

**MTA 2019 BUDGET AND 2019-2022 FINANCIAL PLAN
ADOPTION MATERIALS**

**MTA Finance Committee
MTA Board**

**December 10, 2018
December 12, 2018**



Metropolitan Transportation Authority

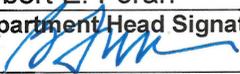
MTA 2019 Budget and 2019-2022 Financial Plan Adoption Materials

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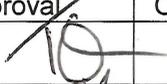
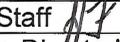
**I. Staff Summary MTA Consolidated
2019 Budget and 2019-2022
Financial Plan**

Staff Summary

Subject MTA 2019 Budget and 2019-2022 Financial Plan
Department Chief Financial Officer
Department Head Name Robert E. Foran
Department Head Signature 
Project Manager/Division Head David E. Keller 

Date December 10, 2018
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.	12/10			
2	Board	12/12			

Internal Approvals			
Order	Approval	Order	Approval
1	Legal 		
2	Chief of Staff 		
3	Managing Director 		

Purpose:

The Board is required to adopt a balanced budget. The purpose of this staff summary is to secure MTA Board (i) adoption of the accompanying **2019 Final Proposed Budget and the Four-Year Financial Plan 2019-2022 (“November Plan” or “Plan”)**, which includes approving the 2018 November Forecast and Plan Adjustments (items below the baseline), and (ii) authorization of Budget and Plan adjustments, including MTA efficiency targets and policy actions, 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 \$64 million in 2018 and \$18 million in 2019, with projected cash deficits of \$510 million in 2020, \$816 million in 2021 and \$991 million in 2022 (see attachment A). Since 2010, MTA financial plans – which are developed in a disciplined, consistent, and transparent process – have included the impact of our continuous pursuit of operational efficiencies and recurring cost reductions and containments which are used to minimize the amount of revenues needed from biennial fare and toll increases and governmental subsidies, and provide funding for the capital program and enhanced maintenance. The Plans have added service when sustainable while also addressing long-term costs such as pensions, health care, paratransit, and debt service previously considered “uncontrollable.”

The November 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. It includes a revised current year forecast and finalization of the proposed budget for the upcoming year along with projections for the three out-years.

MTA’s finances are structurally imbalanced, with expenses surpassing revenues. Budgets for 2017 and 2018 – and now for 2019 as well – have been balanced with “one-shot” actions. Over the past year and a half – since the 2017 July Plan – projected MTA revenues have declined significantly over the Plan period, with fare and toll revenues down \$1,027 million, dedicated taxes down \$586 million and other operating revenue down \$160 million.

In terms of expenses, the MTA has continued its historic cost-cutting efforts, and by the end of 2018 \$2 billion in annually recurring cost reductions and containments will be achieved, with an additional \$348 million in recurring savings targeted by the end of 2022. However, it has become more difficult to achieve savings targets. Additionally, and as discussed below in further detail, the November Plan maintains major investments from prior

plans to address maintenance and operational requirements, including maintenance of Subway Action Plan investments funded from Phase 1 of congestion pricing through for-hire vehicle fees.

Out-year deficits have increased significantly since the July Plan. The MTA requires new sources of sustainable recurring revenue for operations and capital, and without additional recurring revenue in the near-term, options to close these deficits and achieve balanced budgets will be service reductions, reductions in force, and/or additional fare and toll increases.

The **July Plan** was based on three key inter-related elements: (i) fare and toll price increases that net 4% in both 2019 and 2021; (ii) increasing the annually recurring cost reduction and containment targets by \$130 million beginning in 2019 that will increase the level of annual savings to \$2.4 billion per year by 2022; and (iii) additional investments of \$1.5 billion to improve Agency operations, including targeted investments made to address Agency-specific concerns in a more comprehensive manner through the Subway Action Plan, the Bus Plan, LIRR Forward and MNR Way Ahead. The July Plan also included several “one-shot” actions to achieve balance in 2018 and 2019: half of the 2018 General Reserve –\$80 Million – was drawn down; and, additional non-recurring savings of \$50 million for 2018 and \$100 million for 2019 were targeted. The 2018 July Plan projected break-even cash balances through 2019 with deficits of \$262 million in 2020, \$424 million in 2021 and \$634 million in 2022.

Changes from the July Plan

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

Changes and re-estimates improving financial results over the Plan period (2018-2022):

- Lower debt service costs (\$194 million)
- Lower energy costs (\$101 million)
- Higher real estate subsidy projections (\$65 million)
- Higher toll revenue projections (\$46 million)

Changes and re-estimates worsening financial results over the Plan period (2018-2022):

- Lower passenger revenue projections (\$485 million)
- Higher paratransit service contracts (\$321 million)
- Higher workers compensation payments (\$125 million)
- Higher overtime expenses (\$100 million)

Over 95 percent of lower passenger revenue is at NYCT. Increased fare evasion, planned subway service changes to accommodate construction and maintenance/repair work, increased use of for-hire vehicle services, and increases in telecommuting and the use of e-commerce have continued to impact utilization/paid ridership.

In total, changes and re-estimates, including the above, are \$819 million unfavorable for the Plan period.

Highlights of the November Plan

The November Plan follows an approach similar to those reflected in earlier plans:

Hold projected fare/toll increases to 4% in 2019 and 2021. The Plan continues to project net 4% biennial fare/toll increases (the equivalent of 2% per year), which is lower than the projected two-year inflation rates of 5.3% and 4.7% in 2019 and 2021, respectively. Consistent with recent Plans, a March 1st implementation is assumed for both the 2019 and 2021 increases. The annualized yield of these increases is projected to be \$316 million and \$329 million, respectively.

Achieve annually recurring savings targets. The February Plan required Agencies to identify annually recurring savings of \$214 million beginning in 2018, with larger targets remaining for the following years. In the July Plan, remaining targets from the February Plan were \$25 million in 2018, \$99 million in 2019, \$175 million in 2020 and \$206 million for 2021. The July Plan maintained these remaining targets, and included additional “one-shot” targets of \$50 million in 2018 and \$100 million in 2019, as well as an additional recurring savings target of \$130 million a year beginning in 2019. At the time, it was acknowledged that while these aggressive targets would be harder to achieve, the MTA was committed to meeting them. Since the February Plan, nearly \$1.9 billion in recurring savings have been identified over the Plan Period. The November Plan maintains the commitment to fully identify the savings goals targeted in the February and July Plans, but does not layer on any additional savings targets. We have steadily increased our targets and have consistently achieved our goals; through 2018, the MTA has implemented initiatives with annualized savings of \$2.0 billion, and these programs will result in annual savings of almost \$2.4 billion by 2022.

Maintains prior plan investments. The Plan maintains major investments for the Long Island Rail Road “Forward” plan, the “Bus Plans” at New York City Transit and MTA Bus, and the Metro-North Railroad “Way Ahead” plan. Also included is maintenance of the Subway Action Plan, which will be funded from Phase 1 of congestion pricing, using fees from for-hire vehicle trips.

Additional maintenance and operations investments. Another \$216 million over the Plan period will be invested in additional maintenance and operating needs, including:

- At NYCT, replacing all HVAC refrigerant to meet new environmental regulations; overhaul HVAC and door systems on the R142 fleet; and conduct scheduled maintenance system upgrades.
- At MNR, install roof services at Grand Central Terminal to ensure safe access to restricted areas and maintain ducts and other building systems in a state of good repair; update dry-water line systems at stations; augment resources to support diesel fleet maintenance; and continuation of subsidy for expanded bus service between Rockland County and the Hudson and Harlem Lines in Westchester County.
- At LIRR and MNR, increase support for weather-related operational coverage requirements.

Bus and Subway Guidelines. Bus and Subway service guidelines, which have been reviewed and approved by the MTA Board, are used to maintain an appropriate level of service based upon actual ridership on a route. The guidelines provided an objective standard of maximum loads for different times of day, and are intended to minimize the occurrences when buses or trains are either overcrowded or underutilized. During years of ridership growth, these service guidelines were the basis for increased service where it was warranted, but over the past several years as ridership has declined, guideline-based service reductions had been deferred. With ridership levels not rebounding, NYCT is proposing service guideline adjustments beginning in 2020 that result in savings of \$41 million annually, with reductions of \$10 million for subway service and \$31 million for bus service.

Other MTA Actions

To balance the budget for the remainder of 2018 and for 2019, a number of “one-shot” actions are being taken. For each year of the Plan period, the MTA sets aside an amount approximating one percent of its annual budget in a General Reserve to cover revenue and subsidy shortfalls and unanticipated expenses. With half the year elapsed, the 2018 Mid-Year Forecast was balanced in part by using \$80 million of the \$160 million set aside in the 2018 General Reserve; in this Plan, the 2018 November Forecast is being balanced, in part, by using the remaining \$80 million of the 2018 General Reserve. Other actions during 2018 include:

- Reduced Committed to Capital (“PAYGO”) to offset Payroll Mobility Tax reductions (\$65 million)
- Freeze on filling non-essential vacancies (\$54 million)
- Other restrictions on non-essential spending, including travel, membership and non-revenue vehicle purchases (\$46 million)

- 2017 favorable year-end balance (\$27 million)
- Inventory drawdowns (\$7 million)

Additional “one-shot” actions to balance the 2019 budget include:

- Continuation of non-essential spending restrictions, including a freeze on the filling of non-essential vacancies (\$115 million)
- 2018 favorable year-end cash balance (\$64 million)
- Reduction of excess fuel hedge collateral (\$40 million)

The “Bottom Line”

The above noted changes result in a net improvement to MTA’s financial forecast for 2018 and 2019, although this is accomplished primarily with the savings from “one-shot” actions. Over the remainder of the Plan period, however, the projected deficits have increased. As detailed in the following chart, this Plan is balanced through 2019; however, the November Plan projects deficits of \$510 million, \$816 million and \$991 million for 2020 through 2022, respectively.

Imperatives and Challenges

Implementation Board Working Group Initiatives. In an effort to identify possible future initiatives to reduce capital costs and improve service and operational efficiencies, in December 2017 the MTA Chairman formed four working groups, including Board members and senior staff, to take a new and intense look at four key areas: Construction Cost Containment; Procurement Reform; Paratransit/Access-a-Ride; and, Station Accessibility. Working groups have been reporting back to the full MTA Board with findings and initiatives, among them:

Construction Cost Containment

- Empowering project leadership
- Streamlining change order process
- Accelerating payments to contractors
- Guaranteeing track outages
- Reducing bond performance from 100% to 50%
- Allowing partial payments for undisputed portions
- Allowing contractors to submit alternative forms of security to pay subcontractors and suppliers
- Moving to performance-based compensation – bonuses for success / penalties for poor performance
- Revising contracts and using an expedited process with a neutral third-party arbitrator to decide disputes
- Making contract and design specifications less prescriptive

Procurement Reform

- Reduce time to prepare biddable scopes of work by engaging pool of technical writers
- Streamline process to perform vendor background checks for significant adverse information on low bidders, all other proposed contract awardees and on certain subcontractors, and to obtain approval to award despite the existence of significant adverse information where necessary
- Reduce time to obtain approvals by implementing an electronic system to route and approve staff summaries
- Reduce time for procurement processes (perform vendor outreach, prepare contract documents, review scopes of work, answer questions from bidders, review bids, perform technical qualification hearings, prepare staff summaries, etc.)
- Reduce time to tabulate bids after opening
- Streamline legal review
- Streamline goal and utilization review

- Streamline insurance requirement determination and review
- Create dashboard to track, manage and achieve the reductions from task force initiatives

Paratransit/Access-A-Ride

- Partner with external providers to deliver driver training for new providers
- Roll out additional training program focused on customer service, with content regularly updated based on key issues raised in customer feedback
- Expand on-demand ride options through E-Hail as sustainable, including a range of vendor options
- Develop enhanced website with vehicle location (Primary and Broker) and trip booking capabilities
- Perform quarterly, cross-functional review of Access-A-Ride data across all departments to identify key issues (i.e., drivers with repeated moving violations and high numbers of customer complaints), and develop and implement actions plans with Primary vendors
- Develop My-AAR app in collaboration with Access-A-Ride community
- Increase frequency of Primary vehicle location updates from 2 minutes to 30 seconds
- Expedite award and implementation of new scheduling and AVL system
- Work with external partners for Access-A-Ride access to bus lanes
- Integrate Paratransit into contactless fare payments
- Benchmark Access-A-Ride applications at other Agencies and shorten/streamline
- Launch and improve public dashboard with Access-A-Ride metrics
- Provide regular updates at Committee and Board meetings

Station Accessibility

- Survey and conceptual design plans for remaining non-accessible subway stations
- Engineering review of elevator/escalator best practices
- Improved station signage and wayfinding
- Improved customer service and communications for customers with disabilities

We are committed to the implementation of the recommendations made by the working groups, and many of these initiatives are already being put into practice. As actions result in cost savings and efficiencies, they will be captured in future financial plans.

And the MTA is continuing to face a number of challenges:

Achieve increased cost reduction targets. Unidentified savings targets of \$123 million in 2019, \$58 million in 2020, \$82 million in 2021 and \$86 million in 2022 remain. We recognize the difficulty of achieving this savings, but we are committed to meeting these goals. If we do not achieve our targets, we will have an operating deficit in 2019, and out-year deficits will be larger. We must also remain focused on maintaining existing cost control efforts to avoid “backsliding”, as we cannot afford to give back any of the savings that we have worked so hard to achieve.

Implement biennial fare and toll increases that net to 4 percent. While we work diligently to control costs, the reality is that combined fares and tolls only cover approximately half of operating costs (“Farebox Operating Ratio”) and a little more than a third of total costs, including capital-related costs (“Farebox Recovery Ratio”). Moreover, many costs are dependent on pricing factors beyond our direct control (e.g., energy, health & welfare and pensions). If projected fare and toll increases are not implemented, our financial situation will quickly deteriorate as revenue will not be able to keep pace with inflation and other cost growth. There have also been suggestions that a one-year delay in the implementation of the proposed 2019 fare and toll increases could be accommodated by a one-time allocation of additional funds to the MTA. However, delaying the next biennial fare and toll increase to March 2020, and then resuming the biennial timeline to 2022, 2024, and so on, would result in a revenue reduction of approximately \$325 million every two years.

Increase investments to address reliability and service. Our challenge is to continue maintaining, improving and modernizing the operations of our aging infrastructure, including our 114-year old subway system. We need to find more efficient ways to improve our System, move our customers, and enhance their experience.

Respond to developing economic environment. The finances of the MTA are highly influenced by economic factors. Passenger and toll revenues, dedicated taxes and subsidies (including real estate transaction revenue), debt service, pensions and energy costs are all impacted by the health of the economy. If the economic assumptions reflected in the Plan are not realized, the November Plan projected results could be adversely affected.

Secure new sustainable funding for operations and capital. While the Plan is benefiting from years of aggressive cost-cutting, significant out-year deficits are still projected. In order to sustain operations and protect investments made to date and/or planned, the MTA will need a new source of recurring funding. If new funding is not secured, the MTA's options for achieving balanced budgets are service reductions, reductions in force, and/or additional fare and toll increases. If actions were limited to fare and toll increases, an additional 15% increase, on top of the 4% increases proposed for 2019 and 2021, would be required to address the deficits.

Recommendation:

It is recommended that the Board:

- Adopt the 2019 Final Proposed Budget and Four-Year Financial Plan 2019-2022 (November Plan), which includes approving the 2018 November Forecast and Plan Adjustments (items below the baseline). The approval of this Plan will supersede prior Board Plan approvals for this period. Note that the projected 2019 and 2021 fare/toll increase proposals will require separate Board actions in advance of those dates.
- Authorize staff, under the guidance and direction of the Chairman, Managing Director, and Chief Financial Officer or their designees to take actions to implement the policy actions set forth in the Plan.
- Authorize staff to draw down the unexpended 2018 general reserve (\$160 million). The July Plan assumed the drawdown of \$80 million; the remaining \$80 million will be used to help balance the 2018 budget.
- Authorize staff to reduce the amount of fuel hedge collateral by the amount in excess of required levels (\$40 million), which will help balance the 2019 budget.
- 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.
- Authorize staff, under the guidance and direction of the Chairman, Managing Director, the Chief Financial Officer or their designees (including the MTA Treasurer), to take additional budget and cash management actions, as has been done in past budgets, to draw on the general reserve and/or make budget adjustments to respond to unexpected expenses or revenue/subsidy shortfalls, and other actions described below:

Advance of Bridges and Tunnels Operating Surplus

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 2018.

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 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 monies, 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.

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, the Board authorizes 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 staff 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 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 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.

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2019 - 2022
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Non-Reimbursable						
Operating Revenues						
Farebox Revenue	\$6,172	\$6,153	\$6,122	\$6,144	\$6,134	\$6,144
Toll Revenue	1,912	1,967	1,984	1,990	1,998	1,998
Other Revenue	653	662	705	733	757	743
Capital and Other Reimbursements	0	0	0	0	0	0
Total Revenues	\$8,737	\$8,782	\$8,810	\$8,867	\$8,889	\$8,886
Operating Expenses						
Labor:						
Payroll	\$5,021	\$5,212	\$5,392	\$5,529	\$5,645	\$5,776
Overtime	934	1,051	811	825	852	865
Health and Welfare	1,209	1,322	1,448	1,535	1,628	1,736
OPEB Current Payments	564	616	682	744	812	886
Pension	1,345	1,333	1,354	1,332	1,317	1,266
Other Fringe Benefits	792	880	857	896	943	968
Reimbursable Overhead	(492)	(494)	(457)	(424)	(407)	(396)
Total Labor Expenses	\$9,373	\$9,919	\$10,086	\$10,437	\$10,791	\$11,100
Non-Labor:						
Electric Power	\$430	\$475	\$451	\$464	\$483	\$540
Fuel	150	186	190	188	183	181
Insurance	(3)	11	17	24	31	38
Claims	526	376	379	387	391	395
Paratransit Service Contracts	393	452	483	501	518	548
Maintenance and Other Operating Contracts	695	780	899	836	884	872
Professional Services Contracts	507	578	555	485	479	490
Materials and Supplies	588	677	677	688	692	697
Other Business Expenses	217	225	231	225	240	242
Total Non-Labor Expenses	\$3,505	\$3,761	\$3,882	\$3,797	\$3,902	\$4,004
Other Expense Adjustments:						
Other	\$49	\$134	\$158	\$84	\$36	\$22
General Reserve	0	160	165	170	175	180
Total Other Expense Adjustments	\$49	\$294	\$323	\$254	\$211	\$202
Total Expenses Before Non-Cash Liability Adjs.	\$12,927	\$13,974	\$14,291	\$14,487	\$14,904	\$15,306
Depreciation	\$2,608	\$2,697	\$2,778	\$2,844	\$2,908	\$2,968
OPEB Liability Adjustment	1,567	1,809	1,910	2,014	2,125	2,246
GASB 68 Pension Expense Adjustment	(168)	(240)	(224)	(289)	(324)	(307)
Environmental Remediation	13	6	6	6	6	6
Total Expenses After Non-Cash Liability Adjs.	\$16,948	\$18,247	\$18,761	\$19,062	\$19,618	\$20,220
Conversion to Cash Basis: Non-Cash Liability Adj.	(\$4,021)	(\$4,273)	(\$4,469)	(\$4,575)	(\$4,714)	(\$4,913)
Debt Service (excludes Service Contract Bonds)	2,525	2,559	2,692	2,840	3,080	3,223
Total Expenses with Debt Service	\$15,452	\$16,534	\$16,983	\$17,328	\$17,983	\$18,529
Dedicated Taxes and State/Local Subsidies	\$6,416	\$7,254	\$7,249	\$7,370	\$7,576	\$7,807
Net Surplus/(Deficit) After Subsidies and Debt Service	(\$300)	(\$498)	(\$924)	(\$1,091)	(\$1,518)	(\$1,837)
Conversion to Cash Basis: GASB Account	\$0	\$0	\$0	(\$4)	\$0	\$0
Conversion to Cash Basis: All Other	174	282	365	155	(4)	88
Cash Balance Before Prior-Year Carryover	(\$126)	(\$216)	(\$560)	(\$940)	(\$1,523)	(\$1,749)
Adjustments	\$0	\$159	\$514	\$411	\$706	\$758
Prior Year Carryover Balance	248	121	64	18	0	0
Net Cash Balance	\$121	\$64	\$18	(\$510)	(\$816)	(\$991)

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2019 - 2022
Plan Adjustments
(\$ in millions)

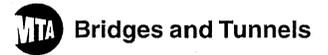
	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Cash Balance Before Prior-Year Carryover	\$(126)	(\$216)	(\$560)	(\$940)	(\$1,523)	(\$1,749)
Fare and Toll Increases:						
<i>Fare and Toll Increase on 3/1/19 (4% Yield)</i>	\$0	\$0	\$269	\$316	\$316	\$317
<i>Fare and Toll Increase on 3/1/21 (4% Yield)</i>	0	0	0	0	280	329
<i>Subsidy Impact of Fare and Toll Increases</i>	<u>0</u>	<u>0</u>	<u>(7)</u>	<u>(9)</u>	<u>(16)</u>	<u>(18)</u>
Subtotal	\$0	\$0	\$262	\$308	\$580	\$627
MTA Efficiencies:						
<i>MTA Efficiencies</i>	\$0	\$0	\$123	\$58	\$82	\$86
<i>Service Guideline Adjustments</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>37</u>	<u>41</u>	<u>41</u>
Subtotal	\$0	\$0	\$123	\$95	\$122	\$126
Policy Actions:						
<i>Drawdown 50% 2018 General Reserve</i>	\$0	\$80	\$0	\$0	\$0	\$0
<i>Drawdown Remaining 2018 General Reserve</i>	0	80	0	0	0	0
<i>Excess Fuel Hedge Collateral</i>	<u>0</u>	<u>0</u>	<u>40</u>	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal	\$0	\$160	\$40	\$0	\$0	\$0
MTA Re-Estimates						
<i>MTA Re-estimates</i>	\$0	(\$1)	(\$12)	(\$2)	(\$2)	(\$2)
<i>Additional Savings Actions</i>	<u>0</u>	<u>0</u>	<u>101</u>	<u>11</u>	<u>6</u>	<u>6</u>
Subtotal	\$0	(\$1)	\$89	\$9	\$4	\$4
TOTAL ADJUSTMENTS	\$0	\$159	\$514	\$411	\$706	\$758
<i>Prior Year Carryover Balance</i>	\$248	\$121	\$64	\$18	\$0	\$0
Net Cash Surplus/(Deficit)	\$121	\$64	\$18	(\$510)	(\$816)	(\$991)

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**II. Agencies' Staff Summaries
2019 Budget and 2019-2022
Financial Plan**

Bridges and Tunnels

Staff Summary



Subject B&T 2019 Budget and 2019-2022 Financial Plan Adoption
Department Office of the Chief Financial Officer
Department Head Name Mildred Chua <i>[Signature]</i>
Department Head Signature <i>[Signature]</i>
Project Manager Name Dore Abrams

Date December 5, 2018
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	B&T Committee	12/10/18	X		
2	Finance Committee	12/10/18	X		
3	MTA Board	12/12/18	X		

Internal Approvals			
Order	Approval	Order	Approval
2	President <i>[Signature]</i>	1	VP & Chief Financial Officer <i>[Signature]</i>
	Executive Vice President		VP Procurement & Materials
	General Counsel		VP Labor Relations
	VP Operations		VP & Chief Engineer

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval
	VP Safety & Health		VP & Chief of Staff				Other
	VP & Chief Security Officer		VP Maintenance & Operations Support				

PURPOSE:

To secure MTA Board adoption of the MTA Bridges and Tunnels' (B&T) 2018 November Forecast, 2019 Final Proposed Budget, and the Four-Year Financial Plan for 2019-2022.

DISCUSSION:

The 2019 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, and MTA policy actions. These impacts will be presented as part of MTA consolidated materials.

B&T estimates that for 2018 and 2019 combined, \$2,865.0 million will be provided in baseline net operating income.

2018 NOVEMBER FORECAST-BASELINE

The 2018 November Forecast projects \$1,987.2 million in non-reimbursable revenues, of which \$1,967.1 million is from Toll Revenue. Total non-reimbursable expenses before depreciation and other post-employment benefits are projected to be \$552.1 million, consisting of \$247.5 million in labor expenses and \$304.6 million in non-labor expenses. Total Support to Mass Transit is projected to be \$1,029.0 million. Reimbursable revenue and expenses are both forecast at \$23.6 million. Total end-of-year positions are projected at 1,497, including 1,410 non-reimbursable positions and 87 reimbursable positions.

2019 FINAL PROPOSED BUDGET-BASELINE

The 2019 Final Proposed Budget projects \$2,003.8 million in non-reimbursable revenues, of which \$1,983.6 million is from Toll Revenue. Total non-reimbursable expenses before depreciation and other post-employment benefits are projected to be \$574.0 million, consisting of \$272.3 million in labor expenses and \$301.7 million in non-labor expenses. Total Support to Mass Transit is projected to be \$979.5 million. Reimbursable revenue and expenses are both forecast at \$24.0 million. Total end-of-year positions are projected at 1,499, including 1,412 non-reimbursable positions and 87 reimbursable positions.

MAJOR PROGRAMMATIC INITIATIVES

- **Cashless Tolling** has been fully functional at all B&T facilities since September 30, 2017. The implementation of Cashless Tolling has resulted in the need for a more structured approach in capturing MTA B&T's Total Cost of Ownership (TCO) for the new assets, systems and equipment that are now operational across the facilities. Best practice asset management principles aligned with operational goals and the overall strategic vision for MTA B&T's new business model for cashless toll collection provides a consistent approach and roadmap to ensuring sustainability of the agency across all aspects of the business and integrating the various departmental perspectives including safety, security, operations, engineering, maintenance, finance, law, procurement and administration.
- **Customer Outreach** efforts are underway to help customers become more acclimated to and comfortable with the Cashless Tolling system. These outreach efforts have focused on helping customers effectively manage their E-ZPass accounts, understand payment options, and avoid violation fees. B&T can target this information to specific customer groups through informational inserts in E-ZPass statements, toll bills, letters and emails, as well as through community outreach events held periodically throughout the region. B&T is also meeting the public demand for smartphone and web-based information tools by heavily promoting its mobile alert service. Customers can sign up for notifications that alert them when their E-ZPass balance is low or informs them about other important account issues, and this helps them avoid violations and fees. Other information resources are being developed as part of a revised MTA website to help customers better understand Cashless Tolling, E-ZPass options, and how to pay toll bills.
- **Enhanced Safety and Security Programs** are being carried out through collaborative initiatives with New York State agencies. Security teams have been combined with traffic enforcement at crossings and comprehensive operating protocols have been developed across agencies.

IMPACT ON FUNDING

The 2018 November Forecast, the 2019 Final Proposed Budget, and the Four-Year Financial Plan 2019-2022, 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 2018 November Forecast, the 2019 Final Proposed Budget, and the Four-Year Financial Plan for 2019-2022 for MTA Bridges and Tunnels.

