

V. Agency Financial Plans

Bridges and Tunnels

MTA Bridges and Tunnels
2008 Final Proposed Budget
November Financial Plan 2008–2011

MISSION STATEMENT/MAJOR HIGHLIGHTS

MTA Bridges and Tunnels (B&T) operates seven bridges and two tunnels that form essential links for vehicular highway transportation in the New York City metropolitan region, while also providing significant financial support for mass transit. On an average day, more than 800,000 vehicles use the nine crossings, generating almost \$1.25 billion in annual toll revenue.

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

MTA Bridges & Tunnels is successfully achieving its primary goals in 2007 and will generate more than \$712.0 million in Support to Mass Transit, \$27.0 million more than the July Plan. This reflects increased revenues of \$8.3 million against the July Plan, lower operating expenses of \$9.3 million and lower capitalized asset expenses of \$4.5 million. Since 1968, when B&T became part of the MTA, approximately \$15.5 billion has been provided to the MTA for support to mass transit, including 2007.

Operationally, customer and employee safety remain a high priority for the Agency. Through September 2007, the employee lost time injuries were 2.3 per 200,000 hours worked versus a rate of 3.2 during the same period in the previous year.

B&T also continues to emphasize customer safety by identifying collision hot spots, reevaluating and modifying traffic patterns in construction zones, and improving roadway signage. Through September 2007, the rate of collisions with injuries per million vehicles is 1.13. Although this rate is moderately higher than the year-end goal rate of 1.07, it is slightly lower than the rate of 1.14 during the same period in the prior year and maintains the standard of performance of 2006 which ended with a rate of 1.13, the lowest rate since 1997.

Customer satisfaction is also a key goal for B&T. In its most recent survey taken during the fall of 2006, B&T's customers rated their overall satisfaction at 7.1 out of 10. This is consistent with B&T's historical performance, despite near record high traffic and significant construction at several facilities.

Satisfaction with the performance of the agency's E-ZPass system was 8.3, also consistent with historical performance.

One factor that continues to drive customer satisfaction is the reduction in median queue time during peak periods. E-ZPass has enabled B&T to maintain low average peak hour queue times while managing much higher levels of traffic than existed prior to implementation of electronic toll collection. Approximately 75% of all weekday B&T traffic and 86% of all weekday truck traffic use E-ZPass. Through the first quarter 2007, these high market shares have played an important role in keeping median vehicle queue time at levels that are significantly lower than B&T's 15-second goal.

FINANCIAL OVERVIEW

B&T's Financial Plan, consistent with its strategic operating and financial goals, is projecting net income of \$4.1 billion for the next five years (2007-2011) before factoring in the Program to Eliminate the Gap (PEG).

B&T's baseline headcount will be 1,828 in 2007. In 2008 and beyond, the baseline headcount is expected to be 1,819.

For 2007, B&T projects a total of \$879.8 million in net income before factoring in the Program to Eliminate the Gap (PEG), \$17.6 million better than the July Forecast. This consists of \$1,281.0 million in revenue, offset by \$401.1 million in total expenses.

In 2008, B&T projects a total of \$837.0 million in net income before factoring in the Program to Eliminate the Gap (PEG), \$6.1 million lower than the July Plan. This consists of \$1,281.2 million in total revenue offset by \$444.2 million in total expenses.

In 2009, B&T estimates \$824.4 million in net income before factoring in the Program to Eliminate the Gap (PEG), \$6.8 million lower than the July Plan. This consists of \$1,278.2 million in total revenue offset by \$453.8 million in total expenses.

In 2010, B&T projects a total of \$796.2 million in net income before factoring in the Program to Eliminate the Gap (PEG), which is \$2.6 million better than the July Plan. This consists of \$1,280.3 million in total revenue offset by \$484.1 million in total expenses.

In 2011, B&T projects a total of \$793.9 million in net income before factoring in the Program to Eliminate the Gap (PEG), which is \$16.7 million better than the July Plan. This consists of \$1,283.9 million in total revenue offset by \$490.0 million in total expenses.

2007 November Forecast

As noted, the \$879.8 million in net income projected in this Plan is generated through total revenues of \$1,281.0 million, offset by \$401.1 million in total expenses.

Total revenues are higher than the Mid-Year Forecast by \$8.3 million due to increased toll revenues (\$6.6 million) from higher traffic volumes resulting from current traffic trends, additional income from non-toll revenue sources including higher parking receipts from the Battery Parking Garage (\$1.2 million), greater returns on short-term investments (\$0.3 million), and small gains in various other operating sources (\$0.2 million).

Total expenses are composed of \$211.6 million in labor costs and \$189.5 million in non-labor expenses. Total expenses are \$9.3 million lower than the Mid-Year Forecast due primarily to lower non-labor costs for the re-scheduling of major maintenance (\$1.4 million) and bridge painting projects (\$4.4 million) to 2008.

In 2007 the total planned headcount of 1,828, which includes 52 capital reimbursable positions, is higher than the Mid-Year Forecast by 18 positions. This is a result of the delay in the reduction of 18 positions in the Operations Department for the 2007 PEG proposed in the 2006 July Financial Plan due to a delay in the implementation of a facility-based security system. The full implementation of the system, originally planned for in 2007, will be delayed until 2008.

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

2008 Final Proposed Budget - Baseline

In the 2008 Final Proposed Budget, a total of \$837.0 million is projected in net income for 2008 before factoring in the savings associated with PEGs. This consists of \$1,281.2 million in revenues, offset by \$444.2 million in expenses. Total operating expenses are composed of \$226.8 million in labor and \$217.4 million in non-labor costs. The major expense variances against the July Plan are a combination of higher labor (\$3.1 million) and non-labor (\$13.1 million). The variance in labor expenses is due primarily to the addition of staff and overtime for truck weight enforcement on B&T's suspension bridges. This program, which has two components, was initiated to enforce B&T's bridge

weight restrictions. The first component includes the addition of 5 Bridge and Tunnel Officers (BTOs) and 3 Sergeants to the Special Operations Division (SOD) within the Operations Department (\$0.9 million). This personnel will be trained to perform vehicle weight and safety inspections. The second component is for overtime (\$1.1 million) for facility-based personnel that will provide a regular facility presence and will conduct credential checks and safety inspections. Non-labor variances (\$13.1 million) primarily reflect the higher major maintenance (\$4.5 million) and bridge painting expenses (\$7.4 million) from the re-scheduling of 2007 projects to 2008 and the acceleration of painting at the Throgs Neck Bridge based on biennial bridge inspection findings.

In 2008, the total baseline planned headcount will be 1,819, which includes 53 capital reimbursable positions. This is an increase of 8 positions from the July Plan of 1,811 for truck weight enforcement.

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

2009-2011 Projections

The 2009 projection for net income is \$824.4 million before factoring in the savings from PEGs. This consists of \$1,278.2 million in revenues, offset by \$453.8 million in expenses. Total operating expenses are comprised of \$237.2 million in labor costs and \$216.6 million in non-labor expenses.

The 2010 and 2011 projections for net income are \$796.2 million and \$793.9 million, respectively, before factoring in the savings from PEGs. For 2010, this consists of \$1,280.3 million in revenues, offset by \$484.1 million in expenses. Total operating expenses are composed of \$247.0 million in labor costs and \$237.1 million in non-labor expenses. For 2011, net income consists of \$1,283.9 million in revenues, offset by \$490.0 million in expenses. The expenses are composed of \$257.3 million in labor costs and \$232.7 million in non-labor expenses.

For the years 2009 through 2011, the total baseline planned headcount will continue at 1,819, which includes 53 capital reimbursable positions. The increase of 8 positions from the July Plan represents the staff added for the truck weight enforcement program. No other new needs are anticipated at this time for 2009.

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

GAP CLOSING MEASURES

The PEGs submitted in the July Plan are still expected to take effect. By year, they included the following actions:

2008 PEG Actions

New PEG actions to be phased in during 2008 are projected to generate a total of \$0.491 million in cost reductions, which annualize to more than \$0.750 million each year thereafter. The program consists of the following initiatives:

- The installation of new security systems will improve B&T security coverage and enable the elimination, through attrition, of three full-time Sergeants by the end of May 2008. The plan is projected to save \$0.261 million in labor costs in 2008 and over \$0.380 million each year thereafter. This is \$0.019 million lower than what was estimated during the July Plan due to a change in the schedule of attrition for Sergeants.
- Two maintenance initiatives will save a total of \$0.132 million in 2008 and more than \$0.270 million each year thereafter. They are:
 - Using new de-icing materials that were tested in 2007 and proved to be more effective, environmentally preferable and 30% less costly;
 - Assigning roadway sweeping tasks at select B&T facilities to B&T staff as opposed to contracting outside labor.
- The Law Department evaluated their caseload and work flow and determined they can reduce their staff by one Assistant General Counsel position (\$0.1 million). There are three Assistant General Counsel positions on staff at B&T, one of which is currently vacant.

Post-2008 PEG Actions

One post-2008 PEG action to be put in place in 2009 is projected to generate a total of \$0.080 million in cost reductions for that year and each year thereafter. It consists of:

- A reduction of one managerial position in the Human Resources Department yielding a savings of \$0.080 million.

No new PEGs are scheduled to begin in 2010 or 2011.

Adoption and implementation of the above initiatives will result in total PEG savings of \$0.831 million in 2009 and \$0.843 million in 2010 and \$0.852 in 2011.

MTA BRIDGES & TUNNELS
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 |
| Vehicle Toll Revenue | 1,241.551 | 1,249.459 | 1,250.907 | 1,246.114 | 1,247.594 | 1,250.671 |
| Other Operating Revenue | 17.799 | 10.737 | 9.134 | 10.270 | 10.397 | 10.532 |
| Capital and Other Reimbursements | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Investment Income | 8.637 | 5.356 | 5.444 | 5.587 | 5.609 | 5.609 |
| Total Revenue | \$1,267.987 | \$1,265.552 | \$1,265.485 | \$1,261.971 | \$1,263.600 | \$1,266.812 |
| Operating Expenses | | | | | | |
| <u>Labor:</u> | | | | | | |
| Payroll | \$109.385 | \$115.461 | \$123.419 | \$128.890 | \$133.152 | \$137.564 |
| Overtime | 24.370 | 26.214 | 24.517 | 25.043 | 25.425 | 25.936 |
| Health and Welfare | 28.540 | 29.446 | 34.394 | 37.426 | 40.951 | 44.856 |
| Pensions | 12.324 | 17.691 | 20.127 | 20.731 | 21.309 | 21.935 |
| Other Fringe Benefits | 14.849 | 14.074 | 15.391 | 15.956 | 16.664 | 17.257 |
| Reimbursable Overhead | (6.196) | (6.655) | (6.749) | (7.033) | (7.170) | (7.314) |
| Total Labor Expenses | \$183.271 | \$196.230 | \$211.099 | \$221.012 | \$230.330 | \$240.234 |
| <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 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Insurance | 6.600 | 11.129 | 12.030 | 12.518 | 13.214 | 14.149 |
| Claims | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Paratransit Service Contracts | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Maintenance and Other Operating Contracts | 140.530 | 146.593 | 169.037 | 165.646 | 166.769 | 158.374 |
| Professional Service Contracts | 11.559 | 13.767 | 17.272 | 17.022 | 17.279 | 17.554 |
| Materials & Supplies | 10.354 | 15.957 | 16.767 | 19.046 | 37.427 | 40.174 |
| Other Business Expenses | 0.595 | 2.032 | 2.310 | 2.364 | 2.393 | 2.424 |
| Total Non-Labor Expenses | \$169.638 | \$189.479 | \$217.416 | \$216.597 | \$237.083 | \$232.675 |
| <u>Other Expense 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 | \$352.909 | \$385.710 | \$428.515 | \$437.609 | \$467.413 | \$472.909 |
| Add: Depreciation | \$58.316 | \$62.400 | \$66.700 | \$71.300 | \$76.300 | \$81.600 |
| Other Post-Employment Benefits | 0.000 | 59.700 | 62.800 | 65.900 | 69.200 | 72.400 |
| Total Expenses After Depreciation | \$411.225 | \$507.810 | \$558.015 | \$574.809 | \$612.913 | \$626.909 |
| Less: Depreciation | \$58.316 | \$62.400 | \$66.700 | \$71.300 | \$76.300 | \$81.600 |
| Other Post-Employment Benefits | 0.000 | 59.700 | 62.800 | 65.900 | 69.200 | 72.400 |
| Total Expenses | \$352.909 | \$385.710 | \$428.515 | \$437.609 | \$467.413 | \$472.909 |
| Baseline Income/(Deficit) | \$915.078 | \$879.843 | \$836.970 | \$824.362 | \$796.187 | \$793.903 |
| 2008 Agency Program to Eliminate the Gap | \$0.000 | \$0.000 | \$0.491 | \$0.752 | \$0.762 | \$0.770 |
| Post 2008 Agency Program to Eliminate the Gap | 0.000 | 0.000 | 0.000 | 0.079 | 0.081 | 0.082 |
| Net Income/(Deficit) | \$915.078 | \$879.843 | \$837.461 | \$825.193 | \$797.030 | \$794.755 |

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|--------------|
| REIMBURSABLE |
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MTA BRIDGES & TUNNELS
November Financial Plan 2008-2011
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE
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| | 2006 | 2007 | 2008 | | | |
|---|--------------------|--------------------------|------------------------------|--------------------|--------------------|--------------------|
| | Actuals | November Forecast | Final Proposed Budget | 2009 | 2010 | 2011 |
| Revenue | | | | | | |
| Farebox Revenue | \$0.000 | \$0.000 | \$0.000 | \$0.000 | \$0.000 | \$0.000 |
| Vehicle Toll Revenue | 1,241.551 | 1,249.459 | 1,250.907 | 1,246.114 | 1,247.594 | 1,250.671 |
| Other Operating Revenue | 17.799 | 10.737 | 9.134 | 10.270 | 10.397 | 10.532 |
| Capital and Other Reimbursements | 13.897 | 15.408 | 15.720 | 16.256 | 16.657 | 17.065 |
| Investment Income | 8.637 | 5.356 | 5.444 | 5.587 | 5.609 | 5.609 |
| Total Revenue | \$1,281.884 | \$1,280.960 | \$1,281.205 | \$1,278.227 | \$1,280.257 | \$1,283.877 |
| Expenses | | | | | | |
| <u>Labor:</u> | | | | | | |
| Payroll | \$114.479 | \$121.055 | \$129.150 | \$134.787 | \$139.165 | \$143.697 |
| Overtime | 24.407 | 26.497 | 24.633 | 25.092 | 25.560 | 26.036 |
| Health and Welfare | 29.847 | 30.846 | 35.972 | 39.123 | 42.684 | 46.734 |
| Pensions | 12.926 | 18.503 | 20.970 | 21.593 | 22.216 | 22.858 |
| Other Fringe Benefits | 15.506 | 14.738 | 16.094 | 16.673 | 17.363 | 17.974 |
| Reimbursable Overhead | \$0.000 | \$0.000 | \$0.000 | \$0.000 | \$0.000 | \$0.000 |
| Total Labor Expenses | \$197.164 | \$211.638 | \$226.819 | \$237.268 | \$246.987 | \$257.299 |
| <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 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Insurance | 6.600 | 11.129 | 12.030 | 12.518 | 13.214 | 14.149 |
| Claims | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Paratransit Service Contracts | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Maintenance and Other Operating Contracts | 140.530 | 146.593 | 169.037 | 165.646 | 166.769 | 158.374 |
| Professional Service Contracts | 11.559 | 13.767 | 17.272 | 17.022 | 17.279 | 17.554 |
| Materials & Supplies | 10.358 | 15.957 | 16.767 | 19.046 | 37.427 | 40.174 |
| Other Business Expenses | 0.595 | 2.032 | 2.310 | 2.364 | 2.393 | 2.424 |
| Total Non-Labor Expenses | \$169.642 | \$189.479 | \$217.416 | \$216.597 | \$237.083 | \$232.675 |
| <u>Other Expense 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 | \$366.806 | \$401.118 | \$444.235 | \$453.865 | \$484.069 | \$489.974 |
| Add: Depreciation | \$58.316 | \$62.400 | \$66.700 | \$71.300 | \$76.300 | \$81.600 |
| Other Post-Employment Benefits | 0.000 | 59.700 | 62.800 | 65.900 | 69.200 | 72.400 |
| Total Expenses After Depreciation | \$425.122 | \$523.218 | \$573.735 | \$591.065 | \$629.569 | \$643.974 |
| Less: Depreciation | \$58.316 | \$62.400 | \$66.700 | \$71.300 | \$76.300 | \$81.600 |
| Other Post-Employment Benefits | 0.000 | 59.700 | 62.800 | 65.900 | 69.200 | 72.400 |
| Total Expenses | \$366.806 | \$401.118 | \$444.235 | \$453.865 | \$484.069 | \$489.974 |
| Baseline Net Income/(Deficit) | \$915.078 | \$879.843 | \$836.970 | \$824.362 | \$796.187 | \$793.903 |
| 2008 Agency Program to Eliminate the Gap | \$0.000 | \$0.000 | \$0.491 | \$0.752 | \$0.762 | \$0.770 |
| Post 2008 Agency Program to Eliminate the Gap | 0.000 | 0.000 | 0.000 | 0.079 | 0.081 | 0.082 |
| Net Income/(Deficit) | \$915.078 | \$879.843 | \$837.461 | \$825.193 | \$797.030 | \$794.755 |

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

NON-REIMBURSABLE / REIMBURSABLE
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| | 2006 <u>Actuals</u> | 2007 <u>November Forecast</u> | 2008 <u>Final Proposed Budget</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> |
|---|------------------------|--------------------------------------|--|------------------|------------------|------------------|
| Baseline Income/(Deficit) | \$915.078 | \$879.843 | \$836.970 | \$824.362 | \$796.187 | \$793.903 |
| <u>Deductions from Income:</u> | | | | | | |
| Less: Capitalized Assets | \$6.955 | \$7.856 | \$15.496 | \$13.210 | \$13.502 | \$13.757 |
| Reserves | 17.117 | 13.417 | 13.667 | 13.953 | 14.261 | 14.531 |
| GASB Reserves | 6.044 | 1.670 | 1.845 | 2.036 | 2.238 | 2.283 |
| Adjusted Baseline Income/(Deficit) | \$884.962 | \$856.900 | \$805.962 | \$795.162 | \$766.186 | \$763.332 |
| Less: Debt Service | 450.291 | 470.032 | 481.407 | 486.437 | 507.178 | 520.230 |
| Income Available for Distribution | \$434.671 | \$386.868 | \$324.555 | \$308.725 | \$259.008 | \$243.102 |
| <u>Distributable To:</u> | | | | | | |
| MTA - Investment Income | \$8.637 | \$5.356 | \$5.444 | \$5.587 | \$5.609 | \$5.609 |
| MTA - Distributable Income | 259.394 | 241.289 | 210.140 | 201.461 | 177.352 | 169.270 |
| NYCT - Distributable Income | 166.640 | 140.222 | 108.970 | 101.677 | 76.046 | 68.223 |
| Total Distributable Income: | \$434.671 | \$386.868 | \$324.555 | \$308.725 | \$259.008 | \$243.102 |
| <u>Actual Cash Transfers:</u> | | | | | | |
| MTA - Investment Income | \$5.358 | \$8.637 | \$5.356 | \$5.444 | \$5.587 | \$5.609 |
| MTA - Transfers | 263.652 | 248.379 | 213.255 | 202.329 | 179.763 | 170.078 |
| NYCT - Transfers | 171.022 | 141.220 | 112.096 | 102.407 | 78.609 | 69.006 |
| Total Cash Transfers: | \$440.032 | \$398.236 | \$330.707 | \$310.180 | \$263.960 | \$244.692 |
| <u>SUPPORT TO MASS TRANSIT:</u> | | | | | | |
| Total Revenues | \$1,281.884 | \$1,280.960 | \$1,281.205 | \$1,278.227 | \$1,280.257 | \$1,283.877 |
| Less: Net Operating Expenses | \$366.806 | \$401.118 | \$444.235 | \$453.865 | \$484.069 | \$489.974 |
| 2008 Agency Program to Eliminate the Gap | \$0.000 | \$0.000 | \$0.491 | \$0.752 | \$0.762 | \$0.770 |
| Post 2008 Agency Program to Eliminate the Gap | \$0.000 | \$0.000 | \$0.000 | \$0.079 | \$0.081 | \$0.082 |
| Net Operating Income: | \$915.078 | \$879.843 | \$837.461 | \$825.193 | \$797.030 | \$794.755 |
| <u>Deductions from Operating Income:</u> | | | | | | |
| B&T Debt Service | \$126.350 | \$144.807 | \$155.925 | \$164.575 | \$181.340 | \$195.072 |
| Capitalized Assets | \$6.955 | \$7.856 | \$15.496 | \$13.210 | \$13.502 | \$13.757 |
| Reserves | \$17.117 | \$13.417 | \$13.667 | \$13.953 | \$14.261 | \$14.531 |
| GASB Reserves | \$6.044 | \$1.670 | \$1.845 | \$2.036 | \$2.238 | \$2.283 |
| Total Deductions from Operating Income: | \$156.465 | \$167.750 | \$186.933 | \$193.774 | \$211.341 | \$225.643 |
| Total Support to Mass Transit: | \$758.612 | \$712.093 | \$650.528 | \$631.418 | \$585.689 | \$569.112 |

MTA Bridges and Tunnels
November Financial Plan 2008-2011
Year-to-Year Changes by Category - Accrual Basis

YEAR-TO-YEAR CHANGES: 2008-2011

Toll Revenue

- Revenues are estimated at \$1,249.5 million in 2007, \$1,250.9 million in 2008, \$1,246.1 million in 2009, \$1,247.6 million in 2010 and \$1,250.7 million in 2011. The increase in 2008 is the result of the addition of one day's traffic in 2008 for the leap year and the positive impact of economic factors, offset by expected increases in the utilization of E-ZPass discounts. E-ZPass market share is expected to rise by 1.5 percentage points annually in 2008 and 2009, and by 1 percentage point per year thereafter. In 2009, traffic is slightly lower (-0.1%) to adjust for the leap year in 2008. The lower average tolls resulting from higher anticipated E-ZPass usage causes a minor drop in revenue for that year. Traffic is estimated to grow by 0.3% and 0.4% in 2010 and 2011 respectively.
- Paid traffic is expected to reach a record 303.8 million vehicles in 2007 due to highly favorable weather and general traffic trends. Adjusting for the extra day for the leap year, traffic increases to 305.0 million vehicles in 2008, and then decreases slightly to 304.5 million in 2009. Traffic volume increase to 305.4 million in 2010 and to 306.6 million in 2011. These changes are based on current trends and the economic forecasts provided by Global Insight.

Other Operating Revenue

- Other Operating Revenue is projected at \$10.8 million in 2007 and is estimated to decrease by \$1.6 million in 2008 primarily due to a one-time charge to Battery Parking Garage (BPG) net income, and minor fluctuations in other income sources. Revenue increases back up to the more normal level of \$10.3 million in 2009.
- Other Operating Revenue increases by \$0.1 million in both 2010 and 2011, reflecting expected modest growth in parking receipts from the BPG.

Capital and Other Reimbursements

- Income from Capital and Other Reimbursements is expected to increase slightly from \$15.4 million in 2007 to \$15.7 million in 2008.
- Capital and Other Reimbursements increase by \$0.5 million in 2009 and \$0.4 million per year for 2010 and 2011, due to CPIU adjustments.

