

### **III. AGENCY FINANCIAL PLANS AND BUDGETS**

# **MTA BRIDGES AND TUNNELS**

**MTA Bridges and Tunnels**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**Summary of the Financial Plan**  
**2003 - 2007**  
(\$ in millions)

	Favorable/(Unfavorable)										
	2003		2004		Two-Year Total	2005		2006		2007	
	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars		Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>
2004 (October Plan) Positions and Net Operating Income	1,747	\$711.104	1,811	\$762.987	\$1474.091	1,812	\$749.106	1,812	\$728.937	1,812	\$712.642
Amendments:											
Revenue:											
Toll Revenue	0	7.240	0	.000	7.240	0	.000	0	.000	0	.000
Sub-Total Revenue Amendments	N/A	\$7.240	N/A	\$0.00	\$7.240	N/A	\$0.00	N/A	\$0.00	N/A	\$0.00
Expense:											
Bridge Painting	0	2.000	0	(6.179)	(4.179)	0	0.000	0	0.000	0	0.000
Personnel Services	0	0.000	0	0.000	0.000	0	(0.213)	0	(0.220)	0	(0.228)
Other OTPS (each item less than \$500,000)	0	0.819	0	(0.036)	0.783	0	0.000	0	0.000	0	0.000
Sub-Total Expense Amendments	N/A	\$2.819	N/A	(\$6.215)	(\$3.396)	N/A	(\$0.213)	N/A	(\$0.220)	N/A	(\$0.228)
Total Amendments	N/A	\$10.059	N/A	(\$6.215)	\$3.844	N/A	(\$0.213)	N/A	(\$0.220)	N/A	(\$0.228)
2004 Adopted Budget (December Plan)											
Positions and Net Operating Income	1,747	\$721.163	1,811	\$756.772	\$1477.935	1,812	\$748.893	1,812	\$728.717	1,812	\$712.414
Add: Depreciation (Non-Cash Expense)	0	(37.000)	0	(42.500)	(79.500)	0	(48.900)	0	(56.300)	0	(64.700)
Less: Depreciation (Non-Cash Expense)	0	37.000	0	42.500	79.500	0	48.900	0	56.300	0	64.700
2004 Adopted Budget (February Plan)											
Positions and Net Operating Income	1,747	\$721.163	1,811	\$756.772	(\$79.500)	1,812	\$748.893	1,812	\$728.717	1,812	\$712.414

<sup>1</sup> Reflects the impact of amendments on year-end positions.

**EXPLANATIONS:**

**Revenue:**

*Toll revenue has been adjusted for actuals through October. Estimates in the October Forecast were based on a drop-off of traffic typically realized following a toll increase, and then a rebound to normal levels about six months later. For this toll increase, the drop-off in traffic has not been as great. The projections reflect a smoother curve following the toll increase than experienced in the past.*

**Expenses:**

*Painting expenses will decrease by \$2.0 million in 2003 due to weather delays at the Henry Hudson and will increase by \$6.2 million in 2004 due to additional painting requirements, primarily at the Throgs Neck Bridge.*

**MTA BRIDGES AND TUNNELS**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY**  
**2003-2007**  
(\$ in millions)

	<b>2003 Final Estimate</b>	<b>2004 Adopted Budget</b>	<b>2005 Plan</b>	<b>2006 Plan</b>	<b>2007 Plan</b>
<b><u>Revenues</u></b>					
Toll Revenue	1,016.734	1,075.420	1,079.189	1,087.197	1,092.728
Other Income	45.928	33.597	36.984	39.048	41.332
Interest Income	5.529	4.585	5.444	6.017	7.736
<b>Total Revenues</b>	<b>1,068.191</b>	<b>1,113.602</b>	<b>1,121.617</b>	<b>1,132.262</b>	<b>1,141.796</b>
<b><u>Personnel Expenses</u></b>					
Employee Salaries-Regular	103.523	109.003	113.772	118.280	122.933
Employee Salaries-Overtime	26.486	25.428	26.251	27.098	27.970
Fringe Benefits: Pension	1.869	5.593	10.882	15.430	18.017
Fringe Benefits: Health	16.761	19.875	21.545	23.354	25.316
Fringe Benefits: Welfare	2.942	3.639	3.945	4.276	4.635
Fringe Benefits: Other	16.937	19.803	20.619	22.401	24.309
<b>Total Personnel Expenses</b>	<b>168.518</b>	<b>183.341</b>	<b>197.014</b>	<b>210.839</b>	<b>223.180</b>
<b><u>Other than Personnel Services</u></b>					
Outside Technical & Maintenance Services	89.817	83.026	88.858	88.321	90.834
Bridge Painting	27.500	25.679	23.324	39.785	49.486
Major Maintenance	24.806	28.378	26.481	27.008	27.610
2 Broadway Operating Expenses	9.577	9.743	9.924	10.121	10.347
Maint. of Toll Equipment	6.724	6.809	6.916	7.054	7.211
Power	4.530	4.299	4.255	4.265	4.299
Supplies	5.563	4.798	4.864	4.965	5.082
Equipment Purchases	2.840	3.130	3.162	3.225	3.297
Maintenance Materials	3.399	3.056	3.207	3.270	3.343
Insurance	9.339	9.464	9.639	9.831	10.050
Other	3.016	3.674	3.926	3.991	4.066
<b>Total Other Than Personnel</b>	<b>187.111</b>	<b>182.056</b>	<b>184.555</b>	<b>201.837</b>	<b>215.627</b>
<b>Total Operating Expenses</b>	<b>355.629</b>	<b>365.397</b>	<b>381.569</b>	<b>412.676</b>	<b>438.807</b>
<b>Less:</b> Capital & Other Reimbursements	8.600	8.567	8.845	9.131	9.425
<b>Add:</b> Depreciation (Non-Cash Expense)	37.000	42.500	48.900	56.300	64.700
<b>Adjusted Operating Expenses</b>	<b>384.029</b>	<b>399.330</b>	<b>421.624</b>	<b>459.845</b>	<b>494.082</b>
<b>Less:</b> Depreciation (Non-Cash Expense)	37.000	42.500	48.900	56.300	64.700
<b>Net Operating Expenses</b>	<b>347.029</b>	<b>356.830</b>	<b>372.724</b>	<b>403.545</b>	<b>429.382</b>
<b>Net Operating Income</b>	<b>721.163</b>	<b>756.772</b>	<b>748.893</b>	<b>728.717</b>	<b>712.414</b>
Total Revenues	1,068.191	1,113.602	1,121.617	1,132.262	1,141.796
Net Operating Expenses	347.029	356.830	372.724	403.545	429.382
<b>Net Operating Income</b>	<b>721.163</b>	<b>756.772</b>	<b>748.893</b>	<b>728.717</b>	<b>712.414</b>
Additional Agency PEG	0.000	0.000	0.000	0.000	0.000
<b>Net Operating Income</b>	<b>721.163</b>	<b>756.772</b>	<b>748.893</b>	<b>728.717</b>	<b>712.414</b>



**MTA BRIDGES AND TUNNELS**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY**  
**2003-2007**  
(\$ in millions)

	<b>2003 Final Estimate</b>	<b>2004 Adopted Budget</b>	<b>2005 Plan</b>	<b>2006 Plan</b>	<b>2007 Plan</b>
<b>Net Operating Income</b>	<b>721.163</b>	<b>756.772</b>	<b>748.893</b>	<b>728.717</b>	<b>712.414</b>
<b><u>Deductions from Operating Income:</u></b>					
Capitalized Assets	6.446	10.476	10.161	10.363	10.594
Reserves	11.467	14.140	14.402	14.689	15.017
Debt Service	321.375	416.754	447.819	455.284	468.433
<b>Total Deduction from Operating Income</b>	<b>339.288</b>	<b>441.370</b>	<b>472.382</b>	<b>480.336</b>	<b>494.044</b>
<b>Income Available For Distribution</b>	<b>381.875</b>	<b>315.402</b>	<b>276.511</b>	<b>248.381</b>	<b>218.370</b>
<b>Distributable To:</b>					
M.T.A. - Investment Income	5.529	4.585	5.444	6.017	7.736
M.T.A. - Distributable Income	223.648	202.988	187.074	172.616	156.826
N.Y.C.T. - Distributable Income	152.698	107.829	83.993	69.748	53.808
<b>Total Distributable Income</b>	<b>381.875</b>	<b>315.402</b>	<b>276.511</b>	<b>248.381</b>	<b>218.370</b>
<b>Actual Cash Transfers:</b>					
M.T.A. - Investment Income	14.727	5.529	4.585	5.444	6.017
M.T.A. - Transfers	315.488	205.054	188.665	174.062	158.405
N.Y.C.T. - Transfers	212.050	112.316	86.377	71.173	55.402
<b>Total Cash Transfers</b>	<b>542.265</b>	<b>322.899</b>	<b>279.627</b>	<b>250.678</b>	<b>219.824</b>
<b><u>ADJUSTED NET OPERATING INCOME</u></b>					
Total Revenues	1,068.191	1,113.602	1,121.617	1,132.262	1,141.796
Less: Investment Income	5.529	4.585	5.444	6.017	7.736
Net Operating Expenses	347.029	356.830	372.724	403.545	429.382
Capitalized Assets	6.446	10.476	10.161	10.363	10.594
Reserves	11.467	14.140	14.402	14.689	15.017
<b>Total Deduction from Net Operating Income:</b>	<b>370.471</b>	<b>386.031</b>	<b>402.731</b>	<b>434.614</b>	<b>462.729</b>
<b>Adjusted Net Operating Income</b>	<b>697.721</b>	<b>727.571</b>	<b>718.886</b>	<b>697.648</b>	<b>679.067</b>
Additional Agency PEG	0.000	0.000	0.000	0.000	0.000
<b>Adj Net Operating Inc with GAP Closing</b>	<b>697.721</b>	<b>727.571</b>	<b>718.886</b>	<b>697.648</b>	<b>679.067</b>

**MTA BRIDGES AND TUNNELS**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY**  
**2003-2007**  
(\$ in millions)

	<b>2003 Final Estimate</b>	<b>2004 Adopted Budget</b>	<b>2005 Plan</b>	<b>2006 Plan</b>	<b>2007 Plan</b>
<b>Adj Net Operating Inc with GAP Closing</b>	<b>697.721</b>	<b>727.571</b>	<b>718.886</b>	<b>697.648</b>	<b>679.067</b>
<b><u>SUPPORT TO MASS TRANSIT</u></b>					
Total Revenues	1,068.191	1,113.602	1,121.617	1,132.262	1,141.796
Less: Net Operating Expenses	347.029	356.830	372.724	403.545	429.382
Additional Agency PEG	0.000	0.000	0.000	0.000	0.000
<b>Net Operating Income</b>	<b>721.163</b>	<b>756.772</b>	<b>748.893</b>	<b>728.717</b>	<b>712.414</b>
<b>Deductions from Operating Income:</b>					
B&T Debt Service	75.226	114.600	124.940	132.947	145.700
Capitalized Assets	6.446	10.476	10.161	10.363	10.594
Reserves	11.467	14.140	14.402	14.689	15.017
<b>Total Deductions from Operating Income:</b>	<b>93.139</b>	<b>139.216</b>	<b>149.503</b>	<b>157.999</b>	<b>171.311</b>
<b>Total Support to Mass Transit</b>	<b>628.024</b>	<b>617.556</b>	<b>599.390</b>	<b>570.718</b>	<b>541.103</b>

**MTA BRIDGES AND TUNNELS**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**UTILIZATION**  
**2003 - 2007**

(Figures in Thousands)

	<b>2003 Final Estimate</b>	<b>2004 Adopted Budget</b>	<b>2005 Plan</b>	<b>2006 Plan</b>	<b>2007 Plan</b>
<b>Toll Revenue</b>	\$1,016,734	\$1,075,420	\$1,079,189	\$1,087,197	\$1,092,728
<b>Paid Traffic</b>	296,661	298,496	300,037	302,759	304,793
<b>Rate Per Vehicle</b>	\$3.427	\$3.603	\$3.597	\$3.591	\$3.585

**MTA Bridges and Tunnels**  
**FEBRUARY FINANCIAL PLAN 2004 – 2007**  
**Explanation of Year-to-Year Changes in Operations by Category**  
**2003-2007**

**Revenues**

B&T's 2004-2007 Financial Plan is projecting a moderate increase in toll revenues. The major assumptions underlying the revenue projections are as follows:

- Annual growth in paid traffic is estimated to average 0.7% from 2004 through 2007, based on a continuation of recent trends and the current projections issued by Global Insight for regional employment and national inflation.  
In 2004, toll revenue is projected to be \$1,075.4 million, an increase of \$58.7 million over the 2003 Final Estimate, primarily due to the full-year impact of the toll increase effective in May 2003.  
In 2005, toll revenue is projected to be \$1,079.2 million, a \$3.8 million increase from the previous year.  
In 2006, toll revenue is projected to be \$1,087.2 million, an increase of \$8.0 million over the previous year.  
In 2007, toll revenue is projected to be \$1,092.7 million, an increase of \$5.5 million.
- Other income, which totals \$33.6 million in 2004, \$37.0 million in 2005, \$39.0 million in 2006, and \$41.3 million in 2007, includes security reimbursements from the MTA, net income from the Battery Parking Garage, miscellaneous E-ZPass fees, and revenue from E-ZPass Plus at the three major airports in the metropolitan area.
- Investment income from general and operating fund balances reflects the current projections for return rates on low-risk, short-term investments.

**Personnel Expenses**

- In 2004, the proposed Personnel Services budget is \$183.3 million, \$14.8 million above the 2003 Final Estimate. Besides the increase for pattern bargaining, there is also a \$3.7 million increase in employer NYCERS pension contribution, \$1.0 million increase for Workers Compensation expenses, and increases in medical costs.
- In 2005, the proposed Personnel Services budget is \$197.0 million, \$13.7 million above the 2004 Adopted Budget. Besides the increase for pattern bargaining, there is also a \$5.3 million increase in employer NYCERS pension contribution, \$1.0 million increase for Workers Compensation expenses, and increases in medical costs.
- In 2006, the proposed Personnel Services budget is \$210.8 million. The increase is due to a CPIU increase of 3.23%, \$1.0 million increase for Workers Compensation expenses, and increases in medical costs.
- In 2007, the proposed Personnel Services budget is \$223.2 million. The increase is due to a CPIU increase of 3.22%, \$1.0 million for Workers Compensation expenses, and increases in medical costs.

### **Other Than Personnel Services (OTPS)**

- Outside Technical & Maintenance Services:
  - In 2004, the proposed budget for Outside Technical & Maintenance Services is \$83.0 million, a reduction of \$6.8 million from the 2003 Final Estimate. This is due to lower projected expenditures for E-ZPass tags that resulted from an analysis of new account growth rates, tags returned, existing inventories, and tags needed for the E-ZPass tag swap program. An estimated 2.5 million tags will be replaced by the end of 2007. Through 2004, 1.5 million tags will have been swapped, leaving 1.0 million tags to be replaced from 2005 through 2007. In 2005, 2006 and 2007, the proposed budget for Outside Technical & Maintenance Services is \$88.9 million, \$88.3 million, and \$90.8 million, respectively.
  - Other E-ZPass-related expenditures, including B&T's share of costs for running the Customer Service Center and credit card fees associated with customer account replenishments reflect continued growth in new accounts and E-ZPass traffic.
- Bridge Painting:
  - Bridge Painting expenses are projected to average \$25.5 million for the years 2003 through 2005 for ongoing painting projects.
  - Additional expenditures will be needed to maintain ongoing painting projects and to paint the Triborough Bridge Queens suspension span beginning in 2006. A total of \$39.8 million is projected for 2006 and \$49.5 million for 2007.
- Major Maintenance:
  - The proposed 2004 budget for Major Maintenance is \$28.4 million, an increase of \$3.6 million above the Final Estimate. This is a result of additional major maintenance expenditures in 2004, primarily consisting of rehabilitation of the Triborough Bridge Manhattan Service Building (\$1.9 million increase) and the continuation of miscellaneous repairs at the Henry Hudson and Throgs Neck Bridges (\$2.0 million increase).
  - Anticipated completion of some structural rehabilitation projects at the beginning of 2005 is expected to lower funding requirements by approximately \$2.0 million in 2005, 2006 and 2007.

### **Depreciation (Non-Cash Expense)**

Depreciation is a non-cash expense for buildings and bridges and tunnels, including primary structures, toll plazas, toll equipment, buildings, roadway, and other.

The proposed annual depreciation expenses for 2003 through 2007 are \$37.0 million, \$42.5 million, \$48.9 million, \$56.3 million and \$64.7 million, respectively.

MTA BRIDGES and TUNNELS  
FEBRUARY FINANCIAL PLAN 2004 - 2007  
Reconciliation of the Program to Eliminate the Gap  
2003 - 2007  
(\$ in millions)

	Favorable/(Unfavorable)											
	2003		2004		Two-Year Total		2005 Plan		2006 Plan		2007 Plan	
	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	
2003 October Forecast (October Plan)												
Grand Total	0	\$35.541	61	\$62.972	\$98.513	61	\$57.960	61	\$61.307	61	\$65.223	
Amendments:												
Administration:												
Sub-Total Administration	0	\$ .000	0	\$ .000	\$ .000	0	\$ .000	0	\$ .000	0	\$ .000	
Customer Convenience & Amenities:												
Sub-Total Customer Convenience & Amenities	0	\$ .000	0	\$ .000	\$ .000	0	\$ .000	0	\$ .000	0	\$ .000	
Maintenance:												
Rescheduling of bridge painting projects.		\$2.000		(\$6.179)	(\$4.179)							
Sub-Total Maintenance	0	\$2.000	0	(\$6.179)	(\$4.179)	0	\$ .000	0	\$ .000	0	\$ .000	
Other:												
Timing & Other Adjustments		0.818		(.036)	\$ .782							
Sub-Total Other	0	\$ .818	0	(\$ .036)	\$ .782	0	\$ .000	0	\$ .000	0	\$ .000	
Revenue:												
Higher toll revenues resulting from greater than planned traffic levels.	0	\$7.240	0	\$ .000	\$7.240	0	\$ .000	0	\$ .000	0	\$ .000	
Sub-Total Revenue	0	\$7.240	0	\$ .000	\$7.240	0	\$ .000	0	\$ .000	0	\$ .000	
Total Amendments	0	\$10.058	0	(\$6.215)	\$3.843	0	\$ .000	0	\$ .000	0	\$ .000	
2004 Adopted Budget (December Plan) Grand Total	0	\$45.599	61	\$56.757	\$102.356	61	\$57.960	61	\$61.307	61	\$65.223	
Amendments	0	\$0.000	0	\$0.000	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	
2004 Adopted Budget/February Plan Grand Total	0	\$45.599	61	\$56.757	\$102.356	61	\$57.960	61	\$61.307	61	\$65.223	

<sup>1</sup> Reflects the impact of amendments on year-end positions.

**MTA BRIDGES AND TUNNELS**  
**February Financial Plan 2004 - 2007**  
**OPERATING BUDGET PROJECTIONS**  
**PROGRAMS TO ELIMINATE THE GAP (PEGS)**  
**2003 - 2007**  
(\$ in thousands)

<i>Favorable / (Unfavorable)</i>										
	<b>2003</b>		<b>2004</b>		<b>2005</b>		<b>2006</b>		<b>2007</b>	
	<b>Final Estimate</b>		<b>Adopted Budget</b>		<b>Plan</b>		<b>Plan</b>		<b>Plan</b>	
	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>
<b><u>Administration</u></b>										
♦ Net increase in miscellaneous E-ZPass fees associated with the tag replacement program and collections on revoked accounts.	0	\$2,475	0	\$1,307	0	\$1,328	0	\$1,012	0	\$1,012
♦ Net income from fees paid by the Port Authority for B&T E-ZPass Plus customer usage at the three metropolitan area airport parking lots.	0	\$108	0	\$249	0	\$265	0	\$282	0	\$301
♦ Re-estimate of salary and wage increases for represented and non-represented employees.	0	\$1,388	0	\$0	0	\$0	0	\$0	0	\$0
♦ Lower expenditures for E-ZPass tags that resulted from an analysis of new account growth rates, tags returned, existing inventories, and tags needed for the B&T E-ZPass tag swap program.	0	\$384	0	\$16,620	0	\$10,556	0	\$12,259	0	\$11,597
♦ B&T's share of costs to operate the E-ZPass New York Customer Service Center, and to dispose retired tags, are projected to be lower than originally planned.	0	\$1,718	0	\$3,573	0	\$4,147	0	\$3,802	0	\$2,891
♦ Timing and Other Adjustments	0	\$6,366	0	(\$505)	0	\$0	0	\$0	0	\$0
<b>Subtotal Administration:</b>	<b>0</b>	<b>\$12,439</b>	<b>0</b>	<b>\$21,244</b>	<b>0</b>	<b>\$16,296</b>	<b>0</b>	<b>\$17,355</b>	<b>0</b>	<b>\$15,801</b>
<b><u>Maintenance</u></b>										
♦ A new contract for toll equipment maintenance has resulted in lower than planned costs.	0	\$694	0	\$839	0	\$717	0	\$583	0	\$430
♦ Rescheduling of bridge painting projects.	0	\$2,000		\$3,321		\$5,676		\$0		\$0
<b>Subtotal Maintenance:</b>	<b>0</b>	<b>\$2,694</b>	<b>0</b>	<b>\$4,160</b>	<b>0</b>	<b>\$6,393</b>	<b>0</b>	<b>\$583</b>	<b>0</b>	<b>\$430</b>
<b><u>Other</u></b>										
♦ Security deployment efficiencies.		\$554	61	\$2,657	61	\$2,806	61	\$2,896	61	\$2,988
<b>Subtotal Safety and Security:</b>	<b>0</b>	<b>\$554</b>	<b>61</b>	<b>\$2,657</b>	<b>61</b>	<b>\$2,806</b>	<b>61</b>	<b>\$2,896</b>	<b>61</b>	<b>\$2,988</b>
<b><u>Revenue</u></b>										
♦ Higher toll revenues resulting from greater than planned traffic levels.	0	\$29,912	0	\$28,696	0	\$32,465	0	\$40,473	0	\$46,004
<b>Subtotal Revenue:</b>	<b>0</b>	<b>\$29,912</b>	<b>0</b>	<b>\$28,696</b>	<b>0</b>	<b>\$32,465</b>	<b>0</b>	<b>\$40,473</b>	<b>0</b>	<b>\$46,004</b>
<b>Total:</b>	<b>0</b>	<b>\$45,599</b>	<b>61</b>	<b>\$56,757</b>	<b>61</b>	<b>\$57,960</b>	<b>61</b>	<b>\$61,307</b>	<b>61</b>	<b>\$65,223</b>

**MTA BRIDGES & TUNNELS**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**TOTAL POSITIONS 2003 - 2007**  
**Full-Time and Full-Time Equivalents (FTEs)**  
**NON-REIMBURSABLE AND REIMBURSABLE**

	2003 Final Estimate			2004 Adopted Budget			2005 Plan			2006 Plan			2007 Plan		
	<u>Represented</u>	<u>Non- Represented</u>	<u>Total</u>	<u>Represented</u>	<u>Non- Represented</u>	<u>Total</u>	<u>Represented</u>	<u>Non- Represented</u>	<u>Total</u>	<u>Represented</u>	<u>Non- Represented</u>	<u>Total</u>	<u>Represented</u>	<u>Non- Represented</u>	<u>Total</u>
List Departments Below															
Executive	0	3	3	0	4	4	0	4	4	0	4	4	0	4	4
EEO	0	1	1	0	1	1	0	1	1	0	1	1	0	1	1
Law	0	10	10	0	10	10	0	10	10	0	10	10	0	10	10
Engineering & Construction	16	152	168	16	152	168	16	152	168	16	152	168	16	152	168
Procurement & Materials	25	30	55	24	31	55	24	31	55	24	31	55	24	31	55
Labor Relations	0	5	5	0	5	5	0	5	5	0	5	5	0	5	5
Internal Security	42	21	63	42	22	64	42	23	65	42	23	65	42	23	65
Health & Safety	0	10	10	0	10	10	0	10	10	0	10	10	0	10	10
Technology	17	40	57	17	41	58	17	41	58	17	41	58	17	41	58
Total CFO:	49	45	94	50	45	95	50	45	95	50	45	95	50	45	95
Total Staff Services:	22	28	50	21	29	50	21	29	50	21	29	50	21	29	50
Total Operations/Maintenance:	1148	83	1,231	1207	84	1,291	1207	84	1,291	1207	84	1,291	1207	84	1,291
<b>B&amp;T TOTAL</b>	<b>1,319</b>	<b>428</b>	<b>1,747</b>	<b>1,377</b>	<b>434</b>	<b>1,811</b>	<b>1,377</b>	<b>435</b>	<b>1,812</b>	<b>1,377</b>	<b>435</b>	<b>1,812</b>	<b>1,377</b>	<b>435</b>	<b>1,812</b>



**MTA BRIDGES & TUNNELS**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**POSITIONS 2003 - 2007**  
**Full-Time and Full-Time Equivalents (FTEs)**  
**NON-REIMBURSABLE**

	2003 Final Estimate			2004 Adopted Budget			2005 Plan			2006 Plan			2007 Plan		
	Represented	Non-Represented	Total	Represented	Non-Represented	Total	Represented	Non-Represented	Total	Represented	Non-Represented	Total	Represented	Non-Represented	Total
<i>List Departments Below</i>															
Executive	0	3	3	0	4	4	0	4	4	0	4	4	0	4	4
EEO	0	1	1	0	1	1	0	1	1	0	1	1	0	1	1
Law	0	10	10	0	10	10	0	10	10	0	10	10	0	10	10
Engineering & Construction	16	48	64	16	48	64	16	48	64	16	48	64	16	48	64
Procurement & Materials	25	30	55	24	31	55	24	31	55	24	31	55	24	31	55
Labor Relations	0	5	5	0	5	5	0	5	5	0	5	5	0	5	5
Internal Security	42	21	63	42	22	64	42	23	65	42	23	65	42	23	65
Health & Safety	0	4	4	0	4	4	0	4	4	0	4	4	0	4	4
Technology	17	34	51	17	35	52	17	35	52	17	35	52	17	35	52
Total CFO:	49	45	94	50	45	95	50	45	95	50	45	95	50	45	95
Total Staff Services:	22	28	50	21	29	50	21	29	50	21	29	50	21	29	50
Total Operations/Maintenance:	1148	83	1,231	1207	84	1,291	1207	84	1,291	1207	84	1,291	1207	84	1,291
<b>B&amp;T TOTAL</b>	<b>1,319</b>	<b>312</b>	<b>1,631</b>	<b>1,377</b>	<b>318</b>	<b>1,695</b>	<b>1,377</b>	<b>319</b>	<b>1,696</b>	<b>1,377</b>	<b>319</b>	<b>1,696</b>	<b>1,377</b>	<b>319</b>	<b>1,696</b>

**MTA BRIDGES & TUNNELS**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**POSITIONS 2003 - 2007**  
Full-Time and Full-Time Equivalents (FTEs)  
**REIMBURSABLE**

	2003 Final Estimate			2004 Adopted Budget			2005 Plan			2006 Plan			2007 Plan		
	<u>Represented</u>	<u>Non-Represented</u>	<u>Total</u>	<u>Represented</u>	<u>Non-Represented</u>	<u>Total</u>	<u>Represented</u>	<u>Non-Represented</u>	<u>Total</u>	<u>Represented</u>	<u>Non-Represented</u>	<u>Total</u>	<u>Represented</u>	<u>Non-Represented</u>	<u>Total</u>
<u>List Departments Below</u>															
Executive	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
EEO	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Law	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Engineering & Construction	0	104	104	0	104	104	0	104	104	0	104	104	0	104	104
Procurement & Materials	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Labor Relations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Internal Security	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Health & Safety	0	6	6	0	6	6	0	6	6	0	6	6	0	6	6
Technology	0	6	6	0	6	6	0	6	6	0	6	6	0	6	6
Total CFO:	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Staff Services:	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Operations/Maintenance:	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>B&amp;T TOTAL</b>	<b>0</b>	<b>116</b>	<b>116</b>	<b>0</b>	<b>116</b>	<b>116</b>	<b>0</b>	<b>116</b>	<b>116</b>	<b>0</b>	<b>116</b>	<b>116</b>	<b>0</b>	<b>116</b>	<b>116</b>

**MTA LONG ISLAND BUS**

**MTA LONG ISLAND BUS  
FEBRUARY FINANCIAL PLAN FOR 2004-2007  
FINAL 2003 ESTIMATE AND ADOPTED BUDGET FOR 2004**

The attached reports reflect MTA Long Island Bus' Final 2003 Estimate and the Adopted Budget for 2004. The adopted budget reflects amendments to the October Financial Plan adopted by the Board in December 2003 as well as subsequent technical modifications presented for approval in February 2004. The attached also presents an adjusted Financial Plan for 2005-2007 reflecting the impact of the 2004 adopted actions including any subsequent technical modifications on the out years. Since there are no changes to the Long Island Bus 2004 budget adopted in December 2003, these materials are for information only.

**MTA Long Island Bus**  
**February Financial Plan 2004 - 2007**  
**Summary of the Financial Plan**  
**2003 - 2007**  
(\$ in millions)

	Favorable/(Unfavorable)										
	2003		2004		Two-Year Total	2005		2006		2007	
	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars
2004 Final Proposed (October Plan) Positions and Operating Cash Income/(Deficit)	1,178	(\$55.457)	1,194	(\$59.782)	(\$115.239)	1,212	(\$63.491)	1,221	(\$67.165)	1,230	(\$70.351)
Amendments:											
Revenue:											
Sub-Total Revenue Amendments	N/A	\$ .000	N/A	\$ .000	\$ .000	N/A	\$ .000	N/A	\$ .000	N/A	\$ .000
Expense:											
Sub-Total Expense Amendments	0	\$ .000	0	\$ .000	\$ .000	0	\$ .000	0	\$ .000	0	\$ .000
Cash Adjustments:											
Revenue:											
Expense:											
Claims	0	\$1.000	0	(\$1.000)	\$ .000	0	\$ .000	0	\$ .000	0	\$ .000
Sub-Total Cash Adjustment Amendments	0	\$1.000	0	(\$1.000)	\$ .000	0	\$ .000	0	\$ .000	0	\$ .000
Total Amendments	0	\$1.000	0	(\$1.000)	\$ .000	0	\$ .000	0	\$ .000	0	\$ .000
2004 Adopted Budget (December Plan) Positions and Operating Cash Income/(Deficit)	1,178	(\$54.457)	1,194	(\$60.782)	(\$115.239)	1,212	(\$63.491)	1,221	(\$67.165)	1,230	(\$70.351)
Amendments	0	\$ .000	0	\$ .000	\$ .000	0	\$ .000	0	\$ .000	0	\$ .000
2004 Adopted Budget/February Plan Positions and Operating Cash Income/(Deficit)	1,178	(\$54.457)	1,194	(\$60.782)	(\$115.239)	1,212	(\$63.491)	1,221	0 (\$67.165)	1,230	0 (\$70.351)
Subsidy Revisions:											
Increase in Nassau County Subsidy				\$2.600	\$2.600		\$2.600		\$2.600		\$2.600
Reduction in Unspecified Subsidy				(\$2.600)	(\$2.600)		(\$2.600)		(\$2.600)		(\$2.600)
Net Change in Subsidy				\$ .000	\$0.000		\$ .000		\$ .000		\$ .000

<sup>1</sup> Reflects the impact of amendments on year-end positions.

