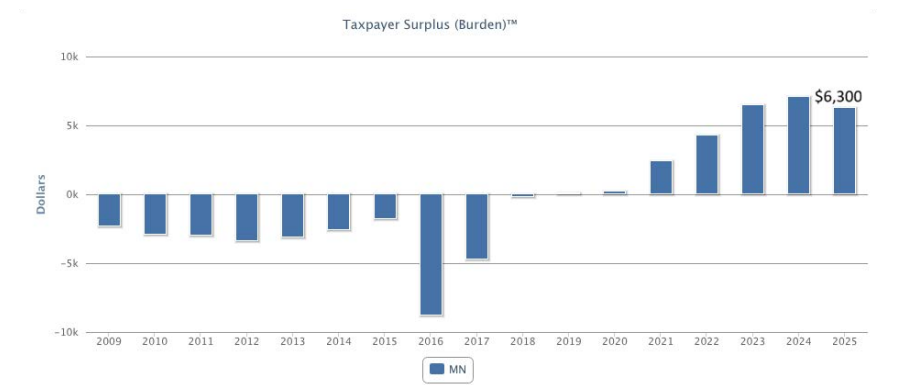


MINNESOTA'S FINANCIAL BREAKDOWN

Money Available to Pay Bills	\$13.9 billion	Ranking (Out of 50)	15
Taxpayer Surplus™	\$6,300	Financial Grade	B

Although Minnesota had less money available in 2025 than the year before, it still ended the year with \$13.9 billion more than needed to pay its bills. This resulted in a Taxpayer Surplus™ of \$6,300, earning the state a “B” grade from Truth in Accounting.

The growth of capital assets and the increased proportion of restricted assets reduced resources available to cover Minnesota’s immediate operating needs and financial obligations. After a \$1 billion gain in 2024, its primary government reported a \$103 million loss in 2025, largely due to losses in the Unemployment Insurance Fund. While revenues increased from higher income taxes and federal grants, expenses grew faster, driven by rising health and human services, education, transportation, and pension-related costs.



Minnesota received approximately \$25.9 billion in federal grants, which represented 34 percent of its revenue. The federal government mandates that entities receiving significant federal funds undergo a Single Audit. These audits are intended to be the taxpayers’ first line of defense against potential fraud and abuse. Auditors found about \$304.4 million in errors caused by incorrect data pulled from Minnesota’s accounting system. The errors were not caught before federal reports were submitted, indicating weaknesses in the state’s financial review process.

The data in this report is derived from Minnesota’s audited 2025 Annual Comprehensive Financial Report and its retirement systems’ reports. To explore prior years or compare financial, demographic, and economic data across other states and cities, visit Data-Z.org.

MINNESOTA'S FINANCIAL FACTS

- **FACT #1:**
Minnesota had \$46 billion available to pay \$32 billion worth of bills.

● **FACT #2:**
The outcome was a \$13.9 billion surplus, which breaks down to \$6,300 per taxpayer.

● **FACT #3:**
Minnesota received 34 percent of its revenue from federal grants and was required to undergo a Single Audit, which identified potential fraud and abuse.

THE STATE'S ASSETS EXCEEDED ITS BILLS

\$107,329,377,000

→

Total Assets

- \$36,053,531,000

→

Minus: Capital Assets

- \$25,301,869,000

→

Minus: Restricted Assets

= \$45,973,977,000

→

Assets Available to Pay Bills

- \$32,041,237,000

→

Minus: Total Bills*

= \$13,932,740,000

→

Money Available to Pay Bills

/ Divide by the estimated number of taxpayers

→

= \$6,300

→

Each Taxpayer's Share of This Surplus

*BREAKDOWN OF TOTAL BILLS

\$18,975,309,000

→

Bonds

+ \$17,933,977,000

→

Other Liabilities

- \$7,999,058,000

→

Minus: Debt Related to Capital Assets

+ \$1,979,477,000

→

Unfunded Pension Benefits

+ \$1,151,532,000

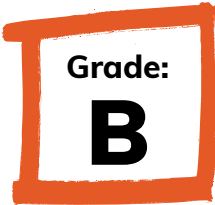
→

Unfunded Retiree Health Care Benefits

= \$32,041,237,000

→

Total Bills



Bottom line:
Minnesota had more than enough money to pay its outstanding bills and received a “B” grade for its finances. According to Truth in Accounting’s grading scale, any government with a Taxpayer Surplus between \$1 and \$9,999 is given a “B” grade.