



THE TRUTH

Money Available to Pay
Future Bills

\$4.9 Billion

Taxpayer Surplus™

\$2,400

Financial Grade

B

Ranking

13 out of 50

Minnesota's Fiscal Health Improves With Federal Funds



October 2022

truthinaccounting.org | data-z.org

Financial State of Minnesota

Minnesota's healthy financial condition helped the state move forward in a positive direction post-Covid. Based upon the state's latest audited financial report for the fiscal year 2021, Minnesota had a Taxpayer Surplus™ of \$2,400, earning it a "B" grade from Truth in Accounting.

Unlike most states, even with the challenges of the Covid pandemic Minnesota had more than enough resources available, \$4.9 billion, to pay all of its bills. This includes public employees' retirement benefits. Notably, like most states in this year's report, some of Minnesota's economic condition improved only on paper due to stock market increases in 2021. However, these increases are transitory as financial markets are volatile, and the gains recorded previously may not have been realized through the actual sale of the market assets. Therefore, the report is expected to look different next year when the market decreases are reflected in Minnesota's annual statements.

Even though Minnesota was financially sound before and during the pandemic, the state still received federal support from COVID-19-related grants, which contributed to the continuing financial health of this state. The uncertainty surrounding the full economic recovery post-Covid makes it impossible to determine how much will be needed to maintain government services and benefits in the coming years. However, the surplus Minnesota had, and additional funds will help the state weather any future public health or economic crises and downturns in the market.

The data included in this report is derived from the State of Minnesota's 2021 audited Annual Comprehensive Financial Report and retirement plans' reports. To compare state financial, demographic and economic information go to Data-Z.org.



UNIVERSITY of
DENVER

DANIELS COLLEGE OF BUSINESS
School of Accountancy

Minnesota's Financial Breakdown

Fast Facts

- Minnesota had \$32.6 billion available to pay \$27.6 billion worth of bills.
- The outcome was a \$4.9 billion surplus, which breaks down to \$2,400 per taxpayer.
- Minnesota saw improvements in its fiscal condition predominately due to federal grants increasing by \$7 billion and pension assets improving by 30%.

THE STATE'S ASSETS EXCEEDED ITS BILLS

Total assets	\$81,793,375,000
Minus: Capital assets	-\$30,869,019,000
Restricted assets	-\$18,358,276,000
Assets available to pay bills	\$32,566,080,000
Minus: Total bills*	-\$27,641,563,000
Money available to pay future bills	\$4,924,517,000
Each taxpayer's share of this surplus	\$2,400

* BREAKDOWN OF TOTAL BILLS

Bonds	\$15,964,278,000
Other liabilities	\$16,064,741,000
Minus: Debt related to capital assets	-\$7,219,572,000
Unfunded pension benefits	\$1,726,833,000
Unfunded retiree health care benefits	\$1,105,283,000
Total bills	\$27,641,563,000

Grade:

B

Bottom line: Minnesota had enough money to pay all of its bills, so it received a "B" for its finances. A "B" grade is given to states with a Taxpayer Surplus between \$100 and \$10,000.

Truth in Accounting is a 501(c)(3) organization committed to educating and empowering citizens with understandable, reliable and transparent government financial information. To be knowledgeable participants in their government and its budget process, citizens need truthful and transparent financial information.