



REBECCA OTTO  
STATE AUDITOR

# STATE OF MINNESOTA OFFICE OF THE STATE AUDITOR

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September 24, 2012

The Honorable Dale Porter  
Mayor, City of Bluffton  
P.O. Box 66  
Bluffton, Minnesota 56518

Dear Mayor Porter:

The Office of the State Auditor (“OSA”) has been informed by the Bluffton Fire Relief Association (“Relief”) that \$6,982 in 2011 state fire aid received by the City of Bluffton (“City”) in October 2011 and \$1,770 in 2009 supplemental benefit reimbursements received by the City in March 2010 were not transferred to the Relief.

Minnesota law requires the city treasurer to transfer state fire aid received by a city to its relief association’s treasurer within 30 days of receipt.<sup>1</sup> The relief association must deposit the state fire aid in the relief association’s special fund, which is the relief association’s restricted pension fund.<sup>2</sup>

In addition, under Minnesota law, the OSA must certify to the Minnesota Department of Revenue which fire relief associations are eligible for state fire aid. The Relief will not be certified to receive future state fire aid until the amount the City owes to the Relief has been paid in full.

Please provide the OSA with the City’s plan to pay the state fire aid and supplemental benefit reimbursements to the Relief. In addition, please provide us with copies of all documents supporting the receipt, disbursement, and use of these funds. If the City believes the funds were transferred to the Relief, please provide us with copies of all documents supporting the transfers. The requested documents should be received by the OSA no later than November 21, 2012.

If you have any questions about this request, please feel free to contact me at 651-297-5853 or [Nancy.Bode@osa.state.mn.us](mailto:Nancy.Bode@osa.state.mn.us), or Rose Hennessy Allen, the OSA’s Pension Director, at 651-296-5985 or [Rose.Hennessy-Allen@osa.state.mn.us](mailto:Rose.Hennessy-Allen@osa.state.mn.us).

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<sup>1</sup> See Minn. Stat. § 60.031, subd. 5(a). The transfer of state fire aid to a relief association may be delayed if the relief association has not filed a financial report with the city. *Id.*

<sup>2</sup> See Minn. Stat. § 424A.05, subd. 2.

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Sincerely,

*/s/ Nancy J. Bode*

Nancy J. Bode  
Assistant Legal Counsel

cc. The Honorable Timothy Pavek, City Council Member  
The Honorable Dean Goeller, City Council Member  
The Honorable Jackie Geiser, City Council Member  
Ms. Jeanne C. Roggenkamp, City Clerk/Treasurer  
Mr. Ken Theisen, City Fire Chief  
Mr. Andrew Geiser, Relief Treasurer  
Ms. Rose Hennessy Allen, OSA's Pension Director