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

State Auditor Otto Releases 2015 Town Finances Report

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ST. PAUL (11/15/2016) – State Auditor Rebecca Otto today released the Minnesota Town Finances Report, a comprehensive report on revenues, expenditures and debt for Minnesota’s towns. The report analyzes town financial operations for the calendar year ended December 31, 2015.

In 2015, there were 1,781 towns compared to 853 cities and 87 counties. The 2015 population estimates from the State Demographer show that 909,953 individuals reside in towns, representing about 16.6 percent of the state population. Town populations range from 11,013 in the Town of White Bear to 5 in the Town of Hangaard. Fifty-two percent of towns have a population of 300 or less.

Highlights from the report include:

Current and Five-Year Trends

- In 2015, Minnesota towns reported total revenues of \$310.1 million. This amount represents a 1.1 percent increase over the total revenues reported in 2014. From 2011 to 2015, total town revenues increased 14.4.
- Minnesota towns reported total expenditures of \$282.9 million in 2015. This amount represents a decrease of 3.0 percent from the amount reported in 2014.
- Debt service expenditures are the principal and interest payments on outstanding indebtedness. Towns had debt service expenditures of \$12.2 million in 2015. This amount represents a decrease of 13.6 percent from 2014. Over the five-year period of 2011 to 2015, debt service expenditures decreased 3.1 percent.
- Total outstanding indebtedness totaled \$54.7 million in 2015. This represents a decrease of 9.1 percent from 2014. Outstanding bonded indebtedness totaled \$33.6 million in 2015, which represents a decrease of 18.3 percent from the \$41.1 million outstanding in 2014. Other long-term debt totaled \$20.7 million in 2015, which was an increase of 15.1 percent over 2014. In addition, towns reported \$415,655 in short-term indebtedness in 2015, which was a decrease of 62.1 percent from 2014.

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Ten-Year Trends

- Between 2006 and 2015, total town revenues in actual dollars increased 31.0 percent. In constant, or inflation-adjusted, dollars, total town revenues increased 5.3 percent over this ten-year period.
- Since 2006, the share of total revenues derived from taxes has increased from 67.1 percent in 2006 to 73.0 percent in 2015, and the share of total revenues derived from intergovernmental sources has fluctuated between 14.4 (2013) and 19.1 (2015) percent over that period.
- In constant, or inflation-adjusted, dollars, total town expenditures decreased 6.9 percent between 2006 and 2015. In actual dollars, total expenditures grew 15.7 percent over the ten-year period.

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

<http://www.auditor.state.mn.us/default.aspx?page=20161115.000>.

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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>.