

PUBLIC INDEBTEDNESS

LEGAL COMPLIANCE MANUAL

PUBLIC INDEBTEDNESS

Introduction

The power of a government unit to incur indebtedness is governed by statutory and home rule charter provisions. Statutory provisions vary depending on the type of government unit involved.

Each type of borrowing instrument may also be governed by different statutes. Therefore, it is essential that the auditor examine the specific statutes or charter provisions that are applicable to the particular borrowing transaction.

This questionnaire is intended only to highlight certain general provisions of the Minnesota statutes relating to indebtedness and is not intended to cover all questions that may be pertinent.

Which of the following types of borrowing has the municipality been involved with during the past year? Please check all forms of borrowing that have either been issued or redeemed during the past year or which are currently outstanding at year-end.

	During the Year	
LONG-TERM BORROWING:	Issued	Outstanding
General Obligation Bonds (Minn. Stat. ch. 475)		
Revenue Bonds (Minn. Stat. ch. 475)		
General Obligation Revenue Bonds (Minn. Stat. ch. 475)		
Capital Notes Home Charter Cities (Minn. Stat. § 410.32)		
County Capital Improvement Bonds (Minn. Stat. § 373.40)		

	During the Year	
SHORT-TERM BORROWING:	Issued	Outstanding
Aid Anticipation Certificates (Minn. Stat. §§ 126C.52, 126C.53)		
Tax Anticipation Certificates (Minn. Stat. §§ 126C.52, 126C.53, 412.261)		
Orders Not Paid for Want of Funds (Minn. Stat. §§ 123B.12, 367.19, 412.271)		
Loans Funded or Secured Under United States Agriculture Department Programs (Minn. Stat. § 465.73)		
Temporary Improvement Bonds (Minn. Stat. § 429.091, subd. 5)		
Emergency Certificates of Indebtedness (Minn. Stat. § 475.754)		
Certificates of Indebtedness (Minn. Stat. §§ 412.301, 366.095, 123B.61)		
Warrants Not Paid for Want of Funds (Minn. Stat. §§ 385.31, 385.32, 384.13, 385.05, 383A.50)		
Reverse Repurchase Agreements/Securities Lending Agreements (Minn. Stat. § 118A.05)		
Conditional Sales Contract/Contract for Deed (Minn. Stat. §§ 365.025, 412.221, 465.71)		
Lease Purchase Agreements (Minn. Stat. § 465.71)		

Minn. Stat. Section	PUBLIC INDEBTEDNESS	Yes	No	Workpaper Reference
	Part I. Answer the following questions with respect to all types of indebtedness that were issued during this fiscal year:			
§ 475, et. seq.	A. Was council/board approval obtained for new debt issued during this fiscal year?			
§ 475.58, subd. 2	B. For funding or refunding obligations issued under Minn. Stat. § 475.58, subd. 2:			
	1. Was a listing of the debt to be funded or refunded prepared by the treasurer and recording officer and filed in the office of the recording officer?			
§ 475.58, subd. 2	2. Was the resolution, stating the amount of bonds to be issued and referring to the listing of debts to be funded or refunded, published in the legal newspaper once each week for two successive weeks?			
	Note: Refunding obligations may be authorized by Minn. Stat. § 475.67 for which the notice required here is not applicable.			
	B. Considering the issuance of the obligations, will the net debt (as defined in Minn. Stat. § 475.51, subd. 4) of the municipality not exceed the net debt limit as is applicable below:			
§ 475.53, subd. 1	1. For all municipalities, except school districts and cities of the first class, does the net debt not exceed two percent of the market value of taxable property in the municipality?			
§ 475.53, subd. 3	2. For cities of the first class, does the net debt not exceed two percent of the market value of all taxable property within the city?			
	a. If no, does the net debt not exceed three and two-thirds percent of the market value of all taxable property within the city and does the city charter allow this higher net debt limit?			
§ 475.53, subd. 4	3. For all school districts, except those located wholly or partially within a city of the first class, does the net debt not exceed 15 percent of the actual market value of all taxable property within the district? (Market value is the total value of the district as certified by the county auditor or, where applicable, this value divided by a ratio certified by the Commissioner of Revenue.)			
§ 475.53, subd. 5	4. For school districts located wholly or partially within a city of the first class:			
	a. When the aggregate of the outstanding obligations equals or exceeds .7 percent of the market value of the taxable property within the school district, have all obligations then issued had a term of two years or less?			
§ 475.58, subd. 1	D. Was the request to issue the obligations submitted for approval at an election?			
§ 475.58, subd. 4	4. 1. If so, were the proceeds only spent:			
	a. (1) for the purposes stated in the ballot language; or (2) to pay, redeem, or defease obligations and interest, penalties,			

