

Table of Contents

Minnesota Management and Budget Non-Operating

<i>Agency Profile</i>	1
Agency Expenditure Overview	4
Agency Financing by Fund	5
Agency Change Summary	10
<u>Additional Documents</u>	14
<i>Enacted Budget Changes</i>	14

<https://mn.gov/mmb/>

AT A GLANCE

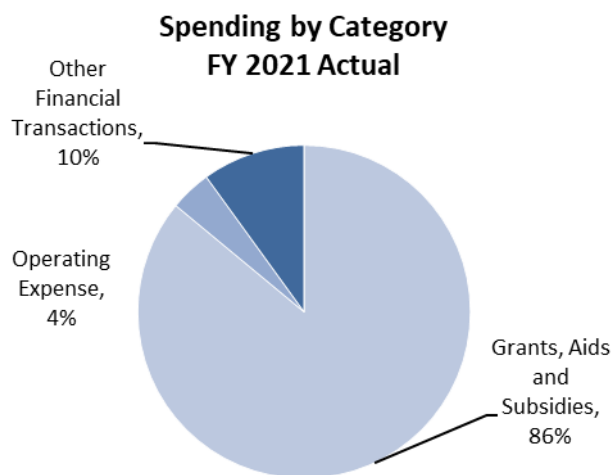
- Maintain approximately 120 accounts outside of MMB's regular statutory operations
- Receive over \$500 million in deposits, transfers, and cancellations to the general fund annually
- Act as fiscal agent for \$8 million in federal funds annually
- Collect almost \$83 million in miscellaneous fees, fines, penalties, and surcharges annually
- Provide \$69.7 million in direct aid to various local and state pension funds annually

PURPOSE

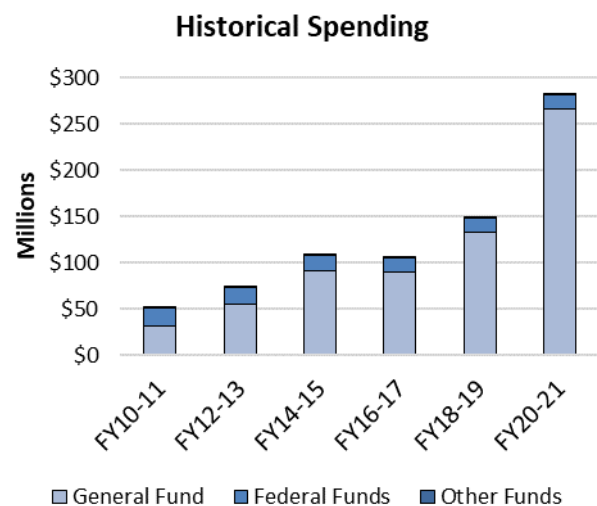
Minnesota Management and Budget (MMB) provides statewide accounting, budgeting, and financial management functions. Because of this role, statute requires MMB to manage a number of accounts and transactions that are outside of our day-to-day operations. This collective work is referred to as MMB's non-operating activities. These accounts and transactions cover a broad range of financial activities, including tort claims, contingency accounts, pension direct aids, and miscellaneous payments, deposits, and transfers. MMB is also responsible for receiving and depositing the state's share of various fees, fines, assessments, and surcharges collected by counties and judicial districts. Additionally, MMB acts as a pass-through entity for federal payments in lieu of taxes that we then remit to units of local government where national forests are located.

MMB is driven by our mission to be stewards of the state's financial and human resources, working together for the people of Minnesota. Our oversight of these non-operating activities is an important aspect of our stewardship of state resources.

BUDGET



Source: Budget Planning & Analysis System (BPAS)



Source: Consolidated Fund Statement

The charts above show the amounts and categories of MMB non-operating expenditures. They do not include debt service payments administered by the agency. Expenditures are just one facet of MMB's non-operating activities. Our agency also processes a variety of deposits and transfers. MMB's non-operating activities are described in more detail below.

Tort Claims: This account pays tort claim judgments against a state agency that cannot be paid from that agency's appropriated accounts. As specified in Minnesota Statutes, Section 3.736, Subdivision 7, a state agency may seek approval from MMB to use money in the MMB non-operating account for tort claims if MMB determines that there is not enough money in the agency's appropriations to cover the tort claim payment.

Contingent Accounts: Contingent accounts are appropriations made from several state funds to provide supplemental funding for emergencies and other legally authorized purposes. The release and expenditure of this funding requires the approval of the governor after consultation with the Legislative Advisory Commission (LAC). The LAC provides legislative review of the use of these funds during interim periods when the legislature is not in session. With the approval of the governor, supplemental funding for specific purposes is transferred to individual agency budgets; thus, expenditure history appears in the affected agency's budget.

Administrative Accounts: The state administers various trusts and funds on behalf of Minnesotans, including the Children's Trust, the Environmental Trust, and the Permanent School Fund. MMB manages the accounts used to support the administration of these trusts and funds.

Cash Flow Accounts: On an ongoing or one-time basis, some agencies or programs receive specific legislative authority to use general fund money to cash flow programs or activities during a biennium. These accounts are housed within the MMB non-operating accounts. In recent years, MMB has managed the following cash flow accounts:

- Lease-Purchase Cash Flow Account
- Education Aids Cash Flow Account
- Office of Higher Education Cash Flow Account
- MNsure Cash Flow Account
- MN.IT Cash Flow Account

Federal Payments in Lieu of Taxes: MMB receives pass-through federal payments in lieu of taxes for national forest lands, like the Chippewa National Forest and Superior National Forest. MMB receives these payments from the federal government and distributes them to the units of local government that are home to these forest lands.

