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## **\*\*\*PRESS RELEASE\*\*\***

### **State Auditor Otto Releases Report on Minnesota County Finances**

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**ST. PAUL (4/1/2015)** – State Auditor Rebecca Otto today released the 2013 Minnesota County Finances Report, which summarizes, through data tables and charts, the financial operations of Minnesota counties for calendar year 2013 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 2013. This represents a decrease of \$44.2 million, or 0.7 percent, from 2012. Decreases in interest earnings (-139.6 percent), federal grants (-11.3 percent), and all other revenues (-8.9 percent) contributed to the overall decrease in county revenues between 2012 and 2013.
- Counties reported total expenditures of \$6.2 billion in 2013. This represents an increase of \$207.5 million, or 3.5 percent, over total expenditures in 2012. Between 2012 and 2013, current expenditures increased 3.7 percent to \$4.9 billion; capital outlays decreased 5.3 percent to \$884.0 million; and debt service increased 22.4 percent to \$456.0 million.
- In 2013, Minnesota counties reported outstanding long-term debt of \$3.5 billion. This represents a very slight decrease from the long-term debt reported in 2012. Of the \$3.5 billion in long-term debt, \$3.3 billion was outstanding bonded debt, and \$241.3 million was other long-term debt.
- Minnesota county enterprises reported operating losses of \$34.9 million in 2013. This represents an increase of 409.3 percent from the operating losses of \$6.9 million reported in 2012. The net losses of county enterprises totaled \$7.1 million in 2013. This represents a decrease of 127.4 percent from the \$26.0 million in net income reported in 2012.

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## Ten-Year Trends

- In actual dollars, total revenues rose 32.6 percent from 2004 to 2013. When adjusted for inflation, there was a decrease in total revenues of 0.9 percent over this period.
- Since 2004, the share of total revenues derived from taxes has increased from 39.8 percent to 48.3 percent, while the share of total revenues derived from intergovernmental revenues has decreased from 42.1 percent to 36.9 percent.
- In actual dollars, total expenditures increased 31 percent from 2003 to 2012. When adjusted for inflation, county expenditures decreased 5 percent.
- In actual dollars, total expenditures increased 34.8 percent from 2004 to 2013. When adjusted for inflation, county expenditures increased 0.7 percent. The primary categories of expenditures for counties over the ten-year period were consistently human services, streets and highways, public safety, and general government expenditures. Together, these four expenditure categories accounted for 77.1 percent of all county expenditures in 2013.

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

<http://www.auditor.state.mn.us/default.aspx?page=20150331.002>.

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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>.*