

VII. Agency Financial Plans

Bridges and Tunnels

MTA Bridges and Tunnels
2006 Final Proposed Budget
November Financial Plan 2006–2009

MISSION STATEMENT/MAJOR HIGHLIGHTS

MTA Bridges and Tunnels (B&T) operates seven bridges and two tunnels that form essential links for vehicular highway transportation in the New York City metropolitan region, while providing significant financial support for mass transit. On an average day, more than 800,000 vehicles use the nine crossings, generating more than \$1.2 billion in annual toll revenue. With nearly two-thirds of this toll revenue dedicated to mass transit, B&T performs a unique and vital function on behalf of regional mobility.

B&T's mission is carried out through 14 different departments, including the Operations workforce that manages the facilities on a day-to-day basis, and the Engineering and Construction Department that is responsible for maintaining the structural integrity of the facilities. The Operations Department employs 70 percent of the workforce, with Engineering and Construction employing another 10 percent. Each of the other B&T departments perform a wide variety of critical functions in support of B&T's dual responsibilities of moving vehicles across its facilities as efficiently as possible and providing essential financial assistance to the other MTA agencies.

MTA Bridges & Tunnels continues to be successful in achieving its primary goals in 2005. Total Support to Mass Transit for 2005 is now projected to be \$772.6 million, \$49.4 million higher than what was projected in the Adopted Budget and \$16.7 million greater than the July Forecast. Compared to the Adopted Budget and the July Forecast, revenue is projected to be higher by \$16.8 million and \$6.5 million, respectively. Expenses are expected to be lower by \$16.8 million and \$3.3 million, respectively. Since 1968, when B&T became part of the MTA, approximately \$14.9 billion has been provided to the MTA for support to mass transit.

As part of its effort to meet its financial goals, in 2005, B&T began implementing the Executive Director's request to reduce non-mission critical OTPS expenditures. These efforts include instituting new purchasing procedures that place limits on procurement credit card spending, changing the replacement cycle for some B&T vehicles from five to six years, extending the replacement cycle for computer equipment an additional year, and placing new restrictions on travel and furniture purchases. In addition to these changes in procedures, B&T has reduced the vehicle fleet size resulting in the elimination of ten vehicles, brought the process of inspecting vehicles in-house, and began purchasing smaller-sized vehicles, including more hybrid vehicles and more light-duty, rather than medium-duty, wreckers.

Operationally, safety is the agency's first priority. The number of lost-time injuries for B&T employees is down significantly from 2004; through August 2005, the year-to-date lost time injuries were just 30, as compared to 34 during the same period a year ago. Collisions at the facilities were reduced significantly from 2003 to 2004, and B&T is maintaining that success so far this year. Through August of 2005, the average number of collisions with serious injury per million vehicles was 0.74, as compared to 0.76 during the same period in 2004, and the overall average collision rate through August 2005 was 5.47 collisions per million vehicles as compared to 5.10 collisions per million vehicles during the same period in 2004.

Customer satisfaction is also a key goal for B&T. In its most recent survey, B&T's customers rated their overall satisfaction at 7.4 out of 10, the agency's second highest rating ever. Overall satisfaction with the agency's E-ZPass system was 8.6 and the overall satisfaction of B&T's cash customers was 7.2, both among the highest ever recorded. A new survey was carried out in the fall of this year, and results should be available by year end.

One factor driving the improvement in customer satisfaction is the reduction in median queue time during peak periods. E-ZPass enabled B&T to maintain low average peak hour queue times while managing record level traffic volumes in 2004. This trend is continuing so far this year. Through the second quarter 2005, the median queue time was 16.0 seconds against a goal of 20.0 seconds. Almost 74% of all weekday B&T traffic and nearly 84% of all weekday truck traffic uses E-ZPass.

Finally, the E-ZPass Tag Replacement Program, begun in 2002, continues to be successful. E-ZPass tags are being replaced prior to the end of their useful service lives (ensuring that customers are not delayed in the toll lanes due to an expired tag) with new tags that include a number of features that improve tag performance and battery life. These new tags currently account for approximately 74% of the total active tags held by B&T customers. The tag replacement program will be completed by the end of 2006.

FINANCIAL OVERVIEW

B&T's Financial Plan, consistent with its strategic operating and financial goals, is projecting net operating income of \$4.5 billion for the next five years (2005-2009) before factoring in the Program to Eliminate the Gap (PEG).

B&T's pre-PEG headcount will be 1,817 in 2006. Between 1994 and 2000, B&T reduced its headcount by over 200 positions primarily due to the implementation of E-ZPass and other initiatives. Since September 11, 2001, B&T has been asked to play an increasing security role and has added 265 positions (through 2005) to the budget for that purpose, primarily to secure its bridges and tunnels. An additional seven positions (four in 2005 and three in 2006) have been added for the maintenance of a new centralized access and monitoring control security system.

For the 2005 to 2006 period, B&T projects a total of \$1,807.9 million in net operating income before factoring in the Program to Eliminate the Gap (PEG). This consists of \$2,573.5 million in revenue offset by \$765.6 million in expenses. Taken together, 2005-2006 net operating income is \$5.0 million better than the July Financial Plan level. This financial success is being achieved while maintaining both the current service levels and B&T's continued commitment to safety and security.

- In 2007, B&T projects a total of \$892.8 million in net operating income before factoring in the Program to Eliminate the Gap (PEG). This consists of \$1,308.8 million in revenue offset by \$416.0 million in expenses.
- In 2008, B&T estimates \$892.0 million in net operating income before factoring in the Program to Eliminate the Gap (PEG). This consists of \$1,317.1 million in revenue offset by \$425.1 million in expenses.
- In 2009, B&T projects a total of \$880.1 million in net operating income before factoring in the Program to Eliminate the Gap (PEG). This consists of \$1,321.2 million in revenue offset by \$441.0 million in expenses.

2005 November Forecast

In the 2005 November Forecast, a total of \$908.2 million is projected in net operating income compared to \$874.6 in the 2005 Adopted Budget and \$898.4 in the 2005 July Mid-Year Budget. This consists of \$1,267.4 million in revenues, offset by \$359.2 million in expenses.

Revenues are higher than the July Mid-Year Forecast and the Adopted Budget by \$6.5 million and \$16.8 million, respectively. The increase from the July Mid-Year reflects primarily the write-off of the reserve for legal fees associated with the sale of the New York Coliseum (\$2.4 million), an increase in non-capital

reimbursable expenses for the adjustment in security wage levels (\$3.2 million), and higher toll revenue (\$0.5 million). The increase in revenue from the Adopted Budget is due primarily to higher toll revenue resulting from lower than expected traffic elasticities following the toll increase implemented on March 13, 2005. These gains in revenue were offset by an adjustment of non-capital reimbursements received for security expenses, due to the decrease in security-related overtime.

Operating expenses are composed of \$184.6 million in labor costs and \$174.6 million in non-labor expenses. Total expenses are lower by \$3.3 million from the July Mid-Year budget due to lower E-ZPass expenses (\$7.2 million) for both E-ZPass tag purchases and customer service center expenses, offset by higher than anticipated bridge painting expenses (\$3.9 million) at the Verrazano Narrows, Throgs Neck and Triborough Bridges due to favorable weather conditions. These activities will be discussed further in the Plan-to-Plan Summary of Changes. When compared to the Adopted Budget, total expenses are \$16.8 million lower due to reduced labor expenses (\$7.7 million) and lower non-labor costs (\$9.1 million).

In 2005, the total planned headcount is 1,815, which includes 45 capital reimbursable positions.

There are no new proposed PEGs in 2005.

2006 Final Proposed Budget - Baseline

In the 2006 Final Proposed Budget, a total of \$899.7 million is projected in net operating income for 2006 before factoring in the additional income resulting from PEGs. This consists of \$1,306.1 million in revenues, offset by \$406.4 million in expenses. Operating expenses are composed of \$197.2 million in labor costs and \$209.2 million in non-labor expenses.

In 2006, the total pre-PEG planned headcount will be 1,817, which includes 45 capital reimbursable positions. The 2006 Preliminary Budget also includes below-the-line gap closing actions of \$0.269 million for the reduction of three positions to bring total headcount to 1,814 in 2006. These actions will be discussed later in this document, under Gap Closing Measures. No new needs are anticipated in 2006.

Details regarding the reconciliation of the November Forecast to the July Mid-Year Budget and the assumptions for traffic and headcount are discussed in the Plan-to-Plan Summary of Changes and the Other Assumptions sections.

2007-2009 Projections

The 2007 projection for net operating income is \$892.8 million before factoring in the savings from PEGs. This consists of \$1,308.8 million in revenues, offset by \$416.0 million in expenses. Operating expenses are comprised of \$207.7 million in labor costs and \$208.3 million in non-labor expenses.

In 2007, the total pre-PEG planned headcount remains at 1,817, which includes 45 capital reimbursable positions. The 2007 projection also includes below-the-line gap closing actions of \$0.396 million and the reduction of five administrative positions to bring the total headcount to 1,812 in 2007. These actions are discussed later in this document under Gap Closing Measures. No new needs are anticipated at this time for 2007.

The 2008 and 2009 projections for net operating income are \$892.0 million and \$880.1 million, respectively, before factoring in the savings from PEGs. For 2008, this consists of \$1,317.1 million in revenues, offset by \$425.1 million in expenses. Operating expenses are composed of \$217.7 million in labor costs and \$207.3 million in non-labor expenses. For 2009, net operating income consists of \$1,321.2 million in revenues, offset by \$441.0 million in expenses. The expenses are composed of \$228.3 million in labor costs and \$212.6 million in non-labor expenses.

In 2008 and 2009, the total pre-PEG planned headcount remains at 1,817, which continues to include the 45 capital reimbursable positions. The 2008 and 2009 projections also include below-the-line gap closing actions of \$0.396 million for the respective years, resulting in a headcount of 1,812. These actions are discussed later in this document under Gap Closing Measures. As was the case for previous years, no new needs are anticipated at this time for 2008 and 2009.

Details for the reconciliations of the November Forecast to the July Mid-Year Budget are discussed in the Plan-to-Plan Summary of Changes and the Other Assumptions section.

GAP CLOSING MEASURES

There were no changes to the PEGs submitted in the July Mid-Year Budget. The details are outlined below.

2006 PEG Actions

Total PEG actions beginning in 2006 are projected to generate \$0.269 million. The major proposed initiatives are:

- A reduction of three positions: two administrative and one supervisory. These are comprised of (a) an administrative reduction in the Payroll Department due to payroll process efficiencies totaling \$0.041 million; and (b) two positions in Revenue Management, one administrative and one supervisory, totaling \$0.084 million, due to efficiencies in the revenue audit process.
- A reduction in baseline overtime due to processing efficiencies in the arrest procedure by having access to the NYPD's on-line booking system, thus reducing the amount of time required per arrest. This will result in an overtime reduction of \$0.144 million.

2007 PEG Actions

Total PEG actions beginning in 2007 are projected to generate an additional \$0.396 million in expense reductions. The proposed initiatives are:

- A reduction of one additional administrative position in the Payroll Department, totaling \$0.045 million, due to efficiencies in the payroll process brought about by the implementation of an automated timecard system now being developed.
- A reduction of an administrative position in the Accounts Payable Department resulting from the decline in numbers of capital vouchers and invoices brought about by the new administrative budget controls, totaling \$0.042 million.

2008 and 2009 PEG Projections

Assuming all of the above initiatives are adopted and can be implemented, total PEG savings will amount to \$0.396 million in 2008 to 2009.

No new PEGs are scheduled to begin in 2008 or 2009.

MTA BRIDGES AND TUNNELS
November Financial Plan 2006 - 2009
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE

	2004	2005	2006			
	Actuals	November	Final			
		Forecast	Proposed	2007	2008	2009
			Budget			
Revenue						
Farebox Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vehicle Toll Revenue	1,096.988	1,207.393	1,238.291	1,239.576	1,247.438	1,249.134
Other Operating Revenue	9.719	19.250	23.964	23.061	20.915	21.036
Capital and Other Reimbursements	23.242	25.873	27.355	28.676	30.550	32.171
Investment Income	1.368	2.320	2.506	2.598	2.703	2.813
Total Revenue	\$1,131.317	\$1,254.836	\$1,292.116	\$1,293.912	\$1,301.606	\$1,305.155
Expenses						
Labor:						
Payroll	100.061	106.185	110.842	114.783	119.685	124.972
Overtime	23.391	23.149	22.628	22.070	22.685	23.345
Health and Welfare	23.461	25.717	28.380	30.806	33.682	36.825
Pensions	4.561	9.711	13.773	17.247	17.684	18.308
Other Fringe Benefits	12.292	12.678	13.870	14.403	15.112	15.775
Reimbursable Overhead	(5.361)	(5.430)	(6.254)	(6.415)	(6.594)	(6.788)
Total Labor Expenses	\$158.405	\$172.011	\$183.239	\$192.894	\$202.254	\$212.437
Non-Labor:						
Traction and Propulsion Power	-	-	-	-	-	-
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	8.486	9.235	10.558	11.561	12.663	13.878
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	118.332	125.511	152.029	159.200	154.078	157.464
Professional Service Contracts	13.483	13.878	15.590	16.970	17.243	17.554
Materials & Supplies	18.324	23.888	28.791	18.305	21.094	21.391
Other Business Expenses	2.187	2.087	2.222	2.224	2.253	2.287
Total Non-Labor Expenses	\$160.811	\$174.600	\$209.190	\$208.260	\$207.331	\$212.574
Other Expenses Adjustments:						
Other	-	-	-	-	-	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$319.216	\$346.610	\$392.429	\$401.154	\$409.585	\$425.011
Add: Depreciation	45.594	47.600	50.200	56.500	61.200	66.700
Total Expenses after Depreciation	\$364.810	\$394.210	\$442.629	\$457.654	\$470.785	\$491.711
Less: Depreciation	45.594	47.600	50.200	56.500	61.200	66.700
Total Expenses	\$319.216	\$346.610	\$392.429	\$401.154	\$409.585	\$425.011
Baseline Net Income/(Deficit)	\$812.102	\$908.226	\$899.687	\$892.758	\$892.021	\$880.144
2006 Program to Eliminate the Gap (PEGs)	-	-	0.269	0.309	0.309	0.309
Post-2006 Program to Eliminate the Gap (PEGs)	-	-	-	0.087	0.087	0.087
Net Income/(Deficit)	\$812.102	\$908.226	\$899.956	\$893.154	\$892.417	\$880.540

REIMBURSABLE

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MTA BRIDGES AND TUNNELS
November Financial Plan 2006 - 2009
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE AND REIMBURSABLE
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	2004 Actuals	2005 November Forecast	2006 Final Proposed Budget	2007	2008	2009
Revenue						
Farebox Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vehicle Toll Revenue	1,096.988	1,207.393	1,238.291	1,239.576	1,247.438	1,249.134
Other Operating Revenue	9.719	19.250	23.964	23.061	20.915	21.036
Capital and Other Reimbursements	35.753	38.465	41.329	43.532	46.023	48.201
Investment Income	1.368	2.320	2.506	2.598	2.703	2.813
Total Revenue	\$1,143.828	\$1,267.428	\$1,306.090	\$1,308.768	\$1,317.079	\$1,321.185
Expenses						
Labor:						
Payroll	105.178	111.095	115.807	119.876	124.920	130.361
Overtime	23.391	23.186	22.835	22.470	23.085	23.745
Health and Welfare	24.552	26.940	29.738	32.293	35.310	38.608
Pensions	4.793	10.142	14.295	18.017	18.583	19.235
Other Fringe Benefits	13.002	13.239	14.538	15.094	15.829	16.518
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenses	\$170.916	\$184.603	\$197.213	\$207.750	\$217.727	\$228.467
Non-Labor:						
Traction and Propulsion Power	-	-	-	-	-	-
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	8.486	9.235	10.558	11.561	12.663	13.878
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	118.332	125.511	152.029	159.200	154.078	157.464
Professional Service Contracts	13.483	13.878	15.590	16.970	17.243	17.554
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Total Non-Labor Expenses	\$160.811	\$174.600	\$209.190	\$208.260	\$207.331	\$212.574
Other Expenses Adjustments:						
Other	-	-	-	-	-	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$331.727	\$359.202	\$406.403	\$416.010	\$425.058	\$441.041
Add: Depreciation	45.594	47.600	50.200	56.500	61.200	66.700
Total Expenses after Depreciation	\$377.321	\$406.802	\$456.603	\$472.510	\$486.258	\$507.741
Less: Depreciation	45.594	47.600	50.200	56.500	61.200	66.700
Total Expenses	\$331.727	\$359.202	\$406.403	\$416.010	\$425.058	\$441.041
Baseline Net Income/(Deficit)	\$812.102	\$908.226	\$899.687	\$892.758	\$892.021	\$880.144
2006 Program to Eliminate the Gap (PEGs)	-	-	0.269	0.309	0.309	0.309
Post-2006 Program to Eliminate the Gap (PEGs)				0.087	0.087	0.087
Net Income/(Deficit)	\$812.102	\$908.226	\$899.956	\$893.154	\$892.417	\$880.540

MTA BRIDGES AND TUNNELS
November Financial Plan 2006 - 2009
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE AND REIMBURSABLE
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	2004 Actuals	2005 November Forecast	2006 Final Proposed Budget	2007	2008	2009
Baseline Net Income/(Deficit)	\$ 812.102	\$ 908.226	\$ 899.687	\$ 892.758	\$ 892.021	\$ 880.144
<u>Deductions from Income:</u>						
Less: Capitalized Assets	4.184	10.099	12.491	12.703	12.940	13.210
Reserves	17.676	14.402	13.193	13.417	13.667	13.952
Adjusted Baseline Net Income/(Deficit)	\$ 790.242	\$ 883.725	\$ 874.003	\$ 866.637	\$ 865.415	\$ 852.981
Less: Debt Service	393.356	397.643	457.624	475.028	491.587	509.318
Income Available for Distribution	\$ 396.886	\$ 486.082	\$ 416.379	\$ 391.609	\$ 373.828	\$ 343.663
Distributable To:						
MTA - Investment Income	1.368	2.320	2.506	2.598	2.703	2.813
MTA - Distributable Income	241.938	284.969	257.738	246.185	237.248	222.104
NYCT - Distributable Income	153.579	198.793	156.135	142.826	133.877	118.746
Total Distributable Income:	\$ 396.885	\$ 486.082	\$ 416.379	\$ 391.609	\$ 373.828	\$ 343.663
Actual Cash Transfers:						
MTA - Investment Income	2.334	1.368	2.320	2.506	2.598	2.703
MTA - Transfers	228.048	308.536	260.461	247.340	238.142	223.618
NYCT - Transfers	148.633	207.307	160.401	144.157	134.772	120.259
Total Cash Transfers:	\$ 379.014	\$ 517.211	\$ 423.182	\$ 394.003	\$ 375.512	\$ 346.580
SUPPORT TO MASS TRANSIT:						
Total Revenues	1,143.828	1,267.428	1,306.090	1,308.768	1,317.079	1,321.185
Less: Net Operating Expenses	331.727	359.202	406.403	416.010	425.058	441.041
2006-2007 Program to Eliminate the GAP	-	-	0.269	0.396	0.396	0.396
Net Operating Income:	\$ 812.102	\$ 908.226	\$ 899.956	\$ 893.154	\$ 892.417	\$ 880.540
Deductions from Operating Income:						
B&T Debt Service	100.206	111.127	130.986	143.830	160.361	178.125
Capitalized Assets	4.184	10.099	12.491	12.703	12.940	13.210
Reserves	17.676	14.402	13.193	13.417	13.667	13.952
Total Deductions from Operating Inc:	\$ 122.066	\$ 135.628	\$ 156.670	\$ 169.951	\$ 186.967	\$ 205.288
Total Support to Mass Transit:	\$ 690.035	\$ 772.598	\$ 743.286	\$ 723.203	\$ 705.450	\$ 675.252

MTA Bridges and Tunnels
November Financial Plan 2006-2009
Year-to-Year Changes by Category - Accrual Basis

YEAR-TO-YEAR CHANGES: 2005-2009

Toll Revenue

- Toll revenues are estimated to reach \$1,207.4 million in 2005 and \$1,238.3 million in 2006. The growth of \$30.9 million is based on a full year's impact from the toll increase implemented on March 13, 2005, current traffic trends and economic forecasts provided by Global Insight.
- Projected revenues rise by \$1.3 million in 2007, \$7.9 million in 2008 (a leap year), and \$1.7 million in 2009, reflecting modest growth in regional (New York City, Long Island and Westchester) employment and other economic and operational considerations.
- Paid traffic is expected to reach 300.7 million vehicles in 2005, 301.4 million vehicles in 2006, 302.3 million in 2007, 304.7 million in 2008, and 305.6 million in 2009, 302.6 million in 2007, 305.0 million in 2008, and 306.0 million in 2009.

