

MTA
Long Island Bus

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

MISSION STATEMENT

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

AGENCY OVERVIEW

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

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

FINANCIAL OVERVIEW

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

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

PROGRAMMATIC OVERVIEW

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

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

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

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

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

POSITIONS

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

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

NON-REIMBURSABLE

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

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

REIMBURSABLE

	2003	2004	2005			
	Actuals	Mid-Year Forecast	Preliminary Budget	2006	2007	2008
<u>Revenue</u>						
Farebox Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-
Capital and Other Reimbursements	4.194	4.331	4.392	4.429	4.567	4.617
Total Revenue	\$ 4.194	\$ 4.331	\$ 4.392	\$ 4.429	\$ 4.567	\$ 4.617
<u>Expenses</u>						
<u>Labor:</u>						
Payroll	\$ 0.687	\$ 0.745	\$ 0.830	\$ 0.858	\$ 0.963	\$ 1.001
Overtime	-	-	-	-	-	-
Health and Welfare	0.131	0.161	0.131	0.135	0.152	0.158
Pensions	0.024	0.067	0.055	0.056	0.063	0.066
Other Fringe Benefits	0.052	0.058	0.076	0.079	0.089	0.092
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenses	\$ 0.894	\$ 1.031	\$ 1.092	\$ 1.129	\$ 1.267	\$ 1.317
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	-	-	-	-	-	-
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other	-	-	-	-	-	-
Operating Contracts	-	-	-	-	-	-
Professional Service Contracts	-	-	-	-	-	-
Materials & Supplies	3.300	3.300	3.300	3.300	3.300	3.300
Other Business Expenses	-	-	-	-	-	-
Total Non-Labor Expenses	\$ 3.300	\$ 3.300	\$ 3.300	\$ 3.300	\$ 3.300	\$ 3.300
Other Expenses Adjustments:						
Other	-	-	-	-	-	-
Total Other Expense Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenses before Depreciation	\$ 4.194	\$ 4.331	\$ 4.392	\$ 4.429	\$ 4.567	\$ 4.617
Depreciation	-	-	-	-	-	-
Total Expenditures	\$ 4.194	\$ 4.331	\$ 4.392	\$ 4.429	\$ 4.567	\$ 4.617
Baseline Net Accrual Deficit	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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

**NON-REIMBURSABLE and
REIMBURSABLE**

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

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

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

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

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

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

YEAR TO YEAR

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

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

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

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

**NON-REIMBURSABLE and
REIMBURSABLE**

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

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

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

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

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

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

PLAN TO PLAN OVERVIEW

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

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

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

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

NON-REIMBURSABLE

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

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

REIMBURSABLE

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

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

**NON-REIMBURSABLE and
REIMBURSABLE**

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

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

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

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