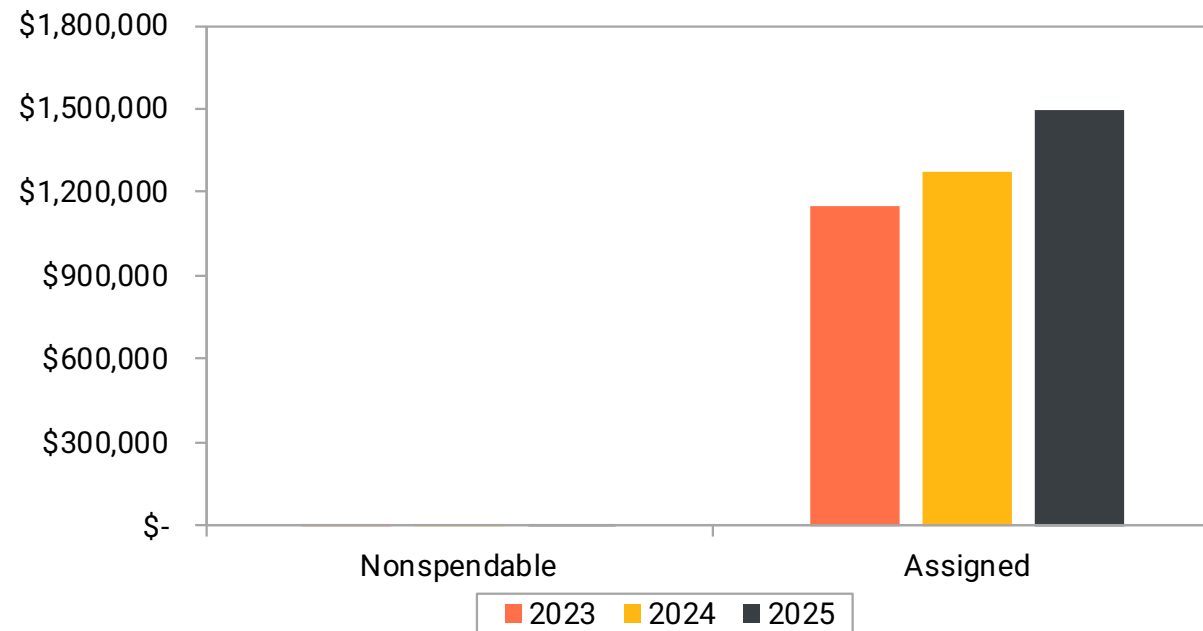


Expenditures and Transfers Out



Special Revenue Fund Balances

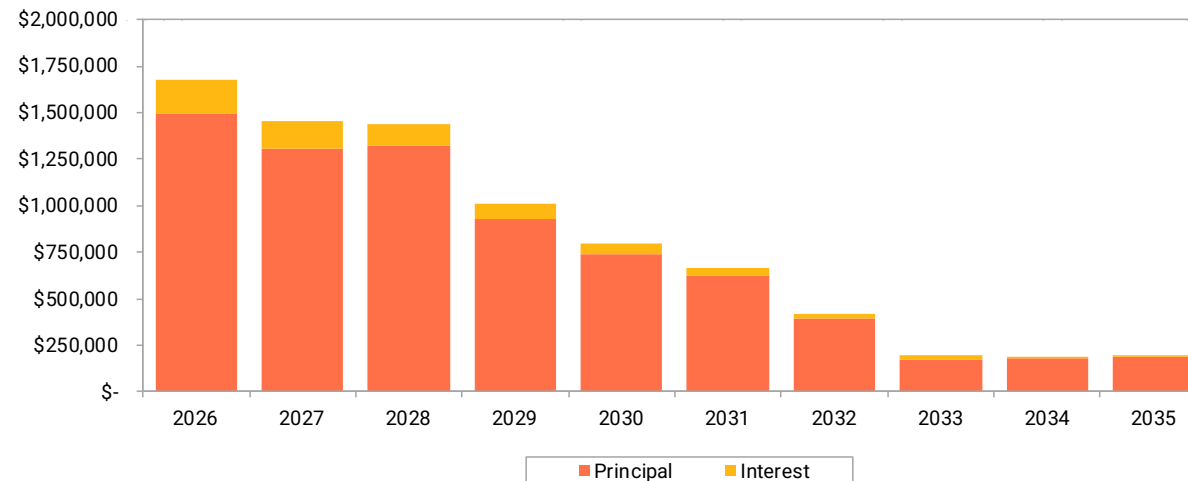
Fund	Fund Balances		Increase (Decrease)
	2024	2025	
Major			
Area Fire Service	\$ 574,290	\$ 704,054	\$ 129,764
Nonmajor			
Dock	378,721	382,311	3,590
HRA	328,581	416,930	88,349
Total	<u>\$ 1,281,592</u>	<u>\$ 1,503,295</u>	<u>\$ 221,703</u>



Debt Service Funds

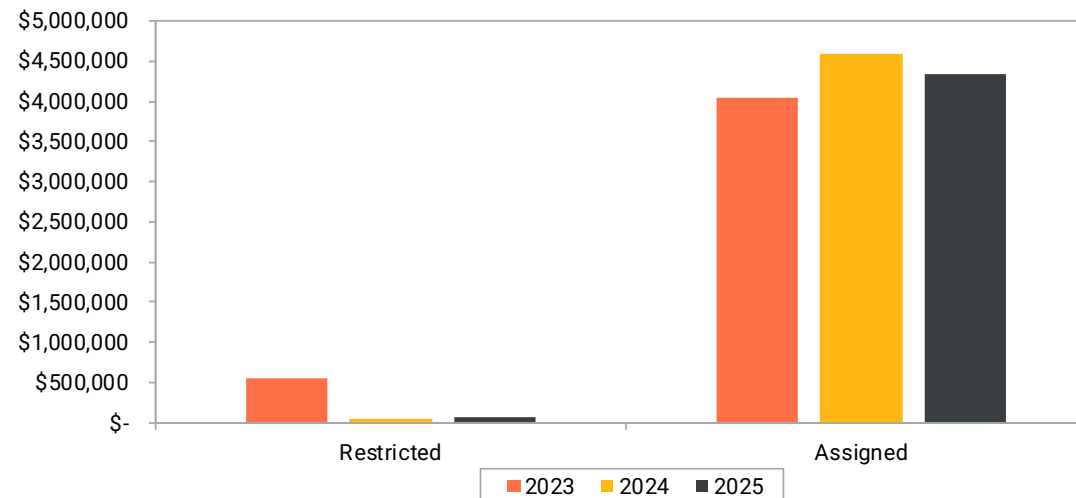
Note: Bonds Listed are Governmental and Do Not Include Enterprise Debt

