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*****PRESS RELEASE*****

State Auditor Otto Releases 2011 Town Finances Report

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ST. PAUL (11/15/2012) – State Auditor Rebecca Otto today released the Minnesota Town Finances Report, a comprehensive report on revenues, expenditures and debt. The report analyzes town financial operations for the calendar year ended December 31, 2011.

In 2011, there were 1,785 towns compared to 854 cities and 87 counties. The 2011 population estimates from the State Demographer show that 924,158 individuals reside in towns, representing about 17.5 percent of the State population. Town populations range from 10,966 in the Town of White Bear (Ramsey County) to 5 in the Town of Hangaard (Clearwater County). Fifty-one percent of towns have a population of 300 or less.

Highlights from the report include:

Current and Five-Year Trends

- In 2011, Minnesota towns reported total revenues of \$270.9 million. This amount represents a 3.7 percent increase over the total revenue reported in 2010. Increases in tax and intergovernmental revenues helped to offset decreases in charges for services, interest earnings, and special assessments.
- Minnesota towns reported total expenditures of \$264.1 million in 2011. This amount represents a decrease of 0.3 percent from the amount reported in 2010. Of total expenditures, \$222.6 million (84.3 percent) was allocated to current expenditures, \$29.0 million (11.0 percent) to capital outlay, and \$12.6 million (4.8 percent) to debt service payments.
- Towns had debt service expenditures of \$12.6 million in 2011. This amount represents a 16.5 percent decrease in debt service expenditures from 2010 to 2011.
- Total outstanding short- and long-term indebtedness totaled \$73.4 million in 2011. This represents a decrease of 6.2 percent from 2010. Outstanding bonded indebtedness totaled \$47.8 million in 2011, which was a decrease of 10.9 percent from the \$53.8 million outstanding in 2010. Other long-term debt totaled \$24.7 million in 2011, which was an increase of 2.2 percent over 2010.

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Ten-Year Trends

- Since 2002, the share of total revenues derived from taxes has increased from 58.1 percent in 2002 to 72.6 percent in 2011. In contrast, the share of total revenues derived from intergovernmental sources has decreased from 25.5 percent in 2002 to 17.8 percent in 2011.
- In constant dollars, total town revenues decreased 6.6 percent between 2002 and 2011.
- In constant dollars, total town expenditures decreased 6.2 percent between 2002 and 2011.

For the complete report, which includes an Executive Summary, graphs and tables, go to:

<http://www.auditor.state.mn.us/default.aspx?page=20121115.000>.

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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 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>.