

New York City Transit

**MTA New York City Transit
2007 Final Proposed Budget
November Financial Plan 2007 – 2010**

MISSION STATEMENT

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

FINANCIAL OVERVIEW

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

- a subway system operating approximately 6,200 subway cars on 26 routes over 233 route miles and 660 miles of mainline track, serving 468 stations located in four of New York City's (City) boroughs;
- a bus system operating more than 4,400 buses on 207 local and 36 express routes for approximately 119 million vehicle miles per year; and
- Access-a-Ride, a paratransit service that operates throughout the City under private contract to serve persons whose disabilities preclude using bus and subway services.

The 2007 Final Proposed Budget and projections for the years 2008-2010 provide sufficient funding to maintain MTA's commitment to safety and security, and to provide for a number of bus and subway service enhancements. This is accomplished primarily through the implementation of organizational and operating efficiencies (Programs to Eliminate the GAP) that optimize the use of resources to achieve agency goals. Ongoing and extensive internal efforts are being made by MTA NYC Transit to reduce non-critical spending and improve operating efficiencies.

Bus service enhancements include peak period service increases consistent with Board-approved passenger loading guidelines, running time adjustments and recommendations of the Staten Island Task Force. On the subway side, increased peak-period service on the "L" line is included to address increased ridership on the line. Substantial paratransit service increases are also included based on projected ridership growth.

Off-peak service levels are being maintained due to the elimination of proposed service adjustments that had been included in the July 2006 Financial Plan. The proposed adjustments (now dropped) included systemwide implementation of bus off-peak loading guidelines (baseline) and subway off-peak policy headways (PEG). Other proposed PEGs affecting Customer Convenience and Amenities have also been

Financial Overview (continued)

eliminated from the November Plan, specifically proposals to reduce station agent staffing at part-time booths and the hours of service for telephone information lines.

Significant maintenance investments in the subway and bus fleets provided in the July Financial Plan have been retained, as they are required to insure fleet and service reliability and to respond to increased maintenance material costs, which reflect the higher technological content of new cars and buses.

2006 November Forecast

MTA NYC Transit's November Forecast includes total expenses before depreciation of \$5,855.1 million, consisting of \$5,059.3 million of non-reimbursable expenses and \$795.8 million of reimbursable expenses. Total revenues are projected to be \$3,811.3 million, of which \$3,015.5 million are operating revenues and \$795.8 million are capital reimbursements. Total baseline full-time and full-time equivalent positions are 48,001 (42,689 non-reimbursable positions and 5,312 reimbursable positions).

The 2006 baseline net cash deficit is projected to worsen by \$7.0 million from the 2006 Mid-Year Forecast. Major changes include:

- Unfavorable re-estimates of departmental expenses of \$14.8 million, due in large part to \$6.2 million of additional unscheduled overtime requirements. The remaining expense increase stems from several re-estimates, including bus service adjustments, excess incumbents, reimbursable underruns, increased water and sewer costs, and other non-labor requirements.
- The unfavorable timing of \$8.2 million of transactions originally anticipated to occur in 2006 but deferred/rescheduled to subsequent years.
- Favorable reimbursable overhead credits of \$8.6 million primarily due to rate increases.
- A re-estimate of average pay rates resulting in a savings of \$4.0 million.

Reimbursable expenses are projected to decrease by \$10.9 million, due primarily to labor underruns, data center savings and the timing of expenses rescheduled to 2007. This decrease is offset by a corresponding decrease in reimbursement.

Total baseline positions are projected to increase by 21, mostly for bus service adjustments.

Programs to Eliminate the GAP (PEGs): 2006

The 2006 accelerated effect of the 2007 Programs to Eliminate the GAP, presented below the baseline on the attached financial tables and described below, has not changed from the Mid-Year Forecast and is projected to yield a deficit reduction of \$15.4 million.

2007 Final Proposed Budget-Baseline

MTA NYC Transit's 2007 Final Proposed Budget includes total expenses before depreciation of \$6,207.7 million, consisting of \$5,398.2 million of non-reimbursable expenses and \$809.5 million of reimbursable expenses. Total revenues are projected to be \$3,864.6 million, of which \$3,055.1 million are operating revenues and \$809.5 million are capital reimbursements. Total baseline full-time and full-time equivalent positions are 48,292, including 43,035 non-reimbursable positions and 5,257 reimbursable positions.

The 2007 baseline net cash deficit is projected to decrease by \$14.3 million from the July Financial Plan. Major changes include:

- Favorable reimbursable overhead credits of \$15.2 million including rate increases and other reimbursable changes.
- A re-estimate of average pay rates resulting in a savings of \$12.7 million.
- A re-estimate of urban taxes dedicated to paratransit operations in light of the continued strong commercial real estate market, resulting in a revenue increase of \$10.1 million.
- The favorable timing of \$9.3 million of transactions originally anticipated to occur in 2006.
- Elimination of the implementation of bus off-peak seated load guidelines systemwide, resulting in a deficit increase of \$15.1 million.
- An unfavorable capital reimbursement lag of \$14.3 million relating to a significant increase in projected 2007 reimbursable expenses.

Reimbursable expenses are projected to increase by \$57.9 million. This increase is due primarily to additional construction & support requirements including Flushing line reconfiguration, new subway car (R160) delivery, signal modifications, antenna cable installation, information systems projects and engineering. This increase is offset by a corresponding increase in reimbursements.

Total baseline positions are projected to increase by 699, mostly due to the restoration of 431 non-reimbursable positions that would have been reduced with the implementation of bus off-peak seated load guidelines systemwide. Other major position increases include 77 non-reimbursable positions for additional induction training float and 178 reimbursable positions in support of increased reimbursable requirements included in the November Financial Plan.

Programs to Eliminate the GAP (PEGs): 2007

The 2007 Programs to Eliminate the GAP, presented below the baseline on the attached financial tables and described below, have been reduced by \$5.0 million due to the elimination from the July Financial Plan of the following three PEGs: Subway Off-Peak Policy Headways, Part-Time Subway Booth Staffing, and Telephone Information Line Hours. PEGs are now projected to yield a deficit reduction of \$34.1 million in 2007.

2008-2010 Projections

MTA NYC Transit's projections for 2008-2010 reflect total expenses before depreciation as follows: 2008=\$6,444.2 million, 2009=\$6,707.6 million and 2010=\$6,938.9 million.

Non-reimbursable expenses before depreciation are projected as follows:

2008=\$5,655.0, 2009=\$5,928.2 million and 2010=\$6,147.2 million. Reimbursable expenses are projected as follows: 2008=\$789.2 million, 2009=\$779.4 million and 2010=\$791.7 million. Total revenues are projected as follows: 2008=\$3,899.3 million, 2009=\$3,919.3 million and 2010=\$3,961.5 million. Operating revenues are projected as follows: 2008=\$3,110.1 million, 2009=\$3,139.9 million and 2010=\$3,169.8 million. Capital reimbursements are projected as follows: 2008=\$789.2 million, 2009=\$779.4 million and 2010=\$791.7 million. Baseline full-time and full-time equivalent positions are projected to total 48,093 in 2008, 48,035 in 2009 and 47,642 in 2010. Non-reimbursable positions are projected to be 43,100 in 2008, 43,226 in 2009 and 42,912 in 2010. Reimbursable positions are projected to be 4,993 in 2008, 4,809 in 2009 and 4,730 in 2010.

Relative to the July Financial Plan, baseline net cash deficits are projected to increase by \$2.1 million in 2008, \$8.6 million in 2009 and \$19.7 million in 2010.

Major 2008 changes from the July Financial Plan include:

- Elimination of the proposed implementation of bus off-peak seated load guidelines systemwide resulting in a deficit increase of \$29.7 million.
- A re-estimate of urban taxes dedicated to paratransit operations in light of the continued strong commercial real estate market, resulting in a revenue increase of \$11.8 million.
- A re-estimate of pay rates resulting in a savings of \$8.8 million.
- A favorable capital reimbursement lag impact of \$7.2 million.

Major 2009 changes from the July Financial Plan include:

- Elimination of the proposed implementation of bus off-peak seated load guidelines systemwide resulting in a deficit increase of \$31.6 million.
- Inflation-related adjustments resulting in a net deficit increase of \$17.5 million.
- A re-estimate of urban taxes dedicated to paratransit operations in light of the continued strong commercial real estate market, resulting in a revenue increase of \$13.1 million.
- A farebox revenue re-estimate of \$13.0 million, based on revised employment projections and updated current results.
- A re-estimate of pay rates resulting in a savings of \$8.8 million.
- Favorable reimbursable overhead credits of \$5.5 million including rate increases and other reimbursable changes.

2008-2010 Projections (continued)

Major 2010 changes from the July Financial Plan include:

- Elimination of the proposed implementation of bus off-peak seated load guidelines systemwide resulting in a deficit increase of \$32.6 million.
- Inflation-related adjustments resulting in a net deficit increase of \$28.4 million.
- A farebox revenue re-estimate of \$16.7 million, based on revised employment projections and updated current results.
- A re-estimate of urban taxes dedicated to paratransit operations in light of the continued strong commercial real estate market, resulting in a revenue increase of \$14.1 million.
- A re-estimate of pay rates resulting in a savings of \$8.8 million.

Reimbursable expenses are projected to increase by \$23.3 million in 2008, \$13.0 million in 2009, and \$10.6 million in 2010, reflecting capital project requirements. These changes are offset by corresponding increases in reimbursements.

Total baseline positions are projected to increase by 407 in 2008, 383 in 2009 and 321 in 2010. These increases are due primarily to restoring non-reimbursable positions that would have been saved from implementing bus off-peak seated load guidelines systemwide.

Programs to Eliminate the GAP (PEGs): 2008-2010

The 2007 Programs to Eliminate the GAP, presented below the baseline on the attached financial tables and described below, have been reduced by \$20.5 million in each projection year due to the elimination from the July Financial Plan of the following three PEGs: Subway Off-Peak Policy Headways, Part-Time Subway Booth Staffing, and Telephone Information Line Hours. PEGs are now projected to yield deficit reductions of \$29.5 million in 2008 and \$30.1 million in both 2009 and 2010. Additionally, the Post-2007 Programs to Eliminate the GAP continue to project deficit reductions of \$11.4 million in 2008, and \$20.7 million annually in 2009 and 2010.

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

GAP CLOSING MEASURES

2007 and Post-2007 Programs to Eliminate the Gap (PEGs)

MTA NYC Transit has developed programs that yield significant cost savings and position reductions. These reductions are largely achieved through administrative actions and operating efficiencies.

2006 November Forecast

In 2006, PEG savings are projected at \$15.4 million, including 6 position reductions. Major contributors include:

- The Department of Subways will maintain a 0.5% vacancy rate in its Rolling Stock & Maintenance of Way and Service Delivery divisions, yielding \$4.6 million in savings.
- New York State is expected to remit to NYC Transit \$3.7 million for outstanding and past due Transit Adjudication Bureau (TAB) summons liabilities. The payments are deducted from violators' tax refunds through the New York State-Wide Offset Program.
- A contract renegotiation with the represented employee prescription benefit contractor is expected to result in savings of \$3.4 million.
- A reduction in planned data processing equipment "normal replacement" purchases will save \$1.5 million.
- It is projected that \$1.1 million can be saved by improving identification of currently discarded waste as being recyclable or salable as either scrap or surplus.

2007 Final Proposed Budget

PEG savings in 2007 are projected to total \$34.1 million and to save 202 positions. The 2007 PEG savings primarily include:

- Improved employee availability, averaging a one-day reduction in absences per hourly employee annually, will generate savings of \$7.3 million and 132 positions NYCT-wide.
- The Department of Subways will maintain a 0.5% vacancy rate in its Rolling Stock & Maintenance of Way and Service Delivery divisions, yielding \$5.3 million in savings.
- Additional Workers' Compensation recoveries, estimated at \$5.2 million, are to be achieved through a program to recover monies paid to injured claimants pursuant to the No-Fault law for accidents where ultimate responsibility lies with a third party.
- A contract renegotiation with the represented employee prescription benefit contractor is expected to result in savings of \$4.6 million.

2007 Final Proposed Budget (continued)

- New York State payments to NYC Transit of \$2.0 million for outstanding and past due Transit Adjudication Bureau (TAB) summons liabilities are expected to be deducted from violators' tax refunds under the New York State-Wide Offset Program.
- A reduction in planned data processing equipment "normal replacement" purchases will save \$1.5 million.
- Bus depot maintenance staff reductions are expected to achieve \$1.3 million in savings and 18 position reductions.
- Rental savings of \$1.2 million is expected to result from the anticipated purchase of the Tiffany warehouse.
- Revenue processing and collection efficiencies will save \$1.1 million, including 10 positions.
- Subways administrative reductions are planned to save \$1.0 million and 10 positions.
- A reconfiguration of employee work programs in Subways' Rapid Transit Operations Division will save 12 positions and \$0.9 million in support activities (e.g., switching, car wash), with no impact on passenger service.

2008-2010 Projections

Post-2007 Program savings are achieved through the planned implementation of One Person Train Operation (OPTO) on the "7", "J", "M" and "N" lines, and are projected to be \$11.4 million in 2008 and \$20.7 million each in 2009 and 2010. Position reductions are projected at 313 for each year.

The out-year values of 2007 PEG savings are projected as follows: \$29.5 million in 2008 and \$30.1 each in 2009 and 2010, with position reductions of 204 in each year. Savings due to 2007 PEGs primarily include:

- For each projection year, \$7.3 million of savings and 132 position reductions are projected from a one-day improvement in hourly employee availability.
- For each projection year, \$5.2 million of Workers' Compensation recoveries is estimated to be achieved through a program to recover monies paid to injured claimants pursuant to the No-Fault law for accidents where ultimate responsibility lies with a third party.
- A contract renegotiation with the represented employee prescription benefit contractor is expected to result in savings of \$4.6 million each projection year.
- Rental savings of \$3.2 million for each projection year is expected to result from the anticipated purchase of the Tiffany warehouse.
- New York State payments to NYC Transit of \$2.0 million for outstanding and past due Transit Adjudication Bureau (TAB) summons liabilities are expected to be deducted from violators' tax refunds under the New York State-Wide Offset Program.

2008-2010 Projections (continued)

- Bus depot maintenance staff reductions are expected to achieve \$1.3 million in savings and 18 position reductions each projection year.
- Revenue processing and collection efficiencies will save \$1.1 million, including 10 positions for each projection year.
- Subways administrative reductions are planned to save \$1.0 million and 10 positions each projection year.
- A reconfiguration of employee work programs in Subways' Rapid Transit Operations Division will save 12 positions and \$0.9 million in support activities (e.g., switching, car wash), with no impact on passenger service.

MTA NEW YORK CITY TRANSIT
November Financial Plan 2007- 2010
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE						
	2005	2006	2007			
	Actuals	November Forecast	Final Proposed Budget	2008	2009	2010
Operating Revenue						
<u>Farebox Revenue:</u>						
Subway	\$1,857.0	\$1,937.9	\$1,961.3	\$1,984.9	\$1,993.5	\$2,001.0
Bus	761.8	778.1	787.8	797.1	800.5	803.8
Paratransit	7.1	8.4	9.7	11.1	12.8	14.7
Fare Media Liability	17.0	20.9	21.7	21.9	22.2	22.2
Farebox Revenue	\$2,643.0	\$2,745.3	\$2,780.4	\$2,815.0	\$2,829.1	\$2,841.7
Vehicle Toll Revenue	-	-	-	-	-	-
<u>Other Operating Revenue:</u>						
Fare Reimbursement	103.8	103.8	103.8	103.8	103.8	103.8
Paratransit Reimbursement	66.8	76.8	76.0	88.5	101.2	115.3
Other	94.0	89.7	94.9	102.8	105.9	109.1
Other Operating Revenue	\$264.6	\$270.2	\$274.7	\$295.1	\$310.8	\$328.1
Capital and Other Reimbursements	-	-	-	-	-	-
Total Revenue	\$2,907.6	\$3,015.5	\$3,055.1	\$3,110.1	\$3,139.9	\$3,169.8
Operating Expenses						
<u>Labor:</u>						
Payroll	\$2,397.4	\$2,507.2	\$2,596.4	\$2,693.3	\$2,773.0	\$2,841.0
Overtime	227.7	236.3	207.0	213.4	222.3	230.8
Total Salaries & Wages	\$2,625.1	\$2,743.5	\$2,803.4	\$2,906.7	\$2,995.3	\$3,071.8
Health and Welfare	557.8	607.4	673.0	742.6	819.9	903.6
Pensions	456.8	512.4	597.9	613.5	609.0	604.7
Other Fringe Benefits	204.5	207.5	212.5	222.4	230.9	236.5
Total Fringe Benefits	\$1,219.0	\$1,327.3	\$1,483.4	\$1,578.5	\$1,659.8	\$1,744.8
Reimbursable Overhead	(148.4)	(170.6)	(172.3)	(165.4)	(163.0)	(165.2)
Total Labor Expenses	\$3,695.7	\$3,900.2	\$4,114.5	\$4,319.8	\$4,492.1	\$4,651.4
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$137.4	\$147.2	\$164.2	\$164.7	\$173.8	\$182.5
Fuel for Buses and Trains	103.2	126.6	135.0	134.3	132.5	134.3
Insurance	29.8	35.0	43.1	48.5	52.6	59.5
Claims	51.6	71.1	73.0	75.0	77.1	79.1
Paratransit Service Contracts	158.2	189.8	228.1	265.9	304.9	355.3
Maintenance and Other Operating Contracts	176.5	196.8	198.8	214.4	230.2	233.6
Professional Service Contracts	89.0	88.8	103.5	103.2	111.8	113.5
Materials & Supplies	240.7	270.0	305.3	295.9	319.5	303.7
Other Business Expenses	33.9	33.9	32.7	33.3	33.9	34.4
Total Non-Labor Expenses	\$1,020.3	\$1,159.1	\$1,283.7	\$1,335.2	\$1,436.1	\$1,495.8
<u>Other Expenses Adjustments:</u>						
Other	1.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Other Expense Adjustments	\$1.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Expenses before Depreciation	\$4,717.1	\$5,059.3	\$5,398.2	\$5,655.0	\$5,928.2	\$6,147.2
Depreciation	954.5	1,015.2	1,085.5	1,151.7	1,221.7	1,291.7
Total Expenses	\$5,671.6	\$6,074.5	\$6,483.7	\$6,806.7	\$7,149.9	\$7,438.9
Baseline Surplus/(Deficit)	(\$2,764.0)	(\$3,059.0)	(\$3,428.6)	(\$3,696.6)	(\$4,010.0)	(\$4,269.1)
2007 Agency Program to Eliminate the Gap		15.4	34.1	29.5	30.1	30.1
Post 2007 Agency Program to Eliminate the Gap		0.0	0.0	11.4	20.7	20.7
Net Surplus/(Deficit)	(\$2,764.0)	(\$3,043.6)	(\$3,394.5)	(\$3,655.7)	(\$3,959.3)	(\$4,218.3)

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MTA NEW YORK CITY TRANSIT
November Financial Plan 2007- 2010
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE						
	2005	2006	2007			
	Actuals	November Forecast	Final Proposed Budget	2008	2009	2010
Revenue						
<u>Farebox Revenue:</u>						
Subway	\$1,857.0	\$1,937.9	\$1,961.3	\$1,984.9	\$1,993.5	\$2,001.0
Bus	761.8	778.1	787.8	797.1	800.5	803.8
Paratransit	7.1	8.4	9.7	11.1	12.8	14.7
Fare Media Liability	17.0	20.9	21.7	21.9	22.2	22.2
Farebox Revenue	\$2,643.0	\$2,745.3	\$2,780.4	\$2,815.0	\$2,829.1	\$2,841.7
Vehicle Toll Revenue	-	-	-	-	-	-
<u>Other Operating Revenue:</u>						
Fare Reimbursement	103.8	103.8	103.8	103.8	103.8	103.8
Paratransit Reimbursement	66.8	76.8	76.0	88.5	101.2	115.3
Other	94.0	89.7	94.9	102.8	105.9	109.1
Other Operating Revenue	\$264.6	\$270.2	\$274.7	\$295.1	\$310.8	\$328.1
Capital and Other Reimbursements	757.0	795.8	809.5	789.2	779.4	791.7
Total Revenue	\$3,664.6	\$3,811.3	\$3,864.6	\$3,899.3	\$3,919.3	\$3,961.5
Expenses						
<u>Labor:</u>						
Payroll	\$2,722.9	\$2,834.4	\$2,946.2	\$3,042.5	\$3,118.7	\$3,191.6
Overtime	290.2	306.4	267.1	273.4	282.3	292.7
Total Salaries & Wages	\$3,013.0	\$3,140.8	\$3,213.3	\$3,315.9	\$3,401.0	\$3,484.2
Health and Welfare	575.7	626.4	693.2	765.5	845.2	931.5
Pensions	468.3	523.1	614.0	631.0	626.6	622.3
Other Fringe Benefits	284.4	287.8	299.6	308.2	314.7	321.1
Total Fringe Benefits	\$1,328.4	\$1,437.2	\$1,606.8	\$1,704.7	\$1,786.6	\$1,875.0
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenses	\$4,341.5	\$4,578.0	\$4,820.1	\$5,020.6	\$5,187.6	\$5,359.2
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$137.4	\$147.2	\$164.2	\$164.7	\$173.8	\$182.5
Fuel for Buses and Trains	103.2	126.6	135.0	134.3	132.5	134.3
Insurance	29.8	35.0	43.1	48.5	52.6	59.5
Claims	52.1	71.1	73.0	75.0	77.1	79.1
Paratransit Service Contracts	158.2	189.8	228.1	265.9	304.9	355.3
Maintenance and Other Operating Contracts	219.2	232.2	232.5	243.9	259.7	263.1
Professional Service Contracts	107.0	105.6	120.9	120.4	126.9	128.6
Materials & Supplies	288.2	334.4	355.5	335.1	356.3	340.6
Other Business Expenses	36.4	35.3	35.4	35.8	36.4	36.9
Total Non-Labor Expenses	\$1,131.6	\$1,277.1	\$1,387.6	\$1,423.6	\$1,520.1	\$1,579.7
<u>Other Expense Adjustments:</u>						
Other	\$1.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Other Expense Adjustments	\$1.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Expenses Before Depreciation	\$5,474.1	\$5,855.1	\$6,207.7	\$6,444.2	\$6,707.6	\$6,938.9
Depreciation	954.5	1,015.2	1,085.5	1,151.7	1,221.7	1,291.7
Total Expenses	\$6,428.6	\$6,870.3	\$7,293.2	\$7,595.9	\$7,929.3	\$8,230.6
Baseline Surplus/(Deficit)	(\$2,764.0)	(\$3,059.0)	(\$3,428.6)	(\$3,696.6)	(\$4,010.0)	(\$4,269.1)
2007 Agency Program to Eliminate the Gap	0.0	15.4	34.1	29.5	30.1	30.1
Post 2007 Agency Program to Eliminate the Gap	0.0	0.0	0.0	11.4	20.7	20.7
Net Surplus/(Deficit)	(\$2,764.0)	(\$3,043.6)	(\$3,394.5)	(\$3,655.7)	(\$3,959.3)	(\$4,218.3)

MTA NEW YORK CITY TRANSIT
July Financial Plan 2007 - 2010
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2005	2006	2007			
	Actuals	November Forecast	Final Proposed Budget	2008	2009	2010
Receipts						
Fare Revenue	\$2,679.3	\$2,747.7	\$2,789.5	\$2,823.8	\$2,834.6	\$2,845.1
Vehicle Toll Revenue	-	-	-	-	-	-
<u>Other Operating Revenue:</u>						
Fare Reimbursement	103.8	103.8	103.8	103.8	103.8	103.8
Paratransit Reimbursement	66.5	76.3	75.7	88.3	101.0	115.1
Other	90.0	90.1	127.7	104.9	108.0	111.2
Other Operating Revenue	260.3	270.1	307.2	297.0	312.8	330.1
Capital and Other Reimbursements	751.9	795.9	801.6	788.5	776.5	784.2
Total Receipts	\$3,691.5	\$3,813.7	\$3,898.3	\$3,909.2	\$3,923.8	\$3,959.3
Expenditures						
<u>Labor:</u>						
Payroll	\$2,706.2	\$2,800.8	\$2,932.1	\$3,020.2	\$3,093.8	\$3,165.8
Overtime	290.2	304.1	266.9	272.6	281.3	291.5
Total Salaries & Wages	\$2,996.4	\$3,104.9	\$3,199.1	\$3,292.8	\$3,375.0	\$3,457.3
Health and Welfare	561.2	636.8	690.7	762.9	842.4	928.6
Pensions	298.9	548.7	569.3	610.2	628.7	624.7
Other Fringe Benefits	267.6	276.0	288.0	296.6	303.6	310.5
Total Fringe Benefits	\$1,127.7	\$1,461.5	\$1,548.1	\$1,669.6	\$1,774.7	\$1,863.7
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$4,124.1	\$4,566.4	\$4,747.1	\$4,962.4	\$5,149.7	\$5,321.0
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$136.0	\$147.2	\$164.2	\$164.7	\$173.8	\$182.5
Fuel for Buses and Trains	100.4	128.0	135.0	134.3	132.5	134.3
Insurance	20.3	27.4	42.0	50.6	51.3	58.3
Claims	57.8	57.4	61.8	63.4	64.9	66.6
Paratransit Service Contracts	155.1	185.6	228.1	265.9	304.9	355.3
Maintenance and Other Operating Contracts	222.0	242.7	240.9	252.3	268.1	271.5
Professional Service Contracts	93.8	100.8	116.9	116.4	122.9	124.6
Materials & Supplies	287.8	337.9	353.5	333.1	354.3	338.6
Other Business Expenditures	35.4	35.260	35.389	35.832	36.371	36.922
Total Non-Labor Expenditures	\$1,108.6	\$1,262.2	\$1,377.7	\$1,416.5	\$1,509.1	\$1,568.5
<u>Other Expenditure Adjustments:</u>						
Other		0.0	0.0	0.0	0.0	0.0
Total Other Expenditure Adjustments	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Expenditures	\$5,232.7	\$5,828.6	\$6,124.8	\$6,378.9	\$6,658.9	\$6,889.5
Baseline Cash Deficit	(\$1,541.2)	(\$2,014.9)	(\$2,226.5)	(\$2,469.7)	(\$2,735.1)	(\$2,930.2)
2007 Agency Program to Eliminate the Gap		15.4	34.1	29.5	30.1	30.1
Post 2007 Agency Program to Eliminate the Gap		0.0	0.0	11.4	20.7	20.7
Net Cash Deficit	(\$1,541.2)	(\$1,999.5)	(\$2,192.5)	(\$2,428.8)	(\$2,684.3)	(\$2,879.5)

