



# OFFICE OF THE STATE AUDITOR

## *E-Update*

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

**State Auditor  
Rebecca Otto**

**November 21, 2008**

1. Released: Minnesota Special Districts Finances Report
2. Pension Updates: Report Preparation & Forfeiture Deadline
3. Revised: Statements of Position
4. Avoiding Pitfalls: Consolidation of Cash Collection Points
5. E-Update

---

### **1. Released: Minnesota Special Districts Finances Report**

State Auditor Rebecca Otto has released a comprehensive report on Minnesota's special districts revenues, expenditures and debt for 2005 and 2006. Special districts are local units of government created or authorized by state law to provide specific duties or specific services in a limited scope. Some special districts may levy taxes and/or special assessments. Examples of special districts include regional development commissions, hospital districts, soil and water conservation districts, and sanitation districts.

To view the complete report, which includes an Executive Summary, go to:

<http://www.auditor.state.mn.us/default.aspx?page=20081120.000>.

---

### **2. Pension Updates: Report Preparation & Forfeiture Deadline**

#### **Report Preparation to Begin**

The Pension Division will begin work in December on its 2007 Financial and Investment Report of Volunteer Fire Relief Associations. The 2006 Report included rankings by criteria such as fire state aid, municipal contributions, benefit levels, rates of return, and funding ratios for the first time.

As we prepare the 2007 Report, we are interested in hearing from you what topics in previous reports were helpful as well as suggestions for additional analysis or topics. Any comments or suggestions for the 2007 report can be forwarded to Rose Hennessy Allen at (651) 296-5985 or [Rose.Hennessy-Allen@state.mn.us](mailto:Rose.Hennessy-Allen@state.mn.us).

The 2006 Report is available on our website at:

<http://www.auditor.state.mn.us/default.aspx?page=20080414.000>.

### **Forfeiture Deadline is November 30**

We'd like to remind you that State law requires forfeiture of fire state aid for volunteer fire relief associations that have not submitted all their required reporting information to the Office of the State Auditor by November 30. There are still over 30 relief associations that have yet to submit some or all of their 2007 reporting year forms. The Office of the State Auditor does not have authority to grant filing extensions past the November 30 deadline.

If you have questions regarding reporting requirements or need access to the online reporting forms, please contact Gail Richie with the Pension Division at (651) 282-6110 or [Gail.Richie@state.mn.us](mailto:Gail.Richie@state.mn.us).

---

### **3. Revised: Statements of Position**

The Statement of Position on City Fire Department Accounts and Fire Relief Association Accounts has been divided into three updated and expanded Statements of Position:

- [Fire Departments, Fire Relief Associations and Checking Accounts](#);
- [Fire Department and Fire Relief Association Fundraisers and Donations](#); and
- [Fire Relief Association Governance](#).

---

### **4. Avoiding Pitfalls: Consolidation of Cash Collection Points**

Public entities should review their policies for where cash is collected, specifically whether it is necessary for money to be collected by individual departments or divisions.

It may be more appropriate for all funds to be collected at one central location, where internal control procedures (checks and balances) are fully implemented. If an entity has multiple cash collection points, each collection point – even those that handle a small volume of cash – must implement basic internal control procedures, such as segregation of duties, the use of numbered receipts, and daily deposits.

---

## **5. E-Update**

Next week is the Thanksgiving holiday, so there will not be an E-Update next Friday. We will resume regular E-Updates the following week. Have a safe and happy Thanksgiving!

---

If you are interested in signing up to receive an e-mail version of the E-Update regularly, [click here](#).

The Office of the State Auditor is located at 525 Park Street, Suite 500, Saint Paul, MN 55103. Phone: 651-296-2551 Fax: 651-296-4755 Web: [www.auditor.state.mn.us](http://www.auditor.state.mn.us)