

SIR

MTA Staten Island Railway 2005 Final Proposed Budget November Financial Plan 2005-2008

MISSION STATEMENT

The mission of MTA Staten Island Railway is to provide customers with safe, reliable, and convenient public transportation in a cost-effective manner.

FINANCIAL OVERVIEW

MTA Staten Island Railway carries out its mission by providing effective and cost-efficient transportation services through:

- a subway system operating 64 subway cars over 233 route miles and 26.6 miles of mainline track, serving 22 stations located on the south shore of Staten Island.

The 2005 Final Proposed Budget maintains reliability, maintenance, safety and security standards for employees and customers and generally maintains existing service levels despite a generally unfavorable economic environment. This is accomplished through implementation of organizational and operating efficiencies that optimize the use of resources to achieve agency goals. Performance indicators including mean distance between failures and on time performance remain within targeted levels. The economic forecast in 2006 is less favorable and consequently significant service adjustments will be necessary to close a sizable budget gap.

2005 Final Proposed Budget – Baseline

MTA Staten Island Railway's 2005 Final Proposed Budget reflects total expenses before depreciation of \$29.307 million including \$28.288 million of non-reimbursable expenses and \$1.019 million of reimbursable expenses. Total revenues are projected to be \$6.155 million of which \$5.136 million are operating revenues and \$1.019 million represent capital reimbursements. Total full-time positions are 313 including 307 non-reimbursable positions and 6 reimbursable positions. The above information excludes the effects of Programs to Eliminate the GAP (PEGs) and the proposed increase in express fares, which are presented separately on the attached financial tables.

Programs to Eliminate the GAP, which are described below, represent deficit reductions of \$1.018 million and position reductions of 9. The proposed increase in express bus fares is estimated to improve farebox revenue by 0.386 million as riders are diverted to Staten Island Railway.

Providing quality service is paramount to MTA Staten Island Railway. To ensure this goal, the 2005 Final Proposed Budget includes additional funding necessary to properly maintain fleet and other equipment integral to Staten Island Railway system operations.

Major assumptions and reconciliations to the July Plan are discussed later in this section.

2006-2008 Projections

MTA Staten Island Railway's projections for 2006-2008 reflect total expenses before depreciation as follows: 2006-\$30.256 million, 2007-\$31.409 million, and 2008-\$32.678 million. Non-reimbursable expenses before depreciation are projected as follows: 2006-\$29.212 million, 2007-\$30.334, and 2008-\$31.563 million. Reimbursable expenses are projected as follows: 2006-\$1.044 million, 2007-\$1.075 million, and 2008-\$1.115 million. Total revenues are projected as follows: 2006-\$6.218 million, 2007-\$6.298 million, and 2008-\$6.380 million. Operating revenues are projected as follows: 2006-\$5.174 million, 2007-\$5.223 million, and 2008-\$5.265 million. Capital reimbursements are projected as follows: 2006-\$1.044 million, 2007-\$1.075 million, and 2008-\$1.115 million. Total full-time positions are projected to be 313 in each year. Non-reimbursable positions are projected to be 307 in each year. Reimbursable positions are projected to be 6 in each year. The above information excludes the effects of Programs to Eliminate the GAP and a proposed increase in express bus fares, which are presented separately on the attached financial tables.

Programs to Eliminate the GAP, which are described below, represent deficit reductions of \$3.553 million in 2006, \$3.400 million in 2007, \$3.481 million in 2008. Position reductions are projected to be 41 in 2006, 38 in 2007 and 38 in 2008. The proposed increase in express bus fares is estimated to improve farebox revenue by 0.386 million per year as riders are diverted to Staten Island Railway.

Major assumptions and reconciliations to the July Plan are discussed later in this section.

GAP CLOSING MEASURES

2005 Programs to Eliminate the Gap (PEG) Actions

MTA Staten Island Railway has developed programs that will save \$1.018 million in 2005 as shown below.

- Add fare collection at the Tompkinsville train station - The Tompkinsville train station is a free entry/exit station located less than 0.5 miles from the St. George Terminal. Consequently, passengers can avoid the fare collection system in St. George by entering and exiting the system at Tompkinsville. Beginning in April 2005, implementation of a fare collection system at Tompkinsville will generate additional revenue and eliminate the opportunity to avoid fare collection at St. George. This action will result in a net deficit reduction of \$0.225 million.
- Modify Weekend Headways - The Authority has always maintained a schedule that was well coordinated with Ferry service. At certain times on weekends our headways exceed those of the Staten Island Ferry. Starting in 2005 savings will be achieved with the modification of weekend service headways to correspond with the Staten Island Ferry connections. This will save one position and \$0.067 million.
- Modify Weekday Headways - A closer review of ridership trends indicates the need for continued express service. Therefore, this PEG will not be implemented as scheduled in

January 2005. However, savings equivalent to two (2) positions and \$0.134 million will be realized through internal efficiencies.

- Reduce the size of the car fleet by 12 R44 B units - The current SIR fleet of 64 cars included an increase of 12 cars early in the 1990's. This action was in anticipation of operating 5 car trains to accommodate the expected growth in ridership which has not materialized. Reducing the fleet size back to its original 52 cars in 2005 will reduce maintenance and cleaning costs saving four positions and \$0.269 million.
- Facility Painting/ Station Maintenance - Currently, Authority budgeted cycles for painting interiors/exterior of facilities is five years while station maintenance is performed continuously on an as needed basis. In 2005, interior/exterior facility painting cycles will be increased to every 6 years and efficiencies will be developed and implemented for station related masonry and carpentry repairs. This action will save two positions and \$0.134 million in 2005.
- Reduce Trains to Two Cars During Off-Peak - Currently the Authority operates four car trains for all passenger service. Beginning in 2005 this proposal reduces trains to two cars during off-peak hours. With recent ridership declines this plan is not expected to adversely affect current customers and save \$0.188 million.

2006 - 2008 Program to Eliminate the Gap (PEG) Actions

Programs to Eliminate the GAP described above continue in 2006 through 2008 with deficit reductions of \$3.553 million in 2006, \$3.400 million in 2007 and \$3.481 million in 2008.

Position reductions are projected to be 41 in 2006, 38 in 2007 and 38 in 2008.

Two additional service changes will be implemented beginning in 2006 as follows:

- One Person Train Operation (OPTO) - Currently the Authority operates four car trains with a crew of one Train Operator and one Conductor. In 2006, implementation of One Person Train Operation (OPTO) will reduce crew size to one Train Operator. Projections are that 26 Conductor positions can be eliminated with 2006 savings of \$1.809 million.
- Eliminate Weekend Service - The Authority currently provides service 24 hours a day, 7 days per week. All service meets or exceeds Staten Island Ferry service. Beginning in 2006, weekend service will be eliminated beginning at 2 a.m. Saturday through 5 a.m. Monday. Existing local bus service at the St. George Terminal is an available alternative. This action will save eight positions and \$0.401 million.

