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

State Auditor Otto Releases Annual County Finances Report

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ST. PAUL (3/8/2018) – State Auditor Rebecca Otto today released the County Finances Report, which summarizes, through data tables and charts, the financial operations of Minnesota counties for calendar year 2016. The report also examines long-term trends.

This 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 \$6.63 billion in 2016. This represents an increase of \$208.1 million, or 3.2 percent, over 2015.
- Counties reported total expenditures of \$6.97 billion in 2016. This represents an increase of \$351.8 million, or 5.3 percent, over 2015 total expenditures. Between 2015 and 2016, current expenditures increased 5.7 percent to \$5.36 billion, capital outlays increased 4.8 percent to \$1.16 billion, and debt service increased 2.2 percent to \$447.4 million.
- In 2016, Minnesota counties reported outstanding long-term debt of \$3.67 billion. This represents an increase of 4.7 percent over the long-term debt reported in 2015. Of the \$3.67 billion in long-term debt, \$3.46 billion was outstanding bonded debt, and \$213.7 million was other long-term debt.
- Minnesota county enterprises reported operating losses of \$81.1 million in 2016. This represents a decrease of 884.9 percent from the operating income of \$10.3 million reported in 2015. County enterprises posted a net loss of \$26.1 million in 2016, a decrease of 154.8 percent from the \$47.7 million net income reported in 2015.

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Ten-Year Trends

- Between 2007 and 2016, in actual dollars, total county revenues rose 22.0 percent. When adjusted for inflation, the increase in total revenues was 1.9 percent over this period.
- Between 2007 and 2016, the share of total revenues derived from taxes increased from 41.5 percent to 47.5 percent, while the share of total revenues derived from intergovernmental revenues decreased from 39.5 percent to 37.9 percent.
- In actual dollars, total expenditures increased 19.2 percent from 2007 to 2016. When adjusted for inflation, county expenditures decreased 0.4 percent over the ten-year 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=20180307.000>.

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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>.