

# TIF Division Newsletter



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## 2013 SAFES Authorization Forms

If your development authority uses an auditor or consultant to submit the authority's annual TIF reports, a signed authorization form must be submitted to the Office of the State Auditor (OSA). Remember that the authorization is valid only through the end of each calendar year. A new User Authorization Form is required each year. The form must be completed and signed by both the authority representative and the auditor or consultant and then submitted to the OSA.

## TIF Pooled Debt Form

Authorities must submit a Pooled Debt Form to the OSA for each outstanding pooled bond. This form is required to be filed annually and is due to our office with the TIF District Annual Reports by August 1st each year.

A pooled bond is any bond or other financial obligation that is authorized to be paid with tax increment from two or more districts, or any obligation to which the tax increment from two or more TIF districts has been pledged or is used to make debt service payments. For the purpose of the Pooled Debt Form, pooled bonds include general obligation bonds, revenue bonds, external loans, interfund loans, notes, and PAYG contracts. Report only one pooled bond issue per form. If a pooled bond is refunded, a new Pooled Debt Form should be submitted for the refunding bond.

The following are examples of bonds or other financial obligations that might be thought of as "pooled debt," but which are **NOT** considered "pooled debt" for purposes of the Pooled Debt Form.

*(continued)*

- If a single bond issue has been divided into several series and the tax increment from only one TIF district is pledged to each series, each of these series is considered a separate non-pooled debt issue, unless tax increment from more than one TIF district actually is used to pay debt service on a particular debt issue.
- If a bond or other financial obligation is backed by tax increment from only one TIF district and a non-tax increment revenue source, for the purpose of the Pooled Debt Form it is considered a non-pooled debt, unless tax increment from more than one TIF district actually is used to pay debt service on the bond.

TIF Statements of Position can be accessed by going to our website at:

[www.auditor.state.mn.us](http://www.auditor.state.mn.us)

At the top of the page, choose “For Local Officials” then click “Statements of Position”

If you have any questions concerning pooled bonds or if you need a Pooled Debt Report created, please contact our office.

**Segregation of Funds**

The TIF Act requires authorities to segregate each TIF district’s tax increment in a special account or accounts on the TIF authority’s official books and records (or it may establish, by resolution, for the increment to otherwise be held by a trustee or trustees for the benefit of holders of bonds).<sup>1</sup>

In other words each TIF authority is required to account for the revenues and expenditures of tax increment for each TIF district separate from the revenues and expenditures of all other money – including tax increment from other TIF districts.

For more information regarding the segregation of TIF funds, please refer to our Statement of Position [TIF Segregation of Funds](#).

<sup>1</sup> Minn. Stat. § 469.177, subd. 5.

**TIF Division Staff**

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