

**MTA
Long Island Bus**

MTA Long Island Bus 2005 Preliminary Budget July Financial Plan 2005 - 2008

MISSION STATEMENT

MTA Long Island Bus remains committed to providing a safe, reliable, convenient and efficient transit bus service throughout Nassau, eastern Queens and western Suffolk counties.

AGENCY OVERVIEW

LI Bus operates 339 fixed route and 85 Paratransit buses. Ridership in 2003 was 30.04 million on Fixed Route and 309.6 thousand on Paratransit. Fixed route ridership is projected to remain the same in 2004 and increase by less than 1% in each of the years 2005-2008. Paratransit continues to show increases in ridership of 5% and 6% for the years 2005-2008, as service demand continues to increase.

LI Bus continues to address the needs of its customers and employees by utilizing the latest technology to improve scheduling, communication, safety and reliability of its fleet. Through the use of JobAccess/Reverse Commute (JARC), Community Solutions for Transportation (CST) and Innovative Mobility Demonstration grants, we continue to be responsive and flexible in providing services that meet the demand for weekend, job access and reverse commute services on the fixed route system.

FINANCIAL OVERVIEW

The shortfall in Nassau County's 2004 subsidy has presented challenges to LI Bus's 2004 operating budget. Internal austerity measures were implemented to offset this gap. Projected savings from these internal initiatives are expected to reduce expenditures by \$1.7 million in 2004. However, the full benefit will not be realized due to unexpected increase in variables such as fuel, utilities, workers compensation and lower fare box revenue.

LI Bus plans services to best meet customer's demands while being cognizant of financial constraints. The 2005 budget provides comparable service levels as provided in the previous year, with the expectation that the operating deficit will be funded by subsidies from Nassau County or New York State. MTA has capped its subsidy funding at the 2004 level of \$14.771 million. Should our subsidy assumptions fall short, LI Bus will take action to close the resulting budget gap in 2005-2008.

PROGRAMMATIC OVERVIEW

The final phase of the conversion of LI Bus's fixed route fleet to 100% compressed natural gas (CNG) is near completion. At the start of 2004, there were 49 diesel buses in the fleet. As of July 15, 2004, 28 of these buses were replaced with the remainder scheduled for replacement by August. This will make LI Bus the largest 100% CNG fleet in the nation.

LI Bus received five expansion Paratransit buses during the last quarter in 2003. Plans to replace another 22 vehicles in 2004 are on schedule.

**MTA Long Island Bus
2005 Preliminary Budget
July Financial Plan 2005 - 2008**

The automated vehicle locator system will be fully deployed in 2004, providing increased efficiency and management of the fleet by monitoring, measuring and optimizing schedule and route adherence.

Plans are in place to develop a training center in our Rockville Centre depot that will include a bus simulator used to provide “state of the art” training and accident simulation for our bus operators.

Steady progress is being made on the rehabilitation of the Stewart Avenue Paratransit facility; completion is scheduled for early 2006.

POSITIONS

There are no position increases in the 2004-2008 budget.

MTA Long Island Bus
July Financial Plan 2005 - 2008
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE

	2004		2005		2006		2007		2008	
	2003	Mid-Year	Preliminary	Budget	2006	2007	2008	2008	2008	2008
<u>Revenue</u>	Actuals	Forecast	Budget	Budget	2006	2007	2008	2008	2008	2008
Farebox Revenue	\$ 35.326	\$ 37.100	\$ 37.175	\$ 37.175	\$ 37.450	\$ 37.593	\$ 37.692	\$ 37.692	\$ 37.692	\$ 37.692
Vehicle Toll Revenue	-	-	-	-	-	-	-	-	-	-
Other Operating Revenue	3.530	3.759	4.426	4.426	4.279	3.935	3.973	3.973	3.973	3.973
Capital and Other Reimbursements	-	-	-	-	-	-	-	-	-	-
Total Revenue	\$ 38.856	\$ 40.859	\$ 41.601	\$ 41.601	\$ 41.729	\$ 41.528	\$ 41.665	\$ 41.665	\$ 41.665	\$ 41.665
<u>Expenses</u>										
Labor:										
Payroll	\$ 54.099	\$ 55.465	\$ 59.210	\$ 59.210	\$ 61.378	\$ 63.141	\$ 65.026	\$ 65.026	\$ 65.026	\$ 65.026
Overtime	5.120	4.787	4.991	4.991	5.175	5.330	5.490	5.490	5.490	5.490
Health and Welfare	8.836	9.714	11.204	11.204	12.253	13.449	14.889	14.889	14.889	14.889
Pensions	1.835	4.122	5.108	5.108	5.351	5.506	6.526	6.526	6.526	6.526
Other Fringe Benefits	5.317	6.457	6.599	6.599	6.860	7.121	7.334	7.334	7.334	7.334
Reimbursable Overhead	-	-	-	-	-	-	-	-	-	-
Total Labor Expenses	\$ 75.207	\$ 80.545	\$ 87.112	\$ 87.112	\$ 91.016	\$ 94.547	\$ 99.265	\$ 99.265	\$ 99.265	\$ 99.265
Non-Labor:										
Traction and Propulsion Power										
Fuel for Buses and Trains	\$ 5.430	\$ 5.866	\$ 5.266	\$ 5.266	\$ 5.094	\$ 5.266	\$ 5.367	\$ 5.367	\$ 5.367	\$ 5.367
Insurance	0.069	0.014	0.014	0.014	0.014	0.014	0.015	0.015	0.015	0.015
Claims	5.251	2.725	2.840	2.840	2.945	3.033	3.125	3.125	3.125	3.125
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-	-
Maintenance and Other										
Operating Contracts	3.042	3.187	3.464	3.464	3.651	3.768	3.887	3.887	3.887	3.887
Professional Service Contracts	1.594	1.634	1.643	1.643	1.727	1.789	1.843	1.843	1.843	1.843
Materials & Supplies	2.146	2.161	2.495	2.495	2.607	2.797	2.975	2.975	2.975	2.975
Other Business Expenses	2.902	3.655	3.814	3.814	3.928	4.048	4.022	4.022	4.022	4.022
Total Non-Labor Expenses	\$ 20.434	\$ 19.242	\$ 19.536	\$ 19.536	\$ 19.966	\$ 20.715	\$ 21.234	\$ 21.234	\$ 21.234	\$ 21.234
Other Expenses Adjustments:										
Other	-	-	-	-	-	-	-	-	-	-
Total Other Expense Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenses before Depreciation	\$ 95.641	\$ 99.787	\$ 106.648	\$ 106.648	\$ 110.982	\$ 115.262	\$ 120.499	\$ 120.499	\$ 120.499	\$ 120.499
Depreciation	-	-	-	-	-	-	-	-	-	-
Total Expenditures	\$ 95.641	\$ 99.787	\$ 106.648	\$ 106.648	\$ 110.982	\$ 115.262	\$ 120.499	\$ 120.499	\$ 120.499	\$ 120.499
Baseline Net Accrual Deficit	\$ (56.785)	\$ (58.928)	\$ (65.047)	\$ (65.047)	\$ (69.253)	\$ (73.734)	\$ (78.834)	\$ (78.834)	\$ (78.834)	\$ (78.834)

MTA Long Island Bus
July Financial Plan 2005 - 2008
Accrual Statement of Operations by Category
(\$ in millions)