MTA Staten Island Railway
November Financial Plan 2005 - 2008
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE

	2003 Actuals	2004 November Forecast	2005 Final Proposed Budget	2006	2007	2008
<u>Revenue</u>						
Farebox Revenue	\$3.110	\$3.204	\$3.245	\$3.283	\$3.332	\$3.374
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	1.728	1.891	1.891	1.891	1.891	1.891
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenue	\$4.838	\$5.095	\$5.136	\$5.174	\$5.223	\$5.265
<u>Expenses</u>						
Labor:						
Payroll	14.328	15.472	15.770	15.966	16.276	16.616
Overtime	1.236	0.740	0.755	0.764	0.779	0.795
Total Salaries & Wages	15.564	16.212	16.525	16.730	17.055	17.411
Health and Welfare	2.560	2.788	3.026	3.307	3.615	3.951
Pensions	1.490	1.649	1.874	2.059	2.266	2.493
Other Fringe Benefits	1.247	1.646	1.350	1.365	1.391	1.418
Total Fringe Benefits	5.297	6.083	6.250	6.731	7.272	7.862
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$20.861	\$22.295	\$22.775	\$23.461	\$24.327	\$25.273
Non-Labor:						
Traction and Propulsion Power	1.588	1.632	1.738	1.851	1.971	2.099
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.144	0.157	0.173	0.191	0.210	0.231
Claims	0.216	0.429	0.228	0.231	0.235	0.246
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Mtce. and Other Operating Contracts	1.436	1.820	2.127	2.212	2.308	2.412
Professional Service Contracts	0.178	0.319	0.324	0.329	0.335	0.342
Materials & Supplies	0.840	0.898	0.917	0.931	0.942	0.954
Other Business Expenses	0.008	0.006	0.006	0.006	0.006	0.006
Total Non-Labor Expenses	\$4.410	\$5.261	\$5.513	\$5.751	\$6.007	\$6.290
Other Expense Adjustments:						
Other	0.000	0.000	0.000	0.000	0.000	0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$25.271	\$27.556	\$28.288	\$29.212	\$30.334	\$31.563
Depreciation	6.626	7.344	10.337	10.337	10.337	10.337
Total Expenses	\$31.897	\$34.900	\$38.625	\$39.549	\$40.671	\$41.900
Baseline Net Surplus/(Deficit)	(\$27.059)	(\$29.805)	(\$33.489)	(\$34.375)	(\$35.448)	(\$36.635)
2005 Program to Eliminate the Gap (PEGs)	0.000	0.000	1.018	1.024	0.803	0.811
2006 Program to Eliminate the Gap	0.000	0.000	0.000	2.210	2.278	2.351
Unspecified PEGs	0.000	0.000	0.000	0.319	0.319	0.319
Express Bus Fare Increase	0.000	0.000	0.386	0.386	0.386	0.386
Net Surplus/(Deficit)	(\$27.059)	(\$29.805)	(\$32.085)	(\$30.436)	(\$31.662)	(\$32.768)

MTA Staten Island Railway
November Financial Plan 2005 - 2008
Accrual Statement of Operations by Category
(\$ in millions)

**NON-REIMBURSABLE and
REIMBURSABLE**

	2003 Actuals	2004 November Forecast	2005 Final Proposed Budget	2006	2007	2008
<u>Revenue</u>						
Farebox Revenue	\$3.110	\$3.204	\$3.245	\$3.283	\$3.332	\$3.374
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	1.728	1.891	1.891	1.891	1.891	1.891
Capital and Other Reimbursements	1.682	1.235	1.019	1.044	1.075	1.115
Total Revenue	\$6.520	\$6.330	\$6.155	\$6.218	\$6.298	\$6.380
<u>Expenses</u>						
Labor:						
Payroll	14.711	15.781	16.025	16.226	16.543	16.891
Overtime	1.970	1.438	1.331	1.352	1.382	1.415
Total Salaries & Wages	16.681	17.219	17.356	17.578	17.925	18.306
Health and Welfare	2.919	2.848	3.076	3.361	3.674	4.016
Pensions	1.605	1.740	1.949	2.136	2.345	2.580
Other Fringe Benefits	1.333	1.723	1.413	1.430	1.458	1.486
Total Fringe Benefits	5.857	6.311	6.438	6.927	7.477	8.082
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$22.538	\$23.530	\$23.794	\$24.505	\$25.402	\$26.388
Non-Labor:						
Traction and Propulsion Power	1.588	1.632	1.738	1.851	1.971	2.099
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.144	0.157	0.173	0.191	0.210	0.231
Claims	0.216	0.429	0.228	0.231	0.235	0.246
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Mtce. and Other Operating Contracts	1.436	1.820	2.127	2.212	2.308	2.412
Professional Service Contracts	0.178	0.319	0.324	0.329	0.335	0.342
Materials & Supplies	0.845	0.898	0.917	0.931	0.942	0.954
Other Business Expenses	0.008	0.006	0.006	0.006	0.006	0.006
Total Non-Labor Expenses	\$4.415	\$5.261	\$5.513	\$5.751	\$6.007	\$6.290
Other Expense Adjustments:						
Other	0.000	0.000	0.000	0.000	0.000	0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$26.953	\$28.791	\$29.307	\$30.256	\$31.409	\$32.678
Depreciation	6.626	7.344	10.337	10.337	10.337	10.337
Total Expenses	\$33.579	\$36.135	\$39.644	\$40.593	\$41.746	\$43.015
Baseline Net Surplus/(Deficit)	(\$27.059)	(\$29.805)	(\$33.489)	(\$34.375)	(\$35.448)	(\$36.635)
2005 Program to Eliminate the Gap (PEGs)	0.000	0.000	1.018	1.024	0.803	0.811
2006 Program to Eliminate the Gap	0.000	0.000	0.000	2.210	2.278	2.351
Unspecified PEGs	0.000	0.000	0.000	0.319	0.319	0.319
Express Bus Fare Increase	0.000	0.000	0.386	0.386	0.386	0.386
Net Surplus/(Deficit)	(\$27.059)	(\$29.805)	(\$32.085)	(\$30.436)	(\$31.662)	(\$32.768)

MTA Staten Island Railway
November Financial Plan 2005 - 2008
Cash Receipts & Expenditures
(\$ in millions)

	2003 Actuals	2004 November Forecast	2005 Final Proposed Budget	2006	2007	2008
<u>Receipts</u>						
Farebox Revenue	\$3.024	\$3.204	\$3.245	\$3.283	\$3.332	\$3.374
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	1.499	1.891	1.891	1.891	1.891	1.891
Capital and Other Reimbursements	1.707	1.341	1.013	1.038	1.068	1.115
Total Receipts	\$6.230	\$6.436	\$6.149	\$6.212	\$6.291	\$6.380
<u>Expenditures</u>						
Labor:						
Payroll	15.168	15.781	16.025	16.226	16.543	16.891
Overtime	1.484	1.438	1.331	1.352	1.382	1.415
Total Salaries & Wages	16.652	17.219	17.356	17.578	17.925	18.306
Health and Welfare	2.753	2.848	3.076	3.361	3.674	4.016
Pensions	1.577	1.740	1.949	2.136	2.345	2.580
Other Fringe Benefits	1.690	1.723	1.413	1.430	1.458	1.486
Total Fringe Benefits	6.020	6.311	6.438	6.927	7.477	8.082
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$22.672	\$23.530	\$23.794	\$24.505	\$25.402	\$26.388
Non-Labor:						
Traction and Propulsion Power	1.588	1.632	1.738	1.851	1.971	2.099
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.144	0.157	0.173	0.191	0.210	0.231
Claims	0.341	0.429	0.228	0.231	0.235	0.246
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Mtce. and Other Operating Contracts	1.289	1.820	2.127	2.212	2.308	2.412
Professional Service Contracts	0.178	0.319	0.324	0.329	0.335	0.342
Materials & Supplies	0.961	0.898	0.917	0.931	0.942	0.954
Other Business Expenditures	0.008	0.006	0.006	0.006	0.006	0.006
Total Non-Labor Expenditures	\$4.509	\$5.261	\$5.513	\$5.751	\$6.007	\$6.290
Other Expenditure Adjustments:						
Other	\$0.000	0.001	0.000	0.000	0.000	0.000
Total Other Expenditure Adjustments	\$0.000	\$0.001	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$27.181	\$28.792	\$29.307	\$30.256	\$31.409	\$32.678
Baseline Net Cash Surplus/(Deficit)	(\$20.951)	(\$22.356)	(\$23.158)	(\$24.044)	(\$25.118)	(\$26.298)
2005 Program to Eliminate the Gap (PEGs)						
2006 Program to Eliminate the Gap	0.000	0.000	0.000	2.210	2.278	2.351
Unspecified PEGs	0.000	0.000	0.000	0.319	0.319	0.319
Express Bus Fare Increase	0.000	0.000	0.386	0.386	0.386	0.386
Net Cash Surplus/(Deficit)	(\$20.951)	(\$22.356)	(\$21.754)	(\$20.105)	(\$21.332)	(\$22.431)

