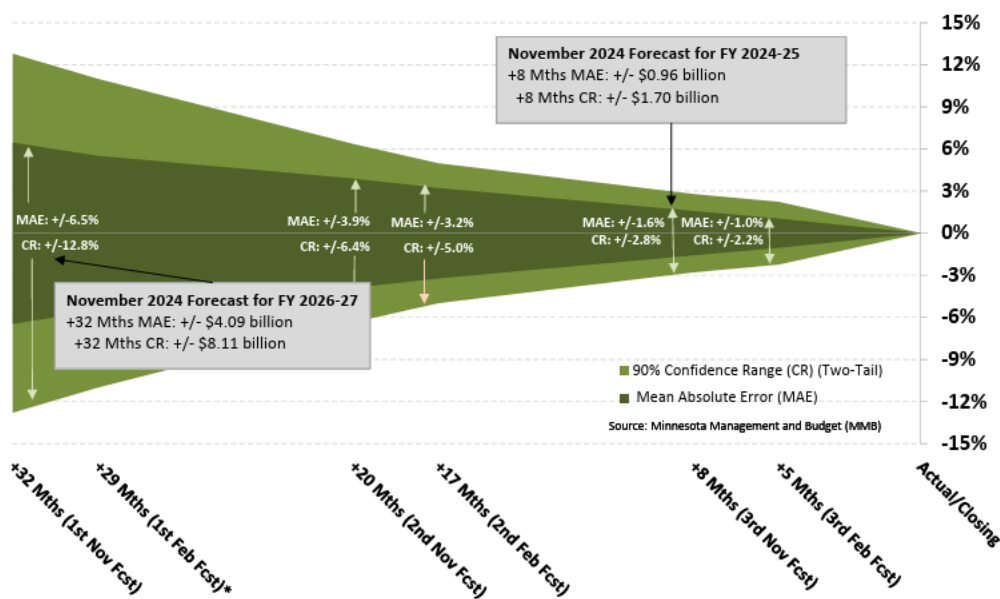


## December 2024 Revenue Forecast Uncertainty Report

The **December 2024 Revenue Forecast Uncertainty Report** ([link](#)) uses 30 years of historical to calculate revenue forecast uncertainty throughout each biennium. In short, when we're ~3 years out from the end of a biennium, the mean absolute error is about +/- 6.5%, which narrows considerably as we enter and move through a biennium.

### Average Revenue Forecast Uncertainty over Minnesota's Budget Cycle

% of Net Non-Dedicated Revenue, Sample Period: FY1990-91 to FY2022-23



\* +29 Mths (1st Feb) represents the MMB forecast on which the original budget for the biennium was based.  
Notes: Adjusted for the effects of legislation. MMB uses the mean-absolute error (MAE) as a measure of accuracy in its evaluation of forecast uncertainty. MAE is calculated by averaging forecast deviations from actual without regard to arithmetic sign. Under the assumption that tax policies do not significantly change, a 90% confidence range (CR) is a measure based on our sample budget data, reporting that 90% of the times the lightest range will contain the actual value for total revenues.

Thanks,

TLC

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