

FY26 Operating Budget Year-End Report

September 9, 2026

David Pottier, Chief Financial Officer



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Overall Summary

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- This presentation reflects full year actual results compared to the annual budget. Year-end results are nearly final, with only minor adjustments, if any, remaining; no material changes to expenses or revenues are anticipated.
- Non-Toll Snow and Ice expenses totaled \$185M, \$150M above the \$35M budget. All vendor payments were made, with \$20M in savings applied to offset the overage. A supplemental funding request for the remaining balance has been submitted.
 - While currently showing a Year End Revenues over Expenses deficit, this supplemental funding will allow us to end our year with a surplus.
- Non-toll revenue is slightly under budget by \$20M, primarily due to changes in the approved fringe benefit rate, as well as anticipated federal grants and miscellaneous revenue that were not received.
- Expenditures for both Non-Toll and Toll are trending below budget, driven by lower-than-projected spending across several categories, including professional services, grants, IT, and office and administrative expenses.

Non-Toll Operating

Revenue & Expense

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REVENUE – Overall, total revenue is 2% or \$20M below budget

- Operating revenues are \$4M below budget due to lower miscellaneous revenue collections.
- Commonwealth transfers are \$10M below primarily due to fringe benefit rate changes.
- Federal grants are \$10M below budget, primarily due to delays in the receipt and approval of anticipated funding.
- Investment income is \$4M above budget, driven by higher cash balances and interest rates exceeding budget assumptions.

EXPENSE – Overall, total expense is 12% or \$105M over budget

- Snow & Ice was over budget by \$150M.
- Non-Snow & Ice savings totaled \$45M, with operations and capital delivery fully maintained and unaffected, driven by personnel and fringe savings (\$22M), the Amtrak contract (\$6M), federal grants (\$7M), and IT/miscellaneous expenses (\$10M).
 - \$20M in savings helped offset the Snow & Ice overage, including \$10M in fringe benefit savings.

Non-Toll Operating

Revenue & Expense Summary

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\$ in millions	General	MRB	MVITF	Federal Grants	*ETF	Total Actual	Budget	\$ Variance
REVENUE:								
Operating Revenue	33.1	0.0	0.0	0.0	0.0	33.1	37.4	(4.3)
Commonwealth Transfers	642.2	11.7	0.0	0.0	115.0	768.9	779.6	(10.7)
Federal Grants	0.0	0.0	0.0	24.8	0.0	24.8	35.2	(10.4)
Motor Vehicle Inspection Trust Fund	0.0	0.0	59.9	0.0	0.0	59.9	59.2	0.6
Investment Income	9.9	0.0	0.4	0.0	0.0	10.3	5.7	4.6
Total Revenue	685.3	11.7	60.3	24.8	115.0	897.0	917.1	(20.1)
EXPENDITURES:								
Employee Compensation and Benefits**	411.4	5.2	5.4	1.0	0.0	423.0	437.8	(14.8)
Non-Payroll and Other Expenses	409.7	7.0	10.4	11.8	115.5	554.5	435.2	119.3
Total Expenditures	821.1	12.2	15.8	12.9	115.5	977.5	873.0	104.5
Excess (deficit) Revenue over Expenditures	(135.8)	(0.5)	44.5	11.9	(0.5)	(80.4)	44.1	(124.6)
Other Financing Sources	72.3	0.0	(47.0)	(15.4)	0.0	9.9	(44.1)	54.0
Net Revenue (Expense)	(63.6)	(0.5)	(2.5)	(3.4)	(0.5)	(70.5)	0.0	(70.6)

