
Scope and Methodology

This report provides financial information on the 551 special districts that provided financial information to the Office of the State Auditor for fiscal year 2014.¹ This report focuses exclusively on those special districts that are not component units of a primary local government.²

Special districts are local government units created or authorized by state law to perform specific duties or to provide specific services in a limited scope. Minnesota statutes authorize the creation of a variety of special districts. Some special districts are created through special legislation, while others are generally authorized by law but require approval by local electors or local elected officials. Many special districts have boards that are appointed by local and/or state officials, while others have elected board members, such as soil and water conservation districts.

Depending on the type of district and the authorizing legislation, special districts may levy property taxes and/or special assessments. When the primary sources of revenues for a special district are derived from taxes or intergovernmental revenues, the district generally accounts for its activities in governmental funds. In other instances, special districts function similarly to a private business and charge fees to cover the costs of providing the services. Special districts that operate in this manner account for their activities in enterprise funds.

Special districts in Minnesota end their fiscal years at different times. This report covers the special districts with fiscal years that ended between July 1, 2014, and June 30, 2015 (FY 2014). A special district's fiscal year may end September 30, December 31, March 31, or June 30, and a few special districts have a different fiscal year-end than those listed.

This report categorizes special districts into 29 functional categories such as airport commissions, hospital districts, and sanitation districts. Table 1 shows the 2014 distribution of the districts that reported their financial information to the Office of the State Auditor by type of district. Tables 2 through 5 provide a two-year summary of governmental fund revenues and expenditures, enterprise fund operations, and outstanding indebtedness.³ Tables 6 through 9 provide detailed 2014 financial data on special district governmental and enterprise funds, including outstanding debt.

¹The identified number of special districts in 2014 was 604. Of these, 53 either failed to report any financial information to the Office of the State Auditor, did not complete the required financial reporting form, submit financial statements, or reported after the deadline. Of the 551 special districts in this report, 10 did not complete their reporting requirement, but are included in the analysis because they submitted their financial reporting form. The financial information provided by these 10 districts could not be verified because the district did not provide a required financial statement or submitted it after the deadline. See Appendix 1 for a listing of the 53 special districts that failed to complete the required financial reporting form or provided no financial information, and the 10 districts that did not provide their financial statements or submitted them after the deadline.

²An example of a district not included in this report would be a city housing and redevelopment authority (HRA) whose financial activities are included in the city's annual financial audit.

³While the summary tables provide information on the year-to-year changes, readers should note that there were 11 more districts that reported in 2014 than in 2013. In addition, some districts reported in 2014 but not in 2013, and some that reported in 2013 did not report in 2014. These factors limit the value of year-to-year comparisons and can skew the comparisons in the tables.

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Executive Summary

- Special districts reported total governmental fund revenues of \$1.1 billion in 2014. The primary sources of revenues for special district governmental funds were taxes (29 percent), state grants (28 percent), charges for services (14 percent), local grants (12 percent), and federal grants (11 percent) (pg. 6).
- Special districts reported total governmental expenditures of \$1.1 billion in 2014. Of this amount, \$851.6 million were current expenditures, \$113.8 million were capital expenditures, and \$101.6 million were debt service payments (pg. 8).
- In 2014, special district enterprise operations reported operating revenues of \$2.2 billion, operating expenses of \$2.7 billion, and operating losses of \$486.7 million (operating revenues minus operating expenses).⁴ In addition, special district enterprises had nonoperating revenues of \$760.7 million, nonoperating expenses of \$295.0 million, and a net loss of \$21.0 million. Nonoperating revenues include sources such as taxes, intergovernmental grants, and interest income (pg. 9).
- Special districts reported \$6.0 billion in governmental and enterprise fund outstanding long-term debt (bonds and other long-term debt) in 2014 (pg. 11).
- Of the 126 special districts that held long-term debt in 2014, three special districts accounted for \$4.0 billion, or 67 percent of the total outstanding long-term debt of special districts. The three special districts were the Metropolitan Council, the Metropolitan Airports Commission, and the Southern Minnesota Municipal Power Agency (pg. 11).

⁴Total excludes internal service funds that reflect interdepartmental billing.

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Overview

This report focuses on a type of government called special districts. Special districts are often created to address issues that extend beyond traditional local government boundaries. Common functional responsibilities include watershed management, solid waste management, and regional planning and development.

In 2014, 604 special districts were required to report financial information to the Office of the State Auditor. Of these districts, 53 did not comply with Minn. Stat. §§ 6.74; 6.756; and 16c.05, subd. 5.

Table 1 below shows, by district type, the distribution of the 551 special districts that reported their financial information.⁵

2014			
<u>Special District Type</u>	<u>Number of Districts</u>	<u>Special District Type</u>	<u>Number of Districts</u>
Airport Commissions	7	Power Agencies	4
Cable Commissions	7	Public Safety Authorities	40
Computing Consortiums	3	Recreation Authorities	5
Education Districts	22	Regional Development Commissions	9
Health/Human Services	21	Regional Railroad Authorities	4
Hospital Districts	15	Rural Water Systems	6
Housing and Redevelopment Authorities	91	Sanitation Districts	41
Joint Powers	3	Service Cooperatives	11
Lake Conservation Districts	3	Soil and Water Conservation Districts	81
Lake Improvement Districts	12	Solid Waste Commissions/Boards	5
Law Enforcement - Special Districts	7	Training Centers/Councils	2
Library Districts	14	Transit Commissions	7
Mental Health/Family Services Collaboratives	68	Watershed Districts	42
Planning Agencies/Boards	1	Watershed Management Organizations	19
Port Authorities	1		

Special districts that rely on general revenue, such as taxes and intergovernmental revenue, to fund their operations use governmental funds to account for their financial activities. In contrast, special districts which operate as enterprise funds report income or losses and are generally expected to cover most of their costs through charging fees. Special districts may have both governmental fund activities as well as enterprise fund activities.

