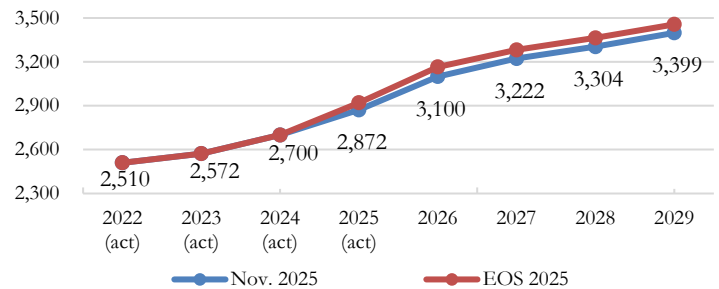


Forecast Highlights

Highway User Tax Distribution (HUTD) Fund revenues are anticipated to decrease in all years compared to the end of session (EOS) 2025 forecast.

Overall, revenues for the FY 2026-27 biennium are projected to be $-\$124.7\text{M}$ (-1.9 percent) less than the EOS 2025 forecast, largely due to MVST revenues under performing compared to the forecast. However, total revenues are still anticipated to grow an average of four percent year-over-year throughout the forecast period.

HUTD Revenues
Nov. 2025 vs. EOS 2025 Forecast
(\$ in millions)



FY 2026 HUTD Revenue Forecast
Nov. 2025 vs. EOS 2025
(\$ in millions)

| Revenue Source | Nov. '25 | EOS '25 | \$ Change | % Change |
|-----------------------|--------------|--------------|-------------|--------------|
| Gas Tax | 1,012 | 1,001 | 11 | 1.1% |
| Tab Fees ¹ | 1,167 | 1,171 | (5) | -0.4% |
| MVST | 678 | 748 | (70) | -9.3% |
| Interest/Other | 17.0 | 15.6 | 1 | 9.3% |
| State Sales Tax | 216 | 219 | (3) | -1.3% |
| MVLST | 9.4 | 9.6 | (0) | -1.7% |
| Total | 3,100 | 3,165 | (65) | -2.1% |

¹ Tab Fees includes new EV surcharges

Change in FY 2026 HUTD Fund revenues compared to the EOS 2025 forecast

Gas tax is up $+\$11\text{M}$ (+1.1 percent), registration tax is down $-\$5\text{M}$ (-0.4 percent), and motor vehicle sales tax is down $-\$70\text{M}$ (-9.3 percent) in FY 2026.

Summary of Significant Federal and State Funding

The Infrastructure Investment and Jobs Act (IIJA) is set to expire on September 30, 2026. Ahead of that date, Congress and the Administration will need to collaborate on reauthorization to establish future funding levels, policy direction, and programmatic requirements. Stable and predictable federal funding is essential to keep planned transportation investments on track. The IIJA has provided a significant share of MnDOT's expanded funding in recent years and is expected to have lasting financial impacts on planned projects.

If future funding is limited to existing dedicated revenues in the Federal Highway Trust Fund—without additional support from the General Fund or new/revised user fees—funding could be reduced by 30 percent or more compared to IIJA-level funding. This potential multi-year shortfall would affect both the Capital Highway Investment Plan (CHIP) and the State Transportation Improvement Program (STIP), both of which currently assume the continuation of IIJA-level funding.

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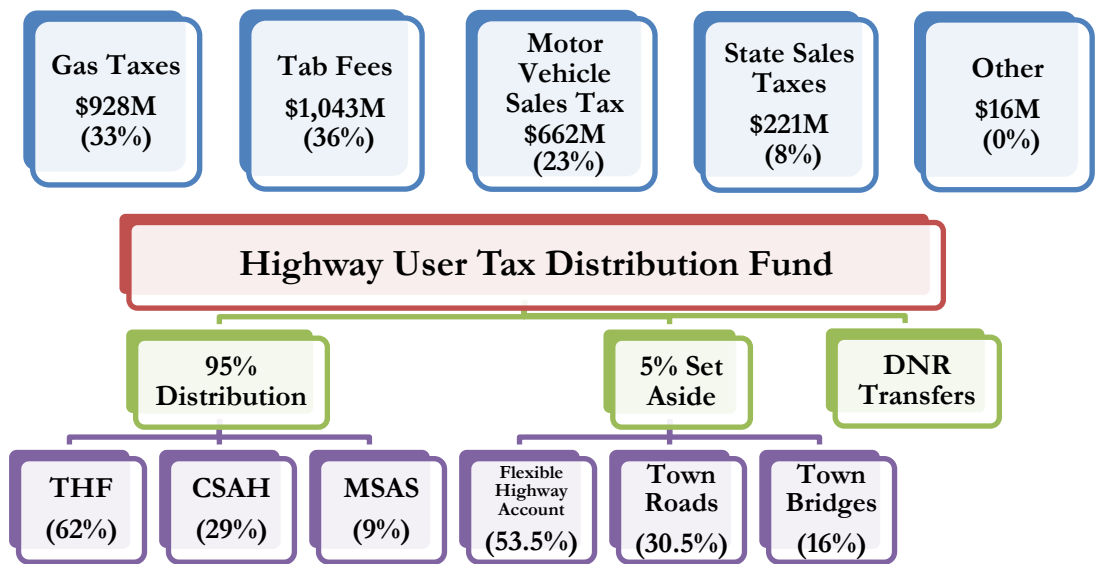
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Introduction to Transportation Funding

The Minnesota Department of Transportation (MnDOT) is a multimodal agency encompassing highway construction, maintenance, aeronautics, rail, and transit activities. In consultation with Minnesota Management and Budget (MMB) and Minnesota Department of Revenue (DOR), MnDOT prepares fund statements for seven transportation funds. These fund statements are prepared in November and February of each fiscal year (FY). An additional update is traditionally prepared at the end of each legislative session (EOS) to incorporate law-change impacts to the transportation funds. **All comparisons made in this forecast reflect the difference from the EOS 2025 fund statements.** This forecast includes actuals for FY 2025 and updated estimates for FY 2026-29. MnDOT prepares fund statements for the following funds:

- Highway User Tax Distribution (HUTD) Fund
- Trunk Highway (TH) Fund
- County State Aid Highway (CSAH) Fund
- Municipal State Aid Street (MSAS) Fund
- Transit Assistance Fund (TAF)
- State Airports Fund (SAF)
- Transportation Advancement Account (TAA) – new account in the Special Revenue Fund

HUTD Sources and Uses
FY 2025 Actuals
(\$ in millions)



-Article XIV of the Minnesota Constitution
-State Sales Taxes include: 43.5 percent of sales tax on auto parts, 11 percent of total Motor Vehicle Lease Sales Tax (MVLST), and rental sales taxes (both 6.5 percent & 9.2 percent)
-DNR transfers for unrefunded gas taxes per Minn. Stat. 296A.18 (totals about 2.4 percent of gas taxes)

Note: Numbers in the text and tables may not add to the totals due to rounding. Unless otherwise noted, years used to describe the budget outlook are state FYs, from July 1 to June 30.

Legal Authority for Collection of Revenue

Article XIV of the Minnesota Constitution establishes three primary sources of revenue for transportation programs that are deposited into the HUTD Fund:

Motor Fuel Excise Tax (Gas Tax): The Legislature may levy an excise tax on any means or substance used for propelling vehicles on the public highways of this state. This tax is levied on gasoline, diesel fuel, compressed natural gas, and a variety of other special fuels.

Motor Vehicle Registration Tax (Tab Fees): A tax may be put in place, by law, on motor vehicles that use public streets and highways. The current passenger motor vehicle registration tax policy was instituted in 2008. These rates are set according to Minn. Stat. 168.013, subdivision 1a. The tax for commercial vehicles is based on vehicle weight and age. As of January 1, 2018, there is also an additional \$75 surcharge for all-electric vehicles.

Motor Vehicle Sales Tax (MVST): There is a 6.875 percent tax on the sale of new and used motor vehicles. Revenue from a tax on the sale of a new or used motor vehicle must be allocated for the following transportation purposes:

- No more than 60 percent must be deposited in the HUTD Fund.
- No less than 40 percent must be deposited in a fund dedicated solely to public transit.

Current statute: 60 percent of this revenue is deposited in the HUTD Fund and 40 percent is deposited in the TAF.

Other Revenue:

MVLST: MVLST is a 6.5 percent tax on leased motor vehicles. According to Minn. Stat 297A.815, MVLST revenue is allocated according to the following percentages, beginning in FY 2018: 38 percent to CSAH Fund, 38 percent to the TAF (Greater Minnesota Transit account), 13 percent to the Minnesota State Transportation Fund (for local bridges) and 11 percent to the HUTD Fund.

Sales Tax on Auto Parts: Beginning in 2018, revenue from a portion of the general sales tax on motor vehicle repair or replacement parts has been transferred to the HUTD Fund on a monthly basis. Effective in FY 2024, 43.5 percent of the revenue is directed to the HUTD Fund; and the remainder is phased into the TAA with increasing percentages over FYs 2024-33 (with corresponding reductions to the General Fund).

Rental Sales Tax: Revenue collected from the short-term motor vehicle rental tax under Minn. Stat. 297A.64 (9.2 percent) and from the general sales tax for short-term motor vehicle rentals under Minn. Stat. 297A.62 (6.5 percent) is deposited in the HUTD Fund, beginning in FY 2018 per Minn. Stat. 297A.94. This revenue previously remained in the General Fund.

State Airports Fund: The SAF receives revenue from four different dedicated revenue sources. These revenues include sales tax on aircraft, airline flight property tax, aircraft registration tax, and aviation gasoline and special fuels tax. This Fund was statutorily created to perform aviation functions detailed in Minn. Stat. 360.017.

All the funds, except the TAF and TAA, receive investment income on the funds' cash balances.

| Legal Citation – Quick Reference Guide | |
|--|--|
| Motor Fuel Tax | <ul style="list-style-type: none"> • Article XIV of the Minnesota Constitution • Minn. Stat. 296A - Tax on petroleum and other fuels • Minn. Stat. 296A.083 - Debt service surcharge |
| Vehicle Registration Tax | <ul style="list-style-type: none"> • Article XIV of the Minnesota Constitution • Minn. Stat. 168.013 - Tax on passenger vehicles |
| Motor Vehicle Sales Tax | <ul style="list-style-type: none"> • Article XIV of the Minnesota Constitution • Minn. Stat. 297B.09 - Allocation of revenue |
| General Fund Transfers | <ul style="list-style-type: none"> • Minn. Stat. 297A.94 – Sales tax on auto parts and transfer of rental tax • Minn. Stat. 297A.64 – Tax on rental vehicles (9.2 percent) • Minn. Stat. 297A.62 subd. 1– Sales tax on rental vehicles (6.5 percent) |
| Motor Vehicle Lease Sales Tax | <ul style="list-style-type: none"> • Minn. Stat. 297A.815 - Allocation of revenue |
| Transit Assistance Fund | <ul style="list-style-type: none"> • Minn. Stat. 297B.09 - Allocation of motor vehicle sales tax revenue • Minn. Stat. 297A.815 - Allocation of motor vehicle lease sales tax revenue |
| State Airports Fund | <ul style="list-style-type: none"> • Minn. Stat. 360.017 – Creates State Airports Fund • Minn. Stat. 270.075 – Air flight property tax • Minn. Stat. 296A.09 – Aviation gasoline and special fuel taxes • Minn. Stat. 360.531 – Aircraft registration taxes • Minn. Stat. 297A.82 – Sales tax on aircraft |
| Transportation Fund | <ul style="list-style-type: none"> • Minn. Stat. 297A.815 - Allocation of motor vehicle lease sales tax revenue |
| Transportation Advancement Account | <ul style="list-style-type: none"> • Minn. Stat. 174.49 – Allocation of delivery tax and remaining portion of sales tax on auto parts. |

Revenue Forecast

Motor Fuel Excise Tax (Gas Tax)

Minnesota gas tax is collected on all fuel used to propel vehicles on public roads of the state and includes gasoline, diesel fuel, and other special fuels. The current gas tax rate in Minnesota is 31.8 cents per gallon, which includes the 3.5 cent debt service surcharge. This surcharge is intended to partially cover the debt obligations for capital projects on the trunk highway system¹.

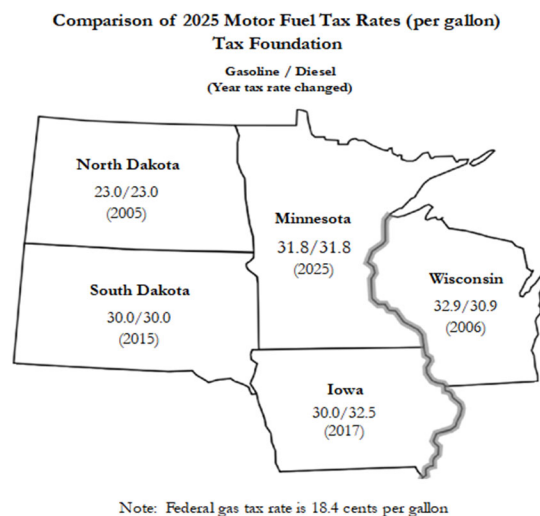
An annual indexing factor, determined by August 1st each year, adjusts the rate starting the following January 1st based on the Minnesota Highway Construction Index (MnDOT's internal inflation index). Beginning on August 1, 2025, the percentage change in the calculation must not exceed three percent. The adjustment increased the motor fuel tax by approximately 3 cents in FY 2025 and will grow to approximately 5 cents in FY 2029.

Legislative Session Gas Tax Rate Changes

Base Rate: Twenty Cents/Gallon in 2008

| Fiscal Year | Effective Date | Increase (Cents/Gallon) | New Effective Rate (Cents/Gallon) |
|-------------|----------------|-------------------------|-----------------------------------|
| 2008 | Apr-08 | 2.0 | 22.0 |
| 2009 | Aug-08 | 0.5 | 22.5 |
| 2009 | Oct-08 | 3.0 | 25.5 |
| 2010 | Jul-09 | 1.6 | 27.1 |
| 2011 | Jul-10 | 0.4 | 27.5 |
| 2012 | Jul-11 | 0.5 | 28.0 |
| 2013 | Jul-12 | 0.5 | 28.5 |
| 2025 | Jan-25 | 3.3 | 31.8 |
| 2026 | Jan-26 | 0.8 | 32.6 |

The map below highlights Minnesota's gas tax rates and compares them with those in the surrounding states:



¹Authorized in the Laws of 2008, Chapter 152. The final debt service surcharge increase of a half cent was implemented on July 1, 2012.

Fuel Consumption Outlook

The outlook for fuel consumption is affected by vehicle miles traveled (VMT) and the fuel efficiency of vehicles, which are impacted by:

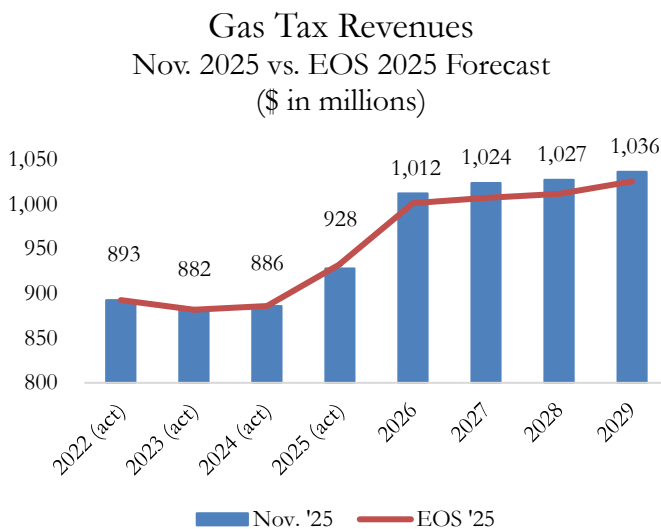
- the economy and world oil prices
- long-term policy (e.g., Corporate Average Fuel Economy (CAFE) standards)
- consumer trends toward more fuel-efficient vehicles, including hybrid and electric vehicles
- utilization of other transportation options

To forecast gas tax, MnDOT reviews regional consumption forecast information from the U.S. Energy Information Administration (EIA), the federal agency that collects and analyzes energy data. This information is traditionally released every year in the spring. MnDOT also consults the macroeconomic national forecast of U.S. gasoline consumption produced by S&P Global Market Intelligence (S&P Global). S&P Global provides economic information and analysis and is the same macroeconomic consultant that MMB uses to assist with forecasting the General Fund. MnDOT traditionally uses a blended average of the consumption forecasts by EIA and S&P Global, adjusted with actual fuel consumption history in Minnesota, to forecast future revenue.