Other Operating Revenue

- Other Operating Revenue is estimated to increase by \$4.7 million in 2006 primarily due to a full year's collection of the \$1 per month E-ZPass account fee (an additional \$7.7 million offset primarily by the 2005 one-time write-off of the reserve for legal fees associated with the sale of the New York Coliseum)
- Total Other Operating Revenue declines by \$0.9 million in 2007 because the current E-ZPass Tag Swap Program, which routinely identifies accounts with lost tags that are subsequently assessed the appropriate fee, will be completed in 2006.
- Other Operating Revenue is projected to decrease by \$2.1 million in 2008, primarily due to a projected reduction in E-ZPass account maintenance fees based on potential changes in allocation formulas among E-ZPass agencies beginning in 2008.

Capital and Other Reimbursements

- Income from Capital and Other Reimbursements are projected to increase by approximately \$2.9 million in 2006, \$2.2 million in 2007, \$2.5 million in 2008, and \$2.2 million in 2009, due to an adjustment in wage levels for security personnel.

Investment Income

- The investment income plan for 2005 through 2009 reflects potential earnings on estimated fund balances based on Global Insight's forecasts for short-term investment yields.

Payroll

- In 2006, there is a total increase of \$4.5 million in payroll for contractual step-up increases, CPIU increases, and salaries for new personnel to repair and maintain the centralized access and monitoring control system.
- Expenses grow by \$4.1 million in 2007, \$5.0 million in 2008, and \$5.4 million in 2009 due to CPIU and contractual step-up increases.
- Pattern bargaining of 3% have been included in 2006 due to pending contract settlements. Out-year projections are 2.56% in 2007, 2.91% in 2008, and 3.07% in 2009, based on Global Insight's forecasts for national inflation applied to salaries and overtime.

Overtime

- There is a decrease of \$0.4 million between 2005 and 2006, which is largely the effect of a reduction in the amount of security-related overtime estimated in 2006.
- The decrease of \$0.4 million between 2006 and 2007 is due to a reduction in the overtime associated with capital construction.
- The year-over-year increases of \$0.6 million, \$0.7 million and \$0.7 million from 2007 to 2009 are the result of CPIU adjustments.

Health and Welfare

- The year-over-year increases from 2005 to 2009 are \$2.8 million, \$2.6 million, \$3.0 million and \$3.3 million. These increases are primarily due to a 9.34% CPIU for medical expenses that has been added to each year, based on estimates provided by the MTA.

Pensions

- The 2005 to 2007 increases reflect the latest NYCERS estimates received from the MTA. The increases for 2008 to 2009 are due to CPIU.

Other Fringe Benefits

- The year-over-year increases from 2005 to 2009 are \$0.1 million, \$0.6 million, \$0.7 million and \$0.7 million. These increases are due to the effect of CPIU inflators and estimates for Worker's Compensation based on information received from MTA Risk Management.

Insurance

- The increases of approximately \$1.1 million per year from 2006 through 2009 incorporate MTA Risk Management's estimates for property and general liability insurance.

Maintenance and Other Operating Contracts

- In 2006, expenses are \$26.5 million higher than 2005 primarily due to bridge painting requirements at the Throgs Neck, Verrazano-Narrows and Triborough Bridges (\$9.8 million) and potential start-up and transition costs for the new E-ZPass Customer Service Center contract (approximately \$10.0 million), higher E-ZPass Customer Service Center expenses for an adjustment in the staffing levels based on the contract (\$2.9 million), re-estimate of major maintenance (\$1.6 million), higher contractual costs for E-ZPass Equipment Maintenance (\$0.8 million) and other expenses adjusted by CPIU (\$1.4 million).
- The 2007 expenses increased by \$7.2 million over 2006 primarily due to additional bridge painting requirements (\$9.3 million) and CPIU increases offset by a net decline of \$2.3 million in estimated costs associated with the implementation of the new contract for running the E-ZPass Customer Service Center.
- In 2008, there is a decrease of \$5.1 million from 2007 primarily due to the expected completion of transitioning a new vendor for the E-ZPass Customer Service Center contract in 2007 (\$7.4 million) offset by CPIU increases.
- CPIU increases are 3.07% in 2005, 2.20% in 2006, 1.70% in 2007, 1.86% in 2008, and 2.09% in 2009, based on forecasts for national inflation provided by Global Insight.

Professional Service Contracts

- In 2006, expenses are \$1.7 million higher than 2005 primarily due to re-estimates of bond insurance fees (\$0.6 million), general engineering services (\$0.3 million) miscellaneous consulting services and advertising expenses (\$0.7 million) and CPIU increases.
- For 2007 expenses are \$1.4 million higher than 2006 primarily due to re-estimates of legal services, bond insurance services fees, training services and planning studies.
- In both 2008 and 2009, expenses are \$0.3 million higher, which is a result of CPIU increases.
- CPIU increases are 3.07% in 2005, 2.20% in 2006, 1.70% in 2007, 1.86% in 2008, and 2.09% in 2009, based on forecasts for national inflation provided by Global Insight.

Materials and Supplies

- In 2006, expenses are \$4.9 million higher than 2005 primarily due to increases in E-ZPass tag purchases from year to year.
- In 2007, expenses are \$10.4 million lower than 2006 primarily due to the completion of the E-ZPass tag replacement program (\$11.1 million). This is offset by increases from CPIU.
- The 2008 expenses are \$2.8 million higher primarily to cover the estimated inventory flows required to meet the tag needs associated with new and existing accounts (\$2.5 million). In addition, there are CPIU increases.
- For 2009, the increase of \$0.4 million in expenses is a result of CPIU increases.
- CPIU increases are 3.07% in 2005, 2.20% in 2006, 1.70% in 2007, 1.86% in 2008, and 2.09% in 2009, based on forecasts for national inflation provided by Global Insight.

Other Business Expenses

- For 2006 through 2008, the higher expenses reflect CPIU increases.
- CPIU increases are 3.07% in 2005, 2.20% in 2006, 1.70% in 2007, 1.86% in 2008, and 2.09% in 2009, based on forecasts for national inflation provided by Global Insight.

MTA BRIDGES AND TUNNELS
November Financial Plan 2006 - 2009
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE

	Favorable/(Unfavorable)								
	2005 November Forecast	2006 Final Proposed Budget	Change 2006 - 2005	2007	Change 2007 - 2006	2008	Change 2008 - 2007	2009	Change 2009 - 2008
Revenue									
Farebox Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vehicle Toll Revenue	1,207.393	1,238.291	30.898	1,239.576	1.285	1,247.438	7.862	1,249.134	1.696
Other Operating Revenue	19.250	23.964	4.714	23.061	(0.903)	20.915	(2.146)	21.036	0.121
Capital and Other Reimbursements	25.873	27.355	1.482	28.676	1.321	30.550	1.874	32.171	1.621
Investment Income	2.320	2.506	0.186	2.598	0.092	2.703	0.105	2.813	0.110
Total Revenue	\$ 1,254.836	\$ 1,292.116	\$ 37.280	\$ 1,293.912	\$ 1.795	\$ 1,301.606	\$ 7.694	\$ 1,305.155	\$ 3.549
Expenses									
Labor:									
Payroll	\$ 106.185	\$ 110.842	\$ (4.657)	\$ 114.783	\$ (3.941)	\$ 119.685	\$ (4.902)	\$ 124.972	\$ (5.287)
Overtime	23.149	22.628	0.521	22.070	0.558	22.685	(0.615)	23.345	(0.660)
Health and Welfare	25.717	28.380	(2.663)	30.806	(2.426)	33.682	(2.876)	36.825	(3.143)
Pensions	9.711	13.773	(4.062)	17.247	(3.474)	17.684	(0.437)	18.308	(0.624)
Other Fringe Benefits	12.678	13.870	(1.192)	14.403	(0.533)	15.112	(0.709)	15.775	(0.663)
Reimbursable Overhead	(5.430)	(6.254)	0.824	(6.415)	0.161	(6.594)	0.179	(6.788)	0.194
Total Labor Expenses	\$ 172.011	\$ 183.239	\$ (11.229)	\$ 192.894	\$ (9.655)	\$ 202.254	\$ (9.360)	\$ 212.437	\$ (10.183)
Non-Labor:									
Traction and Propulsion Power	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fuel for Buses and Trains	-	-	-	-	-	-	-	-	-
Insurance	9.235	10.558	(1.323)	11.561	(1.003)	12.663	(1.102)	13.878	(1.215)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	125.511	152.029	(26.518)	159.200	(7.171)	154.078	5.122	157.464	(3.386)
Professional Service Contracts	13.878	15.590	(1.712)	16.970	(1.380)	17.243	(0.273)	17.554	(0.311)
Materials & Supplies	23.888	28.791	(4.903)	18.305	10.486	21.094	(2.789)	21.391	(0.297)
Other Business Expenses	2.087	2.222	(0.135)	2.224	(0.002)	2.253	(0.029)	2.287	(0.034)
Total Non-Labor Expenses	\$ 174.600	\$ 209.190	\$ (34.590)	\$ 208.260	\$ 0.930	\$ 207.331	\$ 0.929	\$ 212.574	\$ (5.243)
Other Expenses Adjustments:									
Other	-	-	-	-	-	-	-	-	-
Total Other Expense Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenses before Depreciation	\$ 346.610	\$ 392.429	\$ (45.819)	\$ 401.154	\$ (8.724)	\$ 409.585	\$ (8.431)	\$ 425.011	\$ (15.426)
Add: Depreciation	47.600	50.200	(2.600)	56.500	(6.300)	61.200	(4.700)	66.700	(5.500)
Total Expenses after Depreciation	\$ 394.210	\$ 442.629	\$ (48.419)	\$ 457.654	\$ (15.024)	\$ 470.785	\$ (13.131)	\$ 491.711	\$ (20.926)
Less: Depreciation	47.600	50.200	(2.600)	56.500	(6.300)	61.200	(4.700)	66.700	(5.500)
Total Expenses	\$ 346.610	\$ 392.429	\$ (45.819)	\$ 401.154	\$ (8.724)	\$ 409.585	\$ (8.431)	\$ 425.011	\$ (15.426)
Baseline Net Income/(Deficit)	\$ 908.226	\$ 899.687	\$ (8.539)	\$ 892.758	\$ (6.929)	\$ 892.021	\$ (0.737)	\$ 880.144	\$ (11.877)
2006 Program to Eliminate the Gap (PEGs)	-	0.269	\$0.269	0.309	0.040	0.309	-	0.309	0.309
Post-2006 Program to Eliminate the Gap (PEGs)	-	-	\$0.000	0.087	0.087	0.087	-	0.087	0.087
Net Income/(Deficit)	\$ 908.226	\$ 899.956	\$ (8.270)	\$ 893.154	\$ (6.802)	\$ 892.417	\$ (0.737)	\$ 880.540	\$ (11.877)

REIMBURSABLE

Revenue

Expenses

Non-Labor:

Other Expenses Adjustments:

Total Other Expense Adjustments

Add: Depreciation

Less: Depreciation

Baseline Net Income/(Deficit)

Post-2006 Program to Eliminate the Gap (PEGs)

[illegible]

MTA BRIDGES AND TUNNELS
November Financial Plan 2006 - 2009
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE
(Page 1 of 2)

	Favorable/(Unfavorable)								
	2005 November Forecast	2006 Final Proposed Budget	Change 2006 - 2005	2007	Change 2007 - 2006	2008	Change 2008 - 2007	2009	Change 2009 - 2008
Revenue									
Farebox Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vehicle Toll Revenue	1,207.393	1,238.291	30.898	1,239.576	1.285	1,247.438	7.862	1,249.134	1.696
Other Operating Revenue	19.250	23.964	4.714	23.061	(0.903)	20.915	(2.146)	21.036	0.121
Capital and Other Reimbursements	38.465	41.329	2.864	43.532	2.203	46.023	2.491	48.201	2.178
Investment Income	2.320	2.506	0.186	2.598	0.092	2.703	0.105	2.813	0.110
Total Revenue	\$ 1,267.428	\$ 1,306.090	\$ 38.662	\$ 1,308.768	\$ 2.678	\$ 1,317.079	\$ 8.311	\$ 1,321.185	\$ 4.106
Expenses									
Labor:									
Payroll	\$ 111.095	\$ 115.807	\$ (4.712)	\$ 119.876	\$ (4.069)	\$ 124.920	\$ (5.044)	\$ 130.361	\$ (5.441)
Overtime	23.186	22.835	0.351	22.470	0.365	23.085	(0.615)	23.745	(0.660)
Health and Welfare	26.940	29.738	(2.798)	32.293	(2.555)	35.310	(3.017)	38.608	(3.298)
Pensions	10.142	14.295	(4.153)	18.017	(3.722)	18.583	(0.566)	19.235	(0.652)
Other Fringe Benefits	13.239	14.538	(1.299)	15.094	(0.556)	15.829	(0.735)	16.518	(0.689)
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
Total Labor Expenses	\$ 184.603	\$ 197.213	\$ (12.611)	\$ 207.750	\$ (10.537)	\$ 217.727	\$ (9.977)	\$ 228.467	\$ (10.740)
Non-Labor:									
Traction and Propulsion Power	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fuel for Buses and Trains	-	-	-	-	-	-	-	-	-
Insurance	9.235	10.558	(1.323)	11.561	(1.003)	12.663	(1.102)	13.878	(1.215)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	125.511	152.029	(26.518)	159.200	(7.171)	154.078	5.122	157.464	(3.386)
Professional Service Contracts	13.878	15.590	(1.712)	16.970	(1.380)	17.243	(0.273)	17.554	(0.311)
Materials & Supplies	23.888	28.791	(4.903)	18.305	10.486	21.094	(2.789)	21.391	(0.297)
Other Business Expenses	2.087	2.222	(0.135)	2.224	(0.002)	2.253	(0.029)	2.287	(0.034)
Total Non-Labor Expenses	\$ 174.600	\$ 209.190	\$ (34.590)	\$ 208.260	\$ 0.930	\$ 207.331	\$ 0.929	\$ 212.574	\$ (5.243)
Other Expenses Adjustments:									
Other	-	-	-	-	-	-	-	-	-
Total Other Expense Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenses before Depreciation	\$ 359.202	\$ 406.403	\$ (47.201)	\$ 416.010	\$ (9.607)	\$ 425.058	\$ (9.048)	\$ 441.041	\$ (15.983)
Add: Depreciation	47.600	50.200	(2.600)	56.500	(6.300)	61.200	(4.700)	66.700	(5.500)
Total Expenses after Depreciation	\$ 406.802	\$ 456.603	\$ (49.801)	\$ 472.510	\$ (15.907)	\$ 486.258	\$ (13.748)	\$ 507.741	\$ (21.483)
Less: Depreciation	47.600	50.200	(2.600)	56.500	(6.300)	61.200	(4.700)	66.700	(5.500)
Total Expenses	\$ 359.202	\$ 406.403	\$ (47.201)	\$ 416.010	\$ (9.607)	\$ 425.058	\$ (9.048)	\$ 441.041	\$ (15.983)
Baseline Net Income/(Deficit)	\$ 908.226	\$ 899.687	\$ (8.539)	\$ 892.758	\$ (6.929)	\$ 892.021	\$ (0.737)	\$ 880.144	\$ (11.877)
2006 Program to Eliminate the Gap (PEGs)	0.000	0.269	\$0.269	0.309	\$0.040	0.309	0.000	0.309	0.000
Post-2006 Program to Eliminate the Gap (PEGs)	0.000	0.000	\$0.000	0.087	\$0.087	0.087	0.000	0.087	0.000
Net Income/(Deficit)	\$ 908.226	\$ 899.956	\$ (8.270)	\$ 893.154	\$ (6.802)	\$ 892.417	\$ (0.737)	\$ 880.540	\$ (11.877)

