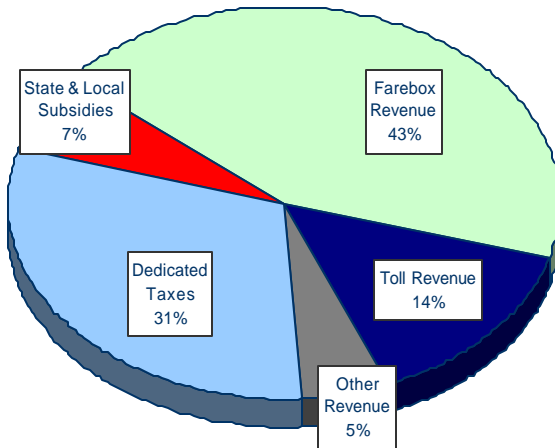


II. MTA Consolidated 2006-2009 Financial Plan

MTA 2006 Final Proposed Budget Baseline Before Gap Closing and Other Actions

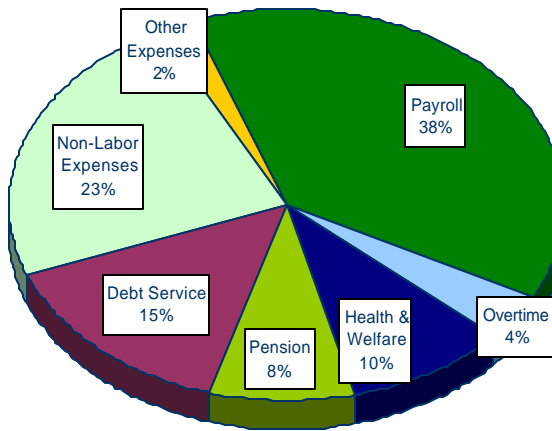
Where the Dollars Come From...



By Revenue Source (in millions)	
Farebox Revenue	\$3,727
Toll Revenue	1,238
Other Revenue	428
Dedicated Taxes	2,621
State & Local Subsidies	568
Total	\$8,582

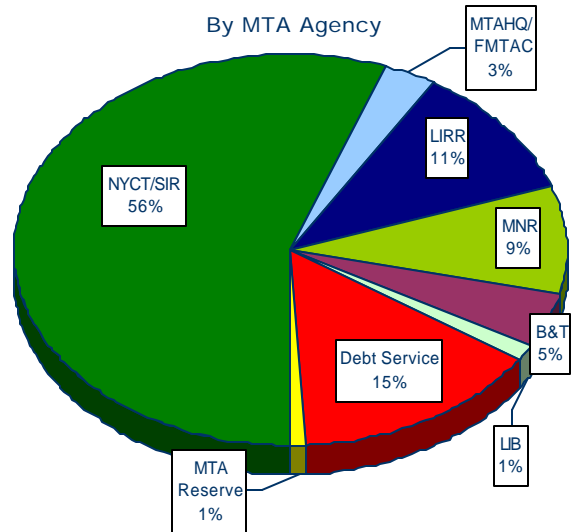
Where the Dollars Go...

By Expense Category



By Expense Category (in millions)	
Payroll	\$3,481
Overtime	351
Health & Welfare	862
Pension	734
Debt Service	1,340
Non-Labor Expenses	2,116
Other Expenses	181
Total	\$9,065
<i>Expenses exclude depreciation.</i>	

By MTA Agency



By MTA Agency (in millions)	
NYCT/SIR	\$5,032
MTAHQ/FMTAC	285
LIRR	1,012
MNR	790
B&T	418
LIB	112
Debt Service	1,340
MTA Reserve	75
Total	\$9,065
<i>Expenses exclude depreciation.</i>	

The net difference between revenues and expenses is offset through the use of prior year cash balances and cash flow timing adjustments (\$2,680 million) and depreciation (\$1,579 million). This results in a baseline year-end cash surplus of \$618 million.

