



# November 2025 Economic Forecast

Ned Smith, Chief Financial Officer

Management Committee



December 17, 2025

# Motor Vehicle Sales Tax (MVST)

In a word, bleak

\$ (in millions) to the Council, including STPs

	<b>SFY26</b>	<b>SFY27</b>	<b>SFY28</b>	<b>SFY29</b>
November 2025	\$387.7	\$413.2	\$432.1	\$456.0
February 2025	\$427.7	\$451.7	\$475.0	\$498.9
November 2024	\$418.2	\$432.2	\$450.1	\$471.9
Compare to previous forecast	-9.34%	-8.55%	-9.03%	-8.60%
Year Over Year change		6.55%	4.60%	5.52%

# Metropolitan Regional Transportation Sales and Use Tax

## Better, but not great

\$ (in millions) to the Council, including Active Transportation Grants and support for STPs

	<b>SFY26</b>	<b>SFY27</b>	<b>SFY28</b>	<b>SFY29</b>
November 2025	\$449.7	\$464.8	\$473.2	\$483.4
February 2025	\$445.6	\$463.2	\$479.3	\$494.9
November 2024	\$433.2	\$448.8	\$465.0	\$481.7
Compare to previous forecast	.92%	.35%	-1.27%	-2.32%
Year Over Year change		3.36%	1.81%	2.16%

# Special Transportation Service (STS)/Metro Mobility Forecast to the State of Minnesota

- STS/Metro Mobility, beginning in SFY26 is now a program forecasted by the State
  - The State is committed to providing the funds needed to balance the program's operating and capital budgets
- Council provides updated estimate of the \$ amount needed to the State as part of each economic (November and February) forecast
- November estimate increased the expected support from the State by \$5.42m in SFY26, \$10.92m in SFY27, \$6.17m in SFY28, and \$4.97M in SFY29
  - Total increase of \$27.48m over four years
  - Total support over four years estimated at \$521.5m
  - Primary drivers are inflation and reduced ridership, compared to earlier forecast, in Metro Move, which brings in federal/state revenue \$ from Minnesota Department of Human Services
  - Also slight changes in forecast ridership and contracted expenses
  - Offset by reduced support needed for capital budget



Ned Smith  
Chief Financial Officer  
651-602-1162