		December 31, 2025			Final
Fund No.	Debt Description	Total Cash	Total Assets	Remaining Bonds	Maturity Date
Debt Service Funds					
355	G.O. Tax Increment Bonds 2006 & 2013B	\$ 1,501,088	\$ 1,503,859	\$ 110,000	08/15/26
350	G.O. Tax Abatement Bonds, 2015B	235,158	235,158	1,575,000	02/01/35
375	G.O. Tax Increment Refunding Bonds 2018A	385,615	389,258	1,130,000	02/01/31
364	G.O. Bonds 2020A	449,837	529,673	1,075,000	02/01/28
365	G.O. Bonds 2012A	449,178	569,701	510,000	02/01/28
310	G.O. Bonds 2013A	471,569	625,280	830,000	02/01/29
311	G.O. Bonds 2014A	275,975	344,152	270,000	02/01/30
312	G.O. Bonds 2015A	281,831	379,868	635,000	02/01/32
313	G.O. Bonds 2016A	117,134	238,799	1,085,000	02/01/32
	Total Debt Service Funds	4,167,385	4,815,748	7,220,000	
Other Fund(s)					
222	G.O. Bonds 2016A, 2020A	775,874	775,874	120,000	02/01/30
	Total	\$ 4,943,259	\$ 5,591,622	\$ 7,340,000	
	Total Future Scheduled Interest Payments			\$ 692,639	



