

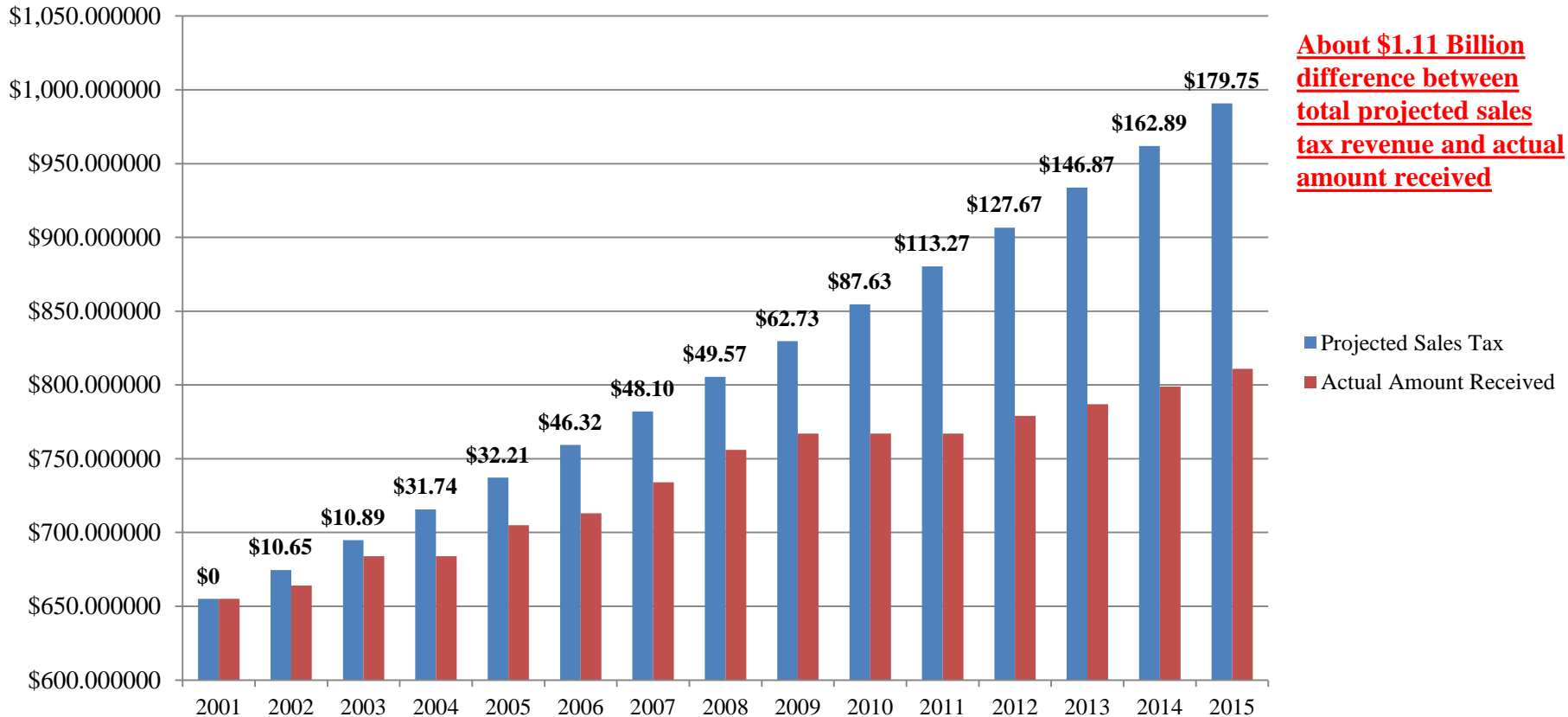


# Presentation to MBTA Caucus

Financial Status of the MBTA

February 24, 2015

# Projected Sales Tax v. Actual Amount Received



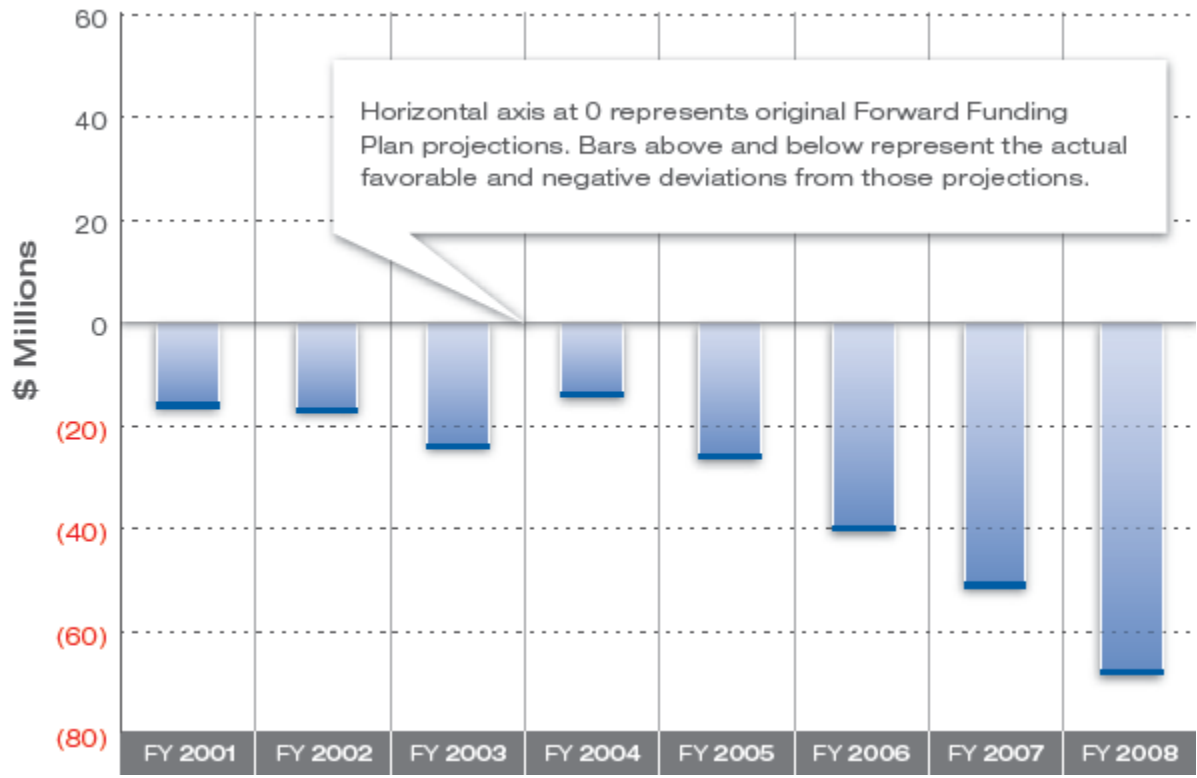
# Fuel & Utilities Expenses



## Fuel & Utilities Expenses

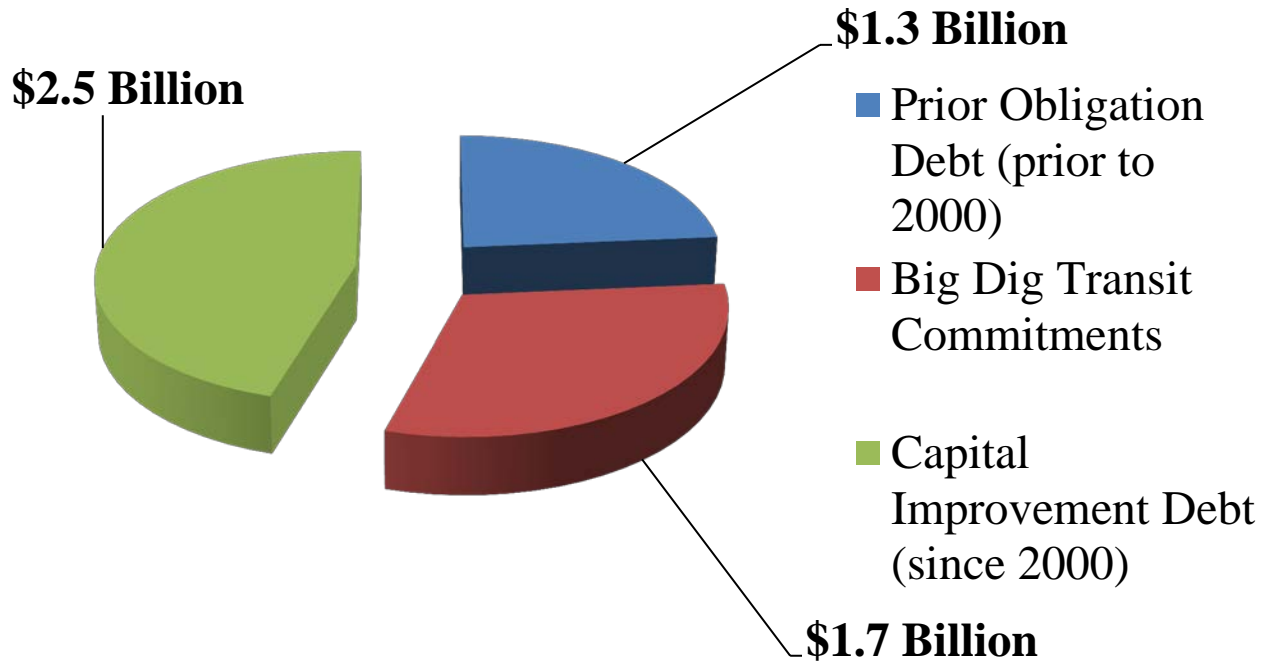
Actual vs. Finance Plan  
FY01-FY08

**CUMULATIVE NEGATIVE**  
**\$256 million**




Source: D'Alessandro, David F., et. al, "MBTA Review", 11/01/2009

