

# FY26 Operating Budget Mid-Year Report

*March 11, 2026*

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# Overall Summary

- This presentation reflects six months of actual results through December 31, 2025, compared to the annual budget.
- As of March 4, 2026, Non-Toll Snow and Ice expenses total \$160 million, significantly exceeding the budget of \$35 million by \$125 million. However, vendor payments are still being made on time and in full. MassDOT continues to coordinate with the Executive Office for Administration & Finance and the State Comptroller's Office.
- Non-toll revenue is on target. Toll revenue is trending slightly higher, primarily due to timing delays, with a portion of FY25 collections recognized in FY26.
- Expenditures for both Non-Toll and Toll are trending below budget, primarily due to lower than projected payroll spending and the timing of payments.

# Non-Toll Operating

## Overview

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- **REVENUE**

- Overall, total revenue is trending near the 60% budget target. Federal grants are at 26% versus the 50% target due to timing, offset by investment income at 107% versus 50%, driven by higher cash balances and interest rates that continue to exceed budget assumptions.

- **EXPENSE**

- Total expenses are currently at 51% of the budget, below the 55% target. The underspend is primarily driven by lower than projected payroll spending as well as IT Services, due to the timing of payments.
- Snow & Ice spending is over budget, with \$160 million incurred as of March 4, 2026, compared to \$35 million budgeted.