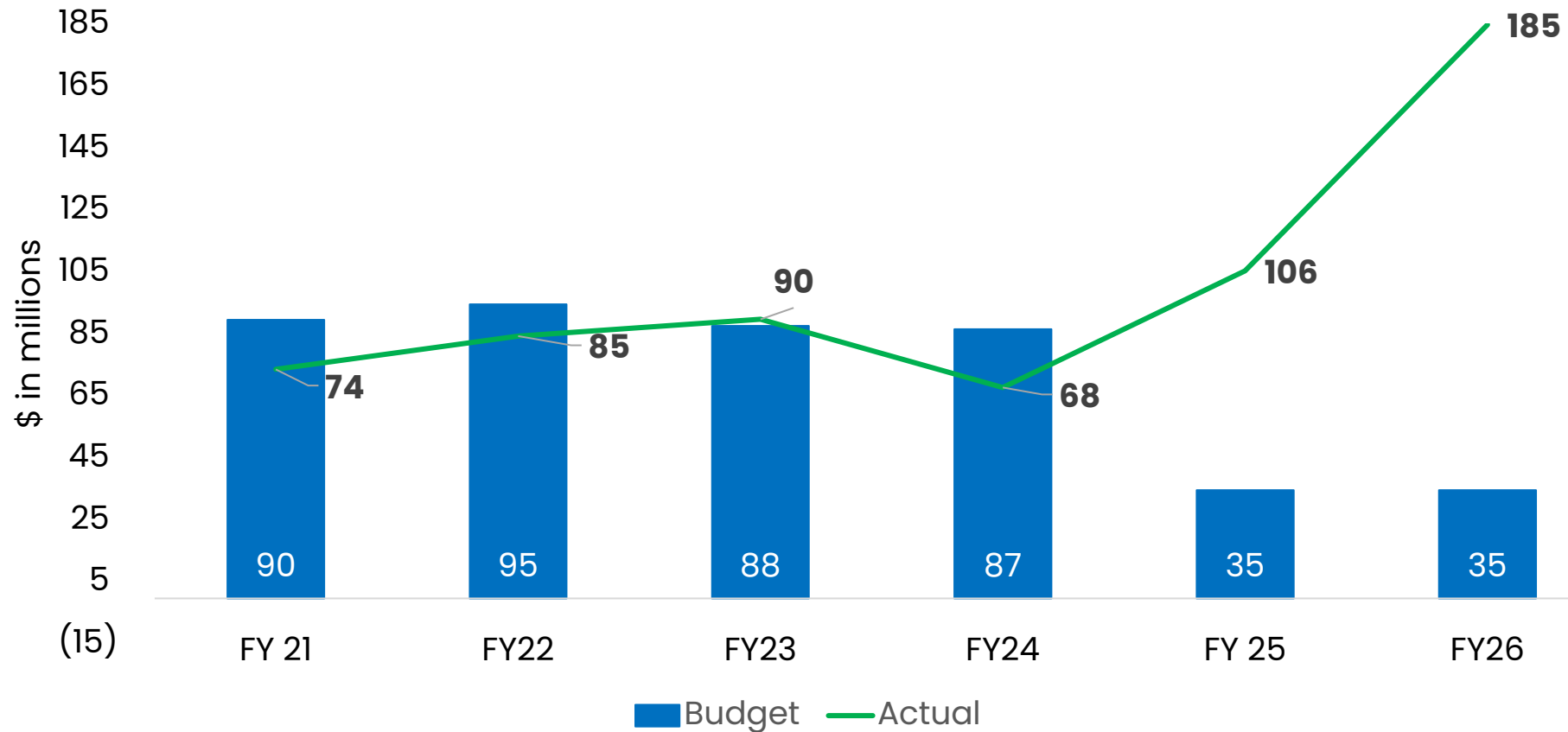
*FY24 & FY25 Education Transportation Fund (ETF) supplemental expenses, including operating MBTA pass-through disbursements and transfers, are not included.

**Includes an \$8M decrease from a manual adjustment to correct capital payroll incorrectly charged to operating expenses.

Snow and Ice

Non-Toll

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- Total FY26 snow & ice actual expenditures are \$185M

Toll Operating

Revenue & Expense

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- **REVENUE** – Overall, revenue is 1% or \$9M over budget
 - This is largely attributable to investment income of \$11M above budget, reflecting interest rates that exceeded budget assumptions, and toll collections of \$5M above budget, partially offset by operating revenues of \$7M below budget.
- **EXPENSE** – Overall, Expense under budget by 5% or \$21M
 - This is primarily driven by change in compensation and benefits (\$12M), transaction fees (\$5M), energy (\$2M), and debt service (\$2M).