In 2014, special districts had total governmental fund revenues of \$1.1 billion and total governmental fund expenditures of \$1.1 billion. Special district enterprise funds reported operating revenues of \$2.2 billion and operating expenses of \$2.7 billion, resulting in operating losses of \$486.7 million (operating revenues minus operating expenses).

⁵The number of special districts reflects the total number of parent entities. For example, the Metropolitan Council is listed once as a Regional Development Commission. Its underlying enterprise funds, such as Metro Transit Bus and Metro Transit Light Rail, are not counted as separate special districts in this table. Table 8, starting on page 89, provides detail on the enterprise funds of the special districts.

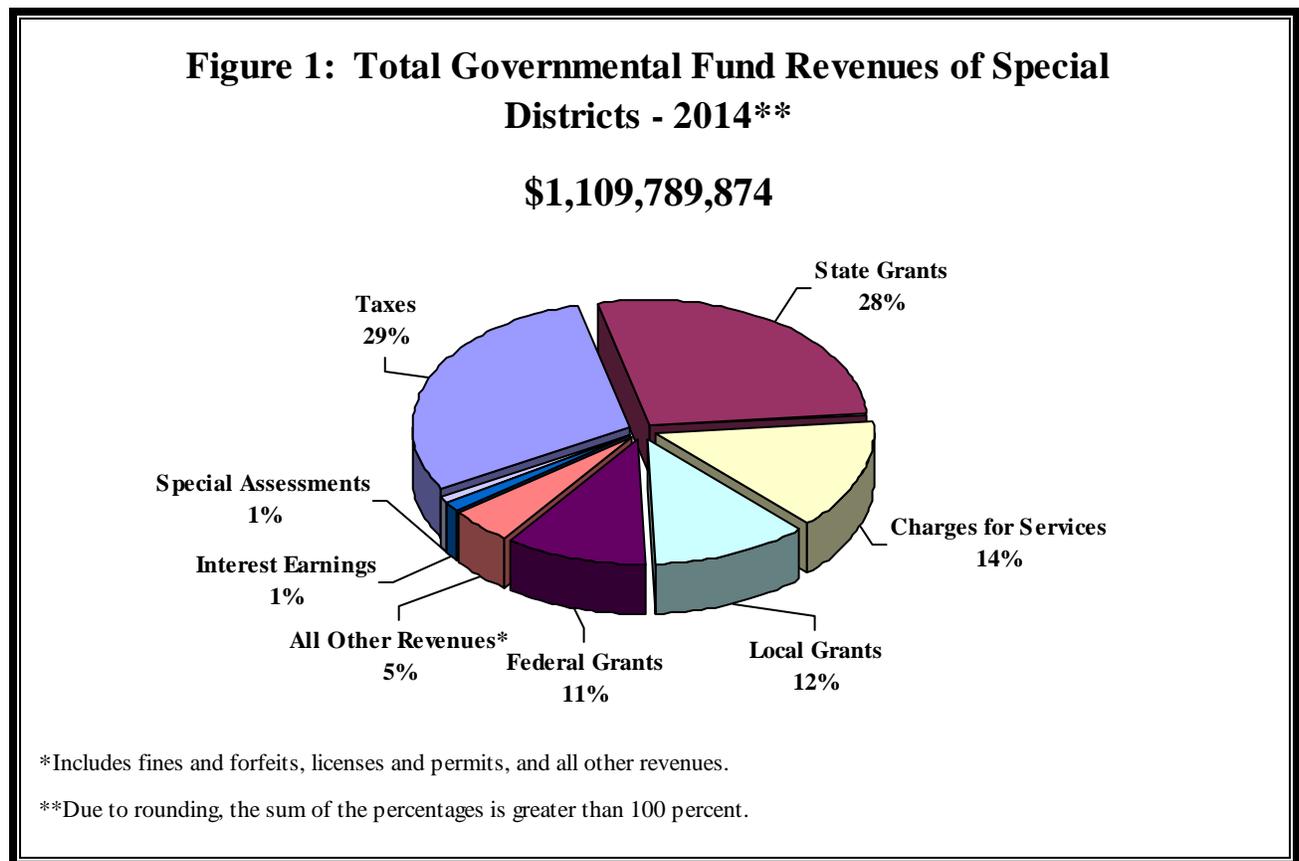
Governmental Funds

Revenues by Source

Special districts reported total governmental fund revenues of \$1.1 billion in 2014. The primary sources of revenues for special district governmental funds were taxes (29 percent), state grants (28 percent), charges for services (14 percent), local grants (12 percent), and federal grants (11 percent).

In 2014, total revenues increased 3 percent over 2013.⁶ Double-digit increases in all other revenues, charges for services, and interest earnings helped offset decreases in intergovernmental revenues, special assessments, licenses and permits, and fines and forfeits.

Figure 1 below shows the relative shares of special district total governmental revenues by source.⁷



⁶The increase can be partially attributed to 11 more special districts reporting in 2014 than 2013.

