

Township of Avon
County of Stearns | State of Minnesota

Audit Board Report for 2023

The Board of Supervisors for the Town of Avon met on February 2, 2023 in their capacity as the annual Board of Audit as required by State Law. All claims submitted to the Town during 2022 were brought before the Board of Supervisors. The Supervisors divided up roles to ensure different people were involved with the different parts of this internal audit review. Claims were randomly selected and examined in detail. A listing of the specific claims examined in the audit accompanies the 2023 Audit Board Minutes. A listing of all claims against the Township accompanies the monthly Clerk minutes. No discrepancies were found. No claims were denied for payment. All receipts submitted to the Town were similarly reviewed. A listing of specific receipts examined in the audit accompanies the 2023 Audit Board Minutes. A listing of all receipts received by the Township accompanies the monthly Clerk minutes. No discrepancies were found and the receipts were verified.

The financial records (year-end cash control statement & bank account summary) maintained separately and independently by the Treasurer and Clerk (Deputy Clerk) were identical. As a result of this audit, no discrepancies were found.

The year-end cash control statement for the Township as of December 31, 2022 is given below:

Clerk Financial Report 12/31/2022

Account Name	Beginning Balance	2022		Ending Balance
		Receipts	Disbursements	
General revenue	\$ 187,079.15	\$118,539.32	\$ 123,820.17	\$ 181,798.30
Road and bridge	\$ 234,304.04	\$ 395,678.86	\$ 405,642.49	\$ 224,340.41
Demolition CD	\$ 2,000.00	\$ -	\$ -	\$ 2,000.00
Road Damage Deposit	\$ 2,950.00	\$ -	\$ -	\$ 2,950.00
Fire	\$ (19,088.24)	\$ 87,440.55	\$ 72,062.00	\$ (3,709.69)
Capital Reserve Fund	\$ 53,345.95	\$ 2,030.57	\$ 13,900.00	\$ 41,476.52
ARPA Grant	\$ 130,409.23	\$ 135,455.33	\$ 84,251.26	\$ 181,613.30
Total	\$ 591,000.13	\$ 739,144.63	\$ 699,675.92	\$ 630,468.84

The funds in Township Accounts as of December 31, 2022 are summarized below:

Bank Account Balances 12/31/2022

Checking (American Heritage Bank)	\$ 199,605.80
Outstanding Checks	0.00
Deposits in Transit	0.00
Checking Balance (American Heritage Bank)	<u>\$ 199,605.80</u>
Money Market (American Heritage Bank)	\$ 407,962.64
Money Market (Credit Union)	<u>\$ 20,900.40</u>
End of the Year Bank Subtotal Total	\$ 628,468.84
Demolition CD	<u>\$2,000.00</u>
Total	\$ 630,468.84

The Supervisors analyzed the receipts and disbursements for 2022, the budget for 2023, and then determined a budget for 2024. Based on their analysis, the Supervisors recommend the following levy amounts for 2024: Total levy – \$634,100; General Revenue – \$109,350; Road & Bridge – \$379,750; Fire fund – \$140,000; and Capital Reserve – \$5,000. The recommend levy amounts are higher than past years because the Township will be required to contribute to the Fire Hall addition being built by the City, the cost of road reconstruction has increased significantly, and inflation has increased.

Conclusion: The Township is in good financial shape and has been frugal guardians of Township funds. A surplus is being maintained to provide a cushion for future anticipated expenditures especially a new snow plow(s) and road resurfacing emergencies. The Township also has \$181,613.30 in American Rescue Plan Act (ARPA) funds. Some of these monies are pledged to Stearns County to improve broadband infrastructure; however, the remaining amount may be put towards lowering the Township annual contribution to the Fire Hall Addition project.

Supervisor Approval

Richard Bresnahan

LeRoy Gondringer

Rich Sanoski

Attest

Stephen G. Saupe, Clerk

Date