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	premiums, and costs of issuance of the obligations; and			
	b. were none of the proceeds spent for a different purpose or for an expansion of the original purpose without approval by a majority of the electors voting on the question of changing or expanding the purpose of the obligations?			
§ 475.58, subd. 1	2. If not, was this issuance exempt from approval by the electors for one of the following reasons:			
	It represented an obligation characterized as:			
	a. any unpaid judgment against the municipality;			
	b. refunding obligations;			
	c. An improvement or improvement program, the obligation for which is payable wholly or partly from the proceeds of special assessments levied upon property specially benefitted by the improvement or by an improvement within the improvement program or from tax increments, including obligations which are the general obligations of the municipality, if the municipality is entitled to reimbursement in whole or in part from the proceeds of such special assessments or tax increments and not less than 20 percent of the cost of the improvement or the improvement program is to be assessed against benefitted property or is to be paid from the proceeds of federal grant funds or a combination thereof, or is estimated to be received from tax increments.			
	d. an obligation which is payable wholly from the income of revenue producing conveniences;			
	e. an obligation exempt from electoral approval by the terms of the home rule charter;			
	f. exempt under the provisions of a law which permits the issuance of obligations of a municipality without an election;			
	g. an obligation to fund pension or retirement fund liabilities pursuant to Minn. Stat. § 475.52, subd. 6;			
	h. issued under a capital improvement plan under Minn. Stat. § 373.40:			
	(1) where the bonds were issued before July 1, 2003; and			
	(2) where notice was published at least 14 but not more than 28 days before the county held a hearing for public comment on issuing the bonds under this section;			
	i. issued under Minn. Stat. §§ 469.1813 to 469.1815 (property tax abatement authority bonds), if the bonds are not used for a purpose prohibited under section 469.176, subdivision 4g, paragraph (b);			
§ 475.58, subd. 3a	j. issued to fund youth ice facilities as provided in Minn. Stat. § 475.58, subd. 3 (expired December 31, 1998);			

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	or effective May 26, 1999, issued to refund existing debt of an indoor ice arena that is used predominantly for youth athletic activity under Minn. Stat. § 475.58, subd. 3a;			
§ 475.58, subd. 3b	k. issued for street reconstruction			
	(1) Issued for street reconstruction, including utility replacement and relocation, turn lanes and other improvements having a substantial public safety function, realignments, other modification to intersect with state and county roads, and the local share of state and county road projects.			
	(2) Does not include the portion of project cost allocable to widening a street or adding curbs and gutters where non previously existed, except in the case of turn lanes, safety improvements, realignments, intersection modifications, and the local share of state and county road projects, and the following conditions are met:			
	(a) the streets were reconstructed under a street reconstruction plan that describes the street to be reconstructed, the estimated costs, and any planned reconstruction of other streets in the municipality over the next five years, and			
	(b) the plan and issuance of the obligations has been approved by a vote of all of the members of the governing body following a public hearing for which notice has been published in the official newspaper at least ten days but not more than 28 days prior to the hearing, and			
	(c) no petition requesting a vote on the issuance was signed by voters equal to five percent of the votes cast in the last municipal general election and filed with the municipal clerk within 30 days of the hearing; or			
§ 400.101	I. issued for solid waste management purposes?			
	Examples are:			
	(1) for acquisition of betterment of solid waste facilities, closure, or postclosure;			
	(2) contingency costs, related transmission facilities, or property or property rights for the facilities.			
§ 475.58, subd. 1a	E. If the issuance of obligations for the same purpose and in the same amount has previously been proposed to the electors and voted down, did this election take place at least 180 days after the first election?			
	F. If this is the third request for the same purpose and in the same amount, did this election take place at least one year after the second election?			
§ 475.58, subd. 1	G. Was the issuance of these obligations approved by a majority of the electors?			