# MBTA Debt (as of June 30, 2014)



# Peer Agency Comparison: Debt as Percentage of Operating Budget



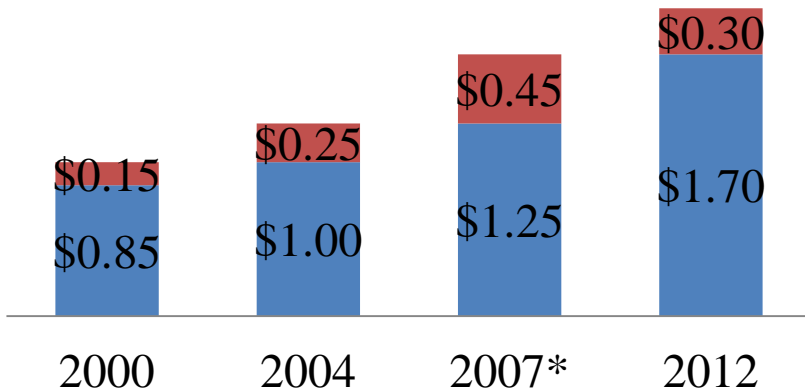
City	Transit Authority	Total Operating Budget for FY15	Debt	Percentage (%)
Washington, D.C.	Washington Metropolitan Area Transit Authority (WMATA)	\$1.7 billion	\$21.2 million	1.2
San Francisco	San Francisco Municipal Transportation Agency (SFMTA)	\$943.2 million	\$12 million	1.3
Philadelphia	Southeastern Pennsylvania Transportation Authority (SEPTA)	\$1.327 billion	\$19.843 million	1.5