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2006 - 2009
MTA Consolidated Statement Of Operations By Category
(\$ in millions)

Line Number		2004 Actual	2005 November Forecast	2006 Final Proposed Budget	2007	2008	2009
8	Non-Reimbursable						
11	Operating Revenue						
12	Farebox Revenue	\$3,425	\$3,623	\$3,727	\$3,771	\$3,814	\$3,835
13	Toll Revenue	1,097	1,207	1,238	1,240	1,247	1,249
14	Other Revenue (Excludes B&T Investment Income for Capital)	336	394	401	411	423	435
15	Capital and Other Reimbursements	23	26	27	29	31	32
16	Total Operating Revenue	\$4,881	\$5,250	\$5,394	\$5,450	\$5,515	\$5,551
18	Operating Expense						
19	Labor Expenses:						
20	Payroll	\$3,303	\$3,376	\$3,481	\$3,564	\$3,687	\$3,787
21	Overtime	350	375	351	356	365	376
22	Health & Welfare	711	787	862	941	1,034	1,132
23	Pensions	480	646	734	753	758	756
24	Other-Fringe Benefits	405	372	383	395	409	421
25	Reimbursable Overhead	(233)	(237)	(271)	(265)	(269)	(271)
26	Sub-total Labor Expenses	\$5,016	\$5,319	\$5,540	\$5,744	\$5,983	\$6,202
28	Non-Labor Expenses:						
29	Traction and Propulsion Power	203	249	264	266	270	279
30	Fuel for Buses and Trains	95	137	158	145	139	141
31	Insurance	19	28	39	43	47	52
32	Claims	130	141	148	153	157	162
33	Paratransit Service Contracts	135	160	192	223	260	304
34	Maintenance and Other Operating Contracts	411	502	522	528	523	542
35	Professional Service Contracts	180	240	224	226	232	240
36	Materials & Supplies	363	405	418	442	480	485
37	Other Business Expenses	143	104	151	153	158	164
38	Sub-total Non-Labor Expenses	\$1,679	\$1,966	\$2,116	\$2,179	\$2,268	\$2,369
40	Other Expense Adjustments:						
41	Other	(\$1)	(\$7)	(\$7)	(\$7)	(\$7)	(\$8)
42	General Reserve	0	0	75	75	75	75
43	Sub-total Other Expense Adjustments	(\$1)	(\$7)	\$68	\$68	\$68	\$67
45	Total Operating Expense Before Depreciation	\$6,693	\$7,278	\$7,725	\$7,992	\$8,319	\$8,638
47	Depreciation	\$1,344	\$1,479	\$1,629	\$1,794	\$1,941	\$2,102
49	Total Operating Expense (Excluding B&T Depreciation)	\$7,991	\$8,709	\$9,304	\$9,730	\$10,199	\$10,672
51	Net Operating Deficit Before Subsidies and Debt Service	(\$3,111)	(\$3,459)	(\$3,910)	(\$4,280)	(\$4,684)	(\$5,121)
53	Dedicated Taxes and State/Local Subsidies	\$2,822	\$3,385	\$3,188	\$3,325	\$3,318	\$3,373
55	Debt Service (excludes Service Contract Bonds)	(848)	(1,038)	(1,340)	(1,485)	(1,631)	(1,817)
57	Net Deficit After Subsidies and Debt Service	(\$1,137)	(\$1,112)	(\$2,062)	(\$2,440)	(\$2,997)	(\$3,564)
59	Conversion to Cash Basis: Depreciation	\$1,344	\$1,479	\$1,629	\$1,794	\$1,941	\$2,102
60	Conversion to Cash Basis: All Other	149	170	7	(22)	(55)	(53)
61	Net Cash Balance from Previous Year	151	507	1,044	618	0	0
63	Baseline Net Cash Balance	\$507	\$1,044	\$618	(\$49)	(\$1,111)	(\$1,516)
65	GAP CLOSING & POLICY ACTIONS:						
67	Customer Fare Programs		(50)	(50)	0	0	0
68	Service Enhancements		0	(50)	(35)	(35)	(35)
69	Capital Security Addition		(100)	0	0	0	0
70	Pension Liability Reduction		(450)	0	0	0	0
71	Pension Earnings (@8%)		0	42	42	42	42
72	Real Estate Tax Stabilization Account		0	200	0	0	0
73	2006 Agency Program to Eliminate the Gap		18	42	44	47	50
74	Post 2006 Agency Program to Eliminate the Gap		0	0	3	16	24
75	2007 Increased Fare and Toll Yields		0	0	241	244	245
76	2009 Increased Fare and Toll Yields		0	0	0	0	257
77	Adjusted Net Cash Balance from Previous Year		0	(582)	(398)	0	0
80	Net Cash Surplus/(Deficit)	\$507	\$462	\$220	(\$152)	(\$797)	(\$934)