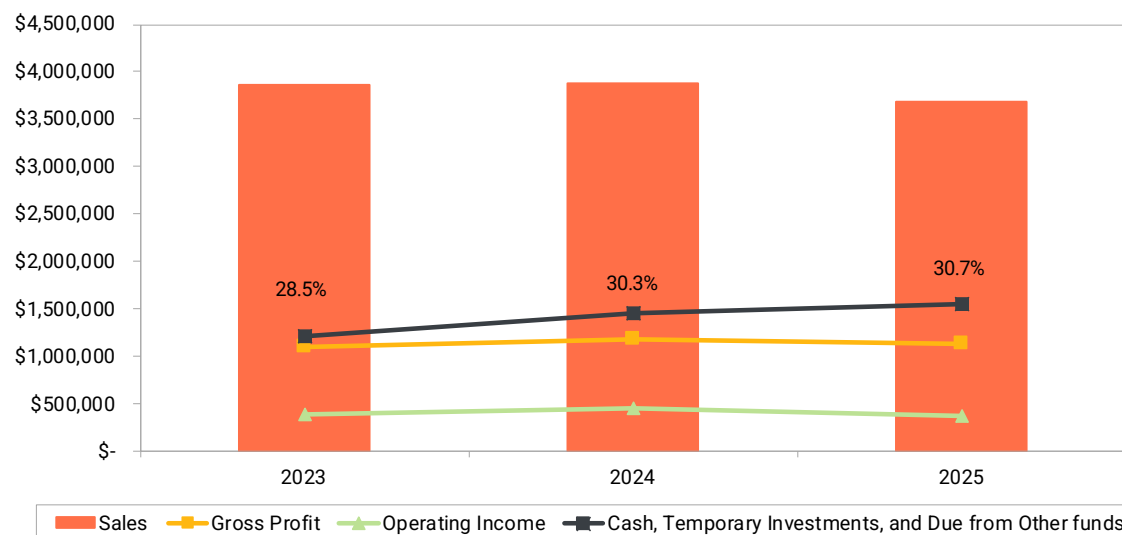
Capital Projects Fund Balances

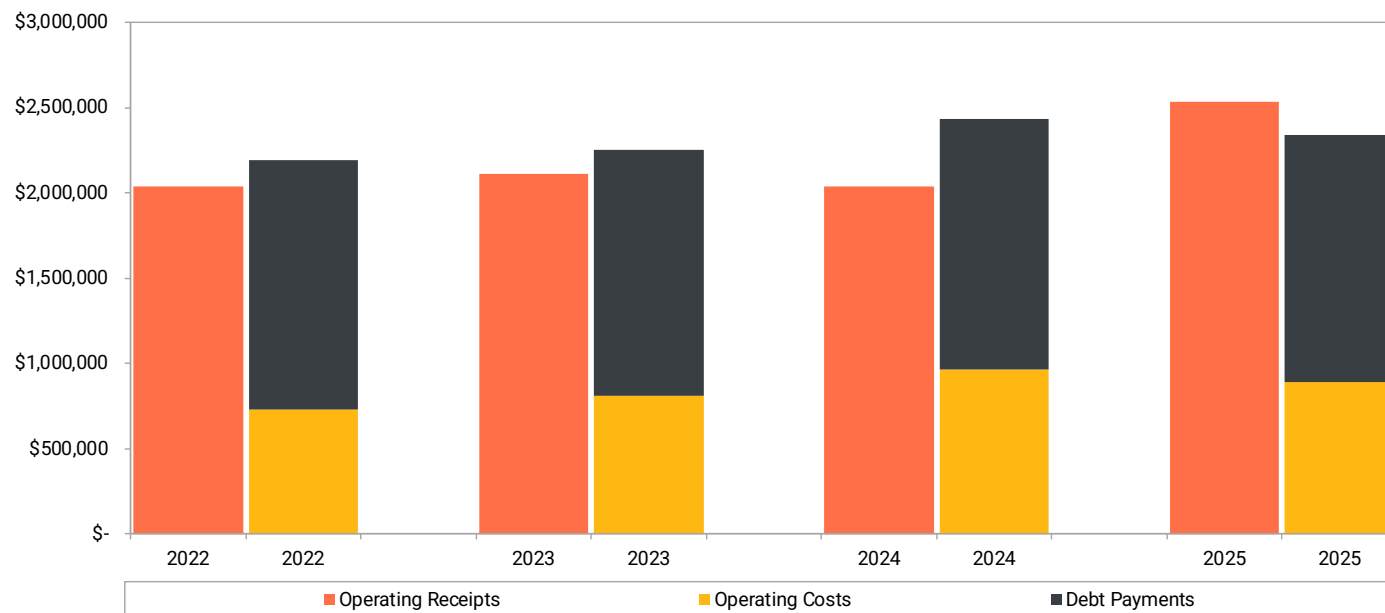
	Fund Balances		Increase (Decrease)
	2024	2025	
Major			
Capital Improvements	\$ 2,344,817	\$ 2,205,053	\$ (139,764)
Nonmajor			
Capital Replacement Vehicles	500,964	461,203	(39,761)
Community Investment	374,755	93,811	(280,944)
Capital Replacement Buildings	388,191	518,844	130,653
Street Maintenance	977,279	1,055,523	78,244
TIF 1-1	55,180	67,655	12,475
Total	<u>\$ 4,641,186</u>	<u>\$ 4,402,089</u>	<u>\$ (239,097)</u>