Chicago	Chicago Transit Authority (CTA)	\$1.443 billion	\$137 million	9.5
New York City	NYC Metropolitan Transit Authority (MTA)	\$14.390 billion	\$2.481 billion	17
Boston	Massachusetts Bay Transportation Authority (MBTA)	\$1.933 billion	\$423.9 million	22

# Fare Increases (2000-2012)



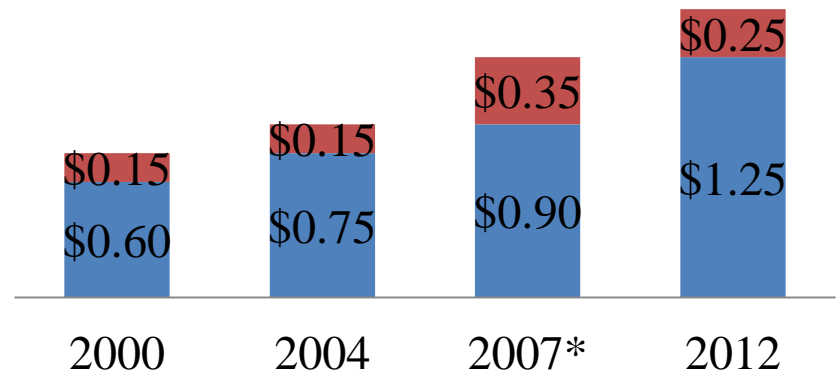
## Subway Fares

■ Fare ■ Increase



## Bus Fares

■ Fare ■ Increase



\*The CharlieCard was introduced in 2007. Fares listed here are based on CharlieCard fare prices.