MTA BRIDGES AND TUNNELS
November Financial Plan 2019 - 2022
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Non-Reimbursable						
Operating Revenue						
Toll Revenue	\$1,911.857	\$1,967.062	\$1,983.637	\$1,990.392	\$1,998.341	\$1,998.269
Other Operating Revenue	20.082	18.936	18.936	18.936	18.936	18.936
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Investment Income	1.477	1.240	1.240	1.240	1.240	1.240
Total Revenues	\$1,933.416	\$1,987.238	\$2,003.814	\$2,010.569	\$2,018.518	\$2,018.446
Operating Expense						
Labor:						
Payroll	\$121.438	\$122.151	\$139.719	\$141.585	\$144.013	\$146.948
Overtime	28.382	26.807	27.347	27.895	28.455	29.026
Health and Welfare	26.694	29.454	32.371	33.581	35.240	37.007
OPEB Current Payments	20.096	22.359	24.213	25.292	26.684	28.151
Pension	39.001	36.335	35.613	33.684	34.093	34.754
Other Fringe Benefits	19.540	17.949	20.769	21.694	21.879	23.087
Reimbursable Overhead	(6.805)	(7.568)	(7.720)	(7.874)	(8.032)	(8.192)
Total Labor Expenses	\$248.347	\$247.487	\$272.311	\$275.857	\$282.332	\$290.780
Non-Labor:						
Electric Power	\$3.683	\$5.537	\$5.925	\$6.092	\$6.302	\$6.574
Fuel	1.575	2.323	2.474	2.456	2.383	2.338
Insurance	12.101	11.317	12.217	12.872	13.583	14.361
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	149.266	187.084	183.024	184.568	191.931	200.683
Professional Services Contracts	36.674	45.533	44.100	42.092	42.119	43.526
Materials and Supplies	3.901	4.341	4.421	4.522	4.572	4.678
Other Business Expenses	34.637	48.464	49.535	50.976	52.261	52.780
Total Non-Labor Expenses	\$241.838	\$304.599	\$301.696	\$303.579	\$313.151	\$324.939
Other Expense Adjustments:						
Other Expense Adjustments	\$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.	\$490.185	\$552.086	\$574.007	\$579.436	\$595.483	\$615.719
Depreciation	\$240.957	\$138.759	\$148.432	\$158.779	\$169.848	\$181.689
OPEB Liability Adjustment	71.832	64.472	67.696	71.081	74.635	78.367
GASB 68 Pension Expense Adjustment	6.274	10.403	12.575	14.816	16.158	17.221
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses After Depreciation and GASB Adjs.	\$809.247	\$765.720	\$802.710	\$824.112	\$856.124	\$892.995
Less: Depreciation	240.957	138.759	148.432	158.779	169.848	181.689
Less: OPEB Liability Adjustment	71.832	64.472	67.696	71.081	74.635	78.367
Less: GASB 68 Pension Exp Adjustment	6.274	10.403	12.575	14.816	16.158	17.221
Total Expenses	\$490.185	\$552.086	\$574.007	\$579.436	\$595.483	\$615.719
Net Surplus/(Deficit)	\$1,443.232	\$1,435.152	\$1,429.806	\$1,431.133	\$1,423.035	\$1,402.727

MTA BRIDGES AND TUNNELS
November Financial Plan 2019 - 2022
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Reimbursable						
Operating Revenue						
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	21.361	23.575	24.046	24.527	25.018	25.518
Investment Income	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenues	\$21.361	\$23.575	\$24.046	\$24.527	\$25.018	\$25.518
Operating Expense						
Labor:						
Payroll	\$8.011	\$8.506	\$8.676	\$8.850	\$9.027	\$9.208
Overtime	1.333	1.999	2.039	2.080	2.121	2.164
Health and Welfare	1.718	1.831	1.867	1.905	1.943	1.982
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	2.361	2.480	2.530	2.581	2.632	2.685
Other Fringe Benefits	1.133	1.190	1.214	1.238	1.263	1.288
Reimbursable Overhead	6.805	7.568	7.720	7.874	8.032	8.192
Total Labor Expenses	\$21.361	\$23.575	\$24.046	\$24.527	\$25.018	\$25.518
Non-Labor:						
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 Services Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Materials and 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
Other Expense Adjustments:						
Other Expense Adjustments	\$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.	\$21.361	\$23.575	\$24.046	\$24.527	\$25.018	\$25.518
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA BRIDGES AND TUNNELS
November Financial Plan 2019 - 2022
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Non-Reimbursable / Reimbursable						
Page 1 of 2						
Operating Revenue						
Toll Revenue	\$1,911.857	\$1,967.062	\$1,983.637	\$1,990.392	\$1,998.341	\$1,998.269
Other Operating Revenue	20.082	18.936	18.936	18.936	18.936	18.936
Capital and Other Reimbursements	21.361	23.575	24.046	24.527	25.018	25.518
Investment Income	1.477	1.240	1.240	1.240	1.240	1.240
Total Revenues	\$1,954.777	\$2,010.813	\$2,027.860	\$2,035.096	\$2,043.535	\$2,043.964
Operating Expense						
Labor:						
Payroll	\$129.449	\$130.657	\$148.395	\$150.435	\$153.040	\$156.155
Overtime	29.715	28.806	29.386	29.975	30.576	31.189
Health and Welfare	28.412	31.285	34.238	35.486	37.183	38.989
OPEB Current Payments	20.096	22.359	24.213	25.292	26.684	28.151
Pension	41.362	38.815	38.143	36.264	36.725	37.439
Other Fringe Benefits	20.673	19.139	21.983	22.932	23.142	24.374
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$269.708	\$271.062	\$296.358	\$300.385	\$307.349	\$316.298
Non-Labor:						
Electric Power	\$3.683	\$5.537	\$5.925	\$6.092	\$6.302	\$6.574
Fuel	1.575	2.323	2.474	2.456	2.383	2.338
Insurance	12.101	11.317	12.217	12.872	13.583	14.361
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	149.266	187.084	183.024	184.568	191.931	200.683
Professional Services Contracts	36.674	45.533	44.100	42.092	42.119	43.526
Materials and Supplies	3.901	4.341	4.421	4.522	4.572	4.678
Other Business Expenses	34.637	48.464	49.535	50.976	52.261	52.780
Total Non-Labor Expenses	\$241.838	\$304.599	\$301.696	\$303.579	\$313.151	\$324.939
Other Expense Adjustments:						
Other Expense Adjustments	\$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.	\$511.546	\$575.661	\$598.054	\$603.963	\$620.501	\$641.237
Depreciation	\$240.957	\$138.759	\$148.432	\$158.779	\$169.848	\$181.689
OPEB Liability Adjustment	71.832	64.472	67.696	71.081	74.635	78.367
GASB 68 Pension Expense Adjustment	6.274	10.403	12.575	14.816	16.158	17.221
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses After Depreciation and GASB Adjs.	\$830.608	\$789.295	\$826.756	\$848.639	\$881.142	\$918.513
Less: Depreciation	240.957	138.759	148.432	158.779	169.848	181.689
Less: OPEB Liability Adjustment	71.832	64.472	67.696	71.081	74.635	78.367
Less: GASB 68 Pension Exp Adjustment	6.274	10.403	12.575	14.816	16.158	17.221
Total Expenses	\$511.546	\$575.661	\$598.054	\$603.963	\$620.501	\$641.237
Net Surplus/(Deficit)	\$1,443.232	\$1,435.152	\$1,429.806	\$1,431.133	\$1,423.035	\$1,402.727

MTA BRIDGES AND TUNNELS
November Financial Plan 2019 - 2022
Accrual Statement of Operations by Category
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Non-Reimbursable / Reimbursable						
Page 2 of 2						
Net Surplus/(Deficit)	\$1,443.232	\$1,435.152	\$1,429.806	\$1,431.133	\$1,423.035	\$1,402.727
<u>Deductions from Income:</u>						
Less: Capitalized Assets	\$22.032	\$13.943	\$24.696	\$27.090	\$21.899	\$22.409
B&T Capital Reserves	27.347	0.000	0.000	0.000	0.000	0.000
GASB 45 Reserves	0.000	0.000	0.000	0.000	0.000	0.000
Adjusted Net Surplus/(Deficit)	\$1,393.853	\$1,421.210	\$1,405.110	\$1,404.043	\$1,401.136	\$1,380.318
Less: Debt Service	\$652.232	\$654.482	\$684.411	\$698.408	\$724.989	\$731.421
Less: Contribution to the Capital Program	0.000	119.664	132.981	56.623	13.878	0.000
Income Available for Distribution	\$741.621	\$647.063	\$587.718	\$649.012	\$662.269	\$648.897
<u>Distributable To:</u>						
MTA - Investment Income	\$1.477	\$1.240	\$1.240	\$1.240	\$1.240	\$1.240
MTA - Distributable Income	429.777	380.653	352.317	382.703	388.896	379.819
NYCT - Distributable Income	310.368	265.171	234.161	265.068	272.132	267.838
Total Distributable Income	\$741.621	\$647.063	\$587.718	\$649.012	\$662.269	\$648.897
<u>Actual Cash Transfers:</u>						
MTA - Investment Income - Prior Year	\$0.635	\$1.477	\$1.240	\$1.240	\$1.240	\$1.240
MTA - Cash Surplus Transfer	423.437	405.264	355.151	379.665	388.277	380.726
NYCT - Cash Surplus Transfer	307.555	279.563	237.262	261.978	271.426	268.267
Total Cash Transfers	\$731.627	\$686.304	\$593.653	\$642.882	\$660.943	\$650.234
SUPPORT TO MASS TRANSIT:						
Total Revenue	\$1,954.777	\$2,010.813	\$2,027.860	\$2,035.096	\$2,043.535	\$2,043.964
Total Expenses Before Non-Cash Liability Adjs.	511.546	575.661	598.054	603.963	620.501	641.237
Net Operating Income	\$1,443.232	\$1,435.152	\$1,429.806	\$1,431.133	\$1,423.035	\$1,402.727
<u>Deductions from Operating Income:</u>						
B&T Debt Service	\$271.246	\$272.503	\$292.640	\$307.865	\$336.761	\$355.676
Contribution to the Capital Program	0.000	119.664	132.981	56.623	13.878	0.000
Capitalized Assets	22.032	13.943	24.696	27.090	21.899	22.409
B&T Capital Reserves	27.347	0.000	0.000	0.000	0.000	0.000
GASB Reserves	0.000	0.000	0.000	0.000	0.000	0.000
Total Deductions from Operating Income	\$320.625	\$406.110	\$450.317	\$391.578	\$372.538	\$378.085
Total Support to Mass Transit	\$1,122.606	\$1,029.042	\$979.489	\$1,039.555	\$1,050.496	\$1,024.642

MTA BRIDGES AND TUNNELS
November Financial Plan 2019 - 2022
Ridership (Utilization)
(in millions)

	Actual	November Forecast	Final Proposed Budget	2020	2021	2022
	2017	2018	2019			

TRAFFIC VOLUME

Total Traffic Volume	309.997	321.111	323.874	325.043	326.349	326.337
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TOLL REVENUE

Toll Revenue	\$1,911.857	\$1,967.062	\$1,983.637	\$1,990.392	\$1,998.341	\$1,998.269
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MTA BRIDGES AND TUNNELS
November Financial Plan 2019-2022
2018 Budget Reduction Plan Summary
(\$ in millions)

	Favorable/(Unfavorable)									
	Pos.	2018	Pos.	2019	Pos.	2020	Pos.	2021	Pos.	2022
Administration										
2018 Vacancies and 2019 Payroll/Fringe Re-Estimates (November Plan)	-	12.910	-	2.691	-	0.000	-	0.000	-	0.000
<i>Subtotal Administration</i>	-	12.910	-	2.691	-	0.000	-	0.000	-	0.000
Service/Platform/Svc.Supp/ Customer Convenience										
Cashless Tolling Efficiencies (July Plan)	92	19.345	92	18.675	92	20.520	92	21.289	92	20.921
Cashless Tolling (November Plan)	-	4.800	-	8.250	-	8.250	-	8.250	-	8.250
<i>Subtotal Service/Platform/Svc.Supp/ Customer Convenience</i>	92	24.145	92	26.925	92	28.770	92	29.539	92	29.171
Maintenance/Operations										
Major Maintenance (November Plan)	-	0.000	-	6.000	-	7.500	-	9.000	-	9.000
<i>Subtotal Maintenance/Operations</i>	-	0.000	-	6.000	-	7.500	-	9.000	-	9.000
Revenue Enhancement										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Revenue Enhancement</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Safety/Security										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Safety/Security</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	92	\$37.055	92	\$35.616	92	\$36.270	92	\$38.539	92	\$38.171

MTA BRIDGES AND TUNNELS
November Financial Plan 2019-2022
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-time/Full-time Equivalents

FUNCTION/DEPARTMENT	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Administration						
Executive	5	7	7	7	7	7
Law ⁽¹⁾	15	17	17	17	17	17
CFO ⁽²⁾	23	28	31	31	31	31
Administration ⁽³⁾	38	43	43	43	43	43
EEO	1	2	2	2	2	2
Total Administration	82	97	100	100	100	100
Operations						
Revenue Management	35	37	37	37	37	37
Operations (Non-Security)	55	59	62	62	62	62
Total Operations	90	96	99	99	99	99
Maintenance						
Maintenance	203	225	229	229	229	229
Operations - Maintainers	176	161	161	161	161	161
Total Maintenance	379	386	390	390	390	390
Engineering/Capital						
Engineering & Construction	154	192	192	192	192	192
Health & Safety	8	10	10	10	10	10
Law ⁽¹⁾	18	22	22	22	22	22
Planning & Budget Capital	23	31	33	39	39	39
Total Engineering/Capital	203	255	257	263	263	263
Public Safety						
Operations (Security)	618	615	605	605	605	605
Internal Security - Operations	35	48	48	48	48	48
Total Public Safety	653	663	653	653	653	653
Total Positions	1,407	1,497	1,499	1,505	1,505	1,505
<i>Non-Reimbursable</i>	1,320	1,410	1,412	1,418	1,418	1,418
<i>Reimbursable</i>	87	87	87	87	87	87
<i>Total Full-Time</i>	1,407	1,497	1,499	1,505	1,505	1,505
<i>Total Full-Time Equivalents</i>	0	0	0	0	0	0

(1) Includes Legal and Procurement staff.

(2) Includes Controller and Operating Budget staff

(3) Includes Human Resources and Administration staff.

MTA BRIDGES AND TUNNELS
November Financial Plan 2019 - 2022
Total Positions by Function and Occupational Group
Non-Reimbursable and Reimbursable

FUNCTION / OCCUPATIONAL GROUP	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Administration						
Managers/Supervisors	26	36	37	37	37	37
Professional/Technical/Clerical	56	61	63	63	63	63
Operational Hourlies	0	0	0	0	0	0
Total Administration Headcount	82	97	100	100	100	100
Operations						
Managers/Supervisors	57	62	65	65	65	65
Professional/Technical/Clerical	32	34	34	34	34	34
Operational Hourlies (1)	1	0	0	0	0	0
Total Operations Headcount	90	96	99	99	99	99
Maintenance						
Managers/Supervisors	22	24	24	24	24	24
Professional/Technical/Clerical	11	19	23	23	23	23
Operational Hourlies (2)	346	343	343	343	343	343
Total Maintenance Headcount	379	386	390	390	390	390
Engineering / Capital						
Managers/Supervisors	47	59	59	59	59	59
Professional/Technical/Clerical	156	196	198	204	204	204
Operational Hourlies	0	0	0	0	0	0
Total Engineering Headcount	203	255	257	263	263	263
Public Safety						
Managers/Supervisors	163	189	189	189	189	189
Professional/Technical/Clerical	30	36	36	36	36	36
Operational Hourlies (3)	460	438	428	428	428	428
Total Public Safety Headcount	653	663	653	653	653	653
Total Positions						
Managers/Supervisors	315	370	374	374	374	374
Professional/Technical/ Clerical	285	346	354	360	360	360
Operational Hourlies	807	781	771	771	771	771
Total Positions	1,407	1,497	1,499	1,505	1,505	1,505

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

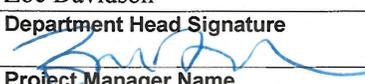
(2) Represents maintenance personnel. These positions are paid annually, not hourly.

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

Capital Construction Company

Staff Summary



Subject MTACC 2019 Budget and 2019-2022 Financial Plan Adoption
Department Office of Chief Operating Officer
Department Head Name Zoe Davidson
Department Head Signature 
Project Manager Name Adam Rosenbloom

Date November 20, 2018
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	12/10/18	X		
2	MTA Board	12/12/18	X		

Internal Approvals			
Order	Approval	Order	Approval
	President MTACC		
	Chief Operating Officer		

Purpose:

To secure MTA Board adoption of the MTA Capital Construction’s (MTACC) 2018 November Forecast, 2019 Final Proposed Budget, and the Four-Year Financial Plan for 2019-2022.

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 2018 November Forecast assumes a staffing level of 181 by year-end, which is projected to remain constant from 2019 through 2022. These positions provide oversight over mega projects, e.g. East Side Access, LIRR Mainline Third Track Expansion, and Second Avenue Subway Phase 2.

2018 November Forecast - Baseline:

MTACC projects 2018 expenses of \$40.1 million. Labor costs are projected at \$27.8 million, while non-labor costs are projected at \$12.4 million, which includes \$4.1 million required funding for MTA consolidated service chargebacks, office space at 2 Broadway and All-Agency Protective Liability (AAPL) insurance. The remainder of the non-labor projection is predominately for office space renovations at 2 Broadway, reimbursement of NYCT for administrative support staff and services, program management consulting and independent compliance monitoring services.

2019 Final Proposed Budget - Baseline:

MTACC projects 2019 expenses of \$47.6 million. Labor costs are projected at \$35.4 million, while non-labor costs are projected at \$12.2 million, which includes \$4.2 million required funding for consolidated service chargebacks, office space and AAPL insurance. Similar to the November Forecast, the 2019 Budget includes funding for reimbursement of NYCT for administrative support staff and services, office space renovations at 2 Broadway, program management consulting and independent compliance monitoring services.

Impact on Funding:

The 2018 November Forecast, the 2019 Final Proposed Budget, and the Four-Year Financial Plan for 2019-2022, 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 2018 November Forecast, the 2019 Final Proposed Budget, and the Four-Year Financial Plan for 2019-2022 for the MTA Capital Construction Company.

MTA CAPITAL CONSTRUCTION
November Financial Plan 2019 - 2022
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Reimbursable						
Operating Revenue						
Farebox 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	29.312	40.144	47.587	47.038	48.293	49.567
Total Revenues	\$29.312	\$40.144	\$47.587	\$47.038	\$48.293	\$49.567
Operating Expense						
Labor:						
Payroll	\$18.907	\$18.984	\$24.185	\$24.669	\$25.162	\$25.666
Overtime	0.018	0.020	0.025	0.026	0.027	0.027
Health and Welfare	1.848	3.477	4.517	4.716	4.980	5.256
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	2.131	3.254	4.155	4.336	4.520	4.718
Other Fringe Benefits	0.861	2.054	2.547	2.619	2.697	2.779
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$23.766	\$27.788	\$35.430	\$36.366	\$37.386	\$38.445
Non-Labor:						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.001	0.002	0.002	0.002	0.002	0.002
Insurance	0.000	0.035	0.039	0.043	0.047	0.052
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	2.785	3.410	3.551	3.111	3.265	3.428
Professional Services Contracts	2.498	8.596	8.205	7.164	7.232	7.271
Materials and Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.262	0.313	0.359	0.353	0.360	0.369
Total Non-Labor Expenses	\$5.546	\$12.357	\$12.157	\$10.673	\$10.908	\$11.122
Other Expense Adjustments:						
Other Expense Adjustments	\$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	\$29.312	\$40.144	\$47.587	\$47.038	\$48.293	\$49.567
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA CAPITAL CONSTRUCTION
November Financial Plan 2019 - 2022
Cash Receipts and Expenditures
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Cash Receipts and Expenditures						
Receipts						
Farebox 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	\$29.312	\$40.144	\$47.587	\$47.038	\$48.293	\$49.567
Total Receipts	\$29.312	\$40.144	\$47.587	\$47.038	\$48.293	\$49.567
Expenditures						
<u>Labor:</u>						
Payroll	\$18.907	\$18.984	\$24.185	\$24.669	\$25.162	\$25.666
Overtime	0.018	0.020	0.025	0.026	0.027	0.027
Health and Welfare	1.848	3.477	4.517	4.716	4.980	5.256
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	2.131	3.254	4.155	4.336	4.520	4.718
Other Fringe Benefits	0.861	2.054	2.547	2.619	2.697	2.779
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$23.766	\$27.788	\$35.430	\$36.366	\$37.386	\$38.445
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.001	0.002	0.002	0.002	0.002	0.002
Insurance	0.000	0.035	0.039	0.043	0.047	0.052
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	2.785	3.410	3.551	3.111	3.265	3.428
Professional Services Contracts	2.498	8.596	8.205	7.164	7.232	7.271
Materials and Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.262	0.313	0.359	0.353	0.360	0.369
Total Non-Labor Expenditures	\$5.546	\$12.357	\$12.157	\$10.673	\$10.908	\$11.122
<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	\$29.312	\$40.144	\$47.587	\$47.038	\$48.293	\$49.567
Net Cash Balance	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA CAPITAL CONSTRUCTION
November Financial Plan 2019 - 2022
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Cash Flow Adjustments						
Receipts						
Capital and Other Reimbursements	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
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	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.000	0.000	0.000	0.000	0.000	0.000
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	0.000	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.000	0.000	0.000	0.000	0.000	0.000
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
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	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 Services Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Materials and 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 Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Other Expenditure Adjustments:</u>						
Other Expense Adjustments	\$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	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Cash Conversion Adjustments before Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Liability Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 68 Pension Expense Adjustment	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 Cash Conversion Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA CAPITAL CONSTRUCTION
November Financial Plan 2019-2022
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

FUNCTION/DEPARTMENT	2017 Actual	2018 November Forecast	2019 Final Proposed Budget	2020	2021	2022
Administration						
MTACC	15	21	21	21	21	21
Engineering/Capital						
MTACC	45	77	77	77	77	77
East Side Access	22	25	25	25	25	25
Security Program	7	4	4	4	4	4
Second Avenue Subway	18	22	22	22	22	22
Lower Manhattan Project	9	10	10	10	10	10
7 Line Extension	9	8	8	8	8	8
Penn Station Access	0	6	6	6	6	6
LIRR 3rd Track	0	8	8	8	8	8
Total Engineering/Capital	110	160	160	160	160	160
Total Baseline Positions	125	181	181	181	181	181
<i>Non-Reimbursable</i>	-	-	-	-	-	-
<i>Reimbursable</i>	125	181	181	181	181	181
<i>Total Full-Time</i>	125	181	181	181	181	181
<i>Total Full-Time Equivalents</i>	-	-	-	-	-	-

MTA CAPITAL CONSTRUCTION
November Financial Plan 2019 - 2022
Total Positions by Function and Occupational Group
Non-Reimbursable and Reimbursable

FUNCTION / OCCUPATIONAL GROUP	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Administration						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/Clerical	15	21	21	21	21	21
Operational Hourlies	0	0	0	0	0	0
Total Administration Headcount	15	21	21	21	21	21
Operations						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/Clerical	0	0	0	0	0	0
Operational Hourlies	0	0	0	0	0	0
Total Operations Headcount	0	0	0	0	0	0
Maintenance						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/Clerical	0	0	0	0	0	0
Operational Hourlies	0	0	0	0	0	0
Total Maintenance Headcount	0	0	0	0	0	0
Engineering / Capital						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/Clerical	110	160	160	160	160	160
Operational Hourlies	0	0	0	0	0	0
Total Engineering Headcount	110	160	160	160	160	160
Public Safety						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/Clerical	0	0	0	0	0	0
Operational Hourlies	0	0	0	0	0	0
Total Public Safety Headcount	0	0	0	0	0	0
Total Positions						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/ Clerical	125	181	181	181	181	181
Operational Hourlies	0	0	0	0	0	0
Total Positions	125	181	181	181	181	181

Long Island Rail Road

Subject LIRR 2019 Budget & 2019-2022 Financial Plan Adoption	Date November 30, 2018
Department Office of Management & Budget	Vendor Name
Department Head Name Francis Landers	Contract Number
Department Head Signature <i>Francis Landers</i>	Contract Manager Name
Project Manager Name	Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	MNR & LIRR Committee	12/10/18	X		
2	Finance Committee	12/10/18	X		
3	MTA Board	12/12/18	X		

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

Internal Approvals (cont.)							
Order	Approval	Order	Approval	Order	Approval	Order	Approval
1	Exec Dir Mgmt & Budget	<i>F.L.</i>					

Purpose

To secure MTA Board adoption of the MTA Long Island Rail Road's (LIRR) 2018 November Forecast, 2019 Final Proposed Budget, and the Four-Year Financial Plan for 2019 – 2022.

Discussion

The 2019 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, secure and reliable transportation and first-class customer service to the metropolitan New York region. The 2019 Final Proposed Budget continues funding initiatives in support of these goals. The LIRR projections do not include the estimated impacts from projected fare increases, unidentified MTA efficiencies, and MTA policy actions. These impacts will be presented as part of MTA consolidated materials.

The LIRR's financial plan contains funding to support the LIRR's ongoing safety initiatives, asset maintenance efforts and system expansion projects. It reflects the full integration of the LIRR Forward philosophy into how the LIRR manages every day. Announced in May 2018, LIRR Forward represents a solve-it-now approach with a reinigorated customer focus that is being applied to all aspects of the operation. Particular attention is being paid to customer communication, station and car cleaning, and operational resiliency. The financial plan focuses on Reliability Centered Maintenance (RCM) for rolling stock to ensure maximum fleet availability and on maintenance of the right-of way to maintain a state of good repair. This is particularly important as many components will enter critical maintenance stages. Funding and resources also are included to maintain the new Positive Train Control (PTC) system, both onboard trains and along the right of way. The financial plan also reflects ramp-up costs for East Side Access (ESA) readiness efforts and other operating budget impacts including Moynihan Station, Main Line Double Track and Main Line Expansion.

Achieving an efficient operation remains a priority. The baseline projections outlined below reflect both continued financial savings from past non-service related budget reduction initiatives and new or enhanced reduction initiatives. The LIRR continues to subject all areas of the budget to intensive review.

2018 November Forecast - Baseline

Non-Reimbursable/Reimbursable expenses for the 2018 November Forecast before non-cash liability adjustments total \$1,997.4 million. This is comprised of \$1,528.5 million of Non-Reimbursable expenses and \$468.9 million of Reimbursable expenses. Total Non-Reimbursable/Reimbursable revenue for the 2018 November Forecast is \$1,256.0 million. This is comprised of \$787.0 million of Non-Reimbursable revenue and \$468.9 million of Reimbursable revenue. Total positions is 7,690.

The Non-Reimbursable revenue for the 2018 November Forecast of \$787.0 million includes Farebox Revenue projections of \$740.2 million. This is based on a projected annual ridership of 89.5 million customers, which is a 0.3 million increase over 2017. The Forecast also assumes \$46.8 million in other revenue from advertising, rental fees, special services, freight and other miscellaneous revenue.

Excluding non-cash liability adjustments, Non-Reimbursable expenses for the 2018 November Forecast totals \$1,528.5 million. Including non-cash liability adjustments, total Non-Reimbursable expenses for the 2018 November Forecast increases to \$2,054.7 million. The cash adjustments for non-cash items and timing of expenses/receipts total \$580.1 million. The resulting Net Cash Deficit is projected to be \$687.6 million in 2018.

Total Non-Reimbursable positions is 6,504 positions. Total Reimbursable positions is 1,186.

2019 Final Proposed Budget - Baseline

Non-Reimbursable/Reimbursable expenses for the 2019 Final Proposed Budget before non-cash liability adjustments are \$2,069.5 million, comprised of \$1,686.6 million of Non-Reimbursable expenses and \$382.9 million of Reimbursable expenses. The total Non-Reimbursable/Reimbursable revenue for the 2019 Final Proposed Budget is \$1,173.6 million, comprised of \$790.7 million of Non-Reimbursable revenue and \$382.9 million of Reimbursable revenue.

The Non-Reimbursable revenue for the 2019 Final Proposed Budget of \$790.7 million includes Passenger Revenue projections of \$743.7 million and \$47.0 million in other revenue from advertising and rental fees. The Farebox revenue is based on a projected annual ridership of 89.9 million passengers, which is a 0.5% increase over 2018. Excluding non-cash liability adjustments, Non-Reimbursable expenses for the 2019 Final Proposed Budget totals \$1,686.6 million. Including non-cash liability adjustments, total Non-Reimbursable expenses for the 2019 Final Proposed Budget increases to \$2,220.6 million. Cash adjustments for non-cash items and timing of expenses/receipts total \$495.7 million. The resulting Net Cash Deficit is projected to be \$934.1 million in 2019.

The Non-Reimbursable expense budget, before non-cash liability adjustments, of \$1,686.6 million is comprised of \$1,215.0 million in labor expenses (payroll and benefits), which represent 72% 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 \$112.3 million, materials & supplies of \$173.0 million, professional and maintenance services contracts of \$137.1 million and all other costs of \$49.2 million.

Total Non-Reimbursable headcount is 6,672 positions. Total Reimbursable headcount is 1,180 positions. The Total Non-Reimbursable/Reimbursable headcount is 7,852, of which 90.4 percent are in the operating departments.

Budget Reduction Initiatives

Tighter management control and increased oversight of non-payroll budgets, reduced fleet maintenance costs, improved efficiency of right of way maintenance, ESA operating efficiencies, hiring restrictions, reduced administrative positions and infrastructure investments allowing for reduced operating material usage result in savings of \$330 million and 146 positions over the financial plan.

Impact on Funding

The 2018 November Forecast, 2019 Final Proposed Budget and the Four-Year Financial Plan 2019 – 2022, 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 2018 November Forecast, the 2019 Final Proposed Budget and the Four-Year Financial Plan for 2019 – 2022 for the MTA Long Island Rail Road.