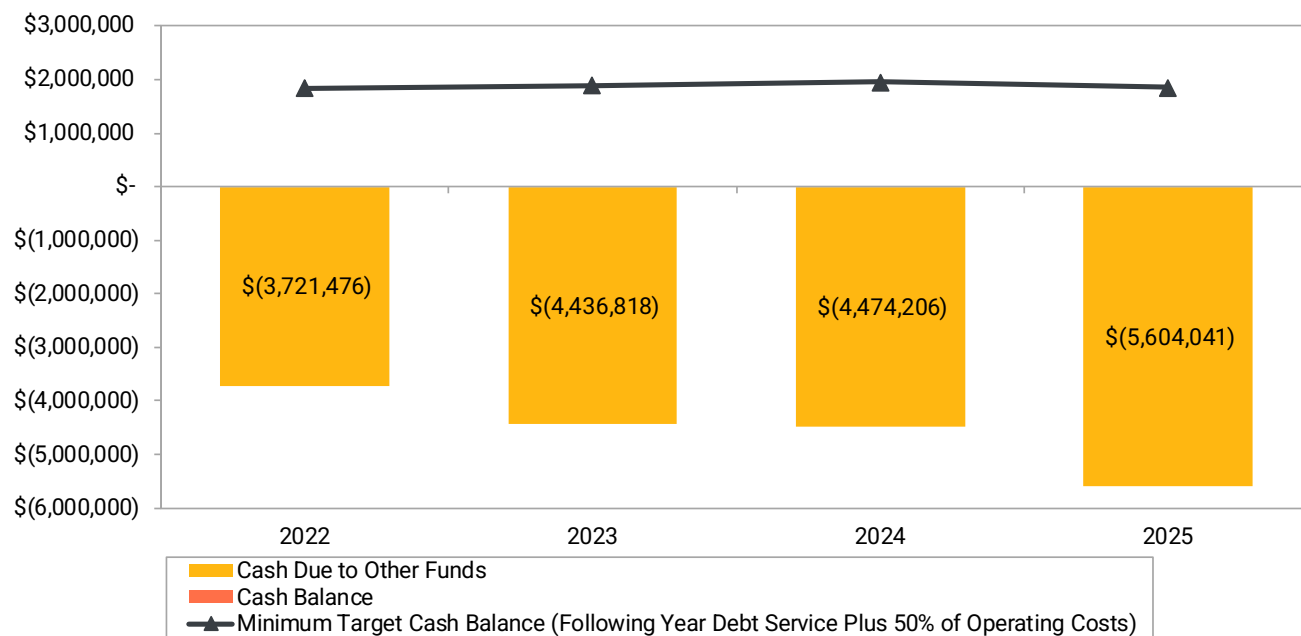
Liquor Fund

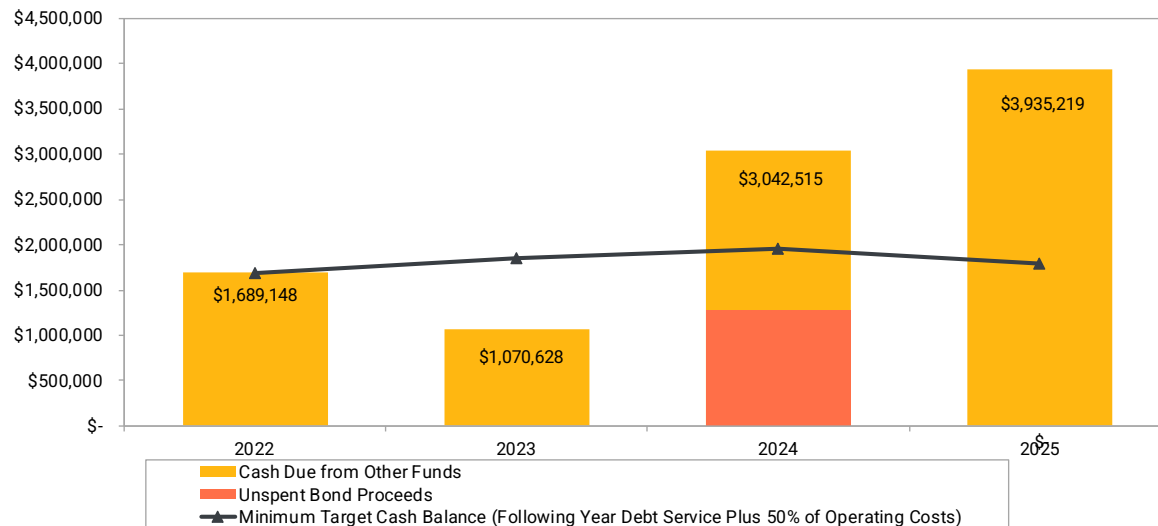
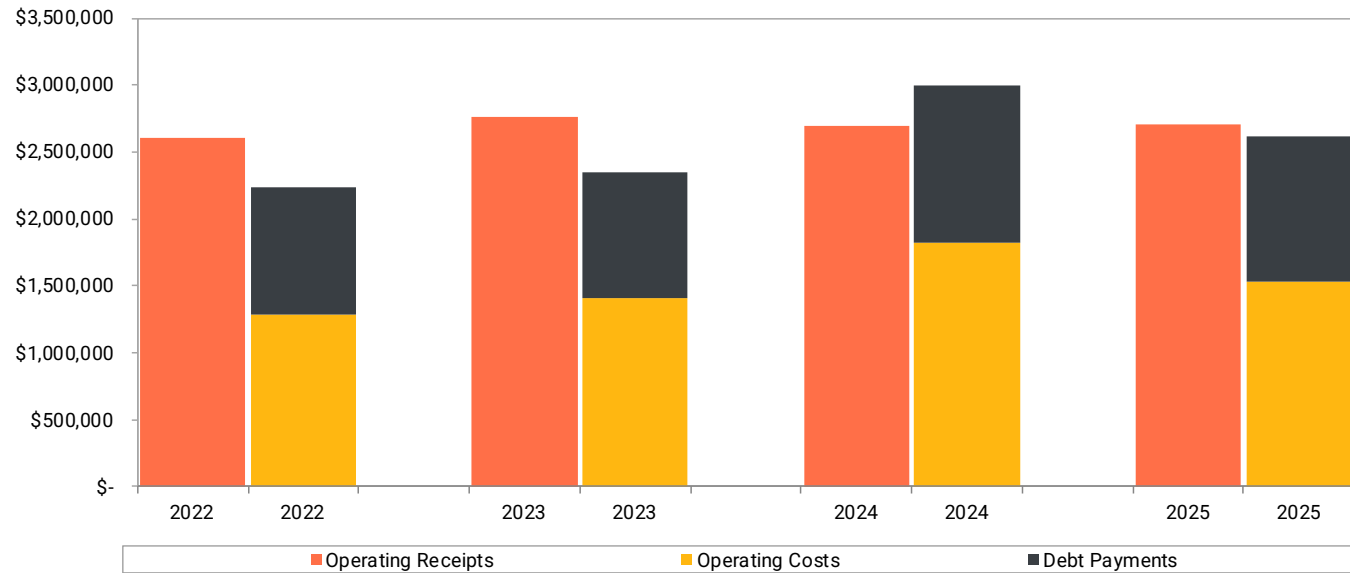
	2023		2024		2025		2024 Statewide Average
	Total	Percent	Total	Percent	Total	Percent	Average
Sales	\$ 3,857,129	100.0 %	\$ 3,881,104	100.0 %	\$ 3,681,270	100.0 %	100.0 %
Cost of Sales	(2,757,972)	(71.5)	(2,705,563)	(69.7)	(2,552,685)	(69.3)	(72.2)
Gross Profit	1,099,157	28.5	1,175,541	30.3	1,128,585	30.7	27.8
Operating Expenses	(710,737)	(18.4)	(731,274)	(18.8)	(767,953)	(20.9)	(20.5)
Operating Income	388,420	10.1	444,267	11.4	360,632	9.8	7.3
Nonoperating Expenses	30,891	0.8	39,677	1.0	34,438	0.9	1.1
Net Transfers	(300,000)	(7.8)	(360,000)	(9.3)	(360,000)	(9.8)	(1.7)
Change in Net Position	\$ 119,311	3.1 %	\$ 123,944	3.1 %	\$ 35,070	0.9 %	6.7 %
Cash	\$ 1,213,462		\$ 2,000		\$ 2,000		
Due from other funds	\$ -		\$ -		\$ 1,546,734		