MTA Staten Island Railway
November Financial Plan 2005 - 2008
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	2003 Actuals	2004 November Forecast	2005 Final Proposed Budget	2006	2007	2008
<u>Receipts</u>						
Farebox Revenue	(\$0.086)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	(0.229)	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	0.025	0.106	(0.006)	(0.006)	(0.007)	0.000
Total Receipt Adjustments	(\$0.290)	\$0.106	(\$0.006)	(\$0.006)	(\$0.007)	\$0.000
<u>Expenditures</u>						
Labor:						
Payroll	(0.457)	0.000	0.000	0.000	0.000	0.000
Overtime	0.486	0.000	0.000	0.000	0.000	0.000
Total Salaries & Wages	0.029	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.166	0.000	0.000	0.000	0.000	0.000
Pensions	0.028	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	(0.357)	0.000	0.000	0.000	0.000	0.000
Total Fringe Benefits	(0.163)	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	(\$0.134)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Non-Labor:						
Traction and Propulsion Power	0.000	0.000	0.000	0.000	0.000	0.000
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000	0.000
Claims	(0.125)	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Mtce. and Other Operating Contracts	0.147	0.000	0.000	0.000	0.000	0.000
Professional Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Materials & Supplies	(0.116)	0.000	0.000	0.000	0.000	0.000
Other Business Expenditures	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expenditures	(\$0.094)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Expenditure Adjustments:						
Other	0.000	(0.001)	0.000	0.000	0.000	0.000
Total Other Expenditure Adjustments	\$0.000	(\$0.001)	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditure Adjustments	(\$0.228)	(\$0.001)	\$0.000	\$0.000	\$0.000	\$0.000
Total Cash Conversion Adjustments before Depreciation	(\$0.518)	\$0.105	(\$0.006)	(\$0.006)	(\$0.007)	\$0.000
Depreciation Adjustment	6.626	7.344	10.337	10.337	10.337	10.337
Baseline Total Cash Conversion Adjustmer	\$6.108	\$7.449	\$10.331	\$10.331	\$10.330	\$10.337
2005 Program to Eliminate the Gap (PEGs)						
2006 Program to Eliminate the Gap	0.000	0.000	0.000	0.000	0.000	0.000
Unspecified PEGs	0.000	0.000	0.000	0.000	0.000	0.000
Express Bus Fare Increase	0.000	0.000	0.000	0.000	0.000	0.000
Total Cash Conversion Adjustments	\$6.108	\$7.449	\$10.331	\$10.331	\$10.330	\$10.337

MTA Staten Island Railway
November Financial Plan 2005-2008
Year-To-Year Changes by Category-Baseline Narrative

TOTAL REVENUES

Farebox Revenue

- Farebox Revenue improvements of: 2005-\$.041 million (1.3%), 2006-\$.038 million (1.2%), 2007-\$.049 million (1.5%), and 2008-\$.042 million (1.3%) were due to projected increases in ridership.
- The ridership increase is based upon Global Insight's NYC employment forecasts as follows: 2005-1.56%, 2006-1.42%, 2007-1.07%, and 2008-0.57%.

Other Operating Revenue

- No changes.

Capital and Other Reimbursements

- Reimbursements are projected to decrease by \$0.216 million or 17.5% from 2004 to 2005 due to the scheduled completion of the Signal Modernization capital project and the projected start of a three bridge replacement program requiring smaller in-house labor support.
- Annual increases are projected from 2006 through 2008 to provide for reimbursement consistent with projected CPI increases for labor expenses and actuarial-based pension increases as explained below.

TOTAL EXPENSES

Payroll

- Increases largely represent effective inflationary increases as follows: 2005-1.93%, 2006-1.24%, 2007-1.94%, and 2008-2.09%.
- Reimbursable expenses decreased by \$0.054 million from 2004 to 2005 due to the completion of a significant capital project.

Overtime

- 2004-2008 payroll wage rate increase assumptions apply.
- Reimbursable expenses decreased by \$0.122 million from 2004 to 2005, due to the completion of a significant capital project.

Health & Welfare

- Increases include the following inflation rate assumptions: 2005-12.9%, and 2006 through 2008-9.3%.

Pension

- Significant projected increases in expenses are based on information from pension plan actuaries.

Other Fringe Benefits

- Favorable change in 2005 was due to a high level of worker's compensation claims in 2004, not projected to recur.
- Inflation assumptions consistent with payroll rate increase assumptions.

Traction and Propulsion Power

- Reflects NYPA annual rate increases of 6.5% effective April 1, 2004.

Insurance

- 2005-2008 inflation assumptions are based upon Global Insight's estimates as follows: 2005-1.65%, 2006-1.47%, 2007-1.83%, and 2008-2.05%.

Claims

- 2005-2008 inflation assumptions are based upon Global Insight's estimates as follows: 2005-1.93%, 2006-1.24%, 2007-1.94%, and 2008-2.09%.

Maintenance and Other Operating Contracts

- 2005-2008 inflation assumptions are based upon Global Insight's estimates as follows: 2005-1.65%, 2006-1.47%, 2007-1.83%, and 2008-2.05%.
- Non-reimbursable expenses reflect NYPA 6.5% annual rate increases effective April 1, 2004 for lighting expenses.
- 2004-2008 increased power consumption associated with new signal system as follows: 2004-26.9%, 2005-15.3%, 2006-2.8%, 2007-3.3%, and 2008-3.4%.

Professional Service Contracts

- 2005-2008 inflation assumptions are based upon Global Insight's estimates as follows: 2005-1.65%, 2006-1.47%, 2007-1.83%, and 2008-2.05%.
- 2004-2008 reflects higher costs associated with NYS bridge inspection requirements as follows: 2004-78.6%, 2005-0.6%, 2006-1.9%, 2007-2.5%, and 2008-2.4%.

Materials and Supplies

- 2005-2008 inflation assumptions are based upon Global Insight's estimates as follows: 2005-2.18%, 2006-1.47%, 2007-1.21%, and 2008-1.29%.

Other Business Expenses

- 2005-2008 inflation assumptions are based upon Global Insight's estimates as follows: 2005-1.65%, 2006-1.47%, 2007-1.83%, and 2008-2.05%.

Depreciation

- Annual expense increases are due to projections of additional capital assets reaching beneficial use. Examples of these assets include Right of way fencing, track-work, and a new signal system.

TOTAL RECEIPTS

Farebox Receipts

- Farebox receipt improvements of: 2005-\$.041 million (1.3%), 2006-\$.038 million (1.2%), 2007-\$.049 million (1.5%), and 2008-\$.042 million (1.3%) were due to projected increases in ridership.
- The ridership increase is based upon Global Insight's NYC employment forecasts as follows: 2005-1.56%, 2006-1.42%, 2007-1.07%, and 2008-0.57%.