Miscellaneous Fees, Fines, Assessments, Surcharges, and Deposits: The state charges fees and surcharges for various activities, including obtaining marriage licenses or adopting a child, and assesses fines and penalties for violations of the law. These receipts are often dedicated to more than one activity across multiple agencies; therefore, MMB is tasked with acting as an intermediary between the collecting entity and the receiving entity. In other instances, MMB is required to collect certain deposits that contribute to the available balance in the general fund or other funds.

Pension Direct Aids: The state provides direct aid to the Teachers Retirement Association (TRA) and the Public Employees Retirement Association (PERA) to help offset the additional liability those systems assumed when they merged with the Duluth Teachers Retirement Fund (TRA), the Minneapolis Teachers Retirement Fund (TRA), and the Minneapolis Employees Retirement Fund (PERA). The state also provides direct aid to the PERA Police and Fire Fund and St. Paul Teachers' Retirement Fund to help offset unfunded liabilities. These aids are appropriated to MMB for payment to the applicable pension funds.

STRATEGIES

MMB's non-operating activities contribute to the priorities of Fiscal Accountability and Measurable Results. To support these priorities, a key MMB goal is to direct and model responsible and transparent fiscal management. We work to ensure state resources are used effectively, ensure public trust by responsibly managing state finances and maintaining or improving the state's credit ratings, and communicate the state's fiscal priorities and

financial information in a way that is accessible and understandable. These principles extend to both MMB's operating and non-operating functions. We strive to complete our prescribed non-operating duties timely and we conduct this work according to law and accounting principles. We also report our non-operating activities in the Biennial Budget, Enacted Budget, Budget and Economic Forecasts, and financial statements.

Minnesota Statutes, Chapters 16A (<https://www.revisor.mn.gov/statutes/?id=16A>) and 43A (<https://www.revisor.mn.gov/statutes/cite/43A>) provide the general legal authority for MMB. However, MMB's non-operating activities are authorized throughout various sections of Minnesota Statutes as well as Minnesota Session Law.

MMB Non-operating

Agency Expenditure Overview

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base FY24 FY25		Enacted Budget FY24 FY25	
<u>Expenditures by Fund</u>								
1000 - General	70,745	195,678	81,298	99,054	82,440	82,006	100,293	83,506
1201 - Health Related Boards				800	400	400	400	400
2001 - Other Misc Special Revenue			226	230	230	230	5,230	230
2830 - Workers Compensation				100	100	100	100	100
3000 - Federal	7,615	7,495	7,982	9,765	9,765	9,765	9,765	9,765
3700 - Debt Service	45	324		200	200	200	200	200
5000 - Master Lease	19,123	21,844	21,039	21,521	24,805	24,952	24,805	24,952
7120 - PERA Correctional Plan							5,256	
Total	97,528	225,341	110,544	131,670	117,940	117,653	146,049	119,153
Biennial Change				(80,654)		(6,621)		22,988
Biennial % Change				(25)		(3)		9
Enacted Budget Change from Base								29,609
Enacted Budget % Change from Base								13

MMB Non-operating

Agency Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base		Enacted Budget	
	FY20	FY21	FY22	FY23	FY24	FY25	FY24	FY25
1000 - General								
Balance Forward In		561		516				
Direct Appropriation	506,180	236,583	229,547	519,100	73,580	302,545	2,925,923	337,682
Open Appropriation	22,536	8,512	8,686	25,331	19,111	9,487	19,111	9,487
Transfers In	8,544	332,627	34,701	20,486	10,410	10,880	10,410	10,880
Transfers Out	454,995	55,026	162,120	451,095	15,481	235,490	2,849,971	269,127
Net Loan Activity	(8,261)							
Cancellations	2,699	327,580	28,999	15,284	5,180	5,416	5,180	5,416
Balance Forward Out	561		516					
Expenditures	70,745	195,678	81,298	99,054	82,440	82,006	100,293	83,506
Biennial Change in Expenditures				(86,071)		(15,906)		3,447
Biennial % Change in Expenditures				(32)		(9)		2
Enacted Budget Change from Base								19,353
Enacted Budget % Change from Base								12

1200 - State Government Special Rev

Transfers In		0		
Cancellations		0		

1201 - Health Related Boards

Balance Forward In	400	400		
Direct Appropriation	400	400	400	400
Transfers In	30	1		
Cancellations	830	1		
Balance Forward Out	400	400		
Expenditures		800	400	400
Biennial Change in Expenditures		800		0
Biennial % Change in Expenditures				
Enacted Budget Change from Base				0
Enacted Budget % Change from Base				0

1250 - Health Care Response

Direct Appropriation	16,704	3,814		
Transfers In	150,000			

MMB Non-operating

Agency Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base FY24 FY25		Enacted Budget FY24 FY25	
Transfers Out		16,704	3,814					
Cancellations	150,000							

1251 - COVID-19 Minnesota

Direct Appropriation		59,848	21,900					
Transfers In	200,000							
Transfers Out		59,848	21,900					
Cancellations	200,000							

