

# MTA 2007 Final Proposed Budget November Financial Plan 2007 – 2010



**November 2006**



Metropolitan Transportation Authority

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# **I. Introduction**

## **I. Introduction**

This report contains the 2007 Final Proposed Budget and November Financial Plan for 2007-2010, as well as data for the 2005 actuals and an updated November Forecast for 2006. Current reporting of MTA Consolidated budget and actual includes the following agencies: Bridges and Tunnels, Capital Construction Company, Long Island Bus, Long Island Rail Road, Metro-North Railroad, MTA Headquarters (including First Mutual Transportation Assurance Company – FMTAC, and the MTA Inspector General), New York City Transit Authority and Staten Island Railway. Unless otherwise noted, the MTA consolidated tables presented in this report reflect the financials for these agencies.

Like the July report, this report provides a four-year financial plan and updated budget for MTA Bus Company (MTABC), which as of February 2006 assumed responsibility for the operations of seven private bus operators pursuant to franchises granted by the City. (Details are in Section VIII, Agency Financial Plans.)

The consolidated data in Sections II through V, similar to the July Plan, do not incorporate MTA Bus Company. Instead, a separate section was created for the MTA Consolidated Statement of Operations and Positions (Headcount) tables that do include MTABC; this is contained in Section VI of this report. In addition, Sections III, Major Assumptions 2007-2010 Projections, and Section IV, Gap Closing Programs and Other Policy Actions, reference related information pertaining to MTABC. At this stage of the transitioning of MTA Bus Company into the Consolidated MTA Plan, the MTABC's financials are still not fully incorporated into the Plan. We expect that this will be accomplished by the February 2007 Plan.

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# Memorandum



## Metropolitan Transportation Authority

State of New York

**Date** November 29, 2006

**To** Chairman Peter S. Kalikow and MTA Board Members

**From** Katherine N. Lapp

A handwritten signature in blue ink, appearing to read "K. Lapp", written over the printed name.

**Re** **2007 Final Proposed Budget and the Four-Year Financial Plan for 2007-2010**

I am transmitting for your consideration the 2007 Final Proposed Budget and the Four-Year Financial Plan for 2007-2010, which reflects developments that have occurred since the last Plan was issued in July 2006.

As has been reported over the last months, real estate revenue allocated to the MTA from the mortgage recording taxes in the service region and the urban tax on commercial real estate transactions in the City, have continued to perform well despite reports of a slow down in the real estate market. In fact, the City in its financial plan update released earlier this month increased its projections for these tax revenues for the current year and the subsequent years in its financial plan. Underlying the City's reforecast is an increase this year based on actual experience and an assumption that future declines will be less steep than previously forecast, notably in tax revenue derived from commercial transactions.

Using actual MTA receipts through October and incorporating the City's current methodology, the November Plan still projects that these revenues will decline in 2007 compared with this year, but less so than the forecast contained in the July Plan. The resulting baseline forecast now reflects additional real estate tax receipts of \$176 million in 2006 and approximately \$200 million annually in 2007 through 2010, which totals just over \$1 billion over the life of the financial plan. This significant positive change affecting our financial outlook is offset by the elimination of some key assumptions contained in previous Plans, specifically fare/toll increases and service adjustments.

The July Plan projected 5% increases in farebox and toll revenue yields for both 2007 and 2009. These alternate year fare/toll increases were included, consistent with earlier financial plans, as a means to offset normal inflationary expense growth in our operating budget, and to assist in addressing projected out-year deficits. This Plan, at the direction of the MTA Chairman, does not include those actions, which cumulatively over the plan period were expected to yield additional revenues of \$1.3 billion, and instead presents a financial picture

that excludes any projection of fare/toll increase. Moreover, in response to public comments and direction from the Board, the November Plan does not include bus and subway off-peak service adjustments that had been included in the July Plan's gap-closing measures beginning in 2007. These measures were expected to yield savings of \$175 million between 2007 and 2010.

Since the July Plan, there have been other developments, mainly based on recent economic trends, which have resulted in revenue and expense re-estimates. Fuel prices have recently dropped, and we have adjusted fuel costs accordingly. However, our traction and propulsion power providers have indicated that rate increases over the next several years will be higher than we previously expected. Thus, net energy costs in 2006 will be \$3 million lower than we projected, but \$7 million higher in 2007, growing to an increase of \$57 million in 2010. In addition, we are awaiting completion of recent pension valuations by our independent actuary. Preliminary indications are that pension costs will increase by approximately \$40 million annually as a result of changing demographics and projected overtime usage. On the positive side, recent rate projections by major health care providers, are lower than was forecasted in July, resulting in savings of \$28 million in 2007 and growing to \$49 million by 2010. Based on recent ridership trends and projected employment levels, farebox revenues are now forecast to increase over the July Plan, but are still significantly less than the levels projected in the February Plan.

In view of the above, I am proposing that \$142 million of \$378 million of the increased real estate revenue for 2006 and 2007 be used to (1) offset the \$78 million of lost revenue expected in 2007 from the previously proposed September 2007 fare/toll increase; (2) offset the \$22 million savings in 2007 that would have been generated by service adjustments in off-peak bus and subway service; and (3) cover the net increases in 2006 and 2007 in baseline Agency budgets including increased energy, actuarial pensions and other net changes to the July Plan.

With regard to the remaining \$236 million in real estate revenues, the Plan proposes the following uses:

\$25 million for Security Training

- Last year, the MTA engaged Kroll Associates to review the safety/security training curriculum utilized by NYCT, Metro-North and LIRR for its operating personnel. Kroll recently provided recommendations for enhancements to existing training modules. In view thereof, it is proposed that \$25 million be set aside over the next four years (\$6.2 million annually, beginning in 2007) to offset the costs associated with providing enhanced training to designated operating personnel. In order to ensure consistency in this training and to coordinate efforts to determine content and delivery of the



training, the MTA Director of Interagency Preparedness will chair a task force comprised of training and security representatives of the Operating Agencies, which will develop training modules, prepare schedules for training sessions and coordinate the training among the agencies.

#### \$50 million for Capital Security

- The July Plan had earmarked \$100 million for additional security initiatives from the 2006 cash balance. These include new programs such as installation of intercoms in 75' subway cars as well as currently identified initiatives in the Capital Program. As part of the November Plan, I am recommending that an additional \$50 million be set aside for emerging Capital Program security contingencies, including an upgrade of MTA police radios.

#### \$81 million for Downsizing Costs

- While the forecast for 2007 has improved, the budget deficits for 2008 through 2010, as discussed in more detail below, are significant. It is clear that the MTA will need to embark on an aggressive strategy to become more efficient while reducing head count and expenses. We are already assessing options for implementing a shared service model in the areas of finance, human resources and information technology, across the MTA and its operating agencies, and our consultants have indicated that savings will be phased in over several years, but should yield significant headcount reductions. In addition, like the July Plan, we continue to include savings that would result from statutory changes to enable a reorganization of the MTA that would reconfigure the existing agencies. Together, shared services and the reorganization are estimated to yield savings of \$11 million in 2008, \$41 million in 2009 and \$55 million in 2010. However, MTA will need to incur costs to achieve the resultant downsizing of the workforce. The November Plan therefore includes \$81 million to be set aside in 2007 to cover the costs associated with the anticipated workforce reductions.

#### \$80 million for GASB Fund

- We continue to assume that recent non-recurring NYCERS pension savings and anticipated employee health & welfare contributions will be deposited in a special Government Accounting Standards Board (GASB) fund to account for post-retirement liabilities of "Other Than Pension Benefits" (OTPB) in compliance with new standards requiring governmental agencies to account for these liabilities in their financial statements. The July Plan assumed that \$535 million would be set aside in this fund by the end of 2010. Using the same methodology as July to calculate GASB costs, the November Plan's contribution to GASB would total \$497 million. Although an

assessment by our independent auditors has not yet been completed to determine what the full extent of MTA's liabilities for OTPB will be, this amount is well short of the likely exposure. I am, therefore, recommending that an additional \$80 million be set aside in the GASB fund, bringing the total GASB contribution to \$577 million.

The real estate tax improvements noted above represent yields generated by our base revenue forecast. As has been reported, the biggest commercial real estate deal in history occurred this month – the sale of Peter Stuyvesant Town and Peter Cooper Village. Pending unforeseen complications, this transaction is expected to generate \$52 million in property transfer revenue for NYCT. I am recommending that this one-shot revenue windfall be used to fund NYCT station painting. The proposal would provide operating budget funding during the plan period at an estimated cost of \$8.8 million annually that would grow with inflation. Over a ten-year period, 350 stations would be painted through the operating budget program, with the remaining 118 stations (about 12 per year) funded through the Capital Program. The estimated \$52 million from this sale would be enough to fund approximately 200 of the 350 stations included in the operating budget program during the plan period.

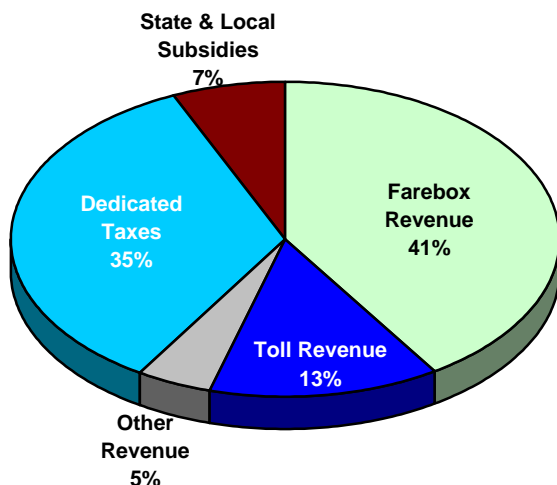
The July Plan, including the 2006 carryover surplus of \$711 million, forecasted a \$36 million closing cash balance in 2007. The November Plan reflects positive closing cash balances, including recommended policy and gap closing actions, of \$938 million in 2006 and \$272 million in 2007. The 2008 gap has dropped \$100 million from the July Plan to \$805 million, still a substantial challenge that will need to be addressed next spring so that a balanced Preliminary 2008 Budget can be presented to the Board in July 2007. Moreover, the outyear gaps have worsened since July, notably due to the absence of the 2007 and 2009 fare/toll increases, to \$1,465 million in 2009 (an increase of \$329 million) and \$1,793 million (an increase of \$305 million) in 2010.

Clearly challenges are ahead for the MTA to identify methods to reduce expenditures to address looming deficits while meeting ridership demands and maintaining fares/tolls at affordable levels. The next twelve-month period will be critical for the MTA as it moves closer to 2008.

## **II. MTA Consolidated 2006-2010 Financial Plan**

# MTA 2007 Final Proposed Budget Excluding MTA Bus Company Baseline Before Gap Closing and Policy Actions

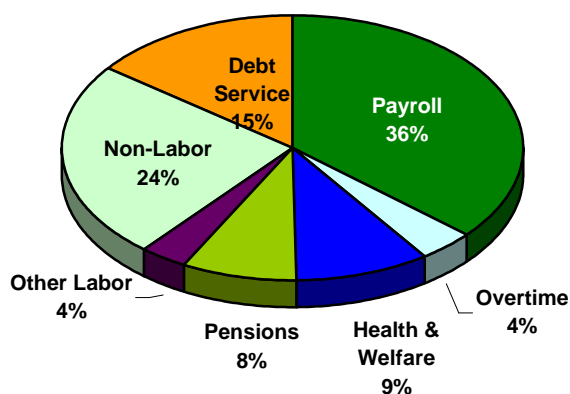
## Where the Dollars Come From ...



By Revenue Source (\$ in millions)	
Farebox Revenue	\$3,749
Toll Revenue	1,237
Other Revenue	418
Dedicated Taxes	3,154
State & Local Subsidies	614
<b>Total</b>	<b>\$9,173</b>

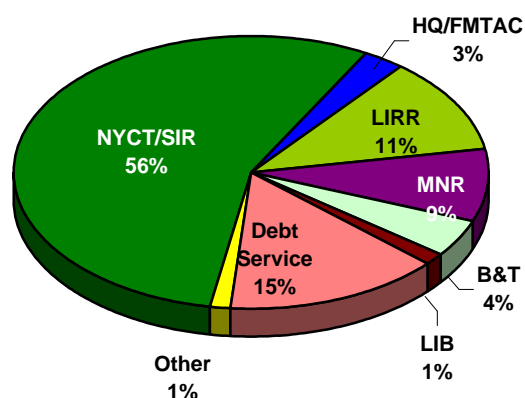
## Where the Dollars Go ...

By Expense Category



By Expense Category (\$ in millions)	
Payroll	\$3,586
Overtime	363
Health & Welfare	932
Pensions	788
Other Labor	350
Non-Labor	2,353
Debt Service	1,458
<b>Total</b>	<b>\$9,828</b>
<i>Expenses exclude depreciation.</i>	

By MTA Agency



By MTA Agency (\$ in millions)	
NYCT/SIR	\$5,427
HQ/FMTAC	278
LIRR	1,109
MNR	860
B&T	438
LIB	122
Debt Service	1,458
Other	136
<b>Total</b>	<b>\$9,828</b>
<i>Expenses exclude depreciation.</i>	

The net difference between revenues and expenses is offset through the use of prior year cash balances and cash flow timing adjustments (\$3,115 million) and depreciation ((\$1,691) million). This results in a baseline year-end cash surplus of \$769 million.

Excludes certain below-the-line policy and gap-closing actions which change the year-end cash balance from a \$769 million cash surplus to a \$272 million cash surplus.

# METROPOLITAN TRANSPORTATION AUTHORITY

## November Financial Plan 2007 - 2010

### MTA Consolidated Statement Of Operations By Category - Excluding MTA Bus Company

(\$ in millions)

Line

No.

7	<b>Non-Reimbursable</b>		<b>2006</b>	<b>2007</b>			
8		<b>2005</b>	<b>November</b>	<b>Final Proposed</b>			
9		<b>Actual</b>	<b>Forecast</b>	<b>Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
10	<b>Operating Revenue</b>						
11	Farebox Revenue	\$3,565	\$3,694	\$3,749	\$3,801	\$3,835	\$3,861
12	Toll Revenue	1,205	1,235	1,237	1,240	1,236	1,235
13	Other Revenue	410	428	418	438	461	481
14	Capital and Other Reimbursements	26	0	0	0	0	0
15	<b>Total Operating Revenue</b>	<b>\$5,206</b>	<b>\$5,357</b>	<b>\$5,405</b>	<b>\$5,479</b>	<b>\$5,532</b>	<b>\$5,576</b>
16							
17	<b>Operating Expense</b>						
18	<b>Labor Expenses:</b>						
19	Payroll	\$3,362	\$3,477	\$3,586	\$3,717	\$3,823	\$3,917
20	Overtime	385	398	363	370	384	398
21	Health & Welfare	769	845	932	1,035	1,149	1,274
22	Pensions	642	576	788	825	823	823
23	Other-Fringe Benefits	386	393	402	419	435	446
24	Pattern Labor Provision	0	13	76	104	104	104
25	Contribution to GASB Fund	0	249	90	71	79	87
26	Reimbursable Overhead	(240)	(277)	(288)	(286)	(285)	(290)
27	<b>Sub-total Labor Expenses</b>	<b>\$5,304</b>	<b>\$5,673</b>	<b>\$5,948</b>	<b>\$6,255</b>	<b>\$6,512</b>	<b>\$6,759</b>
28							
29	<b>Non-Labor Expenses:</b>						
30	Traction and Propulsion Power	253	274	309	314	338	359
31	Fuel for Buses and Trains	138	167	179	178	175	177
32	Insurance	62	36	38	43	46	53
33	Claims	90	138	153	156	160	164
34	Paratransit Service Contracts	158	190	228	266	305	355
35	Maintenance and Other Operating Contracts	453	509	555	560	582	592
36	Professional Service Contracts	216	191	225	223	232	235
37	Materials & Supplies	388	423	515	514	548	548
38	Other Business Expenses	156	152	152	162	161	164
39	<b>Sub-total Non-Labor Expenses</b>	<b>\$1,916</b>	<b>\$2,080</b>	<b>\$2,353</b>	<b>\$2,416</b>	<b>\$2,547</b>	<b>\$2,648</b>
40							
41	<b>Other Expense Adjustments:</b>						
42	Other	(\$11)	(\$9)	(\$6)	(\$14)	(\$8)	(\$8)
43	General Reserve	0	0	75	75	75	75
44	<b>Sub-total Other Expense Adjustments</b>	<b>(\$11)</b>	<b>(\$9)</b>	<b>\$69</b>	<b>\$61</b>	<b>\$67</b>	<b>\$67</b>
45							
46	<b>Total Operating Expense Before Depreciation</b>	<b>\$7,209</b>	<b>\$7,745</b>	<b>\$8,370</b>	<b>\$8,732</b>	<b>\$9,127</b>	<b>\$9,473</b>
47							
48	Depreciation	\$1,469	\$1,581	\$1,691	\$1,754	\$1,848	\$1,939
49							
50	<b>Total Operating Expense</b>	<b>\$8,678</b>	<b>\$9,325</b>	<b>\$10,061</b>	<b>\$10,486</b>	<b>\$10,975</b>	<b>\$11,413</b>
51							
52	<b>Net Operating Deficit Before Subsidies and Debt Service</b>	<b>(\$3,472)</b>	<b>(\$3,969)</b>	<b>(\$4,657)</b>	<b>(\$5,007)</b>	<b>(\$5,443)</b>	<b>(\$5,836)</b>
53							
54	Dedicated Taxes and State/Local Subsidies	\$3,422	\$3,862	\$3,768	\$3,693	\$3,779	\$3,884
55	Debt Service (excludes Service Contract Bonds)	(1,018)	(1,321)	(1,458)	(1,600)	(1,751)	(1,886)
56							
57	<b>Net Deficit After Subsidies and Debt Service</b>	<b>(\$1,067)</b>	<b>(\$1,427)</b>	<b>(\$2,347)</b>	<b>(\$2,914)</b>	<b>(\$3,415)</b>	<b>(\$3,837)</b>
58							
59	Conversion to Cash Basis: Depreciation	\$1,469	\$1,581	\$1,691	\$1,754	\$1,848	\$1,939
60	Conversion to Cash Basis: All Other	273	34	56	40	19	10
61	Net Cash Balance from Previous Year	507	1,182	1,369	769	0	0
62							
63	<b>Baseline Net Cash Balance</b>	<b>\$1,182</b>	<b>\$1,369</b>	<b>\$769</b>	<b>(\$351)</b>	<b>(\$1,547)</b>	<b>(\$1,888)</b>

# METROPOLITAN TRANSPORTATION AUTHORITY

## November Financial Plan 2007 - 2010

### Gap Closing and Policy Actions

(\$ in millions)

Line

No.

	2006	2007			
	November	Final Proposed			
	Forecast	Budget	2008	2009	2010
5	<b>November Baseline Net Cash Balance</b>	<b>\$1,369</b>	<b>\$769</b>	<b>(\$351)</b>	<b>(\$1,547)</b>
					<b>(\$1,888)</b>
7	<b><u>POLICY ACTIONS:</u></b>				
8	Pension Liability Reduction	0	0	0	0
9	2004 Real Estate Tax Stabilization Account	200	0	0	0
10	Capital Security	(150)	0	0	0
11	Enhanced Security Training	0	(6)	(6)	(6)
12	2005 Holiday Fare Program	50	0	0	0
13	Downsizing Costs	0	(81)	0	0
14	Stuyvesant/Cooper Village Sale	52	0	0	0
15	NYCT Station Painting	0	(9)	(9)	(9)
16	Anti-Graffiti Campaign	0	(6)	(3)	(5)
17	Service Marketing Campaign	0	(5)	0	0
18	<b>Sub-Total</b>	<b>152</b>	<b>(106)</b>	<b>(19)</b>	<b>(20)</b>
20	<b><u>GAP CLOSING:</u></b>				
21	2007 Agency Program to Eliminate the Gap	18	40	37	39
22	Post-2007 Agency Program to Eliminate the Gap	0	0	13	22
23	Shared Services / Reorganization	0	0	11	41
24	<b>Sub-Total</b>	<b>18</b>	<b>40</b>	<b>61</b>	<b>102</b>
26	Adjusted Net Cash Balance from Previous Year	(600)	(431)	(497)	0
28	<b>Net Cash Surplus/(Deficit)</b>	<b>\$938</b>	<b>\$272</b>	<b>(\$805)</b>	<b>(\$1,465)</b>
					<b>(\$1,793)</b>

# METROPOLITAN TRANSPORTATION AUTHORITY

## November Financial Plan 2007 - 2010

### MTA Consolidated Accrued Statement of Operations By Agency - Excluding MTA Bus Company

(\$ in millions)

Line Number	Non-Reimbursable	2005	2006 November	2007 Final Proposed			
		Actual	Forecast	Budget	2008	2009	2010
8							
9	<b><u>Total Operating Revenue</u></b>						
10	New York City Transit	\$2,908	\$3,016	\$3,055	\$3,110	\$3,140	\$3,170
11	Bridges and Tunnels	1,254	1,252	1,244	1,248	1,244	1,243
12	Metro-North Railroad	470	486	495	503	521	529
13	Long Island Rail Road	469	495	502	509	517	523
14	MTA Headquarters	48	51	51	52	53	54
15	Long Island Bus	44	43	43	43	43	43
16	Staten Island Railway	5	6	6	6	6	6
17	First Mutual Transportation Assurance Company	8	8	9	9	9	9
18	Capital Construction Company	0	0	0	0	0	0
19	<b>Total</b>	<b>\$5,206</b>	<b>\$5,357</b>	<b>\$5,405</b>	<b>\$5,479</b>	<b>\$5,532</b>	<b>\$5,576</b>
20							
21	<b><u>Total Operating Expenses before Depreciation</u></b> <sup>1</sup>						
22	New York City Transit	\$4,716	\$5,059	\$5,398	\$5,655	\$5,928	\$6,147
23	Bridges and Tunnels	344	376	411	409	431	470
24	Metro-North Railroad	751	795	860	897	952	985
25	Long Island Rail Road	962	1,005	1,109	1,147	1,188	1,235
26	MTA Headquarters	314	280	306	312	314	325
27	Long Island Bus	108	117	120	125	129	134
28	Staten Island Railway	27	27	28	36	31	32
29	First Mutual Transportation Assurance Company	(2)	1	6	2	(2)	(6)
30	Capital Construction Company	0	0	0	0	0	0
31	Other	(11)	(9)	55	45	50	48
32	<b>Total</b>	<b>\$7,209</b>	<b>\$7,652</b>	<b>\$8,294</b>	<b>\$8,628</b>	<b>\$9,022</b>	<b>\$9,370</b>
33							
34	<b><u>Depreciation</u></b>						
35	New York City Transit	\$955	\$1,015	\$1,086	\$1,152	\$1,222	\$1,292
36	Bridges and Tunnels	50	50	57	61	67	72
37	Metro-North Railroad	187	207	222	229	236	236
38	Long Island Rail Road	247	275	292	279	294	309
39	MTA Headquarters	23	26	25	22	20	20
40	Long Island Bus	0	0	0	0	0	0
41	Staten Island Railway	7	7	10	10	10	10
42	First Mutual Transportation Assurance Company	0	0	0	0	0	0
43	Capital Construction Company	0	0	0	0	0	0
44	<b>Total</b>	<b>\$1,469</b>	<b>\$1,581</b>	<b>\$1,691</b>	<b>\$1,754</b>	<b>\$1,848</b>	<b>\$1,939</b>
45							
46	<b><u>Net Operating Income/(Deficit)</u></b>						
47	New York City Transit	(\$2,763)	(\$3,059)	(\$3,429)	(\$3,697)	(\$4,010)	(\$4,269)
48	Bridges and Tunnels	860	825	776	777	746	701
49	Metro-North Railroad	(468)	(516)	(588)	(623)	(668)	(692)
50	Long Island Rail Road	(740)	(786)	(899)	(918)	(965)	(1,022)
51	MTA Headquarters	(289)	(254)	(279)	(282)	(281)	(290)
52	Long Island Bus	(64)	(73)	(77)	(82)	(86)	(91)
53	Staten Island Railway	(29)	(29)	(33)	(41)	(35)	(36)
54	First Mutual Transportation Assurance Company	10	7	3	7	11	15
55	Capital Construction Company	0	0	0	0	0	0
56	Other	11	9	(55)	(45)	(50)	(48)
57	<b>Total</b>	<b>(\$3,472)</b>	<b>(\$3,876)</b>	<b>(\$4,580)</b>	<b>(\$4,903)</b>	<b>(\$5,338)</b>	<b>(\$5,732)</b>
58							
59	Pattern Labor Provision	0	(13)	(76)	(104)	(104)	(104)
60	Additional Contribution to GASB Fund	0	(80)	0	0	0	0
61							
62	<b>Total</b>	<b>(\$3,472)</b>	<b>(\$3,969)</b>	<b>(\$4,657)</b>	<b>(\$5,007)</b>	<b>(\$5,443)</b>	<b>(\$5,836)</b>

Note: <sup>1</sup> Excludes Debt Service

# METROPOLITAN TRANSPORTATION AUTHORITY

## November Financial Plan 2007 - 2010

### MTA Consolidated Cash Receipts and Expenditures - Excluding MTA Bus Company

(\$ in millions)

Line Number	CASH RECEIPTS AND EXPENDITURES	2005	2006	2007			
		Actual	November Forecast	Final Proposed Budget	2008	2009	2010
9							
10							
11	<b>Receipts</b>						
12	Farebox Revenue	\$3,638	\$3,732	\$3,795	\$3,846	\$3,877	\$3,901
13	Other Operating Revenue	396	439	460	451	474	493
14	Capital and Other Reimbursements	1,109	1,169	1,270	1,248	1,235	1,247
15	<b>Total Receipts</b>	<b>\$5,144</b>	<b>\$5,340</b>	<b>\$5,525</b>	<b>\$5,545</b>	<b>\$5,586</b>	<b>\$5,641</b>
16							
17	<b>Expenditures</b>						
18	<u><b>Labor:</b></u>						
19	Payroll	\$3,647	\$3,735	\$3,951	\$4,033	\$4,125	\$4,218
20	Overtime	444	459	420	426	439	456
21	Health and Welfare	767	865	942	1,046	1,161	1,286
22	Pensions	464	598	780	842	863	863
23	Other Fringe Benefits	449	466	498	507	520	533
24	Pattern Labor Provision	0	13	76	104	104	104
25	Contribution to GASB Fund	0	249	90	71	79	87
26	Reimbursable Overhead	0	0	0	0	0	0
27	<b>Total Labor Expenditures</b>	<b>\$5,772</b>	<b>\$6,384</b>	<b>\$6,758</b>	<b>\$7,030</b>	<b>\$7,292</b>	<b>\$7,547</b>
28							
29	<u><b>Non-Labor:</b></u>						
30	Traction and Propulsion Power	\$242	\$283	\$309	\$314	\$338	\$359
31	Fuel for Buses and Trains	134	169	179	177	175	177
32	Insurance	46	30	38	44	41	46
33	Claims	83	130	117	121	122	125
34	Paratransit Service Contracts	155	186	228	266	305	355
35	Maintenance and Other Operating Contracts	407	450	481	485	498	499
36	Professional Service Contracts	208	192	235	229	235	237
37	Materials & Supplies	492	544	628	624	648	629
38	Other Business Expenditures	207	157	162	173	171	175
39	<b>Total Non-Labor Expenditures</b>	<b>\$1,974</b>	<b>\$2,141</b>	<b>\$2,376</b>	<b>\$2,433</b>	<b>\$2,533</b>	<b>\$2,603</b>
40							
41	<u><b>Other Expenditure Adjustments:</b></u>						
42	Other	\$57	\$53	\$72	\$75	\$81	\$85
43	General Reserve	0	0	75	75	75	75
44	<b>Total Other Expenditure Adjustments</b>	<b>\$57</b>	<b>\$53</b>	<b>\$147</b>	<b>\$150</b>	<b>\$156</b>	<b>\$160</b>
45							
46	<b>Total Expenditures</b>	<b>\$7,803</b>	<b>\$8,579</b>	<b>\$9,281</b>	<b>\$9,613</b>	<b>\$9,982</b>	<b>\$10,310</b>
47							
48	<b>Net Cash Deficit Before Subsidies and Debt Service</b>	<b>(\$2,659)</b>	<b>(\$3,239)</b>	<b>(\$3,756)</b>	<b>(\$4,068)</b>	<b>(\$4,396)</b>	<b>(\$4,669)</b>
49							
50	Dedicated Taxes and State/Local Subsidies	\$3,960	\$4,294	\$4,147	\$4,068	\$4,101	\$4,150
51							
52	Debt Service (excludes Service Contract Bonds)	(626)	(868)	(991)	(1,120)	(1,252)	(1,370)
53							
54	Net Cash Balance from Previous Year	507	1,182	1,369	769	0	0
55							
56	<b>Baseline Net Cash Surplus/(Deficit)</b>	<b>\$1,182</b>	<b>\$1,369</b>	<b>\$769</b>	<b>(\$351)</b>	<b>(\$1,547)</b>	<b>(\$1,888)</b>



# METROPOLITAN TRANSPORTATION AUTHORITY

## November Financial Plan 2007 - 2010

### MTA Consolidated Cash Statement of Operations By Agency - Excluding MTA Bus Company

(\$ in millions)

Line Number		2005	2006 November	2007 Final Proposed			
		<u>Actual</u>	<u>Forecast</u>	<u>Budget</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
8							
9	<b><u>Total Receipts</u></b>						
10	New York City Transit	\$3,692	\$3,814	\$3,898	\$3,909	\$3,924	\$3,959
11	Metro-North Railroad	652	659	707	694	716	722
12	Long Island Rail Road	638	687	721	740	741	753
13	MTA Headquarters	87	96	101	103	104	106
14	Long Island Bus	49	48	49	48	49	49
15	Staten Island Railway	6	7	7	8	8	8
16	Capital Construction Company	13	21	34	34	35	36
17	First Mutual Transportation Assurance Company	8	8	9	9	9	9
18	<b>Total</b>	<b>\$5,144</b>	<b>\$5,340</b>	<b>\$5,525</b>	<b>\$5,545</b>	<b>\$5,586</b>	<b>\$5,641</b>
19							
20	<b><u>Total Expenditures</u></b>						
21	New York City Transit	\$5,233	\$5,829	\$6,125	\$6,379	\$6,659	\$6,890
22	Metro-North Railroad	924	928	1,135	1,105	1,161	1,193
23	Long Island Rail Road	1,085	1,212	1,311	1,377	1,407	1,459
24	MTA Headquarters	402	343	375	378	380	391
25	Long Island Bus	114	121	125	130	137	139
26	Staten Island Railway	28	28	30	38	32	34
27	Capital Construction Company	13	21	34	34	35	36
28	First Mutual Transportation Assurance Company	8	8	9	9	9	9
29	Other	(4)	(3)	61	59	58	56
30	<b>Total</b>	<b>\$7,803</b>	<b>\$8,486</b>	<b>\$9,205</b>	<b>\$9,509</b>	<b>\$9,878</b>	<b>\$10,206</b>
31							
32	<b><u>Net Operating Surplus/(Deficit)</u></b>						
33	New York City Transit	(1,541)	(2,015)	(2,227)	(2,470)	(2,735)	(2,930)
34	Metro-North Railroad	(272)	(268)	(429)	(411)	(445)	(471)
35	Long Island Rail Road	(448)	(525)	(591)	(637)	(666)	(707)
36	MTA Headquarters	(315)	(247)	(274)	(275)	(276)	(285)
37	Long Island Bus	(65)	(72)	(77)	(81)	(87)	(90)
38	Staten Island Railway	(22)	(21)	(23)	(30)	(25)	(26)
39	Capital Construction Company	0	0	0	0	0	0
40	First Mutual Transportation Assurance Company	0	0	0	0	0	0
41	Other	4	3	(61)	(59)	(58)	(56)
42	<b>Total</b>	<b>(\$2,659)</b>	<b>(\$3,146)</b>	<b>(\$3,680)</b>	<b>(\$3,964)</b>	<b>(\$4,292)</b>	<b>(\$4,565)</b>
43							
44	Pattern Labor Provision	0	(13)	(76)	(104)	(104)	(104)
45	Additional Contribution to GASB Fund	0	(80)	0	0	0	0
46	<b>Total</b>	<b>(\$2,659)</b>	<b>(\$3,239)</b>	<b>(\$3,756)</b>	<b>(\$4,068)</b>	<b>(\$4,396)</b>	<b>(\$4,669)</b>

**Metropolitan Transportation Authority**  
**November Financial Plan 2007 - 2010**  
**MTA Consolidated November Financial Plan Compared with July Financial Plan**  
**Cash Reconciliation**  
(\$ in millions)

	Favorable/(Unfavorable)				
	2006	2007	2008	2009	2010
<b>July Plan Baseline Net Cash Surplus/(Deficit)</b>	<b>\$1,121</b>	<b>\$290</b>	<b>(\$1,008)</b>	<b>(\$1,781)</b>	<b>(\$2,146)</b>
<b><u>Changes to July Plan</u></b>					
<b>Agency Baseline Changes:</b>	<b>(13)</b>	<b>(45)</b>	<b>17</b>	<b>20</b>	<b>11</b>
<b><u>Revenue:</u></b>	<b><u>20</u></b>	<b><u>29</u></b>	<b><u>34</u></b>	<b><u>37</u></b>	<b><u>41</u></b>
Farebox	8	14	22	25	29
Toll	1	1	(3)	(5)	(6)
Other Revenue	11	13	16	17	18
<b><u>Expenses:</u></b>	<b><u>(33)</u></b>	<b><u>(58)</u></b>	<b><u>19</u></b>	<b><u>14</u></b>	<b><u>2</u></b>
Health & Welfare	(0)	28	36	43	49
Pensions	10	(18)	(14)	(13)	(16)
Additional GASB Contribution	(80)	0	0	0	0
Energy	3	(7)	(17)	(41)	(57)
Maintenance Investments / Re-Estimates	(5)	(14)	(5)	7	4
Baseline Re-Estimates / Cash Adjustments	39	(47)	20	18	22
2005/2006 Peg Program Re-Estimates	(1)	(16)	(36)	(31)	(32)
<b><u>Subsidies:</u></b>	<b><u>221</u></b>	<b><u>275</u></b>	<b><u>167</u></b>	<b><u>214</u></b>	<b><u>232</u></b>
Real Estate (Gross), excl. Paratransit / City DOT Bus	176	201	214	233	249
Real Estate Adjustments	8	(3)	(2)	(2)	(5)
MMTOA	(0)	109	(22)	8	15
PBT	22	(18)	(7)	(3)	(3)
Investment Income	3	(13)	(2)	(2)	(2)
Nassau Subsidy/LIB MMTOA	(0)	2	(10)	(12)	(12)
Other	12	(2)	(4)	(7)	(9)
<b>General Reserve</b>	<b>31</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Debt Service</b>	<b>8</b>	<b>2</b>	<b>(7)</b>	<b>(0)</b>	<b>14</b>
Net Cash Balance from Previous Year	0	247	479	0	0
<b>Total Changes</b>	<b>\$247</b>	<b>\$479</b>	<b>\$657</b>	<b>\$234</b>	<b>\$258</b>
<b>November Plan Baseline Net Cash Surplus/(Deficit)</b>	<b>\$1,369</b>	<b>\$769</b>	<b>(\$351)</b>	<b>(\$1,547)</b>	<b>(\$1,888)</b>
<b><u>POLICY ACTIONS:</u></b>					
Pension Liability Reduction	0	0	0	0	0
2004 Real Estate Tax Stabilization Account	200	0	0	0	0
Capital Security	(150)	0	0	0	0
Enhanced Security Training	0	(6)	(6)	(6)	(6)
2005 Holiday Fare Program	50	0	0	0	0
Downsizing Costs	0	(81)	0	0	0
Stuyvesant/Cooper Village Sale	52	0	0	0	0
NYCT Station Painting	0	(9)	(9)	(9)	(9)
Anti-Graffiti Campaign	0	(6)	(3)	(5)	(6)
Service Marketing Campaign	0	(5)	0	0	0
<b>Sub-Total</b>	<b>152</b>	<b>(106)</b>	<b>(19)</b>	<b>(20)</b>	<b>(21)</b>
<b><u>GAP CLOSING:</u></b>					
2007 Agency Program to Eliminate the Gap	18	40	37	39	39
Post 2007 Agency Program to Eliminate the Gap	0	0	13	22	22
Shared Services / Reorganization	0	0	11	41	55
<b>Sub-Total</b>	<b>18</b>	<b>40</b>	<b>61</b>	<b>102</b>	<b>116</b>
Adjusted Net Cash Balance from Previous Year	(600)	(431)	(497)	0	0
<b>Net Cash Surplus/(Deficit)</b>	<b>\$938</b>	<b>\$272</b>	<b>(\$805)</b>	<b>(\$1,465)</b>	<b>(\$1,793)</b>

**Metropolitan Transportation Authority**  
**November Financial Plan 2007 - 2010**  
**MTA Consolidated November Financial Plan Compared with July Financial Plan**  
**Cash Reconciliation continued**  
(\$ in millions)

	<b>Favorable/(Unfavorable)</b>				
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>July Plan Net Cash Surplus/(Deficit)</b>	<b>\$711</b>	<b>\$36</b>	<b>(\$905)</b>	<b>(\$1,137)</b>	<b>(\$1,488)</b>
<b><u>Changes to July Plan</u></b>					
Baseline	\$247	\$479	\$657	\$234	\$258
Policy Actions	(19)	(138)	(57)	(57)	(57)
Gap Closing	(1)	(84)	(258)	(505)	(506)
<i>Total Policy and Gap Closing Actions</i>	(21)	(222)	(315)	(563)	(563)
Adjusted Net Cash Balance from Previous Year	0	(21)	(243)	0	0
<b>Total Changes</b>	<b>\$227</b>	<b>\$236</b>	<b>\$100</b>	<b>(\$329)</b>	<b>(\$305)</b>
<b>November Plan Net Cash Surplus/(Deficit)</b>	<b>\$938</b>	<b>\$272</b>	<b>(\$805)</b>	<b>(\$1,465)</b>	<b>(\$1,793)</b>

**Policy and Gap Closing Action Notes:**

As first proposed in July, all of the cash pension savings for NYCT and B&T in 2006 and 2007 attributable to a NYCERS revaluation are being deposited in a special Government Accounting Standards Board (GASB) fund to account for post-retirement liabilities of "Other Than Pension Benefits" (OTPB). In addition, anticipated employee contributions for Health & Welfare are assumed to also be deposited in GASB. In the November Plan, however, this funding is now recognized within the baseline as a discrete line item. The net effect of these transactions are zero because these costs are totally offset by reductions in Pension and Payroll. A new item in the November Plan is the deposit of an additional \$80 million into the GASB fund. These funds are available from excess real estate tax monies generated in 2006 and 2007.

The 2006 Adopted Budget assumed that \$450 million would be used to reduce future pension liabilities. The \$450 million, along with approximately \$15 million in accumulated interest, has been transferred into the MaBSTOA Pension Plan and into the MTA Defined Benefit Plan. As a result, Pension earnings that were captured below the line as a Policy Action in the July Plan are now being captured within the baseline as reduced Pension costs and will serve to offset future Pension costs.

The Executive Director proposed in July that \$100 million be set aside for additional security initiatives from the 2006 cash balance. These include new programs such as installation of intercoms in 75' subway cars as well as currently identified initiatives in the capital program. As part of the November Plan, an additional \$50 million, available from additional real estate tax revenues, is being set aside for Capital Program contingencies including an upgrade of MTA Police Radios. In addition, \$6 million annually has been set aside in 2007-2010 for enhanced security training for operating employees, which is consistent with recent recommendations made by Kroll Associates.

The NYCT Station Painting program would target an average of 35 stations annually at an estimated cost of \$8.8 million annually that would grow with inflation. Over the ten-year period, 350 stations would be painted through the operating budget program, with the remaining 118 stations (about 12 per year) done as part of the Capital Program. The estimated \$52 million derived from the Stuyvesant Town/Peter Cooper Village sale would be enough to fund approximately 200 of the 350 stations.

The value of the 2007 PEG Program has been reduced from the level projected in the July Plan primarily because of the elimination of a proposed NYCT PEG that would have reduced subway service in the off-peak. The value of that proposed PEG was \$5 million in 2007 and approximately \$19 million in the years 2008 and beyond.

In 2005 the MTA had a consultant review the feasibility of implementing a shared services organization (SSO) for finance, human resources and information technology, across the MTA and its operating agencies. In 2006, the MTA Board authorized additional consultant studies to assess options for implementing shared services. Based on consultant assessments of potential savings, the November Plan assumes that implementation of this strategy will begin to yield saving of \$6 million in 2008, \$16 million in 2009 and \$30 million in 2010. Costs of \$81 million are included in 2007 to cover anticipated downsizing expenses over the next few years. It is expected that it will take several years for the benefits derived from a shared services model, i.e., savings, to cover the implementation expenses.

The February and July Plans included 5% increases in farebox and toll revenue yields for both 2007 and 2009. This Plan does not include those actions and instead presents a financial picture that excludes any type of fare increase. The 2007 Fare/Toll increase was expected to yield \$78 million in 2007 and approximately \$240 million in each of the out-years, while the 2009 increase was expected to yield an additional \$247 million in 2009 and \$255 million in 2010.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**November Financial Plan 2007-2010**  
**Consolidated Summary of Subsidy Allocation By Agency - Cash Basis**  
(\$ in millions)

	2005	2006	2007			
	<u>Actual</u>	<u>November</u>	<u>Final Proposed</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b><i>Dedicated Taxes</i></b>						
New York City Transit	\$1,749	\$2,081	\$2,025	\$1,997	\$2,057	\$2,125
Commuter Railroads	512	620	607	560	568	585
Long Island Bus	36	42	51	44	46	48
Staten Island Railway	2	3	3	3	3	3
MTA Headquarters	541	517	396	395	386	388
General Reserve	0	0	75	75	75	75
	<b>\$2,838</b>	<b>\$3,262</b>	<b>\$3,157</b>	<b>\$3,073</b>	<b>\$3,135</b>	<b>\$3,224</b>
<b><i>State and Local Subsidies</i></b>						
New York City Transit	\$316	\$316	\$316	\$316	\$316	\$316
Commuter Railroads	278	264	282	292	309	325
Long Island Bus	13	13	13	13	13	13
Staten Island Railway	1	1	1	1	1	1
Commuter Operating Capital Transfer - MNR M-7 Acceleration	0	(10)	0	0	0	0
	<b>\$609</b>	<b>\$585</b>	<b>\$613</b>	<b>\$623</b>	<b>\$639</b>	<b>\$656</b>
<b>Total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>\$3,447</b>	<b>\$3,847</b>	<b>\$3,769</b>	<b>\$3,695</b>	<b>\$3,774</b>	<b>\$3,880</b>

**Metropolitan Transportation Authority**  
**November Financial Plan 2007 - 2010**  
**Summary of Total Budgeted Debt Service**  
(\$ in millions)

Line Number		ACTUAL	FORECAST				
		2005	2006	2007	2008	2009	2010
9	<b><u>New York City Transit:</u></b>						
10							
11	Budgeted Gross Debt Service for Existing Transportation Revenue Bonds	\$241.229	\$345.478	\$342.286	\$342.199	\$342.184	\$342.015
12	Debt Service on Additional Transportation Revenue Bonds Supporting Approved Capital Programs	0.000	0.832	37.450	98.549	168.569	243.054
13	2 Broadway Certificates of Participation - NYCT Share	25.586	16.783	19.943	21.882	21.888	21.894
15	Transportation Resolution Commercial Paper	11.216	5.755	8.228	8.228	8.228	8.228
16	Budgeted Gross Debt Service for Existing Dedicated Tax Fund Bonds	163.645	180.275	193.324	193.417	193.563	193.406
17	<u>Debt Service on Additional Dedicated Tax Fund Bonds Supporting Approved Capital Programs</u>	<u>0.000</u>	<u>3.691</u>	<u>31.247</u>	<u>51.484</u>	<u>74.675</u>	<u>99.342</u>
18	Sub-Total MTA Paid Debt Service	\$441.676	\$552.815	\$632.477	\$715.759	\$809.107	\$907.938
19							
20	Budgeted Gross Debt Service for Existing TBTA (B&T) General Revenue Bonds	\$123.839	\$140.167	\$142.555	\$142.486	\$142.517	\$142.553
21	<u>Budgeted Gross Debt Service for Existing TBTA (B&amp;T) Subordinate Revenue Bonds</u>	<u>71.823</u>	<u>84.062</u>	<u>85.658</u>	<u>85.751</u>	<u>85.695</u>	<u>85.656</u>
22	Sub-Total B&T Paid Debt Service	\$195.662	\$224.229	\$228.212	\$228.237	\$228.211	\$228.209
23							
24	<b>Total NYCT Debt Service</b>	<b>\$637.338</b>	<b>\$777.044</b>	<b>\$860.689</b>	<b>\$943.996</b>	<b>\$1,037.318</b>	<b>\$1,136.147</b>
25							
26	<b><u>Commuter Railroads:</u></b>						
27							
28	Budgeted Gross Debt Service for Existing Transportation Revenue Bonds	\$145.172	\$273.351	\$285.406	\$285.334	\$285.321	\$285.180
29	Debt Service on Additional Transportation Revenue Bonds Supporting Approved Capital Programs	0.000	0.000	16.706	48.497	80.949	98.316
30	Transportation Resolution Commercial Paper	7.005	4.505	9.388	9.388	9.388	9.388
31	Budgeted Gross Debt Service for Existing Dedicated Tax Fund Bonds	32.386	35.112	36.972	36.990	37.018	36.988
32	<u>Debt Service on Additional Dedicated Tax Fund Bonds Supporting Approved Capital Programs</u>	<u>0.000</u>	<u>0.651</u>	<u>9.442</u>	<u>19.972</u>	<u>27.964</u>	<u>30.960</u>
33	Sub-Total MTA Paid Debt Service	\$184.563	\$313.620	\$357.914	\$400.181	\$440.641	\$460.831
34							
35	Budgeted Gross Debt Service for Existing TBTA (B&T) General Revenue Bonds	\$55.430	\$62.738	\$63.807	\$63.776	\$63.790	\$63.807
36	<u>Budgeted Gross Debt Service for Existing TBTA (B&amp;T) Subordinate Revenue Bonds</u>	<u>31.556</u>	<u>36.933</u>	<u>37.634</u>	<u>37.675</u>	<u>37.651</u>	<u>37.634</u>
37	Sub-Total B&T Paid Debt Service	\$86.986	\$99.672	\$101.442	\$101.452	\$101.441	\$101.440
38							
39	<b>Total CRR Debt Service</b>	<b>\$271.549</b>	<b>\$413.292</b>	<b>\$459.356</b>	<b>\$501.633</b>	<b>\$542.081</b>	<b>\$562.271</b>
40							
41	<b><u>Bridges and Tunnels:</u></b>						
42							
43	Budgeted Gross Debt Service for Existing TBTA (B&T) General Revenue Bonds	\$71.956	\$93.482	\$102.622	\$102.573	\$102.595	\$102.621
44	Budgeted Gross Debt Service for Existing TBTA (B&T) Subordinate Revenue Bonds	28.371	33.206	33.836	33.873	33.851	33.836
45	Debt Service on Additional TBTA (B&T) General Revenue Bonds Supporting Approved Capital Programs	0.000	0.000	3.852	16.942	35.372	52.943
46	2 Broadway Certificates of Participation - TBTA Share	8.431	2.373	2.820	3.094	3.095	3.096
47							
48	<b>Total B&amp;T Debt Service</b>	<b>\$108.759</b>	<b>\$129.062</b>	<b>\$143.131</b>	<b>\$156.482</b>	<b>\$174.913</b>	<b>\$192.496</b>

**Metropolitan Transportation Authority**  
**November Financial Plan 2007 - 2010**  
**Summary of Total Budgeted Debt Service**  
(\$ in millions)

Line Number		ACTUAL	FORECAST				
		2005	2006	2007	2008	2009	2010
49							
50	<b><u>MTA Bus:</u></b>						
51							
52	Budgeted Gross Debt Service for Existing Transportation Revenue Bonds	\$0.000	\$0.937	\$3.568	\$3.568	\$3.567	\$3.566
53	Debt Service on Additional Transportation Revenue Bonds Supporting Approved Capital Programs	0.000	0.000	4.599	9.353	9.509	9.509
54	Transportation Resolution Commercial Paper	0.000	0.556	1.329	1.329	1.329	1.329
55							
56	<b>Total MTA Bus Debt Service</b>	<b>\$0.000</b>	<b>\$1.493</b>	<b>\$9.497</b>	<b>\$14.250</b>	<b>\$14.405</b>	<b>\$14.404</b>
57							
58	<b>Total MTA HQ Debt Service for 2 Broadway Certificates of Participation</b>	<b>\$0.000</b>	<b>\$2.303</b>	<b>\$2.736</b>	<b>\$3.002</b>	<b>\$3.003</b>	<b>\$3.004</b>
59							
60	<b><u>MTA Total:</u></b>						
61							
62	Budgeted Gross Debt Service for Existing Transportation Revenue Bonds	\$386.401	\$619.767	\$631.260	\$631.100	\$631.072	\$630.760
63	Budgeted Gross Debt Service for Existing Dedicated Tax Fund Bonds	196.031	215.387	230.296	230.407	230.582	230.394
64	Budgeted Gross Debt Service for Existing TBTA (B&T) General Revenue Bonds	251.226	296.387	308.984	308.835	308.901	308.980
65	Budgeted Gross Debt Service for Existing TBTA (B&T) Subordinate Revenue Bonds	131.750	154.202	157.128	157.300	157.197	157.126
66	2 Broadway Certificates of Participation	34.017	21.459	25.500	27.979	27.986	27.994
67	Transportation Resolution Commercial Paper	18.221	10.816	18.945	18.945	18.945	18.945
68	Debt Service on Additional Transportation Revenue Bonds Supporting Approved Capital Programs	0.000	0.832	58.754	156.400	259.027	350.878
69	Debt Service on Additional Dedicated Tax Fund Bonds Supporting Approved Capital Programs	0.000	4.343	40.689	71.457	102.639	130.302
70	Debt Service on Additional TBTA (B&T) General Revenue Bonds Supporting Approved Capital Programs	0.000	0.000	3.852	16.942	35.372	52.943
71							
72	<b>Total Debt Service</b>	<b>\$1,017.645</b>	<b>\$1,323.193</b>	<b>\$1,475.409</b>	<b>\$1,619.364</b>	<b>\$1,771.720</b>	<b>\$1,908.322</b>
73							
74	<b><u>MTA Investment Income by Resolution</u></b>						
75							
76	Investment Income from Transportation Debt Service Fund	\$0.000	(\$1.743)	(\$8.435)	(\$9.627)	(\$10.881)	(\$12.001)
77	Investment Income from Dedicated Tax Fund Debt Service Fund	0.000	(0.147)	(\$3.313)	(\$3.690)	(\$4.074)	(\$4.410)
78	Investment Income from TBTA (B&T) General Revenue Debt Service Fund	0.000	(0.333)	(\$3.824)	(\$3.983)	(\$4.209)	(\$4.425)
79	Investment Income from TBTA (B&T) Subordinate Revenue Debt Service Fund	0.000	(0.187)	(1.921)	(1.923)	(1.922)	(1.921)
80	Investment Income from 2 Broadway Certificates of Participation Debt Service Fund	0.000	0.000	0.000	0.000	0.000	0.000
81							
82	<b>Total MTA Wide Investment Income</b>	<b>\$0.000</b>	<b>(\$2.411)</b>	<b>(\$17.494)</b>	<b>(\$19.223)</b>	<b>(\$21.086)</b>	<b>(\$22.755)</b>
83							
84	<b><u>MTA Wide Net Total</u></b>						
85							
86	Net Transportation Revenue Bonds Debt Service	\$386.401	\$618.856	\$681.579	\$777.873	\$879.218	\$969.638
87	Transportation Resolution Commercial Paper	18.221	10.816	18.945	18.945	18.945	18.945
88	Net Dedicated Tax Fund Bonds Debt Service	196.031	219.583	267.672	298.173	329.147	356.286
89	Net TBTA (B&T) General Revenue Bonds Debt Service	251.226	296.054	309.012	321.794	340.064	357.499
90	Net TBTA (B&T) Subordinate Revenue Bonds Debt Service	131.750	154.016	155.207	155.377	155.275	155.205
91	Net 2 Broadway Certificates of Participation Debt Service	34.017	21.459	25.500	27.979	27.986	27.994
92							
93	<b>Total MTA Wide Net Debt Service</b>	<b>\$1,017.645</b>	<b>\$1,320.783</b>	<b>\$1,457.915</b>	<b>\$1,600.141</b>	<b>\$1,750.635</b>	<b>\$1,885.566</b>

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**METROPOLITAN TRANSPORTATION AUTHORITY  
NOVEMBER FINANCIAL PLAN 2007-2010  
FAREBOX RECOVERY AND FAREBOX OPERATING RATIOS  
ANNUAL BUDGET and FORECASTS**

**FAREBOX RECOVERY RATIOS**

	<b><u>2006 November Plan</u></b>	<b><u>2007 Forecast</u></b>	<b><u>2008 Forecast</u></b>	<b><u>2009 Forecast</u></b>	<b><u>2010 Forecast</u></b>
New York City Transit	42.1%	39.7%	38.1%	36.3%	35.1%
Staten Island Railway	14.0%	12.5%	11.6%	13.2%	12.8%
Long Island Rail Road	30.8%	28.6%	28.3%	27.5%	27.0%
Metro-North Railroad	39.6%	37.3%	36.2%	35.0%	35.1%
Long Island Bus	<u>32.8%</u>	<u>31.6%</u>	<u>30.7%</u>	<u>29.9%</u>	<u>29.0%</u>
<b>MTA Total Agency Average</b>	<b>39.8%</b>	<b>37.5%</b>	<b>36.1%</b>	<b>34.6%</b>	<b>33.7%</b>

**FAREBOX OPERATING RATIOS**

	<b><u>2006 November Plan</u></b>	<b><u>2007 Forecast</u></b>	<b><u>2008 Forecast</u></b>	<b><u>2009 Forecast</u></b>	<b><u>2010 Forecast</u></b>
New York City Transit	56.3%	53.4%	51.6%	49.5%	47.9%
Staten Island Railway	18.4%	17.6%	15.3%	18.1%	17.4%
Long Island Rail Road	45.0%	41.5%	40.8%	40.1%	39.0%
Metro-North Railroad	56.4%	53.6%	52.3%	50.5%	49.6%
Long Island Bus	<u>33.8%</u>	<u>32.6%</u>	<u>31.6%</u>	<u>30.8%</u>	<u>29.8%</u>
<b>MTA Total Agency Average</b>	<b>54.2%</b>	<b>51.2%</b>	<b>49.6%</b>	<b>47.8%</b>	<b>46.4%</b>

**Note:**

Does not include 2007 PEGs

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

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



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### **III. Major Assumptions 2007-2010 Projections**

## **Utilization (Revenue, Ridership, Vehicle Traffic)**

## **UTILIZATION**

### **A Note Concerning MTA Bus Company Utilization**

In September 2004, MTA Bus Company (MTABC) was created to assume the operations of seven bus companies that operated under franchises granted by the New York City Department of Transportation. The merging of these companies into MTABC began in January 2005 and was completed in February 2006. Since 2005 and 2006 are transitional years for MTABC, MTA consolidated utilization as defined in this section does not include MTABC ridership and farebox revenue. However, utilization for MTABC is discussed throughout each portion of this Utilization section.

The methodology used in the July Financial Plan to convert MTABC ridership forecasts into farebox revenue projections did not take into consideration free trips on Bonus MetroCards (six trips for the price of five trips). This omission caused an over-estimate of farebox revenue, although the extent of the over-estimate cannot be ascertained from the methodology employed in the July Plan. As a result of this omission, plan-to-plan MTABC farebox revenue changes show declines despite ridership increases.

### **2006 Ridership, Traffic and Revenue**

The 2006 November Forecast for MTA consolidated ridership is projected to total 2,426.5 million passengers, while crossings at Bridges and Tunnels (B&T) facilities are projected to total 300.0 million vehicular crossings. MTA consolidated farebox revenue for the 2006 November Forecast is estimated to be \$3,663.6 million, and toll revenue is estimated to be \$1,234.9 million. The 2006 November Forecasts are based on actual results through September 2006 for New York City Transit (NYCT), Metro-North Railroad (MNR), MTABC and B&T, and through August 2006 for Long Island Rail Road (LIRR), Staten Island Railway (SIR) and Long Island Bus (LIB).

The 2006 November Forecast for MTA consolidated ridership is projected to increase by 53.4 million trips – a 2.2% increase – over 2005 MTA consolidated ridership. MTA ridership for the 2006 November Forecast is expected to increase on all MTA operations from 2005 ridership levels, while the 2006 November Forecast for traffic at B&T facilities is expected to decline by 0.4 million crossings, a 0.1% decrease, over the 2005 traffic level. The 2006 November Forecast for farebox revenue is projected to increase by \$123.5 million, a 3.5% increase, and is projected to be higher for each MTA agency. B&T toll revenue is expected to be \$30.0 million greater than 2005 toll revenue, a 2.5% increase.

The increases in ridership are primarily due to continued improvement in the New York City economy, particularly with regard to employment levels during 2006. Through September, preliminary employment figures show that the number of jobs in New York City has increased by 56,900 jobs, a 1.6% increase, over the number of jobs during the first nine months of 2005. Additionally, the fare increases in March 2005 had a dampening effect on ridership levels during 2005, and that impact has lessened over

time. B&T vehicular crossings have also been positively affected by employment growth, but that improvement has been offset by the impact high gasoline prices have had on discretionary travel levels. Farebox and toll revenue improvements reflect year-to-year ridership and traffic changes as well as the impact from the March 2005 fare and toll increases, which are fully annualized for 2006.

MTA consolidated ridership for the 2006 November Forecast is expected to surpass the 2006 Mid-Year Forecast projection by 4.0 million trips, a 0.2% increase. The gain in New York City employment is the primary driver for the modest ridership growth over the Mid-Year Forecast level, with year-over-year employment growth through September slightly stronger than it was through May (1.6% vs. 1.4%), when the 2006 Mid-Year Forecast was prepared.

NYCT, LIRR and MNR are projecting ridership increases in 2006 relative to the 2006 Mid-Year Forecast, while SIR ridership is projected to fall short of the 2006 Mid-Year Forecast by 13 thousand trips and LIB expects no change in ridership. At NYCT, ridership is estimated to increase by 2.7 million trips, a 0.1% increase, relative to the Mid-Year Forecast. At B&T facilities, the November Forecast projects 0.1 million fewer vehicular crossings, a decrease of less than 0.1%, over the Mid-Year Forecast. MTABC ridership, not included in MTA consolidated ridership, is projected to increase by 3.1 million trips, a 3.3% increase over the Mid-Year Forecast.

MTA consolidated farebox revenue in the 2006 November Forecast is projected to increase by \$8.4 million from the 2006 Mid-Year Forecast, a 0.2% increase, with all MTA Agencies projecting farebox revenue over the Mid-Year Forecast. NYCT is projecting a \$2.6 million, or 0.1%, increase in farebox revenue, while LIRR is projecting a \$5.2 million, or 1.2%, increase. Farebox revenue forecasts are expected to exceed the Mid-Year Forecast at MNR by \$0.4 million (0.1%), at LIB by \$0.2 million (0.5%) and at SIR by \$7 thousand (0.2%). The 2006 November Forecast for B&T toll revenue is projected to increase \$0.9 million, or 0.1%, from the Mid-Year Forecast. The MTABC farebox revenue projection in the November Forecast, which is not included in the MTA consolidated farebox revenue, is \$3.9 million less than the Mid-Year Forecast.

NYCT's November Forecast estimates for ridership and farebox revenue are greater than projections in the Mid-Year Forecast. Subway ridership is revised upward by 3.4 million trips, a 0.2% increase, while Bus ridership has been revised downward by 0.7 million trips, a decline of less than 0.1%. Subway farebox revenue is expected to surpass the Mid-Year Forecast by \$3.2 million, a 0.2% increase, and Bus farebox revenue is projected to fall short of the Mid-Year Forecast by \$0.6 million, or 0.1%. These changes reflect higher ridership levels and a slightly higher unlimited-ride pass average fare than assumed in the Mid-Year Forecast. The higher average fare is expected to increase farebox revenue by \$2.7 million over the Mid-Year Forecast. Student ridership is greater than originally projected, and is now expected to exceed the Mid-Year Forecast by 3.0 million passengers. Non-student ridership is expected to fall short of the Mid-Year Forecast by 0.4 million passengers, resulting in a \$0.2 million reduction in farebox revenue relative to the Mid-Year Forecast.

LIRR's 2006 November Forecast reflects the impact the improvement in the regional economy, particularly growth in employment. MNR's 2006 November Forecast reflects improving ridership trends since the development of the Mid-Year Forecast. The 2006 November Forecast for SIR reflects current ridership trends, which are slightly below levels assumed in the Mid-Year Forecast; farebox revenue is slightly higher than the Mid-Year Forecast as the result of a slightly higher average fare. The improvement in LIB farebox revenue projections reflect ridership levels consistent with the Mid-Year Forecast along with the average fare per passenger slightly higher than assumed in the Mid-Year Forecast.

B&T vehicle crossings are slightly lower than the Mid-Year Forecast traffic level, with commercial vehicle traffic showing improvement while passenger vehicle traffic is down, primarily due to less than ideal summer weather and continued high fuel prices. With commercial vehicle tolls higher than passenger vehicle tolls, these traffic changes result in higher toll revenues compared with the Mid-Year Forecast.

### **2007 Ridership, Traffic and Revenue**

The MTA consolidated ridership forecast for the Final Proposed Budget is 2,457.1 million passengers, while crossings at B&T facilities are projected to total 301.0 million vehicular crossings. MTA consolidated farebox revenue for 2007 Final Proposed Budget is estimated to be \$3,717.0 million, and toll revenue is estimated to be \$1,236.9 million.

MTA ridership and traffic for the 2007 Final Proposed Budget are expected to increase on all MTA operations from the 2006 Mid-Year Forecast levels, with the exception of SIR which expects a decrease of 9 thousand trips resulting from the re-estimate of 2006 ridership. With the exception of MNR, 2007 Final Proposed Budget fare and toll revenue projections are higher than those in the Mid-Year Forecast. At MNR, fare revenue is expected to increase for its East-of-Hudson operations; the decline is due to a reduction in assumed revenue from West-of-Hudson Mail-n-Ride sales, which are included in MNR farebox revenue. The 2007 Final Proposed Budget for MTA consolidated ridership is projected to increase by 30.6 million trips – a 1.3% increase – over the 2006 November Forecast for MTA consolidated ridership, while the 2007 forecast for B&T traffic is expected to increase by 1.0 million crossings, a 0.3% increase, over the 2006 Mid-Year Forecast traffic level. MTABC ridership is expected to increase 2.0 million, or 2.1%, over the ridership level in the 2006 November Forecast. MTA consolidated farebox revenue for 2007 is expected to surpass the 2006 November Forecast by \$53.3 million, up 1.5%, while B&T toll revenue is projected to surpass the 2006 November Forecast by \$2.0 million, a 0.2% year-over-year improvement. MTABC farebox revenue is projected to grow from the 2006 November Forecast by \$2.6 million, a 2.1% increase.

MTA consolidated ridership for the 2007 Final Proposed Budget is expected to surpass the 2007 Preliminary Budget projection by 12.4 million trips, an increase of 0.5%. At B&T facilities, the 2007 Final Proposed Budget reflects an increase of 0.1 million additional vehicular crossings, an increase of less than 0.1%. MTA consolidated farebox revenue in the 2007 Final Proposed Budget is projected to improve by \$14.3 million

from the 2007 Preliminary Budget, a 0.4% increase, while B&T toll revenue for 2007 is now projected to increase \$1.3 million, or 0.1%, over the 2007 Preliminary Budget.

NYCT's forecasts for ridership and farebox revenue are higher than projections in the 2007 Preliminary Budget, reflecting increases in student ridership (7.4 million trips) and projected increases in New York City employment levels (2.7 million trips; \$3.5 million) compared with employment assumptions in the 2007 Preliminary Budget. The NYCT ridership forecast in 2007 Proposed Budget also assumes that the implementation of the 100% Off-Peak Bus Guidelines will not take place, as was assumed in the 2007 Preliminary Budget. Cancellation of the 100% Off-Peak Bus Guidelines change is expected to increase Bus ridership by 7.4 million trips with farebox revenue increasing \$3.2 million. Additionally, lower non-student ridership in 2006 will trend through to 2007 resulting in a base ridership reduction of 0.4 million trips and \$0.2 million from the 2007 Preliminary Budget, and a revision to the forecasting methodology concerning calendarization of ridership trends lowers the ridership projection by 1.8 million trips and farebox revenue by \$2.4 million.

Increases in LIRR and MNR ridership, compared with the 2007 Preliminary Budget, are attributable to continued trends in ridership. Revenue for LIRR and MNR also increase as a result of the ridership increases, but MNR's overall farebox revenue is slightly below the farebox revenue assumption in the Preliminary Budget as the result of a reduction in the assumed revenue from West-of-Hudson Mail-n-Ride sales, which are included in farebox revenue. LIB ridership is unchanged from the Preliminary Budget, but farebox revenue is revised upward to reflect a slightly higher average fare. SIR ridership is slightly below the Preliminary Budget estimate, reflecting a continuing trend from 2006 ridership, although the assumed increase in New York City employment slightly offsets the trend. Farebox revenue for SIR is slightly greater than the projection in the Preliminary Budget due to higher average fare.

The B&T vehicle crossings estimate is unchanged from the Preliminary Budget, but a higher average toll – primarily from increased commercial traffic and slightly lower passenger vehicle traffic – results in higher toll revenue relative to the Preliminary Budget.

### **2008 – 2010 Ridership, Traffic and Revenue**

In 2008, year-to-year MTA consolidated ridership, vehicle crossings, farebox revenue, and toll revenue are all expected to increase over the 2007 Final Proposed Budget levels. Year-to-year consolidated ridership is projected to reach 2,489.5 million passengers, up 1.3%, while year-to-year farebox revenue is estimated to reach \$3,767.1 million, an increase of 1.3%. Year-to-year B&T vehicle crossings are projected to be 302.2 million, a 0.4% annual increase, and toll revenue is estimated to increase to \$1,239.6 million, up 0.2%. MTABC ridership is expected to be 101.0 million trips, up 1.9% from the 2007 estimate, while MTABC farebox revenue is projected to reach \$131.0 million, an increase of 1.9% year-over-year.

MTA consolidated ridership and vehicle crossing levels are also expected to increase year-to-year in 2009 and 2010. Consolidated ridership is expected to reach 2,519.7 million in 2010, increasing by 0.6% in 2009 and by 0.6% in 2010. Vehicular crossings at B&T facilities are projected to reach 302.0 million in 2010, decreasing 0.1% in 2009 and increasing 0.1% in 2010. Consolidated farebox revenue is expected to reach \$3,823.0 million in 2010, up 0.8% in 2009 and 0.6% in 2010 while B&T toll revenue is projected to reach \$1,234.7 million by 2010, down 0.3% in 2009 and down 0.1% in 2010. MTABC ridership is expected to reach 103.0 million by 2010, up 1.0% in 2009 and up 1.0% in 2010; MTABC farebox revenue is projected to be \$133.6 million in 2010, increasing 1.0% in 2009 and 1.0% in 2010.

Changes in ridership, traffic, farebox revenue and toll revenue, from the July Financial Plan to the November Financial Plan are, for the most part attributable to continued trends resulting from changes in utilization during 2006. Besides these impacts, NYCT ridership and farebox revenue show additional improvement from the July Financial Plan due to a slightly stronger improvement in New York City employment levels. SIR ridership and farebox revenue is improved over the July Financial Plan due to an assumed further increase in recorded ridership once the installation of the Tompkinsville train station's fare collection system is completed in January 2008. B&T traffic volume and toll revenue, on the other hand, is lower relative to the July Financial Plan. B&T traffic tends to be adversely impacted when suburban employment levels grow faster than New York City employment levels, and relative to the employment assumptions in the July Financial Plan, the November Financial Plan assumes suburban employment growth improves to a greater degree than New York City employment growth.



# MTA Consolidated Utilization

## Plan-to-Plan Comparison

### Baseline Before Gap-Closing Actions (in millions)

November Financial Plan 2007-2010					
	<b>2006 November Forecast</b>	<b>Final Proposed Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Traffic</b>					
Bridges & Tunnels	300.0	301.0	302.2	301.8	302.0
<b>Ridership</b>					
Long Island Bus <sup>1</sup>	31.5	31.7	31.8	32.0	32.1
Long Island Rail Road	81.4	83.0	84.3	85.5	86.6
Metro-North Railroad <sup>2</sup>	75.0	76.5	78.1	79.6	80.7
New York City Transit <sup>1, 3</sup>	2,234.9	2,262.2	2,291.2	2,304.1	2,316.1
Staten Island Railway	3.7	3.7	4.2	4.2	4.2
<i>Total Ridership</i>	<i>2,426.5</i>	<i>2,457.1</i>	<i>2,489.5</i>	<i>2,505.4</i>	<i>2,519.7</i>
MTA Bus Company	97.1	99.2	101.0	102.0	103.0

July Financial Plan 2007-2010					
	<b>2006 November Forecast</b>	<b>2007 Preliminary Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Traffic</b>					
Bridges & Tunnels	300.1	301.0	303.2	303.4	303.9
<b>Ridership</b>					
Long Island Bus <sup>1</sup>	31.5	31.7	31.8	32.0	32.1
Long Island Rail Road	80.4	82.1	83.3	84.6	85.6
Metro-North Railroad <sup>2</sup>	74.6	76.1	77.7	79.2	80.3
New York City Transit <sup>1, 3</sup>	2,232.3	2,251.1	2,270.6	2,276.9	2,282.4
Staten Island Railway	3.7	3.7	4.0	4.0	4.0
<i>Total Ridership</i>	<i>2,422.5</i>	<i>2,444.7</i>	<i>2,467.5</i>	<i>2,476.8</i>	<i>2,484.6</i>
MTA Bus Company	94.1	94.9	96.1	96.4	97.0

Plan-to-Plan Changes: Favorable / (Unfavorable)					
	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Traffic</b>					
Bridges & Tunnels	(0.1)	0.0	(1.0)	(1.5)	(1.9)
<b>Ridership</b>					
Long Island Bus <sup>1</sup>	0.0	0.0	0.0	0.0	0.0
Long Island Rail Road	0.9	0.9	1.0	0.9	0.9
Metro-North Railroad <sup>2</sup>	0.4	0.3	0.4	0.4	0.4
New York City Transit <sup>1, 3</sup>	2.7	11.1	20.6	27.2	33.7
Staten Island Railway	(0.0)	(0.0)	0.2	0.2	0.2
<i>Total Ridership</i>	<i>4.0</i>	<i>12.4</i>	<i>22.0</i>	<i>28.6</i>	<i>35.1</i>
MTA Bus Company	3.1	4.3	4.9	5.6	5.9

<sup>1</sup> Excludes Paratransit Operations.

<sup>2</sup> Metro-North Railroad ridership and farebox revenue figures are for East-of-Hudson service (Hudson, Harlem and New Haven Lines) only.

<sup>3</sup> Excludes Fare Media Liability.

# MTA Consolidated Utilization

## Plan-to-Plan Comparison

### Baseline Before Gap-Closing Actions (in millions)

November Financial Plan 2007-2010					
	<b>2006 November Forecast</b>	<b>Final Proposed Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Toll Revenue</b>					
Bridges & Tunnels	\$1,234.9	\$1,236.9	\$1,239.6	\$1,236.1	\$1,234.7
<b>Fare Revenue</b>					
Long Island Bus <sup>1</sup>	\$38.5	\$38.7	\$38.9	\$39.1	\$39.3
Long Island Rail Road	453.9	462.5	469.0	477.0	483.0
Metro-North Railroad <sup>2</sup>	451.6	463.1	473.1	484.3	491.6
New York City Transit <sup>1, 3</sup>	2,716.0	2,749.1	2,782.0	2,794.1	2,804.8
Staten Island Railway	3.5	3.6	4.2	4.2	4.2
<i>Total Farebox Revenue</i>	<i>\$3,663.6</i>	<i>\$3,717.0</i>	<i>\$3,767.1</i>	<i>\$3,798.6</i>	<i>\$3,823.0</i>
MTA Bus Company	\$126.0	\$128.6	\$131.0	\$132.3	\$133.6

July Financial Plan 2007-2010					
	<b>2006 November Forecast</b>	<b>2007 Preliminary Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Toll Revenue</b>					
Bridges & Tunnels	\$1,234.0	\$1,235.6	\$1,242.4	\$1,241.2	\$1,241.1
<b>Fare Revenue</b>					
Long Island Bus <sup>1</sup>	\$38.3	\$38.5	\$38.7	\$38.9	\$39.1
Long Island Rail Road	448.8	457.1	463.4	471.7	477.6
Metro-North Railroad <sup>2</sup>	451.2	463.2	473.1	484.2	491.6
New York City Transit <sup>1, 3</sup>	2,713.5	2,740.4	2,766.5	2,774.7	2,781.8
Staten Island Railway	3.5	3.6	3.9	3.9	3.9
<i>Total Farebox Revenue</i>	<i>\$3,655.2</i>	<i>\$3,702.7</i>	<i>\$3,745.6</i>	<i>\$3,773.5</i>	<i>\$3,793.9</i>
MTA Bus Company	\$129.9	\$131.1	\$132.7	\$133.2	\$134.0

Plan-to-Plan Changes: Favorable / (Unfavorable)					
	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Toll Revenue</b>					
Bridges & Tunnels	\$0.9	\$1.3	(\$2.9)	(\$5.1)	(\$6.4)
<b>Fare Revenue</b>					
Long Island Bus <sup>1</sup>	\$0.2	\$0.2	\$0.2	\$0.2	\$0.2
Long Island Rail Road	5.2	5.4	5.5	5.3	5.5
Metro-North Railroad <sup>2</sup>	0.4	(0.0)	0.0	0.0	0.0
New York City Transit <sup>1, 3</sup>	2.6	8.7	15.5	19.4	23.0
Staten Island Railway	0.0	0.0	0.3	0.3	0.3
<i>Total Farebox Revenue</i>	<i>\$8.4</i>	<i>\$14.3</i>	<i>\$21.5</i>	<i>\$25.2</i>	<i>\$29.0</i>
MTA Bus Company	(\$3.9)	(\$2.5)	(\$1.7)	(\$0.9)	(\$0.5)

<sup>1</sup> Excludes Paratransit Operations.

<sup>2</sup> Metro-North Railroad ridership and farebox revenue figures are for East-of-Hudson service (Hudson, Harlem and New Haven Lines) only.

<sup>3</sup> Excludes Fare Media Liability.

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# **Subsidies**

## **SUBSIDIES - Major Assumptions**

### **Overview**

The following pages contain accrual and cash summary tables for the subsidies and dedicated taxes. Following these are additional tables detailing the changes between the November Plan and the July Plan. Detailed narratives describing each subsidy, forecast methodologies and explanations of changes since the July Plan follow. Note that the details of Bridges and Tunnels operations that produce the Operating Surplus Transfer subsidy are discussed in the B&T section of this report.

As shown on the following tables, Dedicated Taxes & State and Local Subsidies, excluding MTA Bus, for the 2006 November Forecast total \$3.847 billion, on a cash basis, which is \$208 million higher than the 2006 Mid-Year Forecast (July Plan). This is due largely to substantial increases in the real estate forecast, as well as additional PBT. The 2006 November Forecast reflects increases in the gross real estate tax forecasts of \$177 million and an additional \$22 million in PBT receipts.

During the period 2007 to 2010, the November Financial Plan projects that overall Dedicated Taxes & State and Local Subsidies will increase over the levels projected in the July Plan by \$281 million in 2007, \$172 million in 2008, \$221 million in 2009 and \$239 million in 2010. These increases are largely due to changes in real estate forecasts. MMTOA taxes increased \$113 million in 2007 over the July Plan level due to significant increases in estimated Corporate Surcharge revenue in State Fiscal Year '07. Much of the improvement is considered non-recurring audit-related revenue. The November Plan assumes appropriation of these funds in 2007. In 2008, MMTOA is projected to be \$24 million below the July Plan level. In 2009 and 2010, MMTOA is projected to be \$9 million and \$15 million more than the July Plan estimates. The overall improvements in the years 2007 through 2010 have been partially offset by lower PBT receipts than forecasted in the July Plan, which were adjusted to reflect the State's latest forecast.

The subsidy tables in this section include the City Subsidy to MTA Bus. This reflects the current agreement with the City that it will cover MTA Bus' expenses. The City subsidy covers the operating deficit for MTA Bus, as well as its share of the "Pattern Labor Provision". MMTOA, 18-b and Urban Taxes, that are designated for the former private buses subsidized by the City by Statute, are paid directly to the City and are used by the City to partially fund MTA Bus.

**MTA Consolidated Subsidies**  
**November Financial Plan 2007 - 2010**  
**Accrual Basis**  
(\$ in millions)

	2005 Actual	2006 November Forecast	2007 Final Proposed Budget	2008	2009	2010
<b><u>Subsidies</u></b>						
<b><i>Dedicated Taxes</i></b>						
Metro. Mass Transp. Oper. Asst. (MMTOA)	\$982.1	\$1,315.2	\$1,513.8	\$1,371.3	\$1,403.8	\$1,465.1
Petroleum Business Tax (PBT) Receipts	561.2	614.6	598.5	614.8	620.7	623.3
Mortgage Recording Tax (MRT)	743.5	728.3	581.9	564.3	552.0	559.4
MRT Transfer to Suburban Counties	(43.1)	(37.8)	(43.2)	(43.6)	(37.6)	(36.9)
Use of MRT Balances	0.0	10.0	10.0	10.0	10.0	0.0
Carryover Balances	0.0	0.0	0.0	0.0	0.0	0.0
Reimburse Agency Security Costs	0.0	(16.5)	(16.5)	(16.5)	(16.5)	(16.5)
Interest	0.0	7.3	0.0	0.0	0.0	0.0
Real Estate Stabilization Reserve	0.0	0.0	0.0	0.0	0.0	0.0
Urban Tax	557.4	618.2	499.8	559.4	595.7	622.7
Investment Income	14.8	25.5	9.2	9.2	9.3	9.3
	<b>\$2,816.0</b>	<b>\$3,264.8</b>	<b>\$3,153.7</b>	<b>\$3,069.0</b>	<b>\$3,137.4</b>	<b>\$3,226.4</b>
<b><i>State and Local Subsidies</i></b>						
State Operating Assistance	\$190.9	\$190.9	\$190.9	\$190.9	\$190.9	\$190.9
Local Operating Assistance	187.9	187.9	187.9	187.9	187.9	187.9
Nassau County Subsidy	10.5	10.5	10.5	10.5	10.5	10.5
CDOT Subsidy	43.7	50.4	64.5	72.3	86.8	100.7
Station Maintenance	133.7	137.9	140.6	142.8	145.3	148.0
AMTAP	39.4	20.0	20.0	20.0	20.0	20.0
	<b>\$606.2</b>	<b>\$597.6</b>	<b>\$614.4</b>	<b>\$624.3</b>	<b>\$641.4</b>	<b>\$658.1</b>
Commuter Operating Capital Transfer - MNR M-7	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Sub-total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>\$3,422.1</b>	<b>\$3,862.4</b>	<b>\$3,768.1</b>	<b>\$3,693.3</b>	<b>\$3,778.8</b>	<b>\$3,884.5</b>
City Subsidy for MTA Bus	\$0.0	\$204.7	\$254.6	\$264.2	\$276.0	\$289.7
<b>Total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>\$3,422.1</b>	<b>\$4,067.1</b>	<b>\$4,022.6</b>	<b>\$3,957.5</b>	<b>\$4,054.9</b>	<b>\$4,174.2</b>
<b><i>Inter-agency Subsidy Transactions</i></b>						
B&T Operating Surplus Transfer	\$451.7	\$401.3	\$338.7	\$331.7	\$287.2	\$229.0
MTA Subsidy to Subsidiaries	34.7	30.5	32.8	40.5	34.9	36.1
	<b>\$486.4</b>	<b>\$431.8</b>	<b>\$371.5</b>	<b>\$372.2</b>	<b>\$322.1</b>	<b>\$265.1</b>
<b>GROSS SUBSIDIES (excluding City Subsidy to MTA Bus)</b>	<b>\$3,908.5</b>	<b>\$4,294.2</b>	<b>\$4,139.6</b>	<b>\$4,065.5</b>	<b>\$4,100.9</b>	<b>\$4,149.6</b>
<b>GROSS SUBSIDIES (including City Subsidy to MTA Bus)</b>	<b>\$3,908.5</b>	<b>\$4,498.9</b>	<b>\$4,394.1</b>	<b>\$4,329.6</b>	<b>\$4,377.0</b>	<b>\$4,439.3</b>

**MTA Consolidated Subsidies**  
**November Financial Plan 2007 -2010**  
**Summary of Changes Between November Plan and July Plan**  
**Accrual Basis**  
(\$ in millions)

	2005	2006	2007	2008	2009	2010
<b><u>Subsidies</u></b>						
<b><i>Dedicated Taxes</i></b>						
Metro. Mass Transp. Oper. Asst. (MMTOA)	0.0	4.1	107.6	(22.7)	8.5	15.2
Petroleum Business Tax (PBT) Receipts <sup>1</sup>	0.0	20.4	(17.1)	(6.8)	(3.5)	(3.3)
Mortgage Recording Tax (MRT)	0.0	65.1	52.3	38.4	38.2	39.4
MRT Transfer to Suburban Counties	0.0	5.4	(2.1)	(8.0)	(3.0)	(5.6)
Use of MRT Balances	0.0	0.0	0.0	0.0	0.0	0.0
Reimburse Agency Security Costs	0.0	(16.5)	(16.5)	(16.5)	(16.5)	(16.5)
Interest	0.0	7.0	0.0	0.0	0.0	0.0
Real Estate Stabilization Reserve	0.0	0.0	0.0	0.0	0.0	0.0
Urban Tax	0.0	75.1	151.2	177.4	196.0	210.8
Investment Income	0.0	2.7	(13.5)	(1.6)	(1.6)	(1.5)
	<b>\$0.0</b>	<b>\$153.2</b>	<b>\$261.9</b>	<b>\$160.2</b>	<b>\$218.2</b>	<b>\$238.5</b>
<b><i>State and Local Subsidies</i></b>						
State Operating Assistance	0.0	0.0	0.0	0.0	0.0	0.0
Local Operating Assistance	0.0	0.0	0.0	0.0	0.0	0.0
Nassau County Subsidy	0.0	0.0	(3.0)	(7.7)	(12.1)	(12.8)
CDOT Subsidy - Effect of Fare Increase & PEGs	0.0	(1.4)	2.1	(0.0)	0.1	0.0
Station Maintenance	0.0	1.5	0.7	(0.7)	(1.7)	(2.8)
AMTAP	0.0	0.0	0.0	0.0	0.0	0.0
	<b>\$0.0</b>	<b>\$0.1</b>	<b>(\$0.2)</b>	<b>(\$8.4)</b>	<b>(\$13.7)</b>	<b>(\$15.6)</b>
Commuter Operating Capital Transfer - MNR M-7	0.0	10.0	0.0	0.0	0.0	0.0
<b>Sub-total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>\$0.0</b>	<b>\$163.3</b>	<b>\$261.7</b>	<b>\$151.8</b>	<b>\$204.4</b>	<b>\$222.9</b>
City Subsidy for MTA Bus	0.0	0.3	9.9	4.7	3.7	2.6
<b>Total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>\$0.0</b>	<b>\$163.7</b>	<b>\$271.6</b>	<b>\$156.5</b>	<b>\$208.1</b>	<b>\$225.5</b>
<b><i>Inter-agency Subsidy Transactions</i></b>						
B&T Operating Surplus Transfer	0.0	14.1	(8.2)	(3.8)	(6.6)	(7.4)
MTA Subsidy to Subsidiaries	0.0	0.4	(0.1)	(0.1)	0.1	0.3
	<b>\$0.0</b>	<b>\$14.4</b>	<b>(\$8.3)</b>	<b>(\$3.9)</b>	<b>(\$6.5)</b>	<b>(\$7.1)</b>
<b>GROSS SUBSIDIES (excluding City Subsidy to MTA Bus)</b>	<b>\$0.0</b>	<b>\$177.8</b>	<b>\$253.4</b>	<b>\$147.9</b>	<b>\$198.0</b>	<b>\$215.8</b>
<b>GROSS SUBSIDIES (including City Subsidy to MTA Bus)</b>	<b>\$0.0</b>	<b>\$178.1</b>	<b>\$263.4</b>	<b>\$152.6</b>	<b>\$201.7</b>	<b>\$218.4</b>

<sup>1</sup> The PBT receipt for 2010 was corrected and posted on the MTA Website on August 28, 2006. This comparison is made with the corrected figure.

**MTA Consolidated Subsidies**  
**November Financial Plan 2007 - 2010**  
**Cash Basis**  
(\$ in millions)

	2005	2006	2007			
	Actual	November Forecast	Final Proposed Budget	2008	2009	2010
<b>Subsidies</b>						
<b><i>Dedicated Taxes</i></b>						
Metro. Mass Transp. Oper. Asst. (MMTOA)	\$983.0	\$1,311.0	\$1,522.4	\$1,371.3	\$1,403.8	\$1,465.1
Petroleum Business Tax (PBT) Receipts	556.8	615.5	597.1	614.2	620.5	623.1
Mortgage Recording Tax (MRT)	731.3	741.7	583.4	565.5	551.4	558.6
MRT Transfer to Suburban Counties	(37.8)	(43.2)	(43.6)	(37.6)	(36.9)	(36.4)
Use of MRT Balances	59.9	10.0	10.0	10.0	10.0	0.0
Reimburse Agency Security Costs	(22.9)	(16.5)	(16.5)	(16.5)	(16.5)	(16.5)
Interest	1.6	8.0	0.0	0.0	0.0	0.0
Urban Tax	551.5	610.2	494.7	556.3	593.5	620.5
Investment Income	14.8	25.5	9.2	9.2	9.3	9.3
	<b>\$2,838.1</b>	<b>\$3,262.2</b>	<b>\$3,156.8</b>	<b>\$3,072.5</b>	<b>\$3,135.0</b>	<b>\$3,223.6</b>
<b><i>State and Local Subsidies</i></b>						
State Operating Assistance	\$190.9	\$190.9	\$190.9	\$190.9	\$190.9	\$190.9
Local Operating Assistance (18-b)	187.9	187.9	187.9	187.9	187.9	187.9
Nassau County Subsidy (includes 18-b local match)	10.5	10.5	10.5	10.5	10.5	10.5
CDOT Subsidy	50.3	50.4	64.5	72.3	86.8	100.7
Station Maintenance	130.2	135.0	138.9	141.1	143.3	145.9
AMTAP	39.4	20.0	20.0	20.0	20.0	20.0
	<b>\$609.2</b>	<b>\$594.7</b>	<b>\$612.7</b>	<b>\$622.7</b>	<b>\$639.4</b>	<b>\$655.9</b>
Commuter Operating Capital Transfer - MNR M-7	\$0.0	(\$10.0)	\$0.0	\$0.0	\$0.0	\$0.0
<b>Sub-total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>\$3,447.4</b>	<b>\$3,846.9</b>	<b>\$3,769.5</b>	<b>\$3,695.2</b>	<b>\$3,774.5</b>	<b>\$3,879.6</b>
City Subsidy for MTA Bus	\$0.0	\$204.7	\$254.6	\$264.2	\$276.0	\$289.7
<b>Total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>\$3,447.4</b>	<b>\$4,051.6</b>	<b>\$4,024.1</b>	<b>\$3,959.4</b>	<b>\$4,050.5</b>	<b>\$4,169.3</b>
<b><i>Inter-agency Subsidy Transactions</i></b>						
B&T Operating Surplus Transfer	\$477.3	\$416.0	\$345.0	\$332.4	\$291.6	\$234.8
MTA Subsidy to Subsidiaries	33.9	31.0	32.8	40.5	34.9	36.1
	<b>\$511.2</b>	<b>\$447.0</b>	<b>\$377.7</b>	<b>\$372.9</b>	<b>\$326.5</b>	<b>\$270.9</b>
<b>GROSS SUBSIDIES (excluding City Subsidy to MTA Bus)</b>	<b>\$3,958.5</b>	<b>\$4,293.9</b>	<b>\$4,147.2</b>	<b>\$4,068.1</b>	<b>\$4,101.0</b>	<b>\$4,150.5</b>
<b>GROSS SUBSIDIES (including City Subsidy to MTA Bus)</b>	<b>\$3,958.5</b>	<b>\$4,498.7</b>	<b>\$4,401.8</b>	<b>\$4,332.3</b>	<b>\$4,377.1</b>	<b>\$4,440.2</b>



**MTA Consolidated Subsidies**  
**November Financial Plan 2007 - 2010**  
**Summary of Changes Between November Plan and July Plan**  
**Cash Basis**  
(\$ in millions)

<b><u>Subsidies</u></b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b><i>Dedicated Taxes</i></b>						
Metro. Mass Transp. Oper. Asst. (MMTOA)	0.0	(0.1)	113.2	(24.1)	8.5	15.2
Petroleum Business Tax (PBT) Receipts	0.0	21.9	(18.0)	(7.1)	(3.5)	(3.3)
Mortgage Recording Tax (MRT)	0.0	66.4	53.6	38.4	38.1	39.5
MRT Transfer to Suburban Counties	0.0	0.0	(2.5)	(2.0)	(2.3)	(5.0)
Use of MRT Balances	0.0	0.0	0.0	0.0	0.0	0.0
Reimburse Agency Security Costs	0.0	0.0	0.0	0.0	0.0	0.0
Interest	0.0	7.7	0.0	0.0	0.0	0.0
Real Estate Stabilization Reserve	0.0	0.0	0.0	0.0	0.0	0.0
Urban Tax	0.0	110.1	147.9	175.3	194.4	209.4
Investment Income	0.0	2.7	(13.5)	(1.6)	(1.6)	(1.5)
	<b>\$0.0</b>	<b>\$208.6</b>	<b>\$280.7</b>	<b>\$178.9</b>	<b>\$233.6</b>	<b>\$254.1</b>
<b><i>State and Local Subsidies</i></b>						
State Operating Assistance	0.0	0.0	0.0	0.0	0.0	0.0
Local Operating Assistance (18-b)	0.0	0.0	0.0	0.0	0.0	0.0
Nassau County Subsidy (includes 18-b local match)	0.0	0.0	(3.0)	(7.7)	(12.1)	(12.8)
CDOT Subsidy - Effect of Fare Increase & PEGs	0.0	(1.4)	2.1	(0.0)	0.1	0.0
Station Maintenance	0.0	1.1	1.7	0.4	(1.0)	(2.0)
AMTAP	0.0	0.0	0.0	0.0	0.0	0.0
	<b>\$0.0</b>	<b>(\$0.4)</b>	<b>\$0.7</b>	<b>(\$7.3)</b>	<b>(\$13.0)</b>	<b>(\$14.7)</b>
Commuter Operating Capital Transfer - MNR M-7	0.0	0.0	0.0	0.0	0.0	0.0
<b>Sub-total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>\$0.0</b>	<b>\$208.2</b>	<b>\$281.4</b>	<b>\$171.6</b>	<b>\$220.6</b>	<b>\$239.4</b>
City Subsidy for MTA Bus	0.0	0.3	9.9	4.7	3.7	2.6
<b>Total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>\$0.0</b>	<b>\$208.6</b>	<b>\$291.3</b>	<b>\$176.3</b>	<b>\$224.3</b>	<b>\$242.0</b>
<b><i>Inter-agency Subsidy Transactions</i></b>						
B&T Operating Surplus Transfer	0.0	12.7	(6.0)	(4.2)	(6.3)	(7.3)
MTA Subsidy to Subsidiaries	0.0	(0.1)	(0.1)	(0.1)	0.1	0.3
	<b>\$0.0</b>	<b>\$12.6</b>	<b>(\$6.1)</b>	<b>(\$4.3)</b>	<b>(\$6.2)</b>	<b>(\$7.0)</b>
<b>GROSS SUBSIDIES (excluding City Subsidy to MTA Bus)</b>	<b>\$0.0</b>	<b>\$220.8</b>	<b>\$275.3</b>	<b>\$167.3</b>	<b>\$214.4</b>	<b>\$232.4</b>

## **METROPOLITAN MASS TRANSPORTATION OPERATING ASSISTANCE (MMTOA)**

Metropolitan Mass Transportation Operating Assistance Taxes (MMTOA) consist of special State taxes imposed within the MTA Transportation District which, subject to State appropriation, supplement the general operating subsidies of transportation systems in the District. MMTOA is comprised of the following taxes: petroleum business tax (PBT), which is a small portion of the basic PBT imposed on petroleum businesses operating within New York State; sales tax imposed on sales and uses of certain tangible personal property and services; corporate franchise taxes imposed on certain transportation and transmission companies; and temporary corporate surcharges imposed on the portion of the franchise and other taxes of certain businesses attributable to the conduct of business within the transportation district.

Total Statewide MMTOA taxes for 2006 are estimated at \$1,799 million, of which \$1,738 million is allotted for Downstate transit properties. Of the Downstate allotment, \$182.5 million is earmarked to fund the State's 18-b obligations. The percentage allocation of MMTOA's downstate share that comes to NYCT/SIR represents 59.4%, and the share to the commuter railroads represent 27.2%. A portion was also allotted to Long Island Bus, city private buses funded by New York City and other downstate transportation properties. In 2006, there are no changes from the July Plan to the shares of the MTA total that goes to NYCT/SIR, the Commuter Railroads and Long Island Bus. Of the total MTA share, \$835.9 million is payable to NYCT and SIR, \$433.3 million to MTA for the commuter railroads, and \$41.9 million to Long Island Bus. MMTOA funds for the city private buses continue to be paid directly to New York City, which totally reimburses MTA for those bus lines run by the MTA Bus Company.

### **2006 November Forecast**

The 2006 November MMTOA Forecast reflects the enacted State Budget appropriation for MTA of \$1,311.1 million, which did not change from the July Plan level. Of this total estimated MMTOA cash receipts, \$835.9 million is earmarked for NYCT/SIR, \$433.3 million for the commuter railroads, and \$41.9 million for Long Island Bus. Since the July Plan, however, receipts for the MMTOA taxes collected by New York State have been revised. Based on the State Budget's (DOB) Mid-Year Financial Plan Update, State FY 2006/2007 gross receipts in the MMTOA account are now forecast to be \$152.8 million higher than the receipts contained in the State's Enacted Budget. The increase reflects mostly higher Corporate Surcharge, much of which is due to the State's tax audits on various corporate contributors to the taxes that resulted in reassessment of tax liabilities, as well as higher Sales Tax revenues, partially offset by lower PBT. A large portion of the increase in the Corporate Surcharge is attributable to "one-shots" due to the additional revenues generated from the

State's tax audits, as well as increased activities in the current year, and is not expected to recur at the same rate.

In 2006, the State will fund \$182.5 million in 18-b obligations from MMTOA, which is the same level as the July Plan.

In 2006, the percentage allocation of MTA's share of Downstate MMTOA is derived from the actual amounts appropriated by the State and has not changed from the July allocations.

The State has committed to seeking an appropriation of \$135 million to support MTA projects located in areas devastated by the World Trade Center disaster, specifically South Ferry and the underpinning of the #1 Train, to allow the Port Authority of NY and NJ to advance its transportation projects while the #1 continues to operate 24 hours a day. These funds reflect MMTOA monies available in the downstate MMTOA account, but not yet appropriated, and are not included in MTA's Financial Plan since the funds are expected to be earmarked for capital activities.

### **2007 Final Proposed Budget**

For 2007, total MTA MMTOA is estimated to be \$1,522.4 million, an increase of \$113.2 million over the July Plan estimate. Of this total, \$977.5 million is earmarked for NYCT and SIR, and \$494.3 million for the commuter railroads. In addition, \$50.6 million is allocated for Long Island Bus. The 2007 forecast includes \$100.0 million of MMTOA funds that were collected in prior years that have not been appropriated by the State, but were assumed to be earmarked for MTA as part of the 2005 revenue actions by the Legislature. Similar to the July Plan, the November Plan assigns the full \$100.0 million to 2007, to be paid from the unappropriated balance in the MMTOA account. In addition, the 2007 forecast includes a carry-over of \$141.5 million, which represents additional collections in SFY 2006-07, consistent with the updated NYS 2006 Mid-Year Budget Forecast, but not appropriated in 2006. The total carry-over in 2007 reflects the following allotments: \$160.9 million to NYCT/SIR, \$73.4 million to the commuter railroads and \$7.3 million to LIB. An additional \$1.3 million is allotted to LIB in 2007. This represents the carry-over that was forecasted in the July Plan as a 2008 receipt, and is now being moved to 2007 in the November Plan.

Compared with the July Plan, the 2007 base MMTOA levels for MTA reflects a decrease of \$29.7 million, primarily from reforecast of base MMTOA taxes to better reflect NYS Budget's latest projections. The reforecast was driven mostly by decreased levels for Corporate Surcharge and PBT in 2007, partially offset by increased Sales Taxes.

The November Plan assumes that in 2007, the State's funding of its 18-b

obligations will remain at the 2006 level of \$182.5, which is the same as the July Plan level and consistent with the recently enacted State Budget. The November Plan retains the July Plan's percentage allocations of MMTOA's downstate share that comes to MTA, reflecting pre-2004 levels. NYCT/SIR's proposed appropriation in 2007 represents 61.1% and appropriation to the Commuter Railroads represents 27.7%.

The 2007 November forecast of the individual MMTOA taxes assumes the following tax growth rates from the 2006 level:

Sales Tax	4.3%
Petroleum Business Tax	4.9%
Corporate Franchise Tax	0.0%
Corporate Tax Surcharge	(21.1%)

The large negative change in the Corporate Surcharge growth rate reflects the substantial non-recurring bump in collections in 2006 discussed in the 2006 Forecast section above. Moreover, the State's Mid-Year Forecast projects that the national economy will continue to lose momentum, and growth is expected to return to the economy's long-term trend rate by the second half of 2007.

### **2008 - 2010**

In 2008, the forecast for MMTOA cash receipts is below the July Plan levels by \$24.1 million. The decrease from the July Plan level primarily reflects lower Corporate Surcharge and PBT, partially offset by higher Sales Tax collections, based on State Budget's updated predictions. In 2009 and 2010, the forecasts for MMTOA cash receipts increased above the July Plan levels by \$8.5 million and \$15.2 million respectively.

In 2008, the forecast includes an additional \$47.2 million in unappropriated MMTOA funds from prior years available for downstate transportation properties. Of this amount, \$43.1 million, or 91.3%, is assumed to be earmarked for the MTA, which reflects the MTA's share of the downstate allotment. NYCT/SIR is allotted \$29.7 million, or 61.1%, the commuter railroads are allotted \$13.4 million, or 27.7%. The share allotted to LIB in the July Plan of \$1.3 million was reassigned to 2007 and reflected in LIB's 2007 carry-over. The balance is for other downstate transportation.

The 2008 through 2010 forecasts assume the following tax growth rates, which are consistent with the State's Mid-Year Forecast:

	<b>2008</b>	<b>2009</b>	<b>2010</b>
Sales Tax	3.7%	3.9%	4.1%
Petroleum Business Tax	4.5%	0.3%	0.7%
Corporate Franchise Tax	0.0%	0.0%	0.0%
Corporate Tax Surcharge	3.1%	7.2%	4.4%

**MMTOA STATE DEDICATED TAXES**  
**November Financial Plan 2007 - 2010**  
**Tax Yield Distribution 2005 - 2010**  
(\$ in millions)

	2005	2006				
	Actual	November Forecast	2007	2008	2009	2010
<b><u>Forecast of MMTOA Gross Receipts (\$FY):</u></b>						
Sales Tax	\$608.8	\$708.8	\$739.0	\$766.6	\$796.8	\$829.1
PBT	143.1	136.2	142.9	149.3	149.8	150.9
Corporate Franchise	73.4	68.0	68.0	68.0	68.0	68.0
Corporate Surcharge	638.1	886.0	699.0	721.0	773.0	807.0
Investment Income	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Gross Receipts Available for Allocation</b>	<b>\$1,463.4</b>	<b>\$1,799.0</b>	<b>\$1,648.9</b>	<b>\$1,704.9</b>	<b>\$1,787.6</b>	<b>\$1,855.0</b>

**Allocation of Total Gross Receipts to DownState:**

Total Gross Receipts	\$1,463.4	\$1,799.0	\$1,648.9	\$1,704.9	\$1,787.6	\$1,855.0
Less: Upstate Share of PBT	(64.4)	(61.3)	(64.3)	(67.2)	(67.4)	(67.9)
Upstate Percent Share of Investment Income	4.40%	3.41%	3.90%	3.94%	3.77%	3.66%
Less: Upstate Share of Investment Income	0.1	0.0	0.0	0.0	0.0	0.0
<b>Total Net DownState Share Available for Allocation</b>	<b>\$1,399.1</b>	<b>\$1,737.7</b>	<b>\$1,584.6</b>	<b>\$1,637.7</b>	<b>\$1,720.2</b>	<b>\$1,787.1</b>
Less: 18-B Adjustment	(182.5)	(182.5)	(182.5)	(182.5)	(182.5)	(182.5)
<b>Adjusted Total Net DownState Share for Allocation</b>	<b>\$1,216.6</b>	<b>\$1,555.2</b>	<b>\$1,402.1</b>	<b>\$1,455.2</b>	<b>\$1,537.7</b>	<b>\$1,604.6</b>

**Allocation of Total Net DownState Share to NYCT/SIR:**

NYCT/SIR Share	62.51%	59.41%	61.12%	61.12%	61.12%	61.12%
From Total Net DownState Share	\$874.6	\$1,082.0	\$968.6	\$1,001.0	\$1,051.4	\$1,092.3
Less: 18-B Adjustment	(152.0)	(152.0)	(152.0)	(152.0)	(152.0)	(152.0)
Adjusted Total Net DownState Share	\$722.6	\$930.0	\$816.5	\$849.0	\$899.4	\$940.3
From Carryover	(105.6)	(94.2)	160.9	29.7	0.0	0.0
<b>Total NYCT/SIR Share of Net DownState Share</b>	<b>\$617.0</b>	<b>\$835.9</b>	<b>\$977.5</b>	<b>\$878.6</b>	<b>\$899.4</b>	<b>\$940.3</b>
Total SIR Share	1.9	2.5	2.9	2.6	2.7	2.8
<b>Total NYCT Share of Net DownState Share</b>	<b>\$615.1</b>	<b>\$833.4</b>	<b>\$974.5</b>	<b>\$876.0</b>	<b>\$896.7</b>	<b>\$937.5</b>

**Allocation of Total Net DownState Share to MTA:**

MTA Share	27.91%	27.15%	27.71%	27.71%	27.71%	27.71%
From Total Net DownState Share	\$390.5	\$494.5	\$439.1	\$453.8	\$476.7	\$495.2
Less: 18-B Adjustment	(18.1)	(18.1)	(18.1)	(18.1)	(18.1)	(18.1)
Adjusted Total Net DownState Share	\$372.3	\$476.4	\$421.0	\$435.7	\$458.5	\$477.1
From Carryover	(42.7)	(43.1)	73.4	13.4	0.0	0.0
<b>Total MTA Share of Net DownState Share</b>	<b>\$329.7</b>	<b>\$433.3</b>	<b>\$494.3</b>	<b>\$449.1</b>	<b>\$458.5</b>	<b>\$477.1</b>

**Allocation of Total Net DownState Share to LIB:**

LI Bus Share	2.77%	2.63%	2.77%	2.77%	2.77%	2.77%
From Total Net DownState Share	\$38.8	\$47.9	\$43.9	\$45.4	\$47.6	\$49.5
Less: Used for 18-B/other	(1.8)	(1.8)	(1.8)	(1.8)	(1.8)	(1.8)
Adjusted Total Net DownState Share	\$36.9	\$46.1	\$42.1	\$43.5	\$45.8	\$47.7
From Carryover	(0.6)	(4.2)	8.6	0.0	0.0	0.0
<b>Total LIB Share of Net DownState Share</b>	<b>\$36.3</b>	<b>\$41.9</b>	<b>\$50.6</b>	<b>\$43.5</b>	<b>\$45.8</b>	<b>\$47.7</b>

## **PETROLEUM BUSINESS TAXES (PBT) (Trust Fund Taxes)**

The Statewide Dedicated Funds Pool is the repository for revenues from the following dedicated taxes and fees: petroleum business taxes, a business privilege tax imposed on petroleum businesses operating in New York State; motor fuel taxes, an excise tax levied with respect to gasoline and diesel motor fuels; and motor vehicle fees that are derived mainly from vehicle registration and driver license fees. Subject to statutory allocation under current State Law, thirty-four percent (34%) of the Dedicated Funds Pool is currently deposited in the Mass Transportation Trust Fund (MTTF) for MTA's benefit. Amounts transferred from the MTTF Account to the MTA's Dedicated Tax Fund constitute MTTF Receipts. For the purposes of budget preparations, MTTF Receipts are also referred to as PBT Receipts interchangeably. Eighty-five percent (85%) of the MTTF Receipts are payable to New York City Transit (NYCT) for the benefit of NYCT and SIR, and the remaining 15% to MTA for the benefit of LIRR and Metro-North.

MTA utilizes the MTTF Receipts (PBT) to pay debt service on MTA's Dedicated Tax Fund Bonds (DTF Bonds). Debt service on DTF Bonds is payable first from PBT Receipts and then, to the extent of any deficiency, from MMTOA Taxes. On an annual basis to date, PBT Receipts have been sufficient to meet all debt service commitments and no MMTOA Taxes have been used.

After debt obligations are satisfied, the remaining PBT funds are transferred for use by New York City Transit and the Commuter Railroads as a subsidy.

### **2006 November Forecast**

The 2006 November Forecast for PBT is based on actual results through November.

The 2006 MTA PBT Receipts, on a cash basis, are estimated at \$615.5 million, an increase of \$21.9 million compared with the July Plan forecast. The change reflects the actual collections as of November 2006 year-to-date. Of the MTA allocation, 85% or \$526.0 million is earmarked for New York City Transit and 15%, or \$89.5 million, for the Commuter Railroads.

On an accrual basis, PBT estimates for 2006 are \$614.6 million, which is \$20.4 million higher than the July Plan estimate. The accrual estimate is based on a one-month lag in the booking and collections of PBT proceeds.

## **2007 Forecast**

For 2007, PBT cash is estimated to be \$597.1 million; \$18.0 million lower than the July Plan estimate. This change reflects the updated PBT estimates in New York State Budget's Mid-Year forecast. In the November Plan, the estimate of PBT receipts for 2007 declined by 3.0% when compared with 2006. This is contrary to the July Plan forecast which reflected positive growth from 2006 to 2007 of 3.6%. This change was due to higher PBT estimates for 2006 in the November Plan, based on year-to-date actual collections, and a subsequent drop in the PBT level in 2007 compared to the July Plan estimate, to reflect NYS' updated mid-year forecast.

The downward trend in PBT in the State's Mid-Year Forecast for SFY 2007-08 is driven primarily by a decline in the petroleum business tax and motor fuel tax components. There was no change in the motor vehicle tax component.

On an accrual basis, PBT is estimated at \$598.5, a decrease of \$17.1 million from the July Plan level.

## **2008 - 2010**

For 2008 through 2010, PBT cash estimates are \$614.2 million, \$620.5 million and \$623.1 million respectively. The cash estimates are \$7.1 million, \$3.5 million and \$3.3 million lower than forecasted in the July Plan in each of the respective years. The estimates are consistent with the State's Mid-Year Forecasts.

In the November Plan, estimates of PBT receipts increased over the prior year by 2.9%, 1.0% and 0.4% for each of the years 2008, 2009 and 2010. When compared to the July Plan, however, the estimates of PBT receipts decreased by \$7.1 million or 1.1% in 2008, \$3.4 million or 0.5% in 2009, and \$3.3 million or 0.5% in 2010. The reforecast of PBT receipts from the July Plan levels reflects updated New York State forecast that has PBT trending downwards. The State's reforecast is driven primarily by lower petroleum business tax receipts and motor fuel taxes.

On an accrual basis, PBT estimates for 2008 through 2010 are \$614.8 million, \$620.71 million and \$623.3 million respectively.



**PETROLEUM BUSINESS TAX PROJECTIONS**

**November Financial Plan 2007 - 2010**

**Tax Yield Distribution 2005 -2010**

(\$ in millions)

	ACTUAL	FORECAST				
	2005	2006	2007	2008	2009	2010
<b>Total Net PBT Collections Available for Distribution</b>	<b>\$1,637.5</b>	<b>\$1,810.3</b>	<b>\$1,756.2</b>	<b>\$1,806.6</b>	<b>\$1,824.9</b>	<b>\$1,832.6</b>

**Distribution Shares:**

MTA Total	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%
Other Transit	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Highway Trust Fund	63.0%	63.0%	63.0%	63.0%	63.0%	63.0%
General Fund	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Share Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

**Amount of Total Net Collections Available for the MTA:**

<b>MTA Total</b>	<b>\$556.8</b>	<b>\$615.5</b>	<b>\$597.1</b>	<b>\$614.2</b>	<b>\$620.5</b>	<b>\$623.1</b>
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**Accrued**

NYCT/SIR Share of MTA Total	\$477.0	\$525.4	\$511.5	\$525.4	\$530.4	\$532.7
Commuter Railroad Share of MTA Total	<u>84.2</u>	<u>89.1</u>	<u>87.0</u>	<u>89.4</u>	<u>90.2</u>	<u>90.6</u>
<b>MTA Total of Net Collections</b>	<b>\$561.2</b>	<b>\$614.6</b>	<b>\$598.5</b>	<b>\$614.8</b>	<b>\$620.7</b>	<b>\$623.3</b>

## **MORTGAGE RECORDING TAXES (MRT)**

The Mortgage Recording Taxes consist of two separate taxes: Mortgage Recording Tax-1 (MRT-1) and Mortgage Recording Tax-2 (MRT-2).

MRT-1 is imposed on the borrower for recorded mortgages of real property, subject to certain exclusions, and collected by New York City and the seven other counties within the MTA's service area, at the rate of three-tenths of one percent (3/10%) of the debt secured by certain real estate mortgages. This rate was increased from one-quarter of one percent in June 2005. Receipts from MRT-1 must be applied, first, to meet MTA Headquarters operating expenses and, second, to make deposits into the New York City Transit (NYCT) Account (55% of the remaining amount) and the Commuter Railroad Account (45% of the remaining amount).

Moneys in the NYCT Account are required to be used to pay operating and capital costs of NYCT, its subsidiaries, and Staten Island Railway (SIR). Moneys in the Commuter Railroad Account are required to be first used to pay up to \$20 million to the State Suburban Transportation Fund each year. In the event the transfer to the Suburban Fund would result in a Commuter Railroad operating deficit, the amount of the deficit is appropriated to the MTA for Commuter Railroad operating purposes, and not transferred to the Suburban Fund. After first making the required transfers to the Suburban Fund, the balance in the Commuter Railroad Account is required to be used to pay commuter railroad operating and capital costs, excluding SIR costs.

MRT-2 is a tax imposed on the institutional lender. It consists of one-quarter of one percent (1/4%) of certain recorded mortgages secured by real estate improved, or to be improved, that consists of structures containing one to six dwelling units in the MTA's service area. MRT-2 receipts are to be applied, first, to make deposits into the Payment Sub-accounts of Dutchess, Orange and Rockland counties and, second, to make deposits into the Corporate Purposes Sub-account for the purpose of paying operating and capital costs, including debt service and debt service reserve requirements, if any, incurred for the benefit of MTA, NYCT and their respective subsidiaries.

Each year, MTA is required to transfer an annual amount of \$5.0 million, made in equal quarterly installments, from the Corporate Transportation Account to the MTA's Dutchess, Orange and Rockland Fund (DORF); \$1.5 million is for each of the counties of Dutchess and Orange, and \$2.0 million is for the county of Rockland. Additionally, MTA must transfer from the Corporate Transportation Account to DORF for each of these three counties, respectively, an amount equal to the product of (i) the percentage by which such county's mortgage recording tax payment to MTA in the preceding calendar year increased over such payment in calendar year 1989 and (ii) \$1.5 million each for Dutchess and Orange Counties and \$2.0 million for Rockland County.

### **Forecast Methodology**

Mortgage Recording Tax receipts for the remainder of 2006 – November and December – are based on recent year-over-year trends, while 2007 tax receipts are based on tax

receipt trends currently projected by the City of New York in its November 2006 Financial Plan. For 2008 through 2010, Mortgage Recording Tax estimates are based on sixteen individual forecasting models. For each of eight jurisdictions – New York City and the seven suburban counties in the MTA region – there is an MRT-1 model and an MRT-2 model. In these models, which are time-service regression models with a log-log specification, tax receipts are a function of the ten-year U.S. Treasury Note rate and the population of the particular jurisdiction.

### **2006 November Forecast**

The 2006 November Forecast consists of actual receipts through October; forecasts for November and December reflect recent trends in MRT receipts. To forecast November and December, the year-over-year trend from September-October 2005 to September-October 2006 was applied to the November 2005 and December 2005 receipts for New York City and for each suburban county.

For 2006, MRT-1 gross receipts on a cash basis are estimated at \$457.7 million, an increase of \$24.0 million, or 5.5%, over the 2005 level and an increase of \$36.4 million, or 8.6%, over the 2006 Mid-Year Forecast level. Of the total, \$254.7 is expected to be applied to the MTA Headquarters operating deficit in 2006. MRT-1 distribution to NYCT and SIR is estimated at \$111.7 million, and \$71.4 million is estimated to be distributed to the commuter railroads. MRT-2 gross receipts on a cash basis are estimated at \$284.0 million, a decrease of \$13.6 million, or 4.6%, over the prior year and an increase of \$30.0 million, or 11.8%, over the 2006 Mid-Year Forecast level. Overall, combined MRT is projected to be \$741.7 million, an increase of \$10.4 million, or 1.4%, over 2005 MRT receipts, and increase by \$66.4 million, or 9.8%, over the MRT estimate in the 2006 Mid-Year Forecast.

The slowdown in annual growth reflects the impact higher mortgage interest rates have had on residential real estate activity. Over the past twenty-nine months, the Federal Reserve Board of Governors has increased the Federal Funds Rate by 25 basis points on each of seventeen occasions, raising the rate from 1.0% to its current level of 5.25%. Despite these numerous increases, mortgage interest rate increases have only recently begun soften the residential real estate market, with prices moderating and the inventory of available housing significantly increasing.

The Mid-Year Forecast resulted in 2006 MRT receipts being lower than 2005 receipts, based on the assumption that higher interest rates would have a prominent effect on activity. Instead, receipts have only recently begun to exhibit pronounced declines relative to the previous year's receipts. When adjusted for the 20% tax rate increase that went into effect during 2005, 2006 year-to-date receipts through October are 2.8% less than 2005 receipts through October; however, while year-over-year receipts were up 3.3% through April, since May year-over-year receipts have declined 6.5%. Recent monthly year-over-year relationships have shown even steeper declines. The Mid-Year Forecast had assumed significantly steeper declines than those actually experienced.

## **2007 Final Proposed Budget**

The recent slowdown in residential real estate activity in the MTA region has resulted in smaller increases in new house and existing house sale prices, as well as significantly increasing the average length of time properties are listed for sale. Including the 2006 Year-End Forecast, MRT receipts have increased for eleven consecutive years and have doubled since 2002. With no reason to expect mortgage interest rates to return anywhere near their forty-year record lows in 2004, and mortgage activity expected to continue at the slower pace experienced over the past few months, overall MRT receipts are projected to decline in 2007 from the record 2006 level.

The 2007 MRT-1 and MRT-2 forecasts for New York City and the suburban counties are based on projected changes in residential mortgage recording tax receipts in the City of New York's November 2006 Financial Plan, which assumes New York City residential MRT receipts will decline 12% during City Fiscal Year 2007, and decline an additional 23% during City Fiscal Year 2008. The application of these rates to the MTA results in projected 2007 MRT-1 receipts of \$361.5 million, a decline of \$96.2 million, or 21.0%, from the 2006 November Forecast and MRT-2 revenue of \$221.9 million, a decline of \$62.1 million, or 21.9%, from the 2006 November Forecast. Overall, MRT is projected to decline by \$158.3 million from 2006 to 2007, a 21.3% year-over-year reduction, to \$583.4 million.

The estimate of 2007 MRT receipts for the November Plan is \$53.6 million, or 10.1%, greater than estimate in the July Plan. MRT-1 receipts are expected to be \$30.2 million, or 9.1%, greater than the July Plan while MRT-2 receipts are estimated to exceed the July Plan by \$23.4 million, or 11.8%.

## **2008-2010**

MRT projections in the Financial Plan for 2008 through 2010 are based on a series of time-series models. Forecasts of MRT receipts are based on 10-year U.S. Treasury Note rate projections and county-level population forecasts. During the forecast period, the 10-Year U.S. Treasury Note rate is expected to increase to 5.29% in 2008, 5.60% in 2009 and 5.65% in 2010. Population growth estimates range from 0.2% to 0.3% per year for New York City, are 0.2% to 0.3% per year for the Nassau/Suffolk area, are 0.1% per year for Westchester, range from 1.1% to 1.4% per year for Putnam, are 0.6% per year for Dutchess, are 0.3% per year for Rockland and range from 0.7% to 0.8% per year for Orange.

Over the Financial Plan period, MRT-1 receipts are projected to be \$353.9 million in 2008, \$347.9 million in 2009 and \$353.2 million in 2010. MRT-2 receipts are projected to be \$211.6 million in 2008, \$203.5 million in 2009 and \$205.3 million in 2010. Total MRT receipts are forecast to be \$565.5 million in 2008, \$551.4 million in 2009 and \$558.6 million in 2010. Total MRT receipts are \$38.4 million, \$38.1 million and \$39.5 million higher than the July Plan projections in each of the years 2008, 2009 and 2010, respectively. These changes from the July Plan are due to a smaller than anticipated near-term downturn in the residential real estate market coupled with less of an impact from higher interest rates.

### **Additional Assumptions**

MTA's general reserve is funded by MRT-2. Similar to the July Plan, the November Plan Forecast reallocates \$40.0 million in unspent General Reserve earmarked for 2005 into equal installments in 2006 through 2009, with \$10 million added to each year. The November Forecast maintains the July Plan's general reserve level of \$75 million annually beginning in 2007. For 2006, the general reserve is eliminated (July Plan included \$31.3 million).

MRT-2 is also used to reimburse the agencies for certain security expenses from a fund managed by MTA Police. These funds are used for agency security projects that are capitally eligible and therefore will affect depreciation and asset values in the MTA Financial Statements. An amount of \$16.5 million annually has been earmarked in the Plan to cover these security expenses in each of the years from 2006 through 2010, which represents no change from the July Plan forecast.

The MRT-2 allocations in the July Plan, as was the case with the November Plan, reflect the baseline assumptions before implementation of certain policy actions. Implementation of these policy actions are expected to affect agency transfers of these funds.

**Summary of Mortgage Recording Tax Projections**  
**November Financial Plan 2007 - 2010**  
**Tax Yield Distribution 2005 - 2010**  
(\$ in millions)

	ACTUAL	FORECAST				
	2005	2006	2007	2008	2009	2010
<b>MORTGAGE RECORDING TAX #261-1</b>						

**Receipts Available for Transfer to NYCT and CRs:**

Total Gross Receipts	\$433.7	\$457.7	\$361.5	\$353.9	\$347.9	\$353.2
Carryover	15.1	0.0	0.0	0.0	0.0	0.0
Less: MTAHQ Operating Deficit	(280.8)	(254.7)	(279.4)	(282.0)	(281.2)	(290.1)
<b>Net Receipts Available for Transfer</b>	<b>\$168.0</b>	<b>\$203.0</b>	<b>\$82.1</b>	<b>\$71.9</b>	<b>\$66.7</b>	<b>\$63.1</b>

**Allocation of Net Receipts to NYCT/SIR Account:**

Opening Balance	\$15.8	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
NYCT/SIR Share	55%	55%	55%	55%	55%	55%
From Current Year Net Receipts	92.4	111.7	45.1	39.5	36.7	34.7
Interest	0.7	0.0	0.0	0.0	0.0	0.0
Carryover	0.0	0.0	0.0	0.0	0.0	0.0
Transfers from MRT-2	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total NYCT/SIR Net Cash Share</b>	<b>\$108.8</b>	<b>\$111.7</b>	<b>\$45.1</b>	<b>\$39.5</b>	<b>\$36.7</b>	<b>\$34.7</b>
Total SIR Net Cash Share	0.0	0.3	0.1	0.1	0.1	0.1
<b>Total NYCT Net Cash Share</b>	<b>\$108.8</b>	<b>\$111.4</b>	<b>\$45.0</b>	<b>\$39.4</b>	<b>\$36.6</b>	<b>\$34.6</b>

**Allocation of Net Receipts to Commuter Railroad Account:**

Opening Balance - CR/SHF	\$27.4	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Commuter Railroad Share	45%	45%	45%	45%	45%	45%
From Net Receipts	75.6	91.4	36.9	32.3	30.0	28.4
Interest	0.9	0.1	0.0	0.0	0.0	0.0
Carryover	0.0	0.0	0.0	0.0	0.0	0.0
Less: Suburban Highway Fund	(20.0)	(20.0)	(20.0)	(20.0)	(20.0)	(20.0)
Transfers from MRT-2	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Commuter Railroad Net Cash Share</b>	<b>\$83.9</b>	<b>\$71.4</b>	<b>\$16.9</b>	<b>\$12.3</b>	<b>\$10.0</b>	<b>\$8.4</b>

<b>MORTGAGE RECORDING TAX #261-2</b>
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**Receipts Available**

Total Receipts to Corporate Account	\$297.7	\$284.0	\$221.9	\$211.6	\$203.5	\$205.3
Opening Fund Balance (starting in 1998)	41.6	40.0	30.0	20.0	10.0	0.0
Transfer (to)/from Agency Operating Accounts	(22.9)	(16.5)	(16.5)	(16.5)	(16.5)	(16.5)
Reserve for Following Year/Cash Flow Provision	(40.0)	(30.0)	(20.0)	(10.0)	0.0	0.0
General Reserve	0.0	0.0	(75.0)	(75.0)	(75.0)	(75.0)
Real Estate Tax Stabilization Account	0.0	0.0	0.0	0.0	0.0	0.0
Investment Income	1.3	7.9	0.0	0.0	0.0	0.0
<b>Total Receipts Available for Transfer</b>	<b>\$277.7</b>	<b>\$285.4</b>	<b>\$140.4</b>	<b>\$130.1</b>	<b>\$122.0</b>	<b>\$113.8</b>

**Use of Total Receipts:**

DORF Opening Balance	\$4.5	\$4.5	\$4.5	\$4.5	\$4.5	\$4.5
Less: Transfer to MTA DORF Account	(22.3)	(27.6)	(28.0)	(22.0)	(21.4)	(20.8)
Less: Transfer to MTAHQ Funds	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net Receipts Available</b>	<b>\$259.9</b>	<b>\$262.2</b>	<b>\$116.9</b>	<b>\$112.5</b>	<b>\$105.1</b>	<b>\$97.5</b>

## **URBAN TAXES**

Urban Taxes consist of two separate taxes applied to certain commercial real property transactions and commercial mortgage recordings within New York City: a Mortgage Recording Tax (MRT) is imposed on mortgages exceeding \$500,000 on New York City commercial properties; and, a Real Property Transfer Tax (RPTT) imposed on the transfer of New York City commercial real properties valued over \$500,000. Tax receipts are available only for transit purposes in New York City, with 90% of the receipts earmarked for New York City Transit (NYCT) general operations, 6% used for the partial reimbursement of NYCT Paratransit costs, and the remaining 4% earmarked as subsidy for the New York City private buses. The City is currently utilizing these funds to reimburse MTA Bus expenses.

### **Forecast Methodology**

Urban Tax receipts for the remainder of 2006 – November and December – are based on recent year-over-year trends, while 2007 tax receipts are based on tax receipt trends currently projected by the City of New York in its November 2006 Financial Plan. For 2008 through 2010, Urban Tax estimates are based on two forecasting models, one for the MRT and one for the RPTT. In these models, which are time-service regression models with a log-log specification, tax receipts are a function of the ninety-day U.S. Treasury Bill rate and New York City private-sector employment.

### **2006 November Forecast**

The 2006 November Forecast consists of actual receipts through October; forecasts for November and December reflect recent trends in MRT and RPTT receipts. To forecast November and December, the year-over-year trend from September-October 2005 to September-October 2006 was applied to the November 2005 and December 2005 receipts for both MRT and RPTT. To reflect preliminary November 2006 RPTT and MRT receipts, the 2006 November Forecast has been adjusted upwards by \$20 million for RPTT and by \$10 million for MRT.

For 2006, Urban Tax receipts on a cash basis are estimated at \$610.2 million, an increase of \$58.8 million, or 10.7%, over the 2005 level and an increase of \$110.1 million, or 22.0%, over the 2006 Mid-Year Forecast level. Compared with 2005 receipts, the RPTT component in the November 2006 Forecast is projected to increase 14.0% while the MRT component is projected to increase 4.5%.

Over the past twenty-nine months, the Federal Reserve Board of Governors has increased the Federal Funds Rate by 25 basis points on each of seventeen occasions, raising the rate from 1.0% to its current level of 5.25%. Despite these numerous increases, interest rate increases have only recently begun to soften the level of commercial real estate transactions dependent on mortgages for financing property acquisitions. Overall, however, office space and multiple-unit residential structures

remain an attractive vehicle for investment purposes, and this is reflected by the continued growth in the RPTT component of the Urban Tax.

The Mid-Year Forecast, which had 2006 Urban Tax receipts lower than 2005 receipts, assumed a pronounced impact from higher interest rates. Instead, receipts have only recently begun to exhibit declines relative to the previous year's receipts. 2006 year-to-date receipts through October are 9.7% greater than 2005 receipts through October; however, while year-over-year receipts were up 42.3% through April, since May year-over-year receipts have declined 3.5%. Recent monthly year-over-year relationships have shown even steeper declines. The Mid-Year Forecast had assumed significantly steeper declines than those actually experienced.

These projected 2006 Urban Tax receipts *do not* include RPTT receipts resulting from the Metropolitan Life Insurance Company's recently completed sale of Stuyvesant Town and Peter Cooper Village to an investment group headed by Tishman Speyer for \$5.4 billion. This transaction is expected to result in additional net RPTT receipts to NYCT (including the portion designated for Paratransit reimbursement) of \$52 million. This additional RPTT revenue is further discussed in the Proposed Policy Actions section of this financial plan.

### **2007 Final Proposed Budget**

The slowdown in recent commercial activity is expected to continue into 2007, and the projected Urban Tax receipts in the 2007 Proposed Budget reflect this trend. Including the 2006 Year-End Forecast, Urban Tax receipts have increased for six consecutive years and have more than tripled since 2002. Despite the projected decline, Urban Tax receipts for the 2007 Proposed Budget are expected to be the third highest since the tax was first collected 25 years ago, and is only surpassed by 2005 and 2006 receipts.

The 2007 MRT and RPTT components of the Urban Tax forecast are based on projected changes in commercial mortgage recording tax receipts and commercial real property transfer tax receipts in the City of New York's November 2006 Financial Plan. The City's November 2006 Financial Plan estimates New York City commercial MRT receipts will increase 5.0% during City Fiscal Year 2007 before declining 22% during City Fiscal Year 2008; the City November 2006 Financial Plan further estimates that NYC commercial RPTT receipts will decline 13% during City Fiscal Year 2007, and decline an additional 14.7% during City Fiscal Year 2008. The application of these rates to the MTA forecast results in projected 2007 Urban Tax receipts of \$494.7 million, a decline of \$115.5 million, or 18.9%, from the 2006 Year-End Forecast.

The estimate of 2007 Urban Tax receipts for the November Plan is \$147.9 million, or 42.6%, greater than estimate in the July Plan.



## **2008 - 2010**

Urban Tax projections in the Financial Plan for 2008 through 2010 are based on individual time-series models for the MRT and RPTT components. Forecasts for the taxes are based on 3-month U.S. Treasury Bill rate projections and New York City private-sector employment forecasts. During the forecast period, the 3-month U.S. Treasury Bill rate is expected to increase to 4.66% in 2008, 4.80% in 2009 and 4.84% in 2010. New York City private-sector employment growth estimates are expected to increase by 0.99% in 2008, 0.87% in 2009 and 0.54% in 2010.

Over the Financial Plan period, Urban Tax receipts are projected to be \$556.3 million in 2008, \$593.5 million in 2009 and \$620.5 million in 2010. Total Urban Tax receipts are \$175.3 million, \$194.4 million and \$209.4 million higher than the July Plan projections in each of the years 2008, 2009 and 2010, respectively. These changes from the July Plan are due to a stronger than anticipated demand for commercial real estate in New York City.

## **STATE AND LOCAL SUBSIDIES**

State and Local Subsidies consist of New York State and Local Section 18-B Operating Assistance, Nassau County Subsidy, Station Maintenance and Connecticut Department of Transportation (CDOT) Subsidy to Metro-North Railroad. In addition, the Commuter Railroads' subsidies include additional Mass Transit Assistance Program (AMTAP) aid appropriated by the State and an operating capital transfer in 2006 for Commuter rolling stock.

New York State 18-b Operating Assistance is direct State aid to the MTA appropriated by the State Legislature on an annual basis. Each County in the MTA Transportation District is required by the transportation law to match the State amounts by making quarterly payments of Local 18-b Operating Assistance to the MTA. Beginning in 1994, the State earmarked a portion of the dedicated taxes to fund the State's obligations for 18-b payments.

Nassau County subsidies are intended to meet payment obligations for LIB's operating deficit. Nassau's Local 18-b match for LIB is also included in the Nassau County subsidy.

Connecticut Department of Transportation (CDOT) subsidy payments are made to Metro-North Railroad as reimbursement for expenses associated with commuter train operations by Metro-North in the State of Connecticut.

Station Maintenance subsidy is paid by the City and each of the seven counties in the MTA region for the operation, maintenance and use of Commuter System passenger stations within the City and each of the counties. Station Maintenance base amounts were established in 1999 and are subject to CPI (Consumer Price Index) adjustment each year thereafter.

The current costs of the MTA Bus' operations are 100% reimbursable by the City of New York. Under agreement with the MTA, the City of New York agreed to pay MTA Bus the difference between the actual operating costs of the City bus routes and all revenue received for operations in said routes. In addition, MTA Bus' subsidy allocation includes its share of the "Pattern Labor Provision" contained in the MTA consolidated tables. It is also assumed in the Plan that a portion of potential Health and Welfare savings that may result from on-going labor negotiations would be earmarked for the MTA GASB Fund. MMTOA, 18-b and Urban Taxes, that are designated for the former private buses subsidized by the City by Statute, are paid directly to the City and are used by the City to partially fund MTA Bus.

### **2006 November Forecast**

In the 2006 November Forecast, State and Local cash subsidy receipts are estimated at \$594.7, a slight decrease of \$0.4 million when compared to the July Plan level. This change was primarily due to a reforecast of CDOT's subsidy payments to Metro-North, offset by positive changes in station maintenance. State and Local 18-b Operating Assistance to MTA has not changed in the past several years.

