

# Minnesota

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Minnesota ranks 7th among the states in number of local governments, with 3,482 as of June 2002.

## **COUNTY GOVERNMENTS (87)**

There are no areas in Minnesota lacking county government. The county governing body is called the county board of commissioners.

## **SUBCOUNTY GENERAL PURPOSE GOVERNMENTS (2,647)**

The 2,647 subcounty general purpose governments in Minnesota comprise 854 municipal (city) governments and 1,793 township or town governments.

### **Municipal Governments (854)**

The term “municipality,” as defined for census statistics on governments, applies only to the cities in Minnesota.

Towns or townships in Minnesota are counted as township governments, and not as municipal governments, in census statistics on governments.

Minnesota cities are divided into four classes according to population size, as follows:

First class—more than 100,000 inhabitants

Second class—more than 20,000 and not more than 100,000 inhabitants

Third class—more than 10,000 and not more than 20,000 inhabitants

Fourth class—not more than 10,000 inhabitants

“Charter cities” are municipal governments that have adopted home-rule charters. All other municipal governments, including those that were villages on January 1, 1974, are “statutory cities.” There are no differences between cities that would affect their classification for census purposes. Some, but not all cities, exist within township areas.

### **Township Governments (1,793)**

Township governments exist in 85 of the 87 Minnesota counties. In those counties that have township governments, township governments do not cover the entire area of such counties. All unorganized territory and some, but not all, cities, exist outside the area served by any township government. In recent years, some township governments in Minnesota have been dissolved. The terms

“town” and “township” are used interchangeably in Minnesota with regard to township governments. The township governing body is the board of supervisors.

A number of metropolitan area towns, or urban towns, have powers similar to those of municipal governments under special powers granted by the Minnesota statutes.

## **PUBLIC SCHOOL SYSTEMS (345)**

### **School District Governments (345)**

The following types of school districts in Minnesota are counted as separate governments for census purposes:

- Common school districts
- Independent school districts
- Special school districts

An elected board administers to each of these three school district types. Common, independent, and special school districts may levy school taxes and issue bonds.

### **Dependent Public School Systems (0)**

#### **Secondary Cooperative Facilities Districts**

These districts that operate joint high schools are created by a joint powers agreement between two or more school districts. They are governed by a board consisting of representatives of the member school district boards. The district may levy a property tax, and issue general obligation bonds with voter approval. Debt is guaranteed by the member school districts. They are classified as dependent activities of their member school districts. As of June 2002, no secondary cooperative facilities districts were reported to be in existence.

#### **Other Educational Activities**

Minnesota has the following types of educational service agencies in operation:

- Area learning centers
- Education districts
- Interdistrict councils (under Joint Powers Act)
- Intermediate school districts
- Regional management information centers
- Vocational centers (cooperative centers for vocational education)

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Area learning centers provide vocational education to secondary school pupils with special needs. They may be established by a school district or districts, an educational cooperative service unit, an intermediate school district, or an institution of post-secondary education. For census purposes, they are not counted as separate governments, but are joint educational service agencies of the school districts they serve.

Education districts established may be to provide educational and school support services to participating school districts by agreement between four or more school districts. A board of appointed representatives from each participating school district governs an education district. These representatives serve at the pleasure of the school district they represent. Education districts may levy ad valorem taxes and issue bonds upon voter approval.

Regional management information centers were formerly named elementary and secondary vocational computer regions, or ESVs. They provided a computer based financial management accounting system to school districts, utilizing regional or other computing facilities. They are not counted as separate governments.

Enhanced pairing districts are created by special act. They provide for joint personnel administration and accounting for member school districts. Pairing districts are governed by a board consisting of representatives from each board of member school districts. They are not counted as separate governments.

Interdistrict councils are organized under the Joint Powers Act. These councils are established by agreement between two or more school districts, to exercise powers common to the contracting parties. Most of the education agreements formed under this law provide special education services. The agreement determines whether there is a separate governing body. Interdistrict councils (under the Joint Powers Act ) are not counted as separate governments. Similar provisions can apply to special education cooperative districts, and telecommunications districts. .

