

MINNESOTA

COUNTY GOVERNMENT OVERVIEW

Counties

87

Government Form

Mixed¹

Governing Body Size

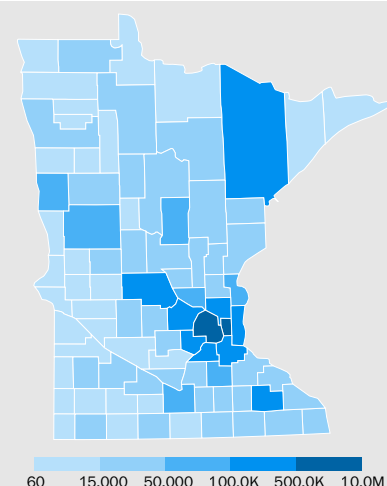
5-7

Population (2020)

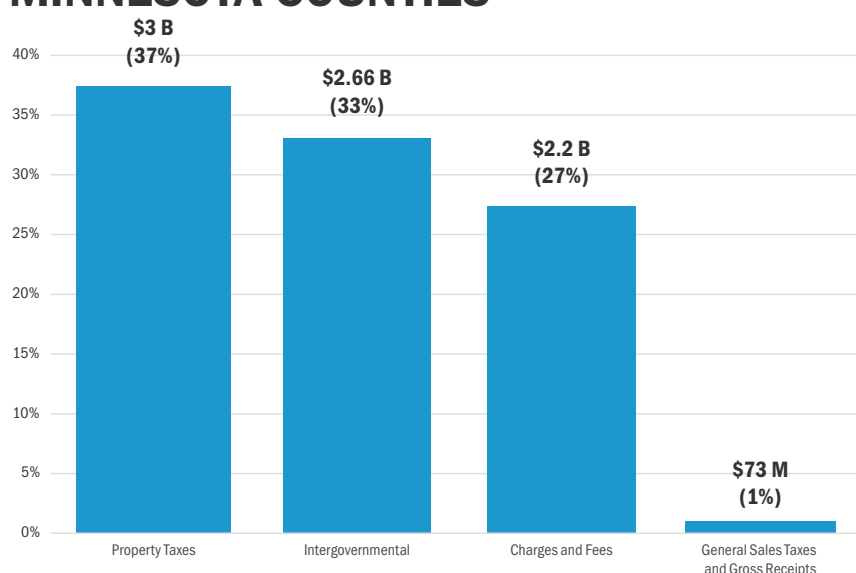
5.7 million²

County Authority

Dillon's Rule: All county governments except for Ramsey County are under general law and therefore have only the powers and structures prescribed to them by Minnesota state law. Ramsey County has a home rule charter, enabling it to determine its local affairs and government so long as it is not inconsistent with state law.



TOP REVENUE SOURCES FOR MINNESOTA COUNTIES



Source: NACo Analysis of U.S. Census Bureau - Census of Individual Governments: Employment, 2017

¹“Government Form” refers to the distribution of executive decision making authority in a county. “Traditional” county states mandate that counties exercise executive decision making power solely through the board of elected officials (commissioners, supervisors, etc.). “Reformed” county states mandate that counties employ an elected or appointed county executive, manager or similar position to take on at least some of the county’s executive decision making authority. “Mixed” county states means that some counties in that state are “traditional” and some are “reformed.”

²NACo Analysis of U.S. Census Bureau - 2020 Decennial Census

Summary of County Services

Services counties **MUST** provide:

- Establish a board of health.
- Own and maintain county roads and bridges that fall under the county state-aid highway system.
- Establish a local social services agency -either independently or jointly with another county.

Services counties **CAN** provide:

- Construct hospitals and appoint a hospital board.
- Develop and operate a community-based corrections programs.

Services counties **CANNOT** provide:

- Establish local public school systems as this is the responsibility of the state.