# SGR Project Funding Requests

## SGR Project Funding Requests

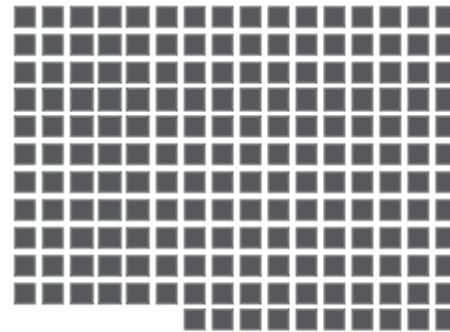
FY10

FUNDING REQUESTED

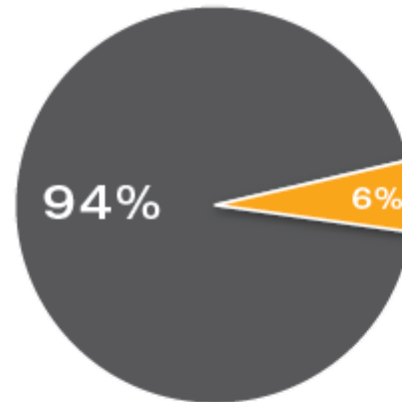
**\$3.2B**

FUNDING GRANTED

**\$203M**



186 Unfunded SGR Projects  
Totaling **\$3B**







15 Funded  
SGR Projects  
Totaling **\$203M**

Source: D'Alessandro, David F., et. al, "MBTA Review", 11/01/2009

# MBTA Rail Fleet



Line/Mode	Fleet	Qty.	Service Date	Age (yrs)	Useful Life
Heavy Rail					
Red 	No.1 Fleet	70	1969	46	25
	No.2 Fleet	62	1988	27	25
	No.3 Fleet	82	1994	21	25
Blue 	No.5 Fleet	94	2008-09	6	25
Orange 	No.12 Fleet	120	1981	34	25
Total Number of Heavy Rail Cars		<b>446</b>			
Heavy Rail					
Green 	No.7 Fleet	8	1945-46	70-69	25
	No. 7 Fleet	65	1986-87,88	29-27	25
	No.7 Fleet	15	1997	18	25
	No. 8 Fleet	80	1999-2007	8-16	25
Total Number of Light Rail Cars		<b>168</b>			

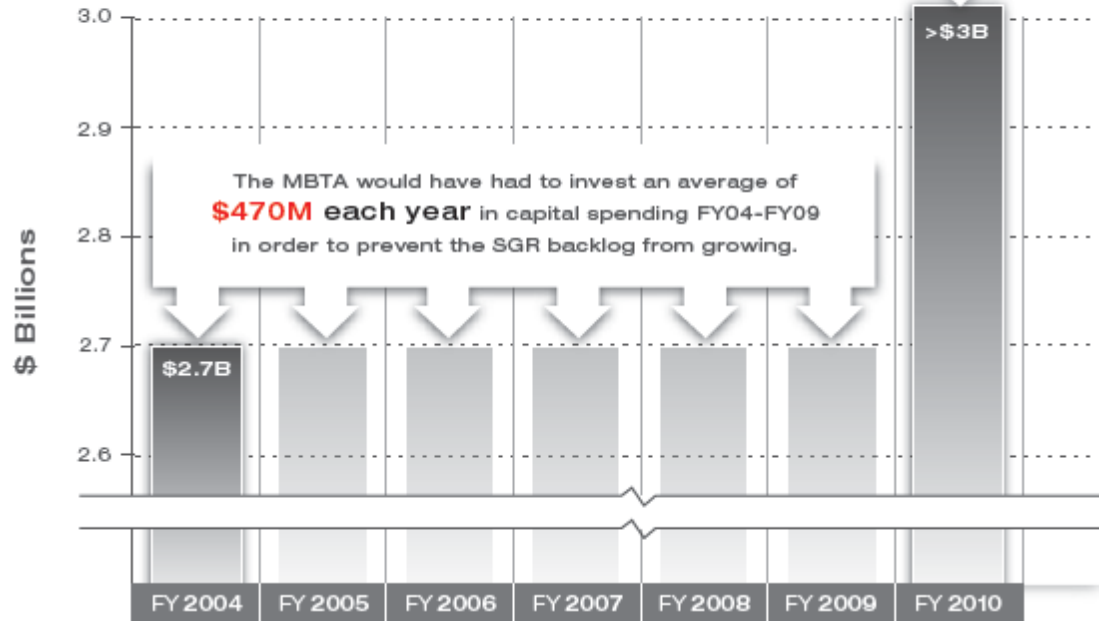


# SGR Backlog



However, the backlog has grown to **over \$3B** for FY10, meaning that the MBTA would now need to invest **\$694M each year** in capital spending just to prevent the SGR backlog from growing further.

