

METROPOLITAN TRANSPORTATION AUTHORITY
2018 JULY and NOVEMBER FINANCIAL PLANS
BUDGET REDUCTION PROGRAM (BRPs)
(\$ in millions) - Fav/(Unfav)

	2018		2019		2020		2021		2022		Five-Year Total	
	Pos	\$	Pos	\$	Pos	\$	Pos	\$	Pos	\$	Pos	\$
MNR	0	\$15.106	63	\$49.132	63	\$46.831	63	\$49.512	63	\$49.362	63	\$209.944
2018 July Plan	0	\$10.648	0	\$19.796	0	\$19.635	0	\$19.551	0	\$19.401	0	\$89.031
BRP - Administration	0	\$2.052	0	\$2.720	0	\$2.621	0	\$2.706	0	\$2.940	0	\$13.039
Reductions to Professional Service Contracts												
• Departments across Metro-North have identified budget savings related to lower spending trends and cost containment efforts. Several areas of cost saving include: TVM armored car service revenue runs, outside training, advertising/marketing, legal expenses and various professional service contracts.	0	\$1.676	0	\$2.341	0	\$2.237	0	\$2.322	0	\$2.558	0	\$11.134
Reductions to Other Business Expenses												
• Other Business Expense cost reductions based upon cost containment efforts and historical spending trends. Several areas of cost savings include: rolled ticket stock, non-capital equipment purchases, travel and membership and dues.	0	\$0.376	0	\$0.379	0	\$0.384	0	\$0.385	0	\$0.382	0	\$1.905
BRP - Customer Convenience & Amenities	0	\$0.503	0	\$0.503	0	\$0.503	0	\$0.503	0	\$0.503	0	\$2.515
Elimination of Temperature Measurement Program												
• MNR currently uses New York State Industry for the Disabled (NYSID) to perform temperature measurement analysis on trains throughout the MNR territory. As part of the budget reductions, this program was eliminated and will be replaced by internal employee reporting from sources such as service quality inspectors, on-board conductors and engineers, coach cleaners and car repair mechanics to report if there is a hot or cold car during the summer months.	0	\$0.203	0	\$0.203	0	\$0.203	0	\$0.203	0	\$0.203	0	\$1.015
Elimination of GCT North End Signage Project												
• This signage project has now been replaced by a larger capital project.	0	\$0.300	0	\$0.300	0	\$0.300	0	\$0.300	0	\$0.300	0	\$1.500
BRP - Maintenance/Operations	0	\$8.093	0	\$16.573	0	\$16.511	0	\$16.342	0	\$15.958	0	\$73.477
Miscellaneous Maintenance and Other Operating Contracts Reductions												
• Departments across Metro-North have identified budget savings related to lower spending trends and cost containment efforts. Several areas of cost saving include: rubbish removal, environmental waste removal and various maintenance contracts.	0	\$1.806	0	\$2.383	0	\$2.531	0	\$2.671	0	\$2.906	0	\$12.297
Reductions to Materials & Supplies												
• Departments across Metro-North have identified budget savings related to related to lower spending trends and cost containment efforts primarily for Communications & Signal equipment.	0	\$0.985	0	\$0.985	0	\$0.985	0	\$0.985	0	\$0.985	0	\$4.925
Reductions to Overtime & Fringe												
• Rightsizing of overtime expense primarily in the Maintenance of Equipment Department (MofE). MofE overtime has been reduced through the implementation of enhanced Overtime Control and Authorization processes as well as improved work production efficiencies.	0	\$0.000	0	\$4.069	0	\$4.069	0	\$4.069	0	\$4.069	0	\$16.275
Re-allocation of Infrastructure Improvement Repairs from Operating to Capital												
• Metro-North Maintenance of Way forces perform ongoing maintenance and emergency repairs to its right-of-way. These forces also make capital improvements including replacing track and upgrading control systems. In order to make the most efficient use of available staff and minimize track outages, regular maintenance activity and capital project work are combined wherever possible. This can result in capital-funded work being classified as non-reimbursable expense. This item recognizes this issue and reallocates the capital activity performed by maintenance forces to the correct funding source. Funding exists in the following 2015-2019 MTA Five-Year Capital Project. This project update has been approved for 2018 activity through the MTA Capital Programs group.	0	\$0.000	0	\$3.538	0	\$3.538	0	\$3.538	0	\$3.538	0	\$14.152
Renegotiation of Middleman Charges for New Haven Line Energy Expenses												
• The MNR Energy Group negotiated a reduction in "Adder" (intermediary) charges with the vendor, Constellation, to purchase energy directly from NEISO (New England Independent System Operator) for our New Haven Line. These terms are more favorable than was negotiated by MNR prior to the formation of the Energy Group.	0	\$1.300	0	\$1.300	0	\$1.300	0	\$1.300	0	\$1.300	0	\$6.500
Elimination of Engineering Consultant for P-32 RCM Phase 2												
• Outside engineering consultants will no longer be used for Phase 2 of the P-32 RCM Program.	0	\$0.500	0	\$0.750	0	\$0.750	0	\$0.500	0	\$0.000	0	\$2.500