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2006 - 2009
MTA Consolidated Accrued Statement of Operations By Agency
(\$ in millions)

Line Number		2004	2005 November	2006 Final Proposed	2007	2008	2009
	Non-Reimbursable	Actual	Forecast	Budget			
8							
9	<u>Total Operating Revenue</u>						
10	Bridges and Tunnels (Excludes Investment Income)	\$1,130	\$1,253	\$1,290	\$1,291	\$1,299	\$1,302
11	Capital Construction Company	0	0	0	0	0	0
12	Long Island Bus	41	42	42	42	41	42
13	Long Island Rail Road	437	465	476	484	491	500
14	Metro-North Railroad	433	469	481	488	495	502
15	MTA Headquarters	14	51	53	54	56	56
16	New York City Transit	2,814	2,958	3,040	3,077	3,119	3,136
17	Staten Island Railway	5	5	5	6	6	6
18	First Mutual Transportation Assurance Company	7	7	7	7	8	8
19	Total	\$4,881	\$5,250	\$5,394	\$5,450	\$5,515	\$5,551
20							
21	<u>Total Operating Expenses before Depreciation</u> ¹						
22	Bridges and Tunnels	\$319	\$347	\$392	\$401	\$410	\$425
23	Capital Construction Company	0	0	0	0	0	0
24	Long Island Bus	102	107	112	115	118	122
25	Long Island Rail Road	890	979	1,012	1,050	1,120	1,159
26	Metro-North Railroad	728	754	790	822	863	911
27	MTA Headquarters	242	301	310	320	330	342
28	New York City Transit	4,391	4,768	5,005	5,182	5,380	5,581
29	Staten Island Railway	26	26	27	28	29	30
30	First Mutual Transportation Assurance Company	(2)	3	7	5	2	(0)
31	Other	(1)	(7)	68	68	68	67
32	Total	\$6,693	\$7,278	\$7,725	\$7,992	\$8,319	\$8,638
33							
34	<u>Depreciation</u>						
35	Bridges and Tunnels	\$46	\$48	\$50	\$57	\$61	\$67
36	Capital Construction Company	0	0	0	0	0	0
37	Long Island Bus	0	0	0	0	0	0
38	Long Island Rail Road	220	250	274	275	259	256
39	Metro-North Railroad	158	185	195	200	207	214
40	MTA Headquarters	21	23	25	25	22	20
41	New York City Transit	892	962	1,075	1,228	1,382	1,535
42	Staten Island Railway	7	10	10	10	10	10
43	First Mutual Transportation Assurance Company	0	0	0	0	0	0
44	Total	\$1,344	\$1,479	\$1,629	\$1,794	\$1,941	\$2,102
45							
46	<u>Net Operating Income/(Deficit)</u>						
47	Bridges and Tunnels (Excludes Depreciation)	\$811	\$906	\$897	\$890	\$889	\$877
48	Capital Construction Company	0	0	0	0	0	0
49	Long Island Bus	(60)	(66)	(70)	(73)	(77)	(81)
50	Long Island Rail Road	(674)	(765)	(810)	(841)	(888)	(915)
51	Metro-North Railroad	(453)	(470)	(504)	(533)	(574)	(623)
52	MTA Headquarters	(249)	(272)	(283)	(291)	(296)	(305)
53	New York City Transit	(2,469)	(2,772)	(3,039)	(3,333)	(3,643)	(3,981)
54	Staten Island Railway	(29)	(31)	(32)	(33)	(34)	(35)
55	First Mutual Transportation Assurance Company	9	4	0	3	5	8
56	Other	1	7	(68)	(68)	(68)	(67)
57	Total	(\$3,111)	(\$3,459)	(\$3,910)	(\$4,280)	(\$4,684)	(\$5,121)