SGR Backlog  
FY04 & FY10



Source: D'Alessandro, David F., et. al, "MBTA Review", 11/01/2009

# Transit Improvements Resulting from Big Dig (Completed)

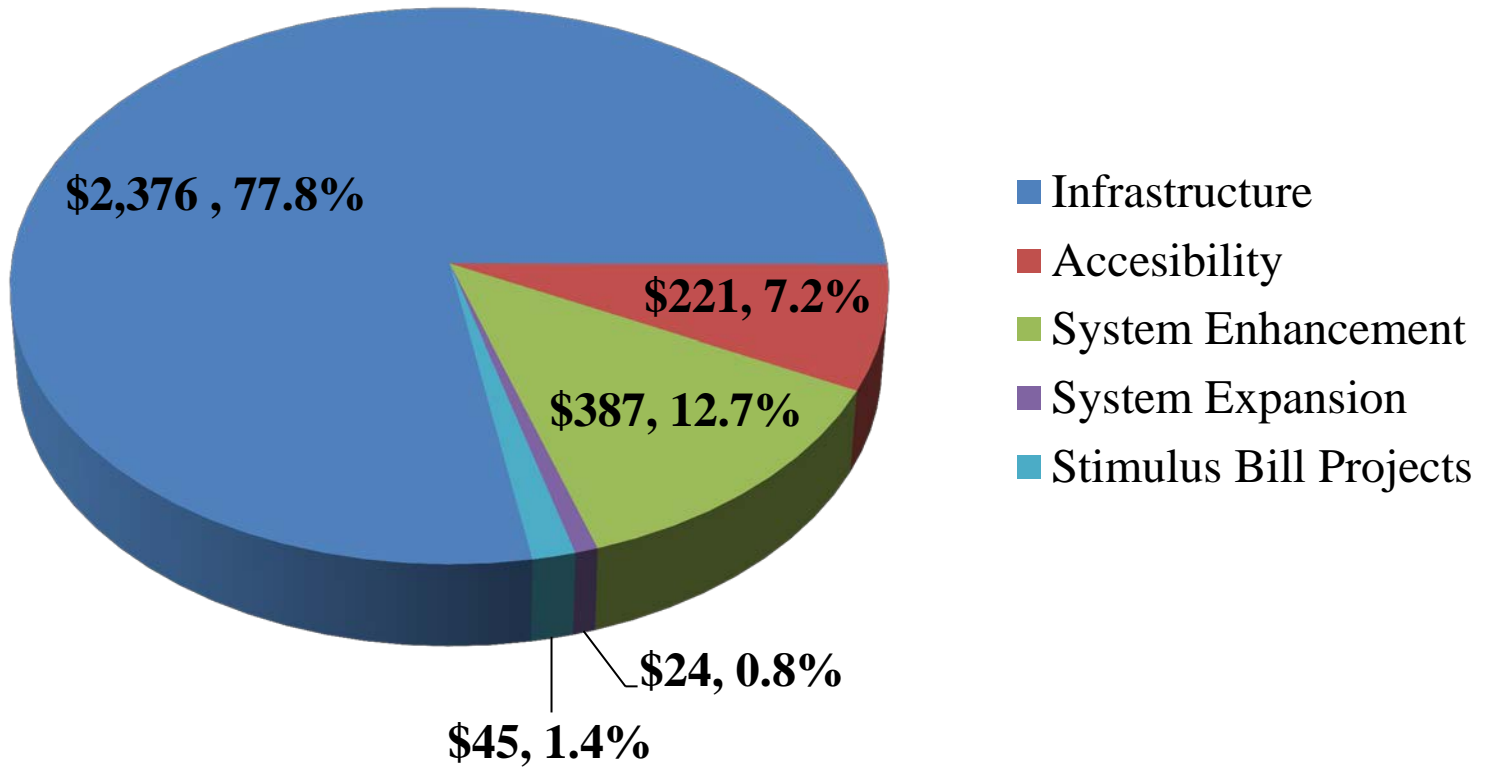
- New Blue Line trains
- Rehabilitation of 11 existing subway stations
- South Station access to Red Line
- North Station high platforms/new tracks
- Park and Ride spaces (21,000)
- Silver Line to Airport
- Bus Terminals: Lynn and South Station
- Lynn Central Square Station and Parking Garage
- Commuter Rail Improvements: Newburyport, Framingham, Old Colony, South Station Track 12, Fairmount



"Blue Line 700 cars at Airport" by Derek Yu via Wikimedia Commons

# MBTA Funding in 5-Year CIP

## MBTA Funding Only (in millions)



# Transportation Finance Act Capital Projects in CIP



- Green Line Extension (50% federal funding)
- South Station Postal Site Acquisition
- South Coast Rail (early action items)
- DMU Implementation
- Silver Line to Chelsea