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2019 - 2022
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Non-Reimbursable						
Operating Revenue						
Farebox Revenue	\$727.597	\$740.170	\$743.650	\$746.313	\$746.592	\$746.257
Other Operating Revenue	53.019	46.841	47.044	42.881	43.476	44.064
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenues	\$780.616	\$787.011	\$790.694	\$789.194	\$790.068	\$790.322
Operating Expense						
Labor:						
Payroll	\$501.665	\$541.162	\$613.488	\$643.885	\$688.263	\$701.728
Overtime	131.604	151.127	136.158	139.631	160.194	160.828
Health and Welfare	100.334	110.070	134.543	146.450	166.052	176.817
OPEB Current Payments	59.822	64.329	72.934	77.894	82.636	87.617
Pension	142.354	122.127	131.977	138.437	139.820	128.219
Other Fringe Benefits	128.237	156.643	152.257	158.730	171.633	175.758
Reimbursable Overhead	(46.506)	(45.498)	(26.319)	(18.211)	(17.949)	(16.450)
Total Labor Expenses	\$1,017.510	\$1,099.959	\$1,215.037	\$1,286.817	\$1,390.648	\$1,414.516
Non-Labor:						
Electric Power	\$84.769	\$88.287	\$89.671	\$90.337	\$96.248	\$135.240
Fuel	16.253	21.167	22.608	22.438	21.866	21.600
Insurance	20.524	20.477	21.947	23.638	25.453	27.457
Claims	18.301	5.039	6.894	4.546	4.612	4.682
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	90.287	80.228	92.073	91.330	124.914	113.403
Professional Services Contracts	35.779	38.261	45.071	32.586	32.375	31.951
Materials and Supplies	121.812	161.293	172.969	179.664	168.564	164.450
Other Business Expenses	25.684	13.747	20.330	21.255	22.486	22.118
Total Non-Labor Expenses	\$413.408	\$428.500	\$471.562	\$465.793	\$496.518	\$520.900
Other Expense Adjustments:						
Other Expense Adjustments	\$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.	\$1,430.919	\$1,528.460	\$1,686.599	\$1,752.609	\$1,887.167	\$1,935.416
Depreciation	\$340.114	\$384.603	\$388.118	\$391.998	\$395.918	\$399.877
OPEB Liability Adjustment	142.396	139.644	143.833	148.148	152.592	157.170
GASB 68 Pension Expense Adjustment	(3.936)	0.000	0.000	0.000	0.000	0.000
Environmental Remediation	3.401	2.000	2.000	2.000	2.000	2.000
Total Expenses	\$1,912.894	\$2,054.706	\$2,220.550	\$2,294.756	\$2,437.677	\$2,494.463
Net Surplus/(Deficit)	(\$1,132.277)	(\$1,267.695)	(\$1,429.856)	(\$1,505.562)	(\$1,647.609)	(\$1,704.141)
Cash Conversion Adjustments						
Depreciation	\$340.114	\$384.603	\$388.118	\$391.998	\$395.918	\$399.877
Operating/Capital	(11.952)	(19.938)	(26.586)	(12.998)	(13.612)	(12.986)
Other Cash Adjustments	64.219	215.406	134.195	146.055	142.098	147.311
Total Cash Conversion Adjustments	\$392.381	\$580.070	\$495.726	\$525.056	\$524.404	\$534.201
Net Cash Surplus/(Deficit)	(\$739.897)	(\$687.625)	(\$934.130)	(\$980.506)	(\$1,123.205)	(\$1,169.940)

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2019 - 2022
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Reimbursable						
Operating Revenue						
Farebox 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	412.641	468.939	382.949	307.114	295.164	290.529
Total Revenues	\$412.641	\$468.939	\$382.949	\$307.114	\$295.164	\$290.529
Operating Expense						
Labor:						
Payroll	\$119.502	\$141.795	\$135.391	\$117.638	\$116.487	\$114.579
Overtime	50.011	54.355	32.699	20.545	20.956	21.375
Health and Welfare	29.252	33.243	27.882	23.021	22.881	22.536
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	45.628	50.773	45.301	37.403	37.175	36.615
Other Fringe Benefits	32.446	35.109	28.512	23.541	23.398	23.045
Reimbursable Overhead	46.506	45.498	26.319	18.211	17.949	16.450
Total Labor Expenses	\$323.346	\$360.773	\$296.105	\$240.358	\$238.846	\$234.600
Non-Labor:						
Electric Power	\$1.272	\$1.276	\$0.268	\$0.268	\$0.268	\$0.268
Fuel	0.068	0.042	0.000	0.000	0.000	0.000
Insurance	7.742	8.778	9.000	7.496	7.536	7.345
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	16.130	24.564	22.416	12.480	12.494	12.484
Professional Services Contracts	6.207	2.977	0.831	0.669	0.682	0.696
Materials and Supplies	56.290	69.616	53.941	45.524	35.022	34.824
Other Business Expenses	1.587	0.913	0.386	0.319	0.317	0.312
Total Non-Labor Expenses	\$89.295	\$108.166	\$86.844	\$66.756	\$56.318	\$55.929
Other Expense Adjustments:						
Other Expense Adjustments	\$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	\$412.641	\$468.939	\$382.949	\$307.114	\$295.164	\$290.529
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2019 - 2022
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Non-Reimbursable / Reimbursable						
Operating Revenue						
Farebox Revenue	\$727.597	\$740.170	\$743.650	\$746.313	\$746.592	\$746.257
Other Operating Revenue	53.019	46.841	47.044	42.881	43.476	44.064
Capital and Other Reimbursements	412.641	468.939	382.949	307.114	295.164	290.529
Total Revenues	\$1,193.258	\$1,255.950	\$1,173.643	\$1,096.308	\$1,085.232	\$1,080.850
Operating Expense						
Labor:						
Payroll	\$621.167	\$682.957	\$748.879	\$761.523	\$804.750	\$816.307
Overtime	181.615	205.482	168.857	160.176	181.150	182.202
Health and Welfare	129.586	143.313	162.425	169.471	188.932	199.353
OPEB Current Payments	59.822	64.329	72.934	77.894	82.636	87.617
Pension	187.982	172.900	177.278	175.840	176.995	164.834
Other Fringe Benefits	160.683	191.752	180.769	182.271	195.030	198.802
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$1,340.856	\$1,460.732	\$1,511.142	\$1,527.175	\$1,629.494	\$1,649.115
Non-Labor:						
Electric Power	\$86.040	\$89.563	\$89.939	\$90.606	\$96.516	\$135.508
Fuel	16.322	21.208	22.608	22.438	21.866	21.600
Insurance	28.266	29.255	30.947	31.133	32.989	34.803
Claims	18.301	5.039	6.894	4.546	4.612	4.682
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	106.417	104.793	114.490	103.810	137.408	125.886
Professional Services Contracts	41.985	41.238	45.902	33.255	33.057	32.647
Materials and Supplies	178.101	230.909	226.911	225.188	203.586	199.274
Other Business Expenses	27.271	14.661	20.717	21.574	22.803	22.430
Total Non-Labor Expenses	\$502.704	\$536.666	\$558.406	\$532.549	\$552.837	\$576.829
Other Expense Adjustments:						
Other Expense Adjustments	\$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.	\$1,843.560	\$1,997.398	\$2,069.548	\$2,059.723	\$2,182.331	\$2,225.945
Depreciation	\$340.114	\$384.603	\$388.118	\$391.998	\$395.918	\$399.877
OPEB Liability Adjustment	142.396	139.644	143.833	148.148	152.592	157.170
GASB 68 Pension Expense Adjustment	(3.936)	0.000	0.000	0.000	0.000	0.000
Environmental Remediation	3.401	2.000	2.000	2.000	2.000	2.000
Total Expenses	\$2,325.535	\$2,523.645	\$2,603.499	\$2,601.870	\$2,732.841	\$2,784.991
Net Surplus/(Deficit)	(\$1,132.277)	(\$1,267.695)	(\$1,429.856)	(\$1,505.562)	(\$1,647.609)	(\$1,704.141)
Cash Conversion Adjustments						
Depreciation	\$340.114	\$384.603	\$388.118	\$391.998	\$395.918	\$399.877
Operating/Capital	(11.952)	(19.938)	(26.586)	(12.998)	(13.612)	(12.986)
Other Cash Adjustments	64.219	215.406	134.195	146.055	142.098	147.311
Total Cash Conversion Adjustments	\$392.381	\$580.070	\$495.726	\$525.056	\$524.404	\$534.201
Net Cash Surplus/(Deficit)	(\$739.897)	(\$687.625)	(\$934.130)	(\$980.506)	(\$1,123.205)	(\$1,169.940)

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2019 - 2022
Cash Receipts and Expenditures
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Cash Receipts and Expenditures						
Receipts						
Farebox Revenue	\$745.862	\$757.261	\$760.150	\$762.814	\$763.092	\$762.757
Other Operating Revenue	40.845	33.469	32.443	27.896	28.106	28.319
Capital and Other Reimbursements	309.755	499.211	355.913	293.655	281.080	277.060
Total Receipts	\$1,096.461	\$1,289.941	\$1,148.506	\$1,084.365	\$1,072.278	\$1,068.136
Expenditures						
Labor:						
Payroll	\$627.564	\$673.583	\$742.506	\$755.007	\$798.086	\$809.494
Overtime	176.163	206.182	168.857	160.176	181.150	182.202
Health and Welfare	125.308	140.747	162.425	169.472	188.932	199.353
OPEB Current Payments	59.848	64.329	72.934	77.894	82.636	87.617
Pension	183.488	170.279	177.278	175.840	176.995	164.834
Other Fringe Benefits	158.222	183.809	184.769	181.271	194.030	197.802
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$1,330.593	\$1,438.929	\$1,508.769	\$1,519.660	\$1,621.829	\$1,641.302
Non-Labor:						
Electric Power	\$86.060	\$89.707	\$89.939	\$90.606	\$96.516	\$135.508
Fuel	16.982	21.209	22.608	22.438	21.867	21.599
Insurance	32.375	24.022	31.508	30.759	32.585	35.362
Claims	2.963	2.417	6.723	1.822	1.837	1.852
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	103.439	114.574	114.490	103.810	137.408	125.886
Professional Services Contracts	29.543	41.496	41.702	28.845	28.426	27.785
Materials and Supplies	196.812	211.498	226.977	226.095	212.891	206.975
Other Business Expenses	19.032	17.214	23.420	24.336	25.624	25.307
Total Non-Labor Expenditures	\$487.206	\$522.137	\$557.367	\$528.711	\$557.154	\$580.274
Other Expenditure Adjustments:						
Other	\$17.745	\$16.500	\$16.500	\$16.500	\$16.500	\$16.500
Total Other Expenditure Adjustments	\$17.745	\$16.500	\$16.500	\$16.500	\$16.500	\$16.500
Total Expenditures	\$1,835.543	\$1,977.566	\$2,082.636	\$2,064.871	\$2,195.483	\$2,238.076
Net Cash Balance	(\$739.082)	(\$687.625)	(\$934.130)	(\$980.506)	(\$1,123.205)	(\$1,169.940)
Cash Timing and Availability Adjustment	(0.814)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
Net Cash Balance after Cash Timing & Availability Adj	(\$739.897)	(\$687.625)	(\$934.130)	(\$980.506)	(\$1,123.205)	(\$1,169.940)

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2019 - 2022
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Cash Flow Adjustments						
Receipts						
Farebox Revenue	\$18.264	\$17.091	\$16.500	\$16.501	\$16.500	\$16.500
Other Operating Revenue	(12.175)	(13.372)	(14.601)	(14.985)	(15.370)	(15.745)
Capital and Other Reimbursements	(102.886)	30.272	(27.036)	(13.459)	(14.084)	(13.469)
Total Receipts	(\$96.797)	\$33.991	(\$25.137)	(\$11.943)	(\$12.954)	(\$12.714)
Expenditures						
Labor:						
Payroll	(\$6.397)	\$9.374	\$6.373	\$6.516	\$6.664	\$6.813
Overtime	5.453	(0.700)	0.000	0.000	0.000	0.000
Health and Welfare	4.278	2.566	0.000	(0.001)	0.000	0.000
OPEB Current Payments	(0.025)	0.000	0.000	0.000	0.000	0.000
Pension	4.494	2.621	0.000	0.000	0.000	0.000
Other Fringe Benefits	2.461	7.943	(4.000)	1.000	1.000	1.000
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$10.264	\$21.803	\$2.373	\$7.515	\$7.665	\$7.813
Non-Labor:						
Electric Power	(\$0.020)	(\$0.144)	0.000	\$0.000	\$0.000	\$0.000
Fuel	(0.660)	(0.001)	0.000	0.000	(0.001)	0.001
Insurance	(4.109)	5.233	(0.561)	0.374	0.404	(0.559)
Claims	15.338	2.622	0.171	2.724	2.775	2.830
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	2.977	(9.781)	0.000	0.000	0.000	0.000
Professional Services Contracts	12.443	(0.258)	4.200	4.410	4.631	4.862
Materials and Supplies	(18.710)	19.411	(0.066)	(0.907)	(9.305)	(7.701)
Other Business Expenses	8.239	(2.553)	(2.703)	(2.762)	(2.821)	(2.877)
Total Non-Labor Expenditures	\$15.498	\$14.529	\$1.039	\$3.838	(\$4.317)	(\$3.445)
Other Expenditure Adjustments:						
Other Expense Adjustments	(\$17.745)	(\$16.500)	(\$16.500)	(\$16.500)	(\$16.500)	(\$16.500)
Total Other Expenditure Adjustments	(\$17.745)	(\$16.500)	(\$16.500)	(\$16.500)	(\$16.500)	(\$16.500)
Total Expenditures	\$8.017	\$19.832	(\$13.088)	(\$5.148)	(\$13.152)	(\$12.131)
Total Cash Conversion Adjustments before Depreciation	(\$88.780)	\$53.824	(\$38.225)	(\$17.091)	(\$26.106)	(\$24.846)
Depreciation	\$340.114	\$384.603	\$388.118	\$391.998	\$395.918	\$399.877
OPEB Liability Adjustment	142.396	139.644	143.833	148.148	152.592	157.170
GASB 68 Pension Expense Adjustment	(3.936)	0.000	0.000	0.000	0.000	0.000
Environmental Remediation	3.401	2.000	2.000	2.000	2.000	2.000
Cash Timing and Availability Adjustment	(0.814)	0.000	0.000	0.000	0.000	0.000
Total Cash Conversion Adjustments	\$392.381	\$580.070	\$495.726	\$525.056	\$524.404	\$534.201

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2019 - 2022
Ridership (Utilization)
(in millions)

	Actual	November	Final			
	2017	Forecast	Proposed	2020	2021	2022
		2018	Budget			
			2019			

RIDERSHIP

Monthly Ridership	48.832	48.939	49.222	49.604	49.438	49.415
Weekly Ridership	1.889	1.952	1.964	1.971	1.970	1.969
Total Commutation	50.722	50.891	51.185	51.575	51.408	51.385
One-way Full Fare	8.820	9.021	9.074	9.106	9.109	9.105
One-way Off-Peak	18.830	18.649	18.667	18.734	18.741	18.733
All Other	10.788	10.919	10.999	11.039	11.043	11.038
Total Non-Commutation	38.437	38.588	38.740	38.879	38.893	38.876
Total Ridership	89.159	89.479	89.925	90.453	90.301	90.261

FAREBOX REVENUE

Baseline Total Farebox Revenue	\$727.597	\$740.170	\$743.650	\$746.313	\$746.592	\$746.257
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MTA LONG ISLAND RAIL ROAD
November Financial Plan 2019 - 2022
2018 Budget Reduction Summary
(\$ in millions)

	Favorable/(Unfavorable)									
	Pos.	2018	Pos.	2019	Pos.	2020	Pos.	2021	Pos.	2022
Administration										
Eliminate Vacant Non Represented Administration Positions and reduction in intern program (July Plan)	5	0.905	5	0.920	5	0.938	5	0.953	5	0.968
Hiring Restrictions (July Plan)	-	4.511	-	-	-	-	-	-	-	-
Eliminate Administration Positions (November Plan)	4	0.217	20	0.837	19	2.628	20	2.790	20	2.705
Lower Traction Power costs due to more aggressive review of PSE&G and NYPA Billings (November Plan)	-	1.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Administration	9	6.633	25	1.756	24	3.567	25	3.743	25	3.673
Customer Convenience/Amenities										
Subtotal Customer Convenience/Amenities	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Maintenance										
Anticipated reduced RCM Maintenance with the elimination of the M3s and the new M9s being under warranty (July Plan)	-	2.000	10	4.009	10	4.006	10	4.039	10	4.022
Lower Rolling Stock running repair and fleet modifications based on fleet performance (July Plan)	-	7.700	-	6.700	-	6.700	-	6.700	-	6.700
Operating Funded Capital (July Plan)	-	0.000	-	2.000	-	2.000	-	2.000	-	2.000
Lower Traction Power Consumption due to lower overall car miles and more aggressive review of PSE&G and NYPA Billings (July Plan)	-	2.119	-	2.153	-	2.221	-	2.297	-	2.297
Joint Facility Agreement/PRIIA savings as a result of continued review and challenging of new NECC models (July Plan)	-	2.000	-	0.000	-	0.000	-	0.000	-	0.000
Infrastructure Investment (July Plan)	-	0.000	-	4.155	-	4.076	-	3.919	-	3.874
Tighter Control and Prioritization of Non-Payroll Funds to Core Mission Initiatives (July Plan)	-	5.885	-	5.287	-	5.275	-	5.306	-	5.347
LIRR Forward Reductions (November Plan)	2	0.118	51	1.034	51	5.978	51	5.977	51	5.978
Fleet Maintenance Initiatives (November Plan)	4	3.731	10	13.068	10	16.892	10	16.151	10	16.183
Enterprise Asset Management (November Plan)	-	0.000	3	1.019	3	1.028	3	1.037	3	1.045
Improve efficiency of right of way maintenance (November Plan)	-	0.000	44	3.214	44	8.029	44	8.030	44	7.928
East Side Access Operating Efficiencies (November Plan)	-	0.000	-	7.500	-	4.500	-	9.500	-	9.500
Tighter Control and Prioritization of Non Payroll Funds to Core Mission Initiatives (November Plan)	-	1.353	-	3.441	-	3.752	-	3.725	-	3.736
Subtotal Maintenance	6	24.906	118	53.580	118	64.459	118	68.680	118	68.610
Revenue Enhancement										
Station Rental Revenue (November Plan)	-	0.000	-	0.045	-	0.090	-	0.093	-	0.095
Subtotal Revenue Enhancement	-	0.000	-	0.045	-	0.090	-	0.093	-	0.095
Safety										
Help Points (November Plan)	-	5.000	-	5.000	-	0.000	-	0.000	-	0.000
Subtotal Safety	-	5.000	-	5.000	-	0.000	-	0.000	-	0.000
Security										
Subtotal Security	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Service										
Subtotal Service	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Service Support										
Reduction in budgeted hours overtime hours based on more efficient use of resources (July Plan)	-	1.622	-	1.623	-	1.629	-	1.633	-	1.639
Reduce Special Event Staffing (November Plan)	-	0.000	-	0.875	-	0.843	-	0.916	-	0.939
Reduce Ticket Selling and Ticket Remittance (November Plan)	-	0.000	3	0.351	3	0.363	3	0.369	3	0.378
Subtotal Service Support	-	1.622	3	2.849	3	2.835	3	2.918	3	2.955
Other										
Inventory Draw Down - Lower Projected New Material Purchases (November Plan)	-	7.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Other	-	7.000	-	0.000	-	0.000	-	0.000	-	0.000
Agency Submission	15	\$45.161	146	\$63.231	145	\$70.950	146	\$75.433	146	\$75.333

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2019-2022
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full Time Equivalents

FUNCTION/DEPARTMENT	2017 Actual	2018 November Forecast	2019 Final Proposed Budget	2020	2021	2022
Administration						
Executive VP	2	2	2	2	2	2
Enterprise Asset Management	5	7	7	7	7	7
Sr Vice President - Engineering	2	2	2	2	2	2
Labor Relations	17	19	18	18	18	18
Procurement & Logistics (excl. Stores)	64	80	75	74	81	79
Human Resources	34	40	44	39	39	39
Sr VP Administration	2	2	2	2	2	2
Strategic Investments	16	18	18	18	18	18
President	3	9	9	9	9	9
VP & CFO	3	4	3	3	3	3
Information Technology	0	0	0	0	0	0
Controller	42	45	45	45	45	45
Management and Budget	17	18	18	18	18	18
BPM, Controls, & Compliance	6	6	6	6	6	6
Market Dev. & Public Affairs	69	71	71	71	71	71
Gen. Counsel & Secretary	33	33	33	33	33	33
Diversity Management	3	3	3	3	3	3
Security	9	13	14	14	14	14
System Safety	34	39	42	42	42	42
Training	65	68	68	75	76	76
Service Planning	24	31	31	31	31	31
Rolling Stock Programs	10	17	17	17	17	17
Sr Vice President - Operations	2	2	2	2	2	2
Total Administration	462	529	530	531	539	537
Operations						
Train Operations	2,214	2,267	2,391	2,506	2,533	2,532
Customer Service	300	313	308	310	422	422
Total Operations	2,514	2,580	2,699	2,816	2,955	2,954
Maintenance						
Engineering	1,997	2,105	2,110	2,040	2,111	2,086
Equipment	2,079	2,153	2,195	2,171	2,395	2,507
Procurement (Stores)	98	97	95	95	95	95
Total Maintenance	4,174	4,355	4,400	4,306	4,601	4,688
Engineering/Capital						
Department of Program Management	130	155	152	151	151	150
Special Projects/East Side Access	40	57	57	57	56	56
Positive Train Control	11	14	14	14	3	3
Total Engineering/Capital	181	226	223	222	210	209
Total Baseline Positions	7,331	7,690	7,852	7,875	8,305	8,388
<i>Non-Reimbursable</i>	6,220	6,504	6,672	6,933	7,394	7,506
<i>Reimbursable</i>	1,111	1,186	1,180	942	911	882
<i>Total Full-Time</i>	7,331	7,690	7,852	7,875	8,305	8,388
<i>Total Full-Time Equivalents</i>	-	-	-	-	-	-

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2019 - 2022
Total Positions by Function and Occupational Group
Non-Reimbursable and Reimbursable

FUNCTION / OCCUPATIONAL GROUP	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Administration						
Managers/Supervisors	242	273	275	275	273	273
Professional/Technical/Clerical	109	150	151	153	163	161
Operational Hourlies	111	106	104	104	104	104
Total Administration Headcount	462	529	530	531	539	537
Operations						
Managers/Supervisors	295	316	316	329	360	359
Professional/Technical/Clerical	93	104	99	99	108	108
Operational Hourlies	2,126	2,160	2,284	2,388	2,487	2,487
Total Operations Headcount	2,514	2,580	2,699	2,816	2,955	2,954
Maintenance						
Managers/Supervisors	715	832	862	833	882	863
Professional/Technical/Clerical	248	311	281	303	342	336
Operational Hourlies	3,211	3,212	3,257	3,170	3,377	3,489
Total Maintenance Headcount	4,174	4,355	4,400	4,306	4,601	4,688
Engineering / Capital						
Managers/Supervisors	125	153	152	151	144	143
Professional/Technical/Clerical	56	73	71	71	66	66
Operational Hourlies	0	0	0	0	0	0
Total Engineering Headcount	181	226	223	222	210	209
Public Safety						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/Clerical	0	0	0	0	0	0
Operational Hourlies	0	0	0	0	0	0
Total Public Safety Headcount	0	0	0	0	0	0
Total Positions						
Managers/Supervisors	1,377	1,574	1,605	1,588	1,659	1,638
Professional/Technical/ Clerical	506	638	602	626	679	671
Operational Hourlies	5,448	5,478	5,645	5,662	5,968	6,080
Total Positions	7,331	7,690	7,852	7,875	8,305	8,388

Metro-North Railroad



Staff Summary

Subject MNR 2019 Budget and 2019-2022 Financial Plan Adoption
Department Budget
Department Head Name Steven Weiss
Department Head Signature
Project Manager Name

Date December 5, 2018
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref#

Board Action					
Order	To	Date	Approval	Info	Other
1	MNR&LIRR Comm. Mtg.	12/10/2018			
2	MTA Fin. Comm.	12/10/2018			
3	MTA Board Mtg.	12/12/2018			

Internal Approvals			
Order	Approval	Order	Approval
3	President		Budget
	VP Operations		VP Capital Programs
2	VP Finance		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) 2018 November Forecast, 2019 Final Proposed Budget, and the Four-Year Financial Plan 2019-2022.

Discussion:
The November 2019-2022 Financial Plan reflects the financial impact of both new and ongoing programs. MNR projections do not include the estimated impacts from projected fare increases in New York State, unidentified MTA efficiencies, and MTA policy actions. These impacts will be presented as part of MTA consolidated materials.

Our Strategic Plan: Our Railroad, Our Vision, Our Future
In June of 2016, we launched a new five-year Metro-North Strategic Plan. Our mission is to be a safe, reliable and efficient railroad providing regional mobility and excellent service to our customers. Our plan identifies three Priority Areas: Our Customers, Our Infrastructure, and Our People:

- *Our Customers – Consistently meet customer expectations by ensuring safe, reliable, accessible and comfortable service, and by providing timely, accurate and open communication.*
- *Our Infrastructure – Ensure that all assets are in a state of good repair.*
- *Our People – Be an engaged, accountable and high performing workforce.*

October 2018 saw the launch of Metro-North’s “Way Ahead” Program. This program, which is based upon the same three priority areas as the MNR Strategic Plan, is a roadmap for the railroad’s future that details actions to enhance safety, service, infrastructure, and communications, and to transform the customers’ day-to-day experience.

Major Programmatic Initiatives included in the Financial Plan
The November Financial Plan focuses on resources to continue the support of Metro-North’s Strategic Plan. New investments that are part of the November Financial Plan are listed in the following sections focusing on our Customers, our Infrastructure and our People.

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

Investments in Our Customers

- **Accelerated Video Surveillance System Initiative at 10 Metro-North Stations (Way Ahead)**
We will introduce security cameras and Help Points – high tech, connected intercoms, allowing customers to access emergency services – to 10 stations.
- **Coach Center Door Seat Replacement Program / Coach Center Door Vestibule Floor Replacement (Way Ahead)**
Revitalize our aging diesel fleet by replacing seats and floors in 99 coaches.
- **Enhanced Station Platform Signage for Real-Time Train Status (Way Ahead)**
Add an additional 41 stations to the platform signage upgrade which, as part of our initial Customer Service Initiative, already includes 20 new stations.
- **Americans with Disabilities Act (ADA) Compliant Signage in Grand Central Terminal (Way Ahead)**
Develop an ADA-compliant signage program on platforms at Grand Central Terminal and North End Access locations.
- **Rockland County Bus Service Subsidy Continuation**
Metro-North has been providing Rockland County with an annual subsidy of \$480,000 to assist with expanded bus service for the system connecting Suffern, Spring Valley, Nanuet, and Nyack with Metro-North (MNR) stations in Tarrytown and White Plains. This program continues that annual subsidy.

Investments in our Infrastructure

- **Acquire 66 M-8 Rail Cars Pursuant to a Previously Negotiated Option (Way Ahead)**
Metro-North has exercised the remaining contract option with Kawasaki to purchase 66 M-8 railcars to accommodate increased ridership.
- **Install a Four-Megawatt Wayside Energy Storage System (WESS) on Metro-North's Upper Harlem Line (Way Ahead)**
This program will pilot a solution to address severe voltage sags on MNR's Harlem Line between White Plains and Brewster, which occur due to the limited number of substations available.
- **Upper Harlem Transmission Pole Line System Replacement (Way Ahead)**
Rehabilitate the Upper Harlem Line Pole System by replacing all 1,200 transmission poles to minimize outages caused by severe weather.
- **Grand Central Terminal - Emergency Roof Platform Project /Exhaust Duct State of Good Repair**
Survey and test all the kitchen exhaust ducts at Grand Central Terminal to ensure their integrity. In order to safely access these ducts, permanent platforms on the roof will be installed.

Investments in Our People

- **Maintenance of Equipment Diesel Shop Second Shift Staffing**
MNR will add a second shift of 15 employees to ensure excellent performance of the aging P32/Genesis diesel fleet.
- **Third Party Contractor for Family Medical Leave Act (FMLA)**
To increase employee availability, Metro-North will participate in an MTA All-Agency contract which utilizes a third-party contractor to provide FMLA administrative services.
- **Installation of Stations Cleaning Dry-Water Line System**
Install new high-pressure, dry-water line systems at 53 stations on the Hudson, Harlem & New Haven Lines, which will make the station cleaning process significantly simpler and safer.

On-going Programs and Assumptions previously included in the July Financial Plan, which continue in the 2019 Final Proposed Budget are as follows:

- Major Infrastructure Projects include the addition of four signal maintainers to conduct FRA-mandated Signal and Train Control Systems testing, aggressive tree trimming program, and Environmental Protection Agency (EPA) Mandated Fuel Pad Repairs in Harmon, North White Plains, and Brewster.
- Major investments in Our People include the reorganization of the Drug and Alcohol Program, funding for an outside contractor to perform confined space monitoring, an enhanced safety shoe program, the addition of seven staff members to more effectively integrate the Procurement Group with the Enterprise Asset Management (EAM) Program, the addition of one staff member in the Office of EEO and Diversity to maximize employee outreach and engagement, and the addition of one Chief Rail Traffic Controller Position in the Operation Control Center (OCC) to assist with the initial implementation of Revenue Service Demonstration (RSD) for Positive Train Control (PTC).

Utilization

The 2018 November Forecast projects nearly 86.8 million East and West of Hudson riders, a slight increase of 0.4% over 2017. Ridership in 2019-2022 is projected to grow by 1.3% in 2019 and 0.7% in 2020, remain essentially flat in 2021, and grow by 0.9% in 2022, with growth occurring across all commuter lines. There are no budgeted fare increases in New York or Connecticut through 2022.

2018 Budget Reduction Initiatives of \$15.1 million have been incorporated into Metro-North's 2018 November Forecast-Baseline with an annual average of \$48.7 million scheduled for the 2019 Final Proposed Budget and the 2020-2022 Financial Plan. These initiatives include targeted reductions to professional services and maintenance and other operating contracts as well as numerous operational efficiency and trend-based cost reductions.

2018 November Forecast-Baseline

The 2018 non-reimbursable forecast reflects revenues totaling \$800.9 million, including \$747.9 million of Farebox Revenues and \$53.0 million in Other Operating Revenue. Total Operating Expense projections of \$1,658.8 million consist of labor costs of \$932.6 million, non-labor costs of \$409.2 million and non-cash accruals of \$317.1 million for Depreciation (\$243.6 million), Other Post-Employment Benefits (\$58.0 million), GASB 68 Pension Adjustment of (\$11.5 million) and Environmental Remediation (\$4.0 million). After including additional cash requirements adjustment of \$288.7 million, the projected net cash deficit is \$569.2 million of which \$448.2 million represents the MTA share and \$121.0 million the CDOT share. Total reimbursable expense projections of \$284.5 million are fully offset by capital reimbursements. Total end-of-year authorized positions are projected at 7,134 and include 6,495 non-reimbursable positions and 639 reimbursable positions.

2019 Final Proposed Budget-Baseline

The 2019 final proposed non-reimbursable budget reflects revenues totaling \$814.7 million. Farebox Revenue of \$758.0 million primarily reflects a 1.3% ridership increase. Other Operating Revenue of \$56.7 million reflects GCT net retail revenues, advertising, and outlying station & parking revenue. Total Operating Expense projections of \$1,606.4 million consist of labor costs of \$924.2 million, non-labor costs of \$397.7 million and non-cash accruals of \$284.5 million, which are comprised of Depreciation (\$246.5 million), Other Post-Employment Benefits (\$58.0 million), GASB 68 Pension Adjustment credit (\$24.0 million) and Environmental Remediation (\$4.0 million). After additional cash requirements adjustment of \$170.4 million, the projected net cash deficit is \$621.3 million, of which \$502.6 million represents the MTA share and \$118.6 million the CDOT share. Total reimbursable expense projections of \$319.6 million are fully offset by capital reimbursements. Total end-of-year authorized positions are projected at 7,135 and include 6,369 non-reimbursable positions and 766 reimbursable positions.

Impact on Funding: The 2018 November Forecast, the 2019 Final Proposed Budget and the Four-Year Financial Plan for 2019-2022, which are presented in the attached schedules, are consistent with the proposed MTA Financial Plan.

Recommendation: It is recommended that the MTA Board adopt the 2018 November Forecast, 2019 Final Proposed Budget, and the Four-Year Financial Plan for 2019-2022 for MTA Metro-North Railroad.