Note: ¹ Excludes Debt Service

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2006 - 2009
MTA Consolidated Cash Receipts and Expenditures
(\$ in millions)

Line Number	CASH RECEIPTS AND EXPENDITURES	2004 Actual	2005 November Forecast	2006 Final Proposed Budget	2007	2008	2009
9							
10							
11	Receipts						
12	Farebox Revenue	\$3,466	\$3,671	\$3,766	\$3,817	\$3,860	\$3,878
13	Other Operating Revenue	469	417	398	407	421	433
14	Capital and Other Reimbursements	1,107	1,105	1,182	1,175	1,190	1,198
15	Total Receipts	\$5,043	\$5,193	\$5,346	\$5,399	\$5,471	\$5,510
16							
17	Expenditures						
18	<u>Labor:</u>						
19	Payroll	\$3,581	\$3,665	\$3,812	\$3,871	\$4,004	\$4,091
20	Overtime	392	430	402	405	415	427
21	Health and Welfare	706	805	876	957	1,052	1,148
22	Pensions	393	502	701	774	785	787
23	Other Fringe Benefits	456	446	469	477	493	504
24	Reimbursable Overhead	0	0	0	0	0	(0)
25	Total Labor Expenditures	\$5,528	\$5,848	\$6,260	\$6,484	\$6,748	\$6,958
26							
27	<u>Non-Labor:</u>						
28	Traction and Propulsion Power	\$203	\$249	\$264	\$266	\$270	\$279
29	Fuel for Buses and Trains	92	137	158	144	138	140
30	Insurance	33	40	40	45	54	52
31	Claims	88	117	111	122	119	123
32	Paratransit Service Contracts	130	157	188	223	260	304
33	Maintenance and Other Operating Contracts	380	472	448	422	433	447
34	Professional Service Contracts	190	244	225	225	231	236
35	Materials & Supplies	464	496	522	545	584	593
36	Other Business Expenditures	112	110	161	173	169	174
37	Total Non-Labor Expenditures	\$1,692	\$2,023	\$2,118	\$2,165	\$2,259	\$2,350
38							
39	<u>Other Expenditure Adjustments:</u>						
40	Other	\$39	\$85	\$74	\$76	\$81	\$84
41	General Reserve	0	0	75	75	75	75
42	Total Other Expenditure Adjustments	\$39	\$85	\$149	\$151	\$156	\$159
43							
44	Total Expenditures	\$7,259	\$7,956	\$8,527	\$8,801	\$9,163	\$9,467
45							
46	Net Cash Deficit Before Subsidies and Debt Service	(\$2,217)	(\$2,763)	(\$3,180)	(\$3,402)	(\$3,692)	(\$3,957)
47							
48	Dedicated Taxes and State/Local Subsidies	\$3,008	\$3,941	\$3,637	\$3,745	\$3,721	\$3,748
49							
50	Debt Service (excludes Service Contract Bonds)	(435)	(641)	(883)	(1,010)	(1,140)	(1,307)
51							
52	Net Cash Balance from Previous Year	151	507	1,044	618	0	0
53							
54	Baseline Net Cash Surplus/(Deficit)	\$507	\$1,044	\$618	(\$49)	(\$1,111)	(\$1,516)
55							
56	<u>GAP CLOSING & POLICY ACTIONS:</u>						
57							
58	Customer Fare Programs		(50)	(50)	0	0	0
59	Service Enhancements		0	(50)	(35)	(35)	(35)
60	Capital Security Addition		(100)	0	0	0	0
61	Pension Liability Reduction		(450)	0	0	0	0
62	Pension Earnings (@8%)		0	42	42	42	42
63	Real Estate Tax Stabilization Account		0	200	0	0	0
64	2006 Agency Program to Eliminate the Gap		18	42	44	47	50
65	Post 2006 Agency Program to Eliminate the Gap		0	0	3	16	24
66	2007 Increased Fare and Toll Yields		0	0	241	244	245
67	2009 Increased Fare and Toll Yields		0	0	0	0	257
68							
69	Adjusted Net Cash Balance from Previous Year		0	(582)	(398)	0	0
70							
71	Net Cash Surplus/(Deficit)	\$507	\$462	\$220	(\$152)	(\$797)	(\$934)