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§ 475.60, subds. 2 & 3	H. Was the sale of these obligations in accordance with the public notice and public sale requirements of Minnesota statutes?			
§ 475.60, subd. 2	1. If no, was the sale exempt from public sale due to any of the following reasons:			
	a. issued under the provisions of a home rule charter, or under a law specifically authorizing a different method of sale or authorizing them to be issued in such a manner as the council/board may determine;			
	b. obligations sold by the municipality in an amount not exceeding the total sum of \$1,200,000 in any 12-month period;			
	c. except for those issued by a school board, obligations issued in anticipation of the collection of taxes or other revenues appropriated for expenditure in a single year, if sold in accordance with the most favorable of two or more proposals solicited privately;			
	d. obligations sold to any board, department, or agency of the United States of America or the State of Minnesota, in accordance with the rules of the board, department, or agency;			
	e. obligations issued to fund pension and retirement fund liabilities under Minn. Stat. § 475.52, subd. 6, obligations issued with tender options under Minn. Stat. § 475.54, subd. 5a, crossover refunding referred to in Minn. Stat. § 475.67, subd. 13, and any issue of obligations comprised in whole or in part of obligations bearing interest at a rate or rates which vary periodically referred to in Minn. Stat. § 475.56.			
	f. obligations to be issued for a purpose, in a manner, and upon terms and conditions authorized by law, if the governing body of the municipality, on the advice of bond counsel or special tax counsel, determines that interest on the obligations cannot be represented to be excluded from gross income for purposes of federal income taxation;			
	g. obligations issued in the form of an installment purchase contract, lease purchase agreement, or other similar agreement;			
	g. obligations sold under a bond reinvestment program; or			
	i. obligations which the governing body determines shall be sold by private negotiation if the municipality has retained an independent financial advisor?			
§ 475.55, subd. 1	I. Were all obligations signed manually by one officer of the municipality or by a designated authenticating agent?			
§ 475.65	J. Did the treasurer account for the receipt and disbursement of the proceeds of the issue, for the use named in the resolution, in a separate fund or account in the official financial records of the agency?			

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§ 475.61, subd. 2, & § 475.62	K. Was the appropriate information reported to the county auditor for all new issues of indebtedness so that the county register could be updated? (Information to include: the purpose and date of the issue; the number, denomination, interest rate, and maturity date of each bond; place and time of payment of principal and interest; and the amount of the tax levied for the payment thereof.)			
§ 471.69	L. Limitation on Outstanding Warrants and Orders			
	1. Did the school district, county, statutory city, or town <u>not</u> contract debt, or issue any warrant or order in anticipation of taxes levied or to be levied, in excess of:			
	- the average amount actually received from tax collections for the last three years, plus			
	- ten percent?			
	This section does not apply to government entities wherein the mineral net tax capacity exceeds 25 percent of its net tax capacity. Nor does it apply to a school district in a city of the first class which constitutes a single school district.			
	Part II. Answer only the questions below that relate to the specific types of debt that were issued during the current fiscal year:			
§ 475.61, subd. 1	A. GENERAL OBLIGATION BONDS:			
	1. Did the municipality, prior to delivery of the obligations, levy by resolution a direct general ad valorem tax upon all taxable property to be spread each year of the obligations?			
	2. For all municipalities other than school districts, were the levies specified and such that if collected in full they, together with estimated collections of special assessments and other revenues pledged for payment of the obligations, will produce at least five percent in excess of the amount needed to meet the principal and interest payments on the obligations when due?			
	3. For all school districts, were the levies specified and such that if collected in full they, together with estimated collection of other revenues pledged for the payment of the obligations, will produce five percent in excess of the amount needed to meet the principal and interest payments on the obligations, rounded to the nearest dollar, when due?			
§ 410.32	B. CAPITAL NOTES: (Applicable for home rule charter cities) (If capitol notes were issued under Minn. Stat. § 412.301, go to Part II, K, below)			
	1. Were the capital notes issued within applicable city debt limits?			