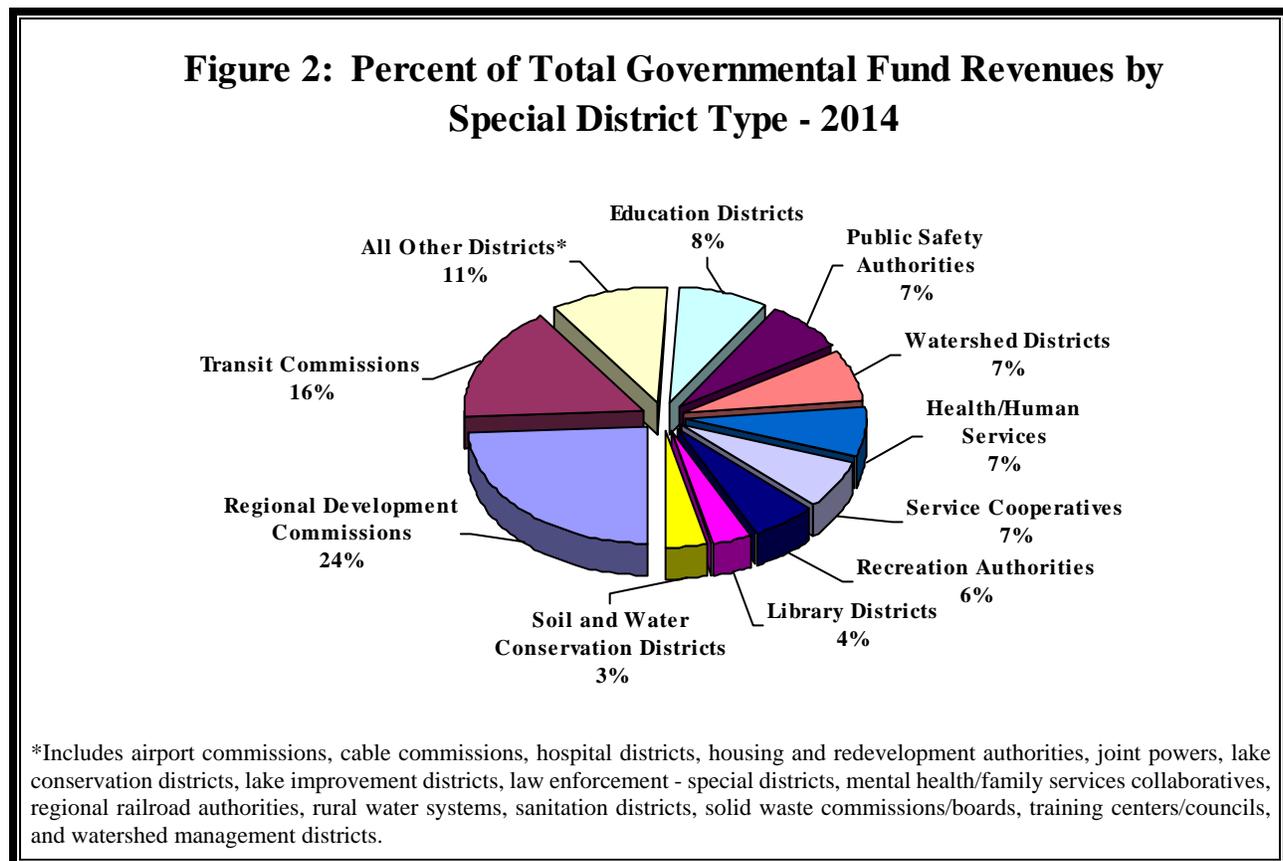
⁷For this analysis, the category “all other revenues” includes fines and forfeits, licenses and permits, and all other revenues. In Tables 2 and 6, these categories are presented separately.

Revenues by District Type

There were 378 special districts that had governmental fund revenues.⁸ Of these, 14 districts had revenues greater than \$10 million and accounted for 57 percent of all governmental fund revenues. The Metropolitan Council, a regional development commission, and the Counties Transit Improvement Board, a transit commission, together accounted for 32 percent of total governmental fund revenues.

When aggregated by type of district, regional development commissions (24 percent) and transit commissions (16 percent) received the greatest amount of governmental fund revenues.

Figure 2 below shows total revenues by special district type.



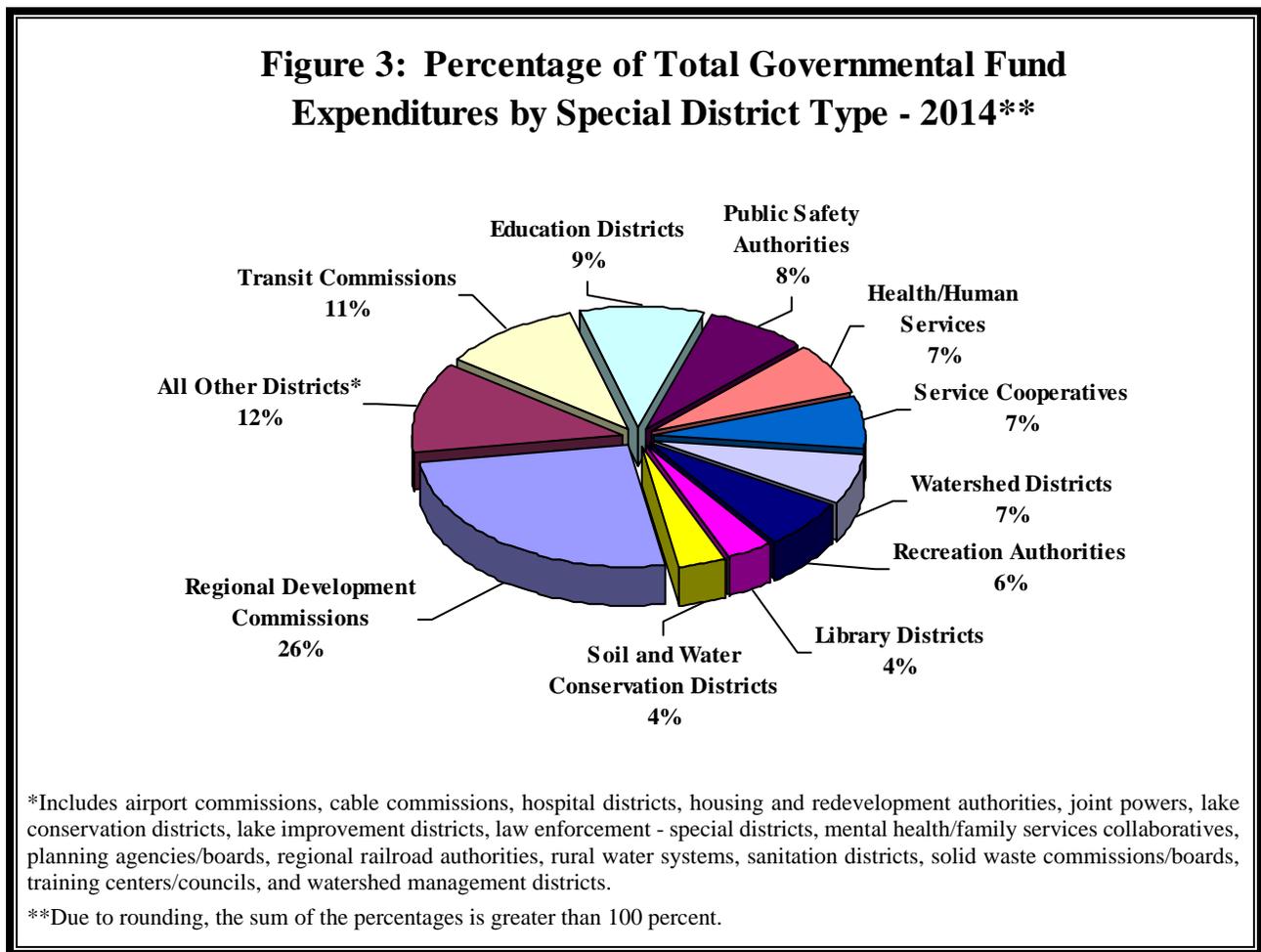
⁸The other 173 districts had only enterprise funds or showed no activity in 2014.