MTA METRO-NORTH RAILROAD
November Financial Plan 2019 - 2022
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Non-Reimbursable						
Operating Revenue						
Farebox Revenue	\$733.409	\$747.923	\$758.005	\$764.450	\$764.963	\$772.089
Other Operating Revenue	58.506	52.991	56.741	81.694	88.488	62.736
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenues	\$791.914	\$800.913	\$814.746	\$846.144	\$853.451	\$834.825
Operating Expense						
Labor:						
Payroll	\$512.114	\$520.243	\$522.948	\$544.677	\$554.701	\$564.880
Overtime	91.419	94.715	95.257	97.162	99.105	101.087
Health and Welfare	103.629	111.427	111.256	116.241	118.054	119.926
OPEB Current Payments	33.010	34.000	35.000	36.000	37.000	38.000
Pension	112.551	107.206	104.897	101.746	96.388	83.950
Other Fringe Benefits	132.998	123.554	124.413	128.792	130.877	133.045
Reimbursable Overhead	(54.004)	(58.594)	(69.543)	(66.153)	(69.003)	(57.595)
Total Labor Expenses	\$931.716	\$932.552	\$924.228	\$958.465	\$967.122	\$983.293
Non-Labor:						
Electric Power	\$66.149	\$76.069	\$70.894	\$73.331	\$75.936	\$79.053
Fuel	16.817	21.452	22.306	22.230	21.754	21.518
Insurance	17.343	17.635	18.828	20.276	21.816	23.541
Claims	9.507	4.716	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	101.655	122.800	114.327	112.004	116.145	122.903
Professional Services Contracts	35.424	39.058	40.357	40.036	40.749	41.070
Materials and Supplies	91.257	98.205	101.233	96.157	98.552	96.687
Other Business Expenses	31.609	29.224	28.762	18.905	31.037	30.912
Total Non-Labor Expenses	\$369.760	\$409.159	\$397.706	\$383.940	\$406.988	\$416.683
Other Expense Adjustments:						
Other Expense Adjustments	\$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.	\$1,301.477	\$1,341.712	\$1,321.934	\$1,342.405	\$1,374.110	\$1,399.975
Depreciation	\$240.178	\$243.636	\$246.507	\$246.507	\$246.507	\$246.507
OPEB Liability Adjustment	98.810	58.000	58.000	58.000	58.000	58.000
GASB 68 Pension Expense Adjustment	(16.848)	11.500	(24.000)	(25.700)	(41.700)	(30.200)
Environmental Remediation	1.227	4.000	4.000	4.000	4.000	4.000
Total Expenses	\$1,624.844	\$1,658.848	\$1,606.441	\$1,625.212	\$1,640.917	\$1,678.282
Net Surplus/(Deficit)	(\$832.929)	(\$857.934)	(\$791.695)	(\$779.068)	(\$787.466)	(\$843.457)
Cash Conversion Adjustments						
Depreciation	\$240.178	\$243.636	\$246.507	\$246.507	\$246.507	\$246.507
Operating/Capital	(49.264)	(77.299)	(100.334)	(91.193)	(26.864)	(10.638)
Other Cash Adjustments	91.662	122.363	24.263	22.555	21.639	33.239
Total Cash Conversion Adjustments	\$282.576	\$288.699	\$170.435	\$177.869	\$241.281	\$269.108
Net Cash Surplus/(Deficit)	(\$550.353)	(\$569.235)	(\$621.260)	(\$601.198)	(\$546.185)	(\$574.349)

Note: Beginning with 2017, ticket sales revenue collected on West of Hudson operations by New Jersey Transit has been reclassified to the Farebox Revenue category. Previously, such revenue was classified as an offset under the Other Business Expenses category.

MTA METRO-NORTH RAILROAD
November Financial Plan 2019 - 2022
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Reimbursable						
Operating Revenue						
Farebox 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
<i>MNR - MTA</i>	<i>114.813</i>	<i>134.825</i>	<i>155.610</i>	<i>154.630</i>	<i>163.171</i>	<i>155.720</i>
<i>MNR - CDOT</i>	<i>91.152</i>	<i>138.594</i>	<i>158.767</i>	<i>107.551</i>	<i>90.409</i>	<i>77.998</i>
<i>MNR - Other</i>	<i>18.228</i>	<i>11.110</i>	<i>5.179</i>	<i>6.556</i>	<i>9.933</i>	<i>9.479</i>
Capital and Other Reimbursements	224.193	284.529	319.556	268.737	263.513	243.197
Total Revenues	\$224.193	\$284.529	\$319.556	\$268.737	\$263.513	\$243.197
Operating Expense						
<u>Labor:</u>						
Payroll	\$43.786	\$47.782	\$58.386	\$60.107	\$62.944	\$64.805
Overtime	24.614	23.993	26.143	27.298	28.586	29.443
Health and Welfare	15.354	16.454	19.409	20.064	20.980	21.575
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	9.633	11.366	13.295	13.730	14.384	14.818
Other Fringe Benefits	11.473	12.448	14.554	15.028	15.734	16.189
Reimbursable Overhead	49.808	55.422	65.875	64.025	67.369	56.294
Total Labor Expenses	\$154.668	\$167.466	\$197.662	\$200.252	\$209.997	\$203.123
<u>Non-Labor:</u>						
Electric Power	\$0.145	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	4.931	4.368	4.523	4.605	5.007	3.957
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	18.492	29.904	33.538	19.810	16.751	14.551
Professional Services Contracts	20.819	38.797	57.162	22.462	10.817	1.053
Materials and Supplies	24.874	43.715	26.467	21.283	20.739	20.309
Other Business Expenses	0.263	0.278	0.204	0.325	0.200	0.205
Total Non-Labor Expenses	\$69.525	\$117.062	\$121.894	\$68.485	\$53.516	\$40.074
<u>Other Expense Adjustments:</u>						
Other Expense Adjustments	\$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	\$224.193	\$284.529	\$319.556	\$268.737	\$263.513	\$243.197
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA METRO-NORTH RAILROAD
November Financial Plan 2019 - 2022
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Non-Reimbursable / Reimbursable						
Operating Revenue						
Farebox Revenue	\$733.409	\$747.923	\$758.005	\$764.450	\$764.963	\$772.089
Other Operating Revenue	58.506	52.991	56.741	81.694	88.488	62.736
MNR - MTA	114.813	134.825	155.610	154.630	163.171	155.720
MNR - CDOT	91.152	138.594	158.767	107.551	90.409	77.998
MNR - Other	18.228	11.110	5.179	6.556	9.933	9.479
Capital and Other Reimbursements	224.193	284.529	319.556	268.737	263.513	243.197
Total Revenues	\$1,016.107	\$1,085.442	\$1,134.302	\$1,114.881	\$1,116.964	\$1,078.022
Operating Expense						
Labor:						
Payroll	\$555.900	\$568.025	\$581.334	\$604.784	\$617.645	\$629.685
Overtime	116.032	118.709	121.400	124.460	127.692	130.530
Health and Welfare	118.983	127.882	130.665	136.306	139.034	141.500
OPEB Current Payments	33.010	34.000	35.000	36.000	37.000	38.000
Pension	122.184	118.573	118.192	115.476	110.772	98.768
Other Fringe Benefits	144.471	136.002	138.967	143.820	146.610	149.234
Reimbursable Overhead	(4.196)	(3.172)	(3.668)	(2.128)	(1.634)	(1.301)
Total Labor Expenses	\$1,086.384	\$1,100.019	\$1,121.890	\$1,158.717	\$1,177.119	\$1,186.416
Non-Labor:						
Electric Power	\$66.294	\$76.069	\$70.894	\$73.331	\$75.936	\$79.053
Fuel	16.817	21.452	22.306	22.230	21.754	21.518
Insurance	22.275	22.003	23.351	24.882	26.823	27.497
Claims	9.507	4.716	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	120.147	152.705	147.865	131.815	132.896	137.454
Professional Services Contracts	56.243	77.855	97.519	62.497	51.566	42.122
Materials and Supplies	116.131	141.920	127.700	117.440	119.292	116.996
Other Business Expenses	31.872	29.502	28.966	19.230	31.237	31.117
Total Non-Labor Expenses	\$439.285	\$526.222	\$519.600	\$452.425	\$460.504	\$456.757
Other Expense Adjustments:						
Other Expense Adjustments	\$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.	\$1,525.669	\$1,626.241	\$1,641.490	\$1,611.142	\$1,637.623	\$1,643.172
Depreciation	\$240.178	\$243.636	\$246.507	\$246.507	\$246.507	\$246.507
OPEB Liability Adjustment	98.810	58.000	58.000	58.000	58.000	58.000
GASB 68 Pension Expense Adjustment	(16.848)	11.500	(24.000)	(25.700)	(41.700)	(30.200)
Environmental Remediation	1.227	4.000	4.000	4.000	4.000	4.000
Total Expenses	\$1,849.036	\$1,943.376	\$1,925.997	\$1,893.948	\$1,904.430	\$1,921.479
Net Surplus/(Deficit)	(\$832.929)	(\$857.934)	(\$791.695)	(\$779.068)	(\$787.466)	(\$843.457)
Cash Conversion Adjustments						
Depreciation	\$240.178	\$243.636	\$246.507	\$246.507	\$246.507	\$246.507
Operating/Capital	(49.264)	(77.299)	(100.334)	(91.193)	(26.864)	(10.638)
Other Cash Adjustments	91.662	122.363	24.263	22.555	21.639	33.239
Total Cash Conversion Adjustments	\$282.576	\$288.699	\$170.435	\$177.869	\$241.281	\$269.108
Net Cash Surplus/(Deficit)	(\$550.353)	(\$569.235)	(\$621.260)	(\$601.198)	(\$546.185)	(\$574.349)

MTA METRO-NORTH RAILROAD
November Financial Plan 2019 - 2022
Cash Receipts and Expenditures
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Cash Receipts and Expenditures						
Receipts						
Farebox Revenue	\$719.650	\$734.880	\$744.603	\$750.825	\$751.110	\$757.946
Other Operating Revenue	85.853	107.744	84.932	106.395	113.654	88.433
<i>MNR - MTA</i>	<i>124.594</i>	<i>136.280</i>	<i>154.606</i>	<i>155.058</i>	<i>161.115</i>	<i>158.191</i>
<i>MNR - CDOT</i>	<i>75.265</i>	<i>138.594</i>	<i>158.767</i>	<i>107.551</i>	<i>90.409</i>	<i>77.998</i>
<i>MNR - Other</i>	<i>24.461</i>	<i>11.110</i>	<i>6.748</i>	<i>6.556</i>	<i>9.933</i>	<i>9.479</i>
Capital and Other Reimbursements	224.320	285.984	320.122	269.165	261.457	245.669
Total Receipts	\$1,029.823	\$1,128.607	\$1,149.657	\$1,126.385	\$1,126.221	\$1,092.047
Expenditures						
<u>Labor:</u>						
Payroll	\$548.138	\$561.658	\$597.905	\$616.095	\$617.645	\$631.799
Overtime	115.603	119.221	124.989	126.818	127.359	130.734
Health and Welfare	134.387	132.107	135.249	137.160	143.246	145.637
OPEB Current Payments	33.005	34.000	35.000	36.000	37.000	38.000
Pension	123.978	119.180	118.921	116.038	111.167	99.050
Other Fringe Benefits	130.061	125.571	136.013	140.603	139.845	143.206
Contribution to GASB Fund	0.000	0.000	0.000	3.536	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$1,085.172	\$1,091.738	\$1,148.078	\$1,176.250	\$1,176.262	\$1,188.426
<u>Non-Labor:</u>						
Electric Power	\$69.708	\$78.130	\$72.977	\$75.414	\$78.018	\$81.135
Fuel	15.787	20.972	21.817	21.730	21.244	20.998
Insurance	30.134	21.122	23.668	25.845	26.876	27.563
Claims	12.868	6.744	1.498	1.648	1.146	1.146
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	138.788	188.774	204.912	189.457	145.300	136.668
Professional Services Contracts	57.166	91.269	108.810	75.561	53.772	43.596
Materials and Supplies	123.687	151.929	137.396	124.404	122.100	119.404
Other Business Expenses	46.866	47.165	51.761	37.275	47.686	47.461
Total Non-Labor Expenditures	\$495.004	\$606.105	\$622.838	\$551.334	\$496.143	\$477.970
<u>Other Expenditure Adjustments:</u>						
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 Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$1,580.176	\$1,697.842	\$1,770.916	\$1,727.583	\$1,672.406	\$1,666.396
Net Cash Balance	(\$550.353)	(\$569.235)	(\$621.260)	(\$601.198)	(\$546.185)	(\$574.349)
Subsidies						
MTA	\$418.895	\$448.212	\$502.624	\$480.632	\$421.836	\$444.210
CDOT	130.586	121.023	118.636	120.566	124.349	130.139
Total Subsidies	\$549.481	\$569.235	\$621.260	\$601.198	\$546.185	\$574.349

MTA METRO-NORTH RAILROAD
November Financial Plan 2019 - 2022
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Cash Flow Adjustments						
Receipts						
Farebox Revenue	(\$13.759)	(\$13.043)	(\$13.402)	(\$13.625)	(\$13.853)	(\$14.143)
Other Operating Revenue	27.347	54.753	28.192	24.701	25.166	25.697
<i>MNR - MTA</i>	<i>9.781</i>	<i>1.455</i>	<i>(1.003)</i>	<i>0.429</i>	<i>(2.056)</i>	<i>2.472</i>
<i>MNR - CDOT</i>	<i>(15.887)</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>
<i>MNR - Other</i>	<i>6.233</i>	<i>0.000</i>	<i>1.569</i>	<i>0.000</i>	<i>0.000</i>	<i>0.000</i>
Total Capital and Other Reimbursements	\$0.127	\$1.455	\$0.566	\$0.429	(\$2.056)	\$2.472
Total Receipts	\$13.716	\$43.165	\$15.355	\$11.504	\$9.257	\$14.025
Expenditures						
<u>Labor:</u>						
Payroll	\$7.762	\$6.368	(\$16.571)	(\$11.311)	\$0.001	(\$2.114)
Overtime	0.429	(0.513)	(3.590)	(2.359)	0.332	(0.203)
Health and Welfare	(15.404)	(4.226)	(4.583)	(0.855)	(4.213)	(4.137)
OPEB Current Payments	0.005	0.000	0.000	0.000	0.000	0.000
Pension	(1.794)	(0.607)	(0.729)	(0.562)	(0.395)	(0.283)
Other Fringe Benefits	14.410	10.431	2.954	3.218	6.766	6.028
Contribution to GASB Fund	0.000	0.000	0.000	(3.536)	0.000	0.000
Reimbursable Overhead	(4.196)	(3.172)	(3.668)	(2.128)	(1.634)	(1.301)
Total Labor Expenditures	\$1.212	\$8.281	(\$26.188)	(\$17.533)	\$0.857	(\$2.010)
<u>Non-Labor:</u>						
Electric Power	(\$3.414)	(\$2.061)	(2.082)	(\$2.082)	(\$2.082)	(\$2.082)
Fuel	1.030	0.480	0.490	0.499	0.509	0.520
Insurance	(7.859)	0.881	(0.317)	(0.963)	(0.053)	(0.066)
Claims	(3.361)	(2.028)	(0.498)	(0.648)	(0.146)	(0.146)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	(18.641)	(36.069)	(57.048)	(57.642)	(12.404)	0.786
Professional Services Contracts	(0.923)	(13.414)	(11.291)	(13.064)	(2.206)	(1.473)
Materials and Supplies	(7.556)	(10.008)	(9.696)	(6.963)	(2.808)	(2.408)
Other Business Expenses	(14.994)	(17.663)	(22.795)	(18.045)	(16.449)	(16.344)
Total Non-Labor Expenditures	(\$55.719)	(\$79.883)	(\$103.238)	(\$98.909)	(\$35.640)	(\$21.213)
<u>Other Expenditure Adjustments:</u>						
Other Expense Adjustments	\$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	(\$54.507)	(\$71.602)	(\$129.426)	(\$116.442)	(\$34.783)	(\$23.224)
Total Cash Conversion Adjustments before Depreciation	(\$40.791)	(\$28.437)	(\$114.071)	(\$104.937)	(\$25.525)	(\$9.199)
Depreciation	\$240.178	\$243.636	\$246.507	\$246.507	\$246.507	\$246.507
OPEB Liability Adjustment	98.810	58.000	58.000	58.000	58.000	58.000
GASB 68 Pension Expense Adjustment	(16.848)	11.500	(24.000)	(25.700)	(41.700)	(30.200)
Environmental Remediation	1.227	4.000	4.000	4.000	4.000	4.000
Total Cash Conversion Adjustments	\$282.576	\$288.699	\$170.435	\$177.869	\$241.281	\$269.108

MTA METRO-NORTH RAILROAD
November Financial Plan 2019 - 2022
Ridership (Utilization)
(in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
<u>RIDERSHIP</u>						
<i>Harlem Line Ridership - Commutation</i>	16.683	16.704	16.892	17.028	17.014	17.223
<i>Harlem Line Ridership - Non-Commutation</i>	<u>11.129</u>	<u>11.002</u>	<u>11.268</u>	<u>11.358</u>	<u>11.349</u>	<u>11.489</u>
Harlem Line	27.812	27.706	28.161	28.386	28.364	28.712
<i>Hudson Line Ridership - Commutation</i>	9.309	9.370	9.598	9.689	9.698	9.776
<i>Hudson Line Ridership - Non-Commutation</i>	<u>7.589</u>	<u>7.756</u>	<u>7.824</u>	<u>7.898</u>	<u>7.905</u>	<u>7.969</u>
Hudson Line	16.897	17.126	17.423	17.587	17.603	17.745
<i>New Haven Line Ridership - Commutation</i>	22.201	22.158	22.530	22.671	22.685	22.827
<i>New Haven Line Ridership - Non-Commutation</i>	<u>17.968</u>	<u>18.213</u>	<u>18.235</u>	<u>18.348</u>	<u>18.360</u>	<u>18.475</u>
New Haven Line	40.169	40.371	40.765	41.019	41.045	41.302
Total Commutation Ridership	48.193	48.231	49.021	49.387	49.397	49.826
Total Non-Commutation Ridership	<u>36.686</u>	<u>36.972</u>	<u>37.328</u>	<u>37.605</u>	<u>37.615</u>	<u>37.933</u>
Total East of Hudson Ridership	84.879	85.203	86.349	86.992	87.011	87.759
West of Hudson Ridership	1.617	1.599	1.614	1.625	1.638	1.667
Total Ridership	86.496	86.802	87.962	88.617	88.650	89.426
<u>FAREBOX REVENUE</u>						
<i>Harlem Line - Commutation Revenue</i>	111.009	112.344	113.561	114.592	114.439	116.040
<i>Harlem Line - Non-Commutation Revenue</i>	<u>101.292</u>	<u>101.272</u>	<u>103.620</u>	<u>104.561</u>	<u>104.422</u>	<u>105.882</u>
Harlem Line	\$212.301	\$213.616	\$217.181	\$219.153	\$218.861	\$221.923
<i>Hudson Line - Commutation Revenue</i>	72.539	73.715	75.625	76.438	76.464	77.067
<i>Hudson Line - Non-Commutation Revenue</i>	<u>84.843</u>	<u>87.481</u>	<u>88.452</u>	<u>89.403</u>	<u>89.434</u>	<u>90.138</u>
Hudson Line	\$157.383	\$161.196	\$164.077	\$165.842	\$165.899	\$167.205
<i>New Haven Line - Commutation Revenue</i>	156.827	161.295	162.547	163.717	163.996	165.113
<i>New Haven Line - Non-Commutation Revenue</i>	<u>192.543</u>	<u>197.425</u>	<u>199.566</u>	<u>201.002</u>	<u>201.345</u>	<u>202.716</u>
New Haven Line	\$349.371	\$358.720	\$362.113	\$364.719	\$365.340	\$367.828
Total Commutation Revenue	\$340.376	\$347.354	\$351.733	\$354.747	\$354.900	\$358.219
Total Non-Commutation Revenue	<u>378.679</u>	<u>386.178</u>	<u>391.638</u>	<u>394.966</u>	<u>395.200</u>	<u>398.736</u>
Total East of Hudson Revenue	\$719.055	\$733.532	\$743.371	\$749.713	\$750.100	\$756.956
West of Hudson Revenue	\$14.354	\$14.391	\$14.634	\$14.737	\$14.863	\$15.133
Total Farebox Revenue	\$733.409	\$747.923	\$758.005	\$764.450	\$764.963	\$772.089

Notes: West of Hudson total ridership is both Pascack Valley and Port Jervis lines.

MTA Metro-North Railroad
November Financial Plan 2019 - 2022
2018 Budget Reduction Plan Summary
(\$ in millions)

	Favorable/(Unfavorable)									
	Pos.	2018	Pos.	2019	Pos.	2020	Pos.	2021	Pos.	2022
Administration										
Reductions to Professional Service Contracts (July Plan)	-	\$1.676	-	\$2.341	-	\$2.237	-	\$2.322	-	\$2.558
Reductions to Other Business Expenses (July Plan)	-	0.376	-	0.379	-	0.384	-	0.385	-	0.382
OTE GOER Mandated Training Reduction (November Plan)	-	<u>2.755</u>	-	<u>2.755</u>	-	<u>0.000</u>	-	<u>2.755</u>	-	<u>2.755</u>
<i>Subtotal Administration</i>	-	<u>4.807</u>	-	<u>5.474</u>	-	<u>2.621</u>	-	<u>5.461</u>	-	<u>5.695</u>
Customer Convenience/Amenities										
Elimination of GCT North End Signage Project (July Plan)	-	0.300	-	0.300	-	0.300	-	0.300	-	0.300
Elimination of Temperature Measurement Program (July Plan)	-	0.203	-	0.203	-	0.203	-	0.203	-	0.203
Ticket Office Closings at Three Stations on the Harlem Line (November Plan)	-	<u>0.000</u>	3	<u>0.535</u>	3	<u>0.546</u>	3	<u>0.557</u>	3	<u>0.568</u>
<i>Subtotal Customer Convenience/Amenities</i>	-	<u>0.503</u>	3	<u>1.038</u>	3	<u>1.049</u>	3	<u>1.060</u>	3	<u>1.071</u>
Maintenance/Operations										
Re-allocation of Infrastructure Improvement Repairs from Operating to Capital (July Plan)	-	0.000	-	3.538	-	3.538	-	3.538	-	3.538
Miscellaneous Maintenance and Other Operating Contracts Reductions (July Plan)	-	1.806	-	2.383	-	2.531	-	2.671	-	2.906
FRA Waiver to allow retiming of M8 airbrake maintenance cycle from 5 to 6 years (July Plan)	-	2.061	-	1.942	-	1.733	-	1.673	-	1.554
Renegotiation of Middleman Charges for New Haven Line Energy Expenses (July Plan)	-	1.300	-	1.300	-	1.300	-	1.300	-	1.300
Reductions to Materials & Supplies (July Plan)	-	0.985	-	0.985	-	0.985	-	0.985	-	0.985
Rightsizing of NYSGOER Annual Training and Policy Certifications Budget (July Plan)	-	0.940	-	0.940	-	0.940	-	0.940	-	0.940
Rightsizing of Engineering Services Budget for GCT Trained Inspection (July Plan)	-	0.500	-	0.500	-	0.500	-	0.500	-	0.500
Elimination of Engineering Consultant for P-32 RCM Phase 2 (July Plan)	-	0.500	-	0.750	-	0.750	-	0.500	-	0.000
Elimination of Track Geometry Car Lease (July Plan)	-	0.000	-	0.166	-	0.166	-	0.166	-	0.166
Lower Energy Consumption due to ISO 50001 Requirements and Reduced Car Miles (November Plan)	-	0.000	-	1.938	-	1.874	-	1.911	-	1.962
Reduction of Infrastructure Contractual Services (November Plan)	-	1.584	-	3.052	-	2.318	-	2.369	-	2.425
Maintenance of Equipment Early Reduction of Capital Positions; Potential Furlough of 4-12 Employees (November Plan)	-	0.000	30	3.215	30	0.000	30	0.000	30	0.000
Extend Car/Coach Cleaning Cycle from 92 to 184 days; Eliminate 25 Car Cleaner Positions and Immediate Furlough of 25 Employees (November Plan)	-	0.000	25	2.679	25	2.733	25	2.787	25	2.843
Deferral of M8 Seat Replacement (November Plan)	-	0.000	-	0.000	-	0.000	-	2.019	-	3.541
Grand Central Terminal Weekend Coverage Reduction (November Plan)	-	0.000	5	0.632	5	0.645	5	0.658	5	0.671
Operating Capital Reduction (November Plan)	-	<u>0.000</u>	-	<u>2.000</u>	-	<u>3.000</u>	-	<u>2.000</u>	-	<u>2.000</u>
<i>Subtotal Maintenance/Operations</i>	-	<u>9.677</u>	60	<u>26.020</u>	60	<u>23.013</u>	60	<u>24.017</u>	60	<u>25.330</u>
Revenue Enhancement										
None	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>
<i>Subtotal Revenue Enhancement</i>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>
Safety/Security										
None	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>
<i>Subtotal Safety</i>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>
Service										
Reductions to Overtime & Fringe (July Plan)	-	<u>0.000</u>	-	<u>4.069</u>	-	<u>4.069</u>	-	<u>4.069</u>	-	<u>4.069</u>
<i>Subtotal Service</i>	-	<u>0.000</u>	-	<u>4.069</u>	-	<u>4.069</u>	-	<u>4.069</u>	-	<u>4.069</u>
Service Support										
None	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>
<i>Subtotal Service Support</i>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>
Other										
Tighter Control and Prioritization of Non-Payroll Expenses (November Plan)	-	<u>0.119</u>	-	<u>12.531</u>	-	<u>16.080</u>	-	<u>14.905</u>	-	<u>13.197</u>
<i>Subtotal Other</i>	-	<u>0.119</u>	-	<u>12.531</u>	-	<u>16.080</u>	-	<u>14.905</u>	-	<u>13.197</u>
Agency Submission	-	\$15.106	63	\$49.132	63	\$46.831	63	\$49.512	63	\$49.362

MTA METRO-NORTH RAILROAD
November Financial Plan 2019 - 2022
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

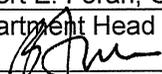
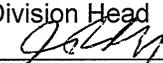
FUNCTION/DEPARTMENT	2017	2018	2019	2020	2021	2022
	Actual	November Estimate	Final Proposed Budget			
Administration						
President	2	3	3	3	3	3
Labor Relations	17	20	20	20	20	20
Safety	54	59	59	59	59	59
Security	23	26	26	26	26	26
Office of the Executive VP	10	10	10	10	10	10
Corporate & Public Affairs	20	19	19	19	19	19
Customer Service	65	69	69	69	69	69
Legal	13	19	19	19	19	19
Claims	12	14	14	14	14	14
Environmental Compliance & Svce	7	8	8	8	8	8
VP Human Resources	44	51	51	51	51	51
Training	83	101	101	101	101	101
Employee Relations & Diversity	6	7	7	7	7	7
VP Planning	2	2	2	2	2	2
Operations Planning & Analysis	19	22	22	22	22	22
Capital Planning & Programming	12	18	18	18	18	18
Long Range Planning	8	8	8	8	8	8
VP Finance & Info Systems	4	2	2	2	2	2
Controller	74	82	82	82	82	82
Information Technology & Project Mgmt	0	0	0	0	0	0
Budget	18	23	23	23	23	23
Procurement & Material Management	22	39	39	39	39	39
Corporate	0	0	0	0	0	0
Total Administration	515	602	602	602	602	602
Operations						
Operations Administration	67	105	106	106	106	106
Transportation	1,614	1,637	1,674	1,674	1,683	1,683
Customer Service	280	294	291	291	291	291
Metro-North West	31	46	46	46	46	46
Total Operations	1,992	2,082	2,117	2,117	2,126	2,126
Maintenance						
Maintenance of Equipment	1,664	1,764	1,724	1,724	1,724	1,724
Maintenance of Way	2,116	2,416	2,415	2,417	2,417	2,417
Procurement & Material Management	120	134	141	141	141	141
Total Maintenance	3,900	4,314	4,280	4,282	4,282	4,282
Engineering/Capital						
Construction Management	40	43	43	43	43	43
Engineering & Design	72	93	93	93	93	93
Total Engineering/Capital	112	136	136	136	136	136
Total Positions	6,519	7,134	7,135	7,137	7,146	7,146
<i>Non-Reimbursable</i>	5,995	6,495	6,369	6,388	6,380	6,388
<i>Reimbursable</i>	524	639	766	749	766	758
<i>Total Full-Time</i>	6,518	7,133	7,134	7,136	7,145	7,145
<i>Total Full-Time-Equivalents</i>	1	1	1	1	1	1

MTA METRO-NORTH RAILROAD
November Financial Plan 2019 - 2022
Total Positions by Function and Occupational Group
Non-Reimbursable and Reimbursable

FUNCTION / OCCUPATIONAL GROUP	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Administration						
Managers/Supervisors	177	201	201	201	201	201
Professional/Technical/Clerical	338	401	401	401	401	401
Operational Hourlies	0	0	0	0	0	0
Total Administration Headcount	515	602	602	602	602	602
Operations						
Managers/Supervisors	238	234	234	234	234	234
Professional/Technical/Clerical	175	236	237	237	237	237
Operational Hourlies	1,580	1,612	1,646	1,646	1,655	1,655
Total Operations Headcount	1,992	2,082	2,117	2,117	2,126	2,126
Maintenance						
Managers/Supervisors	625	701	686	686	686	686
Professional/Technical/Clerical	504	564	570	570	570	570
Operational Hourlies	2,770	3,049	3,024	3,026	3,026	3,026
Total Maintenance Headcount	3,900	4,314	4,280	4,282	4,282	4,282
Engineering / Capital						
Managers/Supervisors	46	52	52	52	52	52
Professional/Technical/Clerical	66	84	84	84	84	84
Operational Hourlies	0	0	0	0	0	0
Total Engineering Headcount	112	136	136	136	136	136
Public Safety						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/Clerical	0	0	0	0	0	0
Operational Hourlies	0	0	0	0	0	0
Total Public Safety Headcount	0	0	0	0	0	0
Total Positions						
Managers/Supervisors	1,086	1,188	1,173	1,173	1,173	1,173
Professional/Technical/ Clerical	1,084	1,285	1,292	1,292	1,292	1,292
Operational Hourlies	4,350	4,661	4,670	4,672	4,681	4,681
Total Positions	6,519	7,134	7,135	7,137	7,146	7,146

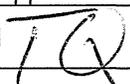
MTA Headquarters

Staff Summary

Subject MTA HQ 2019 Budget and 2019-2022 Financial Plan Adoption
Department Chief Financial Officer
Department Head Name Robert E. Foran, Chief Financial Officer
Department Head Signature 
Project Manager/Division Head Andrew A Ritchel 

Date November 28, 2018
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.	12/10	X		
2	Board	12/12	X		

Internal Approvals			
Order	Approval	Order	Approval
1	Legal 		
2	Chief of Staff 		

Purpose:

To secure MTA Board adoption of the MTA Headquarters 2018 November Forecast, 2019 Final Proposed Budget, and the Four-Year Financial Plan for 2019-2022.