MTA NEW YORK CITY TRANSIT
November Financial Plan 2007- 2010
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2005	2006	2007			
	Actuals	November Forecast	Final Proposed Budget	2008	2009	2010
Receipts						
Fare Revenue	\$36.3	\$2.3	\$9.1	\$8.8	\$5.5	\$3.4
Vehicle Toll Revenue	-	-	-	-	-	-
<u>Other Operating Revenue:</u>						
Fare Reimbursement	0.0	0.0	0.0	0.0	0.0	0.0
Paratransit Reimbursement	(0.3)	(0.5)	(0.3)	(0.2)	(0.2)	(0.2)
Other	(4.0)	0.4	32.8	2.1	2.1	2.1
Other Operating Revenue	(4.3)	(0.1)	32.5	1.9	1.9	1.9
Capital and Other Reimbursements	(5.1)	0.1	(7.9)	(0.8)	(3.0)	(7.6)
Total Receipt Adjustments	\$26.9	\$2.4	\$33.7	\$9.9	\$4.5	(\$2.2)
Expenditures						
<u>Labor:</u>						
Payroll	\$16.6	\$33.6	\$14.1	\$22.3	\$24.9	\$25.8
Overtime	0.0	2.3	0.1	0.9	1.1	1.1
Health and Welfare	14.5	(10.4)	2.4	2.6	2.8	3.0
Pensions	169.4	(25.6)	44.7	20.8	(2.1)	(2.4)
Other Fringe Benefits	16.8	11.7	11.6	11.7	11.2	10.6
Total Fringe Benefits	200.7	(24.3)	58.7	35.1	11.9	11.3
Reimbursable Overhead	0.0	0.0	0.0	0.0	0.0	0.0
Total Labor Expenditures	\$217.4	\$11.6	\$73.0	\$58.2	\$37.8	\$38.2
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$1.4	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Fuel for Buses and Trains	2.8	(1.5)	0.0	0.0	0.0	0.0
Insurance	9.5	7.5	1.1	(2.2)	1.2	1.2
Claims	(5.7)	13.7	11.2	11.7	12.2	12.5
Paratransit Service Contracts	3.1	4.2	0.0	0.0	0.0	0.0
Maintenance and Other Operating Contracts	(2.8)	(10.5)	(8.5)	(8.5)	(8.5)	(8.5)
Professional Service Contracts	13.2	4.8	4.0	4.0	4.0	4.0
Materials & Supplies	0.4	(3.4)	2.0	2.0	2.0	2.0
Other Business Expenditures	1.0	0.0	0.0	0.0	0.0	0.0
Total Non-Labor Expenditures	\$23.0	\$14.9	\$9.9	\$7.1	\$10.9	\$11.2
<u>Other Expenditures Adjustments:</u>						
Other	\$1.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Other Expenditures Adjustments	\$1.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Cash Conversion Adjustments before Depreciation	\$268.3	\$28.9	\$116.5	\$75.2	\$53.3	\$47.2
Depreciation Adjustment	954.5	1,015.2	1,085.5	1,151.7	1,221.7	1,291.7
Baseline Total Cash Conversion Adjustments	\$1,222.8	\$1,044.1	\$1,202.0	\$1,226.9	\$1,275.0	\$1,338.9
2007 Agency Program to Eliminate the Gap	0.0	0.0	0.0	0.0	0.0	0.0
Post 2007 Agency Program to Eliminate the Gap	0.0	0.0	0.0	0.0	0.0	0.0
Total Cash Conversion Adjustments	\$1,222.8	\$1,044.1	\$1,202.0	\$1,226.9	\$1,275.0	\$1,338.9

**MTA New York City Transit
November Financial Plan 2007-2010
Year-To-Year Changes by Category**

TOTAL REVENUES

Farebox Revenue

- Annual improvements in subway/bus farebox revenue are based largely on forecasted growth in NYC employment.
- Annual improvements in paratransit farebox revenue are based on an assumed annual ridership growth rate of 15%, consistent with current ridership growth.

Other Operating Revenue

- Annual revenue increases include contractually-capped increases in NYC reimbursements that serve to partially fund paratransit expenses.
- Annual increases in advertising revenues are based largely upon projected benefits from contracts currently in place.

Capital and Other Reimbursements

- Year-to-year changes are due to the timing and scope of project requirements (in-house construction & support) and to provide for reimbursement consistent with projected CPI increases in labor expenses and actuarial-based pension increases.

TOTAL EXPENSES

Payroll

- 2007-2010 includes primarily CPI-based rate increases as follows: 2007=2.56%, 2008=2.91%, 2009=3.07%, and 2010=3.20%.
- Reimbursable expenses vary year-to-year based upon the timing and scope of project requirements (in-house construction & support) and the effect of projected CPI increases in labor expenses and actuarial-based pension increases.

Overtime

- 2007-2010 payroll wage rate increase assumptions apply.
- The reduction from 2006 to 2007 reflects additional 2006 overtime requirements caused by vacancy coverage and adverse winter weather not anticipated to recur in 2007.

Health & Welfare

- Inflation assumptions are as follows: 2007=10.4% and 2008-2010=10.3%.

Pension

- Year-to-year changes are affected by 2006 NYCERS revaluation adjustments from recently-enacted legislation and the MTA Policy Action to deposit 2006 and 2007 cash savings from the revaluation adjustments into a GASB Fund. Please refer to the MTA Consolidated Section for more information.

Other Fringe Benefits

- Inflation assumptions are consistent with payroll rate increase assumptions.

Traction and Propulsion Power

- The plan reflects a projected New York Power Authority (NYPA) rate increase of 4.7% in 2007 for supply costs only above the July Plan and an increase of 5.0% in 2008 commencing in April for Con Ed delivery costs only. Average rate increases for 2009 and 2010 are 9.5% and 5.0%, respectively.

Fuel for Buses and Trains

- 2007-2010 inflation/(deflation) assumptions are based on YTD October 2006 actual prices and the July Plan assumption of \$2.48 per gallon for November through December 2006 yielding an estimated average price per gallon of \$2.26. Per MTA instructions the 2007 average price per gallon drops from \$2.48 to \$2.33, a decrease of 6.5%. Average costs per gallon are expected to decrease by 2.0% in 2008 and by 2.5% in 2009. No further change is planned for 2010.

Insurance

- Inflation assumptions were provided by the MTA.

Claims

- The plan assumes an annual inflation rate of 2.5% for 2007 through 2010.

Paratransit Service Contracts

- The primary driver of expense increases is projected annual ridership growth of 15%.
- Cost-per-trip inflation projections reflect carrier contracts, which provide for annual rate increases based on CPI.

Maintenance and Other Operating Contracts

- 2007-2010 inflation assumptions are based upon Global Insight's estimates as follows: 2007=2.71%, 2008=1.87%, 2009=1.67%, and 2010=1.57%.
- The plan for facility power reflects a projected New York Power Authority (NYPA) rate increase of 4.7% in 2007 for supply costs only above the July Plan and an increase of 5.0% in 2008 commencing in April for Con Ed delivery costs only. Average rate increases for 2009 and 2010 are 9.5% and 5.0%, respectively.

Professional Service Contracts

- 2007-2010 inflation assumptions are based upon Global Insight's estimates as follows: 2007=2.71%, 2008=1.87%, 2009=1.67%, and 2010=1.57%.

Materials and Supplies

- 2007-2010 inflation assumptions are based upon Global Insight's estimates as follows: 2007= 4.02%, 2008=3.23%, 2009=1.84%, and 2010=1.02%.
- Non-reimbursable expense levels tend to fluctuate year-to-year, due to the timing of subway and bus fleet maintenance programs.

Other Business Expenses

- 2007-2010 inflation assumptions are based upon Global Insight's estimates as follows: 2007=2.71%, 2008=1.87%, 2009=1.67%, and 2010=1.57%.

Depreciation

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

TOTAL RECEIPTS

Farebox Receipts

- Annual improvements in subway/bus farebox revenue are based largely on forecasted growth in NYC employment.
- Annual improvements in paratransit farebox revenue are based on an assumed annual ridership growth rate of 15%, consistent with current ridership growth.
- Includes cash adjustments for expired MetroCard values and the timing of counting and depositing of cash, which can cause some fluctuations in cash received from year to year.

Other Operating Receipts

- Annual revenue increases include contractually-capped increases in NYC reimbursements that serve to partially fund paratransit expenses.
- Annual increases in advertising revenues are based largely upon projected benefits from contracts currently in place.
- 2007 includes a non-recurring drawdown of Transit Adjudication Bureau (TAB) accumulated funds of \$27.4 million.

Capital and Other Reimbursements

- Year-to-year changes are due to the timing and scope of project requirements and to provide for reimbursement consistent with projected CPI increases in labor expenses and actuarial-based pension increases.
- Cash adjustments are reflected annually to recognize changes in the timing of reimbursements.

TOTAL EXPENDITURES

Payroll

- 2007-2010 includes CPI wage rate increases as follows: 2007=2.56%, 2008=2.91%, 2009=3.07%, and 2010=3.20%.
- 2006 includes favorable timing of receipts of \$14.0 million relating to Taylor Law fines levied upon striking workers during the three-day transit strike in December 2005.

Overtime

- 2007-2010 payroll wage rate increase assumptions apply.
- The reduction from 2006 to 2007 is due primarily to additional 2006 overtime requirements caused by vacancy coverage and adverse winter weather not anticipated to recur in 2007.

Health & Welfare

- Inflation assumptions are as follows: 2007=10.4% and 2008-2010=10.3%.
- 2006 includes an unfavorable timing of payments from 2005 of \$14.8 million.

Pension

- Year-to-year changes are affected by 2006 NYCERS revaluation adjustments from recently-enacted legislation and the MTA Policy Action to deposit 2006 and 2007 cash savings from the revaluation adjustments in a GASB Fund. Please refer to the MTA Consolidated Section for more information.
- 2006 includes an unfavorable timing of payments from 2005 of \$35.7 million.

Other Fringe Benefits

- Inflation assumptions are consistent with payroll rate increase assumptions.

Traction and Propulsion Power

- The plan reflects a projected New York Power Authority (NYPA) rate increase of 4.7% in 2007 for supply costs only above the July Plan and an increase of 5.0% in 2008 commencing in April for Con Ed delivery costs only. Average rate increases for 2009 and 2010 are 9.5% and 5.0%, respectively.

Fuel for Buses and Trains

- 2007-2010 inflation/(deflation) assumptions are based on YTD October 2006 actual prices and the July Plan assumption of \$2.48 per gallon for November through December 2006 yielding an estimated average price per gallon of \$2.26. Per MTA instructions the 2007 average price per gallon drops from \$2.48 to \$2.33, a decrease of 6.5%. Average costs per gallon are expected to decrease by 2.0% in 2008 and by 2.5% in 2009. No further change is planned for 2010.
- 2006 includes an unfavorable timing of payments from 2005 of \$1.5 million.

Insurance

- Inflation-adjusted assumptions were provided by the MTA.
- 2006 includes an unfavorable timing of payments from 2005 of \$12.8 million.

Claims

- Assumes annual inflation of 2.5% for 2007 through 2010.
- 2006 includes a favorable timing of payments from 2005 of \$3.7 million.

Paratransit Service Contracts

- The primary driver of expense increases is projected annual ridership growth of 15%.
- Cost-per-trip inflation projections reflect carrier contracts, which provide for annual rate increases based on CPI.

Maintenance and Other Operating Contracts

- 2007-2010 inflation assumptions are based upon Global Insight's estimates as follows: 2007=2.71%, 2008=1.87%, 2009=1.67%, and 2010=1.57%.
- The plan for facility power reflects a projected New York Power Authority (NYPA) rate increase of 4.7% in 2007 for supply costs only above the July Plan and an increase of 5.0% in 2008 commencing in April for Con Ed delivery costs only. Average rate increases for 2009 and 2010 are 9.5% and 5.0%, respectively.
- 2006 includes an unfavorable timing of payments from 2005 of \$4.6 million.

Professional Service Contracts

- 2007-2010 inflation assumptions are based upon Global Insight's estimates as follows: 2007=2.71%, 2008=1.87%, 2009=1.67%, and 2010=1.57%.
- 2006 includes an unfavorable timing of payments from 2005 of \$3.7 million.

Materials and Supplies

- 2007-2010 inflation assumptions are based upon Global Insight's estimates as follows: 2007= 4.02%, 2008=3.23%, 2009=1.84%, and 2010=1.02%.
- Non-reimbursable expense levels fluctuate from year-to-year, due to the timing of subway and bus fleet maintenance programs.
- 2006 includes an unfavorable timing of payments from 2005 of \$11.8 million.

Other Business Expenditures

- 2007-2010 inflation assumptions are based upon Global Insight's estimates as follows: 2007=2.71%, 2008=1.87%, 2009=1.67%, and 2010=1.57%.

MTA New York City Transit
November Financial Plan 2007-2010
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE

	Favorable/(Unfavorable)								
	2006	2007	Change 2007-2006	2008	Change 2008-2007	2009	Change 2009-2008	2010	Change 2010-2009
Revenue									
Farebox Revenue:									
Subway	\$1,937.923	\$1,961.291	\$23.368	\$1,984.894	\$23.603	\$1,993.548	\$8.654	\$2,001.042	\$7.494
Bus	778.114	787.790	9.676	797.077	9.287	800.545	3.468	803.753	3.208
Paratransit	8.393	9.652	1.259	11.100	1.448	12.764	1.664	14.679	1.915
Fare Media Liability	20.900	21.700	0.800	21.900	0.200	22.200	0.300	22.200	0.000
Total Farebox Revenue	\$2,745.330	\$2,780.433	\$35.103	\$2,814.971	\$34.538	\$2,829.057	\$14.086	\$2,841.674	\$12.617
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue:									
Fare Reimbursement	103.766	103.766	0.000	103.766	0.000	103.766	0.000	103.766	0.000
Paratransit Reimbursement	76.796	76.017	(0.779)	88.529	12.512	101.197	12.668	115.293	14.096
Other	89.652	94.920	5.268	102.830	7.910	105.875	3.045	109.075	3.200
Total Other Operating Revenue	270.214	274.703	4.489	295.125	20.422	310.838	15.713	328.134	17.296
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenue	\$3,015.544	\$3,055.136	\$39.592	\$3,110.096	\$54.960	\$3,139.895	\$29.799	\$3,169.808	\$29.913
Expenses									
Labor:									
Payroll	\$2,507.203	\$2,596.374	(\$89.171)	\$2,693.289	(\$96.915)	\$2,772.979	(\$79.690)	\$2,840.958	(\$67.979)
Overtime	236.268	206.979	29.289	213.402	(6.423)	222.282	(8.880)	230.805	(8.523)
Total Salaries & Wages	2,743.471	2,803.353	(59.882)	2,906.691	(103.338)	2,995.261	(88.570)	3,071.764	(76.503)
Health and Welfare	607.355	673.039	(65.683)	742.641	(69.602)	819.935	(77.294)	903.561	(83.626)
Pensions	512.422	597.915	(85.493)	613.489	(15.573)	608.994	4.495	604.737	4.257
Other Fringe Benefits	207.517	212.493	(4.976)	222.368	(9.875)	230.914	(8.546)	236.514	(5.600)
Total Fringe Benefits	1,327.295	1,483.447	(156.152)	1,578.498	(95.050)	1,659.843	(81.345)	1,744.811	(84.969)
Reimbursable Overhead	(170.560)	(172.312)	1.752	(165.394)	(6.918)	(163.016)	(2.378)	(165.209)	2.193
Total Labor Expenses	\$3,900.206	\$4,114.488	(\$214.282)	\$4,319.795	(\$205.307)	\$4,492.088	(\$172.293)	\$4,651.366	(\$159.278)
Non-Labor:									
Traction and Propulsion Power	\$147.177	\$164.179	(\$17.002)	\$164.735	(\$0.556)	\$173.785	(\$9.050)	\$182.471	(\$8.686)
Fuel for Buses and Trains	126.574	134.978	(8.404)	134.278	0.700	132.465	1.813	134.293	(1.828)
Insurance	34.963	43.103	(8.140)	48.480	(5.377)	52.579	(4.099)	59.462	(6.883)
Claims	71.080	73.036	(1.956)	75.044	(2.008)	77.100	(2.056)	79.050	(1.950)
Paratransit Service Contracts	189.809	228.065	(38.256)	265.885	(37.820)	304.875	(38.990)	355.258	(50.383)
Mtce. and Other Operating Contracts	196.812	198.834	(2.022)	214.371	(15.537)	230.189	(15.818)	233.575	(3.386)
Professional Service Contracts	88.839	103.512	(14.673)	103.192	0.320	111.818	(8.627)	113.546	(1.727)
Materials & Supplies	269.978	305.308	(35.330)	295.872	9.436	319.465	(23.593)	303.745	15.720
Other Business Expenses	33.904	32.700	1.204	33.315	(0.615)	33.855	(0.540)	34.426	(0.571)
Total Non-Labor Expenses	\$1,159.136	\$1,283.715	(\$124.579)	\$1,335.172	(\$51.457)	\$1,436.131	(\$100.959)	\$1,495.825	(\$59.695)
Other Expense Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$5,059.342	\$5,398.203	(\$338.861)	\$5,654.967	(\$256.763)	\$5,928.218	(\$273.252)	\$6,147.191	(\$218.973)
Depreciation	1,015.200	1,085.500	(70.300)	1,151.700	(66.200)	1,221.700	(70.000)	1,291.700	(70.000)
Total Expenses	\$6,074.542	\$6,483.703	(\$409.161)	\$6,806.667	(\$322.963)	\$7,149.918	(\$343.252)	\$7,438.891	(\$288.973)
Baseline Net Surplus/(Deficit)	(\$3,058.998)	(\$3,428.567)	(\$369.569)	(\$3,696.571)	(\$268.003)	(\$4,010.023)	(\$313.453)	(\$4,269.083)	(\$259.060)
2007 Program to Eliminate the Gap	15.419	34.055	18.636	29.522	(4.533)	30.072	0.550	30.072	0.000
Post-2006 Program to Eliminate the GAP	0.000	0.000	0.000	11.367	11.367	20.688	9.321	20.688	0.000
Net Surplus/(Deficit)	(\$3,043.579)	(\$3,394.512)	(\$350.933)	(\$3,655.682)	(\$261.169)	(\$3,959.263)	(\$303.582)	(\$4,218.323)	(\$259.060)

REIMBURSABLE

[illegible]

MTA New York City Transit
November Financial Plan 2007-2010
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

**NON-REIMBURSABLE and
REIMBURSABLE**

	Favorable/(Unfavorable)								
	2006	2007	Change 2007-2006	2008	Change 2008-2007	2009	Change 2009-2008	2010	Change 2010-2009
Revenue									
Farebox Revenue:									
Subway	\$1,937.923	\$1,961.291	\$23.368	\$1,984.894	\$23.603	\$1,993.548	\$8.654	\$2,001.042	\$7.494
Bus	778.114	787.790	9.676	\$797.077	9.287	\$800.545	3.468	803.753	3.208
Paratransit	8.393	9.652	1.259	\$11.100	1.448	\$12.764	1.664	14.679	1.915
Fare Media Liability	20.900	21.700	0.800	\$21.900	0.200	\$22.200	0.300	22.200	0.000
Total Farebox Revenue	\$2,745.330	\$2,780.433	\$35.103	\$2,814.971	\$34.538	\$2,829.057	\$14.086	\$2,841.674	\$12.617
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue:									
Fare Reimbursement	103.766	103.766	0.000	103.766	0.000	103.766	0.000	103.766	0.000
Paratransit Reimbursement	76.796	76.017	(0.779)	88.529	12.512	101.197	12.668	115.293	14.096
Other	89.652	94.920	5.268	102.830	7.910	105.875	3.045	109.075	3.200
Total Other Operating Revenue	270.214	274.703	4.489	295.125	20.422	310.838	15.713	328.134	17.296
Capital and Other Reimbursements	795.787	809.485	13.698	789.240	(20.245)	779.411	(9.829)	791.737	12.326
Total Revenue	\$3,811.331	\$3,864.621	\$53.290	\$3,899.336	\$34.715	\$3,919.306	\$19.970	\$3,961.545	\$42.239
Expenses									
Labor:									
Payroll	\$2,834.367	\$2,946.233	(\$111.866)	\$3,042.492	(\$96.259)	\$3,118.679	(\$76.187)	\$3,191.565	(\$72.886)
Overtime	306.418	267.097	39.321	273.424	(6.327)	282.333	(8.909)	292.655	(10.322)
Total Salaries & Wages	3,140.785	3,213.330	(72.545)	3,315.916	(102.586)	3,401.013	(85.096)	3,484.220	(83.207)
Health and Welfare	626.389	693.174	(66.785)	765.490	(72.316)	845.214	(79.725)	931.530	(86.316)
Pensions	523.094	613.979	(90.885)	631.007	(17.029)	626.608	4.400	622.329	4.279
Other Fringe Benefits	287.763	299.624	(11.861)	308.222	(8.598)	314.729	(6.507)	321.107	(6.378)
Total Fringe Benefits	1,437.246	1,606.777	(169.531)	1,704.719	(97.942)	1,786.551	(81.832)	1,874.966	(88.416)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$4,578.031	\$4,820.107	\$242.076	\$5,020.635	\$200.529	\$5,187.563	(\$166.928)	\$5,359.186	(\$171.623)
Non-Labor:									
Traction and Propulsion Power	\$147.177	\$164.179	(\$17.002)	\$164.735	(\$0.556)	\$173.785	(\$9.050)	\$182.471	(\$8.686)
Fuel for Buses and Trains	126.574	134.978	(8.404)	134.278	0.700	132.465	1.813	134.293	(1.828)
Insurance	34.963	43.103	(8.140)	48.480	(5.377)	52.579	(4.099)	59.462	(6.883)
Claims	71.080	73.036	(1.956)	75.044	(2.008)	77.100	(2.056)	79.050	(1.950)
Paratransit Service Contracts	189.809	228.065	(38.256)	265.885	(37.820)	304.875	(38.990)	355.258	(50.383)
Mtce. and Other Operating Contracts	232.167	232.456	(0.289)	243.867	(11.411)	259.685	(15.818)	263.071	(3.386)
Professional Service Contracts	105.637	120.857	(15.220)	120.351	0.506	126.863	(6.513)	128.591	(1.727)
Materials & Supplies	334.431	355.519	(21.088)	335.100	20.419	356.344	(21.244)	340.625	15.719
Other Business Expenses	35.260	35.389	(0.129)	35.832	(0.443)	36.371	(0.539)	36.922	(0.551)
Total Non-Labor Expenses	\$1,277.098	\$1,387.582	(\$110.484)	\$1,423.572	(\$35.990)	\$1,520.067	(\$96.495)	\$1,579.742	(\$59.676)
Other Expense Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$5,855.129	\$6,207.689	(\$352.560)	\$6,444.207	(\$236.518)	\$6,707.630	(\$263.423)	\$6,938.928	(\$231.299)
Depreciation	1,015.200	1,085.500	(70.300)	1,151.700	(66.200)	1,221.700	(70.000)	1,291.700	(70.000)
Total Expenses	\$6,870.329	\$7,293.189	(\$422.860)	\$7,595.907	(\$302.718)	\$7,929.330	(\$333.423)	\$8,230.628	(\$301.299)
Baseline Net Surplus/(Deficit)	(\$3,058.998)	(\$3,428.567)	(\$369.569)	(\$3,696.571)	(\$268.003)	(\$4,010.023)	(\$313.453)	(\$4,269.083)	(\$259.060)
2007 Program to Eliminate the Gap	15.419	34.055	18.636	29.522	(4.533)	30.072	0.550	30.072	0.000
Post-2006 Program to Eliminate the GAP	0.000	0.000	0.000	11.367	11.367	20.688	9.321	20.688	0.000
Net Surplus/(Deficit)	(\$3,043.579)	(\$3,394.512)	(\$350.933)	(\$3,655.682)	(\$261.169)	(\$3,959.263)	(\$303.582)	(\$4,218.323)	(\$259.060)

MTA New York City Transit
November Financial Plan 2007-2010
Year-to-Year Changes by Category - Cash Basis
(\$ in millions)

