



State Auditor
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OFFICE OF THE STATE AUDITOR

E-Update

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1. Meeting: Fire Department Joint Powers Subgroup
2. Pension: Maximum Benefit Calculations
3. Avoiding Pitfalls: Town Disbursement Process

1. Meeting: Fire Department Joint Powers Subgroup

The Fire Department Joint Powers Subgroup will be meeting on Monday, July 13, at 1:30 p.m. at our 525 Park Street office in Saint Paul.

Meetings 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=20150612.000>.

2. Pension: Maximum Benefit Calculations

Volunteer fire relief associations that offer or pay lump sum, monthly, or monthly/lump sum combination service pensions must annually calculate the average amount of available financing per active covered firefighter.

The Office of the State Auditor provides the Maximum Benefit Worksheet for performing this calculation. The calculation determines the maximum lump sum and monthly benefit levels that the relief association is authorized to establish for the year under State law. Relief associations are to perform the maximum benefit calculation on or before August 1 as part of the association's annual certification of the financial requirements and minimum municipal obligation.

Maximum Benefit Worksheet forms are available in the State Auditor's Form Entry System (SAFES) at:

<https://www.auditor.state.mn.us/safes/>.

3. Avoiding Pitfalls: Town Disbursement Process

Adequate support for payments is a fundamental requirement of a sound accounting system. We recommend that all invoices clearly show dates and initials indicating approval for payment. We also suggest that invoices contain the general ledger coding for posting transactions to the Town ledger.

Prior to Town Board meetings, supervisors should fully review each claim for appropriateness and accuracy. The minutes should identify the claims approved. Towns can accomplish this by attaching a list of claims, signed by the Board Chair, to the meeting minutes.

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