**NON-REIMBURSABLE and
REIMBURSABLE**

	2004		2005		2006	2007	2008
	2003 Actuals	Mid-Year Forecast	Preliminary Budget				
Revenue							
Farebox Revenue	\$ 35.326	\$ 37.100	\$ 37.175	\$ 37.450	\$ 37.593	\$ 37.692	
Vehicle Toll Revenue	-	-	-	-	-	-	
Other Operating Revenue	3.530	3.759	4.426	4.279	3.935	3.973	
Capital and Other Reimbursements	4.194	4.331	4.392	4.429	4.567	4.617	
Total Revenue	\$ 43.050	\$ 45.190	\$ 45.993	\$ 46.158	\$ 46.095	\$ 46.282	
Expenses							
Labor:							
Payroll	\$ 54.786	\$ 56.210	\$ 60.040	\$ 62.236	\$ 64.104	\$ 66.027	
Overtime	5.120	4.787	4.991	5.175	5.330	5.490	
Health and Welfare	8.967	9.875	11.335	12.388	13.601	15.047	
Pensions	1.859	4.189	5.163	5.407	5.569	6.592	
Other Fringe Benefits	5.369	6.515	6.675	6.939	7.210	7.426	
Reimbursable Overhead	-	-	-	-	-	-	
Total Labor Expenses	\$ 76.101	\$ 81.576	\$ 88.204	\$ 92.145	\$ 95.814	\$ 100.582	
Non-Labor:							
Traction and Propulsion Power							
Fuel for Buses and Trains	\$ 5.430	\$ 5.866	\$ 5.266	\$ 5.094	\$ 5.266	\$ 5.367	
Insurance	0.069	0.014	0.014	0.014	0.014	0.015	
Claims	5.251	2.725	2.840	2.945	3.033	3.125	
Paratransit Service Contracts	-	-	-	-	-	-	
Maintenance and Other							
Operating Contracts	3.042	3.187	3.464	3.651	3.768	3.887	
Professional Service Contracts	1.594	1.634	1.643	1.727	1.789	1.843	
Materials & Supplies	5.446	5.461	5.795	5.907	6.097	6.275	
Other Business Expenses	2.902	3.655	3.814	3.928	4.048	4.022	
Total Non-Labor Expenses	\$ 23.734	\$ 22.542	\$ 22.836	\$ 23.266	\$ 24.015	\$ 24.534	
Other Expenses Adjustments:							
Other	-	-	-	-	-	-	
Total Other Expense Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Expenses before Depreciation	\$ 99.835	\$ 104.118	\$ 111.040	\$ 115.411	\$ 119.829	\$ 125.116	
Depreciation	-	-	-	-	-	-	
Total Expenditures	\$ 99.835	\$ 104.118	\$ 111.040	\$ 115.411	\$ 119.829	\$ 125.116	
Baseline Net Accrual Deficit	\$ (56.785)	\$ (58.928)	\$ (65.047)	\$ (69.253)	\$ (73.734)	\$ (78.834)	

MTA Long Island Bus
July Financial Plan 2005 - 2008
Cash Receipts & Expenditures
(\$ in millions)

	2003	2004	2005				
	Actuals	Mid-Year	Preliminary	2006	2007	2008	
Receipts							
Farebox Revenue	\$ 34.944	\$ 36.683	\$ 36.745	\$ 37.010	\$ 37.143	\$ 37.230	
Vehicle Toll Revenue	-	-	-	-	-	-	
Other Operating Revenue	4.355	4.759	5.555	5.513	5.163	5.200	
Capital and Other Reimbursements	4.011	4.325	4.355	4.386	4.518	4.529	
Total Receipts	\$ 43.310	\$ 45.767	\$ 46.655	\$ 46.909	\$ 46.824	\$ 46.959	
Expenditures							
Labor:							
Payroll	\$ 53.327	\$ 55.598	\$ 59.410	\$ 61.588	\$ 63.436	\$ 65.339	
Overtime	4.984	4.733	4.964	5.146	5.300	5.459	
Health and Welfare	10.091	10.875	12.463	13.622	14.889	16.274	
Pensions	2.311	4.927	5.201	5.445	5.608	6.638	
Other Fringe Benefits	6.042	6.485	6.645	6.908	7.178	7.393	
Reimbursable Overhead	-	-	-	-	-	-	
Total Labor Expenditures	\$ 76.755	\$ 82.618	\$ 88.683	\$ 92.709	\$ 96.411	\$ 101.103	
Non-Labor:							
Traction and Propulsion Power	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Fuel for Buses and Trains	5.622	5.786	5.181	5.006	5.171	5.262	
Insurance	-	0.014	0.014	0.014	0.014	0.015	
Claims	2.562	3.775	2.800	2.900	2.987	3.077	
Paratransit Service Contracts	-	-	-	-	-	-	
Maintenance and Other Operating Contracts	2.793	3.080	3.347	3.524	3.632	3.743	
Professional Service Contracts	1.463	1.523	1.588	1.680	1.736	1.794	
Materials & Supplies	5.484	5.449	5.740	5.853	6.028	6.209	
Other Business Expenses	3.271	3.603	3.749	3.860	3.977	3.952	
Total Non-Labor Expenditures	\$ 21.195	\$ 23.230	\$ 22.419	\$ 22.837	\$ 23.545	\$ 24.052	
Other Expenditure Adjustments:							
Other Unspecified PEGS	-	-	-	-	-	-	
Total Other Expenditure Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Expenditures	\$ 97.950	\$ 105.848	\$ 111.102	\$ 115.546	\$ 119.956	\$ 125.155	
Baseline Net Cash Deficit	\$ (54.640)	\$ (60.081)	\$ (64.447)	\$ (68.637)	\$ (73.132)	\$ (78.196)	

