

# **NYC Transit**

**MTA New York City Transit  
2005 Final Proposed Budget  
November Financial Plan 2005 – 2008**

**MISSION STATEMENT**

The mission of MTA New York City Transit is to provide customers with safe, reliable and convenient public transportation in a cost effective manner.

**FINANCIAL OVERVIEW**

MTA NYC Transit carries out its mission by providing effective and cost-efficient transportation services through:

- a subway system operating more than 6,100 subway cars on 27 routes over 233 route miles and 660 miles of mainline track, serving 468 stations located in four of the City's boroughs;
- a bus system operating more than 4,400 buses on 207 local and 36 express routes for more than 118 million miles per year; and
- Access-a-Ride, a paratransit service that operates throughout New York City (City) under private contract to serve persons whose disabilities preclude their use of bus and subway services.

Despite a generally unfavorable economic environment, the 2005 Final Proposed Budget provides sufficient funding to maintain NYC Transit's high standard of service reliability, with no reduction in maintenance, safety and security standards for customers and employees and generally maintains existing service levels. This is accomplished primarily through the implementation of organizational and operating efficiencies that optimize the use of resources to achieve agency goals. In addition, the 2005 Final Proposed Budget proposes an increase in the express bus fare, bringing the farebox operating ratio of this costly premium service more in line with that of local bus and commuter railroads. The 2005 Final Proposed Budget also includes a bus service adjustment to revise off-peak bus schedules to accommodate a seated passenger load at the maximum load point on each route. This is not expected to have a significant impact on customers. However, the MTA financial picture in 2006 is less optimistic and consequently, more significant service adjustments will be a necessary element in closing a sizable budget gap.

**2005 Final Proposed Budget – Baseline**

MTA NYC Transit's 2005 Final Proposed Budget includes total expenses before depreciation of \$5,478.5 million, consisting of \$4,750.5 million of non-reimbursable expenses and \$728.0 million of reimbursable expenses. Total revenues are projected to be \$3,565.9 million, of which \$2,837.9 million are operating revenues and \$728.0 million are capital reimbursements. Total full-time and full-time equivalent positions are 47,753 (42,398 non-reimbursable positions and

5,355 reimbursable positions). The above information excludes the effect of Programs to Eliminate the Gap (PEGs) and a proposed increase in express bus fares, which are presented separately on the attached financial tables.

Programs to Eliminate the Gap, described below, yield deficit reductions of \$123.3 million, with position reductions of 2,109. A proposed increase in express bus fares, also described below, is projected to result in deficit reductions of \$16.8 million and position reductions of 53.

The provision of quality service is paramount to MTA NYC Transit. To ensure this goal, the 2005 Final Proposed Budget includes \$21.4 million of additional funding and 145 additional positions necessary to properly maintain fleet and other equipment integral to MTA NYC Transit system operations, as described in following sections.

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

## **2006-2008 Projections**

MTA NYC Transit's projections for 2006-2008 reflect total expenses before depreciation as follows: 2006-\$5,652.4 million, 2007-\$5,830.7 million, and 2008-\$6,010.6 million. Non-reimbursable expenses before depreciation are projected as follows: 2006-\$4,933.6 million, 2007-\$5,105.7, and 2008-\$5,273.1 million. Reimbursable expenses are projected as follows: 2006-\$718.8 million, 2007-\$725.1 million, and 2008-\$737.5 million. Total revenues are projected as follows: 2006-\$3,599.0 million, 2007-\$3,648.1 million, and 2008-\$3,694.8 million. Operating revenues are projected as follows: 2006-\$2,880.2 million, 2007-\$2,923.1 million, and 2008-\$2,957.2 million. Capital reimbursements are projected as follows: 2006-\$718.8 million, 2007-\$725.1 million, and 2008-\$737.5 million. Total full-time and full-time equivalent positions are projected to be 47,739 in 2006, 47,702 in 2007, and 47,699 in 2008. Non-reimbursable positions are projected to be 42,494 in 2006, 42,496 in 2007, and 42,503 in 2008. Reimbursable positions are projected to be 5,245 in 2006, 5,206 in 2007, and 5,196 in 2008. The above information excludes the effect of Programs to Eliminate the Gap and a proposed increase in express bus fares, which are presented separately in the attached financial tables.

Programs to Eliminate the Gap, described below, generate deficit reductions of \$262.5 million in 2006, \$229.8 million in 2007, and \$275.6 million in 2008. Position reductions are projected to be 3,947 in 2006, 3,783 in 2007, and 3,976 in 2008, including an adjustment to convert part-time positions into full-time equivalents. The proposed increase in express bus fares, also described below, is projected to result in deficit reductions of \$20.0 million and position reductions of 53 each year.

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

## **GAP CLOSING MEASURES**

### **2005 Programs to Eliminate the Gap (PEGs)**

MTA NYC Transit has developed programs that will save \$123.3 million in 2005. These reductions are largely achieved through administrative streamlining and operating efficiencies, which account for \$70.7 million of the savings cited.

Administrative savings include reductions in virtually all departments and divisions, which will be achieved with little impact on MTA NYC Transit operations. These reductions save \$39.7 million and 233 positions in 2005. Significant reductions include 22 positions and \$3.2 million in the Technology and Information Services Division, made possible by a reorganization initiated in 2004; 28 positions and \$2.6 million in savings from consolidations within the Electronics Maintenance Division, which eliminated duplication of administrative and support functions and increased supervisory and managerial spans of control; and savings of 25 positions and \$2.3 million from administrative functions in the Department of Buses. Also included are savings of \$11.8 million for hourly-rated employee health benefit costs, made possible by actions of the Employee Benefits Office since MTA NYC Transit assumed responsibility for administering those benefits. The savings largely resulted from careful reviews of benefit eligibility lists and removing dependents found to be ineligible.

The 2005 Final Proposed Budget also includes savings in other operating areas. While the scope of work will remain the same, the Department of Buses has extended its current three-year bus upgrade cycle to a four-year schedule, saving \$3.6 million and 49 positions in 2005. This is not expected to significantly impact bus reliability. The Department of Subways currently operates work trains out of three yards: 207th Street in Manhattan, Linden, and 38th Street in Brooklyn. The 207th Street location was established as a temporary location to accommodate work train movement during the Manhattan Bridge closure. With the bridge re-opening, this location is no longer required, saving \$1.0 million and 15 positions, with no impact on operations. In addition, savings of \$2.0 million and 14 positions will be realized through reduced warehousing costs in the Department of Supply Logistics by eliminating positions and reducing overtime and Other Than Personal Services costs.

Cleaner efficiencies in the Departments of Subways and Buses account for an additional \$2.4 million of savings in 2005. In 2003, the Department of Subways began maintaining cleaner vacancies generated by attrition to help reduce the budget deficit for a period of two years. The organization has been able to maintain acceptable cleaning levels despite these vacancies through better supervision and redeployment of cleaners to “hot spots” where conditions warrant. Consequently, the 2005 Final Proposed Budget maintains this cleaning standard with the number of cleaners remaining at the 2004 incumbent level. The Department of Buses will minimally reduce the number of cleaner positions, eliminating one cleaner from each of its 18 depots and two shops. Nine positions dedicated to administration of the Work Experience Program (WEP) have been eliminated to more closely align staffing with the current number of program participants, saving \$1.3 million in 2005.

The Station Automation Plan reflects changes in booth operations as part of MTA NYC Transit's ongoing effort to modernize the way we do business in order to operate more efficiently and

better serve our customers. With the introduction of Automated Fare Collection, the traditional role of the station agent in booths collecting money, emptying turnstiles, dispensing and accounting for tokens has now changed dramatically (tokens were eliminated in May 2003) and customer service has become a greater part of their job. MetroCard Vending Machines (MVMs) and MetroCard Express Machines (MEMs) now provide customers with the convenience of purchasing MetroCards at locations other than station booths, with the added convenience of being able to use credit or debit cards. In May 2004, the Station Customer Assistant pilot began. Under this pilot program, at ten locations, Station Agents are working outside the booth to provide customer assistance, while remaining in contact by radio and portable transmitters. If successful, this pilot will be expanded to re-deploy station agents as customer assistant agents. The pilot has received very favorable customer reviews to date.

The 2005 Final Proposed Budget proposal incorporates plans to automate 49 full-time booths and all remaining 115 part-time booths, commencing in April 2005. This follows the success of MTA NYC Transit's automation of 45 part-time booths in 2003 and 17 in early 2004. Many of these locations are now open more hours of the day than when they were staffed and registrations have increased or remained constant at these locations. Most importantly, crime has not increased. Under the Station Automation Plan there will be at least one booth open at all stations at all times, and station complexes may have additional staff. All control areas to be automated will be equipped with talkback communication equipment that will transmit to the full-time service booth and to the Station Command Center. Where required, CCTV cameras will be installed and will be digitally recorded and transmitted to the full-time booth still in operation. In addition, emergency gates will be equipped for access by both the NYPD and FDNY. The 2005 Final Proposed Budget will save \$8.3 million in 2005 and \$29.5 million when fully implemented in 2006.

Service adjustments and related savings made possible by the adjustments account for \$41.0 million savings and 759 positions in 2005. The off-peak bus schedule revisions to accommodate a seated passenger load at the busiest point along a route save a projected \$38.3 million and 625 positions. On affected routes, the average off-peak customer load at the busiest point is estimated to increase from approximately 28 to 33 passengers on a standard bus (below the seating capacity), and the average bus headway is estimated to increase by approximately two to three minutes on affected routes. Peak period service is not affected under this proposal. The 2005 Final Proposed Budget also proposes a change in "G" line service. This line now terminates at Court Square in Queens on weekdays; evening, night and weekend service currently terminates at Forest Hills-71<sup>st</sup> Avenue. This proposal, saving \$1.0 million and 12 positions in 2005, will establish Court Square as the northern terminal for "G" service at all times. Passengers for local stations along the Queens Boulevard line can use the "R" weekday evenings and weekends, and the "E" late nights.

Reductions in support functions made possible by the service changes described above save \$12.9 million and 127 positions in 2005. These include reductions in training coverage positions, employee uniform costs, and maintenance and dispatcher positions.

Further savings of \$11.6 million and 212 positions are achieved in other service support activities in 2005. This includes One Person Train Operation (OPTO) on two lines. OPTO will

be implemented on the “L” and “G” lines in April 2005 and November 2005 respectively. This initiative will save \$3.2 million in 2005 and \$6.3 million annually thereafter, and eliminates 107 positions. OPTO on the “L” line is being implemented in conjunction with installation of Communication Based Train Control (CBTC), a more advanced train control system than the wayside signal system currently in place. Trains will be equipped with on-board closed circuit televisions, allowing the train operator to monitor the platform as the trains enter and leave the station. The “G” line currently provides weekend service with OPTO. Under this proposal, OPTO will be expanded to the “G” line at all times. Furthermore, miscellaneous support reductions in Rapid Transit Operations account for savings of \$6.0 million and the elimination of 89 positions in 2005, increasing to \$6.5 million and 98 positions in 2006. Similar efficiencies in other departments account for the remaining 2005 service support reductions of \$2.5 million and 16 positions.

In addition, beginning in January 2005, the 2005 Final Proposed Budget proposes increasing the fare for express bus service to \$6.00. Express bus routes are the most expensive ones to operate and despite the fare increase, the farebox operating ratio for express bus service will remain lower than that for local routes and commuter railroads. This proposal will reduce the deficit by \$16.8 million in 2005.

Public hearings will be required for the Station Automation Plan, the “G” line change, and fare policy components of this proposal. MTA NYC Transit will consult with employee unions, as appropriate, on the implementation of programs contained in the 2005 Final Proposed Budget.

In 2006, however, the MTA financial plan requires closing a major funding gap. MTA NYC Transit’s financial plan includes \$257.3 million in reductions toward closing this gap. While \$84.7 million of these savings comes from administrative and operational streamlining, the remaining \$172.6 million in savings is a result of additional service reductions required to balance the 2005 Final Proposed Budget. This includes changes to subway service spans and headways, discontinuation of bus routes with low-cost recovery and late night bus service, and further changes in off-peak bus loading guidelines.

## **2006 PEG Actions**

In 2006, total service related changes account for \$172.6 million of \$257.3 million PEG savings. Service adjustments and related savings made possible by those adjustments account for \$157.1 million and 2,561 positions.

Subway service changes include operating weekday evening subway service at policy headways, saving \$6.1 million and 72 positions in 2006. On all lines, MTA NYC Transit would operate a 10 minute headway starting at 9 PM, a 12 minute headway at 10 PM, a 15 minute headway at 11 PM, and a 20 minute headway at midnight. On Subdivision “B” lines, Saturday service would operate every ten minutes and Sunday service every 10-12 minutes. Subdivision “A” routes already operate at reduced frequency on Saturdays and Sundays to allow for construction projects. Average wait times would generally increase by approximately 1-2 minutes, with some customers experiencing an increase in crowding. The 2005 Final Proposed Budget would also

save \$2.5 million and 24 positions by reducing the frequency of overnight subway service, from every 20 minutes to every 30 minutes between 1 AM and 5 AM. Finally, savings of \$19.5 million and 375 positions would be attained in 2006 by implementing reductions in service span on several routes, and midday and peak frequency would be reduced on numerous routes as well. These changes would impact customers systemwide, and would result in additional crowding and longer waits. More customers would be required to stand during off-peak periods, and the likelihood of not being able to board a train due to excessive crowding would increase, particularly during peak periods.

Bus service changes reduce bus operator, maintenance, and fuel requirements based on reductions in vehicle miles, vehicle hours, and peak bus requirements. Savings of \$47.5 million and 690 positions would be achieved in 2006 by discontinuing 33 local bus routes with low cost recovery. Low cost recovery routes that maintain route spacing standards would remain in service. As noted earlier, beginning in February 2005, off-peak service guidelines will be changed to accommodate 100% of a seated passenger load at the busiest load point along a route, saving \$38.3 million annually and 625 positions. Beginning in 2006, off-peak service guidelines would be changed to 125% of a seated passenger load at the busiest load point, saving an additional \$35.7 million and 483 positions. Compared to the 100% guideline that would be implemented in 2005 on affected routes, the average off-peak customer load at the busiest point is estimated to increase from approximately 33 to 40 passengers on a standard 40-foot bus, and the average bus headway is estimated to increase by approximately one to two minutes. Finally, overnight bus service would be discontinued on 95 routes between 1 AM and 5 AM, saving \$8.7 million and 145 positions in 2006. Customers would either be required to use subway service, or would have no transit service available during those hours.

Reductions in support functions made possible by the service changes described above save \$20.4 million and 198 positions in 2006. These include reductions in training coverage positions, employee uniform costs, and maintenance and dispatcher positions.

## **2005 Investments**

While the 2005 Final Proposed Budget contains a number of reductions to close the projected budget gap, investments were made as necessary to maintain MTA NYC Transit's high standard of service reliability. The 2005 Final Proposed Budget includes \$21.4 million to support critical maintenance investments, ensuring continued quality service.

In 2005, \$7.6 million and 83 positions has been added to improve performance and increase reliability of fare collection and security equipment. A scheduled maintenance system (SMS) protocol will be implemented for Automated Fare Collection (AFC) equipment to reduce trouble calls and improve availability. Maintenance investments have also been made to support the 613 CCTV cameras and related equipment installed in the subway and the 397 units installed for buses in 2004.

Additional funding of \$7.3 million and 54 positions has provided for subway car maintenance to include appropriate SMS program needs, car floor repairs, and replace motor leads on the R46

cars. An additional \$6.5 million and 8 positions have been provided to meet bus maintenance requirements as well.

## **2004 Accomplishments**

In 2004, MTA New York City Transit continued to focus on providing safe, clean, and reliable service to the more than 7 million bus and subway riders served daily. Through September 2004, total MTA New York City Transit ridership was 2.1 percent higher than for the same period in 2003, with Subway ridership reaching its highest level in over 30 years.

