State Auditor Otto Releases Report on Special Districts

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Special districts are local government units created or authorized by state law to address issues that transcend traditional local government boundaries. Special districts perform specific duties or provide specific services in a limited scope. Some may levy taxes and/or special assessments. Some examples of special districts services include watershed management, soil and water conservation, sanitation, and regional development. Some of the larger special districts in Minnesota include the Metropolitan Council, and the Minnesota Ballpark Authority.

Highlights from the report include:

- Special districts reported total governmental fund revenues of $1.15 billion in 2009. The primary sources of revenues for special district governmental funds in 2009 were taxes (28 percent), state grants (22 percent), all other revenues (14 percent), local grants (14 percent) and federal grants (12 percent).

- Special districts reported total governmental expenditures of $1.17 billion in 2009. Of this amount, $756.8 million were current expenditures, $346.1 million were capital expenditures, and $67.0 million were debt service payments.

- In 2009, special district enterprise operations reported operating revenues of $1.96 billion, operating expenditures of $2.28 billion, and operating losses of $315.2 million (operating revenues minus operating expenses). In addition, special district enterprises had non-operating revenues of $595.6 million, non-operating expenses of $257.1 million, and a net profit of $23.3 million. Non-operating revenues include sources such as taxes, intergovernmental grants, and interest income.

- Special districts reported $5.49 billion in outstanding long-term debt (bonds and other long-term debt) in 2009. Three special districts accounted for $3.90 billion, or 71.1 percent, of the total outstanding long-term debt of special districts. The three special districts are the Metropolitan Airports Commission; the Metropolitan Council; and the Southern Minnesota Municipal Power Agency.

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To view the complete Report, which includes an Executive Summary, graphs and tables, please 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.