



MassDOT
FY20 Operating Budget Revised

October 24, 2019

FY20 Operating Budget Revised

- The FY20 Operating Budget has been amended and requires the approval of the MassDOT Board. The budget revisions are necessary following our bond refunding, the final passage and signing of the General Appropriation Act, and to incorporate additional expenses at the Registry.

FY 20 Revised Non Toll Operating Budget

\$ in millions	Original	Revised	\$ Variance	Comments
REVENUE:				
Operating Revenue	28.8	28.8	0.0	
Commonwealth Transfers (Operating)	376.7	436.3	59.6	\$55M separate Snow and Ice line not approved; Increase for RTAs \$3.5M, earmarks \$1.1M
Commonwealth Transfers (Snow and Ice)	55.0		(55.0)	Separate line for Snow and Ice not approved
Investment Income	0.8	0.8	0.0	
Total Revenue	461.2	465.8	4.6	
EXPENDITURES:				
Employee Compensation and Benefits	277.0	283.6	6.6	FY 19 retroactive increase processed in FY 20 \$4.0M, \$1M for RMV OT, \$1.6M for RMV contract employees
Office and Administrative Expenses	28.8	28.8	0.0	
Professional Services	27.7	29.8	2.1	RMV Contract \$2.1M
Construction and Maintenance	51.8	54.3	2.5	Transfer Building Management from category ISA
IT Services and Equipment	26.5	26.5	0.0	
Materials, Supplies, and Equipment	4.2	7.1	2.9	Transfer Building Management from category ISA
Grants, Subsidies, and ISA	94.1	97.4	3.3	Final GAA increase of \$3.5M for RTAs, \$4M RTA funding balanced forward from FY 19, \$1.1M increase for earmarks, transfer Building Management budget to above categories (\$5.4M)
Total Expenditures	510.1	527.4	17.3	
Excess (deficit) Revenue over Expenditures	(48.9)	(61.5)	(12.7)	
Other Financing Sources/Uses:				
Interfund Transfer In / (Out)	44.2	44.2	0.0	
Reserves	39.7	52.4	12.6	Reserve funding needed to cover prior year expenses of \$4M for payroll retroactive, \$4M for RTAs, plus additional unanticipated costs for RMV
Available for Capital	(35.0)	(35.0)	0.0	
Total Other Financing Sources	48.9	61.5	12.6	
Net Revenue (Expense)	0.0	(0.0)	(0.0)	



Non Toll Operating Budget Revisions

■ Revenue

- Commonwealth Transfers revised based on the final passage of the General Appropriation Act which included Legislative changes
 - RTA Contract Assistance was approved at \$90.5M, an increase of \$3.5M
 - The Legislature earmarked \$1.9M in funding, an increase of \$1.1M
 - The Legislature did not approve a separate line item for Snow and Ice operations

■ Other Financing Sources

- The reserve draw has been increased by \$12.6M to \$52.4M
 - Funds have been balanced forward from FY19 to pay prior year expenses including \$4M for retroactive payroll increases, and \$4M for the RTAs
 - Additional spending of \$4.6M is anticipated at the RMV and MRB for overtime, the Grant Thornton contract, and additional contract expenses to address process improvements



Non Toll Operating Budget Revisions, cont.

■ Expenditures

■ Employee Compensation and Benefits increased by \$6.6M

- \$4.0M for a retroactive payroll increase
- \$1.0M in RMV overtime
- \$1.6M for RMV contract employees

■ Professional Services increased by \$2.1M

- \$1.5M for the RMV Grant Thornton contract
- \$.6M for RMV contract increases

■ Construction and Maintenance increased by \$2.5M

- Transfer of Building Management contract from ISA category

Non Toll Operating Budget Revisions, cont.

■ Expenditures, cont.

