



# OFFICE OF THE STATE AUDITOR

## *E-Update*

*The official online news  
publication of the Office  
of the State Auditor*

State Auditor  
Rebecca Otto

May 2, 2008

1. Released: Analysis of Municipal Liquor Store Operations for 2006
  2. Pension Update: Schedule Form Submission Request & Omnibus Pension Bill
  3. TIF Update: 2007 TIF Reporting Forms & TIF Workshops
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### **1. Released: Analysis of Municipal Liquor Store Operations for 2006**

State Auditor Rebecca Otto released a report this week that provides comparative data for calendar year 2006 on municipal liquor operations owned and operated by Minnesota cities.

For the report's highlights, please see the press release announcing the report at [http://www.auditor.state.mn.us/Press/2008/liquor\\_08\\_press.pdf](http://www.auditor.state.mn.us/Press/2008/liquor_08_press.pdf).

The complete report, which includes tables and graphs, can be accessed at [http://www.auditor.state.mn.us/Reports/gid/2006/liquor/liquor\\_06\\_report.pdf](http://www.auditor.state.mn.us/Reports/gid/2006/liquor/liquor_06_report.pdf).

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### **2. Pension Update: Schedule Form Submission Request & Omnibus Pension Bill**

#### **Schedule Form Submission Request**

The online 2008 Schedule forms for lump sum volunteer fire relief associations will be generated later this month. In order for the 2008 form to be pre-populated with member data, the 2007 form must be received and reviewed prior to the date the forms are generated. Please submit the 2007 Schedule as soon as possible, if you have not already done so. Please upload the form using the State Auditor Form Entry System (SAFES) at <https://www.auditor.state.mn.us/safes/login.aspx>. The signature page must be submitted by fax or mail. Please contact Gail Richie with the Pension Division

at (651) 282-6110 or [Gail.Richie@state.mn.us](mailto:Gail.Richie@state.mn.us) if you have questions regarding this reporting requirement.

## **Omnibus Pension Bill**

The Omnibus Pension Bill, which includes the Working Group recommendations, continues to make its way through the legislative process. The bill was heard and passed by both the House and Senate Governmental Operations Committees this week. The bill next moves to Finance Committees in the House and Senate.

To view the updated Omnibus Pension Bill and to track the bill's status in both bodies, visit the Pension Commission's website at:

<http://www.commissions.leg.state.mn.us/lcpr/omnibus.htm>.

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### **3. TIF Update: 2007 TIF Reporting Forms & TIF Workshops**

#### **2007 TIF Reporting Forms**

The 2007 Tax Increment Financing (TIF) Reporting forms are now available online. The reports are due by August 1, 2008, and must be submitted electronically. The new 2007 TIF Reporting forms can be found at <https://www.auditor.state.mn.us/safes>. Just open your web browser to this address and log in.

The TIF Division recently emailed information regarding the 2007 TIF Reporting forms to the authorized TIF representative on file with the OSA. If you are the authorized TIF representative and have not received an email from the TIF Division, please contact Marsha Pattison at (651) 296-4716 or Lisa McGuire at (651) 296-9255, or by email at [tifdivision@auditor.state.mn.us](mailto:tifdivision@auditor.state.mn.us).

#### **OSA to Hold TIF Workshops in June**

The Office of the State Auditor (OSA) will hold three tax increment financing (TIF) workshops in June.

The workshops will be divided into two sessions. The morning session will cover the OSA's new web site; TIF statements of position; and what the TIF Division looks for when reviewing TIF documents, budgets, invoices, and annual reports. The session will also cover the TIF technical amendments enacted by the 2008 Legislature.

The afternoon session will focus on various procedures from the county perspective. It will cover the process to certify and decertify a TIF district, some of the county's responsibilities regarding TIF, how the OSA uses the information the counties report to the Department of Revenue, and why the information is important. Attendees may choose to attend the morning session, afternoon session, or both.

The dates and locations are:

June 12<sup>th</sup> in Bemidji  
June 19<sup>th</sup> in St. Cloud  
June 26<sup>th</sup> in New Ulm

The workshop is free, but registration is required so that we can plan our materials. For further information and to register, see [http://www.auditor.state.mn.us/Other/TIFDocs/TIFWorkshop\\_08\\_form.pdf](http://www.auditor.state.mn.us/Other/TIFDocs/TIFWorkshop_08_form.pdf).

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#### **4. Avoiding Pitfalls: Petty Cash (Imprest) Funds – Part II**

Last week's Avoiding Pitfalls discussed the establishment of petty cash (imprest) funds. This week's Avoiding Pitfalls provides information on making withdrawals from these funds.

There are two possible methods of withdrawing petty cash funds: The reimbursement method and the advance method.

When using the reimbursement method, an individual purchases an authorized item with personal funds, provides the original detailed vendor receipt to the petty cash custodian, and is then reimbursed from the petty cash fund. This method is less complicated than the advance method. There is no risk of loss of petty cash funds due to the purchaser failing to buy the item and/or to submit supporting documentation for the purchase. It also allows the petty cash fund to be replenished more quickly than with the advance method. For these reasons, the reimbursement method is generally preferred.

The advance method consists of the petty cash custodian advancing petty cash funds to an individual for the purchase of a specific item. The custodian should document the date and the person to whom the funds were provided, the amount provided, and the purpose for the advance. The individual receiving the advance then purchases the authorized item, returning the original detailed vendor receipt and any remaining change to the petty cash custodian. Under the advance

method, the custodian may need to follow-up if the individual does not return the receipt and change in a timely manner.

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