Two significant subway service improvements were made possible during 2004 resulting from capital project initiatives. First, subway service was enhanced when, on February 22, 2004, the NYC Department of Transportation completed two-decades of reconstruction on the Manhattan Bridge. This allowed for restoration of four-track service across the bridge between Brooklyn and Manhattan, for the first time since 1986 (except for a brief period in late 1990). MTA New York City Transit was able to increase overall service, especially between Brooklyn and Midtown Manhattan, while reducing congestion in key corridors.

In addition, our Brooklyn subway riders benefited from completion of Phase II of the Stillwell Avenue reconstruction project, and “F” and “Q” line service to the terminal resumed on May 23, 2004. The Neptune Avenue and West 8th Street stations were rehabilitated and also reopened on May 23rd along with the Ocean Parkway station. Phase III, the final phase, will be completed in the spring of 2005, at which time “N” service will also return to Stillwell Avenue.

MTA New York City Transit continues in its efforts to maintain a comfortable and reliable fleet to serve its customers. Between 1999 and 2003, MTA New York City Transit accepted and placed in service 1,762 new subway cars, which included a 362-car fleet increase. By the end of 2004, MTA New York City Transit expects to take delivery of an additional 55 new subway cars, part of a fleet increase order for 80 new R142S cars. Similarly, between 1999 and 2003, MTA New York City Transit has acquired 2,563 new buses. The delivery of an additional 286 new buses in 2004 will increase MTA New York City Transit’s fleet of hybrid and compressed natural gas (CNG) buses to 141 and 481 respectively, representing nearly 15% of the bus fleet, and continuing efforts to advance clean air initiatives by reducing bus fleet emissions. In addition, 2004 will see the arrival of 310 new Paratransit vehicles to serve those customers that are unable to use subways or buses.

In addition to fleet enhancements, investments in maintenance continue to ensure vehicle safety and reliability, with notable result. During 2004 Subway Mean Distance Between Failures (MDBF) continued to improve, and by September had reached an average of 151,716 miles compared with 2003’s average annual rate of 139,960 miles and 1983’s rate of only 8,620 miles. Bus maintenance initiatives resulted in the Mean Distance Between Failures for the 12 month period ending August 2004 increasing to 3,547 miles from 3,501 miles in the preceding 12 month period.



Station rehabilitation efforts continue as well, with 21 stations expected to be completed by year-end. Major stations include 125<sup>th</sup> Street (4,5,6), the Atlantic-Pacific Street complex (B, D, M, N, Q, R, 2,3,4,5), 116<sup>th</sup> Street-Columbia University (1,9), the Essex Street-Delancy Street Complex (F, J, M, Z), Utica Avenue (3,4), DeKalb Avenue (B, M, Q, R), and the Broadway Junction-ENY complex (A, C, J, L, Z).

Finally, in 2004, MTA New York City Transit completed the automation of 17 part-time booths, following the successful automation of 45 part-time booths in 2003. Many of these 62 locations now have longer opening times than when they were staffed and registrations have increased or remained constant at these locations, most importantly crime has not increased. In May 2004, the Station Customer Assistant pilot program began with 12 Station Agents assigned outside the booth within the fare control area confines to provide customer assistance at 10 stations, while remaining in contact by radio and portable transmitters. If successful, this pilot will be expanded to re-deploy station agents as customer assistant agents. The pilot has received very favorable customer reviews to date.

**MTA New York City Transit**  
**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
<b>Revenue</b>						
Farebox Revenue:						
Subway	\$1,667.300	\$1,798.614	\$1,825.873	\$1,848.463	\$1,871.614	\$1,888.339
Bus	698.600	748.891	759.188	768.710	778.100	784.947
Paratransit	5.100	6.133	7.037	7.951	8.985	10.153
Fare Media Liability	25.300	11.600	13.100	12.700	13.000	13.300
<b>Total Farebox Revenue</b>	<b>\$2,396.300</b>	<b>\$2,565.238</b>	<b>\$2,605.198</b>	<b>\$2,637.824</b>	<b>\$2,671.699</b>	<b>\$2,696.739</b>
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue:						
Fare Reimbursement	103.800	103.766	103.766	103.766	103.766	103.766
Paratransit Reimbursement	31.400	43.876	41.799	48.509	57.043	65.795
Other	82.940	97.067	87.141	90.147	90.547	90.947
Total Other Operating Revenue	218.140	244.709	232.706	242.422	251.356	260.508
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Revenue</b>	<b>\$2,614.440</b>	<b>\$2,809.947</b>	<b>\$2,837.904</b>	<b>\$2,880.246</b>	<b>\$2,923.055</b>	<b>\$2,957.247</b>
<b>Expenses</b>						
Labor:						
Payroll	2,290.782	2,333.680	2,398.517	2,435.722	2,478.317	2,524.529
Overtime	206.161	194.922	195.679	201.701	202.235	207.269
Total Salaries & Wages	2,496.943	2,528.602	2,594.196	2,637.423	2,680.552	2,731.798
Health and Welfare	523.938	536.433	604.314	662.920	724.069	791.151
Pensions	198.247	310.332	448.568	534.429	553.701	557.029
Other Fringe Benefits	204.668	186.474	192.387	197.528	201.107	205.048
Total Fringe Benefits	926.853	1,033.239	1,245.269	1,394.877	1,478.877	1,553.228
Reimbursable Overhead	(160.683)	(149.310)	(129.199)	(127.457)	(128.225)	(130.387)
<b>Total Labor Expenses</b>	<b>\$3,263.113</b>	<b>\$3,412.531</b>	<b>\$3,710.266</b>	<b>\$3,904.843</b>	<b>\$4,031.204</b>	<b>\$4,154.639</b>
Non-Labor:						
Traction and Propulsion Power	107.055	113.388	120.169	120.169	120.236	120.311
Fuel for Buses and Trains	55.740	68.933	65.457	62.595	61.312	62.579
Insurance	25.457	29.438	29.528	31.342	33.440	35.598
Claims	80.528	65.701	72.643	74.582	76.571	78.609
Paratransit Service Contracts	109.228	137.136	169.245	196.660	229.367	266.856
Mtce. and Other Operating Contracts	156.805	159.477	200.627	188.011	187.458	188.696
Professional Service Contracts	101.650	94.240	99.540	92.884	92.019	94.010
Materials & Supplies	235.909	224.651	251.523	230.599	241.606	238.882
Other Business Expenses	28.197	29.867	31.511	31.953	32.446	32.890
<b>Total Non-Labor Expenses</b>	<b>\$900.569</b>	<b>\$922.831</b>	<b>\$1,040.243</b>	<b>\$1,028.795</b>	<b>\$1,074.455</b>	<b>\$1,118.431</b>
Other Expense Adjustments:						
Other	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$4,163.682</b>	<b>\$4,335.362</b>	<b>\$4,750.509</b>	<b>\$4,933.638</b>	<b>\$5,105.659</b>	<b>\$5,273.070</b>
Depreciation	828.957	891.000	981.600	1,086.500	1,191.300	1,292.500
<b>Total Expenses</b>	<b>\$4,992.639</b>	<b>\$5,226.362</b>	<b>\$5,732.109</b>	<b>\$6,020.138</b>	<b>\$6,296.959</b>	<b>\$6,565.570</b>
<b>Baseline Net Surplus/(Deficit)</b>	<b>(\$2,378.199)</b>	<b>(\$2,416.415)</b>	<b>(\$2,894.205)</b>	<b>(\$3,139.892)</b>	<b>(\$3,373.904)</b>	<b>(\$3,608.323)</b>
2005 Program to Eliminate the Gap (PEGs)	0.000	16.273	123.276	131.454	101.246	149.949
2006 Program to Eliminate the Gap	0.000	0.000	0.000	125.853	128.602	125.636
Unspecified PEGs	0.000	0.000	0.000	5.182	0.000	0.000
Increase Express Bus Fare	0.000	0.000	16.831	19.985	19.985	19.985
<b>Net Surplus/(Deficit)</b>	<b>(\$2,378.199)</b>	<b>(\$2,400.142)</b>	<b>(\$2,754.098)</b>	<b>(\$2,857.418)</b>	<b>(\$3,124.071)</b>	<b>(\$3,312.753)</b>

## REIMBURSABLE

[illegible]

**MTA New York City Transit**  
**November Financial Plan 2005 - 2008**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

**NON-REIMBURSABLE and  
REIMBURSABLE**

	<b>2003 Actuals</b>	<b>2004 November Forecast</b>	<b>2005 Final Proposed Budget</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
<b><u>Revenue</u></b>						
Farebox Revenue:						
Subway	\$1,667.300	\$1,798.614	\$1,825.873	\$1,848.463	\$1,871.614	\$1,888.339
Bus	698.600	748.891	759.188	768.710	778.100	784.947
Paratransit	5.100	6.133	7.037	7.951	8.985	10.153
Fare Media Liability	25.300	11.600	13.100	12.700	13.000	13.300
<b>Total Farebox Revenue</b>	<b>\$2,396.300</b>	<b>\$2,565.238</b>	<b>\$2,605.198</b>	<b>\$2,637.824</b>	<b>\$2,671.699</b>	<b>\$2,696.739</b>
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue:						
Fare Reimbursement	103.800	103.766	103.766	103.766	103.766	103.766
Paratransit Reimbursement	31.400	43.876	41.799	48.509	57.043	65.795
Other	82.940	97.067	87.141	90.147	90.547	90.947
Total Other Operating Revenue	218.140	244.709	232.706	242.422	251.356	260.508
Capital and Other Reimbursements	778.416	786.655	727.947	718.762	725.053	737.516
<b>Total Revenue</b>	<b>\$3,392.856</b>	<b>\$3,596.602</b>	<b>\$3,565.851</b>	<b>\$3,599.008</b>	<b>\$3,648.108</b>	<b>\$3,694.763</b>
<b><u>Expenses</u></b>						
Labor:						
Payroll	2,632.665	2,678.718	2,734.674	2,771.876	2,816.518	2,868.225
Overtime	272.249	260.319	246.396	252.141	253.609	259.708
Total Salaries & Wages	2,904.914	2,939.037	2,981.070	3,024.017	3,070.127	3,127.933
Health and Welfare	537.420	553.695	623.418	683.611	746.481	815.430
Pensions	199.867	316.782	460.560	549.406	570.049	573.889
Other Fringe Benefits	284.134	271.821	273.014	277.686	281.569	286.717
Total Fringe Benefits	1,021.421	1,142.298	1,356.992	1,510.703	1,598.099	1,676.036
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenses</b>	<b>\$3,926.335</b>	<b>\$4,081.335</b>	<b>\$4,338.062</b>	<b>\$4,534.720</b>	<b>\$4,668.226</b>	<b>\$4,803.969</b>
Non-Labor:						
Traction and Propulsion Power	107.427	113.388	120.169	120.169	120.236	120.311
Fuel for Buses and Trains	55.743	68.933	65.457	62.595	61.312	62.579
Insurance	25.457	29.438	29.528	31.342	33.440	35.598
Claims	81.056	65.701	72.643	74.582	76.571	78.609
Paratransit Service Contracts	109.228	137.136	169.245	196.660	229.367	266.856
Mtce. and Other Operating Contracts	197.030	195.555	228.558	215.198	214.645	215.883
Professional Service Contracts	118.101	111.495	115.887	108.115	107.250	109.241
Materials & Supplies	293.604	285.792	304.694	274.366	284.520	281.949
Other Business Expenses	28.117	33.244	34.213	34.653	35.145	35.591
<b>Total Non-Labor Expenses</b>	<b>\$1,015.763</b>	<b>\$1,040.682</b>	<b>\$1,140.394</b>	<b>\$1,117.680</b>	<b>\$1,162.486</b>	<b>\$1,206.617</b>
Other Expense Adjustments:						
Other	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$4,942.098</b>	<b>\$5,122.017</b>	<b>\$5,478.456</b>	<b>\$5,652.400</b>	<b>\$5,830.712</b>	<b>\$6,010.586</b>
Depreciation	828.957	891.000	981.600	1,086.500	1,191.300	1,292.500
<b>Total Expenses</b>	<b>\$5,771.055</b>	<b>\$6,013.017</b>	<b>\$6,460.056</b>	<b>\$6,738.900</b>	<b>\$7,022.012</b>	<b>\$7,303.086</b>
<b>Baseline Net Surplus/(Deficit)</b>	<b>(\$2,378.199)</b>	<b>(\$2,416.415)</b>	<b>(\$2,894.205)</b>	<b>(\$3,139.892)</b>	<b>(\$3,373.904)</b>	<b>(\$3,608.323)</b>
2005 Program to Eliminate the Gap (PEGs)	0.000	16.273	123.276	131.454	101.246	149.949
2006 Program to Eliminate the Gap	0.000	0.000	0.000	125.853	128.602	125.636
Unspecified PEGs	0.000	0.000	0.000	5.182	0.000	0.000
Increase Express Bus Fare	0.000	0.000	16.831	19.985	19.985	19.985
<b>Net Surplus/(Deficit)</b>	<b>(\$2,378.199)</b>	<b>(\$2,400.142)</b>	<b>(\$2,754.098)</b>	<b>(\$2,857.418)</b>	<b>(\$3,124.071)</b>	<b>(\$3,312.753)</b>

**MTA New York City Transit**  
**November Financial Plan 2005 - 2008**  
**Cash Receipts & Expenditures**  
**(\$ in millions)**

	<b>2003 Actuals</b>	<b>2004 November Forecast</b>	<b>2005 Final Proposed Budget</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
<b><u>Receipts</u></b>						
Farebox Revenue	\$2,399.200	\$2,562.838	\$2,613.898	\$2,646.824	\$2,692.999	\$2,706.439
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue:						
Fare Reimbursement	103.800	103.766	103.766	103.766	103.766	103.766
Paratransit Reimbursement	31.400	43.678	41.740	48.382	57.018	65.854
Other	75.540	222.521	87.141	90.147	90.547	90.947
Total Other Operating Revenue	210.740	369.965	232.647	242.295	251.331	260.567
Capital and Other Reimbursements	820.165	793.674	732.923	715.713	718.742	729.919
<b>Total Receipts</b>	<b>\$3,430.105</b>	<b>\$3,726.477</b>	<b>\$3,579.468</b>	<b>\$3,604.832</b>	<b>\$3,663.072</b>	<b>\$3,696.925</b>
<b><u>Expenditures</u></b>						
Labor:						
Payroll	2,700.633	2,662.089	2,734.728	2,763.001	2,807.331	2,859.729
Overtime	278.366	258.930	246.400	251.406	252.859	259.011
Total Salaries & Wages	2,978.999	2,921.019	2,981.128	3,014.407	3,060.190	3,118.740
Health and Welfare	502.543	545.848	623.418	683.611	746.481	815.430
Pensions	215.226	220.649	326.520	510.368	562.421	572.500
Other Fringe Benefits	260.166	270.343	267.619	270.765	275.024	280.227
Total Fringe Benefits	977.935	1,036.840	1,217.557	1,464.744	1,583.926	1,668.157
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenditures</b>	<b>\$3,956.934</b>	<b>\$3,957.859</b>	<b>\$4,198.685</b>	<b>\$4,479.151</b>	<b>\$4,644.116</b>	<b>\$4,786.897</b>
Non-Labor:						
Traction and Propulsion Power	107.575	113.388	120.169	120.169	120.236	120.311
Fuel for Buses and Trains	55.399	66.813	65.457	62.595	61.312	62.579
Insurance	25.457	46.044	32.774	31.360	34.403	40.440
Claims	71.600	50.444	60.813	62.283	63.791	65.336
Paratransit Service Contracts	110.249	134.017	166.045	192.460	229.367	266.856
Mtce. and Other Operating Contracts	202.303	198.755	228.558	215.198	214.645	215.883
Professional Service Contracts	125.824	105.790	111.391	103.915	103.050	105.041
Materials & Supplies	279.167	274.792	299.122	270.866	281.020	278.449
Other Business Expenditures	28.832	33.243	34.212	34.653	35.144	35.592
<b>Total Non-Labor Expenditures</b>	<b>\$1,006.406</b>	<b>\$1,023.286</b>	<b>\$1,118.541</b>	<b>\$1,093.499</b>	<b>\$1,142.968</b>	<b>\$1,190.487</b>
Other Expenditure Adjustments:						
Other	56.600	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expenditure Adjustments</b>	<b>\$56.600</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenditures</b>	<b>\$5,019.940</b>	<b>\$4,981.145</b>	<b>\$5,317.226</b>	<b>\$5,572.650</b>	<b>\$5,787.084</b>	<b>\$5,977.384</b>
<b>Baseline Net Cash Deficit</b>	<b>(\$1,589.835)</b>	<b>(\$1,254.668)</b>	<b>(\$1,737.758)</b>	<b>(\$1,967.818)</b>	<b>(\$2,124.012)</b>	<b>(\$2,280.459)</b>
2005 Program to Eliminate the Gap (PEGs)						
2006 Program to Eliminate the Gap	0.000	0.000	0.000	125.853	128.602	125.636
Unspecified PEGs	0.000	0.000	0.000	5.182	0.000	0.000
Increase Express Bus Fare	0.000	0.000	16.831	19.985	19.985	19.985
<b>Net Cash Deficit</b>	<b>(\$1,589.835)</b>	<b>(\$1,238.395)</b>	<b>(\$1,597.651)</b>	<b>(\$1,685.344)</b>	<b>(\$1,874.179)</b>	<b>(\$1,984.889)</b>