Investment Income

- The investment income plan for 2008 through 2011 reflects earnings on estimated fund balances based on Global Insight's forecasts for short-term investment yields. Projected investment income stays at around \$5.0 million for the entire plan period with very minor year-to-year changes.

Payroll

- In 2008, there is an increase of \$ 8.1 million over 2007 due to CPIU (\$4.1 million), salary adjustments including contractual step-up increases and deferred hires (\$2.6 million), new needs (\$0.7 million) for additional staff to maintain the facility-based security system and for the new truck weight enforcement unit, in addition to an increase for the delayed implementation of the facility-based security system (\$0.4 million).
- Expenses increase by \$5.6 million in 2009 due to CPIU (\$3.4 million), contractual step-up increases (\$1.8 million), and salary adjustments (\$0.1 million). Thereafter, increases of \$4.4 million in 2010 and \$4.5 million in 2011 are also due to CPIU and contractual step-up increases.

Overtime

- In 2008, there is a \$1.9 million decrease from 2007 in overtime expenses due to operational efficiencies and reduction in facility-based truck weight enforcement overtime due to the hiring of positions.
- Thereafter, the year-over-year increases of \$0.5 million in 2009, \$0.5 million in 2010, and \$0.5 million in 2011 are the result of CPIU adjustments.

Health and Welfare

- In 2008, there is a \$5.1 million increase from 2007 in health and welfare expenses. This increase is mainly due to a 12.5% CPIU for medical expenses in 2008 and one-time credits received in 2007.
- The year-over-year increases from 2009 to 2011 are \$3.2 million, \$3.6 million, and \$4.1 million, respectively. A CPIU of 9.1% has been added to each year from 2009 on, based on cost factors provided by the MTA.

Pensions

- In 2008, there is a \$2.5 million increase from 2007, based on the latest NYCERS estimates received. The increases of \$0.6 million per year from 2008 to 2011 are due to CPIU.

Other Fringe Benefits

- The year-over-year increases from 2008 to 2011 are approximately \$1.4 million, \$0.6 million, \$0.7 million, and \$0.6 million per year, respectively. In 2007 and 2008, these increases are due to new needs (less than \$0.1 million), an increase in the Worker's Compensation estimate (\$0.3 million), the restoration of the one-time 2007 Medicare credit (\$0.2 million), an increase in FICA and uniform allowance for the anticipated reduction in vacancies (\$0.4 million) and CPIU (\$0.4 million); thereafter, the increases are the effect of CPIU inflators. The estimates for Worker's Compensation through 2008 are based on information received from MTA Risk Management; thereafter, increases are due to CPIU.

Insurance

- Insurance expenses increase between \$0.5 million and \$0.9 million annually from 2008 through 2011 based on MTA Risk Management's most recent estimates.

Maintenance and Other Operating Contracts

- In 2008, expenses are projected to be \$22.4 million higher than 2007 primarily due to E-ZPass Customer Service Center (CSC) expenses (\$3.8 million) for transition/start-up costs for a new operating contract, increase in maintenance costs (\$1.9 million) for the Authority's facility-based security system, CPIU increases (\$1.6 million), and major maintenance (\$2.1 million) and bridge painting expenses (\$12.4 million) due to re-scheduling of projects between 2007 and 2008 and the acceleration of painting at the Throgs Neck Bridge based on biennial bridge inspection findings.
- In 2009, expenses are \$3.4 million lower than 2008 due primarily to lower CSC expenses (\$2.8 million) from the expected completion in 2008 of the transition to a new operating contract and lower major maintenance (\$3.8 million) expenses due to higher 2008 costs from the rescheduling of 2007 projects. These reductions are offset by higher E-ZPass credit card fees reflecting growth in E-ZPass usage (\$0.4 million), increase in facility-based security system maintenance (\$1.2 million) and CPIU increases (\$0.9 million).
- For 2010, expenses are \$1.1 million higher than 2009 primarily due to an increase in CSC costs (\$3.9 million) from the onset of the tag replacement program, higher E-ZPass credit card fees reflecting growth in E-ZPass usage (\$0.4 million) and CPIU increases (\$1.0 million), offset by lower bridge painting expenses (\$4.6 million).
- For 2011, expenses are \$8.4 million lower than 2010 primarily due to lower bridge painting expenses (\$11.1 million) resulting from the acceleration into earlier years of painting at the Throgs Neck Bridge based on biennial bridge inspection findings, offset by higher expenses for E-ZPass Tag inventory (\$2.9 million) and CPIU increases.

- CPIU increases are 2.60% in 2007, 2.03% in 2008, 1.91% in 2009, 1.73% in 2010 and 1.82% in 2011 based on forecasts for national inflation provided by Global Insight.

Professional Service Contracts

- In 2008, expenses are \$3.5 million higher than 2007 primarily due to a re-estimates of bond service fees (\$0.5 million), miscellaneous consulting services (\$0.6 million), general engineering services and advertising (\$0.2 million) and CPIU increases.
- In 2009, expenses are lower by \$0.3 million due to the reduction for various expenses.
- For 2010 to 2011, the higher expenses (\$0.3 million in both 2010 and 2011) are a result of CPIU increases.
- CPIU increases are 2.60% in 2007, 2.03% in 2008, 1.91% in 2009, 1.73% in 2010 and 1.82% in 2011 based on forecasts for national inflation provided by Global Insight.

Materials and Supplies

- In 2008, expenses are \$0.8 million higher primarily for an increase in E-ZPass tags (\$1.5 million), offset by CPIU adjustments and numerous small reductions in various accounts.
- The 2009 expenses are \$2.3 million greater primarily due to the creation of an inventory of E-ZPass tags (\$2.5 million) that will be used to undertake a new tag replacement program in 2010 for tags that reach their eighth year in service. This was offset by CPIU adjustments.
- For 2010, expenses are \$18.4 million greater due primarily to the increase in E-ZPass tag inventory (\$17.9 million) needed for the tag replacement program.
- Finally, for 2011, expenses are \$2.7 million greater primarily to meet the continuing needs of the tag replacement program and CPIU increases.
- CPIU increases are 2.60% in 2007, 2.03% in 2008, 1.91% in 2009, 1.73% in 2010 and 1.82% in 2011 based on forecasts for national inflation provided by Global Insight.

Other Business Expenses

- For 2007 through 2010, the higher expenses reflect CPIU increases.
- CPIU increases are 2.60% in 2007, 2.03% in 2008, 1.91% in 2009, 1.73% in 2010 and 1.82% in 2011 based on forecasts for national inflation provided by Global Insight.

MTA BRIDGES AND TUNNELS
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 | 1,249.459 | 1,250.907 | 1.448 | 1,246.114 | (4.793) | 1,247.594 | 1.480 | 1,250.671 | 3.077 | |
| Other Operating Revenue | 10.737 | 9.134 | (1.604) | 10.270 | 1.136 | 10.397 | 0.127 | 10.532 | 0.135 | |
| Capital and Other Reimbursements | - | - | - | - | - | - | - | - | - | |
| Investment Income | 5.356 | 5.444 | 0.088 | 5.587 | 0.143 | 5.609 | 0.022 | 5.609 | 0.000 | |
| Total Revenue | \$ 1,265.552 | \$ 1,265.485 | \$ (0.068) | \$ 1,261.971 | \$ (3.514) | \$ 1,263.600 | \$ 1.629 | \$ 1,266.812 | \$ 3.212 | |
| Expenses | | | | | | | | | | |
| Labor: | | | | | | | | | | |
| Payroll | \$ 115.461 | \$ 123.419 | \$ (7.958) | \$ 128.890 | \$ (5.471) | \$ 133.152 | \$ (4.262) | \$ 137.564 | \$ (4.412) | |
| Overtime | 26.214 | 24.517 | 1.696 | 25.043 | (0.526) | 25.425 | (0.382) | 25.936 | (0.512) | |
| Health and Welfare | 29.446 | 34.394 | (4.948) | 37.426 | (3.032) | 40.951 | (3.525) | 44.856 | (3.905) | |
| Pensions | 17.691 | 20.127 | (2.436) | 20.731 | (0.604) | 21.309 | (0.578) | 21.935 | (0.625) | |
| Other Fringe Benefits | 14.074 | 15.391 | (1.317) | 15.956 | (0.565) | 16.664 | (0.708) | 17.257 | (0.593) | |
| Reimbursable Overhead | (6.655) | (6.749) | 0.094 | (7.033) | 0.284 | (7.170) | 0.137 | (7.314) | 0.143 | |
| Total Labor Expenses | \$ 196.230 | \$ 211.099 | \$ (14.869) | \$ 221.012 | \$ (9.913) | \$ 230.330 | \$ (9.318) | \$ 240.234 | \$ (9.904) | |
| Non-Labor: | | | | | | | | | | |
| Traction and Propulsion Power | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Fuel for Buses and Trains | - | - | - | - | - | - | - | - | - | |
| Insurance | 11.129 | 12.030 | (0.901) | 12.518 | (0.488) | 13.214 | (0.696) | 14.149 | (0.935) | |
| Claims | - | - | - | - | - | - | - | - | - | |
| Paratransit Service Contracts | - | - | - | - | - | - | - | - | - | |
| Maintenance and Other Operating Contracts | 146.593 | 169.037 | (22.444) | 165.646 | 3.391 | 166.769 | (1.123) | 158.374 | 8.395 | |
| Professional Service Contracts | 13.767 | 17.272 | (3.505) | 17.022 | 0.250 | 17.279 | (0.257) | 17.554 | (0.275) | |
| Materials & Supplies | 15.957 | 16.767 | (0.809) | 19.046 | (2.280) | 37.427 | (18.380) | 40.174 | (2.747) | |
| Other Business Expenses | 2.032 | 2.310 | (0.278) | 2.364 | (0.054) | 2.393 | (0.029) | 2.424 | (0.031) | |
| Total Non-Labor Expenses | \$ 189.479 | \$ 217.416 | \$ (27.936) | \$ 216.597 | \$ 0.819 | \$ 237.083 | \$ (20.486) | \$ 232.675 | \$ 4.408 | |
| Other Expenses Adjustments: | | | | | | | | | | |
| Other | - | - | - | - | - | - | - | - | - | |
| Total Other Expense Adjustments | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Total Expenses before Depreciation | \$ 385.710 | \$ 428.515 | \$ (42.805) | \$ 437.609 | \$ (9.094) | \$ 467.413 | \$ (29.803) | \$ 472.909 | \$ (5.497) | |
| Add: Depreciation | \$ 62.400 | \$ 66.700 | \$ (4.300) | \$ 71.300 | \$ (4.600) | \$ 76.300 | \$ (5.000) | \$ 81.600 | \$ (5.300) | |
| Other Post-Employment Benefits | 59.700 | 62.800 | (3.100) | 65.900 | (3.100) | 69.200 | (3.300) | 72.400 | (3.200) | |
| Total Expenses after Depreciation | \$ 507.810 | \$ 558.015 | \$ (50.205) | \$ 574.809 | \$ (16.794) | \$ 612.913 | \$ (38.103) | \$ 626.909 | \$ (13.997) | |
| Less: Depreciation | \$ 62.400 | \$ 66.700 | \$ (4.300) | \$ 71.300 | \$ (4.600) | \$ 76.300 | \$ (5.000) | \$ 81.600 | \$ (5.300) | |
| Other Post-Employment Benefits | 59.700 | 62.800 | (3.100) | 65.900 | (3.100) | 69.200 | (3.300) | 72.400 | (3.200) | |
| Total Expenses | \$ 385.710 | \$ 428.515 | \$ (42.805) | \$ 437.609 | \$ (9.094) | \$ 467.413 | \$ (29.803) | \$ 472.909 | \$ (5.497) | |
| Baseline Net Income/(Deficit) | \$ 879.843 | \$ 836.970 | \$ (42.873) | \$ 824.362 | \$ (12.608) | \$ 796.187 | \$ (28.175) | \$ 793.903 | \$ (2.284) | |
| 2008 Program to Eliminate the Gap (PEG) | 0.000 | 0.491 | 0.491 | 0.752 | 0.261 | 0.762 | 0.010 | 0.770 | 0.008 | |
| Post-2008 Program to Eliminate the Gap (PEG) | 0.000 | 0.000 | 0.000 | 0.079 | 0.079 | 0.081 | 0.002 | 0.082 | 0.001 | |
| Net Income/(Deficit) | \$ 879.843 | \$ 837.461 | \$ (42.382) | \$ 825.193 | \$ (12.268) | \$ 797.030 | \$ (28.163) | \$ 794.755 | \$ (2.275) | |

MTA BRIDGES AND TUNNELS
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 | |
| Revenue | | | | | | | | | | |
| Farebox Revenue | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Vehicle Toll Revenue | - | - | - | - | - | - | - | - | - | - |
| Other Operating Revenue | - | - | - | - | - | - | - | - | - | - |
| Capital and Other Reimbursements | 15.408 | 15.720 | 0.312 | 16.256 | 0.536 | 16.657 | 0.401 | 17.065 | 0.408 | |
| Investment Income | - | - | - | - | - | - | - | - | - | - |
| Total Revenue | \$ 15.408 | \$ 15.720 | \$ 0.312 | \$ 16.256 | \$ 0.536 | \$ 16.657 | \$ 0.401 | \$ 17.065 | \$ 0.408 | |
| Expenses | | | | | | | | | | |
| Labor: | | | | | | | | | | |
| Payroll | \$ 5.594 | \$ 5.731 | \$ (0.137) | \$ 5.898 | \$ (0.167) | \$ 6.013 | \$ (0.115) | \$ 6.133 | \$ (0.120) | |
| Overtime | 0.283 | 0.116 | 0.167 | 0.049 | 0.067 | 0.135 | (0.086) | 0.100 | 0.035 | |
| Health and Welfare | 1.400 | 1.578 | (0.178) | 1.697 | (0.119) | 1.733 | (0.036) | 1.878 | (0.145) | |
| Pensions | 0.812 | 0.843 | (0.032) | 0.862 | (0.018) | 0.907 | (0.045) | 0.923 | (0.017) | |
| Other Fringe Benefits | 0.664 | 0.703 | (0.039) | 0.717 | (0.015) | 0.699 | 0.018 | 0.717 | (0.017) | |
| Reimbursable Overhead | 6.655 | 6.749 | (0.094) | 7.033 | (0.284) | 7.170 | (0.137) | 7.314 | (0.143) | |
| Total Labor Expenses | \$ 15.408 | \$ 15.720 | \$ (0.312) | \$ 16.256 | \$ (0.536) | \$ 16.657 | \$ (0.401) | \$ 17.065 | \$ (0.408) | |
| Non-Labor: | | | | | | | | | | |
| Traction and Propulsion Power | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Fuel for Buses and Trains | - | - | - | - | - | - | - | - | - | |
| Insurance | - | - | - | - | - | - | - | - | - | |
| Claims | - | - | - | - | - | - | - | - | - | |
| Paratransit Service Contracts | - | - | - | - | - | - | - | - | - | |
| Maintenance and Other Operating Contracts | - | - | - | - | - | - | - | - | - | |
| Professional Service Contracts | - | - | - | - | - | - | - | - | - | |
| Materials & Supplies | - | - | - | - | - | - | - | - | - | |
| Other Business Expenses | - | - | - | - | - | - | - | - | - | |
| Total Non-Labor Expenses | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Other Expenses Adjustments: | | | | | | | | | | |
| Other | - | - | - | - | - | - | - | - | - | |
| Total Other Expense Adjustments | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Total Expenses before Depreciation | \$ 15.408 | \$ 15.720 | \$ (0.312) | \$ 16.256 | \$ (0.536) | \$ 16.657 | \$ (0.401) | \$ 17.065 | \$ (0.408) | |
| Add: Depreciation | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Other Post-Employment Benefits | - | - | - | - | - | - | - | - | - | |
| Total Expenses after Depreciation | \$ 15.408 | \$ 15.720 | \$ (0.312) | \$ 16.256 | \$ (0.536) | \$ 16.657 | \$ (0.401) | \$ 17.065 | \$ (0.408) | |
| Less: Depreciation | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Other Post-Employment Benefits | - | - | - | - | - | - | - | - | - | |
| Total Expenses | \$ 15.408 | \$ 15.720 | \$ (0.312) | \$ 16.256 | \$ (0.536) | \$ 16.657 | \$ (0.401) | \$ 17.065 | \$ (0.408) | |
| Baseline Net Income/(Deficit) | \$ - | \$ - | \$ 0.000 | \$ - | \$ (0.000) | \$ - | \$ (0.000) | \$ - | \$ 0.000 | |
| 2008 Program to Eliminate the Gap (PEG) | - | - | - | - | - | - | - | - | - | |
| Post-2008 Program to Eliminate the Gap (PEG) | - | - | - | - | - | - | - | - | - | |
| Net Income/(Deficit) | \$ - | \$ - | \$ 0.000 | \$ - | \$ (0.000) | \$ - | \$ (0.000) | \$ - | \$ 0.000 | |

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

NON-REIMBURSABLE and REIMBURSABLE
(Page 1 of 2)

| | 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 | 1,249.459 | 1,250.907 | 1.448 | 1,246.114 | (4.793) | 1,247.594 | 1.480 | 1,250.671 | 3.077 | |
| Other Operating Revenue | 10.737 | 9.134 | (1.604) | 10.270 | 1.136 | 10.397 | 0.127 | 10.532 | 0.135 | |
| Capital and Other Reimbursements | 15.408 | 15.720 | 0.312 | 16.256 | 0.536 | 16.657 | 0.401 | 17.065 | 0.408 | |
| Investment Income | 5.356 | 5.444 | 0.088 | 5.587 | 0.143 | 5.609 | 0.022 | 5.609 | - | |
| Total Revenue | \$ 1,280.960 | \$ 1,281.205 | \$ 0.245 | \$ 1,278.227 | \$ (2.978) | \$ 1,280.257 | \$ 2.030 | \$ 1,283.877 | \$ 3.621 | |
| Expenses | | | | | | | | | | |
| Labor: | | | | | | | | | | |
| Payroll | \$ 121.055 | \$ 129.150 | \$ (8.095) | \$ 134.787 | \$ (5.637) | \$ 139.165 | \$ (4.377) | \$ 143.697 | \$ (4.532) | |
| Overtime | 26.497 | 24.633 | 1.864 | 25.092 | (0.459) | 25.560 | (0.468) | 26.036 | (0.477) | |
| Health and Welfare | 30.846 | 35.972 | (5.126) | 39.123 | (3.151) | 42.684 | (3.561) | 46.734 | (4.051) | |
| Pensions | 18.503 | 20.970 | (2.468) | 21.593 | (0.622) | 22.216 | (0.623) | 22.858 | (0.642) | |
| Other Fringe Benefits | 14.738 | 16.094 | (1.356) | 16.673 | (0.580) | 17.363 | (0.690) | 17.974 | (0.611) | |
| Reimbursable Overhead | - | - | - | - | - | - | - | - | - | |
| Total Labor Expenses | \$ 211.638 | \$ 226.819 | \$ (15.181) | \$ 237.268 | \$ (10.449) | \$ 246.987 | \$ (9.719) | \$ 257.299 | \$ (10.312) | |
| Non-Labor: | | | | | | | | | | |
| Traction and Propulsion Power | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Fuel for Buses and Trains | - | - | - | - | - | - | - | - | - | |
| Insurance | 11.129 | 12.030 | (0.901) | 12.518 | (0.488) | 13.214 | (0.696) | 14.149 | (0.935) | |
| Claims | - | - | - | - | - | - | - | - | - | |
| Paratransit Service Contracts | - | - | - | - | - | - | - | - | - | |
| Maintenance and Other Operating Contracts | 146.593 | 169.037 | (22.444) | 165.646 | 3.391 | 166.769 | (1.123) | 158.374 | 8.395 | |
| Professional Service Contracts | 13.767 | 17.272 | (3.505) | 17.022 | 0.250 | 17.279 | (0.257) | 17.554 | (0.275) | |
| Materials & Supplies | 15.957 | 16.767 | (0.809) | 19.046 | (2.280) | 37.427 | (18.380) | 40.174 | (2.747) | |
| Other Business Expenses | 2.032 | 2.310 | (0.278) | 2.364 | (0.054) | 2.393 | (0.029) | 2.424 | (0.031) | |
| Total Non-Labor Expenses | \$ 189.479 | \$ 217.416 | \$ (27.936) | \$ 216.597 | \$ 0.819 | \$ 237.083 | \$ (20.486) | \$ 232.675 | \$ 4.408 | |
| Other Expenses Adjustments: | | | | | | | | | | |
| Other | - | - | - | - | - | - | - | - | - | |
| Total Other Expense Adjustments | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | |
| Total Expenses before Depreciation | \$ 401.118 | \$ 444.235 | \$ (43.117) | \$ 453.865 | \$ (9.630) | \$ 484.069 | \$ (30.204) | \$ 489.974 | \$ (5.905) | |
| Add: Depreciation | \$ 62.400 | \$ 66.700 | \$ (4.300) | \$ 71.300 | \$ (4.600) | \$ 76.300 | \$ (5.000) | \$ 81.600 | \$ (5.300) | |
| Other Post-Employment Benefits | 59.700 | 62.800 | (3.100) | 65.900 | (3.100) | 69.200 | (3.300) | 72.400 | (3.200) | |
| Total Expenses after Depreciation | \$ 523.218 | \$ 573.735 | \$ (50.517) | \$ 591.065 | \$ (17.330) | \$ 629.569 | \$ (38.504) | \$ 643.974 | \$ (14.405) | |
| Less: Depreciation | \$ 62.400 | \$ 66.700 | \$ (4.300) | \$ 71.300 | \$ (4.600) | \$ 76.300 | \$ (5.000) | \$ 81.600 | \$ (5.300) | |
| Other Post-Employment Benefits | 59.700 | 62.800 | (3.100) | 65.900 | (3.100) | 69.200 | (3.300) | 72.400 | (3.200) | |
| Total Expenses | \$ 401.118 | \$ 444.235 | \$ (43.117) | \$ 453.865 | \$ (9.630) | \$ 484.069 | \$ (30.204) | \$ 489.974 | \$ (5.905) | |
| Baseline Net Income/(Deficit) | \$ 879.843 | \$ 836.970 | \$ (42.873) | \$ 824.362 | \$ (12.608) | \$ 796.187 | \$ (28.175) | \$ 793.903 | \$ (2.284) | |
| 2008 Program to Eliminate the Gap (PEG) | - | 0.491 | (0.491) | 0.752 | (0.261) | 0.762 | (0.010) | 0.770 | (0.008) | |
| Post-2008 Program to Eliminate the Gap (PEG) | - | - | - | 0.079 | (0.079) | 0.081 | (0.002) | 0.082 | (0.001) | |
| Net Income/(Deficit) with PEGs | \$ 879.843 | \$ 837.461 | \$ (43.364) | \$ 825.193 | \$ (12.948) | \$ 797.030 | \$ (28.187) | \$ 794.755 | \$ (2.293) | |