Expenditures by District Type

Special districts reported total governmental expenditures of \$1.1 billion in 2014. Of this amount, \$851.6 million were current expenditures, \$113.8 million were capital expenditures, and \$101.6 million were debt service payments.

Although there were 380 special districts with governmental fund expenditures, two districts accounted for 32 percent of total expenditures.⁹ The Metropolitan Council accounted for 24 percent of total expenditures and the Three Rivers Park District accounted for 6 percent. The Metropolitan Council accounted for 93 percent of regional development commissions' total expenditures and the Three Rivers Park District accounted for 94 percent of recreation authorities' total expenditures.

Figure 3 below shows the percentage of total governmental fund expenditures by district type.



⁹The Northern Counties Land Use Coordinating Board and the Snake River Watershed Management Board had governmental fund expenditures but no governmental fund revenues.

Enterprise Funds

Revenues and Expenses by District Type

In 2014, special district enterprise operations reported operating revenues of \$2.2 billion, operating expenses of \$2.7 billion, and operating losses of \$486.7 million (operating revenues minus operating expenses).¹⁰ In addition, special district enterprises had nonoperating revenues of \$760.7 million, nonoperating expenses of \$295.0 million, and a net loss of \$21.0 million. Nonoperating revenues include sources such as taxes, intergovernmental grants, and interest income.

The operating losses of \$486.7 million reflect enterprises whose operating expenses exceeded what was collected in fee revenue. The special district enterprises primarily responsible for the losses were regional development commissions. In particular, the Metropolitan Council's enterprise operations posted combined operating losses of \$393.0 million. The Metropolitan Council has five enterprises: environmental services, housing and redevelopment authority, bus transit, commuter rail, and light rail.¹¹ All of these enterprises posted operating losses, except environmental services. A significant portion of the operating losses was offset by nonoperating revenues from federal, state, and local government grants, but still left an overall net loss for these operations of \$39.7 million.

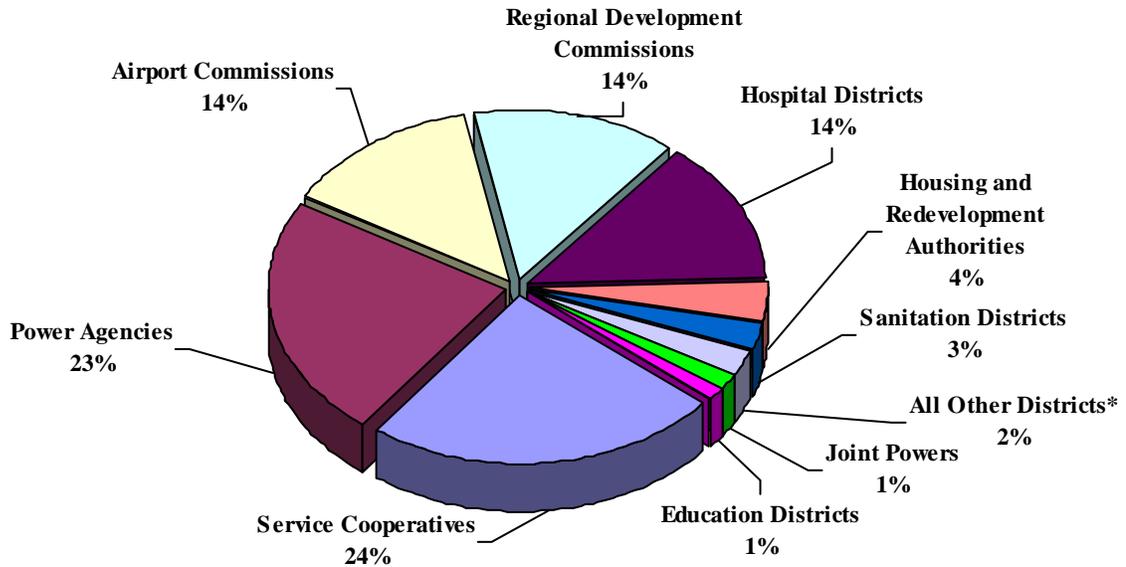
Figure 4 on the following page shows the distribution of enterprise fund operating revenues by district type, while Figure 5, also on the following page, shows the distribution of enterprise fund operating expenses by district type.

¹⁰Total excludes internal service funds that reflect interdepartmental billing.

¹¹This report groups enterprises by the parent entity classification, not the enterprise fund function.