**MTA LONG ISLAND BUS**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY**  
**2003 - 2007**  
(\$ in millions)

	<b>2003 Final Estimate</b>	<b>2004 Adopted Budget</b>	<b>2005 Plan</b>	<b>2006 Plan</b>	<b>2007 Plan</b>
<b>Revenue</b>					
Passenger Fixed Route	\$34.232	\$36.646	\$36.712	\$36.941	\$37.126
Passenger Paratransit	0.943	1.072	1.133	1.179	1.204
Advertising	0.961	1.101	1.164	1.214	1.262
All Other	0.158	0.193	0.193	0.194	0.195
Contract	1.624	1.581	2.589	1.505	1.507
<b>Total Operating Revenue</b>	<b>37.918</b>	<b>40.593</b>	<b>41.791</b>	<b>41.033</b>	<b>41.294</b>
Labor - Straight	55.145	57.303	59.745	61.647	63.632
Overtime	4.907	4.787	4.991	5.150	5.316
<b>Total labor</b>	<b>60.052</b>	<b>62.090</b>	<b>64.736</b>	<b>66.797</b>	<b>68.948</b>
Fringe Benefits - Pension	1.817	4.280	4.494	4.719	4.955
- Medical	8.866	10.379	11.251	12.196	13.220
- Other	5.702	6.002	6.302	6.617	6.948
<b>Total Fringe Benefits</b>	<b>16.385</b>	<b>20.661</b>	<b>22.047</b>	<b>23.532</b>	<b>25.123</b>
<b>SUBTOTAL LABOR &amp; FRINGES</b>	<b>\$76.437</b>	<b>\$82.751</b>	<b>\$86.783</b>	<b>\$90.329</b>	<b>\$94.071</b>
Professional Services	1.719	1.749	1.833	1.917	1.979
Maintenance Services	2.048	2.196	2.312	2.428	2.506
Operating Services	1.066	1.156	1.259	1.362	1.406
Fuel, Oil, and Lubricants	5.774	5.666	5.376	5.086	5.250
Material	3.974	4.116	4.244	4.372	4.513
Supplies	1.321	1.346	1.419	1.492	1.540
Tires	0.418	0.439	0.457	0.475	0.490
Utilities	2.043	2.003	1.953	1.903	1.964
Communications	0.291	0.300	0.314	0.328	0.339
Claims	3.230	2.725	2.810	2.895	2.988
Insurance	0.011	0.012	0.013	0.014	0.014
Leases and Rentals	0.103	0.107	0.112	0.117	0.121
Depreciation	0.000	0.000	0.001	0.002	0.002
Other	0.283	0.364	0.396	0.428	0.442
<b>SUBTOTAL NON-COMPENSATION</b>	<b>22.281</b>	<b>22.179</b>	<b>22.499</b>	<b>22.819</b>	<b>23.554</b>
<b>OPERATING EXPENSES</b>	<b>98.718</b>	<b>104.930</b>	<b>109.282</b>	<b>113.148</b>	<b>117.625</b>
<b>CAPITAL REIMBURSEMENTS</b>	<b>(4.176)</b>	<b>(4.335)</b>	<b>(4.360)</b>	<b>(4.391)</b>	<b>(4.532)</b>
<b>NET OPERATING EXPENSES</b>	<b>94.542</b>	<b>100.595</b>	<b>104.922</b>	<b>108.757</b>	<b>113.093</b>
<b>Net Deficit Before Subsidy</b>	<b>(\$56.624)</b>	<b>(\$60.002)</b>	<b>(\$63.131)</b>	<b>(\$67.724)</b>	<b>(\$71.799)</b>

**MTA LONG ISLAND BUS**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**CASH RECEIPTS AND EXPENDITURES**  
**2003 - 2007**  
(\$ in millions)

	<b>2003 Final Estimate</b>	<b>2004 Adopted Budget</b>	<b>2005 Plan</b>	<b>2006 Plan</b>	<b>2007 Plan</b>
<b>CASH RECEIPTS:</b>					
<b><u>Operating</u></b>					
Passenger	\$34.732	\$37.317	\$37.380	\$37.649	\$37.778
Other	4.415	4.609	5.055	5.013	5.163
Reimbursable Expenses	4.282	4.325	4.355	4.386	4.518
<b>Total Cash Receipts</b>	<b>43.429</b>	<b>46.251</b>	<b>46.790</b>	<b>47.048</b>	<b>47.459</b>
<b>CASH DISBURSEMENTS:</b>					
Payroll	59.643	61.381	64.374	66.734	68.736
Fringe Benefits	14.834	16.544	17.208	17.930	18.639
Pension	2.259	4.954	5.201	5.445	5.608
Workers Compensation	1.100	1.000	1.000	1.000	1.030
Insurance	0.013	0.014	0.014	0.014	0.014
Fuel and Lubricants	5.819	5.586	5.059	5.018	5.169
Material	4.017	4.140	4.294	4.381	4.512
Supplies	1.286	1.309	1.446	1.472	1.516
Communications	0.317	0.319	0.325	0.340	0.350
Utilities	1.878	1.989	2.001	2.058	2.120
Leases and Rentals	0.620	0.543	0.571	0.592	0.610
Claims	2.650	3.775	2.800	2.900	2.987
Purchased Services	4.387	4.777	5.184	5.453	5.617
MetroCard Sales	0.150	0.150	0.175	0.200	0.206
Other	0.583	0.552	0.629	0.676	0.696
<b>Total Cash Disbursements</b>	<b>99.556</b>	<b>107.033</b>	<b>110.281</b>	<b>114.213</b>	<b>117.810</b>
<b>Net Inc/(Dec) In Cash</b>	<b>(56.127)</b>	<b>(60.782)</b>	<b>(63.491)</b>	<b>(67.165)</b>	<b>(70.351)</b>
<b>Beginning Cash Balance</b>	<b>1.670</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>Cash Deficit</b>	<b>(\$54.457)</b>	<b>(\$60.782)</b>	<b>(\$63.491)</b>	<b>(\$67.165)</b>	<b>(\$70.351)</b>

**MTA LONG ISLAND BUS**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**CASH ADJUSTMENTS**  
**2003-2007**  
(\$ in millions)

	<b>2003 Final Estimate</b>	<b>2004 Adopted Budget</b>	<b>2005 Plan</b>	<b>2006 Plan</b>	<b>2007 Plan</b>
Accounts Recievable	\$0.088	\$0.179	\$0.118	\$0.036	\$0.159
Inventory	(0.099)	(0.050)	(0.079)	(0.050)	0.025
Prepayments	(0.003)	0.000	(0.003)	0.000	0.010
Fixed Assets - Depreciation	0.000	0.000	0.000	0.000	0.000
- Aquistitions	0.000	0.000	0.000	0.000	0.000
Accounts Payable	0.060	0.039	0.012	0.072	0.134
Wages	0.226	0.474	0.223	0.473	0.535
Fringe Benefits	0.042	0.119	0.022	0.045	0.139
Vacation and Sick	0.155	0.205	0.155	0.205	0.185
Accrued Expenses	(0.013)	0.000	0.027	0.010	0.055
NYS Pension	(1.020)	(0.674)	(0.459)	(0.049)	(0.012)
Legal	0.000	0.000	0.000	0.000	0.000
Injury and Damages	1.220	(1.100)	(0.220)	(0.150)	0.150
Workers Compensation	(0.138)	0.013	(0.140)	(0.065)	0.013
Other	(0.021)	0.015	(0.016)	0.032	0.055
<b>Net Cash Adjustments</b>	<b>\$0.497</b>	<b>(\$0.780)</b>	<b>(\$0.360)</b>	<b>\$0.559</b>	<b>\$1.448</b>



**MTA LONG ISLAND BUS**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**UTILIZATION 2003 - 2007**  
(in millions)

	<b>2003 Final Estimate</b>	<b>2004 Adopted Budget</b>	<b>2005 Plan</b>	<b>2006 Plan</b>	<b>2007 Plan</b>
Fixed Route Passangers	29.946	29.979	30.054	30.218	30.430
Paratransit Passangers	0.321	0.345	0.365	0.380	0.406
Total	<u>30.267</u>	<u>30.324</u>	<u>30.419</u>	<u>30.598</u>	<u>30.836</u>

Normal growth factors:	<b>Base year</b>				
Fixed Route Passangers		0.001	0.025	0.025	0.025
Paratransit Passangers		0.070	0.055	0.040	0.040

	<b>2004 monthly allocation</b>		
	<b>Fixed Route</b>	<b>Paratransit</b>	<b>Total</b>
January	2.263	0.027	2.290
February	2.120	0.024	2.144
March	2.645	0.031	2.676
April	2.498	0.029	2.527
May	2.462	0.028	2.490
June	2.551	0.028	2.579
July	2.612	0.026	2.638
August	2.616	0.029	2.645
September	2.631	0.031	2.662
October	2.637	0.032	2.669
November	2.510	0.031	2.541
December	2.434	0.029	2.463
Total	<u>29.979</u>	<u>0.345</u>	<u>30.324</u>

**MTA Long Island Bus**  
**February Financial Plan 2004 - 2007**  
**Explanation of Year-to-Year Changes in Operations by Category**  
**2003 through 2007**

**Revenue and Ridership:**

Passenger revenue increased in 2003 due to the fare increase effective May 4, 2003. The full affect of the increase will appear in 2004 and in each of the years to follow.

Ridership is projected to increase over the 2003 base by .11% for fixed route service and by 7% for paratransit service. The 2005 through 2007 plan projects fixed route ridership to grow at a constant rate of 2.5% each year. Paratransit service is projected to increase by 5.5% in 2005 and by 4% in each of the following two years, 2006 and 2007.

**Total Salaries:**

The 2004 budget includes the cost of a headcount increase of 16 positions: 12 represented bus operators and mechanics for fixed route and paratransit services, and 4 non-represented positions. An increase of 3.22% to the base salary is also budgeted in 2004 for all positions.

The 2005 budget includes the cost of a headcount increase of 18 represented bus operators and mechanics for fixed route and paratransit services. An increase of 3.22% to the base salary is also budgeted in 2005 for all positions.

The 2006 budget includes the cost of a headcount increase of 9 represented bus operators and mechanics for fixed route and paratransit services. An increase of 3.22% to the base salary is also budgeted in 2006 for all positions. Salaries for 2006 are offset by a reduction in service contract grants/revenue and the reduced costs of servicing these grants.

The 2007 budget includes the cost of a headcount increase of 9 represented bus operators and mechanics for fixed route and paratransit services. An increase of 3.22% to the base salary is also budgeted in 2007 for all positions.

**Overtime:**

The 2004 budget reflects a reduction in overtime hours worked in 2003 for emergency LIRR track work not budgeted in 2004. It also reflects the addition of 12 represented bus operators and mechanics for fixed route and paratransit services and an increase of 3.22% to the base salary of all positions.

Overtime for the years 2005 through 2007 is projected to increase proportionately with the increase in base salary during this period.

**Pension Expenses:**

The pension expense reflects the following rates for the NYSERS pension plan, including the group term life rate, applied for all employees in NYSERS. For the period

April 1, 2003 through March 31, 2004, the rate of 4.9% of salaries for all NYSERS employees was used. For the period April 1, 2004 through March 31, 2005 the rate of 10.1% of salaries for all NYSERS employees was used. For the period April 1, 2005 through March 31, 2006, the rate of 10.6% of salaries for all NYSERS employees was used. For the period April 1, 2006 through March 31, 2007 the rate of 11.1% of salaries for all NYSERS employees was used.

There are approximately 200 active employees in the MTA Defined Benefit Retirement System, which does not require LI Bus employer contributions. The Pension expense reflects the increase in headcount and the conversion of employees entering the NYSERS plan as employees retire from the MTA Defined Benefit Retirement System.

### **Health Expenses:**

Health Insurance costs for 2004 are projected to increase 15%; for 2005 through 2007 the rate of increase is 8.4% per year.

### **FICA Expenses:**

FICA taxes are estimated based on employee salaries using a consistent tax rate of 7.65% each year.

### **Unemployment Insurance:**

The 2004 through 2007 annual expense calculation takes into consideration the increase in employee headcount and a CPI increase of 3.22% per year.

### **Workers Compensation:**

The 2004 through 2007 increase in workers compensation expense of 9.5% in 2004; 10.8% in 2005; 8.1% in 2006 and 9.5% in 2007, is based on the estimated number of worker compensation injuries, the increase in employee headcount budgeted and the budgeted increase in wage rates.

### **Other Fringe Benefits:**

This expense includes miscellaneous items such as uniforms and shoe and tool allowances for bus operators and mechanics. The 2004 through 2007 budget increases are reflective of the budget increase in employee headcount and the CPI increase of 3.22% each year.

### **Other than Personal Service (OTPS) Expenses:**

Claims expense in 2003 includes a reserve for the February 2003 accident at Hempstead Transit Center. The 2004 through 2007 claims expense are projected to increase with the established rate of inflation. Fuel is based on futures price quotes for natural gas as of September 2003. The costs are projected to decrease 1.58% in 2004, 5.12% in 2005, 5.39% in 2006 and increase 3.22% in 2007. All other expenses are projected to increase with inflation and to meet increased service demands.

MTA LONG ISLAND BUS  
FEBRUARY FINANCIAL PLAN 2004 - 2007  
Reconciliation of the Program to Eliminate the Gap  
2003 - 2007  
(\$ in millions)

	Favorable										
	2003		2004		Two-Year Total	2005 Plan		2006 Plan		2007 Plan	
	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars
2003 October Forecast (October Plan)											
Grand Total	0	\$4.105	0	\$1.243	\$5.348	0	\$1.330	0	\$1.343	0	\$1.356
Amendments:											
Administration:											
Sub-Total Administration	0	\$ .000	0	\$ .000	\$ .000	0	\$ .000	0	\$ .000	0	\$ .000
Customer Convenience & Amenities:											
Sub-Total Customer Convenience & Amenities	0	\$ .000	0	\$ .000	\$ .000	0	\$ .000	0	\$ .000	0	\$ .000
Maintenance:											
Sub-Total Maintenance	0	\$ .000	0	\$ .000	\$ .000	0	\$ .000	0	\$ .000	0	\$ .000
Other:											
Sub-Total Other	0	\$ .000	0	\$ .000	\$ .000	0	\$ .000	0	\$ .000	0	\$ .000
Revenue:											
Sub-Total Revenue	0	\$ .000	0	\$ .000	\$ .000	0	\$ .000	0	\$ .000	0	\$ .000
Total Amendments	0	\$ .000	0	\$ .000	\$ .000	0	\$ .000	0	\$ .000	0	\$ .000
2004 Adopted Budget (December Plan) Grand Total	0	\$4.105	0	\$1.243	\$5.348	0	\$1.330	0	\$1.343	0	\$1.356
Amendments	0	\$0.000	0	\$0.000	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
2004 Adopted Budget/February Plan Grand Total	0	\$4.105	0	\$1.243	\$5.348	0	\$1.330	0	\$1.343	0	\$1.356

<sup>1</sup> Reflects the impact of amendments on year-end positions.

**MTA LONG ISLAND BUS**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**OPERATING BUDGET PROJECTIONS**  
**PROGRAMS TO ELIMINATE THE GAP (PEGs)**  
**2003-2007**  
(\$ In Thousands)

	Favorable/(Unfavorable)									
	<b>2003</b>		<b>2004</b>		<b>2005 Plan</b>		<b>2006 Plan</b>		<b>2007 Plan</b>	
	<b>Final Estimate</b>		<b>Adopted Budget</b>							
	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>
<b>ADMINISTRATION</b>										
Effects of NYSEERS pension rate change		\$2,363		(\$75)		\$0		\$0		\$0
Effects of lower than anticipated revenue loss due to fare increase		485		913		913		913		913
Effects of wage increase elimination for non-represented & other savings		574		217		223		230		237
Other net revenue & expense changes		683		188		194		200		206
<b>TOTAL PEGs</b>	<b>0</b>	<b>\$4,105</b>	<b>0</b>	<b>\$1,243</b>	<b>0</b>	<b>\$1,330</b>	<b>0</b>	<b>\$1,343</b>	<b>0</b>	<b>\$1,356</b>

MTA LONG ISLAND BUS  
FEBRUARY FINANCIAL PLAN 2004 - 2007  
TOTAL POSITIONS 2003 - 2007  
Full - Time and Full - Time Equivalents (FTEs)  
NON-REIMBURSABLE AND REIMBURSABLES

	2003 Final Estimate			2004 Adopted Budget			2005 Plan			2006 Plan			2007 Plan		
<u>Departments</u>	<u>Represented</u>	<u>Non Represented</u>	<u>Total</u>	<u>Represented</u>	<u>Non Represented</u>	<u>Total</u>	<u>Represented</u>	<u>Non Represented</u>	<u>Total</u>	<u>Represented</u>	<u>Non Represented</u>	<u>Total</u>	<u>Represented</u>	<u>Non Represented</u>	<u>Total</u>
President		4	4		4	4		4	4		4	4		4	4
Administration		25	25		25	25		25	25		25	25		25	25
Finance	2	24	26	2	24	26	2	24	26	2	24	26	2	24	26
Legal		24	24		24	24		24	24		24	24		24	24
Information Technology		24	24		24	24		24	24		24	24		24	24
Operations	836	40	876	844	40	884	854	40	894	857	40	897	860	40	900
Paratransit	158	41	199	162	45	207	170	45	215	176	45	221	182	45	227
	<u>996</u>	<u>182</u>	<u>1178</u>	<u>1008</u>	<u>186</u>	<u>1194</u>	<u>1026</u>	<u>186</u>	<u>1,212</u>	<u>1,035</u>	<u>186</u>	<u>1,221</u>	<u>1,044</u>	<u>186</u>	<u>1,230</u>

MTA LONG ISLAND BUS  
TOTAL POSITIONS 2003 - 2007  
Full - Time and Full - Time Equivalents (FTEs)  
NON-REIMBURSABLE

	2003 Final Estimate			2004 Adopted Budget			2005 Plan			2006 Plan			2007 Plan		
<u>Departments</u>	<u>Represented</u>	<u>Non Represented</u>	<u>Total</u>	<u>Represented</u>	<u>Non Represented</u>	<u>Total</u>	<u>Represented</u>	<u>Non Represented</u>	<u>Total</u>	<u>Represented</u>	<u>Non Represented</u>	<u>Total</u>	<u>Represented</u>	<u>Non Represented</u>	<u>Total</u>
President	0	4	4	0	4	4	0	4	4	0	4	4	0	4	4
Administration	0	25	25	0	25	25	0	25	25	0	25	25	0	25	25
Finance	2	22	24	2	22	24	2	22	24	2	22	24	2	22	24
Legal	0	23	23	0	23	23	0	23	23	0	23	23	0	23	23
Information Technology	0	19	19	0	19	19	0	19	19	0	19	19	0	19	19
Operations	836	34	870	844	34	878	854	34	888	857	34	891	860	34	894
Paratransit	158	41	199	162	45	207	170	45	215	176	45	221	182	45	227
	996	168	1,164	1,008	172	1,180	1,026	172	1,198	1,035	172	1,207	1,044	172	1,216

MTA LONG ISLAND BUS  
TOTAL POSITIONS 2002 - 2004  
Full - Time and Full - Time Equivalents (FTEs)  
REIMBURSABLE

	<u>2003 Final Estimate</u>			<u>2004 Adopted Budget</u>			<u>2005 Plan</u>			<u>2006 Plan</u>			<u>2007 Plan</u>		
Departments	<u>Represented</u>	<u>Non Represented</u>	<u>Total</u>	<u>Represented</u>	<u>Non Represented</u>	<u>Total</u>	<u>Represented</u>	<u>Non Represented</u>	<u>Total</u>	<u>Represented</u>	<u>Non Represented</u>	<u>Total</u>	<u>Represented</u>	<u>Non Represented</u>	<u>Total</u>
President															
Administration															
Finance		2	2		2	2		2	2		2	2		2	2
Legal		1	1		1	1		1	1		1	1		1	1
Information Technology		5	5		5	5		5	5		5	5		5	5
Operations		6	6		6	6		6	6		6	6		6	6
Paratransit		0	0												
		<u>14</u>	<u>14</u>		<u>14</u>	<u>14</u>		<u>14</u>	<u>14</u>		<u>14</u>	<u>14</u>		<u>14</u>	<u>14</u>



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**MTA LONG ISLAND RAIL ROAD**

**MTA Long Island Rail Road  
February Financial Plan for 2004-2007  
Final 2003 Estimate and Adopted Budget for 2004**

The attached reports reflect MTA Long Island Rail Road's Final 2003 Estimate and the Adopted Budget for 2004. The adopted budget reflects amendments to the October Financial Plan adopted by the Board in December 2003 as well as subsequent technical modifications presented for approval in February 2004. The attached also presents an adjusted Financial Plan for 2005-2007 reflecting the impact of the 2004 adopted actions including any subsequent technical modifications on the out years. Since there are no changes to the Long Island Rail Road 2004 budget adopted in December 2003, these materials are for information only.

**MTA LONG ISLAND RAIL ROAD**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**Summary of the Financial Plan**  
**2003 - 2007**  
(\$ in millions)

	Favorable/(Unfavorable)										
						IMPACT on OUTER YEARS					
	2003		2004		Two-Year Total	2005 Plan		2006 Plan		2007 Plan	
	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Dollars	Pos. <sup>1</sup>	Dollars	Pos. <sup>1</sup>	Dollars	Pos. <sup>1</sup>	Dollars
2004 Final Proposed (October Plan)											
Positions and Operating Cash											
Income/(Deficit)	6,453	(\$413.453)	6,596	(\$438.858)	(\$852.311)	6,662	(\$463.514)	6,659	(\$480.062)	6,649	(\$519.965)
Amendments:											
Revenue:											
Fare Revenue		(2.419)		(5.731)	(8.150)		(5.776)		(5.874)		(5.953)
Other Revenue (Farmingdale Parking)		(0.324)			(0.324)						
Sub-Total Revenue Amendments	N/A	(\$2.743)	N/A	(\$5.731)	(\$8.474)	N/A	(\$5.776)	N/A	(\$5.874)	N/A	(\$5.953)
Expense:											
Payroll and Benefits (timing of filling vacancies)	42	2.288			2.288						
Railroad Unemployment rate savings				2.170	2.170						
Pension - MTA Defined Benefit Plan and Money											
Purchase Plan latest assumptions		(1.509)			(1.509)						
Re-estimate of Non-Payroll Expenses		10.672		0.048	10.720						
Capital Reimbursable Project Activity		(2.864)		(0.074)	(2.938)						
Sub-Total Expense Amendments	42	\$8.587	0	\$2.144	\$10.731	0	\$0.000	0	\$0.000	0	\$0.000
Cash Adjustments:											
Revenue:											
Capital Project Funding - timing of receipts		(1.800)		1.800	0.000						
All Other Receipts - NYCDOT collections		(0.339)			(0.339)						
Expense:											
Payroll and Benefits - Timing of contract settlement		3.603		(3.603)	0.000						
Railroad Retirement payment adjustment		1.200			1.200						
Pension - accrued vs. cash		0.438			0.438						
Claims & Suits - accrued vs. cash		(1.321)			(1.321)						
Material Purchases vs. Chargeouts		(3.306)			(3.306)						
Sub-Total Cash Adjustment											
Amendments	0	(\$1.525)	0	(\$1.803)	(\$3.328)	0	\$0.000	0	\$0.000	0	\$0.000
Total Amendments	42	\$4.319	0	(\$5.390)	(\$1.071)	0	(\$5.776)	0	(\$5.874)	0	(\$5.953)
2004 Adopted Budget (December Plan)											
Positions and Operating Cash											
Income/(Deficit)	6,411	(\$409.134)	6,596	(\$444.248)	(\$853.382)	6,662	(\$469.290)	6,659	(\$485.936)	6,649	(\$525.918)
Timing of Pension funding allocation (cash only)		(\$30.000)					\$30.000				
Revised 2004 Adopted Budget (December Plan)											
Positions and Operating Cash											
Income/(Deficit)	6,411	(\$439.134)	6,596	(\$444.248)	(\$883.382)	6,662	(\$439.290)	6,659	(\$485.936)	6,649	(\$525.918)
Amendments	0	\$0.000	0	\$0.000	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
2004 Adopted Budget/February Plan											
Positions and Operating Cash											
Income/(Deficit)	6,411	(\$439.134)	6,596	(\$444.248)	(\$883.382)	6,662	(\$439.290)	6,659	(\$485.936)	6,649	(\$525.918)

<sup>1</sup> Reflects the impact of amendments on year-end positions.

**MTA LONG ISLAND RAIL ROAD**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY**  
**2003 - 2007**  
**(\$ in millions)**

	<b>Final Estimate 2003</b>	<b>Adopted Budget 2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
<b><u>Revenue</u></b>					
Passenger	\$392.777	\$425.225	\$428.573	\$435.839	\$441.706
Special Services	1.933	1.944	1.967	1.989	2.014
Other	20.991	22.128	23.597	25.314	26.605
<b>TOTAL REVENUE</b>	<b>415.701</b>	<b>449.297</b>	<b>454.137</b>	<b>463.142</b>	<b>470.325</b>
<b><u>Payroll Expenses</u></b>					
Regular	398.534	411.348	423.552	436.563	451.178
Overtime	82.294	73.554	75.470	77.871	80.285
<b>Total Payroll</b>	<b>480.828</b>	<b>484.902</b>	<b>499.022</b>	<b>514.434</b>	<b>531.463</b>
<b><u>Employee Benefits</u></b>					
Health & Welfare - Active	60.176	70.945	77.492	84.018	91.010
Health & Welfare - Retiree	25.182	29.229	31.684	34.345	37.230
Other	92.991	95.251	100.771	104.592	106.475
<b>Total Employee Benefits</b>	<b>178.349</b>	<b>195.425</b>	<b>209.947</b>	<b>222.955</b>	<b>234.715</b>
<b>Pension</b>	<b>79.364</b>	<b>109.848</b>	<b>114.743</b>	<b>120.029</b>	<b>126.690</b>
<b><u>Non - Payroll Expenses</u></b>					
Professional Services	14.207	17.317	18.276	19.177	19.677
Operating Services	5.482	5.072	5.466	5.572	5.694
Maintenance Services	19.808	23.899	27.843	28.478	31.863
Construction Services	0.214	0.155	0.155	0.155	0.155
Communication	5.182	6.176	6.059	6.413	6.555
Utilities	10.244	9.943	10.577	10.778	11.019
Leases & Rentals	6.420	7.131	12.228	9.449	9.869
Advertising	1.204	1.595	1.624	1.656	1.694
Insurance	14.946	17.029	19.528	22.405	25.713
Claims & Suits	11.333	14.692	14.964	15.262	15.417
Materials	57.342	63.753	82.469	108.604	123.454
Supplies	5.272	5.972	6.090	6.237	6.374
Train Power - Diesel	6.006	5.813	6.234	6.671	7.108
Train Power - Electric	44.390	46.799	47.960	49.015	49.203
Joint Facilities	12.065	11.071	11.275	11.499	11.756
Employee Expenses	3.050	2.700	2.860	2.917	2.980
Miscellaneous Expenses	1.908	1.927	1.985	2.020	2.067
Misc. Charges and Credits	9.080	11.990	11.990	8.990	9.015
Pension Shortfall Make-up	0.000	0.000	(9.772)	(19.604)	(24.116)
Unspecified PEG	0.000	0.000	(28.471)	(51.266)	(53.082)
<b>Total Non-Payroll</b>	<b>228.153</b>	<b>253.034</b>	<b>249.340</b>	<b>244.428</b>	<b>262.415</b>
<b>Reimbursable</b>	<b>118.187</b>	<b>133.886</b>	<b>144.105</b>	<b>147.910</b>	<b>154.511</b>
<b>Total Net Expenses</b>	<b>848.507</b>	<b>909.323</b>	<b>928.947</b>	<b>953.936</b>	<b>1,000.772</b>
<b>Net Operating Loss</b>	<b>(432.806)</b>	<b>(460.026)</b>	<b>(474.810)</b>	<b>(490.794)</b>	<b>(530.447)</b>
<b><u>Other Charges and Credits</u></b>					
Depreciation and Amortization	196.616	217.754	227.633	244.759	254.332
Other	0.000	0.000	0.000	0.000	0.000
<b>Total Other Charges and Credits</b>	<b>196.616</b>	<b>217.754</b>	<b>227.633</b>	<b>244.759</b>	<b>254.332</b>
<b>Net Income (Loss)</b>	<b>(\$629.422)</b>	<b>(\$677.780)</b>	<b>(\$702.443)</b>	<b>(\$735.553)</b>	<b>(\$784.779)</b>

**MTA LONG ISLAND RAIL ROAD**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**CASH RECEIPTS AND EXPENDITURES**  
**2003 - 2007**  
**(\$ in millions)**

	<b>Final Estimate 2003</b>	<b>Adopted Budget 2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
<b><u>Cash Receipts</u></b>					
Passenger Collections	\$394.710	\$427.169	\$430.540	\$437.828	\$443.720
Capital Project Funding	146.195	161.391	171.201	175.221	181.889
MetroCard Sales	25.467	27.000	27.500	28.000	28.500
All Other Revenue	35.541	41.763	39.229	41.382	43.150
<b>Total Receipts</b>	<b>601.913</b>	<b>657.323</b>	<b>668.470</b>	<b>682.431</b>	<b>697.259</b>
<b><u>Cash Disbursements</u></b>					
Payroll	477.481	488.249	499.022	514.434	531.463
Fringe Benefits	176.893	195.681	209.947	222.955	234.715
Pensions	110.354	109.959	84.743	120.029	126.690
Professional Services	16.381	21.342	22.801	21.703	22.204
Operating Services	6.409	5.503	5.905	6.020	6.151
Maintenance Services	20.419	24.489	28.444	29.091	32.490
Construction Services	0.214	0.155	0.155	0.155	0.155
Communications	5.182	6.176	6.059	6.413	6.555
Utilities	10.244	9.943	10.577	10.778	11.019
Leases & Rentals	8.439	8.749	13.876	11.130	11.587
Advertising	1.204	1.595	1.624	1.656	1.694
Insurance	18.474	23.240	26.783	28.933	32.387
Judgement & Claims	9.338	13.392	13.640	13.912	14.037
Materials	75.488	86.839	111.567	138.737	154.344
Supplies	5.272	5.972	6.090	6.237	6.374
Train Power - Diesel	6.006	5.813	6.234	6.671	7.108
Train Power - Electric	44.390	46.799	47.960	49.015	49.203
Joint Facilities	12.065	11.071	11.275	11.499	11.756
Employee Expenses	3.050	2.700	2.860	2.917	2.980
Miscellaneous Expenses	1.378	1.436	1.484	1.510	1.545
MetroCard	25.467	27.000	27.500	28.000	28.500
Pension Shortfall Make-up	0.000	0.000	(9.772)	(19.604)	(24.116)
Unspecified PEG	0.000	0.000	(28.471)	(51.266)	(53.082)
<b>Total Disbursements</b>	<b>1,034.148</b>	<b>1,096.103</b>	<b>1,100.303</b>	<b>1,160.925</b>	<b>1,215.759</b>
<b>Cash Operating Deficit</b>	<b>(432.235)</b>	<b>(438.780)</b>	<b>(431.833)</b>	<b>(478.494)</b>	<b>(518.500)</b>
Capital Equipment	(6.899)	(5.468)	(7.457)	(7.442)	(7.418)
<b>Total Cash Deficit</b>	<b>(\$439.134)</b>	<b>(\$444.248)</b>	<b>(\$439.290)</b>	<b>(\$485.936)</b>	<b>(\$525.918)</b>

**MTA LONG ISLAND RAIL ROAD**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**CASH FLOW ADJUSTMENTS**  
**2003 - 2007**  
**(\$ in millions)**

	Favorable/(Unfavorable)				
	<b>Final Estimate 2003</b>	<b>Adopted Budget 2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
<b>Net Loss per Income Statement (accrued)</b>	(\$629.422)	(\$677.780)	(\$702.443)	(\$735.553)	(\$784.779)
<b>Cash Adjustments:</b>					
Depreciation/Amortization	196.616	217.754	227.633	244.759	254.332
Miscellaneous Charges & Credits	9.080	11.990	11.990	8.990	9.015
Timing of Capital Project Receipts	1.800	1.800	0.000	0.000	0.000
Miscellaneous Revenue	3.600	3.600	3.600	3.600	3.600
Reimbursements, Recoveries and Other Cash Adjustments	0.000	3.640	0.000	0.000	0.000
NYC DOT Timing of Collection	1.012	0.000	0.000	0.000	0.000
ValBeth Settlement	0.550	0.000	0.000	0.000	0.000
Short Term Security Funding Reimbursement	0.200	0.000	0.000	0.000	0.000
Timing of 2003 Union Wage Settlement	3.603	(3.603)	0.000	0.000	0.000
Material Purchases vs. Chargeouts	7.798	6.532	1.000	0.400	0.000
Bad Debt Reserve	0.739	0.700	0.713	0.727	0.743
Legal Settlements - Cash vs. Accrual Basis	1.995	1.300	1.324	1.350	1.380
Pension - Cash vs. Actuarial basis	(30.990)	(0.111)	30.000	0.000	0.000
Payments Against Reserve for Environmental Issues	(2.065)	(4.000)	(4.500)	(2.500)	(2.500)
Operating Capital Material and Labor	(7.563)	(6.323)	(8.000)	(8.000)	(8.000)
Timing of Insurance Payments vs. Accrued	2.713	0.253	(0.607)	0.291	0.291
Railroad Retirement Tax Adjustment	1.200	0.000	0.000	0.000	0.000
<b>Total Cash Adjustments</b>	<b>190.288</b>	<b>233.532</b>	<b>263.153</b>	<b>249.617</b>	<b>258.861</b>
<b>Total Cash Deficit</b>	<b><u>(\$439.134)</u></b>	<b><u>(\$444.248)</u></b>	<b><u>(\$439.290)</u></b>	<b><u>(\$485.936)</u></b>	<b><u>(\$525.918)</u></b>

**MTA LONG ISLAND RAIL ROAD**  
**FEBRUARY FINANCIAL PLAN 2004 – 2007**  
**Ridership Utilization Table**  
**2003-2007**

**(Ridership In Millions)**

<b>Year</b>	<b>Ridership</b>	<b>% Change over prior year</b>
2003 Final Estimate	80.4	-
2004 Adopted Budget	81.8	1.8%
2005	82.4	0.6%
2006	83.8	1.7%
2007	84.9	1.3%

- The regional economy, employment trends and the impacts of the fare increase are the primary drivers of passenger ridership and revenue in 2004. With employment trends falling short of expectations in the last couple of years, ridership projections have been adversely affected. The 2004 adopted budget projects ridership of 81.8 million, an increase of 1.8% over the final 2003 estimate. This growth is predicated on some recovery in employment and from the price elasticity effects of the fare increase.
- Passenger revenue forecasts for the outer years 2005-2007 reveal modest annual growth due to increases in ridership. LIRR ridership growth is dependent on New York City employment. Last spring the MTA provided NYC Employment forecasts that assumed 2.3% growth for the period 2005-2007, based on these forecasts, LIRR ridership for the same period is estimated to increase by 3.1%.



