



### **MBA Audit Committee Meeting Minutes – November 23, 2020**

Chair Paul Williams called to order the meeting of the MBA Audit Committee for November 23, 2020 at 12:05 p.m. Commissioner Margaret Anderson Kelliher was present and Commissioner Joan Campbell participated by telephone.

Commissioner Anderson Kelliher moved to approve the agenda, Commissioner Campbell seconded. The motion was passed.

#### **Audit Exit Meeting with State Auditor's Office**

Randall Vogt, CPA, Audit Director from the Minnesota Office of the State Auditor, presented the Independent Auditor's Report of the MBA financial statements for the year ended December 31, 2019. Mr. Vogt said that the State Auditor's office performs tests of the MBA's compliance with certain provisions of laws, regulations, contracts, and grants. Nothing came to their attention that is materially inconsistent with the financial statements. No significant difficulties were encountered in dealing with management in performing and completing the Audit.

#### **Corrected and Uncorrected Misstatements**

Professional standards require the Auditors to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. No misstatements were found.

#### **Disagreements with Management**

Professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. No such disagreements arose during the course of the audit.

#### **Internal Control Over Financial Reporting and Compliance**

In planning and performing the audit of financial statements, the State Auditor's office considered the Minnesota Ballpark Authority's internal control over financial reporting to determine the

audit procedures that are appropriate in the circumstances for the purpose of expressing their opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control over financial reporting. They did not identify any deficiencies in internal control over financial reporting.

### **Significant New Accounting Pronouncements**

**GASB Statement No. 87, Leases** – Effective for calendar year 2022 financial statements, the GASB changed those standards as they apply to leases. An increase of leased assets and liabilities will be required to be reported by state and local governments, which may increase or decrease net position. The Authority should begin inventorying its various lease agreements, including identifying key lease provisions.

### **Emphasis of Matter-Subsequent Event**

Subsequent to year-end, the World Health Organization declared the outbreak of a coronavirus (COVID-19) a pandemic. A reduction of event revenue is expected to occur. Our opinion is not modified with respect to this matter.

### **Opinion**

In the Auditor's opinion, the financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Minnesota Ballpark Authority as of December 31, 2019, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles.

### **Audit Entrance Meeting with the State Auditor's Office**

Mr. Vogt went over the auditor's responsibilities and the responsibilities of the MBA for the audit for the year ending December 31, 2020. Mr. Vogt informed the committee that the same audit staff will likely perform the 2020 audit and will take place in the summer of 2021.

*There being no further business, Chair Williams moved to adjourn. The meeting of the MBA Audit Committee for November 23, 2020 was adjourned at 12:34 p.m.*