

MTA Headquarters

**MTA Headquarters
2008 Final Proposed Budget
November Financial Plan 2008 – 2011**

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

Building on its mission to support customer ridership while maintaining a strong commitment to safety and security for its customers, employees, and facilities, MTA Headquarters continues to provide support for major MTA initiatives. One such initiative is the Second Avenue Subway which, when completed, will provide better access for residents on the far East Side of Manhattan and reduce overcrowding and delays on the Lexington Line commute for 200,000 passengers a day. In addition, work is proceeding on the East Side Access project which will dramatically shorten the commuting time for thousands of Long Island and eastern Queens customers by allowing them the flexibility of commuting straight to Grand Central Station.

As the transportation system grows the MTA continues to take extraordinary measures to enhance safety and security for its enormous system of facilities, bridges and tunnels, trains, subways, buses, and most importantly, its passengers. The MTA has undertaken the initiative of "Directed Patrols" to increase Police visibility and presence on board the Long Island Railroad, Metro North and SIRTAA.

In order for the MTA to continue its progress on providing accurate, timely, and transparent financial reporting, the Authority as a whole is further integrating and consolidating its accounting and budgeting practices and processes through both functional and information systems. A major impact related to this effort is an ongoing project that addresses the standardization of Financial and Human Resources systems through a uniform Shared Services platform and software.

Against the backdrop of looming MTA budget deficits the MTA has made significant strategic improvements in its operations and continues to seek opportunities to downsize and maximize efficiencies. Productivity initiatives

undertaken over the past several years have enabled MTA Headquarters to identify those expenses that are no longer needed and can be eliminated. Combined savings from these “Programs to Eliminate the Gap” (PEG) have already begun and will reduce expenses by \$0.614 million in 2007, and \$3.290 million in 2008. Thereafter, these programs result in annual expense reductions of \$4.370 million in 2009 through 2011.

2007 November Forecast

MTA Headquarters projects a Baseline Deficit of \$389.318 million in the 2007 November Forecast before PEGs. The 2007 November Forecast reflects some significant changes from the 2007 Mid-Year Forecast. The forecast includes a \$62.600 million provision for Other Post-Employment Benefits in accordance with GASB-45 standards. In addition, pension costs increase mainly due to higher 2006 valuation of MTA Police pensions and distribution to the Agencies of the \$33.8 million in pension prepayment savings that was captured within MTA Headquarters in the July Mid-Year Forecast. Offsetting this was an decrease in the All-Agency Pension Reserve amount captured within MTA Headquarters.

The baseline assumes headcount levels of 681 employees at MTA Headquarters and 769 employees in Public Safety, totaling 1,450 employees. This is unchanged from the July Plan.

2008 Final Proposed Budget- Baseline

MTA Headquarters projects a Baseline Net Deficit of \$386.185 million in the 2008 Final Proposed Budget before PEGs. This is \$82.205 million above the 2008 Preliminary Budget of \$303.980 million. The Final Proposed Budget includes a \$66.500 million provision for Other Post-Employment Benefits in accordance with GASB-45 standards. Major increases include overtime funding for the implementation of a program of Directed Police Patrols. Also included are increased depreciation and utilities expenses for the MTA Police usage of the Jamaica Central Control Building. Additional funds are provided for licenses and related software to further implement the MTA Board’s July 2003 directive to achieve more integrated and financial reporting practices, and further standardize Financial and Human Resources systems as they are replaced or upgraded. Pension costs increase due to higher 2006 valuation of MTA Police pensions and distribution to the Agencies of the \$33.8 million in pension prepayment savings that was captured within MTA Headquarters in the July 2007 Financial Plan. Offsetting this was a decrease in the All-Agency Pension Reserve amount captured within MTA Headquarters. In addition, higher occupancy and build out costs for the Office of the Inspector General; higher Cross Bay toll support; an enhanced e-mail alert system; increased funding for the newly formed PeopleSoft Functional Support group; operating funds for the North White Plains facility reimbursable by MNR; and a shifting of funds from 2007 to 2008 for the Sustainability Commission are included in the 2008 Final Proposed Budget.

The baseline budget assumes headcount levels of 684 employees at MTA Headquarters and 770 employees in Public Safety, totaling 1,454 employees. The below-the-line 2008 PEGs and Post 2008 PEG actions are discussed in Gap closing measures.

2009-2011 Projections

The Baseline Deficits of \$391.818 million in 2009, \$393.555 million in 2010, and \$400.849 million in 2011, incorporates \$1.296 million, \$1.289 million, and \$1.304 million, respectively, in continuing New Needs over and above the July 2007 Financial Plan. The baseline headcount of 1,456 employees, including strategic staff additions at MTA Headquarters, is unchanged from the July 2007 Financial Plan in each of the years.

Gap Closing Measures

2008 Programs to Eliminate the Gap

Throughout MTA Headquarters several departments have been able to achieve savings by replacing attrition with lower rated positions. This has enabled MTA Headquarters to provide savings of \$0.614 million beginning in 2007. Targeted reductions in administrative expenses in both MTA Headquarters and the MTA Police will result in PEGs savings of \$3.290 million in 2008.

Post-2008 Programs to Eliminate the Gap

Successes in targeted administrative cost reductions begun in 2008 continue in the latter years of the Plan, specifically aided by PeopleSoft operating efficiencies. PEGs savings increase to \$4.370 million in 2009, and thereafter.

2008 Final Proposed Budget

The Net Deficit for the 2008 Final Proposed Budget of \$382.895 million is \$82.205 million higher than the 2008 Preliminary Budget Baseline Deficit of \$300.690 million. The 2008 Net Deficit shows a decrease from the 2008 baseline as a result of savings from MTA Headquarters' Program to Eliminate the Gap. These PEGs will result from targeted reductions in administrative expenses in both MTA Headquarters and the MTA Police.

2009-2011 Projections

Net Deficits of \$387.448 million, \$389.185 million, and \$396.479 million, are projected in 2009, 2010, and 2011, respectively. Representing decreases from the baseline budgets in each year, cost reductions of \$4.370 million are

attributable to PEGs described above, with the remainder coming primarily from PeopleSoft operating efficiencies.

MTA HEADQUARTERS
November Financial Plan 2008-2011
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE						
	2006	2007	2008			
	Actuals	November Forecast	Final Proposed Budget	2009	2010	2011
Operating Revenue						
Fare Revenue						
Vehicle Toll Revenue						
<u>Other Operating Revenue</u>						
Rental Income	\$47.564	\$47.685	\$47.991	\$48.937	\$49.891	\$50.889
Data Center Billings	-	-	-	-	-	-
Other	2.849	4.290	4.383	4.469	4.557	4.648
Total Other Operating Revenue	\$50.413	\$51.975	\$52.374	\$53.406	\$54.447	\$55.536
Capital and Other Reimbursements						
Total Revenue	\$50.413	\$51.975	\$52.374	\$53.406	\$54.447	\$55.536
Operating Expenses						
<u>Labor:</u>						
Payroll	\$108.476	\$120.447	\$121.940	\$125.519	\$127.973	\$130.515
Overtime	7.013	12.482	14.288	14.703	14.991	15.288
Health and Welfare	15.847	20.808	18.747	21.644	24.691	28.028
Pensions	20.735	38.854	43.622	42.191	39.965	37.559
Other Fringe Benefits	14.202	9.675	9.452	9.792	10.003	10.221
Reimbursable Overhead	(25.208)	(36.510)	(43.071)	(41.959)	(42.827)	(43.786)
Total Labor Expenses	\$141.065	\$165.757	\$164.978	\$171.890	\$174.796	\$177.826
<u>Non-Labor:</u>						
Traction and Propulsion Power	-	-	-	-	-	-
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	6.343	\$5.666	\$5.508	\$6.059	\$6.665	\$7.331
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	14.940	29.919	35.023	31.959	32.662	33.357
Professional Service Contracts	36.760	54.882	48.849	46.463	47.450	48.499
Materials & Supplies	0.841	13.320	3.256	3.091	3.156	3.223
<u>Other Business Expenses</u>						
MTA Internal Subsidy	34.494	45.026	46.788	47.949	44.572	46.087
Other	44.372	40.389	42.903	42.403	43.393	44.276
Total Other Business Expenses	78.866	85.415	89.691	90.352	87.965	90.362
Total Non-Labor Expenses	\$137.750	\$189.202	\$182.326	\$177.923	\$177.897	\$182.772
<u>Other Expenses Adjustments:</u>						
Other						
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$278.815	\$354.958	\$347.304	\$349.814	\$352.693	\$360.598
Depreciation	\$28.804	\$28.035	\$30.056	\$31.210	\$28.210	\$25.588
Other Post-Employment Benefits	-	58.300	61.200	64.200	67.100	70.200
Total Expenses	\$307.619	\$441.293	\$438.559	\$445.224	\$448.003	\$456.386
Baseline Surplus/(Deficit)	(\$257.206)	(\$389.318)	(\$386.185)	(\$391.818)	(\$393.555)	(\$400.849)
2008 Program to Eliminate the Gap (PEGs)	-	0.614	3.290	4.370	4.370	4.370
Post 2008 Program to Eliminate the Gap (PEGs)	-	-	-	-	-	-
Net Surplus/(Deficit)	(\$257.206)	(\$388.704)	(\$382.895)	(\$387.448)	(\$389.185)	(\$396.479)

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MTA HEADQUARTERS
November Financial Plan 2008-2011
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE						
	2006	2007	2008			
	Actuals	November Forecast	Final Proposed Budget	2009	2010	2011
Revenue						
Fare Revenue	-	-	-	-	-	-
Vehicle Toll Revenue	-	-	-	-	-	-
<u>Other Operating Revenue</u>						
Rental Income	47.564	47.685	47.991	48.937	49.891	50.889
Data Center Billings	-	-	-	-	-	-
Other	<u>2.849</u>	<u>4.290</u>	<u>4.383</u>	<u>4.469</u>	<u>4.557</u>	<u>4.648</u>
Total Other Operating Revenue	50.413	51.975	52.374	53.406	54.447	55.536
Capital and Other Reimbursements	27.723	40.620	48.191	47.242	48.245	49.294
Total Revenue	\$78.136	\$92.596	\$100.565	\$100.648	\$102.692	\$104.830
Expenses						
<u>Labor:</u>						
Payroll	\$109.538	\$122.332	\$124.382	\$128.034	\$130.537	\$133.131
Overtime	7.013	12.482	14.288	14.703	14.991	15.288
Health and Welfare	15.949	21.031	19.034	21.966	25.046	28.420
Pensions	20.834	39.045	43.876	42.453	40.233	37.833
Other Fringe Benefits	14.377	9.846	9.637	9.982	10.196	10.419
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenses	\$167.711	\$204.736	\$211.217	\$217.137	\$221.003	\$225.091
<u>Non-Labor:</u>						
Traction and Propulsion Power	-	-	-	-	-	-
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	6.343	5.666	5.508	6.059	6.665	7.331
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	14.940	29.921	35.025	31.961	32.664	33.359
Professional Service Contracts	37.810	56.411	50.690	48.345	49.371	50.410
Materials & Supplies	0.841	13.369	3.304	3.139	3.205	3.274
<u>Other Business Expenses</u>						
MTA Internal Subsidy	34.494	45.026	46.788	47.949	44.572	46.087
Other Business Expenses	<u>44.399</u>	<u>40.450</u>	<u>42.964</u>	<u>42.465</u>	<u>43.457</u>	<u>44.341</u>
Total Other Business Expenses	78.893	85.476	89.752	90.414	88.029	90.427
Total Non-Labor Expenses	\$138.827	\$190.843	\$184.278	\$179.919	\$179.934	\$184.801
<u>Other Expenses Adjustments:</u>						
Other	-	-	-	-	-	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$306.538	\$395.579	\$395.495	\$397.056	\$400.938	\$409.891
Depreciation	\$28.804	\$28.035	\$30.056	\$31.210	\$28.210	\$25.588
Other Post-Employment Benefits	-	58.300	61.200	64.200	67.100	70.200
Total Expenses	\$335.342	\$481.914	\$486.750	\$492.466	\$496.248	\$505.679
Baseline Surplus/(Deficit)	(\$257.206)	(\$389.318)	(\$386.185)	(\$391.818)	(\$393.555)	(\$400.849)
2008 Program to Eliminate the Gap (PEGs)	-	0.614	3.290	4.370	4.370	4.370
Post 2008 Program to Eliminate the Gap (PEGs)	-	-	-	-	-	-
Net Surplus/(Deficit)	(\$257.206)	(\$388.704)	(\$382.895)	(\$387.448)	(\$389.185)	(\$396.479)