**MTA LONG ISLAND RAIL ROAD**  
**FEBRUARY FINANCIAL PLAN 2004 – 2007**  
**Summary of Year-to-Year Changes in Operations by Category**  
**2003-2007**

**Revenue Review**

**2004 vs. 2003**

- Total revenues are projected to grow in 2004 by \$33.6 million over the 2003 final estimate.
- Passenger revenues are projected to increase by \$32.4 million or 8.3% in 2004 over the 2003 final estimate. The regional economy, employment trends and the impacts of the fare increase are the primary drivers of passenger ridership and revenue in 2004. With employment trends falling short of expectations in the last couple of years, ridership projections have been adversely affected. The 2004 adopted budget projects ridership of 81.8 million, an increase of 1.8% over the final 2003 forecast. This growth is predicated on some recovery in employment and from the price elasticity effects of the fare increase.
- Non-farebox sources of revenue have remained healthy. Special Services revenues increase by 0.6% over the final 2003 estimate, and all Other Revenues increase by \$1.1 million, or about 5.4%. Growth in special services revenues for beverage and snack sales on board and at Penn and Jamaica continues to be slow but steady. Other revenues (rental income, advertising, fiber optics and miscellaneous revenues) are projected to reach \$22.1 million in the 2004 budget. This increase reflects inflationary increases more than increases in volumes of activity.

**2005-2007**

- Passenger revenue forecasts for the outer years 2005-2007 reveal modest annual growth due to increases in ridership. LIRR ridership growth is dependent on New York City employment. Last spring the MTA provided NYC Employment forecasts that assumed 2.3% growth for the period 2005-2007, based on these forecasts, LIRR ridership for the same period is estimated to increase by 3.1%.
- Other revenues, which include rentals and station privileges income, are projected to increase by contractual increases and inflationary growth.

**Expense Review**

**2004 vs. 2003**

- Operating expenses (excluding depreciation/amortization) are projected to increase by \$60.8 million over the 2003 final estimate; \$30.5 million of this is associated with the Pension increase.
- The 2004 adopted budget encompasses those resource requirements that will best enable the Railroad to fulfill its service obligations as efficiently as possible, while minimizing any impacts on our customers.

- The budget also takes into account the resource impacts of the evolving needs of the new M-7 fleet and the retiring M-1 fleet.
- In order to stay within the financial plan, and cover contractual and inflationary increases, reductions known as “Programs to Eliminate the Gap” (or PEGs) have been made in 2004. The PEGs for 2004 total \$52.7 million and encompass a wide range of activities eliminated, downsized or deferred. Some positions were eliminated as a result of reduced functional requirements and reorganizations within and between departments. In other cases, proposed additional positions were not added to the workforce.
- Major PEGs are associated with the completion of certain maintenance programs and one-time reductions to material acquisition requirements. The latter enable us to draw down inventory to support maintenance; the former were largely replaced with new maintenance programs (as seen in the 2004 New Needs). Reductions to a variety of expenses including communications, advertising, leases, tuition, operating and professional services are spread throughout the company. However, the most significant changes for 2004 are the information services initiatives that are deferred so that the LIRR can remain within budgetary guidelines. These include systems for a Financial Suite, upgrades or replacements to work order systems, crew scheduling construction system and automated voice response systems. The Financial Suite will be coordinated with the MTA.
- New Needs and Other Adjustments for 2004 total \$74.2 million, resulting from a combination of changes to programmed activities and non-programmatic cost increases. During 2004, fleet modification programs continue in order to reduce component failures and improve reliability. Interior lighting upgrades on the M-3s, side door weather-stripping replacement and MU speed sensor design enhancement are a few of the programs to improve reliability. Much of the increase to diesel fleet maintenance costs are associated with life cycle maintenance needs such as engine and truck overhauls. Also included in 2004 are new plant maintenance needs to maintain existing equipment and facilities, as well as staffing for the new Arch Street Shop.
- Other “New Needs” are actually associated with rapidly rising costs for existing levels of activity; these would be considered “non-programmatic” increases. For example, the escalation of Retiree health and welfare benefits costs largely reflects changes to the price of these benefits rather than any change planned by the LIRR. Health and welfare costs for active and retired employees continue to grow at a far faster pace than projected by medical services inflators. Pension is another non-programmatic area of “new need”, where annual required contributions for the pre-1988 pension plans have increased enormously over the last two years. This growth of about \$60 million results in annual total pension expenses projected being twice what they were in 2000 for the next few decades.

## **2005-2007**

- The major assumptions for the years 2005 through 2007 are: no significant change to overall service levels; continued improvement in on-time performance, mean distance between failures, safety and other key measures; wage increases

driven by pattern bargaining through contract term (and CPI thereafter) and increases in average headcount; and increases to capital reimbursable activity levels. In addition, non-payroll items cut from 2004, particularly in purchased services and leases and rentals, are added back into 2005.

- Some non-programmatic needs are the impacts of escalating Retiree health and welfare benefits costs and increases to pension expense; these affect all the years in the financial plan.
- Each year there are fleet modification programs that start and others that conclude, with varying impacts on labor and material requirements. In addition to programs aimed at reducing component failures and improving reliability, there are new needs associated with life cycle maintenance needs for the diesel fleet and other fleets, with major impacts on material requirements in the outer years. There are also new needs for plant maintenance for existing equipment and facilities, as well as expanded physical plant.
- The continuing impacts of starting up the Arch Street facility and new maintenance modifications are also seen in the out-years. Among the major new items in 2005-2007 are systems initiative investments, such as support for life cycle maintenance as well as hardware and software. Increasing needs in the administrative area are also seen in rising insurance costs. In support of customer service, positions and train power costs are being added in the transportation department. The start-up of the Air Train facility in Jamaica and the completed Jamaica improvements also create new needs. Materials for life cycle maintenance and the shift of maintenance activities from M-1's to M-7's add to resources needed in the Equipment department.
- Reductions in overtime in 2004 continue into the out years; all increases are associated with inflation only.
- Some reductions in 2004 especially those associated with deferred system initiatives and upgrades are added back in 2005. These cannot be deferred indefinitely without adversely affecting operational performance.
- For the 2005-2007 time period, most of the expense PEGs reflect items carried forward from the 2003-2004 years. Examples of these include the effect of wage increases driven by pattern bargaining, lower voice and data charges, completion of maintenance modifications, retirement of M-1 cars, and reduction of added station appearance maintainer positions. In addition there are new PEGs in 2005-2007, including reduction in training needs for M-7's, reduced hazardous material abatement requirements for rolling stock, lower diesel running repair expenditures as reliability increases, and lower MTA computer charges.

MTA LONG ISLAND RAIL ROAD  
FEBRUARY FINANCIAL PLAN 2004 - 2007  
Reconciliation of the Program to Eliminate the Gap  
2003 - 2007  
(\$ in millions)

	Favorable/(Unfavorable)											
	2003		2004		Two-Year Total		2005 Plan		2006 Plan		2007 Plan	
	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	
<b>2003 October Forecast (October Plan)</b>												
<b>Grand Total</b>	<b>18</b>	<b>\$44.201</b>	<b>97</b>	<b>\$50.604</b>	<b>\$94.805</b>	<b>112</b>	<b>\$79.403</b>	<b>124</b>	<b>\$119.056</b>	<b>133</b>	<b>\$131.463</b>	
<b>Amendments:</b>												
Administration:												
Railroad Unemployment rate savings				\$2.170	\$2.170							
<i>Passenger Services</i>												
Overtime - lower open job coverage		0.145			0.145							
<i>Finance</i>												
Vacancies and delayed hiring	3	0.177			0.177							
Reimbursables		0.044			0.044							
<i>STC</i>												
Lower retiree sick/vacation buyback and comp. time payment		0.307			0.307							
Lower voice data and leased line costs		0.500			0.500							
Resource Processing & Control delayed project completion until 2004		0.228			0.228							
Consultants for Backpay/Maintenance work/M-N-R		0.662			0.662							
Lower overtime		0.020			0.020							
Lower consultant services and time schedule printing		0.150			0.150							
Lower computer hardware maintenance services		0.155			0.155							
Lower miscellaneous expenses		0.005			0.005							
Lower costs for data processing and office supplies		0.100			0.100							
<i>Labor Relations</i>												
Open Positions	1	0.030			0.030							
<i>Proc. &amp; Logistics</i>												
Hiring delays and benefit adjustments	7	0.000			0.000							
Reduction in materials		0.080			0.080							
<i>Strategic Investments</i>												
Open positions and benefit adjustments	4	0.196			0.196							
Reduction in professional services		0.192			0.192							
Miscellaneous payroll and non payroll adjustments		0.022			0.022							
<i>Law</i>												
Reduction in surveillance services		0.113			0.113							
Adjustment to claims and suits		5.864			5.864							
OSA												
Lower payroll - vacant position	1	0.128			0.128							
<i>Safety</i>												
Reduction in Maintenance services		0.027			0.027							

Sub-Total Administration	16	\$9.145	0	\$2.170	<b>\$11.315</b>	0	\$ .000	0	\$ .000	0	\$ .000
Customer Convenience & Amenities:											
Sub-Total Customer Convenience & Amenities	0	\$0.000	0	\$0.000	<b>\$0.000</b>	0	\$0.000	0	\$0.000	0	\$0.000
Maintenance:											
Equipment											
Environmental Clean-up Services		\$0.250			0.250						
Other Outside Services (CFR238 Report Writing & Lab Fees)		0.306			0.306						
Lower headcount (hiring freeze/delays)	26	1.530			1.530						
Toilet servicing (lower rates; smaller fleet size)		0.100			0.100						
M-1 Decommissioning (deferred M-1 retirements)		0.027			0.027						
Other lower maintenance services		0.272			0.272						
Misc. non-payroll		0.038		0.048	0.086						
Plant Maintenance and Field operations - lower material usage		0.131			0.131						
Diesel Running Repair		0.334			0.334						
Engineering											
Overtime - maintenance and project-related		(0.201)			(0.201)						
Rail testing, lab fees and consulting services		0.176			0.176						
Lower elevator escalator maintenance		(0.198)			(0.198)						
Maintenance of Way Repair Shop Inventory Credit		1.500			1.500						
Sub-Total Maintenance	26	\$4.265	0	\$0.048	<b>\$4.313</b>	0	\$ .000	0	\$ .000	0	\$ .000
Other:											
Sub-Total Other	0	\$0.000	0	\$0.000	<b>\$ .000</b>	0	\$ .000	0	\$ .000	0	\$ .000
Revenue:											
Rental income and advertising income		(\$0.324)			(\$0.324)						
Sub-Total Revenue	0	(\$0.324)	0	\$0.000	<b>(\$0.324)</b>	0	\$ .000	0	\$ .000	0	\$ .000
Cash only and other adjustments:											
Claims & Suits - payouts vs. reserves		(\$1.321)			(\$1.321)						
Railroad Retirement payment adjustment		1.200			1.200						
Sub-Total Cash only and other adjustments	0	(\$0.121)	0	\$0.000	(\$0.121)						
<b>Total Amendments</b>	<b>42</b>	<b>\$12.965</b>	<b>0</b>	<b>\$2.218</b>	<b>\$15.183</b>	<b>0</b>	<b>\$ .000</b>	<b>0</b>	<b>\$ .000</b>	<b>0</b>	<b>\$ .000</b>
<b>2004 Adopted Budget (December Plan) Grand Total</b>	<b>60</b>	<b>\$57.166</b>	<b>97</b>	<b>\$52.822</b>	<b>\$109.988</b>	<b>112</b>	<b>\$79.403</b>	<b>124</b>	<b>\$119.056</b>	<b>133</b>	<b>\$131.463</b>
Amendments	0	\$0.000	0	\$0.000	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
<b>2004 Adopted Budget/February Plan Grand Total</b>	<b>60</b>	<b>\$57.166</b>	<b>97</b>	<b>\$52.822</b>	<b>\$109.988</b>	<b>112</b>	<b>\$79.403</b>	<b>124</b>	<b>\$119.056</b>	<b>133</b>	<b>\$131.463</b>

<sup>1</sup> Reflects the impact of amendments on year-end positions.

**MTA LONG ISLAND RAIL ROAD**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**OPERATING BUDGET PROJECTIONS**  
**PROGRAMS TO ELIMINATE THE GAP (PEGS)**  
**2003 - 2007**  
(\$ in thousands)

	Favorable / (Unfavorable)									
	2003		2004		2005		2006		2007	
	Final Estimate		Adopted Budget							
	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars
<b><u>Administration:</u></b>										
<b><u>All Departments</u></b>										
Wage Increase assumptions	0	\$3,322	0	\$2,967	0	\$3,022	0	\$3,082	0	\$3,151
Railroad Unemployment rate savings	0	0	0	2,170	0	0	0	0	0	0
<b><u>Equipment</u></b>										
Availability & Employee Vacation Relief	0	0	0	425	0	432	0	441	0	451
Department Reorganization, Transfers and Position Abolishments	0	0	14	1,116	10	667	10	680	10	695
<b><u>Engineering</u></b>										
Inventory Management System	0	0	0	38	0	0	0	0	0	0
Training - Technology	0	0	0	40	0	0	0	0	0	0
Vehicle Purchase	0	0	0	200	0	0	0	0	0	0
Employee Expenses - Mileage/Travel	0	0	0	100	0	0	0	0	0	0
Updated rates for LIRR vehicles (based on Metro-North)	0	870	0	0	0	0	0	0	0	0
<b><u>Transportation</u></b>										
Lower headcount - hiring freeze/attrition (Mgmt.,labor)	7	1,853	0	0	0	0	0	0	0	0
Lower project tours	0	150	0	0	0	0	0	0	0	0
Adjustment to pay rates (employee mix) and non-paid absences	0	827	0	0	0	0	0	0	0	0
<b><u>Passenger Services</u></b>										
Non-paid absences (sick, family leave and disciplinary without pay)	0	125	0	0	0	0	0	0	0	0
Reclassify Asst. Mgr Mail & Ride to Asst. Terminal Mgr.	0	0	0	10	0	10	0	10	0	11
Eliminate 2 bookkeeper positions	0	0	2	154	2	157	2	160	2	164
Overtime - lower open job coverage	0	277	0	0	0	0	0	0	0	0
Materials-vehicle/ETVM hardware	0	70	0	0	0	0	0	0	0	0
<b><u>Administrative Departments</u></b>										
<b><u>Finance</u></b>										
Vacancies and delayed hiring	5	432	0	0	0	0	0	0	0	0
Hyperion System maintenance services	0	18	0	10	0	10	0	10	0	11
Operating services	0	3	0	1	0	1	0	1	0	1
Material reduction	0	9	0	6	0	6	0	6	0	6
Reimbursables	0	75	0	0	0	0	0	0	0	0
Lower professional services	0	0	0	9	0	9	0	9	0	10
Lower tuition reimbursements	0	0	0	6	0	6	0	6	0	6
Lower bad debt expenses	0	0	0	59	0	60	0	61	0	63
<b><u>STC</u></b>										
Lower retiree sick/vacation buyback and comp. time	0	1,203	0	0	0	0	0	0	0	0
Lower voice data and leased line costs	0	1,000	0	0	0	0	0	0	0	0
Resource Processing & Control delayed project completion until 2004	0	358	0	0	0	0	0	0	0	0
Hand Held - Support Shop Phase II & 1870 Inspection	0	190	0	0	0	0	0	0	0	0
Verizon- CDPD- M-7 late roll out	0	100	0	0	0	0	0	0	0	0
Consultants for Backpay/Maintenance work	0	962	0	0	0	0	0	0	0	0

**MTA LONG ISLAND RAIL ROAD**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**OPERATING BUDGET PROJECTIONS**  
**PROGRAMS TO ELIMINATE THE GAP (PEGS)**  
**2003 - 2007**  
(\$ in thousands)

	Favorable / (Unfavorable)									
	<b>2003</b>		<b>2004</b>		<b>2005</b>		<b>2006</b>		<b>2007</b>	
	<b>Final Estimate</b>		<b>Adopted Budget</b>							
	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>
Lower overtime	0	55	0	22	0	17	0	12	0	10
Lower voice charges due to switch replacement that is not required	0	0	0	1,946	0	1,666	0	1,350	0	1,380
Lower leased office machines costs	0	0	0	110	0	0	0	0	0	0
Lower computer hardware costs	0	0	0	593	0	93	0	95	0	97
Lower miscellaneous expenses	0	5	0	3	0	3	0	3	0	3
Systems Initiatives (Financial suite; Life Cycle Maintenance; IVR TIC; etc.)	0	0	0	2,396	0	0	0	0	0	0
Lower consultant services and time schedule printing	0	150	0	0	0	0	0	0	0	0
Lower computer hardware maintenance services	0	155	0	0	0	0	0	0	0	0
Lower costs for data processing and office supplies	0	100	0	0	0	0	0	0	0	0
<b>President</b>										
Material	0	1	0	0	0	0	0	0	0	0
Reduction of living expenses for acting President	0	21	0	0	0	0	0	0	0	0
<b>Market Development and Public Affairs</b>										
Reduction to advertising	0	390	0	209	0	213	0	217	0	222
Open Positions	0	172	0	0	0	0	0	0	0	0
Misc. charges and credit	0	11	0	0	0	0	0	0	0	0
<b>Labor Relations</b>										
Open Positions	1	219	0	0	0	0	0	0	0	0
Misc. non-payroll	0	12	0	0	0	0	0	0	0	0
Transfer of Labor Counsel to Labor Relations Department	0	0	1	151	1	154	1	157	1	160
<b>Proc. &amp; Logistics</b>										
Hiring delays and benefit adjustments	7	1,134	0	0	0	0	0	0	0	0
Reduction in materials (vehicles)	0	80	0	0	0	0	0	0	0	0
Fewer uniform purchases (vendor change)	0	280	0	0	0	0	0	0	0	0
Misc. non-payroll	0	22	0	0	0	0	0	0	0	0
<b>Human Resources</b>										
Lower medical lab testing fees	0	125	0	0	0	0	0	0	0	0
Lower recruitment expenses	0	32	0	0	0	0	0	0	0	0
Revised rate of increase on Medical Contract	0	0	0	55	0	26	0	0	0	0
Supplies (Postage reduced fewer mailings)	0	0	0	46	0	47	0	48	0	49
Reduction in Employee Expenses recruitment and tuition	0	6	0	20	0	20	0	21	0	21
Miscellaneous Non-payroll reductions	0	2	0	8	0	8	0	8	0	8
<b>Strategic Invest.</b>										
Open positions and benefit adjustments	4	333	0	0	0	0	0	0	0	0
Reduction in professional services	0	192	0	80	0	81	0	83	0	85
Non-stock materials reduced (calibration items)	0	0	0	20	0	20	0	21	0	21
Miscellaneous payroll and non payroll adjustments	0	61	0	24	0	24	0	25	0	25
<b>Law</b>										
Reduction in surveillance services	0	173	0	0	0	0	0	0	0	0
Hiring delays and benefit adjustments	0	20	0	0	0	0	0	0	0	0
Adjustment to claims and suits	0	5,864	0	575	0	586	0	597	0	611

**MTA LONG ISLAND RAIL ROAD**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**OPERATING BUDGET PROJECTIONS**  
**PROGRAMS TO ELIMINATE THE GAP (PEGS)**  
**2003 - 2007**  
(\$ in thousands)

	Favorable / (Unfavorable)									
	2003		2004		2005		2006		2007	
	Final Estimate		Adopted Budget							
	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars
<b>DVM</b>										
Misc payroll adjustments	0	3	0	0						
<b>OSA</b>										
Increase in reimbursable	0	5	0	0	0	0	0	0	0	0
Lower payroll - vacant position	1	228	0	0	0	0	0	0	0	0
<b>Safety</b>										
Reduction in Maintenance services	0	57	0	0	0	0	0	0	0	0
Open positions and benefit adjustments	0	65	0	0	0	0	0	0	0	0
Eliminate part of the Corporate Safety Incentive Program	0	0	0	115	0	117	0	119	0	122
<b>Other</b>										
Timing and Other Adjustments	0	3,102	0	3,969	0	0	0	0	0	0
<b>Total</b>	<b>25</b>	<b>\$24,919</b>	<b>17</b>	<b>\$17,652</b>	<b>13</b>	<b>\$7,457</b>	<b>13</b>	<b>\$7,225</b>	<b>13</b>	<b>\$7,383</b>
<b><u>Customer Convenience and Amenities:</u></b>										
<b><u>Engineering</u></b>										
Right of Way Cleaning	0	0	8	537	8	487	8	497	8	508
Copague Station Stair Replacement	0	0	0	150	0	0	0	0	0	0
<b><u>Transportation</u></b>										
Less constructive payments per employee	0	474	0	0	0	0	0	0	0	0
Weather-related busing services	0	130	0	0	0	0	0	0	0	0
Relief day project overtime tours	0	1,924	0	0	0	0	0	0	0	0
Removal of 2 new Ronkonkoma consists (elimination of proposed new service)	0	206	0	0	0	0	0	0	0	0
Reassessment of East Side Access (payroll savings)	0	0	0	2,331	0	2,374	0	2,421	0	2,475
Joint Facilities reduction	0	717	0	400	0	407	0	416	0	425
Removal of 1 yard crew-tour	0	0	0	207	0	211	0	215	0	220
Availability changes: increase train service 1 day and engine service 1.75 days	0	0	0	666	0	678	0	692	0	707
Combine DM & MU crews	0	0	0	161	0	164	0	167	0	171
Change reporting location for engine service (Morris Park & Richmond Hill)	0	0	0	161	0	164	0	167	0	171
Reclassification of 20 train service heads (from Conductor to Assistant Conductor and Collector)	0	0	0	419	0	427	0	435	0	445
Decrease in 2 passenger crews due to the elimination of proposed new service	0	0	0	537	0	547	0	558	0	570
Reduction of 2 Ushers- Penn Station ticketed waiting room	0	0	0	157	0	160	0	163	0	167
<b><u>Passenger Services</u></b>										
TVM software leasing	0	30	0	0	0	0	0	0	0	0
Lower costs for kiosks for Ticket Vending Machines (TVMs)	0	30	0	0	0	0	0	0	0	0
Eliminate 2 TVM/Agent additional team for Revenue Service Maintenance	0	0	2	185	2	188	2	192	2	196



**MTA LONG ISLAND RAIL ROAD**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**OPERATING BUDGET PROJECTIONS**  
**PROGRAMS TO ELIMINATE THE GAP (PEGS)**  
**2003 - 2007**  
(\$ in thousands)

	Favorable / (Unfavorable)									
	2003		2004		2005		2006		2007	
	Final Estimate		Adopted Budget							
	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars
Reduce Agent and Station Appearance Maintainer (SAM) positions (reassessment of proposed additions)	0	0	16	1,024	14	923	11	739	8	524
Eliminate Asst. Terminal Mgr.	0	0	0	95	0	97	0	99	0	101
Reduce Jamaica Air Train Cleaning	0	0	0	92	0	31	0	0	0	0
Reduce Debit/Credit fees increase	0	0	0	467	0	176	0	179	0	183
Eliminate 2 ticket clerks from General Manager Office	0	0	2	132	2	134	2	137	2	140
Reduce Penn Station cleaning	0	0	0	200	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>\$3,511</b>	<b>28</b>	<b>\$7,921</b>	<b>26</b>	<b>\$7,168</b>	<b>23</b>	<b>\$7,077</b>	<b>20</b>	<b>\$7,004</b>
<b><u>Service:</u></b>										
Revision of Holiday service -MLK and Columbus day reduction of tours (similar to Metro-North)	0	0		69	0	70	0	72	0	73
<b>Total</b>	<b>0</b>	<b>\$0</b>	<b>0</b>	<b>\$69</b>	<b>0</b>	<b>\$70</b>	<b>0</b>	<b>\$72</b>	<b>0</b>	<b>\$73</b>
<b><u>Maintenance:</u></b>										
<b><u>Maintenance of Equipment</u></b>										
MU Mods Ending/Continuing	0	0	9	2,382	34	6,002	34	6,121	34	6,258
Diesel Mods Ending/Continuing	0	0	8	1,027	14	1,852	14	1,889	14	1,931
M-1 Retirements (118 more retirements - Less	0	0	18	3,194	27	4,105	38	5,422	48	6,776
Support Shop (Production Plan)	0	0	8	4,770	(24)	6,980	(24)	12,619	(24)	17,201
LCM (M3 & M7) Material (Lagged into 2005 - Timing of Receipts - M-7's)	0	0	0	3,000	0	0	0	0	0	0
45 Day PI (ATC - Speed Control M-7 - Assumed not	0	0	9	816	9	831	9	848	9	866
Environmental Clean-up Services	0	400	0	204	0	208	0	212	0	217
CRH (Toilet Servicing) and Manpower	0	0	1	825	1	841	1	857	1	876
Other Outside Services (CFR238 Report Writing & Lab	0	306	0	463	0	471	0	481	0	491
M-7 Track Lease (Reimbursable)	0	0	0	150	0	153	0	156	0	159
Lower headcount (hiring freeze/delays)	35	9,264	0	0	0	0	0	0	0	0
Completion of Procedure Writing Program	0	360	0	0	0	0	0	0	0	0
Lab fees and other professional services	0	178	0	0	0	0	0	0	0	0
Toilet servicing (lower rates; smaller fleet size)	0	530	0	0	0	0	0	0	0	0
M-1 Decommissioning (deferred M-1 retirements)	0	280	0	0	0	0	0	0	0	0
Other lower maintenance services	0	490	0	0	0	0	0	0	0	0
Support Shops material (lower costs and volume)	0	1,994	0	0	0	0	0	0	0	0
Fewer boom truck and trailer rentals	0	160	0	0	0	0	0	0	0	0
Misc. non-payroll	0	159	0	48	0	0	0	0	0	0
Plant Maintenance and field operations - lower material	0	131	0	0	0	0	0	0	0	0
Diesel running repairs	0	334	0	0	0	0	0	0	0	0
<b><u>Engineering</u></b>										
Substation Roof Repairs	0	0	0	20	0	0	0	0	0	0
Negative Bonding	0	0	0	60	0	0	0	0	0	0
Signal System Maintenance	0	0	0	432	0	0	0	0	0	0
Meter Calibration & Hazardous Waste	0	0	0	60	0	0	0	0	0	0
Hillside Roof Repairs	0	0	0	300	0	0	0	0	0	0
Bridge Painting Program	0	0	0	150	0	0	0	0	0	0
Lower headcount - hiring freeze/delays										
- (Primarily Signalmen for East Side Access)	0	6,397	0	0	0	0	0	0	0	0
Overtime - maintenance and project-related	0	934	0	0	0	0	0	0	0	0
Track Car (TC-82) Post Processing Pilot cancelled	0	150	0	0	0	0	0	0	0	0
Fewer environmental clean-ups	0	150	0	0	0	0	0	0	0	0

**MTA LONG ISLAND RAIL ROAD**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**OPERATING BUDGET PROJECTIONS**  
**PROGRAMS TO ELIMINATE THE GAP (PEGS)**  
**2003 - 2007**  
(\$ in thousands)

Favorable / (Unfavorable)										
	<b>2003</b>		<b>2004</b>		<b>2005</b>		<b>2006</b>		<b>2007</b>	
	<b>Final Estimate</b>		<b>Adopted Budget</b>							
	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars
Rubbish removal and other miscellaneous maintenance services	0	48	0	0	0	0	0	0	0	0
Transformer Maintenance Program	0	0	0	100	0	0	0	0	0	0
Comm Cable Asbestos Abatement	0	0	0	220	0	26	0	27	0	28
Rail testing, lab fees and consulting services	0	422	0	0	0	0	0	0	0	0
Lower HVAC maintenance	0	335	0	0	0	0	0	0	0	0
Lower elevator/escalator maintenance	0	0	0	0	0	0	0	0	0	0
Signal material reclassified	0	193	0	0	0	0	0	0	0	0
Lower electrical usage	0	55	0	0	0	0	0	0	0	0
Maintenance of Way Repair Shop inventory credit	0	1,500	0	0	0	0	0	0	0	0
<b>Total</b>	<b>35</b>	<b>\$24,770</b>	<b>52</b>	<b>\$18,222</b>	<b>60</b>	<b>\$21,469</b>	<b>71</b>	<b>\$28,631</b>	<b>81</b>	<b>\$34,803</b>
<b><u>Other:</u></b>										
<b><u>Maintenance of Equipment</u></b>										
Training (CFR & M-7 - Phase 1)	0	0	0	108	0	110	0	112	0	115
Fleet Support Hazardous Material (delayed contracts)	0	306	0	0	0	0	0	0	0	0
Fewer environmental services for plant maintenance	0	250	0	0	0	0	0	0	0	0
<b><u>Engineering</u></b>										
Substation Fence Repairs	0	0	0	20	0	20	0	21	0	21
Safety Incentives	0	0	0	40	0	0	0	0	0	0
Comm Control Integration	0	0	0	135	0	14	0	14	0	14
Tree Trimming Program Increase	0	0	0	500	0	0	0	0	0	0
TR4 Radio Base Stations	0	0	0	135	0	14	0	14	0	14
Storm Damage	0	0	0	216	0	220	0	224	0	229
Speed Spectrum Wayside Radio	0	0	0	38	0	0	0	0	0	0
Guard Services (reimbursed through capital program)	0	292	0	0	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>\$848</b>	<b>0</b>	<b>\$1,192</b>	<b>0</b>	<b>\$378</b>	<b>0</b>	<b>\$385</b>	<b>0</b>	<b>\$394</b>
<b><u>Revenue Initiatives:</u></b>										
<b>Rental income and advertising income</b>	<b>0</b>	<b>\$869</b>	<b>0</b>	<b>\$556</b>	<b>0</b>	<b>\$1,469</b>	<b>0</b>	<b>\$1,717</b>	<b>0</b>	<b>\$1,291</b>
<b><u>Cash only and other adjustments:</u></b>										
Production Plan material cash savings (purchases vs. chargeouts)				5,532		1,000		400		0
Claims & Suits - payouts vs. reserves		768								
Operating Funded Capital - vehicle purchases and changes in projects		281		1,677		0		0		0
Railroad Retirement payment adjustment		1,200		0		0		0		0
	0	\$2,249	0	\$7,209	0	\$1,000	0	\$400	0	\$0
<b>Total PEGs</b>	<b>60</b>	<b>\$57,166</b>	<b>97</b>	<b>\$52,822</b>	<b>99</b>	<b>\$39,011</b>	<b>107</b>	<b>\$45,507</b>	<b>114</b>	<b>\$50,948</b>

MTA LONG ISLAND RAIL ROAD  
FEBRUARY FINANCIAL PLAN 2004 - 2007  
OPERATING BUDGET PROJECTIONS  
PROGRAMS TO ELIMINATE THE GAP (PEGS)  
2003 - 2007  
(\$ in thousands)

	Favorable / (Unfavorable)									
	2003		2004		2005		2006		2007	
	Final Estimate		Adopted Budget							
	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars
New PEGs for 2005-2007:										
<u>Administration:</u>										
Lower MTA computer charges						\$400		\$408		\$417
<u>Maintenance:</u>										
<u>Maintenance of Equipment</u>										
Diesel Running Repairs (Reliability Savings)					0	357	4	851	6	1,448
Reduction in training needs (M7 basic training, new heads training)					13	1,001	13	1,021	13	1,044
Total					13	\$1,358	17	\$1,872	19	\$2,492
<u>Other:</u>										
<u>Maintenance of Equipment</u>										
RSU Hazmat Abatement					0	\$391	0	\$399	0	\$407
<u>Other adjustments:</u>										
Pension Shortall Make-up						9,772		19,604		24,116
Unspecified PEGs						28,471		51,266		53,082
Total					0	\$38,243	0	\$70,870	0	\$77,198
Total New PEGs for 2005-2007:					13	\$40,391	17	\$73,549	19	\$80,515
Total PEGs					112	\$79,403	124	\$119,056	133	\$131,463