Figure 4: Special District Enterprise Funds Operating Revenues by District Type - 2014

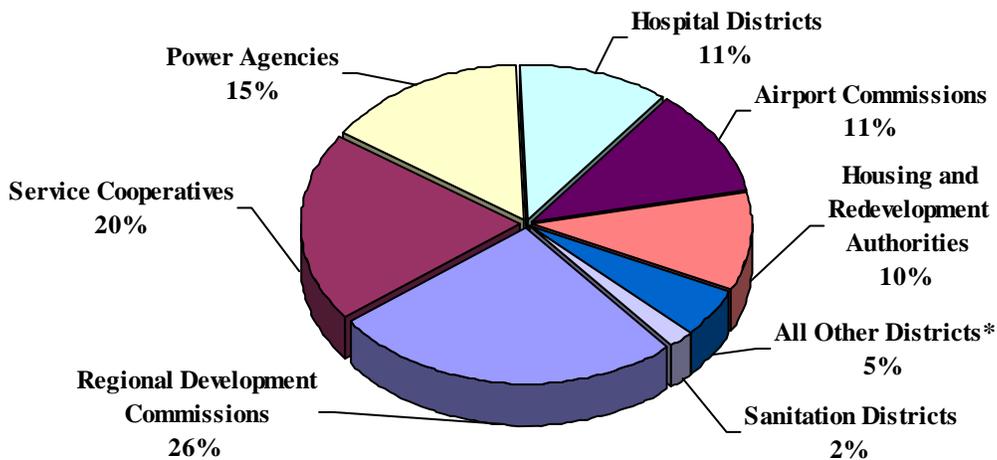
\$2,182,078,211



*Includes cable commissions, computing consortiums, health and human services districts, library districts, mental health/family services collaboratives, port authorities, public safety authorities, recreation authorities, rural water systems, solid waste commissions/boards, transit commissions, and watershed districts.

Figure 5: Special District Enterprise Funds Operating Expenses by District Type - 2014

\$2,668,738,228



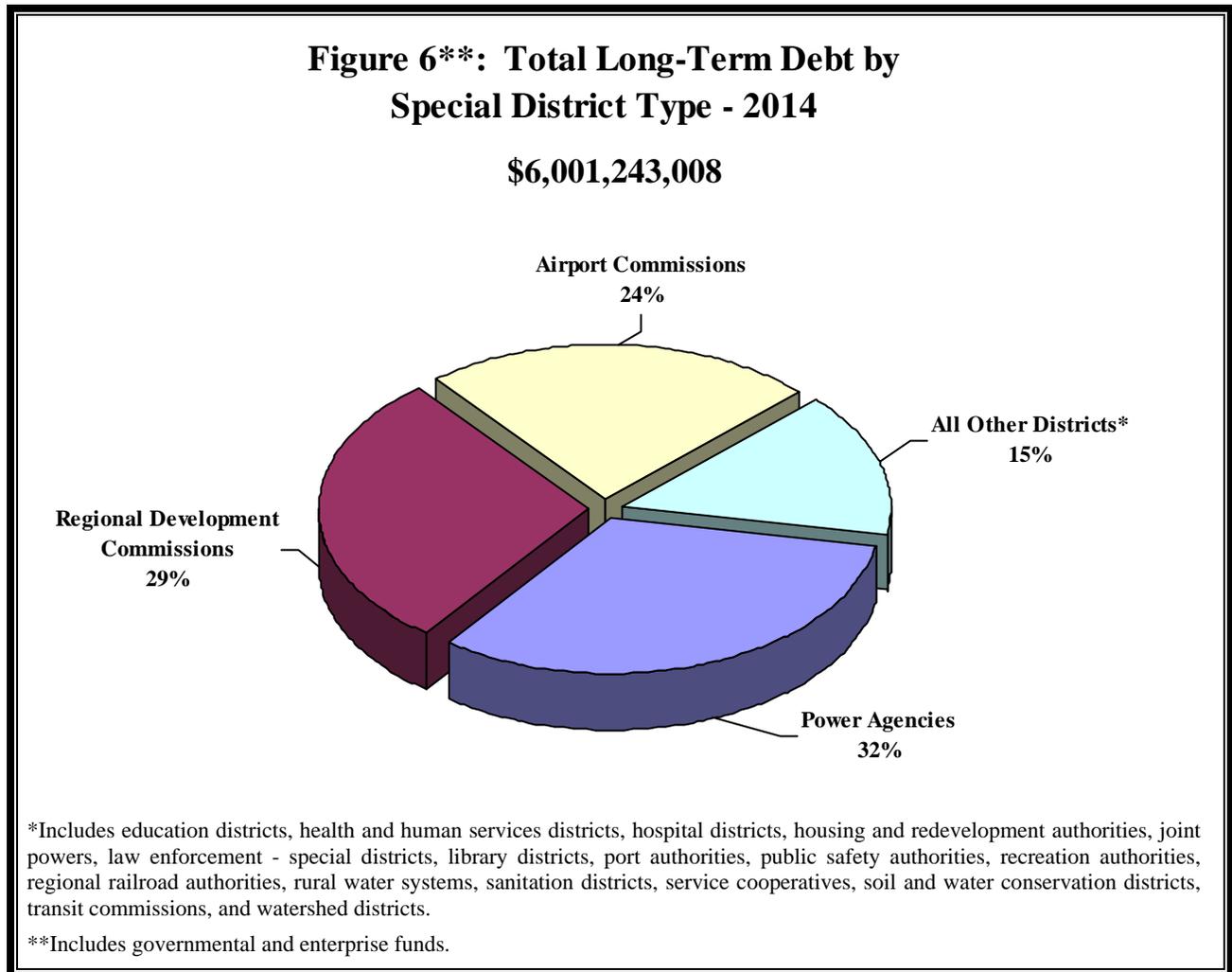
*Includes cable commissions, computing consortiums, education districts, health and human services districts, joint powers, library districts, mental health/family services collaboratives, port authorities, public safety authorities, recreation authorities, rural water systems, solid waste commissions/boards, transit commissions, and watershed districts.

