

MTA 2009 Final Proposed Budget November Financial Plan 2009 – 2012



Volume 2
November 2008



Metropolitan Transportation Authority

**MTA 2009 FINAL PROPOSED BUDGET
NOVEMBER FINANCIAL PLAN 2009-2012
VOLUME 2**

The MTA's November Plan is divided into two volumes. Volume 1 includes financial and headcount schedules supporting the complete MTA-Consolidated Financial Plan, including the baseline and the below-the-line Gap-Closing Program. Volume 1 also includes descriptions of the below-the-line actions, which include updated tax, fuel and pension forecasts, as well as the Letter by the Executive Director and the required Executive Director Certification.

Volume 2 includes MTA-Consolidated financial and headcount schedules as well as narratives that support the baseline projections included in the 2009 Final Proposed Budget and the Financial Plan for 2009 through 2012. Also included are the Agency sections which incorporate descriptions of Agency Programs, supporting baseline tables and details regarding proposed Agency PEG's. Volume 2 also includes required information related to the MTA Capital Program.

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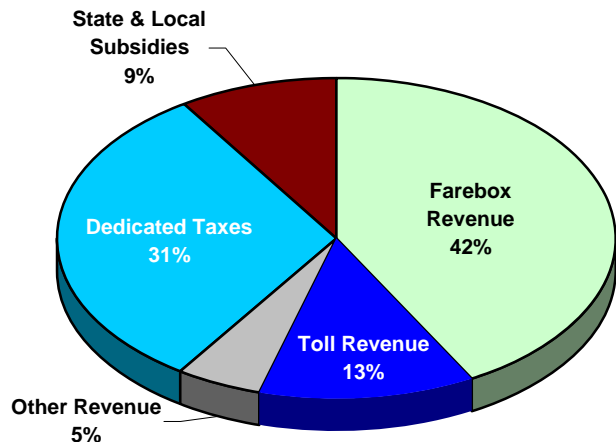
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I. MTA Consolidated 2008-2012 Financial Plan-Baseline

MTA 2009 Final Proposed Budget

Baseline Before Gap Closing Program

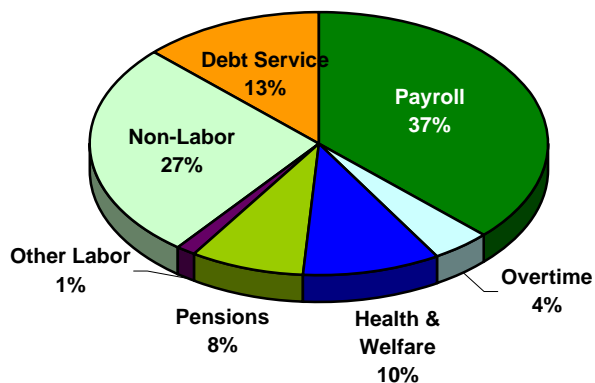
Where the Dollars Come From ...



By Revenue Source (\$ in millions)	
Farebox Revenue	\$4,229
Toll Revenue	1,264
Other Revenue	479
Dedicated Taxes	3,165
State & Local Subsidies	931
Total	\$10,067

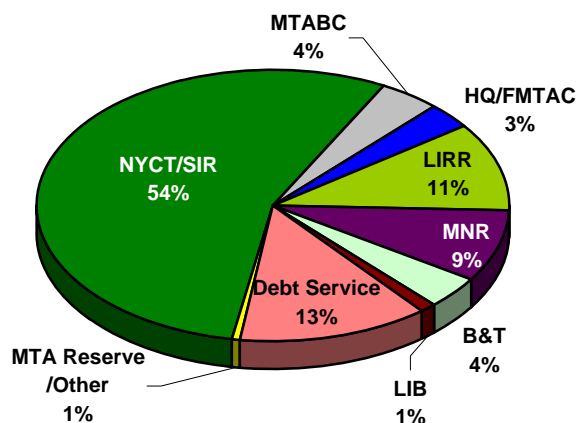
Where the Dollars Go ...

By Expense Category



By Expense Category (\$ in millions)	
Payroll	\$4,250
Overtime	471
Health & Welfare	1,108
Pensions	913
Other Labor	166
Non-Labor	3,035
Debt Service	1,474
Total	\$11,417

By MTA Agency



By MTA Agency (\$ in millions)	
NYCT/SIR	\$6,288
MTABC	475
HQ/FMTAC	336
LIRR	1,219
MNR	982
B&T	436
LIB	132
Debt Service	1,474
MTA Reserve/Other	75
Total	\$11,417

Expenses exclude Depreciation, OPEB obligation and Environmental Remediation.

The difference between revenues and expenses is (\$1,350) million. This is offset by cash flow timing adjustments, use of prior year cash balances, and below-the-line Gap Closing actions.

METROPOLITAN TRANSPORTATION AUTHORITY

November Financial Plan 2009 - 2012

MTA Consolidated Statement Of Operations By Category

(\$ in millions)

Line

No.

7	Non-Reimbursable					
8		2007	2008	2009		
9		Actual	November Forecast	Final Proposed Budget	2010	2011
10	Operating Revenue				2012	
11	Farebox Revenue	\$3,995	\$4,246	\$4,229	\$4,252	\$4,319
12	Toll Revenue	1,251	1,273	1,264	1,264	1,268
13	Other Revenue	480	460	479	500	526
14	Capital and Other Reimbursements	0	0	0	0	0
15	Total Operating Revenue	\$5,726	\$5,979	\$5,971	\$6,016	\$6,113
16						
17	Operating Expense					
18	Labor Expenses:					
19	Payroll	\$3,861	\$4,093	\$4,250	\$4,362	\$4,462
20	Overtime	482	490	471	478	489
21	Health & Welfare	617	686	752	819	886
22	OPEB Current Payment	270	327	356	387	423
23	Pensions	851	889	913	896	871
24	Other-Fringe Benefits	445	477	488	502	519
25	Reimbursable Overhead	(274)	(310)	(322)	(315)	(311)
26	Sub-total Labor Expenses	\$6,252	\$6,653	\$6,908	\$7,128	\$7,339
27						
28	Non-Labor Expenses:					
29	Traction and Propulsion Power	294	314	348	398	425
30	Fuel for Buses and Trains	193	321	334	307	300
31	Insurance	54	33	51	62	73
32	Claims	164	175	157	165	173
33	Paratransit Service Contracts	233	284	366	423	481
34	Maintenance and Other Operating Contracts	533	632	688	701	705
35	Professional Service Contracts	181	195	236	224	223
36	Materials & Supplies	516	542	602	635	661
37	Other Business Expenses	152	181	188	184	186
38	Sub-total Non-Labor Expenses	\$2,320	\$2,676	\$2,971	\$3,099	\$3,228
39						
40	Other Expense Adjustments:					
41	Other	(\$18)	(\$11)	(\$11)	(\$5)	(\$5)
42	General Reserve	0	0	75	75	75
43	Sub-total Other Expense Adjustments	(\$18)	(\$11)	\$64	\$70	\$70
44						
45	Total Operating Expense before Non-Cash Liability Adjs	\$8,554	\$9,319	\$9,943	\$10,297	\$10,637
46						
47	Depreciation	\$1,687	\$1,755	\$1,905	\$2,015	\$2,082
48	OPEB Obligation	1,291	1,313	1,379	1,436	1,495
49	Environmental Remediation	0	38	8	8	8
50						
51	Total Operating Expense	\$11,533	\$12,424	\$13,235	\$13,756	\$14,223
52						
53	Net Operating Deficit Before Subsidies and Debt Service	(\$5,807)	(\$6,445)	(\$7,263)	(\$7,739)	(\$8,110)
54						
55	Dedicated Taxes and State/Local Subsidies	\$4,559	\$4,289	\$4,095	\$4,102	\$4,205
56	Debt Service (excludes Service Contract Bonds)	(1,712)	(1,504)	(1,474)	(1,912)	(2,050)
57						
58	Net Deficit After Subsidies and Debt Service	(\$2,959)	(\$3,660)	(\$4,641)	(\$5,549)	(\$5,955)
59						
60	Conversion to Cash Basis: Non-Cash Liability Adjs.	\$2,978	\$3,105	\$3,292	\$3,458	\$3,585
61	Conversion to Cash Basis: GASB Account	(71)	(57)	(60)	(63)	(66)
62	Conversion to Cash Basis: All Other	(389)	314	213	(4)	65
63						
64	CASH BALANCE BEFORE PRIOR-YEAR CARRY-OVER	(\$442)	(\$297)	(\$1,197)	(\$2,157)	(\$2,722)

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2009 - 2012
MTA Consolidated Accrued Statement of Operations By Agency
(\$ in millions)

Line No	Non-Reimbursable	2008		2009		
		2007	November	Final Proposed		
		Actual	Forecast	Budget	2010	2011
					2012	
8	<u>Total Operating Revenue</u>					
10	New York City Transit	\$3,159	\$3,326	\$3,318	\$3,352	\$3,418
11	Bridges and Tunnels	1,263	1,285	1,276	1,276	1,280
12	Metro-North Railroad	511	541	549	558	575
13	Long Island Rail Road	513	545	544	544	550
14	MTA Bus Company	162	177	176	177	178
15	MTA Headquarters	51	51	52	53	54
16	Long Island Bus	42	44	45	45	45
17	Staten Island Railway	6	6	7	7	7
18	First Mutual Transportation Assurance Company	19	5	5	5	5
19	Total	\$5,726	\$5,979	\$5,971	\$6,016	\$6,113
20						
21	<u>Total Operating Expenses before Non-Cash Liability Adjs. ¹</u>					
22	New York City Transit	\$5,397	\$5,917	\$6,246	\$6,513	\$6,747
23	Bridges and Tunnels	369	425	436	466	471
24	Metro-North Railroad	836	906	982	1,020	1,063
25	Long Island Rail Road	1,046	1,142	1,219	1,225	1,254
26	MTA Bus Company	418	466	475	479	491
27	MTA Headquarters	298	303	340	339	350
28	Long Island Bus	123	127	132	138	141
29	Staten Island Railway	31	37	43	38	38
30	First Mutual Transportation Assurance Company	9	5	7	9	12
31	Other	27	(7)	64	70	70
32	Total	\$8,554	\$9,319	\$9,943	\$10,297	\$10,637
33						
34	<u>Depreciation</u>					
35	New York City Transit	\$1,061	\$1,109	\$1,185	\$1,267	\$1,322
36	Bridges and Tunnels	70	73	78	83	89
37	Metro-North Railroad	214	223	266	276	286
38	Long Island Rail Road	276	283	298	311	308
39	MTA Bus Company	30	30	37	40	42
40	MTA Headquarters	30	26	31	28	26
41	Long Island Bus	0	0	0	0	0
42	Staten Island Railway	7	10	10	10	10
43	First Mutual Transportation Assurance Company	0	0	0	0	0
44	Total	\$1,687	\$1,755	\$1,905	\$2,015	\$2,082
45						
46	<u>Other Post Employment Benefits</u>					
47	New York City Transit	\$991	\$1,010	\$1,055	\$1,099	\$1,145
48	Bridges and Tunnels	61	61	66	69	72
49	Metro-North Railroad	49	51	53	55	56
50	Long Island Rail Road	78	76	79	82	86
51	MTA Bus Company	46	45	52	54	56
52	MTA Headquarters	58	61	64	67	70
53	Long Island Bus	6	6	6	7	7
54	Staten Island Railway	2	3	3	3	3
55	Total	\$1,291	\$1,313	\$1,379	\$1,436	\$1,495
56						
57	<u>Environmental Remediation</u>					
58	New York City Transit	\$0	\$18	\$0	\$0	\$0
59	Metro-North Railroad	0	7	7	7	7
60	Long Island Rail Road	0	13	2	2	2
61	Total	\$0	\$38	\$8	\$8	\$8
62						
63	<u>Net Operating Income/(Deficit)</u>					
64	New York City Transit	(\$4,291)	(\$4,728)	(\$5,168)	(\$5,527)	(\$5,795)
65	Bridges and Tunnels	763	726	696	657	648
66	Metro-North Railroad	(587)	(646)	(758)	(799)	(837)
67	Long Island Rail Road	(887)	(969)	(1,054)	(1,076)	(1,098)
68	MTA Bus Company	(331)	(364)	(388)	(396)	(411)
69	MTA Headquarters	(336)	(339)	(383)	(381)	(391)
70	Long Island Bus	(87)	(88)	(93)	(100)	(104)
71	Staten Island Railway	(34)	(43)	(49)	(44)	(44)
72	First Mutual Transportation Assurance Company	11	(0)	(2)	(4)	(7)
73	Other	(27)	7	(64)	(70)	(70)
74	Total	(\$5,807)	(\$6,445)	(\$7,263)	(\$7,739)	(\$8,110)

Note: ¹ Excludes Debt Service

METROPOLITAN TRANSPORTATION AUTHORITY

November Financial Plan 2009 - 2012

MTA Consolidated Cash Receipts and Expenditures

(\$ in millions)

Line Number	CASH RECEIPTS AND EXPENDITURES	2007	2008	2009			
		Actual	November Forecast	Final Proposed Budget	2010	2011	2012
9							
10							
11	Receipts						
12	Farebox Revenue	\$4,048	\$4,293	\$4,270	\$4,291	\$4,357	\$4,428
13	Other Operating Revenue	502	565	508	532	558	587
14	Capital and Other Reimbursements	1,224	1,350	1,563	1,442	1,410	1,416
15	Total Receipts	\$5,774	\$6,209	\$6,341	\$6,265	\$6,324	\$6,431
16							
17	Expenditures						
18	<u>Labor:</u>						
19	Payroll	\$4,170	\$4,464	\$4,638	\$4,731	\$4,820	\$4,898
20	Overtime	551	570	531	537	549	559
21	Health and Welfare	637	732	788	858	928	1,002
22	OPEB Current Payment	257	311	334	363	398	436
23	Pensions	899	709	922	926	897	895
24	Other Fringe Benefits	508	547	560	573	586	600
25	Contribution to GASB Fund	71	57	60	63	66	69
26	Total Labor Expenditures	\$7,093	\$7,391	\$7,835	\$8,053	\$8,243	\$8,458
27							
28	<u>Non-Labor:</u>						
29	Traction and Propulsion Power	\$304	\$351	\$358	\$407	\$434	\$465
30	Fuel for Buses and Trains	192	321	334	307	300	320
31	Insurance	49	49	54	63	78	86
32	Claims	143	150	138	144	152	158
33	Paratransit Service Contracts	231	280	361	418	476	556
34	Maintenance and Other Operating Contracts	488	579	671	648	644	652
35	Professional Service Contracts	192	225	253	250	251	255
36	Materials & Supplies	700	673	727	751	740	741
37	Other Business Expenditures	248	181	191	190	198	195
38	Total Non-Labor Expenditures	\$2,547	\$2,811	\$3,085	\$3,178	\$3,274	\$3,428
39							
40	<u>Other Expenditure Adjustments:</u>						
41	Other	\$47	\$29	\$56	\$53	\$46	\$48
42	General Reserve	0	0	75	75	75	75
43	Total Other Expenditure Adjustments	\$47	\$29	\$131	\$128	\$121	\$123
44							
45	Total Expenditures	\$9,687	\$10,231	\$11,050	\$11,359	\$11,638	\$12,009
46							
47	Net Cash Deficit Before Subsidies and Debt Service	(\$3,912)	(\$4,022)	(\$4,709)	(\$5,094)	(\$5,314)	(\$5,578)
48							
49	Dedicated Taxes and State/Local Subsidies	\$4,618	\$4,712	\$4,458	\$4,223	\$4,355	\$4,464
50	Debt Service (excludes Service Contract Bonds)	(1,147)	(987)	(946)	(1,286)	(1,411)	(1,609)
51							
52	CASH BALANCE BEFORE PRIOR-YEAR CARRY-OVER	(\$442)	(\$297)	(\$1,197)	(\$2,157)	(\$2,370)	(\$2,722)

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2009 - 2012
MTA Consolidated Cash Statement of Operations By Agency
(\$ in millions)

Line Number		2007	2008 November	2009 Final Proposed			
		<u>Actual</u>	<u>Forecast</u>	<u>Budget</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
8							
9	<u>Total Receipts</u>						
10	New York City Transit	\$3,987	\$4,199	\$4,316	\$4,231	\$4,274	\$4,354
11	Metro-North Railroad	709	777	750	766	772	792
12	Long Island Rail Road	734	856	846	837	840	842
13	MTA Bus Company	160	177	208	201	201	203
14	MTA Headquarters	88	105	118	129	135	138
15	Long Island Bus	51	50	52	52	51	52
16	Staten Island Railway	6	8	8	9	9	9
17	Capital Construction Company	19	33	37	37	36	37
18	First Mutual Transportation Assurance Company	19	5	5	5	5	5
19	Total	\$5,774	\$6,209	\$6,341	\$6,265	\$6,324	\$6,431
20							
21	<u>Total Expenditures</u>						
22	New York City Transit	\$6,285	\$6,631	\$7,084	\$7,348	\$7,560	\$7,802
23	Metro-North Railroad	1,115	1,140	1,206	1,245	1,287	1,327
24	Long Island Rail Road	1,273	1,435	1,530	1,533	1,533	1,585
25	MTA Bus Company	405	457	511	507	518	535
26	MTA Headquarters	414	362	418	426	437	451
27	Long Island Bus	133	137	140	144	147	151
28	Staten Island Railway	31	36	44	40	40	41
29	Capital Construction Company	19	33	37	37	36	37
30	First Mutual Transportation Assurance Company	19	5	5	5	5	5
31	Other	(8)	(5)	75	75	75	75
32	Total	\$9,687	\$10,231	\$11,050	\$11,359	\$11,638	\$12,009
33							
34	<u>Net Operating Surplus/(Deficit)</u>						
35	New York City Transit	(2,297)	(2,432)	(2,768)	(3,118)	(3,285)	(3,448)
36	Metro-North Railroad	(405)	(364)	(456)	(480)	(514)	(535)
37	Long Island Rail Road	(539)	(578)	(684)	(696)	(693)	(743)
38	MTA Bus Company	(245)	(280)	(302)	(306)	(317)	(332)
39	MTA Headquarters	(326)	(258)	(300)	(297)	(302)	(313)
40	Long Island Bus	(82)	(87)	(88)	(92)	(96)	(99)
41	Staten Island Railway	(25)	(28)	(36)	(31)	(31)	(32)
42	Capital Construction Company	(0)	0	0	0	0	0
43	First Mutual Transportation Assurance Company	0	0	0	0	0	0
44	Other	8	5	(75)	(75)	(75)	(75)
45	Total	(\$3,912)	(\$4,022)	(\$4,709)	(\$5,094)	(\$5,314)	(\$5,578)

Metropolitan Transportation Authority
November Financial Plan 2009 - 2012
MTA Consolidated November Financial Plan Compared with July Financial Plan
Cash Reconciliation
(\$ in millions)

	Favorable/(Unfavorable)				
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
JULY BASELINE CASH BALANCE before PRIOR-YEAR CARRYOVER	(\$345)	(\$1,143)	(\$1,882)	(\$2,068)	(\$2,334)
Passenger/Toll Revenue	\$47	(\$17)	(\$44)	(\$32)	(\$7)
Other Baseline Changes:	<u>\$10</u>	<u>(\$52)</u>	<u>(\$127)</u>	<u>(\$123)</u>	<u>(\$189)</u>
<i>Overtime</i>	(21)	(15)	(13)	(15)	(15)
<i>Pensions</i>	72	(9)	(9)	(8)	(8)
<i>Other Fringe Benefits (incl. Worker's Comp.)</i>	(47)	(44)	(41)	(44)	(46)
<i>Energy</i>	(11)	(4)	(34)	(36)	(80)
<i>Claims</i>	(23)	(0)	(0)	(0)	(0)
<i>Inflation (Labor/OTPS)</i>	(1)	(33)	(40)	(57)	(72)
<i>Paratransit Service</i>	1	(50)	(57)	(41)	(34)
<i>Timing Adjustments</i>	(23)	25	(1)	(1)	(1)
<i>Cash Adjustments</i>	40	56	45	44	46
<i>Baseline Re-Estimates</i>	23	22	23	35	21
Net Baseline Change	<u>\$57</u>	<u>(\$69)</u>	<u>(\$171)</u>	<u>(\$155)</u>	<u>(\$196)</u>
General Reserve	\$38	\$0	\$0	\$0	\$0
Subsidies	(\$54)	\$49	(\$22)	(\$24)	(\$23)
Debt Service	\$9	(\$18)	(\$54)	(\$94)	(\$144)
Other	(\$1)	(\$16)	(\$28)	(\$29)	(\$26)
Total Baseline Change	<u>\$48</u>	<u>(\$54)</u>	<u>(\$275)</u>	<u>(\$302)</u>	<u>(\$389)</u>
NOVEMBER BASELINE CASH BALANCE before PRIOR-YEAR CARRYOVER	(\$297)	(\$1,197)	(\$2,157)	(\$2,370)	(\$2,722)

**METROPOLITAN TRANSPORTATION AUTHORITY
NOVEMBER FINANCIAL PLAN 2009-2012
BASELINE FAREBOX RECOVERY AND FAREBOX OPERATING RATIOS**

FAREBOX RECOVERY RATIOS

	2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010 Forecast	2011 Forecast	2012 Forecast
New York City Transit	41.8%	36.1%	34.1%	32.3%	31.5%	30.8%
Staten Island Railway	12.2%	10.3%	9.8%	11.1%	11.2%	11.0%
Long Island Rail Road	34.4%	29.8%	28.5%	27.3%	27.2%	26.8%
Metro-North Railroad	43.3%	38.2%	35.2%	33.8%	33.2%	32.9%
Long Island Bus	32.1%	31.1%	29.5%	28.4%	27.7%	27.1%
Bus Company	<u>31.0%</u>	<u>27.8%</u>	<u>26.5%</u>	<u>26.2%</u>	<u>25.7%</u>	<u>25.2%</u>
MTA Total Agency Average	40.2%	34.9%	32.9%	31.4%	30.8%	30.2%

FAREBOX OPERATING RATIOS

	2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010 Forecast	2011 Forecast	2012 Forecast
New York City Transit	54.8%	53.0%	49.9%	48.1%	47.1%	46.1%
Staten Island Railway	17.8%	16.1%	14.6%	17.3%	17.5%	17.0%
Long Island Rail Road	45.1%	43.8%	41.0%	41.1%	40.6%	39.7%
Metro-North Railroad	57.0%	55.4%	51.9%	50.8%	50.2%	49.8%
Long Island Bus	32.9%	33.2%	31.7%	30.5%	29.8%	29.2%
Bus Company	<u>33.5%</u>	<u>33.0%</u>	<u>32.2%</u>	<u>32.1%</u>	<u>31.6%</u>	<u>30.9%</u>
MTA Total Agency Average	52.1%	50.5%	47.5%	46.2%	45.4%	44.6%

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

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

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II. Major Assumptions 2009-2012 Projections- Baseline

Utilization
(Revenue, Ridership, Vehicle Traffic)

UTILIZATION

2008 Ridership, Traffic and Revenue

The 2008 November Forecast for MTA consolidated ridership is projected to total 2,698 million passengers, while crossings at Bridges and Tunnels (B&T) facilities are projected to total 295 million vehicular crossings. New York City Transit (NYCT) combined subway and bus ridership for the 2008 November Forecast accounts for 88% of MTA consolidated ridership, while ridership for Long Island Rail Road (LIRR) and Metro-North Railroad's (MNR) East-of-Hudson operations each account for 3%. MTA Bus Company (MTABC) ridership accounts for 4% of MTA consolidated ridership. Staten Island Railway (SIR) ridership is estimated to be 4 million (0.2% of MTA ridership) and Long Island Bus (LIB) fixed route ridership is estimated to be 33 million (1% of MTA ridership).

MTA consolidated farebox revenue for the 2008 November Forecast is estimated to be \$4,190 million; toll revenue is estimated to be \$1,273 million. NYCT combined subway and bus farebox revenue for the 2008 November Forecast is expected to be \$2,975 million, while LIRR is projecting \$508 million in farebox revenue and MNR is projecting \$507 million in farebox revenue for its East-of-Hudson operations. SIR farebox revenue is estimated to be \$4 million, LIB fixed route farebox revenue is estimated to be \$41 million, and MTABC farebox revenue is expected to be \$154 million.

The 2008 November Forecasts are based on actual results through September 2008 for NYCT, LIRR, MNR, SIR, LIB and B&T; the forecast for MTABC includes actual results through August 2008.

The 2008 November Forecast for MTA consolidated ridership is projected to increase by 88 million trips – a 3% increase – over 2007 MTA consolidated ridership, representing a ridership increase on all MTA operations from 2007 levels. The 2008 November Forecast for traffic at B&T facilities is expected to decline by 9 million crossings, a decrease of 3% over the 2007 level. The 2008 November Forecast for farebox revenue is projected to increase by \$249 million, a 6% increase, and is projected to be higher for each MTA agency. B&T toll revenue is expected to be \$23 million greater than 2006 toll revenue, a 2% increase.

Year to year increases in farebox and toll revenue reflect fare and toll increases that went into effect in March 2008. Fares for NYCT, SIR, LIB and MTABC changed on March 2. The \$2 cash, single ride ticket and regular Pay-Per-Ride fares did not change, but the Bonus Pay-Per-Ride MetroCard changed from a 20% bonus with a minimum purchase of \$10 to a 15% bonus with a minimum purchase of \$7. The prices of Unlimited Ride MetroCards also increased: the 1-Day Fun Pass increased from \$7 to \$7.50; the 7-Day Unlimited Ride MetroCard increased from \$24 to \$25, and; the 30-Day Unlimited Ride MetroCard increased from \$76 to \$81. The existing \$41 price of the 7-Day Express Bus Plus Unlimited MetroCard was unchanged. In addition, a 14-Day Unlimited Ride MetroCard priced at \$47 was introduced.

Fare changes for LIRR and MNR became effective on March 1, with prices of one-way, ten-trip, weekly and monthly tickets increasing to yield a 3.85% average change in ticket prices. City Ticket fares increased from \$3 to \$3.25, and the 5% Mail & Ride fare discount on the commuter railroad portion of the joint Monthly Commutation/Monthly Unlimited Ride MetroCard was retained.

B&T facility tolls increased on March 16. Cash tolls for passenger vehicles on major facilities and the Henry Hudson Bridge rose by 50 cents (and by \$1 for the one-way cash toll on the Verrazano-Narrows Bridge), and by 25 cents at the Rockaway facilities. Cash tolls for trucks also increased, depending on the number of vehicle axles, while trucks using E-ZPass now receive a 25% discount from the cash toll, an increase from the former 20% discount.

Ridership increases are the result of New York City employment levels that, despite the national financial crisis and recent reports of job losses, have been higher during the first nine months of 2008 relative to 2007. Through September, the number of jobs in New York City was 0.9% above the jobs level during the first nine months of 2007. In fact, for the first five months of 2008, employment ran more than 1% above the same month in 2007. These year-over-year improvements have been slowing in recent months, as evident by the flattening of seasonally adjusted NYC employment levels.

Ridership levels also benefited from gasoline prices, which for a good portion of the year rose to increasingly high record levels. According to the U.S. Energy Information Administration, prices, which were already high at the beginning of the year, began to sharply rise in March. At their peak, prices were more than one dollar per gallon above prices a year earlier, and were about 35% higher than prices in 2007. While positively impacting ridership levels, gasoline prices adversely affected the number of crossings at B&T facilities, as drivers switched from automobiles to mass transit alternatives.

MTA consolidated ridership for the 2008 November Forecast is expected to surpass the 2008 Mid-Year Forecast projection by 29 million trips, a 1% increase. With the exception of LIB and SIR, all MTA agencies project increases in 2008 ridership relative to the Mid-Year Forecast ridership levels; LIB remains unchanged from the Mid-Year Forecast and SIR is expected to fall 0.2% short of its Mid-Year Forecast projection. At B&T facilities, the November Forecast projects 1 million fewer vehicular crossings, a 0.3% decrease, over the Mid-Year Forecast.

MTA consolidated farebox revenue in the 2008 November Forecast is projected to improve by \$47 million from the 2008 Mid-Year Forecast, a 1% increase, reflecting higher farebox revenue projections relative to the 2008 Mid-Year Forecast for all MTA agencies except LIB and SIR, which are unchanged. The 2008 November Forecast for B&T toll revenue is projected to decrease \$3 million, or 0.3%, over the Mid-Year Forecast.

The decline in vehicular traffic and toll revenue at B&T facilities, compared with the Mid-Year Forecast, is due to changes in travel as the price of gasoline had continued to rise subsequent to the development of the Mid-Year Forecast. Compared with 2007, B&T traffic has fallen dramatically, and the drop was even more pronounced from May to August: average weekday crossings were down 4.2% in May, down 5% in June, down 1.9% in July and down 3.4% in August.

The opposite is true for the other MTA agencies. Utilization improvements over the 2008 Mid-Year Forecast levels reflect ridership improvements that are in part due to commutation shifts spurred by the high price for gasoline that has been experienced for most of the year.

The November Forecast for NYCT reflects both Subway and Bus ridership growth since the Mid-Year Forecast was developed. Subway ridership in the November Forecast is projected to be 19 million greater than the Mid-Year Forecast while Bus ridership in the November Forecast is estimated to be 5 million greater than the Mid-Year Forecast level. Farebox revenue has similarly changed as a result of the ridership re-estimates, with Subway farebox revenue increasing \$28 million over the Mid-Year Forecast level and Bus farebox revenue projected to be \$6 million more than the Mid-Year Forecast.

These Plan to Plan changes in utilization do not result in changes in average fares for NYCT customers. Over the Plan period, the baseline Non-Student average fare – the average fare for all riders except those using student passes – is expected to be \$1.34 per trip, unchanged from the July Plan. The “Regular Rider” average fare – this average fare excludes utilization for students, express bus riders and those using senior/disabled fares – is expected to increase less than half a cent from the July Plan, rounding to \$1.37 from \$1.36.

LIRR’s November Forecast anticipates growth in ridership relative to the Mid-Year Forecast, totaling 1.5 million additional trips for the year, a 2% increase, and \$7 million in additional farebox revenue, up 1.4% from the Mid-Year Forecast level. MNR ridership is projected to surpass the Mid-Year Forecast by 1 million trips, a 1% improvement, and by \$3 million in farebox revenue, 0.6% greater than the Mid-Year Forecast.

The ridership forecast for MTA Bus has been increased by 3 million, a 3% improvement, and by \$2 million, a 2% increase, over the Mid-Year Forecast ridership and farebox revenue levels. Both LIB ridership and farebox revenue are unchanged from the Mid-Year Forecast projections. SIR is projecting a reduction of 10 thousand million riders, a 0.2% decline, and an additional \$21 thousand, a 0.5% increase, compared with the Mid-Year Forecast levels.

2009 Ridership, Traffic and Revenue

The 2009 forecast for MTA consolidated ridership is projected to total 2,659 million passengers, while crossings at B&T facilities are projected to total 291 million vehicular crossings. NYCT combined subway and bus ridership is expected to be 2,333 million, while LIRR is projecting 88 million passengers and MNR is projecting 82 million

passengers for its East-of-Hudson operations. SIR ridership is estimated to be 5 million, LIB fixed route ridership is estimated to be 33 million, and MTABC ridership is expected to be 119 million.

MTA consolidated farebox revenue for 2009 is estimated to be \$4,167 million; toll revenue is estimated to be \$1,264 million. NYCT combined subway and bus farebox revenue is projected to be \$2,950 million, while farebox revenue is estimated to be \$507 million for LIRR and \$512 million for MNR's East-of-Hudson operations. SIR farebox revenue is estimated to be \$5 million, LIB fixed route farebox revenue is estimated to be \$41 million, and MTABC farebox revenue is expected to be \$153 million.

With the exceptions of MNR and SIR, MTA ridership and traffic for 2009 are expected to decrease on MTA operations from the 2008 November Forecast levels, as are 2009 fare and toll revenue baseline levels. The 2009 forecast for MTA consolidated ridership is projected to decrease by 39 million trips – a 1.5% decrease – over the 2008 November Forecast for MTA consolidated ridership. The 2009 forecast for B&T traffic is expected to decrease by 4 million crossings, a 1.5% decrease, over the 2008 November Forecast traffic level. MTA consolidated farebox revenue for 2009 is expected to fall short of the 2008 November Forecast by \$23 million, down 0.5%, while B&T toll revenue is projected to fall short of the 2008 November Forecast by \$9 million, a 0.7% year-over-year decrease.

MNR ridership and farebox revenue are expected to increase from 2008 to 2009 due to continued growth in markets other than commutation trips into and out of Manhattan. For 2009, the Manhattan commutation trips are expected to decline by 0.4%, while commutation trips to other locations are expected to increase 1.7% and non-commutation trips are expected to increase 2%. The continued strength in the non-Manhattan commutation markets, albeit at a slower rate, reflects MNR customer service improvements, particularly with regard to parking availability and connecting service initiatives.

Growth in SIR ridership and farebox revenue from 2008 to 2009 (4.2% for ridership and 6.9% for farebox revenue) reflect the completion of the fare control system at the Tompkinsville station. Without the projected ridership tally at Tompkinsville – and the associated collected farebox revenue – SIR ridership would have been expected to decline by 1.4% from 2008 and 2009, and the drop in farebox revenue would have been expected to be 1.6%.

MTA consolidated ridership for the 2009 Final Proposed Budget is expected to be less than the 2009 Preliminary Budget projection by 8 million trips, a decrease of 0.3%. At B&T facilities, the 2009 Final Proposed Budget reflects 4 million fewer vehicular crossings, a 1.4% decrease, from the Preliminary Budget forecast. MTA consolidated farebox revenue for 2009 in the Final Proposed Budget is projected to fall short of the Preliminary Budget forecast by \$2 million, a 0.1% decrease, while B&T toll revenue for

2009 is projected to decrease \$17 million, or 1.4%, from the Preliminary Budget forecast.

The forecasted decline in MTA agency ridership and farebox revenue levels reflect the slowing regional and national economies, along with the expectation that there will be significant job losses in the MTA service region, particularly in New York City. For 2009, utilization forecasts assume NYC employment will decline by 50 thousand jobs after flattening out during the latter part of 2008. This projection is more pessimistic than NYC job projections prepared by Global Insight, which were prepared prior to the recent turmoil in the financial services sector. In addition to these anticipated job losses, B&T crossings and toll revenue are expected to be adversely affected by gasoline prices which, while continuing to decline from unprecedented highs during the middle of 2008, are expected to remain high relative to prices just a couple of years ago.

2010 – 2012 Ridership, Traffic and Revenue

MTA consolidated ridership and farebox revenue are expected to increase in 2010 over 2009 levels, while B&T traffic marginally improves and toll revenue is slightly below the 2009 level. Consolidated ridership is projected to reach 2,342 million passengers, up 0.4%, while farebox revenue is estimated to reach \$4,188 million, an increase of 0.5%. B&T vehicle crossings are projected to be 291 million, a 0.1% increase, and toll revenue is estimated to be \$1,264 million, down 0.01%.

MTA consolidated ridership and vehicle crossing levels are expected to increase in 2011 and 2012, with consolidated ridership reaching 2,744 million by 2012, increasing by 1% in both 2011 and 2012. Vehicular crossings at B&T facilities are projected to reach 295 million by 2012, increasing by 0.5% in 2011 and by 0.7% in 2012. Consolidated farebox revenue is expected to reach \$4,320 million by 2012, up 1.5% in 2011 and up 1.6% 2012, while B&T toll revenue is projected to reach \$1,275 million by 2012, up 0.3% in 2011 and up 0.6% in 2012.

MTA Consolidated Utilization Baseline Before Gap-Closing Actions

MTA Agency Ridership and Traffic Projections Year-to-Year Percentage Changes

November Financial Plan						
	<u>2007 Actual</u>	<u>2008 November Forecast</u>	<u>2009 Final Proposed Budget</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Traffic						
Bridges & Tunnels	0.76%	-3.01%	-1.50%	0.15%	0.51%	0.72%
Ridership						
Long Island Bus ¹	-0.22%	2.25%	-0.75%	0.30%	0.20%	0.30%
Long Island Rail Road	4.95%	3.10%	-1.18%	-0.18%	0.71%	1.10%
Metro-North Railroad ²	4.02%	4.86%	0.54%	1.41%	2.71%	2.83%
MTA Bus Company	10.57%	9.15%	-1.00%	0.30%	0.10%	1.00%
New York City Transit ^{1, 3}	2.69%	3.05%	-1.57%	0.38%	1.36%	1.45%
Staten Island Railway	9.15%	6.85%	4.22%	5.61%	1.11%	1.10%
Total Ridership	3.08%	3.36%	-1.45%	0.40%	1.31%	1.45%

¹ Excludes Paratransit Operations.

² Metro-North Railroad utilization figures are for East-of-Hudson service (Hudson, Harlem and New Haven Lines) only.

³ Excludes Fare Media Liability.

MTA Consolidated Utilization

Plan-to-Plan Comparison

Baseline Before Gap-Closing Actions (in millions)

November Financial Plan					
	2008	2009			
	November	Final			
	Forecast	Budget	2010	2011	2012
Traffic					
Bridges & Tunnels	295.2	290.8	291.2	292.7	294.8
Ridership					
Long Island Bus ¹	32.8	32.6	32.7	32.7	32.8
Long Island Rail Road	88.8	87.7	87.6	88.2	89.2
Metro-North Railroad ²	82.0	82.5	83.6	85.9	88.3
MTA Bus Company	119.8	118.6	118.9	119.1	120.3
New York City Transit ^{1, 3}	2,370.6	2,333.3	2,342.3	2,374.2	2,408.7
Staten Island Railway	4.4	4.6	4.9	4.9	5.0
<i>Total Ridership</i>	<i>2,698.5</i>	<i>2,659.3</i>	<i>2,670.0</i>	<i>2,705.0</i>	<i>2,744.2</i>

July Financial Plan					
	2008	2009			
	Mid-Year	Preliminary			
	Forecast	Budget	2010	2011	2012
Traffic					
Bridges & Tunnels	296.0	294.8	295.6	296.8	298.4
Ridership					
Long Island Bus ¹	32.8	33.1	33.3	33.5	33.6
Long Island Rail Road	87.2	87.1	87.8	88.5	89.4
Metro-North Railroad ²	81.4	82.1	83.7	85.7	87.5
MTA Bus Company	116.5	120.0	123.6	127.3	131.1
New York City Transit ^{1, 3}	2,346.8	2,340.0	2,359.5	2,383.4	2,402.3
Staten Island Railway	4.4	4.7	4.9	5.0	5.0
<i>Total Ridership</i>	<i>2,669.1</i>	<i>2,667.0</i>	<i>2,692.9</i>	<i>2,723.3</i>	<i>2,749.1</i>

Plan-to-Plan Changes: Favorable / (Unfavorable)					
	2008	2009	2010	2011	2012
Traffic					
Bridges & Tunnels	(0.7)	(4.0)	(4.4)	(4.2)	(3.6)
Ridership					
Long Island Bus ¹	0.0	(0.6)	(0.6)	(0.7)	(0.8)
Long Island Rail Road	1.5	0.6	(0.3)	(0.3)	(0.3)
Metro-North Railroad ²	0.7	0.4	(0.1)	0.3	0.8
MTA Bus Company	3.3	(1.4)	(4.6)	(8.2)	(10.8)
New York City Transit ^{1, 3}	23.9	(6.6)	(17.2)	(9.2)	6.3
Staten Island Railway	(0.0)	(0.1)	(0.1)	(0.1)	(0.0)
<i>Total Ridership</i>	<i>29.4</i>	<i>(7.7)</i>	<i>(22.9)</i>	<i>(18.3)</i>	<i>(4.8)</i>

¹ Excludes Paratransit Operations.

² Metro-North Railroad utilization figures are for East-of-Hudson service (Hudson, Harlem and New Haven Lines) only.

³ Excludes Fare Media Liability.

MTA Consolidated Utilization

Plan-to-Plan Comparison

Baseline Before Gap-Closing Actions (in millions)

November Financial Plan					
	2008	2009			
	November	Final			
	Forecast	Proposed	2010	2011	2012
		Budget			
Toll Revenue					
Bridges & Tunnels	\$1,273.2	\$1,263.7	\$1,263.6	\$1,267.9	\$1,275.1
Fare Revenue					
Long Island Bus ¹	\$41.0	\$40.7	\$40.9	\$40.9	\$41.1
Long Island Rail Road	508.5	506.8	505.9	510.4	515.0
Metro-North Railroad ²	507.2	512.0	519.2	533.7	549.5
MTA Bus Company	153.8	153.0	153.7	155.0	156.6
New York City Transit ^{1, 3}	2,974.8	2,949.8	2,963.7	3,006.5	3,052.8
Staten Island Railway	4.4	4.7	5.0	5.1	5.2
<i>Total Farebox Revenue</i>	<i>\$4,189.8</i>	<i>\$4,167.1</i>	<i>\$4,188.3</i>	<i>\$4,251.7</i>	<i>\$4,320.2</i>

July Financial Plan					
	2008	2009			
	Mid-Year	Preliminary			
	Forecast	Budget	2010	2011	2012
Toll Revenue					
Bridges & Tunnels	\$1,276.4	\$1,281.1	\$1,282.5	\$1,286.0	\$1,290.8
Fare Revenue					
Long Island Bus ¹	\$41.0	\$41.4	\$41.6	\$41.8	\$42.0
Long Island Rail Road	\$501.6	\$505.2	\$509.2	\$513.8	\$518.4
Metro-North Railroad ²	\$504.0	\$510.7	\$521.5	\$533.7	\$546.0
MTA Bus Company	\$151.4	\$154.8	\$158.2	\$161.6	\$165.2
New York City Transit ^{1, 3}	\$2,940.5	\$2,952.8	\$2,980.8	\$3,012.9	\$3,038.2
Staten Island Railway	\$4.4	\$4.8	\$5.1	\$5.2	\$5.2
<i>Total Farebox Revenue</i>	<i>\$4,142.9</i>	<i>\$4,169.6</i>	<i>\$4,216.4</i>	<i>\$4,269.0</i>	<i>\$4,315.1</i>

Plan-to-Plan Changes: Favorable / (Unfavorable)					
	2008	2009	2010	2011	2012
Toll Revenue					
Bridges & Tunnels	(\$3.2)	(\$17.4)	(\$18.9)	(\$18.0)	(\$15.7)
Fare Revenue					
Long Island Bus ¹	\$0.0	(\$0.7)	(\$0.8)	(\$0.9)	(\$1.0)
Long Island Rail Road	6.9	1.6	(3.3)	(3.4)	(3.4)
Metro-North Railroad ²	3.2	1.3	(2.3)	0.1	3.5
MTA Bus Company	2.4	(1.7)	(4.5)	(6.6)	(8.6)
New York City Transit ^{1, 3}	34.3	(3.0)	(17.1)	(6.4)	14.6
Staten Island Railway	0.0	(0.1)	(0.1)	(0.1)	(0.0)
<i>Total Farebox Revenue</i>	<i>\$46.9</i>	<i>(\$2.5)</i>	<i>(\$28.1)</i>	<i>(\$17.2)</i>	<i>\$5.1</i>

¹ Excludes Paratransit Operations.

² Metro-North Railroad utilization figures are for East-of-Hudson service (Hudson, Harlem and New Haven Lines) only.

³ Excludes Fare Media Liability.

Subsidies

SUBSIDIES - Major Assumptions

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

As shown on the following tables, Total Dedicated Taxes & State and Local Subsidies for the 2008 November Forecast is \$4.337 billion, on a cash basis, which is \$54 million below the 2008 Mid-Year Forecast (July Plan) level. Most of this unfavorable variance is reflected in the Subsidy Adjustments sub-category and is due to the reforecast of the positive savings from the MTA's energy hedging strategy which was implemented in September and October to lock-in fuel prices. The July Plan assumed that these funds would be available over two years, \$79 million in 2008 and \$83 million in 2009. The November Plan reduces the amount available in 2008 to zero and assumes that the full amount of \$150 million will be available when the hedges expire in December 2009. This is being offset by a favorable variance of \$23.6 million for City subsidy to MTA Bus Company. In the Dedicated Taxes and State and Local Subsidy sub-categories the only changes since July reflect minor technical adjustments for Connecticut Department of Transportation subsidy to Metro-North railroad and Station Maintenance. Since the July Plan, the State's forecast of MMTOA and PBT tax receipts has been revised, as well as the forecast of real estate taxes. The impact of the latest State forecast and real estate forecast is not incorporated in to the baseline of the November Plan. Volume 1 of the November Plan reflects the updated forecast as below-the-line assumptions.

For 2009, total Dedicated Taxes and State and Local Subsidies is \$48.6 million over the July Plan level, due to a change in the cash returns from MTA's energy hedging strategy and favorable City subsidy to MTA Bus, offset by OPEB adjustments to MRT. During the period 2010 to 2012, the November Financial Plan projects that overall Dedicated Taxes and State and Local Subsidies will decrease from the levels projected in the July Plan by \$21.9 in 2010, \$24.1 million in 2011, and \$22.9 million in 2012. These decreases are largely due to changes in OPEB adjustments to MRT, offset by favorable City subsidy to MTA Bus. (See the discussion on OPEB in the MRT Section under Additional Assumptions.)

The Plan reflects technical adjustments for certain policy actions that are incorporated as part of the Subsidy baseline projections - Enhanced Security Training (\$6 million each year in 2008, 2009 and 2010), anticipated downsizing costs associated with future headcount reductions (\$41 million in each year 2009 and 2010), and MTA Bus Debt Service (\$25 million in 2008, \$23 million in 2009 and \$25 million in each year from 2010 through 2012) are funded from the MRT-2 collections. In addition, the Plan assumes that the full amount of the cash defeasance loan to TBTA made in 2007 will be repaid to the MTA in 2009.

Gross subsidies include City Subsidy to MTA Bus. This reflects the current agreement with the City that it will cover MTA Bus' expenses. The City subsidy covers the operating deficit for MTA Bus. MMTOA, 18-b and Urban Taxes, that are designated for the former private buses subsidized by the City, are paid directly to the City and used by the City to partially fund MTA Bus.

MTA Consolidated Subsidies
November Financial Plan 2009 - 2012
Accrual Basis
(\$ in millions)

	2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
<u>Subsidies</u>						
<i>Dedicated Taxes</i>						
Metro. Mass Transp. Oper. Asst. (MMTOA)	\$1,570.8	\$1,706.2	\$1,585.4	\$1,594.3	\$1,639.1	\$1,701.4
Petroleum Business Tax (PBT) Receipts	601.5	627.6	638.6	644.1	646.6	649.1
Mortgage Recording Tax (MRT)	686.9	482.7	461.5	457.4	470.5	477.9
MRT Transfer to Suburban Counties	(32.9)	(8.3)	(7.6)	(7.5)	(7.8)	(8.1)
Use of MRT Balances	(30.1)	45.0	10.0	0.0	0.0	0.0
Carryover Balances	0.0	0.0	0.0	0.0	0.0	0.0
Reimburse Agency Security Costs	(16.5)	(16.5)	(16.5)	(16.5)	(16.5)	(16.5)
Interest	23.4	8.2	8.2	8.3	8.3	8.3
Urban Tax	893.7	554.2	483.1	472.7	486.7	518.9
Investment Income	<u>2.3</u>	<u>2.0</u>	<u>2.0</u>	<u>2.1</u>	<u>2.1</u>	<u>2.2</u>
	\$3,699.1	\$3,400.9	\$3,164.8	\$3,154.7	\$3,228.9	\$3,333.1
<i>State and Local Subsidies</i>						
State Operating Assistance	\$190.9	\$190.9	\$190.9	\$190.9	\$190.9	\$190.9
Local Operating Assistance	187.9	187.9	187.9	187.9	187.9	187.9
Nassau County Subsidy	10.8	10.5	10.5	10.5	10.5	10.5
CDOT Subsidy	63.9	71.9	88.7	98.9	112.7	121.3
Station Maintenance	141.6	147.0	150.1	153.3	156.7	159.9
AMTAP	<u>20.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	\$615.1	\$608.2	\$628.2	\$641.5	\$658.7	\$670.5
Sub-total Dedicated Taxes & State and Local Subsidies	\$4,314.2	\$4,009.2	\$3,792.9	\$3,796.2	\$3,887.6	\$4,003.6
City Subsidy for MTA Bus	\$245.0	\$280.3	\$302.5	\$306.2	\$317.1	\$331.5
Total Dedicated Taxes & State and Local Subsidies	\$4,559.2	\$4,289.4	\$4,095.4	\$4,102.5	\$4,204.7	\$4,335.1
<i>Inter-agency Subsidy Transactions</i>						
B&T Operating Surplus Transfer	\$406.4	\$323.2	\$200.9	\$164.6	\$152.6	\$128.5
MTA Subsidy to Subsidiaries	<u>41.8</u>	<u>37.3</u>	<u>45.8</u>	<u>40.9</u>	<u>40.5</u>	<u>41.9</u>
	\$448.2	\$360.6	\$246.7	\$205.4	\$193.1	\$170.4
GROSS SUBSIDIES	\$5,007.4	\$4,650.0	\$4,342.2	\$4,307.9	\$4,397.8	\$4,505.5

MTA Consolidated Subsidies
November Financial Plan 2009 - 2012
Summary of Changes Between November Plan and July Plan
Accrual Basis
(\$ in millions)

	2008	2009	2010	2011	2012
<u>Subsidies</u>					
<i>Dedicated Taxes</i>					
Metro. Mass Transp. Oper. Asst. (MMTOA)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Petroleum Business Tax (PBT) Receipts ¹	0.0	0.0	0.0	0.0	0.0
Mortgage Recording Tax (MRT)	0.0	0.0	0.0	0.0	0.0
MRT Transfer to Suburban Counties	0.0	0.0	0.0	0.0	0.0
Use of MRT Balances	0.0	0.0	0.0	0.0	0.0
Carryover Balances	0.0	0.0	0.0	0.0	0.0
Reimburse Agency Security Costs	0.0	0.0	0.0	0.0	0.0
Interest	(0.0)	(0.0)	(0.0)	(0.1)	(0.1)
Urban Tax	0.0	0.0	0.0	0.0	0.0
Investment Income	<u>(0.3)</u>	<u>(0.4)</u>	<u>(0.4)</u>	<u>(0.4)</u>	<u>(0.4)</u>
	(\$0.4)	(\$0.4)	(\$0.4)	(\$0.4)	(\$0.4)
<i>State and Local Subsidies</i>					
State Operating Assistance	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Local Operating Assistance	0.0	0.0	0.0	0.0	0.0
Nassau County Subsidy	0.0	0.0	0.0	0.0	0.0
CDOT Subsidy	(1.3)	1.8	1.8	0.1	(0.2)
Station Maintenance	3.0	3.2	3.5	3.9	3.9
AMTAP	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	\$1.7	\$5.0	\$5.4	\$4.0	\$3.8
Sub-total Dedicated Taxes & State and Local Subsidies	\$1.3	\$4.6	\$4.9	\$3.5	\$3.3
City Subsidy for MTA Bus	\$28.4	\$40.1	\$37.3	\$40.2	\$44.7
Total Dedicated Taxes & State and Local Subsidies	\$29.7	\$44.6	\$42.3	\$43.7	\$48.0
<i>Inter-agency Subsidy Transactions</i>					
B&T Operating Surplus Transfer	(\$4.4)	(\$72.6)	(\$82.5)	(\$81.8)	(\$82.0)
MTA Subsidy to Subsidiaries	<u>(3.6)</u>	<u>3.2</u>	<u>2.6</u>	<u>1.0</u>	<u>1.3</u>
	(\$8.0)	(\$69.5)	(\$79.9)	(\$80.8)	(\$80.6)
GROSS SUBSIDIES	\$21.7	(\$24.9)	(\$37.6)	(\$37.0)	(\$32.6)

MTA Consolidated Subsidies
November Financial Plan 2009 - 2012
Cash Basis
(\$ in millions)

	2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
<u>Subsidies</u>						
<i>Dedicated Taxes</i>						
Metro. Mass Transp. Oper. Asst. (MMTOA)	\$1,622.2	\$1,706.2	\$1,585.4	\$1,594.3	\$1,639.1	\$1,701.4
Petroleum Business Tax (PBT) Receipts	611.1	626.6	638.1	643.8	646.4	648.9
Mortgage Recording Tax (MRT)	703.5	484.6	462.0	456.3	469.9	477.1
MRT Transfer to Suburban Counties	(36.4)	(12.2)	(8.3)	(7.6)	(7.5)	(7.8)
Use of MRT Balances	10.0	10.0	10.0	0.0	0.0	0.0
Carry Over/Adjustments	(5.0)	19.2	0.0	0.0	0.0	0.0
Reimburse Agency Security Costs	(16.5)	(16.5)	(16.5)	(16.5)	(16.5)	(16.5)
Downsizing	3.6	0.0	(40.5)	(40.5)	0.0	0.0
Enhanced Security Training	(6.2)	(6.2)	(6.2)	(6.2)	0.0	0.0
Service Marketing Campaign	(5.0)	5.0	0.0	0.0	0.0	0.0
MTA Bus Debt Service	(26.6)	(24.6)	(23.2)	(24.9)	(24.9)	(24.9)
Cash Defeasance Loan for TBTA	(90.8)	0.0	90.8	0.0	0.0	0.0
Other Outstanding 2007 Loans	36.9	0.0	0.0	0.0	0.0	0.0
Interest	23.4	8.2	8.2	8.2	8.3	8.3
Urban Tax	883.1	560.5	484.1	471.6	483.9	516.8
Investment Income	<u>2.3</u>	<u>2.0</u>	<u>2.0</u>	<u>2.1</u>	<u>2.1</u>	<u>2.2</u>
	\$3,709.4	\$3,362.8	\$3,186.0	\$3,080.6	\$3,200.8	\$3,305.5
<i>State and Local Subsidies</i>						
State Operating Assistance	\$190.9	\$190.9	\$190.9	\$190.9	\$190.9	\$190.9
Local Operating Assistance (18-b)	187.9	187.9	187.9	187.9	187.9	187.9
Nassau County Subsidy (includes 18-b local match)	10.8	10.5	10.5	10.5	10.5	10.5
CDOT Subsidy	61.2	71.9	88.7	98.9	112.7	121.3
Station Maintenance	138.5	143.8	148.1	150.8	154.2	157.6
AMTAP	<u>20.0</u>	<u>19.6</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	\$609.2	\$624.6	\$626.1	\$639.0	\$656.2	\$668.1
<i>Other Subsidy Adjustments</i>						
South Ferry	(35.0)	0.0	0.0	0.0	0.0	0.0
Pension Funding	0.0	118.0	0.0	0.0	0.0	0.0
Fulton Street/# 1 Train - Port Authority	(56.0)	(50.0)	(50.0)	0.0	0.0	0.0
NYCT Charge Back of MTA Bus Debt Service	0.0	(12.0)	(11.5)	(11.5)	(11.5)	(11.5)
Energy Hedging Strategy	(150.0)	0.0	150.0	0.0	0.0	0.0
Pension Pre-Payment	<u>(91.0)</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	(\$332.0)	\$56.0	\$88.5	(\$11.5)	(\$11.5)	(\$11.5)
Sub-total Dedicated Taxes & State and Local Subsidies	\$3,986.6	\$4,043.4	\$3,900.5	\$3,708.1	\$3,845.4	\$3,962.2
City Subsidy for MTA Bus	\$185.0	\$293.5	\$298.8	\$305.6	\$315.3	\$329.1
Total Dedicated Taxes & State and Local Subsidies	\$4,171.6	\$4,337.0	\$4,199.3	\$4,013.7	\$4,160.7	\$4,291.3
<i>Inter-agency Subsidy Transactions</i>						
B&T Operating Surplus Transfer	\$406.3	\$337.2	\$213.1	\$168.2	\$153.8	\$131.0
MTA Subsidy to Subsidiaries	<u>39.8</u>	<u>37.3</u>	<u>45.8</u>	<u>40.9</u>	<u>40.5</u>	<u>41.9</u>
	\$446.2	\$374.6	\$259.0	\$209.1	\$194.3	\$172.8
GROSS SUBSIDIES	\$4,617.8	\$4,711.5	\$4,458.3	\$4,222.8	\$4,355.0	\$4,464.1

MTA Consolidated Subsidies
November Financial Plan 2009 - 2012
Summary of Changes Between November Plan and July Plan
Cash Basis
(\$ in millions)

	2008	2009	2010	2011	2012
<u>Subsidies</u>					
<i>Dedicated Taxes</i>					
Metro. Mass Transp. Oper. Asst. (MMTOA)	0.0	0.0	0.0	0.0	0.0
Petroleum Business Tax (PBT) Receipts	0.0	0.0	0.0	0.0	0.0
Mortgage Recording Tax (MRT)	0.0	0.0	0.0	0.0	0.0
MRT Transfer to Suburban Counties	0.0	0.0	0.0	0.0	0.0
Use of MRT Balances	0.0	0.0	0.0	0.0	0.0
Carry Over/Adjustments	0.0	0.0	0.0	0.0	0.0
OPEB	0.0	(61.2)	(64.2)	(67.1)	(70.2)
Reimburse Agency Security Costs	0.0	0.0	0.0	0.0	0.0
Downsizing	0.0	0.0	0.0	0.0	0.0
Enhanced Security Training	0.0	0.0	0.0	0.0	0.0
Service Marketing Campaign	0.0	0.0	0.0	0.0	0.0
MTA Bus Debt Service	0.0	0.0	0.0	0.0	0.0
Cash Defeasance Loan for TBTA	0.0	0.0	0.0	0.0	0.0
Other Outstanding 2007 Loans	0.0	0.0	0.0	0.0	0.0
Interest	(0.0)	(0.0)	(0.0)	(0.1)	(0.1)
Urban Tax	0.0	0.0	0.0	0.0	0.0
Investment Income	(0.3)	(0.4)	(0.4)	(0.4)	(0.4)
	(\$0.4)	(\$61.6)	(\$64.6)	(\$67.5)	(\$70.6)
<i>State and Local Subsidies</i>					
State Operating Assistance	0.0	0.0	0.0	0.0	0.0
Local Operating Assistance (18-b)	0.0	0.0	0.0	0.0	0.0
Nassau County Subsidy (includes 18-b local match)	0.0	0.0	0.0	0.0	0.0
CDOT Subsidy	(1.3)	1.8	1.8	0.1	(0.2)
Station Maintenance	1.9	3.3	3.1	3.6	4.0
AMTAP	0.0	0.0	0.0	0.0	0.0
	\$0.6	\$5.1	\$5.0	\$3.7	\$3.8
<i>Other Subsidy Adjustments</i>					
South Ferry	0.0	0.0	0.0	0.0	0.0
Pension Funding	0.6	0.0	0.0	0.0	0.0
Fulton Street/# 1 Train - Port Authority	0.0	0.0	0.0	0.0	0.0
NYCT Charge Back of MTA Bus Debt Service	0.0	0.0	0.0	0.0	0.0
Energy Hedging Strategy	(79.0)	67.0	0.0	0.0	0.0
Pension Pre-Payment	0.0	0.0	0.0	0.0	0.0
	(\$78.4)	\$67.0	\$0.0	\$0.0	\$0.0
Sub-total Dedicated Taxes & State and Local Subsidies	(\$78.1)	\$10.5	(\$59.6)	(\$63.8)	(\$66.9)
City Subsidy for MTA Bus	23.6	38.1	37.8	39.7	43.9
Total Dedicated Taxes & State and Local Subsidies	(\$54.4)	\$48.6	(\$21.9)	(\$24.1)	(\$22.9)
<i>Inter-agency Subsidy Transactions</i>					
B&T Operating Surplus Transfer	(4.0)	(65.8)	(81.5)	(81.9)	(82.0)
MTA Subsidy to Subsidiaries	<u>(3.6)</u>	<u>3.2</u>	<u>2.6</u>	<u>1.0</u>	<u>1.3</u>
	(\$7.5)	(\$62.7)	(\$78.9)	(\$80.8)	(\$80.6)
GROSS SUBSIDIES	(\$62.0)	(\$14.0)	(\$100.8)	(\$104.9)	(\$103.5)

METROPOLITAN MASS TRANSPORTATION OPERATING ASSISTANCE (MMTOA)

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

Total Statewide MMTOA taxes for 2008 are estimated at \$1,926.4 million, of which \$1,861.6 million is allotted for Downstate transit properties. This is unchanged from the July Plan forecast. Of the Downstate allotment, \$189.5 million is earmarked to fund the State's 18-b obligations. The percentage allocation of the Downstate share for NYCT/SIR represents 60.0% and the percentage allocation to the commuter railroads represents 27.3%. These shares are based on the amounts appropriated in NYS's 2008-09 Enacted Budget. Long Island Bus, MTA Bus and other downstate transportation properties also receive a portion of the MMTOA funds.

Consistent with the July Plan, the 2008 November Plan forecast of MMTOA revenues reflect NYS's 2008-09 Enacted Budget, which was adopted in April 2008. Since the July Plan, receipts from the MMTOA taxes collected by New York State have been revised. Volume 1 of the November Plan includes updated forecasts of MMTOA based on the State's October Mid-Year Financial Plan Update. Beginning in 2009 and continuing through the Plan period, MMTOA tax yields are projected to decrease from the July Plan levels in each year. The impact of the latest State forecast is not incorporated into the baseline of the 2008 November Forecast, however, and is reflected as below-the-line assumptions in the Plan.

2008 November Forecast

The 2008 November Forecast reflects New York State Enacted Budget appropriation for MTA's MMTOA of \$1,706.2 million, which did not change from the July Plan level. Of the total estimated MMTOA cash receipts, \$1,102.2 million is appropriated for NYCT/SIR, \$549.2 million for the commuter railroads, and \$54.8 million for Long Island Bus. These amounts reflect the NY State Enacted Budget appropriation for MTA.

As noted in the July Plan, the November Forecast assumes that in 2008, the State funded \$189.5 million in 18-b obligations from MMTOA.

In 2008, the percentage allocation of MTA's share of Downstate MMTOA is derived from the actual amounts appropriated by the State in its 2008-09 Enacted Budget.

Like the July Plan, the November Plan assumes that \$100.0 million of NYCT's MMTOA appropriation would be paid in two equal payments of \$50.0 million in 2008 and 2009, as part of the State's support for MTA projects in areas devastated by the World Trade Center Disaster. The 2008 and 2009 plan assumes \$50.0 million each year would be used for the #1 train underpinning project in collaboration with the Port Authority of New York and New Jersey.

2009

For 2009, total MTA MMTOA baseline is estimated to be \$1,585.4 million. Of the total, \$1,021.7 million is earmarked for NYCT and SIR, \$512.6 million is earmarked for the commuter railroads and an additional \$51.2 million for Long Island Bus.

The Plan assumes that in 2009, the State's funding of its 18-b obligations remains at the 2008 level of \$189.5 million, which is consistent with the July Plan. The percentage allocations of MMTOA's downstate share for the MTA represent 60.0% for NYCT/SIR and 27.3% for the commuter railroads, to reflect the 2008 levels.

Consistent with the July Plan, the 2009 MTA forecast of the individual MMTOA taxes assumes the following tax growth rates from the 2008 level:

Sales Tax		3.5%
Petroleum Business Tax		1.9%
Corporate Franchise Tax		0.0%
Corporate Tax Surcharge		3.6%

2010 - 2012

For 2010 through 2012, the MTA MMTOA baseline forecast is based on New York State's Enacted Budget projections of MMTOA revenues. In 2010, the July Plan projection for MMTOA is \$1,594.3 million, which is consistent with the July Plan and just slightly higher than the 2009 estimate.

In 2011 and 2012, the November Plan forecasts for MTA MMTOA cash receipts are \$1,639.1 and \$1,701.4 million, respectively, which is consistent with the July Plan.

The MTA 2010 through 2012 baseline forecasts assumes the following tax growth rates:

		2010	2011	2012
Sales Tax		3.6%	3.6%	3.8%
Petroleum Business Tax		1.2%	0.5%	0.9%
Corporate Franchise Tax		0.0%	0.0%	0.0%
Corporate Tax Surcharge		1.4%	1.9%	3.6%

MMTOA STATE DEDICATED TAXES
November Financial Plan 2009 - 2012
Tax Yield Distribution 2008 - 2012
(\$ in millions)

	ACTUAL	FORECAST				
	2007	2008	2009	2010	2011	2012
<u>Forecast of MMTOA Gross Receipts (SFY):</u>						
Sales Tax	\$743.6	\$780.4	\$807.4	\$836.8	\$867.2	\$899.8
PBT	138.2	144.0	146.7	148.5	149.3	150.5
Corporate Franchise	68.0	68.0	68.0	68.0	68.0	68.0
Corporate Surcharge	974.9	934.0	968.0	982.0	1,001.0	1,037.0
Investment Income	0.0	0.0	0.0	0.0	0.0	0.0
Total Gross Receipts Available for Allocation	\$1,924.7	\$1,926.4	\$1,990.1	\$2,035.3	\$2,085.5	\$2,155.3

Allocation of Total Gross Receipts to DownState:

Total Gross Receipts	\$1,924.7	\$1,926.4	\$1,990.1	\$2,035.3	\$2,085.5	\$2,155.3
Less: Upstate Share of PBT	(62.2)	(64.8)	(66.0)	(66.8)	(67.2)	(67.7)
Upstate Percent Share of Investment Income	3.23%	3.36%	3.32%	3.28%	3.22%	3.14%
Less: Upstate Share of Investment Income	0.0	0.0	0.0	0.0	0.0	0.0
Total Net DownState Share Available for Allocation	\$1,862.5	\$1,861.6	\$1,924.1	\$1,968.5	\$2,018.3	\$2,087.6
Less: 18-B Adjustment	(186.5)	(189.5)	(189.5)	(189.5)	(189.5)	(189.5)
Adjusted Total Net DownState Share for Allocation	\$1,676.0	\$1,672.1	\$1,734.6	\$1,779.0	\$1,828.8	\$1,898.1

Allocation of Total Net DownState Share to NYCT/SIR:

NYCT/SIR Share	60.07%	60.01%	60.01%	60.01%	60.01%	60.01%
From Total Net DownState Share	\$1,169.7	\$1,256.0	\$1,175.5	\$1,181.4	\$1,211.3	\$1,252.9
Less: 18-B Adjustment	(153.1)	(153.9)	(153.9)	(153.9)	(153.9)	(153.9)
Adjusted Total Net DownState Share	\$1,016.6	\$1,102.2	\$1,021.7	\$1,027.5	\$1,057.4	\$1,099.0
From Carryover	36.1	0.0	0.0	0.0	0.0	0.0
Total NYCT/SIR Share of Net DownState Share	\$1,052.7	\$1,102.2	\$1,021.7	\$1,027.5	\$1,057.4	\$1,099.0
Total SIR Share	3.2	3.5	3.3	3.3	3.4	3.5
Total NYCT Share of Net DownState Share	\$1,049.6	\$1,098.6	\$1,018.4	\$1,024.2	\$1,054.0	\$1,095.5

Allocation of Total Net DownState Share to MTA:

MTA Share	27.18%	27.25%	27.25%	27.25%	27.25%	27.25%
From Total Net DownState Share	\$529.2	\$570.4	\$533.8	\$536.5	\$550.0	\$568.9
Less: 18-B Adjustment	(19.9)	(21.2)	(21.2)	(21.2)	(21.2)	(21.2)
Adjusted Total Net DownState Share	\$509.3	\$549.2	\$512.6	\$515.3	\$528.8	\$547.7
From Carryover	13.9	0.0	0.0	0.0	0.0	0.0
Total MTA Share of Net DownState Share	\$523.2	\$549.2	\$512.6	\$515.3	\$528.8	\$547.7

Allocation of Total Net DownState Share to LIB:

LI Bus Share	2.41%	2.72%	2.72%	2.72%	2.72%	2.72%
From Total Net DownState Share	\$46.9	\$57.0	\$53.3	\$53.6	\$55.0	\$56.8
Less: Used for 18-B/other	(2.0)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)
Adjusted Total Net DownState Share	\$44.9	\$54.8	\$51.2	\$51.5	\$52.8	\$54.7
From Carryover	0.0	0.0	0.0	0.0	0.0	0.0
Total LIB Share of Net DownState Share	\$44.9	\$54.8	\$51.2	\$51.5	\$52.8	\$54.7

PETROLEUM BUSINESS TAXES (PBT) (Trust Fund Taxes)

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

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

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

Consistent with the July Plan, the PBT forecast in the 2008 November Plan baseline reflects revenue projections in NYS's 2008-09 Enacted Budget. Volume 1 of the November Plan reflects the most recent projections of PBT revenues in New York State Budget's (DOB) Mid-Year Financial Plan Update. Beginning in 2008 and continuing through the Plan period, PBT tax yields are projected to decline from the July Plan levels. Similar to the handling of the MMTOA taxes, the MTA November Plan does not incorporate the impact of the State's latest reforecast into the Plan baseline. Instead, it is reflected as below-the-line assumptions in the Plan.

2008 November Forecast

The 2008 November Plan PBT estimate, on a cash basis, is \$626.6 million, which is consistent with the July Plan and reflects NYS's Enacted Budget forecast. Of the total PBT allocation, 85% or \$532.6 million is earmarked for New York City Transit and 15% or \$94.0 million for the commuter railroads.

On an accrual basis, PBT estimates for 2008 is \$627.6 million. The accrual estimate is based on a one-month lag in the booking and collection of PBT proceeds.

2009 Forecast

The 2009 PBT baseline cash projection is \$638.1 million, which is consistent with the July Plan forecast, reflecting NYS's Enacted Budget estimates of PBT revenues. Of the total PBT, \$542.4 million, or 85% is earmarked for New York City Transit, and \$95.7 million, or 15% is earmarked for the commuter railroads.

On an accrual basis, PBT is estimated to be \$638.6 million, which is consistent with the July Plan and an increase of \$8.8 million over the prior year's level.

2010 - 2012

For 2010 through 2012, PBT baseline cash estimates are \$643.8 million, \$646.4 million and \$648.9 million, respectively. These estimates are consistent with the July Plan and reflect NYS's Enacted Budget forecast of PBT revenue estimate. The 2010 through 2012 forecasts inflate the previous year's level by 0.9%, 0.4% and 0.4% respectively.

On an accrual basis, PBT estimates for 2010 through 2012 are \$644.1 million, \$646.6 million and \$649.1 million respectively.

PETROLEUM BUSINESS TAX PROJECTIONS
November Financial Plan 2009 - 2012
Tax Yield Distribution 2008 -2012
(\$ in millions)

Line		ACTUAL	FORECAST				
No		2007	2008	2009	2010	2011	2012
9							
10	Total Net PBT Collections Available for Distribution	\$1,797.2	\$1,843.1	\$1,876.7	\$1,893.7	\$1,901.1	\$1,908.5
11							
12	<u>Distribution Shares:</u>						
13							
14	MTA Total	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%
15	Other Transit	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
16	Highway Trust Fund	63.0%	63.0%	63.0%	63.0%	63.0%	63.0%
17	General Fund	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
18							
19	Share Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
20							
21							
22	<u>Amount of Total Net Collections Available for the MTA:</u>						
23							
24	MTA Total	\$611.1	\$626.6	\$638.1	\$643.8	\$646.4	\$648.9
25							
26	<u>Accrued</u>						
27							
28	NYCT/SIR Share of MTA Total	\$511.3	\$533.5	\$542.8	\$547.4	\$549.6	\$551.7
29	Commuter Railroad Share of MTA Total	90.2	94.1	95.8	96.6	97.0	97.4
30							
31	MTA Total of Net Collections	\$601.5	\$627.6	\$638.6	\$644.1	\$646.6	\$649.1
32							
33	<u>Cash</u>						
34							
35	NYCT/SIR Share of MTA Total	\$519.4	\$532.6	\$542.4	\$547.3	\$549.4	\$551.6
36	Commuter Railroad Share of MTA Total	91.7	94.0	95.7	96.6	97.0	97.3
37							
38	MTA Total of Net Collections	\$611.1	\$626.6	\$638.1	\$643.8	\$646.4	\$648.9

MORTGAGE RECORDING TAXES (MRT)

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

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

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

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

MTA is required to transfer an annual amount of \$5.0 million, made in equal quarterly installments, from the Corporate Transportation Account to the MTA's Dutchess, Orange and Rockland Fund (DORF); \$1.5 million is for each of the counties of Dutchess and Orange, and \$2.0 million is for the county of Rockland. Additionally, MTA must transfer from the Corporate Transportation Account to DORF for each of these three counties, respectively, an amount equal to the product of (i) the percentage by which such county's mortgage recording tax payment (MRT-1, excluding recent rate increases plus MRT-2) to MTA in the preceding calendar year increased over such payment in calendar year 1989 and (ii) \$1.5 million each for Dutchess and Orange Counties and \$2.0 million for Rockland County.

Forecast Methodology

Baseline Mortgage Recording Tax forecasts are unchanged from those prepared for the July Financial Plan. The forecasts for the second half of 2008, and for 2009 through 2011, are based on tax receipt trends for mortgage originations projected by the City of New York in its May 2008 Executive Budget. An adjustment for the second half of 2008 was made to account for second quarter mortgage activity which was weaker than the City trend forecast anticipated and which MTA expects would continue into the third quarter; this adjustment is consistent with changes made to the City's forecasts that were incorporated in its Adopted Budget. For 2012, MRT estimates were projected by utilizing 16 individual models; for each of eight jurisdictions – New York City and the seven suburban counties in the MTA region – there is an MRT-1 model and an MRT-2 model. These models, which are time-series regression models with a log-log specification, project tax receipts as a function of the ten-year U.S. Treasury Note rate and population of the jurisdiction.

At the beginning of November, the City of New York released its November Financial Plan Update, which includes revised trends for real estate transaction tax receipts. Using these revisions, along with actual receipts for July through October 2008, MTA has developed a revised set of MRT receipt forecasts for the November Financial Plan period. Changes from the baseline forecast to those developed using the City's updated forecast are provided separately in the November Financial Plan, Volume 1, as *Real Estate Related Taxes* in the *Updated Forecast* section.

2008 November Forecast - Baseline

The 2008 November Forecast for the Mortgage Recording Tax, unchanged from the Mid-Year Forecast, is based on June year-to-date actual cash receipts. The forecasts for the remaining six months of the year, based on the May 2008 City of New York Executive Budget trend projections and recent activity, were added to the year-to-date actuals in order to obtain a 2008 November Forecast.

MRT receipts on a cash basis are estimated at \$484.6 million, a decrease of \$218.9 million, or 31.1% from the 2007 level. MRT-1 receipts are projected to be \$317.1 million, a \$143.1 million (-31.1%) decrease over 2007, while MRT-2 receipts are projected to be \$167.4 million, a \$75.8 million (-31.2%) decline over 2007. MRT-1 includes taxes collected on mortgages for both commercial properties and residential properties, while MRT-2 is paid only on residential properties with fewer than seven units in the structure.

The City of New York's Executive Budget, the basis of MTA projections for MRT through 2011, assumed total mortgage recording tax receipts will decline by 25.4% for City Fiscal Year (CFY) 2009; this projection was used to estimate combined MRT-1 receipts from New York City excluding Staten Island. The City's Executive Budget assumed residential mortgage recording tax receipts will decline 13.3% for CFY 2009; this trend assumption was used to estimate MRT-1 receipts for Staten Island and the suburban counties as well as MRT-2 receipts for the entire MTA region.

2009 – 2012 Baseline

The November Financial Plan MRT projections for 2009 and 2012 are unchanged from the July Financial Plan. Receipts are expected to continue falling in 2009, down \$22.5 million, a 4.7% decline. MRT-1 is projected to decline \$21.0 million, a 6.6% decrease, while MRT-2 is projected to decline \$1.5 million, a 0.9% decrease. Declines are expected to continue in 2010 as MRT receipts fall another 1.2%, with MRT-1 down 1.4% and MRT-2 down 1.0%. By 2011, both residential and commercial activity are expected to reach sustainable levels, with MRT-1 receipts expected to increase 2.9% along with an increase of 3.1% in MRT-2 receipts; overall MRT receipts are expected to grow by 3.0% in 2011. In 2012, overall MRT receipts are expected to increase 1.5% with MRT-1 up 1.7% and MRT-2 up 1.3%.

The City Executive Budget projected total mortgage recording tax receipts – used to project MRT-1 for New York City excluding Staten Island – will decline 25.4% during City Fiscal Year 2009, decline 2.4% in CFY 2010, decrease 1.3% in CFY 2011 and increase 6.1% during CFY 2012. The City Executive Budget assumed residential mortgage recording tax receipts – used for MRT-1 projections for Staten Island and the suburban counties along with MRT-2 projections for the full MTA region – will decline 13.3% in CFY 2009, increase 0.2% in CFY 2010, decrease 1.8% in CFY 2011 and increase 6.6% during CFY 2012.

For the 2012 Financial Plan projection, the ten-year U.S. Treasury Note rate was expected to be 5.39%, unchanged from the projected 2011 rate. Population was expected to increase in 2012, up 0.16% in New York City, up 0.21% in Nassau and Suffolk, up 0.03% in Westchester, up 0.82% in Putnam, up 0.55% in Dutchess, up 0.33% in Rockland and up 0.70% in Orange.

The Plan forecasts for 2009 through 2012 reflect these assumptions. Over the Financial Plan period, MRT receipts are projected to be \$462.0 million in 2009, \$456.3 million in 2010, \$469.9 million in 2011 and \$477.1 million in 2012. MRT-1 receipts are estimated to be \$296.1 million in 2009, \$292.0 million in 2010, \$300.6 million in 2011 and \$305.5 million in 2012. MRT-2 receipts are projected to be \$165.9 million in 2009, \$164.3 million in 2010, \$169.3 million in 2011 and \$171.6 million in 2012.

Additional Assumptions - Baseline

The MTA General Reserve is funded by MRT-2. Like the July Plan, the November Plan reallocates \$40 million in unspent General Reserve earmarked for 2005 in equal installments in 2006 through 2009, with \$10 million reflected in each year. In addition, the November Plan reduces to zero the 2008 General Reserve level from the July Plan level of \$37.5 million. Beginning in 2009 through the plan period, however, the November Plan maintains the July Plan's general reserve level of \$75.0 million annually.

MRT-2 is also used to reimburse the agencies for certain security expenses from a fund managed by MTA Police. These funds are used for short term security projects. An

amount of \$16.5 million annually has been earmarked in the Plan to cover these security expenses in each of the years from 2008 through 2012.

Technical Adjustments:

Consistent with the July Plan, the November Financial Plan continues to reflect the implementation into the baseline of certain policy actions that were previously handled below the line. The Plan continues to reflect the impact of these funds on agency transfers as follows:

Downsizing – The Downsizing Account was established in the 2007 Adopted Budget in anticipation of major cost reductions that would need to be implemented in order to achieve budget balance after 2007. The November Plan, like the July Plan, continues to assume that these funds would be needed in 2009 and 2010.

Enhanced Security Training – The November Plan baseline makes no change to the July Plan's allocation of \$25.0 million over four years, which began in 2007 (\$6.2 million in equal installments), for enhanced security training for NYCT, Metro-North, and LIRR's operating personnel. The MTA has undertaken this initiative on the recommendations of Kroll Associates, the security consulting firm that the MTA engaged to review the agencies' safety/security training curriculum, and has sought and received the approval of the MTA Board.

Other MRT-2 Adjustments – Baseline

In addition to the adjustments above, the November Plan, like the July Plan, assumes that MRT-2 funds will be used to cover debt service cash flow requirements of the MTA Bus Company. For the period 2008 through 2012, the plan assumes \$24.6 million in 2008, \$23.2 million in 2009 and \$24.9 million annually thereafter.

In 2007, the MTA committed \$90.8 million in MRT-2 funds for a cash defeasance loan to TBTA. The 2008 November Plan assumes that the full amount of this loan will be paid back to the MTA by 2009.

MTAHQ accrued expenses are funded by MRT-1 receipts; as a result, Other Post Employment Benefits (OPEB) are now included in the calculation of MRT-1 distributions. The November Plan assumes that the cash value of the future OPEB liability for MTAHQ, beginning in 2008, would be transferred from MRT-1 to the MRT-2 Corporate Account. These funds are needed to balance MTAHQ on a cash basis as well as meet current and future corporate costs, including OPEB. In the July Plan, an error was made in the calculation for HQ's use of OPEB cash. As a result, in the November Plan, the MRT-2 subsidy available to HQ is approximately \$60 million lower than the July Plan in each year beginning in 2009.

Summary of Mortgage Recording Tax Projections
November Financial Plan 2009 - 2012
Tax Yield Distribution 2008 - 2012
(\$ in millions)

Cash Basis	ACTUAL	FORECAST				
	2007	2008	2009	2010	2011	2012

MORTGAGE RECORDING TAX #261-1

Receipts Available for Transfer to NYCT and CRs:

Total Gross Receipts	\$460.2	\$317.1	\$296.1	\$292.0	\$300.6	\$305.5
Carryover	0.0	0.0	0.0	0.0	0.0	0.0
OPEB Offset	0.0	61.2	64.2	67.1	70.2	73.2
Less: MTAHQ Operating Deficit	(280.369)	(338.868)	(382.948)	(380.918)	(391.389)	(400.825)

Receipts Available for Transfer	\$179.9	\$39.4	(\$22.6)	(\$21.8)	(\$20.6)	(\$22.1)
Adjustments	(25.0)	(20.0)	0.0	0.0	0.0	0.0
MRT-2 Required to Balance	0.0	0.0	22.6	21.8	20.6	22.1
Adjusted Receipts Available for Transfer	\$154.8	\$19.4	\$0.0	\$0.0	\$0.0	\$0.0

Allocation of Net Receipts to NYCT/SIR Account:

Opening Balance	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
NYCT/SIR Share	55%	55%	55%	55%	55%	55%
From Current Year Net Receipts	0.0	10.7	0.0	0.0	0.0	0.0
Interest	0.0	0.0	0.0	0.0	0.0	0.0
Carryover from Prior-Year Accrual	0.0	0.0	0.0	0.0	0.0	0.0
Carryover from MTAHQ Post-Close Adjustment	0.0	21.7	0.0	0.0	0.0	0.0
Total NYCT/SIR Net Cash Share	\$0.0	\$32.4	\$0.0	\$0.0	\$0.0	\$0.0
Total SIR Net Cash Share	0.3	0.0	0.0	0.0	0.0	0.0
Total NYCT Net Cash Share	\$0.0	\$32.4	\$0.0	\$0.0	\$0.0	\$0.0

Allocation of Net Receipts to Commuter Railroad Account:

Opening Balance - CR/SHF	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Commuter Railroad Share	45%	45%	45%	45%	45%	45%
From Net Receipts	0.0	8.8	0.0	0.0	0.0	0.0
Interest	0.0	0.0	0.0	0.0	0.0	0.0
Carryover	0.0	0.0	0.0	0.0	0.0	0.0
Carryover from MTAHQ Post-Close Adjustment	0.0	17.5	0.0	0.0	0.0	0.0
Less: Suburban Highway Fund	(20.0)	0.0	0.0	0.0	0.0	0.0
OPEB	0.0	0.0	0.0	0.0	0.0	0.0
Transfers from MRT-2	0.0	0.0	0.0	0.0	0.0	0.0
Total Commuter Railroad Net Cash Share	\$0.0	\$26.2	\$0.0	\$0.0	\$0.0	\$0.0

MORTGAGE RECORDING TAX #261-2

Receipts Available

Total Receipts to Corporate Account	\$243.3	\$167.4	\$165.9	\$164.3	\$169.3	\$171.6
Opening Fund Balance	30.0	20.0	10.0	0.0	0.0	0.0
OPEB Cash Adjustment	0.0	0.0	0.0	0.0	0.0	0.0
All Agency Security Pool	(16.5)	(16.5)	(16.5)	(16.5)	(16.5)	(16.5)
Downsizing	3.6	0.0	(40.5)	(40.5)	0.0	0.0
Enhanced Security Training	(6.2)	(6.2)	(6.2)	(6.2)	0.0	0.0
Service Marketing Campaign	(5.0)	5.0	0.0	0.0	0.0	0.0
MTA Bus Debt Service	(26.6)	(24.6)	(23.2)	(24.9)	(24.9)	(24.9)
Outstanding 2006 Loans	36.9	0.0	0.0	0.0	0.0	0.0
Cash Defeasance Loan for TBTA	(90.8)	0.0	90.8	0.0	0.0	0.0
Reserve for Following Year/Cash Flow Provision	(20.0)	(10.0)	0.0	0.0	0.0	0.0
General Reserve	0.0	0.0	(75.0)	(75.0)	(75.0)	(75.0)
Investment Income	23.4	8.2	8.2	8.2	8.3	8.3

Total Receipts Available for Transfer	\$171.9	\$143.3	\$113.5	\$9.4	\$61.2	\$63.5
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Use of Total Receipts:

DORF Opening Balance	\$3.8	\$4.5	\$4.5	\$4.5	\$4.5	\$4.5
Less: Transfer to MTA DORF Account	(20.1)	(16.7)	(12.8)	(12.0)	(11.9)	(12.3)
Less: Transfer to MTAHQ Funds	0.0	0.0	(22.6)	(21.8)	(20.6)	(22.1)

Net Receipts Available	\$155.6	\$131.1	\$82.6	(\$20.0)	\$33.1	\$33.6
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URBAN TAXES

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

Forecast Methodology

Baseline Urban Tax forecasts are unchanged from those prepared for the July Financial Plan. The forecasts for the second half of 2008, and for 2009 through 2011, are based on tax receipt trends for commercial property transactions projected by the City of New York in its May 2008 Executive Budget. Two adjustments for 2008 were made to the trend forecast. An adjustment for the second half of 2008 was made to account for second quarter commercial real estate activity which was weaker than the City trend forecast anticipated and which MTA expected would continue into the third quarter; this adjustment was consistent with changes made to the City's forecasts that were incorporated in its Adopted Budget. A second adjustment was made to account for receipts anticipated from the purchase of the GM Building and four other properties by Boston Properties for \$3.95 billion. For 2012, Urban Tax estimates are based on two forecasting models, one for the MRT and one for the RPTT. In these models, which are time-series regression models with a log-log specification, tax receipts are a function of the ninety-day U.S. Treasury Bill rate and New York City private-sector employment.

At the beginning of November, the City of New York released its November Financial Plan Update, which includes revised trends for real estate transaction tax receipts. Using these revisions, along with actual receipts for July through October 2008, MTA has developed a revised set of Urban Tax receipt forecasts for the November Financial Plan period. Changes from the baseline forecast to those developed using the City's updated forecast are provided separately in the November Financial Plan, Volume 1, as *Real Estate Related Taxes* in the *Updated Forecast* section.

2008 November Forecast - Baseline

The 2008 November Forecast for the Urban Taxes, unchanged from the Mid-Year Forecast, is based on actual cash tax receipts to the MTA through June 2008. Forecasts for the remaining six months of the year, based on the May 2008 City of New York Executive Budget trend projections and recent activity, were added to the year-to-date actuals in order to obtain a 2008 November Forecast.

Urban Tax receipts on a cash basis are estimated at \$560.5 million, a decrease of \$323.0 million, or 36.6% less than the 2007 level. The City of New York's Executive Budget assumed commercial MRT receipts will decrease by 34.9% for City Fiscal Year (CFY) 2009 while RPTT receipts will decrease by 26.9% for CFY 2009. After the release of the City trend projections, Urban Tax receipts continued to remain low for May and June – lower than even the City projections anticipated. To reflect this, the Urban Tax projections for the second half of 2008 were further lowered to reflect actual receipts for March, April and May.

Additionally, in late May the GM Building and four other Manhattan properties were sold by Macklowe Properties to Boston Properties for a reported \$3.95 billion; \$35.6 million in Real Property Transfer Tax revenue was added to the 2008 projection to reflect this transaction.

2009 – 2012 Baseline

The November Financial Plan Urban Tax projections are unchanged from the July Financial Plan. Receipts are expected to continue declining, by 13.6% in 2009 and by 2.6% in 2010, and then growing by 2.6% in 2011 and 6.8% in 2012.

The City Executive Budget projected commercial MRT receipts to decrease 34.9% during City Fiscal Year 2009, decline 5.2% during CFY 2010, decrease 0.7% for CFY 2011 and increase 5.5% in CFY 2012. Commercial RPTT receipts were forecast to decline 26.9% in CFY 2009, decline 5.4% in CFY 2010, decrease 0.6% in CFY 2011 and increase 4.5% in CFY 2012.

For the 2012 Financial Plan projection, the 3-month U.S. Treasury Bill rate was expected to be 4.59%, unchanged from 2011, while New York City private-sector employment was expected to grow 0.76% in 2012.

The Plan forecasts for 2009 through 2012 reflect these assumptions. Over the Financial Plan period, Urban Tax receipts are projected to be \$484.1 million in 2009, \$471.6 million in 2010, \$483.9 million in 2011 and \$516.8 million in 2012.

Urban Tax receipts have grown at unprecedented rates over the past three and half years: from 2003 to 2004, Urban Tax receipts doubled, and receipts doubled again from 2004 to 2006. Receipts increased by another 21% in 2007, and from 2007 through 2010 receipts are expected to decline by 47% before modestly increasing in subsequent years. These receipts are generated by market conditions that can change dramatically, and significant declines have occurred before: after reaching a then-record level in 1987, Urban Tax receipts declined 85% over a five year period.

STATE AND LOCAL SUBSIDIES

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

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

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

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

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

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

2008 November Forecast

In the 2008 November Forecast, total State and Local cash subsidy receipts are estimated at \$624.6 million, a slight increase of \$0.6 million over the July Plan. The change is primarily due to higher levels of station maintenance subsidies, partially offset by unfavorable CDOT subsidies.

2009 – 2012

In 2009, 2010, 2011, and 2012 State and Local subsidy estimates are \$5.1 million, \$5.0 million, \$3.8 million and \$3.8 million higher than the July Plan levels, respectively. The changes primarily represent elimination of AMTAP subsidies to the commuter railroads beginning in 2009, partially offset by favorable CDOT and/or station maintenance levels in each of the Plan years. The AMTAP grant to the commuter railroads was based on the amount MTA distributes to the State suburban highway fund as part of the MRT-1 fund allocations. Because of declining MRT-1 receipts, all MRT-1 receipts are needed to balance MTAHQ, which has first lien on all MRT-1 receipts; since there will not be any distributions to the State suburban highway fund, the corresponding AMTAP allocation would no longer be available during the Plan period.

MTA SUBSIDY TO SUBSIDIARIES

In the 2008 November Forecast, total estimated MTA subsidy payment to its subsidiaries on a cash basis is \$37.3 million, which is \$3.6 million lower than the July Plan Forecast. Staten Island Railroad's (SIR) share is \$23.3 million; Long Island Bus' (LIB) share is \$14.0 million.

For the 2008 November Forecast, SIR's share reflects amounts needed to cover the operating deficit after all other subsidies and operating revenues are allocated.

In 2009, the forecast for MTA subsidy payment to LIB and SIR on a cash basis is \$45.8 million, which is \$3.1 million higher than the July Plan Forecast.

For each of the years 2010 through 2012, MTA subsidy to its subsidiaries is \$40.9 million, \$40.5 million and \$41.9 million respectively. The Long Island Bus portion remains at \$14.0 million in each year.

SUBSIDY AND OTHER TECHNICAL ADJUSTMENTS

In addition to the adjustments to MRT-2, which are discussed in the MRT Section, other subsidy adjustments for 2008 through 2012 are included in the November Plan.

Consistent with the July Plan, NYCT pension expenses reflect costs associated with pension refunds to union employees. These refunds were part of the December 2005 labor agreement and subsequent arbitration award with union employees and NYCT. The 2008 payments, totaling \$118.0 million, were made by the NYCERS and MaBSTOA pension plans. The November Plan includes a transfer of \$118.0 million from the GASB account to fund these and other anticipated pension cost. In 2006, a portion of the GASB account was funded by one-time cash savings stemming from reductions in NYCT NYCERS costs; it was intended that these savings would be used for this purpose when the monies were deposited in the GASB account.

In 2008 and 2009, as previously noted in the MMTOA section and consistent with the July Plan, the November Plan assumes that \$100.0 million in two equal payments of \$50.0 million from MMTOA funds would be used to pay for the #1 train underpinning project. These adjustments assume the transfer of funds to the project budget, which is not part of the MTA operating budget.

The November Plan reflects MTA's energy hedging strategy which was implemented in September and October to lock-in fuel prices. In 2007, \$150.0 million was prepaid for NYCT, LIRR and Metro-North's energy. The Plan assumes that these funds will be available when the hedges expire in December 2009.

Consistent with the July Plan, the November Plan reflects the MTA's agreement with the City of New York to fund a portion of MTA Bus' debt service from New York City Transit subsidies, which account for \$12.0 million in 2008 and \$11.5 million in each year beginning in 2009 for the duration of the Plan period. These amounts reflect reimbursement to MTA Bus under a swap agreement with New York City Transit in which Federal capital grant moneys are paid directly to New York City Transit for the benefit of MTA Bus; NYCT applies these funds to cover its own capital projects and in turn reimburses MTA Bus.

