



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@state.mn.us (E-mail)
1-800-627-3529 (Relay Service)

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

State Auditor Otto Releases Report on Special District Finances

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

ST. PAUL (11/20/2008) – State Auditor Rebecca Otto today released a comprehensive report on Minnesota’s special districts revenues, expenditures and debt for 2005 and 2006. Special districts are local units of government created or authorized by state law to provide specific duties or specific services in a limited scope. Some special districts may levy taxes and/or special assessments. Examples of special districts include regional development commissions, hospital districts, soil and water conservation districts, and sanitation districts.

The highlights from the report include:

- In 2006, special districts had governmental fund revenues of \$642.2 million and enterprise fund operating revenues of \$1.63 billion. This compares to governmental fund revenues of \$601.8 million and enterprise fund operating revenues of \$1.78 billion in 2005. Total governmental revenues increased 6.7 percent, while operating revenues of special district enterprises decreased 8.6 percent over this period.
- In 2006, special districts had expenditures of \$673.1 million from governmental funds and \$1.98 billion in operating expenses from enterprise funds. In 2005, special districts expended \$626.7 million from governmental funds and had \$2.04 billion in operating expenses from enterprise funds.
- Overall, special district enterprises had operating losses of \$356.1 million in 2006 (operating revenues minus operating expenses), compared to \$259.0 million in 2005. In 2006, there were significantly more enterprises with operating losses than operating incomes, 203 to 133 respectively. A total of 18 enterprises broke even.
- Special districts reported \$5.06 billion in outstanding long-term debt (bonds and other long-term debt) in 2006, compared to \$5.23 billion in 2005.

To view the complete report, which includes an Executive Summary, go to:
<http://www.auditor.state.mn.us/default.aspx?page=20081120.000>

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>