

FY25 Operating Budget Revised

September 18, 2024

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Proposed Changes to FY25 Operating Budget

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- Based on the enactment of the FY25 General Appropriations Act (GAA) and updated changes in projected spending, the proposed DOT budget makes the following updates compared to the Board Approved Budget from June 2024
 - Commonwealth Transportation Fund – increase of \$0.6M for earmarks
 - No change in Snow & ice which funds at \$35M and assumes a Snow & Ice supplemental filing, if needed. The average MassDOT's 5 years average cost is \$78M
 - Education and Transportation Fund (Fair Share) for Transportation – Reduction of \$11.5M (from \$550M down to \$538.5M)

Commonwealth Transportation Fund

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\$ in millions	FY25 Board Approved	FY25 Revised	FY25 Revised vs FY25 Board Approved Variance \$/%	
Non-Toll				
Operations (1595-6368)				
Non-Snow & Ice	503.0	503.6	0.6	0.1%
Snow & Ice	35.0	35.0	0.0	0.0%
Total Operations (1595-6368)	538.0	538.6	0.6	0.1%
Regional Transit Authorities (1595-6370)	94.0	94.0	0.0	0.0%
Merit Rating Board (1595-6379)	11.7	11.7	0.0	0.0%
Total Non-Toll	643.7	644.3	0.6	0.1%
MassDOT Contract Assistance (Toll)	125.0	125.0	0.0	0.0%
MBTA Operating Budget Transfer (1595-6369)	314.0	314.3	0.3	0.1%

Education and Transportation Fund (Fair Share)

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\$ in millions	FY24 GAA	FY25 Board Approved	FY25 Revised	FY25 Revised vs FY25 Board Approved Variance \$/%	
MassDOT					
Federal Matching Funds (1596-2401)	25.0	0.0	0.0	0.0	0.0%
Highway Bridge Preservation (1596-2402)	50.0	0.0	0.0	0.0	0.0%
Safety, Service, and Sustainability (1596-2409)	0.0	56.0	0.0	(56.0)	-100.0%
Regional Transit Funding and Grants (1596-2406)	90.0	75.0	110.0	35.0	46.7%
Construction and Reconstruction of Municipal Ways (1596-2428)	100.0	124.0	45.0	(79.0)	-63.7%
TOTAL MassDOT	265.0	255.0	155.0	(100.0)	-39.2%
MBTA					
MBTA Workforce and Safety Reserve (1596-2427)	20.0	0.0	36.0	36.0	0.0%
MBTA Means Tested Fares Pilot (1596-2405)	5.0	45.0	20.0	(25.0)	-55.6%
MBTA Capital Investments (1596-2404)	180.8	0.0	60.0	60.0	0.0%
MBTA Water Transportation (1596-2408)	5.7	0.0	7.5	7.5	0.0%
MBTA Academy Program (1596-2440)	0.0	0.0	10.0	10.0	0.0%
Total MBTA	211.5	45.0	133.5	88.5	196.7%
Surtax Revenue Dedicated to CTF	0.0	250.0	250.0	0.0	0.0%
TOTAL	476.5	550.0	538.5	(11.5)	-2.1%

