

Operating Funds in the Consolidated Fund Statement

The state's general fund receives most of the attention when the state budget is discussed. The general fund accounts for about 53 percent of the state's operating budgets spending as shown in the consolidated fund statement in the FY 2012-13 biennium. For more discussion of the state's operating budget, see "State Expenditures - All Operating Funds", a Money Matters document published by the House Fiscal Analysis Department in January 2012.

The document provides a brief summary of the state's other 35 operating funds that make up close to 50 percent of the spending in the state's operating funds. Each fund is listed with a brief description of the fund. Along with the fund name on the first line is the fund number used in the state accounting system. Funds are listed here in the order of the fund number. (Fund number have recently been revised when a new state accounting system started July 1, 2011.) Also on the first line is an indication of appropriations from the account are direct or statutory. Direct appropriations must be made in laws enacted every two years. Statutory appropriations are made in permanent law and remain in place unless changed in a new law.

This summary also lists the statutory or constitutional authority for the fund. In some cases, such as the special revenue fund, there are too many statutory authorizations to reference in this document. A four year summary of receipts, expenditures and balances is also shown.

Numbers in this document are from the February 2012 consolidated fund statement and are in thousands of dollars.

Transit Assistance Fund

1050

Statutory

This fund, started in FY 2008, has an account for metropolitan transit and one for greater Minnesota transit. The accounts receive constitutionally dedicated funds for transit.

Statutory authority: M.S. 16A.88

Managing agency: Transportation, Metropolitan Council

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Receipts & Transfers In	162,777	202,570	229,887	241,970
Expenditures & Transfers Out	156,136	203,849	230,122	242,175
Balance Forward (includes reserves)	7,289	6,010	5,775	5,570

Medical Education & Research Fund

1100

Statutory

The endowment was established with tobacco settlement funds, but federal funds also flow through this fund. The endowment principal of \$575 million was transferred to the General Fund in FY 2004. The fund is still used primarily to handle federal grants.

Statutory authority: M.S. 62J.694 (repealed in 2006)

Managing agency: Health, Management & Budget

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Receipts & Transfers In	74,015	87,056	53,225	53,225
Expenditures & Transfers Out	87,555	85,276	63,025	53,225
Balance Forward	9,948	11,728	1,928	1,928

Health Impact Fund

1150

Statutory

This fund was created for receipts from a health impact fee established in 2005. Proceeds are transferred to the general fund and possibly the health care access fund to offset health related costs of tobacco use.

Statutory authority: M.S. 16A.725

Managing agency: Management & Budget, Human Services

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Receipts & Transfers In	215,359	203,321	200,700	199,500
Expenditures & Transfers Out	215,359	203,321	200,700	199,500
Balance Forward	0	0	0	0

State Government Special Revenue Fund

1200

Mostly Direct

This fund has about 70 accounts mostly health and state government related. It also is divided into four subaccounts (Health Boards, Oil Overcharge, 911 Emergency and Construction Codes). Revenue is from fees and expenditures are for costs related to licensing and operations of programs. Examples of accounts include the Board of Dentistry operating account and the 911 Emergency Telephone Program account.

Statutory authority: Various

Managing agency: Various Agencies

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Receipts & Transfers In	150,112	151,115	161,096	161,667
Expenditures & Transfers Out	139,539	146,298	192,597	162,413
Balance Forward	50,271	55,088	23,587	22,841

Minnesota Future Resources Fund**1300****Direct**

This fund received a portion of cigarette tax revenue. Projects were recommended by LCMR. The funding source ended after FY 2003. A remaining balance of \$1,171,000 was transferred to the general fund in FYs 2006 and 2007. Small spending amounts are shown for FY 2008 - FY 2012 for projects that are being completed.