**MTA New York City Transit**  
**November Financial Plan 2005 - 2008**  
**Cash Conversion (Cash Flow Adjustments)**  
(\$ in millions)

	2003 Actuals	2004 November Forecast	2005 Final Proposed Budget	2006	2007	2008
<b><u>Receipts</u></b>						
Farebox Revenue	\$2.900	(\$2.400)	\$8.700	\$9.000	\$21.300	\$9.700
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue:						
Fare Reimbursement	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Reimbursement	0.000	(0.198)	(0.059)	(0.127)	(0.025)	0.059
Other	(7.400)	125.454	0.000	0.000	0.000	0.000
Total Other Operating Revenue	(7.400)	125.256	(0.059)	(0.127)	(0.025)	0.059
Capital and Other Reimbursements	41.749	7.019	4.976	(3.049)	(6.311)	(7.597)
<b>Total Receipt Adjustments</b>	<b>\$37.249</b>	<b>\$129.875</b>	<b>\$13.617</b>	<b>\$5.824</b>	<b>\$14.964</b>	<b>\$2.162</b>
<b><u>Expenditures</u></b>						
Labor:						
Payroll	(67.968)	16.629	(0.054)	8.875	9.187	8.496
Overtime	(6.117)	1.389	(0.004)	0.735	0.750	0.697
Total Salaries & Wages	(74.085)	18.018	(0.058)	9.610	9.937	9.193
Health and Welfare	34.877	7.847	0.000	0.000	0.000	0.000
Pensions	(15.359)	96.133	134.040	39.038	7.628	1.389
Other Fringe Benefits	23.968	1.478	5.395	6.921	6.545	6.490
Total Fringe Benefits	43.486	105.458	139.435	45.959	14.173	7.879
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenditures</b>	<b>(\$30.599)</b>	<b>\$123.476</b>	<b>\$139.377</b>	<b>\$55.569</b>	<b>\$24.110</b>	<b>\$17.072</b>
Non-Labor:						
Traction and Propulsion Power	(0.148)	0.000	0.000	0.000	0.000	0.000
Fuel for Buses and Trains	0.344	2.120	0.000	0.000	0.000	0.000
Insurance	0.000	(16.606)	(3.246)	(0.018)	(0.963)	(4.842)
Claims	9.456	15.257	11.830	12.299	12.780	13.273
Paratransit Service Contracts	(1.021)	3.119	3.200	4.200	0.000	0.000
Mtce. and Other Operating Contracts	(5.273)	(3.200)	0.000	0.000	0.000	0.000
Professional Service Contracts	(7.723)	5.705	4.496	4.200	4.200	4.200
Materials & Supplies	14.437	11.000	5.572	3.500	3.500	3.500
Other Business Expenditures	(0.715)	0.001	0.001	0.000	0.001	(0.001)
<b>Total Non-Labor Expenditures</b>	<b>\$9.357</b>	<b>\$17.396</b>	<b>\$21.853</b>	<b>\$24.181</b>	<b>\$19.518</b>	<b>\$16.130</b>
Other Expenditure Adjustments:						
Other	(56.600)	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expenditure Adjustments</b>	<b>(\$56.600)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Cash Conversion Adjustments before Depreciation</b>	<b>(\$40.593)</b>	<b>\$270.747</b>	<b>\$174.847</b>	<b>\$85.574</b>	<b>\$58.592</b>	<b>\$35.364</b>
Depreciation Adjustment	828.957	891.000	981.600	1,086.500	1,191.300	1,292.500
<b>Baseline Total Cash Conversion Adj.</b>	<b>\$788.364</b>	<b>\$1,161.747</b>	<b>\$1,156.447</b>	<b>\$1,172.074</b>	<b>\$1,249.892</b>	<b>\$1,327.864</b>
2005 Program to Eliminate the Gap (PEGs)	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
Unspecified PEGs	0.000	0.000	0.000	0.000	0.000	0.000
Increase Express Bus Fare	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Cash Conversion Adjustments</b>	<b>\$788.364</b>	<b>\$1,161.747</b>	<b>\$1,156.447</b>	<b>\$1,172.074</b>	<b>\$1,249.892</b>	<b>\$1,327.864</b>

**MTA New York City Transit**  
**November Financial Plan 2005-2008**  
**Year-To-Year Major Changes by Category-Baseline Narrative**

**TOTAL REVENUES**

**Farebox Revenue**

- Annual improvements in subway/bus farebox revenue are based largely on Global Insight's forecasted growth in NYC employment as follows: 2005-1.56%, 2006-1.42%, 2007-1.07%, and 2008-0.57%.
- Annual improvements in paratransit farebox revenue are based on assumed annual ridership growth rates of 13% consistent with current ridership growth.

**Other Operating Revenue**

- Annual revenue increases represent primarily contractually-capped increases in NYC reimbursements that serve to partially fund the annual growth in paratransit expenses.
- 2004 includes non-recurring insurance reimbursements of \$10.1 million associated with losses in prior years.

**Capital and Other Reimbursements**

- Reimbursements are projected to decrease by \$58.7 million or 7.5% from 2004 to 2005 due to the scheduled completion of a number of significant capital projects. These include both projects undertaken by in-house construction forces (e.g., Critical Signal Safety Phase II, Tunnel Lighting) and contractor projects with substantial NYCT support requirements (e.g., Stillwell Avenue Reconstruction, ATS/Rail Control Center, Nassau Loop Reconfiguration). An additional factor is the completion of the warranty period for R142, R142A, and R143 cars, as these contracts provided for warranty labor to be supplied by NYCT employees.
- Changes in subsequent years are due to the timing of project requirements and to provide for reimbursement consistent with projected CPI increases in labor expenses and actuarial-based pension increases as explained below.

**TOTAL EXPENSES**

**Payroll**

- 2004-2005 reflects primarily in-place contracts with an effective rate in 2005 of 3.01%.
- 2006-2008 includes primarily CPI rate increases with effective rates as follows: 2006-1.43%, 2007-1.86%, and 2008-2.08%.
- Reimbursable expenses decreased by \$23.6 million from 2004 to 2005, due to the completion of a number of significant capital projects.

**Overtime**

- 2004-2008 payroll wage rate increase assumptions apply.
- Approximately \$5 million of non-reimbursable overtime requirements relating to vacancies and special needs in 2004 are not projected to recur in 2005.
- Reimbursable expenses decrease by \$14.7 million from 2004 to 2005, due largely to the completion of a number of significant capital projects.

### **Health & Welfare**

- Inflation assumptions are as follows: 2005-12.9%, and 2006 through 2008-9.3%.
- Re-estimates of expenses/usage results in reduced expense projections.

### **Pension**

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

### **Other Fringe Benefits**

- Inflation assumptions consistent with payroll rate increase assumptions.
- Reimbursable expenses decreased by \$4.7 million from 2004 to 2005 due to the completion of a number of significant capital projects.

### **Traction and Propulsion Power**

- Reflects NYPA rate increases effective April 1, 2004 (6.5%) and January 1, 2005 (5.3%).

### **Fuel for Buses and Trains**

- 2004 includes significant spikes in fuel prices representing an effective rate increase of 21.6%.
- 2005-2008 inflation/(deflation) assumptions are based upon Global Insight's estimates as follows: 2005-(7.1)%, 2006-(6.8)%, 2007-(2.5)%, and 2008-2.4%.

### **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**

- 2004 reflects a reduction of \$5.0 million due to a reassessment of reserve requirements.
- Assumes annual inflation of 2.5% for 2005 through 2008.

### **Paratransit Service Contracts**

- Inflation assumptions are based upon current carrier contracts.
- Significant expense increases are based upon projected annual ridership growth of 13%.
- 2004 non-reimbursable expenses include \$1.3 million of non-recurring expenses from 2003 timing adjustments.

### **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%.
- Facility power cost inflation is based upon NYPA rate increases effective April 1, 2004 (6.5%) and January 1, 2005 (5.3%).
- Approximately \$38 million of non-reimbursable expense increases are projected in 2005, largely due to the timing of facility and renovation expenses from 2004.
- Reimbursable expenses decreased by \$8.1 million from 2004 to 2005, due to the completion of a number of significant capital projects.

### **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%.



- Approximately \$4 million of non-reimbursable expense increases are projected in 2005, largely due to the timing of expenses from 2004.
- Reimbursable expenses decreased by \$0.9 million from 2004 to 2005, due to the completion of a number of significant capital projects.

### **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%.
- Approximately \$22 million of non-reimbursable expense increases are projected in 2005, largely due to the timing of programs/expenses from 2004.
- Non-reimbursable expense levels year-to-year tend to fluctuate, due to the timing of subway and bus scheduled maintenance programs.
- Reimbursable expenses decreased by \$8.0 million from 2004 to 2005, due to the completion of a number of significant capital projects.

### **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%.
- Reimbursable expenses decreased by \$0.7 million from 2004 to 2005, due to the completion of a number of significant capital projects.

### **Depreciation**

- Annual expense increases are due to projections of additional capital assets reaching beneficial use. Examples of these assets include subway station rehabilitations, track-work, new subway cars and buses.

## **TOTAL RECEIPTS**

### **Farebox Receipts**

- Annual improvements in subway/bus farebox revenue are based largely on Global Insight's forecasted growth in NYC employment as follows: 2005-1.56%, 2006-1.42%, 2007-1.07%, and 2008-0.57%.
- Includes cash adjustments for expired MetroCard values and the timing of counting cash, which can cause some annual fluctuations in cash received.
- Annual improvements in paratransit farebox revenue are based on assumed annual ridership growth rates of 13%, consistent with current ridership growth.

### **Other Operating Receipts**

- Annual revenue increases represent primarily contractually-capped increases in NYC reimbursements that serve to partially fund the annual growth in paratransit expenses.
- 2004 includes non-recurring receipts as follows: insurance reimbursements of \$10.1 million associated with losses in prior years; cash reimbursements of \$103.1 million relating to revenue losses/incurred expenses associated with the WTC attack; and cash reimbursements of \$21.1 million relating to Transit Adjudication Bureau Funds (timing from 2003) and interest draw-downs of funds accumulated in prior years.

### **Capital and Other Reimbursements**

- Accrued reimbursements are projected to decrease by \$58.7 million or 7.5% from 2004 to 2005 due to the scheduled completion of a number of significant capital projects. These include both projects undertaken by in-house construction forces (e.g., Critical

Signal Safety Phase II, Tunnel Lighting) and contractor projects with substantial NYCT support requirements (e.g., Stillwell Avenue Reconstruction, ATS/Rail Control Center, Nassau Loop Reconfiguration). An additional factor is the completion of the warranty period for R142, R142A, and R143 cars, as these contracts provided for warranty labor to be supplied by NYCT employees.

- Accrued changes in subsequent years are due to the timing of project requirements and to provide for reimbursement consistent with projected CPI increases in labor expenses and actuarial-based pension increases as explained below.
- Cash adjustments are reflected annually to recognize the change in timing of receipts.
- 2004 includes a \$7.1 million favorable cash timing adjustment originally anticipated to be received in 2003.

## **TOTAL EXPENDITURES**

### **Payroll**

- 2004-2005 reflects primarily in-place contracts with an effective rate in 2005 of 3.01%.
- 2006-2008 includes primarily CPI rate increases with effective rates as follows: 2006-1.43%, 2007-1.86%, and 2008-2.08%.
- Reimbursable expenses decreased by \$23.6 million from 2004 to 2005, due to the completion of a number of significant capital projects.
- 2004 includes an unfavorable \$1.8 million timing adjustment from 2003.

### **Overtime**

- 2004-2008 payroll wage rate increase assumptions apply.
- Approximately \$5 million of non-reimbursable overtime requirements relating to vacancies and special needs in 2004 are projected not to recur in 2005.
- Reimbursable expenses decreased by \$14.7 million from 2004 to 2005, due largely to the completion of a number of significant capital projects.

### **Health & Welfare**

- Inflation assumptions are as follows: 2005-12.9%, and 2006 through 2008-9.3%.
- Re-estimates of expenses/usage results in reduced expense projections.

### **Pension**

- Significant projected increases in expenses are based upon information from pension plan actuaries.
- Significant cash payment fluctuations result annually, due to the effect of prepaying pension expenses. The year-over-year effects are projected as follows: 2005/2004-\$37.9 million, 2006/2005-\$(95.0) million, 2007/2006-\$(31.4) million, and 2008/2007-\$(6.2) million.

### **Other Fringe Benefits**

- Inflation assumptions consistent with payroll rate increase assumptions.
- Reimbursable expenses decreased by \$4.7 million from 2004 to 2005 due to the completion of a number of significant capital projects.

### **Traction and Propulsion Power**

- Reflects NYPA rate increases effective April 1, 2004 (6.5%) and January 1, 2005 (5.3%).

### **Fuel for Buses and Trains**

- 2004 includes significant spikes in fuel prices representing an effective rate increase of 21.6%.
- 2005-2008 inflation/(deflation) assumptions are based upon Global Insight's estimates as follows: 2005-(7.1)%, 2006-(6.8)%, 2007-(2.5)%, and 2008-2.4%.
- 2004 includes an unfavorable \$1.1 million timing adjustment from 2003.

### **Insurance**

- 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**

- Assumes annual inflation of 2.5% for 2005 through 2008.

### **Paratransit Service Contracts**

- Inflation assumptions are based upon current carrier contracts.
- Significant expense increases are based on projected annual ridership growth of 13%.
- 2004 non-reimbursable expenses include \$1.3 million of non-recurring expenses from 2003 timing adjustments.

### **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%.
- Facility power cost inflation based upon NYPA rate increases effective April 1, 2004 (6.5%) and January 1, 2005 (5.3%).
- Approximately \$38 million of non-reimbursable expense increases are projected in 2005, largely due to the timing of facility and renovation expenses from 2004.
- Reimbursable expenses decreased by \$8.1 million from 2004 to 2005, due to the completion of a number of significant capital projects.

### **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%.
- Approximately \$4 million of non-reimbursable expense increases are projected in 2005, largely due to the timing of expenses from 2004.
- Reimbursable expenses decreased by \$0.9 million from 2004 to 2005, due to the completion of a number of significant capital projects.

### **Materials and Supplies**

- 2005-2008 inflation assumptions are based upon Global Insight's estimates as follows: 2005-21.8%, 2006-1.47%, 2007-1.21%, and 2008-1.29%.
- Approximately \$22 million of non-reimbursable expense increases are projected in 2005, largely due to the timing of programs/expenses from 2004.
- Non-reimbursable expense levels year-to-year tend to fluctuate due to the timing of subway car and bus scheduled maintenance programs.
- Reimbursable expenses decreased by \$8.0 million from 2004 to 2005, due to the completion of a number of significant capital projects.