MTA HEADQUARTERS
November Financial Plan 2008-2011
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2006	2007	2008			
	Actuals	November Forecast	Final Proposed Budget	2009	2010	2011
Receipts						
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
<u>Other Operating Revenue</u>						
Rental Income	45.847	47.685	47.991	48.937	49.891	50.889
Data Center Billings	-	-	-	-	-	-
Other	7.395	8.227	9.185	9.365	9.548	9.739
Total Other Operating Revenue	53.242	55.912	57.176	58.302	59.439	60.628
Capital and Other Reimbursements	25.166	41.810	48.191	47.242	48.245	49.294
Total Receipts	\$78.408	\$97.723	\$105.367	\$105.545	\$107.684	\$109.921
Expenditures						
<u>Labor:</u>						
Payroll	\$107.139	\$119.258	\$121.216	\$124.773	\$127.213	\$129.739
Overtime	7.013	12.482	14.288	14.703	14.991	15.288
Health and Welfare	15.125	21.089	18.095	21.000	24.061	27.416
Pensions	24.632	37.613	43.677	42.260	40.028	37.664
Other Fringe Benefits	14.532	10.046	9.591	9.934	10.148	10.370
GASB Account	-	0.763	0.939	0.966	0.985	1.004
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$168.441	\$201.251	\$207.805	\$213.636	\$217.425	\$221.481
<u>Non-Labor:</u>						
Traction and Propulsion Power						
Fuel for Buses and Trains						
Insurance	\$1.118	\$8.750	\$4.869	\$5.356	\$5.891	\$6.542
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	5.561	28.189	31.942	31.869	32.569	33.263
Professional Service Contracts	26.819	50.991	45.933	48.203	49.226	50.261
Materials & Supplies	0.549	12.038	2.976	3.129	3.195	3.264
<u>Other Business Expenses</u>						
MTA Internal Subsidy	36.869	45.026	46.788	47.949	44.572	46.087
Other Business Expenses	52.624	38.897	38.638	42.336	43.325	44.206
Total Other Business Expenses	89.493	83.923	85.426	90.285	87.897	90.292
Total Non-Labor Expenditures	\$123.540	\$183.891	\$171.145	\$178.841	\$178.779	\$183.622
<u>Other Expenditure Adjustments:</u>						
Capital	\$13.772	\$25.051	\$25.712	\$20.800	\$20.800	\$20.800
Total Other Expenditure Adjustments	\$13.772	\$25.051	\$25.712	\$20.800	\$20.800	\$20.800
Total Expenditures	\$305.753	\$410.193	\$404.663	\$413.277	\$417.004	\$425.903
Baseline Cash Deficit	(\$227.345)	(\$312.470)	(\$299.296)	(\$307.732)	(\$309.320)	(\$315.981)
2008 Program to Eliminate the Gap (PEGs)	0.000	0.614	3.290	4.370	4.370	4.370
Post-2008 Program to Eliminate the Gap (PEGs)	0.000	0.000	0.000	0.000	0.000	0.000
Net Cash Deficit	(\$227.345)	(\$311.856)	(\$296.006)	(\$303.362)	(\$304.950)	(\$311.611)

MTA HEADQUARTERS
November Financial Plan 2008-2011
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2006	2007	2008			
	Actuals	November Forecast	Final Proposed Budget	2009	2010	2011
Receipts						
Fare Revenue						
Vehicle Toll Revenue						
<u>Other Operating Revenue</u>						
<i>Rental Income</i>	(1.717)					
<i>Data Center Billings</i>	0.000	0.000	0.000	0.000	0.000	0.000
<i>Other</i>	4.546	3.937	4.802	4.896	4.992	5.091
Capital and Other Reimbursements	(2.557)	1.190	0.000	0.000	0.000	0.000
Total Receipts	\$0.272	\$5.127	\$4.802	\$4.896	\$4.992	\$5.091
Expenditures						
<u>Labor:</u>						
Payroll	\$2.399	3.074	\$3.166	\$3.261	\$3.325	\$3.391
Overtime						
Health and Welfare	0.824	(0.058)	0.939	0.966	0.985	1.004
Pensions	(3.798)	1.432	0.199	0.193	0.205	0.169
Other Fringe Benefits	(0.155)	(0.200)	0.046	0.047	0.048	0.049
GASB Account	0.000	(0.763)	(0.939)	(0.966)	(0.985)	(1.004)
Reimbursable Overhead						
Total Labor Expenditures	(\$0.730)	\$3.485	\$3.411	\$3.502	\$3.578	\$3.610
<u>Non-Labor:</u>						
Traction and Propulsion Power						
Fuel for Buses and Trains						
Insurance	5.225	(3.084)	0.639	0.703	0.773	0.789
Claims						
Paratransit Service Contracts						
Maintenance and Other Operating Contracts	9.379	1.732	3.083	0.093	0.094	0.096
Professional Service Contracts	10.991	5.420	4.757	0.143	0.145	0.148
Materials & Supplies	0.292	1.331	0.327	0.010	0.010	0.010
<u>Other Business Expenses</u>						
<i>MTA Internal Subsidy</i>	(2.375)	-	-	-	-	-
<i>Other Business Expenses</i>	(8.225)	1.553	4.326	0.130	0.132	0.135
Total Other Business Expenses	(10.600)	1.553	4.326	0.130	0.132	0.135
Total Non-Labor Expenditures	\$15.287	\$6.952	\$13.132	\$1.078	\$1.155	\$1.179
<u>Other Expenditure Adjustments:</u>						
Capital	(\$13.772)	(25.051)	(\$25.712)	(\$20.800)	(\$20.800)	(\$20.800)
Total Other Expenditure Adjustments	(\$13.772)	(\$25.051)	(\$23.712)	(\$20.800)	(\$20.800)	(\$20.800)
Total Cash Conversion Adjustments before Depreciation	\$1.057	(\$9.487)	(\$2.367)	(\$11.325)	(\$11.075)	(\$10.920)
Depreciation Adjustment	28.804	28.035	30.056	31.210	28.210	25.588
Other Post-Employment Benefits	-	58.300	61.200	64.200	67.100	70.200
Baseline Total Cash Conversion Adjustments	\$29.861	\$76.848	\$88.889	\$84.085	\$84.235	\$84.868
2008 Program to Eliminate the Gap (PEGs)	-	-	-	-	-	-
Post 2008 Program to Eliminate the Gap (PEGs)	-	-	-	-	-	-
Total Cash Conversion Adjustments	\$29.861	\$76.848	\$88.889	\$84.085	\$84.235	\$84.868

**MTA Headquarters
November Financial Plan 2008-2011
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 2008-2011:

Receipts:

Rental Income, Data Center Billings, and Other

- 2008 charge backs to Agencies for work performed by MTA Headquarters on their behalf. Thereafter, 2009, 2010, 2011 are inflated by the CPI-Urban 2.21%, 2.08%, and 2.13%, respectively

Expenditures:

Payroll

- Increases in 2008 from 2007 represents MTA full year staffing levels.
- Thereafter 2009, 2010, and 2011 reflect MTA Headquarters and MTA Police civilian salaries inflated at the non-represented wage growth assumption rates of 3.00%, 1.95%, and 2.00%, respectively.
- MTA Police represented salaries are inflated according to prevailing patterned bargaining rates.

Overtime

- 2008 primarily reflects the full year impact of the "Directed Patrols" New Need.
- Thereafter, 2009, 2010, and 2011 are inflated by prevailing pattern bargaining rates.

Health and Welfare

- Expenses in 2008 reflect the current rate for active employees projected to increase at a rate of 12.5% over 2007 and 9.2% in each year thereafter. Other post-employment benefit costs are also included in each year.

Pensions

- 2008 reflects a growth over 2007 as a result of higher MTA salaries combined with the effect of higher police wages. Also included is the MTA all-Agency pension reserve of \$22.8 million. This provision also occurs in 2009-2011, decreasing to \$13.4 million by 2011. The Plan assumes MTA Police pension payments paid monthly with MTA Headquarters paid in December.
- Thereafter, increases in all years of the plan for 2009, 2010 and 2011 are consistent with current actuarial information.

Other Fringe Benefits

- Increases in all years of the plan for 2009, 2010 and 2011 are inflated by the CPI-Urban 2.21%, 2.08%, and 2.13

Insurance

- Increases in 2008 reflect most recent estimates of liability premiums.
- Thereafter 2009, 2010, and 2011 are inflated at approximately 10% annually with some off-setting adjustments.

Maintenance and Other Operating Contracts

- 2008 primarily reflects increases in contracts that were renegotiated in 2007 for maintenance and repair work for MTA Headquarters facilities. In addition, New Needs of approximately \$3.8 million are included, mainly related to build out expenses related to a potential move by the Inspector General Headquarters' staff when their current lease expires in 2008.
- Thereafter 2009, 2010 and 2011 are inflated by 2.21%, 2.08%, and 2.13%, respectively.

Professional Service Contracts

- Decreases in 2008 reflect the inclusion of certain re-estimated services as well as one time expenses that were required in 2007.
- The reduction in 2009 from 2008 primarily represents West Side Yard development fees no longer required. Thereafter, 2010 and 2011 are inflated at 2.08%, and 2.13%, respectively, with adjustments made to reflect the conclusion of some currently contracted services.

Materials & Supplies

- Decreases in 2008 are mainly due one to time expenses that were required in 2007.
- Thereafter 2009, 2010 and 2011 are inflated by 2.21%, 2.08%, and 2.13%, respectively.

MTA Internal Subsidy

- All years reflect MTA support requirements for SIRTOA and Long Island Bus and the Cross Bay Toll based on projected revenue and support shortfalls from state and local governments.

Other Business Expenses

- Increases in all years of the plan for 2008, 2009, 2010 and 2011 are inflated by 2.10%, 2.21%, 2.08%, and 2.13%, respectively.

Other Expenditure Adjustments:

Capital Expenditures

- Capital expenditures in 2008 are \$25.712 million, a slight increase over 2007, and reflecting expected project levels.
- Thereafter, expenditures for 2009-2011 remain constant at \$20.800 million.