Intermediate school districts are established by special acts; and provide for technical colleges or special education. A joint board, consisting of appointed representatives from each participating school district governs an intermediate school district. These districts may levy ad valorem taxes, receive federal, state, and local contributions, and issue bonds. They are not counted as separate governments.

Vocational centers (also called cooperative centers for vocational education), which provide vocational education and other educational services, are established by resolutions of two or more independent school districts. They are not counted as separate governments for census purposes.

## **SPECIAL DISTRICT GOVERNMENTS (403)**

Minnesota statutes authorize the creation of a variety of special districts or authorities that are counted as governments. These are discussed in detail below.

### **Area Ambulance Districts**

Created by special acts of the legislature, these districts provide ambulance service to their area. They are governed by boards appointed by member cities, towns, and counties. Districts may levy ad valorem property taxes, and issue bonds.

### **Area Redevelopment Agencies**

Agencies to provide redevelopment may be established by joint powers agreement between two or more municipalities. A joint 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, charges, issue bonds, and, with approval of the municipalities served, may levy ad valorem taxes and special assessments.

The Moorhead-Clay County Area Redevelopment Agency was created by special act with similar provisions.

These agencies are to be distinguished from the municipal redevelopment agencies listed under "Subordinate Agencies and Areas," below.

### **East Lake Clinic District**

A 1989 special act authorizes creation of this district by resolution of the towns of Crystal Bay, Beaver Bay, and Stony River, the cities of Beaver Bay and Silver Bay, and the county of Lake. The district board consists of one representative from each of the participating governments. The district may levy ad valorem taxes and fix charges for its services.

### **Hospital Districts**

Municipal hospital districts, authorized by 1959 legislation, 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, enter into agreements with other facilities, and issue general obligation bonds with the approval of the voters.

A few county hospital districts have also been established by special acts with generally similar provisions.

### **Housing and Redevelopment Authorities**

General law provides for the establishment of a housing and redevelopment authority in each municipality and most counties on resolution of the respective governing

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bodies. Multicounty 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 rentals, 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 also 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. See “Subordinate Agencies and Areas,” below.

### **Metropolitan Airports Commission**

This commission was created by special legislation to provide, 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 ad valorem taxes, and issue general obligation bonds.

### **Metropolitan Council**

The Metropolitan Council was created by a special act primarily to coordinate planning and development, 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 ad valorem taxes and may issue bonds.

### **Metropolitan Mosquito Control District**

A special act permits any two or more counties in the Minneapolis-St. Paul area to establish this district. A 17 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 ad valorem taxes to be levied on its behalf.

### **Metropolitan Radio Board**

This board was established by a special act to coordinate, and operate emergency communications services in the Minneapolis-St. Paul metropolitan area. The board is composed of 17 members including 10 appointed by participating counties, and cities, 5 appointed by the governor, 1 appointed by the metropolitan council, and an official of

the state department of transportation. The board may collect user fees, and impose charges on member governments. The metropolitan council may issue debt on behalf of the board.

### **Metropolitan Sports Facilities Commission**

This commission was established by 1977 legislation to provide sports stadiums in the Minneapolis-St. Paul area. The commission consists of seven members, six of whom are appointed by the Minneapolis city council, and one member appointed by the Governor. It may fix rents, fees, and charges, and impose admissions taxes. The Metropolitan Council issues bonds to finance construction of facilities owned by the commission. The commission may also receive the proceeds of municipally-imposed sales taxes.

### **Minneapolis-St. Paul Housing Finance Board**

This board was established by a joint exercise of powers agreement between the Minneapolis Community Development Agency and the Housing and Redevelopment Authority of St. Paul to provide mortgage credit. The composition of the board is specified in the agreement establishing it. The board may fix fees and charges for its services, and may issue revenue bonds.

