

**MTA 2015 BUDGET AND 2015-2018 FINANCIAL PLAN
ADOPTION MATERIALS**

**MTA Finance Committee
MTA Board**

**December 15, 2014
December 17, 2014**



Metropolitan Transportation Authority

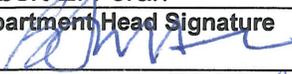
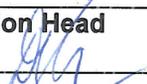
MTA 2015 Budget and 2015-2018 Financial Plan Adoption Materials

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**I. Staff Summary MTA Consolidated
2015 Budget and 2015-2018
Financial Plan**

Staff Summary

Subject MTA 2015 Budget and 2015-2018 Financial Plan
Department Chief Financial Officer
Department Head Name Robert E. Foran
Department Head Signature 
Project Manager/Division Head Douglas F. Johnson 

Date December 15, 2014
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.	12/15			
2	Board	12/17			

Internal Approvals			
Order	Approval	Order	Approval
		1	Chief Financial Officer 
		2	Legal 
		3	Chief of Staff 
		4	Chief Executive Officer 

Purpose:

To secure MTA Board (i) adoption of the accompanying **2015 Final Proposed Budget and the Four-Year Financial Plan 2015-2018 (“November Plan” or “Plan”)**, which includes approving the 2014 Final Estimate and all Plan Adjustments (items below the baseline), and (ii) authorization of Budget and Plan adjustments, initiatives, policy actions and re-estimates as set forth below in this Staff Summary.

Discussion:

This document summarizes the November Plan presented to the Board for information purposes at the November Board meeting, which projects ending cash balances of \$150 million in 2014, \$64 million in 2015, \$102 million in 2016, and \$1 million in 2017, and a cash deficit of \$322 million in 2018 (see attachment A).

The November Plan, consistent with previous plans, was developed in a disciplined, consistent, and transparent process. It includes the continuing pursuit of recurring cost reductions to temper the amount needed from biennial fare and toll increases and protects PAYGO funding for the Capital Program. It provides funding for safety, service and service quality investments, new operational and maintenance needs and information technology investments. The Plan also addresses long-term costs such as health care, pensions and paratransit previously considered “uncontrollable.”

The Plan captures the major assumptions that were first identified in the July Plan. It is updated to reflect stakeholder input and the impact of new developments and risks and includes a revised current year and finalization of the proposed budget for the upcoming year along with projections for the three out-years.

The July Plan was balanced through 2017 with a manageable deficit of \$262 million in 2018. That Plan was based upon four key inter-related elements: (i) funding TWU Local 100 and LIRR Union Coalition pattern settlements through favorable re-estimates and the reallocation of existing resources; (ii) projected fare/toll revenue yield increases of 4% in 2015 and 2017; (iii) annually recurring cost savings (\$1.2 billion in 2015 increasing to over \$1.5 billion by 2018); and (iv) no further legislative erosion of Payroll Mobility Tax (PMT) revenue.

Funding labor settlements will require the temporary diversion of resources originally targeted for addressing long-term costs and liabilities. The July Plan included a \$254 million drawdown of Other Post-Employment Benefits (OPEB) reserves, a suspension of annual OPEB contributions of approximately \$120 million through 2017, the elimination of planned supplemental pension contributions of approximately \$25 million per year, and an \$80 million per year reduction in annual PAYGO capital. These assumptions remain in the November Plan.

Despite these resource diversions, the MTA remains committed to the objective of reducing these long term liabilities, and progress continues to be made. While the settlements required the drawdown of OPEB funds and the suspension of OPEB contributions, the funds remaining in the OPEB Reserve/Trust for future retiree healthcare costs still approximate \$450 million and OPEB contributions are expected to resume in 2018. While the July Plan eliminated supplemental pension contributions to reduce the unfunded pension liability of the LIRR, \$240 million has been funded in the past two years - reducing that liability by 19 percent. Finally, while there was a reduction in PAYGO capital, the July Plan still funded annual PAYGO capital of \$290 million beginning in 2015.

The July Plan included funding for many important improvements. The Plan captured an unprecedented level of safety investments, totaling \$363 million over the Plan period. Other investments included \$125 million in new operational and maintenance needs over the Plan period; \$20 million in annual service and service quality investments; and \$5 million in annual service guideline adjustments. The July Plan made additional progress toward greater operational efficiency, implementing more savings programs and reducing the level of unidentified savings.

Changes from the July Plan

There have been revenue and expense re-estimates and other changes since the July Plan:

Re-estimates and other changes increasing financial results

- Higher fare/toll projections
- Higher real estate transaction tax receipts
- Lower energy expense forecasts
- Higher Petroleum Business Tax (PBT) revenue

Re-estimates and other changes reducing financial results

- Lower MTA Aid projections
- Higher overtime estimates
- Higher health & welfare expenses
- Higher debt service costs
- Increased safety investments
- Increased service adjustments
- Additional operational and maintenance needs
- New IT investments (Enterprise Asset Management Program)

In total, re-estimates and other changes are \$60 million *net unfavorable* to the Financial Plan through 2018.

Highlights of the November Plan

Fare/Toll increases of only 4% in 2015 and 2017. The Plan continues to project 4% biennial fare/toll increases, equivalent to 2% per year. Consistent with recent Plans, a March 1 implementation for both the 2015 and 2017 increases is anticipated. In November 2013 the MTA raised savings targets in order to fund a reduction in projected fare/toll increases that had been anticipated to be 7.5% for each of those years. In prior Plans, the increases were revenue yield-based increases; due to elasticity and other factors, the resulting increases in fare and toll prices were greater than the stated nominal target rate for some fares and tolls.

The projected 2015 Fare/Toll increase has been changed since the July Plan, and is now calculated based on a simple 4% increase in individual fares and tolls (to the extent practical). This results in a revenue yield increase of only 3.6%; the reduction in annual revenue versus a 4% revenue yield increase is \$25 to \$29 million annually.

Driving down costs through annually recurring expense reductions and efficiencies. The Plan continues the strategy developed in 2010 to “make every dollar count.” In fact, the annually-recurring savings target has been increased every year. This Plan raises the annual target by an additional \$50 million starting in 2018. Annual recurring savings will reach \$1.1 billion in 2014, growing to almost \$1.6 billion by 2018.

To help reach the out-year targets, the MTA identified and implemented new savings initiatives in both the July and November Plans. For this Plan, individual Agencies have been assigned additional reduction targets of \$40 million annually starting in 2015. As a result, the amount of the remaining targeted, but not yet identified, savings has been reduced to \$16 million in 2015, \$102 million in 2016, and \$131 million in 2017. This is an improvement of over \$100 million per year when compared with last November. The \$50 million increase to the 2018 target raises the level of additional savings required in that year to \$168 million.

Consistent with the Board-approved policy to address costs that were previously considered “uncontrollable”, the MTA will continue to use non-recurring revenues, receipts, and other resources to make one-time payments towards long-term obligations that will reduce recurring annual expenses. The MTA will use the unexpended 2014 General Reserve balance of \$135 million to reduce the LIRR Additional Pension liability, its lowest funded plan. This additional deposit, over our actuarially required contribution, will reduce our future contributions in an amount comparable to achieving a 7% compounded rate of return, producing annual savings of approximately \$10 million. This more than offsets the July Plan elimination of the annual \$25 million contribution and continues our progress in reducing recurring pension costs.

Safety investments. The safety of customers and employees is unquestionably the top priority for the MTA. Given several serious rail incidents in 2013, immediate steps were taken to assure that a process of continuous improvement in system safety and culture would exist within the operations of every MTA Agency. Consequently, swift changes were made to the MTA’s executive structure, including the establishment of a Chief Safety Officer position at Headquarters and the formation of a Safety Committee of the MTA Board. At the direction of the Chairman/CEO, the head of safety at each of the MTA Agencies is a direct report to the Agency President. In addition, the Agencies were directed to thoroughly review their current practices and procedures, and to identify areas where opportunities for improvement existed. Additionally, the MTA convened a Blue Ribbon Panel comprised of transportation officials and railroad industry leaders, which recently concluded its review of MTA’s safety culture and practices. The Panel’s recommendations further support several key initiatives and investments identified by the Agencies.

This Financial Plan captures the unprecedented level of safety funding first proposed in July and adds an additional \$79 million for combined investments of \$442 million over the Plan period. Investments are being made in customer and employee safety programs to promote and adhere to a culture of safety via improved work practices, additional training and investments in technology and equipment, including the use of audio/visual cameras on the commuter rails. Additional safety investments are being made to improve track, signals and communications. The Plan funds more inspections and maintenance of the right-of-way and provides operating resources to support the capital-funded implementation of Positive Train Control (PTC).

Service and service quality investments/platform service adjustments. Since new and restored service adds a recurring level of additional expense to the budget, funding for such service must be sustainable. The affordability of additional service must be evaluated in the context of the entire budget, and not simply as a specific revenue and expense item. As first proposed in July, the MTA is adding or restoring \$20 million per year in service and service quality investments to complement the \$29 million and \$18 million in service investments approved in 2012 and 2013, respectively. These investments, which reflect identified service and customer enhancement priorities, have been evaluated in the context of the budget and are believed to be affordable in

the current financial climate. These new investments are in addition to additional platform service guideline adjustments that are captured within Agency baselines in response to higher ridership. These adjustments approximate \$21 million per year. Between the July and November Plans, service, service quality and service adjustments investments will total \$172 million over the Plan period.

Addressing new operational and maintenance needs. This Plan adds \$32 million to fund important new and revised estimates of operational and maintenance initiatives over the Plan period; combined investments in the July and November Plans total \$133 million.

The July Plan included NYCT investments in maintaining older buses in its fleet, adding station cleaners to improve station cleanliness and reduce unscheduled overtime, improve track maintenance and increase employee training. MTA Bus investments included tires and tubes for its low floor bus fleet, additional fare box maintainers, and additional maintenance for the older buses in its fleet. LIRR investments included additional maintenance for its M3 fleet and the replacement of obsolete electronic components on its M7 fleet. MNR investments targeted its warehouse inventory management system, the purchase of catenary maintenance vehicles, replacement of third rail power system components, and other infrastructure improvements. B&T investments include additional positions associated with its All Electronic Tolling and Open Road Tolling programs.

In addition to these investments first proposed in the July Plan, the November Plan includes new investments. New LIRR investments include overhauling the M7 fleet in accordance with its 15/20-year Reliability Cycle Maintenance schedule. An LIRR/MNR partnership is developing a long-term ticket selling/fare collection strategy. B&T is increasing its engineering staff to meet project management and quality assurance demands associated with the Sandy Restoration and Mitigation Program, the Major Maintenance Program, and design-build projects. MTA Bus investments include increased supervision of the Central Maintenance Facility and in out-years of the Plan, accelerating the Hybrid Repowered Conversion Program. MTAHQ investments include implementing changes to meet the requirements of a New York State Executive Order to reduce energy use by 20% by 2020.

The MTA continues to grow in all respects, carrying more passengers and providing more service. Commitments to safety and new technology are also changing the way we do business. Proper training is paramount for the MTA to be successful. Additional investments in training capacity will be made throughout the MTA to address current and projected attrition levels to ensure new hires are prepared to operate in a safe and effective environment.

Utilizing and securing technology. The MTA is making important and necessary investments to secure, fortify, maintain and expand systems. MTA Agencies are investing in an Enterprise Asset Management (EAM) system that will help the MTA make informed decisions that balance operating and capital investments, asset performance and minimize the operational risk inherent in managing our assets.

In addition to EAM, the November Plan includes a number of new investments. NYCT is revising its Alternative Desktop Solution Project to increase the ratio of thin-clients to desktops, while MTA Bus is investing in an Intelligent Vehicle Network to increase bus reliability. MTAHQ is procuring consulting services to minimize business function disruptions during the PeopleSoft upgrade, and further increasing resources to improve security of MTA IT assets. This Plan adds \$98 million to existing IT investments over the course of the Plan – combined with needs identified in the July Plan, total investments increase to \$143 million.

Support for the Capital Program. The Plan maintains PAYGO capital contributions for the 2015-2019 Capital Program of \$290 million per year beginning in 2015. This contribution will fund \$2.3 billion of PAYGO over the expected eight-year expenditure period, or \$5.4 billion in funding capacity if PAYGO funds also are used for debt service.

Operating budget impacts of the “Mega” Projects. On November 10th, the Fulton Street Transit Center opened, significantly improving access to, and connections among New York City Subway stations and lines. This important transit center and retail complex will accommodate up to 300,000 daily customers using the A, C, J, R, Z, 2, 3, 4, and 5 lines. The Plan captures the operating budget impacts of Fulton Center, as well as the projected impacts of the 7 Line Extension, Second Avenue Subway and East Side Access projects.

The “Bottom Line”

Taken in total, these re-estimates, changes and recommendations result in an overall cash position that is similar to July. The Plan remains balanced through 2017 and the 2018 deficit is increasing from \$262 million to \$322 million. Although the projected 2018 deficit is \$60 million larger than in July, it reflects a \$52 million real improvement in the “going-out” balance since the 2018 projection in the July Plan included a large 2017 carry-over cash balance that is no longer projected.

What is our Strategy Going Forward?

While our cost reduction efforts have yielded impressive results, we must continue to pursue efficiencies and consolidations to maximize annually recurring cost savings. We must also remain focused on existing cost control to avoid backsliding while increasing our focus on chronic cost issues such as overtime, worker’s compensation and claims.

The Plan includes revisions to overtime based on improved forecasting and coverage necessitated by increased maintenance work, training, and vacancies/absentees. It includes a provision to re-baseline weather-related overtime, reflecting a consistent approach across the Agencies. Implementing sustainable programs that reduce overtime levels in routine maintenance and controllable types of overtime, such as vacancy/absentee coverage and unscheduled service, remain at the forefront for MTA management. It is expected that efficiencies can be identified that will result in realistic savings in overtime.

The costs associated with workers’ compensation (Federal Employers Liability Act, or “FELA”, for the commuter rails) and claims are also cause for concern. The liability for worker’s compensation and FELA alone is over \$1.2 billion, representing 83% growth over the past five years. Lost availability attributable to workers’ compensation/FELA cases also results in higher overtime costs.

Finally, we will continue to use non-recurring revenues, favorable budget variances and unused general reserve funds to reduce long-term unfunded liabilities such as OPEB, and the LIRR Additional Pension Plan or as PAYGO. Simply put, this strategy converts favorable “one-shots” into recurring savings.

Risks to the Plan

The Plan assumes that MTA will successfully execute the Financial Plan strategy. Efforts to reduce costs will continue, but at some point, additional savings may be more difficult to achieve.

The next significant concern will be obtaining approval for a fully funded 2015-2019 Capital Program. Moreover, interest rates remain at historically low levels. Should these rates rise, our debt service payments in support of the Capital Program would increase accordingly.

The Plan assumes that State budget actions will reflect full remittance to the MTA of all funds collected on its behalf. Also, PMT remains an unpopular tax with certain constituents who advocate for its repeal. The MTA could not continue to offer its present level of service without the PMT or a comparable replacement funding source.

The finances of the MTA are highly dependent on the economy. Passenger and toll revenues, dedicated taxes and subsidies and debt service, pensions and energy costs are all affected by the economy. If the economic assumptions underlying this Plan are not realized, MTA has limited options.

Recommendation:

It is recommended that the Board:

- Adopt the 2015 Final Proposed Budget and Four-Year Financial Plan 2015-2018 (November Plan), which includes approving the 2014 Final Estimate and all Plan Adjustments (items below the baseline). The approval of this Plan will supersede prior Board Plan approvals for this period.
- Authorize staff, under the guidance of the Chief Executive Officer and the Chief Financial Officer to take actions to implement the subsidy and other adjustments set forth in the Plan.
- Authorize staff to invest the unexpended 2014 general reserve to further reduce the unfunded pension liability associated with the “LIRR Additional Plan.”
- Establish a labor reserve of \$109 million in 2014 to fund retroactive wage (RWA) payments in 2015.
- Authorize technical adjustments to MTA budgets and forecasts of a non-material nature in the February Plan.
- Authorize adjustment of MTA budgets and forecasts to reflect labor settlements approved from time to time by the Board.
- Approve additional policy actions, as has been done in past budget adoptions, as described below:

Advance of Bridges and Tunnels Operating Surplus

As has been done on previous occasions, the Board is requested to authorize Bridges and Tunnels to advance to MTA and NYC Transit, to the extent funds are available, all or part of the estimated operating surplus for the year 2015, when and as directed by the Chief Executive Officer, the Chief Financial Officer, or their designees.

Uses of MTA MRT-2 Corporate Account Monies

Unlike many other forms of intergovernmental aid, these subsidy monies, by statute, can be allocated at the Board’s discretion. It is recommended that the Board authorize that these funds be used as set forth in the Plan, authorize staff under direction of the Chief Executive Officer, the Chief Financial Officer or their designees, to administer these funds in a manner consistent with the Plan, and to temporarily help stabilize cash-flow requirements. As in the past, the advance of funds to the MTA and its affiliates and subsidiaries to stabilize cash-flow requirements may be made, provided they are repaid prior to the end of the fiscal year in which made.

Uses of Payroll Mobility Tax (and Replacement Funds) and MTA Aid

Like the MRT-2 Corporate Account moneys, these subsidy moneys, by statute, can be allocated at the Board’s discretion. It is recommended that the Board authorize that the revenues from the PMT (and Replacement Funds) be released as needed: (i) for pledged revenues by MTA to secure and be applied to the payment of bonds to be issued in the future, to fund capital projects of MTA, its subsidiaries, and MTA New York City Transit and its subsidiary and (ii) to pay capital costs, including debt service of MTA, its subsidiaries, and MTA New York City Transit and its subsidiary. It is further recommended that the Board authorize that subject to the provisions of any such pledge, or in the event there is no such pledge, the PMT Revenues be used by MTA to pay for costs, including operating and capital costs of MTA, its subsidiaries and MTA New York City Transit and its subsidiary, and that the Chief Executive Officer, the Chief Financial Officer, or their designees be authorized to release these funds as needed in any of these areas described above.

Further, it is recommended that the Board authorize that the revenues in the MTA Aid Trust Account (derived from four fees and taxes imposed in the Metropolitan Commuter Transportation District – a supplemental motor vehicle license fee, a supplemental motor vehicle registration fee, a tax on medallion taxicab rides, and a supplemental tax on passenger car rentals) be released as needed and used as pledged revenues by MTA or pledged to the Triborough Bridge and Tunnel Authority to secure debt of MTA Bridges and Tunnels. Further subject to the provisions of such pledge, or in the event there is no such pledge, it is recommended that the Chief Executive Officer, the Chief Financial Officer or their designees be authorized to direct the release of these funds to be used by MTA for the payment of operating and capital costs of the MTA and its subsidiaries, and New York City Transit, and its subsidiary.

Inter-Agency Loans

The Board is requested to authorize the Chief Executive Officer, the Chief Financial Officer, or their designees, acting under Section 1266 (6-a) of the Public Authorities Law, to enter into inter-agency loan agreements among the MTA and its affiliates and subsidiaries. This authorization would allow the temporary movement of funds among agencies to meet cash flow requirements for operating or capital purposes resulting from a mismatch between the receipt of subsidies and other monies and cash flow needs. The statute requires that any such inter-agency loans be repaid no later than the end of the next succeeding calendar year.

Use of Stabilization Reserve: Provision for Prompt Payment of Contractual Obligations

In 1996, the Board approved the establishment of a Stabilization Reserve, to be held by the MTA Treasurer (the “Treasurer”), to stabilize MTA Agencies’ cash flow requirements. The fund consists of two accounts, the MTA New York City Transit Account (the “Transit Account”) and the MTA Commuter Railroad Account (the “Commuter Railroad Account”). The Board is requested to authorize the use of any balances in such accounts, plus any amounts authorized to be transferred to such accounts, to meet the cash flow requirements of MTA New York City Transit and the MTA Commuter Railroads and to authorize MTA New York City Transit to pay to the Treasurer for deposit in the Transit Account such amounts as it deems necessary to accomplish the purpose thereof, consistent with this Plan; and the Treasurer, subject to the approval of the Chief Executive Officer, the Chief Financial Officer or their designees, to pay into the Commuter Railroad Account, such amounts as are deemed necessary to accomplish the purpose thereof, consistent with this Plan. The Treasurer, upon request of MTA New York City Transit, shall pay to NYCT such amounts as are necessary to meet cash flow requirements of NYCT and as authorized by the Chief Executive Officer, the Chief Financial Officer, or their designees, shall transfer from the Commuter Railroad Account such amounts as are necessary to meet the cash flow requirements of MTA Commuter Railroads. The Treasurer shall also use such funds as from time to time may be necessary or convenient to timely make debt service payments on MTA bonds.

Government Accounting Standards Board (GASB) Contributions

In June 2008, the MTA approved the establishment of the “MTA Retiree Welfare Benefits Trust” (“OPEB Trust”) to govern the administration and investment of the OPEB trust assets. Through 2014, \$300 million was moved into the trust. As first proposed in July, and to help fund the cost of retroactive labor settlements spanning 2010 to 2014, the Plan captures a \$254 million withdrawal from the GASB account. The Plan also captured the suspension of OPEB contributions from July 2014 through December 2017, with reduced contributions beginning in 2018. The Treasurer will continue to hold the remaining funds set aside in discrete sub-accounts that comprise the GASB Account. The Treasurer is authorized to use the GASB accounts to fund intra-agency loans as well as inter-agency loans. If an agency uses its own GASB funds to meet 2015 cash flow needs, the amounts withdrawn in 2015 must be paid back by December 31, 2017. If the GASB funds are used as inter-agency loans in 2015, they would be subject to repayment no later than December 31, 2016, consistent with the Inter-Agency Loan provision described above.

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2015-2018
MTA Consolidated Statement Of Operations By Category
(\$ in millions)

Line No.	Non-Reimbursable	2013 Actual	2014 Final Estimate	2015 Final Proposed Budget	2016	2017	2018
10	Operating Revenue						
11	Farebox Revenue	\$5,507	\$5,702	\$5,776	\$5,862	\$5,921	\$5,973
12	Toll Revenue	1,645	1,669	1,670	1,679	1,686	1,694
13	Other Revenue	754	674	689	665	695	720
14	Capital and Other Reimbursements	0	0	0	0	0	0
15	Total Operating Revenue	\$7,906	\$8,044	\$8,135	\$8,206	\$8,301	\$8,387
17	Operating Expense						
18	Labor Expenses:						
19	Payroll ¹	\$4,333	\$4,698	\$4,686	\$4,791	\$4,894	\$4,986
20	Overtime	621	731	662	667	681	693
21	Health & Welfare	896	989	1,066	1,140	1,223	1,315
22	OPEB Current Payment	473	474	513	557	604	657
23	Pensions	1,302	1,359	1,350	1,349	1,334	1,343
24	Other-Fringe Benefits	695	639	634	653	672	697
25	Reimbursable Overhead	(321)	(362)	(362)	(358)	(351)	(350)
26	Sub-total Labor Expenses	\$7,997	\$8,529	\$8,550	\$8,800	\$9,057	\$9,342
28	Non-Labor Expenses:						
29	Electric Power	\$493	\$546	\$499	\$537	\$600	\$644
30	Fuel	259	272	263	256	262	272
31	Insurance	39	52	63	74	86	99
32	Claims	300	223	222	224	233	236
33	Paratransit Service Contracts	367	374	386	421	474	516
34	Maintenance and Other Operating Contracts	497	562	635	668	685	636
35	Professional Service Contracts	297	330	368	338	332	341
36	Materials & Supplies	475	545	556	575	574	568
37	Other Business Expenses	167	178	182	191	193	202
38	Sub-total Non-Labor Expenses	\$2,894	\$3,083	\$3,175	\$3,283	\$3,437	\$3,513
40	Other Expense Adjustments:						
41	Other	\$46	\$45	\$44	\$48	\$48	\$49
42	General Reserve	0	0	140	145	150	155
43	Sub-total Other Expense Adjustments	\$46	\$45	\$184	\$193	\$198	\$204
45	Total Operating Expense before Non-Cash Liability Adj.	\$10,937	\$11,658	\$11,909	\$12,275	\$12,693	\$13,059
47	Depreciation	\$2,174	\$2,292	\$2,411	\$2,473	\$2,662	\$2,720
48	OPEB Obligation	1,920	2,000	2,036	2,121	2,208	2,299
49	Environmental Remediation	14	7	5	5	5	5
51	Total Operating Expense after Non-Cash Liability Adj.	\$15,046	\$15,957	\$16,361	\$16,874	\$17,568	\$18,083
53	Conversion to Cash Basis: Non-Cash Liability Adjs.	\$4,109	\$4,299	\$4,453	\$4,598	\$4,875	\$5,024
55	Debt Service (excludes Service Contract Bonds)	(2,299)	(2,264)	(2,482)	(2,590)	(2,772)	(2,936)
57	Total Operating Expense with Debt Service	\$13,237	\$13,922	\$14,390	\$14,866	\$15,464	\$15,994
59	Dedicated Taxes and State/Local Subsidies	\$5,898	\$6,212	\$6,330	\$6,539	\$6,760	\$6,925
61	Net Surplus/(Deficit) After Subsidies and Debt Service	\$567	\$334	\$75	(\$121)	(\$403)	(\$682)
63	Conversion to Cash Basis: GASB Account	(86)	(49)	(0)	0	0	(10)
64	Conversion to Cash Basis: All Other	(396)	(228)	(389)	(142)	(285)	(320)
66	CASH BALANCE BEFORE PRIOR-YEAR CARRYOVER	\$86	\$57	(\$314)	(\$263)	(\$688)	(\$1,013)
67	ADJUSTMENTS	0	(221)	228	300	587	690
68	PRIOR-YEAR CARRYOVER	229	314	150	64	102	1
69	NET CASH BALANCE	\$314	\$150	\$64	\$102	\$1	(\$322)

Note: ¹ 2013 Payroll includes \$78.3 million of accrued NYC Transit retroactive wages and FICA relating to the recent TWU contract agreement.

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2015-2018
Plan Adjustments
(\$ in millions)

Line No.	2013 Actual	2014 Final Estimate	2015 Final Proposed Budget	2016	2017	2018	
11	Cash Balance Before Prior-Year Carry-over	\$86	\$57	(\$314)	(\$263)	(\$688)	(\$1,013)
13	Fare/Toll Increases:						
14		-	210	257	260	262	
15		-	-	-	250	303	
16	Sub-Total	\$0	\$210	\$257	\$510	\$565	
18	MTA Initiatives:						
19		-	16	102	131	118	
20		-	40	40	40	40	
21		-	-	-	-	50	
22	Sub-Total	\$0	\$56	\$142	\$171	\$208	
23	Policy Actions:						
24		(135)	9	10	11	12	
25		(109)	109	-	-	-	
26		(32)	(108)	(109)	(102)	(91)	
27		(5)	(20)	(19)	(19)	(20)	
28	Sub-Total	(\$282)	(\$9)	(\$118)	(\$111)	(\$99)	
30	MTA Re-estimates		\$60	(\$28)	\$19	\$17	\$16
33	TOTAL ADJUSTMENTS		(\$221)	\$228	\$300	\$587	\$690
35	Prior-Year Carry-Over	229	314	150	64	102	1
37	Net Cash Surplus/(Deficit)	\$314	\$150	\$64	\$102	\$1	(\$322)

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**II. Agencies' Staff Summaries
2015 Budget and 2015-2018
Financial Plan**

Bridges and Tunnels

Staff Summary

Subject B&T 2015 Budget and 2015–2018 Financial Plan Adoption
Department Office of the Chief Financial Officer
Department Head Name Don Spero <i>DS</i>
Department Head Signature
Project Manager Name Dore Abrams

Date December 8, 2014
Vendor Name
Contract Number
Contract Manager Name
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Board Action					
Order	To	Date	Approval	Info	Other
1	B&T Committee	12/15/14	X		
2	Finance Committee	12/15/14	X		
3	MTA Board	12/17/14	X		

Internal Approvals			
Order	Approval	Order	Approval
3	President <i>DS</i>		VP Staff Services
2	Executive Vice President <i>DS</i>		VP Procurement & Materials
	General Counsel <i>DS</i>		VP Labor Relations
	VP Operations		VP & Chief Engineer

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval
1	Chief Financial Officer <i>DS</i>		Chief Technology Officer		Chief Health & Safety Officer		Other
	Chief Security Officer		Chief Maintenance Officer		Chief EEO Officer		

PURPOSE:

To secure MTA Board adoption of the MTA Bridges and Tunnels' (B&T) 2014 November Forecast, 2015 Final Proposed Budget, and the Four-Year Financial Plan for 2015–2018.

DISCUSSION:

The 2015 Final Proposed Budget, which is consistent with information presented to the Board in November, provides sufficient funding to maintain B&T's planned service levels, as well as MTA's commitment to provide safe, reliable and efficient transportation service to the metropolitan New York region. The baseline projections exclude the estimated impacts from projected toll increases, unidentified MTA efficiencies, MTA re-estimates, MTA policy actions, and safety investments. These impacts are presented below-the-line in the MTA Consolidated Financial Plan.

B&T estimates that for 2014 and 2015 combined, \$2,397.7 million will be provided in baseline net operating income.

2014 NOVEMBER FORECAST-BASELINE

The 2014 November Forecast projects \$1,692.2 million in non-reimbursable revenues, of which \$1,668.8 million is from Toll Revenue. Total non-reimbursable expenses before depreciation and other post-employment benefits are projected to be \$482.7 million, consisting of \$252.9 million in labor expenses and \$229.8 million in non-labor expenses. Total Support to Mass Transit is projected to be \$931.5 million. Reimbursable revenue and expenses are both forecast at \$21.2 million. Total end-of-year positions are projected at 1,750, including 1,662 non-reimbursable positions and 88 reimbursable positions.