2000 - Restrict Misc Special Revenue

Balance Forward In		3,656	6,848		3,110	6,220	3,110	6,220
Receipts	6,579	6,196	(4,012)	6,260	6,260	6,260	6,260	6,260
Transfers Out	2,923	3,004	2,836	3,150	3,150	3,150	3,150	3,150
Balance Forward Out	3,656	6,848	0	3,110	6,220	9,330	6,220	9,330

2001 - Other Misc Special Revenue

Balance Forward In			4,249	7,969	12,044	16,119	12,044	16,119
Receipts			20	5	5	5	5	5
Transfers In	340	4,589	4,265	4,640	4,640	4,640	9,640	4,640
Transfers Out	340	340	340	340	340	340	340	340
Balance Forward Out		4,249	7,969	12,044	16,119	20,194	16,119	20,194
Expenditures			226	230	230	230	5,230	230
Biennial Change in Expenditures				456		4		5,004
Biennial % Change in Expenditures						1		1,099
Enacted Budget Change from Base								5,000
Enacted Budget % Change from Base								1,087

2005 - Opiate Epidemic Response

Balance Forward In			6,619	5,984	26,528	32,333	26,528	32,333
Receipts	6,619		365	20,544	5,805	4,163	5,805	4,163
Transfers In			1,000					
Transfers Out			1,000					
Cancellations			1,000					

MMB Non-operating

Agency Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base FY24 FY25		Enacted Budget FY24 FY25	
Balance Forward Out		6,619	5,984	26,528	32,333	36,496	32,333	36,496

2340 - Renewable Development

Balance Forward In	80,403		19,705	40,370	67,264	93,117	67,264	93,117
Receipts	16,340	19,705	20,665	26,894	25,853	30,111	25,853	30,111
Balance Forward Out	96,742	19,705	40,370	67,264	93,117	123,228	93,117	123,228

2360 - Health Care Access

Direct Appropriation	122,000	122,000	122,000	122,000	70,215	0	70,215	0
Transfers In	7,200	0	85,049					
Transfers Out	122,000	122,000	122,000	122,000	70,215		70,215	
Cancellations	7,200	0	85,049					

2700 - Trunk Highway

Direct Appropriation		8,227						
Transfers In	3,936	4,291	4,358	3,601	3,761	3,934	3,761	3,934
Cancellations	3,936	12,518	4,358	3,601	3,761	3,934	3,761	3,934

2830 - Workers Compensation

Balance Forward In		100		100	100	100	100	100
Direct Appropriation	100	100	100	100	100	100	100	100
Transfers In			14					
Cancellations		200	14					
Balance Forward Out	100		100	100	100	100	100	100
Expenditures			100		100	100	100	100
Biennial Change in Expenditures				100		100		100
Biennial % Change in Expenditures								
Enacted Budget Change from Base								0
Enacted Budget % Change from Base								0

3000 - Federal

Balance Forward In	51	59	68	74	74	74	74	74
Receipts	7,623	7,503	7,988	9,765	9,765	9,765	9,765	9,765

MMB Non-operating

Agency Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base FY24 FY25		Enacted Budget FY24 FY25	
Balance Forward Out	59	68	74	74	74	74	74	74
Expenditures	7,615	7,495	7,982	9,765	9,765	9,765	9,765	9,765
Biennial Change in Expenditures				2,638		1,783		1,783
Biennial % Change in Expenditures				17		10		10
Enacted Budget Change from Base								0
Enacted Budget % Change from Base								0

3700 - Debt Service

Balance Forward In		15	190	190	190	190	190	190
Receipts	60	500		200	200	200	200	200
Balance Forward Out	15	190	190	190	190	190	190	190
Expenditures	45	324		200	200	200	200	200
Biennial Change in Expenditures				(170)		200		200
Biennial % Change in Expenditures				(46)				
Enacted Budget Change from Base								0
Enacted Budget % Change from Base								0

3800 - Permanent School

Balance Forward In	9,622	9,417	8,780	9,615	9,973	10,111	9,973	10,111
Receipts	38,885	36,041	36,162	39,481	39,895	40,309	39,895	40,309
Transfers Out	39,090	36,678	35,327	39,123	39,757	40,171	39,757	40,171
Balance Forward Out	9,417	8,780	9,615	9,973	10,111	10,249	10,111	10,249

4901 - 911 Revenue Bond Debt Service

Balance Forward In	807	1,069	1,069	1,069	1,069	1,069	1,069	1,069
Transfers In	23,261	10,652						
Transfers Out	22,998	10,652						
Balance Forward Out	1,069	1,069	1,069	1,069	1,069	1,069	1,069	1,069

4925 - Family and Medical Benefit Ins

Transfers In							668,321	
Cancellations							668,321	

5000 - Master Lease

MMB Non-operating

Agency Financing by Fund

(Dollars in Thousands)

	Actual FY20	Actual FY21	Actual FY22	Estimate FY23	Forecast Base FY24 FY25		Enacted Budget FY24 FY25	
Balance Forward In	0	0	0					
Transfers In	19,123	21,844	21,039	21,521	24,805	24,952	24,805	24,952
Transfers Out			0					
Balance Forward Out	0	0	0					
Expenditures	19,123	21,844	21,039	21,521	24,805	24,952	24,805	24,952
Biennial Change in Expenditures				1,593		7,197		7,197
Biennial % Change in Expenditures				4		17		17
Enacted Budget Change from Base								0
Enacted Budget % Change from Base								0