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2006 - 2009
MTA Consolidated Cash Statement of Operations By Agency
(\$ in millions)

Line Number		2004	2005	2006			
		Actuals	November	Final	2007	2008	2009
8							
9	<u>Total Receipts</u>						
10	Capital Construction Company	\$10	\$18	\$27	\$31	\$32	\$33
11	Long Island Bus	47	47	47	47	47	47
12	Long Island Rail Road	639	644	686	708	718	731
13	Metro-North Railroad	594	638	658	675	689	690
14	MTA Headquarters	45	93	96	98	101	103
15	New York City Transit	3,694	3,739	3,819	3,825	3,870	3,890
16	Staten Island Railway	7	6	6	7	7	7
17	First Mutual Transportation Assurance Company	7	7	7	7	8	8
18	Total	\$5,043	\$5,193	\$5,346	\$5,399	\$5,471	\$5,510
19							
20	<u>Total Expenditures</u>						
21	Capital Construction Company	\$10	\$18	\$27	\$31	\$32	\$33
22	Long Island Bus	100	114	117	120	123	130
23	Long Island Rail Road	1,097	1,121	1,227	1,275	1,341	1,383
24	Metro-North Railroad	871	914	987	1,010	1,070	1,105
25	MTA Headquarters	255	392	376	387	397	411
26	New York City Transit	4,938	5,366	5,684	5,867	6,087	6,290
27	Staten Island Railway	28	27	28	29	30	31
28	First Mutual Transportation Assurance Company	7	7	7	7	8	8
29	Other	(46)	(4)	75	75	75	75
30	Total	\$7,259	\$7,956	\$8,527	\$8,801	\$9,163	\$9,467
31							
32	<u>Net Operating Surplus/(Deficit)</u>						
33	Capital Construction Company	0	0	0	0	0	0
34	Long Island Bus	(52)	(67)	(70)	(73)	(77)	(83)
35	Long Island Rail Road	(457)	(477)	(541)	(567)	(623)	(652)
36	Metro-North Railroad	(277)	(276)	(329)	(335)	(381)	(414)
37	MTA Headquarters	(210)	(300)	(280)	(288)	(296)	(307)
38	New York City Transit	(1,244)	(1,627)	(1,865)	(2,042)	(2,217)	(2,400)
39	Staten Island Railway	(22)	(21)	(22)	(22)	(23)	(24)
40	First Mutual Transportation Assurance Company	0	0	0	(0)	(0)	0
41	Other	46	4	(75)	(75)	(75)	(75)
42	Total	(\$2,217)	(\$2,763)	(\$3,180)	(\$3,402)	(\$3,692)	(\$3,957)

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Metropolitan Transportation Authority
November Financial Plan 2006 - 2009
MTA Consolidated July Financial Plan Compared with November Financial Plan
Cash Reconciliation
(\$ in millions)