The most current S&P Global forecast, from November 2025, projects a slight increase in fuel consumption followed by a decline starting in FY 2027, with an average decrease of about -0.9 percent per year over the forecast period. The most current EIA forecast, from April 2025, projects similar consumption decreases of approximately -0.7 percent per year on average over the forecast period.

As shown in these consumption trends, gas tax revenues in FY 2025 were slightly lower compared to the EOS 2025 forecast. However, because of the annual indexing factor increasing the tax rate, revenues are anticipated to increase throughout the forecast period.

The current forecast of revenues is shown below:



| Gas Tax Revenues (\$ in millions) | | | | |
|--------------------------------------|----------|---------|--------------|-------------|
| FY | Nov. '25 | EOS '25 | \$ Change | % Change |
| 2022 (act) | 893 | 893 | - | 0.0% |
| 2023 (act) | 882 | 882 | - | 0.0% |
| 2024 (act) | 886 | 886 | - | 0.0% |
| 2025 (act) | 928 | 933 | (5.0) | -0.5% |
| 2026 | 1,012 | 1,001 | 10.9 | 1.1% |
| 2027 | 1,024 | 1,007 | 16.6 | 1.6% |
| 2028 | 1,027 | 1,012 | 15.9 | 1.6% |
| 2029 | 1,036 | 1,026 | 10.6 | 1.0% |

Motor Vehicle Registration Tax (Tab Fees)

Revenue collected on passenger vehicles comprises nearly 90 percent of total revenue from registration taxes. This revenue is based on value and age of the vehicle. The remaining revenue is provided primarily by taxes on commercial vehicles, such as trucks and buses, which is based on weight and age of the vehicle.

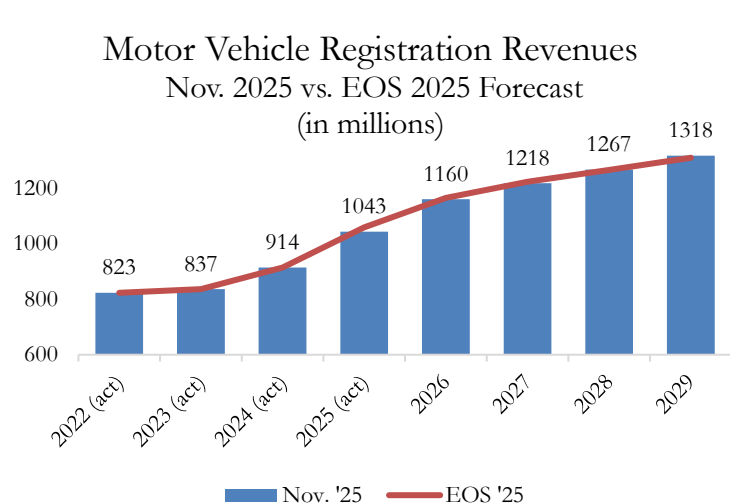
The passenger vehicle tax is \$10 plus 1.575 percent times a declining percentage of the vehicle's original value, with a minimum tax of \$30. The law went into effect on January 1, 2024.

Below is a summary of registration taxes paid on a \$40,000 vehicle over 11 years under the amended motor vehicle registration tax statute:

| Year | Rate | Base Tax \$ | Depreciation % | Tax \$ |
|--------------|--------|-------------|----------------|----------------|
| 1 | 1.575% | 10 | 100% | 640 |
| 2 | 1.575% | 10 | 95% | 609 |
| 3 | 1.575% | 10 | 90% | 577 |
| 4 | 1.575% | 10 | 80% | 514 |
| 5 | 1.575% | 10 | 70% | 451 |
| 6 | 1.575% | 10 | 60% | 388 |
| 7 | 1.575% | 10 | 50% | 325 |
| 8 | 1.575% | 10 | 40% | 262 |
| 9 | 1.575% | 10 | 25% | 168 |
| 10 | 1.575% | 10 | 10% | 61 |
| 11+ | \$20 | 10 | 0% | 30 |
| Total | | | | \$4,024 |

Revenues are expected to decrease through FY 2027, before increasing slightly in FY 2028-29 compared to the EOS 2025 forecast. However, year-over-year growth of approximately six percent on average is anticipated due to the amended registration tax.

The current forecast of revenues is shown below:



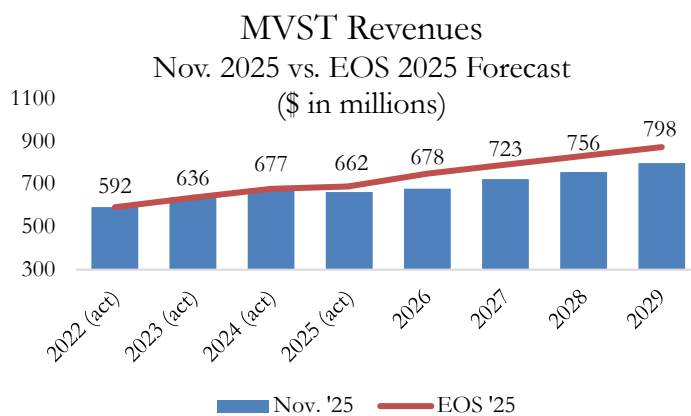
| Motor Vehicle Registration Revenues (in millions) | | | | |
|---|----------|---------|-----------|----------|
| FY | Nov. '25 | EOS '25 | \$ Change | % Change |
| 2022 (act) | 823 | 823 | - | 0.0% |
| 2023 (act) | 837 | 837 | - | 0.0% |
| 2024 (act) | 914 | 914 | - | 0.0% |
| 2025 (act) | 1,043 | 1,059 | (15.9) | -1.5% |
| 2026 | 1,160 | 1,165 | (4.8) | -0.4% |
| 2027 | 1,218 | 1,223 | (5.0) | -0.4% |
| 2028 | 1,267 | 1,266 | 0.9 | 0.1% |
| 2029 | 1,318 | 1,311 | 7.3 | 0.6% |

Motor Vehicle Sales Tax (MVST)

The MVST rate is 6.875 percent, which includes sales by car dealers and private individuals. Since 2012, MVST revenues have been distributed 60 percent to the HUTD Fund and 40 percent to the TAF. Of that 40 percent distribution, Greater Minnesota Transit receives 5.7 percent and the Twin Cities metro area receives 34.3 percent.

DOR prepares the official forecast of this revenue, which is based in part on data provided by S&P Global. Overall, MVST revenue is projected to decrease substantially throughout the forecast period compared to the EOS 2025 forecast. The decreased forecast reflects far weaker revenues collected in FY 2025 than expected in the February forecast. Despite the volatility compared to the previous forecast, the average annual growth rate for the ten years including FY 2020-29 has been +5.1 percent.

The current forecast for the HUTD portion of revenues is shown below:



| MVST Revenues (\$ in millions) | | | | |
|-----------------------------------|----------|---------|-----------|----------|
| FY | Nov. '25 | EOS '25 | \$ Change | % Change |
| 2022 (act) | 592 | 592 | - | 0.0% |
| 2023 (act) | 636 | 636 | - | 0.0% |
| 2024 (act) | 677 | 677 | - | 0.0% |
| 2025 (act) | 662 | 689 | (26.6) | -3.9% |
| 2026 | 678 | 748 | (69.9) | -9.3% |
| 2027 | 723 | 790 | (67.5) | -8.5% |
| 2028 | 756 | 831 | (75.0) | -9.0% |
| 2029 | 798 | 873 | (75.0) | -8.6% |

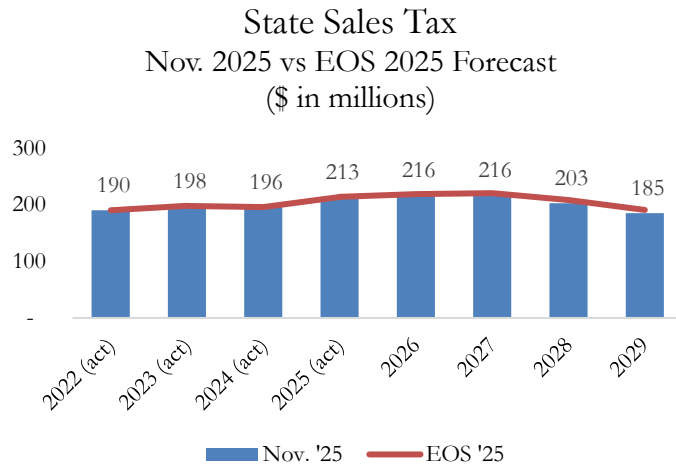
State Sales Taxes (previously deposited in General Fund)

Beginning in FY 2018, a portion of general sales tax revenue was allocated to the HUTD Fund as a transfer from the General Fund. This revenue includes a 9.2 percent tax collected on short-term motor vehicle rentals and a 6.5 percent general sales tax on those rentals. The revenue collected on both taxes is forecasted by MMB.

Previously, a fixed portion of revenue from sales tax on auto parts was deposited into the HUTD Fund each month. This includes revenue collected on all motor vehicle parts, tires, and accessories. The fixed statutory amount totaled \$145.6 million annually. Beginning in FY 2024, 43.5 percent of the revenue is dedicated to the HUTD Fund, and the remainder is phased into the TAA with increasing percentages over FY 2025-33 (with corresponding reductions to the General Fund). In 2025, the Legislature reduced the portion of auto parts sales tax transferred from the General Fund to the HUTD Fund by approximately \$11 million for the current biennium and about \$83 million for the next biennium. According to statute, the percentage directed to the HUTD Fund phases in a return to the current HUTD Fund share over FY 2030-37.

Each of these tax revenues are expected to decrease throughout the forecast period compared to EOS 2025 fund statements.

The current forecast for these three General Fund revenues is shown below:



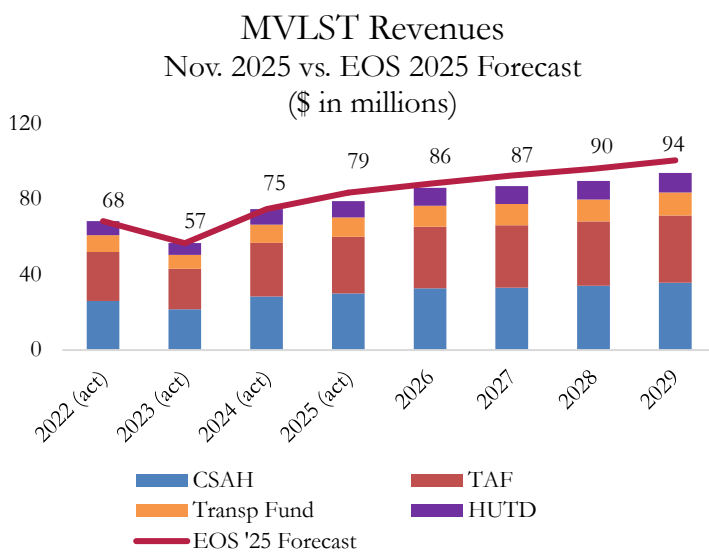
| State Sales Taxes (\$ in millions) | | | | |
|---------------------------------------|----------|---------|-----------|----------|
| FY | Nov. '25 | EOS '25 | \$ Change | % Change |
| 2022 (act) | 190 | 190 | - | 0.0% |
| 2023 (act) | 198 | 198 | - | 0.0% |
| 2024 (act) | 196 | 196 | - | 0.0% |
| 2025 (act) | 213 | 214 | (1.4) | -0.6% |
| 2026 | 216 | 219 | (2.8) | -1.3% |
| 2027 | 216 | 221 | (4.5) | -2.0% |
| 2028 | 203 | 208 | (5.4) | -2.6% |
| 2029 | 185 | 191 | (5.7) | -3.0% |

Motor Vehicle Lease Sales Tax (MVLST)

The MVLST forecast is prepared by the DOR. The 6.5 percent sales tax is collected by the lessor and reported and paid directly to the DOR. Revenues are anticipated to decrease in most years compared to the EOS 2025 forecast. As of FY 2018, all revenue from MVLST is reallocated for transportation purposes, deposited into the General Fund, and transferred as follows at the end of the FY:

- 38 percent to CSAH
- 38 percent to Greater Minnesota Transit
- 13 percent to Minnesota Transportation Fund (for Local Bridge Program)
- 11 percent to the HUTD Fund (for TH, CSAH, and MSAS Funds)

The current forecast of revenues is shown below:



| MVLST Revenues (\$ in millions) | | | | |
|------------------------------------|----------|---------|-----------|----------|
| FY | Nov. '25 | EOS '25 | \$ Change | % Change |
| 2022 (act) | 68 | 68 | - | 0.0% |
| 2023 (act) | 57 | 57 | - | 0.0% |
| 2024 (act) | 75 | 75 | - | 0.0% |
| 2025 (act) | 79 | 83 | (4.5) | -5.4% |
| 2026 | 86 | 88 | (2.2) | -2.5% |
| 2027 | 87 | 92 | (5.6) | -6.0% |
| 2028 | 90 | 96 | (6.4) | -6.7% |
| 2029 | 94 | 101 | (6.7) | -6.7% |

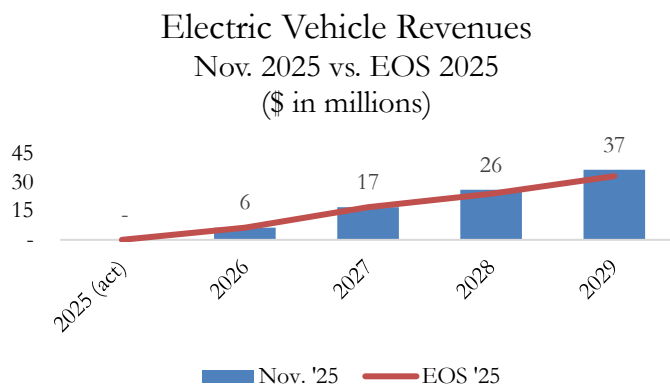
Electric Vehicle (EV) Surcharges

In 2025, the Legislature changed the existing \$75 surcharge on battery electric vehicles (BEVs). The new surcharge on BEVs is now calculated as 0.5 percent of the manufacturer's suggested retail price, and it follows a declining rate that aligns with the registration tax schedule. The law establishes a minimum flat amount starting at \$150, which will adjust to \$100 on and after July 1, 2027. Additionally, the Legislature introduced a surcharge for plug-in hybrid electric vehicles (PHEVs), calculated at 0.25 percent of the manufacturer's suggested retail price, also with a declining rate that matches the registration tax schedule. This surcharge has a minimum flat amount starting at \$75, which will decrease to \$50 on July 1, 2027. The anticipated combined revenues for FY 2026-27 are approximately \$23 million, and for FY 2028-29, around \$53 million. Both fees are phased in on January 1, 2026. For a \$50,000 BEV, the surcharge would be \$250 in year one and then decrease each year to the minimum tax. On average, over 11 years a BEV will pay \$160 per year.

Beginning July 1, 2027, a tax is also imposed on a public charging station operator for electricity sold as vehicle fuel at a public charging station. The rate is five cents per kilowatt hour of electricity sold. Chargers in operation before October, 1 2023, will be exempt for the first five years. Minnesota has a legislative coordinating commission examining the implementation for this new tax and expect revenues of a few million dollars to be deposited.

The current estimate of the number of EVs operating in Minnesota is roughly 85,000 (60,000 BEVs and 25,000 PHEVs). As the number of EVs grow due to both consumer preferences and the patchwork of government mandates on EV production that has shifted production of major automakers, the revenue outlook continues to improve.