6000 - Miscellaneous Agency

Balance Forward In	10,651	12,634	18,463	16,907	19,088	21,240	19,088	21,240
Receipts	2,664	6,470	(962)	2,840	2,840	2,840	2,840	2,840
Transfers In	91	64	25	126	72	72	72	72
Transfers Out	1,385	706	618	785	760	760	760	760
Balance Forward Out	12,021	18,463	16,907	19,088	21,240	23,392	21,240	23,392

7120 - PERA Correctional Plan

Transfers In							5,256	
Expenditures							5,256	
Biennial Change in Expenditures				0		0		5,256
Biennial % Change in Expenditures								
Enacted Budget Change from Base								5,256
Enacted Budget % Change from Base								

8000 - Housing Finance Agency

Balance Forward In	150	20	315	17				
Receipts	508	442	538	480	480	480	480	480
Transfers Out	638	147	835	497	480	480	480	480
Balance Forward Out	20	315	17					

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25
Direct				
Fund: 1000 - General				
FY2023 Appropriations	104,008	90,937	90,937	181,874
Base Adjustments				
One-Time Capital Appropriations		(17,044)	(17,044)	(34,088)
All Other One-Time Appropriations		(813)	(813)	(1,626)
Current Law Base Change	300,092		229,465	229,465
Biennial Appropriations		500		500
Forecast Base	404,100	73,580	302,545	376,125
Change Items				
Debt Service and Cash Impact for Capital Investments		1,043,977	30,282	1,074,259
Calendar Year 2024 Cost of Living Adjustment Increase for Retirees		88,592		88,592
Contingent Appropriation Increase		1,000	1,500	2,500
Family and Medical Benefit Insurance Program		668,321		668,321
VOTER Account Transfer - Office of Secretary of State		1,250	1,250	2,500
State Elections Campaign Account Transfer - Campaign Finance Board			2,103	2,103
State Facilities Asset Preservation Account Transfer - Admin		9,391		9,391
Pension Direct State Aids		397,308		397,308
Duty Disability Modifications		4,000		4,000
Secure Choice Retirement Program		5,000		5,000
Volunteer Firefighter Plan Incentive Program		5,000		5,000
Claims Bill		1,106		1,106
Public Safety Officer's Benefit Account Transfer		100,000		100,000
Rural Finance Authority Loans Authorization		1	2	3
Minnesota Climate Innovation Finance Authority Account		25,000		25,000
General Fund Transfer to State Competitiveness Fund		75,000		75,000
General Fund Transfer to Minnesota Forward Fund Account		400,000		400,000
General Fund Transfer to State Competitiveness Fund	115,000			
General Fund Transfer to the Metro Landfill Contingency Action Trust Account		27,397		27,397
Total Enacted Budget	519,100	2,925,923	337,682	3,263,605
Fund: 1201 - Health Related Boards				
FY2023 Appropriations	400	400	400	800
Forecast Base	400	400	400	800
Total Enacted Budget	400	400	400	800
Fund: 2360 - Health Care Access				
FY2023 Appropriations	122,000	122,000	122,000	244,000
Base Adjustments				
Current Law Base Change		(51,785)	(122,000)	(173,785)

MMB Non-operating

Agency Change Summary

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25
Forecast Base	122,000	70,215	0	70,215
Total Enacted Budget	122,000	70,215	0	70,215
Fund: 2830 - Workers Compensation				
FY2023 Appropriations	100	100	100	200
Forecast Base	100	100	100	200
Total Enacted Budget	100	100	100	200
Open				
Fund: 1000 - General				
Base Adjustments				
Forecast Open Appropriation Adjustment		9,690		9,690
November Forecast Adjustment	9,631	9,421	9,487	18,908
Forecast Base	9,631	19,111	9,487	28,598
Change Items				
US Bank Stadium Debt and Stadium Reserve Changes	15,700			
Total Enacted Budget	25,331	19,111	9,487	28,598
Dedicated				
Fund: 2001 - Other Misc Special Revenue				
Planned Spending	230	230	230	460
Forecast Base	230	230	230	460
Change Items				
Volunteer Firefighter Plan Incentive Program		5,000		5,000
Total Enacted Budget	230	5,230	230	5,460
Fund: 3000 - Federal				
Planned Spending	9,765	9,765	9,765	19,530
Forecast Base	9,765	9,765	9,765	19,530
Total Enacted Budget	9,765	9,765	9,765	19,530
Fund: 3700 - Debt Service				
Planned Spending	200	200	200	400
Forecast Base	200	200	200	400
Total Enacted Budget	200	200	200	400
Fund: 5000 - Master Lease				
Planned Spending	21,521	24,805	24,952	49,757
Forecast Base	21,521	24,805	24,952	49,757