	Favorable/(Unfavorable)				
	2005	2006	2007	2008	2009
July Plan Baseline Net Cash Surplus/(Deficit)	\$833	\$461	(\$194)	(\$1,077)	(\$1,453)
<u>Changes to the November Plan</u>					
Subsidies	195	16	41	17	15
<i>Real Estate Transaction Taxes (MRT/Urban)</i>	182	0	0	0	0
<i>Petroleum Business Tax</i>	13	(20)	5	5	5
<i>Metropolitan Mass Transportation Operating Assistance</i>	0	36	36	12	11
General Reserve	40	(35)	(35)	(35)	(35)
Use of MRT Prior Year Balances	(40)	10	10	10	10
Debt Service	42	2	(18)	(28)	(63)
Agency Baseline Changes	(34)	(51)	(24)	(8)	1
<i>Toll/Farebox Revenue</i>	0	27	21	25	29
<i>Overtime</i>	(22)	(2)	0	(0)	(0)
<i>Health & Welfare</i>	18	21	24	25	26
<i>Pensions</i>	(2)	3	10	12	18
<i>Energy</i>	(21)	(49)	(34)	(27)	(27)
<i>Insurance</i>	1	(8)	(11)	(13)	(16)
<i>Security Reallocation/Funding</i>	(21)	(19)	(21)	(21)	(23)
<i>Additional Baseline Re-estimates/Cash Adjustments</i>	13	(24)	(12)	(9)	(6)
Other	8	5	13	11	8
Net Cash Balance from Previous Year		211	158	0	0
Total Changes	\$211	\$158	\$145	(\$34)	(\$63)
November Plan Baseline Net Cash Surplus/(Deficit)	\$1,044	\$618	(\$49)	(\$1,111)	(\$1,516)
<u>GAP CLOSING & POLICY ACTIONS:</u>					
Customer Fare Programs	(50)	(50)	0	0	0
Service Enhancements	0	(50)	(35)	(35)	(35)
Capital Security Addition	(100)	0	0	0	0
Pension Liability Reduction	(450)	0	0	0	0
Pension Earnings (@8%)	0	42	42	42	42
Real Estate Tax Stabilization Account	0	200	0	0	0
2006 Agency Program to Eliminate the Gap	18	42	44	47	50
Post 2006 Agency Program to Eliminate the Gap	0	0	3	16	24
2007 Increased Fare and Toll Yields	0	0	241	244	245
2009 Increased Fare and Toll Yields	0	0	0	0	257
Adjusted Net Cash Balance from Previous Year	0	(582)	(398)	0	0
Net Cash Surplus/(Deficit)	\$462	\$220	(\$152)	(\$797)	(\$934)

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Metropolitan Transportation Authority
November Financial Plan 2006 - 2009
Summary of Total Budgeted Debt Service
(\$ in millions)