The current forecast of revenues is shown below:



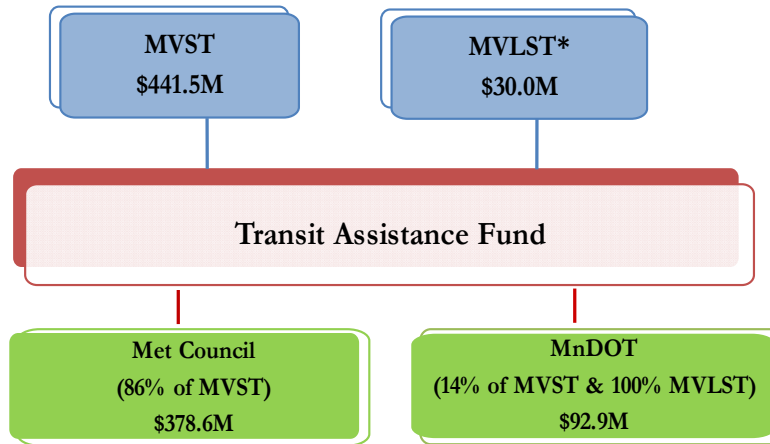
| Electric Vehicle Revenues (\$ in millions) | | | | |
|---|----------|---------|-----------|----------|
| FY | Nov. '25 | EOS '25 | \$ Change | % Change |
| 2025 (act) | - | - | - | 0.0% |
| 2026 | 6 | 6 | - | 0.0% |
| 2027 | 17 | 17 | - | 0.0% |
| 2028 | 26 | 24 | 2.1 | 8.8% |
| 2029 | 37 | 33 | 3.3 | 9.9% |

Transit Assistance Fund Revenue

The TAF receives revenue from MVST and MVLST. The MVST appropriation must constitute at least 40 percent of the total revenue according to the Minnesota Constitution. The appropriation is currently set at 40 percent by statute (Minn. Stat. 297B.09). Previously, 90 percent of this revenue was allocated to metropolitan transit (36 percent of total MVST) and 10 percent was allocated to Greater Minnesota Transit (4 percent of total MVST). In 2023, the Legislature changed the distribution of the 40% portion of MVST so that Greater Minnesota Transit receives 5.7% (increasing from 4%) and the Twin Cities metro area receives 34.3% (decreasing from 36%).

As of FY 2018, 38 percent of all MVLST revenue is allocated to the TAF for Greater Minnesota Transit.

Transit Assistance Fund Sources of Revenue FY 2025



*38 percent of MVLST is allocated to TAF

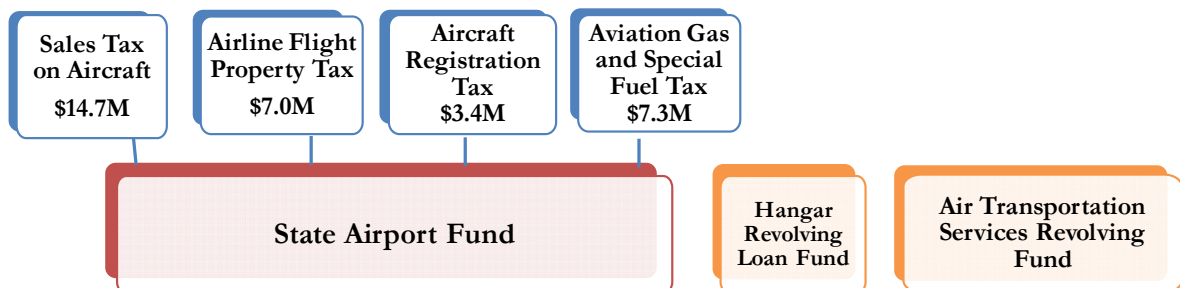
State Airports Revenue

Three funds make up the total consolidated SAF:

- State Airports Fund
- Hangar Revolving Loan Fund
- Air Transportation Services Revolving Fund

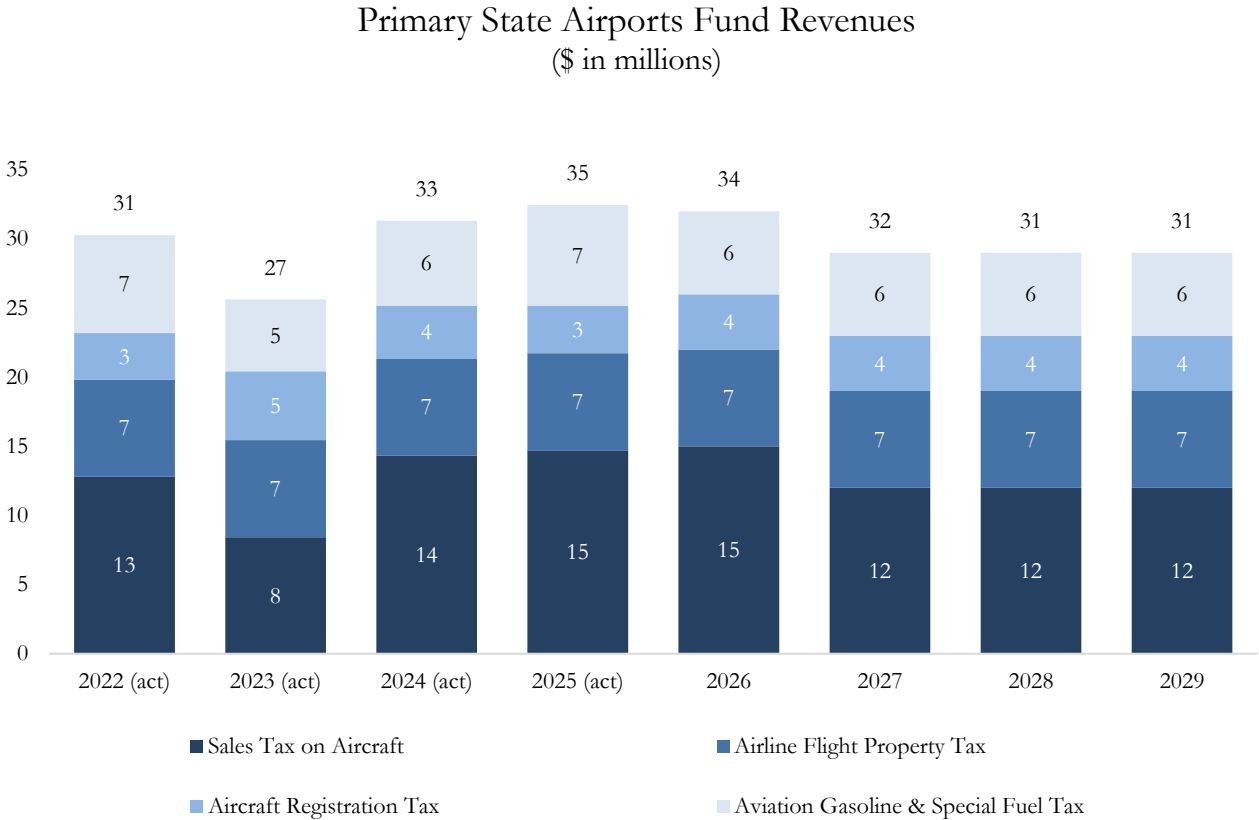
The consolidated fund statement ending balance does not include the two revolving funds (Hanger Loan and Air Transportation Services) because their receipts are dedicated to specific functions.

State Airports Sources of Revenue FY 2025



The forecast for SAF is based on aviation gasoline and special fuel taxes, sales taxes on aircraft, aircraft registration taxes, and investment income. The forecasts for both sales tax on aircraft and registration tax are based primarily on prior history and have varied significantly by year. Aviation fuel tax revenue is anticipated to remain flat compared to the EOS 2025 forecast. The airline flight property tax amount is a calculation specified in Minn. Stat. 270.075. This statute requires MnDOT to determine the amount as the difference between the “total fund appropriation and the estimated total fund revenues from other sources for the state fiscal year in which the tax is payable and may include a portion of the balance in the state airports fund as determined to be available by the commissioner of transportation”.

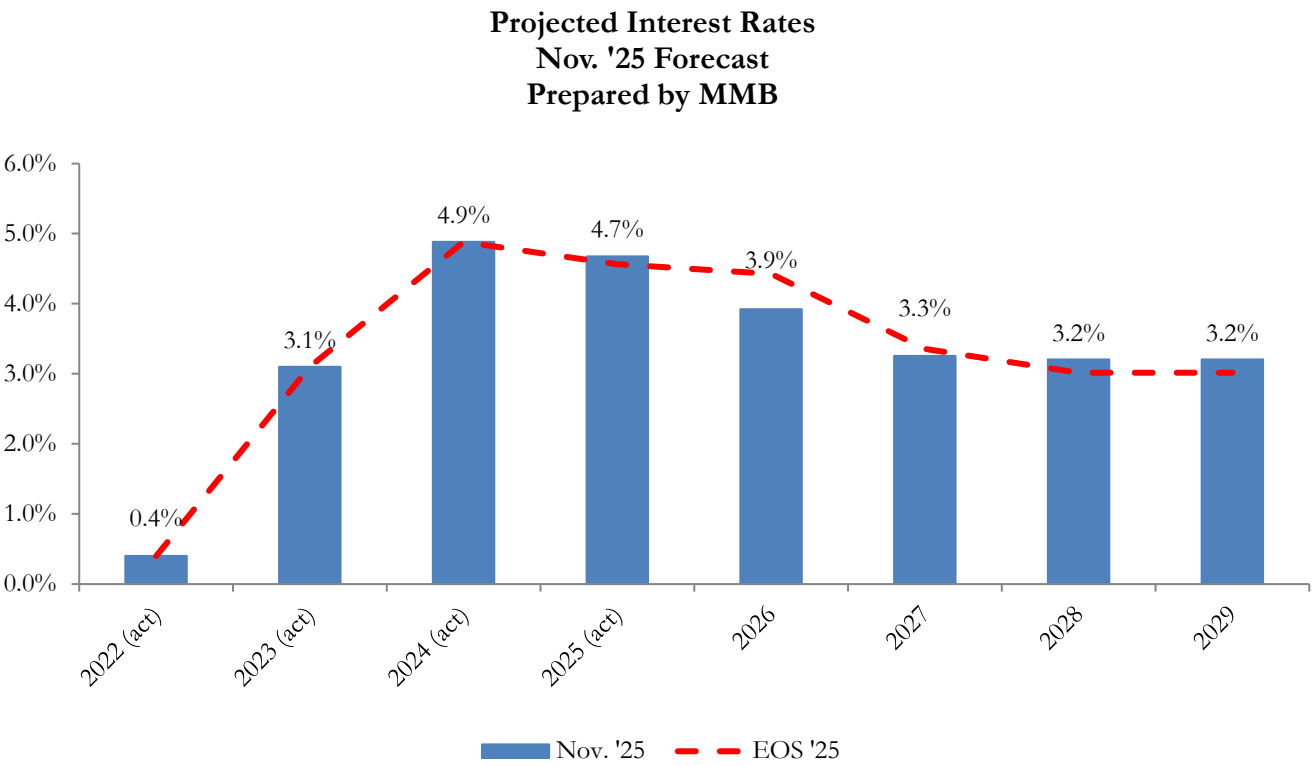
The current forecast of revenues is shown below:



Investment Income

All the transportation funds discussed in this document, except for the TAF and TAA, accrue investment income on cash balances in the fund. The amount of forecasted revenue is based on the amount of cash anticipated to be in the funds and the projected interest rates for the invested cash.

Interest rates peaked at 4.9 percent in FY 2024, and are projected to fall to 3.2 percent near the end of the forecast period. Overall, interest rates adjusted slightly compared to the EOS 2025 forecast, leading to a slight decrease in interest income for FY 2026-27 and an increase in FY 2028-29.



Fund Statements

Transfers from HUTD Fund

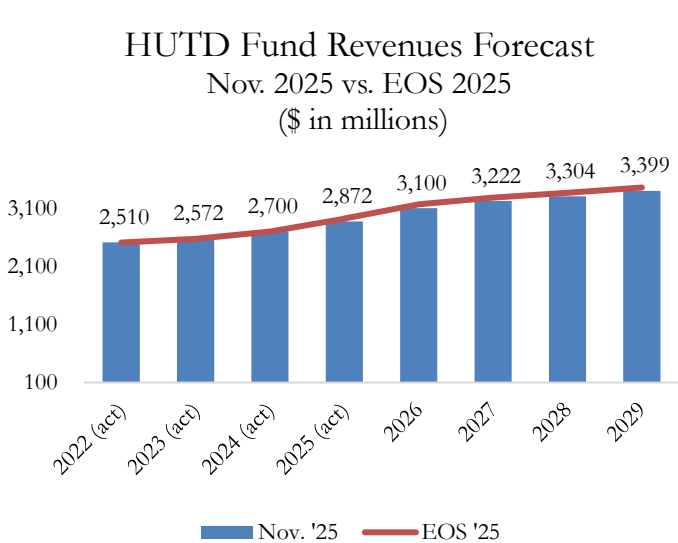
The HUTD Fund receives revenues from the three sources constitutionally dedicated to highways and transit (gas tax, tab fees, and MVST), as well as several minor sources of revenue. With the exception of 40 percent of MVST dedicated to public transit, revenues from these three taxes are deposited into the HUTD Fund. In addition, revenue sources are statutorily dedicated from the General Fund to the HUTD Fund. These include a portion of sales tax on auto parts, 11 percent of MVLST, and the 6.5 percent and 9.2 percent tax on rental vehicles. The revenues are transferred to the TH, CSAH, and MSAS Funds, with small distributions specified in statute to the Department of Natural Resources (DNR).

After distributions to the DNR, 95 percent of total revenue to the HUTD Fund is allocated by the following formula specified in the Minnesota Constitution (visual provided on page 3):

- TH Fund – 62 percent
- CSAH Fund – 29 percent
- MSAS Fund – 9 percent

The remaining five percent, referred to as the five percent set-aside, is allocated to the CSAH Fund. This funding is further allocated to Township Roads, Township Bridges, and the Flexible Highway Account.

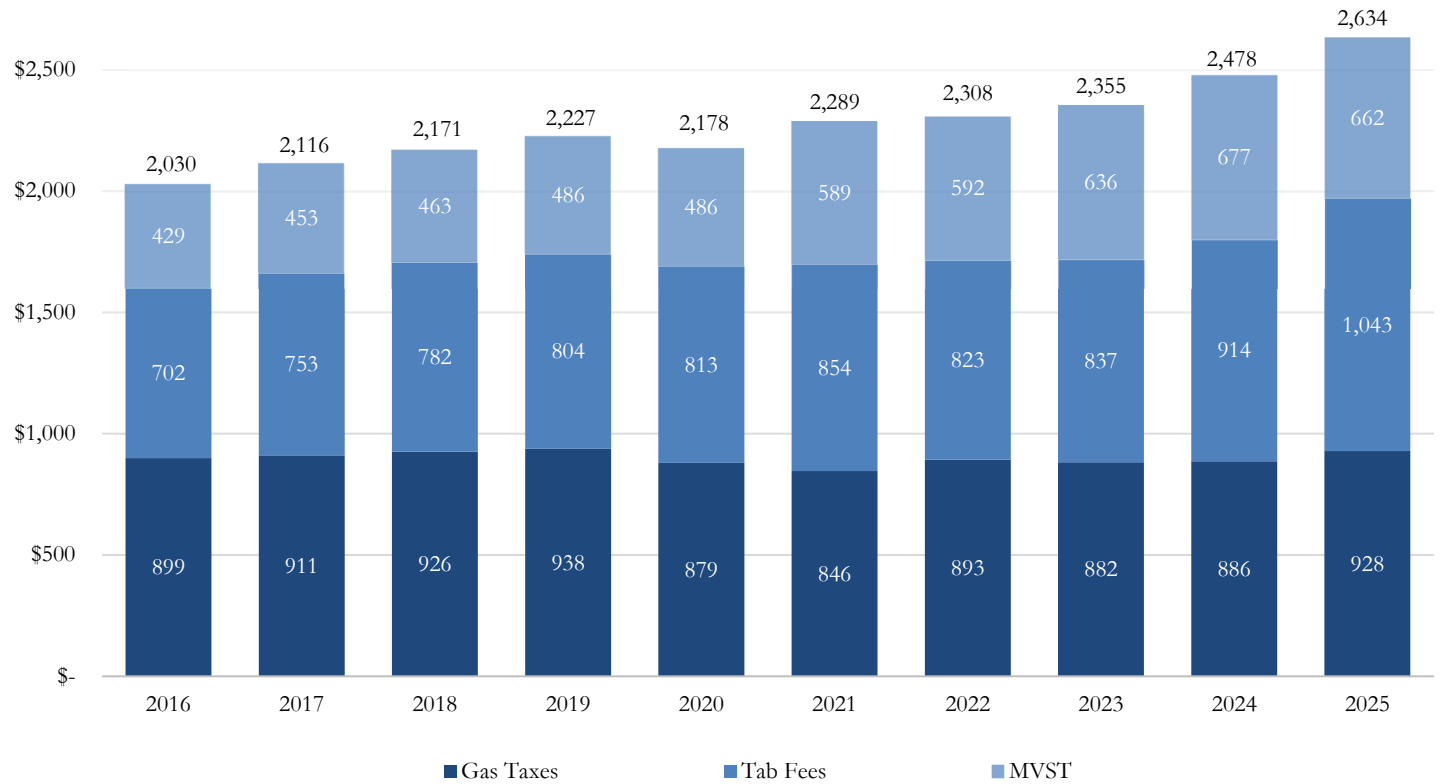
The current forecast is shown below:



| HUTD Fund Revenues (\$ in millions) | | | | |
|--|----------|---------|-----------|----------|
| FY | Nov. '25 | EOS '25 | \$ Change | % Change |
| 2022 (act) | 2,510 | 2,510 | - | 0.0% |
| 2023 (act) | 2,572 | 2,572 | - | 0.0% |
| 2024 (act) | 2,700 | 2,700 | - | 0.0% |
| 2025 (act) | 2,872 | 2,920 | (48.8) | -1.7% |
| 2026 | 3,100 | 3,165 | (65.3) | -2.1% |
| 2027 | 3,222 | 3,282 | (59.5) | -1.8% |
| 2028 | 3,304 | 3,364 | (60.0) | -1.8% |
| 2029 | 3,399 | 3,457 | (57.9) | -1.7% |

The bar chart below details history of actual revenues for the HUTD Fund (FY 2016-25). It includes the relative shares of revenue attributed to gas tax, tab fees, and MVST. During the last ten years, gas tax and MVST as a percentage of total revenue have decreased, while tab fees have increased and are the primary source of revenue deposited into the fund.