2015 FINAL PROPOSED BUDGET-BASELINE

The 2015 Final Proposed Budget projects \$1,688.1 million in non-reimbursable revenues, of which \$1,669.9 million is from Toll Revenue. Total non-reimbursable expenses before depreciation and other post-employment benefits are projected to be \$500.0 million, consisting of \$257.8 million in labor expenses and \$242.2 million in non-labor expenses. Total Support to Mass Transit is projected to be \$889.8 million. Reimbursable revenue and expenses are both forecast at \$21.6 million. Total end-of-year positions are projected at 1,766, including 1,678 non-reimbursable positions and 88 reimbursable positions.

MAJOR PROGRAMMATIC INITIATIVES

- **Safety Programs (captured in the MTA Consolidated Financial Plan)**
 - **Change Management:** B&T has contracted with an outside agency to assist in shaping safety culture at every level of the agency and sustaining that cultural change. The objective is to help B&T better understand and then transform its culture to support strategy execution and drive high performance. The programs emphasizes both the design of safe systems and the most effective strategies for mitigating safety risks attributed to human factors.
 - **Outside Contractor Workforce Verification and Safety Preparedness:** To ensure the safety of all individuals, IDs must be issued upon verification of credentials and a comprehensive database must be maintained to guarantee full participation in required safety training, fire drills, etc. Thorough monitoring of who is at the sites at all times is also necessary to track the presence or absence of individuals in the event of an emergency situation and to maintain compliance with National Incident Management System (NIMS) protocols. B&T is increasing the number of personnel dedicated to these oversight activities to meet increased safety demands associated with the expanding Sandy, Capital and Major Maintenance programs.
 - **Commercial Driver License (CDL) Training for Bridge and Tunnel Officers (BTOs):** Currently, B&T provides CDL training to maintenance workers so they will be properly credentialed to operate large vehicles used for snow removal, clearing of collisions, etc. B&T is expanding the program to include all BTOs to secure additional resources for emergency response mobilization.

- **Programs to Increase E-ZPass Usage**
 - **E-ZPass On-The-Go:** This program enables customers to purchase a prepaid E-ZPass tag and in the cash toll lanes at each facility. To date, more than 425,000 tags have been sold through this initiative.
 - **MTA Reload Card:** Introduced in February 2012, this initiative makes it easier for customers to replenish their E-ZPass account with cash. To date, more than 107,000 cards have been issued to customers and approximately 17% of total cash replenishments are currently made using the reload cards.
 - **E-ZPass Pay Per Trip:** This initiative was launched in November 2012 and enables customers to set up an E-ZPass account without a pre-paid balance by debiting their checking account through an Automated Clearinghouse (ACH) deduction on days when tolls are posted. To date, over 36,000 account holders have signed up for this initiative.

- **All Electronic Tolling Pilot at the Henry Hudson Bridge (HHB):** The implementation of cashless tolling at the facility began on November 10, 2012. All motorists are able to use any lane to drive through the toll plaza without stopping. There is no change for drivers who use E-ZPass. For customers without an E-ZPass tag, an image is taken of their license plate and the registered driver receives a bill in the mail. In the fall of 2016 or early 2017, a gantry-based Open Road Tolling (ORT) system is expected to be put into revenue service and the existing toll plazas including the booths will be demolished. The new ORT system will continue to utilize the current methods employed at the HHB to capture E-ZPass transponder-reads and license plate images, but will do so in an environment absent a traditional toll plaza, enabling customers to traverse the bridge's two tolling areas in free-flow fashion. This project is being executed in concert with a planned structural reconstruction of the HHB's upper and lower level roadways.

IMPACT ON FUNDING

The 2014 November Forecast, the 2015 Final Proposed Budget, and the Four-Year Financial Plan 2015-2018, which are presented in the attached tables, are consistent with the proposed MTA Financial Plan.

RECOMMENDATION

It is recommended that the MTA Board adopt the 2014 November Forecast, the 2015 Final Proposed Budget, and the Four-Year Financial Plan for 2015-2018 for MTA Bridges and Tunnels.

The legal name of MTA Bridges and Tunnels is Triborough Bridge and Tunnel Authority.

MTA BRIDGES AND TUNNELS
November Financial Plan 2015-2018
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE

	2013	2014	2015			
	Actual	November Forecast	Final Proposed Budget	2016	2017	2018
Operating Revenue						
Vehicle Toll Revenue	\$1,645.193	\$1,668.844	\$1,669.941	\$1,678.688	\$1,685.778	\$1,694.266
Other Operating Revenue	22.142	23.209	17.454	17.593	17.593	17.593
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Investment Income	0.131	0.162	0.737	2.180	2.866	2.961
Total Revenue	\$1,667.466	\$1,692.214	\$1,688.132	\$1,698.461	\$1,706.237	\$1,714.820
Operating Expenses						
<u>Labor:</u>						
Payroll	\$118.568	\$141.693	\$144.316	\$147.894	\$152.163	\$155.805
Overtime	19.046	23.267	22.854	23.365	23.821	24.298
Health and Welfare	23.651	27.014	30.743	31.745	33.320	34.780
OPEB Current Payment	15.089	16.070	16.873	17.430	18.319	19.253
Pensions	31.863	30.452	29.242	28.716	28.627	28.962
Other Fringe Benefits	17.710	19.530	18.921	19.289	19.540	19.903
Reimbursable Overhead	(5.235)	(5.095)	(5.145)	(5.196)	(5.442)	(5.227)
Total Labor Expenses	\$220.692	\$252.932	\$257.803	\$263.242	\$270.349	\$277.774
<u>Non-Labor:</u>						
Electric Power	\$6.942	\$7.302	\$6.783	\$7.388	\$8.386	\$9.081
Fuel	2.841	2.959	2.915	2.857	2.791	2.857
Insurance	10.482	16.310	16.742	18.700	20.223	21.903
Claims	0.000	0.135	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	100.657	126.173	137.809	139.544	145.601	152.178
Professional Service Contracts	36.206	43.171	44.940	41.003	39.398	40.160
Materials & Supplies	2.965	4.592	4.327	4.396	4.521	4.616
Other Business Expenses	28.720	29.128	28.666	29.313	30.058	30.788
Total Non-Labor Expenses	\$188.813	\$229.770	\$242.183	\$243.201	\$250.979	\$261.582
<u>Other Expense Adjustments:</u>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$409.505	\$482.701	\$499.986	\$506.443	\$521.327	\$539.356
Add: Depreciation	\$91.345	\$104.389	\$111.667	\$119.521	\$127.853	\$136.766
Add: OPEB Obligation	76.650	66.944	70.291	73.806	77.496	81.371
Add: Environmental Remediation	(0.009)	0.000	0.000	0.000	0.000	0.000
Total Expenses After Depreciation and GASB Adjs.	\$577.491	\$654.034	\$681.944	\$699.770	\$726.676	\$757.493
Less: Depreciation	\$91.345	\$104.389	\$111.667	\$119.521	\$127.853	\$136.766
Less: OPEB Obligation	76.650	66.944	70.291	73.806	77.496	81.371
Total Expenses	\$409.496	\$482.701	\$499.986	\$506.443	\$521.327	\$539.356
Net Surplus/(Deficit)	\$1,257.970	\$1,209.513	\$1,188.146	\$1,192.018	\$1,184.910	\$1,175.464

MTA BRIDGES AND TUNNELS
November Financial Plan 2015-2018
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE

	2013	2014	2015			
	<u>Actual</u>	<u>November Forecast</u>	<u>Final Proposed Budget</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Revenue						
Vehicle Toll Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	15.149	21.230	21.628	22.108	22.809	23.073
Investment Income	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenue	\$15.149	\$21.230	\$21.628	\$22.108	\$22.809	\$23.073
Expenses						
<u>Labor:</u>						
Payroll	\$6.195	\$9.735	\$9.810	\$9.894	\$9.976	\$10.060
Overtime	0.018	0.407	0.415	0.420	0.426	0.432
Health and Welfare	1.287	2.177	2.287	2.446	2.607	2.785
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	1.598	2.571	2.702	2.861	3.022	3.196
Other Fringe Benefits	0.816	1.245	1.269	1.291	1.336	1.373
Reimbursable Overhead	5.235	5.095	5.145	5.196	5.442	5.227
Total Labor Expenses	\$15.149	\$21.230	\$21.628	\$22.108	\$22.809	\$23.073
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Professional Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Materials & Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expenses	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Other Expense Adjustments:</u>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$15.149	\$21.230	\$21.628	\$22.108	\$22.809	\$23.073
Add: Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Add: OPEB Obligation	0.000	0.000	0.000	0.000	0.000	0.000
Add: Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses After Depreciation and GASB Adjs.	\$15.149	\$21.230	\$21.628	\$22.108	\$22.809	\$23.073
Less: Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Less: OPEB Obligation	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$15.149	\$21.230	\$21.628	\$22.108	\$22.809	\$23.073
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA BRIDGES AND TUNNELS
November Financial Plan 2015-2018
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE
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	2013	2014	2015			
	<u>Actual</u>	<u>November Forecast</u>	<u>Final Proposed Budget</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Revenue						
Vehicle Toll Revenue	\$1,645.193	\$1,668.844	\$1,669.941	\$1,678.688	\$1,685.778	\$1,694.266
Other Operating Revenue	22.142	23.209	17.454	17.593	17.593	17.593
Capital and Other Reimbursements	15.149	21.230	21.628	22.108	22.809	23.073
Investment Income	0.131	0.162	0.737	2.180	2.866	2.961
Total Revenue	\$1,682.615	\$1,713.444	\$1,709.760	\$1,720.569	\$1,729.046	\$1,737.893
Expenses						
<u>Labor:</u>						
Payroll	\$124.763	\$151.428	\$154.126	\$157.788	\$162.139	\$165.865
Overtime	19.064	23.674	23.268	23.784	24.247	24.729
Health and Welfare	24.938	29.191	33.030	34.191	35.927	37.565
OPEB Current Payment	15.089	16.070	16.873	17.430	18.319	19.253
Pensions	33.461	33.023	31.944	31.577	31.649	32.158
Other Fringe Benefits	18.526	20.775	20.190	20.580	20.876	21.276
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$235.841	\$274.162	\$279.431	\$285.350	\$293.157	\$300.847
<u>Non-Labor:</u>						
Electric Power	\$6.942	\$7.302	\$6.783	\$7.388	\$8.386	\$9.081
Fuel	2.841	2.959	2.915	2.857	2.791	2.857
Insurance	10.482	16.310	16.742	18.700	20.223	21.903
Claims	0.000	0.135	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	100.657	126.173	137.809	139.544	145.601	152.178
Professional Service Contracts	36.206	43.171	44.940	41.003	39.398	40.160
Materials & Supplies	2.965	4.592	4.327	4.396	4.521	4.616
Other Business Expenses	28.720	29.128	28.666	29.313	30.058	30.788
Total Non-Labor Expenses	\$188.813	\$229.770	\$242.183	\$243.201	\$250.979	\$261.582
<u>Other Expense Adjustments:</u>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$424.654	\$503.931	\$521.614	\$528.551	\$544.136	\$562.429
Add: Depreciation	\$91.345	\$104.389	\$111.667	\$119.521	\$127.853	\$136.766
Add: OPEB Obligation	76.650	66.944	70.291	73.806	77.496	81.371
Add: Environmental Remediation	(0.009)	0.000	0.000	0.000	0.000	0.000
Total Expenses After Depreciation and GASB Adjs.	\$592.640	\$675.264	\$703.572	\$721.877	\$749.485	\$780.566
Less: Depreciation	\$91.345	\$104.389	\$111.667	\$119.521	\$127.853	\$136.766
Less: OPEB Obligation	76.650	66.944	70.291	73.806	77.496	81.371
Total Expenses	\$424.645	\$503.931	\$521.614	\$528.551	\$544.136	\$562.429
Net Surplus/(Deficit)	\$1,257.970	\$1,209.513	\$1,188.146	\$1,192.018	\$1,184.910	\$1,175.464

MTA BRIDGES AND TUNNELS
November Financial Plan 2015-2018
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE
Page 2 of 2

	2013 <u>Actual</u>	2014 November <u>Forecast</u>	2015 Final Proposed <u>Budget</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Net Surplus/(Deficit)	\$1,257.970	\$1,209.513	\$1,188.146	\$1,192.018	\$1,184.910	\$1,175.464
<u>Deductions from Income:</u>						
Less: Capitalized Assets	\$14.525	\$17.843	\$17.849	\$20.635	\$21.056	\$21.475
Reserves	28.573	25.895	26.382	26.881	27.338	27.824
GASB 45 Reserves	3.077	1.594	0.000	0.000	0.000	0.187
Adjusted Net Surplus/(Deficit)	\$1,211.795	\$1,164.181	\$1,143.915	\$1,144.503	\$1,136.517	\$1,125.978
Less: Debt Service	597.454	577.005	636.351	649.115	671.699	691.281
Income Available for Distribution	\$614.341	\$587.176	\$507.564	\$495.388	\$464.818	\$434.697
<u>Distributable To:</u>						
MTA - Investment Income	\$0.131	\$0.162	\$0.737	\$2.180	\$2.866	\$2.961
MTA - Distributable Income	367.308	344.859	311.878	303.383	288.287	272.407
NYCT - Distributable Income	246.902	242.155	194.949	189.825	173.665	159.329
Total Distributable Income:	\$614.341	\$587.176	\$507.564	\$495.388	\$464.818	\$434.697
<u>Actual Cash Transfers:</u>						
MTA - Investment Income	\$0.136	\$0.131	\$0.162	\$0.737	\$2.180	\$2.866
MTA - Transfers	359.991	356.622	315.176	304.233	289.797	273.995
NYCT - Transfers	245.971	239.627	199.669	190.337	175.281	160.763
Total Cash Transfers:	\$606.099	\$596.380	\$515.007	\$495.307	\$467.258	\$437.623
<u>SUPPORT TO MASS TRANSIT:</u>						
Total Revenues	\$1,682.615	\$1,713.444	\$1,709.760	\$1,720.569	\$1,729.046	\$1,737.893
Less: Net Operating Expenses	424.645	503.931	521.614	528.551	544.136	562.429
Net Operating Income:	\$1,257.970	\$1,209.513	\$1,188.146	\$1,192.018	\$1,184.910	\$1,175.464
<u>Deductions from Operating Income:</u>						
B&T Debt Service	\$207.227	\$232.661	\$254.148	\$276.314	\$296.102	\$319.759
Capitalized Assets	14.525	17.843	17.849	20.635	21.056	21.475
Reserves	28.573	25.895	26.382	26.881	27.338	27.824
GASB Reserves	3.077	1.594	0.000	0.000	0.000	0.187
Total Deductions from Operating Income:	\$253.402	\$277.993	\$298.379	\$323.830	\$344.496	\$369.245
Total Support to Mass Transit:	\$1,004.568	\$931.520	\$889.767	\$868.189	\$840.414	\$806.219

MTA BRIDGES AND TUNNELS
November Financial Plan 2015-2018
Traffic Volume (Utilization)

	2013	2014	2015			
	Actual	November Forecast	Final Proposed Budget	2016	2017	2018
<u>Traffic Volume</u>	284.528	284.686	285.791	287.663	289.256	291.144
<u>Toll Revenue</u>	\$ 1,645.193	\$ 1,668.844	\$ 1,669.941	\$ 1,678.688	\$ 1,685.778	\$ 1,694.266

MTA BRIDGES AND TUNNELS
November Financial Plan 2015-2018
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-time/Full-time Equivalents

FUNCTION/DEPARTMENT	2013 Actual	2014 November Forecast	2015 Final Proposed Budget	2016	2017	2018
Administration						
Executive	2	2	2	2	2	2
Law	19	21	21	21	21	21
CFO ⁽¹⁾	20	29	30	30	30	30
Technology	50	54	54	54	54	54
Labor Relations	5	4	4	4	4	4
Staff Services ⁽²⁾	8	32	32	32	32	32
EEO	1	2	2	2	2	2
Total Administration	105	144	145	145	145	145
Operations						
Revenue Management	39	41	41	41	41	41
Operations (Non-Security)	609	716	716	716	716	716
Total Operations	648	757	757	757	757	757
Maintenance						
Maintenance	167	180	182	182	182	182
Operations - Maintainers	162	173	173	173	173	173
Internal Security - Tech Svcs	10	8	8	8	8	8
Total Maintenance	339	361	363	363	363	363
Engineering/Capital						
Engineering & Construction	160	169	181	181	181	181
Health & Safety	6	10	10	10	10	10
Law ⁽¹⁾	14	17	17	17	17	17
Planning & Budget Capital	14	23	23	23	23	23
Total Engineering/Capital	194	219	231	231	231	231
Public Safety						
Operations (Security)	232	232	232	232	232	232
Internal Security - Operations	36	37	38	38	38	38
Total Public Safety	268	269	270	270	270	270
Total Positions	1,554	1,750	1,766	1,766	1,766	1,766
<i>Non-Reimbursable</i>	1,466	1,662	1,678	1,678	1,678	1,678
<i>Reimbursable</i>	88	88	88	88	88	88
<i>Total Full-Time</i>	1,554	1,750	1,766	1,766	1,766	1,766
<i>Total Full-Time Equivalents</i>	0	0	0	0	0	0

(1) Includes Legal and Procurement staff.

(2) Includes Accounts Payable, Accounting, Payroll and Operating Budget and Strategic Initiatives staff.

(3) Includes Human Resources and Administration staff.

MTA BRIDGES AND TUNNELS
November Financial Plan 2015-2018
Total Positions by Function and Occupation

FUNCTION/OCCUPATIONAL GROUP	2013 Actual	2014 November Forecast	2015 Final Proposed Budget	2016	2017	2018
Administration						
Managers/Supervisors	34	46	46	46	46	46
Professional, Technical, Clerical	71	98	99	99	99	99
Operational Hourlies	-	-	-	-	-	-
Total Administration	105	144	145	145	145	145
Operations						
Managers/Supervisors	165	195	195	195	195	195
Professional, Technical, Clerical	56	43	43	43	43	43
Operational Hourlies ⁽¹⁾	427	519	519	519	519	519
Total Operations	648	757	757	757	757	757
Maintenance						
Managers/Supervisors	14	13	14	14	14	14
Professional, Technical, Clerical	15	17	18	18	18	18
Operational Hourlies ⁽²⁾	310	331	331	331	331	331
Total Maintenance	339	361	363	363	363	363
Engineering/Capital						
Managers/Supervisors	40	45	47	47	47	47
Professional, Technical, Clerical	154	174	184	184	184	184
Operational Hourlies	-	-	-	-	-	-
Total Engineering/Capital	194	219	231	231	231	231
Public Safety						
Managers/Supervisors	42	43	43	43	43	43
Professional, Technical, Clerical	28	28	29	29	29	29
Operational Hourlies ⁽³⁾	198	198	198	198	198	198
Total Public Safety	268	269	270	270	270	270
Total Positions						
Managers/Supervisors	295	342	345	345	345	345
Professional, Technical, Clerical	324	360	373	373	373	373
Operational Hourlies	935	1,048	1,048	1,048	1,048	1,048
Total Positions	1,554	1,750	1,766	1,766	1,766	1,766

(1) Represents Bridge and Tunnel Officers. These positions are paid annually, not hourly.

(2) Represents maintenance personnel. These positions are paid annually, not hourly.

(3) Represents Bridge and Tunnel Officers performing public safety. These positions are paid annually, not hourly.

Capital Construction Company

Staff Summary



Subject MTACC 2015 Budget and 2015-2018 Financial Plan Adoption
Department Office of the Chief Financial Officer
Department Head Name Anthony D'Amico
Department Head Signature
Project Manager Name Laurie Lombardi

Date December 4, 2014
Vendor Name NA
Contract Number NA
Contract Manager Name NA
Table of Contents Ref # NA

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	12/15/14	X		
2	MTA Board	12/17/14	X		

Internal Approvals			
Order	Approval	Order	Approval
	President/ MTACC 		
	Chief Financial Officer 		

Purpose:

To secure MTA Board adoption of the MTA Capital Construction's (MTACC) 2014 November Forecast, 2015 Final Proposed Budget, and the Four-Year Financial Plan for 2015-2018.

Discussion:

MTACC costs are 100 percent reimbursable from the MTA Capital Program. The Financial Plan contains costs that are non-project specific and are for the provision of company-wide construction support from specialty contractors and oversight agencies. The 2014 November Forecast and the 2015 Final Proposed Budget project a staffing level of 140.

2014 November Forecast:

MTACC projects 2014 reimbursable expenses of \$36.2 million. Non-labor costs are projected at \$10.1 million. Approximately \$1.9 million of those costs are required to fund audit service chargebacks, All-Agency Protective Liability (AAPL) insurance and budget system implementation. Monies are also budgeted for risk management software, archeological and environmental services, reimbursement of NYCT for administrative support staff and services, and office costs including occupancy at 2 Broadway and upgrades to existing equipment.

2015 Final Proposed Budget:

MTACC projects 2015 expenses of \$36.8 million. The 2015 Final Proposed Budget contains non-labor costs projected at \$8.6 million, which includes \$2.7 million required funding for AAPL insurance, Small Businesses Mentoring Program, budget system maintenance, and audit services. Similar to the November Forecast, the 2015 Budget includes reimbursement of NYCT for administrative support staff and services, temporary services to support project controls, change orders and claims management, legal and engineering services, occupancy, and costs for communications and computer equipment.

Impact on Funding:

The 2014 November Forecast, the 2015 Final Proposed Budget, and the Four-Year Financial Plan for 2015-2018, which are presented in the attached tables, are consistent with the proposed MTA Financial Plan.

Recommendations:

It is recommended that the MTA Board adopt the 2014 November Forecast, the 2015 Final Proposed Budget, and the Four-Year Financial Plan for 2015-2018 for the MTA Capital Construction Company.

MTA CAPITAL CONSTRUCTION
November Financial Plan 2015-2018
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE						
	2013	2014	2015			
	Actual	November	Final Proposed	2016	2017	2018
Revenue		Forecast	Budget			
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Toll Revenue						
Other Operating Revenue						
Capital and Other Reimbursements	26.239	36.213	36.792	36.905	37.815	37.491
Total Revenue	\$26.239	\$36.213	\$36.792	\$36.905	\$37.815	\$37.491
Expenses						
<u>Labor:</u>						
Payroll	\$13.613	\$15.123	\$16.200	\$16.522	\$16.851	\$17.186
Overtime						
Health and Welfare	1.882	2.447	2.773	2.879	3.039	3.211
OPEB Current Payment						
Pensions	2.577	3.040	3.401	3.546	3.690	3.840
Other Fringe Benefits	4.018	5.464	5.860	6.000	6.147	6.286
Reimbursable Overhead						
Total Labor Expenses	\$22.090	\$26.073	\$28.234	\$28.946	\$29.727	\$30.523
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	-	-	-	-	-	-
Insurance	0.255	0.283	0.311	0.342	0.376	0.414
Claims						
Paratransit Service Contracts						
Maintenance and Other Operating Contracts						
Professional Service Contracts	3.407	4.276	5.044	4.406	4.392	3.108
Materials & Supplies	0.016	0.028	0.020	0.020	0.015	0.020
Other Business Expenses	0.472	5.553	3.183	3.191	3.304	3.426
Total Non-Labor Expenses	\$4.149	\$10.140	\$8.558	\$7.959	\$8.088	\$6.968
<u>Other Expenses Adjustments:</u>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$26.239	\$36.213	\$36.792	\$36.905	\$37.815	\$37.491
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses	\$26.239	\$36.213	\$36.792	\$36.905	\$37.815	\$37.491
Baseline Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA CAPITAL CONSTRUCTION
November Financial Plan 2015-2018
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2013	2014	2015			
	Actual	November Forecast	Final Proposed Budget	2016	2017	2018
Receipts						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue						
Other Operating Revenue						
Capital and Other Reimbursements	26.239	36.213	36.792	36.905	37.815	37.491
Total Receipts	\$26.239	\$36.213	\$36.792	\$36.905	\$37.815	\$37.491
Expenditures						
<u>Labor:</u>						
Payroll	\$13.613	\$15.123	\$16.200	\$16.522	\$16.851	\$17.186
Overtime						
Health and Welfare	1.882	2.447	2.773	2.879	3.039	3.211
OPEB Current Payment						
Pensions	2.577	3.040	3.401	3.546	3.690	3.840
Other Fringe Benefits	4.018	5.464	5.860	6.000	6.147	6.286
Reimbursable Overhead						
Total Labor Expenditures	\$22.090	\$26.073	\$28.234	\$28.946	\$29.727	\$30.523
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	-	-	-	-	-	-
Insurance	0.255	0.283	0.311	0.342	0.376	0.414
Claims						
Paratransit Service Contracts						
Maintenance and Other Operating Contracts						
Professional Service Contracts	3.407	4.276	5.044	4.406	4.392	3.108
Materials & Supplies	0.016	0.028	0.020	0.020	0.015	0.020
Other Business Expenses	0.472	5.553	3.183	3.191	3.304	3.426
Total Non-Labor Expenditures	\$4.149	\$10.140	\$8.558	\$7.959	\$8.088	\$6.968
<u>Other Expenditure Adjustments:</u>						
Other - Restricted Cash Adjustment	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$26.239	\$36.213	\$36.792	\$36.905	\$37.815	\$37.491
Baseline Cash Deficit	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA CAPITAL CONSTRUCTION
November Financial Plan 2015-2018
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2013	2014	2015			
	Actual	November Forecast	Final Proposed Budget	2016	2017	2018
Receipts						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue						
Other Operating Revenue						
Capital and Other Reimbursements	-	-	-	-	-	-
Total Receipts	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Expenditures						
<u>Labor:</u>						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime						
Health and Welfare	-	-	-	-	-	-
OPEB Current Payment						
Pensions	-	-	-	-	-	-
Other Fringe Benefits	-	-	-	-	-	-
Reimbursable Overhead						
Total Labor Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	-	-	-	-	-	-
Insurance	-	-	-	-	-	-
Claims						
Paratransit Service Contracts						
Maintenance and Other Operating Contracts						
Professional Service Contracts	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-
Other Business Expenditures	-	-	-	-	-	-
Total Non-Labor Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Other Expenditures Adjustments:</u>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expenditures Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Cash Conversion Adjustments before Deprecia	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Depreciation Adjustment	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Cash Conversion Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

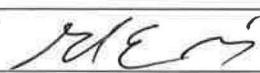
MTA CAPITAL CONSTRUCTION
November Financial Plan 2015-2018
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

FUNCTION/DEPARTMENT	2013 Actual	2014 November Forecast	2015 Final Proposed Budget	2016	2017	2018
Administration						
MTACC	16	18	18	18	18	18
Engineering/Capital						
MTACC	37	40	40	40	40	40
East Side Access	18	22	22	22	22	26
Second Avenue Subway	17	22	22	22	22	29
Security Program	9	10	10	10	10	10
Lower Manhattan Projects	17	16	16	16	16	17
7 Line Extension	9	12	12	12	12	0
Total Engineering/Capital	107	122	122	122	122	122
Total Baseline Positions	123	140	140	140	140	140
<i>Non-Reimbursable</i>	-	-	-	-	-	-
<i>Reimbursable</i>	123	140	140	140	140	140
<i>Total Full-Time</i>	123	140	140	140	140	140
<i>Total Full-Time Equivalents</i>	-	-	-	-	-	-

MTA CAPITAL CONSTRUCTION
November Financial Plan 2015-2018
Total Positions by Function and Occupation

FUNCTION/OCCUPATIONAL GROUP	2013 Actual	2014 November Forecast	Final Proposed Budget	2016	2017	2018
Administration						
Managers/Supervisors Professional, Technical, Clerical Operational Hourlies	16	18	18	18	18	18
Total Administration	16	18	18	18	18	18
Operations						
Managers/Supervisors Professional, Technical, Clerical Operational Hourlies	-	-	-	-	-	-
Total Operations	-	-	-	-	-	-
Maintenance						
Managers/Supervisors Professional, Technical, Clerical Operational Hourlies	-	-	-	-	-	-
Total Maintenance	-	-	-	-	-	-
Engineering/Capital						
Managers/Supervisors Professional, Technical, Clerical Operational Hourlies	107	122	122	122	122	122
Total Engineering/Capital	107	122	122	122	122	122
Public Safety						
Managers/Supervisors Professional, Technical, Clerical Operational Hourlies	-	-	-	-	-	-
Total Public Safety	-	-	-	-	-	-
Total Baseline Positions						
Managers/Supervisors Professional, Technical, Clerical Operational Hourlies	123	140	140	140	140	140
Total Baseline Positions	123	140	140	140	140	140

Long Island Rail Road

Subject LIRR 2015 Budget and 2015-2018 Financial Plan Adoption	Date December 1, 2014
Department Office of Management & Budget	Vendor Name
Department Head Name Gerard E. Ring	Contract Number
Department Head Signature 	Contract Manager Name
Project Manager Name	Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	MNR & LIRR Committee		X		
2	Finance Committee		X		
3	MTA Board		X		

Internal Approvals			
Order	Approval	Order	Approval
3	President 		VP Svc PIng Tech & CPM
	Exec Vice President		VP Mkt Dev & Public Affairs
	Sr. VP Operations		General Counsel
	VP Labor Relations	2	VP & CFO 

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval
1	Exec Dir Mgmt & Budget 						

Purpose

To secure MTA Board adoption of the MTA Long Island Rail Road's (LIRR) 2014 November Forecast, 2015 Final Proposed Budget, and the Four-Year Financial Plan for 2015 – 2018.