### **Municipal Gas Agencies**

Municipal gas agencies, which provide and distribute gas, are established when two or more cities file a written agreement with the secretary of state. A board of directors, in which at least five directors represent the participating cities, governs each agency. The agency may charge rents, rates, and other fees, accept appropriations from member cities, and issue revenue bonds.

### **Municipal Power Agencies**

Municipal power agencies are 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.

### **Park Districts**

Park districts are 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

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majority of the governing bodies of the cities within each county in the proposed district; local referendum is required, if petitioned for or, if the county commissioners so desire.

The Three Rivers Park District (formerly the Suburban Hennepin Regional Park District) was established under this law to provide park facilities in Hennepin County. Single-county park districts are coterminous with the county, but exclude first class cities. Multicounty 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 fix charges and issue bonds. The district may also determine the amount to be contributed by each participating government. 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**

These districts were 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 ad valorem property taxes and issue debt.

### **Regional Public Library Systems**

Regional library systems are formed by agreement between two or more counties and/or cities located in two or more counties under the interlocal cooperation act, 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**

Regional railroad authorities to preserve and improve local freight or passenger rail service may be established by resolution adopted by the governing body of one or more counties, after application to the Secretary of State. 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 ad valorem taxes.

Authorities of this type that are governed by the county board of commissioners ex officio are not counted as separate special district governments. See “Subordinate Agencies and Areas,” below.

### **Rural Development Financing Authorities**

Authorities to acquire, construct, and improve agricultural development and 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 fix charges for their services, levy special assessments, and receive state contributions (including proceeds from tax increment financing).

The Morrison County Rural Development Finance Authority was created by a special act.

Authorities governed by the county commissioners ex officio are not counted as separate governments. See “Subordinate Agencies and Areas,” below.

### **Rural Water User Districts**

Rural water user districts to conserve, store, and distribute water may be established 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**

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 that were established by a 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 ad valorem taxes and special assessments, and issue bonds.

Area sanitary sewer districts are created by special acts to provide wastewater treatment facilities. A board of directors appointed by the governing body governs the district, with the number of members decided in each special act. The district may levy ad valorem taxes and issue general obligation bonds.

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## Soil and Water Conservation Districts

Soil and water conservation districts are created by the State Soil and Water Conservation Board 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 ad valorem taxes and issue bonds for the benefit of the district.

## Solid Waste Management Districts

Solid waste management districts may be established to build and operate solid waste facilities of the State Waste Management Board following petition from governing bodies of at least half the counties that lie wholly or in part within the proposed district. Each participating government appoints two members to the district board of directors. The district may charge fees and issue revenue bonds.

## Transit Commissions (Special Acts)

The St. Cloud Metropolitan Transit Commission was established by a 1969 law. It consists of members appointed by the governing bodies of the participating municipalities. The commission may issue revenue bonds, impose charges, and levy ad valorem taxes.

## Watershed Districts

General law authorizes the State Board of Soil and Water 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 ad valorem taxes, and may issue revenue bonds.

## SUBORDINATE AGENCIES AND AREAS

Shown below are various governmental designations in Minnesota that have certain characteristics of governmental units but that are classified in census statistics on governments as subordinate agencies of the state or local governments and are not counted as governments. Legal provisions for some of the larger of these are discussed below (see “Public School Systems,” above, regarding educational agencies of this nature).

Among the subordinate agencies and areas listed below, some represent “special taxing areas” within the territory of an established government. This method of financing additional services in limited areas by property taxation, while also used by some municipal and township governments in a few states, is more widely utilized by county governments. In the listing below of authorized county-related agencies, a bullet (\*) appears for each entity of this

kind—i.e., any that may individually serve a portion rather than all of a county and for which a tax may be levied against the assessed value of property in the areas served.

**Higher Education Services Office (state).** This office was created by the legislature to oversee higher education in Minnesota and to administer student loans and scholarships. The board consists of nine members appointed by the Governor. The board may receive appropriations and grants, make loans to lenders, receive income from charges and loan repayments, and issue revenue bonds.