Other Operating Receipts

- No changes.

Capital and Other Reimbursements

- Reimbursements are projected to decrease by \$0.216 million or 17.5% from 2004 to 2005 due to the scheduled completion of the Signal Modernization capital project and the projected start of a three bridge replacements program requiring reduced in-house labor support.
- Cash adjustments are reflected annually to recognize the change in timing of receipts.

TOTAL EXPENDITURES

Payroll

- Increases largely represent effective inflationary increases as follows: 2005-1.93%, 2006-1.24%, 2007-1.94%, and 2008-2.09%.
- Reimbursable expenses decreased by \$.054 million from 2004 to 2005, due to the completion of a significant capital project.

Overtime

- 2004-2008 payroll wage rate increase assumptions apply.
- Reimbursable expenses decreased by \$0.122 million from 2004 to 2005, due to the completion of a significant capital project.

Health & Welfare

- Increases include the following inflation rate assumptions: 2005-12.9%, and 2006 through 2008-9.3%.

Pension

- Significant projected increases in expenses are based on information from pension plan actuaries.

Other Fringe Benefits

- Favorable change in 2005 was due to a high level of worker's compensation claims in 2004, not projected to recur.
- Inflation assumptions consistent with payroll rate increase assumptions

Traction and Propulsion Power

- Reflects NYPA 6.5% annual rate increases effective April 1, 2004.

Insurance

- 2005-2008 inflation assumptions are based upon Global Insight's estimates as follows: 2005-1.65%, 2006-1.47%, 2007-1.83%, and 2008-2.05%.

Claims

- 2005-2008 inflation assumptions are based upon Global Insight's estimates as follows: 2005-1.93%, 2006-1.24%, 2007-1.83%, and 2008-2.09%.

Maintenance and Other Operating Contracts

- 2005-2008 inflation assumptions are based on Global Insight's estimates as follows: 2005-1.65%, 2006-1.47%, 2007-1.83%, and 2008-2.05%.
- Non-reimbursable expenses reflect NYPA 6.5% annual rate increases effective April 1, 2004 for lighting expenses.
- 2004-2008 increased power consumption associated with new signal system as follows: 2004-26.9%, 2005-15.3%, 2006-2.8%, 2007-3.3%, and 2008-3.4%.

Professional Service Contracts

- 2005-2008 inflation assumptions are based on Global Insight's estimates as follows: 2005-1.65%, 2006-1.47%, 2007-1.83%, and 2008-2.05%.
- 2004-2008 reflects higher costs associated with NYS bridge inspection requirements as follows: 2004-78.6%, 2005-0.6%, 2006-1.9%, 2007-2.5%, and 2008-2.4%.

Materials and Supplies

- 2005-2008 inflation assumptions are based on Global Insight's estimates as follows: 2005-2.18%, 2006-1.47%, 2007-1.21%, and 2008-1.29%.

Other Business Expenses

- 2005-2008 inflation assumptions are based on Global Insight's estimates as follows: 2005-1.65%, 2006-1.47%, 2007-1.83%, and 2008-2.05%.

MTA Staten Island Railway
November Financial Plan 2005 - 2008
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE

	Favorable/(Unfavorable)								
	2004	2005	Change 2005-2004	2006	Change 2006-2005	2007	Change 2007-2006	2008	Change 2008-2007
Revenue									
Farebox Revenue	\$3.204	\$3.245	\$0.041	\$3.283	\$0.038	\$3.332	\$0.049	\$3.374	\$0.042
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	1.891	1.891	0.000	1.891	0.000	1.891	0.000	1.891	0.000
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenue	\$5.095	\$5.136	\$0.041	\$5.174	\$0.038	\$5.223	\$0.049	\$5.265	\$0.042
Expenses									
Labor:									
Payroll	15.472	15.770	(0.298)	15.966	(0.196)	16.276	(0.310)	16.616	(0.340)
Overtime	0.740	0.755	(0.015)	0.764	(0.009)	0.779	(0.015)	0.795	(0.016)
Total Salaries & Wages	16.212	16.525	(0.313)	16.730	(0.205)	17.055	(0.325)	17.411	(0.356)
Health and Welfare	2.788	3.026	(0.238)	3.307	(0.281)	3.615	(0.308)	3.951	(0.336)
Pensions	1.649	1.874	(0.225)	2.059	(0.185)	2.266	(0.207)	2.493	(0.227)
Other Fringe Benefits	1.646	1.350	0.296	1.365	(0.015)	1.391	(0.026)	1.418	(0.027)
Total Fringe Benefits	6.083	6.250	(0.167)	6.731	(0.481)	7.272	(0.541)	7.862	(0.590)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$22.295	\$22.775	(\$0.480)	\$23.461	(\$0.686)	\$24.327	(\$0.866)	\$25.273	(\$0.946)
Non-Labor:									
Traction and Propulsion Power	1.632	1.738	(0.106)	1.851	(0.113)	1.971	(0.120)	2.099	(0.128)
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.157	0.173	(0.016)	0.191	(0.018)	0.210	(0.019)	0.231	(0.021)
Claims	0.429	0.228	0.201	0.231	(0.003)	0.235	(0.004)	0.246	(0.011)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Mtce. and Other Operating Contracts	1.820	2.127	(0.307)	2.212	(0.085)	2.308	(0.096)	2.412	(0.104)
Professional Service Contracts	0.319	0.324	(0.005)	0.329	(0.005)	0.335	(0.006)	0.342	(0.007)
Materials & Supplies	0.898	0.917	(0.019)	0.931	(0.014)	0.942	(0.011)	0.954	(0.012)
Other Business Expenses	0.006	0.006	0.000	0.006	0.000	0.006	0.000	0.006	0.000
Total Non-Labor Expenses	\$5.261	\$5.513	(\$0.252)	\$5.751	(\$0.238)	\$6.007	(\$0.256)	\$6.290	(\$0.283)
Other Expense Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$27.556	\$28.288	(\$0.732)	\$29.212	(\$0.924)	\$30.334	(\$1.122)	\$31.563	(\$1.229)
Depreciation	7.344	10.337	(2.993)	10.337	0.000	10.337	0.000	10.337	0.000
Total Expenses	\$34.900	\$38.625	(\$3.725)	\$39.549	(\$0.924)	\$40.671	(\$1.122)	\$41.900	(\$1.229)
Baseline Net Surplus/(Deficit)	(\$29.805)	(\$33.489)	(\$3.684)	(\$34.375)	(\$0.886)	(\$35.448)	(\$1.073)	(\$36.635)	(\$1.187)
2005 Program to Eliminate the Gap (PEGs)	0.000	1.018	1.018	1.024	0.006	0.803	(0.221)	0.811	0.008
2006 Program to Eliminate the Gap	0.000	0.000	0.000	2.210	2.210	2.278	0.068	2.351	0.073
Unspecified PEGs	0.000	0.000	0.000	0.319	0.319	0.319	0.000	0.319	0.000
Express Bus Fare Increase	0.000	0.386	0.386	0.386	0.000	0.386	0.000	0.386	0.000
Net Surplus/(Deficit)	(\$29.805)	(\$32.085)	(\$2.280)	(\$30.436)	\$1.649	(\$31.662)	(\$1.226)	(\$32.768)	(\$1.106)

REIMBURSABLE

Revenue

Expenses

Payroll

Non-Labor:

Other Expense Adjustments:

Total Expenses before

Depreciation

<p> 2017 2016 2015 2014 2013 2012 2011 2010 2009 2008 2007 2006 2005 2004 2003 2002 2001 2000 1999 1998 1997 1996 1995 1994 1993 1992 1991 1990 1989 1988 1987 1986 1985 1984 1983 1982 1981 1980 1979 1978 1977 1976 1975 1974 1973 1972 1971 1970 1969 1968 1967 1966 1965 1964 1963 1962 1961 1960 1959 1958 1957 1956 1955 1954 1953 1952 1951 1950 1949 1948 1947 1946 1945 1944 1943 1942 1941 1940 1939 1938 1937 1936 1935 1934 1933 1932 1931 1930 1929 1928 1927 1926 1925 1924 1923 1922 1921 1920 1919 1918 1917 1916 1915 1914 1913 1912 1911 1910 1909 1908 1907 1906 1905 1904 1903 1902 1901 1900 1899 1898 1897 1896 1895 1894 1893 1892 1891 1890 1889 1888 1887 1886 1885 1884 1883 1882 1881 1880 1879 1878 1877 1876 1875 1874 1873 1872 1871 1870 1869 1868 1867 1866 1865 1864 1863 1862 1861 1860 1859 1858 1857 1856 1855 1854 1853 1852 1851 1850 1849 1848 1847 1846 1845 1844 1843 1842 1841 1840 1839 1838 1837 1836 1835 1834 1833 1832 1831 1830 1829 1828 1827 1826 1825 1824 1823 1822 1821 1820 1819 1818 1817 1816 1815 1814 1813 1812 1811 1810 1809 1808 1807 1806 1805 1804 1803 1802 1801 1800 1799 1798 1797 1796 1795 1794 1793 1792 1791 1790 1789 1788 1787 1786 1785 1784 1783 1782 1781 1780 1779 1778 1777 1776 1775 1774 1773 1772 1771 1770 1769 1768 1767 1766 1765 1764 1763 1762 1761 1760 1759 1758 1757 1756 1755 1754 1753 1752 1751 1750 1749 1748 1747 1746 1745 1744 1743 1742 1741 1740 1739 1738 1737 1736 1735 1734 1733 1732 1731 1730 1729 1728 1727 1726 1725 1724 1723 1722 1721 1720 1719 1718 1717 1716 1715 1714 1713 1712 1711 1710 1709 1708 1707 1706 1705 1704 1703 1702 1701 1700 1699 1698 1697 1696 1695 1694 1693 1692 1691 1690 1689 1688 1687 1686 1685 1684 1683 1682 1681 1680 1679 1678 1677 1676 1675 1674 1673 1672 1671 1670 1669 1668 1667 1666 1665 1664 1663 1662 1661 1660 1659 1658 1657 1656 1655 1654 1653 1652 1651 1650 1649 1648 1647 1646 1645 1644 1643 1642 1641 1640 1639 1638 1637 1636 1635 1634 1633 1632 1631 1630 1629 1628 1627 1626 1625 1624 1623 1622 1621 1620 1619 1618 1617 1616 1615 1614 1613 1612 1611 1610 1609 1608 1607 1606 1605 1604 1603 1602 1601 1600 1599 1598 1597 1596 1595 1594 1593 1592 1591 1590 1589 1588 1587 1586 1585 1584 1583 1582 1581 1580 1579 1578 1577 1576 1575 1574 1573 1572 1571 1570 1569 1568 1567 1566 1565 15</p>

Total Expenses	\$1.235	\$1.019	\$0.216	\$1.044	(\$0.025)	\$1.075	(\$0.031)	\$1.115	(\$0.040)
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MTA Staten Island Railway
November Financial Plan 2005 - 2008
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

**NON-REIMBURSABLE and
REIMBURSABLE**

	Favorable/(Unfavorable)								
	2004	2005	Change 2005-2004	2006	Change 2006-2005	2007	Change 2007-2006	2008	Change 2008-2007
Revenue									
Farebox Revenue	\$3.204	\$3.245	\$0.041	\$3.283	\$0.038	\$3.332	\$0.049	\$3.374	\$0.042
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	1.891	1.891	0.000	1.891	0.000	1.891	0.000	1.891	0.000
Capital and Other Reimbursements	1.235	1.019	(0.216)	1.044	0.025	1.075	0.031	1.115	0.040
Total Revenue	\$6.330	\$6.155	(\$0.175)	\$6.218	\$0.063	\$6.298	\$0.080	\$6.380	\$0.082
Expenses									
Labor:									
Payroll	15.781	16.025	(0.244)	16.226	(0.201)	16.543	(0.317)	16.891	(0.348)
Overtime	1.438	1.331	0.107	1.352	(0.021)	1.382	(0.030)	1.415	(0.033)
Total Salaries & Wages	17.219	17.356	(0.137)	17.578	(0.222)	17.925	(0.347)	18.306	(0.381)
Health and Welfare	2.848	3.076	(0.228)	3.361	(0.285)	3.674	(0.313)	4.016	(0.342)
Pensions	1.740	1.949	(0.209)	2.136	(0.187)	2.345	(0.209)	2.580	(0.235)
Other Fringe Benefits	1.723	1.413	0.310	1.430	(0.017)	1.458	(0.028)	1.486	(0.028)
Total Fringe Benefits	6.311	6.438	(0.127)	6.927	(0.489)	7.477	(0.550)	8.082	(0.605)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$23.530	\$23.794	(\$0.264)	\$24.505	(\$0.711)	\$25.402	(\$0.897)	\$26.388	(\$0.986)
Non-Labor:									
Traction and Propulsion Power	1.632	1.738	(0.106)	1.851	(0.113)	1.971	(0.120)	2.099	(0.128)
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.157	0.173	(0.016)	0.191	(0.018)	0.210	(0.019)	0.231	(0.021)
Claims	0.429	0.228	0.201	0.231	(0.003)	0.235	(0.004)	0.246	(0.011)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Mtce. and Other Operating Contracts	1.820	2.127	(0.307)	2.212	(0.085)	2.308	(0.096)	2.412	(0.104)
Professional Service Contracts	0.319	0.324	(0.005)	0.329	(0.005)	0.335	(0.006)	0.342	(0.007)
Materials & Supplies	0.898	0.917	(0.019)	0.931	(0.014)	0.942	(0.011)	0.954	(0.012)
Other Business Expenses	0.006	0.006	0.000	0.006	0.000	0.006	0.000	0.006	0.000
Total Non-Labor Expenses	\$5.261	\$5.513	(\$0.252)	\$5.751	(\$0.238)	\$6.007	(\$0.256)	\$6.290	(\$0.283)
Other Expense Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$28.791	\$29.307	(\$0.516)	\$30.256	(\$0.949)	\$31.409	(\$1.153)	\$32.678	(\$1.269)
Depreciation	7.344	10.337	(2.993)	10.337	0.000	10.337	0.000	10.337	0.000
Total Expenses	\$36.135	\$39.644	(\$3.509)	\$40.593	(\$0.949)	\$41.746	(\$1.153)	\$43.015	(\$1.269)
Baseline Net Surplus/(Deficit)	(\$29.805)	(\$33.489)	(\$3.684)	(\$34.375)	(\$0.886)	(\$35.448)	(\$1.073)	(\$36.635)	(\$1.187)
2005 Program to Eliminate the Gap (PEGs)	0.000	1.018	1.018	1.024	0.006	0.803	(0.221)	0.811	0.008
2006 Program to Eliminate the Gap	0.000	0.000	0.000	2.210	2.210	2.278	0.068	2.351	0.073
Unspecified PEGs	0.000	0.000	0.000	0.319	0.319	0.319	0.000	0.319	0.000
Express Bus Fare Increase	0.000	0.386	0.386	0.386	0.000	0.386	0.000	0.386	0.000
Net Surplus/(Deficit)	(\$29.805)	(\$32.085)	(\$2.280)	(\$30.436)	\$1.649	(\$31.662)	(\$1.226)	(\$32.768)	(\$1.106)