STRUCTURE/AUTHORITY

SUMMARY

Most Minnesota counties have a board of five commissioners whose terms of office shall be four years. In Anoka, Hennepin, Ramsey, Dakota, Olmsted and St. Louis counties, the board has seven commissioners. Counties with a population of 100,000 or more according to the last federal decennial census may, by resolution of its county board, provide for a seven-member board of county commissioners. The board of commissioners serves as the sole legislative decision-making body for all counties. Most Minnesota counties appoint a chief executive to manage county operations and execute board decisions. The chief executive has different powers and responsibilities depending on the model decided by the board. Most chief executives fall into the following models: administrator, coordinator, manager or auditor-treasurer-coordinator.

Row Officers	Elected/ Appointed	Required/ Optional
Attorney	Elected	Mandatory
Auditor	Elected or Appointed	Mandatory
Recorder	Elected or Appointed	Mandatory
Sheriff	Elected	Mandatory
Treasurer	Elected or Appointed	Mandatory



COUNTY STRUCTURE

Legislative Branch: A board of 5-7 county commissioners acts as the legislative decision-making body for all counties.

Executive Branch: Counties are led by a board of county commissioners who in most counties appoint an executive to manage the administration of the county. State statute also includes an elected executive and an auditor administrator plan of government; however, no county has adopted either of these models.

Judicial Branch: The 87 counties of Minnesota are divided into 10 judicial districts which make up the Minnesota district court system. The court system oversees criminal, civil and family cases and each court has original jurisdiction in these cases.

Optional Forms of Government: Minnesota legislature enumerates several optional forms of government, any of which a county board may choose to adopt. Each of the following refers to an additional leadership position to complement the board:

- At-large Chair
- Elected Executive (not adopted by any counties)
- Elected Auditor-Administrator (not adopted by any counties)
- Appointed County Administrator
- Appointed County Manager
- Appointed County Coordinator
- Charter (only applies to Ramsey County)



COUNTY AUTHORITY

Executive Power: Each county board may exercise the other powers conferred upon it by law. Counties may acquire and hold real and personal property, and they may also sell, lease and convey real or personal estate owned by the county. The county board of commissioners holds the executive power for the county.

Ability to Form Partnerships: Counties may form partnerships with other counties, other government entities or other private parties for the purpose of delivering its powers within the state statutes.

Call a State of Emergency: The chair of the county board of commissioners may declare a “local emergency” for preventing or addressing imminent disasters.

Special Districts: Counties may form special districts to finance airport authorities, watersheds, hospital districts, housing authorities, development authorities and libraries.

SERVICES

OVERVIEW OF COUNTY SERVICES

While Minnesota counties are empowered to provide several services such as community health boards, housing authorities and libraries, many services are authorized only on a county-by-county basis. Counties have only limited authority over zoning and have almost no power regarding the regulation, provision or acquisition of utilities and energy services. Some of the more uncommon services that counties can provide include broadcast facilities, social services agencies and community action agencies. The board of county commissioners may also make appropriations from the general funds to nonprofits providing services such as senior citizen centers and youth centers.



HEALTH AND HUMAN SERVICES

County Health Departments: The governing body of a county is responsible for establishing a community board of health. A board must serve at least 30,000 people or at least three adjacent counties. Joint community health boards may be established as well by multiple counties and municipalities.

Human Services Boards: The county boards for one or more adjacent counties may, by resolution, designate a human services board to manage county resources and plan or directly deliver social services, mental health services and more.

Social Services Agencies: Every county must establish and contribute to a local social services agency - either independently or jointly with another county. The agency has the responsibility to support child protection, delinquency prevention and the state's family assistance responsibilities. The agency must also administer social services and financial assistance through a public child welfare program.

Hospitals: Any county may construct or acquire a hospital if the residents within a county vote in favor of a county proposition for one. If the proposition passes, the county must construct a hospital and the county board of commissioners may appoint a superintendent or hospital board to run the hospital facility.

Nursing Homes: A county may, either individually or jointly with other counties, establish a county nursing home for the care and treatment of those who are chronically ill or people who are old or infirm. A county that owns a nursing home may also establish and operate a related facility to provide supportive services to elderly persons who do not yet require the services of a nursing home.