**Other Business Expenditures**

- 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%.
- Reimbursable expenses decreased by \$0.7 million from 2004 to 2005, due to the completion of a number of significant capital projects.

**MTA New York City Transit**  
**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
<b>Revenue</b>									
Farebox Revenue:									
Subway	\$1,798.614	\$1,825.873	\$27.259	\$1,848.463	\$22.590	\$1,871.614	\$23.151	\$1,888.339	\$16.725
Bus	748.891	759.188	10.297	768.710	9.522	778.100	9.390	784.947	6.847
Paratransit	6.133	7.037	0.904	7.951	0.914	8.985	1.034	10.153	1.168
Fare Media Liability	11.600	13.100	1.500	12.700	(0.400)	13.000	0.300	13.300	0.300
<b>Total Farebox Revenue</b>	<b>\$2,565.238</b>	<b>\$2,605.198</b>	<b>\$39.960</b>	<b>\$2,637.824</b>	<b>\$32.626</b>	<b>\$2,671.699</b>	<b>\$33.875</b>	<b>\$2,696.739</b>	<b>\$25.040</b>
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue:									
Fare Reimbursement	103.766	103.766	0.000	103.766	0.000	103.766	0.000	103.766	0.000
Paratransit Reimbursement	43.876	41.799	(2.077)	48.509	6.710	57.043	8.534	65.795	8.752
Other	97.067	87.141	(9.926)	90.147	3.006	90.547	0.400	90.947	0.400
Total Other Operating Revenue	244.709	232.706	(12.003)	242.422	9.716	251.356	8.934	260.508	9.152
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Revenue</b>	<b>\$2,809.947</b>	<b>\$2,837.904</b>	<b>\$27.957</b>	<b>\$2,880.246</b>	<b>\$42.342</b>	<b>\$2,923.055</b>	<b>\$42.809</b>	<b>\$2,957.247</b>	<b>\$34.192</b>
<b>Expenses</b>									
Labor:									
Payroll	2,333.680	2,398.517	(64.837)	2,435.722	(37.205)	2,478.317	(42.595)	2,524.529	(46.212)
Overtime	194.922	195.679	(0.757)	201.701	(6.022)	202.235	(0.534)	207.269	(5.034)
Total Salaries & Wages	2,528.602	2,594.196	(65.594)	2,637.423	(43.227)	2,680.552	(43.129)	2,731.798	(51.246)
Health and Welfare	536.433	604.314	(67.881)	662.920	(58.606)	724.069	(61.149)	791.151	(67.082)
Pensions	310.332	448.568	(138.236)	534.429	(85.861)	553.701	(19.272)	557.029	(3.328)
Other Fringe Benefits	186.474	192.387	(5.913)	197.528	(5.141)	201.107	(3.579)	205.048	(3.941)
Total Fringe Benefits	1,033.239	1,245.269	(212.030)	1,394.877	(149.608)	1,478.877	(84.000)	1,553.228	(74.351)
Reimbursable Overhead	(149.310)	(129.199)	(20.111)	(127.457)	(1.742)	(128.225)	0.768	(130.387)	2.162
<b>Total Labor Expenses</b>	<b>\$3,412.531</b>	<b>\$3,710.266</b>	<b>(\$297.735)</b>	<b>\$3,904.843</b>	<b>(\$194.577)</b>	<b>\$4,031.204</b>	<b>(\$126.361)</b>	<b>\$4,154.639</b>	<b>(\$123.435)</b>
Non-Labor:									
Traction and Propulsion Power	113.388	120.169	(6.781)	120.169	0.000	120.236	(0.067)	120.311	(0.075)
Fuel for Buses and Trains	68.933	65.457	3.476	62.595	2.862	61.312	1.283	62.579	(1.267)
Insurance	29.438	29.528	(0.090)	31.342	(1.814)	33.440	(2.098)	35.598	(2.158)
Claims	65.701	72.643	(6.942)	74.582	(1.939)	76.571	(1.989)	78.609	(2.038)
Paratransit Service Contracts	137.136	169.245	(32.109)	196.660	(27.415)	229.367	(32.707)	266.856	(37.489)
Mtce. and Other Operating Contracts	159.477	200.627	(41.150)	188.011	12.616	187.458	0.553	188.696	(1.238)
Professional Service Contracts	94.240	99.540	(5.300)	92.884	6.656	92.019	0.865	94.010	(1.991)
Materials & Supplies	224.651	251.523	(26.872)	230.599	20.924	241.606	(11.007)	238.882	2.724
Other Business Expenses	29.867	31.511	(1.644)	31.953	(0.442)	32.446	(0.493)	32.890	(0.444)
<b>Total Non-Labor Expenses</b>	<b>\$922.831</b>	<b>\$1,040.243</b>	<b>(\$117.412)</b>	<b>\$1,028.795</b>	<b>\$11.448</b>	<b>\$1,074.455</b>	<b>(\$45.660)</b>	<b>\$1,118.431</b>	<b>(\$43.976)</b>
Other Expense Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$4,335.362</b>	<b>\$4,750.509</b>	<b>(\$415.147)</b>	<b>\$4,933.638</b>	<b>(\$183.129)</b>	<b>\$5,105.659</b>	<b>(\$172.021)</b>	<b>\$5,273.070</b>	<b>(\$167.411)</b>
Depreciation	891.000	981.600	(90.600)	1,086.500	(104.900)	1,191.300	(104.800)	1,292.500	(101.200)
<b>Total Expenses</b>	<b>\$5,226.362</b>	<b>\$5,732.109</b>	<b>(\$505.747)</b>	<b>\$6,020.138</b>	<b>(\$288.029)</b>	<b>\$6,296.959</b>	<b>(\$276.821)</b>	<b>\$6,565.570</b>	<b>(\$268.611)</b>
<b>Baseline Net Surplus/(Deficit)</b>	<b>(\$2,416.415)</b>	<b>(\$2,894.205)</b>	<b>(\$477.790)</b>	<b>(\$3,139.892)</b>	<b>(\$245.687)</b>	<b>(\$3,373.904)</b>	<b>(\$234.012)</b>	<b>(\$3,608.323)</b>	<b>(\$234.419)</b>
2005 Program to Eliminate the Gap (PEGs)	16.273	123.276	107.003	131.454	8.178	101.246	(30.208)	149.949	48.703
2006 Program to Eliminate the Gap	0.000	0.000	0.000	125.853	125.853	128.602	2.749	125.636	(2.966)
Unspecified PEGs	0.000	0.000	0.000	5.182	5.182	0.000	(5.182)	0.000	0.000
Increase Express Bus Fare	0.000	16.831	16.831	19.985	3.154	19.985	0.000	19.985	0.000
<b>Net Surplus/(Deficit)</b>	<b>(\$2,400.142)</b>	<b>(\$2,754.098)</b>	<b>(\$353.956)</b>	<b>(\$2,857.418)</b>	<b>(\$103.320)</b>	<b>(\$3,124.071)</b>	<b>(\$266.653)</b>	<b>(\$3,312.753)</b>	<b>(\$188.682)</b>

**REIMBURSABLE**

## Revenue

## Expenses

**Non-Labor:**

Other Expense Adjustments:

**Total Expenses before**

## Depreciation

**Baseline Net Surplus/(Deficit)**

2006 Program to Eliminate the Gap  
Unspecified BECs

### Increase Express Bus Fare

[illegible]

**MTA New York City Transit**  
**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
<b>Revenue</b>									
Farebox Revenue:									
Subway	\$1,798.614	\$1,825.873	\$27.259	\$1,848.463	\$22.590	\$1,871.614	\$23.151	\$1,888.339	\$16.725
Bus	748.891	759.188	10.297	768.710	9.522	778.100	9.390	784.947	6.847
Paratransit	6.133	7.037	0.904	7.951	0.914	8.985	1.034	10.153	1.168
Fare Media Liability	11.600	13.100	1.500	12.700	(0.400)	13.000	0.300	13.300	0.300
<b>Total Farebox Revenue</b>	<b>\$2,565.238</b>	<b>\$2,605.198</b>	<b>\$39.960</b>	<b>\$2,637.824</b>	<b>\$32.626</b>	<b>\$2,671.699</b>	<b>\$33.875</b>	<b>\$2,696.739</b>	<b>\$25.040</b>
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue:									
Fare Reimbursement	103.766	103.766	0.000	103.766	0.000	103.766	0.000	103.766	0.000
Paratransit Reimbursement	43.876	41.799	(2.077)	48.509	6.710	57.043	8.534	65.795	8.752
Other	97.067	87.141	(9.926)	90.147	3.006	90.547	0.400	90.947	0.400
Total Other Operating Revenue	244.709	232.706	(12.003)	242.422	9.716	251.356	8.934	260.508	9.152
Capital and Other Reimbursements	786.655	727.947	(58.708)	718.762	(9.185)	725.053	6.291	737.516	12.463
<b>Total Revenue</b>	<b>\$3,596.602</b>	<b>\$3,565.851</b>	<b>(\$30.751)</b>	<b>\$3,599.008</b>	<b>\$33.157</b>	<b>\$3,648.108</b>	<b>\$49.100</b>	<b>\$3,694.763</b>	<b>\$46.655</b>
<b>Expenses</b>									
Labor:									
Payroll	2,678.718	2,734.674	(55.956)	2,771.876	(37.202)	2,816.518	(44.642)	2,868.225	(51.707)
Overtime	260.319	246.396	13.923	252.141	(5.745)	253.609	(1.468)	259.708	(6.099)
Total Salaries & Wages	2,939.037	2,981.070	(42.033)	3,024.017	(42.947)	3,070.127	(46.110)	3,127.933	(57.806)
Health and Welfare	553.695	623.418	(69.723)	683.611	(60.193)	746.481	(62.870)	815.430	(68.949)
Pensions	316.782	460.560	(143.778)	549.406	(88.846)	570.049	(20.643)	573.889	(3.840)
Other Fringe Benefits	271.821	273.014	(1.193)	277.686	(4.672)	281.569	(3.883)	286.717	(5.148)
Total Fringe Benefits	1,142.298	1,356.992	(214.694)	1,510.703	(153.711)	1,598.099	(87.396)	1,676.036	(77.937)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenses</b>	<b>\$4,081.335</b>	<b>\$4,338.062</b>	<b>(\$256.727)</b>	<b>\$4,534.720</b>	<b>(\$196.658)</b>	<b>\$4,668.226</b>	<b>(\$133.506)</b>	<b>\$4,803.969</b>	<b>(\$135.743)</b>
Non-Labor:									
Traction and Propulsion Power	113.388	120.169	(6.781)	120.169	0.000	120.236	(0.067)	120.311	(0.075)
Fuel for Buses and Trains	68.933	65.457	3.476	62.595	2.862	61.312	1.283	62.579	(1.267)
Insurance	29.438	29.528	(0.090)	31.342	(1.814)	33.440	(2.098)	35.598	(2.158)
Claims	65.701	72.643	(6.942)	74.582	(1.939)	76.571	(1.989)	78.609	(2.038)
Paratransit Service Contracts	137.136	169.245	(32.109)	196.660	(27.415)	229.367	(32.707)	266.856	(37.489)
Mtce. and Other Operating Contracts	195.555	228.558	(33.003)	215.198	13.360	214.645	0.553	215.883	(1.238)
Professional Service Contracts	111.495	115.887	(4.392)	108.115	7.772	107.250	0.865	109.241	(1.991)
Materials & Supplies	285.792	304.694	(18.902)	274.366	30.328	284.520	(10.154)	281.949	2.571
Other Business Expenses	33.244	34.213	(0.969)	34.653	(0.440)	35.145	(0.492)	35.591	(0.446)
<b>Total Non-Labor Expenses</b>	<b>\$1,040.682</b>	<b>\$1,140.394</b>	<b>(\$99.712)</b>	<b>\$1,117.680</b>	<b>\$22.714</b>	<b>\$1,162.486</b>	<b>(\$44.806)</b>	<b>\$1,206.617</b>	<b>(\$44.131)</b>
Other Expense Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$5,122.017</b>	<b>\$5,478.456</b>	<b>(\$356.439)</b>	<b>\$5,652.400</b>	<b>(\$173.944)</b>	<b>\$5,830.712</b>	<b>(\$178.312)</b>	<b>\$6,010.586</b>	<b>(\$179.874)</b>
Depreciation	891.000	981.600	(90.600)	1,086.500	(104.900)	1,191.300	(104.800)	1,292.500	(101.200)
<b>Total Expenses</b>	<b>\$6,013.017</b>	<b>\$6,460.056</b>	<b>(\$447.039)</b>	<b>\$6,738.900</b>	<b>(\$278.844)</b>	<b>\$7,022.012</b>	<b>(\$283.112)</b>	<b>\$7,303.086</b>	<b>(\$281.074)</b>
<b>Baseline Net Surplus/(Deficit)</b>	<b>(\$2,416.415)</b>	<b>(\$2,894.205)</b>	<b>(\$477.790)</b>	<b>(\$3,139.892)</b>	<b>(\$245.687)</b>	<b>(\$3,373.904)</b>	<b>(\$234.012)</b>	<b>(\$3,608.323)</b>	<b>(\$234.419)</b>
2005 Program to Eliminate the Gap (PEGs)	16.273	123.276	107.003	131.454	8.178	101.246	(30.208)	149.949	48.703
2006 Program to Eliminate the Gap	0.000	0.000	0.000	125.853	125.853	128.602	2.749	125.636	(2.966)
Unspecified PEGs	0.000	0.000	0.000	5.182	5.182	0.000	(5.182)	0.000	0.000
Increase Express Bus Fare	0.000	16.831	16.831	19.985	3.154	19.985	0.000	19.985	0.000
<b>Net Surplus/(Deficit)</b>	<b>(\$2,400.142)</b>	<b>(\$2,754.098)</b>	<b>(\$353.956)</b>	<b>(\$2,857.418)</b>	<b>(\$103.320)</b>	<b>(\$3,124.071)</b>	<b>(\$266.653)</b>	<b>(\$3,312.753)</b>	<b>(\$188.682)</b>