MMB Non-operating

Agency Change Summary

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25
Total Enacted Budget	21,521	24,805	24,952	49,757
Revenue Change Summary				
Dedicated				
Fund: 2000 - Restrict Misc Special Revenue				
Forecast Revenues	6,260	6,260	6,260	12,520
Total Enacted Budget	6,260	6,260	6,260	12,520
Fund: 2001 - Other Misc Special Revenue				
Forecast Revenues	5	5	5	10
Total Enacted Budget	5	5	5	10
Fund: 2005 - Opiate Epidemic Response				
Forecast Revenues	20,544	5,805	4,163	9,968
Total Enacted Budget	20,544	5,805	4,163	9,968
Fund: 2340 - Renewable Development				
Forecast Revenues	26,894	25,853	30,111	55,964
Total Enacted Budget	26,894	25,853	30,111	55,964
Fund: 3000 - Federal				
Forecast Revenues	9,765	9,765	9,765	19,530
Total Enacted Budget	9,765	9,765	9,765	19,530
Fund: 3700 - Debt Service				
Forecast Revenues	200	200	200	400
Total Enacted Budget	200	200	200	400
Fund: 3800 - Permanent School				
Forecast Revenues	39,481	39,895	40,309	80,204
Total Enacted Budget	39,481	39,895	40,309	80,204
Fund: 6000 - Miscellaneous Agency				
Forecast Revenues	2,840	2,840	2,840	5,680
Total Enacted Budget	2,840	2,840	2,840	5,680
Fund: 8000 - Housing Finance Agency				
Forecast Revenues	480	480	480	960
Total Enacted Budget	480	480	480	960

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25
<i>Non-Dedicated</i>				
Fund: 1000 - General				
Forecast Revenues	702,103	845,503	453,770	1,299,273
Change Items				
Earned Sick and Safe Time District Court Filing Fee			67	67
Transit Service Intervention Project		(3)	(4)	(7)
Eliminate Fees for Uncertified Court Documents		(265)	(284)	(549)
Ramsey County Fine Distribution		(91)	(121)	(212)
Total Enacted Budget	702,103	845,144	453,428	1,298,572
Fund: 1200 - State Government Special Rev				
Forecast Revenues	2,501	2,501	2,501	5,002
Total Enacted Budget	2,501	2,501	2,501	5,002
Fund: 2212 - Peace Officer Training Account				
Forecast Revenues	103	103	103	206
Total Enacted Budget	103	103	103	206
Fund: 2300 - Outdoor Heritage				
Forecast Revenues	2,500	2,500	2,500	5,000
Total Enacted Budget	2,500	2,500	2,500	5,000
Fund: 2301 - Arts & Cultural Heritage				
Forecast Revenues	157	157	157	314
Total Enacted Budget	157	157	157	314
Fund: 2302 - Clean Water				
Forecast Revenues	1,250	1,250	1,250	2,500
Total Enacted Budget	1,250	1,250	1,250	2,500
Fund: 2303 - Parks and Trails				
Forecast Revenues	400	400	400	800
Total Enacted Budget	400	400	400	800
Fund: 2360 - Health Care Access				
Forecast Revenues	19,311	18,735	17,853	36,588
Total Enacted Budget	19,311	18,735	17,853	36,588

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25	FY26	FY27	Biennium 2026-27
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Debt Service and Cash Impact for Capital Investments

This provision reflects the debt service and cash costs of the 2023 legislative session's capital investment bills, Chapters 71 and 72. The bills together are \$2.58 billion net, and include \$1.5 billion in net general obligation bonds, \$45 million in general obligation bonds user-financed by Minnesota State, \$1.034 billion in net general fund cash, and \$500 thousand in a general fund revenue reduction for a sales tax exemption which is carried in a separate change item. Details of enacted appropriations can be found on MMB's Capital Budget website.

1000 - General Fund Cost (Savings)	0	1,043,977	30,282	1,074,259	46,923	51,095	98,018
Transfers Out	0	1,043,977	30,282	1,074,259	46,923	51,095	98,018

3501 - General Projects Fund Cost (Savings)	0	0	0	0	0	0	0
Transfers In	0	1,034,450	0	1,034,450	0	0	0
Expenditures	0	1,034,450	0	1,034,450	0	0	0

Calendar Year 2024 Cost of Living Adjustment Increase for Retirees

This provision includes a one-time, non-compounded postretirement adjustment for pension beneficiaries in calendar year 2024. The total postretirement adjustment in calendar year 2024 is 2.5 percent for coordinated members and 4 percent for basic plan members (individuals who are not eligible to receive social security benefits).

1000 - General Fund Cost (Savings)	0	88,592	0	88,592	0	0	0
Transfers Out	0	85,694	0	85,694	0	0	0
Expenditures	0	2,898	0	2,898	0	0	0

7100 - Public Employees Retirement Fund Cost (Savings)	0	0	0	0	0	0	0
Transfers In	0	21,805	0	21,805	0	0	0
Expenditures	0	21,805	0	21,805	0	0	0

7110 - Police and Fire Fund Cost (Savings)	0	0	0	0	0	0	0
Transfers In	0	19,397	0	19,397	0	0	0
Expenditures	0	19,397	0	19,397	0	0	0

7210 - Correctional Employees Retire Fund Cost (Savings)	0	0	0	0	0	0	0
Transfers In	0	911	0	911	0	0	0
Expenditures	0	911	0	911	0	0	0

7230 - Highway Patrol Retirement Fund Cost (Savings)	0	0	0	0	0	0	0
Transfers In	0	1,971	0	1,971	0	0	0
Expenditures	0	1,971	0	1,971	0	0	0