Discussion:

The 2019 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. MTA Headquarters continues to provide funding for on-going MTA and Priority Initiatives including:

- Grade crossing initiatives at the Commuter Railroads and other safety management projects;
- Support for development of the next generation of fare payment systems;
- Support that provides enhancements and upgrades to customer facing information systems;
- Savings from Budget Reduction Program (BRP) include restrictions on unnecessary spending and hiring of non-essential personnel.

2018 November Forecast – Baseline:

The 2018 November Forecast Baseline Deficit of \$840.3 million includes total Non-Reimbursable Operating Revenues of \$53.9 million and total expenses before depreciation and other post-employment benefits of \$772.3 million, consisting of \$433.7 million in labor expenses and \$338.6 million in non-labor expenses. End-of-year non-reimbursable positions are projected to be 2,942 positions.

Total reimbursable expenses are projected to be \$139.8 million with labor expenses of \$67.3 million and non-labor expenses of \$72.4 million. End-of-year reimbursable positions are projected to be 131 positions.

Cash adjustments are projected at \$200.7 million with a Baseline Cash Deficit of \$639.6 million. Total end-of-year positions are projected to be 3,073.

2019 Final Proposed Budget – Baseline:

The 2019 Final Proposed Budget Baseline Deficit of \$832.9 million includes total Non-Reimbursable Operating Revenues of \$58.5 million and total expenses before depreciation and other post-employment benefits of \$748.0 million, consisting of \$428.5 million in labor expenses and \$319.6 million in non-labor expenses. End-of-year non-reimbursable positions are projected to be 2,965 positions.

Total reimbursable expenses are projected to be \$129.0 million with labor expenses of \$78.4 million and non-labor expenses of \$50.5 million. End-of-year reimbursable positions are projected to be 131 positions.

Cash adjustments are projected at \$209.5 million with a Baseline Cash Deficit of \$623.4 million. Total end-of-year positions are projected to be 3,096.

Impact on Funding:

The 2018 November Forecast, the 2019 Final Proposed Budget, and the Four-Year Financial Plan 2019-2022, 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 2018 November Forecast, the 2019 Final Proposed Budget and the Four-Year Financial Plan for 2019-2022 for MTA Headquarters.

MTA HEADQUARTERS
November Financial Plan 2019 - 2022
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Non-Reimbursable						
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<i>Other Operating Revenue:</i>						
Rental Income	47.774	47.760	47.110	47.739	49.629	51.594
Advertising	0.000	0.000	0.000	0.000	0.000	0.000
Other	8.114	6.090	11.344	5.576	5.743	5.912
Other Operating Revenue	55.888	53.850	58.454	53.316	55.372	57.506
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenues	\$55.888	\$53.850	\$58.454	\$53.316	\$55.372	\$57.506
Operating Expense						
Labor:						
Payroll	\$269.709	\$289.770	\$298.131	\$306.563	\$313.397	\$320.030
Overtime	20.562	26.380	13.334	13.436	10.556	11.471
Health and Welfare	44.800	53.827	56.940	60.307	63.742	66.682
OPEB Current Payments	13.346	15.161	16.313	16.998	17.933	18.920
Pension	67.941	69.549	70.881	72.328	73.178	71.090
Other Fringe Benefits	30.165	34.642	37.121	38.189	40.476	41.318
Reimbursable Overhead	(77.246)	(55.609)	(64.243)	(65.428)	(66.634)	(67.680)
Total Labor Expenses	\$369.278	\$433.720	\$428.476	\$442.394	\$452.650	\$461.830
Non-Labor:						
Electric Power	\$4.895	\$7.182	\$6.411	\$5.994	\$6.053	\$6.251
Fuel	0.677	0.984	1.247	1.273	1.294	1.325
Insurance	2.253	3.504	1.952	2.061	2.235	2.484
Claims	1.354	4.257	1.947	2.142	2.356	2.592
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	66.795	81.024	86.552	87.741	91.620	94.249
Professional Services Contracts	202.251	216.221	200.847	157.797	155.993	159.413
Materials and Supplies	0.791	0.955	0.317	0.313	0.318	0.326
<i>Other Business Expenses</i>						
MTA Internal Subsidy	12.316	15.700	12.316	12.316	12.316	12.316
Other	6.646	8.730	7.975	8.669	8.762	8.948
Other Business Expenses	18.962	24.430	20.291	20.985	21.078	21.264
Total Non-Labor Expenses	\$297.978	\$338.557	\$319.565	\$278.305	\$280.947	\$287.904
Other Expense Adjustments:						
Other Expense Adjustments	\$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.	\$667.256	\$772.278	\$748.041	\$720.699	\$733.597	\$749.734
Depreciation	\$35.803	\$35.844	\$50.210	\$52.746	\$50.442	\$42.596
OPEB Liability Adjustment	82.998	89.140	95.915	99.943	105.440	111.239
GASB 68 Pension Expense Adjustment	1.087	(3.101)	(2.828)	(3.106)	(7.510)	(3.246)
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$787.144	\$894.160	\$891.337	\$870.281	\$881.969	\$900.323
Net Surplus/(Deficit)	(\$731.256)	(\$840.310)	(\$832.883)	(\$816.966)	(\$826.597)	(\$842.817)

MTA HEADQUARTERS
November Financial Plan 2019 - 2022
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Reimbursable						
Operating Revenue						
Farebox 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	123.232	139.765	128.957	117.917	111.061	113.171
Total Revenues	\$123.232	\$139.765	\$128.957	\$117.917	\$111.061	\$113.171
Operating Expense						
Labor:						
Payroll	\$4.340	\$5.406	\$8.010	\$8.184	\$8.290	\$8.433
Overtime	7.107	4.130	2.815	2.771	2.727	2.681
Health and Welfare	0.495	1.064	1.426	1.487	1.563	1.632
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	0.630	0.570	1.085	1.123	1.166	1.209
Other Fringe Benefits	0.375	0.548	0.831	0.844	0.889	0.918
Reimbursable Overhead	77.246	55.609	64.243	65.428	66.634	67.680
Total Labor Expenses	\$90.192	\$67.327	\$78.410	\$79.837	\$81.269	\$82.554
Non-Labor:						
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	0.013	0.022	0.022	0.022	0.024
Professional Services Contracts	33.007	72.372	50.450	37.981	29.690	30.511
Materials and Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses						
MTA Internal Subsidy	0.000	0.000	0.000	0.000	0.000	0.000
Other	<u>0.032</u>	<u>0.053</u>	<u>0.076</u>	<u>0.078</u>	<u>0.080</u>	<u>0.082</u>
Other Business Expenses	0.032	0.053	0.076	0.078	0.080	0.082
Total Non-Labor Expenses	\$33.040	\$72.438	\$50.547	\$38.081	\$29.792	\$30.617
Other Expense Adjustments:						
Other Expense Adjustments	\$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	\$123.232	\$139.765	\$128.957	\$117.917	\$111.061	\$113.171
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA HEADQUARTERS
November Financial Plan 2019 - 2022
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Non-Reimbursable / Reimbursable						
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<i>Other Operating Revenue:</i>						
Rental Income	47.774	47.760	47.110	47.739	49.629	51.594
Advertising	0.000	0.000	0.000	0.000	0.000	0.000
Other	8.114	6.090	11.344	5.576	5.743	5.912
Other Operating Revenue	55.888	53.850	58.454	53.316	55.372	57.506
Capital and Other Reimbursements	123.232	139.765	128.957	117.917	111.061	113.171
Total Revenues	\$179.120	\$193.615	\$187.411	\$171.233	\$166.433	\$170.677
Operating Expense						
<i>Labor:</i>						
Payroll	\$274.049	\$295.176	\$306.141	\$314.747	\$321.687	\$328.463
Overtime	27.669	30.510	16.149	16.207	13.283	14.152
Health and Welfare	45.295	54.891	58.365	61.794	65.305	68.313
OPEB Current Payments	13.346	15.161	16.313	16.998	17.933	18.920
Pension	68.572	70.119	71.966	73.450	74.344	72.299
Other Fringe Benefits	30.540	35.191	37.952	39.034	41.365	42.237
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$459.470	\$501.047	\$506.886	\$522.231	\$533.919	\$544.384
<i>Non-Labor:</i>						
Electric Power	\$4.895	\$7.182	\$6.411	\$5.994	\$6.053	\$6.251
Fuel	0.677	0.984	1.247	1.273	1.294	1.325
Insurance	2.253	3.504	1.952	2.061	2.235	2.484
Claims	1.354	4.257	1.947	2.142	2.356	2.592
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	66.795	81.037	86.573	87.763	91.642	94.273
Professional Services Contracts	235.258	288.593	251.297	195.777	185.683	189.924
Materials and Supplies	0.791	0.955	0.317	0.313	0.318	0.326
<i>Other Business Expenses</i>						
MTA Internal Subsidy	12.316	15.700	12.316	12.316	12.316	12.316
Other	6.678	8.782	8.050	8.747	8.841	9.030
Other Business Expenses	18.994	24.482	20.366	21.063	21.157	21.346
Total Non-Labor Expenses	\$331.017	\$410.995	\$370.112	\$316.386	\$310.739	\$318.521
<i>Other Expense Adjustments:</i>						
Other Expense Adjustments	\$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.	\$790.488	\$912.043	\$876.998	\$838.616	\$844.658	\$862.905
Depreciation	\$35.803	\$35.844	\$50.210	\$52.746	\$50.442	\$42.596
OPEB Liability Adjustment	82.998	89.140	95.915	99.943	105.440	111.239
GASB 68 Pension Expense Adjustment	1.087	(3.101)	(2.828)	(3.106)	(7.510)	(3.246)
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$910.376	\$1,033.925	\$1,020.295	\$988.199	\$993.030	\$1,013.495
Net Surplus/(Deficit)	(\$731.256)	(\$840.310)	(\$832.883)	(\$816.966)	(\$826.597)	(\$842.817)

MTA HEADQUARTERS
November Financial Plan 2019 - 2022
Cash Receipts and Expenditures
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Cash Receipts and Expenditures						
Receipts						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<i>Other Operating Revenue:</i>						
Rental Income	47.377	47.760	47.110	47.739	49.629	51.594
Advertising Revenue	142.792	136.562	130.236	133.698	137.139	140.467
Other Revenue	<u>7.367</u>	<u>6.090</u>	<u>36.344</u>	<u>105.569</u>	<u>5.743</u>	<u>5.912</u>
Other Operating Revenue	197.537	190.411	213.690	287.006	192.510	197.973
Capital and Other Reimbursements	117.956	148.765	144.779	117.917	111.061	113.171
Total Receipts	\$315.493	\$339.176	\$358.470	\$404.923	\$303.572	\$311.144
Expenditures						
<i>Labor:</i>						
Payroll	\$259.300	\$295.515	\$299.641	\$308.247	\$315.187	\$321.963
Overtime	27.398	30.510	16.149	16.207	13.283	14.152
Health and Welfare	42.420	54.891	58.365	61.794	65.305	68.313
OPEB Current Payments	12.876	17.469	18.813	19.498	20.433	21.420
Pension	62.240	69.494	72.191	73.656	74.604	72.573
Other Fringe Benefits	24.030	36.824	37.952	39.034	41.365	42.237
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$428.264	\$504.703	\$503.111	\$518.437	\$530.179	\$540.658
<i>Non-Labor:</i>						
Electric Power	\$5.951	\$7.406	\$6.411	\$5.994	\$6.053	\$6.251
Fuel	0.770	1.084	1.347	1.373	1.394	1.325
Insurance	2.087	5.168	1.925	2.032	2.203	2.452
Claims	0.887	4.257	1.947	2.142	2.356	2.592
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	71.385	79.543	83.573	84.663	88.542	91.073
Professional Services Contracts	211.501	293.594	245.397	190.177	180.483	184.624
Materials and Supplies	0.097	0.690	0.317	0.313	0.318	0.326
<i>Other Business Expenses:</i>						
MTA Internal Subsidy	12.316	15.700	12.316	12.316	12.316	12.316
Other	<u>10.672</u>	<u>10.169</u>	<u>19.728</u>	<u>8.167</u>	<u>8.261</u>	<u>8.430</u>
Other Business Expenses	22.987	25.868	32.044	20.483	20.577	20.746
Total Non-Labor Expenditures	\$315.666	\$417.611	\$372.963	\$307.177	\$301.927	\$309.389
<i>Other Expenditure Adjustments:</i>						
Operating Capital	45.727	56.458	105.812	93.991	73.790	82.902
Total Other Expenditure Adjustments	\$45.727	\$56.458	\$105.812	\$93.991	\$73.790	\$82.902
Total Expenditures	\$789.658	\$978.772	\$981.886	\$919.604	\$905.896	\$932.950
Net Cash Balance	(\$474.165)	(\$639.596)	(\$623.416)	(\$514.681)	(\$602.325)	(\$621.806)

MTA HEADQUARTERS
November Financial Plan 2019 - 2022
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Cash Flow Adjustments						
Receipts						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<i>Rent and Utilities</i>	(0.396)	0.000	0.000	0.000	0.000	0.000
<i>Advertising</i>	142.792	136.562	130.236	133.698	137.139	140.467
<i>Other Revenue</i>	(0.747)	0.000	25.000	99.992	0.000	0.000
Other Operating Revenue	141.649	136.562	155.236	233.690	137.139	140.467
Capital and Other Reimbursements	(5.276)	9.000	15.822	0.000	0.000	0.000
Total Receipts	\$136.373	\$145.562	\$171.058	\$233.690	\$137.139	\$140.467
Expenditures						
Labor:						
Payroll	\$14.749	(\$0.340)	\$6.500	\$6.500	\$6.500	\$6.500
Overtime	0.270	0.000	0.000	0.000	0.000	0.000
Health and Welfare	2.875	0.000	0.000	0.000	0.000	0.000
OPEB Current Payments	0.469	(2.308)	(2.500)	(2.500)	(2.500)	(2.500)
Pension	6.331	0.625	(0.225)	(0.206)	(0.260)	(0.274)
Other Fringe Benefits	6.510	(1.633)	0.000	0.000	0.000	0.000
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$31.206	(\$3.655)	\$3.775	\$3.794	\$3.740	\$3.726
Non-Labor:						
Electric Power	(\$1.056)	(\$0.225)	0.000	\$0.000	\$0.000	\$0.000
Fuel	(0.094)	(0.100)	(0.100)	(0.100)	(0.100)	0.000
Insurance	0.167	(1.664)	0.027	0.029	0.032	0.032
Claims	0.467	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	(4.590)	1.494	3.000	3.100	3.100	3.200
Professional Services Contracts	23.757	(5.000)	5.900	5.600	5.200	5.300
Materials and Supplies	0.694	0.265	0.000	0.000	0.000	0.000
Other Business Expenses						
MTA Internal Subsidy	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	(3.993)	(1.386)	(11.678)	0.580	0.580	0.600
Total Other Business Expenses	(3.993)	(1.386)	(11.678)	0.580	0.580	0.600
Total Non-Labor Expenditures	\$15.351	(\$6.616)	(\$2.851)	\$9.209	\$8.812	\$9.132
Other Expenditure Adjustments:						
Operating Capital	(45.727)	(56.458)	(105.812)	(93.991)	(73.790)	(82.902)
Total Other Expenditure Adjustments	(\$45.727)	(\$56.458)	(\$105.812)	(\$93.991)	(\$73.790)	(\$82.902)
Total Expenditures	\$0.830	(\$66.730)	(\$104.888)	(\$80.988)	(\$61.238)	(\$70.045)
Total Cash Conversion Adjustments before Depreciation	\$137.202	\$78.832	\$66.170	\$152.702	\$75.900	\$70.422
Depreciation	\$35.803	\$35.844	\$50.210	\$52.746	\$50.442	\$42.596
OPEB Liability Adjustment	82.998	89.140	95.915	99.943	105.440	111.239
GASB 68 Pension Expense Adjustment	1.087	(3.101)	(2.828)	(3.106)	(7.510)	(3.246)
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
Total Cash Conversion Adjustments	\$257.091	\$200.714	\$209.467	\$302.285	\$224.272	\$221.012

MTA HEADQUARTERS
November Financial Plan 2019-2022
2018 Budget Reduction Summary
(\$ in millions)

	Favorable/(Unfavorable)									
	2018		2019		2020		2021		2022	
	Positions	Expenses	Positions	Expenses	Positions	Expenses	Positions	Expenses	Positions	Expenses
Administration										
BSC Contracts, Supplies and Training Reduction (July Plan)	-	0.500	-	0.500	-	0.514	-	0.528	-	0.541
Real Estate Professional Service Contracts (July Plan)	-	2.500	-	2.575	-	2.652	-	2.732	-	2.814
HQ Expense Reduction (July Plan)	-	0.377	-	0.828	-	0.765	-	0.752	-	0.739
OHS reduction in Prof. Svcs and Travel (July Plan)	-	0.750	-	0.755	-	0.755	-	0.755	-	0.755
Reduction of Consultant Usage and Software Needs (July Plan)	-	2.741	-	7.148	-	7.148	-	7.148	-	7.148
Elimination of Safety Magazine Subscription (July Plan)	-	-	-	0.400	-	0.400	-	0.400	-	0.400
Savings from Hiring Restrictions (July Plan)	-	2.900	-	-	-	-	-	-	-	-
Excess Genius Challenge Funding (November Plan)	-	1.500	-	-	-	-	-	-	-	-
OHS Sleep Apnea Support (November Plan)	-	-	-	0.500	-	0.500	-	0.500	-	0.500
Savings from Hiring Restrictions (November Plan)	-	3.000	-	-	-	-	-	-	-	-
MTA IT Initiatives (November Plan)	-	-	-	2.806	-	3.000	-	3.000	-	3.000
MTA IT -Vacancies (November Plan)	61	2.495	61	7.640	61	7.835	61	8.037	61	8.244
<i>Subtotal Administration</i>	61	\$ 16.763	61	\$ 23.152	61	\$ 23.570	61	\$ 23.852	61	\$ 24.141
Customer Convenience/Amenities										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Customer Convenience/Ame</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Service/Service Support										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Sub-Total Service/Service Support</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Maintenance/Operations										
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
Revenue Enhancement										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Revenue Enhancement</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Security										
MTA PD - Contract and Maintenance Reductions (July Plan)	-	0.290	-	0.297	-	0.305	-	0.313	-	0.322
MTA PD - Fuel and Vehicle Expense Reduction (July Plan)	-	0.100	-	0.103	-	0.110	-	0.108	-	0.111
MTAPD - Vet Tech vacancies (November Plan)	3	0.066	3	0.256	3	0.259	3	0.261	3	0.264
MTAPD - General Supt vacancy (November Plan)	1	0.058	1	0.140	1	0.143	1	0.147	1	0.152
MTAPD - DED-Security vacancy (November Plan)	1	0.101	1	0.244	1	0.251	1	0.257	1	0.264
MTAPD - Anti-littering overtime (November Plan)	-	-	-	0.531	-	0.531	-	0.531	-	0.531
MTAPD - Homeless outreach overtime (November Plan)	-	-	-	3.946	-	3.946	-	3.946	-	3.946
MTAPD - Planned vehicle purchase (November Plan)	-	-	-	0.200	-	-	-	-	-	-
<i>Subtotal Safety</i>	5	\$ 0.615	5	\$ 5.717	5	\$ 5.545	5	\$ 5.563	5	\$ 5.590
Enterprise Asset Management										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Sub-Total Enterprise Asset Managen</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
All Other										
MTA PD - Fleet replacement cycle (July Plan)	-	0.411	-	0.411	-	0.411	-	0.411	-	0.411
LED Bulb Replacement Program at 2 Broadway (November Plan)	-	-	-	0.250	-	0.250	-	0.250	-	0.250
Reductions to BSC non-labor expenses (November Plan)	-	-	-	0.500	-	0.500	-	0.500	-	0.500
Reduction in Madison Avenue Building cost (November Plan)	-	-	-	0.611	-	-	-	-	-	-
MTA IT - Operating Capital Reductions (July Plan)	-	5.100	-	5.100	-	5.100	-	5.100	-	5.100
<i>Subtotal Other</i>	-	5.511	-	6.872	-	6.261	-	6.261	-	6.261
Total	66	\$ 22.889	66	\$ 35.741	66	\$ 35.376	66	\$ 35.676	66	\$ 35.992

MTA HEADQUARTERS
November Financial Plan 2019-2022
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

Function/Department	2017	2018	2019	2020	2021	2022
	Actual	November Forecast	Preliminary Budget			
Administration						
Office of Chairman	3	5	5	5	5	5
Govt Affairs & Community Relat	0	1	1	1	1	1
Agency Operations & Initiative	1	1	1	1	1	1
Chief Safety Officer	8	14	14	14	14	14
Office of Counselor to the Chairman	2	2	2	2	2	2
Office of Chief of Staff	6	5	5	5	5	5
Federal Affairs	1	1	1	1	1	1
Intergovernmental Relations	5	5	5	5	5	5
Spec. Project Develop/Planning	7	8	8	8	8	8
Corporate Account	0	3	3	3	3	3
Human Resources	29	34	34	34	34	34
PCAC	4	5	5	5	5	5
Chief Operating Officer						
Chief Operating Officer	3	4	3	3	3	3
New Fare Payment System	11	40	40	40	40	40
Chief Operating Officer	14	44	43	43	43	43
Labor Relations						
Office of Labor Relations	13	14	14	14	14	14
Labor Relations	13	14	14	14	14	14
General Counsel						
Office of Ded General Counsel	30	37	37	37	37	37
Record Management	2	2	2	2	2	2
General Counsel	32	39	39	39	39	39
Office of Diversity						
Office of Diversity	4	2	2	2	2	2
Office of Civil Rights	13	15	15	15	15	15
Office of Diversity	17	17	17	17	17	17
Corporate & Internal Communications						
Office of DED Corp. Affairs and Comm.	2	2	2	2	2	2
Marketing	8	10	10	10	10	10
Corporate & Internal Communications	10	12	12	12	12	12
Chief Financial Officer						
Office of Chief Financial Officer	4	4	4	4	4	4
Comptroller's Office	22	23	23	23	23	23
Management & Budget	21	23	23	23	23	23
Strategic Initiatives	6	5	5	5	5	5
Chief Financial Officer	53	55	55	55	55	55
Capital Programs						
Environmental, Sustainability & Compliance	3	6	6	6	6	6
Capital Programs	3	6	6	6	6	6
Total MTA HQ, Policy & Oversight	208	271	270	270	270	270

MTA HEADQUARTERS
November Financial Plan 2019-2022
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

Function/Department	2017 Actual	2018 November Forecast	2019 Preliminary Budget	2020	2021	2022
MTA Consolidated Functions						
External Communication	15	15	15	15	15	15
Audit	74	86	86	86	86	86
Office of Diversity - MWDBE/ DBE Contract Integrity	13	16	16	16	16	16
Pensions	52	65	65	65	65	65
Occupational Health & Safety	29	30	30	30	30	30
Chief Operating Officer						
Procurement	59	94	94	94	94	94
Information Technology	1,007	1,074	1,078	1,078	1,072	1,072
Chief Operating Officer	1,066	1,168	1,172	1,172	1,166	1,166
General Counsel/Compliance						
Compliance	10	11	11	11	11	11
Chief Financial Officer						
Director of Finance	6	6	6	6	6	6
Treasury	18	18	18	18	18	18
Risk and Insurance Management	21	23	23	23	23	23
Chief Financial Officer	45	47	47	47	47	47
Chief Development Officer						
Dir. Of Facilities and Support	3	5	5	5	5	5
Office Services	14	14	14	14	14	14
Facilities Management	-	-	-	-	-	-
Transit Oriented Development	1	8	8	8	8	8
Real Estate Operations	44	39	39	39	39	39
Chief Administrative Office	-	1	1	1	1	1
Deputy CDO, Operations	-	1	1	1	1	1
Deputy CDO, Planning	1	4	4	4	4	4
Transit Advertising & Media	-	11	11	11	11	11
New Technology Implementation	-	2	2	2	2	2
Office of Chief Development Officer	-	-	-	-	-	-
GCT Development	2	2	2	2	2	2
	65	87	87	87	87	87
Capital Programs						
Office of Capital Programs	1	1	1	1	1	1
Construction Oversight	5	5	5	5	5	5
Federal Policy	0	0	0	0	0	0
Enterprise Asset Management	6	12	12	12	12	12
Capital Program Management	13	14	14	14	14	14
Capital Program Funding	12	13	13	13	13	13
Total Capital Programs	37	45	45	45	45	45
Corporate and Internal Communications						
Internal Communications	2	3	3	3	3	3
Arts for Transit	10	10	10	10	10	10
Transit Museum Operations	9	13	13	13	13	13
Retail Operations	5	5	5	5	5	5
Corporate and Internal Communications	26	31	31	31	31	31
Total MTA Consolidated Functions	1,432	1,601	1,605	1,605	1,599	1,599
Business Service Center	293	324	324	324	324	324
Total Administration Positions	1,933	2,196	2,199	2,199	2,193	2,193
Public Safety	799	877	897	951	967	967
Baseline Total Positions	2,732	3,073	3,096	3,150	3,160	3,160
<i>Non-Reimbursable</i>	2,593	2,942	2,965	3,019	3,029	3,029
<i>Reimbursable</i>	139	131	131	131	131	131
<i>Full-Time</i>	2,732	3,073	3,096	3,150	3,160	3,160
<i>Full-Time Equivalents</i>	-	-	-	-	-	-

MTA HEADQUARTERS
November Financial Plan 2019 - 2022
Total Positions by Function and Occupational Group
Non-Reimbursable and Reimbursable

FUNCTION / OCCUPATIONAL GROUP	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Administration						
Managers/Supervisors	475	588	588	588	588	588
Professional/Technical/Clerical	1,458	1,608	1,611	1,611	1,605	1,605
Operational Hourlies	0	0	0	0	0	0
Total Administration Headcount	1,933	2,196	2,199	2,199	2,193	2,193
Operations						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/Clerical	0	0	0	0	0	0
Operational Hourlies	0	0	0	0	0	0
Total Operations Headcount	0	0	0	0	0	0
Maintenance						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/Clerical	0	0	0	0	0	0
Operational Hourlies	0	0	0	0	0	0
Total Maintenance Headcount	0	0	0	0	0	0
Engineering / Capital						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/Clerical	0	0	0	0	0	0
Operational Hourlies	0	0	0	0	0	0
Total Engineering Headcount	0	0	0	0	0	0
Public Safety						
Managers/Supervisors	168	176	176	190	190	190
Professional/Technical/Clerical	67	76	76	77	77	77
Operational Hourlies	564	625	645	684	700	700
Total Public Safety Headcount	799	877	897	951	967	967
Total Positions						
Managers/Supervisors	643	764	764	778	778	778
Professional/Technical/ Clerical	1,525	1,684	1,687	1,688	1,682	1,682
Operational Hourlies	564	625	645	684	700	700
Total Positions	2,732	3,073	3,096	3,150	3,160	3,160

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Inspector General

Staff Summary

Subject: MTA IG 2019 Budget and 2019-2022 Financial Plan Adoption
Department MTA Inspector General
Department Head Name Barry L. Kluger
Department Head Signature 
Project Manager/Division Head

Date November 26, 2018
Vendor Name
Contract Number
Contract Manager Name
Table of Contents Ref #

Board Action					
Order	To	Date	Approval	Info	Other
1	Finance Comm.		X		
2	Board		X		

Internal Approvals			
Order	Approval	Order	Approval

Purpose:

To secure MTA Board adoption of the MTA Inspector General's 2018 November Forecast, 2019 Final Proposed Budget, and the Four-Year Financial Plan for 2019-2022.

Discussion:

The 2019 Final Proposed Budget provides sufficient funding to maintain the MTA Inspector General's operations.

2018 November Forecast - Baseline

Total Capital and Other Reimbursements are projected to be \$12.9 million. Total reimbursable labor expenses are \$9.7 million and non-labor expenses are \$3.2 million.

2019 Final Proposed Budget - Baseline

Total Capital and Other Reimbursements are projected to be \$16.0 million. Total reimbursable labor expenses are \$11.3 million and non-labor expenses are \$4.7 million.

Impact on Funding

The 2018 November Forecast, the 2019 Final Proposed Budget and the Four-Year Financial Plan 2019-2022, 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 2018 November Forecast, the 2019 Final Proposed Budget, and the Four-Year Financial Plan for 2019-2022 for the MTA Inspector General.