MTA BRIDGES AND TUNNELS
November Financial Plan 2006 - 2009
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE
(Page 2 of 2)

	Favorable/(Unfavorable)								
	2005 November Forecast	2006 Final Proposed Budget	Change 2006 - 2005	2007	Change 2007 - 2006	2008	Change 2008 - 2007	2009	Change 2009 - 2008
Baseline Net Income/(Deficit)	\$ 908.226	\$ 899.687	\$ (8.539)	\$ 892.758	\$ (6.929)	\$ 892.021	\$ (0.737)	\$ 880.144	\$ (11.877)
<u>Deductions from Income:</u>									
Less: Capitalized Assets	10.099	12.491	(2.392)	12.703	(0.212)	12.940	(0.236)	13.210	(0.270)
Reserves	14.402	13.193	1.209	13.417	(0.224)	13.667	(0.250)	13.952	(0.286)
Adjusted Baseline Net Income/(Deficit)	\$ 883.725	\$ 874.003	\$ (9.722)	\$ 866.637	\$ (7.366)	\$ 865.415	\$ (1.223)	\$ 852.981	\$ (12.433)
Less: Debt Service	397.643	457.624	(59.981)	475.028	(17.404)	491.587	(16.559)	509.318	(17.731)
Income Available for Distribution	\$ 486.082	\$ 416.379	\$ (69.703)	\$ 391.609	\$ (24.770)	\$ 373.828	\$ (17.782)	\$ 343.663	\$ (30.164)
Distributable To:									
MTA - Investment Income	2.320	2.506	0.186	2.598	0.092	2.703	0.105	2.813	0.110
MTA - Distributable Income	284.969	257.738	(27.231)	246.185	(11.553)	237.248	(8.937)	222.104	(15.144)
NYCT - Distributable Income	198.793	156.135	(42.658)	142.826	(13.309)	133.877	(8.949)	118.746	(15.131)
Total Distributable Income:	\$ 486.082	\$ 416.379	\$ (69.703)	\$ 391.609	\$ (24.770)	\$ 373.828	\$ (17.781)	\$ 343.663	\$ (30.165)
Actual Cash Transfers:									
MTA - Investment Income	1.368	2.320	(0.952)	2.506	(0.186)	2.598	(0.092)	2.703	(0.105)
MTA - Transfers	308.536	260.461	48.075	247.340	13.120	238.142	9.199	223.618	14.523
NYCT - Transfers	207.307	160.401	46.906	144.157	16.244	134.772	9.385	120.259	14.513
Total Cash Transfers:	\$ 517.211	\$ 423.182	\$ 94.029	\$ 394.003	\$ 29.178	\$ 375.512	\$ 18.492	\$ 346.580	\$ 28.931
SUPPORT TO MASS TRANSIT:									
Total Revenues	1,267.428	1,306.090	38.662	1,308.768	2.678	1,317.079	8.311	1,321.185	4.106
Less: Net Operating Expenses	359.202	406.403	(47.201)	416.010	(9.607)	425.058	(9.048)	441.041	(15.983)
Program to Eliminate the Gap	-	0.269	0.269	0.396	0.127	0.396	-	0.396	-
Net Operating Income:	\$ 908.226	\$ 899.956	\$ (8.270)	\$ 893.154	\$ (6.802)	\$ 892.417	\$ (0.737)	\$ 880.540	\$ (11.877)
Deductions from Operating Income:									
B&T Debt Service	111.127	130.986	(19.859)	143.830	(12.844)	160.361	(16.531)	178.125	(17.764)
Capitalized Assets	10.099	12.491	(2.392)	12.703	(0.212)	12.940	(0.236)	13.210	(0.270)
Reserves	14.402	13.193	1.209	13.417	(0.224)	13.667	(0.250)	13.952	(0.286)
Total Deductions from Operating Inc:	\$ 135.628	\$ 156.670	\$ (21.042)	\$ 169.951	\$ (13.281)	\$ 186.967	\$ (17.017)	\$ 205.288	\$ (18.320)
Total Support to Mass Transit:	\$ 772.598	\$ 743.286	\$ (29.312)	\$ 723.203	\$ 6.478	\$ 705.450	\$ 16.280	\$ 675.252	\$ 6.443

MTA Bridges and Tunnels
November Financial Plan 2006-2009
Utilization

Ridership/Traffic Volume (Utilization)

Paid traffic volume is projected to reach 300.7 million vehicles in 2005, 0.8% less than the 2004 record high of 303.0 million vehicles. The estimated decline is based on current traffic trends, which may be influenced by higher fuel prices, as well as the toll increase implemented on March 13, 2005.

Traffic volumes are projected to grow an average of 0.4% per year from 2006 through 2009 and incorporate the current forecasts for regional employment and national inflation provided by Global Insight.

MTA BRIDGES AND TUNNELS
November Financial Plan 2006 - 2009
Ridership/Traffic Volume (Utilization)
(in millions)

	2004 Actuals	2005 November Forecast	2006 Final Proposed Budget	2007	2008	2009
Baseline Total Toll Revenue	\$1,096.988	\$1,207.393	\$1,238.291	\$1,239.576	\$1,247.438	\$1,249.134
<i>Impact of:</i>						
Program to Eliminate the Gap (PEG)	0.000	0.000	0.000	0.000	0.000	0.000
Total Toll Revenue	\$1,096.988	\$1,207.393	\$1,238.291	\$1,239.576	\$1,247.438	\$1,249.134
 Baseline Total Traffic	 302.955	 300.668	 301.434	 302.262	 304.699	 305.636
<i>Impact of:</i>						
Program to Eliminate the Gap (PEG)	0.000	0.000	0.000	0.000	0.000	0.000
Total Traffic	302.955	300.668	301.434	302.262	304.699	305.636

MTA Bridges and Tunnels
November Financial Plan 2006-2009
Summary of Major Programmatic Changes Between Financial Plans

<u>PLAN-TO-PLAN</u>	<u>Favorable/ (Unfavorable) (\$ in millions)</u>
2005: November Financial Plan vs. July Financial Plan	\$9.8
• Additional toll revenue resulting primarily from highly favorable weather during the summer months, offset by a downward re-estimation of the average toll.	\$0.5
• Other Operating revenue for write off of reserve for legal fees associated with the sale of the New York Coliseum	\$2.4
• Increase in other non-capital reimbursements for the adjustment in security wage levels	\$3.2
• Increase in investment income due to higher fund balances than projected	\$0.4
• Re-estimate of energy cost primarily due to rate increases realized in the 3 rd quarter of 2005	(\$1.3)
• Increase in bridge painting expenses at the Verrazano Narrows, Throgs Neck and Triborough Bridges due to favorable weather conditions.	(\$3.9)
• Lower E-ZPass tag expenses due to reductions in the number of tag purchases for regular inventory and the tag swap program	\$4.7
• Lower E-ZPass Customer Service Center expenses against the contract, primarily due to higher than planned vacancies during the year for Customer Service Representatives and lower administrative costs from the tag swap program	\$2.6
• Re-estimate of training services expenses	\$0.3
• Other non-programmatic expense re-estimates (offset by inflation)	\$0.9

Favorable/
(Unfavorable)
(\$ in millions)

2006: November Financial Plan vs. July Financial Plan **(\$4.8)**

• Toll revenues decrease due to a \$0.02 downward re-estimate of the average toll	(\$6.0)
• Increase in other non-capital reimbursements for the adjustment in security wage levels	\$2.7
• Increase in investment income due to higher fund balances	\$0.1
• Re-estimate of energy cost primarily due to rate adjustments	(\$1.7)
• Increase in major maintenance expenses primarily due to higher cost estimates for biennial inspections scheduled at the Triborough and Verrazano Narrows Bridges	(\$1.0)
• Re-estimate of training services expenses	\$0.4
• Other non-programmatic expenses re-estimates (offset by inflation)	\$0.7

2007: November Financial Plan vs. July Financial Plan **(\$6.8)**

• Toll revenues decrease due to a \$0.02 downward re-estimate of the average toll and minor decline in projected traffic resulting from Global Insight's most recent forecast for inflation	(\$7.6)
• Increase in other non-capital reimbursements for the adjustment in security wage levels	\$2.1
• Increase in investment income due to higher fund balances	\$0.2
• Re-estimate of energy cost primarily due to rate increases in the 3 rd quarter of 2005	(\$1.6)
• Other non-programmatic expenses re-estimates (offset by inflation)	\$0.1

Favorable/
(Unfavorable)
(\$ in millions)

2008: November Financial Plan vs. July Financial Plan **(\$6.2)**

• Toll revenues decrease due to a \$0.02 downward re-estimate of the average toll and minor decline in projected traffic resulting from Global Insight's most recent forecast for inflation	(\$7.4)
• Increase in other non-capital reimbursements for the adjustment in security wage levels	\$2.1
• Increase in investment income	\$0.2
• Re-estimate of energy cost due to rate increases in the 3 rd quarter of 2005	(\$1.5)
• Other non-programmatic expenses re-estimates (offset by inflation)	\$0.4

2009: November Financial Plan vs. July Financial Plan **\$6.2**

• Toll revenues decrease due to a \$0.02 downward re-estimate of the average toll and minor decline in projected traffic resulting from Global Insight's most recent forecast for inflation	(\$7.7)
• Increase in other non-capital reimbursements for the adjustment in security wage levels	\$2.1
• Increase in investment income	\$0.1
• Re-estimate of energy cost primarily due to rate increased in the 3 rd quarter of 2005	(\$1.6)
• Other non-programmatic expenses re-estimates (offset by inflation)	\$0.9

MTA BRIDGES AND TUNNELS
November Financial Plan 2006 - 2009
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2005 November Forecast	2006 Final Proposed Budget	2007	2008	2009
Baseline 2005 July Financial Plan - Net Operating Income	\$898.420	\$904.746	\$899.949	\$898.638	\$886.695
<i>Non-Reimbursable Major Changes</i>					
Revenue					
Toll Revenue (due to lower average toll per vehicle)	\$0.501	(\$6.029)	(\$7.595)	(\$7.410)	(\$7.690)
Write-off of liability for New York Coliseum	2.376	-	-	-	-
Other Reimbursements	3.229	2.673	2.128	2.136	2.134
Investment Income	0.371	0.087	0.174	0.174	0.104
Sub-Total Non-Reimbursable Revenue Changes	\$6.477	(\$3.269)	(\$5.293)	(\$5.101)	(\$5.452)
Expenses					
Increases in Energy Costs due to rate adjustments	(\$1.321)	(\$1.753)	(\$1.679)	(\$1.624)	(\$1.574)
Increases in Major Maintenance/Bridge Painting	(3.942)	(0.955)	-	-	-
Reduction in E-ZPass tag purchases	4.673	-	-	-	-
Reduction in E-ZPass Customer Service Center expenses	2.567	-	-	-	-
Reduction in training services	0.285	0.385	-	-	-
Other Non-Programmatic Expense Re-Estimates	1.067	0.802	0.177	0.504	0.871
Sub-Total Non-Reimbursable Expense Changes	\$3.329	(\$1.521)	(\$1.502)	(\$1.121)	(\$0.703)
Total Non-Reimbursable Major Changes	\$9.806	(\$4.790)	(\$6.795)	(\$6.221)	(\$6.155)
<i>Reimbursable Major Changes</i>					
Revenue					
Sub-Total Reimbursable Revenue Changes					
Expenses					
Sub-Total Reimbursable Expense Changes					
Total Reimbursable Major Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Accrual Changes	\$9.806	(\$4.790)	(\$6.795)	(\$6.221)	(\$6.155)
Cash Adjustment Changes					
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$9.806	(\$4.790)	(\$6.795)	(\$6.221)	(\$6.155)
Baseline 2005 November Financial Plan - Net Operating Income	\$908.226	\$899.956	\$893.154	\$892.417	\$880.540

MTA Bridges and Tunnels
November Financial Plan 2006-2009
Summary of Changes Between Financial Plans

<u>PLAN-TO-PLAN</u>	Favorable/ (Unfavorable) (\$ in millions)
2005: November Financial Plan vs. July Financial Plan	\$9.8
• Toll Revenue: Additional toll revenue primarily resulting from highly favorable weather during the summer months, offset by a downward re-estimation of the average toll	\$0.5
• Other Operating Revenue: Write off of the reserve for legal fees associated with the sale of the New York Coliseum	\$2.4
• Capital and Other Reimbursements: Increase in other non-capital reimbursements for the adjustment in security wage levels	\$3.2
• Investment Income: Increase in investment income due to higher fund balances than projected	\$0.4
• Overtime: Increase in overtime expenses resulting from higher workload and security overtime	(\$1.3)
• Fringe Benefits: Lower health and welfare costs, in addition to lower pension re-estimates provided by NYCERS	\$0.7
• Insurance: Adjustment in auto insurance costs	\$0.1
• Maintenance and Other Operating:	(\$2.3)
- Increase in bridge painting expenses at the Verrazano Narrows, Throgs Neck and Triborough Bridges due to favorable weather conditions	(\$3.9)
- Lower E-ZPass Customer Service Center expenses against the contract, primarily due to higher than planned vacancies for Customer Service Representatives and lower administrative costs from the tag swap program	\$2.6
- Reduction in E-ZPass equipment maintenance expenses	\$0.5
- Re-estimate of energy expenses due to rate increases realized in 3 rd quarter 2005 and consumption	(\$1.5)
• Professional Service Contracts:	\$1.6
- Re-estimate of professional services expenses primarily for legal services, planning studies and training services	\$0.7
- Lower General Engineering Services expenses	\$0.4
- Further reductions in procurement credit card expenses since restrictions were placed on spending limits	\$0.2
- Other Professional Service Contract adjustments	\$0.3

Favorable/
(Unfavorable)
(\$ in millions)

2005: November Financial Plan vs. July Financial Plan (cont'd)

• Materials and Supplies:	\$4.6
- Lower E-ZPass tag expenses due to reduction in number of tag purchases for regular inventory and the tag swap program	\$4.7
- Other Materials and Supplies adjustments	(\$0.1)
• Other Business Expenses	(\$0.1)

2006: November Financial Plan vs. July Financial Plan **(\$4.8)**

• Toll Revenue: Re-estimate of toll revenues due to a \$0.02 downward adjustment of the average toll, based on the accumulation of additional actual information since the toll increase	(\$6.0)
• Capital and Other Reimbursements: Increase in other non-capital reimbursements for the adjustment in security wage levels	\$2.7
• Investment Income: Increase in investment income due to adjustment in interest rates	\$0.1
• Payroll: Increase in payroll expenses due to re-estimate of vacancy rates resulting from retirements	(\$0.2)
• Overtime: Increase in overtime primarily due to higher workload overtime in Operations	(\$0.4)
• Fringe Benefits: Lower pension expenses due to re-estimate from NYCERS	\$1.1
• Maintenance and Other Operating:	(\$2.9)
- Increase in major maintenance expenses due to higher cost estimates for biennial inspections scheduled at the Triborough and Verrazano Narrows Bridges	(\$1.0)
- Re-estimate of energy expenses due to rate increases realized in 3 rd quarter 2005 and consumption	(\$1.8)
- Other Maintenance and Other Operating adjustments	(\$0.1)
• Professional Service Contracts: Re-estimate of professional services expenses primarily for legal services, planning studies and training services	\$1.0
• Materials and Supplies	(\$0.1)
• Other Business Expenses	(\$0.1)

Favorable/
(Unfavorable)
(\$ in millions)

2007: November Financial Plan vs. July Financial Plan **(\$6.8)**

• Toll Revenue: Re-estimate of toll revenues due to a \$0.02 downward re-estimate of the average toll and minor decline in projected traffic resulting from Global Insight's most recent forecast for inflation	(\$7.6)
• Capital and Other Reimbursements: Increase in other non-capital reimbursements for the adjustment in security wage levels	\$2.1
• Investment Income: Increase in investment income due to adjustment in interest rates	\$0.2
• Payroll: Adjustment in payroll expenses largely due to lower CPIU	\$0.1
• Overtime: Increase in overtime primarily due to higher workload overtime in Operations	(\$0.3)
• Fringe Benefits: Lower health and welfare fringe benefit expenses due to lower CPIU	\$0.3
• Maintenance and Other Operating:	(\$1.5)
- Re-estimate of energy expenses due to rate increases realized in 3 rd quarter 2005	(\$1.6)
- Other Maintenance and Other Operating adjustments	\$0.1
• Professional Service Contracts	\$0.0
• Materials and Supplies	\$0.0
• Other Business Expenses	(\$0.1)

Favorable/
(Unfavorable)
(\$ in millions)

2008: November Financial Plan vs. July Financial Plan **(\$6.2)**

• Vehicle Toll Revenue Re-estimate of toll revenues due to a \$0.02 downward re-estimate of the average toll and minor decline in projected traffic resulting from Global Insight's most recent forecast for inflation	(\$7.4)
• Capital and Other Reimbursements: Increase in other non-capital reimbursements for the adjustment in security wage levels	\$2.1
• Investment Income: Increase in investment income due to adjustment in interest rates	\$0.2
• Payroll: Adjustment in payroll expenses largely due to step-up increases caused by CPIU	(\$0.2)
• Overtime: Increase in overtime primarily due to higher workload overtime in Operations	(\$0.3)
• Fringe Benefits: Lower health and welfare fringe benefit expenses due to lower CPIU	\$0.3
• Maintenance and Other Operating:	(\$1.0)
- Re-estimate of energy expenses due to rate increases realized in 3 rd quarter 2005	(\$1.5)
- Other Maintenance and Other Operating adjustments	\$0.5
• Professional Service Contracts	\$0.0
• Materials and Supplies	\$0.1
• Other Business Expenses	\$0.0

Favorable/
(Unfavorable)
(\$ in millions)

2009: November Financial Plan vs. July Financial Plan

(\$6.2)

