



State Auditor  
Rebecca Otto

## OFFICE OF THE STATE AUDITOR

# *E-Update*

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

1. Released: Minnesota City Finances Report
  2. Released: Large Public Pension Plan Investment Report
  3. Deadline: Summary Budget & Lobbying Forms Due
  4. Available: County TIF Information Form
  5. Avoiding Pitfalls: Contractors' Performance and Payment Bonds
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### **1. Released: Minnesota City Finances Report**

The Office of the State Auditor this week released the 2008 Minnesota City Finances Report, a comprehensive report on revenues, expenditures and debt for Minnesota's cities. The report summarizes cities' financial operations for calendar year 2008 and examines long-term trends as well. To view the complete report, go to:

<http://www.auditor.state.mn.us/default.aspx?page=20100114.000>.

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### **2. Released: Large Public Pension Plan Investment Report**

The Office of the State Auditor has released the Large Public Pension Plan Investment Report. The report reviews the investment performance of Minnesota's large public pension plans for the 2008 calendar year. These pension plans, plus the State Board of Investment (SBI), represent the retirement savings of hundreds of thousands of public employees and held over \$38 billion in assets as of December 31, 2008. To view the complete report, go to:

<http://www.auditor.state.mn.us/default.aspx?page=20100114.002>.

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### **3. Deadline: Summary Budget & Lobbying Forms Due**

January 31<sup>st</sup> is the deadline for submitting the 2010 City and County Summary Budget Forms & the 2009 Local Government Lobbying Costs Forms to the Office of the State Auditor. The forms can be accessed through the State Auditor Form Entry System (SAFES), which can be found at:

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

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### **4. Available: County TIF Information Form**

The TIF Division is requesting annual TIF district information from county auditors for taxes payable 2009. The information requested includes districts certified and decertified during the year, tax increment amounts returned to counties, and tax increment payments made to development authorities. This data is necessary for preparing the 2009 TIF reporting forms.

The form is available for download at:

<http://www.auditor.state.mn.us/default.aspx?page=20090112.001>.

The deadline to return the form is Friday, March 12. The form may be submitted by e-mail to [TIF@auditor.state.mn.us](mailto:TIF@auditor.state.mn.us) or by US mail to TIF Division, 525 Park Street, Suite 500, St. Paul, MN 55103.

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### **5. Avoiding Pitfalls: Contractors' Performance and Payment Bonds**

When public entities enter into contracts greater than \$75,000, they must obtain a performance bond and a payment bond from the contractor. This requirement, with a few exceptions, applies to all contracts for “the doing of any public work.” The performance bond helps ensure that the work will be completed according to the terms of the contract. The payment bond helps ensure that subcontractors, and people who provide labor and materials, are paid.

The bonds must be equal to or greater than the contract price. If the contract price increases after the bonds are provided, the public entity should consider obtaining additional bonds.

The statutes requiring these bonds are contained in the Public Contractors’ Performance and Payment Bond Act found in [Minnesota Statutes sections 574.26 to 574.32](#). For additional information on contractors’ bonds, see our Statement of Position 2007-1001 found at:

[http://www.auditor.state.mn.us/other/statements/contractorsbonds\\_0808\\_statement.pdf](http://www.auditor.state.mn.us/other/statements/contractorsbonds_0808_statement.pdf).

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The Office of the State Auditor is located at 525 Park Street, Suite 500, St. Paul, MN 55103. Phone: (651) 296-2551 or (800) 627-3529 (TTY) Fax: (651) 296-4755  
Web: [www.auditor.state.mn.us](http://www.auditor.state.mn.us).