



# OFFICE OF THE STATE AUDITOR

## *E-Update*



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August 2, 2019

1. Released: Pension Newsletter
2. Reminder: Municipal Ratification of Benefit Levels
3. Reminder: Provide Copies of TIF Annual Reporting Forms to County and Municipality
4. TIF: First Receipt of Increment
5. Avoiding Pitfalls: Acceptance of Gifts to an Entity

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### 1. Released: Pension Newsletter

The July **Pension Newsletter** has been released. The Newsletter provides a reminder about the Schedule Form that defined-benefit lump-sum relief associations are required to certify by August 1. The Newsletter also provides information about protecting private relief association member data, about maximum benefit levels that relief associations are authorized to establish, and how months of active service are calculated for relief association members.

The complete Newsletter can be accessed at:

[https://www.auditor.state.mn.us/other/PensionDocs/pensionNewsletter\\_1907.pdf](https://www.auditor.state.mn.us/other/PensionDocs/pensionNewsletter_1907.pdf)

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### 2. Reminder: Municipal Ratification of Benefit Levels

Many relief associations review their finances in the summer, after completing their annual Schedule Form, and determine whether to seek a change to their benefit levels.

For more information about the process for changing relief association benefit levels, please see the Office of the State Auditor's Statement of Position on this topic at:

<http://www.auditor.state.mn.us/default.aspx?page=20120224.000>

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### 3. Reminder: Provide Copies of TIF Annual Reporting Forms to County and Municipality

TIF Annual Reporting Forms were due yesterday, August 1st. Please remember that the TIF Act also requires TIF authorities to provide a copy of each report to the county auditor and to the governing body of the municipality (if the authority is not the municipality).

#### **4. TIF: First Receipt of Increment**

The actual first receipt of increment starts the statutory duration of TIF districts, and authorities can make use of an election to delay the year of first receipt. When used, the election must be clearly identified in TIF plans and forms or communications to avoid problems. To learn more, please see our article, "TIF Plans, Forms, & First Receipt of Increment," at:

<http://www.auditor.state.mn.us/default.aspx?page=tifPlanFormsFirstRecpt>

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#### **5. Avoiding Pitfalls: Acceptance of Gifts to an Entity**

[Minn. Stat. § 465.03](#) allows the governing body of any city, county, school district or town to accept gifts for the benefit of its citizens in accordance with terms prescribed by the donor. However, the statute requires that each gift be accepted by a resolution approved by a two-thirds majority of the governing body. Any conditions placed on the use of the gift should be fully described in the resolution.

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