MBA Audit Committee Meeting Minutes – July 7, 2026

Chair Charlene Briner called to order the meeting of the MBA Audit Committee for July 7, 2026, at 3:35 p.m. Commissioner Margaret Anderson Kelliher and Commissioner Dave Lawless were present.

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

APPROVED

7-16-26 Proposed Resolution 26-MBA-228

Purpose:

To authorize a supplemental appropriation to the MBA General Fund Operating Budget for 2025

Background:

MBA Administration has completed a year-end review of the 2025 General Fund operating budget related to actual expenditures. The review identified a budget shortfall driven by a late-arriving invoice for 2025 audit services, which was received and processed in June 2026. While this timing contributed to the overall overage, the area of expenditure requiring additional budget authority is not Contractual Services. Instead, the shortfall is the result of insufficient prior-year appropriations in Personal Services, specifically for the employee PTO buy-back benefit in 2025.

The 2025 Personal Services budget was previously approved at $500,980. Actual expenses totaled $511,721, exceeding the adopted budget by $10,741. Total operating expenses for 2025 were $723,971, exceeding the approved budget of $714,000.

To ensure the MBA can properly align its 2025 expenditures with approved budget authority, staff request a supplemental appropriation of $10,000 to the 2025 General Fund operating budget, using General Fund balance. The General Fund balance of $1,155,902 is sufficient to cover the additional Personal Services costs incurred.

A Board action for an additional appropriation of $10,000 will ensure compliance with the budget authority requirements.

Schedule 1
2025 General Fund Budget - Supplemental Appropriation

SUPPLEMENTAL APPROPRIATIONS

		Fund	Dept ID	Account	Description	Amount
Use of Unrestricted Fund Balance	REVENUE	82	892200	49970	Use of Fund Balance	$ 10,000
Personal Services	EXPENDITURE	82	892200	50809	PTO Buyback	$ 10,000

Action Requested:

BE IT RESOLVED that the 2025 General Fund Budget be increased by a fund balance supported supplemental appropriation of $10,000.

APPROVED

MBA Audit Committee Approval of 2027 Operating and Capital Budget

Executive Director Dan Kenney and Finance Coordinator Brenda Juneau presented the proposed 2027 MBA General Fund budget of $753,000, an increase of $4,000, or 0.5%, from the 2026 adjusted budget.

The 2027 proposed budget request to Hennepin County for a Capital Reserve contribution is $1,701,234. This is an increase of 3.9% 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 2027 is calculated at $1,227,946, which is a 2.9% increase from the previous budgeted amount.

Commissioner Anderson Kelliher moved to recommend the proposed 2027 MBA General Fund and Capital Reserve Fund Budget to the MBA Board for approval at the July 16, 2026, meeting. Commissioner Lawless seconded the motion, and it was approved unanimously - 3 YEAS, 0 NAYS.

APPROVED

There being no further business, Chair Briner moved to adjourn. The motion was approved unanimously - 3 YEAS, 0 NAYS. The meeting of the MBA Audit Committee for July 7, 2026, was adjourned at 3:47 p.m.