# Non-Toll Operating

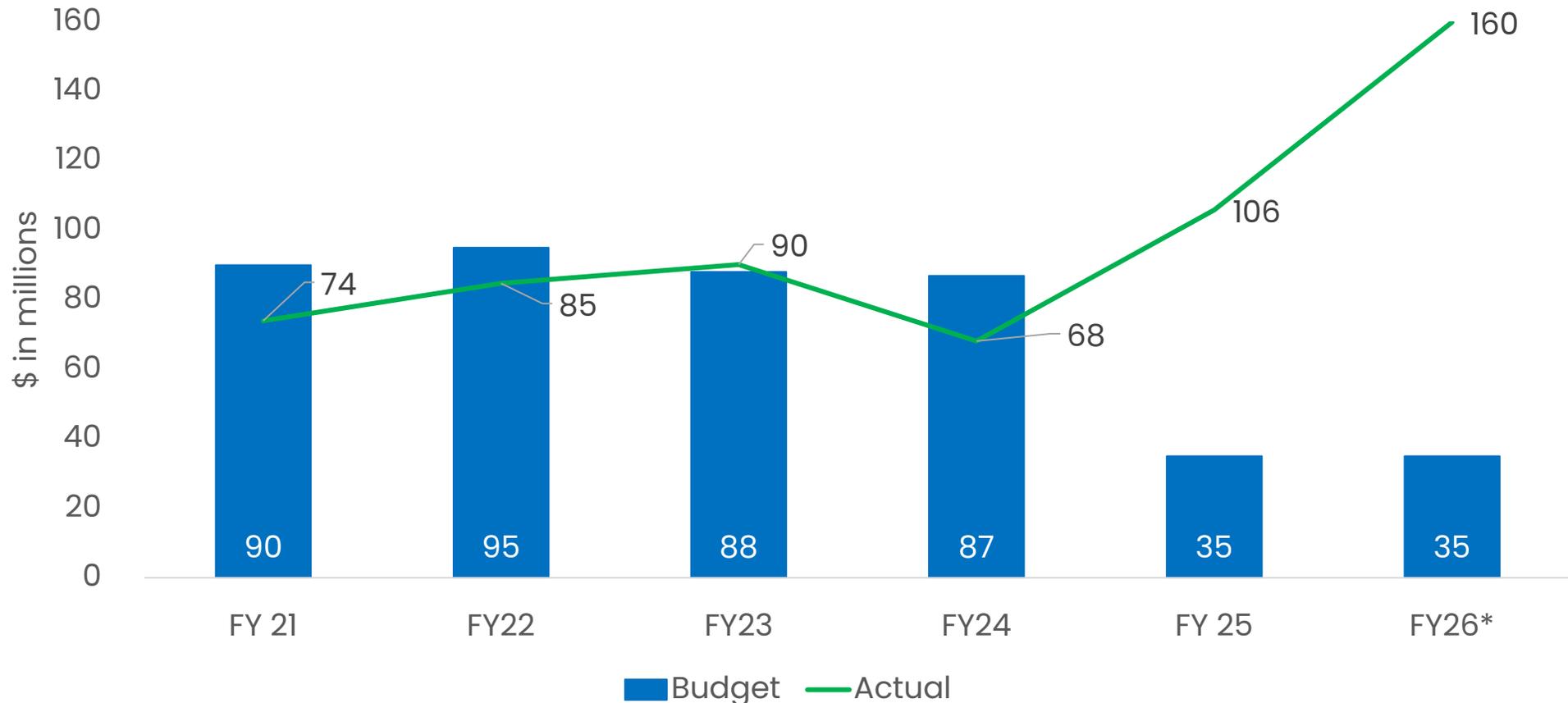
## Revenue & Expense Summary

\$ in millions	General	MRB	MVITF	Federal		Total		% of Budget	
				Grants	ETF*	Actual	Budget	Budget	Target
<b>REVENUE:</b>									
Operating Revenue	18.6	0.0	0.0	0.0	0.0	18.6	37.4	50%	50%
Commonwealth Transfers	408.0	6.0	0.0	0.0	64.6	478.6	779.6	61%	62%
Federal Grants	0.0	0.0	0.0	9.0	0.0	9.0	35.2	26%	50%
Motor Vehicle Inspection Trust Fund	0.0	0.0	28.7	0.0	0.0	28.7	59.2	48%	50%
Investment Income	5.8	0.0	0.2	0.0	0.0	6.1	5.7	107%	50%
<b>Total Revenue</b>	<b>432.5</b>	<b>6.0</b>	<b>29.0</b>	<b>9.0</b>	<b>64.6</b>	<b>541.1</b>	<b>917.1</b>	<b>59%</b>	<b>60%</b>
<b>EXPENDITURES:</b>									
Employee Compensation and Benefits	192.8	2.5	2.8	0.6	0.0	198.7	437.8	45%	50%
Non-Payroll and Other Expenses	171.3	1.9	4.1	3.8	69.0	250.2	435.2	57%	60%
<b>Total Expenditures</b>	<b>364.1</b>	<b>4.4</b>	<b>6.9</b>	<b>4.4</b>	<b>69.0</b>	<b>448.8</b>	<b>873.0</b>	<b>51%</b>	<b>55%</b>
<b>Excess (deficit) Revenue over Expenditures</b>	<b>68.4</b>	<b>1.6</b>	<b>22.1</b>	<b>4.6</b>	<b>(4.4)</b>	<b>92.2</b>	<b>44.1</b>		
<b>Other Financing Sources</b>	<b>(6.2)</b>	<b>0.0</b>	<b>(17.2)</b>	<b>(8.2)</b>	<b>4.4</b>	<b>(27.1)</b>	<b>(44.1)</b>		
<b>Net Revenue (Expense)</b>	<b>62.2</b>	<b>1.6</b>	<b>4.9</b>	<b>(3.6)</b>	<b>(0.0)</b>	<b>65.1</b>	<b>0.0</b>		

\*FY25 Education Transportation Fund supplemental expenses, including operating MBTA pass-through disbursements and transfers, are not included.

# Snow and Ice

## Non-Toll



\*As of March 4, 2026, actual expenditures are \$160 million, exceeding the budget by \$125 million.



# Toll Operating

## Overview

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- **REVENUE**

- Overall, revenue is at 55% versus the 53% target, largely attributable to higher than budgeted investment income as interest rates continue to exceed budget assumptions. Toll revenue is also above budget target due to timing delays as a portion of FY25 collections was recognized in FY26.

- **EXPENSE**

- Overall, expenses are at 33% compared to the 37% target and are trending under budget. This is primarily due to lower than projected payroll spending, as well as anticipated electricity savings. In addition, the underspending is largely driven by the timing of payments, particularly in all electronic tolling and law enforcement.