Line Number		ACTUAL	FORECAST				
		2004	2005	2006	2007	2008	2009
9	<u>New York City Transit:</u>						
10							
11	Budgeted Gross Debt Service for Existing Transportation Revenue Bonds	\$191.154	\$242.569	\$295.841	\$298.755	\$298.611	\$298.772
12	Debt Service on Additional Transportation Revenue Bonds Supporting Approved Capital Programs	0.000	2.622	43.034	98.274	168.165	263.133
13	2 Broadway Certificates of Participation - NYCT Lease Portion	18.301	23.133	17.516	17.518	19.221	19.226
14	2 Broadway Certificates of Participation - Additional NYCT Share of MTA Lease Portion	1.838	2.453	1.759	1.759	1.931	1.931
15	Transportation Resolution Commercial Paper	2.977	11.045	30.694	30.694	30.694	30.694
16	Budgeted Gross Debt Service for Existing Dedicated Tax Fund Bonds	126.260	162.724	170.763	173.995	174.089	174.232
17	<u>Debt Service on Additional Dedicated Tax Fund Bonds Supporting Approved Capital Programs</u>	<u>0.000</u>	<u>0.000</u>	<u>9.001</u>	<u>27.214</u>	<u>50.253</u>	<u>81.557</u>
18	Sub-Total MTA Paid Debt Service	\$340.530	\$444.546	\$568.609	\$648.211	\$742.964	\$869.546
19							
20	Budgeted Gross Debt Service for Existing TBTA (B&T) General Revenue Bonds	\$133.400	\$124.404	\$141.794	\$143.621	\$143.548	\$143.581
21	<u>Budgeted Gross Debt Service for Existing TBTA (B&T) Subordinate Revenue Bonds</u>	<u>76.155</u>	<u>73.943</u>	<u>84.328</u>	<u>85.658</u>	<u>85.751</u>	<u>85.695</u>
22	Sub-Total B&T Paid Debt Service	\$209.555	\$198.346	\$226.121	\$229.279	\$229.299	\$229.276
23							
24							
25	Total NYCT Debt Service	\$550.084	\$642.892	\$794.730	\$877.489	\$972.263	\$1,098.822
26							
27	<u>Commuter Railroads:</u>						
28							
29	Budgeted Gross Debt Service for Existing Transportation Revenue Bonds	\$67.074	\$154.719	\$219.545	\$221.708	\$221.600	\$221.720
30	Debt Service on Additional Transportation Revenue Bonds Supporting Approved Capital Programs	0.000	2.800	39.290	73.462	99.453	135.653
31	Transportation Resolution Commercial Paper	1.654	6.494	14.685	14.685	14.685	14.685
32	Budgeted Gross Debt Service for Existing Dedicated Tax Fund Bonds	25.476	32.046	32.965	33.588	33.607	33.634
33	<u>Debt Service on Additional Dedicated Tax Fund Bonds Supporting Approved Capital Programs</u>	<u>0.000</u>	<u>0.000</u>	<u>7.415</u>	<u>18.682</u>	<u>27.250</u>	<u>31.966</u>
34	Sub-Total MTA Paid Debt Service	\$94.205	\$196.060	\$313.899	\$362.125	\$396.595	\$437.659
35							
36	Budgeted Gross Debt Service for Existing TBTA (B&T) General Revenue Bonds	\$59.710	\$55.683	\$63.467	\$64.285	\$64.252	\$64.267
37	<u>Budgeted Gross Debt Service for Existing TBTA (B&T) Subordinate Revenue Bonds</u>	<u>31.317</u>	<u>32.487</u>	<u>37.050</u>	<u>37.634</u>	<u>37.675</u>	<u>37.651</u>
38	Sub-Total B&T Paid Debt Service	\$91.026	\$88.170	\$100.517	\$101.919	\$101.927	\$101.917
39							
40	Total CRR Debt Service	\$185.231	\$284.230	\$414.416	\$464.044	\$498.523	\$539.576
41							
42	<u>Bridges and Tunnels:</u>						
43							
44	Budgeted Gross Debt Service for Existing TBTA (B&T) General Revenue Bonds	\$72.450	\$73.487	\$87.006	\$88.127	\$88.083	\$88.103
45	Budgeted Gross Debt Service for Existing TBTA (B&T) Subordinate Revenue Bonds	33.806	29.209	33.311	33.836	33.873	33.851
46	Debt Service on Additional TBTA (B&T) General Revenue Bonds Supporting Approved Capital Programs	0.000	0.000	4.448	15.645	31.578	49.342
47	2 Broadway Certificates of Participation - TBTA Lease Portion	2.744	3.417	2.626	2.626	2.882	2.883
48	2 Broadway Certificates of Participation - Additional TBTA Share of MTA Lease Portion	3.756	5.014	3.595	3.595	3.945	3.946
49							
50	Total Debt Service	\$112.757	\$111.127	\$130.986	\$143.830	\$160.361	\$178.125
51							
52	<u>MTA Total:</u>						
53							
54	Budgeted Gross Debt Service for Existing Bonds	\$816.801	\$981.270	\$1,166.068	\$1,181.207	\$1,181.089	\$1,181.506
55	2 Broadway Certificates of Participation	26.640	34.017	25.496	25.500	27.979	27.986
56	Transportation Resolution Commercial Paper	4.631	17.539	45.380	45.380	45.380	45.380
57	Debt Service on Additional Transportation Revenue Bonds Supporting Approved Capital Programs	0.000	5.423	82.324	171.737	267.618	398.787
58	Debt Service on Additional Dedicated Tax Fund Bonds Supporting Approved Capital Programs	0.000	0.000	16.416	45.895	77.503	113.522
59	Debt Service on Additional TBTA (B&T) General Revenue Bonds Supporting Approved Capital Programs	0.000	0.000	4.448	15.645	31.578	49.342
60							
61	Total Debt Service	\$848.072	\$1,038.249	\$1,340.132	\$1,485.364	\$1,631.147	\$1,816.523