MTA Long Island Bus
July Financial Plan 2005 - 2008
Cash Conversion (Cash Flow Adjustment)
(\$ in millions)

	2003	2004	2005			
	Actuals	Mid-Year	Preliminary	2006	2007	2008
Receipts						
Farebox Revenue	\$ (0.382)	\$ (0.417)	\$ (0.430)	\$ (0.440)	\$ (0.450)	\$ (0.462)
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	0.825	1.000	1.129	1.234	1.228	1.227
Capital and Other Reimbursements	(0.183)	(0.006)	(0.037)	(0.043)	(0.049)	(0.088)
Total Receipts	\$ 0.260	\$ 0.577	\$ 0.662	\$ 0.751	\$ 0.729	\$ 0.677
Expenditures						
Labor:						
Payroll	\$ 1.459	\$ 0.612	\$ 0.630	\$ 0.648	\$ 0.668	\$ 0.688
Overtime	0.136	0.054	0.027	0.029	0.030	0.031
Health and Welfare	(1.124)	(1.000)	(1.128)	(1.234)	(1.288)	(1.227)
Pensions	(0.452)	(0.738)	(0.038)	(0.038)	(0.039)	(0.046)
Other Fringe Benefits	(0.673)	0.030	0.030	0.031	0.032	0.033
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$ (0.654)	\$ (1.042)	\$ (0.479)	\$ (0.564)	\$ (0.597)	\$ (0.521)
Non-Labor:						
Traction and Propulsion Power	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fuel for Buses and Trains	(0.192)	0.080	0.085	0.088	0.095	0.105
Insurance	0.069	-	-	-	-	-
Claims	2.689	(1.050)	0.040	0.045	0.046	0.048
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	0.249	0.107	0.117	0.127	0.136	0.144
Professional Service Contracts	0.131	0.111	0.055	0.047	0.053	0.049
Materials & Supplies	(0.038)	0.012	0.055	0.054	0.069	0.066
Other Business Expenses	(0.369)	0.052	0.065	0.068	0.071	0.070
Total Non-Labor Expenditures	\$ 2.539	\$ (0.688)	\$ 0.417	\$ 0.429	\$ 0.470	\$ 0.482
Other Expenditure Adjustments:						
Other Unspecified PEGS	-	-	-	-	-	-
Total Other Expenditure Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenditures	\$ 1.885	\$ (1.730)	\$ (0.062)	\$ (0.135)	\$ (0.127)	\$ (0.039)
Baseline Net Cash Surplus/ (Deficit)	\$ 2.145	\$ (1.153)	\$ 0.600	\$ 0.616	\$ 0.602	\$ 0.638

**MTA Long Island Bus
2005 Preliminary Budget
July Financial Plan 2005 - 2008**

YEAR TO YEAR

The year-to-date actual reduction in average passenger fares and ridership are reflected in the 2005-2008 fixed route revenue and ridership numbers. Fixed route ridership is projected to increase a modest .25% in 2005. Paratransit service is projected to increase 3% each year.

Adjustments to expenses were based on Economic Indicator forecasts, contractual obligations and programmatic needs:

- The 2005-2008 changes to base salary reflect existing contracts and inflationary factors, thereafter.
- Pension expenses reflect the rates for the NYSERS pension plan, including the term life rate, applied for all employees in NYSERS. Rates increased from a low of 4.9% in 2003/2004 to an estimated 11.1% in 2007/2008. Whereas the MTA Defined Benefit Retirement System does not require LI Bus employer contribution, as headcount increases and/or retirees are replaced with new hires entering the NYSERS plan, additional expenses are incurred.
- Health Insurance costs were adjusted based on the MTA guidelines. Increases over prior year are projected to be 12.9% in 2005 and 9.3% in each of the other years in the plan.
- Workers Compensation is experiencing a higher than budgeted rate in 2004 and is factored into projections for the out years.
- Other Fringes show changes reflective of changes to base salary excepting in cases where it pertains to unique allowances such as Uniform and Tool allowances.
- Fuel and Utilities – changes mirror the Global Insight, Inc. forecast indicators that were provided by MTA.
- Claims – projected to be \$0.975 million lower in 2005 than 2004, which included an allocation for claims related to the Hempstead Transit Center accident.
- All Service contracts, Materials and Supplies are projected to increase according to inflation.

