



The Office of the
**Minnesota
State Auditor**

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State Auditor Julie Blaha Releases Financial Report on Minnesota's Special Districts

St. Paul, MN – Earlier today, State Auditor Julie Blaha released the financial report on Minnesota's special districts. Special districts are local government units created or authorized by state law to perform specific duties or to provide specific services. This report categorizes special districts into 30 categories, such as housing and redevelopment authorities, mental health/family services collaboratives and soil and water conservation districts.

This report covers the special districts with fiscal years that ended between July 1, 2017 and June 30, 2018 (FY 2017). Highlights of this report include:

- Special districts reported total governmental fund revenues of \$1.2 billion in 2017. The primary sources of revenues for special district governmental funds were state grants (31 percent), taxes (27 percent), and charges for services (17 percent).
- Special districts reported total governmental expenditures of \$1.3 billion in 2017. Of this amount, \$1.1 billion were current expenditures, \$112.4 million were capital expenditures, and \$83.0 million were debt service payments.
- In 2017, special district enterprise operations reported operating revenues of \$2.1 billion, operating expenses of \$2.7 billion, and operating losses of \$633.3 million (operating revenues minus operating expenses).¹ In addition, special district enterprises had nonoperating revenues of \$832.4 million, nonoperating expenses of \$218.5 million, and a net loss of \$19.4 million. Nonoperating revenues include sources such as taxes, intergovernmental grants, and interest income.
- Special districts reported \$5.6 billion in governmental and enterprise fund outstanding long-term debt (bonds and other long-term debt) in 2017.

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¹Total excludes internal service funds that reflect interdepartmental billing.

- Of the 135 special districts that held long-term debt in 2017, five special districts accounted for \$4.6 billion, or 83 percent, of the total outstanding long-term debt of special districts. The five special districts, in order of outstanding long-term debt, were the Metropolitan Airports Commission, the Metropolitan Council, the Southern Minnesota Municipal Power Agency, the Western Minnesota Municipal Power Agency, and the Minnesota Municipal Power Agency.

The entire report can be found at <https://www.auditor.state.mn.us/default.aspx?page=20190808.000>

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The Office of the State Auditor is the constitutional office that oversees more than \$20 billion in local government finances for Minnesota taxpayers. The Office of the State Auditor helps to ensure financial integrity and accountability in local government financial activities. Julie Blaha is Minnesota's 19th State Auditor. Follow us on Twitter @MNStateAuditor.