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**METROPOLITAN TRANSPORTATION AUTHORITY
NOVEMBER FINANCIAL PLAN 2006 -2009
FAREBOX RECOVERY AND FAREBOX OPERATING RATIOS
ANNUAL BUDGET and FORECASTS
BEFORE GAP CLOSING and POLICY ACTIONS**

FAREBOX RECOVERY RATIOS

	<u>2005 November Plan</u>	<u>2006 Forecast</u>	<u>2007 Forecast</u>	<u>2008 Forecast</u>	<u>2009 Forecast</u>
New York City Transit	44.4%	42.7%	40.7%	38.7%	37.0%
Staten Island Railway	12.2%	12.2%	12.8%	12.6%	12.3%
Long Island Rail Road	32.2%	30.3%	29.7%	28.9%	28.9%
Metro-North Railroad	42.5%	40.2%	38.9%	37.2%	36.0%
Long Island Bus	<u>34.3%</u>	<u>33.0%</u>	<u>32.4%</u>	<u>31.8%</u>	<u>30.9%</u>
MTA Total Agency Average	42.1%	40.2%	38.6%	36.9%	35.5%

FAREBOX OPERATING RATIOS

	<u>2005 November Plan</u>	<u>2006 Forecast</u>	<u>2007 Forecast</u>	<u>2008 Forecast</u>	<u>2009 Forecast</u>
New York City Transit	58.9%	57.8%	56.3%	54.8%	53.0%
Staten Island Railway	17.6%	17.5%	18.1%	17.7%	17.0%
Long Island Rail Road	44.8%	44.1%	43.4%	41.3%	40.6%
Metro-North Railroad	57.4%	56.4%	55.7%	53.5%	51.0%
Long Island Bus	<u>35.6%</u>	<u>34.3%</u>	<u>33.6%</u>	<u>32.8%</u>	<u>31.9%</u>
MTA Total Agency Average	56.1%	55.1%	53.9%	52.2%	50.4%

Note:

Does not include 2006 PEGs or 2007 and 2009 fare/toll increase.

Farebox recovery ratio has a long-term focus. It includes costs that are not funded in the current year, except in an accounting-ledger sense, but are, in effect, passed on to future years. Those costs include depreciation and interest on long-term debt. Approximately 10% (and sometimes more) of MTA costs are not recovered in the current year from farebox revenues, other operating revenues or subsidies. That is why MTA operating statements generally show deficits. In addition, the recovery ratio allocates centralized MTA services to the Agencies, such as Security, the costs of the Inspector General, Civil Rights, Audit, Risk Management and Legal.

Farebox operating ratio focuses on Agency operating financial performance. It reflects the way MTA meets its statutory and bond-covenant budget-balancing requirements, and it excludes certain cost that are not subject to Agency control, but are provided centrally by MTA.

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