• Vehicle Toll Revenue: Re-estimate of toll revenues due to a 0.5% downward re-estimate of the average toll and minor decline in projected traffic resulting from Global Insight's most recent forecast for inflation	(\$7.7)
• Capital and Other Reimbursements: Increase in other non-capital reimbursements for the adjustment in security wage levels	\$2.1
• Investment Income: Increase in investment income due to adjustment in interest rates	\$0.1
• Payroll: Adjustment in payroll expenses largely due to step-up increases caused by CPIU	(\$0.4)
• Overtime: Increase in overtime primarily due to higher workload overtime in Operations	(\$0.2)
• Fringe Benefits: Lower health and welfare fringe benefit expenses due to lower CPIU	\$0.2
• Maintenance and Other Operating:	(\$0.6)
- Re-estimate of energy expenses due to rate increases realized in 3 rd quarter 2005	(\$1.6)
- Other Maintenance and Other Operating adjustments	\$0.6
• Professional Service Contracts	\$0.1
• Materials and Supplies	\$0.2
• Other Business Expenses	\$0.0

MTA BRIDGES AND TUNNELS
November Financial Plan 2006 - 2009
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE					
	2005 November Forecast	2006 Final Proposed Budget	2007	2008	2009
Baseline 2005 July Financial Plan - Net Operating Income	\$898.420	\$904.746	\$899.949	\$898.638	\$886.695
Baseline Changes					
Revenue					
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	0.501	(6.029)	(7.595)	(7.410)	(7.690)
Other Operating Revenue	2.376	-	-	-	-
Capital and Other Reimbursement	3.229	2.673	2.128	2.136	2.134
Investment Income	0.371	0.087	0.174	0.174	0.104
Total Revenue Changes	\$6.477	(\$3.269)	(\$5.293)	(\$5.101)	(\$5.452)
Expenses					
<i>Labor:</i>					
Payroll	\$0.000	(\$0.230)	\$0.088	(\$0.170)	(\$0.384)
Overtime	(1.336)	(0.386)	(0.292)	(0.291)	(0.247)
Health and Welfare	0.271	0.085	0.300	0.315	0.330
Pensions	0.317	1.134	-	-	0.011
Other Fringe Benefits	0.130	(0.052)	0.034	(0.019)	(0.070)
Reimbursable Overhead	-	-	-	-	-
Total Labor Expense Changes	(\$0.618)	\$0.551	\$0.129	(\$0.165)	(\$0.359)
<i>Non-Labor:</i>					
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-
Insurance	0.110	(0.001)	0.001	0.003	0.005
Claims	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	(2.341)	(2.937)	(1.512)	(1.022)	(0.598)
Professional Service Contracts	1.573	1.069	(0.058)	0.006	0.070
Materials & Supplies	4.597	(0.119)	(0.007)	0.107	0.222
Other Business Expenses	0.008	(0.083)	(0.055)	(0.049)	(0.044)
Total Non-Labor Expense Changes	\$3.947	(\$2.072)	(\$1.632)	(\$0.955)	(\$0.344)
Total Expense Changes	\$3.329	(\$1.521)	(\$1.502)	(\$1.120)	(\$0.703)
Cash Adjustment Changes					
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$9.806	(\$4.790)	(\$6.795)	(\$6.221)	(\$6.155)
Baseline 2005 November Financial Plan - Net Operating Income	\$908.226	\$899.956	\$893.154	\$892.417	\$880.540

MTA BRIDGES AND TUNNELS
November Financial Plan 2006 - 2009
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE					
	2005 November Forecast	2006 Final Proposed Budget	2007	2008	2009
Baseline 2005 July Financial Plan - Net Operating Income	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline Changes					
Revenue					
Farebox Revenue					
Vehicle Toll Revenue					
Other Operating Revenue					
Capital and Other Reimbursement					
Investment Income					
Total Revenue Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Expenses					
<i>Labor:</i>					
Payroll					
Overtime					
Health and Welfare					
Pensions					
Other Fringe Benefits					
Reimbursable Overhead					
Total Labor Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<i>Non-Labor:</i>					
Traction and Propulsion Power					
Fuel for Buses and Trains					
Insurance					
Claims					
Paratransit Service Contracts					
Maintenance and Other Operating Contracts					
Professional Service Contracts					
Materials & Supplies					
Other Business Expenses					
Total Non-Labor Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Cash Adjustment Changes					
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline 2005 November Financial Plan - Net Operating Income	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA BRIDGES AND TUNNELS
November Financial Plan 2006 - 2009
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE					
	2005 November Forecast	2006 Final Proposed Budget	2007	2008	2009
Baseline 2005 July Financial Plan - Net Operating Income	\$898.420	\$904.746	\$899.949	\$898.638	\$886.695
Baseline Changes					
Revenue					
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	0.501	(6.029)	(7.595)	(7.410)	(7.690)
Other Operating Revenue	2.376	-	-	-	-
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Total Revenue Changes	\$6.477	(\$3.269)	(\$5.293)	(\$5.101)	(\$5.452)
Expenses					
<i>Labor:</i>					
Payroll	\$0.000	(\$0.230)	\$0.088	(\$0.170)	(\$0.384)
Overtime	(1.336)	(0.386)	(0.292)	(0.291)	(0.247)
Health and Welfare	0.271	0.085	0.300	0.315	0.330
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Total Labor Expense Changes	(\$0.618)	\$0.551	\$0.129	(\$0.165)	(\$0.359)
<i>Non-Labor:</i>					
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-
Insurance	0.110	(0.001)	0.001	0.003	0.005
Claims	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	(2.341)	(2.937)	(1.512)	(1.022)	(0.598)
Professional Service Contracts	1.573	1.069	(0.058)	0.006	0.070
Materials & Supplies	4.597	(0.119)	(0.007)	0.107	0.222
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Total Non-Labor Expense Changes	\$3.947	(\$2.072)	(\$1.632)	(\$0.955)	(\$0.344)
Total Expense Changes	\$3.329	(\$1.521)	(\$1.502)	(\$1.120)	(\$0.703)
Cash Adjustment Changes					
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$9.806	(\$4.790)	(\$6.795)	(\$6.221)	(\$6.155)
Baseline 2005 November Financial Plan - Net Operating Income	\$908.226	\$899.956	\$893.154	\$892.417	\$880.540

MTA BRIDGES AND TUNNELS
November Financial Plan 2006 - 2009
Summary of 2006 PEGs
(\$ in millions)

	Favorable/(Unfavorable)									
	2005 November Forecast		2006 Final Proposed Budget		2007		2008		2009	
	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars
LIST of PROGRAMS										
Administration:										
- Reduction of supervisory position in Rev Mgmt.			1	\$.071	1	\$.071	1	\$.071	1	\$.071
- Reduction of admin position in Payroll Dept.			1	\$.041	1	\$.041	1	\$.041	1	\$.041
- Reduction of admin position in Revenue Mgmt.			1	\$.013	1	\$.053	1	\$.053	1	\$.053
- Reduce overtime for law-enforcing activities by decreasing arrest processing time			0	\$.144	0	\$.144	0	\$.144	0	\$.144
Sub-Total Administration	0	\$.000	3	\$.269	3	\$.309	3	\$.309	3	\$.309
Customer Convenience & Amenities:										
Sub-Total Customer Convenience & Amenities	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Service:										
Sub-Total Service	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Maintenance:										
Sub-Total Maintenance	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Revenue Enhancements:										
Sub-Total Revenue Enhancements	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Other:										
Sub-Total Other	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Total 2006 PEGs	0	\$.000	3	\$.269	3	\$.309	3	\$.309	3	\$.309

MTA BRIDGES AND TUNNELS
November Financial Plan 2006 - 2009
Summary of Post-2006 PEGs
(\$ in millions)

	Favorable/(Unfavorable)					
	2007		2008		2009	
	Positions	Dollars	Positions	Dollars	Positions	Dollars
LIST of PROGRAMS						
Administration:						
- Reduction of admin position in Payroll Dept.	1	\$.045	1	\$.045	1	\$.045
- Reduction of admin position in Accts Payable	1	\$.042	1	\$.042	1	\$.042
 Sub-Total Administration	 2	 \$.087	 2	 \$.087	 2	 \$.087
 Customer Convenience & Amenities:						
 Sub-Total Customer Convenience & Amenities	 0	 \$.000	 0	 \$.000	 0	 \$.000
 Service:						
 Sub-Total Service	 0	 \$.000	 0	 \$.000	 0	 \$.000
 Maintenance:						
 Sub-Total Maintenance	 0	 \$.000	 0	 \$.000	 0	 \$.000
 Revenue Enhancements:						
 Sub-Total Revenue Enhancements	 0	 \$.000	 0	 \$.000	 0	 \$.000
 Other:						
 Sub-Total Other	 0	 \$.000	 0	 \$.000	 0	 \$.000
Total Post-2006 PEGs	2	\$.087	2	\$.087	2	\$.087

MTA BRIDGES AND TUNNELS
November Financial Plan 2006 - 2009
Program to Eliminate the Gap Worksheet

PEG Program Category:

Administrative

Program:

Reduction of one administrative position in the Payroll Department

Background Details:

Elimination of an administrative position in the Payroll Department due to efficiencies brought about by the re-engineering of the timecard reconciliation process.

PEG Description and Implementation Plan:

Elimination of one administrative position in the Payroll Department resulting from efficiencies realized by re-engineering of the timecard reconciliation process.

PEG Implementation Date:

Jan-06

When will PEG savings begin?: Jan 2006

	2005 November Forecast	2006 Final Proposed Budget	2007	2008	2009
<i>Financial Impact (Operating)</i>					
Net Savings (in millions)	\$0.000	\$0.041	\$0.041	\$0.041	\$0.041
Total Reduction in Positions Required	0	1	1	1	1
<i>(List title of positions)</i>					
Clerical Aide					
Current Vacancies	0	0	0	0	0
<i>(List title of vacant positions)</i>					
<i>Impact on Operations:</i>					
Ridership Per Week (in thousands)					
Mean Distance Between Failure					
On-Time Performance					
Other					
(Identify Appropriate Indicator)					

List of Other Concerns:

MTA BRIDGES AND TUNNELS
November Financial Plan 2006 - 2009
Program to Eliminate the Gap Worksheet

PEG Program Category:

Supervisory

Program:

Reduction of one supervisory position in Revenue Mgmt

Background Details:

Elimination of a Revenue Audit Supervisor position through the reallocation of supervisory responsibilities to the three remaining Audit Supervisors.

PEG Description and Implementation Plan:

Reduction of one supervisory position in Revenue Mgmt resulting from the re-engineering of the audit process.

PEG Implementation Date:

January 2006

When will PEG savings begin?: January 2006

	2005 November Forecast	2006 Final Proposed Budget	2007	2008	2009
<i>Financial Impact (Operating)</i>					
Net Savings (in millions)	\$0.000	\$0.071	\$0.071	\$0.071	\$0.071
Total Reduction in Positions Required	0	1	1	1	1
<i>(List title of positions)</i>					
Revenue Audit Supervisor					
Current Vacancies	0	0	0	0	0
<i>(List title of vacant positions)</i>					
<i>Impact on Operations:</i>					
Ridership Per Week (in thousands)					
Mean Distance Between Failure					
On-Time Performance					
Other					
(Identify Appropriate Indicator)					

List of Other Concerns:

MTA BRIDGES AND TUNNELS
November Financial Plan 2006 - 2009
Program to Eliminate the Gap Worksheet

PEG Program Category:

Administrative

Program:

Reduction of one administrative position in Revenue Management.

Background Details:

Elimination of an Associate Bookkeeper position in Revenue Management in the last quarter of 2006. The work process will be reengineered by the last quarter 2006 and existing staff are expected to absorb the additional work.

PEG Description and Implementation Plan:

Elimination of one administrative position in Revenue Management in the last quarter of 2006, as a result of the re-engineering of the audit process and a reallocation of responsibilities.

PEG Implementation Date:

October 2006

When will PEG savings begin?: October 2006

	2005 November Forecast	2006 Final Proposed Budget	2007	2008	2009
<i>Financial Impact (Operating)</i>					
Net Savings (in millions)	\$0.000	\$0.013	\$0.053	\$0.053	\$0.053
Total Reduction in Positions Required	0	1	1	1	1
<i>(List title of positions)</i>					
Associate Bookkeeper					
Current Vacancies	0	0	0	0	0
<i>(List title of vacant positions)</i>					
<i>Impact on Operations:</i>					
Ridership Per Week (in thousands)					
Mean Distance Between Failure					
On-Time Performance					
Other					
(Identify Appropriate Indicator)					

List of Other Concerns:

MTA BRIDGES AND TUNNELS

November Financial Plan 2006 - 2009

Program to Eliminate the Gap Worksheet

PEG Program Category:

Administration

Program:

Reduce overtime associated with law-enforcement activities by improving arrest processing time.

Background Details:

Bridge and Tunnel Officers (BTOs) make approximately 1,500 arrests per year. Overtime is often necessary to either cover the normally scheduled duties for the arresting BTO or to extend his or her workday to enable the completion of the procedural requirements. During the first quarter of 2005, BTOs made 384 arrests and were paid for 5,993 overtime hours for related coverage.

PEG Description and Implementation Plan:

B&T proposes securing access to the NYPD's on-line booking system and establishing arrest processing centers at the Verrazano-Narrows Bridge and the Triborough Bridge. These changes would reduce arrest processing time by an estimated two hours per arrest, which would subsequently result in lower associated overtime costs.

PEG Implementation Date:

January 2006

When will PEG savings begin?: First quarter 2006

	2005 November Forecast	2006 Final Proposed Budget	2007	2008	2009
<i>Financial Impact (Operating)</i>					
Net Savings (in millions)	\$0.000	\$0.144	\$0.144	\$0.144	\$0.144

Total Reduction in Positions Required

(List title of positions)

Current Vacancies	0	0	0	0	0
<i>(List title of vacant positions)</i>					

Impact on Operations:

Ridership Per Week (in thousands)
Mean Distance Between Failure
On-Time Performance

Other
(Identify Appropriate Indicator)

List of Other Concerns:

MTA BRIDGES AND TUNNELS
November Financial Plan 2006 - 2009
Program to Eliminate the Gap Worksheet

PEG Program Category: Administrative

Program: Reduction of an administration position in the Payroll Department.

Background Details: Elimination of a position in the Payroll Department in 2007 due to expected efficiencies brought about by the implementation of the Kronos system (scheduled for the second half of 2006). Kronos is expected to automate some of the current manually performed payroll operations.

PEG Description and Implementation Plan: Elimination of an administrative position in the Payroll Department due to expected efficiencies resulting from the implementation of the Kronos system in the second half of 2006.

PEG Implementation Date: January 2007 **When will PEG savings begin?:** January 2007

	2005 November Forecast	2006 Final Proposed Budget	2007	2008	2009
<i>Financial Impact (Operating)</i>					
Net Savings (in millions)	\$0.000	\$0.000	\$0.045	\$0.045	\$0.045
Total Reduction in Positions Required	0	0	1	1	1
<i>(List title of positions)</i>					
Clerical Aide					
Current Vacancies	0	0	0	0	0
<i>(List title of vacant positions)</i>					
<i>Impact on Operations:</i>					
Ridership Per Week (in thousands)					
Mean Distance Between Failure					
On-Time Performance					
Other					
(Identify Appropriate Indicator)					

List of Other Concerns:

MTA BRIDGES AND TUNNELS
November Financial Plan 2006 - 2009
Program to Eliminate the Gap Worksheet

PEG Program Category:

Administration

Program:

Reduction of one administrative position in Accounts Payable

Background Details:

Elimination of a accounts payable position. It is expected that current payment voucher trends as a result of the Procurement Credit Card, a reduction in capital vouchers, and an anticipated reduction in invoices due to new administrative budget controls will allow the agency to reduce one of eight Accounts Payable positions.

PEG Description and Implementation Plan:

B&T proposes the reduction of one accounts payable position in 2007.

PEG Implementation Date:

January 2007

When will PEG savings begin?: January 2007

	2005 November Forecast	2006 Final Proposed Budget	2007	2008	2009
<i>Financial Impact (Operating)</i>					
Net Savings (in millions)	\$0.000	\$0.000	\$0.042	\$0.042	\$0.042

Total Reduction in Positions Required

(List title of positions)

Current Vacancies	0	0	0	0	0
<i>(List title of vacant positions)</i>					

Impact on Operations:

Ridership Per Week (in thousands)
Mean Distance Between Failure
On-Time Performance

Other
(Identify Appropriate Indicator)

List of Other Concerns:

MTA BRIDGES AND TUNNELS
November Financial Plan 2006 - 2009
PEG Reconciliation (List of Changes) Between Financial Plans
(\$ in millions)

	2005 November Forecast		2006 Final Proposed Budget		2007		2008		2009	
	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars
2005 July Financial Plan - Total PEGs	0	\$0.000	3	\$0.269	5	\$0.396	5	\$0.396	5	\$0.396
List of PEG Changes										
Administration										
- Reduction of supervisory position in Rev Mgmt.		-		-		-		-		-
- Reduction of admin position in Payroll Dept.		-		-		-		-		-
- Reduction of admin position in Revenue Mgmt.		-		-		-		-		-
- Reduce overtime for law-enforcing activities by decreasing arrest processing time		-		-		-		-		-
- Reduction of admin position in Payroll Dept.		-		-		-		-		-
- Reduction of admin position in Accts Payable		-		-		-		-		-
Total Administrative Changes	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Customer Convenience & Amenities (List changes by PEG)										
Total Customer Convenience & Amenities Changes	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Service (List changes by PEG)										
Total Service Changes	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Maintenance (List changes by PEG)										
Total Maintenance Changes	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Revenue Enhancements (List changes by PEG)										
Total Revenue Enhancement Changes	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Other (List changes by PEG)										
Total Other Changes	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Total PEG Changes	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
2005 November Financial Plan - Total PEGs	0	\$0.000	3	\$0.269	5	\$0.396	5	\$0.396	5	\$0.396

MTA Bridges and Tunnels
November Financial Plan 2006-2009
Positions

Position Table

The 2005 year-end authorized headcount is 1,815. In 2006, there is an increase of three additional positions for the maintenance of the centralized access and monitoring control security system and a reduction of one position in the Executive Office, resulting in a total headcount of 1,817. This is further adjusted by PEGs to eliminate three positions: two positions in Revenue Management due to efficiencies in the revenue auditing process and one in the Payroll Department due to efficiencies in the payroll process. The final 2006 total headcount is 1,814.

In 2007, there are PEG reductions to eliminate two positions : an administrative position in the Payroll Department due to efficiencies to be realized with the implementation of the automated timekeeping system and one from the Accounts Payable unit due to the decline in numbers of capital vouchers and invoices brought about by the new administrative budget controls. This will bring the total 2007 headcount to 1,812.