**MTA LONG ISLAND RAIL ROAD**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**TOTAL POSITIONS 2003 - 2007**  
**FULL-TIME AND FULL-TIME EQUIVALENTS (FTE'S)**  
**NON-REIMBURSABLE AND REIMBURSABLE**

	Final Estimate for 2003			Adopted Budget 2004			2005			2006			2007		
	Non-			Non-			Non-			Non-			Non-		
	Represented	Represented	Total	Represented	Represented	Total	Represented	Represented	Total	Represented	Represented	Total	Represented	Represented	Total
Engineering	1,416	113	1,529	1,465	128	1,593	1,483	128	1,611	1,480	129	1,609	1,480	129	1,609
Equipment	1,647	138	1,785	1,710	151	1,861	1,741	155	1,896	1,726	155	1,881	1,714	155	1,869
Transportation	1,750	101	1,851	1,776	94	1,870	1,785	95	1,880	1,795	94	1,889	1,795	94	1,889
Passenger Services	366	24	390	358	25	383	360	25	385	363	25	388	366	25	391
All Other	10	14	24	11	14	25	11	14	25	11	14	25	11	14	25
Total Operating & Maint.	5,189	390	5,579	5,320	412	5,732	5,380	417	5,797	5,375	417	5,792	5,366	417	5,783
Executive Vice President	0	2	2	0	2	2	0	2	2	0	2	2	0	2	2
Labor Relations	0	10	10	0	12	12	0	12	12	0	12	12	0	12	12
Procurement & Logistics	152	25	177	159	26	185	159	26	185	159	26	185	159	26	185
Human Resources	65	33	98	65	34	99	65	34	99	65	34	99	65	34	99
Strategic Investments	6	28	34	6	35	41	6	35	41	6	35	41	6	35	41
Diversity Management	0	3	3	0	3	3	0	3	3	0	3	3	0	3	3
Total Exec. Vice President	223	101	324	230	112	342	230	112	342	230	112	342	230	112	342
President	0	3	3	0	3	3	0	3	3	0	3	3	0	3	3
V.P. & Chief Financial Officer	77	27	104	75	35	110	75	35	110	75	35	110	75	35	110
Svc. Planning, Tech. & CPM	144	143	287	147	143	290	148	143	291	150	143	293	150	143	293
Market Dev. & Public Affairs	35	28	63	39	27	66	39	27	66	39	27	66	39	27	66
General Counsel & Secretary	13	17	30	15	17	32	15	17	32	15	17	32	15	17	32
System Safety	6	15	21	7	14	21	7	14	21	7	14	21	6	14	20
Total General & Admin	275	233	508	283	239	522	284	239	523	286	239	525	285	239	524
Total	5,687	724	6,411	5,833	763	6,596	5,894	768	6,662	5,891	768	6,659	5,881	768	6,649

MTA LONG ISLAND RAIL ROAD  
FEBRUARY FINANCIAL PLAN 2004 - 2007  
TOTAL POSITIONS 2003 - 2007  
FULL-TIME AND FULL-TIME EQUIVALENTS (FTE'S)  
NON-REIMBURSABLE

	Final Estimate for 2003			Adopted Budget 2004			2005			2006			2007		
	Non-			Non-			Non-			Non-			Non-		
	Represented	Represented	Total	Represented	Represented	Total	Represented	Represented	Total	Represented	Represented	Total	Represented	Represented	Total
Engineering	996	74	1,070	1,029	85	1,114	962	84	1,046	962	84	1,046	962	84	1,046
Equipment	1,631	114	1,745	1,686	129	1,815	1,714	133	1,847	1,698	133	1,831	1,686	133	1,819
Transportation	1,735	93	1,828	1,758	87	1,845	1,768	87	1,855	1,778	87	1,865	1,778	87	1,865
Passenger Services	366	24	390	358	25	383	360	25	385	363	25	388	366	25	391
All Other	9	13	22	10	13	23	10	13	23	10	13	23	10	13	23
Total Operating & Maint	4,737	318	5,055	4,841	339	5,180	4,814	342	5,156	4,811	342	5,153	4,802	342	5,144
Executive Vice President	0	2	2	0	2	2	0	2	2	0	2	2	0	2	2
Labor Relations	0	10	10	0	12	12	0	12	12	0	12	12	0	12	12
Procurement & Logistics	135	19	154	142	20	162	142	20	162	142	20	162	142	20	162
Human Resources	65	33	98	65	34	99	65	34	99	65	34	99	65	34	99
Strategic Investments	5	11	16	5	13	18	5	13	18	5	13	18	5	13	18
Diversity Management	0	3	3	0	3	3	0	3	3	0	3	3	0	3	3
Total Exec. Vice President	205	78	283	212	84	296	212	84	296	212	84	296	212	84	296
President	0	3	3	0	3	3	0	3	3	0	3	3	0	3	3
V.P. & Chief Financial Officer	64	24	88	62	31	93	62	31	93	62	31	93	62	31	93
Svc. Planning, Tech. & CPM	112	57	169	115	57	172	116	57	173	118	57	175	118	57	175
Market Dev. & Public Affairs	35	28	63	39	27	66	39	27	66	39	27	66	39	27	66
General Counsel & Secretary	13	17	30	15	17	32	15	17	32	15	17	32	15	17	32
System Safety	5	14	19	6	13	19	6	13	19	6	13	19	6	13	19
Total General & Admin	229	143	372	237	148	385	238	148	386	240	148	388	240	148	388
Total	5,171	539	5,710	5,290	571	5,861	5,264	574	5,838	5,263	574	5,837	5,254	574	5,828

**MTA LONG ISLAND RAIL ROAD**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**TOTAL POSITIONS 2003 - 2007**  
**FULL-TIME AND FULL-TIME EQUIVALENTS (FTE'S)**  
**REIMBURSABLE**

	<b>Final Estimate for 2003</b>			<b>Adopted Budget 2004</b>			<b>2005</b>			<b>2006</b>			<b>2007</b>		
	<b>Non-</b>			<b>Non-</b>			<b>Non-</b>			<b>Non-</b>			<b>Non-</b>		
	<b>Represented</b>	<b>Represented</b>	<b>Total</b>	<b>Represented</b>	<b>Represented</b>	<b>Total</b>	<b>Represented</b>	<b>Represented</b>	<b>Total</b>	<b>Represented</b>	<b>Represented</b>	<b>Total</b>	<b>Represented</b>	<b>Represented</b>	<b>Total</b>
Engineering	420	39	459	436	43	479	521	44	565	518	45	563	518	45	563
Equipment	16	24	40	24	22	46	27	22	49	28	22	50	28	22	50
Transportation	15	8	23	18	7	25	17	8	25	17	7	24	17	7	24
Passenger Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
All Other	1	1	2	1	1	2	1	1	2	1	1	2	1	1	2
Total Operating & Maint.	452	72	524	479	73	552	566	75	641	564	75	639	564	75	639
Executive Vice President	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Labor Relations	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Procurement & Logistics	17	6	23	17	6	23	17	6	23	17	6	23	17	6	23
Human Resources	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Strategic Investments	1	17	18	1	22	23	1	22	23	1	22	23	1	22	23
Diversity Management	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Exec. Vice President	18	23	41	18	28	46	18	28	46	18	28	46	18	28	46
President	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
V.P. & Chief Financial Officer	13	3	16	13	4	17	13	4	17	13	4	17	13	4	17
Svc. Planning, Tech. & CPM	32	86	118	32	86	118	32	86	118	32	86	118	32	86	118
Market Dev. & Public Affairs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
General Counsel & Secretary	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
System Safety	1	1	2	1	1	2	1	1	2	1	1	2	0	1	1
Total General & Admin	46	90	136	46	91	137	46	91	137	46	91	137	45	91	136
Total	516	185	701	543	192	735	630	194	824	628	194	822	627	194	821

**MTA METRO-NORTH RAILROAD**

**MTA METRO-NORTH RAILROAD  
FEBRUARY FINANCIAL PLAN FOR 2004-2007  
FINAL 2003 ESTIMATE AND ADOPTED BUDGET FOR 2004**

The attached reports reflect MTA Metro-North's Final 2003 Estimate and the Adopted Budget for 2004. The adopted budget reflects amendments to the October Financial Plan adopted by the Board in December 2003 as well as subsequent technical modifications presented for approval in February 2004. The attached also presents an adjusted Financial Plan for 2005-2007 reflecting the impact of the 2004 adopted actions including any subsequent technical modifications on the out years. Since there are no changes to the Metro-North 2004 budget adopted in December 2003, these materials are for information only.



**MTA METRO-NORTH RAILROAD**  
**February Financial Plan 2004-2007**  
**Summary of the Financial Plan**  
**2003 - 2007**  
**(\$ in millions)**

	Favorable/(Unfavorable)										
	2003		2004		Two-Year Total	2005		2006		2007	
	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars
<b>2004 Final Proposed (October Plan)</b>											
<b>Positions and Operating Cash Income/(Deficit)</b>	<b>5,993</b>	<b>(\$279.093)</b>	<b>6,032</b>	<b>(\$278.453)</b>	<b>(\$557.546)</b>	<b>6,161</b>	<b>(\$307.020)</b>	<b>6,169</b>	<b>(\$337.173)</b>	<b>6,182</b>	<b>(\$355.729)</b>
<b>Amendments:</b>											
Revenue:											
Sub-Total Revenue Amendments	N/A	\$ .000	N/A	\$ .000	\$ .000	N/A	\$ .000	N/A	\$ .000	N/A	\$ .000
Expense:											
Sub-Total Expense Amendments	0	\$ .000	0	\$ .000	\$ .000	0	\$ .000	0	\$ .000	0	\$ .000
Cash Adjustments:											
Revenue:											
Reduce 2004 CDOT Force Account Receipts for the reduction of New Haven Yard project costs	0	\$ .000	0	(\$1.288)	(\$1.288)	0	\$ .000	0	\$ .000	0	\$ .000
Expense:											
Reduce 2004 CDOT Force Account disbursements for the reduction of New Haven Yard project costs	0	\$ .000	0	\$1.288	\$1.288	0	\$ .000	0	\$ .000	0	\$ .000
Reschedule projected disbursements for labor agreement settlements from 2003 to 2004	0	\$8.732	0	(\$8.732)	\$ .000	0	\$ .000	0	\$ .000	0	\$ .000
Sub-Total Cash Adjustment Amendments	0	\$8.732	0	(\$8.732)	\$ .000	0	\$ .000	0	\$ .000	0	\$ .000
<b>Total Amendments</b>	<b>0</b>	<b>\$8.732</b>	<b>0</b>	<b>(\$8.732)</b>	<b>\$ .000</b>	<b>0</b>	<b>\$ .000</b>	<b>0</b>	<b>\$ .000</b>	<b>0</b>	<b>\$ .000</b>
<b>2004 Adopted Budget (December Plan) Positions and Operating Cash Income/(Deficit)</b>	<b>5,993</b>	<b>(\$270.361)</b>	<b>6,032</b>	<b>(\$287.185)</b>	<b>(\$557.546)</b>	<b>6,161</b>	<b>(\$307.020)</b>	<b>6,169</b>	<b>(\$337.173)</b>	<b>6,182</b>	<b>(\$355.729)</b>
<b>Pension Prepayment</b>		<b>(\$20.000)</b>			<b>(\$20.000)</b>		<b>\$20.000</b>				
<b>Revised 2004 Adopted Budget (December Plan) Positions and Operating Cash Income/(Deficit)</b>	<b>5,993</b>	<b>(\$290.361)</b>	<b>6,032</b>	<b>(\$287.185)</b>	<b>(\$577.546)</b>	<b>6,161</b>	<b>(\$287.020)</b>	<b>6,169</b>	<b>(\$337.173)</b>	<b>6,182</b>	<b>(\$355.729)</b>
Amendments	0	\$ .000	0	\$ .000	\$ .000	0	\$ .000	0	\$ .000	0	\$ .000
<b>2004 Adopted Budget/February Plan Positions and Operating Cash Income/(Deficit)</b>	<b>5,993</b>	<b>(\$290.361)</b>	<b>6,032</b>	<b>(\$287.185)</b>	<b>(\$577.546)</b>	<b>6,161</b>	<b>(\$287.020)</b>	<b>6,169</b>	<b>(\$337.173)</b>	<b>6,182</b>	<b>(\$355.729)</b>

<sup>1</sup> Reflects the impact of amendments on year-end positions.

**MTA METRO-NORTH RAILROAD**  
**FEBRUARY FINANCIAL PLAN 2004-2007**  
**ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY**  
**2003 - 2007**  
(\$ in millions)

	<b>Final Estimate 2003</b>	<b>Adopted Budget 2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
<b>REVENUE</b>					
Fare Revenue	\$379.108	\$410.888	\$415.446	\$420.564	\$424.945
Rents & Concessions	21.724	20.947	21.821	22.395	22.813
Grand Central Terminal Utilities	2.742	2.391	1.429	1.458	1.488
Bar Car	3.964	4.065	4.065	4.065	4.065
Miscellaneous	.380	.335	.341	.348	.356
<b>TOTAL REVENUE</b>	<b>\$407.918</b>	<b>\$438.626</b>	<b>\$443.102</b>	<b>\$448.830</b>	<b>\$453.667</b>
<b>EXPENSES</b>					
Non Represented Payroll	65.922	69.380	73.998	76.648	79.114
Represented-Other Than Train & Engine Payroll	171.078	181.200	190.717	196.777	203.541
Represented-Other Than Train & Engine Overtime	22.883	22.691	23.531	24.293	25.074
Represented Train & Engine Payroll	70.927	74.230	78.529	82.036	85.084
Represented Train & Engine Payroll Overtime	13.858	14.701	15.219	16.093	16.372
Sub-Total-Payroll	\$344.668	\$362.202	\$381.994	\$395.847	\$409.185
Railroad Retirement Taxes	67.540	69.596	73.903	76.762	79.725
Health and Welfare	52.911	61.437	66.776	72.367	78.635
Pension	24.228	25.967	27.744	29.219	30.765
Sub-Total Fringe	\$144.679	\$157.000	\$168.423	\$178.348	\$189.125
<b>TOTAL PAYROLL</b>	<b>\$489.347</b>	<b>\$519.202</b>	<b>\$550.417</b>	<b>\$574.195</b>	<b>\$598.310</b>
Inventory & Supplies	51.909	54.165	50.399	50.950	50.875
Insurance	7.026	10.282	10.472	10.681	10.919
Claims	15.750	14.820	15.186	16.001	16.001
Propulsion	42.480	45.424	46.675	48.756	48.766
Occupancy	27.905	28.593	29.455	30.043	30.713
Contractual Services	28.008	42.272	44.209	44.014	41.518
Business Expenses	20.889	21.717	22.091	22.241	23.173
Other	(16.885)	(22.461)	(19.993)	(18.844)	(17.569)
<b>TOTAL NON-PAYROLL</b>	<b>\$177.082</b>	<b>\$194.812</b>	<b>\$198.494</b>	<b>\$203.842</b>	<b>\$204.396</b>
<b>TOTAL UNADJUSTED EXPENSES</b>	<b>\$666.429</b>	<b>\$714.014</b>	<b>\$748.911</b>	<b>\$778.037</b>	<b>\$802.706</b>
Depreciation	146.924	162.431	180.000	187.000	192.000
Unspecified PEGs	.000	.000	(16.426)	(8.562)	(5.082)
<b>TOTAL EXPENSES</b>	<b>\$813.353</b>	<b>\$876.445</b>	<b>\$912.485</b>	<b>\$956.475</b>	<b>\$989.624</b>
<b>OPERATING DEFICIT</b>	<b>(\$405.435)</b>	<b>(\$437.819)</b>	<b>(\$469.383)</b>	<b>(\$507.645)</b>	<b>(\$535.957)</b>

**MTA METRO-NORTH RAILROAD**  
**FEBRUARY FINANCIAL PLAN 2004-2007**  
**CASH RECEIPTS AND EXPENDITURES**  
**2003 - 2007**  
(\$ in millions)

	<b>Final Estimate 2003</b>	<b>Adopted Budget 2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
<b>RECEIPTS</b>					
Fare Revenue	\$391.159	\$422.944	\$427.511	\$432.929	\$437.310
Rents, Concessions & Utilities	24.231	23.103	23.015	23.618	24.066
Amtrak Reimbursements	8.900	8.800	9.000	9.000	9.000
Force Account:					
MTA	85.197	99.173	100.748	103.439	106.222
CDOT	42.827	47.892	53.849	54.128	54.022
Other	10.267	14.297	12.773	16.134	16.660
Sub-Total Force Account	\$138.291	\$161.362	\$167.370	\$173.701	\$176.904
Miscellaneous	7.418	9.637	5.466	5.473	5.356
<b>TOTAL RECEIPTS</b>	<b>\$569.999</b>	<b>\$625.846</b>	<b>\$632.362</b>	<b>\$644.721</b>	<b>\$652.636</b>
<b>EXPENDITURES</b>					
Payroll *	387.653	411.593	427.425	450.679	462.436
Fringe **	184.895	179.779	170.927	204.337	215.893
Inventory	83.327	89.047	90.332	91.688	90.531
Insurance	11.819	14.540	16.186	15.850	16.235
Claims	14.000	14.000	13.500	13.000	13.000
Propulsion	35.897	39.642	40.887	42.855	42.698
Occupancy	29.406	30.130	30.986	31.584	32.315
Contractual Services	43.293	72.570	79.706	75.657	72.792
Business Expenses	28.507	24.276	28.151	24.958	25.730
Metro-North West - Subsidy	7.389	3.961	3.887	4.493	4.897
Miscellaneous	34.174	33.494	33.821	35.355	36.920
<b>TOTAL EXPENDITURES</b>	<b>\$860.360</b>	<b>\$913.032</b>	<b>\$935.808</b>	<b>\$990.456</b>	<b>\$1013.447</b>
Unidentified PEG Targets	\$ .000	\$ .000	(\$16.426)	(\$8.562)	(\$5.082)
<b>ADJUSTED EXPENDITURES</b>	<b>\$860.360</b>	<b>\$913.032</b>	<b>\$919.382</b>	<b>\$981.894</b>	<b>\$1008.365</b>
<b>NET EXPENDITURES</b>	<b>(\$290.361)</b>	<b>(\$287.186)</b>	<b>(\$287.020)</b>	<b>(\$337.173)</b>	<b>(\$355.729)</b>
Opening Cash Balance	(1.729)	(1.729)	(1.729)	(1.729)	(1.729)
Closing Cash Balance	(1.729)	(1.729)	(1.729)	(1.729)	(1.729)
<b>CASH DEFICIT</b>	<b>(\$290.361)</b>	<b>(\$287.186)</b>	<b>(\$287.020)</b>	<b>(\$337.173)</b>	<b>(\$355.729)</b>
MTA SUBSIDY	230.050	234.751	224.935	267.556	277.200
CDOT SUBSIDY	60.311	52.435	62.085	69.617	78.529

\* Payroll expenditures are not available by labor cost category on a cash basis.

\*\* Includes a \$20 million prepayment made by the MTA on behalf of Metro North pension costs

**MTA METRO-NORTH RAILROAD**  
**FEBRUARY FINANCIAL PLAN 2004-2007**  
**CASH FLOW ADJUSTMENTS**  
**2003 - 2007**  
(\$ in millions)

	<b>Final Estimate 2003</b>	<b>Adopted Budget 2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
<b>INCOME STATEMENT</b>					
Operating Revenues	\$407.918	\$438.626	\$443.102	\$448.830	\$453.667
Operating Expenses	813.353	876.446	912.485	956.475	989.624
Operating Deficit	(\$405.435)	(\$437.820)	(\$469.383)	(\$507.645)	(\$535.957)
<b>CASH ADJUSTMENTS:</b>					
Add:					
Operating Capital Projects	(\$14.058)	(\$16.508)	(\$23.447)	(\$17.000)	(\$17.000)
Delay in Force Account Receipts	(2.646)	(0.627)	(2.756)	0.013	(0.004)
Increased Provision For Force Account Insurance	(1.000)	.000	.000	.000	.000
Increased Provision For Contract Services	(1.500)	.000	.000	.000	.000
Claims Accrual Adjustment	1.750	0.821	1.686	3.001	3.001
Deferred Wage Provision	8.732	(8.732)	.000	.000	.000
Difference in Accrued Payroll vs. Days Paid	(7.210)	5.570	3.825	(5.909)	(2.029)
Sick Buy Back Accrual	0.536	0.855	0.880	0.907	0.934
Vacation Accrual	1.360	1.442	1.485	1.530	1.576
Obsolete Material Reserve	0.600	0.600	0.600	0.600	0.600
Accident Damaged Equipment	.000	(1.340)	.000	.000	.000
DuPont Safety Training Fees	.000	0.930	.000	.000	.000
Pension Prepayment	(20.000)	.000	20.000	.000	.000
Other	(1.023)	3.680	(1.060)	(0.820)	.000
Sub-Total Increases to Deficit	(\$34.459)	(\$13.309)	\$1.213	(\$17.678)	(\$12.922)
Subtract:					
Depreciation	\$146.924	\$162.431	\$180.000	\$187.000	\$192.000
Miscellaneous Cash Receipts	2.609	1.512	1.150	1.150	1.150
Sub-Total Decreases to Deficit	\$149.533	\$163.943	\$181.150	\$188.150	\$193.150
<b>TOTAL CASH DEFICIT</b>	<b>(\$290.361)</b>	<b>(\$287.186)</b>	<b>(\$287.020)</b>	<b>(\$337.173)</b>	<b>(\$355.729)</b>

**MTA METRO-NORTH RAILROAD**  
**February Financial Plan 2004-2007**  
**Utilization**  
**2003 - 2007**  
(\$ In millions)

	<b>Final Estimate for 2003</b>	<b>Adopted Budget 2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
REVENUE					
PASSENGER REVENUE:					
Harlem Line	\$111.802	\$122.165	\$124.124	\$126.022	\$127.698
Hudson Line	78.846	85.141	87.196	89.439	91.269
New Haven Line	188.460	203.582	204.126	205.103	205.978
SUB-TOTAL PASSENGER REVENUE	\$379.108	\$410.888	\$415.446	\$420.564	\$424.945
RIDERSHIP					
Harlem Line	24.210	24.605	24.915	25.278	25.588
Hudson Line	13.985	14.107	14.364	14.689	14.951
New Haven Line	33.031	33.528	33.682	33.955	34.228
TOTAL RIDERSHIP	71.226	72.240	72.961	73.922	74.767

**MTA Metro-North Railroad**  
**February Financial Plan 2004-2007**  
**Explanation Of Year-to-Year Changes In Operations By Category**  
**2003-2007**

**REVENUE**

Fare Revenue

- 2004 Adopted Budget fare revenue of \$410.9 million is \$31.8 million or 8.4% higher than the 2003 final estimate and reflects the full year impact of 2003 fare increases and an increase in ridership of 1.4%. Fare revenues are projected to increase to \$415.4 million in 2005, to \$420.6 million in 2006 and to \$424.9 million in 2007 based on ridership growth rates of 1.0%, 1.3% and 1.1% respectively for each year.

Bar Car Revenue

- Revenue projections from Bar Car sales reflect current sales trends and include price increases on selected items in 2004.

Rents and Concessions Revenue

- Reflects net proceeds from GCT retail tenants as well as, advertising, parking, and concession revenues at outlying stations. Projections through 2007 incorporate higher parking revenues from West of Hudson parking locations and the impact of inflation.

Grand Central Terminal Utilities

- GCT Utilities reflect the current level of utility usage by GCT retail tenants and outside buildings connected to the GCT steam and electrical distribution system. Projections through 2007 are increased by the impact of inflation.
- 2004 and 2005 projections assume the withdrawal of the remaining outside buildings from the GCT power network.

**EXPENSES**

Payroll

- Labor costs for 2004 through 2007 include a provision for the MTA pattern settlement and have been adjusted to reflect vacancies and step rate discounts.
- A provision of \$1.9 million has been included in the 2004 Adopted Budget for an increase in pay days and for additional payments for weekend holidays that occur on scheduled employee rest days (July 4 and Christmas Day).

- 2004 payroll costs reflect additional coach cleaners and on-board train crews for new service, as well as additional maintenance requirements in GCT and West of Hudson.
- 2005 costs include the addition of preventive maintenance and quality control personnel for equipment and facilities, an increase in car cleaning and maintenance functions at the Highbridge Yard facility, and additional train crews to support new service associated with the completion of the Mid Harlem Third Track project.
- 2006 and 2007 include the costs for additional train service.

#### Fringe

- Railroad retirement taxes include a Tier I contribution rate of 7.65% and a Tier II rate of 14.2% for 2004 through 2007.
- Health and welfare costs in 2004 reflect a 15% increase in health care premiums based on current trends and an increase in enrollment. For 2005 through 2007, health and welfare costs are projected to increase at a rate of 8.4% in each year.
- Pension costs through 2007 reflect current funding requirements for the Defined Benefit Plan (covering non-represented staff), and slight increase in effective rates of the Defined Contribution Plan that covers represented staff.

#### Non Payroll

- Expenses incorporate selective inflation increases of 1.5% in 2004. In 2005 through 2007 costs have been inflated by 1.9%, 2.0% and 2.2% respectively.
- Inventory and Supplies costs include current material usage trends as well as increasing requirements in 2004 for the implementation of the M1 Overhaul, Event Recorder Retrofit, High Speed Circuit Breaker Relay, and Flash Suits program. In 2005, 2006, and 2007 Inventory and Supply costs reflect lower material usage requirements due to the completion of the equipment upgrade programs noted above as well as the Inverter Conversion program, and the replacement of Harlem-Hudson rolling stock with new M7 cars
- Insurance costs in 2003 reflect a one-time offset to insurance premiums based on favorable prior period actual loss experience. 2004 through 2007 Insurance costs reflect the full cost of premiums.
- Claim costs reflect accrual provisions for personal injury claims and incorporate the impact of the DuPont safety program.

- Propulsion costs in 2003 reflect higher diesel fuel consumption and an increase in Connecticut Light and Power electric rates, which will again increase in 2004. The 2007 electric propulsion costs have also been decreased by \$1.1 million due to the phase-in of new equipment.
- In 2004, Occupancy costs include a \$1.0 million increase in Port Jervis Line lease costs, and current utility consumption trends. In 2005, Port Jervis Line lease obligations increase by an additional \$1.5 million, but are partially offset by the withdrawal of outside buildings from the GCT power network
- Contractual Services includes maintenance fees for equipment, facilities and the right-of-way as well as professional service costs. The 2003 estimate includes the phased-in costs for ticket selling machine maintenance and a lower provision for expenditures associated with environmental services. The 2004 adopted budget includes provisions for the overhaul of locomotives, rolling stock disposal costs, track maintenance programs, and additional costs for ticket selling machine maintenance and West of Hudson maintenance. The 2005, 2006 and 2007 projections reflect the completion of the East and West of Hudson Locomotive overhaul and rolling stock disposal programs and the re-initiation of additional preventive maintenance programs in 2007
- Business Expenses reflect current cost trends for data processing fees, printing costs, and telephone charges as well as the additional costs to support new technology initiatives.
- Other costs include cost recoveries for overhead and work equipment costs for capital projects and services rendered to other railroads. This category also includes provisions for MTA Police Services, subsidy for West of Hudson operations, financial service fees, advertising costs, interest expenses associated with the GCT lease agreement (\$1.1 million) and provisions for several miscellaneous charges including vacation accrual adjustment, and bad debt.



MTA METRO-NORTH RAILROAD  
FEBRUARY FINANCIAL PLAN 2004 - 2007  
Reconciliation of the Program to Eliminate the Gap  
2003 - 2007  
(\$ in millions)

	Favorable/(Unfavorable)											
	2003		2004		Two-Year Total		2005 Plan		2006 Plan		2007 Plan	
	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	
2003 October Forecast (October Plan)												
Grand Total	0	\$34.733	27	\$30.617	\$65.350	35	\$82.237	44	\$84.718	44	\$93.933	
Amendments:												
Administration:												
Wage Provision Adjustment	0	8.732	0	(8.732)								
Sub-Total Administration	0	\$8.732	0	(\$8.732)	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	
Customer Convenience & Amenities:												
Sub-Total Customer Convenience & Amenities	0	\$0.00	0	\$0.00	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	
Maintenance:												
Sub-Total Maintenance	0	\$0.00	0	\$0.00	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	
Other:												
Sub-Total Other	0	\$0.00	0	\$0.00	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	
Revenue:												
Sub-Total Revenue	0	\$0.00	0	\$0.00	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	
Total Amendments	0	\$8.732	0	(\$8.732)	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	
2004 Adopted Budget (December Plan) Grand Total	0	\$43.465	27	\$21.885	\$65.350	35	\$82.237	44	\$84.718	44	\$93.933	
Amendments	0	\$0.00	0	\$0.00	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	
2004 Adopted Budget/February Plan Grand Total	0	\$43.465	27	\$21.885	\$65.350	35	\$82.237	44	\$84.718	44	\$93.933	

<sup>1</sup> Reflects the impact of amendments on year-end positions.