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

NON-REIMBURSABLE and REIMBURSABLE
(Page 2 of 2)

| | Favorable/(Unfavorable) | | | | | | | | | |
|---|-------------------------|-------------------|-----------------------|-------------------|-----------------------|-------------------|-----------------------|-------------------|-----------------------|--|
| | 2007 | 2008 | Change 2008 - 2007 | 2009 | Change 2009 - 2008 | 2010 | Change 2010 - 2009 | 2011 | Change 2011 - 2010 | |
| Baseline Net Income/(Deficit) | \$ 879.843 | \$ 836.970 | \$ (42.873) | \$ 824.362 | \$ (12.608) | \$ 796.187 | \$ (28.175) | \$ 793.903 | \$ (2.284) | |
| <u>Deductions from Income:</u> | | | | | | | | | | |
| Less: Capitalized Assets | \$ 7.856 | \$ 15.496 | \$ (7.640) | \$ 13.210 | \$ 2.286 | \$ 13.502 | \$ (0.292) | \$ 13.757 | \$ (0.255) | |
| Reserves | 13.417 | 13.667 | (0.250) | 13.953 | (0.286) | 14.261 | (0.308) | 14.531 | (0.270) | |
| GASB Reserves | 1.670 | 1.845 | (0.175) | 2.036 | (0.191) | 2.238 | (0.202) | 2.283 | (0.045) | |
| Adjusted Baseline Net Income/(Deficit) | \$ 856.900 | \$ 805.962 | \$ (50.938) | \$ 795.162 | \$ (10.800) | \$ 766.186 | \$ (28.977) | \$ 763.332 | \$ (2.854) | |
| Less: Debt Service | 470.032 | 481.407 | (11.375) | 486.437 | (5.030) | 507.178 | (20.741) | 520.230 | (13.052) | |
| Income Available for Distribution | \$ 386.868 | \$ 324.555 | \$ (62.313) | \$ 308.725 | \$ (15.830) | \$ 259.008 | \$ (49.718) | \$ 243.102 | \$ (15.906) | |
| Distributable To: | | | | | | | | | | |
| MTA - Investment Income | \$ 5.356 | \$ 5.444 | \$ 0.088 | \$ 5.587 | \$ 0.143 | \$ 5.609 | \$ 0.022 | \$ 5.609 | \$ - | |
| MTA - Distributable Income | 241.289 | 210.140 | (31.149) | 201.461 | (8.679) | 177.352 | (24.109) | 169.270 | (8.083) | |
| NYCT - Distributable Income | 140.222 | 108.970 | (31.252) | 101.677 | (7.293) | 76.046 | (25.631) | 68.223 | (7.823) | |
| Total Distributable Income: | \$ 386.868 | \$ 324.555 | \$ (62.313) | \$ 308.725 | \$ (15.830) | \$ 259.008 | \$ (49.718) | \$ 243.102 | \$ (15.906) | |
| Actual Cash Transfers: | | | | | | | | | | |
| MTA - Investment Income | \$ 8.637 | \$ 5.356 | \$ (3.281) | \$ 5.444 | \$ 0.088 | \$ 5.587 | \$ 0.143 | \$ 5.609 | \$ 0.022 | |
| MTA - Transfers | 248.379 | 213.255 | (35.123) | 202.329 | (10.926) | 179.763 | (22.566) | 170.078 | (9.685) | |
| NYCT - Transfers | 141.220 | 112.096 | (29.125) | 102.407 | (9.689) | 78.609 | (23.797) | 69.006 | (9.604) | |
| Total Cash Transfers: | \$ 398.236 | \$ 330.707 | \$ (67.529) | \$ 310.180 | \$ (20.527) | \$ 263.960 | \$ (46.220) | \$ 244.692 | \$ (19.267) | |
| SUPPORT TO MASS TRANSIT: | | | | | | | | | | |
| Total Revenues | \$ 1,280.960 | \$ 1,281.205 | 0.245 | \$ 1,278.227 | (2.978) | \$ 1,280.257 | 2.030 | \$ 1,283.877 | 3.621 | |
| Less: Net Operating Expenses | 401.118 | 444.235 | (43.117) | 453.865 | (9.630) | 484.069 | (30.204) | 489.974 | (5.905) | |
| Program to Eliminate the Gap | - | 0.491 | 0.491 | 0.831 | 0.340 | 0.843 | 0.012 | 0.852 | 0.009 | |
| Net Operating Income: | \$ 879.843 | \$ 837.461 | \$ (42.382) | \$ 825.193 | \$ (12.268) | \$ 797.030 | \$ (28.163) | \$ 794.755 | \$ (2.275) | |
| Deductions from Operating Income: | | | | | | | | | | |
| B&T Debt Service | \$ 144.807 | \$ 155.925 | (11.118) | \$ 164.575 | \$ (8.650) | \$ 181.340 | \$ (16.765) | \$ 195.072 | \$ (13.732) | |
| Capitalized Assets | 7.856 | 15.496 | (7.640) | 13.210 | 2.286 | 13.502 | (0.292) | 13.757 | (0.255) | |
| Reserves | 13.417 | 13.667 | (0.250) | 13.953 | (0.286) | 14.261 | (0.308) | 14.531 | (0.270) | |
| GASB Reserves | 1.670 | 1.845 | (0.175) | 2.036 | (0.191) | 2.238 | (0.202) | 2.283 | (0.045) | |
| Total Deductions from Operating Inc: | \$ 167.750 | \$ 186.933 | \$ (19.183) | \$ 193.774 | \$ (6.841) | \$ 211.341 | \$ (17.567) | \$ 225.643 | \$ (14.301) | |
| Total Support to Mass Transit: | \$ 712.093 | \$ 650.528 | \$ (61.565) | \$ 631.418 | \$ (19.110) | \$ 585.689 | \$ (45.730) | \$ 569.112 | \$ (16.576) | |

MTA Bridges and Tunnels
November Financial Plan 2008-2011
Summary of Changes between Financial Plans by Category

2007: November Financial Plan vs. July Financial Plan

Revenue

Revenue adjustments from the July Plan result in an increase of \$8.3 million. The major changes include:

- Higher toll revenues (\$6.6 million) due to increased traffic volumes resulting from overall current traffic trends (\$1.1 million).
- Higher Other Operating Revenues (\$1.4 million) primarily due to stronger demand at the Battery Parking Garage.
- Increase in Investment Income based on current trends (\$0.3 million).

Expense

Expense changes from the July Plan resulted in a net decrease of \$9.3 due to both lower non-labor expenses (\$8.9 million) and labor costs (\$0.4 million). The major variances include:

Labor

- Lower Payroll costs (\$1.2 million) due primarily to higher vacancies than planned.
- Higher Overtime (\$2.2 million) resulting from an initiative to perform truck weight enforcement.
- Lower Fringe costs (\$1.4 million) due to two one-time credits received in 2007 for Federal Medicare (\$0.2 million) and Empire Plan (\$0.5 million), in addition to savings from vacancies.

Non-Labor

- Lower Maintenance and Other Operating Costs (\$8.4 million) resulting primarily from reduction in expenses for bridge painting (\$4.4 million) and major maintenance (\$1.4 million) due to the rollover of projects from 2007 to 2008; savings from the E-ZPass Customer Service Center (\$1.0 million) for transition/start-up costs for the new operating contract; a re-estimate of other expenses (\$1.6 million) mainly for computer maintenance services (\$0.7 million), computer consultants (\$0.3 million), telephone services (\$0.2 million); and CPIU adjustments for energy (\$0.4 million).
- Lower Professional Services Contract expenses (\$1.8 million) resulting primarily from delays in the start-up of planning studies (\$1.0 million), re-estimate of training services (\$0.4 million), general engineering services (\$0.1 million) and legal services (\$0.2 million) expenses.

- Higher Materials and Supplies expenses (\$1.6 million) due primarily to a re-estimate of E-ZPass tag inventory (\$1.0 million) and a re-estimate of other materials and supplies expenses (\$0.6 million) primarily for fence and guide rails, signs and traffic cones for traffic management.

2008-2011: November Financial Plan vs. July Financial Plan

Revenue

Revenue changes from the July Plan over the 2008 to 2011 period include:

- Additional Toll Revenues based on current traffic trends and revised employment and inflation forecasts provided by Global Insight:
 - \$8.4 million in 2008
 - \$5.7 million in 2009
 - \$6.3 million in 2010
 - \$6.7 million in 2011
- Higher revenues from the Battery Parking Garage in 2008-2011 primarily due to stronger demand and CPIU adjustments. In 2008, there is a one-time charge to the Battery Parking Garage net income:
 - \$1.2 million in 2008
 - \$1.2 million in 2009
 - \$1.2 million in 2010
 - \$1.3 million in 2011
- Favorable re-estimates of investment income based on Global Insight's higher short-term interest rate forecast applied to larger fund balance projections.
 - \$0.5 million in 2008
 - \$0.6 million in 2009
 - \$0.6 million in 2010
 - \$0.6 million in 2011

Expense

Expense changes from the July Plan over the 2008 to 2011 period include:

Labor

- Changes in payroll due primarily to the truck weight enforcement program and CPIU adjustments
 - (\$0.7) million in 2008
 - (\$1.2) million in 2009
 - (\$1.3) million in 2010
 - (\$1.3) million in 2011

- Changes in Overtime due primarily to the truck weight enforcement program and CPIU adjustments.
 - (\$1.8) million in 2008
 - (\$1.8) million in 2009
 - (\$1.8) million in 2010
 - (\$1.9) million in 2011
- Changes in Health & Welfare due primarily to the truck weight enforcement program and CPIU adjustments
 - (\$0.4) million in 2008
 - (\$0.2) million in 2009
 - (\$0.2) million in 2010
 - (\$0.2) million in 2011
- Changes in Other Fringe Benefits due primarily to the truck weight enforcement program and CPIU adjustments
 - (\$0.2) million in 2008
 - (\$0.2) million in 2009
 - (\$0.2) million in 2010
 - (\$0.2) million in 2011

Non-Labor

- Changes for Maintenance and Other Operating Contracts include higher expenses for major maintenance (\$4.2 million) and bridge painting (\$7.0 million) due to the re-scheduling of 2007 projects to 2008 and the acceleration of painting at the Throgs Neck Bridge based on biennial bridge inspection findings; and adjustments for CPIU rates including 2009 and beyond. Other changes include higher New York Power Authority (NYPA) expenses due to CPIU rate increase and higher consumption in 2009 offset by lower CPIU rate for heating oil.
 - (\$12.4) million in 2008
 - (\$10.7) million in 2009
 - (\$ 2.2) million in 2010
 - \$11.6 million in 2011.
- Changes for Professional Services Contracts reflect adjustments for CPIU.
 - (\$0.6) million in 2008
 - (\$0.2) million in 2009
 - (\$0.2) million in 2010
 - (\$0.1) million in 2011.
- Changes for Materials and Supplies include adjustments for CPIU.
 - (\$0.1) million in 2008
 - \$0.0 million in 2009
 - \$0.3 million in 2010
 - \$0.3 million in 2011.

MTA BRIDGES AND TUNNELS
November Financial Plan 2008 - 2011
Summary of Changes Between Financial Plans by Generic Categories
(\$ in millions)

| NON-REIMBURSABLE | | | | | |
|---|------------------|-------------------|-------------------|------------------|------------------|
| | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> |
| Baseline 2007 July Financial Plan - Net Operating Income | \$862.245 | \$843.094 | \$831.133 | \$793.609 | \$777.163 |
| Baseline Changes | | | | | |
| Revenue: | | | | | |
| Farebox Revenue | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Vehicle Toll Revenue | 6.562 | 8.374 | 5.724 | 6.331 | 6.749 |
| Other Operating Revenue | 1.386 | 1.210 | 1.230 | 1.240 | 1.253 |
| Capital and Other Reimbursement | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Investment Income | 0.339 | 0.458 | 0.590 | 0.612 | 0.612 |
| | 8.287 | 10.042 | 7.544 | 8.183 | 8.614 |
| Total Revenue Changes | 8.287 | 10.042 | 7.544 | 8.183 | 8.614 |
| Expenses: | | | | | |
| Labor: | | | | | |
| Payroll | 1.200 | (0.735) | (1.213) | (1.256) | (1.300) |
| Overtime | (2.172) | (1.765) | (1.806) | (1.847) | (1.889) |
| Health and Welfare | 0.991 | (0.371) | (0.204) | (0.222) | (0.243) |
| Pensions | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Other Fringe Benefits | 0.396 | (0.240) | (0.222) | (0.229) | (0.236) |
| Reimbursable Overhead | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Total Labor Expense Changes | 0.414 | (3.112) | (3.445) | (3.554) | (3.668) |
| 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 | 0.110 | (0.000) | 0.000 | 0.001 | 0.002 |
| 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 | 8.357 | (12.386) | (10.728) | (2.172) | 11.623 |
| Professional Service Contracts | 1.755 | (0.610) | (0.177) | (0.156) | (0.137) |
| Materials & Supplies | (1.562) | (0.071) | 0.040 | 0.278 | 0.306 |
| Other Business Expenses | 0.235 | 0.013 | (0.005) | (0.002) | 0.000 |
| Total Non-Labor Expense Changes | 8.896 | (13.054) | (10.870) | (2.050) | 11.794 |
| Total Expense Changes | \$9.310 | (\$16.166) | (\$14.315) | (\$5.605) | \$8.126 |
| Other Changes | | | | | |
| None | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Total Other Changes | \$0.000 | \$0.000 | \$0.000 | \$0.000 | \$0.000 |
| Total Baseline Changes | \$17.597 | (\$6.124) | (\$6.771) | \$2.578 | \$16.740 |
| Baseline 2007 November Financial Plan - Net Operating Income | \$879.843 | \$836.970 | \$824.362 | \$796.187 | \$793.903 |

MTA BRIDGES AND TUNNELS
November Financial Plan 2008 - 2011
Summary of Changes Between Financial Plans by Generic Categories
(\$ in millions)

| REIMBURSABLE | | | | | |
|---|----------------|----------------|----------------|----------------|----------------|
| | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> |
| Baseline 2007 July Financial Plan - Net Operating Income | \$0.000 | \$0.000 | \$0.000 | \$0.000 | \$0.000 |
| Baseline Changes | | | | | |
| Revenue: | | | | | |
| Farebox Revenue | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Vehicle Toll Revenue | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Other Operating Revenue | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Capital and Other Reimbursement | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Investment Income | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Total Revenue Changes | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| 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 | 0.000 | 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 | 0.000 | 0.000 | 0.000 | 0.000 |
| Professional Service Contracts | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Materials & Supplies | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Other Business Expenses | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Total Non-Labor Expense Changes | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Total Expense Changes | \$0.000 | \$0.000 | \$0.000 | \$0.000 | \$0.000 |
| Other Changes | | | | | |
| None | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Total Other 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 - Net Operating Income | \$0.000 | \$0.000 | \$0.000 | \$0.000 | \$0.000 |

MTA BRIDGES AND TUNNELS
November Financial Plan 2008 - 2011
Summary of Changes Between Financial Plans by Generic Categories
(\$ in millions)

| NON-REIMBURSABLE and REIMBURSABLE | | | | | |
|---|------------------|-------------------|-------------------|------------------|------------------|
| | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> |
| Baseline 2007 July Financial Plan - Net Operating Income | \$862.245 | \$843.094 | \$831.133 | \$793.609 | \$777.163 |
| Baseline Changes | | | | | |
| Revenue | | | | | |
| Farebox Revenue | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Vehicle Toll Revenue | 6.562 | 8.374 | 5.724 | 6.331 | 6.749 |
| Other Operating Revenue | 1.386 | 1.210 | 1.230 | 1.240 | 1.253 |
| Capital and Other Reimbursement | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Investment Income | 0.339 | 0.458 | 0.590 | 0.612 | 0.612 |
| Total Revenue Changes | 8.287 | 10.042 | 7.544 | 8.183 | 8.614 |
| Expenses | | | | | |
| <i>Labor:</i> | | | | | |
| Payroll | 1.200 | (0.735) | (1.213) | (1.256) | (1.300) |
| Overtime | (2.172) | (1.765) | (1.806) | (1.847) | (1.889) |
| Health and Welfare | 0.991 | (0.371) | (0.204) | (0.222) | (0.243) |
| Pensions | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Other Fringe Benefits | 0.396 | (0.240) | (0.222) | (0.229) | (0.236) |
| Reimbursable Overhead | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Total Labor Expense Changes | 0.414 | (3.112) | (3.445) | (3.554) | (3.668) |
| <i>Non-Labor:</i> | | | | | |
| Traction and Propulsion Power | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Fuel for Buses and Trains | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Insurance | 0.110 | (0.000) | 0.000 | 0.001 | 0.002 |
| 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 | 8.357 | (12.386) | (10.728) | (2.172) | 11.623 |
| Professional Service Contracts | 1.755 | (0.610) | (0.177) | (0.156) | (0.137) |
| Materials & Supplies | (1.562) | (0.071) | 0.040 | 0.278 | 0.306 |
| Other Business Expenses | 0.235 | 0.013 | (0.005) | (0.002) | 0.000 |
| Total Non-Labor Expense Changes | 8.896 | (13.054) | (10.870) | (2.050) | 11.794 |
| Total Expense Changes | \$9.310 | (\$16.166) | (\$14.315) | (\$5.605) | \$8.126 |
| Other Changes | | | | | |
| None | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Total Other Changes | \$0.000 | \$0.000 | \$0.000 | \$0.000 | \$0.000 |
| Total Baseline Changes | \$17.597 | (\$6.124) | (\$6.771) | \$2.578 | \$16.740 |
| Baseline 2007 November Financial Plan - Net Operating Income | \$879.843 | \$836.970 | \$824.362 | \$796.187 | \$793.903 |

MTA Bridges and Tunnels
November Financial Plan 2008-2011
Summary of Major Programmatic Changes between Financial Plans

Non-Reimbursable Major Programmatic Changes

2007: November Financial Plan vs. July Financial Plan

Revenue

Revenue adjustments from the July Plan result in an increase of \$8.3 million. The major changes include:

- Higher toll revenues (\$6.6 million) due to increased traffic volumes resulting from overall current traffic trends (\$1.1 million).
- Higher revenues from the Battery Parking Garage (\$1.2 million) primarily due to stronger demand.
- Higher Other Operating Revenues (\$0.2 million) primarily due to E-ZPass administrative fees.
- Increase in Investment Income based on current trends (\$0.3 million).

Expense

Expense changes from the July Plan resulted in a net decrease of \$9.3 million. The major programmatic variances include:

Labor

- Lower Labor expenses due primarily to higher vacancies (\$1.2 million) and one-time credits for Fringe Benefits (\$1.0 million).
- Higher Overtime costs (\$2.2 million) primarily for the truck weight enforcement effort.

Non-Labor

- Reduction in major maintenance (\$1.4 million) expenses due to rescheduling of projects from 2007 to 2008.
- Reduction in expenses for bridge painting (\$4.4 million) due to rescheduling of painting projects to 2008.
- Lower E-ZPass Customer Service Center costs (\$1.0 million) due to lower transition costs.
- Lower expenses for New York Power Authority for a one-time credit (\$0.3 million).
- Other expenses include non-programmatic re-estimates totaling \$1.8 million in various accounts, each account amounting to less than \$0.6 million.

New Needs

- Non-labor expenses for the truck weight enforcement program (\$0.1 million).

2008-2011: November Financial Plan vs. July Financial Plan

Revenue

Revenue changes from the November Plan over the 2008 to 2011 period include:

- Additional Toll Revenues based on current traffic trends and revised employment and inflation forecasts provided by Global Insight:
 - \$8.4 million in 2008
 - \$5.7 million in 2009
 - \$6.3 million in 2010
 - \$6.7 million in 2011
- Higher revenues from the Battery Parking Garage in 2008-2011 primarily due to stronger demand and CPIU adjustments:
 - \$1.2 million in 2008
 - \$1.2 million in 2009
 - \$1.2 million in 2010
 - \$1.3 million in 2011
- Favorable re-estimates of investment income based on Global Insight's higher short-term interest rate forecast applied to larger fund balance projections.
 - \$0.5 million in 2008
 - \$0.6 million in 2009
 - \$0.6 million in 2010
 - \$0.6 million in 2011

Expense

Expense changes from the November Plan over the 2008 to 2011 period include:

Labor

- Increases in Overtime due primarily to CPIU adjustments:
 - (\$0.5) million in 2008
 - (\$0.5) million in 2009
 - (\$0.5) million in 2010
 - (\$0.5) million in 2011
- Changes in other Labor expenses due primarily to CPIU:
 - (\$0.7) million in 2008
 - (\$0.9) million in 2009
 - (\$0.9) million in 2010
 - (\$1.0) million in 2011

Non-Labor

- Changes in major maintenance expenses due to the rescheduling of 2007 projects to 2008:
 - (\$4.3) million in 2008
 - (\$0.0) million in 2009
 - (\$0.0) million in 2010
 - (\$0.0) million in 2011.
- Re-estimate of bridge painting expenses in 2008 due to several projects being deferred from 2007 to 2008 and the acceleration of painting at the Throgs Neck Bridge based on biennial bridge inspection findings:
 - (\$ 7.0) million in 2008
 - (\$ 9.7) million in 2009
 - (\$ 1.2) million in 2010
 - \$12.0 million in 2011.
- Re-estimate of NYPA expenses due to CPIU rate increases between plans to 20.4% in 2008 and increase in consumption in 2010 and beyond:
 - (\$0.4) million in 2008
 - (\$0.3) million in 2009
 - (\$0.8) million in 2010
 - (\$1.2) million in 2011.
- Re-estimate of other non-labor expenses due to various accounts with minor variances and CPIU rate increases:
 - (\$1.8) million in 2008
 - (\$1.1) million in 2009
 - (\$0.9) million in 2010
 - (\$0.2) million in 2011.

New Needs

- Labor expenses to support the truck weight enforcement program:
 - (\$1.9) million in 2008
 - (\$2.0) million in 2009
 - (\$2.1) million in 2010
 - (\$2.2) million in 2011

Reimbursable Major Programmatic Changes

No changes in reimbursable expenses.

