

**City of Menahga
2022 Annual Audit Special Meeting
June 30, 2023**

1. Call to Order

The Menahga City Council held their 2022 Annual Audit Special Meeting on Friday June 30, 2023.

Mayor Elizabeth Olson called the meeting to order at 1:40 pm.

2. Roll Call

Comprising a quorum of the council, the following members were present:

Mayor Elizabeth Olson	Mike Netland	Dan Warmbold (left at 2:13 pm)
Jody Bjornson	Durwin Tomperi	

City Office Staff present: City Administrator/Clerk/Treasurer Lacey Erickson and Administrative Assistant Jensine Kurtti

3. Pledge of Allegiance

4. 2022 Annual Audit – Dean Birkeland, CPA/Principal Carlson SV

Dean Birkeland of Carlson SV presented the draft of the 2022 Financial Audit. Birkeland stated that during the audit he was provided with all the necessary information to complete the audit. There was a delay in finishing the audit due to the recent completion of the Greenwood Connections (GWC) audit, which had to be part of the City of Menahga audit because it is a city-owned facility. Due to the late receipt of the GWC audit, the city will need to file for an extension with the Minnesota State Auditor's Office (OSA), as the completion date for the City audit is June 30th. The council will see if next year the GWC audit can be completed earlier to avoid the need for an extension.

Birkeland went on to say the City of Menahga's net position increased by \$138,358. The City's total bonded debt decreased by \$600,000, and at the close of the current fiscal year the governmental funds reported a combined ending balance of \$752,744, a decrease of \$25,603. The City-wide cost of all governmental activities in 2022 were \$1,633,540, with much of the revenue

coming from Ad Valorem property taxes (\$493,032) and unrestricted state grants (Local Government Aid) of \$419,881. The expenses related to governmental activities were Public Safety at 38%, General Government at 34%, Public Works at 12%, Interest at 11%, Culture and Recreation at 4%, and Economic Development 1%.

The General Fund balance increased by \$121,009 from the prior year, and the Debt Service Fund balance decreased \$79,942 from the prior year. The three proprietary funds of the city: Water Fund (increased by \$190,714), Sewer Fund (decreased by \$52,077), and Liquor Fund (increased by \$45,824). The Governmental Funds Balance Sheet showed an Unassigned Fund Balance of \$104,333, which was up significantly from \$403 in 2021.

Birkeland felt that the audit went very well, and the city is moving in the right direction.

5. Adjournment

Main Motion: To adjourn at 2:32 pm.

Moved by:	Netland
Seconded by:	Bjornson
Action:	Motion carried on a 4-0 voice vote
In favor:	Tomperi, Netland, Olson, Bjornson
Opposed:	None


 Lacey Erickson, Administrator/Clerk/Treasurer


 Mayor Elizabeth Olson