	Favorable/(Unfavorable)								
	2006	2007	Change 2007-2006	2008	Change 2008-2007	2009	Change 2009-2008	2010	Change 2010-2009
Receipts									
Farebox Revenue	\$2,747.677	\$2,789.533	\$41.856	\$2,823.771	\$34.238	\$2,834.557	\$10.786	\$2,845.074	\$10.517
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue:									
Fare Reimbursement	103.766	103.766	0.000	103.766	0.000	103.766	0.000	103.766	0.000
Paratransit Reimbursement	76.259	75.675	(0.584)	88.322	12.647	101.047	12.725	115.143	14.096
Other	90.078	127.714	37.636	104.930	(22.784)	107.975	3.045	111.175	3.200
Total Other Operating Revenue	\$270.103	\$307.155	\$37.052	\$297.018	(\$10.137)	\$312.788	\$15.770	\$330.084	\$17.296
Capital and Other Reimbursements	795.932	801.613	5.681	788.451	(13.162)	776.451	(11.999)	784.161	7.710
Total Receipts	\$3,813.712	\$3,898.301	\$84.589	\$3,909.240	\$10.939	\$3,923.796	\$14.557	\$3,959.319	\$35.523
Expenditures									
Labor:									
Payroll	\$2,800.779	\$2,932.116	(\$131.337)	\$3,020.212	(\$88.096)	\$3,093.775	(\$73.562)	\$3,165.775	(\$72.000)
Overtime	304.095	266.949	37.146	272.572	(5.623)	281.269	(8.697)	291.535	(10.265)
Total Salaries & Wages	3,104.874	3,199.065	(94.191)	3,292.785	(93.719)	3,375.044	(82.259)	3,457.309	(82.266)
Health and Welfare	636.806	690.742	(53.936)	762.888	(72.146)	842.430	(79.543)	928.551	(86.121)
Pensions	548.677	569.307	(20.630)	610.185	(40.878)	628.701	(18.515)	624.696	4.005
Other Fringe Benefits	276.035	288.029	(11.994)	296.563	(8.534)	303.554	(6.992)	310.461	(6.907)
Total Fringe Benefits	1,461.517	1,548.078	(86.561)	1,669.636	(121.557)	1,774.685	(105.050)	1,863.708	(89.023)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$4,566.392	\$4,747.144	(\$180.752)	\$4,962.420	(\$215.277)	\$5,149.729	(\$187.309)	\$5,321.018	(\$171.288)
Non-Labor:									
Traction and Propulsion Power	\$147.177	\$164.179	(\$17.002)	\$164.735	(\$0.556)	\$173.785	(\$9.050)	\$182.471	(\$8.686)
Fuel for Buses and Trains	128.028	134.978	(6.950)	134.278	0.700	132.465	1.813	134.293	(1.828)
Insurance	27.423	41.967	(14.544)	50.642	(8.675)	51.349	(0.707)	58.260	(6.911)
Claims	57.381	61.816	(4.435)	63.361	(1.545)	64.945	(1.584)	66.569	(1.624)
Paratransit Service Contracts	185.609	228.065	(42.456)	265.885	(37.820)	304.875	(38.990)	355.258	(50.383)
Mtce. and Other Operating Contracts	242.705	240.910	1.795	252.321	(11.411)	268.139	(15.818)	271.525	(3.386)
Professional Service Contracts	100.808	116.857	(16.049)	116.351	0.506	122.863	(6.513)	124.591	(1.727)
Materials & Supplies	337.855	353.519	(15.664)	333.100	20.419	354.344	(21.244)	338.625	15.719
Other Business Expenditures	35.260	35.389	(0.129)	35.832	(0.443)	36.371	(0.539)	36.922	(0.551)
Total Non-Labor Expenditures	\$1,262.246	\$1,377.680	(\$115.434)	\$1,416.505	(\$38.825)	\$1,509.136	(\$92.631)	\$1,568.513	(\$59.378)
Other Expenditure Adjustments:									
Depreciation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other	0.000	0.000	0.000	0.000	0.000	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	\$5,828.638	\$6,124.824	(\$296.186)	\$6,378.925	(\$254.101)	\$6,658.865	(\$279.940)	\$6,889.531	(\$230.666)
Baseline Net Cash Deficit	(\$2,014.926)	(\$2,226.523)	(\$211.597)	(\$2,469.685)	(\$243.162)	(\$2,735.069)	(\$265.384)	(\$2,930.212)	(\$195.143)
2007 Program to Eliminate the Gap	\$15.419	\$34.055	\$18.636	\$29.522	(\$4.533)	\$30.072	\$0.550	\$30.072	\$0.000
Post-2006 Program to Eliminate the GAP	\$0.000	\$0.000	\$0.000	\$11.367	\$11.367	\$20.688	\$9.321	\$20.688	\$0.000
Net Cash Deficit	(\$1,999.507)	(\$2,192.468)	(\$192.961)	(\$2,428.796)	(\$236.328)	(\$2,684.309)	(\$255.513)	(\$2,879.452)	(\$195.143)

MTA New York City Transit
November Financial Plan 2007-2010
Year-to-Year Changes by Category - Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	Favorable/(Unfavorable)								
	2006	2007	Change 2007-2006	2008	Change 2008-2007	2009	Change 2009-2008	2010	Change 2010-2009
Receipts									
Farebox Revenue	\$2.347	\$9.100	\$6.753	\$8.800	(\$0.300)	\$5.500	(\$3.300)	\$3.400	(\$2.100)
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue:									
Fare Reimbursement	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Reimbursement	(0.537)	(0.342)	0.195	(0.207)	0.135	(0.150)	0.057	(0.150)	0.000
Other	0.426	32.794	32.368	2.100	(30.694)	2.100	(0.000)	2.100	0.000
Total Other Operating Revenue	(\$0.111)	\$32.452	\$32.563	\$1.893	(\$30.559)	\$1.950	\$0.057	\$1.950	\$0.000
Capital and Other Reimbursements	0.145	(7.873)	(8.017)	(0.789)	7.083	(2.960)	(2.171)	(7.576)	(4.616)
Total Receipt Adjustments	\$2.381	\$33.679	\$31.299	\$9.904	(\$23.776)	\$4.490	(\$5.414)	(\$2.226)	(\$6.716)
Expenditures									
Labor:									
Payroll	\$33.588	\$14.117	(\$19.471)	\$22.280	\$8.163	\$24.905	\$2.625	\$25.790	\$0.885
Overtime	2.323	0.148	(2.175)	0.852	0.704	1.064	0.212	1.120	0.056
Total Salaries & Wages	\$35.911	\$14.264	(\$21.646)	\$23.132	\$8.867	\$25.969	\$2.837	\$26.910	\$0.942
Health and Welfare	(10.417)	2.432	12.849	2.602	0.170	2.784	0.182	2.979	0.195
Pensions	(25.583)	44.672	70.254	20.822	(23.850)	(2.093)	(22.915)	(2.367)	(0.274)
Other Fringe Benefits	11.728	11.595	(0.134)	11.659	0.064	11.174	(0.484)	10.646	(0.529)
Total Fringe Benefits	(\$24.271)	\$58.699	\$82.970	\$35.083	(\$23.615)	\$11.865	(\$23.218)	\$11.258	(\$0.607)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$11.639	\$72.963	\$61.324	\$58.215	(\$14.748)	\$37.834	(\$20.381)	\$38.169	\$0.335
Non-Labor:									
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	(1.454)	0.000	1.454	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	7.540	1.136	(6.404)	(2.162)	(3.298)	1.230	3.392	1.202	(0.028)
Claims	13.699	11.220	(2.479)	11.683	0.463	12.155	0.472	12.481	0.326
Paratransit Service Contracts	4.200	0.000	(4.200)	0.000	0.000	0.000	0.000	0.000	0.000
Mtce. and Other Operating Contracts	(10.538)	(8.454)	2.084	(8.454)	(0.000)	(8.454)	0.000	(8.454)	0.000
Professional Service Contracts	4.829	4.000	(0.829)	4.000	(0.000)	4.000	0.000	4.000	(0.000)
Materials & Supplies	(3.424)	2.000	5.424	2.000	0.000	2.000	0.000	2.000	0.000
Other Business Expenditures	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expenditures	\$14.852	\$9.902	(\$4.950)	\$7.067	(\$2.835)	\$10.931	\$3.864	\$11.229	\$0.298
Other Expenditure Adjustments:									
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$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 Expenditure Adjustments	\$26.491	\$82.865	\$56.374	\$65.282	(\$17.583)	\$48.765	(\$16.517)	\$49.398	\$0.633
Total Cash Conversion Adjustments before Depreciation	\$28.872	\$116.544	\$87.672	\$75.186	(\$41.359)	\$53.255	(\$21.931)	\$47.171	(\$6.084)
Depreciation Adjustment	\$1,015.200	\$1,085.500	\$70.300	\$1,151.700	\$66.200	\$1,221.700	\$70.000	\$1,291.700	\$70.000
Baseline Total Cash Conversion Adj.	\$1,044.072	\$1,202.044	\$157.972	\$1,226.886	\$24.841	\$1,274.955	\$48.069	\$1,338.871	\$63.916
2007 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 Program to Eliminate the GAP	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Cash Conversion Adjustments	\$1,044.072	\$1,202.044	\$157.972	\$1,226.886	\$24.841	\$1,274.955	\$48.069	\$1,338.871	\$63.916

**MTA New York City Transit
November Financial Plan 2007-2010
Summary of Major Plan-to-Plan Changes**

2006: November Financial Plan vs. July Financial Plan

Revenue Changes

Revenue changes from the July Financial Plan result in a decrease of \$3.3 million. Major changes include:

- Capital reimbursements decrease by \$10.9 million, consistent with re-estimates of reimbursable expenses.
- A re-estimate of urban taxes dedicated to paratransit operations increases revenue by \$5.0 million, driven by a continued strong commercial real estate market.
- A re-estimate of farebox revenue results in an increase of \$2.6 million.

Expense Changes (excluding depreciation)

Expense changes from the July Financial Plan result in a decrease in expenses of \$16.0 million. Major changes include:

- Reimbursable expenses are projected to decrease by \$10.9 million, due primarily to labor underruns, reduced data center costs and the timing of expenses rescheduled to 2007.
- The rescheduling of non-reimbursable expenses to subsequent years results in a 2006 savings of \$8.8 million.
- Favorable reimbursable overhead credits of \$8.6 million are projected to result primarily from rate increases.
- A re-estimate of pay rates results in a savings of \$4.0 million.
- Unfavorable re-estimates of departmental expenses total \$14.8 million, in large part due to \$6.2 million in additional unscheduled overtime requirements. The remaining expense increase reflects a number of re-estimates, including bus service adjustments, reimbursable underruns, excess incumbents, increased water and sewer costs, and other non-labor requirements.

Cash Adjustments (excluding depreciation)

Cash adjustments from the July Financial Plan were unfavorable by \$19.8 million. Major changes include:

- Transit Adjudication Bureau (TAB) funds valued at \$27.4 million have been rescheduled from 2006 to 2007.
- Inventory levels increase by \$5.7 million to support additional maintenance material requirements for both subway and bus fleets.
- A favorable timing change of \$10.4 million in wage payments is based upon the timing of union contract settlements.

2007-2010: November Financial Plan vs. July Financial Plan

Revenue Changes

Changes from the July Financial Plan result in revenue increases of \$76.7 million in 2007, \$50.6 million in 2008, \$45.4 million in 2009, and \$47.7 million in 2010.

Major changes include:

- Capital reimbursements increase by \$57.9 million in 2007, \$23.3 million in 2008, \$13.0 million in 2009 and \$10.6 million in 2010, consistent with re-estimates of reimbursable expenses.
- Re-estimates of urban taxes dedicated to paratransit operations result in revenue increases of \$10.1 million in 2007, \$11.8 million in 2008, \$13.1 million in 2009, and \$14.1 million in 2010.
- A re-estimate of farebox revenue results in revenue increases of \$5.6 million in 2007, \$9.1 million in 2008, \$13.0 million in 2009 and \$16.7 million in 2010.
- Elimination of the proposed implementation of bus off-peak seated load guidelines systemwide results in revenue increases of \$3.2 million in 2007 and \$6.4 million each in 2008-2010.

Expense Changes (excluding depreciation)

Changes from the July Financial Plan result in expense increases of \$66.9 million in 2007, \$61.8 million in 2008, \$58.3 million in 2009 and \$70.0 million in 2010.

Major changes include:

- Reimbursable expenses are projected to increase by \$57.9 million in 2007, \$23.3 million in 2008, \$13.0 million in 2009 and \$10.6 million in 2010 based on re-estimates of capital and security project requirements and support costs.
- Elimination of the proposed implementation of bus off-peak seated load guidelines systemwide results in expense increases of \$18.3 million in 2007, \$36.1 million in 2008, \$38.0 million in 2009 and \$39.0 million in 2010.
- Inflation-related adjustments result in an expense reduction of \$4.9 million in 2007, primarily due to lower health & welfare growth rates, followed by expense increases of \$0.3 million in 2008, \$17.5 million in 2009 and \$28.4 million in 2010, which reflect increased energy costs partly offset by reduced health & welfare growth rates.
- A re-estimate of pay rates results in expense reductions of \$12.7 million in 2007 and reductions of \$8.8 million for each projection year 2008-2010.

2007-2010: November Financial Plan vs. July Financial Plan (continued)

Cash Adjustments (excluding depreciation)

Cash adjustments are projected to be favorable by \$4.5 million in 2007, \$9.1 million in 2008, \$4.2 million in 2009 and \$2.7 million in 2010.

Major adjustments include:

- 2007 includes a favorable rescheduling of \$27.4 million of Transit Adjudication Bureau (TAB) funds from 2006.
- 2007 includes an unfavorable rescheduling of wage payments of \$10.4 million from 2006 based upon the timing of union contract settlements.
- Capital reimbursement lag impacts are projected to be unfavorable by \$14.3 in 2007 and favorable \$7.2 million in 2008 and \$2.2 million in 2009.

Depreciation Expense

Re-estimates of depreciation expense result in expense reductions of \$59.3 million in 2006, \$142.6 million in 2007, \$230.0 million in 2008, \$313.6 million in 2009, and \$397.2 million in 2010. These changes have no impact on cash results.

MTA New York City Transit
November Financial Plan 2007 - 2010
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE					
	2006	2007	2008	2009	2010
Baseline 2006 July Financial Plan - Cash Deficit	(\$2,005.785)	(\$2,247.250)	(\$2,459.554)	(\$2,721.365)	(\$2,902.447)
Baseline Changes					
Revenue					
Farebox Revenue	\$2.586	\$8.722	\$15.467	\$19.368	\$23.022
Other Operating Revenue	\$5.009	\$10.079	\$11.828	\$13.066	\$14.053
Capital and Other Reimbursement	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Revenue Changes	\$7.595	\$18.801	\$27.295	\$32.434	\$37.075
Expenses					
Labor:					
Payroll	\$11.941	(\$17.107)	(\$35.562)	(\$30.849)	(\$27.138)
Overtime	(\$21.103)	(\$3.604)	(\$4.976)	(\$5.364)	(\$5.603)
Health and Welfare	(\$2.713)	\$7.308	\$13.642	\$17.589	\$20.577
Pensions	\$2.698	\$4.663	\$3.322	\$6.271	\$6.308
Other Fringe Benefits	(\$3.136)	(\$1.099)	(\$4.895)	(\$5.375)	(\$4.911)
Reimbursable Overhead	\$8.367	\$15.182	\$5.451	\$5.263	\$4.473
Total Labor Expense Changes	(\$3.947)	\$5.342	(\$23.018)	(\$12.463)	(\$6.294)
Non-Labor:					
Traction and Propulsion Power	(\$0.447)	(\$6.495)	(\$6.970)	(\$15.973)	(\$24.659)
Fuel for Buses and Trains	\$1.323	\$2.555	(\$2.674)	(\$5.730)	(\$5.662)
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	\$1.088	\$0.000	\$0.000	\$0.000	\$0.000
Maintenance and Other Operating Contracts	(\$9.824)	\$12.815	\$4.432	\$0.443	(\$5.558)
Professional Service Contracts	\$7.836	(\$5.867)	(\$1.753)	(\$1.254)	(\$1.130)
Materials & Supplies	\$10.201	(\$17.467)	(\$8.238)	(\$9.679)	(\$15.202)
Other Business Expenses	(\$1.072)	\$0.126	(\$0.265)	(\$0.614)	(\$0.934)
Total Non-Labor Expense Changes	\$9.105	(\$14.333)	(\$15.468)	(\$32.807)	(\$53.145)
Depreciation (Non-cash impact)	\$59.300	\$142.600	\$230.000	\$313.600	\$397.200
Total Expense Changes	\$64.458	\$133.609	\$191.514	\$268.330	\$337.761
Cash Adjustment Changes					
Revenue	(\$27.866)	\$27.175	(\$0.142)	(\$0.107)	(\$0.095)
Expense	\$5.827	(\$8.385)	\$1.991	\$2.199	\$2.270
Depreciation (Non- cash impact)	(\$59.300)	(\$142.600)	(\$230.000)	(\$313.600)	(\$397.200)
Total Cash Adjustment Changes	(\$81.339)	(\$123.810)	(\$228.151)	(\$311.508)	(\$395.025)
Total Baseline Changes	(\$9.286)	\$28.600	(\$9.341)	(\$10.744)	(\$20.189)
Baseline 2006 November Financial Plan - Cash Deficit	(\$2,015.071)	(\$2,218.651)	(\$2,468.896)	(\$2,732.108)	(\$2,922.635)

MTA New York City Transit
November Financial Plan 2007 - 2010
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE					
	2006	2007	2008	2009	2010
Baseline 2006 July Financial Plan - Cash Deficit	(\$2.127)	\$6.463	(\$7.993)	(\$5.115)	(\$8.078)
Baseline Changes					
Revenue					
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Capital and Other Reimbursement	(\$10.888)	\$57.924	\$23.346	\$13.005	\$10.598
Total Revenue Changes	(\$10.888)	\$57.924	\$23.346	\$13.005	\$10.598
Expenses					
Labor:					
Payroll	\$20.360	(\$12.275)	(\$6.585)	(\$1.632)	(\$0.392)
Overtime	(\$13.934)	(\$5.113)	(\$3.351)	(\$2.927)	(\$2.913)
Health and Welfare	\$2.659	\$0.805	\$0.475	\$0.507	\$0.542
Pensions	\$0.000	(\$0.011)	(\$0.051)	(\$0.054)	(\$0.056)
Other Fringe Benefits	\$1.825	(\$6.911)	(\$4.654)	(\$3.120)	(\$2.809)
Reimbursable Overhead	(\$8.367)	(\$15.182)	(\$5.451)	(\$5.263)	(\$4.473)
Total Labor Expense Changes	\$2.543	(\$38.686)	(\$19.615)	(\$12.489)	(\$10.102)
Non-Labor:					
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
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	(\$2.142)	(\$4.651)	(\$0.525)	(\$0.525)	(\$0.525)
Professional Service Contracts	\$1.337	(\$2.300)	(\$2.114)	\$0.000	\$0.000
Materials & Supplies	\$7.993	(\$12.111)	(\$1.088)	\$0.012	\$0.012
Other Business Expenses	\$1.157	(\$0.176)	(\$0.004)	(\$0.003)	\$0.017
Total Non-Labor Expense Changes	\$8.345	(\$19.238)	(\$3.731)	(\$0.516)	(\$0.496)
Total Expense Changes	\$10.888	(\$57.924)	(\$23.346)	(\$13.005)	(\$10.598)
Cash Adjustment Changes					
Capital Reimbursement Timing	\$2.272	(\$14.335)	\$7.204	\$2.154	\$0.502
Total Cash Adjustment Changes	\$2.272	(\$14.335)	\$7.204	\$2.154	\$0.502
Total Baseline Changes	\$2.272	(\$14.335)	\$7.204	\$2.154	\$0.502
Baseline 2006 November Financial Plan - Cash Deficit	\$0.145	(\$7.873)	(\$0.789)	(\$2.960)	(\$7.576)

MTA New York City Transit
November Financial Plan 2007 - 2010
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE					
	2006	2007	2008	2009	2010
Baseline 2006 July Financial Plan - Cash Deficit	(\$2,007.912)	(\$2,240.788)	(\$2,467.547)	(\$2,726.479)	(\$2,910.524)
Baseline Changes					
Revenue					
Farebox Revenue	\$2.586	\$8.722	\$15.467	\$19.368	\$23.022
Other Operating Revenue	\$5.009	\$10.079	\$11.828	\$13.066	\$14.053
Capital and Other Reimbursement	(\$10.888)	\$57.924	\$23.346	\$13.005	\$10.598
Total Revenue Changes	(\$3.293)	\$76.725	\$50.641	\$45.439	\$47.673
Expenses					
Labor:					
Payroll	\$32.301	(\$29.381)	(\$42.147)	(\$32.481)	(\$27.531)
Overtime	(\$35.037)	(\$8.717)	(\$8.326)	(\$8.291)	(\$8.516)
Health and Welfare	(\$0.054)	\$8.113	\$14.117	\$18.097	\$21.119
Pensions	\$2.698	\$4.651	\$3.271	\$6.218	\$6.251
Other Fringe Benefits	(\$1.312)	(\$8.011)	(\$9.549)	(\$8.495)	(\$7.721)
Reimbursable Overhead	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Labor Expense Changes	(\$1.404)	(\$33.344)	(\$42.633)	(\$24.953)	(\$16.397)
Non-Labor:					
Traction and Propulsion Power	(\$0.447)	(\$6.495)	(\$6.970)	(\$15.973)	(\$24.659)
Fuel for Buses and Trains	\$1.323	\$2.555	(\$2.674)	(\$5.730)	(\$5.662)
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	\$1.088	\$0.000	\$0.000	\$0.000	\$0.000
Maintenance and Other Operating Contracts	(\$11.966)	\$8.164	\$3.907	(\$0.082)	(\$6.083)
Professional Service Contracts	\$9.173	(\$8.167)	(\$3.867)	(\$1.254)	(\$1.130)
Materials & Supplies	\$18.194	(\$29.578)	(\$9.326)	(\$9.667)	(\$15.190)
Other Business Expenses	\$0.085	(\$0.050)	(\$0.269)	(\$0.617)	(\$0.917)
Total Non-Labor Expense Changes	\$17.450	(\$33.571)	(\$19.199)	(\$33.323)	(\$53.641)
Depreciation (Non-cash impact)	\$59.300	\$142.600	\$230.000	\$313.600	\$397.200
Total Expense Changes	\$75.346	\$75.685	\$168.168	\$255.325	\$327.163
Cash Adjustment Changes					
Revenue	(\$27.866)	\$27.175	(\$0.142)	(\$0.107)	(\$0.095)
Expense	\$5.827	(\$8.385)	\$1.991	\$2.199	\$2.270
Capital Reimbursement Timing	\$2.272	(\$14.335)	\$7.204	\$2.154	\$0.502
Depreciation (Non-cash impact)	(\$59.300)	(\$142.600)	(\$230.000)	(\$313.600)	(\$397.200)
Total Cash Adjustment Changes	(\$79.067)	(\$138.146)	(\$220.947)	(\$309.353)	(\$394.523)
Total Baseline Changes	(\$7.014)	\$14.264	(\$2.138)	(\$8.589)	(\$19.687)
Baseline 2006 November Financial Plan - Cash Deficit	(\$2,014.926)	(\$2,226.523)	(\$2,469.685)	(\$2,735.069)	(\$2,930.212)

MTA NEW YORK CITY TRANSIT
November Financial Plan 2007 - 2010
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE	2006	2007	2008	2009	2010
Baseline 2006 July Financial Plan - Operating Cash Income/(Deficit)	(\$2,007.912)	(\$2,240.788)	(\$2,467.547)	(\$2,726.479)	(\$2,910.524)
Non-Reimbursable Major Changes					
Revenue					
Farebox Revenue Re-estimate	2.586	5.554	9.099	13.000	16.654
Restoration of Service: Bus Off-Peak Guidelines	0.000	3.168	6.368	6.368	6.368
Paratransit Urban Tax Re-estimate	5.009	10.079	11.828	13.066	14.053
Sub-Total Non-Reimbursable Revenue Changes	\$7.595	\$18.801	\$27.295	\$32.434	\$37.075
Expenses (Excluding Depreciation)					
Restoration of Service: Bus Off-Peak Guidelines	0.000	(18.260)	(36.089)	(37.988)	(38.969)
Departmental Spending Re-estimates	(14.754)	0.807	(3.320)	5.186	3.884
Rescheduling/Timing of Expenses	8.771	(7.730)	(1.041)	0.000	0.000
Pay Rate Re-estimate	3.979	12.713	8.830	8.823	8.841
DC37 Contract Settlement Adjustments	0.640	(3.244)	(3.931)	(4.252)	(4.458)
Other Fringe Benefit Re-estimates	0.439	(5.776)	(5.826)	(5.664)	(5.392)
Training Float Adjustment	(1.379)	(6.199)	(0.690)	(0.690)	(0.690)
Reimbursable Overhead Rate Increase	5.815	6.111	6.036	6.118	6.316
Impact of Other Reimbursable Changes	2.814	9.144	(0.409)	(0.568)	(1.440)
Inflation-Related Changes:					
Energy (Power & Fuel)	3.812	(2.816)	(8.510)	(24.549)	(36.325)
Health & Welfare	(6.720)	12.696	18.572	21.322	24.396
Other Than Personal Service Inflation Adjustment	0.000	(5.607)	(9.353)	(11.825)	(11.452)
Inflation Arising from November Net Changes	0.000	0.652	(1.052)	(2.493)	(5.007)
Sub-Total Inflation-Related Changes	(2.908)	4.925	(0.343)	(17.545)	(28.388)
Other Changes	1.741	(1.482)	(1.703)	1.310	0.857
Sub-Total Non-Reimbursable Expense Changes	\$5.158	(\$8.991)	(\$38.486)	(\$45.270)	(\$59.439)
Total Non-Reimbursable Major Changes	\$12.753	\$9.810	(\$11.191)	(\$12.836)	(\$22.364)
Reimbursable Major Changes					
Revenue					
Reimbursement Adjustments-Expense-Re-estimates	(10.888)	57.924	23.346	13.005	10.598
Sub-Total Reimbursable Revenue Changes	(\$10.888)	\$57.924	\$23.346	\$13.005	\$10.598
Expenses					
Capital/Non-Capital Project Expense Re-estimates	10.888	(57.924)	(23.346)	(13.005)	(10.598)
Sub-Total Reimbursable Expense Changes	\$10.888	(\$57.924)	(\$23.346)	(\$13.005)	(\$10.598)
Total Reimbursable Major Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Accrual Changes (Excluding Depreciation)	\$12.753	\$9.810	(\$11.191)	(\$12.836)	(\$22.364)
Cash Adjustment Changes (Excluding Depreciation)					
Capital Reimbursement Lag Re-estimate	2.172	(14.337)	7.205	2.154	0.490
Transit Adjudication Bureau Funds Rescheduling	(27.394)	27.394	0.000	0.000	0.000
Timing of Contract Settlement Wage Payments	10.410	(10.410)	0.000	0.000	0.000
Additional Inventory Requirements	(5.650)	0.000	0.000	0.000	0.000
Other-Primarily Fringe Benefit Payment Timing	\$0.695	\$1.808	\$1.848	\$2.092	\$2.186
Total Cash Adjustment Changes (Excluding Depreciation)	(\$19.767)	\$4.455	\$9.053	\$4.246	\$2.676
Depreciation					
Depreciation Expense Re-estimate-Non Cash	\$59.300	\$142.600	\$230.000	\$313.600	\$397.200
Cash Offset to Depreciation Expense Re-estimate	(\$59.300)	(\$142.600)	(\$230.000)	(\$313.600)	(\$397.200)
Total Baseline Changes	(\$7.014)	\$14.265	(\$2.138)	(\$8.590)	(\$19.688)
Baseline 2006 November Financial Plan - Operating Cash Income/(Deficit)	(\$2,014.926)	(\$2,226.523)	(\$2,469.685)	(\$2,735.069)	(\$2,930.212)

MTA New York City Transit
November 2006 Financial Plan
Ridership/Traffic Volume (Utilization)
(in millions)

	2005 Actuals	2006 November Forecast	2007 Proposed Budget	2008	2009	2010
Subway	1,449.109	1,491.140	1,509.566	1,528.638	1,536.782	1,544.118
Bus	736.493	743.795	752.661	762.530	767.330	771.951
Paratransit	4.663	5.296	6.091	7.005	8.055	9.264
Baseline Total Ridership	2,190.265	2,240.231	2,268.318	2,298.173	2,312.167	2,325.333
Impact of: PEG Program	0.000	0.000	0.000	0.000	0.000	0.000
Total Ridership	2,190.265	2,240.231	2,268.318	2,298.173	2,312.167	2,325.333

New York City Transit
November Plan 2007-2010
Summary of 2007 Program to Eliminate the Gap(PEGs)
(\$ in millions)

	2006		2007		2008		2009		2010	
	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>
Administration										
Asset Recovery Increase	(2)	1.074	(2)	0.379	(2)	0.479	(2)	1.029	(2)	1.029
Corporate Communications Administrative Reduction	0	0.000	0	0.175	2	0.294	2	0.294	2	0.294
EMD/Electrical Managerial/Supervisory Efficiencies	0	0.000	3	0.345	3	0.345	3	0.345	3	0.345
Health & Welfare Management - Drug Cost Reductior	0	3.438	0	4.602	0	4.602	0	4.602	0	4.602
Operations Planning Position Reductions	0	0.000	2	0.208	2	0.208	2	0.208	2	0.208
PC Normal Replacement Reduction	0	1.500	0	1.500	0	0.000	0	0.000	0	0.000
Subways Administrative Reduction	0	0.000	10	0.978	10	0.978	10	0.978	10	0.978
TAB Revenue Collection - StateWide Offset Program	0	3.735	0	1.960	0	1.960	0	1.960	0	1.960
Workers' Compensation Recoveries	0	0.800	0	5.170	0	5.170	0	5.170	0	5.170
Sub-Total Administration	(2)	\$ 10.547	13	\$ 15.317	15	\$ 14.036	15	\$ 14.586	15	\$ 14.586
Cust Convenience & Amenities										
Reduce Bus Map Printing	0	0.000	0	0.107	0	0.107	0	0.107	0	0.107
Sub-Total Cust Convenience & Amenities	0	\$ 0.000	0	\$ 0.107	0	\$ 0.107	0	\$ 0.107	0	\$ 0.107
Maintenance										
AFC Back Office Tool Repair Savings	0	0.000	1	0.084	1	0.084	1	0.084	1	0.084
CCTV Preventive Maintenance Interval Extensions	0	0.000	7	0.553	7	0.553	7	0.553	7	0.553
Central Electronics Shop Delivery Staff Reduction	0	0.000	2	0.158	2	0.158	2	0.158	2	0.158
Depot Maintenance Staff Reduction	0	0.000	18	1.338	18	1.338	18	1.338	18	1.338
Electronics Maintenance Division Materials and Supp	0	0.000	0	0.250	0	0.250	0	0.250	0	0.250
Improve Availability by 1 Day - Mtce/Other Divisions	0	0.000	43	2.377	43	2.377	43	2.377	43	2.377
Keene Equipment Maintenance Coverage	0	0.000	1	0.078	1	0.078	1	0.078	1	0.078
MetroCard Vending Machine SMS Cycle Savings	0	0.000	2	0.158	2	0.158	2	0.158	2	0.158
Substation Preventative Maintenance Interval Extens	0	0.000	4	0.275	4	0.275	4	0.275	4	0.275
Subways MOW/Rolling Stock Vacancy Savings	0	3.107	0	3.582	0	0.000	0	0.000	0	0.000

New York City Transit
November Plan 2007-2010
Summary of 2007 Program to Eliminate the Gap(PEGs)
(\$ in millions)

		2006		2007		2008		2009		2010	
		<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>
Tiffany Warehouse Rent Savings		0	0.000	0	1.211	0	3.221	0	3.221	0	3.221
Sub-Total	Maintenance	0	\$ 3.107	78	\$ 10.064	78	\$ 8.492	78	\$ 8.492	78	\$ 8.492
Service Support											
Improve Availability by 1 Day - Service Divisions		0	0.000	89	4.879	89	4.879	89	4.879	89	4.879
Reduce RTO Non-Road Positions		0	0.000	12	0.907	12	0.907	12	0.907	12	0.907
Revenue Processing and Collections Efficiencies		8	0.230	10	1.101	10	1.101	10	1.101	10	1.101
Subways Service Delivery Vacancy Savings		0	1.535	0	1.680	0	0.000	0	0.000	0	0.000
Sub-Total	Service Support	8	\$ 1.765	111	\$ 8.567	111	\$ 6.887	111	\$ 6.887	111	\$ 6.887
Total Programs		6	\$ 15.419	202	\$ 34.055	204	\$ 29.522	204	\$ 30.072	204	\$ 30.072

New York City Transit
November Plan 2007-2010
Summary of 2007 Program to Eliminate the Gap(PEGs)
(\$ in Millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	7/1/2006
Budget Reference	FINAL06	Category	Administration	Savings Date	7/1/2006
PEG / New Need ID	0000000057	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program:

Asset Recovery Increase

Design and Implementation Plan

Two additional positions will be added to the Asset Recovery efforts starting in July 2006. The investment in these positions is expected to increase revenue from surplus sales and scrap.

Background Details

To increase the ability to identify additional items currently dumped as waste that could be recycled, sold as scrap, or sold as surplus.

				2006	2007	2008	2009	2010
Total Headcount	NYCTR	0000000057	FINAL06	(2)	(2)	(2)	(2)	(2)
Financial Impact	NYCTR	0000000057	FINAL06	\$ 1.074	\$ 0.379	\$ 0.479	\$ 1.029	\$ 1.029

New York City Transit
November Plan 2007-2010
Summary of 2007 Program to Eliminate the Gap(PEGs)
(\$ in Millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2007
Budget Reference	FINAL06	Category	Administration	Savings Date	1/1/2007
PEG / New Need ID	0000000059	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program:

Corporate Communications Administrative Reductions

Design and Implementation Plan

(1) Reduce newspaper advertising of service diversions, (2) MetroCard Claims Savings, and (3) OTPS savings.

Background Details

'(1) Marketing will continue to use in-system advertising and the MTA/NYCT website to provide customers with service diversion information. (2) With the introduction of technological improvements in the MetroCard claims process, two full-time PTE positions can be eliminated in 2008. (3) A savings of \$20,000 in DP Material and a savings of \$10,000 in Specialized Equipment can be achieved starting in 2007.

				2006	2007	2008	2009	2010
Total Headcount	NYCTR	0000000059	FINAL06	0	0	2	2	2
Financial Impact	NYCTR	0000000059	FINAL06	\$ 0.000	\$ 0.175	\$ 0.294	\$ 0.294	\$ 0.294

New York City Transit
November Plan 2007-2010
Summary of 2007 Program to Eliminate the Gap(PEGs)
(\$ in Millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2007
Budget Reference	FINAL06	Category	Administration	Savings Date	1/1/2007
PEG / New Need ID	0000000065	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program: EMD/Electrical Managerial/Supervisory Efficiencies

Design and Implementation Plan This proposal eliminates 1 superintendent and 1 Level II supervisor in Electrical Maintenance, and 1 superintendent in the Electronics Maintenance Network Operations Unit, effective January 1, 2007.

Background Details This proposal provides for managerial and supervisory efficiency through increased span of control. One manager and one superintendent will be eliminated from the Capital Cable Operations group and the coordination of logistics, GO's, etc., will be absorbed by existing staff. In addition, one superintendent position in Network Operations will be eliminated.

				2006	2007	2008	2009	2010
Total Headcount	NYCTR	0000000065	FINAL06	0	3	3	3	3
Financial Impact	NYCTR	0000000065	FINAL06	\$ 0.000	\$ 0.345	\$ 0.345	\$ 0.345	\$ 0.345

New York City Transit
November Plan 2007-2010
Summary of 2007 Program to Eliminate the Gap(PEGs)
(\$ in Millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	7/1/2006
Budget Reference	FINAL06	Category	Administration	Savings Date	7/1/2006
PEG / New Need ID	0000000068	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program:

Health & Welfare Management - Drug Cost Reduction

Design and Implementation Plan

Negotiations will be initiated with PharmaCare, the prescription benefit manager that provides drug coverage to represented employees to increase savings for NYCT.

Background Details

Will renegotiate a contract with PharmaCare, the prescription benefit manager (PMB) that provides drug coverage to represented employees to save 15% by increasing NYCT's current discount off brand and generic drugs (from 15% to 16.5%) and to reduce drug dispensing fees from \$1.95 per prescription to \$1.75.

				2006	2007	2008	2009	2010
Total Headcount								
Financial Impact	NYCTR	0000000068	FINAL06	\$ 3.438	\$ 4.602	\$ 4.602	\$ 4.602	\$ 4.602

New York City Transit
November Plan 2007-2010
Summary of 2007 Program to Eliminate the Gap(PEGs)
(\$ in Millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2007
Budget Reference	FINAL06	Category	Administration	Savings Date	1/1/2007
PEG / New Need ID	0000000072	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program:

Operations Planning Position Reductions

Design and Implementation Plan

Process/Productivity improvements in Operations Analysis and Bus Service Planning will reduce staffing requirements by one head in each unit. These positions will not be rehired.

Background Details

A two position reduction is being taken in Operations Planning due to impending vacancies.

				2006	2007	2008	2009	2010
Total Headcount	NYCTR	0000000072	FINAL06	0	2	2	2	2
Financial Impact	NYCTR	0000000072	FINAL06	\$ 0.000	\$ 0.208	\$ 0.208	\$ 0.208	\$ 0.208

New York City Transit
November Plan 2007-2010
Summary of 2007 Program to Eliminate the Gap(PEGs)
(\$ in Millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	7/1/2006
Budget Reference	FINAL06	Category	Administration	Savings Date	7/1/2006
PEG / New Need ID	0000000079	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program:

PC Normal Replacement Reduction

Design and Implementation Plan

Due to data processing equipment purchased through the various moves, normal replacement can be reduced in the near-term by \$1.5M in 2006 and 2007.

Background Details

Reduce normal replacement costs of data processing equipment.

				2006	2007	2008	2009	2010
Total Headcount								
Financial Impact	NYCTR	0000000079	FINAL06	\$ 1.500	\$ 1.500	\$ 0.000	\$ 0.000	\$ 0.000

New York City Transit
November Plan 2007-2010
Summary of 2007 Program to Eliminate the Gap(PEGs)
(\$ in Millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2007
Budget Reference	FINAL06	Category	Administration	Savings Date	1/1/2007
PEG / New Need ID	0000000076	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program:

Subways Administrative Reduction

Design and Implementation Plan

Beginning January 2007 the Department of Subways will eliminate administrative jobs in the following divisions: Operations Support - 2 positions, Rapid Transit Operations - 2 positions, Maintenance of Way - 4 positions, and Stations - 2 positions.

Background Details

As part of an ongoing effort to streamline administrative operations, the Department of Subways will eliminate an additional 10 administrative positions from various divisions.

				2006	2007	2008	2009	2010
Total Headcount	NYCTR	0000000076	FINAL06	0	10	10	10	10
Financial Impact	NYCTR	0000000076	FINAL06	\$ 0.000	\$ 0.978	\$ 0.978	\$ 0.978	\$ 0.978

New York City Transit
November Plan 2007-2010
Summary of 2007 Program to Eliminate the Gap(PEGs)
(\$ in Millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	7/1/2006
Budget Reference	FINAL06	Category	Administration	Savings Date	7/1/2006
PEG / New Need ID	0000000058	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program:

TAB Revenue Collection - StateWide Offset Program

Design and Implementation Plan

In 2006 the years 1996 and 1997 will be added. Through April 2006, \$4M has been collected.

Background Details

The Transit Adjudication Bureau began utilizing a state law enacted in the 1990's named "State-Wide Offset Program" which allows agencies to recover monies due (in NYCT's case, for unpaid TAB summonses) from state tax refunds payable to individuals against whom there are judgments. Continued expansion of collections under this law. The year 2005 included recoveries for the years 2002-2004 and 1994 and 1995 and revenues increased from \$7.1 million to \$9.2 million.

				2006	2007	2008	2009	2010
Total Headcount								
Financial Impact	NYCTR	0000000058	FINAL06	\$ 3.735	\$ 1.960	\$ 1.960	\$ 1.960	\$ 1.960

New York City Transit
November Plan 2007-2010
Summary of 2007 Program to Eliminate the Gap(PEGs)
(\$ in Millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	7/1/2006
Budget Reference	FINAL06	Category	Administration	Savings Date	7/1/2006
PEG / New Need ID	0000000061	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program:

Workers' Compensation Recoveries

Design and Implementation Plan

This program seeks a reduction in the retail price costs submitted by the pharmaceutical provider to an amount equal to the published Average Wholesale Price.

Background Details

Fringe Benefits - Workers Compensation Recoveries (Loss Transfers/3rd Parties and NYC 15-8 Fund), and Reduction in Drug Costs. Loss Transfer Recoveries is a program to recover monies paid to injured claimants pursuant to the No-Fault law in connection with accidents where ultimate responsibility lies with a third party. The 15-8 Recoveries is a Workers Compensation law that allows insurers and self-insured employers to seek the recovery of a portion of their statutory workers compensation and medical payments in situations where the employees' are partially attributable to other pre-existing medical conditions. These conditions are known as "second injury" or "15-8". The Prescription Drug program in Workers Compensation provides precription drugs for the treatment of claimants.

				2006	2007	2008	2009	2010
Total Headcount								
Financial Impact	NYCTR	0000000061	FINAL06	\$ 0.800	\$ 5.170	\$ 5.170	\$ 5.170	\$ 5.170

New York City Transit
November Plan 2007-2010
Summary of 2007 Program to Eliminate the Gap(PEGs)
(\$ in Millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2007
Budget Reference	FINAL06	Category	Cust Convenience & Amenities	Savings Date	1/1/2007
PEG / New Need ID	0000000063	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program:

Reduce Bus Map Printing

Design and Implementation Plan

The revised schedule would have the Manhattan map printed three times a year. The maps for the Bronx, B'klyn and Queens would be printed twice a year. The printing of the SI borough map would remain twice a year.

Background Details

Eliminate one planned "pocket " bus map printing. This proposal is to reduce the number of scheduled annual print runs per borough by one (with the exception of Staten Island).

				2006	2007	2008	2009	2010
Total Headcount								
Financial Impact	NYCTR	0000000063	FINAL06	\$ 0.000	\$ 0.107	\$ 0.107	\$ 0.107	\$ 0.107

New York City Transit
November Plan 2007-2010
Summary of 2007 Program to Eliminate the Gap(PEGs)
(\$ in Millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2007
Budget Reference	FINAL06	Category	Maintenance	Savings Date	1/1/2007
PEG / New Need ID	0000000067	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program:

AFC Back Office Tool Repair Savings

Design and Implementation Plan

AFC back office small tool repairs will be transferred from AFC to Bus Electronics Maintenance's Machine Shop, which will eliminate a Professional and Technical position.

Background Details

Transfer AFC Back Office Small Tool Repairs to Bus Electronics Maintenance.

				2006	2007	2008	2009	2010
Total Headcount	NYCTR	0000000067	FINAL06	0	1	1	1	1
Financial Impact	NYCTR	0000000067	FINAL06	\$ 0.000	\$ 0.084	\$ 0.084	\$ 0.084	\$ 0.084

New York City Transit
November Plan 2007-2010
Summary of 2007 Program to Eliminate the Gap(PEGs)
(\$ in Millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2007
Budget Reference	FINAL06	Category	Maintenance	Savings Date	1/1/2007
PEG / New Need ID	0000000069	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program:

CCTV Preventive Maintenance Interval Extensions

Design and Implementation Plan

Through extension of the preventive maintenance (PM) intervals for CCTV equipment, 7 EEM hourly positions can be eliminated from the budget.

Background Details

Extend preventive maintenance interval for CCTV equipment. Specifically, the PM cycle for 756 platform edge cameras and 26 crowd control cameras will be extended from one to two months. The impact of the new PM cycle on equipment reliability will be monitored.

				2006	2007	2008	2009	2010
Total Headcount	NYCTR	0000000069	FINAL06	0	7	7	7	7
Financial Impact	NYCTR	0000000069	FINAL06	\$ 0.000	\$ 0.553	\$ 0.553	\$ 0.553	\$ 0.553

New York City Transit
November Plan 2007-2010
Summary of 2007 Program to Eliminate the Gap(PEGs)
(\$ in Millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2007
Budget Reference	FINAL06	Category	Maintenance	Savings Date	1/1/2007
PEG / New Need ID	0000000071	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program:

Central Electronics Shop Delivery Staff Reduction

Design and Implementation Plan

Based on an audit recommendation, elimination of the pick-up and delivery of electronics during the CES PM shift will allow for a reduction of 2 Electronic Specialist positions.

Background Details

Eliminate 2 CES positions assigned to PM shift pick-up & delivery.

				2006	2007	2008	2009	2010
Total Headcount	NYCTR	0000000071	FINAL06	0	2	2	2	2
Financial Impact	NYCTR	0000000071	FINAL06	\$ 0.000	\$ 0.158	\$ 0.158	\$ 0.158	\$ 0.158

New York City Transit
November Plan 2007-2010
Summary of 2007 Program to Eliminate the Gap(PEGs)
(\$ in Millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2007
Budget Reference	FINAL06	Category	Maintenance	Savings Date	1/1/2007
PEG / New Need ID	0000000073	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program:

Depot Maintenance Staff Reduction

Design and Implementation Plan

This program reduces one bus maintainer position from each of the 18 depots, about a 1.5% reduction from the current base of 1,214 bus maintainers.

Background Details

Ongoing material and unit usage initiatives are expected to lead to efficiencies and reduced labor requirements. Under these initiatives, life cycle and economic analyses (including sourcing options) are being developed for critical units and material consumables, which should extend unit life and consumable replacement intervals; in doing so, labor requirements are expected to be reduced. The initiatives will minimize future increases in material requirements as well. This reduction will have no impact on maintenance or safety.

				2006	2007	2008	2009	2010
Total Headcount	NYCTR	0000000073	FINAL06	0	18	18	18	18
Financial Impact	NYCTR	0000000073	FINAL06	\$ 0.000	\$ 1.338	\$ 1.338	\$ 1.338	\$ 1.338

New York City Transit
November Plan 2007-2010
Summary of 2007 Program to Eliminate the Gap(PEGs)
(\$ in Millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2007
Budget Reference	FINAL06	Category	Maintenance	Savings Date	1/1/2007
PEG / New Need ID	0000000075	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program:

Electronics Maintenance Division Materials and Supplies Reduction

Design and Implementation Plan

The \$250K annual maintenance materials savings can be achieved in Bus Electronics Maintenance and Network Operations.

Background Details

Reduce the budget for maintenance material by \$250K annually.

				2006	2007	2008	2009	2010
Total Headcount								
Financial Impact	NYCTR	0000000075	FINAL06	\$ 0.000	\$ 0.250	\$ 0.250	\$ 0.250	\$ 0.250

New York City Transit
November Plan 2007-2010
Summary of 2007 Program to Eliminate the Gap(PEGs)
(\$ in Millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2007
Budget Reference	FINAL06	Category	Maintenance	Savings Date	1/1/2007
PEG / New Need ID	0000000036	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program: Improve Availability by 1 Day - Mtce/Other Divisions

Design and Implementation Plan This initiative will be implemented in conjunction with an investment in Labor Relations that created an Employee Availability Unit to work with operating departments and monitor employees with the worst time and attendance records.

Background Details This program assumes a one-day availability improvement for maintenance positions. A one-day availability increase is projected for maintenance positions. Although maintenance positions are not budgeted based on availability, improvements will translate into greater productivity and therefore allow for position reductions.

				2006	2007	2008	2009	2010
Total Headcount	NYCTR	0000000036	FINAL06	0	43	43	43	43
Financial Impact	NYCTR	0000000036	FINAL06	\$ 0.000	\$ 2.377	\$ 2.377	\$ 2.377	\$ 2.377

New York City Transit
November Plan 2007-2010
Summary of 2007 Program to Eliminate the Gap(PEGs)
(\$ in Millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2007
Budget Reference	FINAL06	Category	Maintenance	Savings Date	1/1/2007
PEG / New Need ID	0000000077	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program:

Keene Equipment Maintenance Coverage

Design and Implementation Plan

Reduce Keene equipment maintenance coverage.

Background Details

Currently, Coin Retrieval Technicians provide weekend corrective maintenance coverage for all depot Keene revenue extraction machines from 4 pm to 12 am. Bus service schedules are reduced during weekends, thereby requiring less Keene equipment service during that tour.

				2006	2007	2008	2009	2010
Total Headcount	NYCTR	0000000077	FINAL06	0	1	1	1	1
Financial Impact	NYCTR	0000000077	FINAL06	\$ 0.000	\$ 0.078	\$ 0.078	\$ 0.078	\$ 0.078

New York City Transit
November Plan 2007-2010
Summary of 2007 Program to Eliminate the Gap(PEGs)
(\$ in Millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2007
Budget Reference	FINAL06	Category	Maintenance	Savings Date	1/1/2007
PEG / New Need ID	0000000080	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program: MetroCard Vending Machine SMS Cycle Savings

Design and Implementation Plan This proposal extends the SMS cycle by about 20% enabling the elimination 2 of 10 Electronic Specialist (EEM) shop positions. The 2006 SMS program goal is to overhaul 110 units per month. This proposal will reduce production to 92 overhauls per month.

Background Details Extend the Metrocard Vending Machine Scheduled Maintenance System component overhead cycle. Twelve hourly positions were added to the budget in 2005 to establish an SMS program for high- maintenance MVM modules (Bill Handling Units, Farecard Transport Systems and Ticket Processing Units).

12 hourly positions were added to the budget in 2005 to establish an SMS program for high-maintenance MVM modules (Bill Handling Units, Farecard Transport Systems and Ticket Processing Units).

				2006	2007	2008	2009	2010
Total Headcount	NYCTR	0000000080	FINAL06	0	2	2	2	2
Financial Impact	NYCTR	0000000080	FINAL06	\$ 0.000	\$ 0.158	\$ 0.158	\$ 0.158	\$ 0.158

New York City Transit
November Plan 2007-2010
Summary of 2007 Program to Eliminate the Gap(PEGs)
(\$ in Millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2007
Budget Reference	FINAL06	Category	Maintenance	Savings Date	1/1/2007
PEG / New Need ID	0000000081	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program: Substation Preventative Maintenance Interval Extension

Design and Implementation Plan 'Extension of the preventative maintenance intervals at 22 substations from 3 to 90 days allows for a reduction of 4 hourly positions: 2 maintainers and 2 helpers.

Background Details MOW Electrical Engineering evaluated the current substation preventive maintenance inspection cycle of approximately 2 times per week. During each inspection visit, a team of 1 maintainer and 1 helper performs various equipment tests and completes minor repairs. Routine maintenance includes change-out of rectifier filters, wiping off steel dust from bus insulators and electrical equipment and clearing floor drains. Of the 215 substations in the system, 22 substations built after 1995 have significant protective devices installed that allow the preventive maintenance interval to be extended from 3 to 90 days.

				2006	2007	2008	2009	2010
Total Headcount	NYCTR	0000000081	FINAL06	0	4	4	4	4
Financial Impact	NYCTR	0000000081	FINAL06	\$ 0.000	\$ 0.275	\$ 0.275	\$ 0.275	\$ 0.275

New York City Transit
November Plan 2007-2010
Summary of 2007 Program to Eliminate the Gap(PEGs)
(\$ in Millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2006
Budget Reference	FINAL06	Category	Maintenance	Savings Date	1/1/2006
PEG / New Need ID	0000000082	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program:

Subways MOW/Rolling Stock Vacancy Savings

Design and Implementation Plan

This proposal is to maintain base pay and fringe benefit savings associated with 48 positions in 2006 and 51 positions in 2007.

Background Details

The Department of Subways will maintain a vacancy level of 0.5% in 2006 and 2007 in the Rolling Stock & Maintenance of Way divisions as follows:
Division of Car Equipment - 26 positions (23 positions in 2006); Infrastructure - 6 positions; Track - 9 positions; Electrical - 4 positions; and the Electronic Maintenance Division - 6 positions. These positions have not been removed from budgeted year-end quota.

				2006	2007	2008	2009	2010
Total Headcount								
Financial Impact	NYCTR	0000000082	FINAL06	\$ 3.107	\$ 3.582	\$ 0.000	\$ 0.000	\$ 0.000

New York City Transit
November Plan 2007-2010
Summary of 2007 Program to Eliminate the Gap(PEGs)
(\$ in Millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	8/1/2007
Budget Reference	FINAL06	Category	Maintenance	Savings Date	8/1/2007
PEG / New Need ID	0000000083	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program:

Tiffany Warehouse Rent Savings

Design and Implementation Plan

Anticipated saving of rental expense for the Central Warehouse II at Tiffany, due to the purchase of the property.

Background Details

Rental savings due to the anticipated purchase of the Tiffany Street Warehouse.

				2006	2007	2008	2009	2010
Total Headcount								
Financial Impact	NYCTR	0000000083	FINAL06	\$ 0.000	\$ 1.211	\$ 3.221	\$ 3.221	\$ 3.221

New York City Transit
November Plan 2007-2010
Summary of 2007 Program to Eliminate the Gap(PEGs)
(\$ in Millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2007
Budget Reference	FINAL06	Category	Service Support	Savings Date	1/1/2007
PEG / New Need ID	0000000038	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program: Improve Availability by 1 Day - Service Divisions

Design and Implementation Plan This initiative will be implemented in conjunction with an investment in Labor Relations that created an Employee Availability Unit to work with operating departments and monitor employees with the worst time and attendance records.

Background Details This program assumes a one-day availability improvement for service-related positions. A one-day availability increase is projected for service-related positions. Since service and other similar fixed-post titles are formally budgeted based on employee availability, improvements translate directly into reduced headcount requirements for absence coverage.

				2006	2007	2008	2009	2010
Total Headcount	NYCTR	0000000038	FINAL06	0	89	89	89	89
Financial Impact	NYCTR	0000000038	FINAL06	\$ 0.000	\$ 4.879	\$ 4.879	\$ 4.879	\$ 4.879

New York City Transit
November Plan 2007-2010
Summary of 2007 Program to Eliminate the Gap(PEGs)
(\$ in Millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2007
Budget Reference	FINAL06	Category	Service Support	Savings Date	1/1/2007
PEG / New Need ID	0000000078	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program:

Reduce RTO Non-Road Positions

Design and Implementation Plan

Through work program efficiencies, RTO will eliminate five car wash jobs and four switching jobs in Subdivision "B", as well as eliminate three switching jobs in Subdivision "C" used to transfer trains to and from various maintenance shops.

Background Details

Reconfiguration of the work program to make more efficient use of Work As Assigned (WAA) time allows for efficiencies. This proposal allows for hourly efficiencies in Coney Island Yard Car Wash jobs, switching jobs in Subdivision "B", and shop transfer switching jobs in Subdivision "C".