Minn. Stat. Section	PUBLIC INDEBTEDNESS	Yes	No	Workpaper Reference
	2. Were the notes issued to purchase "capital equipment," which means public safety equipment, ambulance and other medical equipment, road construction and maintenance equipment, and other capital equipment and computer hardware and software, whether bundled with machinery or equipment or unbundled, having an expected useful life at least as long as the term of the notes?			
	Note: The authority to issue capital notes for software expires on July 1, 2007.			
	3. Are the notes payable in not more than ten years?			
	4. Does the total principal amount of the notes issued in a fiscal year not exceed .03 percent of the market value of the taxable property in the city?			
	5. Has a tax levy been made for the payment of the principal and interest on the notes in accordance with Minn. Stat. § 475.61, as in the case of bonds?			
	6. Were the notes approved by an affirmative vote of two-thirds of the city council?			
§ 373.01, subd. 3	C. CAPITAL NOTES: (For counties)			
	1. Were the capital notes issued within applicable county debt limits?			
	2. Were the notes issued for "capital equipment;" i.e., public safety equipment, ambulance and other medical equipment, road construction or maintenance equipment, and computer hardware and software, whether bundled with machinery or equipment or unbundled having an expected useful life at least equal to the term of the notes?			
	Note: The authority to issue capital notes for software expires on July 1, 2007.			
	3. Were the notes payable in ten or less years?			
	4. Was a tax levy made, in accordance with Minn. Stat. § 475.61, for the payment of principal and interest on the notes?			
	5. Did the county board, by resolution, issue the notes?			
§ 126C.53	D. AID ANTICIPATION CERTIFICATES: (This form of borrowing is available only to school districts)			
	1. Was the approving resolution passed by a two-thirds vote of the board membership? (Two-thirds of a quorum is not sufficient.)			
§ 126C.54	2. Do the aid anticipation certificates mature no later than three months after the close of the school year in which the certificates were issued?			
	3. Do the aid anticipation certificates mature no later than the estimated date of receipt of the aids so anticipated?			

Minn. Stat. Section	PUBLIC INDEBTEDNESS	Yes	No	Workpaper Reference
§ 126C.52, subd. 2	4. Was the amount borrowed not in excess of 75 percent of the aids receivable by the school district in the school year (from July 1 to June 30) as estimated and certified by the Commissioner of Education?			
§§ 126C.52, 126C.53, & 126C.54	E. TAX ANTICIPATION CERTIFICATE: (Statutes relating to school districts only)			
	1. Was the approving resolution passed by a two-thirds vote of the board membership? (Two-thirds of a quorum is not sufficient.)			
	2. Do tax anticipation certificates mature no later than three months after the close of the calendar year in which the certificates were issued?			
	3. Do tax anticipation certificates mature no later than the estimated date of receipt in full of the taxes anticipated?			
	4. Is the aggregate amount borrowed not more than 75 percent of such taxes which are due and payable in the calendar year, and as to which taxes no penalty for nonpayment or delinquency has attached?			
§ 412.261	F. TAX ANTICIPATION CERTIFICATES: (Statutes relating to statutory cities only)			
	1. Does the total of all certificates issued against any fund for any year with interest thereon until maturity, together with all orders outstanding against the fund, not exceed the total current taxes for the fund uncollected at the time of issue plus the cash on hand in the fund?			
	2. If certificates have been issued against the anticipated tax levy for any fund, have unpaid orders outstanding against the fund been redeemed from the proceeds of the certificates?			
	3. Are the certificates negotiable, payable to the order of the payee, and do they have a definite due date?			
	4. Are the certificates due and payable no later than the first day of April of the year following the year of issuance?			
	5. Were the certificates sold for not less than par and accrued interest?			
	6. Do the certificates bear interest within the allowable limits?			
	7. Does each certificate state upon its face the fund for which the proceeds of the certificate shall be used, the total amount of the certificates issued against the fund, and the total amount embraced in the tax levy for that fund?			
	8. Are the proceeds of the taxes assessed on account of the fund against which the certificates are issued and the full faith and credit of the city irrevocably pledged for the redemption of the certificates in the order of issuance against the fund?			