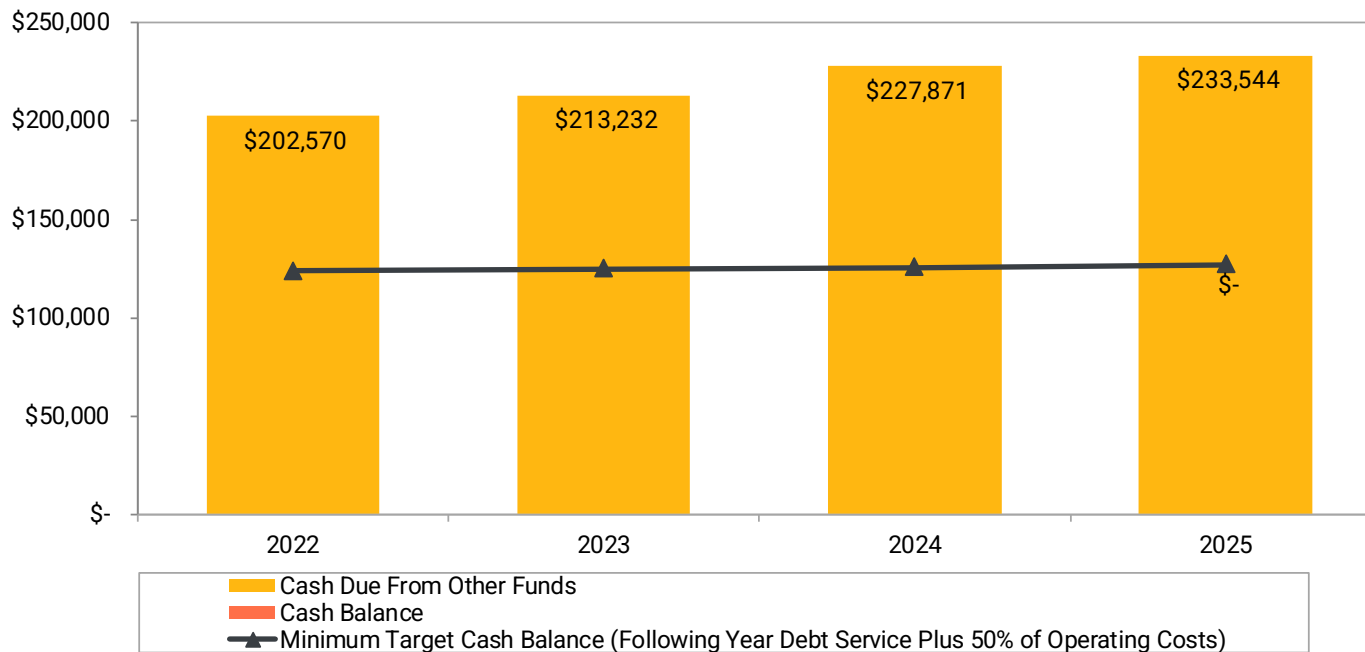
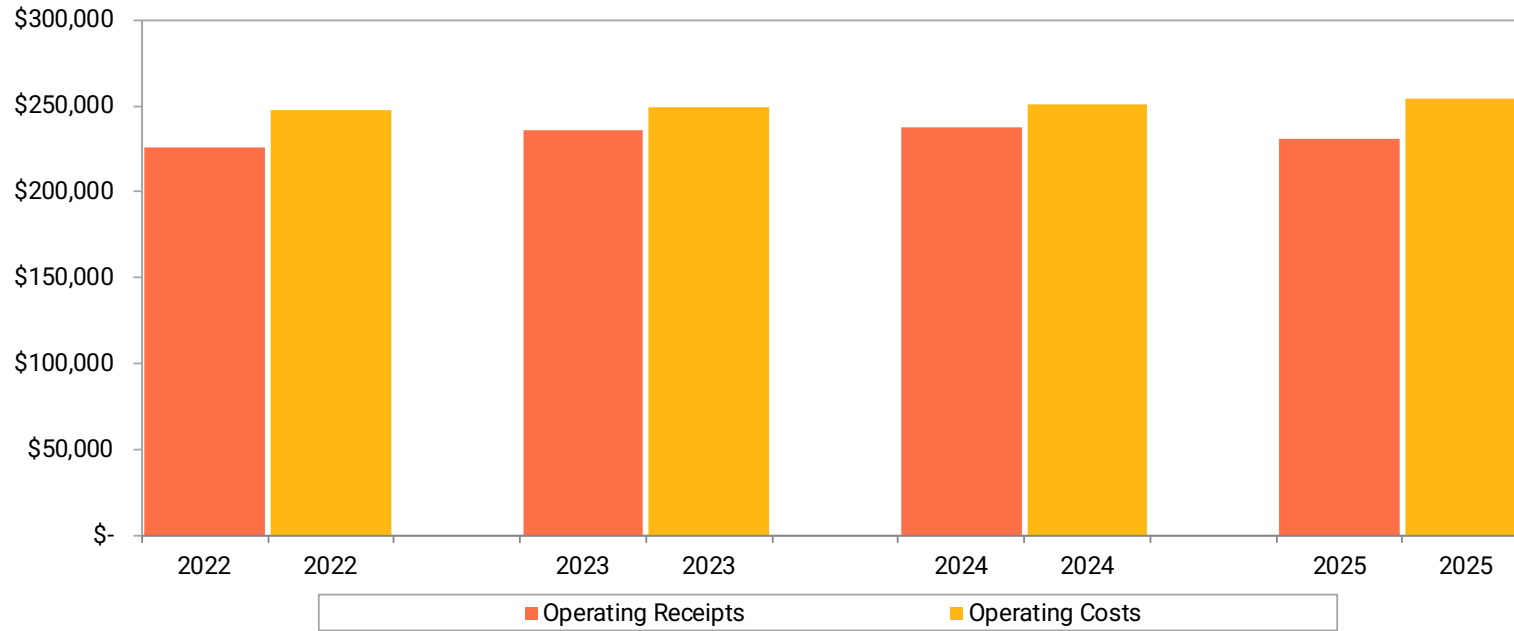