MTA Staten Island Railway
November Financial Plan 2005 - 2008
Year-to-Year Changes by Category - Cash Basis
(\$ in millions)

	Favorable/(Unfavorable)								
	2004	2005	Change 2005-2004	2006	Change 2006-2005	2007	Change 2007-2006	2008	Change 2008-2007
<u>Receipts</u>									
Farebox Revenue	\$3.204	\$3.245	\$0.041	\$3.283	\$0.038	\$3.332	\$0.049	\$3.374	\$0.042
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	1.891	1.891	0.000	1.891	0.000	1.891	0.000	1.891	0.000
Capital and Other Reimbursements	1.341	1.013	(0.328)	1.038	0.025	1.068	0.030	1.115	0.047
Total Receipts	\$6.436	\$6.149	(\$0.287)	\$6.212	\$0.063	\$6.291	\$0.079	\$6.380	\$0.089
<u>Expenditures</u>									
Labor:									
Payroll	15.781	16.025	(0.244)	16.226	(0.201)	16.543	(0.317)	16.891	(0.348)
Overtime	1.438	1.331	0.107	1.352	(0.021)	1.382	(0.030)	1.415	(0.033)
Total Salaries & Wages	17.219	17.356	(0.137)	17.578	(0.222)	17.925	(0.347)	18.306	(0.381)
Health and Welfare	2.848	3.076	(0.228)	3.361	(0.285)	3.674	(0.313)	4.016	(0.342)
Pensions	1.740	1.949	(0.209)	2.136	(0.187)	2.345	(0.209)	2.580	(0.235)
Other Fringe Benefits	1.723	1.413	0.310	1.430	(0.017)	1.458	(0.028)	1.486	(0.028)
Total Fringe Benefits	6.311	6.438	(0.127)	6.927	(0.489)	7.477	(0.550)	8.082	(0.605)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$23.530	\$23.794	(\$0.264)	\$24.505	(\$0.711)	\$25.402	(\$0.897)	\$26.388	(\$0.986)
Non-Labor:									
Traction and Propulsion Power	1.632	1.738	(0.106)	1.851	(0.113)	1.971	(0.120)	2.099	(0.128)
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.157	0.173	(0.016)	0.191	(0.018)	0.210	(0.019)	0.231	(0.021)
Claims	0.429	0.228	0.201	0.231	(0.003)	0.235	(0.004)	0.246	(0.011)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Mtce. and Other Operating Contracts	1.820	2.127	(0.307)	2.212	(0.085)	2.308	(0.096)	2.412	(0.104)
Professional Service Contracts	0.319	0.324	(0.005)	0.329	(0.005)	0.335	(0.006)	0.342	(0.007)
Materials & Supplies	0.898	0.917	(0.019)	0.931	(0.014)	0.942	(0.011)	0.954	(0.012)
Other Business Expenditures	0.006	0.006	0.000	0.006	0.000	0.006	0.000	0.006	0.000
Total Non-Labor Expenditures	\$5.261	\$5.513	(\$0.252)	\$5.751	(\$0.238)	\$6.007	(\$0.256)	\$6.290	(\$0.283)
Other Expenditure Adjustments:									
Other	0.001	0.000	0.001	0.000	0.000	0.000	0.000	0.000	0.000
Total Other Expenditure Adjustments	\$0.001	\$0.000	\$0.001	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$28.792	\$29.307	(\$0.515)	\$30.256	(\$0.949)	\$31.409	(\$1.153)	\$32.678	(\$1.269)
Baseline Net Cash Surplus/(Deficit)	(\$22.356)	(\$23.158)	(\$0.802)	(\$24.044)	(\$0.886)	(\$25.118)	(\$1.074)	(\$26.298)	(\$1.180)
2005 Program to Eliminate the Gap (PEGs)	0.000	1.018	1.018	1.024	0.006	0.803	(0.221)	0.811	0.008
2006 Program to Eliminate the Gap	0.000	0.000	0.000	2.210	2.210	2.278	0.068	2.351	0.073
Unspecified PEGs	0.000	0.000	0.000	0.319	0.319	0.319	0.000	0.319	0.000
Express Bus Fare Increase	0.000	0.386	0.386	0.386	0.000	0.386	0.000	0.386	0.000
Net Cash Surplus/(Deficit)	(\$22.356)	(\$21.754)	\$0.602	(\$20.105)	\$1.649	(\$21.332)	(\$1.227)	(\$22.431)	(\$1.099)

MTA Staten Island Railway
November Financial Plan 2005 - 2008
Year-to-Year Changes by Category - Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	Favorable/(Unfavorable)								
	2004	2005	Change 2005-2004	2006	Change 2006-2005	2007	Change 2007-2006	2008	Change 2008-2007
<u>Receipts</u>									
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	0.106	(0.006)	(0.112)	(0.006)	0.000	(0.007)	(0.001)	0.000	0.007
Total Receipt Adjustments	\$0.106	(\$0.006)	(\$0.112)	(\$0.006)	\$0.000	(\$0.007)	(\$0.001)	\$0.000	\$0.007
<u>Expenditures</u>									
Labor:									
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Salaries & Wages	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Health and Welfare	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Pensions	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Fringe Benefits	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Fringe Benefits	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Reimbursable Overhead	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Labor Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Non-Labor:									
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Insurance	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Claims	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Paratransit Service Contracts	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Mtce. and Other Operating Contracts	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Professional Service Contracts	\$0.000	\$0.000	\$0.000	0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Materials & Supplies	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Business Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Non-Labor Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Expenditure Adjustments:									
Other	(\$0.001)	\$0.000	\$0.001	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expenditure Adjustments	(\$0.001)	\$0.000	\$0.001	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditure Adjustments	(\$0.001)	\$0.000	\$0.001	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Cash Conversion Adjustments before Depreciation	\$0.105	(\$0.006)	(\$0.111)	(\$0.006)	\$0.000	(\$0.007)	(\$0.001)	\$0.000	\$0.007
Depreciation Adjustment	\$7.344	\$10.337	\$2.993	\$10.337	\$0.000	\$10.337	\$0.000	\$10.337	\$0.000
Baseline Total Cash Conversion Adj.	\$7.449	\$10.331	\$2.882	\$10.331	\$0.000	\$10.330	(\$0.001)	\$10.337	\$0.007
2005 Program to Eliminate the Gap (PEGs)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
2006 Program to Eliminate the Gap	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Unspecified PEGs	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Express Bus Fare Increase	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Cash Conversion Adjustments	\$7.449	\$10.331	\$2.882	\$10.331	\$0.000	\$10.330	(\$0.001)	\$10.337	\$0.007

MTA Staten Island Railway
November Financial Plan 2005 - 2008
Ridership/Traffic Volume (Utilization)
(in millions)

	2003 Actuals	2004 November Forecast	2005 Final Proposed Budget	2006	2007	2008
Baseline Total Ridership	3.398	3.365	3.400	3.432	3.474	3.510
<i>Impact of:</i>						
2005 Program to Eliminate the Gap	0.000	0.000	0.192	0.256	0.256	0.256
2006 Program to Eliminate the Gap	0.000	0.000	0.000	(0.241)	(0.241)	(0.241)
Express Bus Fare Increase	0.000	0.000	0.324	0.324	0.324	0.324
Total Ridership	3.398	3.365	3.916	3.771	3.813	3.849

MTA Staten Island Railway
November Financial Plan 2005-2008
Summary of Plan-to-Plan Changes-Baseline Narrative

2004: November Financial Plan vs. July Financial Plan

Revenue Re-estimates

- No changes from July Plan.