Statutory authority: M.S. 116P.13

Managing agency: Legislative Commission on Minnesota Resources

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Receipts & Transfers In	1	1	1	0
Expenditures & Transfers Out	1	8	124	0
Balance Forward (includes reserved amounts)	133	126	3	3

Special Revenue Fund**2000****Mostly Statutory**

This fund has more than 1,000 individual accounts, most fairly small. Many are fee related. Various transfers to and from the general fund and other funds are made.

Statutory authority: Various

Managing agency: Various Agencies

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Receipts & Transfers In	1,049,671	1,121,921	938,644	944,136
Expenditures & Transfers Out	1,098,554	1,059,265	956,633	942,630
Balance Forward	263,737	326,393	308,404	309,910

Agricultural Fund**2018****Statutory**

This fund has over 30 accounts related to agriculture programs. Examples include the pesticide regulatory account and the seed potato inspection account. Most revenues are from fees for services.

Statutory authority: M.S. 16A.531, Subd. 3

Managing agency: Agriculture

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Receipts & Transfers In	20,356	21,159	21,569	21,099
Expenditures & Transfers Out	19,517	20,529	24,349	26,393
Balance Forward	19,427	20,057	17,277	11,983

Minnesota Environment & Natural Resources Trust Fund**2050****Direct**

The Minnesota Constitution dedicates 40 percent of lottery proceeds for environmental purposes through 2025. Those proceeds are deposited in this fund. Up to 5.5 percent of the balance in the fund may be spent each year for environmental purposes. The remainder makes up the balance of the trust fund and is the balance forward each year.

Statutory authority: Constitution Art XI, Sec. 14, M.S. 116P.04

Managing agency: Legislative-Citizen Comsn on Mn. Resources

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Receipts & Transfers In	58,132	56,702	58,659	63,819
Expenditures & Transfers Out	24,972	29,477	31,610	25,328
Balance Forward (includes reserved amounts)	514,010	541,235	568,284	606,775

Natural Resources Fund**2100****Mostly Direct**

This fund has a variety of accounts including snowmobile, ATV, water recreation, non-game wildlife, land acquisition, off-highway vehicle, off-road vehicle. Revenue for most accounts is from fees.

Statutory authority: M.S. 16A.531, Subd. 2

Managing agency: Natural Resources

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Receipts & Transfers In	85,593	89,244	92,926	98,593
Expenditures & Transfers Out	82,608	86,029	102,374	103,750
Balance Forward	29,311	32,526	23,078	17,921

Game and Fish Fund**2200****Direct, Some Statutory**

Revenue is from hunting & fishing license fees, expenditures are for related items as appropriated. The fund has a variety of accounts for various license and fee programs. Examples include trout and salmon management, wild rice management, and deer management.

Statutory authority: M.S. 97A.055

Managing agency: Natural Resources

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Receipts & Transfers In	98,999	96,148	91,279	92,560
Expenditures & Transfers Out	95,485	99,570	100,732	100,044
Balance Forward (includes reserves)	32,031	28,609	19,156	11,672

Outdoor Heritage Fund**2300****Direct**

A constitutional amendment, passed in 2008, raises the sales tax 3/8 of one percent (.375) for 25 years and dedicates the revenue raised for various environmental and arts purposes. The Outdoor Heritage Fund receives 33 percent of the tax proceeds

Statutory authority: Constitution Art. XI, Sec. 15; M.S. 97A.056

Managing agency: Various

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Receipts & Transfers In	76,031	83,750	86,971	89,466
Expenditures & Transfers Out	55,138	72,528	105,123	471
Balance Forward	20,893	32,115	13,963	102,958

Arts & Cultural Heritage Fund**2301****Direct**

A constitutional amendment, passed in 2008, raises the sales tax 3/8 of one percent (.375) for 25 years and dedicates the revenue raised for various environmental and arts purposes. The Arts and Cultural Heritage Fund receives 19.75 percent of the tax proceeds

Statutory authority: Constitution Art. XI, Sec. 15; M.S.129D.17

Managing agency: Various

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Receipts & Transfers In	45,451	49,826	53,374	53,395
Expenditures & Transfers Out	33,889	59,364	52,657	52,714
Balance Forward	11,562	2,024	2,741	3,422