Water Fund Cash Flows from Operations and Cash Balances

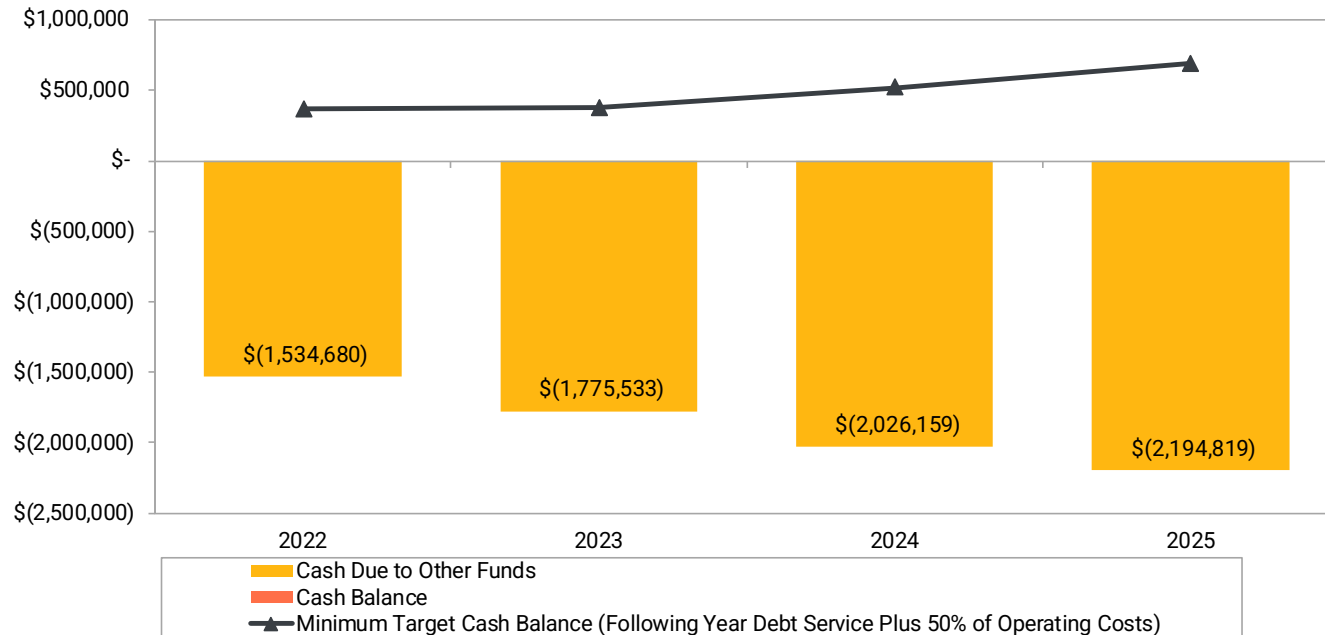
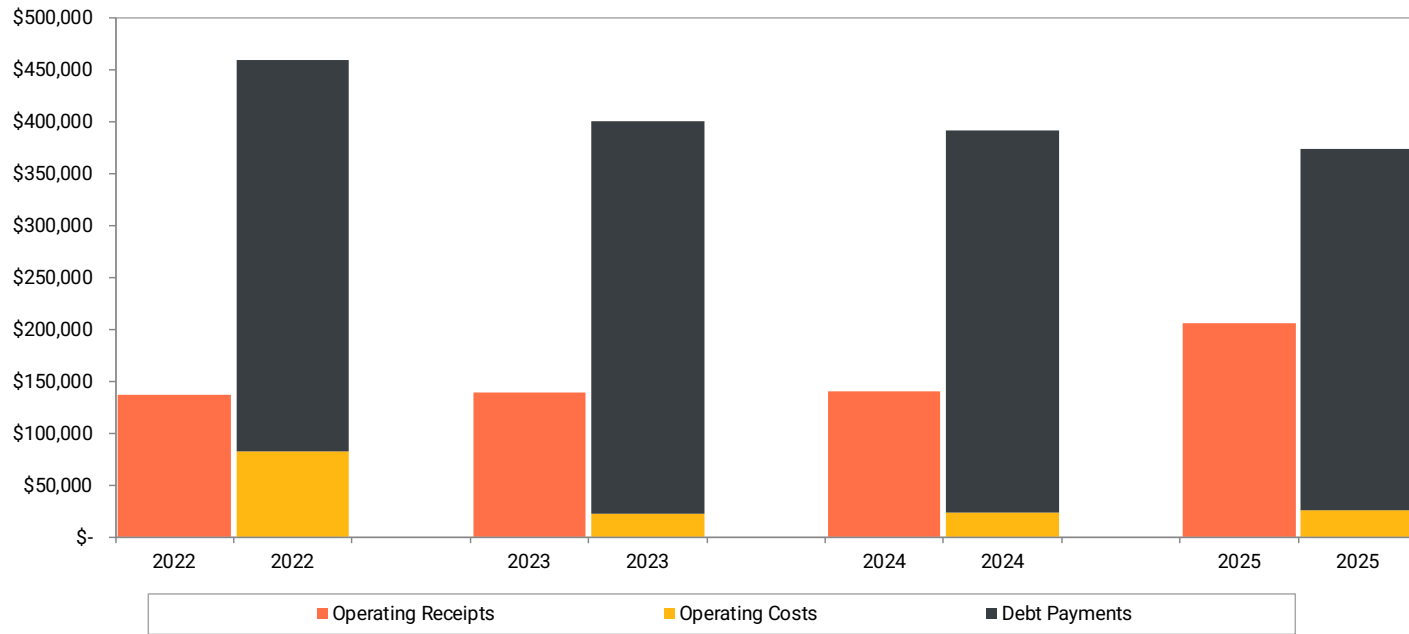