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

| NON-REIMBURSABLE and REIMBURSABLE | | | | | |
|---|------------------|-------------------|-------------------|------------------|------------------|
| | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> |
| Baseline 2007 July Financial Plan - Net Operating Income | \$862.245 | \$843.094 | \$831.133 | \$793.609 | \$777.163 |
| <i>Non-Reimbursable Major Changes</i> | | | | | |
| Revenue | | | | | |
| - Increases in Toll Revenue | 6.562 | 8.374 | 5.724 | 6.331 | 6.749 |
| - Increases in Revenue from Battery Parking Garage | 1.161 | 1.210 | 1.230 | 1.240 | 1.253 |
| - Investment Income | 0.339 | 0.458 | 0.590 | 0.612 | 0.612 |
| - Other Operating Revenue | 0.225 | 0.000 | 0.000 | 0.000 | 0.000 |
| <i>Sub-Total Non-Reimbursable Revenue Changes</i> | \$8.287 | \$10.042 | \$7.544 | \$8.183 | \$8.614 |
| Expenses | | | | | |
| - New Need: Truck Weight Enforcement Program | 0.000 | (1.936) | (2.017) | (2.091) | (2.169) |
| - Other Overtime Needs | (2.172) | (0.494) | (0.505) | (0.521) | (0.536) |
| - Other Labor Needs (vacancies in 2007) | 2.586 | (0.682) | (0.923) | (0.942) | (0.963) |
| - Major Maintenance | 1.399 | (4.287) | 0.000 | 0.000 | 0.000 |
| - Bridge Painting | 4.419 | (6.991) | (9.721) | (1.160) | 11.992 |
| - E-ZPass Customer Service Center (lower transition costs) | 0.965 | 0.000 | 0.000 | 0.000 | 0.000 |
| - New York Power Authority (one-time credit in 2007) | 0.273 | (0.011) | (0.011) | (0.011) | (0.011) |
| - Non-Labor CPIU Changes | 0.000 | (0.375) | (0.118) | (0.142) | (0.348) |
| - Other Non-Labor Expenses | 1.840 | (1.389) | (1.020) | (0.738) | 0.161 |
| <i>Sub-Total Non-Reimbursable Expense Changes</i> | \$9.310 | (\$16.166) | (\$14.315) | (\$5.605) | \$8.126 |
| Total Non-Reimbursable Major Changes | \$17.597 | (\$6.123) | (\$6.771) | \$2.578 | \$16.740 |
| <i>Reimbursable Major Changes</i> | | | | | |
| Revenue | | | | | |
| Reimbursable Revenue Changes | | | | | |
| <i>Sub-Total Reimbursable Revenue Changes</i> | \$0.000 | \$0.000 | \$0.000 | \$0.000 | \$0.000 |
| Expenses | | | | | |
| Reimbursable Expense Changes | | | | | |
| <i>Sub-Total Reimbursable Expense Changes</i> | \$0.000 | \$0.000 | \$0.000 | \$0.000 | \$0.000 |
| Total Reimbursable Major Changes | \$0.000 | \$0.000 | \$0.000 | \$0.000 | \$0.000 |
| Total Accrual Changes | \$17.597 | (\$6.123) | (\$6.771) | \$2.578 | \$16.740 |
| Other Changes | | | | | |
| None | | | | | |
| <i>Total Other Changes</i> | \$0.000 | \$0.000 | \$0.000 | \$0.000 | \$0.000 |
| Total Baseline Changes | \$17.597 | (\$6.123) | (\$6.771) | \$2.578 | \$16.740 |
| Baseline 2007 November Financial Plan - Net Operating Income | \$879.842 | \$836.970 | \$824.362 | \$796.187 | \$793.903 |

MTA Bridges and Tunnels

November Financial Plan 2008-2011

OTHER ASSUMPTIONS

Ridership/Traffic Volume (Utilization)

Paid traffic volume is projected to reach a record 303.8 million vehicles in 2007, 0.5% more than the July Mid-Year Forecast level of 302.2 million vehicles. The estimated increase is based on overall current traffic trends.

The traffic forecast from 2008 through 2011 incorporates the most recent projections for regional employment and inflation provided by Global Insight. Paid traffic is forecast at 305.0 million vehicles in 2008 and declines to 304.5 million in 2009 because 2008 is a leap year. Projected volumes grow to 305.4 million in 2010 and to 306.6 million in 2011.

MTA BRIDGES & TUNNELS
November Financial Plan 2008-2011
RIDERSHIP/TRAFFIC VOLUME (UTILIZATION)
(in millions)

| | 2006 Actuals | 2007 November Forecast | 2008 Final Proposed Budget | 2009 | 2010 | 2011 |
|------------------------------------|--------------------|------------------------------|-------------------------------------|--------------------|--------------------|--------------------|
| Baseline Total Toll Revenue | \$1,241.551 | \$1,249.459 | \$1,250.907 | \$1,246.114 | \$1,247.594 | \$1,250.671 |
| <i>Impact of:</i> | | | | | | |
| 2008 PEG Program | | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Post-2008 PEG Program | | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Total Toll Revenue | \$1,241.551 | \$1,249.459 | \$1,250.907 | \$1,246.114 | \$1,247.594 | \$1,250.671 |
| Baseline Total Traffic | 302.059 | 303.773 | 304.953 | 304.515 | 305.365 | 306.609 |
| <i>Impact of:</i> | | | | | | |
| 2008 PEG Program | | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Post-2008 PEG Program | | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Total Traffic | 302.059 | 303.773 | 304.953 | 304.515 | 305.365 | 306.609 |

MTA BRIDGES AND TUNNELS
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 | | | | | | | | | | | |
| Reduction of Law Department Headcount | | 0 | 0.000 | 1 | 0.098 | 1 | 0.101 | 1 | 0.103 | 1 | 0.105 |
| Sub-Total | Administration | 0 | \$ 0.000 | 1 | \$ 0.098 | 1 | \$ 0.101 | 1 | \$ 0.103 | 1 | \$ 0.105 |
| Maintenance | | | | | | | | | | | |
| Change of De-Icing Material | | 0 | 0.000 | 0 | 0.060 | 0 | 0.200 | 0 | 0.200 | 0 | 0.200 |
| In-House Roadway Sweeping | | 0 | 0.000 | (1) | 0.072 | (1) | 0.071 | (1) | 0.071 | (1) | 0.070 |
| Sub-Total | Maintenance | 0 | \$ 0.000 | (1) | \$ 0.132 | (1) | \$ 0.271 | (1) | \$ 0.271 | (1) | \$ 0.270 |
| Other | | | | | | | | | | | |
| Reduction of Headcount in the Operations Department | | 0 | 0.000 | 3 | 0.261 | 3 | 0.380 | 3 | 0.388 | 3 | 0.395 |
| Sub-Total | Other | 0 | \$ 0.000 | 3 | \$ 0.261 | 3 | \$ 0.380 | 3 | \$ 0.388 | 3 | \$ 0.395 |
| Total Programs | | 0 | \$ 0.000 | 3 | \$ 0.491 | 3 | \$ 0.752 | 3 | \$ 0.762 | 3 | \$ 0.770 |

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

| | | | | | |
|---|--|--------------------------------|----------------|----------------------------|----------|
| Business Unit | BRTUN | Financial Plan Category | PEG | Implementation Date | 1/1/2008 |
| Budget Reference | FINAL07 | Category | Administration | Savings Date | 1/1/2008 |
| PEG / New Need ID | 0000000019 | Current Budget Year | 2007 | Status | Open |
| Program: | Reduction of Law Department Headcount | | | Agency Status | Pending |
| Description and Implementation Pla | Reduce headcount by one Assistant General Counsel position. Existing staff will absorb the associated responsibilities. | | | | |
| Background Details | The Law Department evaluated their caseload and work flow and determined they can reduce their staff by one Assistant General Counsel position. There are three Assistant General Counsel positions on staff at B&T, one of which is currently vacant. The remaining two positions will continue to absorb the responsibilities accomplished by this position. | | | | |

| | | | | | | | | |
|-------------------------|-------|------------|---------|----------|----------|----------|----------|----------|
| | | | | 2007 | 2008 | 2009 | 2010 | 2011 |
| Total Headcount | BRTUN | 0000000019 | FINAL07 | 0 | 1 | 1 | 1 | 1 |
| Financial Impact | BRTUN | 0000000019 | FINAL07 | \$ 0.000 | \$ 0.098 | \$ 0.101 | \$ 0.103 | \$ 0.105 |

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

| | | | | | |
|---|--|--------------------------------|-------------|----------------------------|----------|
| Business Unit | BRTUN | Financial Plan Category | PEG | Implementation Date | 1/1/2008 |
| Budget Reference | FINAL07 | Category | Maintenance | Savings Date | 1/1/2008 |
| PEG / New Need ID | 0000000021 | Current Budget Year | 2007 | Status | Open |
| Program: | Change of De-Icing Material | | | Agency Status | Pending |
| Description and Implementation Pla | The transition to the new material will begin in 2008 and the new product will be used almost exclusively by 2009. The new product costs around 30% less than the material currently used. | | | | |
| Background Details | In 2007, the Maintenance Department tested a new product and has decided to switch to a new, environmentally preferable de-icing material that costs less and is more effective. | | | | |

| | | | | | | | | |
|-------------------------|-------|------------|---------|----------|----------|----------|----------|----------|
| | | | | 2007 | 2008 | 2009 | 2010 | 2011 |
| Total Headcount | | | | | | | | |
| Financial Impact | BRTUN | 0000000021 | FINAL07 | \$ 0.000 | \$ 0.060 | \$ 0.200 | \$ 0.200 | \$ 0.200 |

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

| | | | | | |
|---|--|--------------------------------|-------------|----------------------------|----------|
| Business Unit | BRTUN | Financial Plan Category | PEG | Implementation Date | 1/1/2008 |
| Budget Reference | FINAL07 | Category | Maintenance | Savings Date | 1/1/2008 |
| PEG / New Need ID | 0000000023 | Current Budget Year | 2007 | Status | Open |
| Program: | In-House Roadway Sweeping | | | Agency Status | Pending |
| Description and Implementation Pla | A person will be hired and a sweeper purchased by January 2008. The initiative cannot start sooner because of the lead time required for the sweeper, which must be specially equipped. If successful, the initiative may be expanded to other facilities. | | | | |
| Background Details | Currently, B&T outsources roadway sweeping services. By bringing this task in-house and performing roadway sweeping for the Verrazano Narrows Bridge, Marine Parkway and Cross Bay Bridge facilities using Central Maintenance personnel and their own sweeper, road cleaning costs will be reduced. These three facilities were chosen due primarily to their proximity to one another. | | | | |

| | | | | | | | | |
|-------------------------|-------|------------|---------|----------|----------|----------|----------|----------|
| | | | | 2007 | 2008 | 2009 | 2010 | 2011 |
| Total Headcount | BRTUN | 0000000023 | FINAL07 | 0 | (1) | (1) | (1) | (1) |
| Financial Impact | BRTUN | 0000000023 | FINAL07 | \$ 0.000 | \$ 0.072 | \$ 0.071 | \$ 0.071 | \$ 0.070 |

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

| | | | | | |
|---|--|--------------------------------|-------|----------------------------|----------|
| Business Unit | BRTUN | Financial Plan Category | PEG | Implementation Date | 3/1/2008 |
| Budget Reference | FINAL07 | Category | Other | Savings Date | 3/1/2008 |
| PEG / New Need ID | 0000000020 | Current Budget Year | 2007 | Status | Open |
| Program: | Reduction of Headcount in the Operations Department | | | Agency Status | Pending |
| Description and Implementation Pla | With the implementation of the new system and the resulting re-deployment of personnel, a net savings of three Sergeants with applicable overtime can be achieved. These three Sergeants are in addition to the personnel savings associated with this projec | | | | |
| Background Details | After September 11th, intrim security measures were put into place pending the development and implementation of capital enhancements. With the installation of new electronic security systems primarily funded through the capital program, B&T is in a position to automate and revamp some of its security coverage resulting in a savings of personnel and associated overtime. The installation of new access control systems at certain facilities, which include additional cameras, intrusion detection and alarms, will enable the Operations Department to redeploy some security personnel to security monitoring posts. Overall security coverage will not be diminished. | | | | |

| | | | | 2007 | 2008 | 2009 | 2010 | 2011 |
|-------------------------|-------|------------|---------|----------|----------|----------|----------|----------|
| Total Headcount | BRTUN | 0000000020 | FINAL07 | 0 | 3 | 3 | 3 | 3 |
| Financial Impact | BRTUN | 0000000020 | FINAL07 | \$ 0.000 | \$ 0.261 | \$ 0.380 | \$ 0.388 | \$ 0.395 |

MTA BRIDGES AND TUNNELS
November Plan 2008 - 2011
Summary of Post 2008 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 | | | | | | | | | | | |
| Reduction of Human Resources Department Headcount | | 0 | 0.000 | 0 | 0.000 | 1 | 0.079 | 1 | 0.081 | 1 | 0.082 |
| Sub-Total | Administration | <u>0</u> | <u>\$ 0.000</u> | <u>0</u> | <u>\$ 0.000</u> | <u>1</u> | <u>\$ 0.079</u> | <u>1</u> | <u>\$ 0.081</u> | <u>1</u> | <u>\$ 0.082</u> |
| Total Programs | | <u>0</u> | <u>\$ 0.000</u> | <u>0</u> | <u>\$ 0.000</u> | <u>1</u> | <u>\$ 0.079</u> | <u>1</u> | <u>\$ 0.081</u> | <u>1</u> | <u>\$ 0.082</u> |

MTA BRIDGES AND TUNNELS

November Plan 2008 - 2011

Summary of Post PEGs Worksheet

(\$ in millions)

| | | | | | |
|---|--|--------------------------------|----------------|----------------------------|----------|
| Business Unit | BRTUN | Financial Plan Category | Post PEG | Implementation Date | 1/1/2009 |
| Budget Reference | FINAL07 | Category | Administration | Savings Date | 1/1/2009 |
| PEG / New Need ID | 0000000022 | Current Budget Year | 2007 | Status | Open |
| Program: | Reduction of Human Resources Department Headcount | | | Agency Status | Pending |
| Description and Implementation Pla | The position of Manager of Employment Services will be eliminated beginning in 2009, and the associated duties will be absorbed by the existing staff, assuming the workload can be effectively carried out in 2009. | | | | |
| Background Details | Human Resources has evaluated their managerial structure and believes they can reduce their supervisory staff by one position. Currently, the Employment Services Division consists of two Employment Specialists, a newly created HR Administrator, and the Manager of Employment Services. During 2008, the Human Resources Department intends to spread the work among the three other positions. | | | | |

| | | | | | | | | |
|-------------------------|-------|------------|---------|----------|----------|----------|----------|----------|
| | | | | 2007 | 2008 | 2009 | 2010 | 2011 |
| Total Headcount | BRTUN | 0000000022 | FINAL07 | 0 | 0 | 1 | 1 | 1 |
| Financial Impact | BRTUN | 0000000022 | FINAL07 | \$ 0.000 | \$ 0.000 | \$ 0.079 | \$ 0.081 | \$ 0.082 |

MTA BRIDGES & TUNNELS
November Financial Plan 2008-2011
Full-time Positions and Full-time Equivalents by Function and Department
Non-Reimbursable and Reimbursable

| FUNCTION/DEPARTMENT | 2006 Actuals | 2007 November Forecast | 2008 Final Proposed Budget | 2009 | 2010 | 2011 |
|--|-----------------|------------------------------|-------------------------------------|--------------|--------------|--------------|
| Administration | | | | | | |
| Executive | 2 | 3 | 3 | 3 | 3 | 3 |
| Law | 8 | 10 | 10 | 10 | 10 | 10 |
| CFO ⁽¹⁾ | 36 | 38 | 37 | 37 | 37 | 37 |
| Labor Relations | 5 | 5 | 5 | 5 | 5 | 5 |
| Procurement & Materials | 40 | 42 | 42 | 42 | 42 | 42 |
| Staff Services ⁽²⁾ | 44 | 47 | 46 | 46 | 46 | 46 |
| EEO | 1 | 1 | 1 | 1 | 1 | 1 |
| Total Administration | 136 | 146 | 144 | 144 | 144 | 144 |
| Operations | | | | | | |
| Revenue Management | 43 | 45 | 45 | 45 | 45 | 45 |
| Operations (Non-Security) | 740 | 747 | 755 | 755 | 755 | 755 |
| Total Operations | 783 | 792 | 800 | 800 | 800 | 800 |
| Maintenance | | | | | | |
| Maintenance | 112 | 113 | 113 | 113 | 113 | 113 |
| Operations - Maintainers | 179 | 171 | 171 | 171 | 171 | 171 |
| Procurement & Materials | 13 | 14 | 14 | 14 | 14 | 14 |
| Technology | 55 | 58 | 61 | 61 | 61 | 61 |
| Internal Security - Tech Svcs | 36 | 36 | 36 | 36 | 36 | 36 |
| Total Maintenance | 395 | 392 | 395 | 395 | 395 | 395 |
| Engineering/Capital | | | | | | |
| Engineering & Construction | 155 | 171 | 171 | 171 | 171 | 171 |
| Health & Safety | 10 | 10 | 10 | 10 | 10 | 10 |
| Planning & Budget Capital | 9 | 9 | 9 | 9 | 9 | 9 |
| Total Engineering/Capital | 174 | 190 | 190 | 190 | 190 | 190 |
| Public Safety | | | | | | |
| Operations (Security) | 261 | 266 | 248 | 248 | 248 | 248 |
| Internal Security - Operations | 34 | 42 | 42 | 42 | 42 | 42 |
| Total Public Safety | 295 | 308 | 290 | 290 | 290 | 290 |
| Total Baseline Positions | 1,783 | 1,828 | 1,819 | 1,819 | 1,819 | 1,819 |
| <i>Non-Reimbursable</i> | 1,734 | 1,776 | 1,766 | 1,766 | 1,766 | 1,766 |
| <i>Reimbursable</i> | 49 | 52 | 53 | 53 | 53 | 53 |
| <i>Total Full-Time</i> | 1,783 | 1,828 | 1,819 | 1,819 | 1,819 | 1,819 |
| <i>Total Full-Time Equivalents</i> | - | - | - | - | - | - |
| <hr/> | | | | | | |
| Impact of: | | | | | | |
| 2008 Program to Eliminate the Gap | - | - | (3) | (3) | (3) | (3) |
| Post 2008 Program to Eliminate the Gap | - | - | - | (1) | (1) | (1) |
| Total Positions | 1,783 | 1,828 | 1,816 | 1,815 | 1,815 | 1,815 |
| <i>Non-Reimbursable</i> | 1,734 | 1,776 | 1,763 | 1,762 | 1,762 | 1,762 |
| <i>Reimbursable</i> | 49 | 52 | 53 | 53 | 53 | 53 |
| <i>Total Full-Time</i> | 1,783 | 1,828 | 1,816 | 1,815 | 1,815 | 1,815 |
| <i>Total Full-Time Equivalents</i> | - | - | - | - | - | - |

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

⁽²⁾ includes Human Resources and Administration staff.

MTA BRIDGES AND TUNNELS
November Financial Plan 2008-2011
Full-time Positions and Full-time Equivalents by Function and Occupational Group
Non-Reimbursable and Reimbursable

| FUNCTION/OCCUPATIONAL GROUP | 2006 Actuals | 2007 November Forecast | 2008 Final Proposed Budget | 2009 | 2010 | 2011 |
|--|-----------------|------------------------------|-------------------------------------|--------------|--------------|--------------|
| Administration | | | | | | |
| Managers/Supervisors | 39 | 43 | 43 | 43 | 43 | 43 |
| Professional, Technical, Clerical | 97 | 103 | 101 | 101 | 101 | 101 |
| Operational Hourlies | - | - | - | - | - | - |
| Total Administration | 136 | 146 | 144 | 144 | 144 | 144 |
| Operations | | | | | | |
| Managers/Supervisors | 55 | 54 | 54 | 54 | 54 | 54 |
| Professional, Technical, Clerical | 54 | 56 | 55 | 55 | 55 | 55 |
| Operational Hourlies ⁽¹⁾ | 674 | 682 | 691 | 691 | 691 | 691 |
| Total Operations | 783 | 792 | 800 | 800 | 800 | 800 |
| Maintenance | | | | | | |
| Managers/Supervisors | 28 | 31 | 32 | 32 | 32 | 32 |
| Professional, Technical, Clerical | 56 | 58 | 60 | 60 | 60 | 60 |
| Operational Hourlies ⁽¹⁾ | 311 | 303 | 303 | 303 | 303 | 303 |
| Total Maintenance | 395 | 392 | 395 | 395 | 395 | 395 |
| Engineering/Capital | | | | | | |
| Managers/Supervisors | 36 | 39 | 39 | 39 | 39 | 39 |
| Professional, Technical, Clerical | 138 | 151 | 151 | 151 | 151 | 151 |
| Operational Hourlies | - | - | - | - | - | - |
| Total Engineering/Capital | 174 | 190 | 190 | 190 | 190 | 190 |
| Public Safety | | | | | | |
| Managers/Supervisors | 11 | 14 | 14 | 14 | 14 | 14 |
| Professional, Technical, Clerical | 25 | 28 | 28 | 28 | 28 | 28 |
| Operational Hourlies ⁽¹⁾ | 259 | 266 | 248 | 248 | 248 | 248 |
| Total Public Safety | 295 | 308 | 290 | 290 | 290 | 290 |
| Total Baseline Positions | | | | | | |
| Managers/Supervisors | 169 | 181 | 182 | 182 | 182 | 182 |
| Professional, Technical, Clerical | 370 | 396 | 395 | 395 | 395 | 395 |
| Operational Hourlies | 1,244 | 1,251 | 1,242 | 1,242 | 1,242 | 1,242 |
| Total Baseline Positions | 1,783 | 1,828 | 1,819 | 1,819 | 1,819 | 1,819 |
| Impact of: | | | | | | |
| 2008 Program to Eliminate the Gap | - | - | (3) | (3) | (3) | (3) |
| Post-2008 Program to Eliminate the Gap | - | - | - | (1) | (1) | (1) |
| Total GAP Positions | | | | | | |
| Total Positions | | | | | | |
| Managers/Supervisors | 169 | 181 | 182 | 181 | 181 | 181 |
| Professional, Technical, Clerical | 370 | 396 | 394 | 394 | 394 | 394 |
| Operational Hourlies | 1,244 | 1,251 | 1,240 | 1,240 | 1,240 | 1,240 |
| Total Positions | 1,783 | 1,828 | 1,816 | 1,815 | 1,815 | 1,815 |

Capital Construction Company

MTA Capital Construction Company
2008 Final Proposed Budget
November Financial Plan 2008-2011

Mission Statement

The mission of the MTA Capital Construction Company (MTACC) is to serve the mobility needs of customers of the Metropolitan Transportation Authority (MTA) for the 21st Century by planning, designing, and building projects in a timely, creative and cost-effective manner. Our work will enhance the options and quality of the MTA network and serve the changing transportation needs of its customers.

MTACC is the construction management organization responsible for all program management support of East Side Access, the Second Avenue Subway, No. 7 Line Extension, Lower Manhattan Fulton Street Transit Center, the new South Ferry Terminal Station complex, and system-wide capital security projects. MTACC is responsible for the design, construction, project controls and overall programmatic support for each of these projects.

The MTACC Administrative budget includes funding for specialty resources and consulting services that are provided agency-wide for all projects. In order to create efficient processes and standards, company wide, MTACC will provide management and controls support to all projects. All MTACC costs are 100% reimbursable from the MTA Capital Program. Several MTACC projects draw on federal funds.

Highlights

In December of 2006, a Full Funding Grant Agreement was signed with the Federal Transit Administration bringing \$2.63 billion in federal funding for the East Side Access project (ESA). A \$1.3 billion Full Funding Grant Agreement for the Second Avenue Subway (SAS) is anticipated in November 2007. As of November 2007, all system expansion projects are in construction.

In 2007, MTACC planned to award over \$3.5 billion in contracts. Approximately one billion dollars will be awarded to progress ESA and major work within and beneath Grand Central Terminal will begin. The first tunnel boring machine began operations in October 2007. April of 2007 marked the groundbreaking commencement of the SAS project with the award of the first contract to construct new tunnels under Second Avenue between 92nd and 63rd Streets. The first two contracts awarded on the Fulton Street Transit Center are in completed and are in the closeout phase. Bids for construction of the Transit Center Building are due in December. The construction of the new South Ferry Terminal Station has been underway for the last two years and is scheduled for completion in the summer of 2008. A funding agreement between the MTA and New York City to construct the No. 7 Line Extension was agreed to. The first contract for the No. 7 Line Extension totaling one billion dollars was awarded in November 2007. In addition, MTACC continued the implementation of projects funded from the system-wide security capital program.

Financial Overview

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

It is the goal of MTACC to minimize the number of full-time employees in order to maintain a cost efficient program management structure. MTACC is hiring a core staff to directly manage the design and construction of the \$15 billion in capital projects it is responsible for. MTACC continues to draw from the expertise and support services available in other MTA agencies to supplement the core staff and support design and construction management. Currently, both MTA NYCT and MTA Headquarters are providing many support services. This budget proposal assumes that many of these services will continue to be provided. The current volume of construction underway in the region has made it difficult to hire qualified employees. MTACC will utilize consultant services to provide staff support in lieu of hiring.