7240 - Judicial Retirement Fund Cost (Savings)	0	0	0	0	0	0	0
Transfers In	0	293	0	293	0	0	0
Expenditures	0	293	0	293	0	0	0

MMB Non-operating

Enacted Budget Changes

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25	FY26	FY27	Biennium 2026-27
7250 - Legislative Annuities Fund Cost (Savings)	0	0	0	0	0	0	0
Transfers In	0	91	0	91	0	0	0
Expenditures	0	91	0	91	0	0	0
7260 - State Employees Retirement Fund Cost (Savings)	0	0	0	0	0	0	0
Transfers In	0	10,106	0	10,106	0	0	0
Expenditures	0	10,106	0	10,106	0	0	0
7300 - Teachers Retirement Fund Cost (Savings)	0	0	0	0	0	0	0
Transfers In	0	31,120	0	31,120	0	0	0
Expenditures	0	31,120	0	31,120	0	0	0

Contingent Appropriation Increase

This funding increases the amount available in the contingent account, which is available to address unforeseen costs and circumstances.

1000 - General Fund Cost (Savings)	0	1,000	1,500	2,500	1,000	0	1,000
Expenditures	0	1,000	1,500	2,500	1,000	0	1,000

US Bank Stadium Debt and Stadium Reserve Changes

This provision allows for the full prepayment of the remaining state-held debt for the US Bank Stadium in Minneapolis at the earliest allowable payoff date. This provision also includes \$15.7 million for the first phase of a secure perimeter around the stadium and eliminates the requirement for the City of Minneapolis to pay the remaining amount owed for the advances from the state to cover their portion of operating and capital payments for the stadium between 2016 and 2020 and lowers the discount rate to zero percent on their outstanding debt to the state.

1000 - General Fund Cost (Savings)	15,700	(2,542)	(2,542)	(5,084)	(2,542)	(2,542)	(5,084)
Net Loan Activity	0	(2,542)	(2,542)	(5,084)	(2,542)	(2,542)	(5,084)
Expenditures	15,700	0	0	0	0	0	0

Transfer From The Premium Security Account

This provision transfers funding from the Premium Security Account to the general fund at end of FY 2026. This account provides reinsurance payments to health insurers to help cover the costs of high claims in the market. This provides the account with funding sufficient to operate the program through plan year 2025 which is paid in FY 2026. Forecast change driven by higher federal pass-through funds and lower total program estimates reduce the amount of state resources needed to operate the program in future years.

1000 - General Fund Cost (Savings)	0	0	0	0	(275,775)	0	(275,775)
Transfers In	0	0	0	0	275,775	0	275,775

Parking Fund Debt Service Waiver

This provision eliminates the transfers of debt service funding for the Minnesota Senate Garage from the state parking account to the general fund. This will help to balance expenses with current revenues. The debt for the Minnesota Senate Garage will be retired in 2039.

1000 - General Fund Cost (Savings)	0	990	993	1,983	994	988	1,982
Transfers In	0	(990)	(993)	(1,983)	(994)	(988)	(1,982)

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25	FY26	FY27	Biennium 2026-27
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Family and Medical Benefit Insurance Program

The Family and Medical Benefit Insurance Programs provides partial wage replacement to all Minnesotans who need to take time off from work due to a qualifying medical situation. The FMBI program will be managed by DEED and is initially funded by the general fund but will be self-sustaining through employer and employee premium contributions (0.70%, with at least 0.35% paid by the employer) starting January 1, 2026, when the program goes into effect. The MMB non-operating funding will fund a reserve balance in the Paid Family and Medical Leave (PFML) Fund. This will provide adequate cash flow to permit initiation of benefits simultaneously with the start of premium collections on July 1, 2026.

1000 - General Fund Cost (Savings)	0	668,321	0	668,321	3,049	3,049	6,098
Transfers Out	0	668,321	0	668,321	0	0	0
Expenditures	0	0	0	0	3,049	3,049	6,098

4925 - Family and Medical Benefit Ins Fund Cost (Savings)	0	(668,321)	0	(668,321)	0	0	0
Transfers In	0	668,321	0	668,321	0	0	0
Expenditures	0	0	0	0	0	0	0

Governor's Office Operating Adjustment

This provision adjusts how Governor's office operations are funded. Changes included an increased general fund direct appropriation so that the Governor's office would be less reliant on state agency billing for operations and a corresponding reduction to agency appropriations resulting from the savings due to reduced ongoing transfers to the Governor's office.

1000 - General Fund Cost (Savings)	0	(4,336)	(4,336)	(8,672)	(4,336)	(4,336)	(8,672)
Transfers Out	0	(4,164)	(4,164)	(8,328)	(4,164)	(4,164)	(8,328)
Expenditures	0	(172)	(172)	(344)	(172)	(172)	(344)

COVID-19 Management Account Cancellation

This provision cancels the \$58.3 million unallocated balance from the COVID-19 Management general fund appropriation in order to have made that funding available for other priorities enacted in the 2023 legislative session.

VOTER Account Transfer - Office of Secretary of State

This provision transfers additional resources to the newly created voting operations, technology, and election resources account. The Office of the Secretary of State will distribute this funding to county and local governments to be used for election administration purposes.