### **2007 - 2010**

In 2007, State and Local subsidy is \$0.7 million above the July Plan level, due to increased CDOT and Station Maintenance subsidy, offset by lower Nassau County subsidy to Long Island Bus. In 2008, 2009, and 2010, State and Local subsidy estimates are \$7.3 million, \$13.0 million, and \$14.7 million lower than the July Plan levels, respectively. The changes primarily represent lower Nassau County subsidy to Long Island Bus than was assumed in the July Plan. The November Plan estimates Nassau County aid to Long Island bus at the pre-July Plan level of \$10.5 million annually. Also contributing to this variance are minor technical adjustments to CDOT subsidies and Station Maintenance.

### **Commuter Operating Capital Transfer – 2006**

In January 2004, the MTA Board authorized the exercise of a M-7 car option to permit Metro-North to accelerate the purchase of 120 additional cars. Included in the action was a provision for the Metro-North Operating Budget to transfer savings of \$10 million to the capital program. Metro-North's financial plan included the requisite \$10 million savings in 2004. Since this resulted in \$10 million of commuter rail subsidy savings, a commensurate operating capital transfer is included as a reduction to 2006 commuter rail subsidies. The car purchase payment schedule required the transfer in 2006. This payment was made in February, 2006.

## **MTA SUBSIDY TO SUBSIDIARIES**

In the 2006 November Forecast, total estimated MTA subsidy payment to its subsidiaries on a cash basis is \$31.0 million, a reduction of \$0.1 million from the July Plan Forecast. Staten Island Railroad's (SIR) share is \$16.5 million; Long Island Bus' (LIB) share is \$14.5 million (which includes \$0.5 million for the 2005 Holiday Fare Program.)

SIR's share reflects amounts needed to cover the operating deficit after all other subsidies and operating revenues are allocated.

In 2007, the forecast estimates MTA subsidy payment to LIB and SIR on a cash basis of \$32.8 million.

For each of the years 2008 through 2010, MTA subsidy to its subsidiaries is \$40.5 million, \$34.9 million and \$36.1 million respectively. The Long Island Bus portion is \$14.0 million in each of these years.

**MTA New York City Transit Subsidy Allocation**  
**2005-2010**  
**Cash Basis**  
(\$ in millions)

<b><u>Subsidies</u></b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b><i>Dedicated Taxes</i></b>						
Metropolitan Mass Transportation Operating Assist. (MMTOA)	615.1	833.4	974.5	876.0	896.7	937.5
Petroleum Business Tax (PBT) Receipts	473.2	526.0	510.3	524.9	530.3	532.5
Mortgage Recording Tax (MRT)	108.8	111.4	45.0	39.4	36.6	34.6
Urban Tax	551.5	610.2	494.7	556.3	593.5	620.5
	<b>\$1,748.6</b>	<b>\$2,080.9</b>	<b>\$2,024.5</b>	<b>\$1,996.7</b>	<b>\$2,057.0</b>	<b>\$2,125.1</b>
<b><i>State and Local Subsidies</i></b>						
State Operating Assistance	158.2	158.2	158.2	158.2	158.2	158.2
Local Operating Assistance	158.2	158.2	158.2	158.2	158.2	158.2
	<b>\$316.4</b>	<b>\$316.4</b>	<b>\$316.4</b>	<b>\$316.4</b>	<b>\$316.4</b>	<b>\$316.4</b>
<b>Total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>\$2,065.0</b>	<b>\$2,397.3</b>	<b>\$2,340.9</b>	<b>\$2,313.0</b>	<b>\$2,373.4</b>	<b>\$2,441.4</b>
<b><i>Inter-agency Subsidy Transactions</i></b>						
Bridges and Tunnels Operating Surplus Transfer	189.0	154.8	121.9	115.6	95.3	66.9
MTA Subsidy to Subsidiaries	0.0	0.0	0.0	0.0	0.0	0.0
	<b>\$189.0</b>	<b>\$154.8</b>	<b>\$121.9</b>	<b>\$115.6</b>	<b>\$95.3</b>	<b>\$66.9</b>
<b>GROSS SUBSIDIES</b>	<b>\$2,254.0</b>	<b>\$2,552.1</b>	<b>\$2,462.8</b>	<b>\$2,428.6</b>	<b>\$2,468.7</b>	<b>\$2,508.3</b>

**MTA Commuter Railroad Subsidy Allocation**  
**2005-2010**  
**Cash Basis**  
(\$ in millions)

	2005	2006	2007	2008	2009	2010
<b><u>Subsidies</u></b>						
<b><i>Dedicated Taxes</i></b>						
Metropolitan Mass Transportation Operating Assistance (MMTOA)	329.7	433.3	494.3	449.1	458.5	477.1
Petroleum Business Tax (PBT) Receipts	83.5	89.5	86.8	89.3	90.2	90.6
Mortgage Recording Tax (MRT)	83.9	71.4	16.9	12.3	10.0	8.4
Investment Income	14.8	25.5	9.2	9.2	9.3	9.3
	<b>\$511.9</b>	<b>\$619.7</b>	<b>\$607.3</b>	<b>\$560.0</b>	<b>\$568.1</b>	<b>\$585.4</b>
<b><i>State and Local Subsidies</i></b>						
State Operating Assistance	29.3	29.3	29.3	29.3	29.3	29.3
Local Operating Assistance	29.2	29.3	29.3	29.3	29.3	29.3
CDOT Subsidy	50.3	50.4	64.5	72.3	86.8	100.7
Station Maintenance	130.2	135.0	138.9	141.1	143.3	145.9
AMTAP	39.4	20.0	20.0	20.0	20.0	20.0
	<b>\$278.4</b>	<b>\$263.9</b>	<b>\$281.9</b>	<b>\$291.9</b>	<b>\$308.6</b>	<b>\$325.1</b>
Commuter Operating Capital Transfer - MNR M-7 Acceleration	\$0.0	(\$10.0)	\$0.0	\$0.0	\$0.0	\$0.0
<b>Total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>\$790.3</b>	<b>\$873.5</b>	<b>\$889.2</b>	<b>\$851.9</b>	<b>\$876.7</b>	<b>\$910.5</b>
<b><i>Inter-agency Subsidy Transactions</i></b>						
Bridges and Tunnels Operating Surplus Transfer	288.3	261.2	223.0	216.8	196.4	167.9
<b>GROSS SUBSIDIES</b>	<b>\$1,078.6</b>	<b>\$1,134.7</b>	<b>\$1,112.2</b>	<b>\$1,068.7</b>	<b>\$1,073.1</b>	<b>\$1,078.5</b>

**MTA Long Island Bus Subsidy Allocation**  
**2005-2010**  
**Cash Basis**  
(\$ in millions)

	2005	2006	2007	2008	2009	2010
<b><u>Subsidies</u></b>						
<b><i>Dedicated Taxes</i></b>						
MMTOA Allocation	36.3	41.9	50.6	43.5	45.8	47.7
	<b>36.3</b>	<b>41.9</b>	<b>50.6</b>	<b>43.5</b>	<b>45.8</b>	<b>47.7</b>
<b><i>State and Local Subsidies</i></b>						
State Operating Assistance	3.0	3.0	3.0	3.0	3.0	3.0
Nassau County Subsidy	10.5	10.5	10.5	10.5	10.5	10.5
	<b>13.5</b>	<b>13.5</b>	<b>13.5</b>	<b>13.5</b>	<b>13.5</b>	<b>13.5</b>
<b>Total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>49.8</b>	<b>55.4</b>	<b>64.1</b>	<b>57.0</b>	<b>59.3</b>	<b>61.1</b>
<b><i>Inter-agency Subsidy Transactions</i></b>						
MTA Subsidy to Subsidiaries	14.0	14.5	14.0	14.0	14.0	14.0
<b>GROSS SUBSIDIES</b>	<b>\$63.8</b>	<b>\$69.8</b>	<b>\$78.1</b>	<b>\$71.0</b>	<b>\$73.3</b>	<b>\$75.1</b>

**MTA Staten Island Railway Subsidy Allocation**  
**2005-2010**  
**Cash Basis**  
(\$ in millions)

	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b><u>Subsidies</u></b>						
<b><i>Dedicated Taxes</i></b>						
Metropolitan Mass Transportation Operating Assistance (MMTOA)	1.9	2.5	2.9	2.6	2.7	2.8
Mortgage Recording Tax (MRT)	0.0	0.3	0.1	0.1	0.1	0.1
	<b>\$1.9</b>	<b>\$2.9</b>	<b>\$3.1</b>	<b>\$2.8</b>	<b>\$2.8</b>	<b>\$2.9</b>
<b><i>State and Local Subsidies</i></b>						
State Operating Assistance	0.5	0.5	0.5	0.5	0.5	0.5
Local Operating Assistance	0.5	0.5	0.5	0.5	0.5	0.5
	<b>\$1.0</b>	<b>\$1.0</b>	<b>\$1.0</b>	<b>\$1.0</b>	<b>\$1.0</b>	<b>\$1.0</b>
<b>Total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>\$2.9</b>	<b>\$3.8</b>	<b>\$4.1</b>	<b>\$3.7</b>	<b>\$3.8</b>	<b>\$3.9</b>
<b><i>Inter-agency Subsidy Transactions</i></b>						
MTA Subsidy to Subsidiaries	19.9	16.5	18.8	26.5	20.9	22.1
<b>GROSS SUBSIDIES</b>	<b>\$22.8</b>	<b>\$20.4</b>	<b>\$22.8</b>	<b>\$30.2</b>	<b>\$24.7</b>	<b>\$26.0</b>



**MTA Headquarters Subsidy Allocation**  
**2005-2010**  
**Cash Basis**  
**(\$ in millions)**

	2005	2006	2007	2008	2009	2010
<b><u>Subsidies</u></b>						
<b><u>Dedicated Taxes</u></b>						
<u>Mortgage Recording Tax-1</u>						
Net Receipts After Agency Transfers	241.0	274.6	299.4	302.0	301.2	310.1
<u>Adjustments</u>						
Diversion of MRT to Suburban Counties	(20.0)	(20.0)	(20.0)	(20.0)	(20.0)	(20.0)
Carryover/Opening Balances/Interest	59.8	0.1	0.0	0.0	0.0	0.0
<i>Total Adjustments</i>	39.8	(19.9)	(20.0)	(20.0)	(20.0)	(20.0)
<b>Net Funding of MTA Headquarters</b>	<b>\$280.8</b>	<b>\$254.7</b>	<b>\$279.4</b>	<b>\$282.0</b>	<b>\$281.2</b>	<b>\$290.1</b>
<u>Mortgage Recording Tax - 2</u>						
Net Receipts	299.3	294.0	231.9	221.6	213.5	205.3
<u>Adjustments</u>						
Funding of General Reserve	0.0	0.0	(75.0)	(75.0)	(75.0)	(75.0)
Diversion of MRT to Suburban Counties	(17.8)	(23.2)	(23.6)	(17.6)	(16.9)	(16.4)
Carryover/Opening Balances/Interest	1.3	7.9	0.0	0.0	0.0	0.0
Agency Security Costs from MRT	(22.9)	(16.5)	(16.5)	(16.5)	(16.5)	(16.5)
<i>Total Adjustments</i>	(39.4)	(31.8)	(115.1)	(109.1)	(108.4)	(107.9)
<b>Unallocated MRT-2 Receipts</b>	<b>\$259.9</b>	<b>\$262.2</b>	<b>\$116.9</b>	<b>\$112.5</b>	<b>\$105.1</b>	<b>\$97.5</b>

**MTA Bus Company Subsidy Allocation**  
**2005-2010**  
**Cash Basis**  
(\$ in millions)

	2005	2006	2007	2008	2009	2010
<b><u>Subsidies</u></b>						
City Subsidy to MTA Bus Company	0.0	204.7	254.6	264.2	276.0	289.7

**MTA BRIDGES & TUNNELS**  
**SURPLUS TRANSFER**  
**2007 -2010**  
(\$ in millions)

NON-REIMBURSABLE							
	ACTUAL	FORECAST					
	2005	2006	2007	2008	2009	2010	
<u>Deductions from Net Operating Income:</u>							
Investment Income	\$5.358	\$7.336	\$4.731	\$4.400	\$4.532	\$4.570	
Total Debt Service	435.887	452.442	467.040	480.265	498.434	515.800	
Construction Reserve and Capital Reimbursement Funds	15.326	13.193	13.417	13.667	13.953	14.261	
Capital Projects	7.327	8.691	13.703	12.940	13.210	13.502	
Gain on Escrow (2003 Only)	-	-	-	-	-	-	
<b>Total Deductions from Net Operating Income</b>	<b>\$463.898</b>	<b>\$481.662</b>	<b>\$498.891</b>	<b>\$511.272</b>	<b>\$530.129</b>	<b>\$548.133</b>	
<b>Net Income Available for Transfer to MTA and NYCT</b>	<b>\$451.706</b>	<b>\$401.262</b>	<b>\$338.714</b>	<b>\$331.689</b>	<b>\$287.174</b>	<b>\$229.002</b>	
<u>Distribution of Funds to MTA:</u>							
Investment Income in Current Year	\$5.358	\$7.336	\$4.731	\$4.400	\$4.532	\$4.570	
Accrued Current Year Allocation	271.720	250.838	219.961	216.436	194.142	165.028	
<b>Total Accrued Amount Distributed to MTA</b>	<b>\$277.078</b>	<b>\$258.174</b>	<b>\$224.692</b>	<b>\$220.836</b>	<b>\$198.674</b>	<b>\$169.598</b>	
<u>Distribution of Funds to NYCT:</u>							
First \$24 million of Surplus reserved for NYCT	\$24.000	\$24.000	\$24.000	\$24.000	\$24.000	\$24.000	
Additional Accrued Current Year Allocation	155.986	126.425	94.753	91.253	69.032	39.974	
<b>Total Accrued Amount Distributed to NYCT</b>	<b>\$179.986</b>	<b>\$150.425</b>	<b>\$118.753</b>	<b>\$115.253</b>	<b>\$93.032</b>	<b>\$63.974</b>	
<u>Actual Cash Transfer to MTA and NYCT:</u>							
From Current Year Surplus	\$288.307	\$261.231	\$223.049	\$216.788	\$196.372	\$167.940	
Investment Income in Prior Year	1.368	5.358	7.336	4.731	4.400	4.532	
<b>Total Cash Amount Distributed to MTA</b>	<b>\$289.675</b>	<b>\$266.589</b>	<b>\$230.385</b>	<b>\$221.519</b>	<b>\$200.772</b>	<b>\$172.472</b>	
<b>Total Cash Amount Distributed to NYCT</b>	<b>\$188.977</b>	<b>\$154.785</b>	<b>\$121.920</b>	<b>\$115.603</b>	<b>\$95.254</b>	<b>\$66.880</b>	

	ACTUAL	FORECAST				
	2005	2006	2007	2008	2009	2010
<b><u>Debt Service Detail by Agency:</u></b>						
B&T Own Purpose DS + Total BICs DS	\$109.373	\$128.916	\$141.447	\$154.746	\$173.101	\$190.613
NYCT Transportation DS + MRT Second Resolution DS	221.124	223.970	225.401	225.351	225.222	225.121
MTA Transportation DS + MRT Second Resolution DS	105.390	99.557	100.192	100.169	100.111	100.066
<b>Total Debt Service by Agency</b>	<b>\$435.887</b>	<b>\$452.442</b>	<b>\$467.040</b>	<b>\$480.265</b>	<b>\$498.434</b>	<b>\$515.800</b>

**Total Accrued Amount for Transfer to MTA and NYCT:**

Total Adjusted Net Income Available for Transfer	\$887.593	\$853.705	\$805.754	\$811.954	\$785.608	\$744.802
Less: B&T Total Debt Service	(109.373)	(128.916)	(141.447)	(154.746)	(173.101)	(190.613)
Less: first \$24 million reserved for NYCT	(24.000)	(24.000)	(24.000)	(24.000)	(24.000)	(24.000)
<b>Remainder of Total Accrued Amount for Transfer</b>	<b>\$754.220</b>	<b>\$700.789</b>	<b>\$640.306</b>	<b>\$633.209</b>	<b>\$588.507</b>	<b>\$530.189</b>

**Calculation of Actual Cash Transfer to MTA:**

<b><u>Distribution of Remainder to MTA</u></b>						
Fifty Percent of Total Accrued Amount for Transfer	\$377.110	\$350.394	\$320.153	\$316.604	\$294.254	\$265.095
Less: MTA Total Debt Service	(105.390)	(99.557)	(100.192)	(100.169)	(100.111)	(100.066)
<b>MTA's Accrued Current Year Allocation</b>	<b>\$271.720</b>	<b>\$250.838</b>	<b>\$219.961</b>	<b>\$216.436</b>	<b>\$194.142</b>	<b>\$165.028</b>
<b><u>Cash Conversion of MTA's Accrued Amount</u></b>						
Current Year Amount	\$236.243	\$225.754	\$197.965	\$194.792	\$174.728	\$148.525
Balance of Prior Year	52.064	35.477	25.084	21.996	21.644	19.414
<b>Cash Transfer to MTA</b>	<b>\$288.307</b>	<b>\$261.231</b>	<b>\$223.049</b>	<b>\$216.788</b>	<b>\$196.372</b>	<b>\$167.940</b>

**Calculation of Actual Cash Transfer to NYCT:**

<b><u>Distribution of Remainder to NYCT</u></b>						
Fifty Percent of Total Accrued Amount for Transfer	\$377.110	\$350.394	\$320.153	\$316.604	\$294.254	\$265.095
Less: NYCT Total Debt Service	(221.124)	(223.970)	(225.401)	(225.351)	(225.222)	(225.121)
Plus: first \$24 million reserved for NYCT	24.000	24.000	24.000	24.000	24.000	24.000
<b>NYCT's Accrued Current Year Allocation</b>	<b>\$179.986</b>	<b>\$150.425</b>	<b>\$118.753</b>	<b>\$115.253</b>	<b>\$93.032</b>	<b>\$63.974</b>
<b><u>Cash Conversion of NYCT's Accrued Amount</u></b>						
Current Year Amount	\$160.583	\$135.382	\$106.877	\$103.728	\$83.729	\$57.576
Balance of Prior Year	28.394	19.402	15.042	11.875	11.525	9.303
<b>Cash Transfer to NYCT</b>	<b>\$188.977</b>	<b>\$154.785</b>	<b>\$121.920</b>	<b>\$115.603</b>	<b>\$95.254</b>	<b>\$66.880</b>

**B & T Charged Debt Service Detail by Type:**

<b><u>Project Debt Service</u></b>						
B & T Own Purpose Debt Service	\$109.373	\$128.916	\$141.447	\$154.746	\$173.101	\$190.613
NYCT Transportation Project Debt Service	221.124	223.970	225.401	225.351	225.222	225.121
MTA Transportation Project Debt Service	105.390	99.557	100.192	100.169	100.111	100.066
<b>Total Projected Debt Service</b>	<b>\$435.887</b>	<b>\$452.442</b>	<b>\$467.040</b>	<b>\$480.265</b>	<b>\$498.434</b>	<b>\$515.800</b>

**SUMMARY**  
**MTA LONG ISLAND BUS**  
**MULTI-YEAR FINANCIAL PLAN**  
**2007 - 2010**  
(\$ in millions)

Line  
Number

	ACTUAL	FORECAST				
	2005	2006	2007	2008	2009	2010
<b><u>Revenue Summary:</u></b>						
Farebox Revenue	\$39.1	\$39.6	\$39.8	\$40.0	\$40.2	\$40.4
Other Revenue	5.3	3.7	3.2	2.5	2.5	2.2
State/Local Subsidies	49.4	59.6	55.5	57.0	59.3	61.1
<b>Total Revenue Before MTA Subsidy</b>	<b>\$93.8</b>	<b>\$102.8</b>	<b>\$98.5</b>	<b>\$99.5</b>	<b>\$101.9</b>	<b>\$103.7</b>
<b><u>Non-Reimbursable Expense Summary:</u></b>						
Labor Expenses	\$84.0	\$89.4	\$93.2	\$97.1	\$101.1	\$105.5
Non-Labor Expenses	24.2	27.6	28.7	29.3	29.4	29.9
Depreciation	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Non-Reimbursable Expenses</b>	<b>\$108.2</b>	<b>\$117.0</b>	<b>\$121.9</b>	<b>\$126.4</b>	<b>\$130.6</b>	<b>\$135.5</b>
<b>Total Net Revenue</b>	<b>(\$14.4)</b>	<b>(\$14.2)</b>	<b>(\$23.4)</b>	<b>(\$26.9)</b>	<b>(\$28.7)</b>	<b>(\$31.8)</b>
<b><u>Cash Adjustment Summary:</u></b>						
Operating Cash Adjustments	(\$1.3)	\$1.0	\$0.8	\$0.6	(\$1.4)	\$0.9
Subsidy Cash Adjustments	0.4	(3.7)	8.6	0.0	0.0	0.0
<b>Total Cash Adjustment</b>	<b>(\$0.9)</b>	<b>(\$2.7)</b>	<b>\$9.4</b>	<b>\$0.6</b>	<b>(\$1.4)</b>	<b>\$0.9</b>
<b>Gross Cash Balance</b>	<b>(\$15.3)</b>	<b>(\$16.9)</b>	<b>(\$14.0)</b>	<b>(\$26.4)</b>	<b>(\$30.1)</b>	<b>(\$30.9)</b>
MTA Internal Subsidy	14.0	14.0	14.0	14.0	14.0	14.0
<b>Net Cash Balance from Previous Year</b>	<b>\$3.7</b>	<b>\$2.4</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>Baseline Net Cash Surplus/(Deficit)</b>	<b>\$2.4</b>	<b>(\$0.5)</b>	<b>(\$0.0)</b>	<b>(\$12.4)</b>	<b>(\$16.1)</b>	<b>(\$16.9)</b>
<b><u>GAP CLOSING ACTIONS:</u></b>						
2007 Program to Eliminate the Gap	0.0	0.0	0.1	0.1	0.1	0.1
Net Cash Balance from Previous Year (Gap Actions only)	0.0	0.0	0.0	0.1	0.0	0.0
<b>Adjusted Net Cash Balance</b>	<b>\$2.4</b>	<b>(\$0.5)</b>	<b>\$0.1</b>	<b>(\$12.2)</b>	<b>(\$16.0)</b>	<b>(\$16.8)</b>

**SUMMARY**  
**MTA STATEN ISLAND RAILWAY**  
**MULTI-YEAR FINANCIAL PLAN**  
**2007 - 2010**  
(\$ in millions)

Line Number		ACTUAL	FORECAST				
		2005	2006	2007	2008	2009	2010
9							
10	<b><u>Revenue Summary:</u></b>						
11							
12	Farebox Revenue	\$3.3	\$3.5	\$3.6	\$4.2	\$4.2	\$4.2
13	Other Revenue	1.7	2.0	2.0	2.0	2.0	2.0
14	State/City Subsidies	2.9	3.8	4.1	3.7	3.8	3.9
15							
16	<b>Total Revenue Before MTA Subsidy</b>	<b>\$7.9</b>	<b>\$9.4</b>	<b>\$9.6</b>	<b>\$9.9</b>	<b>\$10.0</b>	<b>\$10.1</b>
17							
18	<b><u>Non-Reimbursable Expense Summary:</u></b>						
19							
20	Labor Expenses	\$22.2	\$20.7	\$21.9	\$22.7	\$23.9	\$24.9
21	Non-Labor Expenses	5.1	6.2	6.5	13.7	7.0	7.2
22	Depreciation	7.1	7.3	10.3	10.3	10.3	10.3
23							
24	<b>Total Non-Reimbursable Expenses</b>	<b>\$34.4</b>	<b>\$34.2</b>	<b>\$38.7</b>	<b>\$46.7</b>	<b>\$41.2</b>	<b>\$42.5</b>
25							
26							
27	<b>Total Net Revenue</b>	<b>(\$26.5)</b>	<b>(\$24.9)</b>	<b>(\$29.1)</b>	<b>(\$36.8)</b>	<b>(\$31.3)</b>	<b>(\$32.4)</b>
28							
29	<b><u>Cash Adjustment Summary:</u></b>						
30							
31	Operating Cash Adjustments	\$7.4	\$7.3	\$10.3	\$10.3	\$10.3	\$10.3
32	Subsidy Cash Adjustments	0.0	0.0	0.0	0.0	(0.0)	(0.0)
33							
34	<b>Total Cash Adjustment</b>	<b>\$7.4</b>	<b>\$7.3</b>	<b>\$10.3</b>	<b>\$10.3</b>	<b>\$10.3</b>	<b>\$10.3</b>
35							
36	<b>Gross Cash Balance</b>	<b>(\$19.1)</b>	<b>(\$17.5)</b>	<b>(\$18.8)</b>	<b>(\$26.5)</b>	<b>(\$20.9)</b>	<b>(\$22.1)</b>
37							
38	MTA Internal Subsidy before PEGs	19.9	16.5	18.8	26.5	20.9	22.1
39							
40	<b>Net Cash Balance from Previous Year</b>	<b>\$0.2</b>	<b>\$1.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
41							
42							
43	<b>Baseline Net Cash Surplus/(Deficit)</b>	<b>\$1.0</b>	<b>\$0.0</b>	<b>(\$0.0)</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
44							
45	2007 Agency Program to Eliminate the Gap	0.0	0.3	0.3	0.3	0.3	0.3
46	Post-2007 Agency Program to Eliminate the Gap	0.0	0.0	0.0	0.0	0.0	0.0
47							
48	<b>Net Cash Surplus/(Deficit)</b>	<b>\$1.0</b>	<b>\$0.3</b>	<b>\$0.3</b>	<b>\$0.3</b>	<b>\$0.3</b>	<b>\$0.3</b>

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## **Debt Service**



## Debt Service in the Financial Plan

The following table reflects debt service projections for 2006 through 2010 associated with approved Capital Programs, including the approved five-year capital program for the 2005–2009 period. The table compares all MTA and TBTA debt service as published in the MTA July 2006 Preliminary Financial Plan with recently revised estimates for this November 2006 Financial Plan (this comparison excludes State Service Contract and Convention Center debt service which is fully paid by New York State).

Debt Service Forecast (\$ in millions)			
Year	July Plan Debt Service	November Plan Debt Service	Difference Favorable/(Unfavorable)
2006	1,332.0	1,320.8	11.2
2007	1,460.2	1,457.9	2.3
2008	1,594.2	1,600.1	(5.9)
2009	1,750.3	1,750.6	(0.3)
2010	<u>1,898.1</u>	<u>1,885.6</u>	<u>12.5</u>
Total:	<b>\$8,034.8</b>	<b>\$8,015.0</b>	<b>\$19.8</b>

The favorable variance of \$19.8 million reflected on an \$8 billion plus budget in this November 2006 Plan represents a non-material variance of about 0.2%. For all of the years in the Financial Plan the change in forecast is below 1% each year.

The largest contributor to the 2006 variance is the timing of new money bond issues this year. Consequently, no significant change is forecasted for the remainder of the Financial Plan.

Other minor variations are caused by changes in expected capital program expenditures.

2006 Debt Service is updated to reflect actual deposits to debt service accounts from January through September.

The following is a summary of the key assumptions used to determine the debt service projections included in the financial plan.

## Debt Issuance Assumptions:

Forecasted Borrowing Schedule	2006	2007	2008	2009	2010
New Money Bonds *(\$ in millions)	597	2,230	2,445	2,553	1,925
Assumed Fixed-Rates					
Transportation Revenue Bonds	4.44%	4.49%	4.57%	4.64%	4.69%
Dedicated Tax Fund Bonds	4.37%	4.42%	4.50%	4.56%	4.62%
Triborough Bridge & Tunnel Authority	4.37%	4.42%	4.50%	4.56%	4.62%
Assumed Variable Rates	4.00%	4.00%	4.00%	4.00%	4.00%
Weighted Average Interest Rates **					
Transportation Revenue Bonds	4.33%	4.36%	4.43%	4.48%	4.52%
Dedicated Tax Fund Bonds	4.28%	4.31%	4.37%	4.42%	4.46%
Triborough Bridge & Tunnel Authority	4.28%	4.31%	4.37%	4.42%	4.46%

\* Forecasted borrowing for remainder of 2006. MTA issuance to date in 2006 is \$1,275 million in bonds and commercial paper for transit, commuter and MTA Bus projects, and \$200 million for Bridge & Tunnel projects.

\*\* Weighted Average of fixed and variable forecasted rates (see below for explanation).

- All debt is assumed to be issued as 30-year level debt, principal amortized over the life of the bonds.
- Current fixed-rate estimates derived from prevailing Fair Market Yield Curves for A- and AA- Transportation issuers using Bloomberg Information Service. Financial Plan years 2006 – 2010 derived by applying changes in U.S. Municipal Forward Curves to prevailing transportation curves (as of October 6, 2006).
- Split of fixed-rate debt versus variable rate debt each year is 75% / 25%.
- New bond issues calculated interest rate at time of issuance use weighted average of fixed and variable assumptions (actual fixed-rates in table above assumed for fixed-rate bonds).
- Cost of issuance is 2% of gross bonding amount.
- New money bonds for currently approved transit and commuter projects assumed issued 25% under the DTF credit and 75% under the Transportation credit.
- All bonds issued to finance TBTA capital projects issued under the TBTA General Revenue Resolution.
- No reserve funds.

**Metropolitan Transportation Authority**  
**November Financial Plan 2007 - 2010**  
**Summary of Total Budgeted Debt Service**  
(\$ in millions)

Line Number		ACTUAL	FORECAST				
		2005	2006	2007	2008	2009	2010
9	<b><u>New York City Transit:</u></b>						
10							
11	Budgeted Gross Debt Service for Existing Transportation Revenue Bonds	\$241.229	\$345.478	\$342.286	\$342.199	\$342.184	\$342.015
12	Debt Service on Additional Transportation Revenue Bonds Supporting Approved Capital Programs	0.000	0.832	37.450	98.549	168.569	243.054
13	2 Broadway Certificates of Participation - NYCT Share	25.586	16.783	19.943	21.882	21.888	21.894
15	Transportation Resolution Commercial Paper	11.216	5.755	8.228	8.228	8.228	8.228
16	Budgeted Gross Debt Service for Existing Dedicated Tax Fund Bonds	163.645	180.275	193.324	193.417	193.563	193.406
17	<u>Debt Service on Additional Dedicated Tax Fund Bonds Supporting Approved Capital Programs</u>	<u>0.000</u>	<u>3.691</u>	<u>31.247</u>	<u>51.484</u>	<u>74.675</u>	<u>99.342</u>
18	Sub-Total MTA Paid Debt Service	\$441.676	\$552.815	\$632.477	\$715.759	\$809.107	\$907.938
19							
20	Budgeted Gross Debt Service for Existing TBTA (B&T) General Revenue Bonds	\$123.839	\$140.167	\$142.555	\$142.486	\$142.517	\$142.553
21	<u>Budgeted Gross Debt Service for Existing TBTA (B&amp;T) Subordinate Revenue Bonds</u>	<u>71.823</u>	<u>84.062</u>	<u>85.658</u>	<u>85.751</u>	<u>85.695</u>	<u>85.656</u>
22	Sub-Total B&T Paid Debt Service	\$195.662	\$224.229	\$228.212	\$228.237	\$228.211	\$228.209
23							
24	<b>Total NYCT Debt Service</b>	<b>\$637.338</b>	<b>\$777.044</b>	<b>\$860.689</b>	<b>\$943.996</b>	<b>\$1,037.318</b>	<b>\$1,136.147</b>
25							
26	<b><u>Commuter Railroads:</u></b>						
27							
28	Budgeted Gross Debt Service for Existing Transportation Revenue Bonds	\$145.172	\$273.351	\$285.406	\$285.334	\$285.321	\$285.180
29	Debt Service on Additional Transportation Revenue Bonds Supporting Approved Capital Programs	0.000	0.000	16.706	48.497	80.949	98.316
30	Transportation Resolution Commercial Paper	7.005	4.505	9.388	9.388	9.388	9.388
31	Budgeted Gross Debt Service for Existing Dedicated Tax Fund Bonds	32.386	35.112	36.972	36.990	37.018	36.988
32	<u>Debt Service on Additional Dedicated Tax Fund Bonds Supporting Approved Capital Programs</u>	<u>0.000</u>	<u>0.651</u>	<u>9.442</u>	<u>19.972</u>	<u>27.964</u>	<u>30.960</u>
33	Sub-Total MTA Paid Debt Service	\$184.563	\$313.620	\$357.914	\$400.181	\$440.641	\$460.831
34							
35	Budgeted Gross Debt Service for Existing TBTA (B&T) General Revenue Bonds	\$55.430	\$62.738	\$63.807	\$63.776	\$63.790	\$63.807
36	<u>Budgeted Gross Debt Service for Existing TBTA (B&amp;T) Subordinate Revenue Bonds</u>	<u>31.556</u>	<u>36.933</u>	<u>37.634</u>	<u>37.675</u>	<u>37.651</u>	<u>37.634</u>
37	Sub-Total B&T Paid Debt Service	\$86.986	\$99.672	\$101.442	\$101.452	\$101.441	\$101.440
38							
39	<b>Total CRR Debt Service</b>	<b>\$271.549</b>	<b>\$413.292</b>	<b>\$459.356</b>	<b>\$501.633</b>	<b>\$542.081</b>	<b>\$562.271</b>
40							
41	<b><u>Bridges and Tunnels:</u></b>						
42							
43	Budgeted Gross Debt Service for Existing TBTA (B&T) General Revenue Bonds	\$71.956	\$93.482	\$102.622	\$102.573	\$102.595	\$102.621
44	Budgeted Gross Debt Service for Existing TBTA (B&T) Subordinate Revenue Bonds	28.371	33.206	33.836	33.873	33.851	33.836
45	Debt Service on Additional TBTA (B&T) General Revenue Bonds Supporting Approved Capital Programs	0.000	0.000	3.852	16.942	35.372	52.943
46	2 Broadway Certificates of Participation - TBTA Share	8.431	2.373	2.820	3.094	3.095	3.096
47							
48	<b>Total B&amp;T Debt Service</b>	<b>\$108.759</b>	<b>\$129.062</b>	<b>\$143.131</b>	<b>\$156.482</b>	<b>\$174.913</b>	<b>\$192.496</b>

**Metropolitan Transportation Authority**  
**November Financial Plan 2007 - 2010**  
**Summary of Total Budgeted Debt Service**  
(\$ in millions)

Line Number		ACTUAL	FORECAST				
		2005	2006	2007	2008	2009	2010
49							
50	<b><u>MTA Bus:</u></b>						
51							
52	Budgeted Gross Debt Service for Existing Transportation Revenue Bonds	\$0.000	\$0.937	\$3.568	\$3.568	\$3.567	\$3.566
53	Debt Service on Additional Transportation Revenue Bonds Supporting Approved Capital Programs	0.000	0.000	4.599	9.353	9.509	9.509
54	Transportation Resolution Commercial Paper	0.000	0.556	1.329	1.329	1.329	1.329
55							
56	<b>Total MTA Bus Debt Service</b>	<b>\$0.000</b>	<b>\$1.493</b>	<b>\$9.497</b>	<b>\$14.250</b>	<b>\$14.405</b>	<b>\$14.404</b>
57							
58	<b>Total MTA HQ Debt Service for 2 Broadway Certificates of Participation</b>	<b>\$0.000</b>	<b>\$2.303</b>	<b>\$2.736</b>	<b>\$3.002</b>	<b>\$3.003</b>	<b>\$3.004</b>
59							
60	<b><u>MTA Total:</u></b>						
61							
62	Budgeted Gross Debt Service for Existing Transportation Revenue Bonds	\$386.401	\$619.767	\$631.260	\$631.100	\$631.072	\$630.760
63	Budgeted Gross Debt Service for Existing Dedicated Tax Fund Bonds	196.031	215.387	230.296	230.407	230.582	230.394
64	Budgeted Gross Debt Service for Existing TBTA (B&T) General Revenue Bonds	251.226	296.387	308.984	308.835	308.901	308.980
65	Budgeted Gross Debt Service for Existing TBTA (B&T) Subordinate Revenue Bonds	131.750	154.202	157.128	157.300	157.197	157.126
66	2 Broadway Certificates of Participation	34.017	21.459	25.500	27.979	27.986	27.994
67	Transportation Resolution Commercial Paper	18.221	10.816	18.945	18.945	18.945	18.945
68	Debt Service on Additional Transportation Revenue Bonds Supporting Approved Capital Programs	0.000	0.832	58.754	156.400	259.027	350.878
69	Debt Service on Additional Dedicated Tax Fund Bonds Supporting Approved Capital Programs	0.000	4.343	40.689	71.457	102.639	130.302
70	Debt Service on Additional TBTA (B&T) General Revenue Bonds Supporting Approved Capital Programs	0.000	0.000	3.852	16.942	35.372	52.943
71							
72	<b>Total Debt Service</b>	<b>\$1,017.645</b>	<b>\$1,323.193</b>	<b>\$1,475.409</b>	<b>\$1,619.364</b>	<b>\$1,771.720</b>	<b>\$1,908.322</b>
73							
74	<b><u>MTA Investment Income by Resolution</u></b>						
75							
76	Investment Income from Transportation Debt Service Fund	\$0.000	(\$1.743)	(\$8.435)	(\$9.627)	(\$10.881)	(\$12.001)
77	Investment Income from Dedicated Tax Fund Debt Service Fund	0.000	(0.147)	(\$3.313)	(\$3.690)	(\$4.074)	(\$4.410)
78	Investment Income from TBTA (B&T) General Revenue Debt Service Fund	0.000	(0.333)	(\$3.824)	(\$3.983)	(\$4.209)	(\$4.425)
79	Investment Income from TBTA (B&T) Subordinate Revenue Debt Service Fund	0.000	(0.187)	(1.921)	(1.923)	(1.922)	(1.921)
80	Investment Income from 2 Broadway Certificates of Participation Debt Service Fund	0.000	0.000	0.000	0.000	0.000	0.000
81							
82	<b>Total MTA Wide Investment Income</b>	<b>\$0.000</b>	<b>(\$2.411)</b>	<b>(\$17.494)</b>	<b>(\$19.223)</b>	<b>(\$21.086)</b>	<b>(\$22.755)</b>
83							
84	<b><u>MTA Wide Net Total</u></b>						
85							
86	Net Transportation Revenue Bonds Debt Service	\$386.401	\$618.856	\$681.579	\$777.873	\$879.218	\$969.638
87	Transportation Resolution Commercial Paper	18.221	10.816	18.945	18.945	18.945	18.945
88	Net Dedicated Tax Fund Bonds Debt Service	196.031	219.583	267.672	298.173	329.147	356.286
89	Net TBTA (B&T) General Revenue Bonds Debt Service	251.226	296.054	309.012	321.794	340.064	357.499
90	Net TBTA (B&T) Subordinate Revenue Bonds Debt Service	131.750	154.016	155.207	155.377	155.275	155.205
91	Net 2 Broadway Certificates of Participation Debt Service	34.017	21.459	25.500	27.979	27.986	27.994
92							
93	<b>Total MTA Wide Net Debt Service</b>	<b>\$1,017.645</b>	<b>\$1,320.783</b>	<b>\$1,457.915</b>	<b>\$1,600.141</b>	<b>\$1,750.635</b>	<b>\$1,885.566</b>

## **Debt Service Affordability Statement**

# MTA 2007 - 2010 Financial Plan

## Debt Affordability Statement

\$ in millions

Forecasted Debt Service and Borrowing Schedule		Notes	2005	2006	2007	2008	2009	2010
Combined MTA/TBTA Forecasted Debt Service Schedule		1, 2, 3	983.6	1,299.3	1,432.4	1,572.2	1,722.6	1,857.6
Forecasted New Money Bonds Issued		4	2,200	2,072	2,230	2,445	2,553	1,925

Forecasted Debt Service by Credit		Notes	2005	2006	2007	2008	2009	2010
Transportation Revenue Bonds								
Pledged Revenues		5	\$7,050.5	\$7,912.1	\$7,826.3	\$7,770.1	\$7,849.1	\$7,924.0
Debt Service		9, 10	404.6	629.7	700.5	796.8	898.2	988.6
Debt Service as a % of Pledged Revenues			6%	8%	9%	10%	11%	12%
Dedicated Tax Fund Bonds								
Pledged Revenues		6	\$556.8	\$615.5	\$597.1	\$614.2	\$620.5	\$623.1
Debt Service		10	196.0	219.6	267.7	298.2	329.1	356.3
Debt Service as a % of Pledged Revenues			35%	36%	45%	49%	53%	57%
Triborough Bridge and Tunnel Authority General Revenue Bonds								
Pledged Revenues		7	\$915.6	\$882.9	\$837.6	\$843.0	\$817.3	\$777.1
Debt Service		10	251.2	296.1	309.0	321.8	340.1	357.5
Debt Service as a % of Total Pledged Revenues			27%	34%	37%	38%	42%	46%
Triborough Bridge and Tunnel Authority Subordinate Revenue Bonds								
Pledged Revenues		8	\$664.4	\$586.9	\$528.6	\$521.2	\$477.2	\$419.6
Debt Service		10	131.7	154.0	155.2	155.4	155.3	155.2
Debt Service as a % of Total Pledged Revenues			20%	26%	29%	30%	33%	37%

Cumulative Debt Service (Excluding State Service Contract Bonds)		Notes	2005	2006	2007	2008	2009	2010
Total Debt Service			\$983.6	\$1,299.3	\$1,432.4	\$1,572.2	\$1,722.6	\$1,857.6
Operating Revenues and Subsidies			8,628.2	9,218.9	9,172.6	9,172.5	9,311.0	9,460.9
Total Debt Service as a % of Operating Revenues and Subsidies			11%	14%	16%	17%	19%	20%
Fare and Toll Revenues			4,770.2	4,928.9	4,986.3	5,040.7	5,070.8	5,095.6
Total Debt Service as a % of Fare and Toll Revenue			21%	26%	29%	31%	34%	36%
Non-reimbursable expenses			8,677.8	9,325.5	10,061.4	10,486.2	10,975.0	11,412.7
Total Debt Service as % of Non-reimbursable expenses			11%	14%	14%	15%	16%	16%

## **Notes**

- 1** Unhedged tax-exempt variable rate debt reflect actuals through September 2006 and 4.00% for the remaining life of bonds.
- 2** Synthetic fixed-rate debt assumed at swap rate.
- 3** Total debt service excludes COPS lease payments, and includes effect of debt service prepayments made in 2005. All debt service numbers reduced by expected investment income.
- 4** New money bonds amortized as 30-year level debt. New debt issued assumed 75% fixed-rate and 25% variable rate. Actual issuance for 2005 is reported above. MTA and TBTA have issued \$1.475 billion of bonds and notes in 2006; number shown above is actual plus the forecast for remainder of the year.
- 5** Transportation Revenue Bonds pledged revenues consist generally of the following: fares and other miscellaneous revenues from the transit and commuter systems, including advertising, rental income and certain concession revenues (not including Grand Central Terminal and Penn Station); revenues from the distribution to the transit and commuter system of TBTA surplus; State and local general operating subsidies; special tax-supported operating subsidies after the payment of debt service on the MTA Dedicated Tax Fund Bonds; New York City urban tax for transit; station maintenance and service reimbursements; and revenues from the investment of capital program funds. Pledged revenues secure Transportation Revenue Bonds before the payment of operating and maintenance expenses. Starting in 2006, revenues, expenses and debt service for MTA Bus have also been included.
- 6** Dedicated Tax Fund pledged revenues consist generally of the following: petroleum business tax, motor fuel tax and motor vehicle fees deposited into the Dedicated Mass Transportation Trust Fund for the benefit of the MTA; and the petroleum business tax, district sales tax, franchise taxes and temporary franchise surcharges deposited into the Metropolitan Mass Transportation Operating Assistance Account for the benefit of the MTA. Thereafter, such payments are available to pay debt service on the MTA Transportation Revenue Bonds, and then any remaining amounts are available to be used to meet operating costs of the transit system, the commuter system, and SIRTQA.
- 7** Triborough Bridge and Tunnel Authority General Revenue Bond pledged revenues consist primarily of the tolls charged by TBTA on its seven bridges and two tunnels. Pledged revenues secure TBTA General Revenue Bonds after the payment of TBTA operating and maintenance expenses, including certain reserves.
- 8** Triborough Bridge and Tunnel Authority Subordinate Revenue Bonds pledged revenues consist primarily of the tolls charged by TBTA on its seven bridges and two tunnels, after the payment of debt service on the TBTA General Revenue Bonds.
- 9** Transportation Revenue debt service includes effect of prepayments of debt service in 2005
- 10** Debt service schedules for each credit are attached as addendum hereto.

## **Special Note**

Pledged revenues as discussed in above notes 5, 7, and 8 do not include proposed 2007 and post-2007 PEGs.

**Metropolitan Transportation Authority (including Triborough Bridge and Tunnel Authority)**

**Total Budgeted Annual Debt Service**

All Issuance to September 2006 (\$ in millions)

Fiscal Year	Transportation Revenue Resolution			Dedicated Tax Fund Resolution			TBTA General Revenue Resolution			TBTA Subordinate Resolution			MTA and TBTA Debt Service		
	Additional			Additional			Additional			Additional			Additional		
	Existing DS	DS	Combined	Existing DS	DS	Combined	Existing DS	DS	Combined	Existing DS	DS	Combined	Existing DS	DS	Combined
2006	630.6	0.8	631.4	215.4	4.3	219.7	296.4	-	296.4	154.2	-	154.2	1,296.6	5.2	1,301.7
2007	650.2	58.8	709.0	230.3	40.7	271.0	309.0	3.9	312.8	157.1	-	157.1	1,346.6	103.3	1,449.9
2008	650.0	156.4	806.4	230.4	71.5	301.9	308.8	16.9	325.8	157.3	-	157.3	1,346.6	244.8	1,591.4
2009	650.0	259.0	909.0	230.6	102.6	333.2	308.9	35.4	344.3	157.2	-	157.2	1,346.7	397.0	1,743.7
2010	649.7	350.9	1,000.6	230.4	130.3	360.7	309.0	52.9	361.9	157.1	-	157.1	1,346.2	534.1	1,880.3
2011	659.9	421.9	1,081.8	230.7	153.8	384.5	307.9	67.5	375.3	157.3	-	157.3	1,355.7	643.2	1,998.8
2012	660.7	476.0	1,136.7	230.4	171.7	402.2	307.7	77.7	385.4	157.7	-	157.7	1,356.5	725.4	2,081.9
2013	661.5	497.2	1,158.7	232.4	178.7	411.1	308.6	83.0	391.6	157.1	-	157.1	1,359.6	759.0	2,118.5
2014	661.0	497.2	1,158.2	230.5	178.7	409.2	307.6	84.3	391.9	157.1	-	157.1	1,356.2	760.2	2,116.4
2015	662.1	497.2	1,159.3	230.8	178.7	409.5	307.7	84.3	392.0	157.4	-	157.4	1,357.9	760.2	2,118.2
2016	661.4	497.2	1,158.5	230.8	178.7	409.6	307.3	84.3	391.6	157.2	-	157.2	1,356.7	760.2	2,116.9
2017	660.3	497.2	1,157.5	231.2	178.7	410.0	307.8	84.3	392.1	160.9	-	160.9	1,360.3	760.2	2,120.5
2018	660.8	497.2	1,158.0	234.0	178.7	412.8	307.5	84.3	391.8	159.7	-	159.7	1,362.1	760.2	2,122.3
2019	661.9	497.2	1,159.1	230.5	178.7	409.3	307.4	84.3	391.7	157.4	-	157.4	1,357.2	760.2	2,117.4
2020	660.8	497.2	1,158.0	232.8	178.7	411.5	307.8	84.3	392.1	157.1	-	157.1	1,358.5	760.2	2,118.7
2021	661.0	497.2	1,158.2	232.2	178.7	411.0	304.9	84.3	389.2	157.6	-	157.6	1,355.7	760.2	2,116.0
2022	659.7	497.2	1,156.9	229.4	178.7	408.1	307.6	84.3	391.9	157.5	-	157.5	1,354.2	760.2	2,114.4
2023	669.4	497.2	1,166.6	232.5	178.7	411.3	303.4	84.3	387.7	157.3	-	157.3	1,362.7	760.2	2,122.9
2024	669.5	497.2	1,166.7	232.4	178.7	411.2	307.6	84.3	391.9	157.7	-	157.7	1,367.3	760.2	2,127.5
2025	668.7	497.2	1,165.8	232.6	178.7	411.3	307.4	84.3	391.7	157.0	-	157.0	1,365.7	760.2	2,125.9
2026	667.9	497.2	1,165.0	232.7	178.7	411.4	306.1	84.3	390.4	157.3	-	157.3	1,363.9	760.2	2,124.2
2027	669.8	497.2	1,167.0	232.5	178.7	411.3	305.9	84.3	390.2	157.4	-	157.4	1,365.7	760.2	2,125.9
2028	670.0	497.2	1,167.1	232.8	178.7	411.5	307.6	84.3	391.9	157.5	-	157.5	1,367.9	760.2	2,128.1
2029	670.1	497.2	1,167.3	232.7	178.7	411.5	305.6	84.3	389.9	157.4	-	157.4	1,365.8	760.2	2,126.1
2030	670.1	497.2	1,167.3	232.7	178.7	411.4	307.7	84.3	392.0	157.4	-	157.4	1,367.9	760.2	2,128.1
2031	667.4	497.2	1,164.6	231.4	178.7	410.1	330.0	84.3	414.3	155.0	-	155.0	1,383.9	760.2	2,144.1
2032	570.6	497.2	1,067.8	213.3	178.7	392.1	248.1	84.3	332.4	122.9	-	122.9	1,154.9	760.2	1,915.1
2033	265.9	497.2	763.0	82.8	178.7	261.5	21.8	84.3	106.1	14.6	-	14.6	385.1	760.2	1,145.3
2034	261.2	497.2	758.4	41.7	178.7	220.5	21.8	84.3	106.1	12.2	-	12.2	336.9	760.2	1,097.1
2035	209.7	497.2	706.8	19.3	178.7	198.1	18.8	84.3	103.1	-	-	-	247.7	760.2	1,007.9
2036	29.2	496.3	525.6	-	174.4	174.4	-	84.3	84.3	-	-	-	29.2	755.0	784.3
2037	29.2	438.4	467.6	-	138.1	138.1	-	80.4	80.4	-	-	-	29.2	656.9	686.1
2038	29.2	340.8	370.0	-	107.3	107.3	-	67.4	67.4	-	-	-	29.2	515.4	544.6
2039	29.2	238.1	267.4	-	76.1	76.1	-	48.9	48.9	-	-	-	29.2	363.2	392.4
2040	29.2	146.3	175.5	-	48.4	48.4	-	31.4	31.4	-	-	-	29.2	226.1	255.3
2041	-	75.3	75.3	-	24.9	24.9	-	16.8	16.8	-	-	-	-	117.0	117.0
2042	-	21.2	21.2	-	7.0	7.0	-	6.6	6.6	-	-	-	-	34.8	34.8
2043	-	-	-	-	-	-	-	1.3	1.3	-	-	-	-	1.3	1.3
2044	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2045	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

**Notes:**

Does not include debt service for State Service Contract Bonds and Convention Center Bonds, which is paid by NY State. Also excludes COPS lease payments. Includes interest budgeted for Transportation Revenue Commercial Paper and debt service on bonds that will defease the CP in 2011. Forecasted Investment Income is not included above.



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## **Agency Baseline Assumptions**

## **Agency Baseline Assumptions**

This section describes those assumptions associated with the Baseline Plan. The November 2006 Final Proposed Budget and Financial Plan is an update of the July Financial Plan. The following summarizes net accrual and cash forecasts contained in the November Plan contributing to MTA consolidated annual closing cash balances.

For the July Plan, the Agencies were asked to identify savings that would not only reduce expenses in the short-term, but would also result in long-term improvements to MTA's financial picture. The majority of these savings are being generated through the 2007 PEG Program and are not part of the baseline; but rather are included below-the-line as part of MTA gap-closing actions. The details of this program are included in the subsequent section of this report called Gap Closing Programs and Other Policy Actions. Some of the savings were captured in the baseline through favorable expense re-estimates that include Medicare Part D reimbursements, training re-estimates, and lower E-ZPass tag costs.

For the November Plan, Agencies were instructed to maintain spending levels contained in the July Plan. The exceptions were uncontrollable cost increases and expense increases resulting from changes to the inflation forecast. The savings that were generated in the July Plan are also a part of the November Plan.

The 2007 Final Proposed Budget will continue to fund those maintenance needs that were addressed as new needs in the July Plan. Included in these needs are increases by NYCT to perform needed Scheduled Maintenance (SMS) on its R142, R142A and R68A subway cars in order to avoid a state of deferred maintenance. It is investing dollars in its preventative maintenance programs for buses for that same reason. Much of the increase in NYCT maintenance costs stems from the fact that the newer equipment that it utilizes requires more sophisticated and expensive replacement parts.

The LIRR will still fund additional maintenance to support the new signalization from Babylon to Speonk, the new Atlantic Terminal facility, additional lighting on Jamaica platforms, the new Long Island City airshaft ventilation, and the new PA systems and security cameras. In its July Plan, Metro-North increased the scope of its Critical Systems Replacement (CSR) program that will require additional inventory for its M7 and M8 car fleet. In addition, it invested in a program to perform extraordinary maintenance tasks in Grand Central Terminal which are necessary to maintain its Landmark status and preserve the GCT retail revenue stream. These programs are included in this Plan as well. Consistent with the July Plan, Staten Island Railway will be performing a major overhaul of its R-44 fleet in 2008 in order to extend the useful life of those cars until 2014.

The 2007 November Plan includes NYCT service enhancements proposed in July. For the Buses, improvements include changes based on peak-hour loading guidelines, running time updates, recommendations of the ongoing Staten Island Task Force and depot construction activity. On the Subway side, peak service will be increased on the

“L” line and the “G” line will be extended to Church Avenue. The 2007 Final Proposed Budget also includes the higher Paratransit costs that were identified in July. These increases were based both on usage requirements and higher costs that are expected to be incurred by its carriers (especially those carriers required to expand their service fleet because of the high ridership growth in those areas).

Other new needs that were first identified in July include: increases in security; higher MNR costs resulting from an increase in the contract with New Jersey Transit to provide service for West-of-Hudson customers; and administrative increases necessary for oversight and compliance.

The July Plan also included increases to the baseline as a result of uncontrollable costs (Energy, Health & Welfare, Pensions and Paratransit) 2005/2006 PEG re-estimates, and reduced Farebox/Toll revenue. In the November Plan, these underlying assumptions still hold true; however, there are some significant changes to these assumptions. The following table details the major changes in the Agency Baseline Forecasts between the February and July Plans:

**MTA CONSOLIDATED**  
**SUMMARY OF BASELINE RE-ESTIMATES**  
**NOVEMBER CHANGES FROM JULY PLAN**

Favorable/(Unfavorable)  
(\$ in millions)

	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
Farebox/Toll Revenue	\$9.3	\$15.6	\$18.6	\$20.1	\$22.6
Health & Welfare	(0.2)	27.8	36.0	43.4	48.6
Pensions (Excluding NYCERS Savings)	10.1	(18.2)	(14.3)	(13.3)	(15.9)
Additional GASB Contribution	(80.0)	-	-	-	-
Energy	3.2	(7.2)	(17.2)	(41.2)	(57.0)
Maintenance Investments/Re-Estimates	(4.8)	(14.0)	(5.1)	6.8	4.0
Baseline Re-Estimates/Cash Adjustments	49.9	(33.4)	35.7	34.9	40.9
<b>Subtotal</b>	<b>(\$12.6)</b>	<b>(\$29.2)</b>	<b>\$53.7</b>	<b>\$50.7</b>	<b>\$43.2</b>
2005/2006 PEG Program Re-Estimates	(\$0.5)	(\$16.0)	(\$36.3)	(\$31.1)	(\$31.9)
<b>Net Change</b>	<b>(13.1)</b>	<b>(45.3)</b>	<b>17.4</b>	<b>19.6</b>	<b>11.3</b>

*Note: Differences Due To Rounding*

Farebox Revenue is improved from the July Plan, offsetting some of the revenue reduction captured in July. In the July Plan, lower-than-planned regional employment growth resulted in a reduction in projected Farebox revenue at NYCT. Also, the July

Plan assumed that higher gasoline prices were a primary reason for lower toll traffic estimates. The November Plan recognizes some short-term improvement in toll revenue based on lower gasoline prices and recent trends; however, the change in the economic variables of inflation and employment has resulted in a slower rate of growth than was projected in the July Plan. As a result, toll revenue is expected to decrease from the July Plan in 2008 and thereafter.

Health & Welfare costs are significantly reduced from the July Plan primarily due a reduction in the 2007 inflation assumption. The 14.7% inflation assumption for 2007 used in the July Plan has been reduced to approximately 10% in the November Plan based on a change in forecasting methodology for the HIP and GHI plans and more current Empire Plan information. A more detailed description of this change can be found later in this section under Health & Welfare.

In the November Plan, Pension costs are expected to increase MTA-wide based on recent actuarial valuations that have not yet been finalized. A \$40 million annual reserve has been placed in the MTAHQ Plan awaiting final resolution. It is expected that these additional costs will be distributed to the Agencies in the February 2007 Financial Plan. Offsetting this increase, is a reduction in Pension costs that result from moving Pension earnings (that were captured in the July Plan as a Policy Action) into the baseline.

As first proposed in July, all of the cash pension savings for NYCT and B&T in 2006 and 2007 attributable to a NYCERS revaluation are being deposited in a special Government Accounting Standards Board (GASB) fund. In addition, anticipated employee contributions for Health & Welfare are assumed to also be deposited in GASB. In the November Plan, however, this funding is now recognized within the baseline as a discrete line item. The net effect of these transactions is zero and is not reflected in the Summary of Baseline Re-estimates because these costs are totally offset by reductions in Pension and Payroll.

A new item in the November Plan is the deposit of an additional \$80 million into the GASB fund. These funds are available from excess real estate tax monies generated in 2006 and 2007. More detailed information on the GASB contribution, the pension liability reduction and the shift of pension earnings from the Policy Actions to the Baseline can be found in the GASB and Pensions Section of this report.

The November Plan captures re-estimates of 2005 and 2006 PEG Programs that were included in the July Financial Plan, including the repeal of the \$1/month E-ZPass fee at B&T, the elimination of OPTO on the G line (NYCT), and ATS/CBTC implementation delays (NYCT). In addition, the November Plan incorporates the restoration of off-peak NYCT Bus service that was a proposed reduction (a 2005 PEG that was included in the July Baseline) in previous plans.

The July Plan included a significant increase in Energy costs from the February Plan due to higher costs for fuel and electric power. The current forecast anticipates lower

fuel prices in 2006 and 2007 based on a reduction in the forward price for diesel fuel. Costs increase in 2008-2010 because the July Plan still anticipated price decreases, while the current Plan anticipates a slight price increase. Based on new information from our suppliers of electricity, rates increase further in the November Plan, which will increase the costs for Traction and Propulsion Power, especially in the out-years of the Plan.

The November Plan includes resources to fund maintenance investments In addition to those that were included in the July Plan and described earlier. Metro-North is including a provision to replace defective concrete ties in accordance with the agreement reached between the MTA and the manufacturer. The LIRR is investing in materials in support of its Life Cycle Maintenance Program. A re-estimate of this program, however, will result in lower costs in the out-years. NYCT maintenance costs will increase due to a revision to its car scrapping plan and an increase in the level of bus inspections. B&T Bridge Painting costs will increase in 2006 but decline in 2009 and 2010.

A re-forecast of the 2005 and 2006 PEG Programs will result in an increase to the baseline deficit when compared with July. The primary driver of this change is the restoration of the Bus Off-Peak Guidelines PEG, which is resulting in an increase of \$15 million in 2007 and approximately \$30 million in the years 2008 and beyond.

Baseline re-estimates are favorable in 2006 and unfavorable in 2007 due to a \$47 million timing change for Metro-North retroactive wage payments. Exclusive of that change, Baseline Re-estimates would be favorable in each year of the Plan. NYCT is impacted by favorable pay rate adjustments and increased tax collections designated for paratransit. Favorable station and concession revenue is anticipated at the LIRR and Metro-North. B&T has included higher investment income and lower costs for E-ZPass tags and the E-ZPass Customer Service Center. Partially offsetting these savings are higher costs for Other Fringe Benefits at NYCT, the impact of lower capital reimbursements at the LIRR and the implementation of new financial software at the LIRR.

### **Accrued Baseline Assumptions**

The following presents Agency baseline assumptions supporting the MTA Consolidated Statement of Operations. Additional detail is available in each Agency section.

### **2006 November Forecast**

In its 2006 November Forecast, the MTA projects a Net Operating Deficit Before Subsidies and Debt Service of \$3,969 million, \$58 million better than the Mid-Year Forecast. Total Operating Revenue was \$20 million better and total Operating Expenses were \$38 million better.

### Revenue

Farebox Revenue is expected to increase by \$8 million over the Mid-Year Forecast, with all MTA Agencies projecting increases. Increasing ridership, due in part to increases in NYC employment, are driving the increase. B&T Toll Revenue is \$1 million favorable due to increases in commercial vehicle traffic. Other Revenue is \$11 million favorable due to higher Paratransit Urban Taxes, higher investment income, and higher concession and parking revenue.

### Expenses

The elimination of the General Reserve reduced expenses by \$31 million when compared with the Mid-Year Forecast. Depreciation re-estimates resulted in a \$50 million non-cash reduction to expenses. Professional Services are expected to be \$17 million lower due to a re-allocation of Shared Services costs between 2006 and 2007 and other timing adjustments. Material & Supplies expenses are expected to be \$10 million lower also due to timing. Payroll expenses (exclusive of the GASB offset) are expected to be \$15 million lower due primarily to vacancies. Vacancies are primarily responsible for overtime costs increasing by \$23 million. The November Plan includes the deposit of an additional \$80 million into the GASB fund.

## **2007 Final Proposed Budget**

MTA's Final Proposed Baseline Budget projects a Net Operating Deficit before Subsidies and Debt Service of \$4,657 million in 2007.

### Revenue

Total Operating Revenue of \$5,405 million in 2007 is \$48 million higher than the 2006 November Forecast due to higher Farebox and Toll Revenue. When compared with the 2007 July Plan, it is \$29 million higher due to increases in Farebox Revenue and Other Revenue.

### Expenses

Total Operating Expenses of \$10,061 million are \$736 million higher than the 2006 November Forecast due to contractual wage increases, inflation (especially Health & Welfare and Energy), higher Depreciation costs and increases in maintenance requirements and paratransit usage. When compared with the July Plan, Total Operating Expenses are \$74 million favorable; however, \$120 million is the result of lower Depreciation. Excluding Depreciation, expenses would be \$46 million higher. Higher costs for electricity and higher material expenses in support of maintenance requirements are increasing expenses. In addition, the November Plan recognizes timing changes between 2006 and 2007 that were not anticipated in the July Plan. Partially offsetting these increase are reduced Health & Welfare costs stemming from a reduction in the assumed inflation rate.

## **2008 – 2010 Forecast**

Year-over-year increases are primarily the result of inflation and wage increases. Farebox Revenue will increase modestly based on assumed ridership growth. The November Forecast includes increases to the July baseline in Farebox Revenue and Other Revenue. Expenses are increasing compared with the July Plan primarily in Pension expenses and electricity costs.

The following pages provide a more detailed description of the assumptions used in formulating the 2007 Final Proposed Budget and the forecasts for the years 2008 – 2010.



## **OTHER REVENUE**

Other Revenue growth from 2006 through 2010 (from \$428 million in 2006 to \$481 million in 2010, or 12% over the period) was influenced by a number of different factors including investment income, government reimbursements, fees and contractual and inflationary increases.

NYCT's year-to-year increases include contractually-capped increases in NYC reimbursements that serve to partially fund Paratransit expenses. LIRR's Other Revenues are higher in 2006 than 2007 due to percentage of retail rent (percentage of tenant gross receipts) at Penn Station and one-time miscellaneous revenue (scrap and real estate sales). The LIRR's year-to-year growth is primarily due to contractual and inflationary increases. For MNR, decreases in 2007 and 2008 from 2006 are primarily due to lower net retail GCT tenant revenues reflecting the impact of investment in GCT restoration projects (East Restrooms and Vanderbilt Hall) and the withdrawal of outside buildings from the GCT steam distribution network. Revenues increase in 2009 as restoration work on Vanderbilt Hall is completed. MNR incorporates the initiation of higher West-of-Hudson Parking fees and contractually based increases in GCT tenant fees and advertising revenues in 2007-2010. B&T Other Operating Revenues decline in 2007 primarily due to the New York State legislated repeal of the \$1 per month E-Z Pass account fee effective June 1, 2006. This decrease is offset by Total Other Operating Revenue increases from 2008-2010 resulting primarily from expected growth in parking receipts at the Battery Parking Garage as economic conditions in lower Manhattan continue to improve.

MTA Consolidated Other Revenue is forecasted to be \$11 million or 2.6% higher in 2006 than the July Plan. NYCT Paratransit Reimbursement is \$5 million higher than the July Plan due to higher urban taxes. The LIRR is \$2.6 million higher than the July Plan due to higher rentals, station privileges and miscellaneous income. MNR is \$1 million higher than the July Plan due to higher parking and concession revenues. B&T is \$1 million higher than the July Plan due to higher net income from the Battery Parking Garage and higher E-Z Pass Plus (for use at the airports) fees.

MTA Bus Company's Other Revenue is slightly less than \$4 million in each year from 2006-2010.

## **CONTRIBUTION TO GASB FUND**

This Government Accounting Standard Board (GASB) fund is being set up in response to new standards that require companies to account for post-retirement liabilities of "Other Than Pension Benefits" (OTPB) in their Financial Statements. These rules, which take effect in 2007, have prompted employers to begin looking at these liabilities that stem from OTPB costs for future retirees. In fact, New York City has already started by setting aside substantial funds for this in its most recent budget. The State Comptroller has endorsed the City's actions to prepare to fund these liabilities. For the

MTA, this was first proposed in the July Financial Plan; however, the numbers are now being captured as a discrete line in the baseline. The July Plan assumed that \$535 million would be set aside in this fund by the end of 2010. Using the same methodology as July to calculate GASB costs, the November Plan's contribution to GASB would total \$497 million.

Similar to July, the November Plan is proposing that MTA set aside pension savings estimated to result from a recent legislative action that authorized a revaluation of City NYCERs costs; these pension savings, which are non-recurring, are generated by NYCT and B&T and are estimated to be \$125 million in 2006 and \$27 million in 2007. This is being captured under this line item with the offset being a reduction to consolidated Pension expenses.

Also in the July Plan, MTA included a proposal to deposit into this fund over the 2006-2010 Plan period, Health & Welfare contributions by represented employees as anticipated in pattern labor settlements MTA-wide. The estimated funds from this are now \$44 million in 2006, \$63 million in 2007, \$71 million in 2008, \$79 million in 2009 and \$87 million in 2010.<sup>1</sup> In the July Plan, it was assumed that these contributions were captured as part of pattern labor settlement costs contained in both Payroll and the Pattern Labor Settlement lines. In November, with the creation of a discrete GASB line-item, the funds identified as being generated by represented employee H&W contributions noted above are subtracted from the Payroll line and allotted to the GASB line.

In the November Plan, it is assumed that a portion of additional revenues generated by increased real-estate-related tax activity will also be deposited in GASB at the end of 2006; this amount is \$80 million.

The total cumulative value of the proposed GASB Fund in the November Plan is \$577 million: \$249 million in 2006, \$90 million in 2007, \$71 million in 2008, \$79 million in 2009 and \$87 million in 2010.<sup>1</sup>

## **PAYROLL**

Payroll expenses from 2007 through 2010 are influenced by a number of different factors including position levels, Global Insight inflation assumptions and capital project activity. For represented employees, Agencies used the same inflators from the July Plan (2.56% in 2007; 2.91% in 2008; 3.07% in 2009; and 3.20% in 2010). In addition, consistent with the July Plan, a pattern wage provision on an MTA-wide basis is included as a separate line item and is described later in this section. Growth of 3.00% annually was assumed for non-represented personnel in 2007 and 2008 with regional CPI growth assumed for 2009 (1.53%) and 2010 (1.84%). The non-represented rates

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<sup>1</sup> These figures exclude MTA Bus; the figures attributable to MTA Bus are: \$3 million annually in 2006 and 2008, and \$4million in 2008-2010. It is assumed that MTA Bus will participate in this action and that the City subsidy for MTA Bus will cover the associated expense.

are higher than those used in the July Plan for both 2007 (2.56%) and 2008 (2.91%), but lower in 2009 (3.07%) and 2010 (3.20%).

The proposal to support a Government Accounting Standards Board (GASB) fund and establish a distinct GASB fund line in the November Financial Plan will result in reductions in Payroll from the July Plan. The reductions for 2006 to 2010 are \$44 million, \$63 million, \$71 million \$79 million and \$87 million, respectively.

In the July Plan, the Health & Welfare contribution component of the GASB contribution was reflected as a cost in the payroll line. In the November Plan, these contributions are now captured in a discrete "GASB" line in the MTA consolidated budget. Individual agency budgets continue to reflect these costs in their payroll lines.

### **2006 November Forecast**

MTA consolidated payroll expenses of \$3,477 million are forecasted to be \$59 million lower than the 2006 July Plan. Aside from the reductions resulting from the GASB funding, Payroll expenses are expected to decrease by \$15 million. NYCT's expenses decrease by \$12 million due to vacancies and re-estimated payroll for certain hourly employees such as Conductor, Cleaner, Track-worker, Station Agent and Bus Operator. The LIRR's payroll expenses decrease by \$3 million due mostly to higher vacancies.

### **2007 Final Proposed Budget**

MTA consolidated payroll expenses of \$3,586 million for 2007 are forecasted to be \$109 million more than 2006. This increase is primarily caused by labor rate increases and the impact of over 500 additional Non-Reimbursable positions, primarily at NYCT. One of the major reasons for the increase is the restoration of the "100% Off-Peak Seated Load" on buses, which was a 2006 PEG program, scheduled to commence in 2007 in the July Plan (see Positions narrative). This program has been rescinded in the November Plan.

Payroll expenses for 2007 are forecasted to be \$45 million lower than the July Plan. Aside from the reductions resulting from the GASB funding, Payroll expenses increase nearly \$20 million. Of this increase, \$17 million is due to NYCT's position increases, primarily driven by the restoration of 431 Non-Reimbursable positions that would have been saved from the implementation of bus off-peak seated load guidelines. MNR's payroll increases by over \$1 million due to increased positions associated with the additional scope of the Concrete Tie Replacement.

### **2008 – 2010**

MTA consolidated payroll expenses are \$3,717 million in 2008, \$3,823 million in 2009 and \$3,917 million in 2010. These increase annually from 2007 to 2010 by \$131 million,

\$106 million and \$94 million. The increases from 2007 through 2010 primarily reflect rate increases.

Payroll expenses decrease from the July Plan by \$31 million in 2008, \$48 million in 2009 and \$63 million in 2010. Aside from the reductions resulting from the GASB funding, Payroll expenses increase for 2008, 2009 and 2010. Payroll increases at NYCT are \$36 million in 2008, \$31 million in 2009 and \$27 million in 2010. These increases are driven by the restoration of Non-Reimbursable positions that would have been saved from the implementation of bus off-peak seated load guidelines and are partially offset by decreases caused by re-estimates of pay rates, resulting in about \$8 million per year in savings from 2008 to 2010. The LIRR's payroll expenses increase from the July Plan by approximately \$3 million each year due primarily to additional positions for New Needs and changes in the Life Cycle Maintenance Program for the M7 fleet. MNR's Payroll expenses remain unchanged in 2008 and decrease by \$1 million in 2009 and \$2 million in 2010 mainly due to favorable changes to non-represented wage increases.

The November Plan includes MTA Bus expenses for Payroll. These expenses are \$156 million in 2006, \$184 million in 2007, \$190 million in 2008, and \$195 million in 2009 and \$202 million in 2010. 2006 Payroll expenses are \$9 million lower than the July Plan due to greater than anticipated attrition and hiring delays. 2007 to 2010 Payroll expenses did not change.

## **PATTERN LABOR PROVISION**

The Agency submissions are consistent with the provisions of the July Plan which include inflators for represented employees of 2.77% in 2006, 2.56% in 2007, 2.91% in 2008, 3.07% in 2009 and 3.20% in 2010. In the case of the commuter railroads and Staten Island Railway, for those unions that have settled, the contracts run through 2006. For the commuter railroads and Staten Island Railway, the pattern labor provision assumes a settlement of 4% in 2007, and 3.5% in 2008. For all other groups, the pattern labor provision assumes a settlement of 3% in 2006, 4% in 2007, and 3.5% in 2008. For all groups, the provision then reverts back to the inflators reflected in the Agency numbers for 2009 and 2010. Note that other provisions in the pattern labor provision result in increases that exceed the general settlement for 2006, 2007 and 2008. These provisions, which include various changes in work rules are unique to individual agency contracts and result in slight differences between Agencies.

## **OVERTIME**

Agencies use the same inflators from the July Plan (2.56% in 2007; 2.91% in 2008; 3.07% in 2009; and 3.20% in 2010). In addition, a pattern wage provision on an MTA-wide basis is included as a separate line item and is described later in this section.

## **2006 November Forecast**

MTA consolidated overtime expenses of \$398 million are forecasted to be \$23 million more than the 2006 Mid-Year Forecast. Of this increase, \$21 million is due to higher overtime at NYCT caused mostly by bus operator overtime coverage requirements and vacancy coverage (station agents and cleaners, signal maintainers, property protection agents and supervisors).

## **2007 Final Proposed Budget**

MTA consolidated overtime expenses of \$363 million are \$35 million less than 2006. The reduction is mainly due to the assumption that NYCT's 2006 increase for vacancy coverage and inclement winter weather will not recur in 2007 to the extent needed in 2006. Partially offsetting this reduction are inflationary wage rate increases.

Overtime expenses are forecasted to be \$6 million higher than the July Plan. NYCT's overtime increases \$4 million from the July Plan due to an increase in positions and higher vacancy coverage. The LIRR's \$3 million increase over the July Plan is due to changes in Capital Program activity.

## **2008 – 2010**

MTA consolidated overtime expenses are \$370 million, \$384 million and \$399 million from 2008 through 2010. These annual increases are primarily caused by wage rate increases.

Overtime expenses increase approximately \$5 million each year from the July Plan. NYCT represents the bulk of the increase with higher Overtime expenses of approximately \$5 million each year mainly caused by higher vacancy coverage.

The November Plan includes MTA Bus expenses for Overtime. These expenses are \$30 million in 2006, \$18 million in 2007, \$19 million in 2008, \$19 million in 2009 and \$20 million in 2010. 2006 Overtime expenses are \$0.6 million higher than the July Plan due to vacancies. 2007 to 2010 Payroll expenses did not change.

## **HEALTH & WELFARE**

In the November Plan, year-to-year increases are primarily driven by inflators and changes in headcount levels. Subsequent to instructions being provided to the Agencies, information was made available making it likely that Empire Plan premiums in 2007 would be lower than the initial projection of 14.7%. As a result, the Financial Plan has been adjusted downward to reflect a 10% increase in 2007 that will result in

reductions in the out-years as well. This is captured in the MTA Consolidated total, but not within each Agency's section. After the actual Empire Plan rate is established, a subsequent Financial Plan will allocate these savings to the appropriate Agency Plans.

In addition to the change in Empire Plan assumptions, other year-to-year inflation assumptions for Health and Welfare were revised from the July Plan. This was the result of changes made in calculating rates at NYCT and MTA Bus Company (MTABC). Since most eligible employees belong to one of three healthcare plans: Empire Plan, HIP or GHI, new inflators would be determined by anticipated rate changes for each of these plans. In the November Plan, NYCT inflation assumptions for Empire Plan participants remained the same as in the July Plan, 14.7% in 2007 (reduction taken in consolidated-MTA statements only) and 10.7% in 2008 through 2010. Inflation assumptions used for HIP participants are 8.7% through June 30, 2007 (the actual rate) followed by projections developed by Mercer, a healthcare consultant, of 10.0% for July 1, 2007 through June 30, 2008, and 10.7% in the remaining out-years. Inflation assumptions for GHI participants are based on Mercer projections of 10.0% in 2007 followed by 10.7% in 2008 through 2010. These same rate changes were also applied to MTABC. All other Agencies' year-to-year inflation assumptions remain the same as in the July Plan, 14.7% in 2007 and 10.7% in 2008 through 2010.

Compared with the July Plan, MTA Consolidated Health and Welfare is forecasted to be \$0.2 million higher in 2006, \$28 million lower in 2007, \$36 million lower in 2008, \$43 million lower in 2009, and \$49 million lower in 2010. The favorable expense reductions from July are primarily due to lower projected growth rates at NYCT and adjustments made by MNR to base costs for 2007-2010 to correct a calculation error captured in the July Plan. MNR had additional Health & Welfare expense reductions based on lower projected premiums.

As in July, the November Financial Plan includes expenses for the MTA Bus Company. MTABC expenses were \$24 million in 2006, \$31 million in 2007, \$35 million in 2008, \$38 million in 2009 and \$43 million in 2010. Compared to July, MTABC expenses were higher in 2006, due to higher estimated costs of health plans used by represented employees, and lower in 2007 through 2010 due to lower projected growth rates.

## **PENSIONS**

In the November Plan, Pension costs are expected to increase MTA-wide based on recent actuarial valuations that have not yet been finalized. The increases are primarily related to changing demographic factors and overtime impacts. A \$40 million annual provision, beginning in 2007, has been placed in the MTAHQ Plan awaiting final resolution. It is expected that these additional costs will be allocated to Agency Budgets in the February 2007 Financial Plan.

The 2006 Adopted Budget assumed that \$450 million would be used to reduce future pension liabilities. The \$450 million, along with approximately \$15 million in

accumulated interest, has been transferred (virtually all of it on September 28<sup>th</sup>) into the MaBSTOA Pension Plan and into the MTA Defined Benefit Plan. As a result, Pension earnings that were captured below the line as a Policy Action in the July Plan are now being captured within the baseline as reduced Pension costs and will serve to offset future Pension costs. The MaBSTOA portion is being captured within the NYCT financial plan and the MTA Defined Benefit Plan is being captured in MTAHQ, which will be distributed between MTAHQ, MNR and the LIRR in the February 2007 Financial Plan.

Like the July Plan, the November Plan assumes that NYCERS pension revaluation savings from recently-enacted New York State legislation will be transferred into the GASB fund in 2006 and 2007. The 2006 cash deposit is \$125 million (\$120 million for NYCT and \$5 million for B&T). In 2007 an additional \$27 million is forecast to be deposited into the GASB fund for NYCT. This fund is being set up in response to new standards that require companies to account for post-retirement liabilities of "Other Than Pension Benefits" (OTPB) in their Financial Statements. These rules, which take effect in 2007, have prompted employers to begin looking at these liabilities that stem from OTPB costs for future retirees. In fact, the City has already started by setting aside substantial funds for this in its most recent budget. The State Comptroller has endorsed the City's actions to prepare to fund these liabilities. This adjustment to Pension costs is being done on an MTA consolidated basis and not within the NYCT or B&T financial projections.

In the July Plan, the pension component of the GASB contribution was reflected as a pension cost in the pension line. In the November Plan, these contributions are now captured in a discrete "GASB" line in the MTA consolidated budget. Note that NYCT and B&T proposed budgets continue to reflect these costs in their pension lines.

#### Accrual Assumptions

Non-Reimbursable accrued pension expense increase from 2006 to 2007 by \$212 million. This increase partly reflects the large decrease in the Pension line in 2006 of \$125 million due to the NYCERS revaluation. The increase also reflects the continued amortization of the losses in the equities that resulted from the bear market of 2000 to 2002 resulting in much larger contributions in 2007. The NYCERS increase is consistent with the certification by the Chief Actuary of the New York City Pension Plans. Also contributing to the 2007 increase is the impact of the \$40 million Pension provision that is partially offset by the increase in Pension earnings that is now captured in the baseline.

Metro-North Railroad's Pension costs for 2006 reflect estimated funding requirements for the Defined Benefit Plan (covering management staff and agreement staff that joined the Plan in 2004) and the Defined Contribution Plan (for all other agreement staff). The 2007-2010 pension costs assume a labor agreement that will result in the transfer of the remaining represented Metro-North employees in the Defined Contribution Plan to the MTA Defined Benefit Plan as of January, 2007. The additional expense for Metro-North

is approximately \$10 million per year beginning in 2007. Future actuarial valuations are expected to reflect more accurate estimates of the pension liabilities on behalf of these employees.

The annual increases from 2007 to 2010 are much less significant in large part because by that time, all the NYCERS losses will have been amortized with the balance comprised of small adjustments throughout the pension plans.

### Cash Assumptions

The differences between cash and accrual result from a number of factors. For the NYCERS Plan, the accruals recognize liabilities sooner than the required cash payments. Recently enacted New York State legislation provided for a one-time cash benefit in 2004 by delaying a December payment until January 2005 for the NYSLRS plans. For 2006 to 2010 the differences between NYSLRS plan accrual and cash continue, but are far less significant. Additionally, B&T Pension expenses are not included in the cash Pension figure because B&T is not included in the MTA Consolidated cash figures (only the accruals).

MTA Consolidated Pensions November Financial Plan (\$ in millions)					
	2006	2007	2008	2009	2010
Accrual					
Non-Reimbursable	\$576	\$788	\$825	\$823	\$823
Reimbursable	33	42	45	45	46
Total Accrual	609	829	870	868	869
Cash	\$598	\$780	\$842	\$863	\$863



MTA Consolidated Pensions Changes November Financial Plan vs. July Financial Plan Favorable / (Unfavorable) (\$ in millions)					
	2006	2007	2008	2009	2010
Accrual					
Non-Reimbursable	\$135	\$8	(\$14)	(\$13)	(\$16)
Reimbursable	0	3	0	2	3
Contribution to GASB Fund	(125)	(27)	0	0	0
Total Accrual	10	(16)	(14)	(11)	(13)
Cash	\$138	\$2	(\$22)	(\$20)	(\$20)

The November Plan includes MTA Bus expenses for Pensions. These expenses are \$10 million in 2006, \$12 million in 2007, \$12 million in 2008, and \$13 million in 2009 and \$13 million in 2010.

## TRACTION AND PROPULSION POWER

MTA continues to take most of its electric power from NYPA. The 2005 Long-term Agreement with NYPA includes a provision for the customers to select a variable cost option including hedges for gas and electric supply. Those hedges have been completed (approximately 75% of the total requirement has been hedged) and the cost of service for 2007 has been revised. For NYPA, there will be an additional 4.7% increase over the July Plan 2007 forecast. At the end of 2007, based on the actual costs, NYPA will adjust costs to its customers; however, based on the hedge strategy, it is anticipated that there will be price protection.

Both LIPA and CL&P had significant “fuel cost adjustments” in 2006 that raised rates by approximately 20% over the 2005 rates. LIPA announced that it does not expect to raise rates in 2007. However, CL&P has recently proposed a further increase for 2007, and that is now reflected as a 10% increase over the 2007 July Plan.

Con Edison is responsible for delivery of energy in New York City and Westchester. It is anticipated that Con Edison will raise rates, beginning in 2008 through 2010, at 5% per year. For years 2008 through 2010, NYPA, LIPA and CL&P are also forecast to raise rates 5% annually.

Also included in Agency budgets are adjustments for service enhancements. These are described in detail in the individual Agency write-ups.

The impact on consolidated MTA costs for Traction and Propulsion Power are increases of \$11 million, \$14 million, \$34 million and \$50 million in 2007 through 2010, respectively, compared with the July Plan.

## **FUEL FOR BUSES AND TRAINS**

In the July Plan, prices for 2007 were forecast based on a 12 month average New York Harbor spot price for diesel fuel. However those forward prices have gone down since July. MTA now assumes an average wholesale price per gallon for 2007 of \$2.15, a reduction of approximately 6.5% from the July Plan.

For years 2008 and 2009, diesel prices are anticipated to decrease by 2% and 2.5% per year. Thereafter, MTA forecasts no change in price. CNG gas prices are also estimated to decrease by 3% in 2008 and 2.5% in 2009, with no forecasted change in price thereafter.

Also included in Agency budgets are adjustments for service enhancements. These are described in detail in the individual Agency write-ups.

The impact of consolidated MTA costs for Fuel and Buses and Train reflects a decrease of \$4 million in 2007, but increases in years 2008-2010. The increases are \$3 million in 2008 and \$7 million in 2009 and 2010.

The November Plan includes MTA Bus expenses for Fuel for Buses and Trains. MTA Bus expenses for Fuel for Buses and Trains are \$24 million in 2006, \$29 million in 2007, \$29 million in 2008, and \$28 million in 2009 and 2010.

## **INSURANCE**

Year-to-year increases in Insurance expenses primarily are driven by a 10% per annum market-rate increase based on an assessment of market conditions made by MTA's Risk Management Department. In 2008, the additional significant increase in Insurance expenses reflects the renewal of several multi-year policies, including All-Agency Environmental Liability, Travel Accident, and Comprehensive Automotive Liability policies.

For years 2007-2010, Insurance expenses are favorable compared to the July Plan. In 2006, MTAHQ includes the removal of \$8 million (which grows with inflation in subsequent years) originally set aside as a provision for potential premium increases in 2006. Agency budgets reflect the current premium payments, thus eliminating the need for the provision in MTAHQ. Partially offsetting this expense removal is an expense adjustment for litigation and insurance reserves of \$5 million in 2006. LI Bus's forecast includes an adjustment to include past-due premiums for participation in the All-Agency Excess Liability Insurance Program (Excess).

The First Mutual Transportation Assurance Company (FMTAC) is incorporated into MTA consolidated financials. Increases in Insurance premiums paid by MTA Agencies to FMTAC are necessary in order to maintain the appropriate capital and reserve levels pursuant to the State of New York Insurance guidelines.

The November Financial Plan includes MTA Bus expenses for Insurance. MTA Bus Company's Insurance expenses are \$14 million in 2006 and 2007, \$16 million in 2008, \$17 million in 2009 and \$19 million in 2010.

## **CLAIMS**

Claims expenses increase in each year of the Plan. The 2006 November Forecast is primarily based on actual results through July 2006. Thereafter, years 2007-2010 are based on inflation assumptions and historical performance.

On a year-to-year basis, NYCT's forecast includes an annual inflation rate of 2.5% in each year of the Plan.

On a plan-to-plan basis, LI Bus increased its level of reserves due to the number of current open cases. MTA-wide changes from the July Plan are primarily due to changes in inflation assumptions.

The November Financial Plan includes MTA Bus Claims expenses. MTA Bus expenses for Claims are \$2 million in 2006, \$6 million in 2007, and \$8 million in years 2008-2010. On a year-to-year basis, MTA Bus includes higher payouts due to a future re-estimate of likely claims costs. Thereafter, a stabilized level of accident claims is forecasted.

## **PARATRANSIT SERVICE CONTRACTS**

Expenses increase from \$190 million in 2006 to \$355 million in 2010 or 87% over the period. The annual percentage increase per year is 20% in 2007, 17% in 2008, 15% in 2009 and 16% in 2010. The primary driver of these expense increases is projected annual ridership growth of 15% (which is consistent with the February and July Plans) and cost-per-trip inflation projections based upon current carrier contracts, which include CPI assumptions.

In 2006, expenses decreased slightly (0.6%) from July to November mostly due to estimated underruns in eligibility and vehicle maintenance costs. From 2007 to 2010, forecasted expenses remained unchanged between July and November.

## **MAINTENANCE AND OTHER OPERATING CONTRACTS**

Expenses for Maintenance and Other Operating Contracts are impacted by programmatic changes, contractual increases and inflation assumptions provided by Global Insight.

For non-rolling stock energy costs, NYCT includes New York Power Authority (NYPA) rate increases of 4.7%, 9.5% and 5.0% in years 2007, 2009, and 2010, respectively, for supply costs above the July Plan. In 2008, an increase of 5.0% is forecasted over the July Plan for the delivery of energy costs only, which is provided by Con Edison.

In addition to inflationary increases, MNR includes increased expenses for equipment maintenance programs for additional overhaul costs for East and West-of-Hudson locomotives. These costs are reduced in 2010 with the completion of the West-of-Hudson locomotive overhaul program. Included in 2007 are increased costs for the following: the replacement of concrete ties, Extraordinary Landmark Maintenance in Grand Central Terminal, security for outlying facilities, and higher occupancy costs required for the new Running Repair Shop in New Haven. Partially offsetting these increases are decreases in car disposal costs and West-of-Hudson subsidies due to the elimination of a prior period charge related to the new contract that was included in 2006. West-of-Hudson subsidy payments increase in 2008-2010 due to contract cost escalations and increases in service. Costs in 2008 include a provision for office space renovations and lower costs for Grand Central Terminal electricity due to the withdrawal of outside buildings from the power grid.

The LIRR forecast includes a shift of expenses in the Concrete Tie Replacement Program from 2006 to 2007, the decommissioning of the M-1 fleet, contract renewal increases, and higher utility costs, partially offset by the completion of M-1 decommissioning. Years 2008-2010 reflect only spot replacements in the Concrete Tie Replacement Program and the elimination of the M-1 fleet, as well as inflationary increases.

B&T's expenses are higher in 2007 than 2006 primarily due to a delay in the award of the new contract for the operation of the E-ZPass Customer Service Center, which was originally planned for 2006, additional bridge painting requirements, and higher energy costs. Included in 2009 are expenses for the painting of the Bronx Whitestone towers and Throgs Neck approach spans. In 2010, increased costs are expected for the E-ZPass Customer Service Center resulting from the onset of a new E-ZPass tag replacement program.

SIR's expenses reflect the NYPA rate increase of 4.7% in 2007, 10% in 2009 and 5.0% in 2010 for supply costs above the July Plan. This impacts its non-rolling stock energy costs. Included in the 2008 projection is an estimated \$7 million of fleet maintenance expenses that will be required to maintain the safety and reliability of the 64-car fleet until anticipated replacement in 2014. LIB expenses also reflect increased costs for utilities as well as increased maintenance costs associated with extended lifecycle of

Paratransit vehicles. MTAHQ expenses primarily reflect inflationary increases, as well as increases in contracts that were negotiated in 2006 for maintenance and repair work for MTAHQ facilities.

On a plan-to-plan basis, major changes in Maintenance and Other Operating Contracts for all MTA Agencies are primarily the result of changes in inflationary assumptions and expense re-estimates resulting from changes in the cost and timing of planned activities.

Compared to the July Plan, NYCT expenses are unfavorable in 2006 primarily due to the additional NYPA rate increase and expense re-estimates.

MNR's expenses are favorable in 2006, but unfavorable in years 2007-2010, primarily increased costs for the Concrete Tie Replacement Program and changes in CPI-U assumptions. The LIRR is slightly favorable compared to the July Plan in 2006, but unfavorable in years 2007-2010 due to expense re-estimates, such as the shift of expenses for the Concrete Tie Replacement Program from 2006 to 2007, and changes in inflationary assumptions.

Compared to the July Plan, B&T is favorable in 2006, but unfavorable in 2007, primarily due to the timing of start-up costs for the new E-ZPass Customer Service Center.

MTAHQ's forecast includes changes in inflationary assumptions and a number of expense re-estimates, including higher Health and Welfare Retiree payments in 2006, a timing switch in expenses for Shared Services from 2006 to 2007, additional litigation reserves related to insurance expenses, and increased Police fuel costs.

LI Bus changes from the July Plan include costs for a maintenance contract to support the Automatic Vehicle Locator system in 2006 and 2007, higher utilities, and changes in CPI-U.

The November Plan includes MTA Bus expenses for Maintenance and Other Operating Contracts. MTA Bus expenses for Maintenance and Other Operating Contracts are \$29 million in 2006, \$22 million in years 2007-2009, and \$23 million in 2010. MTA Bus plan-to-plan changes include increased levels of emergency facility maintenance work performed at the depots as well as changes in inflationary assumptions.

## **PROFESSIONAL SERVICE CONTRACTS**

Increases in 2006-2010 are inflated primarily by MTA Regional CPI-U forecasts provided by Global Insight. MTA Consolidated Professional Service Contracts are forecasted to be \$34 million higher in 2007 than 2006. NYCT is \$15 million higher largely due to the timing of expenses (such as relocation costs). MTAHQ had an increase of \$10 million in expenses primarily due to a re-allocation of funding for Shared Services expenses. The LIRR had an increase of \$4 million in expenses primarily due

to PeopleSoft Human Resource and payroll systems implementation as well as an increase in advertising expenses. B&T expenses are \$3 million higher mostly due to a re-estimate of general engineering services, bond insurance fees, legal services, training services, and CPI-U increases. Professional Service Contracts are forecasted to be higher in 2008-2010 than 2007. MNR's expenses increased in 2009 by \$2 million mainly due to the restoration of a 2005 reduction for MTA Police service charges for the New Haven line.

MTA Consolidated Professional Service Contracts are forecasted to be \$17 million lower in 2006 than the July Plan. MTAHQ is \$8 million lower than the July Plan mostly due to a re-allocation of Shared Services costs to 2007-2008. NYCT is \$8 million lower than the July Plan due to the timing of expenses rolled over from 2006 to 2007.

MTA Consolidated expenses increase over the July Plan by \$16 million in 2007. MTAHQ's expenses increase over the July Plan by \$9 million primarily due to a re-allocation of funding for Shared Services expenses. NYCT's expenses increase over the July Plan by \$6 million predominately due to the timing of expenses. MTA Consolidated expenses increase over the July Plan by \$8 million in 2008, \$7 million in 2009, and \$6 million in 2010.

MTA Bus Company expenses were \$4 million in 2006, \$15 million in 2007, and \$16 million in 2008-2010. Compared with the July Plan, expenses were \$1 million higher in 2006, \$8 million higher in 2007, \$9 million higher in 2008-2009, and \$8 million higher in 2010. These increases are due to the use of new CPI's in the November Plan.

## **MATERIALS & SUPPLIES**

All-Agency increases in Materials and Supplies for 2007 through 2010 are inflated primarily by Global Insight's Regional CPI-U forecasts.

Materials and Supplies expense increases \$92 million or 21.7% between 2006 and 2007 due to significant increases in maintenance requirements. The LIRR reflects an increase of \$46 million between 2006 and 2007 primarily due to Maintenance of Equipment material needs associated with changes in the Life-Cycle Maintenance program and an increased fleet size. NYCT's expenses are projected to increase by \$35 million in 2007 from 2006, primarily due to the timing of subway and bus fleet maintenance programs. MNR expenses increase in 2007 from 2006 by \$7 million primarily due to the expanding maintenance program on the M3 car fleet. B&T expenses increase \$2 million in 2007 from 2006 primarily due to E-ZPass tag purchases.

MTA Consolidated Materials and Supplies increase by \$34 million in 2009 from 2008. NYCT expenses increase by \$24 million predominately due to the timing of subway and bus fleet maintenance programs. MNR expenses increase by \$6 million largely due to cost provisions for the expanding maintenance program on the M3 car fleet. B&T

expenses increase by \$3 million due to the need to undertake a new E-ZPass tag replacement program. On a Consolidated basis, expenses remain unchanged in 2010 from 2009.

MTA Consolidated Materials and Supplies are forecasted to be \$10 million lower in 2006 than the July Plan. In 2006 NYCT is \$10 million lower than the July Plan primarily due to a shift in the timing of expenses to 2007. For 2007, Consolidated Materials and Supplies are \$35 million higher than the July Plan; for each year in 2008-2010, they are lower.

Significant increases from the July Plan in 2007 result from NYCT's additional requirements for subway car maintenance (including major overhauls), bus maintenance and materials. MNR expenses increased from the July Plan due to cost provisions for the expanding maintenance program on the M3 car fleet and the anticipated acquisition of M-8 cars. The LIRR's expenses increase in 2007 then decrease in 2008-2010 primarily due to the implementation of the Life Cycle Maintenance plan for its growing M-7 fleet.

The November Financial Plan now includes expenses for the MTA Bus Company. MTA Bus Company expenses are projected to be \$29 million in 2006, \$33 million each in 2007-2008, \$34 million in 2009 and \$35 million in 2010.

## **OTHER BUSINESS EXPENSES**

Other Business Expenses are forecasted to be unchanged in 2007 from 2006. Changes from year-to-year in 2008-2010 are largely due to inflationary increases based on Global Insight's estimates, and 2008 and 2009 also include provisions for maintenance initiatives at MNR.

MTA Consolidated Other Business Expenses are forecasted to be \$8 million higher in 2006 than in the July Plan. This is largely due to a \$5 million write-off in 2006 by MNR for defective concrete ties. There are favorable decreases projected for 2008-2010.

MTA Bus Company expenses were \$3 million in 2006 and \$0.2 million in each year from 2007-2010.

## **STATUS OF THE 2006 PEGs**

As reflected on the chart below, the February Plan included within its baseline, 2006 Program to Eliminate the Gap (PEG) savings of \$42 million and 143 positions in 2006, growing to \$51 million and 147 positions in 2010. In the July Plan the value of these PEGs was slightly reduced by \$3 million and 5 positions in 2006 and 2007, and \$2 million and 5 positions in each year from 2008 through 2010. NYCT saw PEG savings reduced in 2006 by \$2 million and 5 positions due to delays in implementing the

“Disease Management Program” (-\$1.4 million) and the “Grand Concourse Master Tower Savings” initiative (-\$.2 million and 5 positions). The LIRR saw PEG savings reduced in 2006 due to delays in implementing the “M7 – 45 to 90 Day Inspection” PEG (-\$.5 million) until July, 2006, and elimination of the “Additional Parking Fees” PEG (-\$.6 million).

Re-estimates included in the November Plan resulted in a slight reduction of \$0.5 million and 13 positions to the 2006 value of the PEGs due to the LIRR delaying the implementation of the “M7 – 45 to 90 Day Inspection” PEG (-\$0.5 million) until 2007.

METROPOLITAN TRANSPORTATION AUTHORITY November Financial Plan 2007 - 2010 Summary of Re-Estimates to 2006 PEG Program (\$ in millions)						
	February Plan		July Plan		November Plan	
	Positions	Dollars	Positions	Dollars	Positions	Dollars
2006	143	\$42	138	\$39	125	\$38
2007	146	\$44	141	\$41	141	\$41
2008	147	\$47	142	\$45	142	\$45
2009	147	\$50	142	\$48	142	\$48
2010	147	\$51	142	\$49	142	\$49

In addition to the 2006 PEG Program re-estimates listed above, the November Financial Plan included a significant re-estimate to the 2005 PEG program. This re-estimate involved the elimination of the “100% Off-Peak Seated Load/Guideline Based Adjustment” PEG (included in the baseline). As a result of this, PEG savings were reduced by 431 positions and \$15 million in 2007, 440 positions and \$30 million in 2008, 441 positions and \$32 million in 2009, and 441 positions and \$33 million in 2010.



## **Positions (Headcount)**

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**November Financial Plan 2007 - 2010**  
**Baseline Total Non-Reimbursable - Reimbursable Positions**  
**Full-Time Positions and Full Time Equivalents by Function and Agency**  
(Excludes MTA BUS COMPANY)

Function	2005 Actuals	2006 November Forecast	2007 Final Proposed Budget	2008	2009	2010
<b>Baseline Total Positions</b>	<b>63,483</b>	<b>65,186</b>	<b>65,749</b>	<b>65,680</b>	<b>65,670</b>	<b>65,306</b>
NYC Transit	47,072	48,001	48,292	48,093	48,035	47,642
Long Island Rail Road	6,119	6,476	6,557	6,619	6,606	6,605
Metro-North Railroad	5,812	5,930	6,057	6,125	6,186	6,216
Bridges & Tunnels	1,770	1,822	1,828	1,828	1,828	1,828
Headquarters	1,263	1,423	1,433	1,433	1,433	1,433
Long Island Bus	1,115	1,157	1,149	1,149	1,149	1,149
Staten Island Railway	281	281	283	283	283	283
Capital Construction Company	51	96	150	150	150	150
<b>Non-Reimbursable</b>	<b>56,858</b>	<b>58,409</b>	<b>58,918</b>	<b>59,045</b>	<b>59,233</b>	<b>58,949</b>
NYC Transit	41,770	42,689	43,035	43,100	43,226	42,912
Long Island Rail Road	5,452	5,788	5,837	5,831	5,832	5,832
Metro-North Railroad	5,294	5,351	5,455	5,523	5,584	5,614
Bridges & Tunnels	1,725	1,773	1,779	1,779	1,779	1,779
Headquarters	1,240	1,387	1,397	1,397	1,397	1,397
Long Island Bus	1,102	1,143	1,135	1,135	1,135	1,135
Staten Island Railway	275	278	280	280	280	280
Capital Construction Company	0	0	0	0	0	0
<b>Reimbursable</b>	<b>6,625</b>	<b>6,777</b>	<b>6,831</b>	<b>6,635</b>	<b>6,437</b>	<b>6,357</b>
NYC Transit	5,302	5,312	5,257	4,993	4,809	4,730
Long Island Rail Road	667	688	720	788	774	773
Metro-North Railroad	518	579	602	602	602	602
Bridges & Tunnels	45	49	49	49	49	49
Headquarters	23	36	36	36	36	36
Long Island Bus	13	14	14	14	14	14
Staten Island Railway	6	3	3	3	3	3
Capital Construction Company	51	96	150	150	150	150
<b>Total Full-Time</b>	<b>63,140</b>	<b>64,859</b>	<b>65,422</b>	<b>65,360</b>	<b>65,350</b>	<b>64,987</b>
NYC Transit	46,841	47,788	48,079	47,887	47,829	47,437
Long Island Rail Road	6,119	6,476	6,557	6,619	6,606	6,605
Metro-North Railroad	5,807	5,925	6,052	6,120	6,181	6,211
Bridges & Tunnels	1,770	1,822	1,828	1,828	1,828	1,828
Headquarters	1,263	1,423	1,433	1,433	1,433	1,433
Long Island Bus	1,008	1,048	1,040	1,040	1,040	1,040
Staten Island Railway	281	281	283	283	283	283
Capital Construction Company	51	96	150	150	150	150
<b>Total Full-Time-Equivalents</b>	<b>343</b>	<b>327</b>	<b>327</b>	<b>320</b>	<b>320</b>	<b>319</b>
NYC Transit	231	213	213	206	206	205
Long Island Rail Road	0	0	0	0	0	0
Metro-North Railroad	5	5	5	5	5	5
Bridges & Tunnels	0	0	0	0	0	0
Headquarters	0	0	0	0	0	0
Long Island Bus	107	109	109	109	109	109
Staten Island Railway	0	0	0	0	0	0
Capital Construction Company	0	0	0	0	0	0

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**November Financial Plan 2007 - 2010**  
**Baseline Total Non-Reimbursable - Reimbursable Positions**  
**Full-Time Positions and Full Time Equivalents by Function and Agency**  
(Excludes MTA BUS COMPANY)

<b>Function</b>	<b>2005 Actuals</b>	<b>2006 November Forecast</b>	<b>2007 Final Proposed Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b><i>Administration</i></b>	<b>4,256</b>	<b>4,451</b>	<b>4,485</b>	<b>4,477</b>	<b>4,490</b>	<b>4,487</b>
NYC Transit	2,257	2,291	2,291	2,283	2,296	2,294
Long Island Rail Road	601	656	666	665	665	664
Metro-North Railroad	553	533	538	539	539	539
Bridges & Tunnels	137	146	146	146	146	146
Headquarters	571	668	665	665	665	665
Long Island Bus	90	96	96	96	96	96
Staten Island Railway	31	31	31	31	31	31
Capital Construction Company	16	30	52	52	52	52
<b><i>Operations</i></b>	<b>28,205</b>	<b>28,705</b>	<b>28,930</b>	<b>28,810</b>	<b>28,858</b>	<b>28,874</b>
NYC Transit	22,711	23,018	23,235	23,088	23,089	23,078
Long Island Rail Road	1,985	2,045	2,040	2,040	2,040	2,040
Metro-North Railroad	1,881	1,969	1,990	2,017	2,064	2,091
Bridges & Tunnels	774	798	798	798	798	798
Headquarters	0	0	0	0	0	0
Long Island Bus	757	781	773	773	773	773
Staten Island Railway	97	94	94	94	94	94
Capital Construction Company	0	0	0	0	0	0
<b><i>Maintenance</i></b>	<b>27,531</b>	<b>28,409</b>	<b>28,677</b>	<b>28,739</b>	<b>28,675</b>	<b>28,299</b>
NYC Transit	20,024	20,597	20,690	20,648	20,570	20,191
Long Island Rail Road	3,443	3,690	3,762	3,826	3,826	3,826
Metro-North Railroad	3,269	3,314	3,415	3,455	3,469	3,472
Bridges & Tunnels	391	391	391	391	391	391
Headquarters	0	0	0	0	0	0
Long Island Bus	251	261	261	261	261	261
Staten Island Railway	153	156	158	158	158	158
Capital Construction Company	0	0	0	0	0	0
<b><i>Engineering/Capital</i></b>	<b>1,908</b>	<b>1,990</b>	<b>2,011</b>	<b>2,010</b>	<b>1,997</b>	<b>1,997</b>
NYC Transit	1,487	1,519	1,504	1,504	1,504	1,504
Long Island Rail Road	90	85	89	88	75	75
Metro-North Railroad	109	114	114	114	114	114
Bridges & Tunnels	173	190	190	190	190	190
Headquarters	0	0	0	0	0	0
Long Island Bus	14	16	16	16	16	16
Staten Island Railway	0	0	0	0	0	0
Capital Construction Company	35	66	98	98	98	98
<b><i>Public Safety</i></b>	<b>1,583</b>	<b>1,631</b>	<b>1,646</b>	<b>1,644</b>	<b>1,650</b>	<b>1,649</b>
NYC Transit	593	576	572	570	576	575
Long Island Rail Road	0	0	0	0	0	0
Metro-North Railroad	0	0	0	0	0	0
Bridges & Tunnels	295	297	303	303	303	303
Headquarters	692	755	768	768	768	768
Long Island Bus	3	3	3	3	3	3
Staten Island Railway	0	0	0	0	0	0
Capital Construction Company	0	0	0	0	0	0

**Metropolitan Transportation Authority**  
**November Financial Plan 2007 - 2010**  
**Baseline Total Full-time Positions and Full-time Equivalents by Function and Occupational Group**  
(Excludes MTA BUS COMPANY)

FUNCTION/OCCUPATIONAL GROUP		2006 November Forecast	2007 Final Proposed Budget	2008	2009	2010
<b>Administration</b>						
	Managers/Supervisors	1,690	1,647	1,639	1,636	1,634
	Professional, Technical, Clerical	2,723	2,795	2,795	2,811	2,810
	Operational Hourlies	38	43	43	43	43
	Total Administration	4,451	4,485	4,477	4,490	4,487
<b>Operations</b>						
	Managers/Supervisors	2,913	2,960	2,946	2,919	2,917
	Professional, Technical, Clerical	1,163	1,173	1,178	1,175	1,175
	Operational Hourlies	24,629	24,797	24,686	24,764	24,782
	Total Operations	28,705	28,930	28,810	28,858	28,874
<b>Maintenance</b>						
	Managers/Supervisors	4,438	4,573	4,537	4,528	4,480
	Professional, Technical, Clerical	2,602	2,622	2,603	2,574	2,555
	Operational Hourlies	21,369	21,482	21,599	21,573	21,264
	Total Maintenance	28,409	28,677	28,739	28,675	28,299
<b>Engineering/Capital</b>						
	Managers/Supervisors	486	489	486	477	477
	Professional, Technical, Clerical	1,502	1,520	1,522	1,518	1,518
	Operational Hourlies	2	2	2	2	2
	Total Engineering/Capital	1,990	2,011	2,010	1,997	1,997
<b>Public Safety</b>						
	Managers/Supervisors	144	145	144	141	140
	Professional, Technical, Clerical	159	166	165	164	164
	Operational Hourlies	1,328	1,335	1,335	1,345	1,345
	Total Public Safety	1,631	1,646	1,644	1,650	1,649
<b>MTA Consolidated</b>						
	Managers/Supervisors	9,671	9,814	9,752	9,701	9,648
	Professional, Technical, Clerical	8,149	8,276	8,263	8,242	8,222
	Operational Hourlies	47,366	47,659	47,665	47,727	47,436
	Total MTA Consolidated	65,186	65,749	65,680	65,670	65,306

## **POSITIONS (Headcount)**

### **Year-to-Year (2007 vs 2006)**

The MTA consolidated 2007 baseline reflects positions of 65,749, which are 563 more than 2006. Non-Reimbursable positions increase by 509 and Reimbursable positions increase by 54. Positions increase by a net 291 at NYCT, 127 at MNR, 81 at the LIRR, 54 at MTA CC, 10 at MTA HQ, 6 at B&T and 2 at SIR, while positions decrease by 8 at Long Island Bus. The bulk of the increase over the 2006 November Forecast is made up of position increases in Maintenance (+268) and Operations (+225).

NYCT's increase is made up of increases of 346 Non-Reimbursable positions and decreases of 55 Reimbursable positions. Positions increased in Operations (+217) and Maintenance (+93), and decreased in Engineering (-15) and Public Safety (-4). Position increases reflect changes to PEGs and New Needs in the baseline such as the restoration of the "100% Off-Peak Seated Load" PEG, as well as re-estimates of New Needs including "Reefing/Car Scrapping" and "Bus Service Re-Estimates." Position reductions in Engineering and Public Safety reflect the anticipated completion of in-house capital construction and security projects as well as PEG reductions already in the baseline.

MNR's increase is made up of 104 Non-Reimbursable positions and 23 Reimbursable positions. Positions increase in Maintenance (+101), Operations (+21) and Administration (+5). Maintenance position increases result primarily from security based initiatives in GCT, maintenance increases for the M3 CSR program, and staff to perform GCT extraordinary landmark maintenance.

LIRR's increase is made up of 49 Non-Reimbursable and 32 Reimbursable positions. Positions increase in Maintenance (+72), Administration (+10) and Engineering (+4), and decrease in Operations (-5). Non-Reimbursable position increases are largely within the Maintenance of Equipment Department and consist mainly of training positions. Reimbursable position increases are primarily associated with the 2007 Track Program.

MTA CC's increase of 54 Reimbursable positions is made up of 32 positions in Engineering and 22 in Administration. Position increases are related to implementation of various projects such as East Side Access, the Second Avenue Subway, Lower Manhattan, No. 7 Line and the system-wide security program.

### **Year-to-Year (2008 – 2010)**

Total forecasted position levels decrease by 443 from the end of 2007 to the end of 2010. Positions decrease by 69 in 2008, 10 in 2009 and 364 in 2010. Agencies with the largest position changes at the end of the three-year period are NYCT with a reduction of 650, MNR with an increase of 159 and the LIRR with an increase of 48.

NYCT's decrease is made up of reductions of 527 Reimbursable and 123 Non-Reimbursable positions. The large reduction in positions is due primarily to in-house Capital Construction and Security projects ending in 2006 and 2007. Positions decrease in Maintenance (-499) and Operations (-157) and increase in Administration (+3) and Public Safety (+3).

MNR's increase is made up entirely of 159 Non-Reimbursable positions. Positions increase in Operations (+101), Maintenance (+57) and Administration (+1). Position increases are due to maintenance requirements in support of new security systems, GCT renovations, various infrastructure and facility upgrades funded by the capital program, and the addition of car cleaning personnel and quality control staff.

LIRR's increase is made up of increases of 53 Reimbursable positions and reductions of 5 Non-Reimbursable positions. Position increases are mainly due to the implementation of the Life Cycle Maintenance Program.

Function	2006	2007	Change 2007-2006	2008	Change 2008-2007	2009	Change 2009-2008	2010	Change 2010-2009
<b>Baseline Total Positions</b>	<b>65,186</b>	<b>65,749</b>	<b>(563)</b>	<b>65,680</b>	<b>69</b>	<b>65,670</b>	<b>10</b>	<b>65,306</b>	<b>364</b>
NYC Transit	48,001	48,292	(291)	48,093	199	48,035	58	47,642	393
Long Island Rail Road	6,476	6,557	(81)	6,619	(62)	6,606	13	6,605	1
Metro-North Railroad	5,930	6,057	(127)	6,125	(68)	6,186	(61)	6,216	(30)
Bridges & Tunnels	1,822	1,828	(6)	1,828	0	1,828	0	1,828	0
Headquarters	1,423	1,433	(10)	1,433	0	1,433	0	1,433	0
Long Island Bus	1,157	1,149	8	1,149	0	1,149	0	1,149	0
Staten Island Railway	281	283	(2)	283	0	283	0	283	0
Capital Construction Company	96	150	(54)	150	0	150	0	150	0
<b>Non-Reimbursable</b>	<b>58,409</b>	<b>58,918</b>	<b>(509)</b>	<b>59,045</b>	<b>(127)</b>	<b>59,233</b>	<b>(188)</b>	<b>58,949</b>	<b>284</b>
NYC Transit	42,689	43,035	(346)	43,100	(65)	43,226	(126)	42,912	314
Long Island Rail Road	5,788	5,837	(49)	5,831	6	5,832	(1)	5,832	0
Metro-North Railroad	5,351	5,455	(104)	5,523	(68)	5,584	(61)	5,614	(30)
Bridges & Tunnels	1,773	1,779	(6)	1,779	0	1,779	0	1,779	0
Headquarters	1,387	1,397	(10)	1,397	0	1,397	0	1,397	0
Long Island Bus	1,143	1,135	8	1,135	0	1,135	0	1,135	0
Staten Island Railway	278	280	(2)	280	0	280	0	280	0
Capital Construction Company	0	0	0	0	0	0	0	0	0
<b>Reimbursable</b>	<b>6,777</b>	<b>6,831</b>	<b>(54)</b>	<b>6,635</b>	<b>196</b>	<b>6,437</b>	<b>198</b>	<b>6,357</b>	<b>80</b>
NYC Transit	5,312	5,257	55	4,993	264	4,809	184	4,730	79
Long Island Rail Road	688	720	(32)	788	(68)	774	14	773	1
Metro-North Railroad	579	602	(23)	602	0	602	0	602	0
Bridges & Tunnels	49	49	0	49	0	49	0	49	0
Headquarters	36	36	0	36	0	36	0	36	0
Long Island Bus	14	14	0	14	0	14	0	14	0
Staten Island Railway	3	3	0	3	0	3	0	3	0
Capital Construction Company	96	150	(54)	150	0	150	0	150	0
<b>Total Full-Time</b>	<b>64,859</b>	<b>65,422</b>	<b>(563)</b>	<b>65,360</b>	<b>62</b>	<b>65,350</b>	<b>10</b>	<b>64,987</b>	<b>363</b>
NYC Transit	47,788	48,079	(291)	47,887	192	47,829	58	47,437	392
Long Island Rail Road	6,476	6,557	(81)	6,619	(62)	6,606	13	6,605	1
Metro-North Railroad	5,925	6,052	(127)	6,120	(68)	6,181	(61)	6,211	(30)
Bridges & Tunnels	1,822	1,828	(6)	1,828	0	1,828	0	1,828	0
Headquarters	1,423	1,433	(10)	1,433	0	1,433	0	1,433	0
Long Island Bus	1,048	1,040	8	1,040	0	1,040	0	1,040	0
Staten Island Railway	281	283	(2)	283	0	283	0	283	0
Capital Construction Company	96	150	(54)	150	0	150	0	150	0
<b>Total Full-Time-Equivalents</b>	<b>327</b>	<b>327</b>	<b>0</b>	<b>320</b>	<b>7</b>	<b>320</b>	<b>0</b>	<b>319</b>	<b>1</b>
NYC Transit	213	213	0	206	7	206	0	205	1
Long Island Rail Road	0	0	0	0	0	0	0	0	0
Metro-North Railroad	5	5	0	5	0	5	0	5	0
Bridges & Tunnels	0	0	0	0	0	0	0	0	0
Headquarters	0	0	0	0	0	0	0	0	0
Long Island Bus	109	109	0	109	0	109	0	109	0
Staten Island Railway	0	0	0	0	0	0	0	0	0
Capital Construction Company	0	0	0	0	0</				





**Metropolitan Transportation Authority**  
**November Financial Plan 2007 - 2010**  
**Year to Year Changes for Positions by Function and Occupational Group**  
**Baseline Total Full-time Positions and Full-time Equivalents**  
(Excludes MTA BUS COMPANY)

FUNCTION/OCCUPATIONAL GROUP	2006	2007	Change 2007-2006	2008	Change 2008-2007	2009	Change 2009-2008	2010	Change 2010-2009
<b>Administration</b>									
Managers/Supervisors	1,690	1,647	43	1,639	8	1,636	3	1,634	2
Professional, Technical, Clerical	2,723	2,795	(72)	2,795	-	2,811	(16)	2,810	1
Operational Hourlies	38	43	(5)	43	-	43	-	43	-
Total Administration	4,451	4,485	(34)	4,477	8	4,490	(13)	4,487	3
<b>Operations</b>									
Managers/Supervisors	2,913	2,960	(47)	2,946	14	2,919	27	2,917	2
Professional, Technical, Clerical	1,163	1,173	(10)	1,178	(5)	1,175	3	1,175	-
Operational Hourlies	24,629	24,797	(168)	24,686	111	24,764	(78)	24,782	(18)
Total Operations	28,705	28,930	(225)	28,810	120	28,858	(48)	28,874	(16)
<b>Maintenance</b>									
Managers/Supervisors	4,438	4,573	(135)	4,537	36	4,528	9	4,480	48
Professional, Technical, Clerical	2,602	2,622	(20)	2,603	19	2,574	29	2,555	19
Operational Hourlies	21,369	21,482	(113)	21,599	(117)	21,573	26	21,264	309
Total Maintenance	28,409	28,677	(268)	28,739	(62)	28,675	64	28,299	376
<b>Engineering/Capital</b>									
Managers/Supervisors	486	489	(3)	486	3	477	9	477	-
Professional, Technical, Clerical	1,502	1,520	(18)	1,522	(2)	1,518	4	1,518	-
Operational Hourlies	2	2	0	2	-	2	-	2	-
Total Engineering/Capital	1,990	2,011	(21)	2,010	1	1,997	13	1,997	-
<b>Public Safety</b>									
Managers/Supervisors	144	145	(1)	144	1	141	3	140	1
Professional, Technical, Clerical	159	166	(7)	165	1	164	1	164	-
Operational Hourlies	1,328	1,335	(7)	1,335	-	1,345	(10)	1,345	-
Total Public Safety	1,631	1,646	(15)	1,644	2	1,650	(6)	1,649	1
<b>MTA Consolidated</b>									
Managers/Supervisors	9,671	9,814	(143)	9,752	62	9,701	51	9,648	53
Professional, Technical, Clerical	8,149	8,276	(127)	8,263	13	8,242	21	8,222	20
Operational Hourlies	47,366	47,659	(293)	47,665	(6)	47,727	(62)	47,436	291
Total MTA Consolidated	65,186	65,749	(563)	65,680	69	65,670	10	65,306	364

## **POSITIONS (Headcount)**

### **Plan-to-Plan (2006)**

MTA Consolidated baseline positions of 65,186 are 11 higher than the July Mid-Year Forecast. Non-Reimbursable positions are forecast to increase by 36 and Reimbursable positions to decrease by 25. Total positions increase by 21 at NYCT, 6 at MNR, 5 at LIB and 2 at MTA HQ, while positions decrease by 23 at the LIRR. Position increases in Operations (+15), Administration (+6) and Maintenance (+4), are partially offset by reductions in Engineering (-8) and Public Safety (-6).

NYCT's increase is made up of an increase of 11 Non-Reimbursable positions and 10 Reimbursable positions. Position increases in Operations (+14) and Maintenance (+3) result primarily from Bus Service re-estimates which add 11 positions.

MNR's increase is made up an increase of 15 Non-Reimbursable positions and a decrease of 9 Reimbursable positions. Positions increase in Operations (+10) and decrease in Maintenance (-3) and Administration (-1). Changes in Non-Reimbursable and Reimbursable positions reflect changes in project requirements resulting from program deferrals, eliminations or re-estimates.

LIB's positions increase in Operations (+4) and Administration (+1). Increased service levels result in the need for four additional Bus Operators, while one Safety Specialist is needed to analyze, implement and monitor various safety initiatives.

LIRR's decrease is made up of a decrease of 26 Reimbursable positions and an increase of 3 Non-Reimbursable positions. Positions decrease in Operations (-13), Engineering (-8) and Administration (-6), and increase in Maintenance (+4). Reimbursable position reductions are based on re-estimates of planned project activity for the balance of the year.

### **Plan-to-Plan (2007)**

Baseline positions are increasing by 770 compared with the July Plan. Non-Reimbursable positions increase by 611 and Reimbursable positions increase by 159. Positions increase by 699 at NYCT, 62 at MNR, 10 at the LIRR and 2 at MTA HQ, while decreasing by 3 at LIB .

NYCT's increase is made up of an increase of 521 Non-Reimbursable positions and 178 Reimbursable positions. Positions increase in Operations (+526), Maintenance (+144), Public Safety (+30) and Administration (+14), and decrease in Engineering (-15). Position increases are primarily due to restoration of positions for the "100% Off-Peak Seated Load" PEG (+431), as well as additional induction training float (+77) and positions for capital project support (+178).

MNR's increase is made up of an increase of 48 Non-Reimbursable positions and 14 Reimbursable positions. Positions increase in Maintenance (+29), Operations (+28) and Administration (+5). Non-Reimbursable position increases result mainly from the addition of personnel to support service plan revisions, and a change in the allocation of positions between the Non-Reimbursable and Reimbursable budgets. Reimbursable position increases are primarily due to re-estimates of support requirements for capital projects.

LIRR's increase is made up of an increase of 43 Non-Reimbursable positions and a decrease of 33 Reimbursable positions. Positions increase in Maintenance (+11) and Administration (+5) and decrease in Engineering (-6). Non-Reimbursable position increases are largely within the Maintenance of Equipment Department and consist mainly of training positions. Reimbursable position reductions are based on historical performance and re-estimates of planned project activity.

#### Plan-to-Plan (2008 – 2010)

When compared with the Mid-Year Forecast, positions are higher in each of the out-years: by 532 in 2008, 508 in 2009, and 465 in 2010. Positions increase in 2008 at NYCT (+407), MNR (+82), the LIRR (+44) and MTA HQ (+2), while decreasing at LIB (-3). NYCT's increase primarily reflects changes to PEGs and New Needs in the baseline such as the restoration of the "100% Off-Peak Seated Load" PEG, as well as re-estimates of New Needs including "Reefing/Car Scrapping" and "Bus Service Re-Estimates."

The MTA Bus Company Plan, which is not included in the consolidated figures above, has total baseline positions of 3,318 in each of the years 2007 through 2011. This represents an increase of 8 positions over the July Mid-Year Forecast in each of the Financial Plan years.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**November Financial Plan 2007 - 2010**  
**Baseline Change Between Plans 2006 Mid-Year Forecast vs. 2006 November Financial Plan**  
**Total Non-Reimbursable - Reimbursable Positions**  
**Full-Time Positions and Full Time Equivalents by Function and Agency**  
(Excludes MTA BUS COMPANY)

Function	Favorable/(Unfavorable) Variance				
	2006	2007	2008	2009	2010
<b>Baseline Total Positions</b>	<b>(11)</b>	<b>(770)</b>	<b>(532)</b>	<b>(508)</b>	<b>(465)</b>
NYC Transit	(21)	(699)	(407)	(383)	(321)
Long Island Rail Road	23	(10)	(44)	(43)	(42)
Metro-North Railroad	(6)	(62)	(82)	(83)	(103)
Bridges & Tunnels	0	0	0	0	0
Headquarters	(2)	(2)	(2)	(2)	(2)
Long Island Bus	(5)	3	3	3	3
Staten Island Railway	0	0	0	0	0
Capital Construction Company	0	0	0	0	0
<b>Non-Reimbursable</b>	<b>(36)</b>	<b>(611)</b>	<b>(542)</b>	<b>(563)</b>	<b>(541)</b>
NYC Transit	(11)	(521)	(406)	(427)	(385)
Long Island Rail Road	(3)	(43)	(69)	(68)	(68)
Metro-North Railroad	(15)	(48)	(68)	(69)	(89)
Bridges & Tunnels	0	0	0	0	0
Headquarters	(2)	(2)	(2)	(2)	(2)
Long Island Bus	(5)	3	3	3	3
Staten Island Railway	0	0	0	0	0
Capital Construction Company	0	0	0	0	0
<b>Reimbursable</b>	<b>25</b>	<b>(159)</b>	<b>10</b>	<b>55</b>	<b>76</b>
NYC Transit	(10)	(178)	(1)	44	64
Long Island Rail Road	26	33	25	25	26
Metro-North Railroad	9	(14)	(14)	(14)	(14)
Bridges & Tunnels	0	0	0	0	0
Headquarters	0	0	0	0	0
Long Island Bus	0	0	0	0	0
Staten Island Railway	0	0	0	0	0
Capital Construction Company	0	0	0	0	0
<b>Total Full-Time</b>	<b>(11)</b>	<b>(840)</b>	<b>(572)</b>	<b>(515)</b>	<b>(464)</b>
NYC Transit	(21)	(769)	(447)	(390)	(320)
Long Island Rail Road	23	(10)	(44)	(43)	(42)
Metro-North Railroad	(6)	(62)	(82)	(83)	(103)
Bridges & Tunnels	(0)	(0)	(0)	(0)	(0)
Headquarters	(2)	(2)	(2)	(2)	(2)
Long Island Bus	(5)	3	3	3	3
Staten Island Railway	0	0	0	0	0
Capital Construction Company	(0)	(0)	(0)	(0)	(0)
<b>Total Full-Time-Equivalents</b>	<b>0</b>	<b>70</b>	<b>40</b>	<b>7</b>	<b>(1)</b>
NYC Transit	0	70	40	7	(1)
Long Island Rail Road	0	0	0	0	0
Metro-North Railroad	0	0	0	0	0
Bridges & Tunnels	0	0	0	0	0
Headquarters	0	0	0	0	0
Long Island Bus	0	0	0	0	0
Staten Island Railway	0	0	0	0	0
Capital Construction Company	0	0	0	0	0

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**November Financial Plan 2007 - 2010**  
**Baseline Change Between Plans 2006 Mid-Year Forecast vs. 2006 November Financial Plan**  
**Total Non-Reimbursable - Reimbursable Positions**  
**Full-Time Positions and Full Time Equivalents by Function and Agency**  
(Excludes MTA BUS COMPANY)

	<b>Favorable/(Unfavorable) Variance</b>				
<b>Function</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b><i>Administration</i></b>	<b>(6)</b>	<b>(33)</b>	<b>(29)</b>	<b>(27)</b>	<b>(27)</b>
NYC Transit	(4)	(14)	(9)	(7)	(7)
Long Island Rail Road	6	(5)	(6)	(6)	(6)
Metro-North Railroad	1	(5)	(5)	(5)	(5)
Bridges & Tunnels	0	0	0	0	0
Headquarters	(8)	(8)	(8)	(8)	(8)
Long Island Bus	(1)	(1)	(1)	(1)	(1)
Staten Island Railway	0	0	0	0	0
Capital Construction Company	0	0	0	0	0
<b><i>Operations</i></b>	<b>(15)</b>	<b>(550)</b>	<b>(385)</b>	<b>(409)</b>	<b>(448)</b>
NYC Transit	(14)	(526)	(358)	(381)	(400)
Long Island Rail Road	13	0	0	0	0
Metro-North Railroad	(10)	(28)	(31)	(32)	(52)
Bridges & Tunnels	0	0	0	0	0
Headquarters	0	0	0	0	0
Long Island Bus	(4)	4	4	4	4
Staten Island Railway	0	0	0	0	0
Capital Construction Company	0	0	0	0	0
<b><i>Maintenance</i></b>	<b>(4)</b>	<b>(184)</b>	<b>(114)</b>	<b>(69)</b>	<b>12</b>
NYC Transit	(3)	(144)	(25)	20	101
Long Island Rail Road	(4)	(11)	(43)	(43)	(43)
Metro-North Railroad	3	(29)	(46)	(46)	(46)
Bridges & Tunnels	0	0	0	0	0
Headquarters	0	0	0	0	0
Long Island Bus	0	0	0	0	0
Staten Island Railway	0	0	0	0	0
Capital Construction Company	0	0	0	0	0
<b><i>Engineering/Capital</i></b>	<b>8</b>	<b>21</b>	<b>20</b>	<b>21</b>	<b>22</b>
NYC Transit	0	15	15	15	15
Long Island Rail Road	8	6	5	6	7
Metro-North Railroad	0	0	0	0	0
Bridges & Tunnels	0	0	0	0	0
Headquarters	0	0	0	0	0
Long Island Bus	0	0	0	0	0
Staten Island Railway	0	0	0	0	0
Capital Construction Company	0	0	0	0	0
<b><i>Public Safety</i></b>	<b>6</b>	<b>(24)</b>	<b>(24)</b>	<b>(24)</b>	<b>(24)</b>
NYC Transit	0	(30)	(30)	(30)	(30)
Long Island Rail Road	0	0	0	0	0
Metro-North Railroad	0	0	0	0	0
Bridges & Tunnels	0	0	0	0	0
Headquarters	6	6	6	6	6
Long Island Bus	0	0	0	0	0
Staten Island Railway	0	0	0	0	0
Capital Construction Company	0	0	0	0	0

**Metropolitan Transportation Authority  
November Financial Plan 2007 - 2010**

**Baseline Change Between Plans 2006 Mid-Year Forecast vs. 2006 November Financial Plan  
Baseline Total Full-time Positions and Full-time Equivalents by Function and Occupational Group**  
(Excludes MTA BUS COMPANY)

Favorable/(Unfavorable) Variance					
FUNCTION/OCCUPATIONAL GROUP	2006	2007	2008	2009	2010
<b>Administration</b>					
Managers/Supervisors	(47)	3	7	8	8
Professional, Technical, Clerical	46	(26)	(26)	(25)	(25)
Operational Hourlies	(5)	(10)	(10)	(10)	(10)
Total Administration	(6)	(33)	(29)	(27)	(27)
<b>Operations</b>					
Managers/Supervisors	(0)	(44)	(29)	(17)	(17)
Professional, Technical, Clerical	3	(1)	5	7	5
Operational Hourlies	(18)	(505)	(361)	(399)	(436)
Total Operations	(15)	(550)	(385)	(409)	(448)
<b>Maintenance</b>					
Managers/Supervisors	(4)	(88)	(47)	(45)	(25)
Professional, Technical, Clerical	(1)	(39)	(9)	16	25
Operational Hourlies	1	(57)	(58)	(40)	12
Total Maintenance	(4)	(184)	(114)	(69)	12
<b>Engineering/Capital</b>					
Managers/Supervisors	8	5	4	4	5
Professional, Technical, Clerical	(0)	16	16	17	17
Operational Hourlies	(0)	0	0	0	0
Total Engineering/Capital	8	21	20	21	22
<b>Public Safety</b>					
Managers/Supervisors	3	(8)	(8)	(8)	(8)
Professional, Technical, Clerical	3	(13)	(13)	(13)	(13)
Operational Hourlies	0	(3)	(3)	(3)	(3)
Total Public Safety	6	(24)	(24)	(24)	(24)
<b>MTA Consolidated</b>					
Managers/Supervisors	(40)	(132)	(73)	(58)	(37)
Professional, Technical, Clerical	51	(63)	(27)	2	9
Operational Hourlies	(22)	(575)	(432)	(452)	(437)
Total MTA Consolidated	(11)	(770)	(532)	(508)	(465)

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## **IV. Gap Closing Programs and Other Policy Actions**



#### **IV. Gap Closing Programs and Policy Actions**

##### **Proposed Policy Actions**

The 2006 Adopted Budget reflected \$600 million set aside from the 2005 cash surplus to fund the following: \$450 million to reduce outstanding pension fund liabilities, \$100 million for capital security initiatives and \$50 million for the 2005 Holiday Fare Program.