Discussion

The 2015 Final Proposed Budget, which is consistent with information presented to the Board in November, provides sufficient funding to maintain the Long Island Rail Road's commitment to provide safe, reliable and efficient commuter rail service to the metropolitan New York region. Achievement of its most important goal – the provision of safe transportation services to its customers, employees and members of the local community is made possible through investments in new and existing initiatives. These safety initiatives, some of which are described below, were driven by recommendations from recently completed reviews by the Federal Railroad Administration (FRA), the National Transportation Safety Board (NTSB), Transportation Technology Center Inc. (TTCI), the MTA Blue Ribbon Panel on safety and on-going reviews by LIRR management. The cost of these proposed safety investments as well as new service and service support investments are excluded from LIRR's November 2015-2018 Financial Plan; however, they have been incorporated as part of the MTA consolidated Financial Plan. Achieving an efficient operation remains a priority. The LIRR's focus on reliability centered maintenance for rolling stock to ensure maximum fleet availability, and on careful maintenance of the right-of way to maintain a state of good repair remains steadfast. In addition, the baseline projections, outlined below, reflect both continued financial savings from past non-service related budget reduction initiatives and new or enhanced reduction initiatives. LIRR's baseline budget also excludes the estimated impacts from projected fare increases, unidentified MTA efficiencies, MTA re-estimates and policy actions. These impacts will be presented as part of MTA consolidated materials.

The 2015 Final Proposed Budget includes funding for new and enhanced investments and initiatives in support of these goals as follows:

- **Safety (included in the MTA consolidated Financial Plan)**
 - Quarterly Safety Stand-Downs - Safety sessions/discussions will be conducted with staff across the LIRR to stress the importance of safety and to provide an opportunity for employees to share how they are experiencing safety.
 - Confidential Close Call Reporting System - A collaborative effort between Management, Labor Organizations and the Federal Railroad Administration, this system will provide a mechanism for employees to confidentially report close calls that could have resulted in operating and safety incidents.
 - Rail Resource Management Training – These sessions are designed to instruct management and represented employees on how to work effectively as teams to mitigate human factor accidents.
 - Dedicated Accident Investigation Unit – This Unit is tasked with conducting investigations of major accidents and incidents.
 - Rail Joint Elimination Initiative – The LIRR will address an estimated 3,000 rail joints that exist in continuous welded rail portions of the LIRR.
 - Wheel Impact Load Detection and Measurement System – This system will provide axle load, tonnage and defective wheel information to Engineering personnel and alert LIRR personnel in the event of excessive wheel force striking the rail.
 - Cameras and Recording Devices – The installation of cameras and recording devices on-board rolling stock equipment will facilitate analysis and investigation of incidents.

- **Customer Focus (included in the MTA consolidated Financial Plan)**
 - Additional Off-Peak Service – These investments will provide more frequent and reliable service while supporting emerging markets and leisure travel.
 - Additional Peak Train Capacity – The additional capacity will rebalance consist length during peak travel to accommodate ridership growth along some of the LIRR's busiest branches.
 - Improve Signage System-Wide – This initiative will establish a multi-year program to implement a unified system of signs that enhances customer circulation and improves the overall experience of station users.

- **Financial Performance**
 - The LIRR has developed more sophisticated staffing models to strike a more efficient balance between straight time and overtime usage.
 - The LIRR is conducting a comprehensive review of internal controls governing overtime utilization and the Financial Plan assumes future savings from this initiative.
 - The LIRR is reviewing third party contractual spending trends with a goal of identifying future savings opportunities.

This November Plan also reflects the financial impact of the recent settlement with several LIRR labor unions, following the pattern established in the LIRR union coalition settlement, and the assumption that all other unions will follow the same pattern.

2014 November Forecast - Baseline

Non-Reimbursable/Reimbursable expenses for the 2014 November Forecast before non-cash liability adjustments total \$1,774.1 million. This is comprised of \$1,511.1 million of Non-Reimbursable expenses and \$263.0 million of Reimbursable expenses. Total Non-Reimbursable/Reimbursable revenue for the 2014 November Forecast is \$968.7 million. This is comprised of \$705.7 million of Non-Reimbursable revenue and \$263.0 million of Reimbursable revenue.

The Non-Reimbursable revenue for the 2014 November Forecast of \$705.7 million includes Farebox Revenue projections of \$655 million. This is based on a projected annual ridership of 85.1 million customers, which is a 2% increase over 2013. The Forecast also assumes \$50.8 million in other revenue from advertising, rental fees, special services and reimbursement for Sandy related costs.

Excluding non-cash liability adjustments, Non-Reimbursable expenses for the 2014 November Forecast totals \$1,511.1 million. Including non-cash liability adjustments, total Non-Reimbursable expenses for the 2014 November Forecast increases to \$1,919.9 million. The cash adjustments for non-cash items and timing of expenses/receipts total \$410.9 million. The resulting Net Cash Deficit is projected to be \$803.3 million in 2014.

Total Non-Reimbursable headcount is 6,131 positions. Total Reimbursable headcount is 877 positions.

2015 Final Proposed Budget - Baseline

Non-Reimbursable/Reimbursable expenses for the 2015 Final Proposed Budget before non-cash liability adjustments are \$1,829.5 million, comprised of \$1,492.2 million of Non-Reimbursable expenses and \$337.3 million of Reimbursable expenses. The total Non-Reimbursable/Reimbursable revenue for the 2015 Final Proposed Budget is \$1,048.8 million, comprised of \$711.4 million of Non-Reimbursable revenue and \$337.3 million of Reimbursable revenue.

The Non-Reimbursable revenue for the 2015 Final Proposed Budget of \$711.4 million includes Passenger Revenue projections of \$662.5 million and \$48.9 million in other revenue from advertising, rental fees, and special services. The Farebox revenue is based on a projected annual ridership of 86.1 million passengers, which is a 1.2% increase over 2014. Excluding non-cash liability adjustments, Non-Reimbursable expenses for the 2015 Final Proposed Budget total \$1,492.2 million. Including non-cash liability adjustments, total Non-Reimbursable expenses for the 2014 Final Proposed Budget increases to \$1,911.4 million. Cash adjustments for non-cash items and timing of expenses/receipts total \$400.1 million. The resulting Net Cash Deficit is projected to be \$799.9 million in 2015.

The Non-Reimbursable expense budget, before non-cash liability adjustments, of \$1,492.2 million is comprised of \$1,051.0 million in labor expenses (payroll and benefits), which represent 70 percent of total expenses. The balance of the expenses are non-payroll and are related to the operation and maintenance of the fleet and infrastructure, with expenses allocated for electric power and fuel of \$136.0 million, materials & supplies of \$143.2 million, professional and maintenance services contracts of \$116.1 million and all other costs of \$45.9 million.

Total Non-Reimbursable headcount is 6,225 positions of which approximately 90 percent are in the operating departments. Total Reimbursable headcount is 947 positions. The increase in headcount over the 2014 November Forecast is attributable to several initiatives (operating and capital).

Budget Reduction Initiatives

Tighter management control and increased oversight of non-payroll budgets and improved inventory control result in savings of \$7.7 million in 2015 and \$7.2 million every year thereafter.

Impact on Funding

The 2014 November Forecast, 2015 Final Proposed Budget and the Four-Year Financial Plan 2015 – 2018, which are presented in the attached tables, are consistent with the proposed MTA Financial Plan.

Recommendation

It is recommended that the MTA Board adopt the MTA Long Island Rail Road's 2014 November Forecast, the 2015 Final Proposed Budget and the Four-Year Financial Plan for 2015 – 2018.

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2015-2018
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE						
	2013	2014	2015			
	Actual	November Forecast	Final Proposed Budget	2016	2017	2018
Operating Revenue						
Farebox Revenue	\$632.089	\$654.949	\$662.533	\$667.468	\$671.381	\$673.667
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	60.624	50.797	48.902	48.157	47.970	48.672
Capital and Other Reimbursements	-	-	-	-	-	-
Total Revenue	\$692.713	\$705.746	\$711.435	\$715.625	\$719.351	\$722.339
Operating Expenses						
<u>Labor:</u>						
Payroll	\$429.086	\$564.278	\$517.549	\$525.926	\$535.888	\$570.944
Overtime	92.924	128.504	108.411	103.952	107.238	109.531
Health and Welfare	92.601	93.193	92.580	95.956	101.966	112.522
OPEB Current Payment	81.978	58.563	61.807	64.261	67.802	71.565
Pensions	178.457	180.416	178.307	180.610	182.017	184.855
Other Fringe Benefits	113.174	120.783	126.776	129.503	134.016	143.022
Reimbursable Overhead	(24.184)	(27.313)	(34.455)	(32.649)	(27.391)	(27.063)
Total Labor Expenses	\$964.036	\$1,118.424	\$1,050.975	\$1,067.559	\$1,101.536	\$1,165.376
<u>Non-Labor:</u>						
Electric Power	\$99.630	\$108.756	\$107.497	\$111.926	\$119.951	\$125.897
Fuel	28.610	29.252	28.507	27.820	28.413	29.234
Insurance	20.038	23.472	25.674	28.089	30.685	33.564
Claims	5.569	3.863	4.229	4.303	4.370	4.370
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	50.891	61.316	77.550	71.598	76.242	75.586
Professional Service Contracts	28.274	32.528	38.594	31.556	33.063	37.108
Materials & Supplies	96.339	121.300	143.195	139.007	144.666	146.977
Other Business Expenses	13.214	12.226	15.956	16.546	16.778	22.505
Total Non-Labor Expenses	\$342.566	\$392.713	\$441.202	\$430.845	\$454.168	\$475.241
<u>Other Expenses Adjustments:</u>						
Other	-	-	-	-	-	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adjs.	\$1,306.601	\$1,511.137	\$1,492.177	\$1,498.404	\$1,555.704	\$1,640.617
Depreciation	332.978	333.377	343.332	346.750	350.202	353.689
OPEB Obligation	44.804	71.780	73.933	76.152	76.152	77.675
Environmental Remediation	(13.524)	3.600	2.000	2.000	2.000	2.000
Total Expenses	\$1,670.859	\$1,919.894	\$1,911.442	\$1,923.306	\$1,984.058	\$2,073.981
Net Surplus/(Deficit)	(\$978.146)	(\$1,214.148)	(\$1,200.007)	(\$1,207.681)	(\$1,264.707)	(\$1,351.642)
<u>Cash Conversion Adjustments</u>						
Depreciation	\$332.978	\$333.377	\$343.332	\$346.750	\$350.202	\$353.689
Operating/Capital	(18.363)	(13.525)	(36.660)	(10.592)	(10.227)	(13.247)
Other Cash Adjustment	44.907	91.034	93.474	91.020	89.065	91.305
Total Cash Conversion Adjustments	\$359.522	\$410.886	\$400.146	\$427.178	\$429.040	\$431.747
Net Cash Surplus/(Deficit)	(\$618.624)	(\$803.262)	(\$799.861)	(\$780.503)	(\$835.667)	(\$919.895)

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2015-2018
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE						
	2013	2014	2015			
	<u>Actual</u>	<u>November Forecast</u>	<u>Final Proposed Budget</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-
Capital and Other Reimbursements	226.717	262.957	337.317	287.870	270.391	271.525
Total Revenue	\$226.717	\$262.957	\$337.317	\$287.870	\$270.391	\$271.525
Expenses						
<u>Labor:</u>						
Payroll	\$66.903	\$84.192	\$107.871	\$103.021	\$98.954	\$99.111
Overtime	18.339	20.806	23.719	18.570	16.355	15.823
Health and Welfare	14.429	17.082	19.890	18.501	17.387	17.250
OPEB Current Payment	-	-	-	-	-	-
Pensions	21.752	27.184	28.493	26.990	25.495	25.368
Other Fringe Benefits	14.516	18.335	23.954	22.281	20.940	20.775
Reimbursable Overhead	24.184	27.313	34.455	32.649	27.391	27.063
Total Labor Expenses	\$160.123	\$194.912	\$238.382	\$222.012	\$206.522	\$205.390
<u>Non-Labor:</u>						
Electric Power	\$0.240	\$0.544	\$0.746	\$0.494	\$0.000	\$0.000
Fuel	-	-	-	-	-	-
Insurance	3.511	5.010	7.639	6.573	6.184	6.130
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	15.507	12.165	15.712	11.656	11.125	10.753
Professional Service Contracts	6.628	5.449	6.846	2.089	1.576	1.247
Materials & Supplies	40.135	44.215	67.685	44.928	44.873	47.895
Other Business Expenses	0.572	0.662	0.307	0.118	0.111	0.110
Total Non-Labor Expenses	\$66.594	\$68.045	\$98.935	\$65.858	\$63.869	\$66.135
<u>Other Expenses Adjustments:</u>						
Other	-	-	-	-	-	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$226.717	\$262.957	\$337.317	\$287.870	\$270.391	\$271.525
Depreciation	-	-	-	-	-	-
Total Expenses	\$226.717	\$262.957	\$337.317	\$287.870	\$270.391	\$271.525
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2015-2018
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE						
	2013	2014	2015			
	Actual	November Forecast	Final Proposed Budget	2016	2017	2018
Revenue						
Farebox Revenue	\$632.089	\$654.949	\$662.533	\$667.468	\$671.381	\$673.667
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	60.624	50.797	48.902	48.157	47.970	48.672
Capital and Other Reimbursements	226.717	262.957	337.317	287.870	270.391	271.525
Total Revenue	\$919.430	\$968.703	\$1,048.752	\$1,003.495	\$989.742	\$993.864
Expenses						
<u>Labor:</u>						
Payroll	\$495.989	\$648.470	\$625.420	\$628.947	\$634.842	\$670.055
Overtime	111.263	149.310	132.130	122.522	123.593	125.354
Health and Welfare	107.030	110.275	112.470	114.457	119.353	129.772
OPEB Current Payment	81.978	58.563	61.807	64.261	67.802	71.565
Pensions	200.208	207.600	206.800	207.600	207.512	210.223
Other Fringe Benefits	127.690	139.118	150.730	151.784	154.956	163.797
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenses	\$1,124.158	\$1,313.336	\$1,289.357	\$1,289.571	\$1,308.058	\$1,370.766
<u>Non-Labor:</u>						
Electric Power	\$99.871	\$109.300	\$108.243	\$112.420	\$119.951	\$125.897
Fuel	28.610	29.252	28.507	27.820	28.413	29.234
Insurance	23.549	28.482	33.313	34.662	36.869	39.694
Claims	5.569	3.863	4.229	4.303	4.370	4.370
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	66.398	73.481	93.262	83.254	87.367	86.339
Professional Service Contracts	34.903	37.977	45.440	33.645	34.639	38.355
Materials & Supplies	136.474	165.515	210.880	183.935	189.539	194.872
Other Business Expenses	13.786	12.888	16.263	16.664	16.889	22.615
Total Non-Labor Expenses	\$409.160	\$460.758	\$540.137	\$496.703	\$518.037	\$541.376
<u>Other Expenses Adjustments:</u>						
Other	-	-	-	-	-	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adjs.	\$1,533.318	\$1,774.094	\$1,829.494	\$1,786.274	\$1,826.095	\$1,912.142
Depreciation	\$332.978	\$333.377	\$343.332	\$346.750	\$350.202	\$353.689
OPEB Obligation	44.804	71.780	73.933	76.152	76.152	77.675
Environmental Remediation	(13.524)	3.600	2.000	2.000	2.000	2.000
Total Expenses	\$1,897.575	\$2,182.851	\$2,248.759	\$2,211.176	\$2,254.449	\$2,345.506
Net Surplus/(Deficit)	(\$978.145)	(\$1,214.148)	(\$1,200.007)	(\$1,207.681)	(\$1,264.707)	(\$1,351.642)
<u>Cash Conversion Adjustments</u>						
Depreciation	\$332.978	\$333.377	\$343.332	\$346.750	\$350.202	\$353.689
Operating/Capital	(18.363)	(13.525)	(36.660)	(10.592)	(10.227)	(13.247)
Other Cash Adjustment	44.907	91.034	93.474	91.020	89.065	91.305
Total Cash Conversion Adjustments	\$359.522	\$410.886	\$400.146	\$427.178	\$429.040	\$431.747
Net Cash Surplus/(Deficit)	(\$618.623)	(\$803.262)	(\$799.861)	(\$780.503)	(\$835.667)	(\$919.895)

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2015-2018
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2013	2014	2015			
	Actual	November Forecast	Final Proposed Budget	2016	2017	2018
Receipts						
Farebox Revenue	\$653.417	\$679.402	\$685.033	\$689.968	\$693.881	\$696.167
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	81.051	45.534	41.527	40.069	39.600	40.064
Capital and Other Reimbursements	183.429	264.173	294.148	270.368	253.143	251.088
Total Receipts	\$917.897	\$989.109	\$1,020.708	\$1,000.405	\$986.624	\$987.319
Expenditures						
<u>Labor:</u>						
Payroll	\$487.527	\$647.615	\$611.667	\$614.888	\$620.783	\$655.684
Overtime	109.737	149.310	132.130	122.522	123.593	125.354
Health and Welfare	106.481	110.824	112.470	114.457	119.353	129.772
OPEB Current Payment	56.831	58.710	61.807	64.261	67.802	71.565
Pensions	215.052	194.006	206.800	207.600	207.512	210.223
Other Fringe Benefits	117.619	141.580	149.730	150.784	153.956	162.797
GASB Account	12.593	5.733	-	-	-	0.753
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$1,105.839	\$1,307.778	\$1,274.604	\$1,274.512	\$1,292.999	\$1,356.148
<u>Non-Labor:</u>						
Electric Power	\$114.363	\$114.902	\$108.243	\$112.420	\$119.951	\$125.897
Fuel	27.639	30.428	28.507	27.820	28.413	29.234
Insurance	20.973	30.031	33.067	34.357	37.520	39.357
Claims	3.676	2.313	2.625	2.666	2.702	2.702
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	57.712	88.192	93.262	83.254	87.367	86.339
Professional Service Contracts	31.842	37.880	41.057	29.053	29.827	33.313
Materials & Supplies	138.408	145.375	201.557	178.779	185.240	190.213
Other Business Expenses	12.949	13.722	15.147	15.547	15.772	21.511
Total Non-Labor Expenditures	\$407.560	\$462.843	\$523.465	\$483.896	\$506.792	\$528.566
<u>Other Expenditure Adjustments:</u>						
Other	23.190	21.750	22.500	22.500	22.500	22.500
Total Other Expenditure Adjustments	\$23.190	\$21.750	\$22.500	\$22.500	\$22.500	\$22.500
Total Expenditures	\$1,536.590	\$1,792.371	\$1,820.569	\$1,780.908	\$1,822.291	\$1,907.214
Cash Timing and Availability Adjustment	0.069	-	-	-	-	-
Net Cash Surplus/(Deficit)	(\$618.624)	(\$803.262)	(\$799.861)	(\$780.503)	(\$835.667)	(\$919.895)

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2015-2018
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2013	2014	2015			
	Actual	November Forecast	Final Proposed Budget	2016	2017	2018
Receipts						
Farebox Revenue	\$21.328	\$24.453	\$22.500	\$22.500	\$22.500	\$22.500
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	20.427	(5.263)	(7.375)	(8.088)	(8.370)	(8.608)
Capital and Other Reimbursements	(43.288)	1.216	(43.169)	(17.502)	(17.248)	(20.437)
Total Receipts	(\$1.533)	\$20.406	(\$28.044)	(\$3.090)	(\$3.118)	(\$6.545)
Expenditures						
<u>Labor:</u>						
Payroll	\$8.462	\$0.855	\$13.753	\$14.059	\$14.059	\$14.371
Overtime	1.526	-	-	-	-	-
Health and Welfare	0.549	(0.549)	-	-	-	-
OPEB Current Payment	25.147	(0.147)	-	-	-	-
Pensions	(14.844)	13.594	-	-	-	-
Other Fringe Benefits	10.071	(2.462)	1.000	1.000	1.000	1.000
GASB Account	(12.593)	(5.733)	-	-	-	(0.753)
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$18.319	\$5.558	\$14.753	\$15.059	\$15.059	\$14.618
<u>Non-Labor:</u>						
Electric Power	(\$14.492)	(\$5.602)	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.971	(1.176)	-	-	-	-
Insurance	2.576	(1.549)	0.246	0.305	(0.651)	0.337
Claims	1.893	1.550	1.604	1.637	1.668	1.668
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	8.687	(14.711)	-	-	-	-
Professional Service Contracts	3.062	0.097	4.383	4.592	4.812	5.042
Materials & Supplies	(1.934)	20.140	9.323	5.156	4.299	4.659
Other Business Expenditures	0.836	(0.834)	1.116	1.117	1.117	1.104
Total Non-Labor Expenditures	\$1.599	(\$2.085)	\$16.672	\$12.807	\$11.245	\$12.810
<u>Other Expenditures Adjustments:</u>						
Other	(23.190)	(21.750)	(22.500)	(22.500)	(22.500)	(22.500)
Total Other Expenditures Adjustments	(\$23.190)	(\$21.750)	(\$22.500)	(\$22.500)	(\$22.500)	(\$22.500)
Total Cash Conversion Adjustments before Depreciation and GASB Adjs.	(\$4.805)	\$2.129	(\$19.119)	\$2.276	\$0.686	(\$1.617)
Depreciation Adjustment	\$332.978	\$333.377	\$343.332	\$346.750	\$350.202	\$353.689
OPEB Obligation	44.804	71.780	73.933	76.152	76.152	77.675
Environmental Remediation	(13.524)	3.600	2.000	2.000	2.000	2.000
Cash Timing and Availability Adjustment	0.069	-	-	-	-	-
Total Cash Conversion Adjustments	\$359.522	\$410.886	\$400.146	\$427.178	\$429.040	\$431.747

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2015-2018
Ridership/(Utilization)
(\$ in millions)

	2013 Actual	2014 November Forecast	2015 Final Proposed Budget	2016	2017	2018
<u>RIDERSHIP</u>						
Monthly	46.197	46.902	47.373	47.728	47.829	48.127
Weekly	1.892	1.984	1.999	2.013	2.025	2.031
Total Commutation	48.089	48.886	49.372	49.741	49.853	50.158
One-Way Full Fare	8.027	8.197	8.281	8.341	8.390	8.415
One-Way Off Peak	17.461	17.834	18.125	18.256	18.363	18.417
All Other	9.807	10.149	10.302	10.397	10.456	10.532
Total Commutation	35.295	36.179	36.708	36.995	37.209	37.363
Total Ridership	83.384	85.065	86.080	86.735	87.062	87.521
<u>FAREBOX REVENUE</u>						
Baseline Total Farebox Revenue	\$632.089	\$654.949	\$662.533	\$667.468	\$671.381	\$673.667

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2015-2018
2014 Budget Reduction Summary
(\$ in millions)

	Favorable/(Unfavorable)									
	Pos.	2014	Pos.	2015	Pos.	2016	Pos.	2017	Pos.	2018
<u>Administration</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Administration	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Customer Convenience/Amenities</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Customer Convenience/Amenities	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Maintenance</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Maintenance	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Revenue Enhancement</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Revenue Enhancement	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Safety</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Safety	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Security</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Security	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Service</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Service	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Service Support</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Service Support	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Other</u>										
Contract Savings		3.223		2.710		2.721		2.713		2.710
Inventory/Material Management (Nov Plan)	-	0.000	-	5.000	-	4.500	-	4.500	-	4.500
Subtotal Other	-	3.223	-	7.710	-	7.221	-	7.213	-	7.210
Agency Submission	-	\$3.223	-	\$7.710	-	\$7.221	-	\$7.213	-	\$7.210

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2015-2018
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full Time Equivalents

FUNCTION/DEPARTMENT	2013 Actual	2014 November Forecast	2015 Final Proposed Budget	2016	2017	2018
Administration						
Executive VP	6	5	5	5	5	5
Labor Relations	17	18	18	18	18	18
Procurement & Logistics (excl. Stores)	85	82	83	83	80	80
Human Resources	35	32	32	32	32	38
Sr VP Administration	2	2	2	2	2	2
Strategic Investments	26	32	34	34	34	34
President	4	4	4	4	4	4
VP & CFO	3	5	5	5	5	5
Information Technology	146	164	165	165	165	165
Controller	41	46	46	46	46	46
Management and Budget	17	19	21	21	21	21
Process Re-Engineering	7	7	7	7	7	7
VP - East Side Access & Special Projects	29	28	28	28	28	28
Market Dev. & Public Affairs	61	70	70	70	70	70
Gen. Counsel & Secretary	30	31	31	31	31	31
Diversity Management	2	2	2	2	2	2
Security	5	12	13	13	13	13
System Safety	18	22	24	24	24	24
Training	53	52	49	49	49	49
Sr VP Operations/ Serv. Planning	21	24	25	25	25	27
Total Administration	608	657	664	664	661	669
Operations						
Train Operations	1,972	2,077	2,074	2,068	2,049	2,203
Customer Service	296	298	298	296	295	295
Total Operations	2,268	2,375	2,372	2,364	2,344	2,498
Maintenance						
Engineering	1,642	1,715	1,810	1,697	1,721	1,755
Equipment	2,008	2,015	2,081	2,085	2,035	2,035
Procurement (Stores)	91	93	93	93	93	93
Total Maintenance	3,741	3,823	3,984	3,875	3,849	3,883
Engineering/Capital						
Department of Project Management	110	153	153	153	153	153
Total Engineering/Capital	110	153	153	153	153	153
Total Baseline Positions	6,727	7,008	7,172	7,055	7,006	7,202
<i>Non-Reimbursable</i>	6,136	6,131	6,225	6,280	6,289	6,489
<i>Reimbursable</i>	591	877	947	775	717	713
<i>Total Full-Time</i>	6,727	7,008	7,172	7,055	7,006	7,202
<i>Total Full-Time Equivalents</i>	-	-	-	-	-	-

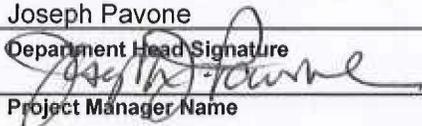
MTA LONG ISLAND RAIL ROAD
November Financial Plan 2015-2018
Total Positions by Function and Occupation

FUNCTION/OCCUPATIONAL GROUP	2013 Actual	2014 November Forecast	2015 Final Proposed Budget	2016	2017	2018
Administration						
Managers/Supervisors	301	330	337	337	336	344
Professional, Technical, Clerical	307	327	327	327	325	325
Operational Hourlies	-	-	-	-	-	-
Total Administration	608	657	664	664	661	669
Operations						
Managers/Supervisors	317	305	307	307	305	304
Professional, Technical, Clerical	166	183	184	182	181	178
Operational Hourlies	1,785	1,887	1,881	1,875	1,858	2,016
Total Operations	2,268	2,375	2,372	2,364	2,344	2,498
Maintenance						
Managers/Supervisors	693	758	774	740	743	754
Professional, Technical, Clerical	257	291	286	286	286	289
Operational Hourlies	2,791	2,774	2,924	2,849	2,820	2,840
Total Maintenance	3,741	3,823	3,984	3,875	3,849	3,883
Engineering/Capital						
Managers/Supervisors	85	116	114	114	114	114
Professional, Technical, Clerical	25	37	39	39	39	39
Operational Hourlies	-	-	-	-	-	-
Total Engineering/Capital	110	153	153	153	153	153
Public Safety						
Managers/Supervisors	-	-	-	-	-	-
Professional, Technical, Clerical	-	-	-	-	-	-
Operational Hourlies	-	-	-	-	-	-
Total Public Safety	-	-	-	-	-	-
Total Baseline Positions						
Managers/Supervisors	1,396	1,509	1,532	1,498	1,498	1,516
Professional, Technical, Clerical	755	838	836	834	831	831
Operational Hourlies	4,576	4,661	4,805	4,724	4,678	4,856
Total Baseline Positions	6,727	7,008	7,172	7,055	7,006	7,202

Metro-North Railroad



Staff Summary

Subject MNR 2015 Budget and 2015-2018 Financial Plan Adoption
Department Budget
Department Head Name Joseph Pavone
Department Head Signature 
Project Manager Name

Date December 4, 2014
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref#

Board Action					
Order	To	Date	Approval	Info	Other
1	MNR&LIRR Comm. Mtg.	12/15			
2	MTA Fin. Comm.	12/15			
3	MTA Board Mtg.	12/17			

Internal Approvals			
Order	Approval	Order	Approval
1	President		Budget
	VP Operations		VP Capital Programs
2	VP Finance & IT		Engr/Const
	Controller		Project Reporting

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval
	VP Planning & Development		Corporate & Public Affairs		Labor Relations		General Counsel
	Press		VP Human Resources		Human Resources		Other

Purpose

To secure MTA Board adoption of the MTA Metro-North Railroad's (MNR) 2014 November Forecast, 2015 Final Proposed Budget, and the Four-Year Financial Plan 2015-2018.

Discussion:

The November 2015-2018 Financial Plan reflects the financial resources required to continue Metro-North's focus on strategic investments that promote safe, secure and reliable transportation service for our customers, and a safe and secure working environment for our employees. To meet this goal, Metro-North has proposed a significant number of new initiatives to assess and improve the safety and reliability of the railroad's operations and infrastructure. These initiatives, which are described below, were driven by recommendations from recently completed reviews by the Federal Railroad Administration (FRA), the National Transportation Safety Board (NTSB), Transportation Technology Center Inc. (TTCI), the MTA Blue Ribbon Panel on safety and on-going reviews by Metro-North management. The cost of these proposed safety investments is excluded from Metro-North's November 2015-2018 Financial Plan; however, they have been incorporated as part of the MTA consolidated Financial Plan presentation. Similarly, new West of Hudson service has been proposed which is also described below and is part of the MTA-wide service investment plan.