MTA Long Island Bus
July Financial Plan 2005 - 2008
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

**NON-REIMBURSABLE and
REIMBURSABLE**

	Favorable/(Unfavorable)									
	2004	2005	Change 2005 - 2004	2006	Change 2006 - 2005	2007	Change 2007 - 2006	2008	Change 2008 - 2007	
Revenue										
Farebox Revenue	\$ 37.100	\$ 37.175	\$ 0.075	\$ 37.450	\$ 0.275	\$ 37.593	\$ 0.143	\$ 37.692	\$ 0.099	
Vehicle Toll Revenue	-	-	-	-	-	-	-	-	-	
Other Operating Revenue	3.759	4.426	0.667	4.279	(0.147)	3.935	(0.344)	3.973	0.038	
Capital and Other Reimbursements	4.331	4.392	0.061	4.429	0.037	4.567	0.138	4.617	0.050	
Total Revenue	\$ 45.190	\$ 45.993	\$ 0.803	\$ 46.158	\$ 0.165	\$ 46.095	\$ (0.063)	\$ 46.282	\$ 0.187	
Expenses										
Labor:										
Payroll	\$ 56.210	\$ 60.040	\$ 3.830	\$ 62.236	\$ 2.196	\$ 64.104	\$ 1.868	\$ 66.027	\$ 1.923	
Overtime	4.787	4.991	0.204	5.175	0.184	5.330	0.155	5.490	0.160	
Health and Welfare	9.875	11.335	1.460	12.388	1.053	13.601	1.213	15.047	1.446	
Pensions	4.189	5.163	0.974	5.407	0.244	5.569	0.162	6.592	1.023	
Other Fringe Benefits	6.515	6.675	0.160	6.939	0.264	7.210	0.271	7.426	0.216	
Reimbursable Overhead	-	-	-	-	-	-	-	-	-	
Total Labor Expenses	\$ 81.576	\$ 88.204	\$ 6.628	\$ 92.145	\$ 3.941	\$ 95.814	\$ 3.669	\$ 100.582	\$ 4.768	
Non-Labor:										
Traction and Propulsion Power	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Fuel for Buses and Trains	5.866	5.266	(0.600)	5.094	(0.172)	5.266	0.172	5.367	0.101	
Insurance	0.014	0.014	-	0.014	-	0.014	-	0.015	0.001	
Claims	2.725	2.840	0.115	2.945	0.105	3.033	0.088	3.125	0.092	
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-	
Maintenance and Other	3.187	3.464	0.277	3.651	0.187	3.768	0.117	3.887	0.119	
Professional Service Contracts	1.634	1.643	0.009	1.727	0.084	1.789	0.062	1.843	0.054	
Materials & Supplies	5.461	5.795	0.334	5.907	0.112	6.097	0.190	6.275	0.178	
Other Business Expenses	3.655	3.814	0.159	3.928	0.114	4.048	0.120	4.022	(0.026)	
Total Non-Labor Expenses	\$ 22.542	\$ 22.836	\$ 0.294	\$ 23.266	\$ 0.430	\$ 24.015	\$ 0.749	\$ 24.534	\$ 0.519	
Other Expenses Adjustments:										
Other	-	-	-	-	-	-	-	-	-	
Total Other Expense Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Expenses before Depreciation	\$ 104.118	\$ 111.040	\$ 6.922	\$ 115.411	\$ 4.371	\$ 119.829	\$ 4.418	\$ 125.116	\$ 5.287	
Depreciation	-	-	-	-	-	-	-	-	-	
Total Expenses	\$ 104.118	\$ 111.040	\$ 6.922	\$ 115.411	\$ 4.371	\$ 119.829	\$ 4.418	\$ 125.116	\$ 5.287	
Baseline Net Surplus/(Deficit)	\$ (58.928)	\$ (65.047)	\$ (6.119)	\$ (69.253)	\$ (4.206)	\$ (73.734)	\$ (4.481)	\$ (78.834)	\$ (5.100)	
Program to Eliminate the Gap										
Net Surplus/(Deficit)	\$ (58.928)	\$ (65.047)	\$ (6.119)	\$ (69.253)	\$ (4.206)	\$ (73.734)	\$ (4.481)	\$ (78.834)	\$ (5.100)	

MTA Long Island Bus
July Financial Plan 2005 - 2008
Year-to-Year Changes by Category - Cash Basis
(\$ in millions)