The discussion below reflects the current status of the policy actions that were approved in the 2006 Adopted Budget as well as new initiatives proposed in the July and November Plans.

Pension Fund Liabilities Reduction/Pension Earnings – As reflected in the Adopted Budget, \$450 million was set aside at the end of 2005 to reduce pension liabilities. The actual deposits into employee pension funds were made in September of 2006, including approximately \$15 million in accumulated interest earned in short-term instruments pending deposit into the pension funds. Pension earnings are estimated to be \$11 million in 2006 which is lower than the \$21 million assumption in the July Plan (which anticipated an earlier transfer of the funds). The additional interest, however, served to increase the amount of funds that was available for transfer. This was used to lower the outstanding pension liability, which is expected to further reduce pension costs by approximately \$1.5 million per year beginning in 2007. These pension earnings that were captured below-the-line as a Policy Action in the July Plan are now being captured within the baseline as reduced Pension costs.

2004 Real Estate Tax Stabilization Account - \$200 million was set aside from the 2004 cash surplus to cover potential shortfalls in real estate tax revenues. As these funds were not needed for this purpose in 2005, the adopted budget for 2006 assumed that these funds would be reprogrammed in the MTA Consolidated Budget in 2006 and used for budget balance in subsequent years as part of the 2006 cash balance carryover into 2007. This assumption remains unchanged from the July and February Plans.

2005 Capital Security Initiative – \$100 million was set aside for these programs, and \$94 million has been identified and transferred to the capital program and agency budgets. This was used to fund short-term security projects such as the installation of closed circuit television cameras and emergency exit buttons in subway stations and the hardening of GCT and Penn Station. The remaining \$6 million is expected to be programmed by the end of 2006.

2005 Holiday Program – \$50 million was set aside from the 2005 closing cash balance for the 2005 Program. The 2005 actuals reflected the costs of the Program incurred by the Agencies in the appropriate line items, e.g., fare revenue and various expense costs. In addition, Agency baseline estimates for the 2006 November Forecast include the costs incurred for this Program in early 2006, which stemmed from the use of MetroCards and commuter rail free tickets that continued to be valid. The \$50 million that was set aside in 2005 was released and reprogrammed back to the Agencies to cover the 2005 and 2006 costs of the Program.

The July and November Programs eliminated a proposed 2006 Holiday Program (also \$50 million).

**Proposals for Policy Actions – First Proposed in July Plan, and Retained in the November Plan:**

Security Initiatives – The Executive Director proposed in July that \$100 million be set aside for additional security initiatives from the 2006 cash balance. These include new programs such as installation of intercoms in 75' subway cars as well as currently identified initiatives in the capital program. As part of the November Plan, *an additional \$50 million*, which is available from excess real estate tax revenues, is being set aside to cover Capital Program contingencies for projects including upgrades to MTA Police radios.

Anti-Graffiti Campaign – Since the removal of graffiti from the subway fleet, vandalism of subway car windows has increased significantly. Vandalism involves scratching and carving of window glass with sharp instruments and applying acid etching compounds to it. Currently, Mylar vandal shields (single-ply) are used on new R142, R142A and R143 fleets. However, this has resulted in incomplete coverage of the subway car fleet and the frequent need to replace single-ply Mylar on the new cars and glass on the remaining cars.

The Scratch-Free window program, between 2007 and 2009, will provide replacement of all scratched subway car window glass and installation of four-ply Mylar on the R44 through R68A fleets, and installation of four-ply Mylar on the R142, R142A and R143 fleets. By 2009, all subway car window glass on the fleets will be scratch-free.

The proposed cost of the program is \$5.2 million for 2007, \$3.4 million for 2008, \$5.0 million for 2009, and \$5.7 million for 2010; these are unchanged from the July Plan.

Service Marketing Campaign – The July Plan proposed that \$5 million be spent in 2007 to support a marketing campaign that would target specific NYCT and Commuter Railroad services in order to increase usage. Unlike the general marketing/advertising campaigns that have occurred in the past, these funds would be used for designated routes/services that have the potential to be better utilized and therefore make use of current capacity. This program is retained in the November Plan.

### **Additional November Plan Policy Actions:**

Enhanced Security Training – Last year, the MTA engaged Kroll Associates to review the safety/security training curriculum utilized by NYCT, Metro-North and LIRR for its operating personnel. Kroll recently provided recommendations for enhancements to existing training modules. Based on this information, it is proposed that \$25 million be set aside over the next four years (\$6.2 million annually, beginning in 2007) to offset the costs associated with providing enhanced training to designated operating personnel. In order to ensure consistency in this training and to coordinate efforts to determine content and delivery of the training, the MTA Director of Interagency Preparedness will chair a task force comprised of training and security representatives of the operating Agencies, which will develop training modules, prepare schedules for training sessions and coordinate the training among the Agencies.

Stuyvesant Town/Peter Cooper Village Sale Windfall – The baseline projections do not include Real Property Transfer Tax (RPTT) receipts resulting from the Metropolitan Life Insurance Company's sale of Stuyvesant Town and Peter Cooper Village to an investment group headed by Tishman Speyer for a reported \$5.4 billion. This unprecedented transaction is assumed to be completed in late 2006, resulting in "one-shot" RPTT receipts to NYCT of \$52 million. Some \$2 million of that amount is designated for paratransit funding, while the remaining \$50 million can be used to fund regular NYCT operations. It is proposed that this money be set aside in the Financial Plan to begin funding the station painting program described below.

Station Painting Program - NYCT has not had a regular program to paint subway stations in many years which has resulted in many stations suffering from peeling, faded and dirty paint. In order to remedy current conditions, MTA is proposing the establishment of a program to paint all 468 stations over the next ten years. To reach this goal, a dedicated program funded by the operating budget will be developed to supplement station painting incorporated in the workscope of capital projects. The operating budget painting program (to be conducted by contractors with NYCT providing contract management, inspection and support) would target an average of 35 stations annually at an estimated cost of \$8.8 million annually that would grow with inflation. Over the ten-year period, 350 stations would be painted through the operating budget program,

with the remaining 118 stations (about 12 per year) done as part of the Capital Program. The estimated \$52 million derived from the Stuyvesant Town/Peter Cooper Village sale would be enough to fund approximately 200 of the 350 stations.

Downsizing Costs – It is expected that major cost reductions that will be generated by consolidating MTA functions through the “Shared Services” or “Reorganization” initiatives (discussed below under “Gap Closing Programs”) will result in substantial reductions in MTA headcount. Consultant studies, recently approved by the MTA Board, are currently on-going to examine and recommend an implementation for a shared services model. Since it is unlikely that the savings could be achieved solely through attrition, the November Plan includes \$81 million that will be set aside in 2007 to cover the expected one-time separation costs, which are likely to take place over the next few years.

## **Gap Closing Actions**

Based upon feedback received from the MTA Board, elected officials and the public, and given the availability of additional real estate revenues, the November Plan does not include any (formerly 2007 and 2009) fare/toll increases during the Plan period, and eliminates PEG programs that would have reduced off-peak bus and subway service and reduced token booth hours. These restorations total \$98 million in 2007, \$287 million in 2008, \$541 million in 2009 and \$551 million in 2010.<sup>1</sup>

### **2007 Agency Program to Eliminate the Gap**

The 2007 Program to Eliminate the Gap (PEG) includes savings of \$18 million in 2006, \$40 million in 2007, \$38 million in 2008, \$39 million in 2009 and \$39 million in 2010. Projected headcount reductions associated with these PEGs are 11 in 2006, 228 in 2007 and 230 in each of the years 2008 through 2010. These PEGs are in addition to the 2006 PEG program approved by the MTA Board in December of 2005 and included in the February 2006 Baseline. The value of the 2007 PEG Program has been reduced from the level projected in the July Plan primarily because of the elimination of a proposed NYCT PEG that would have reduced subway service in the off-peak. The value of that proposed PEG was \$5 million in 2007 and approximately \$19 million in the years 2008 and beyond.

Agencies were encouraged to start savings as soon as possible; therefore, some programs have begun in 2006 with savings of \$18 million. NYCT is expected to generate \$15 million primarily through vacancy savings of \$5 million, increased Transit Adjudication Bureau collections under the "State-Wide Offset Program" of \$4 million and prescription drug benefit cost reductions of \$3 million. NYCT 2007 PEGs beginning in 2006 are expected to yield savings of approximately \$13 million annually. MNR is expected to generate approximately \$1 million in savings per year starting in 2006 through Administrative initiatives in such areas as data processing and other administrative efficiencies. MTA HQ expects to generate approximately \$1 million in Police overtime savings per year, starting in 2006, while SIR expects savings of \$0.3 million per year from reduced power consumption related to reconfigured cab signal systems.

NYCT's total PEG program is expected to save \$15 million in 2006 and when fully implemented in 2008, the Program will result in cost savings of \$30 million and a reduction of 204 positions. These savings are less than the July Plan savings by \$5 million in 2007 and \$20 million in each of the years 2008 through 2010, due primarily to the elimination of the "Subway Off-Peak Policy Headways PEG" (\$18 million) and the "Reduce Hours and Part-Time Booths" PEG (\$2 million).

<sup>1</sup> These figures include baseline restorations of the Off-Peak Bus Service Guidelines of \$15 million in 2007, \$30 million in 2008, \$32 million in 2009 and \$33 million in 2010.

Administrative efficiencies of \$15 million and 13 position reductions carry through the plan period and include savings resulting from Workers' Compensation Recoveries and the initiatives mentioned in the above section. Various maintenance and customer service efficiencies will save another \$10 million annually. Savings from Service Support PEGs, particularly one that improves employee availability, is also expected to generate savings of \$9 million in 2007 and \$7 million annually thereafter.

MNR's total PEG program is expected to save \$1 million in 2007, and \$2 million in 2008, and the out-years. These savings are less than the July Plan savings by approximately \$2 million in each of the Plan years, and results from the reclassification of the July Plan PEG "Review of Payroll Discounts" to the "Other Reductions" category because the savings were non-programmatic in nature.

The LIRR PEG program will achieve \$3 million in savings annually, starting in 2007. These savings are slightly less (\$0.2 million) than the July Plan savings. Savings are expected in the level of contracted services, vehicle eliminations, and better follow-up collection of fares from customers that initially do not pay.

B&T's PEG program is expected to achieve savings of \$1 million in 2007 and \$3 million annually, thereafter. Included in B&T's 2007 PEGs are several "Post – 2006 PEGs" from the February Plan which account for approximately \$.1 million annually, starting in 2007. Administrative efficiencies include reductions in field supervision overtime, telephone expenses and one position in Human Resources. Security technology improvements (cameras, alarms, intrusion detection devices) will allow the elimination of 18 net positions without any diminishment in security coverage.

MTAHQ is expected to achieve \$1 million in administrative savings from reductions in Police overtime. These savings, as mentioned earlier, begin in 2006 and continue each year of the Plan period.

SIR expects to achieve \$.3 million in savings from reductions in power consumption related to reconfigured cab signal systems. These savings, also mentioned earlier, begin in 2006 and continue each year of the Plan period.

### **2007 Agency PEGs - Positions**

The 2007 Agency PEGs include headcount reductions of 11 in 2006, 228 in 2007, and 230 in each of the years 2008 through 2010.

Agency PEGs are expected to result in position reductions at the end of 2010 of 204 at NYCT, 21 at B&T and 5 at MNR.

METROPOLITAN TRANSPORTATION AUTHORITY  
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>
<b>MTA-Wide</b>										
Long Island Bus	0	0.000	0	0.092	0	0.096	0	0.101	0	0.105
MTA Headquarters	0	0.829	0	0.834	0	0.896	0	0.902	0	0.910
Bridges and Tunnels	0	0.176	21	1.166	21	2.650	21	2.663	21	2.676
Long Island Railroad	0	0.000	0	2.488	0	2.548	0	2.610	0	2.670
Metro North Railroad	5	0.852	5	1.317	5	1.592	5	2.116	5	2.143
New York City Transit	6	15.419	202	34.055	204	29.522	204	30.072	204	30.072
Staten Island Railway	0	0.300	0	0.300	0	0.300	0	0.300	0	0.300
<b>Total MTA-Wide</b>	<b>11</b>	<b>\$ 17.576</b>	<b>228</b>	<b>\$ 40.252</b>	<b>230</b>	<b>\$ 37.604</b>	<b>230</b>	<b>\$ 38.764</b>	<b>230</b>	<b>\$ 38.876</b>
 <b>MTA-Wide by Category</b>										
Administration	3	12.404	21	18.497	23	17.671	23	18.761	23	18.806
Cust Convenience & Amenities	0	0.000	0	0.107	0	0.107	0	0.107	0	0.107
Maintenance	0	3.107	78	12.264	78	10.748	78	10.806	78	10.863
Other	0	0.000	18	0.367	18	1.741	18	1.753	18	1.763
Revenue Enhancement	0	0.000	0	0.150	0	0.150	0	0.150	0	0.150
Service	0	0.300	0	0.300	0	0.300	0	0.300	0	0.300
Service Support	8	1.765	111	8.567	111	6.887	111	6.887	111	6.887
<b>Total MTA-Wide by Category</b>	<b>11</b>	<b>\$ 17.576</b>	<b>228</b>	<b>\$ 40.252</b>	<b>230</b>	<b>\$ 37.604</b>	<b>230</b>	<b>\$ 38.764</b>	<b>230</b>	<b>\$ 38.876</b>

METROPOLITAN TRANSPORTATION AUTHORITY  
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>
<b>LIST of AGENCY PROGRAMS</b>										
<b>Administration</b>										
Long Island Bus	0	0.000	0	0.092	0	0.096	0	0.101	0	0.105
MTA Headquarters	0	0.829	0	0.834	0	0.896	0	0.902	0	0.910
Bridges and Tunnels	0	0.176	3	0.799	3	0.909	3	0.910	3	0.913
Long Island Railroad	0	0.000	0	0.138	0	0.142	0	0.146	0	0.149
Metro North Railroad	5	0.852	5	1.317	5	1.592	5	2.116	5	2.143
New York City Transit	(2)	10.547	13	15.317	15	14.036	15	14.586	15	14.586
<b>Sub-Total: Administration</b>	<b>3</b>	<b>\$ 12.404</b>	<b>21</b>	<b>\$ 18.497</b>	<b>23</b>	<b>\$ 17.671</b>	<b>23</b>	<b>\$ 18.761</b>	<b>23</b>	<b>\$ 18.806</b>
<b>Cust Convenience &amp; Amenities</b>										
New York City Transit	0	0.000	0	0.107	0	0.107	0	0.107	0	0.107
<b>Sub-Total: Cust Convenience &amp; Amenities</b>	<b>0</b>	<b>\$ 0.000</b>	<b>0</b>	<b>\$ 0.107</b>	<b>0</b>	<b>\$ 0.107</b>	<b>0</b>	<b>\$ 0.107</b>	<b>0</b>	<b>\$ 0.107</b>
<b>Maintenance</b>										
Long Island Railroad	0	0.000	0	2.200	0	2.256	0	2.314	0	2.371
New York City Transit	0	3.107	78	10.064	78	8.492	78	8.492	78	8.492
<b>Sub-Total: Maintenance</b>	<b>0</b>	<b>\$ 3.107</b>	<b>78</b>	<b>\$ 12.264</b>	<b>78</b>	<b>\$ 10.748</b>	<b>78</b>	<b>\$ 10.806</b>	<b>78</b>	<b>\$ 10.863</b>
<b>Other</b>										
Bridges and Tunnels	0	0.000	18	0.367	18	1.741	18	1.753	18	1.763
<b>Sub-Total: Other</b>	<b>0</b>	<b>\$ 0.000</b>	<b>18</b>	<b>\$ 0.367</b>	<b>18</b>	<b>\$ 1.741</b>	<b>18</b>	<b>\$ 1.753</b>	<b>18</b>	<b>\$ 1.763</b>
<b>Revenue Enhancement</b>										
Long Island Railroad	0	0.000	0	0.150	0	0.150	0	0.150	0	0.150
<b>Sub-Total: Revenue Enhancement</b>	<b>0</b>	<b>\$ 0.000</b>	<b>0</b>	<b>\$ 0.150</b>	<b>0</b>	<b>\$ 0.150</b>	<b>0</b>	<b>\$ 0.150</b>	<b>0</b>	<b>\$ 0.150</b>
<b>Service</b>										
Staten Island Railway	0	0.300	0	0.300	0	0.300	0	0.300	0	0.300



METROPOLITAN TRANSPORTATION AUTHORITY  
November Plan 2007-2010  
Summary of 2007 Program to Eliminate the Gap(PEGs)  
(\$ in millions)

	2006		2007		2008		2009		2010	
LIST of AGENCY PROGRAMS	<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>
Sub-Total: Service	0	\$ 0.300	0	\$ 0.300	0	\$ 0.300	0	\$ 0.300	0	\$ 0.300
Service Support										
New York City Transit	8	1.765	111	8.567	111	6.887	111	6.887	111	6.887
Sub-Total: Service Support	8	\$ 1.765	111	\$ 8.567	111	\$ 6.887	111	\$ 6.887	111	\$ 6.887
Total Agency PEGs	11	\$ 17.576	228	\$ 40.252	230	\$ 37.604	230	\$ 38.764	230	\$ 38.876

### **Post-2007 Agency Program to Eliminate the Gap**

Post – 2007 PEGs are expected to achieve savings of \$13 million in 2008, and \$22 million per year thereafter.

Most of NYCT's post – 2007 PEGs were originally included in the February Plan as "post – 2006" PEGs. NYCT's post – 2007 PEGs are now expected to result in savings of \$11 million in 2008 and \$21 million in years 2009 and 2010. Savings from these PEGs are less than what was reflected in the February Plan by \$2 million in 2007, \$3 million in 2008 and \$.2 million in years 2009 through 2011, and result from delayed implementation of One Person Train Operation (OPTO) PEGs from 2007 to 2008. One Person Train Operation (OPTO) is assumed to begin on the J, #7, and M lines in May, 2008, and on the N line in September, 2008. NYCT's post-2007 PEG program results in total position reductions of 313.

MTA HQ's PEG program is expected to result in savings in excess of \$1 million in each of the years 2008 through 2010. These savings are expected through productivity efficiencies and resultant attrition-based position reductions of 18.

B&T's PEG achieves a net savings of \$.07 million annually in outside roadway sweeping services through the addition of one maintainer position.

### **Shared Services Savings**

In 2005 the MTA had a consultant review the feasibility of implementing a shared services organization (SSO) for finance, human resources and information technology, across the MTA and its operating agencies. In 2006, the MTA Board authorized additional consultant studies to assess options for implementing shared services. Based on consultant assessments of potential savings, the November Plan assumes that implementation of this strategy will begin to yield saving of \$6 million in 2008, \$16 million in 2009 and \$30 million in 2010. As noted above under policy actions, costs are included in 2007 to cover anticipated downsizing expenses over the next few years. It is expected that it will take several years for the benefits derived from a shared services model, i.e., savings, to cover the implementation expenses.

### **Reorganization Starting in 2008**

The MTA had initiated legislation over the past several years requesting statutory changes to enable a reorganization of the MTA. This reorganization would reconfigure the existing agencies so that there would be fewer agencies. The reconfigured agencies would each specialize in a particular mode of operation covering the entire MTA region, rather than the current structure, which

emphasizes geographic boundaries, e.g., a bus company, a commuter rail agency and a subway agency. MTA is planning to keep this initiative as a long-term goal and will continue to request that the State approve the reorganization, which is anticipated to accomplish both monetary and operational efficiencies. The November Plan continues the July Plan assumption of a modest \$5 million in 2008 and \$25 million annually for these efficiencies.

### **Elimination of Proposed 2007 and 2009 Fare Increases**

The February and July Plans projected 5% increases in farebox and toll revenue yields for both 2007 and 2009. These alternate year fare/toll increases were included, consistent with earlier Board policy, as a means to offset normal inflationary expense growth in our operating budget, and to assist in addressing projected out-year deficits. This Plan, consistent with the recent direction received from the Chairman after consultation with the Board, does not include those actions and instead presents a financial picture that excludes any type of fare/toll increase. The 2007 fare/toll increase was expected to yield \$78 million in 2007 and approximately \$240 million in each of the out-years, while the 2009 increase was expected to yield an additional \$247 million in 2009 and \$255 million in 2010.

METROPOLITAN TRANSPORTATION AUTHORITY  
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>
<b>MTA-Wide</b>										
MTA Headquarters	0	0.000	0	0.000	18	1.330	18	1.439	18	1.538
Bridges and Tunnels	0	0.000	0	0.000	(1)	0.072	(1)	0.071	(1)	0.071
New York City Transit	0	0.000	0	0.000	313	11.367	313	20.688	313	20.688
<b>Total MTA-Wide</b>	0	\$ 0.000	0	\$ 0.000	330	\$ 12.769	330	\$ 22.198	330	\$ 22.297
<b>MTA-Wide by Category</b>										
Administration	0	0.000	0	0.000	18	1.330	18	1.439	18	1.538
Maintenance	0	0.000	0	0.000	(1)	0.072	(1)	0.071	(1)	0.071
Service Support	0	0.000	0	0.000	313	11.367	313	20.688	313	20.688
<b>Total MTA-Wide by Category</b>	0	\$ 0.000	0	\$ 0.000	330	\$ 12.769	330	\$ 22.198	330	\$ 22.297

METROPOLITAN TRANSPORTATION AUTHORITY  
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>
<b>LIST of AGENCY PROGRAMS</b>										
<b>Administration</b>										
MTA Headquarters	0	0.000	0	0.000	18	1.330	18	1.439	18	1.538
<b>Sub-Total: Administration</b>	0	\$ 0.000	0	\$ 0.000	18	\$ 1.330	18	\$ 1.439	18	\$ 1.538
<b>Maintenance</b>										
Bridges and Tunnels	0	0.000	0	0.000	(1)	0.072	(1)	0.071	(1)	0.071
<b>Sub-Total: Maintenance</b>	0	\$ 0.000	0	\$ 0.000	(1)	\$ 0.072	(1)	\$ 0.071	(1)	\$ 0.071
<b>Service Support</b>										
New York City Transit	0	0.000	0	0.000	313	11.367	313	20.688	313	20.688
<b>Sub-Total: Service Support</b>	0	\$ 0.000	0	\$ 0.000	313	\$ 11.367	313	\$ 20.688	313	\$ 20.688
<b>Total Agency PEGs</b>	0	\$ 0.000	0	\$ 0.000	330	\$ 12.769	330	\$ 22.198	330	\$ 22.297

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**November Financial Plan 2007-2010**  
**Variance from Plan-to-Plan: July to November**  
**Summary 2007 Agency Programs to Eliminate the Gap (PEGs)**  
**(\$ in millions)**

	Favorable/(Unfavorable)									
	2006		2007		2008		2009		2010	
	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars
<b>MTA-Wide</b>										
NYC Transit	0	0.000	(121)	(5.059)	(148)	(20.482)	(148)	(20.482)	(148)	(20.482)
Long Island Rail Road	0	0.000	0	(0.150)	0	(0.150)	0	(0.150)	0	(0.150)
Metro-North Railroad	0	(1.491)	0	(1.529)	0	(1.573)	0	(1.621)	0	(1.673)
Bridges & Tunnels	0	0.000	0	(0.000)	0	(0.000)	0	0.000	0	0.000
MTA Headquarters	0	0.000	0	0.000	0	0.000	0	(0.000)	0	(0.000)
Long Island Bus	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Staten Island Railway	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Capital Construction Company	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
<b>Total MTA-Wide By Agency</b>	<b>0</b>	<b>(1.491)</b>	<b>(121)</b>	<b>(6.738)</b>	<b>(148)</b>	<b>(22.205)</b>	<b>(148)</b>	<b>(22.253)</b>	<b>(148)</b>	<b>(22.305)</b>
<b>MTA-Wide by Category</b>										
Administration:	0	(1.491)	0	(1.529)	0	(1.573)	0	(1.621)	0	(1.673)
Customer Convenience & Amenities:	0	0.000	(1)	(0.098)	(28)	(1.857)	(28)	(1.857)	(28)	(1.857)
Service:	0	0.000	(120)	(4.961)	(120)	(18.625)	(120)	(18.625)	(120)	(18.625)
Maintenance:	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Revenue Enhancements:	0	0.000	0	(0.150)	0	(0.150)	0	(0.150)	0	(0.150)
Other:	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
<b>Total MTA-Wide by Category</b>	<b>0</b>	<b>(1.491)</b>	<b>(121)</b>	<b>(6.738)</b>	<b>(148)</b>	<b>(22.205)</b>	<b>(148)</b>	<b>(22.253)</b>	<b>(148)</b>	<b>(22.305)</b>

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**November Financial Plan 2007-2010**  
**Variance from Plan-to-Plan: July to November**  
**Summary 2007 Agency Programs to Eliminate the Gap (PEGs)**  
**(\$ in millions)**

Favorable/(Unfavorable)										
	2006		2007		2008		2009		2010	
	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars
<b>LIST of AGENCY PROGRAMS</b>										
<b>Administration:</b>										
NYC Transit	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Long Island Rail Road	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Metro-North Railroad	0	(1.491)	0	(1.529)	0	(1.573)	0	(1.621)	0	(1.673)
Bridges & Tunnels	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
MTA Headquarters	0	0.000	0	0.000	0	0.000	0	(0.000)	0	(0.000)
Long Island Bus	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Staten Island Railway	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Capital Construction Company	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
<b>Sub-Total Administration</b>	<b>0</b>	<b>(1.491)</b>	<b>0</b>	<b>(1.529)</b>	<b>0</b>	<b>(1.573)</b>	<b>0</b>	<b>(1.621)</b>	<b>0</b>	<b>(1.673)</b>
<b>Customer Convenience &amp; Amenities:</b>										
NYC Transit	0	0.000	(1)	(0.098)	(28)	(1.857)	(28)	(1.857)	(28)	(1.857)
Long Island Rail Road	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Metro-North Railroad	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Bridges & Tunnels	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
MTA Headquarters	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Long Island Bus	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Staten Island Railway	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Capital Construction Company	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
<b>Sub-Total Customer Convenience &amp; Amenities</b>	<b>0</b>	<b>0.000</b>	<b>(1)</b>	<b>(0.098)</b>	<b>(28)</b>	<b>(1.857)</b>	<b>(28)</b>	<b>(1.857)</b>	<b>(28)</b>	<b>(1.857)</b>
<b>Service:</b>										
NYC Transit	0	0.000	(120)	(4.961)	(120)	(18.625)	(120)	(18.625)	(120)	(18.625)
Long Island Rail Road	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Metro-North Railroad	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Bridges & Tunnels	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
MTA Headquarters	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Long Island Bus	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Staten Island Railway	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Capital Construction Company	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
<b>Sub-Total Service</b>	<b>0</b>	<b>0.000</b>	<b>(120)</b>	<b>(4.961)</b>	<b>(120)</b>	<b>(18.625)</b>	<b>(120)</b>	<b>(18.625)</b>	<b>(120)</b>	<b>(18.625)</b>

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**July Financial Plan 2007-2010**  
**Variance from Plan-to-Plan: July to November**  
**Summary 2007 Agency Programs to Eliminate the Gap (PEGs)**  
**(\$ in millions)**

	<b>2006</b>		<b>2007</b>		<b>2008</b>		<b>2009</b>		<b>2010</b>	
	<b>Positions<sup>1</sup></b>	<b>Dollars</b>	<b>Positions<sup>1</sup></b>	<b>Dollars</b>	<b>Positions<sup>1</sup></b>	<b>Dollars</b>	<b>Positions<sup>1</sup></b>	<b>Dollars</b>	<b>Positions<sup>1</sup></b>	<b>Dollars</b>
<b>LIST of AGENCY PROGRAMS</b>										
<b>Maintenance:</b>										
NYC Transit	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Long Island Rail Road	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Metro-North Railroad	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Bridges & Tunnels	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
MTA Headquarters	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Long Island Bus	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Staten Island Railway	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Capital Construction Company	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
<b>Sub-Total Maintenance</b>	<b>0</b>	<b>0.000</b>	<b>0</b>	<b>0.000</b>	<b>0</b>	<b>0.000</b>	<b>0</b>	<b>0.000</b>	<b>0</b>	<b>0.000</b>
<b>Revenue Enhancements:</b>										
NYC Transit	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Long Island Rail Road	0	0.000	0	(0.150)	0	(0.150)	0	(0.150)	0	(0.150)
Metro-North Railroad	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Bridges & Tunnels	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
MTA Headquarters	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Long Island Bus	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Staten Island Railway	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Capital Construction Company	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
<b>Sub-Total Revenue Enhancements</b>	<b>0</b>	<b>0.000</b>	<b>0</b>	<b>(0.150)</b>	<b>0</b>	<b>(0.150)</b>	<b>0</b>	<b>(0.150)</b>	<b>0</b>	<b>(0.150)</b>
<b>Other:</b>										
NYC Transit	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Long Island Rail Road	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Metro-North Railroad	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Bridges & Tunnels	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
MTA Headquarters	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Long Island Bus	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Staten Island Railway	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Capital Construction Company	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
<b>Sub-Total Other</b>	<b>0</b>	<b>0.000</b>	<b>0</b>	<b>0.000</b>	<b>0</b>	<b>0.000</b>	<b>0</b>	<b>0.000</b>	<b>0</b>	<b>0.000</b>
<b>Total Agency PEGs</b>	<b>0</b>	<b>(1.491)</b>	<b>(121)</b>	<b>(6.738)</b>	<b>(148)</b>	<b>(22.205)</b>	<b>(148)</b>	<b>(22.253)</b>	<b>(148)</b>	<b>(22.305)</b>



## **V. Other MTA Consolidated Materials**

# METROPOLITAN TRANSPORTATION AUTHORITY

## November Financial Plan 2007 - 2010

### MTA Consolidated Statement Of Operations By Category - Excluding MTA Bus Company

(\$ in millions)

Line

No.

7	<b>Non-Reimbursable</b>		<b>2006</b>	<b>2007</b>			
8		<b>2005</b>	<b>November</b>	<b>Final Proposed</b>			
9		<b>Actual</b>	<b>Forecast</b>	<b>Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
10	<b><u>Operating Revenue</u></b>						
11	Farebox Revenue	\$3,565	\$3,694	\$3,749	\$3,801	\$3,835	\$3,861
12	Toll Revenue	1,205	1,235	1,237	1,240	1,236	1,235
13	Other Revenue	410	428	418	438	461	481
14	Capital and Other Reimbursements	26	0	0	0	0	0
15	<b>Total Operating Revenue</b>	<b>\$5,206</b>	<b>\$5,357</b>	<b>\$5,405</b>	<b>\$5,479</b>	<b>\$5,532</b>	<b>\$5,576</b>
16							
17	<b><u>Operating Expense</u></b>						
18	<b>Labor Expenses:</b>						
19	Payroll	\$3,362	\$3,477	\$3,586	\$3,717	\$3,823	\$3,917
20	Overtime	385	398	363	370	384	398
21	Health & Welfare	769	845	932	1,035	1,149	1,274
22	Pensions	642	576	788	825	823	823
23	Other-Fringe Benefits	386	393	402	419	435	446
24	Pattern Labor Provision	0	13	76	104	104	104
25	Contribution to GASB Fund	0	249	90	71	79	87
26	Reimbursable Overhead	(240)	(277)	(288)	(286)	(285)	(290)
27	<b>Sub-total Labor Expenses</b>	<b>\$5,304</b>	<b>\$5,673</b>	<b>\$5,948</b>	<b>\$6,255</b>	<b>\$6,512</b>	<b>\$6,759</b>
28							
29	<b>Non-Labor Expenses:</b>						
30	Traction and Propulsion Power	253	274	309	314	338	359
31	Fuel for Buses and Trains	138	167	179	178	175	177
32	Insurance	62	36	38	43	46	53
33	Claims	90	138	153	156	160	164
34	Paratransit Service Contracts	158	190	228	266	305	355
35	Maintenance and Other Operating Contracts	453	509	555	560	582	592
36	Professional Service Contracts	216	191	225	223	232	235
37	Materials & Supplies	388	423	515	514	548	548
38	Other Business Expenses	156	152	152	162	161	164
39	<b>Sub-total Non-Labor Expenses</b>	<b>\$1,916</b>	<b>\$2,080</b>	<b>\$2,353</b>	<b>\$2,416</b>	<b>\$2,547</b>	<b>\$2,648</b>
40							
41	<b>Other Expense Adjustments:</b>						
42	Other	(\$11)	(\$9)	(\$6)	(\$14)	(\$8)	(\$8)
43	General Reserve	0	0	75	75	75	75
44	<b>Sub-total Other Expense Adjustments</b>	<b>(\$11)</b>	<b>(\$9)</b>	<b>\$69</b>	<b>\$61</b>	<b>\$67</b>	<b>\$67</b>
45							
46	<b>Total Operating Expense Before Depreciation</b>	<b>\$7,209</b>	<b>\$7,745</b>	<b>\$8,370</b>	<b>\$8,732</b>	<b>\$9,127</b>	<b>\$9,473</b>
47							
48	Depreciation	\$1,469	\$1,581	\$1,691	\$1,754	\$1,848	\$1,939
49							
50	<b>Total Operating Expense</b>	<b>\$8,678</b>	<b>\$9,325</b>	<b>\$10,061</b>	<b>\$10,486</b>	<b>\$10,975</b>	<b>\$11,413</b>
51							
52	<b>Net Operating Deficit Before Subsidies and Debt Service</b>	<b>(\$3,472)</b>	<b>(\$3,969)</b>	<b>(\$4,657)</b>	<b>(\$5,007)</b>	<b>(\$5,443)</b>	<b>(\$5,836)</b>
53							
54	Dedicated Taxes and State/Local Subsidies	\$3,422	\$3,862	\$3,768	\$3,693	\$3,779	\$3,884
55	Debt Service (excludes Service Contract Bonds)	(1,018)	(1,321)	(1,458)	(1,600)	(1,751)	(1,886)
56							
57	<b>Net Deficit After Subsidies and Debt Service</b>	<b>(\$1,067)</b>	<b>(\$1,427)</b>	<b>(\$2,347)</b>	<b>(\$2,914)</b>	<b>(\$3,415)</b>	<b>(\$3,837)</b>
58							
59	Conversion to Cash Basis: Depreciation	\$1,469	\$1,581	\$1,691	\$1,754	\$1,848	\$1,939
60	Conversion to Cash Basis: All Other	273	34	56	40	19	10
61	Net Cash Balance from Previous Year	507	1,182	1,369	769	0	0
62							
63	<b>Baseline Net Cash Balance</b>	<b>\$1,182</b>	<b>\$1,369</b>	<b>\$769</b>	<b>(\$351)</b>	<b>(\$1,547)</b>	<b>(\$1,888)</b>

# METROPOLITAN TRANSPORTATION AUTHORITY

## November Financial Plan 2007 - 2010

### MTA Consolidated Statement Of Operations By Category - Excluding MTA Bus Company

(\$ in millions)

Line Number						
7	Reimbursable					
8						
9		2005	2006	2007		
10		Actual	November	Final Proposed		
11			Forecast	Budget	2008	2009
12						2010
13	<b>Operating Revenue</b>					
14	Farebox Revenue	\$0	\$0	\$0	\$0	\$0
15	Toll Revenue	0	0	0	0	0
16	Other Revenue	0	0	0	0	0
17	Capital and Other Reimbursements	1,095	1,159	1,256	1,225	1,223
18	<b>Total Operating Revenue</b>	<b>\$1,095</b>	<b>\$1,159</b>	<b>\$1,256</b>	<b>\$1,225</b>	<b>\$1,239</b>
19	<b>Operating Expense</b>					
20	<b>Labor Expenses:</b>					
21	Payroll	\$420	\$428	\$475	\$478	\$477
22	Overtime	83	91	79	79	80
23	Health & Welfare	36	40	46	51	55
24	Pensions	27	33	42	45	45
25	Other-Fringe Benefits	103	104	114	114	113
26	Pattern Labor Provision	0	0	0	0	0
27	Reimbursable Overhead	238	276	286	284	283
28	<b>Sub-total Labor Expenses</b>	<b>\$907</b>	<b>\$972</b>	<b>\$1,043</b>	<b>\$1,052</b>	<b>\$1,077</b>
29	<b>Non-Labor Expenses:</b>					
30	Traction and Propulsion Power	\$0	\$0	\$0	\$0	\$0
31	Fuel for Buses and Trains	0	0	0	0	0
32	Insurance	5	5	5	5	5
33	Claims	0	0	0	0	0
34	Paratransit Service Contracts	0	0	0	0	0
35	Maintenance and Other Operating Contracts	73	58	70	52	52
36	Professional Service Contracts	25	25	32	28	26
37	Materials & Supplies	81	95	101	83	81
38	Other Business Expenses	4	4	6	6	6
39	<b>Sub-total Non-Labor Expenses</b>	<b>\$187</b>	<b>\$187</b>	<b>\$214</b>	<b>\$173</b>	<b>\$169</b>
40	<b>Other Expense Adjustments:</b>					
41	Other	\$0	\$0	\$0	\$0	\$0
42	<b>Sub-total Other Expense Adjustments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
43	<b>Total Operating Expense Before Depreciation</b>	<b>\$1,095</b>	<b>\$1,159</b>	<b>\$1,256</b>	<b>\$1,225</b>	<b>\$1,239</b>
44	Depreciation	\$0	\$0	\$0	\$0	\$0
45	<b>Total Operating Expense</b>	<b>\$1,095</b>	<b>\$1,159</b>	<b>\$1,256</b>	<b>\$1,225</b>	<b>\$1,239</b>
46	<b>Baseline Surplus/(Deficit)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

# METROPOLITAN TRANSPORTATION AUTHORITY

## November Financial Plan 2007 - 2010

### MTA Consolidated Statement Of Operations By Category - Excluding MTA Bus Company

(\$ in millions)

Line Number			2006	2007			
	Non-Reimbursable / Reimbursable	2005	November	Final Proposed	2008	2009	2010
		Actual	Forecast	Budget			
10	<b><u>Operating Revenue</u></b>						
11	Farebox Revenue	\$3,565	\$3,694	\$3,749	\$3,801	\$3,835	\$3,861
12	Toll Revenue	1,205	1,235	1,237	1,240	1,236	1,235
13	Other Revenue	410	428	418	438	461	481
14	Capital and Other Reimbursements	1,120	1,159	1,256	1,225	1,223	1,239
15	<b>Total Operating Revenue</b>	<b>\$6,301</b>	<b>\$6,515</b>	<b>\$6,661</b>	<b>\$6,704</b>	<b>\$6,756</b>	<b>\$6,815</b>
17	<b><u>Operating Expense</u></b>						
18	<b>Labor Expenses:</b>						
19	Payroll	\$3,782	\$3,905	\$4,060	\$4,194	\$4,299	\$4,401
20	Overtime	468	489	442	449	464	481
21	Health & Welfare	806	885	978	1,086	1,205	1,334
22	Pensions	669	609	829	870	869	868
23	Other-Fringe Benefits	489	497	516	534	548	562
24	Pattern Labor Provision	0	13	76	104	104	104
25	Contribution to GASB Fund	0	249	90	71	79	87
26	Reimbursable Overhead	(2)	(2)	(2)	(2)	(2)	(2)
27	<b>Sub-total Labor Expenses</b>	<b>\$6,212</b>	<b>\$6,645</b>	<b>\$6,991</b>	<b>\$7,307</b>	<b>\$7,566</b>	<b>\$7,836</b>
29	<b>Non-Labor Expenses:</b>						
30	Traction and Propulsion Power	\$254	\$274	\$309	\$314	\$338	\$359
31	Fuel for Buses and Trains	138	167	179	178	175	177
32	Insurance	67	41	43	48	52	58
33	Claims	91	138	153	156	160	164
34	Paratransit Service Contracts	158	190	228	266	305	355
35	Maintenance and Other Operating Contracts	525	567	626	613	634	637
36	Professional Service Contracts	241	216	256	251	258	260
37	Materials & Supplies	469	518	616	596	629	629
38	Other Business Expenses	160	156	157	168	166	170
39	<b>Sub-total Non-Labor Expenses</b>	<b>\$2,103</b>	<b>\$2,267</b>	<b>\$2,566</b>	<b>\$2,590</b>	<b>\$2,716</b>	<b>\$2,810</b>
41	<b>Other Expense Adjustments:</b>						
42	Other	(\$11)	(\$9)	(\$6)	(\$14)	(\$8)	(\$8)
43	General Reserve	0	0	75	75	75	75
44	<b>Sub-total Other Expense Adjustments</b>	<b>(\$11)</b>	<b>(\$9)</b>	<b>\$69</b>	<b>\$61</b>	<b>\$67</b>	<b>\$67</b>
46	<b>Total Operating Expense Before Depreciation</b>	<b>\$8,304</b>	<b>\$8,904</b>	<b>\$9,627</b>	<b>\$9,957</b>	<b>\$10,350</b>	<b>\$10,712</b>
48	Depreciation	\$1,469	\$1,581	\$1,691	\$1,754	\$1,848	\$1,939
50	<b>Total Operating Expense</b>	<b>\$9,772</b>	<b>\$10,484</b>	<b>\$11,318</b>	<b>\$11,711</b>	<b>\$12,198</b>	<b>\$12,651</b>
52	<b>Net Operating Deficit Before Subsidies and Debt Service</b>	<b>(\$3,472)</b>	<b>(\$3,969)</b>	<b>(\$4,657)</b>	<b>(\$5,007)</b>	<b>(\$5,443)</b>	<b>(\$5,836)</b>
54	Dedicated Taxes and State/Local Subsidies	\$3,422	\$3,862	\$3,768	\$3,693	\$3,779	\$3,884
56	Debt Service (excludes Service Contract Bonds)	(1,018)	(1,321)	(1,458)	(1,600)	(1,751)	(1,886)
58	<b>Net Deficit After Subsidies and Debt Service</b>	<b>(\$1,067)</b>	<b>(\$1,427)</b>	<b>(\$2,347)</b>	<b>(\$2,914)</b>	<b>(\$3,415)</b>	<b>(\$3,837)</b>
60	Conversion to Cash Basis: Depreciation	\$1,469	\$1,581	\$1,691	\$1,754	\$1,848	\$1,939
61	Conversion to Cash Basis: All Other	273	34	56	40	19	10
62	Net Cash Balance from Previous Year	507	1,182	1,369	769	0	0
64	<b>Baseline Net Cash Balance</b>	<b>\$1,182</b>	<b>\$1,369</b>	<b>\$769</b>	<b>(\$351)</b>	<b>(\$1,547)</b>	<b>(\$1,888)</b>

# METROPOLITAN TRANSPORTATION AUTHORITY

## November Financial Plan 2007 - 2010

### MTA Consolidated Cash Receipts and Expenditures - Excluding MTA Bus Company

(\$ in millions)

Line Number	CASH RECEIPTS AND EXPENDITURES	2005	2006	2007			
		2005	November	Final Proposed			
		Actual	Forecast	Budget	2008	2009	2010
9							
10							
11	<b>Receipts</b>						
12	Farebox Revenue	\$3,638	\$3,732	\$3,795	\$3,846	\$3,877	\$3,901
13	Other Operating Revenue	396	439	460	451	474	493
14	Capital and Other Reimbursements	1,109	1,169	1,270	1,248	1,235	1,247
15	<b>Total Receipts</b>	<b>\$5,144</b>	<b>\$5,340</b>	<b>\$5,525</b>	<b>\$5,545</b>	<b>\$5,586</b>	<b>\$5,641</b>
16							
17	<b>Expenditures</b>						
18	<u><b>Labor:</b></u>						
19	Payroll	\$3,647	\$3,735	\$3,951	\$4,033	\$4,125	\$4,218
20	Overtime	444	459	420	426	439	456
21	Health and Welfare	767	865	942	1,046	1,161	1,286
22	Pensions	464	598	780	842	863	863
23	Other Fringe Benefits	449	466	498	507	520	533
24	Pattern Labor Provision	0	13	76	104	104	104
25	Contribution to GASB Fund	0	249	90	71	79	87
26	Reimbursable Overhead	0	0	0	0	0	0
27	<b>Total Labor Expenditures</b>	<b>\$5,772</b>	<b>\$6,384</b>	<b>\$6,758</b>	<b>\$7,030</b>	<b>\$7,292</b>	<b>\$7,547</b>
28							
29	<u><b>Non-Labor:</b></u>						
30	Traction and Propulsion Power	\$242	\$283	\$309	\$314	\$338	\$359
31	Fuel for Buses and Trains	134	169	179	177	175	177
32	Insurance	46	30	38	44	41	46
33	Claims	83	130	117	121	122	125
34	Paratransit Service Contracts	155	186	228	266	305	355
35	Maintenance and Other Operating Contracts	407	450	481	485	498	499
36	Professional Service Contracts	208	192	235	229	235	237
37	Materials & Supplies	492	544	628	624	648	629
38	Other Business Expenditures	207	157	162	173	171	175
39	<b>Total Non-Labor Expenditures</b>	<b>\$1,974</b>	<b>\$2,141</b>	<b>\$2,376</b>	<b>\$2,433</b>	<b>\$2,533</b>	<b>\$2,603</b>
40							
41	<u><b>Other Expenditure Adjustments:</b></u>						
42	Other	\$57	\$53	\$72	\$75	\$81	\$85
43	General Reserve	0	0	75	75	75	75
44	<b>Total Other Expenditure Adjustments</b>	<b>\$57</b>	<b>\$53</b>	<b>\$147</b>	<b>\$150</b>	<b>\$156</b>	<b>\$160</b>
45							
46	<b>Total Expenditures</b>	<b>\$7,803</b>	<b>\$8,579</b>	<b>\$9,281</b>	<b>\$9,613</b>	<b>\$9,982</b>	<b>\$10,310</b>
47							
48	<b>Net Cash Deficit Before Subsidies and Debt Service</b>	<b>(\$2,659)</b>	<b>(\$3,239)</b>	<b>(\$3,756)</b>	<b>(\$4,068)</b>	<b>(\$4,396)</b>	<b>(\$4,669)</b>
49							
50	Dedicated Taxes and State/Local Subsidies	\$3,960	\$4,294	\$4,147	\$4,068	\$4,101	\$4,150
51							
52	Debt Service (excludes Service Contract Bonds)	(626)	(868)	(991)	(1,120)	(1,252)	(1,370)
53							
54	Net Cash Balance from Previous Year	507	1,182	1,369	769	0	0
55							
56	<b>Baseline Net Cash Surplus/(Deficit)</b>	<b>\$1,182</b>	<b>\$1,369</b>	<b>\$769</b>	<b>(\$351)</b>	<b>(\$1,547)</b>	<b>(\$1,888)</b>

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**November Financial Plan 2007 - 2010**  
**Cash Conversion Detail - Excluding MTA Bus Company**  
(\$ in millions)

	2006 November <u>Forecast</u>	2007 Final Proposed <u>Budget</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b><u>Depreciation</u></b>					
New York City Transit	\$1,015	\$1,086	\$1,152	\$1,222	\$1,292
Metro-North Railroad	207	222	229	236	236
Long Island Rail Road	275	292	279	294	309
MTA Headquarters	26	25	22	20	20
Staten Island Railway	7	10	10	10	10
Bridges & Tunnels <sup>1</sup>	50	57	61	67	72
<i>Sub-Total</i>	<i>1,581</i>	<i>1,691</i>	<i>1,754</i>	<i>1,848</i>	<i>1,939</i>
<b><u>Operating</u></b>					
New York City Transit	29	117	75	53	47
Metro-North Railroad	41	(63)	(18)	(13)	(15)
Long Island Rail Road	(15)	17	2	5	6
MTA Headquarters	(18)	(20)	(15)	(15)	(14)
Long Island Bus	1	1	1	(1)	1
Staten Island Railway	(0)	(0)	0	0	0
First Mutual Transportation Assurance Company	(7)	(3)	(7)	(11)	(15)
<i>Sub-Total</i>	<i>31</i>	<i>48</i>	<i>38</i>	<i>19</i>	<i>9</i>
<b><u>Subsidies</u></b>					
New York City Transit	2	(2)	3	(0)	0
Commuter Railroads	1	2	(0)	0	1
Long Island Bus	(1)	9	0	0	0
Staten Island Railway	1	0	0	(0)	(0)
<i>Sub-Total</i>	<i>3</i>	<i>8</i>	<i>3</i>	<i>0</i>	<i>1</i>
<b>Total Cash Conversion</b>	<b>\$1,614</b>	<b>\$1,747</b>	<b>\$1,794</b>	<b>\$1,867</b>	<b>\$1,949</b>

<sup>1</sup> The *Total Operating Expense* line in the *MTA Consolidated Statement of Operations by Category* table now includes Bridges & Tunnels depreciation. Because B&T only reports on an accrual basis, the offset is now being picked up in the cash conversion.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**November Financial Plan 2007 - 2010**  
**Changes Year-to-Year By Category - Excluding MTA Bus Company**

Favorable/(Unfavorable)

Line Number		2006	Change	2007	Change	2008	Change	2009	Change	2010	Change
	Non-Reimbursable	November Forecast	2006 - 2005	Final Proposed Budget	2007 - 2006		2008 - 2007		2009 - 2008		2010 - 2009
10	<b>Operating Revenue</b>										
11	Farebox Revenue	\$3,694	\$129	\$3,749	\$55	\$3,801	\$52	\$3,835	\$34	\$3,861	\$26
12	Toll Revenue	1,235	30	1,237	2	1,240	3	1,236	(3)	1,235	(1)
13	Other Revenue	428	18	418	(9)	438	20	461	23	481	19
14	Capital and Other Reimbursements	0	(26)	0	0	0	0	0	0	0	0
15	<b>Total Operating Revenue</b>	<b>\$5,357</b>	<b>\$150</b>	<b>\$5,405</b>	<b>\$48</b>	<b>\$5,479</b>	<b>\$75</b>	<b>\$5,532</b>	<b>\$53</b>	<b>\$5,576</b>	<b>\$44</b>
17	<b>Operating Expense</b>										
18	<b>Labor Expenses:</b>										
19	Payroll	\$3,477	(\$115)	\$3,586	(\$108)	\$3,717	(\$131)	\$3,823	(\$106)	\$3,917	(\$94)
20	Overtime	398	(12)	363	35	370	(7)	384	(14)	398	(15)
21	Health & Welfare	845	(76)	932	(87)	1,035	(103)	1,149	(114)	1,274	(124)
22	Pensions	576	66	788	(212)	825	(37)	823	2	823	1
23	Other-Fringe Benefits	393	(7)	402	(9)	419	(18)	435	(16)	446	(12)
24	Pattern Labor Provision	13	(13)	76	(63)	104	(28)	104	(0)	104	1
25	Contribution to GASB Fund	249	(249)	90	159	71	19	79	(8)	87	(8)
26	Reimbursable Overhead	(277)	37	(288)	11	(286)	(2)	(285)	(1)	(290)	5
27	<b>Sub-total Labor Expenses</b>	<b>\$5,673</b>	<b>(\$369)</b>	<b>\$5,948</b>	<b>(\$275)</b>	<b>\$6,255</b>	<b>(\$307)</b>	<b>\$6,512</b>	<b>(\$257)</b>	<b>\$6,759</b>	<b>(\$247)</b>
29	<b>Non-Labor Expenses:</b>										
30	Traction and Propulsion Power	\$274	(\$20)	\$309	(\$35)	\$314	(\$5)	\$338	(\$24)	\$359	(\$21)
31	Fuel for Buses and Trains	167	(29)	179	(11)	178	1	175	2	177	(2)
32	Insurance	36	26	38	(2)	43	(5)	46	(3)	53	(6)
33	Claims	138	(48)	153	(15)	156	(4)	160	(4)	164	(4)
34	Paratransit Service Contracts	190	(32)	228	(38)	266	(38)	305	(39)	355	(50)
35	Maintenance and Other Operating Contracts	509	(56)	555	(46)	560	(5)	582	(21)	592	(11)
36	Professional Service Contracts	191	26	225	(34)	223	2	232	(9)	235	(3)
37	Materials & Supplies	423	(36)	515	(92)	514	1	548	(35)	548	(0)
38	Other Business Expenses	152	4	152	1	162	(10)	161	1	164	(4)
39	<b>Sub-total Non-Labor Expenses</b>	<b>\$2,080</b>	<b>(\$165)</b>	<b>\$2,353</b>	<b>(\$272)</b>	<b>\$2,416</b>	<b>(\$63)</b>	<b>\$2,547</b>	<b>(\$131)</b>	<b>\$2,648</b>	<b>(\$101)</b>
41	<b>Other Expense Adjustments:</b>										
42	Other	(\$9)	2	(\$6)	3	(\$14)	(8)	(\$8)	6	(\$8)	(1)
43	General Reserve	0	0	75	(75)	75	0	75	0	75	0
44	<b>Sub-total Other Expense Adjustments</b>	<b>(\$9)</b>	<b>\$2</b>	<b>\$69</b>	<b>(\$72)</b>	<b>\$61</b>	<b>(\$8)</b>	<b>\$67</b>	<b>\$6</b>	<b>\$67</b>	<b>(\$1)</b>
46	<b>Total Operating Expense Before Depreciation</b>	<b>\$7,745</b>	<b>(\$536)</b>	<b>\$8,370</b>	<b>(\$626)</b>	<b>\$8,732</b>	<b>(\$362)</b>	<b>\$9,127</b>	<b>(\$394)</b>	<b>\$9,473</b>	<b>(\$347)</b>
48	Depreciation	1,581	(112)	1,691	(110)	1,754	(63)	1,848	(95)	1,939	(91)
49	<b>Total Operating Expense</b>	<b>\$9,325</b>	<b>(\$697)</b>	<b>\$10,061</b>	<b>(\$736)</b>	<b>\$10,486</b>	<b>(\$425)</b>	<b>\$10,975</b>	<b>(\$489)</b>	<b>\$11,413</b>	<b>(\$438)</b>
53	<b>Net Operating Deficit Before Subsidies and Debt Service</b>	<b>(\$3,969)</b>	<b>(\$547)</b>	<b>(\$4,657)</b>	<b>(\$688)</b>	<b>(\$5,007)</b>	<b>(\$350)</b>	<b>(\$5,443)</b>	<b>(\$436)</b>	<b>(\$5,836)</b>	<b>(\$394)</b>
55	Dedicated Taxes and State/Local Subsidies	\$3,862	\$440	\$3,768	(\$94)	\$3,693	(\$75)	\$3,779	\$86	\$3,884	\$106
56	Debt Service (excludes Service Contract Bonds)	(1,321)	(303)	(1,458)	(137)	(1,600)	(142)	(1,751)	(150)	(1,886)	(135)
57	<b>Net Deficit After Subsidies and Debt Service</b>	<b>(\$1,427)</b>	<b>(\$410)</b>	<b>(\$2,347)</b>	<b>(\$919)</b>	<b>(\$2,914)</b>	<b>(\$567)</b>	<b>(\$3,415)</b>	<b>(\$501)</b>	<b>(\$3,837)</b>	<b>(\$423)</b>
59	Conversion to Cash Basis: Depreciation	\$1,581	\$112	\$1,691	\$110	\$1,754	\$63	\$1,848	\$95	\$1,939	\$91
60	Conversion to Cash Basis: All Other	34	(239)	56	22	40	(15)	19	(21)	10	(9)
61	Net Cash Balance from Previous Year	1,182	674	1,369	187	769	(600)	0	(769)	0	0
62	<b>Baseline Net Cash Balance</b>	<b>\$1,369</b>	<b>\$137</b>	<b>\$769</b>	<b>(\$600)</b>	<b>(\$351)</b>	<b>(\$1,120)</b>	<b>(\$1,547)</b>	<b>(\$1,196)</b>	<b>(\$1,888)</b>	<b>(\$341)</b>

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**NOVEMBER FINANCIAL PLAN 2007-2010**  
**NON-RECURRING REVENUES AND SAVINGS - BASELINE**  
(\$ in millions)

Non-recurring revenues and savings with a value of \$1 million or more in calendar years 2005 through 2009.

Agency	2006 November Forecast		2007 Final Proposed Budget		2008 Plan		2009 Plan		2010 Plan			
Bridges & Tunnels												
NYCERS Pension Revision <sup>1</sup>	\$	4.8	New Legislation Revaluation Results in Favorable Up Front Cash Offset in Subsequent Years.	\$	-	None	\$	-	None	\$	-	None
Subtotal	\$	4.8		\$	-		\$	-		\$	-	
Long Island Bus	\$	-	None	\$	-	None	\$	-	None	\$	-	None
Subtotal	\$	-		\$	-		\$	-		\$	-	
Long Island Rail Road	\$	-	None	\$	-	None	\$	-	None	\$	-	None
Subtotal	\$	-		\$	-		\$	-		\$	-	
Metro-North Railroad	\$	3.8	Receipt of Prior Period Ferry Service Payments from NY State	\$	-	None	\$	-	None	\$	-	None
	\$	20.0	Prior Year Pension Prepayment	\$	-	None	\$	-	None	\$	-	None
Subtotal	\$	23.8		\$	-		\$	-		\$	-	
Staten Island Railway	\$	-	None	\$	-	None	\$	-	None	\$	-	None
Subtotal	\$	-		\$	-		\$	-		\$	-	
MTA Capital Construction Company	\$	-	None	\$	-	None	\$	-	None	\$	-	None
Subtotal	\$	-		\$	-		\$	-		\$	-	
MTA Headquarters	\$	-	None	\$	-	None	\$	-	None	\$	-	None
Subtotal	\$	-		\$	-		\$	-		\$	-	

**NOTE:**

<sup>1</sup> Savings are being used for the fund that is being set up in response to new GASB standards that require companies to account for post-retirement liability of Other Than Pension Benefits (OTFB) in their financial statements.



**METROPOLITAN TRANSPORTATION AUTHORITY**  
**NOVEMBER FINANCIAL PLAN 2007-2010**  
**NON-RECURRING REVENUES AND SAVINGS - BASELINE**  
(\$ in millions)

Non-recurring revenues and savings with a value of \$1 million or more in calendar years 2005 through 2009.

Agency	2006 November Forecast			2007 Final Proposed Budget			2008 Plan			2009 Plan			2010 Plan		
New York City Transit															
NYCERS Pension Revision <sup>1</sup>	\$	120.1	New Legislation Revaluation Results in Favorable Up Front Cash Offset in Subsequent Years. <sup>1</sup>	\$	26.8	New Legislation Revaluation Results in Favorable Up Front Cash Offset in Subsequent Years. <sup>1</sup>	\$	-	None	\$	-	None	\$	-	None
Subtotal	\$	120.1		\$	26.8		\$	-		\$	-		\$	-	
MTA Transactions <sup>2</sup>	\$	31.3	Unspent 2006 General Reserve	\$	-	None	\$	-	None	\$	-	None	\$	-	None
	\$	84.8	MRT carryover balances-reflects \$40 m of unused general reserve from 2004, MRT-1 funds made available after independent audit of MTAHQ deficit, and prior year interest earnings. This plan assumes no carryovers, except unspent 2005 General Reserve, to later years.	\$	10.0	One-fourth of unspent General Reserve from 2005	\$	10.0	One-fourth of unspent General Reserve from 2005	\$	10.0	One-fourth of unspent General Reserve from 2005	\$	10.0	One-fourth of unspent General Reserve from 2005
Subtotal	\$	116.1		\$	10.0		\$	10.0		\$	10.0		\$	10.0	
Total Non-Recurring Resources (>or = \$1million)	\$	264.9		\$	36.8		\$	10.0		\$	10.0		\$	10.0	

NOTE: Positive cash balances are carried into the following year.

<sup>1</sup> Savings are being used for the fund that is being set up in response to new GASB standards that require companies to account for post-retirement liability of Other Than Pension Benefits (OTFB) in their financial statements.

<sup>2</sup> Excludes New York State Funds that need to be appropriated.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**NOVEMBER FINANCIAL PLAN 2007- 2010**  
**MTA OPERATING BUDGET RESERVES - BASELINE**  
(\$ in millions)

	<b>2006 November Forecast</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b><u>MTA Consolidated:</u></b>					
<i>MTA General Reserve</i>	\$0	\$75	\$75	\$75	\$75
<i>Real Estate Stabilization Reserve <sup>1</sup></i>	200	-	-	-	-
<i>Pension Valuation Provision</i>	0	40	40	40	40
<i>Contribution to GASB Fund</i>	249	90	71	79	87

<sup>1</sup> This reserve was established in 2004 to cover potential shortfalls in real estate revenues. This is programmed for use in 2006.

Note: The plan includes setting aside funds to be deposited in a special GASB account. This is discussed in detail in the consolidated Agency Baseline Assumptions section.

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**VI. MTA Consolidated, including  
MTA Bus Company**

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# METROPOLITAN TRANSPORTATION AUTHORITY

## November Financial Plan 2007 - 2010

### MTA Consolidated Statement Of Operations By Category - Including MTA Bus Company

(\$ in millions)

Line Number		2005 Actual	2006 November Forecast	2007 Final Proposed Budget	2008	2009	2010
7	<b>Non-Reimbursable</b>						
8							
9							
10	<b>Operating Revenue</b>						
11	Farebox Revenue	\$3,565	\$3,820	\$3,878	\$3,932	\$3,967	\$3,994
12	Toll Revenue	1,205	1,235	1,237	1,240	1,236	1,235
13	Other Revenue	410	431	422	442	465	485
14	Capital and Other Reimbursements	26	0	0	0	0	0
15	<b>Total Operating Revenue</b>	<b>\$5,206</b>	<b>\$5,486</b>	<b>\$5,537</b>	<b>\$5,614</b>	<b>\$5,668</b>	<b>\$5,714</b>
16							
17	<b>Operating Expense</b>						
18	<b>Labor Expenses:</b>						
19	Payroll	\$3,362	\$3,630	\$3,766	\$3,903	\$4,014	\$4,114
20	Overtime	385	427	381	388	403	418
21	Health & Welfare	769	868	963	1,070	1,188	1,316
22	Pensions	642	586	800	837	836	836
23	Other-Fringe Benefits	386	407	417	435	451	463
24	Pattern Labor Provision	0	14	80	109	110	109
25	Contribution to GASB Fund	0	252	93	75	83	91
26	Reimbursable Overhead	(240)	(277)	(289)	(287)	(286)	(291)
27	<b>Sub-total Labor Expenses</b>	<b>\$5,304</b>	<b>\$5,907</b>	<b>\$6,212</b>	<b>\$6,530</b>	<b>\$6,799</b>	<b>\$7,057</b>
28							
29	<b>Non-Labor Expenses:</b>						
30	Traction and Propulsion Power	253	274	309	314	338	359
31	Fuel for Buses and Trains	138	191	207	206	203	205
32	Insurance	62	50	52	59	64	72
33	Claims	90	140	158	164	168	172
34	Paratransit Service Contracts	158	190	228	266	305	355
35	Maintenance and Other Operating Contracts	453	538	577	582	604	615
36	Professional Service Contracts	216	194	240	239	248	251
37	Materials & Supplies	388	453	548	547	582	583
38	Other Business Expenses	156	155	152	162	161	164
39	<b>Sub-total Non-Labor Expenses</b>	<b>\$1,916</b>	<b>\$2,186</b>	<b>\$2,472</b>	<b>\$2,540</b>	<b>\$2,673</b>	<b>\$2,776</b>
40							
41	<b>Other Expense Adjustments:</b>						
42	Other	(\$11)	(\$9)	(\$6)	(\$14)	(\$8)	(\$8)
43	General Reserve	0	0	75	75	75	75
44	<b>Sub-total Other Expense Adjustments</b>	<b>(\$11)</b>	<b>(\$9)</b>	<b>\$69</b>	<b>\$61</b>	<b>\$67</b>	<b>\$67</b>
45							
46	<b>Total Operating Expense Before Depreciation</b>	<b>\$7,209</b>	<b>\$8,084</b>	<b>\$8,753</b>	<b>\$9,131</b>	<b>\$9,539</b>	<b>\$9,901</b>
47							
48	Depreciation	\$1,469	\$1,594	\$1,721	\$1,790	\$1,887	\$1,981
49							
50	<b>Total Operating Expense</b>	<b>\$8,678</b>	<b>\$9,679</b>	<b>\$10,474</b>	<b>\$10,922</b>	<b>\$11,426</b>	<b>\$11,881</b>
51							
52	<b>Net Operating Deficit Before Subsidies and Debt Service</b>	<b>(\$3,472)</b>	<b>(\$4,193)</b>	<b>(\$4,937)</b>	<b>(\$5,307)</b>	<b>(\$5,758)</b>	<b>(\$6,168)</b>
53							
54	Dedicated Taxes and State/Local Subsidies	\$3,422	\$4,067	\$4,023	\$3,957	\$4,055	\$4,174
55							
56	Debt Service (excludes Service Contract Bonds)	(1,018)	(1,321)	(1,458)	(1,600)	(1,751)	(1,886)
57							
58	<b>Net Deficit After Subsidies and Debt Service</b>	<b>(\$1,067)</b>	<b>(\$1,446)</b>	<b>(\$2,372)</b>	<b>(\$2,950)</b>	<b>(\$3,453)</b>	<b>(\$3,879)</b>
59							
60	Conversion to Cash Basis: Depreciation	\$1,469	\$1,594	\$1,721	\$1,790	\$1,887	\$1,981
61	Conversion to Cash Basis: All Other	273	39	51	40	19	10
62	Net Cash Balance from Previous Year	507	1,182	1,369	769	0	0
63							
64	<b>Baseline Net Cash Balance</b>	<b>\$1,182</b>	<b>\$1,369</b>	<b>\$769</b>	<b>(\$351)</b>	<b>(\$1,547)</b>	<b>(\$1,888)</b>

# METROPOLITAN TRANSPORTATION AUTHORITY

## November Financial Plan 2007 - 2010

### Gap Closing and Policy Actions

(\$ in millions)

Line

No.

	2005	2006	2007			
	Actual	November	Final Proposed			
		Forecast	Budget	2008	2009	2010
5	<b>November Baseline Net Cash Balance</b>					
	\$1,182	\$1,369	\$769	(\$351)	(\$1,547)	(\$1,888)
7	<b><u>POLICY ACTIONS:</u></b>					
8	Pension Liability Reduction	(450)	0	0	0	0
9	2004 Real Estate Tax Stabilization Account	0	200	0	0	0
10	Capital Security	(100)	(150)	0	0	0
11	Enhanced Security Training	0	0	(6)	(6)	(6)
12	2005 Holiday Fare Program	(50)	50	0	0	0
13	Downsizing Costs	0	0	(81)	0	0
14	Stuyvesant/Cooper Village Sale	0	52	0	0	0
15	NYCT Station Painting	0	0	(9)	(9)	(9)
16	Anti-Graffiti Campaign	0	0	(6)	(3)	(5)
17	Service Marketing Campaign	0	0	(5)	0	0
18	<b>Sub-Total</b>	<b>(600)</b>	<b>152</b>	<b>(106)</b>	<b>(19)</b>	<b>(21)</b>
20	<b><u>GAP CLOSING:</u></b>					
21	2007 Agency Program to Eliminate the Gap	0	18	40	37	39
22	Post 2007 Agency Program to Eliminate the Gap	0	0	0	13	22
23	Shared Services / Reorganization	0	0	0	11	55
24	<b>Sub-Total</b>	<b>0</b>	<b>18</b>	<b>40</b>	<b>61</b>	<b>116</b>
26	Adjusted Net Cash Balance from Previous Year	0	(600)	(431)	(497)	0
28	<b>Net Cash Surplus/(Deficit)</b>					
	<b>\$582</b>	<b>\$938</b>	<b>\$272</b>	<b>(\$805)</b>	<b>(\$1,465)</b>	<b>(\$1,793)</b>

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**November Financial Plan 2007 - 2010**  
**MTA Consolidated Accrued Statement of Operations By Agency - Including MTA Bus Company**  
(\$ in millions)

Line Number		2005	2006	2007			
	<b>Non-Reimbursable</b>		November	Final Proposed			
		<b>Actual</b>	<b>Forecast</b>	<b>Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
8							
9	<b><u>Total Operating Revenue</u></b>						
10	New York City Transit	\$2,908	\$3,016	\$3,055	\$3,110	\$3,140	\$3,170
11	Bridges and Tunnels	1,254	1,252	1,244	1,248	1,244	1,243
12	Metro-North Railroad	470	486	495	503	521	529
13	Long Island Rail Road	469	495	502	509	517	523
20	MTA Bus Company	0	130	132	135	136	137
14	MTA Headquarters	48	51	51	52	53	54
15	Long Island Bus	44	43	43	43	43	43
16	Staten Island Railway	5	6	6	6	6	6
17	First Mutual Transportation Assurance Company	8	8	9	9	9	9
18	Capital Construction Company	0	0	0	0	0	0
19	<b>Total</b>	<b>\$5,206</b>	<b>\$5,486</b>	<b>\$5,537</b>	<b>\$5,614</b>	<b>\$5,668</b>	<b>\$5,714</b>
20							
21	<b><u>Total Operating Expenses before Depreciation</u></b> <sup>1</sup>						
22	New York City Transit	\$4,716	\$5,059	\$5,398	\$5,655	\$5,928	\$6,147
23	Bridges and Tunnels	344	376	411	409	431	470
24	Metro-North Railroad	751	795	860	897	952	985
25	Long Island Rail Road	962	1,005	1,109	1,147	1,188	1,235
26	MTA Bus Company	0	339	379	394	407	422
27	MTA Headquarters	314	280	306	312	314	325
28	Long Island Bus	108	117	120	125	129	134
29	Staten Island Railway	27	27	28	36	31	32
30	First Mutual Transportation Assurance Company	(2)	1	6	2	(2)	(6)
31	Capital Construction Company	0	0	0	0	0	0
32	Other	(11)	(9)	55	45	50	48
33	<b>Total</b>	<b>\$7,209</b>	<b>\$7,991</b>	<b>\$8,673</b>	<b>\$9,022</b>	<b>\$9,429</b>	<b>\$9,791</b>
34							
35	<b><u>Depreciation</u></b>						
36	New York City Transit	\$955	\$1,015	\$1,086	\$1,152	\$1,222	\$1,292
37	Bridges and Tunnels	50	50	57	61	67	72
38	Metro-North Railroad	187	207	222	229	236	236
39	Long Island Rail Road	247	275	292	279	294	309
40	MTA Bus Company	0	14	30	36	39	42
41	MTA Headquarters	23	26	25	22	20	20
42	Long Island Bus	0	0	0	0	0	0
43	Staten Island Railway	7	7	10	10	10	10
44	First Mutual Transportation Assurance Company	0	0	0	0	0	0
45	Capital Construction Company	0	0	0	0	0	0
46	<b>Total</b>	<b>\$1,469</b>	<b>\$1,594</b>	<b>\$1,721</b>	<b>\$1,790</b>	<b>\$1,887</b>	<b>\$1,981</b>
47							
48	<b><u>Net Operating Income/(Deficit)</u></b>						
49	New York City Transit	(\$2,763)	(\$3,059)	(\$3,429)	(\$3,697)	(\$4,010)	(\$4,269)
50	Bridges and Tunnels	860	825	776	777	746	701
51	Metro-North Railroad	(468)	(516)	(588)	(623)	(668)	(692)
52	Long Island Rail Road	(740)	(786)	(899)	(918)	(965)	(1,022)
53	MTA Bus Company	0	(223)	(276)	(295)	(309)	(326)
54	MTA Headquarters	(289)	(254)	(279)	(282)	(281)	(290)
55	Long Island Bus	(64)	(73)	(77)	(82)	(86)	(91)
56	Staten Island Railway	(29)	(29)	(33)	(41)	(35)	(36)
57	First Mutual Transportation Assurance Company	10	7	3	7	11	15
58	Capital Construction Company	0	0	0	0	0	0
59	Other	11	9	(55)	(45)	(50)	(48)
60	<b>Total</b>	<b>(\$3,472)</b>	<b>(\$4,099)</b>	<b>(\$4,857)</b>	<b>(\$5,198)</b>	<b>(\$5,648)</b>	<b>(\$6,058)</b>
61							
62	Pattern Labor Provision	0	(14)	(80)	(109)	(110)	(109)
63	Additional Contribution to GASB Fund	0	(80)	0	0	0	0
64							
65	<b>Total</b>	<b>(\$3,472)</b>	<b>(\$4,193)</b>	<b>(\$4,937)</b>	<b>(\$5,307)</b>	<b>(\$5,758)</b>	<b>(\$6,168)</b>

**Note:**<sup>1</sup> Excludes Debt Service



# METROPOLITAN TRANSPORTATION AUTHORITY

## November Financial Plan 2007 - 2010

### MTA Consolidated Cash Receipts and Expenditures - Including MTA Bus Company

(\$ in millions)

Line Number	CASH RECEIPTS AND EXPENDITURES	2005 Actual	2006 November Forecast	2007 Final Proposed Budget	2008	2009	2010
9							
10							
11	<b>Receipts</b>						
12	Farebox Revenue	\$3,638	\$3,858	\$3,923	\$3,977	\$4,010	\$4,034
13	Other Operating Revenue	396	443	464	454	478	497
14	Capital and Other Reimbursements	1,109	1,170	1,294	1,273	1,267	1,271
15	<b>Total Receipts</b>	<b>\$5,144</b>	<b>\$5,471</b>	<b>\$5,681</b>	<b>\$5,704</b>	<b>\$5,754</b>	<b>\$5,803</b>
16							
17	<b>Expenditures</b>						
18	<u><b>Labor:</b></u>						
19	Payroll	\$3,647	\$3,888	\$4,134	\$4,221	\$4,318	\$4,417
20	Overtime	444	489	438	444	459	476
21	Health and Welfare	767	887	974	1,081	1,199	1,328
22	Pensions	464	608	794	854	876	876
23	Other Fringe Benefits	449	480	514	523	537	551
24	Pattern Labor Provision	0	14	80	109	110	109
25	Contribution to GASB Fund	0	252	93	75	83	91
26	Reimbursable Overhead	0	0	0	0	0	0
27	<b>Total Labor Expenditures</b>	<b>\$5,772</b>	<b>\$6,616</b>	<b>\$7,026</b>	<b>\$7,308</b>	<b>\$7,582</b>	<b>\$7,848</b>
28							
29	<u><b>Non-Labor:</b></u>						
30	Traction and Propulsion Power	\$242	\$283	\$309	\$314	\$338	\$359
31	Fuel for Buses and Trains	134	191	209	206	203	205
32	Insurance	46	45	52	60	58	65
33	Claims	83	132	123	129	130	133
34	Paratransit Service Contracts	155	186	228	266	305	355
35	Maintenance and Other Operating Contracts	407	479	517	523	546	539
36	Professional Service Contracts	208	195	256	249	252	255
37	Materials & Supplies	492	574	663	659	684	666
38	Other Business Expenditures	207	160	162	173	172	175
39	<b>Total Non-Labor Expenditures</b>	<b>\$1,974</b>	<b>\$2,245</b>	<b>\$2,519</b>	<b>\$2,578</b>	<b>\$2,689</b>	<b>\$2,753</b>
40							
41	<u><b>Other Expenditure Adjustments:</b></u>						
42	Other	\$57	\$53	\$72	\$75	\$81	\$85
43	General Reserve	0	0	75	75	75	75
44	<b>Total Other Expenditure Adjustments</b>	<b>\$57</b>	<b>\$53</b>	<b>\$147</b>	<b>\$150</b>	<b>\$156</b>	<b>\$160</b>
45							
46	<b>Total Expenditures</b>	<b>\$7,803</b>	<b>\$8,914</b>	<b>\$9,693</b>	<b>\$10,036</b>	<b>\$10,426</b>	<b>\$10,761</b>
47							
48	<b>Net Cash Deficit Before Subsidies and Debt Service</b>	<b>(\$2,659)</b>	<b>(\$3,443)</b>	<b>(\$4,011)</b>	<b>(\$4,332)</b>	<b>(\$4,672)</b>	<b>(\$4,958)</b>
49							
50	Dedicated Taxes and State/Local Subsidies	\$3,960	\$4,499	\$4,402	\$4,332	\$4,377	\$4,440
51							
52	Debt Service (excludes Service Contract Bonds)	(626)	(868)	(991)	(1,120)	(1,252)	(1,370)
53							
54	Net Cash Balance from Previous Year	507	1,182	1,369	769	0	0
55							
56	<b>Baseline Net Cash Surplus/(Deficit)</b>	<b>\$1,182</b>	<b>\$1,369</b>	<b>\$769</b>	<b>(\$351)</b>	<b>(\$1,547)</b>	<b>(\$1,888)</b>

# METROPOLITAN TRANSPORTATION AUTHORITY

## November Financial Plan 2007 - 2010

### MTA Consolidated Cash Statement of Operations By Agency - Including MTA Bus Company

(\$ in millions)

Line Number		2005	2006 November	2007 Final Proposed			
		<u>Actual</u>	<u>Forecast</u>	<u>Budget</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
8							
9	<b><u>Total Receipts</u></b>						
10	New York City Transit	\$3,692	\$3,814	\$3,898	\$3,909	\$3,924	\$3,959
11	Metro-North Railroad	652	659	707	694	716	722
12	Long Island Rail Road	638	687	721	740	741	753
13	MTA Bus Company	0	130	157	160	168	161
14	MTA Headquarters	87	96	101	103	104	106
15	Long Island Bus	49	48	49	48	49	49
16	Staten Island Railway	6	7	7	8	8	8
17	Capital Construction Company	13	21	34	34	35	36
18	First Mutual Transportation Assurance Company	8	8	9	9	9	9
19	<b>Total</b>	<b>\$5,144</b>	<b>\$5,471</b>	<b>\$5,681</b>	<b>\$5,704</b>	<b>\$5,754</b>	<b>\$5,803</b>
20							
21	<b><u>Total Expenditures</u></b>						
22	New York City Transit	\$5,233	\$5,829	\$6,125	\$6,379	\$6,659	\$6,890
23	Metro-North Railroad	924	928	1,135	1,105	1,161	1,193
24	Long Island Rail Road	1,085	1,212	1,311	1,377	1,407	1,459
25	MTA Bus Company	0	334	408	418	439	445
26	MTA Headquarters	402	343	375	378	380	391
27	Long Island Bus	114	121	125	130	137	139
28	Staten Island Railway	28	28	30	38	32	34
29	Capital Construction Company	13	21	34	34	35	36
30	First Mutual Transportation Assurance Company	8	8	9	9	9	9
31	Other	(4)	(3)	61	59	58	56
32	<b>Total</b>	<b>\$7,803</b>	<b>\$8,820</b>	<b>\$9,612</b>	<b>\$9,927</b>	<b>\$10,317</b>	<b>\$10,652</b>
33							
34	<b><u>Net Operating Surplus/(Deficit)</u></b>						
35	New York City Transit	(1,541)	(2,015)	(2,227)	(2,470)	(2,735)	(2,930)
36	Metro-North Railroad	(272)	(268)	(429)	(411)	(445)	(471)
37	Long Island Rail Road	(448)	(525)	(591)	(637)	(666)	(707)
45	MTA Bus Company	0	(204)	(251)	(259)	(271)	(284)
38	MTA Headquarters	(315)	(247)	(274)	(275)	(276)	(285)
39	Long Island Bus	(65)	(72)	(77)	(81)	(87)	(90)
40	Staten Island Railway	(22)	(21)	(23)	(30)	(25)	(26)
41	Capital Construction Company	0	0	0	0	0	0
42	First Mutual Transportation Assurance Company	0	0	0	0	0	0
43	Other	4	3	(61)	(59)	(58)	(56)
44	<b>Total</b>	<b>(\$2,659)</b>	<b>(\$3,350)</b>	<b>(\$3,931)</b>	<b>(\$4,223)</b>	<b>(\$4,562)</b>	<b>(\$4,849)</b>
45							
46	Pattern Labor Provision	0	(14)	(80)	(109)	(110)	(109)
47	Additional Contribution to GASB Fund	0	(80)	0	0	0	0
48							
49	<b>Total</b>	<b>(\$2,659)</b>	<b>(\$3,443)</b>	<b>(\$4,011)</b>	<b>(\$4,332)</b>	<b>(\$4,672)</b>	<b>(\$4,958)</b>

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**November Financial Plan 2007 - 2010**  
**Changes Year-to-Year By Category - Including MTA Bus Company**

Favorable/(Unfavorable)

7	Non-Reimbursable	2006	2007								
8		November	Final Proposed	Change		Change		Change		Change	
9		Forecast	Budget	2006 - 2005	2007 - 2006	2008	2008 - 2007	2009	2009 - 2008	2010	2010 - 2009
10	Operating Revenue										
11	Farebox Revenue	3,820	\$3,878	\$255	\$58	\$3,932	\$54	\$3,967	\$35	\$3,994	\$28
12	Toll Revenue	1,235	1,237	30	2	1,240	3	1,236	(3)	1,235	(1)
13	Other Revenue	431	422	21	(9)	442	20	465	23	485	19
14	Capital and Other Reimbursements	0	0	(26)	0	0	0	0	0	0	0
15	Total Operating Revenue	\$5,486	\$5,537	\$280	\$51	\$5,614	\$77	\$5,668	\$54	\$5,714	\$46
16											
17	Operating Expense										
18	Labor Expenses:										
19	Payroll	\$3,630	\$3,766	(\$268)	(\$136)	\$3,903	(\$136)	\$4,014	(\$111)	\$4,114	(\$100)
20	Overtime	427	381	(42)	46	388	(7)	403	(15)	418	(15)
21	Health & Welfare	868	963	(99)	(95)	1,070	(107)	1,188	(118)	1,316	(128)
22	Pensions	586	800	56	(214)	837	(38)	836	1	836	0
23	Other-Fringe Benefits	407	417	(21)	(10)	435	(18)	451	(16)	463	(12)
24	Pattern Labor Provision	14	80	(14)	(66)	109	(29)	110	(0)	109	1
25	Contribution to GASB Fund	252	93	(252)	158	75	19	83	(8)	91	(9)
26	Reimbursable Overhead	(277)	(289)	37	12	(287)	(2)	(286)	(1)	(291)	5
27	Sub-total Labor Expenses	\$5,907	\$6,212	(\$602)	(\$305)	\$6,530	(\$318)	\$6,799	(\$268)	\$7,057	(\$259)
28											
29	Non-Labor Expenses:										
30	Traction and Propulsion Power	\$274	\$309	(\$20)	(\$35)	\$314	(\$5)	\$338	(\$24)	\$359	(\$21)
31	Fuel for Buses and Trains	191	207	(53)	(16)	206	1	203	3	205	(2)
32	Insurance	50	52	11	(2)	59	(7)	64	(5)	72	(8)
33	Claims	140	158	(50)	(18)	164	(6)	168	(4)	172	(4)
34	Paratransit Service Contracts	190	228	(32)	(38)	266	(38)	305	(39)	355	(50)
35	Maintenance and Other Operating Contracts	538	577	(86)	(38)	582	(6)	604	(21)	615	(11)
36	Professional Service Contracts	194	240	22	(46)	239	1	248	(9)	251	(3)
37	Materials & Supplies	453	548	(65)	(95)	547	1	582	(35)	583	(1)
38	Other Business Expenses	155	152	1	4	162	(10)	161	1	164	(4)
39	Sub-total Non-Labor Expenses	\$2,186	\$2,472	(\$271)	(\$285)	\$2,540	(\$68)	\$2,673	(\$133)	\$2,776	(\$104)
40											
41	Other Expense Adjustments:										
42	Other	(\$9)	(\$6)	2	3	(\$14)	(8)	(\$8)	6	(\$8)	(1)
43	General Reserve	0	75	0	(75)	75	0	75	0	75	0
44	Sub-total Other Expense Adjustments	(\$9)	\$69	\$2	(\$72)	\$61	(\$8)	\$67	\$6	\$67	(\$1)
45											
46	Total Operating Expense Before Depreciation	\$8,084	\$8,753	(\$875)	(\$668)	\$9,131	(\$379)	\$9,539	(\$407)	\$9,901	(\$362)
47											
48	Depreciation	1,594	1,721	(126)	(127)	1,790	(69)	1,887	(97)	1,981	(94)
49	Total Operating Expense	\$9,679	\$10,474	(\$1,001)	(\$795)	\$10,922	(\$448)	\$11,426	(\$504)	\$11,881	(\$455)
50											
51											
52											
53	Net Operating Deficit Before Subsidies and Debt Service	(\$4,193)	(\$4,937)	(\$721)	(\$744)	(\$5,307)	(\$371)	(\$5,758)	(\$450)	(\$6,168)	(\$410)
54											
55	Dedicated Taxes and State/Local Subsidies	\$4,067	\$4,023	\$645	(\$44)	\$3,957	(\$65)	\$4,055	\$97	\$4,174	\$119
56	Debt Service (excludes Service Contract Bonds)	(1,321)	(1,458)	(303)	(137)	(1,600)	(142)	(1,751)	(150)	(1,886)	(135)
57	Net Deficit After Subsidies and Debt Service	(\$1,446)	(\$2,372)	(\$379)	(\$926)	(\$2,950)	(\$578)	(\$3,453)	(\$503)	(\$3,879)	(\$426)
58											
59	Conversion to Cash Basis: Depreciation	\$1,594	\$1,721	\$126	\$127	\$1,790	\$69	\$1,887	\$97	\$1,981	\$94
60	Conversion to Cash Basis: All Other	39	51	(234)	12	40	(11)	19	(21)	10	(9)
61	Net Cash Balance from Previous Year	1,182	1,369	674	187	769	(600)	0	(769)	0	0
62	Baseline Net Cash Balance	\$1,369	\$769	\$187	(\$600)	(\$351)	(\$1,120)	(\$1,547)	(\$1,196)	(\$1,888)	(\$341)

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**November Financial Plan 2007 - 2010**  
**Baseline Total Non-Reimbursable - Reimbursable Positions**  
**Full-Time Positions and Full Time Equivalents by Function and Agency**  
(Includes MTA BUS COMPANY)

<b>Function</b>	<b>2005 Actuals</b>	<b>2006 November Forecast</b>	<b>2007 Final Proposed Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b><i>Administration</i></b>	<b>4,256</b>	<b>4,538</b>	<b>4,610</b>	<b>4,602</b>	<b>4,615</b>	<b>4,612</b>
NYC Transit	2,257	2,291	2,291	2,283	2,296	2,294
Long Island Rail Road	601	656	666	665	665	664
Metro-North Railroad	553	533	538	539	539	539
Bridges & Tunnels	137	146	146	146	146	146
Headquarters	571	668	665	665	665	665
Long Island Bus	90	96	96	96	96	96
Staten Island Railway	31	31	31	31	31	31
Capital Construction Company	16	30	52	52	52	52
Bus Company		87	125	125	125	125
<b><i>Operations</i></b>	<b>28,205</b>	<b>30,804</b>	<b>31,075</b>	<b>30,955</b>	<b>31,003</b>	<b>31,019</b>
NYC Transit	22,711	23,018	23,235	23,088	23,089	23,078
Long Island Rail Road	1,985	2,045	2,040	2,040	2,040	2,040
Metro-North Railroad	1,881	1,969	1,990	2,017	2,064	2,091
Bridges & Tunnels	774	798	798	798	798	798
Headquarters	0	0	0	0	0	0
Long Island Bus	757	781	773	773	773	773
Staten Island Railway	97	94	94	94	94	94
Capital Construction Company	0	0	0	0	0	0
Bus Company		2,099	2,145	2,145	2,145	2,145
<b><i>Maintenance</i></b>	<b>27,531</b>	<b>29,371</b>	<b>29,692</b>	<b>29,754</b>	<b>29,690</b>	<b>29,314</b>
NYC Transit	20,024	20,597	20,690	20,648	20,570	20,191
Long Island Rail Road	3,443	3,690	3,762	3,826	3,826	3,826
Metro-North Railroad	3,269	3,314	3,415	3,455	3,469	3,472
Bridges & Tunnels	391	391	391	391	391	391
Headquarters	0	0	0	0	0	0
Long Island Bus	251	261	261	261	261	261
Staten Island Railway	153	156	158	158	158	158
Capital Construction Company	0	0	0	0	0	0
Bus Company		962	1,015	1,015	1,015	1,015
<b><i>Engineering/Capital</i></b>	<b>1,908</b>	<b>1,995</b>	<b>2,034</b>	<b>2,033</b>	<b>2,020</b>	<b>2,020</b>
NYC Transit	1,487	1,519	1,504	1,504	1,504	1,504
Long Island Rail Road	90	85	89	88	75	75
Metro-North Railroad	109	114	114	114	114	114
Bridges & Tunnels	173	190	190	190	190	190
Headquarters	0	0	0	0	0	0
Long Island Bus	14	16	16	16	16	16
Staten Island Railway	0	0	0	0	0	0
Capital Construction Company	35	66	98	98	98	98
Bus Company		5	23	23	23	23
<b><i>Public Safety</i></b>	<b>1,583</b>	<b>1,640</b>	<b>1,656</b>	<b>1,654</b>	<b>1,660</b>	<b>1,659</b>
NYC Transit	593	576	572	570	576	575
Long Island Rail Road	0	0	0	0	0	0
Metro-North Railroad	0	0	0	0	0	0
Bridges & Tunnels	295	297	303	303	303	303
Headquarters	692	755	768	768	768	768
Long Island Bus	3	3	3	3	3	3
Staten Island Railway	0	0	0	0	0	0
Capital Construction Company	0	0	0	0	0	0
Bus Company		9	10	10	10	10

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**November Financial Plan 2007 - 2010**  
**Baseline Total Non-Reimbursable - Reimbursable Positions**  
**Full-Time Positions and Full Time Equivalents by Function and Agency**  
(Includes MTA BUS COMPANY)

Function	2005 Actuals	2006 November Forecast	2007 Final Proposed Budget	2008	2009	2010
<b>Baseline Total Positions</b>	<b>63,483</b>	<b>68,348</b>	<b>69,067</b>	<b>68,998</b>	<b>68,988</b>	<b>68,624</b>
NYC Transit	47,072	48,001	48,292	48,093	48,035	47,642
Long Island Rail Road	6,119	6,476	6,557	6,619	6,606	6,605
Metro-North Railroad	5,812	5,930	6,057	6,125	6,186	6,216
Bridges & Tunnels	1,770	1,822	1,828	1,828	1,828	1,828
Headquarters	1,263	1,423	1,433	1,433	1,433	1,433
Long Island Bus	1,115	1,157	1,149	1,149	1,149	1,149
Staten Island Railway	281	281	283	283	283	283
Capital Construction Company	51	96	150	150	150	150
Bus Company	0	3,162	3,318	3,318	3,318	3,318
<b>Non-Reimbursable</b>	<b>56,858</b>	<b>61,571</b>	<b>62,220</b>	<b>62,347</b>	<b>62,535</b>	<b>62,251</b>
NYC Transit	41,770	42,689	43,035	43,100	43,226	42,912
Long Island Rail Road	5,452	5,788	5,837	5,831	5,832	5,832
Metro-North Railroad	5,294	5,351	5,455	5,523	5,584	5,614
Bridges & Tunnels	1,725	1,773	1,779	1,779	1,779	1,779
Headquarters	1,240	1,387	1,397	1,397	1,397	1,397
Long Island Bus	1,102	1,143	1,135	1,135	1,135	1,135
Staten Island Railway	275	278	280	280	280	280
Capital Construction Company	0	0	0	0	0	0
Bus Company	0	3,162	3,302	3,302	3,302	3,302
<b>Reimbursable</b>	<b>6,625</b>	<b>6,777</b>	<b>6,847</b>	<b>6,651</b>	<b>6,453</b>	<b>6,373</b>
NYC Transit	5,302	5,312	5,257	4,993	4,809	4,730
Long Island Rail Road	667	688	720	788	774	773
Metro-North Railroad	518	579	602	602	602	602
Bridges & Tunnels	45	49	49	49	49	49
Headquarters	23	36	36	36	36	36
Long Island Bus	13	14	14	14	14	14
Staten Island Railway	6	3	3	3	3	3
Capital Construction Company	51	96	150	150	150	150
Bus Company	0	0	16	16	16	16
<b>Total Full-Time</b>	<b>63,140</b>	<b>68,021</b>	<b>68,740</b>	<b>68,678</b>	<b>68,668</b>	<b>68,305</b>
NYC Transit	46,841	47,788	48,079	47,887	47,829	47,437
Long Island Rail Road	6,119	6,476	6,557	6,619	6,606	6,605
Metro-North Railroad	5,807	5,925	6,052	6,120	6,181	6,211
Bridges & Tunnels	1,770	1,822	1,828	1,828	1,828	1,828
Headquarters	1,263	1,423	1,433	1,433	1,433	1,433
Long Island Bus	1,008	1,048	1,040	1,040	1,040	1,040
Staten Island Railway	281	281	283	283	283	283
Capital Construction Company	51	96	150	150	150	150
Bus Company	0	3,162	3,318	3,318	3,318	3,318
<b>Total Full-Time-Equivalents</b>	<b>343</b>	<b>327</b>	<b>327</b>	<b>320</b>	<b>320</b>	<b>319</b>
NYC Transit	231	213	213	206	206	205
Long Island Rail Road	0	0	0	0	0	0
Metro-North Railroad	5	5	5	5	5	5
Bridges & Tunnels	0	0	0	0	0	0
Headquarters	0	0	0	0	0	0
Long Island Bus	107	109	109	109	109	109
Staten Island Railway	0	0	0	0	0	0
Capital Construction Company	0	0	0	0	0	0
Bus Company	0	0	0	0	0	0

Function	2006	2007	Change 2007-2006	2008	Change 2008-2007	2009	Change 2009-2008	2010	Change 2010-2009
<b>Baseline Total Positions</b>	<b>68,348</b>	<b>69,067</b>	<b>(719)</b>	<b>68,998</b>	<b>69</b>	<b>68,988</b>	<b>10</b>	<b>68,624</b>	<b>364</b>
NYC Transit	48,001	48,292	(291)	48,093	199	48,035	58	47,642	393
Long Island Rail Road	6,476	6,557	(81)	6,619	(62)	6,606	13	6,605	1
Metro-North Railroad	5,930	6,057	(127)	6,125	(68)	6,186	(61)	6,216	(30)
Bridges & Tunnels	1,822	1,828	(6)	1,828	0	1,828	0	1,828	0
Headquarters	1,423	1,433	(10)	1,433	0	1,433	0	1,433	0
Long Island Bus	1,157	1,149	8	1,149	0	1,149	0	1,149	0
Staten Island Railway	281	283	(2)	283	0	283	0	283	0
Capital Construction Company	96	150	(54)	150	0	150	0	150	0
Bus Company	3,162	3,318	(156)	3,318	0	3,318	0	3,318	0
<b>Non-Reimbursable</b>	<b>61,571</b>	<b>62,220</b>	<b>(649)</b>	<b>62,347</b>	<b>(127)</b>	<b>62,535</b>	<b>(188)</b>	<b>62,251</b>	<b>284</b>
NYC Transit	42,689	43,035	(346)	43,100	(65)	43,226	(126)	42,912	314
Long Island Rail Road	5,788	5,837	(49)	5,831	6	5,832	(1)	5,832	0
Metro-North Railroad	5,351	5,455	(104)	5,523	(68)	5,584	(61)	5,614	(30)
Bridges & Tunnels	1,773	1,779	(6)	1,779	0	1,779	0	1,779	0
Headquarters	1,387	1,397	(10)	1,397	0	1,397	0	1,397	0
Long Island Bus	1,143	1,135	8	1,135	0	1,135	0	1,135	0
Staten Island Railway	278	280	(2)	280	0	280	0	280	0
Capital Construction Company	0	0	0	0	0	0	0	0	0
Bus Company	3,162	3,302	(140)	3,302	0	3,302	0	3,302	0
<b>Reimbursable</b>	<b>6,777</b>	<b>6,847</b>	<b>(70)</b>	<b>6,651</b>	<b>196</b>	<b>6,453</b>	<b>198</b>	<b>6,373</b>	<b>80</b>
NYC Transit	5,312	5,257	55	4,993	264	4,809	184	4,730	79
Long Island Rail Road	688	720	(32)	788	(68)	774	14	773	1
Metro-North Railroad	579	602	(23)	602	0	602	0	602	0
Bridges & Tunnels	49	49	0	49	0	49	0	49	0
Headquarters	36	36	0	36	0	36	0	36	0
Long Island Bus	14	14	0	14	0	14	0	14	0
Staten Island Railway	3	3	0	3	0	3	0	3	0
Capital Construction Company	96	150	(54)	150	0	150	0	150	0
Bus Company	0	16	(16)	16	0	16	0	16	0
<b>Total Full-Time</b>	<b>68,021</b>	<b>68,740</b>	<b>(719)</b>	<b>68,678</b>	<b>62</b>	<b>68,668</b>	<b>10</b>	<b>68,305</b>	<b>363</b>
NYC Transit	47,788	48,079	(291)	47,887	192	47,829	58	47,437	392
Long Island Rail Road	6,476	6,557	(81)	6,619	(62)	6,606	13	6,605	1
Metro-North Railroad	5,925	6,052	(127)	6,120	(68)	6,181	(61)	6,211	(30)
Bridges & Tunnels	1,822	1,828	(6)	1,828	0	1,828	0	1,828	0
Headquarters	1,423	1,433	(10)	1,433	0	1,433	0	1,433	0
Long Island Bus	1,048	1,040	8	1,040	0	1,040	0	1,040	0
Staten Island Railway	281	283	(2)	283	0	283	0	283	0
Capital Construction Company	96	150	(54)	150	0	150			

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**November Financial Plan 2007 - 2010**  
**Year to Year Changes for Positions by Function and Agency**  
**Baseline Total Non-Reimbursable - Reimbursable Positions**  
**Full-Time Positions and Full Time Equivalents**  
(Includes MTA BUS COMPANY)

FUNCTION/DEPARTMENT	2006	2007	Change 2007-2006	2008	Change 2008-2007	2009	Change 2009-2008	2010	Change 2010-2009
<b>Administration</b>	<b>4,538</b>	<b>4,610</b>	<b>(72)</b>	<b>4,602</b>	<b>8</b>	<b>4,615</b>	<b>(13)</b>	<b>4,612</b>	<b>3</b>
NYC Transit	2,291	2,291	(0)	2,283	8	2,296	(13)	2,294	2
Long Island Rail Road	656	666	(10)	665	1	665	0	664	1
Metro-North Railroad	533	538	(5)	539	(1)	539	0	539	0
Bridges & Tunnels	146	146	0	146	0	146	0	146	0
Headquarters	668	665	3	665	0	665	0	665	0
Long Island Bus	96	96	0	96	0	96	0	96	0
Staten Island Railway	31	31	0	31	0	31	0	31	0
Capital Construction Company	30	52	(22)	52	0	52	0	52	0
Bus Company	87	125	(38)	125	0	125	0	125	0
<b>Operations</b>	<b>30,804</b>	<b>31,075</b>	<b>(271)</b>	<b>30,955</b>	<b>120</b>	<b>31,003</b>	<b>(48)</b>	<b>31,019</b>	<b>(16)</b>
NYC Transit	23,018	23,235	(217)	23,088	147	23,089	(1)	23,078	11
Long Island Rail Road	2,045	2,040	5	2,040	0	2,040	0	2,040	0
Metro-North Railroad	1,969	1,990	(21)	2,017	(27)	2,064	(47)	2,091	(27)
Bridges & Tunnels	798	798	0	798	0	798	0	798	0
Headquarters	0	0	0	0	0	0	0	0	0
Long Island Bus	781	773	8	773	0	773	0	773	0
Staten Island Railway	94	94	0	94	0	94	0	94	0
Capital Construction Company	0	0	0	0	0	0	0	0	0
Bus Company	2,099	2,145	(46)	2,145	0	2,145	0	2,145	0
<b>Maintenance</b>	<b>29,371</b>	<b>29,692</b>	<b>(321)</b>	<b>29,754</b>	<b>(62)</b>	<b>29,690</b>	<b>64</b>	<b>29,314</b>	<b>376</b>
NYC Transit	20,597	20,690	(93)	20,648	42	20,570	78	20,191	379
Long Island Rail Road	3,690	3,762	(72)	3,826	(64)	3,826	0	3,826	0
Metro-North Railroad	3,314	3,415	(101)	3,455	(40)	3,469	(14)	3,472	(3)
Bridges & Tunnels	391	391	0	391	0	391	0	391	0
Headquarters	0	0	0	0	0	0	0	0	0
Long Island Bus	261	261	0	261	0	261	0	261	0
Staten Island Railway	156	158	(2)	158	0	158	0	158	0
Capital Construction Company	0	0	0	0	0	0	0	0	0
Bus Company	962	1,015	(53)	1,015	0	1,015	0	1,015	0
<b>Engineering/Capital</b>	<b>1,995</b>	<b>2,034</b>	<b>(39)</b>	<b>2,033</b>	<b>1</b>	<b>2,020</b>	<b>13</b>	<b>2,020</b>	<b>0</b>
NYC Transit	1,519	1,504	15	1,504	0	1,504	0	1,504	0
Long Island Rail Road	85	89	(4)	88	1	75	13	75	0
Metro-North Railroad	114	114	0	114	0	114	0	114	0
Bridges & Tunnels	190	190	0	190	0	190	0	190	0
Headquarters	0	0	0	0	0	0	0	0	0
Long Island Bus	16	16	0	16	0	16	0	16	0
Staten Island Railway	0	0	0	0	0	0	0	0	0
Capital Construction Company	66	98	(32)	98	0	98	0	98	0
Bus Company	5	23	(18)	23	0	23	0	23	0
<b>Public Safety</b>	<b>1,640</b>	<b>1,656</b>	<b>(16)</b>	<b>1,654</b>	<b>2</b>	<b>1,660</b>	<b>(6)</b>	<b>1,659</b>	<b>1</b>
NYC Transit	576	572	4	570	2	576	(6)	575	1
Long Island Rail Road	0	0	0	0	0	0	0	0	0
Metro-North Railroad	0	0	0	0	0	0	0	0	0
Bridges & Tunnels	297	303	(6)	303	0	303	0	303	0
Headquarters	755	768	(13)	768	0	768	0	768	0
Long Island Bus	3	3	0	3	0	3	0	3	0
Staten Island Railway	0	0	0	0	0	0	0	0	0
Capital Construction Company	0	0	0	0	0	0	0	0	0
Bus Company	9	10	(1)	10	0	10	0	10	0

**Metropolitan Transportation Authority**  
**November Financial Plan 2007 - 2010**  
**Year to Year Changes for Positions by Function and Occupational Group**  
**Baseline Total Full-time Positions and Full-time Equivalents**  
(Includes MTA BUS COMPANY)

FUNCTION/OCCUPATIONAL GROUP	2006	2007	Change 2007-2006	2008	Change 2008-2007	2009	Change 2009-2008	2010	Change 2010-2009
<b>Administration</b>									
Managers/Supervisors	1,715	1,684	31	1,676	8	1,673	3	1,671	2
Professional, Technical, Clerical	2,785	2,883	(98)	2,883	-	2,899	(16)	2,898	1
Operational Hourlies	38	43	(5)	43	-	43	-	43	-
Total Administration	4,538	4,610	(72)	4,602	8	4,615	(13)	4,612	3
<b>Operations</b>									
Managers/Supervisors	3,174	3,231	(57)	3,217	14	3,190	27	3,188	2
Professional, Technical, Clerical	1,211	1,224	(13)	1,229	(5)	1,226	3	1,226	-
Operational Hourlies	26,419	26,620	(201)	26,509	111	26,587	(78)	26,605	(18)
Total Operations	30,804	31,075	(271)	30,955	120	31,003	(48)	31,019	(16)
<b>Maintenance</b>									
Managers/Supervisors	4,562	4,723	(161)	4,687	36	4,678	9	4,630	48
Professional, Technical, Clerical	2,614	2,640	(26)	2,621	19	2,592	29	2,573	19
Operational Hourlies	22,195	22,329	(134)	22,446	(117)	22,420	26	22,111	309
Total Maintenance	29,371	29,692	(321)	29,754	(62)	29,690	64	29,314	376
<b>Engineering/Capital</b>									
Managers/Supervisors	488	503	(15)	500	3	491	9	491	-
Professional, Technical, Clerical	1,505	1,529	(24)	1,531	(2)	1,527	4	1,527	-
Operational Hourlies	2	2	0	2	-	2	-	2	-
Total Engineering/Capital	1,995	2,034	(39)	2,033	1	2,020	13	2,020	-
<b>Public Safety</b>									
Managers/Supervisors	147	149	(2)	148	1	145	3	144	1
Professional, Technical, Clerical	161	168	(7)	167	1	166	1	166	-
Operational Hourlies	1,332	1,339	(7)	1,339	-	1,349	(10)	1,349	-
Total Public Safety	1,640	1,656	(16)	1,654	2	1,660	(6)	1,659	1
<b>MTA Consolidated</b>									
Managers/Supervisors	10,086	10,290	(204)	10,228	62	10,177	51	10,124	53
Professional, Technical, Clerical	8,276	8,444	(168)	8,431	13	8,410	21	8,390	20
Operational Hourlies	49,986	50,333	(347)	50,339	(6)	50,401	(62)	50,110	291
Total MTA Consolidated	68,348	69,067	(719)	68,998	69	68,988	10	68,624	364



**METROPOLITAN TRANSPORTATION AUTHORITY**  
**November Financial Plan 2007 - 2010**  
**Baseline Change Between Plans 2006 Mid-Year Forecast vs. 2006 November Financial Plan**  
**Total Non-Reimbursable - Reimbursable Positions**  
**Full-Time Positions and Full Time Equivalents by Function and Agency**  
(Includes MTA BUS COMPANY)

Function	Favorable/(Unfavorable) Variance				
	2006	2007	2008	2009	2010
<b>Administration</b>	<b>30</b>	<b>(35)</b>	<b>(31)</b>	<b>(29)</b>	<b>(29)</b>
NYC Transit	(4)	(14)	(9)	(7)	(7)
Long Island Rail Road	6	(5)	(6)	(6)	(6)
Metro-North Railroad	1	(5)	(5)	(5)	(5)
Bridges & Tunnels	0	0	0	0	0
Headquarters	(8)	(8)	(8)	(8)	(8)
Long Island Bus	(1)	(1)	(1)	(1)	(1)
Staten Island Railway	0	0	0	0	0
Capital Construction Company	0	0	0	0	0
Bus Company	36	(2)	(2)	(2)	(2)
<b>Operations</b>	<b>31</b>	<b>(550)</b>	<b>(385)</b>	<b>(409)</b>	<b>(448)</b>
NYC Transit	(14)	(526)	(358)	(381)	(400)
Long Island Rail Road	13	0	0	0	0
Metro-North Railroad	(10)	(28)	(31)	(32)	(52)
Bridges & Tunnels	0	0	0	0	0
Headquarters	0	0	0	0	0
Long Island Bus	(4)	4	4	4	4
Staten Island Railway	0	0	0	0	0
Capital Construction Company	0	0	0	0	0
Bus Company	46	0	0	0	0
<b>Maintenance</b>	<b>49</b>	<b>(184)</b>	<b>(114)</b>	<b>(69)</b>	<b>12</b>
NYC Transit	(3)	(144)	(25)	20	101
Long Island Rail Road	(4)	(11)	(43)	(43)	(43)
Metro-North Railroad	3	(29)	(46)	(46)	(46)
Bridges & Tunnels	0	0	0	0	0
Headquarters	0	0	0	0	0
Long Island Bus	0	0	0	0	0
Staten Island Railway	0	0	0	0	0
Capital Construction Company	0	0	0	0	0
Bus Company	53	0	0	0	0
<b>Engineering/Capital</b>	<b>22</b>	<b>17</b>	<b>16</b>	<b>17</b>	<b>18</b>
NYC Transit	0	15	15	15	15
Long Island Rail Road	8	6	5	6	7
Metro-North Railroad	0	0	0	0	0
Bridges & Tunnels	0	0	0	0	0
Headquarters	0	0	0	0	0
Long Island Bus	0	0	0	0	0
Staten Island Railway	0	0	0	0	0
Capital Construction Company	0	0	0	0	0
Bus Company	14	(4)	(4)	(4)	(4)
<b>Public Safety</b>	<b>5</b>	<b>(26)</b>	<b>(26)</b>	<b>(26)</b>	<b>(26)</b>
NYC Transit	0	(30)	(30)	(30)	(30)
Long Island Rail Road	0	0	0	0	0
Metro-North Railroad	0	0	0	0	0
Bridges & Tunnels	0	0	0	0	0
Headquarters	6	6	6	6	6
Long Island Bus	0	0	0	0	0
Staten Island Railway	0	0	0	0	0
Capital Construction Company	0	0	0	0	0
Bus Company	(1)	(2)	(2)	(2)	(2)

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**November Financial Plan 2007 - 2010**  
**Baseline Change Between Plans 2006 Mid-Year Forecast vs. 2006 November Financial Plan**  
**Total Non-Reimbursable - Reimbursable Positions**  
**Full-Time Positions and Full Time Equivalents by Function and Agency**  
(Includes MTA BUS COMPANY)

Function	Favorable/(Unfavorable) Variance				
	2006	2007	2008	2009	2010
<b>Baseline Total Positions</b>	<b>137</b>	<b>(778)</b>	<b>(540)</b>	<b>(516)</b>	<b>(473)</b>
NYC Transit	(21)	(699)	(407)	(383)	(321)
Long Island Rail Road	23	(10)	(44)	(43)	(42)
Metro-North Railroad	(6)	(62)	(82)	(83)	(103)
Bridges & Tunnels	0	0	0	0	0
Headquarters	(2)	(2)	(2)	(2)	(2)
Long Island Bus	(5)	3	3	3	3
Staten Island Railway	0	0	0	0	0
Capital Construction Company	0	0	0	0	0
Bus Company	148	(8)	(8)	(8)	(8)
<b>Non-Reimbursable</b>	<b>104</b>	<b>(611)</b>	<b>(542)</b>	<b>(563)</b>	<b>(541)</b>
NYC Transit	(11)	(521)	(406)	(427)	(385)
Long Island Rail Road	(3)	(43)	(69)	(68)	(68)
Metro-North Railroad	(15)	(48)	(68)	(69)	(89)
Bridges & Tunnels	0	0	0	0	0
Headquarters	(2)	(2)	(2)	(2)	(2)
Long Island Bus	(5)	3	3	3	3
Staten Island Railway	0	0	0	0	0
Capital Construction Company	0	0	0	0	0
Bus Company	140	0	0	0	0
<b>Reimbursable</b>	<b>33</b>	<b>(167)</b>	<b>2</b>	<b>47</b>	<b>68</b>
NYC Transit	(10)	(178)	(1)	44	64
Long Island Rail Road	26	33	25	25	26
Metro-North Railroad	9	(14)	(14)	(14)	(14)
Bridges & Tunnels	0	0	0	0	0
Headquarters	0	0	0	0	0
Long Island Bus	0	0	0	0	0
Staten Island Railway	0	0	0	0	0
Capital Construction Company	0	0	0	0	0
Bus Company	8	(8)	(8)	(8)	(8)
<b>Total Full-Time</b>	<b>137</b>	<b>(848)</b>	<b>(580)</b>	<b>(523)</b>	<b>(472)</b>
NYC Transit	(21)	(769)	(447)	(390)	(320)
Long Island Rail Road	23	(10)	(44)	(43)	(42)
Metro-North Railroad	(6)	(62)	(82)	(83)	(103)
Bridges & Tunnels	(0)	(0)	(0)	(0)	(0)
Headquarters	(2)	(2)	(2)	(2)	(2)
Long Island Bus	(5)	3	3	3	3
Staten Island Railway	0	0	0	0	0
Capital Construction Company	(0)	(0)	(0)	(0)	(0)
Bus Company	148	(8)	(8)	(8)	(8)
<b>Total Full-Time-Equivalents</b>	<b>0</b>	<b>70</b>	<b>40</b>	<b>7</b>	<b>(1)</b>
NYC Transit	0	70	40	7	(1)
Long Island Rail Road	0	0	0	0	0
Metro-North Railroad	0	0	0	0	0
Bridges & Tunnels	0	0	0	0	0
Headquarters	0	0	0	0	0
Long Island Bus	0	0	0	0	0
Staten Island Railway	0	0	0	0	0
Capital Construction Company	0	0	0	0	0
Bus Company	0	0	0	0	0

**Metropolitan Transportation Authority**  
**November Financial Plan 2007 - 2010**  
**Baseline Total Full-time Positions and Full-time Equivalents by Function and Occupational Group**  
(Includes MTA BUS COMPANY)

FUNCTION/OCCUPATIONAL GROUP		2006 November Forecast	2007 Final Proposed Budget	2008	2009	2010
<b>Administration</b>						
	Managers/Supervisors	1,715	1,684	1,676	1,673	1,671
	Professional, Technical, Clerical	2,785	2,883	2,883	2,899	2,898
	Operational Hourlies	38	43	43	43	43
	Total Administration	4,538	4,610	4,602	4,615	4,612
<b>Operations</b>						
	Managers/Supervisors	3,174	3,231	3,217	3,190	3,188
	Professional, Technical, Clerical	1,211	1,224	1,229	1,226	1,226
	Operational Hourlies	26,419	26,620	26,509	26,587	26,605
	Total Operations	30,804	31,075	30,955	31,003	31,019
<b>Maintenance</b>						
	Managers/Supervisors	4,562	4,723	4,687	4,678	4,630
	Professional, Technical, Clerical	2,614	2,640	2,621	2,592	2,573
	Operational Hourlies	22,195	22,329	22,446	22,420	22,111
	Total Maintenance	29,371	29,692	29,754	29,690	29,314
<b>Engineering/Capital</b>						
	Managers/Supervisors	488	503	500	491	491
	Professional, Technical, Clerical	1,505	1,529	1,531	1,527	1,527
	Operational Hourlies	2	2	2	2	2
	Total Engineering/Capital	1,995	2,034	2,033	2,020	2,020
<b>Public Safety</b>						
	Managers/Supervisors	147	149	148	145	144
	Professional, Technical, Clerical	161	168	167	166	166
	Operational Hourlies	1,332	1,339	1,339	1,349	1,349
	Total Public Safety	1,640	1,656	1,654	1,660	1,659
<b>MTA Consolidated</b>						
	Managers/Supervisors	10,086	10,290	10,228	10,177	10,124
	Professional, Technical, Clerical	8,276	8,444	8,431	8,410	8,390
	Operational Hourlies	49,986	50,333	50,339	50,401	50,110
	Total MTA Consolidated	68,348	69,067	68,998	68,988	68,624

**Metropolitan Transportation Authority  
November Financial Plan 2007 - 2010**

**Baseline Change Between Plans 2006 Mid-Year Forecast vs. 2006 November Financial Plan  
Baseline Total Full-time Positions and Full-time Equivalents by Function and Occupational Group**  
(Includes MTA BUS COMPANY)

		<b>Favorable/(Unfavorable) Variance</b>				
<b>FUNCTION/OCCUPATIONAL GROUP</b>		<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Administration</b>						
	Managers/Supervisors	(35)	3	7	8	8
	Professional, Technical, Clerical	70	(28)	(28)	(27)	(27)
	Operational Hourlies	(5)	(10)	(10)	(10)	(10)
	Total Administration	30	(35)	(31)	(29)	(29)
<b>Operations</b>						
	Managers/Supervisors	10	(44)	(29)	(17)	(17)
	Professional, Technical, Clerical	6	(1)	5	7	5
	Operational Hourlies	15	(505)	(361)	(399)	(436)
	Total Operations	31	(550)	(385)	(409)	(448)
<b>Maintenance</b>						
	Managers/Supervisors	22	(88)	(47)	(45)	(25)
	Professional, Technical, Clerical	5	(39)	(9)	16	25
	Operational Hourlies	22	(57)	(58)	(40)	12
	Total Maintenance	49	(184)	(114)	(69)	12
<b>Engineering/Capital</b>						
	Managers/Supervisors	20	5	4	4	5
	Professional, Technical, Clerical	2	12	12	13	13
	Operational Hourlies	-	0	0	0	0
	Total Engineering/Capital	22	17	16	17	18
<b>Public Safety</b>						
	Managers/Supervisors	4	(8)	(8)	(8)	(8)
	Professional, Technical, Clerical	1	(15)	(15)	(15)	(15)
	Operational Hourlies	0	(3)	(3)	(3)	(3)
	Total Public Safety	5	(26)	(26)	(26)	(26)
<b>MTA Consolidated</b>						
	Managers/Supervisors	21	(132)	(73)	(58)	(37)
	Professional, Technical, Clerical	84	(71)	(35)	(6)	1
	Operational Hourlies	32	(575)	(432)	(452)	(437)
	Total MTA Consolidated	137	(778)	(540)	(516)	(473)

## **VII. MTA Capital Program Information**

New York City Transit: 2006 Commitments  
Summed by Element  
(\$ in Millions)

ACEP	Category Description	Element Description	Project Description	Total Project Value	2006 Commitments	Funding for 2006 Commitments		
						MTA Funding	Federal Funding	Local Funding
S40701/06	STATEN ISLAND RAILWAY	MISCELLANEOUS	SIR: Rehabilitate Four Substation Enclosures	\$3.53	\$2.77	\$2.29		\$0.48
			<b>Subtotal SIRTOA Miscellaneous</b>	<b>\$3.53</b>	<b>\$2.77</b>	<b>\$2.29</b>	<b>\$0.00</b>	<b>\$0.48</b>
T40404/M2	PASSENGER STATIONS	FARE COLLECTION, STATIONS	Fare Media Phase 1	\$0.50	\$0.50	\$0.50		
T40404/M6	PASSENGER STATIONS	FARE COLLECTION, STATIONS	AFC System Wrap-Up	\$10.50	\$10.50	\$10.50		
			<b>Subtotal Fare Collection Stations</b>	<b>\$11.00</b>	<b>\$11.00</b>	<b>\$11.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
T40411/2R	PASSENGER STATIONS	STATION REHABILITATION	Station Rehab: Rockaway Park/Rockaway Line	\$5.71	\$5.71	\$5.71		
			<b>Subtotal Station Rehabilitation</b>	<b>\$5.71</b>	<b>\$5.71</b>	<b>\$5.71</b>	<b>\$0.00</b>	<b>\$0.00</b>
T40803/Z2	SIGNALS AND COMMUNICATION	SIGNAL MODERNIZATION	Signal Key-By Circuit Mod	\$29.64	\$11.57	\$11.57		
			<b>Subtotal Signal Modernization</b>	<b>\$29.64</b>	<b>\$11.57</b>	<b>\$11.57</b>	<b>\$0.00</b>	<b>\$0.00</b>
T41203/FG	DEOPTS	DEPOT CONSTRUCTION	Charleston Depot - Des	\$109.91	\$0.18	\$0.18		
			<b>Subtotal Depot Construction</b>	<b>\$109.91</b>	<b>\$0.18</b>	<b>\$0.18</b>	<b>\$0.00</b>	<b>\$0.00</b>
T41204/06	DEOPTS	DEPOT REHABILITATION	Purchase 501 Portable Radios	\$2.24	\$2.24	\$2.24		
			<b>Subtotal Depot Rehabilitation</b>	<b>\$2.24</b>	<b>\$2.24</b>	<b>\$2.24</b>	<b>\$0.00</b>	<b>\$0.00</b>
T41302/O6	SERVICE VEHICLES	WORK TRAINS	Locomotive Modernization Pilot	\$2.06	\$1.56	\$1.56		
			<b>Subtotal Work Trains</b>	<b>\$2.06</b>	<b>\$1.56</b>	<b>\$1.56</b>	<b>\$0.00</b>	<b>\$0.00</b>
T41604/I3	MISCELLANEOUS	MANAGEMENT INFORMATION SYSTEMS	Raised Floor Livingston Plaza	\$8.29	\$0.31	\$0.31		
			<b>Subtotal Management Information Systems</b>	<b>\$8.29</b>	<b>\$0.31</b>	<b>\$0.31</b>	<b>\$0.00</b>	<b>\$0.00</b>
T41606/F3	MISCELLANEOUS	ENVIRONMENTAL AND SAFETY	Fire Protection: Fire Alarms: 126Th St Depot	\$1.72	\$1.59	\$1.59		
			<b>Subtotal Environmental and Safety</b>	<b>\$1.72</b>	<b>\$1.59</b>	<b>\$1.59</b>	<b>\$0.00</b>	<b>\$0.00</b>
S50701/02	STATEN ISLAND RAILWAY	MISCELLANEOUS	Station Structural Repairs 4 Locations - Des	\$4.92	\$0.16			\$0.16
S50701/03	STATEN ISLAND RAILWAY	MISCELLANEOUS	Rehabilitate 3 Station Houses - Des	\$1.80	\$0.50	\$0.50		
S50701/06	STATEN ISLAND RAILWAY	MISCELLANEOUS	Work Train Equipment4 Diesel Locomotives	\$8.80	\$8.80	\$8.80		
S50701/07	STATEN ISLAND RAILWAY	MISCELLANEOUS	Authur Kill Station - Des	\$9.13	\$0.59	\$0.59		
S50701/08	STATEN ISLAND RAILWAY	MISCELLANEOUS	Repair 6 Bridges - Des	\$14.30	\$0.72	\$0.72		
S50701/09	STATEN ISLAND RAILWAY	MISCELLANEOUS	Rehab 8 Station Houses - Des	\$6.18	\$0.40	\$0.40		
			<b>Subtotal SIRTOA Miscellaneous</b>	<b>\$45.13</b>	<b>\$11.17</b>	<b>\$11.01</b>	<b>\$0.00</b>	<b>\$0.16</b>
T50302/04	BUSES	BUS REPLACEMENT	Replace Integrated Farebox Unit Components	\$22.84	\$22.84	\$22.84		
T50302/07	BUSES	BUS REPLACEMENT	Purchase 283 Paratransit Vehicles - 2006	\$22.34	\$13.78	\$13.78		
			<b>Subtotal Bus Replacement</b>	<b>\$45.18</b>	<b>\$36.62</b>	<b>\$36.62</b>	<b>\$0.00</b>	<b>\$0.00</b>
T50404/04	PASSENGER STATIONS	FARE COLLECTION	HEETs For Station Rehabilitations	\$1.50	\$1.50	\$1.50		
			<b>Subtotal Fare Collection</b>	<b>\$1.50</b>	<b>\$1.50</b>	<b>\$1.50</b>	<b>\$0.00</b>	<b>\$0.00</b>
T50407/04	PASSENGER STATIONS	STATION ESCALATORS/ELEVATORS	Replace 5 Escalators: Van Wyck-Archer Ave Line	\$32.29	\$31.56	\$31.56		
			<b>Subtotal Station Escalators/Elevators</b>	<b>\$32.29</b>	<b>\$31.56</b>	<b>\$31.56</b>	<b>\$0.00</b>	<b>\$0.00</b>
T50411/01	PASSENGER STATIONS	STATION REHABILITATION	Water Condition Remedy-2005	\$3.47	\$3.25	\$3.25		
T50411/02	PASSENGER STATIONS	STATION REHABILITATION	Chambers Street: Bdwy/7Th Av Line-Manh	\$7.00	\$7.00	\$7.00		
T50411/15	PASSENGER STATIONS	STATION REHABILITATION	Rehab Wall Street - LEX	\$45.61	\$14.95		\$14.95	
T50411/16	PASSENGER STATIONS	STATION REHABILITATION	Times Square: No-End Stair Constr.	\$18.14	\$15.00	\$15.00		
T50411/17	PASSENGER STATIONS	STATION REHABILITATION	Fort Hamilton Parkway: West End Line - Des	\$15.16	\$0.75	\$0.75		
T50411/18	PASSENGER STATIONS	STATION REHABILITATION	71St Street: West End Line-Brooklyn - Des	\$15.85	\$0.80	\$0.80		
T50411/19	PASSENGER STATIONS	STATION REHABILITATION	79Th Street: West End Line-Brooklyn - Des	\$14.43	\$0.74	\$0.74		
T50411/20	PASSENGER STATIONS	STATION REHABILITATION	18Th Avenue: West End Line-Brooklyn - Des	\$14.19	\$0.73	\$0.73		
T50411/21	PASSENGER STATIONS	STATION REHABILITATION	20Th Avenue: West End Line - Des	\$14.46	\$0.74	\$0.74		
T50411/23	PASSENGER STATIONS	STATION REHABILITATION	Jay Street: Fulton Street Line	\$41.79	\$41.79	\$41.79		
T50411/24	PASSENGER STATIONS	STATION REHABILITATION	62Nd Street: West End Line - Des	\$12.09	\$0.56	\$0.56		

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					2006 Commitments	MTA Funding	Federal Funding	Local Funding	
T50411/25	PASSENGER STATIONS	STATION REHABILITATION	Bay Parkway: West End Line - Des	\$13.35	\$0.65	\$0.65			
T50411/26	PASSENGER STATIONS	STATION REHABILITATION	9Th Avenue: West End Line - Des	\$12.80	\$0.60	\$0.60			
T50411/31	PASSENGER STATIONS	STATION REHABILITATION	Bay 50Th Street: West End Line-Bklyn - Des	\$14.03	\$0.70	\$0.70			
T50411/32	PASSENGER STATIONS	STATION REHABILITATION	25Th Avenue: West End Line - Des	\$13.88	\$0.70	\$0.70			
T50411/37	PASSENGER STATIONS	STATION REHABILITATION	Water Condition Remedy-2007 - Des	\$4.18	\$0.24	\$0.24			
T50411/38	PASSENGER STATIONS	STATION REHABILITATION	Morrison-Sound View Aves: Pelham Ln-IRT - Des	\$19.05	\$1.15	\$1.15			
T50411/42	PASSENGER STATIONS	STATION REHABILITATION	Chambers Street/Nassau Loop - Des	\$10.00	\$0.60	\$0.60			
T50411/43	PASSENGER STATIONS	STATION REHABILITATION	Buhre Avenue: Pelham Line-IRT - Des	\$16.51	\$0.69	\$0.69			
T50411/44	PASSENGER STATIONS	STATION REHABILITATION	Middletown Road: Pelham Line-IRT - Des	\$15.22	\$1.62	\$1.62			
T50411/45	PASSENGER STATIONS	STATION REHABILITATION	Zerega Avenue: Pelham Line - IRT - Des	\$16.25	\$0.68	\$0.68			
T50411/46	PASSENGER STATIONS	STATION REHABILITATION	Castle Hill Avenue: Pelham Line-IRT - Des	\$17.03	\$0.70	\$0.70			
T50411/47	PASSENGER STATIONS	STATION REHABILITATION	Parkchester/E 177Th St: Pelham Line-IRT - Des	\$21.48	\$1.33	\$1.33			
T50411/48	PASSENGER STATIONS	STATION REHABILITATION	St. Lawrence Av: Pelham Line - IRT - Des	\$16.40	\$0.68	\$0.68			
T50411/49	PASSENGER STATIONS	STATION REHABILITATION	Elder Avenue: Pelham Line - IRT - Des	\$15.83	\$0.67	\$0.67			
T50411/50	PASSENGER STATIONS	STATION REHABILITATION	Whitlock Avenue: Pelham Line - IRT - Des	\$14.24	\$0.92	\$0.92			
T50411/51	PASSENGER STATIONS	STATION REHABILITATION	Station Railings (2007) - Des	\$2.00	\$0.15	\$0.15			
T50411/55	PASSENGER STATIONS	STATION REHABILITATION	Beach 67 Street (Gaston)/Far Rockaway - Des	\$6.85	\$0.38	\$0.38			
T50411/56	PASSENGER STATIONS	STATION REHABILITATION	Beach 60 Street / Far Rockaway - Des	\$7.04	\$0.39	\$0.39			
T50411/57	PASSENGER STATIONS	STATION REHABILITATION	Beach 44 Street (Frank Ave)/Far Rockaway - Des	\$6.93	\$0.39	\$0.39			
T50411/58	PASSENGER STATIONS	STATION REHABILITATION	Beach 36 St (Edgemere)-Far Rockaway - Des	\$6.59	\$0.37	\$0.37			
T50411/59	PASSENGER STATIONS	STATION REHABILITATION	Beach 25 Street(Wavecrest)-Far Rockaway - Des	\$6.55	\$0.37	\$0.37			
T50411/60	PASSENGER STATIONS	STATION REHABILITATION	Mott Avenue/ Far Rockaway - Des	\$6.37	\$0.36	\$0.36			
T50411/61	PASSENGER STATIONS	STATION REHABILITATION	Beach 90 (Holland) - Rockaway Line - Des	\$7.60	\$1.32	\$1.32			
T50411/62	PASSENGER STATIONS	STATION REHABILITATION	Beach 98 (Playland) - Rockaway Line - Des	\$8.31	\$1.37	\$1.37			
T50411/63	PASSENGER STATIONS	STATION REHABILITATION	Beach 105 (Seaside) - Rockaway Line - Des	\$8.57	\$1.39	\$1.39			
T50411/84	PASSENGER STATIONS	STATION REHABILITATION	8Th Avenue - Sea Beach Line - Des	\$30.00	\$1.20	\$1.20			
T50411/85	PASSENGER STATIONS	STATION REHABILITATION	Fort Hamilton Parkway - Sea Beach Line - Des	\$30.00	\$1.20	\$1.20			
T50411/86	PASSENGER STATIONS	STATION REHABILITATION	18Th Avenue - Sea Beach Line - Des	\$30.00	\$1.20	\$1.20			
T50411/88	PASSENGER STATIONS	STATION REHABILITATION	New Utrecht - Sea Beach Line - Des	\$30.00	\$1.20	\$1.20			
Subtotal Station Rehabilitation				\$609.25	\$109.53	\$94.58	\$14.95	\$0.00	
T50413/01	PASSENGER STATIONS	DISABLED ACCESSIBLTY	ADA: Chambers Street/ Bdwy/7Th Av Line	\$15.51	\$15.51	\$15.51			
T50413/08	PASSENGER STATIONS	DISABLED ACCESSIBLTY	ADA: Union Turnpike: Queens Blvd Line	\$15.73	\$15.73	\$15.73			
T50413/09	PASSENGER STATIONS	DISABLED ACCESSIBLTY	ADA: Jay Street: Fulton Street Line	\$13.66	\$13.66	\$3.66	\$10.00		
T50413/10	PASSENGER STATIONS	DISABLED ACCESSIBLTY	ADA: Bay Parkway/West End Line - Des	\$15.57	\$0.21	\$0.21			
T50413/12	PASSENGER STATIONS	DISABLED ACCESSIBLTY	ADA: Jay & Lawrence St Transfers	\$13.46	\$13.46	\$3.46	\$10.00		
T50413/14	PASSENGER STATIONS	DISABLED ACCESSIBLTY	ADA: 47-50 St Rockctr-6Th Avenue	\$14.92	\$14.92	\$14.92			
T50413/17	PASSENGER STATIONS	DISABLED ACCESSIBLTY	ADA: Mott Avenue: Far Rockaway Line - Des	\$2.11	\$0.12	\$0.12			
Subtotal Disables Accessibility				\$90.96	\$73.61	\$53.61	\$20.00	\$0.00	
T50414/03	PASSENGER STATIONS	OTHER STATION IMPROVEMENTS	Intermodal/Transfer Facilities: Myrtle-Wyckoff - Des	\$2.09	\$0.48	\$0.48			
T50414/06	PASSENGER STATIONS	OTHER STATION IMPROVEMENTS	Intermodal/Transfer: Jay & Lawrence St	\$60.81	\$60.81		\$60.81		
T50414/07	PASSENGER STATIONS	OTHER STATION IMPROVEMENTS	Repair Canopies - 5 Stations/ Bway/7th Line - Des	\$15.84	\$0.40	\$0.40			
T50414/10	PASSENGER STATIONS	OTHER STATION IMPROVEMENTS	Constr/Rehab 7 Scrubber Rms At 4 Locs - Des	\$1.37	\$0.10	\$0.10			
T50414/15	PASSENGER STATIONS	OTHER STATION IMPROVEMENTS	Service Gate Release Retrofit	\$15.00	\$15.00	\$15.00			
T50414/16	PASSENGER STATIONS	OTHER STATION IMPROVEMENTS	Station Structural Condition Survey	\$3.00	\$3.00	\$3.00			
Subtotal Other Station Improvements				\$98.11	\$79.79	\$18.98	\$60.81	\$0.00	
T50502/04	TRACK	TRACK REHABILITATION	Mainline Track Rehab (2006)	\$133.75	\$132.62	\$18.62	\$114.00		
T50502/05	TRACK	TRACK REHABILITATION	Track Force Account (2006)	\$35.00	\$35.00			\$35.00	
T50502/06	TRACK	TRACK REHABILITATION	Welded Rail Program (2006)	\$10.62	\$10.62	\$1.32	\$9.30		
T50502/07	TRACK	TRACK REHABILITATION	Mainline Track Rehab (2007) - Des	\$138.16	\$1.17	\$1.17			
Subtotal Track Rehabilitation				\$317.53	\$179.41	\$21.11	\$123.30	\$35.00	
T50503/02	TRACK	SWITCH REPLACEMENT	Mainline Track Switches: 36 Switches (2006)	\$41.51	\$39.70	\$7.70	\$32.00		
T50503/03	TRACK	SWITCH REPLACEMENT	Mainline Track Switches: 36 Switches (2007) - Des	\$42.88	\$1.86	\$1.86			
Subtotal Switch Replacement				\$84.39	\$41.56	\$9.56	\$32.00	\$0.00	
T50602/06	LINE EQUIPMENT	TUNNEL LIGHTING	Tunnel Lighting Rehab: 42nd - 96Th St - BW/7Th	\$42.03	\$41.53	\$6.53	\$35.00		

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T50602/07	LINE EQUIPMENT	TUNNEL LIGHTING	Tunnel Lighting Rehab: 168 St - 207 St - 8Av	\$48.57	\$48.16	\$3.16	\$45.00	
			<b>Subtotal Tunnel Lighting</b>	<b>\$90.60</b>	<b>\$89.69</b>	<b>\$9.69</b>	<b>\$80.00</b>	<b>\$0.00</b>
T50603/01	LINE EQUIPMENT	VENTILATION FACILITIES	Fan Rehab: W 30 St - 6th Ave	\$66.52	\$66.52		\$66.52	
T50603/02	LINE EQUIPMENT	VENTILATION FACILITIES	Fan Wrap-up - Archer Ave Line	\$44.00	\$44.00	\$44.00		
T50603/03	LINE EQUIPMENT	VENTILATION FACILITIES	Fans: Astoria & QBL - Des	\$75.00	\$5.03	\$5.03		
			<b>Subtotal Ventilation Facilities</b>	<b>\$185.52</b>	<b>\$115.55</b>	<b>\$49.03</b>	<b>\$66.52</b>	<b>\$0.00</b>
T50604/02	LINE EQUIPMENT	PUMPING FACILITIES	Pumps: 3 Locs - 6th Ave	\$13.59	\$13.58	\$13.58		
T50604/05	LINE EQUIPMENT	PUMPING FACILITIES	Pumps: 3 Locs - PPK	\$16.79	\$15.94	\$15.94		
T50604/09	LINE EQUIPMENT	PUMPING FACILITIES	Pump Room: Fulton St - 8th Ave	\$6.25	\$6.25	\$6.25		
			<b>Subtotal Pumping Facilities</b>	<b>\$36.63</b>	<b>\$35.77</b>	<b>\$35.77</b>	<b>\$0.00</b>	<b>\$0.00</b>
T50703/01	LINE STRUCTURES	LINE STRUCTURE REHABILITATION	Rehab Emergency Exits 2006: 25 Locs	\$11.80	\$6.20		\$6.20	
T50703/02	LINE STRUCTURES	LINE STRUCTURE REHABILITATION	Joralemon Tube To Nevins St: E Pkwy Line	\$29.45	\$30.47		\$30.47	
T50703/03	LINE STRUCTURES	LINE STRUCTURE REHABILITATION	Repaint Bronx Park East To 241 St - Wpr	\$21.16	\$21.16	\$21.16		
T50703/04	LINE STRUCTURES	LINE STRUCTURE REHABILITATION	Overcoating: 162 Street To 190 Street: Jerome Line	\$10.74	\$10.74	\$10.74		
T50703/06	LINE STRUCTURES	LINE STRUCTURE REHABILITATION	Elev Struct Reh: 9 Ave To Bay 50Th St. WST- Des	\$25.95	\$0.90	\$0.90		
T50703/08	LINE STRUCTURES	LINE STRUCTURE REHABILITATION	Tunnel Reh:168 St To Inwood-207 St - 8 Av Ln - Des	\$28.28	\$27.73	\$2.73	\$25.00	
T50703/09	LINE STRUCTURES	LINE STRUCTURE REHABILITATION	Tunnel Reh:Whitehall To Canal St - BWY - Des	\$34.37	\$35.29	\$35.29		
T50703/12	LINE STRUCTURES	LINE STRUCTURE REHABILITATION	Elev Struct Reh: Ocean Pkwy Viaduct-BRT Ln -Ph I	\$24.37	\$14.50	\$14.50		
T50703/17	LINE STRUCTURES	LINE STRUCTURE REHABILITATION	Overcoating: Portal To Eol: Pelham Line	\$21.39	\$21.39	\$21.39		
T50703/18	LINE STRUCTURES	LINE STRUCTURE REHABILITATION	Rockaway Viaduct, Phase 2 -Rockaway Line - Des	\$67.95	\$4.37	\$4.37		
T50703/19	LINE STRUCTURES	LINE STRUCTURE REHABILITATION	Viaduct Structure Rehab: Rockaway Line - Des	\$38.24	\$1.58	\$1.58		
T50703/23	LINE STRUCTURES	LINE STRUCTURE REHABILITATION	StripAnd Repaint: Rockwy Blv-Hammels Wye - Des	\$1.86	\$0.04	\$0.04		
T50703/31	LINE STRUCTURES	LINE STRUCTURE REHABILITATION	Tunnel Reh: Stn Struct Work:Chambers St/ Nass-Des	\$12.48	\$0.46	\$0.46		
T50703/32	LINE STRUCTURES	LINE STRUCTURE REHABILITATION	Subway Emergency Exit Alarms	\$7.00	\$7.00	\$7.00		
			<b>Subtotal Line Structure Rehabilitation</b>	<b>\$335.04</b>	<b>\$181.83</b>	<b>\$120.16</b>	<b>\$61.67</b>	<b>\$0.00</b>
T50803/02	SIGNALS AND COMMUNICAION	SIGNAL MODERNIZATION	Signal Control Modification - Ph III	\$43.25	\$33.00	\$33.00		
T50803/03	SIGNALS AND COMMUNICAION	SIGNAL MODERNIZATION	Stop Cable Replacement: Ph II - Des	\$70.00	\$0.90	\$0.90		
T50803/08	SIGNALS AND COMMUNICAION	SIGNAL MODERNIZATION	CBTC: Installation -Fls Line - Des	\$265.58	\$5.45	\$5.45		
T50803/11	SIGNALS AND COMMUNICAION	SIGNAL MODERNIZATION	White Plains Rd Ph 3:E 180 St Intrlckng	\$185.33	\$185.33	\$65.33	\$120.00	
T50803/16	SIGNALS AND COMMUNICAION	SIGNAL MODERNIZATION	Modernize 3 Interlockings, 8Th Ave. Line	\$138.00	\$128.94	\$61.54	\$67.40	
			<b>Subtotal Signal Modernization</b>	<b>\$702.16</b>	<b>\$353.62</b>	<b>\$166.22</b>	<b>\$187.40</b>	<b>\$0.00</b>
T50806/01	SIGNALS AND COMMUNICAION	COMMUNICATIONS SYSTEMS	Data Network II (IND/BMT-ATM) Option	\$181.01	\$172.47	\$82.47	\$90.00	
T50806/02	SIGNALS AND COMMUNICAION	COMMUNICATIONS SYSTEMS	Systemwide Appl Migration - Phase2	\$49.23	\$40.01	\$40.01		
T50806/08	SIGNALS AND COMMUNICAION	COMMUNICATIONS SYSTEMS	Antenna Cable Replacement: Ph II	\$45.26	\$45.26	\$45.26		
T50806/13	SIGNALS AND COMMUNICAION	COMMUNICATIONS SYSTEMS	Station Agent Comm	\$56.74	\$0.90	\$0.90		
			<b>Subtotal Communication Systems</b>	<b>\$332.24</b>	<b>\$258.64</b>	<b>\$168.64</b>	<b>\$90.00</b>	<b>\$0.00</b>
T50902/01	POWER	SUBSTATIONS	Repl Power Transformers - 1 Loc	\$16.90	\$6.78	\$6.78		
T50902/05	POWER	SUBSTATIONS	Modernize Dyckman Substation	\$22.11	\$22.07	\$2.07	\$20.00	
T50902/06	POWER	SUBSTATIONS	Rockwell Pl Substn - Des	\$18.30	\$0.40	\$0.40		
T50902/07	POWER	SUBSTATIONS	Modernize Caton Av Substation	\$22.89	\$22.07	\$22.07		
T50902/08	POWER	SUBSTATIONS	Modernize E193 St Substation	\$19.77	\$18.52	\$18.52		
T50902/09	POWER	SUBSTATIONS	Rehab 3 IRT Substations Enclosures - Des	\$8.23	\$0.22	\$0.22		
T50902/10	POWER	SUBSTATIONS	Modernize S Railroad Ave Substation - Des	\$21.74	\$0.90	\$0.90		
T50902/11	POWER	SUBSTATIONS	Modernize Meserole Ave Substation - Des	\$26.89	\$0.53	\$0.53		
T50902/12	POWER	SUBSTATIONS	Rehab Undgrnd Sustation Htchwy (5Locs)	\$14.66	\$1.93	\$1.93		
T50902/16	POWER	SUBSTATIONS	Substations (IND): Modrize: Greeley Substn - Des	\$9.28	\$1.27	\$1.27		
			<b>Subtotal Substaions</b>	<b>\$180.77</b>	<b>\$74.69</b>	<b>\$54.69</b>	<b>\$20.00</b>	<b>\$0.00</b>
T50904/03	POWER	POWER DISTRIBUTION	Replace Cable: 4 Substation Control Zones - Des	\$45.00	\$2.49	\$2.49		
T50904/04	POWER	POWER DISTRIBUTION	Replace Emergency Alarm Phones Sys-Wide - Des	\$22.70	\$2.48	\$2.48		
T50904/06	POWER	POWER DISTRIBUTION	Negative Cable Replacement: RKY & FAR - Des	\$45.39	\$1.34	\$1.34		
T50904/08	POWER	POWER DISTRIBUTION	Power Distribution Facilities: Rehab 2 CBHs - Des	\$11.35	\$0.31	\$0.31		
			<b>Subtotal Power Distribution</b>	<b>\$124.44</b>	<b>\$6.62</b>	<b>\$6.62</b>	<b>\$0.00</b>	<b>\$0.00</b>



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T51004/01	SHOPS	MAINTENANCE SHOPS	Rehab 207Th St O/H Shop	\$242.34	\$242.62	\$192.82	\$49.80	
T51004/02	SHOPS	MAINTENANCE SHOPS	207Th St O/H Shop Roof Replacement	\$15.00	\$15.00	\$15.00	\$15.00	
			<b>Subtotal Maintenance Shops</b>	<b>\$257.34</b>	<b>\$257.62</b>	<b>\$192.82</b>	<b>\$64.80</b>	<b>\$0.00</b>
T51102/01	YARDS	YARD IMPROVEMENTS	Yard Lighting: ENY, Canarsie, Pitkin	\$9.95	\$9.95	\$9.95		
T51102/03	YARDS	YARD IMPROVEMENTS	Signal Systems: Yard Signals: Corona-Flushing Line	\$116.35	\$113.45	\$113.45		
T51102/04	YARDS	YARD IMPROVEMENTS	Yard Rehab: Yard CCTV - Des	\$7.74	\$0.22	\$0.22		
T51102/06	YARDS	YARD IMPROVEMENTS	Yard Fencing Upgrads	\$5.37	\$5.07	\$5.07		
			<b>Subtotal Yard Improvement</b>	<b>\$139.41</b>	<b>\$128.69</b>	<b>\$128.69</b>	<b>\$0.00</b>	<b>\$0.00</b>
T51105/02	YARDS	YARD TACK REHABILITATION	Yard Track Rehab (2006)	\$2.82	\$2.59	\$0.39	\$2.20	
T51105/03	YARDS	YARD TACK REHABILITATION	Yard Track Rehab (2007) - Des	\$2.91	\$0.23	\$0.23		
			<b>Subtotal Yard Track Rehabilitation</b>	<b>\$5.73</b>	<b>\$2.82</b>	<b>\$0.62</b>	<b>\$2.20</b>	<b>\$0.00</b>
T51106/02	YARDS	YARD SWITCH REHABILITATION	Replace 20 Yard Switches (2006)	\$8.50	\$7.89	\$1.89	\$6.00	
T51106/03	YARDS	YARD SWITCH REHABILITATION	Yard Track Switches:20 Yard Switches (2007)-Des	\$8.78	\$0.63	\$0.63		
			<b>Subtotal Yard Switch Rehabilitation</b>	<b>\$17.28</b>	<b>\$8.52</b>	<b>\$2.52</b>	<b>\$6.00</b>	<b>\$0.00</b>
T51203/07	DEPOTS	DEPOT REHAB AND RECONSTR	Rehab ENY Conversion Baseshop - Des	\$82.31	\$5.00	\$5.00		
			<b>Subtotal Depot Rehab and Reconstruction</b>	<b>\$82.31</b>	<b>\$5.00</b>	<b>\$5.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
T51204/02	DEPOTS	DEPOT IMPROVENMENTS	Fluid Application/Monitor	\$5.44	\$5.44	\$5.44		
T51204/05	DEPOTS	DEPOT IMPROVENMENTS	Bus Locator System	\$85.00	\$18.00		\$18.00	
T51204/06	DEPOTS	DEPOT IMPROVENMENTS	Replace Bus Radio System - Des	\$88.74	\$1.12	\$1.12		
T51204/07	DEPOTS	DEPOT IMPROVENMENTS	Depot Reh: Lifts/Compr:Stengel/Manhattanville	\$15.62	\$15.14	\$15.14		
			<b>Subtotal Depot Improvements</b>	<b>\$194.80</b>	<b>\$39.70</b>	<b>\$21.70</b>	<b>\$18.00</b>	<b>\$0.00</b>
T51302/01	SERVICE VEHICLES	SERVICE VEHICLES	Replace Rubber Tire Vehicles 2006-2007	\$12.66	\$12.66	\$12.66		
T51302/03	SERVICE VEHICLES	SERVICE VEHICLES	Purchase 2 New Ballast Regulators	\$7.79	\$7.35	\$7.35		
T51302/08	SERVICE VEHICLES	SERVICE VEHICLES	Track Geometry/Rail Inspec Car: Option Purhcase	\$9.98	\$9.98	\$9.98		
			<b>Subtotal Service Vehicles</b>	<b>\$30.43</b>	<b>\$29.99</b>	<b>\$29.99</b>	<b>\$0.00</b>	<b>\$0.00</b>
T51602/02	MISCELLANEOUS	MISCELLANEOUS	Capital Revolving Fund - 2006	\$25.00	\$5.00			\$5.00
			<b>Subtotal Miscellaneous</b>	<b>\$25.00</b>	<b>\$5.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$5.00</b>
T51604/01	MISCELLANEOUS	MANAGEMENT INFORMATION SYSTEMS	Rehab: 9 Node Site Facilities	\$6.19	\$6.80	\$6.80		
T51604/02	MISCELLANEOUS	MANAGEMENT INFORMATION SYSTEMS	HP Server Consolidation/Replacement	\$8.98	\$8.98	\$8.98		
T51604/03	MISCELLANEOUS	MANAGEMENT INFORMATION SYSTEMS	Automated Telephone Travel Information	\$2.84	\$2.84	\$2.84		
T51604/04	MISCELLANEOUS	MANAGEMENT INFORMATION SYSTEMS	Replace PBX Switches - Des	\$7.04	\$0.20	\$0.20		
			<b>Subtotal Management Information Systems</b>	<b>\$25.05</b>	<b>\$18.82</b>	<b>\$18.82</b>	<b>\$0.00</b>	<b>\$0.00</b>
T51605/01	MISCELLANEOUS	ENGINEERING SERVICES	MTA Engineering Consultants	\$15.64	\$12.52	\$12.52		
T51605/06	MISCELLANEOUS	ENGINEERING SERVICES	Concrete Batch Plant Inspection (2005)	\$1.11	\$1.05	\$1.05		
T51605/08	MISCELLANEOUS	ENGINEERING SERVICES	Concrete Cylinder Testing (2006)	\$0.57	\$0.57	\$0.57		
T51605/10	MISCELLANEOUS	ENGINEERING SERVICES	Engineering Services (2006) - Des	\$4.25	\$4.25	\$4.25		
T51605/11	MISCELLANEOUS	ENGINEERING SERVICES	Scope Development: 2006 - Des	\$9.56	\$9.56	\$9.56		
T51605/29	MISCELLANEOUS	ENGINEERING SERVICES	Material Inspection And Testing Services	\$0.50	\$0.50	\$0.50		
			<b>Subtotal Engineering Services</b>	<b>\$31.63</b>	<b>\$28.45</b>	<b>\$28.45</b>	<b>\$0.00</b>	<b>\$0.00</b>
T51606/01	MISCELLANEOUS	ENVIRONMENTAL AND SAFETY	Asbestos Abatement 2005	\$5.83	\$5.83	\$5.83		
T51606/02	MISCELLANEOUS	ENVIRONMENTAL AND SAFETY	Groundwater And Soil Remediation (2005)	\$6.23	\$6.23	\$6.23		
T51606/04	MISCELLANEOUS	ENVIRONMENTAL AND SAFETY	Fire Alarms & Sprinklers 5 Dos Locations	\$14.56	\$14.26	\$14.26		
T51606/05	MISCELLANEOUS	ENVIRONMENTAL AND SAFETY	Asbestos Air Monitoring 2006	\$4.80	\$4.80	\$4.80		
T51606/06	MISCELLANEOUS	ENVIRONMENTAL AND SAFETY	Asbestos Abatement: Asbestos Disposal (2006)	\$0.96	\$0.96	\$0.96		
T51606/07	MISCELLANEOUS	ENVIRONMENTAL AND SAFETY	Fire Protection: Firealarms/Sprinklers - 3Locs	\$8.95	\$10.54	\$10.54		
T51606/12	MISCELLANEOUS	ENVIRONMENTAL AND SAFETY	Asbestos Abatement Priority VI	\$6.84	\$4.74	\$4.74		
			<b>Subtotal Environmental and Safety</b>	<b>\$48.17</b>	<b>\$47.36</b>	<b>\$47.36</b>	<b>\$0.00</b>	<b>\$0.00</b>

**New York City Transit: 2006 Commitments**  
**Summed by Element**  
(\$ in Millions)

ACEP	Category Description	Element Description	Project Description	Total Project Value	2006 Commitments	Funding for 2006 Commitments		
						MTA Funding	Federal Funding	Local Funding
T51607/04	MISCELLANEOUS	EMPLOYEE FACILITIES	Employee Facilities: Jamaica Yard Tower	\$4.38	\$4.31	\$4.31		
T51607/15	MISCELLANEOUS	EMPLOYEE FACILITIES	Vehicle Locator For Revenue Fleet	\$0.36	\$0.36	\$0.36		
T51607/19	MISCELLANEOUS	EMPLOYEE FACILITIES	AFC Equip Maint Quarters/ Fordham Rd	\$1.14	\$1.06	\$1.06		
T51607/20	MISCELLANEOUS	EMPLOYEE FACILITIES	AFC Maintenance Facil Roosevelt Av/Qbl	\$3.41	\$3.20	\$3.20		
T51607/21	MISCELLANEOUS	EMPLOYEE FACILITIES	Atlantic Av Station- AFC Equip Maint Qtr	\$3.98	\$3.98	\$3.98		
T51607/24	MISCELLANEOUS	EMPLOYEE FACILITIES	Empl Facilities: Parkchester/E 177 St-Pelham - Des	\$6.06	\$0.30	\$0.30		
T51607/35	MISCELLANEOUS	EMPLOYEE FACILITIES	DOS Roof Replacement Phase 1 - Des	\$15.00	\$1.50	\$1.50		
<b>Subtotal Employee Facilities</b>				<b>\$34.33</b>	<b>\$14.71</b>	<b>\$14.71</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>AGENCY TOTAL</b>				<b>\$4,377.32</b>	<b>\$2,304.77</b>	<b>\$1,416.48</b>	<b>\$847.65</b>	<b>\$40.64</b>

**Long Island Rail Road: 2006 Commitments**  
**Summed by Element**  
(\$ in Millions)

ACEP	Category Description	Element Description	Project Description	Total Project Value	2006 Commitments	Funding for 2006 Commitments		
						MTA Funding	Federal Funding	Local Funding
A401011L	Rolling Stock	Revenue Equipment	M-3 OVERHAULS	\$26.04	\$0.45	\$0.45		
			<b>Subtotal Revenue Equipment</b>	<b>\$26.04</b>	<b>\$0.45</b>	<b>\$0.45</b>	<b>\$0.00</b>	<b>\$0.00</b>
L302059E	Passenger Stations	Parking	VALLEY STREAM PARKING	\$2.28	\$1.68			\$1.68
			<b>Subtotal Parking</b>	<b>\$2.28</b>	<b>\$1.68</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$1.68</b>
L4020429	Passenger Stations	Station Buildings	JAMAICA STATION	\$221.97	\$0.05	\$0.05		
L4020433	Passenger Stations	Station Buildings	ROSEDALE STATION	\$38.96	\$2.65	\$2.65		
L4020434	Passenger Stations	Station Buildings	VALLEY STREAM STATION REHABILITATION	\$4.32	\$6.38	\$6.38		
L4020480	Passenger Stations	Station Buildings	JAMAICA POLICE FIT-OUT	\$4.77	\$0.20	\$0.20		
			<b>Subtotal Station Buildings</b>	<b>\$270.01</b>	<b>\$9.28</b>	<b>\$9.28</b>	<b>\$0.00</b>	<b>\$0.00</b>
L40205J2	Passenger Stations	Parking	MINEOLA INTERMODAL CENTER	\$43.77	\$0.07		\$0.07	
			<b>Subtotal Parking</b>	<b>\$43.77</b>	<b>\$0.07</b>	<b>\$0.00</b>	<b>\$0.07</b>	<b>\$0.00</b>
L4060339	Shops and Yards	Other Shops and Yards	RICHMOND HILL INVESTMENT	\$22.55	\$0.13	\$0.13		
L406036R	Shops and Yards	Other Shops and Yards	LONG ISLAND CITY YARD	\$0.40	\$0.21	\$0.21		
			<b>Subtotal Other Shops and Yards</b>	<b>\$22.95</b>	<b>\$0.34</b>	<b>\$0.34</b>	<b>\$0.00</b>	<b>\$0.00</b>
L407037Y	Power	Miscellaneous	BABYLON SUBSTATION UPGRADE	\$16.18	\$0.27	\$0.27		
			<b>Subtotal Miscellaneous</b>	<b>\$16.18</b>	<b>\$0.27</b>	<b>\$0.27</b>	<b>\$0.00</b>	<b>\$0.00</b>
L50101M7	Rolling Stock	Revenue Equipment	M7 PROCUREMENT (158 CARS)	\$375.80	\$20.40	\$20.40		
			<b>Subtotal Revenue Equipment</b>	<b>\$375.80</b>	<b>\$20.40</b>	<b>\$20.40</b>	<b>\$0.00</b>	<b>\$0.00</b>
L5020425	Stations	Station Buildings	JAMAICA FIT-OUT-PHASE 2	\$7.83	\$3.08	\$1.48	\$1.60	
L502042B	Stations	Station Buildings	BROADWAY STAT PLATFORM REPLACEMENT	\$18.72	\$15.14		\$15.14	
L502042Q	Stations	Station Buildings	COLD SPRING HARBOR STA. OVERPASS REPLACE	\$1.56	\$0.02		\$0.02	
			<b>Subtotal Station Buildings</b>	<b>\$28.11</b>	<b>\$18.24</b>	<b>\$1.48</b>	<b>\$16.76</b>	<b>\$0.00</b>
L50206VB	Stations	Penn Station	PENN STA - COMM, POWER & SIGNAL	\$10.50	\$10.05	\$10.05		
L50206VC	Stations	Penn Station	PENN STA - EMP FAC YARDS /BLDG/ESCALATOR	\$6.80	\$6.80	\$6.80		
L50206VG	Stations	Penn Station	PENN STATION TRACK, TUNNELS & STRUCTURES	\$3.30	\$1.80	\$1.80		
			<b>Subtotal Penn Station</b>	<b>\$20.60</b>	<b>\$18.65</b>	<b>\$18.65</b>	<b>\$0.00</b>	<b>\$0.00</b>
L50301E1	Track	Annual Track Rehab Program	TRACK EQUIPMENT	\$27.78	\$12.00		\$12.00	
L50301E9	Track	Annual Track Rehab Program	ACL DIRECT FIXATION REPLACEMENT	\$38.60	\$37.60	\$37.60		
L50301R2	Track	Annual Track Rehab Program	ROW - DRAINAGE CONTROL	\$4.67	\$0.34	\$0.34		
L50301R7	Track	Annual Track Rehab Program	AMOTT CULVERT	\$3.00	\$0.75	\$0.75		
L50301T2	Track	Annual Track Rehab Program	2006 ANNUAL TRACK PROGRAM	\$56.96	\$56.96		\$56.96	
			<b>Subtotal Annual Track Rehab Program</b>	<b>\$131.01</b>	<b>\$107.65</b>	<b>\$38.69</b>	<b>\$68.96</b>	<b>\$0.00</b>
L50303T6	Track	Interlockings	HALL UNIVERSAL CROSSOVER	\$6.30	\$3.40	\$3.40		

**Long Island Rail Road: 2006 Commitments**  
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						MTA Funding	Federal Funding	Local Funding
			<b>Subtotal Interlockings</b>	<b>\$6.30</b>	<b>\$3.40</b>	<b>\$3.40</b>	<b>\$0.00</b>	<b>\$0.00</b>
L50401B1	Line Structures	Bridges	BRIDGE PROGRAM	\$13.90	\$0.80		\$0.80	
L50401B3	Line Structures	Bridges	POWELL CREEK & HOG ISLAND CHANNEL	\$10.00	\$1.60	\$1.60		
L50401B4	Line Structures	Bridges	ATLANTIC AVE. VIADUCT	\$77.50	\$3.27	\$3.27		
L50401B5	Line Structures	Bridges	JUNCTION BLVD. ABUTMENT/PW	\$20.80	\$0.90	\$0.90		
L50401B6	Line Structures	Bridges	SHINNECOCK CANAL/NORTH HIGHWAY BRIDGES	\$7.50	\$1.15	\$1.15		
L50401B7	Line Structures	Bridges	BROADWAY/PW & 150 ST./JAMAICA	\$11.50	\$0.85	\$0.85		
L50401B8	Line Structures	Bridges	WOODHAVEN AND QUEENS BRIDGE	\$18.50	\$0.65	\$0.65		
L50401B9	Line Structures	Bridges	DB BRIDGE	\$0.50	\$0.15	\$0.15		
			<b>Subtotal Bridges</b>	<b>\$160.20</b>	<b>\$9.37</b>	<b>\$8.57</b>	<b>\$0.80</b>	<b>\$0.00</b>
L50402VA	Lines Structures	Tunnels	ERT FIRE & LIFE SAFETY	\$90.50	\$69.70	\$69.70		
			<b>Subtotal Tunnels</b>	<b>\$90.50</b>	<b>\$69.70</b>	<b>\$69.70</b>	<b>\$0.00</b>	<b>\$0.00</b>
L50501S6	Communications and Signals	Communications Improvements	IMPROVED RADIO COVERAGE/INFRA P25 COMPL	\$15.29	\$1.72	\$1.72		
L50501S7	Communications and Signals	Communications Improvements	FIBER OPTIC NETWORK	\$70.12	\$7.98	\$7.98		
L50501S8	Communications and Signals	Communications Improvements	AVPS EXPANSION	\$31.73	\$11.73	\$11.73		
L50501S9	Communications and Signals	Communications Improvements	COMMUNICATIONS POLE LINE REPLACEMENT	\$7.24	\$3.50		\$3.50	
			<b>Subtotal Communications Improvements</b>	<b>\$124.38</b>	<b>\$24.92</b>	<b>\$21.42</b>	<b>\$3.50</b>	<b>\$0.00</b>
L50502SA	Communications and Signals	Signal Improvements	WAYSIDE EVENT RECORDERS	\$6.30	\$6.30	\$6.30		
L50502SC	Communications and Signals	Signal Improvements	CENTRALIZED TRAIN CONTROL - PHASE 1	\$20.90	\$8.70	\$8.70		
L50502SL	Communications and Signals	Signal Improvements	JAY, HALL & DUNTON MICROPROCESSORS	\$50.29	\$11.56	\$11.56		
L50502SV	Communications and Signals	Signal Improvements	VALLEY STREAM INTERLOCKING	\$59.20	\$13.18	\$13.18		
L50502SX	Communications and Signals	Signal Improvements	BABYLON TO SPEONK SIGNALIZATION	\$16.30	\$5.60	\$5.60		
L50502SZ	Communications and Signals	Signal Improvements	SIGNAL DESIGN/SUPPORT	\$0.80	\$0.80	\$0.80		
			<b>Subtotal Signal Improvements</b>	<b>\$153.79</b>	<b>\$46.14</b>	<b>\$46.14</b>	<b>\$0.00</b>	<b>\$0.00</b>
L506016B	Shops and Yards	Shops and Yards	WEST SIDE YARD FACILITY (BUILDINGS)	\$1.03	\$0.93	\$0.93		
L506016C	Shops and Yards	Shops and Yards	HILLSIDE FACILITY (BUILDINGS)	\$3.30	\$3.20	\$3.20		
L506016H	Shops and Yards	Shops and Yards	M OF W REPAIR FACILITY	\$9.20	\$0.49	\$0.49		
L506016K	Shops and Yards	Shops and Yards	ROLLING STOCK SUPPORT EQUIPMENT	\$17.65	\$1.25	\$1.25		
L506016L	Shops and Yards	Shops and Yards	HVAC SHOP CONSTRUCTION	\$4.54	\$0.10	\$0.10		
L506016M	Shops and Yards	Shops and Yards	BABYLON YARD RECONFIGURATION	\$11.20	\$0.08	\$0.08		
L506016N	Shops and Yards	Shops and Yards	LIC YARD (PHASE 2)	\$16.90	\$16.90	\$10.90	\$6.00	
L506016Y	Shops and Yards	Shops and Yards	LCM SHOP DESIGN AND CONSTRUCTION	\$35.10	\$4.17	\$4.17		
			<b>Subtotal Shops and Yards</b>	<b>\$98.91</b>	<b>\$27.11</b>	<b>\$21.11</b>	<b>\$6.00</b>	<b>\$0.00</b>
L50701PA	Power	Power	SUBSTATION - DC BREAKER REPLACEMENT	\$3.82	\$3.82	\$3.82		
L50701PB	Power	Power	SUBSTATION BATTERY REPLACEMENT	\$1.36	\$1.21	\$1.21		
L50701PC	Power	Power	POWER SYSTEM UPGRADES	\$12.32	\$2.64	\$2.64		
L50701PG	Power	Power	SUBSTATION RECONSTRUCTION	\$37.04	\$18.16	\$8.16	\$10.00	
L50701PJ	Power	Power	THIRD RAIL SYSTEM - 2000MCM CABLE	\$5.05	\$1.09		\$1.09	
L50701PK	Power	Power	THIRD RAIL SYSTEM - PROTECTION BOARD	\$12.92	\$1.85		\$1.85	
L50701PM	Power	Power	THIRD RAIL SYSTEM - COMPOSITE RAIL	\$22.45	\$5.15		\$5.15	
L50701PS	Power	Power	SIGNAL POWER LINE	\$3.90	\$0.79		\$0.79	
			<b>Subtotal Power</b>	<b>\$98.87</b>	<b>\$34.70</b>	<b>\$15.83</b>	<b>\$18.87</b>	<b>\$0.00</b>

Long Island Rail Road: 2006 Commitments  
Summed by Element  
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ACEP	Category Description	Element Description	Project Description	Total Project Value	2006 Commitments	Funding for 2006 Commitments		
						MTA Funding	Federal Funding	Local Funding
L509048A	Miscellaneous	Miscellaneous	ELECTRIC SUBSTATIONS REMEDIATION	\$11.03	\$0.10	\$0.10		
L509048B	Miscellaneous	Miscellaneous	YAPHANK LANDFILL REMEDIATION	\$4.90	\$0.69	\$0.69		
L509048C	Miscellaneous	Miscellaneous	LIC CAR WASH REMEDIATION	\$0.93	\$0.14	\$0.14		
L509048D	Miscellaneous	Miscellaneous	RICHMOND HILL YARD REMEDIATION	\$0.44	\$0.02	\$0.02		
L509048H	Miscellaneous	Miscellaneous	HOLBAN YARD	\$0.47	\$0.40	\$0.40		
L509048K	Miscellaneous	Miscellaneous	MORRIS PARK ENVIRONMENTAL STUDY	\$5.87	\$4.00	\$4.00		
L509048L	Miscellaneous	Miscellaneous	PROGRAM ADMINISTRATION	\$104.00	\$21.04	\$21.04		
L509048M	Miscellaneous	Miscellaneous	INDEPENDENT ENGINEER	\$3.00	\$0.36	\$0.36		
L509048N	Miscellaneous	Miscellaneous	LIABILITY INSURANCE	\$3.47	\$0.77	\$0.77		
L50904OP	Miscellaneous	Miscellaneous	PROGRAM DEVELOPMENT	\$15.00	\$1.59	\$1.59		
Subtotal Miscellaneous				\$149.10	\$29.10	\$29.10	\$0.00	\$0.00
AGENCY TOTAL				\$1,818.79	\$421.47	\$304.82	\$114.97	\$1.68

**Metro-North Railroad: 2006 Commitments**  
**Summed by Element**  
(\$ in Millions)

ACEP	Category Description	Element Description	Project Description	Total Project Value	2006 Commitments	Funding for 2006 Commitments		
						MTA Funding	Federal Funding	Local Funding
A401-01-07	Rolling Stock	Revenue Equipment	West of Hudson Comet Overhauls	\$15.10	\$14.41	\$14.41		
			<b>Subtotal Revenue Equipment</b>	<b>\$15.10</b>	<b>\$14.41</b>	<b>\$14.41</b>	<b>\$0.00</b>	<b>\$0.00</b>
M402-01-01	Stations	Grand Central Terminal	GCT Leaks Remediation	\$3.70	\$0.05	\$0.05		
			<b>Subtotal Grand Central Terminal</b>	<b>\$3.70</b>	<b>\$0.05</b>	<b>\$0.05</b>	<b>\$0.00</b>	<b>\$0.00</b>
M402-02-02	Stations	Outlying Stations	Automated Ticket Selling - Express TVMs	\$6.36	\$0.18	\$0.18		
M402-02-08	Stations	Outlying Stations	Hudson Line Overpass Improvements	\$43.19	\$0.31	\$0.31		
M402-02-09	Stations	Outlying Stations	Hudson Line Station Impr. (Morris Hts - Greystone)	\$88.10	\$0.15	\$0.15		
M402-02-14	Stations	Outlying Stations	West of Hudson Station Rehabilitation	\$7.23	\$0.12	\$0.12		
M402-02-16	Stations	Outlying Stations	Yankee Stadium Station - Preliminary Engineering	\$5.00	\$0.50	\$0.50		
M402-02-19	Stations	Outlying Stations	Directional/Informational Station Signage	\$1.34	\$0.06	\$0.06		
			<b>Subtotal Outlying Stations</b>	<b>\$151.22</b>	<b>\$1.32</b>	<b>\$1.32</b>	<b>\$0.00</b>	<b>\$0.00</b>
M402-03-08	Stations	Parking	Pearl River Parking Expansion (Site II)	\$2.82	\$0.20	\$0.20		
M402-03-14	Stations	Parking	Brewster Parking Expansion	\$2.80	\$2.36	\$2.36		
M402-03-16	Stations	Parking	Irvington Station Parking Improvements	\$3.88	\$32.78	\$32.78		
			<b>Subtotal Parking</b>	<b>\$9.49</b>	<b>\$35.34</b>	<b>\$35.34</b>	<b>\$0.00</b>	<b>\$0.00</b>
M403-02-04	Track and Structures	Structures	Rail-Top Culverts Rehabilitation	\$3.75	\$0.39	\$0.39		
M403-02-05	Track and Structures	Structures	Rehab/Replace Overhead Bridges	\$2.26	\$0.81	\$0.81		
			<b>Subtotal Structures</b>	<b>\$6.01</b>	<b>\$1.20</b>	<b>\$1.20</b>	<b>\$0.00</b>	<b>\$0.00</b>
M408-01-11	Miscellaneous	Miscellaneous	Miscellaneous Studies	\$5.66	\$0.30	\$0.30		
			<b>Subtotal Miscellaneous</b>	<b>\$5.66</b>	<b>\$0.30</b>	<b>\$0.30</b>	<b>\$0.00</b>	<b>\$0.00</b>
M501-01-01	Rolling Stock	Revenue Equipment	Specification/Purchase Diesel Loco for non-GCT svcs.	\$8.50	\$8.38	\$8.38		
M501-01-07	Rolling Stock	Revenue Equipment	M-8 NHL Purchase - 100 Cars Metro-North Share	\$100.00	\$98.97	\$98.97		
M501-01-09	Rolling Stock	Revenue Equipment	End Door Coach Midlife Remanufacture - 40 Cars	\$22.60	\$22.60	\$22.60		
			<b>Subtotal Revenue Equipment</b>	<b>\$131.10</b>	<b>\$129.95</b>	<b>\$129.95</b>	<b>\$0.00</b>	<b>\$0.00</b>
M501-03-08	Rolling Stock	Miscellaneous	Replace Obsolete Work Equipment	\$2.20	\$2.20	\$2.20		
			<b>Subtotal Miscellaneous</b>	<b>\$2.20</b>	<b>\$2.20</b>	<b>\$2.20</b>	<b>\$0.00</b>	<b>\$0.00</b>
M502-01-01	Stations	Grand Central Terminal	GCT Trainshed Structural Repairs	\$16.80	\$16.05		\$16.05	
M502-01-05	Stations	Grand Central Terminal	GCT Elevator Rehabilitation Phase III	\$4.30	\$1.55	\$1.55		
M502-01-08	Stations	Grand Central Terminal	GCT Water Conveyance Utilities Improvements	\$1.60	\$0.61	\$0.61		
			<b>Subtotal Grand Central Terminal</b>	<b>\$22.70</b>	<b>\$18.21</b>	<b>\$2.16</b>	<b>\$16.05</b>	<b>\$0.00</b>
M502-02-01	Stations	Outlying Stations	Hudson Line Stations Improvements	\$98.20	\$93.78	\$31.78	\$62.00	
M502-02-02	Stations	Outlying Stations	Croton Harmon/Peekskill Station Improvements	\$5.30	\$0.40	\$0.40		
M502-02-04	Stations	Outlying Stations	Upper Harlem Line Station Improvements	\$3.10	\$2.80	\$2.80		
M502-02-05	Stations	Outlying Stations	New Haven Line (NYS) Stations Improvements	\$34.30	\$4.00	\$4.00		
M502-02-07	Stations	Outlying Stations	Station and Platform Informational Signs	\$1.00	\$0.64	\$0.64		

**Metro-North Railroad: 2006 Commitments**  
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ACEP	Category Description	Element Description	Project Description	Total Project Value	2006 Commitments	Funding for 2006 Commitments		
						MTA Funding	Federal Funding	Local Funding
			<b>Subtotal Outlying Stations</b>	<b>\$141.90</b>	<b>\$101.62</b>	<b>\$39.62</b>	<b>\$62.00</b>	<b>\$0.00</b>
M502-03-01	Stations	Parking	Parking Rehabilitation	\$3.30	\$0.30	\$0.30		
M502-03-02	Stations	Parking	Parking Expansion	\$39.10	\$1.51	\$1.51		
			<b>Subtotal Parking</b>	<b>\$42.40</b>	<b>\$1.81</b>	<b>\$1.81</b>	<b>\$0.00</b>	<b>\$0.00</b>
M503-01-02	Track and Structures	Track	Turnouts Mainline/High Speed	\$44.60	\$9.89	\$4.89	\$5.00	
M503-01-03	Track and Structures	Track	GCT Turnout and Switch Renewal	\$10.00	\$2.11	\$2.11		
M503-01-04	Track and Structures	Track	Turnouts Yards	\$5.40	\$1.39	\$1.39		
M503-01-05	Track and Structures	Track	M of W Equipment	\$6.10	\$2.85	\$2.85		
M503-01-06	Track and Structures	Track	Rebuild Retaining Walls	\$2.20	\$0.42	\$0.42		
M503-01-07	Track and Structures	Track	Rock Slope Remediation - East of Hudson	\$5.70	\$5.45	\$5.45		
M503-01-09	Track and Structures	Track	Drainage and Undercutting	\$8.10	\$0.65	\$0.65		
M503-01-11	Track and Structures	Track	2006 - 2009 Cyclical Track Program	\$47.40	\$11.65	\$1.65	\$10.00	
			<b>Subtotal Track</b>	<b>\$129.50</b>	<b>\$34.40</b>	<b>\$19.40</b>	<b>\$15.00</b>	<b>\$0.00</b>
M503-02-01	Track and Structures	Structures	Replace/Repair Undergrade Bridge Program	\$30.10	\$13.96	\$2.36	\$11.60	
M503-02-03	Track and Structures	Structures	D.C. Substation/Signal House	\$2.20	\$0.40	\$0.40		
M503-02-04	Track and Structures	Structures	Park Avenue Utility Bays Surveys	\$0.90	\$0.70	\$0.70		
M503-02-05	Track and Structures	Structures	Replace Timbers Undergrade Bridges	\$2.20	\$0.10	\$0.10		
M503-02-08	Track and Structures	Structures	Right-of-Way Fencing	\$1.50	\$0.63	\$0.63		
M503-02-12	Track and Structures	Structures	Clearance Inventory and Video	\$1.10	\$1.10	\$1.10		
M503-02-13	Track and Structures	Structures	Bridge Walkways	\$2.10	\$0.35	\$0.35		
M503-02-15	Track and Structures	Structures	Catenary Painting NHL (NYS)	\$3.24	\$0.40	\$0.40		
M503-02-16	Track and Structures	Structures	Employee Welfare and Storage Facilities	\$2.50	\$0.90	\$0.90		
M503-02-17	Track and Structures	Structures	Beacon Line Undergrade Bridge	\$2.86	\$0.61	\$0.61		
M503-02-18	Track and Structures	Structures	Systemwide Flood Control	\$0.55	\$0.55	\$0.55		
			<b>Subtotal Structures</b>	<b>\$49.25</b>	<b>\$19.69</b>	<b>\$8.09</b>	<b>\$11.60</b>	<b>\$0.00</b>
M503-03-01	Track and Structures	West of Hudson Infrastructure	West of Hudson Track Program	\$36.70	\$8.47		\$8.47	
M503-03-02	Track and Structures	West of Hudson Infrastructure	West of Hudson Improvements	\$2.50	\$0.50	\$0.50		
M503-03-03	Track and Structures	West of Hudson Infrastructure	Moodna/Woodbury Viaducts	\$5.40	\$0.70	\$0.70		
M503-03-05	Track and Structures	West of Hudson Infrastructure	Undergrade Bridge Program West of Hudson	\$6.50	\$0.88	\$0.88		
			<b>Subtotal West of Hudson Infrastructure</b>	<b>\$51.10</b>	<b>\$10.54</b>	<b>\$2.08</b>	<b>\$8.47</b>	<b>\$0.00</b>
M504-01-05	Communications and Signals	Communications and Signals	Replace CTC Systems (OCC/ECC)	\$27.10	\$8.17	\$8.17		
M504-01-07	Communications and Signals	Communications and Signals	Signal System Replacement	\$28.00	\$20.00	\$20.00		
M504-01-10	Communications and Signals	Communications and Signals	Upgrade Grade Crossings	\$1.00	\$0.35	\$0.35		
M504-01-11	Communications and Signals	Communications and Signals	C&S Cable Replacement GCT to Mott Haven	\$4.20	\$0.35	\$0.35		
M504-01-12	Communications and Signals	Communications and Signals	Vital Processor System (GCT)	\$6.50	\$1.03	\$1.03		
M504-01-14	Communications and Signals	Communications and Signals	Replace High Cycle Rate Relays	\$0.80	\$0.20	\$0.20		
M504-01-16	Communications and Signals	Communications and Signals	Replace Interlocking/Siding -West of Hudson	\$2.10	\$0.85	\$0.85		
			<b>Subtotal Communications and Signals</b>	<b>\$69.70</b>	<b>\$30.95</b>	<b>\$30.95</b>	<b>\$0.00</b>	<b>\$0.00</b>
M505-01-02	Power	Power	Substation Retrofit - Harlem and Hudson Lines	\$13.10	\$6.10		\$6.10	
M505-01-03	Power	Power	Replace Harlem River Lift Bridge Breaker Houses	\$4.30	\$0.40	\$0.40		
M505-01-05	Power	Power	Replace Substation Batteries	\$1.00	\$0.24	\$0.24		
M505-01-06	Power	Power	Replace Motor Alternators	\$6.00	\$0.56	\$0.56		

**Metro-North Railroad: 2006 Commitments**  
**Summed by Element**  
(\$ in Millions)

				Funding for 2006 Commitments				
ACEP	Category Description	Element Description	Project Description	Total Project Value	2006 Commitments	MTA Funding	Federal Funding	Local Funding
M505-01-08	Power	Power	Harlem and Hudson Lines Power Improvements	\$45.20	\$3.05	\$3.05		
M505-01-09	Power	Power	Rehab Harlem and Hudson Lines Substations	\$11.90	\$8.11	\$8.11		
M505-01-10	Power	Power	Install Sectionalizing Switches GCT	\$4.20	\$3.61		\$3.61	
			<b>Subtotal Power</b>	<b>\$85.70</b>	<b>\$22.06</b>	<b>\$12.36</b>	<b>\$9.71</b>	<b>\$0.00</b>
M506-01-03	Shops and Yards	Shops and Yards	Harmon Shop Replacement (Phase III)	\$324.10	\$308.68	\$267.48	\$41.20	
M506-01-05	Shops and Yards	Shops and Yards	Highbridge Yard Improvements	\$13.43	\$0.84	\$0.84		
M506-01-07	Shops and Yards	Shops and Yards	Shops and Yards Misc. Environmental Improvements	\$1.60	\$0.65	\$0.65		
			<b>Subtotal Shops and Yards</b>	<b>\$339.13</b>	<b>\$310.17</b>	<b>\$268.97</b>	<b>\$41.20</b>	<b>\$0.00</b>
M508-01-02	Miscellaneous	Miscellaneous	Systemwide Lead/Asbestos Abatement	\$5.50	\$1.10	\$1.10		
M508-01-03	Miscellaneous	Miscellaneous	Environmental Remediation	\$2.20	\$0.43	\$0.43		
M508-01-05	Miscellaneous	Miscellaneous	Independent Engineer	\$3.50	\$1.22	\$1.22		
M508-01-06	Miscellaneous	Miscellaneous	Program Administration	\$39.70	\$7.94	\$7.94		
M508-01-08	Miscellaneous	Miscellaneous	OCIP	\$13.10	\$13.10	\$13.10		
M508-01-09	Miscellaneous	Miscellaneous	Customer and Employee Communications Projects	\$9.00	\$0.95	\$0.95		
			<b>Subtotal Miscellaneous</b>	<b>\$73.00</b>	<b>\$24.73</b>	<b>\$24.73</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>AGENCY TOTAL</b>				<b>\$ 1,328.87</b>	<b>\$ 758.94</b>	<b>\$ 594.91</b>	<b>\$ 164.02</b>	<b>\$ -</b>



**Bridges and Tunnels: 2006 Commitments**  
**Summed by Element**  
(\$ in Millions)

ACEP	Category Description	Element Description	Project Description	Total Project Value	2006 Commitments	Funding for 2006 Commitments		
						MTA Funding	Federal Funding	Local Funding
D402TB64	Roadways and Decks	Triborough Bridge	Replacement of Decks at Randall's and Ward's Islands Viaducts and New Ramps	\$200.56	\$2.50	\$2.50		
			<b>Subtotal Triborough Bridge</b>	<b>\$200.56</b>	<b>\$2.50</b>	<b>\$2.50</b>		
D403AW35	Toll Plazas	Agency-Wide	Installation of Weather Record	\$1.93	\$0.25	\$0.25		
D403AW36	Toll Plazas	Agency-Wide	Install CCTV Coverage at all Facilities	\$19.69	\$1.05	\$1.05		
D403AW41	Toll Plazas	Agency-Wide	Toll Registry Systems Replacement	\$10.55	\$1.37	\$1.37		
D403AW80	Toll Plazas	Agency-Wide	VMS & Gantry Installation	\$6.91	\$1.36	\$1.36		
			<b>Subtotal Agency-Wide</b>	<b>\$39.08</b>	<b>\$4.02</b>	<b>\$4.02</b>		
D405MP08	Buildings and Sites	Marine Parkway	New Service Building (Modular)	\$11.80	\$0.60	\$0.60		
			<b>Subtotal Marine Parkway</b>	<b>\$11.80</b>	<b>\$0.60</b>	<b>\$0.60</b>		
D405TB57	Buildings and Sites	Triborough Bridge	Tenant Relocation/New Building to House Department of Parks and Recreation	\$10.00	\$10.00	\$10.00		
			<b>Subtotal Triborough Bridge</b>	<b>\$10.00</b>	<b>\$10.00</b>	<b>\$10.00</b>		
D501BW84	Structures	Agency-Wide	Cable and Anchorage Investigation	\$9.60	\$2.15	\$2.15		
			<b>Subtotal Agency-Wide</b>	<b>\$9.60</b>	<b>\$2.15</b>	<b>\$2.15</b>		
D501CB08	Structures	Cross Bay Bridge	Deck and Structural Rehabilitation	\$49.84	\$46.63	\$46.63		
D501CB09	Structures	Cross Bay Bridge	Substructure/Underwater Repair	\$15.92	\$15.11	\$15.11		
			<b>Subtotal Cross Bay Bridge</b>	<b>\$65.77</b>	<b>\$61.74</b>	<b>\$61.74</b>		
D501MP02	Structures	Marine Parkway Bridge	Structural Steel Repairs	\$28.12	\$26.12	\$26.12		
			<b>Subtotal Marine Parkway Bridge</b>	<b>\$28.12</b>	<b>\$26.12</b>	<b>\$26.12</b>		
D501QM82	Structures	Queens Midtown Tunnel	Rehab 2nd Avenue Overpass & 36th Street Overpass	\$5.19	\$2.66	\$2.66		
			<b>Subtotal Queens Midtown Tunnel</b>	<b>\$5.19</b>	<b>\$2.66</b>	<b>\$2.66</b>		
D501TB66	Structures	Triborough Bridge	Anchorage Rehabilitation and Dehumidification	\$15.44	\$14.35	\$14.35		
			<b>Subtotal Triborough Bridge</b>	<b>\$15.44</b>	<b>\$14.35</b>	<b>\$14.35</b>		
D501TN85	Structures	Throgs Neck Bridge	Suspended Span Cable Rewrap	\$16.25	\$14.74	\$14.74		
D501TN87	Structures	Throgs Neck Bridge	Anchorage and Tower Protection	\$11.77	\$0.75	\$0.75		
			<b>Subtotal Throgs Neck Bridge</b>	<b>\$28.02</b>	<b>\$15.49</b>	<b>\$15.49</b>		
D502HH80	Roadways and Decks	Henry Hudson Bridge	Replacement / Rehabilitation of Lower Level Deck	\$58.77	\$56.11	\$56.11		
			<b>Subtotal Henry Hudson Bridge</b>	<b>\$58.77</b>	<b>\$56.11</b>	<b>\$56.11</b>		
D502TB64	Roadways and Decks	Triborough Bridge	Replace Deck-Randall's Island Viaduct	\$269.47	\$0.32	\$0.32		
			<b>Subtotal Triborough Bridge</b>	<b>\$269.47</b>	<b>\$0.32</b>	<b>\$0.32</b>		
D502TN50	Roadways and Decks	Throgs Neck Bridge	Replace Concrete Deck	\$19.61	\$1.06	\$1.06		
			<b>Subtotal Throgs Neck Bridge</b>	<b>\$19.61</b>	<b>\$1.06</b>	<b>\$1.06</b>		
D502VN17	Roadways and Decks	Verrazano Narrows Bridge	Rehabilitation of Approach	\$70.58	\$64.94	\$64.94		
D502VN84	Roadways and Decks	Verrazano Narrows Bridge	Widening of Belt Parkway Ramps	\$7.37	\$1.48	\$1.48		
			<b>Subtotal Verrazano Narrows Bridge</b>	<b>\$77.95</b>	<b>\$66.43</b>	<b>\$66.43</b>		

**Bridges and Tunnels: 2006 Commitments**  
**Summed by Element**  
(\$ in Millions)

ACEP	Category Description	Element Description	Project Description	Total Project Value	2006 Commitments	Funding for 2006 Commitments		
						MTA Funding	Federal Funding	Local Funding
D503AW47	Toll Plazas and Traffic Mgmt	Agency-Wide	Digital Video Surveillance System	\$4.57	\$0.56	\$0.56		
D503AW48	Toll Plazas and Traffic Mgmt	Agency-Wide	2nd Generation E-Zpass In-Lane	\$11.36	\$0.05	\$0.05		
D503AW52	Toll Plazas and Traffic Mgmt	Agency-Wide	Advanced Automated Traffic Detection	\$10.76	\$0.31	\$0.31		
			<b>Subtotal Agency-Wide</b>	<b>\$26.68</b>	<b>\$0.92</b>	<b>\$0.92</b>		
D504BB15	Utilities	Brooklyn Battery Bridge	Expand/Upgrade Control Center	\$10.15	\$8.97	\$8.97		
D504BB45	Utilities	Brooklyn Battery Bridge	Rehabilitation of Tunnel Ventilation System	\$2.76	\$2.52	\$2.52		
			<b>Subtotal Brooklyn Battery Bridge</b>	<b>\$12.91</b>	<b>\$11.49</b>	<b>\$11.49</b>		
D505AW12	Buildings and Sites	Agency-Wide	Haz.matl. Abatement (2005-2009)	\$4.27	\$0.22	\$0.22		
			<b>Subtotal Agency-Wide</b>	<b>\$4.27</b>	<b>\$0.22</b>	<b>\$0.22</b>		
D505BB46	Buildings and Sites	Brooklyn Battery Bridge	Pipe Gallery Rehabilitation	\$2.84	\$2.69	\$2.69		
D505BB47	Buildings and Sites	Brooklyn Battery Bridge	New Sewer Connection-Governor's Island	\$1.80	\$1.65	\$1.65		
D505BB80	Buildings and Sites	Brooklyn Battery Bridge	Rehabilitation of Ventilation Building	\$18.43	\$3.15	\$3.15		
			<b>Subtotal Brooklyn Battery Bridge</b>	<b>\$23.08</b>	<b>\$7.49</b>	<b>\$7.49</b>		
D505TB57	Buildings and Sites	Triborough Bridge	Tenant Relocation/New Bldg II	\$22.02	\$0.66	\$0.66		
D505TB59	Buildings and Sites	Triborough Bridge	Rehabilitation of Building 104	\$21.54	\$1.16	\$1.16		
			<b>Subtotal Triborough Bridge</b>	<b>\$43.57</b>	<b>\$1.82</b>	<b>\$1.82</b>		
D506AW21	Miscellaneous	Agency-Wide	Program Administration	\$11.18	\$1.99	\$1.99		
D506AW22	Miscellaneous	Agency-Wide	Miscellaneous	\$2.14	\$0.84	\$0.84		
D506AW28	Miscellaneous	Agency-Wide	Scope Development	\$3.81	\$1.10	\$1.10		
			<b>Subtotal Agency-Wide</b>	<b>\$17.12</b>	<b>\$3.93</b>	<b>\$3.93</b>		
<b>AGENCY TOTAL</b>				<b>\$967.02</b>	<b>\$289.41</b>	<b>\$289.41</b>	<b>N/A</b>	<b>N/A</b>

MTA Capital Construction Company: 2006 Commitments  
Summed by Element  
(\$ in Millions)

					Funding for 2006 Commitments			
ACEP	Category Description	Element Description	Project Description	Total Project Value	2006 Commitments	MTA Funding	Federal Funding	Local Funding
G4090103	East Side Access	East Side Access	Project Management	\$36.61	\$2.00	\$2.00		
G4090104	East Side Access	East Side Access	Force Account Design Support	\$15.45	\$2.50	\$2.50		
G4090107	East Side Access	East Side Access	GCT E Yard Modifications	\$58.70	\$2.34	\$2.34		
G4090109	East Side Access	East Side Access	Real Estate	\$46.69	\$21.00	\$21.00		
G4090111	East Side Access	East Side Access	OCIP	\$118.60	\$36.91	\$36.91		
G4090119	East Side Access	East Side Access	MH Tunnel Excavation	\$500.07	\$500.07	\$247.07	\$253.00	
G4090120	East Side Access	East Side Access	Queens Open Cut Excavation	\$171.03	\$171.03	\$84.03	\$87.00	
G4090125	East Side Access	East Side Access	Tier 2 Locomotives	\$26.93	\$4.70	\$4.70		
G4090142	East Side Access	East Side Access	Amtrak Payment	\$101.78	\$35.00	\$35.00		
			<b>Subtotal East Side Access</b>	<b>\$1,075.85</b>	<b>\$775.55</b>	<b>\$435.55</b>	<b>\$340.00</b>	<b>\$0.00</b>
G509XXXX	East Side Access	East Side Access	GCT Concourse Civil & Structural	tbd	\$460.42	tbd	tbd	
G509XXXX	East Side Access	East Side Access	Harold Material Stage 1	tbd	\$37.60	tbd	tbd	
			<b>Subtotal East Side Access</b>	<b>tbd</b>	<b>\$498.02</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
G5160101	Miscellaneous	MTA CCC Administration	MTA CCC Administration	\$75.00	\$12.00	\$12.00		
			<b>Subtotal MTA CCC Administration</b>	<b>\$75.00</b>	<b>\$12.00</b>	<b>\$12.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
G41001/02	FULL LENGTH SECOND AVE SUBWAY	FULL LENGTH SECOND AVE SUBWAY	SAS Final Design	\$187.81	\$172.40	\$172.40		
G41001/06	FULL LENGTH SECOND AVE SUBWAY	FULL LENGTH SECOND AVE SUBWAY	SAS Tunnels 92 St - 62 St	\$399.00	\$400.00	\$400.00		
G41001/07	FULL LENGTH SECOND AVE SUBWAY	FULL LENGTH SECOND AVE SUBWAY	SAS Real Estate	\$150.00	\$25.00	\$25.00		
G41001/08	FULL LENGTH SECOND AVE SUBWAY	FULL LENGTH SECOND AVE SUBWAY	SAS Owner Controlled Insurance	\$25.00	\$25.00	\$25.00		
			<b>Subtotal Full Length Second Ave Subway</b>	<b>\$761.81</b>	<b>\$622.40</b>	<b>\$622.40</b>	<b>\$0.00</b>	<b>\$0.00</b>
G41201/01	DOWNTOWN PROJECTS	FULTON SRTEET TARNSIT CENTER	FSTC Project-Wide Elements	\$111.03	\$6.31		\$6.31	
G41201/03	DOWNTOWN PROJECTS	FULTON SRTEET TARNSIT CENTER	FSTC Real Estate	\$123.23	\$117.41		\$117.41	
G41201/04	DOWNTOWN PROJECTS	FULTON SRTEET TARNSIT CENTER	FSTC 2/3 Rehab & 4/5 Stairs	\$43.56	\$1.24		\$1.24	
G41201/05	DOWNTOWN PROJECTS	FULTON SRTEET TARNSIT CENTER	FSTC Deconstruction, Foundation	\$45.12	\$45.12		\$45.12	
G41201/06	DOWNTOWN PROJECTS	FULTON SRTEET TARNSIT CENTER	FSTC A/C Mezzanine, J/M/Z	\$72.89	\$73.25		\$73.25	
G41201/07	DOWNTOWN PROJECTS	FULTON SRTEET TARNSIT CENTER	FSTC Dey St Finishes, 4/5 Rehab	\$210.10	\$210.10		\$210.10	
G41201/08	DOWNTOWN PROJECTS	FULTON SRTEET TARNSIT CENTER	FSTC Corbi Bldg Restoration	\$19.04	\$19.04		\$19.04	
			<b>Subtotal Fulton Street Transit Center</b>	<b>\$624.97</b>	<b>\$472.47</b>	<b>\$0.00</b>	<b>\$472.47</b>	<b>\$0.00</b>
ET0601/02	WTC LINE EQUIPMENT'	LINE EQUIPMENT	2 Fans:Park Place/Albany St - BW7	\$35.00	\$7.22	\$7.22		
			<b>Subtotal World Trade Center Recovery</b>	<b>\$35.00</b>	<b>\$7.22</b>			
G41202/01	DOWNTOWN PROJECTS	SOUTH FERRY TERMINAL	SoFe Terminal Structure	\$293.58	\$0.26		\$0.26	
G41202/02	DOWNTOWN PROJECTS	SOUTH FERRY TERMINAL	SoFe Terminal Finishes/System	\$96.80	\$85.54		\$85.54	
			<b>Subtotal South Ferry Terminal</b>	<b>\$390.38</b>	<b>\$85.80</b>	<b>\$0.00</b>	<b>\$85.80</b>	<b>\$0.00</b>
<b>AGENCY TOTAL</b>				<b>\$2,963.01</b>	<b>\$2,473.46</b>	<b>\$1,069.95</b>	<b>\$898.27</b>	<b>\$0.00</b>

**MTA Interagency/MTA Police Department: 2006 Commitments**  
**Summed by Element**  
(\$ in Millions)

						Funding for 2006 Commitments		
ACEP	Category Description	Element Description	Project Description	Total Project Value	2006 Commitments	MTA Funding	Federal Funding	Local Funding
N5100101	MTA Police Department	MTA PD Projects	Suffolk County District Office	\$4.70	\$4.70	\$4.70		
N5100104	MTA Police Department	MTA PD Projects	K9 Facility	\$3.50	\$3.50	\$3.50		
N5100106	MTA Police Department	MTA PD Projects	Emergency Service Units	\$0.45	\$0.45	\$0.45		
N5100107	MTA Police Department	MTA PD Projects	GECs	\$1.68	\$0.80	\$0.80		
N5100108	MTA Police Department	MTA PD Projects	Administration / Program Conting	\$2.40	\$0.20	\$0.20		
N5100109	MTA Police Department	MTA PD Projects	Public Safety Radio	\$45.00	\$43.40	\$43.40		
N5100110	MTA Police Department	MTA PD Projects	Communication Center Back Up	\$2.00	\$2.00	\$2.00		
N5100112	MTA Police Department	MTA PD Projects	Intergrated Incident Mgt. System	\$0.30	\$0.30	\$0.30		
N5100113	MTA Police Department	MTA PD Projects	Access Control	\$1.20	\$1.00	\$1.00		
N5100114	MTA Police Department	MTA PD Projects	Enhanced 911	\$1.50	\$1.50	\$1.50		
<b>Subtotal MTA PD Projects</b>				<b>\$62.73</b>	<b>\$57.85</b>	<b>\$57.85</b>	<b>\$0.00</b>	<b>\$0.00</b>
<b>AGENCY TOTAL</b>				<b>\$62.73</b>	<b>\$57.85</b>	<b>\$57.85</b>	<b>\$0.00</b>	<b>\$0.00</b>

**New York City Transit (includes Staten Island Rail)**  
**2006-2010 Project Completions**  
(\$ in Millions)

Project ID	Project Description	Complete 06-10	Project Allocation
N409052M	Cntrl Hse Metropolitan Av MYT	Apr-07	\$4.66
S3010102	SIR Station Rehab, 6 Locations	Jul-06	\$9.47
S4070105	Repair 3 Thruspans DES	Jan-10	\$1.04
S4070106	Rehab 4 Substation Enclosures	Aug-08	\$3.53
S4070108	Clifton Shop Repairs	Apr-07	\$8.25
S5070102	Station Structural Repairs	Sep-08	\$4.92
S5070103	Rehabilitate 3 Station Houses	Sep-08	\$1.80
S5070107	Arthur Kill Station	Apr-09	\$9.13
T304027M	Rpr: Avenue M-Brighton	May-07	\$0.32
T304027O	Rpr: Neck Rd-Brighton	May-07	\$0.46
T304115D	Reh: Broadway Junction CNR	Jul-06	\$16.51
T304115E	Reh: Eastern Parkway JAM	Jul-06	\$26.77
T30803CN	CBTC: Canarsie (8Av-RkPky)	Aug-06	\$264.69
T30803CO	CBTC: Canarsie Phase 3B	Aug-06	\$1.57
T30803CY	25Hz Signal Power Converters	Dec-06	\$37.79
T30806BS	Upgrade RTO Base Stations	Feb-07	\$15.71
T30806R5	Comm Rms: 16 Locs	Jul-06	\$12.58
T30807AT	Auto Trn Suprv, Phs 1 (Div A)	Jul-06	\$188.29
T31204SN	CNG Modif:Gleason Phs 2	Feb-06	\$22.79
T31208W2	Waste Water Cntrl:5 Loc	Aug-06	\$6.11
T31302RG	Purch Rail Grinder	Jan-07	\$10.10
T31403RB	Police Radio Comm Sys Exp/Upgr	Jul-06	\$139.88
T31503QP	63 St Con:Property Acq	Dec-09	\$18.26
T31604CP	Integrate Capital Sys:Phs 1	Jun-09	\$14.65
T40101B2	Purchase 660 B Div Cars	May-08	\$1,140.22
T40101CS	Cab Simulator for R160 cars	Jul-06	\$2.00
T40302E1	100 OTR Express Buses 2002	Dec-09	\$45.72
T40302H1	200 Hybrid-Electric Buses 2000	Sep-06	\$85.47
T40302P1	Retrofit Particulate Filters	Dec-06	\$22.77
T40404M4	Replace AFC Electronics	Sep-07	\$10.30
T40407E2	Repl 12 Esc Herald Square	May-07	\$38.88
T40409PW	PA/CIS Wrap-Up	Dec-06	\$3.59
T4041111	Rehab:New Lots Av CNR	Jun-07	\$10.09
T4041112	Rehab:Sutter Av CNR	Jun-07	\$13.05
T4041113	Rehab:Livonia Av CNR	Jun-07	\$13.83
T4041114	Rehab:E 105th St CNR	Jun-07	\$9.66
T4041115	Columbus Circle Cmplx Ph1 Fac	Sep-07	\$14.19
T404111A	Rehab Mt Eden Ave JER	Aug-06	\$16.83
T404111B	Rehab 176th St JER	Aug-06	\$13.05
T404111C	Rehab 170th St JER	Aug-06	\$13.61
T404111D	Rehab 167th St JER	Aug-06	\$16.39
T404112C	Rehab: Gun Hill Rd WPR	Apr-07	\$31.68
T404112E	Rehab: 238th St WPR	Apr-07	\$14.41
T404112F	Rehab: 233rd St WPR	Apr-07	\$15.26
T404112G	Rehab: 225th St WPR	Apr-07	\$12.87

**New York City Transit (includes Staten Island Rail)**  
**2006-2010 Project Completions**  
(\$ in Millions)

Project ID	Project Description	Complete 06-10	Project Allocation
T404112H	Rehab: 219th St WPR	Apr-07	\$13.72
T404112I	Rehab: Burke Ave WPR	Apr-07	\$12.58
T404112J	Rehab: Allerton Ave WPR	Apr-07	\$12.58
T404112K	Rehab: Bronx Park East WPR	Apr-07	\$13.00
T404112O	Rehab 241st St WPR	Apr-07	\$16.98
T404112R	Rehab Rockaway Park RKY	Aug-07	\$8.78
T404113A	Rehab Myrtle Ave CNR	Sep-07	\$37.02
T404113B	Rehab 183rd St JER	Jun-08	\$14.81
T404113H	Rehab Burnside Ave JER	Jun-08	\$14.69
T404113I	Rehab Wyckoff Ave MRT	Sep-07	\$9.85
T404113L	Rehab Alabama Ave JAM	Apr-07	\$8.89
T404113M	Rehab Van Siclen Ave JAM	Apr-07	\$8.52
T404113N	Rehab Cleveland St JAM	Apr-07	\$8.41
T404113O	Rehab Norwood Ave JAM	Apr-07	\$8.40
T404113P	Rehab Crescent St JAM	Apr-07	\$8.43
T404114L	Rehab Bedford Park Blvd JER	Jun-08	\$13.51
T404114M	Rehab Kingsbridge Rd JER	Jun-08	\$13.77
T404114N	Rehab Mosholu Pky JER	Jun-08	\$24.38
T404119B	Rehab Pelham Pky WPR	Apr-07	\$18.84
T404119J	Rehab 86th St LEX	Feb-06	\$23.91
T404119R	Rehab Queens Plaza QBL	Jan-06	\$36.82
T40411A6	Rehab 231st St BW7	Nov-06	\$5.39
T40411T2	Rehab Times Sq Complex Ph2	Aug-06	\$112.26
T40411W3	Water Condition Remedy 2004	Mar-06	\$3.38
T404132F	ADA 233rd St WPR	Apr-07	\$2.48
T404133A	ADA Myrtle-Wyckoff Complex	Sep-07	\$17.89
T404139B	ADA Pelham Pkwy WPR	Apr-07	\$2.43
T404139R	ADA Queens Plaza QBL	Jan-06	\$4.69
T40413A5	ADA 168th St 8AV	Oct-06	\$11.97
T40413A6	ADA 231st St BW7	Nov-06	\$14.11
T40413AA	ADA Junction Blvd FLS	Dec-06	\$18.67
T40413T2	ADA Times Square: Ph 2	Aug-06	\$8.95
T40602S4	Tun Ltg Metro-Bedford XTN	Apr-06	\$20.71
T40602T2	Tun Ltg 53rd St Tube QBL	Sep-07	\$12.59
T406036A	Fans 6AV 3 locs	Jan-07	\$45.38
T406036B	Fans 6AV 4 locs	Aug-08	\$79.24
T40603EX	Elizabeth St/Bowery 6AV	Oct-06	\$35.30
T40603EY	Fan: Stanton / Chrystie 6AV	May-06	\$23.91
T40603F1	Fans Rockwell Pl FUL	Apr-08	\$60.49
T40605CN	Replace +/- Cables CNR	Jan-07	\$32.49
T40703E2	JAM EParkway-Cypress Hills	Apr-07	\$23.16
T40703L1	Strip-Repaint AST	Jul-06	\$39.84
T40703LW	Strip-Repnt Bx Pk E-241 WPR	Apr-07	\$13.64
T40703NL	Ovrcoat Sutter Av-New Lots NLT	Dec-06	\$10.43
T40703S4	XTN Grnpt Av-Bedford-Nostrnd	Apr-06	\$27.24

**New York City Transit (includes Staten Island Rail)**  
**2006-2010 Project Completions**  
(\$ in Millions)

Project ID	Project Description	Complete 06-10	Project Allocation
T40703WE	Overcoat West End Line	May-06	\$7.44
T40703WR	WPR Bronx Pk East-241 St	Apr-07	\$89.84
T408039C	Concourse Fixed Block Signals	Apr-07	\$224.13
T40803C2	Sys-wide Signal Ctrl Mods Ph2	Sep-06	\$24.90
T40803CI	SSI Pilot: Bergen St	Oct-06	\$74.62
T40803F2	Flushing Interlocking Ph 2	Jul-08	\$159.32
T40803Z2	Signal Key-By Circuit Mods	Jan-07	\$29.64
T40806A1	Antenna Cable Replacement	Mar-06	\$9.00
T40806D1	Data Ntwk: SONET & IRT-ATM	Jul-06	\$180.65
T40806D2	Data Ntwk: IND/BMT-ATM	Nov-06	\$93.58
T40806P2	PA/CIS: 156 Stations IRT	Sep-07	\$155.88
T40806P4	PA/CIS: 24 Stns Canarsie Line	Jul-06	\$15.06
T40806RB	Comm Rms: 98 Stns - IND/BMT	Jun-07	\$50.31
T40806T1	Systemwide App Migration Ph 1	Jun-08	\$38.45
T4080701	Back-up RCC Livingston Plaza	Jan-10	\$13.86
T4080703	ATS-A Div Wrapup	Jul-06	\$5.07
T40902SE	Substation Enclosures	Jul-06	\$5.70
T40903S1	Rehab Harlem Substn 8AV	Sep-06	\$24.23
T40903S3	Rehab Cliff St Substn 8AV	Apr-07	\$36.51
T41004A1	Recon: Corona Maint Shop	Sep-06	\$207.57
T4100699	Rehab 99 St Ele/Lighting Shop	May-06	\$2.96
T41006LT	Rehab Linden Track Shop	Jul-06	\$9.56
T41109CY	Canarsie Yard Signal Mod.	Aug-06	\$47.97
T41203BC	Grand Avenue Depot/CMF	Jun-07	\$266.74
T41203FG	Charleston Depot	Jan-09	\$109.91
T41203P1	Parking Expansion 4 Depots	Dec-06	\$14.56
T4120401	Paratransit AVL/M	Jun-08	\$17.30
T4120406	Purchase 501 Portable Radios	Dec-06	\$2.24
T412044C	Parallelogram Lifts-5 Depots	Oct-06	\$7.61
T41204BC	Manhattanville CNG Mods	Sep-09	\$1.54
T41204HU	Bus Locator System	Nov-06	\$13.56
T41204P2	Paving: 3 Locs	Dec-06	\$3.56
T41302O2	Convert 40 Rider, De-Icer Cars	Dec-07	\$4.39
T41302O4	Purch 54 CWR Handler/Flatcars	Jul-09	\$14.52
T41302O5	Overhaul 9 Hose and Reach Cars	Jun-07	\$1.48
T41302O6	Locomotive Modernization Pilot	May-08	\$2.06
T41302P2	Purchase Tk Gm/Rail Ins Car	Nov-06	\$10.00
T41302P3	Purchase 12 Crane Cars	Jul-07	\$11.81
T41302P4	Purchase 9 Locomotives	Mar-10	\$32.11
T413041A	Vehicle Replc 2000-2001	Apr-06	\$10.57
T413042A	Vehicle Replc 2002-2003	Sep-06	\$12.51
T413043A	Vehicle Replc 2004	Dec-08	\$5.55
T414042R	D.O. #23 Rockaway Park	Nov-06	\$15.33
T41404P3	D.O. #33 East New York	Apr-10	\$13.63
T41602CR	Capital Revolving Fund	Dec-06	\$25.00

**New York City Transit (includes Staten Island Rail)**  
**2006-2010 Project Completions**  
(\$ in Millions)

Project ID	Project Description	Complete 06-10	Project Allocation
T41602IO	Owner Controlled Insurance	Oct-08	\$123.99
T41604I3	ISD: Systems (2002)	Dec-07	\$8.26
T41605B3	Boring Services: M/Bx 2003	Mar-06	\$1.22
T41605B4	Boring Services: Bx/Q/SI 2003	Mar-06	\$1.01
T41605C1	Concrete Cylinder Testing	Nov-06	\$0.69
T41605CA	Concrete Batch Plnt Inspection	Apr-06	\$0.83
T41605E1	MTA Independent Engineer: 2002	Apr-06	\$11.23
T41605MT	Material Inspection/Testing	Jan-06	\$10.76
T41605R1	Construction Support Reserve	Feb-06	\$5.00
T41605T1	Test Pits Contracts	Jul-06	\$4.59
T41606A1	Asbestos Dispos IQ Cnslt 2003	Nov-06	\$0.39
T41606A5	Asbestos Abate Priority V	Jan-06	\$9.06
T41606A7	Asbestos Abate IQ Cnslt 2002	Jul-06	\$5.00
T41606A8	Asbestos Mon IQ Cnslt 2003	Jul-07	\$4.00
T41606EA	Environmental Analysis	Dec-06	\$8.68
T41606F6	Fire Sprinklers:Linden Shop	Jul-06	\$1.82
T41606U1	UST Groundwater Remediation	Dec-07	\$9.68
T41606U3	UST Connect: Mnville Depot	Oct-06	\$3.25
T416073A	Empl Fac Myrtle Ave CNR	Sep-07	\$8.14
T416079R	Empl Fac Queens Plaza QBL	Jan-06	\$3.52
T41607ED	Empl Fac Rockeflr Ctr 6AV DES	Jan-06	\$0.02
T41607EN	Empl Fac Dekalb Ave 4AV	Aug-06	\$2.62
T41607LR	System Support Equip/Cabling	Dec-06	\$11.79
T41607PB	Emp Fac Pelham Bay Pkwy PEL	Dec-06	\$7.88
T41607PS	Print Shop, Dist Ctr Reloc	Sep-06	\$17.25
T5030201	116 Standard Buses 2005	Jun-07	\$62.17
T5030203	181 Paratransit Vehicles 2005	Dec-06	\$9.14
T5030207	283 Paratransit Vehicles 2006	Jun-07	\$22.27
T5030220	Fareboxes Westchester County	Apr-07	\$12.00
T5040404	HEETs For Station Rehabs	Dec-07	\$1.50
T5040701	8 Escalators Roosevelt Island	Dec-08	\$21.67
T5040702	10 Escalators Parsons Blvd ARC	Feb-09	\$32.40
T5041101	Water Condition Remedy 2005	Feb-08	\$3.47
T5041102	Rehab Chambers St BW7	Sep-07	\$7.00
T5041109	Rehab 59th St BW7	Jun-09	\$34.21
T5041110	Rehab 59th St 8AV	Jun-09	\$50.03
T5041112	Railings 2005-2006 Rehabs	Jun-09	\$1.87
T5041115	Rehab Wall St LEX	May-09	\$43.85
T5041116	Times Square Shuttle	Jun-08	\$18.14
T5041127	Rehab 96 St BW7	Jan-10	\$51.24
T5041193	Pelham Bay Park PEL	May-08	\$3.77
T5041301	ADA Chambers St BW7	Sep-07	\$15.51
T5041303	ADA 59 St-Columbus Crl Cmplx	Jun-09	\$2.37
T5041304	ADA 135th St LNX	Apr-08	\$16.26
T5041306	ADA Bowling Green LEX	May-07	\$12.21



**New York City Transit (includes Staten Island Rail)**  
**2006-2010 Project Completions**  
(\$ in Millions)

Project ID	Project Description	Complete 06-10	Project Allocation
T5041307	ADA Church Av CUL	Feb-08	\$24.69
T5041311	ADA 96 St BW7	Jan-10	\$25.74
T5041314	ADA 47-50 St Rock Ctr 6AV	Oct-07	\$14.92
T5041401	Station Signage 2005	Dec-08	\$2.80
T5041403	Intermodal: Myrtle-Wyckoff	Jul-08	\$2.09
T5041405	Bowling Green Entrance Canopy	May-07	\$3.45
T5041414	Customer Communication Systems	Jul-06	\$7.20
T5041415	Service Gate Release Retrofit	May-07	\$15.00
T5050204	Mainline Track Repl 2006	Dec-06	\$133.75
T5050205	Track Force Account 2006	Dec-06	\$35.00
T5050206	Welded Rail 2006	Dec-06	\$10.62
T5050207	Mainline Track Repl 2007	Dec-07	\$138.16
T5050209	Welded Rail 2007	Dec-07	\$10.97
T5050302	36 Mainline Switches I/H 2006	Dec-06	\$41.51
T5050303	36 Mainline Switches I/H 2007	Dec-07	\$42.88
T5060201	Tun Ltg Boro Hall-Wall St CLK	Dec-06	\$21.12
T5060202	Tun Ltg Bowling Gr-Bkln Br LEX	Nov-06	\$17.71
T5060204	Tun Ltg Crnbry Jct-Chmbrs CRAN	Jul-07	\$19.32
T5060206	Tun Ltg 42 St -96 St BW7	Mar-10	\$42.03
T5060301	Fan Rehab 30th St. 6AV	Sep-10	\$66.52
T5060401	Pumps 10 Locs QBL	Jul-09	\$40.04
T5060403	Deep Well Rehab FUL	Apr-07	\$13.53
T5070301	Rehab 50 Emergency Exits 05-06	Dec-06	\$11.80
T5070302	EPK Joralemon Tube-Nevins	Feb-07	\$29.65
T5070304	Overcoat 162 St-190 St JER	Mar-09	\$16.77
T5070305	Strip-Repaint End of Line JER	Dec-06	\$13.06
T5070308	8AV n/o 168-n/e 207,Yard Lead	Sep-09	\$28.28
T5070309	BWY BMT Whitehall-Canal	Sep-09	\$33.97
T5070312	Ocean Parkway Sta Viaduct BRT	Dec-09	\$24.37
T5070314	BWY BMT Lexington-42 St	Jul-10	\$26.05
T5070332	Subway Emergency Exit Alarms	Jul-07	\$7.00
T5080303	Stop Cable Replacement	Aug-07	\$70.00
T5080305	Middle Track Signalization JER	Dec-08	\$42.27
T5080309	Stn Time Signal Enhance LEX	May-08	\$5.00
T5080316	3 Interlockings 8AV	Dec-09	\$138.00
T5080317	Sig Rewire/Fire Suppress	Nov-08	\$25.00
T5080601	Data Network 2 IND/BMT-ATM Opt	Mar-09	\$181.02
T5080602	SysWide Appl Migration Ph 2	Sep-09	\$49.23
T5080608	Ant Cable Replacement Ph 2	Dec-07	\$45.26
T5080609	Platform Edge CCTV 9 Stns XTN	May-06	\$2.99
T5090202	Modernize 70th Av Substn	May-08	\$22.79
T5090203	Modernize Green St Substn	Aug-08	\$22.14
T5090204	Modernize Greenwich Substation	Sep-08	\$28.55
T5090205	Modernize Dyckman Substation	Jun-09	\$22.11
T5090207	Modernize Caton Av Substn	Oct-09	\$22.89

**New York City Transit (includes Staten Island Rail)**  
**2006-2010 Project Completions**  
(\$ in Millions)

Project ID	Project Description	Complete 06-10	Project Allocation
T5090218	Substation Enclosures	Jul-09	\$13.56
T5090401	Circuit Breaker Houses 5 Locs	Nov-08	\$33.25
T5090402	Power Cable Cranberry Tube	Oct-06	\$5.00
T5100401	207 St O/H-Central AC Shop	Oct-10	\$242.34
T5100402	207 St O/H Shop Roof	Oct-10	\$15.00
T5100409	Heavy Shop Equipment	Jul-09	\$7.00
T5100415	Rehab 38 St Yd Shp Retain Wall	Apr-08	\$11.93
T5110203	Corona Yd Ph 3 Signals, Track	Jul-10	\$116.29
T5110207	Yard Hydrants Ph 1	Feb-08	\$13.47
T5110502	Yard Track 2006	Dec-06	\$2.82
T5110503	Yard Track 2007	Dec-07	\$2.91
T5110602	Repl 20 Yard Switches 2006	Dec-06	\$8.50
T5110603	Repl 20 Yard Switches 2007	Dec-07	\$8.78
T5120402	Fluid Application System	Feb-08	\$5.44
T5120403	Repl Roofs CS JG	Jul-06	\$5.88
T5120407	Lifts,Compressors CS,MV	Jun-08	\$15.62
T5120410	10 Bus Washers KB GH MV CS	Nov-06	\$21.23
T5120411	Bus Lifts Various Locations	Jun-09	\$8.80
T5130201	Rubber Tire Vehicles 2006-2007	Dec-09	\$12.66
T5130203	Purchase 2 Ballast Regulators	Dec-09	\$7.79
T5130205	Purch 19 Diesel-Elec Locos	Mar-10	\$70.47
T5130208	Trk Geometry-Rail Insp Option	Jan-08	\$9.98
T5160202	Capital Revolving Fund	Mar-10	\$25.00
T5160403	Automatic Tele. Travel Info	Dec-07	\$2.84
T5160501	MTA Engineering Consultants	May-09	\$15.64
T5160502	Boring Services BK/Q/SI 2005	Sep-08	\$1.15
T5160503	Boring Services M/Bx 2005	Sep-08	\$1.39
T5160506	Concrete Batch Plant Insp 2005	Apr-09	\$1.05
T5160508	Concrete Cylinder Testing 2006	Oct-09	\$0.57
T5160509	Test Pits 2005	Jul-08	\$3.05
T5160527	Construction Support 2006	Feb-08	\$2.06
T5160529	Material Inspection Services	Jan-06	\$0.50
T5160601	Asbestos Removal IQ 2005	May-09	\$5.83
T5160603	Consult-USTs, Remediation 2005	Oct-08	\$6.34
T5160612	Asbestos Abatement Priority VI	Jun-09	\$6.84
T5160702	EFR 59 St 8 AV	Jun-09	\$11.07
T5160704	(ICC) EFR Jamaica Yard Tower	Apr-09	\$4.38
T5160708	EFR 96 St BW7	Jan-10	\$3.98
T5160715	GPS Revenue Control	Mar-07	\$0.36
T5160725	(ICC) EFR 207th St 8AV	Mar-09	\$8.18
T5160727	(ICC) EFR 21st St XTN	Jun-08	\$6.11
T5160735	DOS Roof Replacement Ph 1	Jul-10	\$15.00

**Long Island Rail Road**  
**2006 - 2010 Project Completions**  
**(\$ in Millions)**

Project ID	Project Description	Complete 06-10	Project Allocation
A401011H	Purchase M-7's Base	Jun-07	\$43.60
A401011L	M-3 Cars Overhaul	Jun-07	\$26.20
A401011X	Purchase 452 M-7s	Dec-06	\$864.40
L08A03W2	Mineola Grade Crossing Elimination	May-07	\$41.92
L302059E	Valley Stream Parking-Nassau	Nov-07	\$2.28
L30209CX	Lindenhurst Station	Dec-06	\$1.20
L30209CY	Northport/Kings Park Lighting	Mar-06	\$0.40
L308059F	Copaigue Exterior Renovations	May-06	\$0.60
L4020424	Atlantic Terminal	Jul-07	\$86.86
L4020429	Jamaica Station	Apr-06	\$221.97
L4020433	Rosedale Station	Sep-07	\$3.90
L4020434	Valley Stream Station Rehab	Oct-08	\$4.32
L4020480	Jamaica Police Fit-Out	May-07	\$4.77
L40205J2	Mineola Intermodal Center	Oct-06	\$45.10
L40301S5	Main Line Corridor Imps- EIS	Oct-07	\$5.39
L404024R	East River Tunnel Rehab	Sep-06	\$33.11
L404024Y	East River Tunnel Ventilation	Feb-09	\$89.75
L405025J	QUEENS Interlocking Reconfig	Dec-06	\$48.90
L40502E5	DOT Grade Crossings	Dec-08	\$7.11
L40502K5	Jamaica Interlockings	Sep-06	\$12.60
L40502L5	Signalization Babylon-Speonk	May-06	\$34.30
L4060339	Richmond Hill/Diesel Yards	Apr-07	\$22.55
L406036R	Long Island City Yard	Jan-07	\$0.40
L406037I	Automated Storage Upgrade	Nov-06	\$13.90
L40603E6	EIS/Design Port Jeff Yd/Elect.	Dec-06	\$4.10
L40603Y8	Port Washington Yard Reconfiguration	Aug-06	\$1.90
L40603Y9	Mainline Brancy Yard - EIS/Design	Jan-10	\$4.00
L406046V	Regulatory and Compliance	Apr-06	\$5.61
L407032I	Valley Strm/Isl Pk Subst Recon	Sep-06	\$22.98
L40703C1	Circuit Brkr House - "F" Tower	Aug-06	\$4.36
L408043V	Simulator Building Expansion	Feb-08	\$1.20
L40804PD	Program Development	Dec-09	\$2.93
L40804PE	Program Development-Engineerin	Apr-06	\$3.40
L40804PF	Program Development - Signals	May-07	\$1.18
L50101M7	M7 Procurement - 158 Cars	Feb-07	\$375.80
L5020425	Jamaica Fit-Out Phase 2	Apr-08	\$7.83
L502042B	Broadway Platform Replacement	Sep-08	\$18.72
L502042C	Seaford Platform Replacement	Jun-09	\$16.57
L502042G	Babylon Branch Stair Replaceme	Dec-09	\$4.50
L502042Q	Cold Sring Harbor Station Overpass	Nov-06	\$1.60
L502042W	Fare Collection Program	Apr-06	\$5.50
L502052Z	Intermodal Facility Development	Jan-08	\$5.40
L50206VC	Penn Statio Employ Fac Yards	Dec-10	\$9.20
L50206VJ	Station Masters Office Design	May-08	\$1.50
L50301E1	Track Equipment	Dec-09	\$28.60
L50301R1	Culverts	Dec-09	\$4.67
L50301R3	ROW - Fencing	Jul-10	\$4.50
L50301R4	Demolitions	Oct-08	\$1.76

**Long Island Rail Road**  
**2006 - 2010 Project Completions**  
**(\$ in Millions)**

Project ID	Project Description	Complete 06-10	Project Allocation
L50301R6	ROW - Track Stability/Retaining	Dec-10	\$4.10
L50301R7	Amott Culvert	Sep-08	\$3.00
L50301T2	2006 Annual Track Program	Dec-06	\$56.10
L50301T3	2007 Annual Track Program	Dec-07	\$54.36
L50301T4	2008 Annual Track Program	Dec-08	\$54.30
L50301T5	2009 Annual Track Program	Dec-09	\$48.50
L50303T6	Hall Universal Crossover	Jun-08	\$6.30
L50401B1	Bridge Rehabilitation Program	Dec-09	\$7.90
L50401B3	Powell Creek & Hog Island Chan	Dec-09	\$9.80
L50401B4	Atlantic Viaduct	Mar-10	\$75.40
L50401B5	Junction Blvd Abutment PW	Jun-09	\$20.30
L50401B6	Shinnecock Canal/North Highway	Dec-09	\$13.30
L50401B7	Broadway(PW)/150 St(Jamaica)	Nov-09	\$11.20
L50401B8	Woodhaven/Queens Blvd Bridges	Dec-09	\$18.00
L50401B9	DB Bridge	Oct-08	\$0.50
L50402VA	ERT Fire & Life Safety	Nov-09	\$90.50
L50501S6	Improved Radio Coverage	Dec-10	\$15.30
L50501S7	Fiber Optic Network	Dec-09	\$70.12
L50501S8	AVPS Expansion	Dec-10	\$31.60
L50501S9	Communications Pole Line Repla	Dec-09	\$7.24
L50502SA	Wayside Event Recorders	Dec-10	\$6.30
L50502SB	Babylon Branch Improvements	Dec-10	\$30.60
L50502SC	Centralized Train Control-Ph 1	Oct-09	\$20.60
L50502SG	Signal Normal Replacement Prog	Dec-09	\$5.45
L50502SL	Jay, Hall & Dunton Micropro	Aug-09	\$50.29
L50502SU	Jamaica Interlocking - Design	Dec-09	\$20.60
L50502SV	Valley Interlocking - Phase II	May-09	\$59.20
L50502SW	Babylon to Patchogue	Dec-10	\$28.20
L50502SX	Babylon - Speonk Signalization	Dec-07	\$16.30
L5060161	Diesel Locomotive Sho Upgrade	Apr-10	\$14.70
L506016B	West Side Yard Facility Rehab	May-08	\$1.03
L506016C	Hillside Facility - bldgs	Oct-10	\$3.30
L506016H	M of W Repair Facility	Jun-09	\$8.80
L506016K	Rolling Stock Support Equipmnt	Dec-09	\$16.30
L506016L	LCM-HVAC Shop Construction	Dec-06	\$4.54
L506016M	Babylon Yard Reconfiguration	Dec-07	\$11.20
L506016N	Long Island City Yard (3A/3B)	Jul-08	\$16.90
L506046Y	LCM Shop Designa and Construction	Mar-10	\$34.90
L50701P6	Emergency Generators	Dec-09	\$0.20
L50701P7	Repl Bridge Electrical System	Dec-09	\$0.69
L50701P8	Signal Load Electrical System	Dec-09	\$1.42
L50701PA	Substation - DC Breaker	Dec-10	\$3.80
L50701PB	Substation Battery Replacement	Dec-10	\$1.40
L50701PC	Power System Upgrades	Dec-10	\$12.30
L50701PG	Substation Reconstruction	Dec-09	\$37.04
L50701PH	Substation Component Replaceme	Dec-09	\$39.71
L50701PJ	Third Rail System - Cable	Dec-09	\$5.05
L50701PK	Third Rail Protection Board	Dec-09	\$12.92

**Long Island Rail Road**  
**2006 - 2010 Project Completions**  
**(\$ in Millions)**

<b>Project ID</b>	<b>Project Description</b>	<b>Complete 06-10</b>	<b>Project Allocation</b>
L50701PM	Composite Third Rail	Dec-09	\$22.45
L50701PS	Signal Power Line Replacement	Dec-09	\$3.90
L50701PT	Power Pole Line Replacement	Dec-09	\$2.57
L50701PU	Signal Power Motor Generators	Dec-09	\$2.08
L509048C	LIC Car Wash Environmental Rem	Jul-08	\$0.93
L509048D	Richmond Hill Yard - Environme	Jul-07	\$0.50
L509048F	Rail Lubricators Design	Jan-09	\$0.37
L509048H	Holban Yard - Environmental De	Feb-08	\$0.47
L50904OP	Program Development	Dec-08	\$15.00

**MetroNorth Railroad**  
**2006 - 2010 Project Completions**  
**(\$ in Millions)**

Project ID	Project Description	Complete 06-10	Project Allocation
A401-01-01	Purchase M-7 Cars - 180 Cars	Dec-07	\$617.08
A401-01-02	M-2 Car Remanufacture	Dec-08	\$26.35
A401-01-07	West of Hudson Comet Overhauls	May-07	\$15.13
A401-02-06	Comet V Coaches - WoH (MNR)	Dec-06	\$74.08
M402-01-01	GCT Leaks Remediation	Apr-07	\$3.70
M402-01-02	GCT Exterior Rehab/Repainting	Jul-06	\$19.97
M402-01-03	GCT Ventilation Rehabilitation	Dec-06	\$8.26
M402-01-04	GCT Halls/Trainshed Fire Safety Design	Mar-06	\$0.39
M402-01-06	GCT Trainshed Rehabilitation Phase II	Dec-07	\$11.80
M402-01-07	GCT Elevator Rehabilitation	Nov-06	\$6.33
M402-01-08	GCT Vestibule Rehabilitation	Jun-06	\$0.76
M402-02-02	Automated Ticket Selling - Express TVMs	Oct-07	\$6.21
M402-02-07	Lower Harlem Station Rehab	Oct-06	\$15.68
M402-02-08	Hudson Line Overpass Improvements	Mar-07	\$43.13
M402-02-09	Hudson Line Station Impr. (Morris Hts - Greystone)	Sep-06	\$88.12
M402-02-11	Upper Harlem Station Rehabilitation - Phase II	Feb-07	\$11.10
M402-02-13	Larchmont Station Improvements	May-06	\$12.63
M402-02-14	West of Hudson Station Rehabilitation	Jun-06	\$6.87
M402-02-16	Yankee Stadium Station - Preliminary Engineering	Oct-08	\$5.00
M402-02-17	Poughkeepsie Station Improvements	Mar-07	\$7.19
M402-02-19	Directional/Informational Station Signage	Dec-06	\$1.39
M402-02-20	Miscellaneous Station Improvements	Dec-06	\$0.72
M402-02-22	NHL Station Improvements	Jul-06	\$0.84
M402-03-03	Parking Rehabilitation	Dec-07	\$0.34
M402-03-04	Parking Expansion	Jun-06	\$4.11
M402-03-08	Pearl River Parking Expansion (Site II)	Dec-06	\$2.67
M402-03-09	Mamaroneck Station Parking Rehabilitation	Apr-06	\$2.89
M402-03-10	Port Chester Parking Expansion	Oct-06	\$5.94
M402-03-11	Beacon Parking & Access Improvements	Jul-06	\$8.96
M402-03-12	Salisbury Mills/Otisville Parking Improvements	Oct-06	\$4.58
M402-03-13	North White Plains Parking - EIS	Dec-06	\$1.67
M402-03-14	Brewster Parking Expansion	Oct-07	\$3.60
M402-03-16	Irvington Station Parking Improvements	Jul-07	\$3.73
M403-01-02	GCT Switch/Track Rehabilitation	Jun-06	\$7.73
M403-01-03	Turnouts - Mainline/High Speed Rehabilitation	Dec-06	\$47.23
M403-01-11	Port Jervis Line Track Rehabilitation	Jun-06	\$11.65
M403-02-02	ROW Fencing Installation	Apr-06	\$2.88
M403-02-03	M of W Equipment	Mar-07	\$7.54
M403-02-04	Rail-Top Culverts Rehabilitation	Dec-06	\$3.75
M403-02-05	Rehab/Replace Overhead Bridges	Aug-08	\$2.41
M403-02-06	Rehab/Replace Undergrade Bridges	Dec-06	\$13.65
M403-02-08	Replace Bridge Timbers	Oct-06	\$2.79
M403-02-12	Port Jervis Line Structures Rehabilitation	Sep-06	\$3.10

**MetroNorth Railroad**  
**2006 - 2010 Project Completions**  
**(\$ in Millions)**

Project ID	Project Description	Complete 06-10	Project Allocation
M404-01-07	Optimize Signal Relay Circuits	Jun-07	\$2.56
M404-01-09	Upgrade Network Infrastructure (NYS Only)	Dec-06	\$34.68
M404-01-10	Install Kit Room Backup	Dec-06	\$4.92
M404-01-12	Upper Harlem Capacity Improvements	Jun-06	\$7.79
M404-01-15	Code Rack/Local Control Panel Replacement	Apr-06	\$2.04
M404-01-17	Corporate Data Network	Jul-06	\$2.60
M404-01-19	Operations Control Center	Feb-08	\$2.90
M405-01-01	Replace Supply Substation - Bridge 23 Mt.Vernon	Sep-07	\$1.14
M405-01-02	GCT Third Rail Rehabilitation	Dec-06	\$3.23
M405-01-06	Replace Switchgear - 59th & 72nd Street	Nov-07	\$13.40
M405-01-09	Substation Retrofit - New Haven Line (NYS)	Dec-06	\$2.52
M406-01-01	Harmon Shop/Yard Rehabilitation	Jul-06	\$105.14
M406-01-05	Depot Place M of W Yard	Jun-06	\$4.62
M406-01-07	Beekman Street MN/MTA Police Facility	May-06	\$0.53
M408-01-01	Systemwide Asbestos/Lead Abatement	Dec-06	\$5.85
M408-01-11	Miscellaneous Studies	Dec-09	\$5.49
M501-01-01	Specification/Purchase Diesel Loco for non-GCT svcs.	May-09	\$7.08
M501-01-02	M-2 Critical Systems - 241 Cars	Dec-08	\$18.60
M501-01-04	M-4 Midlife Remanufacture - 54 Cars	Jan-09	\$14.70
M501-01-05	M-6 Midlife Remanufacture Spec Develop	Jan-09	\$0.60
M501-01-06	M-7 Purchase - 36 Cars	Dec-06	\$109.87
M501-01-09	End Door Coach Midlife Overhaul - 40 Cars	Dec-07	\$21.85
M501-01-10	M-9 Specification Development	Jan-07	\$1.00
M501-03-08	Replace Obsolete Work Equipment	Nov-07	\$1.58
M502-01-01	GCT Trainshed Structural Repairs	Dec-09	\$16.80
M502-01-02	GCT Leaks Remediation	Dec-08	\$6.48
M502-01-03	GCT Exterior Rehabilitation - East Fascade	Nov-06	\$5.10
M502-01-05	GCT Elevator Rehabilitation Phase III	Nov-09	\$4.10
M502-01-07	GCT Platform Improvements	Dec-08	\$0.95
M502-01-08	GCT Water Conveyance Utilities Improvements	Dec-07	\$1.53
M502-02-02	Croton Harmon/Peekskill Station Improvements	Sep-09	\$5.12
M502-02-03	Poughkeepsie Station Building	Mar-10	\$2.84
M502-02-04	Upper Harlem Line Station Improvements	Jun-07	\$2.77
M502-02-05	New Haven Line (NYS) Stations Improvements	Apr-10	\$34.30
M502-02-06	Station Building Rehabilitation	Dec-08	\$10.90
M502-02-07	Station and Platform Informational Signs	Sep-09	\$0.95
M502-02-08	Ticket Selling Machines	Dec-06	\$3.24
M502-03-01	Parking Rehabilitation	Dec-09	\$3.30
M502-03-02	Parking Expansion	Dec-09	\$39.03
M503-01-01	2005 Cyclical Track Program	Oct-06	\$9.96
M503-01-02	Turnouts Mainline/High Speed	Dec-09	\$44.54
M503-01-03	GCT Turnout and Switch Renewal	Mar-09	\$9.90
M503-01-04	Turnouts Yards	Dec-07	\$5.24

**MetroNorth Railroad**  
**2006 - 2010 Project Completions**  
(\$ in Millions)

Project ID	Project Description	Complete 06-10	Project Allocation
M503-01-05	M of W Equipment	Dec-09	\$6.10
M503-01-06	Rebuild Retaining Walls	Dec-09	\$2.13
M503-01-07	Rock Slope Remediation - East of Hudson	Aug-10	\$5.40
M503-01-09	Drainage and Undercutting	Oct-09	\$7.70
M503-01-10	Purchase MOW Rolling Stock	Dec-08	\$2.10
M503-01-11	2006 Cyclical Track Program	Mar-07	\$13.59
M503-01-12	2007 Cyclical Track Program	Mar-08	\$11.48
M503-01-13	2008 Cyclical Track Program	Mar-09	\$11.15
M503-01-14	2009 Cyclical Track Program	Mar-10	\$11.84
M503-02-01	Replace/Repair Undergrade Bridge Program	Jan-10	\$29.04
M503-02-02	Rehabilitate Culverts/Railtop Culverts	Dec-09	\$3.14
M503-02-03	D.C. Substation/Signal House	Dec-09	\$2.11
M503-02-04	Park Avenue Utility Bays Surveys	Dec-07	\$0.58
M503-02-05	Replace Timbers Undergrade Bridges	Dec-09	\$2.18
M503-02-06	Overhead Bridge Program-East of Hudson	Dec-09	\$2.77
M503-02-08	Right-of-Way Fencing	Feb-10	\$1.43
M503-02-09	Remove Obsolete Facilities	Sep-10	\$4.27
M503-02-12	Clearance Inventory and Video	Dec-07	\$1.07
M503-02-13	Bridge Walkways	Feb-09	\$2.10
M503-02-15	Catenary Painting NHL (NYS)	Oct-09	\$2.99
M503-02-16	Employee Welfare and Storage Facilities	May-09	\$2.50
M503-02-17	Beacon Line Undergrade Bridge	Dec-09	\$2.86
M503-02-18	Systemwide Flood Control	Dec-09	\$0.50
M503-03-01	West of Hudson Track Program	Dec-09	\$36.70
M503-03-02	West of Hudson Improvements	Oct-09	\$2.50
M503-03-03	Moodna/Woodbury Viaducts	Dec-09	\$5.15
M503-03-04	Otisville Tunnel	Dec-09	\$1.00
M503-03-05	Undergrade Bridge Program West of Hudson	Dec-09	\$6.35
M504-01-05	Replace CTC Systems (OCC/ECC)	Dec-08	\$26.69
M504-01-07	Signal System Replacement	Dec-09	\$27.44
M504-01-10	Upgrade Grade Crossings	Dec-09	\$0.95
M504-01-11	C&S Cable Replacement GCT to Mott Haven	Jan-09	\$3.80
M504-01-12	Vital Processor System (GCT)	Aug-09	\$6.21
M504-01-13	Refurbish/Replace Electric Switch Machines	Dec-09	\$0.95
M504-01-14	Replace High Cycle Rate Relays	Nov-08	\$0.75
M504-01-15	Replace Track Relays	Nov-08	\$2.47
M504-01-16	Replace Interlocking/Siding - West of Hudson	Dec-09	\$1.93
M505-01-01	Substation Bridge 23	Dec-09	\$12.80
M505-01-02	Substation Retrofit - Harlem and Hudson Lines	May-09	\$13.10
M505-01-03	Replace Harlem River Lift Bridge Breaker Houses	Dec-09	\$3.75
M505-01-04	Aluminum 3rd Rail and E-Rail GCT Lower Level	Jun-08	\$1.92
M505-01-05	Replace Substation Batteries	Oct-09	\$0.74
M505-01-06	Replace Motor Alternators	Jul-09	\$5.71



**MetroNorth Railroad**  
**2006 - 2010 Project Completions**  
**(\$ in Millions)**

<b>Project ID</b>	<b>Project Description</b>	<b>Complete 06-10</b>	<b>Project Allocation</b>
M505-01-07	Install High Speed DC Circuit Breaker Relay Protection	Dec-07	\$1.94
M505-01-08	Harlem and Hudson Lines Power Improvements	Apr-10	\$41.20
M505-01-09	Rehab Harlem and Hudson Lines Substations	Dec-09	\$11.40
M505-01-10	Install Sectionalizing Switches GCT	Jan-09	\$3.81
M506-01-03	Harmon Shop Replacement (Phase III)	Jun-09	\$324.10
M506-01-05	Highbridge Car Wash Facility	Dec-08	\$12.89
M506-01-06	Poughkeepsie Yard Improvements	Jul-09	\$1.10
M506-01-07	Improvements	Dec-08	\$1.54
M508-01-02	Systemwide Lead/Asbestos Abatement	Jun-10	\$5.50
M508-01-03	Environmental Remediation	Jun-10	\$2.20
M508-01-09	Customer and Employee Communications Projects	Dec-09	\$8.60

**Bridges and Tunnels**  
**2006 - 2010 Project Completions**  
(\$ in Millions)

Project ID	Project Description	Complete 06-10	Project Allocation
D401CB08	Deck & Drainage Rehabilitation	May-06	\$3.30
D401MP02	Structural Steel Repairs	Feb-06	\$1.81
D401TN85	Suspended Span Cable Rewrapping	Feb-06	\$2.10
D402BB28	Rehabilitation of Tunnel Walls, Roadway Drainage	Nov-06	\$82.61
D402BW82	Susp Span/Deck Replacement	Mar-07	\$185.72
D402TB65	Deck Rpl: Manhattan Plaza & Ramps (Design Only Project)	Aug-07	\$23.79
D402VN17	Rehab.Appr. Span Deck, Exp.Joints, Elec., Lily Pond Ave. Ph.II	Aug-06	\$4.00
D402VN28	Curb Plate/Scupper Installation -LL Susp.Span	Dec-07	\$6.99
D404AW32	Rotating Prism signs at Toll Plaza	Oct-07	\$8.36
D404AW34	Installation of Security System	Jul-06	\$12.77
D404BB82	Replacement & Expansion of Electrical Systems	Jul-06	\$4.21
D404QM80	Repl & Rehab Exhaust & Supply	Mar-08	\$34.45
D405BB21	Sevice Building Rehabilitation	Jun-06	\$5.15
D405BB47	New Sewer Connection at GI Vent Bldg	Apr-06	\$0.55
D405TB57	Tenant Relocation/New Building to House DPR	Dec-07	\$10.00
D405VN38	Rehabilitation of Building Roofs	Dec-06	\$2.05
D501BB28	Rehabilitation of Tunnel Walls (Design Only Project)	Dec-09	\$3.36
D501BW84	Cable and Anchorage Investigat (Design Only Project)	Dec-09	\$9.60
D501BW85	Critical Panel Unwrapping	Jan-09	\$10.52
D501BW86	Partial Replacement of Suspend	Jan-09	\$7.71
D501CB08	Deck and Structural Rehab	Jun-09	\$49.84
D501CB09	Substructure/Underwater Repair	Jun-09	\$15.92
D501MP02	Structural Steel Repairs	Mar-09	\$28.12
D501QM82	Rehab 2nd Avenue Overpass	Aug-07	\$5.19
D501TB66	Anchorage Rehab and Dehumid	Feb-09	\$15.44
D501TN85	Suspended Span Cable Rewrap	Jan-10	\$16.25
D502BW89	Elevated & On Grade (Bx) Appr.	Dec-10	\$133.08
D502HH04	Replace Cross Drainage	Jun-10	\$3.51
D502HH80	Replace Lower Level Deck	Sep-09	\$58.77
D502TB64	Replace Deck-RI Viaduct	Oct-08	\$269.47
D502TN50	Replace Concrete Deck	Oct-08	\$19.61
D502VN17	Rehabilitation of Approach	Nov-09	\$70.58
D502VN84	Widening of Belt Parkway Ramps (Design Only Project)	Apr-09	\$7.37
D503AW35	Weather Information Systems	Jun-09	\$1.00
D503AW36	Installation of CCTV/Fiber Opt	Apr-10	\$1.38
D503AW37	Operation Centers TS Systems	May-10	\$3.54
D503AW47	Digital Video Surveillance Sys	Jun-09	\$4.57
D503AW49	E-Zpass Systems Infrastructure	Jul-10	\$2.04
D503BW12	New Toll Plaza - Design (Design Only Project)	Dec-09	\$7.46
D504BB15	Expand/Upgrade Control Center	Sep-08	\$10.15
D504BB45	Rehabilitation of Tunnel Vent. (Design Only Project)	Sep-07	\$2.76
D504QM30	Electric Upgrade Vent Bldgs (Design Only Project)	May-09	\$3.23
D504TN51	Bridge Lighting and Fac Power	Aug-10	\$2.64
D505BB46	Pipe Gallery Rehabilitation	Dec-07	\$2.84
D505BB47	New Sewer Connection-Gov Island	Nov-07	\$1.80
D505BB80	Rehabilitation of Ventilation	Apr-09	\$18.43
D505TB34	New Service Building	Jun-10	\$64.36
D505TB57	Tenant Relocation/New Bldg II	Dec-09	\$22.02
D505TB58	Rehab Robert Moses Bldg (Design Only Project)	Mar-09	\$1.75
D505TB59	Rehab of Building 104	Aug-08	\$21.54

**MTA Capital Construction Company**  
**2006-2010 Project Completions**  
**(\$ in Millions)**

<b>Project ID</b>	<b>Project Description</b>	<b>Complete 06-10</b>	<b>Project Allocation</b>
ET060102	2 Fans:South Ferry/Battery-BW7	May-08	\$35.00
G4090119	MH Tunnels Excavation	Apr-10	\$407.70
G4090120	Queens Open Cut Excavation	Nov-08	\$131.20
G4090125	Tier 2 Locomotives	Oct-07	\$4.50
G4090125	Wood Interlocking	Aug-08	\$26.90
G4090137	Arch Street Connection	Jun-06	\$12.18
G4100101	SAS EIS/Preliminary Engineering	Apr-06	\$232.40
G4100102	SAS Final Design	Jun-08	\$185.81
G4100106	SAS Tunnels 92 St-62 St	Jan-09	\$399.00
G4120101	FSTC Project-Wide Elements	Jun-09	\$111.04
G4120102	FSTC Dey St Conc Struct Box	Jan-08	\$160.04
G4120103	FSTC Real Estate	Aug-06	\$137.23
G4120104	FSTC 2/3 Rehab & 4/5 Stairs	Jul-07	\$43.55
G4120105	FSTC Deconstruction,Foundation	Jan-08	\$45.12
G4120106	FSTC A/C Mezzanine, J/M/Z	Apr-09	\$72.89
G4120107	FSTC Dey St Finishes,4/5 Rehab	Jun-09	\$210.10
G4120108	FSTC Corbin Bldg Restoration	Dec-08	\$19.04
G4120201	SoFe Terminal Structure	Aug-07	\$292.21
G4120202	SoFe Terminal Finishes/System	May-08	\$98.17
G4120204	SoFe Landscaping	May-08	\$15.08
G5090115	55th Street Vent Plant	Apr-10	\$54.21
G5090117	Harold Strutures (Part 1)	Mar-09	\$122.90
G5090118	Harold Stage 1	Mar-09	\$72.50
G5090119	Harold & Point CIL	Aug-10	\$53.34
G5090120	Procure Rail Fasteners	Oct-09	\$10.40
G5110101	Running Tunnel and 10th Ave Station Shell	Jun-09	\$800.00
G5110102	Final Design	Jan-07	\$25.00

**MTA Police Department**  
**2006 - 2010 Project Completions**  
**(\$ in Millions)**

<b>Project ID</b>	<b>Project Description</b>	<b>Complete 06-10</b>	<b>Project Allocation</b>
N5100101	Suffolk Cnty. District Office	Jun-08	\$4.70
N5100104	K9 Facility	Nov-06	\$3.50
N5100106	Emergency Service units	Jan-07	\$0.45
N5100107	GEC	Jun-10	\$1.68
N5100108	Administration	Jun-10	\$2.49
N5100109	Public Safety Radio	Dec-09	\$45.00
N5100110	Communications Center Backup	Sep-07	\$2.00
N5100112	Integrated Incident Mgt. Sys.	Jun-08	\$0.30
N5100113	Access Control	Dec-08	\$1.20
N5100114	Enhanced 911	Jun-08	\$1.50

**MTA Bus Company**  
**2006-2010 Project Completions**  
**(\$ in Millions)**

Project ID	Project Description	Complete 06-10	Project Allocation
U4030205	192 Hi-Cap Express 2005	Mar-06	\$91.92
U4030206	59 Hi-Cap Express 2006	Dec-06	\$29.69
U4030204	284 Hybrid-Electric Buses 2005	Jun-07	\$154.16

## **OPERATING IMPACTS EXCEEDING \$1 MILLION FOR CAPITAL PROJECTS REACHING BENEFICIAL USE 2007 - 2010**

**Note: The following operating impact assumptions for capital projects reaching beneficial use in 2007 through 2010 are all included in the current financial plan.**

### **NEW YORK CITY TRANSIT CAPITAL PROJECTS**

**Project:** Charleston Depot Annex

This is a new bus depot. 72 positions are added, reflecting the fixed overhead of operating a depot. Beginning in 2009, 10 of the positions include security guards, who will provide 24x7 coverage. Initial operating impacts begin in 2008 (\$1.2 million), but full impacts begin in 2009, totaling about \$5.8 million annually.

**Project:** Purchase 216 Hybrid Electric Buses

Hybrid Buses are more expensive to maintain than the standard diesel buses. An additional 32-53 positions per year are needed in this period; all the positions reflect maintainer positions, while the OTPS expenses are maintenance materials. However, some of the expense is offset by diesel fuel savings. The increased impacts begin in 2008 (\$2.1 million), but full impacts begin in 2009 \$8.0 million) as all buses enter their major maintenance cycles.

**Project:** Grand Avenue Bus Maintenance Facility

This is a new bus depot and central maintenance facility. 108 new positions are reflected: 83 positions reflect the fixed overhead of operating a depot and central maintenance facility and the additional 25 positions reflect the fixed overhead for Supply Logistics (NYCT's distribution division). The OTPS costs include 24x7 security coverage. Full impacts begin in 2008 (\$11.2 million).

**Project:** Paratransit AVL

Maintain assets associated with Paratransit AVL, includes contract maintenance as well as in-house support. Impacts begin in 2007 (\$1.1 million).

**Project:** Public Address/Customer Information Screens – 156 IRT Stations

Total impacts begin in 2009, reflecting 20 positions (\$2.6 million). Impacts appear in two areas. The TIS area includes vendor software maintenance and resources to support the active directory of the PA/CIS application (\$1.2 million). The Electronics Maintenance Division (EMD) includes \$1.5 million to maintain assets associated with the enhanced public address system.

### **LONG ISLAND RAIL ROAD CAPITAL PROJECTS**

**Project:** M7 Electric Car Procurement (158 Cars)

M7 cars have different maintenance requirements than their predecessors (M1 electric fleet) due to new technology, customer communications, and Life Cycle Maintenance (LCM) program. Some of these costs should be offset by greater reliability as evident by higher Mean Distance

Between Failure (MDBF). Cost associated with larger fleet (increment of 108 cars). Impact date: 2/2007. The operating budget includes \$25.9 million for expenses in 2007, and over \$26 million per year beginning in 2008.

### **METRO-NORTH RAILROAD CAPITAL PROJECTS**

There are no new capital projects entering beneficial use in 2007 – 2010 that have an impact on the MNR's operating budget over \$1.0 million.

### **BRIDGES AND TUNNELS CAPITAL PROJECTS**

There are no capital projects entering beneficial use in 2007 – 2010 that have an impact on the B&T's operating budget over \$1.0 million.

## **VIII. Agency Financial Plans**



# **Bridges and Tunnels**

**MTA Bridges and Tunnels**  
**2007 Final Proposed Budget**  
**November Financial Plan 2007–2010**

**MISSION STATEMENT/MAJOR HIGHLIGHTS**

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

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

MTA Bridges & Tunnels continues to be successful in achieving its primary goals in 2006. Total Support to Mass Transit for 2006 is now projected to be \$732.3 million, \$16.7 million higher than the July Forecast. Total revenue is projected to increase by \$6.1 million against the July plan, while expenses are expected to decrease by \$5.2 million. Since 1968, when B&T became part of the MTA, approximately \$14.8 billion has been provided to the MTA for support to mass transit.

Operationally, safety is the agency's first priority. Through August 2006, there were 38 employee lost time injuries, up slightly compared to the same period last year. Despite this year's increase however, employee injuries have decreased by more than 85% since the MTA All-Agency Safety Initiative began 10 years ago.

To enhance customer safety B&T continues to identify collision hot spots, re-evaluate and modify traffic patterns in construction zones, and improve roadway signage. Through August 2006, the collision rate was 5.42 per million vehicles, exceeding performance for the same period in 2005.

Customer satisfaction is also a key goal for B&T. In its most recent survey, B&T's customers rated their overall satisfaction at 7.0 out of 10 in 2005. This is consistent with B&T's historical performance, despite near record high traffic, a

toll increase and significant construction at several facilities. Overall satisfaction with the agency's E-ZPass system was 8.2, also consistent with historical performance.

A key factor driving customer satisfaction is the reduction in median queue time during peak periods. E-ZPass has enabled B&T to maintain low average peak hour queue times while managing much higher levels of traffic than existed prior to implementation of electronic toll collection. More than 74% of all weekday B&T traffic and 85% of all weekday truck traffic use E-ZPass. Through August 2006 these high market shares have played an important role in keeping median vehicle queue time at 10 seconds, which is 50% lower than B&T's 20-second goal.

Other highlights of the past year include the completion of the E-ZPass tag replacement program; the expansion of E-ZPass (in the fall of 2005) to Illinois, bringing the total number of organizations now using E-ZPass to 22 toll systems in 11 states and one border crossing; and a record level bridge painting budget of \$46 million.

## **FINANCIAL OVERVIEW**

B&T's Financial Plan, consistent with its strategic operating and financial goals, is projecting net income of \$4.2 billion for the next five years (2006-2010) before factoring in the Program to Eliminate the Gap (PEG).

There are no net headcount changes from the previous financial plan. B&T's pre-PEG headcount will be 1,822 in 2006. In 2007 and beyond, the pre-PEG headcount is expected to be 1,828 due to a net increase of six security-related positions.

For 2006, B&T projects a total of \$882.9 million in net income before factoring in the Program to Eliminate the Gap (PEG). This consists of \$1,273.0 million in revenue, offset by \$390.1 million in total expenses. Net income is \$11.3 million better than the July Forecast.

- In 2007, B&T projects a total of \$837.6 million in net income before factoring in the Program to Eliminate the Gap (PEG). This consists of \$1,265.2 million in total revenue offset by \$427.6 million in total expenses.
- In 2008, B&T estimates \$843.0 million in net income before factoring in the Program to Eliminate the Gap (PEG). This consists of \$1,267.2 million in total revenue offset by \$424.2 million in total expenses.
- In 2009, B&T projects a total of \$817.3 million in net income before factoring in the Program to Eliminate the Gap (PEG). This consists of \$1,264.2 million in total revenue offset by \$446.9 million in total expenses.

- In 2010, B&T projects a total of \$777.1 million in net income before factoring in the Program to Eliminate the Gap (PEG). This consists of \$1,263.3 million in total revenue offset by \$486.2 million in total expenses.

## **2006 November Forecast**

As noted, the \$882.9 million in net income projected in this Plan is generated through total revenues of \$1,273.0 million, offset by \$390.1 million in total expenses.

Total revenues are higher than the July Forecast by \$6.1 million due to increased toll revenues resulting predominately from higher commercial traffic volumes (\$0.9 million), additional income from non-toll revenue sources including higher parking receipts from the Battery Parking Garage (\$1.3 million), a one-time arbitrage refund (\$2.8), and greater returns on short-term investments (\$1.1 million).

Against the Adopted Budget, total revenues are \$33.0 million lower, due largely (as discussed in the July Plan) to a methodological change in funding B&T's ongoing security program. Security expenses are now built into B&T's baseline as opposed to being reimbursed by MTA Headquarters. This has no effect on B&T's security program. The other major revenue declines from the Adopted Budget are the New York State legislated repeal of the \$1 per month E-ZPass account fee, effective June 1, 2006 (\$7.6 million), and lower toll revenues due to weather impacts and higher gas prices (\$3.4 million). These unfavorable variances against the Adopted Budget are partially offset by modest gains in various other income sources totaling \$5.4 million.

Total expenses are composed of \$207.2 million in labor costs and \$182.9 million in non-labor expenses. Total expenses are \$5.2 million lower than the July Forecast due primarily to a \$6.2 million carryover from 2006 to 2007 of the transition/start-up costs associated with the expected award of a new contract for the E-ZPass Customer Service Center (CSC), and lower operating expenses of \$2.6 million related to the existing E-ZPass CSC contract. These reductions are offset by higher than anticipated bridge painting expenses (\$2.6 million) due to the acceleration of work at the Triborough Bridge and a re-estimate of overtime expenses (\$1.6 million). These activities will be discussed further in the Plan-to-Plan Summary of Changes.

Total expenses are \$16.0 million lower than the Adopted Budget. Non-labor expenses are \$26.3 million lower primarily due to the aforementioned timing of the new contract for the E-ZPass CSC and the lower operating costs associated with the current contract. These favorable expense variances are offset by increased overtime (\$2.0 million) due to higher than anticipated vacancies, and upward adjustments for pension benefits (\$3.5 million), worker's compensation (\$1.8 million), and bridge painting (\$2.6 million).

The total planned headcount of 1,822 in 2006 includes 49 capital reimbursable positions and remains unchanged from the July Mid-Year Forecast. There are no new proposed PEGs for 2006 in this Financial Plan.

Details regarding the reconciliation of the November Financial Plan to the July Financial Plan and the assumptions for traffic and headcount are discussed in the Plan-to-Plan Summary of Changes and the Other Assumptions sections

### **2007 Final Proposed Budget - Baseline**

In the 2007 Final Proposed Budget, a total of \$837.6 million is projected in net income for 2007 before factoring in the savings associated with PEGs. This consists of \$1,265.2 million in revenues, offset by \$427.6 million in expenses. Total operating expenses are composed of \$212.6 million in labor costs and \$215.0 million in non-labor expenses. The major expense variance against the July Plan is the rollover of the E-ZPass Customer Service Center transition/start-up costs from 2006 to 2007.

In 2007, the total baseline headcount will be 1,828, which includes 49 capital reimbursable positions. The 2007 Final Proposed Budget also includes 21 PEG headcount reductions below the line. These actions will be discussed later in this document, under Gap Closing Measures. No new needs are anticipated in this plan for 2007.

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

### **2008-2010 Projections**

The 2008 projection for net income is \$843.0 million before factoring in the savings from PEGs. This consists of \$1,267.2 million in revenues, offset by \$424.2 million in expenses. Total operating expenses are comprised of \$223.8 million in labor costs and \$200.4 million in non-labor expenses.

In 2008, the total baseline headcount will be 1,828, which includes 49 capital reimbursable positions. Incorporating all of the PEGs proposed in the July Forecast will bring the total headcount to 1,808 in 2008. These actions are discussed later in this document under Gap Closing Measures. No new needs are anticipated at this time for 2008.

The 2009 and 2010 projections for net income are \$817.3 million and \$777.1 million, respectively, before factoring in the savings from PEGs. For 2009, this consists of \$1,264.2 million in revenues, offset by \$446.9 million in expenses. Total operating expenses are composed of \$234.8 million in labor costs and \$212.1 million in non-labor expenses. For 2010, net income consists of \$1,263.3 million in revenues, offset by \$486.2 million in expenses. The

expenses are composed of \$246.7 million in labor costs and \$239.5 million in non-labor expenses.

In 2009 and 2010, the total baseline headcount will remain at 1,828, including the 49 capital reimbursable positions. The 2009 and 2010 projections also include the PEGs proposed in the July Forecast, maintaining headcount at 1,808. These actions are discussed below under Gap Closing Measures.

Details for the reconciliations of the November Financial Plan to the July Financial are discussed in the Plan-to-Plan Summary of Changes, and the assumptions guiding traffic and headcount projections are discussed in the Other Assumptions section.

## **GAP CLOSING MEASURES**

There were no changes to the PEGs submitted in the July Mid-Year Forecast. The previously-submitted PEGs included the following actions:

### **2007 PEG Actions**

- There were two PEG actions proposed in previous years that will impact 2007. They are projected to reduce costs by \$0.053 million in 2007, annualized to \$0.087 in 2008. They include:
  - Reduction of one administrative position in the Payroll Department
  - Reduction of one administrative position in Accounts Payable
- There were five 2007 PEG actions proposed in the July Mid-Year Forecast. Two of the PEGs begin in the fourth quarter of 2006 and are projected to generate \$0.176 million in cost reductions in 2006. For 2007, these PEG actions amount to a total of \$1.113 million and will annualize to \$2.563 million in 2008. They include:
  - Field Supervision Scheduling Efficiencies
  - Reduce Field Supervision Overtime
  - Reduction of one administrative position in Human Resources
  - Reduction of telephone expenses
  - Net reduction of headcount in Operations (18 positions).

### **Post-2007 PEG Actions**

- One additional PEG action was proposed in the July Mid-Year Forecast, which will generate \$0.072 million in 2008:
  - Bringing roadway sweeping in-house (one additional headcount with OTPS offsets).

No new PEGs are scheduled to begin in 2009 to 2010.

Together, the PEG actions listed above are projected to generate expense reductions of \$0.176 million in 2006, \$1.166 million in 2007, \$2.722 million in 2008, \$2.734 million in 2009 and \$2.746 million in 2010.

**MTA BRIDGES & TUNNELS**  
**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
<b>Operating Revenue</b>						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	1,204.944	1,234.903	1,236.873	1,239.595	1,236.127	1,234.706
Other Operating Revenue	23.100	16.627	7.027	7.917	7.999	8.078
Capital and Other Reimbursements	25.874	0.000	0.000	0.000	0.000	0.000
Investment Income	5.358	7.336	4.731	4.400	4.532	4.570
<b>Total Revenue</b>	<b>\$1,259.276</b>	<b>\$1,258.866</b>	<b>\$1,248.631</b>	<b>\$1,251.912</b>	<b>\$1,248.658</b>	<b>\$1,247.354</b>
<b>Operating Expenses</b>						
<u><b>Labor:</b></u>						
Payroll	\$105.575	\$111.660	\$115.544	\$121.625	\$126.447	\$131.642
Overtime	22.126	24.600	22.490	23.074	23.853	24.530
Health and Welfare	25.864	30.519	34.095	38.033	42.072	46.517
Pensions	9.895	17.500	17.282	17.919	18.434	18.917
Other Fringe Benefits	15.578	15.484	14.395	15.196	15.776	16.445
Reimbursable Overhead	(\$5.467)	(\$6.750)	(\$7.850)	(\$7.290)	(\$7.329)	(\$7.358)
<b>Total Labor Expenses</b>	<b>\$173.571</b>	<b>\$193.013</b>	<b>\$195.957</b>	<b>\$208.557</b>	<b>\$219.252</b>	<b>\$230.694</b>
<u><b>Non-Labor:</b></u>						
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	7.869	9.509	10.535	11.713	12.637	13.846
Claims	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
Maintenance and Other Operating Contracts	128.116	143.805	169.415	153.057	160.164	162.880
Professional Service Contracts	11.571	13.169	16.262	16.675	16.917	17.148
Materials & Supplies	21.409	14.280	16.548	16.598	20.005	43.245
Other Business Expenses	1.136	2.164	2.310	2.351	2.379	2.406
<b>Total Non-Labor Expenses</b>	<b>\$170.101</b>	<b>\$182.927</b>	<b>\$215.070</b>	<b>\$200.394</b>	<b>\$212.102</b>	<b>\$239.525</b>
<u><b>Other Expense Adjustments:</b></u>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses Before Depreciation</b>	<b>\$343.672</b>	<b>\$375.941</b>	<b>\$411.027</b>	<b>\$408.951</b>	<b>\$431.355</b>	<b>\$470.219</b>
Add: Depreciation	\$49.800	\$50.200	\$56.500	\$61.200	\$66.700	\$72.000
<b>Total Expenses After Depreciation</b>	<b>\$393.472</b>	<b>\$426.141</b>	<b>\$467.527</b>	<b>\$470.151</b>	<b>\$498.055</b>	<b>\$542.219</b>
Less: Depreciation	\$49.800	\$50.200	\$56.500	\$61.200	\$66.700	\$72.000
<b>Total Expenses</b>	<b>\$343.672</b>	<b>\$375.941</b>	<b>\$411.027</b>	<b>\$408.951</b>	<b>\$431.355</b>	<b>\$470.219</b>
<b>Baseline Income/(Deficit)</b>	<b>\$915.604</b>	<b>\$882.925</b>	<b>\$837.605</b>	<b>\$842.961</b>	<b>\$817.303</b>	<b>\$777.135</b>
2007 Agency Program to Eliminate the Gap	\$0.000	\$0.176	\$1.166	\$2.650	\$2.663	\$2.676
Post 2007 Agency Program to Eliminate the Gap	\$0.000	\$0.000	\$0.000	\$0.072	\$0.071	\$0.071
<b>Net Income/(Deficit)</b>	<b>\$915.604</b>	<b>\$883.101</b>	<b>\$838.771</b>	<b>\$845.683</b>	<b>\$820.037</b>	<b>\$779.882</b>



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**MTA BRIDGES & TUNNELS**  
**November Financial Plan 2007 - 2010**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

**NON-REIMBURSABLE / REIMBURSABLE**  
Page 1 of 2

	2005	2006	2007			
	Actuals	November Forecast	Final Proposed Budget	2008	2009	2010
<b>Revenue</b>						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	1,204.944	1,234.903	1,236.873	1,239.595	1,236.127	1,234.706
Other Operating Revenue	23.100	16.627	7.027	7.917	7.999	8.078
Capital and Other Reimbursements	38.339	14.160	16.616	15.230	15.541	16.023
Investment Income	5.358	7.336	4.731	4.400	4.532	4.570
<b>Total Revenue</b>	<b>\$1,271.741</b>	<b>\$1,273.026</b>	<b>\$1,265.247</b>	<b>\$1,267.142</b>	<b>\$1,264.199</b>	<b>\$1,263.377</b>
<b>Expenses</b>						
<b><u>Labor:</u></b>						
Payroll	\$110.389	\$116.562	\$121.237	\$126.887	\$131.871	\$137.240
Overtime	22.126	24.718	22.777	23.192	23.903	24.665
Health and Welfare	27.023	31.800	35.586	39.400	43.585	48.192
Pensions	10.142	17.773	17.601	18.213	18.736	19.227
Other Fringe Benefits	16.334	16.320	15.371	16.095	16.699	17.392
Reimbursable Overhead	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Labor Expenses</b>	<b>\$186.014</b>	<b>\$207.173</b>	<b>\$212.573</b>	<b>\$223.787</b>	<b>\$234.793</b>	<b>\$246.717</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	7.869	9.509	10.535	11.713	12.637	13.846
Claims	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
Maintenance and Other Operating Contracts	128.138	143.805	169.415	153.057	160.164	162.880
Professional Service Contracts	11.571	13.169	16.262	16.675	16.917	17.148
Materials & Supplies	21.409	14.280	16.548	16.598	20.005	43.245
Other Business Expenses	1.136	2.164	2.310	2.351	2.379	2.406
<b>Total Non-Labor Expenses</b>	<b>\$170.123</b>	<b>\$182.927</b>	<b>\$215.070</b>	<b>\$200.394</b>	<b>\$212.102</b>	<b>\$239.525</b>
<b><u>Other Expense Adjustments:</u></b>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses Before Depreciation</b>	<b>\$356.137</b>	<b>\$390.101</b>	<b>\$427.643</b>	<b>\$424.181</b>	<b>\$446.896</b>	<b>\$486.242</b>
Add: Depreciation	\$49.800	\$50.200	\$56.500	\$61.200	\$66.700	\$72.000
<b>Total Expenses After Depreciation</b>	<b>\$405.937</b>	<b>\$440.301</b>	<b>\$484.143</b>	<b>\$485.381</b>	<b>\$513.596</b>	<b>\$558.242</b>
Less: Depreciation	\$49.800	\$50.200	\$56.500	\$61.200	\$66.700	\$72.000
<b>Total Expenses</b>	<b>\$356.137</b>	<b>\$390.101</b>	<b>\$427.643</b>	<b>\$424.181</b>	<b>\$446.896</b>	<b>\$486.242</b>
<b>Baseline Net Income/(Deficit)</b>	<b>\$915.604</b>	<b>\$882.925</b>	<b>\$837.605</b>	<b>\$842.961</b>	<b>\$817.303</b>	<b>\$777.135</b>
2007 Agency Program to Eliminate the Gap	\$0.000	\$0.176	\$1.166	\$2.650	\$2.663	\$2.676
Post 2007 Agency Program to Eliminate the Gap	\$0.000	\$0.000	\$0.000	\$0.072	\$0.071	\$0.071
<b>Net Income/(Deficit)</b>	<b>\$915.604</b>	<b>\$883.101</b>	<b>\$838.771</b>	<b>\$845.683</b>	<b>\$820.037</b>	<b>\$779.882</b>

**MTA BRIDGES & TUNNELS**  
**November Financial Plan 2007 - 2010**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

**NON-REIMBURSABLE / REIMBURSABLE**  
**Page 2 of 2**

	2005 Actuals	2006 November Forecast	2007 Final Proposed Budget	2008	2009	2010
<b>Baseline Income/(Deficit)</b>	<b>\$915.604</b>	<b>\$882.925</b>	<b>\$837.605</b>	<b>\$842.961</b>	<b>\$817.303</b>	<b>\$777.135</b>
<u><b>Deductions from Income:</b></u>						
Less: Capitalized Assets	\$7.327	\$8.691	\$13.703	\$12.940	\$13.210	\$13.502
Reserves	\$15.326	\$13.193	\$13.417	\$13.667	\$13.953	\$14.261
<b>Adjusted Baseline Income/(Deficit)</b>	<b>\$892.951</b>	<b>\$861.041</b>	<b>\$810.485</b>	<b>\$816.354</b>	<b>\$790.140</b>	<b>\$749.372</b>
Less: Debt Service	\$435.900	\$452.443	\$467.040	\$480.266	\$498.434	\$515.800
<b>Income Available for Distribution</b>	<b>\$457.051</b>	<b>\$408.598</b>	<b>\$343.445</b>	<b>\$336.088</b>	<b>\$291.706</b>	<b>\$233.572</b>
<u><b>Distributable To:</b></u>						
MTA - Investment Income	\$5.358	\$7.336	\$4.731	\$4.400	\$4.532	\$4.570
MTA - Distributable Income	\$271.720	\$250.837	\$219.961	\$216.435	\$194.143	\$165.028
NYCT - Distributable Income	\$179.986	\$150.424	\$118.752	\$115.253	\$93.032	\$63.973
<b>Total Distributable Income:</b>	<b>\$457.064</b>	<b>\$408.598</b>	<b>\$343.445</b>	<b>\$336.088</b>	<b>\$291.706</b>	<b>\$233.572</b>
<u><b>Actual Cash Transfers:</b></u>						
MTA - Investment Income	\$1.368	\$5.358	\$7.336	\$4.731	\$4.400	\$4.532
MTA - Transfers	\$288.305	\$261.230	\$223.049	\$216.788	\$196.372	\$167.940
NYCT - Transfers	\$188.977	\$154.784	\$121.920	\$115.603	\$95.254	\$66.879
<b>Total Cash Transfers:</b>	<b>\$478.650</b>	<b>\$421.372</b>	<b>\$352.305</b>	<b>\$337.122</b>	<b>\$296.026</b>	<b>\$239.351</b>
<u><b>SUPPORT TO MASS TRANSIT:</b></u>						
Total Revenues	\$1,271.741	\$1,273.026	\$1,265.247	\$1,267.142	\$1,264.199	\$1,263.377
Less: Net Operating Expenses	\$356.137	\$390.101	\$427.643	\$424.181	\$446.896	\$486.242
2007 Agency Program to Eliminate the Gap	\$0.000	\$0.176	\$1.166	\$2.650	\$2.663	\$2.676
Post 2007 Agency Program to Eliminate the Gap	\$0.000	\$0.000	\$0.000	\$0.072	\$0.071	\$0.071
<b>Net Operating Income:</b>	<b>\$915.604</b>	<b>\$883.101</b>	<b>\$838.771</b>	<b>\$845.683</b>	<b>\$820.037</b>	<b>\$779.882</b>
<u><b>Deductions from Operating Income:</b></u>						
B&T Debt Service	\$109.373	\$128.916	\$141.447	\$154.746	\$173.101	\$190.613
Capitalized Assets	\$7.327	\$8.691	\$13.703	\$12.940	\$13.210	\$13.502
Reserves	\$15.326	\$13.193	\$13.417	\$13.667	\$13.953	\$14.261
<b>Total Deductions from Operating Income:</b>	<b>\$132.026</b>	<b>\$150.800</b>	<b>\$168.567</b>	<b>\$181.353</b>	<b>\$200.264</b>	<b>\$218.376</b>
<b>Total Support to Mass Transit:</b>	<b>\$783.578</b>	<b>\$732.301</b>	<b>\$670.204</b>	<b>\$664.330</b>	<b>\$619.773</b>	<b>\$561.506</b>

**MTA Bridges and Tunnels**  
**November Financial Plan 2007-2010**  
**Year-to-Year Changes by Category - Accrual Basis**

**YEAR-TO-YEAR CHANGES: 2006-2010**

**Toll Revenue**

- Revenues are estimated to reach \$1,234.9 million in 2006 and \$1,236.9 million in 2007. The growth of \$2.0 million in 2007 is based on current traffic trends and economic forecasts provided by Global Insight.
- Toll revenues grow by \$2.7 million in 2008, primarily because of the additional day due to the leap year. The regular 365-day year in 2009, the economic projections for regional inflation, and a declining average toll due to expected increases in E-ZPass market share all contribute to a \$3.5 million drop in revenues in 2009. E-ZPass market share is forecast to grow modestly again in 2010, which reduces revenues further by \$1.4 million.
- Paid traffic is expected to reach 300.0 million vehicles in 2006, 301.0 million vehicles in 2007, 302.2 million in 2008, 301.8 million in 2009, and 302.0 million in 2010. These modest changes are based on the economic forecasts provided by Global Insight.

**Other Operating Revenue**

- Other Operating Revenue is projected at \$16.6 million in 2006 and is estimated to decrease by \$9.6 million in 2007 primarily due to the New York State legislated repeal of the \$1 per month E-ZPass account fee effective June 1, 2006 (\$7.9 million); lower lost tag fees associated with the Tag Swap Program (which will not occur because the program was completed in 2006) (\$0.7 million), and lower net income from the Battery Parking Garage (BPG) due to the need for additional equipment purchases (\$0.7 million).
- Total Other Operating Revenue increases by approximately by \$0.9 million in 2008, primarily due to fulfilling equipment needs at the BPG in 2007 and expected growth in parking receipts as economic conditions in Lower Manhattan continue to improve. Other Operating Revenue grows approximately \$0.1 million annually from 2009 on, reflecting continued net income growth at the BPG and various other miscellaneous sources.

**Capital and Other Reimbursements**

- Income from Capital and Other Reimbursements are projected to decrease by approximately \$2.5 million in 2007, increase by \$1.4 million in 2008, and decrease in 2009 and 2010 by \$0.3 million and \$0.5 million, respectively, due to adjustments in CPIU.

## **Investment Income**

- The investment income plan for 2006 through 2010 reflects earnings on estimated fund balances based on Global Insight's forecasts for short-term investment yields. The 2006 forecast also includes a one-time arbitrage refund of \$2.8 million. Investment income is estimated at \$7.3 million in 2006, \$4.7 million in 2007, \$4.4 million in 2008, \$4.5 million in 2009 and \$4.6 million in 2010.

## **Payroll**

- Expenses grow by \$4.7 million in 2007, \$5.7 million in 2008, \$5.0 million in 2009 and \$5.4 million in 2010, primarily due to CPIU and contractual step-up increases.
- Out-year CPIU increases are calculated slightly differently in this plan than in previous years in that there is a separation between represented and non-represented increases. Represented increases are as follows: 2.56% in 2007, 2.91% in 2008, 3.07% in 2009 and 3.20% in 2010. Non-represented personnel increases are 3.00% in 2007, 3.00% in 2008, 1.53% in 2009 and 1.84% in 2010, 2009 and 2010 based on Global Insight's forecasts for national inflation applied to salaries and overtime.

## **Overtime**

- In 2007, there is a decrease of \$1.9 million between 2006 and 2007 due primarily to lower anticipated vacancies offset by CPIU adjustments.
- In 2008, there is an increase of \$0.4 million due to CPIU.
- The year-over-year increases of \$0.7 million and \$0.8 million from 2008 to 2010 are primarily the result of CPIU adjustments.

## **Health and Welfare**

- The year-over-year increases from 2006 to 2010 are \$3.8 million, \$3.8 million, \$4.2 million and \$4.6 million. These increases are primarily due to a 10.68% CPIU for medical expenses that has been added to each year, based on estimates provided by the MTA.

## **Pensions**

- The 2006 to 2007 increases reflect the latest NYCERS estimates. The increases for 2008 to 2010 are due to CPIU.

## **Other Fringe Benefits**

- There is a decrease from 2006 to 2007 of \$0.9 million due to a one-time increase in the Worker's Compensation reserve in 2006. The year-over-year increases from 2007 to 2010 are \$0.7 million, \$0.6 million and \$0.7 million. These increases are due to the effect of CPIU inflators.

## **Insurance**

- Property and liability insurance expense increases range from \$0.9 million to \$1.2 million annually throughout the plan period based on MTA Risk Management's most recent estimates.

## **Maintenance and Other Operating Contracts**

- The 2007 expenses increased by \$25.6 million over 2006 primarily due to the carryover of the transition/start-up costs from 2006 resulting from the delay in award of the new contract for running the E-ZPass Customer Service Center (CSC) and other CSC operating expenses (\$20.4 million), additional bridge painting requirements (\$2.9 million), higher energy cost (\$0.8 million) and CPIU increases (\$2.6 million).
- In 2008, there is a decrease of \$16.4 million from 2007 primarily due to the completion of transitioning to a new vendor for the E-ZPass CSC contract in 2007 (\$17.1 million). This is offset primarily by CPIU increases (\$1.7 million).
- In 2009, expenses are \$7.1 million higher than 2008 primarily due to additional bridge painting requirements (\$3.5 million), E-ZPass CSC costs (\$0.6 million), E-ZPass credit card fees (\$0.4 million) and CPIU increases (\$2.4 million).
- In 2010, expenses are \$2.7 million higher than 2009 due to additional E-ZPass CSC costs (\$3.9 million) primarily for the new E-ZPass tag replacement program, growth in E-ZPass credit card fees (\$0.4 million) consistent with E-ZPass market share expectations, and CPIU increases of \$1.7 million. These are offset by lower bridge painting requirements (\$3.2 million).
- CPIU increases are 2.71% in 2007, 1.87% in 2008, 1.67% in 2009, and 1.57% in 2010, based on forecasts for national inflation provided by Global Insight.

## **Professional Service Contracts**

- For 2007, expenses are \$3.1 million higher than 2006 primarily due to re-estimates of general engineering services, legal services, bond insurance services fees and training services.
- In 2008, 2009 and 2010, expenses are higher as a result of CPIU increases.
- CPIU increases are 2.71% in 2007, 1.87% in 2008, 1.67% in 2009, and 1.57% in 2010, based on forecasts for national inflation provided by Global Insight.

## **Materials and Supplies**

- In 2007, expenses are \$2.3 million higher than 2006 primarily to cover the estimated inventory required to meet the tag needs associated with new and existing accounts (\$1.7 million), purchase of replacement vehicles (\$0.4 million), and CPIU increases (\$0.3 million).
- The 2008 expenses are \$0.1 million lower primarily for reduction of office equipment and other expenses, offset by increases from CPIU.
- For 2009 and 2010, the increase of \$3.4 million and \$23.2 million, respectively, is due to the commencement of the new E-ZPass tag replacement program in 2009 and 2010 and adjustments for CPIU increases.
- CPIU increases are 2.71% in 2007, 1.87% in 2008, 1.67% in 2009, and 1.57% in 2010, based on forecasts for national inflation provided by Global Insight.

## **Other Business Expenses**

- For 2007 through 2008, the higher expenses reflect CPIU increases.
- CPIU increases are 2.71% in 2007, 1.87% in 2008, 1.67% in 2009, and 1.57% in 2010, based on forecasts for national inflation provided by Global Insight.

**MTA BRIDGES AND TUNNELS**  
**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
<b>Revenue</b>									
Farebox Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vehicle Toll Revenue	1,234.903	1,236.873	1.970	1,239.595	2.722	1,236.127	(3.468)	1,234.706	(1.421)
Other Operating Revenue	16.627	7.027	(9.599)	7.917	0.890	7.999	0.082	8.078	0.079
Capital and Other Reimbursements	-	-	-	-	-	-	-	-	-
Investment Income	7.336	4.731	(2.605)	4.400	(0.331)	4.532	0.132	4.570	0.038
<b>Total Revenue</b>	<b>\$ 1,258.866</b>	<b>\$ 1,248.631</b>	<b>\$ (10.234)</b>	<b>\$ 1,251.912</b>	<b>\$ 3.281</b>	<b>\$ 1,248.658</b>	<b>\$ (3.254)</b>	<b>\$ 1,247.354</b>	<b>\$ (1.304)</b>
<b>Expenses</b>									
Labor:									
Payroll	\$ 111.660	\$ 115.544	\$ (3.884)	\$ 121.625	\$ (6.081)	\$ 126.447	\$ (4.822)	\$ 131.642	\$ (5.196)
Overtime	24.600	22.490	2.109	23.074	(0.584)	23.853	(0.779)	24.530	(0.677)
Health and Welfare	30.519	34.095	(3.576)	38.033	(3.938)	42.072	(4.039)	46.517	(4.445)
Pensions	17.500	17.282	0.218	17.919	(0.637)	18.434	(0.515)	18.917	(0.483)
Other Fringe Benefits	15.484	14.395	1.089	15.196	(0.801)	15.776	(0.580)	16.445	(0.669)
Reimbursable Overhead	(6.750)	(7.850)	1.100	(7.290)	(0.560)	(7.329)	0.039	(7.358)	0.029
<b>Total Labor Expenses</b>	<b>\$ 193.013</b>	<b>\$ 195.957</b>	<b>\$ (2.944)</b>	<b>\$ 208.557</b>	<b>\$ (12.600)</b>	<b>\$ 219.252</b>	<b>\$ (10.696)</b>	<b>\$ 230.694</b>	<b>\$ (11.441)</b>
Non-Labor:									
Traction and Propulsion Power	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fuel for Buses and Trains	-	-	-	-	-	-	-	-	-
Insurance	9.509	10.535	(1.026)	11.713	(1.178)	12.637	(0.924)	13.846	(1.209)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	143.805	169.415	(25.609)	153.057	16.357	160.164	(7.106)	162.880	(2.716)
Professional Service Contracts	13.169	16.262	(3.094)	16.675	(0.413)	16.917	(0.242)	17.148	(0.231)
Materials & Supplies	14.280	16.548	(2.267)	16.598	(0.050)	20.005	(3.408)	43.245	(23.239)
Other Business Expenses	2.164	2.310	(0.146)	2.351	(0.041)	2.379	(0.028)	2.406	(0.027)
<b>Total Non-Labor Expenses</b>	<b>\$ 182.927</b>	<b>\$ 215.070</b>	<b>\$ (32.142)</b>	<b>\$ 200.394</b>	<b>\$ 14.676</b>	<b>\$ 212.102</b>	<b>\$ (11.708)</b>	<b>\$ 239.525</b>	<b>\$ (27.423)</b>
Other Expenses Adjustments:									
Other	-	-	-	-	-	-	-	-	-
<b>Total Other Expense Adjustments</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Expenses before Depreciation</b>	<b>\$ 375.941</b>	<b>\$ 411.027</b>	<b>\$ (35.086)</b>	<b>\$ 408.951</b>	<b>\$ 2.076</b>	<b>\$ 431.355</b>	<b>\$ (22.404)</b>	<b>\$ 470.219</b>	<b>\$ (38.864)</b>
Add: Depreciation	50.200	56.500	(6.300)	61.200	(4.700)	66.700	(5.500)	72.000	(5.300)
<b>Total Expenses after Depreciation</b>	<b>\$ 426.141</b>	<b>\$ 467.527</b>	<b>\$ (28.786)</b>	<b>\$ 470.151</b>	<b>\$ 6.776</b>	<b>\$ 498.055</b>	<b>\$ (16.904)</b>	<b>\$ 542.219</b>	<b>\$ (33.564)</b>
Less: Depreciation	50.200	56.500	(6.300)	61.200	(4.700)	66.700	(5.500)	72.000	(5.300)
<b>Total Expenses</b>	<b>\$ 375.941</b>	<b>\$ 411.027</b>	<b>\$ (35.086)</b>	<b>\$ 408.951</b>	<b>\$ 2.076</b>	<b>\$ 431.355</b>	<b>\$ (22.404)</b>	<b>\$ 470.219</b>	<b>\$ (38.864)</b>
<b>Baseline Net Income/(Deficit)</b>	<b>\$ 882.925</b>	<b>\$ 837.605</b>	<b>\$ (45.320)</b>	<b>\$ 842.961</b>	<b>\$ 5.356</b>	<b>\$ 817.303</b>	<b>\$ (25.658)</b>	<b>\$ 777.135</b>	<b>\$ (40.169)</b>
2007 Program to Eliminate the Gap (PEG)	0.176	1.166	0.990	2.650	1.484	2.663	0.013	2.676	0.013
Post-2007 Program to Eliminate the Gap (PEG)	-	-	-	0.072	0.072	0.071	(0.001)	0.071	-
<b>Net Income/(Deficit)</b>	<b>\$ 883.101</b>	<b>\$ 838.771</b>	<b>\$ (44.330)</b>	<b>\$ 845.683</b>	<b>\$ 6.912</b>	<b>\$ 820.037</b>	<b>\$ (25.646)</b>	<b>\$ 779.882</b>	<b>\$ (40.156)</b>



**MTA BRIDGES AND TUNNELS**  
**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
<b>Revenue</b>									
Farebox Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vehicle Toll Revenue	-	-	-	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-	-	-	-
Capital and Other Reimbursements	14.160	16.616	2.456	15.230	(1.386)	15.541	0.311	16.023	0.482
Investment Income	-	-	-	-	-	-	-	-	-
<b>Total Revenue</b>	<b>\$ 14.160</b>	<b>\$ 16.616</b>	<b>\$ 2.456</b>	<b>\$ 15.230</b>	<b>\$ (1.386)</b>	<b>\$ 15.541</b>	<b>\$ 0.311</b>	<b>\$ 16.023</b>	<b>\$ 0.482</b>
<b>Expenses</b>									
Labor:									
Payroll	\$ 4.902	\$ 5.693	\$ (0.791)	\$ 5.262	\$ 0.431	\$ 5.424	\$ (0.162)	\$ 5.598	\$ (0.174)
Overtime	0.118	0.287	(0.169)	0.118	0.169	0.050	0.068	0.135	(0.085)
Health and Welfare	1.281	1.491	(0.210)	1.367	0.124	1.513	(0.146)	1.675	(0.162)
Pensions	0.273	0.319	(0.046)	0.294	0.025	0.302	(0.008)	0.310	(0.008)
Other Fringe Benefits	0.836	0.976	(0.140)	0.899	0.077	0.923	(0.024)	0.947	(0.024)
Reimbursable Overhead	6.750	7.850	(1.100)	7.290	0.560	7.329	(0.039)	7.358	(0.029)
<b>Total Labor Expenses</b>	<b>\$ 14.160</b>	<b>\$ 16.616</b>	<b>\$ (2.456)</b>	<b>\$ 15.230</b>	<b>\$ 1.386</b>	<b>\$ 15.541</b>	<b>\$ (0.311)</b>	<b>\$ 16.023</b>	<b>\$ (0.482)</b>
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	-	-	-	-	-	-	-	-	-
<b>Total Non-Labor Expenses</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Other Expenses Adjustments:									
Other	-	-	-	-	-	-	-	-	-
<b>Total Other Expense Adjustments</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Expenses before Depreciation</b>	<b>\$ 14.160</b>	<b>\$ 16.616</b>	<b>\$ (2.456)</b>	<b>\$ 15.230</b>	<b>\$ 1.386</b>	<b>\$ 15.541</b>	<b>\$ (0.311)</b>	<b>\$ 16.023</b>	<b>\$ (0.482)</b>
Add: Depreciation	-	-	-	-	-	-	-	-	-
<b>Total Expenses after Depreciation</b>	<b>\$ 14.160</b>	<b>\$ 16.616</b>	<b>\$ (2.456)</b>	<b>\$ 15.230</b>	<b>\$ 1.386</b>	<b>\$ 15.541</b>	<b>\$ (0.311)</b>	<b>\$ 16.023</b>	<b>\$ (0.482)</b>
Less: Depreciation	-	-	-	-	-	-	-	-	-
<b>Total Expenses</b>	<b>\$ 14.160</b>	<b>\$ 16.616</b>	<b>\$ (2.456)</b>	<b>\$ 15.230</b>	<b>\$ 1.386</b>	<b>\$ 15.541</b>	<b>\$ (0.311)</b>	<b>\$ 16.023</b>	<b>\$ (0.482)</b>
<b>Baseline Net Income/(Deficit)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (0.000)</b>	<b>\$ -</b>	<b>\$ (0.000)</b>	<b>\$ -</b>	<b>\$ -</b>
2007 Program to Eliminate the Gap (PEG)	-	-	-	-	-	-	-	-	-
Post-2007 Program to Eliminate the Gap (PEG)	-	-	-	-	-	-	-	-	-
<b>Net Income/(Deficit)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (0.000)</b>	<b>\$ -</b>	<b>\$ (0.000)</b>	<b>\$ -</b>	<b>\$ -</b>

**MTA BRIDGES AND TUNNELS**  
**November Financial Plan 2007 - 2010**  
**Year-to-Year Changes by Category - Accrual Basis**  
**(\$ in millions)**

**NON-REIMBURSABLE and  
REIMBURSABLE (Page 1 of 2)**

	Favorable/(Unfavorable)								
	2006	2007	Change 2007 - 2006	2008	Change 2008 - 2007	2009	Change 2009 - 2008	2010	Change 2010 - 2009
<b>Revenue</b>									
Farebox Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vehicle Toll Revenue	1,234.903	1,236.873	1.970	1,239.595	2.722	1,236.127	(3.468)	1,234.706	(1.421)
Other Operating Revenue	16.627	7.027	(9.599)	7.917	0.890	7.999	0.082	8.078	0.079
Capital and Other Reimbursements	14.160	16.616	2.456	15.230	(1.386)	15.541	0.311	16.023	0.482
Investment Income	7.336	4.731	(2.605)	4.400	(0.331)	4.532	0.132	4.570	0.038
<b>Total Revenue</b>	<b>\$ 1,273.026</b>	<b>\$ 1,265.247</b>	<b>\$ (7.778)</b>	<b>\$ 1,267.142</b>	<b>\$ 1.895</b>	<b>\$ 1,264.199</b>	<b>\$ (2.943)</b>	<b>\$ 1,263.377</b>	<b>\$ (0.822)</b>
<b>Expenses</b>									
<b>Labor:</b>									
Payroll	\$ 116.562	\$ 121.237	\$ (4.675)	\$ 126.887	\$ (5.650)	\$ 131.871	\$ (4.984)	\$ 137.240	\$ (5.370)
Overtime	24.718	22.777	1.940	23.192	(0.415)	23.903	(0.711)	24.665	(0.762)
Health and Welfare	31.800	35.586	(3.786)	39.400	(3.814)	43.585	(4.185)	48.192	(4.607)
Pensions	17.773	17.601	0.172	18.213	(0.612)	18.736	(0.523)	19.227	(0.491)
Other Fringe Benefits	16.320	15.371	0.949	16.095	(0.724)	16.699	(0.604)	17.392	(0.693)
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
<b>Total Labor Expenses</b>	<b>\$ 207.173</b>	<b>\$ 212.573</b>	<b>\$ (5.400)</b>	<b>\$ 223.787</b>	<b>\$ (11.214)</b>	<b>\$ 234.793</b>	<b>\$ (11.007)</b>	<b>\$ 246.717</b>	<b>\$ (11.923)</b>
<b>Non-Labor:</b>									
Traction and Propulsion Power	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fuel for Buses and Trains	-	-	-	-	-	-	-	-	-
Insurance	9.509	10.535	(1.026)	11.713	(1.178)	12.637	(0.924)	13.846	(1.209)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	143.805	169.415	(25.609)	153.057	16.357	160.164	(7.106)	162.880	(2.716)
Professional Service Contracts	13.169	16.262	(3.094)	16.675	(0.413)	16.917	(0.242)	17.148	(0.231)
Materials & Supplies	14.280	16.548	(2.267)	16.598	(0.050)	20.005	(3.408)	43.245	(23.239)
Other Business Expenses	2.164	2.310	(0.146)	<b>2.351</b>	(0.041)	2.379	(0.028)	2.406	(0.027)
<b>Total Non-Labor Expenses</b>	<b>\$ 182.927</b>	<b>\$ 215.070</b>	<b>\$ (32.142)</b>	<b>\$ 200.394</b>	<b>\$ 14.676</b>	<b>\$ 212.102</b>	<b>\$ (11.708)</b>	<b>\$ 239.525</b>	<b>\$ (27.423)</b>
<b>Other Expenses Adjustments:</b>									
Other	-	-	-	-	-	-	-	-	-
<b>Total Other Expense Adjustments</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Expenses before Depreciation</b>	<b>\$ 390.101</b>	<b>\$ 427.643</b>	<b>\$ (37.542)</b>	<b>\$ 424.181</b>	<b>\$ 3.462</b>	<b>\$ 446.896</b>	<b>\$ (22.715)</b>	<b>\$ 486.242</b>	<b>\$ (39.346)</b>
Add: Depreciation	50.200	56.500	(6.300)	61.200	(4.700)	66.700	(5.500)	72.000	(5.300)
<b>Total Expenses after Depreciation</b>	<b>\$ 440.301</b>	<b>\$ 484.143</b>	<b>\$ (31.242)</b>	<b>\$ 485.381</b>	<b>\$ 8.162</b>	<b>\$ 513.596</b>	<b>\$ (17.215)</b>	<b>\$ 558.242</b>	<b>\$ (34.046)</b>
Less: Depreciation	50.200	56.500	(6.300)	61.200	(4.700)	66.700	(5.500)	72.000	(5.300)
<b>Total Expenses</b>	<b>\$ 390.101</b>	<b>\$ 427.643</b>	<b>\$ (37.542)</b>	<b>\$ 424.181</b>	<b>\$ 3.462</b>	<b>\$ 446.896</b>	<b>\$ (22.715)</b>	<b>\$ 486.242</b>	<b>\$ (39.346)</b>
<b>Baseline Net Income/(Deficit)</b>	<b>\$ 882.925</b>	<b>\$ 837.605</b>	<b>\$ (45.320)</b>	<b>\$ 842.961</b>	<b>\$ 5.356</b>	<b>\$ 817.303</b>	<b>\$ (25.658)</b>	<b>\$ 777.135</b>	<b>\$ (40.169)</b>
2007 Program to Eliminate the Gap (PEG)	0.176	1.166	0.990	2.650	1.484	2.663	0.013	2.676	0.013
Post-2007 Program to Eliminate the Gap (PEG)	-	-	-	0.072	0.072	0.071	(0.001)	0.071	-
<b>Net Income/(Deficit) with PEGs</b>	<b>\$ 883.101</b>	<b>\$ 838.771</b>	<b>\$ (44.330)</b>	<b>\$ 845.683</b>	<b>\$ 6.912</b>	<b>\$ 820.037</b>	<b>\$ (25.646)</b>	<b>\$ 779.882</b>	<b>\$ (40.156)</b>

**MTA BRIDGES AND TUNNELS**  
**November Financial Plan 2007 - 2010**  
**Year-to-Year Changes by Category - Accrual Basis**  
**(\$ in millions)**

**NON-REIMBURSABLE and  
REIMBURSABLE (Page 2 of 2)**

	Favorable/(Unfavorable)								
	2006	2007	Change 2007 - 2006	2008	Change 2008 - 2007	2009	Change 2009 - 2008	2010	Change 2010 - 2009
<b>Baseline Net Income/(Deficit)</b>	<b>\$ 882.925</b>	<b>\$ 837.605</b>	<b>\$ (45.320)</b>	<b>\$ 842.961</b>	<b>\$ 5.356</b>	<b>\$ 817.303</b>	<b>\$ (25.658)</b>	<b>\$ 777.135</b>	<b>\$ (40.169)</b>
<u>Deductions from Income:</u>									
Less: Capitalized Assets	8.691	13.703	(5.012)	12.940	0.763	13.210	(0.270)	13.502	(0.292)
Reserves	13.193	13.417	(0.224)	13.667	(0.250)	13.953	(0.286)	14.261	(0.308)
<b>Adjusted Baseline Net Income/(Deficit)</b>	<b>\$ 861.041</b>	<b>\$ 810.485</b>	<b>\$ (50.556)</b>	<b>\$ 816.354</b>	<b>\$ 5.869</b>	<b>\$ 790.140</b>	<b>\$ (26.214)</b>	<b>\$ 749.372</b>	<b>\$ (40.769)</b>
Less: Debt Service	452.443	467.040	(14.597)	480.266	(13.226)	498.434	(18.168)	515.800	(17.366)
<b>Income Available for Distribution</b>	<b>\$ 408.598</b>	<b>\$ 343.445</b>	<b>\$ (65.153)</b>	<b>\$ 336.088</b>	<b>\$ (7.357)</b>	<b>\$ 291.706</b>	<b>\$ (44.382)</b>	<b>\$ 233.572</b>	<b>\$ (58.135)</b>
<b>Distributable To:</b>									
MTA - Investment Income	\$ 7.336	\$ 4.731	\$ (2.605)	\$ 4.400	\$ (0.331)	\$ 4.532	\$ 0.132	\$ 4.570	\$ 0.038
MTA - Distributable Income	250.837	219.961	(30.876)	216.435	(3.526)	194.143	(22.292)	165.028	(29.114)
NYCT - Distributable Income	150.424	118.752	(31.672)	115.253	(3.499)	93.032	(22.221)	63.973	(29.058)
<b>Total Distributable Income:</b>	<b>\$ 408.598</b>	<b>\$ 343.445</b>	<b>\$ (65.153)</b>	<b>\$ 336.088</b>	<b>\$ (7.357)</b>	<b>\$ 291.706</b>	<b>\$ (44.382)</b>	<b>\$ 233.572</b>	<b>\$ (58.135)</b>
<b>Actual Cash Transfers:</b>									
MTA - Investment Income	\$ 5.358	\$ 7.336	\$ 1.978	\$ 4.731	\$ (2.605)	\$ 4.400	\$ (0.331)	\$ 4.532	\$ 0.132
MTA - Transfers	261.230	223.049	38.181	216.788	6.261	196.372	20.416	167.940	28.432
NYCT - Transfers	154.784	121.920	32.865	115.603	6.317	95.254	20.349	66.879	28.375
<b>Total Cash Transfers:</b>	<b>\$ 421.372</b>	<b>\$ 352.305</b>	<b>\$ 73.024</b>	<b>\$ 337.122</b>	<b>\$ 9.973</b>	<b>\$ 296.026</b>	<b>\$ 40.434</b>	<b>\$ 239.351</b>	<b>\$ 56.939</b>
<b>SUPPORT TO MASS TRANSIT:</b>									
Total Revenues	\$ 1,273.026	\$ 1,265.247	\$ (7.778)	\$ 1,267.142	\$ 1.895	\$ 1,264.199	\$ (2.943)	\$ 1,263.377	\$ (0.822)
Less: Net Operating Expenses	390.101	427.643	37.542	424.181	(3.462)	446.896	22.715	486.242	39.346
Program to Eliminate the Gap	0.176	1.166	0.990	2.722	1.556	2.734	0.012	2.747	0.013
<b>Net Operating Income:</b>	<b>\$ 883.101</b>	<b>\$ 838.771</b>	<b>\$ (44.330)</b>	<b>\$ 845.683</b>	<b>\$ 6.912</b>	<b>\$ 820.037</b>	<b>\$ (25.646)</b>	<b>\$ 779.882</b>	<b>\$ (40.156)</b>
<b>Deductions from Operating Income:</b>									
B&T Debt Service	\$ 128.916	\$ 141.447	\$ (12.531)	\$ 154.746	\$ 13.299	\$ 173.101	\$ 18.355	\$ 190.613	\$ 17.512
Capitalized Assets	8.691	13.703	(5.012)	12.940	(0.763)	13.210	0.270	13.502	0.292
Reserves	13.193	13.417	(0.224)	13.667	0.250	13.953	0.286	14.261	0.308
<b>Total Deductions from Operating Inc:</b>	<b>\$ 150.800</b>	<b>\$ 168.567</b>	<b>\$ (17.767)</b>	<b>\$ 181.353</b>	<b>\$ 12.786</b>	<b>\$ 200.264</b>	<b>\$ 18.911</b>	<b>\$ 218.376</b>	<b>\$ 18.112</b>
<b>Total Support to Mass Transit:</b>	<b>\$ 732.301</b>	<b>\$ 670.204</b>	<b>\$ (62.097)</b>	<b>\$ 664.330</b>	<b>\$ (5.874)</b>	<b>\$ 619.773</b>	<b>\$ (44.557)</b>	<b>\$ 561.506</b>	<b>\$ (58.268)</b>

**MTA Bridges and Tunnels**  
**November Financial Plan 2007-2010**  
**Summary of Major Plan-to-Plan Changes**

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

**Revenues**

Revenue changes from the July Plan resulted in an increase of \$6.1 million. The major changes include:

- Increase in toll revenues stemming primarily from a higher average toll resulting from increased commercial traffic volumes (\$0.9 million).
- Increase in Other Operating Revenues (\$1.3 million) due to higher net income from the Battery Parking Garage (\$0.8 million), additional revenue from the \$1/month E-ZPass account fee (\$0.3 million) collected prior to the discontinuation of the fee on June 1, and higher E-ZPass Plus fees (\$0.2 million).
- Increase in Investment Income (\$3.9 million) based on Global Insight's higher short-term interest rate forecast applied to larger fund balance projections (\$1.1 million) and the receipt of a one-time IRS Arbitrage refund (\$2.8 million).

**Expenses**

Expense changes from the July Plan resulted in a net decrease of \$5.2 million due to lower non-labor expenses (\$9.0 million) offset by higher labor costs (\$3.8 million). The major variances include:

- Higher Overtime (\$1.6 million) due primarily to the re-estimate of expenses based on higher than anticipated vacancies (\$0.9 million), a re-estimate of Superior Officer overtime (\$0.5 million), and National Incident Management System (NIMS) training (\$0.2 million).
- Increase in Health & Welfare expenses (\$0.4 million) due to a re-estimate.
- Higher Other Fringe Benefits (\$1.7 million) due primarily to a re-estimate of the Workers Compensation reserve.
- Increase in Bridge Painting expenses (\$2.6 million) due to acceleration of work at the Triborough Bridge.
- Decrease of \$8.8 million for the E-ZPass Customer Service Center (CSC), primarily due to the carryover of transition/start-up costs from 2006 to 2007 resulting from the timing of the award of the new contract, and lower operating expenses for the existing CSC contract.
- Reduction in E-ZPass tag purchases resulting from a re-estimate of current inventory needs (\$1.0 million).
- Decrease in Major Maintenance expenses (\$0.9 million) primarily for revised estimates for projects relating to roadway and pothole repairs.
- Lower General Engineering Services (GES) expenses (\$0.4 million) due to revised estimates for construction material testing, miscellaneous design services, and other GES contracts.

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

### **Revenues**

- Higher toll revenue based primarily on a higher estimated average toll in 2007, and lower toll revenue thereafter based on the revised employment and inflation forecasts provided by Global Insight.
  - \$1.3 million in 2007
  - (\$2.9) million in 2008
  - (\$5.1) million in 2009
  - (\$6.4) million in 2010
- Lower Other Operating Revenue in 2007 primarily due to lower net income at the Battery Parking Garage (BPG) stemming from the need for additional equipment purchases. Thereafter, higher revenue from the BPG due primarily to projected improvements in economic activity in lower Manhattan.
  - \$0.0 million in 2007
  - \$0.8 million in 2008
  - \$0.8 million in 2009
  - \$0.8 million in 2010
- Favorable re-estimates of investment income based on Global Insight's higher short-term interest rate forecast applied to larger fund balance projections.
  - \$1.3 million in 2007
  - \$1.1 million in 2008
  - \$1.0 million in 2009
  - \$1.0 million in 2010

### **Expenses**

Expense changes from the July Plan over the 2007 to 2010 period include:

- Increases in overtime (\$0.5 million) each year due primarily due to overtime re-estimates for Superior Officers.
- Decreases in Health & Welfare are due primarily to adjustments in medical expenses resulting from the timing of anticipated headcount changes and CPIU.
  - \$0.0 million in 2007
  - \$0.2 million in 2008
  - \$0.2 million in 2009
  - \$0.3 million in 2010
- Increases in Pension due to increases in CPIU
  - \$0.0 million in 2007
  - (\$0.1) million in 2008
  - (\$0.2) million in 2009
  - (\$0.2) million in 2010
- Carryover from 2006 to 2007 of E-ZPass Customer Service Center transition/start-up costs due to the timing of award of the new contract (\$6.2 million in 2007).

- Decrease in Bridge Painting expenses in 2009 and 2010 due to re-estimate of multi-year projects and revised engineering estimates.
  - \$0.0 million in 2007
  - \$0.0 million in 2008
  - \$0.6 million in 2009
  - \$2.0 million in 2010
- Increase in 2 Broadway operating expenses due to the implementation of a centralized guard monitoring system.
  - (\$0.1) million in 2007
  - (\$0.1) million in 2008
  - (\$0.1) million in 2009
  - (\$0.1) million in 2010
- Higher professional services expenses due primarily to a re-estimate of MTA Data Center costs, temporary office help and other expenses.
  - (\$0.3) million in 2007
  - (\$0.2) million in 2008
  - (\$0.2) million in 2009
  - (\$0.2) million in 2010
- Higher costs for CPIU for OTPS categories.
  - (\$1.4) million in 2007
  - (\$1.5) million in 2008
  - (\$2.1) million in 2009
  - (\$2.1) million in 2010

**MTA BRIDGES AND TUNNELS**  
**November Financial Plan 2007 - 2010**  
**Summary of Changes Between Financial Plans by Generic Category**  
(\$ in millions)

**NON-REIMBURSABLE**

	2006	2007	2008	2009	2010
<b>Baseline 2006 July Financial Plan - Net Income/(Deficit)</b>	<b>\$871.624</b>	<b>\$844.263</b>	<b>\$846.520</b>	<b>\$822.599</b>	<b>\$781.833</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
Vehicle Toll Revenue	0.947	1.307	(2.852)	(5.064)	(6.408)
Other Operating Revenue	1.291	0.014	0.812	0.792	0.761
Other Reimbursements	0.000	0.000	0.000	0.000	0.000
Investment Income	3.838	1.255	1.062	1.048	1.028
<b>Total Revenue Changes</b>	<b>6.076</b>	<b>2.576</b>	<b>(0.978)</b>	<b>(3.224)</b>	<b>(4.619)</b>
<b>Expenses</b>					
<i>Labor:</i>					
Payroll	(0.100)	0.006	(0.404)	0.106	0.578
Overtime	(1.639)	(0.485)	(0.466)	(0.479)	(0.490)
Health and Welfare	(0.368)	0.046	0.193	0.237	0.309
Pensions	(0.000)	(0.012)	(0.116)	(0.165)	(0.173)
Fringe Benefits	(1.677)	(0.032)	(0.010)	0.048	0.042
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expense Changes</b>	<b>(3.783)</b>	<b>(0.477)</b>	<b>(0.803)</b>	<b>(0.254)</b>	<b>0.266</b>
<i>Non-Labor:</i>					
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	0.110	(0.006)	(0.006)	(0.006)	(0.004)
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	7.323	(8.149)	(1.274)	(1.292)	0.115
Professional Service Contracts	0.394	(0.441)	(0.420)	(0.419)	(0.396)
Materials & Supplies	1.115	(0.164)	(0.067)	(0.092)	(0.053)
Other Business Expenses	0.067	0.003	(0.011)	(0.010)	(0.007)
<b>Total Non-Labor Expense Changes</b>	<b>9.008</b>	<b>(8.757)</b>	<b>(1.777)</b>	<b>(1.819)</b>	<b>(0.345)</b>
<b>Total Expense Changes</b>	<b>\$5.225</b>	<b>(\$9.234)</b>	<b>(\$2.581)</b>	<b>(\$2.073)</b>	<b>(\$0.079)</b>
<b>Cash Adjustment Changes</b>					
<i>None</i>					
<b>Sub-Total Cash Adjustment Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Baseline Changes</b>	<b>\$11.300</b>	<b>(\$6.658)</b>	<b>(\$3.558)</b>	<b>(\$5.297)</b>	<b>(\$4.699)</b>
<b>Baseline 2006 November Financial Plan - Net Income</b>	<b>\$882.925</b>	<b>\$837.605</b>	<b>\$842.961</b>	<b>\$817.303</b>	<b>\$777.135</b>

**MTA BRIDGES AND TUNNELS**  
**November Financial Plan 2007 - 2010**  
**Summary of Changes Between Financial Plans by Generic Category**  
(\$ in millions)

**REIMBURSABLE**

	2006	2007	2008	2009	2010
<b>Baseline 2006 July Financial Plan - Net Income/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b><i>Baseline Changes</i></b>					
<b>Revenue</b>					
Vehicle Toll 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 Reimbursements	0.000	0.000	0.000	0.000	0.000
Investment Income	0.000	0.000	0.000	0.000	0.000
<b>Total Revenue Changes</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>Expenses</b>					
<i>Labor:</i>					
Payroll	0.000	0.000	0.000	0.000	0.000
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	0.000	0.000	0.000	0.000
Fringe Benefits	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expense Changes</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<i>Non-Labor:</i>					
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
<b>Total Non-Labor Expense Changes</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>Total Expense Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Cash Adjustment Changes</b>					
<i>None</i>					
<b>Sub-Total Cash Adjustment Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Baseline Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Baseline 2006 November Financial Plan - Net Income</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>



**MTA BRIDGES AND TUNNELS**  
**November Financial Plan 2007 - 2010**  
**Summary of Changes Between Financial Plans by Generic Category**  
(\$ in millions)

**NON-REIMBURSABLE and REIMBURSABLE**

	2006	2007	2008	2009	2010
<b>Baseline 2006 July Financial Plan - Net Income/(Deficit)</b>	<b>\$871.624</b>	<b>\$844.263</b>	<b>\$846.520</b>	<b>\$822.599</b>	<b>\$781.833</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
Vehicle Toll Revenue	0.947	1.307	(2.852)	(5.064)	(6.408)
Other Operating Revenue	1.291	0.014	0.812	0.792	0.761
Capital & Other Reimbursements	0.000	0.000	0.000	0.000	0.000
Investment Income	3.838	1.255	1.062	1.048	1.028
<b>Total Revenue Changes</b>	<b>\$6.076</b>	<b>\$2.576</b>	<b>(\$ .978)</b>	<b>(\$3.224)</b>	<b>(\$4.619)</b>
<b>Expenses</b>					
<i>Labor:</i>					
Payroll	(0.100)	0.006	(0.404)	0.106	0.578
Overtime	(1.639)	(0.485)	(0.466)	(0.479)	(0.490)
Health and Welfare	(0.368)	0.046	0.193	0.237	0.309
Pensions	(0.000)	(0.012)	(0.116)	(0.165)	(0.173)
Fringe Benefits	(1.677)	(0.032)	(0.010)	0.048	0.042
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expense Changes</b>	<b>(3.783)</b>	<b>(0.477)</b>	<b>(0.803)</b>	<b>(0.254)</b>	<b>0.266</b>
<i>Non-Labor:</i>					
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	0.110	(0.006)	(0.006)	(0.006)	(0.004)
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	7.323	(8.149)	(1.274)	(1.292)	0.115
Professional Service Contracts	0.394	(0.441)	(0.420)	(0.419)	(0.396)
Materials & Supplies	1.115	(0.164)	(0.067)	(0.092)	(0.053)
Other Business Expenses	0.067	0.003	(0.011)	(0.010)	(0.007)
<b>Total Non-Labor Expense Changes</b>	<b>9.008</b>	<b>(8.757)</b>	<b>(1.777)</b>	<b>(1.819)</b>	<b>(0.345)</b>
<b>Total Expense Changes</b>	<b>\$5.225</b>	<b>(\$9.234)</b>	<b>(\$2.581)</b>	<b>(\$2.073)</b>	<b>(\$ .079)</b>
<b>Cash Adjustment Changes</b>					
<i>None</i>					
<b>Sub-Total Cash Adjustment Changes</b>	<b>\$ .000</b>	<b>\$ .000</b>	<b>\$ .000</b>	<b>\$ .000</b>	<b>\$ .000</b>
<b>Total Baseline Changes</b>	<b>\$11.300</b>	<b>(\$6.658)</b>	<b>(\$3.558)</b>	<b>(\$5.297)</b>	<b>(\$4.699)</b>
<b>Baseline 2006 November Financial Plan - Net Income</b>	<b>\$882.925</b>	<b>\$837.605</b>	<b>\$842.961</b>	<b>\$817.303</b>	<b>\$777.135</b>

**MTA BRIDGES AND TUNNELS**  
**November Financial Plan 2007 - 2010**  
**Summary of Major Programmatic Changes Between Financial Plans**  
(\$ in millions)

**NON-REIMBURSABLE and REIMBURSABLE**

	2006	2007	2008	2009	2010
<b>Baseline 2006 July Financial Plan - Net Income/(Deficit)</b>	<b>\$871.624</b>	<b>\$844.263</b>	<b>\$846.520</b>	<b>\$822.599</b>	<b>\$781.833</b>
<b><i>Non-Reimbursable Major Changes</i></b>					
<b>Revenue</b>					
<i>Vehicle Toll Revenue</i>	0.947	1.307	(2.852)	(5.064)	(6.408)
<i>Other Operating Revenue</i>	1.291	0.014	0.812	0.792	0.761
<i>Investment Income</i>	3.838	1.255	1.062	1.048	1.028
<b>Sub-Total Non-Reimbursable Revenue Changes</b>	<b>\$6.076</b>	<b>\$2.576</b>	<b>(\$0.978)</b>	<b>(\$3.224)</b>	<b>(\$4.619)</b>
<b>Expenses</b>					
<i>Bridge Painting</i>	(2.641)	0.000	0.000	0.600	2.000
<i>Major Maintenance</i>	0.896	(0.746)	0.000	0.000	0.000
<i>E-ZPass Customer Service Center</i>	8.757	(6.200)	0.000	0.000	0.000
<i>Reduction in Purchase of E-ZPass Tags</i>	1.000	0.000	0.000	0.000	0.000
<i>2 Broadway Operating Expenses</i>	(0.024)	(0.124)	(0.124)	(0.124)	(0.124)
<i>Other Expenses</i>	(2.763)	(2.164)	(2.457)	(2.549)	(1.956)
<b>Sub-Total Non-Reimbursable Expense Changes</b>	<b>\$5.225</b>	<b>(\$9.234)</b>	<b>(\$2.581)</b>	<b>(\$2.073)</b>	<b>(\$0.079)</b>
<b>Total Non-Reimbursable Major Changes</b>	<b>\$11.300</b>	<b>(\$6.658)</b>	<b>(\$3.559)</b>	<b>(\$5.297)</b>	<b>(\$4.699)</b>
<b><i>Reimbursable Major Changes</i></b>					
<b>Revenue</b>					
<i>Reimbursable Revenue Changes</i>	-	-	-	-	-
<b>Sub-Total Reimbursable Revenue Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Expenses</b>					
<i>Reimbursable Expense Changes</i>	-	-	-	-	-
<b>Sub-Total Reimbursable Expense Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Reimbursable Major Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Accrual Changes</b>	<b>\$11.300</b>	<b>(\$6.658)</b>	<b>(\$3.559)</b>	<b>(\$5.297)</b>	<b>(\$4.699)</b>
<b>Cash Adjustment Changes</b>					
<i>None</i>					
<b>Sub-Total Cash Adjustment Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Baseline Changes</b>	<b>\$11.300</b>	<b>(\$6.658)</b>	<b>(\$3.559)</b>	<b>(\$5.297)</b>	<b>(\$4.699)</b>
<b>Baseline 2006 November Financial Plan - Net Income</b>	<b>\$882.925</b>	<b>\$837.605</b>	<b>\$842.961</b>	<b>\$817.303</b>	<b>\$777.135</b>

**MTA Bridges and Tunnels  
2007 Final Proposed Budget  
November Financial Plan 2007- 2010**

**OTHER ASSUMPTIONS**

**Ridership/Traffic Volume (Utilization)**

Paid traffic volume is projected to reach 300.0 million vehicles in 2006, 0.05% less than the July Mid-Year Forecast level of 300.1 million vehicles. The estimated decline is based on current traffic trends, which have been influenced by weather and higher fuel prices.

The traffic estimates from 2007 through 2010 incorporate the current forecasts for regional employment and inflation provided by Global Insight. Volumes grow by 0.3% in 2007 and 0.4% in 2008, which is a leap year, and subsequently traffic declines by 0.1% in 2009. Volume growth resumes in 2010 at 0.1%.

**MTA BRIDGES AND TUNNELS**  
**November Financial Plan 2007 - 2010**  
**Ridership/Traffic Volume (Utilization)**  
(in millions)

	<b>2005 Actuals</b>	<b>2006 November Forecast</b>	<b>2007 Final Proposed Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Baseline Total Toll Revenue</b>	\$1,204.944	\$1,234.903	\$1,236.873	\$1,239.595	\$1,236.127	\$1,234.706
<i>Impact of:</i>						
PEG Program	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Toll Revenue</b>	\$1,204.944	\$1,234.903	\$1,236.873	\$1,239.595	\$1,236.127	\$1,234.706
 <b>Baseline Total Traffic</b>	 300.385	 300.004	 300.994	 302.171	 301.841	 302.010
<i>Impact of:</i>						
PEG Program	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Traffic</b>	300.385	300.004	300.994	302.171	301.841	302.010

Bridges and Tunnels  
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>
<b>Administration</b>											
Field Supervision Scheduling Efficiencies		0	0.008	0	0.031	0	0.031	0	0.031	0	0.032
Reduce Field Supervision Overtime		0	0.168	0	0.670	0	0.673	0	0.674	0	0.676
Reduction in Telephone Expenses		0	0.000	0	0.030	0	0.060	0	0.060	0	0.060
Reduction of an administrative position in the Payroll		0	0.000	1	0.011	1	0.045	1	0.045	1	0.045
Reduction of one administrative position in Accounts		0	0.000	1	0.042	1	0.042	1	0.042	1	0.042
Reduction of one administrative position in Human Resources		0	0.000	1	0.015	1	0.058	1	0.058	1	0.058
Sub-Total	Administration	0	\$ 0.176	3	\$ 0.799	3	\$ 0.909	3	\$ 0.910	3	\$ 0.913
<b>Other</b>											
Net reduction of headcount in the Operations Department		0	0.000	18	0.367	18	1.741	18	1.753	18	1.763
Sub-Total	Other	0	\$ 0.000	18	\$ 0.367	18	\$ 1.741	18	\$ 1.753	18	\$ 1.763
Total Programs		0	\$ 0.176	21	\$ 1.166	21	\$ 2.650	21	\$ 2.663	21	\$ 2.676

Bridges and Tunnels

November Plan 2007-2010

Summary of 2007 Program to Eliminate the Gap(PEGs)

(\$ in Millions)

Business Unit	BRTUN	Financial Plan Category	PEG	Implementation Date	10/1/2006
Budget Reference	FINAL06	Category	Administration	Savings Date	10/1/2006
PEG / New Need ID	0000000012	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program:

Field Supervision Scheduling Efficiencies

Design and Implementation Plan

Contingent upon the approval and implementation of the new SOBA contract, there will be a decrease of three Lieutenants and an increase of three Sergeants. The headcount changes will result in a savings in salary.

Background Details

Labor negotiations with B&T's Superior Officers Union (SOBA) has led to a proposal to decrease three Lieutenants in the Operations Department and increase the number of Sergeants by the same number. This switch can take place because the proposed settlement would create scheduling efficiencies which will enable the number of Lieutenants to decrease; the additional Sergeants will then be utilized to decrease overtime, particularly for weekend coverage.

				2006	2007	2008	2009	2010
Total Headcount	BRTUN	0000000012	FINAL06	0	0	0	0	0
Financial Impact	BRTUN	0000000012	FINAL06	\$ 0.008	\$ 0.031	\$ 0.031	\$ 0.031	\$ 0.032

Bridges and Tunnels

November Plan 2007-2010

Summary of 2007 Program to Eliminate the Gap(PEGs)

(\$ in Millions)

Business Unit	BRTUN	Financial Plan Category	PEG	Implementation Date	10/1/2006
Budget Reference	FINAL06	Category	Administration	Savings Date	10/1/2006
PEG / New Need ID	0000000013	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program:

Reduce Field Supervision Overtime

Design and Implementation Plan

Contingent upon the approval and implementation of the new SOBA contract, Lieutenant and Sergeant weekend security and weekend SOD overtime will be reduced by approximately 16,000 hours. This will be offset by straight-time increases.

Background Details

Labor negotiations with B&T's Superior Officer's Union (SOBA) have led to a scheduling change proposal that will affect weekend security coverage. Under the proposal, Lieutenant and Sergeants would work 12 hour, rather than 8 hours shifts. While this will increase straight-time costs, there will be a significant reduction in overtime, particularly for weekend security and for Special Operations Division (SOD) weekend overtime expenses, resulting in a net savings. Overall security coverage will not be diminished.

				2006	2007	2008	2009	2010
Total Headcount								
Financial Impact	BRTUN	0000000013	FINAL06	\$ 0.168	\$ 0.670	\$ 0.673	\$ 0.674	\$ 0.676

Bridges and Tunnels

November Plan 2007-2010

Summary of 2007 Program to Eliminate the Gap(PEGs)

(\$ in Millions)

Business Unit	BRTUN	Financial Plan Category	PEG	Implementation Date	7/1/2007
Budget Reference	FINAL06	Category	Administration	Savings Date	7/1/2007
PEG / New Need ID	0000000001	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program:

Reduction in Telephone Expenses

Design and Implementation Plan

The new technology is expected to be in place by July 1, 2007.

Background Details

New local and wide-area network technology, called a Transparent LAN Service (TLS), will enable telephone expenses to be reduced by replacing current Asynchronous Transfer Mode (ATM) lines with TLS lines for data transfer (internet, intranet, etc.) among all of B&T's facilities. This system is faster, has greater capacity, and is less expensive than the current service, thus reducing telecommunications expenses.

				2006	2007	2008	2009	2010
Total Headcount								
Financial Impact	BRTUN	0000000001	FINAL06	\$ 0.000	\$ 0.030	\$ 0.060	\$ 0.060	\$ 0.060



Bridges and Tunnels

November Plan 2007-2010

Summary of 2007 Program to Eliminate the Gap(PEGs)

(\$ in Millions)

Business Unit	BRTUN	Financial Plan Category	PEG	Implementation Date	10/1/2007
Budget Reference	FINAL06	Category	Administration	Savings Date	10/1/2007
PEG / New Need ID	0000000018	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program:

Reduction of an administrative position in the Payroll Department

Design and Implementation Plan

Elimination of an administrative position in the Payroll Department due to expected efficiencies resulting from the implementation of the Kronos system in the second half of 2006.

Background Details

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

				2006	2007	2008	2009	2010
Total Headcount	BRTUN	0000000018	FINAL06	0	1	1	1	1
Financial Impact	BRTUN	0000000018	FINAL06	\$ 0.000	\$ 0.011	\$ 0.045	\$ 0.045	\$ 0.045

Bridges and Tunnels

November Plan 2007-2010

Summary of 2007 Program to Eliminate the Gap(PEGs)

(\$ in Millions)

Business Unit	BRTUN	Financial Plan Category	PEG	Implementation Date	1/1/2007
Budget Reference	FINAL06	Category	Administration	Savings Date	1/1/2007
PEG / New Need ID	0000000017	Current Budget Year	2006	Status	Open
				Agency Status	Pending
Program:	Reduction of one administrative position in Accounts Payable				
Design and Implementation Plan	B&T proposes the reduction of one position in Accounts Payable in 2007				

Background Details

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

				2006	2007	2008	2009	2010
Total Headcount	BRTUN	0000000017	FINAL06	0	1	1	1	1
Financial Impact	BRTUN	0000000017	FINAL06	\$ 0.000	\$ 0.042	\$ 0.042	\$ 0.042	\$ 0.042

Bridges and Tunnels

November Plan 2007-2010

Summary of 2007 Program to Eliminate the Gap(PEGs)

(\$ in Millions)

Business Unit	BRTUN	Financial Plan Category	PEG	Implementation Date	10/1/2007
Budget Reference	FINAL06	Category	Administration	Savings Date	10/1/2007
PEG / New Need ID	0000000010	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program:

Reduction of one administrative position in Human Resources

Design and Implementation Plan

The elimination of one administrative position in the Time & Leave Unit in Human Resources is projected due to efficiencies realized by the implementation of the new automated system.

Background Details

A new automated Time & Leave System (Kronos) is expected to be implemented in 2007, creating efficiencies in the agency. By automating some of the tasks that are currently performed manually, an administrative position in the Human Resources Department can be eliminated.

				2006	2007	2008	2009	2010
Total Headcount	BRTUN	0000000010	FINAL06	0	1	1	1	1
Financial Impact	BRTUN	0000000010	FINAL06	\$ 0.000	\$ 0.015	\$ 0.058	\$ 0.058	\$ 0.058

Bridges and Tunnels

November Plan 2007-2010

Summary of 2007 Program to Eliminate the Gap(PEGs)

(\$ in Millions)

Business Unit	BRTUN	Financial Plan Category	PEG	Implementation Date	7/1/2007
Budget Reference	FINAL06	Category	Other	Savings Date	7/1/2007
PEG / New Need ID	0000000014	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program:

Net reduction of headcount in the Operations Department

Design and Implementation Plan

With the activation of the new system funded through the capital program, a net savings of twelve Bridge and Tunnel Officers and six Sergeants with applicable overtime can be achieved. Before this initiative goes into effect, a new security response pla

Background Details

As a result of the September 11th terrorist attacks, interim security measures were put in to place pending the development and implementation of capital enhancements, including the deployment of electronic security systems. Beginning in 2007 B&T will deploy cameras, intrusion detection devises and alarms that will enable the elimination, through attrition, of 18 net positions (12 Bridge and Tunnel Officers and 6 Sergeants) without any diminishment in security coverage.

				2006	2007	2008	2009	2010
Total Headcount	BRTUN	0000000014	FINAL06	0	18	18	18	18
Financial Impact	BRTUN	0000000014	FINAL06	\$ 0.000	\$ 0.367	\$ 1.741	\$ 1.753	\$ 1.763

<p>Bridges and Tunnels</p> <p>November Plan 2007-2010</p> <p>Summary of Post 2007 PEGs</p> <p>(\$ in millions)</p>
--

		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>
<b>Maintenance</b>											
In-House Roadway Sweeping		0	0.000	0	0.000	(1)	0.072	(1)	0.071	(1)	0.071
Sub-Total	Maintenance	0	\$ 0.000	0	\$ 0.000	(1)	\$ 0.072	(1)	\$ 0.071	(1)	\$ 0.071
Total Programs		0	\$ 0.000	0	\$ 0.000	(1)	\$ 0.072	(1)	\$ 0.071	(1)	\$ 0.071

Bridges and Tunnels

November Plan 2007-2010

Summary of Post 2007 PEGs

(\$ in Millions)

Business Unit	BRTUN	Financial Plan Category	Post PEG	Implementation Date	1/1/2008
Budget Reference	FINAL06	Category	Maintenance	Savings Date	1/1/2008
PEG / New Need ID	0000000011	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program:

In-House Roadway Sweeping

Design and Implementation Plan

A person will be hired and a sweeper purchased by January 2008. The initiative cannot start sooner because of the lead time required for the sweeper, which must be specially equipped. If successful, the initiative may be expanded to other facilities.

Background Details

Currently, B&T outsources roadway sweeping services. By bringing this task in-house and performing roadway sweeping for the Verrazano Narrows Bridge, Marine Parkway and Cross Bay Bridge facilities using Central Maintenance personnel and their own sweeper, road cleaning costs will be reduced. These three facilities were chosen due primarily to their proximity to one another.

				2006	2007	2008	2009	2010
Total Headcount	BRTUN	0000000011	FINAL06	0	0	(1)	(1)	(1)
Financial Impact	BRTUN	0000000011	FINAL06	\$ 0.000	\$ 0.000	\$ 0.072	\$ 0.071	\$ 0.071

**MTA Bridges and Tunnels  
2007 Final Proposed Budget  
November Financial Plan 2007-2010**

**OTHER ASSUMPTIONS**

**Positions**

The authorized headcount for the 2006 Final Proposed Budget is 1,822 and is unchanged from the 2006 July Plan. This includes 2006 PEGs to eliminate two positions: one position in Revenue Management due to efficiencies in the revenue auditing process and one in the Payroll Department due to efficiencies in the payroll process.

In 2007, the baseline headcount is 1,828. There is an addition of six positions for Internal Security personnel for the centralized Security Center, which will oversee new electronic access controls, CCTV and alarms that have recently been installed. This is offset by 2007 PEGs proposed in previous years, which include the elimination of two additional positions: an administrative position in the Payroll Department due to efficiencies to be realized with the implementation of the Kronos automated timecard system and one from the Accounts Payable unit due to the decline in numbers of capital vouchers and invoices brought about by new administrative budget controls. Additional 2007 PEGs, which were proposed in the July Plan, will eliminate an additional administrative position in Human Resources and a net of 18 positions in Operations through attrition to bring the total headcount to 1,807 in 2007. As discussed in the July Plan, as a result of the September 11<sup>th</sup> terrorist attacks, interim security measures were put in place pending the development and implementation of capital enhancements, including the deployment of electronic security systems. Beginning in 2007, B&T will deploy cameras, intrusion detection services and alarms that will enable the elimination of the 18 positions (12 Bridge and Tunnel Officers and 6 Sergeants) without any diminishment in security coverage.

In 2008, there is the addition of a Maintainer position with an OTPS offset associated with a Post-2007 PEG to bring roadway sweeping in-house at one facility, bringing the total headcount to 1,808.

From 2009 to 2010, the number of positions remain constant.

**MTA BRIDGES & TUNNELS**  
**November Financial Plan 2007 - 2010**  
**Non-Reimbursable - Reimbursable Positions by Function and Department**  
**Full-Time Positions and Full Time Equivalents**

FUNCTION/DEPARTMENT	2005 Actuals	2006 November Forecast	2007 Final Proposed Budget	2008	2009	2010
<b>Administration</b>						
Executive	2	3	3	3	3	3
Law	9	10	10	10	10	10
CFO <sup>(1)</sup>	36	37	37	37	37	37
Labor Relations	5	5	5	5	5	5
Procurement & Materials	41	42	42	42	42	42
Staff Services <sup>(2)</sup>	43	48	48	48	48	48
EEO	1	1	1	1	1	1
<b>Total Administration</b>	<b>137</b>	<b>146</b>	<b>146</b>	<b>146</b>	<b>146</b>	<b>146</b>
<b>Operations</b>						
Revenue Management	45	46	46	46	46	46
Operations (Non-Security)	729	752	752	752	752	752
<b>Total Operations</b>	<b>774</b>	<b>798</b>	<b>798</b>	<b>798</b>	<b>798</b>	<b>798</b>
<b>Maintenance</b>						
Maintenance	99	110	110	110	110	110
Operations - Maintainers	188	173	173	173	173	173
Procurement & Materials	13	14	14	14	14	14
Technology	55	58	58	58	58	58
Internal Security - Tech Svcs	36	36	36	36	36	36
<b>Total Maintenance</b>	<b>391</b>	<b>391</b>	<b>391</b>	<b>391</b>	<b>391</b>	<b>391</b>
<b>Engineering/Capital</b>						
Engineering & Construction	155	171	171	171	171	171
Health & Safety	9	10	10	10	10	10
Planning & Budget Capital	9	9	9	9	9	9
<b>Total Engineering/Capital</b>	<b>173</b>	<b>190</b>	<b>190</b>	<b>190</b>	<b>190</b>	<b>190</b>
<b>Public Safety</b>						
Operations (Security)	261	261	261	261	261	261
Internal Security - Operations	34	36	42	42	42	42
<b>Total Public Safety</b>	<b>295</b>	<b>297</b>	<b>303</b>	<b>303</b>	<b>303</b>	<b>303</b>
<b>Total Baseline Positions</b>	<b>1,770</b>	<b>1,822</b>	<b>1,828</b>	<b>1,828</b>	<b>1,828</b>	<b>1,828</b>
<i>Non-Reimbursable</i>	1,725	1,773	1,779	1,779	1,779	1,779
<i>Reimbursable</i>	45	49	49	49	49	49
<i>Total Full-Time</i>	1,770	1,822	1,828	1,828	1,828	1,828
<i>Total Full-Time Equivalents</i>	-	-	-	-	-	-
<hr/>						
Impact of:						
2007 Program to Eliminate the Gap	-	0	(21)	(21)	(21)	(21)
Post 2007 Program to Eliminate the Gap	-	0	0	1	1	1
<b>Total Positions</b>	<b>1,770</b>	<b>1,822</b>	<b>1,807</b>	<b>1,808</b>	<b>1,808</b>	<b>1,808</b>
<i>Non-Reimbursable</i>	1,725	1,773	1,758	1,759	1,759	1,759
<i>Reimbursable</i>	45	49	49	49	49	49
<i>Total Full-Time</i>	1,770	1,822	1,807	1,808	1,808	1,808
<i>Total Full-Time Equivalents</i>	-	-	-	-	-	-

<sup>(1)</sup> includes Accounts Payable, Accounting, Payroll and Operating Budget staff.

<sup>(2)</sup> includes Human Resources and Administration staff.



**MTA BRIDGES AND TUNNELS**  
**November Financial Plan 2007 - 2010**  
**Full-time Positions and Full-time Equivalents by Function and Occupational Group**

FUNCTION/OCCUPATIONAL GROUP		2006 November Forecast	2007 Final Proposed Budget	2008	2009	2010
<b>Administration</b>						
	Managers/Supervisors	42	42	42	42	42
	Professional, Technical, Clerical	104	104	104	104	104
	Operational Hourlies	-	-	-	-	-
	<b>Total Administration</b>	146	146	146	146	146
<b>Operations</b>						
	Managers/Supervisors	55	55	55	55	55
	Professional, Technical, Clerical	56	56	56	56	56
	Operational Hourlies <sup>(1)</sup>	687	687	687	687	687
	<b>Total Operations</b>	798	798	798	798	798
<b>Maintenance</b>						
	Managers/Supervisors	29	29	29	29	29
	Professional, Technical, Clerical	59	59	59	59	59
	Operational Hourlies <sup>(1)</sup>	303	303	303	303	303
	<b>Total Maintenance</b>	391	391	391	391	391
<b>Engineering/Capital</b>						
	Managers/Supervisors	38	38	38	38	38
	Professional, Technical, Clerical	152	152	152	152	152
	Operational Hourlies	-	-	-	-	-
	<b>Total Engineering/Capital</b>	190	190	190	190	190
<b>Public Safety</b>						
	Managers/Supervisors	11	12	12	12	12
	Professional, Technical, Clerical	27	32	32	32	32
	Operational Hourlies <sup>(1)</sup>	259	259	259	259	259
	<b>Total Public Safety</b>	297	303	303	303	303

<sup>(1)</sup> includes Accounts Payable, Accounting, Payroll and Operating Budget staff.

# **Capital Construction Company**

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

Mission Statement

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

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

Highlights

In 2006 MTACC began final design on the Second Avenue Subway project (SAS), started tunnel construction on the East Side Access project (ESA), anticipates finalizing a Full Funding Grant Agreement and an early systems work agreement from the Federal Transit Administration for ESA and SAS respectively, and will begin awarding contracts for the No. 7 Line Extension. In addition, MTACC continued the implementation of projects funded from the system-wide security capital program.

Financial Overview

In order to respond to the large volume of construction being managed by MTACC, as well as the intense oversight by multiple parties, MTACC continues to refine its organization and staffing requirements. MTACC continues to utilize dedicated resources to efficiently address the challenges related to the planning, design, construction, regulatory framework, and community participation requirements of large complex capital projects. MTACC is committed to quality and safety in the work place and at the construction sites.

It is the goal of MTACC to minimize the number of full-time employees in order to maintain a cost efficient program management structure. MTACC continues to draw from the expertise and support services available in other MTA agencies to support design and construction management. Currently, both MTA NYCT and MTA Headquarters are providing many support services. This budget proposal assumes that many of these services will continue to be provided.

## 2006 November Forecast

MTACC's 2006 November Forecast remains the same as the 2006 Mid-Year Forecast. Year end costs are projected at \$20.796 million. This reflects a 22% decrease from the February 2006 Adopted Budget. Labor costs are projected at \$12.835 million reflecting a year end staffing level of 96. This is 33% lower than the Adopted Budget which projected a staffing level of 150 employees by year end. MTACC has deferred some hiring to await the start of major construction. As this construction is now underway or anticipated to begin in the next few months, MTACC has begun to recruit additional staff. In some areas these recruiting efforts have not been successful to date. MTACC is working with the MTA to develop strategies to recruit staff with the experience and technical skills required for these complex construction projects.

The November Forecast for Non-labor estimated costs remain unchanged from the Mid-Year Forecast. These costs are projected at \$7.961 million, a 3.8% increase over the Adopted Budget. This is due to a re-estimate of insurance and professional service costs.

## 2007 Final Proposed Budget - Baseline

In 2007 MTACC's main objective will be to continue major construction and design of the MTA's system expansion projects. By 2007 all system expansion projects will be in construction, with over \$3 billion in construction commitments planned by year's end. To accomplish this, MTACC projects 2007 costs at \$34.301 million, an increase of 64.9% over the 2006 Forecast, and a year end headcount of 150.

Labor and fringe expenses are projected at \$21.584 million, a 68% increase over the November 2006 Forecast. Labor costs increase due to the projected hiring of an additional 54 employees by year end 2007. Staff includes 53 MTACC positions who support the system expansion projects and cannot charge directly to a specific project; 45 for the East Side Access project; 13 for the Second Avenue Subway project; 22 for the Lower Manhattan projects; and 17 for Security projects.

Non-Labor costs are projected at \$12.717 million, a 59.7% increase from projected year-end 2006 levels. This increase is for the provision of company-wide construction support from specialty contractors, oversight agencies, legal support, environmental and archeological resources and miscellaneous project related costs. Such expenditures are non-project specific or may not be eligible for reimbursement by the Federal Transit Administration and will be funded through MTACC Administration. Remaining funds have been budgeted for engineering and legal services, reimbursement of NYCT for administrative support staff and services, lease of the 8<sup>th</sup> floor at 2 Broadway and other project office costs such as communications and supplies.

Major assumptions and reconciliations to the July Financial Plan are discussed later.

## 2008 - 2010 Projections

During this time period MTACC will be managing multiple construction sites and billions of dollars in construction contracts. The Lower Manhattan projects should be drawing to completion.

MTACC costs for 2008 are projected to decrease by 1.1% in 2008 and increase by 2.5% and 3.4% in 2009 and 2010, respectively. Once achieving a year-end staffing level of 150 employees in 2007, staffing remains constant through 2010.

Labor costs peak in 2008 reflecting the first year of full staffing, increasing by 16.0% from 2007. In 2009 and 2010 labor costs remain constant and increase only by inflation. Non-labor expenses decrease by 30.3% in 2008 from the 2007 projected level. This decrease reflects a reduction in professional services. Non-labor expenses remain constant in 2009 and 2010 with relatively no change in these years.

Major assumptions and reconciliations to the July Financial Plan are discussed later.

[illegible]

[illegible]

**MTA Capital Construction Company**  
**November 2006 Financial Plan 2007-2010**  
**Year-to-Year Changes by Category - Reimbursable**

Revenue

Capital and Other Reimbursements

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

Expenses

Payroll

- 2006 Payroll costs are unchanged from the July Financial Plan.
- 2006 payroll costs reflect a projected year-end staffing level of 96.
- Costs are based on 2006 annualized projected salaries.
- Staffing is projected to increase to 150 by year end 2007 and remain constant in 2008, 2009 and 2010.
- Payroll costs are escalated from the prior year's base salary by 3.00%, in 2007 and 2008 and 1.53%, 1.84% in 2009 and 2010, respectively.

Other Fringe Benefits

- Benefits and pension costs in 2006 are unchanged from the July Financial Plan.
- Health and Welfare costs have been inflated by 9.48% in 2006, 14.78% in 2007, and 10.68% in 2008 through 2010.
- Pensions have been escalated by 2.56%, 2.91%, 3.07% and 3.20% in 2007 through 2010 respectively.
- Other benefits have been escalated by 2.91%, 1.62%, 1.53% and 1.84% in 2007 through 2010 respectively.

Insurance

- 2006 includes insurance expenses for the All-Agency Protective Liability Program for the South Ferry project.
- 2006 costs remain the same as the July Plan.



- 2007 through 2010 costs are based on revised 2006 projections. Costs are escalated by 10% each year in 2007 through 2010.

#### Professional Service Contracts

- 2006 costs remain unchanged from the July Financial Plan.
- Costs are escalated by 2.91%, 1.62%, 1.53% and 1.84% in 2007 through 2010 respectively.
- In 2007, costs increase by 127.0% for the provision of company-wide construction support from specialty contractors, oversight agencies, legal support, environmental and archeological resources and miscellaneous project related costs. Such expenditures are non-project specific or may not be eligible for reimbursement by the Federal Transit Administration and will be funded through MTACC Administration. Also included are costs for independent engineering and independent compliance monitor expenses in support of the capital projects
- Projected management consulting contractual costs are reduced significantly in 2008 resulting in an overall decrease in professional services of approximately 43.6%. Due to a decrease in real estate support projections, costs decrease by 4.2% in 2009 and remain constant in 2010.

#### Materials and Supplies

- 2006 Material and Supplies costs remain unchanged from the July Financial Plan.
- 2007 costs decrease slightly from 2006, by 4.2%. 2008 through 2010 costs are based on 2007 projections and are escalated by 2.91%, 1.62%, 1.53% and 1.84%, respectively.

#### Other Business Expenses

- 2006 continues to assume procurement of telephones, printers, copiers, miscellaneous office furniture and computer equipment for staff. Additional expenditures include automotive purchases, establishing an MTACC intranet and 2 Broadway 8<sup>th</sup> floor lease.
- Costs decrease by 12.9% in 2007 because major procurements such as automobile, intranet printers, copiers, and the majority of computer hardware will be procured in 2006.
- Costs remain fairly constant in 2008, 2009 and 2010.
- 2007 through 2010 costs are escalated by 2.91%, 1.62%, 1.53% and 1.84%, respectively.

**MTA CAPITAL CONSTRUCTION**  
**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
<b><u>Revenue</u></b>									
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	20.796	34.302	13.506	33.919	(0.383)	34.775	0.856	35.951	1.176
<b>Total Revenue</b>	<b>\$20.796</b>	<b>\$34.302</b>	<b>\$13.506</b>	<b>\$33.919</b>	<b>(\$0.383)</b>	<b>\$34.775</b>	<b>\$0.856</b>	<b>\$35.951</b>	<b>\$1.176</b>
<b><u>Expenses</u></b>									
Labor:									
Payroll	\$7.453	\$13.307	(5.854)	\$15.390	(2.083)	\$15.626	(0.235)	\$15.913	(0.288)
Overtime	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	1.336	2.561	(1.225)	3.256	(0.695)	3.658	(0.403)	4.124	(0.465)
Pensions	1.072	1.897	(0.824)	2.247	(0.351)	2.352	(0.104)	2.472	(0.120)
Other Fringe Benefits	2.974	3.820	(0.846)	4.160	(0.340)	4.289	(0.128)	4.448	(0.159)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenses</b>	<b>\$12.835</b>	<b>\$21.585</b>	<b>(\$8.750)</b>	<b>\$25.054</b>	<b>(\$3.469)</b>	<b>\$25.925</b>	<b>(\$0.871)</b>	<b>\$26.957</b>	<b>(\$1.032)</b>
Non-Labor:									
Traction and Propulsion Power	\$0.000	\$0.000	0.000	\$0.000	0.000	\$0.000	0.000	\$0.000	0.000
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.912	1.003	(0.091)	1.104	(0.100)	1.214	(0.110)	1.336	(0.121)
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	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Professional Service Contracts	3.973	9.028	(5.055)	5.095	3.934	4.883	0.212	4.896	(0.013)
Materials & Supplies	0.084	0.080	0.004	0.081	(0.001)	0.083	(0.001)	0.084	(0.002)
Other Business Expenses	2.992	2.605	0.387	2.586	0.020	2.671	(0.085)	2.679	(0.008)
<b>Total Non-Labor Expenses</b>	<b>\$7.961</b>	<b>\$12.717</b>	<b>(\$4.756)</b>	<b>\$8.865</b>	<b>\$3.852</b>	<b>\$8.850</b>	<b>\$0.015</b>	<b>\$8.994</b>	<b>(\$0.144)</b>
Other Expenses Adjustments:									
Other	\$0.000	\$0.000	0.000	\$0.000	0.000	\$0.000	0.000	\$0.000	0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$20.796</b>	<b>\$34.302</b>	<b>(\$13.506)</b>	<b>\$33.919</b>	<b>\$0.383</b>	<b>\$34.775</b>	<b>(\$0.856)</b>	<b>\$35.951</b>	<b>(\$1.176)</b>
Depreciation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Expenses</b>	<b>\$20.796</b>	<b>\$34.302</b>	<b>(\$13.506)</b>	<b>\$33.919</b>	<b>\$0.383</b>	<b>\$34.775</b>	<b>(\$0.856)</b>	<b>\$35.951</b>	<b>(\$1.176)</b>
<b>Baseline Net Surplus/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
Program to Eliminate the Gap									
<b>Net Surplus/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>

**MTA Capital Construction**  
**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
<b><u>Receipts</u></b>									
Farebox Revenue									
Vehicle Toll Revenue									
Other Operating Revenue									
Capital and Other Reimbursements	20.796	34.302	13.506	33.919	(0.383)	34.775	0.856	35.951	1.176
<b>Total Receipts</b>	<b>\$20.796</b>	<b>\$34.302</b>	<b>\$13.506</b>	<b>\$33.919</b>	<b>(\$0.383)</b>	<b>\$34.775</b>	<b>\$0.856</b>	<b>\$35.951</b>	<b>\$1.176</b>
<b><u>Expenditures</u></b>									
Labor:									
Payroll	\$7.453	\$13.307	(\$5.854)	\$15.390	(\$2.083)	\$15.626	(\$0.235)	\$15.913	(\$0.288)
Overtime									
Health and Welfare	1.336	2.561	(1.225)	3.256	(0.695)	3.658	(0.403)	4.124	(0.465)
Pensions	1.072	1.897	(0.824)	2.247	(0.351)	2.352	(0.104)	2.472	(0.120)
Other Fringe Benefits	2.974	3.820	(0.846)	4.160	(0.340)	4.289	(0.128)	4.448	(0.159)
Reimbursable Overhead									
<b>Total Labor Expenditures</b>	<b>\$12.835</b>	<b>\$21.585</b>	<b>(\$8.750)</b>	<b>\$25.054</b>	<b>(\$3.469)</b>	<b>\$25.925</b>	<b>(\$0.871)</b>	<b>\$26.957</b>	<b>(\$1.032)</b>
Non-Labor:									
Traction and Propulsion Power									
Fuel for Buses and Trains									
Insurance	0.912	1.003	(0.091)	1.104	(0.100)	1.214	(0.110)	1.336	(0.121)
Claims									
Paratransit Service Contracts									
Maintenance and Other Operating Contracts									
Professional Service Contracts	3.973	9.028	(5.055)	5.095	3.934	4.883	0.212	4.896	(0.013)
Materials & Supplies	0.084	0.080	0.004	0.081	(0.001)	0.083	(0.001)	0.084	(0.002)
Other Business Expenses	2.992	2.605	0.387	2.586	0.020	2.671	(0.085)	2.679	(0.008)
<b>Total Non-Labor Expenditures</b>	<b>\$7.961</b>	<b>\$12.717</b>	<b>(\$4.756)</b>	<b>\$8.865</b>	<b>\$3.852</b>	<b>\$8.850</b>	<b>\$0.015</b>	<b>\$8.994</b>	<b>(\$0.144)</b>
Other Expenditure Adjustments:									
Other									
<b>Total Other Expenditure Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenditures</b>	<b>\$20.796</b>	<b>\$34.302</b>	<b>(\$13.506)</b>	<b>\$33.919</b>	<b>\$0.383</b>	<b>\$34.775</b>	<b>(\$0.856)</b>	<b>\$35.951</b>	<b>(\$1.176)</b>
<b>Baseline Net Cash Deficit</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
PEG Program									
<b>Net Cash Deficit</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>

**MTA Capital Construction Company  
November Financial Plan 2007- 2010  
Summary of Major Plan-to-Plan Changes**

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

The November Financial Plan remains the same as the July Financial Plan.

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

Projections for 2007 are increased by \$5.355 million, 18.50% from the July Financial Plan. MTACC costs reflect anticipated progress in major construction of capital projects and full staff levels of 150 by year end. Labor expenses are increased by \$.346 million (1.63%). Non-labor expenditures are increased by \$5.01 million, a 65% increase, due to additional costs for company-wide construction support from specialty contractors, oversight agencies, legal support, environmental and archeological resources and miscellaneous project related costs.

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

Projections for 2008 are \$2.813 million, 9.04% higher than the July Financial Plan. Although staffing remains constant at 150 employees, labor costs increase slightly by 2.26% (\$.555 million) and reflect the first year of full staffing. Non-labor costs increase by \$2.258 million, 34.18%, for company-wide construction support.

**2009: November Financial Plan vs. July Financial Plan**

The 2009 July Financial Plan assumes a full staff level of 150. Costs are projected at \$2.369 million, 7.31% higher than the July Financial Plan. Labor costs remain fairly the same with a slight increase of \$.123 million. Non-labor costs increase by \$2.246 million, 34% due to continued expenditures for company-wide construction support.

**2010: November Financial Plan vs. July Financial Plan**

Staffing remains constant at 150 employees. Costs remain fairly constant, projected at \$.199 million lower than the July Financial Plan.

**MTA CAPITAL CONSTRUCTION**  
**November Financial Plan 2007 - 2010**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

<b>REIMBURSABLE</b>					
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>Baseline 2006 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
Farebox Revenue					
Vehicle Toll Revenue					
Capital and Other Reimbursement	0.000	5.355	2.813	2.369	(0.199)
<b>Total Revenue Changes</b>	<b>\$0.000</b>	<b>\$5.355</b>	<b>\$2.813</b>	<b>\$2.369</b>	<b>(\$0.199)</b>
<b>Expenses</b>					
<b>Labor:</b>					
Payroll	\$0.000	(\$0.230)	(\$0.406)	(\$0.181)	\$0.025
Health and Welfare	0.000	(0.041)	(0.080)	(0.036)	0.014
Pensions	0.000	(0.032)	(0.057)	(0.025)	0.006
Other Fringe Benefits	0.000	(0.043)	(0.011)	0.119	0.247
Reimbursable Overhead					
<b>Total Labor Expense Changes</b>	<b>\$0.000</b>	<b>(\$0.346)</b>	<b>(\$0.555)</b>	<b>(\$0.123)</b>	<b>\$0.292</b>
<b>Non-Labor:</b>					
Traction and Propulsion Power					
Fuel for Buses and Trains					
Insurance	0.000	0.000	0.000	0.000	0.000
Claims					
Paratransit Service Contracts					
Maintenance and Other Operating Contracts					
Professional Service Contracts	0.000	(4.999)	(2.272)	(2.285)	(0.150)
Materials & Supplies	0.000	(0.000)	0.001	0.001	0.002
Other Business Expenses	0.000	(0.011)	0.013	0.038	0.055
<b>Total Non-Labor Expense Changes</b>	<b>\$0.000</b>	<b>(\$5.010)</b>	<b>(\$2.258)</b>	<b>(\$2.246)</b>	<b>(\$0.093)</b>
<b>Total Expense Changes</b>	<b>\$0.000</b>	<b>(\$5.355)</b>	<b>(\$2.813)</b>	<b>(\$2.369)</b>	<b>\$0.199</b>
<b>Cash Adjustment Changes</b>					
<b>Total Cash Adjustment Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Baseline Changes</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>
<b>Baseline 2006 November Financial Plan - Operating Cash Income/(Deficit)</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>

**MTA Capital Construction Company  
2007 Final Proposed Budget  
November Financial Plan 2007 – 2010**

**Other Assumptions: Positions**

All MTACC costs are reimbursable from the MTA Capital Program. The November Financial Plan projects 2006 year end staffing of 96. Staffing levels reach 150 in 2007 and remain constant at that level.

The 2007 Year-End Staffing level includes 53 MTACC administrative positions and 97 project positions implementing East Side Access, Second Avenue Subway, Lower Manhattan, No. 7 Line and the system-wide security program.

**MTA CAPITAL CONSTRUCTION**  
**November Financial Plan 2007- 2010**  
**Non-Reimbursable - Reimbursable Positions at End-of-Year**  
**Full-Time Positions and Full Time Equivalents**

<b>FUNCTION/DEPARTMENT</b>	<b>2005 Actuals</b>	<b>2006 November Forecast</b>	<b>2007 Final Proposed Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Administration</b>						
MTACC	16	30	52	52	52	52
<b>Engineering/Capital</b>						
MTACC	1	1	1	1	1	1
East Side Access	23	32	45	45	45	45
Security	2	5	13	13	13	13
Second Avenue Subway	2	16	22	22	22	22
Lower Manhattan Project	7	12	17	17	17	17
<b>Total Engineering/Capital</b>	<b>35</b>	<b>66</b>	<b>98</b>	<b>98</b>	<b>98</b>	<b>98</b>
<b>Total Baseline Positions</b>	<b>51</b>	<b>96</b>	<b>150</b>	<b>150</b>	<b>150</b>	<b>150</b>
<i>Non-Reimbursable</i>	-	-	-	-	-	-
<i>Reimbursable</i>	51	96	150	150	150	150
<i>Total Full-Time</i>	51	96	150	150	150	150
<i>Total Full-Time Equivalents</i>	-	-	-	-	-	-

**MTA CAPITAL CONSTRUCTION**  
**November Financial Plan 2007- 2010**  
**Total Full-time Positions and Full-time Equivalents by Function and Occupational Group**

FUNCTION/OCCUPATIONAL GROUP		2006 November Forecast	2007 Final Proposed Budget	2008	2009	2010
<b>Administration</b>						
	Managers/Supervisors	-	-	-	-	-
	Professional, Technical, Clerical	30	52	52	52	52
	Operational Hourlies	-	-	-	-	-
	<b>Total Administration</b>	30	52	52	52	52
<b>Operations</b>						
	Managers/Supervisors					
	Professional, Technical, Clerical					
	Operational Hourlies <sup>(1)</sup>					
	<b>Total Operations</b>	-	-	-	-	-
<b>Maintenance</b>						
	Managers/Supervisors					
	Professional, Technical, Clerical					
	Operational Hourlies <sup>(1)</sup>					
	<b>Total Maintenance</b>	-	-	-	-	-
<b>Engineering/Capital</b>						
	Managers/Supervisors	-	-	-	-	-
	Professional, Technical, Clerical	66	98	98	98	98
	Operational Hourlies	-	-	-	-	-
	<b>Total Engineering/Capital</b>	66	98	98	98	98
<b>Public Safety</b>						
	Managers/Supervisors					
	Professional, Technical, Clerical					
	Operational Hourlies <sup>(1)</sup>					
	<b>Total Public Safety</b>	-	-	-	-	-
<b>Total Baseline Positions</b>						
	Managers/Supervisors	-	-	-	-	-
	Professional, Technical, Clerical	96	150	150	150	150
	Operational Hourlies	-	-	-	-	-
	<b>Total Baseline Positions</b>	96	150	150	150	150



**Long Island Bus**

# **MTA Long Island Bus 2007 Final Proposed Budget November Financial Plan 2007 - 2010**

## **MISSION STATEMENT**

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

## **AGENCY OVERVIEW**

LI Bus operates 333 fixed route buses serving 96 communities, 47 Long Island Rail Road stations, 5 New York City Transit subway stations, shopping centers, colleges, museums, parks, theaters and beaches throughout our area. In a cooperative effort, various departments monitor and analyze route statistics, customer and operator feedback in order to adjust service, given the financial and rolling stock limitations. Total 2005 ridership was 31.2 million, a 2.8% increase over 2004 and as of year to date August 2006, this positive trend is continuing with an increase of 4.8% over 2005.

The Able-Ride Paratransit program that began in 1995, offers curb-to-curb transportation for eligible customers who, because of their disabilities, are unable to use the fixed route bus system. This service also experienced record levels of ridership during 2005. Demand for this service continues to grow and is 9.8% over the year to date 2005 numbers. Currently, there are 86 Able-Ride buses in service.

LI Bus continues to be at the forefront in implementing new technologies to enhance the safety and reliability of our fleet and convenience to our customers. With capital funding, LI Bus is continuing to enhance its physical and technological infrastructure to maximize efficiency and longevity.

The safety of customers, personnel, the fleet, and facilities is a priority and as such, we are continuously assessing and enhancing the electronic surveillance systems, physical structures and safety awareness training of all employees.

## **FINANCIAL OVERVIEW**

The July Plan included some modest service increases to support increases in ridership on certain routes. Unfortunately, Nassau County has not provided sufficient subsidy levels to continue these service increases and they will terminate in March of 2007. In fact, Nassau County's \$10.5 million annual subsidy contribution in this Plan approximates the 2000 level and is roughly half of the \$21.7 million contribution it made in 2000. Since that time, expenses (especially paratransit costs) have increased significantly.

Other initiatives in support of operations and security were funded relative to the available resources. LI Bus continues to seek efficiencies from its administrative and

support units and to initiate internal programs to promote and monitor this Agency objective.

LI Bus also participates in the MTA wide cost savings programs (Programs to Eliminate Gap) and is on-track to meeting its 2006 PEG.

LI Bus is also actively seeking Capital funding sources to facilitate the replacement of fixed route and demand response buses as well as the maintenance and improvements to equipment and facilities.

Given these challenges, LI Bus's management will continue to promote a cost containment culture and to monitor internal controllable expenses while maximizing subsidies and other revenue sources to effectively meet our current service and safety commitments.

## **2006 November Forecast**

The 2006 November forecast (2006 base year) total operating expenses of \$122.7 million. The net change over the July Plan is an increase of \$2.4 million due mainly to increased Workers Compensation (\$.8 million), Insurance (\$.3 million), Pattern Labor Provision (\$.3 million) and Claims Reserve (\$1.0 million) requirements.

A recent workers compensation case has necessitated an increase in case reserves in 2006.

The development of individual Claims cases has created the need to increase reserve amounts in 2006.

Participation in the All Agency excessive liability insurance plan requires additional funds to pay past and current premiums.

The full year 2006 revenue forecast was increased by \$.2 million, reflecting the favorable variances from July and August. These gains were credited to better average fares rather than an overall gain in ridership. Ridership projections are therefore unchanged based on modest August year to date gains against the July Plan.

There were no changes in CPI assumptions. LI Bus has removed the PEG items from its baseline and is on target to meet the additional savings.

## **2007 – Final Proposed Budget - Baseline**

Baseline expenses changed by \$.4 million over the July Plan, while revenue increased by \$.2 million.

Labor expenses were affected by a number of factors including: additional service hours in support of July service enhancements (these terminate in March of 2007), additional labor hours necessary to comply with State mandates regarding the use of Ultra Low

Sulfur Diesel, and lower Health & Welfare costs. Also included in the November Plan was a Pattern Bargaining Provision.

Favorable Pension rates provided modest savings, while the addition to the 2006 baseline for Workers Compensation (Other Fringe Benefits), had an inflationary effect on the 2007 – 2010 net numbers.

A new contract to maintain the AVL (Automatic Vehicle Locator) system was required and added \$.3 million to the line item. All other changes to non-labor items were reflective of rates and associated effects of the service increase initiatives.

Based on the new energy rate guidelines, the forecasted rates were lowered producing savings compared to the July plan. Approximately \$.8 million worth of energy costs savings were included in the 2007 plan.

Most of the changes to the baseline for the 2007 – 2010 period have a direct relationship to the changes in the 2006 base as affected by the November Plan requirements.

The 2006 farebox revenue base was adjusted upwards in both Plans to reflect current favorable trends. From the new November base, Fixed Route and Paratransit ridership is projected to increase 0.5% annually with a corollary increase in farebox revenue.

## **2008 – 2010 Projections**

Changes to the projections for the 2008 – 2010 plan period reflect changes to the 2006 and 2007 baseline and the consequent effect of applying the guideline CPI's to those numbers.

Ridership and Farebox revenue is forecasted to increase by .5% in each of the plan years. There are no additional confirmed capital reimbursements or operating revenue sources, therefore, amounts remained unchanged from the July Plan.

Changes in labor related expenses reflect the removal of July service enhancements, the inclusion of a Pattern Labor Provision and lower Health & Welfare costs.

Fuel and utilities annual baseline changes reflect the 2006 November Plan issued rate guidelines.

All other non-labor and non-energy related changes pertain to CPI and contract-related rate change.

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

**NON-REIMBURSABLE**

	2005	2006	2007			
	<u>Actuals</u>	<u>November Forecast</u>	<u>Final Proposed Budget</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>Operating Revenue</b>						
Farebox Revenue	\$39.118	\$39.560	\$39.758	\$39.957	\$40.156	\$40.357
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	5.322	3.699	3.199	2.549	2.454	2.207
Capital and Other Reimbursements	-	-	-	-	-	-
<b>Total Revenue</b>	<b>\$44.440</b>	<b>\$43.259</b>	<b>\$42.957</b>	<b>\$42.506</b>	<b>\$42.610</b>	<b>\$42.564</b>
<b>Operating Expenses</b>						
<b><u>Labor:</u></b>						
Payroll	\$56.354	\$59.465	\$61.038	\$62.724	\$64.650	\$66.763
Overtime	6.018	5.130	5.256	5.399	5.565	5.744
Health and Welfare	10.379	11.726	12.891	14.243	15.764	17.448
Pensions	5.161	5.466	5.426	5.576	5.747	5.935
Other Fringe Benefits	6.088	7.314	7.039	7.246	7.468	7.710
Pattern Labor Provision	0.000	0.278	1.528	1.936	1.939	1.942
Reimbursable Overhead	-	-	-	-	-	-
<b>Total Labor Expenses</b>	<b>\$84.000</b>	<b>\$89.379</b>	<b>\$93.178</b>	<b>\$97.124</b>	<b>\$101.133</b>	<b>\$105.542</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	9.327	10.324	11.246	11.524	11.258	11.266
Insurance	0.354	0.843	0.417	0.454	0.497	0.539
Claims	3.991	3.845	3.428	3.483	3.537	3.602
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	6.977	7.866	8.404	8.534	8.695	8.904
Professional Service Contracts	1.700	1.869	1.941	1.973	2.003	2.040
Materials & Supplies	1.673	2.488	2.834	2.934	3.029	3.146
Other Business Expenses	0.222	0.395	0.406	0.413	0.419	0.427
<b>Total Non-Labor Expenses</b>	<b>\$24.244</b>	<b>\$27.630</b>	<b>\$28.676</b>	<b>\$29.315</b>	<b>\$29.438</b>	<b>\$29.924</b>
<b><u>Other Expenses Adjustments:</u></b>						
Other	-	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$108.244</b>	<b>\$117.009</b>	<b>\$121.854</b>	<b>\$126.439</b>	<b>\$130.571</b>	<b>\$135.466</b>
Depreciation	-	-	-	-	-	-
<b>Total Expenses</b>	<b>\$108.244</b>	<b>\$117.009</b>	<b>\$121.854</b>	<b>\$126.439</b>	<b>\$130.571</b>	<b>\$135.466</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$63.804)</b>	<b>(\$73.750)</b>	<b>(\$78.897)</b>	<b>(\$83.933)</b>	<b>(\$87.961)</b>	<b>(\$92.902)</b>
2007 Program to Eliminate the Gap (PEGs)	-	0.000	0.092	0.096	0.101	0.105
Post 2007 Program to Eliminate the Gap (PEGs)	-	0.000	0.000	0.000	0.000	0.000
<b>Net Surplus/(Deficit)</b>	<b>(\$63.804)</b>	<b>(\$73.750)</b>	<b>(\$78.805)</b>	<b>(\$83.837)</b>	<b>(\$87.860)</b>	<b>(\$92.797)</b>

## REIMBURSABLE

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

**NON-REIMBURSABLE / REIMBURSABLE**

	2005 Actuals	2006 November Forecast	2007 Final Proposed Budget	2008	2009	2010
<b>Revenue</b>						
Farebox Revenue	\$39.118	\$39.560	\$39.758	\$39.957	\$40.156	\$40.357
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	5.322	3.699	3.199	2.549	2.454	2.207
Capital and Other Reimbursements	5.355	5.680	5.910	6.110	6.331	6.524
<b>Total Revenue</b>	<b>\$49.795</b>	<b>\$48.939</b>	<b>\$48.867</b>	<b>\$48.616</b>	<b>\$48.941</b>	<b>\$49.088</b>
<b>Expenses</b>						
<b><u>Labor:</u></b>						
Payroll	\$56.989	\$60.318	\$61.913	\$63.624	\$65.578	\$67.677
Overtime	6.018	5.130	5.256	5.399	5.565	5.744
Health and Welfare	11.615	13.120	14.491	16.014	17.724	19.617
Pensions	5.262	5.537	5.498	5.650	5.823	6.010
Other Fringe Benefits	6.171	7.376	7.102	7.311	7.535	7.776
Pattern Labor Provision	0.000	0.278	1.528	1.936	1.939	1.942
Reimbursable Overhead	-	-	-	-	-	-
<b>Total Labor Expenses</b>	<b>\$86.055</b>	<b>\$91.759</b>	<b>\$95.788</b>	<b>\$99.934</b>	<b>\$104.164</b>	<b>\$108.766</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	9.327	10.324	11.246	11.524	11.258	11.266
Insurance	0.354	0.843	0.417	0.454	0.497	0.539
Claims	3.991	3.845	3.428	3.483	3.537	3.602
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	6.977	7.866	8.404	8.534	8.695	8.904
Professional Service Contracts	1.700	1.869	1.941	1.973	2.003	2.040
Materials & Supplies	4.973	5.788	6.134	6.234	6.329	6.446
Other Business Expenses	0.222	0.395	0.406	0.413	0.419	0.427
<b>Total Non-Labor Expenses</b>	<b>\$27.544</b>	<b>\$30.930</b>	<b>\$31.976</b>	<b>\$32.615</b>	<b>\$32.738</b>	<b>\$33.224</b>
<b><u>Other Expenses Adjustments:</u></b>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$113.599</b>	<b>\$122.689</b>	<b>\$127.764</b>	<b>\$132.549</b>	<b>\$136.902</b>	<b>\$141.990</b>
Depreciation	-	-	-	-	-	-
<b>Total Expenses</b>	<b>\$113.599</b>	<b>\$122.689</b>	<b>\$127.764</b>	<b>\$132.549</b>	<b>\$136.902</b>	<b>\$141.990</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$63.804)</b>	<b>(\$73.750)</b>	<b>(\$78.897)</b>	<b>(\$83.933)</b>	<b>(\$87.961)</b>	<b>(\$92.902)</b>
2007 Program to Eliminate the Gap (PEGs)	-	0.000	0.092	0.096	0.101	0.105
Post 2007 Program to Eliminate the Gap (PEGs)	-	0.000	0.000	0.000	0.000	0.000
<b>Net Surplus/(Deficit)</b>	<b>(\$63.804)</b>	<b>(\$73.750)</b>	<b>(\$78.805)</b>	<b>(\$83.837)</b>	<b>(\$87.860)</b>	<b>(\$92.797)</b>

**MTA LONG ISLAND BUS**  
**November 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
<b>Receipts</b>						
Farebox Revenue	\$38.321	\$39.120	\$39.658	\$39.794	\$40.756	\$40.247
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	5.131	3.748	3.249	2.599	2.504	2.257
Capital and Other Reimbursements	5.321	5.576	5.728	5.909	6.106	6.274
<b>Total Receipts</b>	<b>\$48.773</b>	<b>\$48.444</b>	<b>\$48.635</b>	<b>\$48.302</b>	<b>\$49.366</b>	<b>\$48.778</b>
<b>Expenditures</b>						
<b><u>Labor:</u></b>						
Payroll	\$57.347	\$60.048	\$61.579	\$63.287	\$67.690	\$67.337
Overtime	5.945	5.100	5.225	5.366	5.746	5.708
Health and Welfare	11.783	13.079	14.446	15.966	17.667	19.542
Pensions	5.806	5.388	5.357	5.485	5.644	5.820
Other Fringe Benefits	6.148	7.340	7.066	7.274	7.775	7.738
Pattern Labor Provision	0.000	0.278	1.528	1.936	1.939	1.942
Reimbursable Overhead	-	-	-	-	-	-
<b>Total Labor Expenditures</b>	<b>\$87.029</b>	<b>\$91.233</b>	<b>\$95.201</b>	<b>\$99.314</b>	<b>\$106.461</b>	<b>\$108.087</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	9.046	10.175	11.096	11.374	11.108	11.116
Insurance	0.000	1.199	0.353	0.597	0.415	0.467
Claims	4.026	3.000	3.382	3.435	3.486	3.548
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	7.243	7.646	8.334	8.464	8.625	8.834
Professional Service Contracts	1.424	1.813	1.883	1.914	1.943	1.975
Materials & Supplies	4.544	5.739	6.083	6.182	6.275	6.389
Other Business Expenses	0.581	0.375	0.386	0.392	0.398	0.405
<b>Total Non-Labor Expenditures</b>	<b>\$26.864</b>	<b>\$29.947</b>	<b>\$31.517</b>	<b>\$32.358</b>	<b>\$32.250</b>	<b>\$32.734</b>
<b><u>Other Expenditure Adjustments:</u></b>						
Other	-	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expenditure Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenditures</b>	<b>\$113.893</b>	<b>\$121.180</b>	<b>\$126.718</b>	<b>\$131.672</b>	<b>\$138.711</b>	<b>\$140.821</b>
<b>Baseline Cash Deficit</b>	<b>(\$65.120)</b>	<b>(\$72.736)</b>	<b>(\$78.083)</b>	<b>(\$83.370)</b>	<b>(\$89.345)</b>	<b>(\$92.043)</b>
2007 Program to Eliminate the Gap (PEGs)	-	0.000	0.092	0.096	0.101	0.105
Post 2007 Program to Eliminate the Gap (PEGs)	-	0.000	0.000	0.000	0.000	0.000
<b>Net Cash Deficit</b>	<b>(\$65.120)</b>	<b>(\$72.736)</b>	<b>(\$77.991)</b>	<b>(\$83.274)</b>	<b>(\$89.244)</b>	<b>(\$91.938)</b>



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

**CASH FLOW ADJUSTMENTS**

	2005 Actuals	2006 November Forecast	2007 Final Proposed Budget	2008	2009	2010
<b>Receipts</b>						
Farebox Revenue	(\$0.797)	(\$0.440)	(\$0.100)	(\$0.163)	\$0.600	(\$0.110)
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	(0.191)	0.049	0.050	0.050	0.050	0.050
Capital and Other Reimbursements	(0.034)	(0.104)	(0.182)	(0.201)	(0.225)	(0.250)
<b>Total Receipts</b>	<b>(\$1.022)</b>	<b>(\$0.495)</b>	<b>(\$0.232)</b>	<b>(\$0.314)</b>	<b>\$0.425</b>	<b>(\$0.310)</b>
<b>Expenditures</b>						
<b><u>Labor:</u></b>						
Payroll	(\$0.358)	\$0.270	\$0.334	\$0.337	(\$2.112)	\$0.340
Overtime	0.073	0.030	0.031	0.033	(0.181)	0.036
Health and Welfare	(0.168)	0.041	0.045	0.048	0.057	0.075
Pensions	(0.544)	0.149	0.141	0.165	0.179	0.190
Other Fringe Benefits	0.023	0.036	0.036	0.037	(0.240)	0.038
Pattern Labor Provision	0.000	0.000	0.000	0.000	0.000	(0.000)
Reimbursable Overhead	-	-	-	-	-	-
<b>Total Labor Expenditures</b>	<b>(\$0.974)</b>	<b>\$0.526</b>	<b>\$0.587</b>	<b>\$0.620</b>	<b>(\$2.297)</b>	<b>\$0.679</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	0.281	0.149	0.150	0.150	0.150	0.150
Insurance	0.354	(0.356)	0.064	(0.143)	0.082	0.072
Claims	(0.035)	0.845	0.046	0.048	0.051	0.054
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	(0.266)	0.220	0.070	0.070	0.070	0.070
Professional Service Contracts	0.276	0.056	0.058	0.059	0.060	0.065
Materials & Supplies	0.429	0.049	0.051	0.052	0.054	0.057
Other Business Expenditures	(0.359)	0.020	0.020	0.021	0.021	0.022
<b>Total Non-Labor Expenditures</b>	<b>\$0.680</b>	<b>\$0.983</b>	<b>\$0.459</b>	<b>\$0.257</b>	<b>\$0.488</b>	<b>\$0.490</b>
<b><u>Other Expenditures Adjustments:</u></b>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expenditures Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Cash Conversion Adjustments before Depreciation</b>	<b>(\$1.316)</b>	<b>\$1.014</b>	<b>\$0.814</b>	<b>\$0.563</b>	<b>(\$1.384)</b>	<b>\$0.859</b>
Depreciation Adjustment	-	-	-	-	-	-
<b>Baseline Total Cash Conversion Adjustments</b>	<b>(\$1.316)</b>	<b>\$1.014</b>	<b>\$0.814</b>	<b>\$0.563</b>	<b>(\$1.384)</b>	<b>\$0.859</b>
2007 Program to Eliminate the Gap (PEGs)	-	0.000	0.000	0.000	0.000	0.000
Post 2007 Program to Eliminate the Gap (PEGs)	-	0.000	0.000	0.000	0.000	0.000
<b>Total Cash Conversion Adjustments</b>	<b>(\$1.316)</b>	<b>\$1.014</b>	<b>\$0.814</b>	<b>\$0.563</b>	<b>(\$1.384)</b>	<b>\$0.859</b>

**MTA Long Island Bus  
November Financial Plan 2007 – 2010  
Year-To-Year Changes By Category**

**1. REVENUE**

- **Farebox:**
  - **2006 – 2007:** An additional \$.198 million in farebox revenue is projected in 2007 based on a .5% increase in ridership over 2006. This number includes adjustments made in the July and November Plans to reflect revenue generated by the increased ridership in 2005 and year to date August 2006.
  - **2007 – 2010:** An annual growth rate of .5% is forecasted for the 2007 – 2010 period.
- **Other Operating Revenue**
  - **2006 – 2010:** While advertising revenue is forecasted to increase modestly each year, operating grants are expected to decline. The annual variances reflect the impact of lower grant receipts.
- **Capital & Other Reimbursements**
  - **2006 – 2010:** Annual changes are due to CPI factors affecting labor expenses for reimbursable employees.

**2. LABOR EXPENSES**

- **Payroll/Overtime:**
  - **2006 – 2007:** The year-to-year variance is attributable to various factors including guideline CPI inflators and one (1) additional position in 2007 to support safety programs.
  - **2007 – 2010:** Year to-year variances were due to the removal of service enhancement expenses beyond March 2007 and the application of CPI inflators on the prior year's base. In addition, there is an extra pay period in 2009 and the appropriate cash was added to the relevant line items.

- **Health & Welfare**

- **2006 – 2007:** Health insurance rates in 2007 were adjusted down from 14.78% to 10% over the 2006 base. This generated a \$1.4 million change between years.
- **2007 – 2010:** Rates are expected to increase slightly over these plan years and annual increases are projected at 10.68%. The changes therefore reflect the compounding of this factor in each year.

- **Pension**

- **2006 – 2010:** The current CPI inflators, starting with 2.91% in 2007, were applied to the 2006 base. The 2007 base expense was lowered in the November Plan resulting in small savings in each year.

- **Other Fringe**

- **2006 – 2007:** Recent increases in Workers Compensation reserves created the need for additional funding in 2006 and 2007. The change between years is therefore a combination of the baseline addition and CPI inflators on the other line items.
- **2007 – 2010:** The guideline CPI inflators were applied to the 2007 adjusted base generating the associated variances in the 2008 – 2010 plan period.

- **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.

## **2. NON LABOR EXPENSES**

- **Fuel:**

- **2006 – 2007:** Fuel rate hikes during the 2006 – 2007 period created many challenges in regards to formulating accurate forecasts. Adjustments were made in each review period but the optimistic forecasts were not realized for the first eight months of 2006. There has been some relief as of September, but a sustained lowering of rates is needed to offset the significant year to date deficit generated from the prior months higher rates. Versus the

July Plan, lower rates are forecasted for 2007 thereby reducing the unfavorable (\$.9 million) change shown between years.

- **2007 – 2010:** There are no significant service enhancements scheduled, therefore mileage and fuel usage is not projected to increase significantly. As such, the increases shown in these years are the net results of applying the guideline rates to each specific fuel type. However, new Federal and State requirement to use Ultra Low Sulfur Diesel (ULSD) in all revenue and non-revenue vehicles, carries an added premium and will have an impact on the cost of diesel fuel.

- **Insurance**

- **2006 – 2010:** Excess liability insurance premiums for prior years are included in the 2006 and 2007 requirements. Additional funds are needed to support this cash outlay in 2006 and 2007.

- **Claims**

- **2006 – 2010:** The status and liability factor surrounding claim cases dictates the level of reserves needed to satisfy auditor recommendations. Current cases warranted an increase in such reserves and the \$.4 million change between 2006 and 2007 reflects part of this assessment. This line item requires frequent analysis and will continue to be dynamic in nature.

- **Maintenance & Other Operating Contracts**

- **2006 – 2010:** The need to purchase maintenance contracts in support of the Automatic Vehicle Locator (AVL) system required an additional \$.4 million split between 2006 and 2007 years. Included in the net change between the outer years, is the removal of the Service Enhancement expenses beyond March 2007. These items along with the cumulative effect of CPI inflation factors, account for the variances shown between each year. The inclusion of utilities in this category will continue to impact variance levels.

- **Professional Service Contracts**

- **2006 – 2010:** The recommended CPI inflators were applied to the 2006 baseline and rolled out to the other years in the plan period. There is still concern that major line items such as Security Services, Medical Services and MetroCard transaction fees, will

continue to increase beyond the approved CPI's. Annual changes however reflect the impact of the current inflator factors.

- **Material & Supplies**

- **2006 – 2010:** Annual changes were mainly due to the application of guideline CPI inflators in each year of the plan. Current delays in bus replacements, the resultant increases in material usage and the higher than CPI increase in prices will have to be addressed in future forecasts.

- **Other Business Expenses**

- **2006 – 2010:** All annual changes are due to the application of guideline CPI inflators in the respective plan years.

**MTA Long Island Bus**  
**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
<b>Revenue</b>									
Farebox Revenue	\$39.560	\$39.758	\$0.198	\$39.957	\$0.199	\$40.156	\$0.199	\$40.357	\$0.201
Vehicle Toll Revenue									
Other Operating Revenue	3.699	3.199	(0.500)	2.549	(0.650)	2.454	(0.095)	2.207	(0.247)
Capital and Other Reimbursements	5.680	5.910	0.230	6.110	0.200	6.331	0.221	6.524	0.193
<b>Total Revenue</b>	<b>\$48.939</b>	<b>\$48.867</b>	<b>(\$0.072)</b>	<b>\$48.616</b>	<b>(\$0.251)</b>	<b>\$48.941</b>	<b>\$0.325</b>	<b>\$49.088</b>	<b>\$0.147</b>
<b>Expenses</b>									
<b>Labor:</b>									
Payroll	\$60.318	\$61.913	(\$1.595)	\$63.624	(\$1.711)	\$65.578	(\$1.954)	\$67.677	(\$2.099)
Overtime	5.130	5.256	(0.126)	5.399	(0.143)	5.565	(0.166)	5.744	(0.179)
Health and Welfare	13.120	14.491	(1.371)	16.014	(1.523)	17.724	(1.710)	19.617	(1.893)
Pensions	5.537	5.498	0.039	5.650	(0.152)	5.823	(0.173)	6.010	(0.187)
Other Fringe Benefits	7.376	7.102	0.274	7.311	(0.209)	7.535	(0.224)	7.776	(0.241)
Pattern Labor Provision	0.278	1.528	(1.250)	1.936	(0.408)	1.939	(0.003)	1.942	(0.003)
Reimbursable Overhead									
<b>Total Labor Expenses</b>	<b>\$91.759</b>	<b>\$95.788</b>	<b>(\$4.029)</b>	<b>\$99.934</b>	<b>(\$4.146)</b>	<b>\$104.164</b>	<b>(\$4.230)</b>	<b>\$108.766</b>	<b>(\$4.602)</b>
<b>Non-Labor:</b>									
Traction and Propulsion Power									
Fuel for Buses and Trains	\$10.324	\$11.246	(\$0.922)	\$11.524	(\$0.278)	\$11.258	\$0.266	\$11.266	(\$0.008)
Insurance	0.843	0.417	0.426	0.454	(0.037)	0.497	(0.043)	0.539	(0.042)
Claims	3.845	3.428	0.417	3.483	(0.055)	3.537	(0.054)	3.602	(0.065)
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	7.866	8.404	(0.538)	8.534	(0.130)	8.695	(0.161)	8.904	(0.209)
Professional Service Contracts	1.869	1.941	(0.072)	1.973	(0.032)	2.003	(0.030)	2.040	(0.037)
Materials & Supplies	5.788	6.134	(0.346)	6.234	(0.100)	6.329	(0.095)	6.446	(0.117)
Other Business Expenses	0.395	0.406	(0.011)	0.413	(0.007)	0.419	(0.006)	0.427	(0.008)
<b>Total Non-Labor Expenses</b>	<b>\$30.930</b>	<b>\$31.976</b>	<b>(\$1.046)</b>	<b>\$32.615</b>	<b>(\$0.639)</b>	<b>\$32.738</b>	<b>(\$0.123)</b>	<b>\$33.224</b>	<b>(\$0.486)</b>
<b>Other Expenses Adjustments:</b>									
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$122.689</b>	<b>\$127.764</b>	<b>(\$5.075)</b>	<b>\$132.549</b>	<b>(\$4.785)</b>	<b>\$136.902</b>	<b>(\$4.353)</b>	<b>\$141.990</b>	<b>(\$5.088)</b>
Depreciation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Expenses</b>	<b>\$122.689</b>	<b>\$127.764</b>	<b>(\$5.075)</b>	<b>\$132.549</b>	<b>(\$4.785)</b>	<b>\$136.902</b>	<b>(\$4.353)</b>	<b>\$141.990</b>	<b>(\$5.088)</b>
<b>Baseline Net Surplus/(Deficit)</b>	<b>(\$73.750)</b>	<b>(\$78.897)</b>	<b>(\$5.147)</b>	<b>(\$83.933)</b>	<b>(\$5.036)</b>	<b>(\$87.961)</b>	<b>(\$4.028)</b>	<b>(\$92.902)</b>	<b>(\$4.941)</b>
2007 Agency Program to Eliminate the Gap	0.000	0.092	\$0.092	\$0.096	\$0.004	\$0.101	\$0.005	\$0.105	\$0.004
Post-2007 Agency Program to Elim. the Gap									
<b>Net Surplus/(Deficit)</b>	<b>(\$73.750)</b>	<b>(\$78.805)</b>	<b>(\$5.055)</b>	<b>(\$83.837)</b>	<b>(\$5.032)</b>	<b>(\$87.860)</b>	<b>(\$4.023)</b>	<b>(\$92.797)</b>	<b>(\$4.937)</b>

**MTA Long Island Bus**  
**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
<b><u>Receipts</u></b>									
Farebox Revenue	\$39.120	\$39.658	\$0.538	\$39.794	\$0.136	\$40.756	\$0.962	\$40.247	(\$0.509)
Vehicle Toll Revenue			0.000		0.000		0.000		0.000
Other Operating Revenue	3.748	3.249	(0.499)	2.599	(0.650)	2.504	(0.095)	2.257	(0.247)
Capital and Other Reimbursements	5.576	5.728	0.152	5.909	0.181	6.106	0.197	6.274	0.168
<b>Total Receipts</b>	<b>\$48.444</b>	<b>\$48.635</b>	<b>\$0.191</b>	<b>\$48.302</b>	<b>(\$0.333)</b>	<b>\$49.366</b>	<b>\$1.064</b>	<b>\$48.778</b>	<b>(\$0.588)</b>
<b><u>Expenditures</u></b>									
Labor:									
Payroll	\$60.048	\$61.579	(\$1.531)	\$63.287	(\$1.708)	\$67.690	(\$4.403)	\$67.337	\$0.353
Overtime	5.100	5.225	(0.125)	5.366	(0.141)	5.746	(0.380)	5.708	0.038
Health and Welfare	13.079	14.446	(1.367)	15.966	(1.520)	17.667	(1.701)	19.542	(1.875)
Pensions	5.388	5.357	0.031	5.485	(0.128)	5.644	(0.159)	5.820	(0.176)
Other Fringe Benefits	7.340	7.066	0.274	7.274	(0.208)	7.775	(0.501)	7.738	0.037
Pattern Labor Provision	0.278	1.528	(1.250)	1.936	(0.408)	1.939	(0.003)	1.942	(0.003)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenditures</b>	<b>\$91.233</b>	<b>\$95.201</b>	<b>(\$3.968)</b>	<b>\$99.314</b>	<b>(\$4.113)</b>	<b>\$106.461</b>	<b>(\$7.147)</b>	<b>\$108.087</b>	<b>(\$1.626)</b>
Non-Labor:									
Traction and Propulsion Power									
Fuel for Buses and Trains	\$10.175	\$11.096	(\$0.921)	\$11.374	(\$0.278)	\$11.108	\$0.266	\$11.116	(\$0.008)
Insurance	1.199	0.353	0.846	0.597	(0.244)	0.415	0.182	0.467	(0.052)
Claims	3.000	3.382	(0.382)	3.435	(0.053)	3.486	(0.051)	3.548	(0.062)
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	7.646	8.334	(0.688)	8.464	(0.130)	8.625	(0.161)	8.834	(0.209)
Professional Service Contracts	1.813	1.883	(0.070)	1.914	(0.031)	1.943	(0.029)	1.975	(0.032)
Materials & Supplies	5.739	6.083	(0.344)	6.182	(0.099)	6.275	(0.093)	6.389	(0.114)
Other Business Expenses	0.375	0.386	(0.011)	0.392	(0.006)	0.398	(0.006)	0.405	(0.007)
<b>Total Non-Labor Expenditures</b>	<b>\$29.947</b>	<b>\$31.517</b>	<b>(\$1.570)</b>	<b>\$32.358</b>	<b>(\$0.841)</b>	<b>\$32.250</b>	<b>\$0.108</b>	<b>\$32.734</b>	<b>(\$0.484)</b>
Other Expenditure Adjustments:									
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expenditure Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenditures</b>	<b>\$121.180</b>	<b>\$126.718</b>	<b>(\$5.538)</b>	<b>\$131.672</b>	<b>(\$4.954)</b>	<b>\$138.711</b>	<b>(\$7.039)</b>	<b>\$140.821</b>	<b>(\$2.110)</b>
<b>Baseline Net Cash Deficit</b>	<b>(\$72.736)</b>	<b>(\$78.083)</b>	<b>(\$5.347)</b>	<b>(\$83.370)</b>	<b>(\$5.287)</b>	<b>(\$89.345)</b>	<b>(\$5.975)</b>	<b>(\$92.043)</b>	<b>(\$2.698)</b>
2007 Agency Program to Eliminate the Gap	0.000	0.092	\$0.092	0.096	\$0.004	0.101	\$0.005	0.105	\$0.004
Post-2007 Agency Program to Elim. the Gap									
<b>Net Cash Deficit</b>	<b>(\$72.736)</b>	<b>(\$77.991)</b>	<b>(\$5.255)</b>	<b>(\$83.274)</b>	<b>(\$5.283)</b>	<b>(\$89.244)</b>	<b>(\$5.970)</b>	<b>(\$91.938)</b>	<b>(\$2.694)</b>

**MTA Long Island Bus  
November Financial Plan 2007 - 2010  
Summary of Major Plan-to-Plan Changes**

**1. REVENUE**

- **Farebox:**
  - Whereas, ridership/revenue gains over 2005 remain impressive, year to date September 2006 only has a gain of 1.0% and 1.8% for fixed route and paratransit respectively, when compared to the July plan. This is because of the inclusion of the 2005 through May 2006 gains in the July Plan. An additional \$.2 million was however included in the November Plan to account for the favorable variance experienced in July and August of 2006. An annual growth rate of .5% was used in the out years.
- **Other Operating Revenue**
  - There were no changes in this category.
- **Capital & Other Reimbursements**
  - There were no changes in this category.

**2. LABOR EXPENSES**

- **Payroll/Overtime:**
  - CPI inflators were used in compliance with MTA guidelines. Labor hours were added in the first quarter of 2007 in order to fund service enhancements from July in the current winter service plan. This is unfunded beyond March 2007 and a total of four (4) Bus Operator expenses were not included in the remaining nine months. One (1) Safety Coordinator position in support of increased service and expanded safety mandates was included.
- **Health & Welfare**
  - Health insurance rates for 2007 were lowered from the July Plan. Projected rates in 2007 were reduced from 14.78% to 10% while the 10.68% increase for 2008 through 2010 was unchanged.



- **Pension**

- Adjustments were made to reflect favorable actual rates and resulted in small annual savings over the July Plan.

- **Other Fringe Benefits**

- Workers Compensation payments and reserve amounts have increased significantly since the July Plan. An additional \$.75 million was included in 2006 to offset the negative variance to budget. The application of guideline CPI inflators and the adjustment to the 2006 baseline, produced a ripple effect and explains the variances in the outer years.

- **Pattern Labor Provision**

- The LI 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:**

- There were no changes from the July Plan in 2006 in that the anticipated favorable rates in the last quarter of the year, is needed to partially offset the negative variances of the prior eight months. Lower guideline rates produced savings of \$.76 million, \$.43 million, \$.11 million and \$.29 million for the 2007 – 2010 plan period.

- **Insurance**

- The past due premiums and future participation in the all agency excess liability insurance plan remains unfunded and requires the addition of \$.28 million in 2006. This accounts for the change between plans.

- **Claims**

- The periodic analyses of active claim cases provide the basis for adjustments to the reserve amounts. An additional \$1.0 million in 2006 and \$.2 million in 2007 were added to partially meet reserve requirements.

- **Maintenance & Other Operating Contracts**

- A new contract to facilitate the maintenance of LI Bus's Automatic Vehicle Locator (AVL) system was negotiated and will be effective November 2006. An additional \$.35 million was split between 2006 and 2007 to fund this need. Expenses related to service enhancements beyond March 2007 were removed. The application of guideline CPI inflators to the new baseline, utility and fuel items, produced the listed variance between plans.

- **Professional Service Contracts**

- The minor changes between plans are a result of the new CPI inflation assumptions.

- **Material & Supplies**

- There was a \$.18 million maintenance components to the additional service scheduled for 2007. This was included in the 2007 baseline and the guideline CPI inflators applied. This accounts for the changes shown in the 2007 – 2010 plan period.

- **Other Business Expenses**

- Minor changes due to new guideline CPI inflation assumptions.

**MTA LONG ISLAND BUS**  
**November Financial Plan 2007 - 2010**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

<b>NON-REIMBURSABLE</b>					
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>Baseline Changes</b>					
<b>Revenue</b>					
Farebox Revenue	\$0.200	\$0.201	\$0.201	\$0.201	\$0.202
Vehicle Toll 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	0.000	0.000	0.000	0.000	0.000
<b>Total Revenue Changes</b>	<b>\$0.200</b>	<b>\$0.201</b>	<b>\$0.201</b>	<b>\$0.201</b>	<b>\$0.202</b>
<b>Expenses</b>					
<b>Labor:</b>					
Payroll	\$0.000	\$0.186	\$0.282	\$0.291	\$0.256
Overtime	0.000	0.025	0.035	0.036	0.037
Health and Welfare	0.000	0.626	0.718	0.794	0.878
Pensions	0.000	0.202	0.216	0.222	0.225
Other Fringe Benefits	(0.750)	(0.281)	(0.291)	(0.300)	(0.313)
Pattern Labor Provision	(0.278)	(1.528)	(1.936)	(1.939)	(1.942)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expense Changes</b>	<b>(\$1.028)</b>	<b>(\$0.771)</b>	<b>(\$0.976)</b>	<b>(\$0.895)</b>	<b>(\$0.859)</b>
<b>Non-Labor:</b>					
Traction and Propulsion Power					
Fuel for Buses and Trains	\$0.000	\$0.766	\$0.431	\$0.110	\$0.297
Insurance	(0.282)	0.003	0.004	0.004	0.003
Claims	(1.000)	(0.210)	(0.180)	(0.442)	(0.408)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	(0.059)	(0.102)	(0.047)	(0.131)	(0.167)
Professional Service Contracts	0.000	(0.026)	(0.009)	0.011	0.025
Materials & Supplies	0.000	(0.092)	(0.036)	0.027	0.068
Other Business Expenses	0.000	(0.001)	0.002	0.007	0.009
<b>Total Non-Labor Expense Changes</b>	<b>(\$1.341)</b>	<b>\$0.338</b>	<b>\$0.165</b>	<b>(\$0.414)</b>	<b>(\$0.173)</b>
<b>Total Expense Changes</b>	<b>(\$2.369)</b>	<b>(\$0.433)</b>	<b>(\$0.811)</b>	<b>(\$1.310)</b>	<b>(\$1.032)</b>
<b>Total Baseline Changes</b>	<b>(\$2.169)</b>	<b>(\$0.232)</b>	<b>(\$0.610)</b>	<b>(\$1.108)</b>	<b>(\$0.830)</b>

**MTA Long Island Bus**  
**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>
<b>Baseline Changes</b>					
<b>Revenue</b>					
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 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)
<b>Total Revenue Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>
<b>Expenses</b>					
<b>Labor:</b>					
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	0.000	0.000	0.000	0.000	0.000
Health and Welfare	(0.000)	(0.000)	0.000	0.001	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
Pattern Labor Provision	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expense Changes</b>	<b>(\$0.000)</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.001</b>	<b>\$0.000</b>
<b>Non-Labor:</b>					
Traction and Propulsion Power					
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
<b>Total Non-Labor Expense Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expense Changes</b>	<b>(\$0.000)</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.001</b>	<b>\$0.000</b>
<b>Total Baseline Changes</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.001</b>	<b>(\$0.000)</b>

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

<b>NON-REIMBURSABLE and REIMBURSABLE</b>					
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>Baseline 2006 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$71.365)</b>	<b>(\$78.117)</b>	<b>(\$82.761)</b>	<b>(\$89.222)</b>	<b>(\$91.575)</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
Farebox Revenue	\$0.200	\$0.201	\$0.201	\$0.201	\$0.202
Vehicle Toll 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	0.000	0.000	0.000	0.000	(0.000)
<b>Total Revenue Changes</b>	<b>\$0.200</b>	<b>\$0.201</b>	<b>\$0.201</b>	<b>\$0.201</b>	<b>\$0.202</b>
Vehicle Toll Revenue					
Other Operating Revenue					
<b>Expenses</b>					
<b>Labor:</b>					
Payroll	\$0.000	\$0.186	\$0.282	\$0.291	\$0.256
Overtime	0.000	0.025	0.035	0.036	0.037
Health and Welfare	(0.000)	0.626	0.718	0.795	0.878
Pensions	0.000	0.202	0.216	0.222	0.225
Other Fringe Benefits	(0.750)	(0.281)	(0.291)	(0.300)	(0.313)
Pattern Labor Provision	(0.278)	(1.528)	(1.936)	(1.939)	(1.942)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expense Changes</b>	<b>(\$1.028)</b>	<b>(\$0.771)</b>	<b>(\$0.976)</b>	<b>(\$0.895)</b>	<b>(\$0.859)</b>
<b>Non-Labor:</b>					
Traction and Propulsion Power					
Fuel for Buses and Trains	0.000	0.766	0.431	0.110	0.297
Insurance	(0.282)	0.003	0.004	0.004	0.003
Claims	(1.000)	(0.210)	(0.180)	(0.442)	(0.408)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	(0.059)	(0.102)	(0.047)	(0.131)	(0.167)
Professional Service Contracts	0.000	(0.026)	(0.009)	0.011	0.025
Materials & Supplies	0.000	(0.092)	(0.036)	0.027	0.068
Other Business Expenses	0.000	(0.001)	0.002	0.007	0.009
<b>Total Non-Labor Expense Changes</b>	<b>(\$1.341)</b>	<b>\$0.338</b>	<b>\$0.165</b>	<b>(\$0.414)</b>	<b>(\$0.173)</b>
<b>Total Expense Changes</b>	<b>(\$2.369)</b>	<b>(\$0.433)</b>	<b>(\$0.811)</b>	<b>(\$1.309)</b>	<b>(\$1.032)</b>
<b>Cash Adjustment Changes</b>					
Farebox Revenue	(\$0.000)	\$0.350	\$0.300	\$1.064	\$0.457
Vehicle Toll 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	(0.000)	(0.000)	(0.000)	(0.000)	0.000
Payroll	\$0.000	(\$0.000)	\$0.000	\$0.000	\$0.000
Overtime	0.000	(0.000)	(0.000)	0.000	0.000
Health and Welfare	0.000	0.000	(0.001)	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
Pattern Labor Provision	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	(0.002)	0.064	(0.143)	0.082	0.072
Claims	0.800	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)	(0.148)	(0.154)	(0.161)	(0.167)
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)
Rounding		(0.001)	(0.001)		
<b>Total Cash Adjustment Changes</b>	<b>\$0.798</b>	<b>\$0.265</b>	<b>\$0.001</b>	<b>\$0.985</b>	<b>\$0.362</b>
<b>Total Baseline Changes</b>	<b>(\$1.371)</b>	<b>\$0.033</b>	<b>(\$0.609)</b>	<b>(\$0.122)</b>	<b>(\$0.468)</b>
<b>Baseline 2006 November Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$72.736)</b>	<b>(\$78.084)</b>	<b>(\$83.370)</b>	<b>(\$89.344)</b>	<b>(\$92.043)</b>

**MTA LONG ISLAND BUS**  
**November Financial Plan 2007 - 2010**  
**Summary of Major Programmatic Changes Between Financial Plans**  
(\$ in millions)

<b>NON-REIMBURSABLE and REIMBURSABLE</b>					
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Baseline 2006 July Financial Plan - Net Operating Income	\$48.739	\$48.666	\$48.415	\$48.740	\$48.886
<i>Non-Reimbursable Major Changes</i>					
Revenue	\$0.200	\$0.201	\$0.201	\$0.201	\$0.202
Sub-Total Non-Reimbursable Revenue Changes	\$0.200	\$0.201	\$0.201	\$0.201	\$0.202
Expenses	(\$2.369)	(\$0.433)	(\$0.811)	(\$1.310)	(\$1.032)
Sub-Total Non-Reimbursable Expense Changes	(\$2.369)	(\$0.433)	(\$0.811)	(\$1.310)	(\$1.032)
<i>Total Non-Reimbursable Major Changes</i>	<u>(\$2.169)</u>	<u>(\$0.232)</u>	<u>(\$0.610)</u>	<u>(\$1.108)</u>	<u>(\$0.830)</u>
<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					
Sub-Total Reimbursable Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<i>Total Reimbursable Major Changes</i>	<u>\$0.000</u>	<u>\$0.000</u>	<u>\$0.000</u>	<u>\$0.000</u>	<u>(\$0.000)</u>
Total Accrual Changes	(\$2.169)	(\$0.231)	(\$0.610)	(\$1.108)	(\$0.830)
Cash Adjustment Changes	<u>\$0.798</u>	<u>\$0.266</u>	<u>\$0.002</u>	<u>\$0.985</u>	<u>\$0.362</u>
Total Cash Adjustment Changes	\$1.371	(\$0.034)	\$0.608	\$0.123	\$0.468
<i>Total Baseline Changes</i>	\$0.200	\$0.201	\$0.201	\$0.201	\$0.202
Baseline 2006 November Financial Plan - Net Operating Income	\$48.939	\$48.867	\$48.616	\$48.941	\$49.088

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

**Other Assumptions: Utilization**

**Fixed Route Ridership:**

The phenomenal ridership increase during 2005 is continuing in 2006. As of year to date August, the fixed route system carried 21.1 million riders, 4.3% more than 2005 and .5% over the midyear plan. Weekend ridership has shown the largest increase over 2005 with 5.6% and 4.2% jumps for Saturday and Sunday ridership respectively.

The July Plan was adjusted to reflect the 2005 and year to date May 2006 gains. Most of the 2005 increase occurred during the September to December period and will provide a higher comparative target for 2006 actuals. The marginal .5% year to date variance to the July plan supports this assumption and influenced the decision to leave the numbers unchanged. Full year 2006 ridership is forecasted to be 31.5 million.

Annual increases are projected at .5% over the plan period.

**Revenue:**

Fixed route revenue is 4.7% above 2005 for year to date August 2006 but only 1% over the July Plan. Again, the July Plan reflects gains realized in current results, however \$.2 million was added to the November Plan, reflecting the favorable variance for July and August 2006. Average fares are close to plan and full year 2006 revenue is forecasted at \$38.5 million.

The projected revenue in the 2007 – 2010 period is reflective of the .5% annual increase in riders.

**Para-Transit (Demand Response)**

**Ridership:**

Demand response ridership continues to show significant increases over 2005 and is currently 9.8% higher as of year to date August 2006. A more modest increase of 1.5% is seen when compared to the July Plan. If this trend continues, additional resources will be needed to sustain the quality of service we now deliver.

Full year 2006 ridership is forecasted to be .34 million with a .5% increase over the 2007 – 2010 plan period.

**Revenue:**

Paratransit farebox revenue for year to date August 2006 shows an 10.4% increase over 2005 and is 1.8% higher than the July plan. Full year revenue is projected to be \$1.059 million. With a .5% annual increase projected for the 2007- 2010 plan period.



**MTA Long Island Bus  
November Financial Plan 2007 - 2010  
Ridership/Traffic Volume (Utilization)  
(in millions)**

	<b>2006 November Forecast</b>	<b>2007 Final Proposed Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b><u>Baseline</u></b>					
<b>Fixed Route</b>	31.501	31.659	31.817	31.976	32.136
<b>Paratransit</b>	0.341	0.343	0.344	0.346	0.348
<b>Baseline Total Ridership</b>	<b>31.842</b>	<b>32.001</b>	<b>32.161</b>	<b>32.322</b>	<b>32.484</b>
<i>Impact of: PEG Program</i>					
<b>Total Ridership</b>	<b>31.842</b>	<b>32.001</b>	<b>32.161</b>	<b>32.322</b>	<b>32.484</b>

**FARE-BOX REVENUE**

<b><u>Baseline</u></b>					
Fixed Route	\$38.501	\$38.693	\$38.885	\$39.079	\$39.274
Paratransit	\$1.059	\$1.065	\$1.072	\$1.077	\$1.083
<b>Baseline Total Revenue</b>	<b>\$39.560</b>	<b>\$39.758</b>	<b>\$39.957</b>	<b>\$40.156</b>	<b>\$40.357</b>
<i>Impact of: PEG Program</i>					
<b>Total Revenue</b>	<b>\$39.560</b>	<b>\$39.758</b>	<b>\$39.957</b>	<b>\$40.156</b>	<b>\$40.357</b>

Long Island Bus  
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>
<b>Administration</b>											
Improve Employee availability		0	0.000	0	0.092	0	0.096	0	0.101	0	0.105
Sub-Total	Administration	<u>0</u>	<u>\$ 0.000</u>	<u>0</u>	<u>\$ 0.092</u>	<u>0</u>	<u>\$ 0.096</u>	<u>0</u>	<u>\$ 0.101</u>	<u>0</u>	<u>\$ 0.105</u>
Total Programs		<u>0</u>	<u>\$ 0.000</u>	<u>0</u>	<u>\$ 0.092</u>	<u>0</u>	<u>\$ 0.096</u>	<u>0</u>	<u>\$ 0.101</u>	<u>0</u>	<u>\$ 0.105</u>

Long Island Bus  
November Plan 2007-2010  
Summary of 2007 Program to Eliminate the Gap(PEGs)  
(\$ in Millions)

Business Unit	LIBUS	Financial Plan Category	PEG	Implementation Date	1/1/2007
Budget Reference	FINAL06	Category	Administration	Savings Date	1/1/2007
PEG / New Need ID	0000000002	Current Budget Year	2006	Status	Open
				Agency Status	Ready

Program:

Improve Employee availability

Design and Implementation Plan

By implementing goals and programs associated with tracking , mitigating and counseling incidences of controllable absences.

Background Details

Improve Employee availability by half a day for represented employees.

				2006	2007	2008	2009	2010
Total Headcount								
Financial Impact	LIBUS	0000000002	FINAL06	\$ 0.000	\$ 0.092	\$ 0.096	\$ 0.101	\$ 0.105

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

**Other Assumptions: Positions**

In response to the increased service requirements, a total of four (4) bus operators were added to the July Plan. However, full-year funding for these service enhancements has not been identified. The end-of-year 2007-2010 bus operator headcount was therefore reduced by four (4) positions when compared to the July Plan.

One safety specialist position was included in 2007 to enhance LI Bus's ability to analyze, implement and monitor the various safety initiatives that are required.

The nine positions in support of the plan period PEG program were removed from the budgeted numbers.

**MTA LONG ISLAND BUS**  
**November Financial Plan 2007- 2010**  
**Non-Reimbursable - Reimbursable Positions by Function and Department**  
**Full-Time Positions and Full Time Equivalents**

FUNCTION/DEPARTMENT	2005 Actuals	2006 November Forecast	2007 Final Proposed Budget	2008	2009	2010
<b>Administration</b>						
Administration - All Other	31	33	33	33	33	33
Administration - Safety	9	11	11	11	11	11
Finance	21	21	21	21	21	21
Legal	9	9	9	9	9	9
IT	20	22	22	22	22	22
<b>Total Administration</b>	<b>90</b>	<b>96</b>	<b>96</b>	<b>96</b>	<b>96</b>	<b>96</b>
<b>Operations</b>						
Admin (F/R)	22	24	24	24	24	24
Admin (Para)	4	4	4	4	4	4
Bus stops	2	2	2	2	2	2
Scheduling (F/R)	3	3	3	3	3	3
Scheduling (Para)	13	13	13	13	13	13
Reservationists (Para)	12	12	12	12	12	12
TIC	9	9	9	9	9	9
Dipatchers	41	43	43	43	43	43
Bus Operators (F/R)	528	540	532	532	532	532
Bus Operators (Para)	123	131	131	131	131	131
<b>Total Operations</b>	<b>757</b>	<b>781</b>	<b>773</b>	<b>773</b>	<b>773</b>	<b>773</b>
<b>Maintenance</b>						
Admin	12	12	12	12	12	12
Line Supervisors	17	19	19	19	19	19
Mechanics (F/R)	123	123	123	123	123	123
Mechanics (Para)	2	3	3	3	3	3
Mech. Helpers/Cleaners (F/R)	65	68	68	68	68	68
Cleaners (Para)	5	7	7	7	7	7
Storeroom	12	12	12	12	12	12
P & E (F/R)	9	10	10	10	10	10
P & E ( Para)	0	1	1	1	1	1
Farebox	6	6	6	6	6	6
<b>Total Maintenance</b>	<b>251</b>	<b>261</b>	<b>261</b>	<b>261</b>	<b>261</b>	<b>261</b>
<b>Engineering/Capital</b>						
Engineers	1	2	2	2	2	2
Capital	13	14	14	14	14	14
<b>Total Engineering/Capital</b>	<b>14</b>	<b>16</b>	<b>16</b>	<b>16</b>	<b>16</b>	<b>16</b>
<b>Public Safety</b>						
Security	3	3	3	3	3	3
<b>Total Baseline Positions</b>	<b>1,115</b>	<b>1,157</b>	<b>1,149</b>	<b>1,149</b>	<b>1,149</b>	<b>1,149</b>
<i>Non-Reimbursable</i>	1,102	1,143	1,135	1,135	1,135	1,135
<i>Reimbursable</i>	13	14	14	14	14	14
<i>Total Full-Time</i>	1,008	1,048	1,040	1,040	1,040	1,040
<i>Total Full-Time Equivalents</i>	107	109	109	109	109	109
<hr/>						
Impact of:						
2007 Program to Eliminate the Gap (PEGs)	-	0	0	0	0	0
Post 2007 Program to Eliminate the Gap (PEGs)	-	0	0	0	0	0
<b>Total Positions</b>	<b>1,115</b>	<b>1,157</b>	<b>1,149</b>	<b>1,149</b>	<b>1,149</b>	<b>1,149</b>
<i>Non-Reimbursable</i>	1,102	1,143	1,135	1,135	1,135	1,135
<i>Reimbursable</i>	13	14	14	14	14	14
<i>Total Full-Time</i>	1,008	1,048	1,040	1,040	1,040	1,040
<i>Total Full-Time Equivalents</i>	107	109	109	109	109	109

**MTA LONG ISLAND BUS**  
**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
<b>Administration</b>						
	Managers/Supervisors	42	42	42	42	42
	Professional, Technical, Clerical	54	54	54	54	54
	Operational Hourlies	-	-	-	-	-
	<b>Total Administration</b>	96	96	96	96	96
<b>Operations</b>						
	Managers/Supervisors	64	64	64	64	64
	Professional, Technical, Clerical	44	44	44	44	44
	Operational Hourlies	673	665	665	665	665
	<b>Total Operations</b>	781	773	773	773	773
<b>Maintenance</b>						
	Managers/Supervisors	27	27	27	27	27
	Professional, Technical, Clerical	4	4	4	4	4
	Operational Hourlies	230	230	230	230	230
	<b>Total Maintenance</b>	261	261	261	261	261
<b>Engineering/Capital</b>						
	Managers/Supervisors	7	7	7	7	7
	Professional, Technical, Clerical	9	9	9	9	9
	Operational Hourlies	-	-	-	-	-
	<b>Total Engineering/Capital</b>	16	16	16	16	16
<b>Public Safety</b>						
	Managers/Supervisors	1	1	1	1	1
	Professional, Technical, Clerical	2	2	2	2	2
	Operational Hourlies	-	-	-	-	-
	<b>Total Public Safety</b>	3	3	3	3	3
<b>Total Baseline Positions</b>						
	Managers/Supervisors	141	141	141	141	141
	Professional, Technical, Clerical	113	113	113	113	113
	Operational Hourlies	903	895	895	895	895
	<b>Total Baseline Positions</b>	1,157	1,149	1,149	1,149	1,149

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# **Long Island Rail Road**



**MTA LONG ISLAND RAIL ROAD**  
**2007 Final Proposed Budget**  
**November Financial Plan 2007-2010**

**MISSION STATEMENT**

The mission of the MTA Long Island Rail Road is to provide a safe, accessible, clean, cost-effective, customer-focused rail transportation system that runs on time, is comfortable, user-friendly and provides the region with a valued and indispensable service.

**FINANCIAL OVERVIEW**

The financial projections in the attached statements reflect the most current projections by the LIRR for the balance of 2006, carrying out into 2010. The LIRR's 2007 Final Proposed Budget incorporates those resource requirements that will best enable the Railroad to fulfill its service obligations as efficiently as possible, while minimizing impacts on our customers. The 2007 budget is designed to reflect continuation of current service levels, as well as to sustain the MTA's commitment to safety and security.

Major initiatives planned in 2007 include the continuation of the Concrete Tie Replacement Program and the implementation of the Life Cycle Maintenance Program for rail cars. Selected M7 cars will undergo the scheduled five-year maintenance program. Further, consistent with the Shared Services initiative, the Railroad will pursue the development and implementation of new information technology systems to support the human resource and financial areas. The Railroad would look to "piggyback" the existing PeopleSoft contract with the MTA and MetroNorth as well as procure a consultant to support the system design and implementation.

In 2006, as part of the plan to address the Gap safety issue, the Railroad has developed the Gap Action Plan. As called for in the plan, the Railroad has implemented a Public Awareness Campaign, conducted a system-wide gap measurement campaign, and has investigated stations with high gap incident rates – implementing site-specific solutions when practical. The LIRR is working closely and cooperatively with federal and state railroad oversight agencies as they prepare to issue safety recommendations related to gaps between trains and platforms. In the interim, the LIRR is taking actions to minimize the gap through track resurfacing where it is feasible. LIRR Engineering Department forces raised and shifted approximately 2,000 feet of track at the Shea Stadium station in order to diminish the size of the gap at that location. Other stations undergoing similar adjustments are Jamaica, Deer Park, Hicksville, Huntington, Merillon Avenue, Mineola, New Hyde Park, Rosedale, Southampton and Woodside. Engineering will continue to identify other stations where track resurfacing can help minimize the gap. The Railroad continues to explore potential long-term solutions and, at this point, has not identified any specific solution or funding as part of the financial plan.

In its projections for 2008 through 2010, the LIRR anticipates no diminution of transportation service levels, even as current and future PEGs are fully implemented.

### **2006 November Forecast**

At year-end, the LIRR is projecting a decrease to its net cash deficit of \$6.9 million over the 2006 mid-year forecast. On the accrued side, revenues are the major driver of favorable results. The year-end forecast for Farebox revenue is projected to have a favorable variance of \$5.1 million, or 1.1%, as compared to the mid-year forecast. In addition, Other Operating Revenue is also projecting a favorable year-end forecast of \$2.6 million, or 6.7%, compared to the mid-year forecast. Capital and Other Reimbursements partly offset these favorable results with a projected shortfall of \$(0.8) million, or (0.6)%, compared to the mid-year forecast.

The favorable revenue results are in addition to favorable expense projections. Overall Labor expenses are within 0.3% of the July plan, non-reimbursable labor is below the mid-year forecast by \$1.1 million, or 0.1% and reimbursable labor projected to underrun the mid-year forecast by \$1.1 million, or 0.9%.

Total overtime is projected to be \$(0.6) million, or (0.7)% over the mid-year forecast, comprised of \$(1.5) million of non-reimbursable offset by \$0.9 million of reimbursable underruns. By not hiring for reimbursable work that is delayed, total payroll, health and welfare and other fringes are now forecasted to be below the mid-year forecast by \$2.8 million or 0.4%.

Total Non-Labor expenses are projected to be below the mid-year forecast by \$10.1 million, or 3.3%. There are some significant underruns in certain areas. Claims are projected to be \$2.5 million, or 20.6% below the mid-year forecast due to favorable adjustments to employee and non-employee reserves. In addition, Maintenance and Other Operating Contracts is projected to be \$4.4 million, or 5.8% favorable to the mid-year forecast resulting from postponement of the fall concrete tie program and delays in bridge painting and other maintenance services contracts. Finally, Materials and Supplies are also projecting a favorable variance to the mid-year forecast of \$1.8 million, or 2.4%.

The major cash adjustment from the July plan is a \$(9.1) million increase in claim settlements which were originally projected to be paid out in 2007, and a \$(2.4) million payment associated with a union contract labor settlement.

### **2007 Final Proposed Budget - Baseline**

The goals and objectives contained in the 2007 Final Proposed Budget are consistent with the LIRR's mission and its aim to continue to improve service attributes. Among the key goals for 2007 are improving on-time performance to 93.2% and achieving an all-time high fleet-wide mean distance between failures (MDBF) of 77,300 miles. The budget plan also reflects a continuing commitment to improve both employee and

customer safety, with projected improvements of 7% and 5% respectively. Other key assumptions incorporated in the baseline are discussed in a later section, along with reconciliation to the July Financial Plan.

The 2007 Revenue budget totals \$653.2 million; Non-reimbursable revenue makes up \$501.9 million of the total and Reimbursable revenues are \$151.3 million. The total expense budget is \$1.552 billion, of which \$1.261 billion is for operating expenses and the balance is associated with such non-cash items as depreciation. Non-reimbursable operating expenses total \$1.109 billion in 2007, while Reimbursable expenses are \$151.3 million in the accrued statements. The Reimbursable budget includes a reduction of \$6.0 million to the aggregate project generated revenue level to bring it in line with historical levels.

The cash budget for 2007 incorporates \$720.6 million in cash receipts and \$1.311 billion in cash disbursements. The baseline net cash requirement is \$(590.5) million, as driven by operating expenses paid for in 2007, revenues received in 2007, and other adjustments to cash flow. While much of the operating budget has a direct impact on cash flow, there are some items such as material purchases for capital work that only appear in the cash budget. In addition, the differences between accrued and cash budgets reflect natural lags between when costs are incurred and when they will be paid for.

On an accrued basis, both revenues and expenses in the 2007 Final Proposed Budget are higher than in the 2006 Year-end Forecast. Total revenues of \$653.2 million are \$26.4 million higher than in the Year-end Forecast, with Non-reimbursable revenues rising by \$6.7 million and Reimbursable revenues up by \$19.7 million. Baseline Ridership in 2007 grows over the 2006 Year-end Forecast by 1.6 million rides, or 2.0%. Operating expenses before depreciation of \$1.261 billion reflect growth of \$123.6 million over the 2006 Year-end Forecast, \$103.9 million of which is in non-reimbursable expenses. While the resulting total operating baseline deficit rises \$113.4 million to \$(899.0) million in 2007, the projected baseline cash deficit (or subsidy requirement) of \$(590.5) million in 2007 is higher by \$65.3 million.

The largest increase is in the Material and Supplies category of Non-Labor Expenses. This category is increasing by \$46.3 million. This is due to the implementation of the Life Cycle Maintenance plan for its growing M-7 fleet as well as the continuation of the Concrete Tie Replacement Program.

Another fast growing area of expense is Health & Welfare. While rates for active employees and retirees is a key factor, the major driver for the growth is the increase of the retired population by more than 250 each year.

Full-time positions total 6,557 in the 2007 Final Proposed Budget, with 5,837 non-reimbursable positions and 720 reimbursable positions. Compared to the 2006 Year-end Forecast, this reflects a total increase of 81 positions, 49 non-reimbursable positions and 32 reimbursable positions, consistent with the implementation of the Life

Cycle Maintenance plan for the M-7 fleet and the anticipated levels of capital funding in 2007.

The major New Needs starting in 2007 are associated with Operating Budget Impacts from capital investments and other operating initiatives. In the Engineering Department, the signalization from Babylon to Speonk has been completed and will require an additional 8 positions to properly maintain this totally new signal system. New maintenance needs arise such as maintenance of the new Atlantic Terminal facility, additional lighting on Jamaica platforms and the new PA systems and security cameras.

Other New Needs arise from various Information System initiatives, an effort to reduce overtime within the Transportation Department (resulting in an additional 21 positions) and the implementation of a PeopleSoft payroll and Human Resource package.

In other areas, the LIRR will begin implementation of the Life Cycle Maintenance plan for its growing M-7 fleet, resulting in additional material and manpower requirements. This plan also incorporates continuing activity in the replacement of defective concrete ties. In 2007, two series of installations will occur, replacing more than 30,000 ties.

### **2008-2010 Projections**

The baseline projections for 2008 through 2010 reflect no notable changes to the LIRR's commitment to its customers. Goals are still in place to continue improving key performance measures in safety, with annual 5% improvements for both employees and customers, and MDBF, which rises by approximately 3.5% in 2008 to 80,000 miles fleet-wide. Projections are to reach an on-time performance rating of 93.7% and sustain an on-time performance level of 94.3% throughout the 2009-2010 period. During this period, the LIRR will continue its Life Cycle Maintenance for its growing M7 fleet, as many components start to enter key maintenance stages. Fulfillment of LCM requirements will continue to place growing demands on resources, particularly maintenance materials. Also during this period, the implementation of the PeopleSoft financial suite will be accomplished.

The baseline projections for 2008-2010 reflect these various impacts. Both non-reimbursable and reimbursable revenues rise steadily over the years, with higher rate of growth in 2008. Non-reimbursable revenues grow less than 1.6% in any year, while Reimbursable revenues increase by 7.0% in 2008, increase by 0.9% in 2009, and increase by 3.2% in 2010. However, the level of reimbursable revenue may be adjusted based on updates to the level of projected capital activity.

The pace of expense growth is somewhat higher, driven by high rates of increase above normal inflation in health and welfare, materials, and utilities. Non-reimbursable expenses (before depreciation) grow by 3.4% from \$1.109 billion in 2007 to \$1.147 billion in 2008. They continue to rise by 3.6% in 2009 and 4.0% in 2010, reaching \$1.236 billion. Total labor expenses are a significant driver of this increase. Non-

reimbursable labor expenses grow by 3.6% in 2008 over 2007 levels, and by 4.1% in 2009 and 4.7% in 2010, reaching \$854.4 million.

The baseline positions in these projections increase in 2008 by 62 positions over 2007, and then show a slight reduction of 13 positions in 2009, and remain essentially flat in 2010. From 2006 year-end baseline, there is an overall increase of 129 positions.

With the timing of project initiation for the 2005-2009 Capital Program, project plan activities shift. This affects the number of positions supporting reimbursable activity in the earliest years of the program. By 2008, reimbursable positions rise by 68 positions, or 9.4%, over 2007. For the same period, non-reimbursable positions decrease by 6 positions. Most of the reimbursable position increase is in the Engineering Department, where total positions increase by 13 over 2007. The other function with position increases is the Maintenance of Equipment Department, where the number of positions increases by a total of 51 positions.

Appearing in a separate section is a discussion of the major assumptions in the 2008-2010 forecasts and reconciliations to the July plan for the years through 2010.

## **GAP CLOSING MEASURES**

### **2007 PEG Actions**

For 2007, Programs to Eliminate the Gap (PEGs) totaling \$2.5 million have been identified in a below-the-line section of the Final Proposed Budget, most of which are expense based.

Based on an historical review of Professional Services and Maintenance and Operating Contract costs over the last five years, it has been determined that the LIRR has been over-estimating usage of extraordinary items such as unplanned Environmental cleanup, consulting, etc. The assumption is that \$2.2 million of reductions can be achieved.

Other PEGs have been identified including the elimination of 17 vehicles and increased collection efforts for passengers who do not have the money to pay the fare on the train but have expressed a willingness to subsequently pay the fare. These two PEGs result in an additional \$0.3 million in savings.

### **2008 - 2010 Projections**

The PEG actions taken in 2007 are largely carried forward into 2008 - 2010, escalating in value with inflation. The PEGs total \$2.6 million in 2008, \$2.6 million in 2009 and \$2.7 million in 2010.

**MTA LONG ISLAND RAIL ROAD**  
**November Financial Plan 2007 - 2010**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

<b>Non-Reimbursable</b>						
	<b>2005</b>	<b>2006</b>	<b>2007</b>			
	<b>Actuals</b>	<b>November Forecast</b>	<b>Final Proposed Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Operating Revenue</b>						
Farebox Revenue	\$442.3	\$453.9	\$462.5	\$469.0	\$477.0	\$483.0
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	26.8	41.3	39.4	39.8	39.8	40.0
Capital and Other Reimbursements	-	-	-	-	-	-
<b>Total Revenue</b>	<b>\$469.1</b>	<b>\$495.2</b>	<b>\$501.9</b>	<b>\$508.8</b>	<b>\$516.8</b>	<b>\$523.0</b>
<b>Operating Expenses</b>						
<b><u>Labor:</u></b>						
Payroll	\$354.0	\$367.3	\$384.0	\$401.9	\$410.5	\$423.1
Overtime	72.0	77.6	72.6	70.2	72.4	75.9
Health and Welfare	96.1	104.3	123.4	140.7	159.5	180.6
Pensions	120.3	117.3	116.7	112.5	112.3	112.9
Other Fringe Benefits	75.8	78.4	82.8	86.4	89.2	91.3
Reimbursable Overhead	(16.5)	(18.7)	(22.9)	(27.5)	(27.9)	(29.4)
<b>Total Labor Expenses</b>	<b>\$701.6</b>	<b>\$726.3</b>	<b>\$756.7</b>	<b>\$784.2</b>	<b>\$816.1</b>	<b>\$854.4</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power	\$68.6	\$74.7	\$81.7	\$84.8	\$90.0	\$94.5
Fuel for Buses and Trains	12.9	16.1	16.9	16.6	16.9	16.9
Insurance	15.5	15.6	15.8	17.3	19.0	20.9
Claims	23.5	9.6	14.8	15.1	15.4	15.8
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	55.1	64.3	71.5	65.5	66.5	67.4
Professional Service Contracts	17.8	21.9	26.2	30.1	28.7	29.0
Materials & Supplies	62.9	70.9	117.2	126.3	128.1	129.0
Other Business Expenses	4.5	6.2	8.6	7.2	7.3	7.5
<b>Total Non-Labor Expenses</b>	<b>\$260.8</b>	<b>\$279.2</b>	<b>\$352.7</b>	<b>\$362.8</b>	<b>\$372.0</b>	<b>\$381.1</b>
<b><u>Other Expenses Adjustments:</u></b>						
Other	-	-	-	-	-	-
<b>Total Other Expense Adjustments</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>Total Expenses before Depreciation</b>	<b>\$962.4</b>	<b>\$1,005.4</b>	<b>\$1,109.4</b>	<b>\$1,147.0</b>	<b>\$1,188.0</b>	<b>\$1,235.5</b>
Depreciation	246.7	275.4	291.6	279.4	293.7	309.2
<b>Total Expenses</b>	<b>\$1,209.1</b>	<b>\$1,280.8</b>	<b>\$1,400.9</b>	<b>\$1,426.4</b>	<b>\$1,481.7</b>	<b>\$1,544.7</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$740.0)</b>	<b>(\$785.7)</b>	<b>(\$899.0)</b>	<b>(\$917.6)</b>	<b>(\$964.9)</b>	<b>(\$1,021.7)</b>
2007 Program to Eliminate the Gap (PEGs)	0.0	0.0	2.5	2.5	2.6	2.7
Post 2007 Program to Eliminate the Gap (PEGs)	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net Surplus/(Deficit)</b>	<b>(\$740.0)</b>	<b>(\$785.7)</b>	<b>(\$896.6)</b>	<b>(\$915.1)</b>	<b>(\$962.3)</b>	<b>(\$1,019.0)</b>

**MTA LONG ISLAND RAIL ROAD**  
**November Financial Plan 2007 - 2010**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

REIMBURSABLE						
	2005	2006	2007			
	<u>Actuals</u>	<u>November Forecast</u>	<u>Final Proposed Budget</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>Revenue</b>						
Farebox Revenue	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-
Capital and Other Reimbursements	114.8	131.6	151.3	161.9	163.4	168.6
<b>Total Revenue</b>	<b>\$114.8</b>	<b>\$131.6</b>	<b>\$151.3</b>	<b>\$161.9</b>	<b>\$163.4</b>	<b>\$168.6</b>
<b>Expenses</b>						
<b><u>Labor:</u></b>						
Payroll	\$49.0	\$53.3	\$64.7	\$66.1	\$66.8	\$69.0
Overtime	8.1	9.6	9.9	10.1	10.5	10.9
Health and Welfare	7.6	9.0	10.9	11.2	11.7	12.5
Pensions	10.8	17.1	17.9	19.7	19.5	19.4
Other Fringe Benefits	11.9	12.0	14.1	15.1	15.7	16.8
Reimbursable Overhead	16.5	18.7	22.9	27.5	27.9	29.4
<b>Total Labor Expenses</b>	<b>\$104.0</b>	<b>\$119.6</b>	<b>\$140.4</b>	<b>\$149.8</b>	<b>\$152.0</b>	<b>\$158.0</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power	\$0.1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	0.2	0.4	0.4	0.3	0.3	0.3
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	6.1	6.7	6.1	6.6	6.3	6.0
Professional Service Contracts	0.3	0.5	0.3	0.4	0.4	0.3
Materials & Supplies	3.8	4.0	3.9	4.0	3.7	3.4
Other Business Expenses	0.2	0.4	0.1	0.7	0.6	0.5
<b>Total Non-Labor Expenses</b>	<b>\$10.8</b>	<b>\$12.0</b>	<b>\$10.8</b>	<b>\$12.1</b>	<b>\$11.3</b>	<b>\$10.6</b>
<b><u>Other Expenses Adjustments:</u></b>						
Other	-	-	-	-	-	-
<b>Total Other Expense Adjustments</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>Total Expenses before Depreciation</b>	<b>\$114.8</b>	<b>\$131.6</b>	<b>\$151.3</b>	<b>\$161.9</b>	<b>\$163.4</b>	<b>\$168.6</b>
Depreciation	-	-	-	-	-	-
<b>Total Expenses</b>	<b>\$114.8</b>	<b>\$131.6</b>	<b>\$151.3</b>	<b>\$161.9</b>	<b>\$163.4</b>	<b>\$168.6</b>
<b>Net Surplus/(Deficit)</b>	<b>(\$0.0)</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>

**MTA LONG ISLAND RAIL ROAD**  
**November Financial Plan 2007 - 2010**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

<b>NON-REIMBURSABLE / REIMBURSABLE</b>						
	<b>2005</b>	<b>2006</b>	<b>2007</b>			
	<b>Actuals</b>	<b>November Forecast</b>	<b>Final Proposed Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Revenue</b>						
Farebox Revenue	\$442.3	\$453.9	\$462.5	\$469.0	\$477.0	\$483.0
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	26.8	41.3	39.4	39.8	39.8	40.0
Capital and Other Reimbursements	114.8	131.6	151.3	161.9	163.4	168.6
<b>Total Revenue</b>	<b>\$583.9</b>	<b>\$626.8</b>	<b>\$653.2</b>	<b>\$670.7</b>	<b>\$680.1</b>	<b>\$691.6</b>
<b>Expenses</b>						
<b><u>Labor:</u></b>						
Payroll	\$403.0	\$420.5	\$448.7	\$468.0	\$477.3	\$492.2
Overtime	80.1	87.1	82.5	80.4	82.9	86.7
Health and Welfare	103.6	113.3	134.4	151.9	171.2	193.1
Pensions	131.1	134.4	134.6	132.2	131.8	132.4
Other Fringe Benefits	87.7	90.4	96.9	101.4	104.9	108.1
Reimbursable Overhead	-	-	-	-	-	-
<b>Total Labor Expenses</b>	<b>\$805.6</b>	<b>\$845.9</b>	<b>\$897.1</b>	<b>\$934.0</b>	<b>\$968.1</b>	<b>\$1,012.4</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power	\$68.7	\$74.7	\$81.7	\$84.8	\$90.0	\$94.5
Fuel for Buses and Trains	12.9	16.1	16.9	16.6	16.9	16.9
Insurance	15.7	16.0	16.2	17.6	19.4	21.2
Claims	23.5	9.6	14.8	15.1	15.4	15.8
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	61.2	70.9	77.6	72.2	72.8	73.5
Professional Service Contracts	18.1	22.5	26.5	30.5	29.1	29.3
Materials & Supplies	66.7	74.9	121.1	130.3	131.8	132.4
Other Business Expenses	4.7	6.6	8.8	7.9	7.9	8.0
<b>Total Non-Labor Expenses</b>	<b>\$271.5</b>	<b>\$291.2</b>	<b>\$363.5</b>	<b>\$374.9</b>	<b>\$383.3</b>	<b>\$391.7</b>
<b><u>Other Expenses Adjustments:</u></b>						
Other	-	-	-	-	-	-
<b>Total Other Expense Adjustments</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>Total Expenses before Depreciation</b>	<b>\$1,077.1</b>	<b>\$1,137.0</b>	<b>\$1,260.6</b>	<b>\$1,308.9</b>	<b>\$1,351.4</b>	<b>\$1,404.1</b>
Depreciation	246.7	275.4	291.6	279.4	293.7	309.2
<b>Total Expenses</b>	<b>\$1,323.8</b>	<b>\$1,412.5</b>	<b>\$1,552.2</b>	<b>\$1,588.3</b>	<b>\$1,645.1</b>	<b>\$1,713.3</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$740.0)</b>	<b>(\$785.7)</b>	<b>(\$899.0)</b>	<b>(\$917.6)</b>	<b>(\$964.9)</b>	<b>(\$1,021.7)</b>
2007 Program to Eliminate the Gap (PEGs)	0.0	0.0	2.5	2.5	2.6	2.7
Post 2007 Program to Eliminate the Gap (PEGs)	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net Surplus/(Deficit)</b>	<b>(\$740.0)</b>	<b>(\$785.7)</b>	<b>(\$896.6)</b>	<b>(\$915.1)</b>	<b>(\$962.3)</b>	<b>(\$1,019.0)</b>



**MTA LONG ISLAND RAIL ROAD**  
**November Financial Plan 2007 - 2010**  
**Cash Receipts & Expenditures**  
(\$ in millions)

<b>CASH RECEIPTS AND EXPENDITURES</b>						
	<b>2005</b>	<b>2006</b>	<b>2007</b>			
	<b>Actuals</b>	<b>November Forecast</b>	<b>Final Proposed Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Receipts</b>						
Farebox Revenue	\$470.6	\$482.4	\$491.0	\$497.5	\$505.5	\$511.5
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	24.1	52.3	40.7	41.1	41.1	41.4
Capital and Other Reimbursements	143.0	152.5	189.0	201.8	194.5	199.7
<b>Total Receipts</b>	<b>\$637.7</b>	<b>\$687.2</b>	<b>\$720.6</b>	<b>\$740.4</b>	<b>\$741.2</b>	<b>\$752.6</b>
<b>Expenditures</b>						
<b><u>Labor:</u></b>						
Payroll	\$402.1	\$423.0	\$447.8	\$467.2	\$476.5	\$491.3
Overtime	79.5	87.1	82.5	80.4	82.9	86.8
Health and Welfare	103.5	113.3	134.4	151.9	171.2	193.1
Pensions	101.1	134.0	134.2	131.7	131.4	131.9
Other Fringe Benefits	87.3	90.7	96.9	101.4	104.9	108.1
Reimbursable Overhead	-	-	-	-	-	-
<b>Total Labor Expenditures</b>	<b>\$773.5</b>	<b>\$848.2</b>	<b>\$895.8</b>	<b>\$932.6</b>	<b>\$966.8</b>	<b>\$1,011.1</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power	\$58.5	\$84.2	\$81.7	\$84.8	\$90.0	\$94.5
Fuel for Buses and Trains	11.3	16.1	16.9	16.6	16.9	16.9
Insurance	20.2	20.0	20.3	22.7	23.5	25.3
Claims	7.6	24.1	13.0	13.3	13.6	14.0
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	59.3	71.7	79.8	74.4	73.8	74.5
Professional Service Contracts	15.3	18.8	22.7	26.8	25.1	25.0
Materials & Supplies	99.6	100.1	144.3	170.1	161.5	162.0
Other Business Expenses	6.3	6.0	8.2	7.3	7.3	7.4
<b>Total Non-Labor Expenditures</b>	<b>\$278.0</b>	<b>\$341.0</b>	<b>\$386.8</b>	<b>\$415.8</b>	<b>\$411.7</b>	<b>\$419.6</b>
<b><u>Other Expenditure Adjustments:</u></b>						
Other	28.7	28.5	28.5	28.5	28.5	28.5
<b>Total Other Expenditure Adjustments</b>	<b>\$28.7</b>	<b>\$28.5</b>	<b>\$28.5</b>	<b>\$28.5</b>	<b>\$28.5</b>	<b>\$28.5</b>
<b>Total Expenditures</b>	<b>\$1,080.2</b>	<b>\$1,217.7</b>	<b>\$1,311.2</b>	<b>\$1,377.0</b>	<b>\$1,407.0</b>	<b>\$1,459.2</b>
Cash Timing and Availability Adjustment	(5.2)	5.2	0.0	0.0	0.0	0.0
<b>Baseline Cash Deficit</b>	<b>(\$447.7)</b>	<b>(\$525.3)</b>	<b>(\$590.5)</b>	<b>(\$636.5)</b>	<b>(\$665.8)</b>	<b>(\$706.6)</b>
2007 Program to Eliminate the Gap (PEGs)	0.0	0.0	2.5	2.5	2.6	2.7
Post 2007 Program to Eliminate the Gap (PEGs)	0.0	0.0	0.0	0.0	0.0	0.0
<b>Net Cash Deficit</b>	<b>(\$447.7)</b>	<b>(\$525.3)</b>	<b>(\$588.0)</b>	<b>(\$634.0)</b>	<b>(\$663.2)</b>	<b>(\$703.9)</b>

**MTA LONG ISLAND RAIL ROAD**  
**November Financial Plan 2007 - 2010**  
**Cash Conversion (Cash Flow Adjustments)**  
(\$ in millions)

<b>CASH FLOW ADJUSTMENTS</b>						
	<b>2005</b>	<b>2006</b>	<b>2007</b>			
	<b>Actuals</b>	<b>November Forecast</b>	<b>Final Proposed Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Receipts</b>						
Farebox Revenue	\$28.3	\$28.5	\$28.5	\$28.5	\$28.5	\$28.5
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	(2.7)	11.0	1.3	1.3	1.3	1.4
Capital and Other Reimbursements	28.2	20.9	37.7	39.9	31.2	31.1
<b>Total Receipts</b>	<b>\$53.8</b>	<b>\$60.4</b>	<b>\$67.5</b>	<b>\$69.7</b>	<b>\$61.0</b>	<b>\$61.0</b>
<b>Expenditures</b>						
<b><u>Labor:</u></b>						
Payroll	\$0.9	(\$2.5)	\$0.9	\$0.9	\$0.9	\$0.9
Overtime	0.7	-	0.0	0.0	(0.0)	(0.0)
Health and Welfare	0.1	-	-	0.0	0.0	(0.0)
Pensions	30.0	0.4	0.4	0.5	0.5	0.5
Other Fringe Benefits	0.4	(0.2)	(0.0)	(0.0)	0.0	0.0
Reimbursable Overhead	-	-	-	-	-	-
<b>Total Labor Expenditures</b>	<b>\$32.1</b>	<b>(\$2.3)</b>	<b>\$1.3</b>	<b>\$1.3</b>	<b>\$1.3</b>	<b>\$1.3</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power	\$10.3	(\$9.6)	\$0.0	\$0.0	\$0.0	(\$0.0)
Fuel for Buses and Trains	1.6	0.0	0.0	(0.0)	0.0	0.0
Insurance	(4.5)	(4.0)	(4.2)	(5.0)	(4.1)	(4.1)
Claims	15.9	(14.5)	1.8	1.8	1.8	1.8
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	1.9	(0.8)	(2.2)	(2.2)	(1.0)	(1.0)
Professional Service Contracts	2.8	3.7	3.8	3.7	4.0	4.3
Materials & Supplies	(32.9)	(25.2)	(23.1)	(39.7)	(29.7)	(29.6)
Other Business Expenditures	(1.6)	0.6	0.6	0.6	0.6	0.6
<b>Total Non-Labor Expenditures</b>	<b>(\$6.4)</b>	<b>(\$49.8)</b>	<b>(\$23.3)</b>	<b>(\$40.9)</b>	<b>(\$28.4)</b>	<b>(\$27.9)</b>
<b><u>Other Expenditures Adjustments:</u></b>						
Other	(28.7)	(28.5)	(28.5)	(28.5)	(28.5)	(28.5)
<b>Total Other Expenditures Adjustments</b>	<b>(\$28.7)</b>	<b>(\$28.5)</b>	<b>(\$28.5)</b>	<b>(\$28.5)</b>	<b>(\$28.5)</b>	<b>(\$28.5)</b>
<b>Total Cash Conversion Adjustments before Depreciation</b>	<b>\$50.8</b>	<b>(\$20.2)</b>	<b>\$16.9</b>	<b>\$1.6</b>	<b>\$5.4</b>	<b>\$5.8</b>
Depreciation Adjustment	246.7	275.4	291.6	279.4	293.7	309.2
Cash Timing and Availability Adjustment	(5.2)	5.2	0.0	0.0	0.0	0.0
<b>Baseline Total Cash Conversion Adjustments</b>	<b>\$292.2</b>	<b>\$260.4</b>	<b>\$308.5</b>	<b>\$281.1</b>	<b>\$299.1</b>	<b>\$315.1</b>
2007 Program to Eliminate the Gap (PEGs)	0.0	0.0	0.0	0.0	0.0	0.0
Post 2007 Program to Eliminate the Gap (PEGs)	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Cash Conversion Adjustments</b>	<b>\$292.2</b>	<b>\$260.4</b>	<b>\$308.5</b>	<b>\$281.1</b>	<b>\$299.1</b>	<b>\$315.1</b>

**MTA Long Island Rail Road**  
**November Financial Plan 2007 - 2010**  
**Year-to-Year Changes by Category - Accrual and Cash**

**Revenue**

**Farebox Revenue**

- The regional economy and employment trends are the primary drivers.
- 2007 ridership is projected to increase by 2.0% above 2006 level to 83.0 million.
- Passenger revenue forecasts in the outer years 2007 - 2010 reveal modest annual growth due to increases in ridership.

**Other Operating Revenue**

- Other revenues (rent, station privileges, etc.) are lower in the 2007 budget than the 2006 forecast due to one-time miscellaneous revenue (scrap and real estate sales) and Penn Station % of retail rent.
- Projected to grow each year primarily through contractual and inflationary increases.

**Capital and Other Reimbursements**

- Reflects the 2005 - 2009 Capital Program.

**Expenses**

**Payroll**

- 2007 - 2010 includes increases for represented employees of 2.56%, 2.91%, 3.07% and 3.20%, respectively.
- 2007 - 2010 includes increases for non-represented employees of 3.00%, 3.00%, 1.53% and 1.84%, respectively.
- Headcount changes each year are associated with new needs, changes in programs and Capital Program activity.

**Overtime**

- 2006 - 2008 decrease is primarily associated with the change in the Concrete Tie Program (completed in 2007), change in Capital Program activity and reduction in open job coverage overtime due to new hires.
- 2008 - 2010 increases reflect CPI increases and changes in Capital Program activity.

**Health & Welfare**

- 2007 reflects an annual rate increase of approximately 14.8% over 2006.
- 2008 - 2010 reflects annual rate increases of approximately 10.7%.
- Reflects impact of headcount changes each year.

**Pensions**

- Reflects the July financial plan.

### **Other Fringe Benefits**

- Railroad Retirement Tax maximum limits are based on the December 2005 projected maximum earnings bases from the Railroad Retirement Board; the tax rate for each tier is expected to remain unchanged.
- Railroad Unemployment reflects an annual increase in the monthly amount per employee of approximately 11.5% in 2007 and approximately 3.5% increase in each of the years thereafter.

### **Traction and Propulsion Power**

- 2006 is based on actuals through July, which reflects higher fuel cost adjustments.
- 2007 - 2010 reflects price inflators provided by MTA and historical performance.

### **Fuel**

- 2006 is based on actuals through July.
- 2007 - 2010 reflects price inflators and historical performance.

### **Insurance**

- 2006 is based on actual results through July, which reflect favorable insurance premium payments.
- 2007 - 2010 reflects price inflators.

### **Claims**

- 2006 reflects actual experience through July and the anticipated settlement and payout of claims for the balance of the year.
- 2007 - 2010 reflects inflationary increases.

### **Maintenance and Other Operating Contracts**

- 2007 reflects a Spring and Fall Concrete Tie Replacement Program (only Spring Program in 2006), contract renewal increases (i.e., Penn station cleaning) and higher utility costs, partially offset by completion of M-1 decommissioning.
- 2008 - 2010 reflects changes in the Concrete Tie Replacement Program (only spot replacements) and elimination of the M-1 fleet; as well as inflationary increases.

### **Professional Service Contracts**

- The unfavorable change from 2006 to 2007 is primarily associated with expenses related to the PeopleSoft Human Resource and Payroll systems implementation, as well as an increase in advertising expenses.
- 2008 – 2010 reflects changes in System Initiative projects (change in need for outside consultants). As well as expenses related to the PeopleSoft Financial Suite implementation.

### **Material and Supplies**

- The increases in materials each year from 2006 - 2010 is primarily Maintenance of Equipment material needs associated with changes in the Life Cycle Maintenance Program and an increased fleet size.
- 2008 – 2010 reflects inflationary growth.

### **Other Business Expenses**

- 2006 - 2007 reflects changes in credit/debit card authorization fees and an increase in the Mineola Building loan repayment.
- 2008 - 2010 includes inflationary increases.

### **Depreciation**

- Reflects depreciation of current assets as well as estimates for capital projects based on their beneficial use.

## **Cash Adjustments**

### **Expense**

- Payroll 2006 - 2007 – represented contract settlement paid out in 2006.
- Pension – cash payments versus accrued expenses.
- Insurance and Claims & Suits – payments versus accrued expenses.
- 2006 - 2010 - timing of material purchases versus charge-outs.
- Depreciation and other non-cash adjustments for each year 2006 - 2010.
- Other Expenditure Adjustments 2006 - 2007 – cash timing and availability adjustment for 2006 based on 2005 year-end position.

**MTA LONG ISLAND RAILROAD**  
**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
<b>Revenue</b>									
Farebox Revenue	\$453.934	\$462.474	\$8.539	\$468.968	\$6.495	\$476.999	\$8.030	\$483.047	\$6.049
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	41.251	39.415	(1.836)	39.834	0.419	39.796	(0.038)	39.981	0.185
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Revenue</b>	<b>\$495.185</b>	<b>\$501.889</b>	<b>\$6.704</b>	<b>\$508.802</b>	<b>\$6.913</b>	<b>\$516.794</b>	<b>\$7.992</b>	<b>\$523.028</b>	<b>\$6.234</b>
<b>Expenses</b>									
Labor:									
Payroll	\$367.252	\$384.006	(\$16.754)	\$401.940	(\$17.934)	\$410.508	(\$8.568)	\$423.116	(\$12.608)
Overtime	77.588	72.608	4.980	70.236	2.372	72.415	(2.179)	75.860	(3.444)
Health and Welfare	104.349	123.444	(19.095)	140.654	(17.210)	159.490	(18.835)	180.569	(21.079)
Pensions	117.340	116.698	0.642	112.498	4.200	112.313	0.185	112.942	(0.629)
Other Fringe Benefits	78.438	82.842	(4.404)	86.392	(3.550)	89.215	(2.823)	91.348	(2.132)
Reimbursable Overhead	(18.696)	(22.929)	4.233	(27.545)	4.616	(27.886)	0.341	(29.416)	1.530
<b>Total Labor Expenses</b>	<b>\$726.271</b>	<b>\$756.669</b>	<b>(\$30.399)</b>	<b>\$784.176</b>	<b>(\$27.506)</b>	<b>\$816.056</b>	<b>(\$31.880)</b>	<b>\$854.418</b>	<b>(\$38.362)</b>
Non-Labor:									
Traction and Propulsion Power	\$74.651	\$81.660	(\$7.009)	\$84.764	(\$3.104)	\$89.984	(\$5.220)	\$94.516	(\$4.531)
Fuel for Buses and Trains	16.102	16.869	(0.767)	16.588	0.282	16.942	(0.354)	16.942	0.000
Insurance	15.610	15.801	(0.191)	17.331	(1.530)	19.042	(1.711)	20.922	(1.880)
Claims	9.601	14.760	(5.159)	15.078	(0.318)	15.432	(0.355)	15.813	(0.381)
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	64.259	71.486	(7.227)	65.533	5.953	66.464	(0.931)	67.433	(0.969)
Professional Service Contracts	21.913	26.230	(4.317)	30.069	(3.840)	28.694	1.376	28.970	(0.276)
Materials & Supplies	70.860	117.249	(46.389)	126.265	(9.016)	128.068	(1.803)	129.013	(0.945)
Other Business Expenses	6.157	8.631	(2.474)	7.181	1.450	7.335	(0.154)	7.463	(0.128)
<b>Total Non-Labor Expenses</b>	<b>\$279.153</b>	<b>\$352.686</b>	<b>(\$73.533)</b>	<b>\$362.808</b>	<b>(\$10.122)</b>	<b>\$371.962</b>	<b>(\$9.154)</b>	<b>\$381.072</b>	<b>(\$9.110)</b>
Other Expenses Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$1,005.424</b>	<b>\$1,109.356</b>	<b>(\$103.932)</b>	<b>\$1,146.984</b>	<b>(\$37.628)</b>	<b>\$1,188.018</b>	<b>(\$41.034)</b>	<b>\$1,235.490</b>	<b>(\$47.473)</b>
Depreciation	275.418	291.579	(16.161)	279.426	12.153	293.705	(14.279)	309.247	(15.542)
<b>Total Expenses</b>	<b>\$1,280.842</b>	<b>\$1,400.935</b>	<b>(\$120.093)</b>	<b>\$1,426.410</b>	<b>(\$25.475)</b>	<b>\$1,481.723</b>	<b>(\$55.313)</b>	<b>\$1,544.737</b>	<b>(\$63.015)</b>
<b>Baseline Net Surplus/(Deficit)</b>	<b>(\$785.656)</b>	<b>(\$899.046)</b>	<b>(\$113.389)</b>	<b>(\$917.608)</b>	<b>(\$18.562)</b>	<b>(\$964.929)</b>	<b>(\$47.321)</b>	<b>(\$1,021.710)</b>	<b>(\$56.781)</b>
2007 PEG Program	0.000	2.488	2.488	2.549	0.061	2.610	0.061	2.671	0.061
Post 2007 PEGs	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Net Surplus/(Deficit)</b>	<b>(\$785.656)</b>	<b>(\$896.558)</b>	<b>(\$110.901)</b>	<b>(\$915.059)</b>	<b>(\$18.501)</b>	<b>(\$962.319)</b>	<b>(\$47.260)</b>	<b>(\$1,019.039)</b>	<b>(\$56.720)</b>

**MTA LONG ISLAND RAILROAD**  
**November Financial Plan 2007 - 2010**  
**Year-to-Year Changes by Category - Accrual Basis**  
(\$ in millions)

<b>REIMBURSABLE</b>									
	<b>Favorable/(Unfavorable)</b>								
	<b>2006</b>	<b>2007</b>	<b>Change 2007 - 2006</b>	<b>2008</b>	<b>Change 2008 - 2007</b>	<b>2009</b>	<b>Change 2009 - 2008</b>	<b>2010</b>	<b>Change 2010 - 2009</b>
<b><u>Revenue</u></b>									
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	131.614	151.266	19.652	161.917	10.651	163.355	1.438	168.609	5.254
<b>Total Revenue</b>	<b>\$131.614</b>	<b>\$151.266</b>	<b>\$19.652</b>	<b>\$161.917</b>	<b>\$10.651</b>	<b>\$163.355</b>	<b>\$1.438</b>	<b>\$168.609</b>	<b>\$5.254</b>
<b><u>Expenses</u></b>									
Labor:									
Payroll	\$53.258	\$64.691	(\$11.433)	\$66.090	(\$1.398)	\$66.807	(\$0.718)	\$69.035	(\$2.228)
Overtime	9.559	9.861	(0.302)	10.148	(0.287)	10.460	(0.312)	10.890	(0.431)
Health and Welfare	8.966	10.934	(1.968)	11.244	(0.310)	11.706	(0.462)	12.516	(0.810)
Pensions	17.093	17.935	(0.842)	19.702	(1.767)	19.507	0.195	19.415	0.092
Other Fringe Benefits	12.011	14.088	(2.077)	15.055	(0.967)	15.671	(0.616)	16.759	(1.088)
Reimbursable Overhead	18.696	22.929	(4.233)	27.545	(4.616)	27.886	(0.341)	29.416	(1.530)
<b>Total Labor Expenses</b>	<b>\$119.583</b>	<b>\$140.439</b>	<b>(\$20.856)</b>	<b>\$149.784</b>	<b>(\$9.346)</b>	<b>\$152.037</b>	<b>(\$2.252)</b>	<b>\$158.031</b>	<b>(\$5.994)</b>
Non-Labor:									
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.372	0.368	0.004	0.302	0.066	0.310	(0.008)	0.320	(0.010)
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	6.665	6.147	0.518	6.643	(0.496)	6.292	0.351	6.028	0.264
Professional Service Contracts	0.545	0.278	0.267	0.438	(0.160)	0.378	0.060	0.330	0.048
Materials & Supplies	4.018	3.893	0.125	4.050	(0.156)	3.735	0.315	3.372	0.362
Other Business Expenses	0.431	0.141	0.290	0.700	(0.559)	0.603	0.097	0.527	0.076
<b>Total Non-Labor Expenses</b>	<b>\$12.031</b>	<b>\$10.827</b>	<b>\$1.204</b>	<b>\$12.133</b>	<b>(\$1.305)</b>	<b>\$11.318</b>	<b>\$0.814</b>	<b>\$10.578</b>	<b>\$0.740</b>
Other Expenses Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expense Adjustments</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$131.614</b>	<b>\$151.266</b>	<b>(\$19.652)</b>	<b>\$161.917</b>	<b>(\$10.651)</b>	<b>\$163.355</b>	<b>(\$1.438)</b>	<b>\$168.609</b>	<b>(\$5.254)</b>
Depreciation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Expenses</b>	<b>\$131.614</b>	<b>\$151.266</b>	<b>(\$19.652)</b>	<b>\$161.917</b>	<b>(\$10.651)</b>	<b>\$163.355</b>	<b>(\$1.438)</b>	<b>\$168.609</b>	<b>(\$5.254)</b>
<b>Baseline Net Surplus/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>
2007 PEG Program	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Post 2007 PEGs	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Net Surplus/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>

**MTA LONG ISLAND RAILROAD**  
**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
<b>Revenue</b>									
Farebox Revenue	\$453.934	\$462.474	\$8.539	\$468.968	\$6.495	\$476.999	\$8.030	\$483.047	\$6.049
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	41.251	39.415	(1.836)	39.834	0.419	39.796	(0.038)	39.981	0.185
Capital and Other Reimbursements	131.614	151.266	19.652	161.917	10.651	163.355	1.438	168.609	5.254
<b>Total Revenue</b>	<b>\$626.800</b>	<b>\$653.155</b>	<b>\$26.356</b>	<b>\$670.719</b>	<b>\$17.564</b>	<b>\$680.149</b>	<b>\$9.430</b>	<b>\$691.637</b>	<b>\$11.487</b>
<b>Expenses</b>									
Labor:									
Payroll	\$420.510	\$448.697	(\$28.187)	\$468.029	(\$19.332)	\$477.315	(\$9.286)	\$492.151	(\$14.835)
Overtime	87.147	82.469	4.678	80.384	2.085	82.875	(2.491)	86.750	(3.875)
Health and Welfare	113.315	134.378	(21.063)	151.898	(17.520)	171.196	(19.298)	193.085	(21.889)
Pensions	134.433	134.633	(0.200)	132.200	2.433	131.820	0.380	132.357	(0.537)
Other Fringe Benefits	90.449	96.931	(6.482)	101.448	(4.517)	104.886	(3.438)	108.106	(3.220)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenses</b>	<b>\$845.854</b>	<b>\$897.108</b>	<b>(\$51.254)</b>	<b>\$933.960</b>	<b>(\$36.852)</b>	<b>\$968.092</b>	<b>(\$34.133)</b>	<b>\$1,012.449</b>	<b>(\$44.356)</b>
Non-Labor:									
Traction and Propulsion Power	\$74.651	\$81.660	(\$7.009)	\$84.764	(\$3.104)	\$89.984	(\$5.220)	\$94.516	(\$4.531)
Fuel for Buses and Trains	16.102	16.869	(0.767)	16.588	0.282	16.942	(0.354)	16.942	0.000
Insurance	15.982	16.169	(0.187)	17.633	(1.464)	19.352	(1.720)	21.243	(1.890)
Claims	9.601	14.760	(5.159)	15.078	(0.318)	15.432	(0.355)	15.813	(0.381)
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	70.924	77.633	(6.709)	72.176	5.457	72.756	(0.580)	73.461	(0.705)
Professional Service Contracts	22.458	26.508	(4.050)	30.508	(4.000)	29.072	1.436	29.300	(0.228)
Materials & Supplies	74.878	121.143	(46.265)	130.315	(9.172)	131.803	(1.488)	132.385	(0.583)
Other Business Expenses	6.588	8.773	(2.185)	7.881	0.892	7.938	(0.057)	7.990	(0.052)
<b>Total Non-Labor Expenses</b>	<b>\$291.184</b>	<b>\$363.514</b>	<b>(\$72.330)</b>	<b>\$374.941</b>	<b>(\$11.427)</b>	<b>\$383.280</b>	<b>(\$8.339)</b>	<b>\$391.650</b>	<b>(\$8.370)</b>
Other Expenses Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$1,137.038</b>	<b>\$1,260.622</b>	<b>(\$123.584)</b>	<b>\$1,308.901</b>	<b>(\$48.279)</b>	<b>\$1,351.373</b>	<b>(\$42.472)</b>	<b>\$1,404.099</b>	<b>(\$52.727)</b>
Depreciation	275.418	291.579	(16.161)	279.426	12.153	293.705	(14.279)	309.247	(15.542)
<b>Total Expenses</b>	<b>\$1,412.456</b>	<b>\$1,552.201</b>	<b>(\$139.745)</b>	<b>\$1,588.327</b>	<b>(\$36.126)</b>	<b>\$1,645.078</b>	<b>(\$56.751)</b>	<b>\$1,713.346</b>	<b>(\$68.269)</b>
<b>Baseline Net Surplus/(Deficit)</b>	<b>(\$785.656)</b>	<b>(\$899.046)</b>	<b>(\$113.389)</b>	<b>(\$917.607)</b>	<b>(\$18.562)</b>	<b>(\$964.929)</b>	<b>(\$47.321)</b>	<b>(\$1,021.710)</b>	<b>(\$56.781)</b>
2007 PEG Program	0.000	2.488	2.488	2.549	0.061	2.610	0.061	2.671	0.061
Post 2007 PEGs	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Net Surplus/(Deficit)</b>	<b>(\$785.656)</b>	<b>(\$896.558)</b>	<b>(\$110.901)</b>	<b>(\$915.058)</b>	<b>(\$18.501)</b>	<b>(\$962.319)</b>	<b>(\$47.260)</b>	<b>(\$1,019.039)</b>	<b>(\$56.720)</b>



**MTA LONG ISLAND RAILROAD**  
**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
<b><u>Receipts</u></b>									
Farebox Revenue	\$482.434	\$490.974	\$8.540	\$497.468	\$6.494	\$505.499	\$8.031	\$511.547	\$6.048
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	52.259	40.678	(11.581)	41.138	0.460	41.135	(0.003)	41.363	0.228
Capital and Other Reimbursements	152.472	188.981	36.509	201.822	12.841	194.543	(7.279)	199.682	5.139
<b>Total Receipts</b>	<b>\$687.165</b>	<b>\$720.633</b>	<b>\$33.468</b>	<b>\$740.428</b>	<b>\$19.795</b>	<b>\$741.177</b>	<b>\$0.749</b>	<b>\$752.592</b>	<b>\$11.415</b>
<b><u>Expenditures</u></b>									
Labor:									
Payroll	\$423.025	\$447.831	(\$24.806)	\$467.167	(\$19.336)	\$476.457	(\$9.290)	\$491.297	(\$14.840)
Overtime	87.147	82.469	4.678	80.384	2.085	82.875	(2.491)	86.750	(3.875)
Health and Welfare	113.315	134.378	(21.063)	151.898	(17.520)	171.196	(19.298)	193.085	(21.889)
Pensions	134.040	134.208	(0.168)	131.741	2.467	131.361	0.380	131.898	(0.537)
Other Fringe Benefits	90.659	96.931	(6.272)	101.448	(4.517)	104.886	(3.438)	108.106	(3.220)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenditures</b>	<b>\$848.186</b>	<b>\$895.817</b>	<b>(\$47.631)</b>	<b>\$932.638</b>	<b>(\$36.821)</b>	<b>\$966.775</b>	<b>(\$34.137)</b>	<b>\$1,011.136</b>	<b>(\$44.361)</b>
Non-Labor:									
Traction and Propulsion Power	\$84.217	\$81.660	\$2.557	\$84.764	(\$3.104)	\$89.984	(\$5.220)	\$94.516	(\$4.532)
Fuel for Buses and Trains	16.102	16.869	(0.767)	16.588	0.281	16.942	(0.354)	16.942	0.000
Insurance	20.000	20.346	(0.346)	22.667	(2.321)	23.493	(0.826)	25.310	(1.817)
Claims	24.133	12.985	11.148	13.285	(0.300)	13.619	(0.334)	13.979	(0.360)
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	71.674	79.833	(8.159)	74.376	5.457	73.756	0.620	74.461	(0.705)
Professional Service Contracts	18.758	22.708	(3.950)	26.808	(4.100)	25.072	1.736	24.968	0.104
Materials & Supplies	100.098	144.263	(44.165)	170.056	(25.793)	161.503	8.553	162.006	(0.503)
Other Business Expenses	5.982	8.173	(2.191)	7.281	0.892	7.338	(0.057)	7.390	(0.052)
<b>Total Non-Labor Expenditures</b>	<b>\$340.964</b>	<b>\$386.837</b>	<b>(\$45.873)</b>	<b>\$415.825</b>	<b>(\$28.988)</b>	<b>\$411.707</b>	<b>\$4.118</b>	<b>\$419.572</b>	<b>(\$7.865)</b>
Other Expenditure Adjustments:									
Other	28.500	28.500	0.000	28.500	0.000	28.500	0.000	28.500	0.000
<b>Total Other Expenditure Adjustments</b>	<b>\$28.500</b>	<b>\$28.500</b>	<b>\$0.000</b>	<b>\$28.500</b>	<b>\$0.000</b>	<b>\$28.500</b>	<b>\$0.000</b>	<b>\$28.500</b>	<b>\$0.000</b>
<b>Total Expenditures</b>	<b>\$1,217.650</b>	<b>\$1,311.154</b>	<b>(\$93.504)</b>	<b>\$1,376.963</b>	<b>(\$65.809)</b>	<b>\$1,406.982</b>	<b>(\$30.019)</b>	<b>\$1,459.208</b>	<b>(\$52.226)</b>
Cash Timing and Availability Adjustment	5.227	0.000	(5.227)	0.000	0.000	0.000	0.000	0.000	0.000
<b>Baseline Net Cash Deficit</b>	<b>(\$525.258)</b>	<b>(\$590.521)</b>	<b>(\$65.263)</b>	<b>(\$636.535)</b>	<b>(\$46.014)</b>	<b>(\$665.805)</b>	<b>(\$29.270)</b>	<b>(\$706.616)</b>	<b>(\$40.811)</b>
2007 PEG Program	0.000	2.488	2.488	2.549	0.061	2.610	0.061	2.671	0.061
Post 2007 PEGs	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Net Cash Deficit</b>	<b>(\$525.258)</b>	<b>(\$588.033)</b>	<b>(\$62.775)</b>	<b>(\$633.986)</b>	<b>(\$45.953)</b>	<b>(\$663.195)</b>	<b>(\$29.209)</b>	<b>(\$703.945)</b>	<b>(\$40.750)</b>

**MTA Long Island Rail Road  
November Financial Plan 2007 - 2010  
Summary of Major Plan-to-Plan Changes**

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

2006 November Financial Plan is based on actual performance through July with projections for August through December based on current trends and known activities.

**Revenue**

- Ridership is projected to increase by 1.2% resulting in increased farebox revenue.
- Higher station privileges, rental income, one-time real estate and scrap sales and higher freight revenue.
- Capital and other reimbursements are lower primarily resulting from changes in capital project activity.

**Expense**

- Payroll and benefits – reduced from July Plan due to lower headcount, partially offset by an increase in overtime.
- Traction and Propulsion Power is lower primarily due to lower consumption.
- All other non-payroll expenses have been re-estimated based on planned activities and timing of service contracts.

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

**Revenue**

- 2007 - 2010 average yield per passenger remains flat.
- 2007 – 2010 increase in ridership of 1.1% annually over the period.
- Higher station privileges, rental income, parking fees (Mineola Parking reflected as revenue as opposed to netting out in expenses) and freight revenue.
- Capital and other reimbursements are lower primarily resulting from changes in capital project activity, overhead rate adjustments and contingency reserve.

**Expense**

- Payroll and benefits – increased from July Plan due to new needs and changes in the Life Cycle Maintenance Program.
- Traction Power and Fuel are higher primarily resulting from increased rates.
- Professional Services increases in 2007-2010 primarily related to PeopleSoft Human Resource, Payroll and Financial system implementation.
- All other non-payroll expenses have been re-estimated based on planned activities, changes in service contracts and adjustments to inflationary increases.

**MTA LONG ISLAND RAILROAD**  
**November Financial Plan 2007 - 2010**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

**NON-REIMBURSABLE**

	2006	2007	2008	2009	2010
<b>Baseline 2006 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$532.151)</b>	<b>(\$586.182)</b>	<b>(\$636.085)</b>	<b>(\$666.941)</b>	<b>(\$700.681)</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
Farebox Revenue	\$5.148	\$5.351	\$5.531	\$5.296	\$5.488
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	2.596	1.299	1.353	1.184	1.403
Capital and Other Reimbursement	0.000	0.000	0.000	0.000	0.000
<b>Total Revenue Changes</b>	<b>\$7.744</b>	<b>\$6.650</b>	<b>\$6.884</b>	<b>\$6.481</b>	<b>\$6.891</b>
<b>Expenses</b>					
<i>Labor:</i>					
Payroll and Overtime	\$1.241	(\$3.373)	(\$4.686)	(\$3.045)	(\$2.439)
Health and Welfare	0.381	0.028	(0.831)	(0.752)	(0.736)
Pensions	(0.227)	(4.437)	(1.532)	(3.352)	(5.551)
Other Fringe Benefits	(0.271)	(0.943)	(0.862)	(0.697)	(0.574)
Reimbursable Overhead	(0.053)	(3.836)	(0.012)	(0.497)	(0.683)
<b>Total Labor Expense Changes</b>	<b>\$1.072</b>	<b>(\$12.561)</b>	<b>(\$7.924)</b>	<b>(\$8.343)</b>	<b>(\$9.983)</b>
<i>Non-Labor:</i>					
Traction and Propulsion Power	\$0.816	(\$0.932)	(\$3.794)	(\$9.247)	(\$13.787)
Fuel for Buses and Trains	0.037	1.126	0.570	(0.630)	(0.630)
Insurance	0.061	0.291	0.370	0.429	0.496
Claims	2.487	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	4.334	(2.997)	(1.948)	(0.908)	(1.237)
Professional Service Contracts	0.942	(0.256)	(5.070)	(5.065)	(5.056)
Materials & Supplies	1.878	(16.027)	11.917	17.097	16.802
Other Business Expenses	(0.176)	(0.843)	0.675	0.769	0.874
<b>Total Non-Labor Expense Changes</b>	<b>\$10.379</b>	<b>(\$19.638)</b>	<b>\$2.721</b>	<b>\$2.445</b>	<b>(\$2.538)</b>
<b>Total Expense Changes</b>	<b>\$11.451</b>	<b>(\$32.199)</b>	<b>(\$5.203)</b>	<b>(\$5.898)</b>	<b>(\$12.521)</b>
<b>Cash Adjustment Changes</b>					
Payment of Union Contract Settlement	(\$2.378)	\$0.000	\$0.000	\$0.000	\$0.000
Insurance	1.486	(0.313)	(0.390)	(0.448)	(0.516)
Claims	(9.098)	7.000	0.000	0.000	0.000
Operating Funded Capital timing adjustments	0.691	(0.691)	0.000	0.000	0.000
Other material adjustments	(3.000)	15.215	(2.741)	0.000	0.000
Non-cash expense adjustments (Misc. charges & Credits)	0.000	0.000	1.000	1.000	0.211
All Other	(0.003)	(0.001)	0.000	0.002	0.000
<b>Total Cash Adjustment Changes</b>	<b>(\$12.302)</b>	<b>\$21.210</b>	<b>(\$2.131)</b>	<b>\$0.554</b>	<b>(\$0.305)</b>
<b>Total Baseline Changes</b>	<b>\$6.893</b>	<b>(\$4.339)</b>	<b>(\$0.450)</b>	<b>\$1.136</b>	<b>(\$5.935)</b>
<b>Baseline 2006 November Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$525.258)</b>	<b>(\$590.521)</b>	<b>(\$636.535)</b>	<b>(\$665.805)</b>	<b>(\$706.616)</b>

**MTA LONG ISLAND RAILROAD**  
**November Financial Plan 2007 - 2010**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

**REIMBURSABLE**

	2006	2007	2008	2009	2010
<b>Baseline 2006 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
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
Capital and Other Reimbursement	(0.824)	(12.886)	(4.700)	(6.526)	(8.805)
<b>Total Revenue Changes</b>	<b>(\$0.824)</b>	<b>(\$12.886)</b>	<b>(\$4.700)</b>	<b>(\$6.526)</b>	<b>(\$8.805)</b>
<b>Expenses</b>					
<b>Labor:</b>					
Payroll and Overtime	\$0.604	\$1.822	\$2.107	\$1.950	\$2.042
Health and Welfare	0.108	0.437	0.367	0.260	0.192
Pensions	0.227	4.437	1.532	3.352	5.551
Other Fringe Benefits	0.140	1.137	0.491	0.347	0.257
Reimbursable Overhead	0.053	3.836	0.012	0.497	0.683
<b>Total Labor Expense Changes</b>	<b>\$1.132</b>	<b>\$11.670</b>	<b>\$4.510</b>	<b>\$6.407</b>	<b>\$8.725</b>
<b>Non-Labor:</b>					
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	(0.002)	0.021	0.019	0.019	0.020
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	0.027	0.353	0.083	0.049	0.029
Professional Service Contracts	(0.248)	0.139	0.014	0.008	0.005
Materials & Supplies	(0.080)	0.181	0.051	0.030	0.018
Other Business Expenses	(0.005)	0.521	0.023	0.013	0.008
<b>Total Non-Labor Expense Changes</b>	<b>(\$0.308)</b>	<b>\$1.216</b>	<b>\$0.190</b>	<b>\$0.119</b>	<b>\$0.081</b>
<b>Total Expense Changes</b>	<b>\$0.824</b>	<b>\$12.886</b>	<b>\$4.700</b>	<b>\$6.526</b>	<b>\$8.805</b>
<b>Cash Adjustment Changes</b>					
Capital rebalancing adjustment/timing	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Cash Adjustment Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Baseline Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Baseline 2006 November Financial Plan - Operating Cash Income/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>

**MTA LONG ISLAND RAILROAD**  
**November Financial Plan 2007 - 2010**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

**NON-REIMBURSABLE and  
REIMBURSABLE**

	2006	2007	2008	2009	2010
<b>Baseline 2006 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$532.151)</b>	<b>(\$586.182)</b>	<b>(\$636.085)</b>	<b>(\$666.941)</b>	<b>(\$700.681)</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
Farebox Revenue	\$5.148	\$5.351	\$5.531	\$5.296	\$5.488
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	2.596	1.299	1.353	1.184	1.403
Capital and Other Reimbursement	(0.824)	(12.886)	(4.700)	(6.526)	(8.805)
<b>Total Revenue Changes</b>	<b>\$6.920</b>	<b>(\$6.236)</b>	<b>\$2.184</b>	<b>(\$0.046)</b>	<b>(\$1.914)</b>
<b>Expenses</b>					
<i>Labor:</i>					
Payroll and Overtime	\$1.845	(\$1.551)	(\$2.579)	(\$1.094)	(\$0.396)
Health and Welfare	0.489	0.465	(0.464)	(0.493)	(0.544)
Pensions	0.000	0.000	0.000	0.000	(0.000)
Other Fringe Benefits	(0.131)	0.195	(0.371)	(0.349)	(0.318)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expense Changes</b>	<b>\$2.204</b>	<b>(\$0.891)</b>	<b>(\$3.415)</b>	<b>(\$1.936)</b>	<b>(\$1.258)</b>
<i>Non-Labor:</i>					
Traction and Propulsion Power	\$0.816	(\$0.932)	(\$3.794)	(\$9.247)	(\$13.787)
Fuel for Buses and Trains	0.037	1.126	0.570	(0.630)	(0.630)
Insurance	0.059	0.313	0.390	0.448	0.516
Claims	2.487	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	4.360	(2.644)	(1.865)	(0.860)	(1.208)
Professional Service Contracts	0.694	(0.117)	(5.055)	(5.057)	(5.051)
Materials & Supplies	1.798	(15.846)	11.968	17.127	16.820
Other Business Expenses	(0.181)	(0.322)	0.698	0.782	0.882
<b>Total Non-Labor Expense Changes</b>	<b>\$10.071</b>	<b>(\$18.422)</b>	<b>\$2.911</b>	<b>\$2.564</b>	<b>(\$2.458)</b>
<b>Total Expense Changes</b>	<b>\$12.274</b>	<b>(\$19.313)</b>	<b>(\$0.504)</b>	<b>\$0.628</b>	<b>(\$3.716)</b>
<b>Cash Adjustment Changes</b>					
Payment of Union Contract Settlement	(\$2.378)	\$0.000	\$0.000	\$0.000	\$0.000
Insurance	1.486	(0.313)	(0.390)	(0.448)	(0.516)
Claims	(9.098)	7.000	0.000	0.000	0.000
Operating Funded Capital timing adjustments	0.691	(0.691)	0.000	0.000	0.000
Other material adjustments	(3.000)	15.215	(2.741)	0.000	0.000
Non-cash expense adjustments (Misc. charges & Credits)	0.000	0.000	1.000	1.000	0.211
All Other	(0.003)	(0.001)	0.000	0.002	0.000
<b>Total Cash Adjustment Changes</b>	<b>(\$12.302)</b>	<b>\$21.210</b>	<b>(\$2.131)</b>	<b>\$0.554</b>	<b>(\$0.305)</b>
<b>Total Baseline Changes</b>	<b>\$6.893</b>	<b>(\$4.339)</b>	<b>(\$0.450)</b>	<b>\$1.136</b>	<b>(\$5.935)</b>
<b>Baseline 2006 November Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$525.258)</b>	<b>(\$590.521)</b>	<b>(\$636.535)</b>	<b>(\$665.805)</b>	<b>(\$706.616)</b>

**MTA LONG ISLAND RAILROAD**  
**November Financial Plan 2007 - 2010**  
**Summary of Major Programmatic Changes Between Financial Plans**  
(\$ in millions)

<b>NON-REIMBURSABLE and REIMBURSABLE</b>					
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>Baseline 2006 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$532.151)</b>	<b>(\$586.182)</b>	<b>(\$636.085)</b>	<b>(\$666.941)</b>	<b>(\$700.681)</b>
<b><i>Non-Reimbursable Major Changes</i></b>					
<u>Revenue</u>					
Farebox Revenue	\$5.148	\$5.351	\$5.531	\$5.296	\$5.488
Other Operating Revenue	2.596	1.299	1.353	1.184	1.403
Sub-Total Non-Reimbursable Revenue Changes	\$7.744	\$6.650	\$6.884	\$6.481	\$6.891
<u>Expenses</u>					
Reimbursable Overhead	(0.053)	(3.836)	(0.012)	(0.497)	(0.683)
Pensions (shift in allocation between reimbursable/non-reimbursable)	(0.227)	(4.437)	(1.532)	(3.352)	(5.551)
Life Cycle Maintenance Program		(11.061)	9.130	14.306	14.306
Energy rate & consumption increases (traction power, fuel, gas & electric)	0.853	0.194	(3.224)	(9.877)	(14.417)
Claims adjustment	2.487	-	-	-	-
PeopleSoft Financial Suite		-	(5.000)	(5.000)	(5.000)
Crew Board Heads (7 in 2007, 12 in 2008) and Configuration Managers (2)		(0.564)	(1.384)	(1.384)	(1.384)
Maintenance of Equipment New Hire Training		(1.011)			
Diesel C3 Rough Riders and Communication Equipment	0.160	(1.653)			
Fall Concrete Tie Program shift from 2006 to 2007	4.800	(4.926)			
Various material saving (M of E and Engineering - excluding LCM)	0.973	0.686	0.686	0.686	0.686
Credit/Debit card fees	(0.145)	(0.452)	(0.392)	(0.338)	(0.264)
Management Merit increase	(0.223)	(0.669)	(0.693)	(0.708)	(0.721)
All Other	2.826	(4.470)	(2.782)	0.266	0.507
Sub-Total Non-Reimbursable Expense Changes	\$11.451	(\$32.199)	(\$5.203)	(\$5.898)	(\$12.521)
<b>Total Non-Reimbursable Major Changes</b>	<b>\$19.195</b>	<b>(\$25.549)</b>	<b>\$1.681</b>	<b>\$0.582</b>	<b>(\$5.630)</b>
<b><i>Reimbursable Major Changes</i></b>					
<u>Revenue</u>					
Capital and Other Reimbursement	(0.824)	(12.886)	(4.700)	(6.526)	(8.805)
Sub-Total Reimbursable Revenue Changes	(\$0.824)	(\$12.886)	(\$4.700)	(\$6.526)	(\$8.805)
<u>Expenses</u>					
Pensions (shift in allocation between reimbursable/non-reimbursable)	0.227	4.437	1.532	3.352	5.551
Change in capital program activity	0.596	4.956	0.569	(1.002)	(2.679)
Overhead rate and methodology change		3.493	2.599	4.176	5.933
Sub-Total Reimbursable Expense Changes	\$0.824	\$12.886	\$4.700	\$6.526	\$8.805
<b>Total Reimbursable Major Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Accrual Changes</b>	<b>\$19.195</b>	<b>(\$25.549)</b>	<b>\$1.681</b>	<b>\$0.582</b>	<b>(\$5.630)</b>
<b><i>Cash Adjustment Changes</i></b>					
Payment of Union Contract Settlement	(\$2.378)	\$0.000	\$0.000	\$0.000	\$0.000
Insurance	1.486	(0.313)	(0.390)	(0.448)	(0.516)
Claims	(9.098)	7.000	0.000	0.000	0.000
Operating Funded Capital timing adjustments	0.691	(0.691)	0.000	0.000	0.000
Other Material Adjustments	(3.000)	15.215	(2.741)	0.000	0.000
Non-cash expense adjustments (Misc. Charges & Credits)	0.000	0.000	1.000	1.000	0.211
All Other	(0.003)	(0.001)	0.000	0.002	0.000
<b>Total Cash Adjustment Changes</b>	<b>(\$12.302)</b>	<b>\$21.210</b>	<b>(\$2.131)</b>	<b>\$0.554</b>	<b>(\$0.305)</b>
<b>Total Baseline Changes</b>	<b>\$6.893</b>	<b>(\$4.339)</b>	<b>(\$0.450)</b>	<b>\$1.136</b>	<b>(\$5.935)</b>
<b>Baseline 2006 November Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$525.258)</b>	<b>(\$590.521)</b>	<b>(\$636.535)</b>	<b>(\$665.805)</b>	<b>(\$706.616)</b>

**MTA Long Island Rail Road  
2007 Final Proposed Budget  
November Financial Plan 2007 – 2010**

**OTHER ASSUMPTIONS: RIDERSHIP/UTILIZATION**

- The regional economy and employment are the primary drivers of passenger ridership and revenue in 2007.
- Ridership projections for the outer years 2008-2010 reveal modest annual growth.

**MTA Long Island Rail Road  
November Financial Plan 2007 - 2010  
Ridership/Traffic Volume (Utilization)  
(in millions)**

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	<b>2005 Actuals</b>	<b>2006 November Forecast</b>	<b>2007 Final Proposed Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Baseline Total Ridership</b>	80,131	81.367	82.993	84.299	85.535	86.567
<i>Impact of: PEG Program</i>						
<b>Total Ridership</b>	80,131	81.367	82.993	84.299	85.535	86.567



Long Island Railroad  
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>
<b>Administration</b>											
Reduction in Passenger Vehicle Fleet		0	0.000	0	0.138	0	0.142	0	0.146	0	0.149
Sub-Total	Administration	0	\$ 0.000	0	\$ 0.138	0	\$ 0.142	0	\$ 0.146	0	\$ 0.149
<b>Maintenance</b>											
Savings in Contracted Services		0	0.000	0	2.200	0	2.256	0	2.314	0	2.371
Sub-Total	Maintenance	0	\$ 0.000	0	\$ 2.200	0	\$ 2.256	0	\$ 2.314	0	\$ 2.371
<b>Revenue Enhancement</b>											
ADL 6009 Fare Revenue Collection		0	0.000	0	0.150	0	0.150	0	0.150	0	0.150
Sub-Total	Revenue Enhancement	0	\$ 0.000	0	\$ 0.150	0	\$ 0.150	0	\$ 0.150	0	\$ 0.150
Total Programs		0	\$ 0.000	0	\$ 2.488	0	\$ 2.548	0	\$ 2.610	0	\$ 2.670

Long Island Railroad  
November Plan 2007-2010  
Summary of 2007 Program to Eliminate the Gap(PEGs)  
(\$ in Millions)

Business Unit	LIRRD	Financial Plan Category	PEG	Implementation Date	1/1/2007
Budget Reference	FINAL06	Category	Administration	Savings Date	1/1/2007
PEG / New Need ID	0000000027	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program:

Reduction in Passenger Vehicle Fleet

Design and Implementation Plan

Reduction in Passenger Vehicle Fleet

Background Details

Based in part on a recent MTA audit, the LIRR is proposing to reduce its vehicle fleet by seventeen vehicles. The savings represents insurance, maintenance and fuel.

				2006	2007	2008	2009	2010
Total Headcount								
Financial Impact	LIRRD	0000000027	FINAL06	\$ 0.000	\$ 0.138	\$ 0.142	\$ 0.146	\$ 0.149

Long Island Railroad  
November Plan 2007-2010  
Summary of 2007 Program to Eliminate the Gap(PEGs)  
(\$ in Millions)

Business Unit	LIRRD	Financial Plan Category	PEG	Implementation Date	1/1/2007
Budget Reference	FINAL06	Category	Maintenance	Savings Date	1/1/2007
PEG / New Need ID	0000000026	Current Budget Year	2006	Status	Open
				Agency Status	Pending
Program:		Savings in Contracted Services			
Design and Implementation Plan		Savings in Contracted Services			

Background Details

Based on an historical review of Professional Services and Maintenance costs in the operating departments over the last five years, it has been determined that the LIRR has been over-estimating usage of extraordinary items such as unplanned Environmental cleanup, Consulting, etc. The \$2.2 million represents approximately 60% of the average annual 2001-2005 favorable variance.

				2006	2007	2008	2009	2010
Total Headcount								
Financial Impact	LIRRD	0000000026	FINAL06	\$ 0.000	\$ 2.200	\$ 2.256	\$ 2.314	\$ 2.371

<p>Long Island Railroad</p> <p>November Plan 2007-2010</p> <p>Summary of 2007 Program to Eliminate the Gap(PEGs)</p> <p>(\$ in Millions)</p>
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Business Unit	LIRRD	Financial Plan Category	PEG	Implementation Date	7/1/2006
Budget Reference	FINAL06	Category	Revenue Enhancement	Savings Date	7/1/2006
PEG / New Need ID	0000000035	Current Budget Year	2006	Status	Open
				Agency Status	Pending

<b>Program:</b>	ADL 6009 Fare Revenue Collection
Design and Implementation Plan	Additional Revenue associated with the ADL 6009 Fare Collection initiative.

**Background Details** 6009's are issued to customers who do not have the money to pay the fare and express a willingness to subsequently pay the fare. Currently the ADL payment and collection program is on the honor system of the customer. The LIRR will be making a more concerted effort in the collection process.

				2006	2007	2008	2009	2010
<b>Total Headcount</b>								
<b>Financial Impact</b>	LIRRD	0000000035	FINAL06	\$ 0.000	\$ 0.150	\$ 0.150	\$ 0.150	\$ 0.150

**MTA Long Island Rail Road  
2007 Final Proposed Budget  
November Financial Plan 2007 – 2010**

**OTHER ASSUMPTIONS: POSITIONS**

**NON-REIMBURSABLE POSITIONS:**

- Positions are identified as of year-end (December 31) for each year in the financial plan and reflect an estimate of the total number of paid employees required to meet/achieve corporate goals.
- Annual staffing levels include the impact of new needs and re-estimates consistent with the associated cost changes incorporated in the financial plan.

**REIMBURSABLE POSITIONS:**

- Positions are identified as of year-end (December 31) for each year in the financial plan and reflect an estimate of the total number of paid employees required for reimbursable activity.
- Annual staffing levels represent the positions required to support the Capital Program, as well as changes in other reimbursable projects.

**MTA LONG ISLAND RAIL ROAD**  
**November Financial Plan 2007 - 2010**  
**Non-Reimbursable - Reimbursable Positions by Function and Department**  
**Full-Time Positions and Full Time Equivalents**

FUNCTION/DEPARTMENT	2005 Actuals	2006 November Forecast	2007 Final Proposed Budget	2008	2009	2010
<b>Administration</b>						
Executive VP	2	2	2	2	2	2
Labor Relations	10	11	11	11	11	11
Procurement & Logistics (excl. Stores)	67	81	86	86	86	86
Human Resources	88	96	96	95	95	95
Strategic Investments	37	38	39	39	39	39
Diversity Management	3	3	3	3	3	3
President	3	3	3	3	3	3
VP & Chief Financial Officer	98	110	112	112	112	111
Svc. Planning, Technology (excl. CPM)	166	173	171	171	171	171
Market Dev. & Public Affairs	57	61	61	61	61	61
Gen. Counsel & Secretary	29	30	34	34	34	34
System Safety	19	22	22	22	22	22
VP Operations/Oper. Support & Analysis	22	26	26	26	26	26
<b>Total Administration</b>	<b>601</b>	<b>656</b>	<b>666</b>	<b>665</b>	<b>665</b>	<b>664</b>
<b>Operations</b>						
Transportation	1,803	1,862	1,857	1,857	1,857	1,857
Passenger Service (Ticket Clerks & Agents)	182	183	183	183	183	183
<b>Total Operations</b>	<b>1,985</b>	<b>2,045</b>	<b>2,040</b>	<b>2,040</b>	<b>2,040</b>	<b>2,040</b>
<b>Maintenance</b>						
Engineering	1,444	1,581	1,592	1,605	1,605	1,605
Equipment	1,724	1,822	1,883	1,934	1,934	1,934
Passenger Service (excl. Ticket Selling)	179	194	194	194	194	194
Procurement (Stores)	96	93	93	93	93	93
<b>Total Maintenance</b>	<b>3,443</b>	<b>3,690</b>	<b>3,762</b>	<b>3,826</b>	<b>3,826</b>	<b>3,826</b>
<b>Engineering/Capital</b>						
Capital Program Management	90	85	89	88	75	75
<b>Total Baseline Positions</b>	<b>6,119</b>	<b>6,476</b>	<b>6,557</b>	<b>6,619</b>	<b>6,606</b>	<b>6,605</b>
<i>Non-Reimbursable</i>	5,452	5,788	5,837	5,831	5,832	5,832
<i>Reimbursable</i>	667	688	720	788	774	773
<i>Total Full-Time</i>	6,119	6,476	6,557	6,619	6,606	6,605
<i>Total Full-Time Equivalents</i>	-	-	-	-	-	-
Impact of:						
2007 Program to Eliminate the Gap	-	-	-	-	-	-
Post 2007 Program to Eliminate the Gap	-	-	-	-	-	-
<b>Total Positions</b>	<b>6,119</b>	<b>6,476</b>	<b>6,557</b>	<b>6,619</b>	<b>6,606</b>	<b>6,605</b>
<i>Non-Reimbursable</i>	5,452	5,788	5,837	5,831	5,832	5,832
<i>Reimbursable</i>	667	688	720	788	774	773
<i>Total Full-Time</i>	6,119	6,476	6,557	6,619	6,606	6,605
<i>Total Full-Time Equivalents</i>	-	-	-	-	-	-

**MTA LONG ISLAND RAILROAD**  
**November Financial Plan 2007 - 2010**  
**Full-time Positions and Full-time Equivalents by Function and Occupational Group**

FUNCTION/OCCUPATIONAL GROUP		2006 November Forecast	2007 Final Proposed Budget	2008	2009	2010
<b>Administration</b>						
	Managers/Supervisors	329	294	294	294	294
	Professional, Technical, Clerical	322	362	361	361	360
	Operational Hourlies	5	10	10	10	10
	<b>Total Administration</b>	656	666	665	665	664
<b>Operations</b>						
	Managers/Supervisors	250	257	257	257	257
	Professional, Technical, Clerical	175	174	174	174	174
	Operational Hourlies	1,620	1,609	1,609	1,609	1,609
	<b>Total Operations</b>	2,045	2,040	2,040	2,040	2,040
<b>Maintenance</b>						
	Managers/Supervisors	642	724	725	725	725
	Professional, Technical, Clerical	277	280	285	285	285
	Operational Hourlies	2,771	2,758	2,816	2,816	2,816
	<b>Total Maintenance</b>	3,690	3,762	3,826	3,826	3,826
<b>Engineering/Capital</b>						
	Managers/Supervisors	70	72	69	60	60
	Professional, Technical, Clerical	15	17	19	15	15
	Operational Hourlies	0	-	-	-	-
	<b>Total Engineering/Capital</b>	85	89	88	75	75
<b>Public Safety</b>						
	Managers/Supervisors	-	-	-	-	-
	Professional, Technical, Clerical	-	-	-	-	-
	Operational Hourlies	-	-	-	-	-
	<b>Total Public Safety</b>	-	-	-	-	-
<b>Total Baseline Positions</b>						
	Managers/Supervisors	1,291	1,347	1,345	1,336	1,336
	Professional, Technical, Clerical	789	833	839	835	834
	Operational Hourlies	4,396	4,377	4,435	4,435	4,435
	<b>Total Baseline Positions</b>	6,476	6,557	6,619	6,606	6,605

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## **Metro-North Railroad**

**MTA METRO-NORTH RAILROAD  
2007 FINAL PROPOSED BUDGET  
NOVEMBER FINANCIAL PLAN 2007-2010**

**MISSION STATEMENT**

The mission of MTA Metro-North Railroad is to preserve and enhance the quality of life and economic health of the region we serve through the efficient provision of transportation service of the highest quality.

**DESCRIPTION OF SERVICES**

MTA Metro-North Railroad provides passenger rail service to five suburban counties in New York State (Westchester, Putnam, Dutchess, Rockland, and Orange), two in Connecticut (Fairfield and New Haven), and two urban counties in New York City (Bronx and Manhattan). East of Hudson train service extends 85 miles from Manhattan, with terminals to the northeast in New Haven, Waterbury, Danbury, and New Canaan on the New Haven Line; to the north in Wassaic on the Harlem Line, and Poughkeepsie on the Hudson Line. The Harlem, Hudson, and New Haven Lines converge and terminate at Grand Central Terminal in Manhattan. West of the Hudson River, the Pascack Valley Line extends to Spring Valley, New York and the Port Jervis Line to Port Jervis, a town 95 miles from Hoboken at the border of New York and Pennsylvania. Both lines terminate in Hoboken, New Jersey. Service on the New Haven line is provided by Metro-North pursuant to a contract between the Connecticut Department of Transportation (ConnDOT) and Metro-North/MTA. Service on the Port Jervis and Pascack Valley Lines is operated by New Jersey Transit under contract to Metro-North. The railroad plans to carry 78.3 million customers in 2007 over 385 route miles, to and from 121 stations, operating 641 trains on an average weekday East of Hudson, and 49 trains (increasing to 63 trains by year end) on an average weekday West of Hudson.

**FINANCIAL OVERVIEW**

Each year within Metro-North's planning process, issues impacting the performance of the railroad are reviewed and initiatives developed to support the achievement of corporate safety, maintenance, customer service, and efficiency objectives. Consequently, operating resource estimates included in each budget are based on the consideration of factors which affect all aspects of the railroad including current operating trends, projected changes in costs, new initiatives/business decisions which affect service quantity, quality or efficiency, and the impacts of capital improvements on operating expenditures. Each of these factors is also carefully reviewed in the context of funding availability from MTA and ConnDOT, the agencies subsidizing Metro-North.

Metro-North's resource requirements in the November Financial Plan 2007-2010 reflect the savings/cost avoidance measures implemented in 2006. They also reflect measures for 2007-2010 presented as "Programs to Eliminate the Gap" (PEGs) and other cost reduction measures (net of increases) detailed later in this document. The reductions were achieved through savings generated by lower than projected cost trends as well as changes in program schedules and project eliminations. In Metro-North's case, these reductions offset to some extent projected expenditure increases first identified in the July Financial Plan. These include increased subsidy requirements for West of Hudson Service, rolling stock overhauls, establishment of inventory pools for new equipment, and the impact of inflation and rising employee benefit costs. They also include investment requirements to fund 2006-2008 GCT restoration projects necessary to preserve the GCT retail revenue stream, and extraordinary maintenance tasks to maintain the Terminal's landmark status. Like the costs required for the overall GCT retail operation and its management, the cost of 2006-2008 GCT restoration projects is netted in the Financial Plan against GCT retail revenue. Concurrently, Metro-North projected higher ridership increases on the East of Hudson Service, resulting in higher farebox revenue. The November Financial Plan includes additional subsidy requirements (vs. the July Plan) for the completion of the concrete tie replacement program in NY State during 2007-2011, increased energy prices, and higher costs for petroleum-based products.

## 2006 YEAR-END FORECAST

The 2006 Year-End Non-Reimbursable Forecast reflects revenue projections totaling \$486.1 million, and expenses, including depreciation, of \$1002.1 million that generate an operating deficit of \$516.0 million. Cash adjustments of \$247.9 million reduce that amount to a cash deficit of \$268.1 million, of which \$217.7 million represents MTA share and \$50.4 million ConnDOT share. The Year – End Reimbursable revenue and expense projections total \$142.5 million.

The Year-End Non-Reimbursable revenue projections reflect a \$1.5 million revenue increase vs. the July Plan and a \$2.7 million revenue increase vs. the adopted budget. The increase is primarily due to higher Other Operating Revenue comprised of additional net GCT retail revenue, higher utility revenue (due to delayed withdrawal of two buildings from the steam grid), and other miscellaneous revenue. Non-Reimbursable expenses reflect a \$13.4 million increase vs. the July Plan and a \$12.1 million increase in expenses vs. the adopted budget. The increases are primarily due to higher depreciation charges of \$11.8 million (additional expense references Removed Obsolete Facilities, M7s, Corporate Data Network, M2 CSR, accelerated depreciation on concrete ties, and Highbridge Yard), and a provision for the write-off of deteriorating concrete ties totaling \$6.0 million. Increased West of Hudson subsidies that reflect the new operating contract with New Jersey Transit (including prior period costs since 7/2005), lower overhead recoveries, and higher material and supplies expenditures

identified in the July Plan, as well as additional utility and other miscellaneous charges were more than offset by the rescheduling of the Genesis locomotive overhaul program and lower energy consumption.

PEGs totaling \$.9 million have been identified for 2006. Once implemented, the resulting 2006 cash deficit would decrease to \$267.2 million, of which \$217.0 million would represent MTA share and \$50.2 million ConnDOT share.

## 2007 PROPOSED BUDGET-BASELINE

The 2007 Proposed Non-Reimbursable Budget reflects revenue projections totaling \$495.1 million, and expenses, including depreciation, of \$1,082.9 million that generate an operating deficit of \$587.8 million. Cash adjustments of \$159.2 million reduce that amount to a cash deficit of \$428.5 million, of which \$364.0 million represents the MTA share and \$64.5 million the ConnDOT share. The 2007 Proposed Reimbursable revenues and expenses total \$187.3 million.

The Non-Reimbursable revenue projections reflect current fares and current trends in both Farebox and Other Operating Revenue. Further, as identified in the July Plan, Other Operating Revenue has been adjusted to reflect the funding of GCT renovation projects totaling \$2.8 million. The Proposed Non-Reimbursable expense projections incorporate increased subsidy requirements for West of Hudson Service, rolling stock overhauls, establishment of inventory pools for new M7 equipment, and the impact of inflation and rising employee benefit costs. The expense projections also include additional costs for the concrete tie replacement program in NY State, increased energy prices, and higher costs for petroleum-based products.

PEGs totaling \$1.3 million have been identified for 2007. Once implemented, the resulting 2007 cash deficit would decrease to \$427.2 million, of which \$363.0 million would represent MTA share and \$64.2 million ConnDOT share. The 2007 Proposed Budget reflects a continuation of current train service levels and maintains MTA's commitment to safety and security. Major assumptions reflected in the 2007 Proposed Budget and reconciliation to the July Plan are furnished later in this document.

## 2008-2010 PROJECTIONS

The Non-Reimbursable revenue projections total \$503.2 million in 2008, \$520.7 million in 2009, and \$529.1 million in 2010. Non-Reimbursable expense projections, including depreciation, total \$1,126.3 million in 2008, \$1,188.8 million in 2009, and \$1,221.4 million in 2010. These revenue and expense projections generate an operating deficit

of \$623.1 million in 2008, \$668.1 million in 2009, and \$692.3 million in 2010. Cash adjustments of \$211.7 million in 2008, \$223.2 million in 2009, and \$221.3 million in 2010 reduce the amounts to a cash deficit projection of \$411.4 million in 2008, \$444.9 million in 2009, and \$471.1 million in 2010. The MTA share of the cash deficit totals \$339.1 million in 2008, \$358.1 million in 2009, and \$370.4 million in 2010, while the ConnDOT share totals \$72.3 million, \$86.8 million, and \$100.7 million, respectively. The Reimbursable revenues and expenses total \$166.5 million in 2008, \$170.9 million in 2009, and \$165.9 million in 2010.

The 2008-2010 expenditure projections will allow Metro-North to maintain current service levels and make some service improvements while instituting programs to reduce subsidy requirements. Major assumptions reflected in the 2008-2010 projections and reconciliation to the February Plan are furnished later in this document. PEGs identified for 2008 total \$1.6 million, \$2.1 million for 2009 and \$2.1 for 2010.

## **GAP CLOSING MEASURES**

### **2007 PEG ACTIONS**

As mentioned previously, in addition to cost reduction measures aggregated under Other Reductions (e. g. improved revenues), PEGs totaling \$1.3 million have been identified for 2007. Four items are involved. Two represent early results from the on-going review of business processes that have been affected by the recent installation of PeopleSoft information systems. They include a total of \$1.0 million in annual cost savings due to changes in Payroll administration and reduction in data processing fees. This review is expected to identify additional productivity gains derived from new technologies for inclusion in the financial plan.

### **2008 – 2010 PEG ACTIONS**

The value of PEGs listed for 2008–2010 reflect the continuation of the 2007 PEGs described above adjusted for inflation, as well as additional savings targeted through the on-going review of Metro-North's business processes. PEGs for this period total \$1.6 million in 2008, \$2.1 million in 2009, and \$2.1 million in 2010.

**MTA METRO NORTH RAILROAD**  
**November Financial Plan 2007 - 2010**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

<b>NON-REIMBURSABLE</b>						
	<b>2005</b>	<b>2006</b>	<b>2007</b>			
	<b>Actuals</b>	<b>November Forecast</b>	<b>Final Proposed Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Operating Revenue</b>						
Farebox Revenue	\$437.7	\$451.6	\$463.1	\$473.1	\$484.3	\$491.6
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	32.5	34.5	32.0	30.1	36.5	37.4
Capital and Other Reimbursements	-	-	-	-	-	-
<b>Total Revenue</b>	<b>\$470.2</b>	<b>\$486.1</b>	<b>\$495.1</b>	<b>\$503.2</b>	<b>\$520.7</b>	<b>\$529.1</b>
<b>Operating Expenses</b>						
<b><u>Labor:</u></b>						
Payroll	\$329.5	\$343.1	\$358.6	\$371.2	\$386.3	\$397.3
Overtime	44.5	45.6	44.8	46.5	48.0	49.6
Health and Welfare	64.0	69.0	79.4	89.3	100.0	111.4
Pensions	28.3	32.0	43.1	43.4	44.9	46.4
Other Fringe Benefits	68.7	69.7	72.8	75.4	78.3	80.6
Reimbursable Overhead	(36.1)	(37.5)	(39.1)	(39.5)	(39.8)	(40.2)
<b>Total Labor Expenses</b>	<b>\$498.9</b>	<b>\$522.0</b>	<b>\$559.7</b>	<b>\$586.2</b>	<b>\$617.6</b>	<b>\$645.0</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power	\$45.6	\$50.0	\$61.0	\$62.6	\$72.1	\$79.7
Fuel for Buses and Trains	12.9	14.4	15.6	15.2	14.6	14.7
Insurance	11.2	12.0	13.5	15.1	16.9	18.9
Claims	9.5	15.5	14.9	14.9	14.9	14.9
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	71.4	79.0	90.4	95.1	99.0	102.1
Professional Service Contracts	20.6	22.2	23.9	25.3	27.3	27.9
Materials & Supplies	59.6	64.0	71.0	69.8	75.4	67.1
Other Business Expenses	21.4	16.3	10.4	12.6	14.6	14.7
<b>Total Non-Labor</b>	<b>\$252.1</b>	<b>\$273.4</b>	<b>\$300.8</b>	<b>\$310.6</b>	<b>\$334.8</b>	<b>\$340.0</b>
<b><u>Other Expenses Adjustments:</u></b>						
Other	-	-	-	-	-	-
<b>Total Other Expense Adjustments</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>Total Expenses before Depreciation</b>	<b>\$751.0</b>	<b>\$795.3</b>	<b>\$860.5</b>	<b>\$896.9</b>	<b>\$952.4</b>	<b>\$985.0</b>
Depreciation	187.3	206.8	222.4	229.4	236.4	236.4
<b>Total Expenses</b>	<b>\$938.3</b>	<b>\$1,002.1</b>	<b>\$1,082.9</b>	<b>\$1,126.3</b>	<b>\$1,188.8</b>	<b>\$1,221.4</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$468.1)</b>	<b>(\$516.0)</b>	<b>(\$587.8)</b>	<b>(\$623.1)</b>	<b>(\$668.1)</b>	<b>(\$692.3)</b>
<b>Cash Conversion Adjustments:</b>						
Depreciation	187.3	206.8	222.4	229.4	236.4	236.4
Operating Capital	(15.8)	(15.6)	(14.6)	(18.9)	(16.9)	(17.0)
Other Cash Adjustments	24.8	56.7	(48.5)	1.2	3.7	1.8
<b>Total Cash Conversion Adjustments</b>	<b>\$196.3</b>	<b>\$247.9</b>	<b>\$159.2</b>	<b>\$211.7</b>	<b>\$223.2</b>	<b>\$221.3</b>
<b>Baseline Cash Surplus/(Deficit)</b>	<b>(\$271.8)</b>	<b>(\$268.1)</b>	<b>(\$428.5)</b>	<b>(\$411.4)</b>	<b>(\$444.9)</b>	<b>(\$471.1)</b>
2007 Agency Program to Eliminate the Gap	-	0.9	1.3	1.6	2.1	2.1
Post 2007 Agency Program to Eliminate the Gap	-	-	-	-	-	-
<b>Net Surplus/(Deficit)</b>	<b>(\$271.8)</b>	<b>(\$267.2)</b>	<b>(\$427.2)</b>	<b>(\$409.8)</b>	<b>(\$442.8)</b>	<b>(\$468.9)</b>

REIMBURSABLE	
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**MTA METRO NORTH RAILROAD**  
**November Financial Plan 2007 - 2010**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

<b>NON-REIMBURSABLE / REIMBURSABLE</b>						
	<b>2005</b>	<b>2006</b>	<b>2007</b>			
	<b>Actuals</b>	<b>November Forecast</b>	<b>Final Proposed Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Revenue</b>						
Farebox Revenue	\$437.7	\$451.6	\$463.1	\$473.1	\$484.3	\$491.6
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	32.5	34.5	32.0	30.1	36.5	37.4
MNR - MTA	75.6	85.4	98.4	101.1	104.4	107.9
MNR - CDOT	44.1	31.8	65.7	42.9	43.5	45.1
MNR - Other	33.3	25.3	23.3	22.5	23.1	12.9
Capital and Other Reimbursements	153.0	142.5	187.3	166.5	170.9	165.9
<b>Total Revenue</b>	<b>\$623.2</b>	<b>\$628.6</b>	<b>\$682.4</b>	<b>\$669.7</b>	<b>\$691.7</b>	<b>\$695.0</b>
<b>Expenses</b>						
<b><u>Labor:</u></b>						
Payroll	\$362.0	\$376.2	\$397.2	\$410.0	\$426.3	\$437.5
Overtime	56.2	56.3	53.4	55.0	56.8	58.7
Health and Welfare	71.2	76.2	88.1	98.7	110.4	122.7
Pensions	31.6	35.8	48.3	48.5	50.1	51.7
Other Fringe Benefits	76.3	77.2	80.9	83.5	86.7	89.0
Reimbursable Overhead	(2.3)	(1.6)	(1.9)	(1.9)	(1.7)	(1.8)
<b>Total Labor</b>	<b>\$595.0</b>	<b>\$620.2</b>	<b>\$666.0</b>	<b>\$693.8</b>	<b>\$728.6</b>	<b>\$757.8</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power	\$45.6	\$50.0	\$61.0	\$62.6	\$72.1	\$79.7
Fuel for Buses and Trains	12.9	14.4	15.6	15.2	14.6	14.7
Insurance	14.8	15.4	16.9	18.6	20.5	22.5
Claims	9.4	15.5	14.9	14.9	14.9	14.9
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	95.4	95.0	121.0	111.1	115.3	110.9
Professional Service Contracts	23.5	24.7	27.2	28.7	30.7	31.4
Materials & Supplies	85.5	87.1	114.8	105.8	112.1	104.3
Other Business Expenses	21.9	15.5	10.4	12.6	14.6	14.7
<b>Total Non-Labor</b>	<b>\$309.0</b>	<b>\$317.7</b>	<b>\$381.8</b>	<b>\$369.5</b>	<b>\$394.7</b>	<b>\$393.1</b>
<b><u>Other Adjustments:</u></b>						
Other	-	-	-	-	-	-
<b>Total Other Adjustments</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>Total Expenses before Depreciation</b>	<b>\$904.0</b>	<b>\$937.8</b>	<b>\$1,047.8</b>	<b>\$1,063.3</b>	<b>\$1,123.3</b>	<b>\$1,150.9</b>
<b>Depreciation</b>	<b>187.3</b>	<b>206.8</b>	<b>222.4</b>	<b>229.4</b>	<b>236.4</b>	<b>236.4</b>
<b>Total Expenses</b>	<b>\$1,091.3</b>	<b>\$1,144.6</b>	<b>\$1,270.2</b>	<b>\$1,292.7</b>	<b>\$1,359.8</b>	<b>\$1,387.3</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$468.1)</b>	<b>(\$516.0)</b>	<b>(\$587.8)</b>	<b>(\$623.1)</b>	<b>(\$668.1)</b>	<b>(\$692.3)</b>
<b>Cash Conversion Adjustments:</b>						
Depreciation	187.3	206.8	222.4	229.4	236.4	236.4
Operating Capital	(15.8)	(15.6)	(14.6)	(18.9)	(16.9)	(17.0)
Other Cash Adjustments	<u>24.8</u>	<u>56.7</u>	<u>(48.5)</u>	<u>1.2</u>	<u>3.7</u>	<u>1.8</u>
<b>Total Cash Conversion Adjustments</b>	<b>\$196.3</b>	<b>\$247.9</b>	<b>\$159.2</b>	<b>\$211.7</b>	<b>\$223.2</b>	<b>\$221.3</b>
<b>Baseline Cash Surplus/(Deficit)</b>	<b>(\$271.8)</b>	<b>(\$268.1)</b>	<b>(\$428.5)</b>	<b>(\$411.4)</b>	<b>(\$444.9)</b>	<b>(\$471.1)</b>
2007 Agency Program to Eliminate the Gap	-	0.9	1.3	1.6	2.1	2.1
Post 2007 Agency Program to Eliminate the Gap	-	-	-	-	-	-
<b>Net Surplus/(Deficit)</b>	<b>(\$271.8)</b>	<b>(\$267.2)</b>	<b>(\$427.2)</b>	<b>(\$409.8)</b>	<b>(\$442.8)</b>	<b>(\$468.9)</b>



**MTA METRO NORTH RAILROAD**  
**November Financial Plan 2007 - 2010**  
**Cash Receipts & Expenditures**  
(\$ in millions)

<b>CASH RECEIPTS AND EXPENDITURES</b>						
	2005	2006	2007			
	<u>Actuals</u>	<u>November Forecast</u>	<u>Final Proposed Budget</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>Receipts</b>						
Farebox Revenue	\$446.7	\$459.1	\$470.8	\$480.8	\$492.3	\$499.7
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	49.1	51.6	47.3	47.0	53.6	54.6
MNR - MTA	79.0	87.2	98.5	100.5	103.6	107.0
MNR - CDOT	41.8	31.2	67.3	42.8	43.5	45.1
MNR - Other	<u>35.4</u>	<u>30.3</u>	<u>23.0</u>	<u>22.7</u>	<u>22.9</u>	<u>15.4</u>
Capital and Other Reimbursements	156.2	148.7	188.7	166.0	170.0	167.5
<b>Total Revenue</b>	<b>\$652.0</b>	<b>\$659.4</b>	<b>\$706.8</b>	<b>\$693.8</b>	<b>\$716.0</b>	<b>\$721.8</b>
<b>Expenditures</b>						
<u><b>Labor:</b></u>						
Payroll	\$346.1	\$356.5	\$427.8	\$402.4	\$411.2	\$422.0
Overtime	55.4	53.6	53.9	55.5	57.3	59.3
Health and Welfare	73.9	78.8	90.8	101.7	113.4	125.8
Pensions	35.1	17.9	61.6	59.8	61.8	63.8
Other Fringe Benefits	74.5	74.2	89.5	84.9	86.4	88.7
Reimbursable Overhead	-	-	-	-	-	-
<b>Total Labor</b>	<b>\$585.0</b>	<b>\$581.0</b>	<b>\$723.6</b>	<b>\$704.3</b>	<b>\$730.1</b>	<b>\$759.4</b>
<u><b>Non-Labor:</b></u>						
Traction and Propulsion Power	\$45.5	\$50.0	\$61.0	\$62.6	\$72.1	\$79.7
Fuel for Buses and Trains	12.9	14.4	15.6	15.2	14.6	14.7
Insurance	16.0	15.7	16.9	19.4	20.4	22.4
Claims	11.7	12.2	12.0	12.0	12.0	12.0
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	111.0	110.6	135.5	126.1	130.6	126.3
Professional Service Contracts	22.8	24.8	29.4	31.0	33.0	33.7
Materials & Supplies	99.1	98.7	121.7	112.4	123.4	119.9
Other Business Expenditures	19.8	20.1	19.6	22.3	24.6	24.7
<b>Total Non-Labor</b>	<b>\$338.8</b>	<b>\$346.6</b>	<b>\$411.8</b>	<b>\$400.9</b>	<b>\$430.8</b>	<b>\$433.4</b>
<u><b>Other Adjustments:</b></u>						
Other	-	-	-	-	-	-
Cash Timing and Availability Adjustment	-	-	-	-	-	-
<b>Total Other Adjustments</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>Total Expenditures</b>	<b>\$923.8</b>	<b>\$927.5</b>	<b>\$1,135.3</b>	<b>\$1,105.2</b>	<b>\$1,160.9</b>	<b>\$1,192.9</b>
<b>Baseline Cash Deficit</b>	<b>(\$271.8)</b>	<b>(\$268.1)</b>	<b>(\$428.5)</b>	<b>(\$411.4)</b>	<b>(\$444.9)</b>	<b>(\$471.1)</b>
<u><b>Subsidies</b></u>						
MTA	\$223.6	\$217.7	\$364.0	\$339.1	\$358.1	\$370.4
CDOT	<u>50.3</u>	<u>50.4</u>	<u>64.5</u>	<u>72.3</u>	<u>86.8</u>	<u>100.7</u>
<b>Total Subsidies</b>	<b>\$273.9</b>	<b>\$268.1</b>	<b>\$428.5</b>	<b>\$411.4</b>	<b>\$444.9</b>	<b>\$471.1</b>
2007 Agency Program to Eliminate the Gap	-	0.9	1.3	1.6	2.1	2.1
Post 2007 Agency Program to Eliminate the Gap	-	-	-	-	-	-
<b>Net Surplus/Deficit After PEG's</b>	<b>(\$271.8)</b>	<b>(\$267.2)</b>	<b>(\$427.2)</b>	<b>(\$409.8)</b>	<b>(\$442.8)</b>	<b>(\$468.9)</b>
MTA Share of PEGS	-	0.6	1.0	1.2	1.6	1.6
CDOT Share of PEGS	-	0.2	0.3	0.4	0.6	0.6
<u><b>Subsidies</b></u>						
MTA	223.6	217.1	363.0	337.9	356.5	368.8
CDOT	<u>50.3</u>	<u>50.2</u>	<u>64.2</u>	<u>71.9</u>	<u>86.3</u>	<u>100.2</u>
<b>Total Subsidies</b>	<b>\$273.9</b>	<b>\$267.2</b>	<b>\$427.2</b>	<b>\$409.8</b>	<b>\$442.8</b>	<b>\$468.9</b>

**MTA METRO NORTH RAILROAD**  
**November Financial Plan 2007 - 2010**  
**Cash Conversion (Cash Flow Adjustments)**  
(\$ in millions)

<b>CASH FLOW ADJUSTMENTS</b>						
	<b>2005</b>	<b>2006</b>	<b>2007</b>			
	<b>Actuals</b>	<b>November Forecast</b>	<b>Final Proposed Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Receipts</b>						
Farebox Revenue	\$9.0	\$7.5	\$7.6	\$7.8	\$8.1	\$8.1
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	16.6	17.1	15.4	16.9	17.2	17.2
<i>Capital and Other Reimbursements:</i>						
MTA	3.4	1.9	0.1	(0.6)	(0.7)	(0.9)
CDOT	(2.3)	(0.6)	1.6	(0.0)	(0.0)	(0.0)
Other	2.1	5.0	(0.3)	0.2	(0.1)	2.5
Total Capital and Other Reimbursements	3.2	6.2	1.4	(0.5)	(0.9)	1.6
<b>Total Receipts</b>	<b>\$28.8</b>	<b>\$30.8</b>	<b>\$24.4</b>	<b>\$24.2</b>	<b>\$24.3</b>	<b>\$26.8</b>
<b>Expenditures</b>						
<b><i>Labor:</i></b>						
Payroll	\$15.9	\$19.8	(\$30.5)	\$7.6	\$15.1	\$15.5
Overtime	0.8	2.6	(0.5)	(0.5)	(0.5)	(0.6)
Health and Welfare	(2.7)	(2.6)	(2.7)	(2.9)	(3.0)	(3.1)
Pensions	(3.5)	17.9	(13.3)	(11.3)	(11.7)	(12.1)
Other Fringe Benefits	1.8	3.0	(8.5)	(1.4)	0.3	0.3
Reimbursable Overhead	(2.3)	(1.6)	(1.9)	(1.9)	(1.7)	(1.8)
<b>Total Labor</b>	<b>\$10.0</b>	<b>\$39.2</b>	<b>(\$57.5)</b>	<b>(\$10.5)</b>	<b>(\$1.5)</b>	<b>(\$1.6)</b>
<b><i>Non-Labor:</i></b>						
Traction and Propulsion Power	\$0.1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	(1.2)	(0.3)	0.0	(0.8)	0.1	0.1
Claims	(2.3)	3.4	2.9	2.9	2.9	2.9
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	(15.6)	(15.7)	(14.5)	(14.9)	(15.3)	(15.4)
Professional Service Contracts	0.7	(0.1)	(2.2)	(2.3)	(2.3)	(2.3)
Materials & Supplies	(13.6)	(11.6)	(6.9)	(6.5)	(11.4)	(15.6)
Other Business Expenditures	2.1	(4.5)	(9.3)	(9.7)	(10.1)	(10.0)
<b>Total Non-Labor</b>	<b>(\$29.8)</b>	<b>(\$28.9)</b>	<b>(\$30.0)</b>	<b>(\$31.4)</b>	<b>(\$36.1)</b>	<b>(\$40.4)</b>
<b><i>Other Adjustments:</i></b>						
Other	-	-	-	-	-	-
<b>Total Other Expenditures Adjustments</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>Total Cash Conversion Adjustments before Depreciation</b>	<b>\$9.0</b>	<b>\$41.1</b>	<b>(\$63.2)</b>	<b>(\$17.7)</b>	<b>(\$13.2)</b>	<b>(\$15.2)</b>
Depreciation Adjustment	187.3	206.8	222.4	229.4	236.4	236.4
<b>Baseline Total Cash Conversion Adjustments</b>	<b>\$196.3</b>	<b>\$247.9</b>	<b>\$159.2</b>	<b>\$211.7</b>	<b>\$223.2</b>	<b>\$221.3</b>
2007 Agency Program to Eliminate the Gap	-	-	-	-	-	-
Post 2007 Agency Program to Eliminate the Gap	-	-	-	-	-	-
<b>Total Cash Conversion Adjustments</b>	<b>\$196.3</b>	<b>\$247.9</b>	<b>\$159.2</b>	<b>\$211.7</b>	<b>\$223.2</b>	<b>\$221.3</b>

**MTA METRO-NORTH RAILROAD  
2007 FINAL PROPOSED BUDGET  
NOVEMBER FINANCIAL PLAN 2007-2010  
YEAR-TO-YEAR CHANGES BY CATEGORY BASELINE NARRATIVE**

**ACCRUAL (TOTAL)**

**FAREBOX REVENUE**

Non-Reimbursable

- Projected ridership growth of 2.0% in 2007, 2.1% in 2008, 1.9% in 2009 and 1.4% in 2010 is responsible for higher Farebox Revenue.

Reimbursable

- Not applicable

**OTHER OPERATING REVENUE**

Non-Reimbursable

- 2007 decrease reflects lower net retail GCT tenant revenues reflecting the impact of investments in GCT renovation projects (East Restroom and Vanderbilt Hall), necessary to preserve the GCT revenue stream.
- 2008 decrease reflects an increase in restoration project investments and the withdrawal of outside buildings from the GCT steam distribution network.
- 2009 increase assumes completion of restoration work on Vanderbilt Hall.
- 2007-2010 primarily incorporates the initiation of higher West of Hudson Parking fees and contractually based increases in GCT tenant fees and advertising revenues.

Reimbursable

- Not applicable

**CAPITAL AND OTHER REIMBURSEMENTS**

Non-Reimbursable

- Not applicable

Reimbursable

- Capital project cost reimbursements in each year of the financial plan are based on recouping 100% of accrued project expenditures. 2007 accrued expenditures (and receipts) are based upon the latest projection of capital project activity. Higher reimbursements in 2007 are attributed to several New Haven Line projects, namely, the installation of Concrete Ties and the acquisition of Diesel Locomotives as well as increased project cost provisions for MTA-funded East Side Access and security-related MTA funded projects.

- 2008-2010 accrued expenditures (and receipts) are based on a continuation of 2007 project cost levels adjusted for the elimination of significant project changes and the impact of inflation:
  - 2008 decrease reflects completion of the NHL Diesel Locomotive Acquisition and the winding down of the NHL Concrete Tie project.
  - 2010 reimbursements reflect completion of the Shell-at-Grade project.

## **PAYROLL**

### **Non-Reimbursable**

- Non Agreement salaries in 2007 and 2008 include cost of living increases of 3.0% each year. In 2009-2010 Non Agreement salaries include CPI-based increases of 1.5%, and 1.8% respectively.
- Agreement wages in 2007-2010 include CPI-based increases of 2.6%, 2.9%, 3.1% and 3.2% respectively
- 2007 includes additional labor resources primarily for security based initiatives in GCT (\$1.8 million), maintenance increases for M3 CSR program (\$1.0 million) and staffing for GCT extraordinary landmark maintenance. 2007 also includes additional labor resources for the new car inspection and maintenance facility at New Haven.
- 2008 - 2010 additional labor costs are added to support security improvements to systems and facilities, increase service levels and coverage on all lines, increase car cleaning staff and provide additional administrative oversight and quality assurance functions in key operating areas. These increases are partially offset by a reduction in maintenance forces of \$.3 million and \$.9 million in 2009 and 2010, due to the completion of the M3 CSR program.

### **Reimbursable**

- Annual cost of living increases and wage contract increases for agreement employees follow the same rate assumptions as the non-reimbursable costs noted above

## **OVERTIME**

### **Non-Reimbursable**

- 2007 - 2010 include CPI-based wage increases of 2.6%, 2.9%, 3.1% and 3.2% respectively.
- In 2007 overtime cost reductions reflect completion of the emergency preparedness training program and the addition of car inspection staff at the new shop facility at New Haven.
- 2008-2010 includes additional on-board coverage requirements due to increases in service levels on all lines, and the resumption of the emergency preparedness training program

#### Reimbursable

- Annual cost of living increases and wage contract increases for agreement employees follow the same rate assumptions as the non-reimbursable costs noted above
- 2007 costs reflect a reduction of previously identified overtime needs for the Shell at Grade project due to scheduling refinements.

### **HEALTH AND WELFARE**

#### Non-Reimbursable

- 2007 reflects carrier-specific rate increases (includes 14.7% for NYS Empire Plan) in health care and insurance premiums as well as changes in employee enrollment levels that result in a 16% increase in base costs.
- 2008-2010 include annual premium increases of 10.7% and changes in staffing levels associated with the programmatic changes that are incorporated into each year of the financial plan for Maintenance Improvements, Service Plan Enhancements, Customer Service Amenities, Security, and Administration.
- 2007-2010 base costs were adjusted to correct a calculation error made in the July Plan (rate applied to punitive portion of overtime costs) which resulted in cost reductions of \$3.2 million in 2007, \$ 3.6 million in 2008, \$ 4.1 million in 2009, and \$4.5 million in 2010.

#### Reimbursable

- Projected inflationary increases follow the same pattern as non-reimbursable costs noted above.

### **PENSIONS**

Metro North Railroad's Pension costs for 2006 reflect current funding requirements for the Defined Benefit Plan (covering management staff and agreement staff that joined the Plan in 2004) and the Defined Contribution Plan (for all other agreement staff). The funding requirements for the Defined Benefit Plan is a calculation prepared by an actuarial consultant retained by the MTA, whose staff also calculates Metro-North's share of required annual costs. The Defined Contribution Plan cost represents a 4% wage- based contribution until an employee reaches 19 years of service, then, the contribution increases to 7% of earnings. Metro-North's effective contribution rate for 2006 is 6% of payroll costs.

The 2007-2010 pension costs assume a labor agreement that will result in the transfer of the remaining represented Metro-North employees in the Defined Contribution Plan to the MTA Defined Benefit Plan as of January, 2007. Metro-North's projected share of the incremental funding requirements is based on a draft projection prepared by the actuarial consultant three years ago adjusted for increases in employee levels. Future actuarial valuations are expected to reflect more accurate estimates of the pension liabilities on behalf of these employees.

## **OTHER FRINGE BENEFITS**

### **Non-Reimbursable**

- Railroad Retirement tax rates for Tier I and II remain constant for 2007-2010 at 7.65% and 12.6%, respectively.
- Maximum earnings level for Tier I is estimated at \$98,100 in 2007, \$101,043 in 2008, \$104,074 in 2009 and \$107,196 in 2010.
- Maximum earnings level for Tier II is estimated at \$72,900 in 2007, \$75,087 in 2008, \$77,340 in 2009, and \$79,660 in 2010.
- Other cost adjustments reflect inflationary salary increase and changes in staffing levels.
- 2007-2010 base costs were adjusted to correct a calculation error made in the July Plan (rate applied to punitive portion of overtime costs) which resulted in cost reductions of \$2.9 million in 2007, \$3.0 million in 2008, \$3.1 million in 2009, and \$3.2 million in 2010.

### **Reimbursable**

- Railroad Retirement tax rates and earnings' maximums follow the same assumptions as the non-reimbursable costs noted above.

## **REIMBURSABLE OVERHEAD**

### **Non-Reimbursable**

- Overhead Cost Recoveries are derived from Reimbursable Capital Project Estimates. Assumptions are described in the Reimbursable section below.

### **Reimbursable**

- Overhead costs for 2007 are based on a percentage share of direct labor costs charged to reimbursable projects. 2008-2010 overhead costs are based on the continuation of 2007 forecast levels, adjusted for changes in the M2 Critical System Replacement project, the Shell at Grade project, and inflation-based increases in labor costs.
- Projections in 2007-2009 include increased material handling cost in connection with the M2 Critical System Replacement project.
- Equipment recovery increases are predicated on CPI-based inflation rates from 2008-2010 at 1.9%, 1.7%, and 1.6% respectively.

## **TRACTION AND PROPULSION POWER**

### **Non-Reimbursable**

- 2007 reflects current consumption trends increased by new train service initiatives in 2007. Prices reflect a 14.7% increase in NYPA supplied power and a 10.0% increase in CL&P rates.

- In 2008-2010 cost increases reflect a weighted average of anticipated price increases from NYPA, CL&P and NYSEG. As a result, annual increases are estimated at 1.9% in 2008, 8.14% in 2009 and 5.0% in 2010.
- 2007-2010 incorporates the net effect of new car procurements and retirements and adds \$.7 million in 2007 to Harlem and Hudson Line costs, and \$.3.0 million in 2009 and \$2.9 million in 2010 to the New Haven Line costs in anticipation of the M8 car procurement.
- Service Plan enhancements increase costs by \$.4 million in 2007-2009 and by \$.6 million in 2010.

#### Reimbursable

- No Cost.

### **FUEL FOR BUSES AND TRAINS**

#### Non-Reimbursable

- 2007 reflects current consumption increased by 3.6%, and fuel pricing projections (effective rate) 4% higher than 2006.
- 2008 and 2009 reflect price reductions of 2.0% and 2.5% respectively, and no change in price in 2010.
- 2008-2010 incorporates the cost for Service Plan enhancements and the effect of locomotive retirements.

#### Reimbursable

- No Cost.

### **INSURANCE**

#### Non-Reimbursable

- Increases in 2007-2010 reflect revised insurance premium estimates.

#### Reimbursable

- Increases in 2007-2010 reflect revised insurance premium estimates.

### **CLAIMS**

#### Non-Reimbursable

- 2007 and 2010 reflect current claims trends.

#### Reimbursable

- No Cost

### **MAINTENANCE AND OTHER CONTRACTS**

#### Non-Reimbursable

- In 2007 CPI increases of 2.7% are selectively applied.

- CPI increases in 2008-2010 of 1.9%, 1.7% and 1.6%, respectively, are used.
- Equipment maintenance programs costs increase by \$6.5 million in 2007 and \$.5 million in 2008. These costs are reduced in 2010 by \$1.4 million with the completion of the West of Hudson locomotive overhaul program.
- 2007 includes \$.3 million increase for Extraordinary Landmark Maintenance costs and a decrease in car disposal costs (\$1.3 million).
- 2008 reflects the elimination of car disposal costs and an additional \$.3 million increase for Extraordinary Landmark Maintenance.
- 2007 reflects lower West of Hudson subsidies due to the elimination of a prior period charge related to the new contract that was included in 2006; 2008 – 2010 includes rising West of Hudson subsidy payments related to contract cost escalations and increases in service.
- 2007 reflects an increase in outlying facility security costs of \$1.5 million and occupancy costs required for the new Running Repair Shop in New Haven.
- 2008 includes a provision for office space renovations (\$1.0 million) and lower costs for GCT electricity due to the withdrawal of outside buildings from the power grid (\$.7 million)

#### Reimbursable

- CPI increases in 2007-2010 follow the same pattern as non-reimbursable costs noted above.
- 2007 increase is due to the NHL Diesel Locomotive Acquisition project.
- 2008 decrease is due to completion of the NHL Diesel Locomotive Acquisition project.
- In 2010, expenditures reflect the completion of the Shell- At- Grade project.

### **PROFESSIONAL SERVICE CONTRACTS**

#### Non-Reimbursable

- Reflect CPI increases in 2008-2010 of 1.9%, 1.7%, and 1.6%, respectively.
- 2008 includes the restoration of a cost provision for general advertising fees (\$.8 million).
- 2009 includes the restoration of the 2005 reduction of MTA police service charges for the NH Line (\$1.3 million).

#### Reimbursable

- CPI increases in 2007-2010 follow the same pattern as non-reimbursable costs noted above.
- The minor increase in 2007 is due to the refinement in cost projections for the NHL – EMU Fleet Replacement and Rehab Overhead Bridges projects.

### **MATERIAL AND SUPPLIES**

#### Non-Reimbursable

- In 2007, price increases of 2.7% are applied to standard stock material, 5.3% to metal-based material and 4.0% to transportation equipment.



- CPI increases in 2008-2010 of 1.9%, 1.7%, and 1.6% respectively, are used.
- 2007-2010 includes cost provisions for the expanding maintenance program on the M3 car fleet and cost savings related to M1 car retirements.
- 2009 and 2010 include incremental material cost provisions to support the anticipated acquisition of M-8 cars and cost savings associated with the scale down of the M3 maintenance program.

#### Reimbursable

- CPI increases in 2007-2010 follow the same pattern as non-reimbursable costs noted above.
- In 2007 increased material requirements are due to the M2 Critical System Replacement project and the NHL Concrete Tie project.
- In 2008 reduced expenditures reflect the winding down of the NHL Concrete Tie project.

### **OTHER BUSINESS EXPENSES**

#### Non-Reimbursable

- Reflect CPI increases in 2008-2010 of 1.9%, 1.7%, and 1.6% respectively
- 2008 and 2009 include provisions for maintenance initiatives (\$2.5 million in 2008 and \$2.0 million in 2009).

#### Reimbursable

- CPI increases in 2008-2010 follow the same pattern as non-reimbursable costs noted above.

### **DEPRECIATION**

#### Non-Reimbursable

- 2007 increase reflects the completion of the M7 car acquisition, Corporate Data Network and Infrastructure improvements, Rolling Stock Overhauls and Track Upgrades.
- 2008-2010 reflects provisions for future capital program funded asset acquisitions.

#### Reimbursable

- Not applicable

**MTA METRO-NORTH RAILROAD**  
**November Financial Plan 2007 - 2010**  
**Year-to-Year Changes by Category - Accrual Basis**  
**(\$ in millions)**

<b>NON-REIMBURSABLE</b>									
	<b>Favorable/(Unfavorable)</b>								
	<b>2006</b>	<b>2007</b>	<b>Change 2007 - 2006</b>	<b>2008</b>	<b>Change 2008 - 2007</b>	<b>2009</b>	<b>Change 2009 - 2008</b>	<b>2010</b>	<b>Change 2010 - 2009</b>
<b>Revenue</b>									
Farebox Revenue	\$451.605	\$463.132	\$11.527	\$473.076	\$9.944	\$484.266	\$11.190	\$491.641	\$7.375
Vehicle Toll Revenue									
Other Operating Revenue	34.497	31.970	(2.527)	30.117	(1.853)	36.459	6.342	37.423	0.964
Capital and Other Reimbursements									
<b>Total Revenue</b>	<b>\$486.102</b>	<b>\$495.102</b>	<b>\$9.000</b>	<b>\$503.193</b>	<b>\$8.091</b>	<b>\$520.725</b>	<b>\$17.532</b>	<b>\$529.064</b>	<b>\$8.339</b>
<b>Expenses</b>									
Labor:									
Payroll	\$343.067	\$358.625	(\$15.558)	\$371.209	(\$12.584)	\$386.312	(\$15.103)	\$397.292	(\$10.980)
Overtime	45.603	44.835	0.768	46.467	(1.632)	48.011	(1.544)	49.615	(1.604)
Health and Welfare	68.956	79.426	(10.470)	89.312	(9.886)	99.952	(10.639)	111.372	(11.420)
Pensions	32.031	43.113	(11.082)	43.428	(0.315)	44.867	(1.439)	46.367	(1.500)
Other Fringe Benefits	69.747	72.789	(3.042)	75.364	(2.575)	78.328	(2.964)	80.555	(2.227)
Reimbursable Overhead	(37.451)	(39.073)	1.622	(39.532)	0.459	(39.841)	0.309	(40.196)	0.355
<b>Total Labor Expenses</b>	<b>\$521.953</b>	<b>\$559.715</b>	<b>(\$37.762)</b>	<b>\$586.249</b>	<b>(\$26.533)</b>	<b>\$617.629</b>	<b>(\$31.380)</b>	<b>\$645.004</b>	<b>(\$27.375)</b>
Non-Labor:									
Traction and Propulsion Power	\$49.955	\$61.015	(\$11.060)	\$62.559	(\$1.544)	\$72.077	(\$9.518)	\$79.678	(\$7.601)
Fuel for Buses and Trains	14.436	15.581	(1.145)	15.180	0.401	14.649	0.531	14.736	(0.087)
Insurance	11.961	13.518	(1.557)	15.148	(1.630)	16.909	(1.761)	18.862	(1.953)
Claims	15.541	14.900	0.641	14.900	0.000	14.900	0.000	14.900	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	79.049	90.419	(11.370)	95.101	(4.682)	98.985	(3.884)	102.116	(3.131)
Professional Service Contracts	22.153	23.919	(1.766)	25.325	(1.406)	27.265	(1.940)	27.893	(0.628)
Materials & Supplies	64.013	71.044	(7.031)	69.799	1.245	75.427	(5.628)	67.055	8.372
Other Business Expenses	16.281	10.355	5.926	12.594	(2.239)	14.561	(1.967)	14.720	(0.159)
<b>Total Non-Labor Expenses</b>	<b>\$273.389</b>	<b>\$300.751</b>	<b>(\$27.362)</b>	<b>\$310.606</b>	<b>(\$9.855)</b>	<b>\$334.773</b>	<b>(\$24.167)</b>	<b>\$339.960</b>	<b>(\$5.187)</b>
Other Expenses Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$795.342</b>	<b>\$860.466</b>	<b>(\$65.124)</b>	<b>\$896.855</b>	<b>(\$36.388)</b>	<b>\$952.402</b>	<b>(\$55.547)</b>	<b>\$984.964</b>	<b>(\$32.562)</b>
Depreciation	206.794	222.426	(15.632)	229.426	(7.000)	236.426	(7.000)	236.426	0.000
<b>Total Expenses</b>	<b>\$1,002.136</b>	<b>\$1,082.892</b>	<b>(\$80.756)</b>	<b>\$1,126.281</b>	<b>(\$43.388)</b>	<b>\$1,188.828</b>	<b>(\$62.547)</b>	<b>\$1,221.390</b>	<b>(\$32.562)</b>
<b>Baseline Net Surplus/(Deficit)</b>	<b>(\$516.034)</b>	<b>(\$587.790)</b>	<b>(\$71.756)</b>	<b>(\$623.088)</b>	<b>(\$35.297)</b>	<b>(\$668.103)</b>	<b>(\$45.015)</b>	<b>(\$692.326)</b>	<b>(\$24.223)</b>
2007 Agency Program to Eliminate the Gap (PEGs)	0.852	1.317	0.465	1.592	0.275	2.116	0.524	2.143	0.027
<b>Total PEGS</b>	<b>0.852</b>	<b>1.317</b>	<b>0.465</b>	<b>1.592</b>	<b>0.275</b>	<b>2.116</b>	<b>0.524</b>	<b>2.143</b>	<b>0.027</b>
<b>Net Surplus/(Deficit)</b>	<b>(\$515.182)</b>	<b>(\$586.473)</b>	<b>(\$71.291)</b>	<b>(\$621.496)</b>	<b>(\$35.022)</b>	<b>(\$665.987)</b>	<b>(\$44.491)</b>	<b>(\$690.183)</b>	<b>(\$24.196)</b>

**MTA METRO-NORTH RAILROAD**  
**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
<b>Revenue</b>									
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-	-	-	-
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	142.485	187.334	44.849	166.467	(20.867)	170.937	4.470	165.898	(5.039)
<b>Total Revenue</b>	<b>\$142.485</b>	<b>\$187.334</b>	<b>\$44.849</b>	<b>\$166.467</b>	<b>(\$20.867)</b>	<b>\$170.937</b>	<b>\$4.470</b>	<b>\$165.898</b>	<b>(\$5.039)</b>
<b>Expenses</b>									
Labor:									
Payroll	\$33.181	\$38.583	(\$5.402)	\$38.813	(\$0.230)	\$40.005	(\$1.192)	\$40.170	(\$0.166)
Overtime	10.654	8.558	2.095	8.529	0.029	8.791	(0.262)	9.072	(0.281)
Health and Welfare	7.242	8.669	(1.428)	9.394	(0.724)	10.425	(1.032)	11.313	(0.887)
Pensions	3.798	5.202	(1.404)	5.090	0.112	5.243	(0.153)	5.341	(0.098)
Other Fringe Benefits	7.481	8.141	(0.660)	8.163	(0.022)	8.407	(0.243)	8.452	(0.046)
Reimbursable Overhead	35.860	37.167	(1.306)	37.597	(0.430)	38.136	(0.539)	38.433	(0.297)
<b>Total Labor Expenses</b>	<b>\$98.216</b>	<b>\$106.320</b>	<b>(\$8.104)</b>	<b>\$107.586</b>	<b>(\$1.266)</b>	<b>\$111.007</b>	<b>(\$3.421)</b>	<b>\$112.781</b>	<b>(\$1.774)</b>
Non-Labor:									
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	3.459	3.373	0.086	3.471	(0.099)	3.595	(0.124)	3.618	(0.023)
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
Operating Contracts	15.910	30.609	(14.700)	16.020	14.590	16.287	(0.268)	8.822	7.465
Professional Service Contracts	2.556	3.296	(0.739)	3.357	(0.062)	3.413	(0.056)	3.467	(0.054)
Materials & Supplies	23.119	43.737	(20.618)	36.034	7.703	36.635	(0.602)	37.211	(0.575)
Other Business Expenses	(0.775)	(0.001)	(0.774)	(0.001)	0.000	(0.001)	(0.000)	(0.001)	0.000
<b>Total Non-Labor Expenses</b>	<b>\$44.268</b>	<b>\$81.014</b>	<b>(\$36.745)</b>	<b>\$58.881</b>	<b>\$22.133</b>	<b>\$59.930</b>	<b>(\$1.049)</b>	<b>\$53.117</b>	<b>\$6.813</b>
Other Expenses Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$142.485</b>	<b>\$187.334</b>	<b>(\$44.849)</b>	<b>\$166.467</b>	<b>\$20.867</b>	<b>\$170.937</b>	<b>(\$4.470)</b>	<b>\$165.898</b>	<b>\$5.039</b>
Depreciation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Expenses</b>	<b>\$142.485</b>	<b>\$187.334</b>	<b>(\$44.849)</b>	<b>\$166.467</b>	<b>\$20.867</b>	<b>\$170.937</b>	<b>(\$4.470)</b>	<b>\$165.898</b>	<b>\$5.039</b>
<b>Baseline Net Surplus/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>(\$0.000)</b>
2007 Agency Program to Eliminate the Gap (PEGs)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total PEGS</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>Net Surplus/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>(\$0.000)</b>

**MTA METRO-NORTH RAILROAD**  
**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
<b>Revenue</b>									
Farebox Revenue	\$451.605	\$463.132	\$11.527	\$473.076	\$9.944	\$484.266	\$11.190	\$491.641	\$7.375
Vehicle Toll Revenue	-	-	-	-	-	-	-	-	-
Other Operating Revenue	34.497	31.970	(2.527)	30.117	(1.853)	36.459	6.342	37.423	0.964
Capital and Other Reimbursements	142.485	187.334	44.849	166.467	(20.867)	170.937	4.470	165.898	(5.039)
<b>Total Revenue</b>	<b>\$628.587</b>	<b>\$682.436</b>	<b>\$53.849</b>	<b>\$669.660</b>	<b>(\$12.776)</b>	<b>\$691.662</b>	<b>\$22.002</b>	<b>\$694.962</b>	<b>\$3.300</b>
<b>Expenses</b>									
Labor:									
Payroll	\$376.248	\$397.208	(\$20.960)	\$410.022	(\$12.814)	\$426.317	(\$16.295)	\$437.462	(\$11.146)
Overtime	56.257	53.393	2.863	54.996	(1.603)	56.802	(1.806)	58.687	(1.885)
Health and Welfare	76.198	88.095	(11.897)	98.706	(10.610)	110.377	(11.671)	122.684	(12.307)
Pensions	35.829	48.315	(12.486)	48.518	(0.203)	50.111	(1.592)	51.708	(1.598)
Other Fringe Benefits	77.228	80.930	(3.702)	83.528	(2.597)	86.735	(3.207)	89.007	(2.272)
Reimbursable Overhead	(1.591)	(1.906)	0.316	(1.935)	0.029	(1.705)	(0.230)	(1.763)	0.058
<b>Total Labor Expenses</b>	<b>\$620.169</b>	<b>\$666.035</b>	<b>(\$45.866)</b>	<b>\$693.834</b>	<b>(\$27.799)</b>	<b>\$728.636</b>	<b>(\$34.801)</b>	<b>\$757.785</b>	<b>(\$29.150)</b>
Non-Labor:									
Traction and Propulsion Power	\$49.955	\$61.015	(\$11.060)	\$62.559	(\$1.544)	\$72.077	(\$9.518)	\$79.678	(\$7.601)
Fuel for Buses and Trains	14.436	15.581	(1.145)	15.180	0.401	14.649	0.531	14.736	(0.087)
Insurance	15.420	16.891	(1.471)	18.619	(1.729)	20.504	(1.885)	22.480	(1.976)
Claims	15.541	14.900	0.641	14.900	0.000	14.900	0.000	14.900	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Operating Contracts	94.959	121.028	(26.070)	111.121	9.908	115.272	(4.152)	110.938	4.334
Professional Service Contracts	24.709	27.215	(2.505)	28.682	(1.468)	30.678	(1.996)	31.360	(0.682)
Materials & Supplies	87.132	114.781	(27.649)	105.833	8.948	112.062	(6.230)	104.266	7.797
Other Business Expenses	15.506	10.354	5.152	12.593	(2.239)	14.560	(1.967)	14.719	(0.159)
<b>Total Non-Labor Expenses</b>	<b>\$317.657</b>	<b>\$381.765</b>	<b>(\$64.107)</b>	<b>\$369.487</b>	<b>\$12.278</b>	<b>\$394.703</b>	<b>(\$25.216)</b>	<b>\$393.077</b>	<b>\$1.626</b>
Other Expenses Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$937.827</b>	<b>\$1,047.800</b>	<b>(\$109.974)</b>	<b>\$1,063.322</b>	<b>(\$15.521)</b>	<b>\$1,123.339</b>	<b>(\$60.017)</b>	<b>\$1,150.862</b>	<b>(\$27.523)</b>
Depreciation	206.794	222.426	(15.632)	229.426	(7.000)	236.426	(7.000)	236.426	0.000
<b>Total Expenses</b>	<b>\$1,144.621</b>	<b>\$1,270.226</b>	<b>(\$125.606)</b>	<b>\$1,292.748</b>	<b>(\$22.521)</b>	<b>\$1,359.765</b>	<b>(\$67.017)</b>	<b>\$1,387.288</b>	<b>(\$27.523)</b>
<b>Baseline Net Surplus/(Deficit)</b>	<b>(\$516.034)</b>	<b>(\$587.790)</b>	<b>(\$71.756)</b>	<b>(\$623.088)</b>	<b>(\$35.297)</b>	<b>(\$668.103)</b>	<b>(\$45.015)</b>	<b>(\$692.326)</b>	<b>(\$24.223)</b>
2007 Agency Program to Eliminate the Gap (PEGs)	0.852	1.317	0.465	1.592	0.275	2.116	0.524	2.143	0.027
<b>Total PEGS</b>	<b>\$0.852</b>	<b>\$1.317</b>	<b>\$0.465</b>	<b>\$1.592</b>	<b>\$0.275</b>	<b>\$2.116</b>	<b>\$0.524</b>	<b>\$2.143</b>	<b>\$0.027</b>
<b>Net Surplus/(Deficit)</b>	<b>(\$515.182)</b>	<b>(\$586.473)</b>	<b>(\$71.291)</b>	<b>(\$621.496)</b>	<b>(\$35.022)</b>	<b>(\$665.987)</b>	<b>(\$44.491)</b>	<b>(\$690.183)</b>	<b>(\$24.196)</b>

**MTA METRO-NORTH RAILROAD  
2007 FINAL PROPOSED BUDGET  
NOVEMBER FINANCIAL PLAN 2007-2010  
YEAR-TO-YEAR CHANGES BY CATEGORY BASELINE NARRATIVE**

**CASH**

**FAREBOX REVENUE**

Non-Reimbursable

- Projected ridership growth of 2.0% in 2007, 2.1% in 2008, 1.9% in 2009 and 1.4% in 2010 is responsible for higher Farebox Revenue.

Reimbursable

- Not applicable

Cash

- 2007-2010 cash adjustments include receipts from the sale of Metro Cards, Westchester County bus fares, and special event promotions, partially offset by credit card fees associated with the purchase of passenger tickets.

**OTHER OPERATING REVENUE**

Non-Reimbursable

- 2007 decrease reflects lower net retail GCT tenant revenues reflecting the impact of investments in GCT renovation projects (East Restroom and Vanderbilt Hall), necessary to preserve the GCT revenue stream.
- 2008 decrease reflects an increase in restoration project investments and the withdrawal of outside buildings from the GCT steam distribution network.
- 2009 increase assumes completion of restoration work on Vanderbilt Hall.
- 2007-2010 primarily incorporates the initiation of higher West of Hudson Parking fees and contractually based increases in GCT tenant fees and advertising revenues.

Reimbursable

- Not applicable

Cash

- 2006 cash adjustments include a projected \$0.4 million refund for overpayment of prior period force account insurance. 2006-2010 adjustments include the reclassification of Amtrak and other railroad reimbursements (from the Maintenance and Other Operating Contracts category), reimbursements from CDOT for station facilities and unitickets, the MTA for electricity charges, payments by former employees for health insurance coverage, reimbursements for claims settlements, scrap sale receipts, settlement for defective concrete ties, and other miscellaneous items.

## **CAPITAL AND OTHER REIMBURSEMENTS**

### **Non-Reimbursable**

- Not applicable

### **Reimbursable**

- Capital project cost reimbursements in each year of the financial plan are based on recouping 100% of accrued project expenditures. 2007 accrued expenditures (and receipts) are based upon the latest projection of capital project activity. Higher reimbursements in 2007 are attributed to several New Haven Line projects, namely, the installation of Concrete Ties and the acquisition of Diesel Locomotives as well as increased project cost provisions for MTA-funded East Side Access and security-related MTA funded projects.
- 2008-2010 accrued expenditures (and receipts) are based on a continuation of 2007 project cost levels adjusted for the elimination of significant project changes and the impact of inflation:
  - 2008 decrease reflects completion of the NHL Diesel Locomotive Acquisition and the winding down of the NHL Concrete Tie project.
  - 2010 reimbursements reflect completion of the Shell-at-Grade project.

### **Cash**

- 2006 cash adjustments include receipt of \$3.8 million from the MTA and NYSDOT for prior period Haverstraw-Ossining and Newburgh-Beacon ferry service. 2006-2007 also include RWA receipt billing adjustments.

## **PAYROLL**

### **Non-Reimbursable**

- Non Agreement salaries in 2007 and 2008 include cost of living increases of 3.0% each year. In 2009-2010 Non Agreement salaries include CPI-based increases of 1.5%, and 1.8% respectively.
- Agreement wages in 2007-2010 include CPI-based increases of 2.6%, 2.9%, 3.1% and 3.2% respectively.
- 2007 includes additional labor resources primarily for security- based initiatives in GCT (\$1.8 million), maintenance increases for M3 CSR program (\$1.0 million) and staffing for GCT extraordinary landmark maintenance. 2007 also includes additional labor resources for the new car inspection and maintenance facility at New Haven.
- 2008 - 2010 additional labor costs are added to support security improvements to systems and facilities, increase service levels and coverage on all lines, increase car cleaning staff and provide additional administrative oversight and quality assurance functions in key operating areas, partially offsetting is a reduction in

maintenance forces of \$.3 million and \$.9 million in 2009 and 2010, due to the completion of the M3 CSR program.

#### Reimbursable

- Annual cost of living increases and wage contract increases for agreement employees follow the same rate assumptions as the non-reimbursable costs noted above

#### Cash

- Cash includes payments of \$41.2 million in 2007 (excluding fringe) for prior period (2003-2006) accrued RWA for unsettled unions. 2006-2010 cash adjustments also include differences between expense accruals and cash disbursements for the number of days paid, vacation and sick day provisions, employee health club memberships, agreement employee allowance for tools and safety shoes, employee contribution to health care coverage, and agreement employee contributions to the Defined Benefit Pension Plan.

### **OVERTIME**

#### Non-Reimbursable

- 2007 - 2010 include CPI-based wage increases of 2.6%, 2.9%, 3.1% and 3.2% respectively.
- In 2007 overtime cost reductions reflect completion of the emergency preparedness training program and the addition of car inspection staff at the new shop facility at New Haven.
- 2008-2010 includes additional on-board coverage requirements due to increases in service levels on all lines, and the resumption of the emergency preparedness training program

#### Reimbursable

- Annual cost of living increases and wage contract increases for agreement employees follow the same rate assumptions as the non-reimbursable costs noted above
- 2007 costs reflect a reduction of previously identified overtime needs for the Shell- At- Grade project due to scheduling refinements.

### **HEALTH AND WELFARE**

#### Non-Reimbursable

- 2007 reflects carrier-specific rate increases (includes 14.7% for NYS Empire Plan) in health care and insurance premiums as well as changes in employee enrollment levels that result in a 16% increase in base costs.
- 2008-2010 include annual premium increases of 10.7% and changes in staffing levels associated with the programmatic changes that are incorporated into each year of the financial plan for Maintenance Improvements, Service Plan Enhancements, Customer Service Amenities, Security, and Administration.

- 2007-2010 base costs were adjusted to correct a calculation error made in the July Plan (rate applied to punitive portion of overtime costs) which resulted in cost reductions of \$3.2 million in 2007, \$ 3.6 million in 2008, \$ 4.1 million in 2009, and \$4.5 million in 2010.

#### Reimbursable

- Projected inflationary increases follow the same pattern as non-reimbursable costs noted above.

#### Cash

- 2006-2010 cash adjustments include current and former management employee contributions toward health insurance costs.

### **PENSIONS**

#### Non-Reimbursable and Reimbursable

- Metro North Railroad's Pension costs for 2006 reflect current funding requirements for the Defined Benefit Plan (covering management staff and agreement staff that joined the Plan in 2004) and the Defined Contribution Plan (for all other agreement staff). The funding requirements for the Defined Benefit Plan is a calculation prepared by an actuarial consultant retained by the MTA, whose staff also calculates Metro-North's share of required annual costs. The Defined Contribution Plan cost represents a 4% wage- based contribution until an employee reaches 19 years of service, then, the contribution increases to 7% of earnings. Metro-North's effective contribution rate for 2006 is 6% of payroll costs.

The 2007-2010 pension costs assume a labor agreement that will result in the transfer of the remaining represented Metro-North employees in the Defined Contribution Plan to the MTA Defined Benefit Plan as of January, 2007. Metro-North's projected share of the incremental funding requirements is based on a draft projection prepared by the actuarial consultant three years ago adjusted for increases in employee levels. Future actuarial valuations are expected to reflect more accurate estimates of the pension liabilities on behalf of these employees.

#### Cash

- 2007-2010 adjustments include difference between expense accruals and cash disbursements, and agreement employee contribution to the Defined Benefit Pension Plan. 2006 reflects a non-recurring \$20 million cash reduction due to the prepayment of pension costs (paid in 2003). 2007 also includes employer contributions to the Defined Contribution Plan related to RWA settlements (\$2.4 million).



## **OTHER FRINGE BENEFITS**

### **Non-Reimbursable**

- Railroad Retirement tax rates for Tier I and II remain constant for 2007-2010 at 7.65% and 12.6%, respectively.
- Maximum earnings level for Tier I is estimated at \$98,100 in 2007, \$101,043 in 2008, \$104,074 in 2009 and \$107,196 in 2010.
- Maximum earnings level for Tier II is estimated at \$72,900 in 2007, \$75,087 in 2008, \$77,340 in 2009, and \$79,660 in 2010.
- Other cost adjustments reflect inflationary salary increase and changes in staffing levels.
- 2007-2010 base costs were adjusted to correct a calculation error made in the July Plan (rate applied to punitive portion of overtime costs) which resulted in cost reductions of \$2.9 million in 2007, \$3.0 million in 2008, \$3.1 million in 2009, and \$3.2 million in 2010.

### **Reimbursable**

- Railroad Retirement tax rates and earnings' maximums follow the same assumptions as the non-reimbursable costs noted above.

### **Cash**

- 2007 includes adjustments for railroad retirement taxes related to RWA settlements (\$8.0 million). 2007-2010 also includes adjustments between expense accruals and cash disbursements.

## **REIMBURSABLE OVERHEAD**

### **Non-Reimbursable**

- Overhead Cost Recoveries are derived from Reimbursable Capital Project Estimates. Assumptions are described in the Reimbursable section below.

### **Reimbursable**

- Overhead costs for 2007 are based on a percentage share of direct labor costs charged to reimbursable projects. 2008-2010 overhead costs are based on the continuation of 2007 forecast levels, adjusted for changes in the M2 Critical System Replacement project, the Shell- at- Grade project, and inflation-based increases in labor costs.
- Projections in 2007-2009 include increased material handling cost in connection with the M2 Critical System Replacement project.
- Equipment recovery increases are predicated on CPI-based inflation rates from 2008-2010 at 1.9%, 1.7%, and 1.6% respectively.

## **TRACTION AND PROPULSION POWER**

### **Non-Reimbursable**

- 2007 reflects current consumption trends increased by new train service initiatives in 2007. Prices reflect a 14.7% increase in NYPA supplied power and a 10.0% increase in CL&P rates.
- In 2008-2010 cost increases reflect a weighted average of anticipated price increases from NYPA, CL&P and NYSEG. As a result, annual increases are estimated at 1.9% in 2008, 8.14% in 2009 and 5.0% in 2010.
- 2007-2010 incorporates the net effect of new car procurements and retirements and adds \$.7 million in 2007 to Harlem and Hudson Line costs, and \$.3.0 million in 2009 and \$2.9 million in 2010 to the New Haven Line costs in anticipation of the M8 car procurement.
- Service Plan enhancements increase costs by \$.4 million in 2007-2009 and by \$.6 million in 2010.

### **Reimbursable**

- No Cost.

## **FUEL FOR BUSES AND TRAINS**

### **Non-Reimbursable**

- 2007 reflects current consumption increased by 3.6%, and fuel pricing projections (effective rate) 4% higher than 2006.
- 2008 and 2009 reflect price reductions of 2.0% and 2.5% respectively, and no change in price in 2010.
- 2008-2010 incorporates the cost for Service Plan enhancements and the effect of locomotive retirements.

### **Reimbursable**

- No Cost.

## **INSURANCE**

### **Non-Reimbursable**

- Increases in 2006-2010 reflect revised insurance premium estimates.

### **Reimbursable**

- Increases in 2006-2010 reflect revised insurance premium estimates.

### **Cash**

- 2007-2010 reflects increase in force account payments as well as All-Agency insurance costs.

## **CLAIMS**

### **Non-Reimbursable**

- 2006 and 2010 reflect current claims trends.

### **Reimbursable**

- No Cost

### **Cash**

- 2007-2010 payments reflect no year over year changes.

## **MAINTENANCE AND OTHER CONTRACTS**

### **Non-Reimbursable**

- In 2007 CPI increases of 2.7% are selectively applied.
- CPI increases in 2008-2010 of 1.9%, 1.7% and 1.6%, respectively, are used.
- Equipment maintenance programs costs increase by \$6.5 million in 2007 and \$.5 million in 2008. These costs are reduced in 2010 by \$1.4 million with the completion of the West of Hudson locomotive overhaul program.
- 2007 includes \$.3 million increase for Extraordinary Landmark Maintenance costs and a decrease in car disposal costs (\$1.3 million).
- 2008 reflects the elimination of car disposal costs and an additional \$.3 million increase for Extraordinary Landmark Maintenance.
- 2007 reflects lower West of Hudson subsidies due to the elimination of a prior period charge related to the new contract that was included in 2006; 2008 – 2010 includes rising West of Hudson subsidy payments related to contract cost escalations and increases in service.
- 2007 reflects an increase in outlying facility security costs of \$1.5 million and occupancy costs required for the new Running Repair Shop in New Haven.
- 2008 includes a provision for office space renovations (\$1.0 million) and lower costs for GCT electricity due to the withdrawal of outside buildings from the power grid (\$.7 million)

### **Reimbursable**

- CPI increases in 2007-2010 follow the same pattern as non-reimbursable costs noted above.
- 2007 increase is due to the NHL Diesel Locomotive Acquisition project.
- 2008 decrease is due to completion of the NHL Diesel Locomotive Acquisition project.
- In 2010, expenditures reflect the completion of the Shell- At- Grade project.

### **Cash**

- 2007-2010 includes the reclassification of Amtrak and other railroad reimbursements to Other Operating Revenue. Also included are payments on behalf of CDOT for station facilities and the MTA for electricity charges.

## **PROFESSIONAL SERVICE CONTRACTS**

### **Non-Reimbursable**

- Reflect CPI increases in 2008-2010 of 1.9%, 1.7%, and 1.6%, respectively.
- 2008 includes the restoration of a cost provision for general advertising fees (\$.8 million).
- 2009 includes the restoration of the 2005 reduction of MTA police service charges for the NH Line (\$1.3 million).

### **Reimbursable**

- CPI increases in 2007-2010 follow the same pattern as non-reimbursable costs noted above.
- The minor increase in 2007 is due to the refinement in cost projections for the NHL – EMU Fleet Replacement and Rehab Overhead Bridges projects.

## **MATERIAL AND SUPPLIES**

### **Non-Reimbursable**

- In 2007, price increases of 2.7% are applied to standard stock material, 5.3% to metal-based material and 4.0% to transportation equipment.
- CPI increases in 2008-2010 of 1.9%, 1.7%, and 1.6% respectively, are used.
- 2007-2010 includes cost provisions for the expanding maintenance program on the M3 car fleet and cost savings related to M1 car retirements.
- 2009 and 2010 include incremental material cost provisions to support the anticipated acquisition of M-8 cars and cost savings associated with the scale down of the M3 maintenance program.

### **Reimbursable**

- CPI increases in 2007-2010 follow the same pattern as non-reimbursable costs noted above.
- In 2007 increased material requirements were due to the M2 Critical System Replacement project and the NHL Concrete Tie project.
- In 2008 reduced expenditures reflect the winding down of the NHL Concrete Tie project.

### **Cash**

- 2006-2010 cash adjustments reflect difference between expense accruals and cash requirements for M7 and M8 spare parts.

## **OTHER BUSINESS EXPENSES**

### **Non-Reimbursable**

- Reflect CPI increases in 2008-2010 of 1.9%, 1.7%, and 1.6% respectively
- 2008 and 2009 include provisions for maintenance initiatives (\$2.5 million in 2008 and \$2.0 million in 2009).

Reimbursable

- CPI increases in 2007-2010 follow the same pattern as non-reimbursable costs noted above.

Cash

- 2006-2010 cash adjustments include payments for receipt of MetroCards, Westchester County bus fares, special promotions, and employee health club memberships, partially offset by the reclassification of credit card fees as an offset to Farebox Revenue and safety shoe and tool allowance to the Payroll category.

**DEPRECIATION**

Non-Reimbursable

- No change

Reimbursable

- No Cost

**MTA METRO-NORTH RAILROAD**  
**November Financial Plan 2007 - 2010**  
**Year-to-Year Changes by Category - Cash Basis**  
**(\$ in millions)**

<b>CASH RECEIPTS &amp; EXPENDITURES</b>									
	<b>Favorable/(Unfavorable)</b>								
	<b>2006</b>	<b>2007</b>	<b>Change 2007 - 2006</b>	<b>2008</b>	<b>Change 2008 - 2007</b>	<b>2009</b>	<b>Change 2009 - 2008</b>	<b>2010</b>	<b>Change 2010 - 2009</b>
<b>Receipts</b>									
Farebox Revenue	\$459.092	\$470.772	\$11.680	\$480.840	\$10.068	\$492.330	\$11.490	\$499.705	\$7.375
Vehicle Toll Revenue	-	-	-	-	-	-	-	-	-
Other Operating Revenue	51.626	47.325	(4.301)	46.992	(0.333)	53.634	6.642	54.598	0.964
Capital and Other Reimbursements	148.712	188.706	39.994	165.993	(22.713)	170.034	4.041	167.480	(2.554)
<b>Total Receipts</b>	<b>\$659.430</b>	<b>\$706.803</b>	<b>\$47.373</b>	<b>\$693.825</b>	<b>(\$12.978)</b>	<b>\$715.998</b>	<b>\$22.173</b>	<b>\$721.783</b>	<b>\$5.785</b>
<b>Expenditures</b>									
Labor:									
Payroll	\$356.472	\$427.752	(\$71.280)	\$402.424	\$25.328	\$411.205	(\$8.781)	\$421.965	(\$10.760)
Overtime	53.614	53.909	(0.295)	55.527	(1.618)	57.349	(1.822)	59.252	(1.903)
Health and Welfare	78.806	90.784	(11.978)	101.650	(10.866)	113.351	(11.701)	125.755	(12.404)
Pensions	17.902	61.649	(43.747)	59.789	1.860	61.836	(2.047)	63.769	(1.933)
Other Fringe Benefits	74.179	89.456	(15.277)	84.922	4.534	86.398	(1.476)	88.673	(2.275)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenditures</b>	<b>\$580.973</b>	<b>\$723.550</b>	<b>(\$142.577)</b>	<b>\$704.312</b>	<b>\$19.238</b>	<b>\$730.139</b>	<b>(\$25.827)</b>	<b>\$759.414</b>	<b>(\$29.275)</b>
Non-Labor:									
Traction and Propulsion Power	\$49.955	\$61.015	(\$11.060)	\$62.559	(\$1.544)	\$72.077	(\$9.518)	\$79.678	(\$7.601)
Fuel for Buses and Trains	14.436	15.581	(1.145)	15.180	0.401	14.649	0.531	14.736	(0.087)
Insurance	15.747	16.889	(1.142)	19.410	(2.521)	20.366	(0.956)	22.351	(1.985)
Claims	12.187	12.046	0.141	12.046	0.000	12.046	0.000	12.046	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	110.643	135.496	(24.853)	126.065	9.431	130.570	(4.505)	126.288	4.282
Professional Service Contracts	24.791	29.443	(4.652)	30.952	(1.509)	32.986	(2.034)	33.704	(0.718)
Materials & Supplies	98.746	121.705	(22.959)	112.357	9.348	123.447	(11.090)	119.899	3.548
Other Business Expenses	20.050	19.622	0.428	22.309	(2.687)	24.613	(2.304)	24.735	(0.122)
<b>Total Non-Labor Expenditures</b>	<b>\$346.555</b>	<b>\$411.797</b>	<b>(\$65.242)</b>	<b>\$400.878</b>	<b>\$10.919</b>	<b>\$430.754</b>	<b>(\$29.876)</b>	<b>\$433.437</b>	<b>(\$2.683)</b>
Other Expenditure Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expenditure Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenditures</b>	<b>\$927.528</b>	<b>\$1,135.347</b>	<b>(\$207.819)</b>	<b>\$1,105.190</b>	<b>\$30.157</b>	<b>\$1,160.893</b>	<b>(\$55.703)</b>	<b>\$1,192.851</b>	<b>(\$31.958)</b>
<b>Baseline Net Cash Deficit</b>	<b>(\$268.098)</b>	<b>(\$428.544)</b>	<b>(\$160.446)</b>	<b>(\$411.365)</b>	<b>\$17.179</b>	<b>(\$444.895)</b>	<b>(\$33.530)</b>	<b>(\$471.068)</b>	<b>(\$26.173)</b>
<b>Subsidies</b>									
MTA	\$217.699	\$364.022	\$146.323	\$339.090	(\$24.932)	\$358.056	\$18.966	\$370.354	\$12.298
CDOT	\$50.399	\$64.522	\$14.123	\$72.275	\$7.753	\$86.839	\$14.564	\$100.714	\$13.875
<b>Total Subsidies</b>	<b>\$268.098</b>	<b>\$428.544</b>	<b>\$160.446</b>	<b>\$411.365</b>	<b>(\$17.179)</b>	<b>\$444.895</b>	<b>\$33.530</b>	<b>\$471.068</b>	<b>\$26.173</b>
2007 Agency Program to Eliminate the Gap (PEGs)	0.852	1.317	0.465	1.592	0.275	2.116	0.524	2.143	0.027
<b>Total PEGs</b>	<b>\$0.852</b>	<b>\$1.317</b>	<b>\$0.465</b>	<b>\$1.592</b>	<b>\$0.275</b>	<b>\$2.116</b>	<b>\$0.524</b>	<b>\$2.143</b>	<b>\$0.027</b>
<b>Net Cash Deficit</b>	<b>(\$267.246)</b>	<b>(\$427.227)</b>	<b>(\$159.981)</b>	<b>(\$409.773)</b>	<b>\$17.454</b>	<b>(\$442.779)</b>	<b>(\$33.006)</b>	<b>(\$468.925)</b>	<b>(\$26.146)</b>
<b>MTA share of PEGS</b>	<b>0.631</b>	<b>0.975</b>	<b>0.344</b>	<b>1.179</b>	<b>0.204</b>	<b>1.566</b>	<b>0.387</b>	<b>1.587</b>	<b>0.021</b>
<b>CDOT share of PEGS</b>	<b>0.221</b>	<b>0.342</b>	<b>0.121</b>	<b>0.413</b>	<b>0.071</b>	<b>0.550</b>	<b>0.137</b>	<b>0.556</b>	<b>0.006</b>
<b>Total PEGS</b>	<b>\$0.852</b>	<b>\$1.317</b>	<b>\$0.465</b>	<b>\$1.592</b>	<b>\$0.275</b>	<b>\$2.116</b>	<b>\$0.524</b>	<b>\$2.143</b>	<b>\$0.027</b>
<b>Subsidies</b>									
MTA	\$217.068	\$363.047	\$145.979	\$337.911	(\$25.136)	\$356.490	\$18.579	\$368.767	\$12.277
CDOT	\$50.178	\$64.180	\$14.002	\$71.862	\$7.682	\$86.289	\$14.427	\$100.158	\$13.869
<b>Total Subsidies</b>	<b>\$267.246</b>	<b>\$427.227</b>	<b>\$159.981</b>	<b>\$409.773</b>	<b>(\$17.454)</b>	<b>\$442.779</b>	<b>\$33.006</b>	<b>\$468.925</b>	<b>\$26.146</b>

**MTA METRO-NORTH RAILROAD  
2007 FINAL PROPOSED BUDGET  
NOVEMBER FINANCIAL PLAN 2007-2010  
SUMMARY OF MAJOR PLAN-TO-PLAN CHANGES**

Revisions to Metro-North's financial plan for the 2006-2010 period reflect adjustments resulting from evolving economic conditions, changing cost assumptions and resource allocations, as well as the impact of outstanding labor agreements for the 2003-2006 period.

**2006: NOVEMBER FINANCIAL PLAN VS. JULY FINANCIAL PLAN**

The 2006 November Financial Plan subsidy requirements for non-reimbursable baseline operations are \$56.8 million lower than in the July Financial Plan. Of this amount, \$47.1 million represents deferral of payment of retroactive wage settlements for 2003-2006 period into 2007, \$6.5 million represents improvement in Capital Reimbursement receipts (primarily advances), and \$1.5 million, higher Other Operating Revenue. Higher expenditures for Material and Supplies (for both equipment maintenance parts and petroleum-based products), Claims, and lower overhead expense recoveries from capital projects, were offset by lower costs for energy, payroll, lower expenditures for Maintenance and Other Operating Contracts and other miscellaneous costs, resulting in an additional net reduction of \$1.7 million.

Reimbursable project costs (and receipts) are \$5.2 million lower than the July Plan. Lower costs reflect scheduling changes to the M2 Critical System Replacement, Mainline High Speed Turnouts, Automated Ticket Selling – Phase 3 and West of Hudson Track Improvement projects.

**2007: NOVEMBER FINANCIAL PLAN VS. JULY FINANCIAL PLAN**

The 2007 November Financial Plan baseline subsidy requirements are \$63.6 million higher than in the July Financial Plan. Of this amount, \$46.1 million represents a recalculated projection of retroactive wage settlements for 2003-2006 period deferred from 2006 into 2007. Balance of increase is primarily due to increased costs totaling \$7.9 million for capital projects funded by operating subsidies (\$7.5 million for replacement of concrete ties, part 3 of 7), a \$4.4 million reduction in Capital Reimbursement receipts, and the impact of increased inflation (\$4.1 million in higher energy prices, and \$1.1 million in additional costs for material and supplies), as well as higher fringe costs, partially offset by higher Other Operating Revenue.

Reimbursable project costs (and receipts) are \$45.3 million higher than the July Plan due to the following new projects - CDOT New Haven Line Diesel Locomotive Acquisition, CDOT New Haven Line Concrete Tie Program and 2005 ODP Grant for

CCTV/Fencing. Higher activity is also due to increased scope on East Side Access, Harmon Shop Replacement and CDOT C27 Track projects.

#### **2008: NOVEMBER FINANCIAL PLAN VS. JULY FINANCIAL PLAN**

The 2008 November Financial Plan baseline subsidy requirements are \$7.3 million higher than in the July Financial Plan. This increase reflects primarily the addition of \$6.9 million for capital projects funded by operating subsidies (\$9.5 million for the concrete tie replacement, part 4 of 7, offset by other project reductions and deferrals), and the impact of increased inflation (\$4.6 million in higher energy prices). These increases are partially offset by higher Other Operating Revenue, and miscellaneous cost adjustments.

Reimbursable project costs (and receipts) are \$20.9 million higher than the July Plan and reflect a continuation of 2007's projects (with the exception of CDOT New Haven Line Diesel Locomotive Acquisition and CDOT New Haven Line Concrete Tie Program scheduled for 2008 completion, and Shell- At- Grade which is beginning to ramp down) plus the impact of inflation.

#### **2009 NOVEMBER FINANCIAL PLAN VS. JULY FINANCIAL PLAN**

The 2009 November Financial Plan baseline subsidy requirements are \$5.4 million higher than in the July Financial Plan. This increase reflects primarily the impact of increased inflation (\$9.4 million in higher energy prices), and the addition of \$1.9 million for capital projects funded by operating subsidies (\$6.5 million for the concrete tie replacement, part 5 of 7, offset by other project reductions and deferrals). These increases are offset by lower payroll costs and higher overhead recoveries, as well as higher Other Operating Revenues.

Reimbursable project costs (and receipts) are \$27.1 million higher than the July Plan and reflect a continuation of 2008's projects plus the impact of inflation.

#### **2010 NOVEMBER FINANCIAL PLAN VS. JULY FINANCIAL PLAN**

The 2010 November Financial Plan baseline subsidy requirements are \$.3 million lower than in the July Financial Plan. The addition of a concrete tie replacement project, part 6 of 7, was offset by reductions and deferrals in other capital projects funded by operating subsidies. The impact of increased inflation (\$12.2 million in higher energy prices) is offset by lower payroll costs, higher overhead recoveries, and a \$2.8 million improvement in Capital Reimbursement receipts, as well as higher Other Operating Revenues.

Reimbursable project costs (and receipts) are \$26.0 million higher than the July Plan and reflect a continuation of 2009's projects (with the exception of the Shell- At- Grade project scheduled for 2009 completion) plus the impact of inflation.



**MTA METRO-NORTH RAILROAD**  
**November Financial Plan 2007 - 2010**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

<b>NON-REIMBURSABLE</b>					
	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Baseline 2006 July Financial Plan - Operating Cash</b>	<b>(\$324.947)</b>	<b>(\$364.989)</b>	<b>(\$404.101)</b>	<b>(\$439.536)</b>	<b>(\$471.385)</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
Farebox Revenue	\$0.408	(\$0.018)	\$0.009	\$0.038	\$0.045
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	1.060	1.644	1.719	2.232	3.195
Capital and Other Reimbursement	0.000	0.000	0.000	0.000	0.000
<b>Total Revenue Changes</b>	<b>1.468</b>	<b>1.626</b>	<b>1.728</b>	<b>2.270</b>	<b>3.240</b>
<b>Expenses</b>					
<b>Labor:</b>					
Payroll	\$1.923	(\$0.044)	\$1.053	\$2.312	\$3.503
Overtime	(0.752)	0.721	0.743	0.763	0.786
Health and Welfare	2.290	5.647	6.568	8.238	8.451
Pensions	(0.137)	(8.881)	(8.648)	(8.774)	(9.159)
Other Fringe Benefits	0.223	2.564	2.843	3.161	3.432
Reimbursable Overhead	(0.622)	0.062	0.281	0.313	0.479
<b>Total Labor Expense Changes</b>	<b>2.925</b>	<b>0.069</b>	<b>2.840</b>	<b>6.013</b>	<b>7.493</b>
<b>Non-Labor:</b>					
Traction and Propulsion Power	\$1.305	(\$3.462)	(\$3.555)	(\$8.060)	(\$11.033)
Fuel for Buses and Trains	0.148	(0.615)	(1.063)	(1.365)	(1.135)
Insurance	0.052	0.214	0.235	0.272	0.342
Claims	(0.640)	0.001	0.001	0.001	0.001
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	3.061	(1.144)	(0.503)	(0.438)	(0.176)
Professional Service Contracts	(0.024)	(0.506)	(0.505)	(0.485)	(0.465)
Materials & Supplies	(2.956)	(1.105)	(1.113)	(1.136)	(0.925)
Other Business Expenses	(5.447)	0.922	0.916	0.930	0.945
<b>Total Non-Labor Expense Changes</b>	<b>(4.501)</b>	<b>(5.695)</b>	<b>(5.587)</b>	<b>(10.281)</b>	<b>(12.446)</b>
<b>Total Expenses before Depreciation</b>	<b>(\$1.576)</b>	<b>(\$5.626)</b>	<b>(\$2.747)</b>	<b>(\$4.268)</b>	<b>(\$4.953)</b>
Depreciation	(\$11.794)	(\$22.426)	(\$22.426)	(\$22.426)	(\$22.426)
<b>Total Expense Changes after Depreciation</b>	<b>(\$13.370)</b>	<b>(\$28.052)</b>	<b>(\$25.173)</b>	<b>(\$26.694)</b>	<b>(\$27.379)</b>
<b>Baseline Net Surplus/(Deficit) Changes</b>	<b>(\$11.902)</b>	<b>(\$26.426)</b>	<b>(\$23.445)</b>	<b>(\$24.424)</b>	<b>(\$24.139)</b>
<b>Cash Conversion Adjustment Changes</b>					
Depreciation	\$11.794	\$22.426	\$22.426	\$22.426	\$22.426
Operating/Capital	0.203	(7.904)	(6.905)	(1.900)	0.000
Other Cash Adjustments	56.754	(51.651)	0.660	(1.461)	2.031
<b>Total Cash Conversion Adjustments</b>	<b>68.751</b>	<b>(37.129)</b>	<b>16.181</b>	<b>19.065</b>	<b>24.457</b>
<b>Total Baseline Changes</b>	<b>\$56.849</b>	<b>(\$63.555)</b>	<b>(\$7.264)</b>	<b>(\$5.359)</b>	<b>\$0.318</b>
<b>Baseline 2006 November Financial Plan - Operating Cash</b>	<b>(\$268.098)</b>	<b>(\$428.544)</b>	<b>(\$411.365)</b>	<b>(\$444.895)</b>	<b>(\$471.067)</b>
<b>July 2006 Financial Plan PEGs</b>	<b>\$2.343</b>	<b>\$2.846</b>	<b>\$3.165</b>	<b>\$3.737</b>	<b>\$3.816</b>
Change to 2007 Agency Program to Eliminate the Gap (PEGs)	(1.491)	(1.529)	(1.573)	(1.621)	(1.673)
<b>November 2006 Financial Plan PEGs</b>	<b>\$0.852</b>	<b>\$1.317</b>	<b>\$1.592</b>	<b>\$2.116</b>	<b>\$2.143</b>
<b>Net Surplus/(Deficit)</b>	<b>(\$267.246)</b>	<b>(\$427.227)</b>	<b>(\$409.773)</b>	<b>(\$442.779)</b>	<b>(\$468.924)</b>

**MTA METRO-NORTH RAILROAD**  
**November Financial Plan 2007 - 2010**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

REIMBURSABLE					
	2006	2007	2008	2009	2010
<b>Baseline 2006 July Financial Plan - Operating Cash</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
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 Operating Revenue	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursement	(5.162)	45.287	20.929	27.114	25.955
<b>Total Revenue Changes</b>	<b>(\$5.162)</b>	<b>\$45.287</b>	<b>\$20.929</b>	<b>\$27.114</b>	<b>\$25.955</b>
<b>Expenses</b>					
<b>Labor:</b>					
Payroll	\$0.423	(\$4.931)	(\$4.680)	(\$7.171)	(\$6.540)
Overtime	(0.810)	0.505	0.797	0.821	0.847
Health and Welfare	(0.027)	(0.629)	(0.556)	(1.228)	(1.189)
Pensions	0.189	(1.381)	(1.295)	(1.509)	(1.509)
Other Fringe Benefits	(0.069)	(0.877)	(0.789)	(1.263)	(1.133)
Reimbursable Overhead	0.363	(0.121)	(0.349)	(0.727)	(0.918)
<b>Total Labor Expense Changes</b>	<b>\$0.069</b>	<b>(\$7.435)</b>	<b>(\$6.872)</b>	<b>(\$11.077)</b>	<b>(\$10.441)</b>
<b>Non-Labor:</b>					
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	0.067	0.011	(0.195)	(0.249)	(0.083)
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	2.495	(22.299)	(5.889)	(7.722)	(0.453)
Professional Service Contracts	(0.231)	(1.284)	(0.672)	(2.041)	(2.945)
Materials & Supplies	1.617	(14.652)	(7.680)	(6.411)	(12.427)
Other Business Expenses	1.145	0.373	0.379	0.386	0.393
<b>Total Non-Labor Expense Changes</b>	<b>\$5.093</b>	<b>(\$37.852)</b>	<b>(\$14.057)</b>	<b>(\$16.037)</b>	<b>(\$15.514)</b>
<b>Total Expenses before Depreciation</b>	<b>\$5.162</b>	<b>(\$45.287)</b>	<b>(\$20.929)</b>	<b>(\$27.114)</b>	<b>(\$25.955)</b>
Depreciation	0.000	0.000	0.000	0.000	0.000
<b>Total Expense Changes</b>	<b>\$5.162</b>	<b>(\$45.287)</b>	<b>(\$20.929)</b>	<b>(\$27.114)</b>	<b>(\$25.955)</b>
<b>Baseline Net Surplus/(Deficit) Changes</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>(\$0.000)</b>
<b>Cash Conversion Adjustment Changes</b>					
Depreciation	0.000	0.000	0.000	0.000	0.000
Operating/Capital	0.000	0.000	0.000	0.000	0.000
Other Cash Adjustments	0.000	0.000	0.000	0.000	0.000
<b>Total Cash Conversion Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Baseline Changes</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>(\$0.000)</b>
<b>Baseline 2006 November Financial Plan - Operating Cash</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>(\$0.000)</b>
July 2006 Financial Plan PEGs	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Change to 2007 Agency Program to Eliminate the Gap (PEGs)	0.000	0.000	0.000	0.000	0.000
<b>November 2006 Financial Plan PEGs</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Net Surplus/(Deficit)</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>(\$0.000)</b>

**MTA METRO-NORTH RAILROAD**  
**November Financial Plan 2007 - 2010**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

**NON-REIMBURSABLE and REIMBURSABLE**

	2006	2007	2008	2009	2010
<b>Baseline 2006 July Financial Plan - Operating Cash</b>	<b>(\$324.947)</b>	<b>(\$364.989)</b>	<b>(\$404.101)</b>	<b>(\$439.536)</b>	<b>(\$471.385)</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
Farebox Revenue	\$0.408	(0.018)	0.009	0.038	0.045
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	1.060	1.644	1.719	2.232	3.195
Capital and Other Reimbursement	(5.162)	45.287	20.929	27.114	25.955
<b>Total Revenue Changes</b>	<b>(\$3.694)</b>	<b>\$46.913</b>	<b>\$22.657</b>	<b>\$29.384</b>	<b>\$29.195</b>
<b>Expenses</b>					
<b>Labor:</b>					
Payroll	\$2.346	(\$4.975)	(\$3.627)	(\$4.859)	(\$3.037)
Overtime	(1.562)	1.226	1.540	1.584	1.633
Health and Welfare	2.263	5.018	6.012	7.010	7.263
Pensions	0.052	(10.262)	(9.943)	(10.283)	(10.668)
Other Fringe Benefits	0.154	1.687	2.054	1.898	2.299
Reimbursable Overhead	(0.259)	(0.059)	(0.068)	(0.414)	(0.439)
<b>Total Labor Expense Changes</b>	<b>\$2.994</b>	<b>(\$7.366)</b>	<b>(\$4.032)</b>	<b>(\$5.065)</b>	<b>(\$2.948)</b>
<b>Non-Labor:</b>					
Traction and Propulsion Power	\$1.305	(\$3.462)	(\$3.555)	(\$8.060)	(\$11.033)
Fuel for Buses and Trains	0.148	(0.615)	(1.063)	(1.365)	(1.135)
Insurance	0.119	0.225	0.040	0.023	0.259
Claims	(0.640)	0.001	0.001	0.001	0.001
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	5.556	(23.443)	(6.392)	(8.160)	(0.629)
Professional Service Contracts	(0.255)	(1.790)	(1.177)	(2.526)	(3.410)
Materials & Supplies	(1.339)	(15.757)	(8.793)	(7.547)	(13.352)
Other Business Expenses	(4.302)	1.295	1.295	1.316	1.338
<b>Total Non-Labor Expense Changes</b>	<b>\$592</b>	<b>(\$43.547)</b>	<b>(\$19.644)</b>	<b>(\$26.318)</b>	<b>(\$27.960)</b>
<b>Total Expenses before Depreciation</b>	<b>\$3.586</b>	<b>(\$50.913)</b>	<b>(\$23.676)</b>	<b>(\$31.382)</b>	<b>(\$30.909)</b>
Depreciation	(\$11.794)	(\$22.426)	(\$22.426)	(\$22.426)	(\$22.426)
<b>Total Expense Changes</b>	<b>(\$8.208)</b>	<b>(\$73.339)</b>	<b>(\$46.102)</b>	<b>(\$53.808)</b>	<b>(\$53.335)</b>
<b>Baseline Net Surplus/(Deficit) Changes</b>	<b>(\$11.902)</b>	<b>(\$26.426)</b>	<b>(\$23.445)</b>	<b>(\$24.424)</b>	<b>(\$24.139)</b>
<b>Cash Conversion Adjustment Changes</b>					
Depreciation	\$11.794	\$22.426	\$22.426	\$22.426	\$22.426
Operating/Capital	0.203	(7.904)	(6.905)	(1.900)	0.000
Other Cash Adjustments	56.754	(51.651)	0.660	(1.461)	2.031
<b>Total Cash Conversion Adjustments</b>	<b>\$68.751</b>	<b>(\$37.129)</b>	<b>\$16.181</b>	<b>\$19.065</b>	<b>\$24.457</b>
<b>Total Baseline Changes</b>	<b>\$56.849</b>	<b>(\$63.555)</b>	<b>(\$7.264)</b>	<b>(\$5.359)</b>	<b>\$0.318</b>
<b>Baseline 2006 November Financial Plan - Operating Cash</b>	<b>(\$268.098)</b>	<b>(\$428.544)</b>	<b>(\$411.365)</b>	<b>(\$444.895)</b>	<b>(\$471.067)</b>
<b>July 2006 Financial Plan PEGs</b>	<b>\$2.343</b>	<b>\$2.846</b>	<b>\$3.165</b>	<b>\$3.737</b>	<b>\$3.816</b>
Change to 2007 Agency Program to Eliminate the Gap (PEGs)	(\$1.491)	(\$1.529)	(\$1.573)	(\$1.621)	(\$1.673)
<b>November 2006 Financial Plan PEGs</b>	<b>\$0.852</b>	<b>\$1.317</b>	<b>\$1.592</b>	<b>\$2.116</b>	<b>\$2.143</b>
<b>Net Surplus/(Deficit)</b>	<b>(\$267.246)</b>	<b>(\$427.227)</b>	<b>(\$409.773)</b>	<b>(\$442.779)</b>	<b>(\$468.924)</b>

**MTA METRO-NORTH RAILROAD**  
**November Financial Plan 2007 - 2010**  
**Summary of Major Programmatic Changes Between Financial Plans**  
(\$ in millions)

**NON-REIMBURSABLE and REIMBURSABLE**

	2006	2007	2008	2009	2010
<b>Baseline 2006 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$324.947)</b>	<b>(\$364.989)</b>	<b>(\$404.101)</b>	<b>(\$439.536)</b>	<b>(\$471.385)</b>
<b>Non-Reimbursable Major Changes</b>					
<b>Revenue</b>					
Passenger Revenue - Ridership Growth	0.408	(0.018)	0.009	0.038	0.045
Non Passenger Revenue - Rents, Concessions & Utilities	0.966	1.537	1.719	2.231	3.195
- Commissary Operations	0.038	(0.001)	0.000	0.001	0.000
- Interest & Miscellaneous Income	0.056	0.108	0.000	0.000	0.000
Sub-Total Non-Reimbursable Revenue Changes	\$1.468	\$1.626	\$1.728	\$2.270	\$3.240
<b>Expenses</b>					
Changes in non-represented salary inflators	\$0.000	(\$0.327)	(\$0.409)	\$0.816	\$1.960
Lower Health & Welfare Premiums & Employee Contribution Offsets	2.064	5.414	6.329	7.992	8.197
Pension Costs - Agreement Employees Conversion to DB Plan	(0.199)	(8.943)	(8.713)	(8.841)	(9.228)
Railroad Retirement Tax Estimates	0.020	2.356	2.629	2.941	3.205
Electric Traction & Propulsion Rates	1.305	(3.462)	(3.555)	(8.060)	(11.033)
Prices for Fuel For Buses and Trains	0.148	(0.615)	(1.063)	(1.365)	(1.135)
Fuel Price Increase for Highway Vehicles	(0.705)	(0.350)	(0.350)	(0.350)	(0.350)
Amtrak Recoveries	0.800	0.500	0.500	0.500	0.500
NJT Subsidy - Improved Revenue Estimate	0.462	0.000	0.000	0.000	0.000
GCT Steam Costs	0.000	(0.680)	0.000	0.000	0.000
Material & Supplies Usage	(2.251)	(0.755)	(0.763)	(0.786)	(0.575)
Depreciation	(11.794)	(22.426)	(22.426)	(22.426)	(22.426)
Write-off Defective Concrete Ties	(6.000)	0.000	0.000	0.000	0.000
All Other	2.780	1.236	2.648	2.885	3.506
Sub-Total Non-Reimbursable Expense Changes	(13.370)	(28.052)	(25.173)	(26.694)	(27.379)
<b>Total Non-Reimbursable Major Changes</b>	<b>(\$11.902)</b>	<b>(\$26.426)</b>	<b>(\$23.445)</b>	<b>(\$24.424)</b>	<b>(\$24.139)</b>
<b>Reimbursable Major Changes</b>					
<b>Revenue</b>					
Projections for 2007-2010 assume capital project activity levels similar to 2006 MYF	(\$5.162)	\$45.287	\$20.929	\$27.114	\$25.955
Sub-Total Reimbursable Revenue Changes	(\$5.162)	\$45.287	\$20.929	\$27.114	\$25.955
<b>Expenses</b>					
Projections for 2007-2010 assume capital project activity levels similar to 2006 MYF	\$5.162	(\$45.287)	(\$20.929)	(\$27.114)	(\$25.955)
Sub-Total Reimbursable Expense Changes	\$5.162	(\$45.287)	(\$20.929)	(\$27.114)	(\$25.955)
<b>Total Reimbursable Major Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Accrual Changes</b>	<b>(\$11.902)</b>	<b>(\$26.426)</b>	<b>(\$23.445)</b>	<b>(\$24.424)</b>	<b>(\$24.139)</b>
<b>Cash Adjustment Changes</b>					
Operating Capital	0.203	(7.904)	(6.905)	(1.900)	0.000
Change in Force Account Receipts	6.547	(4.413)	1.303	(0.768)	2.775
Deferred Wage Provision	46.804	(46.062)	0.000	0.000	0.000
Write-off Defective Concrete Ties	6.000	0.000	0.000	0.000	0.000
Depreciation	11.794	22.426	22.426	22.426	22.426
Force Account Insurance Refund	(2.600)	0.000	0.000	0.000	0.000
All Other	0.004	(1.176)	(0.643)	(0.693)	(0.744)
<b>Total Cash Adjustment Changes</b>	<b>\$68.751</b>	<b>(\$37.129)</b>	<b>\$16.181</b>	<b>\$19.065</b>	<b>\$24.457</b>
<b>Total Baseline Changes</b>	<b>\$56.849</b>	<b>(\$63.555)</b>	<b>(\$7.264)</b>	<b>(\$5.359)</b>	<b>\$0.318</b>
<b>Baseline 2006 November Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$268.098)</b>	<b>(\$428.544)</b>	<b>(\$411.365)</b>	<b>(\$444.895)</b>	<b>(\$471.067)</b>
<b>July 2006 Financial Plan PEGs</b>	<b>\$2.343</b>	<b>\$2.846</b>	<b>\$3.165</b>	<b>\$3.737</b>	<b>\$3.816</b>
Change to 2007 Agency Program to Eliminate the Gap (PEGs)	(1.491)	(1.529)	(1.573)	(1.621)	(1.673)
<b>November 2006 Financial Plan PEGs</b>	<b>0.852</b>	<b>1.317</b>	<b>1.592</b>	<b>2.116</b>	<b>2.143</b>
<b>2006 November Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$267.246)</b>	<b>(\$427.227)</b>	<b>(\$409.773)</b>	<b>(\$442.779)</b>	<b>(\$468.924)</b>

**MTA METRO-NORTH RAILROAD  
2007 FINAL PROPOSED BUDGET  
NOVEMBER FINANCIAL PLAN 2007-2010**

**OTHER ASSUMPTIONS: RIDERSHIP/UTILIZATION PROJECTIONS**

Ridership projections are developed primarily by the application of line segment ridership forecasting models that incorporate current trends and the impact of economic and demographic factors and government-supported mass transit initiatives. In addition, internal programs that affect service, customer awareness, and access to Metro-North are also incorporated into ridership forecasts.

The November Forecast incorporates slightly higher (0.5%) customer growth rate for East of Hudson Service than the July Plan. This increase reflects current general growth trend which is incorporated into the 2007-2010 ridership base. Concurrently, 2006 Farebox Revenue in the November Financial Plan has been increased slightly from the July Plan (\$.4 million) to reflect current trends.

The 2006 November Forecast reflects East of Hudson service ridership that is 0.5% higher than the July Plan, and 3.0% higher than 2005 actual results. In 2007, 2008, 2009 and 2010, ridership is projected to grow 2.0%, 2.1%, 1.9% and 1.4% respectively.

West of Hudson utilization reflects reduced (0.8%) customer levels than included in the July Plan, and 6.4% higher than 2005 actual results. The increase reflects ridership growth from new service, the operation of the Secaucus transfer and PATH Service in lower Manhattan, as well as the impact of capital program improvements and service expansions through the period.

In 2007, 2008, 2009 and 2010, West of Hudson ridership is projected to grow 6.4%, 8.4%, 7.1% and 3.9%, respectively.

**MTA Metro-North Railroad**  
**November Financial Plan 2007 - 2010**  
**Ridership/Traffic Volume (Utilization)**  
**(in millions)**

	<b>2005</b>	<b>2006</b>	<b>2007</b>			
	<b>Actuals</b>	<b>November</b>	<b>Final</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
		<b>Forecast</b>	<b>Proposed</b>			
			<b>Budget</b>			
<b><u>Farebox Revenue</u></b>						
Harlem Line	\$127.640	\$131.353	\$135.087	\$138.249	\$141.985	\$144.593
Hudson Line	88.981	93.760	97.613	100.411	103.088	105.273
New Haven Line	220.300	225.720	229.614	233.536	238.251	240.797
West of Hudson Mail & Ride	0.754	0.772	0.818	0.880	0.942	0.978
<b>Total Farebox Revenue</b>	<b>\$437.675</b>	<b>\$451.605</b>	<b>\$463.132</b>	<b>\$473.076</b>	<b>\$484.266</b>	<b>\$491.641</b>
 <b><u>Ridership</u></b>						
Harlem Line	24.742	25.401	25.947	26.515	27.092	27.527
Hudson Line	14.131	14.755	15.248	15.659	16.001	16.324
New Haven Line	33.878	34.835	35.271	35.879	36.475	36.868
<b>Baseline Total Ridership</b>	<b>72.751</b>	<b>74.991</b>	<b>76.466</b>	<b>78.053</b>	<b>79.568</b>	<b>80.719</b>
 <i>Impact of:</i>						
PEG Program	0	0	0	0	0	0
<b>Total Ridership</b>	<b>72.751</b>	<b>74.991</b>	<b>76.466</b>	<b>78.053</b>	<b>79.568</b>	<b>80.719</b>

Metro North Railroad  
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>
<b>Administration</b>											
IT - Evaluation Equipment & Technology		0	0.000	0	0.104	0	0.107	0	0.109	0	0.112
PeopleSoft Implementation - Controller Savings		5	0.252	5	0.354	5	0.364	5	0.376	5	0.388
PeopleSoft Implementation - Data Processing Impact		0	0.600	0	0.609	0	0.621	0	0.631	0	0.643
Process Review for Productivity Savings		0	0.000	0	0.250	0	0.500	0	1.000	0	1.000
Sub-Total	Administration	5	\$ 0.852	5	\$ 1.317	5	\$ 1.592	5	\$ 2.116	5	\$ 2.143
Total Programs		5	\$ 0.852	5	\$ 1.317	5	\$ 1.592	5	\$ 2.116	5	\$ 2.143

Metro North Railroad  
November Plan 2007-2010  
Summary of 2007 Program to Eliminate the Gap(PEGs)  
(\$ in Millions)

Business Unit	MNRRD	Financial Plan Category	PEG	Implementation Date	1/1/2007
Budget Reference	FINAL06	Category	Administration	Savings Date	1/1/2007
PEG / New Need ID	0000000024	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program:

IT - Evaluation Equipment & Technology

Design and Implementation Plan

Research and evaluation of new technologies and products to ensure secure IT services.

Background Details

The Information Technology Department must perform research and evaluation of new technologies and products to ensure that MNR IT services are both secure and efficient while at the same time meeting current and future industry standards. This program was to start in 2005 but due to funding constraints was deferred to 2007.

				2006	2007	2008	2009	2010
Total Headcount								
Financial Impact	MNRRD	0000000024	FINAL06	\$ 0.000	\$ 0.104	\$ 0.107	\$ 0.109	\$ 0.112



Metro North Railroad

November Plan 2007-2010

Summary of 2007 Program to Eliminate the Gap(PEGs)

(\$ in Millions)

Business Unit	MNRRD	Financial Plan Category	PEG	Implementation Date	1/1/2006
Budget Reference	FINAL06	Category	Administration	Savings Date	1/1/2006
PEG / New Need ID	0000000021	Current Budget Year	2006	Status	Open
				Agency Status	Pending

Program:

PeopleSoft Implementation - Controller Savings

Design and Implementation Plan

Staffing reductions of 7 agreement positions will be offset by the addition of 2 management positions. This results in a net headcount reduction of 5 positions.

Background Details

Implementation of the PeopleSoft Payroll Module has resulted in administrative efficiencies in the Controller's Department.

				2006	2007	2008	2009	2010
Total Headcount	MNRRD	0000000021	FINAL06	5	5	5	5	5
Financial Impact	MNRRD	0000000021	FINAL06	\$ 0.252	\$ 0.354	\$ 0.364	\$ 0.376	\$ 0.388

Metro North Railroad  
November Plan 2007-2010  
Summary of 2007 Program to Eliminate the Gap(PEGs)  
(\$ in Millions)

Business Unit	MNRRD	Financial Plan Category	PEG	Implementation Date	1/1/2006
Budget Reference	FINAL06	Category	Administration	Savings Date	1/1/2006
PEG / New Need ID	0000000020	Current Budget Year	2006	Status	Open
				Agency Status	Pending
Program:	PeopleSoft Implementation - Data Processing Impact				
Design and Implementation Plan	Reduce Data Center fees by \$600,000 starting in 2006				

Background Details

PeopleSoft Financial System applications are supported by server technology rather than mainframe computers. Consequently, outside data center vendor support fees can be reduced.

				2006	2007	2008	2009	2010
Total Headcount								
Financial Impact	MNRRD	0000000020	FINAL06	\$ 0.600	\$ 0.609	\$ 0.621	\$ 0.631	\$ 0.643

<p>Metro North Railroad</p> <p>November Plan 2007-2010</p> <p>Summary of 2007 Program to Eliminate the Gap(PEGs)</p> <p>(\$ in Millions)</p>
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Business Unit	MNRRD	Financial Plan Category	PEG	Implementation Date	1/1/2007
Budget Reference	FINAL06	Category	Administration	Savings Date	1/1/2007
PEG / New Need ID	0000000023	Current Budget Year	2006	Status	Open
				Agency Status	Pending

<b>Program:</b>	Process Review for Productivity Savings
Design and Implementation Plan	Update the status of the Process Review Program with each Financial Plan update.

Background Details	<p>The recently implemented PeopleSoft Financial and Human Resource Systems, other new and upgraded systems developed in-house, as well as the ongoing replacement of old, difficult to maintain rolling stock with M7s, and the scheduled addition of new shop space in NH, afford the railroad an opportunity for a program of process reviews that is likely to yield productivity savings. MNR recently began just such a Process Review Program that will target several functions across departmental lines.</p> <p>In its early stage, the program was started with the preliminary identification of target functions and review focus. The next steps include the establishment of review teams, assignment of priorities, and settlement of schedules and timeframes. A number of these reviews are likely to take a few weeks, some will take months. The current plan is to update the status of this Process Review Program with each Financial Plan update.</p>
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				2006	2007	2008	2009	2010
<b>Total Headcount</b>								
<b>Financial Impact</b>	MNRRD	0000000023	FINAL06	\$ 0.000	\$ 0.250	\$ 0.500	\$ 1.000	\$ 1.000

**MTA METRO-NORTH RAILROAD  
2007 FINAL PROPOSED BUDGET  
NOVEMBER FINANCIAL PLAN 2007-2010**

**OTHER ASSUMPTIONS: POSITIONS**

**NON-REIMBURSABLE POSITIONS**

Positions are stated as of December 31 of each year and reflect the estimated number of paid employees. Consequently, position totals incorporate existing vacancy and turnover estimates.

Annual staffing levels include the impact of program deferrals, eliminations, or re-estimates, consistent with the associated cost changes incorporated into the financial plan.

**REIMBURSABLE POSITIONS**

Positions are stated as of December 31 of each year and reflect employees estimated to be paid. Consequently, position totals incorporate existing vacancy and turnover estimates, as well as reflect the seasonally- adjusted staffing requirements for the capital projects.

2006 and 2007 staffing levels reflect changes in project requirements. The 2008-2010 staffing levels assume a continuation of 2007 project activity levels.

**MTA METRO NORTH RAILROAD**  
**November Financial Plan 2007 - 2010**  
**Non-Reimbursable - Reimbursable Positions by Function and Department**  
**Full-Time Positions and Full Time Equivalents**

<b>FUNCTION/DEPARTMENT</b>	<b>2005 Actuals</b>	<b>2006 November Forecast</b>	<b>2007 Final Proposed Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Administration</b>						
President	6	6	6	6	6	6
Labor Relations	11	13	13	13	13	13
Safety	14	14	15	15	15	15
Corporate & Media Relations	15	15	15	15	15	15
Legal	15	16	16	16	16	16
Claims Services	19	20	22	22	22	22
Environmental Compliance & Serv	6	6	6	6	6	6
VP Human Resources	3	3	3	3	3	3
Human Resources	45	47	47	47	47	47
Training	29	29	31	31	31	31
Workforce Diversity	4	4	4	4	4	4
VP Planning & Development	3	3	3	3	3	3
Operations Planning	13	13	13	13	13	13
Capital Planning	14	14	14	14	14	14
Business Development & Facilities	12	14	14	14	14	14
Marketing	10	10	10	10	10	10
Industrial Engineering	11	11	11	11	11	11
Executive Vice President	1	1	1	1	1	1
Controller	122	124	129	129	129	129
Information Technology	120	124	128	128	128	128
Budget	14	16	16	16	16	16
Customer Service	66	65	66	67	67	67
Corporate	0	(35)	(45)	(45)	(45)	(45)
<b>Total Administration</b>	<b>553</b>	<b>533</b>	<b>538</b>	<b>539</b>	<b>539</b>	<b>539</b>
<b>Operations</b>						
VP Operations	36	54	54	67	67	67
Operations Services	1,815	1,888	1,909	1,923	1,970	1,997
Metro-North West	30	27	27	27	27	27
<b>Total Operations</b>	<b>1,881</b>	<b>1,969</b>	<b>1,990</b>	<b>2,017</b>	<b>2,064</b>	<b>2,091</b>
<b>Maintenance</b>						
GCT	341	360	359	385	405	405
Maintenance of Equipment	1,256	1,267	1,309	1,309	1,286	1,286
Maintenance of Way	1,505	1,515	1,573	1,587	1,604	1,607
Procurement & Material Management	167	172	174	174	174	174
<b>Total Maintenance</b>	<b>3,269</b>	<b>3,314</b>	<b>3,415</b>	<b>3,455</b>	<b>3,469</b>	<b>3,472</b>
<b>Engineering/Capital</b>						
Project Budget	13	13	13	13	13	13
Construction Management	37	39	39	39	39	39
Engineering & Design	59	62	62	62	62	62
<b>Total Engineering/Capital</b>	<b>109</b>	<b>114</b>	<b>114</b>	<b>114</b>	<b>114</b>	<b>114</b>
<b>Total Baseline Positions</b>	<b>5,812</b>	<b>5,930</b>	<b>6,057</b>	<b>6,125</b>	<b>6,186</b>	<b>6,216</b>
<i>Non-Reimbursable</i>	5,294	5,351	5,455	5,523	5,584	5,614
<i>Reimbursable</i>	518	579	602	602	602	602
<i>Total Full-Time</i>	5,807	5,925	6,052	6,120	6,181	6,211
<i>Total Full-Time-Equivalents</i>	5	5	5	5	5	5
<hr/>						
Impact of:						
2007 Program to Eliminate the Gap	-	(5)	(5)	(5)	(5)	(5)
Post 2007 Program to Eliminate the Gap	-	0	0	0	0	0
<b>Total Positions</b>	<b>5,812</b>	<b>5,925</b>	<b>6,052</b>	<b>6,120</b>	<b>6,181</b>	<b>6,211</b>
<i>Non-Reimbursable</i>	5,294	5,346	5,450	5,518	5,579	5,609
<i>Reimbursable</i>	518	579	602	602	602	602
<i>Total Full-Time</i>	5,807	5,920	6,047	6,115	6,176	6,206
<i>Total Full-Time Equivalents</i>	5	5	5	5	5	5

**MTA METRO-NORTH RAILROAD**  
**November Financial Plan 2007 - 2010**  
**Total Full-time Positions and Full-time Equivalents by Function and Occupational Group**

FUNCTION/OCCUPATIONAL GROUP		2006 November Forecast	2007 Final Proposed Budget	2008	2009	2010
<b>Administration</b>						
	Managers/Supervisors	41	41	41	41	41
	Professional, Technical, Clerical	492	497	498	498	498
	Operational Hourlies	-	-	-	-	-
	<b>Total Administration</b>	<b>533</b>	<b>538</b>	<b>539</b>	<b>539</b>	<b>539</b>
<b>Operations</b>						
	Managers/Supervisors	28	28	39	40	40
	Professional, Technical, Clerical	481	488	488	488	488
	Operational Hourlies	1,460	1,474	1,490	1,536	1,563
	<b>Total Operations</b>	<b>1,969</b>	<b>1,990</b>	<b>2,017</b>	<b>2,064</b>	<b>2,091</b>
<b>Maintenance</b>						
	Managers/Supervisors	39	40	51	53	53
	Professional, Technical, Clerical	1,050	1,058	1,058	1,058	1,058
	Operational Hourlies	2,225	2,317	2,346	2,358	2,361
	<b>Total Maintenance</b>	<b>3,314</b>	<b>3,415</b>	<b>3,455</b>	<b>3,469</b>	<b>3,472</b>
<b>Engineering/Capital</b>						
	Managers/Supervisors	27	28	28	28	28
	Professional, Technical, Clerical	87	86	86	86	86
	Operational Hourlies	-	-	-	-	-
	<b>Total Engineering/Capital</b>	<b>114</b>	<b>114</b>	<b>114</b>	<b>114</b>	<b>114</b>
<b>Public Safety</b>						
	Managers/Supervisors	-	-	-	-	-
	Professional, Technical, Clerical	-	-	-	-	-
	Operational Hourlies	-	-	-	-	-
	<b>Total Public Safety</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Baseline Positions</b>						
	Managers/Supervisors	135	137	159	162	162
	Professional, Technical, Clerical	2,110	2,129	2,130	2,130	2,130
	Operational Hourlies	3,685	3,791	3,836	3,894	3,924
	<b>Total Baseline Positions</b>	<b>5,930</b>	<b>6,057</b>	<b>6,125</b>	<b>6,186</b>	<b>6,216</b>

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**MTA Headquarters, First Mutual  
Transportation Assurance Co. (FMTAC),  
and Inspector General**



**MTA Headquarters  
2007 Final Proposed Budget  
November Financial Plan 2007 – 2010**

**Mission Statement**

The mission of Metropolitan Transportation Authority Headquarters is to maximize use of MTA Transportation services and facilities by its customers and to provide support to the operating agencies in budget, cash management, finance, legal, real estate, treasury, risk and insurance management, and other services. In addition, MTA Headquarters' Department of Public Safety provides the highest level of policing and security for MTA's customers, employees and facilities.

**Financial Overview**

The greater New York economy continues to show strength as it recovers from low points brought about by terrorist activities and an erosion in business confidence resulting from financial improprieties and burgeoning costs, including health and welfare. Much of this recovery can be attributed to the willingness of successful US organizations to strengthen its operations and restores integrity in the way they conduct business.

The MTA has participated and undergone a remarkable transformation in during this period. In light of the terrorist attacks in New York and throughout the world the MTA has taken extraordinary measures to enhance safety and security for a system that spans the five boroughs, several upstate counties, Long Island, and Southern Connecticut. Since 2001 it has added over 200 uniformed personnel accompanied by enhanced training and equipment. The 2005-2009 Capital Program builds on prior capital programs with additional investments in security, as well as state of good repair, and expansion projects. Emergency exit bars in subway stations are being installed to allow rapid evacuation if necessary, and a pilot program is testing the use of cameras at various stations. In addition, an Office of Interagency Preparedness has been established to coordinate interagency issues, security, grants and funding from all sources and levels of government.

Significant progress has also been made towards the goal of providing accurate, timely, and transparent financial reporting. In order to enhance public confidence, the Budget process has been revamped and, in addition to the annual budget adopted by the board, the MTA now prepares a Four-Year Financial Plan. This process identifies problems early and allows for timely solutions with input from the public and elected officials. In addition, the MTA now prepares quarterly Financial Statements that are reviewed by private auditors and released to the general public as well as the financial community.

To consolidate and access the data needed to achieve financial transparency MTA Headquarters has invested in an Enterprise Performance Management system for human resource and financial information. Training has been provided to create a more knowledgeable workforce capable of taking advantage of new technologies.

MTA Headquarters has also established an Office of Internal Controls in order to strengthen corporate guidelines and policies and to improve corporate governance.

While maintaining a strong commitment to safety and security for its customers, employees, and facilities, MTA Headquarters has embarked on another round of aggressive programs to reduce costs and to achieve savings through 2010 while not compromising its support to the Agencies and ultimately, the MTA's customers. This has been accomplished through the diligent work of all MTA Headquarters departments in reviewing current programs and cutting those that were superfluous or too expensive, as well as undertaking those projects that promote efficiencies. In reviewing departmental activities, it was determined that primarily through increased employee productivity, PEG headcount savings will begin in 2008 with the reduction of 18 positions as well as utilizing delayed hiring to achieve higher vacancy savings. Also, with increased management oversight and detailed, almost real-time reporting of overtime usage, MTA Police will provide additional PEG savings in overtime expenses beginning in 2006.

Savings from programs to eliminate the gap have already begun and will reduce overtime expenses by \$0.829 million beginning in 2006 and \$0.834 million in 2007. Thereafter, this program, in conjunction with headcount reductions, will result in savings of \$2.226 million, \$2.340 million, and \$2.447 million in 2008, 2009 and 2010 respectively.

### **2006 November Forecast**

MTA Headquarters projects a Baseline Deficit of \$254.478 million in the 2006 November Forecast before PEGs. For 2006, the November Forecast reflects some significant changes from the 2006 Mid-Year Forecast. Higher personnel costs resulting from increased straight-time and benefits costs are somewhat off-set by lower overtime expenditures by the MTA Police Department. Non-personnel costs decrease for the November Forecast primarily due to re-estimates of Insurance and litigation reserves and the reallocation of shared services costs. However some off-setting increases were required, such as higher support for the Cross Bay Toll and increased advertising and appraisal fees. The 2006 November Forecast also incorporates \$1.495 million of New Needs as originally included in the July 2006 Financial Plan.

The baseline assumes headcount levels of 668 employees at MTA Headquarters and 755 employees in Public Safety, totaling 1,423 employees. Changes in headcount levels and mix from the July Plan include the reinstatement of two positions assigned to the Office of Civil Rights and the reclassification of the Office of Preparedness (six

positions) from Public Safety to Administration. These changes remain in effect throughout the plan period.

### **2007 Final Proposed Budget- Baseline**

MTA Headquarters projects a Baseline Net Deficit of \$278.857 million in the 2007 Final Proposed Budget before PEGs. The deficit is \$24.380 million higher than the 2006 November Forecast of \$254.478 million prior to PEGs. This increase is primarily a result of the \$40.000 million pension valuation provision, reallocated \$7.750 million shared services funding from 2006 to 2007, continuing increase in Headquarters costs relating to Cross Bay Tolls and higher estimates in fuel costs and overtime expenses for the MTA Police. Offsetting the Agency wide pension provision, are Non-NYCT pension pre-payment savings of \$30.370 million. The baseline also includes \$3.744 million of New Needs that were originally incorporated into the July 2006 Financial Plan.

The baseline also assumes headcount levels of 665 employees at MTA Headquarters and 768 employees in Public Safety, totaling 1,433 employees. The below-the-line 2006 PEG program is discussed below.

### **2008-2010 Projections - Baseline**

The baseline Net Deficit for 2008 is \$281.693 million which incorporates \$3.731 million in continuing New Needs, originally incorporated in the July 2006 Plan and which are included in the 2006 November Forecast and the 2007 Final Proposed Budget. The baseline reflects level staffing at MTA Headquarters from the 2007 Baseline of 1,433 employees.

The baseline Net Deficit for 2009 decreases from 2008 by \$0.716 million to \$280.977 million, which incorporates \$3.951 million in continuing New Needs, originally incorporated in the July 2006 Plan and which are included in the 2006 November Forecast and the 2007 Final Proposed Budget. The baseline reflects level staffing at MTA Headquarters from the 2008 Baseline of 1,433 employees.

The baseline Net Deficit for 2010 increases over the 2009 baseline by \$9.158 million to \$290.135 million, which includes \$4.167 million in continuing New Needs, originally incorporated in the July 2006 Plan and which are included in the 2006 November Forecast and the 2007 Final Proposed Budget. The baseline reflects level staffing at MTA Headquarters from the 2009 Baseline of 1,433 employees

### **Gap Closing Measures**

MTA Headquarters has identified two additional new PEGs, on top of existing and ongoing PEGs from prior years.

### 2007 Programs to Eliminate the Gap

The MTA Police will achieve savings in overtime while maintaining its enhanced presence throughout the MTA system providing protection for the MTA's customers, employees and infrastructure at critical locations. This category of PEG savings begins in 2006, providing reduced overtime of \$0.829 million and increases each year throughout the plan period.

### Post-2007 Programs to Eliminate the Gap

Headquarters has also made a commitment to reduce personnel expenses beginning in 2008 by eliminating 18 positions through attrition that are no longer required as a result of increased workforce productivity. In addition, savings will be achieved by delaying hiring on vacant positions. These actions will result in \$1.330 million savings in 2008 and increasing in subsequent plan years.

### **2007 Final Proposed Budget**

The Net Deficit for the 2007 Final Proposed Budget of \$278.023 million is \$24.375 million higher than the 2006 November Forecast Net Deficit of \$253.649 million. The 2007 Net Deficit shows a decrease from the 2007 baseline as a result of savings from MTA Headquarters' Program to Eliminate the Gap. This PEGs will result in overtime cost reductions in 2007 of \$0.834 million, following the \$0.829 million in savings that are already expected for 2006.

### **2008-2010 Projections**

The 2008 Net Deficit is projected at \$279.467 million. Representing a decrease from the 2008 baseline, cost reductions of \$2.226 million are attributable to the PEGs described above and will result in the elimination of 18 positions from the baseline headcount of 1,433.

The 2009 Net Deficit is projected at \$278.637 million. Inclusion of PEG savings described above, results in the decrease from the 2009 baseline of \$2.340 million. Of this amount, \$0.902 million is attributable to the overtime savings PEG, while the remaining \$1.438 million results from the reduced headcount and hiring actions at MTA Headquarters.

The 2010 Net Deficit is projected at \$287.688 million. Inclusion of PEG savings described above, results in the decrease from the 2008 baseline of \$2.447 million. Again, of this amount, \$0.910 million is attributable to the overtime reductions PEG, and \$1.537 million in savings results from the reduced headcount and hiring actions at MTA Headquarters.

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

<b>NON-REIMBURSABLE</b>						
	<b>2005</b>	<b>2006</b>	<b>2007</b>			
	<b>Actuals</b>	<b>November Forecast</b>	<b>Final Proposed Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Operating Revenue</b>						
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
<u>Other Operating Revenue</u>						
Rental Income	45.443	46.906	47.104	47.867	48.599	49.494
Other	2.469	4.169	4.290	4.360	4.427	4.508
Total Other Operating Revenue	47.912	51.075	51.394	52.227	53.026	54.002
Capital and Other Reimbursements	-	-	-	-	-	-
<b>Total Revenue</b>	<b>\$47.912</b>	<b>\$51.075</b>	<b>\$51.394</b>	<b>\$52.227</b>	<b>\$53.026</b>	<b>\$54.002</b>
<b>Operating Expenses</b>						
<u>Labor:</u>						
Payroll	\$104.646	\$118.440	\$118.447	\$121.955	\$124.933	\$127.954
Overtime	11.454	7.849	10.094	10.388	10.772	11.117
Health and Welfare	12.782	19.197	19.903	22.491	25.521	28.963
Pensions	19.145	14.104	32.229	30.359	31.121	31.930
Other Fringe Benefits	14.026	12.982	10.634	11.187	11.767	12.360
Reimbursable Overhead	(33.597)	(43.827)	(45.726)	(46.421)	(47.102)	(47.938)
<b>Total Labor Expenses</b>	<b>\$128.456</b>	<b>\$128.743</b>	<b>\$145.581</b>	<b>\$149.960</b>	<b>\$157.013</b>	<b>\$164.386</b>
<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	9.056	8.406	3.930	4.366	4.755	5.229
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	12.661	14.848	14.211	14.442	14.497	14.766
Professional Service Contracts	75.366	42.248	52.533	45.652	45.069	44.856
Materials & Supplies	1.009	0.929	1.096	1.114	1.131	1.152
<u>Other Business Expenses</u>						
MTA Internal Subsidy	34.719	30.541	32.766	40.492	34.918	36.060
Other	52.646	54.161	55.472	56.148	57.077	58.145
Total Other Business Expenses	87.365	84.702	88.238	96.640	91.995	94.205
<b>Total Non-Labor Expenses</b>	<b>\$185.457</b>	<b>\$151.134</b>	<b>\$160.008</b>	<b>\$162.215</b>	<b>\$157.447</b>	<b>\$160.208</b>
<u>Other Expenses Adjustments:</u>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$313.913</b>	<b>\$279.877</b>	<b>\$305.590</b>	<b>\$312.175</b>	<b>\$314.461</b>	<b>\$324.594</b>
Depreciation	23.206	25.675	24.662	21.745	19.542	19.542
<b>Total Expenses</b>	<b>\$337.119</b>	<b>\$305.552</b>	<b>\$330.252</b>	<b>\$333.920</b>	<b>\$334.003</b>	<b>\$344.136</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$289.207)</b>	<b>(\$254.478)</b>	<b>(\$278.857)</b>	<b>(\$281.693)</b>	<b>(\$280.977)</b>	<b>(\$290.135)</b>
2007 Program to Eliminate the Gap (PEGs)		0.829	0.834	0.896	0.902	0.910
Post 2007 Program to Eliminate the Gap (PEGs)		0.000	0.000	1.330	1.438	1.537
<b>Net Surplus/(Deficit)</b>	<b>(\$289.207)</b>	<b>(\$253.649)</b>	<b>(\$278.023)</b>	<b>(\$279.467)</b>	<b>(\$278.637)</b>	<b>(\$287.688)</b>

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

<b>NON-REIMBURSABLE / REIMBURSABLE</b>						
	<b>2005</b>	<b>2006</b>	<b>2007</b>			
	<b>Actuals</b>	<b>November Forecast</b>	<b>Final Proposed Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Revenue</b>						
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
<u>Other Operating Revenue</u>						
Rental Income	45.443	46.906	47.104	47.867	48.599	49.494
Data Center Billings	-	-	-	-	-	-
Other	2.469	4.169	4.290	4.360	4.427	4.508
Total Other Operating Revenue	47.912	51.075	51.394	52.227	53.026	54.002
Capital and Other Reimbursements	37.938	46.951	49.869	50.704	51.487	52.440
<b>Total Revenue</b>	<b>\$85.850</b>	<b>\$98.025</b>	<b>\$101.263</b>	<b>\$102.931</b>	<b>\$104.513</b>	<b>\$106.442</b>
<b>Expenses</b>						
<b><u>Labor:</u></b>						
Payroll	\$106.115	\$119.642	\$120.120	\$123.677	\$126.681	\$129.734
Overtime	11.454	7.849	10.094	10.388	10.772	11.117
Health and Welfare	12.872	19.351	20.171	22.788	25.850	29.326
Pensions	19.217	14.284	32.461	30.597	31.369	32.188
Other Fringe Benefits	14.393	13.092	10.776	11.334	11.918	12.515
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor expenses</b>	<b>\$164.051</b>	<b>\$174.218</b>	<b>\$193.622</b>	<b>\$198.783</b>	<b>\$206.590</b>	<b>\$214.882</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	9.056	8.406	3.930	4.366	4.755	5.229
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	12.661	14.848	14.211	14.442	14.497	14.766
Professional Service Contracts	77.650	43.632	54.289	47.459	46.904	46.724
Materials & Supplies	1.009	0.929	1.096	1.114	1.131	1.152
<u>Other Business Expenses</u>						
MTA Internal Subsidy	34.719	30.541	32.766	40.492	34.918	36.060
Other Business Expenses	52.705	54.254	55.545	56.223	57.153	58.222
Total Other Business Expenses	87.424	84.795	88.311	96.715	92.071	94.282
<b>Total Non-Labor expenses</b>	<b>\$187.800</b>	<b>\$152.611</b>	<b>\$161.836</b>	<b>\$164.096</b>	<b>\$159.357</b>	<b>\$162.153</b>
<b><u>Other Expenses Adjustments:</u></b>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$351.851</b>	<b>\$326.828</b>	<b>\$355.459</b>	<b>\$362.879</b>	<b>\$365.947</b>	<b>\$377.035</b>
Depreciation	23.206	25.675	24.662	21.745	19.542	19.542
<b>Total Expenses</b>	<b>\$375.057</b>	<b>\$352.503</b>	<b>\$380.121</b>	<b>\$384.624</b>	<b>\$385.489</b>	<b>\$396.577</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$289.207)</b>	<b>(\$254.478)</b>	<b>(\$278.857)</b>	<b>(\$281.693)</b>	<b>(\$280.977)</b>	<b>(\$290.135)</b>
2007 Program to Eliminate the Gap (PEGs)	0.000	0.829	0.834	0.896	0.902	0.910
Post 2007 Program to Eliminate the Gap (PEGs)	0.000	0.000	0.000	1.330	1.438	1.537
<b>Net Surplus/(Deficit)</b>	<b>(\$289.207)</b>	<b>(\$253.649)</b>	<b>(\$278.023)</b>	<b>(\$279.467)</b>	<b>(\$278.637)</b>	<b>(\$287.688)</b>

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

<b>CASH RECEIPTS AND EXPENDITURES</b>						
	<b>2005</b>	<b>2006</b>	<b>2007</b>			
	<b>Actuals</b>	<b>November Forecast</b>	<b>Final Proposed Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Receipts</b>						
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
<u>Other Operating Revenue</u>						
Rental Income	42.534	46.906	47.104	47.867	48.599	49.494
Data Center Billings	-	-	-	-	-	-
Other	5.358	4.169	4.290	4.360	4.427	4.508
Total Other Operating Revenue	47.892	51.075	51.394	52.227	53.026	54.002
Capital and Other Reimbursements	38.866	44.698	49.139	50.495	51.291	52.202
<b>Total Receipts</b>	<b>\$86.758</b>	<b>\$95.772</b>	<b>\$100.533</b>	<b>\$102.722</b>	<b>\$104.317</b>	<b>\$106.204</b>
<b>Expenditures</b>						
<u><b>Labor:</b></u>						
Payroll	\$114.761	\$116.642	\$117.046	\$120.541	\$123.497	\$126.492
Overtime	11.454	7.849	10.094	10.388	10.772	11.117
Health and Welfare	13.234	18.811	20.103	22.570	25.595	29.036
Pensions	20.002	13.549	32.293	30.512	31.176	31.983
Other Fringe Benefits	9.236	13.200	10.969	11.288	11.869	12.465
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenditures</b>	<b>\$168.687</b>	<b>\$170.051</b>	<b>\$190.505</b>	<b>\$195.298</b>	<b>\$202.909</b>	<b>\$211.095</b>
<u><b>Non-Labor:</b></u>						
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	0.677	10.179	7.014	3.727	4.051	4.456
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	5.843	14.848	14.211	14.442	14.497	14.766
Professional Service Contracts	73.358	41.632	54.289	47.459	46.904	46.724
Materials & Supplies	0.459	0.929	1.096	1.114	1.131	1.152
<u>Other Business Expenses</u>						
MTA Internal Subsidy	33.900	31.012	32.766	40.492	34.918	36.060
Other Business Expenses	102.811	52.407	53.630	54.283	55.182	56.214
Total Other Business Expenses	136.711	83.419	86.396	94.775	90.100	92.274
<b>Total Non-Labor Expenditures</b>	<b>\$217.048</b>	<b>\$151.008</b>	<b>\$163.005</b>	<b>\$161.517</b>	<b>\$156.682</b>	<b>\$159.372</b>
<u><b>Other Expenditure Adjustments:</b></u>						
Capital	\$16.336	\$21.518	\$21.339	\$21.339	\$20.800	\$20.800
Unallocated Service Enhancement Policy Action	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expenditure Adjustments</b>	<b>\$16.336</b>	<b>\$21.518</b>	<b>\$21.339</b>	<b>\$21.339</b>	<b>\$20.800</b>	<b>\$20.800</b>
<b>Total Expenditures</b>	<b>\$402.071</b>	<b>\$342.576</b>	<b>\$374.850</b>	<b>\$378.154</b>	<b>\$380.391</b>	<b>\$391.267</b>
<b>Baseline Cash Deficit</b>	<b>(\$315.313)</b>	<b>(\$246.804)</b>	<b>(\$274.316)</b>	<b>(\$275.432)</b>	<b>(\$276.075)</b>	<b>(\$285.063)</b>
2007 Program to Eliminate the Gap (PEGs)		0.829	0.834	0.896	0.902	0.910
Post-2007 Program to Eliminate the Gap (PEGs)		0.000	0.000	1.330	1.438	1.537
<b>Net Cash Deficit</b>	<b>(\$315.313)</b>	<b>(\$245.975)</b>	<b>(\$273.482)</b>	<b>(\$273.206)</b>	<b>(\$273.735)</b>	<b>(\$282.616)</b>



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

<b>CASH FLOW ADJUSTMENTS</b>						
	<b>2005</b>	<b>2006</b>	<b>2007</b>			
	<b>Actuals</b>	<b>November Forecast</b>	<b>Final Proposed Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Receipts</b>						
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	(0.020)	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	0.928	(2.253)	(0.730)	(0.209)	(0.196)	(0.238)
<b>Total Receipts</b>	<b>\$0.908</b>	<b>(\$2.253)</b>	<b>(\$0.730)</b>	<b>(\$0.209)</b>	<b>(\$0.196)</b>	<b>(\$0.238)</b>
<b>Expenditures</b>						
<b><u>Labor:</u></b>						
Payroll	(\$8.646)	\$3.000	\$3.074	\$3.136	\$3.184	\$3.242
Overtime	-	-	-	-	-	-
Health and Welfare	(0.362)	0.540	0.068	0.218	0.255	0.290
Pensions	(0.785)	0.735	0.168	0.085	0.193	0.205
Other Fringe Benefits	5.157	(0.108)	(0.193)	0.046	0.049	0.050
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenditures</b>	<b>(\$4.636)</b>	<b>\$4.167</b>	<b>\$3.117</b>	<b>\$3.485</b>	<b>\$3.681</b>	<b>\$3.787</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	8.379	(1.773)	(3.084)	0.639	0.704	0.773
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	6.818	0.000	0.000	0.000	0.000	0.000
Professional Service Contracts	4.292	2.000	0.000	0.000	0.000	0.000
Materials & Supplies	0.550	0.000	0.000	0.000	0.000	0.000
<b><u>Other Business Expenses:</u></b>						
MTA Internal Subsidy	0.819	(0.471)	0.000	0.000	0.000	0.000
Other Business Expenses	(50.106)	1.847	1.915	1.940	1.971	2.008
Total Other Business Expenses	(49.287)	1.376	1.915	1.940	1.971	2.008
<b>Total Non-Labor Expenditures</b>	<b>(\$29.248)</b>	<b>\$1.603</b>	<b>(\$1.169)</b>	<b>\$2.579</b>	<b>\$2.675</b>	<b>\$2.781</b>
<b><u>Other Expenditure Adjustments:</u></b>						
Capital	(\$16.336)	(\$21.518)	(\$21.339)	(\$21.339)	(\$20.800)	(\$20.800)
Unallocated Service Enhancement Policy Action	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expenditure Adjustments</b>	<b>(\$16.336)</b>	<b>(\$21.518)</b>	<b>(\$21.339)</b>	<b>(\$21.339)</b>	<b>(\$20.800)</b>	<b>(\$20.800)</b>
<b>Total Cash Conversion Adjustments before Depreciation</b>	<b>(\$49.312)</b>	<b>(\$18.001)</b>	<b>(\$20.121)</b>	<b>(\$15.484)</b>	<b>(\$14.640)</b>	<b>(\$14.470)</b>
Depreciation Adjustment	23.206	25.675	24.662	21.745	19.542	19.542
<b>Baseline Total Cash Conversion Adjustments</b>	<b>(\$26.106)</b>	<b>\$7.674</b>	<b>\$4.541</b>	<b>\$6.261</b>	<b>\$4.902</b>	<b>\$5.072</b>
2007 Program to Eliminate the Gap (PEGs)	0.000	0.000	0.000	0.000	0.000	0.000
Post 2007 Program to Eliminate the Gap (PEGs)	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Cash Conversion Adjustments</b>	<b>(\$26.106)</b>	<b>\$7.674</b>	<b>\$4.541</b>	<b>\$6.261</b>	<b>\$4.902</b>	<b>\$5.072</b>

**MTA Headquarters  
November Financial Plan 2007-2010  
Year-to-Year Changes by Category  
Accrual and Cash**

**Baseline Assumptions:**

The following explanations refer to the year-to-year variances in MTA Baseline assumptions for the November Financial Plan 2007-2010:

**Receipts:**

Rental Income, Data Center Billings, and Other

- The 2007 Final Proposed Budget reflects a decrease in Data Center revenues from the 2006 November Forecast. This is a result of the Data Center lease buy-out and a corresponding reduction in charges to the agencies. As in 2006, to remain consistent with the accounting treatment, remaining Data Center revenues are netted expenses in Other Expenses.
- Rental Income and Other Revenues for 2008, 2009 and 2010 are inflated by 1.62%, 1.53%, and 1.84%, respectively.

**Expenditures:**

Payroll

- Increases in the 2007 Final Proposed Budget from the 2006 represents MTA Headquarters full year staffing levels.
- Thereafter, MTA Headquarters non-represented salaries are inflated by 3.00%, 1.53%, and 1.84% in 2008, 2009 and 2010 respectively. Represented salaries are inflated by rates reflective of pattern bargaining.

Overtime

- The 2007 Final Proposed Budget primarily reflects an increase from the 2006 November Forecast. Increased overtime controls and 12-hour tours have resulted in lower spending in 2006.
- Thereafter 2008, 2009 and 2010 are inflated by 2.91%, 3.07% and 3.20% respectively.

Health and Welfare

- Increases in the 2007 Final Proposed Budget are projected at 14.78% over 2006 November Forecast rate due to projected increases in Empire Plan costs for employers. Subsequently, the same percentage increase of 10.68% is reflected in 2008, 2009 and 2010.

### Pensions

- The increase in the 2007 Final Proposed Budget reflects a growth over the 2006 November Forecast, as a result of higher MTA salaries combined with the effect from higher police wages.
- Thereafter, MTA Headquarters and Police pension requirements are based on the latest actuarial calculations.
- Beginning in 2006, the favorable effect of pre-payment benefits for Non-NYCT pension liabilities is included.
- Beginning in 2007, MTA Headquarters financials reflect an additional pension valuation provision of \$40 million annually. This amount is currently estimated and will be finalized and distributed among the Agencies in the February, 2007 Financial Plan.

### Other Fringe Benefits

- A decrease in Other Benefits between the 2006 November Forecast and 2007 Final Proposed Budget represents higher than expected retiree payments in 2006.
- In all subsequent years of the plan, 2008, 2009 and 2010 are inflated by 2.91%, 3.07% and 3.20%, respectively

### Insurance

- Increases in the 2007 Preliminary Budget generally reflect increased general liability premiums. Thereafter 2008, 2009, and 2010 are inflated at 10% annually with some off-setting adjustments.
- Adjustments have also been made in levels for litigation and insurance reserves.

### Maintenance and Other Operating Contracts

- A slight decrease of \$0.637 million from the 2006 November Forecast for the 2007 Final Proposed Budget reflects a lower New Need levels in 2007 offset by an inflationary increase.
- Thereafter 2008, 2009 and 2010 are inflated by 1.62%, 1.53%, and 1.84%, respectively.

### Professional Service Contracts

- Increases from the 2006 November Forecast for the 2007 Final Proposed Budget of \$10.657 million primarily reflect a re-allocation of funding for Shared Services expenses from 2006 to 2007.
- Thereafter 2008, 2009 and 2010 are inflated by 1.62%, 1.53%, and 1.84%, respectively, with adjustments made to reflect the inclusion of New Need programs approved in the July Financial Plan.

### Materials & Supplies

- Increases of \$0.167 million from the 2006 November Forecast to the 2007 Final Proposed Budget reflect anticipated under-spending in 2006 from the mid-year plan as well as inflationary growth for 2007.

- Thereafter 2008, 2009 and 2010 are inflated by 1.62%, 1.53%, and 1.84%, respectively, with adjustments made to reflect the inclusion of New Need programs approved in the July Financial Plan.

#### MTA Internal Subsidy

- All years reflect MTA support requirements for SIRT OA and Long Island Bus based on projected revenue and support shortfalls from state and local governments.

#### Other Business Expenses

- Increases from the 2006 November Forecast for the 2007 Final Proposed Budget of \$1.291 million primarily reflects the effect of inflation.
- Expenses for 2008, 2009 and 2010 are inflated by 1.62%, 1.53%, and 1.84%, respectively, with adjustments made to reflect the inclusion of New Need programs approved in the July Financial Plan.

### **Other Expenditure Adjustments:**

#### Capital Expenditures

- 2007 expenditures anticipate a slight decrease of \$0.179 million, reflecting expected project levels.
- Expenditures for 2008 remain constant at \$21.339 million and thereafter at \$20.800 million in 2009 and 2010.

**MTA HEADQUARTERS**  
**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
<b>Revenue</b>									
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue									
Other Operating Revenue:									
Rental Income	46.906	47.104	0.198	47.867	0.763	48.599	0.732	49.494	0.894
Data Center Billings	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other	4.169	4.290	0.121	4.360	0.070	4.427	0.067	4.508	0.081
Total Other Operating Revenue	51.075	51.394	0.320	52.227	0.833	53.026	0.799	54.002	0.976
Capital and Other Reimbursements	-	-	-	-	-	-	-	-	-
<b>Total Revenue</b>	<b>\$51.075</b>	<b>\$51.394</b>	<b>\$0.320</b>	<b>\$52.227</b>	<b>\$0.833</b>	<b>\$53.026</b>	<b>\$0.799</b>	<b>\$54.002</b>	<b>\$0.976</b>
<b>Expenses</b>									
Labor:									
Payroll	\$118.440	\$118.447	(\$0.007)	\$121.955	(\$3.508)	\$124.933	(\$2.978)	\$127.954	(\$3.021)
Overtime	7.849	10.094	(2.245)	10.388	(0.294)	10.772	(0.384)	11.117	(0.345)
Health and Welfare	19.197	19.903	(0.707)	22.491	(2.588)	25.521	(3.030)	28.963	(3.442)
Pensions	14.104	32.229	(18.125)	30.359	1.870	31.121	(0.762)	31.930	(0.810)
Other Fringe Benefits	12.982	10.634	2.347	11.187	(0.553)	11.767	(0.580)	12.360	(0.592)
Reimbursable Overhead	(43.827)	(45.726)	1.899	(46.421)	0.695	(47.102)	0.681	(47.938)	0.837
<b>Total Labor Expenses</b>	<b>\$128.743</b>	<b>\$145.581</b>	<b>(\$16.838)</b>	<b>\$149.960</b>	<b>(\$4.378)</b>	<b>\$157.013</b>	<b>(\$7.054)</b>	<b>\$164.386</b>	<b>(\$7.373)</b>
Non-Labor:									
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-	-	-	-
Insurance	8.406	3.930	4.476	4.366	(0.437)	4.755	(0.388)	5.229	(\$0.475)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	14.848	14.211	0.637	14.442	(0.231)	14.497	(0.055)	14.766	(0.269)
Professional Service Contracts	42.248	52.533	(10.285)	45.652	6.881	45.069	0.583	44.856	0.213
Materials & Supplies	0.929	1.096	(0.167)	1.114	(0.017)	1.131	(0.018)	1.152	(0.021)
MTA Internal Subsidy	30.541	32.766	(2.225)	40.492	(7.726)	34.918	5.574	36.060	(1.142)
Other Business Expenses	54.161	55.472	(1.311)	56.148	(0.676)	57.077	(0.929)	58.145	(1.068)
<b>Total Non-Labor Expenses</b>	<b>\$151.134</b>	<b>\$160.008</b>	<b>(\$8.874)</b>	<b>\$162.215</b>	<b>(\$2.207)</b>	<b>\$157.447</b>	<b>\$4.768</b>	<b>\$160.208</b>	<b>(\$2.761)</b>
Other Expenses Adjustments:									
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$279.877</b>	<b>\$305.590</b>	<b>(\$25.712)</b>	<b>\$312.175</b>	<b>(\$6.585)</b>	<b>\$314.461</b>	<b>(\$2.286)</b>	<b>\$324.594</b>	<b>(\$10.134)</b>
Depreciation	25.675	24.662	1.013	21.745	2.917	19.542	2.203	19.542	0.000
<b>Total Expenses</b>	<b>\$305.552</b>	<b>\$330.252</b>	<b>(\$24.699)</b>	<b>\$333.920</b>	<b>(\$3.668)</b>	<b>\$334.003</b>	<b>(\$0.083)</b>	<b>\$344.136</b>	<b>(\$10.134)</b>
<b>Baseline Net Surplus/(Deficit)</b>	<b>(\$254.478)</b>	<b>(\$278.857)</b>	<b>(\$24.380)</b>	<b>(\$281.693)</b>	<b>(\$2.835)</b>	<b>(\$280.977)</b>	<b>\$0.716</b>	<b>(\$290.135)</b>	<b>(\$9.158)</b>
2007 Program to Eliminate the Gap	0.829	0.834	0.005	0.896	0.062	0.902	0.006	0.910	0.008
Post 2007 Program to Eliminate the Gap	0.000	0.000	0.000	1.330	1.330	1.438	0.108	1.537	0.099
<b>Net Surplus/(Deficit)</b>	<b>(\$253.649)</b>	<b>(\$278.023)</b>	<b>(\$24.375)</b>	<b>(\$279.467)</b>	<b>(\$1.443)</b>	<b>(\$278.637)</b>	<b>\$0.830</b>	<b>(\$287.688)</b>	<b>(\$9.051)</b>

## REIMBURSABLE

	Favorable/(Unfavorable)								
	2006	2007	Change 2007 - 2006	2008	Change 2008 - 2007	2009	Change 2009 - 2008	2010	Change 2010 - 2009
<b>Revenue</b>									
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-	-	-	-
Other Operating Revenue									
Rental Income			-		-		-		-
Data Center Billings			-		-		-		-
Other			-		-		-		-
Total Other Operating Revenue	-	-	-	-	-	-	-	-	-
Capital and Other Reimbursements	46.951	49.869	2.918	50.704	0.835	51.487	0.782	52.440	0.954
<b>Total Revenue</b>	<b>\$46.951</b>	<b>\$49.869</b>	<b>\$2.918</b>	<b>\$50.704</b>	<b>\$0.835</b>	<b>\$51.487</b>	<b>\$0.782</b>	<b>\$52.440</b>	<b>\$0.954</b>
<b>Expenses</b>									
Labor:									
Payroll	\$1.203	\$1.673	(\$0.470)	\$1.722	(\$0.049)	\$1.748	(\$0.026)	\$1.780	(\$0.032)
Overtime	-	-	-	-	-	-	-	-	-
Health and Welfare	0.154	0.268	(0.114)	0.297	(0.029)	0.328	(0.032)	0.363	(0.035)
Pensions	0.180	0.232	(0.052)	0.238	(0.006)	0.248	(0.010)	0.258	(0.010)
Other Fringe Benefits	0.110	0.142	(0.032)	0.146	(0.004)	0.151	(0.004)	0.155	(0.005)
Reimbursable Overhead	43.827	45.726	(1.899)	46.421	(0.695)	47.102	(0.681)	47.938	(0.837)
<b>Total Labor Expenses</b>	<b>\$45.474</b>	<b>\$48.041</b>	<b>(\$2.567)</b>	<b>\$48.823</b>	<b>(\$0.782)</b>	<b>\$49.577</b>	<b>(\$0.754)</b>	<b>\$50.495</b>	<b>(\$0.919)</b>
Non-Labor:									
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Professional Service Contracts	1.384	1.756	(0.372)	1.807	(0.051)	1.834	(0.028)	1.868	(0.034)
Materials & Supplies	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
MTA Internal Subsidy	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.093	0.072	0.020	0.074	(0.002)	0.076	(0.001)	0.077	(0.001)
<b>Total Non-Labor Expenses</b>	<b>\$1.477</b>	<b>\$1.828</b>	<b>(\$0.351)</b>	<b>\$1.881</b>	<b>(\$0.053)</b>	<b>\$1.910</b>	<b>(\$0.029)</b>	<b>\$1.945</b>	<b>(\$0.035)</b>
Other Expenses Adjustments:									
Other	\$0.000	\$0.000	\$0.000	0.000	\$0.000	0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$46.951</b>	<b>\$49.869</b>	<b>(\$2.918)</b>	<b>\$50.704</b>	<b>(\$0.835)</b>	<b>\$51.487</b>	<b>(\$0.782)</b>	<b>\$52.440</b>	<b>(\$0.954)</b>
Depreciation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Expenses</b>	<b>\$46.951</b>	<b>\$49.869</b>	<b>(\$2.918)</b>	<b>\$50.704</b>	<b>(\$0.835)</b>	<b>\$51.487</b>	<b>(\$0.782)</b>	<b>\$52.440</b>	<b>(\$0.954)</b>
<b>Baseline Net Surplus/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
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 2007 Program to Eliminate the Gap	0.000	0.000	\$0.000	0.000	\$0.000	0.000	\$0.000	0.000	\$0.000
<b>Net Surplus/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>

**MTA HEADQUARTERS**  
**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
<b>Revenue</b>									
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-	-	-	-
Other Operating Revenue:									
Rental Income	46.906	47.104	0.198	47.867	0.763	48.599	0.732	49.494	0.894
Data Center Billings	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other	4.169	4.290	0.121	4.360	0.070	4.427	0.067	4.508	0.081
Total Other Operating Revenue	51.075	51.394	0.320	52.227	0.833	53.026	0.799	54.002	0.976
Capital and Other Reimbursements	46.951	49.869	2.918	50.704	0.835	51.487	0.782	52.440	0.954
<b>Total Revenue</b>	<b>\$98.025</b>	<b>\$101.263</b>	<b>\$3.238</b>	<b>\$102.931</b>	<b>\$1.668</b>	<b>\$104.513</b>	<b>\$1.581</b>	<b>\$106.442</b>	<b>\$1.929</b>
<b>Expenses</b>									
Labor:									
Payroll	\$119.642	\$120.120	(\$0.477)	\$123.677	(\$3.557)	\$126.681	(\$3.005)	\$129.734	(\$3.053)
Overtime	7.849	10.094	(2.245)	10.388	(0.294)	10.772	(0.384)	11.117	(0.345)
Health and Welfare	19.351	20.171	(0.821)	22.788	(2.616)	25.850	(3.062)	29.326	(3.477)
Pensions	14.284	32.461	(18.177)	30.597	1.864	31.369	(0.772)	32.188	(0.820)
Other Fringe Benefits	13.092	10.776	2.315	11.334	(0.557)	11.918	(0.584)	12.515	(0.597)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenses</b>	<b>\$174.218</b>	<b>\$193.622</b>	<b>(\$19.405)</b>	<b>\$198.783</b>	<b>(\$5.160)</b>	<b>\$206.590</b>	<b>(\$7.807)</b>	<b>\$214.882</b>	<b>(\$8.291)</b>
Non-Labor:									
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-	-	-	-
Insurance	8.406	3.930	4.476	4.366	(0.437)	4.755	(0.388)	5.229	(0.475)
Claims	-	-	-	-	-	0.000	-	-	-
Paratransit Service Contracts	-	-	-	-	-	0.000	-	-	-
Maintenance and Other Operating Contracts	14.848	14.211	0.637	14.442	(0.231)	14.497	(0.055)	14.766	(0.269)
Professional Service Contracts	43.632	54.289	(10.656)	47.459	6.830	46.904	0.555	46.724	0.180
Materials & Supplies	0.929	1.096	(0.167)	1.114	(0.017)	1.131	(0.018)	1.152	(0.021)
MTA Internal Subsidy	30.541	32.766	(2.225)	40.492	(7.726)	34.918	5.574	36.060	(1.142)
Other Business Expenses	54.254	55.545	(1.291)	56.223	(0.678)	57.153	(0.930)	58.222	(1.070)
<b>Total Non-Labor Expenses</b>	<b>\$152.611</b>	<b>\$161.836</b>	<b>(\$9.226)</b>	<b>\$164.096</b>	<b>(\$2.260)</b>	<b>\$159.357</b>	<b>\$4.739</b>	<b>\$162.153</b>	<b>(\$2.796)</b>
Other Expenses Adjustments:									
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$326.828</b>	<b>\$355.459</b>	<b>(\$28.631)</b>	<b>\$362.879</b>	<b>(\$7.420)</b>	<b>\$365.947</b>	<b>(\$3.068)</b>	<b>\$377.035</b>	<b>(\$11.088)</b>
Depreciation	25.675	24.662	1.013	21.745	2.917	19.542	2.203	19.542	0.000
<b>Total Expenses</b>	<b>\$352.503</b>	<b>\$380.121</b>	<b>(\$27.618)</b>	<b>\$384.624</b>	<b>(\$4.503)</b>	<b>\$385.489</b>	<b>(\$0.865)</b>	<b>\$396.577</b>	<b>(\$11.088)</b>
<b>Baseline Net Surplus/(Deficit)</b>	<b>(\$254.478)</b>	<b>(\$278.857)</b>	<b>(\$24.380)</b>	<b>(\$281.693)</b>	<b>(\$2.835)</b>	<b>(\$280.977)</b>	<b>\$0.716</b>	<b>(\$290.135)</b>	<b>(\$9.158)</b>
2007 Program to Eliminate the Gap	0.829	0.834	0.005	0.896	0.062	0.902	0.006	0.910	\$0.008
Post 2007 Program to Eliminate the Gap	0.000	0.000	0.000	1.330	1.330	1.438	0.108	1.537	\$0.099
<b>Net Surplus/(Deficit)</b>	<b>(\$253.649)</b>	<b>(\$278.023)</b>	<b>(\$24.375)</b>	<b>(\$279.467)</b>	<b>(\$1.443)</b>	<b>(\$278.637)</b>	<b>\$0.830</b>	<b>(\$287.688)</b>	<b>(\$9.051)</b>

**MTA HEADQUARTERS**  
**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
<b><u>Receipts</u></b>									
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-	-	-	-
Other Operating Revenue:									
Rental Income	46.906	47.104	0.198	47.867	0.763	48.599	0.732	49.494	0.894
Data Center Billings	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other	4.169	4.290	0.121	4.360	0.070	4.427	0.067	4.508	0.081
Total Other Operating Revenue	51.075	51.394	0.320	52.227	0.833	53.026	0.799	54.002	0.976
Capital and Other Reimbursements	44.698	49.139	4.441	50.495	1.356	51.291	0.795	52.202	0.912
<b>Total Receipts</b>	<b>\$95.772</b>	<b>\$100.533</b>	<b>\$4.761</b>	<b>\$102.722</b>	<b>\$2.189</b>	<b>\$104.317</b>	<b>\$1.594</b>	<b>\$106.204</b>	<b>\$1.887</b>
<b><u>Expenditures</u></b>									
Labor:									
Payroll	\$116.642	\$117.046	(\$0.403)	\$120.541	(\$3.495)	\$123.497	(\$2.957)	\$126.492	(\$2.995)
Overtime	7.849	10.094	(2.245)	10.388	(0.294)	10.772	(0.384)	11.117	(0.345)
Health and Welfare	18.811	20.103	(1.293)	22.570	(2.466)	25.595	(3.025)	29.036	(3.442)
Pensions	13.549	32.293	(18.744)	30.512	1.781	31.176	(0.664)	31.983	(0.808)
Other Fringe Benefits	13.200	10.969	2.230	11.288	(0.318)	11.869	(0.581)	12.465	(0.596)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenditures</b>	<b>\$170.051</b>	<b>\$190.505</b>	<b>(\$20.455)</b>	<b>\$195.298</b>	<b>(\$4.792)</b>	<b>\$202.909</b>	<b>(\$7.611)</b>	<b>\$211.095</b>	<b>(\$8.185)</b>
Non-Labor:									
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-	-	-	-
Insurance	10.179	7.014	3.165	3.727	3.286	4.051	(0.323)	4.456	(0.406)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	14.848	14.211	0.637	14.442	(0.231)	14.497	(0.055)	14.766	(0.269)
Professional Service Contracts	41.632	54.289	(12.656)	47.459	6.830	46.904	0.555	46.724	0.180
Materials & Supplies	0.929	1.096	(0.167)	1.114	(0.017)	1.131	(0.018)	1.152	(0.021)
MTA Internal Subsidy	31.012	32.766	(1.754)	40.492	(7.726)	34.918	5.574	36.060	(1.142)
Other Business Expenses	52.407	53.630	(1.223)	54.283	(0.653)	55.182	(0.899)	56.214	(1.033)
<b>Total Non-Labor Expenditures</b>	<b>\$151.008</b>	<b>\$163.005</b>	<b>(\$11.998)</b>	<b>\$161.517</b>	<b>\$1.488</b>	<b>\$156.682</b>	<b>\$4.835</b>	<b>\$159.372</b>	<b>(\$2.690)</b>
Other Expenditure Adjustments:									
Other	21.518	21.339	0.179	21.339	0.000	20.800	0.539	20.800	0.000
<b>Total Other Expenditure Adjustments</b>	<b>\$21.518</b>	<b>\$21.339</b>	<b>\$0.179</b>	<b>\$21.339</b>	<b>\$0.000</b>	<b>\$20.800</b>	<b>\$0.539</b>	<b>\$20.800</b>	<b>\$0.000</b>
<b>Total Expenditures</b>	<b>\$342.576</b>	<b>\$374.850</b>	<b>(\$32.274)</b>	<b>\$378.154</b>	<b>(\$3.304)</b>	<b>\$380.391</b>	<b>(\$2.237)</b>	<b>\$391.267</b>	<b>(\$10.876)</b>
<b>Baseline Net Cash Deficit</b>	<b>(\$246.804)</b>	<b>(\$274.316)</b>	<b>(\$27.513)</b>	<b>(\$275.432)</b>	<b>(\$1.115)</b>	<b>(\$276.075)</b>	<b>(\$0.643)</b>	<b>(\$285.063)</b>	<b>(\$8.988)</b>
2007 Program to Eliminate the Gap	0.829	0.834	\$0.005	0.896	\$0.062	0.902	\$0.006	0.910	\$0.008
Post 2007 Program to Eliminate the Gap	0.000	0.000	\$0.000	1.330	\$1.330	1.438	\$0.108	1.537	\$0.099
<b>Net Cash Deficit</b>	<b>(\$245.975)</b>	<b>(\$273.482)</b>	<b>(\$27.508)</b>	<b>(\$273.206)</b>	<b>(\$1.053)</b>	<b>(\$273.735)</b>	<b>(\$0.637)</b>	<b>(\$282.616)</b>	<b>(\$8.980)</b>



**MTA Headquarters  
November Financial Plan 2007-2010  
Summary of Major Plan-to-Plan Changes**

The following explanations summarize the total differences between the November Financial Plan and the July Financial Plan:

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

The Net Cash Deficit in the 2006 November Forecast of \$245.975 million is lower than the July Forecast of \$257.812 million, a decrease of \$11.837 million. The favorable impact results primarily from the reallocation of \$7.750 million of MTA Shared Services funding to the 2007 Final Proposed Budget. Reduced levels of overtime usage compared to the July Forecast are somewhat offset by higher MTA Headquarters payroll expenses. Additionally, re-estimates of insurance and litigation reserves reduce cash expenditures by \$0.922 million. However, MTA Headquarters has identified additional financial requirements that partially offset these reductions. These include \$0.835 million in additional Cross Bay Toll support, higher payroll of \$0.196 million resulting from non-represented salary adjustments and \$2.800 million in higher retiree health and welfare payments.

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

The Net Cash Deficit in the November Financial Plan for 2007 is \$273.482 million. This is \$13.357 million higher than the July Financial Plan of \$260.125. The predominant causes of this increase include the \$40.000 million pension valuation provision, as well as the reallocation of MTA Shared Services costs of \$7.750 million, higher support for the Cross Bay Toll of \$0.859 million, higher personnel costs of \$0.616 million as a result of non-represented salary adjustments and re-estimated fuel costs for police vehicles of \$0.300 million. Partly offsetting these increases are the favorable impact of the Non-NYCT pension pre-payment savings of \$30.370 million and re-estimates of insurance and litigation reserves of \$6.014 million.

Also, the effect of a higher inflation rate for 2007 has been taken into account for the November Financial Plan. This adjustment adds a marginal increase of \$0.188 million in expenses.

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

The Net Cash Deficit in the November Financial Plan for 2008 is \$273.206 million. This is \$2.328 million lower than the July Financial Plan of \$275.533. The decrease is primarily due to the impact of the Non-NYCT pension pre-payment savings effect of \$32.573 million, insurance and litigation reserve re-estimates of \$10.008 million, and the favorable effect of \$0.289 million from lower inflation rates. Partially off-setting this is

the \$40.000 million pension valuation provision, combined with the continuing effects of higher fuel costs, Cross Bay Toll support and increased salary costs.

### **2009: November Financial Plan vs. July Financial Plan**

The Net Cash Deficit in the November Financial Plan for 2009 is \$273.735 million. This is \$5.153 million lower than the July Financial Plan of \$278.888. Again, the major causes of the decrease include the impacts of the Non-NYCT pension pre-payment savings effect of \$32.573 million, insurance and litigation reserve re-estimates of \$11.009 million and the favorable effect of \$2.970 million from lower inflation rates. Partially off-setting this decrease is the \$40.000 million pension valuation provision combined with the continuing effects of higher fuel costs, Cross Bay Toll support and increased salary costs.

### **2010: November Financial Plan vs. July Financial Plan**

The Net Cash Deficit in the November Financial Plan for 2010 is \$282.616 million. This is \$7.464 million lower than the July Financial Plan of \$290.080. The major reasons for the decrease include the continued effects of the Non-NYCT pension pre-payment savings of \$32.573 million, insurance and litigation reserve re-estimates of \$12.109 million, and the favorable effect of \$4.524 million from lower inflation rates. Partially off-setting this decrease is the \$40.000 million pension valuation provision as well as higher fuel costs, Cross Bay Toll support and increased salary costs.

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

<b>NON-REIMBURSABLE</b>					
	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Baseline 2006 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$258.641)</b>	<b>(\$260.959)</b>	<b>(\$277.759)</b>	<b>(\$281.228)</b>	<b>(\$292.527)</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
Farebox Revenue					
Vehicle Toll Revenue					
Rental Income	0.663	0.202	(0.241)	(0.735)	(1.069)
Data Center Billings					
Other	0.000	0.018	(0.022)	(0.066)	(0.097)
Capital and Other Reimbursement					
<b>Total Revenue Changes</b>	<b>\$0.663</b>	<b>\$0.220</b>	<b>(\$0.263)</b>	<b>(\$0.801)</b>	<b>(\$1.166)</b>
<b>Expenses</b>					
<b>Labor:</b>					
Payroll	(\$1.481)	(\$0.655)	(\$0.724)	\$0.064	\$1.096
Overtime	1.943	(0.000)	(0.000)	(0.065)	(0.067)
Health and Welfare	0.174	(0.017)	(0.029)	(0.041)	(0.059)
Pensions	7.815	(9.716)	(7.515)	(7.517)	(7.519)
Other Fringe Benefits	(2.875)	(0.052)	(0.058)	(0.064)	(0.072)
Reimbursable Overhead	0.333	0.554	0.198	(0.327)	(0.662)
<b>Total Labor Expense Changes</b>	<b>\$5.911</b>	<b>(\$9.886)</b>	<b>(\$8.129)</b>	<b>(\$7.951)</b>	<b>(\$7.283)</b>
<b>Non-Labor:</b>					
Traction and Propulsion Power					
Fuel for Buses and Trains					
Insurance	2.661	8.218	9.040	9.944	10.938
Claims					
Paratransit Service Contracts					
Maintenance and Other Operating Contracts	0.360	0.143	0.284	0.423	0.531
Professional Service Contracts	7.606	(8.940)	(0.482)	0.332	0.872
Materials & Supplies	0.066	(0.005)	0.005	0.017	0.024
MTA Internal Subsidy	0.082	0.096	0.082	(0.143)	(0.284)
Other Business Expenses	(1.201)	(0.840)	(0.238)	1.158	1.554
<b>Total Non-Labor Expense Changes</b>	<b>\$9.573</b>	<b>(\$1.328)</b>	<b>\$8.690</b>	<b>\$11.731</b>	<b>\$13.635</b>
Depreciation	(0.300)	0.000	0.000	0.000	0.000
<b>Total Expense Changes</b>	<b>\$15.184</b>	<b>(\$11.215)</b>	<b>\$0.561</b>	<b>\$3.779</b>	<b>\$6.352</b>
<b>Cash Adjustment Changes</b>					
Litigation reserve	(\$1.739)	(\$2.204)	\$0.968	\$1.065	\$1.171
All other	(\$2.270)	(\$0.159)	\$1.061	\$1.110	\$1.108
<b>Total Cash Adjustment Changes</b>	<b>(\$4.009)</b>	<b>(\$2.363)</b>	<b>\$2.029</b>	<b>\$2.175</b>	<b>\$2.279</b>
<b>Total Baseline Changes</b>	<b>\$11.837</b>	<b>(\$13.357)</b>	<b>\$2.327</b>	<b>\$5.153</b>	<b>\$7.464</b>
<b>Baseline 2006 November Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$246.804)</b>	<b>(\$274.316)</b>	<b>(\$275.432)</b>	<b>(\$276.075)</b>	<b>(\$285.063)</b>

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

<b>REIMBURSABLE</b>					
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>Baseline 2006 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
Farebox Revenue					
Vehicle Toll Revenue					
Rental Income					
Data Center Billings					
Other					
Capital and Other Reimbursement	(0.718)	0.562	0.197	(0.385)	(0.778)
<b>Total Revenue Changes</b>	<b>(\$0.718)</b>	<b>\$0.562</b>	<b>\$0.197</b>	<b>(\$0.385)</b>	<b>(\$0.778)</b>
<b>Expenses</b>					
<b>Labor:</b>					
Payroll	\$0.319	\$0.000	\$0.000	\$0.027	\$0.051
Overtime					
Health and Welfare	0.059	0.000	0.009	0.019	0.034
Pensions	0.038	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.017	0.000	0.004	0.007	0.012
Reimbursable Overhead	(0.333)	(0.554)	(0.198)	0.327	0.662
<b>Total Labor Expense Changes</b>	<b>\$0.100</b>	<b>(\$0.554)</b>	<b>(\$0.184)</b>	<b>\$0.380</b>	<b>\$0.758</b>
<b>Non-Labor:</b>					
Traction and Propulsion Power					
Fuel for Buses and Trains					
Insurance					
Claims					
Paratransit Service Contracts					
Maintenance and Other Operating Contracts					
Professional Services	0.606	(0.008)	(0.013)	0.006	0.020
Materials & Supplies					
MTA Internal Subsidy					
Other Business Expenses	0.012	(0.000)	(0.000)	(0.001)	0.000
<b>Total Non-Labor Expense Changes</b>	<b>\$0.618</b>	<b>(\$0.008)</b>	<b>(\$0.013)</b>	<b>\$0.005</b>	<b>\$0.020</b>
Depreciation					
<b>Total Expense Changes</b>	<b>\$0.718</b>	<b>(\$0.562)</b>	<b>(\$0.197)</b>	<b>\$0.385</b>	<b>\$0.778</b>
<b>Cash Adjustment Changes</b>					
<b>Total Cash Adjustment Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Baseline Changes</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Baseline 2006 November Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>

**MTA HEADQUARTERS**  
**July Financial Plan 2007 - 2010**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

<b>NON-REIMBURSABLE and REIMBURSABLE</b>					
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>Baseline 2006 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$258.641)</b>	<b>(\$260.959)</b>	<b>(\$277.759)</b>	<b>(\$281.228)</b>	<b>(\$292.527)</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
Farebox Revenue					
Vehicle Toll Revenue					
Rental Income	0.663	0.202	(0.241)	(0.735)	(1.069)
Data Center Billings	0.000	0.000	0.000	0.000	0.000
Other	0.000	0.018	(0.022)	(0.066)	(0.097)
Capital and Other Reimbursement	(0.718)	0.562	0.197	(0.385)	(0.778)
<b>Total Revenue Changes</b>	<b>(\$0.056)</b>	<b>\$0.782</b>	<b>(\$0.066)</b>	<b>(\$1.186)</b>	<b>(\$1.944)</b>
<b>Expenses</b>					
<b>Labor:</b>					
Payroll	(\$1.161)	(\$0.655)	(\$0.724)	\$0.091	\$1.147
Overtime	1.943	(0.000)	(0.000)	(0.065)	(0.067)
Health and Welfare	0.233	(0.017)	(0.020)	(0.023)	(0.025)
Pensions	7.853	(9.716)	(7.515)	(7.517)	(7.519)
Other Fringe Benefits	(2.858)	(0.052)	(0.055)	(0.057)	(0.060)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expense Changes</b>	<b>\$6.010</b>	<b>(\$10.441)</b>	<b>(\$8.313)</b>	<b>(\$7.571)</b>	<b>(\$6.526)</b>
<b>Non-Labor:</b>					
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	2.661	8.218	9.040	9.944	10.938
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	0.360	0.143	0.284	0.423	0.531
Professional Services	8.212	(8.948)	(0.495)	0.337	0.892
Materials & Supplies	0.066	(0.005)	0.005	0.017	0.024
MTA Internal Subsidy	0.082	0.096	0.082	(0.143)	(0.284)
Other Business Expenses	(1.189)	(0.841)	(0.239)	1.157	1.554
<b>Total Non-Labor Expense Changes</b>	<b>\$10.191</b>	<b>(\$1.336)</b>	<b>\$8.677</b>	<b>\$11.736</b>	<b>\$13.655</b>
<b>Total Expense Changes</b>	<b>\$16.202</b>	<b>(\$11.777)</b>	<b>\$0.364</b>	<b>\$4.165</b>	<b>\$7.129</b>
Depreciation	(\$0.300)	\$0.000	\$0.000	\$0.000	\$0.000
<b>Cash Adjustment Changes</b>					
Litigation reserve	(\$1.739)	(\$2.204)	\$0.968	\$1.065	\$1.171
All other	(2.270)	(0.159)	1.061	1.110	1.108
<b>Total Cash Adjustment Changes</b>	<b>(\$4.009)</b>	<b>(\$2.363)</b>	<b>\$2.029</b>	<b>\$2.175</b>	<b>\$2.279</b>
<b>Total Baseline Changes</b>	<b>\$11.837</b>	<b>(\$13.357)</b>	<b>\$2.327</b>	<b>\$5.153</b>	<b>\$7.464</b>
<b>Baseline 2006 November Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$246.804)</b>	<b>(\$274.316)</b>	<b>(\$275.432)</b>	<b>(\$276.075)</b>	<b>(\$285.063)</b>

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

<b>NON-REIMBURSABLE and REIMBURSABLE</b>					
	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Baseline 2006 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$258.641)</b>	<b>(\$260.959)</b>	<b>(\$277.759)</b>	<b>(\$281.228)</b>	<b>(\$292.527)</b>
<b><i>Non-Reimbursable Major Changes</i></b>					
Reduced Data Center Revenue	0.000	(\$1.330)	(\$1.352)	(\$1.372)	(\$1.397)
Changes in Rental Income	0.663	0.202	(0.241)	(0.735)	(1.069)
Sub-Total Non-Reimbursable Revenue Changes	\$0.663	(\$1.128)	(\$1.592)	(\$2.107)	(\$2.467)
Expenses					
Adjustment of litigation and insurance reserve levels	\$3.431	\$8.218	\$9.040	\$9.944	\$10.938
Lower Police Overtime	\$1.943	\$0.000	\$0.000	\$0.000	\$0.000
Pension Valuation Provision (Agency-wide)	\$0.000	(\$40.000)	(\$40.000)	(\$40.000)	(\$40.000)
Savings from Pension Pre-Payments (Agency-wide)	\$7.875	\$30.370	\$32.573	\$32.573	\$32.573
Increased Cross Bay Toll Payments	(\$0.835)	(\$0.859)	(\$0.873)	(\$0.887)	(\$0.903)
Shared Services re-allocation	\$7.750	(\$7.750)	0.000	0.000	0.000
Reinstatement of Civil Rights headcount	(\$0.012)	(\$0.152)	(\$0.159)	(\$0.164)	(\$0.170)
Increased Police Fuel Costs	\$0.000	(\$0.300)	(\$0.305)	(\$0.310)	(\$0.315)
Non-Represented Salary Adjustment	(\$0.196)	(\$0.616)	(\$0.635)	(\$0.646)	(\$0.660)
Increased Advertising and Appraisal fees	(\$0.125)	\$0.000	\$0.000	\$0.000	\$0.000
Shift in funding of Web Accessibility	\$0.100	(\$0.100)	\$0.000	\$0.000	\$0.000
Reduced Data Center Costs	\$0.000	\$1.330	\$1.352	\$1.372	\$1.397
Effect of Inflation	\$0.000	(\$0.188)	\$0.289	\$2.970	\$4.524
Depreciation	(\$0.300)	\$0.000	\$0.000	\$0.000	\$0.000
Health and Welfare Higher Retiree payments	(\$2.800)	\$0.000	\$0.000	\$0.000	\$0.000
Change in MTA Internal Subsidy levels	\$0.082	\$0.096	\$0.082	(\$0.143)	(\$0.284)
All other	(\$1.011)	(\$0.477)	\$0.330	\$0.760	\$1.329
Sub-Total Non-Reimbursable Expense Changes	\$15.902	(\$10.428)	\$1.694	\$5.470	\$8.430
<b>Total Non-Reimbursable Major Changes</b>	<b>\$16.564</b>	<b>(\$11.556)</b>	<b>\$0.101</b>	<b>\$3.364</b>	<b>\$5.963</b>
<b><i>Reimbursable Major Changes</i></b>					
Revenue					
Capital and Other Reimbursement	(\$0.718)	\$0.562	\$0.197	(\$0.385)	(\$0.778)
Sub-Total Reimbursable Revenue Changes	(\$0.718)	\$0.562	\$0.197	(\$0.385)	(\$0.778)
Expenses					
Sub-Total Reimbursable Expense Changes					
<b>Total Reimbursable Major Changes</b>	<b>(\$0.718)</b>	<b>\$0.562</b>	<b>\$0.197</b>	<b>(\$0.385)</b>	<b>(\$0.778)</b>
<b>Total Accrual Changes</b>	<b>\$15.846</b>	<b>(\$10.994)</b>	<b>\$0.299</b>	<b>\$2.978</b>	<b>\$5.185</b>
<b><i>Cash Adjustment Changes</i></b>					
Litigation and Insurance Reserve	(\$1.739)	(\$2.204)	\$0.968	\$1.065	\$1.171
Other Cash adj	(\$2.270)	(\$0.159)	\$1.061	\$1.110	\$1.108
<b>Total Cash Adjustment Changes</b>	<b>(\$4.009)</b>	<b>(\$2.363)</b>	<b>\$2.029</b>	<b>\$2.175</b>	<b>\$2.279</b>
<b>Total Baseline Changes</b>	<b>\$11.837</b>	<b>(\$13.357)</b>	<b>\$2.328</b>	<b>\$5.153</b>	<b>\$7.464</b>
<b>Baseline 2006 November Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$246.804)</b>	<b>(\$274.316)</b>	<b>(\$275.431)</b>	<b>(\$276.075)</b>	<b>(\$285.063)</b>

MTA Headquarters  
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>
<b>Administration</b>											
MTA Police Overtime		0	0.829	0	0.834	0	0.896	0	0.902	0	0.910
Sub-Total	Administration	<u>0</u>	<u>\$ 0.829</u>	<u>0</u>	<u>\$ 0.834</u>	<u>0</u>	<u>\$ 0.896</u>	<u>0</u>	<u>\$ 0.902</u>	<u>0</u>	<u>\$ 0.910</u>
Total Programs		<u>0</u>	<u>\$ 0.829</u>	<u>0</u>	<u>\$ 0.834</u>	<u>0</u>	<u>\$ 0.896</u>	<u>0</u>	<u>\$ 0.902</u>	<u>0</u>	<u>\$ 0.910</u>

MTA Headquarters  
November Plan 2007-2010  
Summary of 2007 Program to Eliminate the Gap(PEGs)  
(\$ in Millions)

Business Unit	MTAHQ	Financial Plan Category	PEG	Implementation Date	5/30/2006
Budget Reference	FINAL06	Category	Administration	Savings Date	5/30/2006
PEG / New Need ID	0000000010	Current Budget Year	2006	Status	Open
				Agency Status	Pending
Program:		MTA Police Overtime			
Design and Implementation Plan		Reduction in overtime usage.			

Background Details

Additional experience with the Department's move to 12 hour tours, combined with continued Command oversight of overtime usage will allow futher reductions to the budgeted levels of overtime for MTA PD.

				2006	2007	2008	2009	2010
Total Headcount								
Financial Impact	MTAHQ	0000000010	FINAL06	\$ 0.829	\$ 0.834	\$ 0.896	\$ 0.902	\$ 0.910



MTA Headquarters  
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>
<b>Administration</b>											
Headcount Reduction Program		0	0.000	0	0.000	18	1.330	18	1.439	18	1.538
Sub-Total	Administration	<u>0</u>	<u>\$ 0.000</u>	<u>0</u>	<u>\$ 0.000</u>	<u>18</u>	<u>\$ 1.330</u>	<u>18</u>	<u>\$ 1.439</u>	<u>18</u>	<u>\$ 1.538</u>
Total Programs		<u>0</u>	<u>\$ 0.000</u>	<u>0</u>	<u>\$ 0.000</u>	<u>18</u>	<u>\$ 1.330</u>	<u>18</u>	<u>\$ 1.439</u>	<u>18</u>	<u>\$ 1.538</u>

MTA Headquarters  
November Plan 2007-2010  
Summary of Post 2007 PEGs  
(\$ in Millions)

Business Unit	MTAHQ	Financial Plan Category	Post PEG	Implementation Date	1/1/2008
Budget Reference	FINAL06	Category	Administration	Savings Date	1/1/2008
PEG / New Need ID	0000000001	Current Budget Year	2006	Status	Open
				Agency Status	Pending
Program:	Headcount Reduction Program				
Design and Implementation Plan	Eliminate 18 positions.				

Background Details

MTA Headquarters will achieve savings in salaries and fringe benefits by reducing 18 position through attrition between now and the end of 2008. These reductions will be sought through productitvty efficiencies in each department. In order to achieve the target saving through attrition., departments will be required to identify the positions to be eliminated and will be responsible to achieve savings through vacancy control and delayed hiring until the attrition takes place. It is assumed that the full headcount reduction will occur prior to the end of 2008.

				2006	2007	2008	2009	2010
Total Headcount	MTAHQ	0000000001	FINAL06	0	0	18	18	18
Financial Impact	MTAHQ	0000000001	FINAL06	\$ 0.000	\$ 0.000	\$ 1.330	\$ 1.439	\$ 1.538

**MTA Headquarters  
2007 Final Proposed Budget  
November Financial Plan 2007 – 2010**

**Other Assumptions**

**Positions**

A baseline headcount of 1,423 positions is forecasted for 2006, with this level of employees increasing by ten additional positions in 2007, for a total of 1,433 positions. This then remains constant throughout the remainder of the plan. Offsetting the additional personnel are PEG Savings reductions. Beginning in 2008 PEG reductions lower the total headcount by 18 positions to 1,415 and remains constant throughout the remaining years in the plan period.

**MTA HEADQUARTERS**  
**November Financial Plan 2007 - 2010**  
**Non-Reimbursable - Reimbursable Positions by Function/Department**  
**Full-Time Positions and Full-Time Equivalents**

FUNCTION/DEPARTMENT	2005 Actuals	2006 November Forecast	2007 Final Proposed Budget	2008	2009	2010
<b>Administration</b>						
Executive	5	12	12	12	12	12
Administration	195	224	223	223	223	223
Audit	92	98	98	98	98	98
Budget and Financial Mana	106	127	125	125	125	125
DED Corporate Affiars	44	51	51	51	51	51
Dir. of Communications/Pr	4	4	4	4	4	4
DED General Counsel	68	79	79	79	79	79
Chief of Staff/Senior Pol	6	6	6	6	6	6
Spec. Project Develop/Pla	7	9	9	9	9	9
Labor Relations	31	39	39	39	39	39
PCAC	1	1	1	1	1	1
Safety Programs	0	0	0	0	0	0
Vending Fare Media	6	7	7	7	7	7
Corporate Account	6	11	11	11	11	11
<b>Total Administration</b>	<b>571</b>	<b>668</b>	<b>665</b>	<b>665</b>	<b>665</b>	<b>665</b>
<b>Public Safety</b>	692	755	768	768	768	768
<b>Baseline Total Positions</b>	<b>1,263</b>	<b>1,423</b>	<b>1,433</b>	<b>1,433</b>	<b>1,433</b>	<b>1,433</b>
<i>Non-Reimbursable</i>	1,240	1,387	1,397	1,397	1,397	1,397
<i>Reimbursable</i>	23	36	36	36	36	36
<i>Full-Time</i>	1,263	1,423	1,433	1,433	1,433	1,433
<i>Full-Time Equivalents</i>	-	-	-	-	-	-
Impact of:						
2007 Program to Eliminate the Gap	-	0	0	0	0	0
Post 2007 Program to Eliminate the Gap	-	0	0	(18)	(18)	(18)
<b>Total Positions</b>	<b>1,263</b>	<b>1,423</b>	<b>1,433</b>	<b>1,415</b>	<b>1,415</b>	<b>1,415</b>
<i>Non-Reimbursable</i>	1,240	1,387	1,397	1,379	1,379	1,379
<i>Reimbursable</i>	23	36	36	36	36	36
<i>Total Full-Time</i>	1,263	1,423	1,433	1,415	1,415	1,415
<i>Total Full-Time Equivalents</i>	-	-	-	-	-	-

**MTA HEADQUARTERS**  
**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
<b>Administration</b>						
	Managers/Supervisors	402	402	402	402	402
	Professional, Technical, Clerical	266	263	263	263	263
	Operational Hourlies	-	-	-	-	-
	<b>Total Administration</b>	668	665	665	665	665
<b>Operations</b>						
	Managers/Supervisors	-	-	-	-	-
	Professional, Technical, Clerical	-	-	-	-	-
	Operational Hourlies	-	-	-	-	-
	<b>Total Operations</b>	-	-	-	-	-
<b>Maintenance</b>						
	Managers/Supervisors	-	-	-	-	-
	Professional, Technical, Clerical	-	-	-	-	-
	Operational Hourlies	-	-	-	-	-
	<b>Total Maintenance</b>	-	-	-	-	-
<b>Engineering/Capital</b>						
	Managers/Supervisors	-	-	-	-	-
	Professional, Technical, Clerical	-	-	-	-	-
	Operational Hourlies	-	-	-	-	-
	<b>Total Engineering/Capital</b>	-	-	-	-	-
<b>Public Safety</b>						
	Managers/Supervisors	29	29	29	29	29
	Professional, Technical, Clerical	51	53	53	53	53
	Operational Hourlies (Uniformed)	675	686	686	686	686
	<b>Total Public Safety</b>	755	768	768	768	768
<b>Total Baseline Positions</b>						
	Managers/Supervisors	431	431	431	431	431
	Professional, Technical, Clerical	317	316	316	316	316
	Operational Hourlies	675	686	686	686	686
	<b>Total Baseline Positions</b>	1,423	1,433	1,433	1,433	1,433

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**MTA First Mutual Transportation Assurance Company**  
**2007 Final Proposed Budget**  
**November Financial Plan 2007 - 2010**

**Mission Statement**

The mission of the First Mutual Transportation Assurance Company (FMTAC) is to engage in the business of acting as a pure captive insurance company under Section 7005, Article 70 of the Insurance Law and Section 1266 subdivision 5 of the Public Authorities Law of the State of New York. FMTAC's mission is to continue, develop, and improve the insurance and risk management needs as required by the MTA. FMTAC was established to maximize the flexibility and effectiveness of the MTA's insurance program.

**FINANCIAL OVERVIEW**

FMTAC continues to utilize dedicated resources to efficiently address the challenges related to insurance and risk management for the MTA. It is the goal of FMTAC to maximize the efficiency and flexibility of the insurance programs while minimizing costs to the MTA and its subsidiaries. FMTAC continues to draw from the expertise and support services available in other MTA agencies and outside service providers to support risk management. This is reflected in the current budget proposal.

For all years, on a cash basis, FMTAC generates a net cash deficit of zero, which is the true cash impact of FMTAC on MTA cash balances. FMTAC cash reserves are separate and distinct from MTA and are necessary to maintain the appropriate capital and reserve levels pursuant to the State of New York Insurance guidelines.

Costs for FMTAC are comprised of insurance premiums (credit to Insurance expenses), Claims expenses, and Other Business Expenses. Insurance revenues result in an offset to expenses.

**2006 November Forecast**

In the 2006 November Forecast, a total of \$7.417 million is projected in Net Surplus compared to \$7.490 million in the 2006 Mid-Year Forecast. This consists of \$8.324 million in higher revenues, offset by \$0.907 million in higher expenses. This unfavorable outcome is primarily due to unfavorable developments in Other Business Expenses based on actual results through July 2006. Favorable All-Urban Consumers Price Index (CPI) projections applied to Revenue partially offset the unfavorable developments in Other Business Expenses.

## **2007 Final Proposed Budget – Baseline**

In the 2007 Final Proposed Budget, a total of \$3.064 million is projected in Net Surplus compared to \$3.032 million in the 2006 Mid-Year Forecast. This consists of \$8.567 million in revenues, less \$5.503 million in expenses. The favorable outcome is due primarily to favorable CPI rates applied to revenues, which is partially offset by unfavorable developments in Other Business Expenses based on actual results through July 2006. Insurance is based on 2006 estimates with an increase of 10%. Claims are based on actuarial analysis of claims activity on a cash flow basis. Insurance and Claims projections did not result in any variances to the July Financial Plan since there was no significant development between budgets. Other Business Expenses are based on 2006 estimates with an increase of 5%.

## **2008 – 2010 Projections**

2008 – 2010 Projections are representative of 2007 projections with market increases. Investment Income and Other Operating Revenue are estimated to increase over 2007 projections at a rate equal to the CPI. Insurance is estimated to increase over 2007 estimates at a rate of 10% each year. Claims are based on actuarial analysis of projected claims activity and adjustments, whether favorable or unfavorable in required reserves. Other Business Expenses are estimated to increase over 2007 at a rate of 5% each year.



**MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY**

**November Financial Plan 2007 - 2010**

**Accrual Statement of Operations by Category**

(\$ in millions)

**NON-REIMBURSABLE**

	2005	2006	2007			
	Actuals	November	Final Proposed			
		Forecast	Budget	2008	2009	2010
<b>Operating Revenue</b>						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	8.033	7.928	8.159	8.291	8.418	8.573
Investment Income	-	0.396	0.408	0.415	0.421	0.429
Capital and Other Reimbursements	-	-	-	-	-	-
<b>Total Revenue</b>	<b>\$8.033</b>	<b>\$8.324</b>	<b>\$8.567</b>	<b>\$8.706</b>	<b>\$8.839</b>	<b>\$9.002</b>
<b>Operating Expenses</b>						
<u><b>Labor:</b></u>						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-
Pensions	-	-	-	-	-	-
Other Fringe Benefits	-	-	-	-	-	-
Reimbursable Overhead	-	-	-	-	-	-
<b>Total Labor Expenses</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<u><b>Non-Labor:</b></u>						
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	(11.943)	(45.369)	(49.906)	(54.896)	(60.386)	(66.425)
Claims	1.566	37.675	46.378	47.545	48.750	50.000
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	-	-	-	-	-	-
Professional Service Contracts	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-
Other Business Expenses	7.998	8.601	9.031	9.483	9.957	10.455
<b>Total Non-Labor Expenses</b>	<b>(\$2.379)</b>	<b>\$0.907</b>	<b>\$5.503</b>	<b>\$2.132</b>	<b>(\$1.679)</b>	<b>(\$5.970)</b>
<u><b>Other Expenses Adjustments:</b></u>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>(\$2.379)</b>	<b>\$0.907</b>	<b>\$5.503</b>	<b>\$2.132</b>	<b>(\$1.679)</b>	<b>(\$5.970)</b>
Depreciation	-	-	-	-	-	-
<b>Total Expenses</b>	<b>(\$2.379)</b>	<b>\$0.907</b>	<b>\$5.503</b>	<b>\$2.132</b>	<b>(\$1.679)</b>	<b>(\$5.970)</b>
<b>Net Surplus/(Deficit)</b>	<b>\$10.412</b>	<b>\$7.417</b>	<b>\$3.064</b>	<b>\$6.574</b>	<b>\$10.518</b>	<b>\$14.972</b>

## CASH RECEIPTS AND EXPENDITURES

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**MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY**  
**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
<b>Receipts</b>						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Investment Income	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	-	-	-	-	-	-
<b>Total Receipts</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Expenditures</b>						
<b><u>Labor:</u></b>						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-
Pensions	-	-	-	-	-	-
Other Fringe Benefits	-	-	-	-	-	-
Reimbursable Overhead	-	-	-	-	-	-
<b>Total Labor Expenditures</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	4.360	19.511	19.067	21.289	20.916
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	-	-	-	-	-	-
Professional Service Contracts	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-
Other Business Expenditures	-	-	-	-	-	-
<b>Total Non-Labor Expenditures</b>	<b>\$0.000</b>	<b>\$4.360</b>	<b>\$19.511</b>	<b>\$19.067</b>	<b>\$21.289</b>	<b>\$20.916</b>
<b><u>Other Expenditures Adjustments:</u></b>						
Other	\$10.412	(\$11.777)	(\$22.575)	(\$25.641)	(\$31.807)	(\$35.888)
<b>Total Other Expenditures Adjustments</b>	<b>\$10.412</b>	<b>(\$11.777)</b>	<b>(\$22.575)</b>	<b>(\$25.641)</b>	<b>(\$31.807)</b>	<b>(\$35.888)</b>
<b>Total Cash Conversion Adjustments before Depreciation</b>	<b>\$10.412</b>	<b>(\$7.417)</b>	<b>(\$3.064)</b>	<b>(\$6.574)</b>	<b>(\$10.518)</b>	<b>(\$14.972)</b>
Depreciation Adjustment	-	-	-	-	-	-
<b>Total Cash Conversion Adjustments</b>	<b>\$10.412</b>	<b>(\$7.417)</b>	<b>(\$3.064)</b>	<b>(\$6.574)</b>	<b>(\$10.518)</b>	<b>(\$14.972)</b>

**MTA First Mutual Transportation Assurance Company**  
**November Financial Plan 2007 - 2010**  
**Year-to-Year Changes by Category 2006-2010**  
**Non-Reimbursable**

**Revenue**

**Investment Income**

- Investment income is derived through FMTAC based on the investments held with Dwight Asset Management.
- Investment income is projected based on the All Urban Consumer CPI inflation rates as provided in the Economic & Demographic Forecasts September 2006.

**Expenses**

**Insurance**

- Insurance (premiums) is based on increases in the market as well as increases in the claims expenses and reserve adjustments.
- Insurance Premiums are estimated to increase 10% each year for 2007 - 2010

**Claims**

- Claims expenses are determined by actuarial projection for 2007 – 2010 of the actual claims expense paid and any adjustments either favorable or unfavorable to reserves.

**Other Business Expenses**

- Costs increase 5% for 2007 through 2010 and are representative of general increases for the services provided and expenses not directly related to claims.

**MTA First Mutual Transportation Assurance 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
<b>Revenue</b>									
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
Investment Income	0.396	0.408	0.012	0.415	0.007	0.421	0.006	0.429	0.008
Other Operating Revenue	7.928	8.159	0.231	8.291	0.132	8.418	0.127	8.573	0.155
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Revenue</b>	<b>\$8.324</b>	<b>\$8.567</b>	<b>\$0.243</b>	<b>\$8.706</b>	<b>\$0.139</b>	<b>\$8.839</b>	<b>\$0.133</b>	<b>\$9.002</b>	<b>\$0.163</b>
<b>Expenses</b>									
Labor:									
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenses</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
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	(45.369)	(49.906)	(4.537)	(54.896)	(4.990)	(60.386)	(5.490)	(66.425)	6.039
Claims	37.675	46.378	8.703	47.545	1.167	48.750	1.205	50.000	(1.250)
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	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Professional Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Materials & Supplies	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	8.601	9.031	0.430	9.483	0.452	9.957	0.474	10.455	(0.498)
<b>Total Non-Labor Expenses</b>	<b>\$0.907</b>	<b>\$5.503</b>	<b>\$4.596</b>	<b>\$2.132</b>	<b>(\$3.371)</b>	<b>(\$1.679)</b>	<b>(\$3.811)</b>	<b>(\$5.970)</b>	<b>\$4.291</b>
Other Expenses Adjustments:									
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$0.907</b>	<b>\$5.503</b>	<b>\$4.596</b>	<b>\$2.132</b>	<b>(\$3.371)</b>	<b>(\$1.679)</b>	<b>(\$3.811)</b>	<b>(\$5.970)</b>	<b>\$4.291</b>
Depreciation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Expenses</b>	<b>\$0.907</b>	<b>\$5.503</b>	<b>\$4.596</b>	<b>\$2.132</b>	<b>(\$3.371)</b>	<b>(\$1.679)</b>	<b>(\$3.811)</b>	<b>(\$5.970)</b>	<b>\$4.291</b>
<b>Baseline Net Surplus/(Deficit)</b>	<b>\$7.417</b>	<b>\$3.064</b>	<b>(\$4.353)</b>	<b>\$6.574</b>	<b>\$3.510</b>	<b>\$10.518</b>	<b>\$3.944</b>	<b>\$14.972</b>	<b>\$4.454</b>
2007 Agency Program to Eliminate the Gap (PEGs)	-	-	-	-	-	-	-	-	-
Post - 2007 Agency Program to Eliminate the Gap (PEGs)	-	-	-	-	-	-	-	-	-
<b>Total PEGs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Surplus/(Deficit)</b>	<b>\$7.417</b>	<b>\$3.064</b>	<b>(\$4.353)</b>	<b>\$6.574</b>	<b>\$3.510</b>	<b>\$10.518</b>	<b>\$3.944</b>	<b>\$14.972</b>	<b>\$4.454</b>

### CASH RECEIPTS & EXPENDITURES

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**First Mutual Transportation Assurance Company**  
**November Financial Plan 2007-2010**  
**Summary of Major Plan-to-Plan Changes**

**2006-2010: November Financial Plan vs. July Financial Plan**

**Revenue**

Revenue changes from the July Plan over the 2006 to 2010 period include:

- An increase in the All Urban Consumers Price Index (CPI) for each year from the July Plan to the November Plan.
  - \$0.083 million in 2006
  - \$0.196 million in 2007
  - \$0.203 million in 2008
  - \$0.179 million in 2009
  - \$0.192 million in 2010

**Expense**

Expense changes from the July Plan over the 2006 to 2010 period include:

- No changes to Insurance since there has been no significant activity in actual insurance premiums since the July Plan.
- No changes in Claims expense since there has been no significant activity in actual claims development since the July Plan.
- An increase in Other Business Expense due to revised estimates based on actual results through July.
  - \$0.156 million in 2006
  - \$0.164 million in 2007
  - \$0.172 million in 2008
  - \$0.181 million in 2009
  - \$0.190 million in 2010

**First Mutual Transportation Assurance Company**  
**November Financial Plan 2007 - 2010**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE					
	2006	2007	2008	2009	2010
<b>Baseline 2006 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
Farebox Revenue	\$ .000	\$ .000	\$ .000	\$ .000	\$ .000
Vehicle Toll Revenue	.000	.000	.000	.000	.000
Investment Income	.004	.010	.011	.009	.010
Other Operating Revenue	.079	.186	.192	.170	.182
<b>Total Revenue Changes</b>	<b>\$ .083</b>	<b>\$ .196</b>	<b>\$ .203</b>	<b>\$ .179</b>	<b>\$ .192</b>
<b>Expenses</b>					
<b>Labor:</b>					
Payroll	\$ .000	\$ .000	\$ .000	\$ .000	\$ .000
Health and Welfare	.000	.000	.000	.000	.000
Pensions	.000	.000	.000	.000	.000
Other Fringe Benefits	.000	.000	.000	.000	.000
Reimbursable Overhead	.000	.000	.000	.000	.000
<b>Total Labor Expense Changes</b>	<b>\$ .000</b>	<b>\$ .000</b>	<b>\$ .000</b>	<b>\$ .000</b>	<b>\$ .000</b>
<b>Non-Labor:</b>					
Traction and Propulsion Power	\$ .000	\$ .000	\$ .000	\$ .000	\$ .000
Fuel for Buses and Trains	.000	.000	.000	.000	.000
Insurance	.000	.000	.000	.000	.000
Claims	.000	.000	.000	.000	.000
Paratransit Service Contracts	.000	.000	.000	.000	.000
Maintenance and Other Operating Contracts	.000	.000	.000	.000	.000
Materials & Supplies	.000	.000	.000	.000	.000
Other Business Expenses	(.156)	(.164)	(.172)	(.181)	(.190)
<b>Total Non-Labor Expense Changes</b>	<b>(\$ .156)</b>	<b>(\$ .164)</b>	<b>(\$ .172)</b>	<b>(\$ .181)</b>	<b>(\$ .190)</b>
<b>Total Expense Changes</b>	<b>(\$ .156)</b>	<b>(\$ .164)</b>	<b>(\$ .172)</b>	<b>(\$ .181)</b>	<b>(\$ .190)</b>
<b>Cash Adjustment Changes</b>					
<b>Revenue:</b>					
Investment Income	.000	.000	.000	.000	.000
Other Operating Revenue	.000	.000	.000	.000	.000
<b>Expenses:</b>					
Insurance	.000	.000	.000	.000	.000
Claims	.000	.000	.000	.000	.000
Other Business Expenses	.000	.000	.000	.000	.000
<b>Total Expense Changes</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>	<b>.000</b>
Restricted Cash Adjustment	.073	(.032)	(.031)	.002	(.002)
<b>Total Cash Adjustment Changes</b>	<b>\$0.073</b>	<b>(\$0.032)</b>	<b>(\$0.031)</b>	<b>\$0.002</b>	<b>(\$0.002)</b>
<b>Total Baseline Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Baseline 2006 November Financial Plan - Operating Cash Income/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>



**First Mutual Transportation Assurance Company**  
**November Financial Plan 2007 - 2010**  
**Summary of Major Programmatic Changes Between Financial Plans**  
(\$ in millions)

fav(unfav)

**NON-REIMBURSABLE and REIMBURSABLE**

	2006	2007	2008	2009	2010
<b>Baseline 2006 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b><i>Non-Reimbursable Major Changes</i></b>					
Revenue	\$ .083	\$ .196	\$ .203	\$ .179	\$ .192
Sub-Total Non-Reimbursable Revenue Changes	\$ .083	\$ .196	\$ .203	\$ .179	\$ .192
Expenses	(\$ .156)	(\$ .164)	(\$ .172)	(\$ .181)	(\$ .190)
Sub-Total Non-Reimbursable Expense Changes	(\$ .156)	(\$ .164)	(\$ .172)	(\$ .181)	(\$ .190)
<b><i>Total Non-Reimbursable Major Changes</i></b>	<b>(\$ .073)</b>	<b>\$ .032</b>	<b>\$ .031</b>	<b>(\$ .002)</b>	<b>\$ .002</b>
<b><i>Reimbursable Major Changes</i></b>					
Revenue					
Sub-Total Reimbursable Revenue Changes					
Expenses					
Sub-Total Reimbursable Expense Changes					
<b><i>Total Reimbursable Major Changes</i></b>	<b>\$ .000</b>	<b>\$ .000</b>	<b>\$ .000</b>	<b>\$ .000</b>	<b>\$ .000</b>
<b><i>Total Accrual Changes</i></b>	<b>(\$0.073)</b>	<b>\$0.032</b>	<b>\$0.031</b>	<b>(\$0.002)</b>	<b>\$0.002</b>
<b><i>Cash Adjustment Changes</i></b>					
Total Cash Adjustments	\$0.073	(\$0.032)	(\$0.031)	\$0.002	(\$0.002)
<b><i>Total Cash Adjustment Changes</i></b>	<b>\$0.073</b>	<b>(\$0.032)</b>	<b>(\$0.031)</b>	<b>\$0.002</b>	<b>(\$0.002)</b>
<b><i>Total Baseline Changes</i></b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Baseline 2006 November Financial Plan - Operating Cash Income/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>

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**Inspector General  
2007 Final Proposed Budget  
November Financial Plan 2007 – 2010**

**Mission Statement**

The mission of the Metropolitan Transportation Authority Office of the Inspector General is to reduce fraud, waste, abuse and corruption throughout the MTA. Through its investigations and audits, the Office of the Inspector General (OIG) seeks to enhance the efficiency, effectiveness, safety, and quality of MTA operations.

**Financial Overview**

Aware of its obligations to enhance the efficiency, effectiveness, safety and quality of MTA agencies operations, while remaining fiscally prudent, the MTA OIG Final Proposed 2007 Budget and the Forecast for 2008 - 2010 are consistent with the guidelines and growth assumptions that were used by MTA Headquarters.

During 2006, the Office of the Inspector General has exceeded the record pace set last year and plans to deliver over 80 investigative and audit reports to the MTA and its constituent agencies. Among those reports, already delivered, are a few worth mentioning. Specifically, the office identified a plumbing and heating vendor who engaged in a \$2 million prevailing wage and Disadvantage Business Enterprise fraud. A new group, the Contract Wage and Compliance Group, also reported that a building maintenance vendor contracted with an MTA agency after he was debarred by NYC from public works contracts. In addition, a recent OIG report clarified the causes and circumstances surrounding a subway flood that crippled the subway system in 2004. The report also made a number of recommendations to ensure that such catastrophic circumstances are handled more appropriately in the future. When implemented, this should lessen the negative impact that such storms cause to the NYC subway system in the years to come.

**INSPECTOR GENERAL**  
**MULTI-YEAR FINANCIAL PLAN**  
**2007 - 2010**  
(\$ in millions)

Line  
Number

REIMBURSABLE						
	ACTUAL	FORECAST				
	2005	2006	2007	2008	2009	2010
<b>Revenue</b>						
Farebox Revenue	\$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
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	10.665	12.544	12.954	13.644	14.059	14.546
<b>Total Revenue</b>	<b>\$10.665</b>	<b>\$12.544</b>	<b>\$12.954</b>	<b>\$13.644</b>	<b>\$14.059</b>	<b>\$14.546</b>
<b>Expenses</b>						
<u><b>Labor:</b></u>						
Payroll	\$6.354	\$7.076	\$7.181	\$7.612	\$7.728	\$7.870
Overtime	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	1.019	0.991	1.156	1.315	1.501	1.714
Pensions	0.566	0.913	1.005	1.035	1.074	1.116
Other Fringe Benefits	0.415	0.587	0.610	0.643	0.678	0.723
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenses</b>	<b>\$8.354</b>	<b>\$9.567</b>	<b>\$9.953</b>	<b>\$10.605</b>	<b>\$10.981</b>	<b>\$11.423</b>
<u><b>Non-Labor:</b></u>						
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.012	0.025	0.047	0.048	0.049	0.050
Claims	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
Mtce. and Other Operating Contracts	0.095	0.104	0.120	0.121	0.123	0.126
Professional Service Contracts	0.078	0.015	0.015	0.015	0.016	0.016
Materials & Supplies	0.032	0.026	0.043	0.044	0.045	0.045
Other Business Expenses	1.513	2.198	2.167	2.202	2.236	2.277
<b>Total Non-Labor Expenses</b>	<b>\$1.730</b>	<b>\$2.368</b>	<b>\$2.392</b>	<b>\$2.430</b>	<b>\$2.469</b>	<b>\$2.514</b>
<u><b>Other Expenses Adjustments:</b></u>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses Before Depreciation</b>	<b>\$10.084</b>	<b>\$11.935</b>	<b>\$12.345</b>	<b>\$13.035</b>	<b>\$13.450</b>	<b>\$13.937</b>
Depreciation	0.575	0.609	0.609	0.609	0.609	0.609
<b>Total Expenses</b>	<b>\$10.659</b>	<b>\$12.544</b>	<b>\$12.954</b>	<b>\$13.644</b>	<b>\$14.059</b>	<b>\$14.546</b>
<b>Baseline Net Surplus/(Deficit)</b>	<b>\$0.006</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
2007 Program to Eliminate the Gap (PEGs)	0.000	0.000	0.000	0.000	0.000	0.000
<b>Net Surplus/(Deficit)</b>	<b>\$0.006</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>

**CASH RECEIPTS AND EXPENDITURES**

	ACTUAL	FORECAST				
	2005	2006	2007	2008	2009	2010
<b>Receipts</b>						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Toll Revenue	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
Capital and Other Reimbursements	9.937	11.183	11.773	12.463	12.878	13.365
<b>Total Receipts</b>	<b>\$9.937</b>	<b>\$11.183</b>	<b>\$11.773</b>	<b>\$12.463</b>	<b>\$12.878</b>	<b>\$13.365</b>
<b>Expenditures</b>						
<b><u>Labor:</u></b>						
Payroll	\$6.354	\$7.076	\$7.181	\$7.612	\$7.728	\$7.870
Overtime	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	1.019	0.991	1.156	1.315	1.501	1.714
Pensions	0.566	0.913	1.005	1.035	1.074	1.116
Other Fringe Benefits	0.415	0.587	0.610	0.643	0.678	0.723
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenditures</b>	<b>\$8.354</b>	<b>\$9.567</b>	<b>\$9.953</b>	<b>\$10.605</b>	<b>\$10.981</b>	<b>\$11.423</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.012	0.025	0.047	0.048	0.049	0.050
Claims	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
Mtce. and Other Operating Contracts	0.095	0.104	0.120	0.121	0.123	0.126
Professional Service Contracts	0.078	0.015	0.015	0.015	0.016	0.016
Materials & Supplies	0.032	0.026	0.043	0.044	0.045	0.045
Other Business Expenditures	1.513	2.198	2.167	2.202	2.236	2.277
<b>Total Non-Labor Expenditures</b>	<b>\$1.730</b>	<b>\$2.368</b>	<b>\$2.392</b>	<b>\$2.430</b>	<b>\$2.469</b>	<b>\$2.514</b>
<b><u>Other Expenditure Adjustments:</u></b>						
Other	(\$0.153)	(\$0.752)	(\$0.572)	(\$0.572)	(\$0.572)	(\$0.572)
<b>Total Other Expenditure Adjustments</b>	<b>(\$0.153)</b>	<b>(\$0.752)</b>	<b>(\$0.572)</b>	<b>(\$0.572)</b>	<b>(\$0.572)</b>	<b>(\$0.572)</b>
<b>Total Expenditures</b>	<b>\$9.931</b>	<b>\$11.183</b>	<b>\$11.773</b>	<b>\$12.463</b>	<b>\$12.878</b>	<b>\$13.365</b>
<b>Net Surplus/(Deficit)</b>	<b>\$0.006</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
2006 Program to Eliminate the Gap (PEGs)	0.000	0.000	0.000	0.000	0.000	0.000
<b>Net Cash Surplus/(Deficit)</b>	<b>\$0.006</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>

**CASH FLOW ADJUSTMENTS**

	ACTUAL	FORECAST				
	2005	2006	2007	2008	2009	2010
<b>Receipts</b>						
Farebox Revenue	\$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
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	(0.728)	(1.361)	(1.181)	(1.181)	(1.181)	(1.181)
<b>Total Receipts</b>	<b>(\$0.728)</b>	<b>(\$1.361)</b>	<b>(\$1.181)</b>	<b>(\$1.181)</b>	<b>(\$1.181)</b>	<b>(\$1.181)</b>
<b>Expenditures</b>						
<u><b>Labor:</b></u>						
Payroll	(\$0.000)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	0.000	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenditures</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<u><b>Non-Labor:</b></u>						
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	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
Mtce. and Other Operating Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Professional Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Materials & Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenditures	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Non-Labor Expenditures</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<u><b>Other Expenditures Adjustments:</b></u>						
Other	\$0.153	\$0.752	\$0.572	\$0.572	\$0.572	\$0.572
<b>Total Other Expenditures Adjustments</b>	<b>\$0.153</b>	<b>\$0.752</b>	<b>\$0.572</b>	<b>\$0.572</b>	<b>\$0.572</b>	<b>\$0.572</b>
<b>Total Cash Conversion Adjustments before Depreciation</b>	<b>(\$0.575)</b>	<b>(\$0.609)</b>	<b>(\$0.609)</b>	<b>(\$0.609)</b>	<b>(\$0.609)</b>	<b>(\$0.609)</b>
Depreciation Adjustment	0.575	0.609	0.609	0.609	0.609	0.609
<b>Total Cash Conversion Adjustments</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>

## REIMBURSABLE

[illegible]

**MTA Inspector General**  
**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
<b>Cash Receipts &amp; Expenditures</b>									
<b><u>Receipts</u></b>									
Farebox Revenue									
Vehicle Toll Revenue									
Other Operating Revenue									
Capital and Other Reimbursements	\$11.183	\$11.773	\$0.590	\$12.463	\$0.690	\$12.878	\$0.415	\$13.365	\$0.487
<b>Total Receipts</b>	<b>\$11.183</b>	<b>\$11.773</b>	<b>\$0.590</b>	<b>\$12.463</b>	<b>\$0.690</b>	<b>\$12.878</b>	<b>\$0.415</b>	<b>\$13.365</b>	<b>\$0.487</b>
<b><u>Expenditures</u></b>									
Labor:									
Payroll	7.076	7.181	(0.105)	7.612	(0.431)	7.728	(0.116)	7.870	(0.142)
Overtime									
Health and Welfare	0.991	1.156	(0.165)	1.315	(0.159)	1.501	(0.186)	1.714	(0.213)
Pensions	0.913	1.005	(0.092)	1.035	(0.030)	1.074	(0.039)	1.116	(0.042)
Other Fringe Benefits	0.587	0.610	(0.023)	0.643	(0.033)	0.678	(0.035)	0.723	(0.045)
Reimbursable Overhead									
<b>Total Labor Expenditures</b>	<b>\$9.567</b>	<b>\$9.952</b>	<b>(\$0.385)</b>	<b>\$10.605</b>	<b>(\$0.653)</b>	<b>\$10.981</b>	<b>(\$0.376)</b>	<b>\$11.423</b>	<b>(\$0.442)</b>
Non-Labor:									
Traction and Propulsion Power									
Fuel for Buses and Trains									
Insurance	0.025	0.047	(0.022)	0.048	(0.001)	0.049	(0.001)	0.050	(0.001)
Claims									
Paratransit Service Contracts									
Maintenance and Other									
Operating Contracts	0.104	0.120	(0.016)	0.121	(0.001)	0.123	(0.002)	0.126	(0.003)
Professional Service Contracts	0.015	0.015	0.000	0.015	0.000	0.016	(0.001)	0.016	0.000
Materials & Supplies	0.026	0.043	(0.017)	0.044	(0.001)	0.045	(0.001)	0.045	0.000
MTA Internal Subsidy									
Other Business Expenses	2.198	2.167	0.031	2.202	(0.035)	2.236	(0.034)	2.277	(0.041)
<b>Total Non-Labor Expenditures</b>	<b>\$2.368</b>	<b>\$2.392</b>	<b>(\$0.024)</b>	<b>\$2.430</b>	<b>(\$0.038)</b>	<b>\$2.469</b>	<b>(\$0.039)</b>	<b>\$2.514</b>	<b>(\$0.045)</b>
Other Expenditure Adjustments:									
Other	(0.752)	(0.571)	(0.181)	(0.572)	0.001	(0.572)	0.000	(0.572)	0.000
<b>Total Other Expenditure Adjustments</b>	<b>(\$0.752)</b>	<b>(\$0.571)</b>	<b>\$0.000</b>	<b>(\$0.572)</b>	<b>\$0.000</b>	<b>(\$0.572)</b>	<b>\$0.000</b>	<b>(\$0.572)</b>	<b>\$0.000</b>
<b>Total Expenditures</b>	<b>\$11.183</b>	<b>\$11.773</b>	<b>(\$0.409)</b>	<b>\$12.463</b>	<b>(\$0.691)</b>	<b>\$12.878</b>	<b>(\$0.415)</b>	<b>\$13.365</b>	<b>(\$0.487)</b>
<b>Baseline Net Cash Deficit</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>0.000</b>	<b>(\$0.000)</b>	<b>(0.000)</b>	<b>\$0.000</b>	<b>0.000</b>	<b>\$0.000</b>	<b>0.000</b>
PEG Program									
<b>Net Cash Deficit</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>



**MTA INSPECTOR GENERAL**  
**November Financial Plan 2007 - 2010**  
**Summary of Changes Between Financial Plans by Category**  
**(\$ in millions)**

**REIMBURSABLE**

	2006	2007	2008	2009	2010
<b>2006 February Financial Plan - Operating Cash Income/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Add Back: July Plan Unspecified PEG's</b>					
<b>Baseline 2005 July Financial Plan - Operating Cash Income/(Deficit)</b>					
<b>Baseline:</b>					
<b>Changes</b>					
Revenue					
Capital and Other Reimbursements	(\$0.000)	\$0.010	\$0.210	\$0.076	(\$0.044)
Sub-Total Revenue Changes	(\$0.000)	\$0.010	\$0.210	\$0.076	(\$0.044)
Expenses					
Payroll	\$0.000	\$0.000	(\$0.222)	(\$0.111)	(\$0.009)
Overtime					
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
Insurance	0.000	0.000	0.000	(0.001)	0.001
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	(0.001)	0.001	0.002	0.002
Professional Service Contracts	0.000	0.000	0.000	0.000	0.000
MTA Internal Subsidy	0.000	0.000	0.000	0.000	0.001
Materials & Supplies	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.000	(0.008)	0.011	0.034	0.049
Depreciation					
Sub-Total Expense Changes	\$0.000	(\$0.010)	(\$0.210)	(\$0.076)	\$0.044
Cash Adjustments:					
Revenue					
Expense					
Sub-Total Cash Adjustment Changes	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Baseline Changes</b>	<b>\$ (0.000)</b>	<b>\$ 0.000</b>	<b>\$ 0.000</b>	<b>\$ (0.000)</b>	<b>\$ (0.000)</b>
Programmatic New Needs					
PEG Program	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Changes</b>	<b>\$ (0.000)</b>	<b>\$ 0.000</b>	<b>\$ 0.000</b>	<b>\$ (0.000)</b>	<b>\$ (0.000)</b>
<b>2006 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>\$ (0.000)</b>	<b>\$ 0.000</b>	<b>\$ 0.000</b>	<b>\$ (0.000)</b>	<b>\$ (0.000)</b>

**MTA INSPECTOR GENERAL**  
**November Financial Plan 2007 - 2010**  
**Total 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					
<i>Office of Inspector General</i>	93	93	91	91	91
<b>Baseline Total Positions</b>	93	93	91	91	91
<i>Non-Reimbursable</i>					
<i>Reimbursable</i>	93	93	91	91	91
<i>Total Full-Time</i>	93	93	91	91	91
<i>Total Full-Time-Equivalents</i>					
Impact of:					
PEG Program					
<b>Total Positions</b>	93	93	91	91	91
<i>Non-Reimbursable</i>					
<i>Reimbursable</i>	93	93	91	91	91
<i>Total Full-Time</i>	93	93	91	91	91
<i>Total Full-Time-Equivalents</i>					

**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)

<b>NON-REIMBURSABLE</b>						
	<b>2005</b>	<b>2006</b>	<b>2007</b>			
	<b>Actuals</b>	<b>November Forecast</b>	<b>Final Proposed Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Operating Revenue</b>						
<u><b>Farebox Revenue:</b></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
<b>Farebox Revenue</b>	<b>\$2,643.0</b>	<b>\$2,745.3</b>	<b>\$2,780.4</b>	<b>\$2,815.0</b>	<b>\$2,829.1</b>	<b>\$2,841.7</b>
Vehicle Toll Revenue	-	-	-	-	-	-
<u><b>Other Operating Revenue:</b></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
<b>Other Operating Revenue</b>	<b>\$264.6</b>	<b>\$270.2</b>	<b>\$274.7</b>	<b>\$295.1</b>	<b>\$310.8</b>	<b>\$328.1</b>
Capital and Other Reimbursements	-	-	-	-	-	-
<b>Total Revenue</b>	<b>\$2,907.6</b>	<b>\$3,015.5</b>	<b>\$3,055.1</b>	<b>\$3,110.1</b>	<b>\$3,139.9</b>	<b>\$3,169.8</b>
<b>Operating Expenses</b>						
<u><b>Labor:</b></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)
<b>Total Labor Expenses</b>	<b>\$3,695.7</b>	<b>\$3,900.2</b>	<b>\$4,114.5</b>	<b>\$4,319.8</b>	<b>\$4,492.1</b>	<b>\$4,651.4</b>
<u><b>Non-Labor:</b></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
<b>Total Non-Labor Expenses</b>	<b>\$1,020.3</b>	<b>\$1,159.1</b>	<b>\$1,283.7</b>	<b>\$1,335.2</b>	<b>\$1,436.1</b>	<b>\$1,495.8</b>
<u><b>Other Expenses Adjustments:</b></u>						
Other	1.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Total Other Expense Adjustments</b>	<b>\$1.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>Total Expenses before Depreciation</b>	<b>\$4,717.1</b>	<b>\$5,059.3</b>	<b>\$5,398.2</b>	<b>\$5,655.0</b>	<b>\$5,928.2</b>	<b>\$6,147.2</b>
Depreciation	954.5	1,015.2	1,085.5	1,151.7	1,221.7	1,291.7
<b>Total Expenses</b>	<b>\$5,671.6</b>	<b>\$6,074.5</b>	<b>\$6,483.7</b>	<b>\$6,806.7</b>	<b>\$7,149.9</b>	<b>\$7,438.9</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$2,764.0)</b>	<b>(\$3,059.0)</b>	<b>(\$3,428.6)</b>	<b>(\$3,696.6)</b>	<b>(\$4,010.0)</b>	<b>(\$4,269.1)</b>
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
<b>Net Surplus/(Deficit)</b>	<b>(\$2,764.0)</b>	<b>(\$3,043.6)</b>	<b>(\$3,394.5)</b>	<b>(\$3,655.7)</b>	<b>(\$3,959.3)</b>	<b>(\$4,218.3)</b>

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

<b>NON-REIMBURSABLE / REIMBURSABLE</b>						
	<b>2005</b>	<b>2006</b>	<b>2007</b>			
	<b>Actuals</b>	<b>November Forecast</b>	<b>Final Proposed Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Revenue</b>						
<u><b>Farebox Revenue:</b></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
<b>Farebox Revenue</b>	<b>\$2,643.0</b>	<b>\$2,745.3</b>	<b>\$2,780.4</b>	<b>\$2,815.0</b>	<b>\$2,829.1</b>	<b>\$2,841.7</b>
Vehicle Toll Revenue	-	-	-	-	-	-
<u><b>Other Operating Revenue:</b></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
<b>Other Operating Revenue</b>	<b>\$264.6</b>	<b>\$270.2</b>	<b>\$274.7</b>	<b>\$295.1</b>	<b>\$310.8</b>	<b>\$328.1</b>
Capital and Other Reimbursements	757.0	795.8	809.5	789.2	779.4	791.7
<b>Total Revenue</b>	<b>\$3,664.6</b>	<b>\$3,811.3</b>	<b>\$3,864.6</b>	<b>\$3,899.3</b>	<b>\$3,919.3</b>	<b>\$3,961.5</b>
<b>Expenses</b>						
<u><b>Labor:</b></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	-	-	-	-	-	-
<b>Total Labor Expenses</b>	<b>\$4,341.5</b>	<b>\$4,578.0</b>	<b>\$4,820.1</b>	<b>\$5,020.6</b>	<b>\$5,187.6</b>	<b>\$5,359.2</b>
<u><b>Non-Labor:</b></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
<b>Total Non-Labor Expenses</b>	<b>\$1,131.6</b>	<b>\$1,277.1</b>	<b>\$1,387.6</b>	<b>\$1,423.6</b>	<b>\$1,520.1</b>	<b>\$1,579.7</b>
<u><b>Other Expense Adjustments:</b></u>						
Other	\$1.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Total Other Expense Adjustments</b>	<b>\$1.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>Total Expenses Before Depreciation</b>	<b>\$5,474.1</b>	<b>\$5,855.1</b>	<b>\$6,207.7</b>	<b>\$6,444.2</b>	<b>\$6,707.6</b>	<b>\$6,938.9</b>
Depreciation	954.5	1,015.2	1,085.5	1,151.7	1,221.7	1,291.7
<b>Total Expenses</b>	<b>\$6,428.6</b>	<b>\$6,870.3</b>	<b>\$7,293.2</b>	<b>\$7,595.9</b>	<b>\$7,929.3</b>	<b>\$8,230.6</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$2,764.0)</b>	<b>(\$3,059.0)</b>	<b>(\$3,428.6)</b>	<b>(\$3,696.6)</b>	<b>(\$4,010.0)</b>	<b>(\$4,269.1)</b>
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
<b>Net Surplus/(Deficit)</b>	<b>(\$2,764.0)</b>	<b>(\$3,043.6)</b>	<b>(\$3,394.5)</b>	<b>(\$3,655.7)</b>	<b>(\$3,959.3)</b>	<b>(\$4,218.3)</b>

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

<b>CASH RECEIPTS AND EXPENDITURES</b>						
	<b>2005</b>	<b>2006</b>	<b>2007</b>			
	<b>Actuals</b>	<b>November Forecast</b>	<b>Final Proposed Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Receipts</b>						
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
<b>Other Operating Revenue</b>	<b>260.3</b>	<b>270.1</b>	<b>307.2</b>	<b>297.0</b>	<b>312.8</b>	<b>330.1</b>
Capital and Other Reimbursements	751.9	795.9	801.6	788.5	776.5	784.2
<b>Total Receipts</b>	<b>\$3,691.5</b>	<b>\$3,813.7</b>	<b>\$3,898.3</b>	<b>\$3,909.2</b>	<b>\$3,923.8</b>	<b>\$3,959.3</b>
<b>Expenditures</b>						
<u><b>Labor:</b></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	-	-	-	-	-	-
<b>Total Labor Expenditures</b>	<b>\$4,124.1</b>	<b>\$4,566.4</b>	<b>\$4,747.1</b>	<b>\$4,962.4</b>	<b>\$5,149.7</b>	<b>\$5,321.0</b>
<u><b>Non-Labor:</b></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
<b>Total Non-Labor Expenditures</b>	<b>\$1,108.6</b>	<b>\$1,262.2</b>	<b>\$1,377.7</b>	<b>\$1,416.5</b>	<b>\$1,509.1</b>	<b>\$1,568.5</b>
<u><b>Other Expenditure Adjustments:</b></u>						
Other		0.0	0.0	0.0	0.0	0.0
<b>Total Other Expenditure Adjustments</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>Total Expenditures</b>	<b>\$5,232.7</b>	<b>\$5,828.6</b>	<b>\$6,124.8</b>	<b>\$6,378.9</b>	<b>\$6,658.9</b>	<b>\$6,889.5</b>
<b>Baseline Cash Deficit</b>	<b>(\$1,541.2)</b>	<b>(\$2,014.9)</b>	<b>(\$2,226.5)</b>	<b>(\$2,469.7)</b>	<b>(\$2,735.1)</b>	<b>(\$2,930.2)</b>
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
<b>Net Cash Deficit</b>	<b>(\$1,541.2)</b>	<b>(\$1,999.5)</b>	<b>(\$2,192.5)</b>	<b>(\$2,428.8)</b>	<b>(\$2,684.3)</b>	<b>(\$2,879.5)</b>

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

<b>CASH FLOW ADJUSTMENTS</b>						
	<b>2005</b>	<b>2006</b>	<b>2007</b>			
	<b>Actuals</b>	<b>November Forecast</b>	<b>Final Proposed Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Receipts</b>						
Fare Revenue	\$36.3	\$2.3	\$9.1	\$8.8	\$5.5	\$3.4
Vehicle Toll Revenue	-	-	-	-	-	-
<u><b>Other Operating Revenue:</b></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
<b>Other Operating Revenue</b>	<b>(4.3)</b>	<b>(0.1)</b>	<b>32.5</b>	<b>1.9</b>	<b>1.9</b>	<b>1.9</b>
Capital and Other Reimbursements	(5.1)	0.1	(7.9)	(0.8)	(3.0)	(7.6)
<b>Total Receipt Adjustments</b>	<b>\$26.9</b>	<b>\$2.4</b>	<b>\$33.7</b>	<b>\$9.9</b>	<b>\$4.5</b>	<b>(\$2.2)</b>
<b>Expenditures</b>						
<u><b>Labor:</b></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
<b>Total Labor Expenditures</b>	<b>\$217.4</b>	<b>\$11.6</b>	<b>\$73.0</b>	<b>\$58.2</b>	<b>\$37.8</b>	<b>\$38.2</b>
<u><b>Non-Labor:</b></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
<b>Total Non-Labor Expenditures</b>	<b>\$23.0</b>	<b>\$14.9</b>	<b>\$9.9</b>	<b>\$7.1</b>	<b>\$10.9</b>	<b>\$11.2</b>
<u><b>Other Expenditures Adjustments:</b></u>						
Other	\$1.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Total Other Expenditures Adjustments</b>	<b>\$1.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>Total Cash Conversion Adjustments before Depreciation</b>	<b>\$268.3</b>	<b>\$28.9</b>	<b>\$116.5</b>	<b>\$75.2</b>	<b>\$53.3</b>	<b>\$47.2</b>
Depreciation Adjustment	954.5	1,015.2	1,085.5	1,151.7	1,221.7	1,291.7
<b>Baseline Total Cash Conversion Adjustments</b>	<b>\$1,222.8</b>	<b>\$1,044.1</b>	<b>\$1,202.0</b>	<b>\$1,226.9</b>	<b>\$1,275.0</b>	<b>\$1,338.9</b>
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
<b>Total Cash Conversion Adjustments</b>	<b>\$1,222.8</b>	<b>\$1,044.1</b>	<b>\$1,202.0</b>	<b>\$1,226.9</b>	<b>\$1,275.0</b>	<b>\$1,338.9</b>



**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
<b>Revenue</b>									
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
<b>Total Farebox Revenue</b>	<b>\$2,745.330</b>	<b>\$2,780.433</b>	<b>\$35.103</b>	<b>\$2,814.971</b>	<b>\$34.538</b>	<b>\$2,829.057</b>	<b>\$14.086</b>	<b>\$2,841.674</b>	<b>\$12.617</b>
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue:									
Fare Reimbursement	103.766	103.766	0.000	103.766	0.000	103.766	0.000	103.766	0.000
Paratransit Reimbursement	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
<b>Total Other Operating Revenue</b>	<b>270.214</b>	<b>274.703</b>	<b>4.489</b>	<b>295.125</b>	<b>20.422</b>	<b>310.838</b>	<b>15.713</b>	<b>328.134</b>	<b>17.296</b>
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Revenue</b>	<b>\$3,015.544</b>	<b>\$3,055.136</b>	<b>\$39.592</b>	<b>\$3,110.096</b>	<b>\$54.960</b>	<b>\$3,139.895</b>	<b>\$29.799</b>	<b>\$3,169.808</b>	<b>\$29.913</b>
<b>Expenses</b>									
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
<b>Total Labor Expenses</b>	<b>\$3,900.206</b>	<b>\$4,114.488</b>	<b>(\$214.282)</b>	<b>\$4,319.795</b>	<b>(\$205.307)</b>	<b>\$4,492.088</b>	<b>(\$172.293)</b>	<b>\$4,651.366</b>	<b>(\$159.278)</b>
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)
<b>Total Non-Labor Expenses</b>	<b>\$1,159.136</b>	<b>\$1,283.715</b>	<b>(\$124.579)</b>	<b>\$1,335.172</b>	<b>(\$51.457)</b>	<b>\$1,436.131</b>	<b>(\$100.959)</b>	<b>\$1,495.825</b>	<b>(\$59.695)</b>
Other Expense Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$5,059.342</b>	<b>\$5,398.203</b>	<b>(\$338.861)</b>	<b>\$5,654.967</b>	<b>(\$256.763)</b>	<b>\$5,928.218</b>	<b>(\$273.252)</b>	<b>\$6,147.191</b>	<b>(\$218.973)</b>
Depreciation	1,015.200	1,085.500	(70.300)	1,151.700	(66.200)	1,221.700	(70.000)	1,291.700	(70.000)
<b>Total Expenses</b>	<b>\$6,074.542</b>	<b>\$6,483.703</b>	<b>(\$409.161)</b>	<b>\$6,806.667</b>	<b>(\$322.963)</b>	<b>\$7,149.918</b>	<b>(\$343.252)</b>	<b>\$7,438.891</b>	<b>(\$288.973)</b>
<b>Baseline Net Surplus/(Deficit)</b>	<b>(\$3,058.998)</b>	<b>(\$3,428.567)</b>	<b>(\$369.569)</b>	<b>(\$3,696.571)</b>	<b>(\$268.003)</b>	<b>(\$4,010.023)</b>	<b>(\$313.453)</b>	<b>(\$4,269.083)</b>	<b>(\$259.060)</b>
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
<b>Net Surplus/(Deficit)</b>	<b>(\$3,043.579)</b>	<b>(\$3,394.512)</b>	<b>(\$350.933)</b>	<b>(\$3,655.682)</b>	<b>(\$261.169)</b>	<b>(\$3,959.263)</b>	<b>(\$303.582)</b>	<b>(\$4,218.323)</b>	<b>(\$259.060)</b>

Net Surplus/(Deficit)	\$0.000	\$0.000	(\$0.000)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
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**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
<b>Revenue</b>									
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
<b>Total Farebox Revenue</b>	<b>\$2,745.330</b>	<b>\$2,780.433</b>	<b>\$35.103</b>	<b>\$2,814.971</b>	<b>\$34.538</b>	<b>\$2,829.057</b>	<b>\$14.086</b>	<b>\$2,841.674</b>	<b>\$12.617</b>
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue:									
Fare Reimbursement	103.766	103.766	0.000	103.766	0.000	103.766	0.000	103.766	0.000
Paratransit Reimbursement	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
<b>Total Revenue</b>	<b>\$3,811.331</b>	<b>\$3,864.621</b>	<b>\$53.290</b>	<b>\$3,899.336</b>	<b>\$34.715</b>	<b>\$3,919.306</b>	<b>\$19.970</b>	<b>\$3,961.545</b>	<b>\$42.239</b>
<b>Expenses</b>									
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
<b>Total Labor Expenses</b>	<b>\$4,578.031</b>	<b>\$4,820.107</b>	<b>\$242.076</b>	<b>\$5,020.635</b>	<b>\$200.529</b>	<b>\$5,187.563</b>	<b>(\$166.928)</b>	<b>\$5,359.186</b>	<b>(\$171.623)</b>
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)
<b>Total Non-Labor Expenses</b>	<b>\$1,277.098</b>	<b>\$1,387.582</b>	<b>(\$110.484)</b>	<b>\$1,423.572</b>	<b>(\$35.990)</b>	<b>\$1,520.067</b>	<b>(\$96.495)</b>	<b>\$1,579.742</b>	<b>(\$59.676)</b>
Other Expense Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$5,855.129</b>	<b>\$6,207.689</b>	<b>(\$352.560)</b>	<b>\$6,444.207</b>	<b>(\$236.518)</b>	<b>\$6,707.630</b>	<b>(\$263.423)</b>	<b>\$6,938.928</b>	<b>(\$231.299)</b>
Depreciation	1,015.200	1,085.500	(70.300)	1,151.700	(66.200)	1,221.700	(70.000)	1,291.700	(70.000)
<b>Total Expenses</b>	<b>\$6,870.329</b>	<b>\$7,293.189</b>	<b>(\$422.860)</b>	<b>\$7,595.907</b>	<b>(\$302.718)</b>	<b>\$7,929.330</b>	<b>(\$333.423)</b>	<b>\$8,230.628</b>	<b>(\$301.299)</b>
<b>Baseline Net Surplus/(Deficit)</b>	<b>(\$3,058.998)</b>	<b>(\$3,428.567)</b>	<b>(\$369.569)</b>	<b>(\$3,696.571)</b>	<b>(\$268.003)</b>	<b>(\$4,010.023)</b>	<b>(\$313.453)</b>	<b>(\$4,269.083)</b>	<b>(\$259.060)</b>
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
<b>Net Surplus/(Deficit)</b>	<b>(\$3,043.579)</b>	<b>(\$3,394.512)</b>	<b>(\$350.933)</b>	<b>(\$3,655.682)</b>	<b>(\$261.169)</b>	<b>(\$3,959.263)</b>	<b>(\$303.582)</b>	<b>(\$4,218.323)</b>	<b>(\$259.060)</b>



**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
<b>Receipts</b>									
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
<b>Total Other Operating Revenue</b>	<b>\$270.103</b>	<b>\$307.155</b>	<b>\$37.052</b>	<b>\$297.018</b>	<b>(\$10.137)</b>	<b>\$312.788</b>	<b>\$15.770</b>	<b>\$330.084</b>	<b>\$17.296</b>
Capital and Other Reimbursements	795.932	801.613	5.681	788.451	(13.162)	776.451	(11.999)	784.161	7.710
<b>Total Receipts</b>	<b>\$3,813.712</b>	<b>\$3,898.301</b>	<b>\$84.589</b>	<b>\$3,909.240</b>	<b>\$10.939</b>	<b>\$3,923.796</b>	<b>\$14.557</b>	<b>\$3,959.319</b>	<b>\$35.523</b>
<b>Expenditures</b>									
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
<b>Total Labor Expenditures</b>	<b>\$4,566.392</b>	<b>\$4,747.144</b>	<b>(\$180.752)</b>	<b>\$4,962.420</b>	<b>(\$215.277)</b>	<b>\$5,149.729</b>	<b>(\$187.309)</b>	<b>\$5,321.018</b>	<b>(\$171.288)</b>
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)
<b>Total Non-Labor Expenditures</b>	<b>\$1,262.246</b>	<b>\$1,377.680</b>	<b>(\$115.434)</b>	<b>\$1,416.505</b>	<b>(\$38.825)</b>	<b>\$1,509.136</b>	<b>(\$92.631)</b>	<b>\$1,568.513</b>	<b>(\$59.378)</b>
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
<b>Total Other Expenditure Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenditures</b>	<b>\$5,828.638</b>	<b>\$6,124.824</b>	<b>(\$296.186)</b>	<b>\$6,378.925</b>	<b>(\$254.101)</b>	<b>\$6,658.865</b>	<b>(\$279.940)</b>	<b>\$6,889.531</b>	<b>(\$230.666)</b>
<b>Baseline Net Cash Deficit</b>	<b>(\$2,014.926)</b>	<b>(\$2,226.523)</b>	<b>(\$211.597)</b>	<b>(\$2,469.685)</b>	<b>(\$243.162)</b>	<b>(\$2,735.069)</b>	<b>(\$265.384)</b>	<b>(\$2,930.212)</b>	<b>(\$195.143)</b>
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
<b>Net Cash Deficit</b>	<b>(\$1,999.507)</b>	<b>(\$2,192.468)</b>	<b>(\$192.961)</b>	<b>(\$2,428.796)</b>	<b>(\$236.328)</b>	<b>(\$2,684.309)</b>	<b>(\$255.513)</b>	<b>(\$2,879.452)</b>	<b>(\$195.143)</b>

**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
<b><u>Receipts</u></b>									
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
<b>Total Other Operating Revenue</b>	<b>(\$0.111)</b>	<b>\$32.452</b>	<b>\$32.563</b>	<b>\$1.893</b>	<b>(\$30.559)</b>	<b>\$1.950</b>	<b>\$0.057</b>	<b>\$1.950</b>	<b>\$0.000</b>
Capital and Other Reimbursements	0.145	(7.873)	(8.017)	(0.789)	7.083	(2.960)	(2.171)	(7.576)	(4.616)
<b>Total Receipt Adjustments</b>	<b>\$2.381</b>	<b>\$33.679</b>	<b>\$31.299</b>	<b>\$9.904</b>	<b>(\$23.776)</b>	<b>\$4.490</b>	<b>(\$5.414)</b>	<b>(\$2.226)</b>	<b>(\$6.716)</b>
<b><u>Expenditures</u></b>									
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
<b>Total Labor Expenditures</b>	<b>\$11.639</b>	<b>\$72.963</b>	<b>\$61.324</b>	<b>\$58.215</b>	<b>(\$14.748)</b>	<b>\$37.834</b>	<b>(\$20.381)</b>	<b>\$38.169</b>	<b>\$0.335</b>
Non-Labor:									
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	(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
<b>Total Non-Labor Expenditures</b>	<b>\$14.852</b>	<b>\$9.902</b>	<b>(\$4.950)</b>	<b>\$7.067</b>	<b>(\$2.835)</b>	<b>\$10.931</b>	<b>\$3.864</b>	<b>\$11.229</b>	<b>\$0.298</b>
Other Expenditure Adjustments:									
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expenditure Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenditure Adjustments</b>	<b>\$26.491</b>	<b>\$82.865</b>	<b>\$56.374</b>	<b>\$65.282</b>	<b>(\$17.583)</b>	<b>\$48.765</b>	<b>(\$16.517)</b>	<b>\$49.398</b>	<b>\$0.633</b>
<b>Total Cash Conversion Adjustments before Depreciation</b>	<b>\$28.872</b>	<b>\$116.544</b>	<b>\$87.672</b>	<b>\$75.186</b>	<b>(\$41.359)</b>	<b>\$53.255</b>	<b>(\$21.931)</b>	<b>\$47.171</b>	<b>(\$6.084)</b>
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
<b>Baseline Total Cash Conversion Adj.</b>	<b>\$1,044.072</b>	<b>\$1,202.044</b>	<b>\$157.972</b>	<b>\$1,226.886</b>	<b>\$24.841</b>	<b>\$1,274.955</b>	<b>\$48.069</b>	<b>\$1,338.871</b>	<b>\$63.916</b>
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
<b>Total Cash Conversion Adjustments</b>	<b>\$1,044.072</b>	<b>\$1,202.044</b>	<b>\$157.972</b>	<b>\$1,226.886</b>	<b>\$24.841</b>	<b>\$1,274.955</b>	<b>\$48.069</b>	<b>\$1,338.871</b>	<b>\$63.916</b>

**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
<b>Baseline 2006 July Financial Plan - Cash Deficit</b>	<b>(\$2,005.785)</b>	<b>(\$2,247.250)</b>	<b>(\$2,459.554)</b>	<b>(\$2,721.365)</b>	<b>(\$2,902.447)</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
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
<b>Total Revenue Changes</b>	<b>\$7.595</b>	<b>\$18.801</b>	<b>\$27.295</b>	<b>\$32.434</b>	<b>\$37.075</b>
<b>Expenses</b>					
<i>Labor:</i>					
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
<b>Total Labor Expense Changes</b>	<b>(\$3.947)</b>	<b>\$5.342</b>	<b>(\$23.018)</b>	<b>(\$12.463)</b>	<b>(\$6.294)</b>
<i>Non-Labor:</i>					
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)
<b>Total Non-Labor Expense Changes</b>	<b>\$9.105</b>	<b>(\$14.333)</b>	<b>(\$15.468)</b>	<b>(\$32.807)</b>	<b>(\$53.145)</b>
Depreciation (Non-cash impact)	\$59.300	\$142.600	\$230.000	\$313.600	\$397.200
<b>Total Expense Changes</b>	<b>\$64.458</b>	<b>\$133.609</b>	<b>\$191.514</b>	<b>\$268.330</b>	<b>\$337.761</b>
<b>Cash Adjustment Changes</b>					
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)
<b>Total Cash Adjustment Changes</b>	<b>(\$81.339)</b>	<b>(\$123.810)</b>	<b>(\$228.151)</b>	<b>(\$311.508)</b>	<b>(\$395.025)</b>
<b>Total Baseline Changes</b>	<b>(\$9.286)</b>	<b>\$28.600</b>	<b>(\$9.341)</b>	<b>(\$10.744)</b>	<b>(\$20.189)</b>
<b>Baseline 2006 November Financial Plan - Cash Deficit</b>	<b>(\$2,015.071)</b>	<b>(\$2,218.651)</b>	<b>(\$2,468.896)</b>	<b>(\$2,732.108)</b>	<b>(\$2,922.635)</b>

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

<b>REIMBURSABLE</b>					
	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Baseline 2006 July Financial Plan - Cash Deficit</b>	<b>(\$2.127)</b>	<b>\$6.463</b>	<b>(\$7.993)</b>	<b>(\$5.115)</b>	<b>(\$8.078)</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
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
<b>Total Revenue Changes</b>	<b>(\$10.888)</b>	<b>\$57.924</b>	<b>\$23.346</b>	<b>\$13.005</b>	<b>\$10.598</b>
<b>Expenses</b>					
<b>Labor:</b>					
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)
<b>Total Labor Expense Changes</b>	<b>\$2.543</b>	<b>(\$38.686)</b>	<b>(\$19.615)</b>	<b>(\$12.489)</b>	<b>(\$10.102)</b>
<b>Non-Labor:</b>					
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
<b>Total Non-Labor Expense Changes</b>	<b>\$8.345</b>	<b>(\$19.238)</b>	<b>(\$3.731)</b>	<b>(\$0.516)</b>	<b>(\$0.496)</b>
<b>Total Expense Changes</b>	<b>\$10.888</b>	<b>(\$57.924)</b>	<b>(\$23.346)</b>	<b>(\$13.005)</b>	<b>(\$10.598)</b>
<b>Cash Adjustment Changes</b>					
Capital Reimbursement Timing	\$2.272	(\$14.335)	\$7.204	\$2.154	\$0.502
<b>Total Cash Adjustment Changes</b>	<b>\$2.272</b>	<b>(\$14.335)</b>	<b>\$7.204</b>	<b>\$2.154</b>	<b>\$0.502</b>
<b>Total Baseline Changes</b>	<b>\$2.272</b>	<b>(\$14.335)</b>	<b>\$7.204</b>	<b>\$2.154</b>	<b>\$0.502</b>
<b>Baseline 2006 November Financial Plan - Cash Deficit</b>	<b>\$0.145</b>	<b>(\$7.873)</b>	<b>(\$0.789)</b>	<b>(\$2.960)</b>	<b>(\$7.576)</b>

**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
<b>Baseline 2006 July Financial Plan - Cash Deficit</b>	<b>(\$2,007.912)</b>	<b>(\$2,240.788)</b>	<b>(\$2,467.547)</b>	<b>(\$2,726.479)</b>	<b>(\$2,910.524)</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
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
<b>Total Revenue Changes</b>	<b>(\$3.293)</b>	<b>\$76.725</b>	<b>\$50.641</b>	<b>\$45.439</b>	<b>\$47.673</b>
<b>Expenses</b>					
<i>Labor:</i>					
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
<b>Total Labor Expense Changes</b>	<b>(\$1.404)</b>	<b>(\$33.344)</b>	<b>(\$42.633)</b>	<b>(\$24.953)</b>	<b>(\$16.397)</b>
<i>Non-Labor:</i>					
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)
<b>Total Non-Labor Expense Changes</b>	<b>\$17.450</b>	<b>(\$33.571)</b>	<b>(\$19.199)</b>	<b>(\$33.323)</b>	<b>(\$53.641)</b>
Depreciation (Non-cash impact)	\$59.300	\$142.600	\$230.000	\$313.600	\$397.200
<b>Total Expense Changes</b>	<b>\$75.346</b>	<b>\$75.685</b>	<b>\$168.168</b>	<b>\$255.325</b>	<b>\$327.163</b>
<b>Cash Adjustment Changes</b>					
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)
<b>Total Cash Adjustment Changes</b>	<b>(\$79.067)</b>	<b>(\$138.146)</b>	<b>(\$220.947)</b>	<b>(\$309.353)</b>	<b>(\$394.523)</b>
<b>Total Baseline Changes</b>	<b>(\$7.014)</b>	<b>\$14.264</b>	<b>(\$2.138)</b>	<b>(\$8.589)</b>	<b>(\$19.687)</b>
<b>Baseline 2006 November Financial Plan - Cash Deficit</b>	<b>(\$2,014.926)</b>	<b>(\$2,226.523)</b>	<b>(\$2,469.685)</b>	<b>(\$2,735.069)</b>	<b>(\$2,930.212)</b>



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

<b>NON-REIMBURSABLE and REIMBURSABLE</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Baseline 2006 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$2,007.912)</b>	<b>(\$2,240.788)</b>	<b>(\$2,467.547)</b>	<b>(\$2,726.479)</b>	<b>(\$2,910.524)</b>
<b>Non-Reimbursable Major Changes</b>					
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)
<b>Total Non-Reimbursable Major Changes</b>	<b>\$12.753</b>	<b>\$9.810</b>	<b>(\$11.191)</b>	<b>(\$12.836)</b>	<b>(\$22.364)</b>
<b>Reimbursable Major Changes</b>					
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)
<b>Total Reimbursable Major Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Accrual Changes (Excluding Depreciation)</b>	<b>\$12.753</b>	<b>\$9.810</b>	<b>(\$11.191)</b>	<b>(\$12.836)</b>	<b>(\$22.364)</b>
<b>Cash Adjustment Changes (Excluding Depreciation)</b>					
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
<b>Total Cash Adjustment Changes (Excluding Depreciation)</b>	<b>(\$19.767)</b>	<b>\$4.455</b>	<b>\$9.053</b>	<b>\$4.246</b>	<b>\$2.676</b>
<b>Depreciation</b>					
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)
<b>Total Baseline Changes</b>	<b>(\$7.014)</b>	<b>\$14.265</b>	<b>(\$2.138)</b>	<b>(\$8.590)</b>	<b>(\$19.688)</b>
<b>Baseline 2006 November Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$2,014.926)</b>	<b>(\$2,226.523)</b>	<b>(\$2,469.685)</b>	<b>(\$2,735.069)</b>	<b>(\$2,930.212)</b>

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

	<b>2005</b>	<b>2006</b>	<b>2007</b>			
	<b>Actuals</b>	<b>November</b>	<b>Proposed</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
		<b>Forecast</b>	<b>Budget</b>			
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
<b>Baseline Total Ridership</b>	<b>2,190.265</b>	<b>2,240.231</b>	<b>2,268.318</b>	<b>2,298.173</b>	<b>2,312.167</b>	<b>2,325.333</b>
Impact of:						
PEG Program	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Ridership</b>	<b>2,190.265</b>	<b>2,240.231</b>	<b>2,268.318</b>	<b>2,298.173</b>	<b>2,312.167</b>	<b>2,325.333</b>

New York City Transit  
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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>
<b>Administration</b>										
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
<b>Cust Convenience &amp; Amenities</b>										
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
<b>Maintenance</b>										
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

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(\$ 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
<b>Service Support</b>											
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

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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

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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

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(\$ in Millions)

<b>Business Unit</b>	NYCTR	<b>Financial Plan Category</b>	PEG	<b>Implementation Date</b>	1/1/2007
<b>Budget Reference</b>	FINAL06	<b>Category</b>	Administration	<b>Savings Date</b>	1/1/2007
<b>PEG / New Need ID</b>	0000000065	<b>Current Budget Year</b>	2006	<b>Status</b>	Open
				<b>Agency Status</b>	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
<b>Total Headcount</b>	NYCTR	0000000065	FINAL06	0	3	3	3	3
<b>Financial Impact</b>	NYCTR	0000000065	FINAL06	\$ 0.000	\$ 0.345	\$ 0.345	\$ 0.345	\$ 0.345

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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



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(\$ 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

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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

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(\$ 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  
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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

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(\$ 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 presecrption 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

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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

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(\$ 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

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(\$ 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



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(\$ 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

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(\$ 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

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(\$ 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

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<b>Business Unit</b>	NYCTR	<b>Financial Plan Category</b>	PEG	<b>Implementation Date</b>	1/1/2007
<b>Budget Reference</b>	FINAL06	<b>Category</b>	Maintenance	<b>Savings Date</b>	1/1/2007
<b>PEG / New Need ID</b>	0000000036	<b>Current Budget Year</b>	2006	<b>Status</b>	Open
				<b>Agency Status</b>	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
<b>Total Headcount</b>	NYCTR	0000000036	FINAL06	0	43	43	43	43
<b>Financial Impact</b>	NYCTR	0000000036	FINAL06	\$ 0.000	\$ 2.377	\$ 2.377	\$ 2.377	\$ 2.377

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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

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(\$ in Millions)

<b>Business Unit</b>	NYCTR	<b>Financial Plan Category</b>	PEG	<b>Implementation Date</b>	1/1/2007
<b>Budget Reference</b>	FINAL06	<b>Category</b>	Maintenance	<b>Savings Date</b>	1/1/2007
<b>PEG / New Need ID</b>	0000000080	<b>Current Budget Year</b>	2006	<b>Status</b>	Open
				<b>Agency Status</b>	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
<b>Total Headcount</b>	NYCTR	0000000080	FINAL06	0	2	2	2	2
<b>Financial Impact</b>	NYCTR	0000000080	FINAL06	\$ 0.000	\$ 0.158	\$ 0.158	\$ 0.158	\$ 0.158

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(\$ in Millions)

<b>Business Unit</b>	NYCTR	<b>Financial Plan Category</b>	PEG	<b>Implementation Date</b>	1/1/2007
<b>Budget Reference</b>	FINAL06	<b>Category</b>	Maintenance	<b>Savings Date</b>	1/1/2007
<b>PEG / New Need ID</b>	0000000081	<b>Current Budget Year</b>	2006	<b>Status</b>	Open
				<b>Agency Status</b>	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
<b>Total Headcount</b>	NYCTR	0000000081	FINAL06	0	4	4	4	4
<b>Financial Impact</b>	NYCTR	0000000081	FINAL06	\$ 0.000	\$ 0.275	\$ 0.275	\$ 0.275	\$ 0.275

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Summary of 2007 Program to Eliminate the Gap(PEGs)  
(\$ in Millions)

<b>Business Unit</b>	NYCTR	<b>Financial Plan Category</b>	PEG	<b>Implementation Date</b>	1/1/2006
<b>Budget Reference</b>	FINAL06	<b>Category</b>	Maintenance	<b>Savings Date</b>	1/1/2006
<b>PEG / New Need ID</b>	0000000082	<b>Current Budget Year</b>	2006	<b>Status</b>	Open
				<b>Agency Status</b>	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
<b>Total Headcount</b>								
<b>Financial Impact</b>	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)

<b>Business Unit</b>	NYCTR	<b>Financial Plan Category</b>	PEG	<b>Implementation Date</b>	7/1/2006
<b>Budget Reference</b>	FINAL06	<b>Category</b>	Service Support	<b>Savings Date</b>	7/1/2006
<b>PEG / New Need ID</b>	0000000084	<b>Current Budget Year</b>	2006	<b>Status</b>	Open
				<b>Agency Status</b>	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
<b>Total Headcount</b>	NYCTR	0000000084	FINAL06	8	10	10	10	10
<b>Financial Impact</b>	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>
<b>Service Support</b>											
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)

<b>Business Unit</b>	NYCTR	<b>Financial Plan Category</b>	Post PEG	<b>Implementation Date</b>	5/1/2008
<b>Budget Reference</b>	FINAL06	<b>Category</b>	Service Support	<b>Savings Date</b>	5/1/2008
<b>PEG / New Need ID</b>	0000000024	<b>Current Budget Year</b>	2006	<b>Status</b>	Open
				<b>Agency Status</b>	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
<b>Total Headcount</b>	NYCTR	0000000024	FINAL06	0	0	89	89	89
<b>Financial Impact</b>	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
<b>Administration</b>						
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
<b>Total Administration</b>	<b>2,257</b>	<b>2,291</b>	<b>2,291</b>	<b>2,283</b>	<b>2,296</b>	<b>2,294</b>
<b>Operations</b>						
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
<b>Total Operations</b>	<b>22,711</b>	<b>23,018</b>	<b>23,235</b>	<b>23,088</b>	<b>23,089</b>	<b>23,078</b>
<b>Maintenance</b>						
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
<b>Total Maintenance</b>	<b>20,024</b>	<b>20,597</b>	<b>20,690</b>	<b>20,648</b>	<b>20,570</b>	<b>20,191</b>
<b>Engineering/Capital</b>						
Capital Program Management	1,487	1,519	1,504	1,504	1,504	1,504
<b>Public Safety</b>						
Subways Senior VP	593	576	572	570	576	575
<b>Total Baseline Positions</b>	<b>47,072</b>	<b>48,001</b>	<b>48,292</b>	<b>48,093</b>	<b>48,035</b>	<b>47,642</b>
<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
<b>Total Full-Time</b>	<b>46,841</b>	<b>47,788</b>	<b>48,079</b>	<b>47,887</b>	<b>47,829</b>	<b>47,437</b>
<b>Total Full-Time Equivalents</b>	<b>231</b>	<b>213</b>	<b>213</b>	<b>206</b>	<b>206</b>	<b>205</b>
<hr/>						
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)
<b>Total Positions</b>	<b>47,072</b>	<b>47,995</b>	<b>48,090</b>	<b>47,576</b>	<b>47,518</b>	<b>47,125</b>
<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
<b>Total Full-Time</b>	<b>46,841</b>	<b>47,782</b>	<b>47,877</b>	<b>47,370</b>	<b>47,312</b>	<b>46,920</b>
<b>Total Full-Time Equivalents</b>	<b>231</b>	<b>213</b>	<b>213</b>	<b>206</b>	<b>206</b>	<b>205</b>

**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
<b>Administration</b>						
	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
	<b>Total Administration</b>	<b>2,291</b>	<b>2,291</b>	<b>2,283</b>	<b>2,296</b>	<b>2,294</b>
<b>Operations</b>						
	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
	<b>Total Operations</b>	<b>23,018</b>	<b>23,235</b>	<b>23,088</b>	<b>23,089</b>	<b>23,078</b>
<b>Maintenance</b>						
	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
	<b>Total Maintenance</b>	<b>20,597</b>	<b>20,690</b>	<b>20,648</b>	<b>20,570</b>	<b>20,191</b>
<b>Engineering/Capital</b>						
	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
	<b>Total Engineering/Capital</b>	<b>1,519</b>	<b>1,504</b>	<b>1,504</b>	<b>1,504</b>	<b>1,504</b>
<b>Public Safety</b>						
	Managers/Supervisors	103	103	102	99	98
	Professional, Technical, Clerical	79	79	78	77	77
	Operational Hourlies	394	390	390	400	400
	<b>Total Public Safety</b>	<b>576</b>	<b>572</b>	<b>570</b>	<b>576</b>	<b>575</b>
<b>Total Baseline Positions</b>						
	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
	<b>Total Baseline Positions</b>	<b>48,001</b>	<b>48,292</b>	<b>48,093</b>	<b>48,035</b>	<b>47,642</b>

# **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)

<b>Non-Reimbursable</b>						
	<b>2005</b>	<b>2006</b>	<b>2007</b>			
	<b>Actuals</b>	<b>November Forecast</b>	<b>Final Proposed Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Operating Revenue</b>						
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	-	-	-	-	-	-
<b>Total Revenue</b>	<b>\$4.972</b>	<b>\$5.538</b>	<b>\$5.585</b>	<b>\$6.170</b>	<b>\$6.186</b>	<b>\$6.197</b>
<b>Operating Expenses</b>						
<b><u>Labor:</u></b>						
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	-	-	-	-	-	-
<b>Total Labor Expenses</b>	<b>\$22.243</b>	<b>\$20.699</b>	<b>\$21.930</b>	<b>\$22.745</b>	<b>\$23.927</b>	<b>\$24.930</b>
<b><u>Non-Labor:</u></b>						
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
<b>Total Non-Labor Expenses</b>	<b>\$5.093</b>	<b>\$6.202</b>	<b>\$6.470</b>	<b>\$13.659</b>	<b>\$6.973</b>	<b>\$7.239</b>
<b><u>Other Expenses Adjustments:</u></b>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$27.336</b>	<b>\$26.901</b>	<b>\$28.400</b>	<b>\$36.404</b>	<b>\$30.900</b>	<b>\$32.169</b>
Depreciation	7.074	7.337	10.337	10.337	10.337	10.337
<b>Total Expenses</b>	<b>\$34.410</b>	<b>\$34.238</b>	<b>\$38.737</b>	<b>\$46.741</b>	<b>\$41.237</b>	<b>\$42.506</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$29.438)</b>	<b>(\$28.700)</b>	<b>(\$33.152)</b>	<b>(\$40.571)</b>	<b>(\$35.051)</b>	<b>(\$36.309)</b>
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)	-	-	-	-	-	-
<b>Net Surplus/(Deficit)</b>	<b>(\$29.438)</b>	<b>(\$28.400)</b>	<b>(\$32.852)</b>	<b>(\$40.271)</b>	<b>(\$34.751)</b>	<b>(\$36.009)</b>

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

<b>NON-REIMBURSABLE / REIMBURSABLE</b>						
	<b>2005</b>	<b>2006</b>	<b>2007</b>			
	<b>Actuals</b>	<b>November Forecast</b>	<b>Final Proposed Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Revenue</b>						
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
<b>Total Revenue</b>	<b>\$6.167</b>	<b>\$6.820</b>	<b>\$6.937</b>	<b>\$7.593</b>	<b>\$7.658</b>	<b>\$7.744</b>
<b>Expenses</b>						
<b><u>Labor:</u></b>						
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	-	-	-	-	-	-
<b>Total Labor Expenses</b>	<b>\$23.386</b>	<b>\$21.981</b>	<b>\$23.282</b>	<b>\$24.168</b>	<b>\$25.399</b>	<b>\$26.477</b>
<b><u>Non-Labor:</u></b>						
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
<b>Total Non-Labor Expenses</b>	<b>\$5.145</b>	<b>\$6.202</b>	<b>\$6.470</b>	<b>\$13.659</b>	<b>\$6.973</b>	<b>\$7.239</b>
<b><u>Other Expenses Adjustments:</u></b>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$28.531</b>	<b>\$28.183</b>	<b>\$29.752</b>	<b>\$37.827</b>	<b>\$32.372</b>	<b>\$33.716</b>
Depreciation	7.074	7.337	10.337	10.337	10.337	10.337
<b>Total Expenses</b>	<b>\$35.605</b>	<b>\$35.520</b>	<b>\$40.089</b>	<b>\$48.164</b>	<b>\$42.709</b>	<b>\$44.053</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$29.438)</b>	<b>(\$28.700)</b>	<b>(\$33.152)</b>	<b>(\$40.571)</b>	<b>(\$35.051)</b>	<b>(\$36.309)</b>
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)	-	-	-	-	-	-
<b>Net Surplus/(Deficit)</b>	<b>(\$29.438)</b>	<b>(\$28.400)</b>	<b>(\$32.852)</b>	<b>(\$40.271)</b>	<b>(\$34.751)</b>	<b>(\$36.009)</b>

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

<b>CASH RECEIPTS AND EXPENDITURES</b>						
	<b>2005</b>	<b>2006</b>	<b>2007</b>			
	<b>Actuals</b>	<b>November</b>	<b>Final Proposed</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
		<b>Forecast</b>	<b>Budget</b>			
<b>Receipts</b>						
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
<b>Total Receipts</b>	<b>\$6.265</b>	<b>\$6.814</b>	<b>\$6.930</b>	<b>\$7.593</b>	<b>\$7.658</b>	<b>\$7.744</b>
<b>Expenditures</b>						
<b><u>Labor:</u></b>						
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	-	-	-	-	-	-
<b>Total Labor Expenditures</b>	<b>\$23.327</b>	<b>\$21.981</b>	<b>\$23.282</b>	<b>\$24.168</b>	<b>\$25.399</b>	<b>\$26.477</b>
<b><u>Non-Labor:</u></b>						
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
<b>Total Non-Labor Expenditures</b>	<b>\$4.760</b>	<b>\$6.202</b>	<b>\$6.470</b>	<b>\$13.659</b>	<b>\$6.973</b>	<b>\$7.239</b>
<b><u>Other Expenditure Adjustments:</u></b>						
Other	\$0.209	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expenditure Adjustments</b>	<b>\$0.209</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenditures</b>	<b>\$28.296</b>	<b>\$28.183</b>	<b>\$29.752</b>	<b>\$37.827</b>	<b>\$32.372</b>	<b>\$33.716</b>
<b>Baseline Cash Deficit</b>	<b>(\$22.031)</b>	<b>(\$21.369)</b>	<b>(\$22.822)</b>	<b>(\$30.234)</b>	<b>(\$24.714)</b>	<b>(\$25.972)</b>
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)	-	-	-	-	-	-
<b>Net Cash Deficit</b>	<b>(\$22.031)</b>	<b>(\$21.069)</b>	<b>(\$22.522)</b>	<b>(\$29.934)</b>	<b>(\$24.414)</b>	<b>(\$25.672)</b>

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

<b>CASH FLOW ADJUSTMENTS</b>						
	<b>2005</b>	<b>2006</b>	<b>2007</b>			
	<b>Actuals</b>	<b>November Forecast</b>	<b>Final Proposed Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Receipts</b>						
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
<b>Total Receipts</b>	<b>\$0.098</b>	<b>(\$0.006)</b>	<b>(\$0.007)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Expenditures</b>						
<b><u>Labor:</u></b>						
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	-	-	-	-	-	-
<b>Total Labor Expenditures</b>	<b>\$0.059</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b><u>Non-Labor:</u></b>						
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	-	-	-	-	-
<b>Total Non-Labor Expenditures</b>	<b>\$0.385</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b><u>Other Expenditures Adjustments:</u></b>						
Other	(\$0.209)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expenditures Adjustments</b>	<b>(\$0.209)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Cash Conversion Adjustments before Depreciation</b>	<b>\$0.333</b>	<b>(\$0.006)</b>	<b>(\$0.007)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
Depreciation Adjustment	7.074	7.337	10.337	10.337	10.337	10.337
<b>Baseline Total Cash Conversion Adjustments</b>	<b>\$7.407</b>	<b>\$7.331</b>	<b>\$10.330</b>	<b>\$10.337</b>	<b>\$10.337</b>	<b>\$10.337</b>
2007 Program to Eliminate the Gap (PEGs)	-	-	-	-	-	-
Post 2007 Program to Eliminate the Gap (PEGs)	-	-	-	-	-	-
<b>Total Cash Conversion Adjustments</b>	<b>\$7.407</b>	<b>\$7.331</b>	<b>\$10.330</b>	<b>\$10.337</b>	<b>\$10.337</b>	<b>\$10.337</b>

**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)								
<b>NON-REIMBURSABLE and REIMBURSABLE</b>	<b>2006</b>	<b>2007</b>	<b>Change 2007 - 2006</b>	<b>2008</b>	<b>Change 2008 - 2007</b>	<b>2009</b>	<b>Change 2009 - 2008</b>	<b>2010</b>	<b>Change 2010 - 2009</b>
<b>Revenue</b>									
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
<b>Total Revenue</b>	<b>\$6.820</b>	<b>\$6.937</b>	<b>\$0.117</b>	<b>\$7.593</b>	<b>\$0.656</b>	<b>\$7.658</b>	<b>\$0.065</b>	<b>\$7.744</b>	<b>\$0.086</b>
<b>Expenses</b>									
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
<b>Total Labor Expenses</b>	<b>\$21.981</b>	<b>\$23.282</b>	<b>(\$1.301)</b>	<b>\$24.168</b>	<b>(\$0.886)</b>	<b>\$25.399</b>	<b>(\$1.231)</b>	<b>\$26.477</b>	<b>(\$1.078)</b>
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)
<b>Total Non-Labor Expenses</b>	<b>\$6.202</b>	<b>\$6.470</b>	<b>(\$0.268)</b>	<b>\$13.659</b>	<b>(\$7.189)</b>	<b>\$6.973</b>	<b>\$6.686</b>	<b>\$7.239</b>	<b>(\$0.266)</b>
Other Expenses Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expenditure Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$28.183</b>	<b>\$29.752</b>	<b>(\$1.569)</b>	<b>\$37.827</b>	<b>(\$8.075)</b>	<b>\$32.372</b>	<b>\$5.455</b>	<b>\$33.716</b>	<b>(\$1.344)</b>
Depreciation	7.337	10.337	(3.000)	10.337	0.000	10.337	0.000	10.337	0.000
<b>Total Expenses</b>	<b>\$35.520</b>	<b>\$40.089</b>	<b>(\$4.569)</b>	<b>\$48.164</b>	<b>(\$8.075)</b>	<b>\$42.709</b>	<b>\$5.455</b>	<b>\$44.053</b>	<b>(\$1.344)</b>
<b>Baseline Net Surplus/(Deficit)</b>	<b>(\$28.700)</b>	<b>(\$33.152)</b>	<b>(\$4.452)</b>	<b>(\$40.571)</b>	<b>(\$7.419)</b>	<b>(\$35.051)</b>	<b>\$5.520</b>	<b>(\$36.309)</b>	<b>(\$1.258)</b>
2007 PEG Program	0.300	0.300	0.000	0.300	0.000	0.300	0.000	0.300	0.000
<b>Net Surplus/(Deficit)</b>	<b>(\$28.400)</b>	<b>(\$32.852)</b>	<b>(\$4.452)</b>	<b>(\$40.271)</b>	<b>(\$7.419)</b>	<b>(\$34.751)</b>	<b>\$5.520</b>	<b>(\$36.009)</b>	<b>(\$1.258)</b>

**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
<b><u>Receipts</u></b>									
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
<b>Total Receipts</b>	<b>\$6.814</b>	<b>\$6.930</b>	<b>\$0.116</b>	<b>\$7.593</b>	<b>\$0.663</b>	<b>\$7.658</b>	<b>\$0.065</b>	<b>\$7.744</b>	<b>\$0.086</b>
<b><u>Expenditures</u></b>									
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
<b>Total Labor Expenditures</b>	<b>\$21.981</b>	<b>\$23.282</b>	<b>(\$1.301)</b>	<b>\$24.168</b>	<b>(\$0.886)</b>	<b>\$25.399</b>	<b>(\$1.231)</b>	<b>\$26.477</b>	<b>(\$1.078)</b>
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)
<b>Total Non-Labor Expenditures</b>	<b>\$6.202</b>	<b>\$6.470</b>	<b>(\$0.268)</b>	<b>\$13.659</b>	<b>(\$7.189)</b>	<b>\$6.973</b>	<b>\$6.686</b>	<b>\$7.239</b>	<b>(\$0.266)</b>
Other Expenditure Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expenditure Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenditures</b>	<b>\$28.183</b>	<b>\$29.752</b>	<b>(\$1.569)</b>	<b>\$37.827</b>	<b>(\$8.075)</b>	<b>\$32.372</b>	<b>\$5.455</b>	<b>\$33.716</b>	<b>(\$1.344)</b>
<b>Baseline Net Cash Deficit</b>	<b>(\$21.369)</b>	<b>(\$22.822)</b>	<b>(\$1.453)</b>	<b>(\$30.234)</b>	<b>(\$7.412)</b>	<b>(\$24.714)</b>	<b>\$5.520</b>	<b>(\$25.972)</b>	<b>(\$1.258)</b>
2007 PEG Program									
	0.300	0.300	0.000	0.300	0.000	0.300	0.000	0.300	0.000
<b>Net Cash Deficit</b>	<b>(\$21.069)</b>	<b>(\$22.522)</b>	<b>(\$1.453)</b>	<b>(\$29.934)</b>	<b>(\$7.412)</b>	<b>(\$24.414)</b>	<b>\$5.520</b>	<b>(\$25.672)</b>	<b>(\$1.258)</b>

**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)

<b>NON-REIMBURSABLE</b>					
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>Baseline 2006 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$21.361)</b>	<b>(\$22.662)</b>	<b>(\$30.324)</b>	<b>(\$24.512)</b>	<b>(\$25.612)</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
Farebox Revenue	0.007	0.013	0.258	0.263	0.268
Other Operating Revenue					
Capital and Other Reimbursement					
<b>Total Revenue Changes</b>	<b>\$0.007</b>	<b>\$0.013</b>	<b>\$0.258</b>	<b>\$0.263</b>	<b>\$0.268</b>
<b>Expenses</b>					
<b>Labor:</b>					
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
<b>Total Labor Expense Changes</b>	<b>\$0.100</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Non-Labor:</b>					
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
<b>Total Non-Labor Expense Changes</b>	<b>\$2.885</b>	<b>(\$0.173)</b>	<b>(\$0.168)</b>	<b>(\$0.465)</b>	<b>(\$0.628)</b>
<b>Total Expense Changes</b>	<b>\$2.985</b>	<b>(\$0.173)</b>	<b>(\$0.168)</b>	<b>(\$0.465)</b>	<b>(\$0.628)</b>
<b>Cash Adjustment Changes</b>					
Depreciation	(3.000)	0.000	0.000	0.000	0.000
<b>Total Cash Adjustment Changes</b>	<b>(\$3.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Baseline Changes</b>	<b>(\$0.008)</b>	<b>(\$0.160)</b>	<b>\$0.090</b>	<b>(\$0.202)</b>	<b>(\$0.360)</b>
<b>Baseline 2006 November Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$21.369)</b>	<b>(\$22.822)</b>	<b>(\$30.234)</b>	<b>(\$24.714)</b>	<b>(\$25.972)</b>

**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>
<b>Baseline 2006 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
Farebox Revenue					
Other Operating Revenue					
Capital and Other Reimbursement					
<b>Total Revenue Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Expenses</b>					
<b>Labor:</b>					
Payroll					
Health and Welfare					
Pensions					
Other Fringe Benefits					
Reimbursable Overhead					
<b>Total Labor Expense Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Non-Labor:</b>					
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					
<b>Total Non-Labor Expense Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expense Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Cash Adjustment Changes</b>					
<b>Total Cash Adjustment Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Baseline Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Baseline 2006 November Financial Plan - Operating Cash Income/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>

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

<b>NON-REIMBURSABLE and REIMBURSABLE</b>					
	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Baseline 2006 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$21.361)</b>	<b>(\$22.662)</b>	<b>(\$30.324)</b>	<b>(\$24.512)</b>	<b>(\$25.612)</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
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
<b>Total Revenue Changes</b>	<b>\$0.007</b>	<b>\$0.013</b>	<b>\$0.258</b>	<b>\$0.263</b>	<b>\$0.268</b>
<b>Expenses</b>					
<b>Labor:</b>					
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
<b>Total Labor Expense Changes</b>	<b>\$0.100</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Non-Labor:</b>					
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
<b>Total Non-Labor Expense Changes</b>	<b>\$2.885</b>	<b>(\$0.173)</b>	<b>(\$0.168)</b>	<b>(\$0.465)</b>	<b>(\$0.628)</b>
<b>Total Expense Changes</b>	<b>\$2.985</b>	<b>(\$0.173)</b>	<b>(\$0.168)</b>	<b>(\$0.465)</b>	<b>(\$0.628)</b>
<b>Cash Adjustment Changes</b>					
Depreciation	(3.000)	0.000	0.000	0.000	0.000
<b>Total Cash Adjustment Changes</b>	<b>(\$3.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Baseline Changes</b>	<b>(\$0.008)</b>	<b>(\$0.160)</b>	<b>\$0.090</b>	<b>(\$0.202)</b>	<b>(\$0.360)</b>
<b>Baseline 2006 November Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$21.369)</b>	<b>(\$22.822)</b>	<b>(\$30.234)</b>	<b>(\$24.714)</b>	<b>(\$25.972)</b>



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

<b>NON-REIMBURSABLE and REIMBURSABLE</b>					
	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<b>Baseline 2006 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$21.361)</b>	<b>(\$22.662)</b>	<b>(\$30.324)</b>	<b>(\$24.512)</b>	<b>(\$25.612)</b>
<b><i>Non-Reimbursable Major Changes</i></b>					
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)
<b>Total Non-Reimbursable Major Changes</b>	<b>\$2.992</b>	<b>(\$0.160)</b>	<b>\$0.090</b>	<b>(\$0.202)</b>	<b>(\$0.360)</b>
<b><i>Reimbursable Major Changes</i></b>					
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
<b>Total Reimbursable Major Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Accrual Changes</b>	<b>\$2.992</b>	<b>(\$0.160)</b>	<b>\$0.090</b>	<b>(\$0.202)</b>	<b>(\$0.360)</b>
<b>Cash Adjustment Changes</b>					
Depreciation	(3.000)	0.000	0.000	0.000	0.000
<b>Total Cash Adjustment Changes</b>	<b>(\$3.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Baseline Changes</b>	<b>(\$0.008)</b>	<b>(\$0.160)</b>	<b>\$0.090</b>	<b>(\$0.202)</b>	<b>(\$0.360)</b>
<b>Baseline 2006 November Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$21.369)</b>	<b>(\$22.822)</b>	<b>(\$30.234)</b>	<b>(\$24.714)</b>	<b>(\$25.972)</b>

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

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

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>
<b>Service</b>											
Reconfigured Signal System-Reduced Power Consur		0	0.300	0	0.300	0	0.300	0	0.300	0	0.300
Sub-Total	Service	<u>0</u>	<u>\$ 0.300</u>	<u>0</u>	<u>\$ 0.300</u>	<u>0</u>	<u>\$ 0.300</u>	<u>0</u>	<u>\$ 0.300</u>	<u>0</u>	<u>\$ 0.300</u>
Total Programs		<u>0</u>	<u>\$ 0.300</u>	<u>0</u>	<u>\$ 0.300</u>	<u>0</u>	<u>\$ 0.300</u>	<u>0</u>	<u>\$ 0.300</u>	<u>0</u>	<u>\$ 0.300</u>

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

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.

				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**

<b>FUNCTION/DEPARTMENT</b>	<b>2005 Actuals</b>	<b>2006 November Forecast</b>	<b>2007 Final Proposed Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Administration</b>						
Executive	11	11	11	11	11	11
General Office	13	13	13	13	13	13
Purchasing/Stores	7	7	7	7	7	7
<b>Total Administration</b>	<b>31</b>	<b>31</b>	<b>31</b>	<b>31</b>	<b>31</b>	<b>31</b>
<b>Operations</b>						
Transportation	97	94	94	94	94	94
<b>Maintenance</b>						
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
<b>Total Maintenance</b>	<b>153</b>	<b>156</b>	<b>158</b>	<b>158</b>	<b>158</b>	<b>158</b>
<b>Engineering/Capital</b>						
None						
<b>Public Safety</b>						
Police	0	0	0	0	0	0
<b>Total Baseline Positions</b>	<b>281</b>	<b>281</b>	<b>283</b>	<b>283</b>	<b>283</b>	<b>283</b>
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
<b>Total Positions</b>	<b>281</b>	<b>281</b>	<b>283</b>	<b>283</b>	<b>283</b>	<b>283</b>
<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			
<b>Administration</b>					
Managers/Supervisors	14	14	14	14	14
Professional, Technical, Clerical	17	17	17	17	17
Operational Hourlies	-	-	-	-	-
<b>Total Administration</b>	31	31	31	31	31
<b>Operations</b>					
Managers/Supervisors	7	7	7	7	7
Professional, Technical, Clerical	4	4	4	4	4
Operational Hourlies	83	83	83	83	83
<b>Total Operations</b>	94	94	94	94	94
<b>Maintenance</b>					
Managers/Supervisors	11	11	11	11	11
Professional, Technical, Clerical	3	3	3	3	3
Operational Hourlies	142	144	144	144	144
<b>Total Maintenance</b>	156	158	158	158	158
<b>Engineering/Capital</b>					
Managers/Supervisors					
Professional, Technical, Clerical					
Operational Hourlies					
<b>Total Engineering/Capital</b>	-	-	-	-	-
<b>Public Safety</b>					
Managers/Supervisors	-	-	-	-	-
Professional, Technical, Clerical	-	-	-	-	-
Operational Hourlies	-	-	-	-	-
<b>Total Public Safety</b>	-	-	-	-	-
<b>Total Baseline Positions</b>					
Managers/Supervisors	32	32	32	32	32
Professional, Technical, Clerical	24	24	24	24	24
Operational Hourlies	225	227	227	227	227
<b>Total Baseline Positions</b>	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)

<b>Non-Reimbursable</b>		<b>2006</b>	<b>2007</b>			
		<b>November</b>	<b>Final Proposed</b>			
		<b>Forecast</b>	<b>Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Operating Revenue</b>						
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		-	-	-	-	-
<b>Total Revenue</b>		<b>\$129.592</b>	<b>\$132.427</b>	<b>\$134.820</b>	<b>\$136.078</b>	<b>\$137.348</b>
<b>Operating Expenses</b>						
<b><u>Labor:</u></b>						
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)
<b>Total Labor Expenses</b>		<b>\$233.606</b>	<b>\$263.707</b>	<b>\$275.390</b>	<b>\$286.579</b>	<b>\$298.436</b>
<b><u>Non-Labor:</u></b>						
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
<b>Total Non-Labor Expenses</b>		<b>\$105.933</b>	<b>\$118.680</b>	<b>\$123.588</b>	<b>\$125.544</b>	<b>\$128.613</b>
<b><u>Other Expenses Adjustments:</u></b>						
Other		\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expense Adjustments</b>		<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>		<b>\$339.538</b>	<b>\$382.387</b>	<b>\$398.978</b>	<b>\$412.123</b>	<b>\$427.049</b>
Depreciation		13.750	30.075	36.290	38.830	41.548
<b>Total Expenses</b>		<b>\$353.288</b>	<b>\$412.462</b>	<b>\$435.268</b>	<b>\$450.954</b>	<b>\$468.598</b>
<b>Net Surplus/(Deficit)</b>		<b>(\$223.696)</b>	<b>(\$280.035)</b>	<b>(\$300.448)</b>	<b>(\$314.876)</b>	<b>(\$331.250)</b>

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

<b>REIMBURSABLE</b>					
	<b>2006 November Forecast</b>	<b>2007 Final Proposed Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Revenue</b>					
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
<b>Total Revenue</b>	<b>\$0.600</b>	<b>\$24.351</b>	<b>\$24.695</b>	<b>\$32.339</b>	<b>\$23.815</b>
<b>Expenses</b>					
<b><u>Labor:</u></b>					
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
<b>Total Labor Expenses</b>	<b>\$0.000</b>	<b>\$2.651</b>	<b>\$2.702</b>	<b>\$2.756</b>	<b>\$2.815</b>
<b><u>Non-Labor:</u></b>					
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
<b>Total Non-Labor Expenses</b>	<b>\$0.600</b>	<b>\$21.700</b>	<b>\$21.993</b>	<b>\$29.583</b>	<b>\$21.000</b>
<b><u>Other Expenses Adjustments:</u></b>					
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$0.600</b>	<b>\$24.351</b>	<b>\$24.695</b>	<b>\$32.339</b>	<b>\$23.815</b>
Depreciation	-	-	-	-	-
<b>Total Expenses</b>	<b>\$0.600</b>	<b>\$24.351</b>	<b>\$24.695</b>	<b>\$32.339</b>	<b>\$23.815</b>
<b>Net Surplus/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>



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

<b>NON-REIMBURSABLE / REIMBURSABLE</b>					
	<b>2006</b>	<b>2007</b>			
	<b>November</b>	<b>Final Proposed</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
	<b>Forecast</b>	<b>Budget</b>			
<b>Revenue</b>					
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
<b>Total Revenue</b>	<b>\$130.192</b>	<b>\$156.779</b>	<b>\$159.515</b>	<b>\$168.417</b>	<b>\$161.163</b>
<b>Expenses</b>					
<b><u>Labor:</u></b>					
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	-	-	-	-	-
<b>Total Labor Expenses</b>	<b>\$233.606</b>	<b>\$266.359</b>	<b>\$278.092</b>	<b>\$289.335</b>	<b>\$301.251</b>
<b><u>Non-Labor:</u></b>					
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
<b>Total Non-Labor Expenses</b>	<b>\$106.533</b>	<b>\$140.380</b>	<b>\$145.581</b>	<b>\$155.127</b>	<b>\$149.613</b>
<b><u>Other Expenses Adjustments:</u></b>					
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$340.138</b>	<b>\$406.739</b>	<b>\$423.673</b>	<b>\$444.463</b>	<b>\$450.864</b>
Depreciation	13.750	30.075	36.290	38.830	41.548
<b>Total Expenses</b>	<b>\$353.888</b>	<b>\$436.814</b>	<b>\$459.963</b>	<b>\$483.293</b>	<b>\$492.413</b>
<b>Net Surplus/(Deficit)</b>	<b>(\$223.696)</b>	<b>(\$280.035)</b>	<b>(\$300.448)</b>	<b>(\$314.876)</b>	<b>(\$331.250)</b>

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

<b>CASH RECEIPTS AND EXPENDITURES</b>					
	<b>2006</b>	<b>2007</b>			
	<b>November</b>	<b>Final Proposed</b>			
	<b>Forecast</b>	<b>Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Receipts</b>					
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
<b>Total Receipts</b>	<b>\$130.192</b>	<b>\$156.779</b>	<b>\$159.515</b>	<b>\$168.417</b>	<b>\$161.163</b>
<b>Expenditures</b>					
<b><u>Labor:</u></b>					
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
<b>Total Labor Expenditures</b>	<b>\$231.766</b>	<b>\$268.199</b>	<b>\$278.092</b>	<b>\$289.336</b>	<b>\$301.252</b>
<b><u>Non-Labor:</u></b>					
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
<b>Total Non-Labor Expenditures</b>	<b>\$103.173</b>	<b>\$143.140</b>	<b>\$145.581</b>	<b>\$155.127</b>	<b>\$149.613</b>
<b><u>Other Expenditure Adjustments:</u></b>					
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expenditure Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenditures</b>	<b>\$334.938</b>	<b>\$411.339</b>	<b>\$423.673</b>	<b>\$444.463</b>	<b>\$450.864</b>
<b>Net Cash Deficit</b>	<b>(\$204.746)</b>	<b>(\$254.560)</b>	<b>(\$264.158)</b>	<b>(\$276.046)</b>	<b>(\$289.701)</b>

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

<b>CASH FLOW ADJUSTMENTS</b>					
	<b>2006 November Forecast</b>	<b>2007 Final Proposed Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Receipts</b>					
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
<b>Total Receipts</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Expenditures</b>					
<b><u>Labor:</u></b>					
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
<b>Total Labor Expenditures</b>	<b>\$1.840</b>	<b>(\$1.840)</b>	<b>(\$0.000)</b>	<b>(\$0.000)</b>	<b>(\$0.000)</b>
<b><u>Non-Labor:</u></b>					
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
<b>Total Non-Labor Expenditures</b>	<b>\$3.360</b>	<b>(\$2.760)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b><u>Other Expenditures Adjustments:</u></b>					
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expenditures Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Cash Conversion Adjustments before Depreciation</b>	<b>\$5.200</b>	<b>(\$4.600)</b>	<b>(\$0.000)</b>	<b>(\$0.000)</b>	<b>(\$0.000)</b>
Depreciation Adjustment	13.750	30.075	36.290	38.830	41.548
<b>Total Cash Conversion Adjustments</b>	<b>\$18.950</b>	<b>\$25.475</b>	<b>\$36.290</b>	<b>\$38.830</b>	<b>\$41.548</b>

**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
<b>Revenue</b>									
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
<b>Total Revenue</b>	<b>\$129.592</b>	<b>\$132.427</b>	<b>\$2.835</b>	<b>\$134.820</b>	<b>\$2.393</b>	<b>\$136.078</b>	<b>\$1.258</b>	<b>\$137.348</b>	<b>\$1.270</b>
<b>Expenses</b>									
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
<b>Total Labor Expenses</b>	<b>\$233.026</b>	<b>\$260.058</b>	<b>(\$27.033)</b>	<b>\$270.130</b>	<b>(\$10.071)</b>	<b>\$281.097</b>	<b>(\$10.968)</b>	<b>\$293.001</b>	<b>(\$11.904)</b>
Non-Labor:									
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	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)
<b>Total Non-Labor Expenses</b>	<b>\$105.933</b>	<b>\$118.680</b>	<b>(\$12.747)</b>	<b>\$123.588</b>	<b>(\$4.908)</b>	<b>\$125.544</b>	<b>(\$1.956)</b>	<b>\$128.613</b>	<b>(\$3.068)</b>
Other Expenses Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$338.959</b>	<b>\$378.738</b>	<b>(\$39.780)</b>	<b>\$393.718</b>	<b>(\$14.979)</b>	<b>\$406.641</b>	<b>(\$12.924)</b>	<b>\$421.613</b>	<b>(\$14.972)</b>
Depreciation	13.750	30.075	(16.325)	36.290	(6.215)	38.830	(2.540)	41.548	(2.718)
<b>Total Expenses</b>	<b>\$352.709</b>	<b>\$408.813</b>	<b>(\$56.105)</b>	<b>\$430.008</b>	<b>(\$21.194)</b>	<b>\$445.472</b>	<b>(\$15.464)</b>	<b>\$463.162</b>	<b>(\$17.690)</b>
<b>Net Surplus/(Deficit)</b>	<b>(\$223.116)</b>	<b>(\$276.386)</b>	<b>(\$53.270)</b>	<b>(\$295.188)</b>	<b>(\$18.802)</b>	<b>(\$309.394)</b>	<b>(\$14.206)</b>	<b>(\$325.814)</b>	<b>(\$16.420)</b>

**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
<b><u>Revenue</u></b>									
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)
<b>Total Revenue</b>	<b>\$0.600</b>	<b>\$24.351</b>	<b>\$23.751</b>	<b>\$24.695</b>	<b>\$0.343</b>	<b>\$32.339</b>	<b>\$7.645</b>	<b>\$23.815</b>	<b>(\$8.524)</b>
<b><u>Expenses</u></b>									
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
<b>Total Labor Expenses</b>	<b>\$0.000</b>	<b>\$2.651</b>	<b>(\$2.651)</b>	<b>\$1.779</b>	<b>\$0.873</b>	<b>\$2.756</b>	<b>(\$0.978)</b>	<b>\$2.815</b>	<b>(\$0.059)</b>
Non-Labor:									
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	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
<b>Total Non-Labor Expenses</b>	<b>\$0.600</b>	<b>\$21.700</b>	<b>(\$21.100)</b>	<b>\$21.993</b>	<b>(\$0.293)</b>	<b>\$29.583</b>	<b>(\$7.590)</b>	<b>\$21.000</b>	<b>\$8.583</b>
Other Expenses Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expense Adjustments</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$0.600</b>	<b>\$24.351</b>	<b>(\$23.751)</b>	<b>\$23.772</b>	<b>\$0.580</b>	<b>\$32.339</b>	<b>(\$8.568)</b>	<b>\$23.815</b>	<b>\$8.524</b>
Depreciation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Expenses</b>	<b>\$0.600</b>	<b>\$24.351</b>	<b>(\$23.751)</b>	<b>\$23.772</b>	<b>\$0.580</b>	<b>\$32.339</b>	<b>(\$8.568)</b>	<b>\$23.815</b>	<b>\$8.524</b>
<b>Net Surplus/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$47.503</b>	<b>\$0.923</b>	<b>(\$0.236)</b>	<b>\$0.000</b>	<b>\$16.212</b>	<b>\$0.000</b>	<b>(\$17.049)</b>



**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
<b>Revenue</b>									
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)
<b>Total Revenue</b>	<b>\$130.192</b>	<b>\$156.779</b>	<b>\$26.587</b>	<b>\$159.515</b>	<b>\$2.736</b>	<b>\$168.417</b>	<b>\$8.903</b>	<b>\$161.163</b>	<b>(\$7.254)</b>
<b>Expenses</b>									
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
<b>Total Labor Expenses</b>	<b>\$233.026</b>	<b>\$262.710</b>	<b>(\$29.684)</b>	<b>\$272.831</b>	<b>(\$10.121)</b>	<b>\$283.854</b>	<b>(\$11.022)</b>	<b>\$295.816</b>	<b>(\$11.962)</b>
Non-Labor:									
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	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)
<b>Total Non-Labor Expenses</b>	<b>\$106.533</b>	<b>\$140.380</b>	<b>(\$33.847)</b>	<b>\$145.581</b>	<b>(\$5.201)</b>	<b>\$155.127</b>	<b>(\$9.546)</b>	<b>\$149.613</b>	<b>\$5.515</b>
Other Expenses Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$339.559</b>	<b>\$403.090</b>	<b>(\$63.531)</b>	<b>\$418.412</b>	<b>(\$15.323)</b>	<b>\$438.981</b>	<b>(\$20.568)</b>	<b>\$445.428</b>	<b>(\$6.448)</b>
Depreciation	13.750	30.075	(16.325)	36.290	(6.215)	38.830	(2.540)	41.548	(2.718)
<b>Total Expenses</b>	<b>\$353.309</b>	<b>\$433.165</b>	<b>(\$79.856)</b>	<b>\$454.702</b>	<b>(\$21.538)</b>	<b>\$477.811</b>	<b>(\$23.109)</b>	<b>\$486.977</b>	<b>(\$9.166)</b>
<b>Net Surplus/(Deficit)</b>	<b>(\$223.116)</b>	<b>(\$276.386)</b>	<b>(\$53.270)</b>	<b>(\$295.188)</b>	<b>(\$18.802)</b>	<b>(\$309.394)</b>	<b>(\$14.206)</b>	<b>(\$325.814)</b>	<b>(\$16.420)</b>

**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
<b><u>Receipts</u></b>									
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)
<b>Total Receipts</b>	<b>\$130.192</b>	<b>\$156.779</b>	<b>\$26.587</b>	<b>\$159.515</b>	<b>\$2.736</b>	<b>\$168.417</b>	<b>\$8.903</b>	<b>\$161.163</b>	<b>(\$7.254)</b>
<b><u>Expenditures</u></b>									
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
<b>Total Labor Expenditures</b>	<b>\$231.186</b>	<b>\$264.550</b>	<b>(\$33.364)</b>	<b>\$272.831</b>	<b>(\$8.281)</b>	<b>\$283.854</b>	<b>(\$11.022)</b>	<b>\$295.816</b>	<b>(\$11.962)</b>
Non-Labor:									
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	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)
<b>Total Non-Labor Expenditures</b>	<b>\$103.173</b>	<b>\$143.140</b>	<b>(\$39.967)</b>	<b>\$145.581</b>	<b>(\$2.441)</b>	<b>\$155.127</b>	<b>(\$9.546)</b>	<b>\$149.613</b>	<b>\$5.515</b>
Other Expenditure Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expenditure Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenditures</b>	<b>\$334.359</b>	<b>\$407.690</b>	<b>(\$73.331)</b>	<b>\$418.412</b>	<b>(\$10.723)</b>	<b>\$438.981</b>	<b>(\$20.568)</b>	<b>\$445.428</b>	<b>(\$6.448)</b>
<b>Net Cash Deficit</b>	<b>(\$204.166)</b>	<b>(\$250.911)</b>	<b>(\$46.745)</b>	<b>(\$258.898)</b>	<b>(\$7.987)</b>	<b>(\$270.564)</b>	<b>(\$11.666)</b>	<b>(\$284.265)</b>	<b>(\$13.702)</b>

**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
<b>Baseline 2006 July Financial Plan - Cash Deficit</b>	<b>(\$204.397)</b>	<b>(\$240.760)</b>	<b>(\$253.859)</b>	<b>(\$266.514)</b>	<b>(\$281.275)</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
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
<b>Total Revenue Changes</b>	<b>(\$3.937)</b>	<b>(\$2.460)</b>	<b>(\$1.693)</b>	<b>(\$.886)</b>	<b>(\$.469)</b>
<b>Expenses</b>					
<b>Labor:</b>					
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
<b>Total Labor Expense Changes</b>	<b>\$7.156</b>	<b>(\$2.361)</b>	<b>(\$3.893)</b>	<b>(\$4.011)</b>	<b>(\$3.851)</b>
<b>Non-Labor:</b>					
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
<b>Total Non-Labor Expense Changes</b>	<b>(\$8.769)</b>	<b>(\$4.379)</b>	<b>(\$4.714)</b>	<b>(\$4.634)</b>	<b>(\$4.098)</b>
<b>Total Expense Changes</b>	<b>(\$1.613)</b>	<b>(\$6.740)</b>	<b>(\$8.606)</b>	<b>(\$8.645)</b>	<b>(\$7.949)</b>
<b>Cash Adjustment Changes</b>					
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					
<b>Total Cash Adjustment Changes</b>	<b>\$5.200</b>	<b>(\$4.600)</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>(\$0.009)</b>
<b>Total Baseline Changes</b>	<b>(\$0.350)</b>	<b>(\$13.800)</b>	<b>(\$10.299)</b>	<b>(\$9.532)</b>	<b>(\$8.426)</b>
<b>Baseline 2006 November Financial Plan - Cash Deficit</b>	<b>(\$204.746)</b>	<b>(\$254.560)</b>	<b>(\$264.158)</b>	<b>(\$276.045)</b>	<b>(\$289.701)</b>

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

REIMBURSABLE					
	2006	2007	2008	2009	2010
<b>Baseline 2006 July Financial Plan - Cash Deficit</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
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
<b>Total Revenue Changes</b>	<b>\$0.000</b>	<b>\$1.150</b>	<b>\$1.201</b>	<b>\$1.255</b>	<b>\$1.305</b>
<b>Expenses</b>					
<b>Labor:</b>					
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)
<b>Total Labor Expense Changes</b>	<b>\$0.000</b>	<b>(\$1.151)</b>	<b>(\$1.201)</b>	<b>(\$1.255)</b>	<b>(\$1.314)</b>
<b>Non-Labor:</b>					
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
<b>Total Non-Labor Expense Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expense Changes</b>	<b>\$0.000</b>	<b>(\$1.151)</b>	<b>(\$1.201)</b>	<b>(\$1.255)</b>	<b>(\$1.314)</b>
<b>Cash Adjustment Changes</b>					
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					
<b>Total Cash Adjustment Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.009</b>
<b>Total Baseline Changes</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>(\$0.000)</b>	<b>(\$0.000)</b>	<b>(\$0.000)</b>
<b>Baseline 2006 November Financial Plan - Cash Deficit</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>(\$0.000)</b>	<b>(\$0.000)</b>	<b>(\$0.000)</b>

**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
<b>Baseline 2006 July Financial Plan - Cash Deficit</b>	<b>(\$204.397)</b>	<b>(\$240.760)</b>	<b>(\$253.859)</b>	<b>(\$266.514)</b>	<b>(\$281.275)</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
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
<b>Total Revenue Changes</b>	<b>(\$3.937)</b>	<b>(\$1.310)</b>	<b>(\$.492)</b>	<b>\$3.69</b>	<b>\$836</b>
<b>Expenses</b>					
<b>Labor:</b>					
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
<b>Total Labor Expense Changes</b>	<b>\$7.156</b>	<b>(\$3.511)</b>	<b>(\$5.094)</b>	<b>(\$5.267)</b>	<b>(\$5.165)</b>
<b>Non-Labor:</b>					
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
<b>Total Non-Labor Expense Changes</b>	<b>(\$8.769)</b>	<b>(\$4.379)</b>	<b>(\$4.714)</b>	<b>(\$4.634)</b>	<b>(\$4.098)</b>
<b>Total Expense Changes</b>	<b>(\$1.613)</b>	<b>(\$7.890)</b>	<b>(\$9.807)</b>	<b>(\$9.901)</b>	<b>(\$9.263)</b>
<b>Cash Adjustment Changes</b>					
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					
<b>Total Cash Adjustment Changes</b>	<b>\$5.200</b>	<b>(\$4.600)</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>
<b>Total Baseline Changes</b>	<b>(\$0.350)</b>	<b>(\$13.800)</b>	<b>(\$10.299)</b>	<b>(\$9.532)</b>	<b>(\$8.427)</b>
<b>Baseline 2006 November Financial Plan - Cash Deficit</b>	<b>(\$204.746)</b>	<b>(\$254.560)</b>	<b>(\$264.158)</b>	<b>(\$276.046)</b>	<b>(\$289.701)</b>

**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)**

<b>Final Proposed 2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
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**Ridership**

Fixed Route	99.159	101.004	101.973	102.952
Baseline Total Ridership	99.159	101.004	101.973	102.952
Impact of : PEG Program	-	-	-	-
Total Ridership	99.159	101.004	101.973	102.952

**Farebox Revenue**

Fixed Route	128.647	131.040	132.298	133.568
Baseline Total Revenue	128.647	131.040	132.298	133.568
Impact of : PEG Program	-	-	-	-
Total Revenue	128.647	131.040	132.298	133.568

**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**

<b>FUNCTION/DEPARTMENT</b>	<b>2006 November Forecast</b>	<b>2007 Final Proposed Budget</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>
<b>Administration</b>					
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
<b>Total Administration</b>	<b>87</b>	<b>125</b>	<b>125</b>	<b>125</b>	<b>125</b>
<b>Operations</b>					
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
<b>Total Operations</b>	<b>2,099</b>	<b>2,145</b>	<b>2,145</b>	<b>2,145</b>	<b>2,145</b>
<b>Maintenance</b>					
Buses	920	951	951	951	951
Supply Logistics	42	64	64	64	64
<b>Total Maintenance</b>	<b>962</b>	<b>1,015</b>	<b>1,015</b>	<b>1,015</b>	<b>1,015</b>
<b>Engineering/Capital</b>					
Capital Program Management	5	23	23	23	23
<b>Public Safety</b>					
Office of the Senior Vice President	9	10	10	10	10
<b>Total Positions</b>	<b>3,162</b>	<b>3,318</b>	<b>3,318</b>	<b>3,318</b>	<b>3,318</b>
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	-	-	-	-	-
<b>Total Positions</b>	<b>3,162</b>	<b>3,318</b>	<b>3,318</b>	<b>3,318</b>	<b>3,318</b>
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
<b>Administration</b>						
	Managers/Supervisors	25	37	37	37	37
	Professional, Technical, Clerical	62	88	88	88	88
	Operational Hourlies	-	-	-	-	-
	<b>Total Administration</b>	87	125	125	125	125
<b>Operations</b>						
	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
	<b>Total Operations</b>	2,099	2,145	2,145	2,145	2,145
<b>Maintenance</b>						
	Managers/Supervisors	124	150	150	150	150
	Professional, Technical, Clerical	12	18	18	18	18
	Operational Hourlies	826	847	847	847	847
	<b>Total Maintenance</b>	962	1,015	1,015	1,015	1,015
<b>Engineering/Capital</b>						
	Managers/Supervisors	2	14	14	14	14
	Professional, Technical, Clerical	3	9	9	9	9
	Operational Hourlies	-	-	-	-	-
	<b>Total Engineering/Capital</b>	5	23	23	23	23
<b>Public Safety</b>						
	Managers/Supervisors	3	4	4	4	4
	Professional, Technical, Clerical	2	2	2	2	2
	Operational Hourlies	4	4	4	4	4
	<b>Total Public Safety</b>	9	10	10	10	10
<b>Total Positions</b>						
	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
	<b>Total Baseline Positions</b>	3,162	3,318	3,318	3,318	3,318

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## **IX. Appendix**

**Certification of the Executive Director  
of the  
Metropolitan Transportation Authority  
in accordance with Section 202.3(l)  
of the  
State Comptroller's Regulations**

I, Katherine N. Lapp, Executive Director of the Metropolitan Transportation Authority ("MTA"), hereby certify, to the best of my knowledge and belief after reasonable inquiry, including certifications from senior management at the MTA agencies, that the attached budget and financial plan is based on reasonable assumptions and methods of estimation and that the requirements of Section 202.3 and 202.4 of the Regulations referenced above have been satisfied.

Metropolitan Transportation Authority

By:   
Katherine N. Lapp  
Executive Director

Dated: November 21, 2006

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