# Peer Agency Comparison: Pension as Percentage of Operating Budget



City	Transit Authority	Total Operating Budget for FY15	Pension Budget	Percentage (%)
Boston	Massachusetts Bay Transportation Authority (MBTA)	\$1.933 billion	\$76 million	4
Philadelphia	Southeastern Pennsylvania Transportation Authority (SEPTA)	\$1.327 billion	\$91 million	6.8
Chicago	Chicago Transit Authority (CTA)	\$1.443 billion	\$122 million	8.5
San Francisco	San Francisco Municipal Transportation Agency (SFMTA)	\$943.2 million	\$87 million	9.2
Washington, D.C.	Washington Metropolitan Area Transit Authority (WMATA)	\$1.7 billion	\$160 million	9.4
New York City	NYC Metropolitan Transit Authority (MTA)	\$14.390 billion	\$1.35 billion	9.4

# Peer Agency Comparison: Health Benefits as Percentage of Operating Budget



Transit Agency	Operations Budget	Health Care Benefits	Percentage
MBTA (Boston)	\$1.933 billion	\$110 million	5.7
MTA (NY)	\$14.390 billion	\$1.066 billion	7.4
WMATA (D.C.)	\$1.7 billion	\$186 million	10.9
SFMTA (S.F.)	\$943.2 million	\$107 million	11.3
SEPTA (Phil.)*	\$1.327 billion	\$197 million*	14.9
CTA (Chicago)	\$1.443 billion	n/a	n/a

\* Includes Life Insurance

## Operating budget gaps prior to 2013



Fiscal Year	Deficit (budget formation)	Solutions
FY13	\$185 million	One-time infusion of state funds, fare increase
FY12	\$127 million	Parking garage lease, parking revenue securitization, debt restructuring
FY11	\$73 million	Debt restructuring
FY10	\$160 million	State contract assistance

# Funding MBTA receives from Transportation Finance Act of 2013



Year	FY14	FY15	FY16	FY17	FY18
Amount	\$115M	\$135M	\$202M	\$261M	\$357M



# Anticipated Changes in Revenues and Costs



Revenue Cost	Increased Revenue or Cost Savings/ Additional Cost
New MBTA Fares	\$18-\$24.5 million per year
New Commuter Rail Contract	\$93 million per year
New Paratransit Contracts	\$21 million per year
New MBTA Janitorial Contracts	\$3.1-\$10.5 million per year
MBTA Labor Arbitration Awards	\$19 million per year

Source: Keeping on Track, Transportation for Massachusetts, 2015

# MassDOT: Significant Additional Costs and Revenues for FY14



Revenue/Cost Source	Increased Revenue or Cost Savings/ <i>Additional Cost</i> compared to Projections for FY14
Motor Vehicles Sales Tax	\$32 million
Snow and Ice Removal	\$ 90 million