Senior and Youth Facilities: The governing body of a county may appropriate money from their general fund for the purpose of supporting a public or private, non-profit senior citizen center or youth center.



INFRASTRUCTURE

Roads: Counties, through the board of commissioners, own and maintain county roads and bridges that fall under the county state-aid highway system. The board must receive approval from the Minnesota department of transportation if county roads intersect with the state highway system.

Railroad Authorities: The governing body of a county may, by resolution, either independently or jointly with another county, establish a regional railroad authority. This action may also be requested by municipalities within those counties.

Broadcast Facilities: Although there are no counties currently exercising this power, a county board may fund the construction of a noncommercial television broadcast facility.

Utilities: The state public utilities commission is responsible for the regulation and oversight of utilities throughout the state. Counties may contract with energy providers and purchase energy generation facilities.

- **Solid Waste:** A county may conduct a solid waste management program either independently or jointly with another county. Counties may acquire property and facilities to serve in these programs.
- **Water:** Municipalities are responsible for the construction of waterways.
- **Sewers:** Municipalities are responsible for the construction of sewage systems.

SERVICES, CONTINUED



PUBLIC AMENITIES

Parks and Recreation: The county board of commissioners of a single county or multiple counties may form a park and recreation district as long as at least one of the counties has a population of 350,000 or more, according to the last federal decennial census. Districts are responsible for the acquisition, development and maintenance of parks and wildlife or forest reservations. Once established, the districts become a subdivision of the state government.

Libraries: The governing body of a county may, by resolution or ordinance, establish library services. Every county must provide financial support for public library services in their community.

County Fair Land: A county board may purchase or condemn land to hold agricultural fairs and exhibitions and appropriate money to pay for it. The amount may not exceed \$25,000 unless it is authorized by a vote of the people.

Veteran Memorials: A county board may appropriate funds to erect or aid in erecting a monument or other memorial to veteran soldiers and sailors.

Community Action Agencies: A county board may contract with a community action agency to plan for an effective community action program, develop information as to the problems and causes of poverty in the community, establish the most efficient use of resources and more.

Emergency Employment Program: A county board in a county experiencing high unemployment may establish an emergency employment program to support economically disadvantaged and unemployed residents.



ZONING AND DEVELOPMENT

Zoning Power: All counties except for Hennepin and Ramsey may exercise discretion over zoning powers to promote the health, safety, morals and general welfare of their community. All counties have the authority and are encouraged to develop a community-based comprehensive plans to coordinate development and land use with the incorporated areas of the county. A 5-11 member planning commission may be appointed to hold public hearings on zoning matters and advise the county board on decisions.

Zoning Restrictions: A board of commissioners must provide natural heritage data from the county biological survey in their comprehensive plan for the county. Additionally, counties must consider airport safety zones and protections for open spaces and the environment within their planning.

Preservation: Counties must preserve lands for public parks, recreational use, wetlands, forest areas, sewage disposal, floodplains, agricultural lands, essential wildlife and reclamation of nonmetallic mining lands.

Housing Authorities: Housing authorities must be established in each county within the state; however, no housing authority may exercise power unless the governing body of the county finds the need for a housing authority through resolution.

Economic Development: A county board may fund an incorporated development society or organization which will use the money for promoting, advertising, improving or developing the economic and agricultural resources of the county.

SERVICES, CONTINUED



PUBLIC SAFETY

Law Enforcement: Every county must elect a sheriff to provide law enforcement services; however, it is the responsibility of towns and cities to operate and fund police departments within their jurisdictions.

Jails: Counties are required to establish a county jail within the county seat and the sheriff shall have charge and custody of the prisoners in the jail.

Courthouses: A county board may maintain a courthouse and may incur a maximum debt equal to a levy of 0.0403 percent of estimated market value, unless a higher rate is approved by voters. All counties except for Hennepin and Ramsey counties may partner with a first-class city to administer a joint courthouse.