Long-Term Debt

Special districts reported \$6.0 billion in governmental and enterprise fund outstanding long-term debt (bonds and other long-term debt) in 2014. In comparison, counties had long-term debt of \$3.5 billion, while cities had \$9.2 billion in long-term debt in 2014. The totals for debt include both governmental and enterprise funds.

Of the 126 special districts that held long-term debt in 2014, three special districts accounted for \$4.0 billion, or 67 percent of the total outstanding long-term debt of special districts. The three special districts were the Metropolitan Council, the Metropolitan Airports Commission, and the Southern Minnesota Municipal Power Agency. One agency, the Metropolitan Council, accounted for \$1.7 billion, or 29 percent, of the total outstanding long-term debt of special districts in 2014.

Figure 6 below shows the distribution of long-term debt by special district type.



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APPENDIX 1

**LISTING OF SPECIAL DISTRICTS THAT FAILED
TO REPORT OR SUBMITTED INCOMPLETE REPORTS
TO THE OFFICE OF THE STATE AUDITOR**

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Appendix 1

Listing of Special Districts That Failed to Report or Submitted Incomplete Reports to the Office of the State Auditor - 2014

Failed to Report

Anoka County Fire Protection Council
Becker County Children's Initiative
Blue Earth Soil and Water Conservation District
Carnelian-Marine-Saint Croix Watershed District
Chisholm Housing and Redevelopment Authority
Cook Community Hospital District
Douglas Soil and Water Conservation District
East Central Minnesota Educational Cable Cooperative
Eveleth-Virginia Airport Commission
Floodwood Area Emergency Medical Service District
Hennepin County Children's Mental Health Collaborative
Henning Housing and Redevelopment Authority
High Island Creek Watershed District
Joe River Watershed District
Kanabec Soil and Water Conservation District
Kandiyohi County City of Willmar Economic Development Commission
Knife Lake Improvement District
Lac qui Parle-Yellow Bank Watershed District
Lyon Soil and Water Conservation District
Martin Soil and Water Conservation District
Middle Fork Crow River Watershed District
Minneapolis-Saint Paul Housing Finance Board
Minnesota Valley Regional Rail Authority
Minnetonka Family Collaborative
Morrison Soil and Water Conservation District
Nicollet Soil and Water Conservation District
Norman County Children's Collaborative

Northwest Minnesota Household Hazardous Waste Management
Joint Powers Board
Northwest Service Cooperative
Oakland Sanitation District
Orono Health Communities/Healthy Youth Collaborative
Otter Tail East Soil and Water Conservation District
Otter Tail Lake Water Management District
Park Rapids Housing and Redevelopment Authority
Pennington County Family Services Collaborative
Perham Hospital District
Pine County Children, Families, and Learning Services
Collaborative
Pipestone Soil and Water Conservation District
Red Lake Children's Initiative Family Services Collaborative
Saint Louis Park Family Services Collaborative
Saint Louis Park Housing and Redevelopment Authority
Scott Soil and Water Conservation District
Shorewood Acres Sanitary District
Sibley Soil and Water Conservation District
South Central Minnesota Emergency Medical Services Joint Powers
Southwest Regional Development Commission
Stearns Soil and Water Conservation District
Stevens County Family Services Collaborative
SWCD Technical Service Area 6 South Central
United Hospital District of Faribault County
Wadena Soil and Water Conservation District
Winona County Children's Collaborative

Incomplete Report (Data Included in Report)

Buffalo Ridge Regional Railroad Authority
Coon Lake Improvement District
Crookneck Lake Improvement District
Edina Family Services Collaborative
Grant County Youth and Child Council (Collaborative)

Minneapolis-Duluth/Superior Passenger Rail Alliance
Northwest Hennepin Family Services Collaborative
SWCD Technical Service Area 3 Northwest
Todd County Collaborative for Children & Families
Visions for Families and Communities

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APPENDIX 2
SPECIAL DISTRICT DESCRIPTIONS

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Appendix 2

Special District Descriptions

The Minnesota Legislature has authorized a variety of special districts or authorities that are considered special service districts.

Area Ambulance Districts - Created by special acts of the Legislature, these districts provide ambulance service to their areas. They are governed by boards appointed by member cities, towns, and counties. Districts may levy property taxes and issue bonds.

Area Redevelopment Agencies - May be established by a joint powers agreement between two or more municipalities. A joint powers board consisting of one member appointed by the Governor and the remainder by the municipalities served governs each agency. The agency may collect fees, rentals, and charges; issue bonds; and, with approval of the municipalities served, may levy property taxes and special assessments. The Moorhead-Clay County Area Redevelopment Agency was created by a special act with similar provisions. These agencies are distinct from municipal redevelopment agencies.

Counties Transit Improvement Board (CTIB) - Established April 1, 2008, under a joint powers agreement in accordance with Minn. Stat. § 297A.992. The CTIB is governed by an 11-member Board composed of two County Commissioner representatives appointed by each of the County Boards of Anoka, Dakota, Hennepin, Ramsey, and Washington Counties, and the Chair of the Metropolitan Council. Each county also appoints an alternate member. Its purpose is to facilitate investment in transitways, to collaboratively plan and develop policies for transit investments, to advocate for state and federal funding and transportation policies supportive of transitways, and to provide for public education and information. The Board is organized with a chair and a vice chair elected each year.

Hospital Districts - Authorized in 1959, may be established by resolution of the governing bodies of any two or more contiguous cities (except first class) or townships. A referendum is required if requested by the voters. The district hospital board consists of one member elected from each constituent government plus one member elected at large. The board may collect charges for services, levy taxes, accept county appropriations, and issue general obligation bonds with the approval of the voters.