1000 - General Fund Cost (Savings)	0	1,250	1,250	2,500	1,250	1,250	2,500
Transfers In	0	0	0	0	0	0	0
Transfers Out	0	1,250	1,250	2,500	1,250	1,250	2,500

State Elections Campaign Account Transfer - Campaign Finance Board

This provision transfers additional funding to the state elections campaign account established in Minnesota Statutes. The funding in this account is allocated for campaigns as specified in MS 10A.31.

1000 - General Fund Cost (Savings)	0	0	2,103	2,103	0	0	0
Transfers Out	0	0	2,103	2,103	0	0	0

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25	FY26	FY27	Biennium 2026-27
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State Facilities Asset Preservation Account Transfer - Admin

This provision transfers additional funding asset preservation account, which is used by the Department of Administration for asset preservation projects in state-owned facilities.

1000 - General Fund Cost (Savings)	0	9,391	0	9,391	0	0	0
Transfers Out	0	9,391	0	9,391	0	0	0

Pension Direct State Aids

This provision supports our statewide public pension retirement systems with one-time direct state aids. These funds will bolster each plan's funded ratio and will be used to deliver future annuity payments to retirees and disibilitants.

1000 - General Fund Cost (Savings)	0	397,308	0	397,308	0	0	0
Transfers Out	0	384,459	0	384,459	0	0	0
Expenditures	0	12,849	0	12,849	0	0	0

7100 - Public Employees Retirement Fund Cost (Savings)	0	0	0	0	0	0	0
Transfers In	0	148,288	0	148,288	0	0	0
Expenditures	0	148,288	0	148,288	0	0	0

7120 - PERA Correctional Plan Fund Cost (Savings)	0	0	0	0	0	0	0
Transfers In	0	5,256	0	5,256	0	0	0
Expenditures	0	5,256	0	5,256	0	0	0

7210 - Correctional Employees Retire Fund Cost (Savings)	0	0	0	0	0	0	0
Transfers In	0	9,535	0	9,535	0	0	0
Expenditures	0	9,535	0	9,535	0	0	0

7230 - Highway Patrol Retirement Fund Cost (Savings)	0	0	0	0	0	0	0
Transfers In	0	10,000	0	10,000	0	0	0
Expenditures	0	10,000	0	10,000	0	0	0

7260 - State Employees Retirement Fund Cost (Savings)	0	0	0	0	0	0	0
Transfers In	0	66,333	0	66,333	0	0	0
Expenditures	0	66,333	0	66,333	0	0	0

7300 - Teachers Retirement Fund Cost (Savings)	0	0	0	0	0	0	0
Transfers In	0	145,047	0	145,047	0	0	0
Expenditures	0	145,047	0	145,047	0	0	0

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25	FY26	FY27	Biennium 2026-27
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Duty Disability Modifications

This provision is for the Public Employee Retirement Association (PERA) and Minnesota State Retirement System's (MSRS) costs associated with the modifications made to the duty disability process. This one-time funding is available until expended.

1000 - General Fund Cost (Savings)	0	4,000	0	4,000	0	0	0
Transfers Out	0	4,000	0	4,000	0	0	0

Secure Choice Retirement Program

This provision establishes the Secure Choice Retirement Program and requires the new board of directors to operate an employee retirement savings program. Employers with five or more covered employees will be required to automatically enroll their covered employees into an individual retirement account. One-time funds of \$5 million are transferred from the general fund to the Secure Choice administrative fund to establish and administer the program.

1000 - General Fund Cost (Savings)	0	5,000	0	5,000	0	0	0
Transfers Out	0	5,000	0	5,000	0	0	0

Volunteer Firefighter Plan Incentive Program

This provision establishes an incentive program for paying monetary incentives to volunteer firefighter departments to join the statewide firefighter plan at the Public Employees Retirement Association (PERA). The executive director of PERA must work with of the Legislative Commission on Pensions and Retirement (LCPR) to prepare legislation to add a defined contribution component to the statewide plan and make other statutory changes as appropriate to encourage these fire departments to join the statewide plan.

1000 - General Fund Cost (Savings)	0	5,000	0	5,000	0	0	0
Transfers Out	0	5,000	0	5,000	0	0	0
2001 - Other Misc Special Revenue Fund Cost (Savings)	0	0	0	0	0	0	0
Transfers In	0	5,000	0	5,000	0	0	0
Expenditures	0	5,000	0	5,000	0	0	0

Claims Bill

This funding will be used to pay for specific awards and damages under the Imprisonment and Exoneration Remedies Act (MS 611.362-611.368).

1000 - General Fund Cost (Savings)	0	1,106	0	1,106	0	0	0
Expenditures	0	1,106	0	1,106	0	0	0

Public Safety Officer's Benefit Account Transfer

This provision provides onetime funding to the public safety officer's benefit account to fund reimbursements of public employers for continued health insurance coverage and to cover administrative and implementation costs of administering the public safety officer benefit program.

1000 - General Fund Cost (Savings)	0	100,000	0	100,000	0	0	0
Transfers Out	0	100,000	0	100,000	0	0	0

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25	FY26	FY27	Biennium 2026-27
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Rural Finance Authority Loans Authorization

This provision reflects the debt service cost of the 2023 legislative session's Rural Finance Authority Loans Authorization bill, Chapter 32. \$50 million is appropriated for the Rural Finance Authority's programs with user-financed general obligation bond proceeds which has no tracked impact, and \$50 thousand is appropriated to Minnesota Management and Budget for bond sale expenses with general obligation bond proceeds which has a general fund impact for the debt service payments. The \$50 million appropriation is for the beginning farmer program, the loan restructuring program, the seller-sponsored program, the agricultural improvement loan program, and the livestock expansion loan program.