	Favorable/(Unfavorable)									
	2004	2005	Change 2005 - 2004	2006	Change 2006 - 2005	2007	Change 2007 - 2006	2008	Change 2008 - 2007	
Cash Receipts & Expenditures										
<u>Receipts</u>										
Farebox Revenue	\$ 36.683	\$ 36.745	\$ 0.062	\$ 37.010	\$ 0.265	\$ 37.143	\$ 0.133	\$ 37.230	\$ 0.087	
Vehicle Toll Revenue	-	-	-	-	-	-	-	-	-	
Other Operating Revenue	4.759	5.555	0.796	5.513	(0.042)	5.163	(0.350)	5.200	0.037	
Capital and Other Reimbursements	4.325	4.355	0.030	4.386	0.031	4.518	0.132	4.529	0.011	
Total Receipts	\$ 45.767	\$ 46.655	\$ 0.888	\$ 46.909	\$ 0.254	\$ 46.824	\$ (0.085)	\$ 46.959	\$ 0.135	
<u>Expenditures</u>										
Labor:										
Payroll	\$ 55.598	\$ 59.410	\$ 3.812	\$ 61.588	\$ 2.178	\$ 63.436	\$ 1.848	\$ 65.339	\$ 1.903	
Overtime	4.733	4.964	0.231	5.146	0.182	5.300	0.154	5.459	0.159	
Health and Welfare	10.875	12.463	1.588	13.622	1.159	14.889	1.267	16.274	1.385	
Pensions	4.927	5.201	0.274	5.445	0.244	5.608	0.163	6.638	1.030	
Other Fringe Benefits	6.485	6.645	0.160	6.908	0.263	7.178	0.270	7.393	0.215	
Reimbursable Overhead	-	-	-	-	-	-	-	-	-	
Total Labor Expenditures	\$ 82.618	\$ 88.683	\$ 6.065	\$ 92.709	\$ 4.026	\$ 96.411	\$ 3.702	\$ 101.103	\$ 4.692	
Non-Labor:										
Traction and Propulsion Power	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Fuel for Buses and Trains	5.786	5.181	(0.605)	5.006	(0.175)	5.171	0.165	5.262	0.091	
Insurance	0.014	0.014	-	0.014	-	0.014	-	0.015	0.001	
Claims	3.775	2.800	(0.975)	2.900	0.100	2.987	0.087	3.077	0.090	
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-	
Maintenance and Other										
Operating Contracts	3.080	3.347	0.267	3.524	0.177	3.632	0.108	3.743	0.111	
Professional Service Contracts	1.523	1.588	0.065	1.680	0.092	1.736	0.056	1.794	0.058	
Materials & Supplies	5.449	5.740	0.291	5.853	0.113	6.028	0.175	6.209	0.181	
Other Business Expenses	3.603	3.749	0.146	3.860	0.111	3.977	0.117	3.952	(0.025)	
Total Non-Labor Expenditures	\$ 23.230	\$ 22.419	\$ (0.811)	\$ 22.837	\$ 0.418	\$ 23.545	\$ 0.708	\$ 24.052	\$ 0.507	
Other Expenditure Adjustments:										
Other	-	-	-	-	-	-	-	-	-	
Total Other Expenditure Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Expenditures	\$ 105.848	\$ 111.102	\$ 5.254	\$ 115.546	\$ 4.444	\$ 119.956	\$ 4.410	\$ 125.155	\$ 5.199	
Baseline Net Cash Deficit	\$ (60.081)	\$ (64.447)	\$ (4.366)	\$ (68.637)	\$ (4.190)	\$ (73.132)	\$ (4.495)	\$ (78.196)	\$ (5.064)	
Program to Eliminate the Gap										
Opening Cash	\$ 2.377	\$ -	(2.377)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Net Cash Deficit	\$ (57.704)	\$ (64.447)	\$ (6.743)	\$ (68.637)	\$ (4.190)	\$ (73.132)	\$ (4.495)	\$ (78.196)	\$ (5.064)	

**MTA Long Island Bus
July Financial Plan 2005 - 2008
Ridership/Traffic Volume (Utilization)
(in millions)**

	2003 Actuals	2004 Mid-Year Forecast	2005 Preliminary Budget	2006	2007	2008
Fixed Route	29.946	29.979	30.054	30.218	30.430	30.643
Paratransit	0.321	0.345	0.365	0.380	0.406	0.434
Baseline Total Ridership	30.267	30.324	30.419	30.598	30.836	31.077
<i>Impact of:</i>						
New Needs						
Program to Eliminate the Gap (Fixed/Para)			0	0	0	0
Total Ridership			30.419	30.598	30.836	31.077

**MTA Long Island Bus
2005 Preliminary Budget
July Financial Plan 2005 - 2008**

PLAN TO PLAN OVERVIEW

The major changes between the February and July Plans 2004-2008 were caused by similar variables:

Lower than planned average fares and reduced ridership levels resulted in the change in revenue projections. Other operating revenues helped to offset the fare box projections.