Expense Re-estimates

- Claims increase of \$0.200 million due primarily to three third party claims paid during the third quarter of 2004 not anticipated in the July Plan.
- Expense inflation revision increase of \$0.218 million primarily based upon an update of Global Insight's economic and demographics forecasts.
- Increases in health & welfare expenses of \$0.041 million and insurance expenses of \$0.013 million.

2005: November Financial Plan vs. July Financial Plan

Revenue Re-estimates

- No changes from July Plan.

Expense Re-estimates

- Expense inflation revision increase of \$0.234 million primarily based upon an update of Global Insight's economic and demographics forecasts.
- Insurance expense re-estimates resulted in an increase of \$0.027 million.

Programs to Eliminate the Gap (PEG) Re-estimates

- One Person Train Operation (OPTO) - The current assessment identified several major requirements associated with OPTO implementation. These include labor contract modifications, installation of door obstruction sensing, hazard assessment by OSS and CCTV, development of training/operational procedures and the identification of funding. Based upon the above factors, it is necessary to delay the OPTO implementation from 1/1/05 to 1/1/06. The 2005 PEG savings of \$1.747 million in the July Financial Plan has therefore been deleted.
- Add fare collection at the Tompkinsville train station - Preliminary planning identified equipment, installation details, tariff modifications and funding needs, which SIR is continuing to address. It is expected that this installation will require a lead time of at least two-to-three months after public hearings are completed. With installation beginning in December and a lead time of up to three months, implementation is now expected effective April 2005 reducing PEG savings by \$0.075 million.

Express Bus Fare Increase

- It is estimated that additional farebox revenue of \$0.386 million will result due to the diversion of riders to Staten Island Railway in response to the fare increase.

2006: November Financial Plan vs. July Financial Plan

Revenue Re-estimates

- No changes from July Plan.

Expense Re-estimates

- Expense inflation revision increase of \$0.094 million primarily based upon an update in Global Insight's economic and demographics forecasts.
- Insurance expense re-estimates resulted in an increase of \$0.043 million.

Programs to Eliminate the Gap (PEG) Re-estimates

- No changes from July Plan.

Express Bus Fare Increase

- It is estimated that additional farebox revenue of \$0.386 million will result due to the diversion of riders to Staten Island Railway in response to the fare increase.

2007: November Financial Plan vs. July Financial Plan**Revenue Re-estimates**

- No changes from July Plan.

Expense Re-estimates

- Expense inflation revision increase of \$0.009 million primarily based upon an update of Global Insight's economic and demographics forecasts.
- Insurance expense re-estimates resulted in an increase of \$0.059 million.

Programs to Eliminate the Gap (PEG) Re-estimates

- No changes from July Plan.

Express Bus Fare Increase

- It is estimated that additional farebox revenue of \$0.386 million will result due to the diversion of riders to Staten Island Railway in response to the fare increase.

2008: November Financial Plan vs. July Financial Plan**Revenue Re-estimates**

- No changes from July Plan.

Expense Re-estimates

- Expense inflation revision decrease of \$0.099 million primarily based upon an update in Global Insight's economic and demographics forecasts.
- Insurance expense re-estimates resulted in an increase of \$0.076 million.

Programs to Eliminate the Gap (PEG) Re-estimates

- No changes from July Plan.

Express Bus Fare Increase

- It is estimated that additional farebox revenue of \$0.386 million will result due to the diversion of riders to Staten Island Railway in response to the fare increase.

MTA Staten Island Railway
November Financial Plan 2005 - 2008
Summary of Changes Between Financial Plans by Category
(\$ in millions)

NON-REIMBURSABLE

	2004	2005	2006	2007	2008
2004 July Financial Plan - Baseline Net Cash Income/(Deficit)	(\$21.890)	(\$22.891)	(\$23.901)	(\$25.043)	(\$26.321)
Baseline Changes (List):					
Revenue					
Sub-Total Revenue Changes	\$.000	\$.000	\$.000	\$.000	\$.000
Expenses					
Health & Welfare	(0.041)	0.000	0.000	0.000	0.000
Insurance	(0.013)	(0.027)	(0.043)	(0.059)	(0.076)
Claims	(0.200)	0.000	0.000	0.000	0.000
Inflation	(0.218)	(0.234)	(0.094)	(0.009)	0.099
Sub-Total Expense Changes	(\$.472)	(\$.261)	(\$.137)	(\$.068)	\$.023
Cash Adjustments:					
Revenue					
Expense					
Sub-Total Cash Adjustment Changes	\$.000	\$.000	\$.000	\$.000	\$.000
Total Baseline Changes	(\$0.472)	(\$0.261)	(\$0.137)	(\$0.068)	\$0.023
2004 November Financial Plan - Baseline Net Cash Income/(Deficit)	(\$22.362)	(\$23.152)	(\$24.038)	(\$25.111)	(\$26.298)
July Financial Plan - Program to Eliminate the Gap	\$0.000	\$2.840	\$3.553	\$3.400	\$3.481
PEG & Unspecified PEG Changes (List):	0.000	(\$1.747)			
2005 PEG Changes					
One Person Train Operation (OPTO) Service Support	0.000	(1.747)	0.000	0.000	0.000
Add fare collection at the Tompkinsville train station	0.000	(0.075)	0.000	0.000	0.000
2006 PEG Changes	0.000	0.000	0.000	0.000	0.000
Unspecified PEG Changes	0.000	0.000	0.000	0.000	0.000
Sub-Total PEG Changes	\$0.000	(\$1.822)	\$0.000	\$0.000	\$0.000
November Financial Plan - Program to Eliminate the Gap	\$0.000	\$1.018	\$3.553	\$3.400	\$3.481
Express Bus Fare Increase	0.000	0.386	0.386	0.386	0.386
2004 November Financial Plan - Net Cash Income/(Deficit)	(\$22.362)	(\$21.748)	(\$20.099)	(\$21.325)	(\$22.431)

MTA Staten Island Railway
November Financial Plan 2005 - 2008
Summary of Changes Between Financial Plans by Category
(\$ in millions)

REIMBURSABLE

	2004	2005	2006	2007	2008
2004 July Financial Plan - Baseline Net Cash Income/(Deficit)	\$0.006	(\$0.006)	(\$0.006)	(\$0.007)	\$0.000
Total MTA Allowable Increases					
Baseline Changes (List):					
Revenue					
Sub-Total Revenue Changes	\$.000	\$.000	\$.000	\$.000	\$.000
Expenses					
Sub-Total Expense Changes	\$.000	\$.000	\$.000	\$.000	\$.000
Cash Adjustments:					
Revenue					
Expense					
Sub-Total Cash Adjustment Changes	\$.000	\$.000	\$.000	\$.000	\$.000
Total Baseline Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
2004 November Financial Plan - Baseline Net Cash Income/(Deficit)	\$0.006	(\$0.006)	(\$0.006)	(\$0.007)	\$0.000
July Financial Plan - Program to Eliminate the Gap					
PEG & Unspecified PEG Changes (List):					
2005 PEG Changes	0.000	0.000	0.000	0.000	0.000
2006 PEG Changes	0.000	0.000	0.000	0.000	0.000
Unspecified PEG Changes	0.000	0.000	0.000	0.000	0.000
Sub-Total PEG Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
November Financial Plan - Program to Eliminate the Gap	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Express Bus Fare Increase	0.000	0.000	0.000	0.000	0.000
2004 November Financial Plan - Net Cash Income/(Deficit)	\$0.006	(\$0.006)	(\$0.006)	(\$0.007)	\$0.000

