



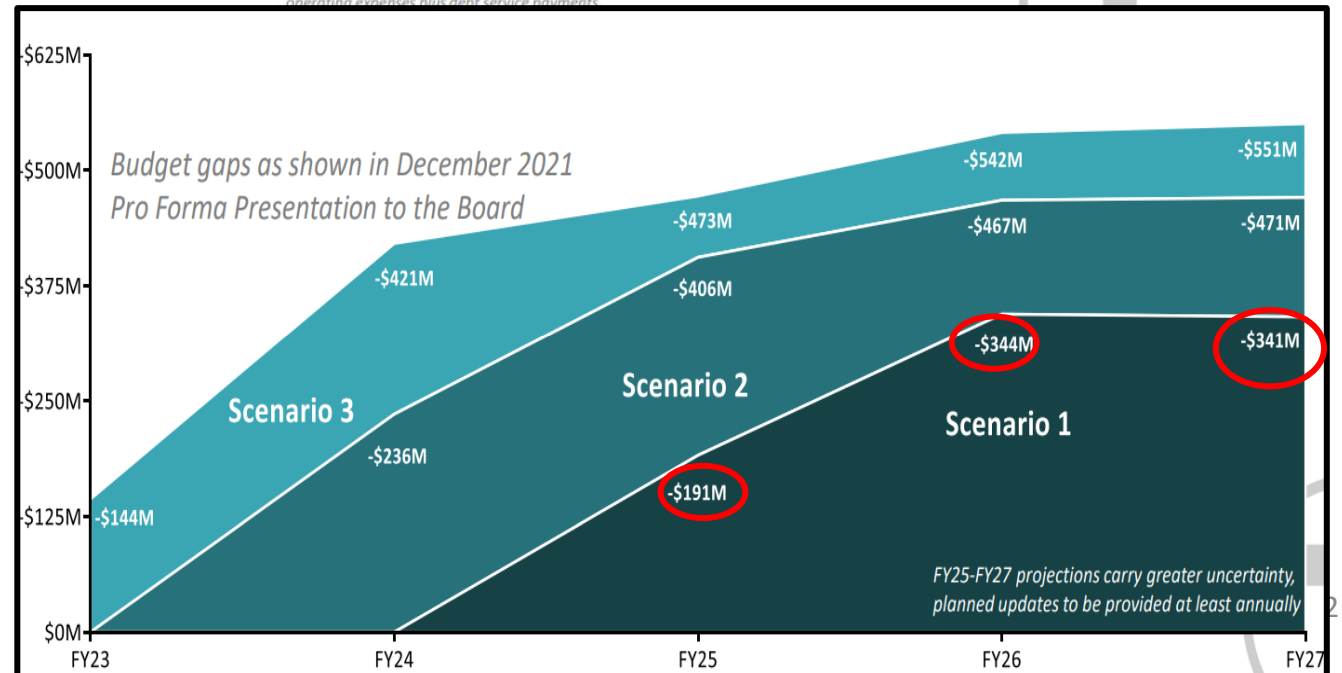
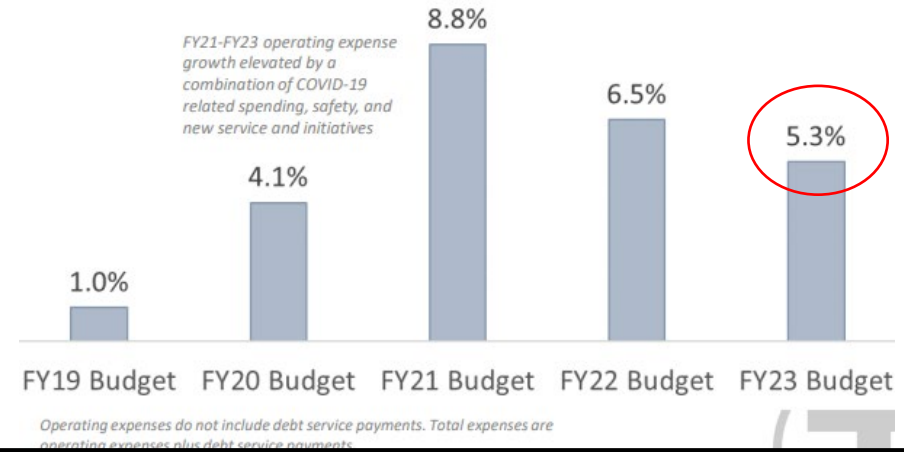
MBTA FY 2023 Operating Budget Oversight Report