From 2008 through 2009, the number of positions remains constant.

Throughout the plan period, all of the security positions approved by the MTA since September 11th are expected to remain in the headcount.

MTA BRIDGES AND TUNNELS
November Financial Plan 2006 - 2009
Non-Reimbursable - Reimbursable Positions at End-of-Year
Full-Time Positions and Full Time Equivalents

FUNCTION/DEPARTMENT	2004 Actuals	2005 November Forecast	2006 Final Proposed Budget	2007	2008	2009
Administration	144	148	147	147	147	147
Executive	4	4	3	3	3	3
Law	9	10	10	10	10	10
CFO ⁽¹⁾	36	38	38	38	38	38
Labor Relations	4	5	5	5	5	5
Procurement & Materials	41	41	41	41	41	41
Staff Services ⁽²⁾	49	49	49	49	49	49
EEO	1	1	1	1	1	1
Operations	820	797	797	797	797	797
Revenue Management	45	48	48	48	48	48
Operations (Non-Security)	775	749	749	749	749	749
Maintenance	372	387	390	390	390	390
Maintenance	86	92	92	92	92	92
Operations - Maintainers	186	190	190	190	190	190
Procurement & Materials	14	14	14	14	14	14
Technology	56	58	58	58	58	58
Internal Security - Tech Svcs	30	33	36	36	36	36
Engineering/Capital	182	186	186	186	186	186
Engineering & Construction	163	167	167	167	167	167
Health & Safety	10	10	10	10	10	10
Planning & Budget Capital	9	9	9	9	9	9
Public Safety	293	297	297	297	297	297
Operations (Security)	259	261	261	261	261	261
Internal Security - Operations	34	36	36	36	36	36
Baseline Total Positions	1,811	1,815	1,817	1,817	1,817	1,817
<i>Non-Reimbursable</i>	<i>1,766</i>	<i>1,770</i>	<i>1,772</i>	<i>1,772</i>	<i>1,772</i>	<i>1,772</i>
<i>Reimbursable</i>	<i>45</i>	<i>45</i>	<i>45</i>	<i>45</i>	<i>45</i>	<i>45</i>
<i>Total Full-Time</i>	<i>1,811</i>	<i>1,815</i>	<i>1,817</i>	<i>1,817</i>	<i>1,817</i>	<i>1,817</i>
<i>Total Full-Time-Equivalents</i>						

Impact of:

2006 Program to Eliminate the Gap	(3)	(3)	(3)	(3)
Post-2006 Program to Eliminate the Gap	(2)	(2)	(2)	(2)

Total Positions	1,811	1,815	1,814	1,812	1,812	1,812
<i>Non-Reimbursable</i>	<i>1,766</i>	<i>1,770</i>	<i>1,769</i>	<i>1,767</i>	<i>1,767</i>	<i>1,767</i>
<i>Reimbursable</i>	<i>45</i>	<i>45</i>	<i>45</i>	<i>45</i>	<i>45</i>	<i>45</i>
<i>Total Full-Time</i>	<i>1,811</i>	<i>1,815</i>	<i>1,814</i>	<i>1,812</i>	<i>1,812</i>	<i>1,812</i>
<i>Total Full-Time-Equivalents</i>						

⁽¹⁾ includes Accounts Payable, Accounting, Payroll and Operating Budget staff.

⁽²⁾ includes Human Resources and Administration staff.

MTA BRIDGES AND TUNNELS
November Financial Plan 2006-2009

Total Full-time Positions and Full-time Equivalents by Function and Occupational Group
Non-Reimbursable and Reimbursable

FUNCTION/OCCUPATIONAL GROUP	Final Proposed 2006	2007	2008	2009
Administration				
Managers/Supervisors	42	42	42	42
Professional, Technical, Clerical	105	105	105	105
Operational Hourlies	-	-	-	-
Total Administration	147	147	147	147
Operations				
Managers/Supervisors	56	56	56	56
Professional, Technical, Clerical	62	62	62	62
Operational Hourlies ⁽¹⁾	679	679	679	679
Total Operations	797	797	797	797
Maintenance				
Managers/Supervisors	28	28	28	28
Professional, Technical, Clerical	59	59	59	59
Operational Hourlies ⁽¹⁾	303	303	303	303
Total Maintenance	390	390	390	390
Engineering/Capital				
Managers/Supervisors	35	35	35	35
Professional, Technical, Clerical	151	151	151	151
Operational Hourlies	-	-	-	-
Total Engineering/Capital	186	186	186	186
Public Safety				
Managers/Supervisors	11	11	11	11
Professional, Technical, Clerical	27	27	27	27
Operational Hourlies ⁽¹⁾	259	259	259	259
Total Public Safety	297	297	297	297
Total				
Managers/Supervisors	172	172	172	172
Professional, Technical, Clerical	404	404	404	404
Operational Hourlies	1,241	1,241	1,241	1,241
Total	1,817	1,817	1,817	1,817
Baseline Total Positions	1,817	1,817	1,817	1,817
Non-Reimbursable	1,772	1,772	1,772	1,772
Reimbursable	45	45	45	45
Total Full-Time	1,817	1,817	1,817	1,817
Total Full-Time Equivalents	-	-	-	-
Impact of:				
2006 Program to Eliminate the Gap	(3)	(3)	(3)	(3)
Post-2006 Program to Eliminate the Gap	-	(2)	(2)	(2)
Total Positions	1,814	1,812	1,812	1,812
Non-Reimbursable	1,769	1,767	1,767	1,767
Reimbursable	45	45	45	45
Total Full-Time	1,814	1,812	1,812	1,812
Total Full-Time Equivalents	-	-	-	-

Capital Construction Company

MTA Capital Construction Company
2006 Final Proposed Budget
November Financial Plan 2006-2009

Mission Statement

The mission of the MTA Capital Construction Company (MTACC) is to serve the mobility needs of customers of the Metropolitan Transportation Authority (MTA) for the 21st Century by planning, designing, and building projects that expand the reach and capacity of the MTA network while meeting the MTA's obligation to serve the changing transportation needs of its customers in a timely, creative and cost-effective manner.

MTACC is responsible for managing all activities associated with the design and construction of East Side Access, the Second Avenue Subway, #7 Line Extension, Lower Manhattan Fulton Transit Center, the new South Ferry station complex, and system-wide capital security projects. All MTACC costs are 100% reimbursable from the MTA Capital Program.

Financial Overview

MTACC continues to utilize dedicated resources to efficiently address the challenges related to the planning, design, construction, regulatory framework, and community participation requirements of large complex capital projects. It is the goal of MTACC to minimize the number of full-time employees in order to maintain a cost efficient program management structure. MTACC continues to draw from the expertise and support services available in other MTA agencies to support design and construction management. Where in-house resources are unavailable MTACC may utilize third party consultants in lieu of hiring. The budget proposal reflects this philosophy.

Currently, both MTA NYCT and MTA Headquarters are providing many support services. This budget proposal assumes that many of these services will continue to be provided.

2005 November Forecast

The MTACC 2005 November Forecast is 2.7% lower than the Mid-Year Forecast. Professional services decreased by approximately 30% from the Mid-Year Forecast due to revised Legal and IT support services and the reallocation of Matrixed Confidential Secretaries expenses to Salaries and Benefits. Conversely, labor costs have increased by approximately 24% to account for the following: Matrixed Confidential Secretaries, a calculation adjustment to compound increases in benefits for employees, Engineering OH Rate for Project Employees on NYCT payroll. Insurance now includes a revised expense for All Agency Professional Liability, causing an approximate 49% increase in costs. Due to delays in major construction, there is an overall decrease in non-labor

expenditures for November 2005. Approximately 52% of this reduction is due to revised year-end 2005 staffing levels and associated labor expenses.

In comparison to the Adopted 2005 Budget, the total anticipated expenditures in 2005 November Forecast have been decreased by 43%, also directly related to projected staffing levels and labor related costs. Staffing needs are being timed to meet the needs of the capital construction projects. The 2005 November Forecast is projecting a staffing level of 71 by year end, 13% lower than the Mid-Year Forecast of 82 and 53% lower than Adopted 2005 Budget. Matrixed* employees and consultants will continue to support MTACC in lieu of hiring full time staff. As of June 2005, approximately 100 matrixed employees are supporting MTACC projects.

2006 Preliminary Budget - Baseline

In 2006, MTACC's main objective will be to continue major construction and design of the MTA's system expansion projects and to implement the system-wide safety program. To accomplish these objectives, MTACC projects 2006 costs at \$26.723 million and a year end headcount of 150.

Labor and fringe expenses are projected at \$19.057 million. The 2006 year end staffing level of 150 employees reflects an increase of 79 positions over the 2005 year end projection. Staff includes 53 MTACC positions who support the system expansion projects and cannot charge directly to a specific project; 48 for the East Side Access project; 13 for the Second Avenue Subway project; 19 for the Lower Manhattan projects; and 17 for Security projects.

Non-Labor costs are projected at \$7.666 million. Funds have been budgeted for engineering, and legal services, MTACC network development, lease of the 8th floor at 2 Broadway, and other project office costs such as communications and supplies. Major assumptions and reconciliations to the July Plan are discussed later.

2006 - 2009 Projections

With the anticipated award of major construction contracts, MTACC costs are projected to increase by 49.1% in 2006 and 17.1% in 2007. In 2008 costs will increase by 2.2% and 4.0% in 2009. Year-end staffing levels will increase to 150.

Labor costs increase in 2006 reflecting an increase in staffing from 71 to 150. Labor costs peak out in 2007 reflecting the first year of full staffing. In 2008 and 2009 labor costs remain constant and increase only by inflation. Due to some one-time agency setup costs in 2005 and 2006 for furniture, equipment and intranet services, non-labor costs decline in 2007 by 8.65%. Funding is also provided in 2005, 2006 and 2007 for project related legal and real estate services that may not be eligible for reimbursement by the Federal Transit Administration.

Non-labor costs continue to decrease by 5.4% and .2% in 2008 and 2009, respectively.

These assumptions will be monitored and revised as the MTACC organization structure and processes are finalized and actual expenditures are realized.

*Matrixed employees are employees of other agencies under temporary management of MTACC.

REIMBURSABLE

[illegible]

MTA Capital Construction
November Financial Plan 2006 - 2009
Cash Receipts & Expenditures
(\$ in millions)

	2004	Actual	2005 November Forecast	2006 Final Proposed Budget	2007	2008	2009
<u>Receipts</u>							
Farebox Revenue							
Vehicle Toll Revenue							
Other Operating Revenue							
Capital and Other Reimbursements		10.451	17.922	26.723	31.289	31.989	33.255
Total Receipts		\$10.451	\$17.922	\$26.723	\$31.289	\$31.989	\$33.255
<u>Expenditures</u>							
Labor:							
Payroll		\$5.101	\$5.765	\$11.420	\$14.719	\$15.090	\$15.554
Overtime							
Health and Welfare		0.826	0.896	1.792	2.466	2.773	3.125
Pensions		0.345	1.004	2.297	3.131	3.291	3.496
Other Fringe Benefits		0.889	2.678	3.548	3.966	4.206	4.469
Reimbursable Overhead							
Total Labor Expenditures		\$7.161	\$10.343	\$19.057	\$24.282	\$25.360	\$26.643
Non-Labor:							
Traction and Propulsion Power							
Fuel for Buses and Trains							
Insurance		0.445	0.740	0.814	0.895	0.985	1.083
Claims							
Paratransit Service Contracts							
Maintenance and Other Operating Contracts							
Professional Service Contracts		2.517	3.786	3.016	2.810	2.321	2.176
Materials & Supplies		0.007	0.432	0.509	0.527	0.535	0.440
Other Business Expenses		0.321	2.621	3.327	2.775	2.788	2.913
Total Non-Labor Expenditures		\$3.290	\$7.579	\$7.666	\$7.007	\$6.628	\$6.612
Other Expenditure Adjustments:							
Other							
Total Other Expenditure Adjustments		\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures		\$10.451	\$17.922	\$26.723	\$31.289	\$31.989	\$33.255
Baseline Net Cash Deficit		\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
PEG Program							
Net Cash Deficit		\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA Capital Construction
November Financial Plan 2006 - 2009
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	2004 Actual	2005 November Forecast	2006 Final Proposed Budget	2007	2008	2009
<u>Receipts</u>						
Farebox Revenue						
Vehicle Toll Revenue						
Other Operating Revenue						
Capital and Other Reimbursements						
Total Receipt Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Expenditures</u>						
Labor:						
Payroll						
Overtime						
Health and Welfare						
Pensions						
Other Fringe Benefits						
Reimbursable Overhead						
Total Labor Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Non-Labor:						
Traction and Propulsion Power						
Fuel for Buses and Trains						
Insurance						
Claims						
Paratransit Service Contracts						
Maintenance and Other Operating Contracts						
Professional Service Contracts						
Materials & Supplies						
Other Business Expenditures						
Total Non-Labor Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Expenditure Adjustments:						
Other						
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Cash Conversion Adjustments before Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Depreciation Adjustment						
Baseline Total Cash Conversion Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
PEG Program						
Total Cash Conversion Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

**MTA Capital Construction Company
November Financial Plan 2006-2009
Year-to-Year Changes by Category 2005-2009
Non-Reimbursable and Reimbursable**

Revenue

Capital and Other Reimbursements

- Monies are made available in the MTA's Capital Program and are drawn down as expenditures are incurred, therefore revenues will always equal expenditures.
- All MTACC expenses are reimbursable from the MTA Capital Program.
- Costs will be reimbursed from specific capital projects in accordance with how the resources are utilized.

Expenses

Payroll

- 2005 payroll costs reflect a projected year-end staffing level of 71. This is a reduction of 11 positions from the July Financial Plan.
- Costs are based on 2005 annualized projected salaries but overall labor expenses have increased by 23.67% from the July Financial Plan due to a reallocation of matrixed confidential secretaries from Professional services to Salaries and Benefits.
- 2006, 2007, 2008 and 2009 year-end staffing levels remain constant at 150. Payroll costs are escalated from the prior year's base salary by 2.77%, 2.56%, 2.91% and 3.07% respectively.

Other Fringe Benefits

- Benefits have increased due to a calculation adjustment to compound increases in employee fringe benefits, an addition of Engineering overhead rate for project employees on NYCT payroll as well as the reallocation of expenses for matrixed confidential secretaries.
- Pension costs in 2005 increased due to an overall increase in MTA pension rates.
- Health and Welfare costs have been inflated by 9.34% in 2006 through 2009.
- Pension and other benefits have been escalated by 2.77%, 2.56%, 2.91% and 3.07% from 2006 through 2009 respectively.

Insurance

- 2005 includes revised insurance expenses for the All-Agency Protective Liability Program for the Fulton Street and South Ferry projects.
- 2006 through 2009 costs are based on 2005 projections. Costs are escalated by approximately 10% from 2006 through 2009.

Professional Service Contracts

- Costs increase by 27.3% in 2006 due to the allocation of funds for the independent engineer and IT support.
- Costs are escalated by 2.77%, 2.56%, 2.91% and 3.07% from 2006 through 2009, respectively.
- Costs remain fairly constant in 2007, decreasing by 4%. Projected legal costs are reduced significantly in 2008 resulting in an overall decrease in professional services of 9.5%. Due to escalation rates, costs slightly increase in 2009.

Materials and Supplies

- Supplies costs increase in 2006 by 18% to reflect increased staffing levels.
- 2006 through 2009 costs are based on 2005 projections and remain fairly constant. Costs are escalated by 2.56%, 2.91% and 3.07% in 2007, 2008 and 2009, respectively.

Other Business Expenses

- 2006 agency costs include office furniture, computer equipment, establishing MTACC intranet network, utilities and 2 Broadway 8th floor lease. The fit out of office is deferred to correspond with hiring.
- Costs increase by 26.9% in 2006 due to anticipated year end staffing level of 150.
- MTACC intranet network and computer hardware costs decrease in 2007 causing a decrease in business expenses of 16.6%. Slight increases in 2008 and 2009 are due to escalation.
- 2006 through 2009 costs are escalated by 2.77%, 2.56%, 2.91% and 3.07% respectively.

NON-REIMBURSABLE and REIMBURSABLE

[illegible]

MTA Capital Construction
November Financial Plan 2006 - 2009
Year-to-Year Changes by Category - Cash Basis
(\$ in millions)

CASH RECEIPTS & EXPENDITURES

Favorable/(Unfavorable)

[illegible]

MTA Capital Construction Company
November Financial Plan 2006-2009
Summary of Changes Between Financial Plans 2005-2009

2005: November Financial Plan vs. July Financial Plan

The November Financial Plan includes the reallocation of expenditures, with a reduction of costs (approximately \$.490 million) from the July Financial Plan. Staffing needs are being timed to meet the needs of the capital construction projects. Therefore, the 2005 November Plan is projecting a staffing level of 71 by year end, 13% lower than the 2005 July Financial Plan. Labor expenses are higher in the November Financial Plan due to compounding benefits adjustment for MTACC employees, matrixed confidential secretaries' labor expenses reallocation (from Professional Services) and engineering overhead rates for project employees on NYCT payroll. Overall non-labor expenses, including Legal and Audit services, IT support, and supplies have been decreased by 24.6%.

2006: November Financial Plan vs. July Financial Plan

Projections for 2006 are increased by \$.506 million, 1.9% higher than the July Financial Plan. MTACC costs reflect anticipated progress in major construction of capital projects and full staff levels of 150 by year end. Labor expenses are 15% higher than the July Financial Plan because full staffing levels reached. Matrixed confidential secretaries and adjusted compounding calculations for employee benefits, as well as an engineering overhead rate for project employees on NYCT payroll are also contributing factors to the increase in labor expenses. Non-labor expenditures have decreased by 20%, attributable to the re-estimates of legal services, supplies and the reallocation of matrixed secretaries' expenditures off-set by increased APPL insurance re-estimates and reallocated 2005 costs for MTACC intranet network.

2007: November Financial Plan vs. July Financial Plan

Projections for 2007 are 2% higher than the July Plan. Staffing remains constant at 150 employees. Due to November Plan labor adjustments for compounding and overhead rates, 2007 labor expenses increase by 14%. Non-labor expenditures increase by 25.5% due to an off-set of lower supplies, professional services and communications costs and higher insurance expenses.