**MINNESOTA HIGHWAY USER TAX REVENUE
(3 PRIMARY SOURCES)
FY 2016-2025 ACTUALS**



Trunk Highway Fund

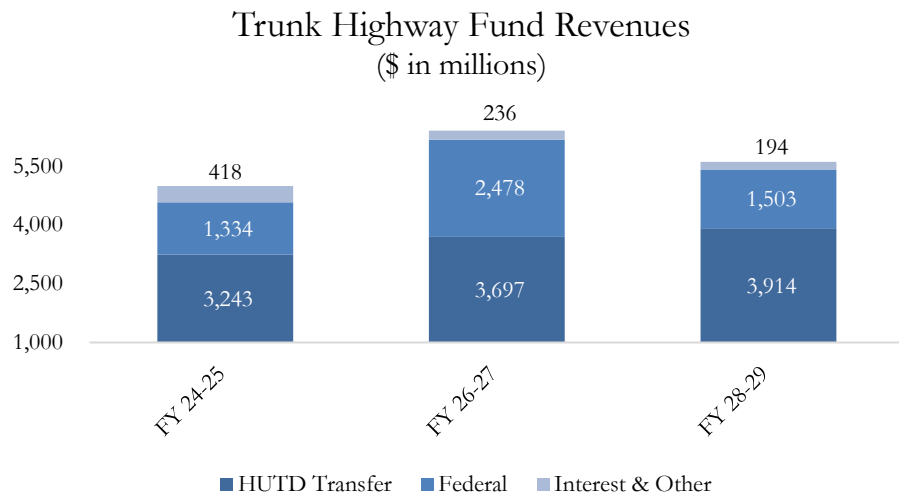
The TH Fund receives both transfers from the HUTD Fund and revenue from investment income. Another substantial source of revenue is federal aid agreements with the Federal Highway Administration (FHWA), where reimbursements for the federal share of highway construction projects are received. Over the forecast period, the estimated reimbursements vary each year based on the projected mix of state and federal funds recognized on specific projects.

The current Infrastructure Investment and Jobs Act (IIJA) provides significantly increased federal transportation funding, approximately 30% more than the previous authorization, across five fiscal years (FY 2022–2026). The IIJA is set to expire on September 30, 2026. While major federal transportation programs have historically avoided funding reductions, there is a real risk that Minnesota could receive less federal funding in the future—particularly if no new revenue sources are identified beyond the existing Federal Highway Trust Fund.

As part of the current biennial budget, the Legislature has authorized \$650 million for the Infrastructure for Rebuilding America (INFRA) grant and other potential discretionary grants for the Blatnik Bridge replacement project. This bridge, which connects Duluth, Minnesota, and Superior, Wisconsin, is jointly owned and managed by MnDOT and WisDOT. In early 2024, MnDOT and WisDOT were awarded over \$1 billion in federal INFRA grant funding for the Blatnik Bridge replacement. MnDOT’s share of the award is nearly \$500 million, with both states also contributing additional funding to support the project. The total project is currently estimated to cost \$1.815 billion, with construction spanning 2026 through 2031.

In addition to federal funds, the TH Fund receives revenues and transfers from several other sources. For FY 2024–29, 64 percent of resources are transfers from the HUTD Fund, 31 percent of resources are federal aid agreements, and 5 percent of resources come from other sources such as investment income.

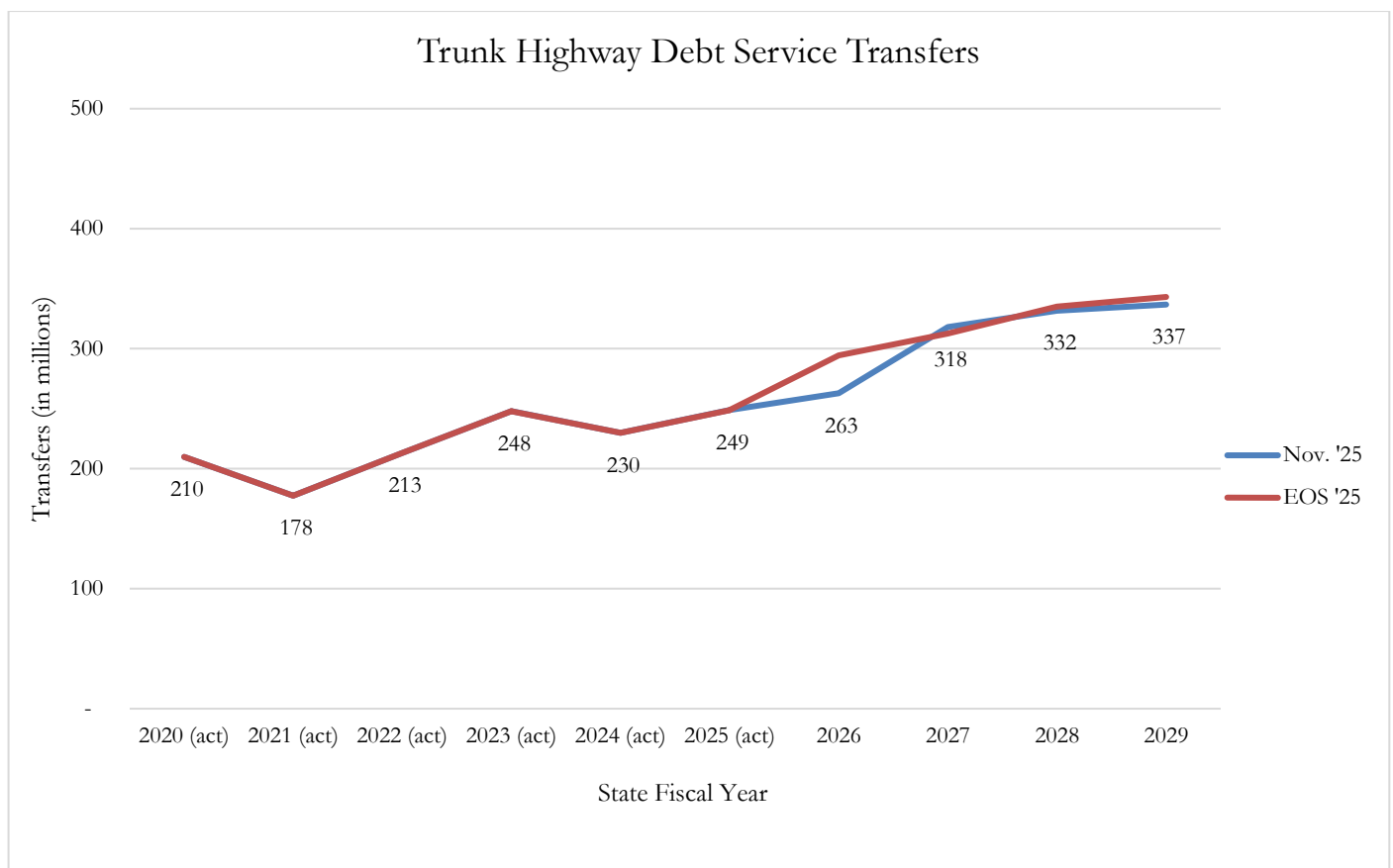
The current forecast, by biennium, is shown below:



Debt Service – Trunk Highway Fund

The forecast for expenditures is generally based on the most recently enacted biennial budget. There are typically no significant changes in estimated spending. However, the TH Fund has unique constitutional authority to sell authorized Trunk Highway bonds¹. The debt service on these bonds (payment of principal and interest) is specified as the first obligation of the fund. The biennial budget includes appropriation amounts for debt service. However, the law also states that any increase in the amount of estimated debt service is to be transferred because there is a statutory open appropriation for TH Fund debt service.

Projected interest rates are slightly higher before lowering over time compared to the EOS 2025 forecast. Alternatively, investment rates are projected to be slightly lower before increasing in the later years. The combination of these two changes primarily results in lower projected debt service compared to the prior forecast. The graph below depicts actual and forecasted debt service transfer amounts by year, compared to the EOS 2025 forecast:



¹ See Article XIV, section 11 of the Minnesota Constitution

The TH Fund is governed by four financial policies: Debt Management, Fund Balance, Cash Balance, and Advance Construction (policy link included in the appendices index). The Debt Management Policy states that debt service should not exceed 20 percent of annual state revenues to the TH Fund². Debt service includes transfers to the state bond fund for debt service on Trunk Highway bonds; repayments of local government advances (LGA) in accordance with Minn. Stat. 161.361; Transportation Revolving Loan Fund (TRLF) repayments in accordance with Minn. Stat. 161.04, subdivision 4; and the federal Transportation Infrastructure Finance and Innovation Act of 1998 (TIFIA) loan payments authorized under Minnesota Statutes, Section 174.525. The combined projected annual spending for TRLF and LGA is \$3 million. The Legislature authorized MnDOT to pursue a TIFIA loan for a specific project on Trunk Highway 14 in Nicollet County costing approximately \$48 million. MnDOT applied for and received the loan, and the debt obligation is repaid through oversize and overweight transportation permit fee revenues, projected at \$4.1 million annually.

The table below shows the estimated debt service costs from the TH Fund, which range from just under 14 percent in FY 2026, to a peak of 16.7 percent in FY 2028.

Debt Management Policy

(\$ in millions)

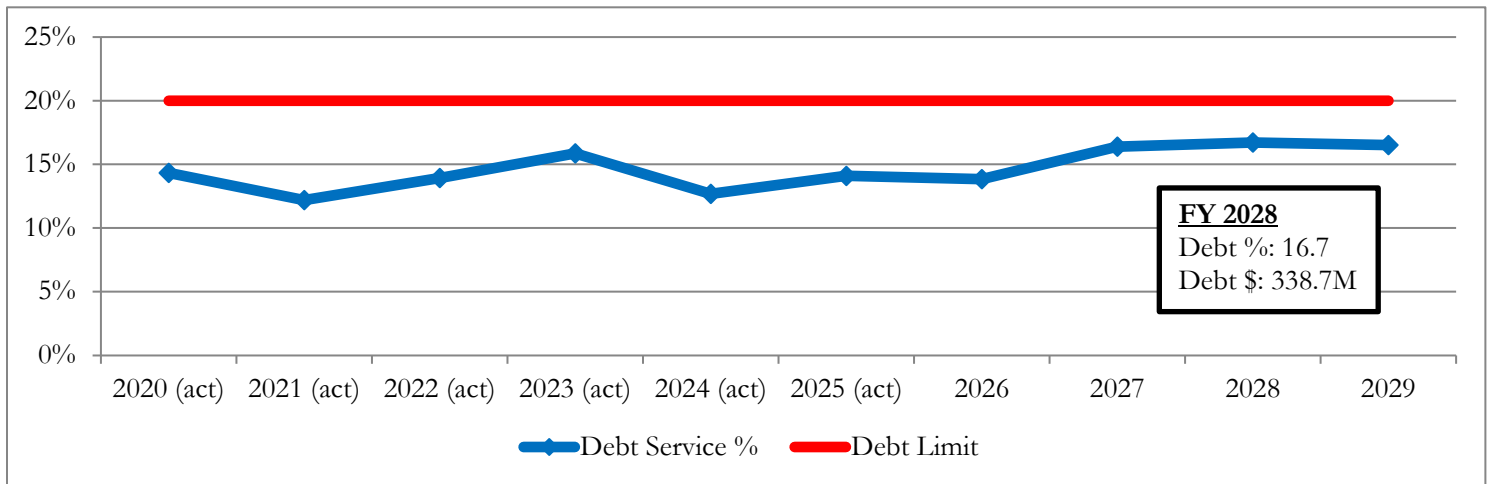
| Year | Total Debt Service ⁽¹⁾ | Estimated Current % | Variance from 20% Policy Limit ⁽²⁾ |
|------------|-----------------------------------|---------------------|---|
| 2020 (act) | 210,224 | 14.3% | 83,158 |
| 2021 (act) | 181,771 | 12.2% | 116,181 |
| 2022 (act) | 217,987 | 13.9% | 94,986 |
| 2023 (act) | 251,994 | 15.9% | 65,680 |
| 2024 (act) | 234,044 | 12.7% | 135,060 |
| 2025 (act) | 255,929 | 14.1% | 107,092 |
| 2026 | 269,883 | 13.8% | 120,043 |
| 2027 | 325,050 | 16.4% | 71,606 |
| 2028 | 338,658 | 16.7% | 66,527 |
| 2029 | 343,897 | 16.5% | 72,456 |

⁽¹⁾ Includes bond debt transfers, transportation revolving loans, and local government advances.

⁽²⁾ Represents amount of additional debt service to reach 20 percent limit – a general guideline is to multiply this amount by 10 for an estimate of the additional bond capacity e.g., \$66.5M × 10 = \$665M in additional bond capacity.