In addition to new safety and service investments, Metro-North's 2015 Final Proposed Budget sustains core programs, and incorporates initiatives that support or improve service reliability and enhance customer service delivery, convenience and communication.

The 2014 November Forecast projects 84.9 million East and West of Hudson riders, an increase of 1.8% over 2013. 2015-2018 ridership is projected to grow approximately 1.9% annually with growth occurring across all commuter lines. Metro-North's financial plan projections assume no fare increase in New York State and an approved fare increase in the State of Connecticut of 1.0% in 2015, followed by annual increases of 1.0% in 2016 through 2018.

The November 2015-2018 Financial Plan also reflects the financial impact of the recent settlement with several MNR unions, following the pattern established in the LIRR Union Coalition settlement, and the assumption that all unsigned unions will follow the same pattern.

The legal name of MTA Metro-North Railroad is Metro-North Commuter Railroad Company

Major Programmatic Initiatives included in the Financial Plan

Improve Service Reliability

- In partnership with CDOT, Metro-North continues to phase-in new M-8 cars to replace the entire New Haven Line electric car fleet, with all new cars expected to be in service by the end of 2014.
- The M-7 car fleet is beginning a 10-year life cycle maintenance program which includes both mechanical component replacement as well as interior seat replacement.
- To ensure the efficient management and maintenance of Metro-North's assets, resources have been added for the development of a new Enterprise Asset Management system.

Customer Service initiatives that improve customer communication and convenience

- Continuation of the cyclical station inspection, maintenance and enhancement program.
- Joint commuter railroad replacement of on-board Ticket Issuing Machines (TIMs) that support smartphones and other mobile devices.
- A joint study with the LIRR to develop a new long-term strategy for fare collections.
- Installation of new customer information monitors and platform signage at New York State outlying stations.
- Improvements to the Integrated Voice Response Customer Call-in System.

Proposed Initiatives included in the MTA Consolidated Financial Plan

Safety Investments

The majority of new Metro-North initiatives are safety-related and crucial to the achievement of short and long-term operating plans. They specifically address regulatory requirements or recommended actions by the FRA, NTSB, railroad industry experts and Metro-North management.

- ***Safety Department Reorganization*** – includes the separation of the previously combined safety and security departments to ensure dedicated attention to each of these important functions. A more focused and expanded Safety Department will be better equipped to promote changes to Metro-North's safety culture, provide concrete safety enhancements, perform a review and overhaul of the System Safety Program Plan, implement employee safety training and testing programs, and create a new Data Analysis and Incident Investigation Unit.
- ***Continuation and Expansion of the Maintenance of Way Infrastructure Improvement Program***
 - Reorganization of the MofW department will continue in 2015 to provide a more efficient and productive management structure, ensure better compliance with industry standards, and incorporate best maintenance practices.
 - Two specialized track gangs will be established to create cyclical maintenance programs that improve track interlocking maintenance and right-of-way drainage systems.
 - Continue to employ advanced inspection technology to increase the effectiveness of track maintenance programs.
 - Procure track and power system geometry equipment to improve the accuracy and efficiency of infrastructure testing and maintenance.
 - Upgrade GCT Fire Life Safety systems.
- ***Training Department Reorganization*** – will improve the oversight and coordination of all training functions across Metro-North, undertake a comprehensive review of all existing training programs, and centralize training record keeping and reporting.
- ***Positive Train Control (PTC)*** – additional maintenance forces will be phased-in with the installation of PTC as this system will significantly increase the volume of signal equipment and electronic systems requiring mandated inspection, maintenance and repair.
- ***Video /Audio Recording Equipment on Passenger Equipment and Locomotives*** – will be installed to aid in post-accident/incident investigations.

Service Investments:

- Proposed 2015 West of Hudson service investments include:
 - A one year pilot program to reduce parking fees at Metro-North owned facilities for both daily and annual permit holders.
 - Additional mid-day Port Jervis Line train service scheduled for late 2015.

2014 Budget Reduction Initiatives of \$4.5 million have been incorporated into Metro-North's 2014 November Forecast-Baseline and continue in the 2015 Final Proposed Budget and 2015-2018 Financial Plan. These initiatives include lower consumption of inventory and supplies, an increase in GCT retail revenue, a reduction of contracted service costs, and expenditure timing adjustments.

2014 November Forecast-Baseline

The 2014 non-reimbursable forecast reflects revenues totaling \$714.0 million, including \$653.9 million of farebox revenues and \$60.1 million in other operating revenue. Total operating expense projections of \$1,555.9 million consist of labor costs of \$890.3 million, non-labor costs of \$368.8 million and non-cash accruals of \$296.8 million for depreciation (\$228.5 million), other post-employment benefits (\$65.1 million) and environmental remediation (\$3.2 million). After including additional favorable cash adjustments of \$25.3 million, the projected net cash deficit is \$519.9 million of which \$424.8 million represents the MTA share and \$95.0 million the ConnDOT share. Projected reimbursable expenses of \$203.9 million are fully offset by capital reimbursements. Total end-of-year positions are projected at 6,587 and include 5,969 non-reimbursable positions and 618 reimbursable positions.

2015 Final Proposed Budget-Baseline

The 2015 final proposed non-reimbursable budget reflects revenues totaling \$730.8 million. Farebox Revenue of \$672.2 million reflecting slightly higher non-commutation ridership and a 1% State of Connecticut annual fare increase effective January 1st, 2015 through 2018. Other Operating Revenue of \$58.6 million reflects GCT net retail revenues, advertising, commissary operations, outlying station & parking revenue as well as a one-time recovery of Tropical Storm Sandy damages that was rescheduled to 2015 from 2014. Total Operating Expense projections of \$1,494.1 million consist of labor costs of \$835.1 million, non-labor costs of \$356.1 million and non-cash accruals of \$303.0 million, which are comprised of depreciation (\$231.5 million), other post-employment benefits (\$68.3 million) and Environmental Remediation (\$3.2 million). After additional cash adjustments of \$130.4 million, the projected net cash deficit is \$590.8 million of which \$449.1 million represents the MTA share and \$141.7 million the ConnDOT share. Projected reimbursable expenses of \$211.5 million are fully offset by capital reimbursements. Total end-of-year positions are projected at 6,648 and include 5,946 non-reimbursable positions and 702 reimbursable positions.

Impact on Funding: The 2014 November Forecast, the 2015 Final Proposed Budget and the Four-Year Financial Plan for 2015-2018, which are presented in the attached schedules, are consistent with the proposed MTA Financial Plan

Recommendation: It is recommended that the MTA Board adopt MTA Metro-North Railroad's 2014 November Forecast, 2015 Final Proposed Budget, and the Four-Year Financial Plan for 2015-2018

MTA Metro-North Railroad
November Financial Plan 2015 - 2018
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE						
	2013	2014	2015			
	Actual	November	Final Proposed	2016	2017	2018
		Forecast	Budget			
Operating Revenue						
Farebox Revenue	\$618.812	\$653.883	\$672.236	\$686.878	\$703.272	\$715.313
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	62.094	60.111	58.605	55.768	57.162	57.606
MNR - MTA	0.000	0.000	0.000	0.000	0.000	0.000
MNR - CDOT	0.000	0.000	0.000	0.000	0.000	0.000
MNR - Other	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenue	\$680.906	\$713.994	\$730.841	\$742.646	\$760.434	\$772.920
Operating Expenses						
Labor:						
Payroll	\$412.077	\$512.627	\$477.386	\$492.352	\$508.374	\$517.135
Overtime	68.741	100.672	93.864	94.357	97.047	99.070
Health and Welfare	90.742	100.776	98.793	103.736	109.629	114.788
OPEB Current Payment	21.692	24.000	25.186	26.021	27.301	28.656
Pensions	77.182	95.314	85.511	86.518	86.869	87.308
Other Fringe Benefits	110.474	111.946	107.597	107.937	109.764	110.560
Reimbursable Overhead	(36.298)	(55.020)	(53.255)	(53.823)	(54.839)	(55.869)
Total Labor	\$744.610	\$890.315	\$835.083	\$857.097	\$884.146	\$901.648
Non-Labor:						
Electric Power	\$74.416	\$83.361	\$80.735	\$85.790	\$95.395	\$102.352
Fuel	29.637	29.070	27.390	26.800	27.068	27.860
Insurance	14.386	17.755	19.925	22.063	24.142	26.428
Claims	39.328	7.613	1.000	1.000	1.000	1.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	95.298	102.140	108.683	113.287	116.617	117.703
Professional Service Contracts	23.309	28.505	30.023	32.266	32.157	32.297
Materials & Supplies	65.081	74.876	74.371	78.696	77.566	75.628
Other Business Expenses	31.457	25.523	13.953	19.055	19.965	21.144
Total Non-Labor	\$372.912	\$368.843	\$356.080	\$378.957	\$393.910	\$404.412
Other Expenses Adjustments:						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adjs.	\$1,117.522	\$1,259.158	\$1,191.163	\$1,236.054	\$1,278.055	\$1,306.060
Depreciation	\$230.045	\$228.525	\$231.476	\$227.237	\$229.237	\$231.237
OPEB Obligation	57.724	65.098	68.316	69.982	73.366	76.940
Environmental Remediation	1.927	3.169	3.172	3.172	3.172	3.172
Total Expenses	\$1,407.219	\$1,555.949	\$1,494.127	\$1,536.446	\$1,583.831	\$1,617.409
Net Surplus/(Deficit)	(\$726.313)	(\$841.955)	(\$763.286)	(\$793.800)	(\$823.397)	(\$844.489)
Cash Conversion Adjustments:						
Depreciation	\$230.045	\$228.525	\$231.476	\$227.237	\$229.237	\$231.237
Operating/Capital	(24.512)	(26.382)	(38.524)	(31.489)	(22.726)	(27.312)
Other Cash Adjustments	121.538	119.961	(20.420)	87.138	77.677	76.247
Total Cash Conversion Adjustments	\$327.071	\$322.104	\$172.532	\$282.887	\$284.188	\$280.173
Net Cash Surplus/(Deficit)	(\$399.242)	(\$519.851)	(\$590.754)	(\$510.913)	(\$539.208)	(\$564.316)

MTA Metro-North Railroad
November Financial Plan 2015 - 2018
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE	2014		2015			
	2013	November	Final Proposed			
	Actual	Forecast	Budget	2016	2017	2018
Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
MNR - MTA	81.571	114.748	131.311	142.183	142.023	144.978
MNR - CDOT	58.111	74.207	59.062	74.725	94.426	114.487
MNR - Other	11.688	14.940	21.111	19.803	20.171	20.559
Capital and Other Reimbursements	151.370	203.895	211.483	236.711	256.620	280.024
Total Revenue	\$151.370	\$203.895	\$211.483	\$236.711	\$256.620	\$280.024
Expenses						
Labor:						
Payroll	\$36.561	\$47.083	\$53.625	\$54.631	\$55.664	\$56.716
Overtime	15.822	25.877	17.756	18.088	18.430	18.778
Health and Welfare	12.040	13.583	15.562	15.899	16.606	17.433
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	7.274	10.643	8.690	8.808	8.772	8.865
Other Fringe Benefits	9.259	11.075	12.624	12.944	13.286	13.587
Reimbursable Overhead	33.940	52.756	51.844	52.813	53.811	54.821
Total Labor	\$114.896	\$161.018	\$160.100	\$163.183	\$166.569	\$170.200
Non-Labor:						
Electric Power	\$0.215	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.001	0.000	0.000	0.000	0.000	0.000
Insurance	2.891	3.691	4.309	4.408	4.491	4.576
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	14.605	8.778	11.533	18.826	26.260	33.802
Professional Service Contracts	5.412	8.908	4.771	9.920	15.123	20.450
Materials & Supplies	11.626	18.904	30.204	39.800	43.594	50.402
Other Business Expenses	1.724	2.597	0.565	0.574	0.583	0.593
Total Non-Labor	\$36.475	\$42.878	\$51.383	\$73.528	\$90.051	\$109.824
Other Adjustments:						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$151.370	\$203.895	\$211.483	\$236.711	\$256.620	\$280.024
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Obligation	0.000	0.000	0.000	0.000	0.000	0.000
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$151.370	\$203.895	\$211.483	\$236.711	\$256.620	\$280.024
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Cash Conversion Adjustments:						
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Operating/Capital	0.000	0.000	0.000	0.000	0.000	0.000
Other Cash Adjustments	0.000	0.000	0.000	0.000	0.000	0.000
Total Cash Conversion Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Net Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA Metro-North Railroad
November Financial Plan 2015 - 2018
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE	2014		2015			
	2013	November	Final Proposed			
	Actual	Forecast	Budget	2016	2017	2018
Revenue						
Farebox Revenue	\$618.812	\$653.883	\$672.236	\$686.878	\$703.272	\$715.313
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	62.094	60.111	58.605	55.768	57.162	57.606
MNR - MTA	81.571	114.748	131.311	142.183	142.023	144.978
MNR - CDOT	58.111	74.207	59.062	74.725	94.426	114.487
MNR - Other	11.688	14.940	21.111	19.803	20.171	20.559
Capital and Other Reimbursements	151.370	203.895	211.483	236.711	256.620	280.024
Total Revenue	\$832.276	\$917.889	\$942.325	\$979.357	\$1,017.054	\$1,052.944
Expenses						
Labor:						
Payroll	\$448.638	\$559.710	\$531.010	\$546.983	\$564.038	\$573.851
Overtime	84.563	126.549	111.620	112.445	115.477	117.848
Health and Welfare	102.782	114.359	114.355	119.634	126.235	132.221
OPEB Current Payment	21.692	24.000	25.186	26.021	27.301	28.656
Pensions	84.456	105.958	94.201	95.326	95.641	96.173
Other Fringe Benefits	119.733	123.021	120.221	120.881	123.050	124.147
Reimbursable Overhead	(2.358)	(2.265)	(1.410)	(1.010)	(1.028)	(1.048)
Total Labor	\$859.506	\$1,051.332	\$995.183	\$1,020.280	\$1,050.715	\$1,071.848
Non-Labor:						
Electric Power	\$74.630	\$83.361	\$80.735	\$85.790	\$95.395	\$102.352
Fuel	29.638	29.070	27.390	26.800	27.068	27.860
Insurance	17.278	21.446	24.234	26.471	28.633	31.004
Claims	39.328	7.613	1.000	1.000	1.000	1.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	109.904	110.918	120.217	132.113	142.877	151.505
Professional Service Contracts	28.721	37.413	34.794	42.186	47.279	52.747
Materials & Supplies	76.707	93.780	104.576	118.496	121.160	126.030
Other Business Expenses	33.180	28.119	14.518	19.629	20.548	21.737
Total Non-Labor	\$409.386	\$411.720	\$407.463	\$452.485	\$483.961	\$514.236
Other Adjustments:						
Other	0.000	0.000	0.000	0.000	0.000	0.000
Total Other Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adjs.	\$1,268.892	\$1,463.053	\$1,402.646	\$1,472.765	\$1,534.676	\$1,586.084
Depreciation	\$230.045	\$228.525	\$231.476	\$227.237	\$229.237	\$231.237
OPEB Obligation	57.724	65.098	68.316	69.982	73.366	76.940
Environmental Remediation	1.927	3.169	3.172	3.172	3.172	3.172
Total Expenses	\$1,558.589	\$1,759.844	\$1,705.610	\$1,773.157	\$1,840.451	\$1,897.433
Net Surplus/(Deficit)	(\$726.313)	(\$841.955)	(\$763.286)	(\$793.800)	(\$823.397)	(\$844.489)
Cash Conversion Adjustments:						
Depreciation	\$230.045	\$228.525	\$231.476	\$227.237	\$229.237	\$231.237
Operating/Capital	(24.512)	(26.382)	(38.524)	(31.489)	(22.726)	(27.312)
Other Cash Adjustments	121.538	119.961	(20.420)	87.138	77.677	76.247
Total Cash Conversion Adjustments	\$327.071	\$322.104	\$172.532	\$282.887	\$284.188	\$280.173
Net Cash Surplus/(Deficit)	(\$399.242)	(\$519.851)	(\$590.754)	(\$510.913)	(\$539.208)	(\$564.316)

MTA Metro-North Railroad
November Financial Plan 2015 - 2018
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2013	2014	2015			
	Actual	November Forecast	Final Proposed Budget	2016	2017	2018
Receipts						
Farebox Revenue	\$627.680	\$659.527	\$678.065	\$692.872	\$709.501	\$721.846
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	76.869	90.834	77.250	66.721	70.284	69.403
MNR - MTA	76.808	94.602	140.864	139.332	141.242	144.095
MNR - CDOT	59.747	64.842	69.650	74.703	93.836	113.671
MNR - Other	24.616	13.272	21.766	20.106	20.083	20.467
Capital and Other Reimbursements	161.171	172.715	232.280	234.141	255.162	278.232
Total Receipts	\$865.720	\$923.076	\$987.596	\$993.734	\$1,034.947	\$1,069.482
Expenditures						
Labor:						
Payroll	\$443.133	\$498.946	\$608.413	\$544.201	\$563.414	\$570.882
Overtime	84.693	110.056	127.938	110.121	113.724	115.517
Health and Welfare	104.543	118.345	118.218	123.275	129.892	135.661
OPEB Current Payment	20.966	24.000	25.186	26.021	27.301	28.656
Pensions	80.958	78.212	110.995	94.715	94.777	95.015
Other Fringe Benefits	102.764	115.823	126.330	119.082	121.844	122.355
GASB Account	0.000	4.450	0.000	0.000	0.000	0.207
Reimbursable Overhead	0.000	0.000	(0.000)	0.000	(0.000)	0.000
Total Labor	\$837.057	\$949.831	\$1,117.080	\$1,017.415	\$1,050.951	\$1,068.293
Non-Labor:						
Electric Power	\$75.677	\$84.833	\$87.127	\$87.379	\$97.032	\$104.038
Fuel	24.074	27.518	26.535	25.920	26.162	26.926
Insurance	15.895	22.516	23.905	25.941	29.105	30.468
Claims	1.423	33.882	9.419	1.146	1.146	1.146
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	123.780	127.378	115.316	128.473	145.468	162.059
Professional Service Contracts	33.120	41.200	45.230	51.492	53.797	60.615
Materials & Supplies	100.961	103.622	108.653	122.104	124.807	132.096
Other Business Expenses	52.975	52.148	45.083	44.777	45.689	48.158
Total Non-Labor	\$427.905	\$493.095	\$461.268	\$487.232	\$523.205	\$565.506
Other Adjustments:						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Cash Timing and Availability Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
Total Other Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$1,264.962	\$1,442.927	\$1,578.349	\$1,504.647	\$1,574.156	\$1,633.799
Net Cash Deficit	(\$399.242)	(\$519.851)	(\$590.753)	(\$510.913)	(\$539.209)	(\$564.317)
Subsidies						
MTA	\$333.789	\$424.829	\$449.083	\$414.842	\$440.475	\$462.492
CDOT	70.838	95.021	141.671	96.072	98.733	101.824
Total Subsidies	\$404.627	\$519.851	\$590.754	\$510.914	\$539.208	\$564.316

MTA Metro-North Railroad
November Financial Plan 2015 - 2018
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2013	2014	2015			
	Actual	November Forecast	Final Proposed Budget	2016	2017	2018
Receipts						
Farebox Revenue	\$8.868	(\$5.644)	(\$5.830)	(\$5.995)	(\$6.229)	(\$6.533)
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	14.775	(30.723)	(18.645)	(10.953)	(13.122)	(11.797)
MNR - MTA	(4.763)	20.146	(9.554)	2.851	0.781	0.883
MNR - CDOT	1.636	9.366	(10.588)	0.023	0.589	0.816
MNR - Other	12.928	1.668	(0.655)	(0.303)	0.088	0.093
Capital and Other Reimbursements	9.801	(31.180)	20.797	(2.570)	(1.459)	(1.792)
Total Receipts	\$33.444	(\$67.547)	(\$3.678)	(\$19.518)	(\$20.810)	(\$20.121)
Expenditures						
Labor:						
Payroll	\$5.505	\$60.764	(\$77.402)	\$2.782	\$0.625	\$2.968
Overtime	(0.130)	16.493	(16.319)	2.323	1.753	2.331
Health and Welfare	(1.761)	(3.986)	(3.863)	(3.641)	(3.656)	(3.440)
OPEB Current Payment	0.726	0.000	0.000	0.000	0.000	0.000
Pensions	3.498	27.746	(16.794)	0.611	0.864	1.158
Other Fringe Benefits	16.969	7.198	(6.109)	1.799	1.206	1.791
GASB Account	0.000	(4.450)	0.000	0.000	0.000	(0.207)
Reimbursable Overhead	(2.358)	(2.265)	(1.410)	(1.010)	(1.028)	(1.048)
Total Labor	\$22.449	\$101.501	(\$121.897)	\$2.865	(\$0.237)	\$3.555
Non-Labor:						
Electric Power	(\$1.046)	(\$1.472)	(\$6.393)	(\$1.589)	(\$1.637)	(\$1.686)
Fuel	5.564	1.552	0.855	0.880	0.907	0.934
Insurance	1.383	(1.070)	0.330	0.530	(0.472)	0.536
Claims	37.905	(26.268)	(8.419)	(0.146)	(0.146)	(0.146)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	(13.876)	(16.460)	4.901	3.640	(2.591)	(10.554)
Professional Service Contracts	(4.399)	(3.787)	(10.436)	(9.306)	(6.517)	(7.868)
Materials & Supplies	(24.254)	(9.842)	(4.078)	(3.608)	(3.647)	(6.066)
Other Business Expenditures	(19.795)	(24.029)	(30.565)	(25.148)	(25.141)	(26.421)
Total Non-Labor	(\$18.518)	(\$81.375)	(\$53.805)	(\$34.747)	(\$39.244)	(\$51.270)
Other Adjustments:						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Cash Conversion Adjustments before Depreciation and GASB Adjs.						
	\$37.375	(\$47.421)	(\$179.380)	(\$51.400)	(\$60.290)	(\$67.837)
Depreciation Adjustment	\$230.045	\$228.525	\$231.476	\$227.237	\$229.237	\$231.237
OPEB Obligation	57.724	65.098	68.316	69.982	73.366	76.940
Environmental Remediation	1.927	3.169	3.172	3.172	3.172	3.172
Net Total Cash Conversion Adjustments	\$327.071	\$249.371	\$123.584	\$248.992	\$245.485	\$243.513

**MTA Metro-North Railroad
November Financial Plan 2015 - 2018
Ridership (Utilization)
(in millions)**

	2013	2014	2015	2016	2017	2018
	Actual	November Forecast	Final Proposed Budget			
<u>Ridership*</u>						
Harlem Line	26.950	27.216	27.863	28.514	29.186	29.635
Hudson Line	15.878	16.278	16.608	16.964	17.364	17.632
New Haven Line	38.975	39.706	40.555	41.131	41.847	42.354
Total Ridership	81.802	83.200	85.027	86.609	88.397	89.621
<u>Farebox Revenue</u>						
Harlem Line	\$188.512	\$193.132	\$198.062	\$202.869	\$207.797	\$211.057
Hudson Line	136.007	141.324	144.307	147.483	151.055	153.437
New Haven Line	293.841	319.011	329.437	336.084	343.964	350.346
West of Hudson Mail & Ride	0.462	0.416	0.429	0.441	0.455	0.474
Total Farebox Revenue	\$618.822	\$653.883	\$672.236	\$686.878	\$703.272	\$715.313

* Reflects East of Hudson Service

MTA Metro-North Railroad
Novemer Financial Plan 2015 - 2018
2014 Budget Reduction Plan Summary
(\$ in millions)

	Favorable/(Unfavorable)									
	Pos.	2014	Pos.	2015	Pos.	2016	Pos.	2017	Pos.	2018
Administration										
Non-Agreement Position Vacancies (July Plan)	-	\$1,000	-	\$0,000	-	\$0,000	-	\$0,000	-	\$0,000
<i>Subtotal Administration</i>	-	1,000	-	0,000	-	0,000	-	0,000	-	0,000
Customer Convenience/Amenities										
None	-	0,000	-	0,000	-	0,000	-	0,000	-	0,000
<i>Subtotal Customer Convenience/Amenities</i>	-	0,000	-	0,000	-	0,000	-	0,000	-	0,000
Maintenance										
Timing in Locomotive Overhaul Programs (July Plan)		1,441		0,000		0,000		0,000		0,000
Changes to Genesis and BL20 Locomotive Overhaul Cycles (July Plan)		0,000		1,000		1,000		1,000		1,000
Reduction in Provisions for Contracted Shop Equipment and Communication Equipment Maintenance (July Plan)		0,200		0,700		0,400		0,400		0,400
Lower Material Requirements for NHL New Car Fleet and Communications Equipment (July Plan)		0,300		0,800		0,800		0,800		0,800
Reduce Provision for M7 Car Seat Replacement Material (July Plan)		0,000		0,500		0,500		0,500		0,500
<i>Subtotal Maintenance</i>	-	1,941	-	3,000	-	2,700	-	2,700	-	2,700
Revenue Enhancement										
Increase in GCT Retail and NWP Parking Spaces (July Plan)		0,500		0,500		0,500		0,500		0,500
<i>Subtotal Other</i>	-	0,500	-	0,500	-	0,500	-	0,500	-	0,500
Safety/Security										
None	-	0,000	-	0,000	-	0,000	-	0,000	-	0,000
<i>Subtotal Safety</i>	-	0,000	-	0,000	-	0,000	-	0,000	-	0,000
Service										
Delay Start of 2014 Service Change to November (July Plan)		1,000		0,000		0,000		0,000		0,000
Eliminate 2015 Service Plan Provisional (July Plan)	-	0,000	11	1,000	11	1,300	11	1,300	11	1,300
<i>Subtotal Service</i>	-	1,000	11	1,000	11	1,300	11	1,300	11	1,300
Service Support										
None	-	0,000	-	0,000	-	0,000	-	0,000	-	0,000
<i>Subtotal Service Support</i>	-	0,000	-	0,000	-	0,000	-	0,000	-	0,000
Other										
None	-	0,000	-	0,000	-	0,000	-	0,000	-	0,000
<i>Subtotal Other</i>	-	0,000	-	0,000	-	0,000	-	0,000	-	0,000
Agency Submission	-	\$4,441	11	\$4,500	11	\$4,500	11	\$4,500	11	\$4,500

MTA METRO-NORTH RAILROAD
November Financial Plan 2015 - 2018
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

FUNCTION/DEPARTMENT	2013	2014	2015	2016	2017	2018
	Actual	November Forecast	Final Proposed Budget			
Administration						
President	3	3	4	4	4	4
Labor Relations	7	10	10	10	10	10
Safety ⁽¹⁾	18	44	46	46	46	46
COS/ Corporate & Public Affairs ⁽²⁾	15	17	18	18	18	18
Customer Service ⁽²⁾	44	52	52	52	52	52
Legal	18	18	18	18	18	18
Claims	13	14	14	14	14	14
Environmental Compliance & Svce	7	8	8	8	8	8
VP Administration	3	2	2	2	2	2
VP Human Resources	3	7	7	7	7	7
Human Resources & Diversity	28	31	32	32	32	32
Training	48	58	58	58	58	58
Employee Relations & Diversity	5	5	5	5	5	5
VP Planning	2	2	2	2	2	2
Operations Planning & Analysis	15	19	20	20	20	20
Capital Planning & Programming	13	16	16	16	16	16
Business Development Facilities & Mktg ⁽²⁾	26	0	0	0	0	0
GCT & Corporate Development ⁽²⁾	0	31	31	31	31	31
Long Range Planning	8	8	8	8	8	8
VP Finance & Info Systems	1	3	6	6	6	6
Controller	78	81	81	81	81	81
Information Technology & Project Mgmt	99	125	125	125	125	125
Budget	17	18	18	18	18	18
Procurement & Material Management	30	43	43	43	43	43
Corporate	0	0	0	0	0	0
Total Administration	500	615	624	624	624	624
Operations						
Operations Administration	49	61	62	62	62	62
Operations Services ⁽⁴⁾	1,749	1,457	1,448	1,451	1,454	1,457
Customer Service	228	238	238	238	238	238
Business Development Facilities & Mktg ⁽²⁾	36	0	0	0	0	0
GCT & Corporate Development ⁽²⁾	0	38	38	38	38	38
Metro-North West	37	33	46	46	46	46
Total Operations	2,100	1,827	1,832	1,835	1,838	1,841
Maintenance						
GCT ⁽¹⁾	370	0	0	0	0	0
GCT & Corporate Development ⁽²⁾	0	171	171	171	171	171
Maintenance of Equipment ⁽⁴⁾	1,249	1,735	1,748	1,748	1,735	1,735
Maintenance of Way ⁽²⁾	1,667	2,002	2,036	2,027	2,012	2,012
Procurement & Material Management ⁽³⁾	120	124	124	124	124	124
Total Maintenance	3,406	4,032	4,079	4,070	4,042	4,042
Engineering/Capital						
Construction Management	38	43	43	43	43	43
Engineering & Design	57	70	70	70	70	70
Total Engineering/Capital	94	113	113	113	113	113
Total Positions	6,099	6,587	6,648	6,642	6,617	6,620
<i>Non-Reimbursable</i>	5,842	5,969	5,946	5,940	5,946	5,949
<i>Reimbursable</i>	257	618	702	702	671	671
<i>Total Full-Time</i>	6,098	6,586	6,647	6,641	6,616	6,619
<i>Total Full-Time-Equivalents</i>	1	1	1	1	1	1

⁽¹⁾Reflects the combination of the Safety and newly formed Security department.

