



FY17 BUDGET RECAP: Overview on BRA / Sales Tax Amount
(April 2015)

Calculation of FY17 Dedicated Revenue

	<u>FY17</u>	
FY17 Projected Dedicated Sales Tax Revenue <i>(Sales Tax-Derived Revenue)</i>	\$1,027M	(A)
Calculation	Projected Sales and Use Tax Collections, Excluding Meals Tax	\$5,419M
	Percentage due to MBTA	x 16%
		\$867M
	Additional dedicated revenue	+ \$160M
	\$1,027M	

MBTA receives the larger of A or B, resulting in an additional \$35M this year

FY17 Base Tax Revenue **\$992M** **(B)**
(Minimum Dedicated Revenue)

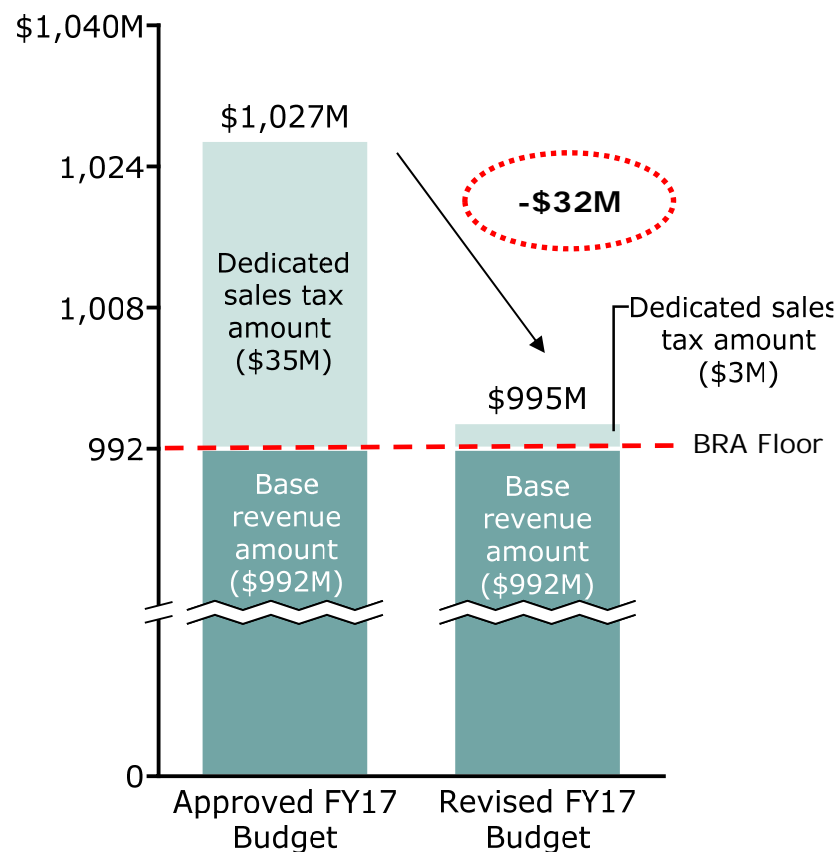


Future Dedicated Revenue based on sales tax is subject to economic conditions



Soft state sales tax collections result in decrease of \$32M from FY17 approved budget projected dedicated sales tax revenue

- Mass state sales tax collection figures softened in June:
 - April: 1.3% YoY increase
 - May: 3.3% YoY increase
 - June: 1.3% YoY decrease
- Weaker than expected collections impact MBTA FY17 dedicated sales tax amount
- If revised state sales tax projections hold, MBTA's revenue will decline \$32M from approved FY17 budget
- Highlights risk of relying on dedicated sales tax revenue in operating budget in future years