MTA METRO-NORTH RAILROAD  
FEBRUARY FINANCIAL PLAN 2004 - 2007  
OPERATING BUDGET PROJECTIONS  
PROGRAMS TO ELIMINATE THE GAP (PEGs)  
2003 - 2007  
(\$ in thousands)

	2003 Final Estimate		2004 Adopted Budget		Favorable / (Unfavorable) 2005 Plan		2006 Plan		2007 Plan	
	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars
<b>I. PROJECT COSTS INCLUDED IN 2004 PROPOSED BUDGET BASE</b>										
ADMINISTRATION										
STRATEGIC BUSINESS PLAN INITIATIVES										
ADVERTISING - (General Ridership)	0	\$ 0	0	\$ 825	0	\$ 825	0	\$ 825	0	\$ 825
CAR SERVICE-EMPLOYEES EMERGENCY RIDES	0	0	0	2	0	2	0	2	0	2
HAND HELD COMPUTERS	0	0	0	75	0	75	0	75	0	75
TEMPORARY PHOTOGRAPHER	0	0	0	9	0	9	0	9	0	9
TOTAL STRATEGIC BUSINESS PLAN INITIATIVES	0	\$ 0	0	\$ 911	0	\$ 911	0	\$ 911	0	\$ 911
OPERATING CAPITAL										
CHANGE IN CAPITAL ADMINISTRATION AND CASH ADJUSTMENTS	0	981	0	34	0	0	0	0	0	0
CORPORATE DATA NETWORK - CONSTRUCTION	0	0	0	1,624	0	0	0	0	0	0
EXPANSION OF HELP DESK AND SATELLITE OFFICES (2003 - 2005)	0	0	0	100	0	0	0	0	0	0
GRAND CENTRAL TERMINAL WELFARE FACILITIES	0	0	0	0	0	0	0	0	0	0
PASS BUREAU VIDEO IMAGING EQUIPMENT	0	0	0	0	0	0	0	0	0	0
UNDEFINED PROJECT PROVISION	0	0	0	103	0	0	0	0	0	0
TOTAL OPERATING CAPITAL	0	981	0	1,861	0	0	0	0	0	0
ALL OTHER										
ELIMINATE NON REPRESENTED MERIT INCREASE	0	1,500	0	0	0	0	0	0	0	0
NON REPRESENTED WAGE ACCRUAL ADJUSTMENTS	0	700	0	0	0	0	0	0	0	0
HIGHER NON REPRESENTED VACANCIES AND OTHER PAYROLL ADJUSTMENTS	0	230	0	0	0	0	0	0	0	0
HIGHER REPRESENTED VACANCY AND STEP RATE DISCOUNT SAVINGS	0	1,300	0	0	0	0	0	0	0	0
MISC. REPRESENTED OTHER-THAN-TRAIN & ENGINE PAYROLL ADJUSTMENTS	0	100	0	0	0	0	0	0	0	0
LOWER FRINGE COSTS	0	833	0	0	0	0	0	0	0	0
LOWER AUTOMOBILE AND STATION LIABILITY INSURANCE PREMIUMS	0	671	0	0	0	0	0	0	0	0
LOWER ENVIRONMENTAL SERVICE FEES FOR HAZARDOUS SPILLS/EMERGENCIES	0	2,018	0	0	0	0	0	0	0	0
LOWER NEW JERSEY TRANSIT FARE HOLDDOWN FROM MAY 2003 NYS FARE INCREASE	0	680	0	0	0	0	0	0	0	0
TIMING AND OTHER ADJUSTMENTS (CASH ADJUSTMENTS EXCLUDING DEPREC.)	0	5,071	0	0	0	0	0	0	0	0
WAGE PROVISION ADJUSTMENT	0	8,732	0	(8,732)	0	0	0	0	0	0
DIESEL FUEL PRICE ADJUSTMENT	0	0	0	1,003	0	1,003	0	1,003	0	1,003
ELIMINATE 2 TEMPORARY POSITIONS	0	0	0	226	2	226	2	226	2	226
ELIMINATE ENGINEER INTERNS	0	0	0	119	2	119	2	119	2	119
WEST OF HUDSON SUBSIDY CHANGE (INCLUDING SERVICE PLAN)	0	0	0	2,672	0	2,672	0	2,672	0	2,672
TOTAL ALL OTHER	0	\$ 21,835	0	\$ (4,712)	4	\$ 4,020	4	\$ 4,020	4	\$ 4,020
Sub-total, ADMINISTRATION	0	\$ 22,816	0	\$ (1,940)	4	\$ 4,931	4	\$ 4,931	4	\$ 4,931
CUSTOMER CONVENIENCE & AMENITIES										
STRATEGIC BUSINESS PLAN INITIATIVES										
WEST OF HUDSON SERVICE PLAN	0	0	0	197	0	197	0	197	0	197
TOTAL STRATEGIC BUSINESS PLAN INITIATIVES	0	\$ 0	0	\$ 197	0	\$ 197	0	\$ 197	0	\$ 197
Sub-total, CUSTOMER CONVENIENCE & AMENITIES	0	\$ 0	0	\$ 197	0	\$ 197	0	\$ 197	0	\$ 197
MAINTENANCE										
CAPITAL PROJECT IMPACTS										
STATION SHELTERS/HEATERS	0	0	0	30	0	30	0	30	0	30
TOTAL CAPITAL PROJECT IMPACTS	0	\$ 0	0	\$ 30	0	\$ 30	0	\$ 30	0	\$ 30
STRATEGIC BUSINESS PLAN INITIATIVES										
LOWER MATERIAL REQUIREMENTS FOR INCLEMENT WEATHER EQUIPMENT DAMAGE	0	1,274	0	0	0	0	0	0	0	0
REDUCTION IN CONTRACT MAINTENANCE PROVISION	0	5,000	0	0	0	0	0	0	0	0
EQUIPMENT STRATEGY - WEST OF HUDSON COMET 3 OVERHAUL	0	0	0	800	0	800	0	800	0	800
PARKING METER MAINTENANCE	0	0	0	128	0	128	0	128	0	128
STRUCTURES & FACILITIES MAINTENANCE PROGRAM - NEW HAVEN LINE	0	0	27	2,417	27	2,417	27	2,417	27	2,417

MTA METRO-NORTH RAILROAD  
FEBRUARY FINANCIAL PLAN 2004 - 2007  
OPERATING BUDGET PROJECTIONS  
PROGRAMS TO ELIMINATE THE GAP (PEGs)  
2003 - 2007  
(\$ in thousands)

	Favorable / (Unfavorable)									
	2003 Final Estimate		2004 Adopted Budget		2005 Plan		2006 Plan		2007 Plan	
	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars
TOTAL STRATEGIC BUSINESS PLAN INITIATIVES	0	\$ 6,274	27	\$ 3,345	27	\$ 3,345	27	\$ 3,345	27	\$ 3,345
OPERATING CAPITAL										
LOCOMOTIVE FUELING SYSTEM	0	300	0	0	0	0	0	0	0	0
PURCHASE CAR MOVER FOR NORTH WHITE PLAINS	0	250	0	0	0	0	0	0	0	0
PURCHASE VACUUM TRUCK	0	300	0	0	0	0	0	0	0	0
RADIO SHOP RENOVATION AND EXPANSION	0	0	0	0	0	0	0	0	0	0
TOTAL OPERATING CAPITAL	0	\$ 850	0	\$ 0	0	\$ 0	0	\$ 0	0	\$ 0
Sub-total, MAINTENANCE	0	\$ 7,124	27	\$ 3,345	27	\$ 3,375	27	\$ 3,375	27	\$ 3,375
OTHER										
STRATEGIC BUSINESS PLAN INITIATIVES										
MEDICAL STANDARDS & GUIDELINES UPDATE	0	0	0	30	0	30	0	30	0	30
SECURITY PLAN COSTS	0	0	0	287	0	287	0	287	0	287
TOTAL STRATEGIC BUSINESS PLAN INITIATIVES	0	\$ 0	0	\$ 317	0	\$ 317	0	\$ 317	0	\$ 317
OPERATING CAPITAL										
GRAND CENTRAL TERMINAL WALKWAY LIGHTING	0	519	0	0	0	0	0	0	0	0
TOTAL OPERATING CAPITAL	0	\$ 519	0	\$ 0	0	\$ 0	0	\$ 0	0	\$ 0
Sub-total, OTHER	0	\$ 519	0	\$ 317	0	\$ 317	0	\$ 317	0	\$ 317
REVENUE										
FARE REVENUE	0	11,079	0	19,874	0	19,874	0	19,874	0	19,874
NON-PASSENGER REVENUE	0	1,927	0	62	0	62	0	62	0	62
TOTAL REVENUE	0	\$ 13,006	0	\$ 19,936	0	\$ 19,936	0	\$ 19,936	0	\$ 19,936
<b>TOTAL PROJECT COSTS INCLUDED IN 2004 PROPOSED BUDGET BASE</b>	<b>0</b>	<b>\$ 43,465</b>	<b>27</b>	<b>\$ 21,885</b>	<b>31</b>	<b>\$ 28,756</b>	<b>31</b>	<b>\$ 28,756</b>	<b>31</b>	<b>\$ 28,756</b>

**II. INCREMENTAL COST OF 2004 PROJECTS STARTING AFTER JANUARY 2004**

ADMINISTRATION										
STRATEGIC BUSINESS PLAN INITIATIVES										
TEMPORARY PHOTOGRAPHER	0	0	0	0	0	44	0	44	0	44
TOTAL STRATEGIC BUSINESS PLAN INITIATIVES	0	\$ 0	0	\$ 0	0	\$ 44	0	\$ 44	0	\$ 44
Sub-total, ADMINISTRATION	0	\$ 0	0	\$ 0	0	\$ 44	0	\$ 44	0	\$ 44
CUSTOMER CONVENIENCE & AMENITIES										
CAPITAL PROJECT IMPACTS										
TICKET VENDING MACHINES -PHASE II (EXCLUDING REVENUE)	0	0	0	0	0	223	0	223	0	223
TICKET VENDING AND OFFICE MACHINES/MAIL & RIDE (EXCLUDING REVENUE)	0	0	0	0	0	67	0	67	0	67
TOTAL CAPITAL PROJECT IMPACTS	0	\$ 0	0	\$ 0	0	\$ 290	0	\$ 290	0	\$ 290
Sub-total, CUSTOMER CONVENIENCE & AMENITIES	0	\$ 0	0	\$ 0	0	\$ 290	0	\$ 290	0	\$ 290
MAINTENANCE										
CAPITAL PROJECT IMPACTS										
EQUIPMENT REPLACEMENT PLAN - HARLEM/HUDSON	0	0	0	0	0	387	0	387	0	387

**MTA METRO-NORTH RAILROAD**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**OPERATING BUDGET PROJECTIONS**  
**PROGRAMS TO ELIMINATE THE GAP (PEGs)**  
**2003 - 2007**  
**(\$ in thousands)**

	2003 Final Estimate		2004 Adopted Budget		Favorable / (Unfavorable)		2005 Plan		2006 Plan		2007 Plan	
	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars
FIBER OPTICS/NEW HAVEN LINE	0	0	0	0	0	225	0	225	0	225	0	225
TOTAL CAPITAL PROJECT IMPACTS	0	\$ 0	0	\$ 0	0	\$ 612	0	\$ 612	0	\$ 612	0	\$ 612
Sub-total, MAINTENANCE	0	\$ 0	0	\$ 0	0	\$ 612	0	\$ 612	0	\$ 612	0	\$ 612
<b>TOTAL INCREMENTAL COST OF 2004 PROJECTS STARTING AFTER JANUARY 2004</b>	<b>0</b>	<b>\$ 0</b>	<b>0</b>	<b>\$ 0</b>	<b>0</b>	<b>\$ 946</b>	<b>0</b>	<b>\$ 946</b>	<b>0</b>	<b>\$ 946</b>	<b>0</b>	<b>\$ 946</b>

### III. 2005 - 2007 NEW PROJECT COSTS

## ADMINISTRATION

## STRATEGIC BUSINESS PLAN INITIATIVES

ACCOUNTS RECEIVABLESYSTEM PHASE II	0	0	0	0	0	25	0	25	0	25
AUTOMATIC PEOPLE COUNTING SYSTEM	0	0	0	0	0	0	0	200	0	200
CELLULAR DIGITAL PACKET DATA CONSULT SERVICES	0	0	0	0	0	100	0	100	0	100
GROUPWISE E-MAIL UPGRADE AND MAINTENANCE	0	0	0	0	0	35	0	35	0	35
HAND HELD COMPUTERS	0	0	0	0	0	0	0	0	0	75
INFORMATION TECHNOLOGY SUPPORT OF CENTRAL SUPPORT SYSTEM SOFTWARE	0	0	0	0	0	200	0	200	0	200
MAINTENANCE OF WAY-4 REVISION AND TECHNICAL PROCEDURES DEVELOPMENT	0	0	0	0	0	100	0	100	0	100
TICKET SELLING MACHINES-SUPPORT STUDY & BILL CHANGERS	0	0	0	0	0	100	0	100	0	100
TOTAL STRATEGIC BUSINESS PLAN INITIATIVES	0	\$ 0	0	\$ 0	0	\$ 560	0	\$ 760	0	\$ 835

## CAPITAL PROJECT IMPACTS

ORACLE LICENSES FOR NEW FINANCIAL SYSTEMS	0	0	0	0	0	100	0	100	0	100
TOTAL CAPITAL PROJECT IMPACTS	0	\$ 0	0	\$ 0	0	\$ 100	0	\$ 100	0	\$ 100

## OPERATING CAPITAL

COMPLETION OF 2004 OPERATING CAPITAL PROGRAM	0	0	0	0	0	16,508	0	16,508	0	16,508
TOTAL OPERATING CAPITAL	0	\$ 0	0	\$ 0	0	\$ 16,508	0	\$ 16,508	0	\$ 16,508

## ALL OTHER

GRAND CENTRAL TERMINAL IMPROVEMENTS-UTILITY UPGRADE/WITHDRAW	0	0	0	0	0	1,174	0	1,174	0	1,174
LEGAL FEES / HR COSTS	0	0	0	0	0	874	0	874	0	874
OTHER EXPENSE ADJUSTMENTS 2005	0	0	0	0	0	(1,434)	0	(1,434)	0	(1,434)
OTHER EXPENSE ADJUSTMENTS 2006	0	0	0	0	0	0	0	478	0	478
OTHER EXPENSE ADJUSTMENTS 2007	0	0	0	0	0	0	0	0	0	529
TIMING AND OTHER CASH ADJUSTMENTS 2005	0	0	0	0	0	5,810	0	5,810	0	5,810
TIMING AND OTHER CASH ADJUSTMENTS 2006	0	0	0	0	0	0	0	472	0	472
TIMING AND OTHER CASH ADJUSTMENTS 2007	0	0	0	0	0	0	0	0	0	5,228
WEST OF HUDSON SUBSIDY CHANGE (INCLUDING SERVICE PLAN)	0	0	0	0	0	144	0	(363)	0	(648)
WINTER GEAR	0	0	0	0	0	388	0	388	0	0
<b>TOTAL ALL OTHER</b>	<b>0</b>	<b>\$ 0</b>	<b>0</b>	<b>\$ 0</b>	<b>0</b>	<b>\$ 6,956</b>	<b>0</b>	<b>\$ 7,399</b>	<b>0</b>	<b>\$ 12,483</b>

## Sub-total, ADMINISTRATION

## CUSTOMER CONVENIENCE & AMENITIES

## CAPITAL PROJECT IMPACTS

TVMs/TOMs/MAIL & RIDE (EXCLUDING REVENUE)	0	0	0	0	0	147	0	441	0	588
TOTAL CAPITAL PROJECT IMPACTS	0	\$ 0	0	\$ 0	0	\$ 147	0	\$ 441	0	\$ 588
Sub-total, CUSTOMER CONVENIENCE & AMENITIES	0	\$ 0	0	\$ 0	0	\$ 147	0	\$ 441	0	\$ 588

## MAINTENANCE

## STRATEGIC BUSINESS PLAN INITIATIVES

[illegible]

MTA METRO-NORTH RAILROAD  
FEBRUARY FINANCIAL PLAN 2004 - 2007  
OPERATING BUDGET PROJECTIONS  
PROGRAMS TO ELIMINATE THE GAP (PEGs)  
2003 - 2007  
(\$ in thousands)

	Favorable / (Unfavorable)									
	2003 Final Estimate		2004 Adopted Budget		2005 Plan		2006 Plan		2007 Plan	
	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars
VEHICLE MAINTENANCE PROVISION	0	0	0	0	0	0	0	100	0	100
WEST OF HUDSON SNOW REMOVAL	0	0	0	0	0	225	0	225	0	225
TOTAL STRATEGIC BUSINESS PLAN INITIATIVES	0	\$ 0	0	\$ 0	2	\$ 5,087	10	\$ 6,288	10	\$ 6,538
CAPITAL PROJECT IMPACTS										
EQUIPMENT REPLACEMENT PLAN - DISPOSAL COSTS	0	0	0	0	0	360	0	2,820	0	2,820
EQUIPMENT REPLACEMENT PLAN - HARLEM/HUDSON	0	0	0	0	0	154	0	(801)	0	1,393
HARLEM RIVER LIFT BRIDGE SYSTEM REHABILITATION	0	0	0	0	0	0	1	84	1	84
HARMON SHOP/YARD REHABILITATION	0	0	0	0	0	30	0	30	0	30
HIGHBRIDGE YARD IMPROVEMENTS	0	0	0	0	0	10	0	10	0	10
HUDSON LINE STATION REHABILITATION	0	0	0	0	0	27	0	27	0	27
TOTAL CAPITAL PROJECT IMPACTS	0	\$ 0	0	\$ 0	0	\$ 581	1	\$ 2,170	1	\$ 4,364
Sub-total, MAINTENANCE	0	\$ 0	0	\$ 0	2	\$ 5,668	11	\$ 8,458	11	\$ 10,902
OTHER										
STRATEGIC BUSINESS PLAN INITIATIVES										
DUPONT SAFETY TRAINING FEE	0	0	0	0	0	365	0	1,180	0	1,180
EVENT RECORDER RETROFIT	0	0	0	0	2	386	2	772	2	772
FIREWALL SECURITY	0	0	0	0	0	100	0	100	0	100
FEDERAL RAILROAD ADMINISTRATION EMERGENCY PREPAREDNESS TRAINING	0	0	0	0	0	311	0	0	0	311
FEDERAL RAILROAD ADMINISTRATION MANDATE-PROCEDURES	0	0	0	0	0	40	0	40	0	40
HIGH SPEED DC CIRCUIT BREAKER RELAY PROTECTION	0	0	0	0	0	200	0	200	0	200
HIGH TRACTION FOOTWEAR	0	0	0	0	0	59	0	59	0	59
PROTECTIVE FLASH SUITS-OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION REGULATION	0	0	0	0	0	203	0	203	0	0
TOTAL STRATEGIC BUSINESS PLAN INITIATIVES	0	\$ 0	0	\$ 0	2	\$ 1,664	2	\$ 2,554	2	\$ 2,662
CAPITAL PROJECT IMPACTS										
NEW HAVEN LINE RADIO COMMUNICATION UPGRADE	0	0	0	0	0	30	0	30	0	30
TOTAL CAPITAL PROJECT IMPACTS	0	\$ 0	0	\$ 0	0	\$ 30	0	\$ 30	0	\$ 30
Sub-total, OTHER	0	\$ 0	0	\$ 0	2	\$ 1,694	2	\$ 2,584	2	\$ 2,692
UNSPECIFIED PEGS										
UNIDENTIFIED PEG TARGETS 2005	0	0	0	0	0	16,426	0	0	0	0
UNIDENTIFIED PEG TARGETS 2006	0	0	0	0	0	0	0	8,562	0	0
UNIDENTIFIED PEG TARGETS 2007	0	0	0	0	0	0	0	0	0	5,082
Sub-total, UNSPECIFIED PEGS	0	\$ 0	0	\$ 0	0	\$ 16,426	0	\$ 8,562	0	\$ 5,082
REVENUE										
FARE REVENUE 2005	0	0	0	0	0	4,558	0	4,558	0	4,558
FARE REVENUE 2006	0	0	0	0	0	0	0	5,118	0	5,118
FARE REVENUE 2007	0	0	0	0	0	0	0	0	0	4,381
NON-PASSENGER REVENUE 2005	0	0	0	0	0	(82)	0	(82)	0	(82)
NON-PASSENGER REVENUE 2006	0	0	0	0	0	0	0	610	0	610
NON-PASSENGER REVENUE 2007	0	0	0	0	0	0	0	0	0	456
TOTAL REVENUE	0	\$ 0	0	\$ 0	0	\$ 4,476	0	\$ 10,204	0	\$ 15,041
<b>TOTAL 2005 - 2007 NEW PROJECT COSTS</b>	<b>0</b>	<b>\$ 0</b>	<b>0</b>	<b>\$ 0</b>	<b>4</b>	<b>\$ 52,535</b>	<b>13</b>	<b>\$ 55,016</b>	<b>13</b>	<b>\$ 64,231</b>
<b>IV. GRAND TOTAL</b>										
<b>GRAND TOTAL PEGs</b>	<b>0</b>	<b>\$ 43,465</b>	<b>27</b>	<b>\$ 21,885</b>	<b>35</b>	<b>\$ 82,237</b>	<b>44</b>	<b>\$ 84,718</b>	<b>44</b>	<b>\$ 93,933</b>

**MTA METRO-NORTH RAILROAD**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**TOTAL POSITIONS 2003 - 2007**  
**Full-Time and Full-Time Equivalents (FTEs)**  
**NON-REIMBURSABLE AND REIMBURSABLE**

	<b>2003 Final Estimate</b>			<b>2004 Adopted Budget</b>			<b>2005 Plan</b>			<b>2006 Plan</b>			<b>2007 Plan</b>		
	<u>Represented</u>	<u>Non- Represented</u>	<u>Total</u>	<u>Represented</u>	<u>Non- Represented</u>	<u>Total</u>	<u>Represented</u>	<u>Non- Represented</u>	<u>Total</u>	<u>Represented</u>	<u>Non- Represented</u>	<u>Total</u>	<u>Represented</u>	<u>Non- Represented</u>	<u>Total</u>
VP Operations	6	27	33	6	27	33	8	38	46	8	38	46	8	38	46
GCT	326	24	350	333	24	357	356	24	380	359	24	383	367	24	391
Operations Services	1,902	93	1,995	1,910	93	2,003	1,967	94	2,061	1,973	94	2,067	1,978	94	2,072
Maintenance of Equipment	1,032	131	1,163	1,032	132	1,164	1,032	138	1,170	1,024	138	1,162	1,024	138	1,162
Maintenance of Way	1,420	127	1,547	1,442	128	1,570	1,463	133	1,596	1,467	134	1,601	1,467	134	1,601
Metro-North West	27	1	28	27	1	28	27	1	28	27	1	28	27	1	28
<b>Total Operating &amp; Maintenance</b>	<b>4,713</b>	<b>403</b>	<b>5,116</b>	<b>4,750</b>	<b>405</b>	<b>5,155</b>	<b>4,853</b>	<b>428</b>	<b>5,281</b>	<b>4,858</b>	<b>429</b>	<b>5,287</b>	<b>4,871</b>	<b>429</b>	<b>5,300</b>
President	5	31	36	5	30	35	5	30	35	5	30	35	5	30	35
Finance & Administration Division	192	319	511	192	322	514	192	325	517	192	327	519	192	327	519
Human Resources & Diversity Division	16	72	88	16	72	88	16	72	88	16	72	88	16	72	88
Capital Programs Division	14	101	115	14	99	113	14	99	113	14	99	113	14	99	113
Legal	1	16	17	1	16	17	1	16	17	1	16	17	1	16	17
Environmental Compliance & Services	0	6	6	0	6	6	0	6	6	0	6	6	0	6	6
Planning & Development Division	2	64	66	2	64	66	2	64	66	2	64	66	2	64	66
Claims Services	4	19	23	4	19	23	4	19	23	4	19	23	4	19	23
Safety	2	13	15	2	13	15	2	13	15	2	13	15	2	13	15
<b>Total General &amp; Administration</b>	<b>236</b>	<b>641</b>	<b>877</b>	<b>236</b>	<b>641</b>	<b>877</b>	<b>236</b>	<b>644</b>	<b>880</b>	<b>236</b>	<b>646</b>	<b>882</b>	<b>236</b>	<b>646</b>	<b>882</b>
<b>TOTAL</b>	<b>4,949</b>	<b>1,044</b>	<b>5,993</b>	<b>4,986</b>	<b>1,046</b>	<b>6,032</b>	<b>5,089</b>	<b>1,072</b>	<b>6,161</b>	<b>5,094</b>	<b>1,075</b>	<b>6,169</b>	<b>5,107</b>	<b>1,075</b>	<b>6,182</b>

**MTA METRO-NORTH RAILROAD**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**POSITIONS 2003 - 2007**  
**Full-Time and Full-Time Equivalents (FTEs)**  
**NON-REIMBURSABLE**

	<b>2003 Final Estimate</b>			<b>2004 Adopted Budget</b>			<b>2005 Plan</b>			<b>2006 Plan</b>			<b>2007 Plan</b>		
	<u>Represented</u>	<u>Non-Represented</u>	<u>Total</u>	<u>Represented</u>	<u>Non-Represented</u>	<u>Total</u>	<u>Represented</u>	<u>Non-Represented</u>	<u>Total</u>	<u>Represented</u>	<u>Non-Represented</u>	<u>Total</u>	<u>Represented</u>	<u>Non-Represented</u>	<u>Total</u>
VP Operations	6	23	29	6	23	29	8	34	42	8	34	42	8	34	42
GCT	300	24	324	308	24	332	331	24	355	334	24	358	342	24	366
Operations Services - OTE	791	87	878	821	87	908	842	88	930	842	88	930	842	88	930
Operations Services - T&E	991	0	991	990	0	990	1,026	0	1,026	1,032	0	1,032	1,037	0	1,037
Maintenance of Equipment	992	130	1,122	992	131	1,123	992	137	1,129	984	137	1,121	984	137	1,121
Maintenance of Way	1,126	97	1,223	1,146	98	1,244	1,167	103	1,270	1,171	104	1,275	1,171	104	1,275
Metro-North West	27	1	28	27	1	28	27	1	28	27	1	28	27	1	28
<b>Total Operating &amp; Maintenance</b>	<b>4,233</b>	<b>362</b>	<b>4,595</b>	<b>4,290</b>	<b>364</b>	<b>4,654</b>	<b>4,393</b>	<b>387</b>	<b>4,780</b>	<b>4,398</b>	<b>388</b>	<b>4,786</b>	<b>4,411</b>	<b>388</b>	<b>4,799</b>
President	5	31	36	5	30	35	5	30	35	5	30	35	5	30	35
Finance & Administration Division	184	283	467	184	288	472	184	291	475	184	293	477	184	293	477
Human Resources & Diversity Division	16	72	88	16	72	88	16	72	88	16	72	88	16	72	88
Capital Programs Division	1	5	6	1	3	4	1	3	4	1	3	4	1	3	4
Legal	1	16	17	1	16	17	1	16	17	1	16	17	1	16	17
Environmental Compliance & Services	0	6	6	0	6	6	0	6	6	0	6	6	0	6	6
Planning & Development Division	2	33	35	2	33	35	2	33	35	2	33	35	2	33	35
Claims Services	4	19	23	4	19	23	4	19	23	4	19	23	4	19	23
Safety	2	13	15	2	13	15	2	13	15	2	13	15	2	13	15
<b>Total General &amp; Administration</b>	<b>215</b>	<b>478</b>	<b>693</b>	<b>215</b>	<b>480</b>	<b>695</b>	<b>215</b>	<b>483</b>	<b>698</b>	<b>215</b>	<b>485</b>	<b>700</b>	<b>215</b>	<b>485</b>	<b>700</b>
<b>TOTAL</b>	<b>4,448</b>	<b>840</b>	<b>5,288</b>	<b>4,505</b>	<b>844</b>	<b>5,349</b>	<b>4,608</b>	<b>870</b>	<b>5,478</b>	<b>4,613</b>	<b>873</b>	<b>5,486</b>	<b>4,626</b>	<b>873</b>	<b>5,499</b>

**MTA METRO-NORTH RAILROAD**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**POSITIONS 2003 - 2007**  
**Full-Time and Full-Time Equivalents (FTEs)**  
**REIMBURSABLE**

	<b>2003 Final Estimate</b>			<b>2004 Adopted Budget</b>			<b>2005 Plan</b>			<b>2006 Plan</b>			<b>2007 Plan</b>		
	<u>Represented</u>	<u>Non-Represented</u>	<u>Total</u>	<u>Represented</u>	<u>Non-Represented</u>	<u>Total</u>	<u>Represented</u>	<u>Non-Represented</u>	<u>Total</u>	<u>Represented</u>	<u>Non-Represented</u>	<u>Total</u>	<u>Represented</u>	<u>Non-Represented</u>	<u>Total</u>
VP Operations	0	4	4	0	4	4	0	4	4	0	4	4	0	4	4
GCT	26	0	26	25	0	25	25	0	25	25	0	25	25	0	25
Operations Services - OTE	3	6	9	5	6	11	5	6	11	5	6	11	5	6	11
Operations Services - T&E	117	0	117	94	0	94	94	0	94	94	0	94	94	0	94
Maintenance of Equipment	40	1	41	40	1	41	40	1	41	40	1	41	40	1	41
Maintenance of Way	294	30	324	296	30	326	296	30	326	296	30	326	296	30	326
Metro-North West	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total Operating &amp; Maintenance</b>	<b>480</b>	<b>41</b>	<b>521</b>	<b>460</b>	<b>41</b>	<b>501</b>	<b>460</b>	<b>41</b>	<b>501</b>	<b>460</b>	<b>41</b>	<b>501</b>	<b>460</b>	<b>41</b>	<b>501</b>
President	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Finance & Administration Division	8	36	44	8	34	42	8	34	42	8	34	42	8	34	42
Human Resources & Diversity Division	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital Programs Division	13	96	109	13	96	109	13	96	109	13	96	109	13	96	109
Legal	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Environmental Compliance & Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Planning & Development Division	0	31	31	0	31	31	0	31	31	0	31	31	0	31	31
Claims Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Safety	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Total General &amp; Administration</b>	<b>21</b>	<b>163</b>	<b>184</b>	<b>21</b>	<b>161</b>	<b>182</b>	<b>21</b>	<b>161</b>	<b>182</b>	<b>21</b>	<b>161</b>	<b>182</b>	<b>21</b>	<b>161</b>	<b>182</b>
<b>TOTAL</b>	<b>501</b>	<b>204</b>	<b>705</b>	<b>481</b>	<b>202</b>	<b>683</b>	<b>481</b>	<b>202</b>	<b>683</b>	<b>481</b>	<b>202</b>	<b>683</b>	<b>481</b>	<b>202</b>	<b>683</b>



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## **MTA HEADQUARTERS**

**MTA HEADQUARTERS  
FEBRUARY FINANCIAL PLAN FOR 2004-2007  
FINAL 2003 ESTIMATE AND ADOPTED BUDGET FOR 2004**

The attached reports reflect MTA Headquarters Final 2003 Estimate and the Adopted Budget for 2004. The adopted budget reflects amendments to the October Financial Plan adopted by the Board in December 2003 as well as subsequent technical modifications presented for approval in February 2004. The attached also presents an adjusted Financial Plan for 2005-2007 reflecting the impact of the 2004 adopted actions including any subsequent technical modifications on the out years. Since there are no changes to the MTA Headquarters 2004 budget adopted in December 2003, these materials are for information only.

**MTA HEADQUARTERS**  
**February Financial Plan 2004 - 2007**  
**Summary of the Financial Plan**  
**2003 - 2007**  
(\$ in millions)

					Favorable/(Unfavorable)							
	2003		2004		Two Year Total		2005		2006		2007	
	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	
2004 Adopted Budget (December Plan) Positions and Operating Cash Income/(Deficit)	1,368	(\$210.354)	1,368	(\$227.341)	(\$437.695)	1,368	(\$249.212)	1,368	(\$259.176)	1,368	(\$268.763)	
Amendments:												
Revenue:												
No Adjustments												
Sub-Total Revenue Amendments	N/A	\$ .000	N/A	\$ .000	\$ .000	N/A	\$ .000	N/A	\$ .000	N/A	\$ .000	
Expense:												
Finance Expense		1.308		(1.335)	(\$ .027)		0.005		0.042		0.084	
Sub-Total Expense Amendments	0	\$ 1.308	0	(\$ 1.335)	(\$ .027)	0	\$ .005	0	\$ .042	0	\$ .084	
Cash Adjustments:												
Revenue:												
No Adjustments												
Expense:												
No Adjustments												
Sub-Total Cash Adjustment Amendments	0	\$ .000	0	\$ .000	\$ .000	0	\$ .000	0	\$ .000	0	\$ .000	
Total Amendments	0	\$ 1.308	0	(\$ 1.335)	(\$ .027)	0	\$ .005	0	\$ .042	0	\$ .084	
2004 Adopted Budget (December Plan) Positions and Operating Cash Income/(Deficit)	1,368	(\$209.046)	1,368	(\$228.676)	(\$437.722)	1,368	(\$249.207)	1,368	(\$259.134)	1,368	(\$268.679)	
Amendments	0	\$ .000	0	\$ .000	\$ .000	0	\$ .000	0	\$ .000	0	\$ .000	
2004 Adopted Budget/February Plan Positions and Operating Cash Income/(Deficit)	1,368	(\$209.046)	1,368	(\$228.676)	(\$437.722)	1,368	(\$249.207)	1,368	(\$259.134)	1,368	(\$268.679)	

<sup>1</sup> Reflects the impact of amendments on year-end positions.