Clean Water Fund**2302****Direct**

A constitutional amendment, passed in 2008, raises the sales tax 3/8 of one percent (.375) for 25 years and dedicates the revenue raised for various environmental and arts purposes. The Clean Water Fund receives 33 percent of the tax proceeds

Statutory authority: Constitution Art. XI, Sec. 15; M.S. 114D.50

Managing agency: Various

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Receipts & Transfers In	75,991	85,687	83,714	89,442
Expenditures & Transfers Out	45,477	74,909	115,689	88,912
Balance Forward	30,514	41,292	9,317	9,847

Parks and Trails Fund**2303****Direct**

A constitutional amendment, passed in 2008, raises the sales tax 3/8 of one percent (.375) for 25 years and dedicates the revenue raised for various environmental and arts purposes. The Parks and Trails Fund receives 19.75 percent of the tax proceeds

Statutory authority: Constitution Art. XI, Sec. 15; M.S. 85.53

Managing agency: Various

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Receipts & Transfers In	32,829	36,783	37,205	38,569
Expenditures & Transfers Out	12,137	47,598	45,076	38,468
Balance Forward	20,692	9,877	2,006	2,107

Petroleum Tank Release Cleanup Fund**2350****Statutory**

Money in the account is for petroleum tank cleanup. Revenue is from a fee on the use of petroleum tanks.

Statutory authority: M.S. 115C.08

Managing agency: Pollution Control Agency

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Receipts & Transfers In	18,707	16,531	28,429	27,833
Expenditures & Transfers Out	22,338	22,331	40,308	28,004
Balance Forward	18,762	12,962	1,083	912

Health Care Access Fund**2360****Direct**

Revenue is from a provider tax, premium tax and individual premiums. Expenditures are for Minnesota Care program.

FY 2010 spending includes transfers of \$77.6 million to the general fund. Transfers of \$166.4 million in FY 2011, \$189.1 million in FY 2012 and \$294.1 million in FY 2013 are anticipated.

Statutory authority: M.S. 16A.724

Managing agency: Human Services

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Receipts & Transfers In	534,616	555,449	596,115	574,114
Expenditures & Transfers Out	603,793	756,305	548,248	643,844
Balance Forward	222,719	21,863	69,730	0

Iron Range Resources & Rehabilitation Fund**2370****Statutory**

This is the operating fund of the Iron Range Resources & Rehabilitation Agency. Revenue is from the taconite tax, loan repayments and fees. Expenditures are for economic development related purposes in the Iron Range area.

Statutory authority: M.S. 298.17, M.S. 298.221

Managing agency: Iron Range Resources & Rehabilitation

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Receipts & Transfers In	36,472	15,257	22,634	28,263
Expenditures & Transfers Out	27,632	26,187	26,253	26,465
Balance Forward	37,290	26,360	22,741	24,539

NE Minnesota Economic Protection Fund (Douglas J. Johnson Economic Protection Trust Fund)**2380****Statutory**

Money is this fund is to be used for economic rehabilitation and rehabilitation of Northeastern Minnesota. Revenue is from a portion of taconite taxes.

Statutory authority: M.S. 298.291 - 298.296

Managing agency: Iron Range Resources & Rehabilitation

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Receipts & Transfers In	-732	2,961	2,749	3,235
Expenditures & Transfers Out	5,482	11,810	5,530	1,648
Balance Forward	92,860	84,011	81,230	82,817

Workforce Development Fund**2390****Direct & Statutory**

Revenue is from an employer assessment, expenditures for employment and training programs.

Statutory authority: M.S. 116L.20

Managing agency: Employment & Economic Development

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Receipts & Transfers In	52,270	54,549	45,108	42,402
Expenditures & Transfers Out	49,641	49,599	48,932	43,177
Balance Forward	3,305	8,255	4,431	3,656

Endowment Fund**2400****Statutory**

Gifts received by the state in the form of endowments are in this fund. Balance forward includes principal amounts.