Housing and Redevelopment Authorities - Minnesota statutes allow a housing and redevelopment authority be established in each municipality and most counties on resolution of the respective governing bodies. Multi-county authorities may also be established. Each authority is administered by a board of commissioners appointed by the Mayor with the consent of the municipal governing body or by the county governing body, as appropriate. Authorities may issue revenue bonds; fix and collect rents; and accept grants, gifts, and contributions. A property tax may be levied with the approval of the establishing government. The Minneapolis Public Housing Authority, organized in 1986, was established under this law. Special acts authorize city-governing bodies to serve as housing authority commissioners ex-officio in a few localities. A housing authority governed by the city governing body is not counted as a separate government.

Mental Health/Family Services Collaboratives - A qualified family services collaborative includes a minimum of one school district, one county, one public health entity, one community action agency, and one Head Start grantee that must agree in writing to provide coordinated family services and commit resources to an integrated fund.

Collaboratives are expected to have broad community representation, which may include additional school districts, counties, public health entities, other municipalities, public libraries, existing culturally specific community organizations, tribal entities, local health organizations, private and nonprofit service providers, child care providers, local foundations, community-based service groups, businesses, local transit authorities or other transportation providers, senior citizen volunteer organizations, parent organizations, parents, and sectarian organizations that provide nonsectarian services.

A family services collaborative must establish an integrated fund to help provide an integrated service system and fund additional supplemental services. The integrated fund may consist of federal, state, local, or private resources. The collaborative agreement must specify a minimum financial commitment by the contributors to an integrated fund. Contributors may not reduce their financial commitment except as specified in the agreement or by federal declaration.

In order to qualify as a local children's mental health collaborative, the representatives of the local system of care and specified nongovernmental entities must agree to establish a local children's mental health collaborative and develop an integrated service system, commit resources to providing services, and develop a plan to contribute funds. Some collaboratives merged family services and local children's mental health collaboratives.

Metropolitan Airports Commission - Created by special legislation to operate and maintain airports in the Minneapolis-St. Paul metropolitan area. It is governed by a board of commissioners comprised of the Mayors of Minneapolis and St. Paul or their appointed representatives acting in an ex-officio capacity, plus 13 additional members (including the chairperson) appointed by the Governor. The Commission may set rates, collect fees and rents, levy property taxes, and issue general obligation bonds.

Metropolitan Council - Created by the Legislature primarily to coordinate planning and development and operate transit and sewage disposal systems in the Minneapolis-St. Paul metropolitan area. It has been given broad powers to review and require consistency and compatibility of all comprehensive plans of governments in the seven-county area. The Council consists of 17 members appointed by the Governor. It may levy property taxes and issue bonds.

Metropolitan Mosquito Control District - Created by the Legislature to provide service in the seven-county Minneapolis-St. Paul metropolitan area. An 18-member commission, composed of members of the Boards of County Commissioners from each of the participating counties, governs the District. The District may certify the amount of property taxes to be levied on its behalf.

Minnesota Ballpark Authority - Established in 2006 as a political subdivision of the State of Minnesota for the purpose of construction, operation, and maintenance of a ballpark for the Minnesota Twins baseball team in accordance with Minn. Stat. § 473. The Authority leases the stadium to the Minnesota Twins (for a 30-year period), oversees its operations, and participates with the Twins in identifying and funding necessary capital repairs to the structure. The Minnesota Ballpark Authority Board includes two members appointed by the Governor, two members

appointed by the Hennepin County Board of Commissioners, and one member appointed by the Minneapolis City Council.

Park Districts - Authorized under a general law applicable only to counties with 350,000 or more inhabitants; adjoining counties may also be included in the district. Establishment is by the Board of County Commissioners following petition of voters or resolutions adopted by a majority of the governing bodies of the cities within each county in the proposed district; a local referendum is required if petitioned for or if the County Commissioners so desire.

The Three Rivers Regional Park District (formerly the Hennepin County Park Reserve District) was established under this law to provide park facilities in Hennepin County. Multi-county park districts may include all or part of two or more counties, exclusive of first class cities. An elected board of commissioners governs each district. The District may set fees and issue bonds. The District may also determine the amount to be contributed by each participating government.

Power Agencies - Established by written agreement between two or more member cities, upon resolution of the respective city governing bodies, to generate and distribute electric power. A board, consisting of representatives of the governing bodies of the member cities, governs each agency. The number of representatives per city and their manner of selection are specified in the agreement establishing the agency. Municipal power agencies may impose service charges, accept appropriations and grants from member cities, and issue revenue bonds.

Regional Development Commissions - These commissions, which coordinate state, federal, and local planning and development programs, are established by the Governor following petition by a combination of the governing bodies of the cities and counties representing a majority of the population residing in the area of the proposed commission. Each commission consists of members chosen from local governing bodies, councils of governments, Native American tribal councils, and public interest groups. The commission by-laws specify the method of selection of board members. Regional development commissions may receive state and federal grants and may levy property taxes.

Regional Public Library Districts - Established by special acts to provide regional library services to specific areas. They are governed by boards consisting of elected directors and, in some cases, including a member appointed by each county. The district may levy property taxes and issue debt.

Regional Public Library Systems – Formed by an agreement between two or more counties and/or cities located in two or more counties after approval by existing library boards. The system is governed by representatives appointed by member governments as specified in the agreement. The system receives statutorily-prescribed funding from member governments and the proceeds of an earmarked library tax.

Regional Railroad Authorities - May be established by resolution adopted by the governing body of one or more counties, after application to the Secretary of State. The purpose of the authorities is to preserve and improve local freight or passenger rail service. A board of five or more Commissioners governs each authority. The number of Commissioners appointed by each member county is specified in the certificate of incorporation. The authority may charge fees and rentals and issue revenue bonds; with voter approval, it may levy property taxes. Authorities of this type that

are governed by the County Board of Commissioners ex-officio are not counted as separate special district governments.