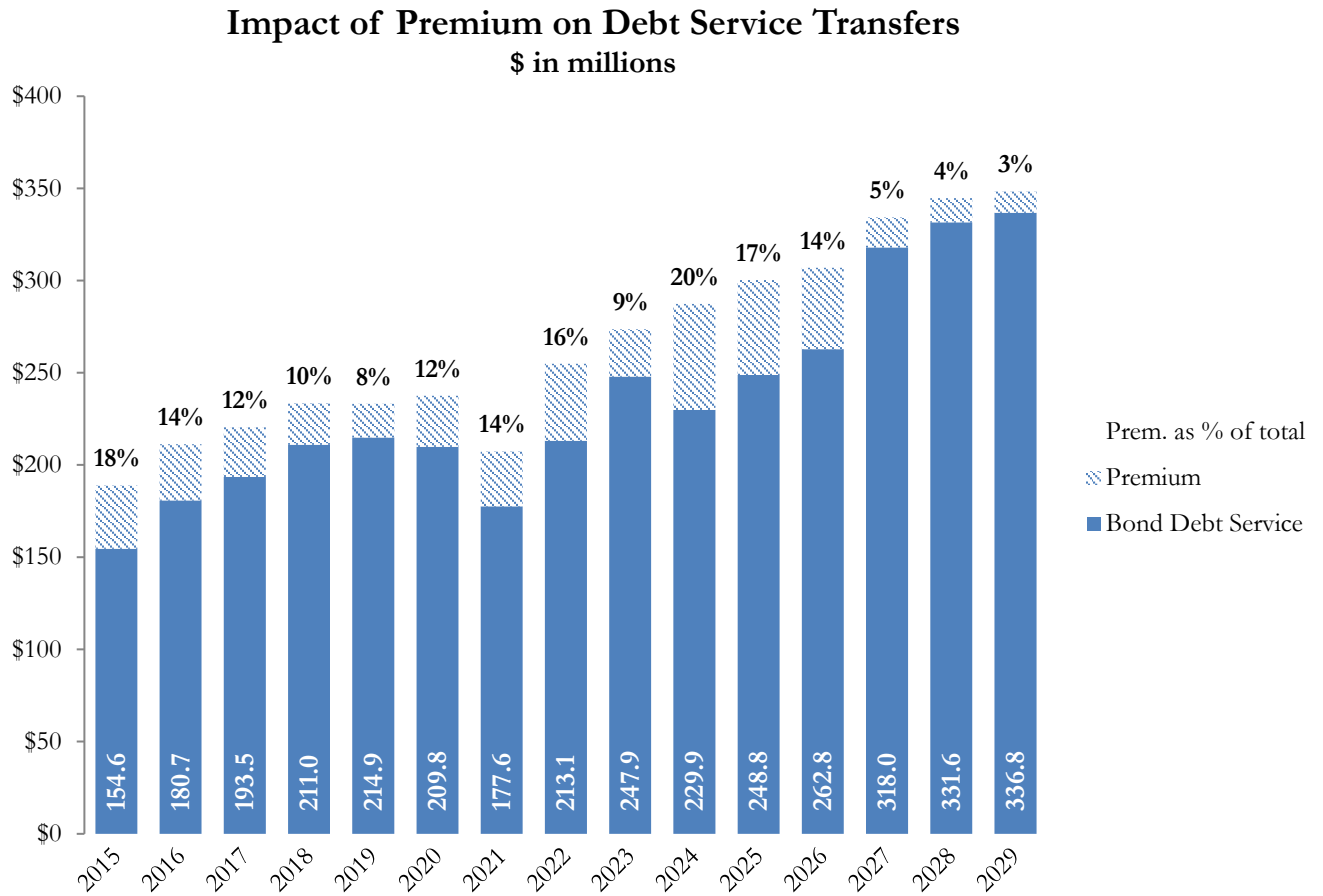
The graph below depicts the debt service estimates compared with the policy limit for the forecast period:

² Developed to comply with Minn. Stat. 167.60



As MnDOT manages this policy, there are variables to the debt management calculation outside of MnDOT’s control. One of the largest variables is interest rate fluctuation, which can lead to large debt service expenditure variations. Trunk Highway General Obligation bonds command a premium which is accounted for in the year of sale. Therefore, debt service is lower the year the bonds are sold, but this decrease is then offset over the 20-year life of the bonds. MnDOT debt has increased primarily as a result of large bonding programs in 2008 (Laws of 2008, Chapter 152, \$1.8 billion) as well as bonding from subsequent years, including 2017 (Laws of 2017, First Special Session, Chapter 3, \$940 million), 2018 (Laws of 2018, Chapter 214, \$416 million), 2020 (Laws 2020, Fifth Special Session, Chapter 3, \$300 million), 2021 (Laws of 2021, First Special Session, Chapter 5, \$413 million), 2023 (Laws of Chapter 68, \$599 million), and 2024 (Laws of Chapter 127, \$30 million). Bond sales from the Chapter 152 program originally authorized in 2008 are now complete, and sales from all current authorized debt are anticipated to end in FY 2030.

The bar chart below illustrates the reduction to debt service as the result of bond sale premiums:



The table below summarizes the impacts on the TH Fund balance for the revenue and expenditure forecasts:

| | FY24-25 | FY26-27 | FY28-29 |
|--|----------------|----------------|----------------|
| Transfers from HUTD | (34.3) | (66.7) | (69.5) |
| Federal Aid Agreements | (189.8) | - | - |
| Interest | 1.0 | (8.1) | 0.9 |
| Other Revenues and Transfers | 28.3 | 28.6 | (8.3) |
| Prior Year Adjustments | 22.8 | - | - |
| Total Revenue and Transfer Impact | (171.9) | (46.2) | (76.8) |
| Transportation Expenditures | (539.4) | 274.1 | - |
| Other Agencies | (18.2) | 19.7 | - |
| Transfers Out | - | - | - |
| Debt Service Transfer | 0.0 | (26.1) | (9.8) |
| Total Expenditure and Transfer Impact | (557.5) | 267.7 | (9.8) |
| Fund Balance Change | 385.6 | (313.9) | (67.0) |
| Total Cumulative Change | 385.6 | 71.7 | 4.6 |
| Nov. '25 Forecast | 538.8 | 166.3 | 227.2 |
| EOS '25 Forecast | 153.2 | 94.6 | 222.6 |
| Change | 385.6 | 71.7 | 4.6 |
| <i>Reserved Fund Balance (Nov '25)</i> | <i>133.8</i> | <i>136.2</i> | <i>133.3</i> |
| <i>Unreserved Fund Balance (Nov '25)</i> | <i>405.0</i> | <i>30.1</i> | <i>94.0</i> |

County State Aid Highway (CSAH) Fund

The CSAH Fund receives transfers from the HUTD Fund as well as revenues from investment income, MVLST, and the TAA. Minnesota Statutes, Chapter 162 provides the criteria by which funds are allocated to statutory accounts in the CSAH Fund and 87 counties in Minnesota. Beginning in 2016, estimated revenues for counties are split between “apportionment sum” and “excess sum” based on fixed percentages. 68 percent is allocated to apportionment sum and 32 percent is allocated to excess sum. These two amounts are then allotted to counties using different formulas specified in statute. These allotments are calculated each year based primarily on revenue estimates for the CSAH Fund. The portion of revenue received from MVLST is allocated to five of the seven metropolitan counties, excluding Hennepin and Ramsey counties. These funds are added to the regular allocation for these counties.

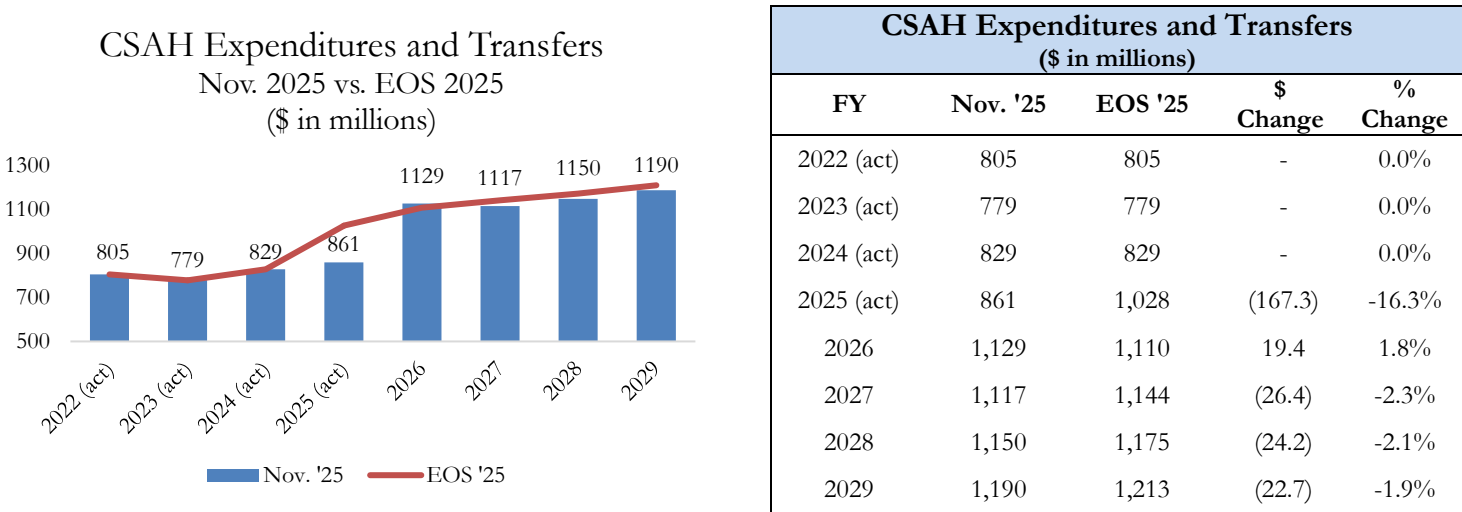
These allocations include the five percent set-aside portion of total revenues from the HUTD Fund. The Constitution allows the Legislature to allocate this five percent in a manner different from the constitutional formula (62 percent to the TH Fund, 29 percent to the CSAH Fund, and nine percent to the MSAS Fund). The current allocation is 100 percent to the CSAH Fund (Minn. Stat. 161.081). This funding is further allocated to Township Roads (30.5 percent), Township Bridges (16.0 percent), and the Flexible Highway Account (53.5 percent). The portion allocated to the Flexible Highway Account is also available for transfer to the TH and MSAS Funds, if designated in the appropriation law. The totals shown below include any transfers authorized by the current appropriation law.

The CSAH Fund is directly appropriated based on the most current revenue forecast at the time the biennial budget is prepared. [The Commissioner’s Order](https://edocs-public.dot.state.mn.us/edocs_public/DMResultSet/download?docId=38751139) (https://edocs-public.dot.state.mn.us/edocs_public/DMResultSet/download?docId=38751139), issued on a calendar year basis, and allocates the funds each year based on revenue estimates in the preceding November forecast. The result is an increase or decrease to the direct appropriation amount each year after the Commissioner’s Order is executed in January.

CSAH Expenditure Forecast

Once allocations are made to the counties, the funds are considered committed. Actual spending is at the discretion of the counties, with guidance from MnDOT’s State Aid division.

The current forecast is shown below:



Municipal State Aid Street (MSAS) Fund

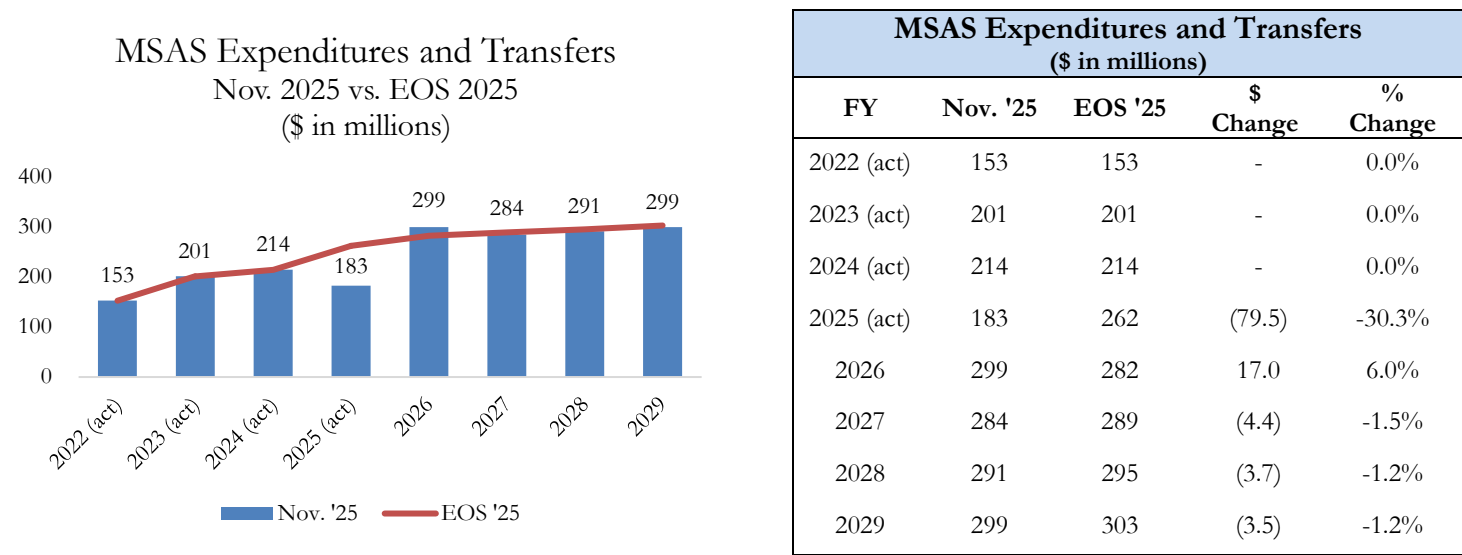
The MSAS Fund receives transfers from the HUTD Fund, authorized transfers from the CSAH Fund, and revenues from investment income. Minnesota Statutes, Chapter 162, provides the criteria by which funds are allocated to statutory accounts within the MSAS Fund and to each of the Minnesota State Aid cities defined as having a population of 5,000 or greater. The allocations are calculated based primarily on revenue estimates for the MSAS Fund, which excludes transfers from the CSAH Fund.

The MSAS Fund is also directly appropriated based on the most current revenue forecast at the time the biennial budget is prepared. [The Commissioner’s Order](https://edocs-public.dot.state.mn.us/edocs_public/DMResultSet/download?docId=38751139) (https://edocs-public.dot.state.mn.us/edocs_public/DMResultSet/download?docId=38751139) allocates the funds based on revenue estimates in the preceding November forecast each year. The result is an increase or decrease to the direct appropriation amount each year after the Commissioner’s Order is executed in January.

MSAS Expenditure Forecast

Once allocations are made to the municipalities, the funds are considered committed. Actual spending is at the discretion of the municipalities, with guidance from MnDOT’s State Aid division.

The current forecast is shown below:



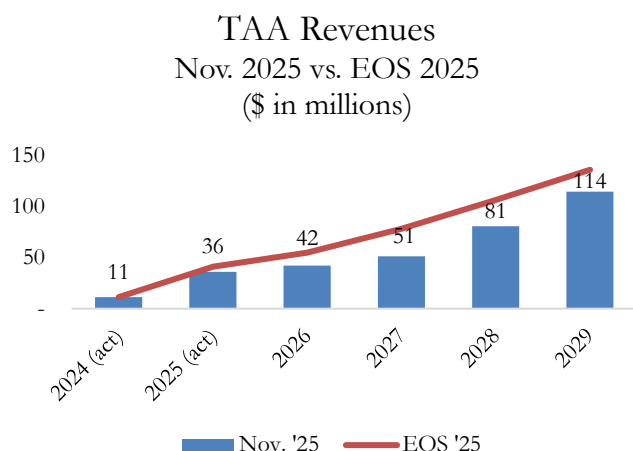
Transportation Advancement Account (TAA)

The Legislature established a Transportation Advancement Account (TAA) in the Special Revenue Fund to be allocated to metro counties (36%), the CSAH Fund (10%), larger cities (15%), small cities (27%), town roads (11%), and food delivery support grants (1%). Revenues deposited into the account include a new 50-cent retail delivery tax and a portion of the sales tax on auto parts, previously deposited into the General Fund. Revenue available in this account is anticipated to grow to approximately \$114 million by FY 2029 and surpass \$250 million by FY 2033 once the full phase-in of sales tax on auto parts is complete.