MTA New York City Transit Subsidy Allocation
November Financial Plan 2009 - 2012
Cash Basis
(\$ in millions)

	2007	2008	2009	2010	2011	2012
<u>Subsidies</u>						
<i>Dedicated Taxes</i>						
Metropolitan Mass Transportation Operating Assist. (MMTOA)	\$1,049.6	\$1,098.6	\$1,018.4	\$1,024.2	\$1,054.0	\$1,095.5
Petroleum Business Tax (PBT) Receipts	519.4	532.6	542.4	547.3	549.4	551.6
Mortgage Recording Tax (MRT)	0.0	32.4	0.0	0.0	0.0	0.0
Urban Tax	<u>883.1</u>	<u>560.5</u>	<u>484.1</u>	<u>471.6</u>	<u>483.9</u>	<u>516.8</u>
	\$2,452.1	\$2,224.2	\$2,044.9	\$2,043.1	\$2,087.4	\$2,163.9
<i>State and Local Subsidies</i>						
State Operating Assistance	\$158.1	\$158.2	\$158.2	\$158.2	\$158.2	\$158.2
Local Operating Assistance	<u>158.2</u>	<u>158.2</u>	<u>158.2</u>	<u>158.2</u>	<u>158.2</u>	<u>158.2</u>
	\$316.2	\$316.4	\$316.4	\$316.4	\$316.4	\$316.4
South Ferry	(\$35.0)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Pension Funding	\$0.0	\$118.0	\$0.0	\$0.0	\$0.0	\$0.0
Fulton Street #1 Train - Port Authority	(56.0)	(50.0)	(50.0)	0.0	0.0	0.0
NYCT Charge Back of MTA Bus Debt Service	0.0	(12.0)	(11.5)	(11.5)	(11.5)	(11.5)
Energy Hedging Strategy	<u>(117.8)</u>	<u>0.0</u>	<u>117.8</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	(\$208.8)	\$56.0	\$56.3	(\$11.5)	(\$11.5)	(\$11.5)
Total Dedicated Taxes & State and Local Subsidies	\$2,559.6	\$2,596.6	\$2,417.5	\$2,348.0	\$2,392.2	\$2,468.7
<i>Inter-agency Subsidy Transactions</i>						
Bridges and Tunnels Operating Surplus Transfer	\$156.4	\$111.9	\$42.2	\$19.5	\$12.6	\$1.1
GROSS SUBSIDIES	\$2,716.0	\$2,708.5	\$2,459.7	\$2,367.5	\$2,404.8	\$2,469.8

MTA Commuter Railroad Subsidy Allocation
November Financial Plan 2009 - 2012
Cash Basis
(\$ in millions)

	2007	2008	2009	2010	2011	2012
<u>Subsidies</u>						
<i>Dedicated Taxes</i>						
Metropolitan Mass Transportation Operating Assistance (MMTOA)	\$523.2	\$549.2	\$512.6	\$515.3	\$528.8	\$547.7
Petroleum Business Tax (PBT) Receipts	91.7	94.0	95.7	96.6	97.0	97.3
Mortgage Recording Tax (MRT)	0.0	26.2	0.0	0.0	0.0	0.0
Investment Income	<u>2.3</u>	<u>2.0</u>	<u>2.0</u>	<u>2.1</u>	<u>2.1</u>	<u>2.2</u>
	\$617.2	\$671.4	\$610.3	\$613.9	\$627.9	\$647.2
<i>State and Local Subsidies</i>						
State Operating Assistance	\$29.3	\$29.3	\$29.3	\$29.3	\$29.3	\$29.3
Local Operating Assistance	29.3	29.3	29.3	29.3	29.3	29.3
CDOT Subsidy	61.2	71.9	88.7	98.9	112.7	121.3
Station Maintenance	138.5	143.8	148.1	150.8	154.2	157.6
AMTAP	<u>20.0</u>	<u>19.6</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	\$278.1	\$293.9	\$295.3	\$308.2	\$325.4	\$337.3
Forward Energy Contracts	(\$32.2)	\$0.0	\$32.2	\$0.0	\$0.0	\$0.0
Pension Pre-Payment	<u>(91.0)</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	(\$123.2)	\$0.0	\$32.2	\$0.0	\$0.0	\$0.0
Total Dedicated Taxes & State and Local Subsidies	\$772.0	\$965.2	\$937.8	\$922.1	\$953.3	\$984.5
<i>Inter-agency Subsidy Transactions</i>						
Bridges and Tunnels Operating Surplus Transfer	\$249.9	\$225.4	\$171.0	\$148.7	\$141.2	\$129.8
GROSS SUBSIDIES	\$1,022.0	\$1,190.6	\$1,108.8	\$1,070.8	\$1,094.5	\$1,114.4

MTA Long Island Bus Subsidy Allocation
November Financial Plan 2009 - 2012
Cash Basis
(\$ in millions)

	2007	2008	2009	2010	2011	2012
<u>Subsidies</u>						
<i>Dedicated Taxes</i>						
MMTOA Allocation	\$44.9	\$54.8	\$51.2	\$51.5	\$52.8	\$54.7
<i>State and Local Subsidies</i>						
State Operating Assistance	\$3.0	\$2.9	\$3.0	\$3.0	\$3.0	\$3.0
Nassau County Subsidy	<u>10.8</u>	<u>10.5</u>	<u>10.5</u>	<u>10.5</u>	<u>10.5</u>	<u>10.5</u>
	\$13.8	\$13.4	\$13.5	\$13.5	13.5	13.5
Total Dedicated Taxes & State and Local Subsidies	\$58.7	\$68.3	\$64.6	\$64.9	\$66.3	\$68.2
<i>Inter-agency Subsidy Transactions</i>						
MTA Subsidy to Subsidiaries	\$20.3	\$14.0	\$14.0	\$14.0	\$14.0	\$14.0
GROSS SUBSIDIES	\$79.0	\$82.3	\$78.6	\$78.9	\$80.3	\$82.2

MTA Staten Island Railway Subsidy Allocation
November Financial Plan 2009 - 2012
Cash Basis
(\$ in millions)

	2007	2008	2009	2010	2011	2012
<u>Subsidies</u>						
<i>Dedicated Taxes</i>						
Metropolitan Mass Transportation Operating Assistance (MMTOA)	\$4.5	\$3.5	\$3.3	\$3.3	\$3.4	\$3.5
Mortgage Recording Tax (MRT)	<u>0.3</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	\$4.8	\$3.5	\$3.3	\$3.3	\$3.4	\$3.5
<i>State and Local Subsidies</i>						
State Operating Assistance	\$0.6	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5
Local Operating Assistance	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>
	\$1.1	\$1.0	\$1.0	\$1.0	\$1.0	\$1.0
Total Dedicated Taxes & State and Local Subsidies	\$5.9	\$4.5	\$4.3	\$4.3	\$4.4	\$4.5
<i>Inter-agency Subsidy Transactions</i>						
MTA Subsidy to Subsidiaries	\$21.5	\$23.3	\$31.8	\$26.9	\$26.5	\$27.9
GROSS SUBSIDIES	\$27.3	\$27.9	\$36.1	\$31.2	\$30.9	\$32.4

MTA Headquarters Subsidy Allocation
November Financial Plan 2009 - 2012
Cash Basis
(\$ in millions)

	2007	2008	2009	2010	2011	2012
<u>Subsidies</u>						
<u>Dedicated Taxes</u>						
<u>Mortgage Recording Tax-1</u>						
Net Receipts After Agency Transfers	\$305.4	\$277.7	\$296.1	\$292.0	\$300.6	\$305.5
<u>Adjustments</u>						
Diversion of MRT to Suburban Counties	(\$20.0)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Carryover/Opening Balances/Interest	(5.0)	0.0	0.0	0.0	0.0	0.0
MRT-2 Required to Balance	0.0	0.0	22.6	21.8	20.6	22.1
<i>Total Adjustments</i>	<i>(\$25.0)</i>	<i>\$0.0</i>	<i>\$22.6</i>	<i>\$21.8</i>	<i>\$20.6</i>	<i>\$22.1</i>
Net Funding of MTA Headquarters	\$280.4	\$277.7	\$318.7	\$313.8	\$321.2	\$327.6
<u>Mortgage Recording Tax - 2</u>						
Net Receipts	\$253.3	\$177.4	\$175.9	\$164.3	\$169.3	\$171.6
<u>Adjustments</u>						
Funding of General Reserve	\$0.0	\$0.0	(\$75.0)	(\$75.0)	(\$75.0)	(\$75.0)
Diversion of MRT to Suburban Counties	(16.4)	(12.2)	(8.3)	(7.6)	(7.5)	(7.8)
Carryover/Opening Balances/Interest	23.4	8.2	8.2	8.2	8.3	8.3
Agency Security Costs from MRT	(16.5)	(16.5)	(16.5)	(16.5)	(16.5)	(16.5)
Transfer to MRT-1	0.0	0.0	(22.6)	(21.8)	(20.6)	(22.1)
Downsizing	3.6	0.0	(40.5)	(40.5)	0.0	0.0
Enhanced Security Training	(6.2)	(6.2)	(6.2)	(6.2)	0.0	0.0
Service Marketing Campaign	(5.0)	5.0	0.0	0.0	0.0	0.0
MTA Bus Debt Service	(26.6)	(24.6)	(23.2)	(24.9)	(24.9)	(24.9)
Outstanding 2006 Loans	36.9	0.0	0.0	0.0	0.0	0.0
Cash Defeasance Loan for TBTA	(90.8)	0.0	90.8	0.0	0.0	0.0
<i>Total Adjustments</i>	<i>(\$97.7)</i>	<i>(\$46.3)</i>	<i>(\$93.3)</i>	<i>(\$184.3)</i>	<i>(\$136.2)</i>	<i>(\$138.0)</i>
Unallocated MRT-2 Receipts	\$155.6	\$131.1	\$82.6	(\$20.0)	\$33.1	\$33.6

MTA Bus Company Subsidy Allocation
November Financial Plan 2009 - 2012
Cash Basis
(\$ in millions)

	2007	2008	2009	2010	2011	2012
<u>Subsidies</u>						
City Subsidy to MTA Bus Company	\$185.0	\$293.5	\$298.8	\$305.6	\$315.3	\$329.1

MTA BRIDGES & TUNNELS
MULTI-YEAR FINANCIAL PLAN
2009 - 2012
(\$ in millions)

ACTUAL	FORECAST				
2007	2008	2009	2010	2011	2012

Deductions from Net Operating Income:

Investment Income	\$5.558	\$2.558	\$2.321	\$4.099	\$4.458	\$4.458
Total Debt Service	463.748	506.616	603.878	609.285	620.770	634.429
Reserves	16.156	13.667	13.953	14.261	14.531	14.809
Capitalized Assets	6.314	14.508	18.854	18.854	18.854	18.854
GASB Reserves	1.670	1.980	2.210	2.431	2.479	2.529

Total Deductions from Net Operating Income	\$493.446	\$539.329	\$641.216	\$648.930	\$661.091	\$675.079
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Net Income Available for Transfer to MTA and NYCT	\$406.443	\$323.213	\$200.904	\$164.557	\$152.594	\$128.548
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Distribution of Funds to MTA:

Investment Income in Current Year	\$5.558	\$2.558	\$2.321	\$4.099	\$4.458	\$4.458
Accrued Current Year Allocation	249.968	215.707	165.980	146.768	140.584	128.631

Total Accrued Amount Distributed to MTA	\$255.526	\$218.265	\$168.301	\$150.867	\$145.042	\$133.089
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Distribution of Funds to NYCT:

First \$24 million of Surplus reserved for NYCT	\$24.000	\$24.000	\$24.000	\$24.000	\$24.000	\$24.000
Additional Accrued Current Year Allocation	132.474	83.506	10.925	(6.211)	(11.990)	(24.083)

Total Accrued Amount Distributed to NYCT	\$156.474	\$107.506	\$34.925	\$17.789	\$12.010	(\$0.083)
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Actual Cash Transfer to MTA and NYCT:

From Current Year Surplus	\$249.945	\$225.381	\$170.952	\$148.689	\$141.202	\$129.826
Investment Income in Prior Year	8.637	5.558	2.558	2.321	4.099	4.458

Total Cash Amount Distributed to MTA	\$258.581	\$230.939	\$173.510	\$151.010	\$145.301	\$134.284
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Total Cash Amount Distributed to NYCT	\$156.397	\$111.855	\$42.183	\$19.503	\$12.588	\$1.127
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	ACTUAL	FORECAST				
	2007	2008	2009	2010	2011	2012
<u>Debt Service Detail by Agency:</u>						
B&T Own Purpose DS	\$140.544	\$159.060	\$186.541	\$194.597	\$207.181	\$220.489
NYCT Transportation DS	220.349	239.878	286.196	283.833	283.081	283.327
MTA Transportation DS	102.855	107.677	131.141	130.854	130.508	130.613
Total Debt Service by Agency	\$463.748	\$506.616	\$603.878	\$609.285	\$620.770	\$634.429

Total Accrued Amount for Transfer to MTA and NYCT:

Total Adjusted Net Income Available for Transfer	\$870.191	\$829.828	\$804.783	\$773.842	\$773.364	\$762.977
Less: B&T Total Debt Service	(140.544)	(159.060)	(186.541)	(194.597)	(207.181)	(220.489)
Less: first \$24 million reserved for NYCT	(24.000)	(24.000)	(24.000)	(24.000)	(24.000)	(24.000)
Remainder of Total Accrued Amount for Transfer	\$705.647	\$646.768	\$594.241	\$555.244	\$542.184	\$518.489

Calculation of Actual Cash Transfer to MTA:

Distribution of Remainder to MTA						
Fifty Percent of Total Accrued Amount for Transfer	\$352.823	\$323.384	\$297.121	\$277.622	\$271.092	\$259.244
Less: MTA Total Debt Service	(102.855)	(107.677)	(131.141)	(130.854)	(130.508)	(130.613)
MTA's Accrued Current Year Allocation	\$249.968	\$215.707	\$165.980	\$146.768	\$140.584	\$128.631
Cash Conversion of MTA's Accrued Amount						
Current Year Amount	\$218.724	\$194.136	\$149.382	\$132.091	\$126.526	\$115.768
Balance of Prior Year	31.221	31.245	21.571	16.598	14.677	14.058
Cash Transfer to MTA	\$249.945	\$225.381	\$170.952	\$148.689	\$141.202	\$129.826

Calculation of Actual Cash Transfer to NYCT:

Distribution of Remainder to NYCT						
Fifty Percent of Total Accrued Amount for Transfer	\$352.823	\$323.384	\$297.121	\$277.622	\$271.092	\$259.244
Less: NYCT Total Debt Service	(220.349)	(239.878)	(286.196)	(283.833)	(283.081)	(283.327)
Plus: first \$24 million reserved for NYCT	24.000	24.000	24.000	24.000	24.000	24.000
NYCT's Accrued Current Year Allocation	\$156.474	\$107.506	\$34.925	\$17.789	\$12.010	(\$0.083)
Cash Conversion of NYCT's Accrued Amount						
Current Year Amount	\$141.375	\$96.755	\$31.432	\$16.010	\$10.809	(\$0.075)
Balance of Prior Year	15.023	15.100	10.751	3.492	1.779	1.201
Cash Transfer to NYCT	\$156.397	\$111.855	\$42.183	\$19.503	\$12.588	\$1.127

B & T Charged Debt Service Detail by Type:

Project Debt Service						
B & T Own Purpose Debt Service	\$140.544	\$159.060	\$186.541	\$194.597	\$207.181	\$220.489
NYCT Transportation Project Debt Service	220.349	239.878	286.196	283.833	283.081	283.327
MTA Transportation Project Debt Service	102.855	107.677	131.141	130.854	130.508	130.613
Total Project Debt Service	\$463.748	\$506.616	\$603.878	\$609.285	\$620.770	\$634.429
Policy Action - Business Service Center	\$0.000	\$0.000	\$0.000	\$0.000	\$1.691	\$4.049

SUMMARY
MTA LONG ISLAND BUS
MULTI-YEAR FINANCIAL PLAN
2009 - 2012
(\$ in millions)

Line

Number

	ACTUAL	FORECAST				
	2007	2008	2009	2010	2011	2012
<u>Revenue Summary:</u>						
Farebox Revenue	\$40.3	\$42.1	\$41.9	\$42.0	\$42.1	\$42.2
Other Revenue	1.4	2.3	3.3	3.1	2.5	2.6
State/Local Subsidies	58.7	68.3	64.6	64.9	66.3	68.2
Total Revenue Before MTA Subsidy	\$100.5	\$112.7	\$109.8	\$110.0	\$110.8	\$112.9
<u>Non-Reimbursable Expense Summary:</u>						
Labor Expenses	\$89.7	\$94.6	\$98.0	\$100.5	\$103.5	\$106.5
Non-Labor Expenses	33.0	32.2	34.0	37.2	37.7	38.0
Depreciation	0.0	0.0	0.0	0.0	0.0	0.0
OPEB Obligation	5.7	6.0	6.5	6.9	7.3	7.7
Environmental Remediation	0.0	0.0	0.0	0.0	0.0	0.0
Total Non-Reimbursable Expenses	\$128.4	\$132.7	\$138.4	\$144.6	\$148.5	\$152.2
Total Net Revenue	(\$27.9)	(\$20.0)	(\$28.7)	(\$34.6)	(\$37.7)	(\$39.3)
<u>Cash Adjustment Summary:</u>						
Operating Cash Adjustments	\$4.7	\$1.2	\$5.8	\$7.4	\$7.9	\$8.2
Subsidy Cash Adjustments	0.0	0.0	0.0	0.0	0.0	0.0
Total Cash Adjustment	\$4.7	\$1.2	\$5.8	\$7.4	\$7.9	\$8.2
Gross Cash Balance	(\$23.2)	(\$18.8)	(\$22.9)	(\$27.2)	(\$29.8)	(\$31.1)
MTA Internal Subsidy	20.3	14.0	14.0	14.0	14.0	14.0
Unspecified Actions to Reduce Deficit	0.0	0.0	0.0	0.0	0.0	0.0
Net Cash Balance from Previous Year	\$7.8	\$4.8	\$0.1	\$0.0	\$0.0	\$0.0
Baseline Net Cash Surplus/(Deficit)	\$4.8	\$0.1	(\$8.8)	(\$13.2)	(\$15.8)	(\$17.1)

<p style="text-align: center;">SUMMARY</p> <p style="text-align: center;">MTA STATEN ISLAND RAILWAY</p> <p style="text-align: center;">MULTI-YEAR FINANCIAL PLAN</p> <p style="text-align: center;">2009 - 2012</p> <p style="text-align: center;">(\$ in millions)</p>

Line Number		ACTUAL	FORECAST				
		2007	2008	2009	2010	2011	2012
9							
10	<u>Revenue Summary:</u>						
11							
12	Farebox Revenue	\$3.9	\$4.4	\$4.7	\$5.0	\$5.1	\$5.2
13	Other Revenue	2.1	2.1	2.1	2.1	2.1	2.1
14	State/City Subsidies	4.2	4.6	4.3	4.3	4.4	4.5
15							
16	Total Revenue Before MTA Subsidy	\$10.2	\$11.1	\$11.0	\$11.4	\$11.6	\$11.7
17							
18	<u>Non-Reimbursable Expense Summary:</u>						
19							
20	Labor Expenses	\$23.9	\$25.3	\$27.0	\$28.0	\$28.9	\$30.0
21	Non-Labor Expenses	6.7	11.4	15.6	9.9	8.9	9.2
22	Depreciation	7.1	10.3	10.3	10.3	10.3	10.3
23	OPEB Obligation	2.4	2.6	2.7	2.8	2.8	3.0
24	Environmental Remediation	0.0	0.0	0.0	0.0	0.0	0.0
25							
26	Total Non-Reimbursable Expenses	\$40.1	\$49.7	\$55.6	\$51.1	\$50.9	\$52.6
27							
28							
29	Total Net Revenue	(\$29.9)	(\$38.6)	(\$44.6)	(\$39.7)	(\$39.3)	(\$40.9)
30							
31	<u>Cash Adjustment Summary:</u>						
32							
33	Operating Cash Adjustments	\$9.0	\$15.4	\$12.8	\$12.8	\$12.8	\$13.0
34	Subsidy Cash Adjustments	(0.2)	(0.1)	0.0	0.0	0.0	0.0
35							
36	Total Cash Adjustment	\$8.7	\$15.3	\$12.8	\$12.8	\$12.8	\$13.0
37							
38	Gross Cash Balance	(\$21.2)	(\$23.3)	(\$31.8)	(\$26.9)	(\$26.5)	(\$27.9)
39							
40	MTA Internal Subsidy before PEGs	21.5	23.3	31.8	26.9	26.5	27.9
41							
42	Net Cash Balance from Previous Year	\$0.0	\$0.2	\$0.2	\$0.2	\$0.2	\$0.2
43							
44							
45	Baseline Net Cash Surplus/(Deficit)	\$0.2	\$0.2	\$0.2	\$0.2	\$0.2	\$0.2

SUMMARY
MTA BUS COMPANY
MULTI-YEAR FINANCIAL PLAN
2009 - 2012
(\$ in millions)

Line Number		ACTUAL	FORECAST				
		2007	2008	2009	2010	2011	2012
9							
10	<u>Revenue Summary:</u>						
11							
12	Farebox Revenue	\$139.8	\$153.8	\$153.0	\$153.7	\$155.0	\$156.6
13	Other Revenue	21.9	23.0	23.0	23.0	23.0	23.0
14							
15	Total Revenue Before MTA Subsidy	\$161.7	\$176.8	\$176.0	\$176.7	\$178.0	\$179.6
16							
17	<u>Non-Reimbursable Expense Summary:</u>						
18							
19	Labor Expenses	\$297.7	\$324.7	\$337.2	\$345.8	\$355.8	\$366.1
20	Non-Labor Expenses	119.9	141.1	138.1	133.5	135.4	140.7
21	Depreciation	30.0	29.5	37.1	40.2	42.2	42.2
22	OPEB Obligation	45.7	45.4	51.7	53.6	55.5	57.8
23							
24	Total Non-Reimbursable Expenses	\$493.2	\$540.7	\$564.0	\$573.1	\$588.9	\$606.8
25							
26							
27	Total Net Revenue	(\$331.5)	(\$363.9)	(\$388.0)	(\$396.4)	(\$410.9)	(\$427.2)
28							
29	Cash Adjustments	\$86.5	\$83.7	\$85.5	\$90.2	\$93.8	\$95.7
30							
31	Total Cash Adjustment	\$86.5	\$83.7	\$85.5	\$90.2	\$93.8	\$95.7
32							
33	Gross Cash Balance	(\$245.0)	(\$280.3)	(\$302.5)	(\$306.2)	(\$317.1)	(\$331.5)
34							
35	<u>City Subsidy</u>						
36	Accrued	245.0	280.3	302.5	306.2	317.1	331.5
37	Cash	185.0	293.5	298.8	305.6	315.3	329.1
38	CFA	(60.0)	13.3	(3.7)	(0.6)	(1.8)	(2.4)
39							
40	Net Cash Balance from Previous Year	\$0.0	\$0.0	\$13.3	\$9.6	\$8.9	\$7.1
41							
42							
43	Baseline Net Cash Surplus/(Deficit)	(\$60.0)	\$13.3	\$9.6	\$8.9	\$7.1	\$4.7

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Debt Service

Debt Service in the Financial Plan

- The following table reflects debt service projections for 2008 through 2012 associated with *approved* Capital Programs. The table compares all MTA and TBTA debt service in the MTA July 2008 Financial Plan with newly revised estimates for this November 2008 Financial Plan (this excludes State Service Contract and Convention Center debt service which is fully paid by New York State).

Debt Service Forecast (in millions) ⁽¹⁾			
Year	July Plan Debt Service	November Plan Debt Service	Difference Favorable/(Unfavorable)
2008	\$1,513	\$1,504	\$9
2009	1,455	1,474	(18)
2010	1,851	1,904	(53)
2011	1,922	2,012	(90)
2012	<u>2,025</u>	<u>2,154</u>	<u>(129)</u>
Total:	\$8,767	\$9,048	\$(282)

(1) The above table includes the effect of the 2007 cash defeasance in 2008 and 2009.

- A preliminary estimate of debt service has been included in the detailed table below for borrowing for expenditures associated with a 2010-2014 Capital Program. For forecasting purposes, it was assumed that the core Capital Program would inflate at CPI and be funded in a similar fashion as the 2005-2009 Capital Program and the remainder of the local share of Second Avenue Subway Phase 1 and East Side Access projects would be financed. Debt service impact during the Financial Plan period would be minimal at about \$8 million in 2010, \$38 million in 2011 and \$112 million in 2012. These estimates are based on a borrowing forecast of \$210 million in 2010, \$593 million in 2011 and \$1.378 billion in 2012.
- The effects of the cash defeasance transaction completed in September 2007 have been incorporated into the debt service budget. \$299.3 million of cash and \$4.3 million already set-aside in the debt service accounts were used to create the requisite escrow. Savings are calculated to be \$2.1 million in 2007, \$37.5 million in 2008 and \$283.3 million in 2009. In order to defease TBTA's debt, \$90.8 million of excess MRT receipts were used in 2007 as an interagency loan. TBTA will need to repay this to the MRT accounts. The \$90.8 million repayment has no effect on consolidated debt service listed on the table below. However,

TBTA's debt service listed in the TBTA's section of this Financial Plan has been increased by that amount.

- Debt service does not include a \$50 million short-term maturity in 2009 issued as part of The MTA Transportation Revenue Bonds Series 2008C which was structured as an interim note financing that will be refinanced with long term bonds in 2009.

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

Debt Issuance Assumptions:

Forecasted Borrowing Schedule	2008	2009	2010	2011	2012
New Money Bonds *(\$ in millions)	0	2,289	2,204	1,911	2,602
Assumed Fixed-Rates					
Transportation Revenue Bonds	6.26%	6.39%	6.55%	6.74%	6.78%
Dedicated Tax Fund Bonds	5.76%	5.88%	6.02%	6.20%	6.24%
Triborough Bridge & Tunnel Authority	5.76%	5.88%	6.02%	6.20%	6.24%
Assumed Variable Rates	4.00%	4.00%	4.00%	4.00%	4.00%
Weighted Average Interest Rates **					
Transportation Revenue Bonds	5.92%	6.03%	6.16%	6.33%	6.36%
Dedicated Tax Fund Bonds	5.50%	5.60%	5.72%	5.87%	5.90%
Triborough Bridge & Tunnel Authority	5.50%	5.60%	5.72%	5.87%	5.90%

* 2010 to 2012 include assumed borrowing for the 2010-2014 Capital Programs. 2008 borrowing is only for the remainder of the year.

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

- All debt is assumed to be issued as 30-year level debt, principal amortized over the life of the bonds.
- Current fixed-rate estimates derived from prevailing Fair Market Yield Curves for A- and AA- Transportation issuers using Bloomberg Information Service. Financial Plan years 2008– 2012 derived by applying changes in U.S. Municipal Forward Curves to prevailing transportation curves (as of October 31, 2008).
- Split of fixed-rate debt versus variable rate debt each year is 85% / 15%.
- New bond issues calculated interest rate at time of issuance use weighted average of fixed and variable assumptions (actual fixed-rates in table above assumed for fixed-rate bonds).
- Cost of issuance is 2% of gross bonding amount.

- New money bonds for currently approved transit and commuter projects assumed issued 25% under the DTF credit and 75% under the Transportation credit.
- All bonds issued to finance TBTA capital projects issued under the TBTA General Revenue Resolution.
- No reserve funds.

Metropolitan Transportation Authority
November Financial Plan 2009 - 2012
Summary of Total Budgeted Debt Service
(\$ in millions)

Line Number		ACTUAL	FORECAST				
		2007	2008	2009	2010	2011	2012
9	<u>New York City Transit:</u>						
10							
11	Budgeted Gross Debt Service for Existing Transportation Revenue Bonds	\$324.504	\$449.409	\$374.427	\$427.648	\$421.025	\$429.935
12	Debt Service on Additional Transportation Revenue Bonds Supporting Approved Capital Programs	0.000	0.000	46.016	129.630	199.763	262.913
13	2 Broadway Certificates of Participation - NYCT Share	21.205	18.233	21.888	21.894	21.898	21.904
15	Transportation Resolution Commercial Paper	11.801	11.780	19.168	19.168	19.168	38.118
16	Budgeted Gross Debt Service for Existing Dedicated Tax Fund Bonds	207.226	216.657	174.513	212.589	212.655	212.743
17	<u>Debt Service on Additional Dedicated Tax Fund Bonds Supporting Approved Capital Programs</u>	<u>0.000</u>	<u>0.000</u>	<u>14.635</u>	<u>41.218</u>	<u>63.496</u>	<u>83.545</u>
19	<i>Sub-Total MTA Paid Debt Service</i>	\$564.736	\$696.079	\$650.645	\$852.146	\$938.006	\$1,049.158
20							
21	Budgeted Gross Debt Service for Existing TBTA (B&T) General Revenue Bonds	\$139.430	\$158.162	\$166.754	\$200.946	\$200.425	\$200.354
22	<u>Budgeted Gross Debt Service for Existing TBTA (B&T) Subordinate Revenue Bonds</u>	<u>83.691</u>	<u>82.068</u>	<u>79.086</u>	<u>83.588</u>	<u>83.368</u>	<u>83.693</u>
23	<i>Sub-Total B&T Paid Debt Service</i>	\$223.121	\$240.230	\$245.841	\$284.534	\$283.793	\$284.047
24							
25	Total NYCT Debt Service	\$787.856	\$936.309	\$896.486	\$1,136.679	\$1,221.798	\$1,333.206
26							
27	<u>Commuter Railroads:</u>						
28							
29	Budgeted Gross Debt Service for Existing Transportation Revenue Bonds	\$323.719	\$242.807	\$290.774	\$332.105	\$326.961	\$333.881
30	Debt Service on Additional Transportation Revenue Bonds Supporting Approved Capital Programs	0.000	0.000	9.585	31.352	43.533	43.533
31	Transportation Resolution Commercial Paper	7.932	6.250	8.215	8.215	8.215	16.336
32	Budgeted Gross Debt Service for Existing Dedicated Tax Fund Bonds	40.699	40.390	33.089	40.308	40.321	40.337
33	<u>Debt Service on Additional Dedicated Tax Fund Bonds Supporting Approved Capital Programs</u>	<u>0.000</u>	<u>0.000</u>	<u>3.048</u>	<u>9.968</u>	<u>13.839</u>	<u>13.839</u>
35	<i>Sub-Total MTA Paid Debt Service</i>	\$372.350	\$289.446	\$344.710	\$421.947	\$432.869	\$447.927
36							
37	Budgeted Gross Debt Service for Existing TBTA (B&T) General Revenue Bonds	\$62.409	\$71.776	\$78.381	\$94.453	\$94.208	\$94.175
38	<u>Budgeted Gross Debt Service for Existing TBTA (B&T) Subordinate Revenue Bonds</u>	<u>36.474</u>	<u>36.057</u>	<u>34.747</u>	<u>36.725</u>	<u>36.628</u>	<u>36.771</u>
39	<i>Sub-Total B&T Paid Debt Service</i>	\$98.882	\$107.833	\$113.128	\$131.178	\$130.836	\$130.946
40							
41	Total CRR Debt Service	\$471.233	\$397.279	\$457.839	\$553.125	\$563.705	\$578.873
42							
43	<u>Bridges and Tunnels:</u>						
44							
45	Budgeted Gross Debt Service for Existing TBTA (B&T) General Revenue Bonds	\$107.724	\$124.243	\$113.001	\$136.171	\$135.817	\$135.770
46	Budgeted Gross Debt Service for Existing TBTA (B&T) Subordinate Revenue Bonds	33.356	32.418	31.240	33.019	32.932	33.060
47	Debt Service on Additional TBTA (B&T) General Revenue Bonds Supporting Approved Capital Programs	0.000	0.000	7.943	22.573	34.723	45.312
48	2 Broadway Certificates of Participation - TBTA Share	2.753	2.578	3.095	3.096	3.097	3.098
50							
51	Total B&T Debt Service	\$143.832	\$159.240	\$155.280	\$194.858	\$206.568	\$217.239
52							
53	<u>MTA Bus:</u>						
54							
55	Budgeted Gross Debt Service for Existing Transportation Revenue Bonds	\$5.865	\$8.217	\$9.214	\$10.524	\$10.361	\$10.580
56	Debt Service on Additional Transportation Revenue Bonds Supporting Approved Capital Programs	0.000	0.000	1.000	2.344	3.128	3.872
57	Transportation Resolution Commercial Paper	2.944	2.747	4.193	4.193	4.193	8.338
58							
59	Total MTA Bus Debt Service	\$8.809	\$10.964	\$14.407	\$17.061	\$17.682	\$22.790
60							
61	Total MTA HQ Debt Service for 2 Broadway Certificates of Participation	\$2.898	\$2.502	\$3.003	\$3.004	\$3.004	\$3.005

Metropolitan Transportation Authority
November Financial Plan 2009 - 2012
Summary of Total Budgeted Debt Service
(\$ in millions)

Line		ACTUAL	FORECAST				
Number		2007	2008	2009	2010	2011	2012
62							
63	<u>MTA Total:</u>						
64							
65	Budgeted Gross Debt Service for Existing Transportation Revenue Bonds	\$654.088	\$700.433	\$674.414	\$770.277	\$758.347	\$774.396
66	Budgeted Gross Debt Service for Existing Dedicated Tax Fund Bonds	247.925	257.047	207.602	252.897	252.976	253.080
67	Budgeted Gross Debt Service for Existing TBTA (B&T) General Revenue Bonds	309.562	354.181	358.136	431.569	430.450	430.299
68	Budgeted Gross Debt Service for Existing TBTA (B&T) Subordinate Revenue Bonds	153.521	150.543	145.074	153.331	152.928	153.524
69	2 Broadway Certificates of Participation	26.856	23.313	27.986	27.994	27.999	28.006
70	Transportation Resolution Commercial Paper	22.678	20.777	31.575	31.575	31.575	62.792
71	Debt Service on Additional Transportation Revenue Bonds Supporting Approved Capital Programs	0.000	0.000	56.601	163.326	246.425	310.319
72	Debt Service on Additional Dedicated Tax Fund Bonds Supporting Approved Capital Programs	0.000	0.000	17.683	51.186	77.336	97.384
73	Debt Service on Additional TBTA (B&T) General Revenue Bonds Supporting Approved Capital Programs	0.000	0.000	7.943	22.573	34.723	45.312
75							
76	Total Debt Service	\$1,414.628	\$1,506.294	\$1,527.014	\$1,904.727	\$2,012.758	\$2,155.113
77							
78	<u>MTA Investment Income by Resolution</u>						
79							
80	Investment Income from Transportation Debt Service Fund	\$0.000	(\$0.404)	(\$1.736)	(\$2.217)	(\$2.386)	(\$2.576)
81	Investment Income from Dedicated Tax Fund Debt Service Fund	0.000	(0.746)	(\$0.535)	(\$0.722)	(\$0.784)	(\$0.832)
82	Investment Income from TBTA (B&T) General Revenue Debt Service Fund	0.000	(0.232)	(\$0.869)	(\$1.079)	(\$1.105)	(\$1.130)
83	Investment Income from TBTA (B&T) Subordinate Revenue Debt Service Fund	0.000	(0.455)	(\$0.345)	(\$0.364)	(\$0.363)	(\$0.365)
84	Investment Income from 2 Broadway Certificates of Participation Debt Service Fund	0.000	0.000	0.000	0.000	0.000	0.000
85							
86	Total MTA Wide Investment Income	\$0.000	(\$1.836)	(\$3.485)	(\$4.382)	(\$4.639)	(\$4.903)
87							
88	<u>MTA Wide Net Total</u>						
89							
90	Net Transportation Revenue Bonds Debt Service	\$654.088	\$700.030	\$729.279	\$931.385	\$1,002.386	\$1,082.139
91	Transportation Resolution Commercial Paper	22.678	20.777	31.575	31.575	31.575	62.792
92	Net Dedicated Tax Fund Bonds Debt Service	247.925	256.301	224.750	303.360	329.527	349.632
93	Net TBTA (B&T) General Revenue Bonds Debt Service	309.562	353.949	365.210	453.064	464.068	474.481
94	Net TBTA (B&T) Subordinate Revenue Bonds Debt Service	153.521	150.088	144.729	152.967	152.564	153.160
95	Net 2 Broadway Certificates of Participation Debt Service	26.856	23.313	27.986	27.994	27.999	28.006
96	Planned Long-term Refinancing of \$50 million note due 11/15/2009	0.000	0.000	(50.000)	3.899	3.899	3.899
97							
98	Total MTA Wide Net Debt Service for Approved Capital Programs	\$1,414.628	\$1,504.458	\$1,473.529	\$1,904.244	\$2,012.018	\$2,154.110
99							
100	MTA Wide Debt Service Associated with 2010-2014 Capital Programs	\$0.000	\$0.000	\$0.000	\$7.752	\$37.788	\$111.972
101							
102	Total MTA Wide Net Debt Service including 2010-2014 Capital Programs	\$1,711.816	\$1,504.458	\$1,473.529	\$1,911.995	\$2,049.806	\$2,266.082

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Debt Service Affordability Statement

MTA 2009 - 2012 Financial Plan

Debt Affordability Statement

\$ in millions

Forecasted Debt Service and Borrowing Schedule		Notes	2007	2008	2009	2010	2011	2012
Combined MTA/TBTA Forecasted Debt Service Schedule		1, 2, 3	1,685.0	1,481.1	1,445.5	1,884.0	2,021.8	2,238.1
Forecasted New Money Bonds Issued		4	1,978.7	1,912.0	2,289.3	2,204.4	1,910.8	2,601.6

Forecasted Debt Service by Credit		Notes	2007	2008	2009	2010	2011	2012
Transportation Revenue Bonds								
Pledged Revenues	5		\$8,569.9	\$8,566.3	\$8,041.3	\$8,021.7	\$8,154.7	\$8,383.4
Debt Service	9		832.6	720.8	710.9	974.5	1,074.6	1,257.1
Debt Service as a % of Pledged Revenues			10%	8%	9%	12%	13%	15%
Dedicated Tax Fund Bonds								
Pledged Revenues	6		\$611.1	\$611.5	\$625.5	\$630.4	\$632.5	\$634.9
Debt Service	9		299.2	256.3	224.7	303.4	329.5	349.6
Debt Service as a % of Pledged Revenues			49%	42%	36%	48%	52%	55%
Triborough Bridge and Tunnel Authority General Revenue Bonds								
Pledged Revenues	7		\$899.9	\$862.5	\$842.1	\$813.5	\$813.7	\$803.6
Debt Service	9		390.2	353.9	365.2	453.2	465.1	478.2
Debt Service as a % of Total Pledged Revenues			43%	41%	43%	56%	57%	60%
Triborough Bridge and Tunnel Authority Subordinate Revenue Bonds								
Pledged Revenues	8		\$509.6	\$508.6	\$476.9	\$360.3	\$348.6	\$325.5
Debt Service	9		163.0	150.1	144.7	153.0	152.6	153.2
Debt Service as a % of Total Pledged Revenues			32%	30%	30%	42%	44%	47%

Cumulative Debt Service (Excluding State Service Contract Bonds)		Notes	2007	2008	2009	2010	2011	2011
Total Debt Service			\$1,685.0	\$1,481.1	\$1,445.5	\$1,884.0	\$2,021.8	\$2,238.1
Operating Revenues and Subsidies			10,285.1	10,163.8	9,825.3	9,906.8	10,116.1	10,407.8
Total Debt Service as a % of Operating Revenues and Subsidies			16%	15%	15%	19%	20%	22%
Fare and Toll Revenues			5,245.9	5,519.6	5,492.3	5,516.0	5,586.5	5,664.8
Total Debt Service as a % of Fare and Toll Revenue			32%	27%	26%	34%	36%	40%
Non-reimbursable expenses			11,532.6	12,424.0	13,234.8	13,755.8	14,222.5	14,721.5
Total Debt Service as % of Non-reimbursable expenses			15%	12%	11%	14%	14%	15%

Notes on the following page are integral to this table.

Notes

- 1** Unhedged tax-exempt variable rate debt forecast at 4.00%.
- 2** Synthetic fixed-rate debt assumed at swap rate.
- 3** Total debt service excludes COPS lease payments. All debt service numbers reduced by expected investment income.
- 4** New money bonds amortized as 30-year level debt. New debt issued assumed 75% fixed-rate and 25% variable rate. Actual 2008 issuance to date is included with the forecast.
- 5** Transportation Revenue Bonds pledged revenues consist generally of the following: fares and other miscellaneous revenues from the transit and commuter systems, including advertising, rental income and certain concession revenues (not including Grand Central Terminal and Penn Station); revenues from the distribution to the transit and commuter system of TBTA surplus; State and local general operating subsidies; special tax-supported operating subsidies after the payment of debt service on the MTA Dedicated Tax Fund Bonds; New York City urban tax for transit; station maintenance and service reimbursements; and revenues from the investment of capital program funds. Pledged revenues secure Transportation Revenue Bonds before the payment of operating and maintenance expenses. Starting in 2006, revenues, expenses and debt service for MTA Bus have also been included.
- 6** Dedicated Tax Fund pledged revenues consist generally of the following: petroleum business tax, motor fuel tax and motor vehicle fees deposited into the Dedicated Mass Transportation Trust Fund for the benefit of the MTA; and the petroleum business tax, district sales tax, franchise taxes and temporary franchise surcharges deposited into the Metropolitan Mass Transportation Operating Assistance Account for the benefit of the MTA. Thereafter, such payments are available to pay debt service on the MTA Transportation Revenue Bonds, and then any remaining amounts are available to be used to meet operating costs of the transit system, the commuter system, and SIRTQA.
- 7** Triborough Bridge and Tunnel Authority General Revenue Bond pledged revenues consist primarily of the tolls charged by TBTA on its seven bridges and two tunnels. Pledged revenues secure TBTA General Revenue Bonds after the payment of TBTA operating and maintenance expenses, including certain reserves.
- 8** Triborough Bridge and Tunnel Authority Subordinate Revenue Bonds pledged revenues consist primarily of the tolls charged by TBTA on its seven bridges and two tunnels, after the payment of debt service on the TBTA General Revenue Bonds.
- 9** Debt service schedules for each credit are attached as addendum hereto.

Special Notes

- (1) Debt service associated with the 2010-2014 Capital programs is included in the table above.
- (2) Includes effect of cash defeasance implemented in September 2007.
- (3) Includes the updated state and real estate revenue forecasts presented in the *'Updated Forecast'* section of the Gap Closing Programs table, in Volume 1.

Metropolitan Transportation Authority (including Triborough Bridge and Tunnel Authority)

Total Budgeted Annual Debt Service

All Issuance to October 23, 2008 (\$ in millions)

Fiscal Year	Transportation Revenue Resolution			Dedicated Tax Fund Resolution			TBTA General Revenue Resolution			TBTA Subordinate Resolution			MTA and TBTA Debt Service		
	Existing DS	Additional DS	Combined	Existing DS	Additional DS	Combined	Existing DS	Additional DS	Combined	Existing DS	Additional DS	Combined	Existing DS	Additional DS	Combined
2008	736.3	-	736.3	227.1	-	227.1	366.1	-	366.1	137.6	-	137.6	1,467.1	-	1,467.1
2009	706.0	56.6	762.6	207.6	17.7	225.3	358.1	7.9	366.1	145.1	-	145.1	1,416.8	82.2	1,499.0
2010	801.9	170.9	972.8	252.9	51.2	304.1	431.6	22.7	454.3	153.3	-	153.3	1,639.6	244.8	1,884.5
2011	789.9	283.2	1,073.1	253.0	77.3	330.3	430.5	35.8	466.2	152.9	-	152.9	1,626.3	396.3	2,022.5
2012	834.9	418.6	1,253.5	253.1	97.4	350.5	430.3	49.0	479.3	153.5	-	153.5	1,671.8	565.0	2,236.8
2013	828.4	611.1	1,439.5	255.0	113.7	368.7	431.2	64.1	495.2	152.8	-	152.8	1,667.3	788.9	2,456.2
2014	835.4	834.1	1,669.5	253.1	121.0	374.1	430.2	80.7	510.9	153.7	-	153.7	1,672.3	1,035.8	2,708.2
2015	836.2	1,054.1	1,890.2	253.4	121.8	375.1	430.3	97.6	527.9	152.9	-	152.9	1,672.7	1,273.4	2,946.1
2016	835.6	1,253.3	2,088.9	253.5	121.8	375.2	429.9	112.3	542.2	153.7	-	153.7	1,672.7	1,487.3	3,160.1
2017	835.4	1,397.4	2,232.8	253.6	121.8	375.4	430.4	122.6	553.0	156.0	-	156.0	1,675.5	1,641.8	3,317.3
2018	835.5	1,476.0	2,311.5	254.0	121.8	375.7	430.1	128.2	558.4	149.8	-	149.8	1,669.3	1,726.0	3,395.3
2019	833.9	1,510.3	2,344.2	248.2	121.8	369.9	430.0	130.7	560.7	145.8	-	145.8	1,657.9	1,762.8	3,420.7
2020	832.8	1,521.0	2,353.7	250.2	121.8	371.9	430.4	131.5	561.9	145.2	-	145.2	1,658.4	1,774.2	3,432.7
2021	833.0	1,522.4	2,355.4	248.7	121.8	370.4	427.5	131.6	559.1	145.9	-	145.9	1,655.1	1,775.8	3,430.8
2022	831.7	1,522.4	2,354.1	245.4	121.8	367.1	430.2	131.6	561.8	145.4	-	145.4	1,652.6	1,775.8	3,428.4
2023	843.7	1,522.4	2,366.1	248.0	121.8	369.8	426.0	131.6	557.6	146.1	-	146.1	1,663.8	1,775.8	3,439.6
2024	859.4	1,522.4	2,381.8	247.2	121.8	369.0	430.2	131.6	561.8	146.0	-	146.0	1,682.7	1,775.8	3,458.5
2025	860.2	1,522.4	2,382.6	246.8	121.8	368.6	430.0	131.6	561.6	146.0	-	146.0	1,683.0	1,775.8	3,458.7
2026	869.3	1,522.4	2,391.7	244.2	121.8	365.9	428.7	131.6	560.3	146.2	-	146.2	1,688.3	1,775.8	3,464.1
2027	879.9	1,522.4	2,402.3	237.4	121.8	359.2	428.5	131.6	560.1	146.2	-	146.2	1,692.0	1,775.8	3,467.8
2028	871.9	1,522.4	2,394.3	245.7	121.8	367.5	430.2	131.6	561.8	146.5	-	146.5	1,694.4	1,775.8	3,470.2
2029	815.8	1,522.4	2,338.2	244.7	121.8	366.4	428.2	131.6	559.8	146.4	-	146.4	1,635.1	1,775.8	3,410.9
2030	816.1	1,522.4	2,338.5	243.1	121.8	364.9	430.3	131.6	561.9	146.7	-	146.7	1,636.2	1,775.8	3,412.0
2031	813.6	1,522.4	2,336.0	239.3	121.8	361.0	452.6	131.6	584.2	140.8	-	140.8	1,646.3	1,775.8	3,422.0
2032	716.9	1,522.4	2,239.3	217.2	121.8	338.9	371.3	131.6	502.9	86.4	-	86.4	1,391.7	1,775.8	3,167.5
2033	412.9	1,522.4	1,935.3	90.6	121.8	212.3	149.7	131.6	281.3	-	-	-	653.2	1,775.8	2,428.9
2034	413.1	1,522.4	1,935.5	52.8	121.8	174.6	149.7	131.6	281.3	-	-	-	615.6	1,775.8	2,391.4
2035	385.7	1,522.4	1,908.1	45.5	121.8	167.3	148.2	131.6	279.8	-	-	-	579.4	1,775.8	2,355.2
2036	201.8	1,522.4	1,724.2	22.3	121.8	144.1	141.0	131.6	272.6	-	-	-	365.0	1,775.8	2,140.8
2037	170.8	1,522.4	1,693.2	-	121.8	121.8	140.8	131.6	272.4	-	-	-	311.6	1,775.8	2,087.4
2038	115.8	1,522.4	1,638.2	-	121.8	121.8	122.3	131.6	253.9	-	-	-	238.1	1,775.8	2,013.9
2039	60.5	1,465.8	1,526.3	-	104.1	104.1	-	123.7	123.7	-	-	-	60.5	1,693.5	1,754.0
2040	60.5	1,351.5	1,412.0	-	70.6	70.6	-	108.9	108.9	-	-	-	60.5	1,530.9	1,591.4
2041	-	1,239.2	1,239.2	-	44.4	44.4	-	95.8	95.8	-	-	-	-	1,379.5	1,379.5
2042	-	1,103.8	1,103.8	-	24.4	24.4	-	82.6	82.6	-	-	-	-	1,210.8	1,210.8
2043	-	911.3	911.3	-	8.1	8.1	-	67.6	67.6	-	-	-	-	986.9	986.9
2044	-	688.3	688.3	-	0.8	0.8	-	50.9	50.9	-	-	-	-	739.9	739.9
2045	-	468.3	468.3	-	-	-	-	34.0	34.0	-	-	-	-	502.3	502.3
2046	-	269.1	269.1	-	-	-	-	19.3	19.3	-	-	-	-	288.4	288.4
2047	-	125.0	125.0	-	-	-	-	9.0	9.0	-	-	-	-	134.0	134.0
2048	-	46.4	46.4	-	-	-	-	3.4	3.4	-	-	-	-	49.7	49.7
2049	-	12.1	12.1	-	-	-	-	0.9	0.9	-	-	-	-	12.9	12.9
2050	-	1.4	1.4	-	-	-	-	0.1	0.1	-	-	-	-	1.5	1.5

Notes:

Does not include debt service for State Service Contract Bonds and Convention Center Bonds, which is paid by NY State. Also excludes COPS lease payments.

Includes interest budgeted for Transportation Revenue Commercial Paper and debt service on bonds that will defease the CP in 2012

Forecasted Investment Income is not included above.

Debt service associated with the 2010-2014 Capital programs is included in the table above

Includes effect of cash defeasance implemented in September 2007.

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Agency Baseline Assumptions

Agency Baseline Assumptions

This section describes those assumptions associated with the Baseline Plan, including net accrual and cash forecasts contributing to MTA consolidated annual closing cash balances. Assumptions on Subsidies, Debt Service, Prior-Year Cash Carryovers, and Gap Closing Actions are not included in this section. The November 2009 – 2012 Plan, including the 2008 November Forecast and the 2009 Final Proposed Budget updates the July Financial Plan.

For the November Plan, Agencies were instructed to maintain the spending levels contained in the July Plan, including the 2009 Preliminary Budget. The exceptions were increases in uncontrollable cost categories, necessary programmatic changes, and expense increases resulting from changes to the inflation forecast. A significant reduction in projected subsidy revenue streams has resulted in a worsening of MTA's projected bottom line. Solutions to this problem are presented in Volume 1 of the Budget under Gap Closing.

Programmatic Assumptions

The MTA is continuing to improve the reliability and performance of its fleet and infrastructure through increased maintenance. The 2009 Final Proposed Budget includes a significant increase in resources to address maintenance needs. These programs, first identified in July, were funded internally by Agency cost reductions.

NYCT will be increasing the frequency of its bus overhaul schedule from a four-year to a three-year cycle, which will more closely align the timing of overhauls with major component life expectancies. The Staten Island Maintenance Action Plan will significantly improve the reliability and appearance of buses on Staten Island. In addition, NYCT will be adding resources for Elevator and Escalator maintenance.

Metro-North will be establishing a preventative maintenance plan for its new M-7 fleet and will be implementing an expanded gear box overhaul program. In 2010 it will be adding positions to support a new maintenance facility shop complex in New Haven. Metro-North will continue to perform the extraordinary maintenance tasks in Grand Central Terminal which are necessary to maintain its Landmark status and preserve the GCT retail revenue stream. The November Plan also includes funding in 2009 for the New Haven Maintenance Facility Shop, and funds for pantograph monitoring system and additional overtime for maintenance-related activities.

The LIRR will be implementing an improved station maintenance plan and is spending additional monies to mitigate Gap issues on the platforms. The November Plan includes adjustments to its production plan and life cycle maintenance requirements resulting in lower costs than what was forecasted in the July Plan. In addition, changes to the LIRR's reimbursable project activity

provide additional decreases in maintenance expenses. Slightly offsetting these favorable changes in the LIRR's baseline budget were increased maintenance costs for tree trimming and vegetation management, remote elevator and escalator sensors, toilet maintenance and M-7 software.

The establishment of Regional Bus operations (an important component of institutional transformation) is expected to improve the bus maintenance practices at NYCT, LI Bus and MTA Bus through the utilization of technical services resources and best practices. MTA Bus performance will also be aided by the delivery of 105 new hybrid-electric buses beginning in 2009 to replace older local buses. The July Plan included additional monies for LI Bus fleet maintenance due to delays in new bus deliveries.

The July Plan included additional Safety & Security costs for track safety and bus operator training at NYCT, public address system testing at the LIRR, and the installation of Integrated Electronic Security Systems (IESS). The MTA is enhancing and expanding its security and safety systems. A large part of this initiative includes the MTA Capital Construction development of an Integrated Electronic Security System (IESS). This project provides for the deployment of various electronic technologies at critical and sensitive MTA facilities with the aim of detecting, deterring, identifying, delaying, and/or preventing terrorist security threats by tying these technologies to Command, Control, and Communications "C3" Centers coupled with a coordinated response. The IESS program involves a number of MTA agencies including; New York City Transit, Long Island Railroad, Metro-North, MTA Bridges and Tunnels and the MTA Police Department. In addition there are other security system initiatives that are projected to come on line over 2009-2012. Both the IESS and pending security projects will have operating budget impacts associated with the system's operations and maintenance. These costs that were included in the July Plan within HQ cash have now been allocated to the Agencies. In aggregate they are \$8 million in 2008, \$29 million in 2009, \$33 million in 2010, \$31 million in 2011, and \$31 million in 2012.

Financial Projections and Changes from the July Plan

The 2009 Baseline Net Operating Deficit before Subsidies, Debt Service and Gap Closing Actions of \$7,263 million is \$818 million higher than the 2008 November Forecast due to increased expenses, including the impacts of inflation. The change in the non-cash categories of Depreciation, OPEB and Environmental Remediation expenses accounts for \$187 million of the year to year change. Operating Revenues are virtually flat due in part to a slow-down in projected employment levels which have an impact on passenger and toll revenue.

Total expenses Before Depreciation, OPEB and Environmental Remediation are growing \$624 million, or 6.7%. Some \$267 million of this increase to the baseline is the result of a 9.4% growth in "uncontrollable" baseline expenses. This is

comprised primarily of a \$95 million increase in Health & Welfare (employees and retirees), \$47 million more in energy and \$82 million in additional paratransit costs. Note: Volume 1 includes updated forecasts for fuel (for which costs have decreased) and pensions (for which costs are increasing) that are presented below the line.

The remaining baseline expenses grow at 4.4% due primarily to contractual wage increases of 3.0% at the commuter railroads, inflation, and higher materials costs due to the continued increase in maintenance efforts and a rise in material prices. Also impacting this “controllable” growth is a timing shift of expenses between the two years. Over the 2008 to 2012 period, accrued baseline expenses, before below-the-line gap-closing actions, grow at an average annual rate of 4.3%. “Uncontrollable” expenses are projected to grow over the period by 6.8%, while “controllable” expenses will grow by only 2.8%.

As mentioned earlier, the baseline excludes MTA Gap Closing actions which are described in a separate volume of this report. Inclusion of these actions would lower the growth rate in 2009 to 6.0% and growth over the 2008-2012 period to an average increase of 3.5%. Controllable expenses would increase only 3.3% in 2009 with average annual growth of only 1.6%.

The November Plan includes some significant changes from July. The following table details the major changes in the Agency Baseline Forecasts between the July and November Plans:

AGENCY BASELINE
NOVEMBER CHANGES FROM JULY PLAN

Favorable/(Unfavorable)
(\$ in millions)

	2008	2009	2010	2011	2012
Farebox/Toll Revenue	\$47	(\$17)	(\$44)	(\$32)	(\$7)
Overtime	(\$21)	(\$15)	(\$13)	(\$15)	(\$15)
Pensions	72	(9)	(9)	(8)	(8)
Other Fringe Benefits (incl. Worker's Comp.)	(47)	(44)	(41)	(44)	(46)
Energy	(11)	(4)	(34)	(36)	(80)
Claims	(23)	(0)	(0)	(0)	(0)
Inflation (Labor/OTPS)	(1)	(33)	(40)	(57)	(72)
Paratransit Service	1	(50)	(57)	(41)	(34)
Timing Adjustments	(23)	25	(1)	(1)	(1)
Cash Adjustments	40	56	45	44	46
Baseline Re-Estimates	23	22	23	35	21
Net Change to Baseline	\$57	(\$69)	(\$171)	(\$155)	(\$196)
General Reserve	38				
Net Cash Surplus/(Deficit)	\$94	(\$69)	(\$171)	(\$155)	(\$196)

Overall, the baseline cash deficit is increasing over the plan period due to increases in costs for Paratransit, Worker's Compensation, Energy and Overtime. In addition, projected inflators are higher than was assumed in July. Paratransit costs are increasing as NYCT is required to cover new vendor contract (fixed and maintenance) costs, new vendor mobilization (start-up) costs, higher-than-planned ridership and other re-estimates. These changes and other expense explanations are described in some detail later in this section.

Farebox and Toll Revenue changes from the July Plan reflect primarily the impact of unprecedented increases in gasoline prices during the spring and early summer of 2008. As gasoline prices continued to steeply increase, mass transportation ridership benefited as commuters who drove switched to the MTA subway, bus and commuter railroad systems. Farebox revenue improvements, however, were partially offset by a decline in toll revenue due to reduced commutation by automobile. Even as gasoline prices began to decline from their peak in July, there has been no evidence that commuters who switched from driving to mass transit have returned in any significant fashion to driving.

The weaker NYC employment outlook is the primary reason why utilization projections in the November Plan are lower than projections in the July Plan. Over the Financial Plan period, current NYC employment projections are significantly weaker than those used in the July Plan, growing at less than half

the rate expected when the July Plan was prepared. Through 2012, jobs in NYC are expected to increase by 1.8%, compared with the 3.7% assumption from the July Plan. More significantly, however, is an anticipated job decline of 1.35% in 2009; in the July Plan, the number of jobs was expected to modestly grow by 0.59%. The November Plan projects 91 thousand fewer NYC jobs in 2009 than the July Plan assumed for 2009, and the differential increases to almost 146 thousand jobs for 2010.

The variance changes between plans in Timing Adjustments are mostly the result of timing of capital reimbursements, retroactive wage adjustments and maintenance and material re-estimates. NYCT is rescheduling expenses from 2008 to 2009 including station painting contracts, purchases of non-revenue support vehicles and paratransit sedans for service, roof replacements and some bus shop program maintenance requirements. The LIRR is rescheduling expenses from 2008 to 2009 including, bridge painting contracts, bench test equipment, life cycle maintenance and a network strategy study. MTAHQ is rescheduling its Image Campaign funding and some professional service contracts from 2008 to 2009. SIR is rescheduling its R-44 life extension project from 2008 to 2009 and 2010.

The variance changes in Cash Adjustments include primarily Pensions, Other Fringe Benefits related to favorable non-cash offsets to anticipated Workers' Compensation reserve adjustments at NYCT, and Claims adjustments for the establishment of a reserve account for public liability claims at MTA Bus in 2008.

Baseline Re-estimates include re-estimates of maintenance and service new needs, minor baseline PEG re-forecasts and various other adjustments compared with the July Plan. Also contributing to the favorable baseline re-estimate variance are favorable changes in Agency insurance expenses and reimbursable overhead recovery.

Accrued Baseline Assumptions

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

2008 November Forecast

The 2008 November Forecast projects a Net Operating Deficit Before Subsidies and Debt Service of \$6,445 million, \$122 million better than the Mid-Year Forecast. Total Operating Revenue and Total Operating Expenses were \$34 million and \$87 million better, respectively.

Revenue

Farebox Revenue is expected to be \$50 million (1.2%) higher than the 2008 Mid-Year Forecast, reflecting higher ridership growth. Toll Revenue is expected to be minimally (\$3 million) worse.

Expenses

Pension expenses are expected to decrease \$73 million from the Mid-Year Forecast, due primarily to a change in assumptions on the timing of reimbursement to NYCERS for 55/25 refunds.

Other Fringe Benefit Costs are increasing \$47 million from the Mid-Year Forecast primarily to an adjustment in the Worker's Compensation reserve at NYCT. Higher costs for payroll, overtime and claims at MTA Bus are offset by lower costs for Maintenance and Professional Services contracts. Some of the reduction, however, is the result of timing. In addition, the remaining \$37 million in 2008 General Reserve funding is being eliminated since the year is almost over.

2009 Final Proposed Budget

MTA's 2009 Final Proposed Baseline Budget projects a Net Operating Deficit before Subsidies and Debt Service of \$7,263 million. Total Operating Revenue of \$5,971 million is virtually unchanged from the 2008 November Forecast due to a slow-down in projected increases for Farebox Revenue. This is based primarily on employment assumptions and the resulting impact on ridership. When compared with the 2009 Preliminary Budget from the July Plan, revenue is \$31 million worse due in part to lower toll revenue based on revised estimates for vehicle crossings. Other Revenue is also lower based on reduced forecasts for FMTAC investment income (non-cash item).

Total 2009 Operating Expenses of \$13,235 million are \$811 million higher than the 2008 November Forecast due to increases in Health & Welfare, Fuel, Pension, Materials, Other Fringe Benefits, Paratransit, inflationary Payroll

(including contractual requirements) and the traditional re-establishment of a General Reserve. Some of the growth is in the non-cash areas of Depreciation, OPEB and Environmental Remediation. When compared with the 2009 Preliminary Budget in the July Plan, expenses are \$231 million higher. Virtually all of this increase is the result of higher uncontrollable expenses, especially Paratransit and timing adjustments from 2008.

2010 – 2012 Forecast

The November Forecast includes increases to the baseline in the out years mainly as a result of higher costs for Fuel, Inflation, Paratransit and Maintenance. In addition, it includes lower projections for Toll/Fare and Other Revenue.

The following pages provide a more detailed description of the assumptions used in formulating the 2009 Final Proposed Budget and the forecasts for the years 2010 through 2012. Additional detail can be found in individual Agency sections.

OTHER OPERATING REVENUE

Other Operating Revenue growth from 2008 through 2012 was influenced by a number of different factors including government reimbursements, fees and contractual and inflationary increases.

NYCT's year-to-year increases (\$13.0 million in 2009, \$16.9 million in 2010, \$21.0 million in 2011, and \$24.6 million in 2012) are primarily due to advertising revenue, NYC contractual reimbursements for Paratransit expenses and non-recurring cash receipts. B&T's Other Operating Revenue in 2008 is projected at \$11.5 million and is estimated to increase to \$12.0 million in 2009 reflecting modest growth in parking receipts from the Battery Parking Garage. At MNR, the increase of \$3.2 million in 2009 reflects the resumption of retail and event activities in the newly restored Vanderbilt Hall, a lower level of funding for the GCT restoration projects during the year and higher revenues from parking expansions and advertising. The increases in 2010-2012 reflect contracted increases in advertising revenue and higher GCT retail revenue, offset by a higher provision for GCT restoration projects. MTAHQ's year-to-year increases (\$1.2 million in 2009, \$1.0 million in 2010, and \$1.2 million in each year from 2011 and 2012) are due to inflationary assumptions applied to charge backs to Agencies for work performed on their behalf. LI Bus' annual changes are reflective of estimated grant funding levels and changes in contract rates tied to advertising. The LIRR's year-to-year growth (\$0.3 million in 2009, \$1.2 million in 2010, \$1.9 million in 2011 and \$1.7 million in 2012) is primarily due to scrap sales, Mineola Parking and rental revenue.

The 2008-2012 November Plan decreases, compared with the July Plan, are primarily the result of lower investment income at FMTAC which have no direct impact on net MTA cash. There are also decreases (\$3.0 million in 2008, \$3.5 million in 2009, \$4.1 million in 2010, \$4.6 million in 2011 and \$5.2 million in 2012) in 2008-2012 at MTA Bus due to lower predictions for Other Operating Revenue. These decreases are partially offset by an increase at MNR in 2008 due to higher GCT retail revenue. At B&T, higher Other Operating Revenues in 2008 are attributable to higher yields in existing E-ZPass administrative fee collections. 2009-2102 projections are lower mainly due to lower Battery Parking Garage income resulting from a projected slowdown in the economy. There is an increase at the LIRR in 2008 largely due to higher scrap sales, advertising and rental income. Decreases in 2009-2012 at the LIRR are mostly due to lower Special Services revenue, partially offset by higher Mineola Parking revenue.

PAYROLL

MTA consolidated payroll expenses from 2008 through 2012 are influenced by a number of factors including position levels, Global Insight inflation assumptions, labor agreements, deferred salaries & wages and capital project activity. NYCT's TWU contract expires in January 2009 and included a 3.5% increase in 2008.

Subsequent years are assumed to grow with CPI inflation forecasts based upon figures from Global Insight (2.94% in 2009, 1.87% in 2010, 2.23% in 2011 and 2.20% in 2012). The LIRR's recently settled labor agreement saw its 2009 contractual rate increase to 3.0%; however, the 3.0% is for an 18 month period which saves money in the following years. Afterwards, CPI is assumed. Similar to the LIRR, Metro-North's assumptions are based on a recently negotiated labor settlement assuming 3.0% for 2009 (18 months) followed by CPI. Non-represented employee salaries are generally 3.0% in 2009 followed by CPI. Global Insight's CPI figures are generally higher than the rates assumed in the July Plan.

2008 November Forecast

Consolidated payroll expenses of \$4,093 million are forecasted to be \$20 million or 0.5% higher than the 2008 July Plan. The increase is mainly due to MTA Bus, MTAHQ, NYCT and the LIRR. MTA Bus' payroll increases \$7 million due to timing-related expense changes and higher-than-forecasted costs than were in the July Plan. MTAHQ's increase of \$6 million is due partly to the impact of an under accrual for an MTA Police retroactive payment, higher MTA Police holiday pay and higher employee vacation accruals. NYCT's payroll increase of \$5 million is due to miscellaneous base pay increases and lump-sum vacation and sick leave balance payouts for terminal leave professional employees. The LIRR is \$2 million higher due primarily to increased employee vacation accruals.

2009 Final Proposed Budget

MTA consolidated payroll expenses of \$4,250 million are \$157 million (3.8%) more than 2008. This change is primarily caused by assumed labor rate increases and an increase of non-reimbursable positions including the capture of IESS expenses within baseline expenses.

Payroll expenses are forecast to be \$48 million higher than the July Plan for 2009. The increases are composed of NYCT (\$38 million), MTA Bus (\$4 million) and MNR (\$2 million). The NYCT increase is primarily caused by labor rate inflation, the impact of the IESS assumptions and increased workforce requirements for a new bus depot on Staten Island. MTA Bus payroll increases mainly due to the impact of 39 additional Bus Operators needed to meet service requirements. MNR's payroll increase is due in part the expense re-estimates for the Maintenance Facility in New Haven.

B&T's decrease of \$1 million is due to the change in rates caused by the settlement of labor contracts. In the July Plan the full impact of the settlement was carried in the Payroll line. The plan-to-plan changes are primarily caused by the allocation of the Payroll and Overtime assumptions.

2010 – 2012 Forecasts

Consolidated payroll expenses in 2010 of \$4,362 million are \$112 million (2.6%) more than 2009. On a year-to-year basis, payroll expenses in 2011 and 2012 of \$4,462 million and \$4,544 million increase \$100 million (2.3%) and \$82 million (1.8%) from the respective previous years. These increases are due mostly to assumed labor rate inflators.

Compared to July, consolidated payroll expenses increase by \$48 million in 2010, \$59 million in 2011 and \$68 million in 2012. NYCT's payroll increases from 2010 to 2012 by \$40 million, \$48 million and \$54 million, respectively. NYCT's increases are mostly due to the impacts of labor rate inflation, incorporation of IESS assumptions and increased workforce requirements for a new depot on Staten Island and revised estimates of service delivery. Payroll for MTA Bus increases from 2010 to 2012 by \$4 million, \$5 million and \$5 million, respectively due to the impact of additional Bus Operators. The LIRR's payroll expenses increase from the July Plan for 2010 to 2012 by \$3 million, \$4 million and \$5 million, respectively. The LIRR's increases are from more positions mainly due to various maintenance requirements (such as toilet maintenance, capital program re-estimates and changes at the Arch Street facility) and the impact of revised labor rate assumptions.

B&T's decreases of \$1 million each year are due to the changes in rates caused by the settlement of labor contracts.

OVERTIME

MTA consolidated overtime expenses from 2008 to 2012 are influenced by a number of factors including position levels, vacancy assumptions, Global Insight inflation assumptions, service requirements, labor agreements, deferred salaries & wages, and capital project activity. Inflation assumptions match those identified in the Payroll discussion.

2008 November Forecast

Consolidated overtime expenses of \$490 million are forecasted to be \$21 million more than the July Plan. NYCT's Overtime is \$7 million higher primarily due to additional Subway coverage for vacancies and other requirements partly offset by base pay vacancy savings. MTA Bus' November Forecast is \$6 million higher than the July Plan mainly due to higher bus route run times and service demands than calculated in the July Plan. These result from higher-than-expected ridership, vacancies and availability shortfalls. The LIRR's overtime expenses increase \$5 million over the July Plan due to vacancies and open job coverage. MNR's overtime is nearly \$2 million more than the July Plan due to increased requirements for equipment, facilities and right of way maintenance.

2009 Final Proposed Budget

MTA consolidated overtime expenses of \$471 million are \$19 million (3.9%) less than 2008. This change is primarily caused by those trends and activities in 2008 (described above) that are not assumed to recur.

Overtime expenses are forecast to be \$15 million higher than the July Plan. MTA Bus increases \$14 million due to higher bus route run times and service demands than calculated in the July Plan. B&T's increase of \$2 million is due to the change in rates caused by the settlement of labor contracts.

NYCT's Overtime expenses decrease \$3 million due to revised labor assumptions.

2010 – 2012 Forecasts

Consolidated overtime expenses in 2010 of \$478 million are \$7 million (1.5%) more than 2009 and increase \$11 million (2.3%) in 2011 and \$10 million (2.0%) in 2012. These changes closely reflect assumed labor rate inflators.

The consolidated overtime assumptions for 2010 to 2012 are \$13 million, \$15 million and \$15 million more than the July Plan, respectively. Increases are primarily due to continuations of trends at MTA Bus and B&T that begin in 2009. NYCT's Overtime expenses decrease about \$3 million each year from 2010 to 2012 reflects re-estimates.

HEALTH & WELFARE

Year-to-year increases are primarily driven by inflators provided by The NYS Department of Civil Service (DCS). For individual coverage, an increase of 4.5% is applied over 2007 premium rates, an increase of 7.4% for 2009, and an increase of 7.7% for 2010-2012. For family coverage, an increase of 5.9% is applied over 2007 premium rates, an increase of 8.0% for 2009, and an increase of 6.9% for 2010-2012. Also contributing to the Health & Welfare variances are changes in employee levels.

Compared to the July Plan, NYCT's changes were favorable due to revised assumptions provided by the MTA and Global Insight; however these savings were offset by the impact of increases to headcount and a reforecast of the 1.5% withholding contribution for GASB which reduced savings by \$1.2M per year.

OTHER POST EMPLOYMENT BENEFITS (OPEB) and GASB FUND

In the MTA Consolidated Financial Statements for the first quarter ending, March 31, 2007, MTA implemented the Governmental Accounting Standard Board

Statement No. 45 ("GASB-45") -- the "Accounting and Financial Reporting for Employers for Post Employment Benefits Other Than Pensions".

For the MTA and other governmental employers, the Other Post-Employment Benefits have been funded on a "pay-as-you-go" basis and have been reported in the financial statements when the "promised" benefits were paid. GASB-45 now requires that state and local governmental entities' financial reports reflect systematic, accrual-based measurements and the recognition of OPEB costs (expense) over a period that approximates the employee's years of services and provides information about actuarial accrued liabilities and to what extent progress is made in the funding.

To provide the valuation of the various elements, the MTA engaged the firm of Milliman Consultants and Actuaries. The results of their report were reviewed and approved by the MTA's independent auditors, Deloitte and Touche LLP and PricewaterhouseCoopers, LLC. The projected 2008 end of year liability is \$13,241 million.

While the GASB standard only requires the disclosure of this future liability, the MTA has created a GASB fund which appears only on the Cash Receipts and Expenditures Statement and not on the accrual-based Statement of Operations. In June, 2008, the MTA Board approved the establishment of the "MTA Retiree Welfare Benefits Trust" to govern the administration and investment of the OPEB trust assets. Contributions to this fund began in 2006 and include additional revenues generated by increased real-estate-related tax activity (MRT-2).

The November Plan projects Agency contributions of \$59 million in 2008, \$63 million in 2009, \$65 million in 2010, \$68 million in 2011, and \$71 million in 2012. Included in these contributions are the Health & Welfare contributions made by those represented employees required to do so.

The November Financial Plan reflects the pay-as-you-go component for OPEBs in the expense category called "OPEB Current Payment". Growth in this category is consistent with the assumptions described under Health & Welfare. The accrued liability is captured in a separate line called "OPEB Obligation" which appears only on the Statement of Operations.

CONSOLIDATED PENSIONS

MTA Consolidated Pensions November Financial Plan (\$ in millions)					
	2008	2009	2010	2011	2012
Accrual					
Non-Reimbursable	\$889	\$913	\$896	\$871	\$876
Reimbursable	54	47	45	45	45
Total Accrual	943	960	941	916	921
Cash	709	922	926	897	895

Year-to-Year Changes:

Pension expenses increase from 2008 to 2009 due to moderate increases at NYCERS (the City plan), NYSLRS (the State plan) and the MTA Defined Benefit Plan (MTA DB Plan) partially offset by reductions at MaBSTOA. Between 2009 and 2011, consolidated pension expenses generally decrease due to reductions in NYCERS and MaBSTOA payroll expenses. NYCERS reductions reflect the valuation assumptions by the City's Chief Actuary. The MaBSTOA decreases are the result of assumed savings in projected amortization payments resulting from funds transferred from the MTA to the plan in 2006. Partly offsetting these year-to-year reductions are general increases in the MTA DB Plan that affect multiple agencies. Other pension plans change little from year-to-year.

Cash differs significantly from accrued expenses in 2008. In 2007, the MTA made a prepayment of \$200 million to the MaBSTOA, MTA DB and LIRR Pension plans. This resulted in \$216 million in lower costs in 2008. As a result, cash pension expenses increases significantly from 2008 to 2009. After 2008, the differences between cash and accrual are primarily due to B&T's pension expenses that are not included in the cash pension figures (the B&T Financial Plan is presented on an accrual basis only; the impact of B&T on cash is reflected in the B&T Operating Surplus Transfer). Year-to-year cash increases generally reflect accrued expenses.

Plan-to-Plan Changes:

NYCT's expenses decrease in 2008 by a net \$89 million, \$14 million of which is mainly due to revised assumptions for the NYCERS Plan anticipated to be included in upcoming major revisions to the pension projections from the City's Actuary. From 2009 to 2012, pension expenses increase due to MaBSTOA re-forecasting assumptions partly due to investment returns in 2007 and actual average rate changes. Some of these impacts will be incorporated in the upcoming 2008 valuation.

The November Plan assumes that \$75 million of funds designated in the July Plan for a lump sum reimbursement to NYCERS in 2008 for 55/25 pension refunds will not occur. It also reflects the actual \$18 million in lump sum payments to MaBSTOA that did occur for the 55/25 pension refunds in September 2008.

The recent fall in capital markets will have a negative impact on the portfolios of the MTA's pension plans and will increase future required pension contributions. A below-the-line contingency has been placed within the Updated Forecast in Volume 1.

OTHER FRINGE BENEFITS

Other Fringe Benefit assumptions are consistent with payroll rate increase assumptions. In 2008, NYCT includes unfavorable cash timing adjustments from 2007. For 2008-2012, the LIRR includes slight annual increases in the amount paid per employee for Railroad Unemployment. MNR includes Railroad Retirement tax rates for Tier I and II as well as other cost adjustments, which reflect inflationary salary increases and changes in staffing levels.

Compared with the July Plan, expenses are higher for 2008-2012 by \$47 million, \$44 million, \$42 million, \$45 million and \$46 million, respectively, primarily due to adjustments of approximately \$42 million in each year of the Plan to the Worker's Compensation Reserve at NYCT. The cash impact of these adjustments is significantly less. These adjustments are on an accrued basis in recognition of future liability for Worker's Compensation as determined by the latest actuarial estimates of cash needs in future years.

TRACTION AND PROPULSION POWER

MTA has a Long-Term Agreement (LTA) through 2017 with the New York Power Authority (NYPA) to supply electricity within the City of New York and Westchester County. The LTA requires that many of NYPA's assets be allocated to serve its New York City governmental customers, including two power plants in New York City (with a new plant under construction), dedicated transmission lines from upstate, and a purchase power agreement with Entergy for below-market nuclear energy. The above-described assets limit the exposure of volatility in the energy markets but do not eliminate it completely. In that regard, the MTA, City of New York and other government customers have worked with NYPA to implement a hedge program, with customers responsible for marginal gains or losses due to market prices.

NYPA has provided cost of service projections for 2008-2012. Rates for 2008 are expected to increase by 6.0%. Rates for 2009 and 2010 are expected to increase by 11.0% and 19.3%, respectively, which are substantially higher than

2008, as a result of expiring power contracts and the closing of the Astoria Poletti power plant. Rates are expected to increase by 7.0% in each of 2011 and 2012. Rates for 2008 are slightly unfavorable compared with the July Plan, however for the period 2009-2012 rates remain unchanged from the July Plan.

Con Edison delivers the NYPA power in New York City and Westchester County. In accordance with the most recent Con Ed rate case, costs for the period 2008-2012 are expected to increase by 24.0%, 10.0%, 3.0%, 7.0% and 7.0%, respectively. These rates are slightly favorable in comparison to the rates assumed in the July Plan.

The Long Island Power Authority (LIPA) reports an increase of 4.0% in 2008, and an estimated increase of 6.0% in each year from 2009 through 2012. These rates are slightly unfavorable in comparison to the rates assumed in the July Plan. Connecticut Light & Power (CL&P) reports an increase of 9.0% in 2008, and an estimated increase of 5.0% in each year from 2009 to 2012. These rates are unfavorable compared with the July Plan, particularly in 2009 and 2010 which had assumed rate decreases of 2.8% and 6.1%, respectively.

NYCT and the LIRR each updated their usage based on current and historical performance in addition to the aforementioned rate increases. MNR's forecast also reflects current consumption trends as well as the incorporation of service additions. In years 2009-2012, MNR has incorporated the net effect of the Equipment Replacement Plans for the New Haven, Harlem and Hudson Lines. Changes over the period are primarily due to the incorporation of the new M8 cars into New Haven Line service offset by the gradual retirement of the M2 car fleet.

Compared with the July Plan, the LIRR is unfavorable by approximately \$4 million in each year from 2008 to 2010, increasing to \$5 million in years 2011 and 2012, in each case due to expected higher rates. NYCT and MNR are slightly favorable compared to the July Plan due to modest revisions in rates. Compared with the July Plan, expenses are slightly unfavorable by approximately \$1 million in each of 2008 and 2009, but favorable by \$5 million in each of 2010 and 2011 and \$9 million in 2012.

FUEL FOR BUSES AND TRAINS

Fuel prices reached historic highs in the spring and early summer months of 2008 and have dropped significantly since peaking in early July. MTA uses the New York Mercantile Exchange's (NYMEX) futures and option markets to forecast future price changes for diesel fuel and natural gas. The NYMEX forecasts extend out 36 months for diesel and 60 months for natural gas.

Using NYMEX projections as a basis for Ultra Low Sulfur Diesel (ULSD), in early October 2008 MTA instructed Agencies to apply an annual average price per

gallon of \$3.47 in 2008, \$3.39 in 2009, \$3.24 in 2010, \$3.12 in 2011 and \$3.30 in 2012. These projections were consistent with fuel hedge contracts that were made at that time. The average annual price per therm for Compressed Natural Gas (CNG) at this time was expected to be \$1.09 in 2008, \$1.01 in 2009, \$1.05 in 2010, \$1.03 in 2011 and \$1.01 in 2012.

Compared with the July Plan, expenses for the period 2008-2012 are unfavorable by \$9 million, \$3 million, \$39 million, \$44 million, and \$70 million, respectively. The variances are primarily the result of higher fuel delivery costs at NYCT and MTA Bus, which is \$26 million more than assumed in the July Plan, and higher CNG costs at LI Bus. Lower diesel fuel prices partially offset some of these increases. For 2010-2012, expenses are unfavorable compared with the July Plan, which had projected a steep decline in prices beginning in 2010.

Subsequent to the instructions issued in early October, prices dropped significantly. Savings from these lower prices are net of the hedge and captured below-the-line and discussed in Volume 1.

INSURANCE

Year-to-year increases in Insurance expenses are primarily driven by assessments of market conditions made by MTA's Risk Management Department in conjunction with its brokers. The Paratransit (Access-A-Ride) policy is inflated by 15% per annum in anticipation of the addition of new carriers.

In 2008, expenses are lower than the outer years due to the purchase in 2007 of several policies, such as All-Agency Property and Sabotage and Terrorism, on an eighteen-month basis that are not due for renewal until May 2009. In 2011, the additional increase in Insurance expenses reflects the renewal of several multi-year policies, including All-Agency Environmental Liability, Travel Accident, Lead Abatement and Comprehensive Automotive Liability policies.

Compared with the July Plan, Insurance expenses are lower in the November Plan for all years of the Plan primarily due to changes in First Mutual Transportation Assurance Company (FMTAC) insurance premium assumptions.

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

CLAIMS

For all agencies, Claims expenses are based on inflationary assumptions, actuarial evaluations and historical performance. Claims expenses are lower in 2009 than in 2008 because MTA Bus' 2008 forecast included an increase that

established a reserve account for public liability claims and also reflected adjustments. On a year-to-year basis, NYCT's forecast includes an annual inflation rate of 2.5% in addition to historical performance and 2008 includes a \$3.7 million favorable cash timing adjustment from 2007. The LIRR's claims expenses reflect actual experience through July and the anticipated settlement and payout of claims for the balance of 2008. Year-to-year changes are \$0.9 million higher in 2008 than in 2009 at LI Bus due to increases in claims reserves. SIR is \$2.6 million favorable in 2009 followed by inflationary adjustments in the out-years. Offsetting these favorable decreases is an increase of \$3.9 million in 2009 at FMTAC as expenses are determined by actuarial projections of the actual claims expense paid and any adjustments to reserves.

On a plan-to-plan basis, MTA Bus is \$12.0 million unfavorable in 2008 due to an increase to the reserve account for public liability claims based on actuarial guideline adjustments.

PARATRANSIT SERVICE CONTRACTS

Expenses increase from \$284 million in 2008 to \$561 million in 2012 or 98% over the period. The annual percentage increase per year is 29% in 2009, 15% in 2010, 14% in 2011 and 17% in 2012. The primary driver of these expense increases is projected annual ridership growth of 15% and cost-per-trip inflation projections based upon current carrier contracts.

Compared to the July Plan, Paratransit costs increase in each year from 2009 to 2012 due primarily due to cost increases resulting from new vendor contracts (fixed and maintenance costs), new vendor mobilization (start-up costs), financial plan re-estimates/corrections and higher-than-planned ridership. Ridership increases are based on 2008 estimated trips which are projected to be 1.6% higher than the July Plan. This increase is assumed as recurring and affects the continuing years. Overall, there are increases of \$50 million in 2009, \$57 million in 2010, \$41 million in 2011 and \$38 million in 2012.

MAINTENANCE AND OTHER OPERATING CONTRACTS

Expenses for Maintenance and Other Operating Contracts for all MTA Agencies are inflated by Global Insight's CPI-U forecasts in each year from 2009 through 2012.

In addition to inflationary increases, NYCT includes the NYPA/Con Edison energy rate increases for non-traction power of 10.9% in 2009, 17.7% in 2010, 7.0% in 2011, and 7.0% in 2012 (in addition to inflationary increases). 2008 includes a \$3.2 million unfavorable cash timing adjustment from 2007.

For 2008 to 2009, the LIRR includes additional expenses for M7 Threshold plates, but these expenses resume at normal levels in 2010.

For MNR, 2009-2012 includes fluctuating costs for East and West of Hudson locomotive overhauls. In 2009 these costs increase by \$3.6 million; 2010-2012 include reductions of \$3.0 million, \$1.2 million and \$5.6 million, respectively, as program costs wind down or are completed. Also, included in 2009 are additional costs for office space renovations, football train service to the Meadowlands, and security monitoring services. In addition, 2009-2012 includes rising West of Hudson subsidy payments due to contract cost escalations and increases in services. 2010-2012 includes equipment disposal costs primarily for M2 cars.

B&T's expenses are \$11.9 million lower in 2009 than 2008 primarily due to lower maintenance expenses resulting from various projects at the Verrazano-Narrows, Triborough, and Throgs Neck Bridges and lower bridge painting expenses. Other expenses contributing to this favorable variance are lower EZPass Customer Service Center (CSC) expenses due to a new operating contract. In 2010, expenses are \$7.6 million higher than 2009 due primarily to higher major maintenance, bridge painting expenses and EZPass CSC program growth. In 2011, expenses are \$6.7 million lower than 2010 primarily due to a reduction in bridge painting expenses after the completion of work at the Henry Hudson, Triborough and Throgs Neck Bridges. In 2012, expenses are \$12.4 million higher than 2011 primarily due to higher bridge painting expenses resulting from anticipated construction start-up for new painting work.

SIR's expenses for 2009-2012 reflect the NYPA annual increases consistent with the Global Insight inflation forecast. 2008-2012 include an estimated \$11 million of one-time fleet maintenance expenses to maintain the safety and reliability of the 64-car fleet until anticipated replacement in 2014.

Compared with the July Plan, B&T is favorable in 2008 due to lower projected expenses for maintenance of PC/copiers and other equipment and E-ZPass Customer Service Center operating costs. NYCT's favorable variance of \$11 million in 2008 is due to the rescheduling of maintenance expenses for station painting, vehicle replacement, and car equipment programs to 2009. The LIRR is favorable in 2008 due to the deferral of bridge painting and diesel retrofit expenses to 2009. 2009-2012 is unfavorable due to an IT capitalization adjustment, expense re-estimates, inflationary increases, and timing.

PROFESSIONAL SERVICE CONTRACTS

Increases in Professional Service Contracts for all agencies for 2009 through 2012 are inflated primarily by Global Insight's Regional CPI-U forecasts.

B&T's expenses in 2009 are \$5.7 million higher than 2008 primarily due to the addition of a cashless toll study and re-estimates of MTA chargeback expenses

for increased technical support. NYCT's year-to-year increases are largely due to inflation and 2008 includes a \$1.9 million unfavorable cash timing adjustment from 2007. MTA Bus' increase of \$5.2 million from 2008 to 2009 is mainly due to the institution of a rigorous traffic checking program in conjunction with NYCT. The LIRR's year-to-year increase of \$4.5 million from 2008 to 2009 are primarily associated with expenses related to various new Information Technology initiatives. MNR's increase of \$4.1 million in 2009 includes the restoration of a cost provision for general advertising fees. Expenses at MTAHQ are higher in 2009 than 2008 due to one-time West Side Yard development fees.

Overall decreases from the July Plan are primarily driven by MNR due to lower professional service requirements in 2008. MTAHQ's \$8.3 million favorable variance in 2008 is due a shifting of expenses to 2009 as well as some under spending for the year. There is a decrease of \$7.7 million in 2008 at NYCT largely due to miscellaneous rollovers from 2008 to 2009 and the out-years, workers' compensation board reductions and a reforecast of Automatic Train Supervision (ATS) on the "A" Division/CBTC. There is also a decrease at the LIRR of \$2.4 million in 2008 due to a shifting of the network strategy study to 2009. MTA Bus' favorable decrease of \$1.3 million from the July Plan is due to expense re-estimates and the application of favorable CPI's. B&T's plan-to-plan changes in 2009 are driven by lower planning studies expenses and lower MTA chargeback expenses.

MATERIALS & SUPPLIES

All-Agency increases in Materials and Supplies for 2009 through 2012 are inflated primarily by Global Insight's Regional CPI-U forecasts.

Materials and Supplies costs increase \$60 million or 11% between 2008 and 2009. NYCT year-to-year increases were primarily due to the timing of subway and bus fleet maintenance programs. The LIRR reflects an increase of \$8.9 million between 2008 and 2009 primarily due to higher East Side Access material costs and Life Cycle Maintenance (LCM) production plan activities. MNR reflects an increase of \$9.2 million between 2008 and 2009 due to the M-7 five year LCM program, office space renovations, and the overhaul of M1 cars. 2008-2012 includes the net cost impacts of Metro-North's equipment maintenance and replacement strategies to maintain and improve service reliability and performance. B&T's expenses increase in 2009, 2010, and 2011 by \$1 million, \$16.5 million, and \$2.4 million, respectively and are the result of increases in the E-ZPass replacement program. For 2012, expenses are \$7.2 million lower primarily due to lower tag replacement requirements than in previous years.

Compared to the July Plan, expenses are favorable for the LIRR by \$12.6 million in 2008 due to a shift of various LCM and production Plan activities to 2009-2012. 2009-2012 changes are due to re-estimates of material costs associated with LCM. NYCT is \$6 million favorable in 2008 primarily due to a delayed award

for R62 converter replacements (propulsion system). These savings will be offset in 2009-2012. MNR's expenses increase in 2009-2012 due to higher material usage. B&T is unfavorable in 2008 and 2009 due higher re-estimates of E-ZPass tag purchases.

OTHER BUSINESS EXPENSES

Increases in Other Business Expenses in 2009-2012 are inflated primarily by MTA Regional CPI-U forecasts provided by Global Insight.

The consolidated increase of \$7.0 million in 2009 from 2008 is driven by MTAHQ's internal subsidy support requirements for SIR and LI Bus and the Cross Bay Toll subsidy. There are increases in Other Business expenses in 2009-2012 at NYCT due to inflationary changes. Increased credit card fees associated with higher ridership and an increase in customer use of credit cards to purchase tickets and football train service to the Meadowlands account for the increases in 2009-2012 at MNR. There is an increase at MTAHQ of \$2.4 million in 2009 as a result of a shift in expenses from 2008. Partially offsetting these increases is a decrease at MTA Bus of \$2.8 million primarily due to a misclassification of snow fighting equipment as an operating expense. The LIRR's decrease of \$0.2 million from 2008 to 2009 reflects changes in credit/debit authorization fees (allowing debit and credit card sales at the ticket windows).

November Plan expense changes compared with the July Plan are primarily driven by MTAHQ due to higher promotional & marketing expenses in 2009 transferred from 2008 and higher support for SIR in 2009 and 2010. Partially offsetting these increases at MTAHQ is a reduction to Cross Bay Toll. There are also increases from the July Plan in 2009-2012 at NYCT largely due to higher fare media transaction costs. MTA Bus also had an unfavorable increase in 2008 due to expenses for snow fighting equipment. MNR's decreases reflect a rescheduling of the Kronos timekeeping project to 2009.

Positions (Headcount)

BASELINE POSITIONS (Headcount)

Note: Agency headcount levels in the July Financial Plan were modified to reflect the allocation of Integrated Electronic Security Systems' (IESS) positions to Agencies. IESS was a top-sided adjustment in the July Plan. Baseline positions exclude below-the-line Gap Closing Actions.

Plan-to-Plan (2008) November Forecast

MTA consolidated baseline positions of 70,718 are 46 positions higher than the 2008 modified Mid-Year Forecast. Non-Reimbursable positions are forecast to increase by 89 and Reimbursable positions to decrease by 43. By Agency, total positions increase by 43 at NYCT and 20 at MNR, while positions decrease by 17 at the LIRR. On a positions by function basis, an increase is forecast in Operations (+103) and Engineering/Capital (+10), and decrease in Maintenance (-34) and Administration (-33).

NYCT's increase is comprised of 51 Reimbursable position increases partially offset by 8 Non-Reimbursable position reductions. Specifically, positions increase in Operations (+50), Maintenance (+9) and Engineering (+2), and decrease in Administration (-18). NYCT's net increase is largely for providing MTA Bus traffic checking support.

MNR's increase is made up of 48 Non-Reimbursable position increases and 28 Reimbursable position reductions. Positions increase in Operations (+21) and Administration (+19), and decrease in Maintenance (-12) and Engineering/Capital (-8). The net increase reflects a change in vacancy assumptions, the reallocation of staff between non-reimbursable and reimbursable program requirements and a reorganization of capital program administration support staff.

LIRR's reduction is comprised of 67 Reimbursable position reductions and 50 Non-Reimbursable position increases. Positions decrease in Maintenance (-41) and increase in Operations (+16) and Administration (+8). The timing of project activity is the primary reason for the reduction of Reimbursable positions and increase in Non-Reimbursable positions.

Plan-to-Plan (2009) Final Proposed

When compared with the July Financial Plan, MTA consolidated baseline positions increase by 172. Non-Reimbursable positions increase by (+213) and Reimbursable positions decrease by (-41). By Agency, positions increase by 302 positions at NYCT and 54 at MTA Bus, while positions decrease by 135 at LIRR and 49 at MNR.

NYCT's total increase consists of 158 Non-Reimbursable positions and 144 Reimbursable positions. The non-reimbursable increase consists primarily of 95 positions to support overtime adjustments and 67 positions for a fourth Staten Island depot. The Reimbursable increase includes 53 positions for tunnel lighting, 50 for MTA Bus traffic checkers and 35 for SIR fleet maintenance. On a functional basis, NYCT's

positions increase in Maintenance (+315), Security (+34) and Engineering/Capital (+2), and decrease in Operations (-41) and Administration (-8).

MTA Bus' increase consists entirely of Non-Reimbursable positions. Positions increase in Operations (+68) and Maintenance (+12) and decrease in Administration (-17) and Engineering/Capital (-9). Position increases are made up of 39 Bus Operators to support service levels, and 15 positions mostly for maintenance support, material control, and safety & training.

LIRR's total decrease consists of 160 Reimbursable position reductions partially offset by 25 Non-Reimbursable position increases. On a functional basis, positions decrease in Maintenance (-155) and increase in Administration (+15), Engineering/Capital (+3) and Operations (+2). The timing of project activity is the primary reason for the reduction of Reimbursable positions and increase in Non-Reimbursable positions.

MNR's net decrease is made up of 31 Non-Reimbursable reductions and 18 Reimbursable increases. By function, positions decrease in Maintenance (-28), Operations (-15) and Engineering/Capital (-8) and increase in Administration (+2). The total decrease results from the continuation of 2008 initiatives.

Plan-to-Plan (2010 – 2012)

When compared with the July Plan, positions are projected to increase by (+347) in 2010, (+278) in 2011 and (+339) in 2012.

Positions increase in 2010 at NYCT (+264), LIRR (+80) and MTA Bus (+54) and decrease at MNR (-51). These Plan-to-Plan changes remain virtually unchanged in 2011 and 2012. Position changes at NYCT, the LIRR, MTA Bus and MNR over the period are primarily due to a continuation of November Plan initiatives commencing in 2009 (noted above).

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2009 - 2012
Baseline Change Between 2008 July Financial Plan vs. 2008 November Financial Plan
Favorable/(Unfavorable)

Category	Change				
	2008	2009	2010	2011	2012
Baseline Total Positions	(46)	(172)	(347)	(278)	(339)
NYC Transit	(43)	(302)	(264)	(197)	(248)
Long Island Rail Road	17	135	(80)	(78)	(88)
Metro-North Railroad	(20)	49	51	51	51
Bridges & Tunnels	0	0	0	0	0
Headquarters	0	0	0	0	0
Long Island Bus	0	0	0	0	0
Staten Island Railway	0	0	0	0	0
Capital Construction Company	0	0	0	0	0
Bus Company	0	(54)	(54)	(54)	(54)
Non-Reimbursable	(89)	(213)	(251)	(245)	(338)
NYC Transit	8	(152)	(178)	(175)	(258)
Long Island Rail Road	(50)	(25)	(47)	(45)	(55)
Metro-North Railroad	(48)	31	33	33	33
Bridges & Tunnels	0	(8)	0	0	0
Headquarters	1	1	1	1	1
Long Island Bus	0	0	0	0	0
Staten Island Railway	0	(6)	(6)	(5)	(5)
Capital Construction Company	0	0	0	0	0
Bus Company	0	(54)	(54)	(54)	(54)
Reimbursable	43	41	(96)	(33)	(1)
NYC Transit	(51)	(150)	(86)	(22)	10
Long Island Rail Road	67	160	(33)	(33)	(33)
Metro-North Railroad	28	18	18	18	18
Bridges & Tunnels	0	8	0	0	0
Headquarters	(1)	(1)	(1)	(1)	(1)
Long Island Bus	0	0	0	0	0
Staten Island Railway	0	6	6	5	5
Capital Construction Company	0	0	0	0	0
Bus Company	0	0	0	0	0
Total Full-Time	(31)	(167)	(342)	(273)	(334)
NYC Transit	(28)	(291)	(253)	(187)	(238)
Long Island Rail Road	17	135	(80)	(78)	(88)
Metro-North Railroad	(20)	49	51	51	51
Bridges & Tunnels	0	0	0	0	0
Headquarters	0	0	0	0	0
Long Island Bus	0	0	0	0	0
Staten Island Railway	0	(6)	(6)	(5)	(5)
Capital Construction Company	0	0	0	0	0
Bus Company	0	(54)	(54)	(54)	(54)
Total Full-Time-Equivalents	(15)	(5)	(5)	(5)	(5)
NYC Transit	(15)	(5)	(5)	(5)	(5)
Long Island Rail Road	0	0	0	0	0
Metro-North Railroad	0	0	0	0	0
Bridges & Tunnels	0	0	0	0	0
Headquarters	0	0	0	0	0
Long Island Bus	0	0	0	0	0
Staten Island Railway	0	0	0	0	0
Capital Construction Company	0	0	0	0	0
Bus Company	0	0	0	0	0

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2009 - 2012
Baseline Change Between 2008 July Financial Plan vs. 2008 November Financial Plan
Total Non-Reimbursable - Reimbursable Positions
Full-Time Positions and Full Time Equivalents by Function and Agency
Favorable/(Unfavorable)

Function Category	Change				
	2008	2009	2010	2011	2012
Administration	33	11	13	18	18
NYC Transit	18	8	3	7	7
Long Island Rail Road	(8)	(15)	(7)	(6)	(6)
Metro-North Railroad	(19)	(2)	(3)	(3)	(3)
Bridges & Tunnels	0	0	0	0	0
Headquarters	0	0	0	0	0
Long Island Bus	0	3	3	3	3
Staten Island Railway	0	0	0	0	0
Capital Construction Company	25	0	0	0	0
Bus Company	17	17	17	17	17
Operations	(103)	(18)	(86)	(88)	(88)
NYC Transit	(50)	41	(28)	(30)	(30)
Long Island Rail Road	(16)	(2)	(1)	(1)	(1)
Metro-North Railroad	(21)	15	15	15	15
Bridges & Tunnels	0	0	0	0	0
Headquarters	0	0	0	0	0
Long Island Bus	0	(4)	(4)	(4)	(4)
Staten Island Railway	0	0	0	0	0
Capital Construction Company	0	0	0	0	0
Bus Company	(16)	(68)	(68)	(68)	(68)
Maintenance	34	(146)	(255)	(192)	(253)
NYC Transit	(9)	(315)	(203)	(141)	(192)
Long Island Rail Road	41	155	(69)	(68)	(78)
Metro-North Railroad	12	28	31	31	31
Bridges & Tunnels	0	0	0	0	0
Headquarters	0	0	0	0	0
Long Island Bus	0	(2)	(2)	(2)	(2)
Staten Island Railway	0	0	0	0	0
Capital Construction Company	0	0	0	0	0
Bus Company	(10)	(12)	(12)	(12)	(12)
Engineering/Capital	(10)	14	14	14	14
NYC Transit	(2)	(2)	(2)	(2)	(2)
Long Island Rail Road	0	(3)	(3)	(3)	(3)
Metro-North Railroad	8	8	8	8	8
Bridges & Tunnels	0	0	0	0	0
Headquarters	0	0	0	0	0
Long Island Bus	0	2	2	2	2
Staten Island Railway	0	0	0	0	0
Capital Construction Company	(25)	0	0	0	0
Bus Company	9	9	9	9	9
Public Safety	0	(33)	(33)	(30)	(30)
NYC Transit	0	(34)	(34)	(31)	(31)
Long Island Rail Road	0	0	0	0	0
Metro-North Railroad	0	0	0	0	0
Bridges & Tunnels	0	0	0	0	0
Headquarters	0	0	0	0	0
Long Island Bus	0	1	1	1	1
Staten Island Railway	0	0	0	0	0
Capital Construction Company	0	0	0	0	0
Bus Company	0	0	0	0	0

NOTE: Table reflects a correction to Bridges & Tunnels' positions of (+2) in Maintenance and (-2) in Administration, which was made subsequent to the printing of the November Plan book.

