



Quick facts:

- **FY:** Our fiscal year (FY) starts on July 1 and ends on June 30
- **General Fund:** The majority of the money is deposited in the general fund; major state programs are funded primarily from the general fund
- **Dedicated funds:** money from a source that is mandated to be used for a specific purposes
- **Fiscal notes:** Attached to a bill, a fiscal note details the impact that piece of legislation would have on the budget.

BUDGET BASICS

- **Biennial budget:** Every penny spent by the State of Minnesota must be appropriated (authorization to be spent) through the legislature. Minnesota works off of a two year budget cycle - which means the legislature passes an operating budget in the odd numbered years and a bonding bill in the even numbered years.
 - **Operating budget:** this budget includes funding for state agencies, health care, housing, natural resources, economic development, and other areas.
 - **Bonding bill:** the budget where the state borrows money to pay for projects such as building roads and bridges.
- **Forecast:** In February and November of each year, the budget forecast is released. The forecast is a glimpse of the economic outlook of the state. The February forecast, in particular, helps the legislature and governor adapt their budget proposals to the economic outlook.
- **Governor's proposal:** Governor Dayton released his [budget proposal](#) on February 15th, 2011. His proposal provides the legislature an idea of where he places his priorities. This serves as his recommendation for where cuts can be made and where the state's money should be spent.
- **Process:** Were it to pass, the governor's budget would have to move through the legislature like any other bill. It would need a legislative author and to pass the committee process and both the House and the Senate before Governor Dayton could sign it.
- **More information:** The Minnesota [Management and Budget Office](#) is a great resource for finding out more information about the state's budget. You can also find additional analysis of the Governor's budget – and legislative proposals as they are released – at the [Minnesota Budget Project's blog](#). The Minnesota Legislative Reference Library also has a comprehensive [website](#) with links to current legislation and overviews of various aspects of the budget.

A BILLION HERE, A BILLION THERE,
AND PRETTY SOON YOU'RE TALKING REAL MONEY