



State Auditor
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OFFICE OF THE STATE AUDITOR

E-Update

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1. Website: Avoiding Pitfalls Page
 2. New: Statement of Position
 3. Released: TIF Newsletter & Pension Newsletter
 4. Avoiding Pitfalls: Joint Powers Agreements – Part II
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1. Website: Avoiding Pitfalls Page

Due to the popularity of the Avoiding Pitfalls found within our weekly E-Update, we have now made them available on our website. They are sorted by main topic alphabetically, and are also cross-referenced. To access this new feature, go to:

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

Feel free to share feedback with us on this new feature!

2. New: Statement of Position

A new Statement of Position, "TIF Interfund Loans", explains that an authority or municipality may loan money from any fund it has authority to use to finance qualifying TIF expenditures. Authorization of the loan, the contents of an interfund loan agreement, and the maximum amount of interest that can be charged are also discussed. To view the complete statement, go to:

http://www.auditor.state.mn.us/other/Statements/tifinterfundloans_0709_statement.pdf.

3. Released: TIF Newsletter & Pension Newsletter

The July **TIF Newsletter** released this week highlights changes to TIF plan requirements enacted by the 2009 Legislature. To view the newsletter, go to:

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

The July **Pension Newsletter** was released this week. It provides information regarding defined contribution plan account allocations, approval of relief association expenditures, a Volunteer Fire Relief Association Working Group update, and a new secure e-mail policy. The newsletter can be viewed at:

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

4. Avoiding Pitfalls: Joint Powers Agreements – Part II

Entities created through joint powers agreements must maintain strict accountability of all funds and also maintain reports of all receipts and disbursements. To the extent practicable, the same rules that apply to the individual entities must be applied to any contracts, purchases, or disbursement of funds made under the agreement. The agreement needs to describe how any property acquired under the joint exercise of powers will be distributed after the purpose of the agreement has been completed. In addition, once the purpose of the agreement has been completed, any surplus funds must be returned to the contracting parties in proportion to their contributions.

The primary statute on the joint exercise of governmental powers is [Minn. Stat. § 471.59](#).

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

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