



State Auditor
Rebecca Otto

OFFICE OF THE STATE AUDITOR

E-Update

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July 31, 2015

1. Deadline: TIF Annual Reporting Form
2. Meeting: Fire Department Joint Powers Subgroup
3. Released: Pension Newsletter
4. Avoiding Pitfalls: Contractors' Performance and Payment Bonds

1. Deadline: TIF Annual Reporting Form

The 2014 TIF Annual Reporting Form is due on Monday, August 3. The form can be accessed at:

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

Instructions, sample forms, and videos on how to fill out and submit TIF reporting forms can be found at:

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

2. Meeting: Fire Department Joint Powers Subgroup

The next meeting of the Fire Department Joint Powers Subgroup will be on Tuesday, August 4, 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>.

3. Released: Pension Newsletter

The July **Pension Newsletter** has been released. The Newsletter contains information on questions about relief association membership restrictions and potential issues. The Newsletter also provides reminders about the Schedule Form certification deadline and municipal ratification of relief association benefit levels.

The complete Newsletter can be viewed at:

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

4. Avoiding Pitfalls: Contractors' Performance and Payment Bonds

When public entities enter into contracts greater than \$100,000, they must obtain a performance bond and a payment bond from the contractor. This requirement, with a few exceptions, applies to 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, Contract Change-Orders and Contractor’s Bonds, found at:

<http://www.auditor.state.mn.us/default.aspx?page=20110531.007>.

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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.