MTA HEADQUARTERS
November Financial Plan 2008 - 2011
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE

	Favorable/(Unfavorable)								
	2007	2008	Change 2008 - 2007	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010
Revenue									
Farebox Revenue									
Vehicle Toll Revenue									
Other Operating Revenue									
Rental Income	\$47.685	\$47.991	\$0.306	\$48.937	\$0.945	\$49.891	\$0.954	\$50.889	\$0.998
Data Center Billings	-	-	-	-	-	-	-	-	-
Other	4.290	4.383	0.093	4.469	0.086	4.557	0.087	4.648	0.091
Capital and Other Reimbursements	-	-	-	-	-	-	-	-	-
Total Revenue	\$51.975	\$52.374	\$0.399	\$53.406	\$1.032	\$54.447	\$1.041	\$55.536	\$1.089
Expenses									
Labor:									
Payroll	\$120.447	\$121.940	(\$1.493)	\$125.519	(\$3.579)	\$127.973	(\$2.455)	\$130.515	(\$2.542)
Overtime	12.482	14.288	(1.806)	14.703	(0.415)	14.991	(0.288)	15.288	(0.297)
Health and Welfare	20.808	18.747	2.062	21.644	(2.898)	24.691	(3.047)	28.028	(3.337)
Pensions	38.854	43.622	(4.768)	42.191	1.431	39.965	2.226	37.559	2.406
Other Fringe Benefits	9.675	9.452	0.223	9.792	(0.340)	10.003	(0.210)	10.221	(0.219)
Reimbursable Overhead	(36.510)	(43.071)	6.561	(41.959)	(1.112)	(42.827)	0.869	(43.786)	0.959
Total Labor Expenses	\$165.757	\$164.978	\$0.779	\$171.890	(\$6.913)	\$174.796	(\$2.905)	\$177.826	(\$3.030)
Non-Labor:									
Traction and Propulsion Power	-	-	-	-	-	-	-	-	-
Fuel for Buses and Trains	-	-	-	-	-	-	-	-	-
Insurance	5.666	5.508	0.158	6.059	(0.551)	6.665	(0.606)	7.331	(0.666)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	29.919	35.023	(5.104)	31.959	3.064	32.662	(0.703)	33.357	(0.695)
Professional Service Contracts	54.882	48.849	6.034	46.463	2.385	47.450	(0.986)	48.499	(1.049)
Materials & Supplies	13.320	3.256	10.064	3.091	0.166	3.156	(0.065)	3.223	(0.067)
MTA Internal Subsidy	45.026	46.788	(1.762)	47.949	(1.161)	44.572	3.377	46.087	(1.514)
Other Business Expenses	40.389	42.903	(2.514)	42.403	0.500	43.393	(0.990)	44.276	(0.883)
Total Non-Labor Expenses	\$189.202	\$182.326	\$6.876	\$177.923	\$4.403	\$177.897	\$0.026	\$182.772	(\$4.875)
Other Expenses Adjustments:									
Other	-	-	-	-	-	-	-	-	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$354.958	\$347.304	\$7.655	\$349.814	(\$2.510)	\$352.693	(\$2.879)	\$360.598	(\$7.905)
Depreciation	\$28.035	\$30.056	(\$2.021)	\$31.210	(\$1.154)	\$28.210	\$3.000	\$25.588	\$2.622
Other Post Employment Benefits	58.300	61.200	(2.900)	64.200	(3.000)	67.100	(2.900)	70.200	(3.100)
Total Expenses	\$441.293	\$438.559	\$2.734	\$445.224	(\$6.664)	\$448.003	(\$2.779)	\$456.386	(\$8.383)
Baseline Net Surplus/(Deficit)	(\$389.318)	(\$386.185)	\$3.133	(\$391.818)	(\$5.632)	(\$393.555)	(\$1.738)	(\$400.849)	(\$7.294)
2008 Agency Program to Eliminate the Gap (PEGs)	\$0.614	\$3.290	\$2.676	\$4.370	\$1.080	\$4.370	\$0.000	\$4.370	\$0.000
Post 2008 Program to Eliminate the Gap	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Net Surplus/(Deficit)	(\$388.704)	(\$382.895)	\$5.809	(\$387.448)	(\$4.552)	(\$389.185)	(\$1.738)	(\$396.479)	(\$7.294)

REIMBURSABLE

Net Surplus/(Deficit)

MTA HEADQUARTERS
November Financial Plan 2008 - 2011
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	Favorable/(Unfavorable)								
	2007	2008	Change 2008 - 2007	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010
Revenue									
Farebox Revenue									
Vehicle Toll Revenue									
Other Operating Revenue									
Rental Income	\$47.685	\$47.991	\$0.306	\$48.937	\$0.945	\$49.891	\$0.954	\$50.889	\$0.998
Data Center Billings	-	-	-	-	-	-	-	-	-
Other	4.290	4.383	0.093	4.469	0.086	4.557	0.087	4.648	0.091
Capital and Other Reimbursements	40.620	48.191	7.571	47.242	(0.949)	48.245	1.003	49.294	1.049
Total Revenue	\$92.596	\$100.565	\$7.969	\$100.648	\$0.083	\$102.692	\$2.044	\$104.830	\$2.138
Expenses									
Labor:									
Payroll	\$122.332	\$124.382	(\$2.050)	\$128.034	(\$3.652)	\$130.537	(\$2.504)	\$133.131	(\$2.593)
Overtime	12.482	14.288	(1.806)	14.703	(0.415)	14.991	(0.288)	15.288	(0.297)
Health and Welfare	21.031	19.034	1.997	21.966	(2.932)	25.046	(3.080)	28.420	(3.374)
Pensions	39.045	43.876	(4.831)	42.453	1.423	40.233	2.220	37.833	2.400
Other Fringe Benefits	9.846	9.637	0.209	9.982	(0.345)	10.196	(0.215)	10.419	(0.223)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$204.736	\$211.217	(\$6.481)	\$217.137	(\$5.921)	\$221.003	(\$3.866)	\$225.091	(\$4.087)
Non-Labor:									
Traction and Propulsion Power	-	-	-	-	-	-	-	-	-
Fuel for Buses and Trains	-	-	-	-	-	-	-	-	-
Insurance	5.666	5.508	0.158	6.059	(0.551)	6.665	(0.606)	7.331	(0.666)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	29.921	35.025	(5.104)	31.961	3.064	32.664	(0.703)	33.359	(0.695)
Professional Service Contracts	56.411	50.690	5.722	48.345	2.344	49.371	(1.026)	50.410	(1.038)
Materials & Supplies	13.369	3.304	10.065	3.139	0.164	3.205	(0.066)	3.274	(0.068)
MTA Internal Subsidy	45.026	46.788	(1.762)	47.949	(1.161)	44.572	3.377	46.087	(1.514)
Other Business Expenses	40.450	42.964	(2.514)	42.465	0.499	43.457	(0.992)	44.341	(0.884)
Total Non-Labor Expenses	\$190.843	\$184.278	\$6.565	\$179.919	\$4.359	\$179.934	(\$0.016)	\$184.801	(\$4.866)
Other Expenses Adjustments:									
Other	-	-	-	-	-	-	-	-	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$395.579	\$395.495	\$0.084	\$397.056	(\$1.561)	\$400.938	(\$3.882)	\$409.891	(\$8.954)
Depreciation	\$28.035	\$30.056	(\$2.021)	\$31.210	(\$1.154)	\$28.210	\$3.000	\$25.588	\$2.622
Other Post Employment Benefits	58.300	61.200	(2.900)	64.200	(3.000)	67.100	(2.900)	70.200	(3.100)
Total Expenses	\$481.914	\$486.750	(\$4.837)	\$492.466	(\$5.715)	\$496.248	(\$3.782)	\$505.679	(\$9.432)
Baseline Net Surplus/(Deficit)	(\$389.318)	(\$386.185)	\$3.133	(\$391.818)	(\$5.632)	(\$393.555)	(\$1.738)	(\$400.849)	(\$7.294)
2008 Agency Program to Eliminate the Gap (PEGs)	\$0.614	\$3.290	\$2.676	\$4.370	\$1.080	\$4.370	\$0.000	\$4.370	\$0.000
Post 2008 Program to Eliminate the Gap	-	-	-	-	-	-	-	-	-
Net Surplus/(Deficit)	(\$388.704)	(\$382.895)	\$5.809	(\$387.448)	(\$4.552)	(\$389.185)	(\$1.738)	(\$396.479)	(\$7.294)

MTA HEADQUARTERS
November Financial Plan 2008 - 2011
Year-to-Year Changes by Category - Cash Basis
(\$ in millions)

CASH RECEIPTS & EXPENDITURES

	Favorable/(Unfavorable)								
	2007	2008	Change 2008 - 2007	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010
Receipts									
Farebox Revenue									
Vehicle Toll Revenue									
Other Operating Revenue									
Rental Income	\$47.685	\$47.991	\$0.306	\$48.937	\$0.945	\$49.891	\$0.954	\$50.889	\$0.998
Data Center Billings	-	-	-	-	-	-	-	-	-
Other	8.227	9.185	0.957	9.365	0.181	9.548	0.183	9.739	0.191
Capital and Other Reimbursements	41.810	48.191	6.381	47.242	(0.949)	48.245	1.003	49.294	1.049
Total Receipts	\$97.723	\$105.367	\$7.644	\$105.545	\$0.178	\$107.684	\$2.139	\$109.921	\$2.238
Expenditures									
Labor:									
Payroll	\$119.258	121.216	(\$1.958)	124.773	(\$3.557)	127.213	(\$2.440)	129.739	(\$2.527)
Overtime	12.482	14.288	(1.806)	14.703	(0.415)	14.991	(0.288)	15.288	(0.297)
Health and Welfare	21.089	18.095	2.994	21.000	(2.905)	24.061	(3.061)	27.416	(3.355)
Pensions	37.613	43.677	(6.064)	42.260	1.417	40.028	2.232	37.664	2.364
Other Fringe Benefits	10.046	9.591	0.455	9.934	(0.343)	10.148	(0.214)	10.370	(0.222)
GASB Account	0.763	0.939	(0.176)	0.966	(0.027)	0.985	(0.019)	1.004	(0.019)
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
Total Labor Expenditures	\$201.251	\$207.805	(\$6.555)	\$213.636	(\$5.830)	\$217.425	(\$3.789)	\$221.481	(\$4.056)
Non-Labor:									
Traction and Propulsion Power	-	-	-	-	-	-	-	-	-
Fuel for Buses and Trains	-	-	-	-	-	-	-	-	-
Insurance	8.750	4.869	3.881	5.356	(0.487)	5.891	(0.536)	6.542	(0.651)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	28.189	31.942	(3.752)	31.869	0.073	32.569	(0.701)	33.263	(0.693)
Professional Service Contracts	50.991	45.933	5.058	48.203	(2.270)	49.226	(1.023)	50.261	(1.035)
Materials & Supplies	12.038	2.976	9.062	3.129	(0.153)	3.195	(0.066)	3.264	(0.068)
MTA Internal Subsidy	45.026	46.788	(1.762)	47.949	(1.161)	44.572	3.377	46.087	(1.514)
Other Business Expenses	38.897	38.638	0.259	42.336	(3.698)	43.325	(0.989)	44.206	(0.881)
Total Non-Labor Expenditures	\$183.891	\$171.145	\$12.746	\$178.841	(\$7.695)	\$178.779	\$0.062	\$183.622	(\$4.843)
Other Expenditure Adjustments:									
Other	\$25.051	\$25.712	(\$0.661)	\$20.800	\$4.912	\$20.800	\$0.000	\$20.800	\$0.000
Total Other Expenditure Adjustments	\$25.051	\$25.712	(\$0.661)	\$20.800	\$4.912	\$20.800	\$0.000	\$20.800	\$0.000
Total Expenditures	\$410.193	\$404.663	\$5.530	\$413.277	(\$8.614)	\$417.004	(\$3.727)	\$425.903	(\$8.899)
Baseline Net Cash Deficit	(\$312.470)	(\$299.296)	\$13.174	(\$307.732)	(\$8.436)	(\$309.320)	(\$1.588)	(\$315.981)	(\$6.661)
2008 Agency Program to Eliminate the Gap (PEGs)	\$0.614	\$3.290	\$2.676	\$4.370	\$1.080	\$4.370	\$0.000	\$4.370	\$0.000
Post 2008 Program to Eliminate the Gap	-	-	-	-	-	-	-	-	-
Net Cash Deficit	(\$311.856)	(\$296.006)	\$15.850	(\$303.362)	(\$7.356)	(\$304.950)	(\$1.588)	(\$311.611)	(\$6.661)

**MTA Headquarters
November Financial Plan 2008-2011
Summary of Major Plan-to-Plan Changes**

The following explanations summarize the total differences between the November Financial Plan and the July Financial Plan:

2007: November Financial Plan vs. July Financial Plan

The Net Cash Deficit in the 2008 November Forecast of \$311.856 million is a \$14.169 million increase from the July Mid-Year Forecast of \$297.687 million. Increased general pension liabilities and the timing of Operating Capital expenditures are the primary reason for the decrease.

