



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*

October 26, 2018

1. Released: Municipal Liquor Store Report
2. Deadline: County Financial Reporting Form
3. Registration: OSA Annual Training
4. Pension: Military Breaks in Service
5. Avoiding Pitfalls: Scrap and Salvage Proceeds

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### **1. Released: Municipal Liquor Store Report**

The OSA has released the 2017 Analysis of Municipal Liquor Store Operations. The report provides comparative data on liquor operations which are owned and operated by Minnesota cities. To view the complete report, which includes an Executive Summary, tables, and graphs, go to:

<http://www.auditor.state.mn.us/default.aspx?page=20181024.000>.

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### **2. Deadline: County Financial Reporting Form**

November 1st is the deadline for counties to submit their annual financial reporting form. The form can be found at:

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

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### **3. Registration: OSA Annual Training**

The OSA Annual Training will be held on Wednesday, November 14th at the Mermaid Event Center in Mounds View. Topics will include legal compliance, procurement, a GASB update, and fraud prevention.

For details and a link to the online registration, please go to:

<http://www.auditor.state.mn.us/default.aspx?page=2018OSATraining>.

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#### **4. Pension: Military Breaks in Service**

Volunteer fire relief associations are required under state and federal law to provide service credit to members who are absent from firefighting service due to military service. Members who are absent from the relief association due to a military break in service are treated for pension purposes as though they were active. This is true regardless of whether the member voluntarily enlisted or was called upon as a member of the National Guard.

The service credit provided under state and federal law is subject to certain limitations and restrictions. To be eligible for the service credit, the member must provide notice to the fire department that he or she is leaving to provide military service, unless it is not feasible to provide that notice due to the emergency nature of the situation. It is recommended that both written and verbal notice be provided. The member must also return to firefighting service with coverage by the same relief association upon discharge and must be honorably discharged. Upon reemployment, members are not required to remain in active status for any minimum length of time. Military service credit is generally capped at five years, although there are exceptions for many active duty periods.

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#### **5. Avoiding Pitfalls: Scrap and Salvage Proceeds**

Public entities may at times receive money from the sale of scrap or other salvaged materials. This money is not “found” money that can simply be retained and spent by the department that controls the materials. Instead, the money must be treated like other public funds and promptly turned over to the public entity for deposit and entry into the accounting system.

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