



**Massachusetts Bay
Transportation Authority**

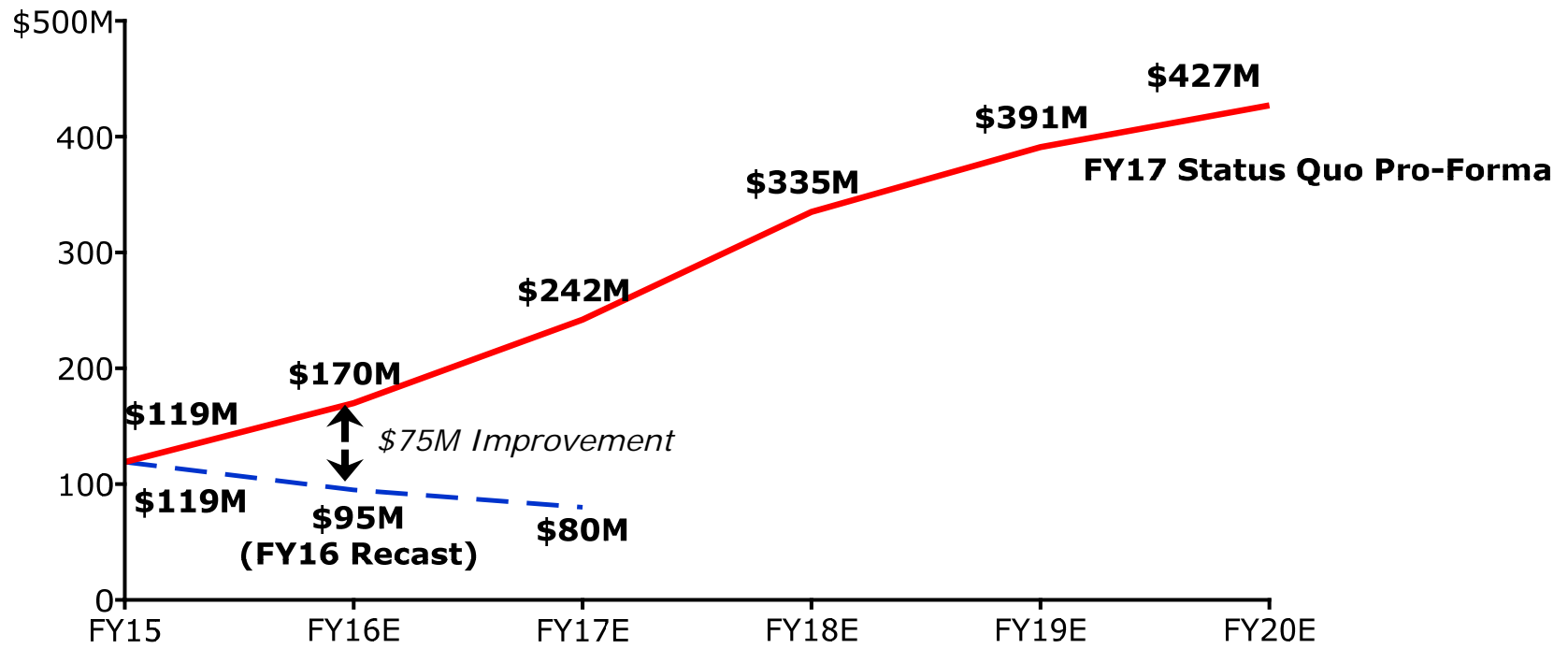
Update on Additional Assistance

Report to Fiscal and Management Control Board



Structural deficit curve is bending, but more work remains

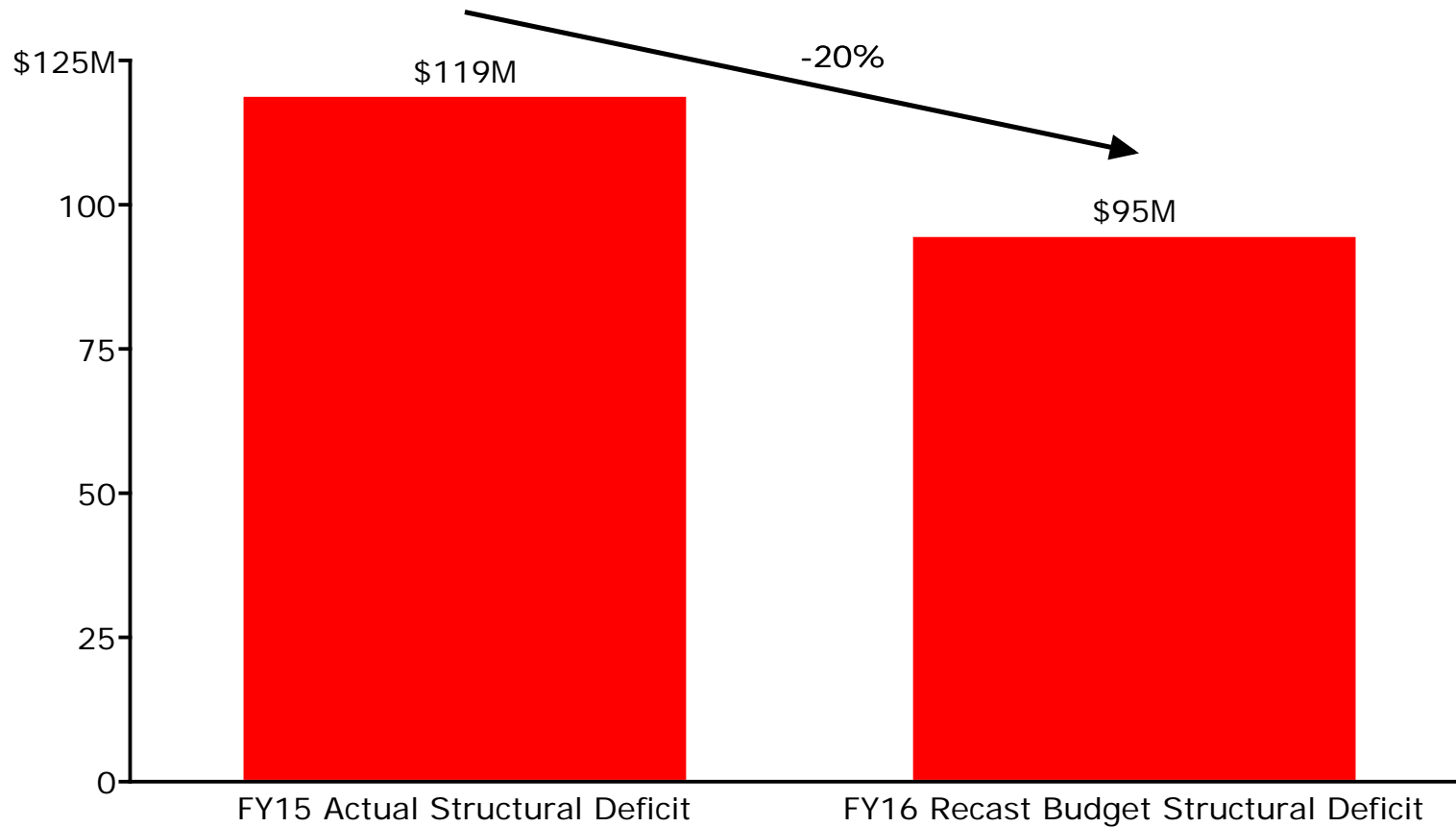
Structural deficit





Preliminary structural deficit reduced by 20% (\$24M) from FY15 to FY16*

Structural Deficit



*Pending final closure of FY16



FY16 structural deficit of \$95M expected to be consistent with projections

**FY16 RECAST
BUDGET**

REVENUES	Operating Revenues	\$669.1M
	Non-Operating Revenues	\$1,181.6M
	Total Revenues	\$1,850.7M
EXPENSES	Wages, Benefits and Payroll Taxes	\$740.1M
	Non-Wage	\$760.1M
	Operating Expenses	\$1,500.3M
	Debt Service	\$445.1M
	Total Expenses	\$1,945.4M
	Structural Deficit	(\$94.7M)



MBTA will fund Capital Maintenance Lockbox as planned

- No net change to the MBTA’s “Pay-Go” Capital program or funds transferred to the Capital Maintenance Lockbox
- Rather than being used for operating expenses, May 2016 and June 2016 Additional State Assistance payments (\$31M) from the Commonwealth were to be transferred to the Capital Maintenance Lockbox
- Instead, because the Commonwealth would prefer to use capital rather than operating funds for this \$31 million, the June monthly assistance payment was withheld and the FMCB is being asked to return the May payment
- The Commonwealth has agreed to provide capital support equal to those two FY16 Transfer payments (\$31M) – and this amount will be contributed to the capital lockbox fund
- Total lockbox contributions since inception total \$86M comprised of \$25M in operating savings, \$6M in real estate proceeds, and \$55M in excess debt reserves transferred