



MassDOT
FY22 Revised Operating Budget
September 21, 2021

Proposed Changes to FY22 Operating Budget

Due to recent enactment of the FY22 GAA, the proposed MassDOT budget revision makes the following Revenue and Expense updates compared to the Board Approved Budget from June 2021. The attached table also shows the amounts in FY21.

- Revenue:
 - Updated Commonwealth Transportation Fund with an increase of \$50M for Snow & Ice, in line with FY21, and \$1.5M in earmarks
- Expense:
 - \$10.7M increase for employee compensation and benefits to adjust FY21 manager and bargaining units cost of living payment
 - \$1.5M increase for office and admin expenses in an anticipation of RMV postage rate increases effective August 2021 and online transactions increase
 - \$1.8M increase for Grants, Subsidies, and ISA including \$1.5 in earmarks
 - \$51.6M increase for Construction and Maintenance including \$50M for snow & ice and additional costs related to COVID & future of work
- Reserve:
 - \$3.1M additional DOT reserve draw down for non-toll
 - \$87.5M increase Toll reserve draw down based on capital final budget
 - \$85.4M less toll Transfer Out To Capital/Available for Capital
 - \$8.6M increase ANF reserve draw



Proposed Changes to FY22 Operating Budget Cont.

| (\$ in millions) | FY 21 Budget | FY22 Jun Board Approved Budget | FY22 Revised Budget | FY22 Revised vs FY22 Approved | Comments |
|---|-----------------|---|---------------------------|--|---|
| REVENUE: | | | | | |
| Toll Collection | 286.8 | 329.1 | 329.1 | 0.0 | |
| Operating Revenue | 96.7 | 84.6 | 84.6 | 0.0 | |
| Commonwealth Transfers | 611.0 | 581.9 | 633.3 | 51.5 | Increase Snow & Ice and Earmarks |
| Federal Grants | 31.3 | 22.0 | 22.0 | 0.0 | |
| Motor Vehicle Inspection Trust Fund | 64.8 | 67.6 | 67.2 | (0.4) | |
| Investment Income | 7.1 | 6.3 | 6.3 | 0.0 | |
| Total Revenue | 1,097.6 | 1,091.5 | 1,142.6 | 51.1 | |
| EXPENDITURES: | | | | | |
| Employee Compensation and Benefits | 376.7 | 387.2 | 397.9 | 10.7 | Primarily updated manager and bargaining unit FY21 2.5% COLA Retros |
| Office and Administrative Expenses | 64.2 | 62.2 | 63.7 | 1.5 | RMV online transactions & postage fee increase |
| Professional Services | 93.2 | 90.1 | 90.1 | 0.0 | |
| Construction and Maintenance | 111.5 | 65.7 | 117.2 | 51.6 | Snow & Ice, COVID and FOW |
| IT Services and Equipment | 42.7 | 43.0 | 42.6 | (0.4) | |
| Materials, Supplies, and Equipment | 17.4 | 14.5 | 14.5 | 0.0 | |
| Grants, Subsidies, and ISA | 113.3 | 115.6 | 117.4 | 1.8 | Earmarks |
| Debt Service | 145.4 | 144.9 | 144.9 | 0.0 | |
| Total Expenditures | 964.3 | 923.1 | 988.3 | 65.2 | |
| Excess (deficit) Revenue over Expenditures | 133.3 | 168.5 | 154.3 | (14.1) | |
| Other Financing Sources/Uses (OFSU): | | | | | |
| Interfund Transfer In / (Out) | 0.0 | 0.0 | 0.0 | 0.0 | |
| Reserves DOT Non-Toll | 32.9 | 16.6 | 19.7 | 3.1 | Increase FOW, postage & online Transactions |
| Reserves DOT Capital Toll | 247.2 | 0.0 | 87.8 | 87.8 | Based on Capital final budget |
| Reserves RTA | 3.7 | 3.5 | 3.5 | 0.0 | |
| Supplements COLA & COVID | 8.0 | 14.2 | 22.9 | 8.6 | FY21 2.5% COLA retroactive |
| Transfer Out To Capital/Available for Capital | (425.1) | (202.7) | (288.1) | (85.4) | Primarily FY21 2.5% COLA retroactive & Capital final budget |
| Total Other Financing Sources | (133.3) | (168.4) | (154.3) | 14.1 | |
| Net Revenue (Expense) | 0.0 | 0.0 | 0.0 | (0.0) | |



Request of the Board

VOTED

To approve the updated Fiscal Year 2022 Operating Budget, as presented to the Board at its meeting of September 21, 2021.