⁽²⁾Reflects the January 2014 reorganization of the GCT and Business Development departments which combines the two depts to create GCT & Corporate Development and transfers a portion of the combined dept. to the Maintenance of Way, Safety, Customer Service, Corporate and Public Affairs departments.

⁽³⁾Reflects the following transfer of positions between departments or functional groups:
- 2 positions transferred from the Budget Department to the VP Finance Department.
- 4 Procurement Specialists were reclassified from Administrative to Maintenance functions.

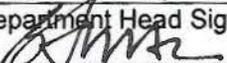
⁽⁴⁾Reflects the January 2014 transfer of the Car Appearance Unit (363 in Operational Hourly positions & 7 in Managers/Supervisors) from Operations (Operation Services Dept.) to Maintenance (Maintenance of Equipment Dept.).

MTA METRO-NORTH RAILROAD
November Financial Plan 2015 - 2018
Total Positions by Function and Occupation

FUNCTION/OCCUPATIONAL GROUP	2013	2014	2015	2016	2017	2018
	Actual	November Forecast	Final Proposed Budget			
Administration						
Managers/Supervisors	168	194	194	194	194	194
Professional, Technical, Clerical	332	420	429	429	429	429
Operational Hourlies	-	-	-	-	-	-
Total Administration	500	615	624	624	624	624
Operations						
Managers/Supervisors	143	149	149	149	149	149
Professional, Technical, Clerical	222	237	238	238	238	238
Operational Hourlies	1,735	1,442	1,446	1,449	1,452	1,455
Total Operations	2,100	1,827	1,832	1,835	1,838	1,841
Maintenance						
Managers/Supervisors	482	549	550	550	550	550
Professional, Technical, Clerical	488	507	526	534	539	539
Operational Hourlies	2,436	2,977	3,004	2,987	2,954	2,954
Total Maintenance	3,406	4,032	4,079	4,070	4,042	4,042
Engineering/Capital						
Managers/Supervisors	39	51	51	51	51	51
Professional, Technical, Clerical	55	62	62	62	62	62
Operational Hourlies	-	-	-	-	-	-
Total Engineering/Capital	94	113	113	113	113	113
Public Safety						
Managers/Supervisors	-	-	-	-	-	-
Professional, Technical, Clerical	-	-	-	-	-	-
Operational Hourlies	-	-	-	-	-	-
Total Public Safety	-	-	-	-	-	-
Total Positions						
Managers/Supervisors	831	943	944	944	944	944
Professional, Technical, Clerical	1,098	1,226	1,255	1,263	1,268	1,268
Operational Hourlies	4,171	4,418	4,449	4,435	4,405	4,408
Total Positions	6,099	6,587	6,648	6,642	6,617	6,620

MTA Headquarters

Staff Summary

Subject MTA HQ 2015 Budget and 2015-2018 Financial Plan Adoption
Department Chief Financial Officer
Department Head Name Robert E. Foran, Chief Financial Officer
Department Head Signature 
Project Manager/Division Head 

Date December 2, 2014
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.	12/15			
2	Board	12/17			

Internal Approvals			
Order	Approval	Order	Approval
			Chief Financial Officer
		1	Legal 
		2	Chief of Staff 
			Chief Executive Officer

Purpose:

To secure MTA Board adoption of the MTA Headquarters 2014 November Forecast, 2015 Final Proposed Budget, and the Four-Year Financial Plan for 2015-2018.

Discussion:

The 2015 Final Proposed Budget, which is consistent with information presented to the Board in November, provides sufficient funding to maintain MTA Headquarters' operations, which includes Policy and Oversight, Consolidated Functions, the Business Service Center (BSC), and MTA Security, including the MTA Police Department. The baseline projections that follow exclude any below-the-line items captured in the MTA Consolidated Financial Plan.

2014 November Forecast – Baseline:

The 2014 November Forecast Baseline Deficit of \$441.7 million includes total Non-Reimbursable Operating Revenues of \$67.6 million and total expenses before depreciation and other post-employment benefits of \$388.3 million, consisting of \$211.9 million in labor expenses and \$176.3 million in non-labor expenses. Total Capital and Other Reimbursements are projected to be \$94.6 million. Total reimbursable labor expenses are \$78.0 million and non-labor expenses are \$16.7 million. Cash Adjustments prior to depreciation and OPEB obligation are unfavorable by \$1.4 million.

The Baseline Cash Deficit is projected to be \$322.1 million. Total end-of-year positions are projected to be 1,790 including 1,726 non-reimbursable positions and 64 reimbursable positions.

2015 Final Proposed Budget – Baseline:

The 2015 Final Proposed Budget Baseline Deficit of \$502.3 million includes total Non-Reimbursable Operating Revenues of \$59.1 million and total expenses before depreciation and other post-employment benefits of \$420.2 million, consisting of \$226.3 million in labor expenses and \$193.9 million in non-labor expenses. Total Capital and Other Reimbursements are projected to be \$91.0 million. Total reimbursable labor expenses are \$70.4 million and non-labor expenses are \$20.6 million. Cash Adjustments prior to depreciation and OPEB obligation are favorable by \$104.0 million, reflecting advertising revenue receipts reassigned from the agencies to MTA Headquarters.

The Baseline Cash Deficit is projected to be \$257.1 million. Total end-of-year positions are projected to be 1,889 including 1,825 non-reimbursable positions and 64 reimbursable positions.

Major Programmatic Initiatives/Investments:

- Enterprise Asset Management support needed to aid in implementing a systematic approach to sustainably managing rolling stock, facilities, linear assets, and asset systems.
- System upgrades needed to protect and support Finance and Human Resources information and functions.
- Military Veteran Recruitment program to seek out and hire qualified returning military personnel.
- Evaluation of "Procure-to-Pay" process to improve efficiency and effectiveness.

Budget Reduction Initiative:

Streamlining costs in professional services contracts and MTA PD other business expenses result in savings of \$1.3 million in 2015 and \$1.4 million every year thereafter.

Impact on Funding:

The 2014 November Forecast, the 2015 Final Proposed Budget, and the Four-Year Financial Plan 2015-2018, which are presented in the attached tables, are consistent with the proposed MTA Financial Plan.

Recommendation(s):

It is recommended that the MTA Board adopt the MTA Headquarters 2014 November Forecast, the 2015 Final Proposed Budget, and the Four-Year Financial Plan for 2015-2018.

MTA HEADQUARTERS
November Financial Plan 2015-2018
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE						
	2013	2014	2015			
	<u>Actuals</u>	<u>November Forecast</u>	<u>Final Proposed Budget</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Operating Revenue						
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
<u>Other Operating Revenue</u>						
Rental Income	51.434	60.258	46.853	48.616	50.456	52.364
Advertising	0.000	0.000	0.000	0.000	0.000	0.000
Other	<u>10.348</u>	<u>7.293</u>	<u>12.244</u>	<u>9.933</u>	<u>9.982</u>	<u>10.031</u>
Total Other Operating Revenue	61.782	67.551	59.097	58.549	60.438	62.395
Capital and Other Reimbursements						
Total Revenue	\$61.782	\$67.551	\$59.097	\$58.549	\$60.438	\$62.395
Operating Expenses						
<u>Labor:</u>						
Payroll	\$151.691	\$173.803	\$178.232	\$182.197	\$184.341	\$188.329
Overtime	10.467	7.068	6.794	6.525	6.421	6.532
Health and Welfare	24.242	25.531	28.666	30.345	31.752	33.264
OPEB Current Payment	7.974	9.900	10.395	10.738	11.286	11.861
Pensions	44.182	45.519	45.518	45.675	46.252	47.192
Other Fringe Benefits	14.284	15.000	15.760	15.980	16.353	16.898
Reimbursable Overhead	<u>(45.428)</u>	<u>(64.889)</u>	<u>(59.033)</u>	<u>(61.368)</u>	<u>(62.399)</u>	<u>(63.416)</u>
Total Labor Expenses	\$207.412	\$211.932	\$226.332	\$230.092	\$234.006	\$240.660
<u>Non-Labor:</u>						
Electric Power	\$8.253	\$5.292	\$6.667	\$6.843	\$7.928	\$8.498
Fuel	2.238	1.589	1.955	1.902	1.870	1.919
Insurance	2.868	3.591	2.899	2.062	2.293	2.437
Claims	1.024	1.319	1.330	1.463	1.609	1.770
Paratransit Service Contracts	-					
Maintenance and Other Operating Contracts	61.430	72.714	69.469	70.026	70.947	72.103
Professional Service Contracts	46.845	71.543	87.045	74.436	72.182	71.953
Materials & Supplies						
<u>Other Business Expenses</u>						
MTA Internal Subsidy	4.200	14.700	19.100	19.100	19.100	19.100
Other	<u>9.291</u>	<u>5.572</u>	<u>5.422</u>	<u>5.513</u>	<u>5.614</u>	<u>5.709</u>
Total Other Business Expenses	13.491	20.272	24.522	24.613	24.714	24.809
Total Non-Labor Expenses	\$136.149	\$176.320	\$193.887	\$181.345	\$181.543	\$183.489
<u>Other Expenses Adjustments:</u>						
Other	-	-	-	-	-	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adjs.	\$343.561	\$388.252	\$420.219	\$411.437	\$415.549	\$424.149
Depreciation	41.922	31.043	36.180	40.345	40.629	32.743
OPEB Obligation	85.351	90.000	105.000	117.253	130.046	142.569
Environmental Remediation	-	-	-	-	-	-
Total Expenses	\$470.834	\$509.295	\$561.399	\$569.035	\$586.224	\$599.461
Net Surplus/(Deficit)	(\$409.052)	(\$441.744)	(\$502.302)	(\$510.486)	(\$525.786)	(\$537.066)

MTA HEADQUARTERS
November Financial Plan 2015-2018
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE						
	2013	2014	2015			
	<u>Actuals</u>	<u>November Forecast</u>	<u>Final Proposed Budget</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Revenue						
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-
Capital and Other Reimbursements	68.620	94.622	91.003	98.544	99.835	97.004
Total Revenue	\$68.620	\$94.622	\$91.003	\$98.544	\$99.835	\$97.004
Expenses						
<u>Labor:</u>						
Payroll	\$3.538	\$4.059	\$4.537	\$4.671	\$4.764	\$4.860
Overtime	8.717	7.299	5.000	5.000	5.000	5.000
Health and Welfare	0.592	0.646	0.755	0.958	1.006	1.058
PEPB Current Payment	-	-	-	-	-	-
Pensions	0.729	0.685	0.687	0.678	0.695	0.715
Other Fringe Benefits	0.503	0.389	0.423	0.444	0.459	0.476
Reimbursable Overhead	45.428	\$64.889	\$59.033	\$61.368	\$62.399	\$63.416
Total Labor Expenses	\$59.507	\$77.967	\$70.435	\$73.119	\$74.323	\$75.525
<u>Non-Labor:</u>						
Electric Power	-	-	-	-	-	-
Fuel	-	-	-	-	-	-
Insurance	-	-	-	-	-	-
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	-	0.016	0.020	0.020	0.020	0.021
Professional Service Contracts	9.067	16.535	20.434	25.289	25.374	21.338
Materials & Supplies	-	-	-	-	-	-
<u>Other Business Expenses</u>						
MTA Internal Subsidy	-	-	-	-	-	-
Other	0.046	0.104	0.114	0.116	0.118	0.120
Total Other Business Expenses	0.046	0.104	0.114	0.116	0.118	0.120
Total Non-Labor Expenses	\$9.113	\$16.655	\$20.568	\$25.425	\$25.512	\$21.479
<u>Other Expenses Adjustments:</u>						
Other	-	-	-	-	-	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$68.620	\$94.622	\$91.003	\$98.544	\$99.835	\$97.004
Depreciation	-	-	-	-	-	-
Total Expenses	\$68.620	\$94.622	\$91.003	\$98.544	\$99.835	\$97.004
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA HEADQUARTERS
November Financial Plan 2015-2018
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE						
	2013	2014	2015			
	Actuals	November Forecast	Final Proposed Budget	2016	2017	2018
Revenue						
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
<u>Other Operating Revenue</u>						
Rental Income	51.434	60.258	46.853	48.616	50.456	52.364
Other	10.348	7.293	12.244	9.933	9.982	10.031
Total Other Operating Revenue	61.782	67.551	59.097	58.549	60.438	62.395
Capital and Other Reimbursements	68.620	94.622	91.003	98.544	99.835	97.004
Total Revenue	\$130.402	\$162.173	\$150.100	\$157.093	\$160.273	\$159.399
Expenses						
<u>Labor:</u>						
Payroll	\$155,229	\$177,862	\$182,769	\$186,868	\$189,105	\$193,189
Overtime	19,184	14,367	11,794	11,525	11,421	11,532
Health and Welfare	24,834	26,177	29,421	31,303	32,758	34,322
OPEB Current Payment	7,974	9,900	10,395	10,738	11,286	11,861
Pensions	44,911	46,204	46,205	46,353	46,947	47,907
Other Fringe Benefits	14,787	15,389	16,183	16,424	16,812	17,374
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenses	\$266.919	\$289.899	\$296.767	\$303.211	\$308.329	\$316.185
<u>Non-Labor:</u>						
Electric Power	\$8,253	\$5,292	\$6,667	\$6,843	\$7,928	\$8,498
Fuel	2,238	1,589	1,955	1,902	1,870	1,919
Insurance	2,868	3,591	2,899	2,062	2,293	2,437
Claims	1,024	1,319	1,330	1,463	1,609	1,770
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	61,430	72,730	69,489	70,046	70,967	72,124
Professional Service Contracts	55,912	88,078	107,479	99,725	97,556	93,291
Materials & Supplies	-	-	-	-	-	-
<u>Other Business Expenses</u>						
MTA Internal Subsidy	4,200	14,700	19,100	19,100	19,100	19,100
Other Business Expenses	9,337	5,676	5,536	5,629	5,732	5,829
Total Other Business Expenses	13,537	20,376	24,636	24,729	24,832	24,929
Total Non-Labor Expenses	\$145.262	\$192.975	\$214.455	\$206.770	\$207.055	\$204.968
<u>Other Expenses Adjustments:</u>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adjs.	\$412.181	\$482.874	\$511.222	\$509.981	\$515.384	\$521.153
Depreciation	41,922	31,043	36,180	40,345	40,629	32,743
OPEB Obligation	85,351	90,000	105,000	117,253	130,046	142,569
Environmental Remediation	-	-	-	-	-	-
Total Expenses	\$539.454	\$603.917	\$652.402	\$667.579	\$686.059	\$696.465
Net Surplus/(Deficit)	(\$409.052)	(\$441.744)	(\$502.302)	(\$510.486)	(\$525.786)	(\$537.066)

MTA HEADQUARTERS
November Financial Plan 2015-2018
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2013	2014	2015			
	Actuals	November	Final Proposed	2016	2017	2018
		Forecast	Budget			
Receipts						
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
<u>Other Operating Revenue</u>						
Rental Income	51.197	59.859	46.853	48.616	50.456	52.364
Advertising	115.025	118.946	122.782	126.420	130.168	134.028
Other	<u>9.481</u>	3.502	26.231	88.287	10.086	10.137
Total Other Operating Revenue	175.703	182.307	195.866	263.323	190.710	196.529
Capital and Other Reimbursements	65.820	98.490	91.003	98.544	99.835	97.004
Total Receipts	\$241.523	\$280.797	\$286.869	\$361.867	\$290.545	\$293.533
Expenditures						
<u>Labor:</u>						
Payroll	\$157.322	177.219	176.123	180.163	182.343	186.358
Overtime	19.184	14.368	11.794	11.525	11.421	11.532
Health and Welfare	23.325	25.002	28.303	30.163	31.593	33.132
OPEB Current Payment	7.974	9.899	10.395	10.738	11.286	11.861
Pensions	49.211	41.752	44.165	44.841	45.446	46.396
Other Fringe Benefits	14.843	15.327	16.118	16.359	16.747	17.309
GASB Account	1.451	0.990	0.000	0.000	0.000	0.115
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$273.310	\$284.557	\$286.898	\$293.789	\$298.836	\$306.703
<u>Non-Labor:</u>						
Electric Power	\$4.291	\$6.235	\$6.667	\$6.843	\$7.928	\$8.498
Fuel	1.110	1.883	1.955	1.902	1.870	1.919
Insurance	1.905	3.475	2.870	2.041	2.270	2.413
Claims	1.721	1.319	1.330	1.463	1.609	1.770
Paratransit Service Contracts	-	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	51.871	72.969	66.640	67.174	68.057	69.167
Professional Service Contracts	44.228	91.812	100.713	93.263	91.114	87.000
Materials & Supplies	-	0.000	0.000	0.000	0.000	0.000
<u>Other Business Expenses</u>						
MTA Internal Subsidy	4.200	14.700	19.100	19.100	19.100	19.100
Other Business Expenses	<u>9.659</u>	82.379	(0.089)	5.088	5.177	5.263
Total Other Business Expenses	13.859	97.079	19.011	24.188	24.277	24.363
Total Non-Labor Expenditures	\$118.985	\$274.772	\$199.186	\$196.874	\$197.125	\$195.130
<u>Other Expenditure Adjustments:</u>						
Capital	11.740	43.555	57.896	31.591	18.316	58.316
Unallocated Service Enhancement Policy Action	-	-	-	-	-	-
Total Other Expenditure Adjustments	\$11.740	\$43.555	\$57.896	\$31.591	\$18.316	\$58.316
Total Expenditures	\$404.035	\$602.88	\$543.980	\$522.254	\$514.277	\$560.149
Net Cash Surplus/(Deficit)	(\$162.512)	(\$322.087)	(\$257.111)	(\$160.387)	(\$223.732)	(\$266.616)

MTA HEADQUARTERS
November Financial Plan 2015-2018
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2013	2014	2015			
	Actuals	November	Final Proposed	2016	2017	2018
		Forecast	Budget			
Receipts						
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Rental Income	(0.237)	(0.399)	-	-	-	-
Advertising Revenue	115.025	118.946	122.782	126.420	130.168	134.028
Other Operating Revenue	(0.867)	(3.791)	13.987	78.354	0.104	0.106
Capital and Other Reimbursements	(2.800)	3.868	-	-	-	-
Total Receipts	\$111.121	\$118.624	\$136.769	\$204.774	\$130.272	\$134.134
Expenditures						
<u>Labor:</u>						
Payroll	(\$2.093)	\$0.643	\$6.646	\$6.705	\$6.762	\$6.831
Overtime		(0.001)				
Health and Welfare	1.509	1.175	1.118	1.140	1.165	1.190
OPEB Current Payment	0.000	0.001	0.000	0.000	0.000	0.000
Pensions	(4.300)	4.452	2.040	1.512	1.501	1.511
Other Fringe Benefits	(0.056)	0.062	0.065	0.065	0.065	0.065
GASB Account	(1.451)	(0.990)	0.000	0.000	0.000	(0.115)
Reimbursable Overhead	-	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	(\$6.391)	\$5.342	\$9.869	\$9.422	\$9.493	\$9.482
<u>Non-Labor:</u>						
Electric Power	\$3.962	(\$0.943)	-	-	-	-
Fuel	1.128	(0.294)	-	-	-	-
Insurance	0.963	0.116	0.029	0.021	0.023	0.024
Claims	(0.697)	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	9.559	(0.239)	2.849	2.872	2.910	2.957
Professional Service Contracts	11.684	(3.734)	6.766	6.462	6.442	6.291
Materials & Supplies			0.000	0.000	0.000	0.000
<u>Other Business Expenses:</u>						
MTA Internal Subsidy	-	-	-	-	-	-
Other Business Expenses	(0.322)	(76.703)	5.625	0.541	0.555	0.566
Total Other Business Expenses	(0.322)	(76.703)	5.625	0.541	0.555	0.566
Total Non-Labor Expenditures	\$26.277	(\$81.797)	\$15.269	\$9.896	\$9.930	\$9.838
<u>Other Expenditure Adjustments:</u>						
Capital	(\$11.740)	(\$43.555)	(\$57.896)	(\$31.591)	(\$18.316)	(\$58.316)
Total Other Expenditure Adjustments	(\$11.740)	(\$43.555)	(\$57.896)	(\$31.591)	(\$18.316)	(\$58.316)
Total Cash Conversion Adjustments before Depreciation and GASB Adjs.	\$119.267	(\$1.386)	\$104.011	\$192.501	\$131.379	\$95.138
Depreciation Adjustment	41.922	31.043	36.180	40.345	40.629	32.743
OPEB Obligation	85.351	90.000	105.000	117.253	130.046	142.569
Environmental Remediation	-	-	-	-	-	-
Total Cash Conversion Adjustments	\$246.540	\$119.657	\$245.191	\$350.099	\$302.054	\$270.450

MTA HEADQUARTERS
November Financial Plan 2015-2018
2014 Budget Reduction Summary
(\$ in millions)

	Favorable/(Unfavorable)									
	Pos.	2014	Pos.	2015	Pos.	2016	Pos.	2017	Pos.	2018
<u>Administration</u>										
MTA PD Reductions (July Plan)	-	\$0.000	-	\$0.500	-	\$0.508	-	\$0.517	-	\$0.525
Professional Services Reductions (July Plan)	-	0.000	-	0.744	-	0.756	-	0.769	-	0.782
<i>Subtotal Administration</i>	-	0.000	-	1.244	-	1.265	-	1.287	-	1.307
<u>Customer Convenience/Amenities</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Customer Convenience/Amenities</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Maintenance</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Maintenance</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Revenue Enhancement</u>										
Transit Museum Rentals (July Plan)	-	0.000	-	0.100	-	0.100	-	0.100	-	0.100
<i>Subtotal Revenue Enhancement</i>	-	0.000	-	0.100	-	0.100	-	0.100	-	0.100
<u>Safety</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Safety</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Security</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Security</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Service</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Service</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Service Support</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Service Support</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Other</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Other</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Total	-	\$0.000	-	\$1.344	-	\$1.365	-	\$1.387	-	\$1.407

MTA HEADQUARTERS
November Financial Plan 2015-2018
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

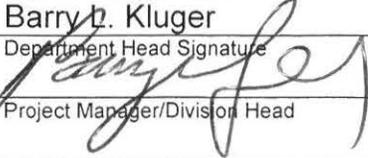
FUNCTION/DEPARTMENT	2013 Actual	2014 November Forecast	2015 Final Proposed Budget	2016	2017	2018
Administration						
Office of Chairman	4	5	5	5	5	5
Office of Counselor to the Chairman	2	2	2	2	2	2
Office of Chief of Staff	6	7	7	7	7	7
General Counsel	53	39	39	38	38	38
Office of Diversity	25	29	29	29	29	29
Labor Relations	5	6	7	7	7	7
External Communication	11	13	13	13	13	13
PCAC	4	4	4	4	4	4
Audit	82	85	85	85	85	85
Chief Financial Officer	64	85	86	86	86	86
Real Estate	59	63	63	63	63	63
Chief Operating Officer	1	2	2	2	2	2
Federal Affairs	0	1	1	1	1	1
Environmental, Sustain. & Compliance	5	0	0	0	0	0
Spec. Project Develop/Planning	6	8	8	8	8	8
Corporate Account	0	4	8	8	8	8
Intergovernmental Relations	4	5	5	5	5	5
Information Technology	56	69	152	152	152	152
Corporate and Internal Communications	34	40	40	40	40	40
Human Resources	12	16	19	19	19	19
Pensions	19	58	58	58	58	58
Capital Programs	26	43	43	43	43	43
Business Service Center	371	407	407	407	407	407
Total Administration	849	991	1,083	1,082	1,082	1,082
Public Safety	754	799	806	806	806	806
Baseline Total Positions	1,603	1,790	1,889	1,888	1,888	1,888
<i>Non-Reimbursable</i>	1,563	1,726	1,825	1,824	1,824	1,824
<i>Reimbursable</i>	40	64	64	64	64	64
<i>Full-Time</i>	1,603	1,790	1,889	1,888	1,888	1,888
<i>Full-Time Equivalents</i>	-	-	-	-	-	-

MTA HEADQUARTERS
November Financial Plan 2015-2018
Total Positions by Function and Occupation

FUNCTION/OCCUPATIONAL GROUP		2013 Actual	2014 November Forecast	2015 Final Proposed Budget	2016	2017	2018
Administration							
	Managers/Supervisors	388	465	507	507	507	507
	Professional, Technical, Clerical	461	526	576	575	575	575
	Operational Hourlies						
	Total Administration	849	991	1,083	1,082	1,082	1,082
Operations							
	Managers/Supervisors	-	-	-	-	-	-
	Professional, Technical, Clerical	-	-	-	-	-	-
	Operational Hourlies	-	-	-	-	-	-
	Total Operations	-	-	-	-	-	-
Maintenance							
	Managers/Supervisors	-	-	-	-	-	-
	Professional, Technical, Clerical	-	-	-	-	-	-
	Operational Hourlies	-	-	-	-	-	-
	Total Maintenance	-	-	-	-	-	-
Engineering/Capital							
	Managers/Supervisors	-	-	-	-	-	-
	Professional, Technical, Clerical	-	-	-	-	-	-
	Operational Hourlies	-	-	-	-	-	-
	Total Engineering/Capital	-	-	-	-	-	-
Public Safety							
	Managers/Supervisors	11	161	161	161	161	161
	Professional, Technical, Clerical	64	73	73	73	73	73
	Operational Hourlies (Uniformed)	679	565	572	572	572	572
	Total Public Safety	754	799	806	806	806	806
Total Positions							
	Managers/Supervisors	399	626	668	668	668	668
	Professional, Technical, Clerical	525	599	649	648	648	648
	Operational Hourlies	679	565	572	572	572	572
	Total Baseline Positions	1,603	1,790	1,889	1,888	1,888	1,888

Inspector General

Staff Summary

Subject: MTA IG 2015 Budget and 2015-2018 Financial Plan Adoption
Department MTA Inspector General
Department Head Name Barry T. Kluger
Department Head Signature 
Project Manager/Division Head

Date December 2, 2014
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.	12/15	X		
2	Board	12/17	X		

Internal Approvals			
Order	Approval	Order	Approval

Purpose:

To secure MTA Board adoption of the MTA Inspector General's 2014 November Forecast, 2015 Final Proposed Budget, and the Four-Year Financial Plan for 2015-2018.

Discussion:

The 2015 Final Proposed Budget provides sufficient funding to maintain the MTA Inspector General's operations.

2014 November Forecast - Baseline

Total Capital and Other Reimbursements are projected to be \$13.6 million. Total reimbursable labor expenses are \$10.6 million and non-labor expenses are \$2.9 million.

2015 Final Proposed Budget - Baseline

Total Capital and Other Reimbursements are projected to be \$14.6 million. Total reimbursable labor expenses are \$11.5 million and non-labor expenses are \$3.0 million.

Impact on Funding

The 2014 November Forecast, the 2015 Final Proposed Budget and the Four-Year Financial Plan 2015-2018, which are presented in the attached tables, are consistent with the proposed MTA Financial Plan.

Recommendation:

It is recommended that the MTA Board adopt the MTA Inspector General's 2014 November Forecast, the 2015 Final Proposed Budget, and the Four-Year Financial Plan for 2015-2018.