The table below summarizes the funds to be allocated (\$ in thousands), effective dates, and the timing of the distributions (note: "CO" refers to the Commissioner's Order process followed for counties and cities):

| Rate/Recipient | Effective Date | Distribution Timing | FY 2025 | FY 2026 | FY 2027 | FY 2028 | FY 2029 |
|---|----------------|---|---------------|---------------|---------------|---------------|----------------|
| 36%: 7 Metro counties based on population and money needs | FY 2024 | Once per year in July after end of FY | 12,952 | 15,137 | 18,424 | 29,034 | 41,203 |
| 10%: included with "normal" HUTD revenues in CO distribution | CY 2024 | Included in CO | 3,598 | 4,205 | 5,118 | 8,065 | 11,445 |
| 15%: all MSAS cities based on 50/50 pop/money needs | FY 2024 | Once per year in July after end of FY | 5,397 | 6,307 | 7,677 | 12,098 | 17,168 |
| 27%: all non-MSAS cities based on MS 162.145 | FY 2024 | Commissioner of Revenue distributes the funds to cities in the same manner as local government aid in July and December. <i>Note: due to statute and deposit requirements, there was a one-year lag for distributions e.g., receipts for July 2023-April 2024 (FY 2024) were distributed in July and December 2024 (FY 2025)</i> | 9,714 | 11,353 | 13,818 | 21,776 | 30,903 |
| 11%: included with "normal" HUTD revenues in CO distribution | CY 2024 | Included in CO | 3,958 | 4,625 | 5,630 | 8,872 | 12,590 |
| 1%: appropriated to DHS for grants to non-profits supporting food delivery | FY 2024 | Once per year in July after end of FY | 360 | 420 | 512 | 807 | 1,145 |
| Total Uses | | | 35,979 | 42,048 | 51,179 | 80,651 | 114,454 |

The current forecast is shown below:



| TAA Revenues (\$ in millions) | | | | |
|----------------------------------|----------|---------|-----------|----------|
| FY | Nov. '25 | EOS '25 | \$ Change | % Change |
| 2022 (act) | - | - | - | 0.0% |
| 2023 (act) | - | - | - | 0.0% |
| 2024 (act) | 11 | 11 | - | 0.0% |
| 2025 (act) | 36 | 41 | (5.1) | -12.3% |
| 2026 | 42 | 55 | (12.8) | -23.3% |
| 2027 | 51 | 78 | (26.9) | -34.5% |
| 2028 | 81 | 106 | (25.6) | -24.1% |
| 2029 | 114 | 136 | (21.5) | -15.8% |

Regional Transportation Sales and Use Tax

A Regional Transportation Sales and Use Tax (Regional Sales Tax) was enacted in 2023 to provide funding to the Metropolitan Council and the metropolitan counties, consisting of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington County. Minnesota Statute 297A.9915 provides details on the sales tax imposition rate; administration, collection and enforcement; and deposit of the funds.

Metropolitan Council

The sales tax and use revenues are available as follows:

- 95 percent for transit system purposes under Minnesota Statutes 473.371 to 473.452, including but not limited to operations, maintenance, and capital projects; and
- 5 percent for active transportation, as determined by the Transportation Advisory Board under subdivision 3.

Metropolitan Counties

A metropolitan county must use revenue from the Regional Sales Tax under Minnesota Statute 297A.9915 in conformance with the requirements under Minnesota Statute 174.49, subdivision 6:

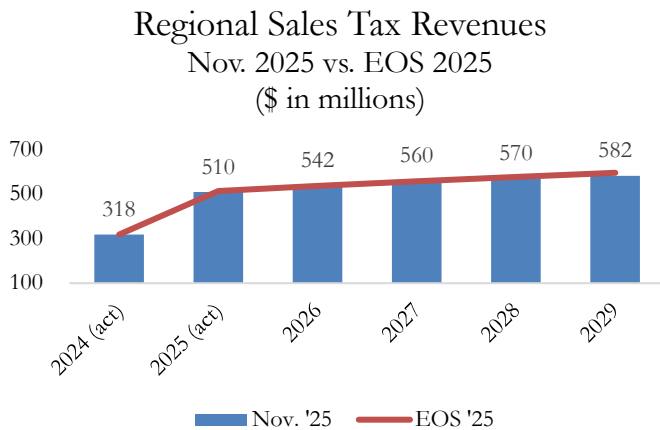
- 17% to metropolitan counties in the manner provided under section Minnesota Statute 174.49, subdivision 5. The prescriptive uses of the funds is provided in Subd. 6:
 - Subd. 6. Metropolitan counties; use of funds. (a) A metropolitan county must use funds that are received under subdivision 5 as follows:
 - a) 41.5 percent for active transportation and transportation corridor safety studies;
 - b) 41.5 percent for:
 - Repair, preservation, and rehabilitation of transportation systems; and
 - Roadway replacement to reconstruct, reclaim, or modernize a corridor without adding traffic capacity, except for auxiliary lanes with a length of less than 2,500 feet; and
 - c) 17 percent for any of the following:
 - Transit purposes, including but not limited to operations, maintenance, capital maintenance, demand response service, and assistance to replacement service providers under section 473.388;
 - Complete streets projects, as provided under section 174.75; and

- Projects, programs, or operations activities that meet the requirements of a mitigation action under section 161.178, subdivision 4.

Distribution of funding to the metropolitan counties is the responsibility of MnDOT. MnDOT does not have any administrative oversight on the use of these funds. Each metropolitan county is required to follow appropriate accounting practices to clearly show that the funds they received have been used according to the statutory requirements.

| Regional Sales Tax | | | | | | |
|-----------------------|-------------|----------------|----------------|----------------|----------------|----------------|
| Recipient | Rate | FY 2025 | FY 2026 | FY 2027 | FY 2028 | FY 2029 |
| Met council (transit) | 83.0% | 423,182 | 449,700 | 464,800 | 473,200 | 483,400 |
| Metro counties | 17.0% | 86,676 | 92,100 | 95,200 | 96,900 | 99,000 |
| Total | 100% | 509,858 | 541,800 | 560,000 | 570,100 | 582,400 |

The current forecast is shown below:

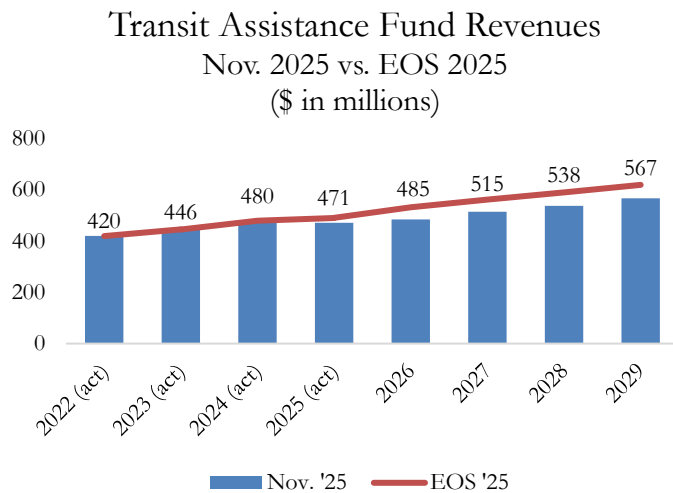


| Regional Sales Tax Revenues (\$ in millions) | | | | |
|---|----------|---------|-----------|----------|
| FY | Nov. '25 | EOS '25 | \$ Change | % Change |
| 2024 (act) | 318 | 318 | - | - |
| 2025 (act) | 510 | 514 | (4.0) | -0.8% |
| 2026 | 542 | 537 | 4.9 | 0.9% |
| 2027 | 560 | 558 | 1.9 | 0.3% |
| 2028 | 570 | 578 | (7.4) | -1.3% |
| 2029 | 582 | 596 | (13.9) | -2.3% |

Transit Assistance Fund (TAF)

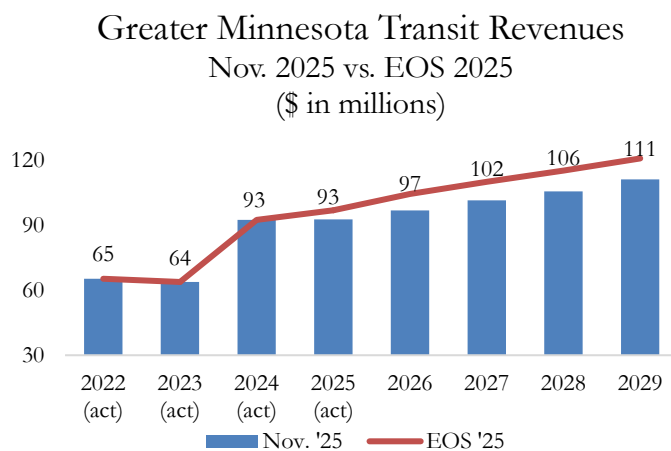
Beginning in FY 2018, 38 percent of MVLST revenue is allocated to the TAF – Greater Minnesota Transit account. In previous years, half of MVLST revenues (net of \$32 million that remained in the General Fund) were allocated to the TAF. The Fund also receives 40 percent of MVST revenues. In 2023, the Legislature increased MVST from 6.5 percent to 6.875 percent.

The total estimated revenues for the TAF are shown below:



| Transit Assistance Fund Revenues (\$ in millions) | | | | |
|--|----------|---------|-----------|----------|
| FY | Nov. '25 | EOS '25 | \$ Change | % Change |
| 2022 (act) | 420 | 420 | - | 0.0% |
| 2023 (act) | 446 | 446 | - | 0.0% |
| 2024 (act) | 480 | 480 | - | 0.0% |
| 2025 (act) | 471 | 491 | (19.5) | -4.0% |
| 2026 | 485 | 532 | (47.5) | -8.9% |
| 2027 | 515 | 562 | (47.2) | -8.4% |
| 2028 | 538 | 591 | (52.5) | -8.9% |
| 2029 | 567 | 620 | (52.7) | -8.5% |

Of total revenues, the estimated revenues for the Greater Minnesota portion of the TAF are shown below:



| Greater Minnesota Transit Revenues (\$ in millions) | | | | |
|--|----------|---------|-----------|----------|
| FY | Nov. '25 | EOS '25 | \$ Change | % Change |
| 2022 (act) | 65 | 65 | - | 0.0% |
| 2023 (act) | 64 | 64 | - | 0.0% |
| 2024 (act) | 93 | 93 | - | 0.0% |
| 2025 (act) | 93 | 97 | (4.2) | -4.4% |
| 2026 | 97 | 105 | (7.6) | -7.2% |
| 2027 | 102 | 110 | (8.6) | -7.8% |
| 2028 | 106 | 116 | (9.7) | -8.4% |
| 2029 | 111 | 121 | (9.8) | -8.1% |

Transit Assistance Fund Expenditure Forecast

MVST revenues are statutorily appropriated. The share allocated to metropolitan transit is appropriated to the Metropolitan Council, and the share allocated to Greater Minnesota Transit is appropriated to MnDOT. For the Metropolitan Council allocation, this means that forecast revenues are typically the same as forecast expenditures in the fund statement. Because revenue is not transferred until the following FY, the amount estimated for MVLST for the current year is shown as an appropriation carryforward into the next year.

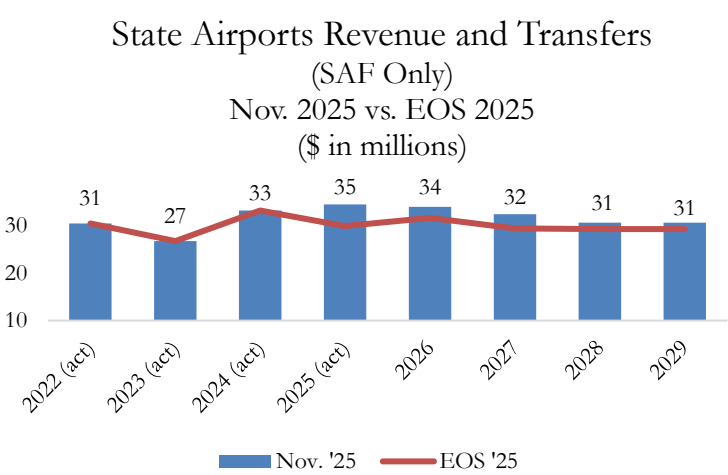
Account Balance Policy

A Greater Minnesota Transit Account policy was developed in 2018 to provide an appropriate amount of reserves in the Fund to protect against significant shifts in revenue or spending. In 2025, the Legislature established a reserve balance maximum of no more than five percent of the total annual transit assistance fund balance forward from the previous fiscal year. Currently, the Fund is in compliance with this statute.

State Airports Fund (SAF)

The SAF receives revenues from aviation gasoline and special fuel taxes, aircraft registration taxes, sales taxes on aircraft, and other small sources such as investment income. These revenues must be sufficient to support the direct appropriations from the Legislature, which are used to carry out aviation functions such as administration, operations, airport development and assistance grants, and aeronautic planning.

The total estimated revenues and transfers for the SAF are shown below (note: these amounts only reflect the State Airports Fund and exclude activity in the two revolving funds):



| State Airports Fund Revenues and Transfers (\$ in millions) | | | | |
|--|----------|---------|-----------|----------|
| FY | Nov. '25 | EOS '25 | \$ Change | % Change |
| 2022 (act) | 31 | 31 | - | 0.0% |
| 2023 (act) | 27 | 27 | - | 0.0% |
| 2024 (act) | 33 | 33 | - | 0.0% |
| 2025 (act) | 35 | 30 | 4.6 | 15.3% |
| 2026 | 34 | 32 | 2.3 | 7.3% |
| 2027 | 32 | 29 | 3.0 | 10.2% |
| 2028 | 31 | 29 | 1.4 | 4.6% |
| 2029 | 31 | 29 | 1.4 | 4.6% |

Fund Balance Policy

The State Airports Fund Balance policy exists to provide an appropriate level of reserve in the SAF to protect against major fluctuations in revenue. The policy requires that the SAF (excluding the revolving funds) maintain a minimum of 5 percent of the total appropriations in each FY and a maximum of 15 percent, or \$3 million (whichever is lower, currently \$3 million). Currently, the Fund complies with this policy and projects an available balance of approximately \$12 million by FY 2029.

Appendices

| | |
|---------------|---|
| Appendix 1: | Highway User Tax Distribution Fund Statement |
| Appendix 2: | Trunk Highway Fund Statement |
| Appendix 3: | County State Aid Highway Fund Statement |
| Appendix 4: | Municipal State Aid Street Fund Statement |
| Appendix 5: | Transit Assistance Fund Statement |
| Appendix 6: | State Airports Fund Statement |
| Appendix 7: | Transportation Advancement Account Fund Statement |
| Appendix 8: | Minnesota Highway User Tax Revenue – Percentage of Total Revenues |
| Appendix 9: | HUTD Revenues Year-over-Year Growth Percentage Trend |
| Policy Links: | <u>Policy Links</u> |

