



MBA Audit Committee Meeting Minutes – June 29, 2023

Chair David Ybarra called to order the meeting of the MBA Audit Committee for June 29, 2023, at 1:30 p.m. Commissioner Margaret Anderson Kelliher and Commissioner Tony Sanneh were present.

Commissioner Anderson Kelliher moved approval of the agenda, seconded by Commissioner Sanneh and approved unanimously - 3 YEAS, 0 NAYS.

APPROVED

MBA Audit Committee Approval of 2024 Operating and Capital Budget

Executive Director Dan Kenney and Finance Coordinator Brenda Juneau presented the proposed 2024 MBA General Fund budget of \$655,000 to the Committee. Ms. Juneau noted that the 2024 proposed operating budget reflects a budget decrease of 0.8%. She said that the MBA has a healthy positive fund balance to draw on if other unforeseen expenses should arise. The 2024 proposed budget request to Hennepin County for a Capital Reserve contribution is \$1,543,884. This is an increase of 2.6% from last year's budget. The Capital Reserve Fund revenue consists of investment earnings, tenant rent, and the annual capital contribution from Hennepin County. The proposed budget request for total tenant rent in 2024 is \$1,142,119, which is a 1.9% increase from the previous budgeted amount.

Commissioner Anderson Kelliher moved to recommend the proposed 2024 MBA General Fund and Capital Reserve Fund Budget to the MBA Board for approval at the July 13, 2023, meeting. Commissioner Sanneh seconded the motion, and it was approved unanimously - 3 YEAS, 0 NAYS.

APPROVED

MBA 2022 Audit Update

Ms. Juneau reported on the status of the 2022 MBA State Audit. Ms. Juneau explained that GASB Statement No. 87, Leases, requires government lessors to recognize a lease receivable and deferred inflow of resources, in addition to reporting the leased assets. Lessors then report lease revenue, interest income, and note disclosures about the leases. This statement is effective for the MBA on January 1, 2022. She will be meeting with the state auditors to discuss the approach used in compliance with GASB 87, and audit work will likely begin in August.

There being no further business, Chair Ybarra moved to adjourn. The motion was approved unanimously - 3 YEAS, 0 NAYS. The meeting of the MBA Audit Committee for June 29, 2023 was adjourned at 1:47 p.m..