2007 November Forecast

MTACC's 2007 November Forecast remains the same as the 2007 Mid-Year Forecast. Year end costs are projected at is \$28.636 million. This reflects a 16% decrease from the February 2007 Adopted Budget. Labor Costs are projected at \$14.875 million projecting a staffing level of 142 by year end, 5% lower than the 2007 Adopted Budget of 150. MTACC continues to trend below its projected headcount.

Projected staff includes 66 MTACC positions who support the system expansion projects and cannot charge directly to a specific project; 34 for the East Side Access project; 12 for the Second Avenue Subway project; 14 for the Lower Manhattan projects; and 16 for Security projects. MTACC is working with the MTA and employee recruitment agencies to develop strategies to recruit staff with the experience and technical skills required for these complex construction projects. Matrixed employees (employees of other agencies under temporary management by MTACC) and consultants will continue to support MTACC in lieu of hiring full time staff.

Non-Labor costs are projected at \$13.761 million, an increase of 8.21% from 2007 Adopted Budget. This increase is for the provision of company-wide construction support from specialty contractors, oversight agencies, legal support, environmental and archeological resources and miscellaneous project related costs. Such expenditures are non-project specific or may not be eligible for reimbursement by the Federal Transit Administration and will be funded through MTACC Administration. Remaining funds have been budgeted for engineering and legal services, cultural resource management, independent compliance monitor, archeological and environmental services, reimbursement of NYCT for administrative support staff and services, and other project

office costs such as the establishment of MTACC network, computer equipment, communications and supplies.

2008 Preliminary Budget - Baseline

In 2008 MTACC's main objectives will be to continue major construction and design of the MTA's system expansion projects while maintaining the MTA's commitment to safety and security. To accomplish this, MTACC projects 2008 costs at \$34.396 million, (less than one thousand dollars below the Mid-Year Forecast) a slight decrease of 2.0% over the 2007 Adopted Budget, and a year end headcount of 150.

Labor and fringe expenses are projected at \$22.918 million, a 7.81% decrease from the 2007 Adopted Budget. Labor costs decrease due to the projected hiring of employees by year end 2008. Allocation of staff and timing of start dates have been revised. Staff includes 67 MTACC positions who support the system expansion projects and cannot charge directly to a specific project; 38 for the East Side Access project; 13 for the Second Avenue Subway project; 15 for the Lower Manhattan projects; and 17 for Security projects.

Non-Labor costs are projected at \$11.478 million, a 29.5% increase from the 2007 Adopted Budget. This increase is for engineering and legal services, independent engineer and independent compliance monitor services, reimbursement of NYCT for administrative support staff and services, miscellaneous project related costs and other office costs such as communications and supplies.

Major assumptions and reconciliations to the 2007 Adopted Budget are discussed later.

2009 - 2011 Projections

During this time period MTACC will be managing multiple construction sites and billions of dollars in construction contracts. MTACC costs for 2009 are projected to increase by 3.68% over 2008, 2.05% in 2010, and 3.74% in 2011. Year-end staffing levels of 150 employees, remains constant through 2011.

Labor costs increased by 5.73% from 2008. In 2010 and 2011 labor costs and increase only by inflation. Non-labor expenses decrease by 0.41% in 2009 from the 2008 projected level. This decrease reflects a reduction in professional services and office furniture and equipment. Non-labor expenses remain constant in 2010 and 2011 with relatively no change in these years.

[illegible]

[illegible]

[illegible]

**MTA Capital Construction Company
November Financial Plan 2008-2011
Year-to-Year Changes by Category - Reimbursable**

Revenue

Capital and Other Reimbursements

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

Expenses

Payroll

- 2007 Payroll costs are unchanged from the July Financial Plan.
- 2007 payroll costs reflect a projected year-end staffing level of 142. Costs are based on 2007 annualized projected salaries.
- 2008 payroll costs increase 58.2% due to an increased staff in 2008 and employees hired in the final quarter of 2007.
- 2008, 2009, 2010 and 2011 year end staffing levels remain constant at 150.
- Payroll costs are escalated from the prior year's base salary by 3.00%, 1.95% and 2.00% respectively in 2009, 2010 and 2011.

Other Fringe Benefits

- Other Fringe Benefit costs are unchanged from the July Financial Plan.
- Pension costs in 2008 increased 55.5% due to higher staffing. Pension costs remain constant in 2009 through 2011.
- Health and Welfare costs have been inflated by 4.02% in 2007, 12.52% in 2008, and 9.20% from 2009 through 2011.
- Other benefits have been escalated by 2.91%, 3.07%, 3.20% and 3.20% from 2008 through 2011 respectively.

Insurance

- 2007 includes insurance expenses for the All-Agency Protective Liability Program for all MTACC projects.
- 2007 costs remain the same as the July Plan.
- 2008 through 2011 costs are escalated by approximately 10% from 2007 through 2010.

Professional Service Contracts

- In 2007, costs are comprised of the oversight of company-wide construction support from specialty contractors, contractual employees such as URS consultants, environmental and archeological resources and miscellaneous project related costs. Also included are costs for Lower Manhattan real estate support, independent engineering and independent compliance monitor expenses in support of the capital projects.
- Costs are escalated by 2.10%, 2.21%, 2.08% and 2.13% for 2008 through 2011 respectively.
- Costs decrease in 2008 by 10.7%. Projected cultural resource management, environmental and archeological resources are reduced significantly in 2008 resulting in an overall decrease in professional services. Due to escalation rates, costs slightly decrease in 2010.

Materials and Supplies

- 2007 costs include safety equipment for field employees and general office supplies. 2008 through 2011 costs are based on 2007 projections. Costs are escalated by 2.10%, 2.21%, 2.08% and 2.13% for 2008 through 2011 respectively.

Other Business Expenses

- 2007 costs are comprised of wireless communication devices for staff, employee recruitment fees and automotive purchases. Additional expenditures include the procurement of office furniture and computer equipment for staff, printers, copiers, and establishing an MTACC network.
- Costs decrease by 59.83% in 2008 and 20.85% in 2009 because major procurements such as communication devices, automobiles, intranet printers, copiers, MTACC Network and the majority of computer equipment will be procured in 2007 and early 2008.
- 2008 through 2011 costs are escalated by 2.10%, 2.21%, 2.08% and 2.13% respectively.

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

REIMBURSABLE

| | Favorable/(Unfavorable) | | | | | | | | | | | | |
|---|-------------------------|-----------------|-----------------------|----------|-----------------|-----------------------|----------|-----------------|-----------------------|----------|-----------------|-----------------------|----------|
| | 2007 | 2008 | Change 2008 - 2007 | % change | 2009 | Change 2009 - 2008 | % change | 2010 | Change 2010 - 2009 | % change | 2011 | Change 2011 - 2010 | % change |
| Revenue | | | | | | | | | | | | | |
| Farebox Revenue | | | | | | | | | | | | | |
| Vehicle Toll Revenue | | | | | | | | | | | | | |
| Other Operating Revenue | | | | | | | | | | | | | |
| Capital and Other Reimbursements | 28.636 | 34.396 | 5.760 | 20.1% | 35.662 | 1.266 | 3.68% | 36.393 | 0.731 | 2.05% | 37.756 | 1.363 | 3.74% |
| Total Revenue | \$28.636 | \$34.396 | \$5.760 | 20.1% | \$35.662 | \$1.266 | 3.68% | \$36.393 | \$0.731 | 2.05% | \$37.756 | \$1.363 | 3.74% |
| Expenses | | | | | | | | | | | | | |
| Labor: | | | | | | | | | | | | | |
| Payroll | \$9.624 | \$15.227 | (\$5.604) | 58.2% | \$15.735 | (\$0.508) | 3.34% | \$16.042 | (\$0.307) | 1.95% | \$16.363 | (\$0.321) | 2.00% |
| Overtime | 0.000 | 0.000 | | | 0.000 | | | 0.000 | | | 0.000 | | |
| Health and Welfare | 1.518 | 2.732 | (1.215) | 80.0% | 3.265 | (0.532) | 19.49% | 3.856 | (0.592) | 18.12% | 4.523 | (0.666) | 17.28% |
| Pensions | 1.236 | 1.923 | (0.686) | 55.5% | 2.050 | (0.127) | 6.63% | 2.160 | (0.110) | 5.36% | 2.277 | (0.117) | 5.41% |
| Other Fringe Benefits | 2.497 | 3.036 | (0.539) | 21.6% | 3.181 | (0.145) | 4.77% | 3.305 | (0.124) | 3.89% | 3.402 | (0.098) | 2.96% |
| Reimbursable Overhead | | | | | | | | | | | | | |
| Total Labor Expenses | \$14.875 | \$22.918 | (\$8.043) | 54.1% | \$24.231 | (\$1.313) | 5.73% | \$25.363 | (\$1.132) | 4.67% | \$26.565 | (\$1.202) | 4.74% |
| Non-Labor: | | | | | | | | | | | | | |
| Traction and Propulsion Power | | | | | | | | | | | | | |
| Fuel for Buses and Trains | | | | | | | | | | | | | |
| Insurance | 1.003 | 1.104 | (0.100) | 10.0% | 1.214 | (0.110) | 10.00% | 1.336 | (0.121) | 10.00% | 1.469 | (0.134) | 10.00% |
| Claims | 0.000 | 0.000 | | | 0.000 | | | 0.000 | | | 0.000 | | |
| Paratransit Service Contracts | 0.000 | 0.000 | | | 0.000 | | | 0.000 | | | 0.000 | | |
| Maintenance and Other Operating Contracts | 0.000 | 0.000 | | | 0.000 | | | 0.000 | | | 0.000 | | |
| Professional Service Contracts | 10.593 | 9.461 | 1.132 | -10.7% | 9.477 | (0.016) | 0.17% | 8.939 | 0.537 | -5.67% | 9.056 | (0.117) | 1.31% |
| Materials & Supplies | 0.080 | 0.076 | 0.004 | -5.4% | 0.077 | (0.001) | 1.58% | 0.078 | (0.001) | 1.49% | 0.079 | (0.001) | 1.53% |
| Other Business Expenses | 2.084 | 0.837 | 1.247 | -59.83% | 0.663 | 0.175 | -20.85% | 0.677 | (0.014) | 2.15% | 0.586 | 0.091 | -13.40% |
| Total Non-Labor Expenses | \$13.761 | \$11.478 | \$2.283 | -16.6% | \$11.431 | \$0.047 | -0.41% | \$11.030 | \$0.401 | -3.50% | \$11.191 | (\$0.161) | 1.46% |
| 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 | \$28.636 | \$34.396 | (\$5.760) | 20.1% | \$35.662 | (\$1.266) | 3.68% | \$36.393 | (\$0.731) | 2.05% | \$37.756 | (\$1.363) | 3.74% |
| Depreciation | | | 0.000 | | | 0.000 | | | 0.000 | | | 0.000 | |
| Total Expenses | \$28.636 | \$34.396 | (\$5.760) | 20.1% | \$35.662 | (\$1.266) | 3.68% | \$36.393 | (\$0.731) | 2.05% | \$37.756 | (\$1.363) | 3.74% |
| Baseline Net Surplus/(Deficit) | \$0.000 | \$0.000 | \$0.000 | | \$0.000 | \$0.000 | | \$0.000 | \$0.000 | | \$0.000 | \$0.000 | |
| Program to Eliminate the Gap | | | | | | | | | | | | | |
| Net Surplus/(Deficit) | \$0.000 | \$0.000 | \$0.000 | | \$0.000 | \$0.000 | | \$0.000 | \$0.000 | | \$0.000 | \$0.000 | |

MTA Capital Construction
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 | % change | 2009 | Change 2009 - 2008 | % change | 2010 | Change 2010 - 2009 | % change | 2011 | Change 2011 - 2010 | % change |
| <u>Receipts</u> | | | | | | | | | | | | | |
| Farebox Revenue | | | | | | | | | | | | | |
| Vehicle Toll Revenue | | | | | | | | | | | | | |
| Other Operating Revenue | | | | | | | | | | | | | |
| Capital and Other Reimbursements | 28.636 | 34.396 | 5.760 | 20.1% | 35.662 | 1.266 | 3.68% | 36.393 | 0.731 | 2.05% | 37.756 | 1.363 | 3.74% |
| Total Receipts | \$28.636 | \$34.396 | \$5.760 | 20.1% | \$35.662 | \$1.266 | 3.68% | \$36.393 | \$0.731 | 2.05% | \$37.756 | \$1.363 | 3.74% |
| <u>Expenditures</u> | | | | | | | | | | | | | |
| Labor: | | | | | | | | | | | | | |
| Payroll | \$9.624 | \$15.227 | (\$5.604) | 58.2% | \$15.735 | (\$0.508) | 3.34% | \$16.042 | (\$0.307) | 1.95% | \$16.363 | (\$0.321) | 2.00% |
| Overtime | | | | | | | | | | | | | |
| Health and Welfare | 1.518 | 2.732 | (1.215) | 80.0% | 3.265 | (0.532) | 19.49% | 3.856 | (0.592) | 18.12% | 4.523 | (0.666) | 17.28% |
| Pensions | 1.236 | 1.923 | (0.686) | 55.5% | 2.050 | (0.127) | 6.63% | 2.160 | (0.110) | 5.36% | 2.277 | (0.117) | 5.41% |
| Other Fringe Benefits | 2.497 | 3.036 | (0.539) | 21.6% | 3.181 | (0.145) | 4.77% | 3.305 | (0.124) | 3.89% | 3.402 | (0.098) | 2.96% |
| Reimbursable Overhead | | | | | | | | | | | | | |
| Total Labor Expenditures | \$14.875 | \$22.918 | (\$8.043) | 54.1% | \$24.231 | (\$1.313) | 5.73% | \$25.363 | (\$1.132) | 4.67% | \$26.565 | (\$1.202) | 4.74% |
| Non-Labor: | | | | | | | | | | | | | |
| Traction and Propulsion Power | | | | | | | | | | | | | |
| Fuel for Buses and Trains | | | | | | | | | | | | | |
| Insurance | 1.003 | 1.104 | (0.100) | 10.0% | 1.214 | (0.110) | 10.00% | 1.336 | (0.121) | 10.00% | 1.469 | (0.134) | 10.00% |
| Claims | | | | | | | | | | | | | |
| Paratransit Service Contracts | | | | | | | | | | | | | |
| Maintenance and Other Operating Contracts | | | | | | | | | | | | | |
| Professional Service Contracts | 10.593 | 9.461 | 1.132 | -10.7% | 9.477 | (0.016) | 0.17% | 8.939 | 0.537 | -5.67% | 9.056 | (0.117) | 1.31% |
| Materials & Supplies | 0.080 | 0.076 | 0.004 | -5.4% | 0.077 | (0.001) | 1.58% | 0.078 | (0.001) | 1.49% | 0.079 | (0.001) | 1.53% |
| Other Business Expenses | 2.084 | 0.837 | 1.247 | -59.8% | 0.663 | 0.175 | -20.85% | 0.677 | (0.014) | 2.15% | 0.586 | 0.091 | -13.40% |
| Total Non-Labor Expenditures | \$13.761 | \$11.478 | \$2.283 | -16.6% | \$11.431 | \$0.047 | -0.41% | \$11.030 | \$0.401 | -3.50% | \$11.191 | (\$0.161) | 1.46% |
| Other Expenditure Adjustments: | | | | | | | | | | | | | |
| Other | | | | | | | | | | | | | |
| Total Other Expenditure Adjustments | \$0.000 | \$0.000 | \$0.000 | 0.0% | \$0.000 | \$0.000 | 0.00% | \$0.000 | \$0.000 | 0.00% | \$0.000 | \$0.000 | 0.00% |
| Total Expenditures | \$28.636 | \$34.396 | (\$5.760) | 20.1% | \$35.662 | (\$1.266) | 3.68% | \$36.393 | (\$0.731) | 2.05% | \$37.756 | (\$1.363) | 3.74% |
| Baseline Net Cash Deficit | \$0.000 | \$0.000 | \$0.000 | | \$0.000 | \$0.000 | | \$0.000 | \$0.000 | | \$0.000 | \$0.000 | |
| PEG Program | | | | | | | | | | | | | |
| Net Cash Deficit | \$0.000 | \$0.000 | \$0.000 | | \$0.000 | \$0.000 | | \$0.000 | \$0.000 | | \$0.000 | \$0.000 | |

**MTA Capital Construction Company
November Financial Plan 2008-2011
Summary of Changes Between Financial Plans 2007-2011**

2007: November Financial Plan vs. July Financial Plan

The November Financial Plan remains the same as the July Financial Plan.

2008 - 2011: November Financial Plan vs. July Financial Plan

Projections for 2008 have decreased by \$.001 million from the July Financial Plan due to inflation. MTACC costs reflect anticipated progress in major construction of capital projects and full staff levels of 150 by year end.

2009-2011 staffing levels remain constant at 150. Labor and non-labor costs are slightly higher than the July Mid-Year Forecast and have increased by .01%, .01%, and .02% respectively.

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

| REIMBURSABLE | | | | | |
|---|----------------|------------------|------------------|------------------|------------------|
| | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> |
| 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 | | | | | |
| Capital and Other Reimbursement | 0.000 | (0.001) | 0.003 | 0.005 | 0.007 |
| Total Revenue Changes | \$0.000 | (\$0.001) | \$0.003 | \$0.005 | \$0.007 |
| Expenses | | | | | |
| Labor: | | | | | |
| Payroll | \$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 | \$0.000 | \$0.000 | \$0.000 |
| Non-Labor: | | | | | |
| Traction and Propulsion Power | | | | | |
| Fuel for Buses and Trains | | | | | |
| Insurance | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Claims | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Paratransit Service Contracts | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Maintenance and Other Operating Contracts | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Professional Service Contracts | 0.000 | 0.001 | (0.002) | (0.003) | (0.004) |
| Materials & Supplies | 0.000 | 0.000 | (0.000) | (0.000) | (0.000) |
| Other Business Expenses | 0.000 | 0.000 | (0.001) | (0.002) | (0.002) |
| Total Non-Labor Expense Changes | \$0.000 | \$0.001 | (\$0.003) | (\$0.005) | (\$0.007) |
| Total Expense Changes | \$0.000 | \$0.001 | (\$0.003) | (\$0.005) | (\$0.007) |
| 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 Capital Construction Company
2008 Preliminary Budget
November Financial Plan 2008-2011**

Position Assumptions

All MTACC costs are reimbursable from the MTA Capital Program. The November Financial Plan projects 2007 year end staffing of 142. Staffing levels reach 150 in 2008 and remain constant at that level.

The 2007 Year-End Staffing level includes 66 MTACC administrative positions and 76 project positions implementing East Side Access, Second Avenue Subway, Lower Manhattan, No. 7 Line and the system-wide security program.

MTA CAPITAL CONSTRUCTION
November Financial Plan 2008-2011
Non-Reimbursable - Reimbursable Positions at End-of-Year
Full-Time Positions and Full Time Equivalents

| FUNCTION/DEPARTMENT | 2006 Actuals | 2007 November Forecast | 2008 Final Proposed Budget | 2009 | 2010 | 2011 |
|------------------------------------|-------------------------|---------------------------------------|---|-------------|-------------|-------------|
| Administration | | | | | | |
| MTACC | 21 | 54 | 55 | 55 | 55 | 55 |
| Engineering/Capital | | | | | | |
| MTACC | 12 | 12 | 12 | 12 | 12 | 12 |
| East Side Access | 19 | 34 | 38 | 38 | 38 | 38 |
| Security | 6 | 16 | 17 | 17 | 17 | 17 |
| Second Avenue Subway | 3 | 12 | 13 | 13 | 13 | 13 |
| Lower Manhattan Project | 7 | 14 | 15 | 15 | 15 | 15 |
| Total Engineering/Capital | 47 | 88 | 95 | 95 | 95 | 95 |
| Total Baseline Positions | 68 | 142 | 150 | 150 | 150 | 150 |
| <i>Non-Reimbursable</i> | - | - | - | - | - | - |
| <i>Reimbursable</i> | 68 | 142 | 150 | 150 | 150 | 150 |
| <i>Total Full-Time</i> | 68 | 142 | 150 | 150 | 150 | 150 |
| <i>Total Full-Time Equivalents</i> | - | - | - | - | - | - |

MTA CAPITAL CONSTRUCTION
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 | | | | | | |
| | Professional, Technical, Clerical | 21 | 54 | 55 | 55 | 55 | 55 |
| | Operational Hourlies | | | | | | |
| | Total Administration | 21 | 54 | 55 | 55 | 55 | 55 |
| 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 | 47 | 88 | 95 | 95 | 95 | 95 |
| | Operational Hourlies | | | | | | |
| | Total Engineering/Capital | 47 | 88 | 95 | 95 | 95 | 95 |
| Public Safety | | | | | | | |
| | Managers/Supervisors | | | | | | |
| | Professional, Technical, Clerical | | | | | | |
| | Operational Hourlies | | | | | | |
| | Total Public Safety | - | - | - | - | - | - |
| Total Baseline Positions | | | | | | | |
| | Managers/Supervisors | | | | | | |
| | Professional, Technical, Clerical | 68 | 142 | 150 | 150 | 150 | 150 |
| | Operational Hourlies | | | | | | |
| | Total Baseline Positions | 68 | 142 | 150 | 150 | 150 | 150 |

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Long Island Bus

**MTA Long Island Bus
2008 Final Proposed Budget
November Financial Plan 2008 - 2011**

MISSION STATEMENT

MTA Long Island Bus (LI Bus) is dedicated to meeting the public's need for high-quality transit service throughout Nassau, western Suffolk and eastern Queens counties. Every employee of the agency is committed to delivering safe, reliable, efficient and courteous transportation for all our customers. We achieve this through teamwork and by demonstrating the highest degree of professional integrity.

AGENCY OVERVIEW

LI Bus operates the largest 100% Clean Fuel, Compressed Natural Gas (CNG) fleet in the eastern USA. This benefits the environment, passengers and the 96 communities that it serves. The fleet size of 332 buses also provide service to 47 Long Island Rail Road stations, 5 New York City Transit subway stations, shopping centers, colleges, museums, parks, theaters and beaches throughout our area. In 2006, ridership grew by 3.4% over the 2005 record level to 32.2 million. This outstanding benchmark and a series of bad weather days in the first half of 2007 have held ridership numbers on par with the 2006 levels. However, slight gains are forecasted based on the historically higher last quarter ridership.

The Able-Ride Paratransit fleet is comprised of 85 fully equipped buses that offer curb-to-curb transportation for eligible customers with disabilities and who are unable to use the fixed route bus system. Through a certification program and innovative scheduling, denial rates and missed trips goals have been met. Ridership has responded accordingly with record level gains in 2006. A total of .35 million customers used this service in 2006, representing an 8.5% increase over 2005. The forecasted 0.5% increase in 2007 is on target.

LI Bus continues to be at the forefront in implementing new technologies to enhance the safety and reliability of our fleet and convenience to our customers. The phased implementation of better electronic signage and trip planning tools is currently being installed in the Mineola intermodal facility. The second phase will include the Hempstead Transit Center and will compliment other rehabilitation projects currently being planned.