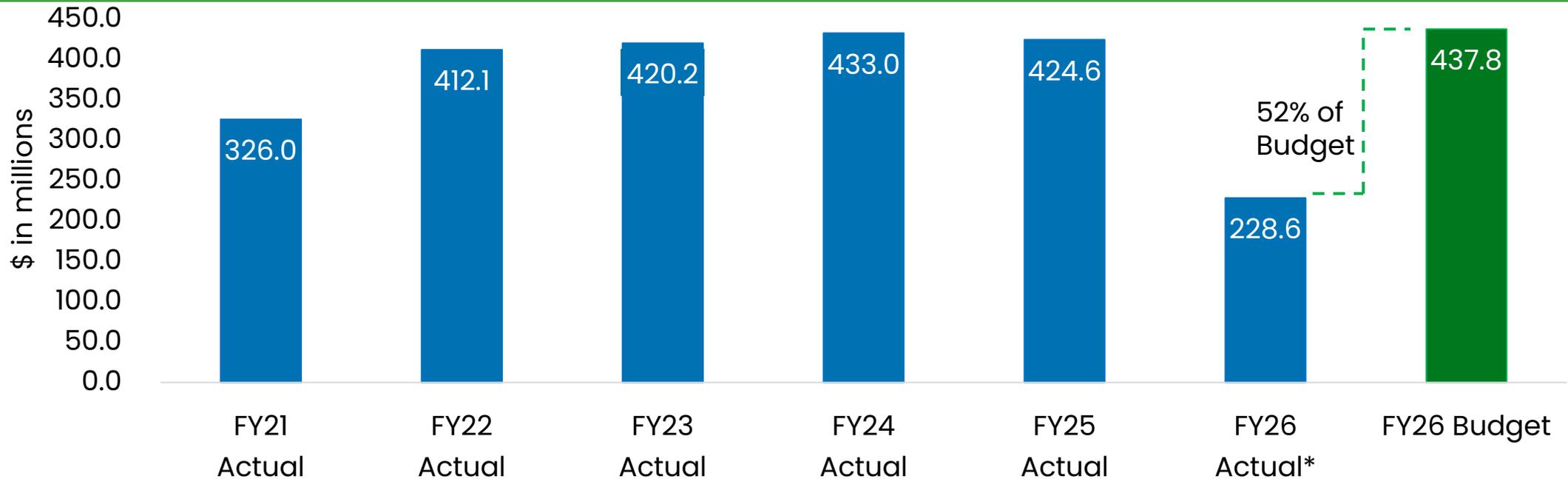
# Toll Operating

## Revenue & Expense Summary

\$ in millions	MHS	WT	Tobin	Total Actual	Budget	% of Budget	Budget Target
<b>REVENUE:</b>							
Toll Revenue:							
Operating Revenue	11.9	21.6	0.1	33.5	58.5	57%	59%
Toll Collections	116.2	88.2	24.2	228.6	437.9	52%	50%
Total Toll Revenue	128.1	109.8	24.3	262.1	496.4	53%	50%
Commonwealth Transfers	75.0	0.0	0.0	75.0	125.0	60%	60%
Investment Income	15.5	8.8	4.6	28.9	41.7	69%	50%
<b>Total Revenue</b>	<b>218.5</b>	<b>118.6</b>	<b>28.9</b>	<b>366.0</b>	<b>663.0</b>	<b>55%</b>	<b>53%</b>
<b>EXPENDITURES:</b>							
Employee Compensation and Benefits	26.5	20.2	2.3	49.0	112.0	44%	50%
Non-Payroll and Other Expenses	57.6	21.2	2.6	81.4	286.1	28%	32%
<b>Total Expenditures</b>	<b>84.1</b>	<b>41.4</b>	<b>5.0</b>	<b>130.4</b>	<b>398.1</b>	<b>33%</b>	<b>37%</b>
<b>Available for Capital</b>	<b>134.4</b>	<b>77.2</b>	<b>23.9</b>	<b>235.5</b>	<b>264.9</b>		

Metropolitan Highway System: MHS  
Western Turnpike: WT

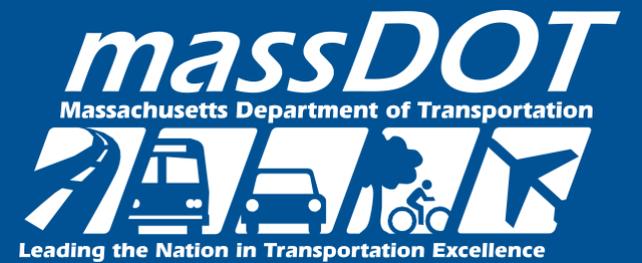
# Toll Collection Revenue



	FY26 Actual through Q2	FY26 Budget	FY26 Actual through Q2 as % of Budget
Metropolitan Highway System	116.2	226.8	51.2%
Western Turnpike	88.2	164.9	53.5%
Tobin	24.2	46.1	52.5%
<b>Total</b>	<b>228.6</b>	<b>437.8</b>	<b>52.2%</b>

\*Actual Q2 through December 31, 2025

Thank You



# Appendix

# Target Budget Assumption

The actual to budget targets assume the following:

- **Revenue:** Total revenue receipts are expected to reach 50% of the annual budget at mid-year. However, the non-toll revenue target is currently 60%, as we typically receive advance or prefunded payroll operating transfers from the Comptroller for the Commonwealth Transportation Funds. Specifically, operating transfers from the core operating account are at 56%, while RTA has received 76% of its operating transfer, resulting in an overall average of 60%.
- **Expense:** The payroll target is set at 50%, while all non-payroll expense categories are at 42%, except for Grants, Subsidies, and ISA (including RTAs), which are at 76%, reflecting a one-month timing lag in payments. Additionally, for Toll, debt payments mostly are not disbursed until the second half of the year, resulting in a mid-year target of only 21%.
- FY25 Education Transportation Fund supplemental expenses, including operating MBTA pass-through disbursements and transfers, are not included in this presentation.