MTA INSPECTOR GENERAL
November Financial Plan 2015 - 2018
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE						
	2013	2014	2015			
	Actual	November	Final Proposed	2016	2017	2018
		Forecast	Budget			
Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-
Capital and Other Reimbursements	11.986	13.592	14.555	15.107	15.696	16.346
Total Revenue	\$11.986	\$13.592	\$14.555	\$15.107	\$15.696	\$16.346
Expenses						
<u>Labor:</u>						
Payroll	\$6.133	\$7.621	\$8.046	\$8.288	\$8.454	\$8.623
Overtime	-	-	-	-	-	-
Health and Welfare	0.773	1.086	1.286	1.326	1.393	1.464
OPEB Current Payment	-	-	-	-	-	-
Pensions	1.132	1.278	1.355	1.584	1.855	2.176
Other Fringe Benefits	0.444	0.648	0.791	0.835	0.867	0.902
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenses	\$8.482	\$10.633	\$11.478	\$12.033	\$12.569	\$13.165
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.037	0.040	0.040	0.039	0.038	0.039
Insurance	0.018	0.028	0.031	0.034	0.037	0.041
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	2.375	2.610	2.646	2.686	2.731	2.775
Professional Service Contracts	0.911	0.140	0.196	0.203	0.207	0.210
Materials & Supplies	-	-	-	-	-	-
Other Business Expenses	0.109	0.121	0.109	0.112	0.114	0.116
Total Non-Labor Expenses	\$3.450	\$2.939	\$3.022	\$3.074	\$3.127	\$3.181
<u>Other Expenses Adjustments:</u>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$11.932	\$13.572	\$14.500	\$15.107	\$15.696	\$16.346
Depreciation	\$0.054	\$0.020	\$0.055	\$0.000	\$0.000	\$0.000
Total Expenses	\$11.986	\$13.592	\$14.555	\$15.107	\$15.696	\$16.346
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA INSPECTOR GENERAL
November Financial Plan 2015 - 2018
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2013	2014	2015			
	Actual	November	Final Proposed	2016	2017	2018
		Forecast	Budget			
Receipts						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-
Capital and Other Reimbursements	11.932	13.572	14.500	15.107	15.696	16.346
Total Receipts	\$11.932	\$13.572	\$14.500	\$15.107	\$15.696	\$16.346
Expenditures						
<u>Labor:</u>						
Payroll	\$6.133	\$7.621	\$8.046	\$8.288	\$8.454	\$8.623
Overtime	-	-	-	-	-	-
Health and Welfare	0.773	1.086	1.286	1.326	1.393	1.464
OPEB Current Payment	-	-	-	-	-	-
Pensions	1.132	1.278	1.355	1.584	1.855	2.176
Other Fringe Benefits	0.444	0.648	0.791	0.835	0.867	0.902
GASB Account	-	-	-	-	-	-
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$8.482	\$10.633	\$11.478	\$12.033	\$12.569	\$13.165
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.037	0.040	0.040	0.039	0.038	0.039
Insurance	0.018	0.028	0.031	0.034	0.037	0.041
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	2.375	2.610	2.646	2.686	2.731	2.775
Professional Service Contracts	0.911	0.140	0.196	0.203	0.207	0.210
Materials & Supplies	-	-	-	-	-	-
Other Business Expenses	0.109	0.121	0.109	0.112	0.114	0.116
Total Non-Labor Expenditures	\$3.450	\$2.939	\$3.022	\$3.074	\$3.127	\$3.181
<u>Other Expenditure Adjustments:</u>						
Other - Operating Capital	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$11.932	\$13.572	\$14.500	\$15.107	\$15.696	\$16.346
Net Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA INSPECTOR GENERAL
November Financial Plan 2015 - 2018
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2013	2014	2015			
	Actual	November	Final Proposed	2016	2017	2018
		Forecast	Budget			
Receipts						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-
Capital and Other Reimbursements	(0.054)	(0.020)	(0.055)	-	-	-
Total Receipts	(\$0.054)	(\$0.020)	(\$0.055)	\$0.000	\$0.000	\$0.000
Expenditures						
<u>Labor:</u>						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-
OPEB Current Payment	-	-	-	-	-	-
Pensions	-	-	-	-	-	-
Other Fringe Benefits	-	-	-	-	-	-
GASB Account	-	-	-	-	-	-
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	-	-	-	-	-	-
Insurance	-	-	-	-	-	-
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	-	-	-	-	-	-
Professional Service Contracts	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-
Other Business Expenditures	-	-	-	-	-	-
Total Non-Labor Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Other Expenditures Adjustments:</u>						
Other - Operating Capital	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expenditures Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Cash Conversion Adjustments before Depreciation	(\$0.054)	(\$0.020)	(\$0.055)	\$0.000	\$0.000	\$0.000
Depreciation	\$0.054	\$0.020	\$0.055	\$0.000	\$0.000	\$0.000
Total Cash Conversion Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

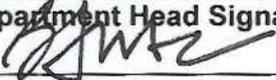
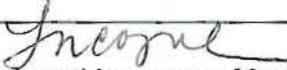
MTA INSPECTOR GENERAL
November Financial Plan 2015 - 2018
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time Positions/Full Time Equivalents

FUNCTION/DEPARTMENT	2013 Actual	2014 November Forecast	2015 Final Proposed Budget	2016	2017	2018
Administration						
Office of the Inspector General	69	86	86	86	86	86
Total Administration	69	86	86	86	86	86
Baseline Total Positions	69	86	86	86	86	86
Non-Reimbursable	-	-	-	-	-	-
Reimbursable	69	86	86	86	86	86
Total	69	86	86	86	86	86
Total Full-Time	69	86	86	86	86	86
Total Full-Time Equivalents	-	-	-	-	-	-

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**First Mutual Transportation Assurance Co.
(FMTAC)**

Staff Summary

Subject FMTAC 2015 Budget and 2015-2018 Financial Plan Adoption
Department Risk and Insurance Management
Department Head Name Robert Foran, Chief Financial Officer
Department Head Signature 
Project Manager Name  Laureen Coyne, Director Risk and Insurance Mgmt.

Date December 3, 2014
Vendor Name N/A
Contract Number N/A
Contract Manager Name N/A
Table of Contents Ref # N/A

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Committee	12/15	x		
2	Board	12/17	x		

Internal Approvals			
Order	Approval	Order	Approval
1	Risk and Insurance Management		
2	Legal		

Purpose
To secure MTA Board adoption of the MTA First Mutual Transportation Assurance Company's (FMTAC) 2014 November Forecast, 2015 Final Proposed Budget, and the Four-Year Financial Plan for 2015-2018.

Discussion
FMTAC generates a net cash deficit of zero and has no impact on MTA cash balances. FMTAC cash reserves are separate and distinct from MTA and are necessary to maintain the appropriate capital and reserve levels pursuant to the State of New York Insurance guidelines.

The 2015 Final Proposed Budget, which is consistent with information presented to the Board in November, provides sufficient resources to address the challenges related to insurance and risk management of the MTA. This is accomplished by maximizing the efficiency and flexibility of the insurance programs while minimizing costs to the MTA and its subsidiaries.

2014 November Forecast-Baseline
Total operating revenues are projected at \$21.6 million. Total operating expenses are projected to be \$7.1 million, resulting in a net surplus of \$14.5 million.

2015 Final Proposed Budget-Baseline
Total operating revenues are projected at \$21.9 million. Total operating expenses are projected to be \$2.4 million, resulting in a net surplus of \$19.5 million.

Impact of Funding
The 2014 November Forecast, the 2015 Final Proposed Budget, and the Four-Year Financial Plan 2015-2018, which are presented in the attached tables, are consistent with the proposed MTA Financial Plan.

Recommendation
It is recommended that the MTA Board adopt MTA First Mutual Transportation Assurance Company's 2014 November Forecast, the 2015 Final Proposed Budget, and the Four-Year Financial Plan for 2015-2018.

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
November Financial Plan 2015 - 2018
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE						
	2013	2014	2015			
	Actual	November Forecast	Final Proposed Budget	2016	2017	2018
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	10.614	13.760	13.960	14.172	14.410	14.645
Investment Income	(7.768)	7.803	7.916	8.036	8.171	8.305
Capital and Other Reimbursements	-	-	-	-	-	-
Total Revenue	\$2.846	\$21.563	\$21.876	\$22.208	\$22.581	\$22.949
Operating Expenses						
<u>Labor:</u>						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-
Pensions	-	-	-	-	-	-
Other Fringe Benefits	-	-	-	-	-	-
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenses	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	(74.762)	(84.224)	(89.996)	(96.691)	(104.357)	(113.050)
Claims	90.810	79.291	80.188	76.992	82.012	81.764
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	-	-	-	-	-	-
Professional Service Contracts	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-
Other Business Expenses	12.061	11.991	12.231	12.475	12.725	12.979
Total Non-Labor Expenses	\$28.109	\$7.058	\$2.423	(\$7.224)	(\$9.620)	(\$18.307)
<u>Other Expenses Adjustments:</u>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$28.109	\$7.058	\$2.423	(\$7.224)	(\$9.620)	(\$18.307)
Depreciation	-	-	-	-	-	-
Total Expenses	\$28.109	\$7.058	\$2.423	(\$7.224)	(\$9.620)	(\$18.307)
Net Surplus/(Deficit)	(\$25.263)	\$14.505	\$19.453	\$29.432	\$32.201	\$41.256

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
November Financial Plan 2015 - 2018
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES

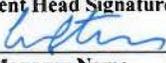
	2013 <u>Actual</u>	2014 November <u>Forecast</u>	2015 Final Proposed <u>Budget</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Receipts						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	10.614	13.760	13.960	14.172	14.410	14.645
Investment Income	(7.768)	7.803	7.916	8.036	8.171	8.305
Capital and Other Reimbursements	-	-	-	-	-	-
Total Receipts	\$2.846	\$21.563	\$21.876	\$22.208	\$22.581	\$22.949
Expenditures						
<u>Labor:</u>						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-
Pensions	-	-	-	-	-	-
Other Fringe Benefits	-	-	-	-	-	-
GASB Account	-	-	-	-	-	-
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	(74.762)	(84.224)	(89.996)	(96.691)	(104.357)	(113.050)
Claims	90.810	74.104	74.942	71.955	75.937	75.708
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	-	-	-	-	-	-
Professional Service Contracts	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-
Other Business Expenses	12.061	11.991	12.231	12.475	12.725	12.979
Total Non-Labor Expenditures	\$28.109	\$1.871	(\$2.823)	(\$12.261)	(\$15.695)	(\$24.363)
<u>Other Expenditure Adjustments:</u>						
Other - Restricted Cash Adjustment	(\$25.263)	\$19.692	\$24.699	\$34.469	\$38.276	\$47.312
Total Other Expenditure Adjustments	(\$25.263)	\$19.692	\$24.699	\$34.469	\$38.276	\$47.312
Total Expenditures	\$2.846	\$21.563	\$21.876	\$22.208	\$22.581	\$22.949
Net Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
November Financial Plan 2015 - 2018
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2013	2014	2015			
	<u>Actual</u>	<u>Forecast</u>	<u>Final Proposed Budget</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Receipts						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-
Investment Income	-	-	-	-	-	-
Capital and Other Reimbursements	-	-	-	-	-	-
Total Receipts	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Expenditures						
<u>Labor:</u>						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-
Pensions	-	-	-	-	-	-
Other Fringe Benefits	-	-	-	-	-	-
GASB Account	-	-	-	-	-	-
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	-	-	-	-	-	-
Claims	0.000	5.187	5.246	5.037	6.075	6.056
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	-	-	-	-	-	-
Professional Service Contracts	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-
Other Business Expenditures	-	-	-	-	-	-
Total Non-Labor Expenditures	\$0.000	\$5.187	\$5.246	\$5.037	\$6.075	\$6.056
<u>Other Expenditures Adjustments:</u>						
Other	\$25.263	(\$19.692)	(\$24.699)	(\$34.469)	(\$38.276)	(\$47.312)
Total Other Expenditures Adjustments	\$25.263	(\$19.692)	(\$24.699)	(\$34.469)	(\$38.276)	(\$47.312)
Total Cash Conversion Adjustments before Depreciation	\$25.263	(\$14.505)	(\$19.453)	(\$29.432)	(\$32.201)	(\$41.256)
Depreciation Adjustment	-	-	-	-	-	-
Total Cash Conversion Adjustments	\$25.263	(\$14.505)	(\$19.453)	(\$29.432)	(\$32.201)	(\$41.256)

New York City Transit

Staff Summary

Subject NYCT 2015 Budget and 2015-2018 Financial Plan Adoption
Department Office of Management & Budget
Department Head Name Aaron Stern
Department Head Signature 
Project Manager Name

Date December 4, 2014
Vendor Name NA
Contract Number NA
Contract Manager Name NA
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	TA Committee		X		
2	Finance Committee		X		
3	MTA Board		X		

Internal Approvals			
Order	Approval	Order	Approval
1	OMB - Director		
2	Executive VP 		
3	President 		

Purpose

To secure MTA Board adoption of MTA New York City Transit’s 2014 November Forecast, 2015 Final Proposed Budget, and the Four-Year Financial Plan for 2015-2018.

Discussion

The 2015 Final Proposed Budget, which is consistent with information presented to the Board in November, provides sufficient funding to support MTA New York City Transit’s planned service levels, as well as MTA’s commitment to provide safe, reliable and efficient transportation service to the metropolitan New York region. To meet this goal, NYCT has proposed a significant number of new initiatives to assess and improve the safety and reliability of the subways and buses’ operations and infrastructure. These initiatives, some of which are described below, were driven by recommendations from recently completed reviews by the MTA Blue Ribbon Panel on safety and on-going reviews by NYCT management. The cost of these proposed safety investments as well as new service and service support investments are excluded from NYCT’s November 2015-2018 Financial Plan; however, they have been incorporated as part of the MTA consolidated Financial Plan presentation. The baseline projections that follow for MTA New York City Transit include pattern labor wage adjustments, consistent with the recent TWU labor agreement, projections of overtime coverage requirements that are more consistent with recent historical results, several new programmatic initiatives and support for current projects. Projections also capture reductions in projected paratransit costs and lower power prices. NYCT projections also exclude the estimated impacts from projected fare increases, unidentified MTA efficiencies, MTA re-estimates, and policy actions. These impacts will be presented as part of MTA consolidated materials.

Proposed New Initiatives (included in the MTA Consolidated Financial Plan)

- **Primary Safety Initiatives** include: bus safety oversight and training; track critical corridor proposals; bus collision avoidance; expanded communications including Help Point availability and fire safety; a pedestrian warning system; additional signal maintenance; and reduced bus operator maximum service hours.
- **Primary Service/Service Quality Initiatives** include: bus service to the Gateway II Mall in Brooklyn, expanded bus service to meet increased SI Ferry service, new Select Bus Service routes (TBD), expansion of the J line to Broad Street on weekends, and enhanced track/signal teams to reduce subway delay impacts.

Key Programmatic Initiatives (included in the NYCT baseline)

- **Bus Maintenance-Overage Fleet.** 66 positions with costs of \$6.4 million in 2014, 48 positions with costs of \$4.7 million in 2015 and costs of \$2.8 million in 2016 are necessary to meet maintenance requirements associated with the significant population of buses over 12 years of age during this period.
- **Station Cleaning Headcount Support.** 44 positions are required for each year with costs of \$2.4 million in 2014 and \$3.3 million in subsequent years. These positions will replace current overtime coverage.
- **Track Construction Maintenance Workforce.** 35 positions are required in 2014 with costs of \$2.9 million and 25 positions with costs of \$2.3 million are required in subsequent years. These additional non-reimbursable positions will be converted from reimbursable Track Construction personnel to support weekday maintenance-specific tasks and result in a better alignment of personnel. This circumstance has arisen due to a recent concentration of reimbursable track-work on weekends, causing reimbursable personnel to perform non-reimbursable work during weekdays in light of a shortage of reimbursable work on weekdays.
- **Rapid Transit Operations-Lengthened Training Periods.** 31 positions and costs of \$2.9 million are required in 2014 and 15 positions with costs of \$1.5 million are required in subsequent years to meet increased induction training days for several supervisor and hourly titles. These additional days are necessary to accommodate new course subjects to ensure new personnel receive the most appropriate instructions in order to meet their job responsibilities.

Primary Budget Reduction Initiatives

- **Projected Reductions in Paratransit expenses** of \$31.6 million in 2015, \$41.1 million in 2016, \$58.7 million in 2017 and \$74.0 million in 2018, due mostly to lower trip projections.
- **EGWP (Employee Group Waiver Plan) Program.** Projected savings of \$15.7 million in 2015 and subsequent years, based on an Affordable Care Act prescription drug plan for Medicare-eligible members that is a more financially affordable alternative than other existing plans.
- **Subways Facility Cleaning Efficiency.** Projected position reductions of 28 and savings of \$2.9 million in 2015 and subsequent years to be achieved by implementing improved processes for car and facility cleaning.
- **Medical Eligibility Initiative.** Projected savings of \$2.8 million in 2015 and subsequent years are planned, predicated on improving the efficiency of eliminating ineligible and the automation of transferring Medicare eligibles to primary status.
- **Subways Availability-Reduce "Injury-on-Duty" Lost Days.** Projected Workers' Compensation savings of \$1.7 million per year beginning 2015 to be achieved through a more comprehensive and aggressive monitoring and review of Injury-on-Duty claims to reduce the number of days employees are out of work long-term.
- **Revenue Collection Efficiencies.** Projected position reductions of 17 and savings of \$1.5 million in 2015 and subsequent years, based on the opportunity to reduce labor costs resulting from the implementation of the \$1 Green Fee charge which significantly reduced the number of new MetroCards produced.

2014 November Forecast-Baseline

Total operating revenues are projected at \$4.612 billion, including \$4.184 billion of farebox revenues. Total operating expenses are projected to be \$7.318 billion, consisting of labor costs of \$5.565 billion and non-labor expenses of \$1.753 billion. Non-cash depreciation expense is projected at \$1.544 billion and other post-employment benefit expenses are projected at \$1.604 billion. After including favorable cash adjustments of \$2.873 billion, the projected net cash deficit is \$2.981 billion. Projected reimbursable expenses of \$1.010 billion are fully offset by capital reimbursements. Total end-of-year positions are projected at 47,393, including 42,680 non-reimbursable positions and 4,713 reimbursable positions.

2015 Final Proposed Budget-Baseline

Total operating revenues are projected at \$4.683 billion, including farebox revenues of \$4.230 billion. Total operating expenses are projected to be \$7.439 billion, consisting of labor costs of \$5.683 billion and non-labor expenses of \$1.755 billion. Non-cash depreciation expense is projected at \$1.638 billion and other post-employment benefit expenses are projected at \$1.616 billion. After including favorable cash adjustments of \$3.259 billion, the projected net cash deficit is \$2.751 billion. Projected reimbursable expenses of \$1.001 billion are fully offset by capital reimbursements. Total end-of-year positions are projected at 47,457, including 42,558 non-reimbursable positions and 4,899 reimbursable positions.

Impact on Funding

The 2014 November Forecast, the 2015 Final Proposed Budget and the Four-Year Financial Plan for 2015-2018, which are presented in the attached tables, are consistent with the proposed MTA Financial Plan.

Recommendation

It is recommended that the MTA Board adopt the 2014 November Forecast, the 2015 Final Proposed Budget and the Four-Year Financial Plan for 2015-2018 for MTA New York City Transit and the related authorization to draw down Transit Adjudication Bureau (TAB) receipts and interest consistent with this Final Proposed Budget.

MTA NEW YORK CITY TRANSIT
November Financial Plan 2015 - 2018
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE						
	2013	2014	2015			
	Actual *	November	Final Prop.	2016	2017	2018
		Forecast	Budget			
Operating Revenue						
<u>Farebox Revenue:</u>						
Subway	3,030.746	3,148.155	3,204.326	3,258.335	3,290.754	3,319.853
Bus	941.063	950.490	963.580	973.402	977.236	984.177
Paratransit	16.465	16.000	17.474	18.697	20.006	21.406
Fare Media Liability	63.567	69.538	44.770	44.770	44.770	44.770
Farebox Revenue	\$4,051.841	\$4,184.183	\$4,230.150	\$4,295.204	\$4,332.766	\$4,370.206
Vehicle Toll Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue:						
Fare Reimbursement	84.017	84.016	84.016	84.016	84.016	84.016
Paratransit Reimbursement	169.615	177.739	182.474	200.048	222.140	239.641
Other	260.073	166.228	186.051	155.961	159.425	162.990
Other Operating Revenue	\$513.705	\$427.983	\$452.541	\$440.025	\$465.581	\$486.647
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenue	\$4,565.546	\$4,612.166	\$4,682.691	\$4,735.229	\$4,798.347	\$4,856.853
Expenses						
Labor:						
Payroll	2,963.406	3,044.208	3,099.945	3,166.226	3,229.610	3,271.176
Overtime	378.048	414.862	380.935	387.602	394.331	400.911
Total Salaries & Wages	3,341.454	3,459.070	3,480.880	3,553.828	3,623.941	3,672.087
Health and Welfare	618.044	688.885	757.706	814.996	878.439	945.047
OPEB Current Payment	325.602	345.326	376.846	414.398	453.422	497.914
Pensions	918.909	956.672	960.371	955.663	937.968	941.301
Other Fringe Benefits	388.793	322.274	316.084	328.878	341.344	352.753
Total Fringe Benefits	2,251.348	2,313.157	2,411.007	2,513.935	2,611.173	2,737.015
Reimbursable Overhead	(209.291)	(207.618)	(208.656)	(203.602)	(200.924)	(198.466)
Total Labor Expenses	\$5,383.511	\$5,564.609	\$5,683.231	\$5,864.161	\$6,034.190	\$6,210.636
Non-Labor:						
Electric Power	298.593	334.695	291.635	317.924	360.295	389.395
Fuel	160.588	171.049	165.836	160.890	165.268	172.338
Insurance	62.492	67.953	80.269	90.872	103.041	117.167
Claims	144.022	108.659	107.032	111.646	114.168	116.752
Paratransit Service Contracts	366.751	374.440	385.562	420.671	473.797	516.169
Maintenance and Other Operating Contracts	168.003	178.970	201.209	219.251	208.958	195.038
Professional Service Contracts	144.929	133.032	143.774	136.633	133.084	136.682
Materials & Supplies	270.690	308.364	295.563	311.019	307.468	306.839
Other Business Expenses	62.965	76.171	84.563	86.577	83.452	84.826
Total Non-Labor Expenses	\$1,679.033	\$1,753.333	\$1,755.443	\$1,855.483	\$1,949.531	\$2,035.206
Other Expense Adjustments:						
Other	0.000	0.000	0.000	0.000	0.000	0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before						
Depreciation and GASB Adjustments	\$7,062.544	\$7,317.942	\$7,438.674	\$7,719.644	\$7,983.721	\$8,245.842
Depreciation	1,421.011	1,544.334	1,638.144	1,688.144	1,863.292	1,913.292
OPEB Obligation	1,554.097	1,603.725	1,616.261	1,680.911	1,748.148	1,818.074
Environmental Remediation	24.121	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$10,061.773	\$10,466.001	\$10,693.079	\$11,088.699	\$11,595.161	\$11,977.208
Net Surplus/(Deficit)	(\$5,496.227)	(\$5,853.835)	(\$6,010.388)	(\$6,353.470)	(\$6,796.814)	(\$7,120.355)

*Includes \$78.3 million of accrued retro-wages and fica relating to the recent TWU contract agreement.

MTA NEW YORK CITY TRANSIT
November Financial Plan 2015 - 2018
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE	2013	2014	2015	2016	2017	2018
	Actual	November Forecast	Final Prop. Budget			
Revenue						
Farebox Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	965.068	1,009.966	1,000.892	978.081	951.165	937.728
Total Revenue	\$965.068	\$1,009.966	\$1,000.892	\$978.081	\$951.165	\$937.728
Expenses						
Labor:						
Payroll	342.023	360.803	412.961	405.121	392.871	385.783
Overtime	115.468	109.436	76.187	77.130	77.337	76.092
Total Salaries & Wages	457.491	470.239	489.148	482.251	470.208	461.875
Health and Welfare	23.270	26.267	28.667	29.983	30.907	32.541
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	29.495	28.801	28.963	28.501	27.533	27.959
Other Fringe Benefits	119.064	128.216	140.704	138.039	133.835	129.625
Total Fringe Benefits	171.829	183.284	198.334	196.523	192.275	190.125
Reimbursable Overhead	209.291	207.618	208.656	203.602	200.924	198.466
Total Labor Expenses	\$838.611	\$861.141	\$896.138	\$882.376	\$863.407	\$850.466
Non-Labor:						
Electric Power	0.345	0.358	0.252	0.252	0.252	0.252
Fuel	0.019	0.022	0.022	0.023	0.023	0.023
Insurance	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.001	(0.001)	(0.001)	(0.001)	(0.001)
Paratransit Service Contracts	0.964	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	38.736	37.705	26.290	26.044	26.080	26.081
Professional Service Contracts	22.910	25.868	18.242	17.315	15.527	15.030
Materials & Supplies	61.550	85.080	58.025	50.148	43.954	43.954
Other Business Expenses	1.933	(0.209)	1.924	1.924	1.923	1.923
Total Non-Labor Expenses	\$126.457	\$148.825	\$104.754	\$95.705	\$87.758	\$87.262
Other Expense Adjustments:						
Other	0.000	0.000	0.000	0.000	0.000	0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation						
Depreciation	\$965.068	\$1,009.966	\$1,000.892	\$978.081	\$951.165	\$937.728
Depreciation	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$965.068	\$1,009.966	\$1,000.892	\$978.081	\$951.165	\$937.728
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA NEW YORK CITY TRANSIT
November Financial Plan 2015 - 2018
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE/REIMBURSABLE	2013	2014	2015	2016	2017	2018
	Actual *	November Forecast	Final Prop. Budget			
Revenue						
<u>Farebox Revenue:</u>						
Subway	\$3,030.746	\$3,148.155	\$3,204.326	\$3,258.335	\$3,290.754	\$3,319.853
Bus	941.063	950.490	963.580	973.402	977.236	984.177
Paratransit	16.465	16.000	17.474	18.697	20.006	21.406
Fare Media Liability	63.567	69.538	44.770	44.770	44.770	44.770
Farebox Revenue	\$4,051.841	\$4,184.183	\$4,230.150	\$4,295.204	\$4,332.766	\$4,370.206
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
<u>Other Operating Revenue:</u>						
Fare Reimbursement	84.017	84.016	84.016	84.016	84.016	84.016
Paratransit Reimbursement	169.615	177.739	182.474	200.048	222.140	239.641
Other	260.073	166.228	186.051	155.961	159.425	162.990
Other Operating Revenue	513.705	427.983	452.541	440.025	465.581	486.647
Capital and Other Reimbursements	965.068	1,009.966	1,000.892	978.081	951.165	937.728
Total Revenue	\$5,530.614	\$5,622.132	\$5,683.583	\$5,713.310	\$5,749.512	\$5,794.581
Expenses						
<u>Labor:</u>						
Payroll	3,305.429	3,405.011	3,512.906	3,571.347	3,622.481	3,656.959
Overtime	493.516	524.298	457.122	464.732	471.668	477.003
Total Salaries & Wages	3,798.945	3,929.309	3,970.028	4,036.079	4,094.149	4,133.962
Health and Welfare	641.314	715.152	786.373	844.979	909.346	977.588
OPEB Current Payment	325.602	345.326	376.846	414.398	453.422	497.914
Pensions	948.404	985.473	989.334	984.164	965.501	969.260
Other Fringe Benefits	507.857	450.490	456.788	466.917	475.179	482.378
Total Fringe Benefits	2,423.177	2,496.441	2,609.341	2,710.458	2,803.448	2,927.140
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$6,222.122	\$6,425.750	\$6,579.369	\$6,746.537	\$6,897.597	\$7,061.102
<u>Non-Labor:</u>						
Electric Power	298.938	335.053	291.887	318.176	360.547	389.647
Fuel	160.607	171.071	165.858	160.913	165.291	172.361
Insurance	62.492	67.953	80.269	90.872	103.041	117.167
Claims	144.022	108.660	107.031	111.645	114.167	116.751
Paratransit Service Contracts	367.715	374.440	385.562	420.671	473.797	516.169
Maintenance and Other Operating Contracts	206.739	216.675	227.499	245.295	235.038	221.119
Professional Service Contracts	167.839	158.900	162.016	153.948	148.611	151.712
Materials & Supplies	332.240	393.444	353.588	361.167	351.422	350.793
Other Business Expenses	64.898	75.962	86.487	88.501	85.375	86.749
Total Non-Labor Expenses	\$1,805.490	\$1,902.158	\$1,860.197	\$1,951.188	\$2,037.289	\$2,122.468
<u>Other Expense Adjustments:</u>						
Other	0.000	0.000	0.000	0.000	0.000	0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adjustments						
Depreciation and GASB Adjustments	\$8,027.612	\$8,327.908	\$8,439.566	\$8,697.725	\$8,934.886	\$9,183.570
Depreciation	1,421.011	1,544.334	1,638.144	1,688.144	1,863.292	1,913.292
OPEB Obligation	1,554.097	1,603.725	1,616.261	1,680.911	1,748.148	1,818.074
Environmental Remediation	24.121	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$11,026.841	\$11,475.967	\$11,693.971	\$12,066.780	\$12,546.326	\$12,914.936
Net Surplus/(Deficit)	(\$5,496.227)	(\$5,853.835)	(\$6,010.388)	(\$6,353.470)	(\$6,796.814)	(\$7,120.355)

*Includes \$78.3 million of accrued retro-wages and fica relating to the recent TWU contract agreement.