**MTA New York City Transit**  
**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
<b>Receipts</b>									
Farebox Revenue	\$2,562.838	\$2,613.898	\$51.060	\$2,646.824	\$32.926	\$2,692.999	\$46.175	\$2,706.439	\$13.440
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue:									
Fare Reimbursement	103.766	103.766	0.000	103.766	0.000	103.766	0.000	103.766	0.000
Paratransit Reimbursement	43.678	41.740	(1.938)	48.382	6.642	57.018	8.636	65.854	8.836
Other	222.521	87.141	(135.380)	90.147	3.006	90.547	0.400	90.947	0.400
Total Other Operating Revenue	369.965	232.647	(137.318)	242.295	9.648	251.331	9.036	260.567	9.236
Capital and Other Reimbursements	793.674	732.923	(60.751)	715.713	(17.210)	718.742	3.029	729.919	11.177
<b>Total Receipts</b>	<b>\$3,726.477</b>	<b>\$3,579.468</b>	<b>(\$147.009)</b>	<b>\$3,604.832</b>	<b>\$25.364</b>	<b>\$3,663.072</b>	<b>\$58.240</b>	<b>\$3,696.925</b>	<b>\$33.853</b>
<b>Expenditures</b>									
Labor:									
Payroll	2,662.089	2,734.728	(72.639)	2,763.001	(28.273)	2,807.331	(44.330)	2,859.729	(52.399)
Overtime	258.930	246.400	12.530	251.406	(5.006)	252.859	(1.453)	259.011	(6.151)
Total Salaries & Wages	2,921.019	2,981.128	(60.109)	3,014.407	(33.279)	3,060.190	(45.783)	3,118.740	(58.550)
Health and Welfare	545.848	623.418	(77.570)	683.611	(60.193)	746.481	(62.870)	815.430	(68.949)
Pensions	220.649	326.520	(105.871)	510.368	(183.848)	562.421	(52.053)	572.500	(10.079)
Other Fringe Benefits	270.343	267.619	2.724	270.765	(3.146)	275.024	(4.259)	280.227	(5.203)
Total Fringe Benefits	1,036.840	1,217.557	(180.717)	1,464.744	(247.187)	1,583.926	(119.182)	1,668.157	(84.231)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenditures</b>	<b>\$3,957.859</b>	<b>\$4,198.685</b>	<b>(\$240.826)</b>	<b>\$4,479.151</b>	<b>(\$280.466)</b>	<b>\$4,644.116</b>	<b>(\$164.965)</b>	<b>\$4,786.897</b>	<b>(\$142.781)</b>
Non-Labor:									
Traction and Propulsion Power	113.388	120.169	(6.781)	120.169	0.000	120.236	(0.067)	120.311	(0.075)
Fuel for Buses and Trains	66.813	65.457	1.356	62.595	2.862	61.312	1.283	62.579	(1.267)
Insurance	46.044	32.774	13.270	31.360	1.414	34.403	(3.043)	40.440	(6.037)
Claims	50.444	60.813	(10.369)	62.283	(1.470)	63.791	(1.508)	65.336	(1.545)
Paratransit Service Contracts	134.017	166.045	(32.028)	192.460	(26.415)	229.367	(36.907)	266.856	(37.489)
Mtce. and Other Operating Contracts	198.755	228.558	(29.803)	215.198	13.360	214.645	0.553	215.883	(1.238)
Professional Service Contracts	105.790	111.391	(5.601)	103.915	7.476	103.050	0.865	105.041	(1.991)
Materials & Supplies	274.792	299.122	(24.330)	270.866	28.256	281.020	(10.154)	278.449	2.571
Other Business Expenditures	33.243	34.212	(0.969)	34.653	(0.441)	35.144	(0.491)	35.592	(0.448)
<b>Total Non-Labor Expenditures</b>	<b>\$1,023.286</b>	<b>\$1,118.541</b>	<b>(\$95.255)</b>	<b>\$1,093.499</b>	<b>\$25.042</b>	<b>\$1,142.968</b>	<b>(\$49.469)</b>	<b>\$1,190.487</b>	<b>(\$47.519)</b>
Other Expenditure Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expenditure Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenditures</b>	<b>\$4,981.145</b>	<b>\$5,317.226</b>	<b>(\$336.081)</b>	<b>\$5,572.650</b>	<b>(\$255.424)</b>	<b>\$5,787.084</b>	<b>(\$214.434)</b>	<b>\$5,977.384</b>	<b>(\$190.300)</b>
<b>Baseline Net Cash Deficit</b>	<b>(\$1,254.668)</b>	<b>(\$1,737.758)</b>	<b>(\$483.090)</b>	<b>(\$1,967.818)</b>	<b>(\$230.060)</b>	<b>(\$2,124.012)</b>	<b>(\$156.194)</b>	<b>(\$2,280.459)</b>	<b>(\$156.447)</b>
2005 Program to Eliminate the Gap (PEGs)	16.273	123.276	107.003	131.454	8.178	101.246	(30.208)	149.949	48.703
2006 Program to Eliminate the Gap	0.000	0.000	0.000	125.853	125.853	128.602	2.749	125.636	(2.966)
Unspecified PEGs	0.000	0.000	0.000	5.182	5.182	0.000	(5.182)	0.000	0.000
Increase Express Bus Fare	0.000	16.831	16.831	19.985	3.154	19.985	0.000	19.985	0.000
<b>Net Cash Deficit</b>	<b>(\$1,238.395)</b>	<b>(\$1,597.651)</b>	<b>(\$359.256)</b>	<b>(\$1,685.344)</b>	<b>(\$87.693)</b>	<b>(\$1,874.179)</b>	<b>(\$188.835)</b>	<b>(\$1,984.889)</b>	<b>(\$110.710)</b>



**MTA New York City Transit**  
**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
<b>Receipts</b>									
Farebox Revenue	(\$2.400)	\$8.700	\$11.100	\$9.000	\$0.300	\$21.300	\$12.300	\$9.700	(\$11.600)
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue:									
Fare Reimbursement	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Reimbursement	(0.198)	(0.059)	0.139	(0.127)	(0.068)	(0.025)	0.102	0.059	0.084
Other	125.454	0.000	(125.454)	0.000	0.000	0.000	0.000	0.000	0.000
Total Other Operating Revenue	125.256	(0.059)	(125.315)	(0.127)	(0.068)	(0.025)	0.102	0.059	0.084
Capital and Other Reimbursements	7.019	4.976	(2.043)	(3.049)	(8.025)	(6.311)	(3.262)	(7.597)	(1.286)
<b>Total Receipt Adjustments</b>	<b>\$129.875</b>	<b>\$13.617</b>	<b>(\$116.258)</b>	<b>\$5.824</b>	<b>(\$7.793)</b>	<b>\$14.964</b>	<b>\$9.140</b>	<b>\$2.162</b>	<b>(\$12.802)</b>
<b>Expenditures</b>									
Labor:									
Payroll	\$16.629	(\$0.054)	(\$16.683)	\$8.875	\$8.929	\$9.187	\$0.312	\$8.496	(\$0.692)
Overtime	\$1.389	(\$0.004)	(\$1.393)	\$0.735	\$0.739	\$0.750	\$0.015	\$0.697	(\$0.052)
Total Salaries & Wages	\$18.018	(\$0.058)	(\$18.076)	\$9.610	\$9.668	\$9.937	\$0.327	\$9.193	(\$0.744)
Health and Welfare	\$7.847	\$0.000	(\$7.847)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Pensions	\$96.133	\$134.040	\$37.907	\$39.038	(\$95.002)	\$7.628	(\$31.410)	\$1.389	(\$6.239)
Other Fringe Benefits	\$1.478	\$5.395	\$3.917	\$6.921	\$1.526	\$6.545	(\$0.376)	\$6.490	(\$0.055)
Total Fringe Benefits	\$105.458	\$139.435	\$33.977	\$45.959	(\$93.476)	\$14.173	(\$31.786)	\$7.879	(\$6.294)
Reimbursable Overhead	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Labor Expenditures</b>	<b>\$123.476</b>	<b>\$139.377</b>	<b>\$15.901</b>	<b>\$55.569</b>	<b>(\$83.808)</b>	<b>\$24.110</b>	<b>(\$31.459)</b>	<b>\$17.072</b>	<b>(\$7.038)</b>
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	\$2.120	\$0.000	(\$2.120)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Insurance	(\$16.606)	(\$3.246)	\$13.360	(\$0.018)	\$3.228	(\$0.963)	(\$0.945)	(\$4.842)	(\$3.879)
Claims	\$15.257	\$11.830	(\$3.427)	\$12.299	\$0.469	\$12.780	\$0.481	\$13.273	\$0.493
Paratransit Service Contracts	\$3.119	\$3.200	\$0.081	\$4.200	\$1.000	\$0.000	(\$4.200)	\$0.000	\$0.000
Mtce. and Other Operating Contracts	(\$3.200)	\$0.000	\$3.200	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Professional Service Contracts	\$5.705	\$4.496	(\$1.209)	\$4.200	(\$0.296)	\$4.200	\$0.000	\$4.200	\$0.000
Materials & Supplies	\$11.000	\$5.572	(\$5.428)	\$3.500	(\$2.072)	\$3.500	\$0.000	\$3.500	\$0.000
Other Business Expenditures	\$0.001	\$0.001	\$0.000	\$0.000	(\$0.001)	\$0.001	\$0.001	(\$0.001)	(\$0.002)
<b>Total Non-Labor Expenditures</b>	<b>\$17.396</b>	<b>\$21.853</b>	<b>\$4.457</b>	<b>\$24.181</b>	<b>\$2.328</b>	<b>\$19.518</b>	<b>(\$4.663)</b>	<b>\$16.130</b>	<b>(\$3.388)</b>
Other Expenditure Adjustments:									
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expenditure Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Cash Conversion Adjustments before Depreciation</b>	<b>\$270.747</b>	<b>\$174.847</b>	<b>(\$95.900)</b>	<b>\$85.574</b>	<b>(\$89.273)</b>	<b>\$58.592</b>	<b>(\$26.982)</b>	<b>\$35.364</b>	<b>(\$23.228)</b>
Depreciation Adjustment	\$891.000	\$981.600	\$90.600	\$1,086.500	\$104.900	\$1,191.300	\$104.800	\$1,292.500	\$101.200
<b>Baseline Total Cash Conversion Adj.</b>	<b>\$1,161.747</b>	<b>\$1,156.447</b>	<b>(\$5.300)</b>	<b>\$1,172.074</b>	<b>\$15.627</b>	<b>\$1,249.892</b>	<b>\$77.818</b>	<b>\$1,327.864</b>	<b>\$77.972</b>
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
Increase Express Bus Fare	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Cash Conversion Adjustments</b>	<b>\$1,161.747</b>	<b>\$1,156.447</b>	<b>(\$5.300)</b>	<b>\$1,172.074</b>	<b>\$15.627</b>	<b>\$1,249.892</b>	<b>\$77.818</b>	<b>\$1,327.864</b>	<b>\$77.972</b>

**MTA New York City Transit**  
**November Financial Plan 2005 - 2008**  
**Ridership/Traffic Volume (Utilization)**  
(in millions)

	2003 Actuals	2004 November Forecast	2005 Final Proposed Budget	2006	2007	2008
Subway	1,384.069	1,428.003	1,449.049	1,466.229	1,483.836	1,496.555
Bus	735.263	748.045	757.905	766.525	775.026	781.224
Paratransit*	3.564	3.723	4.664	5.270	5.955	6.730
<b>Baseline Total Ridership</b>	<b>2,122.896</b>	<b>2,179.771</b>	<b>2,211.618</b>	<b>2,238.024</b>	<b>2,264.817</b>	<b>2,284.509</b>
Impact of:						
2005 Program to Eliminate the Gap (PEGs)	0.000	0.000	(11.258)	(12.279)	(12.279)	(12.279)
2006 Program to Eliminate the Gap	0.000	0.000	0.000	(38.030)	(38.030)	(38.030)
Unspecified PEGs	0.000	0.000	0.000	0.000	0.000	0.000
Increase Express Bus Fare	0.000	0.000	(0.574)	(0.574)	(0.574)	(0.574)
<b>Total Ridership</b>	<b>2,122.896</b>	<b>2,179.771</b>	<b>2,199.786</b>	<b>2,187.141</b>	<b>2,213.934</b>	<b>2,233.626</b>

\* Paratransit ridership includes guests and personal care attendants.

**MTA New York City Transit**  
**November Financial Plan 2005-2008**  
**Summary of Major Plan-to-Plan Changes**

**2004: November Financial Plan vs. July Financial Plan**

**Revenue Changes**

Revenue changes from the July Plan resulted in an improvement of \$15.5 million.

- Additional Capital Program requirements increased reimbursements by \$10.5 million.
- Higher estimates of Urban Tax yields resulted in a \$6.5 million increase in paratransit reimbursements.
- Other operating revenue re-estimates resulted in a decrease of \$1.2 million. This decrease includes a renewal of a verizon telephone commission contract at a significant revenue reduction of \$2.4 million as cell-phone usage has largely replaced public telephone usage in the subway system.

**Expense Changes**

Expense changes from the July Plan resulted in reduced expenses of \$60.6 million. This consisted of favorable timing adjustments of \$49.1 million (expenses rescheduled to 2005 and 2006); non-cash adjustments netting to a favorable \$12.6 million; real non-reimbursable expense reductions of \$9.4 million and reimbursable expense increases of \$10.5 million.

Major variances include:

- Timing savings of \$28.3 million in facility renovation and relocation costs rescheduled to 2005 and 2006.
- Additional timing savings of \$20.8 million, largely in information services and car equipment program costs shifted to 2005 and 2006.
- Non-cash depreciation expenses decreased by \$21.2 million due to updated information on the schedule of assets reaching beneficial use.
- Non-cash increases to the Worker's Compensation reserve of \$9.4 million based upon an assessment of current payouts.
- Reduced estimates of paratransit expenses saving \$8.6 million, including \$3.3 million from a projected reduction in completed trips and \$5.3 million in various non-labor costs.

**Cash Adjustments**

Cash adjustments were unfavorable by \$18.9 million. This included a net \$12.6 million to offset the favorable non-cash expense adjustments; an unfavorable \$16.6 million for the timing of MTA property insurance settlements and a favorable \$10.2 million for the timing of employee contract settlements, which will be offset in 2005 and 2006.

**Program to Eliminate the Gap (PEG)**

July Plan PEG savings were reduced by \$0.2 million.

- The reduction was due to re-estimates of implementation costs for the One Person Train Operation Program (OPTO) on the G and L Lines.

**Increase in Express Bus Fare**

No change from the July Plan.

## **2005: November Financial Plan vs. July Financial Plan**

### **Revenue Changes**

Revenue changes from the July Plan resulted in a \$37.4 million increase.

- Additional Capital Program requirements increased reimbursements by \$20.2 million.
- Farebox revenue is projected to increase by \$18.5 million due to a reduced estimate of 30-day pass market share and improved Global Insight employment projections.
- Other operating revenue re-estimates resulted in decrease of \$3.1 million. This decrease includes a renewal of a verizon telephone commission contract at a significant revenue reduction of \$3.7 million as cell-phone usage has largely replaced public telephone usage in the subway system.
- Higher estimates of Urban Tax yields resulted in a \$1.8 million increase in paratransit reimbursements.

### **Expense Changes**

Expense changes from the July Plan resulted in an increase of \$93.9 million, of which \$46.5 million represents costs shifted from 2004. The remaining changes consist of a net \$6.1 million increase in non-cash provisions; a \$20.2 million increase in reimbursable expenses (offset by reimbursable revenue) and non-reimbursable re-estimates of an unfavorable \$21.2 million, largely due to revised inflation estimates. Major variances include:

- \$27.4 million of increased expenses delayed from 2004, due in large part to the timing of facility rent, renovation & relocation-related costs associated with 2 Broadway, 130 Livingston Street, and a new site for Paratransit operations.
- \$19.1 million of additional costs shifted from 2004 from various project schedule changes largely in information services and car equipment.
- \$25.0 million of expense increases associated with an unfavorable mix of pay rates (\$7.6 million), higher diesel & heating fuel inflation assumptions (\$10.3 million), and a reforecast of Worker's Compensation reserve requirements (\$7.1 million).

### **Cash Adjustments**

Cash adjustments are projected to be unfavorable \$29.2 million to the July Plan. This includes unfavorable consolidation savings adjustments of \$16.7 million and the anticipated timing of union contract settlements which resulted in an unfavorable retroactive salaries & wages adjustment of \$10.2 million.

### **Program to Eliminate the Gap (PEG)**

July Plan PEG expense savings were reduced by \$1.0 million.

- The reduction was due to re-estimates of service spin-offs and implementation costs for the G and L Line OPTO costs.

### **Increase in Express Bus Fare**

July Plan expense savings were reduced by \$2.6 million.

- Anticipated changes to service levels for the express bus operation were rescheduled to September.

## **2006: November Financial Plan vs. July Financial Plan**

### **Revenue Changes**

Revenue changes from the July Plan resulted in an increase of \$22.5 million.

- Farebox revenue is projected to increase by \$18.1 million due to a reduced estimate of 30-day pass market share and improved Global Insight employment projections.
- Additional Capital Program requirements increased reimbursements by \$5.6 million.
- Other operating revenue re-estimates resulted in decrease of \$3.1 million. This decrease includes a renewal of a verizon telephone commission contract at a significant revenue reduction of \$3.7 million as cell-phone usage has largely replaced public telephone usage in the subway system.
- Higher estimates of Urban Tax yields resulted in a \$2.0 million increase in paratransit reimbursements.

### **Expense Changes**

Expense changes from the July Plan resulted in an increase of \$51.6 million.