2008: November Financial Plan vs. July Financial Plan

The 2008 November Financial Plan assumes a full staff level of 150. Overall costs are projected at 5.5% lower than the July Plan. Labor expenses increase by 16.3% due to adjustments for compounding and overhead rates. Costs for supplies and professional services have been reduced in the November Plan; insurance has been increased.

2009: November Financial Plan vs. July Financial Plan

Staffing remains constant at 150 employees. Costs are 6.2% higher than July plan but consistent with 2008 projections adjusted for inflation.

MTA Capital Construction
November Financial Plan 2006 - 2009
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2005 November Forecast	2006 Final Proposed Budget	2007	2008	2009
Baseline 2005 July Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<i>Non-Reimbursable Major Changes</i>					
Revenue					
Sub-Total Non-Reimbursable Revenue Changes	\$.000	\$.000	\$.000	\$.000	\$.000
Expenses					
Sub-Total Non-Reimbursable Expense Changes	\$.000	\$.000	\$.000	\$.000	\$.000
<i>Total Non-Reimbursable Major Changes</i>	\$.000	\$.000	\$.000	\$.000	\$.000
<i>Reimbursable Major Changes</i>					
Revenue					
Sub-Total Reimbursable Revenue Changes	(\$.491)	\$.506	\$.619	\$ 1.667	\$ 1.942
Expenses	\$.491	(\$.506)	(\$.619)	(\$ 1.667)	(\$ 1.942)
Sub-Total Reimbursable Expense Changes	\$.491	(\$.506)	(\$.619)	(\$ 1.667)	(\$ 1.942)
<i>Total Reimbursable Major Changes</i>	\$.000	\$.000	\$.000	\$.000	\$.000
<i>Total Accrual Changes</i>	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<i>Cash Adjustment Changes</i>					
<i>Total Cash Adjustment Changes</i>	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<i>Total Baseline Changes</i>	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline 2005 November Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA CAPITAL CONSTRUCTION
November Financial Plan 2006 - 2009
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE

	2005 November Forecast	2006 Final Proposed Budget	2007	2008	2009
Baseline 2005 July Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline Changes					
Revenue					
Farebox Revenue					
Vehicle Toll Revenue					
Capital and Other Reimbursement	(\$.491)	\$.506	\$.619	\$1.667	\$1.942
Total Revenue Changes	(\$.491)	\$.506	\$.619	\$1.667	\$1.942
Expenses					
Labor:					
Payroll	(\$.162)	(\$.242)	(\$.315)	(\$.320)	(\$.314)
Health and Welfare	(\$.056)	(\$.075)	(\$.327)	(\$.579)	(\$.861)
Pensions	\$.026	\$.006	(\$.094)	(\$.173)	(\$.271)
Other Fringe Benefits	(\$1.786)	(\$2.111)	(\$2.293)	(\$2.488)	(\$2.692)
Reimbursable Overhead					
Total Labor Expense Changes	(\$1.979)	(\$2.421)	(\$3.028)	(\$3.560)	(\$4.138)
Non-Labor:					
Traction and Propulsion Power					
Fuel for Buses and Trains					
Insurance	(\$.243)	(\$.276)	(\$.303)	(\$.333)	(\$.367)
Claims					
Paratransit Service Contracts					
Maintenance and Other Operating Contracts					
Materials & Supplies	\$.651	\$1.029	\$1.059	\$1.090	\$1.235
Other Business Expenses	\$2.062	\$1.162	\$1.652	\$1.136	\$1.327
Total Non-Labor Expense Changes	\$2.470	\$1.915	\$2.408	\$1.892	\$2.196
Total Expense Changes	\$.491	(\$.506)	(\$.619)	(\$1.667)	(\$1.942)
Cash Adjustment Changes					
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline 2005 November Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

**MTA Capital Construction Company
November Financial Plan 2006 - 2009
Positions**

All MTACC costs are reimbursable from the MTA Capital Program. The November Financial Plan reduces the 2005 projected year end staffing from 82 to 71. This reflects the delay in the award of major construction contracts. Staffing levels reach 150 in 2006 and remain constant at that level.

The 2006 Year-End Staffing level includes 53 MTACC administrative positions; 48 East Side Access project employees; 13 for Second Avenue Subway project; 19 for the Lower Manhattan projects; and 17 support security projects.

MTA CAPITAL CONSTRUCTION
November Financial Plan 2006 - 2009
Non-Reimbursable - Reimbursable Positions at End-of-Year
Full-Time Positions and Full Time Equivalents

FUNCTION/DEPARTMENT	2004 Actuals	2005 November Forecast	2006 Final Proposed Budget	2007	2008	2009
Administration						
MTACC	13	20	52	52	52	52
Operations (list departments)						
Maintenance (list departments)						
Engineering/Capital						
MTACC	1	1	1	1	1	1
East Side Access	22	26	48	48	48	48
Security	2	10	17	17	17	17
Second Avenue Subway	2	4	13	13	13	13
Lower Manhattan Projects	4	10	19	19	19	19
Public Safety (list departments)						
Baseline Total Positions	44	71	150	150	150	150
<i>Non-Reimbursable</i>						
<i>Reimbursable</i>	44	71	150	150	150	150
<i>Total Full-Time</i>	44	71	150	150	150	150
<i>Total Full-Time-Equivalents</i>						
Impact of:						
PEG Program	-	-	-	-	-	-
Total Positions	44	71	150	150	150	150
<i>Non-Reimbursable</i>						
<i>Reimbursable</i>						
<i>Total Full-Time</i>						
<i>Total Full-Time-Equivalents</i>						

MTA Capital Construction
November Financial Plan 2006-2009
Total Full-time Positions and Full-time Equivalents by Function and Occupational Group
Non-Reimbursable and Reimbursable

FUNCTION/OCCUPATIONAL GROUP	2006 Final Proposed Budget	2007	2008	2009
Administration				
Managers/Supervisors	-	-	-	-
Professional, Technical, Clerical	52	52	52	52
Operational Hourlies	-	-	-	-
Total Administration	52	52	52	52
Operations				
Managers/Supervisors	-	-	-	-
Professional, Technical, Clerical	-	-	-	-
Operational Hourlies	-	-	-	-
Total Operations	-	-	-	-
Maintenance				
Managers/Supervisors	-	-	-	-
Professional, Technical, Clerical	-	-	-	-
Operational Hourlies	-	-	-	-
Total Maintenance	-	-	-	-
Engineering/Capital				
Managers/Supervisors	-	-	-	-
Professional, Technical, Clerical	98	98	98	98
Operational Hourlies	-	-	-	-
Total Engineering/Capital	98	98	98	98
Public Safety				
Managers/Supervisors	-	-	-	-
Professional, Technical, Clerical	-	-	-	-
Operational Hourlies	-	-	-	-
Total Public Safety	-	-	-	-
Total				
Managers/Supervisors	-	-	-	-
Professional, Technical, Clerical	150	150	150	150
Operational Hourlies	-	-	-	-
Total	150	150	150	150
Baseline Total Positions	150	150	150	150
Non-Reimbursable	-	-	-	-
Reimbursable	150	150	150	150
Total Full-Time	150	150	150	150
Total Full-Time Equivalents	-	-	-	-
Impact of: 2006 Program to Eliminate the Gap	-	-	-	-
Total Positions	150	150	150	150
Non-Reimbursable	-	-	-	-
Reimbursable	-	-	-	-
Total Full-Time	-	-	-	-
Total Full-Time Equivalents	-	-	-	-

Long Island Bus

**MTA Long Island Bus
2006 Final Proposed Budget
November Financial Plan 2006 – 2009**

MISSION STATEMENT

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

AGENCY AND FINANCIAL OVERVIEW

Fixed Route

LI Bus operates a 100% clean fuel (compressed natural gas) CNG fleet of 333 fixed route buses serving over 96 communities, 47 Long Island Railroad stations, 5 NYC Transit subway stations, shopping centers, colleges, museums, parks, theaters and beaches throughout our area.

LI Bus has reached record level weekday ridership during the month of September 2005. Year to date, fixed route ridership has also exceeded the February and July projections and is expected to reach 30.6 million by the end of 2005. The continuous monitoring of route performance has allowed LI Bus to make timely and effective adjustments in service resulting in higher ridership. In addition, the improving economy and the implementation and extension of routes catering to job access, reverse commute and Rail-Bus connections commuters have increased ridership.

The recent increase in fuel prices has also had an impact on fixed route ridership. Whereas there is no specific count attributable to this variable, the general consensus is that it has had a positive impact on ridership. LI Bus' goal is to continue to provide excellent service to our customers and to increase ridership. An annual increase in ridership of .5% is projected over the next four years.

Demand Response - Paratransit

Since 1995, LI Bus has been operating the Able-Ride Paratransit program. This program offers curb-to-curb transportation for eligible customers who because of their disabilities are unable to use public transportation. We currently have 86 Paratransit buses and are projected to carry .322 million riders in 2005. The historically high annual growth rate has slowed and a modest 1% increase is projected for the 2006 – 2009 period.

General Activities

The overall safety of the riding public, LI Bus personnel, rolling stock and facilities continues to be a high priority. In conjunction with MTA Security, we have made notable enhancements to our electronic surveillance systems, perimeter security and have implemented safety awareness training for all employees. Going forward, we will utilize all available security funding to better enhance our physical assets and the awareness of our customers and employees.

LI Bus continues to be in the forefront in finding, testing and implementing the latest technology to enhance the safety and reliability of our fleet, convenience to our customers and the productivity of its workers. With capital funding, we have installed a new scheduling system, an automatic vehicle locator (AVL) system and various other modules to enhance existing support and on-board vehicle systems.

The training and disaster recovery center at the Rockville Center Depot is complete and we are on schedule with the rehabilitation of the Stewart Avenue Paratransit facility.

LI Bus is maintaining the 2005 base level of service and will continue to examine and implement programs and procedures in an attempt to maximize productivity and improve efficiency while providing quality service to our customers.

2005 November Forecast

Changes in the November Plan were dominated by energy related line items. The unprecedented rise in fuel rates have caused overruns in all related budget categories. Generally accepted guidelines were used to project the 2005 and 2006 energy costs. For years 2007 to 2009, factors from the current Global Insight Forecasts report were used to project expenses. This report forecasts fuel rates falling in the outer years resulting in lower budgeted fuel expense for 2007 to 2009.

The 2005 total non-labor expense increase from the July Plan is \$.654 of which \$.639 million was caused by energy related increases.

Lower pension rates provided a favorable result by lowering projected expenses by \$.600 million. All other expense increases were the result of inflation.

2006 Final Proposed Budget - Baseline

The adjusted 2005 November forecast was used as a platform to develop the 2006 proposed budget. The current increase in fuel continues to affect future budget proposals.

Expenses rose by \$1.9 million of which \$1.6 million (84%) was attributable to increases in fuel and utility rates in 2005. The \$1 million Payroll PEG was removed from all Payroll related line items and a CPI of 2.77% was used to project the full year value. All other changes were due to the use of updated CPI's.

The Pension line item shows savings of \$.600 million due to the lowering of the projected rates for 2006.

Ridership levels were adjusted up by .5% while the budgeted average fare was adjusted down to the actual level experienced in the third quarter of 2005.

There are no new programmatic changes in 2006.

2007 – 2009 Projections

An annual increase of .5% and 1% in ridership is projected for Fixed Route and Paratransit Service respectively. Passenger revenue is projected to increase proportionately with ridership growth. Expenses are projected to increase with inflation with the exceptions in health and welfare, claims and fuel.

MTA Long Island Bus
November Financial Plan 2006 - 2009
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE

	2004	2005 November Forecast	2006 Final Proposed Budget	2007	2008	2009
<u>Revenue</u>						
Farebox Revenue	\$37.459	\$38.227	\$38.451	\$38.648	\$38.847	\$39.046
Vehicle Toll Revenue						
Other Operating Revenue	3.787	3.544	3.699	3.199	2.549	2.454
Capital and Other Reimbursements						
Total Revenue	\$41.246	\$41.771	\$42.150	\$41.847	\$41.396	\$41.500
<u>Expenses</u>						
Labor:						
Payroll	\$55.774	\$56.977	\$59.377	\$60.897	\$62.670	\$64.594
Overtime	5.200	5.384	5.122	5.253	5.406	5.572
Health and Welfare	9.796	10.646	11.692	12.784	13.978	15.284
Pensions	4.603	5.311	5.458	5.598	5.761	5.938
Other Fringe Benefits	6.370	6.377	6.554	6.721	6.917	7.129
Reimbursable Overhead						
Total Labor Expenses	\$81.743	\$84.695	\$88.203	\$91.254	\$94.731	\$98.517
Non-Labor:						
Traction and Propulsion Power						
Fuel for Buses and Trains	6.565	8.228	9.148	8.575	8.098	7.703
Insurance	0.091	0.107	0.193	0.198	0.204	0.210
Claims	4.431	2.894	2.845	2.918	3.003	3.095
Paratransit Service Contracts						
Maintenance and Other Operating Contracts	3.206	3.488	3.585	3.676	3.783	3.900
Professional Service Contracts	1.576	1.606	1.650	1.693	1.742	1.795
Materials & Supplies	1.051	2.149	2.300	2.443	2.610	2.792
Other Business Expenses	3.065	4.132	4.320	4.306	4.299	4.329
Total Non-Labor Expenses	\$19.985	\$22.604	\$24.041	\$23.809	\$23.739	\$23.824
Other Expenses Adjustments:						
Other						
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$101.728	\$107.299	\$112.244	\$115.063	\$118.470	\$122.340
Depreciation						
Total Expenses	\$101.728	\$107.299	\$112.244	\$115.063	\$118.470	\$122.340
Baseline Net Surplus/(Deficit)	(\$60.482)	(\$65.528)	(\$70.094)	(\$73.216)	(\$77.074)	(\$80.840)
2006 Agency Program to Eliminate the GAP	0.000	0.000	0.000	0.000	0.000	0.000
Post-2006 Agency Program to Elim. The Gap	0.000	0.000	0.000	0.000	0.000	0.000
Net Surplus/(Deficit)	(\$60.482)	(\$65.528)	(\$70.094)	(\$73.216)	(\$77.074)	(\$80.840)

MTA Long Island Bus
November Financial Plan 2006 - 2009
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE

	2004 Actual	2005 November Forecast	2006 Final Proposed Budget	2007	2008	2009
<u>Revenue</u>						
Farebox Revenue						
Vehicle Toll Revenue						
Other Operating Revenue						
Capital and Other Reimbursements	4.233	5.533	5.678	5.832	6.003	6.190
Total Revenue	\$4.233	\$5.533	\$5.678	\$5.832	\$6.003	\$6.190
<u>Expenses</u>						
Labor:						
Payroll	\$0.598	\$0.830	0.853	0.875	0.900	0.928
Overtime						
Health and Welfare	0.176	1.274	1.392	1.522	1.664	1.819
Pensions	0.088	0.069	0.071	0.072	0.074	0.076
Other Fringe Benefits	0.071	0.060	0.062	0.063	0.065	0.067
Reimbursable Overhead						
Total Labor Expenses	\$0.933	\$2.233	\$2.378	\$2.532	\$2.703	\$2.890
Non-Labor:						
Traction and Propulsion Power						
Fuel for Buses and Trains						
Insurance						
Claims						
Paratransit Service Contracts						
Maintenance and Other Operating Contracts						
Professional Service Contracts						
Materials & Supplies	3.300	3.300	3.300	3.300	3.300	3.300
Other Business Expenses						
Total Non-Labor Expenses	\$3.300	\$3.300	\$3.300	\$3.300	\$3.300	\$3.300
Other Expenses Adjustments:						
Other						
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$4.233	\$5.533	\$5.678	\$5.832	\$6.003	\$6.190
Depreciation						
Total Expenses	\$4.233	\$5.533	\$5.678	\$5.832	\$6.003	\$6.190
Baseline Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	(\$0.000)	(\$0.000)	(\$0.000)
2006 Agency Program to Eliminate the GAP	0.000	0.000	0.000	0.000	0.000	0.000
Post-2006 Agency Program to Elim. The Gap	0.000	0.000	0.000	0.000	0.000	0.000
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	(\$0.000)	(\$0.000)	(\$0.000)

MTA Long Island Bus
November Financial Plan 2006 - 2009
Accrual Statement of Operations by Category
(\$ in millions)

**NON-REIMBURSABLE and
REIMBURSABLE**

	2004 Actual	2005 November Forecast	2006 Final Proposed Budget	2007	2008	2009
<u>Revenue</u>						
Farebox Revenue	\$37.459	\$38.227	\$38.451	\$38.648	\$38.847	\$39.046
Vehicle Toll Revenue						
Other Operating Revenue	3.787	3.544	3.699	3.199	2.549	2.454
Capital and Other Reimbursements	4.233	5.533	5.678	5.832	6.003	6.190
Total Revenue	\$45.479	\$47.304	\$47.828	\$47.679	\$47.399	\$47.690
<u>Expenses</u>						
Labor:						
Payroll	\$56.372	\$57.807	\$60.230	\$61.772	\$63.570	\$65.521
Overtime	5.200	5.384	5.122	5.253	5.406	5.572
Health and Welfare	9.972	11.920	13.084	14.306	15.642	17.103
Pensions	4.691	5.380	5.529	5.670	5.835	6.014
Other Fringe Benefits	6.441	6.437	6.615	6.785	6.982	7.196
Reimbursable Overhead						
Total Labor Expenses	\$82.676	\$86.928	\$90.581	\$93.786	\$97.435	\$101.407
Non-Labor:						
Traction and Propulsion Power						
Fuel for Buses and Trains	\$6.565	\$8.228	\$9.148	\$8.575	\$8.098	\$7.703
Insurance	0.091	0.107	0.193	0.198	0.204	0.210
Claims	4.431	2.894	2.845	2.918	3.003	3.095
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other						
Operating Contracts	3.206	3.488	3.585	3.676	3.783	3.900
Professional Service Contracts	1.576	1.606	1.650	1.693	1.742	1.795
Materials & Supplies	4.351	5.449	5.600	5.743	5.910	6.092
Other Business Expenses	3.065	4.132	4.320	4.306	4.299	4.329
Total Non-Labor Expenses	\$23.285	\$25.904	\$27.341	\$27.109	\$27.039	\$27.124
Other Expenses Adjustments:						
Other						
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$105.961	\$112.832	\$117.922	\$120.895	\$124.474	\$128.530
Depreciation						
Total Expenses	\$105.961	\$112.832	\$117.922	\$120.895	\$124.474	\$128.530
Baseline Net Surplus/(Deficit)	(\$60.482)	(\$65.528)	(\$70.094)	(\$73.216)	(\$77.075)	(\$80.840)
2006 Agency Program to Eliminate the GAP	0.000	0.000	0.000	0.000	0.000	0.000
Post-2006 Agency Program to Elim. The Gap	0.000	0.000	0.000	0.000	0.000	0.000
Net Surplus/(Deficit)	(\$60.482)	(\$65.528)	(\$70.094)	(\$73.216)	(\$77.075)	(\$80.840)