2008: November Financial Plan vs. July Financial Plan

The Net Cash Deficit in the 2008 Final Proposed Budget of \$296.006 million is a \$17.490 million increase from the 2008 Preliminary Budget of \$278.516 million. Pension Increases from the 2006 valuation as well as increased general pension liabilities are the major increases in labor expenses. Additionally, higher facility needs for the Inspector General result in increases to Maintenance and Other Operating Contracts and Other Business Expenses categories.

2009, 2010, 2011: November Financial Plan vs. July Financial Plan

The Net Cash Deficit in the 2008 November Financial Plan of \$303.362 million in 2009 is a \$20.404 million increase from the July Plan of \$282.958 million. The Net Cash Deficit of \$304.950 million in 2010 is a \$13.894 million increase from the July Plan of \$291.056 million. The Net Cash Deficit of \$311.611 million for 2011 is a \$12.379 million increase from the July Plan of \$299.232 million. In each case the major reasons for the increases are increased general pension liabilities coupled with new needs for higher Cross Bay toll support; an enhanced e-mail alert system; and increased funding for the newly formed PeopleSoft Functional Support group.

MTA HEADQUARTERS
November Financial Plan 2008 - 2011
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE

	2007	2008	2009	2010	2011
Baseline 2007 July Financial Plan - Operating Cash Income/(Deficit)	(\$298.301)	(\$281.806)	(\$287.328)	(\$295.426)	(\$303.602)
Baseline Changes					
Revenue					
Farebox Revenue	-	-	-	-	-
Vehicle Toll Revenue	-	-	-	-	-
Rental Income	-	-	-	-	-
Data Center Billings	-	-	-	-	-
Other	-	-	-	-	-
Capital and Other Reimbursement	-	-	-	-	-
Total Revenue Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Expenses					
Labor:					
Payroll	\$0.645	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	(0.000)	-	-	-	-
Health and Welfare	(7.448)	(5.300)	(6.500)	(7.900)	(9.400)
Pensions	(10.881)	(11.600)	(9.300)	(6.500)	(3.500)
Other Fringe Benefits	(0.000)	-	-	-	-
Reimbursable Overhead	(1.150)	3.000	1.127	1.214	1.304
Total Labor Expense Changes	(\$18.835)	(\$13.900)	(\$14.673)	(\$13.186)	(\$11.596)
Non-Labor:					
Traction and Propulsion Power	-	-	-	-	-
Fuel for Buses and Trains	-	-	-	-	-
Insurance	0.000	-	-	-	-
Claims	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	(0.101)	(4.191)	(0.466)	(0.516)	(0.568)
Professional Service Contracts	(2.212)	(3.123)	(0.818)	(0.881)	(0.947)
Materials & Supplies	(0.062)	(0.031)	(0.038)	(0.043)	(0.048)
MTA Internal Subsidy	(2.965)	1.842	(9.129)	(4.430)	(4.848)
Other Business Expenses	0.234	(1.602)	(1.257)	(1.309)	(1.384)
Total Non-Labor Expense Changes	(\$5.106)	(\$7.105)	(\$11.708)	(\$7.180)	(\$7.795)
Total Expense Changes	(\$23.941)	(\$21.005)	(\$26.381)	(\$20.366)	(\$19.391)
Depreciation	\$2.945	\$0.000	\$0.000	\$0.000	\$0.000
OPEB	(\$58.300)	(\$61.200)	(\$64.200)	(\$67.100)	(\$70.200)
Cash Adjustment Changes					
Revenue	(\$0.763)	\$0.000	\$0.000	\$0.000	\$0.000
Labor Expense	4.716	5.515	5.976	6.471	7.011
Non Labor Expense	0.001	-	-	-	-
Operating Capital	5.818	(2.000)	-	-	-
Depreciation	(2.945)	-	-	-	-
OPEB	58.300	61.200	64.200	67.100	70.200
Total Cash Adjustment Changes	\$65.127	\$64.715	\$70.176	\$73.571	\$77.211
Total Baseline Changes	(\$14.170)	(\$17.490)	(\$20.406)	(\$13.896)	(\$12.380)
Baseline 2007 November Financial Plan - Operating Cash Income/(Deficit)	(\$312.470)	(\$299.296)	(\$307.732)	(\$309.320)	(\$315.980)

MTA HEADQUARTERS
November Financial Plan 2008 - 2011
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE

	2007	2008	2009	2010	2011
Baseline 2007 July Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline Changes					
Revenue					
Farebox Revenue					
Vehicle Toll Revenue					
Rental Income					
Data Center Billings					
Other					
Capital and Other Reimbursement	(\$1.387)	\$3.000	\$1.132	\$1.221	\$1.314
Total Revenue Changes	(\$1.387)	\$3.000	\$1.132	\$1.221	\$1.314
Expenses					
Labor:					
Payroll	\$.155	\$.000	\$.000	\$.000	\$.000
Overtime	-	-	-	-	-
Health and Welfare	0.025	-	-	-	-
Pensions	0.057	-	-	-	-
Other Fringe Benefits	0.000	-	-	-	-
Reimbursable Overhead	1.150	(3.000)	(1.127)	(1.214)	(1.304)
Total Labor Expense Changes	\$1.388	(\$3.000)	(\$1.127)	(\$1.214)	(\$1.304)
Non-Labor:					
Traction and Propulsion Power					
Fuel for Buses and Trains	-	-	-	-	-
Insurance	-	-	-	-	-
Claims	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	(0.000)	-	(0.000)	(0.000)	(0.000)
Professional Services	(0.000)	-	(0.004)	(0.007)	(0.009)
Materials & Supplies	0.000	-	(0.000)	(0.000)	(0.000)
MTA Internal Subsidy	-	-	-	-	-
Other Business Expenses	-	-	-	-	-
Total Non-Labor Expense Changes	\$.000	\$.000	(\$.004)	(\$.007)	(\$.010)
Total Expense Changes	\$1.388	(\$3.000)	(\$1.132)	(\$1.221)	(\$1.313)
Cash Adjustment Changes					
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline 2007 November Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA HEADQUARTERS
November Financial Plan 2008 - 2011
Changes Between Financial Plans by Generic Categories
(\$ in millions)

**NON-REIMBURSABLE and
REIMBURSABLE**

	2007	2008	2009	2010	2011
Baseline 2007 July Financial Plan - Operating Cash Income/(Deficit)	(\$298.301)	(\$281.806)	(\$287.328)	(\$295.426)	(\$303.602)
Baseline Changes					
Revenue					
Farebox Revenue	-	-	-	-	-
Vehicle Toll Revenue	-	-	-	-	-
Rental Income	-	-	-	-	-
Data Center Billings	-	-	-	-	-
Other	-	-	-	-	-
Capital and Other Reimbursement	(\$1.387)	\$3.000	\$1.132	\$1.221	\$1.314
Total Revenue Changes	(\$1.387)	\$3.000	\$1.132	\$1.221	\$1.314
Expenses					
Labor:					
Payroll	\$.800	\$.000	\$.000	\$.000	\$.000
Overtime	(0.000)	-	-	-	-
Health and Welfare	(7.423)	(5.300)	(6.500)	(7.900)	(9.400)
Pensions	(10.825)	(11.600)	(9.300)	(6.500)	(3.500)
Other Fringe Benefits	0.000	-	-	-	-
Reimbursable Overhead	-	-	-	-	-
Total Labor Expense Changes	(\$17.447)	(\$16.900)	(\$15.800)	(\$14.400)	(\$12.900)
Non-Labor:					
Traction and Propulsion Power	-	-	-	-	-
Fuel for Buses and Trains	-	-	-	-	-
Insurance	-	-	-	-	-
Claims	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	(0.101)	(4.191)	(0.466)	(0.516)	(0.568)
Professional Services	(2.212)	(3.123)	(0.822)	(0.888)	(0.957)
Materials & Supplies	(0.062)	(0.031)	(0.038)	(0.043)	(0.048)
MTA Internal Subsidy	(2.965)	1.842	(9.129)	(4.430)	(4.848)
Other Business Expenses	0.234	(1.602)	(1.257)	(1.309)	(1.384)
Total Non-Labor Expense Changes	(\$5.106)	(\$7.105)	(\$11.712)	(\$7.186)	(\$7.804)
Total Expense Changes	(\$22.553)	(\$24.005)	(\$27.512)	(\$21.586)	(\$20.704)
Depreciation	\$2.945	\$.000	\$.000	\$.000	\$.000
OPEB	(58.300)	(61.200)	(64.200)	(67.100)	(70.200)
Cash Adjustment Changes					
Revenue	(\$.763)	\$.000	\$.000	\$.000	\$.000
Labor Expense	4.716	5.515	5.976	6.471	7.011
Non Labor Expense	0.001	-	-	-	-
Operating Capital	5.818	(2.000)	-	-	-
Depreciation	(2.945)	-	-	-	-
OPEB	58.300	61.200	64.200	67.100	70.200
Total Cash Adjustment Changes	\$65.127	\$64.715	\$70.176	\$73.571	\$77.211
Total Baseline Changes	(\$14.170)	(\$17.490)	(\$20.406)	(\$13.896)	(\$12.380)
Baseline 2007 November Financial Plan - Operating Cash Income/(Deficit)	(\$312.470)	(\$299.296)	(\$307.732)	(\$309.320)	(\$315.981)

MTA HEADQUARTERS
November Financial Plan 2008 - 2011
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2007	2008	2009	2010	2011
Baseline 2007 July Financial Plan - Operating Cash Income/(Deficit)	(\$298.301)	(\$281.806)	(\$287.328)	(\$295.426)	(\$303.602)
<i>Non-Reimbursable Major Changes</i>					
Revenue					
Sub-Total Non-Reimbursable Revenue Changes	\$.000	\$.000	\$.000	\$.000	\$.000
Expenses					
Other Post Employment Benefits	(\$62.600)	(\$66.500)	(\$70.700)	(\$75.000)	(\$79.600)
Allocation of Pension Savings to Agencies	(28.300)	(28.300)	(28.300)	(28.300)	(28.300)
Change in MTA-wide Pension Reserve Levels	16.400	17.200	19.800	23.100	26.600
Change in MTA PD Pension Valuation	(1.500)	(0.500)	(0.800)	(1.300)	(1.800)
Change in Inflation Assumptions	0.000	0.000	(0.157)	(0.246)	(0.340)
Establishment of MTA E-Mail Alert System	0.000	(0.700)	(0.600)	(0.600)	(0.600)
Increased Fees For West Side Yard Development (Agency Reimbursed)	(2.000)	(2.000)	0.000	0.000	0.000
Increased Expenses for MNR North White Plains Facility (Agency Reimbursed)	(0.250)	(1.000)	(1.030)	(1.061)	(1.093)
Establishment of MTAHQ PeopleSoft Support Group	(0.105)	(0.428)	(0.071)	(0.052)	(0.053)
MTA Sustainability Commission	0.400	(0.400)	0.000	0.000	0.000
Change in Depreciation	2.945	0.000	0.000	0.000	0.000
Change in Support for Subsidiaries	(2.965)	1.842	(9.129)	(4.430)	(4.848)
Inspector General new facility improvements and higher lease costs	0.000	(4.411)	(0.625)	(0.637)	(0.651)
All Other	0.066	(0.008)	(0.103)	(0.161)	(0.221)
Sub-Total Non-Reimbursable Expense Changes	(\$77.909)	(\$85.205)	(\$91.714)	(\$88.688)	(\$90.905)
<i>Total Non-Reimbursable Major Changes</i>	(\$77.909)	(\$85.205)	(\$91.714)	(\$88.688)	(\$90.905)
<i>Reimbursable Major Changes</i>					
Revenue					
Change in Expense Recovery Levels	(1.387)	3.000	1.132	1.221	1.314
Sub-Total Reimbursable Revenue Changes	(\$1.387)	\$3.000	\$1.132	\$1.221	\$1.314
Expenses					
Sub-Total Reimbursable Expense Changes					
<i>Total Reimbursable Major Changes</i>	(\$1.387)	\$3.000	\$1.132	\$1.221	\$1.314
<i>Total Accrual Changes</i>	(\$79.297)	(\$82.205)	(\$90.582)	(\$87.466)	(\$89.591)
<i>Cash Adjustment Changes</i>	\$65.127	\$64.715	\$70.176	\$73.571	\$77.211
<i>Total Cash Adjustment Changes</i>	\$65.127	\$64.715	\$70.176	\$73.571	\$77.211
<i>Total Baseline Changes</i>	(\$14.170)	(\$17.490)	(\$20.406)	(\$13.896)	(\$12.380)
Baseline 2007 November Financial Plan - Operating Cash Income/(Deficit)	(\$312.470)	(\$299.296)	(\$307.732)	(\$309.320)	(\$315.981)