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Rightsizing of Engineering Services Budget for GCT Trainshed Inspection												
• Rightsizing of engineering services for the GCT Trainshed Inspection Program.	0	\$0.500	0	\$0.500	0	\$0.500	0	\$0.500	0	\$0.500	0	\$2.500
Elimination of Track Geometry Car Lease												
• This expense will no longer be necessary given the purchase of Metro-North's Track Geometry car, which is expected to be operational in 2019.	0	\$0.000	0	\$0.166	0	\$0.166	0	\$0.166	0	\$0.166	0	\$0.666
Rightsizing of NYSGOER Annual Training and Policy Certifications Budget												
• Rightsizing of Budget for NYS Governor's Office of Employee Relations (NYSGOER) Mandated Annual Compliance Training and Policy Certifications based on lower spending trends.	0	\$0.940	0	\$0.940	0	\$0.940	0	\$0.940	0	\$0.940	0	\$4.700
FRA Waiver that extends the M8 airbrake maintenance cycle to six years from five years.												
• The Mechanical Department requested and was granted an FRA Waiver associated with the application life of Air Brake Valves. The waiver was granted for the M8 fleet, and Metro-North Railroad will implement a 6-year cycle for COT&S (Clean, Oil, Test, Stencil) maintenance versus the existing 5-year cycle. The current plan calls for 38 pairs per year, and will be changed with the 6-year cycle to a 32 pairs per year. Additionally, single cars go from 5 to 4 per year.	0	\$2.061	0	\$1.942	0	\$1.733	0	\$1.673	0	\$1.554	0	\$8.963
2018 November Plan	0	\$4.458	63	\$29.336	63	\$27.196	63	\$29.961	63	\$29.961	63	\$120.912
BRP - Administration	0	\$2.755	0	\$2.755	0	\$0.000	0	\$2.755	0	\$2.755	0	\$11.018
OTE GOER Mandated Training Reduction												
• The New York State Governor's Office of Employee Relations (GOER) began a Mandated Training Program in 2015. Based on changes in course requirements, savings can be achieved by implementing a three year cycle.	0	\$2.755	0	\$2.755	0	\$0.000	0	\$2.755	0	\$2.755	0	\$11.018
BRP - All Other	0	\$0.119	0	\$12.531	0	\$16.080	0	\$14.905	0	\$13.197	0	\$56.832
Tighter Control and Prioritization of Non-Payroll Expenses												
• Departments across Metro-North have identified budget savings related to historical spending trends and cost containment efforts. Examples of some these reductions include legal fees, environmental remediation, medical services, travel, materials and supplies, and various other maintenance and other operating contracts and professional services.	0	\$0.119	0	\$12.531	0	\$16.080	0	\$14.905	0	\$13.197	0	\$56.832
BRP - Customer Convenience & Amenities	0	\$0.000	3	\$0.535	3	\$0.546	3	\$0.557	3	\$0.568	3	\$2.206
Ticket Office Closings at Three Stations on the Harlem Line												
• Metro-North will close three ticket offices at three train stations along the Harlem Line. These closings will result in the abolishment of three ticket seller positions and the associated utilities costs for these locations. The ticket office locations identified for closure are Mount Vernon West, Scarsdale and Brewster.	0	\$0.000	3	\$0.535	3	\$0.546	3	\$0.557	3	\$0.568	3	\$2.206
BRP - Maintenance/Operations	0	\$1.584	60	\$13.515	60	\$10.570	60	\$11.744	60	\$13.441	60	\$50.855
Reduction of Infrastructure Contractual Services												
• Funding reduction for various infrastructure contractual services such as the continuous work platform lease and track undercutting.	0	\$1.584	0	\$3.052	0	\$2.318	0	\$2.369	0	\$2.425	0	\$11.748
Lower Energy Consumption due to ISO 500001 Requirements and Reduced Car Miles												
• In order to maintain ISO50001 Energy Management Certification, MNR is required to implement three projects per year that reduce energy consumption. In addition, due to Harlem Line track work and the White Plains Station Improvement Project, there will be reduced revenue service car miles resulting in additional energy savings.	0	\$0.000	0	\$1.938	0	\$1.874	0	\$1.911	0	\$1.962	0	\$7.685
Maintenance of Equipment Early Transition of Capital Positions												
• The Maintenance of Equipment Department will reduce full-time equivalents allocated to capital projects by 30 positions and will transition employees in those roles to operating activity to replace positions that become vacant due to projected retirements. This reduction in overall positions will result in a potential furlough of 4 to 12 employees. The Maintenance of Equipment Department will manage the actual hiring of new employees to meet the proposed 2019 savings target.	0	\$0.000	30	\$3.215	30	\$0.000	30	\$0.000	30	\$0.000	30	\$3.215

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Deferral of M8 Seat Replacement • Defer the commencement of the M-8 seat replacement program from 2021 to 2023.	0	\$0.000	0	\$0.000	0	\$0.000	0	\$2.019	0	\$3.541	0	\$5.560
Grand Central Terminal Weekend Coverage Reduction • Reduction of the weekend maintenance workforce in Grand Central Terminal by five positions.	0	\$0.000	5	\$0.632	5	\$0.645	5	\$0.658	5	\$0.671	5	\$2.606
Operating Capital Reduction • Metro-North expects savings to Operating Capital projects related to historical spending trends and cost containment efforts.	0	\$0.000	0	\$2.000	0	\$3.000	0	\$2.000	0	\$2.000	0	\$9.000
Extend Car/Coach Extraordinary Cleaning Cycle from 92 to 184 days; Eliminate 25 Car Cleaner Positions and Immediate Furlough of 25 Employees • The Maintenance of Equipment Department will implement a 184-day cycle for extensive car/coach cleaning versus the existing 92-day cycle. In order to meet this annual savings target, 25 positions will be removed from the overall department position count.	0	\$0.000	25	\$2.679	25	\$2.733	25	\$2.787	25	\$2.843	25	\$11.042