MTA INSPECTOR GENERAL
November Financial Plan 2019 - 2022
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Reimbursable						
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<i>Other Operating Revenue:</i>						
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	11.663	12.928	16.026	15.325	15.695	16.068
Total Revenues	\$11.663	\$12.928	\$16.026	\$15.325	\$15.695	\$16.068
Operating Expense						
<i>Labor:</i>						
Payroll	\$6.827	\$7.684	\$8.831	\$9.008	\$9.188	\$9.371
Overtime	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.507	0.995	1.234	1.288	1.359	1.423
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	0.817	0.438	0.663	0.688	0.716	0.742
Other Fringe Benefits	0.486	0.558	0.623	0.636	0.650	0.663
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$8.637	\$9.675	\$11.352	\$11.620	\$11.913	\$12.200
<i>Non-Labor:</i>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.017	0.025	0.041	0.040	0.038	0.038
Insurance	0.007	0.026	0.024	0.027	0.029	0.032
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	2.672	2.845	3.099	3.169	3.236	3.309
Professional Services Contracts	0.218	0.240	1.386	0.343	0.350	0.357
Materials and Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.113	0.117	0.124	0.126	0.128	0.131
Total Non-Labor Expenses	\$3.026	\$3.253	\$4.674	\$3.705	\$3.782	\$3.867
<i>Other Expense Adjustments:</i>						
Other Expense Adjustments	\$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	\$11.663	\$12.928	\$16.026	\$15.325	\$15.695	\$16.068
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA INSPECTOR GENERAL
November Financial Plan 2019 - 2022
Cash Receipts and Expenditures
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Cash Receipts and Expenditures						
Receipts						
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	11.663	12.928	16.026	15.325	15.695	16.068
Total Receipts	\$11.663	\$12.928	\$16.026	\$15.325	\$15.695	\$16.068
Expenditures						
<u>Labor:</u>						
Payroll	\$6.827	\$7.684	\$8.831	\$9.008	\$9.188	\$9.371
Overtime	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.507	0.995	1.234	1.288	1.359	1.423
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	0.817	0.438	0.663	0.688	0.716	0.742
Other Fringe Benefits	0.486	0.558	0.623	0.636	0.650	0.663
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$8.637	\$9.675	\$11.352	\$11.620	\$11.913	\$12.200
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.017	0.025	0.041	0.040	0.038	0.038
Insurance	0.007	0.026	0.024	0.027	0.029	0.032
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	2.672	2.845	3.099	3.169	3.236	3.309
Professional Services Contracts	0.218	0.240	1.386	0.343	0.350	0.357
Materials and Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.113	0.117	0.124	0.126	0.128	0.131
Total Non-Labor Expenditures	\$3.026	\$3.253	\$4.674	\$3.705	\$3.782	\$3.867
<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	\$11.663	\$12.928	\$16.026	\$15.325	\$15.695	\$16.068
Net Cash Balance	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA INSPECTOR GENERAL
November Financial Plan 2019 - 2022
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Cash Flow Adjustments						
Receipts						
Farebox 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	0.000	0.000	0.000	0.000	0.000	0.000
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	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.000	0.000	0.000	0.000	0.000	0.000
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	0.000	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.000	0.000	0.000	0.000	0.000	0.000
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
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	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 Services Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Materials and 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 Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Other Expenditure Adjustments:</u>						
Other Expense Adjustments	\$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	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Cash Conversion Adjustments before Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Liability Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 68 Pension Expense Adjustment	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 Cash Conversion Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA INSPECTOR GENERAL
November Financial Plan 2019 - 2022
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time Positions/Full Time Equivalents

FUNCTION/DEPARTMENT	2017 Actual	2018 November Forecast	2019 Proposed Budget	Final 2020	2021	2022
Administration						
Office of the Inspector General	70	86	86	86	86	86
Total Administration	70	86	86	86	86	86
Baseline Total Positions	70	86	86	86	86	86
Non-Reimbursable	-	-	-	-	-	-
Reimbursable	70	86	86	86	86	86
Total	70	86	86	86	86	86
Total Full-Time	70	86	86	86	86	86
Total Full-Time Equivalents	-	-	-	-	-	-

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

Subject FMTAC 2019 Budget and 2019-2022 Financial Plan Adoption
Department Risk and Insurance Management
Department Head Name Robert Foran, Chief Financial Officer
Department Head Signature
Project Manager Name Phyllis Rachmuth, Director Risk and Insurance Mgmt.

Date November 28, 2018
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		X		
2	Board		X		

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

Purpose:
To secure MTA Board adoption of the First Mutual Transportation Assurance Company's (FMTAC) 2018 November Forecast, 2019 Final Proposed Budget, and the Four-Year Financial Plan for 2019-2022.

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 2019 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.

2018 November Forecast-Baseline
Total operating revenues are projected at \$20.6 million. Total operating expenses are projected to result in a credit of (\$2.5) million, resulting in a net surplus of \$23.1 million.

2019 Final Proposed Budget-Baseline
Total operating revenues are projected at \$21.1 million. Total operating expenses are projected to be \$0.1 million, resulting in a net surplus of \$21.0 million.

Impact of Funding:
The 2018 November Forecast, the 2019 Final Proposed Budget, and the Four-Year Financial Plan 2019-2022, 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 2018 November Forecast, the 2019 Final Proposed Budget, and the Four-Year Financial Plan for 2019-2022 for the MTA First Mutual Transportation Assurance Company.

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
November Financial Plan 2019 - 2022
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Non-Reimbursable						
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	13.998	18.100	18.489	18.907	19.317	19.765
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Investment Income	4.157	2.538	2.593	2.651	2.709	2.772
Total Revenues	\$18.155	\$20.638	\$21.082	\$21.558	\$22.026	\$22.537
Operating Expense						
Labor:						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.000	0.000	0.000	0.000	0.000	0.000
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	0.000	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Non-Labor:						
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	(133.825)	(116.568)	(117.828)	(121.209)	(126.638)	(134.096)
Claims	129.228	94.908	98.396	105.684	108.077	110.019
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 Services Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Materials and Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	19.141	19.141	19.524	19.914	20.313	20.719
Total Non-Labor Expenses	\$14.544	(\$2.519)	\$0.092	\$4.389	\$1.752	(\$3.358)
Other Expense Adjustments:						
Other Expense Adjustments	\$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.	\$14.544	(\$2.519)	\$0.092	\$4.389	\$1.752	(\$3.358)
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Liability Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 68 Pension Expense Adjustment	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	\$14.544	(\$2.519)	\$0.092	\$4.389	\$1.752	(\$3.358)
Net Surplus/(Deficit)	\$3.611	\$23.157	\$20.990	\$17.169	\$20.274	\$25.895

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
November Financial Plan 2019 - 2022
Cash Receipts and Expenditures
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Cash Receipts and Expenditures						
Receipts						
Other Operating Revenue	\$13.999	\$18.100	\$18.489	\$18.907	\$19.317	\$19.765
Investment Income	4.158	2.538	2.593	2.651	2.709	2.772
Total Receipts	\$18.157	\$20.638	\$21.082	\$21.558	\$22.026	\$22.537
Expenditures						
<u>Labor:</u>						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.000	0.000	0.000	0.000	0.000	0.000
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	0.000	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.000	0.000	0.000	0.000	0.000	0.000
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
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	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	(133.826)	(116.568)	(117.828)	(121.209)	(126.638)	(134.096)
Claims	129.227	87.071	89.451	96.076	98.252	100.017
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 Services Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Materials and Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	19.141	19.141	19.524	19.914	20.313	20.719
Total Non-Labor Expenditures	\$14.542	(\$10.356)	(\$8.853)	(\$5.219)	(\$8.073)	(\$13.360)
<u>Other Expenditure Adjustments:</u>						
Other	\$3.615	\$30.994	\$29.935	\$26.777	\$30.099	\$35.897
Total Other Expenditure Adjustments	\$3.615	\$30.994	\$29.935	\$26.777	\$30.099	\$35.897
Total Expenditures	\$18.157	\$20.638	\$21.082	\$21.558	\$22.026	\$22.537
Net Cash Balance	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
November Financial Plan 2019 - 2022
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Cash Flow Adjustments						
Receipts						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.001	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
Investment Income	0.001	0.000	0.000	0.000	0.000	0.000
Total Receipts	\$0.002	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Expenditures						
Labor:						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.000	0.000	0.000	0.000	0.000	0.000
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	0.000	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.000	0.000	0.000	0.000	0.000	0.000
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Non-Labor:						
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	0.001	0.000	0.000	0.000	0.000	0.000
Claims	0.001	7.837	8.945	9.608	9.825	10.002
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 Services Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Materials and 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 Expenditures	\$0.002	\$7.837	\$8.945	\$9.608	\$9.825	\$10.002
Other Expenditure Adjustments:						
Other Expense Adjustments	(\$3.615)	(\$30.994)	(\$29.935)	(\$26.777)	(\$30.099)	(\$35.897)
Total Other Expenditure Adjustments	(\$3.615)	(\$30.994)	(\$29.935)	(\$26.777)	(\$30.099)	(\$35.897)
Total Expenditures	(\$3.613)	(\$23.157)	(\$20.990)	(\$17.169)	(\$20.274)	(\$25.895)
Total Cash Conversion Adjustments before Depreciation	(\$3.611)	(\$23.157)	(\$20.990)	(\$17.169)	(\$20.274)	(\$25.895)
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Liability Adjustment	0.000	0.000	0.000	0.000	0.000	0.000
GASB 68 Pension Expense Adjustment	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 Cash Conversion Adjustments	(\$3.611)	(\$23.157)	(\$20.990)	(\$17.169)	(\$20.274)	(\$25.895)

New York City Transit

Staff Summary

Subject NYCT 2019 Budget and 2019-2022 Financial Plan Adoption
Department Office of Management & Budget
Department Head Name Aaron Stern
Department Head Signature 
Project Manager Name

Date December 4, 2018
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	12/10/18	X		
2	Finance Committee	12/10/18	X		
3	MTA Board	12/12/18	X		

Internal Approvals			
Order	Approval	Order	Approval
1	OMB – Director 		
2	CFO 		
3	SVP 		
4	President 		

Purpose

To secure MTA Board adoption of MTA New York City Transit’s 2018 November Forecast, 2019 Final Proposed Budget, and the Four-Year Financial Plan for 2019-2022.

Discussion

MTA New York City Transit’s subway system runs 24/7 and serves nearly 5.5 million customers on a typical weekday. The system operates across 24 lines, 665 miles of track, and 472 stations. The system is 114 years old and a substantial portion of the basic infrastructure has never been reconstructed, notably a large proportion of signal equipment is original equipment that is more than 50 years old.

The baseline projections for MTA New York City Transit include new programmatic initiatives and support for current projects. NYCT projections do not include the estimated impacts from projected fare increases, unidentified MTA efficiencies, and MTA policy actions. These impacts will be presented as part of MTA consolidated materials.

The primary financial assumptions reflected in the July Financial Plan have dramatically worsened in the November Financial Plan as follows:

- For subways, the ridership decline that began in 2016 has accelerated to a projected 2.8% decline in 2018. Significant contributing factors are competition from for-hire-vehicles, increasing rates of fare evasion, and increased service disruption due to capital reconstruction projects and Subway Action Plan (SAP) track access requirements. For 2019, a decline of 1.0 percent is projected.
- NYCT Bus ridership has experienced a longer-term trend of ridership declines including a projected 5.2% decline in 2018. Significant contributing factors are competition from for-hire-vehicles and increasing rates of fare evasion. For 2019, a decline of 3.0% is projected.
- NYCT farebox revenue is projected to decrease in the November Plan by \$20.5 million in 2018, \$95.4 million in 2019, \$113.0 million in 2020, \$116.5 million in 2021 and \$120.1 million in 2022.
- At the same time, paratransit ridership has surged, due largely to the popularity of advance reservation E-Hail service. Completed Paratransit trips are projected to increase by 16% in 2018 and 11% in 2019. As a result, paratransit service expenses are projected to increase by \$321 million over the plan period.
- Workers’ compensation claim reserves have been increasing by \$250-\$300 million annually for the past several years, reflecting high rates of injury-on-duty lost days and high indemnity payment rates. As a result, cash expenditures are projected to increase by 7% in 2018 and annually thereafter.

- Two major Scheduled Maintenance System (SMS) car upgrade projects are included in the November Plan. First, the HVAC system on the millennium fleet (R142A, R143, R160, and R188) is being upgraded to use a new refrigerant. This upgrade is required to comply with a Federal EPA mandate to phase-out use of the current refrigerant, which contributes to ozone depletion. Second, the R142 car class is being upgraded in order to improve its below standard reliability performance. The first phase of this process includes upgrades to the door control and propulsion system which is part of this plan; as well as the test replacement of HVAC systems on 45 cars of this car class; a future phase will include the upgrade of the HVAC system (including replacement of the current refrigerant) on the remaining 985 cars.

Budget Reduction Program (including re-estimates) – The Plan provides overall savings of \$896.4 million through 2022, comprised of annual savings of \$105.3 million (267 positions) in 2018, \$212.1 million (855 positions) in 2019, \$202.6 million (880 positions) in 2020, \$191.1 million (794 positions) in 2021, and \$185.4 million (830 positions) in 2022.

2018 November Forecast-Baseline

Total operating revenues are projected at \$4.884 billion, including \$4.438 billion of farebox revenues. Total operating expenses are projected to be \$8.615 billion, consisting of labor costs of \$6.583 billion and non-labor expenses of \$2.032 billion. Non-cash depreciation expense is projected at \$1.828 billion, other post-employment benefit expenses are projected at \$1.350 billion, and GASB 68 pension expenses are projected as a credit of \$0.306 billion. After including favorable cash adjustments of \$3.026 billion, the projected net cash deficit is \$3.577 billion. Projected reimbursable expenses of \$1.417 billion are fully offset by capital reimbursements. Total end-of-year positions are projected at 50,757, including 45,175 non-reimbursable positions and 5,582 reimbursable positions.

2019 Final Proposed Budget-Baseline

Total operating revenues are projected at \$4.871 billion, including farebox revenues of \$4.391 billion. Total operating expenses are projected to be \$8.755 billion, consisting of labor costs of \$6.621 billion and non-labor expenses of \$2.133 billion. Non-cash depreciation expense is projected at \$1.878 billion, other post-employment benefit expenses are projected at \$1.437 billion, and GASB 68 pension expenses are projected as a credit of \$0.296 billion. After including favorable cash adjustments of \$3.342 billion, the projected net cash deficit is \$3.560 billion. Projected reimbursable expenses of \$1.458 billion are fully offset by capital reimbursements. Total end-of-year positions are projected at 51,046, including 44,525 non-reimbursable positions and 6,521 reimbursable positions.

Impact on Funding

The 2018 November Forecast, the 2019 Final Proposed Budget and the Four-Year Financial Plan for 2019-2022, 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 2018 November Forecast, the 2019 Final Proposed Budget and the Four-Year Financial Plan for 2019-2022 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 2019 - 2022
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Non-Reimbursable						
Operating Revenue						
<i>Farebox Revenue:</i>						
Subway	\$3,441.124	\$3,413.257	\$3,383.861	\$3,395.653	\$3,387.779	\$3,389.617
Bus	952.363	925.789	905.992	905.864	902.169	902.608
Paratransit	17.526	20.763	23.047	24.199	25.409	26.679
Fare Media Liability	<u>75.743</u>	<u>78.500</u>	<u>78.500</u>	<u>78.500</u>	<u>78.500</u>	<u>78.500</u>
Farebox Revenue	\$4,486.756	\$4,438.309	\$4,391.400	\$4,404.216	\$4,393.857	\$4,397.404
<i>Other Operating Revenue:</i>						
Fare Reimbursement	84.016	84.016	84.016	84.016	84.016	84.016
Paratransit Reimbursement	164.340	196.322	214.981	215.570	223.556	232.142
Other	<u>176.522</u>	<u>165.280</u>	<u>180.278</u>	<u>191.426</u>	<u>197.030</u>	<u>196.538</u>
Other Operating Revenue	\$424.879	\$445.618	\$479.275	\$491.012	\$504.602	\$512.696
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenues	\$4,911.635	\$4,883.927	\$4,870.675	\$4,895.228	\$4,898.459	\$4,910.100
Operating Expense						
<i>Labor:</i>						
Payroll	\$3,308.713	\$3,427.083	\$3,507.469	\$3,584.087	\$3,636.260	\$3,714.589
Overtime	<u>592.050</u>	<u>683.852</u>	<u>474.311</u>	<u>487.402</u>	<u>491.450</u>	<u>497.580</u>
Total Salaries and Wages	\$3,900.763	\$4,110.935	\$3,981.780	\$4,071.489	\$4,127.710	\$4,212.170
Health and Welfare	860.115	937.370	1,029.070	1,092.611	1,154.598	1,237.585
OPEB Current Payments	413.712	453.997	505.365	558.588	616.745	680.616
Pension	926.786	933.899	947.166	926.068	916.382	896.502
Other Fringe Benefits	<u>409.671</u>	<u>472.247</u>	<u>445.232</u>	<u>472.986</u>	<u>502.210</u>	<u>515.442</u>
Total Fringe Benefits	\$2,610.284	\$2,797.513	\$2,926.834	\$3,050.253	\$3,189.935	\$3,330.145
Reimbursable Overhead	(304.409)	(325.435)	(287.291)	(264.777)	(243.595)	(244.492)
Total Labor Expenses	\$6,206.639	\$6,583.012	\$6,621.323	\$6,856.966	\$7,074.050	\$7,297.823
<i>Non-Labor:</i>						
Electric Power	\$265.304	\$290.682	\$272.038	\$281.194	\$291.321	\$305.408
Fuel	95.440	112.275	113.954	112.772	110.160	109.297
Insurance	72.101	67.988	71.671	78.008	85.880	94.799
Claims	278.671	207.333	208.909	210.484	210.484	210.484
Paratransit Service Contracts	392.849	452.190	482.751	501.230	518.038	547.829
Maintenance and Other Operating Contracts	245.875	261.543	369.131	323.401	318.317	303.441
Professional Services Contracts	172.184	206.429	187.358	174.438	169.825	174.494
Materials and Supplies	319.469	347.363	341.964	367.695	374.151	379.350
Other Business Expenses	82.909	85.717	85.575	87.147	87.561	88.466
Total Non-Labor Expenses	\$1,924.802	\$2,031.520	\$2,133.352	\$2,136.369	\$2,165.737	\$2,213.567
<i>Other Expense Adjustments:</i>						
Other Expense Adjustments	\$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.	\$8,131.441	\$8,614.532	\$8,754.674	\$8,993.335	\$9,239.787	\$9,511.390
Depreciation	\$1,681.857	\$1,828.062	\$1,878.062	\$1,928.062	\$1,978.062	\$2,029.359
OPEB Liability Adjustment	1,102.586	1,350.191	1,436.666	1,528.680	1,626.587	1,730.764
GASB 68 Pension Expense Adjustment	(221.205)	(305.534)	(296.398)	(303.171)	(308.944)	(308.944)
Environmental Remediation	8.537	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$10,703.217	\$11,487.251	\$11,773.004	\$12,146.906	\$12,535.492	\$12,962.569
Net Surplus/(Deficit)	(\$5,791.582)	(\$6,603.324)	(\$6,902.329)	(\$7,251.678)	(\$7,637.033)	(\$8,052.468)

MTA NEW YORK CITY TRANSIT
November Financial Plan 2019 - 2022
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Reimbursable						
Operating Revenue						
Farebox 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	1,378.752	1,416.911	1,457.544	1,341.242	1,229.854	1,231.159
Total Revenues	\$1,378.752	\$1,416.911	\$1,457.544	\$1,341.242	\$1,229.854	\$1,231.159
Operating Expense						
Labor:						
Payroll	\$481.483	\$499.823	\$601.068	\$559.113	\$502.111	\$500.963
Overtime	<u>184.026</u>	<u>187.569</u>	<u>125.631</u>	<u>119.460</u>	<u>113.999</u>	<u>115.923</u>
Total Salaries and Wages	\$665.510	\$687.392	\$726.699	\$678.573	\$616.109	\$616.886
Health and Welfare	24.126	25.364	27.805	28.938	28.465	29.523
OPEB Current Payments	9.771	10.396	11.305	11.989	12.763	13.586
Pension	36.408	38.814	40.294	38.512	36.212	34.333
Other Fringe Benefits	<u>206.279</u>	<u>211.773</u>	<u>240.869</u>	<u>222.725</u>	<u>199.765</u>	<u>199.793</u>
Total Fringe Benefits	\$276.585	\$286.347	\$320.273	\$302.164	\$277.205	\$277.235
Reimbursable Overhead	304.409	325.435	287.291	264.777	243.595	244.492
Total Labor Expenses	\$1,246.503	\$1,299.175	\$1,334.263	\$1,245.513	\$1,136.909	\$1,138.613
Non-Labor:						
Electric Power	(\$0.113)	\$0.252	\$0.252	\$0.252	\$0.252	\$0.252
Fuel	0.015	0.235	1.475	0.976	(0.023)	(0.023)
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	38.154	38.557	44.729	33.846	32.642	32.418
Professional Services Contracts	15.060	13.032	9.472	9.472	9.472	9.472
Materials and Supplies	77.317	62.700	67.689	51.605	51.043	50.868
Other Business Expenses	1.815	2.959	(0.336)	(0.423)	(0.442)	(0.442)
Total Non-Labor Expenses	\$132.248	\$117.735	\$123.281	\$95.728	\$92.944	\$92.545
Other Expense Adjustments:						
Other Expense Adjustments	\$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	\$1,378.752	\$1,416.911	\$1,457.544	\$1,341.242	\$1,229.854	\$1,231.159
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA NEW YORK CITY TRANSIT
November Financial Plan 2019 - 2022
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Non-Reimbursable / Reimbursable						
Operating Revenue						
<i>Farebox Revenue:</i>						
Subway	\$3,441.124	\$3,413.257	\$3,383.861	\$3,395.653	\$3,387.779	\$3,389.617
Bus	952.363	925.789	905.992	905.864	902.169	902.608
Paratransit	17.526	20.763	23.047	24.199	25.409	26.679
Fare Media Liability	<u>75.743</u>	<u>78.500</u>	<u>78.500</u>	<u>78.500</u>	<u>78.500</u>	<u>78.500</u>
Farebox Revenue	\$4,486.756	\$4,438.309	\$4,391.400	\$4,404.216	\$4,393.857	\$4,397.404
<i>Other Operating Revenue:</i>						
Fare Reimbursement	84.016	84.016	84.016	84.016	84.016	84.016
Paratransit Reimbursement	164.340	196.322	214.981	215.570	223.556	232.142
Other	<u>176.522</u>	<u>165.280</u>	<u>180.278</u>	<u>191.426</u>	<u>197.030</u>	<u>196.538</u>
Other Operating Revenue	\$424.879	\$445.618	\$479.275	\$491.012	\$504.602	\$512.696
Capital and Other Reimbursements	1,378.752	1,416.911	1,457.544	1,341.242	1,229.854	1,231.159
Total Revenues	\$6,290.387	\$6,300.838	\$6,328.220	\$6,236.470	\$6,128.313	\$6,141.259
Operating Expense						
<i>Labor:</i>						
Payroll	\$3,790.197	\$3,926.906	\$4,108.538	\$4,143.200	\$4,138.371	\$4,215.552
Overtime	<u>776.076</u>	<u>871.421</u>	<u>599.941</u>	<u>606.862</u>	<u>605.449</u>	<u>613.504</u>
Total Salaries and Wages	\$4,566.273	\$4,798.327	\$4,708.479	\$4,750.062	\$4,743.819	\$4,829.056
<i>Health and Welfare</i>						
OPEB Current Payments	884.241	962.735	1,056.876	1,121.549	1,183.063	1,267.108
Pension	423.483	464.392	516.670	570.576	629.508	694.202
Other Fringe Benefits	963.195	972.713	987.460	964.580	952.594	930.835
Total Fringe Benefits	<u>615.950</u>	<u>684.020</u>	<u>686.102</u>	<u>695.711</u>	<u>701.975</u>	<u>715.235</u>
Total Fringe Benefits	\$2,886.869	\$3,083.860	\$3,247.107	\$3,352.417	\$3,467.140	\$3,607.380
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$7,453.142	\$7,882.187	\$7,955.586	\$8,102.479	\$8,210.960	\$8,436.436
<i>Non-Labor:</i>						
Electric Power	\$265.191	\$290.934	\$272.290	\$281.446	\$291.573	\$305.660
Fuel	95.455	112.510	115.429	113.748	110.137	109.274
Insurance	72.101	67.988	71.671	78.008	85.880	94.799
Claims	278.671	207.333	208.909	210.484	210.484	210.484
Paratransit Service Contracts	392.849	452.190	482.751	501.230	518.038	547.829
Maintenance and Other Operating Contracts	284.028	300.100	413.860	357.247	350.959	335.859
Professional Services Contracts	187.245	219.461	196.830	183.910	179.297	183.966
Materials and Supplies	396.786	410.064	409.653	419.300	425.193	430.218
Other Business Expenses	84.724	88.676	85.239	86.724	87.120	88.024
Total Non-Labor Expenses	\$2,057.051	\$2,149.255	\$2,256.633	\$2,232.098	\$2,258.681	\$2,306.113
<i>Other Expense Adjustments:</i>						
Other Expense Adjustments	\$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.	\$9,510.193	\$10,031.443	\$10,212.219	\$10,334.577	\$10,469.641	\$10,742.549
Depreciation	\$1,681.857	\$1,828.062	\$1,878.062	\$1,928.062	\$1,978.062	\$2,029.359
OPEB Liability Adjustment	1,102.586	1,350.191	1,436.666	1,528.680	1,626.587	1,730.764
GASB 68 Pension Expense Adjustment	(221.205)	(305.534)	(296.398)	(303.171)	(308.944)	(308.944)
Environmental Remediation	8.537	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$12,081.969	\$12,904.162	\$13,230.549	\$13,488.148	\$13,765.346	\$14,193.727
Net Surplus/(Deficit)	(\$5,791.582)	(\$6,603.324)	(\$6,902.329)	(\$7,251.678)	(\$7,637.033)	(\$8,052.468)

MTA NEW YORK CITY TRANSIT
November Financial Plan 2019 - 2022
Cash Receipts and Expenditures
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Cash Receipts and Expenditures						
Receipts						
Farebox Revenue	\$4,490.430	\$4,438.509	\$4,391.600	\$4,404.416	\$4,394.057	\$4,397.604
<i>Other Operating Revenue:</i>						
Fare Reimbursement	97.852	40.250	84.016	84.016	84.016	84.016
Paratransit Reimbursement	167.124	195.709	215.109	215.570	223.487	232.109
Other Revenue	59.683	60.207	72.953	81.245	84.013	80.779
Other Operating Revenue	324.659	296.166	372.078	380.831	391.516	396.904
Capital and Other Reimbursements	1,369.149	1,453.048	1,578.594	1,364.944	1,252.111	1,230.378
Total Receipts	\$6,184.238	\$6,187.723	\$6,342.272	\$6,150.191	\$6,037.684	\$6,024.886
Expenditures						
Labor:						
Payroll	\$3,739.330	\$3,899.577	\$4,075.265	\$4,109.003	\$4,102.568	\$4,178.578
Overtime	776.076	871.421	599.941	606.862	605.449	613.504
Total Salaries & Wages	\$4,515.406	\$4,770.999	\$4,675.207	\$4,715.865	\$4,708.017	\$4,792.082
Health and Welfare	885.732	943.901	1,046.179	1,110.051	1,170.702	1,253.820
OPEB Current Payments	423.483	464.392	516.670	570.576	629.508	694.202
Pension	963.045	972.713	987.460	964.580	952.594	930.835
Other Fringe Benefits	493.387	515.179	514.926	522.975	533.588	551.870
Total Fringe Benefits	\$2,765.647	\$2,896.185	\$3,065.235	\$3,168.182	\$3,286.393	\$3,430.728
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$7,281.053	\$7,667.184	\$7,740.442	\$7,884.047	\$7,994.410	\$8,222.810
Non-Labor:						
Electric Power	\$272.947	\$290.934	\$272.290	\$281.446	\$291.573	\$305.660
Fuel	89.401	112.510	115.429	113.748	110.137	109.274
Insurance	74.540	67.659	70.578	78.917	84.188	92.988
Claims	103.474	141.193	122.718	125.209	127.750	130.344
Paratransit Service Contracts	390.165	450.190	480.751	499.230	516.038	545.829
Maintenance and Other Operating Contracts	272.643	325.111	421.712	364.038	359.889	344.789
Professional Services Contracts	163.854	212.793	184.830	171.910	167.297	171.966
Materials and Supplies	397.166	408.564	408.153	417.800	423.693	428.718
Other Business Expenses	85.967	88.676	85.239	86.724	87.120	88.024
Total Non-Labor Expenditures	\$1,850.157	\$2,097.629	\$2,161.701	\$2,139.023	\$2,167.685	\$2,217.592
Other Expenditure 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 Expenditures	\$9,131.210	\$9,764.813	\$9,902.142	\$10,023.070	\$10,162.095	\$10,440.401
Net Cash Balance	(\$2,946.972)	(\$3,577.090)	(\$3,559.870)	(\$3,872.879)	(\$4,124.411)	(\$4,415.515)