Contacts

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samuel.brown@state.mn.us

Appendix 1

Highway User Tax Distribution Fund

November 2025 Forecast

Comparison to EOS 2025 Forecast

| (\$ in thousands) | November 2025 Forecast | | | | | | | | Change from EOS 2025 | | | | |
|--|------------------------|--------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------------|------------|--------------|--------------|--------------|
| | Close | Close | Close | Close | Budget | Budget | Planning Est | Planning Est | Close | Budget | Budget | Planning Est | Planning Est |
| | FY 2022 | FY 2023 | FY 2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 | FY 2029 | FY 2025 | FY 2026 | FY 2027 | FY 2028 | FY 2029 |
| Balance Forward from Prior Year | 24,338 | 15,897 | 7,578 | 16,167 | 22,809 | 11,999 | 12,000 | 12,000 | - | 10,808 | (2) | (571) | (581) |
| Prior Year Adjustments | 255 | (50) | (61) | 255 | 544 | - | - | - | 255 | 544 | - | - | - |
| Adjusted Balance Forward | 24,593 | 15,848 | 7,517 | 16,422 | 23,353 | 11,999 | 12,000 | 12,000 | 255 | 11,352 | (2) | (571) | (581) |
| Net Revenue and Transfers-In | | | | | | | | | | | | | |
| Motor Fuel Excise Tax | 892,597 | 881,971 | 886,111 | 928,162 | 1,012,200 | 1,023,900 | 1,027,490 | 1,036,490 | (4,970) | 10,921 | 16,610 | 15,851 | 10,650 |
| Motor Vehicle Registration Tax | 823,287 | 836,522 | 914,474 | 1,043,335 | 1,160,420 | 1,218,440 | 1,267,180 | 1,317,860 | (15,912) | (4,752) | (4,990) | 930 | 7,291 |
| Motor Vehicle Sales Tax | 591,627 | 636,327 | 677,184 | 662,277 | 678,210 | 722,664 | 755,886 | 797,646 | (26,601) | (69,900) | (67,548) | (75,006) | (75,018) |
| Sales Tax on Auto Parts | 145,644 | 145,644 | 139,897 | 155,041 | 156,738 | 154,045 | 138,168 | 117,843 | (0) | (1) | (1,564) | (2,514) | (2,629) |
| Electric Vehicle Surcharges | - | - | - | - | 6,325 | 16,976 | 26,087 | 36,500 | - | - | - | 2,100 | 3,300 |
| Motor Vehicle Rental Tax (9.2%) | 26,244 | 30,797 | 32,962 | 33,826 | 34,831 | 36,511 | 37,962 | 39,467 | (799) | (1,652) | (1,668) | (1,715) | (1,812) |
| Motor Vehicle Rental Tax (6.5%) | 18,542 | 21,759 | 23,288 | 23,899 | 24,609 | 25,796 | 26,821 | 27,885 | (564) | (1,167) | (1,278) | (1,212) | (1,280) |
| Leased Vehicle Sales Tax | 7,513 | 6,231 | 8,212 | 8,677 | 9,449 | 9,559 | 9,856 | 10,318 | (497) | (159) | (530) | (621) | (654) |
| Other Income | 4,463 | 13,162 | 17,600 | 16,407 | 17,012 | 14,602 | 14,453 | 14,558 | 578 | 1,444 | 1,484 | 2,215 | 2,208 |
| Total Net Revenue and Transfers-In | 2,509,917 | 2,572,414 | 2,699,728 | 2,871,624 | 3,099,794 | 3,222,493 | 3,303,903 | 3,398,567 | (48,765) | (65,265) | (59,484) | (59,973) | (57,945) |
| Expenditures and Transfers-Out | | | | | | | | | | | | | |
| Appropriations to MnDOT, Revenue, DPS | 4,004 | 3,607 | 3,440 | 3,946 | 4,314 | 3,926 | 3,926 | 3,926 | (163) | 374 | 33 | 33 | 33 |
| Transfers--DNR | 21,397 | 21,520 | 21,614 | 21,777 | 24,344 | 24,625 | 24,712 | 24,928 | (945) | (37) | 98 | 79 | (51) |
| Transfers--5% Set-Aside | 124,661 | 127,778 | 133,301 | 141,976 | 154,125 | 159,697 | 163,763 | 168,486 | (2,910) | (2,712) | (2,952) | (3,004) | (2,896) |
| Transfers--County State-Aid Highway | 686,880 | 704,056 | 734,490 | 782,286 | 849,226 | 879,931 | 902,336 | 928,356 | (16,037) | (14,946) | (16,267) | (16,550) | (15,956) |
| Transfers--Municipal State-Aid Highway | 213,170 | 218,500 | 227,945 | 242,779 | 263,553 | 273,082 | 280,035 | 288,110 | (4,976) | (4,638) | (5,048) | (5,137) | (4,952) |
| Transfers--Trunk Highway | 1,468,502 | 1,505,222 | 1,570,289 | 1,672,474 | 1,815,587 | 1,881,231 | 1,929,131 | 1,984,761 | (34,286) | (31,952) | (34,779) | (35,384) | (34,113) |
| Other | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Expenditures and Transfers-Out | 2,518,613 | 2,580,683 | 2,691,079 | 2,865,237 | 3,111,149 | 3,222,492 | 3,303,903 | 3,398,567 | (59,318) | (53,911) | (58,915) | (59,963) | (57,935) |
| Ending Balance | 15,897 | 7,578 | 16,167 | 22,809 | 11,999 | 12,000 | 12,000 | 12,000 | 10,808 | (2) | (571) | (581) | (591) |

Beginning in FY 2016, the ending balance in all forecast years will equal \$12 million, to align with MnDOT practices to maintain positive cash and fund balances

Trunk Highway Fund
November 2025 Forecast
Comparison to EOS 2025 Forecast

(\$ in thousands)

| | November 2025 Forecast | | | | | | | | Change from EOS 2025 | | | | |
|---|------------------------|------------------|------------------|------------------|-------------------|-------------------|-------------------------|-------------------------|----------------------|-------------------|-------------------|-------------------------|-------------------------|
| | Close FY 2022 | Close FY 2023 | Close FY 2024 | Close FY 2025 | Budget FY 2026 | Budget FY 2027 | Planning Est FY 2028 | Planning Est FY 2029 | Close FY 2025 | Budget FY 2026 | Budget FY 2027 | Planning Est FY 2028 | Planning Est FY 2029 |
| Balance Forward from Prior Year | 335,408 | 327,279 | 241,552 | 462,581 | 538,843 | 215,651 | 166,311 | 171,474 | - | 385,612 | 112,976 | 71,679 | 36,067 |
| Prior Year Adjustments | 102,909 | 105,882 | 47,527 | 62,785 | 40,000 | 40,000 | 40,000 | 40,000 | 22,785 | - | - | - | - |
| Adjusted Balance Forward | 438,317 | 433,161 | 289,079 | 525,366 | 578,843 | 255,651 | 206,311 | 211,474 | 22,785 | 385,612 | 112,976 | 71,679 | 36,067 |
| Net Revenue and Transfers-In | | | | | | | | | | | | | |
| Transfer from HUTD | 1,468,502 | 1,505,222 | 1,570,289 | 1,672,474 | 1,815,587 | 1,881,231 | 1,929,131 | 1,984,761 | (34,286) | (31,952) | (34,779) | (35,384) | (34,113) |
| Federal Aid Agreements | 489,069 | 855,140 | 705,776 | 627,961 | 1,730,742 | 747,342 | 751,731 | 751,731 | (189,757) | - | - | - | - |
| Other Income and Transfers-In | 96,362 | 83,148 | 275,231 | 142,630 | 134,038 | 102,051 | 96,796 | 97,003 | 29,322 | 21,602 | (1,117) | (3,658) | (3,686) |
| Total Net Revenue and Transfers-In | 2,053,933 | 2,443,510 | 2,551,296 | 2,443,065 | 3,680,367 | 2,730,624 | 2,777,658 | 2,833,495 | (194,721) | (10,350) | (35,896) | (39,042) | (37,799) |
| Expenditures and Transfers-Out | | | | | | | | | | | | | |
| Transportation Department | 1,808,212 | 2,230,041 | 1,973,274 | 1,976,047 | 3,528,119 | 2,267,055 | 2,285,171 | 2,285,174 | (539,371) | 274,114 | - | - | - |
| Public Safety and Other Depts. | 139,696 | 153,084 | 170,476 | 186,666 | 190,139 | 182,346 | 191,666 | 191,666 | (8,284) | 9,790 | - | - | - |
| Transfers-Out and Other | 3,925 | 4,086 | 4,138 | 18,057 | 62,518 | 52,613 | 4,100 | 4,100 | (9,893) | 9,905 | - | - | - |
| Debt Service | 213,138 | 247,908 | 229,906 | 248,817 | 262,783 | 317,950 | 331,558 | 336,797 | - | (31,524) | 5,401 | (3,430) | (6,363) |
| Total Expenditures and Transfers-Out | 2,164,971 | 2,635,119 | 2,377,794 | 2,429,588 | 4,043,559 | 2,819,964 | 2,812,495 | 2,817,737 | (557,547) | 262,285 | 5,401 | (3,430) | (6,363) |
| Balance Before Reserves | 327,279 | 241,552 | 462,581 | 538,843 | 215,651 | 166,311 | 171,474 | 227,232 | 385,612 | 112,976 | 71,679 | 36,067 | 4,632 |
| Less Appropriation Carryforward | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Ending Balance | 327,279 | 241,552 | 462,581 | 538,843 | 215,651 | 166,311 | 171,474 | 227,232 | 385,612 | 112,976 | 71,679 | 36,067 | 4,632 |
| Reserved Fund Balance per Policy | 122,779 | 126,435 | 142,175 | 133,828 | 141,899 | 136,240 | 133,477 | 133,274 | 5,268 | 9,199 | 4,731 | 4,870 | 4,590 |
| Unreserved Fund Balance per Policy | 204,500 | 115,118 | 320,406 | 405,015 | 73,752 | 30,071 | 37,997 | 93,958 | 380,344 | 103,777 | 66,948 | 31,197 | 41 |
| Debt Service Percentage Compared to State Revenue | 13.9% | 15.9% | 12.7% | 14.1% | 13.8% | 16.4% | 16.7% | 16.5% | 0.0% | -1.5% | 0.6% | 0.1% | 0.0% |

Reserved Fund Balance reflects reserved amounts to mitigate risk from state revenue fluctuations, federal funding uncertainty, severe winters, etc.

Unreserved Fund Balance reflects amounts available to be appropriated for specific purposes

County State Aid Fund
November 2025 Forecast
Comparison to EOS 2025 Forecast

(\$ in thousands)

| | November 2025 Forecast | | | | | | | | Change from EOS 2025 | | | | |
|---------------------------------------|------------------------|------------------|------------------|------------------|-------------------|-------------------|-------------------------|-------------------------|----------------------|-------------------|-------------------|-------------------------|-------------------------|
| | Close FY 2022 | Close FY 2023 | Close FY 2024 | Close FY 2025 | Budget FY 2026 | Budget FY 2027 | Planning Est FY 2028 | Planning Est FY 2029 | Close FY 2025 | Budget FY 2026 | Budget FY 2027 | Planning Est FY 2028 | Planning Est FY 2029 |
| Balance Forward from Prior Year | 763,678 | 811,391 | 911,259 | 1,024,268 | 1,171,875 | 1,129,726 | 1,129,826 | 1,129,826 | - | 147,607 | 105,458 | 105,458 | 105,458 |
| Prior Year Adjustments | 219 | 674 | 754 | 536 | 1,881 | - | - | - | 536 | 1,881 | - | - | - |
| Adjusted Balance Forward | 763,898 | 812,065 | 912,013 | 1,024,804 | 1,173,756 | 1,129,726 | 1,129,826 | 1,129,826 | 536 | 149,488 | 105,458 | 105,458 | 105,458 |
| Net Revenue and Transfers-In | | | | | | | | | | | | | |
| Leased Vehicle Sales Tax | 25,955 | 21,526 | 28,369 | 29,975 | 32,642 | 33,022 | 34,048 | 35,644 | (1,717) | (950) | (2,228) | (2,546) | (2,660) |
| Other Income | 3,357 | 24,960 | 43,045 | 46,418 | 40,230 | 33,890 | 33,399 | 33,399 | 1,904 | (3,660) | 671 | 3,301 | 3,301 |
| Transfer from HUDT | 811,541 | 831,834 | 867,791 | 924,262 | 1,003,351 | 1,039,628 | 1,066,099 | 1,096,842 | (18,947) | (17,657) | (19,219) | (19,554) | (18,852) |
| Transfer from TAA | - | - | 2,364 | 7,196 | 9,189 | 10,748 | 16,937 | 24,035 | (1,422) | (2,323) | (5,637) | (5,386) | (4,521) |
| Transfer from General | 12,000 | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Net Revenue and Transfers-In | 852,853 | 878,320 | 941,569 | 1,007,851 | 1,085,412 | 1,117,287 | 1,150,482 | 1,189,920 | (20,182) | (24,590) | (26,413) | (24,185) | (22,731) |
| Expenditures and Transfers-Out | | | | | | | | | | | | | |
| Grants to Local Governments | 777,927 | 765,694 | 808,088 | 843,272 | 1,064,297 | 1,095,081 | 1,127,644 | 1,166,276 | (164,102) | (24,224) | (25,889) | (23,636) | (22,212) |
| MnDOT Administrative and Research | 12,310 | 13,364 | 14,375 | 17,508 | 21,115 | 22,106 | 22,838 | 23,644 | (3,151) | (366) | (524) | (549) | (519) |
| Transfers to MSAS Fund | 5,000 | - | 5,000 | - | 22,230 | - | - | - | - | 22,230 | - | - | - |
| Transfers to Special Revenue | 122 | 68 | - | - | - | - | - | - | - | - | - | - | - |
| Transfers to Trunk Highway Fund | 10,000 | - | 1,850 | - | 21,800 | - | - | - | - | 21,800 | - | - | - |
| Total Expenditures and Transfers-Out | 805,359 | 779,126 | 829,314 | 860,780 | 1,129,442 | 1,117,187 | 1,150,482 | 1,189,920 | (167,253) | 19,440 | (26,413) | (24,185) | (22,731) |
| Balance Before Reserves | 811,391 | 911,259 | 1,024,268 | 1,171,875 | 1,129,726 | 1,129,826 | 1,129,826 | 1,129,826 | 147,607 | 105,458 | 105,458 | 105,458 | 105,458 |
| Less Appropriation Carryforward | 811,391 | 911,259 | 1,024,268 | 1,171,875 | 1,129,726 | 1,129,826 | 1,129,826 | 1,129,826 | 147,607 | 105,458 | 105,458 | 105,458 | 105,458 |
| Ending Balance | - | - | - | - | - | - | - | - | - | (0) | (0) | 0 | 0 |

Appendix 4

Municipal State Aid Fund
November 2025 Forecast
Comparison to EOS 2025 Forecast

| (\$ in thousands) | November 2025 Forecast | | | | | | | | Change from EOS 2025 | | | | |
|---------------------------------------|------------------------|------------------|------------------|------------------|-------------------|-------------------|-------------------------|-------------------------|----------------------|-------------------|-------------------|-------------------------|-------------------------|
| | Close FY 2022 | Close FY 2023 | Close FY 2024 | Close FY 2025 | Budget FY 2026 | Budget FY 2027 | Planning Est FY 2028 | Planning Est FY 2029 | Close FY 2025 | Budget FY 2026 | Budget FY 2027 | Planning Est FY 2028 | Planning Est FY 2029 |
| Balance Forward From Prior Year | 182,132 | 248,945 | 274,342 | 306,163 | 381,755 | 381,755 | 381,755 | 381,755 | - | 75,592 | 75,592 | 75,592 | 75,592 |
| Prior Year Adjustments | 59 | 194 | 206 | 231 | - | - | - | - | 231 | - | - | - | - |
| Adjusted Balance Forward | 182,192 | 249,140 | 274,548 | 306,394 | 381,755 | 381,755 | 381,755 | 381,755 | 231 | 75,592 | 75,592 | 75,592 | 75,592 |
| Net Revenue and Transfers-In : | | | | | | | | | | | | | |
| Other Income | 1,188 | 7,849 | 13,015 | 15,141 | 13,476 | 11,357 | 11,184 | 11,184 | 803 | (614) | 635 | 1,469 | 1,469 |
| Transfer From HUTD | 213,170 | 218,500 | 227,945 | 242,779 | 263,553 | 273,082 | 280,035 | 288,110 | (4,976) | (4,638) | (5,048) | (5,137) | (4,952) |
| Transfer From CSAH | 5,000 | - | 5,000 | - | 22,230 | - | - | - | - | 22,230 | - | - | - |
| Net Revenue and Transfers In | 219,358 | 226,349 | 245,960 | 257,920 | 299,259 | 284,439 | 291,219 | 299,294 | (4,173) | 16,978 | (4,413) | (3,668) | (3,483) |
| Expenditures and Transfers-Out | | | | | | | | | | | | | |
| Grants to Local Governments | 148,845 | 197,311 | 210,244 | 177,757 | 291,985 | 277,254 | 283,973 | 291,852 | (77,898) | 16,639 | (4,410) | (3,572) | (3,395) |
| MnDOT Administrative and Research | 3,722 | 3,815 | 4,100 | 4,802 | 7,275 | 7,185 | 7,246 | 7,442 | (1,636) | 339 | (3) | (96) | (88) |
| Transfers to Special Revenue | 38 | 21 | - | - | - | - | - | - | - | - | - | - | - |
| Total Expenditures and Transfers-Out | 152,604 | 201,147 | 214,345 | 182,559 | 299,259 | 284,439 | 291,219 | 299,294 | (79,534) | 16,978 | (4,413) | (3,668) | (3,483) |
| Balance before Reserves | 248,945 | 274,342 | 306,163 | 381,755 | 381,755 | 381,755 | 381,755 | 381,755 | 75,592 | 75,592 | 75,592 | 75,592 | 75,592 |
| Less Appropriation Carryforward | 248,945 | 274,342 | 306,163 | 381,755 | 381,755 | 381,755 | 381,755 | 381,755 | 75,592 | 75,592 | 75,592 | 75,592 | 75,592 |
| Ending Balance | - | - | - | - | - | - | - | - | - | - | - | - | - |