Toll Operating

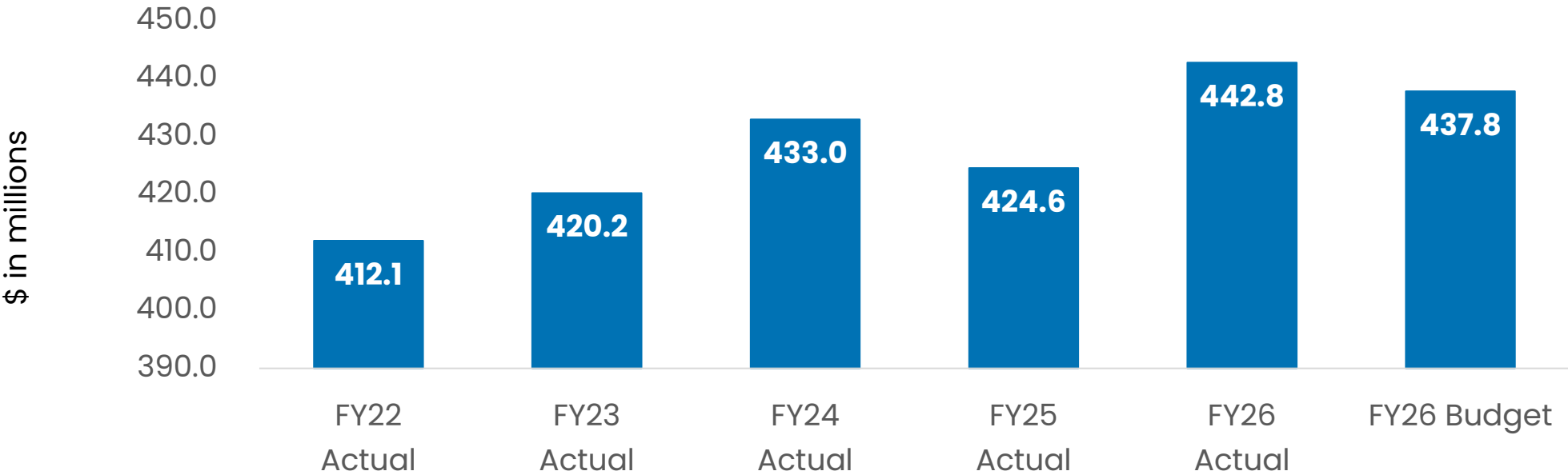
Revenue & Expense Summary

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\$ in millions	MHS	WT	Tobin	Total Actual	Budget	Variance
REVENUE:						
Toll Revenue:						
Operating Revenue	18.9	32.4	0.1	51.5	58.5	(7.0)
Toll Collections	232.8	163.1	46.9	442.8	437.9	4.9
Total Toll Revenue	251.7	195.5	47.1	494.2	496.4	(2.1)
Commonwealth Transfers	125.0	0.0	0.0	125.0	125.0	0.0
Investment Income	27.3	17.2	8.6	53.1	41.7	11.5
Total Revenue	404.0	212.7	55.7	672.4	663.0	9.4
EXPENDITURES:						
Employee Compensation and Benefits	54.0	40.9	4.6	99.4	112.0	(12.6)
Non-Payroll and Other Expenses	215.4	55.5	6.4	277.3	286.1	(8.8)
Total Expenditures	269.4	96.4	11.0	376.7	398.1	(21.4)
Available for Capital	134.7	116.3	44.7	295.6	264.9	30.7

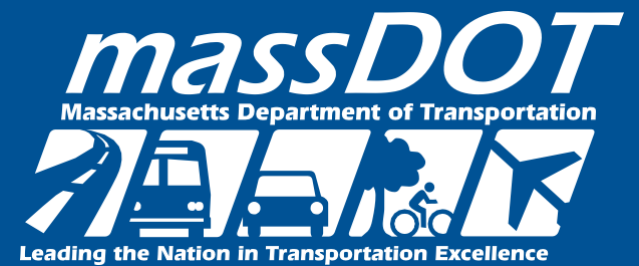
Metropolitan Highway System: MHS
Western Turnpike: WT