Sewer Fund Cash Flows from Operations and Cash Balances



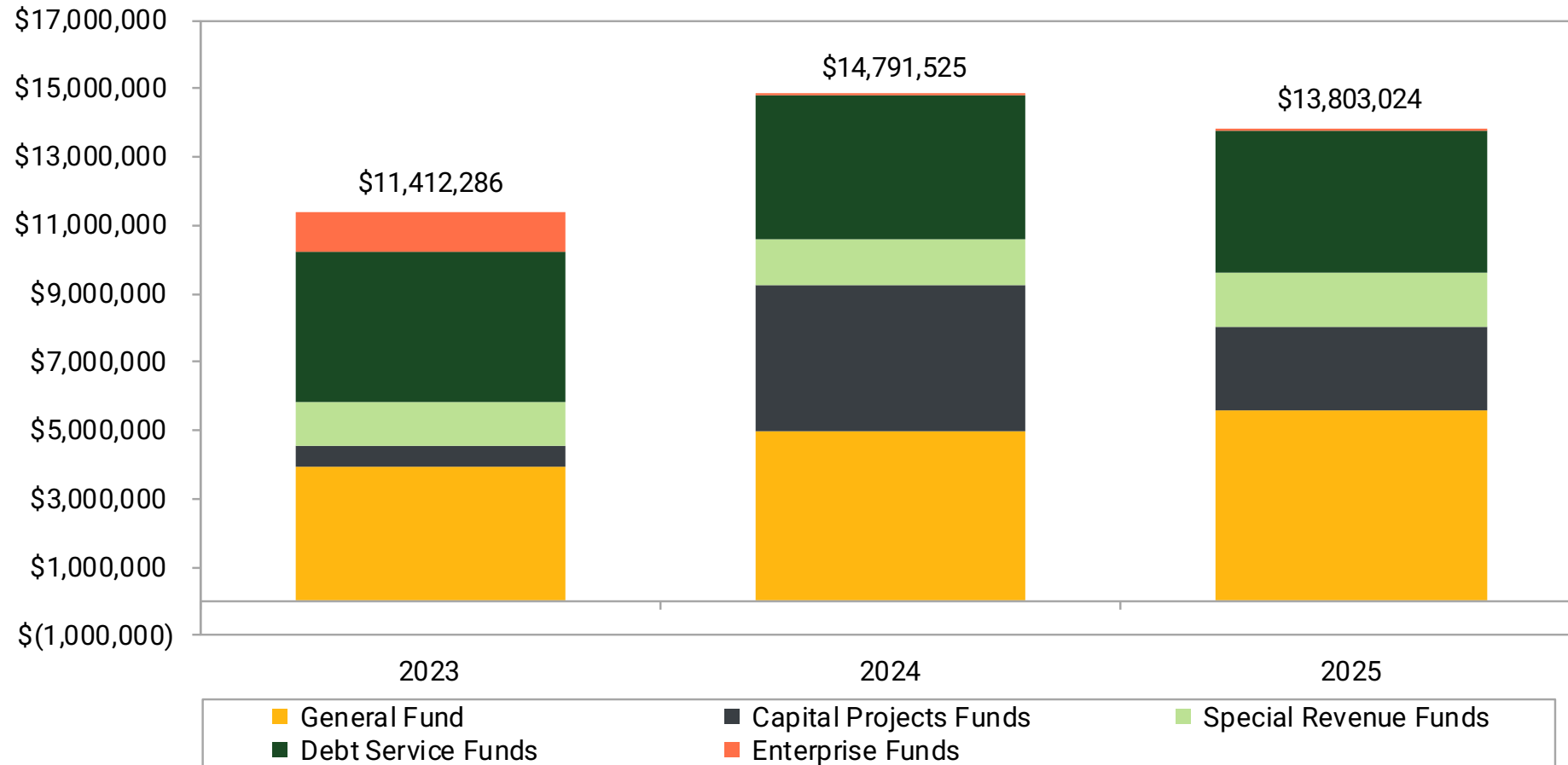
Recycling
Fund
Cash Flows
from
Operations
and *Cash*
Balances



Storm Water Fund

Cash Flows from Operations and Cash Balances

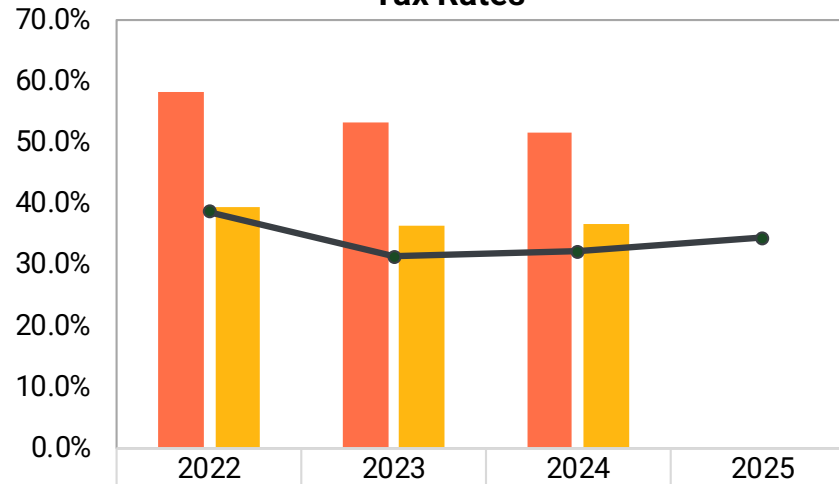
Cash and Investments Balances



KEY PERFORMANCE INDICATORS

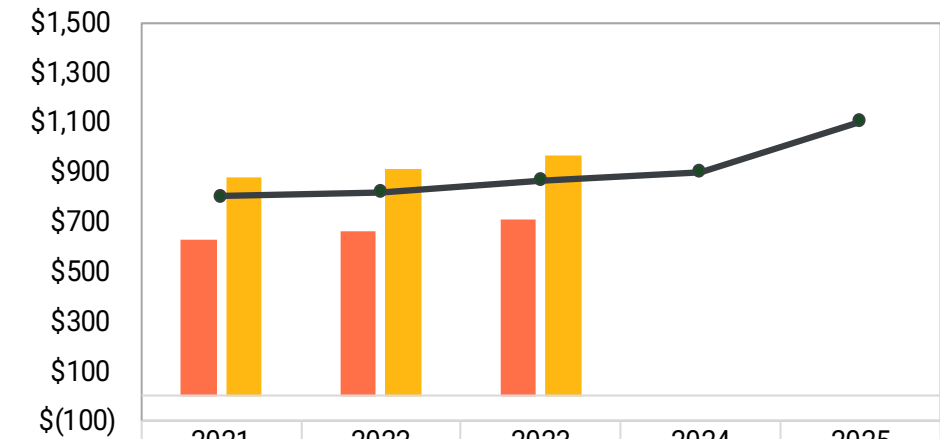
Taxes

Tax Rates



Class 4 Cities	58.4%	53.4%	51.5%	N/A
Cities in Hennepin County	39.3%	36.3%	36.8%	N/A
City of Mound	38.7%	31.3%	32.2%	34.4%

