



REBECCA OTTO  
STATE AUDITOR

## 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 Report on Minnesota County Finances**

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

**ST. PAUL (5/8/2013)** – State Auditor Rebecca Otto today released the 2011 Minnesota County Finances Report, which summarizes, through data tables and charts, the financial operations of Minnesota counties for calendar year 2011 and also examines long-term trends. The report is intended to help the public, local government officials, and other policy makers understand county financial operations.

Highlights from the report include:

### **Current Trends**

- Minnesota county revenues totaled \$5.9 billion in 2011. This represents an increase of \$141.6 million, or 2.5 percent, over 2010. All categories of revenues, except charges for services, increased between 2010 and 2011. Interest earnings (56 percent) and local unit grants (22 percent) had the largest increases.
- Counties reported total expenditures of \$6.0 billion in 2011. This represents an increase of \$14.8 million, or 0.2 percent, over total expenditures in 2010.
- In 2011, Minnesota counties reported outstanding long-term debt of \$3.5 billion. This represents an increase of 1 percent over long-term debt reported in 2010. Of the \$3.5 billion in long-term debt, \$3.3 billion was outstanding bonded debt, and \$246.2 million was other long-term debt.
- The operating income of Minnesota county enterprises totaled \$22.0 million in 2011. This represents a decrease of 37 percent from the operating income of \$34.9 million reported in 2010. The net income of county enterprises totaled \$55.1 million in 2011. This represents a decrease of 2 percent from 2010.

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- In 2011, Minnesota counties' unrestricted fund balances of General Fund and Special Revenue Funds totaled \$2.3 billion, which was equal to the level in unreserved fund balances in 2010. The average unrestricted fund balances as a percent of current expenditures for counties was 50 percent in 2011 compared to 47 percent for unreserved fund balances as a percent of total current expenditures in 2010.

### **Ten-Year Trends**

- In actual dollars, total revenues rose 32 percent from 2002 to 2011. When adjusted for inflation, there was a decrease of 7 percent over this period.
- Since 2002, the share of total revenues derived from taxes has increased from 36 percent to 45 percent, while the share of total revenues derived from state grants has decreased from 35 percent to 24 percent.
- In actual dollars, expenditures increased 26 percent from 2002 to 2011. When adjusted for inflation, total county expenditures decreased 12 percent.
- In actual dollars, long-term debt increased 99 percent from 2002 to 2011. When adjusted for inflation, outstanding long-term indebtedness grew 39 percent over this period.

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

<http://www.auditor.state.mn.us/default.aspx?page=20130508.000>.

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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 18<sup>th</sup> State Auditor. A high-resolution official photo is available for download at [http://www.auditor.state.mn.us/images/otto\\_hires.jpg](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>.*