Toll Collection Revenue



	FY26 Full Year Actual	FY26 Annual Budget	FY26 Actual vs Annual Budget	FY26 Actual of Annual Budget
Roadway				
Metropolitan Highway System	232.8	226.8	5.9	102.6%
Western Turnpike	163.1	164.9	(1.8)	98.9%
Tobin	46.9	46.1	0.8	101.8%
Total	442.8	437.8	5.0	101.1%

Thank You



Appendix

Non-Toll Operating

Revenue & Expense Summary

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\$ in millions	General	MRB	MVITF	Federal Grants	ETF*	Total Actual	Budget	\$ Variance
REVENUE:								
Operating Revenue	33.1	0.0	0.0	0.0	0.0	33.1	37.4	(4.3)
Commonwealth Transfers	642.2	11.7	0.0	0.0	115.0	768.9	779.6	(10.7)
Federal Grants	0.0	0.0	0.0	24.8	0.0	24.8	35.2	(10.4)
Motor Vehicle Inspection Trust Fund	0.0	0.0	59.9	0.0	0.0	59.9	59.2	0.6
Investment Income	9.9	0.0	0.4	0.0	0.0	10.3	5.7	4.6
Total Revenue	685.3	11.7	60.3	24.8	115.0	897.0	917.1	(20.1)
EXPENDITURES:								
Employee Compensation and Benefits	411.4	5.2	5.4	1.0	0.0	423.0	437.8	(14.8)
Office and Administrative Expenses	40.0	0.4	0.1	0.4	0.0	40.9	43.4	(2.5)
Professional Services	42.2	0.0	7.5	2.2	0.0	52.0	61.5	(9.6)
Construction and Maintenance	183.6	0.0	0.0	1.3	0.0	184.9	40.0	144.9
IT Services and Equipment	41.4	6.5	0.0	0.2	0.0	48.1	52.8	(4.7)
Materials, Supplies, and Equipment	6.7	0.0	0.0	0.0	0.0	6.7	6.5	0.2
Grants, Subsidies, and ISA	95.8	0.0	2.8	7.7	115.5	221.9	230.9	(9.0)
Total Expenditures	821.1	12.2	15.8	12.9	115.5	977.5	873.0	104.5
Excess (deficit) Revenue over Expenditures	(135.8)	(0.5)	44.5	11.9	(0.5)	(80.4)	44.1	(124.6)
Other Financing Sources	72.3	0.0	(47.0)	(15.4)	0.0	9.9	(44.1)	54.0
Net Revenue (Expense)	(63.6)	(0.5)	(2.5)	(3.4)	(0.5)	(70.5)	0.0	(70.6)

*FY24 & FY25 Education Transportation Fund (ETF) supplemental expenses, including operating MBTA pass-through disbursements and transfers, are not included.

Toll Operating

Revenue & Expense Summary

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Toll Revenue:						
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Commonwealth Transfers	125.0	0.0	0.0	125.0	125.0	0.0
Investment Income	27.3	17.2	8.6	53.1	41.7	11.5
Total Revenue	404.0	212.7	55.7	672.4	663.0	9.4
EXPENDITURES:						
Employee Compensation and Benefits	54.0	40.9	4.6	99.4	112.0	(12.6)
Office and Administrative Expenses	23.8	7.8	2.5	34.0	36.6	(2.6)
Professional Services	30.6	26.7	3.2	60.4	65.4	(5.0)
Construction and Maintenance	11.3	8.3	0.5	20.1	19.5	0.7
IT Services and Equipment	8.1	7.3	0.0	15.5	14.9	0.6
Materials, Supplies, and Equipment	6.1	5.4	0.2	11.7	11.2	0.5
Grants, Subsidies, and ISA	1.0	0.1	0.0	1.1	1.7	(0.6)
Debt Service	134.5	0.0	0.0	134.5	136.7	(2.2)
Total Expenditures	269.4	96.4	11.0	376.7	398.1	(21.4)
Available for Capital	134.7	116.3	44.7	295.6	264.9	30.7