The replacement schedule for fixed route and paratransit buses is now finalized. A low-floor fixed route CNG model will be introduced to the LI Bus fleet with the new replacements. Additional specifications aimed at procuring the most reliable, comfortable and technologically advanced paratransit vehicle were included in the current bus order.

The safety of customers, personnel, the fleet, and facilities is a priority, and as such, we are continuously assessing and enhancing the electronic surveillance systems, physical structures and safety awareness training of all employees. LI Bus was the recipient of the 2006 MTA Chairman's Safety Award for reducing its employee lost time incident rate and it serves as a positive reinforcement for the continued participation of all employees. With capital funding, LI Bus is continuing to enhance its physical and technological infrastructure to maximize efficiency and longevity.

FINANCIAL OVERVIEW

LI Bus has experienced considerable ridership growth over the past three years on both its fixed route and paratransit service. Trend analysis suggests that there would be room for growth if additional operating and capital funding were available. The attached statements reflect the best utilization of approved funding so that current levels of service, safety and security can be maintained.

Favorable adjustments were made to the July and November plans to account for cost savings in payroll related items and health and welfare costs. The volatility of fuel and utility rates continue to impact the cost of operations. Adjustments to this line item budget reflect the approved inflation guidelines. The indirect impact is also visible in the increased prices of material, parts and service costs.

Major operating financial challenges surround the additional expenses associated with maintaining older buses that were held in service due to delays in the delivery of new replacements. This issue has a carry-over effect into 2008 because delivery is not expected until after July 2008.

Two major capital programs are currently underway, the purchase of fixed route and paratransit buses and the rehabilitation of the paratransit facility. Other capital projects on the Transportation Improvement Program (TIP) are not fully funded.

Subsidy funding remains an overriding issue as LI Bus seeks additional assistance from Nassau County to meet new needs and cover the basic effects of inflation. Nassau County funding has remained flat over the past four years. The cyclical financial uncertainty adds to the challenge of balancing service levels and effectiveness, with cost containment objectives.

LI Bus has embedded cost saving programs that continue to contribute to the MTA Agency wide cost savings program and has met all past PEG commitments. Additional real savings of \$3.5 million was achieved in 2006 and contributed to a favorable opening cash balance in 2007.

A major claims judgment awarded a \$4.5 million payment to the plaintiff. Two recent noteworthy accidents will impact liability reserve accounts in the near future.

LI Bus will continue to monitor internal controllable expenses while maximizing subsidies and other revenue sources to effectively meet our service and safety commitments.

2007 November Forecast

The net change over the 2007 July Mid-Year forecast was an increase of \$.2 million before the addition of OPEB provisions. There was no change in revenue.

The net change in the labor category was a decrease of \$.2 million.

- Higher than forecasted vacancies contributed a net \$.1 million between payroll and overtime.
- Health and welfare continues to be favorably affected by vacancies and a savings of \$.1 million was recognized.

Additional funding of \$.5 million is needed to address the increased maintenance and repair requirements of the older buses held in service, due to the uncontrollable delays in replacement bus deliveries. A higher than CPI average increase in material and parts costs also contributed to the new need.

A provision for other post employment benefits (OPEB) of \$4.8 million was added to the November Plan.

Program to Eliminate the Gap (PEGs)

LI Bus has applied for Internal Revenue Service CNG tax credits that, contingent on its approval, will be used toward deficit reduction and new PEG target compliance.

2008 – Final Proposed Budget – Baseline

Total revenue is projected to be \$49.2 million of which \$40.7 million is expected from farebox receipts. The plan forecasts \$99.6 million in labor and \$37.8 million in non-labor expenses for a total of \$137.4 million for full year 2008.

Revenue declined by \$.7 million due to lower than forecasted grant reimbursement for preventive maintenance. The July Plan included an increase of \$.7 million in capital reimbursement funding. This was reassigned to the fixed route bus purchase expense line.

There were no programmatic changes included in the 2008 final proposed budget.

Excluding OPEB, changes in expenses are reflective of the updated CPI's used, and/or adjustment to the 2007 baseline. These baseline adjustments include the funding of additional repairs, maintenance and material usage costs. Net change in expenses over the July Plan was \$2.3 million.

Based on the CPI guidelines, fuel cost will add \$1.3 million to the July estimate. This was due mainly to a significant increase in the CNG inflator of 20.4% over the 2007 baseline.

The qualified tax credit derived from the use of CNG as propulsion fuel was submitted to the IRS and if approved, it will be applied towards the 2008 deficit reduction and the overall target reduction program.

Provisions for other post employment benefits (OPEB) of \$4.9 million was added to the November plan.

2009 – 2011 Projections

This plan supports ridership increases of .5% per year. If higher trends prevail, additional resources will be required to meet the increased demand.

Farebox revenue forecast mirrors the .5% ridership increase in that no major shift in average fares is anticipated.

There was no change in labor expense assumptions from the July 2007 Plan.

All other non-labor and non-energy related changes pertain to CPI and contract related rate changes.

Fuel and utilities annual baseline changes reflect the November 2007 Plan adjustments and issued rate guidelines.

Total baseline positions remain at 1,153 of which 14 are reimbursable.

Provisions for other post employment benefits (OPEB) of \$5.0 –2009, \$5.3 – 2010 and \$5.4 - 2011 million was added to the November Plan.

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

| NON-REIMBURSABLE | | | | | | |
|---|-------------------|--------------------------|------------------------------|-------------------|-------------------|--------------------|
| | 2006 | 2007 | 2008 | | | |
| | Actual | November Forecast | Final Proposed Budget | 2009 | 2010 | 2011 |
| Operating Revenue | | | | | | |
| Farebox Revenue | \$ 40.446 | \$ 40.466 | \$ 40.668 | \$ 40.872 | \$ 41.076 | \$ 41.281 |
| Toll Revenue | - | - | - | - | - | - |
| Other Operating Revenue | 4.641 | 3.007 | 2.582 | 2.489 | 2.297 | 2.505 |
| Capital and Other Reimbursements | - | - | - | - | - | - |
| Total Revenue | \$45.087 | \$43.473 | \$43.250 | \$43.361 | \$43.373 | \$43.786 |
| Operating Expenses | | | | | | |
| <u>Labor:</u> | | | | | | |
| Payroll | \$ 59.318 | \$ 61.564 | \$ 64.489 | \$ 65.881 | \$ 67.166 | \$ 68.509 |
| Overtime | 5.514 | 5.761 | 5.548 | 5.659 | 5.769 | 5.885 |
| Health and Welfare | 11.253 | 12.122 | 13.753 | 15.018 | 16.400 | 17.909 |
| Pensions | 5.291 | 5.586 | 5.777 | 5.901 | 6.016 | 6.136 |
| Other Fringe Benefits | 6.985 | 7.176 | 7.359 | 7.513 | 7.659 | 7.813 |
| Pattern Labor Provision | - | - | - | - | - | - |
| Reimbursable Overhead | - | - | - | - | - | - |
| Total Labor Expenses | \$88.361 | \$92.209 | \$96.926 | \$99.972 | \$103.011 | \$106.252 |
| <u>Non-Labor:</u> | | | | | | |
| Traction and Propulsion Power | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Fuel for Buses and Trains | 10.959 | 11.246 | 13.167 | 13.679 | 13.100 | 12.716 |
| Insurance | 0.829 | 0.343 | 0.583 | 0.399 | 0.445 | 0.715 |
| Claims | 4.459 | 3.428 | 3.483 | 3.537 | 3.602 | 3.672 |
| Paratransit Service Contracts | - | - | - | - | - | - |
| Maintenance and Other Operating Contracts | 7.740 | 9.541 | 10.132 | 10.377 | 10.524 | 10.695 |
| Professional Service Contracts | 1.771 | 1.941 | 1.982 | 2.026 | 2.068 | 2.112 |
| Materials & Supplies | 2.468 | 4.432 | 4.743 | 3.596 | 3.751 | 3.913 |
| Other Business Expenses | 0.070 | 0.356 | 0.415 | 0.424 | 0.432 | 0.442 |
| Total Non-Labor Expenses | \$28.296 | \$31.287 | \$34.504 | \$34.037 | \$33.922 | \$34.264 |
| <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 | \$116.657 | \$123.497 | \$131.430 | \$134.009 | \$136.933 | \$140.516 |
| Depreciation | - | - | - | - | - | - |
| Other Post Employment Benefits | - | 4.800 | 4.900 | 5.000 | 5.300 | 5.400 |
| Total Expenses | \$116.657 | \$128.297 | \$136.330 | \$139.009 | \$142.233 | \$145.916 |
| Baseline Surplus/(Deficit) | (\$71.570) | (\$84.824) | (\$93.079) | (\$95.649) | (\$98.860) | (\$102.130) |
| 2008 Program to Eliminate the Gap (PEGs) | - | 1.139 | 2.277 | 2.277 | 1.139 | - |
| Post 2008 Program to Eliminate the Gap (PEGs) | - | - | - | - | - | - |
| Net Surplus/(Deficit) | (\$71.570) | (\$83.685) | (\$90.802) | (\$93.372) | (\$97.721) | (\$102.130) |

[illegible]

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

| NON-REIMBURSABLE / REIMBURSABLE | | | | | | |
|---|-------------------|--------------------------|------------------------------|-------------------|-------------------|--------------------|
| | 2006 | 2007 | 2008 | | | |
| | Actual | November Forecast | Final Proposed Budget | 2009 | 2010 | 2011 |
| Revenue | | | | | | |
| Farebox Revenue | \$ 40.446 | \$ 40.466 | \$ 40.668 | \$ 40.872 | \$ 41.076 | \$ 41.281 |
| Toll Revenue | - | - | - | - | - | - |
| Other Operating Revenue | 4.641 | 3.007 | 2.582 | 2.489 | 2.297 | 2.505 |
| Capital and Other Reimbursements | 5.568 | 5.761 | 5.973 | 6.854 | 7.039 | 7.240 |
| Total Revenue | \$50.655 | \$49.234 | \$49.223 | \$50.214 | \$50.412 | \$51.026 |
| Expenses | | | | | | |
| <u>Labor:</u> | | | | | | |
| Payroll | \$ 60.029 | \$ 62.439 | \$ 65.391 | \$ 66.810 | \$ 68.112 | \$ 69.475 |
| Overtime | 5.514 | 5.761 | 5.548 | 5.659 | 5.769 | 5.885 |
| Health and Welfare | 12.599 | 13.573 | 15.385 | 16.800 | 18.346 | 20.034 |
| Pensions | 5.406 | 5.658 | 5.851 | 5.977 | 6.094 | 6.215 |
| Other Fringe Benefits | 7.081 | 7.239 | 7.424 | 7.580 | 7.728 | 7.882 |
| Pattern Labor Provision | - | - | - | - | - | - |
| Reimbursable Overhead | - | - | - | - | - | - |
| Total Labor Expenses | \$90.629 | \$94.670 | \$99.598 | \$102.826 | \$106.049 | \$109.491 |
| <u>Non-Labor:</u> | | | | | | |
| Traction and Propulsion Power | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Fuel for Buses and Trains | 10.959 | 11.246 | 13.167 | 13.679 | 13.100 | 12.716 |
| Insurance | 0.829 | 0.343 | 0.583 | 0.399 | 0.445 | 0.715 |
| Claims | 4.459 | 3.428 | 3.483 | 3.537 | 3.602 | 3.672 |
| Paratransit Service Contracts | - | - | - | - | - | - |
| Maintenance and Other Operating Contracts | 7.740 | 9.541 | 10.132 | 10.377 | 10.524 | 10.695 |
| Professional Service Contracts | 1.771 | 1.941 | 1.982 | 2.026 | 2.068 | 2.112 |
| Materials & Supplies | 5.768 | 7.732 | 8.043 | 7.596 | 7.751 | 7.913 |
| Other Business Expenses | 0.070 | 0.356 | 0.415 | 0.424 | 0.432 | 0.442 |
| Total Non-Labor Expenses | \$31.596 | \$34.587 | \$37.804 | \$38.037 | \$37.922 | \$38.264 |
| <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 | \$122.225 | \$129.257 | \$137.402 | \$140.863 | \$143.971 | \$147.755 |
| Depreciation | - | - | - | - | - | - |
| Other Post Employment Benefits | - | 4.800 | 4.900 | 5.000 | 5.300 | 5.400 |
| Total Expenses | \$122.225 | \$134.057 | \$142.302 | \$145.863 | \$149.271 | \$153.155 |
| Baseline Surplus/(Deficit) | (\$71.570) | (\$84.823) | (\$93.079) | (\$95.649) | (\$98.859) | (\$102.130) |
| 2008 Program to Eliminate the Gap (PEGs) | - | 1.139 | 2.277 | 2.277 | 1.139 | - |
| Post 2008 Program to Eliminate the Gap (PEGs) | - | - | - | - | - | - |
| Net Surplus/(Deficit) | (\$71.570) | (\$83.685) | (\$90.802) | (\$93.372) | (\$97.721) | (\$102.130) |

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

CASH RECEIPTS AND EXPENDITURES

| | 2006 | 2007 | 2008 | | | |
|---|-------------------|-------------------|-----------------------|-------------------|-------------------|-------------------|
| | Actual | November | Final Proposed | 2009 | 2010 | 2011 |
| | | Forecast | Budget | | | |
| Receipts | | | | | | |
| Farebox Revenue | \$ 40.188 | \$ 40.358 | \$ 40.505 | \$ 41.472 | \$ 40.966 | \$ 41.171 |
| Vehicle Toll Revenue | - | - | - | - | - | - |
| Other Operating Revenue | 6.199 | 2.767 | 2.532 | 2.439 | 2.247 | 2.455 |
| Capital and Other Reimbursements | 4.944 | 6.145 | 5.686 | 6.521 | 6.668 | 6.828 |
| Total Receipts | \$51.331 | \$49.270 | \$48.723 | \$50.432 | \$49.881 | \$50.454 |
| Expenditures | | | | | | |
| <u>Labor:</u> | | | | | | |
| Payroll | \$ 58.663 | \$ 63.665 | \$ 65.054 | \$ 68.922 | \$ 67.772 | \$ 69.129 |
| Overtime | 5.562 | 5.731 | 5.515 | 5.840 | 5.733 | 5.847 |
| Health and Welfare | 12.606 | 13.528 | 15.334 | 16.744 | 18.285 | 19.968 |
| Pensions | 5.104 | 5.047 | 5.686 | 5.806 | 5.917 | 6.032 |
| Other Fringe Benefits | 6.585 | 7.957 | 7.384 | 7.820 | 7.686 | 7.838 |
| Pattern Labor Provision | - | - | - | - | - | - |
| GASB Account | - | 0.298 | 0.308 | 0.318 | 0.327 | 0.338 |
| Reimbursable Overhead | - | - | - | - | - | - |
| Total Labor Expenditures | \$88.520 | \$96.226 | \$99.281 | \$105.450 | \$105.720 | \$109.152 |
| <u>Non-Labor:</u> | | | | | | |
| Traction and Propulsion Power | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Fuel for Buses and Trains | 10.325 | 10.996 | 12.902 | 13.401 | 12.806 | 12.415 |
| Insurance | 0.038 | 1.504 | 0.583 | 0.399 | 0.445 | 0.715 |
| Claims | 2.135 | 8.747 | 3.435 | 3.486 | 3.548 | 3.612 |
| Paratransit Service Contracts | - | - | - | - | - | - |
| Maintenance and Other Operating Contracts | 7.528 | 9.489 | 9.958 | 10.200 | 10.344 | 10.511 |
| Professional Service Contracts | 1.884 | 1.883 | 1.913 | 1.947 | 1.982 | 2.018 |
| Materials & Supplies | 5.876 | 7.632 | 7.940 | 7.491 | 7.644 | 7.804 |
| Other Business Expenses | 0.626 | 0.336 | 0.392 | 0.399 | 0.407 | 0.414 |
| Total Non-Labor Expenditures | \$28.412 | \$40.587 | \$37.123 | \$37.323 | \$37.176 | \$37.489 |
| <u>Other Expenditure Adjustments:</u> | | | | | | |
| Other | - | - | - | - | - | - |
| Total Other Expenditure Adjustments | \$0.000 | \$0.000 | \$0.000 | \$0.000 | \$0.000 | \$0.000 |
| Total Expenditures | \$116.932 | \$136.813 | \$136.404 | \$142.773 | \$142.896 | \$146.641 |
| Baseline Cash Deficit | (\$65.601) | (\$87.543) | (\$87.681) | (\$92.341) | (\$93.015) | (\$96.187) |
| 2008 Program to Eliminate the Gap (PEGs) | - | 1.139 | 2.277 | 2.277 | 1.139 | - |
| Post 2008 Program to Eliminate the Gap (PEGs) | - | - | - | - | - | - |
| Net Cash Deficit | (\$65.601) | (\$86.405) | (\$85.404) | (\$90.064) | (\$91.876) | (\$96.187) |

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

| CASH FLOW ADJUSTMENTS | | | | | | |
|--|----------------|--------------------------|------------------------------|------------------|------------------|------------------|
| | 2006 | 2007 | 2008 | | | |
| | Actual | November Forecast | Final Proposed Budget | 2009 | 2010 | 2011 |
| Receipts | | | | | | |
| Farebox Revenue | \$ (0.258) | \$ (0.108) | \$ (0.163) | \$ 0.600 | \$ (0.110) | \$ (0.111) |
| Vehicle Toll Revenue | - | - | - | - | - | - |
| Other Operating Revenue | 1.558 | (0.240) | (0.050) | (0.050) | (0.050) | (0.050) |
| Capital and Other Reimbursements | (0.624) | 0.384 | (0.287) | (0.333) | (0.371) | (0.412) |
| Total Receipts | \$0.676 | \$0.036 | (\$0.500) | \$0.218 | (\$0.531) | (\$0.572) |
| Expenditures | | | | | | |
| <u>Labor:</u> | | | | | | |
| Payroll | \$ 1.366 | \$ (1.226) | \$ 0.337 | \$ (2.112) | \$ 0.340 | \$ 0.346 |
| Overtime | (0.048) | 0.030 | 0.033 | (0.181) | 0.036 | 0.038 |
| Health and Welfare | (0.007) | 0.045 | 0.051 | 0.056 | 0.061 | 0.066 |
| Pensions | 0.302 | 0.611 | 0.165 | 0.171 | 0.177 | 0.183 |
| Other Fringe Benefits | 0.496 | (0.718) | 0.040 | (0.240) | 0.042 | 0.044 |
| Pattern Labor Provision | - | - | - | - | - | - |
| GASB Account | - | (0.298) | (0.308) | (0.318) | (0.327) | (0.338) |
| Reimbursable Overhead | - | - | - | - | - | - |
| Total Labor Expenditures | \$2.109 | (\$1.556) | \$0.317 | (\$2.624) | \$0.328 | \$0.339 |
| <u>Non-Labor:</u> | | | | | | |
| Traction and Propulsion Power | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Fuel for Buses and Trains | 0.634 | 0.250 | 0.265 | 0.278 | 0.294 | 0.301 |
| Insurance | 0.791 | (1.161) | - | - | - | - |
| Claims | 2.324 | (5.319) | 0.048 | 0.051 | 0.054 | 0.060 |
| Paratransit Service Contracts | - | - | - | - | - | - |
| Maintenance and Other Operating Contracts | 0.212 | 0.052 | 0.174 | 0.177 | 0.180 | 0.184 |
| Professional Service Contracts | (0.113) | 0.058 | 0.069 | 0.079 | 0.086 | 0.094 |
| Materials & Supplies | (0.108) | 0.100 | 0.103 | 0.105 | 0.107 | 0.109 |
| Other Business Expenditures | (0.556) | 0.020 | 0.023 | 0.025 | 0.025 | 0.028 |
| Total Non-Labor Expenditures | \$3.184 | (\$6.000) | \$0.681 | \$0.714 | \$0.746 | \$0.775 |
| <u>Other Expenditures Adjustments:</u> | | | | | | |
| Other | - | - | - | - | - | - |
| Total Other Expenditures Adjustments | \$0.000 | \$0.000 | \$0.000 | \$0.000 | \$0.000 | \$0.000 |
| Total Cash Conversion Adjustments before Depreciation | \$5.969 | (\$7.520) | \$0.498 | (\$1.692) | \$0.544 | \$0.542 |
| Depreciation Adjustment | - | - | - | - | - | - |
| Other Post Employment Benefits | - | 4.800 | 4.900 | 5.000 | 5.300 | 5.400 |
| Baseline Total Cash Conversion Adjustments | \$5.969 | (\$2.720) | \$5.398 | \$3.308 | \$5.844 | \$5.942 |
| 2008 Program to Eliminate the Gap (PEGs) | - | - | - | - | - | - |
| Post 2008 Program to Eliminate the Gap (PEGs) | - | - | - | - | - | - |
| Total Cash Conversion Adjustments | \$5.969 | (\$2.720) | \$5.398 | \$3.308 | \$5.844 | \$5.942 |

**MTA Long Island Bus
2008 Final Proposed Budget
November Financial Plan 2008 - 2011
Year-to-Year Summary of Changes: 2007 – 2011**

1. REVENUE

- **Farebox:**

- **2007:** The minor change over 2006 reflects current ridership trends. Year-to-date ridership is on par with the 2006 level while the minor increase in revenue shown, is reflective of higher 4th quarter ridership projections.
- **2008 – 2011:** Farebox revenue is projected to increase by \$.2 million in 2008. An identical .5% annual growth rate is forecasted for the other plan years.

- **Other Operating Revenue**

- **2007 – 2011:** This budget category includes advertising, LIRR scheduled shuttles and operating grants. Based on contract expiration, renewal and grant availability, terms and assumptions may vary annually. Such changes are reflected in the current plan, each with unique variables in a given year.

- **Capital & Other Reimbursements**

- **2007 – 2011:** The preventive maintenance reimbursable portion of this category remained at the 2006 level of \$3.3 million through 2008. An increase of \$.7 million is projected for the 2008 – 2011 plan period. All other annual changes reflect the use of guideline CPI factors affecting health and welfare cost reimbursements.

2. LABOR EXPENSES

- **Payroll/Overtime:**

- **2007:** Vacancy savings were used to offset expenses while baseline changes were made to the 2007 July plan to fund segments of existing service beyond March 2007. All other pattern labor assumptions were unchanged. The TWU represented labor contract has been ratified and all contractual retroactive cash payments will be made in November 2007.
- **2008 – 2011:** Year-to-year variances were due to the application of CPI's on the prior year's base. Labor provision assumptions are effective through 2008 with guideline CPI's utilized in the remaining plan years.

There is an extra pay period in 2009 and the appropriate cash was added to the relevant line items.

- **Health & Welfare**

- **2007:** Health Insurance costs were adjusted to the guideline net premium rate of 4.02%. This produced a \$.3 million savings.
- **2008 – 2011:** Rates for 2008 are projected to increase by 12.5% and by 9.2% for the remaining plan years. These factors account for the changes between the annual budgets.

- **Pension**

- **2007:** There were no accrual changes to the 2007 baseline.
- **2008 – 2011:** Year-to-year changes reflect CPI application to base numbers.

- **Other Fringe Benefits**

- **2007 – 2011:** Year-to-year changes are due to the inflators used. The TWU represented labor contract has been ratified and all contractual retroactive cash payments will be made in November 2007.