Statutory authority: M.S. 16A.013; 92.69, Subd. 2; 136F.80; 246.01

Managing agency: Various Agencies

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Receipts & Transfers In	1	-8	1	1
Expenditures & Transfers Out	0	0	1	1
Balance Forward	70	62	62	62

Gift Fund**2403****Statutory**

Any gifts to the state are deposited in the fund and then spent as specified. Account within this fund are established as necessary to track revenues and expenditures for designated purposes.

Statutory authority: M.S. 16A.013 - 16A.016

Managing agency: Various Agencies

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Receipts & Transfers In	7,067	6,838	4,918	4,918
Expenditures & Transfers Out	7,225	6,719	5,478	4,888
Balance Forward	5,768	5,887	5,327	5,357

Municipal State Aid Street Fund**2500****Direct**

This fund receives a distribution from the highway user tax distribution fund and is used to make grants to cities for streets and roads.

Statutory authority: Constitution Art. 14, Sec. 8

Managing agency: Transportation

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Receipts & Transfers In	133,584	151,975	152,071	154,736
Expenditures & Transfers Out	132,030	158,075	149,104	157,280
Balance Forward (includes reserves)	135,116	129,016	131,983	129,439

County State Aid Highway Fund**2600****Direct**

This fund receives a distribution from the highway user tax distribution fund and is used to make grants to counties for roads.

Statutory authority: Constitution Art. 14, Sec. 7

Managing agency: Transportation

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Receipts & Transfers In	507,245	544,518	579,162	592,827
Expenditures & Transfers Out	458,989	637,445	557,027	585,291
Balance Forward (includes reserves)	407,647	314,720	336,855	344,391

Trunk Highway Fund**2700****Mostly Direct**

This fund receives a distribution from the highway user tax distribution fund and from federal funds for state highway construction.

Statutory authority: Constitution Art. 14, Sec. 6; M.S. 161.04

Managing agency: Transportation

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Receipts & Transfers In	1,446,161	1,591,476	1,624,318	1,420,811
Expenditures & Transfers Out	1,404,131	1,523,894	1,632,738	1,393,165
Balance Forward (includes reserves)	132,385	199,967	191,547	219,193

Highway User Tax Distribution Fund**2710****Statutory**

This fund receives revenue from the gas tax, motor vehicle license tax and motor vehicle sales tax for distribution by formula to other transportation funds.

Statutory authority: Constitution Art. 14, Sec. 5

Managing agency: Transportation

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Receipts & Transfers In	1,577,242	1,682,610	1,786,350	1,831,175
Expenditures & Transfers Out	1,566,754	1,681,453	1,788,197	1,831,175
Balance Forward	690	1,847	0	0

State Airports Fund**2720****Direct**

Revenue is from aircraft fuels, aircraft registration, and flight property taxes. Expenditures are for airport improvements statewide.

Statutory authority: M.S. 360.017

Managing agency: Transportation

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Receipts & Transfers In	18,473	18,859	18,506	23,171
Expenditures & Transfers Out	21,599	20,958	20,471	21,942
Balance Forward	5,001	2,902	937	2,166

Environmental Fund**2800****Mostly Direct**

This fund has a number of environmental protection and waste related accounts. Revenue is from and expenditures are for various environmental programs including a portion of the solid waste tax.

Statutory authority: M.S. 16A.531, Subd. 1

Managing agency: mostly Pollution Control Agency

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Receipts & Transfers In	83,060	86,616	86,892	88,177
Expenditures & Transfers Out	83,968	81,865	86,858	86,599
Balance Forward (includes reserves)	8,684	13,435	13,469	15,047

Remediation Fund**2801****Mostly Statutory**

The Remediation Fund was newly created in FY 2004. It contains accounts from the former Solid Waste Fund and some other funds. One example is the dry cleaner environmental response and reimbursement account. Revenue is from fees for cleanup and technical assistance. Expenditures are for cleanup costs.

