



State Auditor
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OFFICE OF THE STATE AUDITOR

E-Update

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1. Meeting: Fire Department Joint-Powers Subgroup

The first meeting of the Fire Department Joint-Powers Subgroup will be held Tuesday, June 16, at 1:30 p.m. at our 525 Park Street office in Saint Paul. The subgroup was formed to identify issues related to joint-powers fire departments and their affiliated relief associations.

Meeting are open to the public and those interested are encouraged to attend. Subgroup meeting materials are available at:

<http://www.auditor.state.mn.us/default.aspx?page=20150612.001>.

2. Extended: Registration Deadline for TIF Training

Registration for the 2015 TIF training for development authorities has been extended to Friday, June 19. Training sessions will be held at five different locations around the state beginning June 24. There is no cost to attend. For details on the training sessions and registration information, go to:

http://www.auditor.state.mn.us/other/tifdocs/TIFTraining_flyer_15_authorities.pdf

3. Pension: Benefit Levels

The Office of the State Auditor (OSA) receives questions from municipal officials who are considering whether to ratify a relief association's benefit level increase. Some officials believe that a benefit increase is required in order to receive fire state aid. Benefit level increases are discretionary and are not required in order to receive fire state aid.

Two Statements of Position that provide helpful information regarding relief association benefit levels and benefit level changes are available on the OSA website. The first, "Considerations When Making Benefit Changes," can be viewed at:

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

The other, entitled "Required Municipal Contributions to Fire Relief Associations," can be viewed at:

<http://www.auditor.state.mn.us/default.aspx?page=20110527.009>.

4. Released: TIF Newsletter

The June **TIF Newsletter** has been released. The Newsletter contains information for completing the 2014 TIF Annual Reporting Forms and Pooled Debt Forms, and an update on 2015 TIF Legislation. The Newsletter also includes information on upcoming TIF trainings sessions for development authorities.

To view the complete Newsletter, go to:

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

5. Avoiding Pitfalls: Petty Cash (Imprest) Funds - Part III

The designated petty cash custodian is personally responsible for the cash entrusted to the fund. That person should properly secure petty cash funds in a metal lock box that is maintained in a locked desk, locked cabinet, or locked safe to which access is limited.

Reconciliations of the petty cash fund should be done by someone other than the person approving withdrawals from the fund. At any time, the amount of cash on hand plus the receipts, and any outstanding advances if the advance method of withdrawal is used, should equal the amount of the approved petty cash fund. When replenishing petty cash funds, the total of the original receipts maintained by the custodian should match the amount of the replenishing check. The original receipts should be maintained and filed as supporting documentation.

An entity's governing body should consider adopting a petty cash policy. That policy should include when petty cash funds may be used, what items may not be purchased with petty cash, proper petty cash documentation, and procedures for replenishing petty cash.

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