2. NON LABOR EXPENSES

- **Fuel:**

- **2007 – 2011:** The baseline rates are unchanged for the remainder of the 2007 plan. Annual usage related to service/vehicle miles also remains constant through the 2008-2011 Plan, as funding for future expansion has not yet been identified. Plan year changes are, therefore, the result of using fuel guideline rates applicable to each fuel type and plan year. The fuel total is therefore a net result of the inflators applied for diesel, compressed natural gas (CNG) and lubricants. The most significant change is for CNG which is projected to increase by 20.4% over 2007. The net change for the overall fuel category is as follows: 17.1% - 2008, 3.9% - 2009, (4.3%) - 2010 and (2.9%) in 2011.

- **Insurance**

- **2007 – 2011:** Annual changes were based on rate and payment schedule directives. The 2007 cash variance includes timing variances from 2006.

- **Claims**

- **2007 – 2011:** Annual and plan changes are influenced by reserve requirements. This plan utilized current data and will be assessed on an ongoing basis. The 2007 cash variance includes timing variances from 2006 and a \$4.5 million payment in 2007.

- **Maintenance & Other Operating Contracts**

- **2007:** The 2007 baseline was increased due to new bus maintenance needs related to delayed bus replacements.
- **2008 – 2011:** Guideline CPI's were applied to the 2007 adjusted baseline and to each years baseline thereafter. This category includes utilities and the applicable guideline rates were applied.

- **Professional Service Contracts**

- **2007 – 2011:** Changes between plan years are due to the application of guideline CPI's to each plan year baseline numbers.

- **Material & Supplies**

- **2007:** Unit price of material and parts increased above CPI rates and adjustments were made to cover this and other shortfalls caused by higher usage.
- **2008 – 2011:** Similar adjustments were made to compensate for the expected higher usage during the first six months of 2008, after which time, usage is expected to gradually normalize as the first delivery of replacement buses arrive. Changes in all other plan years show the effect of the CPI's used.

- **Other Business Expenses**

- **2007 – 2011:** There were no major changes in this category.

- **Other Post Employment Benefits**

- **2007 – 2011:** Provisions for OPEB was added to each year of this plan period.

MTA LONG ISLAND BUS
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 | \$40.466 | \$40.668 | \$0.202 | \$40.872 | \$0.203 | \$41.076 | \$0.204 | \$41.281 | \$0.205 |
| Vehicle Toll Revenue | - | - | - | - | - | - | - | - | - |
| Other Operating Revenue | 3.007 | 2.582 | (0.425) | 2.489 | (0.093) | 2.297 | (0.192) | 2.505 | 0.208 |
| Capital and Other Reimbursements | - | - | - | - | - | - | - | - | - |
| Total Revenue | \$43.473 | \$43.250 | (\$0.223) | \$43.361 | \$0.110 | \$43.373 | \$0.012 | \$43.786 | \$0.413 |
| <u>Expenses</u> | | | | | | | | | |
| Labor: | | | | | | | | | |
| Payroll | \$61.564 | \$64.489 | (\$2.925) | \$65.881 | (\$1.392) | \$67.166 | (\$1.285) | \$68.509 | (\$1.343) |
| Overtime | 5.761 | 5.548 | 0.213 | 5.659 | (0.112) | 5.769 | (0.110) | 5.885 | (0.115) |
| Health and Welfare | 12.122 | 13.753 | (1.631) | 15.018 | (1.265) | 16.400 | (1.382) | 17.909 | (1.509) |
| Pensions | 5.586 | 5.777 | (0.191) | 5.901 | (0.124) | 6.016 | (0.115) | 6.136 | (0.120) |
| Other Fringe Benefits | 7.176 | 7.359 | (0.183) | 7.513 | (0.154) | 7.659 | (0.147) | 7.813 | (0.153) |
| Reimbursable Overhead | - | - | - | - | - | - | - | - | - |
| Total Labor Expenses | \$92.209 | \$96.926 | (\$4.716) | \$99.972 | (\$3.047) | \$103.011 | (\$3.038) | \$106.252 | (\$3.241) |
| Non-Labor: | | | | | | | | | |
| Traction and Propulsion Power | - | - | - | - | - | - | - | - | - |
| Fuel for Buses and Trains | \$11.246 | \$13.167 | (1.921) | \$13.679 | (0.512) | \$13.100 | 0.579 | \$12.716 | 0.384 |
| Insurance | 0.343 | 0.583 | (0.240) | 0.399 | 0.184 | 0.445 | (0.046) | 0.715 | (0.270) |
| Claims | 3.428 | 3.483 | (0.055) | 3.537 | (0.054) | 3.602 | (0.065) | 3.672 | (0.070) |
| Paratransit Service Contracts | - | - | - | - | - | - | - | - | - |
| Maintenance and Other Operating Contracts | 9.541 | 10.132 | (0.591) | 10.377 | (0.245) | 10.524 | (0.147) | 10.695 | (0.171) |
| Professional Service Contracts | 1.941 | 1.982 | (0.041) | 2.026 | (0.044) | 2.068 | (0.042) | 2.112 | (0.044) |
| Materials & Supplies | 4.432 | 4.743 | (0.311) | 3.596 | 1.147 | 3.751 | (0.155) | 3.913 | (0.162) |
| Other Business Expenses | 0.356 | 0.415 | (0.059) | 0.424 | (0.009) | 0.432 | (0.009) | 0.442 | (0.009) |
| Total Non-Labor Expenses | \$31.287 | \$34.504 | (\$3.217) | \$34.037 | \$0.467 | \$33.922 | \$0.115 | \$34.264 | (\$0.342) |
| 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 | \$123.497 | \$131.430 | (\$7.933) | \$134.009 | (\$2.580) | \$136.933 | (\$2.923) | \$140.516 | (\$3.583) |
| Depreciation | - | - | - | - | - | - | - | - | - |
| Other Post Employment Benefits | 4.800 | 4.900 | (0.100) | 5.000 | (0.100) | 5.300 | (0.300) | 5.400 | (0.100) |
| Total Expenses | \$128.297 | \$136.330 | (\$8.033) | \$139.009 | (\$2.680) | \$142.233 | (\$3.223) | \$145.916 | (\$3.683) |
| Baseline Net Surplus/(Deficit) | (\$84.824) | (\$93.079) | (\$8.256) | (\$95.649) | (\$2.569) | (\$98.860) | (\$3.211) | (\$102.130) | (\$3.270) |
| 2008 Agency Program to Eliminate the GAP | 1.139 | 2.277 | 1.139 | 2.277 | 0.000 | 1.139 | (1.139) | 0.000 | (1.139) |
| Post-2008 Agency Program to Elim. The Gap | - | - | - | - | - | - | - | - | - |
| Net Surplus/(Deficit) | (\$83.685) | (\$90.802) | (\$7.117) | (\$93.372) | (\$2.569) | (\$97.721) | (\$4.349) | (\$102.130) | (\$4.409) |

MTA Long Island Bus
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 | - | - | - | - | - | - | - | - | - |
| Vehicle Toll Revenue | - | - | - | - | - | - | - | - | - |
| Other Operating Revenue | - | - | - | - | - | - | - | - | - |
| Capital and Other Reimbursements | 5.761 | 5.973 | 0.212 | 6.854 | 0.881 | 7.039 | 0.185 | 7.240 | 0.201 |
| Total Revenue | \$5.761 | \$5.973 | \$0.212 | \$6.854 | \$0.881 | \$7.039 | \$0.185 | \$7.240 | \$0.201 |
| <u>Expenses</u> | | | | | | | | | |
| Labor: | | | | | | | | | |
| Payroll | \$0.875 | \$0.901 | (\$0.026) | \$0.928 | (\$0.027) | \$0.946 | (\$0.018) | \$0.965 | (\$0.019) |
| Overtime | - | - | - | - | - | - | - | - | - |
| Health and Welfare | 1.451 | 1.632 | (0.181) | 1.782 | (0.150) | 1.946 | (0.164) | 2.125 | (0.179) |
| Pensions | 0.072 | 0.074 | (0.002) | 0.076 | (0.002) | 0.078 | (0.001) | 0.079 | (0.002) |
| Other Fringe Benefits | 0.063 | 0.065 | (0.002) | 0.067 | (0.002) | 0.068 | (0.001) | 0.070 | (0.001) |
| Reimbursable Overhead | - | - | - | - | - | - | - | - | - |
| Total Labor Expenses | \$2.461 | \$2.672 | (\$0.212) | \$2.853 | (\$0.181) | \$3.038 | (\$0.185) | \$3.239 | (\$0.201) |
| Non-Labor: | | | | | | | | | |
| Traction and Propulsion Power | - | - | - | - | - | - | - | - | - |
| Fuel for Buses and Trains | - | - | - | - | - | - | - | - | - |
| Insurance | - | - | - | - | - | - | - | - | - |
| Claims | - | - | - | - | - | - | - | - | - |
| Paratransit Service Contracts | - | - | - | - | - | - | - | - | - |
| Maintenance and Other Operating Contracts | - | - | - | - | - | - | - | - | - |
| Professional Service Contracts | - | - | - | - | - | - | - | - | - |
| Materials & Supplies | 3.300 | 3.300 | 0.000 | 4.000 | (0.700) | 4.000 | 0.000 | 4.000 | 0.000 |
| Other Business Expenses | - | - | - | - | - | - | - | - | - |
| Total Non-Labor Expenses | \$3.300 | \$3.300 | \$0.000 | \$4.000 | (\$0.700) | \$4.000 | \$0.000 | \$4.000 | \$0.000 |
| 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 | \$5.761 | \$5.972 | (\$0.212) | \$6.853 | (\$0.881) | \$7.038 | (\$0.185) | \$7.239 | (\$0.201) |
| Depreciation | - | - | - | - | - | - | - | - | - |
| Other Post Employment Benefits | - | - | - | - | - | - | - | - | - |
| Total Expenses | \$5.761 | \$5.972 | (\$0.212) | \$6.853 | (\$0.881) | \$7.038 | (\$0.185) | \$7.239 | (\$0.201) |
| Baseline Net Surplus/(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 | - | - | - | - | - | - | - | - | - |
| Post-2008 Agency Program to Elim. The Gap | - | - | - | - | - | - | - | - | - |
| Net Surplus/(Deficit) | \$0.000 | \$0.000 | (\$0.000) | \$0.000 | (\$0.000) | \$0.000 | \$0.000 | \$0.000 | \$0.000 |

MTA Long Island Bus
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 | \$40.466 | \$40.668 | \$0.202 | \$40.872 | \$0.203 | \$41.076 | \$0.204 | \$41.281 | \$0.205 |
| Vehicle Toll Revenue | - | - | - | - | - | - | - | - | - |
| Other Operating Revenue | 3.007 | 2.582 | (0.425) | 2.489 | (0.093) | 2.297 | (0.192) | 2.505 | 0.208 |
| Capital and Other Reimbursements | 5.761 | 5.973 | 0.212 | 6.854 | 0.881 | 7.039 | 0.185 | 7.240 | 0.201 |
| Total Revenue | \$49.234 | \$49.223 | (\$0.011) | \$50.214 | \$0.991 | \$50.412 | \$0.197 | \$51.026 | \$0.614 |
| Expenses | | | | | | | | | |
| Labor: | | | | | | | | | |
| Payroll | \$62.439 | \$65.391 | (\$2.952) | \$66.810 | (\$1.419) | \$68.112 | (\$1.303) | \$69.475 | (\$1.362) |
| Overtime | 5.761 | 5.548 | 0.213 | 5.659 | (0.112) | 5.769 | (0.110) | 5.885 | (0.115) |
| Health and Welfare | 13.573 | 15.385 | (1.812) | 16.800 | (1.415) | 18.346 | (1.546) | 20.034 | (1.688) |
| Pensions | 5.658 | 5.851 | (0.193) | 5.977 | (0.126) | 6.094 | (0.117) | 6.215 | (0.122) |
| Other Fringe Benefits | 7.239 | 7.424 | (0.185) | 7.580 | (0.156) | 7.728 | (0.148) | 7.882 | (0.155) |
| Reimbursable Overhead | - | - | - | - | - | - | - | - | - |
| Total Labor Expenses | \$94.670 | \$99.598 | (\$4.928) | \$102.826 | (\$3.228) | \$106.049 | (\$3.223) | \$109.491 | (\$3.442) |
| Non-Labor: | | | | | | | | | |
| Traction and Propulsion Power | - | - | - | - | - | - | - | - | - |
| Fuel for Buses and Trains | \$11.246 | \$13.167 | (1.921) | \$13.679 | (0.512) | \$13.100 | 0.579 | \$12.716 | 0.384 |
| Insurance | 0.343 | 0.583 | (0.240) | 0.399 | 0.184 | 0.445 | (0.046) | 0.715 | (0.270) |
| Claims | 3.428 | 3.483 | (0.055) | 3.537 | (0.054) | 3.602 | (0.065) | 3.672 | (0.070) |
| Paratransit Service Contracts | - | - | - | - | - | - | - | - | - |
| Maintenance and Other Operating Contracts | 9.541 | 10.132 | (0.591) | 10.377 | (0.245) | 10.524 | (0.147) | 10.695 | (0.171) |
| Professional Service Contracts | 1.941 | 1.982 | (0.041) | 2.026 | (0.044) | 2.068 | (0.042) | 2.112 | (0.044) |
| Materials & Supplies | 7.732 | 8.043 | (0.311) | 7.596 | 0.447 | 7.751 | (0.155) | 7.913 | (0.162) |
| Other Business Expenses | 0.356 | 0.415 | (0.059) | 0.424 | (0.009) | 0.432 | (0.009) | 0.442 | (0.009) |
| Total Non-Labor Expenses | \$34.587 | \$37.804 | (\$3.217) | \$38.037 | (\$0.233) | \$37.922 | \$0.115 | \$38.264 | (\$0.342) |
| 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 | \$129.257 | \$137.402 | (\$8.144) | \$140.863 | (\$3.461) | \$143.971 | (\$3.108) | \$147.755 | (\$3.784) |
| Depreciation | - | - | - | - | - | - | - | - | - |
| Other Post Employment Benefits | 4.800 | 4.900 | (0.100) | 5.000 | (0.100) | 5.300 | (0.300) | 5.400 | (0.100) |
| Total Expenses | \$134.057 | \$142.302 | (\$8.244) | \$145.863 | (\$3.561) | \$149.271 | (\$3.408) | \$153.155 | (\$3.884) |
| Baseline Net Surplus/(Deficit) | (\$84.823) | (\$93.079) | (\$8.256) | (\$95.649) | (\$2.570) | (\$98.859) | (\$3.211) | (\$102.129) | (\$3.270) |
| 2008 Agency Program to Eliminate the GAP | 1.139 | 2.277 | 1.139 | 2.277 | - | 1.139 | (1.139) | - | (1.139) |
| Post-2008 Agency Program to Elim. The Gap | - | - | - | - | - | - | - | - | - |
| Net Surplus/(Deficit) | (\$83.685) | (\$90.802) | (\$7.117) | (\$93.372) | (\$2.570) | (\$97.721) | (\$4.349) | (\$102.130) | (\$4.409) |

MTA Long Island Bus
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 | \$40.358 | \$40.505 | \$0.147 | \$41.472 | \$0.967 | \$40.966 | (\$0.506) | \$41.171 | \$0.205 |
| Vehicle Toll Revenue | - | - | - | - | - | - | - | - | - |
| Other Operating Revenue | 2.767 | 2.532 | (0.235) | 2.439 | (0.093) | 2.247 | (0.192) | 2.455 | 0.208 |
| Capital and Other Reimbursements | 6.145 | 5.686 | (0.459) | 6.521 | 0.835 | 6.668 | 0.147 | 6.828 | 0.160 |
| Total Receipts | \$49.270 | \$48.723 | (\$0.547) | \$50.432 | \$1.709 | \$49.881 | (\$0.551) | \$50.454 | \$0.573 |
| <u>Expenditures</u> | | | | | | | | | |
| Labor: | | | | | | | | | |
| Payroll | \$63.665 | \$65.054 | (\$1.389) | \$68.922 | (\$3.868) | \$67.772 | \$1.150 | \$69.129 | (\$1.356) |
| Overtime | \$5.731 | \$5.515 | \$0.216 | \$5.840 | (\$0.325) | \$5.733 | \$0.107 | \$5.847 | (\$0.114) |
| Health and Welfare | \$13.528 | \$15.334 | (\$1.806) | \$16.744 | (\$1.410) | \$18.285 | (\$1.541) | \$19.968 | (\$1.683) |
| Pensions | \$5.047 | \$5.686 | (\$0.639) | \$5.806 | (\$0.120) | \$5.917 | (\$0.111) | \$6.032 | (\$0.115) |
| Other Fringe Benefits | \$7.957 | \$7.384 | \$0.573 | \$7.820 | (\$0.436) | \$7.686 | \$0.134 | \$7.838 | (\$0.152) |
| Pattern Labor Provision | - | - | - | - | - | - | - | - | - |
| GASB Account | \$0.298 | \$0.308 | (\$0.010) | \$0.318 | (\$0.010) | \$0.327 | (\$0.009) | \$0.338 | (\$0.011) |
| Reimbursable Overhead | - | - | - | - | - | - | - | - | - |
| Total Labor Expenditures | \$96.226 | \$99.281 | (\$3.055) | \$105.450 | (\$6.169) | \$105.720 | (\$0.270) | \$109.152 | (\$3.431) |
| Non-Labor: | | | | | | | | | |
| Traction and Propulsion Power | - | - | - | - | - | - | - | - | - |
| Fuel for Buses and Trains | \$10.996 | \$12.902 | (\$1.906) | \$13.401 | (\$0.499) | \$12.806 | \$0.595 | \$12.415 | 0.391 |
| Insurance | 1.504 | 0.583 | 0.921 | 0.399 | 0.184 | 0.445 | (0.046) | 0.715 | (0.270) |
| Claims | 8.747 | 3.435 | 5.312 | 3.486 | (0.051) | 3.548 | (0.062) | 3.612 | (0.064) |
| Paratransit Service Contracts | - | - | - | - | - | - | - | - | - |
| Maintenance and Other Operating Contracts | 9.489 | 9.958 | (0.469) | 10.200 | (0.242) | 10.344 | (0.144) | 10.511 | (0.167) |
| Professional Service Contracts | 1.883 | 1.913 | (0.030) | 1.947 | (0.034) | 1.982 | (0.035) | 2.018 | (0.036) |
| Materials & Supplies | 7.632 | 7.940 | (0.308) | 7.491 | 0.449 | 7.644 | (0.153) | 7.804 | (0.160) |
| Other Business Expenses | 0.336 | 0.392 | (0.056) | 0.399 | (0.007) | 0.407 | (0.008) | 0.414 | (0.007) |
| Total Non-Labor Expenditures | \$40.587 | \$37.123 | \$3.464 | \$37.323 | (\$0.199) | \$37.176 | \$0.147 | \$37.489 | (\$0.313) |
| Other Expenditure Adjustments: | | | | | | | | | |
| Other | - | - | - | - | - | - | - | - | - |
| Total Other Expenditure Adjustments | \$0.000 | \$0.000 | \$0.000 | \$0.000 | \$0.000 | \$0.000 | \$0.000 | \$0.000 | \$0.000 |
| Total Expenditures | \$136.813 | \$136.404 | \$0.409 | \$142.773 | (\$6.368) | \$142.896 | (\$0.124) | \$146.641 | (\$3.744) |
| Baseline Net Cash Deficit | (\$87.543) | (\$87.681) | (\$0.138) | (\$92.341) | (\$4.659) | (\$93.015) | (\$0.675) | (\$96.187) | (\$3.171) |
| 2008 Agency Program to Eliminate the GAP | 1.139 | 2.277 | (1.139) | 2.277 | - | 1.139 | 1.139 | - | (1.139) |
| Post-2008 Agency Program to Elim. The Gap | - | - | - | - | - | - | - | - | - |
| Net Cash Deficit | (\$86.405) | (\$85.404) | (\$1.276) | (\$90.064) | (\$4.659) | (\$91.876) | \$0.464 | (\$96.187) | (\$4.310) |

**MTA Long Island Bus
2008 Final Proposed Budget
November Financial Plan 2008 - 2011
Summary of Major Plan-to-Plan Changes**

November Financial Plan vs. July Financial Plan

1. REVENUE

- **Farebox:**

- 2007 – There was no change in Farebox Revenue from the July Plan in that year-to-date actual is less than 1% above budget for both fixed route and paratransit service. The projected .5% increase over the 2006 actual is based on traditionally strong 4th quarter ridership. A total of \$40.5 is forecasted.
- Variances in the 2008 – 2010 period are reflective of the changes in the 2007 July Plan and an annual .5% increase in ridership.

- **Other Operating Revenue**

- 2007 - There was no change in this budget category from the July Plan that reflected a net revenue reduction of \$.2 million due to changes in advertising and other revenue based contract rates.
- There was no variance to the July Plan in the 2008 – 2011 plan period.

- **Capital & Other Reimbursements**

- 2007 -There was no variance to the July Plan in this line item.
- The July 2008 forecast included a \$.7 million increase in preventive maintenance reimbursements. However, grant funding for the 2008 fixed route bus procurement was insufficient and the necessary realignments shifted these funds to the bus purchase capital line item. The projected increase remained in the 2009 - 2011 plan period.

2. LABOR EXPENSES

- **Payroll/Overtime/Pension/Other Fringe:**

- 2007 – Favorable year-to-date labor savings were used to lower the 2007 November forecast by a net \$.2 million. Variance between scheduled and unscheduled overtime was realigned causing a decrease in the payroll line item while adding to overtime.
- 2008 – 2011: There was no change from the July forecast in this plan period.

- **Health & Welfare**

- 2007 – A saving of \$.1 million was recognized in this budget category and resulted in lowering the 2007 November forecast.
- 2008 – 2011: There was no change to the July Plan. Rates increases remained at (12.5% - 2008 and 9.2% - 2009 – 2011).

3. NON-LABOR EXPENSES

- **Fuel:**

- 2007 - There was no adjustment to forecasted expenses in the July Plan.
- 2008 – 2011: Fuel rates remain volatile and the guidelines CPI's were applied to the 2007 baseline needs. However there was a significant jump in the projected compressed natural gas (CNG) inflator that skewed the combined fuel category and increased expenses by \$1.3 million. CPI rates applied to CNG expenses were, 2008 – 20.4%, 2009 – 4.7%, 2010 – (4.6%) and 2011 – (3.2%). All variances are reflective of these changes.

- **Insurance**

- 2007 – 2011: There was no change from the July forecast in this plan period.

- **Claims**

- 2007 – 2011: There were no adjustments made in this category for the current plan period. Two recent accidents will however impact reserve requirements in the next plan cycle.

- **Maintenance & Other Operating Contracts**

- 2007 - This category increased by \$.187 million over the July Plan due mainly to:
 - An additional \$.2 million that is required to fund maintenance and structural repair on buses whose lifecycle were extended. There was no change to CPI's affecting utility expenses that are included in this budget category.
- 2008 – 2011: The 2008 plan adds \$.3 million for additional structural repair work. Guideline CPI's were then applied to the baseline expenses and accounts for the listed variances.

- **Professional Service Contracts**

- 2007 – 2011: There were no new needs or programmatic changes in this budget category and variances are the result of changes in the guideline CPI's used.