**MTA HEADQUARTERS**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY**  
**2003 - 2007**  
(\$ in millions)

	<b>Final Estimate 2003</b>	<b>Adopted Budget 2004</b>	<b>2005 Plan</b>	<b>2006 Plan</b>	<b>2007 Plan</b>
<b>REVENUE DETAIL</b>					
Rental Income	7.936	8.191	8.456	8.730	9.011
Data Center Billings	4.688	4.838	4.995	5.156	5.322
Other	3.815	3.937	4.065	4.196	4.331
<b>Total Revenue</b>	<b>16.439</b>	<b>16.966</b>	<b>17.516</b>	<b>18.082</b>	<b>18.664</b>
<b>Employee Salaries</b>					
Base	91.711	94.694	97.644	100.469	103.704
Overtime	11.947	12.334	12.852	13.596	14.033
Employee Salaries	103.658	107.028	110.496	114.065	117.737
<b>Employee Benefits</b>					
Pensions	12.106	12.864	13.285	13.715	14.156
Health & Welfare	18.636	19.244	19.864	20.504	21.164
Other	0.517	0.533	0.550	0.568	0.587
Employee Benefits	31.259	32.641	33.699	34.787	35.907
<b>Total Compensation</b>	<b>134.917</b>	<b>139.669</b>	<b>144.195</b>	<b>148.852</b>	<b>153.644</b>
<b>Employee Expenses</b>					
Temporary Services	0.165	0.170	0.176	0.181	0.187
<b>Total Personnel Services</b>	<b>137.593</b>	<b>142.431</b>	<b>147.047</b>	<b>151.795</b>	<b>156.682</b>
<b>Professional Services</b>					
Insurance Expenses	2.259	3.155	3.257	3.362	3.470
Promo., Market. & Print.	1.983	2.047	2.113	2.182	2.252
Office Furn. & Equip.	3.749	3.869	3.994	4.123	4.255
Automotive Expenses	2.168	2.238	2.311	2.385	2.418
Maint. & Rep. (Non-Auto)	15.711	16.216	16.741	17.282	17.838
Supplies	1.005	1.037	1.071	1.105	1.140
Occupancy	1.346	1.389	1.434	1.480	1.528
Communications	2.997	3.094	3.194	3.297	3.403
Utilities	0.988	1.020	1.053	1.087	1.122
D.P. Equip. Rental	3.926	4.053	4.184	4.319	4.414
Equipment - Other	0.631	0.651	0.672	0.694	0.716
Public Hearing	0.450	0.464	0.479	0.495	0.511
Finance Expense	30.291	49.266	56.574	60.952	64.877
<b>Total All Other Exp.</b>	<b>102.042</b>	<b>125.944</b>	<b>136.119</b>	<b>143.066</b>	<b>149.544</b>
<b>Total Gross Expense</b>					
Bef. Depr.	239.635	268.375	283.166	294.861	306.226
<b>Less Exp. Recovery</b>	<b>(34.929)</b>	<b>(36.054)</b>	<b>(37.222)</b>	<b>(38.424)</b>	<b>(39.662)</b>
<b>Total Net Exp. Bef. Depr.</b>	<b>204.706</b>	<b>232.321</b>	<b>245.944</b>	<b>256.437</b>	<b>266.564</b>
<b>Depreciation</b>	<b>13.275</b>	<b>13.275</b>	<b>13.275</b>	<b>13.275</b>	<b>13.275</b>
<b>Total Net Oper. Exp.</b>	<b>217.981</b>	<b>245.596</b>	<b>259.219</b>	<b>269.712</b>	<b>279.839</b>
<b>Cash Adjustments</b>	<b>(7.504)</b>	<b>(0.046)</b>	<b>(7.504)</b>	<b>(7.504)</b>	<b>(7.504)</b>
<b>Total Cash Expenses</b>	<b>209.046</b>	<b>228.676</b>	<b>249.207</b>	<b>259.134</b>	<b>268.679</b>

**MTA HEADQUARTERS**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**ACCRUAL and CASH STATEMENT OF OPERATIONS BY CATEGORY**  
**2003 - 2007**  
(\$ in millions)

	<b>Final Estimate 2003</b>	<b>Adopted Budget 2004</b>	<b>2005 Plan</b>	<b>2006 Plan</b>	<b>2007 Plan</b>
<b>REVENUE DETAIL</b>					
Rental Income	7.936	8.191	8.456	8.730	9.011
Data Center Billings	4.688	4.838	4.995	5.156	5.322
Other	3.815	3.937	4.065	4.196	4.331
<b>Total Revenue</b>	<b>16.439</b>	<b>16.966</b>	<b>17.516</b>	<b>18.082</b>	<b>18.664</b>
<b>Employee Salaries</b>					
Base	91.711	94.694	97.644	100.469	103.704
Overtime	11.947	12.334	12.852	13.596	14.033
Employee Salaries	103.658	107.028	110.496	114.065	117.737
<b>Employee Benefits</b>					
Pensions	12.106	12.864	13.285	13.715	14.156
Health & Welfare	18.636	19.244	19.864	20.504	21.164
Other	0.517	0.533	0.550	0.568	0.587
Employee Benefits	31.259	32.641	33.699	34.787	35.907
<b>Total Compensation</b>	<b>134.917</b>	<b>139.669</b>	<b>144.195</b>	<b>148.852</b>	<b>153.644</b>
<b>Employee Expenses</b>					
Temporary Services	0.165	0.170	0.176	0.181	0.187
<b>Total Personnel Services</b>	<b>137.593</b>	<b>142.431</b>	<b>147.047</b>	<b>151.795</b>	<b>156.682</b>
<b>Professional Services</b>					
Insurance Expenses	2.259	3.155	3.257	3.362	3.470
Promo., Market. & Print.	1.983	2.047	2.113	2.182	2.252
Office Furn. & Equip.	3.749	3.869	3.994	4.123	4.255
Automotive Expenses	2.168	2.238	2.311	2.385	2.418
Maint. & Rep. (Non-Auto)	15.711	16.216	16.741	17.282	17.838
Supplies	1.005	1.037	1.071	1.105	1.140
Occupancy	1.346	1.389	1.434	1.480	1.528
Communications	2.997	3.094	3.194	3.297	3.403
Utilities	0.988	1.020	1.053	1.087	1.122
D.P. Equip. Rental	3.926	4.053	4.184	4.319	4.414
Equipment - Other	0.631	0.651	0.672	0.694	0.716
Public Hearing	0.450	0.464	0.479	0.495	0.511
Finance Expense	30.291	49.266	56.574	60.952	64.877
<b>Total All Other Exp.</b>	<b>102.042</b>	<b>125.944</b>	<b>136.119</b>	<b>143.066</b>	<b>149.544</b>
<b>Total Gross Expense</b>	<b>239.635</b>	<b>268.375</b>	<b>283.166</b>	<b>294.861</b>	<b>306.226</b>
Bef. Depr.					
<b>Less Exp. Recovery</b>	<b>(34.929)</b>	<b>(36.054)</b>	<b>(37.222)</b>	<b>(38.424)</b>	<b>(39.662)</b>
<b>Total Net Exp. Bef. Depr.</b>	<b>204.706</b>	<b>232.321</b>	<b>245.944</b>	<b>256.437</b>	<b>266.564</b>
<b>Depreciation</b>	<b>13.275</b>	<b>13.275</b>	<b>13.275</b>	<b>13.275</b>	<b>13.275</b>
<b>Total Net Oper. Exp.</b>	<b>217.981</b>	<b>245.596</b>	<b>259.219</b>	<b>269.712</b>	<b>279.839</b>
<b>Cash Adjustments</b>	<b>(7.504)</b>	<b>(0.046)</b>	<b>(7.504)</b>	<b>(7.504)</b>	<b>(7.504)</b>
<b>Total Cash Expenses</b>	<b>209.046</b>	<b>228.676</b>	<b>249.207</b>	<b>259.134</b>	<b>268.679</b>

**MTA HEADQUARTERS**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**CASH FLOW ADJUSTMENTS**  
**2003 - 2007**  
(\$ in millions)

	Favorable/(Unfavorable)				
	<b>Final Estimate 2003</b>	<b>Adopted Budget 2004</b>	<b>2005 Plan</b>	<b>2006 Plan</b>	<b>2007 Plan</b>
<b>Cash Adjustments</b>					
Capital Expenditures	(20.779)	(20.779)	(20.779)	(20.779)	(20.779)
Transfer from MRT-2	38.626	26.367	29.253	31.387	33.395
Payables/Receivables	0.000	7.458	0.000	0.000	0.000
Reserve for Security Reimbursement	(38.626)	(26.367)	(29.253)	(31.387)	(33.395)
Depreciation	13.275	13.275	13.275	13.275	13.275
Other	0.000	0.000	0.000	0.000	0.000
<b>Total Cash Adjustments</b>	<b>(\$7.504)</b>	<b>(\$0.046)</b>	<b>(\$7.504)</b>	<b>(\$7.504)</b>	<b>(\$7.504)</b>
<b>Total Changes</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Cash Expenses - 2004 Preliminary Budget</b>	<b>(\$7.504)</b>	<b>(\$0.046)</b>	<b>(\$7.504)</b>	<b>(\$7.504)</b>	<b>(\$7.504)</b>

**MTA Headquarters**  
**February Financial Plan 2004 - 2007**  
**Explanation of Year-to-Year Changes in Operations by Category**

**Adopted Budget 2004 vs. Final Estimate for 2003**

**Revenues:**

Revenues increase to \$16.966 million from \$16.439 million based on inflation rate of 3.22%.

**Expenses:**

Expenses increase by \$28.740 million from \$252.910 million to \$281.650 million.

All expenses other than Finance Expenses for Support for Subsidiaries increase at an inflation rate of 3.22%.

Finance Expenses for MTA Support for Subsidiaries increases by \$18.975 million.

Increase in City Ticket Program expenditures of \$1.300 million.

Increase in MTA Capital Construction Company Working Capital of \$0.500 million.

**2005 Plan vs. Adopted Budget 2004**

**Revenues:**

Revenues increase to \$17.516 million from \$16.966 million based on inflation rate of 3.24%.

**Expenses:**

Expenses increase by \$14.791 million from \$281.650 million to \$296.441 million.

All expenses other than Finance Expenses for Support for Subsidiaries increase by 3.24%.

Finance Expenses for MTA Support for Subsidiaries increases by 14.8%.

**2006 Plan vs. 2005 Plan**

**Revenues:**

Revenues increase to \$18.082 million from \$17.516 million based on inflation rate of 3.23%.

**Expenses:**

Expenses increase by \$11.695 million from \$296.441 million to \$308.136 million.

All expenses other than Finance Expenses for Support for Subsidiaries increase by 3.23%.

Finance Expenses for MTA Support for Subsidiaries increases by 7.7%.

**2007 Plan vs. 2006 Plan**

**Revenues:**

Revenues increase to \$18.664 million from \$18.082 million based on inflation rate of 3.22%.

**Expenses:**

Expenses increase by \$11.365 million from \$308.136 million to \$319.501 million.

All expenses other than Finance Expenses for Support for Subsidiaries increase by 3.22%.

Finance Expenses for MTA Support for Subsidiaries increases by 6.4%.



MTA HEADQUARTERS  
FEBRUARY FINANCIAL PLAN 2004 - 2007  
Reconciliation of the Program to Eliminate the Gap  
2003 - 2007  
(\$ in millions)

					Favorable/(Unfavorable)							
	2003		2004		Two-Year Total	2005 Plan		2006 Plan		2007 Plan		
	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars		Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars
2003 October Forecast (October Plan)												
Grand Total	0	\$1.637	0	\$1.690	\$3.327	0	\$1.745	0	\$1.800	0	\$1.859	
Amendments:												
Administration:												
Sub-Total Administration	0	\$ .000	0	\$ .000	\$ .000	0	\$ .000	0	\$ .000	0	\$ .000	
Customer Convenience & Amenities:												
Sub-Total Customer Convenience & Amenities	0	\$ .000	0	\$ .000	\$ .000	0	\$ .000	0	\$ .000	0	\$ .000	
Maintenance:												
Sub-Total Maintenance	0	\$ .000	0	\$ .000	\$ .000	0	\$ .000	0	\$ .000	0	\$ .000	
Other:												
Sub-Total Other	0	\$ .000	0	\$ .000	\$ .000	0	\$ .000	0	\$ .000	0	\$ .000	
Revenue:												
Sub-Total Revenue	0	\$ .000	0	\$ .000	\$ .000	0	\$ .000	0	\$ .000	0	\$ .000	
Total Amendments	0	\$ .000	0	\$ .000	\$ .000	0	\$ .000	0	\$ .000	0	\$ .000	
2004 Adopted Budget (December Plan) Grand Total	0	\$1.637	0	\$1.690	\$3.327	0	\$1.745	0	\$1.800	0	\$1.859	
Amendments	0	\$0.000	0	\$0.000	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	
2004 Adopted Budget/February Plan Grand Total	0	\$1.637	0	\$1.690	\$3.327	0	\$1.745	0	\$1.800	0	\$1.859	

<sup>1</sup> Reflects the impact of amendments on year-end positions.

**MTA HEADQUARTERS**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**OPERATING BUDGET PROJECTIONS**  
**PROGRAMS TO ELIMINATE THE GAP (PEGs)**  
**2003-2007**  
**( \$ IN THOUSANDS)**

<i>Favorable / (Unfavorable)</i>										
	2003		2004		2005		2006		2007	
	Final Estimate		Adopted Budget		Plan		Plan		Plan	
	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>
<u>Administration:</u>										
Professional Services										
Personnel savings, non-represented personnel		1,637								
Salaries										
Personnel savings,(inflation impact)				1,321		1,364		1,407		1,453
Fringe										
Personnel savings,(inflation impact)				369		381		393		406
<b>TOTAL PEGs</b>	<b>-</b>	<b>1,637</b>	<b>-</b>	<b>1,690</b>	<b>-</b>	<b>1,745</b>	<b>-</b>	<b>1,800</b>	<b>-</b>	<b>1,859</b>

**MTA HEADQUARTERS**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**TOTAL POSITIONS 2003 - 2007**  
**Full-Time and Full-Time Equivalents (FTEs)**  
**NON-REIMBURSABLE AND REIMBURSABLE**

	2003 Final Estimate			2004 Adopted Budget			2005 Plan			2006 Plan			2007 Plan		
	Non-			Non-			Non-			Non-			Non-		
	<u>Represented</u>	Represented	<u>Total</u>	<u>Represented</u>	Represented	<u>Total</u>	<u>Represented</u>	Represented	<u>Total</u>	<u>Represented</u>	Represented	<u>Total</u>	<u>Represented</u>	Represented	<u>Total</u>
Chairman Executive Director	-	6	6	-	6	6	-	6	6	-	6	6	-	6	6
Administration	-	188	188	-	196	196	-	196	196	-	196	196	-	196	196
Audit	-	100	100	-	100	100	-	100	100	-	100	100	-	100	100
Budget and Financial Management	7	92	99	7	98	105	7	98	105	7	98	105	7	98	105
Corporate & Community Affairs+A48	-	52	52	-	53	53	-	53	53	-	53	53	-	53	53
General Counsel	-	76	76	-	76	76	-	76	76	-	76	76	-	76	76
Chief of Staff/Senior Policy Advisor	-	5	5	-	5	5	-	5	5	-	5	5	-	5	5
Special Project Development & Planning	-	9	9	-	9	9	-	9	9	-	9	9	-	9	9
Finance	-	12	12	-	13	13	-	13	13	-	13	13	-	13	13
Labor Relations	-	30	30	-	32	32	-	32	32	-	32	32	-	32	32
Press Secretary	-	4	4	-	4	4	-	4	4	-	4	4	-	4	4
Permanent Citizens Advisory Committee	-	1	1	-	1	1	-	1	1	-	1	1	-	1	1
Vending Fare Media/Web Development	-	7	7	-	9	9	-	9	9	-	9	9	-	9	9
Corporate / Other	-	52	52	-	32	32	-	32	32	-	32	32	-	32	32
Total MTA Headquarters Operations	7	634	641	7	634	641	7	634	641	7	634	641	7	634	641
Public Safety	627	100	727	627	100	727	627	100	727	627	100	727	627	100	727
Total MTA Headquarters	634	734	1,368	634	734	1,368	634	734	1,368	634	734	1,368	634	734	1,368

**MTA HEADQUARTERS**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**POSITIONS 2003 - 2007**  
**Full-Time and Full-Time Equivalents (FTEs)**  
**NON-REIMBURSABLE**

	2003 Final Estimate			2004 Final Proposed Budget			2005 Plan			2006 Plan			2007 Plan		
	<u>Represented</u>	<u>Non- Represented</u>	<u>Total</u>	<u>Represented</u>	<u>Non- Represented</u>	<u>Total</u>	<u>Represented</u>	<u>Non- Represented</u>	<u>Total</u>	<u>Represented</u>	<u>Non- Represented</u>	<u>Total</u>	<u>Represented</u>	<u>Non- Represented</u>	<u>Total</u>
Chairman/ Executive Director	-	6	6	-	6	6	-	6	6	-	6	6	-	6	6
Administration	-	188	188	-	196	196	-	196	196	-	196	196	-	196	196
Audit	-	100	100	-	100	100	-	100	100	-	100	100	-	100	100
Budget and Financial Management	7	92	99	7	98	105	7	98	105	7	98	105	7	98	105
Corporate & Community Affairs	-	52	52	-	53	53	-	53	53	-	53	53	-	53	53
General Counsel	-	76	76	-	76	76	-	76	76	-	76	76	-	76	76
Chief of Staff/Senior Policy Advisor	-	5	5	-	5	5	-	5	5	-	5	5	-	5	5
Special Project Development & Planning	-	9	9	-	9	9	-	9	9	-	9	9	-	9	9
Finance	-	12	12	-	13	13	-	13	13	-	13	13	-	13	13
Labor Relations	-	30	30	-	32	32	-	32	32	-	32	32	-	32	32
Press Secretary	-	4	4	-	4	4	-	4	4	-	4	4	-	4	4
Permanent Citizens Advisory Committee	-	1	1	-	1	1	-	1	1	-	1	1	-	1	1
Vending Fare Media/Web Development	-	7	7	-	9	9	-	9	9	-	9	9	-	9	9
Corporate / Other	-	52	52	-	32	32	-	32	32	-	32	32	-	32	32
<b>Total MTA Headquarters Operations</b>	<b>7</b>	<b>634</b>	<b>641</b>	<b>7</b>	<b>634</b>	<b>641</b>	<b>7</b>	<b>634</b>	<b>641</b>	<b>7</b>	<b>634</b>	<b>641</b>	<b>7</b>	<b>634</b>	<b>641</b>
<b>Public Safety</b>	<b>627</b>	<b>100</b>	<b>727</b>	<b>627</b>	<b>100</b>	<b>727</b>	<b>627</b>	<b>100</b>	<b>727</b>	<b>627</b>	<b>100</b>	<b>727</b>	<b>627</b>	<b>100</b>	<b>727</b>
<b>Total MTA Headquarters</b>	<b>634</b>	<b>734</b>	<b>1,368</b>	<b>634</b>	<b>734</b>	<b>1,368</b>	<b>634</b>	<b>734</b>	<b>1,368</b>	<b>634</b>	<b>734</b>	<b>1,368</b>	<b>634</b>	<b>734</b>	<b>1,368</b>

**MTA NEW YORK CITY TRANSIT**

**MTA NEW YORK CITY TRANSIT  
FEBRUARY FINANCIAL PLAN FOR 2004-2007  
FINAL 2003 ESTIMATE AND ADOPTED BUDGET FOR 2004**

The attached reports reflect MTA New York City Transit's Final 2003 Estimate and the Adopted Budget for 2004. The adopted budget reflects amendments to the October Financial Plan adopted by the Board in December 2003 as well as subsequent technical modifications presented for approval in February 2004. The attached also presents an adjusted Financial Plan for 2005-2007 reflecting the impact of the 2004 adopted actions including any subsequent technical modifications on the out years. Since there are no changes to the New York City Transit 2004 budget adopted in December 2003, these materials are for information only.

**MTA New York City Transit**  
**February Financial Plan 2004 - 2007**  
**Summary of the Financial Plan**  
**2003 - 2007**  
(\$ in millions)

	Favorable/(Unfavorable)										
	2003		2004		Two-Year Total	2005		2006		2007	
	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars
<b>2004 Final Proposed (October Plan)</b>											
<b>Positions and Operating Cash Income/(Deficit)</b>	<b>48,196</b>	<b>(\$1,537.885)</b>	<b>47,088</b>	<b>(\$1,309.701)</b>	<b>(\$2,847.586)</b>	<b>47,131</b>	<b>(\$1,694.108)</b>	<b>47,078</b>	<b>(\$1,932.334)</b>	<b>47,203</b>	<b>(\$2,111.738)</b>
<b>Amendments:</b>											
Revenue:											
Re-estimate of Fare Revenue	N/A	1.769	N/A	0.605	2.374	N/A	0.615	N/A	0.623	N/A	0.637
Paratransit Urban Tax Revenue Update	N/A	1.430	N/A	0.522	1.952	N/A	0.516	N/A	0.518	N/A	0.521
Reimbursements-Capital Expense Increase	N/A	(1.499)	N/A	52.023	50.524	N/A	13.031	N/A	11.472	N/A	9.417
Sub-Total Revenue Amendments	N/A	\$1.700	N/A	\$53.150	\$54.850	N/A	\$14.162	N/A	\$12.613	N/A	\$10.575
Expense:											
2003 Re-estimates (Including 2004-07 Impacts)	(12)	1.159	(8)	(0.282)	0.877	4	(0.988)	4	(0.756)	4	(0.756)
Security Training	0	1.096	0	(0.548)	0.548	0	0.000	0	0.000	0	0.000
Pay Rate/OTPS Cost Re-estimate	0	(0.277)	0	(2.152)	(2.429)	0	(1.763)	0	(1.650)	0	(1.524)
Fringe Benefit Re-estimate	0	1.230	0	1.136	2.366	0	(1.151)	0	(2.649)	0	(9.048)
Service Re-estimate	(21)	(0.172)	(15)	(3.524)	(3.696)	(15)	(2.922)	(15)	(2.922)	(15)	(2.922)
Labor Contract Implementation Re-estimate	0	4.307	22	2.369	6.676	24	5.230	9	4.855	9	4.531
Position & Overtime Re-alignments	3	0.007	(31)	0.145	0.152	(31)	0.160	(31)	0.160	(31)	0.160
Employee Availability/Pay Hour Adjustments	0	0.000	(67)	(10.941)	(10.941)	(67)	(10.873)	(67)	(10.873)	(67)	(10.873)
Training Float Adjustment	0	0.000	11	1.281	1.281	11	0.504	11	0.504	11	0.504
Hudson Pier Shutdown Timing	0	2.308	0	(2.308)	0.000	0	0.000	0	0.000	0	0.000
Car Flooring Program Timing	0	2.167	0	(2.167)	0.000	0	0.000	0	0.000	0	0.000
Other Timing Adjustments	0	(4.279)	0	4.279	0.000	0	0.000	0	0.000	0	0.000
Impact of Reimbursable Changes	0	0.834	0	10.996	11.830	0	5.492	0	5.224	0	4.655
Other Programmatic Changes	0	0.000	(24)	(0.722)	(0.722)	(45)	(5.682)	22	(0.757)	23	2.395
Sub-Total Non-Reimbursable Expense Amendments	(30)	\$8.380	(112)	(\$2.438)	\$5.942	(119)	(\$11.993)	(67)	(\$8.864)	(66)	(\$12.878)
Inclusion of 2004 Depreciation Expense	0	0.000	0	(895.200)	(895.200)	0	(965.500)	0	(1,035.700)	0	(1,111.400)
Sub-total Non-Reimb. Expense Amendments	(30)	\$8.380	(112)	(\$897.638)	(\$889.258)	(119)	(\$977.493)	(67)	(\$1044.564)	(66)	(\$1124.278)
Capital & Other Reimbursable Expenses	(7)	1.499	(176)	(52.023)	(50.524)	(17)	(13.031)	8	(11.472)	31	(9.417)
Sub-total Expense Amendments	(37)	9.879	(288)	(949.661)	(939.782)	(136)	(990.524)	(59)	(1,056.036)	(35)	(1,133.695)

**MTA New York City Transit**  
**February Financial Plan 2004 - 2007**  
**Summary of the Financial Plan**  
**2003 - 2007**  
(\$ in millions)

	Favorable/(Unfavorable)										
	2003		2004		Two-Year Total	2005		2006		2007	
	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars
Cash Adjustments:											
Revenue:											
Capital Reimbursements-2003 Timing	0	(12.000)	0	12.000	0.000	0	0.000	0	0.000	0	0.000
Capital Reimbursement Lag-Increase in 2004 Expense-Offset in 2005	0	0.312	0	(11.150)	(10.838)	0	8.216	0	0.405	0	0.477
Paratransit Urban Tax	0	0.178	0	(0.009)	0.169	0	0.000	0	0.000	0	0.000
Additional Cash Float-Fare Increase	0	8.017	0	0.000	8.017	0	0.000	0	0.000	0	0.000
Expense:											
Offset to Depreciation Expense-Non Cash	0	0.000	0	895.200	895.200	0	965.500	0	1,035.700	0	1,111.400
Salary & Wage Timing	0	6.420	0	(6.420)	0.000	0	0.000	0	0.000	0	0.000
Other Cash Adjustments	0	(0.483)	0	3.258	2.775	0	2.457	0	2.706	0	2.413
Sub-Total Cash Adjustment Amendments	0	\$2.444	0	\$892.879	\$895.323	0	\$976.173	0	\$1038.811	0	\$1114.290
<b>Total Amendments</b>	<b>(37)</b>	<b>\$14.023</b>	<b>(288)</b>	<b>(\$3.632)</b>	<b>\$10.391</b>	<b>(136)</b>	<b>(\$1.189)</b>	<b>(59)</b>	<b>(\$4.612)</b>	<b>(35)</b>	<b>(\$8.830)</b>
<b>2004 Adopted Budget (December Plan)</b>											
<b>Positions and Operating Cash Income/(Deficit)</b>	<b>48,233</b>	<b>(\$1,523.862)</b>	<b>47,376</b>	<b>(\$1,313.333)</b>	<b>(\$2,837.195)</b>	<b>47,267</b>	<b>(\$1,694.297)</b>	<b>47,137</b>	<b>(\$1,936.946)</b>	<b>47,238</b>	<b>(\$2,120.568)</b>
MaBSTOA Pension Prepayment-2003*	0	(70.000)	0	0.000	(70.000)	0	70.000	0	0.000	0	0.000
<b>Revised 2004 Adopted Budget (December Plan)</b>											
<b>Positions and Operating Cash Income/(Deficit)</b>	<b>48,233</b>	<b>(\$1,593.862)</b>	<b>47,376</b>	<b>(\$1,313.333)</b>	<b>(\$2,907.195)</b>	<b>47,267</b>	<b>(\$1,624.297)</b>	<b>47,137</b>	<b>(\$1,936.946)</b>	<b>47,238</b>	<b>(\$2,120.568)</b>
Amendments	0	\$0.000	0	\$0.000	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
<b>2004 Adopted Budget/February Plan</b>											
<b>Positions and Operating Cash Income/(Deficit)</b>	<b>48,233</b>	<b>(\$1,593.862) #</b>	<b>47,376</b>	<b>(\$1,313.333)</b>	<b>(\$2,907.195) #</b>	<b>47,267</b>	<b>(\$1,624.297) #</b>	<b>47,137</b>	<b>(\$1,936.946) #</b>	<b>47,238</b>	<b>(\$2,120.568)</b>

<sup>1</sup> Reflects the impact of amendments on year-end positions.

\*Approved by MTA Board in December, 2003



**MTA NEW YORK CITY TRANSIT**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY**  
**2003 - 2007**  
(\$ in millions)

	<b>Final Estimate 2003</b>	<b>Adopted Budget 2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
<b>Revenues:</b>					
Subway	1,666.512	1,794.734	1,813.502	1,829.966	1,855.819
Bus	700.963	749.402	757.161	764.172	774.717
Fare Revenue	2,367.475	2,544.136	2,570.663	2,594.138	2,630.536
Fare Media Liability	17.000	0.000	0.000	0.000	0.000
Total Passenger Revenue	2,384.475	2,544.136	2,570.663	2,594.138	2,630.536
Senior Citizen Reimbursement	13.800	13.800	13.800	13.800	13.800
School Fare Reimbursement	90.000	90.000	90.000	90.000	90.000
Paratransit	36.768	41.478	47.438	54.533	62.979
Other Operating Revenue	59.800	65.100	68.100	70.100	71.500
Total Operating Revenue	2,584.843	2,754.514	2,790.001	2,822.571	2,868.815
Police Reimbursement	4.867	4.601	4.628	4.657	4.687
Capital and Other Reimbursements	762.900	765.677	701.976	712.781	729.250
<b>Total Revenues</b>	<b>3,352.610</b>	<b>3,524.792</b>	<b>3,496.605</b>	<b>3,540.009</b>	<b>3,602.752</b>
<b>Expenses:</b>					
Salaries & Wages (Excluding Overtime)	2,278.658	2,320.877	2,391.952	2,465.572	2,549.102
Scheduled Overtime	61.530	60.979	62.642	64.670	66.752
Unscheduled Overtime	142.042	125.226	128.368	135.853	137.107
Total Salaries & Wages	2,482.230	2,507.082	2,582.962	2,666.095	2,752.961
Pension Expenses	198.053	305.569	443.801	532.087	574.124
Health & Welfare Expenses	537.565	561.182	608.064	659.319	716.571
Other Fringe Benefits	197.253	184.580	193.232	199.024	204.429
Total Fringe Benefits	932.871	1,051.331	1,245.097	1,390.430	1,495.124
Reimbursable Overhead	(158.786)	(150.577)	(139.178)	(140.770)	(144.051)
Total Labor	3,256.315	3,407.836	3,688.881	3,915.755	4,104.034
Maintenance Materials	189.361	174.746	181.505	172.521	180.342
Rentals & Miscellaneous	278.151	297.245	291.058	295.557	303.129
Electric Power	151.297	147.738	150.578	150.713	151.627
Diesel Fuel	53.217	44.328	47.611	50.803	52.210
Public Liability	73.808	75.701	77.595	79.487	81.425
Paratransit	150.568	180.671	202.825	234.623	272.500
Subtotal Operating Expenses	4,152.717	4,328.265	4,640.053	4,899.459	5,145.267
Depreciation	0.000	895.200	965.500	1,035.700	1,111.400
Unspecified PEGs	0.000	0.000	(25.400)	(49.600)	(92.100)
Total Operating Expenses	4,152.717	5,223.465	5,580.153	5,885.559	6,164.567
Police Expenses	4.867	4.601	4.628	4.657	4.687
Capital and Other Reimbursable Expenses	762.900	765.677	701.976	712.781	729.250
<b>Total Expenses</b>	<b>4,920.484</b>	<b>5,993.743</b>	<b>6,286.757</b>	<b>6,602.997</b>	<b>6,898.504</b>
<b>Operating Balance</b>	<b>(1,567.874)</b>	<b>(2,468.951)</b>	<b>(2,790.152)</b>	<b>(3,062.988)</b>	<b>(3,295.752)</b>
Cash Flow Adjustments	(25.988)	1,155.618	1,165.855	1,126.042	1,175.184
<b>Net Operating Cash Deficit*</b>	<b>(1,593.862)</b>	<b>(1,313.333)</b>	<b>(1,624.297)</b>	<b>(1,936.946)</b>	<b>(2,120.568)</b>

\*Excluding Subsidies and Debt Service.

**MTA NEW YORK CITY TRANSIT**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**CASH RECEIPTS AND EXPENDITURES**  
**2003 - 2007**  
(\$ in millions)

	<b>Final Estimate 2003</b>	<b>Adopted Budget 2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
<b>Receipts:</b>					
Passenger Revenue	2,390.892	2,549.736	2,576.263	2,599.738	2,636.136
Senior Citizen Reimbursement	13.800	13.800	13.800	13.800	13.800
School Fare Reimbursement	90.000	90.000	90.000	90.000	90.000
Paratransit	36.946	41.469	47.430	54.525	62.971
Other Operating Revenue	64.100	124.500	68.100	70.100	71.500
<b>Total Operating Revenue</b>	<b>2,595.738</b>	<b>2,819.505</b>	<b>2,795.593</b>	<b>2,828.163</b>	<b>2,874.407</b>
Police Reimbursement	3.461	4.734	4.615	4.643	4.672
Capital and Other Reimbursements	809.768	769.206	710.135	705.530	720.820
<b>Total Receipts</b>	<b>3,408.967</b>	<b>3,593.445</b>	<b>3,510.343</b>	<b>3,538.336</b>	<b>3,599.899</b>
<b>Expenditures:</b>					
Salaries & Wages	2,974.469	2,905.394	2,958.365	3,046.862	3,142.169
Pension Expenses	216.102	217.582	322.582	508.582	574.359
Health & Welfare Expenses	509.132	578.353	627.082	679.917	738.883
Other Fringe Benefits	262.955	260.173	261.785	268.074	274.710
<b>Total Fringe Benefits</b>	<b>988.189</b>	<b>1,056.108</b>	<b>1,211.449</b>	<b>1,456.573</b>	<b>1,587.952</b>
<b>Total Labor</b>	<b>3,962.658</b>	<b>3,961.502</b>	<b>4,169.814</b>	<b>4,503.435</b>	<b>4,730.121</b>
Maintenance Materials	219.550	213.119	219.064	210.042	217.363
Rentals & Miscellaneous	485.731	485.715	511.109	546.559	596.055
Electric Power	152.500	148.564	151.404	151.539	152.453
Diesel Fuel	54.004	44.328	47.611	50.803	52.210
Public Liability	71.786	53.550	61.038	62.504	64.365
Unspecified PEGs	0.000	0.000	(25.400)	(49.600)	(92.100)
<b>Total Expenditures</b>	<b>4,946.229</b>	<b>4,906.778</b>	<b>5,134.640</b>	<b>5,475.282</b>	<b>5,720.467</b>
Inter-Agency Loan	(56.600)	0.000	0.000	0.000	0.000
<b>Net Operating Cash Deficit*</b>	<b>(1,593.862)</b>	<b>(1,313.333)</b>	<b>(1,624.297)</b>	<b>(1,936.946)</b>	<b>(2,120.568)</b>

\*Excluding Subsidies and Debt Service.