Statutory authority: M.S. 116.155

Managing agency: Pollution Control Agency

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Receipts & Transfers In	26,771	45,257	36,768	33,679
Expenditures & Transfers Out	45,196	49,598	37,786	34,663
Balance Forward (includes reserves)	18,180	13,839	12,821	11,837

Closed Landfill Investment Fund**2802****Direct**

Money in this fund may be spent only after 2020. The fund received transfers from the Solid Waste Fund through FY 2003. In FY 2011 \$48 million was transferred to the General Fund. This amount, plus interest, is to be repaid over four years beginning in FY 2015.

Statutory authority: M.S. 115B.421

Managing agency: Pollution Control Agency, Investment Board

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Receipts & Transfers In	3,046	3,522	1	1
Expenditures & Transfers Out	0	48,000	0	0
Balance Forward (includes reserves)	48,121	3,643	3,644	3,645

Maximum Effort School Loan Fund**2820****Limited Statutory**

Payments from school districts on maximum effort school loans are deposited in this fund. This fund also receives transfers from the general fund. Expenditures are to pay principal and interest on bonds.

Statutory authority: M.S. 126C.65, Subd. 1

Managing agency: Education, Management & Budget

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Receipts & Transfers In	1,950	2,180	46,332	1,200
Expenditures & Transfers Out	2,776	2,261	27,185	19,147
Balance Forward	1,652	1,571	20,718	2,771

Workers Compensation Fund**2830****Mostly Statutory**

This fund receives worker's compensation assessments and worker's compensation claims are paid from it.

Statutory authority: M.S. 176.129

Managing agency: Labor & Industry

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Receipts & Transfers In	99,858	139,236	60,041	99,587
Expenditures & Transfers Out	104,084	88,719	104,932	104,332
Balance Forward	21,984	72,501	27,610	22,865

Federal Fund**3000****Mostly Statutory**

Most federal money received by the state is deposited in and spent from this fund.

Statutory authority: M.S. 4.07, 3.3005, 116J.035, Subd. 1, 136A.06

Managing agency: Various Agencies

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Receipts & Transfers In	8,912,490	8,879,126	8,741,470	9,000,292
Expenditures & Transfers Out	8,912,490	8,879,126	8,741,470	9,000,292
Balance Forward	0	0	0	0

Federal TANF Reserve Fund**3001****Direct**

Federal TANF (temporary assistance for needy families) money is tracked through this fund separate from other federal funds.

Statutory authority: Appropriation in Health & Human Services Finance Bill

Managing agency: Human Services

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Receipts & Transfers In	303,366	298,552	271,940	263,434
Expenditures & Transfers Out	303,783	305,737	269,116	272,853
Balance Forward	31,618	24,433	27,257	17,838

Debt Service Fund**3700****Statutory**

This fund is used to pay principal and interest on general obligation bonds for state capital projects. Most receipts are from a general fund transfer.

Statutory authority: M.S. 16A.641

Managing agency: Management & Budget

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Receipts & Transfers In	1,106,715	1,649,882	1,101,019	533,135
Expenditures & Transfers Out	1,081,067	1,588,246	1,067,687	489,262
Balance Forward	662,728	724,364	757,696	801,569

Permanent School Fund (PSF)**3800****Statutory**

Receipts are from sales on and leases of PSF land, investment earnings are distributed to school districts. The balance forward is the principal of the fund constitutionally required to be "perpetual and inviolate forever".

Statutory authority: Constitution, Art XI, Sec. 8; M.S. 11A.16, M.S. 127A.32

Managing agency: Education, Investment Board, MMB

	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
Receipts & Transfers In	42,844	47,798	59,004	60,256
Expenditures & Transfers Out	36,689	31,579	32,162	33,035
Balance Forward (includes reserved amounts)	679,181	695,400	722,242	749,463