MTA HEADQUARTERS
November Plan 2008 - 2011
Summary of 2008 Program to Eliminate the Gap(PEGs)
(\$ in millions)

		2007		2008		2009		2010		2011	
		<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>
Administration											
MTA Public Safety Administration Reduction		0	0.000	0	0.892	0	0.911	0	0.911	0	0.911
Sub-Total	Administration	0	\$ 0.000	0	\$ 0.892	0	\$ 0.911	0	\$ 0.911	0	\$ 0.911
Security											
Police Department Personnel Cost Reduction		0	0.000	0	0.093	0	0.096	0	0.096	0	0.096
Sub-Total	Security	0	\$ 0.000	0	\$ 0.093	0	\$ 0.096	0	\$ 0.096	0	\$ 0.096
Service											
Enforcer Contract Cancellation		0	0.000	0	0.650	0	0.792	0	0.792	0	0.792
MTA Headquarters Administrative Reduction		0	0.185	0	0.215	0	0.684	0	0.684	0	0.684
MTA Public Safety Insurance Reduction		0	0.000	0	0.103	0	0.113	0	0.113	0	0.113
Personnel Position Downgrades		0	0.429	0	0.676	0	0.692	0	0.692	0	0.692
Professional Expense Reduction		0	0.000	0	0.356	0	0.468	0	0.468	0	0.468
Sub-Total	Service	0	\$ 0.614	0	\$ 2.000	0	\$ 2.749	0	\$ 2.749	0	\$ 2.749
Service Support											
K-9 Facility Administrative Reductions		0	0.000	0	0.305	0	0.311	0	0.311	0	0.311
PeopleSoft Operating Efficiencies		0	0.000	0	0.000	0	0.303	0	0.303	0	0.303
Sub-Total	Service Support	0	\$ 0.000	0	\$ 0.305	0	\$ 0.614	0	\$ 0.614	0	\$ 0.614
Total Programs		0	\$ 0.614	0	\$ 3.290	0	\$ 4.370	0	\$ 4.370	0	\$ 4.370

MTA HEADQUARTERS
November Plan 2008 - 2011
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	MTAHQ	Financial Plan Category	PEG	Implementation Date	7/25/2007
Budget Reference	FINAL07	Category	Administration	Savings Date	1/1/2008
PEG / New Need ID	0000000014	Current Budget Year	2007	Status	Open
Program:	MTA Public Safety Administration Reduction			Agency Status	Ready
Description and Implementation Pla	MTA Public Safety reduction of Administrative cost in various of departments.				
Background Details					

				2007	2008	2009	2010	2011
Total Headcount								
Financial Impact	MTAHQ	0000000014	FINAL07	\$ 0.000	\$ 0.892	\$ 0.911	\$ 0.911	\$ 0.911

MTA HEADQUARTERS
November Plan 2008 - 2011
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	MTAHQ	Financial Plan Category	PEG	Implementation Date	1/1/2008
Budget Reference	FINAL07	Category	Security	Savings Date	1/1/2008
PEG / New Need ID	0000000015	Current Budget Year	2007	Status	Open
Program:	Police Department Personnel Cost Reduction			Agency Status	Ready
Description and Implementation Pla	After careful consideration, the police department has determined that only one Lieutenant. will be on call for the internal affairs unit on off hours. The Support Service Chief will aid any necessary response by the unit.				
Background Details					

				2007	2008	2009	2010	2011
Total Headcount								
Financial Impact	MTAHQ	0000000015	FINAL07	\$ 0.000	\$ 0.093	\$ 0.096	\$ 0.096	\$ 0.096

MTA HEADQUARTERS
November Plan 2008 - 2011
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	MTAHQ	Financial Plan Category	PEG	Implementation Date	1/1/2008
Budget Reference	FINAL07	Category	Service	Savings Date	1/1/2008
PEG / New Need ID	0000000011	Current Budget Year	2007	Status	Open
Program:	Enforcer Contract Cancellation			Agency Status	Ready
Description and Implementation Pla	In 2008, reduce the consulting expenses by \$650,000 due to delayed peoplesoft enforcer contract.				
Background Details	Based on deferral of certain planned initiatives(Peoplesoft Enforcer module), the Systems Development group has determined that it can reduce contractual service (consultant) costs.				

				2007	2008	2009	2010	2011
Total Headcount								
Financial Impact	MTAHQ	0000000011	FINAL07	\$ 0.000	\$ 0.650	\$ 0.792	\$ 0.792	\$ 0.792

MTA HEADQUARTERS
November Plan 2008 - 2011
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	MTAHQ	Financial Plan Category	PEG	Implementation Date	1/1/2008
Budget Reference	FINAL07	Category	Service	Savings Date	1/1/2008
PEG / New Need ID	0000000017	Current Budget Year	2007	Status	Open
Program:	MTA Headquarters Administrative Reduction			Agency Status	Ready
Description and Implementation Plan	Minor contract reductions and elimination of expenses across MTA Headquarters				
Background Details					

				2007	2008	2009	2010	2011
Total Headcount								
Financial Impact	MTAHQ	0000000017	FINAL07	\$ 0.185	\$ 0.215	\$ 0.684	\$ 0.684	\$ 0.684

MTA HEADQUARTERS
November Plan 2008 - 2011
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	MTAHQ	Financial Plan Category	PEG	Implementation Date	1/1/2008
Budget Reference	FINAL07	Category	Service	Savings Date	1/1/2008
PEG / New Need ID	0000000018	Current Budget Year	2007	Status	Open
Program:	MTA Public Safety Insurance Reduction			Agency Status	Ready
Description and Implementation Pla	MTA Public Safety will reduce the insurance budget, as Risk Management insurance policies cover All MTAHQ & Public Safety.				
Background Details					

				2007	2008	2009	2010	2011
Total Headcount								
Financial Impact	MTAHQ	0000000018	FINAL07	\$ 0.000	\$ 0.103	\$ 0.113	\$ 0.113	\$ 0.113

MTA HEADQUARTERS
November Plan 2008 - 2011
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	MTAHQ	Financial Plan Category	PEG	Implementation Date	1/1/2008
Budget Reference	FINAL07	Category	Service	Savings Date	1/1/2000
PEG / New Need ID	0000000016	Current Budget Year	2007	Status	Open
Program:	Personnel Position Downgrades			Agency Status	Ready
Description and Implementation Pla	Audit Services, Labor Relations and The Office of Civil Rights department restructuring.				
Background Details	In 2007, the Audit Services Department began a process to streamline it's audit management and work teams to improve consistency, effectiveness, and efficiency of personnel resource allocations, oversight, and management span of control department-wide. As part of this, several positions were downgraded and titles were eliminated. In addition, as higher level titles were vacated through retirement, resignations, or transfer within the agencies, they were or are to be filled, where practical, at more entry level positions. Similar reduction are anticipated for positions in Labor Relations and the office of Civil Rights.				

				2007	2008	2009	2010	2011
Total Headcount								
Financial Impact	MTAHQ	0000000016	FINAL07	\$ 0.429	\$ 0.676	\$ 0.692	\$ 0.692	\$ 0.692

MTA HEADQUARTERS
November Plan 2008 - 2011
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	MTAHQ	Financial Plan Category	PEG	Implementation Date	1/1/2008
Budget Reference	FINAL07	Category	Service	Savings Date	1/1/2008
PEG / New Need ID	0000000019	Current Budget Year	2007	Status	Open
Program:	Professional Expense Reduction			Agency Status	Ready
Description and Implementation Pla	Professional Service Expense Reduction.				
Background Details	With the implementation of the Peoplesoft Suite the Chief Financial Officer's Department has been able to reengineer its operations and reduce expense. As a result, the amount budgeted for Treasury department Bond Counsel legal fees will be reduced by \$300 thousand per year beginning in 2008. Further reductions in Human Resources are also antiipated as dependence on Hay's Associate Service diminishes.				

				2007	2008	2009	2010	2011
Total Headcount								
Financial Impact	MTAHQ	0000000019	FINAL07	\$ 0.000	\$ 0.356	\$ 0.468	\$ 0.468	\$ 0.468

MTA HEADQUARTERS
November Plan 2008 - 2011
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	MTAHQ	Financial Plan Category	PEG	Implementation Date	7/25/2007
Budget Reference	FINAL07	Category	Service Support	Savings Date	1/1/2008
PEG / New Need ID	0000000012	Current Budget Year	2007	Status	Open
Program:	K-9 Facility Administrative Reductions			Agency Status	Ready
Description and Implementation Pla	Based upon the new facility built for the K-9 unit, the department forsees reduction in building maintenance and repair cost, as well as training costs since the new facility has a training room				
Background Details	Once the new facility is completed and operational, the unit will move into the new facility with new equipment and there should be less/fewer maintenance expense.				

				2007	2008	2009	2010	2011
Total Headcount								
Financial Impact	MTAHQ	0000000012	FINAL07	\$ 0.000	\$ 0.305	\$ 0.311	\$ 0.311	\$ 0.311

MTA HEADQUARTERS
November Plan 2008 - 2011
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	MTAHQ	Financial Plan Category	PEG	Implementation Date	1/1/2008
Budget Reference	FINAL07	Category	Service Support	Savings Date	1/1/2008
PEG / New Need ID	0000000013	Current Budget Year	2007	Status	Open
Program:	PeopleSoft Operating Efficiencies			Agency Status	Ready
Description and Implementation Pla	With the implementation of the PeopleSoft suite the chief Financial Officer's Department has been able to reengineer it's operations and reduce expenses. As a result, the amount budgeted for Treasury department Bond Counsel legal fees will be reduce by p				
Background Details					

				2007	2008	2009	2010	2011
Total Headcount								
Financial Impact	MTAHQ	0000000013	FINAL07	\$ 0.000	\$ 0.000	\$ 0.303	\$ 0.303	\$ 0.303

**MTA Headquarters
November Financial Plan 2008-2011
Summary of Major Plan-to-Plan Changes**

Positions Assumptions

A baseline headcount of 1,450 positions is forecasted for 2007, unchanged from the Mid-Year Forecast. The level of employees will increase to 1,454 in 2008 and 1,456 in 2009. Thereafter headcount will remain constant throughout the plan.