**MTA NEW YORK CITY TRANSIT**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**CASH FLOW ADJUSTMENTS**  
**2003 - 2007**  
(\$ in millions)

	Favorable/(Unfavorable)				
	<b>Final Estimate 2003</b>	<b>Adopted Budget 2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
<b>Revenues:</b>					
Passenger Revenue	6.417	5.600	5.600	5.600	5.600
Senior Citizen Reimbursement	0.000	0.000	0.000	0.000	0.000
School Fare Reimbursement	0.000	0.000	0.000	0.000	0.000
Paratransit	0.178	(0.009)	(0.008)	(0.008)	(0.008)
Other Operating Revenue	4.300	59.400	0.000	0.000	0.000
<b>Total Operating Revenue</b>	<b>10.895</b>	<b>64.991</b>	<b>5.592</b>	<b>5.592</b>	<b>5.592</b>
Police Reimbursement	(1.407)	0.133	(0.013)	(0.014)	(0.015)
Capital and Other Reimbursements	46.869	3.528	8.159	(7.251)	(8.431)
<b>Total Revenues</b>	<b>56.357</b>	<b>68.652</b>	<b>13.738</b>	<b>(1.673)</b>	<b>(2.854)</b>
<b>Expenses:</b>					
Salaries & Wages	(82.990)	11.308	10.219	10.847	11.482
Pension Expenses	(15.300)	95.255	133.503	38.972	17.035
Health & Welfare Expenses	43.685	0.000	0.000	0.000	0.000
Other Fringe Benefits	11.602	1.148	0.866	0.813	0.861
<b>Total Fringe Benefits</b>	<b>39.987</b>	<b>96.403</b>	<b>134.369</b>	<b>39.785</b>	<b>17.896</b>
<b>Total Labor</b>	<b>(43.003)</b>	<b>107.711</b>	<b>144.588</b>	<b>50.632</b>	<b>29.378</b>
Maintenance Materials	15.172	8.931	5.572	3.500	3.500
Rentals & Miscellaneous	0.839	52.973	19.900	20.900	16.700
Electric Power	0.000	0.000	0.000	0.000	0.000
Diesel Fuel	(0.775)	0.000	0.000	0.000	0.000
Public Liability	2.022	22.151	16.557	16.983	17.060
Depreciation	0.000	895.200	965.500	1,035.700	1,111.400
<b>Total Expenses</b>	<b>(25.745)</b>	<b>1,086.966</b>	<b>1,152.117</b>	<b>1,127.715</b>	<b>1,178.038</b>
Inter-Agency Loan	(56.600)	0.000	0.000	0.000	0.000
<b>Total Cash Flow Adjustments*</b>	<b>(25.988)</b>	<b>1,155.618</b>	<b>1,165.855</b>	<b>1,126.042</b>	<b>1,175.184</b>

\*Excluding Subsidies and Debt Service.

**MTA New York City Transit**  
**February Financial Plan 2004 - 2007**  
**Utilization**  
**Ridership (thousands)**

	Subway		Bus		Total		Paratransit		Total
<b>Final Estimate for 2003</b>	<b>1,383,668</b>		<b>737,566</b>		<b>2,121,234</b>		<b>2,633</b>		<b>2,123,867</b>
Blackout Adjustment	6,503	0.5%	2,443	0.3%	8,946	0.4%	20	1%	8,966
Annualization of July-October Ridership	6,870	0.5%	-2,896	-0.4%	3,975	0.2%	-20	-1%	3,955
Calendar Change from 2003 to 2004 **	3,496	0.3%	1,618	0.2%	5,114	0.2%	6	0%	5,120
Economic Growth (1.06%) *	14,241	1.0%	7,038	1.0%	21,280	1.0%	0	0%	21,280
<u>Long Term Paratransit Trend ***</u>	<u>0</u>	<u>0.0%</u>	<u>0</u>	<u>0.0%</u>	<u>0</u>	<u>0.0%</u>	<u>389</u>	<u>15%</u>	<u>389</u>
Total Change From 2003	31,111	2.2%	8,203	1.1%	39,314	1.9%	395	15%	39,709
<b>Adopted Budget 2004</b>	<b>1,414,779</b>	<b>2.2%</b>	<b>745,769</b>	<b>1.1%</b>	<b>2,160,548</b>	<b>1.9%</b>	<b>3,028</b>	<b>15%</b>	<b>2,163,576</b>
<u>2005 Changes</u>									
Calendar Adjustment **	-1,266	-0.1%	-650	-0.1%	-1,916	-0.1%	-3	0%	(1,919)
Economic Growth (1.14%) *	15,464	1.1%	7,641	1.0%	23,105	1.1%	0	0%	23,105
<u>Long Term Paratransit Trend ***</u>	<u>0</u>	<u>0.0%</u>	<u>0</u>	<u>0.0%</u>	<u>0</u>	<u>0.0%</u>	<u>457</u>	<u>15%</u>	<u>457</u>
Total Change From 2004	14,198	1.0%	6,991	0.9%	21,189	1.0%	454	15%	21,643
<b>2005</b>	<b>1,428,977</b>	<b>1.0%</b>	<b>752,760</b>	<b>0.9%</b>	<b>2,181,737</b>	<b>1.0%</b>	<b>3,482</b>	<b>15%</b>	<b>2,185,219</b>
<u>2006 Changes</u>									
Calendar Adjustment	-2,472	-0.2%	-1,061	-0.1%	-3,533	-0.2%	-6	0%	(3,538)
Economic Growth (1.09%) *	14,927	1.0%	7,379	1.0%	22,306	1.0%	0	0%	22,306
<u>Long Term Paratransit Trend ***</u>	<u>0</u>	<u>0.0%</u>	<u>0</u>	<u>0.0%</u>	<u>0</u>	<u>0.0%</u>	<u>529</u>	<u>15%</u>	<u>529</u>
Total Change From 2005	12,455	0.9%	6,318	0.8%	18,773	0.9%	523	15%	19,296
<b>2006</b>	<b>1,441,432</b>	<b>0.9%</b>	<b>759,078</b>	<b>0.8%</b>	<b>2,200,510</b>	<b>0.9%</b>	<b>4,005</b>	<b>15%</b>	<b>2,204,515</b>
<u>2007 Changes</u>									
Calendar Adjustment	2,499	0.2%	1,072	0.1%	3,571	0.2%	7	0%	3,578
Economic Growth (1.23%) *	17,059	1.2%	8,431	1.1%	25,490	1.2%	0	0%	25,490
<u>Long Term Paratransit Trend ***</u>	<u>0</u>	<u>0.0%</u>	<u>0</u>	<u>0.0%</u>	<u>0</u>	<u>0.0%</u>	<u>593</u>	<u>15%</u>	<u>593</u>
Total Change From 2006	19,558	1.4%	9,504	1.3%	29,061	1.3%	600	15%	29,661
<b>2007</b>	<b>1,460,990</b>	<b>1.4%</b>	<b>768,581</b>	<b>1.3%</b>	<b>2,229,571</b>	<b>1.3%</b>	<b>4,605</b>	<b>15%</b>	<b>2,234,176</b>

\* Economic growth based on Global Insight forecast of New York City employment.

\*\* Calendar change includes adjustment for leap year in 2004.

\*\*\*Continuation of ridership increases of last several years, correcting for one-time events (9/11, zero denial, etc.)

**MTA New York City Transit**  
**February Financial Plan 2004 - 2007**  
**Explanation of Year-to-Year Changes in Operations by Category**  
(\$ in millions)

	Final Estimate	Adopted Budget	<u>2005</u>	<u>2006</u>	<u>2007</u>
<b>Summary</b>	<u>2003</u>	<u>2004</u>			
Operating Revenues	2,584.8	2,754.5	2,790.0	2,822.6	2,868.8
Operating Expenses (Excluding Depreciation)	(4,152.7)	(4,328.3)	(4,614.7)	(4,849.9)	(5,053.2)
Cash Flow Adjustments (Excluding Depreciation)	(26.0)	260.5	200.4	90.4	63.8
Net Operating Cash Deficit	(1,593.9)	(1,313.3)	(1,624.3)	(1,936.9)	(2,120.6)

**Operating Revenues**

2004 operating revenues are budgeted to increase by \$169.7 million or 6.6 percent above the 2003 Estimate. This increase is due principally to the annualization of the fare increase implemented in May, 2003 and the assumption of an approximate 1 percent ridership growth based on the Global Insight forecast of employment growth of similar magnitude in New York City.

The 2005-2007 operating revenue projections assume annual growth of just over 1 percent based upon Global Insight's employment growth projections in New York City. "Other" operating revenue projected increases represent anticipated higher advertising, station concession and real estate revenues. Paratransit revenue increases are based upon a projected 15 percent annual growth in ridership continuing recent years' trends and increased New York City reimbursements in accordance with agreed upon formulae.

**Operating Expenses**

2004 operating expenses are budgeted to increase by \$175.6 million or 4.2 percent above the 2003 Estimate. This increase results from several major contractual and mandatory items. Pension costs increase \$107.5 million, driven by recent benefit enhancements and lower investment returns. Contractual wage and health benefit increases add \$67.0 million, principally due to higher wage rates (up 3.0 percent) and health benefit escalation (up 15.0 percent). Paratransit costs increase by \$30.1 million to provide for a projected 15.0 percent ridership increase, meet the legally required "zero denial rate", and provide for the relocation of the paratransit staff. Due to changes in the mix of capital reimbursable projects, reimbursable overhead credits are budgeted to be reduced by \$8.2 million. The remaining favorable variance of \$37.2 million is largely the result of the PEGs net of New Needs.

The annual growth in the 2005-2007 operating expense projections are driven principally by labor cost assumptions. Salaries & wages are projected to grow by contractual rate increases and regional Consumer Price Index projections. Pension expenses are projected to grow based upon actuarial data. Health & welfare expense growth is based upon projected medical care growth rates. Additionally, Paratransit expenses are projected to continue to grow at a significant rate to meet projected ridership growth of 15.0 percent and recognize vendor pricing inflation of 3.0 percent. Other non-labor costs include provision for projected inflation. Partially offsetting these cost increases are the effects of ongoing Programs to Eliminate the Gap.

**Cash Flow Adjustments**

Cash flow adjustments are budgeted in 2004 to improve by \$286.5 million. The timing of pension payments is projected to improve by \$110.6 million as the 2004 payment was prepaid in 2003. Payroll expenditures are budgeted to improve in 2004 by \$94.3 million due mostly to an additional hourly payroll occurring in 2003. The remaining favorable cash flow adjustments are due largely to assumed reimbursement for expenses incurred and revenues lost due to the World Trade Center attack.

The projected changes in the 2005-2007 cash flow adjustments are based upon the anticipated timing of future receipts and expenditures and are due largely to the timing of pension payments.

MTA NEW YORK CITY TRANSIT  
FEBRUARY FINANCIAL PLAN 2004 - 2007  
Reconciliation of the Program to Eliminate the Gap  
2003 - 2007  
(\$ in millions)

	Favorable/(Unfavorable)											
	2003		2004		Two-Year Total		2005 Plan		2006 Plan		2007 Plan	
	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	
2003 October Forecast (October Plan)												
Grand Total	81	\$64.486	892	\$102.252	\$166.738	780	\$133.803	738	\$171.397	716	\$241.135	
Amendments:												
Administration:												
Administrative Reduction (Subways)			(6)	0.065	0.065	(6)	0.065	(6)	0.065	(6)	0.065	
1/4 Day Availability Improvemnt (RTO)			(8)	(0.492)	(0.492)	(8)	(0.503)	(8)	(0.503)	(8)	(0.503)	
Signals/Electrical Reorg (MOW)				0.001	0.001		0.001		0.001		0.001	
Admin Reorg (Buses)			(1)	(0.001)	(0.001)	(1)	(0.001)	(1)	(0.001)	(1)	(0.001)	
R&M Savings (Law)				(0.225)	(0.225)		(0.225)		(0.225)			
Salary & Wage Underrun (OMB)		(0.007)			(0.007)							
Vacancy Savings Provision (TIS)		(0.168)			(0.168)							
Salary & Wage Underrun (Materiel)		0.010			0.010							
Impact of Reimbursable Changes (NYCT-Wide)		0.834		10.996	11.830		5.492		5.224		4.655	
Military Leave Reforecast (NYCT-Wide)		(0.386)		1.169	0.783							
Revised Inflators (NYCT-Wide)				6.587	6.587		6.693		6.806		6.932	
Rental Svgs at 1250 Bway				0.555	0.555		1.332		1.332		1.332	
Sub-Total Administration		\$283	(15)	\$18.655	\$18.938	(15)	\$12.854	(15)	\$12.699	(15)	\$12.481	
Customer Convenience & Amenities:												
MC Mobile Sales Savings (MCO)			3	0.173	0.173	3	0.173	3	0.173	3	0.173	
SCRIP Add-Back (HR)				(0.184)	(0.184)		(0.184)		(0.184)		(0.184)	
Sub-Total Customer Convenience & Amenities	0	\$0.00	3	(\$0.11)	(\$0.11)	3	(\$0.11)	3	(\$0.11)	3	(\$0.11)	
Maintenance:												
Car Floor Program Revision (Car Eqpmt)		0.311		(2.167)	(1.856)							
Defer Emerg Exit Painting (Stations)			(2)	(0.135)	(0.135)							
Excess/Termination Costs (NYCT-Wide)		0.299		0.800	1.099		(2.000)		(1.000)			
Est - NR Vacancies (MOW)		1.248			1.248							
Additional OTPS Savings '03 (Car Eqpmt)		1.750			1.750							
Sub-Total Maintenance	0	\$3.608	(2)	(\$1.502)	\$2.106	0	(\$2.000)	0	(\$1.000)	0	\$0.00	
Other:												
Shifting / Bus Moves (Buses/Service-Support)			(24)			(24)		(24)		(24)		
Station Automation Reforecast (MCO/Service-Support)		1.292										
Sub-Total Other	0	\$1.292	(24)	\$0.00	\$1.292	(24)	\$0.00	(24)	\$0.00	(24)	\$0.00	
Revenue:		\$0.00		\$0.00	\$0.00		\$0.00		\$0.00		\$0.00	
Sub-Total Revenue	0	\$0.00	0	\$0.00	\$0.00	0	\$0.00	0	\$0.00	0	\$0.00	
Total Amendments	0	\$5.183	(38)	\$17.142	\$22.325	(36)	\$10.843	(36)	\$11.688	(36)	\$12.470	
2004 Adopted Budget (December Plan) Grand Total	81	\$69.669	854	\$119.394	\$189.063	744	\$144.646	702	\$183.085	680	\$253.605	
Amendments	0	\$0.000	0	\$0.000	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	
2004 Adopted Budget/February Plan Grand Total	81	\$69.669	854	\$119.394	\$189.063	744	\$144.646	702	\$183.085	680	\$253.605	

<sup>1</sup> Reflects the impact of amendments on year-end positions.

**MTA NEW YORK CITY TRANSIT**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**Operating Budget Projections**  
**Programs to Eliminate the Gap (PEGs)**  
**2003 - 2007**  
**(\$ millions)**

<u>Description</u>	<u>Favorable / (Unfavorable)</u>									
	<u>2003</u>		<u>2004</u>		<u>2005</u>		<u>2006</u>		<u>2007</u>	
	<u>Pos</u>	<u>\$</u>	<u>Pos</u>	<u>\$</u>	<u>Pos</u>	<u>\$</u>	<u>Pos</u>	<u>\$</u>	<u>Pos</u>	<u>\$</u>
Administrative Reduction			29	2.566	29	2.566	29	2.566	29	2.566
DP/Normal Replacement Savings		0.320								
1/4 Day Availability Improvemt										
Eliminate 1 Stillwell Manager	1	0.033	1	0.109	1	0.109	1	0.109	1	0.109
Eliminate TCS Disaster Recover	3	0.085	3	0.187	3	0.187	3	0.187	3	0.187
Subdiv B Rent Savings				0.200		0.200		0.200		0.200
180 Livingston St/2 Broadway		0.965		0.200		1.000		1.000		0.800
Infrastructure Reorganization			49	4.021	49	4.021	49	4.021	49	4.021
MOW Engineering Reductions			5	0.366	5	0.366	4	0.299	4	0.299
R&M Reductions				0.765		0.765		0.765		0.765
Reclassification of Reimb Expenses			4	0.344	4	0.344	4	0.344	4	0.344
Signals/Electrical Reorg			11	1.181	11	1.181	11	1.181	11	1.181
Track Reorganization			33	2.928	33	2.928	33	2.928	33	2.928
AC Compressor Motors Savings				0.536		0.442		0.425		
Administrative Reductions			4	0.273	4	0.273	4	0.273	4	0.273
Capital Wheel Purchase		1.290		1.778		1.778		1.778		1.778
Expand MS I Span of Control			25	2.106	25	2.106	25	2.106	25	2.106
Non-Inventory Maintenance Mat'l		0.772		1.000		1.000		1.000		1.000
Mgr'l and Supv'ry Vacancies - 2003		1.191								
Reduce Field Managers and Supv			20	1.791	20	1.791	20	1.791	20	1.791
Admin Reorg			38	3.826	38	3.826	38	3.826	38	3.826
Amsterdam Closure (2003-4)	25	0.489		1.081						
Housekeeping Cleaner Reduc			9	0.487	9	0.487	9	0.487	9	0.487
Fuel Tax and CC Dispatcher Savings		1.559		0.523		0.494		0.504		0.527
Elim Admin Mgr Quota	1	0.096	1	0.106	1	0.106	1	0.106	1	0.106
Reduce 63St Traffic Checks		0.261								
Reduce PES Frequency				1.139		1.139		1.139		1.139
Eliminate 2 Clerical Positions			2	0.218	2	0.118	2	0.118	2	0.118
Salary/Wage Underruns - 2003		0.047								
Position Reductions/Downgrades			3	0.360	3	0.360	3	0.366	3	0.366
R&M Savings				0.433		0.406		0.406		0.631
OTPS Reduction		0.100		0.103		0.103		0.103		0.103
Employee Activity Fund Savings				0.045						
Opt-Out Pgm for TWU HBT				0.526		0.589		0.589		0.589
Reduce 4 Mgrs, 2 PTE's			6	0.566	6	0.566	6	0.566	6	0.566
Track Safety Training - Vendor Reimb				0.021		0.021		0.021		0.021
Unemployment Claims Processing			(1)	0.372	(1)	0.372	(1)	0.372	(1)	0.372
Reduce PTE Position			1	0.095	1	0.095	1	0.095	1	0.095
Salary & Wage Underrun		0.109		(0.054)		(0.116)		(0.116)		(0.116)
Administrative Reductions			2	0.379	2	0.379	2	0.379	2	0.379

**MTA NEW YORK CITY TRANSIT**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**Operating Budget Projections**  
**Programs to Eliminate the Gap (PEGs)**  
**2003 - 2007**  
**(\$ millions)**

<u>Description</u>	<u>Favorable / (Unfavorable)</u>									
	<u>2003</u>		<u>2004</u>		<u>2005</u>		<u>2006</u>		<u>2007</u>	
	<u>Pos</u>	<u>\$</u>	<u>Pos</u>	<u>\$</u>	<u>Pos</u>	<u>\$</u>	<u>Pos</u>	<u>\$</u>	<u>Pos</u>	<u>\$</u>
New Revenue Facil - OTPS Savings				0.382		0.382		0.382		0.382
Reduce Funpass Commissions				0.886		0.886		0.886		0.886
Reduce General Advertising		0.700		0.700		0.700		0.700		0.700
Reduce HPEM Maintenance				0.089		0.089		0.089		0.089
Reduce Outside Printing				0.100		0.100		0.100		0.100
Reduce Retail Sales Support			1	0.070	1	0.070	1	0.070	1	0.070
Reduce Targeted Advertising		0.250		0.250		0.250		0.250		0.250
Administrative Efficiencies			7	0.544	7	0.544	7	0.544	7	0.544
Leased Telephone Equip Savings		1.500		1.500		1.500		1.500		1.500
Managerial Efficiencies			8	0.990	8	0.990	8	0.990	8	0.990
Nortel Router Maintenance				0.122		0.285		0.373		0.373
Real Estate Budget Adjustment		2.353		0.607		0.607		0.607		0.607
Subways Master Plan Revision		1.250		(0.255)		0.245		0.245		0.245
Telephone Bill Savings		0.600								
Vacancy Savings Provision		1.904								
Eliminate Reserves		5.900								
Position Reductions			6	0.374	6	0.374	6	0.374	6	0.374
R&M Savings				0.025		0.025		0.025		0.025
Copier Cost Savings		0.850		0.494		0.100		(0.200)		(0.200)
Other R&M Savings		0.122		0.122		0.122		0.122		0.122
Redbird Barging Savings		0.397								
Refuse & Recycling Savings		0.348		0.348						
Salary & Wage Underrun		0.310								
Uniforms Savings				0.750		1.061		0.627		0.627
Tiffany Rent/Utilities Re-Estimate		1.158		1.158		1.158		1.158		1.158
Elim Clerical Positions			2	0.108	2	0.108	2	0.108	2	0.108
Eliminate Vacancies			6	0.453	6	0.453	6	0.453	6	0.453
Salary & Wage Underrun		0.425								
Title Realignment				0.102		0.102		0.102		0.102
Impact of Reimbursable Changes		11.699		17.717		0.535		(2.177)		(3.318)
Military Leave Reforecast		2.908				(0.698)		(0.698)		(0.698)
Payroll/FICA Cash Flow Adjustment		1.300		(1.000)		(1.000)		(1.000)		(1.000)
Revised Inflatrs				11.187		11.293		11.406		11.532
Est C&S Headcount Variance		0.157								
EST-Base Pay Admin Undrns		1.089								
2003 Reforecast		0.276								
2003 Reforecast		0.144								
2003 Reforecast		0.279								
2003 Reforecast		0.067								
DP - Normal Replacement		0.600		(0.600)						
2003 Reforecast		0.281								



**MTA NEW YORK CITY TRANSIT**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**Operating Budget Projections**  
**Programs to Eliminate the Gap (PEGs)**  
**2003 - 2007**  
**(\$ millions)**

<u>Description</u>	<u>Favorable / (Unfavorable)</u>									
	<u>2003</u>		<u>2004</u>		<u>2005</u>		<u>2006</u>		<u>2007</u>	
	<u>Pos</u>	<u>\$</u>	<u>Pos</u>	<u>\$</u>	<u>Pos</u>	<u>\$</u>	<u>Pos</u>	<u>\$</u>	<u>Pos</u>	<u>\$</u>
R & M Reduction					(0.074)		(0.074)		(0.074)	
5% Reduction in R&M Account					(0.148)		(0.148)		(0.148)	
Reduce Training Program 25%					(0.040)		(0.040)		(0.040)	
R&M Reductions 5%					(0.085)		(0.085)		(0.085)	
Reduce Training Budget by 25%					(0.008)		(0.008)		(0.008)	
MIDAS Headcount 2002***						5	0.441	5	0.441	
Prov for Military Leave					0.698		0.698		0.698	
TWO MOU - Lump Sum Supv					1.172		1.172		1.172	
Prov for New Facility Costs					6.400		6.400		6.400	
Elim Assoc Analyst					1	0.079	1	0.079	1	0.079
Reduce Misc. Traff Check					0.247		0.247		0.247	
TWU MOU - FT Traf Chkrs					(20)	0.060	(20)	0.082	(20)	0.082
Salary/Wage Underruns - 2003						(0.228)		(0.228)		(0.228)
TWU MOU - Lump Sum Supv					0.103		0.103		0.103	
TWU MOU - Lump Sum Supv					0.130		0.130		0.130	
2 Bway Staffing Support					5	0.502	5	0.502	5	0.502
CMMS Implementation					1	0.701	3	1.862	3	2.781
TWU MOU - Lump Sum Supv						0.078		0.078		0.078
TWU MOU - Lump Sum Annl						1.560		1.560		1.560
TWU MOU - Lump Sum Supv						0.021		0.021		0.021
TWU MOU - Lump Sum Supv						0.077		0.077		0.077
Rental Svgs at 1250 Bway				0.555		1.332		1.332		1.332
Subtotal	30	44.184	275	68.355	262	62.860	268	61.171	268	60.698
Reduce WEP Program			1	0.079	1	0.079	1	0.079	1	0.079
Platform Controller Reduction	21	0.182	21	1.204	21	1.204	21	1.204	21	1.204
Cleaner Reduction - Full Attrition				1.640		1.480		1.480		1.480
Reduce WEP Program Support			3	0.307	3	0.307	3	0.307	3	0.307
Cleaner Reduction - Full Attrition				2.083		2.083		2.083		2.083
Close Booth - Howard Beach	5	0.043	5	0.290	5	0.290	5	0.290	5	0.290
Close Booth - Myrtle Ave			3	0.087	3	0.173		(0.003)		(0.003)
Defer CRW Training '04 to '05	15	0.395	22	1.274	22	1.274	22	1.274	22	1.274
Delay Cleaner Increase-Rehab'd Sta's				0.312		0.312		0.312		0.312
Reduce 2 Graffiti Teams - 1 Yr			4	0.269						
Reduce Elevator Operators			22	1.146	22	1.146	22	1.146	22	1.146
Reduce WEP Program			3	0.207	3	0.207	3	0.207	3	0.207
Cleaner Reduction Rapid Wash			30	1.655	30	1.655	30	1.655	30	1.655

**MTA NEW YORK CITY TRANSIT**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**Operating Budget Projections**  
**Programs to Eliminate the Gap (PEGs)**  
**2003 - 2007**  
**(\$ millions)**

<u>Description</u>	<u>Favorable / (Unfavorable)</u>									
	<u>2003</u>		<u>2004</u>		<u>2005</u>		<u>2006</u>		<u>2007</u>	
	<u>Pos</u>	<u>\$</u>	<u>Pos</u>	<u>\$</u>	<u>Pos</u>	<u>\$</u>	<u>Pos</u>	<u>\$</u>	<u>Pos</u>	<u>\$</u>
MC Balance Protection	(7)	1.119	(11)	3.180	(11)	3.180	(11)	3.180	(11)	3.180
MC Mobile Sales Savings			5	0.391	5	0.391	5	0.391	5	0.391
Travel Info Center - Elim Nights			6	0.312	6	0.312	6	0.312	6	0.312
Est Night Diff Underrun		0.324								
2003 Reforecast - Base Pay		0.454								
2003 Reforecast - OTPS		0.536								
Booth Closures-Stillwell Rehab					(0.251)		(0.251)		(0.251)	
Customer Relations Course					(1.274)		(0.423)		0.016	
Elim Booth-WTC (Chambers)					(5)	(0.296)	(5)	(0.296)	(5)	(0.296)
Eliminate Cortlandt %1,9 Booth					(6)	(0.355)	(6)	(0.355)	(6)	(0.355)
Maintain Full CTA Vacancies					0.828		0.828		0.828	
Stillwell Rehab-(5) SA					(0.073)		(0.073)		(0.073)	
NYSDEC Global Consent Order					1	0.488	1	0.488	1	0.488
SCRIP Add-Back				(0.184)	(0.146)		(0.146)		(0.146)	
Subtotal	34	3.053	114	14.252	78	13.014	97	13.689	97	14.128
Eliminate 3 CR - Painting Support			3	0.185	3	0.185	3	0.185	3	0.185
E&E Mtce - Elim Scheduled Increase			16	0.630	16	0.630	16	0.630	16	0.630
Elim Fiberglass Walkway Pgm			21	1.276	21	1.276	21	1.276	21	1.276
Elim IJ's Preventive Maintenance			8	0.516	8	0.516	8	0.516	8	0.516
Extend Signal Mtce Cycles			43	2.919	43	2.919	43	2.919	43	2.919
Incr Signal work order backlog			19	1.269	19	1.269	19	1.269	19	1.269
Pwr Ops and Elec Mtce Reduction			30	1.918	30	1.918	30	1.918	30	1.918
Reduce Container Plates Repl'mt			7	0.436	7	0.436	7	0.436	7	0.436
Reduce Intensive Trackbed Cleaning			14	0.901	14	0.901	14	0.901	14	0.901
Reduce Stationary Eng'rs & HPPT's			10	0.777	10	0.777	10	0.777	10	0.777
Reduce Third Rail Tube Cleaning			7	0.485	7	0.485	7	0.485	7	0.485
Reduce Track Yellow Defect Pgm			12	0.767	12	0.767	12	0.767	12	0.767
Token Booth Air Conditioners				0.143		0.143		0.143		0.143
Car Floor Program Revision	0.311		41	4.360	72	8.574	107	11.557	150	15.939
Reduce Unscheduled Repair Pos			40	2.790	40	2.790	40	2.790	40	2.790
SMS Program Revision			35	5.162	(4)	0.332	23	10.633	(122)	(7.442)
Defer Emerg Exit Painting										
Reduce Rubbing Board Painting			4	0.269						
Reduce Stairway Riser Painting			4	0.269						
Bus Stop Painting	0.300			0.300		0.300		0.300		0.300
Buses Base Shop Program Revision	2.284		(11)	(4.592)	(2)	(7.789)	(119)	(23.001)	(36)	(9.807)
Clean Fuel - Additional Buses			18	1.281	3	(2.210)	(9)	(3.596)	(12)	(3.908)

**MTA NEW YORK CITY TRANSIT**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**Operating Budget Projections**  
**Programs to Eliminate the Gap (PEGs)**  
**2003 - 2007**  
**(\$ millions)**

<u>Description</u>	<u>Favorable / (Unfavorable)</u>									
	<u>2003</u>		<u>2004</u>		<u>2005</u>		<u>2006</u>		<u>2007</u>	
	<u>Pos</u>	<u>\$</u>	<u>Pos</u>	<u>\$</u>	<u>Pos</u>	<u>\$</u>	<u>Pos</u>	<u>\$</u>	<u>Pos</u>	<u>\$</u>
CRT Pilot Grant		1.000								
Engine Change Reduction (75)			6	2.227						
HSO Vendor Costs				(1.619)		(1.619)		(1.619)		(1.619)
MCI HSO Only Savings			21	2.829						
Seat Conversions		(0.027)								
Tarrytown HSO/Relines		(0.400)								
Bus Revenue Maintenance Savings			4	0.179	4	0.306	4	0.306	4	0.306
EMD OTPS Reduction		0.260		0.510		0.510		0.510		0.510
Excess/Termination Costs		2.413		(14.100)		(7.200)		(2.000)		
Est - NR Vacancies		8.323								
Warranty savings R142/A Rev4			11	0.166	(8)	(2.555)	(8)	(2.756)	(8)	(2.756)
EST-Depot Programs Timing		0.141								
EST-Maintenance Reestimate		0.223								
West Farms CNG Quota for OT Swap			8		8		8		8	
2003 Reforecast		0.153								
Install A/C Comp on R46 Cars					(2)	0.733	(2)	0.733	(2)	0.733
Overtime reductions						(0.235)		(0.235)		(0.235)
Reduce truck frames						0.342		0.041		0.550
Reductions in R&M						(0.177)		(0.177)		(0.177)
Wheel Purchase Cap N/R-A007						0.500		(1.778)		(1.778)
Working Stock R&R Replacement						0.050		0.050		0.050
Signage Superintendent					1	0.111	1	0.111	1	0.111
Engine Repower Savings Reserve						1.358		0.980		1.435
Facilities Mtce Contracts						0.087		0.087		0.087
Hands Free Microphones						0.165		0.165		0.165
MCI Seat Modifications						0.407		0.407		0.407
SFS Maintenance						0.020		(0.037)		(0.054)
Warranty Recovery NR						0.300		0.300		0.300
CES - New Support - EL					1	0.072	1	0.072	1	0.072
Adj Special Project Staffing						0.031		0.031		0.031
Defer Night Diff Restoration						0.032		0.032		0.032
Midnight Shift Reduction					7	0.484	7	0.484	7	0.484
Mtce Mat'l Reduction						0.225		0.225		0.225
Additional OTPS Savings '03		1.750								
Subtotal		16.731	371	12.253	310	8.166	243	6.837	221	8.973
Reduce Contracted Security				0.057		0.057		0.057		0.057
Code Orange Base Pay Reestimate		0.106								
Code Orange UOT Reestimate		0.152								
Dupont Savings						0.338		0.338		0.338
Subtotal		0.258		0.057		0.395		0.395		0.395

**MTA NEW YORK CITY TRANSIT**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**Operating Budget Projections**  
**Programs to Eliminate the Gap (PEGs)**  
**2003 - 2007**  
**(\$ millions)**

<u>Description</u>	<u>Favorable / (Unfavorable)</u>									
	<u>2003</u>		<u>2004</u>		<u>2005</u>		<u>2006</u>		<u>2007</u>	
	<u>Pos</u>	<u>\$</u>	<u>Pos</u>	<u>\$</u>	<u>Pos</u>	<u>\$</u>	<u>Pos</u>	<u>\$</u>	<u>Pos</u>	<u>\$</u>
Bus Fuel Re-estimate		(1.683)		3.418		1.944		(1.146)		(2.553)
Hrly Headcount Variance Est		0.173								
Urban Tax Reestimate		0.273		0.253		0.554		0.604		0.653
Updated 2003-4 Estimate		1.562		13.101						
Carrier Inflation Reestimate						22.901		42.512		69.788
Subtotal		0.325		16.772		25.399		41.970		67.888
Elim TSS Investments	11	0.439	34	2.409	34	2.409	34	2.409	34	2.409
Eliminate 1 ATD Job	1	0.011	1	0.073	1	0.073	1	0.073	1	0.073
Eliminate 1 YD Job Sub B	1	0.012	1	0.080	1	0.080	1	0.080	1	0.080
Eliminate Rev Collect TO			5	0.170	5	0.340	5	0.340	5	0.340
Tower Operator Efficiencies	7	0.068	7	0.454	7	0.454	7	0.454	7	0.454
Yard & Station Switching Effic	14	0.144	14	0.953	14	0.953	14	0.953	14	0.953
Restructure RCI Yard Coverage			14	1.010	14	1.010	14	1.010	14	1.010
2004 Road Dispatcher Reduction			21	1.659	21	1.659	21	1.659	21	1.659
Road Control Reductions			4	0.320	4	0.320	4	0.320	4	0.320
Shifting / Bus Moves			(7)	1.070	(7)	1.070	(7)	1.070	(7)	1.070
Station Automation Reforecast	(17)	4.444		(0.498)		(0.189)		(0.189)		(0.189)
Road Control Swap (Bx to Bk)				0.005		0.005		0.005		0.005
CBTC Testing Support - ND -A049						0.007		0.007		0.007
M Svs Support - Manh Br						0.051		0.051		0.051
Manhattan Brdg-Addl Suppt						0.158		0.158		0.158
Manhattan Bridge "Switch"						0.140		0.140		0.140
Night Diff - Stillwell Rehab Sup						0.122		0.133		0.133
Vehicle Purchase-Support Cost						0.750		0.750		0.750
Subtotal	17	5.118	94	7.705	94	9.412	94	9.423	94	9.423
Unspecified PEG's						25.400		49.600		92.100
TOTAL PROGRAMS TO ELIMINATE THE GAP	81	69.669	854	119.394	744	144.646	702	183.085	680	253.605