MTA Long Island Bus
November Financial Plan 2006 - 2009
Cash Receipts & Expenditures
(\$ in millions)

	2004	2005 November Forecast	2006 Final Proposed Budget	2007	2008	2009
<u>Receipts</u>						
Farebox Revenue	\$37.040	\$37.775	\$38.011	\$38.198	\$38.384	\$38.582
Vehicle Toll Revenue						
Other Operating Revenue	5.988	3.899	3.748	3.249	2.599	2.504
Capital and Other Reimbursements	4.205	5.448	5.574	5.650	5.802	5.965
Total Receipts	\$47.233	\$47.122	\$47.333	\$47.097	\$46.785	\$47.051
<u>Expenditures</u>						
Labor:						
Payroll	\$56.802	\$57.477	\$59.960	\$61.438	\$63.233	\$67.634
Overtime	4.665	5.364	5.092	5.222	5.373	5.753
Health and Welfare	10.867	11.929	13.043	14.261	15.593	17.046
Pensions		5.806	5.380	5.529	5.670	5.835
Other Fringe Benefits	6.022	6.414	6.579	6.748	6.945	7.436
Reimbursable Overhead						
Total Labor Expenditures	\$78.356	\$86.990	\$90.054	\$93.198	\$96.814	\$103.704
Non-Labor:						
Traction and Propulsion Power						
Fuel for Buses and Trains	6.112	8.119	8.998	8.425	7.948	7.553
Insurance	0.000	0.206	0.193	0.198	0.204	0.210
Claims	2.291	4.500	2.800	2.872	2.955	3.044
Paratransit Service Contracts						
Maintenance and Other Operating Contracts	3.269	3.292	3.379	3.470	3.570	3.680
Professional Service Contracts	1.197	1.856	1.594	1.635	1.683	1.735
Materials & Supplies	5.042	5.401	5.551	5.692	5.858	6.038
Other Business Expenses	3.233	4.099	4.287	4.274	4.267	4.297
Total Non-Labor Expenditures	\$21.144	\$27.473	\$26.802	\$26.566	\$26.485	\$26.557
Other Expenditure Adjustments:						
Other						
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$99.500	\$114.463	\$116.856	\$119.764	\$123.299	\$130.261
Baseline Net Cash Deficit	(\$52.267)	(\$67.341)	(\$69.523)	(\$72.667)	(\$76.514)	(\$83.210)
2006 Agency Program to Eliminate the GAP	0.000	0.000	0.000	0.000	0.000	0.000
Post-2006 Agency Program to Elim. The Gap	0.000	0.000	0.000	0.000	0.000	0.000
Net Cash Deficit	(\$52.267)	(\$67.341)	(\$69.523)	(\$72.667)	(\$76.514)	(\$83.210)

MTA Long Island Bus
November Financial Plan 2006 - 2009
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	2004 Actual	2005 November Forecast	2006 Final Proposed Budget	2007	2008	2009
<u>Receipts</u>						
Farebox Revenue	(\$0.419)	(\$0.452)	(\$0.440)	(\$0.450)	(\$0.463)	(\$0.464)
Vehicle Toll Revenue						
Other Operating Revenue	2.201	0.355	0.049	0.050	0.050	0.050
Capital and Other Reimbursements	(0.028)	(0.085)	(0.104)	(0.182)	(0.201)	(0.225)
Total Receipt Adjustments	\$1.754	(\$0.182)	(\$0.495)	(\$0.582)	(\$0.614)	(\$0.639)
<u>Expenditures</u>						
Labor:						
Payroll	(\$0.430)	\$0.330	\$0.270	\$0.334	\$0.337	(\$2.113)
Overtime	0.535	0.020	0.030	0.031	0.033	(0.181)
Health and Welfare	(0.895)	(0.009)	0.041	0.045	0.049	0.057
Pensions	4.691	(0.426)	0.149	0.141	0.165	0.179
Other Fringe Benefits	0.419	0.023	0.036	0.037	0.037	(0.240)
Reimbursable Overhead						
Total Labor Expenditures	\$4.320	(\$0.062)	\$0.527	\$0.588	\$0.621	(\$2.297)
Non-Labor:						
Traction and Propulsion Power						
Fuel for Buses and Trains	0.453	0.109	0.150	0.150	0.150	0.150
Insurance	0.091	(0.099)	0.000	0.000	0.000	0.000
Claims	2.140	(1.606)	0.045	0.046	0.048	0.051
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	(0.063)	0.196	0.206	0.206	0.213	0.220
Professional Service Contracts	0.379	(0.250)	0.056	0.058	0.059	0.060
Materials & Supplies	(0.691)	0.048	0.049	0.051	0.052	0.054
Other Business Expenditures	(0.168)	0.033	0.033	0.032	0.032	0.032
Total Non-Labor Expenditures	\$2.141	(\$1.569)	\$0.539	\$0.543	\$0.554	\$0.567
Other Expenditure Adjustments:						
Other						
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Cash Conversion Adjustments before Depreciation	\$8.215	(\$1.813)	\$0.571	\$0.549	\$0.561	(\$2.369)
Depreciation Adjustment						
Baseline Total Cash Conversion Adjustments	\$8.215	(\$1.813)	\$0.571	\$0.549	\$0.561	(\$2.369)
2006 Agency Program to Eliminate the GAP	0.000	0.000	0.000	0.000	0.000	0.000
Post-2006 Agency Program to Elim. The Gap	0.000	0.000	0.000	0.000	0.000	0.000
Total Cash Conversion Adjustments	\$8.215	(\$1.813)	\$0.571	\$0.549	\$0.561	(\$2.369)

**MTA Long Island Bus
November Financial Plan 2006 – 2009
Year-To-Year Changes by Category-Baseline Narrative**

1. REVENUE

- **Farebox:**
 - **2005 – 2006:** There is a net projected increase of \$.224 million in the 2006 budget over the adjusted 2005 farebox base. This base was adjusted upwards to account for the increase in ridership experienced in the first three quarters of 2005.
 - **2006 – 2009:** This plan incorporates ridership increases of .5% for fixed route and 1% for paratransit.
- **Other Operating Revenue**
 - **2005 – 2009:** A slight increase of \$.155 million is projected in 2006 for Other Operating Revenue. However due to the uncertainty of future CMAQ funding, the 2007 – 2009 forecast has been lowered.
- **Capital & Other Reimbursements**
 - **2006 – 2009:** Annual changes are due to changes in CPI factors affecting labor expenses for reimbursable employees.

2. LABOR EXPENSES

- **Payroll/Overtime:**
 - **2005 – 2006:** Baseline 2005 numbers were adjusted to include a \$.400 million projected savings. This was a “one-time” savings and as such the 2006 baseline was returned to its full year value. The approved 2.77% CPI was applied to the higher base thereby creating a total change of \$2.4 million.
 - **2006 – 2009:** Headcount levels remain constant so the applicable inflators (CPI's) were used to forecast wages. There is an extra pay period in 2009, which is reflected in the cash disbursements.
- **Health & Welfare**
 - **2006 – 2009:** CPI of 9.34% used to forecast annual increases over baseline.
- **Pension**

- **2005 – 2006:** The NYSLER rates were lowered to 10.2% for FY 2005.
- **2006 – 2009:** The 2005-rate change adjustment lowered the baseline number in the November Plan. A new lower rate of 9.7% was applied to this baseline to project expenses for the 2006 – 2009 period.
- **Other Fringe**
 - **2005 – 2009:** Year to year changes are due to the application of inflators that mirror payroll.

3. NON-LABOR EXPENSES

- **Fuel:**
 - **2005 – 2009:** Actual fuel prices exceeded those used in both the 2005 February Budget and the July Mid-Year plan. This unprecedented sustained rate increase has also impacted the November plan. End of year 2005 numbers reflect these increases and was used to project 2006 numbers. In the 2007 – 2009 time period, CPI's obtained from the Global Insight report were applied to the 2006 base numbers. (**2007** - CNG decreased 5.83%, Diesel decreased 8.8%; **2008** - CNG decreased 5.31%, Diesel decreased 7.24%; **2009** - CNG decreased 4.4%, Diesel – decreased 7.96%). These projected rate reductions (2007 – 2009) will be monitored and adjusted as needed.
- **Insurance**
 - **2005 – 2009:** Variance between years are relative to the projected rates that have been issued and included in the budget. A cash timing adjustment of \$.099 million was included in the 2005 July baseline.
- **Claims**
 - **2005 – 2009:** A \$1.6 million cash adjustment was made to the July plan to cover an outstanding claim that was paid in August 2005.
- **Maintenance & Other Operating Contracts**
 - **2005 – 2009:** The use of higher prevailing CPI's is responsible for the increase between years. The following rates were used in the respective years; (**2006:** 2.77%, **2007:** 2.56%, **2008:** 2.91%, **2009:** 3.07%).

- **Professional Service Contracts**

- **2005 – 2009:** The use of higher prevailing CPI's is responsible for the increase between years. The following rates were used in the respective years (**2006:** 2.77%, **2007:** 2.56%, **2008:** 2.91%, **2009:** 3.07%).

- **Material & Supplies**

- **2005 – 2009:** The use of higher prevailing CPI's is responsible for the increase between years. The following rates were used in the respective years (**2006:** 2.77%, **2007:** 2.56%, **2008:** 2.91%, **2009:** 3.07%).

- **Other Business Expenses**

- **2005 – 2009:** Included in this category are heating fuels and electricity. These rates also increased significantly over those used in the February and July budgets. Expenses projection for end-of-year 2005 and full-year 2006 were adjusted in the November Plan to reflect the current rates. The relevant CPI's were then applied to project costs for 2007 – 2009.

MTA Long Island Bus
November Financial Plan 2006 - 2009
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	Favorable/(Unfavorable)								
	2005 November Forecast	2006 Final Proposed Budget	Change 2006 - 2005	2007	Change 2007 - 2006	2008	Change 2008 - 2007	2009	Change 2009 - 2008
Revenue									
Farebox Revenue	\$38.227	\$38.451	\$0.224	\$38.648	\$0.197	\$38.847	\$0.199	\$39.046	\$0.199
Vehicle Toll Revenue									
Other Operating Revenue	3.544	3.699	0.155	3.199	(0.500)	2.549	(0.650)	2.454	(0.095)
Capital and Other Reimbursements	5.533	5.678	0.145	5.832	0.154	6.003	0.171	6.190	0.187
Total Revenue	\$47.304	\$47.828	\$0.524	\$47.679	(\$0.149)	\$47.399	(\$0.280)	\$47.690	\$0.291
Expenses									
Labor:									
Payroll	\$57.807	\$60.230	(\$2.423)	\$61.772	(\$1.542)	\$63.570	(\$1.798)	\$65.521	(\$1.952)
Overtime	5.384	5.122	0.262	5.253	(0.131)	5.406	(0.153)	5.572	(0.166)
Health and Welfare	11.920	13.084	(1.164)	14.306	(1.222)	15.642	(1.336)	17.103	(1.461)
Pensions	5.380	5.529	(0.149)	5.670	(0.141)	5.835	(0.165)	6.014	(0.179)
Other Fringe Benefits	6.437	6.615	(0.178)	6.785	(0.169)	6.982	(0.197)	7.196	(0.214)
Reimbursable Overhead									
Total Labor Expenses	\$86.928	\$90.581	(\$3.653)	\$93.786	(\$3.205)	\$97.435	(\$3.649)	\$101.407	(\$3.972)
Non-Labor:									
Traction and Propulsion Power									
Fuel for Buses and Trains	8.228	9.148	(0.920)	8.575	0.573	8.098	0.477	7.703	0.395
Insurance	0.107	0.193	(0.086)	0.198	(0.005)	0.204	(0.006)	0.210	(0.006)
Claims	2.894	2.845	0.049	2.918	(0.073)	3.003	(0.085)	3.095	(0.092)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	3.488	3.585	(0.097)	3.676	(0.092)	3.783	(0.107)	3.900	(0.116)
Professional Service Contracts	1.606	1.650	(0.044)	1.693	(0.042)	1.742	(0.049)	1.795	(0.053)
Materials & Supplies	5.449	5.600	(0.151)	5.743	(0.143)	5.910	(0.167)	6.092	(0.182)
Other Business Expenses	4.132	4.320	(0.188)	4.306	0.014	4.299	0.007	4.329	(0.030)
Total Non-Labor Expenses	\$25.904	\$27.341	(\$1.437)	\$27.109	\$0.232	\$27.039	\$0.070	\$27.124	(\$0.085)
Other Expenses Adjustments:									
Other			\$0.000		\$0.000		\$0.000		\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$112.832	\$117.922	(\$5.090)	\$120.895	(\$2.973)	\$124.474	(\$3.579)	\$128.530	(\$4.057)
Depreciation			0.000		0.000		0.000		0.000
Total Expenses	\$112.832	\$117.922	(\$5.090)	\$120.895	(\$2.973)	\$124.474	(\$3.579)	\$128.530	(\$4.057)
Baseline Net Surplus/(Deficit)	(\$65.528)	(\$70.094)	(\$4.566)	(\$73.216)	(\$3.122)	(\$77.075)	(\$3.859)	(\$80.840)	(\$3.766)
2006 Agency Program to Eliminate the GAP	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	\$0.000
Post-2006 Agency Program to Elim. The Gap	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	\$0.000
Net Surplus/(Deficit)	(\$65.528)	(\$70.094)	(\$4.566)	(\$73.216)	(\$3.122)	(\$77.075)	(\$3.859)	(\$80.840)	(\$3.766)

MTA Long Island Bus
November Financial Plan 2006 - 2009
Year-to-Year Changes by Category - Cash Basis
(\$ in millions)

CASH RECEIPTS & EXPENDITURES

	Favorable/(Unfavorable)								
	2005 November Forecast	2006 Final Proposed Budget	Change 2006 - 2005	2007	Change 2007 - 2006	2008	Change 2008 - 2007	2009	Change 2009 - 2008
Receipts									
Farebox Revenue	\$37.775	\$38.011	\$0.236	\$38.198	\$0.187	\$38.384	\$0.186	\$38.582	\$0.198
Vehicle Toll Revenue			0.000		0.000		0.000		0.000
Other Operating Revenue	3.899	3.748	(0.151)	3.249	(0.499)	2.599	(0.650)	2.504	(0.095)
Capital and Other Reimbursements	5.448	5.574	0.126	5.650	0.076	5.802	0.152	5.965	0.163
Total Receipts	\$47.122	\$47.333	\$0.211	\$47.097	(\$0.236)	\$46.785	(\$0.312)	\$47.051	\$0.266
Expenditures									
Labor:									
Payroll	\$57.477	\$59.960	(\$2.483)	\$61.438	(\$1.478)	\$63.233	(\$1.795)	\$67.634	(\$4.401)
Overtime	5.364	5.092	0.272	5.222	(0.130)	5.373	(0.151)	5.753	(0.380)
Health and Welfare	11.929	13.043	(1.114)	14.261	(1.218)	15.593	(1.332)	17.046	(1.453)
Pensions	5.806	5.380	0.426	5.529	(0.149)	5.670	(0.141)	5.835	(0.165)
Other Fringe Benefits	6.414	6.579	(0.165)	6.748	(0.169)	6.945	(0.197)	7.436	(0.491)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$86.990	\$90.054	(\$3.064)	\$93.198	(\$3.144)	\$96.814	(\$3.616)	\$103.704	(\$6.890)
Non-Labor:									
Traction and Propulsion Power									
Fuel for Buses and Trains	8.119	8.998	(0.879)	8.425	0.573	7.948	0.477	7.553	0.395
Insurance	0.206	0.193	0.013	0.198	(0.005)	0.204	(0.006)	0.210	(0.006)
Claims	4.500	2.800	1.700	2.872	(0.072)	2.955	(0.083)	3.044	(0.089)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	3.292	3.379	(0.087)	3.470	(0.091)	3.570	(0.100)	3.680	(0.110)
Professional Service Contracts	1.856	1.594	0.262	1.635	(0.041)	1.683	(0.048)	1.735	(0.052)
Materials & Supplies	5.401	5.551	(0.150)	5.692	(0.141)	5.858	(0.166)	6.038	(0.180)
Other Business Expenses	4.099	4.287	(0.188)	4.274	0.013	4.267	0.007	4.297	(0.030)
Total Non-Labor Expenditures	\$27.473	\$26.802	\$0.671	\$26.566	\$0.236	\$26.485	\$0.081	\$26.557	(\$0.072)
Other Expenditure Adjustments:									
Other			\$0.000		\$0.000		\$0.000		\$0.000
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$114.463	\$116.856	(\$2.393)	\$119.764	(\$2.908)	\$123.299	(\$3.534)	\$130.261	(\$6.962)
Baseline Net Cash Deficit	(\$67.341)	(\$69.523)	(\$2.182)	(\$72.667)	(\$3.144)	(\$76.514)	(\$3.846)	(\$83.210)	(\$6.696)
2006 Agency Program to Eliminate the GAP	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Post-2006 Agency Program to Elim. The Gap	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	\$0.000
Net Cash Deficit	(\$67.341)	(\$69.523)	(\$2.182)	(\$72.667)	(\$3.144)	(\$76.514)	(\$3.846)	(\$83.210)	(\$6.696)

**MTA Long Island Bus
November Financial Plan 2006 – 2009
Utilization**

Fixed Route Ridership:

LI Bus is currently experiencing a noteworthy increase in fixed route ridership. Year-to-date August, we are ahead of the comparable period in 2004 by .460 million riders (2.3%) and initial September ridership numbers remain strong.