# Indexing of the Gas Tax (Lost Revenue)

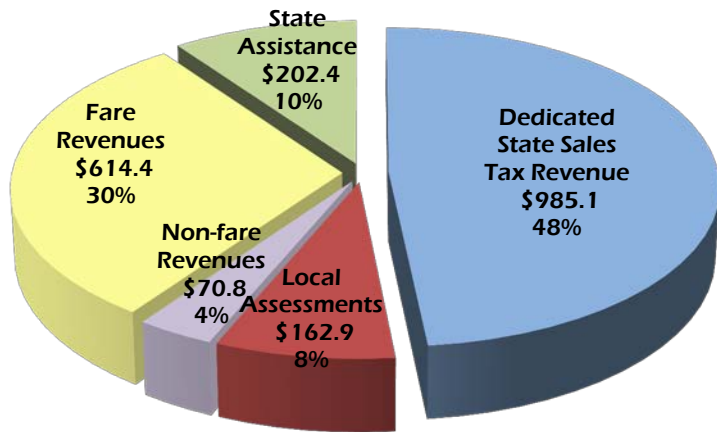


Year	FY15	FY16	FY17	FY18
Amount	\$9M	\$27M	\$44M	\$62M

# FY 2016 Revenue Overview

State and Local Funding = \$1.35 Billion

Total Revenue = \$2.03 Billion



### State Contribution

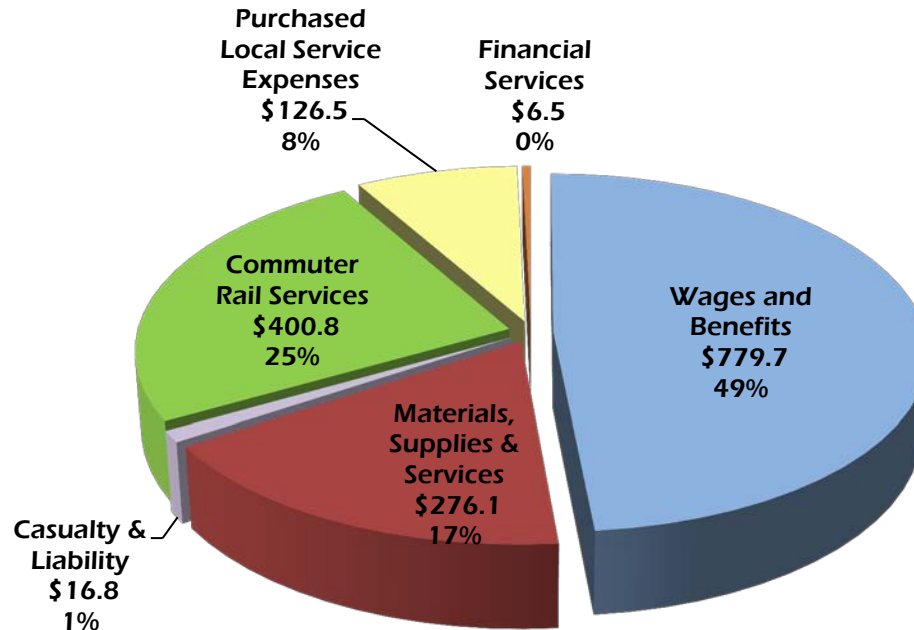
\$ Amount	% of Revenue
\$1.2 Billion	58%



