Legislative Advisory Commission Meeting Notes  
State Office Building, Room 10  
October 6, 2011  
10:00 a.m. – 11:30

1. Introduction  
Members present: Senator Kurt Zellers  Representative Amy Koch  
Senator Claire Robling  Representative Mary Liz Holberg  
Senator Mike Parry

Presenters: MMB Commissioner Jim Schowalter  
MMB Assistant Commissioner, State Budget Director Margaret Kelley  
MMB Assistant Commissioner, State Treasury Kristin Hanson  
State Economist, Tom Stinson

2. Cash Flow Projections  
• General fund cash balance is $200 million above forecast because of additional revenues that came in FY 2011. At this time, the source and permanency are unknown.  
• Unlikely line of credit would need to be accessed in FY 2012 and unlikely cash management administrative tools would be utilized before accessing the line of credit, such as: delaying payments to the University of Minnesota, sales and corporate tax refunds, and Human Services provider payments.

3. Contingent Authority to Borrow  
Minnesota Statutes, Section 16A.671

4. Economic Update  
• FY 2011 revenues $355 million above February forecast. Wages were a slightly stronger than had previously forecasted and growth in capital gains.  
• However, economic outlook has fallen more pessimistic than February forecast.

5. Discussion and Recommendation  
Representative Holberg read the following statement:
“The Legislative Advisory Commission, pursuant to Minnesota Statutes, Section 16A.671, Subdivision 2, recommends that the Commissioner of Minnesota Management and Budget retain a line of credit for cash flow purposes until June 30, 2012.”
All members agreed with the motion for this statement to be commission’s recommendation.