Fire: Any county that falls outside of the Twin Cities metropolitan area may appropriate general funds or use state and federal funds to provide grants to cities and towns for the purpose of constructing and operating fire departments.

Ambulance: The state emergency medical services board is responsible for contracting to provide ambulance services across Minnesota and must access the effectiveness of the statewide system.

Emergency Communication System: Counties must provide, operate and maintain a 911 emergency communication system.

Community Corrections: Counties may develop, implement and operate community-based corrections programs including preventive or diversionary correctional programs, conditional release programs, community corrections centers and facilities for the detention, care and treatment of delinquent persons.



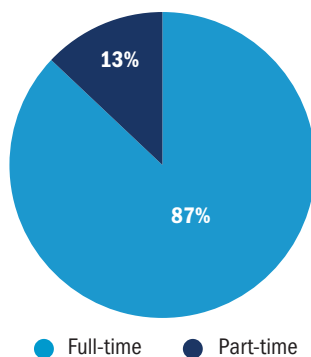
SCHOOLS

Education, Generally: The state is responsible for establishing a public school system and levying the necessary taxes to do so.

Funding: Counties do not have a role in school funding. In addition to state funding established through the necessary taxes by the state legislation, the board of school districts may take on debt for the purpose of upgrading or providing school services.

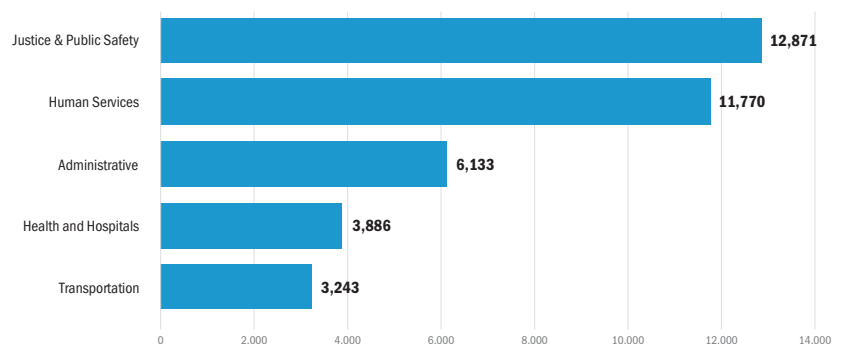
School Districts: Local school districts may jointly form an education district composed of at least five formerly local school districts. The state statute grants county boards the authority to join an education district once it has been established; however, no counties have ever put this into practice.

MINNESOTA COUNTIES EMPLOY 42,346 GOVERNMENT EMPLOYEES



Source: NACo Analysis of U.S. Census Bureau - Census of Individual Governments: Employment, 2017

MINNESOTA COUNTY GOVERNMENT EMPLOYEES BY TOP FUNCTIONAL CATEGORIES



Source: NACo Analysis of U.S. Census Bureau - Census of Individual Governments: Employment, 2017

OVERVIEW OF COUNTY FINANCE STRUCTURE

Property taxes are both the largest and the most important source of locally levied funding for counties. The board of county commissioners may levy property taxes through legislation on all land not excluded under general law. Counties also benefit from dedicated shares of state mineral taxes set aside for the county in which the mining of the specific mineral occurs. In addition, county boards may authorize county officers to access and use government credit cards for purchase on behalf of the county. Each county board may transfer by a majority vote any surplus beyond the needs of the current year in any county fund to any other county fund to supply a deficiency in it. Additionally, the board of county commissioners may levy transportation taxes for the explicit purpose of funding transportation projects. Lastly, counties collect taxes on energy generation from solar and wind facilities. This revenue source is relatively new and growing quickly, with \$14.5 million collected in 2020.



FINANCES, TAXES AND LIMITATIONS

Property Tax: Counties may levy property taxes on real and personal property with the exceptions of tribal lands and any land specifically excluded by state legislature. The county treasurer collects and distributes property tax to the county funds accordingly.

Income Tax: Counties do not have the authority to impose an income tax.