Minn. Stat. Section	PUBLIC INDEBTEDNESS	Yes	No	Workpaper Reference
§ 412.271, subd. 3	G. ORDERS NOT PAID FOR WANT OF FUNDS (For statutory cities):			
	1. For statutory cities, are orders marked "not paid for want of funds" being paid by the treasurer in the order of their presentation?			
§ 367.19	H. ORDERS: (For towns)			
	1. Were orders presented to the treasurer and registered in the order of their presentment?			
	2. Were orders paid in the order they were registered out of the first money that came into the treasurer's hands for that purpose?			
§ 465.73	I. USDA RURAL BUSINESS-COOPERATIVE SERVICE, RURAL HOUSING SERVICE, OR OTHER AGENCY OF THE USDA: (For town halls, city halls, fire halls, and fire equipment only, or libraries or child care facilities if otherwise authorized by law. Applicable to cities, counties, and towns)			
	1. Is the amount borrowed from the USDA Rural Business-Cooperative Service, Rural Housing Service, or other USDA agency within the \$450,000 statutory limit?			
§ 475.754	J. EMERGENCY CERTIFICATES OF INDEBTEDNESS: (For cities, counties, and towns)			
	1. Do the certificates of indebtedness mature within three years?			
	2. Do the certificates of indebtedness bear interest at a rate not in excess of the allowable rate?			
	3. Are the certificates and interest thereon payable from taxes levied within existing limitations or from other available revenue?			
§§ 412.301, 366.095, & 410.32	K. CERTIFICATES OF INDEBTEDNESS: (Statutory cities and towns) CAPITAL NOTES: (Statutory cities and home rule charter cities) (For home rule charter cities, <u>see also</u> Part II, B, above.)			
	- Cities may issue capital notes (and statutory cities may issue certificates of indebtedness) to purchase public safety equipment, ambulance and other medical equipment, road construction and maintenance equipment, and other capital equipment and computer hardware and software whether bundled with machinery or equipment or unbundled having an expected useful life at least as long as the certificates or notes.			
	Note: The authority to issue capitol notes for software expires on July 1, 2007.			
	- Towns may issue certificates of indebtedness for any lawful purpose.			
	1. If such capital notes or certificates of indebtedness were issued:			
	a. In the case of certificates of indebtedness or notes issued by a statutory city, are they payable in not more than ten years, or			
	b. In the case of capital notes issued by a town, are they payable in not more than five years?			

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	2. Was the issuance of the certificates or notes approved by the voters at an election?			
	If not, were the following criteria met:			
	a. The amount of the certificates or notes to be issued does not exceed .25 percent of the market value of taxable property in the city or town; or			
	b. The council or town board resolution determining to issue these certificates or notes was published in the official newspaper, and no petition for an election was filed with the clerk before the expiration of a ten-day period?			
	Published resolution required only if costs exceed .25 percent of market value of taxable property in the city or town.			
	c. Was a tax levy made for the payment of the principal and interest on the certificates or notes?			
§ 123B.61	L. CERTIFICATES OF INDEBTEDNESS OR CAPITAL NOTES: (School district - purchase of certain equipment)			
	1. Were the notes or certificates issued to:			
	a. purchase vehicles, computers, telephone systems, cable equipment, photocopy and office equipment, technological equipment for instruction or other capital equipment having an expected useful life at least as long as the terms of the certificates or notes; or			
	b. purchase computer hardware and software, without regard to its expected useful life, together with application development services and training related to the use of the computer; or			
	c. (effective May 26, 1999) prepay special assessments?			
	2. Were the notes or certificates payable in five years or less or, if issued to prepay special assessments, were they payable in 20 years or less?			
	3. Did the sum of the tax levies under Minn. Stat. § 123B.61 and § 123B.62 for each year <u>not</u> exceed the lesser of (1) the district's total operating capital revenue, or (2) the sum of the district's levy in the general and community service funds excluding the adjustments under Minn. Stat. § 123B.61 for the year preceding the year in which the initial debt service levies are certified?			
	Was the district's general fund levy for each year reduced by the sum of (1) the amount of the tax levies for debt service certified for each year for payment of the principal and interest on the certificates or notes issued under Minn. Stat. § 123B.61 as required by Minn. Stat. § 475.61, and (2) the amount of the tax levies for debt service certified for each year for payment of the principal and interest on bonds issued under § 123B.62, and (3) any excess amount in the debt redemption fund used to retire bonds, certificates, or notes issued under Minn. Stat. §§ 123B.61, .62 after April 1, 1997, other than amounts used to pay capitalized interest?			