Metropolitan Transportation Authority
November Financial Plan 2009 - 2012
Baseline Change Between 2009 July Financial Plan vs. 2009 November Financial Plan
Full-time Positions and Full-time Equivalents by Occupational Group and Agency
Favorable/(Unfavorable)

FUNCTION/OCCUPATIONAL GROUP	Change				
	2008	2009	2010	2011	2012
Administration					
Managers/Supervisors	19	12	12	12	12
Professional, Technical, Clerical	14	(6)	4	9	9
Operational Hourlies	-	5	(3)	(3)	(3)
Total Administration	33	11	13	18	18
Operations					
Managers/Supervisors	(15)	2	(17)	(17)	(17)
Professional, Technical, Clerical	(12)	(5)	(6)	(9)	(9)
Operational Hourlies	(76)	(15)	(63)	(62)	(62)
Total Operations	(103)	(18)	(86)	(88)	(88)
Maintenance					
Managers/Supervisors	(60)	(87)	(62)	(49)	(62)
Professional, Technical, Clerical	18	(23)	(17)	(9)	(1)
Operational Hourlies	76	(36)	(176)	(134)	(190)
Total Maintenance	34	(146)	(255)	(192)	(253)
Engineering/Capital					
Managers/Supervisors	7	6	6	6	6
Professional, Technical, Clerical	(17)	8	8	8	8
Operational Hourlies	-	-	-	-	-
Total Engineering/Capital	(10)	14	14	14	14
Public Safety					
Managers/Supervisors	(3)	(4)	(4)	(4)	(4)
Professional, Technical, Clerical	(3)	(14)	(14)	(11)	(11)
Operational Hourlies	6	(15)	(15)	(15)	(15)
Total Public Safety	-	(33)	(33)	(30)	(30)
Baseline Total Positions					
Managers/Supervisors	(52)	(71)	(65)	(52)	(65)
Professional, Technical, Clerical	-	(40)	(25)	(12)	(4)
Operational Hourlies	6	(61)	(257)	(214)	(270)
Baseline Total Positions	(46)	(172)	(347)	(278)	(339)

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2009 - 2012
Baseline Total Non-Reimbursable - Reimbursable Positions
Full-Time Positions and Full Time Equivalents by Agency

Category	2007 Actual	2008 November Forecast	2009 Final Proposed	2010	2011	2012
Baseline Total Positions	69,117	70,718	71,071	71,228	71,136	70,741
NYC Transit	48,910	49,290	49,544	49,396	49,266	48,828
Long Island Rail Road	6,471	6,961	6,910	7,143	7,120	7,114
Metro-North Railroad	5,855	6,054	6,140	6,209	6,262	6,310
Bridges & Tunnels	1,772	1,832	1,832	1,832	1,839	1,839
Headquarters	1,347	1,489	1,494	1,497	1,499	1,500
Long Island Bus	1,103	1,153	1,153	1,153	1,153	1,153
Staten Island Railway	268	278	283	283	282	282
Capital Construction Company	90	150	150	150	150	150
Bus Company	3,301	3,511	3,565	3,565	3,565	3,565
Non-Reimbursable	62,940	63,372	63,959	64,196	64,336	63,984
NYC Transit	44,025	43,637	44,113	44,242	44,335	43,941
Long Island Rail Road	5,829	6,136	6,134	6,181	6,169	6,163
Metro-North Railroad	5,386	5,466	5,511	5,580	5,633	5,681
Bridges & Tunnels	1,720	1,779	1,787	1,779	1,786	1,786
Headquarters	1,324	1,445	1,446	1,446	1,446	1,446
Long Island Bus	1,090	1,139	1,139	1,139	1,139	1,139
Staten Island Railway	265	275	280	280	279	279
Capital Construction Company	0	0	0	0	0	0
Bus Company	3,301	3,495	3,549	3,549	3,549	3,549
Reimbursable	6,177	7,346	7,112	7,032	6,800	6,757
NYC Transit	4,885	5,653	5,431	5,154	4,931	4,887
Long Island Rail Road	642	825	776	962	951	951
Metro-North Railroad	469	588	629	629	629	629
Bridges & Tunnels	52	53	45	53	53	53
Headquarters	23	44	48	51	53	54
Long Island Bus	13	14	14	14	14	14
Staten Island Railway	3	3	3	3	3	3
Capital Construction Company	90	150	150	150	150	150
Bus Company	0	16	16	16	16	16
Total Full-Time	68,737	70,394	70,765	70,922	70,830	70,435
NYC Transit	48,630	49,080	49,352	49,204	49,074	48,636
Long Island Rail Road	6,471	6,961	6,910	7,143	7,120	7,114
Metro-North Railroad	5,850	6,049	6,135	6,204	6,257	6,305
Bridges & Tunnels	1,772	1,832	1,832	1,832	1,839	1,839
Headquarters	1,347	1,489	1,494	1,497	1,499	1,500
Long Island Bus	1,008	1,044	1,044	1,044	1,044	1,044
Staten Island Railway	268	278	283	283	282	282
Capital Construction Company	90	150	150	150	150	150
Bus Company	3,301	3,511	3,565	3,565	3,565	3,565
Total Full-Time-Equivalents	380	324	306	306	306	306
NYC Transit	280	210	192	192	192	192
Long Island Rail Road	0	0	0	0	0	0
Metro-North Railroad	5	5	5	5	5	5
Bridges & Tunnels	0	0	0	0	0	0
Headquarters	0	0	0	0	0	0
Long Island Bus	95	109	109	109	109	109
Staten Island Railway	0	0	0	0	0	0
Capital Construction Company	0	0	0	0	0	0
Bus Company	0	0	0	0	0	0
Business Service Center - Savings	0	33	33	33	367	620
Business Service Center - HQ Additions	0	(55)	(100)	(100)	(413)	(371)
Net Agency-Wide Impact	0	(22)	(67)	(67)	(46)	249

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2009 - 2012
Baseline Total Non-Reimbursable - Reimbursable Positions
Full-Time Positions and Full Time Equivalents by Function and Agency

Function	2007 Actual	2008 November Forecast	2009 Final Proposed	2010	2011	2012
Administration	4,883	5,165	5,187	5,188	5,184	5,185
NYC Transit	2,540	2,505	2,528	2,522	2,515	2,514
Long Island Rail Road	649	753	763	757	757	757
Metro-North Railroad	710	759	746	756	757	758
Bridges & Tunnels	140	144	144	144	144	144
Headquarters	616	705	710	713	715	716
Long Island Bus	85	96	93	93	93	93
Staten Island Railway	27	29	29	29	29	29
Capital Construction Company	21	30	30	30	30	30
Bus Company	95	144	144	144	144	144
Operations	30,940	31,194	31,079	31,105	31,117	31,128
NYC Transit	23,171	23,233	23,107	23,113	23,105	23,098
Long Island Rail Road	2,043	2,108	2,081	2,080	2,080	2,080
Metro-North Railroad	1,755	1,864	1,840	1,861	1,882	1,900
Bridges & Tunnels	760	800	800	800	800	800
Headquarters	0	0	0	0	0	0
Long Island Bus	758	777	781	781	781	781
Staten Island Railway	91	94	100	100	99	99
Capital Construction Company	0	0	0	0	0	0
Bus Company	2,362	2,318	2,370	2,370	2,370	2,370
Maintenance	29,842	30,711	31,157	31,288	31,191	30,784
NYC Transit	21,284	21,583	21,943	21,796	21,684	21,254
Long Island Rail Road	3,663	3,961	3,923	4,163	4,140	4,134
Metro-North Railroad	3,285	3,326	3,447	3,485	3,516	3,545
Bridges & Tunnels	394	400	400	400	407	407
Headquarters	0	0	0	0	0	0
Long Island Bus	243	261	263	263	263	263
Staten Island Railway	150	155	154	154	154	154
Capital Construction Company	0	0	0	0	0	0
Bus Company	823	1,025	1,027	1,027	1,027	1,027
Engineering/Capital	1,924	2,054	2,026	2,026	2,026	2,026
NYC Transit	1,431	1,470	1,438	1,438	1,438	1,438
Long Island Rail Road	116	139	143	143	143	143
Metro-North Railroad	105	105	107	107	107	107
Bridges & Tunnels	177	190	190	190	190	190
Headquarters	0	0	0	0	0	0
Long Island Bus	15	16	14	14	14	14
Staten Island Railway	0	0	0	0	0	0
Capital Construction Company	69	120	120	120	120	120
Bus Company	11	14	14	14	14	14
Public Safety	1,528	1,594	1,622	1,621	1,618	1,618
NYC Transit	484	499	528	527	524	524
Long Island Rail Road	0	0	0	0	0	0
Metro-North Railroad	0	0	0	0	0	0
Bridges & Tunnels	301	298	298	298	298	298
Headquarters	731	784	784	784	784	784
Long Island Bus	2	3	2	2	2	2
Staten Island Railway	0	0	0	0	0	0
Capital Construction Company	0	0	0	0	0	0
Bus Company	10	10	10	10	10	10

Metropolitan Transportation Authority
November Financial Plan 2009 - 2012
Baseline Consolidated Positions by Function and Occupational Group
Baseline Total Full-time Positions and Full-time Equivalents

FUNCTION/OCCUPATIONAL GROUP	2007 Actuals	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Administration						
Managers/Supervisors	1,692	1,837	1,844	1,839	1,837	1,836
Professional, Technical, Clerical	3,063	3,258	3,279	3,277	3,275	3,277
Operational Hourlies	128	70	64	72	72	72
Total Administration	4,883	5,165	5,187	5,188	5,184	5,185
Operations						
Managers/Supervisors	3,175	3,332	3,282	3,279	3,271	3,269
Professional, Technical, Clerical	1,054	1,086	1,096	1,095	1,095	1,095
Operational Hourlies	26,711	26,776	26,701	26,731	26,751	26,764
Total Operations	30,940	31,194	31,079	31,105	31,117	31,128
Maintenance						
Managers/Supervisors	4,762	4,907	5,004	4,966	4,937	4,894
Professional, Technical, Clerical	2,525	2,671	2,710	2,676	2,643	2,627
Operational Hourlies	22,555	23,133	23,443	23,646	23,611	23,263
Total Maintenance	29,842	30,711	31,157	31,288	31,191	30,784
Engineering/Capital						
Managers/Supervisors	487	530	534	534	534	534
Professional, Technical, Clerical	1,435	1,522	1,490	1,490	1,490	1,490
Operational Hourlies	2	2	2	2	2	2
Total Engineering/Capital	1,924	2,054	2,026	2,026	2,026	2,026
Public Safety						
Managers/Supervisors	121	147	147	147	147	147
Professional, Technical, Clerical	98	146	158	158	155	155
Operational Hourlies	1,309	1,301	1,317	1,316	1,316	1,316
Total Public Safety	1,528	1,594	1,622	1,621	1,618	1,618
Baseline Total Positions						
Managers/Supervisors	10,237	10,753	10,811	10,765	10,726	10,680
Professional, Technical, Clerical	8,175	8,683	8,733	8,696	8,658	8,644
Operational Hourlies	50,705	51,282	51,527	51,767	51,752	51,417
Baseline Total Positions	69,117	70,718	71,071	71,228	71,136	70,741

BASELINE POSITIONS (Headcount)

This section excludes below-the-line Agency PEG reductions.

Year-to-Year (2009 vs 2008)

The MTA consolidated 2009 baseline reflects positions of 71,071, which are 353 more than 2008. Non-Reimbursable positions increase by 587 and Reimbursable positions decrease by 234. Positions increase by 254 at NYCT, 86 at MNR, 54 at MTA Bus, 5 at SIR, and 5 at MTA HQ, while positions decrease by 51 at the LIRR.

NYCT's increase is composed of 476 Non-Reimbursable position increases and 222 Reimbursable position reductions. Positions increase in Maintenance (+360), Security (+29), and Administration (+23), and decrease in Operations (-126), and Engineering (-32). Non-Reimbursable position increases are primarily due to the opening of the Charleston Annex, increased staffing to reduce overtime, increased staffing for the Scheduled Maintenance System (SMS), and staffing for a fourth Staten Island depot. Reimbursable position reductions are primarily due to reductions in tunnel lighting, delays in Scheduled Maintenance System (SMS) work (on behalf of SIR), R160 acceptance testing, and reductions in Capital Program Management forces, partially offset by increases in traffic checkers for MTA Bus.

MNR's increase is made up of 45 Non-Reimbursable and 41 Reimbursable positions. Positions increase in Maintenance (+121) and Engineering (+2), and decrease in Operations (-24) and Administration (-13). Position increases are related to staffing in support of increased maintenance for the New Haven Line car fleet and the start of an M7 life cycle maintenance program, Grand Central Terminal Maintenance, maintenance support of new security systems, Mid-Hudson station improvements, additional training personnel, Grand Central Terminal maintenance, and additions for fleet management, training and recruiting.

MTA Bus' increase is made up entirely of Non-Reimbursable positions. Positions increase in Operations (+52) and Maintenance (+2). Position increases are made up of 39 Bus Operators to support service levels, and 15 positions mostly for maintenance support, material control, and safety & training.

The LIRR's decrease is made up of 49 Reimbursable positions and 2 Non-Reimbursable positions. Positions decrease in Maintenance (-38) and Operations (-27), and increase in Administration (+10) and Engineering/Capital (+4). Position decreases are primarily due to the timing of capital project activity.

Year-to-Year (2010 – 2012)

Total forecasted position levels drop by 330 from the end of 2009 to the end of 2012. Positions increase by 157 in 2010, and decrease 92 in 2011 and 395 in 2012. Agencies with the largest position changes at the end of the three-year period are NYCT with a decrease of 716, the LIRR with an increase of 204, and MNR with an increase of 170.

NYCT's decrease is made up of decreases of 544 Reimbursable positions and 273 Non-Reimbursable positions. Reimbursable positions decrease due to the warranty period ending (and consequently capital funding) for the R160 subway cars, as well as completion of the following projects: Antenna Cable Replacement, Battery Cable Replacement, Signal Circuit Key-By, R68/68A Passenger Emergency Intercom, and various security projects. Non-reimbursable positions drop as a result of reduced staffing requirements for the Scheduled Maintenance System (SMS).

The LIRR's increase is made up of increases of 175 Reimbursable positions and 29 Non-Reimbursable positions. Reimbursable position increases are mostly in the maintenance category and result from position reductions in 2009 related to the timing of capital project activity.

MNR's increase is made up entirely of Non-Reimbursable positions. Positions increase in Maintenance (+98), Operations (+60) and Administration (+12). Position increases primarily result from increased maintenance positions to support the new M8 cars, the establishment of a second shift coach shop at Harmon, on-board train service positions required for new train service, staffing required to support security improvements, maintenance positions to support completed right-of-way and facility improvements, and positions to support signal improvements on the Danbury branch.

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2009 - 2012
Year to Year Changes for Baseline Positions by Function and Agency
Favorable/(Unfavorable)

Function	Change			
	2009-2008	2010-2009	2011-2010	2012-2011
Baseline Total Positions	(353)	(157)	92	395
NYC Transit	(254)	148	130	438
Long Island Rail Road	51	(233)	23	6
Metro-North Railroad	(86)	(69)	(53)	(48)
Bridges & Tunnels	0	0	(7)	0
Headquarters	(5)	(3)	(2)	(1)
Long Island Bus	0	0	0	0
Staten Island Railway	(5)	0	1	0
Capital Construction Company	0	0	0	0
Bus Company	(54)	0	0	0
Non-Reimbursable	(587)	(237)	(140)	352
NYC Transit	(476)	(129)	(93)	394
Long Island Rail Road	2	(47)	12	6
Metro-North Railroad	(45)	(69)	(53)	(48)
Bridges & Tunnels	(8)	8	(7)	0
Headquarters	(1)	0	0	0
Long Island Bus	0	0	0	0
Staten Island Railway	(5)	0	1	0
Capital Construction Company	0	0	0	0
Bus Company	(54)	0	0	0
Reimbursable	234	80	232	43
NYC Transit	222	277	223	44
Long Island Rail Road	49	(186)	11	0
Metro-North Railroad	(41)	0	0	0
Bridges & Tunnels	8	(8)	0	0
Headquarters	(4)	(3)	(2)	(1)
Long Island Bus	0	0	0	0
Staten Island Railway	0	0	0	0
Capital Construction Company	0	0	0	0
Bus Company	0	0	0	0
Total Full-Time	(371)	(157)	(58)	395
NYC Transit	(272)	148	130	438
Long Island Rail Road	51	(233)	23	6
Metro-North Railroad	(86)	(69)	(53)	(48)
Bridges & Tunnels	0	0	(7)	0
Headquarters	(5)	(3)	(2)	(1)
Long Island Bus	0	0	0	0
Staten Island Railway	(5)	0	1	0
Capital Construction Company	0	0	(150)	0
Bus Company	(54)	0	0	0
Total Full-Time-Equivalents	18	0	0	0
NYC Transit	18	0	0	0
Long Island Rail Road	0	0	0	0
Metro-North Railroad	0	0	0	0
Bridges & Tunnels	0	0	0	0
Headquarters	0	0	0	0
Long Island Bus	0	0	0	0
Staten Island Railway	0	0	0	0
Capital Construction Company	0	0	0	0
Bus Company	0	0	0	0

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2009 - 2012
Year to Year Changes for Baseline Positions by Function and Agency
Favorable/(Unfavorable)

Function	Change			
	2009-2008	2010-2009	2011-2010	2012-2011
Administration	(22)	(1)	4	(1)
NYC Transit	(23)	6	7	1
Long Island Rail Road	(10)	6	0	0
Metro-North Railroad	13	(10)	(1)	(1)
Bridges & Tunnels	0	0	0	0
Headquarters	(5)	(3)	(2)	(1)
Long Island Bus	3	0	0	0
Staten Island Railway	0	0	0	0
Capital Construction Company	0	0	0	0
Bus Company	0	0	0	0
Operations	115	(26)	(12)	(11)
NYC Transit	126	(6)	8	7
Long Island Rail Road	27	1	0	0
Metro-North Railroad	24	(21)	(21)	(18)
Bridges & Tunnels	0	0	0	0
Headquarters	0	0	0	0
Long Island Bus	(4)	0	0	0
Staten Island Railway	(6)	0	1	0
Capital Construction Company	0	0	0	0
Bus Company	(52)	0	0	0
Maintenance	(446)	(131)	97	407
NYC Transit	(360)	147	112	430
Long Island Rail Road	38	(240)	23	6
Metro-North Railroad	(121)	(38)	(31)	(29)
Bridges & Tunnels	0	0	(7)	0
Headquarters	0	0	0	0
Long Island Bus	(2)	0	0	0
Staten Island Railway	1	0	0	0
Capital Construction Company	0	0	0	0
Bus Company	(2)	0	0	0
Engineering/Capital	28	0	0	0
NYC Transit	32	0	0	0
Long Island Rail Road	(4)	0	0	0
Metro-North Railroad	(2)	0	0	0
Bridges & Tunnels	0	0	0	0
Headquarters	0	0	0	0
Long Island Bus	2	0	0	0
Staten Island Railway	0	0	0	0
Capital Construction Company	0	0	0	0
Bus Company	0	0	0	0
Public Safety	(28)	1	3	0
NYC Transit	(29)	1	3	0
Long Island Rail Road	0	0	0	0
Metro-North Railroad	0	0	0	0
Bridges & Tunnels	0	0	0	0
Headquarters	0	0	0	0
Long Island Bus	1	0	0	0
Staten Island Railway	0	0	0	0
Capital Construction Company	0	0	0	0
Bus Company	0	0	0	0

**Metropolitan Transportation Authority
November Financial Plan 2009 - 2012**

**Year to Year Changes for Positions by Function and Occupational Group
Baseline Total Full-time Positions and Full-time Equivalents
Favorable/(Unfavorable)**

FUNCTION/OCCUPATIONAL GROUP	Change			
	2009-2008	2010-2009	2011-2010	2012-2011
Administration				
Managers/Supervisors	(7)	5	2	1
Professional, Technical, Clerical	(21)	2	2	(2)
Operational Hourlies	6	(8)	-	-
Total Administration	(22)	(1)	4	(1)
Operations				
Managers/Supervisors	50	3	8	2
Professional, Technical, Clerical	(10)	1	-	-
Operational Hourlies	75	(30)	(20)	(13)
Total Operations	115	(26)	(12)	(11)
Maintenance				
Managers/Supervisors	(97)	38	29	43
Professional, Technical, Clerical	(39)	34	33	16
Operational Hourlies	(310)	(203)	35	348
Total Maintenance	(446)	(131)	97	407
Engineering/Capital				
Managers/Supervisors	(4)	-	-	-
Professional, Technical, Clerical	32	-	-	-
Operational Hourlies	-	-	-	-
Total Engineering/Capital	28	-	-	-
Public Safety				
Managers/Supervisors	-	-	-	-
Professional, Technical, Clerical	(12)	-	3	-
Operational Hourlies	(16)	1	-	-
Total Public Safety	(28)	1	3	-
Baseline Total Positions				
Managers/Supervisors	(58)	46	39	46
Professional, Technical, Clerical	(50)	37	38	14
Operational Hourlies	(245)	(240)	15	335
Baseline Total Positions	(353)	(157)	92	395

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Status of 2008 Agency PEGs

STATUS OF THE 2008 PEGs

As reflected on the chart below, the February Plan included within its baseline, 2008 Program to Eliminate the GAP (PEG) savings of \$51 million and 338 positions in 2008. Savings increase to \$62 million in 2009 and then fall to \$58 million in 2010 and \$55 million in 2011. PEG position savings increase to 366 positions in 2009 and remain constant through 2011. In the July Plan the value of these PEGs was slightly increased by \$0.5 million in 2008, and by \$0.8 million in 2009. Long Island Bus re-estimated the savings associated with its "CNG tax credit" PEG upward by \$0.7 million and \$0.8 million in 2008 and 2009. B&T re-estimated its "Reductions of Headcount in the Operations Dept." PEG downward by \$0.2 million in 2008 to reflect changes in the estimated date of attrition (from March, 2008 to October, 2008).

Re-estimates included in the November Plan resulted in reductions of \$2 million and 0 positions in 2008, while out-year PEG savings remain unchanged. Reductions in PEG savings resulted from re-estimates of planned savings associated with NYCT's "Vacancy Savings-MOW/Rolling Stock" PEG, and NYCT's "Holiday Schedule Savings" PEG.

METROPOLITAN TRANSPORTATION AUTHORITY						
November Financial Plan 2009 - 2012						
Summary of the 2008 PEG Program						
(\$ in millions)						
	<u>February Plan</u>		<u>July Plan</u>		<u>November Plan</u>	
	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>
2008	338	\$51	338	\$50	338	\$48
2009	366	\$62	366	\$63	366	\$63
2010	366	\$58	230	\$58	230	\$58
2011	366	\$55	230	\$55	230	\$55
2012	366	\$55	230	\$55	230	\$55

In addition to the 2008 PEG Program re-estimates listed above, the July Financial Plan includes re-estimates to the 2005 and 2007 PEG Programs. SIR re-estimated the savings associated with its 2005 "Tompkinsville Fare Collection" PEG due to delays in construction work at Tompkinsville station. This resulted in a reduction to savings of \$0.2 million in 2009, and then increases to savings of \$0.1 million in 2010 and 2011. B&T re-estimated the savings associated with its 2007 "Net Reduction of Headcount in the Operations Department" PEG downward by \$1.0 million in 2008 and upward by \$0.1 million in each of the out-years to reflect changes in the estimated date of attrition (from March, 2008 to October, 2008). There were no re-estimates to prior year PEGs (2007 and earlier) in the November Plan.

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III. Other MTA Consolidated Materials-Baseline

METROPOLITAN TRANSPORTATION AUTHORITY

November Financial Plan 2009 - 2012

MTA Consolidated Statement Of Operations By Category

(\$ in millions)

Line

No.

7	Non-Reimbursable						
8		2007	2008	2009			
9		Actual	November Forecast	Final Proposed Budget	2010	2011	2012
10	Operating Revenue						
11	Farebox Revenue	\$3,995	\$4,246	\$4,229	\$4,252	\$4,319	\$4,390
12	Toll Revenue	1,251	1,273	1,264	1,264	1,268	1,275
13	Other Revenue	480	460	479	500	526	556
14	Capital and Other Reimbursements	0	0	0	0	0	0
15	Total Operating Revenue	\$5,726	\$5,979	\$5,971	\$6,016	\$6,113	\$6,221
16							
17	Operating Expense						
18	Labor Expenses:						
19	Payroll	\$3,861	\$4,093	\$4,250	\$4,362	\$4,462	\$4,544
20	Overtime	482	490	471	478	489	499
21	Health & Welfare	617	686	752	819	886	958
22	OPEB Current Payment	270	327	356	387	423	463
23	Pensions	851	889	913	896	871	876
24	Other-Fringe Benefits	445	477	488	502	519	530
25	Reimbursable Overhead	(274)	(310)	(322)	(315)	(311)	(316)
26	Sub-total Labor Expenses	\$6,252	\$6,653	\$6,908	\$7,128	\$7,339	\$7,552
27							
28	Non-Labor Expenses:						
29	Traction and Propulsion Power	294	314	348	398	425	455
30	Fuel for Buses and Trains	193	321	334	307	300	321
31	Insurance	54	33	51	62	73	85
32	Claims	164	175	157	165	173	176
33	Paratransit Service Contracts	233	284	366	423	481	561
34	Maintenance and Other Operating Contracts	533	632	688	701	705	727
35	Professional Service Contracts	181	195	236	224	223	228
36	Materials & Supplies	516	542	602	635	661	645
37	Other Business Expenses	152	181	188	184	186	191
38	Sub-total Non-Labor Expenses	\$2,320	\$2,676	\$2,971	\$3,099	\$3,228	\$3,391
39							
40	Other Expense Adjustments:						
41	Other	(\$18)	(\$11)	(\$11)	(\$5)	(\$5)	(\$6)
42	General Reserve	0	0	75	75	75	75
43	Sub-total Other Expense Adjustments	(\$18)	(\$11)	\$64	\$70	\$70	\$69
44							
45	Total Operating Expense before Non-Cash Liability Adjs	\$8,554	\$9,319	\$9,943	\$10,297	\$10,637	\$11,012
46							
47	Depreciation	\$1,687	\$1,755	\$1,905	\$2,015	\$2,082	\$2,144
48	OPEB Obligation	1,291	1,313	1,379	1,436	1,495	1,556
49	Environmental Remediation	0	38	8	8	8	9
50							
51	Total Operating Expense	\$11,533	\$12,424	\$13,235	\$13,756	\$14,223	\$14,721
52							
53	Net Operating Deficit Before Subsidies and Debt Service	(\$5,807)	(\$6,445)	(\$7,263)	(\$7,739)	(\$8,110)	(\$8,500)
54							
55	Dedicated Taxes and State/Local Subsidies	\$4,559	\$4,289	\$4,095	\$4,102	\$4,205	\$4,335
56	Debt Service (excludes Service Contract Bonds)	(1,712)	(1,504)	(1,474)	(1,912)	(2,050)	(2,266)
57							
58	Net Deficit After Subsidies and Debt Service	(\$2,959)	(\$3,660)	(\$4,641)	(\$5,549)	(\$5,955)	(\$6,431)
59							
60	Conversion to Cash Basis: Non-Cash Liability Adjs.	\$2,978	\$3,105	\$3,292	\$3,458	\$3,585	\$3,709
61	Conversion to Cash Basis: GASB Account	(71)	(57)	(60)	(63)	(66)	(69)
62	Conversion to Cash Basis: All Other	(389)	314	213	(4)	65	69
63							
64	CASH BALANCE BEFORE PRIOR-YEAR CARRY-OVER	(\$442)	(\$297)	(\$1,197)	(\$2,157)	(\$2,370)	(\$2,722)

METROPOLITAN TRANSPORTATION AUTHORITY

November Financial Plan 2009 - 2012

MTA Consolidated Statement Of Operations By Category

(\$ in millions)

Line Number						
7	Reimbursable					
8		2007	2008	2009		
9		Actual	November	Final Proposed	2010	2011
10	Operating Revenue		Forecast	Budget		2012
11	Farebox Revenue	\$0	\$0	\$0	\$0	\$0
12	Toll Revenue	0	0	0	0	0
13	Other Revenue	0	0	0	0	0
14	Capital and Other Reimbursements	1,251	1,390	1,458	1,431	1,377
15	Total Operating Revenue	\$1,251	\$1,390	\$1,458	\$1,431	\$1,377
16						
17	Operating Expense					
18	Labor Expenses:					
19	Payroll	\$465	\$508	\$549	\$540	\$533
20	Overtime	104	106	87	88	89
21	Health & Welfare	43	47	51	55	59
22	OPEB Current Payment	1	1	1	2	2
23	Pensions	46	54	47	45	45
24	Other-Fringe Benefits	117	130	135	133	131
25	Reimbursable Overhead	276	308	320	315	311
26	Sub-total Labor Expenses	\$1,052	\$1,154	\$1,191	\$1,177	\$1,168
27						
28	Non-Labor Expenses:					
29	Traction and Propulsion Power	\$0	\$0	\$0	\$0	\$0
30	Fuel for Buses and Trains	0	0	0	0	0
31	Insurance	7	7	5	5	5
32	Claims	0	0	0	0	0
33	Paratransit Service Contracts	0	0	0	0	0
34	Maintenance and Other Operating Contracts	65	81	95	81	68
35	Professional Service Contracts	26	38	43	51	53
36	Materials & Supplies	100	109	121	114	81
37	Other Business Expenses	0	1	2	2	2
38	Sub-total Non-Labor Expenses	\$198	\$236	\$267	\$253	\$209
39						
40	Other Expense Adjustments:					
41	Other	\$0	\$0	\$0	\$0	\$0
42	Sub-total Other Expense Adjustments	\$0	\$0	\$0	\$0	\$0
43						
44	Total Operating Expense	\$1,251	\$1,390	\$1,458	\$1,431	\$1,377
45						
46	Baseline Surplus/(Deficit)	\$0	\$0	\$0	\$0	\$0

METROPOLITAN TRANSPORTATION AUTHORITY

November Financial Plan 2009 - 2012

MTA Consolidated Statement Of Operations By Category

(\$ in millions)

Line Number						
7	Non-Reimbursable / Reimbursable					
8		2007	2008	2009		
9		Actual	November Forecast	Final Proposed Budget	2010	2011
10	Operating Revenue					2012
11	Farebox Revenue	\$3,995	\$4,246	\$4,229	\$4,252	\$4,319
12	Toll Revenue	1,251	1,273	1,264	1,264	1,268
13	Other Revenue	480	460	479	500	526
14	Capital and Other Reimbursements	1,251	1,390	1,458	1,431	1,377
15	Total Operating Revenue	\$6,977	\$7,370	\$7,430	\$7,447	\$7,490
16						
17	Operating Expense					
18	Labor Expenses:					
19	Payroll	\$4,327	\$4,601	\$4,799	\$4,902	\$4,995
20	Overtime	586	597	558	566	578
21	Health & Welfare	659	733	803	874	945
22	OPEB Current Payment	271	329	357	388	425
23	Pensions	897	943	960	940	916
24	Other-Fringe Benefits	562	607	623	636	650
25	Reimbursable Overhead	1	(1)	(2)	(0)	(0)
26	Sub-total Labor Expenses	\$7,304	\$7,807	\$8,099	\$8,305	\$8,507
27						
28	Non-Labor Expenses:					
29	Traction and Propulsion Power	\$294	\$314	\$348	\$398	\$425
30	Fuel for Buses and Trains	193	321	334	307	300
31	Insurance	61	39	57	67	78
32	Claims	164	175	157	165	173
33	Paratransit Service Contracts	233	284	366	423	481
34	Maintenance and Other Operating Contracts	598	713	783	782	772
35	Professional Service Contracts	207	233	279	275	276
36	Materials & Supplies	616	651	724	749	743
37	Other Business Expenses	152	182	190	186	188
38	Sub-total Non-Labor Expenses	\$2,518	\$2,912	\$3,238	\$3,353	\$3,437
39						
40	Other Expense Adjustments:					
41	Other	(\$18)	(\$11)	(\$11)	(\$5)	(\$5)
42	General Reserve	0	0	75	75	75
43	Sub-total Other Expense Adjustments	(\$18)	(\$11)	\$64	\$70	\$70
44						
45	Total Operating Expense before Non-Cash Liability Adjs.	\$9,805	\$10,709	\$11,401	\$11,728	\$12,014
46						
47	Depreciation	\$1,687	\$1,755	\$1,905	\$2,015	\$2,082
48	OPEB Obligation	1,291	1,313	1,379	1,436	1,495
49	Environmental Remediation	0	38	8	8	8
50						
51	Total Operating Expense	\$12,783	\$13,814	\$14,693	\$15,186	\$15,600
52						
53	Net Operating Deficit Before Subsidies and Debt Service	(\$5,807)	(\$6,445)	(\$7,263)	(\$7,739)	(\$8,110)
54						
55	Dedicated Taxes and State/Local Subsidies	\$4,559	\$4,289	\$4,095	\$4,102	\$4,205
56	Debt Service (excludes Service Contract Bonds)	(1,712)	(1,504)	(1,474)	(1,912)	(2,050)
57						
58	Net Deficit After Subsidies and Debt Service	(\$2,959)	(\$3,660)	(\$4,641)	(\$5,549)	(\$5,955)
59						
60	Conversion to Cash Basis: Non-Cash Liability Adjs.	\$2,978	\$3,105	\$3,292	\$3,458	\$3,585
61	Conversion to Cash Basis: GASB Account	(71)	(57)	(60)	(63)	(66)
62	Conversion to Cash Basis: All Other	(389)	314	213	(4)	65
63						
64	CASH BALANCE BEFORE PRIOR-YEAR CARRY-OVER	(\$442)	(\$297)	(\$1,197)	(\$2,157)	(\$2,722)

METROPOLITAN TRANSPORTATION AUTHORITY

November Financial Plan 2009 - 2012

MTA Consolidated Cash Receipts and Expenditures

(\$ in millions)

Line Number	CASH RECEIPTS AND EXPENDITURES	2007	2008	2009			
		Actual	November Forecast	Final Proposed Budget	2010	2011	2012
9							
10							
11	Receipts						
12	Farebox Revenue	\$4,048	\$4,293	\$4,270	\$4,291	\$4,357	\$4,428
13	Other Operating Revenue	502	565	508	532	558	587
14	Capital and Other Reimbursements	1,224	1,350	1,563	1,442	1,410	1,416
15	Total Receipts	\$5,774	\$6,209	\$6,341	\$6,265	\$6,324	\$6,431
16							
17	Expenditures						
18	<u>Labor:</u>						
19	Payroll	\$4,170	\$4,464	\$4,638	\$4,731	\$4,820	\$4,898
20	Overtime	551	570	531	537	549	559
21	Health and Welfare	637	732	788	858	928	1,002
22	OPEB Current Payment	257	311	334	363	398	436
23	Pensions	899	709	922	926	897	895
24	Other Fringe Benefits	508	547	560	573	586	600
25	Contribution to GASB Fund	71	57	60	63	66	69
26	Total Labor Expenditures	\$7,093	\$7,391	\$7,835	\$8,053	\$8,243	\$8,458
27							
28	<u>Non-Labor:</u>						
29	Traction and Propulsion Power	\$304	\$351	\$358	\$407	\$434	\$465
30	Fuel for Buses and Trains	192	321	334	307	300	320
31	Insurance	49	49	54	63	78	86
32	Claims	143	150	138	144	152	158
33	Paratransit Service Contracts	231	280	361	418	476	556
34	Maintenance and Other Operating Contracts	488	579	671	648	644	652
35	Professional Service Contracts	192	225	253	250	251	255
36	Materials & Supplies	700	673	727	751	740	741
37	Other Business Expenditures	248	181	191	190	198	195
38	Total Non-Labor Expenditures	\$2,547	\$2,811	\$3,085	\$3,178	\$3,274	\$3,428
39							
40	<u>Other Expenditure Adjustments:</u>						
41	Other	\$47	\$29	\$56	\$53	\$46	\$48
42	General Reserve	0	0	75	75	75	75
43	Total Other Expenditure Adjustments	\$47	\$29	\$131	\$128	\$121	\$123
44							
45	Total Expenditures	\$9,687	\$10,231	\$11,050	\$11,359	\$11,638	\$12,009
46							
47	Net Cash Deficit Before Subsidies and Debt Service	(\$3,912)	(\$4,022)	(\$4,709)	(\$5,094)	(\$5,314)	(\$5,578)
48							
49	Dedicated Taxes and State/Local Subsidies	\$4,618	\$4,712	\$4,458	\$4,223	\$4,355	\$4,464
50	Debt Service (excludes Service Contract Bonds)	(1,147)	(987)	(946)	(1,286)	(1,411)	(1,609)
51							
52	CASH BALANCE BEFORE PRIOR-YEAR CARRY-OVER	(\$442)	(\$297)	(\$1,197)	(\$2,157)	(\$2,370)	(\$2,722)

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2009 - 2012
Cash Conversion Detail
(\$ in millions)

	2007	2008	2009			
	Actual	November	Final Proposed	2010	2011	2012
	Forecast	Budget				
<u>Depreciation</u>						
New York City Transit	\$1,061	\$1,109	\$1,185	\$1,267	\$1,322	\$1,377
Metro-North Railroad	214	223	266	276	286	296
Long Island Rail Road	276	283	298	311	308	303
MTA Bus Company	30	30	37	40	42	42
MTA Headquarters	30	26	31	28	26	21
Staten Island Railway	7	10	10	10	10	10
Bridges & Tunnels	70	73	78	83	89	95
<i>Sub-Total</i>	<i>1,687</i>	<i>1,755</i>	<i>1,905</i>	<i>2,015</i>	<i>2,082</i>	<i>2,144</i>
<u>Other Post Employment Benefits</u>						
New York City Transit	\$991	\$1,010	\$1,055	\$1,099	\$1,145	\$1,192
Metro-North Railroad	49	51	53	55	56	58
Long Island Rail Road	78	76	79	82	86	89
MTA Bus Company	46	45	52	54	56	58
MTA Headquarters	58	61	64	67	70	73
Bridges & Tunnels	61	61	66	69	72	76
Long Island Bus	6	6	6	7	7	8
Staten Island Railway	2	3	3	3	3	3
<i>Sub-Total</i>	<i>1,291</i>	<i>1,313</i>	<i>1,379</i>	<i>1,436</i>	<i>1,495</i>	<i>1,556</i>
<u>Environmental Remediation</u>						
New York City Transit	0	18	0	0	0	0
Metro-North Railroad	0	7	7	7	7	7
Long Island Rail Road	0	13	2	2	2	2
<i>Sub-Total</i>	<i>0</i>	<i>38</i>	<i>8</i>	<i>8</i>	<i>8</i>	<i>9</i>
<u>Operating</u>						
New York City Transit	(59)	159	159	44	44	54
Metro-North Railroad	(80)	1	(22)	(18)	(26)	(26)
Long Island Rail Road	(6)	18	(9)	(14)	10	(5)
MTA Bus Company	11	9	(3)	(4)	(4)	(4)
MTA Headquarters	(78)	(6)	(12)	(11)	(7)	(6)
Long Island Bus	(1)	(5)	(1)	1	1	1
Staten Island Railway	(1)	2	(0)	(0)	(0)	(0)
First Mutual Transportation Assurance Company	(11)	0	2	4	7	5
Other	53	11	14	17	18	23
<i>Sub-Total</i>	<i>(171)</i>	<i>190</i>	<i>127</i>	<i>18</i>	<i>42</i>	<i>41</i>
<u>Subsidies</u>						
New York City Transit	(229)	53	64	(11)	(14)	(13)
Commuter Railroads	(170)	43	35	(1)	(2)	(1)
Headquarters	161	(48)	(70)	(73)	(25)	(25)
MTA Bus Company	(60)	13	(4)	(1)	(2)	(2)
Long Island Bus	8	5	0	0	0	0
Staten Island Railway	2	0	0	0	0	0
<i>Sub-Total</i>	<i>(289)</i>	<i>67</i>	<i>26</i>	<i>(85)</i>	<i>(43)</i>	<i>(41)</i>
Total Cash Conversion	\$2,518	\$3,362	\$3,444	\$3,392	\$3,585	\$3,709

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2009 - 2012
Changes Year-to-Year By Category

Favorable/(Unfavorable)

Line Number		2008 November Forecast	Change 2008 - 2007	2009 Final Prop Budget	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011
7	Non-Reimbursable										
10	<u>Operating Revenue</u>										
11	Farebox Revenue	\$4,246	\$251	\$4,229	(\$18)	\$4,252	\$24	\$4,319	\$66	\$4,390	\$71
12	Toll Revenue	1,273	23	1,264	(9)	1,264	(0)	1,268	4	1,275	7
13	Other Revenue	460	(20)	479	19	500	21	526	26	556	30
14	Capital and Other Reimbursements	0	0	0	0	0	0	0	0	0	0
15	Total Operating Revenue	\$5,979	\$254	\$5,971	(\$8)	\$6,016	\$45	\$6,113	\$97	\$6,221	\$108
16											
17	<u>Operating Expense</u>										
18	Labor Expenses:										
19	Payroll	\$4,093	(\$232)	\$4,250	(\$157)	\$4,362	(\$112)	\$4,462	(\$100)	\$4,544	(\$82)
20	Overtime	490	(8)	471	19	478	(7)	489	(11)	499	(10)
21	Health & Welfare	686	(69)	752	(66)	819	(67)	886	(67)	958	(71)
22	OPEB Current Payment	327	(57)	356	(29)	387	(31)	423	(36)	463	(40)
23	Pensions	889	(38)	913	(24)	896	18	871	25	876	(5)
24	Other-Fringe Benefits	477	(32)	488	(11)	502	(15)	519	(16)	530	(11)
25	Reimbursable Overhead	(310)	35	(322)	12	(315)	(7)	(311)	(4)	(316)	5
26	Sub-total Labor Expenses	\$6,653	(\$401)	\$6,908	(\$255)	\$7,128	(\$220)	\$7,339	(\$210)	\$7,552	(\$213)
27											
28	Non-Labor Expenses:										
29	Traction and Propulsion Power	\$314	(\$20)	\$348	(\$34)	\$398	(\$50)	\$425	(\$27)	\$455	(\$30)
30	Fuel for Buses and Trains	321	(128)	334	(13)	307	27	300	7	321	(21)
31	Insurance	33	21	51	(19)	62	(10)	73	(11)	85	(12)
32	Claims	175	(11)	157	18	165	(9)	173	(8)	176	(4)
33	Paratransit Service Contracts	284	(51)	366	(82)	423	(56)	481	(58)	561	(80)
34	Maintenance and Other Operating Contracts	632	(99)	688	(56)	701	(13)	705	(3)	727	(22)
35	Professional Service Contracts	195	(14)	236	(41)	224	12	223	1	228	(5)
36	Materials & Supplies	542	(26)	602	(60)	635	(33)	661	(26)	645	16
37	Other Business Expenses	181	(30)	188	(7)	184	5	186	(3)	191	(5)
38	Sub-total Non-Labor Expenses	\$2,676	(\$356)	\$2,971	(\$295)	\$3,099	(\$128)	\$3,228	(\$129)	\$3,391	(\$163)
39											
40	Other Expense Adjustments:										
41	Other	(\$11)	7	(\$11)	(0)	(\$5)	5	(\$5)	1	(\$6)	(1)
42	General Reserve	0	0	75	(75)	75	0	75	0	75	0
43	Sub-total Other Expense Adjustments	(\$11)	\$7	\$64	(\$75)	\$70	\$5	\$70	\$1	\$69	(\$1)
44											
45	Total Operating Expense before Non-Cash Liability Adjs.	\$9,319	(\$764)	\$9,943	(\$624)	\$10,297	(\$354)	\$10,637	(\$340)	\$11,012	(\$375)
46											
47	Depreciation	1,755	(68)	1,905	(150)	2,015	(110)	2,082	(67)	2,144	(62)
48	OPEB Obligation	1,313	(22)	1,379	(65)	1,436	(57)	1,495	(59)	1,556	(61)
49	Environmental Remediation	38	(38)	8	29	8	(0)	8	(0)	9	(0)
50											
51	Total Operating Expense	\$12,424	(\$891)	\$13,235	(\$811)	\$13,756	(\$521)	\$14,223	(\$467)	\$14,721	(\$499)
52											
53	Net Operating Deficit Before Subsidies and Debt Service	(\$6,445)	(\$638)	(\$7,263)	(\$819)	(\$7,739)	(\$476)	(\$8,110)	(\$370)	(\$8,500)	(\$391)
54											
55	Dedicated Taxes and State/Local Subsidies	\$4,289	(\$270)	\$4,095	(\$194)	\$4,102	\$7	\$4,205	\$102	\$4,335	\$130
56	Debt Service (excludes Service Contract Bonds)	(1,504)	207	(1,474)	31	(1,912)	(438)	(2,050)	(138)	(2,266)	(216)
57	Net Deficit After Subsidies and Debt Service	(\$3,660)	(\$700)	(\$4,641)	(\$982)	(\$5,549)	(\$907)	(\$5,955)	(\$406)	(\$6,431)	(\$477)
58											
59	Conversion to Cash Basis: Non-Cash Liability Adjs.	\$3,105	\$127	\$3,292	\$186	\$3,458	\$167	\$3,585	\$127	\$3,709	\$124
60	Conversion to Cash Basis: GASB Account	(57)	14	(60)	(3)	(63)	(3)	(66)	(3)	(69)	(3)
61	Conversion to Cash Basis: All Other	314	704	213	(101)	(4)	(217)	65	69	69	3
62	Net Cash Balance from Previous Year	495	(442)	198	(297)	0	(198)	0	0	0	0
63	Baseline Net Cash Balance	\$198	(\$297)	(\$999)	(\$1,197)	(\$2,157)	(\$1,158)	(\$2,370)	(\$213)	(\$2,722)	(\$352)

METROPOLITAN TRANSPORTATION AUTHORITY
NOVEMBER FINANCIAL PLAN 2009-2012
NON-RECURRING REVENUES AND SAVINGS - BASELINE
(\$ in millions)

Non-recurring revenues and savings with a value of \$1 million or more in calendar years 2008 through 2012.

Agency	2008 November Forecast		2009 Final Proposed Budget		2010 Plan	2011 Plan	2012 Plan
Bridges & Tunnels	\$	1.1 E-ZPass Customer Service Center	\$	0.6 E-ZPass Customer Service Center	\$ - None	\$ - None	\$ - None
Subtotal	\$	1.1	\$	0.6	\$ -	\$ -	\$ -
Long Island Bus	\$	- None	\$	- None	\$ - None	\$ - None	\$ - None
Subtotal	\$	-	\$	-	\$ -	\$ -	\$ -
Long Island Rail Road	\$	74.5 Prepayment of 2008 Pension by MTA in 2007	\$	- None	\$ - None	\$ - None	\$ - None
Subtotal	\$	74.5	\$	-	\$ -	\$ -	\$ -
Metro-North Railroad	\$	18.3 Prepayment of 2008 Pension by MTA in 2007	\$	5.4 Prepayment of 2008 Pension by MTA in 2007	\$ - None	\$ - None	\$ - None
Subtotal	\$	18.3	\$	5.4	\$ -	\$ -	\$ -
Staten Island Railway	\$	2.0 Prepayment of 2008 Pension by MTA in 2007	\$	- None	\$ - None	\$ - None	\$ - None
Subtotal	\$	2.0	\$	-	\$ -	\$ -	\$ -
MTA Capital Construction Company	\$	- None	\$	- None	\$ - None	\$ - None	\$ - None
Subtotal	\$	-	\$	-	\$ -	\$ -	\$ -
MTA Headquarters	\$	7.6 Prepayment of 2008 Pension by MTA in 2007	\$	- None	\$ - None	\$ - None	\$ - None
Subtotal	\$	7.6	\$	-	\$ -	\$ -	\$ -

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

METROPOLITAN TRANSPORTATION AUTHORITY
NOVEMBER FINANCIAL PLAN 2009-2012
NON-RECURRING REVENUES AND SAVINGS - BASELINE
(\$ in millions)

Non-recurring revenues and savings with a value of \$1 million or more in calendar years 2008 through 2012.

Agency	2008 November Forecast		2009 Final Proposed Budget	2010 Plan	2011 Plan	2012 Plan
New York City Transit						
TAB Fund Drawdown	\$ 38.7	Accumulated Transit Adjudication Bureau Fund Drawdown	\$ - None	\$ - None	\$ - None	\$ - None
2007 Pension Prepayment	\$ 108.0	2008 Cash Savings from 2007 Prepayment				
Subtotal	<u>\$ 146.7</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
MTA Bus						
	\$ -	None	\$ - None	\$ - None	\$ - None	\$ - None
Subtotal	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
MTA Transactions	\$ -		\$ -	\$ - None	\$ - None	\$ - None
Debt Service Defeasance	\$ 37.5		\$ 283.3			
Transfers from GASB	\$ 118.0		\$ -			
Subtotal	<u>\$ 155.5</u>		<u>\$ 366.3</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Non-Recurring Resources (>or = \$1million)	\$ 405.7		\$ 372.4	\$ -	\$ -	\$ -

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

METROPOLITAN TRANSPORTATION AUTHORITY
NOVEMBER FINANCIAL PLAN 2009-2012
MTA OPERATING BUDGET RESERVES - BASELINE
(\$ in millions)

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
<u>MTA Consolidated:</u>					
<i>MTA General Reserve</i>	\$0	\$75	\$75	\$75	\$75

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

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IV. MTA Capital Program Information

New York City Transit
2008 Commitment Summary
\$ in millions

ACEP	Project Description	2008 Commitments	MTA Funding	Federal Funding	Local Funding
2000-2004					
T40404/M2	Fare Media Modernization Phase 1	0.50	0.50		
	Element Total	\$0.50	\$0.50	\$0.00	\$0.00
T40411/15	Employee Facilities: 125 Street/8 Av Completion Work	3.07	3.07		
T40411/2C	Station Rehab: Gun Hill Rd Stn Completion: Intermodal	6.13	6.13		
	Element Total	\$9.20	\$9.20	\$0.00	\$0.00
T40703/SB	Stillwell Av Terminal: Miscellaneous Work	0.79	0.79		
	Element Total	\$0.79	\$0.79	\$0.00	\$0.00
T40803/9C	Fixed Block Signals: Concourse Ln Wrap-up	1.54	1.54		
	Element Total	\$1.54	\$1.54	\$0.00	\$0.00
T41203/FG	Charleston Annex Depot In Staten Island	143.84	0.00	143.84	
	Element Total	\$143.84	\$0.00	\$143.84	\$0.00
T41604/I3	Raised Floor Livingston Plaza	0.22	0.22		
	Element Total	\$0.22	\$0.22	\$0.00	\$0.00
N40904/II	Station Improvements: Willets Pt - Shea Stadium/FLS	8.63	8.63		
	Element Total	\$8.63	\$8.63	\$0.00	\$0.00
2005-2009					
S50701/02	Sir: Station Structural Repairs 4 Locations	6.19	5.293		0.897
S50701/07	Station Construction. New Station - Arthur Kill	0.02	0.02		
S50701/08	Sir: Repair 6 Bridges And Viaduct	18.68	4.68		14.00
S50701/10	Sir: Tompkinsville Fare Collection	1.30	1.30		
	Element Total	\$26.19	\$11.29	\$0.00	\$14.90
T50101/03	Purchase 292 'B' Div Cars (R160 Option2)	566.58	326.48	240.1	
	Element Total	\$566.58	\$326.48	\$240.10	\$0.00
T50302/04	Repl Integrated Farebox Unit Components	5.00	5.00		
T50302/12	Purchase 190 Articulated Buses	69.35	69.35		
T50302/16	Purchase 179 Paratransit Vehicles - 2008	11.98	11.98		
T50302/17	Purchase 126 Over-the-road Express Buses (2007)	72.55	72.55		
	Element Total	\$158.88	\$158.88	\$0.00	\$0.00
T50404/01	Fare Control Modernization: Smart Card Implementation	43.9	43.9		
T50404/02	AFC Replacement Phase 2: Electric Boards	5.00	5.00		
T50404/03	Replace High Production Encoding Machines	6.47	6.47		
T50404/04	Fare Marketing/Distribution Equipment: Purchase 32 Heets	1.50	1.50		
	Element Total	\$56.87	\$56.87	\$0.00	\$0.00
T50407/05	Replace 2 Escalators Roosevelt Av /QBL	0.90	0.90		
	Element Total	\$0.90	\$0.90	\$0.00	\$0.00
T50411/03	Station Rehab: Avenue M - Brighton Line	22.98	22.98		
T50411/04	Station Rehab: Neck Road: Brighton Line - Brooklyn	21.75	21.75		
T50411/05	Station Rehab: Avenue H: Brighton Line	28.47	28.47		
T50411/06	Station Rehab: Avenue J/ Brighton Line	25.94	25.94		
T50411/07	Station Rehab: Avenue U: Brighton Line - Brooklyn	25.21	25.21		
T50411/08	Station Rehab: Bleecker Street - Lexington Av Line	15.02	0	15.02	
T50411/13	Station Structural Remediation: Kings Highway/ Brighton Line	23.37	23.37		
T50411/14	Station Structural Remediation: Newkirk Av Station Phase 2 - Brt	20.55	20.55		
T50411/17	Station Rehab: Fort Hamilton Parkway: West End Line	0.23	0.23		
T50411/18	Station Rehab: 71st Street: West End Line	0.16	0.16		
T50411/19	Station Rehab: 79th Street: West End Line	0.254	0.254		
T50411/20	Station Rehab: 18th Avenue: West End Line	0.41	0.41		
T50411/21	Station Rehab: 20th Avenue: West End Line	0.10	0.1		
T50411/24	Station Rehab: 62nd Street: West End Line	0.04	0.04		
T50411/25	Station Rehab: Bay Parkway: West End Line	0.13	0.13		

New York City Transit
2008 Commitment Summary
\$ in millions

ACEP	Project Description	2008 Commitments	MTA Funding	Federal Funding	Local Funding
T50411/26	Station Rehab: 9th Avenue: West End Line	0.08	0.08		
T50411/28	Station Work: 50 St - West End Line	0.06	0.06		
T50411/29	Station Work: 55th St - West End Line	0.06	0.06		
T50411/31	Station Rehab: Bay 50th Street: West End Line	0.41	0.41		
T50411/32	Station Rehab: 25th Avenue: West End Line	0.41	0.41		
T50411/36	Station Rehab: Smith-9th Street - Prospect park Line	23.2	23.2		
T50411/37	Water Condition Remedy: 2008	3.94	3.94		
T50411/38	Station Rehab: Morrison-Sound View Aves: Pelham Ln - IRT	16.73	3.73	13.00	
T50411/43	Station Rehab: Buhre Avenue: Pelham Line - IRT	15.48	4.48	11.00	
T50411/44	Station Rehab: Middletown Road: Pelham Line - IRT	14.27	4.27	10.00	
T50411/45	Station Rehab: Zerega Avenue: Pelham Line - IRT	15.24	4.24	11.00	
T50411/46	Station Rehab: Castle Hill Avenue: Pelham Line - IRT	15.97	4.97	11.00	
T50411/47	Station Rehab: Parkchester/e 177th St: Pelham Line - IRT	18.83	4.83	14.00	
T50411/48	Station Rehab: St. Lawrence Av: Pelham Line - IRT	15.38	4.38	11.00	
T50411/49	Station Rehab: Elder Avenue: Pelham Line - IRT	14.84	4.84	10.00	
T50411/50	Station Rehab: Whitlock Avenue: Pelham Line - IRT	12.41	3.41	9.00	
T50411/55	Station Rehab: Beach 67 Street (Gaston)/Far Rockaway	6.26	6.26		
T50411/56	Station Rehab: Beach 60 Street / Far Rockaway	6.43	6.43		
T50411/57	Station Rehab: Beach 44 Street (Frank Ave)/Far Rock	6.33	6.33		
T50411/58	Station Rehab: Beach 36 St (Edgemere) - Far Rockaway	6.02	6.02		
T50411/59	Station Rehab: Beach 25 Street (Wavecrest) - Far Rockaway	5.98	5.98		
T50411/60	Station Rehab: Mott Avenue/ Far Rockaway	5.82	5.82		
T50411/61	Station Rehab: Beach 90 (Holland) - Rockaway Line	6.20	6.20		
T50411/62	Station Rehab: Beach 98 (Playland) - Rockaway Line	6.84	6.84		
T50411/63	Station Rehab: Beach 105 (Seaside) - Rockaway Line	7.04	7.04		
T50411/74	Station Rehab: E. 180th Street/ White Plains Road	29.600	6.10	23.50	
T50411/84	Station Rehab: 8th Avenue - Sea Beach Line	0.10	0.10		
T50411/85	Station Rehab: Fort Hamilton Parkway - Sea Beach Line	0.10	0.10		
T50411/86	Station Rehab: 18th Avenue - Sea Beach Line	0.10	0.10		
T50411/88	Station Rehab: New Utrecht - Sea Beach Line	0.10	0.10		
T50411/93	Station Normal Replacement: Pelham Bay Pkwy/Pelham	3.65	3.65		
Element Total		\$442.49	\$303.97	\$138.52	\$0.00
T50413/02	ADA: Bway-Lafayette/Bleecker St Complex	12.59	0.97	11.62	
T50413/05	ADA: Kings Highway - Brighton Line	6.24	6.24		
T50413/10	ADA: Bay Parkway - West End Line	0.01	0.01		
T50413/17	ADA: Mott Avenue: Far Rockaway Line	9.67	9.67		
T50413/19	ADA: E. 180th Street - White Plains Road	6.51	1.30	5.21	
Element Total		\$35.02	\$18.19	\$16.83	\$0.00
T50414/02	Intermodal/Transfer Facilities: Bleecker St/Bdway-Lafayette Transfer	36.79	7.48	29.31	
T50414/09	Station Signage	2.45	2.45		
T50414/10	Construct/Rehab 11 Scrubber Rms At 5 Locs	3.88	3.88		
T50414/11	Platform Rehab: 4 Locations - Pelham Line	4.60	4.6		
T50414/18	Station Rehab: 86 St - 4th Av Line	0.35	0.00	0.35	
Element Total		\$48.07	\$18.41	\$29.66	\$0.00
T50502/10	Replace Mainline Track: 2008	146.66	34.2	97.46	15.00
T50502/11	Track Force Account: 2008	35.00	0.00		35.00
T50502/12	Welded Rail Program: 2008	11.35	3.36	7.99	
T50502/13	Mainline Track Rehabilitation: 2009	1.25	1.25		
Element Total		\$194.26	\$38.81	\$105.45	\$50.00
T50503/04	I/H Track Reconstr: 30 Switches (2008)	37.41	9.61	27.80	
T50503/05	I/H Track Reconstr: 36 Switches: 2009	2.00	2.00		
Element Total		\$39.41	\$11.61	\$27.80	\$0.00
T50602/08	Tunnel Lighting Rehabilitation: IND 6th Av LCL Trks: 34st- W4 St	0.45	0.45		
T50602/09	Tunnel Lighting Rehabilitation: Bergen Interlocking To W4 St/ 6 Av Line	39.54	8.54	31.00	
T50602/10	Tunnel Lighting Rehabilitation: Bklyn Bridge-City Hall To 33 St - Lex	51.54	51.54		
T50602/11	Tunnel Lighting Rehabilitation: Phase III - Wall Street To Chambers Street	8.59	8.59		
Element Total		\$100.12	\$69.12	\$31.00	\$0.00
T50603/03	Vent Plant: Jackson Avenue/Queens	64.11	13.11	51.00	

New York City Transit
2008 Commitment Summary
\$ in millions

ACEP	Project Description	2008 Commitments	MTA Funding	Federal Funding	Local Funding
T50603/04	Ventilation Facilities: 55th St - 8th Ave Line	3.37	3.37		
T50603/05	New Fan Plant: N. of W 4th St, 8th Av Line	0.58	0.58		
T50603/06	New Fan Plant: Queens Blvd Line	35.98	35.98		
	Element Total	\$104.04	\$53.04	\$51.00	\$0.00
T50604/03	Pumping Facilities: Deep Wells Rehab : Fulton Line	10.87	10.87		
T50604/08	Lenox Well Points: Rehab/Replacement (ph II)	5.14	5.14		
	Element Total	\$16.01	\$16.01	\$0.00	\$0.00
T50703/03	Repaint Bronx Park East To 241 St - WPR	21.16	11.16	10.00	
T50703/07	Culver Viaduct Phase II	102.72	102.72		
T50703/12	Ocean Pkwy Viaduct- Brighton Ln Phase II	7.17	7.17		
T50703/18	Rockaway Viaduct, Phase 2 - Rockaway Line	29.98	29.98		
T50703/24	Line Structure Overcoating: 103 St Station To S. Main St. Portal: Fls	10.73	10.73		
T50703/26	Line Structure Rehabilitation: Rehab Retaining Walls - Sea Beach Line	0.28	0.28		
T50703/33	Flooding Mitigation - Various Locations	10.50	10.50		
	Element Total	\$182.54	\$172.54	\$10.00	\$0.00
T50803/03	Stop Cable Replacement: Phase 3	22.67	0.00	22.67	
T50803/07	Signal Key-by Circuit Mod: Phase II	27.75	27.75		
T50803/08	CBTC: Install CBTC: Flushing Line	250.67	250.67		
T50803/09	Station Time Signal Enhancement/lex Ln	4.00	0.00	4.00	
T50803/12	Signal Systems: Modernize 4th Av Interlocking/Culver Ln	66.60	66.6		
T50803/14	Modernize Interlockings: Lex Av, 5Av/ QBL	97.70	19.7	78.00	
T50803/17	Fire Suppression At 29 Signal Relay Room	11.22	11.22		
T50803/18	Signal Systems Mod: 71 Av & Union Tpke Intrclknsgs/Qns Ln	128.60	128.6		
T50803/19	CBTC-Canarsie: Equip 64 R-160 Cars	12.00	12		
T50803/20	CBTC-Canarsie: Automatic Signal Removals	3.00	3		
T50803/23	CBTC Test Track: Culver Line	1.45	1.45		
	Element Total	\$625.66	\$520.99	\$104.67	\$0.00
T50806/04	Copper Cable Upgrade: Steinway Tube	8.39	8.39		
T50806/10	VHF Radio System Upgrade (Phase1)	122.14	122.14		
T50806/13	Stations Wireless Mobile Technology Ph1	2.45	2.45		
	Element Total	\$132.98	\$132.98	\$0.00	\$0.00
T50902/01	Repl Power Transformers at 2 Locs	9.23	9.23		
T50902/06	Rockwell Place Substation	20.52	20.52		
T50902/09	Rehab 3 IRT Substation Enclosures	6.52	6.52		
T50902/10	Substations: S. Railroad Ave Ind/Queens Line	19.95	4.65	15.30	
T50902/11	Meserole Av Substation: Ind/Crosstown Line	19.70	19.7		
T50902/12	Underground SS Hatchways (27 Locs)	0.05	0.05		
T50902/16	Modernize Greeley Substation	21.82	4.82	17.00	
T50902/17	Jay St Substation: Dc Feeders / CBH #579	5.45	5.45		
T50902/20	Substations: 10th Street Ind/Smith Street Line	1.21	1.21		
	Element Total	\$104.45	\$72.15	\$32.30	\$0.00
T50904/11	Traction Power Scada Upgrade IRT	2.00	2.00		
	Element Total	\$2.00	\$2.00	\$0.00	\$0.00
T51004/01	207th St - Ph1 Contract2: Heating System	10.66	0.66	10.00	
T51004/01	207th St O/H Shop - Central AC Shop	146.97	81.64	65.33	
	Element Total	\$157.63	\$82.30	\$75.33	\$0.00
T51102/02	Portal, Leads & Retaining Wall 38th St Yard	19.70	19.7		
T51102/04	Yard CCTV	6.30	6.3		
T51102/10	Yard Hydrants: Various Locations	15.07	15.07		
	Element Total	\$41.07	\$41.07	\$0.00	\$0.00
T51105/04	I/H Yard Track Rehabilitation : 2008	2.77	0.82	1.95	
T51105/05	Yard Track Rehabilitation: 2009	0.25	0.25		
	Element Total	\$3.02	\$1.07	\$1.95	\$0.00
T51106/04	Replace 17 Yard Switches: 2008	8.43	3.53	4.90	

New York City Transit
2008 Commitment Summary
\$ in millions

ACEP	Project Description	2008 Commitm ents	MTA Funding	Federal Funding	Local Funding
T51106/05	Replace 17 Yard Switches: 2009	0.67	0.67		
	Element Total	\$9.10	\$4.20	\$4.90	\$0.00
T51203/03	Ulmer Park Depot Rehabilitation	1.34	1.34		
	Element Total	\$1.34	\$1.34	\$0.00	\$0.00
T51204/05	AVL: Option 1: 3-4 Depots	17.36	0	17.36	
T51204/06	Replace Bus Radio System	1.66	1.66		
T51204/08	Bus Rapid Transit - Phase 1	21.95	17.95	4.00	
T51204/10	10 Bus Washers at KB, GH, MV, CS	0.92	0.92		
	Element Total	\$41.89	\$20.53	\$21.36	\$0.00
T51302/03	Work Train & Special Equipment: Purchase 2 New Ballast Regulators	7.20	7.20		
T51302/04	Replace Rubber Tire Vehicles 2008-2009	12.64	12.64		
	Element Total	\$19.84	\$19.84	\$0.00	\$0.00
T51602/02	Capital Revolving Fund: 2008	5.00	0.00		5.00
	Element Total	\$5.00	\$0.00	\$0.00	\$5.00
T51604/04	PBX Network Upgrade And IP Management	16.09	16.09		
T51604/06	Wide Token Ring Replacement/Ethernet Con	4.34	4.34		
	Element Total	\$20.43	\$20.43	\$0.00	\$0.00
T51605/15	Capital Accounting Sys Tech Conversion	2.03	2.03		
T51605/16	Signal Systems Mod Roosevelt Interlocking - DES	0.83	0.83		
T51605/16	Signal Systems Modernization: 42st 8th Av Interlocking - DES	0.84	0.84		
T51605/16	Escalator Repl. 3 Locations: Bowery, Whitehall & E. Bway - DES	1.09	1.09		
T51605/16	Signal Systems Modernization 30th St 8th Av Interlocking - DES	1.28	1.28		
T51605/16	Signal Systems Mod: 71st Av & Union Turnpike Interlock - DES	2.55	2.55		
T51605/18	Test Pits Service Contract (2007)	2.16	2.16		
T51605/19	Engineering Services (2008)	4.54	4.54		
T51605/20	Scope Development 2008	8.54	8.54		
T51605/21	Concrete Batch Plant Inspection (2008)	0.06	0.06		
	Element Total	\$23.92	\$23.92	\$0.00	\$0.00
T51606/04	Fire Alarms & Sprinklers 3 Dos Locations	13.23	13.23		
T51606/09	Groundwater And Soil Remediation: Consultant Srvcs: Ust & Remediation 2008	7.05	7.05		
T51606/10	Asbestos Waste Disposal I/Q	0.97	0.97		
	Element Total	\$21.25	\$21.25	\$0.00	\$0.00
T51607/15	Vehicle Locator For Revenue Fleet	0.36	0.36		
T51607/24	Employee Facilities: Parkchester/e 177 St - Pelham	5.38	1.38	4.00	
T51607/25	Employee Facilities: 207th Street Station/8th Av Line	8.05	8.05		
T51607/26	Employee Facilities: East 180th Street - WPR	4.10	1.1	3.00	
T51607/35	DOS Roof Replacement Phase 1	9.02	9.02		
T51607/44	Employee Facilities: West 4 Street (I/H)	11.54	11.54		
T51607/47	Consolidated Employee Facilities Church Ave /Culver	0.40	0.40		
	Element Total	\$38.85	\$31.85	\$7.00	\$0.00
NYC Transit and Staten Island Railway 2008 Commitment Total		\$3,384.54	\$2,272.93	\$1,041.71	\$69.90

Long Island Rail Road
2008 Commitment Summary
All \$ in Millions

ACEP	Project Description	2008 Commitments	MTA Funding	Federal Funding	Local Funding
2000-2004					
L404024R	East River Tunnel Rehab	2.37	2.37		
L404024Y	East River Tunnel Ventilation	0.23	0.23		
	Element Total	\$ 2.60	\$ 2.60	\$ -	\$ -
L40603Y9	EIS/Design Main Line Branch	3.70	3.70		
	Element Total	\$ 3.70	\$ 3.70	\$ -	\$ -
N40905FR	East Hampton Station	0.12	0.12		
	Element Total	\$ 0.12	\$ 0.12	\$ -	\$ -
2005-2009					
L50101M7	M7 Procurement - 158 Cars	4.14	4.14		
	Element Total	\$ 4.14	\$ 4.14	\$ -	\$ -
L5020425	Jamaica Fit-Out Phase 2	7.46	7.46		
L502042B	Broadway Platform Replacement	0.50	0.00	0.5	
L502042C	Seaford Platform Replacement	0.28	0.00	0.28	
L502042T	Escalator and Elevator Replacement	0.01	0.01		
L502042U	Elevator Replacement Program	0.26	0.26		
	Element Total	\$ 8.51	\$ 7.73	\$ 0.78	\$ -
L5020526	Ronkonkoma Parking Improvement	3.46	3.46		
	Element Total	\$ 3.46	\$ 3.46	\$ -	\$ -
L50301E9	ACL Direct Fixation	53.38	53.38		
L50301R2	Drainage Control	3.55	3.55		
L50301R3	Fencing	0.04	0.04		
L50301R4	Demolitions	0.09	0.09		
L50301R6	Track Stability/Retaining Wall	3.66	3.66		
L50301R7	Amott Culvert	2.76	2.76		
L50301T4	2008 Annual Track Program	51.52	28.32	23.2	
	Element Total	\$ 115.00	\$ 91.80	\$ 23.20	\$ -
L50401B1	Bridge Rehabilitation Program	2.05	2.05		
L50401B4	Atlantic Viaduct	75.11	3.38	71.73	
L50401B6	Shinnecock Canal/North Highway	1.21	1.21		
L50401B7	Broadway(PW)/150 St(Jamaica)	1.15	1.15		
L50401B8	Woodhaven/Queens Blvd Bridges	0.85	0.85		
L50401B9	DB Bridge - Design	0.20	0.20		
	Element Total	\$ 80.56	\$ 8.83	\$ 71.73	\$ -
L50402VA	ERT Fire & Life Safety	14.76	14.76		
	Element Total	\$ 14.76	\$ 14.76	\$ -	\$ -
L50501S6	Improved Radio Coverage/Infras	0.34	0.34		
L50501S8	Audio/Visual Paging System (AV	4.97	2.37	2.6	
L50501S9	Communications Pole Line Repla	0.20	0.00	0.2	
	Element Total	\$ 5.52	\$ 2.72	\$ 2.80	\$ -
L50502SA	Wayside Event Recorders	0.24	0.24		
L50502SB	Babylon Branch Signal Improvem	0.64	0.00	0.64	
L50502SL	Jay, Hall & Dunton Micropro	0.50	0.00	0.5	
L50502SV	Valley Interlocking - Phase II	0.70	0.00	0.7	
L50502SX	Babylon - Speonk Signalization	1.22	0.00	1.22	
	Element Total	\$ 3.30	\$ 0.24	\$ 3.06	\$ -
L5060161	Diesel Locomotive Shop Upgrade	5.14	5.14		
L506016C	Hillside Facility/Bldg Rehab	3.00	3.00		
L506016H	M of W Repair Facility	12.03	12.03		
L506016Y	LCM Shop Design And Construction	0.30	0.30		
L506016Y	LCM-Shop Design and Cnstruction	38.88	38.88		
	Element Total	\$ 59.34	\$ 59.34	\$ -	\$ -
L50701PC	Power System Upgrade	3.31	3.31		
L50701PG	Replace 3 Substations	4.32	0.00	4.32	
L50701PH	Demo/Const 5 Substations	0.04	0.00	0.04	
L50701PU	Signal Power Motor Generators	0.71	0.71		
	Element Total	\$ 8.39	\$ 4.03	\$ 4.36	\$ -
L509048A	Substations Environmental Reme	1.75	1.75		
L509048L	Program Administation	23.70	23.70		
L509048M	Independent Engineer	0.15	0.15		
L509048N	APPL Insurance	0.88	0.88		
L509048R	GP-38 Diesel Simulator	1.79	1.79		
L509048T	Jamaica Interlocking Study	5.40	5.40		
L50904OP	Program Development	0.02	0.02		
	Element Total	\$ 33.69	\$ 33.69	\$ -	\$ -
N50905HB	Bayshore Overpass	0.58	0.58		
N50905HG	River Avenue Bridge	0.20	0.20		
N50905HH	Lynbrook Taxi Stand	0.09	0.09		
	Element Total	\$ 0.86	\$ 0.86	\$ -	\$ -
Long Island Rail Road 2008 Commitment Total		343.94	238.01	105.93	0.00

Metro-North Railroad
2008 Commitment Summary
\$ in millions

ACEP	Project Description	2008 Commitments	MTA Funding	Federal Funding	Local Funding
2000-2004					
M402-02-08	Hudson Line Overpass Improvements	0.12	0.00		0.12
M402-02-16	Yankee Stadium Station	5.13	5.13		
	Element Total	\$ 5.25	\$ 5.13	\$ -	\$ 0.12
2005-2009					
M501-01-07	M-8 NHL Purchase - 210+90 Cars MN Share	0.08	0.08		
M501-01-09	End Door Coach Midlife Overhaul - 40 Cars	0.02	0.02		
M501-01-11	West of Hudson Locomotives	7.20	7.20		
	Element Total	\$ 7.30	\$ 7.30	\$ -	\$ -
M501-03-08	Replace Obsolete Work Equipment	0.80	0.80		
	Element Total	\$ 0.80	\$ 0.80	\$ -	\$ -
M502-01-02	GCT Leaks Remediation	1.77	1.77		
M502-01-05	GCT Elevator Rehabilitation Phase III	2.93	2.93		
M502-01-08	GCT Water Conveyance Utilities Improvements	0.88	0.88		
	Element Total	\$ 5.58	\$ 5.58	\$ -	\$ -
M502-02-01	Hudson Line Stations Improvements Phase II	1.13	0.00	1.13	
M502-02-02	Croton Harmon/Peekskill Station Improvements	0.13	0.13		
M502-02-03	Poughkeepsie Station Building	6.59	1.29	5.30	
M502-02-05	New Haven Line (NYS) Stations Improvements	29.72	0.00	29.72	
M502-02-06	Station Building Rehabilitation	6.92	1.92	5.00	
M502-02-07	Station and Platform Informational Signs	0.77	0.77		
	Element Total	\$ 45.26	\$ 4.11	\$ 41.14	\$ -
M502-03-01	Parking Rehabilitation	2.09	2.09		
M502-03-03	Cortlandt Parking & Access Improvements	5.79	0.00	1.75	4.04
		\$ 7.88	\$ 2.09	\$ 1.75	\$ 4.04
M503-01-02	Turnouts Mainline/High Speed	7.18	0.00	7.18	
M503-01-03	GCT Turnout and Switch Renewal	2.94	1.44	1.50	
M503-01-04	Turnouts Yards	0.69	0.00	0.69	
M503-01-05	M of W Equipment	5.28	5.28		
M503-01-09	Drainage and Undercutting	0.75	0.75		
M503-01-13	2008 Cyclical Track Program	10.40	2.40	8.00	
	Element Total	\$ 27.24	\$ 9.87	\$ 17.37	\$ -
M503-02-01	Replace/Repair Undergrade Bridge Program	3.12	1.62	1.50	
M503-02-02	Rehabilitate Culverts/Railtop Culverts	1.30	1.30		
M503-02-03	D.C. Substation/Signal House	0.40	0.40		
M503-02-05	Replace Timbers Undergrade Bridges	0.73	0.73		
M503-02-08	Right-of-Way Fencing	0.70	0.70		
M503-02-09	Remove Obsolete Facilities	0.80	0.80		
M503-02-13	Bridge Walkways	0.30	0.30		
M503-02-15	Catenary Painting NHL (NYS)	1.87	1.87		
M503-02-16	Employee Welfare and Storage Facilities	2.16	2.16		
	Element Total	\$ 11.38	\$ 9.88	\$ 1.50	\$ -
M503-03-01	West of Hudson Track Program	10.47	5.47	5.00	
M503-03-02	West of Hudson Improvements	0.69	0.69		
M503-03-03	Moodna/Woodbury Viaducts	5.25	5.25		
M503-03-04	Otisville Tunnel	1.01	1.01		
M503-03-05	Undergrade Bridge Program West of Hudson	2.21	2.01	0.20	
		\$ 19.62	\$ 14.42	\$ 5.20	\$ -
M504-01-05	Replace CTC Systems (OCC/ECC)	4.82	4.82		
M504-01-07	Signal System Replacement	0.05	0.05		
M504-01-11	C&S Cable Replacement GCT to Mott Haven	3.23	3.23		
M504-01-12	Vital Processor System (GCT)	3.70	3.70		
M504-01-16	Replace Interlocking/Siding -West of Hudson	0.86	0.00	0.86	
M504-01-17	PBX Replacement	1.75	1.75		
	Element Total	\$ 14.41	\$ 13.55	\$ 0.86	\$ -
M505-01-01	Substation Bridge 23	1.68	1.68		
M505-01-06	Replace Motor Alternators	4.75	4.75		
M505-01-08	Harlem and Hudson Lines Power Improvements	2.83	2.83		
M505-01-10	Install Sectionalizing Switches GCT	4.90	0.70	4.20	
	Element Total	\$ 14.15	\$ 9.95	\$ 4.20	\$ -
M506-01-03	Harmon Shop Replacement (Master Plan)	0.38	0.00	0.38	
M506-01-06	Poughkeepsie Yard Improvements	0.02	0.02		
M506-01-07	Shops and Yards Miscellaneous Environmental Improvements	0.34	0.34		
	Element Total	\$ 0.73	\$ 0.35	\$ 0.38	\$ -
M508-01-02	Systemwide Lead/Asbestos Abatement	1.10	1.10		
M508-01-03	Environmental Remediation	0.43	0.43		
M508-01-04	Railroad Protective Liability	0.10	0.10		
M508-01-06	Program Administration	7.94	7.94		
M508-01-07	Program Scope Development	1.28	1.28		
M508-01-09	Customer and Employee Communications Projects	0.35	0.35		
	Element Total	\$ 11.19	\$ 11.19	\$ -	\$ -
Metro North Railroad 2008 Commitment Total		\$ 170.79	\$ 94.23	\$ 72.40	\$ 4.16

MTA Capital Construction Company
2008 Commitment Summary
\$ in millions

ACEP	PROJECT DESCRIPTION	2008 Commitments	MTA Funding	Federal Funding	Local Funding
2000-2004					
G4090103	Project Management	5.10	1.97	3.13	
G4090113	Construction Management	6.00	6.00		
G4090143	Split from CM019	29.40	29.40		
	East Side Access Element Total	\$ 40.50	\$ 37.37	\$ 3.13	\$ -
G4100107	SAS Real Estate	63.96	63.96		
G4100108	SAS Owner Controlled Insurance	109.00	109.00		
	Second Avenue Subway Element Total	\$ 172.96	\$ 172.96	\$ -	\$ -
G4120107	FSTC Package IV Scope	362.59		362.59	
	FSTC Element Total	\$ 362.59	\$ -	\$362.59	\$ -
G4120202	SoFe Terminal Finishes/System	7.00	7.00		
G4120204	SoFe Landscaping	10.83			10.83
	South Ferry Element Total	\$ 17.83	\$ 7.00	\$ -	\$ 10.83
G4140201	LIRR Security Projs:Infra&Facs	12.46		12.46	
G4140203	Penn Stn LIRR/NYCT Sec/Harden	41.10	32.16	8.94	
G4140204	East River Tunnels - Security	7.72	5.21	2.52	
G4140301	MNR Security Projs:Infra&Facs	18.30	18.30		
G4140302	Grnd Cntrl Security/Hardening	4.47	2.78	1.68	
G4140307	MNR Emergency Control Center	9.40	9.40		
G4140309	525 N. Broadway, White Plains	26.17	26.17		
G4140401	NYCT Security Projs:Infra&Facs	30.84	26.87	3.96	
G4140406	Emer Gen Upgrade - Livingston Plaza	0.90	0.90		
G4140412	04ODP - RollUp Doors - Depots	1.31	0.94	0.36	
G4140501	MTA Security Program	5.27	5.13	0.14	
	Security Element Total	\$ 157.93	\$ 127.86	\$ 30.06	\$ -
2005-2009					
G5090101	Program Management	7.17	7.17		
G5090102	EIS & Engineering (GEC)	16.25	11.07	5.18	
G5090103	MTA Management	5.57	0.73	3.81	1.04
G5090104	EIS & Engnrng (F/A Des Sup)	5.89	0.88	5.01	
G5090109	Real Estate	82.95		54.65	28.30
G5090111	OCIP	16.40	16.40		
G5090114	GCT Concrse Civil&Structural	57.84	43.83	14.01	
G5090115	50th St. Vent Plant Facility	123.00		123.00	
G5090116	General Conditions	41.51	41.51		
G5090117	Harold Structures (Part 1)	27.42	24.70	2.73	
G5090118	Harold Interlocking Stage 1	1.74	0.93	0.66	0.15
G5090119	Harold & Point CIL (incl HTSCS, Communication, HLCS)	48.46		48.46	
G5090121	Force Account Warehouse	7.56	7.56		
G5090122	Queens Bored Infrastructure	459.31		459.31	
G5090125	MNR MODs and Traction Power Relocations	19.98	9.35	10.63	
G5090127	F Interlocking CIL	17.09		17.09	
G5090128	Madison Yard Demolition	66.56	63.42	3.14	
	East Side Access Element Total	\$ 1,004.69	\$ 227.53	\$747.66	\$ 29.50
G5100101	96th Street Station Structural and Civil	293.81	76.21	217.61	
	Second Avenue Subway Element Total	\$ 293.81	\$ 76.21	\$217.61	\$ -
G5140102	B&T Throgs Neck Hardening	45.56	45.56		
G5140103	B&T Bronx Whitestone Hardening	41.40	41.40		
G5140303	GCT Emergency Generators	1.40	1.40		
G5140405	07TSG Access Cntrl/Detect Sys	0.80		0.80	
G5140701	05ODP-Perim Prot /Access Cntrl	1.41	0.30	1.11	
	Security Element Total	\$ 90.58	\$ 88.67	\$ 1.91	\$ -

MTA Capital Construction 2008 Commitment Total	2,140.88	737.60	1,362.96	40.32
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MTA Police Department
2008 Commitment Summary
All \$ in Millions

MTA Police Department
2008 Commitment Summary
\$ in millions

ACEP	Project Description	2008 Commitments	MTA Funding	Federal Funding	Local Funding
2005-2009					
N5100101	Suffolk County Facility	6.10	6.10		
N5100104	K-9 Facility	7.06	7.06		
N5100106	Emergency Service Units	0.45	0.45		
N5100109	Public Safety Radio	36.96	36.96		
N5100110	Communications Center Back up	2.22	2.22		
N5100113	Access Control	1.20	1.20		
N5100115	Merrick Facility	0.75	0.75		
	Element Total	\$ 54.73	\$ 54.73	\$ -	\$ -

	MTA Police Department 2008 Commitment Total	\$54.73	54.73	0.00	0.00
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MTA Bus Company
2008 Commitment Summary
\$ in millions

ACEP	Project Description	2008 Commit ments	MTA Funding	Federal Funding	Local Funding
2000-2004					
U4030209	72 Articulated Buses	46.42	46.42		
	Element Total	\$46.42	\$46.42	\$0.00	\$0.00
2005-2009					
U5030203	New Roof and Ventilation System at LGA	25.27	5.27	20.00	
U5030204	Power Upgrades/Emergency Generators	13.86	2.77	11.09	
U5030207	Environmental Remediation	6.29	0.00		6.29
U5030208	New Bus/Employee Parking Lot at JFK	3.23	0.65	2.59	
U5030209	Upgrade Outdoor Parking Area at Baisley Park	6.93	1.39	5.54	
U5030210	Security and Alarms	2.83	0.35	2.48	
U5030298	Engineering Construction Management Services	5.00	1.00	4.00	
U5030299	Engineering Design Services	5.00	1.00	4.00	
	Element Total	\$68.41	\$12.43	\$49.70	\$6.29
MTA Bus Company 2008 Commitment Total		\$114.83	\$58.85	\$49.70	\$6.29

Bridges and Tunnels
2008 Commitment Summary
\$ in millions

ACEP	Project Description	2008 Commitments	MTA Funding	Federal Funding	Local Funding
2000-2004					
D402BW89	Reconstr. all Approaches/Lower Garage Rehab	5.75	5.75		
	Element Total	\$ 5.75	\$ 5.75	\$ -	\$ -
2005-2009					
D501VN32	Structural Steel Repairs	10.95	10.95		
	Element Total	\$ 10.95	\$ 10.95	\$ -	\$ -
D502BW89	Elevated & On Grade (Bx) Appr.	175.23	175.23		
	Element Total	\$ 175.23	\$ 175.23	\$ -	\$ -
D502HH04	Replace Cross Drainage	2.36	2.36		
	Element Total	\$ 2.36	\$ 2.36	\$ -	\$ -
D502TN49	Suspended Span Deck Repl	2.77	2.77		
D502TN50	Replace Concrete Deck	72.44	72.44		
D502TN82	Rehab of Orthotropic Deck	1.79	1.79		
	Element Total	\$ 77.01	\$ 77.01	\$ -	\$ -
D502VN80	Rehab Decks on Suspended Spans	1.79	1.79		
D502VN80	Relocation of Utilities for Rehab Work on Upper Level Decks on Suspended Spans	43.29	43.29		
	Element Total	\$ 45.07	\$ 45.07	\$ -	\$ -
D503AW35	Weather Information Systems	0.10	0.10		
D503AW37	Operation Centers TS Systems	3.15	3.15		
D503AW48	2nd Generation E-Zpass In-Lane	0.92	0.92		
D503AW52	Adv. Automated Traffic Detect.	0.15	0.15		
	Element Total	\$ 4.33	\$ 4.33	\$ -	\$ -
D503VN03	New Toll Plaza - Design	5.50	5.50		
	Element Total	\$ 5.50	\$ 5.50	\$ -	\$ -
D504AW28	Scope Development	0.09	0.09		
D504AW80	Variable Message Signs	1.09	1.09		
D504AW97	Traffic Studies	2.00	2.00		
	Element Total	\$ 3.18	\$ 3.18	\$ -	\$ -
D504QM30	Electric Upgrade - Vent Bldgs	2.25	2.25		
	Element Total	\$ 2.25	\$ 2.25	\$ -	\$ -
D505AW12	Hazardous Material Abatement	0.21	0.21		
	Element Total	\$ 0.21	\$ 0.21	\$ -	\$ -
D505QM01	Service & FE Building Rehab	8.79	8.79		
	Element Total	\$ 8.79	\$ 8.79	\$ -	\$ -
D505TB59	Rehab of Building 104	66.93	66.93		
	Element Total	\$ 66.93	\$ 66.93	\$ -	\$ -
D506AW21	Program Administration	2.44	2.44		
D506AW28	Scope Development	1.11	1.11		
	Element Total	\$ 3.55	\$ 3.55	\$ -	\$ -
2008-2013					
D603AW46	Violations Enhancement System	7.09	7.09		
D603AW47	Digital Video Surveillance Sys	2.00	2.00		
D603AW48	2nd Generation E-Zpass In-Lane	0.40	0.40		
D603AW49	E-Zpass Systems Infrastructure	0.50	0.50		
D603AW52	Adv. Automated Traffic Detect.	2.50	2.50		
	Element Total	\$ 12.49	\$ 12.49	\$ -	\$ -
Bridges and Tunnels 2008 Commitment Total		\$ 423.61	\$ 423.61	\$ -	\$ -

New York City Transit
Completions: 2008-2011
(\$ millions)

Project ID	Project Description	Complete 08-11	Project Allocation
T51606/07	FIRE PROTECTION: FIRE ALARMS & SPRINKLERS 2 DOB LOCATIONS	Jan-09	\$5.20
T51203/02	DEPOT REHABILITATION: CASTLETON DEPOT	Jan-09	\$12.64
T51102/01	YARD LIGHTING: YARD LIGHTING: ENY, CANARSIE, PITKIN	Jan-09	\$18.21
T50404/04	FARE MARKETING/DISTRIBUTION EQUIPMENT: PURCHASE 32 HEETS	Jan-09	\$1.50
T40806/P2	PUBLIC ADDRESS/CUSTOMER INFO SYSTEMS: PA/CIS: 156 STATIONS-IRT	Jan-09	\$161.64
T50806/08	ANTENNA CABLE REPLACEMENT: ANTENNA CABLE REPLACEMENT PHASE II NR	Jan-09	\$45.11
T40413/CH	STATION ACCESSIBILITY (ADA): PHASE 1 PREP: 57 ST/ BWAY BMT(CARNEGIE)	Feb-09	\$1.31
T51204/05	MISC: DEPARTMENT OF BUSES: AVL: OPTION 1: 3-4 DEPOTS	Feb-09	\$17.36
T50604/07	WATER CONDITIONS REMEDY: XTOWN DEEP WELLS:CLEAN/INSPECT 6 (PH1)	Mar-09	\$1.91
T50604/04	WATER CONDITIONS REMEDY: NOSTRAND DEEP WELLS:CLEANING DESIGN PH I	Mar-09	\$2.74
T40703/SB	ELEVATED STRUCTURE REHABILITATION: STILLWELL AV TERMINAL:MISCELLANEOUS WORK	Mar-09	\$0.98
T50407/04	ESCALATOR REPLACEMENT: 5 ESCALATORS: VAN WYCK-ARCHER AVE LINE	Mar-09	\$19.84
T50703/09	SUBWAY TUNNEL REHABILITATION: WHITEHALL TO CANAL ST - BROADWAY LINE	Mar-09	\$32.50
S50701/10	SIR: PASSENGER STATIONS: TOMPKINSVILLE FARE COLLECTION	Mar-09	\$1.95
T40806/D2	COMMUNICATIONS CABLE AND EQUIPMENT: ATM NETWORK SYSTEM: B DIV-253 STATIONS	Mar-09	\$90.79
T50604/02	PUMPING FACILITIES: PUMPS: 3 LOCATIONS, 6TH AV LINE	Mar-09	\$21.67
T40404/M4	FARE CONTROL MODERNIZATION: AFC REPLACEMENT PH 1:STATION CONTROLLERS	Mar-09	\$10.00
T50806/01	COMMUNICATIONS CABLE AND EQUIPMENT: DATA NETWORK II-IND/BMT-ATM OPTN-253STNS	Mar-09	\$172.46
T50806/01	ASBESTOS ABATEMENT: ASBESTOS ABATEMENT:DATA NETWORK B OPTION	Mar-09	\$8.54
T50407/02	ESCALATOR REPLACEMENT: 10 ESCALATORS: PARSONS BLVD-ARCHER AV	Mar-09	\$35.06
T51602/02	CAPITAL REVOLVING FUND: CAPITAL REVOLVING FUND - 2006	Mar-09	\$5.00
T51102/06	YARD REHABILITATION: YARD FENCING UPGRADES	Mar-09	\$10.22
T50602/07	TUNNEL LIGHTING REHABILITATION: 207TH ST TO 168TH ST-8TH AV LINE	Apr-09	\$30.61
T50703/08	SUBWAY TUNNEL REHABILITATION: 168TH ST TO INWOOD-207TH ST - 8TH AV LN	Apr-09	\$43.31
T51605/06	MATERIEL: CONCRETE BATCH PLANT INSPECTION	Apr-09	\$1.05
T50902/08	SUBSTATIONS (IND): E 193RD STREET IND/CONCOURSE LINE	Apr-09	\$20.08
S50701/08	SIR: STRUCTURES: REPAIR 6 BRIDGES AND VIADUCT	Apr-09	\$19.72
T51204/07	DEPOT REHABILITATION: LIFTS: STENGEL/MANHATTANVILLE	Apr-09	\$8.53
T51605/01	CAPITAL PROGRAM MANAGEMENT: INDEP ENG'G CONSULTANT SVCES:4/07-3/09	Apr-09	\$9.61
T50602/11	TUNNEL LIGHTING REHABILITATION: PHASE III-WALL STREET TO CHAMBERS STREET	Apr-09	\$8.96
T51004/01	CAR MAINTENANCE SHOPS: 207ST OH PH1 CONTRACT2: HEATING SYSTEM	Apr-09	\$10.66
T50414/03	INTERMODAL/TRANSFER FACILITIES: MYRTLE-WYCKOFF INTERMODAL FACILITY	Apr-09	\$8.60
T51606/01	ASBESTOS ABATEMENT: ASBESTOS ABATEMENT I/Q (OSS): 2006	May-09	\$5.83
T50902/12	MISC: POWER: UNDERGROUND SS HATCHWAYS (5 LOCS)	May-09	\$5.97
T50703/04	LINE STRUCTURE OVERCOATING: 162 STREET TO 190 STREET: JEROME LINE	May-09	\$16.77
T51606/12	ASBESTOS ABATEMENT: ASBESTOS ABATE: PRIORITY VI	Jun-09	\$6.88
T51607/02	CONSOLIDATED EMPLOYEE FACILITIES:SUBWAYS: COLUMBUS CIRCLE, IND & IRT DIVISIONS	Jun-09	\$10.57
T50411/10	STATION REHABILITATION: 59TH STREET: 8TH AV LINE-IND	Jun-09	\$55.73
T50411/09	STATION REHABILITATION: 59TH STREET: BROADWAY/7TH AV LINE	Jun-09	\$37.81
T50413/03	STATION ACCESSIBILITY (ADA): COLUMBUS CIRCLE COMPLEX	Jun-09	\$2.92
T50411/12	STATION REHABILITATION: STN RAILINGS SUBWAY STN REHAB-2005-2006	Jun-09	\$2.12
T50806/02	COMMUNICATIONS CABLE AND EQUIPMENT: SAM-52 LOCATIONS	Jun-09	\$19.60
T31604/CP	CAPITAL PROGRAM MANAGEMENT SYSTEMS: CAPITAL SYSTEMS INTEGRATION	Jun-09	\$13.85
T51204/11	DEPOT REHABILITATION: BUS LIFTS AT VARIOUS LOCATIONS	Jun-09	\$8.80
T51204/13	DEPOT EQUIPMENT AND MACHINERY: DEPOT EQUIPMENT 2009	Jun-09	\$10.00
T41302/O4	WORK TRAIN & SPECIAL EQUIPMENT: 36 CWR FLATCARS & 18 FLATCARS	Jul-09	\$14.96
T51004/09	SHOP EQUIPMENT AND MACHINERY: REPLACE SHOP EQUIPMENT	Jul-09	\$7.00
T51607/04	CONSOLIDATED EMPLOYEE FACILITIES:SUBWAYS: JAMAICA YARD TOWER	Jul-09	\$4.38
T50414/10	STATION NORMAL REPLACEMENT: CONSTR/REHAB 11 SCRUBBER RMS AT 5 LOCS	Jul-09	\$4.20
T50604/01	PUMPING FACILITIES: 10 LOCATIONS, QUEENS BLVD LINE	Jul-09	\$44.25
T51604/07	INFORMATION TECHNOLOGY: KRONOS TIMEKEEPING: RTO FACILITIES	Jul-09	\$2.00
T40603/6B	VENTILATION FACILITIES: 2 VENT PLANTS:W53ST/6AV& PARK AV/53ST LN	Jul-09	\$80.00
T50101/02	NEW SUBWAY CARS: PURCHASE 620 'B' DIV CARS(R-160 OPTION1)	Aug-09	\$1,247.95
T50902/01	SUBSTATION EQUIPMENT (IND): REPL POWER TRANSFORMERS, 2 LOCS	Aug-09	\$13.34
T51607/25	CONSOLIDATED EMPLOYEE FACILITIES:SUBWAYS: 207TH STREET STATION /8TH AV LINE	Aug-09	\$8.18
T50803/09	RAPID TRANSIT OPERATIONS: STATION TIME SIGNAL ENHANCEMENT/LEX LN	Sep-09	\$4.83
S40701/15	SIR: PASSENGER STATIONS: STATION SECURITY INITIATIVES	Oct-09	\$18.38
T51605/08	CAPITAL PROGRAM MANAGEMENT: CONCRETE CYLINDER TESTING (2006)	Oct-09	\$0.33
T50602/06	TUNNEL LIGHTING REHABILITATION: 42ND-96TH ST: BROADWAY/7TH AV LINE	Nov-09	\$40.91
T50604/05	PUMPING FACILITIES: PUMPS: 3 LOCATIONS, PROSPECT PK LINE	Nov-09	\$23.19
S50701/06	SIR: MISCELLANEOUS PROJECTS: 4 DIESEL LOCOMOTIVES	Nov-09	\$8.32
S50701/02	SIR: PASSENGER STATIONS: STATION STRUCTURAL REPAIRS 4 LOCATIONS	Dec-09	\$7.46
T50902/07	SUBSTATIONS (IND): CATON AVENUE IND/PROSPECT PARK LINE	Dec-09	\$25.64
T31503/QP	ADDED CAPACITY: PROPERTY:63RD ST CONNECTION TO QBL	Dec-09	\$18.06
T50502/13	MAINLINE TRACK REHABILITATION: 2009: REPLACE MAINLINE TRACK	Dec-09	\$147.82
T50902/09	SUBSTATION ENCLOSURES (IRT-BMT): REHAB 3 IRT SUBSTN ENCLOSURES	Dec-09	\$7.99
T51105/05	YARD TRACK REHABILITATION: IN-HOUSE YARD TRACK REHABILITATION: 2009	Dec-09	\$3.12
T40302/E1	NEW BUSES: SUSPENSION UPGRADE OF 570 MCI BUSES	Dec-09	\$9.49
T50703/11	LINE STRUCTURE REHABILITATION: REHAB EMERG EXITS 2007-09: 75 LOCS	Dec-09	\$18.74
T51106/05	YARD TRACK SWITCHES: REPLACE 17 YARD SWITCHES: 2009	Dec-09	\$9.39
T51302/01	RUBBER-TIRED VEHICLES: REPLACE RUBBER TIRE VEHICLES 2006-2007	Dec-09	\$13.18
T51604/01	INFORMATION TECHNOLOGY: REHAB: 7 NODE SITE FACILITIES	Dec-09	\$10.63
T50503/05	MAINLINE TRACK SWITCHES: I/H TRACK RECONSTR: 36 SWITCHES (2009)	Dec-09	\$45.88
T41203/FG	NEW DEPOTS & FACILITIES: CHARLESTON ANNEX IN STATEN ISLAND	Jan-10	\$137.82
S40701/05	SIR: TRACK: REPAIR THRUSPANS:AMBOY RD,BAY ST BRIDGES	Jan-10	\$1.04
T50703/12	ELEVATED STRUCTURE REHABILITATION: OCEAN PKWY VIADUCT- BRIGHTON LN PHASE II	Jan-10	\$7.17
T51605/28	CAPITAL PROGRAM MANAGEMENT: CONSTRUCTION SUPP SERVICES RESERVE	Feb-10	\$2.19