Sales Tax:

- **Transportation Sales Tax:** The board of a county, or more than one county acting under a joint power's agreement, may by resolution impose a sales tax of 0.5 percent on the retail sales and uses of vehicles. The county must use the proceeds of the tax must exclusively to fund a specific transportation project or the operation of safe routes to school programs.
- **Local Sales Tax:** Outside of a transportation sales tax, counties may impose a local sales tax if permitted by a special state law authorization. The board must declare and approve by resolution a tax rate and intended purpose before it can be approved by state authorization.

Mineral Tax: Counties do not have the authority to impose a mineral tax. However, the state allocates portions of the funds raised from statewide mineral taxes to the counties in which the minerals are produced.

Gas/Fuel Taxes: Counties do not have the authority to impose gas or fuel taxes.

Debt and Debt Limit: Counties may, by board resolution or by a popular vote, issue a capital gains bond that may not exceed 0.12 percent of the estimated value of all taxable

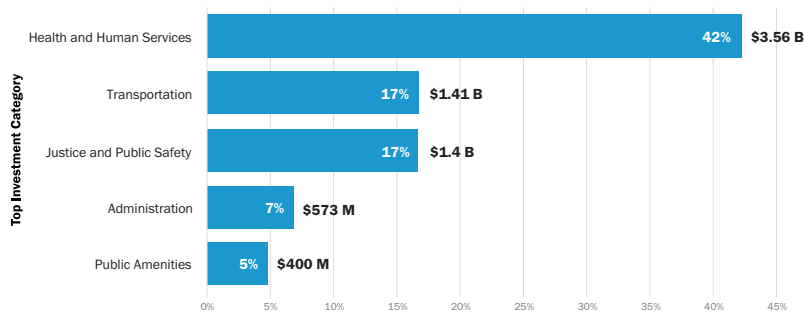
property within the county. They may issue municipal bonds to fund the upkeep of county buildings and facilities, general government facilities and all other purposes defined under state law. A county board may also, by resolution, issue and sell certificates of indebtedness in anticipation of the collection of taxes levied for any fund named in the tax levy for the purpose of raising money for such fund, but the certificates outstanding for any such separate funds shall not on the date on which the certificates are issued exceed 75 percent of the amount of taxes previously levied for such fund remaining uncollected.

Other Finance Info:

- **Tax on Energy Generation Facilities:** Counties may collect taxes on energy generation from solar and wind facilities.
- **Environmental Trust Fund:** A county board must deposit the money received from the sale of land into an environmental trust fund.
- **Capital Improvement:** Counties may adopt a capital improvement plan which prepares for improvements over the next five years at least. Counties may issue bonds to finance capital improvements under an approved capital improvement plan. These bonds must receive approval from a majority of voters.
- **County Building Fund:** County boards may establish a county building fund and may also levy and additional property tax to help accrue revenue for this fund.
- **Surplus Funds:** County boards may, by resolution, transfer a surplus in any county fund to any other county fund to supply a deficiency in it.

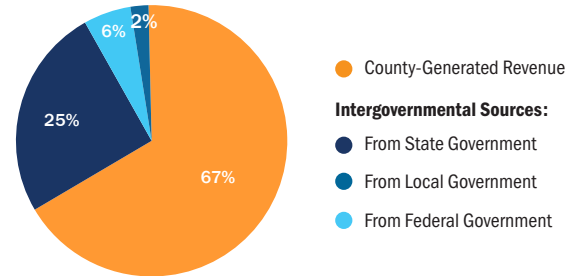
TAXATION/FINANCES, CONTINUED

MINNESOTA COUNTIES INVEST \$8.4 BILLION ANNUALLY



Source: NACo Analysis of U.S. Census Bureau - 2017 Census of Individual Governments: Finance

MINNESOTA COUNTIES RECEIVE \$2.7 BILLION FROM INTERGOVERNMENTAL SOURCES



Source: NACo Analysis of U.S. Census Bureau - Census of Individual Governments: Finance, 2017