Minn. Stat. Section	PUBLIC INDEBTEDNESS	Yes	No	Workpaper Reference
	4. If the district's general fund levy is less than the reduction, was the balance deducted first from the district's community service fund levy, and next from the district's general fund or community service fund levies for the following year?			
	5. If the district used an excess amount in the debt redemption fund to retire the certificates or notes, did the district report this amount to the Commissioner of Education by July 15 of the following year?			
	6. If the district used an excess amount in the debt redemption fund to retire the certificates or notes, did the district have neither an outstanding capital loan under Minn. Stat. § 126C.69 nor an outstanding debt service loan under Minn. Stat. § 126C.68?			
§§ 365.025 & 412.221	M. CONTRACT FOR DEED/CONDITIONAL SALES CONTRACT: (Applicable to statutory cities and towns)			
	1. Is the seller of the property confined to the remedy of recovery of the property in case of nonpayment of all or part of the purchase price?			
	2. Is the purchase payable over a period of time not to exceed five years?			
	3. Was the contract approved by the voters at an election?			
	a. If not, was the issue exempt from election because of one of the following reasons:			
	(1) the contract price of the property to be purchased does not exceed 0.24177 percent of the market value of the city or town; or			
	(2) the council or board resolution determining to purchase property by such a contract was published in the official newspaper, and no petition for an election was filed with the clerk before the expiration of a ten-day period?			
§ 385.31	N. WARRANTS: (For counties)			
	1. If any warrants were presented for payment to the county treasurer when there were insufficient funds in the proper account to pay the warrants:			
	a. Were warrants paid when sufficient funds became available in the order of their registration, and			
	b. Were all warrants numbered and registered in the order of presentation?			
	2. If warrants were presented when there were sufficient funds available for payment, did the county treasurer redeem the same and write:			
	a. across the entire face of the warrant the word "redeemed,"			
	b. the date of the redemption, and			
	c. his or her official signature?			

Minn. Stat. Section	PUBLIC INDEBTEDNESS	Yes	No	Workpaper Reference
§§ 385.31 & 385.32	3. If the county treasurer borrowed money from another fund to pay a warrant presented when there was insufficient money in the account upon which the warrant was drawn, was one of the following conditions met:			
	a. The county had a market value of taxable property of not less than \$1,033,000,000, and the money was returned to the lending fund as soon as it became available in the borrowing fund; or			
	b. The county had a market value of taxable property less than \$1,033,000,000, the treasurer obtained the approval of the county board and county auditor, and the money was returned to the lending fund as soon as it became available in the borrowing fund and, in any event, within six months?			
	Part III. Answer the following questions for each type of issue that was outstanding at some point during the fiscal year:			
§ 475.61	A. For all municipalities, except school districts, was the certified levy specified and such that it, together with estimated collections of special assessments and other revenues pledged for the payment of the obligations, will produce at least five percent in excess of the amount needed to meet the principal and interest payments when due?			
	(For purposes of § 475.61, "municipality" means a city of any class, county, town, or school district. <u>See</u> Minn. Stat. § 475.51, subd. 2.)			
	1. If not, did the council adopt a resolution levying another amount of such taxes?			
	B. For all school districts, was the certified levy specified and such that it, together with estimated collections of other revenues pledged for the payment of the obligations, will produce five percent in excess of the amount needed to meet the principal and interest payments when due?			
	1. If not, did the board adopt a resolution levying another amount of such taxes?			
§ 475.61, subd. 3	C. For school districts, did the district report to the Commissioner of Education, the district's debt redemption fund balance as of June 30 of the prior year attributable to refunding of existing bonds; and			
	1. Did the commissioner reduce the levies; <u>or</u>			
	2. Did the school board, with the commissioner's approval, retain all or part of the excess balance?			
§ 475.61, subd. 4	D. 1. For obligations authorized before July 1, 2005, was the amount of any surplus remaining in the debt redemption fund of a school district when the obligations and interest thereon are paid used to reduce the general fund levies or state aids? 2. For obligations authorized on July 1, 2005 or thereafter, was the amount of any surplus remaining in the debt service fund of a school district when the obligations and interest thereon are paid in full (a) appropriated to any other general purpose without any reductions in state aid or levies or (b) used to reduce the general fund levies or state aid?			

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§ 471.70	E. Has the principal accounting officer of the municipality reported, on or before February 1 st of each year, to the auditor of each county in which the municipality is situated, the total amount of outstanding obligations and the purpose for which issued, as of December 31 st of the preceding year?			
	(For the purpose of § 471.70, "municipality" means a city, however organized; a school district, however organized; a town; or any other body corporate and politic created under Minnesota law. See Minn. Stat. § 471.70.)			

Part VI. Audit Conclusion

The auditor must state a conclusion--based on this questionnaire and any other audit procedures performed--whether the client has complied with the legal provisions reviewed relating to indebtedness.

Conclusion:
