In May 2013, the Legislature adopted and the Governor signed legislation to enact a FY 2014-15 budget.

The Current Biennium – FY 2014-15

The general fund budget for FY 2014-15 (the two fiscal years (FY) that make up the biennium that began July 1, 2013 and ends June 30, 2015), anticipates $38.4 billion in revenues and $38.3 billion of spending.

Major general fund revenue sources are illustrated in the graph below:

The budget reserve is at $656 million and the cash flow account is at $350 million. A balance of $46 million is projected for the current FY 2014-15 budget.
Major categories of general fund spending for the FY 2014-15 biennium are illustrated below:

The FY 2014-15 Budget

The state budget forecast released at the end of February 2013 projected a $627 million general fund budget deficit for the FY 2014-15 biennium.

The 2013 Legislature increased general fund revenue for the FY 2014-15 biennium by $2.306 billion. Of this revenue increase, $1.119 billion is from a new higher income tax bracket and $436 million is from cigarette and tobacco tax changes.

General fund spending for the FY 2014-15 was increased by $1.606 billion. The largest spending increases were $485 million in K-12 Education and $453 million in Tax Aids and Credits. Aid to cities and counties is part of the later category.

The $700 million difference between the revenue increase and the spending increase offset the projected deficit of $627 million and left a budget balance for the biennium.

Budget balances projected at the time of a state budget forecast will be used to restore payments to school districts that were delayed during recent state budget problems. Approximately $874 million in delayed school district payments remain to be repaid. At one point over $2.4 billion in payments to school districts were delayed.

*For more information, contact Bill Marx, Chief Fiscal Analyst, at 651-296-7176 or bill.marx@mn.us*