MTA NEW YORK CITY TRANSIT
November Financial Plan 2015 - 2018
Cash Receipts & Expenditures

CASH RECEIPTS AND EXPENDITURES						
	2013	2014	2015			
	Actual	November Forecast	Final Prop. Budget	2016	2017	2018
Receipts						
Farebox Revenue	4,086.772	4,169.646	4,240.381	4,305.435	4,342.997	4,380.437
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
<u>Other Operating Revenue:</u>						
Fare Reimbursement	99.052	84.016	84.016	84.016	84.016	84.016
Paratransit Reimbursement	167.124	180.697	182.127	199.801	221.925	239.518
Other	170.667	66.150	82.971	49.788	50.067	50.351
Other Operating Revenue	\$436.843	\$330.863	\$349.114	\$333.605	\$356.008	\$373.885
Capital and Other Reimbursements	893.332	1,121.484	1,012.450	982.309	956.291	940.020
Total Receipts	\$5,416.947	\$5,621.993	\$5,601.945	\$5,621.349	\$5,655.296	\$5,694.342
Expenditures						
<u>Labor:</u>						
Payroll	3,182.616	3,635.638	3,503.027	3,534.153	3,594.096	3,627.740
Overtime	470.666	558.337	457.870	462.218	470.280	475.570
Total Salaries & Wages	3,653.282	4,193.975	3,960.897	3,996.371	4,064.376	4,103.310
Health and Welfare	657.042	702.406	782.168	838.093	907.039	969.630
OPEB Current Payment	325.601	345.326	376.846	414.398	453.422	497.914
Pensions	789.666	977.990	989.408	983.812	961.980	964.773
Other Fringe Benefits	375.254	432.248	416.707	423.300	431.500	437.803
Total Fringe Benefits	2,147.563	2,457.970	2,565.129	2,659.603	2,753.941	2,870.120
GASB Account	66.688	34.744	0.000	0.000	0.000	8.898
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$5,867.533	\$6,686.689	\$6,526.026	\$6,655.974	\$6,818.317	\$6,982.328
<u>Non-Labor:</u>						
Electric Power	296.780	335.053	291.887	318.176	360.547	389.647
Fuel	164.316	171.071	165.858	160.913	165.291	172.361
Insurance	58.338	71.868	83.047	91.415	103.818	121.205
Claims	97.658	100.132	96.401	98.860	101.382	103.966
Paratransit Service Contracts	372.787	372.440	383.562	418.671	471.797	514.169
Maintenance and Other Operating Contracts	216.824	226.935	238.199	255.995	245.738	231.819
Professional Service Contracts	165.371	158.027	147.016	138.948	133.611	136.712
Materials & Supplies	357.783	404.444	334.588	347.167	347.422	346.793
Other Business Expenditures	70.395	76.374	86.487	88.501	85.375	86.749
Total Non-Labor Expenditures	\$1,800.252	\$1,916.344	\$1,827.045	\$1,918.646	\$2,014.981	\$2,103.421
<u>Other Expenditure Adjustments:</u>						
Other	0.000	0.000	0.000	0.000	0.000	0.000
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$7,667.785	\$8,603.033	\$8,353.071	\$8,574.620	\$8,833.298	\$9,085.749
Net Cash Surplus/(Deficit)	(\$2,250.838)	(\$2,981.040)	(\$2,751.126)	(\$2,953.271)	(\$3,178.002)	(\$3,391.407)

MTA NEW YORK CITY TRANSIT
November Financial Plan 2015 - 2018
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	2013 Actual *	2014 November Forecast	2015 Final Prop. Budget	2016	2017	2018
Receipts						
Fare Revenue	34.931	(14.537)	10.231	10.231	10.231	10.231
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue:						
Fare Reimbursement	15.035	0.000	0.000	0.000	0.000	0.000
Paratransit Reimbursement	(2.491)	2.958	(0.347)	(0.247)	(0.215)	(0.123)
Other	(89.406)	(100.078)	(103.080)	(106.173)	(109.358)	(112.639)
Other Operating Revenue	(\$76.862)	(\$97.120)	(\$103.427)	(\$106.420)	(\$109.573)	(\$112.762)
Capital and Other Reimbursements	(71.736)	111.518	11.558	4.228	5.126	2.292
Total Receipt Adjustments	(\$113.667)	(\$0.139)	(\$81.638)	(\$91.961)	(\$94.216)	(\$100.239)
Expenditures						
Labor:						
Payroll	122.813	(230.627)	9.879	37.194	28.385	29.219
Overtime	22.850	(34.039)	(0.748)	2.514	1.388	1.433
Total Salaries & Wages	145.663	(264.666)	9.131	39.708	29.773	30.652
Health and Welfare	(15.728)	12.746	4.205	6.886	2.307	7.958
OPEB Current Payment	0.001	0.000	0.000	0.000	0.000	0.000
Pensions	158.738	7.483	(0.074)	0.352	3.521	4.487
Other Fringe Benefits	132.603	18.242	40.081	43.617	43.679	44.575
Total Fringe Benefits	275.614	38.471	44.212	50.855	49.507	57.020
GASB Account	(66.688)	(34.744)	0.000	0.000	0.000	(8.898)
Reimbursable Overhead						
Total Labor Expenditures	\$354.589	(\$260.939)	\$53.343	\$90.563	\$79.280	\$78.774
Non-Labor:						
Electric Power	2.158	0.000	0.000	0.000	0.000	0.000
Fuel	(3.709)	0.000	0.000	0.000	0.000	0.000
Insurance	4.154	(3.915)	(2.778)	(0.543)	(0.777)	(4.038)
Claims	46.364	8.528	10.630	12.785	12.785	12.785
Paratransit Service Contracts	(5.072)	2.000	2.000	2.000	2.000	2.000
Maintenance and Other Operating Contracts	(10.085)	(10.260)	(10.700)	(10.700)	(10.700)	(10.700)
Professional Service Contracts	2.468	0.873	15.000	15.000	15.000	15.000
Materials & Supplies	(25.543)	(11.000)	19.000	14.000	4.000	4.000
Other Business Expenditures	(5.497)	(0.412)	0.000	0.000	0.000	0.000
Total Non-Labor Expenditures	\$5.238	(\$14.186)	\$33.152	\$32.542	\$22.308	\$19.047
Other Expenditure Adjustments:						
Other	0.000	0.000	0.000	0.000	0.000	0.000
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditure Adjustments	\$359.827	(\$275.125)	\$86.495	\$123.105	\$101.588	\$97.821
Total Cash Conversion Adjustments before Depreciation and GASB Adjustments	\$246.160	(\$275.264)	\$4.857	\$31.144	\$7.372	(\$2.418)
Depreciation Adjustment	1,421.011	1,544.334	1,638.144	1,688.144	1,863.292	1,913.292
OPEB Obligation	1,554.097	1,603.725	1,616.261	1,680.911	1,748.148	1,818.074
Environmental Remediation	24.121	0.000	0.000	0.000	0.000	0.000
Total Cash Conversion Adjustments	\$3,245.389	\$2,872.795	\$3,259.262	\$3,400.199	\$3,618.812	\$3,728.948

*Includes \$78.3 million of accrued retro-wages and fica relating to the recent TWU contract agreement.

MTA NEW YORK CITY TRANSIT
November Financial Plan 2015- 2018
Ridership/Traffic Volume (Utilization)
(\$ in millions)

	2013 Actual	2014 November Forecast	2015 Final Proposed Budget	2016	2017	2018
RIDERSHIP						
Subway	1,707.556	1,745.761	1,778.911	1,807.747	1,825.055	1,840.591
Bus	677.569	669.438	680.868	687.405	690.096	694.784
Paratransit	9.266	8.921	9.743	10.425	11.155	11.936
Total Ridership	2,394.391	2,424.120	2,469.522	2,505.577	2,526.306	2,547.311
FAREBOX REVENUE (Excluding fare media liability)						
Subway	\$3,030.746	\$3,148.155	\$3,204.326	\$3,258.335	\$3,290.754	\$3,319.853
Bus	941.063	950.490	963.580	973.402	977.236	984.177
Paratransit	16.465	16.000	17.474	18.697	20.006	21.406
Total Farebox Revenue	\$3,988.274	\$4,114.645	\$4,185.380	\$4,250.434	\$4,287.996	\$4,325.436

NEW YORK CITY TRANSIT
November Financial Plan 2015-2018
2014 Budget Reduction Plan Summary
(\$ in millions)

	Favorable/(Unfavorable)									
	<u>Pos.</u>	<u>2014</u>	<u>Pos.</u>	<u>2015</u>	<u>Pos.</u>	<u>2016</u>	<u>Pos.</u>	<u>2017</u>	<u>Pos.</u>	<u>2018</u>
Administration										
EGWP Program (July Plan)	0	12.229	0	15.676	0	15.676	0	15.676	0	15.676
Medical Eligibility Initiative (July Plan)	0	<u>2.720</u>	0	<u>2.798</u>	0	<u>2.798</u>	0	<u>2.798</u>	0	<u>2.798</u>
Subtotal Administration	0	14.949	0	18.474	0	18.474	0	18.474	0	18.474
Customer Convenience/Amenities										
None	0	<u>0.000</u>	0	<u>0.000</u>	0	<u>0.000</u>	0	<u>0.000</u>	0	<u>0.000</u>
Subtotal Customer Convenience/Amenities	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Maintenance										
DOS Availability-Reduce IOD Lost Days (July Plan)	0	0.000	0	1.729	0	1.729	0	1.729	0	1.729
DOS Availability-Video RTK Training at Home (July Plan)	0	0.000	23	0.651	23	0.651	23	0.651	23	0.651
DCE Facility Cleaning Efficiency (July Plan)	<u>28</u>	<u>1.480</u>	<u>28</u>	<u>2.864</u>	<u>28</u>	<u>2.864</u>	<u>28</u>	<u>2.864</u>	<u>28</u>	<u>2.864</u>
Subtotal Maintenance	28	1.480	51	5.244	51	5.244	51	5.244	51	5.244
Revenue Enhancement										
None	0	<u>0.000</u>	0	<u>0.000</u>	0	<u>0.000</u>	0	<u>0.000</u>	0	<u>0.000</u>
Subtotal Revenue Enhancement	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Safety										
None	0	<u>0.000</u>	0	<u>0.000</u>	0	<u>0.000</u>	0	<u>0.000</u>	0	<u>0.000</u>
Subtotal Safety	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Security										
None	0	<u>0.000</u>	0	<u>0.000</u>	0	<u>0.000</u>	0	<u>0.000</u>	0	<u>0.000</u>
Subtotal Security	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Service										
Revenue Collection Efficiencies (July Plan)	17	1.895	17	1.518	17	1.518	17	1.518	17	1.518
Tower Operator Efficiencies (July Plan)	<u>2</u>	<u>1.247</u>	<u>12</u>	<u>1.164</u>	<u>12</u>	<u>1.164</u>	<u>12</u>	<u>1.164</u>	<u>12</u>	<u>1.164</u>
Subtotal Service	19	3.142	29	2.682	29	2.682	29	2.682	29	2.682
Service Support										
None	0	<u>0.000</u>	0	<u>0.000</u>	0	<u>0.000</u>	0	<u>0.000</u>	0	<u>0.000</u>
Subtotal Service Support	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Other										
None	0	<u>0.000</u>	0	<u>0.000</u>	0	<u>0.000</u>	0	<u>0.000</u>	0	<u>0.000</u>
Subtotal Other	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Agency Submission	47	\$19.571	80	\$26.400	80	\$26.400	80	\$26.400	80	\$26.400

MTA New York City Transit
November Financial Plan 2015 - 2018
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

	2013 Actual	2014 November Forecast	2015 Final Proposed Budget	2016	2017	2018
Administration						
Office of the President	53	60	62	62	62	62
Law	267	278	278	277	277	277
Office of the EVP	40	42	42	40	40	40
Human Resources	247	227	227	222	222	220
Office of Management and Budget	36	40	41	40	40	40
Capital Planning & Budget	28	33	33	33	33	33
Corporate Communications	236	262	262	258	258	258
Technology & Information Services	427	447	446	444	444	444
Non-Departmental	1	(106)	(126)	(104)	(102)	(102)
Labor Relations	85	97	97	97	97	97
Material	237	291	282	252	251	251
Controller	142	137	137	130	130	130
Total Administration	1,799	1,808	1,781	1,751	1,752	1,750
Operations						
Subways Service Delivery	7,679	7,749	7,768	7,677	7,824	7,652
Subways Operation Support /Admin	366	367	367	367	367	367
Subways Stations	2,633	2,612	2,630	2,633	2,633	2,633
Subtotal - Subways	10,678	10,728	10,765	10,677	10,824	10,652
Buses	10,521	10,685	10,832	10,805	10,805	10,805
Paratransit	194	213	213	213	213	213
Operations Planning	395	404	381	375	375	375
Revenue Control	431	448	448	448	448	448
Total Operations	22,219	22,478	22,639	22,518	22,665	22,493
Maintenance						
Subways Operation Support /Admin	190	202	185	160	160	160
Subways Engineering	323	338	331	304	300	289
Subways Car Equipment	4,197	4,302	4,434	4,352	4,197	4,107
Subways Infrastructure	1,423	1,476	1,449	1,438	1,436	1,436
Subways Elevator & Escalators	370	401	401	403	403	403
Subways Stations	3,476	3,657	3,640	3,637	3,788	3,788
Subways Track	2,705	2,732	2,734	2,734	2,734	2,734
Subways Power	593	624	594	580	580	580
Subways Signals	1,408	1,443	1,383	1,361	1,361	1,361
Subways Electronics Maintenance	1,399	1,477	1,521	1,494	1,482	1,482
Subtotal - Subways	16,084	16,652	16,672	16,463	16,441	16,340
Buses	3,700	3,759	3,646	3,601	3,579	3,577
Revenue Control	137	137	137	137	137	137
Supply Logistics	561	561	558	558	558	558
System Safety	88	91	91	88	88	88
Total Maintenance	20,570	21,200	21,104	20,847	20,803	20,700
Engineering/Capital						
Capital Program Management	1,237	1,274	1,299	1,244	1,244	1,244
Total Engineering/Capital	1,237	1,274	1,299	1,244	1,244	1,244
Public Safety						
Security	587	633	634	635	635	635
Total Public Safety	587	633	634	635	635	635
Total Baseline Positions	46,412	47,393	47,457	46,995	47,099	46,822
Non-Reimbursable	42,459	42,680	42,558	42,444	42,680	42,601
Reimbursable	3,953	4,713	4,899	4,551	4,419	4,221
Total Full-Time	46,165	47,235	47,314	46,852	46,956	46,679
Total Full-Time Equivalents	247	158	143	143	143	143

MTA New York City Transit
November Financial Plan 2015 - 2018
Total Positions by Function and Occupation

FUNCTION/OCCUPATIONAL GROUP	2014		2015 Final	2016	2017	2018
	2013	Actual	November Forecast			
Administration						
Managers/Supervisors		573	604	661	639	638
Professional, Technical, Clerical		1,204	1,144	1,182	1,173	1,171
Operational Hourlies		22	60	(62)	(61)	(59)
Total Administration		1,799	1,808	1,781	1,751	1,750
Operations						
Managers/Supervisors		2,534	2,647	2,617	2,596	2,608
Professional, Technical, Clerical		476	482	481	478	478
Operational Hourlies		19,209	19,349	19,541	19,444	19,420
Total Operations		22,219	22,478	22,639	22,518	22,493
Maintenance						
Managers/Supervisors		3,666	3,841	3,805	3,750	3,754
Professional, Technical, Clerical		973	1,045	1,019	967	960
Operational Hourlies		15,931	16,314	16,280	16,130	16,010
Total Maintenance		20,570	21,200	21,104	20,847	20,803
Engineering/Capital						
Managers/Supervisors		300	329	334	283	283
Professional, Technical, Clerical		935	943	963	959	959
Operational Hourlies		2	2	2	2	2
Total Engineering/Capital		1,237	1,274	1,299	1,244	1,244
Public Safety						
Managers/Supervisors		222	254	254	254	254
Professional, Technical, Clerical		32	40	40	40	40
Operational Hourlies		333	339	340	341	341
Total Public Safety		587	633	634	635	635
Total Baseline Positions						
Managers/Supervisors		7,295	7,675	7,671	7,522	7,537
Professional, Technical, Clerical		3,620	3,654	3,685	3,617	3,598
Operational Hourlies		35,497	36,064	36,101	35,856	35,714
Total Baseline Positions		46,412	47,393	47,457	46,995	46,822

MTA Bus Company

Staff Summary



Subject MTA Bus 2015 Budget and 2015-2018 Financial Plan Adoption
Department Finance
Department Head Name Craig Cipriano
Department Head Signature
Project Manager Name William E. Cronin

Date December 4, 2014
Vendor Name NA
Contract Number NA
Contract Manager Name NA
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	NYCT/MTA Bus	12/15/14	X		
2	Finance Committee	12/15/14	X		
3	MTA Board	12/17/14	X		

Internal Approvals			
Order	Approval	Order	Approval
1	EVP, Business Strategies & Operations Support		12/5/14
2	President		12/5/14

Purpose

To secure MTA Board adoption of MTA Bus Company's 2014 November Forecast, 2015 Final Proposed Budget, and the Four-Year Financial Plan for 2015-2018.

Discussion

The 2015 Final Proposed Budget, which is consistent with information presented to the Board in November, provides sufficient funding to support MTA Bus Company's planned service levels, as well as MTA's commitment to provide safe, reliable and efficient transportation service to the metropolitan New York region. To meet this goal, MTA Bus Company has proposed a significant number of new initiatives to assess and improve the safety and reliability of bus operations. These initiatives, some of which are described below, were driven by recommendations from recently completed reviews by the MTA Blue Ribbon Panel on safety and on-going reviews by MTA Bus Company management. The cost of these proposed safety investments are excluded from MTA Bus Company's November 2015-2018 Financial Plan; however, they have been incorporated as part of the MTA consolidated Financial Plan presentation. The baseline projections that follow for MTA Bus Company include the impact of budget reduction initiatives and recoveries of expenses related to Super Storm Sandy; the baseline also excludes certain items that are captured "below-the-line" in the MTA Consolidated Financial Plan: Fare/Toll increases, Unidentified MTA Efficiencies, MTA Re-estimates, and Policy Actions. The MTA is reimbursed from the City of New York for the operating deficits of MTA Bus.

The 2015 Final Proposed Budget includes funding for new and enhanced investments and initiatives in support of these goals as follows:

Proposed New Initiatives (included in the MTA Consolidated Financial Plan)

- **Primary Safety Initiatives** include: bus safety oversight and training; observation rides incorporating the Mayor's "Vision Zero" initiative; a pedestrian warning system pilot; additional staffing and/or training for safety and environmental management, System Safety and workforce development; and reduced bus operator maximum service hours.

Key Programmatic Initiatives (included in the MTA Bus baseline)

- **Bus Technology** – The budget includes the final four depots scheduled for the Intelligent Vehicle Network (IVN) Installation and ongoing support for the Bus Camera Security System (BCSS). IVN is a hardware/software system that collects data from vehicle control computers; the data is analyzed and used to increase bus reliability by alerting maintenance of problems before they result in road calls or failures. The BCSS support is for the technical and general support, camera/video maintenance and physical camera inspections to ensure that the bus cameras delivered on new buses remain operational and reliable. The goal of the BCSS is to improve security for our employees and customers, deter criminal/terrorist activity, and provide a video record for investigation/prosecution of criminal activities.
- **CMF Line Supervisors** - Over the years, the scope of the East New York & Eastchester operation has increased to become a full-fledged Central Maintenance Facility (CMF). By allocating the proposed number of maintenance supervisors by the specialties of each operation, workload distribution and by locations, the CMF operations will have the proper level of supervision to ensure adherence to all policies and procedures.
- **Platform Budget** –MTABC is refining the running times to more accurately reflect current traffic and operating conditions.
- **Shop Hybrid Repower Deferral** – Revised assumptions and resulting delays in the program shifts the hybrid conversion from 2015/2016 to 2016/2017.
- **Overtime Alignment/Supervisors** – Focuses on aligning both the maintenance budget and increasing supervisory oversight of operations with actual spending levels. The improvement in reliability, which is reflected in year-over-year gains in MDBF, is a function of greater reliance on predictive maintenance (move to preventative vs. fix as fail) and the resulting repairs that have been accelerated to minimize in-service failures. This request ensures consistency with MTA maintenance standards.

2014 November Forecast-Baseline

Total operating revenues are projected at \$222.9 million, including \$202.7 million of farebox revenues. Total non-reimbursable expenses before depreciation and GASB adjustments are projected to be \$600.9 million in 2014, consisting of labor costs of \$457.5 million and non-labor expenses of \$143.4 million. Non-cash depreciation expense is projected at \$42.2 million and other post-employment benefit expenses are projected at \$100.2 million. After including favorable cash adjustments of \$91.9 million, the projected net cash deficit is \$428.5 million. Projected reimbursable expenses of \$5.7 million are fully offset by capital reimbursements. Total end-of-year positions are projected at 3,711, consisting of 3,673 non-reimbursable positions and 38 reimbursable positions.

2015 Final Proposed Budget-Baseline

Total operating revenues are budgeted at \$231.7 million, including farebox revenues of \$205 million. Total non-reimbursable expenses before depreciation and GASB adjustments are budgeted to be \$628.3 million in 2015, consisting of labor costs of \$464.9 million and non-labor expenses of \$163.4 million. Non-cash depreciation expense is projected at \$42.2 million and other post-employment benefit expenses are projected at \$100.2 million. After including favorable cash adjustments of \$154.0 million, the projected net cash deficit is \$385.0 million. Projected reimbursable expenses of \$5.7 million are fully offset by capital reimbursements.

Total 2015 end-of-year positions are projected at 3,744 consisting of 3,706 non-reimbursable positions and 38 reimbursable positions.

Budget Reduction Initiatives

The Plan includes annual savings of \$3.6 million (2014); \$13.8 million (2015), \$6.4 million (2016), \$2.0 million (2017) and \$1.6 million (2018).

- Shop Overhaul: Revised assumptions in overhauling the 2005 and 2006 MCI buses that are expected to be retired from service in 2017.
- OTPS Reductions: Streamline expenses in Maintenance & Other Operating Contracts, Professional Services, and Other Business Expenses.

Impact on Funding

The 2014 November Forecast, the 2015 Final Proposed Budget and the Four-Year Financial Plan for 2015-2018 revenues, expenses and positions, which are presented in the attached tables, are consistent with the proposed MTA financial plan.

Recommendation

It is recommended that the MTA Board adopt the 2014 November Forecast, the 2015 Final Proposed Budget and the Four-Year Financial Plan for 2015-2018 for MTA Bus Company.

MTA BUS COMPANY
November Financial Plan 2015 - 2018
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE	2013	2014	2015			
	Actual	November Forecast	Final Proposed Budget	2016	2017	2018
Operating Revenue						
Farebox Revenue	\$199.187	\$202.701	\$204.965	\$206.573	\$206.937	\$207.926
Other Operating Revenue	26.231	20.192	26.735	20.578	20.939	21.316
Capital and Other Reimbursements	-	-	-	-	-	-
Total Revenue	\$225.418	\$222.893	\$231.700	\$227.151	\$227.876	\$229.242
Operating Expenses						
Labor:						
Payroll	\$240.852	\$243.357	\$249.099	\$257.202	\$263.077	\$262.448
Overtime	49.106	53.491	48.523	49.954	50.857	51.456
Health and Welfare	43.429	50.205	53.806	58.838	63.843	69.653
OPEB Current Payment	18.539	18.505	20.905	22.499	24.514	26.807
Pensions	45.550	45.292	45.723	46.252	46.737	47.381
Other Fringe Benefits	45.923	46.661	46.869	49.703	49.503	52.368
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenses	\$443.399	\$457.511	\$464.925	\$484.448	\$498.531	\$510.113
Non-Labor:						
Electric Power	\$1.555	\$1.930	\$1.804	\$1.975	\$2.250	\$2.423
Fuel	35.004	37.515	35.667	35.024	35.869	36.925
Insurance	2.562	5.648	6.057	6.653	7.572	8.028
Claims	19.108	22.256	28.000	29.000	29.447	29.977
Maintenance and Other Operating Contracts	19.595	18.463	28.709	34.869	64.608	21.874
Professional Service Contracts	16.907	20.626	23.060	20.880	21.385	21.580
Materials & Supplies	37.757	34.325	37.564	41.006	38.859	33.079
Other Business Expenses	4.698	2.656	2.501	2.655	4.779	4.848
Total Non-Labor Expenses	\$137.186	\$143.419	\$163.362	\$172.062	\$204.769	\$158.734
Other Expenses Adjustments:						
Other	-	-	-	-	-	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation & GASB Adj.	\$580.585	\$600.930	\$628.287	\$656.510	\$703.300	\$668.847
Depreciation	\$48.887	\$42.235	\$42.236	\$42.236	\$42.887	\$43.658
OPEB Obligation	100.150	100.150	100.150	100.150	100.150	100.150
Environmental Remediation	1.742	-	-	-	-	-
Total Expenses	\$731.364	\$743.315	\$770.673	\$798.896	\$846.337	\$812.655
Net Surplus/(Deficit)	(\$505.946)	(\$520.422)	(\$538.973)	(\$571.745)	(\$618.461)	(\$583.413)

MTA BUS COMPANY
November Financial Plan 2015 - 2018
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE						
	2013	2014	2015			
	Actual	November	Final Proposed	2016	2017	2018
		Forecast	Budget			
Revenue						
Farebox Revenue	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-
Capital and Other Reimbursements	6.357	5.663	5.738	5.812	5.625	5.723
Total Revenue	\$6.357	\$5.663	\$5.738	\$5.812	\$5.625	\$5.723
Expenses						
<u>Labor:</u>						
Payroll	\$3.304	\$2.684	\$2.714	\$2.743	\$2.530	\$2.576
Overtime	-	-	-	-	-	-
Health and Welfare	0.912	1.023	1.038	1.053	1.060	1.079
OPEB Current Payment	-	-	-	-	-	-
Pensions	0.480	0.465	0.470	0.473	0.473	0.482
Other Fringe Benefits	0.668	0.456	0.462	0.469	0.472	0.481
Reimbursable Overhead	0.030	-	-	-	-	-
Total Labor Expenses	\$5.394	\$4.628	\$4.684	\$4.738	\$4.535	\$4.618
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	-	-	-	-	-	-
Insurance	-	-	-	-	-	-
Claims	-	-	-	-	-	-
Maintenance and Other Operating Contracts	0.071	0.223	0.227	0.231	0.235	0.238
Professional Service Contracts	-	-	-	-	-	-
Materials & Supplies	0.892	0.812	0.827	0.843	0.855	0.867
Other Business Expenses	-	-	-	-	-	-
Total Non-Labor Expenses	\$0.963	\$1.035	\$1.054	\$1.074	\$1.090	\$1.105
<u>Other Expenses Adjustments:</u>						
Other	-	-	-	-	-	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation & GASB Adj.	\$6.357	\$5.663	\$5.738	\$5.812	\$5.625	\$5.723
Depreciation	-	-	-	-	-	-
Total Expenses	\$6.357	\$5.663	\$5.738	\$5.812	\$5.625	\$5.723
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA BUS COMPANY
November Financial Plan 2015 - 2018
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE						
	2013	2014	2015			
	Actual	November Forecast	Final Proposed Budget	2016	2017	2018
Revenue						
Farebox Revenue	\$199.187	\$202.701	\$204.965	\$206.573	\$206.937	\$207.926
Other Operating Revenue	26.231	20.192	26.735	20.578	20.939	21.316
Capital and Other Reimbursements	6.357	5.663	5.738	5.812	5.625	5.723
Total Revenue	\$231.775	\$228.556	\$237.438	\$232.963	\$233.501	\$234.965
Expenses						
<u>Labor:</u>						
Payroll	\$244.156	\$246.041	\$251.813	\$259.945	\$265.607	\$265.024
Overtime	49.106	53.491	48.523	49.954	50.857	51.456
Health and Welfare	44.341	51.228	54.844	59.891	64.903	70.732
OPEB Current Payment	18.539	18.505	20.905	22.499	24.514	26.807
Pensions	46.030	45.757	46.193	46.725	47.210	47.863
Other Fringe Benefits	46.591	47.117	47.331	50.172	49.975	52.849
Reimbursable Overhead	0.030	-	-	-	-	-
Total Labor Expenses	\$448.793	\$462.139	\$469.609	\$489.186	\$503.066	\$514.731
<u>Non-Labor:</u>						
Electric Power	\$1.555	\$1.930	\$1.804	\$1.975	\$2.250	\$2.423
Fuel	35.004	37.515	35.667	35.024	35.869	36.925
Insurance	2.562	5.648	6.057	6.653	7.572	8.028
Claims	19.108	22.256	28.000	29.000	29.447	29.977
Maintenance and Other Operating Contracts	19.666	18.686	28.936	35.100	64.843	22.112
Professional Service Contracts	16.907	20.626	23.060	20.880	21.385	21.580
Materials & Supplies	38.649	35.137	38.391	41.849	39.714	33.946
Other Business Expenses	4.698	2.656	2.501	2.655	4.779	4.848
Total Non-Labor Expenses	\$138.149	\$144.454	\$164.416	\$173.136	\$205.859	\$159.839
<u>Other Expenses Adjustments:</u>						
Other	-	-	-	-	-	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation & GASB Adj.	\$586.942	\$606.593	\$634.025	\$662.322	\$708.925	\$674.570
Depreciation	\$48.887	\$42.235	\$42.236	\$42.236	\$42.887	\$43.658
OPEB Obligation	100.150	100.150	100.150	100.150	100.150	100.150
Environmental Remediation	1.742	-	-	-	-	-
Total Expenses	\$737.721	\$748.978	\$776.411	\$804.708	\$851.962	\$818.378
Net Surplus/(Deficit)	(\$505.946)	(\$520.422)	(\$538.973)	(\$571.745)	(\$618.461)	(\$583.413)

MTA BUS COMPANY
November Financial Plan 2015 - 2018
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2013	2014	2015			
	<u>Actual</u>	<u>November</u>	<u>Final Proposed</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
			<u>Budget</u>			
Receipts						
Farebox Revenue	\$197.285	\$203.501	\$204.965	\$206.573	\$206.937	\$207.926
Other Operating Revenue	26.059	20.972	26.735	20.578	20.939	21.316
Capital and Other Reimbursements	6.437	12.449	10.590	10.900	10.816	11.007
Total Receipts	\$229.781	\$236.922	\$242.290	\$238.051	\$238.692	\$240.249
Expenditures						
<u>Labor:</u>						
Payroll	\$224.801	\$280.617	\$249.802	\$257.918	\$263.565	\$262.945
Overtime	49.529	53.491	48.523	49.954	50.857	51.456
Health and Welfare	53.676	50.817	54.430	59.474	64.483	70.304
OPEB Current Payment	18.537	18.505	20.905	22.499	24.514	26.807
Pensions	49.718	45.584	46.020	46.553	47.040	47.689
Other Fringe Benefits	37.454	48.868	47.160	49.999	49.802	52.672
GASB Account	4.909	2.586	0.001	-	-	-
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$438.624	\$500.468	\$466.841	\$486.397	\$500.261	\$511.873
<u>Non-Labor:</u>						
Electric Power	\$2.480	\$1.930	\$1.804	\$1.975	\$2.250	\$2.423
Fuel	34.550	39.275	35.667	35.024	35.869	36.925
Insurance	0.428	8.542	6.057	6.653	7.572	8.028
Claims	18.150	23.680	24.000	25.000	25.385	25.842
Maintenance and Other Operating Contracts	17.866	26.886	28.936	35.100	64.844	22.112
Professional Service Contracts	14.676	24.901	23.060	20.880	21.385	21.580
Materials & Supplies	40.352	35.137	38.391	41.849	39.714	33.946
Other Business Expenses	2.175	4.650	2.501	2.656	4.779	4.848
Total Non-Labor Expenditures	\$130.677	\$165.001	\$160.416	\$169.137	\$201.798	\$155.704
<u>Other Expenditure Adjustments:</u>						
Other	-	-	-	-	-	-
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$569.301	\$665.469	\$627.257	\$655.534	\$702.059	\$667.577
Net Cash Surplus/(Deficit)	(\$339.520)	(\$428.547)	(\$384.967)	(\$417.483)	(\$463.367)	(\$427.328)