MTA NEW YORK CITY TRANSIT
November Financial Plan 2019 - 2022
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Cash Flow Adjustments						
Receipts						
Farebox Revenue	\$3.674	\$0.200	\$0.200	\$0.200	\$0.200	\$0.200
<i>Other Operating Revenue:</i>						
Fare Reimbursement	13.836	(43.766)	0.000	0.000	0.000	0.000
Paratransit Reimbursement	2.784	(0.613)	0.128	0.000	(0.069)	(0.033)
Other Revenue	<u>(116.839)</u>	<u>(105.073)</u>	<u>(107.325)</u>	<u>(110.181)</u>	<u>(113.017)</u>	<u>(115.759)</u>
Other Operating Revenue	(\$100.220)	(\$149.452)	(\$107.197)	(\$110.181)	(\$113.086)	(\$115.792)
Capital and Other Reimbursements	(9.603)	36.137	121.050	23.702	22.257	(0.781)
Total Receipts	<u>(\$106.149)</u>	<u>(\$113.115)</u>	<u>\$14.053</u>	<u>(\$86.279)</u>	<u>(\$90.629)</u>	<u>(\$116.373)</u>
Expenditures						
<i>Labor:</i>						
Payroll	\$50.867	\$27.328	\$33.272	\$34.197	\$35.802	\$36.974
Overtime	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
Total Salaries and Wages	\$50.867	\$27.328	\$33.272	\$34.197	\$35.802	\$36.974
Health and Welfare	(1.490)	18.834	10.696	11.498	12.361	13.288
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	0.150	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	<u>122.563</u>	<u>168.841</u>	<u>171.176</u>	<u>172.736</u>	<u>168.387</u>	<u>163.364</u>
Total Fringe Benefits	\$121.222	\$187.675	\$181.872	\$184.235	\$180.747	\$176.652
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	<u>\$172.089</u>	<u>\$215.004</u>	<u>\$215.144</u>	<u>\$218.432</u>	<u>\$216.550</u>	<u>\$213.626</u>
<i>Non-Labor:</i>						
Electric Power	(\$7.756)	\$0.000	0.000	\$0.000	\$0.000	\$0.000
Fuel	6.054	0.000	0.000	0.000	0.000	0.000
Insurance	(2.439)	0.329	1.093	(0.909)	1.692	1.811
Claims	175.197	66.140	86.191	85.275	82.734	80.140
Paratransit Service Contracts	2.684	2.000	2.000	2.000	2.000	2.000
Maintenance and Other Operating Contracts	11.385	(25.011)	(7.852)	(6.791)	(8.930)	(8.930)
Professional Services Contracts	23.391	6.668	12.000	12.000	12.000	12.000
Materials and Supplies	(0.380)	1.500	1.500	1.500	1.500	1.500
Other Business Expenses	<u>(1.243)</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
Total Non-Labor Expenditures	<u>\$206.894</u>	<u>\$51.626</u>	<u>\$94.932</u>	<u>\$93.075</u>	<u>\$90.996</u>	<u>\$88.521</u>
<i>Other Expenditure Adjustments:</i>						
Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expenditure Adjustments	<u>\$0.000</u>	<u>\$0.000</u>	<u>\$0.000</u>	<u>\$0.000</u>	<u>\$0.000</u>	<u>\$0.000</u>
Total Expenditures	<u>\$378.983</u>	<u>\$266.630</u>	<u>\$310.076</u>	<u>\$311.507</u>	<u>\$307.546</u>	<u>\$302.147</u>
Total Cash Conversion Adjustments before Depreciation	<u>\$272.834</u>	<u>\$153.515</u>	<u>\$324.129</u>	<u>\$225.228</u>	<u>\$216.917</u>	<u>\$185.774</u>
Depreciation	\$1,681.857	\$1,828.062	\$1,878.062	\$1,928.062	\$1,978.062	\$2,029.359
OPEB Liability Adjustment	1,102.586	1,350.191	1,436.666	1,528.680	1,626.587	1,730.764
GASB 68 Pension Expense Adjustment	(221.205)	(305.534)	(296.398)	(303.171)	(308.944)	(308.944)
Environmental Remediation	8.537	0.000	0.000	0.000	0.000	0.000
Total Cash Conversion Adjustments	<u>\$2,844.610</u>	<u>\$3,026.234</u>	<u>\$3,342.459</u>	<u>\$3,378.799</u>	<u>\$3,512.622</u>	<u>\$3,636.953</u>

MTA NEW YORK CITY TRANSIT
November Financial Plan 2019 - 2022
Ridership (Utilization)
(in millions)

	Actual	November	Final			
	2017	Forecast	Proposed	2020	2021	2022
		2018	Budget			
			2019			

RIDERSHIP

Subway	1,727.367	1,679.059	1,661.190	1,666.869	1,663.285	1,664.157
Bus	602.620	571.305	558.503	558.403	556.296	556.546
Paratransit	8.921	9.915	11.005	11.555	12.133	12.740
Total Ridership	2,338.908	2,260.279	2,230.699	2,236.827	2,231.714	2,233.443

FAREBOX REVENUE (Excluding fare media liability)

Subway	\$3,441.124	\$3,413.257	\$3,383.861	\$3,395.653	\$3,387.779	\$3,389.617
Bus	952.363	925.789	905.992	905.864	902.169	902.608
Paratransit	17.526	20.763	23.047	24.199	25.409	26.679
Total Revenue	\$4,411.013	\$4,359.809	\$4,312.900	\$4,325.716	\$4,315.357	\$4,318.904

NEW YORK CITY TRANSIT
November Financial Plan 2019-2022
2018 Budget Reduction Plan Summary
(\$ in millions)

	Favorable/(Unfavorable)									
	Pos.	2018	Pos.	2019	Pos.	2020	Pos.	2021	Pos.	2022
Administration										
Administrative Staff Reductions (Nov. Plan)		(0.360)	121	17.102	122	17.105	122	17.105	122	17.105
Labor Efficiencies (Nov. Plan)		0.000	60	14.720	60	14.720	60	14.720	60	14.720
Mandated Training Frequency (Nov. Plan)		0.000		4.469		(1.942)		0.863		4.469
OTPS Reductions (Nov. Plan)		(2.525)		2.492		2.087		1.587		1.587
Overtime Savings (Nov. Plan)		0.000		0.600		0.600		0.600		0.600
Traffic Checking (Nov. Plan)		-	0.000	16	1.379	16	1.576	16	1.576	16
Administrative Staffing Reductions (July Plan)	54	9.265	65	9.221	65	9.221	65	9.221	65	9.221
Hiring Restriction Savings (July Plan)		28.198		17.663						
OTPS Reductions (July Plan)		3.542		5.546		5.546		5.546		5.546
Traffic Checking Efficiencies (July Plan)	4	0.533	4	0.705	4	0.705	4	0.705	4	0.705
Reduce Wellness Program (July Plan)		2.095		2.139		2.139		2.139		2.139
Mandated Training Reduction (July Plan)		-	4.848	-	4.854	-	4.854	-	4.854	-
<i>Subtotal Administration</i>	58	45.596	266	80.890	267	56.611	267	58.916	267	62.522
Customer Convenience/Amenities										
Reforecast of Bus Contract Costs (Nov. Plan)		0.000		3.250		3.250		3.750		1.750
Priority Initiative Efficiency (July Plan)	9	0.821	9	1.739	9	1.739	9	1.739	9	1.739
<i>Subtotal Customer Convenience/Amenities</i>	9	0.821	9	4.989	9	4.989	9	5.489	9	3.489
Maintenance										
Department of Subways Material Savings (Nov. Plan)				11.000		7.000		7.000		7.000
Transition to Mid-Life Overhaul from Cycle Mtce. (Nov. Plan)			59	12.039	85	12.408	1	(0.320)	35	2.004
Tires Contract Reforecast (Nov. Plan)				1.300		1.300		1.300		1.300
Kitting Efficiency (Nov. Plan)			4	0.403	2	0.216	2	0.216	2	0.216
Labor Efficiencies - Buses (Nov. Plan)			40	4.500	40	4.500	40	4.500	40	4.500
Station Painting Contract Savings (Nov. Plan)				2.179		2.179		2.179		2.179
Turnstile Maintenance Efficiencies (Nov. Plan)			4	0.466	4	0.466	4	0.466	4	0.466
DEP Water Payment Savings (July Plan)		5.000		2.254		2.254		2.254		2.254
EAM Reductions (July Plan)	16	2.805	36	5.372	36	5.879	36	5.879	36	5.879
Depot Maintenance and Cleaning Efficiencies (July Plan)	10	1.846	38	3.788	38	3.788	38	3.788	38	3.788
Shop Plan Maintenance Efficiency (July Plan)			27	5.896	27	5.833	27	5.810	27	5.827
Terminal Car Cleaning Reduction (July Plan)	91	3.746	91	8.358	91	8.358	91	8.358	91	8.358
Track Inspection Savings (July Plan)		-	0.000	53	5.721	53	5.721	53	5.721	53
<i>Subtotal Maintenance</i>	117	13.397	352	63.276	376	59.902	292	47.151	326	49.492
Revenue Enhancement										
None		-	0.000	-	0.000	-	0.000	-	0.000	-
<i>Subtotal Revenue Enhancement</i>		-	0.000	-	0.000	-	0.000	-	0.000	-
Safety										
None		-	0.000	-	0.000	-	0.000	-	0.000	-
<i>Subtotal Safety</i>		-	0.000	-	0.000	-	0.000	-	0.000	-
Security										
Security Post Savings (Nov. Plan)		-	0.000	9	0.640	9	0.840	9	0.840	9
SBS Eagle Team Efficiency (Nov. Plan)		-	0.000	14	1.542	14	1.542	14	1.542	14
Security-SBS Eagle Team Efficiency (July Plan)	22	1.626	22	2.471	22	2.471	22	2.471	22	2.471
<i>Subtotal Security</i>	22	1.626	45	4.653	45	4.853	45	4.853	45	4.853
Service										
Paratransit Improved Productivity (Nov. Plan)				1.766		1.766		1.766		1.766
SBS Adjustments (Nov. Plan)			(5)	0.602	(5)	0.632	(5)	0.632	(5)	0.632
Paratransit Savings (July Plan)	(2)	10.868	(2)	27.125	(2)	38.860	(2)	37.254	(2)	32.767
SI Ferry Service Reduction (July Plan)	6	0.546	9	1.144	9	1.144	9	1.144	9	1.144
SBS Defer New Routes (July Plan)	(7)	1.018	(7)	3.751	(7)	9.751	(7)	9.751	(7)	3.751
<i>Subtotal Service</i>	(3)	12.432	(5)	34.388	(5)	52.153	(5)	50.547	(5)	40.060
Service Support										
Stations Efficiencies (Nov. Plan)		-	0.000	68	3.974	68	7.948	68	7.948	68
Stations Signage Efficiency (Nov. Plan)		-	0.000	3	0.324	3	0.324	3	0.324	3
Revenue Collection Efficiencies (July Plan)	14	1.166	11	1.047	11	1.047	11	1.047	11	1.047

NEW YORK CITY TRANSIT
November Financial Plan 2019-2022
2018 Budget Reduction Plan Summary
(\$ in millions)

	Favorable/(Unfavorable)									
	<u>Pos.</u>	<u>2018</u>	<u>Pos.</u>	<u>2019</u>	<u>Pos.</u>	<u>2020</u>	<u>Pos.</u>	<u>2021</u>	<u>Pos.</u>	<u>2022</u>
Reduce Mobile Sales Program (July Plan)			3	0.328	3	0.328	3	0.328	3	0.328
Eliminate Police Fare Evasion Overtime (July Plan)		2.000		4.000		4.000		4.000		4.000
Tower Operator/TSS Economy (July Plan)	<u>5</u>	<u>0.269</u>	<u>8</u>	<u>0.911</u>	<u>8</u>	<u>0.911</u>	<u>8</u>	<u>0.911</u>	<u>8</u>	<u>0.911</u>
<i>Subtotal Service Support</i>	19	3.435	93	10.584	93	14.558	93	14.558	93	14.558
<u>Other</u>										
One-Time Savings (Nov. Plan)	25	29.520		6.180		0.000		0.000		0.000
Other *	26	1.000	101	9.323	101	9.323	101	9.323	101	9.323
PE Inflation (Nov. Plan)	<u>-</u>	<u>0.000</u>	<u>-</u>	<u>0.000</u>		<u>0.624</u>		<u>0.784</u>		<u>1.544</u>
<i>Subtotal Other</i>	51	30.520	101	15.503	101	9.947	101	10.107	101	10.867
Agency Submission	273	\$107.827	861	\$214.283	886	\$203.013	802	\$191.621	836	\$185.841

* Select BRP's are removed, reflecting revised assumptions which are captured in Volume I within MTA re-estimates.

MTA New York City Transit
November Financial Plan 2019 - 2022
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

	2017 Actual*	2018 November Forecast	2019 Final Proposed Budget	2020	2021	2022
Administration						
Office of the President	31	30	32	32	32	32
Law	290	320	315	315	315	315
Office of the EVP	44	18	18	18	17	17
Human Resources	253	252	248	248	248	248
Office of Management and Budget	39	43	43	43	43	43
Capital Planning & Budget	31	36	37	37	36	36
Strategy & Customer Experience**	264	215	215	215	214	213
Non-Departmental	(1)	(33)	8	10	10	10
Labor Relations	87	100	100	100	100	100
Materiel	256	261	269	257	244	238
Controller	119	125	122	119	118	117
Office of People & Business Transformation	-	24	25	25	25	25
Total Administration	1,413	1,391	1,432	1,419	1,402	1,394
Operations						
Subways Rapid Transit Operations	8,724	8,607	8,902	8,558	8,523	8,482
Subways Operation Support /Admin	473	411	411	411	411	411
Subways Stations	2,551	2,741	2,684	2,616	2,616	2,616
Subtotal - Subways	11,748	11,759	11,997	11,585	11,550	11,509
Buses	11,050	11,049	11,412	10,958	10,958	10,958
Paratransit	204	213	214	214	214	214
Operations Planning	394	407	429	421	419	418
Revenue Control	544	643	653	646	646	646
Non-Departmental	-	-	-	-	-	-
Total Operations	23,940	24,071	24,705	23,824	23,787	23,745
Maintenance						
Subways Operation Support /Admin	179	188	81	79	77	76
Subways Engineering	365	398	386	350	327	324
Subways Car Equipment	5,274	5,165	4,981	5,171	5,054	5,024
Subways Infrastructure	1,759	1,842	1,963	1,867	1,790	1,787
Subways Elevator & Escalators	397	482	464	461	486	486
Subways Stations	3,423	3,454	3,389	3,397	3,401	3,401
Subways Track	3,001	3,348	3,155	3,039	3,021	3,021
Subways Power	633	723	711	679	650	650
Subways Signals	1,586	1,652	1,650	1,591	1,578	1,578
Subways Electronics Maintenance	1,590	1,715	1,754	1,638	1,611	1,610
Subtotal - Subways	18,207	18,967	18,534	18,272	17,995	17,957
Buses	3,660	3,656	3,649	3,575	3,610	3,605
Supply Logistics	571	597	567	569	569	569
System Safety	95	97	95	95	94	93
Non-Departmental	(1)	(104)	(91)	(67)	(67)	(67)
Total Maintenance	22,532	23,213	22,754	22,444	22,201	22,157
Engineering/Capital						
Capital Program Management	1,420	1,438	1,468	1,450	1,361	1,342
Total Engineering/Capital	1,420	1,438	1,468	1,450	1,361	1,342
Public Safety						
Security	646	644	687	634	618	618
Total Public Safety	646	644	687	634	618	618
Total Baseline Positions	49,951	50,757	51,046	49,771	49,369	49,256
Non-Reimbursable	45,141	45,175	44,525	44,570	44,524	44,513
Reimbursable	4,810	5,582	6,521	5,201	4,845	4,743
Total Full-Time	49,715	50,561	50,814	49,539	49,137	49,024
Total Full-Time Equivalents	236	196	232	232	232	232

*2017 Actuals are not restated to reflect reorganization changes.

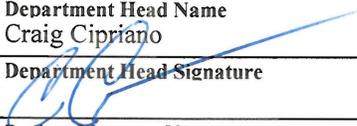
**Formerly Corporate Communications.

MTA NEW YORK CITY TRANSIT
November Financial Plan 2019 - 2022
Total Positions by Function and Occupational Group
Non-Reimbursable and Reimbursable

FUNCTION / OCCUPATIONAL GROUP	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Administration						
Managers/Supervisors	439	521	542	536	526	523
Professional/Technical/Clerical	950	834	854	847	840	835
Operational Hourlies	24	36	36	36	36	36
Total Administration Headcount	1,413	1,391	1,432	1,419	1,402	1,394
Operations						
Managers/Supervisors	2,804	2,850	2,890	2,796	2,788	2,784
Professional/Technical/Clerical	499	588	591	586	584	584
Operational Hourlies	20,637	20,633	21,224	20,442	20,415	20,377
Total Operations Headcount	23,940	24,071	24,705	23,824	23,787	23,745
Maintenance						
Managers/Supervisors	4,052	4,168	4,037	3,943	3,900	3,892
Professional/Technical/Clerical	1,077	1,150	1,099	1,015	964	959
Operational Hourlies	17,403	17,895	17,618	17,486	17,337	17,306
Total Maintenance Headcount	22,532	23,213	22,754	22,444	22,201	22,157
Engineering / Capital						
Managers/Supervisors	346	360	379	365	331	317
Professional/Technical/Clerical	1,072	1,076	1,087	1,083	1,028	1,023
Operational Hourlies	2	2	2	2	2	2
Total Engineering Headcount	1,420	1,438	1,468	1,450	1,361	1,342
Public Safety						
Managers/Supervisors	271	264	292	249	248	248
Professional/Technical/Clerical	38	44	41	41	41	41
Operational Hourlies	337	336	354	344	329	329
Total Public Safety Headcount	646	644	687	634	618	618
Total Positions						
Managers/Supervisors	7,912	8,163	8,140	7,889	7,793	7,764
Professional/Technical/ Clerical	3,636	3,692	3,672	3,572	3,457	3,442
Operational Hourlies	38,403	38,902	39,234	38,310	38,119	38,050
Total Positions	49,951	50,757	51,046	49,771	49,369	49,256

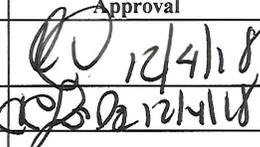
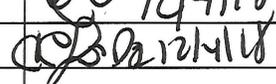
MTA Bus Company

Staff Summary

Subject MTA Bus 2019 Budget and 2019-2022 Financial Plan Adoption
Department Finance
Department Head Name Craig Cipriano
Department Head Signature 
Project Manager Name Jacqueline Bruce

Date November 28, 2018
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	12/10/18			
2	Finance Committee	12/10/18	X		
3	MTA Board	12/12/18	X		

Internal Approvals			
Order	Approval	Order	Approval
1	EVP, Business Strategies & Operations Support		 12/4/18
2	President		 12/14/18

Purpose

To secure MTA Board adoption of MTA Bus Company's 2018 November Forecast, 2019 Final Proposed Budget, and the Four-Year Financial Plan for 2019-2022.

Discussion

The 2019 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, secure, reliable, and cost efficient transportation service to the metropolitan New York region. The baseline projections that follow for MTA Bus Company include the impact of budget reduction initiatives and exclude certain items that are captured "below-the-line" in the MTA Consolidated Financial Plan: Fare/Toll increases, unidentified MTA Efficiencies, and other MTA policy actions. The MTA is reimbursed from the City of New York for the operating deficits of MTA Bus Company (MTABC).

The 2019 Final Proposed Budget includes funding for new and enhanced investments and initiatives in support of our core transit goals as follows:

Key Programmatic Initiatives

- Bus Action Plan (BAP): - Specific elements of the BAP include a completely redesigned bus route network, working with traffic engineering consultants to develop and support new priority infrastructure, increased collaboration with NYCDOT, NYPD, and local communities to balance bus stops, improve off peak service to meet changing ridership needs, improve bus boarding times by using all doors to improve customer service and the customer experience, and improve service delivery through proactive management.
- Shop MCI Structure – The changes in the MCI Structure program are due to contractual price adjustments for bus structural repairs to an overaged MCI fleet.

- Platform Budget: – The annual Platform Budget service adjustment reflects no increase in service; however, it include adjustments necessary to comply with the recently signed ATU Collective Bargaining Agreement.
- Yonkers Building Maintenance: - Modification of Yonkers bus depot maintenance yard due to an easement from the City of Yonkers.
- Storeroom Superintendents: - Three superintendents will provide the required management coverage across all shifts, ensure adequate weekend coverage and vacation/sick relief across seven operating depot storerooms, and overhaul and salvage storerooms. This is due to increased inventory resulting from additional fleet models, and increased inventory activity due to the need to maintain an aging fleet.

Budget Reduction Initiatives

The Plan provides overall savings of \$120.7 million through 2022, comprised of annual savings of \$17.6 million (2018), \$19.7 million (2019), \$29.3 million (2020), \$34.1 million (2021), and \$19.9 million (2022).

These savings are driven mainly by the budget reduction initiatives discussed below.

- Express Bus Service: Ridership based weekday and weekend service adjustments.
- OTPS: Savings based on a continued multi-year review of controllable non-labor expenses.
- Shop Overhaul Program: Transition to a six-year bus overhaul schedule from the current four-year and eight-year programs.
- Bus Operator Relief Reduction: TWU depots' Bus Operator relief reduction of one percent.
- Maintainer reductions: Reduction of 11 vacant maintenance positions.
- Other Fringe Benefits: One-time savings due to lower than anticipated costs.
- General Superintendent Safety Environmental Management (GSSEM): Reduction of two GSSEMs from select facilities.

2018 November Forecast – Baseline

Total operating revenues are projected at \$239.9 million, including \$219.3 million of farebox revenues. Total non-reimbursable expenses before depreciation and GASB adjustments are projected to be \$812.9 million in 2018, consisting of labor costs of \$574.2 million and non-labor expenses of \$238.7 million. Non-cash depreciation expense is projected at \$54.3 million, other post-employment benefit expenses are projected at \$100.2 million, and GASB 68 pension expense adjustment is projected at \$46.3 million. Projected reimbursable expenses of \$6.0 million are fully offset by capital reimbursements. The projected net cash deficit is \$547.0 million after cash flow adjustments.

Total end-of-year positions are projected at 3,981, consisting of 3,941 non-reimbursable positions and 40 reimbursable positions.

2019 Final Proposed Budget - Baseline

Total operating revenues are budgeted at \$242.1 million, including farebox revenues of \$221.4 million. Total non-reimbursable expenses before depreciation and GASB adjustments are budgeted to be \$818.2 million in 2019, consisting of labor costs of \$575.7 million and non-labor expenses of \$242.4 million. Non-cash depreciation expense is projected at \$54.3 million, other post-employment benefit expenses are projected at \$100.2 million, and GASB 68 pension expense adjustment is projected at \$85.9 million. Projected reimbursable expenses of \$5.9 million are fully offset by capital reimbursements. The projected net cash deficit is \$519.1 million after cash flow adjustments.

Total 2019 end-of-year positions are projected at 3,915 consisting of 3,875 non-reimbursable positions and 40 reimbursable positions.

Impact on Funding

The 2018 November Forecast, the 2019 Final Proposed Budget, and the Four-Year Financial Plan for 2019-2022, 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 2018 November Forecast, the 2019 Final Proposed Budget, and the Four-Year Financial Plan for 2019-2022 for MTA Bus Company.

MTA BUS COMPANY
November Financial Plan 2019 - 2022
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Non-Reimbursable						
Operating Revenue						
Farebox Revenue	\$217.164	\$219.317	\$221.404	\$221.981	\$221.085	\$221.195
Other Operating Revenue	19.834	20.536	20.657	20.797	21.511	22.366
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenues	\$236.998	\$239.853	\$242.061	\$242.778	\$242.596	\$243.561
Operating Expense						
Labor:						
Payroll	\$284.677	\$286.747	\$285.086	\$283.706	\$284.218	\$302.771
Overtime	66.202	66.394	62.301	57.357	60.070	62.681
Health and Welfare	68.946	73.056	76.752	79.288	83.043	90.717
OPEB Current Payments	21.186	23.446	25.227	26.287	27.733	29.258
Pension	50.544	56.714	55.703	53.068	50.829	45.771
Other Fringe Benefits	63.833	68.825	71.667	70.458	71.018	73.852
Reimbursable Overhead	(1.462)	(1.002)	(1.003)	(1.004)	(1.015)	(1.046)
Total Labor Expenses	\$553.926	\$574.178	\$575.734	\$569.160	\$575.895	\$604.004
Non-Labor:						
Electric Power	\$1.772	\$2.150	\$1.961	\$2.062	\$2.156	\$2.274
Fuel	19.537	27.144	27.536	26.217	25.504	25.179
Insurance	5.633	5.941	6.700	6.865	7.415	8.401
Claims	88.297	60.139	61.336	63.035	64.711	66.356
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	26.521	44.193	49.569	34.102	39.085	35.268
Professional Services Contracts	23.750	31.562	36.603	36.902	37.231	37.952
Materials and Supplies	47.968	62.825	53.402	37.260	44.270	50.065
Other Business Expenses	3.994	4.741	5.323	5.381	5.515	5.907
Total Non-Labor Expenses	\$217.471	\$238.693	\$242.431	\$211.823	\$225.888	\$231.401
Other Expense Adjustments:						
Other Expense Adjustments	\$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.	\$771.397	\$812.871	\$818.165	\$780.983	\$801.783	\$835.405
Depreciation	\$58.588	\$54.341	\$54.341	\$54.341	\$54.778	\$56.163
OPEB Liability Adjustment	61.676	100.150	100.150	100.150	100.150	103.295
GASB 68 Pension Expense Adjustment	66.046	46.300	85.900	28.200	18.700	19.200
Environmental Remediation	0.222	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$957.929	\$1,013.662	\$1,058.556	\$963.674	\$975.411	\$1,014.063
Net Surplus/(Deficit)	(\$720.931)	(\$773.809)	(\$816.495)	(\$720.896)	(\$732.815)	(\$770.501)

MTA BUS COMPANY
November Financial Plan 2019 - 2022
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Reimbursable						
Operating Revenue						
Farebox 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	4.383	5.960	5.925	5.871	5.966	6.151
Total Revenues	\$4.383	\$5.960	\$5.925	\$5.871	\$5.966	\$6.151
Operating Expense						
Labor:						
Payroll	\$2.652	\$2.731	\$2.586	\$2.430	\$2.395	\$2.469
Overtime	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.149	1.121	1.214	1.314	1.422	1.467
OPEB Current Payments	0.000	0.000	0.000	0.000	0.000	0.000
Pension	0.000	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	1.462	1.002	1.003	1.004	1.015	1.046
Total Labor Expenses	\$4.263	\$4.855	\$4.803	\$4.748	\$4.832	\$4.981
Non-Labor:						
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	0.238	0.242	0.242	0.244	0.252
Professional Services Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Materials and Supplies	0.121	0.867	0.881	0.881	0.890	0.918
Other Business Expenses	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expenses	\$0.121	\$1.105	\$1.122	\$1.123	\$1.134	\$1.170
Other Expense Adjustments:						
Other Expense Adjustments	\$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	\$4.383	\$5.960	\$5.925	\$5.871	\$5.966	\$6.151
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA BUS COMPANY
November Financial Plan 2019 - 2022
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Non-Reimbursable / Reimbursable						
Operating Revenue						
Farebox Revenue	\$217.164	\$219.317	\$221.404	\$221.981	\$221.085	\$221.195
Other Operating Revenue	19.834	20.536	20.657	20.797	21.511	22.366
Capital and Other Reimbursements	4.383	5.960	5.925	5.871	5.966	6.151
Total Revenues	\$241.381	\$245.813	\$247.986	\$248.649	\$248.562	\$249.712
Operating Expense						
Labor:						
Payroll	\$287.328	\$289.478	\$287.672	\$286.136	\$286.613	\$305.240
Overtime	66.202	66.394	62.301	57.357	60.070	62.681
Health and Welfare	69.095	74.177	77.966	80.602	84.466	92.184
OPEB Current Payments	21.186	23.446	25.227	26.287	27.733	29.258
Pension	50.544	56.714	55.703	53.068	50.829	45.771
Other Fringe Benefits	63.833	68.825	71.667	70.458	71.018	73.852
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$558.188	\$579.032	\$580.537	\$573.908	\$580.727	\$608.986
Non-Labor:						
Electric Power	\$1.772	\$2.150	\$1.961	\$2.062	\$2.156	\$2.274
Fuel	19.537	27.144	27.536	26.217	25.504	25.179
Insurance	5.633	5.941	6.700	6.865	7.415	8.401
Claims	88.297	60.139	61.336	63.035	64.711	66.356
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	26.521	44.431	49.810	34.344	39.329	35.520
Professional Services Contracts	23.750	31.562	36.603	36.902	37.231	37.952
Materials and Supplies	48.088	63.692	54.282	38.141	45.160	50.983
Other Business Expenses	3.994	4.741	5.323	5.381	5.515	5.907
Total Non-Labor Expenses	\$217.591	\$239.798	\$243.553	\$212.946	\$227.022	\$232.571
Other Expense Adjustments:						
Other Expense Adjustments	\$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.	\$775.780	\$818.831	\$824.090	\$786.854	\$807.749	\$841.557
Depreciation	\$58.588	\$54.341	\$54.341	\$54.341	\$54.778	\$56.163
OPEB Liability Adjustment	61.676	100.150	100.150	100.150	100.150	103.295
GASB 68 Pension Expense Adjustment	66.046	46.300	85.900	28.200	18.700	19.200
Environmental Remediation	0.222	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$962.313	\$1,019.622	\$1,064.481	\$969.545	\$981.377	\$1,020.214
Net Surplus/(Deficit)	(\$720.931)	(\$773.809)	(\$816.495)	(\$720.896)	(\$732.815)	(\$770.502)

MTA BUS COMPANY
November Financial Plan 2019 - 2022
Cash Receipts and Expenditures
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Cash Receipts and Expenditures						
Receipts						
Farebox Revenue	\$215.980	\$219.317	\$221.404	\$221.981	\$221.085	\$221.195
Other Operating Revenue	20.362	20.536	20.657	20.797	21.511	22.366
Capital and Other Reimbursements	4.576	8.042	11.308	11.247	11.328	11.721
Total Receipts	\$240.918	\$247.895	\$253.369	\$254.025	\$253.924	\$255.282
Expenditures						
Labor:						
Payroll	\$272.085	\$292.316	\$289.051	\$287.674	\$286.207	\$304.820
Overtime	66.214	66.394	62.301	57.357	60.070	62.681
Health and Welfare	72.848	73.749	77.966	80.603	84.466	92.184
OPEB Current Payments	22.256	23.446	25.227	26.287	27.733	29.258
Pension	51.022	56.540	55.529	52.894	50.653	45.590
Other Fringe Benefits	51.657	53.648	56.490	55.281	55.839	58.668
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$536.082	\$566.091	\$566.566	\$560.096	\$564.966	\$593.201
Non-Labor:						
Electric Power	\$1.771	\$2.150	\$1.961	\$2.062	\$2.156	\$2.274
Fuel	19.246	27.144	26.113	24.794	25.505	25.179
Insurance	5.468	5.941	6.700	6.865	7.415	8.401
Claims	36.766	26.004	26.604	27.455	28.255	28.947
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	27.102	56.931	48.322	32.855	39.330	35.520
Professional Services Contracts	21.847	41.562	36.603	36.902	37.231	37.952
Materials and Supplies	48.047	64.292	54.283	38.141	45.160	50.983
Other Business Expenses	3.357	4.740	5.323	5.381	5.515	5.907
Total Non-Labor Expenditures	\$163.604	\$228.762	\$205.910	\$174.455	\$190.567	\$195.163
Other Expenditure 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 Expenditures	\$699.686	\$794.853	\$772.476	\$734.551	\$755.533	\$788.365
Net Cash Balance	(\$458.768)	(\$546.958)	(\$519.106)	(\$480.526)	(\$501.608)	(\$533.083)

