**PRESS RELEASE**

State Auditor Otto Releases Report on County Finances

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ST. PAUL (4/21/2011) – State Auditor Rebecca Otto today released the 2009 Minnesota County Finances Report. The report summarizes the financial data of Minnesota counties for calendar year 2009, and also examines long-term financial trends in county government operations. The report is intended to help the public, local government officials, and policy makers understand county financial operations.

Highlights from the report include:

**Current Trends**

- Minnesota county revenues totaled $5.7 billion in 2009. This represents an increase of $121.0 million, or 2.2 percent, over 2008. The rise in total revenues was primarily due to a $131.7 million or 5.5 percent increase in tax revenues. Significant decreases in other revenue categories such as interest earnings and local unit grants moderated the overall growth in county revenues.

- Counties reported total expenditures of $5.8 billion in 2009. This represents a decrease of $414.1 million, or 6.7 percent, from total expenditures in 2008.

- In 2009, Minnesota counties reported outstanding long-term debt of $3.4 billion. This represents an increase of 4.4 percent over long-term debt reported in 2008.

- The operating income of Minnesota county enterprises totaled $5.3 million in 2009. This represents an increase of 122.2 percent over the operating losses of $24.0 million reported in 2008. The net income of county enterprises totaled $27.2 million in 2009. This represents an increase of 1.2 percent over 2008.
In 2009, Minnesota counties’ unreserved fund balances of General Fund and Special Revenue Funds totaled $2.2 billion. This represents an increase of 11.7 percent over 2008 unreserved fund balances. The average unreserved fund balances as a percent of current expenditures for counties increased from 41.0 percent in 2008 to 48.3 percent in 2009.

Ten-Year Trends

- In actual dollars, total revenues rose 40.0 percent from 2000 to 2009. When converted to constant dollars, there was a decrease of 1.2 percent.

- Since 2002, the share of total revenues derived from taxes has increased from 35.7 percent to 44.7 percent, while the share of total revenues derived from state grants has decreased from 34.8 percent to 25.4 percent.

- When adjusted for inflation, total county expenditures decreased 1.3 percent from 2000 to 2009. In actual dollars, expenditures increased 39.9 percent.

- When adjusted for inflation, outstanding long-term indebtedness grew 81.5 percent between 2000 and 2009. In actual dollars, long-term debt increased 157.2 percent over this period.

To view the complete report, which includes an Executive Summary, charts and graphs, go to:


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The Office of the State Auditor is a constitutional office that is charged with overseeing more than $20 billion spent annually by local governments in Minnesota. The Office of the State Auditor does this by performing audits of local government financial statements, and by reviewing documents, data, reports, and complaints reported to the Office. The financial information collected from local governments is analyzed and is the basis of statutory reports issued by the Office of the State Auditor.

Rebecca Otto is Minnesota’s 18th State Auditor. A high-resolution official photo is available for download at http://www.auditor.state.mn.us/images/otto_hires.jpg. To learn more about State Auditor Otto, see http://www.auditor.state.mn.us/default.aspx?page=bio.