



State Auditor  
Rebecca Otto

# OFFICE OF THE STATE AUDITOR

## *E-Update*

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

November 21, 2014

1. Released: Town Finances Report
2. Deadline: Pension Reporting Information
3. Meeting: Volunteer Fire Relief Association Working Group
4. Released: Pension Newsletter
5. Avoiding Pitfalls: Donations to Non-Profit Entities by Governmental Units

---

### **1. Released: Town Finances Report**

State Auditor Rebecca Otto has released the Minnesota Town Finances Report, a comprehensive report on revenues, expenditures and debt for Minnesota's towns. The report analyzes town financial operations for the calendar year ended December 31, 2013.

For the complete report, which includes an Executive Summary, graphs and tables, go to:

<http://www.auditor.state.mn.us/default.aspx?page=20141114.000>.

---

### **2. Deadline: Pension Reporting Information**

November 30<sup>th</sup> is the final deadline for volunteer fire relief associations to submit reporting information. Minnesota law requires forfeiture of fire state aid for relief associations that do not submit all required reporting forms to the Office of the State Auditor by that date. 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 online reporting forms, please contact the Pension Division at (651) 282-6110 or [pension@osa.state.mn.us](mailto:pension@osa.state.mn.us).

### **3. Meeting: Volunteer Fire Relief Association Working Group**

The Volunteer Fire Relief Association Working Group will be meeting on Tuesday, December 2, at 11:00 a.m. at our 525 Park Street office in Saint Paul. Meetings are open to the public. Working Group meeting materials are available at:

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

---

### **4. Released: Pension Newsletter**

The November **Pension Newsletter** has been released. The Newsletter provides information about the Supplemental Benefit Reimbursement Form that is now available on the Department of Revenue's website, and explains the process for seeking reimbursement of supplemental benefits paid during 2014. The Newsletter also encourages relief associations to require multiple signatures on checks and provides information regarding marriage dissolutions.

The complete Newsletter can be viewed at:

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

---

### **5. Avoiding Pitfalls: Donations to Non-Profit Entities by Governmental Units**

An expenditure of public funds must have both a public purpose and specific statutory or charter authority. Although charities and other non-profit entities may benefit their communities, government entities may not donate to them without specific statutory or charter authority. For example, while the Red Cross works to benefit the public, a local unit of government is not specifically authorized to donate funds to it.

Public entities may contract with a non-profit entity for a particular service that the public entity is authorized to provide. To avoid allegations that an impermissible donation has been made, the public entity should enter into a written agreement with the non-profit entity, documenting what the public entity is receiving in exchange for the payment.

For more information on this topic, see our Statement of Position entitled Public Expenditures: Donations and Dues, at:

<http://www.auditor.state.mn.us/default.aspx?page=20110607.028>.

---

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).