FY25 Non-Toll Operating

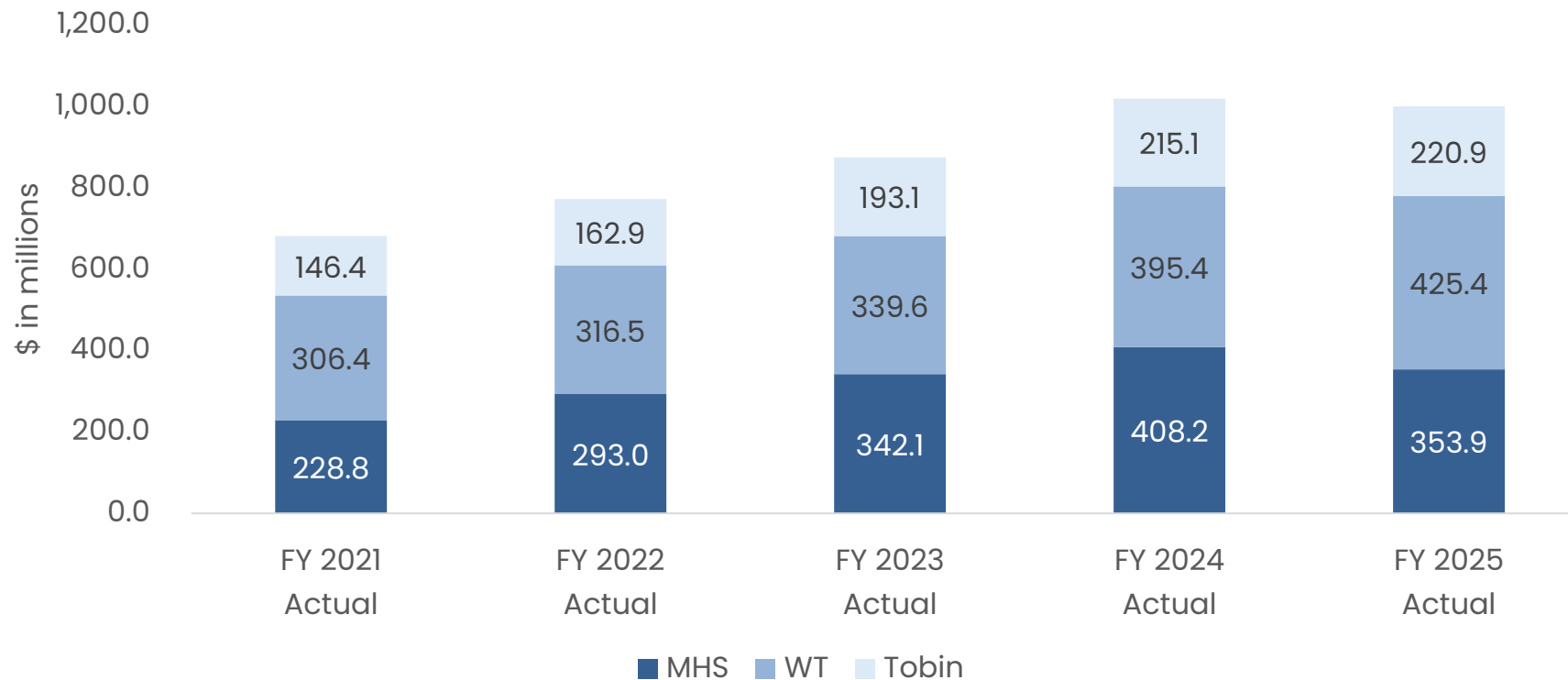
\$ in millions	FY25 Board Approved	FY25 Revised	\$ Variance	Comments
REVENUE:				
Operating Revenue	34.5	34.5	0.0	
Commonwealth Transportation Fund	643.7	644.3	0.6	Earmarks
Federal Grants	32.0	32.0	0.0	
Motor Vehicle Inspection Trust Fund	58.9	58.9	0.0	
Investment Income	7.1	7.1	0.0	
Total Revenue	776.3	776.9	0.6	
EXPENDITURES:				
Employee Compensation and Benefits	425.9	425.9	0.0	
Office and Administrative Expenses	39.9	39.9	0.0	
Professional Services	62.7	62.7	0.0	
Construction and Maintenance	39.6	39.6	0.0	
IT Services and Equipment	46.8	46.8	0.0	
Materials, Supplies, and Equipment	7.1	7.1	0.0	
Grants, Subsidies, and ISA	110.4	110.9	0.6	Earmarks
Total Expenditures	732.3	732.9	0.6	
Excess (deficit) Revenue over Expenditures	44.0	44.0	0.0	
Other Financing Sources/Uses:				
DOT/ANF Reserve	21.9	21.9	0.0	
Transfer out to Capital	-65.9	-65.9	0.0	
Total Other Financing Sources	-44.0	-44.0	0.0	
Net Revenue (Expense)	0.0	0.0	0.0	

FY25 Toll Operating

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\$ in millions	MHS	WT	Tobin	FY25 Board Approved	FY25 Revised	\$ Variance	Comments
REVENUE:							
Operating Revenue	21.2	37.3	0.1	58.6	58.6	0.0	
Toll Collections	225.9	166.5	48.5	440.9	440.9	0.0	
Total Toll Revenue	247.1	203.8	48.5	499.5	499.5	0.0	
Commonwealth Transfers	125.0			125.0	125.0	0.0	
Investment Income	23.9	13.7	7.5	45.1	45.1	0.0	
Total Revenue	396.0	217.5	56.1	669.6	669.6	0.0	
EXPENDITURES:							
Employee Compensation and Benefits	57.0	44.3	9.1	110.5	108.4	(2.0)	Highway overtime adjustment
Office and Administrative Expenses	25.7	7.9	2.8	36.4	36.4	0.0	
Professional Services	35.4	27.9	4.4	69.1	67.7	(1.4)	Tobin Bridge Study shift to capital
Construction and Maintenance	9.7	6.8	0.4	17.0	17.0	0.0	
IT Services and Equipment	7.1	6.0	0.0	13.2	13.2	0.0	
Materials, Supplies, and Equipment	5.6	4.9	0.2	10.8	10.8	0.0	
Grants, Subsidies, and ISA	1.6	0.1	0.0	1.7	1.7	0.0	
Debt Service	145.5	0.0	0.0	145.5	145.5	0.0	
Total Expenditures	287.7	98.0	17.1	404.2	400.8	(3.4)	
Excess (deficit) Revenue over Expenditures/Available for Capital	108.3	119.5	39.0	265.4	268.9	3.4	

Toll Reserve



- Total Toll Operating Reserve balance available including MHS, WT and Tobin is \$1 billion at the beginning of FY25; MHS \$354M, WT \$425M and Tobin \$221M

Note: FY21 – FY25 balance reflects beginning balance

Request of the MassDOT Board

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It is requested that the Board of Directors approve the revised final FY25 Operating Budget as presented and authorize the Chief Financial Officer to forward it to the Executive Office for Administration and Finance in compliance with MassDOT's enabling legislation.

Thank You

