



# ***BUDGET*** AND ***ECONOMIC FORECAST***



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Produced by Minnesota Management and Budget



# Higher Revenue Forecast Improves Outlook, Budget Risk Remains

- Current biennium now projected to end with a balance of \$3.7 billion, up \$1.3 billion from November
- FY 2028-29 balance now \$377 million, structural imbalance remains in both biennia
- Slightly improved economic outlook drives higher revenue forecast, change largely driven by most volatile sources
- Federal funding uncertainty presents risk to the spending forecast

# FY 2026-27 Forecast Changes

(\$ in millions)	FY 2026-27 Nov Forecast	FY 2026-27 Feb Forecast	Forecast Change
<b>Beginning Balance</b>	<b>\$10,273</b>	<b>\$10,273</b>	<b>\$ -</b>
Total Revenues	66,262	67,464	1,201
Total Spending	70,299	70,231	(68)
Reserves	3,772	3,772	-
<b>Budgetary Balance</b>	<b>\$2,465</b>	<b>\$3,734</b>	<b>\$1,269</b>

# Positive Ending Balance Now Projected in FY 2029

(\$ millions)