MTA HEADQUARTERS
November Financial Plan 2008-2011
Non-Reimbursable - Reimbursable Positions by Function and Department
Full-Time Positions and Full-Time Equivalents

FUNCTION/DEPARTMENT	2006 Actuals	2007 November Forecast	2008 Final Proposed Budget	2009	2010	2011
Administration						
Executive	9	11	11	11	11	11
Administration	215	230	231	231	231	231
Audit	91	98	98	98	98	98
Chief Financial Officer	107	102	103	103	103	103
Corporate and Community Affairs	46	51	51	51	51	51
Policy and Media Relations	4	8	8	8	8	8
General Counsel	63	102	102	102	102	102
Chief of Staff/Senior Policy Advisor	4	44	44	46	46	46
Spec. Project Develop/Planning	9	10	10	10	10	10
Labor Relations	31	5	5	5	5	5
PCAC	1	5	5	5	5	5
Vending Fare Media	4	6	6	6	6	6
Corporate Account	2	9	10	10	10	10
Total Administration	586	681	684	686	686	686
Public Safety	732	769	770	770	770	770
Baseline Total Positions	1,318	1,450	1,454	1,456	1,456	1,456
<i>Non-Reimbursable</i>	1,298	1,414	1,418	1,420	1,420	1,420
<i>Reimbursable</i>	20	36	36	36	36	36
<i>Full-Time</i>	1,318	1,450	1,454	1,456	1,456	1,456
<i>Full-Time Equivalents</i>	-	-	-	-	-	-
<hr/>						
Impact of:						
2008 Program to Eliminate the Gap	-	-	-	-	-	-
Post-2008 Program to Eliminate the Gap	-	-	-	-	-	-
Total Positions	1,318	1,450	1,454	1,456	1,456	1,456
<i>Non-Reimbursable</i>	1,298	1,414	1,418	1,420	1,420	1,420
<i>Reimbursable</i>	20	36	36	36	36	36
<i>Total Full-Time</i>	1,318	1,450	1,454	1,456	1,456	1,456
<i>Total Full-Time Equivalents</i>	-	-	-	-	-	-

MTA HEADQUARTERS
November Financial Plan 2008-2011
Total Full-time Positions and Full-time Equivalents by Function and Occupational Group

FUNCTION/OCCUPATIONAL GROUP		2006 Actuals	2007 November Forecast	2008 Final Proposed Budget	2009	2010	2011
Administration	Managers/Supervisors	362	411	412	412	412	412
	Professional, Technical, Clerical	224	270	272	274	274	274
	Operational Hourlies						
	Total Administration	586	681	684	686	686	686
Operations	Managers/Supervisors						
	Professional, Technical, Clerical						
	Operational Hourlies						
	Total Operations	-	-	-	-	-	-
Maintenance	Managers/Supervisors						
	Professional, Technical, Clerical						
	Operational Hourlies						
	Total Maintenance	-	-	-	-	-	-
Engineering/Capital	Managers/Supervisors						
	Professional, Technical, Clerical						
	Operational Hourlies						
	Total Engineering/Capital	-	-	-	-	-	-
Public Safety	Managers/Supervisors	30	35	35	35	35	35
	Professional, Technical, Clerical	51	66	67	67	67	67
	Operational Hourlies (Uniformed)	651	668	668	668	668	668
	Total Public Safety	732	769	770	770	770	770
Total Baseline Positions	Managers/Supervisors	392	446	447	447	447	447
	Professional, Technical, Clerical	275	336	339	341	341	341
	Operational Hourlies	651	668	668	668	668	668
	Total Baseline Positions	1,318	1,450	1,454	1,456	1,456	1,456

MTA First Mutual Transportation Assurance Company
2008 Final Proposed Budget
November Financial Plan 2008 - 2011

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.

2007 November Forecast

In the 2007 November Forecast a total of \$14.177 million is projected in Net Surplus compared to \$14.257 million in the 2007 Mid-Year Forecast. This consists of a decrease of \$0.732 million in revenues, primarily as a result of unfavorable All-Urban Consumers Price Index (CPI) applied to revenues, as well as a decrease in expenses of \$0.652 million. The unfavorable outcome is due primarily to unfavorable developments in Total Revenue, which is partially offset by favorable developments in Insurance. Total Revenue is based on actual results through August 2007 on an annualized basis. Insurance is based on 2007 actual results through August 2007 on an annualized basis. Claims are based on actuarial analysis of claims activity on a estimated basis. Other

Business Expenses are based on actual results through August 2007 on an annualized basis.

2008 Final Proposed Budget

In the 2008 Final Proposed Budget a total of \$18.037 million is projected in Net Surplus compared to \$16.078 million in the 2008 Preliminary Budget. This consists of a increase of \$1.273 million in revenues as well as a decrease in expenses of \$0.686 million.

2009 – 2011 Projections

2009 – 2011 Projections are representative of 2007 projections with market increases. Other Operating Revenue is 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 5% 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 2% each year.

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
November Financial Plan 2008-2011
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE						
	2006	2007	2008			
	Actuals	November Forecast	Final Proposed Budget	2009	2010	2011
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	17.752	16.332	16.675	17.044	17.399	17.770
Investment Income	(2.294)	-0.029	2.000	2.044	2.087	2.131
Capital and Other Reimbursements	-	-	-	-	-	-
Total Revenue	\$15.458	\$16.303	\$18.675	\$19.088	\$19.486	\$19.901
Operating Expenses						
<u>Labor:</u>						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-
Pensions	-	-	-	-	-	-
Other Fringe Benefits	-	-	-	-	-	-
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenses	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	\$0.000	-	-	-	-	-
Insurance	(43.007)	(45.078)	(47.332)	(49.699)	(52.184)	(54.793)
Claims	41.015	39.036	39.639	42.167	43.935	43.236
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	-	-	-	-	-	-
Professional Service Contracts	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-
Other Business Expenses	7.754	8.168	8.331	8.498	8.668	8.841
Total Non-Labor Expenses	\$5.762	\$2.126	\$0.638	\$0.966	\$0.419	(\$2.716)
<u>Other Expenses Adjustments:</u>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$5.762	\$2.126	\$0.638	\$0.966	\$0.419	(\$2.716)
Depreciation	-	-	-	-	-	-
Total Expenses	\$5.762	\$2.126	\$0.638	\$0.966	\$0.419	(\$2.716)
Baseline Surplus/(Deficit)	\$9.696	\$14.177	\$18.037	\$18.122	\$19.067	\$22.617

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MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
November Financial Plan 2008-2011
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2006	2007	2008			
	Actuals	November Forecast	Final Proposed Budget	2009	2010	2011
Receipts						
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	-	-	-	-	-	-
Total Receipts	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Expenditures						
<u>Labor:</u>						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-
Pensions	-	-	-	-	-	-
Other Fringe Benefits	-	-	-	-	-	-
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	1.859	1.887	2.008	2.092	2.059
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	-	-	-	-	-	-
Professional Service Contracts	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-
Other Business Expenditures	-	-	-	-	-	-
Total Non-Labor Expenditures	\$0.000	\$1.859	\$1.887	\$2.008	\$2.092	\$2.059
<u>Other Expenditures Adjustments:</u>						
Other	(\$9.696)	(\$16.036)	(\$19.924)	(\$20.130)	(\$21.159)	(\$24.676)
Total Other Expenditures Adjustments	(\$9.696)	(\$16.036)	(\$19.924)	(\$20.130)	(\$21.159)	(\$24.676)
Total Cash Conversion Adjustments before Depreciation	(\$9.696)	(\$14.177)	(\$18.037)	(\$18.122)	(\$19.067)	(\$22.617)
Depreciation Adjustment	-	-	-	-	-	-
Total Cash Conversion Adjustments	(\$9.696)	(\$14.177)	(\$18.037)	(\$18.122)	(\$19.067)	(\$22.617)

**MTA First Mutual Transportation Assurance Company
November Financial Plan 2008 - 2011
Year-to-Year Changes by Category 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 2007.

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 5% each year for 2008 - 2011

Claims

- Claims expenses are determined by actuarial projection for 2007 - 2011 of the actual claims expense paid and any adjustments either favorable or unfavorable to reserves.

Other Business Expenses

- Costs increase 2% for 2008 through 2011 and are representative of general increases for the services provided and expenses not directly related to claims.

First Mutual Transportation Assurance Company
November Financial Plan 2008 - 2011
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE

	Favorable/(Unfavorable)								
	2007	2008	Change 2008 - 2007	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010
<u>Revenue</u>									
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Investment Income	(0.029)	2.000	2.029	2.044	0.044	2.087	0.043	2.131	0.044
Other Operating Revenue	16.332	16.675	0.343	17.044	0.369	17.399	0.355	17.770	0.371
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenue	\$16.303	\$18.675	\$2.372	\$19.088	\$0.413	\$19.486	\$0.398	\$19.901	\$0.415
<u>Expenses</u>									
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
Total Labor Expenses	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
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	(45.078)	(47.332)	2.254	(49.699)	2.367	(52.184)	2.485	(54.793)	2.609
Claims	39.036	39.639	(0.603)	42.167	(2.528)	43.935	(1.768)	43.236	0.699
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	8.168	8.331	(0.163)	8.498	(0.167)	8.668	(0.170)	8.841	(0.173)
Total Non-Labor Expenses	\$2.126	\$0.638	\$1.488	\$0.966	(\$0.328)	\$0.419	\$0.547	(\$2.716)	\$3.135
Other Expenses Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$2.126	\$0.638	\$1.488	\$0.966	(\$0.328)	\$0.419	\$0.547	(\$2.716)	\$3.135
Depreciation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$2.126	\$0.638	\$1.488	\$0.966	(\$0.328)	\$0.419	\$0.547	(\$2.716)	\$3.135
Baseline Net Surplus/(Deficit)	\$14.177	\$18.037	\$3.860	\$18.122	\$0.085	\$19.067	\$0.945	\$22.617	\$3.550
2008 Agency Program to Eliminate the Gap (PEGs)	-	-	-	-	-	-	-	-	-
Post - 2008 Agency Program to Eliminate the Gap (PEG)	-	-	-	-	-	-	-	-	-
Total PEGs	-	-	-	-	-	-	-	-	-
Net Surplus/(Deficit)	\$14.177	\$18.037	\$3.860	\$18.122	\$0.085	\$19.067	\$0.945	\$22.617	\$3.550

First Mutual Transportation Assurance Company
November Financial Plan 2008 - 2011
Year-to-Year Changes by Category - Cash Basis
(\$ in millions)

CASH RECEIPTS & EXPENDITURES

	Favorable/(Unfavorable)								
	2007	2008	Change 2008 - 2007	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010
Receipts									
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	(0.029)	2.000	2.029	2.044	0.044	2.087	0.043	2.131	0.044
Other Operating Revenue	16.332	16.675	0.343	17.044	0.369	17.399	0.355	17.770	0.371
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Receipts	\$16.303	\$18.675	\$2.372	\$19.088	\$0.413	\$19.486	\$0.398	\$19.901	\$0.415
Expenditures									
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
Total Labor Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
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	(45.078)	(47.332)	2.254	(49.699)	2.367	(52.184)	2.485	(54.793)	2.609
Claims	37.177	37.752	(0.575)	40.159	(2.407)	41.843	(1.684)	41.177	0.666
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	8.168	8.331	(0.163)	8.498	(0.167)	8.668	(0.170)	8.841	(0.173)
Total Non-Labor Expenditures	\$0.267	(\$1.249)	\$1.516	(\$1.042)	(\$0.207)	(\$1.673)	\$0.631	(\$4.775)	\$3.102
Other Expenditure Adjustments:									
Other - Restricted Cash Adjustment	16.036	19.924	(3.888)	20.130	(0.206)	21.159	(1.029)	24.676	(3.517)
Total Other Expenditure Adjustments	\$16.036	\$19.924	(\$3.888)	\$20.130	(\$0.206)	\$21.159	(\$1.029)	\$24.676	(\$3.517)
Total Expenditures	\$16.303	\$18.675	(\$2.372)	\$19.088	(\$0.413)	\$19.486	(\$0.398)	\$19.901	(\$0.415)
Baseline Net Cash Deficit	\$0.000	\$0.000	(\$0.000)	\$0.000	\$0.000	\$0.000	(\$0.000)	\$0.000	\$0.000
2008 Agency Program to Eliminate the Gap (PEGs)	-	-	-	-	-	-	-	-	-
Post - 2008 Agency Program to Eliminate the Gap (PEG)	-	-	-	-	-	-	-	-	-
Total PEGs	-	-	-	-	-	-	-	-	-
Net Cash Deficit	\$0.000	\$0.000	(\$0.000)	\$0.000	\$0.000	\$0.000	(\$0.000)	\$0.000	\$0.000

MTA First Mutual Transportation Assurance Company
November Financial Plan 2008-2011
Summary of Changes Between Financial Plans Non-Reimbursable

2007 - 2011: November Financial Plan vs. July Financial Plan

Revenue

Revenue changes from the July Plan over the 2007 to 2011 period include:

- A decrease in the baseline estimate for 2007 due to unfavorable developments in actual results through August 2007 from the July Plan to the November Plan. Favorable developments in years 2008-2011 due to anticipated gains in investments resulting from higher yield/longer duration assets.
 - \$.732 million in 2007
 - \$1.273 million in 2008
 - \$1.343 million in 2009
 - \$1.395 million in 2010
 - \$1.448 million in 2011

