STATE OF MINNESOTA
OFFICE OF THE STATE AUDITOR

SUITE 500
525 PARK STREET
SAINT PAUL, MN  55103-2139

(651) 296-2551 (Voice)
(651) 296-4755 (Fax)
state.auditor@osa.state.mn.us (E-mail)
1-800-627-3529 (Relay Service)

***PRESS RELEASE***

State Auditor Otto Releases 2013 Town Finances Report

Contact: Jim Levi, Office of the State Auditor, (651) 297-3683, Jim.Levi@osa.state.mn.us


In 2013, there were 1,783 towns compared to 853 cities and 87 counties. The 2013 population estimates from the State Demographer show that 919,329 individuals reside in towns, representing about 17.0 percent of the state population. Town populations range from 11,165 in the Town of White Bear to 5 in the Town of Hangaard. Fifty-two percent of towns have a population of 300 or less.

Highlights from the report include:

Current and Five-Year Trends

- In 2013, Minnesota towns reported total revenues of $279.8 million. This amount represents a 0.2 percent increase over the total revenues reported in 2012. Increases in tax revenues offset a decrease in intergovernmental revenues. The number of towns that failed to report in 2013 (136) was 40 less than 2012 (176). An analysis that examined only those towns that reported both years showed a decrease in total revenues of 0.7 percent.

- Minnesota towns reported total expenditures of $267.2 million in 2013. This amount represents an increase of 5.3 percent over the amount reported in 2012. An analysis of only those towns that reported in 2012 and 2013 shows that total expenditures among these towns increased 4.5 percent in total expenditures.

- Debt service expenditures are the principal and interest payments on outstanding indebtedness. Towns had debt service expenditures of $12.8 million in 2013. This amount represents a 3.5 percent decrease from 2012. Over the five-year period of 2009 to 2013, debt service expenditures decreased 11.9 percent.

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Total outstanding short- and long-term indebtedness totaled $70.7 million in 2013. This represents an increase of 2.3 percent over 2012. Outstanding bonded indebtedness totaled $48.6 million in 2013, which was an increase of 6.0 percent over the $45.9 million outstanding in 2012. Other long-term debt totaled $21.2 million in 2013, which was a decrease of 6.1 percent from 2012. In addition, towns reported $868,480 in short-term indebtedness in 2013, which was an increase of 34.9 percent over 2012.

Ten-Year Trends

- Between 2004 and 2013, total town revenues in actual dollars increased 27.5 percent. In constant, or inflation-adjusted, dollars, total town revenues decreased 4.8 percent over this ten-year period.

- Since 2004, the share of total revenues derived from taxes has increased from 65.1 percent in 2004 to 76.4 percent in 2013. In contrast, the share of total revenues derived from intergovernmental sources has decreased from 20.0 percent in 2004 to 14.4 percent in 2013.

- In constant, or inflation-adjusted, dollars, total town expenditures decreased 11.4 percent between 2004 and 2013. In actual dollars, total expenditures grew 18.6 percent over the ten-year period.

For the complete report, which includes an Executive Summary, graphs and tables, 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.