MTA BUS COMPANY
November Financial Plan 2015 - 2018
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2013	2014	2015			
	<u>Actual</u>	<u>November Forecast</u>	<u>Final Proposed Budget</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
Receipts						
Farebox Revenue	(\$1.902)	\$0.800	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	(0.172)	0.780	-	-	-	-
Capital and Other Reimbursements	0.080	6.786	4.852	5.088	5.191	5.284
Total Receipts	(\$1.994)	\$8.366	\$4.852	\$5.088	\$5.191	\$5.284
Expenditures						
<u>Labor:</u>						
Payroll	\$19.355	(\$34.576)	\$2.011	\$2.027	\$2.042	\$2.079
Overtime	(0.423)	-	-	-	-	-
Health and Welfare	(9.335)	0.411	0.414	0.417	0.420	0.428
OPEB Current Payment	0.002	-	-	-	-	-
Pensions	(3.688)	0.173	0.173	0.172	0.170	0.174
Other Fringe Benefits	9.137	(1.751)	0.171	0.173	0.173	0.177
GASB Account	(4.909)	(2.586)	(0.001)	-	-	-
Reimbursable Overhead	0.030	-	-	-	-	-
Total Labor Expenditures	\$10.169	(\$38.329)	\$2.768	\$2.789	\$2.805	\$2.858
<u>Non-Labor:</u>						
Electric Power	(\$0.925)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.454	(1.760)	-	-	-	-
Insurance	2.134	(2.894)	-	-	-	-
Claims	0.958	(1.424)	4.000	4.000	4.062	4.135
Maintenance and Other Operating Contracts	1.800	(8.200)	-	-	(0.001)	-
Professional Service Contracts	2.231	(4.275)	-	-	-	-
Materials & Supplies	(1.703)	-	-	-	-	-
Other Business Expenditures	2.523	(1.994)	-	(0.001)	-	-
Total Non-Labor Expenditures	\$7.472	(\$20.547)	\$4.000	\$3.999	\$4.061	\$4.135
<u>Other Expenditures Adjustments:</u>						
Other	-	-	-	-	-	-
Total Other Expenditures Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Gap Closing Actions:</u>						
Total Gap Closing Actions	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Cash Conversion Adjustments before Depreciation	\$15.647	(\$50.510)	\$11.620	\$11.876	\$12.057	\$12.277
Depreciation Adjustment	\$48.887	\$42.235	\$42.236	\$42.236	\$42.887	\$43.658
OPEB Obligation	100.150	100.150	100.150	100.150	100.150	100.150
Environmental Remediation	1.742	-	-	-	-	-
Total Cash Conversion Adjustments	\$166.426	\$91.875	\$154.006	\$154.262	\$155.094	\$156.085

MTA BUS COMPANY
November Financial Plan 2015 - 2018
Ridership/(Utilization)
(in millions)

	2013	2014	2015			
	Actual	November	Final Proposed	2016	2017	2018
		Forecast	Budget			
<u>RIDERSHIP</u>						
Fixed Route	124.951	125.025	126.917	127.826	128.022	128.583
Baseline Total Ridership	124.951	125.025	126.917	127.826	128.022	128.583
<u>FAREBOX REVENUE</u>						
Fixed Route	\$199.187	\$202.701	\$204.965	\$206.573	\$206.937	\$207.926
Baseline Total Revenue	\$199.187	\$202.701	\$204.965	\$206.573	\$206.937	\$207.926

MTA BUS COMPANY
November Financial Plan 2015 - 2018
2014 Budget Reduction Plan Summary
(\$ in millions)

	Favorable/(Unfavorable)									
	Pos.	2014	Pos.	2015	Pos.	2016	Pos.	2017	Pos.	2018
<u>Administration</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Administration	-	0.000	-	0.000	-	\$0.000	-	\$0.000	-	\$0.000
<u>Customer Convenience/Amenities</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Customer Convenience/Amenities	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Maintenance</u>										
SOPU (July Plan)	6	0.580	6	0.591	6	0.602	6	0.653	6	0.665
Shop Overhaul (July Plan)	-	0.000	57	10.159	29	5.087	5	0.985	2	0.603
Subtotal Maintenance	6	0.580	63	10.750	35	5.689	11	1.638	8	1.268
<u>Revenue Enhancement</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Revenue Enhancement	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Safety/Security</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Safety	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Service</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Service	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Service Support</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Service Support	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Other</u>										
OTPS (November Plan)	-	3.000	-	3.000	-	0.700	-	0.350	-	0.350
Subtotal Other	-	3.000	-	3.000	-	0.700	-	0.350	-	0.350
Agency Submission	6	\$3.580	63	\$13.750	35	\$6.389	11	\$1.988	8	\$1.618

MTA BUS COMPANY
November Financial Plan 2015 - 2018
Total Positions by Function & Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

FUNCTION/DEPARTMENT	2013 Actual	2014 November Forecast	2015 Final Proposed Budget	2016	2017	2018
Administration						
Office of the EVP	2	3	3	3	3	3
Human Resources	9	6	6	6	6	6
Office of Management and Budget	12	14	16	16	16	16
Technology & Information Services	16	16	17	17	17	17
Materiel	14	19	19	19	19	19
Controller	19	15	15	15	15	15
Office of the President	5	6	6	6	6	6
System Safety Administration	1	5	5	5	5	5
Law	23	24	24	24	24	24
Corporate Communications	3	3	3	3	3	3
Strategic Office	11	12	13	17	17	16
Labor Relations	-	4	4	4	4	4
Non Departmental	-	11	16	8	12	4
Total Administration	115	138	147	143	147	138
Operations						
Buses	2,142	2,211	2,226	2,226	2,226	2,226
Office of the Executive Vice President, Regional	1	1	1	1	1	1
Safety & Training	46	28	28	28	28	28
Road Operations	112	119	119	117	117	117
Transportation Support	21	20	20	20	20	20
Operations Planning	28	32	31	31	31	31
Revenue Control	20	21	27	27	27	27
Total Operations	2,370	2,432	2,452	2,450	2,450	2,450
Maintenance						
Buses	738	764	683	703	748	750
Maintenance Support/CMF	173	157	242	261	223	181
Facilities	43	73	73	73	73	73
Supply Logistics	90	92	92	92	92	92
Total Maintenance	1,044	1,086	1,090	1,129	1,136	1,096
Engineering/Capital						
Capital Program Management	31	37	37	37	37	37
Public Safety						
Office of the Senior Vice President	16	18	18	18	18	18
Total Positions	3,576	3,711	3,744	3,777	3,788	3,739
Non-Reimbursable	3,520	3,673	3,706	3,739	3,750	3,701
Reimbursable	56	38	38	38	38	38
Total Full-Time	3,559	3,696	3,729	3,762	3,773	3,724
Total Full-Time Equivalents	17	15	15	15	15	15

MTA BUS COMPANY
November Financial Plan 2015 - 2018
Total Positions by Function and Occupation

FUNCTION/OCCUPATIONAL GROUP	2013	2014	2015	2016	2017	2018
	Actual	November Forecast	Final Proposed Budget			
Administration						
Managers/Supervisors	42	57	59	59	59	57
Professional, Technical, Clerical	73	70	74	78	78	77
Operational Hourlies	-	11	14	6	10	4
Total Administration	115	138	147	143	147	138
Operations						
Managers/Supervisors	293	300	301	299	299	299
Professional, Technical, Clerical	54	52	50	50	50	50
Operational Hourlies	2,023	2,080	2,101	2,101	2,101	2,101
Total Operations	2,370	2,432	2,452	2,450	2,450	2,450
Maintenance						
Managers/Supervisors	196	207	212	210	210	210
Professional, Technical, Clerical	15	17	18	18	18	18
Operational Hourlies	833	862	860	901	908	868
Total Maintenance	1,044	1,086	1,090	1,129	1,136	1,096
Engineering/Capital						
Managers/Supervisors	16	21	21	21	21	21
Professional, Technical, Clerical	15	16	16	16	16	16
Operational Hourlies	-	-	-	-	-	-
Total Engineering/Capital	31	37	37	37	37	37
Public Safety						
Managers/Supervisors	10	14	14	14	14	14
Professional, Technical, Clerical	4	4	4	4	4	4
Operational Hourlies	2	-	-	-	-	-
Total Public Safety	16	18	18	18	18	18
Total Positions						
Managers/Supervisors	557	599	607	603	603	601
Professional, Technical, Clerical	161	159	162	166	166	165
Operational Hourlies	2,858	2,953	2,975	3,008	3,019	2,973
Total Baseline Positions	3,576	3,711	3,744	3,777	3,788	3,739

Staten Island Railway

Staff Summary

Subject SIR 2015 Budget and 2015 – 2018 Financial Plan Adoption
Department Office of Management & Budget
Department Head Name Aaron Stern
Department Head Signature 
Project Manager Name

Date December 4, 2014
Vendor Name
Contract Number NA
Contract Manager Name NA
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	TA Committee		X		
2	Finance Committee		X		
3	MTA Board		X		

Internal Approvals			
Order	Approval	Order	Approval
1	OMB – Director		
2	Executive VP 		
3	President 		

Purpose

To secure MTA Board adoption of MTA Staten Island Railway’s 2014 November Forecast, 2015 Final Proposed Budget, and the Four-Year Financial Plan for 2015-2018.

Discussion

The 2015 Final Proposed Budget, which is consistent with information presented to the Board in November, provides sufficient funding to support MTA Staten Island Railway’s planned service levels, as well as MTA’s commitment to provide safe, reliable and efficient transportation service. The cost of new safety and service initiatives, which are described below, is excluded from SIR’s November 2015-2018 Financial Plan; however, they have been incorporated as part of the MTA consolidated Financial Plan presentation. The baseline projections that follow for MTA Staten Island Railway include revised assumptions pertaining to R44 fleet maintenance life extension requirements and the necessary addition of four train crews. Projections also capture a budget reduction initiative. SIR projections also exclude estimated impacts from projected fare increases, unidentified MTA efficiencies, MTA re-estimates, and policy actions. These impacts will be presented as part of MTA consolidated materials.

Proposed New Initiatives Included in the MTA Consolidated Financial Plan

- **Primary Safety Initiatives** include: a safer access to stations/track/platforms, yard lighting at the Clifton Shop, and station house door replacement.
- **Primary Service/Service Quality Initiatives** include: expanded service to meet increased SI Ferry service and installation of arrival clocks at all stations.

Major Programmatic Initiatives (included in the SIR baseline)

- **R44 Fleet Maintenance Life Extension Requirements.** The current fleet is comprised of 63 cars now over forty years old, which is considered to be the full useful life of these vehicles. In order to maintain this fleet in a state of good repair to be able to operate safely and reliably towards eventual replacement, it will be necessary for this fleet to undergo a full maintenance program to be performed mostly at MTA New York City Transit’s subway’s facilities. In the February 2014 Financial Plan, preliminary assumptions were for a three-year program from 2015 through 2017, with a total estimated cost of \$25.4 million.

These assumptions were updated to accelerate the three year program to an eighteen month program, beginning July, 2015 through December, 2016. The previous estimated cost was increased by \$0.9 million in the November Plan, resulting in an estimated total cost of \$26.3 million. This increase reflects a wage increase impact from the recent TWU labor contract agreement affecting subway personnel, who will be performing the maintenance work on the SIR fleet.

- **Additional Service Crews.** Four service crews are now being added in this plan, with a total annual cost of \$0.6 million, in order to ensure efficient, consistent and safe assignment of crews to all scheduled train trips. The addition of these four crews represents eight additional positions, including four engineers and four conductors.

A Budget Reduction Initiative included in this financial plan projects annual savings of \$0.211 million beginning 2015, to result from the process of delaying hiring to fill vacancies, based on an ongoing assessment of vacant position functions and risks.

2014 November Forecast-Baseline

Total operating revenues are projected at \$8.4 million, including farebox revenues of \$5.9 million. Total operating expenses are projected to be \$45.2 million, consisting of labor costs of \$33.5 million and non-labor expenses of \$11.7 million. Non-cash depreciation expense is projected at \$8.3 million and other post-employment benefit expenses are projected at \$2.3 million. After including favorable cash adjustments of \$6.8 million, the projected net cash deficit is \$40.6 million. Projected reimbursable expenses of \$5.2 million are fully offset by capital reimbursements. Total end-of-year positions are projected at 305, including 276 non-reimbursable positions and 29 reimbursable positions.

2015 Final Proposed Budget-Baseline

Total operating revenues are projected at \$10.2 million, including farebox revenues of \$6.0 million. Total operating expenses are projected to be \$51.5 million, consisting of labor costs of \$31.6 million and non-labor expenses of \$20.0 million. Non-cash depreciation expense is projected at \$8.3 million and other post-employment benefit expenses are projected at \$2.3 million. After including favorable cash adjustments of \$10.6 million, the projected net cash deficit is \$41.3 million. Projected reimbursable expenses of \$5.2 million are fully offset by capital reimbursements. Total end-of-year positions are projected at 305, including 276 non-reimbursable positions and 29 reimbursable positions.

Impact on Funding

The 2014 November Forecast, the 2015 Final Proposed Budget and the Four-Year Financial Plan for 2015-2018, which are presented in the attached tables, are consistent with the proposed MTA Financial Plan.

Recommendation

It is recommended that the MTA Board adopt the 2014 November Forecast, the 2015 Final Proposed Budget and the Four-Year Financial Plan for 2015-2018 for MTA Staten Island Railway.

MTA STATEN ISLAND RAILWAY
November Financial Plan 2015-2018
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE						
	2013	2014	2015			
	Actual	November Forecast	Final Proposed Budget	2016	2017	2018
Operating Revenue						
Farebox Revenue	\$5.504	\$5.888	\$6.040	\$6.136	\$6.193	\$6.255
Toll Revenue						
Other Operating Revenue	4.251	2.532	4.175	2.385	2.407	2.430
Capital and Other Reimbursements						
Total Revenue	\$9.755	\$8.420	\$10.215	\$8.521	\$8.600	\$8.685
Operating Expenses						
<u>Labor:</u>						
Payroll	\$17.149	\$18.532	\$19.267	\$19.676	\$20.123	\$20.550
Overtime	2.369	3.166	1.092	0.948	0.961	0.975
Health and Welfare	3.005	3.696	3.967	4.105	4.316	4.537
OPEB Current Payment	1.745	1.274	1.317	1.346	1.391	1.438
Pensions	5.832	5.754	5.784	5.884	5.884	5.984
Other Fringe Benefits	4.322	2.856	1.883	1.860	1.892	1.925
Reimbursable Overhead	(0.954)	(1.754)	(1.754)	(0.877)	0.000	0.000
Total Labor Expenses	\$33.468	\$33.524	\$31.556	\$32.942	\$34.567	\$35.409
<u>Non-Labor:</u>						
Electric Power	\$3.957	\$4.386	\$4.326	\$4.749	\$5.424	\$5.855
Fuel	0.334	0.553	0.548	0.541	0.533	0.541
Insurance	0.588	1.379	1.628	1.771	2.033	2.099
Claims	0.014	0.084	0.085	0.086	0.088	0.089
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.869	2.357	11.311	19.479	1.793	1.844
Professional Service Contracts	0.731	1.030	0.795	0.783	0.791	0.752
Materials & Supplies	2.295	2.016	1.238	1.175	1.102	1.117
Other Business Expenses	0.592	(0.146)	0.030	0.030	0.030	0.030
Total Non-Labor Expenses	\$9.380	\$11.659	\$19.961	\$28.614	\$11.794	\$12.327
<u>Other Expenses Adjustments:</u>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adjs.	\$42.848	\$45.183	\$51.517	\$61.556	\$46.361	\$47.736
Depreciation	\$8.114	\$8.300	\$8.300	\$8.300	\$8.300	\$8.300
OPEB Obligation	1.413	2.300	2.300	2.300	2.300	2.300
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$52.375	\$55.783	\$62.117	\$72.156	\$56.961	\$58.336
Net Surplus/(Deficit)	(\$42.620)	(\$47.363)	(\$51.902)	(\$63.635)	(\$48.361)	(\$49.651)

MTA STATEN ISLAND RAILWAY
November Financial Plan 2015-2018
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE						
	2013	2014	2015			
	Actual	November Forecast	Final Proposed Budget	2016	2017	2018
Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	4.073	5.154	5.154	3.417	1.680	1.680
Total Revenue	\$4.073	\$5.154	\$5.154	\$3.417	\$1.680	\$1.680
Expenses						
<u>Labor:</u>						
Payroll	\$1.328	\$2.005	\$2.005	\$1.147	\$0.288	\$0.288
Overtime	0.552	0.707	0.707	0.705	0.704	0.704
Health and Welfare	0.000	0.517	0.517	0.517	0.517	0.517
OPEB Current Payment	0.022	0.000	0.000	0.000	0.000	0.000
Pensions	0.000	0.094	0.094	0.094	0.094	0.094
Other Fringe Benefits	0.152	0.077	0.077	0.077	0.077	0.077
Reimbursable Overhead	0.954	1.754	1.754	0.877	0.000	0.000
Total Labor Expenses	\$3.008	\$5.154	\$5.154	\$3.417	\$1.680	\$1.680
<u>Non-Labor:</u>						
Electric Power	\$0.017	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Professional Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Materials & Supplies	1.048	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expenses	\$1.065	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Other Expenses Adjustments:</u>						
Other	-	-	-	-	-	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$4.073	\$5.154	\$5.154	\$3.417	\$1.680	\$1.680
Depreciation	-	-	-	-	-	-
Total Expenses	\$4.073	\$5.154	\$5.154	\$3.417	\$1.680	\$1.680
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA STATEN ISLAND RAILWAY
November Financial Plan 2015-2018
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE						
	2013	2014	2015			
	Actual	November Forecast	Final Proposed Budget	2016	2017	2018
Revenue						
Farebox Revenue	\$5.504	\$5.888	\$6.040	\$6.136	\$6.193	\$6.255
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	4.251	2.532	4.175	2.385	2.407	2.430
Capital and Other Reimbursements	4.073	5.154	5.154	3.417	1.680	1.680
Total Revenue	\$13.828	\$13.574	\$15.369	\$11.938	\$10.280	\$10.365
Expenses						
<u>Labor:</u>						
Payroll	\$18.477	\$20.537	\$21.272	\$20.823	\$20.411	\$20.838
Overtime	2.921	3.873	1.799	1.653	1.665	1.679
Health and Welfare	3.005	4.213	4.484	4.622	4.833	5.054
OPEB Current Payment	1.767	1.274	1.317	1.346	1.391	1.438
Pensions	5.832	5.848	5.878	5.978	5.978	6.078
Other Fringe Benefits	4.474	2.933	1.960	1.937	1.969	2.002
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$36.476	\$38.678	\$36.710	\$36.359	\$36.247	\$37.089
<u>Non-Labor:</u>						
Electric Power	\$3.974	\$4.386	\$4.326	\$4.749	\$5.424	\$5.855
Fuel	0.334	0.553	0.548	0.541	0.533	0.541
Insurance	0.588	1.379	1.628	1.771	2.033	2.099
Claims	0.014	0.084	0.085	0.086	0.088	0.089
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.869	2.357	11.311	19.479	1.793	1.844
Professional Service Contracts	0.731	1.030	0.795	0.783	0.791	0.752
Materials & Supplies	3.343	2.016	1.238	1.175	1.102	1.117
Other Business Expenses	0.592	(0.146)	0.030	0.030	0.030	0.030
Total Non-Labor Expenses	\$10.445	\$11.659	\$19.961	\$28.614	\$11.794	\$12.327
<u>Other Expenses Adjustments:</u>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$46.921	\$50.337	\$56.671	\$64.973	\$48.041	\$49.416
Depreciation	\$8.114	\$8.300	\$8.300	\$8.300	\$8.300	\$8.300
OPEB Obligation	1.413	2.300	2.300	2.300	2.300	2.300
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$56.448	\$60.937	\$67.271	\$75.573	\$58.641	\$60.016
Net Surplus/(Deficit)	(\$42.620)	(\$47.363)	(\$51.902)	(\$63.635)	(\$48.361)	(\$49.651)

MTA STATEN ISLAND RAILWAY
November Financial Plan 2015-2018
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2013	2014	2015			
	Actual	November Forecast	Final Proposed Budget	2016	2017	2018
Receipts						
Farebox Revenue	\$5.567	\$5.405	\$6.039	\$6.136	\$6.193	\$6.255
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	3.497	3.915	4.175	2.385	2.407	2.430
Capital and Other Reimbursements	3.367	6.503	5.154	3.417	1.680	1.680
Total Receipts	\$12.431	\$15.823	\$15.368	\$11.938	\$10.280	\$10.365
Expenditures						
<u>Labor:</u>						
Payroll	\$15.568	\$23.752	\$21.272	\$20.823	\$20.411	\$20.838
Overtime	2.627	4.167	1.799	1.653	1.665	1.679
Health and Welfare	5.070	4.213	4.484	4.622	4.833	5.054
OPEB Current Payment	1.136	1.274	1.317	1.346	1.391	1.438
Pensions	3.974	7.588	5.878	5.978	5.978	6.078
Other Fringe Benefits	0.901	2.067	1.960	1.937	1.969	2.002
GASB Account	0.000	0.587	0.000	0.000	0.000	0.008
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$29.276	\$43.648	\$36.710	\$36.359	\$36.247	\$37.097
<u>Non-Labor:</u>						
Electric Power	\$3.995	\$4.386	\$4.326	\$4.749	\$5.424	\$5.855
Fuel	0.354	0.553	0.548	0.541	0.533	0.541
Insurance	0.803	1.756	1.628	1.771	2.033	2.099
Claims	0.017	0.084	0.085	0.086	0.088	0.089
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	3.356	2.357	11.311	19.479	1.793	1.844
Professional Service Contracts	0.654	1.030	0.795	0.783	0.791	0.752
Materials & Supplies	2.625	2.716	1.238	1.175	1.102	1.117
Other Business Expenses	0.005	(0.146)	0.030	0.030	0.030	0.030
Total Non-Labor Expenditures	\$11.809	\$12.736	\$19.961	\$28.614	\$11.794	\$12.327
<u>Other Expenditure Adjustments:</u>						
Other	-	-	-	-	-	-
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$41.085	\$56.384	\$56.671	\$64.973	\$48.041	\$49.424
Net Cash Deficit	(\$28.654)	(\$40.561)	(\$41.303)	(\$53.035)	(\$37.761)	(\$39.059)

MTA STATEN ISLAND RAILWAY
November Financial Plan 2015-2018
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2013	2014	2015			
	Actual	November Forecast	Final Proposed Budget	2016	2017	2018
Receipts						
Farebox Revenue	\$0.063	(\$0.483)	(\$0.001)	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	(0.754)	1.383	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	(0.706)	1.349	0.000	0.000	0.000	0.000
Total Receipts	(\$1.397)	\$2.249	(\$0.001)	\$0.000	\$0.000	\$0.000
Expenditures						
<u>Labor:</u>						
Payroll	\$2.909	(\$3.215)	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	0.294	(0.294)	0.000	0.000	0.000	0.000
Health and Welfare	(2.065)	0.000	0.000	0.000	0.000	0.000
OPEB Current Payment	0.631	0.000	0.000	0.000	0.000	0.000
Pensions	1.858	(1.740)	0.000	0.000	0.000	0.000
Other Fringe Benefits	3.573	0.866	0.000	0.000	0.000	0.000
GASB Account	0.000	(0.587)	0.000	0.000	0.000	(0.008)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$7.200	(\$4.970)	\$0.000	\$0.000	\$0.000	(\$0.008)
<u>Non-Labor:</u>						
Electric Power	(\$0.021)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	(0.020)	0.000	0.000	0.000	0.000	0.000
Insurance	(0.215)	(0.377)	0.000	0.000	0.000	0.000
Claims	(0.003)	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	(2.487)	0.000	0.000	0.000	0.000	0.000
Professional Service Contracts	0.077	0.000	0.000	0.000	0.000	0.000
Materials & Supplies	0.718	(0.700)	0.000	0.000	0.000	0.000
Other Business Expenditures	0.587	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expenditures	(\$1.364)	(\$1.077)	\$0.000	\$0.000	\$0.000	\$0.000
<u>Other Expenditures Adjustments:</u>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expenditures Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Cash Conversion Adjustments before Depreciation and GASB Adjs.	\$4.439	(\$3.798)	(\$0.001)	\$0.000	\$0.000	(\$0.008)
Depreciation Adjustment	\$8.114	\$8.300	\$8.300	\$8.300	\$8.300	\$8.300
OPEB Obligation	1.413	2.300	2.300	2.300	2.300	2.300
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
Baseline Total Cash Conversion Adjustments	\$13.966	\$6.802	\$10.599	\$10.600	\$10.600	\$10.592
Total Cash Conversion Adjustments	\$13.966	\$6.802	\$10.599	\$10.600	\$10.600	\$10.592

MTA STATEN ISLAND RAILWAY
November Financial Plan 2015-2018
Ridership/(Utilization)
(in millions)

	2013 Actual	2014 November Forecast	2015 Final Proposed Budget	2016	2017	2018
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RIDERSHIP

Fixed Route	4.221	4.393	4.463	4.522	4.559	4.596
	-	-	-	-	-	-
Baseline Total Ridership	4.221	4.393	4.463	4.522	4.559	4.596

FAREBOX REVENUE

Fixed Route	\$5.504	\$5.888	\$6.040	\$6.136	\$6.193	\$6.255
Baseline Total Revenue	\$5.504	\$5.888	\$6.040	\$6.136	\$6.193	\$6.255

MTA Staten Island Railway
November Financial Plan 2015-2018
2014 Budget Reduction Plan Summary
(\$ in millions)

	Favorable/(Unfavorable)									
	Pos.	2014	Pos.	2015	Pos.	2016	Pos.	2017	Pos.	2018
<u>Administration</u>										
Vacancy Maintenance/Management (July Plan)	-	0.000	-	0.211	-	0.211	-	0.211	-	0.211
Subtotal Administration	-	\$0.000	-	\$0.211	-	\$0.211	-	\$0.211	-	\$0.211
<u>Customer Convenience/Amenities</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Customer Convenience/Amenities	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Maintenance</u>										
Subtotal Maintenance	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Revenue Enhancement</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Revenue Enhancement	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Safety</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Safety	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Security</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Security	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Service</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Service	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Service Support</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Service Support	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Other</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Other	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Agency Submission	-	\$0.000	-	\$0.211	-	\$0.211	-	\$0.211	-	\$0.211

MTA STATEN ISLAND RAILWAY
November Financial Plan 2015-2018
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full Time Equivalents

FUNCTION/DEPARTMENT	2013 Actual	2014 November Forecast	2015 Final Proposed Budget	2016	2017	2018
Administration						
Executive	16	13	13	13	13	13
General Office	5	6	6	6	6	6
Purchasing/Stores	6	6	6	6	6	6
Total Administration	27	25	25	25	25	25
Operations						
Transportation	92	99	99	99	99	99
Maintenance						
Mechanical	40	43	43	43	43	43
Electronic/Electrical	12	15	15	15	15	15
Power/Signals	25	26	26	26	26	26
Maintenance of Way	44	46	46	46	46	46
Infrastructure	27	25	25	25	25	25
Total Maintenance	148	155	155	155	155	155
Engineering/Capital						
None	-	26	26	-	-	-
Public Safety						
Police	-	-	-	-	-	-
Baseline Total Positions	267	305	305	279	279	279
Non-Reimbursable	259	276	276	276	276	276
Reimbursable	8	29	29	3	3	3
Total Full-Time	267	305	305	279	279	279
Total Full-Time Equivalents						

MTA STATEN ISLAND RAILWAY
November Financial Plan 2015-2018
Total Positions by Function and Occupation

FUNCTION/OCCUPATIONAL GROUP	2013 Actual	2014 November Forecast	2015 Final Proposed Budget	2016	2017	2018
Administration						
Managers/Supervisors	13	14	14	14	14	14
Professional, Technical, Clerical	14	11	11	11	11	11
Operational Hourlies	-	-	-	-	-	-
Total Administration	27	25	25	25	25	25
Operations						
Managers/Supervisors	2	5	5	5	5	5
Professional, Technical, Clerical	2	3	3	3	3	3
Operational Hourlies	88	91	91	91	91	91
Total Operations	92	99	99	99	99	99
Maintenance						
Managers/Supervisors	12	8	8	8	8	8
Professional, Technical, Clerical	2	3	3	3	3	3
Operational Hourlies	134	144	144	144	144	144
Total Maintenance	148	155	155	155	155	155
Engineering/Capital						
Managers/Supervisors	-	4	4	-	-	-
Professional, Technical, Clerical	-	2	2	-	-	-
Operational Hourlies	-	20	20	-	-	-
Total Engineering/Capital	-	26	26	-	-	-
Public Safety						
Managers/Supervisors						
Professional, Technical, Clerical						
Operational Hourlies						
Total Public Safety	-	-	-	-	-	-
Total Positions						
Managers/Supervisors	27	31	31	27	27	27
Professional, Technical, Clerical	18	19	19	17	17	17
Operational Hourlies	222	255	255	235	235	235
Baseline Total Positions	267	305	305	279	279	279

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