



State Auditor  
Rebecca Otto

# OFFICE OF THE STATE AUDITOR

## *E-Update*

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

March 1, 2013

1. Reminder: Performance Measurement Program
  2. Update: Volunteer Fire Relief Association Working Group Bill
  3. Released: Pension Newsletter
  4. Avoiding Pitfalls: Check Decertification Dates of TIF Districts
- 

### **1. Reminder: Performance Measurement Program**

Cities and counties that choose to participate in the Performance Measurement Program must file a report with the Office of the State Auditor by July 1, 2013. This is an early reminder to ensure successful reporting. Details on the revised program and the 2013 reporting requirements can be found at:

<http://www.auditor.state.mn.us/default.aspx?page=20130214.000>.

---

### **2. Update: Volunteer Fire Relief Association Working Group Bill**

The Volunteer Fire Relief Association Working Group's legislative proposals were heard this week by the Legislative Commission on Pensions and Retirement. The Working Group's proposals were adopted in their entirety by the Commission and will be included in the Omnibus Retirement Bill.

After the Commission completes its work, the Omnibus Retirement Bill will make its way to various committees within the House and Senate. The Working Group proposals can be viewed at:

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

---

### **3. Released: Pension Newsletter**

The February **Pension Newsletter** has been released. The Newsletter provides information about the 2012 reporting-year forms for volunteer fire relief associations and links to helpful resources for completing the forms. The Newsletter also contains information about a relief association's authority to invest in below-investment-grade bonds and includes important reminders about deferred interest for defined-benefit relief associations.

The complete Newsletter can be viewed at:

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

---

#### **4. Avoiding Pitfalls: Confirm Decertification Dates of TIF Districts**

After a municipality approves the establishment of a TIF district, the district is certified and its estimated decertification date is recorded by the county. The decertification date is adjusted if the year the development receives its first increment is different than originally estimated, or if the authority requests early decertification.

It is important that a development authority and its county confirm that there is agreement on a TIF district's decertification date. If the authority receives tax increment *after* the decertification date, it must return the increment to the county for redistribution. If the county's recorded decertification date is *earlier* than the date used by the development authority, the authority may not be able to cover its bonded debt obligations or its contractual obligations.

If tax increment is received in error, the county auditor has the authority to correct the error through the Correction of Errors provision in the TIF Act. For more information on correcting TIF errors, see our Statement of Position available at:

<http://www.auditor.state.mn.us/default.aspx?page=20110519.004>.

---

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, St. Paul, MN 55103. Phone: (651) 296-2551 or (800) 627-3529 (TTY) Fax: (651) 296-4755. Web: [www.auditor.state.mn.us](http://www.auditor.state.mn.us).