**MTA NEW YORK CITY TRANSIT**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**TOTAL POSITIONS 2003 - 2007**  
**Full-Time and Full-Time Equivalents (FTEs)**  
**NON-REIMBURSABLE AND REIMBURSABLE**

	<b>2003 Final Estimate</b>			<b>2004 Adopted Budget</b>			<b>2005 Plan</b>			<b>2006 Plan</b>			<b>2007 Plan</b>		
	Non-			Non-			Non-			Non-			Non-		
	Represented	Represented	Total	Represented	Represented	Total	Represented	Represented	Total	Represented	Represented	Total	Represented	Represented	Total
<b>Subways</b>															
Sr. Vice President	461	119	580	466	113	579	466	113	579	466	113	579	431	112	543
Rapid Transit Operations	7,793	210	8,003	7,683	205	7,888	7,614	202	7,816	7,549	199	7,748	7,539	199	7,738
Maintenance of Way	6,390	635	7,025	6,282	526	6,808	6,254	525	6,779	6,215	523	6,738	6,187	522	6,709
Car Equipment	4,634	412	5,046	4,366	393	4,759	4,366	393	4,759	4,276	389	4,665	4,366	389	4,755
Stations	6,190	176	6,366	6,178	173	6,351	6,150	171	6,321	6,144	171	6,315	6,156	171	6,327
Sub-Total	25,468	1,552	27,020	24,975	1,410	26,385	24,850	1,404	26,254	24,650	1,395	26,045	24,679	1,393	26,072
<b>Buses</b>															
Buses Excl. Paratransit	13,665	682	14,347	13,580	646	14,226	13,592	647	14,239	13,718	647	14,365	13,792	650	14,442
Paratransit	18	86	104	13	93	106	13	93	106	13	93	106	13	93	106
Sub-Total	13,683	768	14,451	13,593	739	14,332	13,605	740	14,345	13,731	740	14,471	13,805	743	14,548
<b>Exec. Vice President</b>							-	-	-	-	-	-	-	-	-
Exec Vice President	1	19	20	1	19	20	1	18	19	1	18	19	1	18	19
Operations Planning	43	186	229	86	157	243	104	158	262	104	158	262	104	158	262
Human Resources	114	349	463	161	297	458	162	297	459	163	297	460	163	297	460
OMB	2	32	34	2	31	33	2	31	33	2	31	33	2	31	33
Materiel	21	242	263	22	240	262	22	240	262	22	240	262	22	240	262
Supply Logistics	539	47	586	525	45	570	518	45	563	518	45	563	518	45	563
Controller	65	183	248	86	154	240	86	154	240	86	154	240	86	154	240
Sub-Total	785	1,058	1,843	883	943	1,826	895	943	1,838	896	943	1,839	896	943	1,839
President	2	18	20	2	18	20	2	18	20	2	18	20	2	18	20
System Safety	4	90	94	3	90	93	3	90	93	3	90	93	3	90	93
Law	124	159	283	169	111	280	169	111	280	169	111	280	169	111	280
Telecom & Inform. Svcs.	614	852	1,466	778	655	1,433	733	653	1,386	721	653	1,374	718	653	1,371
MetroCard Operations	1,065	312	1,377	924	410	1,334	924	410	1,334	924	410	1,334	924	410	1,334
Labor Relations	52	59	111	50	55	105	50	55	105	50	55	105	50	55	105
Non-departmental	2	-	2	2	-	2	45	1	46	10	-	10	10	-	10
Capital Program Mgmt.	1,023	543	1,566	1,018	548	1,566	1,018	548	1,566	1,018	548	1,566	1,018	548	1,566
<b>Total</b>	<b>42,822</b>	<b>5,411</b>	<b>48,233</b>	<b>42,397</b>	<b>4,979</b>	<b>47,376</b>	<b>42,294</b>	<b>4,973</b>	<b>47,267</b>	<b>42,174</b>	<b>4,963</b>	<b>47,137</b>	<b>42,274</b>	<b>4,964</b>	<b>47,238</b>

**MTA NEW YORK CITY TRANSIT**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**POSITIONS 2003 - 2007**  
**Full-Time and Full-Time Equivalents (FTEs)**  
**NON-REIMBURSABLE**

	<b>2003 Final Estimate</b>			<b>2004 Adopted Budget</b>			<b>2005 Plan</b>			<b>2006 Plan</b>			<b>2007 Plan</b>		
	Non-			Non-			Non-			Non-			Non-		
	Represented	Represented	Total	Represented	Represented	Total	Represented	Represented	Total	Represented	Represented	Total	Represented	Represented	Total
<b>Subways</b>															
Sr. Vice President	454	90	544	457	86	543	457	86	543	457	86	543	422	85	507
Rapid Transit Operations	6,717	201	6,918	6,650	196	6,846	6,653	196	6,849	6,588	193	6,781	6,579	193	6,772
Maintenance of Way	4,512	501	5,013	4,552	391	4,943	4,613	394	5,007	4,622	394	5,016	4,621	394	5,015
Car Equipment	4,447	280	4,727	4,243	267	4,510	4,282	269	4,551	4,228	266	4,494	4,323	266	4,589
Stations	6,037	158	6,195	6,047	154	6,201	6,093	156	6,249	6,087	156	6,243	6,099	156	6,255
Sub-Total	22,167	1,230	23,397	21,949	1,094	23,043	22,098	1,101	23,199	21,982	1,095	23,077	22,044	1,094	23,138
<b>Buses</b>															
Buses Excl. Paratransit	13,545	615	14,160	13,531	578	14,109	13,565	580	14,145	13,695	580	14,275	13,769	583	14,352
Paratransit	18	86	104	13	93	106	13	93	106	13	93	106	13	93	106
Sub-Total	13,563	701	14,264	13,544	671	14,215	13,578	673	14,251	13,708	673	14,381	13,782	676	14,458
<b>Exec. Vice President</b>															
Exec Vice President	1	17	18	1	17	18	1	17	18	1	17	18	1	17	18
Operations Planning	43	143	186	75	126	201	93	127	220	93	127	220	93	127	220
Human Resources	113	341	454	161	288	449	162	288	450	163	288	451	163	288	451
OMB	2	31	33	2	30	32	2	30	32	2	30	32	2	30	32
Materiel	14	145	159	15	144	159	15	144	159	15	144	159	15	144	159
Supply Logistics	539	47	586	525	45	570	518	45	563	518	45	563	518	45	563
Controller	61	128	189	80	101	181	80	101	181	80	101	181	80	101	181
Sub-Total	773	852	1,625	859	751	1,610	871	752	1,623	872	752	1,624	872	752	1,624
President	2	18	20	2	18	20	2	18	20	2	18	20	2	18	20
System Safety	4	65	69	3	64	67	3	64	67	3	64	67	3	64	67
Law	117	129	246	154	89	243	154	89	243	154	89	243	154	89	243
Telecom & Inform Svcs	511	664	1,175	651	514	1,165	651	514	1,165	649	514	1,163	649	514	1,163
MetroCard Operations	1,036	299	1,335	902	404	1,306	902	404	1,306	902	404	1,306	902	404	1,306
Labor Relations	52	57	109	50	53	103	50	53	103	50	53	103	50	53	103
Non-departmental	2	-	2	2	-	2	45	1	46	10	-	10	10	-	10
Capital Program Mgmt.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>38,227</b>	<b>4,015</b>	<b>42,242</b>	<b>38,116</b>	<b>3,658</b>	<b>41,774</b>	<b>38,354</b>	<b>3,669</b>	<b>42,023</b>	<b>38,332</b>	<b>3,662</b>	<b>41,994</b>	<b>38,468</b>	<b>3,664</b>	<b>42,132</b>

**MTA NEW YORK CITY TRANSIT**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**POSITIONS 2003 - 2007**  
**Full-Time and Full-Time Equivalents (FTEs)**  
**REIMBURSABLE**

	<b>2003 Final Estimate</b>			<b>2004 Final Proposed Budget</b>			<b>2005 Plan</b>			<b>2006 Plan</b>			<b>2007 Plan</b>		
	Non-			Non-			Non-			Non-			Non-		
	Represented	Represented	Total	Represented	Represented	Total	Represented	Represented	Total	Represented	Represented	Total	Represented	Represented	Total
<b>Subways</b>															
Sr. Vice President	7	29	36	9	27	36	9	27	36	9	27	36	9	27	36
Rapid Transit Operations	1,076	9	1,085	1,033	9	1,042	961	6	967	961	6	967	960	6	966
Maintenance of Way	1,878	134	2,012	1,730	135	1,865	1,641	131	1,772	1,593	129	1,722	1,566	128	1,694
Car Equipment	187	132	319	123	126	249	84	124	208	48	123	171	43	123	166
Stations	153	18	171	131	19	150	57	15	72	57	15	72	57	15	72
Sub-Total	3,301	322	3,623	3,026	316	3,342	2,752	303	3,055	2,668	300	2,968	2,635	299	2,934
<b>Buses</b>															
Buses Excl. Paratransit	120	67	187	49	68	117	27	67	94	23	67	90	23	67	90
Paratransit	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sub-Total	120	67	187	49	68	117	27	67	94	23	67	90	23	67	90
<b>Exec. Vice President</b>															
Exec Vice President	-	2	2	-	2	2	-	1	1	-	1	1	-	1	1
Operations Planning	-	43	43	11	31	42	11	31	42	11	31	42	11	31	42
Human Resources	1	8	9	-	9	9	-	9	9	-	9	9	-	9	9
OMB	-	1	1	-	1	1	-	1	1	-	1	1	-	1	1
Materiel	7	97	104	7	96	103	7	96	103	7	96	103	7	96	103
Supply Logistics	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Controller	4	55	59	6	53	59	6	53	59	6	53	59	6	53	59
Sub-Total	12	206	218	24	192	216	24	191	215	24	191	215	24	191	215
President			-			-	-	-	-	-	-	-	-	-	-
System Safety	-	25	25	-	26	26	-	26	26	-	26	26	-	26	26
Law	7	30	37	15	22	37	15	22	37	15	22	37	15	22	37
Telecom. & Inform. Svcs.	103	188	291	127	141	268	82	139	221	72	139	211	69	139	208
MetroCard Operations	29	13	42	22	6	28	22	6	28	22	6	28	22	6	28
Labor Relations	-	2	2	-	2	2	-	2	2	-	2	2	-	2	2
Non-departmental			-			-	-	-	-	-	-	-	-	-	-
Capital Program Mgmt.	1,023	543	1,566	1,018	548	1,566	1,018	548	1,566	1,018	548	1,566	1,018	548	1,566
<b>Total</b>	<b>4,595</b>	<b>1,396</b>	<b>5,991</b>	<b>4,281</b>	<b>1,321</b>	<b>5,602</b>	<b>3,940</b>	<b>1,304</b>	<b>5,244</b>	<b>3,842</b>	<b>1,301</b>	<b>5,143</b>	<b>3,806</b>	<b>1,300</b>	<b>5,106</b>

**MTA STATEN ISLAND RAILWAY**



**MTA STATEN ISLAND RAILWAY  
FEBRUARY FINANCIAL PLAN FOR 2004-2007  
FINAL 2003 ESTIMATE AND ADOPTED BUDGET FOR 2004**

The attached reports reflect MTA Staten Island Railway's Final 2003 Estimate and the Adopted Budget for 2004. The adopted budget reflects amendments to the October Financial Plan adopted by the Board in December 2003 as well as subsequent technical modifications presented for approval in February 2004. The attached also presents an adjusted Financial Plan for 2005-2007 reflecting the impact of the 2004 adopted actions including any subsequent technical modifications on the out years. Since there are no changes to the Staten Island Railway 2004 budget adopted in December 2003, these materials are for information only.

**MTA Staten Island Railway**  
**February Financial Plan 2004 - 2007**  
**Summary of the Financial Plan**  
**2003 - 2007**  
(\$ in millions)

	Favorable/(Unfavorable)										
	2003		2004		Two-Year Total	2005		2006		2007	
	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars
2004 Final Proposed (October Plan) Positions and Operating Cash Income/(Deficit)	313	(\$20.879)	313	(\$20.436)	(\$41.315)	313	(\$21.906)	313	(\$23.057)	313	(\$24.275)
Amendments:											
Revenue:											
Estimated Losses-Blackout/Ferry Accident	N/A	(0.027)	N/A	0.000	(0.027)	N/A	0.000	N/A	0.000	N/A	0.000
Re-estimate of Fare Revenue	N/A	(0.035)	N/A	(0.034)	(0.069)	N/A	0.005	N/A	0.042	N/A	0.084
Sub-Total Revenue Amendments	N/A	(\$.062)	N/A	(\$.034)	(\$.096)	N/A	\$0.005	N/A	\$0.042	N/A	\$0.084
Expense:											
Re-estimate of Timing of Expenses	0	0.301	0	(0.301)	0.000	0	0.000	0	0.000	0	0.000
Re-estimate of 2003 Expense Spending	0	0.069	0	0.000	0.069	0	0.000	0	0.000	0	0.000
Inclusion of 2004 Depreciation Expense	0	0.000	0	(7.344)	(7.344)	0	(10.337)	0	(10.337)	0	(10.337)
Sub-total Expense Amendments	0	0.370	0	(7.645)	(7.275)	0	(10.337)	0	(10.337)	0	(10.337)
Cash Adjustments:											
Offset to Depreciation Expense-Non Cash	0	0.000	0	7.344	7.344	0	10.337	0	10.337	0	10.337
Sub-Total Cash Adjustment Amendments	0	\$0.000	0	\$7.344	\$7.344	0	\$10.337	0	\$10.337	0	\$10.337
Total Amendments	0	\$308	0	(\$335)	(\$027)	0	\$005	0	\$042	0	\$084
2004 Adopted Budget (December Plan) Positions and Operating Cash Income/(Deficit)	313	(\$20.571)	313	(\$20.771)	(\$41.342)	313	(\$21.901)	313	(\$23.015)	313	(\$24.191)
Amendments	0	\$0.000	0	\$0.000	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
2004 Adopted Budget/February Plan Positions and Operating Cash Income/(Deficit)	313	(\$20.571)	313	(\$20.771)	(\$41.342)	313	(\$21.901)	313	(\$23.015)	313	(\$24.191)

<sup>1</sup> Reflects the impact of amendments on year-end positions.

**MTA STATEN ISLAND RAILWAY**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**ACCRUAL STATEMENT OF OPERATIONS BY CATEGORY**  
**2003-2007**  
(\$ in millions)

	<b>Final Estimate 2003</b>	<b>Adopted Budget 2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
<b>Revenues &amp; Expenses</b>					
<b>Revenues:</b>					
Fare Revenue	3.124	3.388	3.423	3.451	3.501
Fare Reimbursement	1.141	1.255	1.255	1.255	1.255
Other Revenue	0.600	0.600	0.600	0.600	0.600
<b>Total Revenues</b>	<b>4.865</b>	<b>5.243</b>	<b>5.278</b>	<b>5.306</b>	<b>5.356</b>
Capital Reimbursement	1.523	1.240	1.025	1.051	1.079
<b>Total Revenues and Reimbursement</b>	<b>6.388</b>	<b>6.483</b>	<b>6.303</b>	<b>6.357</b>	<b>6.435</b>
<b>Expenses:</b>					
Salaries & Wages (Excluding Overtime)	14.939	15.443	15.823	16.338	16.869
Scheduled Overtime	0.026	0.026	0.026	0.026	0.026
Unscheduled Overtime	0.707	0.713	0.737	0.762	0.787
<b>Total Salaries &amp; Wages</b>	<b>15.672</b>	<b>16.182</b>	<b>16.586</b>	<b>17.126</b>	<b>17.682</b>
Pension Expenses	1.430	1.649	1.871	2.059	2.266
Health & Welfare Expenses	2.319	2.667	2.891	3.134	3.397
Other Fringe Benefits	1.170	1.169	1.303	1.435	1.580
<b>Total Fringe Benefits</b>	<b>4.919</b>	<b>5.485</b>	<b>6.065</b>	<b>6.628</b>	<b>7.243</b>
<b>Total Labor</b>	<b>20.591</b>	<b>21.667</b>	<b>22.651</b>	<b>23.754</b>	<b>24.925</b>
Power	1.932	1.932	1.967	1.969	1.981
Material	0.834	0.843	0.853	0.862	0.872
Rentals & Miscellaneous	1.412	1.377	1.402	1.430	1.462
Public Liability	0.300	0.300	0.300	0.300	0.300
Depreciation Expense	0.000	7.344	10.337	10.337	10.337
<b>Total Operating Expenses</b>	<b>25.069</b>	<b>33.463</b>	<b>37.510</b>	<b>38.652</b>	<b>39.877</b>
Track Rehabilitation	0.000	0.000	0.000	0.000	0.000
MTA Capital	1.523	1.240	1.025	1.051	1.079
<b>Total Reimbursable Expenses</b>	<b>1.523</b>	<b>1.240</b>	<b>1.025</b>	<b>1.051</b>	<b>1.079</b>
<b>Total Expenses</b>	<b>26.592</b>	<b>34.703</b>	<b>38.535</b>	<b>39.703</b>	<b>40.956</b>
<b>Operating Deficit</b>	<b>(20.204)</b>	<b>(28.220)</b>	<b>(32.232)</b>	<b>(33.346)</b>	<b>(34.521)</b>
Cash Flow Adjustments	(0.367)	7.449	10.331	10.331	10.330
<b>Net Operating Cash Deficit*</b>	<b>(20.571)</b>	<b>(20.771)</b>	<b>(21.901)</b>	<b>(23.015)</b>	<b>(24.191)</b>

\* Excludes Subsidies

**MTA STATEN ISLAND RAILWAY**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**CASH RECEIPTS AND EXPENDITURES**  
**2003-2007**  
(\$ in millions)

	<b>Final Estimate 2003</b>	<b>Adopted Budget 2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
<b>Cash Receipts &amp; Expenditures</b>					
<b>Receipts:</b>					
Operating Revenue	4.623	5.243	5.278	5.306	5.356
Capital Reimbursement	1.523	1.346	1.019	1.045	1.072
<b>Total Receipts</b>	<b>6.146</b>	<b>6.589</b>	<b>6.297</b>	<b>6.351</b>	<b>6.428</b>
<b>Expenditures:</b>					
Salaries & Wages	16.753	17.048	17.309	17.869	18.445
Fringe Benefits	5.361	5.860	6.367	6.936	7.559
Total Labor	22.114	22.908	23.676	24.805	26.004
Power	1.932	1.932	1.967	1.969	1.981
Material	0.834	0.843	0.853	0.862	0.872
Rentals & Miscellaneous	1.412	1.377	1.402	1.430	1.462
Public Liability	0.425	0.300	0.300	0.300	0.300
<b>Total Expenditures</b>	<b>26.717</b>	<b>27.360</b>	<b>28.198</b>	<b>29.366</b>	<b>30.619</b>
<b>Net Operating Cash Deficit*</b>	<b>(20.571)</b>	<b>(20.771)</b>	<b>(21.901)</b>	<b>(23.015)</b>	<b>(24.191)</b>

\* Excludes Subsidies

**MTA STATEN ISLAND RAILWAY**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**CASH FLOW ADJUSTMENTS**  
**2003-2007**  
(\$ in millions)

	<b>Final Estimate 2003</b>	<b>Adopted Budget 2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>
<b>Cash Flow Adjustments</b>					
<b>Revenues:</b>					
Operating	(0.242)	0.000	0.000	0.000	0.000
Capital Reimbursement	0.000	0.106	(0.006)	(0.006)	(0.007)
<b>Total Revenues</b>	<b>(0.242)</b>	<b>0.106</b>	<b>(0.006)</b>	<b>(0.006)</b>	<b>(0.007)</b>
<b>Expenses:</b>					
<b>Total Expenses</b>	<b>(0.125)</b>	<b>7.343</b>	<b>10.337</b>	<b>10.337</b>	<b>10.337</b>
<b>Net Cash Flow Adjustments*</b>	<b>(0.367)</b>	<b>7.449</b>	<b>10.331</b>	<b>10.331</b>	<b>10.330</b>

\* Excludes Subsidies

**MTA Staten Island Railway**  
**February Financial Plan 2004 - 2007**  
**Utilization**  
**Non-Student Ridership (thousands)**

<b>Final Estimate for 2003</b>	<b>2,786</b>	
Blackout Adjustment	12	0.4%
Ferry Crash Adjustment	10	0.4%
Annualization of June-October Ridership	1	0.0%
Calendar Change from 2003 to 2004 **	3	0.1%
<u>Economic Growth (1.06%) *</u>	<u>30</u>	<u>1.1%</u>
Total Change From 2003	56	2.0%
<b>Adopted Budget 2004</b>	<b>2,842</b>	<b>2.0%</b>
 <u>2005 Changes</u>		
Calendar Adjustment **	-2	-0.1%
<u>Economic Growth (1.14%) *</u>	<u>32</u>	<u>1.1%</u>
Total Change From 2004	30	1.1%
 <b>2005</b>	<b>2,872</b>	<b>1.1%</b>
 <u>2006 Changes</u>		
Calendar Adjustment	-8	-0.3%
<u>Economic Growth (1.09%) *</u>	<u>31</u>	<u>1.1%</u>
Total Change From 2005	23	0.8%
 <b>2006</b>	<b>2,895</b>	<b>0.8%</b>
 <u>2007 Changes</u>		
Calendar Adjustment	7	0.2%
<u>Economic Growth (1.23%) *</u>	<u>36</u>	<u>1.2%</u>
Total Change From 2006	43	1.5%
 <b>2007</b>	<b>2,938</b>	<b>1.5%</b>

\* *Economic growth based on Global Insight forecast of New York City employment.*

\*\* *Calendar change includes adjustment for leap year in 2004.*

**MTA Staten Island Railway**  
**February Financial Plan 2004 - 2007**  
**Explanation of Year-to-Year Changes in Operations by Category**  
(\$-millions)

	Final Estimate <u>2003</u>	Adopted Budget <u>2004</u>	<u>2005 Plan</u>	<u>2006 Plan</u>	<u>2007 Plan</u>
<b><i>Summary</i></b>					
Operating Revenues	4.865	5.243	5.278	5.306	5.356
Operating Expenses (Excluding Depreciation)	(25.069)	(26.119)	(27.173)	(28.315)	(29.540)
Cash Flow Adjustments (Excluding Depreciation)	(.367)	.105	(.006)	(.006)	(.007)
Net Operating Cash Deficit	<b>(\$20.571)</b>	<b>(\$20.771)</b>	<b>(\$21.901)</b>	<b>(\$23.015)</b>	<b>(\$24.191)</b>

***Operating Revenues***

2004 operating revenues are budgeted to increase by \$0.378 million or 7.8 percent above the 2003 Estimate. This increase is due principally to the annualization of the fare increase implemented in May, 2003 and the assumption of an approximate 1 percent ridership growth based on the Global Insight forecast of employment growth of similar magnitude in New York City.

The 2005-2007 operating revenue projections assume annual growth of about 1 percent based upon Global Insight's employment growth projections in New York City.

***Operating Expenses***

2004 operating expenses are budgeted to increase by \$1.050 million or 4.2 percent above the 2003 Estimate. This increase is principally due to salary & wage inflation assumptions and higher pension/health & welfare expenses.

The annual growth in the 2005-2007 operating expense projections are also driven by salary & wage inflation assumptions and projected increases in pension/health & welfare expenses. Other non-labor costs include provision for projected inflation.

***Cash Flow Adjustments***

2004 cash flow adjustments are budgeted to improve by \$0.472 million due to 2003 negative fare media and expense adjustments not recurring in 2004 and favorable capital reimbursement timing adjustments assumed in 2004.

The projected changes in the 2005-2007 cash flow adjustments are based upon the anticipated timing of future receipts and expenditures.

MTA STATEN ISLAND RAILWAY  
FEBRUARY FINANCIAL PLAN 2004 - 2007  
Reconciliation of the Program to Eliminate the Gap  
2003 - 2007  
(\$ in millions)

	Favorable/(Unfavorable)										
	2003		2004		Two-Year Total	2005 Plan		2006 Plan		2007 Plan	
	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars		Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>
2003 October Forecast (October Plan)											
Grand Total	0	\$0.147	0	\$0.636	\$0.783	0	\$0.433	0	\$0.433	0	\$0.433
Amendments:											
Administration:											
Re-estimate of 2003 Expense Spending	0	0.069	0	0.000	0.069	0	0.000	0	0.000	0	0.000
Sub-Total Administration	0	\$0.069	0	\$0.000	\$0.069	0	\$0.000	0	\$0.000	0	\$0.000
Customer Convenience & Amenities:											
Sub-Total Customer Convenience & Amenities	0	\$0.000	0	\$0.000	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Maintenance:											
Sub-Total Maintenance	0	\$0.000	0	\$0.000	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Other:											
Sub-Total Other	0	\$0.000	0	\$0.000	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Revenue:											
Sub-Total Revenue	0	0	0	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Total Amendments	0	\$0.069	0	\$0.000	\$0.069	0	\$0.000	0	\$0.000	0	\$0.000
2004 Adopted Budget (December Plan) Grand Total	0	\$0.216	0	\$0.636	\$0.852	0	\$0.433	0	\$0.433	0	\$0.433
Amendments	0	\$0.000	0	\$0.000	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
2004 Adopted Budget/February Plan Grand Total	0	\$0.216	0	\$0.636	\$0.852	0	\$0.433	0	\$0.433	0	\$0.433

<sup>1</sup> Reflects the impact of amendments on year-end positions.



**MTA STATEN ISLAND RAILWAY**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**OPERATING BUDGET PROJECTIONS**  
**PROGRAMS TO ELIMINATE THE GAP (PEGs)**  
**2003-2007**  
(\$ in thousands)

Favorable / (Unfavorable)									
2003		2004		2005		2006		2007	
Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars
<u>Administration</u>									
Establish Capital Program Billing system for reimbursement of managerial hours required for supervisory support.	147		402		199		199		199
Re-estimate of 2003 expense spending	<u>69</u>		<u>0</u>		<u>0</u>		<u>0</u>		<u>0</u>
Subtotal: Administration	216		402		199		199		199
<u>Maintenance</u>									
Redeployment of 3 positions to reimbursable in support of Signals Modernization Program	<u>0</u>		<u>234</u>		<u>234</u>		<u>234</u>		<u>234</u>
Subtotal: Maintenance	0		234		234		234		234
<b>Total PEGs</b>	<b>216</b>		<b>636</b>		<b>433</b>		<b>433</b>		<b>433</b>

**MTA STATEN ISLAND RAILWAY**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**TOTAL POSITIONS 2003 - 2007**  
**Full-Time and Full-Time Equivalents (FTEs)**  
**NON-REIMBURSABLE AND REIMBURSABLE**

	<b>2003 Final Estimate</b>			<b>2004 Adopted Budget</b>			<b>2005 Plan</b>			<b>2006 Plan</b>			<b>2007 Plan</b>		
	Non-		Total	Non-		Total	Non-		Total	Non-		Total	Non-		Total
	Represented	Represented		Represented	Represented		Represented	Represented		Represented	Represented		Represented	Represented	
<b>Maintenance</b>															
Signals/Power	21	1	22	21	1	22	21	1	22	21	1	22	21	1	22
Maintenance of Way	46	3	49	46	3	49	46	3	49	46	3	49	46	3	49
Bridge & Building	23	1	24	23	1	24	23	1	24	23	1	24	23	1	24
<b>Operations</b>															
Cleaning	21	1	22	21	1	22	21	1	22	21	1	22	21	1	22
Mechanical	34	3	37	34	3	37	34	3	37	34	3	37	34	3	37
Transportation	93	6	99	93	6	99	93	6	99	93	6	99	93	6	99
<b>Other</b>															
Executive	5	9	14	5	9	14	5	9	14	5	9	14	5	9	14
General Office	8	5	13	8	5	13	8	5	13	8	5	13	8	5	13
Police	23	1	24	23	1	24	23	1	24	23	1	24	23	1	24
Purchase/Stores	6	3	9	6	3	9	6	3	9	6	3	9	6	3	9
<b>Totals</b>	<b>280</b>	<b>33</b>	<b>313</b>	<b>280</b>	<b>33</b>	<b>313</b>	<b>280</b>	<b>33</b>	<b>313</b>	<b>280</b>	<b>33</b>	<b>313</b>	<b>280</b>	<b>33</b>	<b>313</b>

**MTA STATEN ISLAND RAILWAY**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**POSITIONS 2003 - 2007**  
**Full-Time and Full-Time Equivalents (FTEs)**  
**NON-REIMBURSABLE**

	<b>2003 Final Estimate</b>			<b>2004 Adopted Budget</b>			<b>2005 Plan</b>			<b>2006 Plan</b>			<b>2007 Plan</b>		
	Non-		Total	Non-		Total	Non-		Total	Non-		Total	Non-		Total
	Represented	Represented		Represented	Represented		Represented	Represented		Represented	Represented		Represented	Represented	
<b>Maintenance</b>															
Signals/Power	21	1	22	21	1	22	21	1	22	21	1	22	21	1	22
Maintenance of Way	43	3	46	43	3	46	43	3	46	43	3	46	43	3	46
Bridge & Building	23	1	24	23	1	24	23	1	24	23	1	24	23	1	24
<b>Operations</b>															
Cleaning	21	1	22	21	1	22	21	1	22	21	1	22	21	1	22
Mechanical	34	3	37	34	3	37	34	3	37	34	3	37	34	3	37
Transportation	90	6	96	90	6	96	90	6	96	90	6	96	90	6	96
<b>Other</b>															
Executive	5	9	14	5	9	14	5	9	14	5	9	14	5	9	14
General Office	8	5	13	8	5	13	8	5	13	8	5	13	8	5	13
Police	23	1	24	23	1	24	23	1	24	23	1	24	23	1	24
Purchase/Stores	6	3	9	6	3	9	6	3	9	6	3	9	6	3	9
<b>Totals</b>	<b>274</b>	<b>33</b>	<b>307</b>	<b>274</b>	<b>33</b>	<b>307</b>	<b>274</b>	<b>33</b>	<b>307</b>	<b>274</b>	<b>33</b>	<b>307</b>	<b>274</b>	<b>33</b>	<b>307</b>

**MTA STATEN ISLAND RAILWAY**  
**FEBRUARY FINANCIAL PLAN 2004 - 2007**  
**POSITIONS 2003 - 2007**  
**Full-Time and Full-Time Equivalents (FTEs)**  
**REIMBURSABLE**

	<b>2003 Final Estimate</b>			<b>2004 Final Proposed Budget</b>			<b>2005 Plan</b>			<b>2006 Plan</b>			<b>2007 Plan</b>		
	Non-		Total	Non-		Total	Non-		Total	Non-		Total	Non-		Total
	Represented	Represented		Represented	Represented		Represented	Represented		Represented	Represented		Represented	Represented	
<b>Maintenance</b>															
Signals/Power	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Maintenance of Way	3	0	3	3	0	3	3	0	3	3	0	3	3	0	3
Bridge & Building	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Operations</b>															
Cleaning	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mechanical	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transportation	3	0	3	3	0	3	3	0	3	3	0	3	3	0	3
<b>Other</b>															
Executive	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
General Office	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Police	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Purchase/Stores	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Totals</b>	<b>6</b>	<b>0</b>	<b>6</b>	<b>6</b>	<b>0</b>	<b>6</b>	<b>6</b>	<b>0</b>	<b>6</b>	<b>6</b>	<b>0</b>	<b>6</b>	<b>6</b>	<b>0</b>	<b>6</b>