MTA Staten Island Railway
November Financial Plan 2005 - 2008
Summary of Changes Between Financial Plans by Category
(\$ in millions)

**NON-REIMBURSABLE/
REIMBURSABLE**

	2004	2005	2006	2007	2008
2004 July Financial Plan - Baseline Net Cash Income/(Deficit)	(\$21.884)	(\$22.897)	(\$23.907)	(\$25.050)	(\$26.321)
Baseline Changes (List):					
Revenue					
Sub-Total Revenue Changes	\$.000	\$.000	\$.000	\$.000	\$.000
Expenses					
Health & Welfare	(0.041)	0.000	0.000	0.000	0.000
Insurance	(0.013)	(0.027)	(0.043)	(0.059)	(0.076)
Claims	(0.200)	0.000	0.000	0.000	0.000
Inflation	(0.218)	(0.234)	(0.094)	(0.009)	0.099
Sub-Total Expense Changes	(\$.472)	(\$.261)	(\$.137)	(\$.068)	\$.023
Cash Adjustments:					
Revenue					
Expense					
Sub-Total Cash Adjustment Changes	\$.000	\$.000	\$.000	\$.000	\$.000
Total Baseline Changes	(\$0.472)	(\$0.261)	(\$0.137)	(\$0.068)	\$0.023
2004 November Financial Plan - Baseline Net Cash Income/(Deficit)	(\$22.356)	(\$23.158)	(\$24.044)	(\$25.118)	(\$26.298)
July Financial Plan - Program to Eliminate the Gap	\$0.000	\$2.840	\$3.553	\$3.400	\$3.481
PEG & Unspecified PEG Changes (List):					
2005 PEG Changes					
One Person Train Operation (OPTO) Service Support	0.000	(1.747)	0.000	0.000	0.000
Add fare collection at the Tompkinsville train station	0.000	(0.075)	0.000	0.000	0.000
2006 PEG Changes	0.000	0.000	0.000	0.000	0.000
Unspecified PEG Changes	0.000	0.000	0.000	0.000	0.000
Sub-Total PEG Changes	\$0.000	(\$1.822)	\$0.000	\$0.000	\$0.000
November Financial Plan - Program to Eliminate the Gap	\$0.000	\$1.018	\$3.553	\$3.400	\$3.481
Express Bus Fare Increase	0.000	0.386	0.386	0.386	0.386
2004 November Financial Plan - Net Cash Income/(Deficit)	(\$22.356)	(\$21.754)	(\$20.105)	(\$21.332)	(\$22.431)

MTA Staten Island Railway
November Financial Plan 2005 - 2008
Summary of 2005 Programs to Eliminate the Gap
(\$ in millions)

	Favorable/(Unfavorable)									
	2004		2005		2006		2007		2008	
	Positions ¹	Dollars	Positions ¹	Dollars	Positions ¹	Dollars	Positions ¹	Dollars	Positions ¹	Dollars
LIST of PROGRAMS										
Administration:										
Sub-Total Administration	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Customer Convenience & Amenities:										
Sub-Total Customer Convenience & Amenities	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Service:										
Add fare collection at the Tompkinsville train station			0	0.225	0	0.300	0	0.300	0	0.300
Modify Weekend Headways			1	0.067	1	0.069	1	0.072	1	0.075
Modify Weekday Headways			2	0.134	2	0.139	2	0.144	2	0.149
Reduce Trains to Two Cars During Off-Peak			0	0.188	0	0.188	0	0.188	0	0.188
Sub-Total Service	0	\$.000	3	\$.615	3	\$.696	3	\$.704	3	\$.712
Maintenance:										
Reduce the size of the car fleet by 12 R44 B units			4	0.269	4	0.327	1	0.099	1	0.099
Facility Painting/ Station Maintenance			2	0.134		-		-		-
Sub-Total Maintenance	0	\$.000	6	\$.403	4	\$.327	1	\$.099	1	\$.099
Revenue Enhancement:										
Sub-Total Revenue Enhancement										
Other:										
Sub-Total Other	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Total 2004 - 2005 PEGs	0	\$.000	9	\$ 1.018	7	\$ 1.024	4	\$.804	4	\$.811

¹ Reflects the impact of amendments on year-end positions.

MTA Staten Island Railway
November Financial Plan 2005 - 2008
Summary of 2006 Programs to Eliminate the Gap
(\$ in millions)

	Favorable/(Unfavorable)									
	2004		2005		2006		2007		2008	
	Positions ¹	Dollars	Positions ¹	Dollars	Positions ¹	Dollars	Positions ¹	Dollars	Positions ¹	Dollars
LIST of PROGRAMS										
Administration:										
Sub-Total Administration	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Customer Convenience & Amenities:										
Sub-Total Customer Convenience & Amenities	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Service:										
One Person Train Operation (OPTO) Service Support					26	1.809	26	1.876	26	1.950
Eliminate Weekend Service					8	0.401	8	0.401	8	0.401
Sub-Total Service	0	\$.000	0	\$.000	34	\$2.210	34	\$2.277	34	\$2.351
Maintenance:										
Sub-Total Maintenance	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Revenue Enhancement:										
Sub-Total Revenue Enhancement										
Other:										
Sub-Total Other	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Subtotal	0	\$.000	0	\$.000	34	\$2.211	34	\$2.278	34	\$2.351
Unspecified PEGs	0	\$.000	0	\$.000	0	\$.319	0	\$.319	0	\$.319
Total 2006 PEGs	0	\$.000	0	\$.000	34	2.530	34	2.597	34	2.670

¹ Reflects the impact of amendments on year-end positions.

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

Departments	2003 Actuals	2004 November Forecast	2005 Final Proposed Budget	2006	2007	2008
Police	24	24	24	24	24	24
Mechanical	38	37	37	37	37	37
Cleaning	20	22	22	22	22	22
Power/Signals	23	22	22	22	22	22
M of W	45	49	49	49	49	49
B & B	24	24	24	24	24	24
Transportation	97	99	99	99	99	99
Administration	34	36	36	36	36	36
Baseline Total Positions	305	313	313	313	313	313
<i>Non-Reimbursable</i>	299	307	307	307	307	307
<i>Reimbursable</i>	6	6	6	6	6	6
<i>Total Full-Time</i>	305	313	313	313	313	313
<i>Total Full-Time-Equivalents</i>	0	0	0	0	0	0
Impact of:						
2005 Program to Eliminate the Gap	0	0	(9)	(7)	(4)	(4)
2006 Program to Eliminate the Gap				(34)	(34)	(34)
Total Positions	305	313	304	272	275	275
<i>Non-Reimbursable</i>	299	307	298	266	269	269
<i>Reimbursable</i>	6	6	6	6	6	6
<i>Total Full-Time</i>	305	313	304	272	275	275
<i>Total Full-Time-Equivalents</i>	0	0	0	0	0	0

NOTE: Baseline Positions for 2004 thru 2008 include 10 authorized positions which represent vacancy savings in the February 2004 Financial Plan.