New York City Transit
Completions: 2008-2011
(\$ millions)

Project ID	Project Description	Complete 08-11	Project Allocation
T51607/35	ROOFING REPAIR & REPLACEMENT: DOS ROOF REPLACEMENT PHASE 1	Feb-10	\$10.52
T51606/04	FIRE PROTECTION: FIRE ALARMS & SPRINKLERS 3 DOS LOCATIONS	Feb-10	\$14.11
T50904/08	POWER DISTRIBUTION FACILITIES: REHAB 2 CIRCUIT BREAKER HOUSES	Feb-10	\$11.07
T41302/P4	WORK TRAIN & SPECIAL EQUIPMENT: PURCHASE 9 DIESEL-ELECTRIC LOCOMOTIVES	Mar-10	\$32.11
T51302/05	WORK TRAIN & SPECIAL EQUIPMENT: PURCHASE 19 NEW LOCOMOTIVES	Mar-10	\$70.47
T50302/06	NEW BUSES: 745 HYBRID ELECTRIC BUSES	Mar-10	\$419.89
T51602/02	CAPITAL REVOLVING FUND: CAPITAL REVOLVING FUND - 2007	Mar-10	\$5.00
U40302/08	NEW BUSES: PURCHASE 105 HYBRID-ELECTRIC BUSES(2007)	Mar-10	\$60.85
T50604/08	WATER CONDITIONS REMEDY: LENOX WELL POINTS: REHAB/REPLCMT (PH II)	Apr-10	\$6.09
T50902/06	SUBSTATIONS (IND): ROCKWELL PLACE SUBSTATION:POWER EQUIPMNT	Apr-10	\$22.11
T50803/03	MAINTENANCE OF WAY: STOP CABLE REPLACEMENT(46 LOCS)-8 AV LN	Apr-10	\$2.21
T50803/16	SIGNAL SYSTEMS: MODERNIZE 3 INTERLOCKINGS, 8TH AVE. LINE	Apr-10	\$138.93
T50902/01	SUBSTATION EQUIPMENT (IND): REPL POWER TRANSFORMRS, 73 ST-CPW SUBSTN	Apr-10	\$2.99
T50902/05	SUBSTATIONS (IND): REHAB: DYCKMAN SUBSTATION	Apr-10	\$36.61
T50902/10	SUBSTATIONS (IND): SO RAILROAD AVE IND/QUEENS LINE	May-10	\$22.52
T51606/05	ASBESTOS ABATEMENT: ASBESTOS AIR MONITORING 2006	Jun-10	\$4.80
T50703/14	SUBWAY TUNNEL REHABILITATION: LEXINGTON TO 42ND ST: BROADWAY LINE-BMT	Jul-10	\$27.88
T50803/17	FIRE PROTECTION: FIRE SUPPRESSION AT 29 SIGNAL RELAY ROOM	Jul-10	\$12.08
T40803	MAINLINE TRACK REHABILITATION: I/H TRACK: CANARSIE LINE WRAP-UP	Jul-10	\$2.89
T50602/09	TUNNEL LIGHTING REHABILITATION: BERGEN INTERLOCKING TO W4 ST / 6 AV LINE	Jul-10	\$40.81
S50701/07	SIR: PASSENGER STATIONS: STATION CONST.NEW STA:ARTHUR KILL	Aug-10	\$8.85
T50902/11	SUBSTATIONS (IND): MESEROLE AV IND/CROSSTOWN LINE	Aug-10	\$21.22
T50803/19	COMMUNICATION-BASED TRAIN CONTROL: CBTC-CANARSIE: EQUIP 64 R-160 CARS	Aug-10	\$12.00
T50803/20	COMMUNICATION-BASED TRAIN CONTROL: CBTC-CANARSIE: AUTOMATIC SIGNAL REMOVALS	Aug-10	\$3.00
T51102/10	YARD REHABILITATION: YARD HYDRANTS: VARIOUS LOCATIONS	Aug-10	\$16.18
T50413/11	STATION ACCESSIBILITY (ADA): 96TH STREET: BROADWAY/7TH AV LINE	Sep-10	\$28.47
T50411/27	STATION REHABILITATION: 96TH STREET/BROADWAY-7TH AV LINE-MANH	Sep-10	\$62.76
T51607/08	CONSOLIDATED EMPLOYEE FACILITIES:SUBWAYS: 96TH STREET:BROADWAY-7TH AV LINE	Sep-10	\$5.06
T51102/03	SIGNAL SYSTEMS: YARD SIGNALS: CORONA-FLUSHING LINE	Sep-10	\$101.98
T41204/BC	NEW DEPOTS & FACILITIES: MANHATTANVILLE CNG - DESIGN ONLY	Sep-10	\$2.53
T50703/24	LINE STRUCTURE OVERCOATING: 103 ST STATION TO S.MAIN ST. PORTAL: FLS	Oct-10	\$10.93
T50604/03	PUMPING FACILITIES: DEEP WELLS REHAB : FULTON LINE	Oct-10	\$12.62
T50902/17	SUBSTATIONS (IND): JAY ST SUBSTATION: DC FEEDERS / CBH #579	Oct-10	\$7.83
T50603/01	VENTILATION FACILITIES: VENT PLANT:WEST 30TH STREET/6TH AVENUE	Oct-10	\$93.70
T50904/13	POWER DISTRIBUTION FACILITIES: NEW DUCT BANK: LENOX AV 141 ST - 148 ST	Oct-10	\$8.00
T50803/03	MAINTENANCE OF WAY: STOP CABLE REPLACEMENT: PHASE2	Nov-10	\$28.53
T50703/03	LINE STRUCTURE OVERCOATING: REPAINT BRONX PARK EAST TO 241 ST - WPR	Dec-10	\$21.68
T50904/03	CONTROL AND BATTERY CABLE: REPLACE CABLE:4 SUBSTATION CONTROL ZONES	Dec-10	\$48.09
T50414/09	STATION SIGNAGE: STATION SIGNAGE	Dec-10	\$2.70
T51607/44	CONSOLIDATED EMPLOYEE FACILITIES:SUBWAYS: WEST 4 STREET EFR (I/H)	Dec-10	\$11.54
T51606/02	GROUNDWATER AND SOIL REMEDIATION: GROUNDWATER AND SOIL REMEDIATION (2005)	Jan-11	\$6.23
T50411/16	STATION RECONSTRUCTION: REHAB: TIMES SQ, PHASE III-TSS	Jan-11	\$7.28
T51606/04	FIRE PROTECTION: FIRE ALARMS & SPRINKLERS 2 DOS LOCATIONS	Feb-11	\$0.97
T50413/12	STATION ACCESSIBILITY (ADA): JAY & LAWRENCE ST TRANSFERS	Mar-11	\$18.26
T50411/23	STATION REHABILITATION: JAY STREET: FULTON STREET LINE	Mar-11	\$64.14
T50414/06	INTERMODAL/TRANSFER FACILITIES: PASSENGER TRANSFER: JAY & LAWRENCE ST	Mar-11	\$65.29
T50413/09	STATION ACCESSIBILITY (ADA): JAY STREET: FULTON STREET LINE	Mar-11	\$16.46
T51602/02	CAPITAL REVOLVING FUND: CAPITAL REVOLVING FUND - 2008	Mar-11	\$5.00
T51605/18	CAPITAL PROGRAM MANAGEMENT: TEST PITS SERVICE CONTRACT (2007)	Apr-11	\$2.22
T51605/13	CAPITAL PROGRAM MANAGEMENT: BORING SERVICES: MANHATTAN, BRONX (2007)	Apr-11	\$1.58
T51605/12	CAPITAL PROGRAM MANAGEMENT: BORING SERVICES: BKLYN, QNS, SI (2007)	Apr-11	\$1.32
T50703/17	LINE STRUCTURE OVERCOATING: PORTAL TO EOL: PELHAM LINE	Apr-11	\$28.16
T50703/29	LINE STRUCTURE: STRIPPING AND REPAINTING: PORTAL TO 41 AV - ASTORIA LINE	Apr-11	\$17.57
T50902/18	SUBSTATION ENCLOSURES (IRT-BMT): SUBSTATION ENCLOSURES (5 LOCATIONS)	Apr-11	\$13.57
T51102/04	YARD REHABILITATION: YARD CCTV	May-11	\$8.13
T50602/10	TUNNEL LIGHTING REHABILITATION: BKLYN BRIDGE-CITY HALL TO 33 ST - LEX	May-11	\$52.63
T50603/02	VENTILATION FACILITIES: WRAP UP: 8 LOCATIONS/ARCHER AVENUE	Jun-11	\$75.06
T51606/09	GROUNDWATER AND SOIL REMEDIATION: CONSULTANT SRVCS: UST & REMEDIATION 2008	Jul-11	\$7.05
T40404/M6	FARE CONTROL MODERNIZATION: AFC SYSTEM WRAP-UP	Sep-11	\$10.50
T51607/36	ROOFING REPAIR & REPLACEMENT: DOS ROOF REPLACEMENT PHASE 2	Oct-11	\$15.48
T50703/06	ELEVATED STRUCTURE REHABILITATION: 9TH AVE TO BAY 50TH STREET/WEST END LINE	Oct-11	\$25.56
T50904/12	POWER DISTRIBUTION FACILITIES: E. 180TH STREET CIRCUIT BREAKER HOUSE	Nov-11	\$14.26
T50803/11	SIGNAL SYSTEMS: WHITE PLAINS RD PHS 3:E 180 ST INTRLCCKNG	Nov-11	\$279.18
T50413/05	STATION ACCESSIBILITY (ADA): KINGS HIGHWAY-BRIGHTON LINE	Nov-11	\$6.84
T50411/05	STATION REHABILITATION: AVENUE H: BRIGHTON LINE-BROOKLYN	Nov-11	\$32.16
T50411/06	STATION REHABILITATION: AVENUE J: BRIGHTON LINE-BROOKLYN	Nov-11	\$28.05
T50411/07	STATION REHABILITATION: AVENUE U: BRIGHTON LINE-BROOKLYN	Nov-11	\$27.03
T50411/13	STATION STRUCTURAL REMEDIATION: KINGS HIGHWAY: BRIGHTON LINE-BKLYN	Nov-11	\$25.17
T50414/04	STATION STRUCTURAL REMEDIATION: PLATFORM REHAB-4 STATIONS-BRIGHTON LINE	Nov-11	\$0.48
T50411/14	STATION STRUCTURAL REMEDIATION: NEWKIRK AV STATION PHASE 2 - BRT	Nov-11	\$21.99
T50411/03	STATION REHABILITATION: AVENUE M: BRIGHTON LINE-BROOKLYN	Nov-11	\$25.01
T50411/04	STATION REHABILITATION: NECK ROAD: BRIGHTON LINE-BROOKLYN	Nov-11	\$23.85
T51302/03	WORK TRAIN & SPECIAL EQUIPMENT: PURCHASE 2 NEW BALLAST REGULATORS	Dec-11	\$7.79
T50803/14	SIGNAL SYSTEMS: MODERNIZE INTERLOCKINGS: LEX AV, 5AV/QBL	Dec-11	\$102.73
T50803/02	MAINTENANCE OF WAY: SIGNAL CONTROL MODS, PHASE III	Dec-11	\$43.25

Long Island Rail Road
Completions: 2008-2011
(\$ millions)

Project ID	Project Description	Complete 08-11	Project Allocation
L402042F	SHEA STADIUM -SHORT TERM IMPROVEMENTS	Jan-08	\$1.43
L50701P6	ELECTRICAL SYSTEMS - EMERGENCY GENERATOR	Jan-08	\$0.20
L4060339	RICHMOND HILL INVESTMENT	Feb-08	\$22.52
L506016M	BABYLON YARD RECONFIGURATION	Mar-08	\$12.16
L4020424	ATLANTIC TERMINAL	May-08	\$89.08
L5020423	ATLANTIC TERMINAL PHASE 2	May-08	\$11.00
L4020433	ROSEDALE STATION	May-08	\$3.90
L40502K5	JAMAICA INTERLOCKINGS	May-08	\$13.27
A401011L	M-3 OVERHAULS	Jun-08	\$26.00
L506016N	LONG ISLAND CITY - PHASE 2	Jul-08	\$17.65
L502042B	BROADWAY STATION PLATFORM REHABILITATION	Sep-08	\$14.42
L405025J	QUEENS INTERLOCKING	Sep-08	\$48.90
L4020434	VALLEY STREAM STATION REHABILITATION	Oct-08	\$5.48
L40703C1	"F" CIRCUIT BREAKER HOUSE	Dec-08	\$5.84
L50701P6	BRIDGE ELECTRICAL SYSTEM REPLACEMENT	Dec-08	\$0.69
L50301T4	2008 ANNUAL TRACK PROGRAM	Dec-08	\$51.52
L50502SX	BABYLON TO SPEONK SIGNALIZATION	Dec-08	\$16.30
L404024Y	East River Tunnel Ventilation	Feb-09	\$89.75
L50301R7	Amott Culvert	Feb-09	\$3.24
L407032I	Valley Strm/Isl Pk Subst Recon	Apr-09	\$25.25
L509048C	LIC Car Wash Environmental Rem	Apr-09	\$0.93
L50502SV	Valley Interlocking - Phase II	May-09	\$51.42
L502042C	Seaford Platform Replacement	Jun-09	\$14.00
L50502SL	Jay, Hall & Dunton Micropro	Aug-09	\$42.01
L50206VB	PS Third Rail & Signals	Sep-09	\$11.43
L5020526	Ronkonkoma Parking Improvement	Oct-09	\$3.91
L509048R	GP-38 Diesel Simulator	Oct-09	\$1.89
L502042G	Babylon Branch Stair Replaceme	Dec-09	\$4.50
L50301E1	Track Equipment	Dec-09	\$30.92
L50701P8	Signal Load Electrical System	Dec-09	\$1.42
L50701PA	Replace Substation DC Breakers	Dec-09	\$3.82
L50701PB	Replace Substation Batteries	Dec-09	\$1.36
L50701PG	Replace 3 Substations	Dec-09	\$37.04
L50701PJ	Third Rail System - Cable	Dec-09	\$5.05
L50701PK	Third Rail Protection Board	Dec-09	\$8.62
L50701PM	Composite Third Rail	Dec-09	\$20.39
L50701PS	Signal Power Line Replacement	Dec-09	\$3.90
L50701PT	Power Pole Line Replacement	Dec-09	\$2.57
L50701PU	Signal Power Motor Generators	Dec-09	\$2.08
L50301R1	Culverts	Dec-09	\$4.00
L50301R4	Demolitions	Dec-09	\$1.76
L50501S7	Fiber Optic Network	Dec-09	\$70.12
L50501S9	Communications Pole Line Repla	Dec-09	\$7.27
L50301T5	2009 Annual Track Program	Dec-09	\$41.50
L506016H	M of W Repair Facility	Jan-10	\$13.37
L50701PH	Demo/Const 5 Substations	Jan-10	\$49.71
L506016K	Rolling Stock Support Equipmnt	Mar-10	\$16.32
L50502SG	Signal Normal Replacement Prog	Mar-10	\$5.45
L5020425	Jamaica Fit-Out Phase 2	May-10	\$12.03
L50402VA	ERT Fire & Life Safety	May-10	\$105.30
L50401B4	Atlantic Viaduct	Jun-10	\$93.38
L50301R3	Fencing	Jul-10	\$2.53
L50401B8	Woodhaven/Queens Blvd Bridges	Aug-10	\$18.02
L50502SB	Babylon Branch Signal Improvem	Aug-10	\$30.60
L50401B1	Bridge Rehabilitation Program	Sep-10	\$5.90
L50401B3	Powell Creek & Hog Island Chan	Sep-10	\$9.77
L50401B5	Junction Blvd Abutment PW	Sep-10	\$20.26
L502042U	Elevator Replacement Program	Oct-10	\$3.30
L506016C	Hillside Facility/Bldg Rehab	Oct-10	\$3.30
L50401B6	Shinnecock Canal/North Highway	Oct-10	\$15.27
L50502SC	Centralized Train Control-Ph 1	Nov-10	\$16.00
L40502E5	DOT Grade Crossings	Dec-10	\$7.11
L50701PC	Power System Upgrade	Dec-10	\$12.32
L50301R6	Track Stability/Retaining Wall	Dec-10	\$4.06
L50501S6	Improved Radio Coverage/Infras	Dec-10	\$15.29
L50502SA	Wayside Event Recorders	Dec-10	\$6.30
L50401B7	Broadway(PW)/150 St(Jamaica)	Jan-11	\$11.17
L502042T	Escalator Replacement Program	Feb-11	\$4.08
L506016P	Babylon Car Wash	Feb-11	\$18.10
L506016Y	LCM-Shop Design and Cnstruction	Mar-11	\$34.92
L50206VC	PS Emp Fac Yards & Buildings	Mar-11	\$7.18
L50501S8	Audio/Visual Paging System (AV	Jun-11	\$34.94
L50301R2	Drainage Control	Sep-11	\$4.00
L50301E9	ACL Direct Fixation	Nov-11	\$61.47
L50502SW	Babylon to Patchogue	Dec-11	\$17.00

Metro-North Railroad
Completions: 2008-2011
(\$ millions)

Project ID	Project Description	Complete 08-11	Project Allocation
A4010107	West of Hudson Comet II Overhaul	Mar-08	\$7.56
M5030112	2007 Cyclical Track Program	Mar-08	\$12.49
M4020202	Automated Ticket Selling -Express TVM's	Jun-08	\$6.23
M5010101	Spec/Purch Diesel Locomotives (1unit)	Nov-08	\$8.50
M5030107	Rockslope Remediation	Sep-08	\$5.70
M3020517	GCT Leaks Remediation Design	Oct-08	\$1.95
M4020101	GCT Leaks Remediation	Oct-08	\$3.70
M5060105	Highbridge Yard Car Wash Facility	Nov-08	\$16.43
M5010109	End Door Remanufacture (First 22 units)	Dec-08	\$12.47
M5010308	Replace Obsolete Equipment	Dec-08	\$1.80
M5040105	Replace CTC Systems (OCC/ECC)	Feb-09	\$26.42
M4020313	North White Plains Parking - EIS	Mar-09	\$2.35
M5020101	GCT Trainshed Structural Repairs	Mar-09	\$18.01
M5020208	Ticket Selling Machines	Mar-09	\$3.47
M5030113	2008 Cyclical Track Program	Mar-09	\$10.40
M5040117	PBX Replacement	Mar-09	\$2.01
M5010110	M-9 Specification Development	May-09	\$1.00
M5010109	End Door Coach Midlife Overhaul - 18 Remaining Cars	Jun-09	\$10.17
M5030304	Otisville Tunnel	Jun-09	\$1.01
M5040110	Upgrade Grade Crossings	Jun-09	\$0.95
M5050110	Install Sectionalizing Switches GCT	Jul-09	\$5.10
M5060106	Poughkeepsie Yard Improvements	Jul-09	\$1.72
M5030302	West of Hudson Improvements	Oct-09	\$3.45
M5050105	Replace Substation Batteries	Oct-09	\$0.74
M5030213	Bridge Walkways	Nov-09	\$2.10
M5040112	Vital Processor System (GCT)	Nov-09	\$6.21
M5040114	Replace High Cycle Rate Relays	Nov-09	\$0.75
M5040115	Replace Track Relays	Nov-09	\$2.47
A4010102	M-2 Car Remanufacture	Dec-09	\$26.35
M4020216	Yankee Stadium Station	Dec-09	\$53.00
M4040107	Optimize Signal Relay Circuits	Dec-09	\$2.56
M5010102	M-2 Critical Systems - 241 Cars	Dec-09	\$8.82
M5020102	GCT Leaks Remediation	Dec-09	\$1.80
M5020108	GCT Water Conveyance Utilities Improvements	Dec-09	\$1.60
M5030104	Turnouts Yards	Dec-09	\$5.24
M5030106	Rebuild Retaining Walls	Dec-09	\$1.68
M5030202	Rehabilitate Culverts/Railtop Culverts	Dec-09	\$3.13
M5030203	D.C. Substation/Signal House	Dec-09	\$2.10
M5030205	Replace Timbers Undergrade Bridges	Dec-09	\$2.11
M5030212	Clearance Inventory and Video	Dec-09	\$0.88
M5030218	Systemwide Flood Control	Dec-09	\$0.50
M5030301	West of Hudson Track Program	Dec-09	\$36.60
M5040111	C&S Cable Replacement GCT to Mott Haven	Dec-09	\$3.80
M5040113	Refurbish/Replace Electric Switch Machines	Dec-09	\$0.95
M5040116	Replace Interlocking/Siding -West of Hudson	Dec-09	\$2.10
M5050104	Aluminum 3rd Rail and E-Rail GCT Lower Level	Dec-09	\$2.98
M5080107	Program Scope Development	Dec-09	\$11.10
M5010105	M-6 Midlife Remanufacture Spec Develop	Jan-10	\$0.60
M5020206	Station Building Rehabilitation	Jan-10	\$8.27
M5030208	Right-of-Way Fencing	Feb-10	\$2.11
M5030216	Employee Welfare and Storage Facilities	Feb-10	\$2.41
M5030114	2009 Cyclical Track Program	Mar-10	\$11.30
M5020105	GCT Elevator Rehabilitation Phase III	Apr-10	\$4.10
M5050102	Substation Retrofit - Harlem and Hudson Lines	Apr-10	\$12.68
M5030105	M of W Equipment	Jun-10	\$10.08
M5030305	Undergrade Bridge Program West of Hudson	Jun-10	\$6.44
M5080102	Systemwide Lead/Asbestos Abatement	Jun-10	\$5.50
M5080103	Environmental Remediation	Jun-10	\$2.20
M4020303	Parking Rehabilitation	Jul-10	\$0.46
M5020203	Poughkeepsie Station Building	Aug-10	\$7.50
M5020202	Croton Harmon/Peekskill Station Improvements	Sep-10	\$5.44
M5030107	Rock Slope Remediation - East of Hudson	Sep-10	\$5.64
M5030209	Remove Obsolete Facilities	Sep-10	\$4.27
M5030109	Drainage and Undercutting	Oct-10	\$7.70
M4030205	Rehab/Replace Overhead Bridges	Nov-10	\$2.41
M5020302	Parking Expansion	Dec-10	\$12.00
M5030102	Turnouts Mainline/High Speed	Dec-10	\$38.32
M5030103	GCT Turnout and Switch Renewal	Dec-10	\$11.86
M5030215	Catenary Painting NHL (NYS)	Dec-10	\$2.95
M5030303	Moodna/Woodbury Viaducts	Dec-10	\$5.40
M5050106	Replace Motor Alternators	Dec-10	\$6.00
M5050109	Rehab Harlem and Hudson Lines Substations	Dec-10	\$13.46
M5080109	Customer and Employee Communications Projects	Dec-10	\$8.73
M5020207	Station and Platform Informational Signs	Mar-11	\$0.95
M5050103	Replace Harlem River Lift Bridge Breaker Houses	Mar-11	\$3.98
M5020303	Cortlandt Parking & Access Improvements	Apr-11	\$28.77
M5020205	New Haven Line (NYS) Stations Improvements	Sep-11	\$31.63
M5010104	M-4 Midlife Remanufacture - 54 Cars	Dec-11	\$9.96
M5040107	Signal System Replacement	Dec-11	\$27.21

MTA Police Department
Completions: 2008-2011
(\$ millions)

Project ID	Project Description	Complete 08-11	Project Allocation
N5100106	Emergency Service Units	Nov-08	\$0.45
N5100115	Merrick Facility	Jan-09	\$0.75
N5100110	Communications Center Back up	Mar-09	\$2.22
N5100101	Suffolk County Facility	Jan-10	\$6.10
N5100104	K-9 Facility	Mar-10	\$7.06
N5100109	Public Safety Radio	Mar-11	\$36.96
N5100113	Access Control	Dec-11	\$1.20

MTA Bus Company
Completions: 2008-2011
(\$ millions)

Project ID	Project Description	Complete 08-11	Project Allocation
U4030299	Design/Consultant Services	Jun-08	\$ 8.71
U4030210	Service Vehicles	Sep-08	\$ 1.17
U5030207	Environmental Remediation	Dec-08	\$ 6.29
U5030208	New Bus/Employee Parking Lot at JFK	Aug-09	\$ 3.23
U50302BB	New Roof and Ventilation System at Eastchester Mtce Bldg	Oct-09	\$ 3.09
U50302AA	New Roof and Ventilation System at Baisley Park	Nov-09	\$ 7.28
U50302DD	New Roof and Ventilation System at Far Rockaway	Dec-09	\$ 4.70
U5030210	Security and Alarms	Dec-09	\$ 2.83
U5030209	Upgrade Outdoor Parking Area at Baisley Park	Mar-10	\$ 6.93
U4030108	105 Hybrid Buses	Apr-10	\$ 60.85
U5030299	Engineering Design Services	May-10	\$ 5.00
U5030298	Engineering Construction Management Services	May-10	\$ 5.00
U5030204	Power Upgrades/Emergency Generators	May-10	\$ 13.86
U5030203	New Roof and Ventilation System at La Guardia	May-10	\$ 10.19
U4030209	72 Articulated Buses	Jun-10	\$ 46.42

Bridges and Tunnels
Completions: 2008-2011
(\$ millions)

Project ID	Project Description	Complete 08-11
D404AW34	Installation of Security System	Jan-08
D403AW37	Operation Center @RI and Other Facilities	Jun-08
D404QM80	Replace and Rehab Exhaust and Supply Fans	Jun-08
D505BB47	New Sewer Connection-Governors Island	Jul-08
D505BB15	Expand and Upgrade Control Center	Dec-08
D402TB64	Replacement of Decks at Randall's Island and Ward's Island Viaduct and new Ramps	Jan-09
D401MP02	Structural Steel Repairs	Mar-09
D401TB66	Dehumidification of Anchorages and Additional Strand Re-Anchoring	May-09
D405BB80	BB80 - Manhattan, Brooklyn and Governors Island Vent Bldg at the Brooklyn Battery Tunnel	Jun-09
D502VN17	Rehabilitation of Lower level Approaches and Rehabilitation of Lily Pond Avenue	Aug-09
D501BW85	Critical Panel Unwrapping	Nov-09
D501BW86	Partial Replacement of Suspender Ropes	Nov-09
D504AW82	Installation of Alternative Fuel Storage Tanks VN & TN	Dec-09
D501CB08	Deck & Structural Rehabilitation	May-10
D502HH04	Replacement of Cross Drainage between NB/SB Parkway	Jun-10
D502HH80	Lower Level Deck Replacement at the Henry Hudson Bridge	Jun-10
D501VN32	Structural Steel Repairs	Jun-10
D503AW49	E-Zpass Systems Infrastructure Replacement	Jul-10
D503AW35	Weather Information Systems Upgrade	Aug-10
D501TN85	Suspension System Investigation, Steel Repairs, Painting and Catwalk Replacement	Oct-10
D503AW52	Advanced Automated Traffic Detection	Jan-11
D502TN50	Replacement of Concrete Deck and Rehabilitation Of the Abutment and Retaining Walls, Queens Approach	Jan-11
D503HH85	Upper Level Toll Plaza Deck Replacements	Mar-11
D504AW80	Variable Message Signs	May-11
D502TN82	Rehabilitation of Orthotropic Deck-Phase B	Jul-11
D501TN87	Anchorage and Tower Protection at TNB	Jul-11
D505QM01	QSB & FE Buildings Rehabilitation and Upgrade	Sep-11
D503AW48	2nd Generation E-Zpass	Nov-11
D502TB65	Deck Replacement Bronx: Toll Plaza, New Ramps	Nov-11
D505TB59	Rehabilitation of Building 104	Dec-11

**OPERATING IMPACTS EXCEEDING \$1 MILLION
FOR CAPITAL PROJECTS REACHING BENEFICIAL USE 2008 – 2012**

NEW YORK CITY TRANSIT CAPITAL PROJECTS

Project: New South Ferry Station

This is a new subway station, replacing the operations of the previous South Ferry station. The new station is larger, has escalators, elevators, HVAC, and functions as a true terminal station. The station is scheduled to start service on December 19, 2008, but impacts in 2008 should be minimal due to late year timing. Full impacts begin in 2009 (\$3.7 million).

Project: Purchase 745 Hybrid Electric Buses

Hybrid Buses are more expensive to maintain than the standard diesel buses. An additional 110-172 positions per year are needed in this period; all the positions reflect maintainer positions, while the OTPS expenses are maintenance materials. However, some of the expense is offset by diesel fuel savings. The increased impacts begin in 2008 (\$.99 million), but full impacts begin in 2010 (\$27.6 million) as all buses enter their major maintenance cycles.

Project: Charleston Depot Annex

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

Project: Grand Avenue Bus Maintenance Facility

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

Project: Paratransit AVL

Maintain assets associated with Paratransit AVL, includes contract maintenance as well as in-house support. Impacts begin in 2008, with costs reaching \$1.2 million in 2010.

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

Total impacts begin in 2009, reflecting 20 positions (\$2.6 million). Impacts appear in two areas. The TIS area includes vendor software maintenance and resources to support the active directory of the PA/CIS application (\$1.2 million). The Electronics Maintenance Division (EMD) includes \$1.4 million to maintain assets associated with the enhanced public address system.

LONG ISLAND RAIL ROAD CAPITAL PROJECTS

There are no capital projects entering beneficial use in 2008-2012 that have an impact on the LIRR's operating budget over \$1.0 million.

METRO-NORTH RAILROAD CAPITAL PROJECTS

Project: 525 North Broadway Security Monitoring & Emergency Control Center (ECC) (*New*)

This project constructs a C3 computer room and C3 theatre. A portion of the building occupied for Security Monitoring and Emergency Control Center. Impacts begin in 2009, reflecting Occupancy costs (\$0.2 million) and a third party contract for two 24x7 positions for system monitoring and operation (\$0.9million). Full impacts begin in 2010 (\$1.3 million).

Project: 525 North Broadway Renovation (*New*)

This project provides for the acquisition, renovation, and build out of a two-story commercial office building for Metro-North offices, Phone Center and Business Recovery. Full impacts begin in 2010, reflecting Occupancy costs (\$0.8 million), and communications labor and materials including four positions (\$0.6 million). Full impacts in 2010 (\$1.4 million).

MTA POLICE DEPARTMENT CAPITAL PROJECTS

There are no capital projects entering beneficial use in 2008-2012 that have an impact on the MTAPD's operating budget over \$1.0 million.

MTA BRIDGES AND TUNNELS CAPITAL PROJECTS

Project: Installation of Security Systems (*New*)

This project installs a state-of-the-art security system at the Verrazano Narrows bridge and the Queens Midtown Tunnel. Impacts begin in 2008 and include manpower (2 positions), utility and equipment costs (\$1.3 million).

Project: Rehabilitation of Building 104 at the Triborough Bridge (*New*)

This project renovates Building 104 on Randall's/Wards Island to house B&T engineering and other administrative staff who currently occupy the Robert Moses Building. Impacts begin in 2011, reflecting headcount (7 positions), operating and maintenance costs, including electrical power, heating and general maintenance (\$0.9 million). Full impacts in 2012 (\$1.6 million).

MTA BUS COMPANY CAPITAL PROJECTS

There are no capital projects entering beneficial use in 2008-2012 that have an impact on the MTA Bus Company's operating budget over \$1.0 million.

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V. Agency Financial Plans

Bridges and Tunnels

MTA Bridges and Tunnels 2009 Final Proposed Budget November Financial Plan 2009–2012

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, approximately 800,000 vehicles use the nine crossings, generating almost \$1.3 billion in annual toll revenue.

The agency's mission is carried out through 14 different departments, including the Operations Department 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 as safely, securely and efficiently as possible and providing essential and significant financial support to the MTA transportation network.

MTA Bridges & Tunnels continues to be a strong source of fiscal stability for the MTA. For 2008 and 2009, B&T projects that it will contribute \$673.3 million and \$620.8 million, respectively, in Support to Mass Transit. Since becoming part of the MTA in 1968, a total of \$15.4 billion (through 2007) has been contributed to transit by B&T.

B&T is able to generate this financial support while providing high levels of customer satisfaction for travelers utilizing its facilities. In its most recent customer satisfaction survey taken during the fall of 2007, B&T's customers rated their overall satisfaction at 6.7 out of 10. Satisfaction with the performance of the agency's E-ZPass system was 8.2. This is consistent with B&T's historical performance, despite near record high traffic and significant construction at several facilities.

Since first being installed in the mid-1990's, E-ZPass has been a transformative initiative for motorists in the New York area, not only because it enabled them to pay their tolls electronically and reduce congestion, but because it was built as an interoperable system that allowed drivers who signed up to use their tag on any E-ZPass member agency's facility. What started out primarily as a New York, New Jersey, Pennsylvania regional system has now expanded to 25 agencies in 14 states and one border crossing, including Ohio and Rhode Island, which became members of the E-ZPass Interagency Group this past year.

Motorists can now travel from Maine to Virginia and west to Illinois without having to stop to pay tolls.

Two of the biggest challenges facing B&T today in terms of toll collection are how to keep increasing its E-ZPass market share and how to reconfigure its toll plazas to help further reduce traffic congestion in the region. To help increase market share, B&T recently began providing potential customers with a simplified one-page E-ZPass application, an initiative that was substantiated by market research efforts that found the long-standing “traditional” application a barrier to signing up for many people. B&T is also piloting E-ZPass-on-the-Go this year—an initiative that enables customers to purchase a prepaid E-ZPass tag and account kit at participating retailers. Since April of this year, 10 to 15% of new accounts have been opened through the E-ZPass-on-the-Go pilot. The program will be expanded in 2009. In regard to toll plazas, B&T is in the initial stages of studying the feasibility of cashless tolling at its facilities. Among the issues to be explored are the likely effect on traffic flow and the potential effect on net income.

While fiscal stability and the other priority areas discussed above are of critical importance to B&T, there is no higher priority for the agency than the safety of its employees and customers. By emphasizing safe work practices and regularly providing safety training, B&T employees are working safer than ever. In 2007, B&T won the Chairman’s Safety Award for Outstanding Achievement in Safety, which is presented to the MTA agency with the most improved rate of lost time and restricted duty incidents. In addition, the Triborough Bronx was rewarded for going 520 consecutive days without injury. So far this year, B&T is continuing to excel in this area. As of July 2008, year-to-date lost time injuries were 2.3 per 200,000 hours, very close to the lowest recorded rating of 2.2.

B&T also continues to carry out initiatives that help assure the safe passage of its customers, including identifying collision hotspots, re-evaluating and modifying traffic patterns in construction zones and improving roadway signage. Through July 2008, the collision rate was 4.79 per million vehicles, exceeding the YTD July goal of 5.14. For the same period, the collision rate with injury was 0.98, also exceeding the YTD goal of 1.07.

To better enforce weight restrictions and ensure the safety and structural integrity of the facilities a new truck weight enforcement program was initiated last year on B&T’s suspension bridges. The program uses a combination of new personnel and overtime to perform vehicle weight and safety inspections and provide a regular facility presence to conduct credential checks. From August of 2007 (when the program began) through August 2008, more than 48,000 trucks were inspected.

Sustainability is now another critical priority area for the MTA and B&T is taking steps to operate in a more environmentally-friendly way and thereby help preserve our natural resources. In the past year, an interdepartmental “Green” Council was formed to help guide, track and measure B&T’s sustainability efforts.

Among the B&T initiatives now in various stages of implementation/development being monitored by this group are:

- the conversion of the Verrazano-Narrows Bridge necklace lights to LED technology with plans to expand the project to other bridge facilities;
- the installation of a third E-85 fueling station to service southern facilities with ethanol;
- Leadership in Energy and Environmental Design (LEED) certification and LEED silver for new construction and substantial reconstruction projects;
- the use of photo-voltaic roof-top and wall solar panels;
- variable frequency drives for tunnel venting fans; and
- “Green” improvement plans for all administrative buildings and other applications for LED lighting technology.

Finally, to successfully move forward in each of these priority areas, a productive, motivated and well-trained workforce is essential. B&T is working with MTAHQ and the other MTA agencies on several workforce development task forces and sub-committees. Among the initiatives being undertaken this year is a new management training program for Maintenance personnel, a new Leadership Academy Program for mid-level managers; and the standardization of maintenance worker work rules.

FINANCIAL OVERVIEW

The November Plan calls for revenue reductions against the July Financial Plan primarily due to lower forecast toll revenues stemming from worsening economic conditions. The July Plan included actuals through May and, based on traffic trends at the time, volumes were projected to decline 3.6% year-over-year on average through December. The November Plan includes actuals through September. Traffic dropped 4.1% on average from June through September, compared to the same months in 2007. With minor adjustments for weather and other factors, the average decline during the last quarter is projected to be 4.3%.

Although gas prices have fallen somewhat in recent weeks, they remain historically high. Moreover, the financial crisis that hit in October and the subsequent economic uncertainty will likely contribute to an operating environment of suppressed traffic volumes. For the rest of the plan period, the toll revenue forecast includes the following assumptions:

- Gas prices will remain high throughout the financial plan period. Although gas prices have been impacting traffic negatively throughout 2008, volumes began declining considerably more from May on. Baseline traffic has therefore been adjusted downward to reflect the negative impacts from current gas prices over a full year.
- The region will lose over 40,000 jobs in 2009 and they won't be fully recovered until 2011.

B&T's Baseline Net Operating Income for the 2008 November Forecast is projected to be \$862.5 million, \$2.2 million higher than the 2008 July Financial Plan. This consists of \$1,304.1 million in revenue less \$441.5 million in expenses. Total Support to Mass Transit for the 2008 November Forecast is projected to be \$673.3 million, \$4.0 million higher than the 2008 July Financial Plan.

Baseline Net Operating Income for the 2009 Final Proposed Budget is projected to be \$842.1 million; \$20.5 million lower than the July Financial Plan, before factoring in the Program to Eliminate the Gap (PEG). This consists of \$1,292.9 million in revenue less \$450.8 million in expenses. Total Support to Mass Transit is projected to be \$620.8 million; \$26.6 million lower than the July Financial Plan.

In 2010, Baseline Net Operating Income is projected to be \$813.5 million, \$21.9 million lower than the July Financial Plan, before factoring in the Program to Eliminate the Gap (PEG). Total Support to Mass Transit for 2010 is projected to be \$585.7 million, \$34.4 million lower than the July Financial Plan.

For 2011, Baseline Net Operating Income is projected to be \$813.7 million, \$22.0 million lower than the July Financial Plan, before factoring in the Program to Eliminate the Gap. Total Support to Mass Transit is projected to be \$582.3 million, which is \$34.7 million lower than the July Financial Plan.

For 2012, Baseline Net Operating Income is projected to be \$803.6 million, \$21.7 million lower than the July Financial Plan, before factoring in the Program to Eliminate the Gap. Total Support to Mass Transit is projected to be \$564.2 million, \$34.6 million lower than the July Financial Plan.

2008 November Forecast

In the 2008 November Forecast, a total of \$862.5 million is projected in Baseline Net Operating Income compared to \$860.3 in the 2008 Mid-Year Forecast.

Total revenues are \$1,304.1 million, which is \$1.8 million less than the Mid-Year Forecast. Toll revenue accounts for approximately 98% of all revenues and is projected at \$1,273.2 million, which is \$3.2 million less than the original estimate. As mentioned earlier, year-to-year traffic declined over the first nine months of the year and is expected to continue to decline for the remainder of the year, primarily due to high gas prices and a slowdown in the local economy. Offsetting the lower toll revenue are increases in yields from existing E-ZPass fees (\$0.4 million) and capital reimbursements (\$0.9 million) and other miscellaneous sources (\$0.1 million).

The 2008 November Forecast expenses are \$441.5 million, which are composed of \$225.1 million in labor costs and \$216.4 million in non-labor expenses. Total expenses are \$4.1 million lower than the Mid-Year Forecast. Labor expenses are lower by \$0.7 million due primarily to lower payroll (\$0.5 million) and overtime

(\$0.3 million). Non-labor expenses (\$3.4 million) are lower mainly due to re-estimates of E-ZPass Customer Service Center costs (\$1.1 million) and lower expenses for maintenance of PCs, telecommunications, computer systems and other equipment services (\$1.4 million). In addition, there are reductions in bond service fees (\$0.4 million) and other expenses primarily due to delays in start-up of planning studies (\$1.0) and training services (\$0.4 million). These expenses were offset by increases in purchases of E-ZPass tags (\$0.4 million), E-ZPass credit card fees (\$0.7 million) and fence and rail equipment (\$0.2 million).

In 2008, the total planned headcount remains at 1,832, which includes 53 capital reimbursable positions.

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

2009 Final Proposed Budget

In the 2009 Final Proposed Budget, a total of \$842.1 million is projected in Baseline Net Operating Income for 2009, before factoring in the savings from PEGs, compared to \$862.6 million in the Mid-Year Forecast.

Revenues are \$1,292.9 million, which is \$18.7 million lower than the Mid-Year Budget primarily due to a \$17.4 million decrease in the toll revenue forecast, reflecting lower baseline traffic volume resulting from the unfavorable traffic trend in 2008 and downward revisions to the projection for regional employment. Capital reimbursable expenses were revised downward reflecting a decrease in capital work in the final year of the five-year capital program (\$1.3 million).

Expenses are \$450.8 million, which are composed of \$238.5 million in labor costs and \$212.3 million in non-labor expenses. Overall expenses are \$1.8 million higher than the Mid-Year Budget. Labor costs are projected to increase by \$1.0 million, due primarily to higher overtime costs (\$2.2 million) resulting from budgeting the change in rates due to the settlement of labor contracts under the payroll line. The overtime costs are offset by lower payroll (\$0.5 million) and health and welfare expenses (\$0.6 million).

Non-labor expenses will increase by \$0.8 million primarily due to revised estimates for E-ZPass credit card fees (\$0.7 million), re-estimate of maintenance contracts for PCs, telecommunications, copiers and other equipment (\$1.5 million). Offsetting the higher non-labor expenses are reductions in planning studies expenses (\$0.7 million).

In 2009, baseline headcount remains at 1,832, which includes 45 reimbursable positions.

The 2009 preliminary budget also includes below-the-line gap closing actions of \$0.3 million, which are discussed later in this document, under Gap Closing Measures.

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.

2010-2012 Projections

The 2010 projection for Baseline Net Operating Income is \$813.5 million before factoring in the savings from PEGs, compared to \$835.4 million in the July Financial Plan. This consists of \$1,296.5 million in revenues, less \$483.0 million in expenses. The expenses are comprised of \$246.8 million in labor costs and \$236.2 million in non-labor expenses. Overall expenses are \$2.5 million higher than the July Financial Plan.

Total baseline planned headcount in 2010 before factoring in the Program to Eliminate the Gap remains at 1,832, which includes 53 capitalily reimbursable positions.

The 2011 projection for Baseline Net Operating Income, before factoring in the savings from PEGs, is \$813.7 million compared to \$835.7 million in the July Financial Plan. This consists of \$1,301.8 million in revenues, offset by \$488.1 million in expenses. The expenses are comprised of \$256.3 million in labor costs and \$231.8 million in non-labor expenses.

In 2012, the projection for Baseline Net Operating Income is \$803.6 million compared to \$825.4 million in the July Financial Plan. This consists of \$1,309.6 million in revenues, offset by \$506.0 million in expenses. The expenses are comprised of \$266.0 million in labor costs and \$240.0 million in non-labor expenses.

Details for the reconciliations of the November Financial Plan to the July Financial Plan 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

2009 PEG Actions

PEG actions proposed in the July Financial Plan to be phased in during 2009 are projected to generate a total of \$0.264 million in cost reductions, which annualize to more than \$0.313 million each year thereafter. The program consists of the following initiatives:

- An evaluation of the Human Resources managerial structure has determined that they can reduce their supervisory staff by one position. This plan is projected to save \$0.127 million in labor cost beginning in 2009 and \$0.131 million each year thereafter.
- The Controllers Department evaluated their caseload and work flow and determined they can reduce their staff by one Accountant position, which became vacant due to retirement. The remaining two positions will absorb the responsibilities accomplished by this position. This plan is projected to save \$0.124 million in labor costs in 2009 and each year thereafter.
- The Controllers Department evaluated their Accounts Payable structure and determined that based on current workload and payment voucher trends, they will be able to reduce their staff by one position. This plan is projected to save \$0.013 million in labor cost in 2009 and \$0.054 million each year thereafter.

Post-2009 PEG Actions

Unspecified PEGs are scheduled to begin in 2010 and thereafter.

MTA BRIDGES AND TUNNELS
November Financial Plan 2009-2012
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE						
	2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	1,250.549	1,273.180	1,263.730	1,263.592	1,267.946	1,275.1
Other Operating Revenue	12.807	11.515	11.981	12.151	12.358	12.6
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.0
Investment Income	5.558	2.558	2.321	4.099	4.458	4.5
Total Revenue	\$1,268.914	\$1,287.253	\$1,278.032	\$1,279.842	\$1,284.762	\$1,292.108
Operating Expenses						
<u>Labor:</u>						
Payroll	\$113.837	\$122.243	\$128.951	\$132.850	\$137.415	\$142.044
Overtime	25.146	26.367	26.169	26.522	27.057	27.568
Health and Welfare	18.415	19.845	21.935	23.294	25.163	27.056
OPEB Current Payment	10.218	11.764	12.923	13.844	14.830	15.887
Pensions	18.204	19.513	23.446	24.068	24.750	25.481
Other Fringe Benefits	17.742	15.700	16.200	16.696	17.337	17.949
Reimbursable Overhead	(6.806)	(7.126)	(6.037)	(7.170)	(7.314)	(7.460)
Total Labor Expenses	\$196.755	\$208.306	\$223.586	\$230.103	\$239.239	\$248.524
<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	9.126	8.163	8.851	10.390	11.357	12.430
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	135.400	171.808	159.885	167.526	160.863	173.238
Professional Service Contracts	12.366	16.322	22.054	19.586	18.744	20.468
Materials & Supplies	14.008	17.912	18.939	35.411	37.803	30.629
Other Business Expenses	1.370	2.202	2.596	3.339	3.070	3.192
Total Non-Labor Expenses	\$172.270	\$216.407	\$212.325	\$236.252	\$231.837	\$239.957
<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 and GASB Adj	\$369.025	\$424.712	\$435.911	\$466.355	\$471.076	\$488.481
Add: Depreciation	\$69.793	\$72.700	\$77.800	\$83.200	\$89.000	\$95.200
OPEB Obligation	61.283	61.300	65.900	69.200	72.400	75.800
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses After Depreciation and GASB Adjs.	\$500.101	\$558.712	\$579.611	\$618.755	\$632.476	\$659.481
Less: Depreciation	69.793	72.700	77.800	83.200	89.000	95.200
OPEB Obligation	61.283	61.300	65.900	69.200	72.400	75.800
Total Expenses	\$369.025	\$424.712	\$435.911	\$466.355	\$471.076	\$488.481
Baseline Income/(Deficit)	\$899.889	\$862.541	\$842.120	\$813.487	\$813.686	\$803.627
2009 Agency Program to Eliminate the Gap	\$0.000	\$0.000	\$0.264	\$0.313	\$0.323	\$0.334
Post-2009 Agency Program to Eliminate the Gap	0.000	0.000	0.000	2.010	11.308	16.962
Net Income/(Deficit)	\$899.889	\$862.541	\$842.384	\$815.810	\$825.317	\$820.923
Business Service Center	\$0.000	\$0.000	\$0.000	\$0.000	\$1.691	\$4.049

MTA BRIDGES AND TUNNELS
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Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE						
	2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	16.057	16.811	14.840	16.657	17.065	17.529
Investment Income	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenue	\$16.057	\$16.811	\$14.840	\$16.657	\$17.065	\$17.529
Expenses						
<u>Labor:</u>						
Payroll	\$5.761	\$6.270	\$5.941	\$6.013	\$6.133	\$6.256
Overtime	0.556	0.116	0.049	0.135	0.100	0.100
Health and Welfare	1.575	1.667	1.457	1.733	1.878	2.036
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	0.333	0.890	0.740	0.907	0.923	0.942
Other Fringe Benefits	1.025	0.742	0.616	0.699	0.717	0.735
Reimbursable Overhead	6.806	7.126	6.037	7.170	7.314	7.460
Total Labor Expenses	\$16.057	\$16.811	\$14.840	\$16.657	\$17.065	\$17.529
<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	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Professional Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Materials & Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expenses	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Other Expense Adjustments:</u>						
Other						
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation	\$16.057	\$16.811	\$14.840	\$16.657	\$17.065	\$17.529
Add: Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Obligation	0.000	0.000	0.000	0.000	0.000	0.000
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses After Depreciation and GASB Adjs.	\$16.057	\$16.811	\$14.840	\$16.657	\$17.065	\$17.529
Less: Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Obligation	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$16.057	\$16.811	\$14.840	\$16.657	\$17.065	\$17.529
Net Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Business Service Center	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA BRIDGES AND TUNNELS
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(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE
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	2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	1,250.549	1,273.180	1,263.730	1,263.592	1,267.946	1,275.080
Other Operating Revenue	12.807	11.515	11.981	12.151	12.358	12.570
Capital and Other Reimbursements	16.057	16.811	14.840	16.657	17.065	17.529
Investment Income	5.558	2.558	2.321	4.099	4.458	4.458
Total Revenue	\$1,284.971	\$1,304.064	\$1,292.872	\$1,296.499	\$1,301.827	\$1,309.638
Expenses						
<u>Labor:</u>						
Payroll	\$119.599	\$128.513	\$134.892	\$138.863	\$143.548	\$148.300
Overtime	25.703	26.483	26.218	26.657	27.157	27.668
Health and Welfare	19.990	21.512	23.391	25.027	27.041	29.092
OPEB Current Payment	10.218	11.764	12.923	13.844	14.830	15.887
Pensions	18.537	20.403	24.186	24.974	25.673	26.423
Other Fringe Benefits	18.767	16.442	16.816	17.395	18.054	18.684
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$212.813	\$225.117	\$238.426	\$246.760	\$256.304	\$266.054
<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	9.126	8.163	8.851	10.390	11.357	12.430
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	135.400	171.808	159.885	167.526	160.863	173.238
Professional Service Contracts	12.366	16.322	22.054	19.586	18.744	20.468
Materials & Supplies	14.008	17.912	18.939	35.411	37.803	30.629
Other Business Expenses	1.370	2.202	2.596	3.339	3.070	3.192
Total Non-Labor Expenses	\$172.270	\$216.407	\$212.325	\$236.252	\$231.837	\$239.957
<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 and GASB Adj	\$385.082	\$441.523	\$450.751	\$483.012	\$488.141	\$506.010
Add: Depreciation	69.793	72.700	77.800	83.200	89.000	95.200
OPEB Obligation	61.283	61.300	65.900	69.200	72.400	75.800
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses After Depreciation and GASB Adjs.	\$516.158	\$575.523	\$594.451	\$635.412	\$649.541	\$677.010
Less: Depreciation	69.793	72.700	77.800	83.200	89.000	95.200
OPEB Obligation	61.283	61.300	65.900	69.200	72.400	75.800
Total Expenses	385.082	441.523	450.751	483.012	488.141	506.010
Baseline Net Income/(Deficit)	\$899.889	\$862.541	\$842.120	\$813.487	\$813.686	\$803.627
2009 Agency Program to Eliminate the Gap	\$0.000	\$0.000	\$0.264	\$0.313	\$0.323	\$0.334
Post-2009 Agency Program to Eliminate the Gap	0.000	0.000	0.000	2.010	11.308	16.962
Net Income/(Deficit)	\$899.889	\$862.541	\$842.384	\$815.810	\$825.317	\$820.923
Business Service Center	\$0.000	\$0.000	\$0.000	\$0.000	\$1.691	\$4.049

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NON-REIMBURSABLE / REIMBURSABLE
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	2007 <u>Actual</u>	2008 November <u>Forecast</u>	2009 Final Proposed <u>Budget</u>	2010	2011	2012
Baseline Income/(Deficit)	\$899.889	\$862.541	\$842.120	\$813.487	\$813.686	\$803.627
<u>Deductions from Income:</u>						
Less: Capitalized Assets	\$6.314	\$14.508	\$18.854	\$18.854	\$18.854	\$18.854
Reserves	16.156	13.667	13.953	14.261	14.531	14.809
GASB Reserves	1.670	1.980	2.210	2.431	2.479	2.529
Adjusted Baseline Income/(Deficit)	\$875.749	\$832.386	\$807.104	\$777.941	\$777.822	\$767.435
Less: Debt Service	463.748	506.616	603.878	609.285	620.770	634.429
Income Available for Distribution	\$412.001	\$325.771	\$203.225	\$168.656	\$157.052	\$133.006
<u>Distributable To:</u>						
MTA - Investment Income	5.558	\$2.558	\$2.321	\$4.099	\$4.458	\$4.458
MTA - Distributable Income	249.968	215.707	165.980	146.768	140.584	128.631
NYCT - Distributable Income	156.474	107.506	34.925	17.789	12.010	(0.083)
Total Distributable Income:	\$412.001	\$325.771	\$203.225	\$168.656	\$157.052	\$133.006
<u>Actual Cash Transfers:</u>						
MTA - Investment Income	8.637	5.558	2.558	2.321	4.099	4.458
MTA - Transfers	249.945	225.378	170.952	148.689	141.202	129.826
NYCT - Transfers	156.397	111.852	42.183	19.503	12.588	1.127
Total Cash Transfers:	\$414.979	\$342.788	\$215.693	\$170.512	\$157.890	\$135.411
<u>SUPPORT TO MASS TRANSIT:</u>						
Total Revenues	\$1,284.971	\$1,304.064	\$1,292.872	\$1,296.499	\$1,301.827	\$1,309.638
Less: Net Operating Expenses	385.082	441.523	450.751	483.012	488.141	506.010
2009 Agency Program to Eliminate the Gap	0.000	0.000	0.264	0.313	0.323	0.334
Post-2009 Agency Program to Eliminate the Gap	0.000	0.000	0.000	2.010	11.308	16.962
Net Operating Income:	\$899.889	\$862.541	\$842.384	\$815.810	\$825.317	\$820.923
<u>Deductions from Operating Income:</u>						
B&T Debt Service	\$140.544	\$159.060	\$186.541	\$194.597	\$207.181	\$220.489
Capitalized Assets	6.314	14.508	18.854	18.854	18.854	18.854
Reserves	16.156	13.667	13.953	14.261	14.531	14.809
GASB Reserves	1.670	1.980	2.210	2.431	2.479	2.529
Total Deductions from Operating Income:	\$164.684	\$189.215	\$221.558	\$230.144	\$243.044	\$256.681
Total Support to Mass Transit:	\$735.205	\$673.326	\$620.826	\$585.666	\$582.273	\$564.243

MTA Bridges and Tunnels
November Financial Plan 2009-2012
Year-to-Year Changes by Category - Accrual Basis

YEAR-TO-YEAR CHANGES: 2009-2012

Toll Revenue

- Revenues are estimated at \$1,273.2 million in 2008, \$1,263.7 million in 2009, \$1,263.6 million in 2009, \$1,267.9 million in 2011 and \$1,275.1 million in 2012. Revenue declines in 2009 as a result of downward adjustments to baseline traffic to reflect a full year's impact of the high gas prices experienced during recent months, the leap year in 2008, and a projected 1.1% decline in regional employment. The forecast assumes modest employment growth from 2010 to 2012.
- Traffic is expected to reach 295.2 million vehicles in 2008. Traffic in 2009 is projected to decline over the prior year as a result of downward adjustments to baseline traffic to reflect a full year's impact of the high gas prices experienced during recent months, the leap year in 2008, and a projected 1.1% decline in regional employment. The forecast from 2010 through 2012 incorporates modest employment growth projections and adjusts for the leap year in 2012. Paid traffic is forecast at 290.8 million vehicles in 2009, 291.2 million in 2010, 292.7 million in 2011 and 294.8 million in 2012.

Other Operating Revenue

- Other Operating Revenue is projected at \$11.5 million in 2008 and is estimated to increase to \$12.0 million in 2009 reflecting modest growth in parking receipts from the Battery Parking Garage.
- Other Operating Revenue increases by approximately \$0.2 million each year from 2010 through 2012, primarily reflecting expected modest growth in parking receipts from the BPG.

Capital and Other Reimbursements

- Income from Capital and Other Reimbursements is expected to decrease by \$2.0 million to \$14.8 million in 2009 resulting from revised estimates of ongoing capital work during the final year of the five-year capital program. Capital and Other Reimbursements increase by \$1.8 million in 2010 to reflect a projected increase in reimbursable work for the new capital program and \$0.4 million per year for 2011 and 2012, due to CPIU adjustments.

Investment Income

- The Investment Income plan for 2008 through 2012 reflects earnings on estimated fund balances based on Global Insight's forecasts for short-term investment yields. Projected Investment Income is estimated at \$2.6 million in 2008 and \$2.3 million in 2009.
- Investment income is projected at \$4.1 million in 2010 and at \$4.5 million in both 2011 and 2012.

Payroll

- In 2009, there is an increase of \$6.4 million over 2008 due to the ability to fill vacancies for Bridge and Tunnel Officers (BTOs) (\$2.3 million), contractual step-up and CPIU increases.
- Thereafter, expenses increase by contractual step-up increases and CPIU, \$4.0 million in 2010, \$4.6 million in 2011, and \$4.6 million in 2012. There is also a new need that begins in 2011 (\$0.3 million) for 7 additional positions to maintain a newly renovated building on Randall's/Ward Island that will be used to relocate B&T engineers and other administrative personnel who currently occupy part of the Robert Moses Building on Randall's Island.

Overtime

- In 2009, there is a \$0.3 million decrease from 2008 in overtime expenses largely due to being able to fill vacancies for BTOs.
- Thereafter, the year-over-year increases average \$0.5 million and are due to CPIU adjustments.

Health and Welfare

- In 2009, there is a \$1.9 million increase from 2008 in Health and Welfare expenses. This increase is mainly due to a CPIU of 7.82% for medical expenses and for new hires.
- The year-over-year increases from 2010 to 2012 are \$1.2 million, \$1.9 million, and \$1.9 million, respectively. A CPIU of 7.1% has been added to each year from 2009 on, based on factors provided by the MTA.

OPEB Current Payments

- In 2009, there is a \$1.2 million increase from 2008 mainly due to a CPIU of 7.82% for medical expenses.
- The year-over-year increases from 2010 to 2012 are \$0.9 million, \$1.0 million, and \$1.1 million, respectively. A CPIU of 7.1% has been added to each year from 2009 on, based on factors provided by the MTA.

Pension

- In 2009, there is a \$3.8 million increase from 2008, based on the latest NYCERS estimates received. The increases of less than a million per year from 2009 to 2012 are due to CPIU.

Other Fringe Benefits

- The year-over-year changes from 2008 to 2012 are approximately \$0.4 million, \$0.6 million, \$0.7 million and \$0.6 million per year, respectively. These increases are mainly due to the effect of CPIU inflators.

Insurance

- Insurance expenses increase between \$0.7 million and \$1.5 million annually from 2009 through 2012 based on MTA Risk Management's most recent estimates.

Maintenance and Other Operating Contracts

- In 2009, expenses are projected to be \$11.9 million lower than 2008 primarily due to lower major maintenance expenses in 2009 (\$8.2 million) resulting from various projects at the Verrazano-Narrows, Triborough and Throgs Neck Bridges being completed in 2008 and revised schedules and estimates for 2009 projects; lower bridge painting expenses (\$8.7 million) for acceleration of painting at the Bronx Whitestone Bridge tower from 2009 to 2008 and the completion of painting at the Verrazano Narrows and Triborough Bridges. Other expenses contributing to this variance are lower E-ZPass Customer Service Center (CSC) expenses (\$0.8 million) due to the new operating contract, offset by an increase in maintenance costs for the Authority's facility-based security system (\$2.9 million), E-ZPass credit card fees (\$0.6 million) and CPIU increases (\$3.2 million).
- In 2010, expenses are \$7.6 million higher than 2009 due primarily to higher major maintenance (\$2.7 million) and bridge painting expenses (\$1.7 million). Other increases include E-ZPass CSC (\$1.6 million) due to program growth and CPIU increases (\$1.3 million).
- For 2011, expenses are \$6.7 million lower than 2010 primarily due to a reduction in bridge painting expenses (\$10.7 million) after the completion of work at the Henry Hudson, Triborough and Throgs Neck Bridges. This will be offset by higher CSC operating costs (\$1.1 million) and credit card fees (\$0.4 million) due to program growth and CPIU and other increases (\$2.4 million).
- For 2012, expenses are \$12.4 million higher than 2011 primarily due to higher bridge painting expenses (\$8.3 million) resulting from anticipated construction start-up for new painting work, higher expenses for CSC operating costs (\$0.4 million), credit card fees (\$0.5 million) due to program growth, CPIU and other increases (\$3.0 million).

- CPIU increases are 3.46% in 2008, 1.59% in 2009, 1.59% in 2010, 1.67% in 2011 and 1.90% in 2012 based on forecasts for national inflation provided by Global Insight.

Professional Service Contracts

- In 2009, expenses are \$5.7 million higher than 2008 primarily due to the addition of a cashless tolling study (\$3.6 million) beginning in 2009 and ending in 2010, re-estimates of MTA chargeback expenses (\$0.3 million), and CPIU increases.
- In 2010, expenses are lower by \$2.5 million due primarily to a reduction in planning studies.
- For 2011 the \$0.8 million lower expenses are a result of a further reduction in planning studies.
- For 2012 the \$1.7 million higher expenses primarily reflect higher planning study needs for an anticipated origin and destination study.
- CPIU increases are 3.46% in 2008, 1.59% in 2009, 1.59% in 2010, 1.67% in 2011 and 1.90% in 2012 based on forecasts for national inflation provided by Global Insight.

Materials and Supplies

- In 2009, expenses are \$1.0 million higher primarily for an increase in E-ZPass tags (\$1.7 million) that will be used to undertake a new tag replacement program in 2010 for tags that reach their eighth year in service, offset by CPIU adjustments and numerous small reductions in various accounts.
- The 2010 expenses are \$16.5 million greater primarily due to the inventory demands of the E-ZPass tag replacement program (\$15.4 million). This was offset by CPIU and other adjustments.
- For 2011, expenses are \$2.4 million greater due primarily to the increase in E-ZPass tag purchases (\$2.3 million) for the tag replacement program.
- Finally, for 2012, expenses are \$7.2 million lower primarily due to lower tag replacement requirements than in previous years and CPIU and other adjustments.
- CPIU increases are 3.46% in 2008, 1.59% in 2009, 1.59% in 2010, 1.67% in 2011 and 1.90% in 2012 based on forecasts for national inflation provided by Global Insight.

Other Business Expenses

- For 2009 through 2012, the higher expenses reflect CPIU increases.
- CPIU increases are 3.46% in 2008, 1.59% in 2009, 1.59% in 2010, 1.67% in 2011 and 1.90% in 2012 based on forecasts for national inflation provided by Global Insight.

MTA BRIDGES AND TUNNELS
November Financial Plan 2009 - 2012
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE

	Favorable/(Unfavorable)								
	2008	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011
Revenue									
Farebox Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vehicle Toll Revenue	1,273.180	1,263.730	(9.450)	1,263.592	(0.138)	1,267.946	4.354	1,275.080	7.134
Other Operating Revenue	11.515	11.981	0.465	12.151	0.171	12.358	0.206	12.570	0.213
Capital and Other Reimbursements	-	-	-	-	-	-	-	-	-
Investment Income	2.558	2.321	(0.237)	4.099	1.778	4.458	0.359	4.458	-
Total Revenue	\$ 1,287.253	\$ 1,278.032	\$ (9.222)	\$ 1,279.842	\$ 1.811	\$ 1,284.762	\$ 4.919	\$ 1,292.108	\$ 7.347
Expenses									
Labor:									
Payroll	\$ 122.243	\$ 128.951	\$ (6.708)	\$ 132.850	\$ (3.899)	\$ 137.415	\$ (4.566)	\$ 142.044	\$ (4.629)
Overtime	26.367	26.169	0.198	26.522	(0.353)	27.057	(0.535)	27.568	(0.511)
Health and Welfare	19.845	21.935	(2.090)	23.294	(1.359)	25.163	(1.869)	27.056	(1.893)
OPEB Current Payment	11.764	12.923	(1.159)	13.844	(0.921)	14.830	(0.986)	15.887	(1.057)
Pensions	19.513	23.446	(3.933)	24.068	(0.621)	24.750	(0.682)	25.481	(0.731)
Other Fringe Benefits	15.700	16.200	(0.500)	16.696	(0.496)	17.337	(0.641)	17.949	(0.612)
Reimbursable Overhead	(7.126)	(6.037)	(1.089)	(7.170)	1.133	(7.314)	0.143	(7.460)	0.146
Total Labor Expenses	\$ 208.306	\$ 223.586	\$ (15.281)	\$ 230.103	\$ (6.517)	\$ 239.239	\$ (9.136)	\$ 248.524	\$ (9.286)
Non-Labor:									
Traction and Propulsion Power	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fuel for Buses and Trains	-	-	-	-	-	-	-	-	-
Insurance	8.163	8.851	(0.688)	10.390	(1.539)	11.357	(0.967)	12.430	(1.073)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	171.808	159.885	11.922	167.526	(7.641)	160.863	6.663	173.238	(12.375)
Professional Service Contracts	16.322	22.054	(5.732)	19.586	2.468	18.744	0.842	20.468	(1.724)
Materials & Supplies	17.912	18.939	(1.027)	35.411	(16.473)	37.803	(2.392)	30.629	7.174
Other Business Expenses	2.202	2.596	(0.394)	3.339	(0.743)	3.070	0.269	3.192	(0.122)
Total Non-Labor Expenses	\$ 216.407	\$ 212.325	\$ 4.081	\$ 236.252	\$ (23.927)	\$ 231.837	\$ 4.415	\$ 239.957	\$ (8.120)
Other Expenses Adjustments:									
Other	-	-	-	-	-	-	-	-	-
Total Other Expense Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenses before Depreciation and GASB Adjs.	\$ 424.712	\$ 435.911	\$ (11.199)	\$ 466.355	\$ (30.444)	\$ 471.076	\$ (4.721)	\$ 488.481	\$ (17.405)
Add: Depreciation	\$ 72.700	\$ 77.800	\$ (5.100)	\$ 83.200	\$ (5.400)	\$ 89.000	\$ (5.800)	\$ 95.200	\$ (6.200)
Add: OPEB Obligation	61.300	65.900	(4.600)	69.200	(3.300)	72.400	(3.200)	75.800	(3.400)
Add: Environmental Remediation	-	-	-	-	-	-	-	-	-
Total Expenses after Depreciation and GASB Adjs.	\$ 558.712	\$ 579.611	\$ (20.899)	\$ 618.755	\$ (39.144)	\$ 632.476	\$ (13.721)	\$ 659.481	\$ (27.005)
Less: Depreciation	72.700	77.800	(5.100)	83.200	(5.400)	89.000	(5.800)	95.200	(6.200)
Less: OPEB Obligation	61.300	65.900	(4.600)	69.200	(3.300)	72.400	(3.200)	75.800	(3.400)
Total Expenses	\$ 424.712	\$ 435.911	\$ (11.199)	\$ 466.355	\$ (30.444)	\$ 471.076	\$ (4.721)	\$ 488.481	\$ (17.405)
Baseline Net Income/(Deficit)	\$ 862.541	\$ 842.120	\$ (20.421)	\$ 813.487	\$ (28.633)	\$ 813.686	\$ 0.199	\$ 803.627	\$ (10.059)
2009 Program to Eliminate the Gap (PEGs)	\$ -	\$ 0.264	\$ 0.264	\$ 0.313	\$ 0.049	\$ 0.323	\$ 0.010	\$ 0.334	\$ 0.011
Post-2009 Program to Eliminate the Gap (PEGs)	-	-	-	2.010	2.010	11.308	9.298	16.962	5.654
Net Income/(Deficit)	\$ 862.541	\$ 842.384	\$ (20.157)	\$ 815.810	\$ (26.574)	\$ 825.317	\$ 9.507	\$ 820.923	\$ (4.394)
Policy Action - Business Service Center	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1.691	\$ 1.691	\$ 4.049	\$ 2.358

REIMBURSABLE

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MTA BRIDGES AND TUNNELS
November Financial Plan 2009 - 2012
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE
(Page 1 of 2)

	Favorable/(Unfavorable)								
	2008	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011
Revenue									
Farebox Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vehicle Toll Revenue	1,273.180	1,263.730	(9.450)	1,263.592	(0.138)	1,267.946	4.354	1,275.080	7.134
Other Operating Revenue	11.515	11.981	0.465	12.151	0.171	12.358	0.206	12.570	0.213
Capital and Other Reimbursements	16.811	14.840	(1.971)	16.657	1.817	17.065	0.408	17.529	0.464
Investment Income	2.558	2.321	(0.237)	4.099	1.778	4.458	0.359	4.458	-
Total Revenue	\$ 1,304.064	\$ 1,292.872	\$ (11.193)	\$ 1,296.499	\$ 3.627	\$ 1,301.827	\$ 5.327	\$ 1,309.638	\$ 7.811
Expenses									
Labor:									
Payroll	\$ 128.513	\$ 134.892	\$ (6.379)	\$ 138.863	\$ (3.971)	\$ 143.548	\$ (4.686)	\$ 148.300	\$ (4.751)
Overtime	26.483	26.218	0.265	26.657	(0.439)	27.157	(0.500)	27.668	(0.511)
Health and Welfare	21.512	23.391	(1.879)	25.027	(1.635)	27.041	(2.015)	29.092	(2.051)
OPEB Current Payment	11.764	12.923	(1.159)	13.844	(0.921)	14.830	(0.986)	15.887	(1.057)
Pensions	20.403	24.186	(3.783)	24.974	(0.788)	25.673	(0.699)	26.423	(0.750)
Other Fringe Benefits	16.442	16.816	(0.374)	17.395	(0.579)	18.054	(0.658)	18.684	(0.630)
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
Total Labor Expenses	\$ 225.117	\$ 238.426	\$ (13.310)	\$ 246.760	\$ (8.333)	\$ 256.304	\$ (9.544)	\$ 266.054	\$ (9.750)
Non-Labor:									
Traction and Propulsion Power	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fuel for Buses and Trains	-	-	-	-	-	-	-	-	-
Insurance	8.163	8.851	(0.688)	10.390	(1.539)	11.357	(0.967)	12.430	(1.073)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	171.808	159.885	11.922	167.526	(7.641)	160.863	6.663	173.238	(12.375)
Professional Service Contracts	16.322	22.054	(5.732)	19.586	2.468	18.744	0.842	20.468	(1.724)
Materials & Supplies	17.912	18.939	(1.027)	35.411	(16.473)	37.803	(2.392)	30.629	7.174
Other Business Expenses	2.202	2.596	(0.394)	3.339	(0.743)	3.070	0.269	3.192	(0.122)
Total Non-Labor Expenses	\$ 216.407	\$ 212.325	\$ 4.081	\$ 236.252	\$ (23.927)	\$ 231.837	\$ 4.415	\$ 239.957	\$ (8.120)
Other Expenses Adjustments:									
Other	-	-	-	-	-	-	-	-	-
Total Other Expense Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenses before Depreciation and GASB Adjs.	\$ 441.523	\$ 450.751	\$ (9.228)	\$ 483.012	\$ (32.261)	\$ 488.141	\$ (5.129)	\$ 506.010	\$ (17.870)
Add: Depreciation	\$ 72.700	\$ 77.800	\$ (5.100)	\$ 83.200	\$ (5.400)	\$ 89.000	\$ (5.800)	\$ 95.200	\$ (6.200)
Add: OPEB Obligation	61.300	65.900	(4.600)	69.200	(3.300)	72.400	(3.200)	75.800	(3.400)
Add: Environmental Remediation	-	-	-	-	-	-	-	-	-
Total Expenses after Depreciation and GASB Adjs.	\$ 575.523	\$ 594.451	\$ (18.928)	\$ 635.412	\$ (40.961)	\$ 649.541	\$ (14.129)	\$ 677.010	\$ (27.470)
Less: Depreciation	72.700	77.800	(5.100)	83.200	(5.400)	89.000	(5.800)	95.200	(6.200)
Less: OPEB Obligation	61.300	65.900	(4.600)	69.200	(3.300)	72.400	(3.200)	75.800	(3.400)
Total Expenses	\$ 441.523	\$ 450.751	\$ (9.228)	\$ 483.012	\$ (32.261)	\$ 488.141	\$ (5.129)	\$ 506.010	\$ (17.870)
Baseline Net Income/(Deficit)	\$ 862.541	\$ 842.120	\$ (20.421)	\$ 813.487	\$ (28.633)	\$ 813.686	\$ 0.199	\$ 803.627	\$ (10.059)
2009 Program to Eliminate the Gap (PEGs)	\$ -	\$ 0.264	\$ 0.264	\$ 0.313	\$ 0.049	\$ 0.323	\$ 0.010	\$ 0.334	\$ 0.011
Post-2009 Program to Eliminate the Gap (PEGs)	-	-	-	2.010	2.010	11.308	9.298	16.962	5.654
Net Income/(Deficit)	\$ 862.541	\$ 842.384	\$ (20.157)	\$ 815.810	\$ (26.574)	\$ 825.317	\$ 9.507	\$ 820.923	\$ (4.394)
Policy Action - Business Service Center	-	-	-	-	-	1.691	1.691	4.049	2.358

MTA BRIDGES AND TUNNELS
November Financial Plan 2009 - 2012
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE
(Page 2 of 2)

	Favorable/(Unfavorable)								
	2008	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011
Baseline Net Income/(Deficit)	\$ 862.541	\$ 842.120	\$ (20.421)	\$ 813.487	\$ (28.633)	\$ 813.686	\$ 0.199	\$ 803.627	\$ (10.059)
<u>Deductions from Income:</u>									
Less: Capitalized Assets	\$ 14.508	\$ 18.854	\$ (4.346)	\$ 18.854	\$ -	\$ 18.854	\$ -	\$ 18.854	\$ -
Reserves	13.667	13.953	(0.286)	14.261	(0.308)	14.531	(0.270)	14.809	(0.278)
GASB 45 Reserves	1.980	2.210	(0.230)	2.431	(0.222)	2.479	(0.047)	2.529	(0.051)
Adjusted Baseline Net Income/(Deficit)	\$ 834.366	\$ 809.313	\$ (25.053)	\$ 780.372	\$ (28.941)	\$ 780.301	\$ (0.071)	\$ 769.964	\$ (10.337)
Less: Debt Service			-		-		-		-
Income Available for Distribution	\$ 834.366	\$ 809.313	\$ (25.053)	\$ 780.372	\$ (28.941)	\$ 780.301	\$ (0.071)	\$ 769.964	\$ (10.337)
Distributable To:									
MTA - Investment Income	\$ 2.558	\$ 2.321	\$ 0.237	\$ 4.099	\$ (1.778)	\$ 4.458	\$ (0.359)	\$ 4.458	\$ -
MTA - Distributable Income	215.707	165.980	49.727	146.768	19.212	140.584	6.184	128.631	11.953
NYCT - Distributable Income	107.506	34.925	72.581	17.789	17.136	12.010	5.779	(0.083)	12.093
Total Distributable Income:	\$ 325.771	\$ 203.225	\$ 122.545	\$ 168.656	\$ 34.569	\$ 157.052	\$ 11.603	\$ 133.006	\$ 24.046
Actual Cash Transfers:									
MTA - Investment Income	\$ 5.558	\$ 2.558	\$ 3.000	\$ 2.321	\$ 0.237	\$ 4.099	\$ (1.778)	\$ 4.458	\$ (0.359)
MTA - Transfers	225.378	170.952	54.425	148.689	22.263	141.202	7.487	129.826	11.376
NYCT - Transfers	111.852	42.183	69.670	19.503	22.680	12.588	6.914	1.127	11.462
Total Cash Transfers:	\$ 342.788	\$ 215.693	\$ 127.095	\$ 170.512	\$ 45.181	\$ 157.890	\$ 12.623	\$ 135.411	\$ 22.479
SUPPORT TO MASS TRANSIT:									
Total Revenues	\$1,304.064	\$1,292.872	(\$11.193)	\$1,296.499	\$3.627	\$1,301.827	\$5.327	\$1,309.638	\$7.811
Less: Net Operating Expenses	441.523	450.751	(9.228)	483.012	(32.261)	488.141	(5.129)	506.010	(17.870)
2009 Program to Eliminate the Gap (PEGs)	-	0.264	0.264	0.313	0.049	0.323	0.010	0.334	0.011
Post-2009 Program to Eliminate the Gap (PEGs)	-	-	-	2.010	2.010	11.308	9.298	16.962	5.654
Net Operating Income:	\$ 862.541	\$ 842.384	\$ (20.157)	\$ 815.810	\$ (28.584)	\$ 825.317	\$ 0.209	\$ 820.923	\$ (10.048)
Deductions from Operating Income:									
B&T Debt Service	\$159.060	\$186.541	(\$27.481)	\$194.597	(\$8.056)	\$207.181	(\$12.583)	\$220.489	(\$13.308)
Capitalized Assets	14.508	18.854	(4.346)	18.854	-	18.854	-	18.854	-
Reserves	13.667	13.953	(0.286)	14.261	(0.308)	14.531	(0.270)	14.809	(0.278)
GASB 45 Reserves	1.980	2.210	(0.230)	2.431	(0.222)	2.479	(0.047)	2.529	(0.051)
Total Deductions from Operating Inc:	\$ 189.215	\$ 221.558	\$ (32.343)	\$ 230.144	\$ (8.586)	\$ 243.044	\$ (12.900)	\$ 256.681	\$ (13.637)
Total Support to Mass Transit:	\$ 673.326	\$ 620.826	\$ (52.500)	\$ 585.666	\$ (37.170)	\$ 582.273	\$ (12.692)	\$ 564.243	\$ (23.684)

MTA Bridges and Tunnels
November Financial Plan 2009 - 2012
Summary of Major Changes between Financial Plans
(\$ in millions)

Non-Reimbursable Major Changes

2008: November Financial Plan vs. July Financial Plan

Revenues

Revenue adjustments from the July Plan result in a decrease of \$2.7 million. The major changes include:

- Lower toll revenues (\$3.2 million) due to decreased traffic volumes stemming primarily from high gas prices and worsening economic conditions.
- Higher Other Operating Revenues (\$0.5 million) primarily due to higher yields in existing E-ZPass administrative fee collections.

Expenses

Expenses are projected to be \$4.9 million less than the July Plan due to both lower labor (\$1.6 million) and non-labor (\$3.4 million) expenses. The major variances include:

Labor

- Lower Payroll costs (\$0.8 million) due mainly to vacancies.
- Lower Overtime costs (\$0.3 million) due primarily to revised estimates of projected needs.
- Lower Health and Welfare costs (\$0.2 million) due to vacancies and hiring delays.
- Higher Other Fringe Benefits (\$0.2 million) costs due to settlement of labor contracts.
- Lower Reimbursable Overhead (\$0.4 million) due to adjustments in reimbursable estimates.

Non-Labor

- Lower Insurance expenses (\$0.1 million) due to re-estimates from MTA Risk Management.
- Lower Maintenance and Other Operating Costs (\$1.7 million) resulting primarily from lower projected expenses for maintenance of PC/copiers and other equipment (\$1.5 million) and E-ZPass Customer Service Center operating costs (\$1.0 million), offset by higher E-ZPass credit card fees (\$0.7 million).
- Lower Professional Services Contract expenses (\$2.2 million) resulting primarily from lower than planned bond insurance service fees (\$0.4 million), lower planning studies expenses (\$1.0 million) resulting from

- delay in the start-up of certain studies and re-estimate of training services expenses (\$0.4 million).
- Increase in Material and Supplies (\$0.8 million) due mainly to higher E-ZPass tag purchases (\$0.4 million) and other minor adjustments.
- Lower Other Business Expenses (\$0.1 million).

Reimbursable Major Changes

2008: November Financial Plan vs. July Financial Plan

Revenues

Increase in capital reimbursements (\$0.9 million) due to higher than projected capital work being performed.

Expenses

Higher capital reimbursable expenses of \$0.9 million based on a re-estimate of the amount of capital work being performed.

Non-Reimbursable and Reimbursable

2009-2012: November Financial Plan vs. July Financial Plan

Revenues

Revenue changes from the July Plan over the 2009 to 2012 period include:

- Decreased Toll Revenues (\$17.4 million in 2009, \$18.9 million in 2010, \$18.0 million in 2011, and \$15.7 million in 2012) based on lower baseline traffic volume resulting from the unfavorable traffic trend in 2008 and downward revisions to the projections for regional employment.
- Other Operating Revenues are lower in 2009-2012 primarily due to lower Battery Parking Garage (BPG) income resulting from a projected slowdown in the economy.
- Lower capital reimbursements in 2009 resulting from revised estimates of ongoing capital work during the final year of the five-year capital program (\$1.3 million).
- Unfavorable re-estimates of investment income based on Global Insight's lower short-term interest rate forecasts.

Expenses

Labor

Total labor expenses are projected to increase \$2.2 million over the 2009-2012 financial plan period. Of this increase, \$2.1 million is the result of CPIU

adjustments. Changes in non-reimbursable labor expenses for 2009-2012 include the following:

- Lower payroll expenses due to a misallocation between payroll and overtime of the budget set aside for future contract settlements.
- Higher Overtime primarily due to the above-noted misallocation as well as higher than projected costs for the impact of the latest labor settlements.
- Lower expenses for Health & Welfare from 2009 to 2012 resulting from the reductions in CPIU rates and increases to the GASB reserve.
- Increase in Pension costs for 2009 due to re-estimate from NYCERS and CPIU thereafter in 2010, 2011 and 2012.
- Increase in Other Fringe Benefits due to contract increases for BTO uniform allowance.

Non-Labor

Non-labor expenses are projected to increase \$10.8 million over the 2009-2012 financial plan period. Of this increase, \$8.8 million is due to an increase in CPIU rates. Other changes include the following:

- Variances for Maintenance and Other Operating Contracts include: lower projected expenses for the E-ZPass Customer Service Center due primarily to full implementation of a new contract and higher projections for E-ZPass credit card fees and maintenance of computers and various other equipment.
- Changes for Professional Services Contracts include lower planning studies expenses in 2009 due to a revised estimate for the assessment of cashless tolling and lower MTA chargeback expenses.
- Changes for Materials and Supplies include higher re-estimates of E-ZPass tag purchases for new accounts and the tag swap program.

MTA BRIDGES AND TUNNELS
November Financial Plan 2009 - 2012
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE

	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Net Operating Income	\$860.930	\$865.408	\$838.220	\$838.240	\$827.947
IESS Adjustment	(\$0.602)	(\$2.777)	(\$2.814)	(\$2.505)	(\$2.585)
Adjusted Baseline 2008 July Financial Plan - Net Operating Income	\$860.327	\$862.631	\$835.406	\$835.735	\$825.362
Baseline Changes					
Revenue					
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	(3.227)	(17.387)	(18.890)	(18.035)	(15.696)
Other Operating Revenue	0.501	(0.097)	(0.069)	(0.015)	0.019
Capital and Other Reimbursement	0.000	0.000	0.000	0.000	0.000
Investment Income	0.007	0.062	(0.465)	(0.727)	(0.727)
Total Revenue Changes	(\$2.720)	(\$17.422)	(\$19.424)	(\$18.777)	(\$16.404)
Expenses					
<i>Labor:</i>					
Payroll	\$0.833	\$0.755	\$1.101	\$1.061	\$1.192
Overtime	0.292	(2.220)	(2.218)	(2.218)	(2.219)
Health and Welfare	0.191	0.383	0.647	0.655	0.663
OPEB Current Payment	-	-	-	-	-
Pensions	0.064	(0.126)	(0.047)	(0.091)	(0.122)
Other Fringe Benefits	(0.181)	(0.054)	0.160	0.127	0.149
Reimbursable Overhead	0.377	(0.996)	-	-	-
Total Labor Expense Changes	\$1.575	(\$2.257)	(\$0.356)	(\$0.466)	(\$0.336)
<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	(0.005)	(0.007)	(0.011)	(0.014)
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	1.696	(1.425)	(2.490)	(2.982)	(4.251)
Professional Service Contracts	2.232	0.572	(0.168)	(0.281)	(0.403)
Materials & Supplies	(0.802)	0.023	0.546	0.502	(0.279)
Other Business Expenses	0.123	0.003	(0.020)	(0.033)	(0.047)
Total Non-Labor Expense Changes	\$3.359	(\$0.832)	(\$2.139)	(\$2.805)	(\$4.994)
Other Expenses	0.000	0.000	0.000	0.000	0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adjustments	\$4.933	(\$3.089)	(\$2.495)	(\$3.272)	(\$5.330)
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Obligation	0.000	0.000	0.000	0.000	0.000
Environmental Remediation	-	-	-	-	-
Total Expense after Depreciation and GASB Adjustments	\$4.933	(\$3.089)	(\$2.495)	(\$3.272)	(\$5.330)
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Obligation	-	-	-	-	-
Total Expense Changes	\$4.933	(\$3.089)	(\$2.495)	(\$3.272)	(\$5.330)
Cash Adjustment Changes					
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$2.214	(\$20.511)	(\$21.919)	(\$22.049)	(\$21.734)
Baseline 2008 November Financial Plan - Net Operating Income	\$862.541	\$842.120	\$813.487	\$813.686	\$803.627

MTA BRIDGES AND TUNNELS
November Financial Plan 2009 - 2012
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE

	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Net Operating Income	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
IESS Adjustment	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Adjusted Baseline 2008 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	0.884	(1.251)	0.000	0.000	0.000
Investment Income	0.000	0.000	0.000	0.000	0.000
Total Revenue Changes	\$0.884	(\$1.251)	\$0.000	\$0.000	\$0.000
Expenses					
<i>Labor:</i>					
Payroll	(\$0.332)	(\$0.209)	\$0.000	\$0.000	\$0.000
Overtime	0.000	0.000	0.000	0.000	0.000
Health and Welfare	(0.089)	0.240	0.000	0.000	0.000
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000
Pensions	(0.047)	0.122	0.000	0.000	0.000
Other Fringe Benefits	(0.039)	0.102	0.000	0.000	0.000
Reimbursable Overhead	(0.377)	0.996	0.000	0.000	0.000
Total Labor Expense Changes	(\$0.884)	\$1.251	\$0.000	\$0.000	\$0.000
<i>Non-Labor:</i>					
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.000	0.000	0.000	0.000
Professional Service Contracts	0.000	0.000	0.000	0.000	0.000
Materials & Supplies	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Expenses	0.000	0.000	0.000	0.000	0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adjustments	(\$0.884)	\$1.251	\$0.000	\$0.000	\$0.000
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Obligation	0.000	0.000	0.000	0.000	0.000
Environmental Remediation	0.000	0.000	0.000	0.000	0.000
Total Expense after Depreciation and GASB Adjustments	(\$0.884)	\$1.251	\$0.000	\$0.000	\$0.000
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Obligation	0.000	0.000	0.000	0.000	0.000
Total Expense Changes	(\$0.884)	\$1.251	\$0.000	\$0.000	\$0.000
Cash Adjustment Changes					
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$0.000	(\$0.000)	\$0.000	\$0.000	\$0.000
Baseline 2008 November Financial Plan - Net Operating Income	\$0.000	(\$0.000)	\$0.000	\$0.000	\$0.000

MTA BRIDGES AND TUNNELS
November Financial Plan 2009 - 2012
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Net Operating Income	\$860.930	\$865.408	\$838.220	\$838.240	\$827.947
IESS Adjustment	(\$0.602)	(\$2.777)	(\$2.814)	(\$2.505)	(\$2.585)
Adjusted Baseline 2008 July Financial Plan - Net Operating Income	\$860.327	\$862.631	\$835.406	\$835.735	\$825.362
Baseline Changes					
Revenue					
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	(3.227)	(17.387)	(18.890)	(18.035)	(15.696)
Other Operating Revenue	0.501	(0.097)	(0.069)	(0.015)	0.019
Capital and Other Reimbursement	0.884	(1.251)	0.000	0.000	0.000
Investment Income	0.007	0.062	(0.465)	(0.727)	(0.727)
Total Revenue Changes	(\$1.835)	(\$18.672)	(\$19.424)	(\$18.777)	(\$16.404)
Expenses					
<i>Labor:</i>					
Payroll	\$0.501	\$0.547	\$1.101	\$1.061	\$1.192
Overtime	0.292	(2.220)	(2.218)	(2.218)	(2.219)
Health and Welfare	0.102	0.623	0.647	0.655	0.663
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000
Pensions	0.016	(0.004)	(0.047)	(0.091)	(0.122)
Other Fringe Benefits	(0.221)	0.048	0.160	0.127	0.149
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000
Total Labor Expense Changes	\$0.691	(\$1.006)	(\$0.356)	(\$0.466)	(\$0.336)
<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	(0.005)	(0.007)	(0.011)	(0.014)
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	1.696	(1.425)	(2.490)	(2.982)	(4.251)
Professional Service Contracts	2.232	0.572	(0.168)	(0.281)	(0.403)
Materials & Supplies	(0.802)	0.023	0.546	0.502	(0.279)
Other Business Expenses	0.123	0.003	(0.020)	(0.033)	(0.047)
Total Non-Labor Expense Changes	\$3.359	(\$0.832)	(\$2.139)	(\$2.805)	(\$4.994)
Other Expenses	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adjustments	\$4.049	(\$1.838)	(\$2.495)	(\$3.272)	(\$5.330)
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Obligation	0.000	0.000	0.000	0.000	0.000
Environmental Remediation	0.000	0.000	0.000	0.000	0.000
Total Expense after Depreciation and GASB Adjustments	\$4.049	(\$1.838)	(\$2.495)	(\$3.272)	(\$5.330)
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Obligation	0.000	0.000	0.000	0.000	0.000
Total Expense Changes	\$4.049	(\$1.838)	(\$2.495)	(\$3.272)	(\$5.330)
Cash Adjustment Changes					
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$2.214	(\$20.511)	(\$21.919)	(\$22.049)	(\$21.734)
Baseline 2008 November Financial Plan - Net Operating Income	\$863.144	\$844.897	\$816.301	\$816.191	\$806.212

MTA BRIDGES AND TUNNELS
November Financial Plan 2009 - 2012
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Net Operating Income	\$860.930	\$865.408	\$838.220	\$838.240	\$827.947
IESS Adjustment	(\$0.602)	(\$2.777)	(\$2.814)	(\$2.505)	(\$2.585)
Adjusted Baseline 2008 July Financial Plan - Net Operating Income	\$860.327	\$862.631	\$835.406	\$835.735	\$825.362
Non-Reimbursable Major Changes					
Revenue					
Vehicle Toll Revenue	(3.227)	(17.387)	(18.890)	(18.035)	(15.696)
Battery Parking Garage	-	(0.533)	(0.509)	(0.460)	(0.430)
E-ZPass Administrative Fees	0.431	0.431	0.431	0.431	0.431
Capital Reimbursements	0.884	(1.251)	-	-	-
Investment Income	0.007	0.062	(0.465)	(0.727)	(0.727)
All Other Operating Revenue	0.070	0.006	0.009	0.014	0.017
Sub-Total Non-Reimbursable Revenue Changes	(\$1.835)	(\$18.672)	(\$19.424)	(\$18.777)	(\$16.404)
Expenses					
Overtime	\$0.292	(\$2.220)	(\$2.218)	(\$2.218)	(\$2.219)
Health & Welfare + OPEB Current Payment	0.102	0.623	0.647	0.655	0.663
Pension	0.016	(0.004)	(0.047)	(0.091)	(0.122)
<i>All Other Labor Expenses</i>	<i>0.280</i>	<i>0.594</i>	<i>1.262</i>	<i>1.188</i>	<i>1.342</i>
Insurance	0.110	0.000	0.000	0.000	0.000
Major Maintenance	0.000	0.000	0.000	0.000	0.000
Bridge Painting	0.000	0.000	0.000	0.000	0.000
E-ZPass Customer Service Center	1.050	0.625	0.000	0.000	0.729
E-ZPass Tags	(0.350)	0.097	0.651	0.649	0.034
Bond Service Fees	0.400	0.000	0.000	0.000	0.000
Planning Studies	0.960	0.678	0.000	0.000	0.000
<i>All Other Non-Labor Expenses</i>	<i>1.188</i>	<i>(2.232)</i>	<i>(2.790)</i>	<i>(3.454)</i>	<i>(5.758)</i>
Sub-Total Non-Reimbursable Expense Changes	\$4.049	(\$1.838)	(\$2.495)	(\$3.272)	(\$5.330)
Total Non-Reimbursable Major Changes	\$2.214	(\$20.511)	(\$21.919)	(\$22.049)	(\$21.734)
Reimbursable Major Changes					
Revenue					
Capital and Other Reimbursements	0.884	(1.251)	0.000	0.000	0.000
Sub-Total Reimbursable Revenue Changes	\$0.884	(\$1.251)	\$0.000	\$0.000	\$0.000
Expenses					
Reimbursable Payroll	(0.884)	1.251	0.000	0.000	0.000
Sub-Total Reimbursable Expense Changes	(\$0.884)	\$1.251	\$0.000	\$0.000	\$0.000
Total Reimbursable Major Changes	\$0.000	(\$0.000)	\$0.000	\$0.000	\$0.000
Total Accrual Changes	\$2.214	(\$20.511)	(\$21.919)	(\$22.049)	(\$21.734)
Cash Adjustment Changes					
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$2.214	(\$20.511)	(\$21.919)	(\$22.049)	(\$21.734)
Baseline 2008 November Financial Plan - Net Operating Income	\$862.541	\$842.120	\$813.487	\$813.686	\$803.627

MTA Bridges and Tunnels November Financial Plan 2009-2012

OTHER ASSUMPTIONS

Ridership/Traffic Volume (Utilization)

Paid traffic volume is projected to reach 295.2 million vehicles in 2008, 0.3% less than the Mid-Year Forecast level of 296.0 million vehicles. The July Plan included actuals through May and, based on traffic trends at the time, volumes were projected to decline 3.6% year-over-year on average through December. The November Plan includes actuals through September. Traffic dropped 4.1% on average from June through September, compared to the same months in 2007. With minor adjustments for weather and other anomalous impacts, the average decline during the last quarter is projected at 4.3%.

Although gas prices have fallen somewhat in recent months, they remain at historic highs. Persistent recessionary fears, the financial crisis that hit in October, and the subsequent economic uncertainty will all likely contribute to an operating environment of suppressed traffic volumes.

Given the indicators discussed above, the traffic forecast developed for the November Financial Plan includes the following assumptions:

- Gas prices will remain high throughout the financial plan period. Although gas prices have been impacting traffic negatively throughout 2008, volumes began declining considerably more from May on. Baseline traffic has therefore been adjusted downward to reflect the negative impacts from current gas prices over a full year.
- The region will lose over 40,000 jobs in 2009 and they won't be fully recovered until 2011.

Paid traffic is forecast at 290.8 million vehicles in 2009. The decline over the prior year is primarily due to the leap year in 2008 and a drop in regional employment. Traffic rises to 291.2 million in 2010, 292.7 million in 2011 and, adjusting for the next leap year, to 294.8 million in 2012.

MTA BRIDGES AND TUNNELS
November Financial Plan 2009-2012
Ridership/Traffic Volume (Utilization)
(\$ in millions)

	2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Baseline Total Toll Revenue	\$1,250.549	\$1,273.180	\$1,263.730	\$1,263.592	\$1,267.946	\$1,275.080
<i>Impact of:</i>						
2009 PEG Program	0.000	0.000	0.000	0.000	0.000	0.000
Post-2009 PEG Program	0.000	0.000	0.000	0.000	0.000	0.000
Total Toll Revenue	\$1,250.549	\$1,273.180	\$1,263.730	\$1,263.592	\$1,267.946	\$1,275.080
Baseline Total Traffic	304.364	295.215	290.78	291.214	292.686	294.805
<i>Impact of:</i>						
2009 PEG Program	0.000	0.000	0.000	0.000	0.000	0.000
Post-2009 PEG Program	0.000	0.000	0.000	0.000	0.000	0.000
Total Traffic	304.364	295.215	290.780	291.214	292.686	294.805

MTA BRIDGES AND TUNNELS
November Plan 2009 - 2012
Summary of 2009 Program to Eliminate the Gap(PEGs)
(\$ in millions)

		2008		2009		2010		2011		2012	
		<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											
Eliminate Accounts Payable Position in the Controller's		0	0.000	1	0.013	1	0.054	1	0.056	1	0.058
Eliminate Accountant Position in the Controller's Office		0	0.000	1	0.124	1	0.128	1	0.132	1	0.137
Reduction of Human Resources Department Headcount		0	0.000	1	0.127	1	0.131	1	0.135	1	0.139
Sub-Total	Administration	<u>0</u>	<u>\$ 0.000</u>	<u>3</u>	<u>\$ 0.264</u>	<u>3</u>	<u>\$ 0.313</u>	<u>3</u>	<u>\$ 0.323</u>	<u>3</u>	<u>\$ 0.334</u>
Total Programs		<u>0</u>	<u>\$ 0.000</u>	<u>3</u>	<u>\$ 0.264</u>	<u>3</u>	<u>\$ 0.313</u>	<u>3</u>	<u>\$ 0.323</u>	<u>3</u>	<u>\$ 0.334</u>

MTA BRIDGES AND TUNNELS
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	BRTUN	Financial Plan Category	PEG	Implementation Date	10/1/2009
Budget Reference	FINAL08	Category	Administration	Savings Date	10/1/2009
PEG / New Need ID	0000000026	Current Budget Year	2008	Status	Open
Program:	Eliminate Accounts Payable Position in the Controller's Office			Agency Status	Pending
Description and Implementation Pla	One position will be eliminated in the 4th Quarter of 2009, and the associated duties will be absorbed by the existing staff.				
Background Details	The Controller's Office is evaluating their Accounts Payable structure and believes, based on current workload and payment voucher trends, that they will be able to reduce their staff by one position.				

				2008	2009	2010	2011	2012
Total Headcount	BRTUN	0000000026	FINAL08	0	1	1	1	1
Financial Impact	BRTUN	0000000026	FINAL08	\$ 0.000	\$ 0.013	\$ 0.054	\$ 0.056	\$ 0.058

MTA BRIDGES AND TUNNELS
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	BRTUN	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Administration	Savings Date	1/1/2009
PEG / New Need ID	0000000025	Current Budget Year	2008	Status	Open
Program:	Eliminate Accountant Position in the Controller's Office			Agency Status	Pending
Description and Implementation Pla	Reduce headcount by one Accountant position. The existing staff will absorb the associated responsibilities.				
Background Details	The Controller's Office evaluated their caseload and work flow and determined they can reduce their staff by one Account position, which will become vacant due to retirement. The remaining two positions will absorb the responsibilities accomplished by this position.				

				2008	2009	2010	2011	2012
Total Headcount	BRTUN	0000000025	FINAL08	0	1	1	1	1
Financial Impact	BRTUN	0000000025	FINAL08	\$ 0.000	\$ 0.124	\$ 0.128	\$ 0.132	\$ 0.137

MTA BRIDGES AND TUNNELS
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	BRTUN	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Administration	Savings Date	1/1/2009
PEG / New Need ID	0000000024	Current Budget Year	2008	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.				
Background Details	Human Resources has evaluated their managerial structure and believes they can reduce their supervisory staff by oe position. Currently, the Employment Services Division consists of two Employment Specialists, a newly created HR Administrator, and the Manager of Employment Services.				

				2008	2009	2010	2011	2012
Total Headcount	BRTUN	0000000024	FINAL08	0	1	1	1	1
Financial Impact	BRTUN	0000000024	FINAL08	\$ 0.000	\$ 0.127	\$ 0.131	\$ 0.135	\$ 0.139

MTA BRIDGES AND TUNNELS
November Plan 2009 - 2012
Summary of Post 2009 PEGs
(\$ in millions)

		2008		2009		2010		2011		2012	
		<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>
Other											
UNSPECIFIED		0	0.000	0	0.000	0	2.010	0	11.308	0	16.962
Sub-Total	Other	<u>0</u>	<u>\$ 0.000</u>	<u>0</u>	<u>\$ 0.000</u>	<u>0</u>	<u>\$ 2.010</u>	<u>0</u>	<u>\$ 11.308</u>	<u>0</u>	<u>\$ 16.962</u>
Total Programs		<u>0</u>	<u>\$ 0.000</u>	<u>0</u>	<u>\$ 0.000</u>	<u>0</u>	<u>\$ 2.010</u>	<u>0</u>	<u>\$ 11.308</u>	<u>0</u>	<u>\$ 16.962</u>

MTA BRIDGES AND TUNNELS
November Plan 2009 - 2012
Summary of Post PEGs Worksheet

(\$ in millions)

Business Unit	BRTUN	Financial Plan Category	Post PEG	Implementation Date	1/1/2010
Budget Reference	FINAL08	Category	Other	Savings Date	1/1/2010
PEG / New Need ID	0000000027	Current Budget Year	2008	Status	Open
Program:	UNSPECIFIED			Agency Status	Pending
Description and Implementation Pla	Unspecified				
Background Details	Unspecified				

Total Headcount

Financial Impact	BRTUN	0000000027	FINAL08	2008	2009	2010	2011	2012
				\$ 0.000	\$ 0.000	\$ 2.010	\$ 11.308	\$ 16.962

MTA Bridges and Tunnels November Financial Plan 2009-2012

OTHER ASSUMPTIONS

Position Table

The authorized headcount for the 2008 November Forecast is 1,832, which is unchanged from the 2008 Mid-Year Forecast.

The number of positions will remain constant until 2011 when seven maintenance positions will be added to service the newly renovated building that will be used to relocate B&T engineers and other administrative personnel who, after construction begins on the reconfiguration of the Triborough Bridge complex, will no longer be able to occupy the Robert Moses Building on Randall's Island. This new need proposed during the 2008 July Financial Plan will bring the headcount to 1,839 in 2011 and 2012.

2009 PEG Actions

In 2008, total positions are expected to be 1,832. In 2009, the inclusion of the 2009 PEGs proposed during the 2008 July Financial Plan will result in a net reduction of three positions bringing the headcount to 1,829. The PEGs consist of the reduction of one managerial position in Human Resources, an Associate Accountant position and one Accounts Payable Clerk position, both in the Controllers Department. Headcount will remain the same until 2011 when seven maintenance positions will be added to the newly renovated building, bringing the headcount to 1,836.

The headcount will remain at 1,836 positions in 2012.

MTA BRIDGES AND TUNNELS
November Financial Plan 2009-2012
Non-Reimbursable - Reimbursable Positions by Function and Department
Full-Time Positions and Full Time Equivalents

FUNCTION/DEPARTMENT	2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Administration						
Executive	3	3	3	3	3	3
Law	9	9	9	9	9	9
CFO ⁽¹⁾	36	37	37	37	37	37
Labor Relations	5	5	5	5	5	5
Procurement & Materials	40	42	42	42	42	42
Staff Services ⁽²⁾	46	47	47	47	47	47
EEO	1	1	1	1	1	1
Total Administration	140	144	144	144	144	144
Operations						
Revenue Management	43	45	45	45	45	45
Operations (Non-Security)	717	755	755	755	755	755
Total Operations	760	800	800	800	800	800
Maintenance						
Maintenance	115	114	114	114	121	121
Operations - Maintainers	176	173	173	173	173	173
Procurement & Materials	12	14	14	14	14	14
Technology	55	63	63	63	63	63
Internal Security - Tech Svcs	36	36	36	36	36	36
Total Maintenance	394	400	400	400	407	407
Engineering/Capital						
Engineering & Construction	160	171	171	171	171	171
Health & Safety	8	10	10	10	10	10
Planning & Budget Capital	9	9	9	9	9	9
Total Engineering/Capital	177	190	190	190	190	190
Public Safety						
Operations (Security)	266	245	245	245	245	245
Internal Security - Operations	35	53	53	53	53	53
Total Public Safety	301	298	298	298	298	298
Total Baseline Positions	1,772	1,832	1,832	1,832	1,839	1,839
<i>Non-Reimbursable</i>	1,720	1,779	1,787	1,779	1,786	1,786
<i>Reimbursable</i>	52	53	45	53	53	53
<i>Total Full-Time</i>	1,772	1,832	1,832	1,832	1,839	1,839
<i>Total Full-Time Equivalents</i>	0	0	0	0	0	0

Impact of:

2009 Program to Eliminate the Gap	0	0	(3)	(3)	(3)	(3)
Post-2009 Program to Eliminate the Gap	0	0	0	0	0	0

Total Positions	1,772	1,832	1,829	1,829	1,836	1,836
<i>Non-Reimbursable</i>	1,720	1,779	1,784	1,776	1,783	1,783
<i>Reimbursable</i>	52	53	45	53	53	53
<i>Total Full-Time</i>	1,772	1,832	1,829	1,829	1,836	1,836
<i>Total Full-Time Equivalents</i>	0	0	0	0	0	0
<i>Policy Action - Business Service Center</i>	0	0	0	0	(16)	(41)
<i>Alternate Option</i>	0	0	0	0	(16)	(41)

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

⁽²⁾ includes Human Resources and Administration staff.

MTA BRIDGES AND TUNNELS
November Financial Plan 2009-2012
Full-time Positions and Full-time Equivalents by Function and Occupational Group

FUNCTION/OCCUPATIONAL GROUP	2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Administration						
Managers/Supervisors	42	45	45	45	45	45
Professional, Technical, Clerical	98	99	99	99	99	99
Operational Hourlies	-	-	-	-	-	-
Total Administration	140	144	144	144	144	144
Operations						
Managers/Supervisors	52	54	54	54	54	54
Professional, Technical, Clerical	55	55	55	55	55	55
Operational Hourlies ⁽¹⁾	653	691	691	691	691	691
Total Operations	760	800	800	800	800	800
Maintenance						
Managers/Supervisors	30	33	33	33	34	34
Professional, Technical, Clerical	53	61	61	61	61	61
Operational Hourlies ⁽¹⁾	311	306	306	306	312	312
Total Maintenance	394	400	400	400	407	407
Engineering/Capital						
Managers/Supervisors	36	40	40	40	40	40
Professional, Technical, Clerical	141	150	150	150	150	150
Operational Hourlies	-	-	-	-	-	-
Total Engineering/Capital	177	190	190	190	190	190
Public Safety						
Managers/Supervisors	13	15	15	15	15	15
Professional, Technical, Clerical	22	34	34	34	34	34
Operational Hourlies ⁽¹⁾	266	249	249	249	249	249
Total Public Safety	301	298	298	298	298	298
Total Baseline Positions						
Managers/Supervisors	173	187	187	187	188	188
Professional, Technical, Clerical	369	399	399	399	399	399
Operational Hourlies	1,230	1,246	1,246	1,246	1,252	1,252
Total Baseline Positions	1,772	1,832	1,832	1,832	1,839	1,839

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Capital Construction Company

**MTA Capital Construction Company
2009 Final Proposed Budget
November Financial Plan 2009-2012**

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 MTA's construction management organization responsible for the management of the largest transit system-wide expansion program in the region. MTACC manages the 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. The Company's responsibilities include project design, third-party and in-house force account construction, project controls, overall programmatic support, and coordination of user requirements for each of these projects.

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

Highlights

In July new executive leadership for MTACC was appointed to carry the agency forward and steward the Company through construction. Leadership on the three major projects - Second Avenue Subway, East Side Access and the No. 7 Line Extension – was also enhanced with additional staff to support the increase in construction activity. Four tunneling contracts are now underway at a construction value exceeding \$2.8 billion.

The MTACC's goal for capital commitments in 2008 totals \$1.135 billion with an additional \$1.7 billion in commitments planned for 2009.

The first two contracts awarded on the Fulton Street Transit Center are in progress (including station rehabilitation). The construction of the new South Ferry Terminal Station has been underway for the last two years and is to go into customer service operation in December. MTACC continued the implementation of projects funded from the system-wide security capital program. The ESA project has completed two tunnel

drives stretching from Second Avenue and 63rd Street to Grand Central Terminal and has begun significant construction in the Harold Interlocking area of Queens.

MTA Capital Construction participated on the MTA's Blue Ribbon Panel for Construction Excellence. The Panel highlighted the rising costs affecting the capital construction program. Recent experience shows that the cost for large projects are now being heavily influenced by shortages of experienced owner and industry resources, the impacts of inflation fueled by the global demand for materials, a devalued US dollar, the size of contracts, contractor bonding limitations, a city-wide construction boom and other factors largely beyond our immediate control. To address these trends, the new MTACC management team is evaluating each project to ensure that each is managed and implemented as efficiently as possible.

- The scope of our contracts is being evaluated with the goal of making them as competitive as possible. Given recent economic events the Company needs to be prepared to respond to market conditions.
- The project cost estimates have been revised to account for the higher cost factors discussed above. Furthermore, when certain materials were projected to exceed the general rate of escalation, we opted for an escalation clause for such materials in our contract. Costs are continually monitored to assess the impact of the economy on prices.
- The schedules for these large scale projects have been adjusted to account for an increase in the number of contracts to complete each project. The benefits of earlier in-service dates were weighed against the cost of more ambitious schedules and the associated risk of getting little or no competition.
- Project scopes are being evaluated to insure that we are only building what we need to build in order to achieve the critical transportation benefits that each of these projects will bring to the region.

MTA Capital Construction has had a number of successes implementing sustainable measures into project designs and construction practices this year. Platform edge doors, which will serve to separate the cooler station air from the warmer tunnel air, will be installed in the No. 7 Line Extension 34th Street Station. The designs of stations for Second Avenue Subway are also being modified to support the future installation of Platform Edge Doors. (Effective use of Platform Edge Doors rely on automatic train control systems, therefore Platform Edge Doors can only be installed once the full length of Second Avenue Subway is complete.) Energy savings will also be realized from:

- Stations designed for maximum day lighting
- Use of aluminum third rail, which has less electrical resistance than steel
- Demand-controlled escalators
- LED lighting in the tunnels

- Efficient lighting technologies in station areas
- Energy star equipment

MTACC participates in MTA's Blue Ribbon Commission on Sustainability and is pursuing other sustainable opportunities with external partners such as NYCDEP (for use of municipal water mains and sewers as heat sinks) and Con Edison (the "Smart Grid" initiative).

MTACC is undertaking a number of workforce development initiatives. This is particularly important to the company given the labor trends highlighted above as well as the relatively new nature of the Company. The type of construction and construction means and methods require that the workforce be well equipped with the skills to manage the work.

The Safety and Security of customers, employees, and the work site and construction methods is of utmost importance to MTACC. The Company has safety and security protocols, monitors job sites and contractor performance, meets regularly with Contractors to discuss safety issues and has instituted quarterly safety audits. MTACC is committed to quality and safety in the work place and at the construction sites.

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.

It is the goal of MTACC to maintain a cost efficient program management structure. MTACC is hiring a core staff to directly manage the design and construction of the over \$16 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. In addition, MTACC will utilize consultant services to provide staff support in lieu of hiring.

2008 November Forecast

MTACC's 2008 Mid-Year Forecast is \$32.940 million reflecting a 4.2% decrease from the 2008 Adopted Budget. Labor Costs are projected at \$21.847 million, 4.7% lower than the 2008 Adopted Budget, with a projected staffing level of 150 by year end. This decrease is the result of the timing of new hires. Staff includes 55 MTACC positions who support the system expansion projects and cannot charge directly to a specific project; 38 for the East Side Access project; 20 for the Second Avenue Subway project; 12 for the Lower Manhattan projects; and 25 for Security projects. The number of

Administration employees has been reduced by 25 and are reclassified as Engineering/Capital positions. 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 \$11.092 million, a decrease of 3.4% from 2008 Adopted Budget. These costs are non-project specific and are for the provision of company-wide construction support from specialty contractors and oversight agencies. Such expenditures 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, independent engineer, archeological and environmental services, reimbursement of NYCT for administrative support staff and services, and other project office costs including computer equipment and MTACC network creation, mobile communications devices and supplies.

2009 Final Proposed Budget - Baseline

In 2009 MTACC's main objective will be to continue major construction and design of the MTA's system expansion projects. By 2009 all system expansion projects will be in construction, with over \$8 billion in commitments underway or completed. MTACC projects 2009 costs at \$37.249 million, a decrease of 1% from the July Financial Plan, and a year end headcount of 150.

Labor and fringe expenses are projected at \$26.970 million, a 23% increase over 2008. This reflects the annualized value of staff hired during 2008 as well as revised benefit inflators. Staff includes 55 MTACC positions who support the system expansion projects and cannot charge directly to a specific project; 38 for the East Side Access project; 20 for the Second Avenue Subway project; 12 for the Lower Manhattan projects; and 25 for Security projects.

Non-Labor costs are projected at \$10.279 million, unchanged from the July Financial Plan. Non-Labor costs decrease by approximately 7% from 2008. Costs include engineering services, independent engineer and independent compliance monitor services, reimbursement of NYCT for administrative support staff and services, temporary expert services (such as indefinite quantity consultants and firms to support project controls, change order and claims management), workforce development through employing training and other office costs such as communications and computer equipment.

2010 - 2012 Projections

During this time period MTACC will be managing multiple construction sites and billions of dollars in construction contracts.

MTACC costs for 2010 are projected to decrease by less than 1% over 2009. From 2011-2012 the overall projections will decrease by 2% then increase by 2%, respectively.

Year-end staffing levels of 150 employees remain constant through 2012. Labor costs increase slight by 3% in 2010, 2% in 2011 and 3% in 2012.

Non-labor expenses decrease by 8% in 2010 from the 2009 projected level and 16% in 2011. This decrease reflects a reduction in professional services and equipment. Archeological expenditures will taper off due to the progress in our mega projects, specifically Lower Manhattan. Normal replacement for employees' computer equipment will be in effect as opposed to orders for new staff and network requirements.

MTA CAPITAL CONSTRUCTION
November Financial Plan 2009-2012
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE						
	2007	2008	2009			
	Actual	November Forecast	Final Proposed Budget	2010	2011	2012
Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-
Capital and Other Reimbursements	\$19.104	\$32.940	\$37.249	\$37.133	\$36.300	\$37.115
Total Revenue	\$19.104	\$32.940	\$37.249	\$37.133	\$36.300	\$37.115
Expenses						
<u>Labor:</u>						
Payroll	\$8.510	\$13.796	\$17.366	\$17.722	\$18.066	\$18.435
Overtime						
Health and Welfare	1.177	1.884	2.422	2.554	2.684	2.852
OPEB Current Payment						
Pensions	1.219	1.431	1.786	1.840	1.897	1.960
Other Fringe Benefits	3.209	4.736	5.396	5.544	5.691	5.877
Reimbursable Overhead						
Total Labor Expenses	\$14.115	\$21.847	\$26.970	\$27.661	\$28.338	\$29.123
<u>Non-Labor:</u>						
Traction and Propulsion Power						
Fuel for Buses and Trains						
Insurance	1.003	1.081	0.096	0.106	0.117	0.128
Claims						
Paratransit Service Contracts						
Maintenance and Other Operating Contracts						
Professional Service Contracts	3.410	8.573	8.730	8.025	6.654	6.725
Materials & Supplies	0.040	0.075	0.067	0.068	0.069	0.070
Other Business Expenses	0.535	1.363	1.385	1.273	1.122	1.068
Total Non-Labor Expenses	\$4.989	\$11.092	\$10.279	\$9.472	\$7.962	\$7.992
<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	\$19.104	\$32.940	\$37.249	\$37.133	\$36.300	\$37.115
Depreciation						
Total Expenses	\$19.104	\$32.940	\$37.249	\$37.133	\$36.300	\$37.115
Baseline Surplus/(Deficit)	(\$0.000)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Business Service Center					\$0.207	\$0.207

MTA CAPITAL CONSTRUCTION
November Financial Plan 2009-2012
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2007	2008	2009			
	Actual	November Forecast	Final Proposed Budget	2010	2011	2012
Receipts						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	19.104	32.940	37.249	37.133	36.300	37.115
Total Receipts	\$19.104	\$32.940	\$37.249	\$37.133	\$36.300	\$37.115
Expenditures						
<u>Labor:</u>						
Payroll	\$8.510	\$13.796	\$17.366	\$17.722	\$18.066	\$18.435
Overtime						
Health and Welfare	1.177	1.884	2.422	2.554	2.684	2.852
OPEB Current Payment						
Pensions	1.219	1.431	1.786	1.840	1.897	1.960
Other Fringe Benefits	3.209	4.736	5.396	5.544	5.691	5.877
Reimbursable Overhead						
Total Labor Expenditures	\$14.115	\$21.847	\$26.970	\$27.661	\$28.338	\$29.123
<u>Non-Labor:</u>						
Traction and Propulsion Power						
Fuel for Buses and Trains						
Insurance	1.003	1.081	0.096	0.106	0.117	0.128
Claims						
Paratransit Service Contracts						
Maintenance and Other Operating Contracts						
Professional Service Contracts	3.410	8.573	8.730	8.025	6.654	6.725
Materials & Supplies	0.040	0.075	0.067	0.068	0.069	0.070
Other Business Expenses	0.535	1.363	1.385	1.273	1.122	1.068
Total Non-Labor Expenditures	\$4.989	\$11.092	\$10.279	\$9.472	\$7.962	\$7.992
<u>Other Expenditure Adjustments:</u>						
Other - Restricted Cash Adjustment						
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$19.104	\$32.940	\$37.249	\$37.133	\$36.300	\$37.115
Baseline Cash Deficit	(\$0.000)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Business Service Center					\$0.207	\$0.207

CASH FLOW ADJUSTMENTS	
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Total Cash Conversion Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
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**MTA Capital Construction Company
November Financial Plan 2009-2012
Year-to-Year Changes by Category
Non-Reimbursable and 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:

- 2008 payroll costs reflect a projected year-end staffing level of 150. Majority of new hires will occur in the third and fourth quarters of 2008. 2009 payroll costs increase by 26% based on annual full-time staff levels of 150.
- 2010, 2011 and 2012 year end staffing levels remain constant at 150.

Other Fringe Benefits:

- Health and Welfare, Pensions and Other Fringe Benefits costs in 2008 increased from 2007 to coincide with the adjusted year-end staffing levels of 150. In 2009, these costs will increase by 28.6%, 24.8%, 13.9%, respectively, to reflect a full year of staffing levels of 150 employees.
- 2009 through 2012 Benefits expenditures remain constant and are escalated by inflation rates.

Insurance:

- 2008 includes insurance expenses for the All-Agency Protective Liability Program for all MTACC projects.

- 2009 costs are based on renegotiated rates and significantly decrease by 91.1%. Costs remain constant 2010 through 2012, escalated by approximately 10% each year.

Professional Service Contracts:

- In 2008, costs increase by more than \$5 million from the February Financial Plan, due to anticipated costs commensurate to the timeline of projects. The increase is primarily due to expenditures for specialty contractors, oversight agencies, legal support, environmental and archeological resources, contractual employees such as URS consultants and miscellaneous project related costs.
- Costs remain fairly constant in 2009 with a decline in 2010 through 2012 due to the reduction of projected environmental and archeological resources and miscellaneous consulting fees.

Materials and Supplies:

- 2008 costs include safety equipment for field employees and general office supplies. 2009 through 2012 costs are based on 2008 projections and are escalated by inflation rates.

Other Business Expenses:

- 2008 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, occupancy for Security Program field office and establishing an MTACC network.
- 2009 through 2012 costs are escalated by inflations rates.

REIMBURSABLE

[illegible]

CASH RECEIPTS & EXPENDITURES

[illegible]

**MTA Capital Construction Company
November Financial Plan 2009-2012
Summary of Changes Between Financial Plans 2009-2012**

2008: November Financial Plan vs. July Financial Plan

The November Financial Plan is unchanged from the July Financial Plan. The classification of full-time positions has been revised. The number of Administration employees has been reduced by 25 and are reclassified as Engineering/Capital positions.

2009 - 2012: November Financial Plan vs. July Financial Plan

Projections for 2009 have decreased by \$0.023 million, a 1% from the July Financial Plan. This decrease is due to revised Health and Welfare Cost Inflation Assumptions. Projections for 2010-2012 remain unchanged from the July Financial Plan.

MTA CAPITAL CONSTRUCTION
July Financial Plan 2009 - 2012
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE

	2008	2009	2010	2011	2012
Baseline 2008 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	\$.000	(\$.023)	(\$.025)	(\$.028)	(\$.030)
Total Revenue Changes	\$.000	(\$.023)	(\$.025)	(\$.028)	(\$.030)
Expenses					
Labor:					
Payroll	\$.000	\$.000	\$.000	\$.000	\$.000
Health and Welfare	\$.000	(\$.023)	(\$.025)	(\$.028)	(\$.030)
OPEB Current Payment					
Pensions	\$.000	\$.000	\$.000	\$.000	\$.000
Other Fringe Benefits	\$.000	\$.000	\$.000	\$.000	\$.000
Reimbursable Overhead					
Total Labor Expense Changes	\$.000	(\$.023)	(\$.025)	(\$.028)	(\$.030)
Non-Labor:					
Traction and Propulsion Power					
Fuel for Buses and Trains					
Insurance	\$.000	\$.000	\$.000	\$.000	\$.000
Claims					
Paratransit Service Contracts					
Maintenance and Other Operating Contracts					
Professional Services	\$.000	(\$.000)	\$.000	(\$.000)	\$.000
Materials & Supplies	\$.000	\$.000	\$.000	\$.000	\$.000
Other Business Expenses	\$.000	\$.000	\$.000	\$.000	\$.000
Total Non-Labor Expense Changes	\$.000	\$.000	\$.000	\$.000	\$.000
Total Expense Changes	\$.000	(\$.023)	(\$.025)	(\$.028)	(\$.030)
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 2008 November Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	(\$0.000)	\$0.000	(\$0.000)

MTA CAPITAL CONSTRUCTION
November Financial Plan 2009 - 2012
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

Reimbursable

	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<i>Non-Reimbursable Major Changes</i>					
Revenue					
Sub-Total Non-Reimbursable Revenue Changes	\$0.000	(\$0.023)	(\$0.025)	(\$0.028)	(\$0.030)
Expenses					
Sub-Total Non-Reimbursable Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<i>Total Non-Reimbursable Major Changes</i>	\$0.000	(\$0.023)	(\$0.025)	(\$0.028)	(\$0.030)
<i>Reimbursable Major Changes</i>					
Revenue	0.000	(0.023)	(0.025)	(0.028)	(0.030)
Sub-Total Reimbursable Revenue Changes	\$0.000	(\$0.023)	(\$0.025)	(\$0.028)	(\$0.030)
Expenses	0.000	(0.023)	(0.025)	(0.028)	(0.030)
Sub-Total Reimbursable Expense Changes	\$0.000	(\$0.023)	(\$0.025)	(\$0.028)	(\$0.030)
<i>Total Reimbursable Major Changes</i>	\$0.000	(\$0.023)	(\$0.025)	(\$0.028)	(\$0.030)
<i>Total Accrual Changes</i>	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<i>Cash Adjustment Changes</i>					
<i>Total Cash Adjustment Changes</i>	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<i>Total Baseline Changes</i>	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline 2008 November Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

**MTA Capital Construction Company
2009 Final Proposed Budget
November Financial Plan 2009-2012**

Summary of Assumptions Regarding Staffing Positions

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

The balance of our staffing needs will be met with a mix of employees matrixed* to the company from other agencies or provided by third party consultants. The actual mix of MTACC employees, matrixed employees and consultant staff is dependent upon the particular needs of each project and the availability of the proper resource.

MTACC has carefully timed the hiring of employees to correspond with the needs of the projects. Hiring lags have occurred for a number of reasons in the last few years. MTACC has faced many challenges in filling key project positions. In 2008 a new Leadership team was brought on board to steward the Company. In addition, high level Program Executives, Program and Construction Management staff, specialty trades, and project controls staff have been hired.

The majority of MTACC's vacant positions have candidates already selected or are actively being recruited for. The 150 core staff is a target that may be under-filled or exceeded depending on the mix of construction and design activities underway. MTACC's goal is to continue to keep project management costs below the industry standard.

The 2009 Year-End Staffing level remains at 150 employees. The breakdown is as follows: 55 MTACC administrative positions and 95 project positions implementing East Side Access, Second Avenue Subway, Lower Manhattan, No. 7 Line and the system-wide security program.

*Employees of other agencies under temporary management by MTACC

MTA CAPITAL CONSTRUCTION
November Financial Plan 2009-2012
Non-Reimbursable - Reimbursable Positions at End-of-Year
Full-Time Positions and Full Time Equivalents

FUNCTION/DEPARTMENT	2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Administration						
MTACC	21	30	30	30	30	30
Engineering/Capital						
MTACC	19	25	25	25	25	25
East Side Access	22	38	38	38	38	38
Security	9	25	25	25	25	25
Second Avenue Subway	9	20	20	20	20	20
Lower Manhattan Project	10	12	12	12	12	12
Total Engineering/Capital	69	120	120	120	120	120
Total Baseline Positions	90	150	150	150	150	150
<i>Non-Reimbursable</i>	-	-	-	-	-	-
<i>Reimbursable</i>	90	150	150	150	150	150
<i>Total Full-Time</i>	90	150	150	150	150	150
<i>Total Full-Time Equivalents</i>	90	150	150	150	150	150
Business Service Center					(3)	(3)

MTA CAPITAL CONSTRUCTION
November Financial Plan 2009-2012
Total Full-time Positions and Full-time Equivalents by Function and Occupational Group

FUNCTION/OCCUPATIONAL GROUP		2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Administration							
	Managers/Supervisors	-	-	-	-	-	-
	Professional, Technical, Clerical	21	30	30	30	30	30
	Operational Hourlies	-	-	-	-	-	-
	Total Administration	21	30	30	30	30	30
Operations							
	Managers/Supervisors						
	Professional, Technical, Clerical						
	Operational Hourlies ⁽¹⁾						
	Total Operations	-	-	-	-	-	-
Maintenance							
	Managers/Supervisors						
	Professional, Technical, Clerical						
	Operational Hourlies ⁽¹⁾						
	Total Maintenance	-	-	-	-	-	-
Engineering/Capital							
	Managers/Supervisors	-	-	-	-	-	-
	Professional, Technical, Clerical	69	120	120	120	120	120
	Operational Hourlies	-	-	-	-	-	-
	Total Engineering/Capital	69	120	120	120	120	120
Public Safety							
	Managers/Supervisors						
	Professional, Technical, Clerical						
	Operational Hourlies ⁽¹⁾						
	Total Public Safety	-	-	-	-	-	-
Total Baseline Positions							
	Managers/Supervisors	-	-	-	-	-	-
	Professional, Technical, Clerical	90	150	150	150	150	150
	Operational Hourlies	-	-	-	-	-	-
	Total Baseline Positions	90	150	150	150	150	150

Long Island Bus

MTA Long Island Bus 2009 Final Proposed Budget November Financial Plan 2009 - 2012

Mission Statement and Highlights of Operations

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.

Since 2004 when LI Bus retired the last of its diesel fueled fleet, it has operated 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 324 buses 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.

Ridership levels have outpaced the results in 2007, partly due to the attraction of lower commuting cost that public transportation offers, relative to the high fuel prices experienced during the first half of 2008. Year to date September 2008, ridership is higher by 2.9% over the 2007 results. The goal and challenge has been to retain these new riders by adjusting service as allowed by the stringent funding environment. No service expansion was possible so existing resources were used in the most productive manner to facilitate the increased ridership. As the local and national economy searches for a rebound, we will continue to offer an affordable and efficient transportation option.

The Able-Ride Paratransit fleet is comprised of 89 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, a reduction in denial rates and missed trips goals have been met. Similar to fixed route, Paratransit ridership has increased year-to-date September, 7.2% over the same period of 2007.

The seven corporate goals as outlined by the MTA leadership have been fully embraced by the LI Bus management team. A series of local as well as collective programs under the Regional Bus umbrella are being introduced and managed with the objective of attaining the stated benchmarks. The institutional transformation objective is very real as all three bus companies explore, analyze and implement best practices, realize economies and strive to provide the best overall bus service in the nation.

The goal of improving customer service was enhanced with the introduction of 63 new paratransit vehicles into service. They provide for a more reliable, comfortable and aesthetically pleasing commuting experience for our disabled community. Although the schedule fixed route bus replacements have not yet been delivered, improvements

done to the Mineola Intermodal Center, via electronic signage and interactive kiosk's, have positively impacted customer convenience at this transportation hub. Similar improvements are planned in the current capital program for the Hempstead Transit center, which has also undergone substantial improvement to amenities and infrastructure.

Various segments of the LI Bus population have been participating in workforce development seminars as well as other Agency-wide developmental programs.

LI Bus' sustainability efforts are evident in its use of compressed natural gas in its entire fixed route fleet as well as an increased complement of hybrid vehicles. Conservation initiatives will be expanded relative to electricity and HVAC usage, while the installed high capacity battery for the fueling of buses is expected to be fully functional by the end of the year.

Most of LI Bus' security related infrastructure has been upgraded. This includes new perimeter fencing, additional and upgraded CCTV systems, and strategically placed security bollards. Through meetings and written communications, the workforce is frequently reminded and updated about personal, workplace and customer safety.

The Paratransit facility rehabilitation is one of three major capital projects that were identified for 2008. It is near completion and beneficial use is expected by the end of 2008. The two other items pertain to bus replacements of which the current paratransit portion is complete. Delivery of the fixed portion will begin in January of 2009.

With capital funding, LI Bus is continuing to enhance its physical and technological infrastructure to maximize efficiency and longevity.

FINANCIAL OVERVIEW

In recent past, the perennial financial hardship that LI Bus faced was establishing secure funding streams that adjusts to cover inflation and new operational needs. This remains elusive and has been compounded by exorbitant energy costs during the first half of 2008, and the worsening economic environment. LI Bus has however been able to maintained quality and consistent service levels while managing the impact of escalating uncontrollable expenses, fairly static subsidy levels, and increasing service demands. Annual PEG requirements will be achieved for full year 2008.

Year-to-date September 2008 financial results show a net deficit of \$.7 million compared to the mid-year forecast. The negative uncontrollable items were Fuel (\$1.5 million), Claims (\$1.4 million) and Materials & Supplies-bus parts (\$. 4 million). Taken separately, revenue is up \$.8 million of which \$.4 million is favorable farebox revenue.

The general financial outlook lacks the confidence of having responsive funding streams that absorbs the annual operating deficits. LI Bus is one of the more cost efficient transportation entities and has historically done more with less as each of the cost reduction cycles occur. This current cycle is particularly hard as more revenue sources

constrict and the economy worsens. Ultimately, service levels might have to be reduced in order to achieve the target expense reductions.

There are various cyclical preventive maintenance, general maintenance and facility/equipment projects that fall under the multi-year capital program that are in progress. These are funded through Federal Grants and only represent the portion of our capital needs for which funding has been identified. There remains capital items on the Transportation Improvement Program (TIP) that 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 quality, with cost containment objectives.

2008 November Forecast

The November forecast adjusts for inflation based on guideline rates and expense re-estimates. These are reflected in the 2008 baseline budget line items and include favorable September year-to-date results. There are no new programmatic needs.

Revenue for full year 2008 is forecasted to be \$50.5 million of which farebox revenue accounts for 83%. There was however no change in ridership or revenue projections from the July Plan as all current economic forecast suggests a slowing of economic activity through the end of 2008. Average year-to-date fixed route fares have however been favorable.

The net change in the labor category is a decrease of \$.6 million mainly due to a re-estimate of Pension expenses.

Non-labor expenses are projected to increase by a net \$2.5 million due to higher fuel costs and required increases in Claims reserves. Fuel rates have moderated and the lower factors were used to project the September through December usage. The positive variance generated in maintenance and other operating contracts budget line item was due to lower guideline CPI's.

Higher than forecasted CNG tax rebates for prior periods, but accrued in 2008, accounts for the favorable \$3.5 million variance shown in the other expenditures category.

2009 – Final Proposed Budget – Baseline

The 2009 budget includes various expenses reduction items, contributing to the overall MTA cost containment objective. Baseline revenue in the November plan is projected at \$52 million, with a net change of \$.5 million from the July Plan. Farebox revenue was

forecasted down by less than a percentage point and was offset by gains in other revenues. Grant funding targeted for job access reverse funding (JARC) service, has been included.

Both labor contracts for represented employees, end in 2009. The prevailing contracted rates were applied through the contract periods, after which a guideline CPI rate of 2.97% was used. Positive offsets due to favorable health and pension rates were included to produce a net \$.3 million positive variance.

Increases to the 2008 fuel baseline caused higher projections in 2009, even after the application of negative guideline CPI's. Higher CPI's over the July plan also dictated the marginal increases in all other non-labor line items excepting maintenance and other operating contracts. An additional \$2 million dollars was added to cash based on the anticipated early settlement of a major claims case.

There were no programmatic changes included in the 2009 preliminary budget.

The projected 2009 tax credit derived from the use of CNG as propulsion fuel was used as an offset to projected CNG propulsion fuel expenses.

2010 – 2012 Projections

Farebox revenue projections show small but gradual increases over the negative growth anticipated in 2009. The JARC grant funding was also extended to 2010 and contributes to the net \$.05 million revenue growth.

There are no projected programmatic changes and as such, the forecasted expenses in this plan period are impacted by the guideline rates issued for the individual budget line items and/or categories.

Based on the current PEG program, hourly headcount will be reduced by two maintainer helper positions. All other title groups are budgeted at current levels.

2009 PEG Actions

Programs consistent with reducing the 2009 deficit by \$0.6 million were identified. Savings to maintenance contracts and material needs were done relative to the scheduled receipt of new buses. Additional reductions were targeted from electricity conservation initiatives and 2008 PEG re-estimates.

Carry-over savings into the future plan years will be generated from the reduction of two maintainer helper positions, the result of a change in bus fueling schedules, and the move to fuel more Paratransit buses from depot fuel pumps.

MTA LONG ISLAND BUS
November Financial Plan 2009- 2012
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE						
	2007	2008	2009			
	Actual	November Forecast	Final Proposed Budget	2010	2011	2012
Operating Revenue						
Farebox Revenue	\$ 40.321	\$ 42.125	\$ 41.851	\$ 41.977	\$ 42.061	\$ 42.187
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	1.448	2.305	3.265	3.073	2.451	2.560
Capital and Other Reimbursements	-	-	-	-	-	-
Total Revenue	\$41.769	\$44.430	\$45.116	\$45.050	\$44.512	\$44.747
Operating Expenses						
<u>Labor:</u>						
Payroll	\$ 60.499	\$ 64.490	\$ 66.394	\$ 67.636	\$ 69.144	\$ 70.665
Overtime	6.355	5.548	5.711	5.818	5.948	6.079
Health and Welfare	11.106	12.107	13.085	14.026	15.030	16.105
OPEB-2008	-	-	-	-	-	-
Pensions	5.016	5.087	5.337	5.437	5.559	5.681
Other Fringe Benefits	6.735	7.322	7.478	7.618	7.788	7.959
Pattern Labor Provision	-	-	-	-	-	-
GASB Account	-	-	-	-	-	-
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenses	\$89.711	\$94.554	\$98.005	\$100.535	\$103.469	\$106.489
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$ 11.576	\$ 13.514	\$ 13.148	\$ 15.807	\$ 15.447	\$ 15.331
Fuel for Buses and Trains	0.377	0.517	0.327	0.365	0.628	0.425
Insurance	6.291	4.483	3.537	3.602	3.672	3.745
Claims	-	-	-	-	-	-
Paratransit Service Contracts	9.076	9.981	10.228	10.518	10.792	11.079
Maintenance and Other Operating Contracts	1.881	1.982	2.040	2.078	2.125	2.172
Professional Service Contracts	3.759	4.734	4.265	4.414	4.596	4.788
Materials & Supplies	0.028	0.415	0.427	0.435	0.445	0.455
Other Business Expenses	-	-	-	-	-	-
Total Non-Labor Expenses	\$32.988	\$35.626	\$33.972	\$37.219	\$37.705	\$37.995
<u>Other Expenses Adjustments:</u>						
Other		\$ (3.469)				
Total Other Expense Adjustments	\$0.000	(\$3.469)	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adjs.	\$122.699	\$126.711	\$131.977	\$137.754	\$141.174	\$144.484
Depreciation						
OPEB Post-2008	5.700	5.990	6.461	6.856	7.344	7.723
Environmental Remediation						
Total Expenses	\$128.399	\$132.701	\$138.438	\$144.610	\$148.518	\$152.207
Baseline Surplus/(Deficit)	(\$86.630)	(\$88.271)	(\$93.322)	(\$99.560)	(\$104.006)	(\$107.460)
2009 Program to Eliminate the Gap (PEGs)		-	0.640	0.540	0.400	0.340
Post-2009 Program to Eliminate the Gap (PEGs)				1.491	2.982	4.473
Net Surplus/(Deficit)	(\$86.630)	(\$88.271)	(\$92.682)	(\$97.529)	(\$100.624)	(\$102.647)
Business Service Center					\$1.473	\$1.637

MTA LONG ISLAND BUS
November Financial Plan 2009- 2012
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE						
	2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Revenue						
Farebox Revenue						
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue						
Capital and Other Reimbursements	5.782	6.079	6.946	7.089	7.244	7.411
Total Revenue	\$5.782	\$6.079	\$6.946	\$7.089	\$7.244	\$7.411
Expenses						
<u>Labor:</u>						
Payroll	\$ 0.754	\$ 0.901	\$ 0.928	\$ 0.945	\$ 0.966	\$ 0.988
Overtime	-	-	-	-	-	-
Health and Welfare	0.309	0.322	0.324	0.340	0.358	0.376
OPEB-2008	1.200	1.310	1.439	1.544	1.656	1.777
Pensions	0.122	0.123	0.127	0.130	0.132	0.135
Other Fringe Benefits	0.097	0.123	0.127	0.130	0.132	0.135
Pattern Labor Provision						
GASB Account						
Reimbursable Overhead						
Total Labor Expenses	\$2.482	\$2.779	\$2.945	\$3.089	\$3.244	\$3.411
<u>Non-Labor:</u>						
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	4.000	4.000	4.000	4.000
Other Business Expenses						
Total Non-Labor Expenses	\$3.300	\$3.300	\$4.000	\$4.000	\$4.000	\$4.000
<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	\$5.782	\$6.079	\$6.945	\$7.089	\$7.244	\$7.411
Depreciation						
Total Expenses	\$5.782	\$6.079	\$6.945	\$7.089	\$7.244	\$7.411
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Business Service Center					\$0.000	\$0.000

MTA LONG ISLAND BUS
November Financial Plan 2009- 2012
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE						
	2007	2008	2009			
	Actual	November Forecast	Final Proposed Budget	2010	2011	2012
Revenue						
Farebox Revenue	\$ 40.321	\$ 42.125	\$ 41.851	\$ 41.977	\$ 42.061	\$ 42.187
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	1.448	2.305	3.265	3.073	2.451	2.560
Capital and Other Reimbursements	5.782	6.079	6.946	7.089	7.244	7.411
Total Revenue	\$47.551	\$50.509	\$52.062	\$52.139	\$51.756	\$52.158
Expenses						
<u>Labor:</u>						
Payroll	\$ 61.253	\$ 65.391	\$ 67.322	\$ 68.581	\$ 70.110	\$ 71.653
Overtime	6.355	5.548	5.711	5.818	5.948	6.079
Health and Welfare	11.415	12.429	13.409	14.366	15.388	16.481
OPEB-2008	1.200	1.310	1.439	1.544	1.656	1.777
Pensions	5.138	5.210	5.464	5.567	5.691	5.816
Other Fringe Benefits	6.832	7.445	7.605	7.748	7.920	8.094
Pattern Labor Provision	-	-	-	-	-	-
GASB Account	-	-	-	-	-	-
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenses	\$92.193	\$97.333	\$100.950	\$103.624	\$106.713	\$109.900
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fuel for Buses and Trains	11.576	13.514	13.148	15.807	15.447	15.331
Insurance	0.377	0.517	0.327	0.365	0.628	0.425
Claims	6.291	4.483	3.537	3.602	3.672	3.745
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	9.076	9.981	10.228	10.518	10.792	11.079
Professional Service Contracts	1.881	1.982	2.040	2.078	2.125	2.172
Materials & Supplies	7.059	8.034	8.265	8.414	8.596	8.788
Other Business Expenses	0.028	0.415	0.427	0.435	0.445	0.455
Total Non-Labor Expenses	\$36.288	\$38.926	\$37.972	\$41.219	\$41.705	\$41.995
<u>Other Expenses Adjustments:</u>						
Other	\$ -	\$ (3.469)	\$ -	\$ -	\$ -	\$ -
Total Other Expense Adjustments	\$0.000	(\$3.469)	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adjs.	\$128.481	\$132.790	\$138.922	\$144.843	\$148.418	\$151.895
Depreciation	-	-	-	-	-	-
OPEB Post-2008	5.700	5.990	6.461	6.856	7.344	7.723
Environmental Remediation	-	-	-	-	-	-
Total Expenses	\$134.181	\$138.780	\$145.383	\$151.699	\$155.762	\$159.618
Baseline Surplus/(Deficit)	(\$86.630)	(\$88.271)	(\$93.321)	(\$99.560)	(\$104.006)	(\$107.460)
2009 Program to Eliminate the Gap (PEGs)	-	-	0.640	0.540	0.400	0.340
Post-2009 Program to Eliminate the Gap (PEGs)	-	-	-	1.491	2.982	4.473
Net Surplus/(Deficit)	(\$86.630)	(\$88.271)	(\$92.682)	(\$97.529)	(\$100.624)	(\$102.647)
Business Service Center					\$1.473	\$1.637

MTA LONG ISLAND BUS
November Financial Plan 2009- 2012
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Receipts						
Farebox Revenue	\$ 40.218	\$ 41.962	\$ 42.451	\$ 41.867	\$ 41.950	\$ 42.075
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	4.183	2.255	3.215	3.023	2.401	2.510
Capital and Other Reimbursements	6.397	5.792	6.613	6.718	6.832	6.956
Total Receipts	\$50.798	\$50.009	\$52.279	\$51.608	\$51.183	\$51.541
Expenditures						
<u>Labor:</u>						
Payroll	\$ 62.450	\$ 67.556	\$ 66.932	\$ 68.241	\$ 69.764	\$ 71.301
Overtime	5.989	5.727	5.680	5.782	5.910	6.039
Health and Welfare	11.470	12.378	13.353	14.305	15.322	16.409
OPEB-2008	1.200	1.310	1.439	1.544	1.656	1.777
Pensions	5.047	5.045	5.293	5.390	5.508	5.626
Other Fringe Benefits	7.051	8.289	7.561	7.706	7.876	8.048
Pattern Labor Provision	-	-	-	-	-	-
GASB Account	0.298	0.308	0.318	0.327	0.338	0.345
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$93.505	\$100.613	\$100.576	\$103.295	\$106.374	\$109.545
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$ 11.958	\$ 13.239	\$ 12.870	\$ 15.513	\$ 15.146	\$ 15.025
Fuel for Buses and Trains	1.271	0.500	0.302	0.352	0.604	0.443
Insurance	7.269	4.913	5.486	3.548	3.612	3.684
Claims	-	-	-	-	-	-
Paratransit Service Contracts	8.890	10.406	10.051	10.338	10.608	10.891
Maintenance and Other Operating Contracts	1.596	2.200	1.961	1.992	2.031	2.076
Professional Service Contracts	7.279	8.284	8.160	8.307	8.487	8.677
Materials & Supplies	0.926	0.392	0.402	0.410	0.417	0.426
Other Business Expenses	-	-	-	-	-	-
Total Non-Labor Expenditures	\$39.189	\$39.934	\$39.232	\$40.460	\$40.905	\$41.222
<u>Other Expenditure Adjustments:</u>						
Other	-	(3.469)	-	-	-	-
Total Other Expenditure Adjustments	\$0.000	(\$3.469)	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$132.694	\$137.078	\$139.808	\$143.755	\$147.279	\$150.767
Baseline Cash Deficit	(\$81.896)	(\$87.069)	(\$87.529)	(\$92.147)	(\$96.096)	(\$99.226)
2009 Program to Eliminate the Gap (PEGs)	-	-	0.640	0.540	0.400	0.340
Post-2009 Program to Eliminate the Gap (PEGs)	-	-	-	1.491	2.982	4.473
Net Cash Deficit	(\$81.896)	(\$87.069)	(\$86.889)	(\$90.116)	(\$92.714)	(\$94.413)
Business Service Center					\$1.473	\$1.637

MTA LONG ISLAND BUS
November Financial Plan 2009- 2012
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Receipts						
Farebox Revenue	\$ (0.103)	\$ (0.163)	\$ 0.600	\$ (0.110)	\$ (0.111)	\$ (0.112)
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	2.735	(0.050)	(0.050)	(0.050)	(0.050)	(0.050)
Capital and Other Reimbursements	0.615	(0.287)	(0.333)	(0.371)	(0.412)	(0.455)
Total Receipts	\$3.247	(\$0.500)	\$0.217	(\$0.531)	(\$0.573)	(\$0.617)
Expenditures						
<u>Labor:</u>						
Payroll	\$ (1.197)	\$ (2.165)	\$ 0.390	\$ 0.340	\$ 0.346	\$ 0.352
Overtime	0.366	(0.179)	0.031	0.036	0.038	0.040
Health and Welfare	(0.055)	0.051	0.056	0.061	0.066	0.072
OPEB-2008	-	-	-	-	-	-
Pensions	0.091	0.165	0.171	0.177	0.183	0.190
Other Fringe Benefits	(0.219)	(0.844)	0.044	0.042	0.044	0.046
Pattern Labor Provision	-	-	-	-	-	-
GASB Account	(0.298)	(0.308)	(0.318)	(0.327)	(0.338)	(0.345)
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	(\$1.312)	(\$3.280)	\$0.374	\$0.329	\$0.339	\$0.355
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fuel for Buses and Trains	(0.382)	0.275	0.278	0.294	0.301	0.306
Insurance	(0.894)	0.017	0.025	0.013	0.024	(0.018)
Claims	(0.978)	(0.430)	(1.949)	0.054	0.060	0.061
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	0.186	(0.425)	0.177	0.180	0.184	0.188
Professional Service Contracts	0.285	(0.218)	0.079	0.086	0.094	0.096
Materials & Supplies	(0.220)	(0.250)	0.105	0.107	0.109	0.111
Other Business Expenditures	(0.898)	0.023	0.025	0.025	0.028	0.029
Total Non-Labor Expenditures	(\$2.901)	(\$1.008)	(\$1.260)	\$0.759	\$0.800	\$0.773
<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 and GASb Adjs.	(\$0.966)	(\$4.788)	(\$0.669)	\$0.557	\$0.566	\$0.511
Depreciation Adjustment	-	-	-	-	-	-
OPEB Post-2008	5.700	5.990	6.461	6.856	7.344	7.723
Environmental Remediation	-	-	-	-	-	-
Baseline Total Cash Conversion Adjustments	\$4.734	\$1.202	\$5.792	\$7.413	\$7.910	\$8.234
2009 Program to Eliminate the Gap (PEGs)	-	-	-	-	-	-
Post-2009 Program to Eliminate the Gap (PEGs)	-	-	-	-	-	-
Total Cash Conversion Adjustments	\$4.734	\$1.202	\$5.792	\$7.413	\$7.910	\$8.234
Business Service Center		-	-	-	-	-

**MTA Long Island Bus
2009 Final Proposed Budget
November Financial Plan 2009 - 2012
Year-to-Year Summary of Changes**

Accrual and Cash

Until sustained future funding issues are resolved, or budget requirements dictate otherwise, the current budget plan does not assume any changes in current overall service/operation levels.

Farebox revenue and ridership shows negative growth from 2008 to 2009, reflective of the current and uncertain medium-term economic forecast. Small gains are projected in the remainder of the plan years and will directly impact deficit numbers as expenses outpace farebox revenue levels.

Annual changes in Other Operating Revenues are reflective of estimated grant funding levels and changes in contract rates tied to advertising and other non-operating revenue sources. New job access reverse commute funding was approved, and added \$1 million to the 2009 and 2010 plan years.

The two main components of the Capital and Other Reimbursement categories are reimbursement for capital personnel and preventive maintenance expenses. Preventive maintenance increased by \$.7 million in 2009. The labor portion is affected by the identical CPI guidelines as non-reimbursable.

Labor baseline assumptions related to annual changes in labor contracts and/or the application of guideline CPI's in the calculation of each year's base number. Health and Welfare annual change were directly affected by specified annual rates.

Insurance and pension expenses are predicated on annual premiums and scheduled cash payments in a given calendar year. Claims and workers' compensation variances between the current and proposed plan years reflect current activities whereas the future plan year forecasts average trend.

Annual changes in contracts, services and material were consistent with the guideline November inflators.

Changes in projected fuel expenses are based on issued annual rate guidelines.

MTA LONG ISLAND BUS
November Financial Plan 2009 - 2012
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE

	Favorable/(Unfavorable)								
	2008	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011
Revenue									
Farebox Revenue	\$42.125	\$41.851	(\$0.274)	\$41.977	\$0.126	\$42.061	\$0.084	\$42.187	\$0.126
Vehicle Toll Revenue	-	-	\$0.000	-	\$0.000	-	\$0.000	-	\$0.000
Other Operating Revenue	2.305	3.265	\$0.960	3.073	(\$0.192)	2.451	(\$0.622)	2.560	\$0.109
Capital and Other Reimbursements	-	-	\$0.000	-	\$0.000	-	\$0.000	-	\$0.000
Total Revenue	\$44.430	\$45.116	\$0.686	\$45.050	(\$0.066)	\$44.512	(\$0.538)	\$44.747	\$0.235
Expenses									
Labor:									
Payroll	\$64.490	\$66.394	(\$1.904)	\$67.636	(\$1.242)	\$69.144	(\$1.508)	\$70.665	(\$1.521)
Overtime	5.548	5.711	(\$0.163)	5.818	(\$0.107)	5.948	(\$0.130)	6.079	(\$0.131)
Health and Welfare	12.107	13.085	(\$0.978)	14.026	(\$0.941)	15.030	(\$1.004)	16.105	(\$1.075)
OPEB-2008	-	-	\$0.000	-	\$0.000	-	\$0.000	-	\$0.000
Pensions	5.087	5.337	(\$0.250)	5.437	(\$0.100)	5.559	(\$0.122)	5.681	(\$0.122)
Other Fringe Benefits	7.322	7.478	(\$0.156)	7.618	(\$0.140)	7.788	(\$0.170)	7.959	(\$0.171)
Reimbursable Overhead	-	-	\$0.000	-	\$0.000	-	\$0.000	-	\$0.000
Total Labor Expenses	\$94.554	\$98.005	(\$3.451)	\$100.535	(\$2.530)	\$103.469	(\$2.934)	\$106.489	(\$3.020)
Non-Labor:									
Traction and Propulsion Power	-	-	\$0.000	-	\$0.000	-	\$0.000	-	\$0.000
Fuel for Buses and Trains	\$13.514	\$13.148	\$0.366	\$15.807	(\$2.659)	\$15.447	\$0.360	\$15.331	\$0.116
Insurance	0.517	0.327	\$0.190	0.365	(\$0.037)	0.628	(\$0.264)	0.425	\$0.203
Claims	4.483	3.537	\$0.946	3.602	(\$0.065)	3.672	(\$0.070)	3.745	(\$0.073)
Paratransit Service Contracts	-	-	\$0.000	-	\$0.000	-	\$0.000	-	\$0.000
Maintenance and Other Operating Contracts	9.981	10.228	(\$0.247)	10.518	(\$0.290)	10.792	(\$0.274)	11.079	(\$0.287)
Professional Service Contracts	1.982	2.040	(\$0.058)	2.078	(\$0.038)	2.125	(\$0.047)	2.172	(\$0.047)
Materials & Supplies	4.734	4.265	\$0.469	4.414	(\$0.149)	4.596	(\$0.182)	4.788	(\$0.192)
Other Business Expenses	0.415	0.427	(\$0.012)	0.435	(\$0.008)	0.445	(\$0.010)	0.455	(\$0.010)
Total Non-Labor Expenses	\$35.626	\$33.972	\$1.654	\$37.219	(\$3.246)	\$37.705	(\$0.487)	\$37.995	(\$0.290)
Other Expenses Adjustments:									
Other	(3.469)	-	(\$3.469)	-	\$0.000	-	\$0.000	-	\$0.000
Total Other Expense Adjustments	(\$3.469)	\$0.000	(\$3.469)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adjs.	\$126.711	\$131.977	(\$5.266)	\$137.754	(\$5.777)	\$141.174	(\$3.421)	\$144.484	(\$3.310)
Depreciation	-	-	\$0.000	-	\$0.000	-	\$0.000	-	\$0.000
OPEB Post-2008	5.990	6.461	(\$0.471)	6.856	(\$0.395)	7.344	(\$0.488)	7.723	(\$0.379)
Environmental Remediation	-	-	\$0.000	-	\$0.000	-	\$0.000	-	\$0.000
Total Expenses	\$132.701	\$138.438	(\$5.737)	\$144.610	(\$6.172)	\$148.518	(\$3.909)	\$152.207	(\$3.689)
Baseline Net Surplus/(Deficit)	(\$88.271)	(\$93.322)	(\$5.051)	(\$99.560)	(\$6.238)	(\$104.006)	(\$4.447)	(\$107.460)	(\$3.454)
2009 Agency Program to Eliminate the Gap	0.000	0.640	\$0.640	0.540	(\$0.100)	0.400	(\$0.140)	0.340	(\$0.060)
Post-2009 Agency Program to Elim. the Gap	0.000	0.000	\$0.000	1.491	\$1.491	2.982	\$1.491	4.473	\$1.491
Net Surplus/(Deficit)	(\$88.271)	(\$92.682)	(\$4.411)	(\$97.529)	(\$4.847)	(\$100.624)	(\$3.096)	(\$102.647)	(\$2.023)

MTA Long Island Bus
November Financial Plan 2009 - 2012
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

REIMBURSABLE

	Favorable/(Unfavorable)								
	2008	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011
<u>Revenue</u>									
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue									
Other Operating Revenue	-	-	0.000	-	0.000	-	0.000	-	0.000
Capital and Other Reimbursements	6.079	6.946	0.866	7.089	0.144	7.245	0.156	7.411	0.166
Total Revenue	\$6.079	\$6.946	\$0.866	\$7.089	\$0.144	\$7.245	\$0.156	\$7.411	\$0.166
<u>Expenses</u>									
Labor:									
Payroll	\$0.901	\$0.928	(\$0.027)	\$0.945	(\$0.017)	\$0.967	(\$0.022)	\$0.988	(\$0.021)
Overtime	-	-	0.000	-	0.000	-	0.000	-	0.000
Health and Welfare	0.322	0.324	(0.002)	0.340	(0.016)	0.358	(0.018)	0.376	(0.018)
OPEB-2008	1.310	1.439	(0.129)	1.544	(0.105)	1.656	(0.112)	1.777	(0.121)
Pensions	0.123	0.127	(0.004)	0.130	(0.003)	0.132	(0.002)	0.135	(0.003)
Other Fringe Benefits	0.123	0.127	(0.004)	0.130	(0.003)	0.132	(0.002)	0.135	(0.003)
Pattern Labor Provision	-	-	0.000	-	0.000	-	0.000	-	0.000
GASB Account	-	-	0.000	-	0.000	-	0.000	-	0.000
Reimbursable Overhead	-	-	0.000	-	0.000	-	0.000	-	0.000
Total Labor Expenses	\$2.779	\$2.945	(\$0.166)	\$3.089	(\$0.144)	\$3.245	(\$0.156)	\$3.411	(\$0.166)
Non-Labor:									
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	0.000	-	0.000	-	0.000	-	0.000
Insurance	-	-	0.000	-	0.000	-	0.000	-	0.000
Claims	-	-	0.000	-	0.000	-	0.000	-	0.000
Paratransit Service Contracts	-	-	0.000	-	0.000	-	0.000	-	0.000
Maintenance and Other Operating Contracts	-	-	0.000	-	0.000	-	0.000	-	0.000
Professional Service Contracts	-	-	0.000	-	0.000	-	0.000	-	0.000
Materials & Supplies	3.300	4.000	(0.700)	4.000	0.000	4.000	0.000	4.000	0.000
Other Business Expenses	-	-	0.000	-	0.000	-	0.000	-	0.000
Total Non-Labor Expenses	\$3.300	\$4.000	(\$0.700)	\$4.000	\$0.000	\$4.000	\$0.000	\$4.000	\$0.000
Other Expenses Adjustments:									
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$6.079	\$6.945	(\$0.866)	\$7.089	(\$0.144)	\$7.245	(\$0.156)	\$7.411	(\$0.166)
Depreciation			0.000		0.000		0.000		0.000
Total Expenses	\$6.079	\$6.945	(\$0.866)	\$7.089	(\$0.144)	\$7.245	(\$0.156)	\$7.411	(\$0.166)
Baseline Net Surplus/(Deficit)	\$0.000	\$0.000	(\$0.000)	\$0.000	(\$0.000)	\$0.000	\$0.000	\$0.000	\$0.000
2009 Agency Program to Eliminate the Gap	-	0.000	0.000	-	(0.000)	-	0.000	-	0.000
Post-2009 Agency Program to Elim. the Gap	-	-	0.000	-	0.000	-	0.000	-	0.000
Net Surplus/(Deficit)	(\$0.000)	\$0.000	\$0.000	\$0.000	(\$0.000)	\$0.000	\$0.000	\$0.000	\$0.000

MTA LONG ISLAND BUS
November Financial Plan 2009 - 2012
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE & REIMBURSABLE

	Favorable/(Unfavorable)								
	2008	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011
<u>Revenue</u>									
Farebox Revenue	\$42.125	\$41.851	(\$0.274)	\$41.977	\$0.126	\$42.061	\$0.084	\$42.187	\$0.126
Vehicle Toll Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	\$2.305	\$3.265	\$0.960	\$3.073	(\$0.192)	\$2.451	(\$0.622)	\$2.560	\$0.109
Capital and Other Reimbursements	\$6.079	\$6.946	\$0.866	\$7.089	\$0.144	\$7.245	\$0.156	\$7.411	\$0.166
Total Revenue	\$50.509	\$52.062	\$1.552	\$52.139	\$0.077	\$51.757	(\$0.382)	\$52.158	\$0.401
<u>Expenses</u>									
Labor:									
Payroll	\$65.391	\$67.322	(\$1.931)	\$68.581	(\$1.259)	\$70.111	(\$1.530)	\$71.653	(\$1.542)
Overtime	5.548	5.711	(\$0.163)	5.818	(\$0.107)	5.948	(\$0.130)	6.079	(\$0.131)
Health and Welfare	12.429	13.409	(\$0.980)	14.366	(\$0.957)	15.388	(\$1.022)	16.481	(\$1.093)
OPEB-2008	1.310	1.439	(\$0.129)	1.544	(\$0.105)	1.656	(\$0.112)	1.777	(\$0.121)
Pensions	5.210	5.464	(\$0.254)	5.567	(\$0.103)	5.691	(\$0.124)	5.816	(\$0.125)
Other Fringe Benefits	7.445	7.605	(\$0.160)	7.748	(\$0.143)	7.920	(\$0.172)	8.094	(\$0.174)
Reimbursable Overhead	-	-	\$0.000	-	\$0.000	-	\$0.000	-	\$0.000
Total Labor Expenses	\$97.333	\$100.950	(\$3.617)	\$103.624	(\$2.674)	\$106.714	(\$3.090)	\$109.900	(\$3.186)
Non-Labor:									
Traction and Propulsion Power	\$0.000	\$0.000		\$0.000		\$0.000		\$0.000	
Fuel for Buses and Trains	13.514	\$13.148	\$0.366	\$15.807	(\$2.659)	\$15.447	\$0.360	\$15.331	\$0.116
Insurance	0.517	0.327	\$0.190	0.365	(\$0.037)	0.628	(\$0.264)	0.425	\$0.203
Claims	4.483	3.537	\$0.946	3.602	(\$0.065)	3.672	(\$0.070)	3.745	(\$0.073)
Paratransit Service Contracts	-	-	\$0.000	-	\$0.000	-	\$0.000	-	\$0.000
Maintenance and Other Operating Contracts	9.981	10.228	(\$0.247)	10.518	(\$0.290)	10.792	(\$0.274)	11.079	(\$0.287)
Professional Service Contracts	1.982	2.040	(\$0.058)	2.078	(\$0.038)	2.125	(\$0.047)	2.172	(\$0.047)
Materials & Supplies	8.034	8.265	(\$0.231)	8.414	(\$0.149)	8.596	(\$0.182)	8.788	(\$0.192)
Other Business Expenses	0.415	0.427	(\$0.012)	0.435	(\$0.008)	0.445	(\$0.010)	0.455	(\$0.010)
Total Non-Labor Expenses	\$38.926	\$37.972	\$0.954	\$41.219	(\$3.246)	\$41.705	(\$0.487)	\$41.995	(\$0.290)
Other Expenses Adjustments:									
Other	(3.469)	-	(\$3.469)	-	\$0.000	-	\$0.000	-	\$0.000
Total Other Expense Adjustments	(\$3.469)	\$0.000	(\$3.469)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adjs.	\$132.790	\$138.922	(\$6.132)	\$144.843	(\$5.921)	\$148.419	(\$3.577)	\$151.895	(\$3.476)
Depreciation			\$0.000		\$0.000		\$0.000		\$0.000
OPEB Post-2008	5.990	6.461	(\$0.471)	6.856	(\$0.395)	7.344	(\$0.488)	7.723	(\$0.379)
Environmental Remediation	-	-	\$0.000	-	\$0.000	-	\$0.000	-	\$0.000
Total Expenses	\$138.780	\$145.383	(\$6.603)	\$151.699	(\$6.316)	\$155.763	(\$4.065)	\$159.618	(\$3.855)
Baseline Net Surplus/(Deficit)	(\$88.271)	(\$93.321)	(\$5.051)	(\$99.560)	(\$6.238)	(\$104.006)	(\$4.447)	(\$107.460)	(\$3.454)
2009 Agency Program to Eliminate the Gap	0.000	0.640	\$0.640	0.540	(\$0.100)	0.400	(\$0.140)	0.340	(\$0.060)
Post-2009 Agency Program to Elim. the Gap	0.000	0.000	\$0.000	1.491	\$1.491	2.982	\$1.491	4.473	\$1.491
Net Surplus/(Deficit)	(\$88.271)	(\$92.682)	(\$4.411)	(\$97.529)	(\$4.847)	(\$100.624)	(\$3.096)	(\$102.647)	(\$2.023)

MTA Long Island Bus
November Financial Plan 2009 - 2012
Year-to-Year Changes by Category - Cash Basis
(\$ in millions)

CASH RECEIPTS & EXPENDITURES

	Favorable/(Unfavorable)								
	2008	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011
<u>Receipts</u>									
Farebox Revenue	\$41.962	\$42.451	\$0.489	\$41.867	(\$0.584)	\$41.950	\$0.083	\$42.075	\$0.125
Vehicle Toll Revenue	-	-	0.000	-	0.000	-	0.000	-	0.000
Other Operating Revenue	2.255	3.215	0.960	3.023	(0.192)	2.401	(0.622)	2.510	0.109
Capital and Other Reimbursements	5.792	6.613	0.821	6.718	0.106	6.832	0.114	6.956	0.124
Total Receipts	\$50.009	\$52.279	\$2.270	\$51.608	(\$0.671)	\$51.183	(\$0.425)	\$51.541	\$0.358
<u>Expenditures</u>									
Labor:									
Payroll	\$67.556	\$66.932	\$0.624	\$68.241	(\$1.309)	\$69.764	(\$1.523)	\$71.301	(\$1.537)
Overtime	5.727	5.680	0.047	5.782	(0.102)	5.910	(0.128)	6.039	(0.129)
Health and Welfare	12.378	13.353	(0.975)	14.305	(0.952)	15.322	(1.017)	16.409	(1.087)
OPEB-2008	1.310	1.439	(0.129)	1.544	(0.105)	1.656	(0.112)	1.777	(0.121)
Pensions	5.045	5.293	(0.248)	5.390	(0.097)	5.508	(0.118)	5.626	(0.118)
Other Fringe Benefits	8.289	7.561	0.728	7.706	(0.145)	7.876	(0.170)	8.048	(0.172)
Pattern Labor Provision	-	-	0.000	-	0.000	-	0.000	-	0.000
GASB Account	0.308	0.318	(0.010)	0.327	(0.009)	0.338	(0.011)	0.345	(0.007)
Reimbursable Overhead	-	-	0.000	-	0.000	-	0.000	-	0.000
Total Labor Expenditures	\$100.613	\$100.576	\$0.037	\$103.295	(\$2.719)	\$106.374	(\$3.079)	\$109.545	(\$3.171)
Non-Labor:									
Traction and Propulsion Power									
Fuel for Buses and Trains	\$13.239	\$12.870	\$0.369	\$15.513	(\$2.643)	\$15.146	\$0.367	\$15.025	\$0.121
Insurance	0.500	0.302	0.198	0.352	(0.050)	0.604	(0.252)	0.443	0.161
Claims	4.913	5.486	(0.573)	3.548	1.938	3.612	(0.064)	3.684	(0.072)
Paratransit Service Contracts	-	-	0.000	-	0.000	-	0.000	-	0.000
Maintenance and Other Operating Contracts	10.406	10.051	0.355	10.338	(0.287)	10.608	(0.270)	10.891	(0.283)
Professional Service Contracts	2.200	1.961	0.239	1.992	(0.031)	2.031	(0.039)	2.076	(0.045)
Materials & Supplies	8.284	8.160	0.124	8.307	(0.147)	8.487	(0.180)	8.677	(0.190)
Other Business Expenses	0.392	0.402	(0.010)	0.410	(0.008)	0.417	(0.007)	0.426	(0.009)
Total Non-Labor Expenditures	\$39.934	\$39.232	\$0.702	\$40.460	(\$1.228)	\$40.905	(\$0.445)	\$41.222	(\$0.317)
Other Expenditure Adjustments:									
Other	(\$3.469)	\$0.000	(\$3.469)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expenditure Adjustments	(\$3.469)	\$0.000	(\$3.469)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$137.078	\$139.808	(\$2.730)	\$143.755	(\$3.947)	\$147.279	(\$3.524)	\$150.767	(\$3.488)
Baseline Net Cash Deficit	(\$87.069)	(\$87.529)	(\$0.460)	(\$92.147)	(\$4.618)	(\$96.096)	(\$3.949)	(\$99.226)	(\$3.130)
2009 Agency Program to Eliminate the Gap	-	0.640	0.640	0.540	(0.100)	0.400	(0.140)	0.340	(0.060)
Post-2009 Agency Program to Elim. the Gap	-	-	0.000	1.491	1.491	2.982	1.491	4.473	1.491
Net Cash Deficit	(\$87.069)	(\$86.889)	\$0.180	(\$90.116)	(\$3.227)	(\$92.714)	(\$2.598)	(\$94.413)	(\$1.699)

**MTA Long Island Bus
2009 Final Proposed Budget
November Financial Plan 2009 - 2012
Summary of Major Plan-to-Plan Changes**

Accrual

There were no programmatic changes from the July plan and variances reflect changes in CPI rates, expense re-estimates and forecasted revenue.

The July ridership and revenue levels contained in the July plan were unchanged for the November forecast. However, this number includes a \$.4 million increase in farebox revenue over the Adopted budget. Based on economic forecasts such as the employment indicator for our service region, a worsening economy is expected through 2009. As such, the ridership and revenue forecast for 2009 was lowered by .8% and .7% respectively in the November plan. Small positive increases were then reflected in the other plan years.

New grant funding targeted for reverse commute service enhancements were approved and \$1 million was included for this purpose in 2009 and 2010. This did not carry-over to the other plan years as there is no guarantee of future appropriations for this specific program.

Labor expense variances were affected by an increase of .95% over the July CPI's with a positive offset to Health and Welfare that had lower average rates. These 2009 rates were lowered to an average 7.7% for 2009 and up slightly to an average 7.3% for the 2010 – 2012 plan period. Average rates are cited because they vary depending on plan type participation. Pension savings of \$.7 million in 2008 were also realized as we applied a lower rate that reflects the forecasted billing rates used by our provider.

The fuel budget category consists of fuel types (Diesel, CNG, Oil and Lubricants) that have different inflator rates. Although adjustments were made in the July budget cycle to reflect current rates, the guideline CPI's did not anticipate the continued increase in the respective fuel prices. As such, there is a budget gap going into the November plan with no clear indication of a funding source. Guideline rates developed in conjunction with the MTA budget unit were applied to the forecasted usage for September - December 2008. Optimistic lower fuel rates are projected for the base year 2009 with fluctuation in those for the outer plan years.

Active claims cases have mandated the increase of LI Bus's claims reserves. One particularly large case is expected to be settled during the first quarter of 2009. However, the accrual requirements are impacting the 2008 actual numbers. Based on the current year-to-date overrun and anticipated liabilities through the end of 2008, an amount of \$1 million was added to the claims November plan accrual budget.

Adjustments to the other plan year's claims numbers will be assessed as cases develop, with the liability reserve requirements being the driving force for accrual changes, and settlement amounts, for cash payment needs.

Baseline changes to other non-labor categories (contracts, materials & supplies) were affected by the higher November CPI that was used to develop a base 2009 plan number. The 2010 -2012 plan years therefore reflects the CPI changes applied to each respective base year. Energy related items such as electricity, heating and non-revenue fuel are included in the maintenance contract and material budget grouping and their adjusted 2008 baseline in combination with the fuel CPI's, directly affected the final annual numbers in these categories.

The 2009 PEG program was unchanged.

Cash

With two exceptions, plan-to-plan cash changes mirrored the changes to accrual and unique cash flow timing requirements.

As outline above, in anticipation of a claims settlement that requires payment up to our excess liability sealing, \$2 million dollars was added to the claims cash budget in 2009.

A shift in the timing of insurance premium payments caused changes in this line item in each year of the plan period.

MTA LONG ISLAND BUS
November Financial Plan 2009- 2012
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE

	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Operating Cash Income/(Deficit)	(\$86.618)	(\$85.221)	(\$89.824)	(\$93.805)	(\$96.690)
Baseline Changes					
Revenue					
Farebox Revenue	-	(0.696)	(0.783)	(0.913)	(1.002)
Vehicle Toll Revenue	-	-	-	-	-
Other Operating Revenue	0.054	1.127	0.828	-	-
Capital and Other Reimbursement	-	-	-	-	-
Total Revenue Changes	\$0.054	\$4.31	\$0.045	(\$0.913)	(\$1.002)
Expenses					
Labor:					
Payroll (change in CPI)	-	(0.489)	(0.380)	(0.583)	(0.705)
Overtime (change in CPI)	-	(0.050)	(0.041)	(0.059)	(0.069)
Health and Welfare	-	0.317	0.381	0.455	0.536
OPEB-2008	-	-	-	-	-
Pensions	0.690	0.566	0.587	0.581	0.585
Other Fringe Benefits	0.035	0.036	0.050	0.029	0.017
Reimbursable Overhead	-	-	-	-	-
Total Labor Expense Changes	\$0.725	\$0.381	\$0.597	\$0.424	\$0.364
Non-Labor:					
Traction and Propulsion Power	-	-	-	-	-
Fuel for Buses and Trains	(1.567)	(1.210)	(2.944)	(1.625)	(1.547)
Insurance	-	-	-	-	-
Claims	(1.000)	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	0.088	0.159	0.041	(0.097)	(0.204)
Professional Service Contracts	-	(0.019)	(0.015)	(0.022)	(0.026)
Materials & Supplies	-	(0.072)	(0.056)	(0.078)	(0.097)
Other Business Expenses	-	(0.004)	(0.003)	(0.005)	(0.006)
Total Non-Labor Expense Changes before Depreciation and GASB Adjs.	(\$2.480)	(\$1.145)	(\$2.977)	(\$1.827)	(\$1.880)
Depreciation					
OPEB Post-2008	-	\$0.000	\$0.000	\$0.000	\$0.000
CNG Tax credits (greater than forecast)	-	-	-	-	-
Total Expense Changes	(\$1.755)	(\$0.765)	(\$2.380)	(\$1.403)	(\$1.516)
Cash Adjustment Changes					
Farebox Revenue	-	-	-	-	-
Capital and Other Reimbursement	-	-	-	-	-
Payroll	-	-	0.000	0.000	(0.000)
Overtime	-	-	-	-	-
Health and Welfare	-	-	(0.000)	0.000	(0.000)
Pensions	-	-	-	0.000	-
Other Fringe Benefits	0.000	(0.000)	(0.000)	(0.000)	(0.000)
Fuel for Buses and Trains	-	0.000	-	-	-
Insurance	0.250	0.025	0.013	0.024	(0.018)
Claims	1.000	(2.000)	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	-	-	-	-	-
Professional Service Contracts	-	-	-	-	-
Materials & Supplies	-	(0.000)	-	-	-
Other Business Expenses	-	-	-	-	-
OPEB Post-2008	-	-	-	-	-
Total Cash Adjustment Changes	\$1.250	(\$1.975)	\$0.013	\$0.025	(\$0.018)
Total Baseline Changes	(\$0.450)	(\$2.309)	(\$2.323)	(\$2.291)	(\$2.536)
Baseline 2008 July Financial Plan - Operating Cash Income/(Deficit)	(\$87.069)	(\$87.529)	(\$92.147)	(\$96.096)	(\$99.226)

MTA Long Island Bus
November Financial Plan 2009- 2012
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE

	2008	2009	2010	2011	2012
Baseline 2008 February 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	0.105	0.080	0.071	0.064	0.058
Total Revenue Changes	\$.105	\$.080	\$.071	\$.064	\$.058
Expenses					
Labor:					
Payroll	-	-	0.002	(0.001)	(0.003)
Overtime	-	-	-	-	-
Health and Welfare	-	0.029	0.039	0.049	0.061
OPEB-2008	-	-	-	-	-
Pensions	(0.049)	(0.051)	(0.052)	(0.053)	(0.054)
Other Fringe Benefits	(0.056)	(0.058)	(0.060)	(0.060)	(0.062)
Reimbursable Overhead	-	-	-	-	-
Total Labor Expense Changes	(\$.105)	(\$.080)	(\$.071)	(\$.065)	(\$.058)
Non-Labor:					
Traction and Propulsion Power					
Fuel for Buses and Trains	-	-	-	-	-
Insurance	-	-	-	-	-
Claims	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	-	-	-	-	-
Professional Service Contracts	-	-	-	-	-
Materials & Supplies	-	-	-	-	-
Other Business Expenses	-	-	-	-	-
Total Non-Labor Expense Changes	\$.000	\$.000	\$.000	\$.000	\$.000
Total Expense Changes	(\$.105)	(\$.080)	(\$.071)	(\$.065)	(\$.058)
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					
Rounding					
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	(\$0.000)	\$0.000	(\$0.000)	(\$0.001)	(\$0.000)
Baseline 2008 July Financial Plan - Operating Cash Income/(Deficit)	(\$0.000)	\$0.000	(\$0.000)	\$0.000	(\$0.000)

MTA LONG ISLAND BUS
November Financial Plan 2009-2012
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE & REIMBURSABLE

	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Operating Cash Income/(Deficit)	(\$86.618)	(\$85.221)	(\$89.824)	(\$93.805)	(\$96.690)
Baseline Changes					
Revenue					
Farebox Revenue	-	(0.696)	(0.783)	(0.913)	(1.002)
Vehicle Toll Revenue	-	-	-	-	-
Other Operating Revenue	0.054	1.127	0.828	-	-
Capital and Other Reimbursement	0.105	0.080	0.071	0.064	0.058
Total Revenue Changes	\$.159	\$.511	\$.116	(\$.848)	(\$.944)
Expenses					
Labor:					
Payroll (change in CPI)	-	(0.489)	(0.378)	(0.584)	(0.708)
Overtime (change in CPI)	-	(0.050)	(0.041)	(0.059)	(0.069)
Health and Welfare	-	0.346	0.420	0.504	0.597
OPEB-2008	-	-	-	-	-
Pensions	0.641	0.515	0.534	0.528	0.531
Other Fringe Benefits	(0.021)	(0.022)	(0.010)	(0.031)	(0.045)
Reimbursable Overhead	-	-	-	-	-
Total Labor Expense Changes	\$.620	\$.301	\$.526	\$.359	\$.305
Non-Labor:					
Traction and Propulsion Power	-	-	-	-	-
Fuel for Buses and Trains	(1.567)	(1.210)	(2.944)	(1.625)	(1.547)
Insurance	-	-	-	-	-
Claims	(1.000)	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	0.088	0.159	0.041	(0.097)	(0.204)
Professional Service Contracts	-	(0.019)	(0.015)	(0.022)	(0.026)
Materials & Supplies	-	(0.072)	(0.056)	(0.078)	(0.097)
Other Business Expenses	-	(0.004)	(0.003)	(0.005)	(0.006)
Total Non-Labor Expense Changes before Depreciation and GASB Adj.	(\$2.480)	(\$1.145)	(\$2.977)	(\$1.827)	(\$1.880)
Depreciation	-	-	-	-	-
OPEB Post-2008	-	-	-	-	-
CNG Tax credits (greater than forecast)	-	-	-	-	-
Total Expense Changes	(\$1.859)	(\$.845)	(\$2.451)	(\$1.468)	(\$1.575)
Cash Adjustment Changes					
Farebox Revenue	-	-	-	-	-
Capital and Other Reimbursement	-	-	-	-	-
Payroll	-	-	0.000	0.000	(0.000)
Overtime	-	-	-	-	-
Health and Welfare	-	-	(0.000)	0.000	(0.000)
Pensions	-	-	-	0.000	-
Other Fringe Benefits	0.000	(0.000)	(0.000)	(0.000)	(0.000)
Fuel for Buses and Trains	-	0.000	-	-	-
Insurance	0.250	0.025	0.013	0.024	(0.018)
Claims	1.000	(2.000)	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	-	-	-	-	-
Professional Service Contracts	-	-	-	-	-
Materials & Supplies	-	(0.000)	-	-	-
Other Business Expenses	-	-	-	-	-
OPEB Post-2008	-	-	-	-	-
Total Cash Adjustment Changes	\$1.250	(\$1.975)	\$0.013	\$0.025	(\$0.018)
Total Baseline Changes	(\$0.450)	(\$2.309)	(\$2.323)	(\$2.291)	(\$2.536)
Baseline 2008 July Financial Plan - Operating Cash Income/(Deficit)	(\$87.069)	(\$87.529)	(\$92.147)	(\$96.096)	(\$99.226)

MTA LONG ISLAND BUS
November Financial Plan 2009- 2012
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2008	0	2009	0	2010	0	2011	0	2012
Baseline 2008 July Financial Plan - Net Operating Income	(\$86.618)		(\$85.221)		(\$89.824)		(\$93.805)		(\$96.690)
<i>Non-Reimbursable Major Changes</i>									
Revenue									
Additional Farebox	\$0.000		(\$0.696)		(\$0.783)		(\$0.913)		(\$1.002)
Net loss between Grant funding and Contract work	0.054		1.127		0.828		-		-
Adjustments for reimbursable benefit expenses	-		-		-		-		-
Sub-Total Non-Reimbursable Revenue Changes	\$0.054		\$0.431		\$0.045		(\$0.913)		(\$1.002)
Expenses									
Payroll	\$0.000		(\$0.489)		(\$0.380)		(\$0.583)		(\$0.705)
Overtime	-		(0.050)		(0.041)		(0.059)		(0.069)
Health and Welfare	-		0.317		0.381		0.455		0.536
Pensions	0.690		0.566		0.587		0.581		0.585
Other Fringe Benefits	0.035		0.036		0.050		0.029		0.017
Fuel for Buses and Trains	(1.567)		(1.210)		(2.944)		(1.625)		(1.547)
Claims	(1.000)		-		-		-		-
Maintenance and Other Operating Contracts	0.088		0.159		0.041		(0.097)		(0.204)
Professional Service Contracts	-		(0.019)		(0.015)		(0.022)		(0.026)
Materials & Supplies	-		(0.072)		(0.056)		(0.078)		(0.097)
Other Business Expenses	-		(0.004)		(0.003)		(0.005)		(0.006)
Sub-Total Non-Reimbursable Expense Changes	(\$1.755)		(\$0.765)		(\$2.380)		(\$1.403)		(\$1.516)
Total Non-Reimbursable Major Changes	(\$1.701)		(\$0.334)		(\$2.335)		(\$2.316)		(\$2.518)
<i>Reimbursable Major Changes</i>									
Revenue									
Adjustments for reimbursable labor & benefit expenses	0.105		0.080		0.071		0.064		0.058
Sub-Total Reimbursable Revenue Changes	0.105		0.080		0.071		0.064		0.058
Expenses									
CPI on labor items	-		-		0.002		(0.001)		(0.003)
Health & Welfare CPI /OPEB impact	-		0.029		0.039		0.049		0.061
Pension	(0.049)		(0.051)		(0.052)		(0.053)		(0.054)
Other Fringe	(0.056)		(0.058)		(0.060)		(0.060)		(0.062)
Sub-Total Reimbursable Expense Changes	(0.105)		(0.080)		(0.071)		(0.065)		(0.058)
Total Reimbursable Major Changes	(\$0.000)		\$0.000		(\$0.000)		(\$0.001)		(\$0.000)
Total Accrual Changes	(\$1.701)		(\$0.334)		(\$2.335)		(\$2.316)		(\$2.519)
Cash Adjustment Changes									
Pension	\$0.000		\$0.000		\$0.000		\$0.000		\$0.000
Insurance	0.250		0.025		0.013		0.024		(0.018)
Claims	1.000		(2.000)		-		-		-
Total Cash Adjustment Changes	\$1.250		(\$1.975)		\$0.013		\$0.025		(\$0.018)
Total Baseline Changes	(\$0.451)		(\$2.308)		(\$2.323)		(\$2.292)		(\$2.536)
Baseline 2008 November Financial Plan - Net Operating Income	(\$87.069)		(\$87.529)		(\$92.147)		(\$96.096)		(\$99.226)

**MTA Long Island Bus
2009 Preliminary Budget
November Financial Plan 2009 - 2012**

RIDERSHIP (UTILIZATION) ASSUMPTIONS

Fixed Route:

Ridership during the first 9 months of 2008 has experienced monthly fluctuations relative to fuel prices, weather and the general state of the economy. Year-to-date September ridership is up 2.9% compared to the same period in 2007 and .5% better than the mid-year forecast.

The year-to-date growth over last year is evenly distributed amongst weekdays, weekends and holidays service with percent increases ranging between 2.4 and 2.6 percent. The single day ridership record was also broken during the month of September with over 120 thousand passenger carried. This is significant in that due to the perennial negative funding scenario, no expansion service was implemented. Wherever possible, service adjustments are made to maximize efficiency and enhance the commuting experience of our customers.

Under normal economic conditions, these ridership increases would trigger similar increases in forecasts through year-end and future plan years. However, with all indicators pointing to a worsening economic climate and more specifically, higher unemployment figures, a more conservative approach has been adopted.

Ridership levels from the mid-year plan remains unchanged and is expected to be 32.8 million. The 2009 unemployment outlook and the pending fare increase prompted a negative growth forecast of (.75%), which although negative, is better than the market indicators. We maintain an optimistic vision that the future plan years will return to modest growth, as the economy improves (.3% in 2010, .2% in 2011 and .3% in 2012).

Revenue growth correlates closely to that of ridership with a slight advantage seen in higher average rates. Minor percentage variance was used to reflect this factor.

With fuel prices moderating, LI Bus would like to be in a position to enhance service so as to retain those riders who opted out of driving cars. This and any expansion is however contingent on receiving adequate funding.

Paratransit (Demand Response)

Demand response service continues to grow relative to past years and the mid-year forecast. Year-to-date September, ridership is 7.2% better than 2007 and 3.3% over the mid-year forecast. This service is however not exempt from the impact of a bad economy, as customers are expected to now streamline usage for essential rather than casual trips.

Forecast to the end of 2008 retained the mid-year number of .361 million with a (.75%) reduction projected for 2009. Moderate increases are projected in each of the future plan years.

Revenue growth is consistent with that of ridership.

MTA Long Island Bus
November Financial Plan 2009- 2012
Ridership/Traffic Volume (Utilization)
(in millions)

	2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
<u>RIDERSHIP</u>						
Fixed Route	32.088	32.811	32.565	32.663	32.728	32.826
Paratransit	0.352	0.361	0.358	0.359	0.360	0.361
Baseline Total Ridership	32.440	33.172	32.916	33.025	33.090	33.190
<i>Impact of:</i>						
2009 Program to Eliminate the Gap (PEGs)						
Post-2009 Program to Eliminate the Gap (PEGs)						
Total Ridership	32.440	33.172	32.916	33.025	33.090	33.190
<u>FAREBOX REVENUE</u>						
Fixed Route	\$ 39.217	\$ 41.002	\$ 40.735	\$ 40.858	\$ 40.939	\$ 41.062
Paratransit	\$ 1.104	\$ 1.123	\$ 1.116	\$ 1.119	\$ 1.121	\$ 1.125
Baseline Total Revenue	\$40.321	\$42.125	\$41.851	\$41.977	\$42.061	\$42.187
<i>Impact of:</i>						
2009 Program to Eliminate the Gap (PEGs)	-	-	-	-	-	-
Post-2009 Program to Eliminate the Gap (PEGs)	-	-	-	-	-	-
Total Revenue	\$40.321	\$42.125	\$41.851	\$41.977	\$42.061	\$42.187

MTA LONG ISLAND BUS
November Plan 2009 - 2012
Summary of 2009 Program to Eliminate the Gap(PEGs)
(\$ in millions)

		2008		2009		2010		2011		2012	
		<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>
Maintenance											
Repair & Maintenance Contracts Savings		0	0.000	0	0.080	0	0.000	0	0.000	0	0.000
Savings on Structural Repairs and Material needs (Fi		0	0.000	0	0.160	0	0.140	0	0.050	0	0.030
Utility Savings - Electricity		0	0.000	2	0.130	2	0.130	2	0.130	2	0.130
Sub-Total	Maintenance	0	\$ 0.000	2	\$ 0.370	2	\$ 0.270	2	\$ 0.180	2	\$ 0.160
Other											
Fueling of Pararansit Vehicles		0	0.000	0	0.070	0	0.070	0	0.070	0	0.070
Warranty Recovery		0	0.000	0	0.200	0	0.200	0	0.150	0	0.110
Sub-Total	Other	0	\$ 0.000	0	\$ 0.270	0	\$ 0.270	0	\$ 0.220	0	\$ 0.180
Total Programs		0	\$ 0.000	2	\$ 0.640	2	\$ 0.540	2	\$ 0.400	2	\$ 0.340

MTA LONG ISLAND BUS
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	LIBUS	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Maintenance	Savings Date	1/1/2009
PEG / New Need ID	0000000016	Current Budget Year	2008	Status	Open
Program:	Repair & Maintenance Contracts Savings			Agency Status	Pending
Description and Implementation Pla	Savings in Repair and Maintenance Contracts due to the replacement of 70% of the Paratransit fleet with new buses. This represents a 5% reduction for partial 2008 credit and 8% for full 2009 benefit.				
Background Details	Prior to the receipt of new buses, over 70% of the fleet had reached the recommended replacement criteria, thereby generating additional repair and maintenance expenses.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	LIBUS	0000000016	FINAL08	\$ 0.000	\$ 0.080	\$ 0.000	\$ 0.000	\$ 0.000

MTA LONG ISLAND BUS
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	LIBUS	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Maintenance	Savings Date	2/1/2009
PEG / New Need ID	0000000018	Current Budget Year	2008	Status	Open
Program:	Savings on Structural Repairs and Material needs (Fixed Route)			Agency Status	Pending
Description and Implementation Pla	Savings from lower Structural/Body Repair and Material needs as new Fixed Route Buses are put in service.				
Background Details	Delays in fixed route replacement buses caused the extended use of older buses that resulted in additional repair expenses.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	LIBUS	0000000018	FINAL08	\$ 0.000	\$ 0.160	\$ 0.140	\$ 0.050	\$ 0.030

MTA LONG ISLAND BUS
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	LIBUS	Financial Plan Category	PEG	Implementation Date	1/4/2009
Budget Reference	FINAL08	Category	Maintenance	Savings Date	1/4/2009
PEG / New Need ID	0000000020	Current Budget Year	2008	Status	Open
Program:	Utility Savings - Electricity			Agency Status	Pending
Description and Implementation Pla	Savings generated by charging on-site high capacity battery during lower rate/low peak hours and fueling buses on battery power during high rate/peak periods. Two maintainer helper positions eliminated in off-peak.				
Background Details	Fueling of buses were mainly done during off-peak hour (nights) requiring the hiring of an additional shift of maintainer helpers.				

				2008	2009	2010	2011	2012
Total Headcount	LIBUS	0000000020	FINAL08	0	2	2	2	2
Financial Impact	LIBUS	0000000020	FINAL08	\$ 0.000	\$ 0.130	\$ 0.130	\$ 0.130	\$ 0.130

MTA LONG ISLAND BUS
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	LIBUS	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Other	Savings Date	1/1/2009
PEG / New Need ID	0000000017	Current Budget Year	2008	Status	Open
Program:	Fueling of Pararansit Vehicles			Agency Status	Pending
Description and Implementation Pla	Target 12 in-route buses daily to be fueled at the Mitchel Field Depot diesel fuel station. The intent is to benefit from lower unit cost versus using external vendors (gas stations).				
Background Details	Due to the logistics of daily "demand response" service, it is more practical to re-fuel at vendor gas stations.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	LIBUS	0000000017	FINAL08	\$ 0.000	\$ 0.070	\$ 0.070	\$ 0.070	\$ 0.070

MTA LONG ISLAND BUS
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	LIBUS	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Other	Savings Date	7/1/2009
PEG / New Need ID	0000000019	Current Budget Year	2008	Status	Open
Program:	Warranty Recovery			Agency Status	Pending
Description and Implementation Pla	As new replacement buses enter service and are under warranty, enhanced warranty tracking initiatives will be implemented.				
Background Details	All of the current fleet are out of warranty.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	LIBUS	0000000019	FINAL08	\$ 0.000	\$ 0.200	\$ 0.200	\$ 0.150	\$ 0.110

MTA LONG ISLAND BUS
November Plan 2009 - 2012
Summary of Post 2009 PEGs
(\$ in millions)

		2008		2009		2010		2011		2012	
		<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>
Other											
Unspecified		0	0.000	0	0.000	0	1.491	0	2.982	0	4.473
Sub-Total	Other	<u>0</u>	<u>\$ 0.000</u>	<u>0</u>	<u>\$ 0.000</u>	<u>0</u>	<u>\$ 1.491</u>	<u>0</u>	<u>\$ 2.982</u>	<u>0</u>	<u>\$ 4.473</u>
Total Programs		<u>0</u>	<u>\$ 0.000</u>	<u>0</u>	<u>\$ 0.000</u>	<u>0</u>	<u>\$ 1.491</u>	<u>0</u>	<u>\$ 2.982</u>	<u>0</u>	<u>\$ 4.473</u>

MTA LONG ISLAND BUS
November Plan 2009 - 2012
Summary of Post PEGs Worksheet

(\$ in millions)

Business Unit	LIBUS	Financial Plan Category	Post PEG	Implementation Date	1/1/2010
Budget Reference	FINAL08	Category	Other	Savings Date	1/1/2010
PEG / New Need ID	0000000021	Current Budget Year	2008	Status	Open
Program:	Unspecified			Agency Status	Pending

Description and Implementation Pla

Background Details

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	LIBUS	0000000021	FINAL08	\$ 0.000	\$ 0.000	\$ 1.491	\$ 2.982	\$ 4.473

**MTA Long Island Bus
2009 Final Proposed Budget
November Financial Plan 2009 - 2012**

Positions:

The proposed 2009 PEG requires the reduction of two maintainer helper headcount.

As the regional bus structure evolves, there were headcount shifts amongst occupational groups. However, there were no changes to the number of baseline full-time employees. Future headcount needs will be contingent upon approved funding in support of enhanced service and support levels.