Operating expenses in the July plan were lower due to the projected Vacancy and Administrative savings. The net effect of revised inflators and estimates in 2005-2008 is projected to cause an increase in expenses. The main contributors are health & welfare, fuel and utility costs. We continue to implement administrative savings in the future years.

MTA Long Island Bus
July Financial Plan 2005 - 2008
Summary of Changes Between Financial Plans by Category
(\$ in millions)

NON-REIMBURSABLE	2004	2005	2006	2007	2008
2004 February Financial Plan - Operating Cash Income/(Deficit)	(\$60.782)	(\$63.491)	(\$67.165)	(\$70.351)	(\$77.952)
Add Back: February Plan Unspecified PEGS	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline 2004 February Financial Plan - Operating Cash Income/(Deficit)	(\$60.782)	(\$63.491)	(\$67.165)	(\$70.351)	(\$77.952)
Baseline:					
Changes					
Revenue:					
Reduction in Farebox Receipts-Lower Avg Fares	(\$.634)	(\$.635)	(\$.639)	(\$.634)	(\$.642)
Net Change In Operating Revenue	\$.150	\$.500	\$.500	\$.000	\$.000
Sub-Total Revenue Changes	(\$.484)	(\$.135)	(\$.139)	(\$.634)	(\$.642)
Expenses:					
Health & Welfare Savings	\$.077	(\$.900)	(\$1.600)	(\$2.398)	
Workers Comp. Projected Increases	(\$.192)				
Change in Fuel/Utility Costs	(\$.400)	(\$.320)	(\$.132)	(\$.147)	
Administrative Savings	\$.324	\$.399	\$.399	\$.399	\$.399
Vacancy Savings	\$1.376				
Sub-Total Expense Changes	\$1.185	(\$.821)	(\$1.333)	(\$2.146)	\$0.399
Cash Adjustments:					
Revenue:					
Opening Cash	\$2.377				
Expense:					
Sub-Total Cash Adjustment Changes	\$2.377	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$3.078	(\$0.956)	(\$1.472)	(\$2.780)	(\$0.243)
 Program to Eliminate the Gap					
Total Changes	\$3.078	(\$0.956)	(\$1.472)	(\$2.780)	(\$0.243)
2004 July Financial Plan - Operating Cash Income/(Deficit)	(\$57.704)	(\$64.447)	(\$68.637)	(\$73.131)	(\$78.195)

MTA Long Island Bus
July Financial Plan 2005 - 2008
Summary of Changes Between Financial Plans by Category
(\$ in millions)

REIMBURSABLE

	2004	2005	2006	2007	2008
2004 February Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Add Back: February Plan Unspecified PEGS	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline 2004 February Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline:					
Changes					
Revenue					
Sub-Total Revenue Changes	\$.000	\$.000	\$.000	\$.000	\$.000
Expenses					
Sub-Total Expense Changes	\$.000	\$.000	\$.000	\$.000	\$.000
Cash Adjustments:					
Revenue					
Expense					
Sub-Total Cash Adjustment Changes	\$.000	\$.000	\$.000	\$.000	\$.000
Total Baseline Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Program to Eliminate the Gap					
Total Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
2004 July Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA Long Island Bus
July Financial Plan 2005 - 2008
Summary of Changes Between Financial Plans by Category
(\$ in millions)