- Depreciation expenses increased by \$26.1 million due to updated information on the schedule of assets reaching beneficial use.
- \$31.3 million of expense increases associated with an unfavorable mix of pay rates (\$9.0 million), higher diesel & heating fuel inflation assumptions (\$8.9 million), a reforecast of non-cash Worker's Compensation reserve provisions (\$8.4 million), and the impact of supervisor's wage/contract settlement (\$5.0).
- Additional Capital Program requirements increased expenses by \$5.6 million.
- Reduced expenses (mostly salaries & wages) of \$19.5 million resulting from revised Global Insight inflation assumptions.

### **Cash Adjustments**

Cash adjustments are projected to be favorable \$22.7 million to the July Plan. This included a net of \$34.5 million to offset unfavorable non-cash expense adjustments partly offset by unfavorable consolidation savings adjustments of \$16.7 million.

### **Program to Eliminate the Gap (PEG)**

July Plan PEG savings were increased by \$6.1 million.

- A \$0.9 million savings increase was due to re-estimates of bus service plan off-peak guidelines and service spin-offs partly offset by re-estimates of implementation costs for the G and L Line OPTO costs.
- An increase in unspecified PEG savings of \$5.2 million was required to meet MTA targets.

### **Increase in Express Bus Fare**

July Plan savings did not change.

## **2007: November Financial Plan vs. July Financial Plan**

### **Revenue Changes**

Revenue changes from the July Plan resulted in an increase of \$13.0 million.

- Farebox revenue is projected to increase by \$13.4 million due to a reduced estimate of 30-day pass market share and improved Global Insight employment projections.
- Other operating revenue re-estimates resulted in decrease of \$3.1 million. This decrease includes a renewal of a verizon telephone commission contract at a significant revenue reduction of \$3.7 million as cell-phone usage has largely replaced public telephone usage in the subway system.
- Higher estimates of Urban Tax yields resulted in a \$2.3 million increase in paratransit reimbursements.

### **Expense Changes**

Expense changes from the July Plan resulted in an increase of \$23.9 million.

- Depreciation expenses increased by \$51.8 million due to updated information on the schedule of assets reaching beneficial use.
- \$29.1 million of expense increases associated with an unfavorable mix of pay rates (\$9.1 million), higher diesel & heating fuel inflation assumptions (\$6.6 million), a reforecast of Worker's Compensation reserve provisions (\$8.6 million), and the impact of supervisor's wage/contract settlement (\$4.8).
- Reduced expenses (mostly salaries & wages) of \$38.7 million resulting from revised Global Insight inflation assumptions.
- Pension expense re-estimates resulted in a reduction of \$16.1 million.

### **Cash Adjustments**

Cash adjustments are projected to be favorable \$35.7 million to the July Plan. This included a net \$60.4 million to offset unfavorable non-cash expense adjustments and unfavorable consolidation savings adjustments of \$16.7 million.

### **Program to Eliminate the Gap (PEG)**

July Plan PEG savings were decreased by \$4.6 million.

- A savings increase of \$0.8 million was due to re-estimates of bus service plan off-peak guidelines and service spin-offs partly offset by re-estimates of implementation costs for the G and L Line OPTO costs.
- July unspecified savings of \$5.4 million were eliminated as they were replaced by baseline improvements.

### **Increase in Express Bus Fare**

July Plan savings did not change.

## **2008: November Financial Plan vs. July Financial Plan**

### **Revenue Changes**

Revenue changes from the July Plan resulted in a decrease of \$0.4 million.

- Farebox revenue is projected to increase by \$5.1 million due to a reduced estimate of 30-day pass market share and improved Global Insight employment projections.
- Other operating revenue re-estimates resulted in decrease of \$3.1 million. This decrease includes a renewal of a verizon telephone commission contract at a significant revenue reduction of \$3.7 million as cell-phone usage has largely replaced public telephone usage in the subway system.
- Higher estimates of Urban Tax yields resulted in a \$2.7 million increase in paratransit reimbursements.
- Reduced Capital Program requirements decreased reimbursements by \$5.1 million.

### **Expense Changes**

Expense changes from the July Plan resulted in a decrease of \$28.8 million.

- Reduced expenses (mostly salaries & wages) of \$59.9 million resulting from revised Global Insight inflation assumptions.
- Pension expense re-estimates resulted in a reduction of \$55.8 million.
- Paratransit re-estimates resulting in a savings of \$17.0 million.
- Depreciation expenses increased by \$70.8 million due to updated information on the schedule of assets reaching beneficial use.
- \$28.5 million of expense increases associated with an unfavorable mix of pay rates (\$8.7 million), higher diesel & heating fuel inflation assumptions (\$6.4 million), a reforecast of non-cash Worker's Compensation reserve requirements (\$9.1 million), and the impact of supervisor's wage/contract settlement (\$4.3).

### **Cash Adjustments**

Cash adjustments are projected to be favorable \$56.1 million to the July Plan. This included a net \$79.9 million to offset unfavorable non-cash expense adjustments and an unfavorable consolidation savings adjustment of \$16.7 million.

### **Program to Eliminate the Gap (PEG)**

July Plan PEG savings were decreased by \$13.4 million.

- A savings increase of \$0.8 million was due to re-estimates of bus service plan off-peak guidelines and service spin-offs partly offset by re-estimates of implementation costs for the G and L Line OPTO costs.
- July unspecified savings of \$14.2 million were eliminated as they were replaced by baseline improvements.

### **Increase in Express Bus Fare**

July Plan savings did not change.

## **Other Assumptions**

### **Total Non-reimbursable and Reimbursable Positions**

- Of the total baseline increase of 93 positions in 2004, 46 positions are required for increased reimbursable support activities while the 47 non-reimbursable position increase largely represents accelerated 2005 investments for enhanced maintenance of MVM and other AFC equipment.
- The 2004 PEG reduction of 21 in position savings represents positions added to support the implementation of OPTO on the G & L Lines.
- The 2005 PEG reduction of 27 in position savings largely represents a re-estimate of Bus Service Plan PEGs due essentially to the swapping of overtime savings for position reductions.



**MTA New York City Transit**  
**November Financial Plan 2005 - 2008**  
**Summary of Changes Between Financial Plans by Category**  
**(\$ in millions)**

NON-REIMBURSABLE	Favorable/(Unfavorable)				
	2004	2005	2006	2007	2008
<b>2004 July Financial Plan - Baseline Net Cash Income/(Deficit)</b>	<b>(\$1,320.967)</b>	<b>(\$1,661.381)</b>	<b>(\$1,955.324)</b>	<b>(\$2,141.335)</b>	<b>(\$2,356.270)</b>
<b>Baseline Changes:</b>					
Revenue					
Farebox Revenue Re-estimate	0.532	18.540	18.089	13.430	5.107
Republican National Convention-Farebox Revenue Loss	(0.878)	0.000	0.000	0.000	0.000
Paratransit Urban Tax Re-estimate	6.517	1.768	1.996	2.307	2.701
Other Operating Revenue Re-estimate	(1.215)	(3.115)	(3.115)	(3.115)	(3.115)
Sub-Total Revenue Changes	\$4.956	\$17.193	\$16.970	\$12.622	\$4.693
Expenses					
Facility Renovation & Relocation Cost Timing	28.315	(27.352)	(0.963)	0.000	0.000
Departmental Re-estimates-Timing	20.789	(19.079)	(1.710)	0.000	0.000
Depreciation Re-estimate-Non-cash	21.200	5.200	(26.100)	(51.800)	(70.800)
Worker's Compensation Reserve Adjustment-Non-cash	(9.409)	(7.100)	(8.400)	(8.600)	(9.100)
Public Liability Reserve Adjustment-Non-cash	5.000	0.000	0.000	0.000	0.000
Bond Issuance Costs-Non-cash	(4.200)	(4.200)	(4.200)	(4.200)	(4.200)
Diesel & Heating Fuel-Primarily Inflation Revision	(0.464)	(10.253)	(8.856)	(6.648)	(6.405)
Impact of Other Revised Inflation	0.000	(1.750)	19.497	38.665	59.932
Worker's Comp. Differential & Misc. Base Pay Adjustment	(0.805)	(1.704)	(1.704)	(1.704)	(1.704)
Power Usage	1.820	4.357	4.456	5.123	5.607
Worker's Comp. Board Special Assessment/Adm. Costs	(3.592)	(1.605)	(1.605)	(1.605)	(1.605)
Health & Welfare Re-estimates	2.560	5.478	4.973	4.880	4.892
Pension Re-estimate	(7.449)	(5.035)	(3.129)	16.137	55.836
MTA Insurance Re-estimate	(1.644)	(3.003)	(4.425)	(6.029)	(7.622)
Reagan Memorial Observance-One Additional Holiday	(6.927)	0.000	0.000	0.000	0.000
Fare Media Sales Costs	(1.053)	(1.401)	(0.694)	0.108	1.093
Pay Rates Re-estimate	(7.058)	(7.644)	(8.981)	(9.137)	(8.674)
Impact of Reimbursable Changes	7.345	1.802	1.151	0.889	0.995
Facility Renovation & Relocation Cost Savings	4.677	0.000	0.000	0.000	0.000
Revised Paratransit Carrier Cost Estimate	3.317	4.312	7.334	11.496	16.965
2004 Bus Service Cost Re-estimate	(1.229)	(2.863)	(2.963)	(3.163)	(3.163)
Supervisors' Wage/Contract Adjustments	1.936	(5.103)	(4.997)	(4.756)	(4.274)
Paratransit OTPS Re-estimate	5.261	0.000	0.000	0.000	0.000
Departmental Re-estimates-Real	14.339	3.952	(3.699)	(1.530)	(1.530)
Republican National Convention-Additional Costs	(1.158)	0.000	0.000	0.000	0.000
Other Reestimates-Mostly Inflation on Expense Changes	(0.490)	(0.635)	(1.018)	(1.686)	(2.472)
Sub-Total Expense Changes	\$71.081	(\$73.626)	(\$46.033)	(\$23.560)	\$23.771
Cash Adjustments:					
Revenue	0.000	0.000	0.000	0.000	0.000
Expense					
Depreciation Re-estimate Offset	(21.200)	(5.200)	26.100	51.800	70.800
Public Liability Reserve Adjustment Offset	(5.000)	0.000	0.000	0.000	0.000
Worker's Compensation Reserve Adjustment Offset	9.409	7.100	8.400	8.600	9.100
Bond Issuance Cost Offset	4.200	4.200	4.200	4.200	4.200
MTA Property Insurance Payment Timing	(16.606)	(3.246)	(0.018)	(0.963)	(4.842)
Retroactive Salaries & Wages-Timing	10.226	(10.158)	0.000	0.000	0.000
Public Liability Payment Adjustment	3.506	0.273	0.316	0.720	2.398
Worker's Compensation Payment Adjustment	(1.900)	(1.800)	(2.200)	(2.800)	(3.300)
Worker's Comp. Board Special Assessment/Adm. Costs	0.927	0.296	0.000	0.000	0.000
Consolidation Savings Adjustment	(3.300)	(16.700)	(16.700)	(16.700)	(16.700)
Payroll Clearing-Inflation Revision	(0.264)	(0.244)	(0.521)	(0.838)	(1.250)
Additional Inventory Drawdown	2.069	0.000	0.000	0.000	0.000
Pension Timing Re-estimate	0.878	0.536	0.066	(9.407)	(5.486)
Other Re-estimates	0.298	0.023	(0.025)	(0.040)	0.024
Sub-Total Cash Adjustment Changes	(\$16.757)	(\$24.920)	\$19.618	\$34.572	\$54.944
<b>Total Baseline Changes</b>	<b>\$59.280</b>	<b>(\$81.353)</b>	<b>(\$9.445)</b>	<b>\$23.634</b>	<b>\$83.408</b>
<b>2004 November Financial Plan - Baseline Net Cash Income/(Deficit)</b>	<b>(\$1,261.687)</b>	<b>(\$1,742.734)</b>	<b>(\$1,964.769)</b>	<b>(\$2,117.701)</b>	<b>(\$2,272.862)</b>
July Financial Plan - Program to Eliminate the Gap	\$16.502	\$124.254	\$256.385	\$234.438	\$288.949
<b>PEG &amp; Unspecified PEG Changes:</b>					
Changes to July PEGs-See Attached	(\$0.229)	(\$0.978)	\$0.922	\$0.828	\$0.840
Changes-Unspecified PEGs	\$0.000	\$0.000	\$5.182	(\$5.418)	(\$14.204)
Sub-Total PEG Changes	(\$0.229)	(\$0.978)	\$6.104	(\$4.590)	(\$13.364)
November Financial Plan - Program to Eliminate the Gap	\$16.273	\$123.276	\$262.489	\$229.848	\$275.585
July Financial Plan - Increase Express Bus Fare	\$0.000	\$19.470	\$19.985	\$19.985	\$19.985
Express Bus Service Implementation Delay	0.000	(2.639)	0.000	0.000	0.000
November Financial Plan - Increase Express Bus Fare	\$0.000	\$16.831	\$19.985	\$19.985	\$19.985
<b>2004 November Financial Plan - Net Cash Income/(Deficit)</b>	<b>(\$1,245.414)</b>	<b>(\$1,602.627)</b>	<b>(\$1,682.295)</b>	<b>(\$1,867.868)</b>	<b>(\$1,977.292)</b>

**MTA New York City Transit**  
**November Financial Plan 2005 - 2008**  
**Summary of Changes Between Financial Plans by Category**  
**(\$ in millions)**

REIMBURSABLE	Favorable/(Unfavorable)				
	2004	2005	2006	2007	2008
<b>2004 July Financial Plan - Baseline Net Cash Income/(Deficit)</b>	<b>\$9.199</b>	<b>\$9.291</b>	<b>(\$6.101)</b>	<b>(\$7.393)</b>	<b>(\$8.733)</b>
<b>Baseline Changes:</b>					
Revenue					
Capital Program Reimbursement Update	10.529	20.228	5.577	0.388	(5.060)
Sub-Total Revenue Changes	\$10.529	\$20.228	\$5.577	\$388	(\$5.060)
Expenses					
Capital Program Expense Update:					
Salaries & Wages	(5.982)	(6.986)	(4.050)	(1.253)	1.305
Fringe Benefits	0.480	(2.360)	(1.648)	(0.612)	1.394
Reimbursable Overhead	(6.554)	(0.049)	1.721	2.876	3.762
Other Than Personal Services	1.527	(10.833)	(1.600)	(1.399)	(1.401)
Sub-Total Expense Changes	(\$10.529)	(\$20.228)	(\$5.577)	(\$388)	\$5.060
Cash Adjustments:					
Revenue	0.000	0.000	0.000	0.000	0.000
Capital Reimbursements Timing	(2.180)	(4.315)	3.052	1.082	1.136
Expense	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Sub-Total Cash Adjustment Changes	(2.180)	(4.315)	3.052	1.082	1.136
<b>Total Baseline Changes</b>	<b>(\$2.180)</b>	<b>(\$4.315)</b>	<b>\$3.052</b>	<b>\$1.082</b>	<b>\$1.136</b>
<b>2004 November Financial Plan - Baseline Net Cash Income/(Deficit)</b>	<b>7.019</b>	<b>4.976</b>	<b>(3.049)</b>	<b>(6.311)</b>	<b>(7.597)</b>
July Financial Plan - Program to Eliminate the Gap	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>PEG &amp; Unspecified PEG Changes:</b>					
Changes to July PEGs	0.000	0.000	0.000	0.000	0.000
Changes-Unspecified PEGs	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
July Financial Plan - Increase Express Bus Fare	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Express Bus Service Implementation Delay	0.000	0.000	0.000	0.000	0.000
November Financial Plan - Increase Express Bus Fare	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>2004 November Financial Plan - Net Cash Income/(Deficit)</b>	<b>\$7.019</b>	<b>\$4.976</b>	<b>(\$3.049)</b>	<b>(\$6.311)</b>	<b>(\$7.597)</b>

**MTA New York City Transit**  
**November Financial Plan 2005 - 2008**  
**Summary of Changes Between Financial Plans by Category**  
**(\$ in millions)**