MTA BUS COMPANY
November Financial Plan 2019 - 2022
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Cash Flow Adjustments						
Receipts						
Farebox Revenue	(\$1.184)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.528	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	0.193	2.082	5.383	5.376	5.362	5.570
Total Receipts	(\$0.463)	\$2.082	\$5.383	\$5.376	\$5.362	\$5.570
Expenditures						
<u>Labor:</u>						
Payroll	\$15.243	(\$2.838)	(\$1.379)	(\$1.538)	\$0.406	\$0.419
Overtime	(0.012)	0.000	0.000	0.000	0.000	0.000
Health and Welfare	(3.753)	0.428	0.000	(0.001)	0.000	(0.001)
OPEB Current Payments	(1.070)	0.000	0.000	0.000	0.000	0.000
Pension	(0.478)	0.174	0.174	0.174	0.176	0.181
Other Fringe Benefits	12.176	15.177	15.177	15.177	15.179	15.184
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$22.106	\$12.941	\$13.972	\$13.812	\$15.761	\$15.784
<u>Non-Labor:</u>						
Electric Power	\$0.001	\$0.000	0.000	\$0.000	\$0.000	\$0.000
Fuel	0.291	0.000	1.423	1.423	(0.001)	0.000
Insurance	0.165	0.000	0.000	0.000	0.000	0.000
Claims	51.531	34.135	34.732	35.580	36.457	37.408
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	(0.581)	(12.500)	1.489	1.489	(0.001)	0.000
Professional Services Contracts	1.903	(10.000)	0.000	0.000	0.000	0.000
Materials and Supplies	0.041	(0.600)	(0.001)	0.000	0.000	0.001
Other Business Expenses	0.637	0.001	0.000	0.000	0.000	0.000
Total Non-Labor Expenditures	\$53.987	\$11.036	\$37.643	\$38.492	\$36.455	\$37.408
<u>Other Expenditure Adjustments:</u>						
Other Expense Adjustments	\$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	\$76.094	\$23.977	\$51.615	\$52.304	\$52.216	\$53.192
Total Cash Conversion Adjustments before Depreciation	\$75.630	\$26.059	\$56.998	\$57.680	\$57.578	\$58.762
Depreciation	\$58.588	\$54.341	\$54.341	\$54.341	\$54.778	\$56.163
OPEB Liability Adjustment	61.676	100.150	100.150	100.150	100.150	103.295
GASB 68 Pension Expense Adjustment	66.046	46.300	85.900	28.200	18.700	19.200
Environmental Remediation	0.222	0.000	0.000	0.000	0.000	0.000
Total Cash Conversion Adjustments	\$262.163	\$226.850	\$297.389	\$240.371	\$231.206	\$237.419

MTA BUS COMPANY
November Financial Plan 2019 - 2022
Ridership (Utilization)
(in millions)

	Actual	November Forecast	Final Proposed Budget	2020	2021	2022
	2017	2018	2019			

RIDERSHIP

Fixed Route	122.214	120.917	120.739	121.014	120.564	120.618
Total Ridership	122.214	120.917	120.739	121.014	120.564	120.618

FAREBOX REVENUE

Fixed Route Farebox Revenue	\$217.164	\$219.317	\$221.404	\$221.981	\$221.085	\$221.195
Farebox Revenue	\$217.164	\$219.317	\$221.404	\$221.981	\$221.085	\$221.195

MTA BUS COMPANY
November Financial Plan 2019 - 2022
2018 Budget Reduction Plan Summary
(\$ in millions)

	Favorable/(Unfavorable)									
	Pos.	2018	Pos.	2019	Pos.	2020	Pos.	2021	Pos.	2022
Administration										
Clerical Reduction (November Plan)	-	0.000	7	0.538	7	0.549	7	0.561	7	0.572
<i>Subtotal Administration</i>	-	0.000	7	0.538	7	\$0.549	7	\$0.561	7	\$0.572
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										
CNG Rebate (November Plan)	-	0.975	-	0.000	-	0.000	-	0.000	-	0.000
Shop Overhaul Program (November Plan)	1	(0.001)	34	5.574	25	4.062	52	8.641	(25)	(5.803)
Maintainer Reduction (July Plan)	-	0.000	11	1.145	11	1.168	11	1.193	11	1.216
Facility OT Reduction (July Plan)	-	0.081	-	0.082	-	0.084	-	0.086	-	0.088
Fuel Efficiencies (July Plan)	-	0.226	-	0.226	-	0.221	-	0.212	-	0.218
<i>Subtotal Maintenance</i>	1	1.281	45	7.027	36	5.535	63	10.132	(14)	(4.281)
Revenue Enhancement										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Revenue Enhancement</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Safety										
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
Security										
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
Service										
Express Bus Service Adjustment (November Plan)	-	0.000	41	10.001	81	21.008	81	21.044	81	21.078
Bus Operator Relief Reduction (July Plan)	13	0.453	13	1.380	13	1.408	13	1.436	13	1.464
FMLA Outsourcing (July Plan)	-	0.000	-	0.035	-	0.070	-	0.180	-	0.256
<i>Subtotal Service</i>	13	0.453	54	11.416	94	22.486	94	22.660	94	22.798
Service Support										
Superintendent Safety Environmental (GSSEM) (July Plan)	-	0.000	2	0.355	2	0.363	2	0.370	2	0.378
<i>Subtotal Service Support</i>	-	0.000	2	0.355	2	0.363	2	0.370	2	0.378
Other										
OTPS Savings (November Plan)	-	6.263	-	0.000	-	0.000	-	0.000	-	0.000
Other Fringe Benefits (November Plan)	-	2.000	-	0.000	-	0.000	-	0.000	-	0.000
OTPS Savings (July Plan)	-	7.600	-	0.400	-	0.400	-	0.400	-	0.400
<i>Subtotal Other</i>	-	15.863	-	0.400	-	0.400	-	0.400	-	0.400
Agency Submission	14	\$17.597	108	\$19.736	139	\$29.333	166	\$34.123	89	\$19.866

MTA BUS COMPANY
November Financial Plan 2019 - 2022
Total Positions by Function & Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

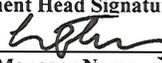
FUNCTION/DEPARTMENT	2017 Actual	2018	2019	2020	2021	2022
		November Forecast	Final Proposed Budget			
Administration						
Office of the EVP	3	3	3	3	3	3
Human Resources	15	21	21	21	21	21
Office of Management and Budget	9	16	16	16	16	16
Materiel	15	17	17	17	17	17
Controller	20	19	19	19	19	19
Office of the President	5	5	5	5	5	5
System Safety Administration	1	5	5	5	5	5
Law	22	25	25	25	25	25
Corporate Communications	-	-	-	-	-	-
Strategic Office	17	30	31	31	31	31
Labor Relations	3	-	-	-	-	-
Non Departmental	-	11	4	7	6	11
Total Administration	110	152	146	149	148	153
Operations						
Buses	2,372	2,320	2,301	2,264	2,264	2,264
Office of the Executive Vice President, Regional	4	4	4	4	4	4
Safety & Training	40	57	57	57	57	57
Road Operations	125	123	123	123	123	123
Transportation Support	25	22	22	22	22	22
Operations Planning	33	33	34	34	34	34
Revenue Control	28	7	7	7	7	7
Total Operations	2,627	2,566	2,548	2,511	2,511	2,511
Maintenance						
Buses	760	764	750	738	738	738
Maintenance Support/CMF	238	270	236	237	213	338
Facilities	71	77	80	83	81	81
Supply Logistics	99	100	103	103	103	103
Total Maintenance	1,168	1,211	1,169	1,161	1,135	1,260
Engineering/Capital						
Capital Program Management	27	37	37	37	37	37
Public Safety						
Office of the Senior Vice President	20	15	15	15	15	15
Total Positions	3,952	3,981	3,915	3,873	3,846	3,976
Non-Reimbursable	3,914	3,941	3,875	3,833	3,806	3,936
Reimbursable	38	40	40	40	40	40
Total Full-Time	3,941	3,963	3,897	3,855	3,828	3,958
Total Full-Time Equivalents	11	18	18	18	18	18

MTA BUS COMPANY
November Financial Plan 2019 - 2022
Total Positions by Function and Occupational Group
Non-Reimbursable and Reimbursable

FUNCTION / OCCUPATIONAL GROUP	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Administration						
Managers/Supervisors	47	66	66	66	66	66
Professional/Technical/Clerical	63	77	78	78	78	78
Operational Hourlies	0	9	2	5	4	9
Total Administration Headcount	110	152	146	149	148	153
Operations						
Managers/Supervisors	309	307	306	306	306	306
Professional/Technical/Clerical	53	51	44	44	44	44
Operational Hourlies	2,265	2,208	2,198	2,161	2,161	2,161
Total Operations Headcount	2,627	2,566	2,548	2,511	2,511	2,511
Maintenance						
Managers/Supervisors	231	245	249	249	248	248
Professional/Technical/Clerical	35	33	33	33	31	31
Operational Hourlies	902	933	887	879	856	981
Total Maintenance Headcount	1,168	1,211	1,169	1,161	1,135	1,260
Engineering / Capital						
Managers/Supervisors	14	21	21	21	21	21
Professional/Technical/Clerical	13	16	16	16	16	16
Operational Hourlies	0	0	0	0	0	0
Total Engineering Headcount	27	37	37	37	37	37
Public Safety						
Managers/Supervisors	18	9	9	9	9	9
Professional/Technical/Clerical	2	6	6	6	6	6
Operational Hourlies	0	0	0	0	0	0
Total Public Safety Headcount	20	15	15	15	15	15
Total Positions						
Managers/Supervisors	619	648	651	651	650	650
Professional/Technical/ Clerical	166	183	177	177	175	175
Operational Hourlies	3,167	3,150	3,087	3,045	3,021	3,151
Total Positions	3,952	3,981	3,915	3,873	3,846	3,976

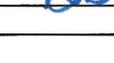
Staten Island Railway

Staff Summary

Subject SIR 2019 Budget and 2019 – 2022 Financial Plan Adoption
Department Office of Management & Budget
Department Head Name Aaron Stern
Department Head Signature 
Project Manager Name

Date December 4, 2018
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	12/10/18	X		
2	Finance Committee	12/10/18	X		
3	MTA Board	12/12/18	X		

Internal Approvals			
Order	Approval	Order	Approval
1	OMB – Director 		
2	CFO 		
3	SVP 		
4	President 		

Purpose

To secure MTA Board adoption of MTA Staten Island Railway’s 2018 November Forecast, 2019 Final Proposed Budget, and the Four-Year Financial Plan for 2019-2022.

Discussion

The 2019 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 baseline projections that follow for MTA Staten Island Railway include several operational new needs as summarized below. SIR projections do not include the estimated impacts from projected fare increases, unidentified MTA efficiencies, and MTA policy actions. These impacts are presented as part of MTA consolidated materials.

Operational New Need Initiatives:

- Re-Certification of the Automatic Train Control (ATC) system on all four locomotives.
- Establish a four year annual bridge inspection contract to be compliant with state/federal mandates.
- Resolve identified bridge defects.
- Repair a staircase, walkway and retaining wall.
- Upgrade a network configuration and avoid a crippling effect on the security network.
- Take steps to avoid safety/security controls being compromised.
- Fix damaged bathrooms.
- Upgrade Sonic/Fiber Optic to stabilize security/safety controls.
- Contain High Voltage Transformer spills.
- Upgrade station lighting LED’s.
- Repair HVAC units at 10 locations to ensure proper operation of signal relays.
- Roof Replacement.
- Upgrade concrete walkways and paths.
- Reconstruct Portico at New Dorp and Oakwood Stations.

Operational New Need Initiatives (continued)

- Upgrade public address systems.
- Review of rules/books/video.
- Retrofit all four diesel locomotives with auxiliary power unit.

A Budget Reduction Initiative included in this financial plan represents a reduction of one Enterprise Asset Management (EAM) position with average annual savings of approximately \$0.160 million.

2018 November Forecast-Baseline

Total operating revenues are projected at \$9.4 million, including farebox revenues of \$7.0 million. Total operating expenses are projected to be \$61.3 million, consisting of labor costs of \$48.5 million and non-labor expenses of \$12.9 million. Non-cash depreciation expense is projected at \$12.0 million, other post-employment benefit expenses are projected at \$7.5 million and GASB 68 pension expenses are projected at \$0.6 million. After including favorable cash adjustments of \$17.1 million, the projected net cash deficit is \$54.9 million. Projected reimbursable expenses of \$2.1 million are fully offset by capital reimbursements. Total end-of-year positions are projected at 356, including 328 non-reimbursable positions and 28 reimbursable positions.

2019 Final Proposed Budget-Baseline

Total operating revenues are projected at \$9.5 million, including farebox revenues of \$7.0 million. Total operating expenses are projected to be \$65.2 million, consisting of labor costs of \$49.2 million and non-labor expenses of \$16.0 million. Non-cash depreciation expense is projected at \$12.0 million, other post-employment benefit expenses are projected at \$7.5 million, and GASB 68 pension expenses are projected at \$0.5 million. After including favorable cash adjustments of \$20.0 million, the projected net cash deficit is \$55.7 million. Projected reimbursable expenses of \$4.6 million are fully offset by capital reimbursements. Total end-of-year positions are projected at 336, including 308 non-reimbursable positions and 28 reimbursable positions.

Impact on Funding

The 2018 November Forecast, the 2019 Final Proposed Budget and the Four-Year Financial Plan for 2019-2022, 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 2018 November Forecast, the 2019 Final Proposed Budget and the Four-Year Financial Plan for 2019-2022 for MTA Staten Island Railway.

MTA STATEN ISLAND RAILWAY
November Financial Plan 2019 - 2022
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Non-Reimbursable						
Operating Revenue						
Farebox Revenue	\$6.893	\$6.964	\$7.041	\$7.083	\$7.060	\$7.059
Other Operating Revenue	2.540	2.447	2.468	2.468	2.469	2.469
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenues	\$9.433	\$9.411	\$9.509	\$9.551	\$9.529	\$9.528
Operating Expense						
Labor:						
Payroll	\$22.396	\$24.850	\$25.221	\$24.082	\$24.553	\$25.032
Overtime	3.881	2.121	2.709	2.087	1.956	1.962
Health and Welfare	4.267	6.550	6.869	6.761	7.099	7.456
OPEB Current Payments	2.582	2.589	2.585	2.692	2.824	2.964
Pension	6.132	7.215	7.316	6.812	6.413	5.715
Other Fringe Benefits	7.707	5.673	5.363	5.295	5.383	5.474
Reimbursable Overhead	(1.376)	(0.540)	(0.861)	(0.379)	(0.386)	(0.394)
Total Labor Expenses	\$45.588	\$48.458	\$49.202	\$47.350	\$47.842	\$48.209
Non-Labor:						
Electric Power	\$3.809	\$5.012	\$4.404	\$4.512	\$4.646	\$4.824
Fuel	0.182	0.236	0.220	0.207	0.207	0.229
Insurance	1.156	1.194	1.232	1.201	1.271	1.269
Claims	0.695	0.087	0.088	0.090	0.093	0.095
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	14.853	3.374	4.582	2.382	2.210	2.234
Professional Services Contracts	1.001	1.039	1.041	1.061	1.084	1.104
Materials and Supplies	2.917	1.904	3.174	2.134	1.704	1.713
Other Business Expenses	0.317	0.030	1.255	0.730	0.029	0.028
Total Non-Labor Expenses	\$24.930	\$12.876	\$15.996	\$12.317	\$11.244	\$11.496
Other Expense Adjustments:						
Other Expense Adjustments	\$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.	\$70.519	\$61.334	\$65.198	\$59.667	\$59.086	\$59.705
Depreciation	\$10.472	\$12.000	\$12.000	\$12.000	\$12.000	\$12.000
OPEB Liability Adjustment	7.082	7.500	7.500	7.500	7.500	7.500
GASB 68 Pension Expense Adjustment	0.463	0.600	0.500	(0.100)	(1.100)	(1.100)
Environmental Remediation	0.081	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$88.616	\$81.434	\$85.198	\$79.067	\$77.486	\$78.105
Net Surplus/(Deficit)	(\$79.183)	(\$72.023)	(\$75.689)	(\$69.516)	(\$67.957)	(\$68.577)

MTA STATEN ISLAND RAILWAY
November Financial Plan 2019 - 2022
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Reimbursable						
Operating Revenue						
Farebox 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	3.066	2.118	4.555	4.576	4.664	4.754
Total Revenues	\$3.066	\$2.118	\$4.555	\$4.576	\$4.664	\$4.754
Operating Expense						
Labor:						
Payroll	\$1.018	\$0.520	\$1.732	\$2.300	\$2.345	\$2.391
Overtime	0.632	1.000	1.000	0.900	0.900	0.900
Health and Welfare	0.000	0.000	0.279	0.300	0.322	0.345
OPEB Current Payments	0.007	0.000	0.000	0.000	0.000	0.000
Pension	0.000	0.000	0.122	0.124	0.127	0.129
Other Fringe Benefits	0.000	0.058	0.561	0.573	0.584	0.595
Reimbursable Overhead	1.376	0.540	0.861	0.379	0.386	0.394
Total Labor Expenses	\$3.033	\$2.118	\$4.555	\$4.576	\$4.664	\$4.754
Non-Labor:						
Electric Power	\$0.004	\$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 Services Contracts	0.010	0.000	0.000	0.000	0.000	0.000
Materials and Supplies	0.018	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	\$0.033	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Expense Adjustments:						
Other Expense Adjustments	\$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	\$3.066	\$2.118	\$4.555	\$4.576	\$4.664	\$4.754
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA STATEN ISLAND RAILWAY
November Financial Plan 2019 - 2022
Accrual Statement of Operations By Category
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Non-Reimbursable / Reimbursable						
Operating Revenue						
Farebox Revenue	\$6.893	\$6.964	\$7.041	\$7.083	\$7.060	\$7.059
Other Operating Revenue	2.540	2.447	2.468	2.468	2.469	2.469
Capital and Other Reimbursements	3.066	2.118	4.555	4.576	4.664	4.754
Total Revenues	\$12.499	\$11.529	\$14.064	\$14.127	\$14.193	\$14.282
Operating Expense						
Labor:						
Payroll	\$23.413	\$25.370	\$26.953	\$26.382	\$26.898	\$27.423
Overtime	4.513	3.121	3.709	2.987	2.856	2.862
Health and Welfare	4.267	6.550	7.148	7.061	7.421	7.801
OPEB Current Payments	2.589	2.589	2.585	2.692	2.824	2.964
Pension	6.132	7.215	7.438	6.936	6.540	5.844
Other Fringe Benefits	7.707	5.731	5.924	5.868	5.967	6.069
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$48.621	\$50.576	\$53.757	\$51.926	\$52.506	\$52.963
Non-Labor:						
Electric Power	\$3.814	\$5.012	\$4.404	\$4.512	\$4.646	\$4.824
Fuel	0.182	0.236	0.220	0.207	0.207	0.229
Insurance	1.156	1.194	1.232	1.201	1.271	1.269
Claims	0.695	0.087	0.088	0.090	0.093	0.095
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	14.853	3.374	4.582	2.382	2.210	2.234
Professional Services Contracts	1.012	1.039	1.041	1.061	1.084	1.104
Materials and Supplies	2.935	1.904	3.174	2.134	1.704	1.713
Other Business Expenses	0.317	0.030	1.255	0.730	0.029	0.028
Total Non-Labor Expenses	\$24.963	\$12.876	\$15.996	\$12.317	\$11.244	\$11.496
Other Expense Adjustments:						
Other Expense Adjustments	\$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.	\$73.585	\$63.452	\$69.753	\$64.243	\$63.750	\$64.459
Depreciation	\$10.472	\$12.000	\$12.000	\$12.000	\$12.000	\$12.000
OPEB Liability Adjustment	7.082	7.500	7.500	7.500	7.500	7.500
GASB 68 Pension Expense Adjustment	0.463	0.600	0.500	(0.100)	(1.100)	(1.100)
Environmental Remediation	0.081	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$91.682	\$83.552	\$89.753	\$83.643	\$82.150	\$82.859
Net Surplus/(Deficit)	(\$79.183)	(\$72.023)	(\$75.689)	(\$69.516)	(\$67.957)	(\$68.577)

MTA STATEN ISLAND RAILWAY
November Financial Plan 2019 - 2022
Cash Receipts and Expenditures
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Cash Receipts and Expenditures						
Receipts						
Farebox Revenue	\$6.861	\$6.964	\$7.041	\$7.083	\$7.060	\$7.059
Other Operating Revenue	3.254	2.447	2.468	2.468	2.469	2.469
Capital and Other Reimbursements	2.290	2.118	4.556	4.575	4.664	4.755
Total Receipts	\$12.405	\$11.529	\$14.065	\$14.126	\$14.193	\$14.283
Expenditures						
Labor:						
Payroll	\$25.839	\$25.370	\$26.953	\$26.382	\$26.898	\$27.423
Overtime	4.116	3.121	3.709	2.987	2.856	2.862
Health and Welfare	7.075	6.550	7.148	7.061	7.421	7.801
OPEB Current Payments	1.170	2.589	2.585	2.692	2.824	2.964
Pension	7.154	7.215	7.438	6.936	6.540	5.844
Other Fringe Benefits	4.583	5.731	5.924	5.868	5.967	6.069
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$49.937	\$50.576	\$53.757	\$51.926	\$52.506	\$52.963
Non-Labor:						
Electric Power	\$3.762	\$5.012	\$4.404	\$4.512	\$4.646	\$4.824
Fuel	0.071	0.236	0.220	0.207	0.208	0.228
Insurance	1.595	1.194	1.232	1.201	1.271	1.269
Claims	0.280	0.087	0.088	0.090	0.093	0.095
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	14.398	3.374	4.582	2.382	2.210	2.234
Professional Services Contracts	0.994	1.039	1.041	1.061	1.084	1.104
Materials and Supplies	4.390	4.929	3.174	2.134	1.704	1.713
Other Business Expenses	0.104	0.030	1.255	0.730	0.030	0.029
Total Non-Labor Expenditures	\$25.594	\$15.901	\$15.996	\$12.317	\$11.246	\$11.496
Other Expenditure 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 Expenditures	\$75.531	\$66.477	\$69.753	\$64.243	\$63.752	\$64.459
Net Cash Balance	(\$63.126)	(\$54.948)	(\$55.688)	(\$50.117)	(\$49.559)	(\$50.176)

MTA STATEN ISLAND RAILWAY
November Financial Plan 2019 - 2022
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Cash Flow Adjustments						
Receipts						
Farebox Revenue	(\$0.032)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.714	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	(0.776)	0.000	0.001	(0.001)	0.000	0.001
Total Receipts	(\$0.094)	\$0.000	\$0.001	(\$0.001)	\$0.000	\$0.001
Expenditures						
<u>Labor:</u>						
Payroll	(\$2.426)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	0.397	0.000	0.000	0.000	0.000	0.000
Health and Welfare	(2.808)	0.000	0.000	0.000	0.000	0.000
OPEB Current Payments	1.419	0.000	0.000	0.000	0.000	0.000
Pension	(1.022)	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	3.124	0.000	0.000	0.000	0.000	0.000
Contribution to GASB Fund	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	(\$1.316)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Non-Labor:</u>						
Electric Power	\$0.052	\$0.000	0.000	\$0.000	\$0.000	\$0.000
Fuel	0.111	0.000	0.000	0.000	(0.001)	0.001
Insurance	(0.439)	0.000	0.000	0.000	0.000	0.000
Claims	0.415	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	0.455	0.000	0.000	0.000	0.000	0.000
Professional Services Contracts	0.018	0.000	0.000	0.000	0.000	0.000
Materials and Supplies	(1.455)	(3.025)	0.000	0.000	0.000	0.000
Other Business Expenses	0.213	0.000	0.000	0.000	(0.001)	(0.001)
Total Non-Labor Expenditures	(\$0.631)	(\$3.025)	\$0.000	\$0.000	(\$0.002)	\$0.000
<u>Other Expenditure Adjustments:</u>						
Other Expense Adjustments	\$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	(\$1.946)	(\$3.025)	\$0.000	\$0.000	(\$0.002)	\$0.000
Total Cash Conversion Adjustments before Depreciation	(\$2.040)	(\$3.025)	\$0.001	(\$0.001)	(\$0.002)	\$0.001
Depreciation	\$10.472	\$12.000	\$12.000	\$12.000	\$12.000	\$12.000
OPEB Liability Adjustment	7.082	7.500	7.500	7.500	7.500	7.500
GASB 68 Pension Expense Adjustment	0.463	0.600	0.500	(0.100)	(1.100)	(1.100)
Environmental Remediation	0.081	0.000	0.000	0.000	0.000	0.000
Total Cash Conversion Adjustments	\$16.057	\$17.075	\$20.001	\$19.399	\$18.398	\$18.401

MTA STATEN ISLAND RAILWAY
November Financial Plan 2019 - 2022
Ridership (Utilization)
(in millions)

	Actual	November	Final			
	2017	Forecast	Proposed	2020	2021	2022
		2018	Budget			
			2019			

RIDERSHIP

Fixed Route	4.604	4.582	4.625	4.649	4.636	4.635
Total Ridership	4.604	4.582	4.625	4.649	4.636	4.635

FAREBOX REVENUE

Fixed Route Farebox Revenue	\$6.893	\$6.964	\$7.041	\$7.083	\$7.060	\$7.059
Farebox Revenue	\$6.893	\$6.964	\$7.041	\$7.083	\$7.060	\$7.059

MTA Staten Island Railway
November Financial Plan 2019 - 2022
2018 Budget Reduction Proposals - Accrual Basis
(\$ in millions)

	Favorable/(Unfavorable)									
	Pos.	2018	Pos.	2019	Pos.	2020	Pos.	2021	Pos.	2022
<u>Administration</u>										
Elimination of EAM Manager (July Plan)	<u>1</u>	<u>0.153</u>	<u>1</u>	<u>0.156</u>	<u>1</u>	<u>0.160</u>	<u>1</u>	<u>0.164</u>	<u>1</u>	<u>0.168</u>
Subtotal Administration	1	0.153	1	0.156	1	\$0.160	1	\$0.164	1	\$0.168
<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>										
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	1	\$0.153	1	\$0.156	1	\$0.160	1	\$0.164	1	\$0.168

MTA STATEN ISLAND RAILWAY
November Financial Plan 2019-2022
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full Time Equivalents

FUNCTION/DEPARTMENT	2017 Actual	2018 November Forecast	2019 Final Proposed Budget	2020	2021	2022
Administration						
Executive	10	13	13	13	13	13
General Office	15	9	9	9	9	9
Purchasing/Stores	4	6	6	6	6	6
Total Administration	29	28	28	28	28	28
Operations						
Transportation	109	119	119	119	119	119
Maintenance						
Mechanical	53	53	53	53	53	53
Electronic/Electrical	14	15	15	15	15	15
Power/Signals	25	29	29	29	29	29
Maintenance of Way	62	70	50	50	50	50
Infrastructure	30	26	26	26	26	26
Total Maintenance	184	193	173	173	173	173
Engineering/Capital						
Capital Project Support	9	16	16	16	16	16
Public Safety						
Police	-					
Baseline Total Positions	331	356	336	336	336	336
Non-Reimbursable	331	328	308	308	308	308
Reimbursable		28	28	28	28	28
Total Full-Time	331	356	336	336	336	336
Total Full-Time Equivalents						

MTA STATEN ISLAND RAILWAY
November Financial Plan 2019 - 2022
Total Positions by Function and Occupational Group
Non-Reimbursable and Reimbursable

FUNCTION / OCCUPATIONAL GROUP	Actual 2017	November Forecast 2018	Final Proposed Budget 2019	2020	2021	2022
Administration						
Managers/Supervisors	16	16	16	16	16	16
Professional/Technical/Clerical	13	12	12	12	12	12
Operational Hourlies	0	0	0	0	0	0
Total Administration Headcount	29	28	28	28	28	28
Operations						
Managers/Supervisors	5	11	11	11	11	11
Professional/Technical/Clerical	4	3	3	3	3	3
Operational Hourlies	100	105	105	105	105	105
Total Operations Headcount	109	119	119	119	119	119
Maintenance						
Managers/Supervisors	20	16	13	13	13	13
Professional/Technical/Clerical	5	6	6	6	6	6
Operational Hourlies	159	171	154	154	154	154
Total Maintenance Headcount	184	193	173	173	173	173
Engineering / Capital						
Managers/Supervisors	3	3	3	3	3	3
Professional/Technical/Clerical	0	4	4	4	4	4
Operational Hourlies	6	9	9	9	9	9
Total Engineering Headcount	9	16	16	16	16	16
Public Safety						
Managers/Supervisors	0	0	0	0	0	0
Professional/Technical/Clerical	0	0	0	0	0	0
Operational Hourlies	0	0	0	0	0	0
Total Public Safety Headcount	0	0	0	0	0	0
Total Positions						
Managers/Supervisors	44	46	43	43	43	43
Professional/Technical/ Clerical	22	25	25	25	25	25
Operational Hourlies	265	285	268	268	268	268
Total Positions	331	356	336	336	336	336

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