				2006	2007	2008	2009	2010
Total Headcount	NYCTR	0000000078	FINAL06	0	12	12	12	12
Financial Impact	NYCTR	0000000078	FINAL06	\$ 0.000	\$ 0.907	\$ 0.907	\$ 0.907	\$ 0.907

New York City Transit
November Plan 2007-2010
Summary of 2007 Program to Eliminate the Gap(PEGs)
(\$ in Millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	7/1/2006
Budget Reference	FINAL06	Category	Service Support	Savings Date	7/1/2006
PEG / New Need ID	0000000084	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program: Revenue Processing and Collections Efficiencies

Design and Implementation Plan Projected fare media savings reflects a decrease in the average unit price for MetroCard stock due to a larger number of qualified vendors and the addition of a domestic supplier.

Background Details Reduce subway collections positions due to efficiencies at the new Consolidated Revenue Facility, reduce coin processing positions due to decreased coin revenue from depot collections, and reduce processing positions due to elimination of TransitChek voucher. Also includes savings in fare media purchases due to unit price reductions. Reduction of five Collecting Agent (TA) positions can be realized effective 7/1/06 due to rerouting and efficiencies in subway collections as a result of relocation to the new Consolidated Revenue Facility. Reduction of one Cashier position can be realized effective 7/1/06 due to decreased volumes of coin revenue from depot collections. Reduction of two Cashier positions can be realized following the discontinued acceptance of Transit Chek paper vouchers, scheduled for 12/31/06.

				2006	2007	2008	2009	2010
Total Headcount	NYCTR	0000000084	FINAL06	8	10	10	10	10
Financial Impact	NYCTR	0000000084	FINAL06	\$ 0.230	\$ 1.101	\$ 1.101	\$ 1.101	\$ 1.101

New York City Transit
November Plan 2007-2010
Summary of 2007 Program to Eliminate the Gap(PEGs)
(\$ in Millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2006
Budget Reference	FINAL06	Category	Service Support	Savings Date	1/1/2006
PEG / New Need ID	0000000085	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program:

Subways Service Delivery Vacancy Savings

Design and Implementation Plan

This proposal is to maintain base pay and fringe benefits vacancy savings associated with 21 positions in 2006 and 2007.

Background Details

The Department of Subways will maintain a vacancy level of 0.5% in 2006 and 2007 in the Service Delivery divisions as follows: Operations Support - 1 position; Rapid Transit Operations (RTO) - 5 positions; and Stations - 15 positions. These positions have not been removed from the budgeted quota.

				2006	2007	2008	2009	2010
Total Headcount								
Financial Impact	NYCTR	0000000085	FINAL06	\$ 1.535	\$ 1.680	\$ 0.000	\$ 0.000	\$ 0.000

New York City Transit
November Plan 2007-2010
Summary of Post 2007 PEGs
(\$ in millions)

		2006		2007		2008		2009		2010	
		<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>
Service Support											
OPTO #7 Line - May 08		0	0.000	0	0.000	89	3.921	89	5.882	89	5.882
OPTO J Line - Spring 08		0	0.000	0	0.000	70	3.084	70	4.627	70	4.627
OPTO M Line - Weekdays, Spring 2008		0	0.000	0	0.000	44	1.938	44	2.908	44	2.908
OPTO N Line - Fall 08		0	0.000	0	0.000	110	2.424	110	7.271	110	7.271
Sub-Total	Service Support	0	\$ 0.000	0	\$ 0.000	313	\$ 11.367	313	\$ 20.688	313	\$ 20.688
Total Programs		0	\$ 0.000	0	\$ 0.000	313	\$ 11.367	313	\$ 20.688	313	\$ 20.688

New York City Transit
November Plan 2007-2010
Summary of Post 2007 PEGs
(\$ in Millions)

Business Unit	NYCTR	Financial Plan Category	Post PEG	Implementation Date	5/1/2008
Budget Reference	FINAL06	Category	Service Support	Savings Date	5/1/2008
PEG / New Need ID	0000000024	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program: OPTO #7 Line - May 08

Design and Implementation Plan 'Implementation of OPTO on the #7 line will result in a net reduction of 89 Conductor positions. This includes redeployment of 30 Conductors for platform duties.

Background Details 'With the introduction of the R142/A cars on the Flushing line, an opportunity exists for implementation of One Person Train Operation (OPTO) in conjunction with other safety enhancements including CCTV's and Passenger Emergency Intercom (PEI) systems. This PEG was previously scheduled to begin in December 2007 and is now delayed until May 2008. Implementation is scheduled for May 2008, contingent upon equipment availability and CCTV installation along the Flushing corridor. This PEG will require negotiation with labor unions to modify collective bargaining agreements prior to implementation.

				2006	2007	2008	2009	2010
Total Headcount	NYCTR	0000000024	FINAL06	0	0	89	89	89
Financial Impact	NYCTR	0000000024	FINAL06	\$ 0.000	\$ 0.000	\$ 3.921	\$ 5.882	\$ 5.882

New York City Transit
November Plan 2007-2010
Summary of Post 2007 PEGs
(\$ in Millions)

Business Unit	NYCTR	Financial Plan Category	Post PEG	Implementation Date	5/1/2008
Budget Reference	FINAL06	Category	Service Support	Savings Date	5/1/2008
PEG / New Need ID	0000000006	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program:

OPTO J Line - Spring 08

Design and Implementation Plan

Reduction of 70 Conductor positions on the J Line through the implementation of full-time One Person Train Operation. Scheduled implementation on May 1, 2008 dependent on availability of R160 cars.

Background Details

With the introduction of the R160 cars on the Jamaica line, an opportunity exists for implementation of OPTO in conjunction with other safety enhancements such as CCTV and Passenger Emergency Intercom (PEI) systems. This PEG was previously scheduled to begin in September 2007, but is now projected for May 2008. This PEG will require negotiation with labor unions to modify collective bargaining agreements prior to implementation.

				2006	2007	2008	2009	2010
Total Headcount	NYCTR	0000000006	FINAL06	0	0	70	70	70
Financial Impact	NYCTR	0000000006	FINAL06	\$ 0.000	\$ 0.000	\$ 3.084	\$ 4.627	\$ 4.627

New York City Transit
November Plan 2007-2010
Summary of Post 2007 PEGs
(\$ in Millions)

Business Unit	NYCTR	Financial Plan Category	Post PEG	Implementation Date	5/1/2008
Budget Reference	FINAL06	Category	Service Support	Savings Date	5/1/2008
PEG / New Need ID	0000000044	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program:
OPTO M Line - Weekdays, Spring 2008

Design and Implementation Plan

This proposal allows for reduction of 44 Conductor positions on the M Line through the implementation of full-time One Person Train Operation. Implementation is scheduled for May 2008 dependent on availability of R160 cars.

Background Details

With the introduction of the R160 cars on the Myrtle Avenue line, an opportunity exists for implementation of One Person Train Operation (OPTO) in conjunction with other safety enhancements such as CCTV installation and Passenger Emergency Intercom (PEI) systems. This PEG will require negotiation with labor unions to modify collective bargaining agreements prior to implementation.

				2006	2007	2008	2009	2010
Total Headcount	NYCTR	0000000044	FINAL06	0	0	44	44	44
Financial Impact	NYCTR	0000000044	FINAL06	\$ 0.000	\$ 0.000	\$ 1.938	\$ 2.908	\$ 2.908

New York City Transit
November Plan 2007-2010
Summary of Post 2007 PEGs
(\$ in Millions)

Business Unit	NYCTR	Financial Plan Category	Post PEG	Implementation Date	9/1/2008
Budget Reference	FINAL06	Category	Service Support	Savings Date	9/1/2008
PEG / New Need ID	0000000070	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program:

OPTO N Line - Fall 08

Design and Implementation Plan

Reduction of 110 Conductor positions on the N Line through the implementation of full-time One Person Train Operation. Scheduled implementation on September 1, 2008 dependent on availability of R160 cars.

Background Details

With the introduction of the R160 cars on the N line, an opportunity exists for implementation of OPTO in conjunction with other safety enhancements such as CCTV and Passenger Emergency Intercom (PEI) systems. This PEG will require negotiation with labor unions to modify collective bargaining agreements prior to implementation.

				2006	2007	2008	2009	2010
Total Headcount	NYCTR	0000000070	FINAL06	0	0	110	110	110
Financial Impact	NYCTR	0000000070	FINAL06	\$ 0.000	\$ 0.000	\$ 2.424	\$ 7.271	\$ 7.271

**MTA New York City Transit
2007 Final Proposed Budget
November Financial Plan 2007-2010**

Other Assumptions: Positions

Total Non-reimbursable and Reimbursable Baseline Positions

2006: November Financial Plan vs. July Financial Plan

Total baseline positions are projected to increase by 21.

2007-2010: November Financial Plan vs. July Financial Plan

Total baseline positions in 2007 are projected to increase by 699 due mostly to restoring 431 non-reimbursable positions that would have been saved from implementing bus off-peak seated load guidelines systemwide. Other increases include 77 non-reimbursable positions for additional induction training float and 178 reimbursable positions in support of capital project requirements now included in the November Financial Plan.

Total baseline positions are projected to increase by 407 in 2008, 383 in 2009 and 321 in 2010. These increases are due primarily to restoring non-reimbursable positions that would have been saved from implementing bus off-peak seated load guidelines systemwide.

MTA NEW YORK CITY TRANSIT
November Financial Plan 2007- 2010
Non-Reimbursable - Reimbursable Positions at End-of-Year
Full-Time Positions and Full Time Equivalents

FUNCTION/DEPARTMENT	2005 Actuals	2006 November Forecast	2007 Final Proposed Budget	2008	2009	2010
Administration						
Office of the EVP	20	28	27	26	26	24
Human Resources	484	487	474	472	472	472
Office of Management and Budget	33	34	34	34	34	34
Technology & Information Services	535	524	544	544	557	557
Materiel	263	268	267	264	264	264
Controller	236	235	235	235	235	235
Office of the President	5	5	5	5	5	5
Law	288	301	301	301	301	301
Corporate Communications	291	298	298	298	298	298
Non-Departmental	0	5	0	0	0	0
Labor Relations	102	106	106	104	104	104
Total Administration	2,257	2,291	2,291	2,283	2,296	2,294
Operations						
Subways Service Delivery	11,293	11,468	11,618	11,387	11,374	11,363
Buses	10,496	10,541	10,599	10,683	10,698	10,698
Paratransit	105	122	127	134	133	133
Operations Planning	394	408	411	404	404	404
Revenue Control	423	479	480	480	480	480
Total Operations	22,711	23,018	23,235	23,088	23,089	23,078
Maintenance						
Subways Service Delivery	2,700	2,870	2,806	2,810	2,745	2,757
Maintenance of Way & Rolling Stock	12,722	13,070	13,252	13,054	13,067	12,742
Buses	3,834	3,879	3,843	3,970	3,944	3,878
Revenue Control	131	133	133	133	133	133
Supply Logistics	550	555	555	580	580	580
System Safety	87	90	91	91	91	91
Non-Departmental		0	10	10	10	10
Total Maintenance	20,024	20,597	20,690	20,648	20,570	20,191
Engineering/Capital						
Capital Program Management	1,487	1,519	1,504	1,504	1,504	1,504
Public Safety						
Subways Senior VP	593	576	572	570	576	575
Total Baseline Positions	47,072	48,001	48,292	48,093	48,035	47,642
<i>Non-Reimbursable</i>	41,770	42,689	43,035	43,100	43,226	42,912
<i>Reimbursable</i>	5,302	5,312	5,257	4,993	4,809	4,730
Total Full-Time	46,841	47,788	48,079	47,887	47,829	47,437
Total Full-Time Equivalents	231	213	213	206	206	205
Impact of:						
2007 Program to Eliminate the Gap	-	(6)	(202)	(204)	(204)	(204)
Post 2007 Program to Eliminate the Gap	-	0	0	(313)	(313)	(313)
Total Positions	47,072	47,995	48,090	47,576	47,518	47,125
<i>Non-Reimbursable</i>	41,770	42,683	42,833	42,583	42,709	42,395
<i>Reimbursable</i>	5,302	5,312	5,257	4,993	4,809	4,730
Total Full-Time	46,841	47,782	47,877	47,370	47,312	46,920
Total Full-Time Equivalents	231	213	213	206	206	205

MTA NEW YORK CITY TRANSIT
November Financial Plan 2007- 2010
Total Full-time Positions and Full-time Equivalents by Function and Occupational Group
Non-Reimbursable and Reimbursable

FUNCTION/OCCUPATIONAL GROUP		2006 November Forecast	2007 Final Proposed Budget	2008	2009	2010
Administration						
	Managers/Supervisors	820	812	804	801	799
	Professional, Technical, Clerical	1,438	1,446	1,446	1,462	1,462
	Operational Hourlies	33	33	33	33	33
	Total Administration	2,291	2,291	2,283	2,296	2,294
Operations						
	Managers/Supervisors	2,509	2,549	2,524	2,496	2,494
	Professional, Technical, Clerical	403	407	412	409	409
	Operational Hourlies	20,106	20,279	20,152	20,184	20,175
	Total Operations	23,018	23,235	23,088	23,089	23,078
Maintenance						
	Managers/Supervisors	3,690	3,742	3,694	3,683	3,635
	Professional, Technical, Clerical	1,209	1,218	1,194	1,165	1,146
	Operational Hourlies	15,698	15,730	15,760	15,722	15,410
	Total Maintenance	20,597	20,690	20,648	20,570	20,191
Engineering/Capital						
	Managers/Supervisors	344	344	344	344	344
	Professional, Technical, Clerical	1,173	1,158	1,158	1,158	1,158
	Operational Hourlies	2	2	2	2	2
	Total Engineering/Capital	1,519	1,504	1,504	1,504	1,504
Public Safety						
	Managers/Supervisors	103	103	102	99	98
	Professional, Technical, Clerical	79	79	78	77	77
	Operational Hourlies	394	390	390	400	400
	Total Public Safety	576	572	570	576	575
Total Baseline Positions						
	Managers/Supervisors	7,466	7,550	7,468	7,423	7,370
	Professional, Technical, Clerical	4,302	4,308	4,288	4,271	4,252
	Operational Hourlies	36,233	36,434	36,337	36,341	36,020
	Total Baseline Positions	48,001	48,292	48,093	48,035	47,642

Staten Island Railway

**MTA Staten Island Railway
2007 Final Proposed Budget
November Financial Plan 2007 - 2010**

MISSION STATEMENT

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

FINANCIAL OVERVIEW

MTA Staten Island Railway carries out its mission by providing effective and cost-efficient transportation services through a heavy rail system operating 64 subway cars over 14.3 route miles and 28.6 miles of mainline track, serving 22 stations located on the south shore of Staten Island.

The 2007 Final Proposed Budget and projections for the years 2008-2010 provide sufficient funding to maintain current service levels as well as to maintain MTA's commitment to safety and security. This is accomplished primarily through implementation of operational efficiencies that optimize the utilization of resources to achieve agency goals. Performance indicators including mean distance between failures and on time performance remain within targeted levels.

2006 November Forecast

MTA Staten Island Railway's 2006 November Forecast reflects total expenses before depreciation of \$28.183 million, including \$26.901 million of non-reimbursable expenses and \$1.282 million of reimbursable expenses. Total revenues are projected to be \$6.820 million, of which \$5.538 million are operating revenues and \$1.282 million represent capital reimbursements. Total full-time positions are 281, including 278 non-reimbursable positions and 3 reimbursable positions. The above information excludes the effects of Programs to Eliminate the GAP (PEGs), which are presented separately in the attached financial tables.

The November forecast re-estimates include an increase of \$0.100 million for additional claims requirements offset by a reduction in overtime expenses.

Major assumptions and reconciliations are discussed later in this section.

2007 Final Proposed Budget – Baseline

MTA Staten Island Railway's 2007 Final Proposed Budget reflects total expenses before depreciation of \$29.752 million, including \$28.400 million of non-reimbursable expenses and \$1.352 million of reimbursable expenses. Total revenues are projected to be \$6.937 million, of which \$5.585 million are operating revenues and \$1.352 million represent capital reimbursements. Total full-time positions are 283, including 280 non-reimbursable positions and 3 reimbursable positions. The above information excludes the effects of Programs to Eliminate the GAP (PEGs), which are presented separately in the attached financial tables.

Baseline changes from the 2007 Preliminary Budget include an expense inflation increase of \$0.173 million and a re-estimate of ridership resulting in a farebox revenue increase of \$0.013 million.

Major assumptions and reconciliations are discussed later in this section.

2008-2010 Projections

MTA Staten Island Railway's projections for 2008-2010 reflect total expenses before depreciation as follows: 2008=\$37.827 million, 2009=\$32.372 million and 2010=\$33.716 million. Non-reimbursable expenses before depreciation are projected as follows: 2008=\$36.404 million, 2009=\$30.900 million and 2010=\$32.169 million. Reimbursable expenses are projected as follows: 2008=\$1.423 million, 2009=\$1.472 million and 2010=\$1.547 million. Total revenues are projected as follows: 2008=\$7.593 million, 2009=\$7.658 million and 2010=\$7.744 million. Operating revenues are projected as follows: 2008=\$6.170 million, 2009=\$6.186 million and 2010=\$6.197 million. Capital reimbursements are projected as follows: 2008=\$1.423 million, 2009=\$1.472 million and 2010=\$1.547 million. Total full-time positions are projected to be 283 for each year 2008 through 2010. Non-reimbursable positions are projected to be 280 for each year 2008 through 2010. Reimbursable positions are projected to be 3 in each year 2008 through 2010. The above information excludes the effects of Programs to Eliminate the GAP, which are presented separately in the attached financial tables.

Included in these projections are expense inflation increases of \$0.168 million in 2008, \$0.465 million in 2009 and \$0.628 million in 2010.

Also included are ridership re-estimates resulting in farebox revenue increases of \$0.258 million in 2008, \$0.263 million in 2009 and \$0.268 million in 2010, including \$0.240 million per year of additional estimated revenue from the baseline implementation of fare collection at the Tompkinsville Station in 2008. This projected increase is assumed to be partly offset by an estimated \$0.100 million loss of local bus revenue by MTA New York City Transit as it is assumed that those bus riders who currently use pay-per-ride MetroCards to pay their fare on the bus after using a "free" train ride will, after implementation, pay their fare to SIR at Tompkinsville and then transfer free to the NYCT bus.

The November Financial Plan projections retain the estimated \$7.0 million of fleet maintenance expenses provided in the July Financial Plan that will be required in 2008 to maintain the safety and reliability of the 64-car fleet until its anticipated replacement in 2014.

Major assumptions and reconciliations are discussed later in this section.

GAP CLOSING MEASURES

2007 Program to Eliminate the Gap (PEG)

The Authority implemented a new cab signaling system in 2005. This new system, including the installation of 17 wayside relay buildings, initially required significantly higher electrical power requirements. This PEG represents a reconfiguration of the system resulting in an estimated reduction in power consumption of \$0.300 million for each year beginning in 2006. Positions are not affected by this operating efficiency.

MTA STATEN ISLAND RAILWAY
November Financial Plan 2007 - 2010
Accrual Statement of Operations by Category
(\$ in millions)

Non-Reimbursable						
	2005	2006	2007			
	Actuals	November Forecast	Final Proposed Budget	2008	2009	2010
Operating Revenue						
Farebox Revenue	\$3.256	\$3.534	\$3.581	\$4.166	\$4.182	\$4.193
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	1.716	2.004	2.004	2.004	2.004	2.004
Capital and Other Reimbursements	-	-	-	-	-	-
Total Revenue	\$4.972	\$5.538	\$5.585	\$6.170	\$6.186	\$6.197
Operating Expenses						
<u>Labor:</u>						
Payroll	\$14.647	\$14.276	\$14.862	\$15.324	\$15.822	\$16.328
Overtime	1.558	0.598	0.717	0.740	0.764	0.789
Health and Welfare	2.596	2.843	3.262	3.610	3.996	4.423
Pensions	2.133	1.718	1.777	1.721	1.951	1.951
Other Fringe Benefits	1.309	1.264	1.312	1.350	1.394	1.439
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenses	\$22.243	\$20.699	\$21.930	\$22.745	\$23.927	\$24.930
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$1.843	\$1.846	\$2.119	\$2.119	\$2.331	\$2.448
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	0.168	0.339	0.371	0.496	0.449	0.493
Claims	0.228	0.341	0.249	0.253	0.256	0.261
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	1.837	2.418	2.426	9.450	2.572	2.654
Professional Service Contracts	0.331	0.324	0.333	0.338	0.344	0.350
Materials & Supplies	0.677	0.929	0.967	0.998	1.016	1.027
Other Business Expenses	0.009	0.005	0.005	0.005	0.005	0.006
Total Non-Labor Expenses	\$5.093	\$6.202	\$6.470	\$13.659	\$6.973	\$7.239
<u>Other Expenses Adjustments:</u>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$27.336	\$26.901	\$28.400	\$36.404	\$30.900	\$32.169
Depreciation	7.074	7.337	10.337	10.337	10.337	10.337
Total Expenses	\$34.410	\$34.238	\$38.737	\$46.741	\$41.237	\$42.506
Baseline Surplus/(Deficit)	(\$29.438)	(\$28.700)	(\$33.152)	(\$40.571)	(\$35.051)	(\$36.309)
2007 Program to Eliminate the Gap (PEGs)	-	0.300	0.300	0.300	0.300	0.300
Post 2007 Program to Eliminate the Gap (PEGs)	-	-	-	-	-	-
Net Surplus/(Deficit)	(\$29.438)	(\$28.400)	(\$32.852)	(\$40.271)	(\$34.751)	(\$36.009)

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MTA STATEN ISLAND RAILWAY
November Financial Plan 2007 - 2010
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE						
	2005	2006	2007			
	Actuals	November Forecast	Final Proposed Budget	2008	2009	2010
Revenue						
Farebox Revenue	\$3.256	\$3.534	\$3.581	\$4.166	\$4.182	\$4.193
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	1.716	2.004	2.004	2.004	2.004	2.004
Capital and Other Reimbursements	1.195	1.282	1.352	1.423	1.472	1.547
Total Revenue	\$6.167	\$6.820	\$6.937	\$7.593	\$7.658	\$7.744
Expenses						
<u>Labor:</u>						
Payroll	\$15.052	\$14.538	\$15.131	\$15.601	\$16.088	\$16.603
Overtime	1.913	1.194	1.330	1.371	1.415	1.461
Health and Welfare	2.854	3.125	3.586	3.969	4.393	4.863
Pensions	2.204	1.795	1.856	1.808	2.038	2.038
Other Fringe Benefits	1.363	1.329	1.379	1.419	1.465	1.512
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenses	\$23.386	\$21.981	\$23.282	\$24.168	\$25.399	\$26.477
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$1.843	\$1.846	\$2.119	\$2.119	\$2.331	\$2.448
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	0.168	0.339	0.371	0.496	0.449	0.493
Claims	0.228	0.341	0.249	0.253	0.256	0.261
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	1.837	2.418	2.426	9.450	2.572	2.654
Professional Service Contracts	0.331	0.324	0.333	0.338	0.344	0.350
Materials & Supplies	0.729	0.929	0.967	0.998	1.016	1.027
Other Business Expenses	0.009	0.005	0.005	0.005	0.005	0.006
Total Non-Labor Expenses	\$5.145	\$6.202	\$6.470	\$13.659	\$6.973	\$7.239
<u>Other Expenses Adjustments:</u>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$28.531	\$28.183	\$29.752	\$37.827	\$32.372	\$33.716
Depreciation	7.074	7.337	10.337	10.337	10.337	10.337
Total Expenses	\$35.605	\$35.520	\$40.089	\$48.164	\$42.709	\$44.053
Baseline Surplus/(Deficit)	(\$29.438)	(\$28.700)	(\$33.152)	(\$40.571)	(\$35.051)	(\$36.309)
2007 Program to Eliminate the Gap (PEGs)	0.000	0.300	0.300	0.300	0.300	0.300
Post 2007 Program to Eliminate the Gap (PEGs)	-	-	-	-	-	-
Net Surplus/(Deficit)	(\$29.438)	(\$28.400)	(\$32.852)	(\$40.271)	(\$34.751)	(\$36.009)

MTA STATEN ISLAND RAILWAY
November Financial Plan 2007 - 2010
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2005	2006	2007			
	Actuals	November	Final Proposed	2008	2009	2010
		Forecast	Budget			
Receipts						
Farebox Revenue	\$3.199	\$3.534	\$3.581	\$4.166	\$4.182	\$4.193
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	1.788	2.004	2.004	2.004	2.004	2.004
Capital and Other Reimbursements	1.278	1.276	1.345	1.423	1.472	1.547
Total Receipts	\$6.265	\$6.814	\$6.930	\$7.593	\$7.658	\$7.744
Expenditures						
<u>Labor:</u>						
Payroll	\$14.844	\$14.538	\$15.131	\$15.601	\$16.088	\$16.603
Overtime	1.929	1.194	1.330	1.371	1.415	1.461
Health and Welfare	2.991	3.125	3.586	3.969	4.393	4.863
Pensions	1.824	1.795	1.856	1.808	2.038	2.038
Other Fringe Benefits	1.739	1.329	1.379	1.419	1.465	1.512
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$23.327	\$21.981	\$23.282	\$24.168	\$25.399	\$26.477
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$1.843	\$1.846	\$2.119	\$2.119	\$2.331	\$2.448
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	0.231	0.339	0.371	0.496	0.449	0.493
Claims	0.210	0.341	0.249	0.253	0.256	0.261
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	1.563	2.418	2.426	9.450	2.572	2.654
Professional Service Contracts	0.155	0.324	0.333	0.338	0.344	0.350
Materials & Supplies	0.753	0.929	0.967	0.998	1.016	1.027
Other Business Expenses	0.005	0.005	0.005	0.005	0.005	0.006
Total Non-Labor Expenditures	\$4.760	\$6.202	\$6.470	\$13.659	\$6.973	\$7.239
<u>Other Expenditure Adjustments:</u>						
Other	\$0.209	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expenditure Adjustments	\$0.209	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$28.296	\$28.183	\$29.752	\$37.827	\$32.372	\$33.716
Baseline Cash Deficit	(\$22.031)	(\$21.369)	(\$22.822)	(\$30.234)	(\$24.714)	(\$25.972)
2007 Program to Eliminate the Gap (PEGs)	-	0.300	0.300	0.300	0.300	0.300
Post 2007 Program to Eliminate the Gap (PEGs)	-	-	-	-	-	-
Net Cash Deficit	(\$22.031)	(\$21.069)	(\$22.522)	(\$29.934)	(\$24.414)	(\$25.672)

MTA STATEN ISLAND RAILWAY
November Financial Plan 2007 - 2010
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2005	2006	2007			
	Actuals	November Forecast	Final Proposed Budget	2008	2009	2010
Receipts						
Farebox Revenue	(\$0.057)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	0.072	-	-	-	-	-
Capital and Other Reimbursements	0.083	(0.006)	(0.007)	0.000	0.000	0.000
Total Receipts	\$0.098	(\$0.006)	(\$0.007)	\$0.000	\$0.000	\$0.000
Expenditures						
<u>Labor:</u>						
Payroll	\$0.208	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	(0.016)	-	-	-	-	-
Health and Welfare	(0.137)	-	-	-	-	-
Pensions	0.380	-	-	-	-	-
Other Fringe Benefits	(0.376)	-	-	-	-	-
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$0.059	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	(0.063)	-	-	-	-	-
Claims	0.018	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	0.274	-	-	-	-	-
Professional Service Contracts	0.176	-	-	-	-	-
Materials & Supplies	(0.024)	-	-	-	-	-
Other Business Expenditures	0.004	-	-	-	-	-
Total Non-Labor Expenditures	\$0.385	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Other Expenditures Adjustments:</u>						
Other	(\$0.209)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expenditures Adjustments	(\$0.209)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Cash Conversion Adjustments before Depreciation	\$0.333	(\$0.006)	(\$0.007)	\$0.000	\$0.000	\$0.000
Depreciation Adjustment	7.074	7.337	10.337	10.337	10.337	10.337
Baseline Total Cash Conversion Adjustments	\$7.407	\$7.331	\$10.330	\$10.337	\$10.337	\$10.337
2007 Program to Eliminate the Gap (PEGs)	-	-	-	-	-	-
Post 2007 Program to Eliminate the Gap (PEGs)	-	-	-	-	-	-
Total Cash Conversion Adjustments	\$7.407	\$7.331	\$10.330	\$10.337	\$10.337	\$10.337

**MTA Staten Island Railway
November Financial Plan 2007-2010
Year-to-Year Changes by Category**

TOTAL REVENUES

Farebox Revenue

- Farebox revenue improvements of: 2007=\$.047 million (1.3%), 2008=\$0.585 million (16.3%), 2009=\$.016 million (0.4%), and 2010=\$.011 million (0.3%) are due to projected increases in ridership, which are based primarily upon projected growth in NYC employment. The increase in 2008 over 2007 includes \$0.540 million relating to implementation of fare collection at the Tompkinsville Station.

Other Operating Revenue

- No changes.

Capital and Other Reimbursements

- Annual increases are projected from 2007 through 2010 to provide for reimbursement consistent with projected inflationary increases in labor expenses.

TOTAL EXPENSES

Payroll

- Includes projected CPI rate increases as follows: 2007=2.56%, 2008=2.91%, 2009=3.07%, and 2010=3.20%. These rates are unchanged from the July Plan.

Overtime

- 2007-2010 payroll wage rate increase assumptions apply.

Health & Welfare

- Increases represent projected rate increases as follows: 2007=14.78%, 2008=10.68%, 2009=10.68%, and 2010=10.68%. These rates are unchanged from the July Plan.

Pension

- Increases are consistent with February and July 2006 Plan assumptions.

Other Fringe Benefits

- Inflation assumptions are consistent with payroll rate increase assumptions.

Traction and Propulsion Power

- Reflects a projected New York Power Authority (NYPA) annual additional rate increase of 4.7% in 2007 over the July Plan, no additional increase in 2008, a rate increase of 10.0% in 2009, and a rate increase of 5.0% in 2010.

Insurance

- 2007-2010 assumptions provided by MTA.

Claims

- 2007-2010 inflation assumptions are based upon Global Insight's estimates as follows: 2007=2.91%, 2008=1.62%, 2009=1.53%, and 2010=1.84%.

Maintenance and Other Operating Contracts

- 2007-2010 inflation assumptions are based upon Global Insight's estimates as follows: 2007=2.91%, 2008=1.62%, 2009=1.53%, and 2010=1.84%.
- Reflects a projected New York Power Authority (NYPA) annual additional rate increase of 4.7% in 2007 over the July Plan, no additional increase in 2008, a rate increase of 10.0% in 2009, and a rate increase of 5.0% in 2010.
- 2008 includes an estimated \$7.0 million of one-time fleet maintenance expenses to maintain the safety and reliability of the 64-car fleet until its anticipated replacement in 2014.

Professional Service Contracts

- 2007-2010 inflation assumptions are based upon Global Insight's estimates as follows: 2007=2.91%, 2008=1.62%, 2009=1.53%, and 2010=1.84%.

Materials and Supplies

- 2007-2010 inflation assumptions are based upon Global Insight's estimates as follows: 2007=4.02%, 2008=3.23%, 2009=1.84%, and 2010=1.02%.

Other Business Expenses

- 2007-2010 inflation assumptions are based upon Global Insight's estimates as follows: 2007=2.91%, 2008=1.62%, 2009=1.53%, and 2010=1.84%.

Depreciation

- Annual expenses do not increase during the Financial Plan period, as no additional capital assets are projected to reach beneficial use.

TOTAL RECEIPTS**Farebox Receipts**

- Farebox revenue improvements of: 2007=\$.047 million (1.3%), 2008=\$0.585 million (16.3%), 2009=\$.016 million (0.4%), and 2010=\$.011 million (0.3%) are due to projected increases in ridership, which are based primarily upon projected growth in NYC employment. The increase in 2008 over 2007 includes \$0.540 million relating to implementation of fare collection at the Tompkinsville Station.

Other Operating Receipts

- No changes.

Capital and Other Reimbursements

- Annual increases are projected from 2007 through 2010 to provide for reimbursement consistent with projected inflationary increases in labor expenses.

TOTAL EXPENDITURES

Payroll

- Includes projected CPI rate increases as follows: 2007=2.56%, 2008=2.91%, 2009=3.07%, and 2010=3.20%. These rates are unchanged from the July Plan.

Overtime

- 2007-2010 payroll wage rate increase assumptions apply.

Health & Welfare

- Increases represent projected rate increases as follows: 2007=14.78%, 2008=10.68%, 2009=10.68%, and 2010=10.68%. These rates are unchanged from the July Plan.

Pension

- Increases are consistent with February and July 2006 Plan assumptions.

Other Fringe Benefits

- Inflation assumptions are consistent with payroll rate increase assumptions.

Traction and Propulsion Power

- Reflects a projected New York Power Authority (NYPA) annual additional rate increase of 4.7% in 2007 over the July Plan, no additional increase in 2008, a rate increase of 10.0% in 2009, and a rate increase of 5.0% in 2010.

Insurance

- 2007-2010 assumptions provided by MTA.

Claims

- 2007-2010 inflation assumptions are based upon Global Insight's estimates as follows: 2007=2.91%, 2008=1.62%, 2009=1.53%, and 2010=1.84%.

Maintenance and Other Operating Contracts

- 2007-2010 inflation assumptions are based upon Global Insight's estimates as follows: 2007=2.91%, 2008=1.62%, 2009=1.53%, and 2010=1.84%.
- Reflects a projected New York Power Authority (NYPA) annual additional rate increase of 4.7% in 2007 over the July Plan, no additional increase in 2008, a rate increase of 10.0% in 2009, and a rate increase of 5.0% in 2010.

- 2008 includes an estimated \$7.0 million of one-time fleet maintenance expenses to maintain the safety and reliability of the 64-car fleet until its anticipated replacement in 2014.

Professional Service Contracts

- 2007-2010 inflation assumptions are based upon Global Insight's estimates as follows: 2007=2.91%, 2008=1.62%, 2009=1.53%, and 2010=1.84%.

Materials and Supplies

- 2007-2010 inflation assumptions are based upon Global Insight's estimates as follows: 2007=4.02%, 2008=3.23%, 2009=1.84%, and 2010=1.02%.

Other Business Expenses

- 2007-2010 inflation assumptions are based upon Global Insight's estimates as follows: 2007=2.91%, 2008=1.62%, 2009=1.53%, and 2010=1.84%.

MTA Staten Island Railway
November Financial Plan 2007 - 2010
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

	Favorable/(Unfavorable)								
NON-REIMBURSABLE and REIMBURSABLE	2006	2007	Change 2007 - 2006	2008	Change 2008 - 2007	2009	Change 2009 - 2008	2010	Change 2010 - 2009
Revenue									
Farebox Revenue	\$3.534	\$3.581	\$0.047	\$4.166	\$0.585	\$4.182	\$0.016	\$4.193	\$0.011
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	2.004	2.004	0.000	2.004	0.000	2.004	0.000	2.004	0.000
Capital and Other Reimbursements	1.282	1.352	0.070	1.423	0.071	1.472	0.049	1.547	0.075
Total Revenue	\$6.820	\$6.937	\$0.117	\$7.593	\$0.656	\$7.658	\$0.065	\$7.744	\$0.086
Expenses									
Labor:									
Payroll	\$14.538	\$15.131	(\$0.593)	\$15.601	(\$0.470)	\$16.088	(\$0.487)	\$16.603	(\$0.515)
Overtime	1.194	1.330	(0.136)	1.371	(0.041)	1.415	(0.044)	1.461	(0.046)
Health and Welfare	3.125	3.586	(0.461)	3.969	(0.383)	4.393	(0.424)	4.863	(0.470)
Pensions	1.795	1.856	(0.061)	1.808	0.048	2.038	(0.230)	2.038	0.000
Other Fringe Benefits	1.329	1.379	(0.050)	1.419	(0.040)	1.465	(0.046)	1.512	(0.047)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$21.981	\$23.282	(\$1.301)	\$24.168	(\$0.886)	\$25.399	(\$1.231)	\$26.477	(\$1.078)
Non-Labor:									
Traction and Propulsion Power	\$1.846	\$2.119	(\$0.273)	\$2.119	\$0.000	\$2.331	(\$0.212)	\$2.448	(\$0.117)
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.339	0.371	(0.032)	0.496	(0.125)	0.449	0.047	0.493	(0.044)
Claims	0.341	0.249	0.092	0.253	(0.004)	0.256	(0.003)	0.261	(0.005)
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	2.418	2.426	(0.008)	9.450	(7.024)	2.572	6.878	2.654	(0.082)
Professional Service Contracts	0.324	0.333	(0.009)	0.338	(0.005)	0.344	(0.006)	0.350	(0.006)
Materials & Supplies	0.929	0.967	(0.038)	0.998	(0.031)	1.016	(0.018)	1.027	(0.011)
Other Business Expenses	0.005	0.005	0.000	0.005	0.000	0.005	0.000	0.006	(0.001)
Total Non-Labor Expenses	\$6.202	\$6.470	(\$0.268)	\$13.659	(\$7.189)	\$6.973	\$6.686	\$7.239	(\$0.266)
Other Expenses Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	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 Expenses before Depreciation	\$28.183	\$29.752	(\$1.569)	\$37.827	(\$8.075)	\$32.372	\$5.455	\$33.716	(\$1.344)
Depreciation	7.337	10.337	(3.000)	10.337	0.000	10.337	0.000	10.337	0.000
Total Expenses	\$35.520	\$40.089	(\$4.569)	\$48.164	(\$8.075)	\$42.709	\$5.455	\$44.053	(\$1.344)
Baseline Net Surplus/(Deficit)	(\$28.700)	(\$33.152)	(\$4.452)	(\$40.571)	(\$7.419)	(\$35.051)	\$5.520	(\$36.309)	(\$1.258)
2007 PEG Program	0.300	0.300	0.000	0.300	0.000	0.300	0.000	0.300	0.000
Net Surplus/(Deficit)	(\$28.400)	(\$32.852)	(\$4.452)	(\$40.271)	(\$7.419)	(\$34.751)	\$5.520	(\$36.009)	(\$1.258)

MTA Staten Island Railway
November Financial Plan 2007 - 2010
Year-to-Year Changes by Category - Cash Basis
(\$ in millions)

Cash Receipts & Expenditures	Favorable/(Unfavorable)								
	2006	2007	Change 2007 - 2006	2008	Change 2008 - 2007	2009	Change 2009 - 2008	2010	Change 2010 - 2009
<u>Receipts</u>									
Farebox Revenue	\$3.534	\$3.581	\$0.047	\$4.166	\$0.585	\$4.182	\$0.016	\$4.193	\$0.011
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	2.004	2.004	0.000	2.004	0.000	2.004	0.000	2.004	0.000
Capital and Other Reimbursements	1.276	1.345	0.069	1.423	0.078	1.472	0.049	1.547	0.075
Total Receipts	\$6.814	\$6.930	\$0.116	\$7.593	\$0.663	\$7.658	\$0.065	\$7.744	\$0.086
<u>Expenditures</u>									
Labor:									
Payroll	\$14.538	\$15.131	(\$0.593)	\$15.601	(\$0.470)	\$16.088	(\$0.487)	\$16.603	(\$0.515)
Overtime	1.194	1.330	(0.136)	1.371	(0.041)	1.415	(0.044)	1.461	(0.046)
Health and Welfare	3.125	3.586	(0.461)	3.969	(0.383)	4.393	(0.424)	4.863	(0.470)
Pensions	1.795	1.856	(0.061)	1.808	0.048	2.038	(0.230)	2.038	0.000
Other Fringe Benefits	1.329	1.379	(0.050)	1.419	(0.040)	1.465	(0.046)	1.512	(0.047)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$21.981	\$23.282	(\$1.301)	\$24.168	(\$0.886)	\$25.399	(\$1.231)	\$26.477	(\$1.078)
Non-Labor:									
Traction and Propulsion Power	\$1.846	\$2.119	(\$0.273)	\$2.119	\$0.000	\$2.331	(\$0.212)	\$2.448	(\$0.117)
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.339	0.371	(0.032)	0.496	(0.125)	0.449	0.047	0.493	(0.044)
Claims	0.341	0.249	0.092	0.253	(0.004)	0.256	(0.003)	0.261	(0.005)
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	2.418	2.426	(0.008)	9.450	(7.024)	2.572	6.878	2.654	(0.082)
Professional Service Contracts	0.324	0.333	(0.009)	0.338	(0.005)	0.344	(0.006)	0.350	(0.006)
Materials & Supplies	0.929	0.967	(0.038)	0.998	(0.031)	1.016	(0.018)	1.027	(0.011)
Other Business Expenses	0.005	0.005	0.000	0.005	0.000	0.005	0.000	0.006	(0.001)
Total Non-Labor Expenditures	\$6.202	\$6.470	(\$0.268)	\$13.659	(\$7.189)	\$6.973	\$6.686	\$7.239	(\$0.266)
Other Expenditure Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	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	\$28.183	\$29.752	(\$1.569)	\$37.827	(\$8.075)	\$32.372	\$5.455	\$33.716	(\$1.344)
Baseline Net Cash Deficit	(\$21.369)	(\$22.822)	(\$1.453)	(\$30.234)	(\$7.412)	(\$24.714)	\$5.520	(\$25.972)	(\$1.258)
2007 PEG Program	0.300	0.300	0.000	0.300	0.000	0.300	0.000	0.300	0.000
Net Cash Deficit	(\$21.069)	(\$22.522)	(\$1.453)	(\$29.934)	(\$7.412)	(\$24.414)	\$5.520	(\$25.672)	(\$1.258)

**MTA Staten Island Railway
November Financial Plan 2007-2010
Summary of Major Plan to Plan Changes**

2006: November Financial Plan vs. July Financial Plan

Revenue Re-estimates

- Farebox revenue is projected to increase by \$0.007 million due to a slightly higher average fare.

Expense Re-estimates

- A re-estimate of claims requirements results in a projected expense increase of \$0.100 million and is offset by an overtime expense reduction of \$0.100 million.
- Inflation-related changes result in an expense increase of \$0.015 million.
- A re-estimate of depreciation expense resulted in a reduction of \$3.0 million. This change has no impact on cash results.

2007-2010: November Financial Plan vs. July Financial Plan

Revenue Re-estimates

- Farebox revenue is projected to increase due to the current Global Insight employment forecast as follows: 2007=\$0.013 million; 2008=\$0.018 million; 2009=\$0.023 million and 2010=\$0.028 million.
- Farebox revenue associated with the baseline implementation of fare collection at the Tompkinsville Station is projected to increase by \$0.240 million each year beginning in 2008.

Expense Re-estimates

- The changes in non-reimbursable expenses are due solely to changes in inflation-related assumptions.

MTA Staten Island Railway
November Financial Plan 2007 - 2010
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE					
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Baseline 2006 July Financial Plan - Operating Cash Income/(Deficit)	(\$21.361)	(\$22.662)	(\$30.324)	(\$24.512)	(\$25.612)
Baseline Changes					
Revenue					
Farebox Revenue	0.007	0.013	0.258	0.263	0.268
Other Operating Revenue					
Capital and Other Reimbursement					
Total Revenue Changes	\$0.007	\$0.013	\$0.258	\$0.263	\$0.268
Expenses					
Labor:					
Payroll	0.100	0.000	0.000	0.000	0.000
Health and Welfare	0.000	0.000	0.000	0.000	0.000
Pensions	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000
Total Labor Expense Changes	\$0.100	\$0.000	\$0.000	\$0.000	\$0.000
Non-Labor:					
Traction and Propulsion Power	\$0.000	(\$0.095)	(\$0.095)	(\$0.307)	(\$0.424)
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000
Claims	(0.105)	(0.007)	(0.005)	(0.001)	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	(0.012)	(0.063)	(0.050)	(0.136)	(0.182)
Professional Service Contracts	(0.003)	(0.004)	(0.001)	0.002	0.004
Materials & Supplies	0.005	(0.004)	(0.017)	(0.023)	(0.026)
Other Business Expenses	0.000	0.000	0.000	0.000	0.000
Depreciation	3.000	0.000	0.000	0.000	0.000
Total Non-Labor Expense Changes	\$2.885	(\$0.173)	(\$0.168)	(\$0.465)	(\$0.628)
Total Expense Changes	\$2.985	(\$0.173)	(\$0.168)	(\$0.465)	(\$0.628)
Cash Adjustment Changes					
Depreciation	(3.000)	0.000	0.000	0.000	0.000
Total Cash Adjustment Changes	(\$3.000)	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	(\$0.008)	(\$0.160)	\$0.090	(\$0.202)	(\$0.360)
Baseline 2006 November Financial Plan - Operating Cash Income/(Deficit)	(\$21.369)	(\$22.822)	(\$30.234)	(\$24.714)	(\$25.972)

MTA Staten Island Railway
November Financial Plan 2007 - 2010
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE					
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Baseline 2006 July Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline Changes					
Revenue					
Farebox Revenue					
Other Operating Revenue					
Capital and Other Reimbursement					
Total Revenue Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Expenses					
Labor:					
Payroll					
Health and Welfare					
Pensions					
Other Fringe Benefits					
Reimbursable Overhead					
Total Labor Expense Changes	\$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 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 2006 November Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA Staten Island Railway
November Financial Plan 2007 - 2010
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE					
	2006	2007	2008	2009	2010
Baseline 2006 July Financial Plan - Operating Cash Income/(Deficit)	(\$21.361)	(\$22.662)	(\$30.324)	(\$24.512)	(\$25.612)
Baseline Changes					
Revenue					
Farebox Revenue	\$0.007	\$0.013	\$0.258	\$0.263	\$0.268
Other Operating 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
Total Revenue Changes	\$0.007	\$0.013	\$0.258	\$0.263	\$0.268
Expenses					
Labor:					
Payroll	\$0.100	\$0.000	\$0.000	\$0.000	\$0.000
Health and Welfare	0.000	0.000	0.000	0.000	0.000
Pensions	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000
Total Labor Expense Changes	\$0.100	\$0.000	\$0.000	\$0.000	\$0.000
Non-Labor:					
Traction and Propulsion Power	\$0.000	(\$0.095)	(\$0.095)	(\$0.307)	(\$0.424)
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000
Claims	(0.105)	(0.007)	(0.005)	(0.001)	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	(0.012)	(0.063)	(0.050)	(0.136)	(0.182)
Professional Service Contracts	(0.003)	(0.004)	(0.001)	0.002	0.004
Materials & Supplies	0.005	(0.004)	(0.017)	(0.023)	(0.026)
Other Business Expenses	0.000	0.000	0.000	0.000	0.000
Depreciation	3.000	0.000	0.000	0.000	0.000
Total Non-Labor Expense Changes	\$2.885	(\$0.173)	(\$0.168)	(\$0.465)	(\$0.628)
Total Expense Changes	\$2.985	(\$0.173)	(\$0.168)	(\$0.465)	(\$0.628)
Cash Adjustment Changes					
Depreciation	(3.000)	0.000	0.000	0.000	0.000
Total Cash Adjustment Changes	(\$3.000)	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	(\$0.008)	(\$0.160)	\$0.090	(\$0.202)	(\$0.360)
Baseline 2006 November Financial Plan - Operating Cash Income/(Deficit)	(\$21.369)	(\$22.822)	(\$30.234)	(\$24.714)	(\$25.972)

MTA Staten Island Railway
November Financial Plan 2007 - 2010
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE					
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Baseline 2006 July Financial Plan - Operating Cash Income/(Deficit)	(\$21.361)	(\$22.662)	(\$30.324)	(\$24.512)	(\$25.612)
<i>Non-Reimbursable Major Changes</i>					
Revenue					
Fare Revenue Re-estimate	0.007	0.013	0.258	0.263	0.268
School Fare Reimbursement Re-estimate	0.000	0.000	0.000	0.000	0.000
Sub-Total Non-Reimbursable Revenue Changes	\$0.007	\$0.013	\$0.258	\$0.263	\$0.268
Expenses					
Labor Re-estimates	0.100	0.000	0.000	0.000	0.000
Non-Labor Re-estimates	(0.100)	0.000	0.000	0.000	0.000
Impact of Revised Inflation	(0.015)	(0.173)	(0.168)	(0.465)	(0.628)
Depreciation	3.000	0.000	0.000	0.000	0.000
Sub-Total Non-Reimbursable Expense Changes	\$2.985	(\$0.173)	(\$0.168)	(\$0.465)	(\$0.628)
Total Non-Reimbursable Major Changes	\$2.992	(\$0.160)	\$0.090	(\$0.202)	(\$0.360)
<i>Reimbursable Major Changes</i>					
Revenue	0.000	0.000	0.000	0.000	0.000
Sub-Total Reimbursable Revenue Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Expenses	0.000	0.000	0.000	0.000	0.000
Sub-Total Reimbursable Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Reimbursable Major Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Accrual Changes	\$2.992	(\$0.160)	\$0.090	(\$0.202)	(\$0.360)
Cash Adjustment Changes					
Depreciation	(3.000)	0.000	0.000	0.000	0.000
Total Cash Adjustment Changes	(\$3.000)	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	(\$0.008)	(\$0.160)	\$0.090	(\$0.202)	(\$0.360)
Baseline 2006 November Financial Plan - Operating Cash Income/(Deficit)	(\$21.369)	(\$22.822)	(\$30.234)	(\$24.714)	(\$25.972)

MTA Staten Island Railway
November Financial Plan 2007- 2010
Ridership/Traffic Volume (Utilization)
(in millions)

	2005 Actuals	2006 November Forecast	2007 Proposed Budget	2008	2009	2010
Baseline Total Ridership	3.459	3.688	3.725	4.183	4.196	4.206
Impact of: PEG Program						
Total Ridership	3.459	3.688	3.725	4.183	4.196	4.206

Staten Island Railway
November Plan 2007-2010
Summary of 2007 Program to Eliminate the Gap(PEGs)
(\$ in millions)

		2006		2007		2008		2009		2010	
		<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>
Service											
Reconfigured Signal System-Reduced Power Consur		0	0.300	0	0.300	0	0.300	0	0.300	0	0.300
Sub-Total	Service	0	\$ 0.300	0	\$ 0.300	0	\$ 0.300	0	\$ 0.300	0	\$ 0.300
Total Programs		0	\$ 0.300	0	\$ 0.300	0	\$ 0.300	0	\$ 0.300	0	\$ 0.300

<p>Staten Island Railway</p> <p>November Plan 2007-2010</p> <p>Summary of 2007 Program to Eliminate the Gap(PEGs)</p> <p>(\$ in Millions)</p>

Business Unit	SIRTA	Financial Plan Category	PEG	Implementation Date	1/1/2006
Budget Reference	FINAL06	Category	Service	Savings Date	1/1/2006
PEG / New Need ID	0000000001	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program:	Reconfigured Signal System-Reduced Power Consumption
Design and Implementation Plan	Reconfigured Signal System projected to reduce power consumption.

Background Details	The Authority implemented a new cab signal system in 2005. This new system includes the installation of 17 wayside relay buildings which requires additional electrical power. The reconfigured system projected to reduce power consumption.
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				2006	2007	2008	2009	2010
Total Headcount								
Financial Impact	SIRTA	0000000001	FINAL06	\$ 0.300	\$ 0.300	\$ 0.300	\$ 0.300	\$ 0.300

**MTA Staten Island Railway
2007 Final Proposed Budget
November Financial Plan 2007-2010**

Other Assumptions: Positions

Baseline positions are consistent with the July Financial Plan.