Broad Support, But With Concerns

Recommendations

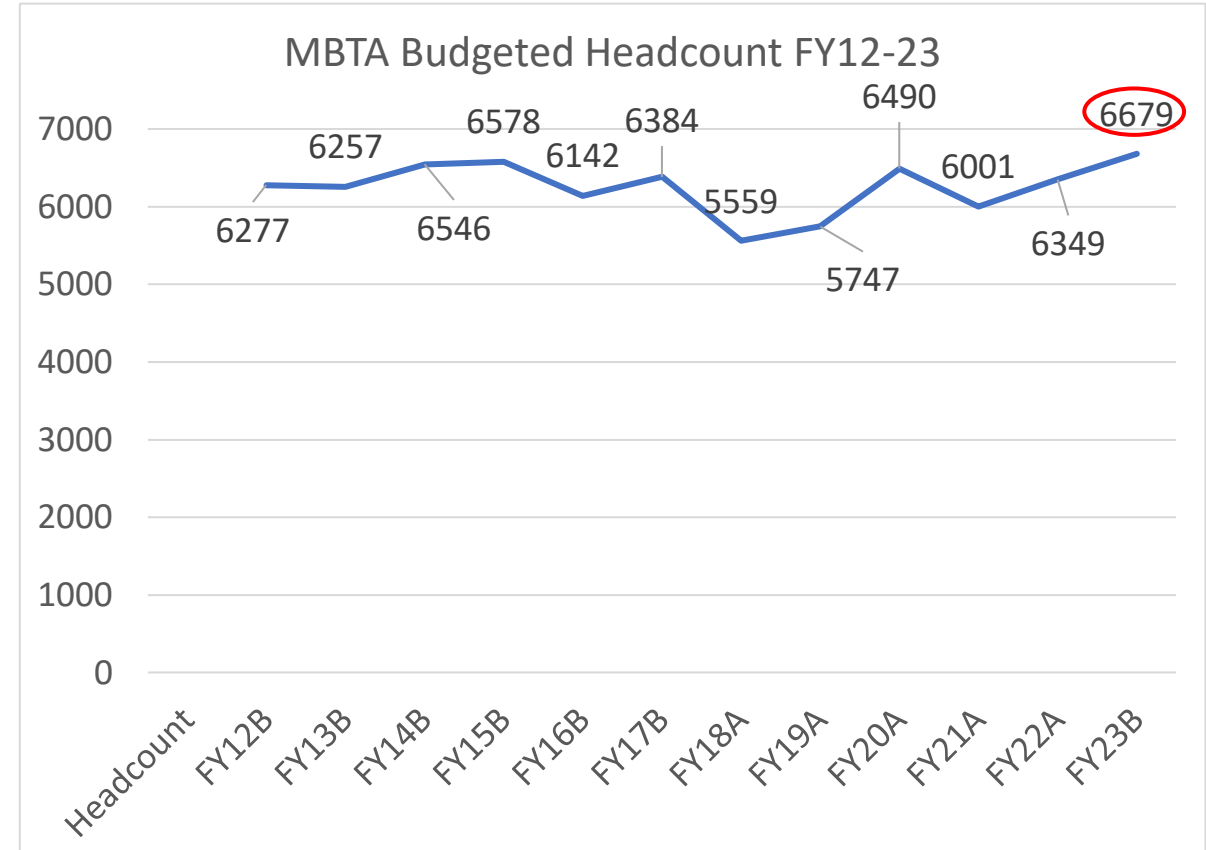
- Adopt FY23 budget
- Use FY24 process to slow expense growth- 5.3% OPEX is unsustainable
- Best case scenario is \$340m deficit in FY26 without return to ridership