**NON-REIMBURSABLE and
REIMBURSABLE**

	2004	2005	2006	#	2007	2008
2004 February Financial Plan - Operating Cash Income/(Deficit)	(\$60.782)	(\$63.491)	(\$67.165)		(\$70.351)	(\$77.952)
Add Back: February Plan Unspecified PEGS	\$0.000	\$0.000	\$0.000		\$0.000	\$0.000
Baseline 2004 February Financial Plan - Operating Cash Income/(Deficit)	(\$60.782)	(\$63.491)	(\$67.165)		(\$70.351)	(\$77.952)
Baseline:						
Changes						
Revenue:						
Reduction in Farebox Receipts-Lower Avg Fares	(\$.634)	(\$.635)	(\$.639)		(\$.634)	(\$.642)
Net Change In Operating Revenue	\$.150	\$.500	\$.500		\$.000	\$.000
Sub-Total Revenue Changes	(\$.484)	(\$.135)	(\$.139)		(\$.634)	(\$.642)
Expenses:						
Health & Welfare Savings	\$.077	(\$.900)	(\$1.600)		(\$2.398)	
Workers Comp. Projected Increases	(\$.192)					
Change in Fuel/Utility Costs	(\$.400)	(\$.320)	(\$.132)		(\$.147)	
Administrative Savings	\$.324	\$.399	\$.399		\$.399	\$.399
Vacancy Savings	\$1.376					
Sub-Total Expense Changes	\$1.185	(\$.821)	(\$1.333)		(\$2.146)	\$0.399
Cash Adjustments:						
Revenue:						
Opening Cash	\$2.377					
Expense:						
Sub-Total Cash Adjustment Changes	\$2.377	\$0.000	\$0.000		\$0.000	\$0.000
Total Baseline Changes	\$3.078	(\$0.956)	(\$1.472)		(\$2.780)	(\$0.243)
 Program to Eliminate the Gap						
Total Changes	\$3.078	(\$0.956)	(\$1.472)		(\$2.780)	(\$0.243)
2004 July Financial Plan - Operating Cash Income/(Deficit)	(\$57.704)	(\$64.447)	(\$68.637)		(\$73.131)	(\$78.195)

MTA Long Island Bus
July Financial Plan 2005 - 2008
Total Non-Reimbursable - Reimbursable Positions at End-of-Year
Full-Time Positions and Full Time Equivalents
(\$ in millions)

Departments	2003 Actuals	2004 Mid-Year Forecast	2005 Preliminary Budget	2006	2007	2008
Departmental Classification:						
President	4	4	4	4	4	4
Administration						
Admin	1	2	2	2	2	2
Customer Services	6	7	7	7	7	7
Human Resources	5	5	5	5	5	5
Benefits	3	3	3	3	3	3
Safety	8	8	8	8	8	8
Subtotal	23	25	25	25	25	25
Finance						
Admin	2	2	2	2	2	2
General Acctg	3	5	5	5	5	5
Revenue Collection	3	4	4	4	4	4
Disbursements	5	5	5	5	5	5
Payroll	4	4	4	4	4	4
Budget	5	6	6	6	6	6
Subtotal	22	26	26	26	26	26
Legal						
General Counsel & Legal	1	2	2	2	2	2
Procurement	10	10	10	10	10	10
Security	2	2	2	2	2	2
Admin services	2	2	2	2	2	2
Claims	4	5	5	5	5	5
Workers' Comp	2	3	3	3	3	3
Subtotal	21	24	24	24	24	24
IT	23	24	24	24	24	24
Operations						
Admin	14	16	16	16	16	16
Bus Stops	1	2	2	2	2	2
Scheduling	3	3	3	3	3	3
TIC	9	10	10	10	10	10
Subtotal	27	31	31	31	31	31
Transportation						
Admin.	19	19	19	19	19	19
Dispatcher	35	37	37	37	37	37
Bus Operator	530	543	543	543	543	543
Subtotal	584	599	599	599	599	599
Maintenance						
Admin & Supervisor	25	26	26	26	26	26
Mechanics	121	125	125	125	125	125
Cleaners	63	68	68	68	68	68
Storeroom	12	12	12	12	12	12
Farebox	6	6	6	6	6	6
Subtotal	227	237	237	237	237	237
Plant & Equipment						
Admin. / Engineers	13	13	13	13	13	13
Operations Technology						
	4	5	5	5	5	5
Subtotal Operations	855	885	885	885	885	885
Paratransit						
Admin	12	14	14	14	14	14
Transportation	128	150	150	150	150	150
Maintenance	12	15	15	15	15	15
Customer Services	13	14	14	14	14	14
Scheduling	13	13	13	13	13	13
Totals Paratransit	178	206	206	206	206	206

Total Agency-wide Headcount	1,126	1,194	1,194	1,194	1,194	1,194
Non-Reimbursable	1,113	1,180	1,180	1,180	1,180	1,180
Reimbursable	13	14	14	14	14	14
Full-Time	1,007	1,043	1,043	1,043	1,043	1,043
Full-Time-Equivalents	119	151	151	151	151	151