# Non-Toll Operating

## Revenue & Expense Summary

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\$ in millions						Total		% of Budget	Budget Target
	General	MRB	MVITF	Federal Grants	ETF	Actual	Budget		
<b>REVENUE:</b>									
Operating Revenue	18.6	0.0	0.0	0.0	0.0	18.6	37.4	50%	50%
Commonwealth Transfers	408.0	6.0	0.0	0.0	64.6	478.6	779.6	61%	62%
Federal Grants	0.0	0.0	0.0	9.0	0.0	9.0	35.2	26%	50%
Motor Vehicle Inspection Trust Fund	0.0	0.0	28.7	0.0	0.0	28.7	59.2	48%	50%
Investment Income	5.8	0.0	0.2	0.0	0.0	6.1	5.7	107%	50%
<b>Total Revenue</b>	<b>432.5</b>	<b>6.0</b>	<b>29.0</b>	<b>9.0</b>	<b>64.6</b>	<b>541.1</b>	<b>917.1</b>	<b>59%</b>	<b>60%</b>
<b>EXPENDITURES:</b>									
Employee Compensation and Benefits	192.8	2.5	2.8	0.6	0.0	198.7	437.8	45%	50%
Office and Administrative Expenses	17.9	0.2	0.0	0.1	0.0	18.2	43.4	42%	42%
Professional Services	18.9	0.0	2.9	1.5	0.0	23.3	61.5	38%	42%
Construction and Maintenance	20.9	0.0	0.0	0.3	0.0	21.1	40.0	53%	42%
IT Services and Equipment	15.9	1.7	0.0	0.1	0.0	17.7	52.8	34%	42%
Materials, Supplies, and Equipment	3.1	0.0	0.0	0.0	0.0	3.2	6.5	48%	42%
Grants, Subsidies, and ISA	94.6	0.0	1.2	1.9	69.0	166.7	230.9	72%	76%
<b>Total Expenditures</b>	<b>364.1</b>	<b>4.4</b>	<b>6.9</b>	<b>4.4</b>	<b>69.0</b>	<b>448.8</b>	<b>873.0</b>	<b>51%</b>	<b>55%</b>
<b>Excess (deficit) Revenue over Expenditures</b>	<b>68.4</b>	<b>1.6</b>	<b>22.1</b>	<b>4.6</b>	<b>(4.4)</b>	<b>92.2</b>	<b>44.1</b>	<b>209%</b>	
<b>Other Financing Sources</b>	<b>(6.2)</b>	<b>0.0</b>	<b>(17.2)</b>	<b>(8.2)</b>	<b>4.4</b>	<b>(27.1)</b>	<b>(44.1)</b>		
<b>Net Revenue (Expense)</b>	<b>62.2</b>	<b>1.6</b>	<b>4.9</b>	<b>(3.6)</b>	<b>(0.0)</b>	<b>65.1</b>	<b>0.0</b>		

# Toll Operating

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Investment Income	15.5	8.8	4.6	28.9	41.7	69%	50%
<b>Total Revenue</b>	<b>218.5</b>	<b>118.6</b>	<b>28.9</b>	<b>366.0</b>	<b>663.0</b>	<b>55%</b>	<b>53%</b>
<b>EXPENDITURES:</b>							
Employee Compensation and Benefits	26.5	20.2	2.3	49.0	112.0	44%	50%
Office and Administrative Expenses	6.9	3.4	1.3	11.5	36.6	32%	42%
Professional Services	11.4	10.6	1.0	23.0	65.4	35%	42%
Construction and Maintenance	3.9	2.6	0.2	6.6	19.5	34%	42%
IT Services and Equipment	3.5	2.8	0.0	6.3	14.9	43%	42%
Materials, Supplies, and Equipment	2.2	1.8	0.1	4.1	11.2	36%	42%
Grants, Subsidies, and ISA	0.5	0.0	0.0	0.6	1.7	33%	42%
Debt Service	29.3	0.0	0.0	29.3	136.7	21%	21%
<b>Total Expenditures</b>	<b>84.1</b>	<b>41.4</b>	<b>5.0</b>	<b>130.4</b>	<b>398.1</b>	<b>33%</b>	<b>37%</b>
<b>Available for Capital</b>	<b>134.4</b>	<b>77.2</b>	<b>23.9</b>	<b>235.5</b>	<b>264.9</b>	<b>89%</b>	