Operating Budget Expense Growth
FY19-FY22 Approved to FY23 Preliminary



FY23 Spending Growth

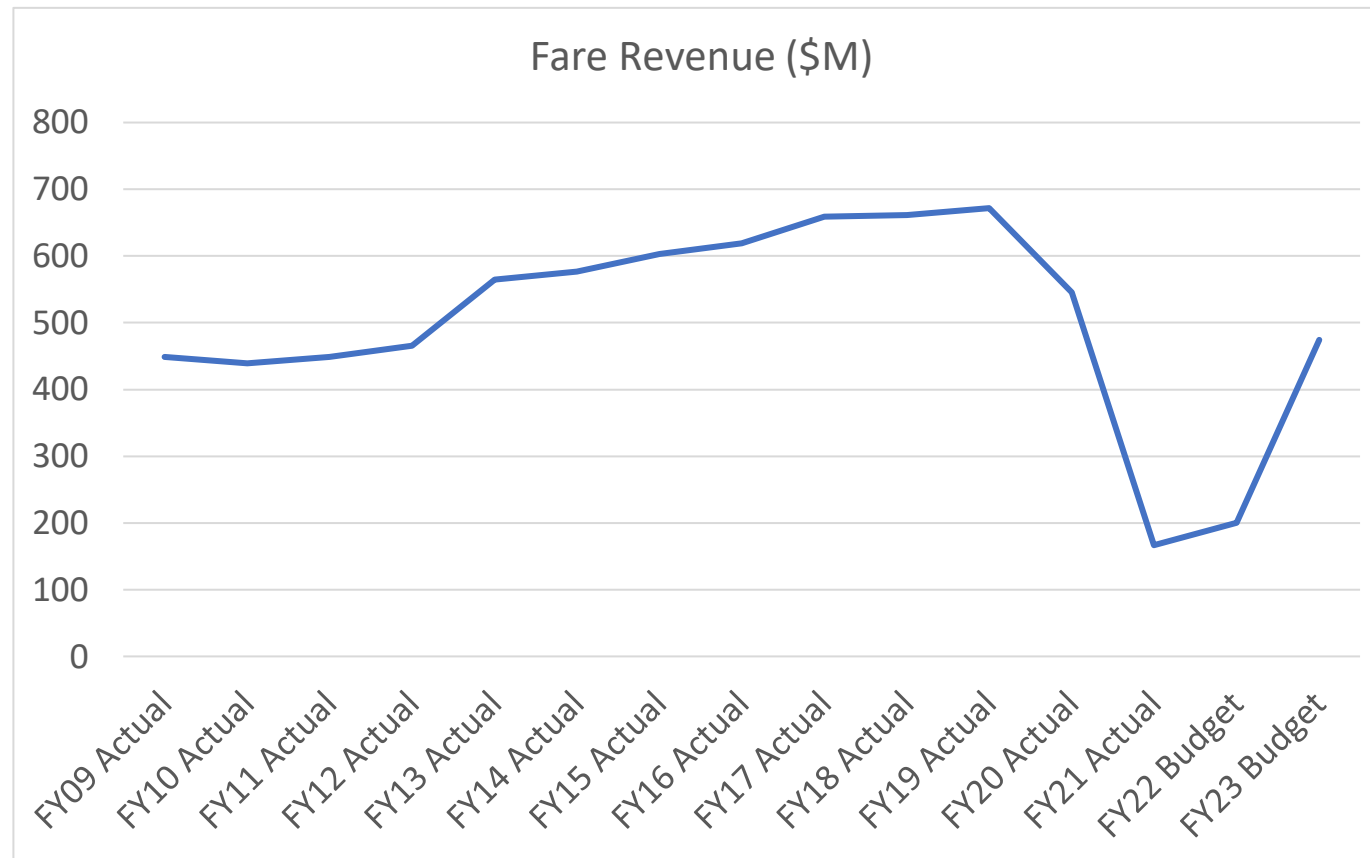
- Budgeted headcount is largest in a 10+ years, up 1120 since FY18 actual
- Materials, Supplies & Services budget is \$1m+ per day in FY23



Source: MBTA Advisory Board

Why spending concerns?

T's structurally imbalanced financial model relies on fare revenue. Without it, subsidies must increase or spending decrease.



Source: MBTA Advisory Board

Municipalities Oppose Service Cuts

- Without a change, service cuts remain a threat
- How can communities plan for Transit Oriented Growth while under threat
- Slowing cost growth now reduces pressure later this decade

Proposed *Forging Ahead* Service Cuts (Dec. 2020)

- End all Red Line, Orange Line, Green Line, Blue Line, and Bus service at 12AM
- End all weekday Commuter Rail service at 9PM
- End weekend Commuter Rail completely
- End Ferry service completely
- 5%-20% frequency cuts on all remaining
- Cut 25, consolidate 14, & shorten 5 bus routes
- Terminate Green Line E at Brigham Circle
- Close 6 Commuter Rail stations
- Extend wait times to 40 minutes for THE RIDE
- End the Suburban Bus program

Community's Requests to T Board

- Advocate for increased subsidies
- Slow spending growth in non-core areas
- Tell the T's story, explain its value to Massachusetts' economy, ecology, and equity

MBTA Advisory Board communities full support the 5/25/22 Board Chair's statement