MTA LONG ISLAND BUS
November Financial Plan 2009- 2012
Non-Reimbursable - Reimbursable Positions by Function and Department
Full-Time Positions and Full Time Equivalents

FUNCTION/DEPARTMENT	2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Administration						
Administration - All Other	31	33	33	33	33	33
Administration - Safety	10	11	10	10	10	10
Finance	18	21	21	21	21	21
Legal	9	9	8	8	8	8
IT	17	22	21	21	21	21
Total Administration	85	96	93	93	93	93
Operations						
Admin (F/R)	22	24	28	28	28	28
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	8	9	9	9	9	9
Dipatchers	41	43	43	43	43	43
Bus Operators (F/R)	534	536	536	536	536	536
Bus Operators (Para)	119	131	131	131	131	131
Total Operations	758	777	781	781	781	781
Maintenance						
Admin	10	12	14	14	14	14
Line Supervisors	18	19	19	19	19	19
Mechanics (F/R)	117	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)	6	7	7	7	7	7
Storeroom	12	12	12	12	12	12
P & E (F/R)	9	10	10	10	10	10
P & E (Para)	0	1	1	1	1	1
Farebox	6	6	6	6	6	6
Total Maintenance	243	261	263	263	263	263
Engineering/Capital						
Engineers	2	2	-	-	-	-
Capital	13	14	14	14	14	14
Total Engineering/Capital	15	16	14	14	14	14
Public Safety						
Security	2	3	2	2	2	2
Total Baseline Positions	1,103	1,153	1,153	1,153	1,153	1,153
<i>Non-Reimbursable</i>	1,090	1,139	1,139	1,139	1,139	1,139
<i>Reimbursable</i>	13	14	14	14	14	14
<i>Total Full-Time</i>	1,008	1,044	1,044	1,044	1,044	1,044
<i>Total Full-Time Equivalents</i>	95	109	109	109	109	109

Impact of:						
2009 Program to Eliminate the Gap (PEGs)	-	-	2	2	2	2
Post-2009 Program to Eliminate the Gap (PEGs)	-	-	-	-	-	-
Total Positions	1,103	1,153	1,151	1,151	1,151	1,151
<i>Non-Reimbursable</i>	1,090	1,139	1,137	1,137	1,137	1,137
<i>Reimbursable</i>	13	14	14	14	14	14
<i>Total Full-Time</i>	1,008	1,044	1,042	1,042	1,042	1,042
<i>Total Full-Time Equivalents</i>	95	109	109	109	109	109
Business Service Center					15	15

MTA LONG ISLAND BUS
November Financial Plan 2009- 2012
Total Full-time Positions and Full-time Equivalents by Function and Occupational Group

FUNCTION/OCCUPATIONAL GROUP		2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Administration							
	Managers/Supervisors	37	42	40	40	40	40
	Professional, Technical, Clerical	48	54	53	53	53	53
	Operational Hourlies						
	Total Administration	85	96	93	93	93	93
Operations							
	Managers/Supervisors	63	64	68	68	68	68
	Professional, Technical, Clerical	42	44	44	44	44	44
	Operational Hourlies	653	669	669	669	669	669
	Total Operations	758	777	781	781	781	781
Maintenance							
	Managers/Supervisors	26	27	29	29	29	29
	Professional, Technical, Clerical	4	4	4	4	4	4
	Operational Hourlies	213	230	230	230	230	230
	Total Maintenance	243	261	263	263	263	263
Engineering/Capital							
	Managers/Supervisors	7	7	7	7	7	7
	Professional, Technical, Clerical	8	9	7	7	7	7
	Operational Hourlies						
	Total Engineering/Capital	15	16	14	14	14	14
Public Safety							
	Managers/Supervisors	-	1	-	-	-	-
	Professional, Technical, Clerical	2	2	2	2	2	2
	Operational Hourlies						
	Total Public Safety	2	3	2	2	2	2
Total Baseline Positions							
	Managers/Supervisors	133	141	144	144	144	144
	Professional, Technical, Clerical	104	113	110	110	110	110
	Operational Hourlies	866	899	899	899	899	899
	Total Baseline Positions	1,103	1,153	1,153	1,153	1,153	1,153

Long Island Rail Road

MTA LONG ISLAND RAIL ROAD
2009 Final Proposed Budget
November Financial Plan 2009-2012

Mission Statement and Highlights of Operations

The mission of the MTA Long Island Rail Road is to provide a safe, accessible, clean, cost-effective, customer-focused rail transportation system that runs on time, is comfortable, user-friendly and provides the region with a valued and indispensable service. In order to accomplish this mission, it strategically allocates limited resources to achieve eight critical goals that are linked to the seven MTA's core values/priorities. They are:

- Improve customer and employee safety and security
- Improve customer satisfaction
- Improve service reliability
- Improve cost-effectiveness
- Improve the customer experience through infrastructure investment
- Develop and expand regional approaches to transportation issues
- Maintain a professional, well-trained and motivated workforce
- Contribute to the establishment of an environmentally "green" community

FINANCIAL OVERVIEW

While external factors such as a sluggish regional economy continue to place pressure on the MTA's finances, the LIRR has worked diligently to prepare this 2009 Final Proposed Budget and 2009-2012 Financial Plan, to advance its core goals while at the same time exhibiting fiscal constraint. The Budget and Plan demonstrate the Rail Road's commitment to its customers, by including funding for a series of targeted initiatives that will dramatically improve their experience.

Customer Safety and Security: The LIRR's recent record in the area of safety and security has been excellent. 2007 customer injury and employee lost time and restricted duty injury rates were the lowest in years at 6.58 customer injuries per one million customers and 2.31 accidents per 200,000 worker hours, respectively. Through the second quarter of 2008, customer injuries were down by 18% and employee by 26% over the same period last year.

The 2009 Final Proposed Budget contains substantial resources dedicated to continuing this progress. In 2009, the railroad will continue safety initiatives such as the T.R.A.C.K.S Program and Operation Lifesaver. This is part of the Safety Department's \$8.5 million budget. In addition, more than \$30 million is earmarked in the 2009 – 2012 Financial Plan for the LIRR's Platform Gap Mitigation Strategy, including installing new

and wider threshold plates on rail cars and adding rubbing board to station platforms to achieve a smaller Gap standard.

Customer Satisfaction: There are numerous ways in which the LIRR has improved the experience of the more than 85 million customers that ride its trains each year. They run the gamut from improving customer service to upgrading existing facilities. President Helena E. Williams has identified customer service as a critical priority and the 2009 Final Proposed Budget reflects this reality. The railroad continues to implement the Customer Communication Initiative that was launched in 2008. This includes providing train crews with cell phones, the creation of a 24/7 Public Information Office, and the installation of new message boards in Penn Station and Jamaica Station. Through 2009, this effort is expected to cost \$6.9 million. In addition, customer satisfaction is achieved through deploying 118 station cleaners and 372 car cleaners to clean and maintain the parts of the railroad customer's use on a daily basis. In 2009, key departments that impact Customer Satisfaction include Passenger Services, \$60.0 million and Public Affairs, \$12.1 million.

Service Reliability: The LIRR's on-time performance record of 94.1 percent for 2007 was the best since modern record keeping started in 1979. This was made possible by the dedicated work of its employees, particularly those responsible for maintaining the fleet and right of way in a state of good repair. The Railroad's fleet of M7 cars was especially reliable, achieving a mean distance between failures of 325,203 miles – far better than expected. Through the second quarter of 2008, on-time performance and mean distance between failures was even better than it was in the prior year. For the first six months of 2008, on-time performance was 95.56% versus 94.53% for the same period last year. Fleet-wide mean distance between failures increased from 105,668 to 124,327.

The 2009 Final Proposed Budget contains the resources necessary for the LIRR to maintain a high level of service reliability. In 2009, the Maintenance of Equipment Department, which is responsible for maintaining all rolling stock equipment, has a budget of \$334.1 million. This level supports the ongoing Life Cycle Maintenance (LCM) program. The Engineering Department, which has a \$160.9 million budget in 2009, maintains all infrastructure elements, such as track, signals, and power. Over the past few years, the LIRR has made investments to upgrade and expand the signal system. The 2009 budget reflects additional resources to ensure that the new systems are properly maintained. Another key ingredient of the LIRR's service reliability initiative is its Low Adhesion Mitigation Strategy, which is necessary to prevent slip-slide conditions and extend wheel life.

Infrastructure Investment: Planning for capital projects must include identifying and providing for ongoing operating needs. Several capital projects with new state of the art technology components are coming on line during the financial plan. These projects were evaluated, and additional resources are being provided, to ensure that the railroad is prepared to operate and maintain the new assets.

In addition to the new initiatives outlined above, the railroad is poised to undergo many system infrastructure changes and improvements that will alter the operational footprint of the railroad during the next few years. East Side Access, Hudson River Yard Development, and Brookfield Overbuild are just a few of the major changes that will transform the railroad. The railroad has made several internal changes in order to ensure the necessary resources and organizational structure is in place to support these major projects.

Environmental Sustainability: Contributing to the establishment of an environmentally “green” community is a key priority guiding future investment and strategic planning. As a critical piece of the New York Metropolitan Area’s public transportation network, the LIRR is committed to drawing increasing numbers of people away from energy inefficient and highly pollutant automobiles for their travel.

The LIRR will dedicate funding toward environmentally friendly cleaning products. In addition, the railroad will further advance its effort to achieve a light duty vehicle fleet that is 100 percent hybrid by 2011 by allocating \$0.6 million to purchase 23 hybrid vehicles in 2009.

Cost-Effectiveness: As noted earlier, the LIRR will pursue these efforts while at the same time streamlining operations and containing costs. The Final Proposed 2009 Budget achieves the LIRR’s 1.5 percent targeted reduction through several initiatives, including those designed to right-size inventory and contains employee health and welfare costs. The introduction of new technology will further streamline operations.

The financial projections in the attached statements reflect the most current projections by the LIRR for the balance of 2008, carrying out into 2012.

2008 November Forecast

The LIRR’s 2008 November Forecast is comprised of non-reimbursable revenue totaling \$544.9 million and non-reimbursable expenses including depreciation, other post employment benefits and environmental remediation of \$1.514 billion that generate an operating deficit of \$(969.2) million. The 2008 November Forecast reimbursable revenue and expenses each total \$209.7 million.

The Baseline Accrued Deficit is \$13.7 million better than the 2008 Mid-Year Forecast. The Baseline Cash Deficit is favorable \$23.8 million to the Mid-Year Forecast, which is mainly due to timing of program activity and material purchases.

Total Non-Reimbursable revenue is \$7.5 million favorable to the 2008 Mid-Year Forecast. Farebox Revenue is favorable by \$6.9 million due to higher commutation ridership. Other Operating Revenue is favorable by \$0.6 million due to higher advertising guarantee, scrap sales and rent.

Total Non-Reimbursable Non-Labor expenses (excluding depreciation, OPEB and environmental remediation) are favorable by \$16.2 million, or 4.5%, and Labor expenses are on plan. The favorable non-labor expenses are driven by materials.

The major cash adjustment from the Mid-Year forecast is a shift in operating funded capital to 2009, partially offset by higher East Side Access materials.

2009 Final Proposed Budget - Baseline

The goals and objectives contained in the 2009 Final Proposed Budget are consistent with the LIRR's mission and its aim to continue to improve service attributes. Among the key goals for 2009 are improving on-time performance to 94.5% and maintaining fleet-wide mean distance between failures (MDBF) of 100,000 miles. The budget plan also reflects a continuing commitment to improve both employee and customer safety, with projected improvements of 5% for each. Other key assumptions incorporated in the baseline are discussed in a later section, along with reconciliation to the July Financial Plan.

The 2009 Revenue budget totals \$771.6 million; Non-reimbursable revenue makes up \$543.6 million of the total and Reimbursable revenues are \$228.1 million. The total expense budget is \$1.826 billion, of which \$1.447 billion is for operating expenses and the balance is associated with such non-cash items as depreciation, other post employment benefits and environmental remediation. Non-reimbursable operating expenses total \$1.219 billion in 2009, while Reimbursable expenses are \$228.1 million in the accrued statements.

The cash budget for 2009 incorporates \$845.8 million in cash receipts and \$1.530 billion in cash disbursements. The baseline net cash requirement is \$(684.5) million, as driven by operating expenses paid for in 2009, revenues received in 2009, and other adjustments to cash flow. While much of the operating budget has a direct impact on cash flow, there are some items such as material purchases for capital work that only appear in the cash budget. In addition, the differences between accrued and cash budgets reflect natural lags between when costs are incurred and when they will be paid for.

On an accrued basis, both revenues and expenses in the 2009 Final Proposed Budget are higher than in the 2008 November Forecast. Total revenues of \$771.6 million are \$17.0 million higher than in the November Forecast, with Non-reimbursable revenues declining by \$(1.4) million and Reimbursable revenues up by \$18.4 million. Baseline Ridership in 2009 remains flat over the 2008 November Forecast. Overall, Farebox Revenue declines due to a lower yield per passenger. Operating expenses before depreciation of \$1.447 billion reflect growth of \$95.7 million over the 2008 November Forecast, \$77.3 million of which is in non-reimbursable expenses. While the resulting total operating baseline deficit rises \$84.8 million to \$(1.054) billion in 2009, the projected baseline cash deficit (or subsidy requirement) of \$(684.5) million in 2009 is

higher by \$106.1 million, driven by a full year of pension costs and East Side Access Material.

Full-time positions total 6,910 in the 2009 Final Proposed Budget, with 6,134 non-reimbursable positions and 776 reimbursable positions. Compared to the 2008 November Forecast, this reflects a total decrease of 51 year-end positions, of which 49 are reimbursable positions, consistent with anticipated levels of capital and other reimbursable funded activity in 2009.

The major New Needs identified in the 2009 Budget focus on safety and security, customer service and financial stability. Additional resources are being dedicated to several FRA Mandates including 2B inspections of the Public Address System and Emergency Access windows on C3 coaches, a combined \$2.4 million. Several new needs either directly or indirectly focus on customer service, including dedicating more resources to improving diesel fleet operations, maintenance support of the first phase of the Centralized Train Control Systems, increased Transportation management on the East End and for Train Movement through Jamaica.

2010-2012 Projections

The baseline projections for 2010 through 2012 reflect no notable changes to the LIRR's commitment to its customers. Goals are still in place to continue improving key performance measures in safety, with annual 5% improvements for both employees and customers, and MDBF, which remains at 100,000 miles fleet-wide. Projections are to maintain an on-time performance rating of 94.5%. During this period, the LIRR will continue its LCM for its M7 fleet, as many components start to enter key maintenance stages. Fulfillment of LCM requirements will continue to place growing demands on resources, in both labor and maintenance materials.

The baseline projections for 2010-2012 reflect these various impacts. Non-reimbursable revenues grow less than 1.2% in any year, while Reimbursable revenues decrease by 1.6% in 2010, 11.7% in 2011 and then increase by 6.4% in 2012.

The pace of expense growth is higher, driven by high rates of increase above normal inflation in health and welfare (active and retirees), Traction and Propulsion power, and insurance throughout the plan. Non-reimbursable expenses (before depreciation) grow by 0.5% from \$1.219 billion in 2009 to \$1.225 billion in 2010. They continue to rise by 2.3% in 2011 and 3.2% in 2012, reaching \$1.295 billion. Reimbursable expenses decline by 1.6% (\$3.7 million) in 2010 and 11.7% in 2011, and then increase by 6.4% in 2012, reaching \$210.8 million.

The baseline positions in these projections increase in 2010 by 233 positions over 2009, and then a decrease of 23 positions in 2011 and another decrease of 6 positions in 2012. The increase in 2010 is primarily associated with project activity, with reimbursable increasing by 186 positions. The decrease in 2011 and 2012 represent

completion of such initiatives as the threshold plates, M7 horns and armrests, as well as changes in Capital reimbursable activity. For the period from 2009 to 2012, reimbursable positions increase by 22.6%, or 175 positions. For the same period, non-reimbursable positions increase by 29 positions.

Appearing in a separate section is a discussion of the major assumptions in the 2010-2012 forecasts and reconciliations to the July plan for the years through 2012.

GAP CLOSING MEASURES

2009 PEG Actions

For 2009, Programs to Eliminate the Gaps (PEGs) totaling \$7.9 million have been identified in a below-the-line section of the Proposed Budget, all but \$0.8 million of which are expense based. \$5.1 million of these PEGs have been identified to start in 2008.

On the expense side, these PEGs include the decision to have only one gang assigned to tree trimming (remaining work to be conducted by third party vendors), based on preliminary test results not moving forward with outfitting the M7 fleet with sanders, evaluation of off peak service and other supporting services to identify savings which are consistent with current service guidelines and better management of health and welfare retiree payments.

On the revenue side, a greater emphasis will be placed on generating higher real estate revenue and better oversight of the free rail pass policy.

Post 2009 PEG Actions

The PEG actions taken in 2009 are largely carried forward into 2010 – 2012. Several new PEGs include the Jay, Hall and Dunton Tower consolidation as part of the first phase of the Centralized Train Control project and savings as a result of implementing a corporate wide time and attendance system as well as changing the Diesel Fuel mixture. The identified PEGs total \$1.2 million in 2010 – 2012, respectively. In addition, there are unspecified PEGs of \$20.8 million in 2010, \$17.0 million in 2011 and \$39.1 million in 2012.

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2009- 2012
Accrual Statement of Operations by Category
(\$ in millions)

Non-Reimbursable						
	2007	2008	2009			
	Actual	November	Final Proposed	2010	2011	2012
		Forecast	Budget			
Operating Revenue						
Farebox Revenue	\$479.4	\$508.5	\$506.8	\$505.9	\$510.4	\$515.0
Toll Revenue	0.0	0.0	0.0	0.0	0.0	0.0
Other Operating Revenue	33.4	36.4	36.7	38.0	39.9	41.6
Capital and Other Reimbursements	0.0	0.0	0.0	0.0	0.0	0.0
Total Revenue	\$512.8	\$544.9	\$543.6	\$543.8	\$550.2	\$556.5
Operating Expenses						
<u>Labor:</u>						
Payroll	\$384.0	\$413.0	\$434.3	\$442.0	\$452.8	\$464.6
Overtime	84.1	93.3	83.7	83.0	84.3	85.1
Health and Welfare	66.7	73.2	82.8	89.4	95.8	103.0
OPEB Current Payment	40.4	46.7	51.2	55.6	60.5	65.7
Pensions	113.9	108.7	116.1	118.7	119.2	120.9
Other Fringe Benefits	81.6	89.9	93.5	95.1	97.3	99.8
Reimbursable Overhead	(26.8)	(29.3)	(29.0)	(29.0)	(31.0)	(32.3)
Total Labor Expenses	\$744.0	\$795.5	\$832.7	\$854.8	\$878.9	\$906.8
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$70.7	\$75.1	\$80.8	\$87.2	\$92.3	\$97.3
Fuel for Buses and Trains	16.3	26.0	26.3	25.2	24.3	25.6
Insurance	17.3	15.5	16.6	17.9	19.3	20.8
Claims	11.0	15.1	15.4	15.8	15.8	16.1
Paratransit Service Contracts	0.0	0.0	0.0	0.0	0.0	0.0
Maintenance and Other Operating Contracts	65.1	66.1	85.3	75.9	75.6	78.2
Professional Service Contracts	16.8	26.9	31.4	28.6	23.8	24.0
Materials & Supplies	100.0	112.5	121.4	110.7	114.5	116.3
Other Business Expenses	5.3	8.8	9.0	9.2	9.3	9.5
Total Non-Labor Expenses	\$302.5	\$346.1	\$386.3	\$370.6	\$374.8	\$387.9
<u>Other Expenses Adjustments:</u>						
Other	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Other Expense Adjustments	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Expenses before Depreciation and GASB Adjs	\$1,046.4	\$1,141.6	\$1,218.9	\$1,225.4	\$1,253.8	\$1,294.7
Depreciation	276.0	283.4	297.9	310.6	307.7	303.4
OPEB Obligation	77.5	76.1	79.2	82.4	85.7	89.1
Environmental Remediation	0.0	13.0	1.5	1.5	1.5	1.5
Total Expenses	\$1,399.9	\$1,514.1	\$1,597.5	\$1,619.8	\$1,648.6	\$1,688.7
Baseline Surplus/(Deficit)	(\$887.1)	(\$969.2)	(\$1,054.0)	(\$1,076.0)	(\$1,098.4)	(\$1,132.1)
2009 Program to Eliminate the Gap (PEGs)	0.0	5.1	7.9	6.1	5.7	5.8
Post 2009 Program to Eliminate the Gap (PEGs)	0.0	0.0	0.0	22.0	18.2	40.3
Net Surplus/(Deficit)	(\$887.1)	(\$964.1)	(\$1,046.1)	(\$1,047.8)	(\$1,074.4)	(\$1,086.0)
Business Service Center	\$0.0	\$5.0	\$5.0	\$5.0	\$6.7	\$7.4

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2009- 2012
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE						
	2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Revenue						
Farebox Revenue						
Toll Revenue						
Other Operating Revenue						
Capital and Other Reimbursements	\$164.7	\$209.7	\$228.1	\$224.4	\$198.1	\$210.8
Total Revenue	\$164.7	\$209.7	\$228.1	\$224.4	\$198.1	\$210.8
Expenses						
<u>Labor:</u>						
Payroll	\$62.4	\$73.9	\$84.9	\$84.3	\$85.7	\$87.9
Overtime	15.2	16.5	10.1	10.2	10.1	10.4
Health and Welfare	10.4	13.1	14.3	15.1	16.0	17.0
OPEB Current Payment	0.0	0.0	0.0	0.0	0.0	0.0
Pensions	23.2	28.4	20.6	18.4	18.2	18.2
Other Fringe Benefits	13.4	16.0	17.3	18.2	19.3	20.4
Reimbursable Overhead	26.8	29.3	29.0	29.0	31.0	32.3
Total Labor Expenses	\$151.3	\$177.2	\$176.2	\$175.3	\$180.2	\$186.2
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$0.1	\$0.1	\$0.0	\$0.0	\$0.0	\$0.0
Fuel for Buses and Trains	0.0	0.0	0.0	0.0	0.0	0.0
Insurance	0.4	0.9	0.6	0.7	0.7	0.7
Claims	0.0	0.0	0.0	0.0	0.0	0.0
Paratransit Service Contracts	0.0	0.0	0.0	0.0	0.0	0.0
Maintenance and Other Operating Contracts	7.1	9.8	8.5	8.7	8.6	8.7
Professional Service Contracts	0.5	1.2	0.5	0.5	0.5	0.5
Materials & Supplies	5.0	20.4	42.2	39.1	8.0	14.5
Other Business Expenses	0.3	0.2	0.1	0.1	0.1	0.1
Total Non-Labor Expenses	\$13.3	\$32.5	\$51.9	\$49.1	\$17.9	\$24.6
<u>Other Expenses Adjustments:</u>						
Other	0.0	0.0	0.0	0.0	0.0	0.0
Total Other Expense Adjustments	0.0	0.0	0.0	0.0	0.0	0.0
Total Expenses before Depreciation	\$164.7	\$209.7	\$228.1	\$224.4	\$198.1	\$210.8
Depreciation	0.0	0.0	0.0	0.0	0.0	0.0
Total Expenses	\$164.7	\$209.7	\$228.1	\$224.4	\$198.1	\$210.8
Net Surplus/(Deficit)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Business Service Center	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2009- 2012
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE						
	2007	2008	2009			
	Actual	November Forecast	Final Proposed Budget	2010	2011	2012
Revenue						
Farebox Revenue	\$479.4	\$508.5	\$506.8	\$505.9	\$510.4	\$515.0
Toll Revenue	0.0	0.0	0.0	0.0	0.0	0.0
Other Operating Revenue	33.4	36.4	36.7	38.0	39.9	41.6
Capital and Other Reimbursements	164.7	209.7	228.1	224.4	198.1	210.8
Total Revenue	\$677.5	\$754.6	\$771.6	\$768.2	\$748.3	\$767.3
Expenses						
<u>Labor:</u>						
Payroll	\$446.4	\$486.9	\$519.2	\$526.3	\$538.5	\$552.5
Overtime	99.3	109.8	93.8	93.2	94.4	95.4
Health and Welfare	77.1	86.3	97.1	104.5	111.8	119.9
OPEB Current Payment	40.4	46.7	51.2	55.6	60.5	65.7
Pensions	137.1	137.1	136.8	137.0	137.4	139.1
Other Fringe Benefits	95.0	106.0	110.8	113.4	116.5	120.3
Reimbursable Overhead	0.0	0.0	0.0	0.0	0.0	0.0
Total Labor Expenses	\$895.3	\$972.7	\$1,008.8	\$1,030.1	\$1,059.1	\$1,093.0
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$70.8	\$75.2	\$80.8	\$87.2	\$92.3	\$97.3
Fuel for Buses and Trains	16.3	26.0	26.3	25.2	24.3	25.6
Insurance	17.7	16.4	17.2	18.6	20.0	21.5
Claims	11.0	15.1	15.4	15.8	15.8	16.1
Paratransit Service Contracts	0.0	0.0	0.0	0.0	0.0	0.0
Maintenance and Other Operating Contracts	72.2	75.9	93.8	84.6	84.2	86.9
Professional Service Contracts	17.3	28.2	31.9	29.2	24.3	24.6
Materials & Supplies	105.0	132.9	163.6	149.8	122.5	130.8
Other Business Expenses	5.6	9.0	9.1	9.3	9.4	9.6
Total Non-Labor Expenses	\$315.8	\$378.6	\$438.2	\$419.6	\$392.7	\$412.5
<u>Other Expenses Adjustments:</u>						
Other	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Other Expense Adjustments	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Expenses before Depreciation and GASB Adjs	\$1,211.1	\$1,351.3	\$1,447.0	\$1,449.7	\$1,451.9	\$1,505.5
Depreciation	276.0	283.4	297.9	310.6	307.7	303.4
OPEB Obligation	77.5	76.1	79.2	82.4	85.7	89.1
Environmental Remediation	0.0	13.0	1.5	1.5	1.5	1.5
Total Expenses	\$1,564.6	\$1,723.8	\$1,825.6	\$1,844.2	\$1,846.7	\$1,899.4
Baseline Surplus/(Deficit)	(\$887.1)	(\$969.2)	(\$1,054.0)	(\$1,076.0)	(\$1,098.4)	(\$1,132.1)
2008/9 Program to Eliminate the Gap (PEGs)	0.0	5.1	7.9	6.1	5.7	5.8
Post 2009 Program to Eliminate the Gap (PEGs)	0.0	0.0	0.0	22.0	18.2	40.3
Net Surplus/(Deficit)	(\$887.1)	(\$964.1)	(\$1,046.1)	(\$1,047.8)	(\$1,074.4)	(\$1,086.0)
Business Service Center	\$0.0	\$5.0	\$5.0	\$5.0	\$6.7	\$7.4

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2009- 2012
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2007	2008	2009			
	Actual	November	Final Proposed	2010	2011	2012
		Forecast	Budget			
Receipts						
Farebox Revenue	\$510.6	\$538.5	\$536.8	\$535.9	\$540.4	\$545.0
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	33.9	83.6	53.1	54.1	56.0	57.9
Capital and Other Reimbursements	189.5	234.0	255.8	246.9	243.7	239.4
Total Receipts	\$734.0	\$856.1	\$845.8	\$836.9	\$840.1	\$842.2
Expenditures						
<u>Labor:</u>						
Payroll	\$426.2	\$501.8	\$517.8	\$524.9	\$537.1	\$551.1
Overtime	95.0	109.8	93.8	93.2	94.4	95.4
Health and Welfare	72.1	92.7	97.1	104.5	111.8	119.9
OPEB Current Payment	36.5	50.5	51.2	55.6	60.5	65.7
Pensions	138.2	62.6	136.8	137.0	137.4	139.1
Other Fringe Benefits	93.4	107.3	110.8	113.4	116.5	120.3
GASB Account	6.7	7.5	7.8	8.2	8.9	9.6
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$868.1	\$932.1	\$1,015.2	\$1,036.9	\$1,066.7	\$1,101.1
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$72.4	\$112.7	\$90.1	\$96.5	\$101.6	\$106.6
Fuel for Buses and Trains	15.2	26.8	26.3	25.2	24.3	25.6
Insurance	22.7	25.2	23.1	24.7	27.3	28.3
Claims	13.5	17.6	13.6	14.0	14.0	14.3
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	68.7	85.1	104.2	88.1	88.3	89.8
Professional Service Contracts	22.8	34.4	34.5	31.2	24.1	23.6
Materials & Supplies	149.1	162.2	184.7	177.3	148.4	156.7
Other Business Expenses	6.7	8.4	8.5	8.7	8.8	9.0
Total Non-Labor Expenditures	\$371.1	\$472.4	\$485.0	\$465.7	\$436.8	\$453.9
<u>Other Expenditure Adjustments:</u>						
Other	29.7	30.0	30.0	30.0	30.0	30.0
Total Other Expenditure Adjustments	\$29.7	\$30.0	\$30.0	\$30.0	\$30.0	\$30.0
Total Expenditures	\$1,269.0	\$1,434.5	\$1,530.3	\$1,532.7	\$1,533.5	\$1,585.0
Cash Timing and Availability Adjustment	(4.3)	0.0	0.0	0.0	0.0	0.0
Baseline Cash Deficit	(\$539.3)	(\$578.4)	(\$684.5)	(\$695.8)	(\$693.4)	(\$742.8)
2008/9 Program to Eliminate the Gap (PEGs)	0.0	5.1	7.9	6.1	5.7	5.8
Post 2009 Program to Eliminate the Gap (PEGs)	0.0	0.0	0.0	22.0	18.2	40.3
Net Cash Deficit	(\$539.3)	(\$573.3)	(\$676.6)	(\$667.6)	(\$669.4)	(\$696.7)
Business Service Center	\$0.0	\$5.0	\$5.0	\$5.0	\$6.7	\$7.4

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**MTA Long Island Rail Road
2009 Final Proposed Budget
November Financial Plan 2009 – 2012
Year-to-Year Changes by Category - Accrual and Cash**

Revenue

Farebox Revenue

- The regional economy and employment trends are the primary drivers.
- Farebox revenue is decreasing by (0.3%) in 2009 and (0.2%) in 2010, due to lower projected NYC and Nassau/Suffolk employment.
- Passenger revenue forecasts in the outer years 2011 - 2012 reveal modest annual growth due to increases in ridership.

Other Operating Revenue

- Other revenues (rent, station privileges, etc.) are higher than what was projected in the 2008 budget, primarily due to scrap sales, Mineola Parking and rental revenue.
- Projected to grow each year primarily through contractual and inflationary increases.

Capital and Other Reimbursements

- Reflects the 2005 - 2009 Capital Program and other project activity including overbuilds and East Side Access materials.

Expenses

Payroll

- 2009 - 2012 includes increases for management employees of 3.0%, 1.87%, 2.23% and 2.20%, respectively.
- 2009 - 2012 includes increases for represented employees of 3.0%, 1.87%, 2.23% and 2.20%, respectively.
- Headcount changes each year are associated with new needs, changes in programs and Capital Program activity.

Overtime

- 2008 - 2009 decrease is primarily associated with lower maintenance overtime, change in Capital Program activity and reduction in open job coverage as vacant positions are filled.
- 2010 - 2012 reflects CPI increases, changes in Capital Program activity and other programmatic changes.

Health & Welfare

- 2009 – 2012 reflects an annual rate increase of approximately 7.8% over 2008.
- 2010 - 2012 reflects annual rate increases based on 2005-2009 five-year averages.
- Reflects impact of headcount changes each year.

Pensions

- Reflects the latest actuarial valuation for each year.

Other Fringe Benefits

- Railroad Retirement Tax maximum limits are based on the December 2007 projected maximum earnings bases from the Railroad Retirement Board; the tax rate for each tier is expected to remain unchanged.
- Railroad Unemployment reflects a slight annual increase in the monthly amount per employee each year.

Traction and Propulsion Power

- 2008 is based on actuals through July.
- 2009 - 2012 reflects price inflators provided by MTA and historical performance.

Fuel

- 2008 is based on actuals through July.
- 2009 - 2012 reflects price inflators and historical performance.

Insurance

- 2008 is based on actual results through July.
- 2009 - 2012 reflects price inflators.

Claims

- 2008 reflects actual experience through July and the anticipated settlement and payout of claims for the balance of the year.
- 2009 - 2012 reflects inflationary increases.

Maintenance and Other Operating Contracts

- 2008 – 2009 reflects additional expenses for M7 Threshold plates.
- 2009 – 2010 reflects completion of M7 Threshold plates.
- 2010 - 2012 reflects inflationary increases.

Professional Service Contracts

- The change from 2008 to 2009 is primarily associated with expenses related to various Information Technology initiatives, as well as the Network Strategy and Origin/Destination Studies to be conducted in 2009.
- 2010 – 2011 reflects the completion of the PeopleSoft Financial Software Implementation.
- 2009 – 2011 reflects changes in System Initiative projects.

Material and Supplies

- The increase in materials from 2008 - 2009 is primarily East Side Access material and LCM/production plan activities.
- 2010 – 2012 reflects lower East Side Access material costs and LCM/production plan activities.

Other Business Expenses

- 2008 - 2009 reflects changes in credit/debit card authorization fees.
- 2009 - 2012 includes inflationary increases.

Depreciation

- Reflects depreciation of current assets as well as estimates for capital projects based on their beneficial use.

Cash Adjustments**Expense**

- Pension – cash payments versus accrued expenses.
- Insurance and Claims & Suits – payments versus accrued expenses.
- 2008 - 2012 - timing of material purchases versus charge-outs.
- Depreciation and other non-cash adjustments for each year 2008 - 2012.
- Traction and Propulsion Power – 2008 includes potential prior period payments, 2004 – 2007, for LIPA.
- 2008 reflects replacement of the Queens and Hall In-Tie switches.
- 2008 – 2012 reflects capitalization of various IT Initiatives.

MTA LONG ISLAND RAILROAD
November Financial Plan 2009- 2012
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE

	Favorable/(Unfavorable)								
	2008	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011
Revenue									
Farebox Revenue	\$508.5	\$506.8	(\$1.7)	\$505.9	(\$1.0)	\$510.4	\$4.5	\$515.0	\$4.6
Vehicle Toll Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Operating Revenue	36.4	36.7	0.3	38.0	1.2	39.9	1.9	41.6	1.7
Capital and Other Reimbursements	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Revenue	\$544.9	\$543.6	(\$1.4)	\$543.8	\$0.3	\$550.2	\$6.4	\$556.5	\$6.3
Expenses									
Labor:									
Payroll	\$413.0	\$434.3	(\$21.3)	\$442.0	(\$7.7)	\$452.8	(\$10.8)	\$464.6	(\$11.8)
Overtime	93.3	83.7	9.6	83.0	0.8	84.3	(1.3)	85.1	(0.8)
Health and Welfare	73.2	82.8	(9.6)	89.4	(6.6)	95.8	(6.4)	103.0	(7.1)
OPEB Current Payment	46.7	51.2	(4.5)	55.6	(4.4)	60.5	(4.8)	65.7	(5.2)
Pensions	108.7	116.1	(7.5)	118.7	(2.5)	119.2	(0.5)	120.9	(1.7)
Other Fringe Benefits	89.9	93.5	(3.6)	95.1	(1.6)	97.3	(2.1)	99.8	(2.6)
Reimbursable Overhead	(29.3)	(29.0)	(0.3)	(29.0)	(0.0)	(31.0)	2.0	(32.3)	1.3
Total Labor Expenses	\$795.5	\$832.7	(\$37.2)	\$854.8	(\$22.2)	\$878.9	(\$24.1)	\$906.8	(\$27.9)
Non-Labor:									
Traction and Propulsion Power	\$75.1	\$80.8	(\$5.7)	\$87.2	(\$6.4)	\$92.3	(\$5.0)	\$97.3	(\$5.1)
Fuel for Buses and Trains	26.0	26.3	(0.3)	25.2	1.1	24.3	0.9	25.6	(1.4)
Insurance	15.5	16.6	(1.1)	17.9	(1.3)	19.3	(1.4)	20.8	(1.5)
Claims	15.1	15.4	(0.4)	15.8	(0.4)	15.8	0.0	16.1	(0.3)
Paratransit Service Contracts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Maintenance and Other Operating Contracts	66.1	85.3	(19.2)	75.9	9.4	75.6	0.3	78.2	(2.5)
Professional Service Contracts	26.9	31.4	(4.5)	28.6	2.7	23.8	4.8	24.0	(0.2)
Materials & Supplies	112.5	121.4	(8.9)	110.7	10.6	114.5	(3.8)	116.3	(1.8)
Other Business Expenses	8.8	9.0	(0.2)	9.2	(0.1)	9.3	(0.1)	9.5	(0.2)
Total Non-Labor Expenses	\$346.1	\$386.3	(\$40.2)	\$370.6	\$15.7	\$374.8	(\$4.3)	\$387.9	(\$13.1)
Other Expenses Adjustments:									
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Other Expense Adjustments	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Expenses before Depreciation and GASB Adjs.	\$1,141.6	\$1,218.9	(\$77.3)	\$1,225.4	(\$6.4)	\$1,253.8	(\$28.4)	\$1,294.7	(\$40.9)
Depreciation	283.4	297.9	(14.5)	310.6	(12.7)	307.7	2.8	303.4	4.4
OPEB Obligation	76.1	79.2	(3.0)	82.4	(3.2)	85.7	(3.3)	89.1	(3.4)
Environmental Remediation	13.0	1.5	11.5	1.5	0.0	1.5	0.0	1.5	0.0
Total Expenses	\$1,514.1	\$1,597.5	(\$83.4)	\$1,619.8	(\$22.3)	\$1,648.6	(\$28.9)	\$1,688.7	(\$40.0)
Baseline Net Surplus/(Deficit)	(\$969.2)	(\$1,054.0)	(\$84.8)	(\$1,076.0)	(\$22.0)	(\$1,098.4)	(\$22.4)	(\$1,132.1)	(\$33.7)
2009 PEG Program	5.1	7.9	2.8	6.1	(1.7)	5.7	(0.4)	5.8	0.1
Post 2009 PEGs	0.0	0.0	0.0	22.0	22.0	18.2	(3.7)	40.3	22.0
Net Surplus/(Deficit)	(\$964.1)	(\$1,046.1)	(\$82.0)	(\$1,047.8)	(\$1.8)	(\$1,074.4)	(\$26.6)	(\$1,086.0)	(\$11.6)
Business Service Center	5.0	5.0	-	5.0	-	6.7	1.7	7.4	0.7

REIMBURSABLE

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MTA LONG ISLAND RAILROAD
Baseline Surplus/(Deficit)
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE/REIMBURSABLE

	Favorable/(Unfavorable)								
	2008	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011
Revenue									
Farebox Revenue	\$508.5	\$506.8	(\$1.7)	\$505.9	(\$1.0)	\$510.4	\$4.5	\$515.0	\$4.6
Vehicle Toll Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Operating Revenue	36.4	36.7	0.3	38.0	1.2	39.9	1.9	41.6	1.7
Capital and Other Reimbursements	209.7	228.1	18.4	224.4	(3.7)	198.1	(26.3)	210.8	12.7
Total Revenue	\$754.6	\$771.6	\$17.0	\$768.2	(\$3.4)	\$748.3	(\$19.9)	\$767.3	\$19.0
Expenses									
Labor:									
Payroll	\$486.9	\$519.2	(\$32.3)	\$526.3	(\$7.2)	\$538.5	(\$12.2)	\$552.5	(\$14.0)
Overtime	109.8	93.8	16.0	93.2	0.6	94.4	(1.2)	95.4	(1.0)
Health and Welfare	86.3	97.1	(10.8)	104.5	(7.4)	111.8	(7.3)	119.9	(8.1)
OPEB Current Payment	46.7	51.2	(4.5)	55.6	(4.4)	60.5	(4.8)	65.7	(5.2)
Pensions	137.1	136.8	0.3	137.0	(0.2)	137.4	(0.3)	139.1	(1.7)
Other Fringe Benefits	106.0	110.8	(4.8)	113.4	(2.6)	116.5	(3.2)	120.3	(3.7)
Reimbursable Overhead	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Labor Expenses	\$972.7	\$1,008.8	(\$36.2)	\$1,030.1	(\$21.2)	\$1,059.1	(\$29.1)	\$1,093.0	(\$33.8)
Non-Labor:									
Traction and Propulsion Power	\$75.2	\$80.8	(\$5.6)	\$87.2	(\$6.4)	\$92.3	(\$5.0)	\$97.3	(\$5.1)
Fuel for Buses and Trains	26.0	26.3	(0.3)	25.2	1.1	24.3	0.9	25.6	(1.4)
Insurance	16.4	17.2	(0.8)	18.6	(1.4)	20.0	(1.4)	21.5	(1.5)
Claims	15.1	15.4	(0.4)	15.8	(0.4)	15.8	0.0	16.1	(0.3)
Paratransit Service Contracts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Maintenance and Other Operating Contracts	75.9	93.8	(17.9)	84.6	9.2	84.2	0.4	86.9	(2.7)
Professional Service Contracts	28.2	31.9	(3.7)	29.2	2.7	24.3	4.9	24.6	(0.3)
Materials & Supplies	132.9	163.6	(30.7)	149.8	13.8	122.5	27.3	130.8	(8.3)
Other Business Expenses	9.0	9.1	(0.1)	9.3	(0.1)	9.4	(0.1)	9.6	(0.3)
Total Non-Labor Expenses	\$378.6	\$438.2	(\$59.5)	\$419.6	\$18.5	\$392.7	\$26.9	\$412.5	(\$19.8)
Other Expenses Adjustments:									
Other	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Other Expense Adjustments	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Expenses before Depreciation and GASB Adjs.	\$1,351.3	\$1,447.0	(\$95.7)	\$1,449.7	(\$2.7)	\$1,451.9	(\$2.1)	\$1,505.5	(\$53.6)
Depreciation	283.4	297.9	(14.5)	310.6	(12.7)	307.7	2.8	303.4	4.4
OPEB Obligation	76.1	79.2	(3.0)	82.4	(3.2)	85.7	(3.3)	89.1	(3.4)
Environmental Remediation	13.0	1.5	11.5	1.5	0.0	1.5	0.0	1.5	0.0
Total Expenses	\$1,723.8	\$1,825.6	(\$101.8)	\$1,844.2	(\$18.6)	\$1,846.7	(\$2.6)	\$1,899.4	(\$52.7)
Baseline Net Surplus/(Deficit)	(\$969.2)	(\$1,054.0)	(\$84.8)	(\$1,076.0)	(\$22.0)	(\$1,098.4)	(\$22.4)	(\$1,132.1)	(\$33.7)
2009 PEG Program	5.1	7.9	2.8	6.1	(1.7)	5.7	(0.4)	5.8	0.1
Post 2009 PEGs	0.0	0.0	0.0	22.0	22.0	18.2	(3.7)	40.3	22.0
Net Surplus/(Deficit)	(\$964.1)	(\$1,046.1)	(\$82.0)	(\$1,047.8)	(\$1.8)	(\$1,074.4)	(\$26.6)	(\$1,086.0)	(\$11.6)
Business Service Center	\$5.0	\$5.0	\$0.0	\$5.0	\$0.0	\$6.7	\$1.7	\$7.4	\$0.7

MTA LONG ISLAND RAILROAD
November Financial Plan 2009- 2012
Year-to-Year Changes by Category - Cash Basis
(\$ in millions)

CASH RECEIPTS & EXPENDITURES

	Favorable/(Unfavorable)								
	2008	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011
<u>Receipts</u>									
Farebox Revenue	\$538.5	\$536.8	(\$1.7)	\$535.9	(\$1.0)	\$540.4	\$4.5	\$545.0	\$4.6
Vehicle Toll Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Operating Revenue	83.6	53.1	(30.5)	54.1	1.0	56.0	1.9	57.9	1.8
Capital and Other Reimbursements	234.0	255.8	21.8	246.9	(8.9)	243.7	(3.3)	239.4	(4.3)
Total Receipts	\$856.1	\$845.8	(\$10.4)	\$836.9	(\$8.9)	\$840.1	\$3.2	\$842.2	\$2.1
<u>Expenditures</u>									
Labor:									
Payroll	\$501.8	\$517.8	(\$15.9)	\$524.9	(\$7.2)	\$537.1	(\$12.2)	\$551.1	(\$14.0)
Overtime	109.8	93.8	16.0	93.2	0.6	94.4	(1.2)	95.4	(1.0)
Health and Welfare	92.7	97.1	(4.4)	104.5	(7.4)	111.8	(7.3)	119.9	(8.1)
OPEB Current Payment	50.5	51.2	(0.7)	55.6	(4.4)	60.5	(4.8)	65.7	(5.2)
Pensions	62.6	136.8	(74.2)	137.0	(0.2)	137.4	(0.3)	139.1	(1.7)
Other Fringe Benefits	107.3	110.8	(3.5)	113.4	(2.6)	116.5	(3.2)	120.3	(3.7)
GASB Account	7.5	7.8	(0.3)	8.2	(0.5)	8.9	(0.7)	9.6	(0.6)
Reimbursable Overhead	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Labor Expenditures	\$932.1	\$1,015.2	(\$83.1)	\$1,036.9	(\$21.7)	\$1,066.7	(\$29.7)	\$1,101.1	(\$34.4)
Non-Labor:									
Traction and Propulsion Power	\$112.7	\$90.1	\$22.5	\$96.5	(\$6.4)	\$101.6	(\$5.0)	\$106.6	(\$5.0)
Fuel for Buses and Trains	26.8	26.3	0.5	25.2	1.1	24.3	0.9	25.6	(1.4)
Insurance	25.2	23.1	2.1	24.7	(1.7)	27.3	(2.6)	28.3	(1.0)
Claims	17.6	13.6	4.0	14.0	(0.4)	14.0	0.0	14.3	(0.3)
Paratransit Service Contracts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Maintenance and Other Operating Contracts	85.1	104.2	(19.1)	88.1	16.1	88.3	(0.2)	89.8	(1.5)
Professional Service Contracts	34.4	34.5	(0.1)	31.2	3.2	24.1	7.1	23.6	0.5
Materials & Supplies	162.2	184.7	(22.5)	177.3	7.4	148.4	28.9	156.7	(8.3)
Other Business Expenses	8.4	8.5	(0.1)	8.7	(0.1)	8.8	(0.1)	9.0	(0.2)
Total Non-Labor Expenditures	\$472.4	\$485.0	(\$12.7)	\$465.7	\$19.3	\$436.8	\$28.9	\$453.9	(\$17.2)
Other Expenditure Adjustments:									
Other	30.0	30.0	0.0	30.0	0.0	30.0	0.0	30.0	0.0
Total Other Expenditure Adjustments	\$30.0	\$30.0	\$0.0	\$30.0	\$0.0	\$30.0	\$0.0	\$30.0	\$0.0
Total Expenditures	\$1,434.5	\$1,530.3	(\$95.8)	\$1,532.7	(\$2.4)	\$1,533.5	(\$0.8)	\$1,585.0	(\$51.6)
Baseline Net Cash Deficit	(\$578.4)	(\$684.5)	(\$106.1)	(\$695.8)	(\$11.3)	(\$693.4)	\$2.4	(\$742.8)	(\$49.5)
2009 PEG Program	5.1	7.9	2.8	6.1	(1.7)	5.7	(0.4)	5.8	0.1
Post 2009 PEGs	0.0	0.0	0.0	22.0	22.0	18.2	(3.7)	40.3	22.0
Net Cash Deficit	(\$573.3)	(\$676.6)	(\$103.3)	(\$667.6)	\$9.0	(\$669.4)	(\$1.7)	(\$696.7)	(\$27.3)
Business Service Center	5.0	5.0	0.0	5.0	0.0	6.7	(1.7)	7.4	(0.7)

**MTA Long Island Rail Road
2009 Final Proposed Budget
November Financial Plan 2009 - 2012
Summary of Changes between Financial Plans by Category**

2008: November Financial Plan vs. July Financial Plan

2008 November Financial Plan is based on actual performance through July with projections for August through December based on current trends and known activities.

Revenue

- Ridership, 1.9 million, and Passenger Revenue, \$6.9 million, favorable to plan.
- Higher advertising guarantee, rentals and scrap sales.
- Capital and other reimbursements are higher primarily resulting from changes in capital project activity.

Expense

- Payroll and benefits – increased from July Plan due to an increase in project and maintenance overtime.
- Higher Traction and Propulsion Power due to rates.
- Lower Fuel for Trains due to lower diesel rates.
- Lower professional services due to a shifting of the network strategy study to 2009.
- Lower materials due to shifting of various LCM and production Plan activities to 2009 – 2012.
- All other non-payroll expenses have been re-estimated based on planned activities and timing of service contracts.

2009 - 2012: November Financial Plan vs. July Financial Plan

Revenue

- 2009 increase in ridership of approximately 0.7%, decreasing (0.31%) 2010 - 2012.
- Lower Special Services revenue, partially offset by higher Mineola Parking revenue.
- Capital and other reimbursements are higher primarily resulting from changes in capital project activity and East Side Access Material.

Expense

- Payroll and benefits – increased from July Plan due to new needs, revised labor rates and capital program activity, partially offset by lower rates for health and welfare.
- Traction Power and Diesel fuel changes based on latest guidance from MTA.
- Material & Supplies changes each year due to re-estimate of material costs associated with LCM.
- All other non-payroll expenses have been re-estimated based on planned activities, changes in service contracts and adjustments to inflationary increases.

MTA LONG ISLAND RAILROAD
November Financial Plan 2009- 2012
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE

	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Operating Cash Income/(Deficit)	(\$593.0)	(\$660.5)	(\$673.1)	(\$693.1)	(\$723.0)
IESS Adjustment	(1.8)	(5.6)	(6.0)	(5.4)	(5.6)
Fuel Adjustment	(3.6)	(5.3)	1.2	2.6	3.3
Baseline Adjusted 2008 July Financial Plan - Operating Cash Income/(Deficit)	(\$598.4)	(\$671.4)	(\$677.9)	(\$695.9)	(\$725.3)
Baseline Changes					
Revenue					
Farebox Revenue	\$6.9	\$1.6	(\$3.3)	(\$3.4)	(\$3.4)
Vehicle Toll Revenue	0.0	0.0	0.0	0.0	0.0
Other Operating Revenue	0.6	(0.2)	(0.2)	(0.2)	(0.3)
Capital and Other Reimbursement	0.0	0.0	0.0	0.0	0.0
Total Revenue Changes	\$7.5	\$1.4	(\$3.6)	(\$3.6)	(\$3.7)
Expenses					
Labor:					
Payroll and Overtime	(\$7.3)	(\$1.8)	(\$1.8)	(\$3.9)	(\$4.1)
Health and Welfare	0.2	1.6	1.8	1.4	1.2
OPEB Current Payment	0.0	1.3	1.4	1.4	1.4
Pensions	4.5	(0.6)	(0.3)	(0.7)	(0.7)
Other Fringe Benefits	(2.1)	(1.1)	0.2	(0.5)	(0.5)
Reimbursable Overhead	4.7	2.9	0.8	1.3	1.4
Total Labor Expense Changes	(\$0.0)	\$2.2	\$2.2	(\$1.0)	(\$1.3)
Non-Labor:					
Traction and Propulsion Power	(\$3.8)	(\$3.7)	(\$3.8)	(\$4.9)	(\$5.7)
Fuel for Buses and Trains	1.6	3.4	(2.0)	(2.4)	(4.5)
Insurance	0.1	0.0	0.0	0.0	0.0
Claims	0.0	0.0	0.0	0.0	0.0
Paratransit Service Contracts	0.0	0.0	0.0	0.0	0.0
Maintenance and Other Operating Contracts	3.3	(6.8)	(1.3)	(0.6)	(0.7)
Professional Service Contracts	2.4	(2.8)	0.1	0.4	0.5
Materials & Supplies	12.6	(8.1)	(1.7)	(1.4)	(1.0)
Other Business Expenses	0.0	(0.5)	(0.5)	(0.4)	(0.4)
Total Non-Labor Expense Changes	\$16.2	(\$18.4)	(\$9.1)	(\$9.3)	(\$11.8)
Total Expense Changes before Depreciation and GASB Adjs.	\$16.2	(\$16.2)	(\$6.9)	(\$10.3)	(\$13.1)
Depreciation	\$0.0	\$0.0	\$0.0	(\$0.0)	\$0.0
OPEB Obligation	1.5	1.5	1.6	1.6	1.7
Environmental Remediation	(11.5)	0.0	0.0	0.0	0.0
Total Expense Changes	\$6.2	(\$14.7)	(\$5.3)	(\$8.7)	(\$11.3)
Cash Adjustment Changes					
GASB account re-estimates	(\$0.3)	\$0.0	\$0.2	\$0.2	\$0.2
Insurance - payment of prior year Station Liability audit	(0.2)	0.0	0.1	0.1	0.1
Claims & Suits - higher settlements	(1.6)	0.0	0.0	0.0	0.0
Timing of Maint & Other Op Contracts	0.4	(0.4)	0.0	0.0	0.0
Other material adjustments	(4.7)	9.5	0.0	0.0	0.0
Operating Funded Capital shift and savings	6.7	(5.0)	0.0	0.0	0.0
Depreciation, OPEB & Envir. Remediation	10.0	(1.5)	(1.6)	(1.6)	(1.7)
Non-cash expense adjustments (Misc. Charges & Credits)	1.6	0.5	0.5	0.5	0.5
All Other	(0.0)	(0.0)	0.0	(0.0)	0.0
Total Cash Adjustment Changes	\$11.9	\$3.1	(\$0.8)	(\$0.8)	(\$0.9)
Total Baseline Changes	\$25.6	(\$10.1)	(\$9.7)	(\$13.1)	(\$15.9)
Baseline 2008 November Financial Plan - Operating Cash Income/(Deficit)	(\$572.8)	(\$681.6)	(\$687.6)	(\$709.0)	(\$741.2)

MTA LONG ISLAND RAILROAD
November Financial Plan 2009- 2012
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE

	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Operating Cash Income/(Deficit)	(\$3.7)	(\$4.8)	(\$8.2)	\$15.6	(\$1.6)
Baseline Changes					
Revenue					
Farebox Revenue					
Vehicle Toll Revenue					
Capital and Other Reimbursement	13.9	2.8	3.9	4.3	4.5
Total Revenue Changes	\$13.9	\$2.8	\$3.9	\$4.3	\$4.5
Expenses					
<i>Labor:</i>					
Payroll and Overtime	(\$1.1)	(\$1.8)	(\$1.8)	(\$1.5)	(\$1.7)
Health and Welfare	0.3	0.4	(0.5)	(0.2)	(0.3)
OPEB Current Payment	0.0	0.0	0.0	0.0	0.0
Pensions	(4.5)	0.6	0.3	0.7	0.7
Other Fringe Benefits	0.6	0.7	(0.4)	(0.0)	(0.0)
Reimbursable Overhead	(4.7)	(2.9)	(0.8)	(1.3)	(1.4)
Total Labor Expense Changes	(\$9.4)	(\$2.9)	(\$3.2)	(\$2.4)	(\$2.7)
<i>Non-Labor:</i>					
Traction and Propulsion Power	(0.0)	0.0	0.0	0.0	0.0
Fuel for Buses and Trains	0.0	0.0	0.0	0.0	0.0
Insurance	(0.1)	(0.0)	(0.1)	(0.1)	(0.1)
Claims	0.0	0.0	0.0	0.0	0.0
Paratransit Service Contracts	0.0	0.0	0.0	0.0	0.0
Maintenance and Other Operating Contracts	(0.2)	(0.5)	(0.5)	(1.2)	(1.1)
Professional Service Contracts	(0.4)	(0.2)	(0.2)	(0.2)	(0.3)
Materials & Supplies	(3.6)	0.4	(0.4)	(0.7)	(0.8)
Other Business Expenses	(0.2)	0.4	0.5	0.4	0.4
Total Non-Labor Expense Changes	(\$4.5)	\$0.1	(\$0.7)	(\$1.9)	(\$1.8)
Total Expense Changes	(\$13.9)	(\$2.8)	(\$3.9)	(\$4.3)	(\$4.5)
Cash Adjustment Changes					
ESA Funding /Reimbursement lag adjustment	(\$1.9)	\$1.9	(\$0.0)	\$0.0	\$0.0
Total Cash Adjustment Changes	(\$1.9)	\$1.9	(\$0.0)	\$0.0	\$0.0
Total Baseline Changes	(\$1.9)	\$1.9	(\$0.0)	\$0.0	(\$0.0)
Baseline 2008 November Financial Plan - Operating Cash Income/(Deficit)	(\$5.6)	(\$2.9)	(\$8.2)	\$15.6	(\$1.6)

MTA LONG ISLAND RAILROAD
November Financial Plan 2009- 2012
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE/REIMBURSABLE

	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Operating Cash Income/(Deficit)	(\$596.8)	(\$665.3)	(\$681.2)	(\$677.5)	(\$724.6)
IESS Adjustment	(1.8)	(5.6)	(6.0)	(5.4)	(5.6)
Fuel Adjustment	(3.6)	(5.3)	1.2	2.6	3.3
Baseline Adjusted 2008 July Financial Plan - Operating Cash Income/(Deficit)	(\$602.2)	(\$676.2)	(\$686.1)	(\$680.3)	(\$726.9)
Baseline Changes					
Revenue					
Farebox Revenue	\$6.9	\$1.6	(\$3.3)	(\$3.4)	(\$3.4)
Vehicle Toll Revenue	0.0	0.0	0.0	0.0	0.0
Other Operating Revenue	0.6	(0.2)	(0.2)	(0.2)	(0.3)
Capital and Other Reimbursement	13.9	2.8	3.9	4.3	4.5
Total Revenue Changes	\$21.4	\$4.3	\$0.4	\$0.6	\$0.8
Expenses					
<i>Labor:</i>					
Payroll and Overtime	(\$8.3)	(\$3.6)	(\$3.5)	(\$5.4)	(\$5.8)
Health and Welfare	0.5	1.9	1.3	1.2	0.9
OPEB Current Payment	0.0	1.3	1.4	1.4	1.4
Pensions	(0.0)	0.0	0.0	0.0	0.0
Other Fringe Benefits	(1.5)	(0.4)	(0.2)	(0.5)	(0.5)
Reimbursable Overhead	0.0	0.0	0.0	0.0	0.0
Total Labor Expense Changes	(\$9.4)	(\$0.8)	(\$1.0)	(\$3.3)	(\$4.0)
<i>Non-Labor:</i>					
Traction and Propulsion Power	(\$3.9)	(\$3.7)	(\$3.8)	(\$4.9)	(\$5.7)
Fuel for Buses and Trains	1.6	3.4	(2.0)	(2.4)	(4.5)
Insurance	0.0	(0.0)	(0.1)	(0.1)	(0.1)
Claims	0.0	0.0	0.0	0.0	0.0
Paratransit Service Contracts	0.0	0.0	0.0	0.0	0.0
Maintenance and Other Operating Contracts	3.1	(7.3)	(1.8)	(1.8)	(1.8)
Professional Service Contracts	2.0	(3.0)	(0.2)	0.1	0.2
Materials & Supplies	9.0	(7.7)	(2.1)	(2.2)	(1.8)
Other Business Expenses	(0.2)	(0.0)	0.0	0.0	(0.0)
Total Non-Labor Expense Changes	\$11.7	(\$18.3)	(\$9.8)	(\$11.2)	(\$13.6)
Total Expense Changes before Depreciation and GASB Adjs.	\$2.3	(\$19.1)	(\$10.9)	(\$14.5)	(\$17.6)
Depreciation	\$0.0	\$0.0	\$0.0	(\$0.0)	\$0.0
OPEB Obligation	1.5	1.5	1.6	1.6	1.7
Environmental Remediation	(11.5)	0.0	0.0	0.0	0.0
Total Expense Changes	(\$7.7)	(\$17.5)	(\$9.3)	(\$12.9)	(\$15.9)
Cash Adjustment Changes					
GASB account re-estimates	(\$0.3)	\$0.0	\$0.2	\$0.2	\$0.2
ESA Funding /Reimbursement lag adjustment	(1.9)	1.9	(0.0)	0.0	0.0
Insurance - payment of prior year Station Liability audit	(0.2)	0.0	0.1	0.1	0.1
Claims & Suits - higher settlements	(1.6)	0.0	0.0	0.0	0.0
Timing of Maint & Other Op Contracts	0.4	(0.4)	0.0	0.0	0.0
Other material adjustments	(4.7)	9.5	0.0	0.0	0.0
Operating Funded Capital shift and savings	6.7	(5.0)	0.0	0.0	0.0
Depreciation, OPEB & Envir. Remediation	10.0	(1.5)	(1.6)	(1.6)	(1.7)
Non-cash expense adjustments (Misc. Charges & Credits)	1.6	0.5	0.5	0.5	0.5
All Other	(0.0)	(0.0)	0.0	(0.0)	0.0
Total Cash Adjustment Changes	\$10.1	\$5.0	(\$0.8)	(\$0.8)	(\$0.9)
Total Baseline Changes	\$23.8	(\$8.3)	(\$9.7)	(\$13.1)	(\$15.9)
Baseline 2008 November Financial Plan - Operating Cash Income/(Deficit)	(\$578.4)	(\$684.5)	(\$695.8)	(\$693.4)	(\$742.8)

MTA LONG ISLAND RAILROAD
November Financial Plan 2009- 2012
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Operating Cash Income/(Deficit)	(\$596.8)	(\$665.3)	(\$681.2)	(\$677.5)	(\$724.6)
IESS Adjustment	(1.8)	(5.6)	(6.0)	(5.4)	(5.6)
Fuel Adjustment	(3.6)	(5.3)	1.2	2.6	3.3
Baseline Adjusted 2008 July Financial Plan - Operating Cash Income/(Deficit)	(\$602.2)	(\$676.2)	(\$686.1)	(\$680.3)	(\$726.9)
Non-Reimbursable Major Changes					
Farebox Revenue	6.9	1.6	(3.3)	(3.4)	(3.4)
Other Operating Revenue (primarily Special Services and Rent)	0.6	(0.2)	(0.2)	(0.2)	(0.3)
Sub-Total Non-Reimbursable Revenue Changes	\$7.5	\$1.4	(\$3.6)	(\$3.6)	(\$3.7)
Remote elevator/escalator sensors		(0.5)			
LIRR Portion of ADA Grant		(0.4)	(0.4)		
Low Adhesion monitoring and support	(0.5)	(0.2)	(0.2)	(0.2)	(0.2)
Assistant Conductor Trainee Program change		(0.3)	(0.3)	(0.3)	(0.3)
Toilet Maintenance Gang		(0.6)	(0.6)	(0.6)	(0.6)
Diesel Fleet Initiatives		(0.6)	(0.3)		
Arch Street Maintenance Facility		2.4	(0.5)	(0.6)	(0.6)
US Golf Open in 2009		(1.1)			
Additional Warehouse Space		(0.3)	(0.3)	(0.3)	(0.3)
Production Plan and LCM changes	5.4	(2.3)	(0.8)	(1.2)	(1.2)
M7 5yr Coupler to 10 Yr Coupler	1.9	3.8	1.6	1.8	1.8
Disability and OT/Penalty Payment Management & Oversight		(0.3)	(0.3)	(0.3)	(0.3)
Traction Power and Fuel rate adjustments	(2.3)	(0.2)	(5.6)	(7.3)	(10.2)
Health & Welfare Active and Retiree re-estimate (rate adjustments)		3.5	3.2	3.1	3.0
Inflationary Increases (Materials, utilities, etc.)	(1.7)	(2.3)	(2.8)	(2.8)	(2.8)
Timing of Program activity (primarily deferred to 2009)	11.8	(11.4)		(0.3)	
Miscellaneous Other	1.6	(5.4)	0.4	(1.4)	(1.5)
Sub-Total Non-Reimbursable Expense Changes	\$16.2	(\$16.2)	(\$6.9)	(\$10.3)	(\$13.1)
Total Non-Reimbursable Major Changes	\$23.7	(\$14.8)	(\$10.5)	(\$13.9)	(\$16.8)
Reimbursable Major Changes					
Revenue					
Capital and Other Reimbursement	13.9	2.8	3.9	4.3	4.5
Sub-Total Reimbursable Revenue Changes	\$13.9	\$2.8	\$3.9	\$4.3	\$4.5
Expenses					
Project Activity	(13.9)	(2.8)	(3.9)	(4.3)	(4.5)
Sub-Total Reimbursable Expense Changes	(\$13.9)	(\$2.8)	(\$3.9)	(\$4.3)	(\$4.5)
Total Reimbursable Major Changes	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Accrual Changes	\$23.7	(\$14.8)	(\$10.5)	(\$13.9)	(\$16.8)
Cash Adjustment Changes					
GASB account re-estimates	(0.3)	0.0	0.2	0.2	0.2
Insurance - payment of prior year Station Liability audit	(0.2)	0.0	0.1	0.1	0.1
Claims & Suits - higher settlements	(1.6)	0.0	0.0	0.0	0.0
Timing of Maint & Other Op Contracts	0.4	(0.4)	0.0	0.0	0.0
Other material adjustments	(4.7)	9.5	0.0	0.0	0.0
Operating Funded Capital shift and savings	6.7	(5.0)	0.0	0.0	0.0
Non-cash expense adjustments (Misc. Charges & Credits)	1.6	0.5	0.5	0.5	0.5
All Other	(0.0)	(0.0)	0.0	(0.0)	0.0
Reimbursable					
ESA Funding /Reimbursement lag adjustment	(\$1.9)	\$1.9	(\$0.0)	\$0.0	\$0.0
Total Cash Adjustment Changes	\$0.1	\$6.5	\$0.8	\$0.8	\$0.9
Total Baseline Changes	\$23.8	(\$8.3)	(\$9.7)	(\$13.1)	(\$15.9)
Baseline 2008 November Financial Plan - Operating Cash Income/(Deficit)	(\$578.4)	(\$684.5)	(\$695.8)	(\$693.4)	(\$742.8)

**MTA Long Island Rail Road
2009 Final Proposed Budget
November Financial Plan 2009 – 2012**

RIDERSHIP/UTILIZATION PROJECTIONS

- The regional economy and employment are the primary drivers of passenger ridership and revenue in 2009.
- Ridership projections for the outer years 2010-2012 reveal modest annual growth.

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2009- 2012
Ridership/Traffic Volume (Utilization)

	2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Baseline Ridership	86.1	88.8	87.7	87.6	88.2	89.2
Total	86.1	88.8	87.7	87.6	88.2	89.2
<i>Impact of:</i>						
2009 Program to Eliminate the Gap (PEGs)			0.1	0.2	0.2	0.2
Post 2009 Program to Eliminate the Gap (PEGs)						
Total Ridership	86.1	88.8	87.8	87.7	88.3	89.3

MTA LONG ISLAND RAIL ROAD
November Plan 2009 - 2012
Summary of 2009 Program to Eliminate the Gap(PEGs)
(\$ in millions)

		2008		2009		2010		2011		2012	
		<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											
Defer Origin and Destination Study		0	0.000	0	1.000	0	0.000	0	0.000	0	0.000
Eliminate Mail Messenger in Penn Station		0	0.000	1	0.081	1	0.083	1	0.086	1	0.090
Eliminate Main Line Advertising Campaign		0	0.500	0	0.000	0	0.000	0	0.000	0	0.000
Health Insurance "Opt Out" Buy Back Program		0	0.000	0	0.500	0	0.500	0	0.500	0	0.500
Improved Oversight of Health & Welfare Retiree		0	0.000	0	0.500	0	0.500	0	0.500	0	0.500
Sub-Total	Administration	0	\$ 0.500	1	\$ 2.081	1	\$ 1.083	1	\$ 1.086	1	\$ 1.090
Maintenance											
Defer Low Profile Crane		0	0.959	0	0.000	0	0.000	0	0.000	0	0.000
MU Sanders		2	2.885	4	3.044	4	0.263	4	0.270	4	0.279
Modify Tree Trimming Program		9	0.750	9	1.000	9	1.000	9	0.500	9	0.500
Sub-Total	Maintenance	11	\$ 4.594	13	\$ 4.044	13	\$ 1.263	13	\$ 0.770	13	\$ 0.779
Other											
Increase Real Estate Revenue		0	0.000	0	0.250	0	0.500	0	0.500	0	0.500
Increased Oversight of Free Rail Pass Policy		0	0.000	0	0.400	0	0.800	0	0.800	0	0.800
Sub-Total	Other	0	\$ 0.000	0	\$ 0.650	0	\$ 1.300	0	\$ 1.300	0	\$ 1.300
Revenue Enhancement											
Real Estate Revenue		0	0.000	0	0.111	0	0.114	0	0.117	0	0.121
Sub-Total	Revenue Enhancement	0	\$ 0.000	0	\$ 0.111	0	\$ 0.114	0	\$ 0.117	0	\$ 0.121
Service											
Service Adjustments		0	0.000	0	0.925	0	2.303	0	2.373	0	2.443

MTA LONG ISLAND RAIL ROAD
November Plan 2009 - 2012
Summary of 2009 Program to Eliminate the Gap(PEGs)
(\$ in millions)

		2008		2009		2010		2011		2012	
		<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>
Sub-Total	Service	0	\$ 0.000	0	\$ 0.925	0	\$ 2.303	0	\$ 2.373	0	\$ 2.443
Service Support											
Passenger Services- Ticket Receiver (Penn Station)		0	0.000	1	0.080	1	0.082	1	0.085	1	0.087
Sub-Total	Service Support	0	\$ 0.000	1	\$ 0.080	1	\$ 0.082	1	\$ 0.085	1	\$ 0.087
Total Programs		11	\$ 5.094	15	\$ 7.891	15	\$ 6.145	15	\$ 5.731	15	\$ 5.820

MTA LONG ISLAND RAIL ROAD
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	LIRRD	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Administration	Savings Date	1/1/2009
PEG / New Need ID	0000000079	Current Budget Year	2008	Status	Open
Program:	Defer Origin and Destination Study			Agency Status	Pending
Description and Implementation Pla	Funding was made available in the Nov. 2007 Financial Plan to update the Origin & Destination Study. The O & D Study consists of two components: station passenger counts and survey data.				
Background Details	Defer updating the Origin and Destination study and reallocate funding towards the Network Strategy Study.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	LIRRD	0000000079	FINAL08	\$ 0.000	\$ 1.000	\$ 0.000	\$ 0.000	\$ 0.000

MTA LONG ISLAND RAIL ROAD
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	LIRRD	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Administration	Savings Date	1/1/2009
PEG / New Need ID	0000000071	Current Budget Year	2008	Status	Open
Program:	Eliminate Mail Messenger in Penn Station			Agency Status	Pending
Description and Implementation Pla	Eliminate the mail messenger position at Penn Station.				
Background Details	Reduction is based on new procedures for the handling of paychecks and lost and found.				

				2008	2009	2010	2011	2012
Total Headcount	LIRRD	0000000071	FINAL08	0	1	1	1	1
Financial Impact	LIRRD	0000000071	FINAL08	\$ 0.000	\$ 0.081	\$ 0.083	\$ 0.086	\$ 0.090

MTA LONG ISLAND RAIL ROAD
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	LIRRD	Financial Plan Category	PEG	Implementation Date	7/1/2008
Budget Reference	FINAL08	Category	Administration	Savings Date	7/1/2008
PEG / New Need ID	0000000080	Current Budget Year	2008	Status	Open
Program:	Eliminate Main Line Advertising Campaign			Agency Status	Pending
Description and Implementation Pla	Funding was made available in the November 2007 Financial Plan to support the ESA Operational Readiness/ Public Awareness Program.				
Background Details	Public awareness funding is not needed in 2008. Funding will be reallocated for the Network Strategy Study.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	LIRRD	0000000080	FINAL08	\$ 0.500	\$ 0.000	\$ 0.000	\$ 0.000	\$ 0.000

MTA LONG ISLAND RAIL ROAD
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	LIRRD	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Administration	Savings Date	1/1/2009
PEG / New Need ID	0000000078	Current Budget Year	2008	Status	Open
Program:	Health Insurance "Opt Out" Buy Back Program			Agency Status	Pending
Description and Implementation Pla	Increase Health Insurance "Opt-Out" Buyback Level to reduce Health Insurance enrollment costs to \$2000 (family) and \$750 (individual). Also, offer an Opt-out to employees who are going from Family to Single coverage.				
Background Details	Present Opt-Out Benefit level is \$1100 (family) and \$500 (individual) which have not change since inception of program. This is offered to employees to Opt-Out of coverage for Health Insurance. Also, there presently is no Opt-out incentive for employees to reduce coverage from Family to Single.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	LIRRD	0000000078	FINAL08	\$ 0.000	\$ 0.500	\$ 0.500	\$ 0.500	\$ 0.500

MTA LONG ISLAND RAIL ROAD
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	LIRRD	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Administration	Savings Date	1/1/2009
PEG / New Need ID	0000000082	Current Budget Year	2008	Status	Open
Program:	Improved Oversight of Health & Welfare Retiree			Agency Status	Pending
Description and Implementation Pla	Health and Welfare payments made to retirees are based on eligibility requirements that change over time. As a result, it is necessary to recalculate projected Health and Welfare payments for retirees on a periodic basis.				
Background Details	Savings based on Process Re-Engineering Study of 2007 payments and baseline retiree eligibility.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	LIRRD	0000000082	FINAL08	\$ 0.000	\$ 0.500	\$ 0.500	\$ 0.500	\$ 0.500

MTA LONG ISLAND RAIL ROAD
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	LIRRD	Financial Plan Category	PEG	Implementation Date	7/1/2008
Budget Reference	FINAL08	Category	Maintenance	Savings Date	7/1/2008
PEG / New Need ID	0000000081	Current Budget Year	2008	Status	Open
Program:	Defer Low Profile Crane			Agency Status	Pending
Description and Implementation Pla	The purchase of a Low Profile crane to be used for train derailments in tunnels was funded in the 2007 November Financial Plan.				
Background Details	The Long Island Rail Road has determined that the Low Profile crane that had been initially identified does not meet operating requirements.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	LIRRD	0000000081	FINAL08	\$ 0.959	\$ 0.000	\$ 0.000	\$ 0.000	\$ 0.000

MTA LONG ISLAND RAIL ROAD
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	LIRRD	Financial Plan Category	PEG	Implementation Date	7/1/2008
Budget Reference	FINAL08	Category	Maintenance	Savings Date	7/1/2008
PEG / New Need ID	0000000070	Current Budget Year	2008	Status	Open
Program:	MU Sanders			Agency Status	Pending
Description and Implementation Pla	Planned installation of sanders on the M7 fleet to improve rail adhesion and prevent slip slide and flat wheels.				
Background Details	Based on preliminary findings of the Low Adhesion Study and the results of a pilot MU sander initiative, the Long Island Rail Road will defer future installation.				

				2008	2009	2010	2011	2012
Total Headcount	LIRRD	0000000070	FINAL08	2	4	4	4	4
Financial Impact	LIRRD	0000000070	FINAL08	\$ 2.885	\$ 3.044	\$ 0.263	\$ 0.270	\$ 0.279

MTA LONG ISLAND RAIL ROAD
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	LIRRD	Financial Plan Category	PEG	Implementation Date	7/1/2008
Budget Reference	FINAL08	Category	Maintenance	Savings Date	7/1/2008
PEG / New Need ID	0000000074	Current Budget Year	2008	Status	Open
Program:	Modify Tree Trimming Program			Agency Status	Pending
Description and Implementation Pla	Currently 2 gangs (18 positions) are scheduled to begin tree trimming during the second half of 2008. This was to supplement tree trimming work performed by private contractors.				
Background Details	This reduction will reduce the in-house tree trimming forces from 2 gangs to 1 gang. The LIRR will continue to use private contractors to do tree trimming.				

				2008	2009	2010	2011	2012
Total Headcount	LIRRD	0000000074	FINAL08	9	9	9	9	9
Financial Impact	LIRRD	0000000074	FINAL08	\$ 0.750	\$ 1.000	\$ 1.000	\$ 0.500	\$ 0.500

MTA LONG ISLAND RAIL ROAD
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	LIRRD	Financial Plan Category	PEG	Implementation Date	6/1/2009
Budget Reference	FINAL08	Category	Other	Savings Date	6/1/2009
PEG / New Need ID	0000000075	Current Budget Year	2008	Status	Open
Program:	Increase Real Estate Revenue			Agency Status	Pending
Description and Implementation Pla	The LIRR currently generates approximately \$5.0 million in real estate revenue exclusive of Penn Station.				
Background Details	Identify stations where excess space is underutilized and to seek out potential vendors. The PEG assumes a 5% increase in revenue in 2009 and a 10% increase in 2010.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	LIRRD	0000000075	FINAL08	\$ 0.000	\$ 0.250	\$ 0.500	\$ 0.500	\$ 0.500

MTA LONG ISLAND RAIL ROAD
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	LIRRD	Financial Plan Category	PEG	Implementation Date	6/1/2009
Budget Reference	FINAL08	Category	Other	Savings Date	6/1/2009
PEG / New Need ID	0000000076	Current Budget Year	2008	Status	Open
Program:	Increased Oversight of Free Rail Pass Policy			Agency Status	Pending
Description and Implementation Pla	Current policy and regulatory requirements require the Railroad to issue free rail passes.				
Background Details	Increase oversight of Free Rail Pass application process in order to eliminate potential fare abuse.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	LIRRD	0000000076	FINAL08	\$ 0.000	\$ 0.400	\$ 0.800	\$ 0.800	\$ 0.800

MTA LONG ISLAND RAIL ROAD
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	LIRRD	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Revenue Enhancement	Savings Date	1/1/2009
PEG / New Need ID	0000000086	Current Budget Year	2008	Status	Open
Program:	Real Estate Revenue			Agency Status	Pending
Description and Implementation Pla	Upon completion of the review, the Market Director is anticipated to create additional revenue from existing deals and new deals (l.e Hamptons, Bethpage, newstands, etc.)				
Background Details	As part of the new needs, the LIRR has proposed hiring a new Market Director who will first complete a full market/assessment of existing and future revenue sources.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	LIRRD	0000000086	FINAL08	\$ 0.000	\$ 0.111	\$ 0.114	\$ 0.117	\$ 0.121

MTA LONG ISLAND RAIL ROAD
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	LIRRD	Financial Plan Category	PEG	Implementation Date	6/1/2009
Budget Reference	FINAL08	Category	Service	Savings Date	6/1/2009
PEG / New Need ID	0000000077	Current Budget Year	2008	Status	Open
Program:	Service Adjustments			Agency Status	Ready
Description and Implementation Pla	The Long Island Rail Road provides a range of services to customers. The Railroad provides a substantial level of off-peak train service during mid-day, evenings and on weekends.				
Background Details	To achieve budget savings, the Railroad will evaluate off peak and other supporting services and identify potential opportunities for savings which are consistent with current service guidelines. Service adjustments would be managed to avoid any negative impact to ridership.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	LIRRD	0000000077	FINAL08	\$ 0.000	\$ 0.925	\$ 2.303	\$ 2.373	\$ 2.443

MTA LONG ISLAND RAIL ROAD
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	LIRRD	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Service Support	Savings Date	1/1/2009
PEG / New Need ID	0000000072	Current Budget Year	2008	Status	Open
Program:	Passenger Services- Ticket Receiver (Penn Station)			Agency Status	Pending
Description and Implementation Pla	Eliminate a Ticket Receiver position at Penn Station.				
Background Details	The LIRR will eliminate one Ticket Receiver position at Penn Station. The Ticket Receiver position handles ticket stock and receipts for train crews. The operational impact will be minimal.				

				2008	2009	2010	2011	2012
Total Headcount	LIRRD	0000000072	FINAL08	0	1	1	1	1
Financial Impact	LIRRD	0000000072	FINAL08	\$ 0.000	\$ 0.080	\$ 0.082	\$ 0.085	\$ 0.087

MTA LONG ISLAND RAIL ROAD
November Plan 2009 - 2012
Summary of Post 2009 PEGs
(\$ in millions)

		2008		2009		2010		2011		2012	
		<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											
Reduce Timekeeping/ Payroll Coordinators		0	0.000	0	0.000	4	0.400	4	0.412	4	0.424
Sub-Total	Administration	0	\$ 0.000	0	\$ 0.000	4	\$ 0.400	4	\$ 0.412	4	\$ 0.424
Other											
Diesel Fuel		0	0.000	0	0.000	0	0.068	0	0.068	0	0.068
Jay/Hall/Dunton Tower Consolidation		0	0.000	0	0.000	5	0.500	5	0.510	5	0.520
LIC Wayside Power or Smartcard		0	0.000	0	0.000	0	0.176	0	0.176	0	0.176
Unspecified Other PEGs		0	0.000	0	0.000	0	20.747	0	16.996	0	38.996
Sub-Total	Other	0	\$ 0.000	0	\$ 0.000	5	\$ 21.491	5	\$ 17.750	5	\$ 39.760
Service Support											
Passenger Services-Ticket Clerk (Penn Station)		0	0.000	0	0.000	1	0.082	1	0.085	1	0.087
Sub-Total	Service Support	0	\$ 0.000	0	\$ 0.000	1	\$ 0.082	1	\$ 0.085	1	\$ 0.087
Total Programs		0	\$ 0.000	0	\$ 0.000	10	\$ 21.973	10	\$ 18.247	10	\$ 40.271

MTA LONG ISLAND RAIL ROAD
November Plan 2009 - 2012
Summary of Post PEGs Worksheet

(\$ in millions)

Business Unit	LIRRD	Financial Plan Category	Post PEG	Implementation Date	1/1/2010
Budget Reference	FINAL08	Category	Administration	Savings Date	1/1/2010
PEG / New Need ID	0000000084	Current Budget Year	2008	Status	Open
Program:	Reduce Timekeeping/ Payroll Coordinators			Agency Status	Pending
Description and Implementation Pla	The initiative to establish a unified Corporate Time and Attendance system is scheduled to achieve beneficial use starting in 2009 with full corporate wide implementation by mid 2010.				
Background Details	The new system is expected to reduce the number of payroll coordinators by 25%.				

				2008	2009	2010	2011	2012
Total Headcount	LIRRD	0000000084	FINAL08	0	0	4	4	4
Financial Impact	LIRRD	0000000084	FINAL08	\$ 0.000	\$ 0.000	\$ 0.400	\$ 0.412	\$ 0.424

MTA LONG ISLAND RAIL ROAD
November Plan 2009 - 2012
Summary of Post PEGs Worksheet

(\$ in millions)

Business Unit	LIRRD	Financial Plan Category	Post PEG	Implementation Date	1/1/2010
Budget Reference	FINAL08	Category	Other	Savings Date	1/1/2010
PEG / New Need ID	0000000087	Current Budget Year	2008	Status	Open
Program:	Diesel Fuel			Agency Status	Pending
Description and Implementation Pla	The LIRR will revise its winter and summer cloud point temperature in order to achieve an annual saving of approximately \$68k. The cloud point change will have no impact on engine reliability.				
Background Details	The LIRR will adjust its cloud point (blend of diesel fuel) requirements which will improve fuel economy.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	LIRRD	0000000087	FINAL08	\$ 0.000	\$ 0.000	\$ 0.068	\$ 0.068	\$ 0.068

MTA LONG ISLAND RAIL ROAD
November Plan 2009 - 2012
Summary of Post PEGs Worksheet

(\$ in millions)

Business Unit	LIRRD	Financial Plan Category	Post PEG	Implementation Date	1/1/2010
Budget Reference	FINAL08	Category	Other	Savings Date	1/1/2010
PEG / New Need ID	0000000083	Current Budget Year	2008	Status	Open
Program:	Jay/Hall/Dunton Tower Consolidation			Agency Status	Pending
Description and Implementation Pla	In 2009, the LIRR will be taking the current Jay, Hall, and Dunton towers off line and replacing them with a new state of the art "Mini-Theater" located in the Jamaica Central Control building.				
Background Details	The consolidation of operations will result in the elimination of five Transportation positions.				

				2008	2009	2010	2011	2012
Total Headcount	LIRRD	0000000083	FINAL08	0	0	5	5	5
Financial Impact	LIRRD	0000000083	FINAL08	\$ 0.000	\$ 0.000	\$ 0.500	\$ 0.510	\$ 0.520

MTA LONG ISLAND RAIL ROAD
November Plan 2009 - 2012
Summary of Post PEGs Worksheet

(\$ in millions)

Business Unit	LIRRD	Financial Plan Category	Post PEG	Implementation Date	1/1/2010
Budget Reference	FINAL08	Category	Other	Savings Date	1/1/2010
PEG / New Need ID	0000000088	Current Budget Year	2008	Status	Open
Program:	LIC Wayside Power or Smartcard			Agency Status	Pending
Description and Implementation Pla	LIRR to either provide wayside power or use a Smart Start System (automatically manages locomotive shutdown and restarts).				
Background Details	There are eight daily diesel trains that are scheduled to be laid up at the Long Island City Yard anywhere from 1 - 9.5 hours before they depart as scheduled. During this time, the trains are left idling.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	LIRRD	0000000088	FINAL08	\$ 0.000	\$ 0.000	\$ 0.176	\$ 0.176	\$ 0.176

MTA LONG ISLAND RAIL ROAD
November Plan 2009 - 2012
Summary of Post PEGs Worksheet
(\$ in millions)

Business Unit	LIRRD	Financial Plan Category	Post PEG	Implementation Date	1/1/2010
Budget Reference	FINAL08	Category	Other	Savings Date	1/1/2010
PEG / New Need ID	0000000085	Current Budget Year	2008	Status	Open
Program:	Unspecified Other PEGs			Agency Status	Pending
Description and Implementation Pla					
Background Details					

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	LIRRD	0000000085	FINAL08	\$ 0.000	\$ 0.000	\$ 20.747	\$ 16.996	\$ 38.996

MTA LONG ISLAND RAIL ROAD
November Plan 2009 - 2012
Summary of Post PEGs Worksheet

(\$ in millions)

Business Unit	LIRRD	Financial Plan Category	Post PEG	Implementation Date	1/1/2010
Budget Reference	FINAL08	Category	Service Support	Savings Date	1/1/2010
PEG / New Need ID	0000000073	Current Budget Year	2008	Status	Open
Program:	Passenger Services-Ticket Clerk (Penn Station)			Agency Status	Pending
Description and Implementation Pla	Eliminate a Ticket Clerk position at Penn Station.				
Background Details	The LIRR will eliminate one Ticket Clerk position at Penn Station. The Ticket Clerk position will not be eliminated until 2010. The operational impact will be minimal.				

				2008	2009	2010	2011	2012
Total Headcount	LIRRD	0000000073	FINAL08	0	0	1	1	1
Financial Impact	LIRRD	0000000073	FINAL08	\$ 0.000	\$ 0.000	\$ 0.082	\$ 0.085	\$ 0.087

**MTA Long Island Rail Road
2009 Final Proposed Budget
November Financial Plan 2009 – 2012**

POSITION ASSUMPTIONS

NON-REIMBURSABLE POSITIONS:

- Positions are identified as of year-end (December 31) for each year in the financial plan and reflect an estimate of the total number of paid employees required to meet/achieve corporate goals.
- Annual staffing levels include the impact of new needs and re-estimates consistent with the associated cost changes incorporated in the financial plan.

REIMBURSABLE POSITIONS:

- Positions are identified as of year-end (December 31) for each year in the financial plan and reflect an estimate of the total number of paid employees required for reimbursable activity.
- Annual staffing levels represent the positions required to support the Capital Program, as well as changes in other reimbursable projects.

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2009- 2012
Non-Reimbursable - Reimbursable Positions by Function and Department
Full-Time Positions and Full Time Equivalents

FUNCTION/DEPARTMENT	2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Administration						
Executive VP	3	2	2	2	2	2
Labor Relations	11	11	11	11	11	11
Procurement & Logistics (excl. Stores)	78	88	93	93	93	93
Human Resources	101	118	110	103	103	103
Strategic Investments	36	43	43	43	43	43
Diversity Management	3	3	3	3	3	3
President	4	4	4	4	4	4
VP & Chief Financial Officer	104	110	112	111	111	111
Information Technology	151	179	182	184	184	184
VP - East Side Access & Special Projects	2	23	29	29	29	29
Market Dev. & Public Affairs	63	70	71	71	71	71
Gen. Counsel & Secretary	30	35	35	35	35	35
System Safety	19	22	23	23	23	23
VP Operations/Oper. S/A & Serv. Planning	44	45	45	45	45	45
	649	753	763	757	757	757
Operations						
Transportation	1,849	1,922	1,894	1,893	1,893	1,893
Passenger Service (Ticket Clerks & Agents)	194	186	187	187	187	187
Total Operations	2,043	2,108	2,081	2,080	2,080	2,080
Maintenance						
Engineering	1,558	1,700	1,585	1,778	1,769	1,763
Equipment	1,815	1,967	2,044	2,091	2,077	2,077
Passenger Service (excl. Ticket Selling)	197	197	196	196	196	196
Procurement (Stores)	93	97	98	98	98	98
Total Maintenance	3,663	3,961	3,923	4,163	4,140	4,134
Engineering/Capital						
Capital Program Management	61	66	68	68	68	68
Force Acct Mgmt	55	73	75	75	75	75
Total Engineering/Capital	116	139	143	143	143	143
Total Baseline Positions	6,471	6,961	6,910	7,143	7,120	7,114
<i>Non-Reimbursable</i>	5,829	6,136	6,134	6,181	6,169	6,163
<i>Reimbursable</i>	642	825	776	962	951	951
<i>Total Full-Time</i>	6,471	6,961	6,910	7,143	7,120	7,114
<i>Total Full-Time Equivalents</i>	-	-	0	0	0	0
<hr/>						
Impact of:						
2009 Program to Eliminate the Gap	-	11	15	15	15	15
Post 2009 Program to Eliminate the Gap	-	-	-	10	10	10
Total Positions	6,471	6,950	6,895	7,118	7,095	7,089
<i>Non-Reimbursable</i>	5,829	6,125	6,119	6,156	6,144	6,138
<i>Reimbursable</i>	642	825	776	962	951	951
<i>Total Full-Time</i>	6,471	6,950	6,895	7,118	7,095	7,089
<i>Total Full-Time Equivalents</i>						
Business Service Center	0	0	0	0	61	61

MTA LONG ISLAND RAILROAD
November Financial Plan 2009- 2012
Full-time Positions and Full-time Equivalents by Function and Occupational Group

FUNCTION/OCCUPATIONAL GROUP		2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Administration							
	Managers/Supervisors	288	357	363	363	363	363
	Professional, Technical, Clerical	361	396	400	394	394	394
	Operational Hourlies	0	0	0	0	0	0
	Total Administration	649	753	763	757	757	757
Operations							
	Managers/Supervisors	247	276	276	275	275	275
	Professional, Technical, Clerical	183	172	176	176	176	176
	Operational Hourlies	1,613	1,660	1,629	1,629	1,629	1,629
	Total Operations	2,043	2,108	2,081	2,080	2,080	2,080
Maintenance							
	Managers/Supervisors	676	687	723	747	747	747
	Professional, Technical, Clerical	250	278	286	286	286	286
	Operational Hourlies	2,737	2,996	2,914	3,130	3,107	3,101
	Total Maintenance	3,663	3,961	3,923	4,163	4,140	4,134
Engineering/Capital							
	Managers/Supervisors	105	117	127	127	127	127
	Professional, Technical, Clerical	11	22	16	16	16	16
	Operational Hourlies	0	0	0	0	0	0
	Total Engineering/Capital	116	139	143	143	143	143
Public Safety							
	Managers/Supervisors						
	Professional, Technical, Clerical						
	Operational Hourlies						
	Total Public Safety	0	0	0	0	0	0
Total Baseline Positions							
	Managers/Supervisors	1,316	1,437	1,489	1,512	1,512	1,512
	Professional, Technical, Clerical	805	868	878	872	872	872
	Operational Hourlies	4,350	4,656	4,543	4,759	4,736	4,730
	Total Baseline Positions	6,471	6,961	6,910	7,143	7,120	7,114

Metro-North Railroad

**MTA METRO-NORTH RAILROAD
2009 FINAL PROPOSED BUDGET
NOVEMBER FINANCIAL PLAN 2009-2012**

MISSION STATEMENT

The mission of MTA Metro-North Railroad is to preserve and enhance the quality of life and economic health of the region we serve through the efficient provision of transportation service of the highest quality.

This mission statement and its accompanying statement of values have guided Metro-North's decision making for two decades. Today, the railroad is additionally guided by seven strategic areas identified by the MTA as essential elements each agency must use to create and execute effective goals and objectives. They provide and define a broader framework for the MTA family as a whole. These seven areas are: customer service, safety & security, workforce development, projects & planning, financial stability, sustainability, and institutional transformation.

DESCRIPTION OF SERVICES

MTA Metro-North Railroad provides passenger rail service to five suburban counties in New York State (Westchester, Putnam, Dutchess, Rockland, and Orange), two in Connecticut (Fairfield and New Haven), and two urban counties in New York City (Bronx and Manhattan). East of Hudson train service extends 85 miles from Manhattan, with terminals to the northeast in New Haven, Waterbury, Danbury, and New Canaan on the New Haven Line; to the north in Wassaic on the Harlem Line, and Poughkeepsie on the Hudson Line. The Harlem, Hudson, and New Haven Lines converge in the Bronx and terminate at Grand Central Terminal in Manhattan. West of the Hudson River, the Pascack Valley Line extends to Spring Valley, New York and the Port Jervis Line to Port Jervis, 95 miles from Hoboken at the border of New York and Pennsylvania. Both lines terminate in Hoboken, New Jersey. Service on the New Haven line is provided by Metro-North pursuant to a contract between the Connecticut Department of Transportation (ConnDOT) and Metro-North/MTA. Service on the Port Jervis and Pascack Valley Lines is operated by New Jersey Transit under contract to Metro-North. The railroad plans to carry 85.2 million customers in 2009 over 385 route miles, to and from 121 stations, operating 664 trains on an average weekday East of Hudson, and 62 trains on an average weekday West of Hudson.

FINANCIAL OVERVIEW

Each year within Metro-North's planning process, issues impacting the performance of the railroad are reviewed and initiatives developed to achieve the railroad's goals in

support of the strategic focus areas noted above. Consequently, operating resource estimates included in each budget are based on the consideration of factors which affect all aspects of the railroad including current operating trends, projected changes in costs, new initiatives/business decisions which affect service quantity, quality or efficiency, and the impacts of capital improvements on operating expenditures. Each of these factors is also carefully reviewed in the context of funding availability from MTA and ConnDOT, the agencies subsidizing Metro-North.

Metro-North's resource requirements in the November Financial Plan 2009-2012 reflect the savings/cost avoidance measures implemented in the 2008 adopted budget. They also reflect measures for 2009-2012 presented as "Programs to Eliminate the Gap" (PEGs) and other cost reduction measures (net of increases) detailed later in this document. The reductions were achieved through savings generated by lower than projected cost trends as well as changes in program schedules and project eliminations. In addition to expenditure reductions, higher Farebox revenues are also projected reflecting Metro-North's coordinated strategies to increase service quality and quantity tempered by current regional economic forecasts.

As part of its strategic planning, Metro-North has also identified emerging new needs that support strategic focus areas. Examples of these programs are highlighted below:

Customer Service

- New train service is added each year during the 2010-2012 period.
- Equipment overhauls, M7 life cycle maintenance, expanded Gearbox overhauls and labor and material resources to support the new M8 cars are new needs that ensure service reliability.
- In 2009, New Haven Line mechanical forces will be added at the New Haven service and inspection shop to improve the availability of the M2 fleet for AM Peak service. In 2010 these forces will be transferred to support the new M8 car fleet.
- A new Interactive Voice Response system (IVR) will be implemented by 2009 to increase the capacity and reliability of the outdated customer telephone information system.
- Upgrades to Metro-North's Fiber Optic Network will improve efficiency of communication systems.
- The phased replacement of Hudson Rail Link shuttle buses will begin in 2010 and will continue through 2012 to ensure the reliability and adequate capacity of this successful connecting service.
- Hand Held Computers for On-Board Ticket Sales were implemented in July 2008 to replace the issuance of manually generated tickets. This system will increase the efficiency of revenue collection and reporting, and will eventually provide customers with additional payment options through the acceptance of credit cards, and create another mode of communication for on-board personnel.

- Continue rolling stock overhaul programs and initiate M7 life cycle maintenance to ensure equipment reliability is maintained and daily consist needs are met.

Safety and Security

- Metro-North has incorporated the resources to support the maintenance and monitoring functions associated with the implementation of new security systems in New York and Connecticut.
- Security services at outlying yard locations will be fully implemented by the end of 2008.

Workforce Development

- Increased staff to develop employee training and recruitment programs has been added in 2009-2012 in anticipation of significant employee turnover of the Metro-North workforce over the next five years.
- Funding to improve the delivery (via employee electronic access to training programs across the railroad) and management of training programs has been included in the 2009 Proposed Budget.

Project and Planning

- To maintain and improve the efficiency of Metro-North's information communication network, upgrades to support equipment, increases in capacity, and the installation of additional security features have been planned for implementation starting in 2009.

Financial Stability

- Increase passenger revenues through the implementation of new train service starting in 2010 that improves financial performance and accelerates long-term ridership growth.
- Incorporate new sources of non-passenger revenue as a result of recently negotiated agreements for the placement of advertising in bar cars and GCT passageways.
- Expand the implementation of Kronos timekeeping at all facilities to improve the tracking and reporting on personnel costs.
- Remove completed program costs from the financial plan. In 2010, labor and material resources for the M3 CSR program have been phased-out as this program winds down and locomotive overhaul and expanded Gearbox maintenance costs have been removed from the financial plan as scheduled work is completed.