Taxes Per Capita

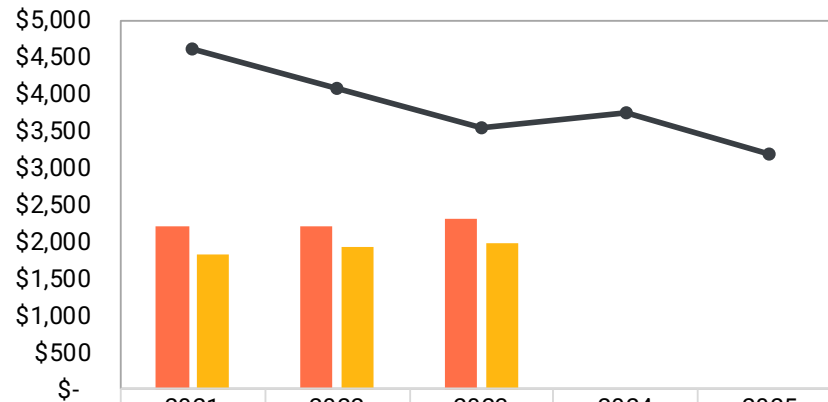


Class 4 Cities	\$630	\$664	\$710	N/A	N/A
Cities in Hennepin County	\$878	\$918	\$967	N/A	N/A
City of Mound	\$805	\$823	\$871	\$902	\$1,107

KEY PERFORMANCE INDICATORS

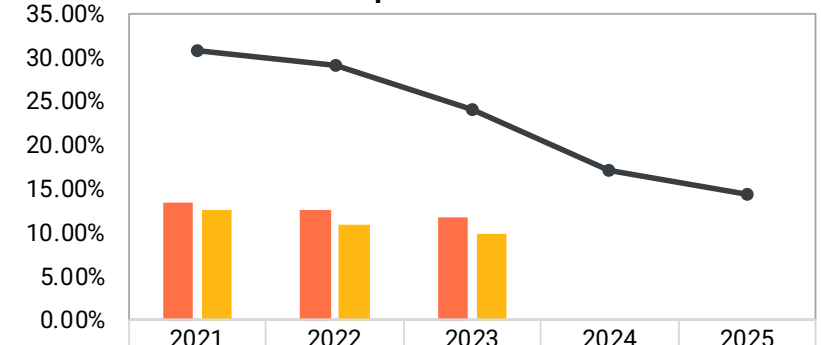
Debt

Debt Per Capita



Class 4 Cities	2021	2022	2023	2024	2025
Cities in Hennepin County	2021	2022	2023	2024	2025
City of Mound	2021	2022	2023	2024	2025

Debt Service Expenditures as a Percent of Total Expenditures

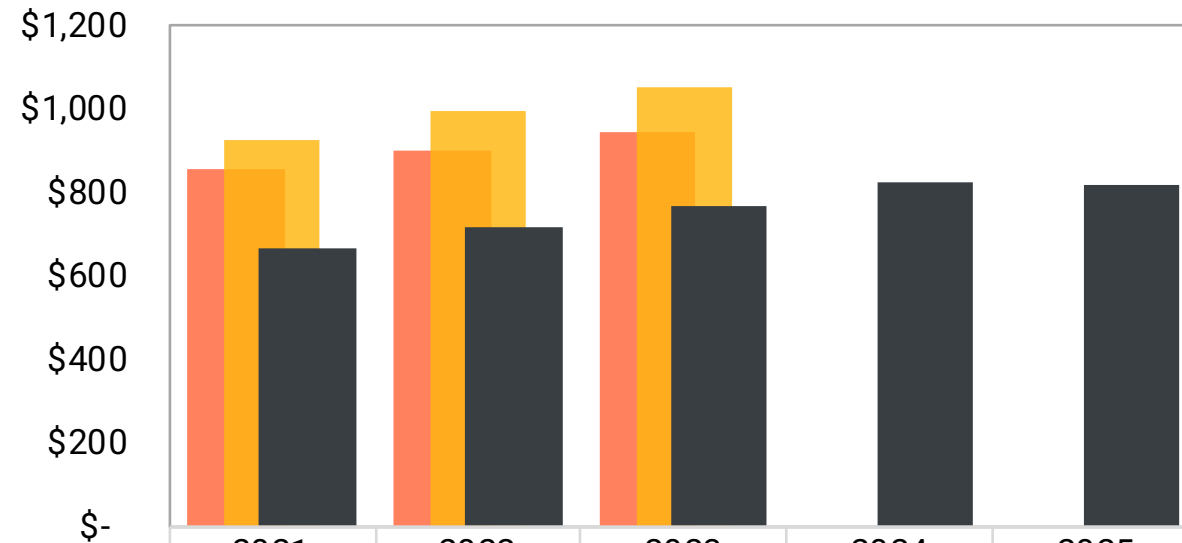


Class 4 Cities	2021	2022	2023	2024	2025
Cities in Hennepin County	2021	2022	2023	2024	2025
City of Mound	2021	2022	2023	2024	2025

KEY PERFORMANCE INDICATORS

Expenditures

Current Expenditures Per Capita



■ Class 4 Cities	2021	2022	2023	2024	2025
■ Cities in Hennepin County	\$856	\$901	\$948	N/A	N/A
■ City of Mound	\$929	\$995	\$1,055	N/A	N/A
	\$669	\$716	\$769	\$825	\$816

Your Abdo Team



Justin
NILSON
CPA - Partner



Alex
TRIPPEL
CPA - Manager



Alex
WITTWER
Associate



Kayley
O'LEARY
Associate



Joseph
HINTGEN
Intern