Transit Assistance Fund
November 2025 Forecast
Comparison to EOS 2025 Forecast

| (\$ in thousands) | November 2025 Forecast | | | | | | | | Change from EOS 2025 | | | | |
|---------------------------------------|------------------------|------------------|------------------|------------------|-------------------|-------------------|-------------------------|-------------------------|----------------------|-------------------|-------------------|-------------------------|-------------------------|
| | Close FY 2022 | Close FY 2023 | Close FY 2024 | Close FY 2025 | Budget FY 2026 | Budget FY 2027 | Planning Est FY 2028 | Planning Est FY 2029 | Close FY 2025 | Budget FY 2026 | Budget FY 2027 | Planning Est FY 2028 | Planning Est FY 2029 |
| Balance Forward from Prior Year | 54,009 | 42,903 | 35,023 | 79,553 | 106,346 | 63,675 | 52,323 | 43,518 | - | 33,626 | (3,537) | (12,619) | (8,357) |
| Prior Year Adjustments | 7,162 | 4,790 | 35,235 | 4,130 | 3,881 | 2,000 | 2,000 | 2,000 | 2,130 | 1,881 | - | - | - |
| Adjusted Balance Forward | 61,171 | 47,693 | 70,258 | 83,683 | 110,227 | 65,675 | 54,323 | 45,518 | 2,130 | 35,507 | (3,537) | (12,619) | (8,357) |
| Net Revenue and Transfers-In | | | | | | | | | | | | | |
| Metropolitan Area Transit Account | 354,976 | 381,796 | 387,124 | 378,602 | 387,710 | 413,123 | 432,115 | 455,988 | (15,207) | (39,960) | (38,615) | (42,878) | (42,885) |
| Greater Minnesota Transit Account | 39,442 | 42,422 | 64,332 | 62,916 | 64,430 | 68,653 | 71,809 | 75,776 | (2,527) | (6,641) | (6,417) | (7,126) | (7,127) |
| Total Motor Vehicle Sales Tax | 394,418 | 424,218 | 451,456 | 441,518 | 452,140 | 481,776 | 503,924 | 531,764 | (17,734) | (46,600) | (45,032) | (50,004) | (50,012) |
| Leased Vehicle Sales Tax | 25,955 | 21,526 | 28,369 | 29,975 | 32,642 | 33,022 | 34,048 | 35,644 | (1,717) | (930) | (2,208) | (2,526) | (2,640) |
| | | | | | | | | | - | - | - | - | - |
| Total Net Revenue and Transfers-In | 420,373 | 445,743 | 479,825 | 471,493 | 484,782 | 514,798 | 537,972 | 567,408 | (19,451) | (47,530) | (47,240) | (52,530) | (52,652) |
| Expenditures and Transfers-Out | | | | | | | | | | | | | |
| Metropolitan Council | 355,077 | 381,900 | 387,189 | 374,978 | 391,334 | 413,123 | 432,115 | 455,988 | (18,831) | (36,318) | (38,598) | (42,861) | (42,868) |
| Transportation Department | 83,564 | 76,514 | 83,340 | 73,853 | 140,000 | 115,027 | 116,662 | 119,118 | (32,116) | 27,832 | 440 | (13,931) | (11,475) |
| | | | | | | | | | - | - | - | - | - |
| Total Expenditures and Transfers-Out | 438,641 | 458,414 | 470,530 | 448,830 | 531,334 | 528,150 | 548,777 | 575,106 | (50,947) | (8,486) | (38,158) | (56,792) | (54,343) |
| | | | | | | | | | - | - | - | - | - |
| Balance Before Reserves | 42,903 | 35,023 | 79,553 | 106,346 | 63,675 | 52,323 | 43,518 | 37,821 | 33,626 | (3,537) | (12,619) | (8,357) | (6,666) |
| Less Appropriation Carryforward | 25,955 | 21,526 | 28,369 | 29,975 | 32,642 | 33,022 | 34,048 | 35,644 | (1,717) | (950) | (2,128) | (2,546) | (2,660) |
| Less Met Council Balance | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Ending Balance | 16,948 | 13,497 | 51,185 | 76,371 | 31,033 | 19,301 | 9,470 | 2,177 | 35,343 | (2,587) | (10,491) | (5,811) | (4,006) |
| Reserved Balance | 5,401 | 4,290 | 3,502 | 7,955 | 5,317 | 3,184 | 2,616 | 2,176 | - | 1,681 | (177) | (631) | (418) |
| Unreserved Fund Balance | 11,547 | 9,207 | 47,682 | 68,416 | 25,716 | 16,117 | 6,854 | 1 | 35,343 | (4,268) | (10,314) | (5,180) | (3,588) |

State Airports Fund
November 2025 Forecast
Comparison to EOS 2025 Forecast

| (\$ in thousands) | November 2025 Forecast | | | | | | | | Change from EOS 2025 | | | | |
|---------------------------------------|------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|----------------------|--------------|--------------|---------------|---------------|
| | Close | Close | Close | Close | Budget | Budget | Planning Est | Planning Est | Close | Budget | Budget | Planning Est | Planning Est |
| | FY 2022 | FY 2023 | FY 2024 | FY 2025 | FY 2026 | FY 2027 | FY 2028 | FY 2029 | FY 2025 | FY 2026 | FY 2027 | FY 2028 | FY 2029 |
| Balance Forward from Prior Year | \$18,101 | \$19,200 | \$22,700 | \$30,146 | \$36,980 | \$19,852 | \$17,809 | \$18,916 | - | 21,327 | 7,201 | 10,210 | 11,566 |
| Prior Year Adjustments | 3,340 | 3,954 | 3,583 | 1,500 | 1,000 | 1,000 | 1,000 | 1,000 | 500 | - | - | - | - |
| Adjusted Balance Forward | 21,441 | 23,153 | 26,283 | 31,646 | 37,980 | 20,852 | 18,809 | 19,916 | 500 | 21,327 | 7,201 | 10,210 | 11,566 |
| Net Revenue and Transfers-In | | | | | | | | | | | | | |
| Transfer from General Fund | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Sales Tax on Aircraft | 12,806 | 8,420 | 14,339 | 14,712 | 15,000 | 12,000 | 12,000 | 12,000 | 3,712 | 4,000 | 1,000 | 1,000 | 1,000 |
| Airline Flight Property Tax | 7,004 | 7,031 | 6,978 | 7,021 | 7,000 | 7,000 | 7,000 | 7,000 | 21 | - | - | - | - |
| Aircraft Registration Tax | 3,382 | 4,980 | 3,863 | 3,414 | 4,000 | 4,000 | 4,000 | 4,000 | (586) | - | - | - | - |
| Gasoline & Special Fuel Tax | 7,092 | 5,196 | 6,144 | 7,309 | 6,000 | 6,000 | 6,000 | 6,000 | 1,309 | - | - | - | - |
| Other Income | 1,330 | 2,149 | 3,344 | 3,870 | 3,009 | 4,470 | 2,670 | 2,670 | 11 | (1,676) | 2,009 | 356 | 356 |
| Total Net Revenue and Transfers-In | 31,613 | 27,776 | 34,667 | 36,326 | 35,009 | 33,470 | 31,670 | 31,670 | 4,468 | 2,324 | 3,009 | 1,356 | 1,356 |
| Expenditures and Transfers-Out | | | | | | | | | | | | | |
| Transportation Department | 34,127 | 27,723 | 30,260 | 31,043 | 52,878 | 36,254 | 31,304 | 31,304 | (16,049) | 16,450 | - | - | - |
| Transfer Out (General Fund) | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Total Expenditures and Transfers-Out | 34,127 | 27,723 | 30,260 | 31,043 | 52,878 | 36,254 | 31,304 | 31,304 | (16,049) | 16,450 | - | - | - |
| Net Change in Loan Fund | 272 | (506) | (544) | 51 | (259) | (259) | (259) | (259) | 310 | - | - | - | - |
| Balance Before Reserves | 19,200 | 22,700 | 30,146 | 36,980 | 19,852 | 17,809 | 18,916 | 20,023 | 21,327 | 7,201 | 10,210 | 11,566 | 12,921 |
| Less Appropriation Carryforward | 2,259 | 4,010 | 3,049 | 3,975 | 3,716 | 3,457 | 3,198 | 2,939 | 285 | 285 | 285 | 285 | 285 |
| Ending Balance | \$15,464 | \$16,564 | \$24,465 | \$29,830 | \$12,961 | \$11,177 | \$12,543 | \$13,909 | 20,498 | 6,372 | 9,381 | 10,736 | 12,092 |
| Reserved Balance | 1,586 | 1,366 | 1,420 | 1,506 | 2,594 | 1,763 | 1,515 | 1,515 | (799) | 823 | - | - | - |
| Unreserved Fund Balance | 13,878 | 15,198 | 23,046 | 28,324 | 10,367 | 9,414 | 11,028 | 12,394 | 21,296 | 5,549 | 9,381 | 10,736 | 12,092 |

This fund statement consists of three funds: State Airports Fund, Hangar Revolving Loan Fund, and Air Transportation Services Fund.

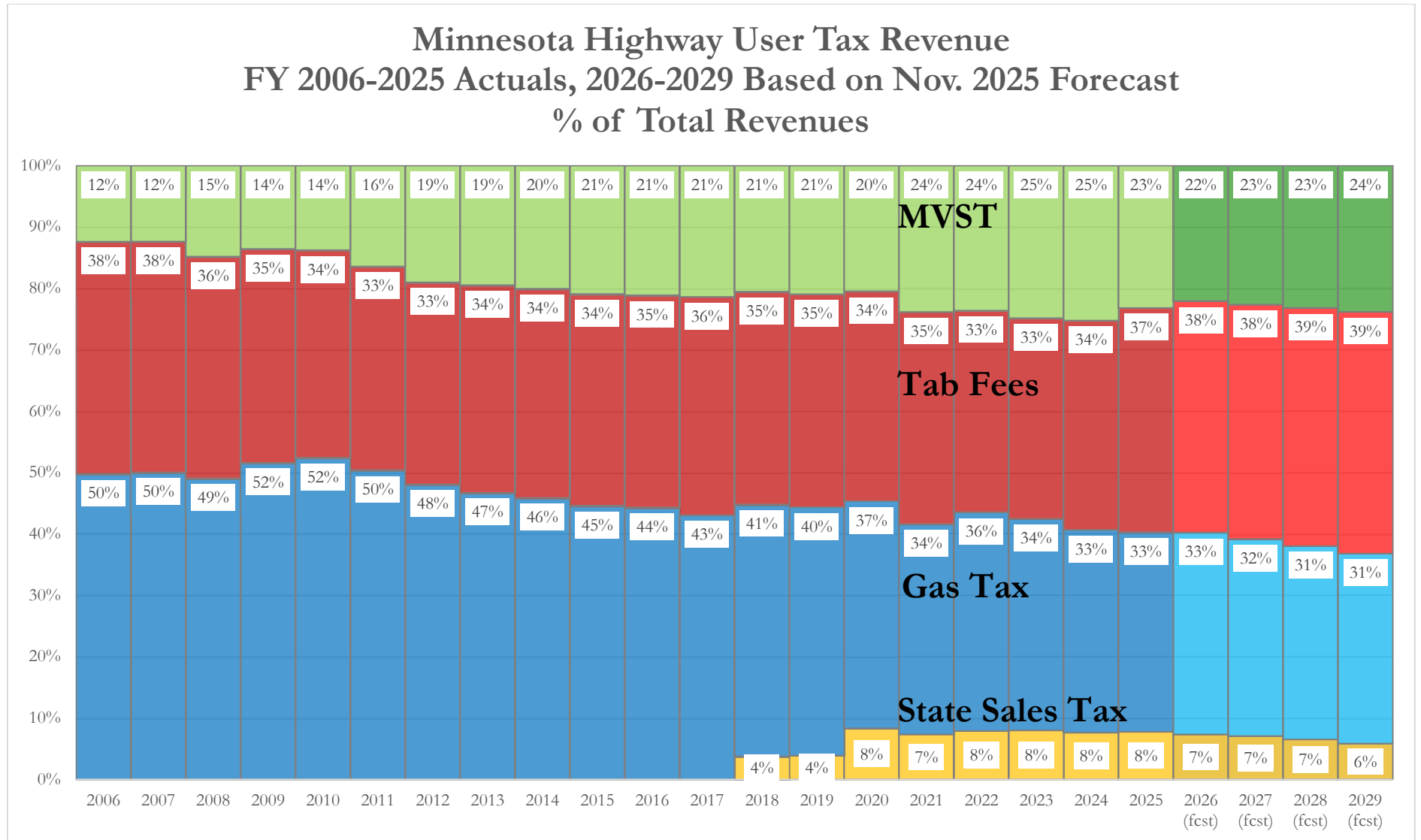
Ending balances in the two revolving funds are not included in the consolidated fund statement ending balance since their receipts are dedicated to their specific functions.

Transportation Advancement Account

November 2025 Forecast
Comparison to EOS 2025 Forecast

| (\$ in thousands) | November 2025 Forecast | | | | | | | | Change from EOS 2025 | | | | |
|--|------------------------|------------------|------------------|------------------|-------------------|-------------------|-------------------------|-------------------------|----------------------|-------------------|-------------------|-------------------------|-------------------------|
| | Close FY 2022 | Close FY 2023 | Close FY 2024 | Close FY 2025 | Budget FY 2026 | Budget FY 2027 | Planning Est FY 2028 | Planning Est FY 2029 | Close FY 2025 | Budget FY 2026 | Budget FY 2027 | Planning Est FY 2028 | Planning Est FY 2029 |
| Net Revenue and Transfers-In | | | | | | | | | | | | | |
| Delivery Fee | - | - | - | 19,940 | 22,000 | 23,000 | 25,000 | 30,000 | (5,060) | (12,770) | (26,639) | (24,639) | (19,639) |
| Sales Tax on Auto Parts | - | - | 11,256 | 16,039 | 20,048 | 28,179 | 55,651 | 84,454 | (0) | - | (286) | (1,008) | (1,887) |
| Total Receipts | - | - | 11,256 | 35,979 | 42,048 | 51,179 | 80,651 | 114,454 | (5,060) | (12,770) | (26,925) | (25,647) | (21,526) |
| Other Income | - | - | - | - | - | - | - | - | (0) | - | - | - | - |
| Net Receipts | - | - | 11,256 | 35,979 | 42,048 | 51,179 | 80,651 | 114,454 | (5,060) | (12,770) | (26,925) | (25,647) | (21,526) |
| Total Net Revenue and Transfers-In | - | - | 11,256 | 35,979 | 42,048 | 51,179 | 80,651 | 114,454 | (5,060) | (12,770) | (26,925) | (25,647) | (21,526) |
| Expenditures and Transfers-Out | | | | | | | | | | | | | |
| Metro Counties (36%) | - | - | 4,052 | 12,952 | 15,137 | 18,424 | 29,034 | 41,203 | (1,821) | (4,597) | (9,693) | (9,233) | (7,749) |
| County State Aid Highway (CSAH) (10%)* | - | - | 1,126 | 3,598 | 4,205 | 5,118 | 8,065 | 11,445 | (506) | (1,277) | (2,692) | (2,565) | (2,153) |
| Larger Cities (15%) | - | - | 1,688 | 5,397 | 6,307 | 7,677 | 12,098 | 17,168 | (759) | (1,916) | (4,039) | (3,847) | (3,229) |
| Small Cities (27%) | - | - | 3,039 | 9,714 | 11,353 | 13,818 | 21,776 | 30,903 | (1,366) | (3,448) | (7,270) | (6,925) | (5,812) |
| Town Road (11%)* | - | - | 1,238 | 3,958 | 4,625 | 5,630 | 8,872 | 12,590 | (557) | (1,405) | (2,962) | (2,821) | (2,368) |
| Food Delivery Support (1%) | - | - | 113 | 360 | 420 | 512 | 807 | 1,145 | (51) | (128) | (269) | (256) | (215) |
| Total Expenditures and Transfers-Out | - | - | 11,256 | 35,979 | 42,048 | 51,179 | 80,651 | 114,454 | (5,060) | (12,770) | (26,925) | (25,647) | (21,526) |
| Total Uses | - | - | 11,256 | 35,979 | 42,048 | 51,179 | 80,651 | 114,454 | (5,060) | (12,770) | (26,925) | (25,647) | (21,526) |
| Ending Balance | - | - | - | - | - | - | - | - | - | - | - | - | - |

*CSAH and Town Road transfers are also itemized in the CSAH fund statement



Year-over-Year Growth Rates
HUTD Revenues
Nov. 2025 vs EOS 2025 Forecast