This increase in ridership can be attributed to several factors. There has been a positive response to the innovative use of Job Access Reverse Commute (JARC) and NYS Innovative Mobility Demonstration Funds to provide job access/reverse commute service, gap closures and bus-rail connection services. The improving Nassau County economy, compliant Spring/Summer 2005 weather and the dramatic rate increase of fuel have all contributed to the better results.

The full-year 2005 forecast have been increased to 30.6 million riders. For 2006, the revised 2005 FY base was increased by .5% to 30.8 million riders and reflects the percentage of the current increase that we consider sustainable. An increase of .5% is also projected in each of the next three years (2007 – 2009).

Fixed Route Revenue:

Revenue is projected to be \$37.4 million in 2006. This is based on the 30.8 million projected riders and an average fare of \$1.216 that reflects a marginal increase due to the March 2005 fare revision.

The projected revenue in the 2006 – 2008 period is reflective of the .5% annual increase in riders.

Paratransit (Demand Response) Ridership

Demands for this service has normalized compared to the double-digit increases in prior years. Ridership as of year-to-date August 2005 is .2% above 2004 actual and July forecast.

The 2006 forecast is .325 million riders and represents a 1% increase over the 2005 projected actual. LI Bus will continue to support all ADA requirements and adjust as is necessary to meet demand.

An annual increase of 1 % is also projected for the 2007 – 2009 period.

Paratransit (Demand Response) Revenue

Able-Ride customer and companions pay \$3.50 per single ride. Care attendants who travel with registered customers ride for free. The projected revenue in 2006 is \$1.009 million with an annual average increase of 1% each year to 2009.

MTA Long Island Bus
November Financial Plan 2006 - 2009
Ridership/Traffic Volume (Utilization)
(in millions)

	2004 Actuals	2005 November Forecast	2006 Final Proposed Budget	2007	2008	2009
<u>RIDERSHIP</u>						
Fixed Route	30.241	30.648	30.786	30.940	31.095	31.105
Paratransit	0.318	0.322	0.325	0.328	0.332	0.335
Baseline Total Ridership	30.559	30.970	31.111	31.268	31.426	31.440
<i>Impact of:</i> PEG Program	-	-	-	-	-	-
Total Ridership	30.559	30.970	31.111	31.268	31.426	31.440
<u>FAREBOX REVENUE</u>						
Fixed Route	\$36.470	\$37.228	\$37.442	\$37.629	\$37.817	\$38.006
Paratransit	\$0.989	\$0.999	\$1.009	\$1.019	\$1.029	\$1.040
Baseline Total Revenue	\$37.459	\$38.227	\$38.451	\$38.648	\$38.847	\$39.046
<i>Impact of:</i> PEG Program	-	-	-	-	-	-
Total Revenue	\$37.459	\$38.227	\$38.451	\$38.648	\$38.847	\$39.046

**MTA Long Island Bus
November Financial Plan 2006 – 2009
Summary of Major Plan-to-Plan Changes**

1. REVENUE

- **Farebox:**
 - Revenue projections decreased by \$.105 million from the July Plan. This was due to lower actual average fixed route fare and its impact on the full year projection. Higher ridership and its associated fare revenue are offsetting the lower average fare. There is no change to Paratransit's projected revenue of \$.999 million.
 - Variances in the 2006 – 2009 period is based on the adjusted 2005 November Plan farebox revenue and the projected annual increase in ridership (.5% fixed route and 1% paratransit).
- **Other Operating Revenue**
 - There is no change in Other Operating Revenue from the July Plan.
- **Capital & Other Reimbursements**
 - Changes from the July Plan in all years is due to the impact of current CPI rates that were applied to the reimbursable payroll

2. LABOR EXPENSES

- **Payroll/Overtime:**
 - In 2005 there was a shift of \$.400 million between Payroll and Overtime reflective of the vacancies and other LIRR track work.
- **Health & Welfare**
 - An average CPI of 9.34% was used to forecast 2006 – 2009 Health and Welfare expenses. This created slight variances to the July forecast.
- **Pension**
 - The NYSLERS rate was lowered to 10.2% for FY 2005 and 9.7% for FY 2006. Using this rate, the 2005 Pension costs are now estimated at \$5.3 million. This baseline and rate adjustment is reflected in the forecasted expenses for the 2006 – 2009 period.
 -
- **Other Fringe**
 - Other Fringe costs projections mirrored the changes made in payroll. The CPI's dictated the higher rates used versus those in the July plan.

3. NON LABOR EXPENSES

- **Fuel:**
 - Changes in fuel expenses from the July Plan are in response to the sustained volatility of fuel prices and the adjustments made to compensate for these increases. Actual August 2005 rates were used to forecast the remainder of 2005 and 2006. CPI's from the August 2005 Global Insight Inc. were used to project expenses in the 2007 – 2009 period.
- **Insurance**
 - New insurance costs were issued which were higher than those used in the July Plan.
- **Maintenance & Other Operating Contracts**
 - Changes from the July Plan in all years are due to the impact of using the most current CPI rates in the November 2005 plan.
- **Professional Service Contracts**
 - Changes between plans are due to the use of new CPI's in the November plan.
- **Material & Supplies**
 - Changes from the July Plan in all years are due to the impact of new/higher CPI rates that were applied to the 2005 November plan.
- **Other Business Expenses**
 - Changes between plans are due to revised utilities expenses made necessary by the volatile fuel prices. Other changes between plans are due to the use of new CPI's in the November plan.

MTA Long Island Bus
November Financial Plan 2006 - 2009
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE

	2005 November Forecast	2006 Final Proposed Budget	2007	2008	2009
Baseline 2005 July Financial Plan - Operating Cash Income/(Deficit)	(\$66.606)	(\$68.486)	(\$71.945)	(\$75.954)	(\$83.015)
Baseline Changes					
Revenue					
Farebox Revenue	(\$0.105)	(\$0.064)	(\$0.072)	(\$0.082)	(\$0.082)
Vehicle Toll Revenue					
Capital and Other Reimbursement					
Total Revenue Changes	(\$.105)	(\$.064)	(\$.072)	(\$.082)	(\$.082)
Expenses					
Labor:					
Payroll	\$0.400	(\$0.191)	(\$0.060)	(\$0.043)	\$0.024
Overtime	(0.400)	(0.010)	0.002	0.003	0.009
Health and Welfare		(0.005)	(0.011)	(0.017)	(0.025)
Pensions	0.600	0.605	0.634	0.655	0.682
Other Fringe Benefits		(0.012)	0.002	0.004	0.012
Reimbursable Overhead					
Total Labor Expense Changes	\$.600	\$.387	\$.567	\$.602	\$.702
Non-Labor:					
Traction and Propulsion Power					
Fuel for Buses and Trains	(\$0.552)	(\$1.362)	(\$0.983)	(\$0.960)	(\$0.738)
Insurance		(0.075)	(0.068)	(0.061)	(0.053)
Claims			0.028	0.122	0.125
Paratransit Service Contracts	0.062	0.312			
Maintenance and Other Operating Contracts		(0.007)	0.001	0.002	0.006
Professional Service Contracts		(0.002)	0.001	0.001	0.003
Materials & Supplies		(0.011)	0.002	0.004	0.010
Other Business Expenses	(0.164)	(0.281)	(0.251)	(0.264)	(0.253)
Total Non-Labor Expense Changes	(\$.654)	(\$1.426)	(\$1.270)	(\$1.156)	(\$.900)
Total Expense Changes	(\$.054)	(\$1.039)	(\$.703)	(\$.554)	(\$.198)
Cash Adjustment Changes					
Farebox Revenue					
Capital and Other Reimbursement					
Payroll		0.001			
Overtime		0.010	0.010	0.011	0.011
Health and Welfare					
Pensions	(0.600)	(0.030)	(0.042)	(0.023)	(0.014)
Other Fringe Benefits		0.012	0.012	0.013	0.013
Fuel for Buses and Trains	0.023	0.068	0.072	0.076	0.075
Insurance					
Claims					
Paratransit Service Contracts					
Maintenance and Other Operating Contracts		0.005		0.001	
Professional Service Contracts		0.001			
Materials & Supplies					
Other Business Expenses					
Rounding	0.001	(0.001)	0.001	(0.002)	0.001
Total Cash Adjustment Changes	(\$0.576)	\$0.066	\$0.053	\$0.076	\$0.086
Total Baseline Changes	(\$0.735)	(\$1.037)	(\$0.722)	(\$0.560)	(\$0.194)
Baseline 2005 November Financial Plan - Operating Cash Income/(Deficit)	(\$67.341)	(\$69.523)	(\$72.667)	(\$76.514)	(\$83.209)

MTA Long Island Bus
November Financial Plan 2006 - 2009
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE					
	2005 November Forecast	2006 Final Proposed Budget	2007	2008	2009
Baseline 2005 July Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline Changes					
Revenue					
Farebox Revenue					
Vehicle Toll Revenue					
Capital and Other Reimbursement		(0.005)	0.012	0.017	0.052
Total Revenue Changes	\$0.000	(\$0.005)	\$0.012	\$0.017	\$0.052
Expenses					
Labor:					
Payroll		\$0.005	\$0.063	\$0.059	\$0.101
Overtime					
Health and Welfare			(0.075)	(0.075)	(0.151)
Pensions					
Other Fringe Benefits				(0.001)	(0.002)
Reimbursable Overhead					
Total Labor Expense Changes	\$0.000	\$0.005	(\$0.012)	(\$0.017)	(\$0.052)
Non-Labor:					
Traction and Propulsion Power					
Fuel for Buses and Trains					
Insurance					
Claims					
Paratransit Service Contracts					
Maintenance and Other Operating Contracts					
Professional Service Contracts					
Materials & Supplies					
Other Business Expenses					
Total Non-Labor Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expense Changes	\$0.000	\$0.005	(\$0.012)	(\$0.017)	(\$0.052)
Cash Adjustment Changes					
Farebox Revenue					
Capital and Other Reimbursement					
Payroll					
Overtime					
Health and Welfare					
Pensions					
Other Fringe Benefits					
Fuel for Buses and Trains					
Insurance					
Claims					
Paratransit Service Contracts					
Maintenance and Other Operating Contracts					
Professional Service Contracts					
Materials & Supplies					
Other Business Expenses					
Rounding					
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline 2005 November Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA Long Island Bus
November Financial Plan 2006 - 2009
Changes Between Financial Plans by Generic Categories
(\$ in millions)

**NON-REIMBURSABLE and
REIMBURSABLE**

	2005 November Forecast	2006 Final Proposed Budget	2007	2008	2009
Baseline 2005 July Financial Plan - Operating Cash Income/(Deficit)	(\$66.606)	(\$68.486)	(\$71.945)	(\$75.954)	(\$83.015)
Baseline Changes					
Revenue					
Farebox Revenue	(\$0.105)	(\$0.064)	(\$0.072)	(\$0.082)	(\$0.082)
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursement	0.000	(0.005)	0.012	0.017	0.052
Total Revenue Changes	(\$.105)	(\$.069)	(\$.060)	(\$.065)	(\$0.030)
Expenses					
Labor:					
Payroll	\$0.400	(\$0.186)	\$0.003	\$0.016	\$0.125
Overtime	(0.400)	(0.010)	0.002	0.003	0.009
Health and Welfare	0.000	(0.005)	(0.086)	(0.092)	(0.176)
Pensions	0.600	0.605	0.634	0.655	0.682
Other Fringe Benefits	0.000	(0.012)	0.002	0.003	0.010
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000
Total Labor Expense Changes	\$0.600	\$0.392	\$0.555	\$0.585	\$0.650
Non-Labor:					
Traction and Propulsion Power					
Fuel for Buses and Trains	(\$0.552)	(\$1.362)	(\$0.983)	(\$0.960)	(\$0.738)
Insurance	0.000	(0.075)	(0.068)	(0.061)	(0.053)
Claims	0.000	0.000	0.028	0.122	0.125
Paratransit Service Contracts	0.062	0.312	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	(0.007)	0.001	0.002	0.006
Professional Service Contracts	0.000	(0.002)	0.001	0.001	0.003
Materials & Supplies	0.000	(0.011)	0.002	0.004	0.010
Other Business Expenses	(0.164)	(0.281)	(0.251)	(0.264)	(0.253)
Total Non-Labor Expense Changes	(\$.654)	(\$1.426)	(\$1.270)	(\$1.156)	(\$0.900)
Total Expense Changes	(\$0.054)	(\$1.034)	(\$0.715)	(\$0.571)	(\$0.250)
Cash Adjustment Changes					
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Capital and Other Reimbursement	0.000	0.000	0.000	0.000	0.000
Payroll	0.000	0.001	0.000	0.000	0.000
Overtime	0.000	0.010	0.010	0.011	0.011
Health and Welfare	0.000	0.000	0.000	0.000	0.000
Pensions	(0.600)	(0.030)	(0.042)	(0.023)	(0.014)
Other Fringe Benefits	0.000	0.012	0.012	0.013	0.013
Fuel for Buses and Trains	0.023	0.068	0.072	0.076	0.075
Insurance	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.005	0.000	0.001	0.000
Professional Service Contracts	0.000	0.001	0.000	0.000	0.000
Materials & Supplies	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.000	0.000	0.000	0.000	0.000
Rounding	0.001	(0.001)	0.001	(0.002)	0.001
Total Cash Adjustment Changes	(\$0.576)	\$0.066	\$0.053	\$0.076	\$0.086
Total Baseline Changes	(\$0.735)	(\$1.037)	(\$0.722)	(\$0.560)	(\$0.194)
Baseline 2005 November Financial Plan - Operating Cash Income/(Deficit)	(\$67.341)	(\$69.523)	(\$72.667)	(\$76.514)	(\$83.209)

**MTA Long Island Bus
November Financial Plan 2006 – 2009
Positions**

POSITIONS

There is no change in headcount (full-time equivalents) from the July Mid-year budget. The 9 positions in support of the PEG program were removed.

MTA Long Island Bus
November Financial Plan 2006 - 2009
Non-Reimbursable - Reimbursable Positions at End-of-Year
Full-Time Positions and Full Time Equivalents

FUNCTION/DEPARTMENT	2004 Actuals	2005 November Forecast	2006 Final Proposed Budget	2007	2008	2009
Administration						
Administration - All Other	25	28	28	28	28	28
Administration - Safety	8	8	8	8	8	8
Finance	23	23	23	23	23	23
Legal	13	13	13	13	13	13
IT	15	19	19	19	19	19
Total Administration	84	91	91	91	91	91
Operations						
Admin (F/R)	33	34	34	34	34	34
Admin (Para)	5	5	5	5	5	5
Bus stops	2	2	2	2	2	2
Scheduling (F/R)	3	3	3	3	3	3
Scheduling (Para)	13	13	13	13	13	13
Reservationists (Para)	13	13	13	13	13	13
TIC	9	9	9	9	9	9
Dipatchers	35	36	36	36	36	36
Bus Operators (F/R)	527	530	530	530	530	530
Bus Operators (Para)	112	130	130	130	130	130
Total Operations	752	775	775	775	775	775
Maintenance						
Admin	7	7	7	7	7	7
Line Supervisors	18	19	19	19	19	19
Mechanics (F/R)	122	125	125	125	125	125
Mechanics (Para)	10	10	10	10	10	10
Mech. Helpers/Cleaners (F/R)	56	65	65	65	65	65
Cleaners (Para)	1	1	1	1	1	1
Storeroom	12	12	12	12	12	12
P & E (F/R)	12	13	13	13	13	13
P & E (Para)	1	1	1	1	1	1
Farebox	6	6	6	6	6	6
Total Maintenance	245	259	259	259	259	259
Engineering/Capital						
Engineers	5	5	5	5	5	5
Capital	13	14	14	14	14	14
Total Engineering/Capital	18	19	19	19	19	19
Public Safety						
Security	3	3	3	3	3	3
Total Public Safety	3	3	3	3	3	3
Grand Total	1,102	1,147	1,147	1,147	1,147	1,147
Non-Reimbursable	1,089	1,133	1,133	1,133	1,133	1,133
Reimbursable	13	14	14	14	14	14
Total Full-Time	996	1,038	1,038	1,038	1,038	1,038
Total Full-Time Equivalents	106	109	109	109	109	109

MTA Long Island Bus
November Financial Plan 2006-2009
Total Full-time Positions and Full-time Equivalents by Function and Occupational Group
Non-Reimbursable and Reimbursable

FUNCTION/OCCUPATIONAL GROUP	Final Proposed 2006	2007	2008	2009
Administration				
Managers/Supervisors	36	36	36	36
Professional, Technical, Clerical	55	55	55	55
Operational Hourlies	-	-	-	-
Total Administration	91	91	91	91
Operations				
Managers/Supervisors	51	51	51	51
Professional, Technical, Clerical	44	44	44	44
Operational Hourlies	680	680	680	680
Total Operations	775	775	775	775
Maintenance				
Managers/Supervisors	25	25	25	25
Professional, Technical, Clerical	23	23	23	23
Operational Hourlies	211	211	211	211
Total Maintenance	259	259	259	259
Engineering/Capital				
Managers/Supervisors	6	6	6	6
Professional, Technical, Clerical	13	13	13	13
Operational Hourlies	-	-	-	-
Total Engineering/Capital	19	19	19	19
Public Safety				
Managers/Supervisors	1	1	1	1
Professional, Technical, Clerical	2	2	2	2
Operational Hourlies	-	-	-	-
Total Public Safety	3	3	3	3
Total				
Managers/Supervisors	119	119	119	119
Professional, Technical, Clerical	137	137	137	137
Operational Hourlies	891	891	891	891
Total	1,147	1,147	1,147	1,147
Baseline Total Positions	1,147	1,147	1,147	1,147
Non-Reimbursable	1,133	1,133	1,133	1,133
Reimbursable	14	14	14	14
Total Full-Time	1,038	1,038	1,038	1,038
Total Full-Time Equivalents	109	109	109	109
Impact of: 2006 Program to Eliminate the Gap	-	-	-	-
Total Positions	1,147	1,147	1,147	1,147
Non-Reimbursable	1,133	1,133	1,133	1,133
Reimbursable	-	-	-	-
Total Full-Time	1,038	1,038	1,038	1,038
Total Full-Time Equivalents	109	109	109	109

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