The Financial Plan also includes current expenditure trends and continuation of critical operating functions. Consequently, rising costs for energy, steel prices and insurance coverage, as well the financial impact of negotiated wage agreements through June 2010 is incorporated. In addition to these economic factors, cost provisions have been added or maintained for West of Hudson subsidies, security projects, revenue-generating service initiatives, and operating support costs to maintain capital-funded improvements to infrastructure and facilities. To preserve the retail revenue stream in GCT and maintain this facility in landmark status, several GCT renovation projects have also been added through 2012. Similar to the costs required for the overall GCT retail

operation and its management, the cost of GCT restoration/renovation projects are netted in the Financial Plan against GCT Retail Revenue.

2008 NOVEMBER FORECAST

The 2008 November Non-Reimbursable Forecast reflects revenue projections totaling \$540.9 million, and expenses, including depreciation, of \$1,186.7 million that generate an operating deficit of \$645.8 million. Cash adjustments of \$282.2 million reduce that amount to a cash deficit of \$363.6 million, of which \$291.7 million represents MTA share and \$71.9 million ConnDOT share. The 2008 November Reimbursable revenue and expense projections total \$196.3 million.

The November Forecast subsidy requirements for non-reimbursable operations are \$9.3 million lower than the July Forecast. The reduction reflects higher revenues of \$4.6 million, lower contract and professional service requirements and higher cash receipts due to the timing of payments. These favorable changes are offset by higher overtime for equipment, facilities, and right-of-way maintenance and increasing diesel fuel cost projections.

The 2008 November Forecast includes Customer Service improvements that have been completed, or will be completed by year-end, including the initiation of additional train service in April, the introduction of hand held computers for on-board ticket sales, equipment overhaul programs, the integration of new buses into the Hudson Rail Link connecting service, and the continued progress in upgrading the telephone information system. Safety and Security program funding has been maintained for the use of security services at outlying locations. To maintain Financial Stability, the 2008 November Forecast incorporates financial trend adjustments that ensure subsidy requirements reflect the most current information. These adjustments include refined energy estimates, changes in the timing of certain expenditures, increases in passenger revenues based on higher ridership, and higher non- passenger revenues from GCT retail operations.

2009 FINAL PROPOSED BUDGET-BASELINE

The 2009 Proposed Non-Reimbursable Budget reflects revenue projections totaling \$548.9 million, and expenses, including depreciation, of \$1,307.2 million that generate an operating deficit of \$758.3 million. Cash adjustments of \$302.8 million reduce that amount to a cash deficit of \$455.6 million, of which \$366.9 million represents the MTA share and \$88.7 million the ConnDOT share. The 2009 Proposed Reimbursable revenues and expenses total \$180.4 million.

The Non-Reimbursable revenue projections reflect current fares and current trends in both Farebox and Other Operating Revenue. In 2009, ridership growth slows to 0.5%

due to a projected decline in regional employment and economic activity. To mitigate this downward trend, 2009 Customer Service initiatives to increase parking and maintain connecting services to Metro-North stations have been retained. In addition, funding of new programs that ensure reliable customer service include expanding the fiber optic information network, establishing a five-year M7 life cycle maintenance program, and increasing maintenance support staff for M2 cars to ensure equipment availability is consistent with service demands. In consideration of current financial constraints, planned additions to East and West of Hudson train service has been eliminated. As noted above, Safety and Security support for new security monitoring systems in New York State and Connecticut have been included in 2009 and a full-time staff position addition to the all-volunteer GCT Fire Brigade is included. Workforce Development efforts will be strengthened by the addition of one training and one recruiting position to address the anticipated changes in Metro-North's employee base. Project and Planning initiatives in the Non-Reimbursable 2009 Financial Plan include the funding of improvements to Metro-North's information communication network via upgrades to outdated equipment, increases in capacity and the installation of additional security features. In addition, upgrades are planned to timekeeping systems that will improve the collection and reporting of payroll data. To maintain Financial Stability, current cost trends are incorporated to reflect rising energy and healthcare costs, increasing material prices, and the rescheduling of several provisional programs. Also, expenditure reductions have been made to eliminate new train service initiatives. In addition, non-passenger revenues have been increased in 2009 to reflect full year of 2008 price increases for commissary services and newly instituted advertising in bar cars and GCT passageways, as well as the resumption of a full year for GCT retail revenue income with the completion of the Vanderbilt Hall renovation project.

2010-2012 PROJECTIONS

The Non-Reimbursable revenue projections total \$558.1 million in 2010, \$575.0 million in 2011, and \$592.7 million in 2012. Non-Reimbursable expense projections, including depreciation, total \$1,357.1 million in 2010, \$1,411.5 million in 2011, and \$1,463.4 million in 2012. These revenue and expense projections generate a baseline operating deficit of \$799.0 million in 2010, \$836.6 million in 2011, and \$870.7 million in 2012. Cash adjustments of \$319.1 million in 2010, \$322.4 million in 2011, and \$335.3 million in 2012 reduce the amounts to a baseline cash deficit projection of \$479.9 million in 2010, \$514.2 million in 2011, and \$535.4 million in 2012. The MTA share of the baseline cash deficits totals \$381.0 million in 2010, \$401.6 million in 2011, and \$414.2 million in 2012, while the ConnDOT share totals \$98.9 million, \$112.6 million, and \$121.2 million, respectively. The Reimbursable revenues and expenses total \$ 178.0 million in 2010, \$169.1 million in 2011, and \$172.0 million in 2012.

The 2010-2012 expenditure projections will allow Metro-North to continue Customer Service initiatives that maintain existing train service levels, add new service on all lines, and continue service reliability programs that maintain rolling stock. Financial Stability

measures include continued revenue growth projections from passenger and non passenger revenues, negotiated wage agreement costs, and the latest cost growth estimates. Major assumptions reflected in the 2010-2012 projections and reconciliation to the July Plan is furnished later in this document.

GAP CLOSING MEASURES

2009 – 2012 PROGRAMS TO ELIMINATE THE GAP (PEGs)

Specific PEG reductions proposed for 2009 – 2012 consist of savings realized due to a change in equipment Metro-North now plans to use for the shuttle service to Yankee Stadium (and the resulting elimination of the M1 CSR Program, \$5.4 million in 2009), the incorporation of the Metro-North station at Yankee Stadium into full service (a net subsidy reduction of \$1.0 million in 2009), and the elimination of three cost increase provisions. The provisions were to increase maintenance forces to support the new Harmon Shop complex (\$.8 million, starting in 2009), MTA Police Service costs on the NH Line (\$1.3 million, starting in 2009), provide a placeholder for GCT Landmark Preservation Programs (\$.5 million, starting in 2009), and a provision for staff to maintain GCT barrier separations (\$.2 million). Metro-North now believes that these items, included in the February Plan, will not be required.

MTA Metro-North Railroad
November Financial Plan 2009 - 2012
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE						
	2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Operating Revenue						
Farebox Revenue	\$476.6	\$507.2	\$512.0	\$519.2	\$533.7	\$549.5
Toll Revenue	0.0	0.0	0.0	0.0	0.0	0.0
Other Operating Revenue	34.5	33.7	36.9	38.9	41.2	43.2
MNR - MTA	0.0	0.0	0.0	0.0	0.0	0.0
MNR - CDOT	0.0	0.0	0.0	0.0	0.0	0.0
MNR - Other	0.0	0.0	0.0	0.0	0.0	0.0
Capital and Other Reimbursements	0.0	0.0	0.0	0.0	0.0	0.0
Total Revenue	\$511.1	\$540.9	\$548.9	\$558.1	\$574.9	\$592.7
Operating Expenses						
Labor:						
Payroll	\$358.9	\$380.1	\$400.0	\$409.1	\$421.5	\$434.2
Overtime	49.1	55.2	55.7	57.0	58.5	60.0
Health and Welfare	68.8	67.7	73.1	80.1	86.9	94.2
OPEB Current Payment	0.0	9.4	10.2	11.1	12.1	13.1
Pensions	40.6	38.7	40.7	42.7	45.4	47.4
Other Fringe Benefits	72.1	77.0	80.6	82.6	85.7	88.5
Reimbursable Overhead	(40.8)	(42.1)	(42.2)	(40.7)	(41.1)	(41.8)
Total Labor	\$548.7	\$585.9	\$618.2	\$642.1	\$668.9	\$695.7
Non-Labor:						
Traction and Propulsion Power	\$61.0	\$64.8	\$71.7	\$80.4	\$86.2	\$94.2
Fuel for Buses and Trains	15.1	25.5	25.3	24.8	24.4	25.8
Insurance	13.1	12.2	13.0	14.2	15.6	17.1
Claims	10.8	12.6	12.0	12.0	12.0	12.0
Paratransit Service Contracts						
Maintenance and Other Operating Contracts	80.6	91.5	114.4	115.2	118.5	117.6
Professional Service Contracts	19.2	20.2	24.3	25.2	25.6	26.1
Materials & Supplies	75.7	80.2	89.4	90.5	95.0	96.2
Other Business Expenses	11.9	13.0	13.7	15.7	16.5	17.7
Total Non-Labor	\$287.4	\$319.9	\$363.9	\$378.0	\$393.8	\$406.7
Other Expenses Adjustments:						
Other						
Total Other Expense Adjustments	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Expenses before Depreciation	\$836.0	\$905.8	\$982.1	\$1,020.1	\$1,062.7	\$1,102.4
Depreciation	\$213.6	\$223.4	\$265.6	\$275.6	\$285.6	\$295.6
OPEB Obligation	48.9	51.0	53.0	54.7	56.3	58.2
Environmental Remediation	0.0	6.5	6.5	6.7	6.9	7.1
Total Expenses	\$1,098.5	\$1,186.7	\$1,307.3	\$1,357.1	\$1,411.5	\$1,463.4
Baseline Surplus/(Deficit)	(\$587.5)	(\$645.8)	(\$758.3)	(\$799.0)	(\$836.6)	(\$870.7)
Cash Conversion Adjustments:						
Depreciation	\$213.6	\$223.4	\$265.6	\$275.6	\$285.6	\$295.6
Operating/Capital	(11.9)	(22.0)	(18.7)	(17.2)	(15.7)	(16.0)
Other Cash Adjustments	(15.2)	80.8	55.8	60.7	52.4	55.6
Total Cash Conversion Adjustments	\$186.4	\$282.2	\$302.8	\$319.1	\$322.4	\$335.3
Baseline Cash Surplus/(Deficit)	(\$401.0)	(\$363.6)	(\$455.6)	(\$479.9)	(\$514.2)	(\$535.4)
2009 Agency Program to Eliminate the Gap	\$0.0	\$0.0	\$9.2	\$9.3	\$9.3	\$9.3
Post-2009 Agency Program to Eliminate the Gap	0.0	0.0	0.0	9.3	18.5	27.8
Total PEG's	\$0.0	\$0.0	\$9.2	\$18.5	\$27.8	\$37.0
Net Surplus/(Deficit)	(\$401.0)	(\$363.6)	(\$446.3)	(\$461.4)	(\$486.5)	(\$498.4)
Business Service Center	\$0.0	\$0.4	\$2.5	\$2.5	\$8.7	\$9.2

MTA Metro-North Railroad
November Financial Plan 2009 - 2012
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE						
	2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Revenue						
Farebox Revenue	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Toll Revenue	0.0	0.0	0.0	0.0	0.0	0.0
Other Operating Revenue	0.0	0.0	0.0	0.0	0.0	0.0
MNR - MTA	105.5	101.1	113.2	115.4	118.5	121.6
MNR - CDOT	47.7	72.6	49.0	45.8	40.2	39.7
MNR - Other	26.5	22.7	18.2	16.8	10.5	10.7
Capital and Other Reimbursements	179.6	196.3	180.4	178.0	169.1	171.9
Total Revenue	\$179.6	\$196.3	\$180.4	\$178.0	\$169.1	\$171.9
Expenses						
Labor:						
Payroll	\$38.1	\$39.5	\$42.3	\$42.9	\$43.6	\$44.3
Overtime	17.2	14.1	13.0	13.2	13.3	13.5
Health and Welfare	9.2	8.9	9.5	10.4	11.1	11.9
OPEB Current Payment						
Pensions	5.6	4.8	5.1	5.3	5.6	5.8
Other Fringe Benefits	9.1	9.0	9.2	9.4	9.6	9.7
Reimbursable Overhead	42.1	40.6	39.7	40.2	40.9	41.5
Total Labor	\$121.3	\$117.0	\$118.9	\$121.3	\$124.0	\$126.7
Non-Labor:						
Traction and Propulsion Power	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Fuel for Buses and Trains	0.0	0.0	0.0	0.0	0.0	0.0
Insurance	5.2	4.5	4.4	4.5	4.5	4.6
Claims	0.0	0.0	0.0	0.0	0.0	0.0
Paratransit Service Contracts	0.0	0.0	0.0	0.0	0.0	0.0
Maintenance and Other Operating Contracts	19.8	35.4	31.9	26.0	13.1	12.1
Professional Service Contracts	3.0	7.0	3.6	3.7	3.8	3.9
Materials & Supplies	30.8	33.1	21.4	22.3	23.5	24.4
Other Business Expenses	(0.4)	(0.7)	0.2	0.2	0.2	0.2
Total Non-Labor	\$58.3	\$79.3	\$61.5	\$56.7	\$45.1	\$45.2
Other Adjustments:						
Other						
Total Other Expense Adjustments	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Expenses before Depreciation	\$179.6	\$196.3	\$180.4	\$178.0	\$169.1	\$171.9
Depreciation						
OPEB Obligation						
Environmental Remediation						
Total Expenses	\$179.6	\$196.3	\$180.4	\$178.0	\$169.1	\$171.9
Baseline Surplus/(Deficit)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Cash Conversion Adjustments:						
Depreciation	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Operating/Capital	0.0	0.0	0.0	0.0	0.0	0.0
Other Cash Adjustments	0.0	0.0	0.0	0.0	0.0	0.0
Total Cash Conversion Adjustments	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Baseline Cash Surplus/(Deficit)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
2009 Agency Program to Eliminate the Gap	0.0	0.0	0.0	0.0	0.0	0.0
Post-2009 Agency Program to Eliminate the Gap	0.0	0.0	0.0	0.0	0.0	0.0
Total PEG's	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Net Surplus/(Deficit)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Business Service Center *	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
* Reimbursable Business Service Center amounts are included in receipts and disbursements in the amounts noted below:						
	\$0.0	\$0.1	\$0.7	\$0.8	\$0.8	\$0.8

MTA Metro-North Railroad
November Financial Plan 2009 - 2012
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE						
	2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Revenue						
Farebox Revenue	\$476.6	\$507.2	\$512.0	\$519.2	\$533.7	\$549.5
Toll Revenue	0.0	0.0	0.0	0.0	0.0	0.0
Other Operating Revenue	34.5	33.7	36.9	38.9	41.2	43.2
MNR - MTA	105.5	101.1	113.2	115.4	118.5	121.6
MNR - CDOT	47.7	72.6	49.0	45.8	40.2	39.7
MNR - Other	26.5	22.7	18.2	16.8	10.5	10.7
Capital and Other Reimbursements	179.6	196.3	180.4	178.0	169.1	171.9
Total Revenue	\$690.7	\$737.2	\$729.3	\$736.1	\$744.1	\$764.6
Expenses						
Labor:						
Payroll	\$397.0	\$419.6	\$442.3	\$452.0	\$465.1	\$478.5
Overtime	\$66.3	\$69.3	\$68.7	\$70.2	\$71.8	\$73.5
Health and Welfare	\$78.0	\$76.6	\$82.6	\$90.5	\$98.0	\$106.0
OPEB Current Payment	\$0.0	\$9.4	\$10.2	\$11.1	\$12.1	\$13.1
Pensions	\$46.2	\$43.5	\$45.8	\$48.1	\$51.0	\$53.2
Other Fringe Benefits	\$81.2	\$86.0	\$89.9	\$92.0	\$95.2	\$98.3
Reimbursable Overhead	\$1.2	-\$1.5	-\$2.4	-\$0.4	-\$0.2	-\$0.2
Total Labor	\$670.0	\$702.9	\$737.1	\$763.4	\$793.0	\$822.4
Non-Labor:						
Traction and Propulsion Power	\$61.0	\$64.8	\$71.7	\$80.4	\$86.2	\$94.2
Fuel for Buses and Trains	\$15.1	\$25.5	\$25.3	\$24.8	\$24.4	\$25.8
Insurance	\$18.3	\$16.7	\$17.4	\$18.7	\$20.1	\$21.7
Claims	\$10.8	\$12.6	\$12.0	\$12.0	\$12.0	\$12.0
Paratransit Service Contracts	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Maintenance and Other Operating Contracts	\$100.4	\$126.9	\$146.3	\$141.3	\$131.6	\$129.8
Professional Service Contracts	\$22.2	\$27.2	\$28.0	\$28.9	\$29.4	\$30.0
Materials & Supplies	\$106.4	\$113.3	\$110.8	\$112.8	\$118.4	\$120.6
Other Business Expenses	\$11.5	\$12.2	\$13.9	\$15.8	\$16.7	\$17.9
Total Non-Labor	\$345.7	\$399.2	\$425.4	\$434.7	\$438.9	\$452.0
Other Adjustments:						
Other	0.0	0.0	0.0	0.0	0.0	0.0
Total Other Adjustments	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Expenses before Depreciation	\$1,015.7	\$1,102.1	\$1,162.5	\$1,198.1	\$1,231.8	\$1,274.4
Depreciation	213.6	223.4	265.6	275.6	285.6	295.6
OPEB Obligation	48.9	51.0	53.0	54.7	56.3	58.2
Environmental Remediation	0.0	6.5	6.5	6.7	6.9	7.1
Total Expenses	\$1,278.2	\$1,383.0	\$1,487.6	\$1,535.1	\$1,580.6	\$1,635.3
Baseline Surplus/(Deficit)	(\$587.5)	(\$645.8)	(\$758.3)	(\$799.0)	(\$836.6)	(\$870.7)
Cash Conversion Adjustments:						
Depreciation	\$213.6	\$223.4	\$265.6	\$275.6	\$285.6	\$295.6
Operating/Capital	(11.9)	(22.0)	(18.7)	(17.2)	(15.7)	(16.0)
Other Cash Adjustments	(15.2)	80.8	55.8	60.7	52.4	55.6
Total Cash Conversion Adjustments	\$186.4	\$282.2	\$302.8	\$319.1	\$322.4	\$335.3
Baseline Cash Surplus/(Deficit)	(\$401.0)	(\$363.6)	(\$455.6)	(\$479.9)	(\$514.2)	(\$535.4)
2009 Agency Program to Eliminate the Gap	0.0	0.0	9.2	9.3	9.3	9.3
Post-2009 Agency Program to Eliminate the Gap	0.0	0.0	0.0	9.3	18.5	27.8
Total PEG's	\$0.0	\$0.0	\$9.2	\$18.5	\$27.8	\$37.0
Net Surplus/(Deficit)	(\$401.0)	(\$363.6)	(\$446.3)	(\$461.4)	(\$486.5)	(\$498.4)
Business Service Center	\$0.0	\$0.4	\$2.5	\$2.5	\$8.7	\$9.2

MTA Metro-North Railroad
November Financial Plan 2009 - 2012
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES

	2007	2008	2009			
	Actual	November	Final Proposed	2010	2011	2012
		Forecast	Budget			
Receipts						
Farebox Revenue	\$485.5	\$513.9	\$517.8	\$525.8	\$540.3	\$556.1
Toll Revenue	0.0	0.0	0.0	0.0	0.0	0.0
Other Operating Revenue	57.3	56.4	55.5	60.4	62.7	64.7
MNR - MTA	99.6	111.3	110.1	114.5	117.4	120.5
MNR - CDOT	36.7	77.1	51.2	46.0	40.3	39.8
MNR - Other	30.3	18.2	15.6	18.9	11.6	10.6
Capital and Other Reimbursements	166.6	206.6	177.0	179.4	169.3	171.0
Total Receipts	\$709.4	\$776.8	\$750.3	\$765.5	\$772.4	\$791.7
Expenditures						
Labor:						
Payroll	\$417.5	\$413.0	\$438.7	\$449.1	\$462.9	\$479.6
Overtime	63.2	71.1	69.1	70.5	72.5	74.8
Health and Welfare	86.8	88.6	95.4	104.5	112.9	122.0
OPEB Current Payment	0.0	0.0	0.0	0.0	0.0	0.0
Pensions	61.8	35.6	40.4	48.1	51.0	53.2
Other Fringe Benefits	86.6	87.4	89.5	91.8	95.2	99.1
GASB Account	0.0	5.8	6.5	7.2	8.0	8.7
Reimbursable Overhead	0.0	0.0	0.0	0.0	0.0	0.0
Total Labor	\$715.8	\$701.5	\$739.7	\$771.3	\$802.5	\$837.5
Non-Labor:						
Traction and Propulsion Power	\$63.7	\$64.8	\$71.7	\$80.4	\$86.2	\$94.2
Fuel for Buses and Trains	15.1	25.5	25.3	24.8	24.4	25.8
Insurance	18.9	19.3	17.4	18.7	21.0	21.6
Claims	11.1	11.3	12.1	12.1	12.1	12.1
Paratransit Service Contracts	0.0	0.0	0.0	0.0	0.0	0.0
Maintenance and Other Operating Contracts	115.4	146.1	174.3	162.1	150.8	148.9
Professional Service Contracts	22.6	29.8	28.6	29.4	31.1	31.6
Materials & Supplies	130.3	122.1	116.7	120.1	126.5	129.0
Other Business Expenses	21.7	20.1	20.0	26.5	32.1	26.3
Total Non-Labor	\$398.8	\$438.9	\$466.2	\$474.1	\$484.1	\$489.7
Other Adjustments:						
Other	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Cash Timing and Availability Adjustment	(4.2)	0.0	0.0	0.0	0.0	0.0
Total Other Adjustments	(\$4.2)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Expenditures	\$1,110.4	\$1,140.4	\$1,205.9	\$1,245.4	\$1,286.6	\$1,327.2
Baseline Cash Deficit	(\$401.0)	(\$363.6)	(\$455.6)	(\$479.9)	(\$514.2)	(\$535.4)
Subsidies						
MTA	(\$339.9)	(\$291.7)	(\$366.9)	(\$381.0)	(\$401.6)	(\$414.2)
CDOT	(61.2)	(71.9)	(88.7)	(98.9)	(112.7)	(121.3)
Total Subsidies	(\$401.0)	(\$363.6)	(\$455.6)	(\$479.9)	(\$514.2)	(\$535.4)
2009 Agency Program to Eliminate the Gap	0.0	0.0	9.2	9.3	9.3	9.3
Post-2009 Agency Program to Eliminate the Gap	0.0	0.0	0.0	9.3	18.5	27.8
Total PEG's	0.0	0.0	9.2	18.5	27.8	37.0
Net Surplus/Deficit	(\$401.0)	(\$363.6)	(\$446.3)	(\$461.4)	(\$486.5)	(\$498.4)
MTA share of PEGS	0.0	0.0	6.8	13.6	20.4	27.2
CDOT share of PEGS	0.0	0.0	2.4	4.9	7.4	9.8
Total PEGS	\$0.0	\$0.0	\$9.2	\$18.5	\$27.8	\$37.0
Subsidies						
MTA	(\$339.9)	(\$291.7)	(\$360.1)	(\$367.4)	(\$381.2)	(\$387.0)
CDOT	(61.2)	(71.9)	(86.3)	(93.9)	(105.3)	(111.4)
Total Subsidies	(\$401.0)	(\$363.6)	(\$446.3)	(\$461.4)	(\$486.5)	(\$498.4)

MTA Metro-North Railroad
November Financial Plan 2009 - 2012
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Receipts						
Farebox Revenue	\$9.0	\$6.7	\$5.8	\$6.6	\$6.6	\$6.6
Toll Revenue	0.0	0.0	0.0	0.0	0.0	0.0
Other Operating Revenue	22.8	22.7	18.6	21.5	21.5	21.5
MNR - MTA	(5.8)	10.2	(3.1)	(0.9)	(1.1)	(1.1)
MNR - CDOT	(11.0)	4.5	2.3	0.2	0.2	0.2
MNR - Other	3.8	(4.5)	(2.6)	2.1	1.1	(0.1)
Capital and Other Reimbursements	(13.0)	10.3	(3.4)	1.4	0.2	(1.0)
Total Receipts	\$18.7	\$39.6	\$21.0	\$29.4	\$28.3	\$27.1
Expenditures						
Labor:						
Payroll	(\$20.5)	\$6.6	\$3.6	\$2.9	\$2.2	(\$1.1)
Overtime	3.2	(1.8)	(0.4)	(0.4)	(0.7)	(1.3)
Health and Welfare	(8.8)	(12.0)	(12.8)	(14.0)	(14.9)	(16.0)
OPEB Current Payment	0.0	9.4	10.2	11.1	12.1	13.1
Pensions	(15.5)	7.9	5.4	(0.1)	(0.0)	(0.0)
Other Fringe Benefits	(5.4)	(1.4)	0.4	0.2	(0.0)	(0.8)
GASB Account	0.0	(5.8)	(6.5)	(7.2)	(8.0)	(8.7)
Reimbursable Overhead	1.2	(1.5)	(2.4)	(0.4)	(0.2)	(0.2)
Total Labor	(\$45.8)	\$1.4	(\$2.6)	(\$7.9)	(\$9.5)	(\$15.1)
Non-Labor:						
Traction and Propulsion Power	(\$2.7)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Fuel for Buses and Trains	0.0	0.0	0.0	0.0	0.0	0.0
Insurance	(0.6)	(2.6)	(0.0)	0.0	(0.8)	0.1
Claims	(0.3)	1.4	(0.1)	(0.1)	(0.1)	(0.1)
Paratransit Service Contracts	0.0	0.0	0.0	0.0	0.0	0.0
Maintenance and Other Operating Contracts	(15.0)	(19.2)	(28.0)	(20.9)	(19.2)	(19.2)
Professional Service Contracts	(0.4)	(2.7)	(0.7)	(0.5)	(1.6)	(1.7)
Materials & Supplies	(23.9)	(8.8)	(5.9)	(7.3)	(8.1)	(8.3)
Other Business Expenditures	(10.2)	(7.8)	(6.1)	(10.6)	(15.4)	(8.5)
Total Non-Labor	(\$53.1)	(\$39.7)	(\$40.8)	(\$39.4)	(\$45.3)	(\$37.7)
Other Adjustments:						
Other	(\$76.0)	\$1.3	(\$22.4)	(\$17.9)	(\$26.5)	(\$25.7)
Total Other Expenditure Adjustments	(\$76.0)	\$1.3	(\$22.4)	(\$17.9)	(\$26.5)	(\$25.7)
Total Cash Conversion Adjustments before Depreciation and GASB Adjs.	(\$156.3)	\$2.6	(\$44.7)	(\$35.8)	(\$52.9)	(\$51.3)
Depreciation Adjustment	\$213.6	\$223.4	\$265.6	\$275.6	\$285.6	\$295.6
OPEB Obligation	48.9	51.0	53.0	54.7	56.3	58.2
Environmental Remediation	0.0	6.5	6.5	6.7	6.9	7.1
Baseline Total Cash Conversion Adjustments	\$186.4	\$282.2	\$302.8	\$319.1	\$322.4	\$335.3
2009 Agency Program to Eliminate the Gap	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Post-2009 Agency Program to Eliminate the Gap	0.0	0.0	0.0	0.0	0.0	0.0
Total PEG's	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Cash Conversion Adjustments	\$186.4	\$282.2	\$302.8	\$319.1	\$322.4	\$335.3

**MTA METRO-NORTH RAILROAD
2009 FINAL PROPOSED BUDGET
NOVEMBER FINANCIAL PLAN 2009-2012
YEAR-TO-YEAR CHANGES BY CATEGORY BASELINE NARRATIVE**

FAREBOX REVENUE

Non-Reimbursable

- Projected ridership growth of .05% in 2009, 1.4% in 2010 2.7% in 2011, and 2.8% in 2012 are primarily responsible for higher Farebox Revenue.
- Reduced rate of customer growth in 2009 reflects projected declines in regional employment and economic growth indicators.
- 2009-2012 ridership growth includes the impacts of customer service initiatives for station improvements and new train service initiatives starting in 2010.

Cash

- 2008-2012 cash adjustments include receipts from the sale of Metro Cards, Westchester County bus fares, and special event promotions, partially offset by credit card fees associated with the purchase of passenger tickets.

OTHER OPERATING REVENUE

Non-Reimbursable

- 2008 increase reflects higher net GCT retail tenant revenues, an increase in revenues from Vanderbilt Hall prior to the start of the restoration project, increases from other station rentals and concessions, higher advertising fees, as well as an increase in commissary prices effective May 1, 2008.
- 2009 revenue increase reflects the resumption of retail and event activities in Vanderbilt Hall (under restoration in 2008) a lower level of revenue-funded GCT renovation projects, higher revenues from parking expansions, and new advertising initiatives including bar car wraps and framed advertising posters in GCT North and other passageways.
- 2010-2012 reflects contracted escalations in advertising revenues and higher GCT retail revenue, offset by a higher provision for GCT restoration projects.

Cash

- 2008-2012 adjustments include the reclassifications of Amtrak and other railroad reimbursements (from the Maintenance and Other Operating Contracts category), and revenue offsets for GCT revenue funded projects to expenditure categories. Also included are reimbursements from CDOT for station facilities and unitickets, the MTA for electricity charges, payments by former employees

for health insurance coverage, reimbursements for claims settlements, scrap sale receipts, settlement for defective concrete ties, and other miscellaneous items.

CAPITAL AND OTHER REIMBURSEMENTS

Reimbursable

Capital project cost reimbursements in each year of the financial plan are based on recouping 100% of accrued project expenditures.

- 2009 accrued expenditures (and receipts) are based upon the latest projection of capital project activity. Lower reimbursements in 2009 are attributed to the completion of the Shell Flyover and NHL Diesel Locomotive Acquisition projects plus the winding down of the NHL Concrete Tie project. These were offset by the start up of the GCT Leaks Remediation – NYCDOT Share.
- 2010-2012 accrued expenditures (and receipts) are based on a continuation of 2009 project cost levels adjusted for the elimination of significant project changes and the impact of inflation. The 2010 reimbursements reflect the winding down of the NHL End Door Bombardier Coach Mid Life Overhaul and GCT Leaks Remediation – NYCDOT Share projects. The 2011 reimbursements reflect the completion of the NHL End Door Bombardier Coach Mid Life Overhaul and GCT Leaks Remediation – NYCDOT Share projects offset by the re-start of the NHL Concrete Tie project. The 2012 reimbursements reflect the completion of the NHL Concrete Tie project.

Cash

- 2008 and 2009 include adjustments for receipt timing differences. In addition, 2008-2012 includes cash adjustments to MTA and CDOT receipts for reimbursable portion of GASB contribution.

PAYROLL

Non-Reimbursable

- Non Agreement salaries in 2009 include cost of living increases of 3.00%. In 2010-2012 Non Agreement salaries include CPI-based increases of 1.87%, 2.23% and 2.20% respectively.
- 2009 includes additional management personnel to support the development of computer based training, safety and security programs, GCT building maintenance, and fleet management (\$6 million).
- Agreement wages include a negotiated salary increase of 3.0% spanning January 2009 through June 15, 2010. For 2010–2012 CPI-based increases are applied starting June 16 of each year at annual rates of 1.87% in 2010, 2.23% in 2011 and 2.20% in 2012.
- 2009 includes additional labor costs for Safety and Security improvements that support new security monitoring systems in New York and Connecticut (\$2

million) and additional maintenance personnel to support the new M7 five-year life cycle maintenance program (\$.5 million), and increased maintenance for the New Haven Line car fleet (\$1.1 million).

- 2010 includes staffing for Customer Service programs which include staff additions to support new M8 cars and the New Haven Shop complex (\$1.7 million), additional maintenance forces for a second shift coach shop at Harmon (\$.5 million), new interlocking lighting on the Harlem and Hudson lines, the new Highbridge car washer facility, and new train service on all lines (\$1.2 million). Support staff for various Safety and Security projects include, Train Sheds/Halls fire safety and security system maintenance (\$1.2 million). These increases are partially offset by a reduction in maintenance forces due to the winding down of the M3 CSR program (\$1.0 million).
- 2011-2012 includes additional staff to increase service on all lines (\$1.6 and \$1.4 million respectively), support signal improvements on the Danbury branch. (\$.4 million) and continue the staffing for additional M8 cars and the New Haven Shop complex (\$1.9 million and 1.2 million) respectively. These increases are partially offset by a reduction in maintenance forces of \$.3 million in 2011 due to completion of the M3 CSR program.

Reimbursable

- Annual cost of living increases and wage contract increases for agreement employees follow the same rate assumptions as the non-reimbursable costs noted above

Cash

- Cash includes payments of \$.6 million in 2008 (excluding fringe) for 2007 accrued RWA for one unsettled union. 2008-2012 cash adjustments also include differences between expense accruals and cash disbursements for the number of days paid, vacation and sick day provisions, employee health club memberships, agreement employee allowance for tools and safety shoes, employee contribution to health care coverage. 2008 Payroll includes a reclassification to the Pension category of agreement employee contributions to the Defined Benefit Pension Plan (\$10.3 million). Starting in 2009 these contributions will be retained in the Payroll category.

OVERTIME

Non-Reimbursable

- Agreement wages include a negotiated salary increase of 3.0% spanning January 2009 through June 15, 2010. For 2010–2012 CPI-based increases are applied starting June 16 of each year at annual rates of 1.87% in 2010, 2.23% in 2011 and 2.20% in 2012.
- In 2010-2012 also includes additional overtime for on-board coverage requirements due to increases in service levels and on all lines.

Reimbursable

- Annual cost of living increases and wage contract increases for agreement employees follow the same rate assumptions as the non-reimbursable costs noted above

HEALTH AND WELFARE

Non-Reimbursable

- 2008 forecast reflects revised net premium rate increases for the NYS Empire Plan for employees with family coverage of 5.9% and for individual coverage of 4.5%.
- 2009-2012 include estimated annual premium increases for NYS Empire Plan health care and insurance premiums of 7.5% in 2009 and 7.1 % for 2010-2012, and as well as changes in enrollment levels, retirees and employees on leave of absence status. Adjustments in staffing levels due to programmatic changes are incorporated into each year of the financial plan for Maintenance Improvements, Service Enhancements, Customer Service Amenities, Security, and Administration.

Reimbursable

- Projected inflationary increases follow the same pattern as non-reimbursable costs noted above.

Cash

- 2008-2012 cash adjustments include current and former management employee contributions toward health insurance costs.

OPEB CURRENT PAYMENT (GASB 45)

Non-Reimbursable

- Other Post Employment Benefit (OPEB) current payments reflect Metro-North's estimated annual cost of healthcare for current retirees. The estimated annual costs for 2009-2012 are \$9.4 million in 2009, \$10.2 million in 2010, \$11.1 million in 2011 and \$12.0 million in 2012.

PENSIONS

Non-Reimbursable and Reimbursable

- The 2008-2012 pension costs represent the inclusion of all non-represented and most represented Metro-North employees in the MTA Defined Benefit Plan (DB Plan). Those employees not joining the DB Plan are participants in the MTA 401K Plan. Metro-North's projected share of the incremental funding requirements for the DB Plan is based on a draft projection prepared by actuarial consultants several years ago, adjusted for increases in employee levels. Future

actuarial valuations are expected to reflect more accurate estimates of the pension liabilities on behalf of these employees.

Cash

- 2008 and 2009 includes a reduction to cash requirements (\$18.3 million and \$5.5 million respectively) due to the prepayment of 2008 pension costs by the MTA in 2007.
- 2008-2012 adjustments include the difference between expense accruals and cash disbursements as well a reclassification of funds from the Payroll category for agreement employee contributions to the Defined Benefit Pension Plan (\$10.3 million). Starting in 2009 these contributions will be retained in the Payroll category.

OTHER FRINGE BENEFITS

Non-Reimbursable

- Railroad Retirement tax rates for Tier I and II remain constant for 2009-2012 at 7.65% and 12.1%, respectively.
- Maximum earnings level for Tier I is estimated at \$106,500 in 2009, \$109,695 in 2010, \$112,986 in 2011, and \$116,375 in 2012.
- Maximum earnings level for Tier II is estimated at \$79,200 in 2009, \$81,576, in 2010, and \$ 84,023 in 2011, and \$86,544 in 2012.
- Other cost adjustments reflect inflationary salary increase and changes in staffing levels.

Reimbursable

- Railroad Retirement tax rates and earnings' maximums follow the same assumptions as the non-reimbursable costs noted above.

Cash

- 2008-2012 adjustments include difference between expense accruals and cash disbursements.

GASB ACCOUNT

Cash

- 2008-2012 includes cash expenditures to fund a contribution to a special GASB 45 (Government Accounting Standards Board) fund earmarked for post-retirement liabilities of "Other than Pension Benefits".

REIMBURSABLE OVERHEAD

Non-Reimbursable

- Overhead Cost Recoveries are derived from Reimbursable Capital Project Estimates. Assumptions are described in the Reimbursable section below.

Reimbursable

- Overhead costs for 2009 are based on a percentage share of direct labor costs charged to reimbursable projects. 2010-2012 overhead costs are based on the continuation of 2009 forecast levels, adjusted for inflation-based increases in labor costs.
- Material handling and equipment recovery increases are predicated on CPI-based inflation rates from 2010-2012 at 2.02%, 2.40%, and 2.39% respectively.

TRACTION AND PROPULSION POWER

Non-Reimbursable

- 2008 forecasted prices reflect a 6.0% increase in NYPA supplied power and an 9.0% increase in CL&P rates and a 24% increase in Con Ed delivery rates.
- In 2009-2012 cost increases reflect anticipated price increases from NYPA, CL&P and NYSEG. As a result, annual increases are estimated at 7.8% in 2009, 10.3% in 2010, 5.3% in 2011, and 5.3% in 2012.
- 2009-2012 incorporates the net effect of the Equipment Replacement Plans for the NHL and H&H service, which adds \$.5 million in 2010 and 2011, and \$1.7 million in 2012. Changes over this period are primarily due to the incorporation of the new M8 cars into NHL service offset by the gradual retirement of the M2 car fleet.
- Service additions increase propulsion costs by \$.6 million in 2010, \$.8 million in 2011, and \$1.0 million in 2012.

FUEL FOR BUSES AND TRAINS

Non-Reimbursable

- 2008 estimated prices have been increased by 23.9% over the 2008 Budget.
- Fuel Prices reflect declining rates in 2009 through 2011 of 2.3%, 4.4%, and 3.7% respectively followed by an increase of 5.8% in 2012.
- 2010-2012 incorporates the cost of Service Plan increases.

INSURANCE

Non-Reimbursable and Reimbursable

- Increases in 2009-2012 reflect revised insurance premium estimates.

Cash

- 2009-2012 reflects increase in force account payments as well as All-Agency insurance costs. 2008-2012 also includes the difference between expense accruals and cash payments.

CLAIMS

Non-Reimbursable

- 2009 - 2012 reflect current claims trends.

Cash

- 2009-2012 payments reflect current claim settlement trends.

MAINTENANCE AND OTHER CONTRACTS

Non-Reimbursable

- CPI increases in 2009-2012 of 2.53% (applied selectively), 2.02% 2.40%, and 2.39% are applied respectively.
- 2009-2012 includes costs for East and West of Hudson locomotive overhauls as work is performed or completed; in 2009 these costs increase \$3.6 million; 2010-2012 include reductions of \$3.0 million, \$1.2 million and \$5.6 million respectively as program costs wind down or are completed.
- 2009 includes cost provisions for office space renovations (\$1.0 million), security monitoring services (\$.9 million), and football train service to the Meadowlands (\$.6 million).
- 2009–2012 includes rising West of Hudson subsidy payments related to contract cost escalations and increases in service.
- 2010-2012 includes equipment disposal costs primarily for M2 cars of \$.8 million, \$1.8 million, and \$1.2 million respectively.

Reimbursable

- CPI increases in 2009-2012 follow the same pattern as non-reimbursable costs noted above
- In 2009, expenditures reflect the completion of the Shell-At-Grade and NHL Diesel Locomotive Purchase projects offset by the start up of the GCT Leaks Remediation–NYCDOT Share project. In 2010, expenditures reflect the winding down of the NHL End Door Bombardier Mid Life Overhaul and GCT Leaks Remediation–NYCDOT Share projects. With the completion of these two projects, expenditures in 2011 are reduced and offset by the re-start of the NHL Concrete Tie project. Similarly, in 2012 with the completion of the NHL Concrete Tie project, expenditures are further reduced.

Cash

- 2008 cash adjustments include the elimination of non-cash GASB 49 environmental accruals and payment of 2007 accruals for equipment overhauls and computer maintenance. 2008-2012 also includes the reclassifications of Amtrak and other railroad reimbursements to Other Operating Revenue and revenue offsets for GCT revenue funded projects to expenditure categories. 2008-2012 also include payments on behalf of CDOT for station facilities and the MTA for electricity charges.

PROFESSIONAL SERVICE CONTRACTS

Non-Reimbursable

- CPI increases in 2009-2012 of 2.53% (applied selectively), 2.02% 2.40%, and 2.39% are applied respectively.
- 2009-2010 includes the restoration of a cost provision for general advertising fees (\$.4 million added in each year).

Reimbursable

- CPI increases in 2009-2012 follow the same pattern as non-reimbursable costs noted above.
- The 2009 decrease is due to the completion of several signal system projects including: NHL Communication and Signal Replacement, Signal System Replacement (NYSDOT Share). And Danbury Branch Signal System.

MATERIAL AND SUPPLIES

Non-Reimbursable

- In 2009 inflationary increases were selectively applied based on the Regional CPI for standard material of 2.94%, and the National Price Index for metals of 4.87% and transportation products of 3.88%. In 2010-2012 the index for Industrial Building Material provided by Global Insight was applied at 4.36%, 4.54% and 4.70% respectively.
- 2009 includes \$2.0 million earmarked for office space renovations.
- 2008-2012 includes the net cost impacts of Metro-North's equipment maintenance and replacement strategies to maintain and improve service reliability and performance.
 - 2008 includes \$3.0 million for Gear Box Overhauls, which is to be completed in 2010.
 - 2009 includes \$7.2 million for M7 five-year life cycle maintenance, \$5.2 million for the overhaul of 30 M1 cars, and a reduction of \$.6 million in funds for the M3 overhaul program.
 - 2010 includes additional material requirements for the M7 seat change-out program (\$5.1 million), and the NHL Equipment Replacement program (\$4.9 million for new M8 cars), offset by cost reductions for the winding down of the M3 overhaul program (\$4.7

million) and the completion of expanded maintenance requirements for Gear Boxes.

- 2011 includes additional material requirements for the NHL Equipment Replacement program (\$5.3 million for new M8 cars) and operating costs, offset by cost reductions for the completion of the M3 CSR program (\$2.4 million) and the retirement of 30 M1 cars from H&H service (\$2.4 million).
- 2012 includes a net reduction in M8 car material expenditures (\$2.7 million) related to the completion of the inventory pool build-up, offset by the increase in material usage as the new cars are phased into service.

Reimbursable

- CPI increases in 2009-2012 follow the same pattern as non-reimbursable costs noted above.
- In 2009 reduced expenditures reflect the winding down of the NHL Concrete Tie project.

Cash

- Cash adjustments reflect differences between expense accruals and cash requirements:
 - 2008-2009 include reductions in cash requirements due to 2007 advance inventory purchases (\$2.8 million in 2008 and \$1.8 million in 2009)
 - 2008-2012 adjustment for obsolete material reserve (\$.6 million per year)

OTHER BUSINESS EXPENSES

Non-Reimbursable

- CPI increases in 2009-2012 of 2.53%, 2.02%, 2.40%, and 2.39% are applied respectively
- 2009-2012 primarily reflects increasing credit card fees due to higher ridership and an increase in customer use of credit cards to purchase tickets and football train service to the Meadowlands.

Reimbursable

- CPI increases in 2009-2012 follow the same pattern as non-reimbursable costs noted above.

Cash

- 2008-2012 cash adjustments include payments for receipt of MetroCards, Westchester County bus fares, special promotions, and employee health club memberships, partially offset by the reclassification of credit card fees as an

offset to Farebox Revenue, the reclassification of a credit for defective concrete ties as a receipt to Other Operating Revenue, and safety shoe and tool allowance to the Payroll category.

DEPRECIATION

Non-Reimbursable

- 2009-2012 includes provisions for the incorporation of new assets including the introduction of M8s in the latter part of 2009.

OPEB OBLIGATION (GASB 45)

Non-Reimbursable

- 2009 -2012 includes provisions of \$53.0 million, \$54.7 million, \$56.3 million, and \$58.2 million respectively representing the estimated annual cost of post retirement health care benefits for future retirees.

ENVIRONMENTAL REMEDIATION (GASB 49)

Non-Reimbursable

- 2009-2012 includes provisions of \$6.5 million, \$6.7 million, \$6.9 million, and \$7.1 million respectively pertaining to estimated expected outlays for pollution remediation associated with capital projects.

MTA METRO-NORTH RAILROAD
November Financial Plan 2009 - 2012
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE

	Favorable/(Unfavorable)								
	2008	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011
<u>Revenue</u>									
Farebox Revenue	\$507.2	\$512.0	\$4.8	\$519.2	\$7.2	\$533.7	\$14.5	\$549.5	\$15.8
Vehicle Toll Revenue									
Other Operating Revenue	33.7	36.9	3.2	38.9	2.0	41.2	2.3	43.2	2.0
Capital and Other Reimbursements									
Total Revenue	\$540.9	\$548.9	\$8.0	\$558.1	\$9.2	\$574.9	\$16.8	\$592.7	\$17.7
<u>Expenses</u>									
Labor:									
Payroll	\$380.1	\$400.0	-\$19.9	\$409.1	-\$9.1	\$421.5	-\$12.4	\$434.2	-\$12.7
Overtime	55.2	55.7	(0.5)	57.0	(1.3)	58.5	(1.5)	60.0	(1.5)
Health and Welfare	67.7	73.1	(5.4)	80.1	(7.1)	86.9	(6.8)	94.2	(7.2)
OPEB Current Payment	9.4	10.2	(0.8)	11.1	(0.9)	12.1	(0.9)	13.1	(1.0)
Pensions	38.7	40.7	(2.1)	42.7	(2.0)	45.4	(2.6)	47.4	(2.1)
Other Fringe Benefits	77.0	80.6	(3.7)	82.6	(2.0)	85.7	(3.0)	88.5	(2.9)
Reimbursable Overhead	(42.1)	(42.2)	0.1	(40.7)	(1.5)	(41.1)	0.4	(41.8)	0.7
Total Labor Expenses	\$585.9	\$618.2	(\$32.4)	\$642.1	(\$23.9)	\$668.9	(\$26.8)	\$695.7	(\$26.8)
Non-Labor:									
Traction and Propulsion Power	64.8	71.7	(7.0)	80.4	(8.7)	86.2	(5.8)	94.2	(8.0)
Fuel for Buses and Trains	25.5	25.3	0.2	24.8	0.5	24.4	0.5	25.8	(1.5)
Insurance	12.2	13.0	(0.7)	14.2	(1.3)	15.6	(1.4)	17.1	(1.5)
Claims	12.6	12.0	0.6	12.0	0.0	12.0	0.0	12.0	0.0
Paratransit Service Contracts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Maintenance and Other	91.5	114.4	(23.0)	115.2	(0.8)	118.5	(3.3)	117.6	0.9
Professional Service Contracts	20.2	24.3	(4.1)	25.2	(0.8)	25.6	(0.5)	26.1	(0.5)
Materials & Supplies	80.2	89.4	(9.2)	90.5	(1.1)	95.0	(4.5)	96.2	(1.2)
Other Business Expenses	13.0	13.7	(0.8)	15.7	(1.9)	16.5	(0.8)	17.7	(1.2)
Total Non-Labor Expenses	\$319.9	\$363.9	(\$44.0)	\$378.0	(\$14.1)	\$393.8	(\$15.8)	\$406.7	(\$13.0)
Other Expenses Adjustments:									
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Other Expense Adjustments	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Expenses before Depreciation and GASB Adj.	\$905.8	\$982.1	(\$76.3)	\$1,020.1	(\$38.0)	\$1,062.7	(\$42.6)	\$1,102.4	(\$39.7)
Depreciation	223.4	265.6	(42.2)	275.6	(10.0)	285.6	(10.0)	295.6	(10.0)
OPEB Obligation	51.0	53.0	(2.0)	54.7	(1.7)	56.3	(1.6)	58.2	(1.9)
Environmental Remediation	6.5	6.5	0.0	6.7	(0.2)	6.9	(0.2)	7.1	(0.2)
Total Expenses	\$1,186.7	\$1,307.3	(\$120.6)	\$1,357.1	(\$49.9)	\$1,411.5	(\$54.4)	\$1,463.4	(\$51.8)
Baseline Net Surplus/(Deficit)	(\$645.8)	(\$758.3)	(\$112.6)	(\$799.0)	(\$40.7)	(\$836.6)	(\$37.6)	(\$870.7)	(\$34.1)
2009 Agency Program to Eliminate the Gap (PEGs)	0.0	9.2	9.2	9.3	0.0	9.3	0.0	9.3	0.0
Post 2009 Agency Program to Eliminate the Gap	0.0	0.0	0.0	9.3	9.3	18.5	9.3	27.8	9.3
Total PEGS	0.0	9.2	9.2	18.5	9.3	27.8	9.3	37.0	9.3
Net Surplus/(Deficit)	(\$645.8)	(\$749.1)	(\$103.3)	(\$780.5)	(\$31.4)	(\$808.8)	(\$28.3)	(\$833.7)	(\$24.8)

REIMBURSABLE

[illegible]

MTA METRO-NORTH RAILROAD
November Financial Plan 2009 - 2012
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	Favorable/(Unfavorable)								
	2008	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011
Revenue									
Farebox Revenue	\$507.2	\$512.0	\$4.8	\$519.2	\$7.2	\$533.7	\$14.5	\$549.5	\$15.8
Vehicle Toll Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Operating Revenue	33.7	36.9	3.2	38.9	2.0	41.2	2.3	43.2	2.0
Capital and Other Reimbursements	196.3	180.4	(15.9)	178.0	(2.4)	169.1	(8.9)	171.9	2.8
Total Revenue	\$737.2	\$729.3	-\$7.9	\$736.1	\$6.8	\$744.1	\$8.0	\$764.6	\$20.6
Expenses									
Labor:									
Payroll	\$419.6	\$442.3	(\$22.7)	\$452.0	(\$9.7)	\$465.1	(\$13.1)	\$478.5	(\$13.4)
Overtime	69.3	68.7	0.6	70.2	(1.4)	71.8	(1.6)	73.5	(1.7)
Health and Welfare	76.6	82.6	(6.0)	90.5	(7.9)	98.0	(7.5)	106.0	(8.0)
OPEB Current Payment	9.4	10.2	(0.8)	11.1	(0.9)	12.1	(0.9)	13.1	(1.0)
Pensions	43.5	45.8	(2.3)	48.1	(2.3)	51.0	(2.9)	53.2	(2.2)
Other Fringe Benefits	86.0	89.9	(3.9)	92.0	(2.1)	95.2	(3.2)	98.3	(3.1)
Reimbursable Overhead	(1.5)	(2.4)	1.0	(0.4)	(2.0)	(0.2)	(0.2)	(0.2)	0.0
Total Labor Expenses	\$702.9	\$737.1	(\$34.2)	\$763.4	(\$26.3)	\$793.0	(\$29.6)	\$822.4	(\$29.4)
Non-Labor:									
Traction and Propulsion Power	\$64.8	\$71.7	(\$7.0)	\$80.4	(\$8.7)	\$86.2	(\$5.8)	\$94.2	(\$8.0)
Fuel for Buses and Trains	25.5	25.3	0.2	24.8	0.5	24.4	0.5	25.8	(1.5)
Insurance	16.7	17.4	(0.6)	18.7	(1.3)	20.1	(1.4)	21.7	(1.6)
Claims	12.6	12.0	0.6	12.0	0.0	12.0	0.0	12.0	0.0
Paratransit Service Contracts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Operating Contracts	126.9	146.3	(19.4)	141.3	5.1	131.6	9.6	129.8	1.8
Professional Service Contracts	27.2	28.0	(0.8)	28.9	(0.9)	29.4	(0.6)	30.0	(0.6)
Materials & Supplies	113.3	110.8	2.5	112.8	(2.0)	118.4	(5.7)	120.6	(2.2)
Other Business Expenses	12.2	13.9	(1.7)	15.8	(1.9)	16.7	(0.9)	17.9	(1.2)
Total Non-Labor Expenses	\$399.2	\$425.4	(\$26.2)	\$434.7	(\$9.3)	\$438.9	(\$4.2)	\$452.0	(\$13.1)
Other Expenses Adjustments:	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Other Expense Adjustments	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Expenses before Depreciation	\$1,102.1	\$1,162.5	(\$60.4)	\$1,198.1	(\$35.6)	\$1,231.8	(\$33.7)	\$1,274.4	(\$42.5)
Depreciation	223.4	265.6	(42.2)	275.6	(10.0)	285.6	(10.0)	295.6	(10.0)
OPEB Obligation	51.0	53.0	(2.0)	54.7	(1.7)	56.3	(1.6)	58.2	(1.9)
Environmental Remediation	6.5	6.5	0.0	6.7	(0.2)	6.9	(0.2)	7.1	(0.2)
Total Expenses	\$1,383.0	\$1,487.6	(\$104.6)	\$1,535.1	(\$47.5)	\$1,580.6	(\$45.6)	\$1,635.3	(\$54.7)
Baseline Net Surplus/(Deficit)	(\$645.8)	(\$758.3)	(\$112.6)	(\$799.0)	(\$40.7)	(\$836.6)	(\$37.6)	(\$870.7)	(\$34.1)
2009 Agency Program to Eliminate the Gap (PEGs)	0.0	9.2	9.2	9.3	0.0	9.3	0.0	9.3	0.0
Post 2009 Agency Program to Eliminate the Gap	0.0	0.0	0.0	9.3	9.3	18.5	9.3	27.8	9.3
Total PEGS	0.0	9.2	9.2	18.5	9.3	27.8	9.3	37.0	9.3
Net Surplus/(Deficit)	(\$645.8)	(\$749.1)	(\$103.3)	(\$780.5)	(\$31.4)	(\$808.8)	(\$28.3)	(\$833.7)	(\$24.8)

MTA METRO-NORTH RAILROAD
November Financial Plan 2009 - 2012
Year-to-Year Changes by Category - Cash Basis
(\$ in millions)

	Favorable/(Unfavorable)								
	2008	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011
Cash Receipts & Expenditures									
<u>Receipts</u>									
Farebox Revenue	\$513.9	\$517.8	\$3.9	\$525.8	\$7.9	\$540.3	\$14.5	\$556.1	\$15.8
Vehicle Toll Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Operating Revenue	56.4	55.5	(0.8)	60.4	4.8	62.7	2.4	64.7	1.9
Capital and Other Reimbursements	206.6	177.0	(29.6)	179.4	2.4	169.3	(10.1)	171.0	1.7
Total Receipts	\$776.8	\$750.3	(\$26.5)	\$765.5	\$15.2	\$772.4	\$6.8	\$791.7	\$19.4
<u>Expenditures</u>									
Labor:									
Payroll	\$413.0	\$438.7	(\$25.6)	\$449.1	(\$10.4)	\$462.9	(\$13.8)	\$479.6	(\$16.7)
Overtime	71.1	69.1	2.0	70.5	(1.4)	72.5	(1.9)	74.8	(2.4)
Health and Welfare	94.4	101.9	(7.5)	111.7	(9.8)	120.9	(9.1)	130.7	(9.8)
OPEB Current Payment									
Pensions	35.6	40.4	(4.9)	48.1	(7.7)	51.0	(2.8)	53.2	(2.2)
Other Fringe Benefits	87.4	89.5	(2.1)	91.8	(2.3)	95.2	(3.4)	99.1	(3.9)
Reimbursable Overhead	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Labor Expenditures	\$701.5	\$739.7	-\$38.2	\$771.3	-\$31.6	\$802.5	-\$31.2	\$837.5	-\$35.0
Non-Labor:									
Traction and Propulsion Power	\$64.8	\$71.7	-\$7.0	\$80.4	-\$8.7	\$86.2	-\$5.8	\$94.2	-\$8.0
Fuel for Buses and Trains	25.5	25.3	0.2	24.8	0.5	24.4	0.5	25.8	(1.5)
Insurance	19.3	17.4	2.0	18.7	(1.3)	21.0	(2.3)	21.6	(0.6)
Claims	11.3	12.1	(0.9)	12.1	0.0	12.1	0.0	12.1	0.0
Paratransit Service Contracts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Maintenance and Other									
Operating Contracts	146.1	174.3	(28.2)	162.1	12.2	150.8	11.3	148.9	1.8
Professional Service Contracts	29.8	28.6	1.2	29.4	(0.7)	31.1	(1.7)	31.6	(0.6)
Materials & Supplies	122.1	116.7	5.4	120.1	(3.4)	126.5	(6.4)	129.0	(2.4)
Other Business Expenses	20.1	20.0	0.0	26.5	(6.5)	32.1	(5.6)	26.3	5.7
Total Non-Labor Expenditures	\$438.9	\$466.2	(\$27.3)	\$474.1	(\$7.9)	\$484.1	(\$10.0)	\$489.7	(\$5.5)
Other Expenditure Adjustments:									
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Other Expenditure Adjustments	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Expenditures	\$1,140.4	\$1,205.9	(\$65.5)	\$1,245.4	(\$39.5)	\$1,286.6	(\$41.2)	\$1,327.2	(\$40.6)
Baseline Net Cash Deficit	(\$363.6)	(\$455.6)	(\$92.0)	(\$479.9)	(\$24.3)	(\$514.2)	(\$34.3)	(\$535.4)	(\$21.2)
<u>Subsidies</u>									
MTA	(\$291.7)	(\$366.9)	(\$75.2)	(\$381.0)	(\$14.2)	(\$401.6)	(\$20.5)	(\$414.2)	(\$12.6)
CDOT	(\$71.9)	(\$88.7)	(\$16.8)	(\$98.9)	(\$10.1)	(\$112.7)	(\$13.8)	(\$121.3)	(\$8.6)
Total Subsidies	(\$363.6)	(\$455.6)	(\$92.0)	(\$479.9)	(\$24.3)	(\$514.2)	(\$34.3)	(\$535.4)	(\$21.2)
2009 Agency Program to Eliminate the Gap (PEGs)	0.0	9.2	9.2	9.3	0.0	9.3	0.0	9.3	0.0
Post 2009 Agency Program to Eliminate the Gap	0.0	0.0	0.0	9.3	9.3	18.5	9.3	27.8	9.3
Total PEGs	\$0.0	\$9.2	\$9.2	\$18.5	\$9.3	\$27.8	\$9.3	\$37.0	\$9.3
Net Cash Deficit	(\$363.6)	(\$446.3)	(\$82.8)	(\$461.4)	(\$15.0)	(\$486.5)	(\$25.1)	(\$498.4)	(\$11.9)
MTA share of PEGS	0.0	6.8	6.8	13.6		20.4	6.8	27.2	6.8
CDOT share of PEGS	0.0	2.4	2.4	4.9	2.5	7.4	2.5	9.8	2.5
Total PEGS	\$0.0	\$9.2	\$9.2	\$18.5	\$9.3	\$27.8	\$9.3	\$37.0	\$9.3
<u>Subsidies</u>									
MTA	(\$291.7)	(\$360.1)	(\$68.4)	(\$367.4)	(\$7.4)	(\$381.2)	(\$13.7)	(\$387.0)	(\$5.8)
CDOT	(\$71.9)	(\$86.3)	(\$14.3)	(\$93.9)	(\$7.7)	(\$105.3)	(\$11.4)	(\$111.4)	(\$6.1)
Total Subsidies	(\$363.6)	(\$446.3)	(\$82.8)	(\$461.4)	(\$15.0)	(\$486.5)	(\$25.1)	(\$498.4)	(\$11.9)

**MTA METRO-NORTH RAILROAD
2009 FINAL PROPOSED BUDGET
NOVEMBER FINANCIAL PLAN 2009-2012
SUMMARY OF MAJOR PLAN-TO-PLAN CHANGES**

Revisions to Metro-North's financial plan for the 2009-2012 period reflect adjustments resulting from evolving economic conditions, changing cost assumptions and resource allocations, as well as the impact of changes in project schedules.

2008: NOVEMBER FINANCIAL PLAN VS. JULY FINANCIAL PLAN

The November Forecast subsidy requirements for non-reimbursable operations are \$9.3 million lower than the July Forecast. The reduction reflects higher revenues of \$4.6 million due to increases in ridership (\$3.2 million) and GCT retail revenue (\$1.2 million). Expenses are \$5.3 million lower than the 2008 July Forecast due primarily to the rescheduling of the Kronos timekeeping project to 2009; lower contract and professional service requirements, and higher cash receipts due to the timing of payments. These favorable changes are offset by higher overtime for equipment, facilities and right-of-way maintenance, and increasing diesel fuel cost projections.

Reimbursable project costs (and receipts) are \$16.7 million lower than the July Plan primarily due to production delays on the NHL End Door Bombardier Coach Mid Life Overhaul plus multiple project cost refinements and minor scheduling changes.

2009: NOVEMBER FINANCIAL PLAN VS. JULY FINANCIAL PLAN

The 2009 November Financial Plan subsidy requirements are \$4.8 million lower than in the July Financial Plan adjusted for diesel fuel surcharges. This decrease reflects improving fuel and electric propulsion prices (\$7.5 million), higher passenger revenues associated with an increase in ridership, higher non-passenger revenues from commissary operations and advertising, as well as lower costs due to the elimination of new train service and lower health care insurance premiums. Offsetting these reductions are increased cash requirements due to timing differences in force account receipts, and a net increase (after reclassifications between cost categories) in material usage costs.

Reimbursable project costs (and receipts) are \$4.7 million higher than the July Plan essentially due to the inclusion of the GCT Leaks Remediation – NYCDOT Share project offset by the earlier completion of the Shell Flyover project plus other project cost refinements and re-scheduling.

2010 - 2012: NOVEMBER FINANCIAL PLAN VS. JULY FINANCIAL

The 2010 - 2012 November Financial Plan subsidy requirements are lower than the July Financial Plan adjusted for diesel fuel surcharges by \$7.4 million in 2010, \$12.8 million in 2011, and \$11.2 million in 2012. These decreases reflect reductions in electric traction power price escalations and insurance premiums, higher passenger revenues in 2011 and 2012 associated with an increase in ridership, and lower health and welfare costs. Partially offsetting these decreases are lower recoveries of overhead costs associated with capital projects and higher diesel fuel prices.

Reimbursable project costs (and receipts) compared to the July Plan are higher by \$2.1 million in 2010 reflecting a continuation of project levels similar to the 2009 Proposed Budget; and, lower by \$16.0 million in 2011 and lower by \$18.8 million in 2012 due to the successive completions of the NHL End Door Bombardier Coach Mid Life Overhaul project, GCT Leaks Remediation–NYCDOT Share project and the NHL Concrete Tie project.

MTA METRO-NORTH RAILROAD
November Financial Plan 2009 - 2012
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Operating Cash Income/(Deficit)	(\$372.6)	(\$451.7)	(\$485.4)	(\$527.1)	(\$547.8)
Fuel Adjustment	(4.4)	(8.6)	(1.8)	0.1	1.3
Adjusted July Financial Plan	(\$377.0)	(\$460.3)	(\$487.3)	(\$527.1)	(\$546.6)
Baseline Changes					
Revenue					
Farebox Revenue	\$3.2	\$1.3	(\$2.3)	\$0.1	\$3.5
Vehicle Toll Revenue	0.0	0.0	0.0	0.0	0.0
Other Operating Revenue	1.4	0.6	2.3	3.3	3.3
Capital and Other Reimbursement	(16.7)	4.7	2.1	(16.0)	(18.8)
Total Revenue Changes	(\$12.0)	\$6.6	\$2.1	(\$12.7)	(\$12.0)
Expenses					
Labor:					
Payroll	\$8	(\$4.1)	(\$2.3)	(\$2.4)	(\$3.2)
Overtime	(2.4)	0.9	1.1	1.1	1.1
Health and Welfare	0.0	2.9	2.5	2.8	3.0
OPEB Current Payment	0.0	0.0	0.0	0.0	0.0
Pensions	(0.0)	0.1	(0.1)	(0.1)	(0.2)
Other Fringe Benefits	(0.4)	(0.8)	(0.6)	(0.7)	(1.0)
Reimbursable Overhead	(0.7)	1.4	(0.7)	(0.2)	(0.3)
Total Labor Expense Changes	(\$2.6)	\$4	(\$1)	\$5	(\$5)
Non-Labor:					
Traction and Propulsion Power	\$7	\$2.4	\$7.5	\$11.0	\$8.0
Fuel for Buses and Trains	2.7	5.1	(1.2)	(2.1)	(4.3)
Insurance	(0.1)	0.4	0.3	0.4	4.1
Claims	0.0	0.0	0.0	0.0	0.0
Paratransit Service Contracts	0.0	0.0	0.0	0.0	0.0
Maintenance and Other Operating Contracts	(11.9)	(24.7)	(20.7)	(6.9)	(6.5)
Professional Service Contracts	31.5	0.6	0.5	0.4	0.3
Materials & Supplies	1.3	20.0	17.7	21.2	22.2
Other Business Expenses	2.0	0.2	0.3	0.5	0.5
Total Non-Labor Expense Changes	\$26.1	\$4.0	\$4.4	\$24.5	\$24.2
Total Expenses before Depreciation and GASB Adjustments	\$23.5	\$4.4	\$4.4	\$25.0	\$23.8
Depreciation	\$2.6	(\$29.6)	(\$29.6)	(\$29.6)	(\$29.6)
OPEB Obligations	0.0	0.0	0.0	0.0	0.0
Environmental Remediation	0.0	0.0	0.5	0.7	1.1
Total Expense Changes	\$26.2	(\$25.2)	(\$24.7)	(\$3.9)	(\$4.7)
Cash Conversion Adjustment Changes					
Depreciation	(\$2.6)	\$29.6	\$29.6	\$29.6	\$29.6
Operating/Capital	3.7	(1.1)	(0.7)	0.0	0.0
Other Cash Adjustments	(1.8)	(5.1)	1.1	(0.2)	(1.7)
Total Cash Conversion Adjustments	(\$.7)	\$23.4	\$30.1	\$29.4	\$27.9
Total Baseline Changes	\$13.4	\$4.8	\$7.4	\$12.8	\$11.2
Baseline 2008 November Financial Plan - Operating Cash Income/(Deficit)	(\$363.6)	(\$455.6)	(\$479.9)	(\$514.2)	(\$535.4)

MTA METRO-NORTH RAILROAD
November Financial Plan 2009 - 2012
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE					
	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Operating Cash Income/(Deficit)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Fuel Adjustment	0.0	0.0	0.0	0.0	0.0
Adjusted July Financial Plan	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Baseline Changes					
Revenue					
Farebox Revenue	\$0	\$0	\$0	\$0	\$0
Vehicle Toll Revenue	0.0	0.0	0.0	0.0	0.0
Other Operating Revenue	0.0	0.0	0.0	0.0	0.0
Capital and Other Reimbursement	(16.7)	4.7	2.1	(16.0)	(18.8)
Total Revenue Changes	(\$16.7)	\$4.7	\$2.1	(\$16.0)	(\$18.8)
Expenses					
Labor:					
Payroll	\$2	(\$2.4)	(\$2.7)	(\$2.3)	(\$2.2)
Overtime	(0.4)	0.9	0.9	1.0	1.1
Health and Welfare	(0.1)	0.4	0.5	0.8	1.2
OPEB Current Payment	0.0	0.0	0.0	0.0	0.0
Pensions	(0.0)	(0.2)	(0.3)	(0.3)	(0.2)
Other Fringe Benefits	(0.0)	(0.3)	(0.4)	(0.3)	(0.3)
Reimbursable Overhead	(0.7)	1.3	1.2	1.3	1.5
Total Labor Expense Changes	(\$1.1)	(\$4)	(\$9)	\$2	\$1.1
Non-Labor:					
Traction and Propulsion Power	\$0	\$0	\$0	\$0	\$0
Fuel for Buses and Trains	0.0	0.0	0.0	0.0	0.0
Insurance	(0.0)	0.2	0.1	0.2	0.2
Claims	0.0	0.0	0.0	0.0	0.0
Paratransit Service Contracts	0.0	0.0	0.0	0.0	0.0
Maintenance and Other Operating Contracts	(15.5)	(16.8)	(11.8)	2.6	3.9
Professional Service Contracts	30.0	0.4	0.4	0.4	0.4
Materials & Supplies	1.6	11.1	9.2	11.8	12.4
Other Business Expenses	1.7	0.8	0.8	0.8	0.8
Total Non-Labor Expense Changes	\$17.8	(\$4.3)	(\$1.2)	\$15.8	\$17.8
Total Expenses before Depreciation and GASB Adjustments	\$16.7	(\$4.7)	(\$2.1)	\$16.0	\$18.8
Depreciation	0.0	0.0	0.0	0.0	0.0
OPEB Obligations	0.0	0.0	0.0	0.0	0.0
Environmental Remediation	0.0	0.0	0.0	0.0	0.0
Total Expense Changes	\$16.7	(\$4.7)	(\$2.1)	\$16.0	\$18.8
Cash Conversion Adjustment Changes					
Depreciation	0.0	0.0	0.0	0.0	0.0
Operating/Capital	0.0	0.0	0.0	0.0	0.0
Other Cash Adjustments	0.0	0.0	0.0	0.0	0.0
Total Cash Conversion Adjustments	\$0	\$0	\$0	\$0	\$0
Total Baseline Changes	\$0	\$0	(\$0)	(\$0)	\$0
Baseline 2008 November Financial Plan - Operating Cash Income/(Deficit)	\$0	\$0	(\$0)	(\$0)	\$0

MTA METRO-NORTH RAILROAD
November Financial Plan 2009 - 2012
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE					
	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Operating Cash Income/(Deficit)	(\$372.6)	(\$451.7)	(\$485.4)	(\$527.1)	(\$547.8)
Fuel Adjustment	(4.4)	(8.6)	(1.8)	0.1	1.3
Adjusted July Financial Plan	(\$377.0)	(\$460.3)	(\$487.3)	(\$527.1)	(\$546.6)
Baseline Changes					
Revenue					
Farebox Revenue	\$3.2	\$1.3	(\$2.3)	\$0.1	\$3.5
Vehicle Toll Revenue	0.0	0.0	0.0	0.0	0.0
Other Operating Revenue	1.4	0.6	2.3	3.3	3.3
Capital and Other Reimbursement	0.0	0.0	0.0	0.0	0.0
Total Revenue Changes	\$4.6	\$1.9	(\$0.0)	\$3.3	\$6.8
Expenses					
Labor:					
Payroll	\$0.6	(\$1.7)	\$0.4	(\$0.1)	(\$1.0)
Overtime	(2.0)	0.1	0.2	0.2	0.0
Health and Welfare	0.1	2.5	2.0	2.0	1.8
OPEB Current Payment	0.0	0.0	0.0	0.0	0.0
Pensions	0.0	0.4	0.2	0.1	0.0
Other Fringe Benefits	(0.3)	(0.5)	(0.2)	(0.4)	(0.7)
Reimbursable Overhead	0.1	0.1	(1.8)	(1.6)	(1.8)
Total Labor Expense Changes	(\$1.5)	\$0.8	\$0.8	\$0.3	(\$1.5)
Non-Labor:					
Traction and Propulsion Power	\$0.7	\$2.4	\$7.5	\$11.0	\$8.0
Fuel for Buses and Trains	2.7	5.1	(1.2)	(2.1)	(4.3)
Insurance	(0.0)	0.2	0.2	0.2	3.8
Claims	0.0	0.0	0.0	0.0	0.0
Paratransit Service Contracts	0.0	0.0	0.0	0.0	0.0
Maintenance and Other Operating Contracts	3.6	(8.0)	(8.9)	(9.5)	(10.4)
Professional Service Contracts	1.4	0.2	0.1	(0.0)	(0.1)
Materials & Supplies	(0.3)	8.9	8.5	9.4	9.8
Other Business Expenses	0.2	(0.6)	(0.5)	(0.4)	(0.4)
Total Non-Labor Expense Changes	\$8.4	\$8.2	\$5.6	\$8.7	\$6.5
Total Expenses before Depreciation and GASB Adjustments	\$6.8	\$9.1	\$6.4	\$9.0	\$4.9
Depreciation	\$2.6	(\$29.6)	(\$29.6)	(\$29.6)	(\$29.6)
OPEB Obligations	0.0	0.0	0.0	0.0	0.0
Environmental Remediation	0.0	0.0	0.5	0.7	1.1
Total Expense Changes	\$9.5	(\$20.6)	(\$22.7)	(\$19.9)	(\$23.5)
Cash Conversion Adjustment Changes					
Depreciation	(\$2.6)	\$29.6	\$29.6	\$29.6	\$29.6
Operating/Capital	3.7	(1.1)	(0.7)	0.0	0.0
Other Cash Adjustments	(1.8)	(5.1)	1.1	(0.2)	(1.7)
Total Cash Conversion Adjustments	(\$0.7)	\$23.4	\$30.1	\$29.4	\$27.9
Total Baseline Changes	\$13.4	\$4.8	\$7.4	\$12.8	\$11.2
Baseline 2008 November Financial Plan - Operating Cash Income/(Deficit)	(\$363.6)	(\$455.6)	(\$479.9)	(\$514.2)	(\$535.4)

MTA METRO-NORTH RAILROAD
November Financial Plan 2009 - 2012
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Operating Cash Income/(Deficit)	(\$372.6)	(\$451.7)	(\$485.4)	(\$527.1)	(\$547.8)
Fuel Adjustment	(4.4)	(8.6)	(1.8)	0.1	1.3
Adjusted July Financial Plan	(\$377.0)	(\$460.3)	(\$487.3)	(\$527.1)	(\$546.6)
Non-Reimbursable Major Changes					
Revenue					
Passenger Revenue - Ridership Growth	3.2	1.3	(2.3)	0.1	3.5
Non Passenger Revenue Changes	1.4	0.6	2.3	3.3	3.3
Sub-Total Non-Reimbursable Revenue Changes	\$4.6	\$1.9	(\$0.)	\$3.3	\$6.8
Expenses					
Programmatic Changes					
NEW HAVEN- MAINTENANCE FACILITY SHOP	0.0	(1.3)	0.0	0.0	0.0
RTC ARBITRARIES ADJUSTMENTS	0.0	(0.3)	(0.3)	(0.3)	(0.3)
PANTOGRAPH MONITORING SYSTEM	0.0	(0.2)	(0.2)	(0.2)	(0.2)
FOOTBALL GAME THROUGH SERVICE	0.0	(0.8)	(0.8)	(0.8)	(0.8)
HUMAN RESOURCES RECRUITING	0.0	(0.0)	(0.0)	(0.0)	(0.0)
REAL ESTATE ADMIN FEES	0.0	(0.3)	(0.3)	(0.3)	(0.3)
HIGHER OVERTIME	(2.0)	(1.7)	(1.7)	(1.7)	(1.7)
2009 SERVICE PLAN	0.0	2.6	3.4	3.4	3.4
TRAINING DEPARTMENT STAFFING	0.0	0.4	0.4	0.4	0.4
Expenditure Level Changes					
INFLATION CHANGE (EXCLUDING PROPULSION & FUEL)	0.0	(0.3)	(0.7)	(2.6)	(4.7) #
HEALTH & WELFARE	0.1	2.5	2.0	2.0	1.8
LOWER OVERHEAD RECOVERY	0.1	0.1	(1.8)	(1.6)	(1.8)
CHANGE IN DIESEL FUEL PRICES	2.7	5.1	(1.2)	(2.1)	(4.3)
TRACTION AND PROPULSION	0.7	2.4	7.5	11.0	8.0
PROFESSIONAL SERVICE CONTRACTS (CLAIMS , IT & BUS DEV)	1.4	0.0	0.0	0.0	0.0
INSURANCE	(0.0)	0.2	0.2	0.2	3.8
MATERIAL, MTCE & OTH OPER & PROF SVC CONTRACTS	4.7	0.0	0.0	0.0	0.0
DEPRECIATION	2.6	(29.6)	(29.6)	(29.6)	(29.6)
ALL OTHER EXPENSE CHANGES	(0.9)	0.8	0.6	2.3	2.7
Sub-Total Non-Reimbursable Expense Changes	9.5	(20.6)	(22.7)	(19.9)	(23.5)
Total Non-Reimbursable Major Changes	\$14.1	(\$18.6)	(\$22.7)	(\$16.6)	(\$16.7)
Reimbursable Major Changes					
Revenue					
Projections for 2009-2012 assume capital project activity levels similar to 2008 MYF adjusted for changes to project scopes, schedules and cost refinements	(\$16.7)	\$4.7	\$2.1	(\$16.0)	(\$18.8)
Sub-Total Reimbursable Revenue Changes					
Expenses					
Projections for 2009-2012 assume capital project activity levels similar to 2008 MYF adjusted for changes to project scopes, schedules and cost refinements	16.7	(4.7)	(2.1)	16.0	18.8
Sub-Total Reimbursable Expense Changes	\$16.7	(\$4.7)	(\$2.1)	\$16.0	\$18.8
Total Reimbursable Major Changes	\$0	\$0	\$0	\$0	\$0
Total Accrual Changes	\$14.1	(\$18.6)	(\$22.7)	(\$16.6)	(\$16.7)
Cash Adjustment Changes					
TIMING OF FORCE ACCOUNT RECEIPTS & OTHER CASH ADJ	(1.8)	(0.7)	(1.9)	(1.5)	(1.9)
OPERATING CAPITAL PROJECTS	3.8	(5.6)	2.4	1.3	0.2
Sub-Total Cash Adjustments	1.9	(6.2)	0.4	(0.2)	(1.7)
DEPRECIATION	(2.6)	29.6	29.6	29.6	29.6
Total Cash Adjustment Changes	(\$0.7)	\$23.4	\$30.1	\$29.4	\$27.9
Total Baseline Changes	\$13.4	\$4.8	\$7.4	\$12.8	\$11.2
Baseline 2008 November Financial Plan - Operating Cash Income/(Deficit)	(\$363.6)	(\$455.6)	(\$479.9)	(\$514.3)	(\$535.4)

**MTA METRO-NORTH RAILROAD
2009 FINAL PROPOSED BUDGET
NOVEMBER FINANCIAL PLAN 2009-2012**

RIDERSHIP/UTILIZATION PROJECTIONS

Ridership projections are developed primarily by the application of line segment ridership forecasting models that incorporate current trends and the impact of economic and demographic factors and government-supported mass transit initiatives. In addition, internal programs that affect service, customer awareness, and access to Metro-North are also incorporated into ridership forecasts.

The 2008 November Forecast reflects East of Hudson service ridership that is 4.7% higher than 2007 actual results. In 2009 - 2012, ridership is projected to grow 0.5%, 1.4%, 2.7% and 2.8% respectively and reflects Customer Service improvements that provide new service as well as parking and connecting service initiatives. The lower growth rate in 2009 reflects a downturn in the regional economy that is projected to temporarily slow down the attraction of new customers.

West of Hudson utilization reflects customer levels that are 10.4% higher than 2007 actual results. In 2009 - 2012, West of Hudson ridership is projected to grow 2.3%, 5.9%, 6.9% and 4.3%, respectively. The substantial growth rates during the 2008–2012 period reflect service expansion on the Pascack Valley line, made possible by the completion of right-of-way passing sidings that were completed in the fourth quarter of 2007, as well as service improvements on the Port Jervis line through the period.

MTA Metro-North Railroad
November Financial Plan 2009 - 2012
Ridership (Utilization)
(in millions)

	2007	2008	2009			
	Actual	November	Final Proposed	2010	2011	2012
		Forecast	Budget			
<u>Farebox Revenue</u>						
Harlem Line	\$137.9	\$147.7	\$147.9	\$149.6	\$153.6	\$158.4
Hudson Line	99.6	108.6	110.0	112.3	116.4	120.3
New Haven Line	238.4	250.4	253.4	256.6	263.0	270.1
West of Hudson Mail & Ride	0.7	0.6	0.7	0.7	0.7	0.8
Baseline Total Farebox Revenue	\$476.6	\$507.2	\$512.0	\$519.2	\$533.7	\$549.5
<i>Impact of:</i>						
2009 Agency Program to Eliminate the Gap	0.0	0.0	8.5	9.1	9.1	9.1
Post-2009 Agency Program to Eliminate the Gap	0.0	0.0	0.0	0.0	0.0	0.0
Total PEG's	0.0	0.0	8.5	9.1	9.1	9.2
Total Farebox Revenue	\$476.6	\$507.2	\$520.5	\$528.2	\$542.8	\$558.7
<u>Ridership</u>						
Harlem Line	26.4	27.5	27.5	27.8	28.5	29.3
Hudson Line	15.5	16.3	16.4	16.7	17.3	17.8
New Haven Line	36.4	38.2	38.6	39.1	40.1	41.2
Baseline Total Ridership	78.2	82.0	82.5	83.6	85.9	88.3
<i>Impact of:</i>						
2009 Agency Program to Eliminate the Gap	0.0	0.0	1.1	1.1	1.1	1.1
Post-2009 Agency Program to Eliminate the Gap	0.0	0.0	0.0	0.0	0.0	0.0
Total PEG's	0.0	0.0	1.1	1.1	1.1	1.1
Total Ridership	78.2	82.0	83.6	84.8	87.0	89.5

MTA METRO-NORTH RAILROAD
November Plan 2009 - 2012
Summary of 2009 Program to Eliminate the Gap(PEGs)
(\$ in millions)

		2008		2009		2010		2011		2012	
		<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>
Customer Convenience/Amenities											
Equipment Strategy - M1 CSR Program		0	0.000	0	5.354	0	0.000	0	0.000	0	0.000
Sub-Total	Customer Convenience/Amenities	0	\$ 0.000	0	\$ 5.354	0	\$ 0.000	0	\$ 0.000	0	\$ 0.000
Maintenance											
Harmon Shop Replacement - Master Plan		0	0.000	8	0.790	8	0.801	8	0.816	8	0.833
Sub-Total	Maintenance	0	\$ 0.000	8	\$ 0.790	8	\$ 0.801	8	\$ 0.816	8	\$ 0.833
Other											
Cost Reduction Measures to be Determined		0	0.000	0	0.000	0	4.984	0	5.097	0	5.135
Provision for Landmark Preservation Maintenance		0	0.000	0	0.518	0	0.526	0	0.535	0	0.545
Provision to Increase MTA Police Service Costs - NH		0	0.000	0	1.346	0	1.368	0	1.391	0	1.418
Security Plan - GCT Barrier Separations Maintenance		0	0.000	2	0.172	2	0.178	2	0.183	2	0.188
Sub-Total	Other	0	\$ 0.000	2	\$ 2.036	2	\$ 7.056	2	\$ 7.206	2	\$ 7.286
Revenue Enhancement											
Yankee Stadium Station -Impact of Additional Revenue		0	0.000	(62)	1.046	(62)	1.394	(62)	1.229	(62)	1.132
Sub-Total	Revenue Enhancement	0	\$ 0.000	(62)	\$ 1.046	(62)	\$ 1.394	(62)	\$ 1.229	(62)	\$ 1.132
Total Programs		0	\$ 0.000	(52)	\$ 9.226	(52)	\$ 9.251	(52)	\$ 9.251	(52)	\$ 9.251

MTA METRO-NORTH RAILROAD
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	MNRRD	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Customer Convenience/Amenit	Savings Date	1/1/2009
PEG / New Need ID	0000000035	Current Budget Year	2008	Status	Open
Program:	Equipment Strategy - M1 CSR Program			Agency Status	Pending
Description and Implementation Pla	The July Financial Plan update removes the funds earmarked for the CSR Program for 30 M1s. Metro-North now plans to use newer equipment to provide the service, therefore, the funds will no longer be required.				
Background Details	In the 2006 Financial Plan, the Equipment Strategy Plan proposed to retain 30 M1 cars for planned shuttle service to the new Yankee Stadium station. Before the old equipment could be used (it is after all well beyond its useful file), the proposal called for the cars to undergo a major CSR (Component System Replacement) Program. The 2007 and 2008 February Financial Plans included \$5.169 million in 2009 for this purpose.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	MNRRD	0000000035	FINAL08	\$ 0.000	\$ 5.354	\$ 0.000	\$ 0.000	\$ 0.000

MTA METRO-NORTH RAILROAD
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	MNRRD	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Maintenance	Savings Date	1/1/2009
PEG / New Need ID	0000000034	Current Budget Year	2008	Status	Open
Program:	Harmon Shop Replacement - Master Plan			Agency Status	Pending
Description and Implementation Pla	The February Plan included the addition of three Power maintainers and five storeroom personnel (2 management and 3 agreement) starting in January 2009. The current update delays the staff additions until 2013.				
Background Details	The replacement of the Harmon Shop complex will result in the establishment of new maintenance and support facilities and an increased track capacity for equipment storage and maneuvering. Consequently, additional staffing will be required to maintain or operate many of the new or expanded functions needed to support the shop complex. Specific staff increases already identified include personnel to support third rail power maintenance needs as well as additonal storeroom personnel for material distribution functions.				

				2008	2009	2010	2011	2012
Total Headcount	MNRRD	0000000034	FINAL08	0	8	8	8	8
Financial Impact	MNRRD	0000000034	FINAL08	\$ 0.000	\$ 0.790	\$ 0.801	\$ 0.816	\$ 0.833

MTA METRO-NORTH RAILROAD
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	MNRRD	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Other	Savings Date	1/1/2009
PEG / New Need ID	0000000041	Current Budget Year	2008	Status	Open
Program:	Cost Reduction Measures to be Determined			Agency Status	Pending
Description and Implementation Pla					
Background Details					

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	MNRRD	0000000041	FINAL08	\$ 0.000	\$ 0.000	\$ 4.984	\$ 5.097	\$ 5.135

MTA METRO-NORTH RAILROAD
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	MNRRD	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Other	Savings Date	1/1/2009
PEG / New Need ID	0000000036	Current Budget Year	2008	Status	Open
Program:	Provision for Landmark Preservation Maintenance			Agency Status	Pending
Description and Implementation Pla	Metro-North's 2008 February Financial Plan identified four new projects that should be funded through dedicated GCT Retail Revenue. Consequently, the placeholder will no longer be required.				
Background Details	The 2007 Budget and February Financial Plan included funds to add the staff necessary to finish setting up the programmed maintenance effort required to perform the extraordinary landmark maintenance prescribed by Beyer Blinder Bell (BBB). Expense funds were also added to the GCT Department to address the deteriorating floor conditions in the Terminal on an ongoing basis. To address larger (capitalizable) projects, in 2007 and 2008 GCT Retail revenues were dedicated to fund the GCT Lower Level East Restroom Renovation, and the GCT Vanderbilt Hall Restoration. Beyond 2008, only a small "placeholder" provision referenced above was included in the Plan. The "Landmark Renovations" in the Terminal were officially completed in 1998, ten years ago, and several large projects are waiting for funding and attention. In the 2007 July Financial Plan update Metro-North identified four new projects that should be funded through the dedicated GCT Retail Revenue.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	MNRRD	0000000036	FINAL08	\$ 0.000	\$ 0.518	\$ 0.526	\$ 0.535	\$ 0.545

MTA METRO-NORTH RAILROAD
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	MNRRD	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Other	Savings Date	1/1/2009
PEG / New Need ID	0000000037	Current Budget Year	2008	Status	Open
Program:	Provision to Increase MTA Police Service Costs - NHL			Agency Status	Pending
Description and Implementation Pla	The 2007 February Financial Plan contained the provision to increase NHL MTA Police Services effective 1/2009. The 2008 July Financial Plan update removes the provision.				
Background Details	Several years ago a rigorous PEG "Program to Eliminate the (funding) Gap" process targeted reductions in Administrative staff and expenditures. One of these reductions, from a planning prospective, was a MN proposal to reduce the rate of increase in costs for NHL MTA Police Services which have been increasing at a rate greater than inflation. The Financial Plan assumed the reduction to last several years, and then to increase (eliminating the reduction) effective 1/2009. The increase was to fund additional labor and fringe costs as well as other incremental security costs that MN thought MTA Police Services would bill back to MN. Over the last few years, the intercompany bills for the NHL Police Services grew at a lower rate than projected.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	MNRRD	0000000037	FINAL08	\$ 0.000	\$ 1.346	\$ 1.368	\$ 1.391	\$ 1.418

MTA METRO-NORTH RAILROAD
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	MNRRD	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Other	Savings Date	1/1/2009
PEG / New Need ID	0000000038	Current Budget Year	2008	Status	Open
Program:	Security Plan - GCT Barrier Separations Maintenance			Agency Status	Pending
Description and Implementation Pla	The July Financial Plan update removes the above requirement. The operating impact of the Security Plan with respect to physical hardening of GCT has been re-evaluated and is included under the new need, "Security Plan-IESS/3C Sys & Physical Hardening".				
Background Details	The February Financial Plan contained a number of expense impacts to support MN's Security Plan. One of these impacts was the addition of 2 positions in GCT to maintain the GCT Barriers.				

				2008	2009	2010	2011	2012
Total Headcount	MNRRD	0000000038	FINAL08	0	2	2	2	2
Financial Impact	MNRRD	0000000038	FINAL08	\$ 0.000	\$ 0.172	\$ 0.178	\$ 0.183	\$ 0.188

MTA METRO-NORTH RAILROAD
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	MNRRD	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Revenue Enhancement	Savings Date	7/1/2009
PEG / New Need ID	0000000040	Current Budget Year	2008	Status	Open
Program:	Yankee Stadium Station -Impact of Additional Revenue & Costs			Agency Status	Pending
Description and Implementation Pla	Metro-North plans to add a total of 62 positions, as follows: 50 T&E, 1 N/A Operations Svcs Mgr, 6 (OTE) Customer Service, 2 N/A Customer Service Mgrs, 2 M of E (OT&E), 1 N/A M of E Mgr, all effective on/before 1/2009.				
Background Details	In Spring 2006, the MTA Board approved the project to construct a new train station at Yankee Stadium. The pedestrian overpass, which will replace the existing overpass, will provide access from the stadium to the station, parking and ferry facilities and new parkland on the west side of the right-of-way. Metro-North will provide a combination of shuttle and through service to/from the station on the Harlem, Hudson and New Haven Lines and Manhattan for Yankee home games. Regular year-round Hudson Line service will also be provided to/from the station and other destinations to the north such as Tarrytown and Croton-Harmon and South to Harlem -125th Street and Grand Central Terminal. Also to be incurred are contractual services for stations cleaning & snow removal, occupancy costs and costs for customer counting. With the inauguration of this station, MN expects to generate approximately \$9.0 million of incremental revenue each year beginning in 2010. The opening of the new stadium is targeted for the 2nd quarter of 2009. Consequently, incremental 2009 revenue is projected at \$8.5 million.				

				2008	2009	2010	2011	2012
Total Headcount	MNRRD	0000000040	FINAL08	0	(62)	(62)	(62)	(62)
Financial Impact	MNRRD	0000000040	FINAL08	\$ 0.000	\$ 1.046	\$ 1.394	\$ 1.229	\$ 1.132

MTA METRO-NORTH RAILROAD
November Plan 2009 - 2012
Summary of Post 2009 PEGs
(\$ in millions)

		2008		2009		2010		2011		2012	
		<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>
Other											
Unspecified		0	0.000	0	0.000	0	9.251	0	18.502	0	27.753
Sub-Total	Other	<u>0</u>	<u>\$ 0.000</u>	<u>0</u>	<u>\$ 0.000</u>	<u>0</u>	<u>\$ 9.251</u>	<u>0</u>	<u>\$ 18.502</u>	<u>0</u>	<u>\$ 27.753</u>
Total Programs		<u>0</u>	<u>\$ 0.000</u>	<u>0</u>	<u>\$ 0.000</u>	<u>0</u>	<u>\$ 9.251</u>	<u>0</u>	<u>\$ 18.502</u>	<u>0</u>	<u>\$ 27.753</u>

MTA METRO-NORTH RAILROAD

November Plan 2009 - 2012

Summary of Post PEGs Worksheet

(\$ in millions)

Business Unit	MNRRD	Financial Plan Category	Post PEG	Implementation Date	1/1/2010
Budget Reference	FINAL08	Category	Other	Savings Date	1/1/2010
PEG / New Need ID	0000000043	Current Budget Year	2008	Status	Open
Program:	Unspecified			Agency Status	Pending
Description and Implementation Pla	Unspecified				
Background Details	unspecified				

Total Headcount

				2008	2009	2010	2011	2012
Financial Impact	MNRRD	0000000043	FINAL08	\$ 0.000	\$ 0.000	\$ 9.251	\$ 18.502	\$ 27.753

**MTA METRO-NORTH RAILROAD
2009 FINAL PROPOSED BUDGET
NOVEMBER FINANCIAL PLAN 2009-2012**

POSITION ASSUMPTIONS

NON-REIMBURSABLE POSITIONS

Positions are stated as of December 31 of each year and reflect employees projected to be paid. Consequently, position totals incorporate existing vacancy and turnover estimates, as well as seasonal fluctuations in staffing requirements for capital projects.

Annual non-reimbursable staffing levels also include the impact of new program additions, deferrals, eliminations, or re-estimates, consistent with the associated cost changes incorporated into the financial plan.

2008 reimbursable staffing levels reflect changes in on-going project requirements. The 2009 Budget reflects the continuation of 2008 projects and new project starts. 2010 - 2012 staffing levels assume a continuation of 2009 project activity levels.

YEAR-TO-YEAR CHANGES

2008 - 2009

The 2008 November Forecast of paid positions includes a slight increase in the level of paid positions compared to the 2008 July Forecast due primarily to a change in vacancy assumptions. 2008 projections also include the reallocation of staff between non-reimbursable and reimbursable program requirements at year end, and the reorganization of capital program administration support staff.

The 2009 Proposed Budget increase compared to 2008 assumes a lower level of vacancies by the end of the year and the addition of 51 non reimbursable positions, which is primarily comprised of 28 positions in support of increased maintenance for the New Haven Line car fleet and the start of an M7 life cycle maintenance program. The remaining position additions support maintenance of GCT, new security systems, and Mid-Hudson Station Improvements, as well additions for Fleet Management, Training and recruiting efforts.

2009 - 2010

The increase of 69 non-reimbursable paid positions primarily reflects the addition of 46 maintenance positions to support the acquisition of new M8 cars and establishing a second-shift coach shop at Harmon, 17 T&E positions for new train service, 18 positions

to support security improvements, and additional maintenance personnel to support completed right-of-way and facility improvements. These increases are offset by the reduction of 23 positions due to the completion of the M3 overhaul program.

2010 - 2011

The increase of 53 non-reimbursable paid positions reflects 28 staffing additions for the maintenance of new M8 cars, 17 T&E positions for the Service Plan, six positions in support of signal improvements on the Danbury Branch, and one additional position each for GCT Fire/Life Safety Emergency Generators program and Training.

2011 - 2012

The increase of 48 non-reimbursable paid positions reflects 30 staffing additions for the maintenance of new M8 cars, 14 T&E Service Plan additions, three positions to support H&H Power improvements, and one additional Training position.

MTA Metro-North Railroad
November Financial Plan 2009 - 2012
Total Non-Reimbursable - Reimbursable Positions at End-of-Year
Full-Time Positions and Full Time Equivalents

FUNCTION/DEPARTMENT	2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Administration						
President	6	6	6	6	6	6
Labor Relations	10	13	12	12	12	12
Safety	15	19	20	28	28	28
Corporate Communications	15	17	18	18	18	18
Customer Service	236	250	257	257	257	257
Legal	15	16	16	16	16	16
Claims Services	17	17	22	22	22	22
Environmental Compliance & Serv	6	6	7	7	7	7
VP Human Resources	2	4	4	4	4	4
Human Resources & Diversity	44	49	48	48	48	48
Training	31	31	32	33	34	35
Employee Relations & Diversity	4	4	4	4	4	4
VP Planning Procurem't & Bus Dev Admin	3	3	3	3	3	3
Operations Planning & Analysis	18	21	21	21	21	21
Capital Planning & Programming	10	14	14	14	14	14
Business Development Facilities & Mktg	15	22	22	22	22	22
Marketing	3	-	-	-	-	-
Long Range Planning	9	10	10	10	10	10
VP Finance & Info Systems	10	2	2	2	2	2
Controller	117	122	121	122	122	122
Information Technology & Project Mgmt	111	133	136	136	136	136
Budget	13	16	16	16	16	16
Corporate *	-	(16)	(45)	(45)	(45)	(45)
Total Administration	710	759	746	756	757	758
Operations						
VP Operations	50	52	54	54	54	54
Operations Services	1,676	1,784	1,759	1,780	1,801	1,819
Metro-North West	29	28	27	27	27	27
Total Operations	1,755	1,864	1,840	1,861	1,882	1,900
Maintenance						
GCT	345	348	354	358	358	358
Maintenance of Equipment	1,257	1,281	1,327	1,331	1,355	1,381
Maintenance of Way	1,514	1,530	1,585	1,615	1,622	1,625
Procurement & Material Management	169	167	181	181	181	181
Total Maintenance	3,285	3,326	3,447	3,485	3,516	3,545
Project Budget	13	-	-	-	-	-
Construction Management	34	39	39	39	39	39
Engineering & Design	58	66	68	68	68	68
Total Engineering/Capital	105	105	107	107	107	107
Baseline Total Positions	5,855	6,054	6,140	6,209	6,262	6,310
<i>Non-Reimbursable</i>	5,386	5,466	5,511	5,580	5,633	5,681
<i>Reimbursable</i>	469	588	629	629	629	629
<i>Total Full-Time</i>	5,850	6,049	6,135	6,204	6,257	6,305
<i>Total Full-Time-Equivalents</i>	5	5	5	5	5	5
Impact of:						
2009 Program to Eliminate the Gap			(52)	(52)	(52)	(52)
Post 2009 Program to Eliminate the Gap						
Total Positions	5,855	6,054	6,192	6,261	6,314	6,362
<i>Non-Reimbursable</i>	5,386	5,466	5,563	5,632	5,685	5,733
<i>Reimbursable</i>	469	588	629	629	629	629
<i>Total Full-Time</i>	5,850	6,049	6,187	6,256	6,309	6,357
<i>Total Full-Time-Equivalents</i>	5	5	5	5	5	5
Business Service Center	-	24	24	24	84	84

* Reflects turnover vacancies in December not included in department totals.