- **Material & Supplies**

- 2007 – The extended use of older buses due to the delay in replacement deliveries has adversely affected material and parts usage. This was addressed in the July plan but actual and trend data necessitated a revision to added funds to address this issue. An additional \$.3 million is required to offset these increases and maintain the safety and reliability of the fleet.
- 2008 – 2011: There was a \$.7 million reduction in reimbursable preventive maintenance material funding that impacted the non-reimbursable budget. Otherwise, guideline CPI's were used on the plan years baseline and account for the other variances shown. The 2008 plan allocates \$.2 million to fund the additional material needs.

- **Other Business Expenses**

- 2007 – A minor cost savings was used to offset the 2007 expenses.
- 2008 – 2011: There were no new needs or programmatic changes in this plan period and variances are the result of changes in the guideline CPI's used.

- **Other Post Employment Benefits**

- **2007 – 2011:** Provisions for OPEB was added to the November Plan for each year of this plan period.

MTA LONG ISLAND BUS
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) | (\$87.578) | (\$84.698) | (\$90.083) | (\$92.333) | (\$96.168) |
| Baseline Changes | | | | | |
| Revenue | | | | | |
| Farebox Revenue | | | | | |
| Vehicle Toll Revenue | | | | | |
| Other Operating Revenue | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Capital and Other Reimbursement | | | | | |
| Total Revenue Changes | \$0.000 | \$0.000 | \$0.000 | \$0.000 | \$0.000 |
| Expenses | | | | | |
| Labor: | | | | | |
| Payroll | \$0.500 | \$0.000 | \$0.000 | \$0.000 | \$0.000 |
| Overtime | (0.400) | | | | |
| Health and Welfare | 0.100 | | | | |
| Pensions | 0.000 | | | | |
| Other Fringe Benefits | | | | | |
| Reimbursable Overhead | | | | | |
| Total Labor Expense Changes | \$0.200 | \$0.000 | \$0.000 | \$0.000 | \$0.000 |
| Non-Labor: | | | | | |
| Traction and Propulsion Power | | | | | |
| Fuel for Buses and Trains | \$0.000 | (\$1.257) | (\$1.162) | \$0.136 | \$0.786 |
| Insurance | | | | | |
| Claims | | | | | |
| Paratransit Service Contracts | | | | | |
| Maintenance and Other Operating Contracts | (0.187) | (0.579) | (0.617) | (0.320) | (0.287) |
| Professional Service Contracts | 0.000 | 0.001 | (0.004) | (0.006) | (0.009) |
| Materials & Supplies | (0.298) | (1.148) | (0.474) | (0.490) | (0.507) |
| Other Business Expenses | 0.050 | 0.000 | (0.001) | (0.001) | (0.002) |
| Other Post Employment Benefits | (4.800) | (4.900) | (5.000) | (5.300) | (5.400) |
| Total Non-Labor Expense Changes | (\$5.235) | (\$7.883) | (\$7.257) | (\$5.981) | (\$5.419) |
| Total Expense Changes | (\$5.035) | (\$7.883) | (\$7.257) | (\$5.981) | (\$5.419) |
| Cash Adjustment Changes | | | | | |
| Farebox Revenue | | | | | |
| Other Operating Revenue | | | | | |
| Capital and Other Reimbursement | 0.270 | | | | |
| Payroll | | | | | |
| Overtime | | | | | |
| Health and Welfare | | | | | |
| Pensions | | | | | |
| Other Fringe Benefits | | | | | |
| Fuel for Buses and Trains | | | | | |
| Insurance | | | | | |
| Claims | | | | | |
| Paratransit Service Contracts | | | | | |
| Maintenance and Other Operating Contracts | | | | | |
| Professional Service Contracts | | | | | |
| Materials & Supplies | | | | | |
| Other Business Expenses | | | | | |
| Other Post Employment Benefits | 4.800 | 4.900 | 5.000 | 5.300 | 5.400 |
| Total Cash Adjustment Changes | \$5.070 | \$4.900 | \$4.999 | \$5.299 | \$5.400 |
| Total Baseline Changes | \$0.035 | (\$2.983) | (\$2.258) | (\$0.682) | (\$0.019) |
| Baseline 2007 November Financial Plan - Operating Cash Income/(Deficit) | (\$87.543) | (\$87.681) | (\$92.341) | (\$93.015) | (\$96.187) |

MTA Long Island Bus
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 | | | | | |
| Other Operating Revenue | | | | | |
| Capital and Other Reimbursement | 0.000 | (0.700) | 0.000 | 0.000 | 0.000 |
| Total Revenue Changes | \$0.000 | (\$0.700) | \$0.000 | \$0.000 | \$0.000 |
| Expenses | | | | | |
| Labor: | | | | | |
| Payroll | \$0.000 | \$0.000 | \$0.000 | \$0.000 | \$0.000 |
| 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 Service Contracts | | | | | |
| Materials & Supplies | \$0.000 | \$0.700 | \$0.000 | \$0.000 | \$0.000 |
| Other Business Expenses | | | | | |
| Other Post Employment Benefits | | | | | |
| Total Non-Labor Expense Changes | \$0.000 | \$0.700 | \$0.000 | \$0.000 | \$0.000 |
| Total Expense Changes | \$0.000 | \$0.700 | \$0.000 | \$0.000 | \$0.000 |
| Cash Adjustment Changes | | | | | |
| Farebox Revenue | | | | | |
| Capital and Other Reimbursement | | | | | |
| Payroll | | | | | |
| Overtime | | | | | |
| Health and Welfare | | | | | |
| Pensions | | | | | |
| Other Fringe Benefits | | | | | |
| Fuel for Buses and Trains | | | | | |
| Insurance | | | | | |
| Claims | | | | | |
| Paratransit Service Contracts | | | | | |
| Maintenance and Other Operating Contracts | | | | | |
| Professional Service Contracts | | | | | |
| Materials & Supplies | | | | | |
| Other Business Expenses | | | | | |
| Other Post Employment Benefits | | | | | |
| 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 Long Island Bus
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) | (\$87.578) | (\$84.698) | (\$90.083) | (\$92.333) | (\$96.168) |
| Baseline Changes | | | | | |
| Revenue | | | | | |
| Farebox Revenue | | | | | |
| Vehicle Toll Revenue | | | | | |
| Other Operating Revenue | 0.000 | 0.000 | 0.000 | 0.000 | 0.000 |
| Capital and Other Reimbursement | 0.000 | (0.700) | 0.000 | 0.000 | 0.000 |
| Total Revenue Changes | \$0.000 | (\$0.700) | \$0.000 | \$0.000 | \$0.000 |
| Expenses | | | | | |
| Labor: | | | | | |
| Payroll | 0.500 | | | | |
| Overtime | (0.400) | | | | |
| Health and Welfare | 0.100 | | | | |
| Pensions | | | | | |
| Other Fringe Benefits | | | | | |
| Reimbursable Overhead | | | | | |
| Total Labor Expense Changes | \$0.200 | \$0.000 | \$0.000 | \$0.000 | \$0.000 |
| Non-Labor: | | | | | |
| Traction and Propulsion Power | | | | | |
| Fuel for Buses and Trains | \$0.000 | (\$1.257) | (\$1.162) | \$0.136 | \$0.786 |
| Insurance | | | | | |
| Claims | | | | | |
| Paratransit Service Contracts | | | | | |
| Maintenance and Other Operating Contracts | (0.187) | (0.579) | (0.617) | (0.320) | (0.287) |
| Professional Service Contracts | 0.000 | 0.001 | (0.004) | (0.006) | (0.009) |
| Materials & Supplies | (0.298) | (0.448) | (0.474) | (0.490) | (0.507) |
| Other Business Expenses | 0.050 | 0.000 | (0.001) | (0.001) | (0.002) |
| Other Post Employment Benefits | (4.800) | (4.900) | (5.000) | (5.300) | (5.400) |
| Total Non-Labor Expense Changes | (\$5.235) | (\$7.183) | (\$7.257) | (\$5.981) | (\$5.419) |
| Total Expense Changes | (\$5.035) | (\$7.183) | (\$7.257) | (\$5.981) | (\$5.419) |
| Cash Adjustment Changes | | | | | |
| Farebox Revenue | | | | | |
| Other Operating Revenue | | | | | |
| Capital and Other Reimbursement | 0.270 | | | | |
| Payroll | | | | | |
| Overtime | | | | | |
| Health and Welfare | | | | | |
| Pensions | | | | | |
| Other Fringe Benefits | | | | | |
| Fuel for Buses and Trains | | | | | |
| Insurance | | | | | |
| Claims | | | | | |
| Paratransit Service Contracts | | | | | |
| Maintenance and Other Operating Contracts | | | | | |
| Professional Service Contracts | | | | | |
| Materials & Supplies | | | | | |
| Other Business Expenses | | | | | |
| Other Post Employment Benefits | 4.800 | 4.900 | 5.000 | 5.300 | 5.400 |
| Total Cash Adjustment Changes | \$5.070 | \$4.900 | \$4.999 | \$5.299 | \$5.400 |
| Total Baseline Changes | \$0.035 | (\$2.983) | (\$2.258) | (\$0.682) | (\$0.019) |
| Baseline 2007 November Financial Plan - Operating Cash Income/(Deficit) | (\$87.543) | (\$87.681) | (\$92.341) | (\$93.015) | (\$96.187) |

MTA LONG ISLAND BUS
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 - Net Operating Income | (\$87.578) | (\$84.698) | (\$90.083) | (\$92.333) | (\$96.168) |
| Non-Reimbursable Major Changes | | | | | |
| Revenue | | | | | |
| Decreased reimbursement for Preventive Mtce | | (0.700) | | | - |
| Sub-Total Non-Reimbursable Revenue Changes | \$0.000 | (\$0.700) | \$0.000 | \$0.000 | \$0.000 |
| Expenses | | | | | |
| New Need - Mtce & Oper Contracts | (0.187) | (0.515) | (0.527) | (0.537) | (0.549) |
| New Need - Material | (0.298) | (0.456) | (0.466) | (0.476) | (0.486) |
| New Needs - Service Enhancements | | | | | - |
| CPI - Fuels | | (1.257) | (1.162) | 0.136 | 0.786 |
| CPI - Mtce & Oper. Contracts | | (0.064) | (0.090) | 0.218 | 0.262 |
| CPI - Material | | 0.008 | (0.008) | (0.014) | (0.021) |
| CPI - Prof. Svcs | | 0.001 | (0.004) | (0.007) | (0.009) |
| CPI - Other Business | | | (0.001) | (0.002) | (0.002) |
| 2007 - Payroll Savings | 0.500 | | | | |
| 2007 - Overtime Payroll offset | (0.400) | | | | |
| 2007 - Health & Welfare Savings | 0.100 | | | | |
| 2007 - Other Business Expense Reduction | 0.050 | | | | |
| OPEB Obligation | (4.800) | (4.900) | (5.000) | (5.300) | (5.400) |
| Sub-Total Non-Reimbursable Expense Changes | (\$5.035) | (\$7.183) | (\$7.258) | (\$5.982) | (\$5.419) |
| Total Non-Reimbursable Major Changes | (\$5.035) | (\$7.883) | (\$7.258) | (\$5.982) | (\$5.419) |
| Reimbursable Major Changes | | | | | |
| Revenue | | | | | |
| Decreased Preventive Maintenance | | (0.700) | | | |
| Sub-Total Reimbursable Revenue Changes | \$0.000 | (\$0.700) | \$0.000 | \$0.000 | \$0.000 |
| Expenses | | | | | |
| Decreased Preventive Maintenance | | 0.700 | | | |
| Sub-Total Reimbursable Expense Changes | \$0.000 | \$0.700 | \$0.000 | \$0.000 | \$0.000 |
| Total Reimbursable Major Changes | \$0.000 | \$0.000 | \$0.000 | \$0.000 | \$0.000 |
| Total Accrual Changes | (\$5.035) | (\$7.883) | (\$7.258) | (\$5.982) | (\$5.419) |
| Cash Adjustment Changes | | | | | |
| Additional contract work | 0.270 | | | | |
| OPEB Obligation | 4.800 | 4.900 | 5.000 | 5.300 | 5.400 |
| Total Cash Adjustment Changes | \$5.070 | \$4.900 | \$5.000 | \$5.300 | \$5.400 |
| Total Baseline Changes | \$0.035 | (\$2.983) | (\$2.258) | (\$0.682) | (\$0.019) |
| Baseline 2007 November Financial Plan - Net Operating Income | (\$87.543) | (\$87.681) | (\$92.341) | (\$93.015) | (\$96.187) |

**MTA Long Island Bus
2008 Final Proposed Budget
November Financial Plan 2008 - 2011**

RIDERSHIP (UTILIZATION) ASSUMPTIONS

Fixed Route

Ridership:

The significant 3.4% increase that was achieved in 2006 over the 2005 ridership total, proved to be LI Bus's highest ridership levels in its 33-year history on its fixed route service. This new benchmark of 32.2 million annual riders was used as the 2007 baseline with an additional .5% projected increase.

There continues to be a strong response to job access/reverse commute service, gap closures and bus-rail connection services, along with various economic variables all contributing to attract new and repeat riders.

Although year-to-date August 2007 ridership is .4% below budget, a vibrant 4th quarter ridership is projected, making it possible to attain the overall .5% full year increase. The November Plan shows an increase of .65 million riders over the adopted budget.

Annual increases are projected at .5% in each of the plan years.

Revenue:

Fixed route revenue is .3% above the mid year budget as of year to date August 2007. Weather related variables impacted results during the first three quarters but a strong fourth quarter trend is expected to sustain the year-to-date revenue growth. An additional \$.7 million over the adopted budget is included in the July and November Plans.

The projected revenue in the 2007 – 2010 period is reflective of the .5% annual increase in riders.

Para-Transit (Demand Response)

Ridership:

As of August 2007 year-to-date data, Paratransit ridership is on par with the 2006 level. This is realistic in that the 2006 results showed a significant 8.5% increase over the 2005 level. There was no significant increase in registrants, so repeat usage by current customers is credited for the overall increase.

Ridership has been increasing over the life of this service. However, rolling stock and headcount have remained constant over the past four years, indicating the efficiency gains each year.

The July Plan revised the forecast to show a .5% increase over the 2006 actual and this goal was maintained in the current plan.

Based on the revised full year 2007 forecast, annual ridership is expected to be .355 million, increasing by .5% annually over the 2008 – 2011 plan period.

Revenue:

Paratransit farebox revenue for year-to-date April 2007 shows a .7% increase over 2006. Total 2007 revenue is projected at \$1.1 million with .5% annual increases.

MTA LONG ISLAND BUS
November Financial Plan 2008 - 2011
Ridership/Traffic Volume (Utilization)
(in millions)

| | 2006 Actual | 2007 November Forecast | 2008 Final Proposed Budget | 2009 | 2010 | 2011 |
|---|------------------------|---------------------------------------|---|-----------------|-----------------|-----------------|
| <u>RIDERSHIP</u> | | | | | | |
| Fixed Route | 32.159 | 32.320 | 32.481 | 32.644 | 32.807 | 32.971 |
| Paratransit | 0.353 | 0.355 | 0.357 | 0.358 | 0.360 | 0.362 |
| Baseline Total Ridership | 32.512 | 32.675 | 32.838 | 33.002 | 33.167 | 33.333 |
| <i>Impact of:</i> | | | | | | |
| PEG Program | | | | | | |
| Total Ridership | 32.512 | 32.675 | 32.838 | 33.002 | 33.167 | 33.333 |
| <u>FAREBOX REVENUE</u> | | | | | | |
| Fixed Route | \$ 39.345 | \$ 39.365 | \$ 39.562 | \$ 39.760 | \$ 39.958 | \$ 40.158 |
| Paratransit | \$ 1.101 | \$ 1.101 | \$ 1.107 | \$ 1.112 | \$ 1.118 | \$ 1.123 |
| Baseline Total Revenue | \$40.446 | \$40.466 | \$40.668 | \$40.872 | \$41.076 | \$41.281 |
| <i>Impact of:</i> | | | | | | |
| 2008 Program to Eliminate the Gap (PEGs) | | | | | | |
| Post 2008 Program to Eliminate the Gap (PEGs) | - | - | - | - | - | - |
| Total Revenue | \$40.446 | \$40.466 | \$40.668 | \$40.872 | \$41.076 | \$41.281 |

**MTA Long Island Bus
2008 Final Proposed Budget
November Financial Plan 2008 - 2011**

POSITIONS ASSUMPTIONS

In response to the positive 2006 ridership on fixed route service, needed service enhancements were identified and approved beyond the initial March 2007 funding. The approved extension allowed for the hiring of four full-time equivalent bus operators that was included in the July Plan.

There was no change from the July Plan and future headcount needs will be contingent upon service levels and approved funding.

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

| FUNCTION/DEPARTMENT | 2006 Actual | 2007 November Forecast | 2008 Final Proposed Budget | 2009 | 2010 | 2011 |
|---|----------------|------------------------------|----------------------------------|--------------|--------------|--------------|
| Administration | | | | | | |
| Administration - All Other | 33 | 33 | 33 | 33 | 33 | 33 |
| Administration - Safety | 9 | 11 | 11 | 11 | 11 | 11 |
| Finance | 20 | 21 | 21 | 21 | 21 | 21 |
| Legal | 9 | 9 | 9 | 9 | 9 | 9 |
| IT | 17 | 22 | 22 | 22 | 22 | 22 |
| Total Administration | 88 | 96 | 96 | 96 | 96 | 96 |
| Operations | | | | | | |
| Admin (F/R) | 24 | 24 | 24 | 24 | 24 | 24 |
| Admin (Para) | 4 | 4 | 4 | 4 | 4 | 4 |
| Bus stops | 2 | 2 | 2 | 2 | 2 | 2 |
| Scheduling (F/R) | 3 | 3 | 3 | 3 | 3 | 3 |
| Scheduling (Para) | 13 | 13 | 13 | 13 | 13 | 13 |
| Reservationists (Para) | 12 | 12 | 12 | 12 | 12 | 12 |
| TIC | 9 | 9 | 9 | 9 | 9 | 9 |
| Dipatchers | 42 | 43 | 43 | 43 | 43 | 43 |
| Bus Operators (F/R) | 531 | 536 | 536 | 536 | 536 | 536 |
| Bus Operators (Para) | 115 | 131 | 131 | 131 | 131 | 131 |
| Total Operations | 755 | 777 | 777 | 777 | 777 | 777 |
| Maintenance | | | | | | |
| Admin | 11 | 12 | 12 | 12 | 12 | 12 |
| Line Supervisors | 19 | 19 | 19 | 19 | 19 | 19 |
| Mechanics (F/R) | 120 | 123 | 123 | 123 | 123 | 123 |
| Mechanics (Para) | 3 | 3 | 3 | 3 | 3 | 3 |
| Mech. Helpers/Cleaners (F/R) | 62 | 68 | 68 | 68 | 68 | 68 |
| Cleaners (Para) | 5 | 7 | 7 | 7 | 7 | 7 |
| Storeroom | 12 | 12 | 12 | 12 | 12 | 12 |
| P & E (F/R) | 9 | 10 | 10 | 10 | 10 | 10 |
| P & E (Para) | | 1 | 1 | 1 | 1 | 1 |
| Farebox | 6 | 6 | 6 | 6 | 6 | 6 |
| Total Maintenance | 247 | 261 | 261 | 261 | 261 | 261 |
| Engineering/Capital | | | | | | |
| Engineers | 2 | 2 | 2 | 2 | 2 | 2 |
| Capital | 13 | 14 | 14 | 14 | 14 | 14 |
| Total Engineering/Capital | 15 | 16 | 16 | 16 | 16 | 16 |
| Public Safety | | | | | | |
| Security | 3 | 3 | 3 | 3 | 3 | 3 |
| Total Baseline Positions | 1,108 | 1,153 | 1,153 | 1,153 | 1,153 | 1,153 |
| <i>Non-Reimbursable</i> | 1,095 | 1,139 | 1,139 | 1,139 | 1,139 | 1,139 |
| <i>Reimbursable</i> | 13 | 14 | 14 | 14 | 14 | 14 |
| <i>Total Full-Time</i> | 1,019 | 1,044 | 1,044 | 1,044 | 1,044 | 1,044 |
| <i>Total Full-Time Equivalents</i> | - | - | - | - | - | - |
| <hr/> | | | | | | |
| Impact of: | | | | | | |
| 2008 Program to Eliminate the Gap (PEGs) | - | - | - | - | - | - |
| Post 2008 Program to Eliminate the Gap (PEGs) | - | - | - | - | - | - |
| Total Positions | 1,108 | 1,153 | 1,153 | 1,153 | 1,153 | 1,153 |
| <i>Non-Reimbursable</i> | 1,095 | 1,139 | 1,139 | 1,139 | 1,139 | 1,139 |
| <i>Reimbursable</i> | 13 | 14 | 14 | 14 | 14 | 14 |
| <i>Total Full-Time</i> | 1,019 | 1,044 | 1,044 | 1,044 | 1,044 | 1,044 |
| <i>Total Full-Time Equivalents</i> | 89 | 109 | 109 | 109 | 109 | 109 |

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

| FUNCTION/OCCUPATIONAL GROUP | | 2006 Actual | 2007 November Forecast | 2008 Final Proposed Budget | 2009 | 2010 | 2011 |
|---------------------------------|-----------------------------------|----------------|------------------------------|-------------------------------------|-------|-------|-------|
| Administration | | | | | | | |
| | Managers/Supervisors | 40 | 42 | 42 | 42 | 42 | 42 |
| | Professional, Technical, Clerical | 48 | 54 | 54 | 54 | 54 | 54 |
| | Operational Hourlies | | | | | | |
| | Total Administration | 88 | 96 | 96 | 96 | 96 | 96 |
| Operations | | | | | | | |
| | Managers/Supervisors | 63 | 64 | 64 | 64 | 64 | 64 |
| | Professional, Technical, Clerical | 44 | 44 | 44 | 44 | 44 | 44 |
| | Operational Hourlies | 648 | 669 | 669 | 669 | 669 | 669 |
| | Total Operations | 755 | 777 | 777 | 777 | 777 | 777 |
| Maintenance | | | | | | | |
| | Managers/Supervisors | 26 | 27 | 27 | 27 | 27 | 27 |
| | Professional, Technical, Clerical | 4 | 4 | 4 | 4 | 4 | 4 |
| | Operational Hourlies | 217 | 230 | 230 | 230 | 230 | 230 |
| | Total Maintenance | 247 | 261 | 261 | 261 | 261 | 261 |
| Engineering/Capital | | | | | | | |
| | Managers/Supervisors | 7 | 7 | 7 | 7 | 7 | 7 |
| | Professional, Technical, Clerical | 8 | 9 | 9 | 9 | 9 | 9 |
| | Operational Hourlies | | | | | | |
| | Total Engineering/Capital | 15 | 16 | 16 | 16 | 16 | 16 |
| Public Safety | | | | | | | |
| | Managers/Supervisors | 1 | 1 | 1 | 1 | 1 | 1 |
| | Professional, Technical, Clerical | 2 | 2 | 2 | 2 | 2 | 2 |
| | Operational Hourlies | | | | | | |
| | Total Public Safety | 3 | 3 | 3 | 3 | 3 | 3 |
| Total Baseline Positions | | | | | | | |
| | Managers/Supervisors | 137 | 141 | 141 | 141 | 141 | 141 |
| | Professional, Technical, Clerical | 106 | 113 | 113 | 113 | 113 | 113 |
| | Operational Hourlies | 865 | 899 | 899 | 899 | 899 | 899 |
| | Total Baseline Positions | 1,108 | 1,153 | 1,153 | 1,153 | 1,153 | 1,153 |

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