■ Materials, Supplies and Services increased by \$2.9M

- Transfer of Building Management contract from ISA category

■ Grants Subsidies and Interdepartmental Service Agreements increased by net \$3.3M

- \$3.5M increase for RTA Contract Assistance
- \$4.0M in RTA funding balanced forward from prior fiscal year, payments to be processed pending finalization of MOU between RTAs and DOT
- \$1.1M increase in Legislative earmarks, for a total of \$1.9M
- (\$5.4M) decrease due to an Interdepartmental Service Agreement with DCAM for Building Management and replaced by a chargeback and an anticipated contract. The budget has been moved to Professional Services and Construction and Maintenance



FY 20 Revised Toll Operating Budget

\$ in millions	Original	Revised	\$ Variance	Comments
REVENUE:				
Toll Revenue	459.8	459.8	0.0	
Commonwealth Transfers	125.0	125.0	0.0	
Investment Income	20.2	20.2	0.0	
Total Revenue	605.0	605.0	0.0	
EXPENDITURES:				
Employee Compensation and Benefits	91.1	91.1	0.0	
Office and Administrative Expenses	38.3	38.3	0.0	
Professional Services	69.2	69.2	0.0	
Construction and Maintenance	15.5	16.2	0.7	Transfer Building Management from category ISA
IT Services and Equipment	10.7	10.7	0.0	
Materials, Supplies, and Equipment	11.5	12.3	0.8	Transfer Building Management from category ISA
Grants, Subsidies, and ISA	3.3	1.7	(1.5)	Transfer Building Management budget to above categories
Debt Service	151.0	136.6	(14.4)	Bond Refunding saving
Total Expenditures	390.6	376.1	(14.4)	
Excess (deficit) Revenue over Expenditures /Available for Capital	214.4	228.9	14.4	

Toll Operating Budget Revisions

■ Expenditures

- Construction and Maintenance increased by \$0.7M
 - Transfer of Building Management contract from ISA category
- Materials, Supplies and Services increased by \$0.8M
 - Transfer of Building Management contract from ISA category
- Grants Subsidies and Interdepartmental Service Agreements decreased by net (\$1.5M)
 - Interdepartmental Service Agreement with DCAM for Building Management and replaced by a Chargeback and an anticipated contract. The budget has been moved to Professional Services and Construction and Maintenance
- Debt Service decreased by (\$14.4M)
 - Refunding saving

FY20 Revised Consolidated Budget

(\$ in millions)	Non-Toll	Toll	Federal Grants	MVITF	MRB	Total
REVENUE:						
Toll Revenue		459.8				459.8
Operating Revenue	28.8					28.8
Commonwealth Transfers (Operating)	436.3	125.0			10.2	571.5
Commonwealth Transfers (Snow & Ice)	0.0					0.0
Federal Grants			19.6			19.6
Motor Vehicle Inspection Trust Fund				57.3		57.3
Investment Income	0.8	20.2		0.4		21.4
Total Revenue	465.8	605.0	19.6	57.7	10.2	1,158.3
EXPENDITURES:						
Employee Compensation and Benefits	283.6	91.1	1.3	4.5	4.5	385.0
Office and Administrative Expenses	28.8	38.3	0.0	0.1	0.4	67.6
Professional Services	29.8	69.2	0.7	6.0	0.1	105.8
Construction and Maintenance	54.3	16.2	1.9		0.0	72.4
IT Services and Equipment	26.5	10.7	0.3	0.4	5.5	43.4
Materials, Supplies, and Equipment	7.1	12.3	4.2	0.0	0.1	23.6
Grants, Subsidies, and ISA	97.4	1.7	11.2	2.5		112.8
Debt Service		136.6				136.6
Total Expenditures	527.4	376.1	19.6	13.5	10.6	947.2
Excess (deficit) Revenue over Expenditures	(61.5)	228.9	(0.0)	44.2	(0.5)	211.0
Other Financing Sources/Uses (OFSU):						
Interfund Transfer In / (Out)	44.2			(44.2)		0.0
Reserves	52.4				0.5	52.8
Available for Capital	(35.0)	(228.9)				(263.9)
Total Other Financing Sources	61.5	(228.9)	0.0	(44.2)	0.5	(211.0)
Net Revenue (Expense)	(0.0)	0.0	(0.0)	0.0	0.0	(0.0)