Expense

Expense changes from the July Plan over the 2007 to 2011 period include:

- An increase in Insurance due to changes in the baseline estimate for 2007 due to changes in actual results through August 2007. The inflation rate for Insurance is 5% per year to accurately reflect developments in premium costs.
 - \$.687 million in 2007
 - \$.721 million in 2008
 - \$.757 million in 2009
 - \$.795 million in 2010
 - \$.835 million in 2011
- Claims expense did not change due to the same ultimate loss projections as in July 2007. Ultimate loss projections are updated for the September 30th results and December 31st results by the actuaries.
- A decrease in Other Business Expense due to revised estimates based on actual results through August 2007. The inflation rate for Other Business Expense is 2% per year to reflect inflation rates.
 - \$.035 million in 2007
 - \$.035 million in 2008
 - \$.036 million in 2009
 - \$.037 million in 2010
 - \$.037 million in 2011

MTA First Mutual Transportation Assurance Company
November Financial Plan 2008 - 2011
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE	Favorable/(Unfavorable)				
	2007	2008	2009	2010	2011
Baseline 2007 July Financial Plan - Operating Cash Income/(Deficit)	\$.000	\$.000	\$.000	\$.000	\$.000
Baseline Changes					
Revenue					
Farebox Revenue	\$.000	\$.000	\$.000	\$.000	\$.000
Vehicle Toll Revenue	.000	.000	.000	.000	.000
Investment Income	(2.181)	(.198)	(.197)	(.198)	(.200)
Other Operating Revenue	1.449	1.471	1.540	1.593	1.648
Total Revenue Changes	(\$.732)	\$ 1.273	\$ 1.343	\$ 1.395	\$ 1.448
Expenses					
Labor:					
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
Total Labor Expense Changes	\$.000	\$.000	\$.000	\$.000	\$.000
Non-Labor:					
Traction and Propulsion Power	\$.000	\$.000	\$.000	\$.000	\$.000
Fuel for Buses and Trains	.000	.000	.000	.000	.000
Insurance	.687	.721	.757	.795	.835
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	(.035)	(.035)	(.036)	(.037)	(.037)
Total Non-Labor Expense Changes	\$.652	\$.686	\$.721	\$.758	\$.798
Total Expense Changes	\$.652	\$.686	\$.721	\$.758	\$.798
Cash Adjustment Changes					
Revenue:					
Investment Income	.000	.000	.000	.000	.000
Other Operating Revenue	.000	.000	.000	.000	.000
Expenses:					
Insurance	.000	.000	.000	.000	.000
Claims	.000	.000	.000	.000	.000
Other Business Expenses	.000	.000	.000	.000	.000
Total Expense Changes	.000	.000	.000	.000	.000
Restricted Cash Adjustment	.080	(1.959)	(2.064)	(2.153)	(2.246)
Total Cash Adjustment Changes	\$.080	(\$ 1.959)	(\$ 2.064)	(\$ 2.153)	(\$ 2.246)
Total Baseline Changes	\$.000	\$.000	\$.000	\$.000	\$.000
Baseline 2007 November Financial Plan - Operating Cash Income/(Deficit)	\$.000	\$.000	\$.000	\$.000	\$.000

MTA First Mutual Transportation Assurance Company
November Financial Plan 2008 - 2011
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

NON-REIMBURSABLE	Favorable/(Unfavorable)				
	2007	2008	2009	2010	2011
Baseline 2007 July Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<i>Non-Reimbursable Major Changes</i>					
Revenue	(\$.732)	\$1.273	\$1.343	\$1.395	\$1.448
Sub-Total Non-Reimbursable Revenue Changes	(\$.732)	\$1.273	\$1.343	\$1.395	\$1.448
Expenses	\$.652	\$.686	\$.721	\$.758	\$.798
Sub-Total Non-Reimbursable Expense Changes	\$.652	\$.686	\$.721	\$.758	\$.798
<i>Total Non-Reimbursable Major Changes</i>	(\$.080)	\$1.959	\$2.064	\$2.153	\$2.246
<i>Reimbursable Major Changes</i>					
Revenue					
Sub-Total Reimbursable Revenue Changes					
Expenses					
Sub-Total Reimbursable Expense Changes					
<i>Total Reimbursable Major Changes</i>	\$.000	\$.000	\$.000	\$.000	\$.000
<i>Total Accrual Changes</i>	(\$.080)	\$1.959	\$2.064	\$2.153	\$2.246
<i>Cash Adjustment Changes</i>					
Total Cash Adjustments	\$.080	(\$1.959)	(\$2.064)	(\$2.153)	(\$2.246)
<i>Total Cash Adjustment Changes</i>	\$.080	(\$1.959)	(\$2.064)	(\$2.153)	(\$2.246)
<i>Total Baseline Changes</i>	\$.000	\$.000	\$.000	\$.000	\$.000
Baseline 2007 November Financial Plan - Operating Cash Income/(Deficit)	\$.000	\$.000	\$.000	\$.000	\$.000

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**Inspector General
2008 Final Proposed Budget
November Financial Plan 2008 – 2011**

Mission Statement

The Metropolitan Transportation Authority Office of the Inspector General is created by statute and has the power to investigate abuses, frauds, and service deficiencies related to the authority and its subsidiaries. Reviews may be initiated in order to identify where performance might be improved and funds used more effectively.

Financial Overview

The Office of the Inspector General's current lease expires on August 31, 2008. The budget for the Office of the Inspector General for the years 2008-2011 includes a request for additional funding for occupancy costs along with relocation and build-out expenditures for a potential move to a new space. The office has been actively engaged in pursuing all options including the possibility of a renewal as well as a search for alternative space.

The Office of the Inspector General's budget is predominately driven by wages and benefits necessary to support our investigative unit, including attorneys, investigators and personnel with financial investigations expertise; our audit and analysis unit with staff that have qualitative and quantitative analytical skills; and an administrative and support function, including but not limited to personnel for purchasing, information systems, accounting and reception. These resources are used to investigate and audit matters of concern throughout the MTA and its subsidiaries with a combined \$10 billion operating budget, \$4 billion capital budget and workforce of 69,000.

Inspector General
November Financial Plan 2008-2011
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE						
	2006	2007	2008			
	Actual	November Forecast	Final Proposed Budget	2009	2010	2011
Operating Revenue						
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
<u>Other Operating Revenue</u>	-	-	-	-	-	-
<i>Rental Income</i>	-	-	-	-	-	-
<i>Other</i>	-	-	-	-	-	-
Total Other Operating Revenue	-	-	-	-	-	-
Capital and Other Reimbursements	11.093	12.032	17.273	13.910	14.268	14.646
Total Revenue	\$11.093	\$12.032	\$17.273	\$13.910	\$14.268	\$14.646
Operating Expenses						
<u>Labor:</u>						
Payroll	\$6.865	\$6.881	\$7.472	\$7.696	\$7.846	\$8.003
Overtime	-	-	-	-	-	-
Health and Welfare	0.632	0.731	0.882	0.984	1.085	1.199
Pensions	0.508	0.702	0.777	0.802	0.819	0.837
Other Fringe Benefits	0.515	0.508	0.571	0.581	0.593	0.606
Reimbursable Overhead						
Total Labor Expenses	\$8.520	\$8.823	\$9.702	\$10.062	\$10.344	\$10.645
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	0.033	0.047	0.051	0.056	0.062	0.068
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	0.107	0.230	4.041	0.246	0.251	0.257
Professional Service Contracts	0.199	0.165	0.062	0.063	0.065	0.066
Materials & Supplies	0.127	0.099	0.107	0.109	0.111	0.114
Other Business Expenses	1.522	2.084	2.725	2.788	2.850	2.911
Total Non-Labor Expenses	\$1.988	\$2.625	\$6.986	\$3.263	\$3.339	\$3.416
<u>Other Expenses Adjustments:</u>						
Other						
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$10.508	\$11.447	\$16.688	\$13.325	\$13.682	\$14.061
Depreciation	0.585	0.585	0.585	0.585	0.585	0.585
Total Expenses	\$11.093	\$12.032	\$17.273	\$13.910	\$14.267	\$14.646
Baseline Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	(\$0.000)	\$0.000	\$0.000
2008 Program to Eliminate the Gap (PEGs)						
Post 2008 Program to Eliminate the Gap (PEGs)						
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	(\$0.000)	\$0.000	\$0.000

Inspector General
November Financial Plan 2008-2011
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2006	2007	2008			
	Actual	November Forecast	Final Proposed Budget	2009	2010	2011
Receipts						
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
<u>Other Operating Revenue</u>						
Rental Income	-	-	-	-	-	-
Data Center Billings	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	10.225	10.226	16.601	13.239	13.596	13.974
Total Receipts	\$10.225	\$10.226	\$16.601	\$13.239	\$13.596	\$13.974
Expenditures						
<u>Labor:</u>						
Payroll	\$6.865	\$6.881	\$7.472	\$7.696	\$7.846	\$8.003
Overtime	-	-	-	-	-	-
Health and Welfare	0.632	0.731	0.882	0.984	1.085	1.199
Pensions	0.508	0.702	0.777	0.802	0.819	0.837
Other Fringe Benefits	0.515	0.508	0.571	0.581	0.593	0.606
GASB Account	-	-	-	-	-	-
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$8.520	\$8.823	\$9.702	\$10.063	\$10.344	\$10.645
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	0.033	0.047	0.051	0.056	0.062	0.068
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	0.107	0.230	4.041	0.246	0.251	0.257
Professional Service Contracts	0.199	0.165	0.062	0.063	0.065	0.066
Materials & Supplies	0.127	0.099	0.107	0.109	0.111	0.114
Other Business Expenses	1.522	2.084	2.725	2.788	2.850	2.911
Total Non-Labor Expenditures	\$1.988	\$2.625	\$6.986	\$3.263	\$3.339	\$3.416
<u>Other Expenditure Adjustments:</u>						
Capital	(0.283)	(1.221)	(0.087)	(0.087)	(0.087)	(0.087)
Total Other Expenditure Adjustments	(\$0.283)	(\$1.221)	(\$0.087)	(\$0.087)	(\$0.087)	(\$0.087)
Total Expenditures	\$10.225	\$10.226	\$16.601	\$13.239	\$13.596	\$13.974
Baseline Cash Deficit	\$0.000	\$0.000	\$0.000	(\$0.000)	\$0.000	\$0.000
2008 Program to Eliminate the Gap (PEGs)						
Post-2008 Program to Eliminate the Gap (PEGs)						
Net Cash Deficit	\$0.000	\$0.000	\$0.000	(\$0.000)	\$0.000	\$0.000

CASH FLOW ADJUSTMENTS	
Depreciation expense	1,000
Amortization expense	1,000
Loss on sale of equipment	1,000
Gain on sale of equipment	(1,000)
Change in accounts receivable	(1,000)
Change in accounts payable	1,000
Change in inventory	(1,000)
Change in prepaid expenses	(1,000)
Change in accrued liabilities	1,000
Change in income taxes payable	1,000
Change in deferred tax assets	(1,000)
Change in deferred tax liabilities	1,000
Change in other non-current assets	(1,000)
Change in other non-current liabilities	1,000
Change in cash and cash equivalents	1,000
Total	1,000

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INSPECTOR GENERAL
November Financial Plan 2008 - 2011
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

