

**MTA Long Island Rail Road  
November Financial Plan 2009-2012  
Additional Actions for Budget Balance**

Given the downturn in the economy and its impact on the financial plan, the MTA recently asked its agencies to develop additional actions to achieve budget balance, part of which would be achieved through a 5% cut in administrative/managerial costs.

The Long Island Rail Road's effort to meet its \$54 million annualized reduction target was difficult. The first priority was to identify as many actions as possible that would produce administrative savings and efficiencies but not impact mission critical services to customers. Consequently, approximately 64% of the full-year value of the LIRR's contingency plan package is achieved in this manner. Unfortunately, it is not possible to achieve a budget reduction of this magnitude without affecting service, and the remaining 36% of the package would result in reduced train service and/or customer amenities. That having been said, the actions in the plan were selected because they would have the lowest impact on the fewest number of riders.

The actions would place pressure on the LIRR to maintain service standards and sustain recent improvements in operating performance, because the size of the workforce would drop by 320 positions by the end of 2010 if the full plan were put into effect. It is anticipated that eliminating selected vacant positions and accomplishing the remainder through natural attrition could achieve this reduction. The LIRR is confident in the dedicated men and women of the LIRR to continue their record of accomplishment.

The list below summarizes the individual proposals:

## **ADMINISTRATION**

### **Administrative Headcount Reductions**

The LIRR would reduce its administrative staffing level by 18 positions by the end of 2010. Departments would balance the workload among remaining staff. Five of these positions are currently vacant. The rest would be eliminated through attrition.

### **Engineering Administrative & Support Headcount Reductions**

The LIRR would eliminate five vacant positions in the Engineering Department that have administrative and support responsibilities.

### **Maintenance of Equipment Administrative Headcount Reductions**

The LIRR would reduce staffing of the crew board that monitors staff utilization and manpower allocation. Two vacant positions would be eliminated.

### **Miscellaneous Non-Payroll reductions**

Advertising, consulting and other non-payroll spending would be reduced.

### **Re-Estimate of Leave Balance Payments**

Based on prior year trends, the LIRR believes it can reduce its budget provision for Leave Balance lump sum payments.

### **Eliminate Vacant Maintenance of Equipment Management Support Positions**

The LIRR would eliminate five vacant management positions, including one Master Mechanic, two Supervisors of Equipment, one Software Configuration Manager and one Mechanical Engineer, Operations Engineering.

### **Reduction to Administrative Support Staffing and Non-Payroll in Transportation**

The LIRR would reduce the size of its Special Duty Conductor team by one position through redeployment. This team monitors train crew fare collection practices. The Rail Road also would eliminate one vacant Transportation Supervisory position, which assists the Rail Road in recruiting for Transportation Manager positions by expanding the pool of eligible candidates. Finally, this reduction initiative will delay non-FRA required training.

## **CUSTOMER CONVENIENCE/AMENITIES**

### **Close Ticket Windows/Reduce Ticket Selling Positions**

The LIRR would close ticket offices at its 20 lowest utilized stations, reduce overnight ticket selling tours at Penn Station, Jamaica and Flatbush, and reduce the ticket clerk extra list and overtime. This would leave 30 stations with open ticket offices. Additional staffing for ticket vending machine maintenance would partially offset the impact of these reductions.

### **Delay/Cancel Maintenance Upgrades to M3 Toilets and Interiors**

The LIRR would reduce the size of its mobile toilet gang, which is responsible for the maintenance and repair of toilets on the fleet. It would also cancel the scheduled overhaul of M3 toilets and the 6-year program to replace seats, windows, wainscot and lighting on the M3s.

### **Cancel the Elevator/Escalator Remote Sensor Pilot**

The Engineering Department's budget contains funding to install elevator/escalator remote sensing system at selected sites as a pilot initiative. The sensors would enable the Rail Road to report the operating status of elevators and escalators in real time on the web site. The reduction would eliminate the funding for this pilot initiative.

### **Reduce Graffiti Removal and Station Maintenance**

The dedicated Graffiti Removal Team would be eliminated and its two staff redeployed. Existing staff will address graffiti removal requests as workload permits.

### **Reduce Travel Information Office Staffing**

The Travel Information Center staffing will be reduced by 11% through attrition. The travel information center handles customer calls for travel related information.

## **MAINTENANCE**

### **Arch Street Maintenance Facility**

The November Financial Plan adds new positions to the Maintenance of Equipment Department in 2010, when it would assume operational responsibility for the Arch Street Maintenance Facility. This proposal would forego the new positions and require the Maintenance of Equipment Department to shift existing budgeted work to the Arch Street Maintenance Facility.