MTA STATEN ISLAND RAILWAY
November Financial Plan 2007 - 2010
Non-Reimbursable - Reimbursable Positions at End-of-Year
Full-Time Positions and Full Time Equivalents

FUNCTION/DEPARTMENT	2005 Actuals	2006 November Forecast	2007 Final Proposed Budget	2008	2009	2010
Administration						
Executive	11	11	11	11	11	11
General Office	13	13	13	13	13	13
Purchasing/Stores	7	7	7	7	7	7
Total Administration	31	31	31	31	31	31
Operations						
Transportation	97	94	94	94	94	94
Maintenance						
Mechanical	35	35	37	37	37	37
Car and Station Cleaning	20	20	20	20	20	20
Power/Signals	25	28	28	28	28	28
Maintenance of Way	49	49	49	49	49	49
Bridge and Buildings	22	22	22	22	22	22
Material Handling	2	2	2	2	2	2
Total Maintenance	153	156	158	158	158	158
Engineering/Capital						
None						
Public Safety						
Police	0	0	0	0	0	0
Total Baseline Positions	281	281	283	283	283	283
Non-Reimbursable	275	278	280	280	280	280
Reimbursable	6	3	3	3	3	3
Total Full-Time	281	281	283	283	283	283
Total Full-Time Equivalents	-	-	-	-	-	-
<hr/>						
Impact of:						
2007 Program to Eliminate the Gap	-	0	0	0	0	0
Post 2007 Program to Eliminate the Gap	-	0	0	0	0	0
Total Positions	281	281	283	283	283	283
<i>Non-Reimbursable</i>	275	278	280	280	280	280
<i>Reimbursable</i>	6	3	3	3	3	3
Total Full-Time	281	281	283	283	283	283
Total Full-Time Equivalents	-	-	-	-	-	-

MTA STATEN ISLAND RAILWAY
November Financial Plan 2007 - 2010
Total Full-Time Positions and Full-time Equivalents by Function and Occupational Group
Non-Reimbursable and Reimbursable

FUNCTION/OCCUPATIONAL GROUP	2007		2008	2009	2010
	2006 November Forecast	Final Proposed Budget			
Administration					
Managers/Supervisors	14	14	14	14	14
Professional, Technical, Clerical	17	17	17	17	17
Operational Hourlies	-	-	-	-	-
Total Administration	31	31	31	31	31
Operations					
Managers/Supervisors	7	7	7	7	7
Professional, Technical, Clerical	4	4	4	4	4
Operational Hourlies	83	83	83	83	83
Total Operations	94	94	94	94	94
Maintenance					
Managers/Supervisors	11	11	11	11	11
Professional, Technical, Clerical	3	3	3	3	3
Operational Hourlies	142	144	144	144	144
Total Maintenance	156	158	158	158	158
Engineering/Capital					
Managers/Supervisors					
Professional, Technical, Clerical					
Operational Hourlies					
Total Engineering/Capital	-	-	-	-	-
Public Safety					
Managers/Supervisors	-	-	-	-	-
Professional, Technical, Clerical	-	-	-	-	-
Operational Hourlies	-	-	-	-	-
Total Public Safety	-	-	-	-	-
Total Baseline Positions					
Managers/Supervisors	32	32	32	32	32
Professional, Technical, Clerical	24	24	24	24	24
Operational Hourlies	225	227	227	227	227
Total Baseline Positions	281	283	283	283	283

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MTA Bus Company

**MTA Bus Company
2007 Final Proposed Budget
November Financial Plan 2007-2010**

Mission Statement

The MTA Bus Company (MTABC) is committed to providing a safe, reliable, convenient and efficient bus service throughout the boroughs of Queens, Bronx, Brooklyn and Manhattan, and parts of Yonkers and Western Nassau County.

Agency Overview

In September 2004, the MTA created the MTA Bus Company as a subsidiary of the MTA in order to effectuate an agreement with the City of New York to consolidate the operations of seven private bus companies. The agreement was implemented as a result of the mutual desire of the MTA and the City of New York to improve the quality and efficiency of bus service formerly provided by private bus operations pursuant to franchises granted by the City. The agreement, which was approved by the MTA Board, provided for the City to pay MTABC the difference between the actual cost of operation of the bus routes and all revenues and subsidies received by MTABC and allocable to the operation of the bus routes. Thus, the current costs of MTABC operations are 100% reimbursable by the City, including MTABC debt service costs paid initially by New York City Transit (NYCT) and reimbursed back to NYCT.

The merger of the seven private bus companies into MTABC began on January 3, 2005 with the transfer of operations of the former Liberty Lines Express, Inc. The merger was completed on February 20, 2006 as Triboro Coach Corporation became the seventh and final private bus company to join the operations of the MTABC. When the mergers were completed, MTABC was operating 1,234 buses serving over 400,000 riders daily. MTABC currently operates 46 local routes servicing the Bronx, Brooklyn and Queens, and 42 premium fare express routes between Manhattan and the Bronx, Brooklyn and Queens.

MTABC is committed to aggressively upgrading the overall service delivery of its bus operations through the replacement of an aged bus fleet, the institution of new maintenance practices and the establishment of a service monitoring and adjustment program to facilitate positive service revisions within the transportation market.

During 2005 and 2006, MTABC introduced 317 new express buses into service, and an additional 158 express buses have been approved for purchase. When delivery of the 158 buses is completed in the first half of 2007, a total of 76% of the express fleet will have been replaced since the mergers into MTABC commenced. In addition, the delivery of 284 new hybrid electric buses for local service began in August 2006. An option to purchase an additional 105 new hybrid electric buses is planned for the first quarter of 2007. When the new bus deliveries are completed, a total of 864 new buses or 70% of the fleet will have been replaced. The infusion of new buses into the MTABC fleet, in conjunction with the introduction of comprehensive maintenance programs designed to improve the reliability of the older buses inherited from the mergers, has allowed MTABC the opportunity to directly address a number of other critical areas: environmental initiatives, safety, security and skills training, the introduction of a centralized road operations unit to ensure consistent delivery of transportation services throughout MTABC depots, facility upgrades and improvements, service/route improvements and the development of a centralized administrative structure that relies on the foundation of a new information systems network. As a new subsidiary of the MTA, MTABC has been able to successfully partner and utilize the established services of other agencies within the MTA to provide technical expertise in numerous areas, including bus and electronics maintenance, voice and data networks, labor relations, human resources and medical services, to achieve its objectives.

Financial Overview

The 2007 Operating Budget proposal represents development of the first comprehensive budget for MTABC. In February 2006, when the last of the seven private bus companies was merged to MTA Bus, the total MTABC incumbent head count was just over 3,000 employees. In the past, the private companies did not prepare any formal annual budgets for headcount or non-personnel expenses. As a result of the uncertainty of the timing and inevitability of the mergers, the private companies delayed almost all hiring of critical transportation and maintenance positions for a period of one to two years. Therefore, in February 2006 when MTA Bus had integrated all seven companies, vacancy levels in key operating titles (bus operator, mechanic and bus maintenance supervisor exceeded 200 positions. In addition, key staff performing important support activities did not join MTABC upon merger, opting to remain managing the other assets of their private employers. This further exacerbated MTABC's ability to streamline and organize key functions. Through a shared services arrangement, MTABC has begun the process of filling critical operating vacancies in order to provide additional service and improve the maintenance reliability of the bus fleet.

The 2007 MTABC operating budget reflects the necessity of restoring headcount to baseline pre-merger levels and restructuring non-operating positions to better reflect the mandated business requirements of a public sector agency. Specific operational and maintenance goals for 2007 are being developed as performance indicators of the individual depots are merged to reflect MTABC - wide data and statistics.

2006 November Forecast

Changes in the November Plan reflect lower 2006 salary and wage levels due to greater than anticipated attrition and delays in filling key operating and support vacancies, offset by an increase in overtime levels to address the headcount shortfall. Incumbent headcount projections were adjusted downward for year-end 2006 due to delays in hiring non-represented professional/technical employees. The November plan also reflects the expectation that full headcount levels will not be reached until the second quarter of 2007.

The 2006 total non-labor expense increase from the July plan is \$8.8 million due to extensive work related to maintenance on older buses in the fleet and one-time emergency facility work for electrical and plumbing repairs.

2007 Final Budget – Baseline

In 2007, the first full year all seven private bus companies will be integrated into MTABC, the Bus Company's main objectives will be to focus on continued reliability improvements to the bus fleet, successfully introduce new buses into the fleet, address the condition and security of its facilities, enhance the quality and attractiveness of bus service, and upgrade the skills of its existing employees while introducing additional professional expertise into its operations. MTABC's 2007 Preliminary Budget includes total expenses before depreciation of \$378.7 million. Total revenues are projected to be \$132.4 million. Total baseline full-time positions are 3,318 (3,302 non-reimbursable and 16 reimbursable).

The major components of the 2007 MTABC Preliminary Budget are summarized as follows:

- Aggressive management action to fill critical operating vacancies in the bus operation (over 120 vacancies), mechanic (30), bus maintenance supervisor (30), and depot management (approximately 25).
- The reorganization of support activities and existing staff to address the need to perform many critical functions not previously handled prior to the establishment of MTABC: environmental, safety and code compliance, engineering, operations planning, budgets, labor relations, human resources, and security. Positions left vacant from the management of the former companies that did not join MTABC will be partially utilized to fill these gaps.
- A substantial reduction (39%) in the reliance and utilization of unscheduled overtime to meet service and maintenance levels.
- The continued centralization of a Road Operations unit to standardize the practices and monitoring of bus service within the MTABC service area.
- The establishment of a centralized Command Center to improve overall service coordination and monitor bus operations.
- Centralized control and accountability over material distribution and inventory activities.
- Expansion of popular service and information programs, in conjunction with improved schedule adjustments, to enhance the rider's transportation experience.
- The establishment of an engineering staff to manage the facilities projects funded through the MTABC's Capital Budget.

These assumptions will be monitored and revised accordingly as the MTABC organization structure, goals and processes are finalized and it is determined that MTABC resources are sufficient to meet MTA service standards and the expectations of the letter agreement with the City of New York.

Non-Labor

OTPS expenses are increasing in 2007 by \$12.7 million over 2006 levels due to several key factors:

- Estimated payout for bus accident claims (\$3.5 million).

- Fuel Costs (\$4.7 million) – price increases and expanded service levels.
- Security Contracts (\$0.8 million) – expansion of security guard coverage at all depots.
- Initial phase-in of information systems projects for timekeeping, payroll, financial, fleet and facility maintenance applications (\$4.0 million)

2008 – 2010 Projections

The current 2008-2010 projections reflect no change in headcount from the baseline 2007 Preliminary Budget proposal. Salary and wage projections for represented personnel reflect labor assumptions contained in the February 2006 financial plan of 2.56% in 2007, 2.91% in 2008, 3.07% in 2009 and 3.2% in 2010. Health and welfare expenses were increased at an annual rate of 10.68% for the 2008-2010 period in accordance with New York State Department of Civil Service guidance.

In 2008, the projected payout for bus accident claims increases by \$2.5 million over 2007 due to a re-estimate of future claim incidences. All other OTPS expense assumptions for the 2008-2010 period remain the same as 2007 levels with adjustments for inflation of 1.62% in 2008, 1.53% in 2009 and 1.84% in 2010 in accordance with Global Insight's CPI-U forecast.

Diesel fuel expenses for 2007 assume the relative stabilization of elevated prices, and costs assume a wholesale price reduction of 2% in 2008 compared to 2007, and a 2.5% decrease in 2009 compared to 2008. 2010 assumes no change from 2009 diesel fuel price levels.

CNG fuel expenses assume for 2007 an 8.9% decrease per therm from the July plan, an increase of 3% per therm for 2008 and a decrease of 2.5% for 2009. 2010 assumes no change from 2009 CNG price levels.

Farebox revenue is projected to increase by 2.1% in 2007 over 2006 estimates, and increases of 1.86% in 2008, 0.96% in 2009 and 0.96% in 2010 over prior year revenue levels are forecasted. Ridership levels on local bus routes are projected to continue the gains experienced in 2006 and we project that express bus ridership levels will stabilize at current levels after the fall-off resulting from the post-merger fare increase. 2006 revenue improvements are attributable to MTABC initiatives to consistently meet service levels, provide enhanced service through selective route adjustments and the increased reliability of bus fareboxes.

MTA BUS COMPANY
November Financial Plan 2007 - 2010
Accrual Statement of Operations by Category
(\$ in millions)

Non-Reimbursable	2006	2007			
	November	Final Proposed			
	Forecast	Budget	2008	2009	2010
Operating Revenue					
Farebox Revenue	\$126.001	\$128.647	\$131.040	\$132.298	\$133.568
Toll Revenue	-	-	-	-	-
Other Operating Revenue	3.591	3.780	3.780	3.780	3.780
Capital and Other Reimbursements	-	-	-	-	-
Total Revenue	\$129.592	\$132.427	\$134.820	\$136.078	\$137.348
Operating Expenses					
<u>Labor:</u>					
Payroll	\$155.662	\$184.181	\$189.541	\$195.359	\$201.611
Overtime	29.650	18.019	18.543	19.113	19.724
Health and Welfare	23.513	31.418	34.773	38.487	42.598
Pensions	10.025	11.861	12.206	12.581	12.984
Other Fringe Benefits	14.176	15.502	15.989	16.480	17.007
Pattern Labor Provision	0.580	3.649	5.260	5.482	5.436
Reimbursable Overhead	-	(0.923)	(0.923)	(0.923)	(0.923)
Total Labor Expenses	\$233.606	\$263.707	\$275.390	\$286.579	\$298.436
<u>Non-Labor:</u>					
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	23.966	28.693	28.529	27.816	27.816
Insurance	14.197	14.356	15.791	17.370	19.107
Claims	2.000	5.500	8.001	8.001	8.001
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	29.340	21.640	21.990	22.327	22.737
Professional Service Contracts	3.885	15.499	15.750	15.991	16.285
Materials & Supplies	29.399	32.842	33.374	33.885	34.508
Other Business Expenses	3.146	0.150	0.152	0.155	0.158
Total Non-Labor Expenses	\$105.933	\$118.680	\$123.588	\$125.544	\$128.613
<u>Other Expenses Adjustments:</u>					
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$339.538	\$382.387	\$398.978	\$412.123	\$427.049
Depreciation	13.750	30.075	36.290	38.830	41.548
Total Expenses	\$353.288	\$412.462	\$435.268	\$450.954	\$468.598
Net Surplus/(Deficit)	(\$223.696)	(\$280.035)	(\$300.448)	(\$314.876)	(\$331.250)

MTA BUS COMPANY
November Financial Plan 2007 - 2010
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE					
	2006 November Forecast	2007 Final Proposed Budget	2008	2009	2010
Revenue					
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Toll Revenue	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-
Capital and Other Reimbursements	0.600	24.351	24.695	32.339	23.815
Total Revenue	\$0.600	\$24.351	\$24.695	\$32.339	\$23.815
Expenses					
<u>Labor:</u>					
Payroll	\$0.000	\$1.269	\$1.306	\$1.346	\$1.389
Overtime	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.000	0.000	0.000	0.000	0.000
Pensions	0.000	0.082	0.084	0.087	0.089
Other Fringe Benefits	0.000	0.378	0.389	0.401	0.413
Reimbursable Overhead	-	0.923	0.923	0.923	0.923
Total Labor Expenses	\$0.000	\$2.651	\$2.702	\$2.756	\$2.815
<u>Non-Labor:</u>					
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-
Insurance	-	-	-	-	-
Claims	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	0.600	14.500	15.793	25.883	17.300
Professional Service Contracts	-	5.000	4.000	1.500	1.500
Materials & Supplies	-	2.200	2.200	2.200	2.200
Other Business Expenses	-	0.000	0.000	0.000	0.000
Total Non-Labor Expenses	\$0.600	\$21.700	\$21.993	\$29.583	\$21.000
<u>Other Expenses Adjustments:</u>					
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$0.600	\$24.351	\$24.695	\$32.339	\$23.815
Depreciation	-	-	-	-	-
Total Expenses	\$0.600	\$24.351	\$24.695	\$32.339	\$23.815
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA BUS COMPANY
November Financial Plan 2007 - 2010
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE					
	2006	2007			
	November	Final Proposed	2008	2009	2010
	Forecast	Budget			
Revenue					
Farebox Revenue	\$126.001	\$128.647	\$131.040	\$132.298	\$133.568
Toll Revenue	-	-	-	-	-
Other Operating Revenue	3.591	3.780	3.780	3.780	3.780
Capital and Other Reimbursements	0.600	24.351	24.695	32.339	23.815
Total Revenue	\$130.192	\$156.779	\$159.515	\$168.417	\$161.163
Expenses					
<u>Labor:</u>					
Payroll	\$155.662	\$185.450	\$190.847	\$196.706	\$203.000
Overtime	29.650	18.019	18.543	19.113	19.724
Health and Welfare	23.513	31.418	34.773	38.487	42.598
Pensions	10.025	11.943	12.291	12.668	13.073
Other Fringe Benefits	14.176	15.880	16.378	16.880	17.421
Pattern Labor Provision	0.580	3.649	5.260	5.482	5.436
Reimbursable Overhead	-	-	-	-	-
Total Labor Expenses	\$233.606	\$266.359	\$278.092	\$289.335	\$301.251
<u>Non-Labor:</u>					
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	23.966	28.693	28.529	27.816	27.816
Insurance	14.197	14.356	15.791	17.370	19.107
Claims	2.000	5.500	8.001	8.001	8.001
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	29.940	36.140	37.783	48.210	40.037
Professional Service Contracts	3.885	20.499	19.750	17.491	17.785
Materials & Supplies	29.399	35.042	35.574	36.085	36.708
Other Business Expenses	3.146	0.150	0.152	0.155	0.158
Total Non-Labor Expenses	\$106.533	\$140.380	\$145.581	\$155.127	\$149.613
<u>Other Expenses Adjustments:</u>					
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$340.138	\$406.739	\$423.673	\$444.463	\$450.864
Depreciation	13.750	30.075	36.290	38.830	41.548
Total Expenses	\$353.888	\$436.814	\$459.963	\$483.293	\$492.413
Net Surplus/(Deficit)	(\$223.696)	(\$280.035)	(\$300.448)	(\$314.876)	(\$331.250)

MTA BUS COMPANY
November Financial Plan 2007 - 2010
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES					
	2006	2007			
	November	Final Proposed			
	Forecast	Budget	2008	2009	2010
Receipts					
Farebox Revenue	\$126.001	\$128.647	\$131.040	\$132.298	\$133.568
Vehicle Toll Revenue	-	-	-	-	-
Other Operating Revenue	3.591	3.780	3.780	3.780	3.780
Capital and Other Reimbursements	0.600	24.351	24.695	32.339	23.815
Total Receipts	\$130.192	\$156.779	\$159.515	\$168.417	\$161.163
Expenditures					
<u>Labor:</u>					
Payroll	\$155.662	\$185.450	\$190.847	\$196.706	\$203.000
Overtime	29.650	18.019	18.543	19.113	19.724
Health and Welfare	21.673	31.418	34.773	38.487	42.598
Pensions	10.025	13.783	12.291	12.668	13.073
Other Fringe Benefits	14.176	15.880	16.378	16.880	17.421
Pattern Labor Provision	0.580	3.649	5.260	5.482	5.436
Reimbursable Overhead	-	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$231.766	\$268.199	\$278.092	\$289.336	\$301.252
<u>Non-Labor:</u>					
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	22.126	30.533	28.529	27.816	27.816
Insurance	14.197	14.356	15.791	17.370	19.107
Claims	2.000	5.500	8.001	8.001	8.001
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	29.340	36.140	37.783	48.210	40.037
Professional Service Contracts	2.965	21.419	19.750	17.491	17.785
Materials & Supplies	29.399	35.042	35.574	36.085	36.708
Other Business Expenses	3.146	0.150	0.152	0.155	0.158
Total Non-Labor Expenditures	\$103.173	\$143.140	\$145.581	\$155.127	\$149.613
<u>Other Expenditure Adjustments:</u>					
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$334.938	\$411.339	\$423.673	\$444.463	\$450.864
Net Cash Deficit	(\$204.746)	(\$254.560)	(\$264.158)	(\$276.046)	(\$289.701)

MTA BUS COMPANY
November Financial Plan 2007 - 2010
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS					
	2006 November Forecast	2007 Final Proposed Budget	2008	2009	2010
Receipts					
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000
Total Receipts	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Expenditures					
<u>Labor:</u>					
Payroll	\$0.000	\$0.000	\$0.000	(\$0.000)	\$0.000
Overtime	-	0.000	0.000	0.000	0.000
Health and Welfare	1.840	0.000	0.000	0.000	0.000
Pensions	-	(1.840)	0.000	(0.000)	(0.000)
Other Fringe Benefits	-	(0.000)	(0.000)	(0.000)	(0.000)
Pattern Labor Provision	-	0.000	0.000	0.000	0.000
Reimbursable Overhead	-	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$1.840	(\$1.840)	(\$0.000)	(\$0.000)	(\$0.000)
<u>Non-Labor:</u>					
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	1.840	(1.840)	0.000	0.000	0.000
Insurance	-	-	-	-	-
Claims	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	0.600	0.000	0.000	0.000	0.000
Professional Service Contracts	0.920	(0.920)	0.000	0.000	0.000
Materials & Supplies	-	0.000	0.000	0.000	0.000
Other Business Expenditures	-	0.000	0.000	0.000	0.000
Total Non-Labor Expenditures	\$3.360	(\$2.760)	\$0.000	\$0.000	\$0.000
<u>Other Expenditures Adjustments:</u>					
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expenditures Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Cash Conversion Adjustments before Depreciation	\$5.200	(\$4.600)	(\$0.000)	(\$0.000)	(\$0.000)
Depreciation Adjustment	13.750	30.075	36.290	38.830	41.548
Total Cash Conversion Adjustments	\$18.950	\$25.475	\$36.290	\$38.830	\$41.548

MTA Bus Company
November Financial Plan 2007-2010
Year-To-Year Changes by Category

1. Revenue

- **Farebox:**

- **2006-2007:** There is a net projected increase of \$2.64 million in the 2007 budget over the 2006 farebox estimate. The 2007 level reflects the increase in ridership experienced in the first three quarters of 2006.
- **2007-2010:** This plan incorporates ridership increases of 1.86% for 2008, 0.96% for 2009 and 0.96% for 2010.

- **Other Operating Revenue:**

- **2006-2007:** A slight increase of \$.189 million is forecast for 2007 to reflect MTABC's inclusion in the MTA-wide advertising contract.

- **Capital and Other Reimbursements:**

- **2007-2010:** The 2007 Plan reflects establishment of necessary reimbursable positions to support the MTABC Capital Facilities and Security Program.

2. Labor Expenses

- **Payroll/Overtime:**

- **2006-2007:** The 2007 Plan anticipates filling over 150 vacant positions by the end of the first half 2007, and a 39% reduction in the utilization of overtime.
- **2007-2010:** Headcount levels remain consistent and therefore applicable wage CPI inflators were used.

- **Health and Welfare:**

- **2008-2010:** Expenses for represented employees were increased at an annual rate of 10.68% in accordance with NYS Department of Civil Service guidance from 2007 baseline.

- **Pension:**

- **2006-2010:** Expenses were projected at 6.44% of payroll until the first full actuarial evaluation for MTABC pension plans is completed.

- **Other Fringe Benefits:**

- **2006-2010:** Year to year changes are due to inflators that mirror payroll.

- **Pattern Labor Provision:**

- **2006-2010:** The pattern labor provision assumes a settlement of 3% in 2006, 4% in 2007, and 3.5% in 2008. The provision then reverts back to the CPI inflators reflected in 2009 and 2010. The estimates used in this line reflect the differences between inflators used in other labor categories and the pattern rates.

3. Non-Labor Expenses

- **Fuel:**

- **2006-2007:** Projected expenses reflect a full year of service at all eight depots.
- **2007-2010:** The use of CPI's from Global Insight and the introduction of new, more fuel efficient buses into the fleet were factored into the projections.

- **Insurance:**

- **2006-2010:** Forecasted policy increases, primarily for worker's compensation, account for the year to year changes.

- **Claims:**

- **2006-2010:** Re-estimates of the number of expected claims account for the changes between 2006 and 2008, after which a stabilized level of accident claims is forecasted.

- **Maintenance and Other Operating Contracts:**

- **2006-2007:** Less reliance on the use of outside vendors to support non-reimbursable bus and facility maintenance activities is anticipated.
- **2007-2010:** The use of more current CPI forecasts accounts for the increase between years. The implementation of major 2005-2009 Capital Budget funded at the various depots accounts for the substantial increase in reimbursable activity.

- **Professional Service Contracts:**

- **2006-2007:** Expanded utilization of shared service agreements with other MTA agencies, and the initial funding of information systems initiatives account for the increase.

- **2007-2010:** The use of inflators accounts for the non-reimbursable increase between the years. The utilization of design service and engineering consultation contracts to support Capital Program Facility renovation accounts for the increase in reimbursable projections.
- **Materials and Supplies:**
 - **2006-2007:** Expanded preventive maintenance and repairs of the older fleet account for the increase
 - **2007-2010:** The use of current CPI's is responsible for the annual increases.
- **Other Business Expenses:**
 - **2007-2010:** The relevant CPI indicators were applied to costs in this category.

