



MBA Audit Committee Meeting Minutes – August 31, 2016

Chair Joan Campbell called to order the meeting of the MBA Audit Committee for August 31, 2016 at 3:00 p.m. Commissioner Paul D. Williams and Commissioner Margaret Anderson-Kelliher were present.

Audit Exit Meeting with State Auditor's Office

Lisa Young, Staff Specialist from the Minnesota Office of the State Auditor, and Aaron Tri, CPA, Minnesota Office of the State Auditor, presented the Independent Auditor's Report of the MBA financial statements for the year ended December 31, 2015. Ms. Young 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 difficulties were encountered in dealing with management in performing their 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.

Schedule of Findings and Recommendations

No material audit adjustments were identified during the 2015 Audit.

Internal Control Over Financial Reporting and Compliance

Ms. Young stated that in planning and performing the audit of the 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, they 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. The results of their tests disclosed no instances of non-compliance or other matters that are required to be reported under Government Auditing Standards.

Emphasis of Matter – Change in Accounting Principle

In 2015 the Authority adopted new accounting guidance by implementing the provisions of Governmental Accounting Standards Board (GASB) Statement N0. 68, *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measured Date*, and GASB Statement No. 82, *Pension Issues*, which represents a change in accounting principles. Their opinion is not modified with respect to this matter.

Minnesota Legal Compliance

Ms. Young stated that anytime a government entity is audited by the State Auditor's office they conduct the Audit in accordance with the Minnesota Legal Compliance Audit guide for local government and the results indicate that the MBA complied with the six categories of compliance as stated in this guide.

The results of the tests indicate that, for the items tested, the Minnesota Ballpark Authority complied with the material terms and conditions of applicable legal provisions.

Ms. Young stated that they could begin the 2016 Audit the first week in June of next year and finish by mid-summer. The State Auditor's office will be in touch with the MBA regarding the overall schedule.

Commissioner Anderson-Kelliher moved to accept and authorize publication of the audit, Commissioner Williams seconded. Motion passed.

There being no further business, Chair Campbell moved to adjourn. The meeting of the MBA Audit Committee for August 31, 2016 was adjourned at 3:14 p.m.