Rural Development Financing Authorities - Authorized to acquire, construct, and improve agricultural development. Improvement projects are established by resolution of one or more counties. A board of directors, appointed by the county governing bodies of the counties served, governs each authority. The authorities may set charges for their services, levy special assessments, and receive state contributions and proceeds from tax increment financing.

Rural Water User Districts - May be established to conserve, store, and distribute water under general law upon petition of at least 50 percent of the landowners to the State District Court. If the district includes an area within a city, then the petition must include a resolution of the city governing body. An elected board of directors governs each district. The districts may impose service charges and issue revenue bonds.

Sanitary Districts - May be established by the Minnesota Pollution Control Agency on petition of the governing bodies of one or more county, municipal, or township governments. A board of managers, selected by the governing bodies of the constituent governments, governs each district. The district may fix service charges, accept gifts and grants, and issue bonds. Similar provisions apply to the Western Lake Superior Sanitary District and Cross Lake Area Water and Sanitary Sewer District, which were established by special acts. Regional sanitary sewer districts are created by special acts, with substantially uniform provisions, that enumerate the cities and townships included therein. A board of directors, with one member appointed by the governing body of each participating city or township, governs the district. Each district may fix service charges, levy property taxes and special assessments, and issue bonds.

Service Cooperatives - The primary purposes of service cooperatives are to perform planning on a regional basis and to provide those services that can be better provided by a service cooperative than by the members themselves. Examples of services offered include: administrative services, curriculum development, data processing, distance learning and other telecommunication services, community services, fiscal services and risk management programs, technology planning, training, support services, and cooperative purchasing services. A school district, city, county, or other governmental unit or nonprofit organization may belong to one or more service cooperative.

A majority of the members of the board of directors must be current members of school boards of participating public school districts. Election of the school board members to the board of directors is by vote of all current school board members of participating public school districts, with each school board member having one vote. The remaining board members may be representatives at large appointed by the board members or elected as representatives by other participating agencies, such as cities, counties, or other governmental units.

Soil and Water Conservation Districts - Created by the Minnesota Board of Water and Soil Conservation Resources on petition of landowners after referendum. An elected board of supervisors governs each district. The board may require contributions from benefited landowners and accept state or federal aid. In addition, the county may levy property taxes and issue bonds for the benefit of the district.

Solid Waste Management Districts - The Commissioner of the Minnesota Pollution Control Agency may establish solid waste management districts as public corporations and political subdivisions of the state and define the powers of such districts. Waste districts may be established and their powers and boundaries defined or altered by the Commissioner only after petition requesting the action jointly submitted by the governing bodies of petitioners comprising at least one-half of the counties partly or wholly within the district.

The district may construct, equip, develop, enlarge, improve, and operate solid waste facilities and services as it deems necessary and may negotiate contracts for the use of public or private facilities and services. The district may use, sell, or otherwise dispose of all of the products and energy produced by its facilities. A district may borrow money and incur indebtedness by issuing bonds and obligations.

Transit Commissions/Authorities - Established to provide public transportation. Transit authorities and commissions are generally and specifically authorized in Minnesota statutes. There were three created by statute: the St. Cloud Metropolitan Transit Commission, the Duluth Transit Authority, and the Metropolitan Transit Commission (MTC). The MTC was abolished in 1994 and its powers transferred to the Metropolitan Council. In addition, there are six independent transportation agencies based in outer-ring suburbs that formed in the late 1980's under state legislation that allowed communities to opt-out of the MTC and form their own transit authorities. Examples of these authorities include the Minnesota Valley Transit Authority (a joint powers agreement between the cities of Apple Valley, Burnsville, Eagan, and Rosemount in Dakota County, and Savage, Prior Lake, and Shakopee in Scott County) and Southwest Transit (a joint powers agreement between Chanhassen, Chaska, and Eden Prairie).

Watershed Districts - General law authorizes the Minnesota Board of Water and Soil Resources to establish these districts to provide flood control, reclamation, water supply, sewerage, drainage, and soil and water conservation on petition of landowners and after public hearing. The governing body is a board of managers, appointed by the County Boards of Commissioners. The district board may levy special benefit assessments and property taxes and may issue revenue bonds.

Table 9
Total Outstanding Indebtedness of the Governmental and Enterprise Funds
for the Fiscal Years Ending Between July 1, 2014, and June 30, 2015

District Type and Name of Special District	Type of Bond						Total Bonded Indebtedness	Refunding	Other Long- Term Debt	Short-Term Debt	
	General Obligation	G.O. Tax Increment	Revenue Tax Increment	Special Assessment	G.O. Revenue	Revenue					
North Fork Crow River Watershed District	---	---	---	---	---	---	---	---	490,154	---	
Pelican River Watershed District	---	---	---	---	---	---	---	---	170,324	---	
Prior Lake-Spring Lake Watershed District	1,080,000	---	---	---	---	---	---	1,080,000	1,080,000	---	
Ramsey-Washington Metro Watershed District	---	---	---	---	---	---	---	---	2,369,540	---	
Rice Creek Watershed District	---	---	---	---	---	---	---	---	200,000	---	
Sauk River Watershed District	---	---	---	---	---	---	---	---	2,359,113	---	
South Washington Watershed District	5,210,000	---	---	---	---	---	---	5,210,000	1,485,000	---	
District Type Total	11,575,000	---	---	---	---	---	---	11,575,000	3,387,000	39,870,269	72,087
State Total	\$1,120,312,653		\$3,982,458		\$104,936,243		\$171,454		\$1,777,057,958		\$65,985,075
				\$865,280		\$3,447,953,560		\$4,678,221,648		\$1,323,021,360	

*The entity completed the Office of the State Auditor's financial reporting form but did not provide an audited or unaudited financial statement as required. As a result, the data for the entity is included, but has not been reviewed.