1000 - General Fund Cost (Savings)	0	1	2	3	4	4	8
Transfers Out	0	1	2	3	4	4	8

Minnesota Climate Innovation Finance Authority Account

The provision allocates funding to the Climate Innovation Finance Authority to support the acceleration of clean energy projects.

1000 - General Fund Cost (Savings)	0	25,000	0	25,000	0	0	0
Transfers Out	0	25,000	0	25,000	0	0	0

General Fund Transfer to State Competitiveness Fund

This provision transfers monies to the State Competitiveness Fund to provide funding for grants to eligible projects that are receiving federal loans or tax credits where the benefits are disadvantaged communities. A portion of this provision can be used for administrative costs associated with implementing this program.

1000 - General Fund Cost (Savings)	0	75,000	0	75,000	0	0	0
Transfers Out	0	75,000	0	75,000	0	0	0

General Fund Transfer to Minnesota Forward Fund Account

This funding will be used to re-shape how Minnesota does economic development, by making the state more competitive, nimble, and future-facing in the wake of several rapidly shifting global trends. The Minnesota Forward Fund will ensure that Minnesota can compete on a national and international playing field for business retention, expansion and attraction projects. These resources will position the state to compete for the kind of large investments that the federal government is making in domestic production and supply chains that are resilient for economic security and economic enhancement opportunities. These include maximizing leverage of CHIPS Act funds and the Inflation Reduction Act resources.

1000 - General Fund Cost (Savings)	0	400,000	0	400,000	0	0	0
Transfers Out	0	400,000	0	400,000	0	0	0

General Fund Transfer to State Competitiveness Fund

This provision transfers monies to the State Competitiveness Fund to provide required state matching funds for multiple energy-related competitive and formula grant opportunities through the Infrastructure Investment and Jobs Act and Inflation Reduction Act; grant writing capacity in rural and under-invested in communities to support specific projects. In addition, the funding provides the administrative and technical capacity at the Department of Commerce to support these efforts as well as provide quantitative analysis on their impact.

1000 - General Fund Cost (Savings)	115,000	0	0	0	0	0	0
Transfers Out	115,000	0	0	0	0	0	0

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25	FY26	FY27	Biennium 2026-27
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Earned Sick and Safe Time District Court Filing Fee

This provision requires employers to provide employees one hour of earned sick and safe time for every 30 hours worked up to a maximum of 48 hours per year. Funding is also provided to support administrative costs associated with the implementation of ESSL.

1000 - General Fund Cost (Savings)	0	0	(67)	(67)	(73)	(73)	(146)
Revenues	0	0	67	67	73	73	146

Family Medical Benefit Insurance Filing Fees

The Family and Medical Benefit Insurance Programs provides partial wage replacement to all Minnesotans who need to take time off from work due to a qualifying medical situation. The FMBI program will be managed by DEED and is initially funded by the general fund but will be self-sustaining through employer and employee premium contributions (0.70%, with at least 0.35% paid by the employer) starting January 1, 2026, when the program goes into effect. This provision funds administrative costs associated with agency efforts to support FMBI.

1000 - General Fund Cost (Savings)	0	0	0	0	(43)	(168)	(211)
Revenues	0	0	0	0	43	168	211

Transit Service Intervention Project

This provision establishes a Transit Service Intervention Project to provide coordinated, high-visibility intervention on light rail transit lines that provide for enhanced social services outreach and engagement, code of conduct regulation, and law enforcement. Part of this initiative includes the modification of administrative citations, such as reducing from \$75 to \$25 the surcharge for prohibited activities on the transit system.

1000 - General Fund Cost (Savings)	0	3	4	7	4	4	8
Revenues	0	(3)	(4)	(7)	(4)	(4)	(8)

Eliminate Fees for Uncertified Court Documents

This provision eliminates the fee charged by the courts for uncertified copies of court records, regardless of whether the records are obtained physically or electronically through the Minnesota Court Records Online system.

1000 - General Fund Cost (Savings)	0	265	284	549	284	284	568
Revenues	0	(265)	(284)	(549)	(284)	(284)	(568)

Ramsey County Fine Distribution

This provision amends the distribution of fines, penalties, and forfeiture fees collected by the court administrator so that every municipality within Ramsey County receives two-thirds of the collected money, with the remaining balance going to the general fund. Previously, only St. Paul received two-thirds of the collected money, while the remaining municipalities in Ramsey County received one-half of the collection.

1000 - General Fund Cost (Savings)	0	91	121	212	121	121	242
Revenues	0	(91)	(121)	(212)	(121)	(121)	(242)

General Fund Transfer to the Metro Landfill Contingency Action Trust Account

This provision transfers funding to compensate the Metro Landfill Contingency Action Trust account for lost investment income from money removed from the account in prior years.

1000 - General Fund Cost (Savings)	0	27,397	0	27,397	0	0	0
Transfers Out	0	27,397	0	27,397	0	0	0

(Dollars in Thousands)

	FY23	FY24	FY25	Biennium 2024-25	FY26	FY27	Biennium 2026-27
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