

SPECIAL COUNCIL MEETING
CITY OF CROSSLAKE
MONDAY, JUNE 10, 2024
6:30 P.M. – CITY HALL

The Council for the City of Crosslake met in a Special Session on June 10, 2024. The following Council Members were present: Mayor Dave Nevin, Marcia Seibert-Volz, Aaron Herzog, Sandy Farder, and Jackson Purfeerst. Also in attendance were Interim City Administrator Jerry Bohnsack, City Clerk Char Nelson, City Treasurer/Deputy Clerk Sharyl Murphy, Park Director TJ Graumann, Public Works Director Patrick Wehner and Mary Reedy of Clifton Larsen Allen. Echo Publishing Reporter Tom Fraki attended via Zoom. There were three people in the audience.

Mayor Nevin called the meeting to order at 6:30 P.M.

Audit Principal Mary Reedy of Clifton Larson Allen (CLA) presented the audit results of the financial statements for the year ending December 31, 2023. Mary Reedy noted that the material weakness in segregation of duties relating to financial transactions is common in small communities based on limited staff available to do the work but needs to be recognized in the audit. The City also had a material weakness this year for preparation of annual financial statements including footnote disclosures. Management informed the auditors that there is no internal control policy in place and that they do not have the necessary staff capacity to complete the work.

The Audit found three MN Legal Compliance issues: Conflict of interest when Council Member approved payment for spouse. Contract & Bid Laws when a quote was not kept for a project completed the following year. Miscellaneous Provision of improper notice of Special Council Meeting.

Mary presented a slide show of the City's audit results, financial results and key issues/summary.

MOTION 06SP3-01-24 WAS MADE BY AARON HERZOG AND SECONDED BY JACKSON PURFEERST TO ACCEPT AND APPROVE THE AUDIT OF THE 2023 FINANCIAL STATEMENTS FOR THE CITY OF CROSSLAKE. MOTION CARRIED WITH ALL AYES.

MOTION 06SP3-02-24 WAS MADE BY SANDY FARDER AND SECONDED BY JACKSON PURFEERST TO ADJOURN THE MEETING AT 6:45 P.M. MOTION CARRIED WITH ALL AYES.

Respectfully Submitted,



Charlene Nelson
City Clerk