NON-REIMBURSABLE and REIMBURSABLE	Favorable/(Unfavorable)				
	2004	2005	2006	2007	2008
<b>2004 July Financial Plan - Baseline Net Cash Income/(Deficit)</b>	<b>(\$1,311.768)</b>	<b>(\$1,652.090)</b>	<b>(\$1,961.425)</b>	<b>(\$2,148.728)</b>	<b>(\$2,365.003)</b>
<i><b>Baseline Changes:</b></i>					
Revenue					
Farebox Revenue Re-estimate	0.532	18.540	18.089	13.430	5.107
Republican National Convention-Farebox Revenue Loss	(0.878)	0.000	0.000	0.000	0.000
Paratransit Urban Tax Re-estimate	6.517	1.768	1.996	2.307	2.701
Other Operating Revenue Re-estimate	(1.215)	(3.115)	(3.115)	(3.115)	(3.115)
Capital Program Reimbursement Update	10.529	20.228	5.577	0.388	(5.060)
Sub-Total Revenue Changes	\$15.485	\$37.421	\$22.547	\$13.010	(\$367)
Expenses					
Facility Renovation & Relocation Cost Timing	28.315	(27.352)	(0.963)	0.000	0.000
Departmental Re-estimates-Timing	20.789	(19.079)	(1.710)	0.000	0.000
Depreciation Re-estimate-Non-cash	21.200	5.200	(26.100)	(51.800)	(70.800)
Worker's Compensation Reserve Adjustment-Non-cash	(9.409)	(7.100)	(8.400)	(8.600)	(9.100)
Public Liability Reserve Adjustment-Non-cash	5.000	0.000	0.000	0.000	0.000
Bond Issuance Costs-Non-cash	(4.200)	(4.200)	(4.200)	(4.200)	(4.200)
Diesel & Heating Fuel-Primarily Inflator Revision	(0.464)	(10.253)	(8.856)	(6.648)	(6.405)
Impact of Other Revised Inflators	0.000	(1.750)	19.497	38.665	59.932
Worker's Comp. Differential & Misc. Base Pay Adjustment	(0.805)	(1.704)	(1.704)	(1.704)	(1.704)
Power Usage	1.820	4.357	4.456	5.123	5.607
Worker's Comp. Board Special Assessment/Adm. Costs	(3.592)	(1.605)	(1.605)	(1.605)	(1.605)
Health & Welfare Re-estimates	2.560	5.478	4.973	4.880	4.892
Pension Re-estimate	(7.449)	(5.035)	(3.129)	16.137	55.836
MTA Insurance Re-estimate	(1.644)	(3.003)	(4.425)	(6.029)	(7.622)
Reagan Memorial Observance-One Additional Holiday	(6.927)	0.000	0.000	0.000	0.000
Fare Media Sales Costs	(1.053)	(1.401)	(0.694)	0.108	1.093
Pay Rates Re-estimate	(7.058)	(7.644)	(8.981)	(9.137)	(8.674)
Impact of Reimbursable Changes	7.345	1.802	1.151	0.889	0.995
Facility Renovation & Relocation Cost Savings	4.677	0.000	0.000	0.000	0.000
Revised Paratransit Carrier Cost Estimate	3.317	4.312	7.334	11.496	16.965
2004 Bus Service Cost Re-estimate	(1.229)	(2.863)	(2.963)	(3.163)	(3.163)
Supervisors' Wage/Contract Adjustments	1.936	(5.103)	(4.997)	(4.756)	(4.274)
Paratransit OTPS Re-estimate	5.261	0.000	0.000	0.000	0.000
Departmental Re-estimates-Real	14.339	3.952	(3.699)	(1.530)	(1.530)
Republican National Convention-Additional Costs	(1.158)	0.000	0.000	0.000	0.000
Other Reestimates-Mostly Inflation on Expense Changes	(0.490)	(0.635)	(1.018)	(1.686)	(2.472)
Capital Program Expense Update	(10.529)	(20.228)	(5.577)	(0.388)	5.060
Sub-Total Expense Changes	\$60.552	(\$93.854)	(\$51.610)	(\$23.948)	\$28.831
Cash Adjustments:					
Revenue					
Capital Reimbursement Timing	(2.180)	(4.315)	3.052	1.082	1.136
Expense					
Depreciation Re-estimate Offset	(21.200)	(5.200)	26.100	51.800	70.800
Public Liability Reserve Adjustment Offset	(5.000)	0.000	0.000	0.000	0.000
Worker's Compensation Reserve Adjustment Offset	9.409	7.100	8.400	8.600	9.100
Bond Issuance Cost Offset	4.200	4.200	4.200	4.200	4.200
MTA Property Insurance Payment Timing	(16.606)	(3.246)	(0.018)	(0.963)	(4.842)
Retroactive Salaries & Wages-Timing	10.226	(10.158)	0.000	0.000	0.000
Public Liability Payment Adjustment	3.506	0.273	0.316	0.720	2.398
Worker's Compensation Payment Adjustment	(1.900)	(1.800)	(2.200)	(2.800)	(3.300)
Worker's Comp. Board Special Assessment/Adm. Costs	0.927	0.296	0.000	0.000	0.000
Consolidation Savings Adjustment	(3.300)	(16.700)	(16.700)	(16.700)	(16.700)
Payroll Clearing-Inflator Revision	(0.264)	(0.244)	(0.521)	(0.838)	(1.250)
Additional Inventory Drawdown	2.069	0.000	0.000	0.000	0.000
Pension Timing Re-estimate	0.878	0.536	0.066	(9.407)	(5.486)
Other Re-estimates	0.298	0.023	(0.025)	(0.040)	0.024
Sub-Total Cash Adjustment Changes	(\$18.937)	(\$29.235)	\$22.670	\$35.654	\$56.080
<b>Total Baseline Changes</b>	<b>\$57.100</b>	<b>(\$85.668)</b>	<b>(\$6.393)</b>	<b>\$24.716</b>	<b>\$84.544</b>
<b>2004 November Financial Plan - Baseline Net Cash Income/(Deficit)</b>	<b>(\$1,254.668)</b>	<b>(\$1,737.758)</b>	<b>(\$1,967.818)</b>	<b>(\$2,124.012)</b>	<b>(\$2,280.459)</b>
July Financial Plan - Program to Eliminate the Gap	\$16.502	\$124.254	\$256.385	\$234.438	\$288.949
<b>PEG &amp; Unspecified PEG Changes:</b>					
Changes to July PEGs-See Attached	(\$0.229)	(\$0.978)	\$0.922	\$0.828	\$0.840
Changes-Unspecified PEGs	\$0.000	\$0.000	\$5.182	(\$5.418)	(\$14.204)
Sub-Total PEG Changes	(\$0.229)	(\$0.978)	\$6.104	(\$4.590)	(\$13.364)
November Financial Plan - Program to Eliminate the Gap	\$16.273	\$123.276	\$262.489	\$229.848	\$275.585
July Financial Plan - Increase Express Bus Fare	\$0.000	\$19.470	\$19.985	\$19.985	\$19.985
Express Bus Service Implementation Delay	0.000	(2.639)	0.000	0.000	0.000
November Financial Plan - Increase Express Bus Fare	\$0.000	\$16.831	\$19.985	\$19.985	\$19.985
<b>2004 November Financial Plan - Net Cash Income/(Deficit)</b>	<b>(\$1,238.395)</b>	<b>(\$1,597.651)</b>	<b>(\$1,685.344)</b>	<b>(\$1,874.179)</b>	<b>(\$1,984.889)</b>

**MTA New York City Transit**  
**November Financial Plan 2005 - 2008**  
**Summary of 2005 Program to Eliminate the Gap**  
**(\$ in millions)**

	Favorable/(Unfavorable)									
	2004		2005		2006		2007		2008	
	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars
<b>LIST of PROGRAMS</b>										
<u>Administration:</u>										
Apprenticeship Program	45	\$ .975	60	\$2.437	74	\$2.862	74	\$3.076	74	\$3.076
Reduce Office of the Executive Vice President (EVP) Staff	1	\$ .071	2	\$ .390	2	\$ .390	2	\$ .390	2	\$ .390
Eliminate Apprenticeship Program	6	\$ .259	7	\$ .616	8	\$ .711	8	\$ .759	8	\$ .759
Token Scrap Revenue	-	\$ .500	-	\$ .000	-	\$ .000	-	\$ .000	-	\$ .000
Reduce Office of Management & Budget (OMB) Staff	1	\$ .213	1	\$ .123	1	\$ .123	1	\$ .123	1	\$ .123
Reduce Technology & Information Systems (TIS) Staffing	-	\$ .262	23	\$2.509	23	\$2.509	23	\$2.509	23	\$2.509
Technology & Information Systems Efficiency/Productivity Savings	-	\$ .262	(1)	\$ .680	(1)	\$ .680	(1)	\$ .680	(1)	\$ .680
Fringe Benefit Reforecast - Health & Welfare Management Action	-	\$11.800	-	\$11.800	-	\$11.800	-	\$11.800	-	\$11.800
Warehouse Inventory Cycle Count Savings	-	\$ .100	-	\$ .150	-	\$ .150	-	\$ .150	-	\$ .150
Reduce Materiel Positions & Other Than Personal Services (OTPS)	1	\$ .248	11	\$1.132	11	\$1.132	11	\$1.132	11	\$1.132
Subways Senior Vice President (SVP) Administrative Reductions	-	\$ .000	2	\$ .165	2	\$ .165	2	\$ .165	2	\$ .165
Perform Fewer Track Gap Measurements	-	\$ .000	-	\$ .162	-	\$ .162	-	\$ .162	-	\$ .162
Maintenance of Way (MOW) Administrative Reductions	-	\$ .000	16	\$1.365	16	\$1.365	16	\$1.365	16	\$1.365
Car Equipment Operations Support Reduction	-	\$ .000	14	\$1.008	14	\$1.008	14	\$1.008	14	\$1.008
Elevator & Escalator Personnel Reduction	-	\$ .000	6	\$ .433	6	\$ .433	6	\$ .433	6	\$ .433
Electro-Mechanical Personnel Reduction	-	\$ .000	3	\$ .151	3	\$ .151	3	\$ .151	3	\$ .151
Infrastructure Capital Construction Reduction	-	\$ .000	1	\$ .114	1	\$ .114	1	\$ .114	1	\$ .114
Infrastructure Replace Hourlies with Clericals	-	\$ .000	-	\$ .068	-	\$ .068	-	\$ .068	-	\$ .068
Signals 2 Position Reduction	-	\$ .000	2	\$ .228	2	\$ .228	2	\$ .228	2	\$ .228
Buses Administrative Support Reductions	-	\$ .000	21	\$1.900	21	\$1.900	21	\$1.900	21	\$1.900
Buses Depot Superintendent Reductions	-	\$ .000	4	\$ .464	4	\$ .464	4	\$ .464	4	\$ .464
Reduce Outside Counsel Fees	-	\$ .000	(4)	\$ .891	(4)	\$ .891	(4)	\$ .891	(4)	\$ .891
Reduce Law Staff	-	\$ .000	4	\$ .456	4	\$ .452	4	\$ .452	4	\$ .452
Reduce Law Other Than Personal Services (OTPS) & Other Expenses	-	\$ .000	-	\$1.535	-	\$1.485	-	\$1.485	-	\$1.485
Phase out Tuition Reimbursement Program	-	\$ .000	1	\$ .363	1	\$ .666	1	\$ .666	1	\$ .666
Reduce Human Resources Positions & Other Than Personal Services (OTPS)	-	\$ .000	7	\$ .581	8	\$ .694	8	\$ .694	8	\$ .694
Marketing, Administration and Other Savings	-	\$ .000	4	\$1.979	4	\$1.979	4	\$1.979	4	\$1.979
Electronics Maintenance Division Span of Control Savings	-	\$ .000	28	\$2.630	28	\$2.630	28	\$2.630	28	\$2.630
Reduce Automated Fare Control (AFC) Back-Office Staff	-	\$ .000	3	\$ .257	3	\$ .257	3	\$ .257	3	\$ .257
Reduce Normal Replacement Costs of Data Processing Equipment	-	\$ .000	-	\$3.518	-	\$ .000	-	\$ .000	-	\$ .000
Reduce Employee Recognition Program Positions	-	\$ .000	5	\$ .447	5	\$ .447	5	\$ .447	5	\$ .447
Reduce Controller's Staff & Overtime	-	\$ .000	5	\$ .502	5	\$ .502	5	\$ .502	5	\$ .502
Reduce Paratransit Administration Staff	-	\$ .000	8	\$ .653	8	\$ .653	8	\$ .653	8	\$ .653
Sub-Total Administration	54	\$14.690	233	\$39.669	249	\$37.071	249	\$37.333	249	\$37.333
<u>Customer Convenience &amp; Amenities:</u>										
Station Automation Plan	-	(\$4.000)	620	\$8.301	620	\$29.455	620	\$29.455	620	\$29.455
Work Experience Program (WEP) Program Reduction	-	\$ .000	9	\$1.253	9	\$1.253	9	\$1.253	9	\$1.253
Eliminate Cleaner Vacancies	-	\$ .000	-	\$1.247	-	\$1.247	-	\$1.151	-	\$1.151
Reduce Station Operations Support Unit	-	\$ .000	2	\$ .155	2	\$ .155	2	\$ .155	2	\$ .155
Reduce Training Float in Stations	-	\$ .000	11	\$ .652	11	\$ .652	11	\$ .652	11	\$ .652
Depot Cleaner Reductions	-	\$ .000	20	\$1.134	20	\$1.134	20	\$1.134	20	\$1.134
Encode Time and Value on MetroCards	-	\$ .000	1	\$ .376	1	\$ .706	1	\$ .706	1	\$ .706
Reduce/Eliminate Customer Service Programs	-	\$ .000	8	\$ .598	8	\$ .598	8	\$ .598	8	\$ .598
Sub-Total Customer Convenience & Amenities	-	(\$4.000)	671	\$13.716	671	\$35.200	671	\$35.104	671	\$35.104

**MTA New York City Transit**  
**November Financial Plan 2005 - 2008**  
**Summary of 2005 Program to Eliminate the Gap**  
**(\$ in millions)**