Photo Credit: Massachusetts Office of Travel and Tourism/Flickr

# FY 2016 Operating Expenses

**Total Operating Expenses**  
**\$1.606 Billion**



# Daily Weekday Ridership

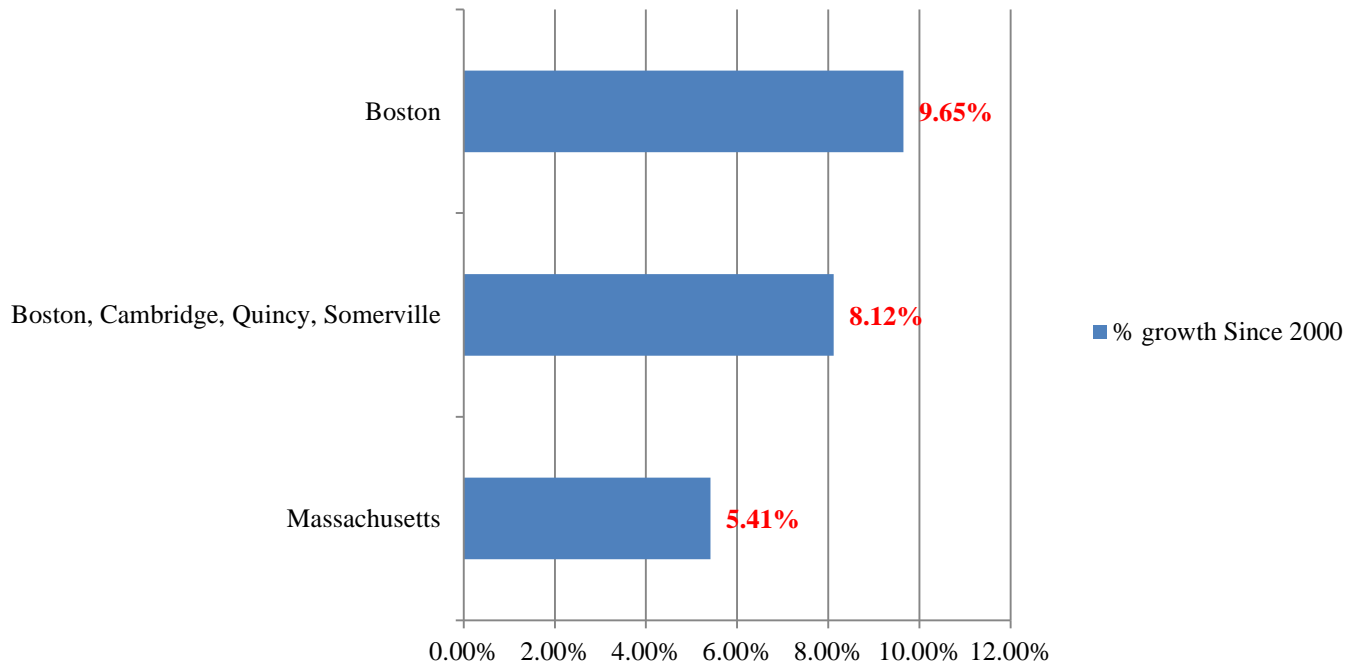


Year	2005	2015	2020 (Projected)
Ridership	1.1 M	1.3 M	1.4-1.6 M

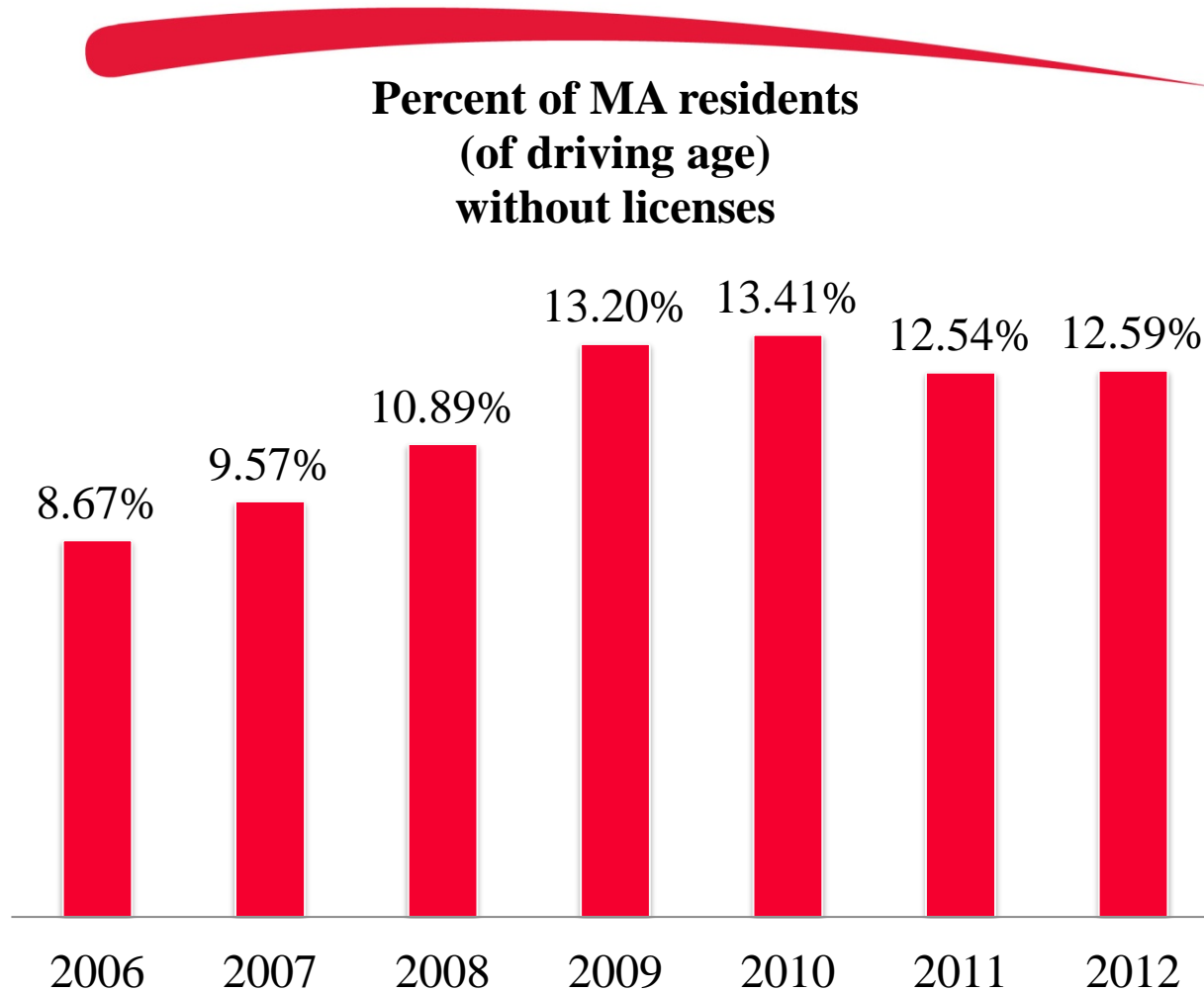
# Population Growth



## Percent growth Since 2000



# Percent of MA Residents without Driver's Licenses





# Thank You!



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**For a thriving New England**