

Subject City annual revenue threshold increased for required city annual audit

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Summary

This bill increases the annual revenue threshold over which a statutory city, plan A, that has combined the offices of clerk and treasurer must have an annual financial audit.

According to the state auditor, the current city annual revenue threshold for an annual financial audit under Minnesota Statutes, section 412.591, is more than \$276,000. This bill raises the threshold to \$500,000 in annual revenue in 2025. Thereafter, the threshold amount would be annually adjusted for inflation.

Effective August 1, 2025, and applies to audits performed for 2026 and thereafter.