### **Electrician Apprenticeship Program**

The LIRR would cancel the start-up of a two year Electrician Apprenticeship Program within the Maintenance of Equipment Department. This would eliminate 15 vacant positions.

### **Eliminate Operating Funds for Bridge Painting**

The LIRR would eliminate all bridge painting funded in the operating budget. Beginning in 2009, only capitally funded projects would take place.

### **Engineering Overtime Reductions**

The Engineering Department will reduce its non-reimbursable overtime budget by 12%. This will be achieved by only performing critical repair needs on overtime. All other work will be conducted on straight time.

### **Extend Life Cycle Maintenance (LCM) Program.**

Due to the better than anticipated performance of the M7 fleet, the LIRR would immediately re-balance the five-year LCM program from 90 pairs per year to 84 pairs per year. In order to achieve the full \$6.5 million in annual savings from this proposal, the Rail Road would need to secure an FRA waiver to extend the 5-year replacement requirement of air brakes to six years. Meetings with the FRA already have occurred.

### **Extend Vehicle Replacement Cycle – Reduce Annual Purchase Requirement**

The LIRR would extend the replacement cycle by one year for most vehicle types, thereby reducing the number of work vehicles and passenger cars purchased, saving \$700,000 annually.

### **Improve Inventory Management**

The LIRR believes that by implementing new oversight and accountability measures, it can reduce its materials purchases. The savings are net of adding two additional positions required to achieve these savings.

### **Re-Estimate of Material and Consultant Costs in Maintenance of Equipment**

Based on prior year spending trends, the LIRR will reduce non-payroll funding for material and consultants to a level more in line with prior year actual costs.

### **Re-Estimate Life Cycle Maintenance Contingency Budget**

The Maintenance of Equipment Life Cycle Maintenance budget reflects the rebuild and reuse of rolling stock components. The annual work level includes an assumption for rebuilding spare material. The spare LCM inventory rebuilt by the support shops would be reduced by 50% to reflect actual experience.

### **Reduce Right of Way Maintenance**

The LIRR would generate \$2.4 million in savings by reducing its right of way and tree trimming efforts by 25%.

### **Reduce Staffing for Maintenance & Repair of Power and Communication Systems**

The LIRR would reduce its staffing dedicated to communication, third-rail, lighting system, and substation maintenance by 11% through attrition. Remaining staff would absorb the workload.

### **Reduction in Station Maintenance**

The LIRR would reduce its staffing dedicated to station and facility maintenance by 8% through attrition. In addition, the proposal would result in an 80% reduction to third party station painting. Requests for assistance from branch line managers and the public would be addressed as manpower becomes available.

## **REVENUE**

### **Exterior Train Car Advertisement Pilot Project**

The LIRR will pursue the placement of advertisements on the exterior of its M7 fleet. Based on placing advertisement on 100 cars, it is estimated that the LIRR would generate \$3 million annually.

## **SAFETY & SECURITY**

### **Modify Gap Mitigation**

The LIRR will pursue new FRA capital funds of approximately \$6 million to support a portion of the 5'7" platform gap mitigation work in 2008. Further, this proposal would eliminate via attrition two of the four special platform conductors that were funded per the Gap Safety Initiative.

### **Re-Estimate of Environmental Maintenance Costs**

Based on prior experience, the LIRR believes it can reduce funding for Environmental Maintenance by 20%.

## **SERVICE**

### **Reduce Spare Ratio - Place M3 Cars in Reserve**

The LIRR would place 10 M3 cars into a non-revenue service reserve status. They would not be available for service.

### **Service Reductions**

The LIRR would eliminate train service in a manner that impacts the least number of riders and would still leave them with viable alternative transportation options. Proposed service reduction would include: elimination of Port Washington off-peak half hourly service, elimination of non-Stakes Belmont service (visitors would have the option to utilize bus service from the nearby Queens Village Station), eliminate weekend West Hempstead service (riders would be able to utilize train service from the nearby Babylon and Hempstead branches). In addition, selected trains would be cancelled and combined in a manner that increases capacity utilization, bringing ridership levels close to the maximum permitted under the Service Guidelines. Specific proposals include merging two AM peak and two PM Babylon Branch trains, canceling one PM peak Long Beach train and canceling one Ronkonkoma PM peak train. These savings will also result in corresponding fleet support reductions.

## **SERVICE SUPPORT**

### **Train Crew Staffing Reductions**

Various crews would be combined to generate headcount savings through attrition. Further, additional Collector positions that supplement the base crew for fare collection on crowded trains would be reduced by 50% through attrition.

