



State Auditor  
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## OFFICE OF THE STATE AUDITOR

# *E-Update*

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

**November 8, 2013**

1. Update: Second Certification for 2013 Fire State Aid
2. Update: Volunteer Fire Relief Association Working Group
3. Revised: Statements of Position on Deposits & Investments
4. Avoiding Pitfalls: Mayors and Council Members May Not Be Full-Time Permanent City Employees

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### **1. Update: Second Certification for 2013 Fire State Aid**

The Office of the State Auditor is pleased to announce that 76 volunteer fire relief associations met all reporting requirements to be certified as eligible for receipt of 2013 fire state aid and supplemental state aid for the second round of aid disbursements. State aid will be disbursed on or about November 15 for the certified relief associations.

In total, 667 volunteer fire relief associations and other local public pension plans have been certified as eligible for their 2013 state aid. Only 56 volunteer fire relief associations have yet to meet their reporting requirements to be certified. The next certification deadline for 2013 state aid eligibility is March 1, 2014.

A list of the 2013 fire state aid and supplemental state aid amounts is available at:

<http://www.auditor.state.mn.us/default.aspx?page=20130927.000>.

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

The Volunteer Fire Relief Association Working Group met on November 6. The Group reviewed a list of topics that had been suggested for consideration by relief association trustees and municipal officials. The Group prioritized its focus for the season and began work on some technical changes that clarify the statutes.

The next meeting of the Working Group will be held on November 20 from 11:00 a.m. to 1:00 p.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>.

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### **3. Revised: Statements of Position on Deposits & Investments**

Two Statements of Position related to deposits and investments by public entities have been revised.

The Statement entitled “Custodial Credit Risk: Certificates of Deposit Obtained Through a Placement Service” affirms the dual approach that the Office of the State Auditor will take to analyze the Custodial Credit risk associated with Certificates of Deposit placement services. The complete Statement can be viewed at:

<http://www.auditor.state.mn.us/default.aspx?page=20110607.000>.

The Statement entitled “Deposits of Public Funds (Depositories and Collateral)” has been updated to acknowledge the increased number of situations where public entities have not received a proper written assignment of collateral from their banks. The revised Statement can be found at:

<http://www.auditor.state.mn.us/default.aspx?page=20110607.002>.

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### **4. Avoiding Pitfalls: Mayors and Council Members May Not Be Full-Time Permanent City Employees**

The mayor and all city council members elected or appointed on or after August 1, 2010 are prohibited from being employed by the city. “Employed” means full-time permanent employment as defined by the city’s employment policy.

The relevant laws are [Minn. Stat. § 410.191](#) for charter cities and [Minn. Stat. § 412.02](#) for statutory cities.

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