



State Auditor
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OFFICE OF THE STATE AUDITOR

E-Update

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1. Message from Auditor Blaha
2. Meeting: Volunteer Fire Relief Association Working Group
3. Released: 2020 Fire and Police State Aid Amounts
4. CTAS: Deferral of Social Security Tax
5. TIF: Administrative Expenses must be Documented
6. Scheduled: 2020 Local Government Training Conference
7. Avoiding Pitfalls: Pre-numbered Receipts for Payments Received

1. Message from Auditor Blaha

Today I'd like to draw your attention to item #6 in this update: the 2020 Local Government Training Conference. This training will be hosted virtually by the Office of the State Auditor on Wednesday, November 18th and Thursday, November 19th.

One of our most important services is supporting your work. Even if we can't physically be together, we want you to receive the training and tools needed to do your work most effectively. We hope that the virtual nature of this conference will allow even more of you to attend and participate.

More details of this conference will be available on our website in the coming weeks -- and as always, keep an eye out for updates in our E-Update every Friday. We look forward to "seeing" you soon!

2. Meeting: Volunteer Fire Relief Association Working Group

The first meeting of the State Auditor's Volunteer Fire Relief Association Working Group will be held on October 6, from 11:00 a.m. to 12:30 p.m.

The meeting will be held remotely via Zoom, and will be live-streamed for those who are interested in watching. The live-stream link, and the meeting agendas and materials, are available on the Working Group page of the OSA website at:

<https://www.auditor.state.mn.us/default.aspx?page=reliefworkinggroup>.

3. Released: 2020 Fire and Police State Aid Amounts

The 2020 fire and police state aid amounts have been released by the Minnesota Department of Revenue and posted to the OSA website at:

<https://www.auditor.state.mn.us/default.aspx?page=20120214.000>.

4. CTAS: Deferral of Social Security Tax

The Coronavirus, Aid, Relief, and Economic Security Act (CARES Act) allows employers to defer the withholding, deposit, and payment of employee Social Security (6.2%) tax for the last four months of 2020. Instructions on how to account for the employee deferral in CTAS is available on the CTAS webpage at:

<https://www.auditor.state.mn.us/default.aspx?page=CTASDeferSSTax>

5. TIF: Administrative Expenses must be Documented

Administrative expenses are defined in the TIF Act. An authority must document and keep a record of administrative expenses if the costs are to be paid or reimbursed with tax increment revenues.

Administrative expenses are subject to a percentage limitation; an authority cannot simply retain ten percent of all tax increment revenues received for administrative expenses.

For more information regarding administrative expenses, please see the OSA's Statement of Position entitled TIF Administrative Expenses:

<https://www.auditor.state.mn.us/default.aspx?page=20110518.001>.

If you have any questions, please contact us at TIF@osa.state.mn.us.

6. Scheduled: 2020 Local Government Training Conference

The State Auditor's Local Government Training Conference will be held Wednesday, November 18, 2020. Due to COVID-19, this year's training will be virtual. The topics will include a governmental accounting update, the pandemic, a single audit update, the CARES Act, a legal compliance update, and ethics. An agenda and registration will be available soon on the OSA website. This training is recommended for anyone who works with local government finances.

7. Avoiding Pitfalls: Pre-numbered Receipts for Payments Received

From time to time, some local governments receive payments from the public for items such as building or park rentals, swimming lessons, building permits, or animal licenses. Some entities only issue receipts for these payments if the customer requests a receipt. Some entities do not use pre-numbered receipts.

We recommend that public entities issue pre-numbered receipts for all such payments. Otherwise, it is much harder to determine whether all funds collected were turned in for deposit.

This Avoiding Pitfall is available on our website at:

<https://www.auditor.state.mn.us/default.aspx?page=20090724.077>

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