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MTA CATEGORY	DESCRIPTION	2009		2010		2011		2012	
		Pos YE	\$ millions	POS	\$ millions	POS	\$ millions	POS	\$ millions
Administration or Management	Administrative Headcount Reductions	13	\$1.2	18	\$1.6	18	\$1.8	18	\$1.9
Administration or Management	Engineering administrative & support headcount reductions	5	\$0.5	5	\$0.5	5	\$0.5	5	\$0.5
Administration or Management	Maintenance of Equipment administrative headcount reductions	2	\$0.2	2	\$0.2	2	\$0.2	2	\$0.2
Administration or Management	Miscellaneous Non-payroll reductions	-	\$1.8	-	\$1.7	-	\$1.7	-	\$1.7
Administration or Management	Re-estimate of leave balance payments	-	\$0.2	-	\$0.1	-	\$0.1	-	\$0.1
Administration or Management	Eliminate vacant Maintenance of Equipment management support positions	5	\$0.5	5	\$0.5	5	\$0.5	5	\$0.5
Administration or Management	Reduction to administrative support staffing and non-payroll in Transportation	2	\$0.4	2	\$0.3	2	\$0.3	2	\$0.3
		27	\$4.7	32	\$4.8	32	\$5.1	32	\$5.2
Customer Convenience & Amenities	Close ticket windows/reduce ticket selling positions	-	\$0.0	26	\$2.2	26	\$2.3	26	\$2.3
Customer Convenience & Amenities	Delay/cancel maintenance upgrades to M3 toilets & interiors	10	\$1.8	13	\$1.9	13	\$2.0	13	\$2.0
Customer Convenience & Amenities	Cancel the elevator/escalator remote sensor pilot	-	\$0.5	-	\$0.0	-	\$0.0	-	\$0.0
Customer Convenience & Amenities	Reduce graffiti removal and station maintenance	-	\$0.0	2	\$0.2	2	\$0.2	2	\$0.2
Customer Convenience & Amenities	Reduce Travel Information Office Staffing	2	\$0.2	2	\$0.2	2	\$0.2	2	\$0.2
		12	\$2.5	43	\$4.5	43	\$4.6	43	\$4.7
Maintenance	Arch Street Maintenance Facility	-	\$0.0	21	\$2.0	21	\$2.1	21	\$2.1
Maintenance	Electrician Apprentice Program	15	\$1.0	15	\$1.0	15	\$1.1	15	\$1.1
Maintenance	Eliminate operating funds for bridge painting	-	\$3.0	-	\$0.5	-	\$0.5	-	\$0.5

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Maintenance	Engineering overtime reductions	-	\$1.1	-	\$1.2	-	\$1.2	-	\$1.3
Maintenance	Extend Life Cycle Maintenance program	24	\$2.3	24	\$6.5	24	\$6.7	24	\$6.9
Maintenance	Extend vehicle replacement cycle - reduce annual purchase requirement	-	\$0.7	-	\$0.7	-	\$0.7	-	\$0.7
Maintenance	Improve Inventory Management	(2)	(\$0.3)	(2)	\$1.7	(2)	\$2.7	(2)	\$2.7
Maintenance	Re-estimate material and consultant costs in Maintenance of Equipment	-	\$0.3	-	\$0.3	-	\$0.3	-	\$0.3
Maintenance	Re-estimate Life Cycle Maintenance contingency budget	5	\$1.5	5	\$1.5	5	\$1.6	5	\$1.6
Maintenance	Reduce maintenance of right of way	-	\$0.6	15	\$2.4	15	\$2.3	15	\$2.4
Maintenance	Reduce staffing for maintenance & repair of Power and Communication systems	11	\$1.0	16	\$1.6	17	\$1.7	17	\$1.8
Maintenance	Reduction to station maintenance	3	\$0.9	11	\$1.6	5	\$1.1	5	\$1.1
Revenue	Exterior train car advertisement	56	\$12.1	105	\$21.0	100	\$21.9	100	\$22.4
Safety & Security	Modify gap mitigation schedule	2	\$6.2	4	\$0.2	4	\$0.2	4	\$0.2
Safety & Security	Re-estimate of environmental maintenance costs	-	\$0.0	-	\$0.0	-	\$0.0	-	\$0.0
Service	Reduce Spare Ratio - place M3 cars in reserve	2	\$6.2	4	\$0.2	4	\$0.3	4	\$0.3
Service	Service Reductions	40	\$4.5	85	\$12.6	65	\$11.0	65	\$11.3
Service Support	Train crew staffing reductions	49	\$6.7	94	\$14.8	74	\$13.2	74	\$13.6
		19	\$2.5	42	\$4.5	42	\$4.6	42	\$4.7
		19	\$2.5	42	\$4.5	42	\$4.6	42	\$4.7
		165	\$36.2	320	\$52.8	295	\$52.6	295	\$54.0