MTA BUS COMPANY
November Financial Plan 2007 - 2010
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE

	Favorable/(Unfavorable)								
	2006	2007	Change 2007 - 2006	2008	Change 2008 - 2007	2009	Change 2009 - 2008	2010	Change 2010 - 2009
Revenue									
Farebox Revenue	\$126.001	\$128.647	\$2.646	\$131.040	\$2.393	\$132.298	\$1.258	\$133.568	\$1.270
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	3.591	3.780	0.189	3.780	0.000	3.780	0.000	3.780	0.000
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenue	\$129.592	\$132.427	\$2.835	\$134.820	\$2.393	\$136.078	\$1.258	\$137.348	\$1.270
Expenses									
Labor:									
Payroll	\$155.662	\$184.181	(\$28.519)	\$189.541	(\$5.360)	\$195.359	(\$5.819)	\$201.611	(\$6.252)
Overtime	29.650	18.019	11.631	18.543	(0.524)	19.113	(0.569)	19.724	(0.612)
Health and Welfare	23.513	31.418	(7.905)	34.773	(3.355)	38.487	(3.714)	42.598	(4.110)
Pensions	10.025	11.861	(1.837)	12.206	(0.345)	12.581	(0.375)	12.984	(0.403)
Other Fringe Benefits	14.176	15.502	(1.326)	15.989	(0.487)	16.480	(0.491)	17.007	(0.527)
Reimbursable Overhead	0.000	(0.923)	0.923	(0.923)	0.000	(0.923)	0.000	(0.923)	0.000
Total Labor Expenses	\$233.026	\$260.058	(\$27.033)	\$270.130	(\$10.071)	\$281.097	(\$10.968)	\$293.001	(\$11.904)
Non-Labor:									
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	23.966	28.693	(4.727)	28.529	0.164	27.816	0.713	27.816	0.000
Insurance	14.197	14.356	(0.160)	15.791	(1.435)	17.370	(1.579)	19.107	(1.737)
Claims	2.000	5.500	(3.500)	8.001	(2.501)	8.001	0.000	8.001	0.000
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	29.340	21.640	7.700	21.990	(0.351)	22.327	(0.336)	22.737	(0.411)
Professional Service Contracts	3.885	15.499	(11.614)	15.750	(0.251)	15.991	(0.241)	16.285	(0.294)
Materials & Supplies	29.399	32.842	(3.443)	33.374	(0.532)	33.885	(0.511)	34.508	(0.623)
Other Business Expenses	3.146	0.150	2.996	0.152	(0.002)	0.155	(0.002)	0.158	(0.003)
Total Non-Labor Expenses	\$105.933	\$118.680	(\$12.747)	\$123.588	(\$4.908)	\$125.544	(\$1.956)	\$128.613	(\$3.068)
Other Expenses Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$338.959	\$378.738	(\$39.780)	\$393.718	(\$14.979)	\$406.641	(\$12.924)	\$421.613	(\$14.972)
Depreciation	13.750	30.075	(16.325)	36.290	(6.215)	38.830	(2.540)	41.548	(2.718)
Total Expenses	\$352.709	\$408.813	(\$56.105)	\$430.008	(\$21.194)	\$445.472	(\$15.464)	\$463.162	(\$17.690)
Net Surplus/(Deficit)	(\$223.116)	(\$276.386)	(\$53.270)	(\$295.188)	(\$18.802)	(\$309.394)	(\$14.206)	(\$325.814)	(\$16.420)

MTA BUS COMPANY
November Financial Plan 2007 - 2010
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

REIMBURSABLE

	Favorable/(Unfavorable)								
	2006	2007	Change 2007 - 2006	2008	Change 2008 - 2007	2009	Change 2009 - 2008	2010	Change 2010 - 2009
<u>Revenue</u>									
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	0.600	24.351	23.751	24.695	0.343	32.339	7.645	23.815	(8.524)
Total Revenue	\$0.600	\$24.351	\$23.751	\$24.695	\$0.343	\$32.339	\$7.645	\$23.815	(\$8.524)
<u>Expenses</u>									
Labor:									
Payroll	\$0.000	\$1.269	(\$1.269)	\$0.000	\$1.269	\$1.346	(\$1.346)	\$1.389	(\$0.043)
Overtime	0.000	0.000	0.000	1.306	(1.306)	0.000	1.306	0.000	0.000
Health and Welfare	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	0.000	0.082	(0.082)	0.000	0.082	0.087	(0.087)	0.089	(0.003)
Other Fringe Benefits	0.000	0.378	(0.378)	0.084	0.293	0.401	(0.316)	0.413	(0.013)
Reimbursable Overhead	0.000	0.923	(0.923)	0.389	0.534	0.923	(0.534)	0.923	0.000
Total Labor Expenses	\$0.000	\$2.651	(\$2.651)	\$1.779	\$0.873	\$2.756	(\$0.978)	\$2.815	(\$0.059)
Non-Labor:									
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.600	14.500	(13.900)	15.793	(1.293)	25.883	(10.090)	17.300	8.583
Professional Service Contracts	0.000	5.000	(5.000)	4.000	1.000	1.500	2.500	1.500	0.000
Materials & Supplies	0.000	2.200	(2.200)	2.200	0.000	2.200	0.000	2.200	0.000
Other Business Expenses	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expenses	\$0.600	\$21.700	(\$21.100)	\$21.993	(\$0.293)	\$29.583	(\$7.590)	\$21.000	\$8.583
Other Expenses Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Other Expense Adjustments	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses before Depreciation	\$0.600	\$24.351	(\$23.751)	\$23.772	\$0.580	\$32.339	(\$8.568)	\$23.815	\$8.524
Depreciation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$0.600	\$24.351	(\$23.751)	\$23.772	\$0.580	\$32.339	(\$8.568)	\$23.815	\$8.524
Net Surplus/(Deficit)	\$0.000	\$0.000	\$47.503	\$0.923	(\$0.236)	\$0.000	\$16.212	\$0.000	(\$17.049)

MTA BUS COMPANY
November Financial Plan 2007 - 2010
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	Favorable/(Unfavorable)								
	2006	2007	Change 2007 - 2006	2008	Change 2008 - 2007	2009	Change 2009 - 2008	2010	Change 2010 - 2009
<u>Revenue</u>									
Farebox Revenue	\$126.001	\$128.647	\$2.646	\$131.040	\$2.393	\$132.298	\$1.258	\$133.568	\$1.270
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	3.591	3.780	0.189	3.780	0.000	3.780	0.000	3.780	0.000
Capital and Other Reimbursements	0.600	24.351	23.751	24.695	0.343	32.339	7.645	23.815	(8.524)
Total Revenue	\$130.192	\$156.779	\$26.587	\$159.515	\$2.736	\$168.417	\$8.903	\$161.163	(\$7.254)
<u>Expenses</u>									
Labor:									
Payroll	\$155.662	\$185.450	(\$29.788)	\$190.847	(\$5.397)	\$196.706	(\$5.859)	\$203.000	(\$6.295)
Overtime	29.650	18.019	11.631	18.543	(0.524)	19.113	(0.569)	19.724	(0.612)
Health and Welfare	23.513	31.418	(7.905)	34.773	(3.355)	38.487	(3.714)	42.598	(4.110)
Pensions	10.025	11.943	(1.918)	12.291	(0.348)	12.668	(0.377)	13.073	(0.405)
Other Fringe Benefits	14.176	15.880	(1.704)	16.378	(0.497)	16.880	(0.503)	17.421	(0.540)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$233.026	\$262.710	(\$29.684)	\$272.831	(\$10.121)	\$283.854	(\$11.022)	\$295.816	(\$11.962)
Non-Labor:									
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	23.966	28.693	(4.727)	28.529	0.164	27.816	0.713	27.816	0.000
Insurance	14.197	14.356	(0.160)	15.791	(1.435)	17.370	(1.579)	19.107	(1.737)
Claims	2.000	5.500	(3.500)	8.001	(2.501)	8.001	0.000	8.001	0.000
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	29.940	36.140	(6.200)	37.783	(1.644)	48.210	(10.426)	40.037	8.172
Professional Service Contracts	3.885	20.499	(16.614)	19.750	0.749	17.491	2.259	17.785	(0.294)
Materials & Supplies	29.399	35.042	(5.643)	35.574	(0.532)	36.085	(0.511)	36.708	(0.623)
Other Business Expenses	3.146	0.150	2.996	0.152	(0.002)	0.155	(0.002)	0.158	(0.003)
Total Non-Labor Expenses	\$106.533	\$140.380	(\$33.847)	\$145.581	(\$5.201)	\$155.127	(\$9.546)	\$149.613	\$5.515
Other Expenses Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$339.559	\$403.090	(\$63.531)	\$418.412	(\$15.323)	\$438.981	(\$20.568)	\$445.428	(\$6.448)
Depreciation	13.750	30.075	(16.325)	36.290	(6.215)	38.830	(2.540)	41.548	(2.718)
Total Expenses	\$353.309	\$433.165	(\$79.856)	\$454.702	(\$21.538)	\$477.811	(\$23.109)	\$486.977	(\$9.166)
Net Surplus/(Deficit)	(\$223.116)	(\$276.386)	(\$53.270)	(\$295.188)	(\$18.802)	(\$309.394)	(\$14.206)	(\$325.814)	(\$16.420)

MTA BUS COMPANY
November Financial Plan 2007 - 2010
Year-to-Year Changes by Category - Cash Basis
(\$ in millions)

CASH RECEIPTS & EXPENDITURES

	2006	2007	Change 2007 - 2006	2008	Change 2008 - 2007	2009	Change 2009 - 2008	2010	Change 2010 - 2009
<u>Receipts</u>									
Farebox Revenue	\$126.001	\$128.647	\$2.646	\$131.040	\$2.393	\$132.298	\$1.258	\$133.568	\$1.270
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	3.591	3.780	0.189	3.780	0.000	3.780	0.000	3.780	0.000
Capital and Other Reimbursements	0.600	24.351	23.751	24.695	0.343	32.339	7.645	23.815	(8.524)
Total Receipts	\$130.192	\$156.779	\$26.587	\$159.515	\$2.736	\$168.417	\$8.903	\$161.163	(\$7.254)
<u>Expenditures</u>									
Labor:									
Payroll	\$155.662	\$185.450	(\$29.788)	\$190.847	(\$5.397)	\$196.706	(\$5.859)	\$203.000	(\$6.295)
Overtime	29.650	18.019	11.631	18.543	(0.524)	19.113	(0.569)	19.724	(0.612)
Health and Welfare	21.673	31.418	(9.745)	34.773	(3.355)	38.487	(3.714)	42.598	(4.110)
Pensions	10.025	13.783	(3.758)	12.291	1.492	12.668	(0.377)	13.073	(0.405)
Other Fringe Benefits	14.176	15.880	(1.704)	16.378	(0.497)	16.880	(0.503)	17.421	(0.540)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$231.186	\$264.550	(\$33.364)	\$272.831	(\$8.281)	\$283.854	(\$11.022)	\$295.816	(\$11.962)
Non-Labor:									
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	22.126	30.533	(8.407)	28.529	2.004	27.816	0.713	27.816	0.000
Insurance	14.197	14.356	(0.160)	15.791	(1.435)	17.370	(1.579)	19.107	(1.737)
Claims	2.000	5.500	(3.500)	8.001	(2.501)	8.001	0.000	8.001	0.000
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	29.340	36.140	(6.800)	37.783	(1.644)	48.210	(10.426)	40.037	8.172
Professional Service Contracts	2.965	21.419	(18.454)	19.750	1.669	17.491	2.259	17.785	(0.294)
Materials & Supplies	29.399	35.042	(5.643)	35.574	(0.532)	36.085	(0.511)	36.708	(0.623)
Other Business Expenses	3.146	0.150	2.996	0.152	(0.002)	0.155	(0.002)	0.158	(0.003)
Total Non-Labor Expenditures	\$103.173	\$143.140	(\$39.967)	\$145.581	(\$2.441)	\$155.127	(\$9.546)	\$149.613	\$5.515
Other Expenditure Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	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	\$334.359	\$407.690	(\$73.331)	\$418.412	(\$10.723)	\$438.981	(\$20.568)	\$445.428	(\$6.448)
Net Cash Deficit	(\$204.166)	(\$250.911)	(\$46.745)	(\$258.898)	(\$7.987)	(\$270.564)	(\$11.666)	(\$284.265)	(\$13.702)

**MTA Bus Company
November Financial Plan
Summary of Major Plan-to-Plan Changes**

1. Revenue

• **Farebox:**

- Farebox revenue levels decreased from the July Plan by \$3.9 million for 2006, \$2.5 million for 2007, \$1.7 million in 2008, \$0.9 million in 2009 and \$0.5 million in 2010 due to the impact of applying correct bonus discount charges on MetroCard transactions.

• **Other Operating Revenue:**

- There is no change in other operating revenue levels from the July Plan.

• **Capital and Other Reimbursements:**

- The November Plan reflects the addition of eight non-managerial capital positions in 2007 to further support the MTABC capital facilities and security programs.

2. Labor Expenses

• **Payroll/Overtime:**

- 2006 expenses for salaries and wages are \$9.3 million less than the July Plan due to greater than anticipated attrition, and hiring delays. 2006 Overtime levels are \$0.6 million higher to offset a portion of the vacancy levels.

• **Health and Welfare:**

- 2006 expenses are now estimated \$1.5 million higher than the July Plan due to higher than estimated costs of the NYCT health plan utilized by represented MTABC employees.

• **Pension:**

- 2006 pension costs were lower by \$1.3 million from the July Plan due to lower than anticipated headcount levels. We are awaiting completion of actuarial calculations of the various pension plans inherited by MTABC to finalize pension cost levels.

• **Other Fringe Benefits:**

- Other fringe cost projections mirrored the changes made in payroll.

- **Pattern Labor Provision:**
 - The MTA Bus pattern labor provision is included in the November Plan. In July this provision was incorporated into the MTA Consolidated Plan.

3. Non-Labor Expenses

- **Fuel:**
 - Lower 2006 fuel costs of \$1.0 million from the July Plan due to slightly lower than projected prices. 2007 projected fuel expenses reflect a slight decrease in CPI for diesel fuel.
- **Insurance:**
 - There is no change in the cost of insurance from the July Plan.
- **Claims:**
 - The 2006 estimate is \$0.5 million less than the July plan due to a lesser than anticipated number of bus accident claims filed.
- **Maintenance and Other Operating Contracts:**
 - Changes from the July Plan are due to the increased level of one-time emergency facility maintenance work performed at depot locations in 2006. Other changes between plans are due to use of the most current CPI rates.
- **Professional Service Contracts:**
 - 2007 levels were revised to account for implementation of a joint agreement with New York City Transit to utilize excess structural maintainers for facility project work at MTABC depots. Other changes between plans are due to the use of new CPI's in the November plan.
- **Materials and Supplies:**
 - Changes from the July Plan reflect the use of new CPI's.
- **Other Business Expenses:**
 - Changes between plans reflect the use of new CPI's.

MTA Bus Company
November Financial Plan 2007 - 2010
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE

	2006	2007	2008	2009	2010
Baseline 2006 July Financial Plan - Cash Deficit	(\$204.397)	(\$240.760)	(\$253.859)	(\$266.514)	(\$281.275)
Baseline Changes					
Revenue					
Farebox Revenue	(\$3.937)	(\$2.460)	(\$1.693)	(\$0.886)	(\$0.469)
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000
Other 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
Total Revenue Changes	(\$3.937)	(\$2.460)	(\$1.693)	(\$.886)	(\$.469)
Expenses					
Labor:					
Payroll	\$9.262	\$0.005	\$0.006	\$0.006	\$0.006
Overtime	(0.636)	0.000	0.000	0.000	0.000
Health and Welfare	(1.513)	0.871	0.965	1.068	1.182
Pensions	1.311	(0.090)	0.000	0.000	0.000
Other Fringe Benefits	(0.688)	0.118	0.000	0.000	0.000
Pattern Labor Provision	(0.580)	(3.649)	(5.260)	(5.482)	(5.436)
Reimbursable Overhead	0.000	0.384	0.397	0.397	0.397
Total Labor Expense Changes	\$7.156	(\$2.361)	(\$3.893)	(\$4.011)	(\$3.851)
Non-Labor:					
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	1.023	0.621	(0.251)	(0.785)	(0.623)
Insurance	0.000	0.000	0.000	0.000	0.000
Claims	0.500	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	(2.226)	2.305	2.569	2.859	3.076
Professional Service Contracts	(1.135)	(8.406)	(8.474)	(8.530)	(8.638)
Materials & Supplies	(3.935)	1.101	1.441	1.818	2.084
Other Business Expenses	(2.996)	0.000	0.001	0.003	0.004
Total Non-Labor Expense Changes	(\$8.769)	(\$4.379)	(\$4.714)	(\$4.634)	(\$4.098)
Total Expense Changes	(\$1.613)	(\$6.740)	(\$8.606)	(\$8.645)	(\$7.949)
Cash Adjustment Changes					
Farebox Revenue					
Capital and Other Reimbursement					
Payroll	0.000	0.000	0.000	0.000	(0.009)
Overtime					
Health and Welfare	1.840	0.000	0.000	0.000	0.000
Pensions	0.000	(1.840)	0.000	(0.000)	0.000
Other Fringe Benefits	0.000	0.000	0.000	(0.000)	0.000
Pattern Labor Provision					
Reimbursable Overhead					
Fuel for Buses and Trains	1.840	(1.840)	0.000	0.000	0.000
Insurance					
Claims					
Paratransit Service Contracts					
Maintenance and Other Operating Contracts	0.600	0.000	0.000	0.000	0.000
Professional Service Contracts	0.920	(0.920)	0.000	0.000	0.000
Materials & Supplies					
Other Business Expenses					
Total Cash Adjustment Changes	\$5.200	(\$4.600)	\$0.000	(\$0.000)	(\$0.009)
Total Baseline Changes	(\$0.350)	(\$13.800)	(\$10.299)	(\$9.532)	(\$8.426)
Baseline 2006 November Financial Plan - Cash Deficit	(\$204.746)	(\$254.560)	(\$264.158)	(\$276.045)	(\$289.701)

MTA Bus Company
November Financial Plan 2007 - 2010
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE					
	2006	2007	2008	2009	2010
Baseline 2006 July Financial Plan - Cash Deficit	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline Changes					
Revenue					
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000
Other Revenue	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursement	0.000	1.150	1.201	1.255	1.305
Total Revenue Changes	\$0.000	\$1.150	\$1.201	\$1.255	\$1.305
Expenses					
Labor:					
Payroll	\$0.000	(\$0.528)	(\$0.565)	(\$0.605)	(\$0.648)
Overtime	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.000	0.000	0.000	0.000	0.000
Pensions	0.000	(0.082)	(0.084)	(0.087)	(0.089)
Other Fringe Benefits	0.000	(0.157)	(0.168)	(0.180)	(0.193)
Reimbursable Overhead	0.000	(0.384)	(0.384)	(0.384)	(0.384)
Total Labor Expense Changes	\$0.000	(\$1.151)	(\$1.201)	(\$1.255)	(\$1.314)
Non-Labor:					
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000
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	0.000	0.000	0.000	0.000
Professional Service Contracts	0.000	0.000	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
Total Non-Labor Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expense Changes	\$0.000	(\$1.151)	(\$1.201)	(\$1.255)	(\$1.314)
Cash Adjustment Changes					
Farebox Revenue					
Capital and Other Reimbursement					
Payroll	0.000	0.000	0.000	0.000	0.009
Overtime					
Health and Welfare					
Pensions					
Other Fringe Benefits					
Reimbursable Overhead					
Fuel for Buses and Trains					
Insurance					
Claims					
Paratransit Service Contracts					
Maintenance and Other Operating Contracts					
Professional Service Contracts					
Materials & Supplies					
Other Business Expenses					
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.009
Total Baseline Changes	\$0.000	(\$0.000)	(\$0.000)	(\$0.000)	(\$0.000)
Baseline 2006 November Financial Plan - Cash Deficit	\$0.000	(\$0.000)	(\$0.000)	(\$0.000)	(\$0.000)

MTA Bus Company
November Financial Plan 2007 - 2010
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE					
	2006	2007	2008	2009	2010
Baseline 2006 July Financial Plan - Cash Deficit	(\$204.397)	(\$240.760)	(\$253.859)	(\$266.514)	(\$281.275)
Baseline Changes					
Revenue					
Farebox Revenue	(\$3.937)	(\$2.460)	(\$1.693)	(\$0.886)	(\$0.469)
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000
Other Revenue	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursement	0.000	1.150	1.201	1.255	1.305
Total Revenue Changes	(\$3.937)	(\$1.310)	(\$.492)	\$3.69	\$836
Expenses					
Labor:					
Payroll	\$9.262	(\$0.522)	(\$0.559)	(\$0.599)	(\$0.642)
Overtime	(0.636)	0.000	0.000	0.000	0.000
Health and Welfare	(1.513)	0.871	0.965	1.068	1.182
Pensions	1.311	(0.172)	(0.084)	(0.086)	(0.089)
Other Fringe Benefits	(0.688)	(0.039)	(0.168)	(0.180)	(0.192)
Pattern Labor Provision	(0.580)	(3.649)	(5.260)	(5.482)	(5.436)
Reimbursable Overhead	0.000	0.000	0.013	0.013	0.013
Total Labor Expense Changes	\$7.156	(\$3.511)	(\$5.094)	(\$5.267)	(\$5.165)
Non-Labor:					
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	1.023	0.621	(0.251)	(0.785)	(0.623)
Insurance	0.000	0.000	0.000	0.000	0.000
Claims	0.500	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	(2.226)	2.305	2.569	2.859	3.076
Professional Service Contracts	(1.135)	(8.406)	(8.474)	(8.530)	(8.638)
Materials & Supplies	(3.935)	1.101	1.441	1.818	2.084
Other Business Expenses	(2.996)	0.000	0.001	0.003	0.004
Total Non-Labor Expense Changes	(\$8.769)	(\$4.379)	(\$4.714)	(\$4.634)	(\$4.098)
Total Expense Changes	(\$1.613)	(\$7.890)	(\$9.807)	(\$9.901)	(\$9.263)
Cash Adjustment Changes					
Farebox Revenue					
Capital and Other Reimbursement					
Payroll	0.000	0.000	0.000	0.000	0.000
Overtime					
Health and Welfare	1.840	0.000	0.000	0.000	0.000
Pensions	0.000	(1.840)	0.000	(0.000)	0.000
Other Fringe Benefits	0.000	0.000	0.000	(0.000)	0.000
Pattern Labor Provision					
Reimbursable Overhead					
Fuel for Buses and Trains	1.840	(1.840)	0.000	0.000	0.000
Insurance					
Claims					
Paratransit Service Contracts					
Maintenance and Other Operating Contracts	0.600	0.000	0.000	0.000	0.000
Professional Service Contracts	0.920	(0.920)	0.000	0.000	0.000
Materials & Supplies					
Other Business Expenses					
Total Cash Adjustment Changes	\$5.200	(\$4.600)	\$0.000	(\$0.000)	\$0.000
Total Baseline Changes	(\$0.350)	(\$13.800)	(\$10.299)	(\$9.532)	(\$8.427)
Baseline 2006 November Financial Plan - Cash Deficit	(\$204.746)	(\$254.560)	(\$264.158)	(\$276.046)	(\$289.701)

**MTA Bus Company
2007 Final Proposed Budget
November Financial Plan 2007-2010**

Other Assumptions: Utilization

Fixed Route Ridership:

MTA Bus is experiencing a sizable increase in fixed rate ridership. We are projecting an annualized 5.3% increase for 2006 over 2005 levels based on September year to date levels.

This increase in ridership is attributable to the introduction of hundreds of new buses, improved on-time performance and maintenance reliability and targeted schedule enhancements on selected express and local routes.

The full year 2006 Forecast has been increased to 97.1 million riders. For 2007, the revised ridership was increased by 4.3 million riders over July Plan levels. This represents a 2.1% over projected 2006 ridership levels. Ridership increases of 1.86% in 2008, 0.96% in 2009 and 2010 are also projected.

Fixed Route Revenue:

Revenue is projected to be \$128.6 million in 2007. This based on 99.2 million riders and an average fare of \$1.297. Projected revenue in the 2008-2010 period is reflective of the ridership gains forecast during that period.

MTA BUS COMPANY
November Financial Plan 2007 - 2010
Ridership/Traffic Volume (Utilization)
(in millions)

	Final Proposed 2007	2008	2009	2010
<hr/>				
Ridership				
<hr/>				
Fixed Route	99.159	101.004	101.973	102.952
Baseline Total Ridership	99.159	101.004	101.973	102.952
<hr/>				
Impact of : PEG Program	-	-	-	-
Total Ridership	99.159	101.004	101.973	102.952
<hr/>				
Farebox Revenue				
<hr/>				
Fixed Route	128.647	131.040	132.298	133.568
Baseline Total Revenue	128.647	131.040	132.298	133.568
<hr/>				
Impact of : PEG Program	-	-	-	-
Total Revenue	128.647	131.040	132.298	133.568
<hr/>				

MTA Bus Company
2007 Final Proposed Budget
November Financial Plan 2007-2010

Other Assumptions: Positions

The November Plan includes an additional eight reimbursable positions in 2007 to support proposed facility renovation projects in the MTA's 2005-2009 Capital Program and Security projects funded by Office of Domestic Preparedness (ODP) grants. The non-reimbursable headcount forecast for year-end 2006 was reduced by 140 positions and the reimbursable headcount forecast was reduced by 8 positions, due primarily to continued delays in finalizing the hiring of non-represented managerial and professional positions. It is expected that full headcount levels will be reached within the first half of 2007.

MTA BUS COMPANY
November Financial Plan 2007 - 2010
Non-Reimbursable - Reimbursable Positions at End-of-Year
Full-Time Positions and Full Time Equivalents

FUNCTION/DEPARTMENT	2006 November Forecast	2007 Final Proposed Budget	2008	2009	2010
Administration					
Office of the EVP	2	2	2	2	2
Human Resources	2	3	3	3	3
Office of Management and Budget	2	8	8	8	8
Technology & Information Services	10	12	12	12	12
Materiel	8	22	22	22	22
Controller	37	47	47	47	47
Office of the President	2	2	2	2	2
System Safety Administration	2	3	3	3	3
Law	14	17	17	17	17
Corporate Communications	7	7	7	7	7
Labor Relations	1	2	2	2	2
Total Administration	87	125	125	125	125
Operations					
Buses	2,090	2,127	2,127	2,127	2,127
Operations Planning	3	11	11	11	11
Revenue Control	6	7	7	7	7
Total Operations	2,099	2,145	2,145	2,145	2,145
Maintenance					
Buses	920	951	951	951	951
Supply Logistics	42	64	64	64	64
Total Maintenance	962	1,015	1,015	1,015	1,015
Engineering/Capital					
Capital Program Management	5	23	23	23	23
Public Safety					
Office of the Senior Vice President	9	10	10	10	10
Total Positions	3,162	3,318	3,318	3,318	3,318
Non-Reimbursable	3,162	3,302	3,302	3,302	3,302
Reimbursable	0	16	16	16	16
Total Full-Time	3,162	3,318	3,318	3,318	3,318
Total Full-Time Equivalents	-	-	-	-	-
Total Positions	3,162	3,318	3,318	3,318	3,318
Non-Reimbursable	3,162	3,302	3,302	3,302	3,302
Reimbursable	0	16	16	16	16
Total Full-Time	3,162	3,318	3,318	3,318	3,318
Total Full-Time Equivalents	-	-	-	-	-

MTA BUS COMPANY
November Financial Plan 2007 - 2010
Total Full-Time Positions and Full-time Equivalents by Function and Occupational Group
Non-Reimbursable and Reimbursable

FUNCTION/OCCUPATIONAL GROUP		2006 November Forecast	2007 Final Proposed Budget	2008	2009	2010
Administration						
	Managers/Supervisors	25	37	37	37	37
	Professional, Technical, Clerical	62	88	88	88	88
	Operational Hourlies	-	-	-	-	-
	Total Administration	87	125	125	125	125
Operations						
	Managers/Supervisors	261	271	271	271	271
	Professional, Technical, Clerical	48	51	51	51	51
	Operational Hourlies	1,790	1,823	1,823	1,823	1,823
	Total Operations	2,099	2,145	2,145	2,145	2,145
Maintenance						
	Managers/Supervisors	124	150	150	150	150
	Professional, Technical, Clerical	12	18	18	18	18
	Operational Hourlies	826	847	847	847	847
	Total Maintenance	962	1,015	1,015	1,015	1,015
Engineering/Capital						
	Managers/Supervisors	2	14	14	14	14
	Professional, Technical, Clerical	3	9	9	9	9
	Operational Hourlies	-	-	-	-	-
	Total Engineering/Capital	5	23	23	23	23
Public Safety						
	Managers/Supervisors	3	4	4	4	4
	Professional, Technical, Clerical	2	2	2	2	2
	Operational Hourlies	4	4	4	4	4
	Total Public Safety	9	10	10	10	10
Total Positions						
	Managers/Supervisors	415	476	476	476	476
	Professional, Technical, Clerical	127	168	168	168	168
	Operational Hourlies	2,620	2,674	2,674	2,674	2,674
	Total Baseline Positions	3,162	3,318	3,318	3,318	3,318

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