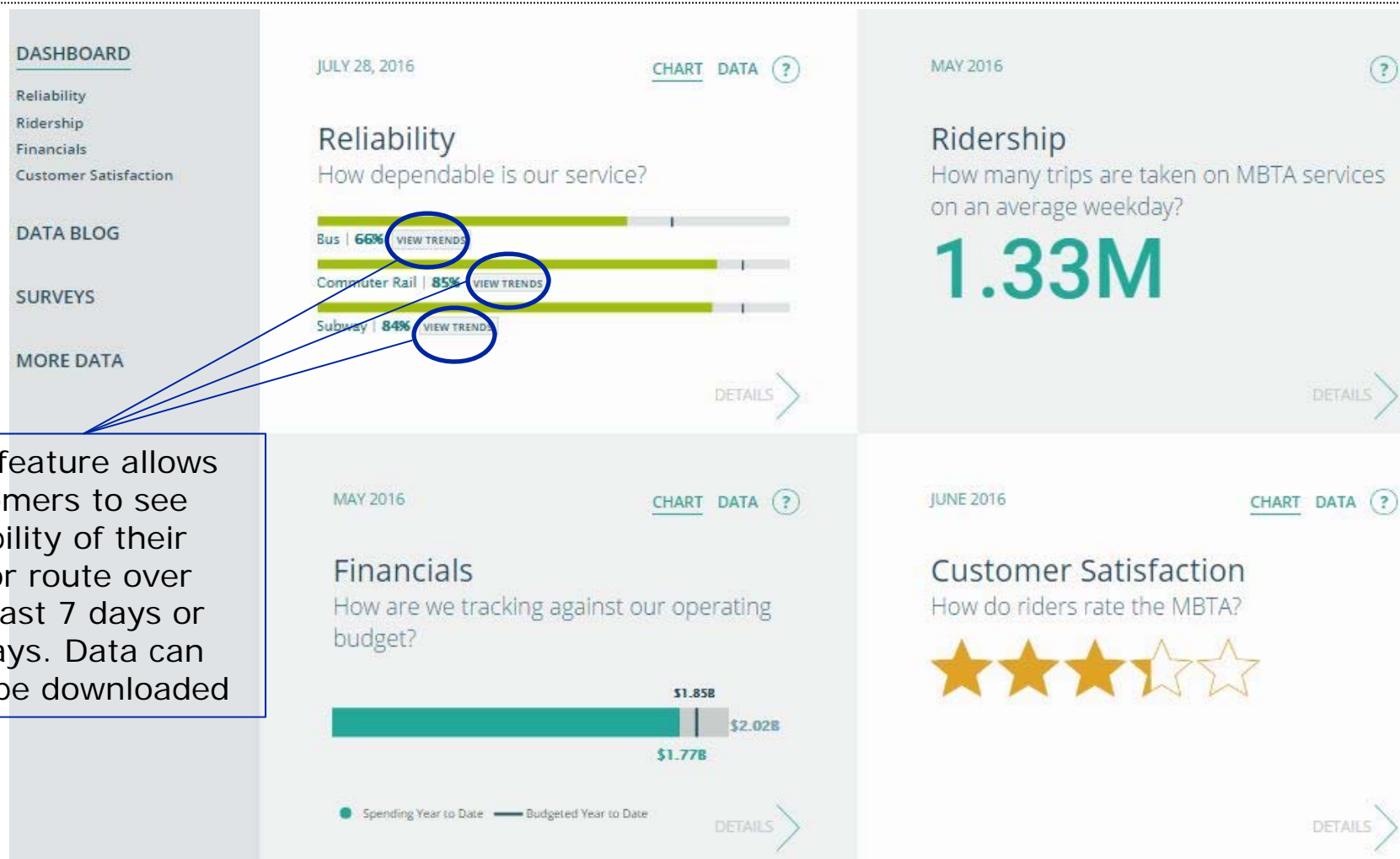


Unsolicited proposal policy

- MBTA will be announcing an unsolicited proposal policy similar to those in place at the other transit agencies
- Several transit agencies have a policy like this around the country including Denver, LA, and Dallas
- The goal of the policy would be to significantly increase inbound ideas from industry on areas where industry has expertise and can help
- This policy would augment the internal idea generation process that the MBTA has been engaged in for past 6 months
- Unsolicited bids would trigger a public review and discussion process and if the MBTA chose to move forward, a formal competitive process



Continued focus on transparency: Updated public dashboard with historical trend data features (www.mbtackontrack.com)



New feature allows customers to see reliability of their line or route over the past 7 days or 30 days. Data can also be downloaded