	Favorable/(Unfavorable)									
	2004		2005		2006		2007		2008	
	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars
<u>SERVICE</u>										
<u>Service Direct:</u>										
Subway Service Plan - G Line to Court Square 24x7	-	\$ .000	12	\$1.029	12	\$1.211	12	\$1.211	12	\$1.211
Bus Service Plan - Guideline Based Adjustments	-	\$ .000	23	\$2.273	23	\$2.481	23	\$2.481	23	\$2.481
Bus Service Plan - Off Peak Guidelines @ 100% Seated Load	-	\$ .000	625	\$38.335	625	\$41.925	625	\$41.925	625	\$41.925
Bus Service Plan - Average Rate and Availability Offset	-	\$ .000	(28)	(\$13.573)	(86)	(\$25.443)	(86)	(\$25.443)	(86)	(\$25.443)
Sub-Total Service Direct	-	\$ .000	632	\$28.064	574	\$20.174	574	\$20.174	574	\$20.174
<u>Service Spinoff:</u>										
Uniform and Footwear Savings	-	\$ .520	-	\$ .282	-	\$ .775	-	\$ .775	-	\$ .775
Rapid Transit Operations Training Float Reduction	-	\$ .000	27	\$5.031	2	\$1.841	2	\$1.122	2	\$ .122
Bus Dispatcher Reductions	-	\$ .000	23	\$1.803	24	\$2.053	24	\$2.053	24	\$2.053
Bus Training Program Reductions	-	\$ .000	75	\$5.564	74	\$6.099	73	\$4.964	39	\$2.785
Additional Bus Shop Maintenance Reductions - 2005 Service Plan	-	\$ .000	-	\$ .018	-	\$ .057	-	\$ .005	1	\$ .115
Bus Assistant General Superintendent Reductions	-	\$ .000	2	\$ .213	2	\$ .232	2	\$ .232	2	\$ .232
Sub-Total Service Spinoff	-	\$ .520	127	\$12.911	102	\$11.057	101	\$8.151	68	\$6.082
<u>Service Support:</u>										
One Person Train Operation (OPTO) - G Line	(7)	(\$ .078)	36	\$ .253	36	\$2.171	36	\$2.171	36	\$2.171
One Person Train Operation (OPTO) - L Line	(14)	(\$ .151)	71	\$2.906	71	\$4.158	71	\$4.158	71	\$4.158
Traffic Checker Productivity Savings	-	\$ .198	5	\$1.923	5	\$2.153	5	\$2.153	5	\$2.153
Rapid Transit Operations (RTO) Support Reductions	-	\$ .000	89	\$5.950	98	\$6.492	98	\$6.729	98	\$6.729
Eliminate Revenue Collections Booth Truck Crew	-	\$ .000	5	\$ .297	5	\$ .297	5	\$ .297	5	\$ .297
Joint Coin/Bill Processing	-	\$ .000	6	\$ .275	6	\$ .275	6	\$ .275	6	\$ .275
Sub-Total Service Support	(21)	(\$ .031)	212	\$11.604	221	\$15.546	221	\$15.783	221	\$15.783
SUB-TOTAL SERVICE	(21)	\$ .489	971	\$52.579	897	\$46.777	896	\$44.108	863	\$42.039
<u>Maintenance:</u>										
Increase Bus Shop Maintenance to a 4 Year Cycle	-	\$5.094	49	\$3.642	54	(\$ .265)	(132)	(\$27.970)	117	\$22.802
Worktrain Train Operator Savings	-	\$ .000	9	\$ .991	9	\$ .991	9	\$ .991	9	\$ .991
Car Equipment Overtime & Night Differential Reductions	-	\$ .000	-	\$ .442	-	\$ .442	-	\$ .442	-	\$ .442
Reschedule Car Equipment Facility Roof Repairs	-	\$ .000	-	\$1.000	-	\$ .000	-	\$ .000	-	\$ .000
Concrete Work Support Reduction	-	\$ .000	3	\$ .209	3	\$ .209	3	\$ .209	3	\$ .209
Booth Heating Ventilation & Air Conditioning (HVAC) Maintenance Reduction	-	\$ .000	27	\$1.917	27	\$1.917	27	\$1.917	27	\$1.917
Close Work Train Operations at 207th St. Yard	-	\$ .000	15	\$1.008	15	\$1.008	15	\$1.008	15	\$1.008
Eliminate Emergency Generator Maintenance Investment	-	\$ .000	2	\$ .138	2	\$ .138	2	\$ .138	2	\$ .138
Reduce Production Equipment Maintenance	-	\$ .000	11	\$ .806	11	\$ .806	11	\$ .806	11	\$ .806
Track Geometry Car Thermal Imaging Readings Reduction	-	\$ .000	1	\$ .070	1	\$ .070	1	\$ .070	1	\$ .070
Track Surfacing Support Reduction	-	\$ .000	4	\$ .259	4	\$ .259	4	\$ .259	4	\$ .259
Emergency Alarm Maintenance Cycle Extension	-	\$ .000	7	\$ .439	7	\$ .439	7	\$ .439	7	\$ .439
Reduce Amsterdam Annex Quota	-	\$ .000	25	\$1.693	25	\$1.693	25	\$1.693	25	\$1.693
Central Maintenance Facility Management/Supervisory Reductions	-	\$ .000	11	\$ .967	11	\$ .967	11	\$ .967	11	\$ .967
Electronics Mctc Division Other Than Personal Services (OTPS) Reductions	-	\$ .000	-	\$1.050	-	\$1.050	-	\$1.050	-	\$1.050
Reduce Warehousing Costs	-	\$ .000	14	\$1.952	14	\$1.952	14	\$1.952	14	\$1.952
Sub-Total Maintenance	-	\$5.094	178	\$16.583	183	\$11.676	(3)	(\$16.029)	246	\$34.743
<u>Other:</u>										
Office of System Safety Savings Plan	-	\$ .000	5	\$ .412	5	\$ .412	5	\$ .412	5	\$ .412
Reduce Contracted Security Services at New Revenue Facility	-	\$ .000	-	\$ .317	-	\$ .317	-	\$ .317	-	\$ .317
Sub-Total Other	-	\$ .000	5	\$ .729	5	\$ .729	5	\$ .729	5	\$ .729
<b>TOTAL 2004 - 2005 PEGS</b>	<b>33</b>	<b>\$16.273</b>	<b>2,058</b>	<b>\$123.276</b>	<b>2,005</b>	<b>\$131.454</b>	<b>1,818</b>	<b>\$101.246</b>	<b>2,034</b>	<b>\$149.949</b>

**MTA New York City Transit**  
**November Financial Plan 2005 - 2008**  
**Summary of 2006 Program to Eliminate the Gap**  
**(\$ in millions)**

	Favorable/(Unfavorable)									
	2004		2005		2006		2007		2008	
	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars
<b>LIST of PROGRAMS</b>										
<u>Administration:</u>										
None										
Sub-Total Administration	-	\$ .000	-	\$ .000	-	\$ .000	-	\$ .000	-	\$ .000
<u>Customer Convenience &amp; Amenities:</u>										
None										
Sub-Total Customer Convenience & Amenities	-	\$ .000	-	\$ .000	-	\$ .000	-	\$ .000	-	\$ .000
<u>SERVICE</u>										
<u>Service Direct:</u>										
Subway Service Plan - Policy Headways Evenings and Weekends	-	\$ .000	-	\$ .000	72	\$ 6.092	72	\$ 6.092	72	\$ 6.092
Subway Service Plan - 30 Minute Overnight Headways	-	\$ .000	-	\$ (0.00)	24	\$ 2.524	24	\$ 2.524	24	\$ 2.524
Subway Service Plan - 10% Service Cut	-	\$ .000	-	\$ (0.00)	375	\$ 19.506	375	\$ 19.506	375	\$ 19.506
Bus Service Plan - Off Peak Guidelines @ 125% Seated Load	-	\$ .000	-	\$ .000	483	\$ 32.129	483	\$ 32.129	483	\$ 32.129
Bus Service Plan - Discontinue Local Routes with Low Cost-Recovery	-	\$ .000	-	\$ .000	690	\$ 47.490	690	\$ 47.490	690	\$ 47.490
Bus Service Plan - Discontinue Remaining Late Night Service	-	\$ .000	-	\$ .000	145	\$ 8.743	145	\$ 8.743	145	\$ 8.743
Sub-Total Service Direct	-	\$ .000	-	\$ (0.00)	1,789	\$ 116.484	1,789	\$ 116.484	1,789	\$ 116.484
<u>Service Spinoff:</u>										
Bus Maintenance Support Reductions	-	\$ .000	-	\$ .000	2	\$ .233	2	\$ .233	2	\$ .233
Bus Line Supervisor Reductions	-	\$ .000	-	\$ .000	18	\$ 1.571	18	\$ 1.571	18	\$ 1.571
Additional Bus Administrative Support Reductions	-	\$ .000	-	\$ .000	2	\$ .195	2	\$ .195	2	\$ .195
Additional Bus Assistant General Superintendent Reductions	-	\$ .000	-	\$ .000	7	\$ .812	7	\$ .812	7	\$ .812
Additional Bus Dispatcher Reductions	-	\$ .000	-	\$ .000	47	\$ 4.020	47	\$ 4.020	47	\$ 4.020
Additional Bus Shop Maintenance Reductions - 2006 Service Plan	-	\$ .000	-	\$ .000	7	\$ 1.417	30	\$ 4.166	7	\$ 1.200
Bus Shop Management/Supervisory Reductions	-	\$ .000	-	\$ .000	4	\$ .368	4	\$ .368	4	\$ .368
Bus Transportation Command Center	-	\$ .000	-	\$ .000	3	\$ .277	3	\$ .277	3	\$ .277
Eliminate Training and Employment Center Positions	-	\$ .000	-	\$ .000	3	\$ .259	3	\$ .259	3	\$ .259
Reduce Labor Relations Field Operations Positions	-	\$ .000	-	\$ .000	3	\$ .217	3	\$ .217	3	\$ .217
Sub-Total Service Spinoff	-	\$ .000	-	\$ .000	96	\$ 9.369	119	\$ 12.118	96	\$ 9.152
<u>Service Support:</u>										
None										
Sub-Total Service Support	-	\$ .000	-	\$ .000	-	\$ .000	-	\$ .000	-	\$ .000
SUB-TOTAL SERVICE	-	\$ .000	-	\$ (0.00)	1,885	\$ 125.853	1,908	\$ 128.602	1,885	\$ 125.636
<u>Maintenance:</u>										
None										
Sub-Total Maintenance	-	\$ .000	-	\$ .000	-	\$ .000	-	\$ .000	-	\$ .000

**MTA New York City Transit**  
**November Financial Plan 2005 - 2008**  
**Summary of 2006 Program to Eliminate the Gap**  
**(\$ in millions)**

	Favorable/(Unfavorable)									
	2004		2005		2006		2007		2008	
	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars
<u>Other:</u>										
None										
Sub-Total Other	-	\$ .000	-	\$ .000	-	\$ .000	-	\$ .000	-	\$ .000
<b>Subtotal</b>	-	<b>\$ .000</b>	-	<b>(\$ .000)</b>	<b>1,885</b>	<b>\$125.853</b>	<b>1,908</b>	<b>\$128.602</b>	<b>1,885</b>	<b>\$125.636</b>
Unspecified PEGs	-	\$ .000	-	\$ .000	-	\$5.182	-	\$ .000	-	\$ .000
<b>TOTAL 2006 PEGS</b>	-	<b>\$ .000</b>	-	<b>(\$ .000)</b>	<b>1,885</b>	<b>\$131.035</b>	<b>1,908</b>	<b>\$128.602</b>	<b>1,885</b>	<b>\$125.636</b>

**MTA New York City Transit**  
**November Financial Plan 2005 - 2008**  
**Total Non-Reimbursable - Reimbursable Positions at End-of-Year**  
**Full-Time Positions and Full Time Equivalents**

Departments	2003 Actuals*	2004 November Forecast	2005 Final Proposed Budget	2006	2007	2008
<b>Subways</b>						
Sr. Vice President	0	577	581	581	545	544
Service Delivery	0	14,332	14,260	14,170	14,172	14,183
Maintenance of Way & Rolling Stock	0	12,966	12,934	12,864	12,821	12,836
Subtotal	0	27,875	27,775	27,615	27,538	27,563
<b>Buses</b>						
Buses excl. Paratransit	0	14,256	14,296	14,415	14,492	14,464
Paratransit	0	109	109	109	109	109
Subtotal	0	14,365	14,405	14,524	14,601	14,573
<b>Exec. Vice President</b>						
Executive Vice President	0	21	20	20	20	20
Operations Planning	0	435	428	427	427	427
Human Resources	0	462	474	470	470	470
Revenue Control	0	591	613	613	613	613
Office of Management & Budget	0	36	36	36	36	36
Technology & Information Systems	0	560	534	532	531	531
Materiel	0	266	268	267	267	267
Supply Logistics	0	571	564	564	564	564
Controller	0	241	241	241	241	241
Subtotal	0	3,183	3,178	3,170	3,169	3,169
Office of the President	0	5	5	5	5	5
System Safety	0	93	93	93	93	93
Law	0	307	306	306	306	306
Corporate Communications	0	298	298	298	298	298
Labor Relations	0	107	108	107	107	107
Capital Program Management	0	1,566	1,566	1,566	1,566	1,566
Non-Departmental	0	0	19	55	19	19
<b>Baseline Total Positions</b>	47,768	47,799	47,753	47,739	47,702	47,699
Non-Reimbursable	42,278	42,065	42,398	42,494	42,496	42,503
Reimbursable	5,490	5,734	5,355	5,245	5,206	5,196
Total Full-Time	47,480	47,551	47,532	47,518	47,481	47,478
Total Full-Time-Equivalents	288	248	221	221	221	221
Impact of:						
2005 Program to Eliminate the Gap (PEGs)	0	(33)	(2,109)	(2,062)	(1,875)	(2,091)
2006 Program to Eliminate the Gap	0	0	0	(1,885)	(1,908)	(1,885)
Unspecified PEGs	0	0	0	0	0	0
Increase Express Bus Fare	0	0	(53)	(53)	(53)	(53)
<b>Total Positions</b>	47,768	47,766	45,591	43,739	43,866	43,670
Non-Reimbursable	42,278	42,032	40,236	38,494	38,660	38,474
Reimbursable	5,490	5,734	5,355	5,245	5,206	5,196
Total Full-Time	47,480	47,518	45,421	43,575	43,702	43,506
Total Full-Time-Equivalents	288	248	170	164	164	164

\*In early 2004, a major departmental reorganization was implemented resulting in the above new departmental structure.  
There is no 2003 incumbent data available that is comparable to the new structure.



**MTA New York City Transit**  
**November Financial Plan 2005 - 2008**  
**Summary of Changes Between Financial Plans**  
**Total Non-Reimbursable - Reimbursable Positions at End-of-Year**  
**Full-Time Positions and Full-Time Equivalents**  
**(\$ in millions)**

<b>Variance to July Plan Data:</b>		<b>Favorable/(Unfavorable)</b>				
<b>Departments</b>	<b>2003 Actuals</b>	<b>2004 November Forecast</b>	<b>2005 Final Proposed Budget</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
<b>Subways</b>						
Sr. Vice President	0	0	(4)	(4)	(4)	(4)
Service Delivery	0	(6)	(37)	(21)	(21)	(21)
Maintenance of Way & Rolling Stock	0	(76)	(9)	(55)	(32)	(32)
Subtotal	0	(82)	(50)	(80)	(57)	(57)
<b>Buses</b>						
Buses excl. Paratransit	0	(14)	(45)	(34)	(34)	(34)
Paratransit	0	0	0	0	0	0
Subtotal	0	(14)	(45)	(34)	(34)	(34)
<b>Exec. Vice President</b>						
Executive Vice President	0	0	0	0	0	0
Operations Planning	0	0	26	26	26	26
Human Resources	0	0	0	0	0	0
Revenue Control	0	0	0	0	0	0
Office of Management & Budget	0	0	0	0	0	0
Technology & Information Systems	0	3	3	3	3	3
Materiel	0	0	(2)	(2)	(2)	(2)
Supply Logistics	0	(1)	(1)	(1)	(1)	(1)
Controller	0	0	0	0	0	0
Subtotal	0	2	26	26	26	26
Office of the President	0	0	0	0	0	0
System Safety	0	0	0	0	0	0
Law	0	0	0	0	0	0
Corporate Communications	0	0	0	0	0	0
Labor Relations	0	(2)	(3)	(2)	(2)	(2)
Capital Program Management	0	0	0	0	0	0
Non-Departmental	0	3	(8)	(8)	(8)	(8)
<b>Baseline Total Positions</b>	0	(93)	(80)	(98)	(75)	(75)
<i>Non-Reimbursable</i>	0	(47)	(41)	(63)	(39)	(39)
<i>Reimbursable</i>	0	(46)	(39)	(35)	(36)	(36)
<i>Total Full-Time</i>	0	(93)	(106)	(124)	(101)	(101)
<i>Total Full-Time-Equivalents</i>	0	0	26	26	26	26
Impact of:						
2005 Program to Eliminate the Gap (PEGs)	0	(21)	(22)	(19)	(20)	(20)
2006 Program to Eliminate the Gap	0	0	(5)	36	36	36
Unspecified PEGs	0	0	0	0	0	0
Increase Express Bus Fare	0	0	(5)	(5)	(5)	(5)
<b>Total Positions</b>	0	(114)	(112)	(86)	(64)	(64)
<i>Non-Reimbursable</i>	0	(68)	(73)	(51)	(28)	(28)
<i>Reimbursable</i>	0	(46)	(39)	(35)	(36)	(36)
<i>Total Full-Time</i>	0	(114)	(138)	(112)	(90)	(90)
<i>Total Full-Time-Equivalents</i>	0	0	26	26	26	26