REIMBURSABLE

	Favorable/(Unfavorable)								
	2007	2008	Change 2008 - 2007	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010
<u>Revenue</u>									
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-	-	-	-
Rental Income	-	-	-	-	-	-	-	-	-
Data Center Billings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Capital and Other Reimbursements	12.032	17.273	5.240	13.910	(3.363)	14.268	0.357	14.646	0.378
Total Revenue	\$12.032	\$17.273	\$5.240	\$13.910	(\$3.363)	\$14.268	\$0.357	\$14.646	\$0.378
<u>Expenses</u>									
Labor:									
Payroll	\$6.881	\$7.472	(\$0.591)	\$7.696	(\$0.224)	\$7.846	(\$0.150)	\$8.003	(\$0.157)
Overtime	-	-	-	-	-	-	-	-	-
Health and Welfare	0.731	0.882	(0.150)	0.984	(0.102)	1.085	(0.102)	1.199	(0.114)
Pensions	0.702	0.777	(0.075)	0.802	(0.025)	0.819	(0.017)	0.837	(0.018)
Other Fringe Benefits	0.508	0.571	(0.062)	0.581	(0.010)	0.593	(0.012)	0.606	(0.013)
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
Total Labor Expenses	\$8.823	\$9.702	(\$0.879)	\$10.062	(\$0.360)	\$10.344	(\$0.281)	\$10.645	(\$0.301)
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	0.047	0.051	(0.004)	0.056	(0.005)	0.062	(0.006)	0.068	(0.006)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	0.230	4.041	(3.811)	0.246	3.795	0.251	(0.005)	0.257	(0.005)
Professional Service Contracts	0.165	0.062	0.103	0.063	(0.001)	0.065	(0.001)	0.066	(0.001)
Materials & Supplies	0.099	0.107	(0.007)	0.109	(0.002)	0.111	(0.002)	0.114	(0.002)
Other Business Expenses	2.084	2.725	(0.641)	2.788	(0.063)	2.850	(0.061)	2.911	(0.061)
Total Non-Labor Expenses	\$2.625	\$6.986	(\$4.361)	\$3.263	\$3.723	\$3.339	(\$0.076)	\$3.416	(\$0.077)
Other Expenses Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$11.447	\$16.688	(\$5.240)	\$13.325	\$3.362	\$13.682	(\$0.357)	\$14.061	(\$0.378)
Depreciation	0.585	0.585	0.000	0.585	0.000	0.585	0.000	0.585	0.000
Total Expenses	\$12.032	\$17.273	(\$5.240)	\$13.910	\$3.362	\$14.267	(\$0.357)	\$14.646	(\$0.378)
Baseline Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	(\$0.000)	(\$0.000)	\$0.000	\$0.000	\$0.000	\$0.000
2008 Program to Eliminate the Gap	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	(\$0.000)	(\$0.000)	\$0.000	\$0.000	\$0.000	\$0.000

INSPECTOR GENERAL
November Financial Plan 2008 - 2011
Year-to-Year Changes by Category - Cash Basis
(\$ in millions)

CASH RECEIPTS & EXPENDITURES

	Favorable/(Unfavorable)								
	2007	2008	Change 2008 - 2007	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010
<u>Receipts</u>									
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	-	-	-	-	-	-	-	-	-
Capital and Other Reimbursements	10.226	16.601	6.374	13.239	(3.362)	13.596	0.357	13.974	0.378
Total Receipts	\$10.226	\$16.601	\$6.374	\$13.239	(\$3.362)	\$13.596	\$0.357	\$13.974	\$0.378
<u>Expenditures</u>									
Labor:									
Payroll	\$6.881	\$7.472	(\$0.591)	\$7.696	(\$0.224)	\$7.846	(\$0.150)	\$8.003	(\$0.157)
Overtime	-	-	-	-	-	-	-	-	-
Health and Welfare	0.73	0.88	(0.15)	0.98	(0.10)	1.09	(0.10)	1.20	(0.11)
Pensions	0.70	0.78	(0.08)	0.80	(0.02)	0.82	(0.02)	0.84	(0.02)
Other Fringe Benefits	0.51	0.57	(0.06)	0.58	(0.01)	0.59	(0.01)	0.61	(0.01)
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
Total Labor Expenditures	\$8.823	\$9.702	(\$0.879)	\$10.063	(\$0.361)	\$10.344	(\$0.281)	\$10.645	(\$0.301)
Non-Labor:									
Traction and Propulsion Power	-	-	-	-	-	-	-	-	-
Fuel for Buses and Trains	-	-	-	-	-	-	-	-	-
Insurance	0.047	0.051	(0.004)	0.056	(0.005)	0.062	(0.006)	0.068	(0.006)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	0.230	4.041	(3.811)	0.246	3.795	0.251	(0.005)	0.257	(0.005)
Professional Service Contracts	0.165	0.062	0.103	0.063	(0.001)	0.065	(0.001)	0.066	(0.001)
Materials & Supplies	0.099	0.107	(0.007)	0.109	(0.002)	0.111	(0.002)	0.114	(0.002)
Other Business Expenses	2.084	2.725	(0.641)	2.788	(0.063)	2.850	(0.061)	2.911	(0.061)
Total Non-Labor Expenditures	\$2.625	\$6.986	(\$4.361)	\$3.263	\$3.723	\$3.339	(\$0.076)	\$3.416	(\$0.077)
Other Expenditure Adjustments:									
Other	(1.221)	(0.087)	(\$1.134)	(0.087)	\$0.000	(0.087)	\$0.000	(0.087)	\$0.000
Total Other Expenditure Adjustments	(\$1.221)	(\$0.087)	(\$1.134)	(\$0.087)	\$0.000	(\$0.087)	\$0.000	(\$0.087)	\$0.000
Total Expenditures	\$10.226	\$16.601	(\$6.374)	\$13.239	\$3.362	\$13.596	(\$0.357)	\$13.974	(\$0.378)
Baseline Net Cash Deficit	\$0.000	\$0.000	\$0.000	(\$0.000)	(\$0.000)	\$0.000	\$0.000	\$0.000	\$0.000
2008Agency Program to Eliminate the Gap (PEG:	0.000	0.000	\$0.000	0.000	\$0.000	0.000	\$0.000	0.000	\$0.000
Net Cash Deficit	\$0.000	\$0.000	\$0.000	(\$0.000)	(\$0.000)	\$0.000	\$0.000	\$0.000	\$0.000

INSPECTOR GENERAL
November Financial Plan 2008 - 2011
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE

	2007	2008	2009	2010	2011
Baseline 2007 July Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline Changes					
Revenue					
Farebox Revenue					
Vehicle Toll Revenue					
Rental Income					
Data Center Billings					
Other					
Capital and Other Reimbursement					
Total Revenue Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Expenses					
Labor:					
Payroll					
Overtime					
Health and Welfare					
Pensions					
Other Fringe Benefits					
Reimbursable Overhead					
Total Labor Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Non-Labor:					
Traction and Propulsion Power					
Fuel for Buses and Trains					
Insurance					
Claims					
Paratransit Service Contracts					
Maintenance and Other Operating Contracts					
Professional Services					
Materials & Supplies					
MTA Internal Subsidy					
Other Business Expenses					
Total Non-Labor Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Cash Adjustment Changes					
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline 2007 November Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

INSPECTOR GENERAL
November Financial Plan 2008 - 2011
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE

	2007	2008	2009	2010	2011
Baseline 2007 July Financial Plan - Operating Cash Income/(Deficit)	(\$0.000)	\$0.000	(\$0.000)	(\$0.000)	(\$0.000)
Baseline Changes					
Revenue					
Farebox Revenue					
Vehicle Toll Revenue					
Rental Income					
Data Center Billings					
Other					
Capital and Other Reimbursement	0.000	4.411	0.633	0.654	0.672
Total Revenue Changes	\$0.000	\$4.411	\$0.633	\$0.654	\$0.672
Expenses					
Labor:					
Payroll	-	-	-	-	-
Overtime	-	-	-	-	-
Health and Welfare	-	(0.000)	(0.000)	(0.000)	0.000
Pensions	-	-	0.000	0.000	0.000
Other Fringe Benefits	-	-	0.000	0.000	(0.000)
Reimbursable Overhead					
Total Labor Expense Changes	\$0.000	(\$0.000)	\$0.001	\$0.000	(\$0.000)
Non-Labor:					
Traction and Propulsion Power					
Fuel for Buses and Trains					
Insurance	-	-	-	-	-
Claims	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	-	(3.800)	(0.001)	(0.001)	(0.001)
Professional Service Contracts	-	0.000	(0.000)	(0.000)	(0.000)
Materials & Supplies	-	-	(0.000)	(0.000)	(0.001)
Other Business Expenses	-	(0.611)	(0.633)	(0.652)	(0.669)
Total Non-Labor Expense Changes	\$0.000	(\$4.411)	(\$0.633)	(\$0.653)	(\$0.671)
Total Expense Changes	\$0.000	(\$4.411)	(\$0.633)	(\$0.653)	(\$0.671)
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Cash Adjustment Changes					
Other Expense Adjustments					
MTA Insurance Reserve					
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$0.000	(\$0.000)	\$0.000	\$0.000	\$0.000
Baseline 2007 November Financial Plan - Operating Cash Income/(Deficit)	\$0.000	(\$0.000)	(\$0.000)	\$0.000	(\$0.000)

INSPECTOR GENERAL
November Financial Plan 2008 - 2011
Changes Between Financial Plans by Generic Categories
(\$ in millions)

**NON-REIMBURSABLE and
REIMBURSABLE**

	2007	2008	2009	2010	2011
Baseline 2007 July Financial Plan - Operating Cash Income/(Deficit)	(\$0.000)	\$0.000	(\$0.000)	(\$0.000)	(\$0.000)
Baseline Changes					
Revenue					
Farebox Revenue					
Vehicle Toll Revenue					
Rental Income	.000	.000	.000	.000	.000
Data Center Billings	.000	.000	.000	.000	.000
Other	.000	.000	.000	.000	.000
Capital and Other Reimbursement	.000	4.411	.633	.654	.672
Total Revenue Changes	\$0.000	\$4.411	\$0.633	\$0.654	\$0.672
Expenses					
Labor:					
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
Other Fringe Benefits	0.000	0.000	0.000	0.000	(0.000)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000
Total Labor Expense Changes	\$0.000	(\$0.000)	\$0.001	\$0.000	(\$0.000)
Non-Labor:					
Traction and Propulsion Power	0.000	0.000	0.000	0.000	0.000
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	(3.800)	(0.001)	(0.001)	(0.001)
Professional Services	0.000	0.000	(0.000)	(0.000)	(0.000)
Materials & Supplies	0.000	0.000	(0.000)	(0.000)	(0.001)
Other Business Expenses	0.000	(0.611)	(0.633)	(0.652)	(0.669)
Total Non-Labor Expense Changes	\$0.000	(\$4.411)	(\$0.633)	(\$0.653)	(\$0.671)
Total Expense Changes	\$0.000	(\$4.411)	(\$0.633)	(\$0.653)	(\$0.671)
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Cash Adjustment Changes					
Operating Capital	.000	.000	.000	.000	.000
Other Business Expenses	.000	.000	.000	.000	.000
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$0.000	(\$0.000)	\$0.000	\$0.000	\$0.000
Baseline 2007 November Financial Plan - Operating Cash Income/(Deficit)	\$0.000	(\$0.000)	(\$0.000)	\$0.000	(\$0.000)

Inspector General
November Financial Plan 2008 - 2011
Non-Reimbursable - Reimbursable Positions by Function and Department
Full-Time Positions and Full-Time Equivalents

FUNCTION/DEPARTMENT	2006 Actuals	2007 November Forecast	2008 Final Proposed Budget	2009	2010	2011
Administration						
Office of the Inspector general	81	93	91	91	91	91
	0	0	0	0	0	0
Total Administration	81	93	91	91	91	91
Public Safety	0	0	0	0	0	0
Baseline Total Positions	81	93	91	91	91	91
<i>Non-Reimbursable</i>	0	0	0	0	0	0
<i>Reimbursable</i>	81	93	91	91	91	91
<i>Full-Time</i>	81	93	91	91	91	91
<i>Full-Time Equivalents</i>	-	-	-	-	-	-
Impact of:						
Post 2007 Program to Eliminate the Gap	0	0	0	0	0	0
Total Positions	81	93	91	91	91	91
<i>Non-Reimbursable</i>	0	0	0	0	0	0
<i>Reimbursable</i>	81	93	91	91	91	91
<i>Total Full-Time</i>	81	93	91	91	91	91
<i>Total Full-Time Equivalents</i>	-	-	-	-	-	-