**Minnesota Higher Education Facilities Authority (state).** This authority was created by 1971 legislation to finance the construction of higher education facilities. A board consisting of a representative of the higher education services office ex officio, and eight other members (appointed by the Governor) governs the authority. The authority may fix rates, rents, fees, and charges for its services, and may issue revenue bonds.

**Minnesota Housing Finance Agency (state).** This agency, authorized by an act of the legislature, was created to provide mortgage credit for low to moderate income housing and related improvements. A board of seven members governs the agency, including five members appointed by the Governor with the consent of the senate, plus the state auditor and the commissioner of trade and economic development, who serve in an ex officio capacity. The agency may set fees and charges, receive grants and appropriations, make mortgage loans, and issue revenue bonds.

**Port authorities (municipal).** General law authorizes the establishment of these authorities in cities of the first class, and also elsewhere by special act. A port commission of three members appointed by the city council governs each authority, except where special acts specify otherwise. By unanimous resolution, however, a port commission may increase its membership to seven. Contiguous first class cities may establish joint port commissions. The port commission submits its annual budget to the city council which, at its discretion, may levy an additional ad valorem tax for port authority needs. Port authorities may levy ad valorem taxes up to a statutory limit and fix rates, fees, and charges. The port commission may issue revenue bonds and general obligation bonds with city approval. Industrial development districts within port authorities are classified as dependent agencies of the establishing authority, and are not counted as separate governments.

Other examples include:

### State

Greater Minnesota Corporation  
Lake Superior Center Authority  
Minnesota Agricultural and Economic Development Board

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Minnesota Export Finance Authority<sup>1</sup>  
Minnesota Health Care Commission<sup>2</sup>  
Minnesota Pollution Control Agency  
Minnesota Project Outreach Corporation  
Minnesota Public Facilities Authority  
Minnesota World Trade Center Corporation<sup>3</sup>  
Mississippi River Parkway Commission  
Rural Finance Authority  
St. Paul Landmark Authority  
Wildfire protection districts

### **County**

Benson/Swift County Hospital District  
Byllesby Park District  
Cook County and Grand Marais Joint Economic  
Development Authority County and judicial drainage  
systems  
County water and sewer districts  
Koochiching City-County Rural Development Finance  
Authority  
\*Lake improvement districts  
Mille Lacs Preservation and Development Board<sup>4</sup>  
Mississippi Headwaters Board Regional railroad authorities  
governed by the county board of commissioners  
\*Road districts in unorganized territory  
Rural development financing authorities with ex officio  
boards  
\*Subordinate service districts

### **Municipal**

Chisholm/Hibbing Airport Authority  
City development districts

Duluth Airport Authority  
Duluth Transit Authority  
Economic development authorities and districts  
Housing and redevelopment authorities with ex officio  
boards  
Lake Minnetonka Conservation District (in Hennepin  
County)  
Minneapolis Community Development Agency  
Minneapolis Housing Finance Agency  
Municipal redevelopment agencies  
Neighborhood revitalization policy boards (1st class cities)  
St. Paul Civic Center Authority  
St. Paul Public Housing Agency Special service districts  
Spirit Mountain Recreation Area Authority  
Storm sewer improvement districts  
Tax increment financing districts (may also be dependent  
on a special district)  
Urban and rural service (taxing) districts

### **TOWNSHIP**

Road districts (in areas having organized township  
governments)  
Special fire protection districts  
Subordinate service districts

### **Joint Municipal-Township**

Joint East Range Economic Development Authority  
White Bear Lake Conservation District

### **Other**

The Metropolitan Parks and Open Space Commission is  
classified as a dependent activity of the Metropolitan  
Council.

Minnesota laws also provide for various types of local  
areas for election purposes and administration of justice.

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<sup>1</sup>Repealed in 2002.

<sup>2</sup>Repealed in 1997.

<sup>3</sup>Repealed in 1999.

<sup>4</sup>The development board has yet to gain approval by the Min-  
nesota Legislature, and is not currently active.