MTA Metro-North Railroad
November Financial Plan 2009 - 2012
Total Full-time Positions and Full-time Equivalents by Function and Occupational Group
Non-Reimbursable and Reimbursable

FUNCTION/OCCUPATIONAL GROUP	2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Administration						
Managers/Supervisors	44	45	49	49	49	49
Professional, Technical, Clerical	638	687	673	675	676	677
Operational Hourlies	28	27	24	32	32	32
Total Administration	710	759	746	756	757	758
Operations						
Managers/Supervisors	26	27	24	24	24	24
Professional, Technical, Clerical	322	330	337	337	337	337
Operational Hourlies	1,407	1,507	1,479	1,500	1,521	1,539
Total Operations	1,755	1,864	1,840	1,861	1,882	1,900
Maintenance						
Managers/Supervisors	37	41	41	41	41	41
Professional, Technical, Clerical	1,015	1,052	1,070	1,076	1,076	1,076
Operational Hourlies	2,233	2,233	2,336	2,368	2,399	2,428
Total Maintenance	3,285	3,326	3,447	3,485	3,516	3,545
Engineering/Capital						
Managers/Supervisors	27	29	29	29	29	29
Professional, Technical, Clerical	78	76	78	78	78	78
Operational Hourlies	-	-	-	-	-	-
Total Engineering/Capital	105	105	107	107	107	107
Public Safety						
Managers/Supervisors	-	-	-	-	-	-
Professional, Technical, Clerical	-	-	-	-	-	-
Operational Hourlies	-	-	-	-	-	-
Total Public Safety	-	-	-	-	-	-
MTA Metro-North Consolidated						
Managers/Supervisors	134	142	143	143	143	143
Professional, Technical, Clerical	2,053	2,145	2,158	2,166	2,167	2,168
Operational Hourlies	3,668	3,767	3,839	3,900	3,952	3,999
Total MTA Metro-North Consolidated	5,855	6,054	6,140	6,209	6,262	6,310

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MTA Headquarters

**MTA Headquarters
2009 Final Proposed Budget
November Financial Plan 2009 – 2012**

Mission Statement

The mission of Metropolitan Transportation Authority Headquarters is to maximize use of MTA Transportation services and facilities by its customers and to provide support to the operating agencies in budget, cash management, finance, legal, real estate, treasury, risk and insurance management, and other services. In addition, MTA Headquarters' Department of Public Safety provides the highest level of policing and security for MTA's customers, employees and facilities.

Financial Overview

Mindful of the economic uncertainties that overshadow the MTA region and the MTA itself, MTA Headquarters has taken steps to continue its leadership in the MTA commuting region. The Financial Plan enclosed includes funding only for those programs deemed the highest priority by MTA management. These issues include environmental needs, of such high importance that a Blue Ribbon Commission on Sustainability was charged with expanding the MTA's contributions to regional and national sustainability, while reducing and managing the MTA's energy consumption, carbon emissions, waste, water use, and other elements of MTA's ecological footprint. MTA Headquarters has embraced the initiatives identified by the Blue Ribbon Commission on Sustainability by appointing a Director of Sustainability who will be responsible for initiating a process of both recording and verifying MTA's impact on the regional carbon footprint and computing possible carbon credits from it and analyzing the MTA's operations and expansion so as to reduce their carbon implications.

Because the training and retention of the MTA workforce is so important, the Blue Ribbon Panel on Workforce Development issued a report containing 61 recommendations aimed at, among others, promoting workforce development, succession planning, organizational culture, employees availability, and labor-management relations. These have been given top priority at MTA Headquarters and responsibility for implementation of programs designed for workforce development have been assigned to the Organizational Development and Training Division which now reports directly to the MTA Headquarters Chief of Staff.

Since 9/11, the security of MTA facilities, customers, and employees has been a major consideration. MTA Headquarters continues to expand security and many of its accomplishments will be the result of Directed Patrols to increase Police visibility and presence on board the Long Island Railroad, Metro North and SIRTOA, as well as continued use and training of such forces as the K-9 unit and the Emergency Services Unit. In addition, the 2009 Final Proposed Budget includes funding for the Integrated Electronic Security System (IESS/C3) for which hiring is underway and which is scheduled to be operational in early 2009.

In order to ensure the MTA's financial stability MTA Headquarters has acted on the findings of two studies to determine the cost benefits of a shared services business service center (BSC). Under BSC, select administrative functions for all the MTA agencies are combined and use one Enterprise Resource Planning (ERP) Financial and Human Resources Payroll system along with other technologies to process administrative and back-office transactions. The MTA Board's decision in February 2008 to go forward with the BSC will result in substantial real savings to the MTA in the latter part of the plan period.

In addition, the MTA Defined Benefit Pension Plan currently is a complex multi-article pension plan with represented and non-represented participants in MNR, LIRR, LI Bus, MTA Bus, MTA PD and SIRTGA each with their own staffs to administer their own plans. In 2008 and 2009 these will be centralized in MTA Headquarters with all expenses reimbursable by the Pension Trust.

Finally, MTA Headquarters will create a Performance Reporting System, or "dashboard", modeled on a similar reporting environment implemented by the Department of Information Technology and Telecommunications for the City of New York that will monitor progress towards achieving MTA's as well as Agencies goals.

2008 November Forecast

MTA Headquarters projects a Baseline Deficit of \$338.867 million in the 2008 November Forecast before PEGs. The forecast includes only the MTA Headquarters portion of the Integrated Electronic Security System (IESS/C3) and the MTA-wide maintenance contract costs. Additionally, a shift of some advertising and other administrative expenses from 2008 to 2009 is reflected.

The baseline assumes headcount levels of 705 employees at MTA Headquarters and 784 employees in Public Safety, totaling 1,489 employees. This reflects IESS required positions being included into the July Plan headcount levels.

2009 Final Proposed Budget- Baseline

MTA Headquarters projects a Baseline Deficit of \$382.948 million in the 2009 Final Proposed Budget before PEGs. This is \$10.755 million higher than the 2009 Preliminary Budget Baseline Deficit of \$372.194 million. The Final Proposed Budget includes IESS/C3 expenses and MTA-wide maintenance contract costs. The majority of the increase results from the shift of advertising and other administrative expenses from 2008 to 2009 to better reflect the spending required for the MTA Image Campaign and the work of the MTA Sustainability Commission, in addition to higher Support for Subsidiaries.

The baseline budget assumes the inclusion of IESS related positions, resulting in headcount levels of 710 employees at MTA Headquarters and 784 employees in Public Safety, for a total of 1,494 employees. The below-the-line 2009 PEGs and Post 2009 PEG actions are discussed in Gap closing measures.

2010-2012 Projections

The Baseline Deficits of \$380.918 million in 2010, \$391.388 million in 2011, and \$400.825 million in 2012 are consistent with the July 2008 Plan with minor adjustments reflecting updated inflation, fringe benefit costs and Support to MTA Subsidiaries payments. These baseline deficits are \$1.900 million unfavorable, \$0.056 million favorable, and \$0.549 million unfavorable, respectively, when compared to the July 2008 Financial Plan.,

Gap Closing Measures

2009 Programs to Eliminate the Gap

Throughout MTA Headquarters several departments have been able to achieve savings through targeted reductions in administrative expenses in both MTA Headquarters and the MTA Police. This has enabled MTA Headquarters to provide 2009 savings of \$2.446 million. In addition, there have been \$1.044 million in savings that have begun in 2008.

Post-2009 Programs to Eliminate the Gap

Unspecified PEGs are scheduled to begin in 2010 and thereafter. Savings of \$2.162 million, \$4.431 million, and \$6.707 million are expected in 2010, 2011, and 2012, respectively.

MTA HEADQUARTERS
November Financial Plan 2009-2012
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE						
	2007	2008	2009			
	Actual	November Forecast	Final Proposed Budget	2010	2011	2012
Operating Revenue						
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
<u>Other Operating Revenue</u>						
Rental Income	46.513	47.494	48.702	49.612	50.719	51.835
Other	<u>3.991</u>	<u>3.639</u>	<u>3.605</u>	<u>3.672</u>	<u>3.754</u>	<u>3.837</u>
Total Other Operating Revenue	\$50.504	51.133	52.307	53.285	54.473	55.672
Capital and Other Reimbursements	-	-	-	-	-	-
Total Revenue	\$50.504	\$51.133	\$52.307	\$53.285	\$54.473	\$55.672
Operating Expenses						
<u>Labor:</u>						
Payroll	\$114.940	129.932	\$126.684	\$130.294	\$133.765	\$136.752
Overtime	12.439	14.289	14.703	14.991	15.299	15.655
Health and Welfare	14.584	15.553	16.029	17.638	19.389	21.230
OPEB Current Payment	4.300	5.300	6.500	7.900	9.400	11.100
Pensions	15.851	14.920	17.083	18.730	20.455	22.034
Other Fringe Benefits	3.947	10.807	9.760	10.221	10.724	11.202
Reimbursable Overhead	(31.401)	(43.155)	(43.794)	(44.557)	(45.559)	(46.636)
Total Labor Expenses	\$134.660	\$147.645	\$146.964	\$155.216	\$163.474	\$171.337
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	10.213	(6.870)	3.495	3.855	4.251	4.687
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	22.844	29.067	41.746	42.685	43.383	44.086
Professional Service Contracts	46.174	38.061	48.165	46.529	47.577	48.634
Materials & Supplies	2.862	4.144	3.096	3.154	3.224	3.295
<u>Other Business Expenses</u>						
MTA Internal Subsidy	45.253	41.439	49.715	44.833	44.549	45.985
Other	<u>36.391</u>	<u>49.170</u>	<u>46.803</u>	<u>42.621</u>	<u>43.616</u>	<u>44.472</u>
Total Other Business Expenses	81.644	90.609	96.518	87.455	88.165	90.457
Total Non-Labor Expenses	\$163.737	\$155.011	\$193.020	\$183.677	\$186.600	\$191.160
<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 and GASB Adjs.	\$298.397	\$302.656	\$339.984	\$338.893	\$350.073	\$362.497
Depreciation	\$29.615	26.144	31.071	28.210	25.588	20.800
OPEB Obligation	58.300	61.200	64.200	67.100	70.200	73.200
Total Expenses	\$386.312	\$390.001	\$435.255	\$434.203	\$445.861	\$456.497
Baseline Surplus/(Deficit)	(\$335.808)	(\$338.867)	(\$382.948)	(\$380.918)	(\$391.388)	(\$400.825)
2009 Program to Eliminate the Gap (PEGs)	-	1.044	2.446	2.498	2.556	2.609
Post 2009 Program to Eliminate the Gap (PEGs)	-	0.000	0.000	2.162	4.431	6.707
Net Surplus/(Deficit)	(\$335.808)	(\$337.823)	(\$380.502)	(\$376.258)	(\$384.401)	(\$391.509)
Business Service Center - HQ Savings	-	-	1.458	1.501	10.130	10.809
Business Service Center Operating Expense	-	-	(17.942)	(19.817)	(57.636)	(43.409)

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MTA HEADQUARTERS
November Financial Plan 2009-2012
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE						
	2007	2008	2009			
	Actual	November Forecast	Final Proposed Budget	2010	2011	2012
Revenue						
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
<u>Other Operating Revenue</u>						
Rental Income	\$46.513	\$47.494	\$48.702	\$49.612	\$50.719	\$51.835
Data Center Billings	0.000	0.000	0.000	0.000	0.000	0.000
<u>Other</u>	<u>3.991</u>	<u>3.639</u>	<u>3.605</u>	<u>3.672</u>	<u>3.754</u>	<u>3.837</u>
Total Other Operating Revenue	50.504	51.133	52.307	53.285	54.473	55.672
Capital and Other Reimbursements	35.891	51.872	62.145	71.832	77.010	78.325
Total Revenue	\$86.395	\$103.006	\$114.452	\$125.117	\$131.483	\$133.996
Expenses						
<u>Labor:</u>						
Payroll	\$116.560	\$132.750	\$130.453	\$134.199	\$137.790	\$140.813
Overtime	12.439	14.296	14.703	14.991	15.299	15.655
Health and Welfare	14.715	15.842	16.550	18.214	20.022	21.913
OPEB Current Payment	4.300	5.300	6.500	7.900	9.400	11.100
Pensions	15.957	15.189	17.461	19.128	20.875	22.467
Other Fringe Benefits	4.328	11.045	10.060	10.538	11.058	11.547
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor expenses	\$168.299	\$194.422	\$195.727	\$204.970	\$214.445	\$223.495
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	10.213	(6.764)	3.601	3.972	4.370	4.808
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	22.844	29.067	41.778	42.718	43.416	44.121
Professional Service Contracts	48.413	42.875	61.243	68.289	73.290	74.468
Materials & Supplies	2.868	4.233	3.172	3.232	3.304	3.377
<u>Other Business Expenses</u>						
MTA Internal Subsidy	45.253	41.439	49.715	44.833	44.549	45.985
<u>Other Business Expenses</u>	<u>36.397</u>	<u>49.256</u>	<u>46.893</u>	<u>42.712</u>	<u>43.709</u>	<u>44.567</u>
Total Other Business Expenses	81.650	90.695	96.608	87.546	88.258	90.553
Total Non-Labor expenses	\$165.988	\$160.106	\$206.402	\$205.756	\$212.639	\$217.326
<u>Other Expenses Adjustments:</u>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adjs.	\$334.287	\$354.528	\$402.129	\$410.725	\$427.084	\$440.821
Depreciation	29.615	26.144	31.071	28.210	25.588	20.800
OPEB Obligation	58.300	61.200	64.200	67.100	70.200	73.200
Total Expenses	\$422.202	\$441.872	\$497.400	\$506.035	\$522.872	\$534.821
Baseline Surplus/(Deficit)	(\$335.807)	(\$338.867)	(\$382.948)	(\$380.918)	(\$391.388)	(\$400.825)
2009 Program to Eliminate the Gap (PEGs)	0.000	1.044	2.446	2.498	2.556	2.609
Post 2009 Program to Eliminate the Gap (PEGs)	0.000	0.000	0.000	2.162	4.431	6.707
Net Surplus/(Deficit)	(\$335.807)	(\$337.823)	(\$380.502)	(\$376.258)	(\$384.401)	(\$391.509)
Business Service Center - HQ Savings	-	-	1.458	1.501	10.130	10.809
Business Service Center Operating Expense	-	-	(17.942)	(19.817)	(57.636)	(43.409)

MTA HEADQUARTERS
November Financial Plan 2009-2012
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2007	2008	2009			
	Actual	November Forecast	Final Proposed Budget	2010	2011	2012
Receipts						
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
<u>Other Operating Revenue</u>						
Rental Income	\$46.513	\$47.494	\$48.702	\$49.612	\$50.719	\$51.835
Data Center Billings	-	-	-	-	-	-
<u>Other</u>	<u>5.208</u>	<u>6.789</u>	<u>7.263</u>	<u>7.406</u>	<u>7.560</u>	<u>7.720</u>
Total Other Operating Revenue	51.721	54.283	55.965	57.018	58.279	59.555
Capital and Other Reimbursements	35.891	50.376	62.145	71.832	77.010	78.325
Total Receipts	\$87.612	\$104.660	\$118.110	\$128.851	\$135.289	\$137.880
Expenditures						
<u>Labor:</u>						
Payroll	\$115.028	\$127.883	\$127.213	\$130.892	\$134.420	\$137.374
Overtime	12.439	14.296	14.703	14.991	15.299	15.655
Health and Welfare	14.867	13.662	15.555	17.177	18.948	20.818
OPEB Current Payment	4.300	5.300	6.500	7.900	9.400	11.100
Pensions	20.637	14.814	17.133	18.833	20.609	22.228
Other Fringe Benefits	3.660	11.179	10.011	10.486	11.003	11.490
GASB Account	-	0.939	0.995	1.036	1.074	1.095
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$170.931	\$188.073	\$192.109	\$201.315	\$210.753	\$219.759
<u>Non-Labor:</u>						
Traction and Propulsion Power						
Fuel for Buses and Trains						
Insurance	3.114	3.253	3.474	3.832	4.217	4.639
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	20.642	29.569	40.263	41.172	41.840	42.512
Professional Service Contracts	41.618	46.460	58.777	65.725	70.640	71.766
Materials & Supplies	2.607	4.281	3.016	3.071	3.140	3.209
<u>Other Business Expenses</u>						
MTA Internal Subsidy	45.349	41.439	49.715	44.833	44.549	45.985
<u>Other Business Expenses</u>	<u>119.634</u>	<u>43.372</u>	<u>44.806</u>	<u>40.582</u>	<u>41.533</u>	<u>42.353</u>
Total Other Business Expenses	164.983	84.811	94.521	85.415	86.083	88.338
Total Non-Labor Expenditures	\$232.964	\$168.375	\$200.051	\$199.216	\$205.921	\$210.465
<u>Other Expenditure Adjustments:</u>						
Capital	\$9.886	\$11.209	\$25.964	\$25.174	\$20.800	\$20.800
Business Service Center	0.000	(5.334)	0.000	0.000	0.000	0.000
Total Other Expenditure Adjustments	\$9.886	\$5.875	\$25.964	\$25.174	\$20.800	\$20.800
Total Expenditures	\$413.781	\$362.323	\$418.124	\$425.705	\$437.474	\$451.025
Baseline Cash Deficit	(\$326.169)	(\$257.664)	(\$300.014)	(\$296.855)	(\$302.185)	(\$313.145)
2009 Program to Eliminate the Gap (PEGs)	0.000	1.044	2.446	2.498	2.556	2.609
Post-2009 Program to Eliminate the Gap (PEGs)	0.000	0.000	0.000	2.162	4.431	6.707
Net Cash Deficit	(\$326.169)	(\$256.620)	(\$297.568)	(\$292.195)	(\$295.198)	(\$303.829)
Business Service Center - HQ Savings	-	-	1.458	1.501	10.130	10.809
Business Service Center Operating Expense	-	-	(17.942)	(19.817)	(57.636)	(43.409)

MTA HEADQUARTERS
November Financial Plan 2009-2012
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2007	2008	2009			
	Actual	November Forecast	Final Proposed Budget	2010	2011	2012
Receipts						
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	1.217	3.150	3.658	3.733	3.806	3.883
Capital and Other Reimbursements	0.000	(1.496)	0.000	0.000	0.000	0.000
Total Receipts	\$1.217	\$1.654	\$3.658	\$3.733	\$3.806	\$3.883
Expenditures						
<u>Labor:</u>						
Payroll	1.532	\$4.867	\$3.240	\$3.306	\$3.371	\$3.439
Overtime	-	-	-	-	-	-
Health and Welfare	(0.152)	2.180	0.995	1.036	1.074	1.095
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	(4.680)	0.375	0.329	0.296	0.266	0.239
Other Fringe Benefits	0.668	(0.134)	0.050	0.052	0.055	0.057
GASB Account	0.000	(0.939)	(0.995)	(1.036)	(1.074)	(1.095)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	(\$2.632)	\$6.349	\$3.618	\$3.654	\$3.691	\$3.736
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	7.099	(10.018)	0.127	0.139	0.153	0.168
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	2.202	(0.502)	1.515	1.546	1.576	1.608
Professional Service Contracts	6.795	(3.585)	2.465	2.563	2.650	2.702
Materials & Supplies	0.261	(0.048)	0.157	0.160	0.164	0.167
<u>Other Business Expenses</u>						
MTA Internal Subsidy	(0.096)	-	-	-	-	-
Other Business Expenses	(83.237)	5.884	2.087	2.131	2.175	2.214
Total Other Business Expenses	(83.333)	5.884	2.087	2.131	2.175	2.214
Total Non-Labor Expenditures	(\$66.976)	(\$8.269)	\$6.351	\$6.540	\$6.718	\$6.860
<u>Other Expenditure Adjustments:</u>						
Capital	(\$9.886)	(\$11.209)	(\$25.964)	(\$25.174)	(\$20.800)	(\$20.800)
BSC	0.000	5.334	0.000	0.000	0.000	0.000
Total Other Expenditure Adjustments	(\$9.886)	(\$5.875)	(\$25.964)	(\$25.174)	(\$20.800)	(\$20.800)
Total Cash Conversion Adjustments before Depreciation and GASB Adjs.	(\$78.277)	(\$6.141)	(\$12.337)	(\$11.247)	(\$6.585)	(\$6.320)
Depreciation Adjustment	29.615	26.144	31.071	28.210	25.588	20.800
OPEB Obligation	58.300	61.200	64.200	67.100	70.200	73.200
Baseline Total Cash Conversion Adjustments	\$9.638	\$81.203	\$82.934	\$84.063	\$89.203	\$87.680
2009 Program to Eliminate the Gap (PEGs)	0.000	0.000	0.000	0.000	0.000	0.000
Post 2009 Program to Eliminate the Gap (PEGs)	0.000	0.000	0.000	0.000	0.000	0.000
Total Cash Conversion Adjustments	\$9.638	\$81.203	\$82.934	\$84.063	\$89.203	\$87.680

**MTA Headquarters
November Financial Plan 2009-2012
Year-to-Year Changes by Category
Accrual and Cash**

Baseline Assumptions:

The following explanations refer to the year-to-year variances in MTA Baseline assumptions for the November Financial Plan 2009-2012:

Receipts:

Rental Income, Data Center Billings, and Other

- Charge backs to Agencies for work performed by MTA Headquarters on their behalf are inflated by the CPI-Urban in 2009, 2010, 2011 and 2012 at 2.94%, 1.87%, 2.23%, and 2.20% respectively

Expenditures:

Payroll

- Increases in the November Financial Plan from the July Financial Plan in 2009 primarily reflect the effect of updated wage inflators.
- MTA Headquarters and MTA Police Civilians salaries in 2009, 2010, 2011 and 2012 are inflated at the non-represented wage growth assumption rates of 3.00%, 1.87%, 2.23%, and 2.20%, respectively.
- MTA Police represented salaries are inflated according to prevailing patterned bargaining rates.

Overtime

- 2009, 2010, 2011, and 2012 overtime rates are inflated by prevailing pattern bargaining rates.

Health and Welfare

- Health and Welfare decreases in the November Financial Plan from the July Financial Plan reflect updated fringe benefit assumptions.
- Expenses in 2009 are projected to increase at a rate of 7.7% over 2008 and 7.3% in each year thereafter. Other post-employment benefit costs are also included in each year.

Pensions

- Pensions changes in the November Financial Plan from the July Financial Plan in 2009 primarily reflect updated fringe benefit assumptions.
- Thereafter, increases in all years of the plan for 2009, 2010 and 2011 are consistent with current actuarial information.

Other Fringe Benefits

- Increases in all years of the plan for 2009, 2010, 2011 and 2012 are inflated by the CPI-Urban 2.94%, 1.87%, 2.23, and 2.20%.

Insurance

- Insurance expense in 2009 is unchanged from the July Financial Plan.
- Thereafter 2010, 2011, and 2012 are inflated at approximately 10% annually with some off-setting adjustments.

Maintenance and Other Operating Contracts

- 2009 maintenance and other expenses increase as a result of updated inflation information.
- Thereafter 2010, 2011, and 2012 are inflated by 1.87%, 2.23%, and 2.20%, respectively.

Professional Service Contracts

- Increases in the November Financial Plan from the July Financial Plan in 2009 are primarily attributable to a shift in expenses from 2008. This will not result in an overall increase in MTA Headquarters expenses. In addition, an increase as a result of updated inflation information is also experienced.
- Thereafter, 2010, 2011, and 2012 are inflated at 1.87%, 2.23%, and 2.20% respectively, with adjustments made to reflect the conclusion of some currently contracted services.

Materials & Supplies

- Expenses in 2009 are virtually unchanged from the July Financial Plan.
- Thereafter 2010, 2011, and 2012 are inflated by 1.87%, 2.23%, and 2.20%, respectively.

MTA Internal Subsidy

- All years reflect MTA support requirements for SIRTOA and Long Island Bus and the Cross Bay Toll based on projected revenue and support shortfalls from state and local governments. A more detailed discussion is included in the "MTA Subsidy to Subsidiaries" portion of the "Subsidy" section.

Other Business Expenses

- Increases in 2009 are primarily attributable to a shift in expenses from 2008. All years of the plan for 2010, 2011, and 2012 are inflated by 1.87%, 2.23%, 2.20%, respectively, with adjustments made to reflect the conclusion of some currently contracted services.

Other Expenditure Adjustments:

Capital Expenditures

- Capital expenditures in 2009 are \$25.964 million, reflecting a shift in expected project levels from 2008.
- Thereafter, expenditures for 2010 are \$25.174 million and \$20.800 million for 2011 and 2012.

MTA HEADQUARTERS
November Financial Plan 2009 - 2012
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE

	Favorable/(Unfavorable)								
	2008	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011
Revenue									
Farebox Revenue									
Vehicle Toll Revenue									
Other Operating Revenue									
Rental Income	\$47.494	\$48.702	\$1.207	\$49.612	\$0.911	\$50.719	\$1.106	\$51.835	\$1.116
Data Center Billings	-	-	-	-	-	-	-	-	-
Other	3.639	3.605	(0.034)	3.672	0.067	3.754	0.082	3.837	0.083
Capital and Other Reimbursements	-	-	-	-	-	-	-	-	-
Total Revenue	\$51.133	\$52.307	\$1.173	\$53.285	\$0.978	\$54.473	\$1.188	\$55.672	\$1.198
Expenses									
Labor:									
Payroll	\$129.932	\$126.684	\$3.249	\$130.294	(\$3.611)	\$133.765	(\$3.471)	\$136.752	(\$2.987)
Overtime	14.289	14.703	(0.414)	14.991	(0.288)	15.299	(0.308)	15.655	(0.356)
Health and Welfare	15.553	16.029	(0.476)	17.638	(1.609)	19.389	(1.751)	21.230	(1.841)
OPEB Current Payment	5.300	6.500	(1.200)	7.900	(1.400)	9.400	(1.500)	11.100	(1.700)
Pensions	14.920	17.083	(2.163)	18.730	(1.647)	20.455	(1.726)	22.034	(1.579)
Other Fringe Benefits	10.807	9.760	1.047	10.221	(0.461)	10.724	(0.503)	11.202	(0.478)
Reimbursable Overhead	(43.155)	(43.794)	0.639	(44.557)	0.763	(45.559)	1.002	(46.636)	1.077
Total Labor Expenses	\$147.645	\$146.964	\$0.681	\$155.216	(\$8.252)	\$163.474	(\$8.257)	\$171.337	(\$7.863)
Non-Labor:									
Traction and Propulsion Power	-	-	-	-	-	-	-	-	-
Fuel for Buses and Trains	-	-	-	-	-	-	-	-	-
Insurance	(6.870)	3.495	(10.365)	3.855	(0.360)	4.251	(0.396)	4.687	(0.436)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	29.067	41.746	(12.678)	42.685	(0.939)	43.383	(0.698)	44.086	(0.704)
Professional Service Contracts	38.061	48.165	(10.105)	46.529	1.637	47.577	(1.048)	48.634	(1.057)
Materials & Supplies	4.144	3.096	1.049	3.154	(0.058)	3.224	(0.070)	3.295	(0.071)
MTA Internal Subsidy	41.439	49.715	(8.276)	44.833	4.882	44.549	0.284	45.985	(1.436)
Other Business Expenses	49.170	46.803	2.367	42.621	4.182	43.616	(0.994)	44.472	(0.857)
Total Non-Labor Expenses	\$155.011	\$193.020	(\$38.009)	\$183.677	\$9.343	\$186.600	(\$2.923)	\$191.160	(\$4.560)
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	\$302.656	\$339.984	(\$37.328)	\$338.893	\$1.091	\$350.073	(\$11.180)	\$362.497	(\$12.423)
Depreciation	\$26.144	\$31.071	(\$4.927)	\$28.210	\$2.861	\$25.588	\$2.622	\$20.800	\$4.788
OPEB Obligation	61.200	64.200	(3.000)	67.100	(2.900)	70.200	(3.100)	73.200	(3.000)
Total Expenses	\$390.001	\$435.255	(\$45.254)	\$434.203	\$1.052	\$445.861	(\$11.658)	\$456.497	(\$10.635)
Baseline Net Surplus/(Deficit)	(\$338.867)	(\$382.948)	(\$44.081)	(\$380.918)	\$2.030	(\$391.388)	(\$10.470)	(\$400.825)	(\$9.437)
2009 Agency Program to Eliminate the Gap (PEGs)	1.044	2.446	1.402	2.498	0.052	2.556	0.058	2.609	0.053
Post 2009 Program to Eliminate the Gap	-	-	-	2.162	2.162	4.431	2.269	6.707	2.276
Net Surplus/(Deficit)	(\$337.823)	(\$380.502)	(\$42.679)	(\$376.258)	\$4.244	(\$384.401)	(\$8.143)	(\$391.509)	(\$7.108)
Business Service Center - HQ Savings	-	1.458	1.458	10.130	8.672	11.093	0.963	11.687	0.594
Business Service Center Operating Expense	-	(17.942)	(17.942)	(57.636)	(39.694)	(43.765)	13.871	(46.036)	(2.271)

MTA HEADQUARTERS
November Financial Plan 2009 - 2012
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

REIMBURSABLE

	Favorable/(Unfavorable)								
	2008	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011
<u>Revenue</u>									
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-	-	-	-
Rental Income	-	-	-	-	-	-	-	-	-
Data Center Billings	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Capital and Other Reimbursements	51.872	62.145	10.273	71.832	9.687	77.010	5.178	78.325	1.314
Total Revenue	\$51.872	\$62.145	\$10.273	\$71.832	\$9.687	\$77.010	\$5.178	\$78.325	\$1.314
<u>Expenses</u>									
Labor:									
Payroll	\$2.817	\$3.769	(\$0.952)	\$3.905	(\$0.135)	\$4.025	(\$0.121)	\$4.062	(\$0.036)
Overtime	0.007	-	0.007	-	-	-	-	-	-
Health and Welfare	0.290	0.521	(0.231)	0.575	(0.054)	0.633	(0.058)	0.682	(0.050)
OPEB Current Payment	-	-	-	-	-	-	-	-	-
Pensions	0.270	0.378	(0.109)	0.399	(0.021)	0.420	(0.021)	0.433	(0.013)
Other Fringe Benefits	0.238	0.301	(0.063)	0.317	(0.016)	0.334	(0.017)	0.345	(0.011)
Reimbursable Overhead	43.155	43.794	(0.639)	44.557	(0.763)	45.559	(1.002)	46.636	(1.077)
Total Labor Expenses	\$46.777	\$48.763	(\$1.987)	\$49.753	(\$0.990)	\$50.971	(\$1.218)	\$52.159	(\$1.187)
Non-Labor:									
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-	-	-	-
Insurance	0.106	0.106	(0.000)	0.117	(0.011)	0.119	(0.002)	0.121	(0.002)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	-	0.032	(0.032)	0.033	(0.001)	0.034	(0.001)	0.035	(0.001)
Professional Service Contracts	4.814	13.077	(8.263)	21.760	(8.683)	25.713	(3.953)	25.834	(0.121)
Materials & Supplies	0.089	0.077	0.012	0.078	(0.001)	0.080	(0.002)	0.082	(0.002)
MTA Internal Subsidy	-	-	-	-	-	-	-	-	-
Other Business Expenses	0.086	0.089	(0.003)	0.091	(0.002)	0.093	(0.002)	0.095	(0.002)
Total Non-Labor Expenses	\$5.095	\$13.382	(\$8.287)	\$22.079	(\$8.697)	\$26.039	(\$3.960)	\$26.166	(\$0.127)
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	\$51.872	\$62.145	(\$10.273)	\$71.832	(\$9.687)	\$77.010	(\$5.178)	\$78.325	(\$1.314)
Depreciation	-	-	-	-	-	-	-	-	-
OPEB Obligation	-	-	-	-	-	-	-	-	-
Total Expenses	\$51.872	\$62.145	(\$10.273)	\$71.832	(\$9.687)	\$77.010	(\$5.178)	\$78.325	(\$1.314)
Baseline Net Surplus/(Deficit)	\$0.000	\$0.000	(\$0.000)	\$0.000	\$0.000	\$0.000	(\$0.001)	\$0.000	\$0.000
2009 Agency Program to Eliminate the Gap (PEGs)	-	-	-	-	-	-	-	-	-
Post 2009 Program to Eliminate the Gap	-	-	-	-	-	-	-	-	-
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	(\$0.001)	\$0.000	\$0.000

MTA HEADQUARTERS
November Financial Plan 2009 - 2012
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2008	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011
Revenue									
Farebox Revenue									
Vehicle Toll Revenue									
Other Operating Revenue									
Rental Income	\$47.494	\$48.702	\$1.207	\$49.612	\$0.911	\$50.719	\$1.106	\$51.835	\$1.116
Data Center Billings	-	-	-	-	-	-	-	-	-
Other	3.639	3.605	(0.034)	3.672	0.067	3.754	0.082	3.837	0.083
Capital and Other Reimbursements	51.872	62.145	10.273	71.832	9.687	77.010	5.178	78.325	1.314
Total Revenue	\$103.006	\$114.452	\$11.446	\$125.117	\$10.665	\$131.483	\$6.366	\$133.996	\$2.513
Expenses									
Labor:									
Payroll	\$132.750	\$130.453	\$2.297	\$134.199	(\$3.746)	\$137.790	(\$3.591)	\$140.813	(\$3.023)
Overtime	14.296	14.703	(0.407)	14.991	(0.288)	15.299	(0.308)	15.655	(0.356)
Health and Welfare	15.842	16.550	(0.708)	18.214	(1.664)	20.022	(1.808)	21.913	(1.891)
OPEB Current Payment	5.300	6.500	(1.200)	7.900	(1.400)	9.400	(1.500)	11.100	(1.700)
Pensions	15.189	17.461	(2.272)	19.128	(1.667)	20.875	(1.747)	22.467	(1.592)
Other Fringe Benefits	11.045	10.060	0.985	10.538	(0.477)	11.058	(0.520)	11.547	(0.489)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$194.422	\$195.727	(\$1.305)	\$204.970	(\$9.242)	\$214.445	(\$9.475)	\$223.495	(\$9.050)
Non-Labor:									
Traction and Propulsion Power	-	-	-	-	-	-	-	-	-
Fuel for Buses and Trains	-	-	-	-	-	-	-	-	-
Insurance	(6.764)	3.601	(10.365)	3.972	(0.371)	4.370	(0.399)	4.808	(0.438)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	29.067	41.778	(12.711)	42.718	(0.940)	43.416	(0.698)	44.121	(0.704)
Professional Service Contracts	42.875	61.243	(18.368)	68.289	(7.046)	73.290	(5.001)	74.468	(1.178)
Materials & Supplies	4.233	3.172	1.061	3.232	(0.059)	3.304	(0.072)	3.377	(0.073)
MTA Internal Subsidy	41.439	49.715	(8.276)	44.833	4.882	44.549	0.284	45.985	(1.436)
Other Business Expenses	49.256	46.893	2.364	42.712	4.181	43.709	(0.996)	44.567	(0.859)
Total Non-Labor Expenses	\$160.106	\$206.402	(\$46.296)	\$205.756	\$0.646	\$212.639	(\$6.883)	\$217.326	(\$4.687)
Other Expenses Adjustments:									
Other	-	-	-	-	-	-	-	-	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$354.528	\$402.129	(\$47.601)	\$410.725	(\$8.596)	\$427.084	(\$16.358)	\$440.821	(\$13.738)
Depreciation	\$26.144	\$31.071	(\$4.927)	\$28.210	\$2.861	\$25.588	\$2.622	\$20.800	\$4.788
OPEB Obligation	61.200	64.200	(3.000)	67.100	(2.900)	70.200	(3.100)	73.200	(3.000)
Total Expenses	\$441.872	\$497.400	(\$55.528)	\$506.035	(\$8.635)	\$522.872	(\$16.836)	\$534.821	(\$11.950)
Baseline Net Surplus/(Deficit)	(\$338.867)	(\$382.948)	(\$44.081)	(\$380.918)	\$2.030	(\$391.388)	(\$10.470)	(\$400.825)	(\$9.437)
2009 Agency Program to Eliminate the Gap (PEGs)	\$1.044	\$2.446	\$1.402	\$2.498	\$0.052	\$2.556	\$0.058	\$2.609	0.053
Post 2009 Program to Eliminate the Gap	-	-	-	2.162	2.162	4.431	2.269	6.707	2.276
Net Surplus/(Deficit)	(\$337.823)	(\$380.502)	(\$42.679)	(\$376.258)	\$4.244	(\$384.401)	(\$8.143)	(\$391.509)	(\$7.108)
Business Service Center - HQ Savings	\$0.000	\$1.458	1.458	\$1.501	0.044	\$10.130	8.629	\$10.809	0.679
Business Service Center Operating Expense	-	(17.942)	(17.942)	(\$19.817)	(1.875)	(\$57.636)	(37.819)	(\$43.409)	14.227

MTA HEADQUARTERS
November Financial Plan 2009 - 2012
Year-to-Year Changes by Category - Cash Basis
(\$ in millions)

CASH RECEIPTS & EXPENDITURES

	2008	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011
Receipts									
Farebox Revenue									
Vehicle Toll Revenue									
Other Operating Revenue									
Rental Income	\$47.494	\$48.702	\$1.207	\$49.612	\$0.911	\$50.719	\$1.106	\$51.835	\$1.116
Data Center Billings	-	-	-	-	-	-	-	-	-
Other	6.789	7.263	0.474	7.406	0.142	7.560	0.154	7.720	0.160
Capital and Other Reimbursements	50.376	62.145	11.769	71.832	9.687	77.010	5.178	78.325	1.314
Total Receipts	\$104.660	\$118.110	\$13.451	\$128.851	\$10.740	\$135.289	\$6.439	\$137.880	\$2.590
Expenditures									
Labor:									
Payroll	\$127.883	\$127.213	\$0.670	\$130.892	(\$3.680)	\$134.420	(\$3.527)	\$137.374	(\$2.954)
Overtime	14.296	14.703	(0.407)	14.991	(0.288)	15.299	(0.308)	15.655	(0.356)
Health and Welfare	13.662	15.555	(1.893)	17.177	(1.622)	18.948	(1.771)	20.818	(1.870)
OPEB Current Payment	5.300	6.500	(1.200)	7.900	(1.400)	9.400	(1.500)	11.100	(1.700)
Pensions	14.814	17.133	(2.318)	18.833	(1.700)	20.609	(1.776)	22.228	(1.619)
Other Fringe Benefits	11.179	10.011	1.169	10.486	(0.475)	11.003	(0.518)	11.490	(0.486)
GASB Account	0.939	0.995	(0.056)	1.036	(0.042)	1.074	(0.038)	1.095	(0.021)
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
Total Labor Expenditures	\$188.073	\$192.109	(\$4.036)	\$201.315	(\$9.206)	\$210.753	(\$9.438)	\$219.759	(\$9.006)
Non-Labor:									
Traction and Propulsion Power	-	-	-	-	-	-	-	-	-
Fuel for Buses and Trains	-	-	-	-	-	-	-	-	-
Insurance	3.253	3.474	(0.221)	3.832	(0.358)	4.217	(0.385)	4.639	(0.422)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	29.569	40.263	(10.694)	41.172	(0.909)	41.840	(0.668)	42.512	(0.672)
Professional Service Contracts	46.460	58.777	(12.317)	65.725	(6.948)	70.640	(4.915)	71.766	(1.126)
Materials & Supplies	4.281	3.016	1.266	3.071	(0.056)	3.140	(0.069)	3.209	(0.069)
MTA Internal Subsidy	41.439	49.715	(8.276)	44.833	4.882	44.549	0.284	45.985	(1.436)
Other Business Expenses	43.372	44.806	(1.434)	40.582	4.224	41.533	(0.952)	42.353	(0.820)
Total Non-Labor Expenditures	\$168.375	\$200.051	(\$31.676)	\$199.216	\$0.835	\$205.921	(\$6.704)	\$210.465	(\$4.545)
Other Expenditure Adjustments:									
Other	\$11.209	\$25.964	(\$14.755)	\$25.174	\$0.790	\$20.800	\$4.374	\$20.800	\$0.000
Business Service Center	(5.334)	-	(5.334)	-	-	-	-	-	-
Total Other Expenditure Adjustments	\$5.875	\$25.964	(\$20.089)	\$25.174	\$0.790	\$20.800	\$4.374	\$20.800	\$0.000
Total Expenditures	\$362.323	\$418.124	(\$55.801)	\$425.705	(\$7.581)	\$437.474	(\$11.769)	\$451.025	(\$13.551)
Baseline Net Cash Deficit	(\$257.664)	(\$300.014)	(\$42.350)	(\$296.855)	\$3.159	(\$302.185)	(\$5.330)	(\$313.145)	(\$10.960)
2009 Agency Program to Eliminate the Gap (PEGs)									
Post 2009 Program to Eliminate the Gap	\$1.044	\$2.446	\$1.402	\$2.498	\$0.052	\$2.556	\$0.058	\$2.609	\$0.053
	-	-	-	2.162	2.162	4.431	2.269	6.707	2.276
Net Cash Deficit	(\$256.620)	(\$297.568)	(\$40.948)	(\$292.195)	\$5.373	(\$295.198)	(\$3.003)	(\$303.829)	(\$8.632)
Business Service Center - HQ Savings									
Business Service Center - HQ Savings	-	1.458	1.458	1.501	0.044	10.130	8.629	10.809	0.679
Business Service Center Operating Expense	-	(17.942)	(17.942)	(19.817)	(1.875)	(57.636)	(37.819)	(43.409)	14.227

**MTA Headquarters
November Financial Plan 2009-2012
Summary of Major Plan-to-Plan Changes**

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

2008: November Financial Plan vs. July Financial Plan

The Baseline Cash Deficit in the 2008 November Forecast of \$257.664 million is a \$18.972 million decrease from the July Mid-Year Forecast of \$276.636 million. The decrease primarily reflects some advertising and other miscellaneous expenses transferred from 2008 to 2009, lower Support for Subsidiaries as well as a shift in Operating-Capital funding.

2009: November Financial Plan vs. July Financial Plan

The Baseline Cash Deficit in the 2009 Final Proposed Budget of \$300.014 million is a \$15.919 million increase from the 2009 Preliminary Budget of \$284.095 million. The increase primarily reflects some advertising and other miscellaneous expenses transferred from 2008 to 2009, higher Support for Subsidiaries as well as a shift in Operating-Capital funding.

2010, 2011, 2012: November Financial Plan vs. July Financial Plan

The Baseline Cash Deficit in the 2008 November Financial Plan of \$296.855 million in 2010 is a \$6.274 million increase from the July Plan of \$290.581 million. The Baseline Cash Deficit of \$302.185 million in 2011 is a \$0.056 million decrease from the July Plan of \$302.241 million. The Baseline Cash Deficit of \$313.145 million for 2012 is a \$0.549 million increase from the July Plan of \$312.596 million.

MTA HEADQUARTERS
November Financial Plan 2009 - 2012
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE

	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Operating Cash Income/(Deficit)	(\$279.768)	(\$300.325)	(\$310.492)	(\$320.050)	(\$330.974)
IESS Adjustment	3.132	16.230	19.911	17.809	18.378
Baseline 2008 Adjusted July Financial Plan - Operating Cash Income/(Deficit)	(\$276.636)	(\$284.095)	(\$290.581)	(\$302.241)	(\$312.596)
Baseline Changes					
Revenue					
Farebox Revenue					
Vehicle Toll Revenue					
Rental Income	(0.000)	0.449	0.371	0.522	0.614
Data Center Billings	-	-	-	-	-
Other	-	-	(0.006)	0.004	0.010
Capital and Other Reimbursement					
Total Revenue Changes	(\$0.000)	\$0.449	\$0.365	\$0.526	\$0.624
Expenses					
Labor:					
Labor:					
Payroll	(\$6.518)	(\$.079)	\$248	(\$0.051)	(\$0.272)
Overtime	(0.000)	-	-	(0.011)	(0.053)
Health and Welfare	(0.288)	0.216	0.249	0.179	0.103
OPEB Current Payment	-	-	-	-	-
Pensions	1.993	(0.008)	0.076	(0.025)	(0.117)
Other Fringe Benefits	(0.514)	0.026	0.066	0.013	(0.021)
Reimbursable Overhead	(3.549)	0.262	0.181	0.359	0.556
Total Labor Expense Changes	(\$8.877)	\$0.417	\$0.820	\$0.464	\$0.196
Non-Labor:					
Traction and Propulsion Power	-	-	-	-	-
Fuel for Buses and Trains	-	-	-	-	-
Insurance	1.014	-	(0.021)	(0.025)	(0.038)
Claims	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	2.902	(0.410)	(0.366)	(0.465)	(0.526)
Professional Service Contracts	9.579	(3.351)	(0.573)	0.043	(0.077)
Materials & Supplies	0.032	(0.012)	0.004	(0.004)	(0.006)
MTA Internal Subsidy	3.551	(2.725)	(2.058)	(0.314)	(0.476)
Other Business Expenses	5.050	(5.123)	(0.068)	(0.169)	(0.245)
Total Non-Labor Expense Changes	\$22.128	(\$11.621)	(\$3.084)	(\$934)	(\$1.368)
Total Expense Changes	\$13.251	(\$11.204)	(\$2.264)	(\$470)	(\$1.172)
Depreciation	\$3.893	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Obligation	(\$0.000)	\$0.000	\$0.000	\$0.000	\$0.000
Cash Adjustment Changes					
Revenue	(\$1.933)	\$0.000	\$0.000	\$0.000	\$0.000
Labor Expense	7.020	-	-	-	-
Non Labor Expense	(10.035)	-	-	-	-
Operating Capital	9.538	(5.164)	(4.374)	-	-
IESS	-	-	-	-	-
Business Service Center	1.131	-	-	-	-
Depreciation	(3.893)	-	-	-	-
OPEB	0.000	-	-	-	-
Total Cash Adjustment Changes	\$1.828	(\$5.164)	(\$4.374)	\$0.000	\$0.000
Total Baseline Changes	\$18.972	(\$15.918)	(\$6.273)	\$0.056	(\$0.548)
Baseline 2008 November Financial Plan - Operating Cash Income/(Deficit)	(\$257.664)	(\$300.013)	(\$296.854)	(\$302.185)	(\$313.144)

MTA HEADQUARTERS
November Financial Plan 2009 - 2012
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE

	2008	2009	2010	2011	2012
Baseline 2008 Adjusted July Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline Changes					
Revenue					
Farebox Revenue					
Vehicle Toll Revenue					
Rental Income					
Data Center Billings					
Other					
Capital and Other Reimbursement	(\$2.220)	\$9.300	\$17.077	\$21.091	\$21.196
Total Revenue Changes	(\$2.220)	\$9.300	\$17.077	\$21.091	\$21.196
Expenses					
Labor:					
Payroll	(\$0.052)	(\$0.230)	(\$0.232)	(\$0.186)	(\$0.100)
Overtime	(\$0.007)	\$0.000	\$0.000	\$0.000	\$0.000
Health and Welfare	\$0.053	(\$0.055)	(\$0.059)	(\$0.058)	(\$0.051)
OPEB Current Payment	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Pensions	(\$0.005)	(\$0.044)	(\$0.044)	(\$0.042)	(\$0.036)
Other Fringe Benefits	(\$0.037)	(\$0.038)	(\$0.027)	(\$0.025)	(\$0.019)
Reimbursable Overhead	\$3.549	(\$0.262)	(\$0.181)	(\$0.359)	(\$0.556)
Total Labor Expense Changes	\$3.502	(\$0.629)	(\$0.543)	(\$0.669)	(\$0.762)
Non-Labor:					
Traction and Propulsion Power	-	-	-	-	-
Fuel for Buses and Trains	-	-	-	-	-
Insurance	0.000	-	-	(0.000)	0.000
Claims	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	-	(0.024)	(0.024)	(0.023)	(0.024)
Professional Services	(1.282)	(8.584)	(16.450)	(20.339)	(20.350)
Materials & Supplies	(0.000)	(0.031)	(0.029)	(0.027)	(0.028)
MTA Internal Subsidy	-	-	-	-	-
Other Business Expenses	0.000	(0.033)	(0.032)	(0.032)	(0.033)
Total Non-Labor Expense Changes	(\$1.282)	(\$8.672)	(\$16.535)	(\$20.422)	(\$20.434)
Total Expense Changes	\$2.220	(\$9.301)	(\$17.077)	(\$21.091)	(\$21.196)
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	(\$0.002)
Baseline 2008 November Financial Plan - Operating Cash Income/(Deficit)	\$0.000	(\$0.000)	(\$0.000)	\$0.000	(\$0.002)

MTA HEADQUARTERS
November Financial Plan 2009 - 2012
Changes Between Financial Plans by Generic Categories
(\$ in millions)

**NON-REIMBURSABLE and
REIMBURSABLE**

	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Operating Cash Income/(Deficit)	(\$279.768)	(\$300.325)	(\$310.492)	(\$320.050)	(\$330.974)
IESS Adjustment	3.132	16.230	19.911	17.809	18.378
Baseline 2008 Adjusted July Financial Plan - Operating Cash Income/(Deficit)	(\$276.636)	(\$284.095)	(\$290.581)	(\$302.241)	(\$312.596)
Baseline Changes					
Revenue					
Farebox Revenue					
Vehicle Toll Revenue					
Rental Income	(0.000)	0.449	0.371	0.522	0.614
Data Center Billings	-	-	-	-	-
Other	-	-	(0.006)	0.004	0.010
Capital and Other Reimbursement	(\$2.220)	\$9.300	\$17.077	\$21.091	\$21.196
Total Revenue Changes	(\$2.220)	\$9.750	\$17.441	\$21.617	\$21.820
Expenses					
Labor:					
Payroll	(\$6.570)	(\$.309)	\$0.16	(\$.237)	(\$.373)
Overtime	(0.007)	-	-	(0.011)	(0.053)
Health and Welfare	(0.235)	0.161	0.190	0.121	0.052
OPEB Current Payment	-	-	-	-	-
Pensions	1.988	(0.052)	0.032	(0.067)	(0.152)
Other Fringe Benefits	(0.551)	(0.012)	0.039	(0.011)	(0.040)
Reimbursable Overhead	-	-	-	-	-
Total Labor Expense Changes	(\$5.375)	(\$.212)	\$0.277	(\$.206)	(\$.566)
Non-Labor:					
Traction and Propulsion Power	-	-	-	-	-
Fuel for Buses and Trains	-	-	-	-	-
Insurance	1.014	-	(0.021)	(0.025)	(0.037)
Claims	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	2.902	(0.435)	(0.390)	(0.488)	(0.549)
Professional Services	8.297	(11.934)	(17.023)	(20.296)	(20.427)
Materials & Supplies	0.032	(0.042)	(0.025)	(0.031)	(0.034)
MTA Internal Subsidy	3.551	(2.725)	(2.058)	(0.314)	(0.476)
Other Business Expenses	5.050	(5.157)	(0.100)	(0.202)	(0.278)
Total Non-Labor Expense Changes	\$20.847	(\$20.293)	(\$19.618)	(\$21.356)	(\$21.803)
Total Expense Changes	\$15.472	(\$20.505)	(\$19.341)	(\$21.562)	(\$22.369)
Depreciation	\$3.893	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Obligation	(0.000)	-	-	-	-
Cash Adjustment Changes					
Revenue	(\$1.933)	\$0.000	\$0.000	\$0.000	\$0.000
Labor Expense	7.020	-	-	-	-
Non Labor Expense	(10.035)	-	-	-	-
Operating Capital	9.538	(5.164)	(4.374)	-	-
IESS	-	-	-	-	-
Business Service Center	1.131	-	-	-	-
Depreciation	(3.893)	-	-	-	-
OPEB	0.000	-	-	-	-
Total Cash Adjustment Changes	\$1.828	(\$5.164)	(\$4.374)	\$0.000	\$0.000
Total Baseline Changes	\$18.972	(\$15.919)	(\$6.274)	\$0.056	(\$0.549)
Baseline 2008 November Financial Plan - Operating Cash Income/(Deficit)	(\$257.663)	(\$300.014)	(\$296.855)	(\$302.185)	(\$313.145)

MTA HEADQUARTERS
November Financial Plan 2009 - 2012
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Operating Cash Income/(Deficit)	(\$279.768)	(\$300.325)	(\$310.492)	(\$320.050)	(\$330.974)
IESS Adjustment	3.132	16.230	19.911	17.809	18.378
Baseline 2008 July Financial Plan - Operating Cash Income/(Deficit)	(\$276.636)	(\$284.095)	(\$290.581)	(\$302.241)	(\$312.596)
Non-Reimbursable Major Changes					
Revenue					
Effect of Inflation on Rental Incomes	(0.000)	0.449	0.371	0.522	0.614
Effect of Inflation on Other Revenue	0.000	0.034	0.028	0.039	0.046
Sub-Total Non-Reimbursable Revenue Changes	(\$.000)	\$.483	\$.399	\$.561	\$.660
Expenses					
Higher than Forecasted Accrual for MTA PD Retro payment	(\$2.906)	\$0.000	\$0.000	\$0.000	\$0.000
Change in Accrued Pension Costs	1.993	(0.008)	0.076	(0.025)	(0.117)
Change in Health and Welfare expense assumptions	(0.288)	0.216	0.249	0.179	0.103
Effect of Inflation on Expenses	0.000	(1.160)	(0.926)	(0.124)	(1.581)
Change in Depreciation	3.893	0.000	0.000	0.000	0.000
Change in Support for Subsidiaries	3.551	(2.725)	(2.058)	(0.314)	(0.476)
Insurance Expense re-estimate	1.014	0.000	(0.021)	(0.025)	(0.038)
Shift in Professional Services Expenditures	3.000	(3.000)	0.000	0.000	0.000
Shift in MTA Image Campaign Funding	4.850	(4.850)	0.000	0.000	0.000
Shift in MTA Sustainability Commission Funding	0.111	(0.111)	0.000	0.000	0.000
Lower Spending	3.276	0.000	0.000	0.000	0.000
All Other	-	0.401	0.382	(0.196)	0.898
Sub-Total Non-Reimbursable Expense Changes	\$18.494	(\$11.238)	(\$2.298)	(\$.506)	(\$1.210)
Total Non-Reimbursable Major Changes	\$18.494	(\$10.754)	(\$1.899)	\$.055	(\$.550)
Reimbursable Major Changes					
Revenue					
Change in Expense Recovery Levels	(3.569)	0.459	0.379	0.533	0.627
Reimbursement of West Side Yard Development Costs	\$1.349	8.841	16.698	20.558	20.568
Sub-Total Reimbursable Revenue Changes	(\$2.220)	\$9.300	\$17.077	\$21.091	\$21.196
Expenses					
West Side Yard Development Costs	(\$1.349)	(\$8.841)	(\$16.698)	(\$20.558)	(\$20.568)
Effect of Inflationary Changes on Non-Represented Wage Adjustments	(0.052)	(0.230)	(0.232)	(0.186)	(0.100)
Change in Fringe Benefit Assumptions	0.012	(0.136)	(0.130)	(0.125)	(0.105)
Change in Reimbursable Overhead Amounts	3.549	(0.262)	(0.181)	(0.359)	(0.556)
Other Non-Labor Adjustments	(1.289)	0.169	0.163	0.136	0.134
Sub-Total Reimbursable Expense Changes	0.871	(9.301)	(17.077)	(21.091)	(21.195)
Total Reimbursable Major Changes	(\$1.349)	(\$.000)	(\$.000)	\$.000	\$.000
Total Accrual Changes	\$17.145	(\$10.755)	(\$1.900)	\$0.055	(\$0.550)
Cash Adjustment Changes	\$1.828	(\$5.164)	(\$4.374)	\$0.000	\$0.000
Total Cash Adjustment Changes	\$1.828	(\$5.164)	(\$4.374)	\$0.000	\$0.000
Total Baseline Changes	\$18.973	(\$15.919)	(\$6.274)	\$0.055	(\$0.550)
Baseline 2008 November Financial Plan - Operating Cash Income/(Deficit)	(\$257.663)	(\$300.014)	(\$296.855)	(\$302.185)	(\$313.145)

MTA HEADQUARTERS
November Plan 2009 - 2012
Summary of 2009 Program to Eliminate the Gap(PEGs)
(\$ in millions)

		2008		2009		2010		2011		2012	
		<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											
Reduce Police Administrative Costs		0	0.200	0	0.455	0	0.464	0	0.473	0	0.483
Reduced Internal Administrative Expenses		0	0.152	0	0.484	0	0.481	0	0.490	0	0.499
Reduced Reliance on Outside Professional Service		0	0.692	0	0.868	0	0.884	0	0.899	0	0.915
Sub-Total	Administration	0	\$ 1.044	0	\$ 1.807	0	\$ 1.829	0	\$ 1.862	0	\$ 1.897
Security											
Reduced Police Directed Overtime		0	0.000	0	0.639	0	0.669	0	0.695	0	0.712
Sub-Total	Security	0	\$ 0.000	0	\$ 0.639	0	\$ 0.669	0	\$ 0.695	0	\$ 0.712
Total Programs		0	\$ 1.044	0	\$ 2.446	0	\$ 2.498	0	\$ 2.557	0	\$ 2.609

MTA HEADQUARTERS
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	MTAHQ	Financial Plan Category	PEG	Implementation Date	8/1/2008
Budget Reference	FINAL08	Category	Administration	Savings Date	8/1/2008
PEG / New Need ID	0000000021	Current Budget Year	2008	Status	Open
Program:	Reduce Police Administrative Costs			Agency Status	Pending
Description and Implementation Pla	REDUCE POLICE ADMINISTRATIVE COSTS				
Background Details	MTA Police have been able to find areas where cost reductions can be taken. The PEG savings begin in 2008 with a one time lower than required equipment purchase for the Emergency Service Unit. Beginning in 2009, reductions have been taken in the PD's usage of professional service and required rental and maintenance fees.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	MTAHQ	0000000021	FINAL08	\$ 0.200	\$ 0.455	\$ 0.464	\$ 0.473	\$ 0.483

MTA HEADQUARTERS
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	MTAHQ	Financial Plan Category	PEG	Implementation Date	8/1/2008
Budget Reference	FINAL08	Category	Administration	Savings Date	8/1/2008
PEG / New Need ID	0000000023	Current Budget Year	2008	Status	Open
Program:	Reduced Internal Administrative Expenses			Agency Status	Pending
Description and Implementation Pla	REDUCED INTERNAL ADMINISTRATIVE EXPENSES				
Background Details	MTA Headquarters has found savings opportunities by reducing administrative expenses by finding efficiencies and removing redundant or unnecessary spending. These savings begin in 2009 primarily from delays in hiring to fill vacancies and reduced supply expenses. Beginning in 2009, employee related expenses, including meeting, seminar training and employee tuition re-reimbursement cost, along with lower maintenances expenses make up the majority of the continuing savings.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	MTAHQ	0000000023	FINAL08	\$ 0.152	\$ 0.484	\$ 0.481	\$ 0.490	\$ 0.499

MTA HEADQUARTERS
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	MTAHQ	Financial Plan Category	PEG	Implementation Date	8/1/2008
Budget Reference	FINAL08	Category	Administration	Savings Date	8/1/2008
PEG / New Need ID	0000000022	Current Budget Year	2008	Status	Open
Program:	Reduced Reliance on Outside Professional Service			Agency Status	Pending
Description and Implementation Pla	REDUCED RELIANCE ON OUTSIDE PROFESSIONAL SERVICE				
Background Details	MTA Headquarters has found savings opportunities by reducing reliance on the use of outside services. These savings begin in 2008, primarily from reduced expenses relating to the MTA's e-mail alert system project. Beginning in 2009, reduced usage of consulting, advertising, real estate services and audit services provide the bulk of the savings in the PEG. Additional savings come from reduced usage of engineering consultants, research studies and legal services.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	MTAHQ	0000000022	FINAL08	\$ 0.692	\$ 0.868	\$ 0.884	\$ 0.899	\$ 0.915

MTA HEADQUARTERS
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	MTAHQ	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Security	Savings Date	1/1/2009
PEG / New Need ID	0000000020	Current Budget Year	2008	Status	Open
Program:	Reduced Police Directed Overtime			Agency Status	Pending
Description and Implementation Pla	REDUCED POLICE DIRECTED OVERTIME				
Background Details	At the order of the MTA Executive Director, the MTA Police instituted an aggressive and highly visible program of patrol in March 2007. Within the past year, the MTA Police have been able to find efficiencies in deploying officers and will be able to reduce the amount of Overtime Salary and related fringe expenses.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	MTAHQ	0000000020	FINAL08	\$ 0.000	\$ 0.639	\$ 0.669	\$ 0.695	\$ 0.712

MTA HEADQUARTERS
November Plan 2009 - 2012
Summary of Post 2009 PEGs
(\$ in millions)

		2008		2009		2010		2011		2012	
		<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>
Other											
Unspecified		0	0.000	0	0.000	0	2.162	0	4.431	0	6.707
Sub-Total	Other	<u>0</u>	<u>\$ 0.000</u>	<u>0</u>	<u>\$ 0.000</u>	<u>0</u>	<u>\$ 2.162</u>	<u>0</u>	<u>\$ 4.431</u>	<u>0</u>	<u>\$ 6.707</u>
Total Programs		<u>0</u>	<u>\$ 0.000</u>	<u>0</u>	<u>\$ 0.000</u>	<u>0</u>	<u>\$ 2.162</u>	<u>0</u>	<u>\$ 4.431</u>	<u>0</u>	<u>\$ 6.707</u>

MTA HEADQUARTERS
November Plan 2009 - 2012
Summary of Post PEGs Worksheet
(\$ in millions)

Business Unit	MTAHQ	Financial Plan Category	Post PEG	Implementation Date	7/1/2008
Budget Reference	FINAL08	Category	Other	Savings Date	1/1/2010
PEG / New Need ID	0000000024	Current Budget Year	2008	Status	Open
Program:	Unspecified			Agency Status	Pending
Description and Implementation Pla	Unspecified				
Background Details	Unspecified				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	MTAHQ	0000000024	FINAL08	\$ 0.000	\$ 0.000	\$ 2.162	\$ 4.431	\$ 6.707

**MTA Headquarters
November Financial Plan 2009-2012
Other Assumptions**

Position Table

A baseline headcount of 1,489 positions is forecasted for 2008, unchanged from the Mid-Year Forecast including IESS dedicated positions. The level of employees will increase to 1,494 in 2009 and 1,497 in 2010, 1,499 in 2011, and 1,500 in 2012. These increases are all reimbursable from the benefiting agencies and programs.

MTA HEADQUARTERS
November Financial Plan 2009-2012
Non-Reimbursable - Reimbursable Positions by Function and Department
Full-Time Positions and Full-Time Equivalents

FUNCTION/DEPARTMENT	2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Administration						
Executive	10	11	11	11	11	11
Administration	218	241	241	241	241	241
Audit	88	98	98	98	98	98
Chief Financial Officer	91	105	105	105	105	105
Corporate and Community Affairs	47	52	52	52	52	52
Policy and Media Relations	9	12	11	11	11	11
General Counsel	93	103	103	103	103	103
Chief of Staff/Senior Policy Advisor	36	52	58	61	63	64
Spec. Project Develop/Planning	9	10	10	10	10	10
Labor Relations	3	5	5	5	5	5
PCAC	4	5	5	5	5	5
Vending Fare Media	6	6	6	6	6	6
Corporate Account	2	5	5	5	5	5
Total Administration	616	705	710	713	715	716
Public Safety	731	784	784	784	784	784
Baseline Total Positions	1,347	1,489	1,494	1,497	1,499	1,500
<i>Non-Reimbursable</i>	1,324	1,445	1,446	1,446	1,446	1,446
<i>Reimbursable</i>	23	44	48	51	53	54
<i>Full-Time</i>	1,347	1,489	1,494	1,497	1,499	1,500
<i>Full-Time Equivalents</i>	-	-	-	-	-	-
<hr/>						
Impact of:						
2009 Program to Eliminate the Gap (PEGs)	0	0	0	0	0	0
Post-2009 Program to Eliminate the Gap (PEGs)	0	0	0	0	0	0
Total Positions	1,347	1,489	1,494	1,497	1,499	1,500
<i>Non-Reimbursable</i>	1,324	1,445	1,446	1,446	1,446	1,446
<i>Reimbursable</i>	23	44	48	51	53	54
<i>Total Full-Time</i>	1,347	1,489	1,494	1,497	1,499	1,500
<i>Total Full-Time Equivalents</i>	-	-	-	-	-	-
Policy Action - Business Service Center - HQ	0	(9)	(9)	(9)	(72)	(72)
Policy Action - Business Service Center	0	55	100	100	413	371

MTA HEADQUARTERS
November Financial Plan 2009-2012
Total Full-time Positions and Full-time Equivalents by Function and Occupational Group

FUNCTION/OCCUPATIONAL GROUP		2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Administration	Managers/Supervisors	379	416	415	415	415	415
	Professional, Technical, Clerical	237	289	295	298	300	301
	Operational Hourlies						
	Total Administration	616	705	710	713	715	716
Operations	Managers/Supervisors						
	Professional, Technical, Clerical						
	Operational Hourlies						
	Total Operations	-	-	-	-	-	-
Maintenance	Managers/Supervisors						
	Professional, Technical, Clerical						
	Operational Hourlies						
	Total Maintenance	-	-	-	-	-	-
Engineering/Capital	Managers/Supervisors						
	Professional, Technical, Clerical						
	Operational Hourlies						
	Total Engineering/Capital	-	-	-	-	-	-
Public Safety	Managers/Supervisors	34	35	35	35	35	35
	Professional, Technical, Clerical	52	81	81	81	81	81
	Operational Hourlies (Uniformed)	645	668	668	668	668	668
	Total Public Safety	731	784	784	784	784	784
Total Baseline Positions	Managers/Supervisors	413	451	450	450	450	450
	Professional, Technical, Clerical	289	370	376	379	381	382
	Operational Hourlies	645	668	668	668	668	668
	Total Baseline Positions	1,347	1,489	1,494	1,497	1,499	1,500
Impact of:							
2009 Program to Eliminate the Gap		-	-	-	-	-	-
Post 2009 Program to Eliminate the Gap		-	-	-	-	-	-
Total Positions	Managers/Supervisors	413	451	450	450	450	450
	Professional, Technical, Clerical	289	370	376	379	381	382
	Operational Hourlies	645	668	668	668	668	668
	Total Baseline Positions	1,347	1,489	1,494	1,497	1,499	1,500

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**Inspector General
2009 Final Proposed Budget
November Financial Plan 2009 - 2012**

MISSION STATEMENT

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

FINANCIAL OVERVIEW

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

2008 November Forecast

The 2008 November Forecast remains virtually unchanged from the 2008 Mid-Year Forecast and reflects updated inflationary growth according to the guidelines and assumption used by MTA Headquarters.

2009 Final Proposed Budget – Baseline

The 2009 Final Proposed Budget remains virtually unchanged from the 2009 Preliminary Budget and reflects updated inflationary growth according to the guidelines and assumptions used by MTA Headquarters. The 2009 Final Proposed Budget is lower than the 2008 November Forecast primarily due to maintenance and other operating contracts returning to historic budget levels.

2010-2012 Projections

The budget for the Office of Inspector General for the years 2010-2012 maintains the base funding from the previous year and provides inflationary growth according to the guidelines and assumptions used by MTA Headquarters.

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MTA Inspector General
November Financial Plan 2009 - 2012
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

REIMBURSABLE

	Favorable/(Unfavorable)								
	2008	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011-2010	2012	Change 2012 - 2011
Revenue									
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-	-	-	-
Capital and Other Reimbursements	17.338	13.837	(3.501)	14.199	0.362	14.571	0.372	14.970	0.399
Total Revenue	\$17.338	\$13.837	(\$3.501)	\$14.199	\$0.362	\$14.571	\$0.372	\$14.970	\$0.399
Expenses									
Labor:									
Payroll	\$7.472	\$7.696	(\$0.224)	\$7.854	(\$0.158)	\$8.006	(\$0.152)	\$8.170	(\$0.164)
Overtime	-	-	-	-	-	-	-	-	-
Health and Welfare	0.860	1.016	(0.156)	1.105	(0.089)	1.199	(0.094)	1.303	-0.104
Pensions	0.671	0.728	(0.057)	0.758	(0.030)	0.788	(0.030)	0.820	-0.032
Other Fringe Benefits	0.570	0.596	(0.026)	0.621	(0.025)	0.645	(0.024)	0.671	-0.026
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
Total Labor Expenses	\$9.573	\$10.036	(\$0.463)	\$10.338	(\$0.302)	\$10.638	(\$0.300)	\$10.964	(\$0.326)
Non-Labor:									
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-	-	-	-
Insurance	0.016	0.016	-	0.018	(0.002)	0.019	(0.001)	0.021	(0.002)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other									
Operating Contracts	4.091	0.299	3.792	0.305	(0.006)	0.312	(0.007)	0.319	(0.007)
Professional Service Contracts	0.266	0.014	0.252	0.014	-	0.015	(0.001)	0.015	-
Materials & Supplies	0.116	0.120	(0.004)	0.122	(0.002)	0.125	(0.003)	0.127	(0.002)
MTA Internal Subsidy	-	-	-	-	-	-	-	-	-
Other Business Expenses	2.691	2.767	(0.076)	2.817	(0.050)	2.877	(0.060)	2.939	(0.062)
Total Non-Labor Expenses	\$7.180	\$3.216	\$3.964	\$3.276	(\$0.060)	\$3.348	(\$0.072)	\$3.421	(\$0.073)
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	\$16.753	\$13.252	\$3.501	\$13.614	(\$0.362)	\$13.986	(\$0.372)	\$14.385	(\$0.399)
Depreciation	0.585	0.585	-	0.585	-	0.585	-	0.585	-
Total Expenses	\$17.338	\$13.837	\$3.501	\$14.199	(\$0.362)	\$14.571	(\$0.372)	\$14.970	(\$0.399)
Baseline Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	(\$0.000)	\$0.000	\$0.000	\$0.000	(\$0.000)
2009 Program to Eliminate the Gap	-	-	-	-	-	-	-	-	-
Post 2009 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)

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MTA INSPECTOR GENERAL
November Financial Plan 2009 - 2012
Summary of Changes Between Financial Plans by Category
(\$ in millions)

REIMBURSABLE

	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline Changes					
Revenue:					
Capital and Other Reimbursements	(\$0.003)	\$0.028	\$0.025	\$0.031	\$0.038
Total Revenue Changes	\$ (0.003)	\$ 0.028	\$ 0.025	\$ 0.031	\$ 0.038
Expenses:					
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	-	-	-	-	-
Health and Welfare	0.000	0.000	0.000	0.000	0.000
Pensions	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	-	-	-	-	-
Total Labor Expenses	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Insurance	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Claims	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other					
Operating Contracts	0.000	(0.002)	(0.003)	(0.003)	(0.004)
Professional Service Contracts	0.000	(0.002)	(0.002)	(0.002)	(0.002)
Materials & Supplies	0.000	(0.001)	(0.001)	(0.001)	0.000
Other Business Expenses	0.000	(0.026)	(0.022)	(0.028)	(0.035)
Total Non-Labor Expenses	\$0.000	(\$0.031)	(\$0.028)	(\$0.034)	(\$0.041)
Total Expense Changes	\$ 0.000	\$ (0.031)	\$ (0.028)	\$ (0.034)	\$ (0.041)
Depreciation	\$0.003	\$0.003	\$0.003	\$0.003	\$0.003
Cash Adjustments:					
Sub-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
2008 November Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA OFFICE OF THE INSPECTOR GENERAL
November Financial Plan 2009 - 2012
Total Non-Reimbursable - Reimbursable Positions at End-of-Year
Full-Time Positions and Full Time Equivalents

FUNCTION/DEPARTMENT	2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Administration						
<i>Office of Inspector General</i>	75	91	91	91	91	91
<i>Total Administration</i>	75	91	91	91	91	91
<i>Baseline Total Positions</i>	75	91	91	91	91	91
<i>Non-Reimbursable</i>	-	-	-	-	-	-
<i>Reimbursable</i>	75	91	91	91	91	91
<i>Total Full-Time</i>	75	91	91	91	91	91
<i>Total Full-Time-Equivalents</i>	-	-	-	-	-	-
Impact of:						
2009 Program to Eliminate	-	-	-	-	-	-
Post 2009 Program to Eliminate	-	-	-	-	-	-
<i>Total Positions</i>	75	91	91	91	91	91
<i>Non-Reimbursable</i>	-	-	-	-	-	-
<i>Reimbursable</i>	75	91	91	91	91	91
<i>Total Full-Time</i>	75	91	91	91	91	91
<i>Total Full-Time-Equivalents</i>	-	-	-	-	-	-

**First Mutual Transportation Assurance Co.
(FMTAC)**

MTA First Mutual Transportation Assurance Company
2009 Final Proposed Budget
November Financial Plan 2009 - 2012

Mission Statement

The mission of the First Mutual Transportation Assurance Company (FMTAC) is to engage in the business of acting as a pure captive insurance company under Section 7005, Article 70 of the Insurance Law and Section 1266 subdivision 5 of the Public Authorities Law of the State of New York. FMTAC's mission is to continue, develop, and improve the insurance and risk management needs as required by the MTA. FMTAC was established to maximize the flexibility and effectiveness of the MTA's insurance program.

FINANCIAL OVERVIEW

FMTAC continues to utilize dedicated resources to efficiently address the challenges related to insurance and risk management for the MTA. It is the goal of FMTAC to maximize the efficiency and flexibility of the insurance programs while minimizing costs to the MTA and its subsidiaries. FMTAC continues to draw from the expertise and support services available in other MTA agencies and outside service providers to support risk management. This is reflected in the current budget proposal.

For all years, on a cash basis, FMTAC generates a net cash deficit of zero, which is the true cash impact of FMTAC on MTA cash balances. FMTAC cash reserves are separate and distinct from MTA and are necessary to maintain the appropriate capital and reserve levels pursuant to the State of New York Insurance guidelines.

Costs for FMTAC are comprised of insurance premiums (credit to Insurance expenses), Claims expenses, and Other Business Expenses. Insurance revenues result in an offset to expenses.

2008 November Forecast

In the 2008 November Forecast, a total of \$0.442 million is projected in Net Deficit compared to a Net Surplus of \$17.492 million in the 2008 Mid-Year Forecast. This consists of a decrease of \$14.168 million in revenue, a result of declining investment yield, and an increase in expense of \$3.766 million, which was partially offset by a favorable development in Insurance expense. Total Revenue is based on actual results through August 2008 on an annualized basis. Insurance is based on 2008 actual results through August 2008 on an annualized basis. Claims are based on actuarial analysis of claims activity on a estimated basis. Other Business Expenses are based on actual results through August 2008 on an annualized basis.

2009 Final Proposed Budget

In the 2009 Final Proposed Budget a total of \$1.965 million is projected in Net Deficit compared to a Net Surplus of \$16.157 million in the 2009 Preliminary Budget. This consists of a decrease of \$14.407 million in revenues as well as increase in expenses of \$3.715 million.

2010 – 2012 Projections

2010 – 2012 Projections are representative of 2008 projections with market increases. Other Operating Revenue is estimated to increase over 2008 projections at a rate equal to the CPI. Insurance is estimated to increase over 2008 estimates at a rate of 5% each year. Claims are based on actuarial analysis of projected claims activity and adjustments. Other Business Expenses are estimated to increase over 2008 at a rate of 2% each year.

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
November Financial Plan 2009-2012
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE						
	2007	2008	2009			
	Actual	November Forecast	Final Proposed Budget	2010	2011	2012
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	16.756	22.403	23.062	23.493	24.017	24.545
Investment Income	2.699	(17.891)	(18.417)	(18.761)	(19.179)	(19.601)
Capital and Other Reimbursements	-	-	-	-	-	-
Total Revenue	\$19.455	\$4.512	\$4.645	\$4.732	\$4.838	\$4.944
Operating Expenses						
<u>Labor:</u>						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-
Pensions	-	-	-	-	-	-
Other Fringe Benefits	-	-	-	-	-	-
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenses	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	(48.043)	(51.542)	(54.119)	(56.825)	(59.666)	(62.649)
Claims	48.548	40.191	44.098	48.625	54.205	55.290
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	-	-	-	-	-	-
Professional Service Contracts	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-
Other Business Expenses	8.383	16.305	16.631	16.964	17.303	17.649
Total Non-Labor Expenses	\$8.888	\$4.954	\$6.610	\$8.764	\$11.842	\$10.290
<u>Other Expenses Adjustments:</u>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$8.888	\$4.954	\$6.610	\$8.764	\$11.842	\$10.290
Depreciation	-	-	-	-	-	-
Total Expenses	\$8.888	\$4.954	\$6.610	\$8.764	\$11.842	\$10.290
Baseline Surplus/(Deficit)	\$10.567	(\$0.442)	(\$1.965)	(\$4.032)	(\$7.004)	(\$5.346)

CASH RECEIPTS AND EXPENDITURES

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MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
November Financial Plan 2009-2012
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2007	2008	2009			
	Actual	November Forecast	Final Proposed Budget	2010	2011	2012
Receipts						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Investment Income	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	-	-	-	-	-	-
Total Receipts	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Expenditures						
<u>Labor:</u>						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-
Pensions	-	-	-	-	-	-
Other Fringe Benefits	-	-	-	-	-	-
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	1.914	2.100	2.316	2.581	2.633
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	-	-	-	-	-	-
Professional Service Contracts	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-
Other Business Expenditures	-	-	-	-	-	-
Total Non-Labor Expenditures	\$0.000	\$1.914	\$2.100	\$2.316	\$2.581	\$2.633
<u>Other Expenditures Adjustments:</u>						
Other	(\$10.567)	(\$1.472)	(\$0.135)	\$1.716	\$4.423	\$2.713
Total Other Expenditures Adjustments	(\$10.567)	(\$1.472)	(\$0.135)	\$1.716	\$4.423	\$2.713
Total Cash Conversion Adjustments before Depreciation	(\$10.567)	\$0.442	\$1.965	\$4.032	\$7.004	\$5.346
Depreciation Adjustment	-	-	-	-	-	-
Total Cash Conversion Adjustments	(\$10.567)	\$0.442	\$1.965	\$4.032	\$7.004	\$5.346

MTA First Mutual Transportation Assurance Company
November Financial Plan 2009 - 2012
Year-to-Year Changes by Category 2008 - 2012
Non-Reimbursable

Revenue

Investment Income

- Investment income is derived through FMTAC based on the investments held with Dwight Asset Management.
- Investment income is projected based on the All Urban Consumer CPI inflation rates as provided in the Economic & Demographic Forecasts September 2008.

Expenses

Insurance

- Insurance (premiums) is based on increases in the market as well as increases in the claims expenses and reserve adjustments.
- Insurance Premiums are estimated to increase 5% each year for 2009 - 2012

Claims

- Claims expenses are determined by actuarial projection for 2008 - 2012 of the actual claims expense paid and any adjustments either favorable or unfavorable to reserves.

Other Business Expenses

- Costs increase 2% for 2009 through 2012 and are representative of general increases for the services provided and expenses not directly related to claims.

First Mutual Transportation Assurance Company
November Financial Plan 2009 - 2012
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE

	Favorable/(Unfavorable)								
	2008	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011
Revenue									
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-	-	-	-
Investment Income	(17.891)	(18.417)	(0.526)	(18.761)	(0.344)	(19.179)	(0.418)	(19.601)	(0.422)
Other Operating Revenue	22.403	23.062	0.659	23.493	0.431	24.017	0.524	24.545	0.528
Capital and Other Reimbursements	-	-	-	-	-	-	-	-	-
Total Revenue	\$4.512	\$4.645	\$0.133	\$4.732	\$0.087	\$4.838	\$0.106	\$4.944	\$0.106
Expenses									
Labor:									
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	-	-	-	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-	-	-	-
OPEB Current Payment	-	-	-	-	-	-	-	-	-
Pensions	-	-	-	-	-	-	-	-	-
Other Fringe Benefits	-	-	-	-	-	-	-	-	-
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
Total Labor Expenses	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Non-Labor:									
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-	-	-	-
Insurance	(51.542)	(54.119)	2.577	(56.825)	2.706	(59.666)	2.841	(62.649)	2.983
Claims	40.191	44.098	(3.907)	48.625	(4.527)	54.205	(5.580)	55.290	(1.085)
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	-	-	-	-	-	-	-	-	-
Professional Service Contracts	-	-	-	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-	-	-	-
Other Business Expenses	16.305	16.631	(0.326)	16.964	(0.333)	17.303	(0.339)	17.649	(0.346)
Total Non-Labor Expenses	\$4.954	\$6.610	(\$1.656)	\$8.764	(\$2.154)	\$11.842	(\$3.078)	\$10.290	\$1.552
Other Expenses Adjustments:									
Other	-	-	-	-	-	-	-	-	-
Total Other Expense Adjustments	-	-	-	-	-	-	-	-	-
Total Expenses before Depreciation and GASB Adjs.	\$4.954	\$6.610	(\$1.656)	\$8.764	(\$2.154)	\$11.842	(\$3.078)	\$10.290	\$1.552
Depreciation	-	-	-	-	-	-	-	-	-
OPEB Obligation	-	-	-	-	-	-	-	-	-
Environmental Remediation	-	-	-	-	-	-	-	-	-
Total Expenses	\$4.954	\$6.610	(\$1.656)	\$8.764	(\$2.154)	\$11.842	(\$3.078)	\$10.290	\$1.552
Baseline Net Surplus/(Deficit)	(\$0.442)	(\$1.965)	(\$1.523)	(\$4.032)	(\$2.067)	(\$7.004)	(\$2.972)	(\$5.346)	\$1.658
2009 Agency Program to Eliminate the Gap (PEGs)	-	-	-	-	-	-	-	-	-
Post - 2009 Agency Program to Eliminate the Gap (PEGs)	-	-	-	-	-	-	-	-	-
Total PEGs	-	-	-	-	-	-	-	-	-
Net Surplus/(Deficit)	(\$0.442)	(\$1.965)	(\$1.523)	(\$4.032)	(\$2.067)	(\$7.004)	(\$2.972)	(\$5.346)	\$1.658

First Mutual Transportation Assurance Company
November Financial Plan 2009 - 2012
Year-to-Year Changes by Category - Cash Basis
(\$ in millions)

CASH RECEIPTS & EXPENDITURES

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MTA First Mutual Transportation Assurance Company
November Financial Plan 2009-2012
Summary of Changes Between Financial Plans 2008 - 2012
Non-Reimbursable

2008 - 2012: November Financial Plan vs. July Financial Plan

Revenue

Revenue changes from the July Plan over the 2008 to 2012 period include:

- An unfavorable development in the 2008 baseline estimate due to incurred losses in investments resulting from reduced yield/longer duration assets. Unfavorable developments in years 2009 – 2012 are anticipated to continue unless there is a change to future yields.

Expense

Expense changes from the July Plan over the 2008 to 2012 period include:

- An increase in Insurance 2008 baseline estimates due to increased premiums charged on renewals incurred during the period because of increased coverage. The 2009-2012 results remain favorable due to the application of a 5% inflationary rate.
- Claims expense did not change due to the same ultimate loss projections as in July 2008. Ultimate loss projections are updated for the September 30th results and December 31st results by the actuaries.
- An increase in Other Business Expense due to updated estimates based on actual results through August 2008. An inflationary rate of 2% is applied to Other Business Expense for years 2009-2012.

First Mutual Transportation Assurance Company
November Financial Plan 2009 - 2012
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE					
	2008	2009	2010	2011	2012
Baseline 2008 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					
Investment Income	(19.891)	(20.457)	(20.843)	(21.301)	(21.766)
Other Operating Revenue	5.723	6.050	6.132	6.319	6.486
Capital and Other Reimbursement					
Total Revenue Changes	(\$14.168)	(\$14.407)	(\$14.711)	(\$14.982)	(\$15.280)
Expenses					
<i>Labor:</i>					
Payroll					
Health and Welfare					
OPEB Current Payment					
Pensions					
Other Fringe Benefits					
Reimbursable Overhead					
Total Labor Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<i>Non-Labor:</i>					
Traction and Propulsion Power					
Fuel for Buses and Trains					
Insurance	\$4.202	\$4.412	\$4.633	\$4.864	\$5.107
Claims	\$0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts					
Maintenance and Other Operating Contracts					
Materials & Supplies					
Other Business Expenses	(7.968)	(8.127)	(8.290)	(8.456)	(8.625)
Total Non-Labor Expense Changes	(\$3.766)	(\$3.715)	(\$3.657)	(\$3.592)	(\$3.518)
<i>Total Expenses before Depreciation and GASB Adjs.</i>					
Depreciation					
OPEB Obligation					
Environmental Remediation					
Total Expense Changes	(\$3.766)	(\$3.715)	(\$3.657)	(\$3.592)	(\$3.518)
Cash Adjustment Changes					
<i>Revenue:</i>					
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000
<i>Expenses:</i>					
Claims	0.000	0.000	0.000	0.000	0.000
Other Business Expenses					
Total Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Restricted Cash Adjustment	17.934	18.122	18.368	18.574	18.798
Total Cash Adjustment Changes	\$17.934	\$18.122	\$18.368	\$18.574	\$18.798
Total Baseline Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline 2008 November Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

First Mutual Transportation Assurance Company
November Financial Plan 2009 - 2012
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2008	2009	2010	2011	2012
Baseline 2008 November Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<i>Non-Reimbursable Major Changes</i>					
Revenue	(\$14.168)	(\$14.407)	(\$14.711)	(\$14.982)	(\$15.280)
Sub-Total Non-Reimbursable Revenue Changes	(\$14.168)	(\$14.407)	(\$14.711)	(\$14.982)	(\$15.280)
Expenses	(\$3.766)	(\$3.715)	(\$3.657)	(\$3.592)	(\$3.518)
Sub-Total Non-Reimbursable Expense Changes	(\$3.766)	(\$3.715)	(\$3.657)	(\$3.592)	(\$3.518)
<i>Total Non-Reimbursable Major Changes</i>	(\$17.934)	(\$18.122)	(\$18.368)	(\$18.574)	(\$18.798)
<i>Reimbursable Major Changes</i>					
Revenue					
Sub-Total Reimbursable Revenue Changes					
Expenses					
Sub-Total Reimbursable Expense Changes					
<i>Total Reimbursable Major Changes</i>	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<i>Total Accrual Changes</i>	(\$17.934)	(\$18.122)	(\$18.368)	(\$18.574)	(\$18.798)
<i>Cash Adjustment Changes</i>					
Total Cash Adjustments	\$17.934	\$18.122	\$18.368	\$18.574	\$18.798
<i>Total Cash Adjustment Changes</i>	\$17.934	\$18.122	\$18.368	\$18.574	\$18.798
<i>Total Baseline Changes</i>	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline 2008 November Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

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New York City Transit

**MTA New York City Transit
2009 Final Proposed Budget
November Financial Plan 2009 – 2012**

MISSION STATEMENT

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

FINANCIAL OVERVIEW

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

- a subway system operating approximately 6,500 subway cars on 26 routes over 233 route miles and 660 miles of mainline track, serving 468 stations located in four of New York City's (City) boroughs;
- a bus system of more than 4,400 buses operating approximately 101 million revenue vehicle miles per year on 208 local and 36 express routes in all five boroughs and
- Access-a-Ride, a paratransit service that operates throughout the City under private contractors to serve persons whose disabilities preclude their use of bus and subway services.

The 2009 Final Proposed Budget and projections for the years 2010-2012 provide sufficient funding to maintain both a continuation of current service levels as well as MTA's commitment to safety and security. This is accomplished primarily through the implementation of organizational and operational efficiencies -- Programs to Eliminate the GAP (PEGs) -- that optimize the use of resources to achieve agency goals. Ongoing and extensive internal efforts are being made by MTA NYC Transit to reduce non-critical spending and improve operating efficiency.

Additional efforts are underway to establish and implement initiatives in order to meet key MTA priorities. The seven key MTA priorities, the NYCT goals established to meet these priorities and corresponding examples of initiatives are as follows:

Customer Service

- **Improve Service Reliability**
 1. Subway SMS procedures on elevators and escalators
 2. Bus development of SMS for Hybrid bus fleet
- **Enhance the Customer Environment**
 1. Develop action plan to address Express Bus Rider Report Card concerns
- **Provide Transportation Services for Persons with Disabilities**
 1. Award multi-year paratransit contracts for Access-a-Ride service

Financial Stability

- **Improve Efficiency of Administrative and Support Functions**
 1. Achieve economies in the purchase of light duty vehicles
- **Improve Productivity of Subway and Bus Operations**
 1. Meet reduction targets on various inventory/non inventory material consumables
 2. Develop and implement an effective fare evasion program including partnering with NYPD

Institutional Transformation

- **Increase Integration Between NYCT and Other Agencies**
 1. Support MTA efforts to achieve a Regional Bus Company

Projects/Planning

- **Implement New Services**
 1. Feasibility Study: Circulation Improvements at Grand Central
 2. Implement Select Bus Service (BRT)
- **Improve Service Management and Customer Information**
 1. Make determination on functionality of bus AVL (Automated Vehicle Locator) system

Safety/Security

- **Reduce Customer Injuries**
 1. Reduce subway fires
 2. Develop bus plan to limit PTSB (Public Transportation Safety Board) fires on service vehicles
- **Reduce Employee Accidents**
 1. Conduct joint union/management safety audits
 2. Roll out injury-on-duty refresher training to all TWU represented employees
- **Improve Security**
 3. Complete installation of up to 400 bus cameras

Sustainability

- **Improve Air Quality**
 1. Implement ECO Driving Program
- **Implement “Green” Design and Construction Principles**
 1. Rebuild Mother Clara Hale Depot
- **Reduce Energy Consumption**
 1. Expand recycling program
 2. Complete bio-diesel test at West Farms Depot

Workforce Development

- **Improve Employee/Management Relations**
 1. Sponsor four bus operator action committee meetings
 2. Provide employee quality-of-life improvements at DOB work facilities
- **Enhance Employee Training and Development**
 1. Identify anticipated retirements within senior ranks and plan for succession

2008 November Forecast-Baseline

MTA NYC Transit's 2008 November Forecast includes total expenses before depreciation, other post-employment benefits and environmental remediation expenses of \$6,792.0 million, consisting of \$5,916.8 million of non-reimbursable expenses and \$875.2 million of reimbursable expenses. Total revenues are projected to be \$4,200.8 million, of which \$3,325.6 million are operating revenues and \$875.2 million are capital reimbursements. Total baseline full-time and full-time equivalent positions are 49,290 (43,637 non-reimbursable positions and 5,653 reimbursable positions).

The 2008 baseline net cash deficit is projected to decrease by \$49.3 million from the 2008 Mid-Year Forecast. Major cash changes include:

- A reduction in pension expenditures of \$82.3 million as certain NYCERS lump-sum payments will not be made at this time.
- An improvement in farebox revenue of \$37.4 million due mostly to higher subway and bus ridership.
- A favorable rescheduling of expenses of \$25.1 million to 2009 including station painting contracts, purchases of non-revenue support vehicles and paratransit sedans for service, a delayed award for R62 converter replacements, roof replacements and some bus shop program maintenance requirements.
- A deferral of \$75.0 million of capital reimbursements to 2009 due primarily to the timing of availability of Capital Program funding.
- Public liability payment overruns of \$10.1 million due mostly to higher than anticipated jury awards and settlements.

Reimbursable expenses are projected to increase in 2008 by \$6.5 million due largely to an increase in reimbursable overhead rates. This expense increase is offset by a corresponding reimbursement increase.

Total baseline positions are projected to increase by 43, due mostly to increased reimbursable requirements of 51 positions (36 full-time, 15 part-time equivalents) largely for MTA Bus traffic checking support.

Programs to Eliminate the GAP (PEGs): 2008

The 2008 impact of 2009 Programs to Eliminate the GAP, presented below the baseline on the attached financial tables and described later in the report, is a projected deficit reduction of \$9.9 million.

2009 Final Proposed Budget-Baseline

MTA NYC Transit's 2009 Final Proposed Budget includes total expenses before depreciation and other post-employment benefits of \$7,140.2 million, consisting of \$6,245.6 million of non-reimbursable expenses and \$894.6 million of reimbursable expenses. Total revenues are projected to be \$4,213.0 million, of which \$3,318.4 million are operating revenues and \$894.6 million are capital reimbursements. Total baseline full-time and full-time equivalent positions are 49,544, including 44,113 non-reimbursable positions and 5,431 reimbursable positions.

The 2009 baseline net cash deficit is projected to increase by \$2.6 million from the July Preliminary Budget. Major cash variances include:

- A projected increase in paratransit costs of \$50.0 million including:
 1. Cost increases resulting from new vendor contracts of \$28.8 million primarily in the areas of fixed costs and maintenance costs.
 2. Cost increases of \$9.2 million for new vendor mobilization.
 3. Financial plan re-estimates/corrections resulting in an increase of \$9.1 million.
 4. A cost increase of \$2.9 million due to higher ridership.
- Projected increase in inflation assumptions (primarily labor) resulting in an expense increase of \$25.1 million.
- An unfavorable rescheduling of expenses of \$24.6 million from 2008 including station painting contracts, purchases of non-revenue support vehicles and paratransit sedans for service, a delayed award for R62 converter replacements, roof replacements and some bus shop program maintenance requirements.
- A favorable deferral from 2008 to 2009 of \$75.0 million of capital reimbursements due primarily to the timing of availability of Capital Program funding.
- A re-estimate of bus/heating fuel expenses result in a reduction of \$11.6 million.
- An increase in reimbursable overhead rates based upon higher reimbursable costs results in an increase in non-reimbursable expense credits of \$7.0 million.

Reimbursable expenses are projected to increase in 2009 by \$28.8 million due mostly to increased reimbursable overhead rates and project support for tunnel lighting, critical signal safety, SIR fleet maintenance, signage, Orion vendor inspectors and MTA Bus traffic checkers. This increase is offset by a corresponding reimbursement increase.

Total baseline positions are projected to increase by 302, including a non-reimbursable increase of 158 and a reimbursable increase of 144. The non-reimbursable increase includes 95 from overtime adjustments and 67 for a fourth Staten Island depot. The reimbursable increase includes 53 for tunnel lighting, 50 for MTA Bus traffic checkers and 35 for SIR fleet maintenance.

Programs to Eliminate the GAP (PEGs): 2009

The 2009 Programs to Eliminate the GAP, presented below the baseline on the attached financial tables and described later in the report, are projected to yield a deficit reduction of \$61.0 million in 2009.

2010-2012 Projections-Baseline

Baseline net cash deficits are projected to increase by \$118.2 million in 2010, \$114.3 million in 2011 and \$147.1 million in 2012 from the July Financial Plan. Major cash changes include:

- Projected increases in paratransit costs of \$56.8 million in 2010, \$40.6 million in 2011 and \$34.0 million in 2012 including:
 1. Cost increases resulting from new vendor contracts of \$35.9 million in 2010, \$32.7 million in 2011 and \$34.4 million in 2012 primarily in the areas of fixed costs and maintenance costs.
 2. Cost increases of \$3.1 million in 2010 and \$2.0 million in 2012 for new vendor mobilization.
 3. Financial plan re-estimates/corrections resulting in increases of \$14.4 million in 2010, \$3.7 million in 2011 and a decrease of \$3.0 million in 2012.
 4. Cost increases of \$3.4 million in 2010, \$4.2 million in 2011 and \$0.6 million in 2012 due to higher ridership.
- Projected increases in inflation assumptions (primarily labor) resulting in expense increases of \$33.5 million in 2010, \$47.0 million in 2011 and \$56.2 million in 2012.
- Projected increases in bus/heating fuel expenses of \$16.3 million in 2010, \$21.3 million in 2011 and \$44.4 million in 2012.
- A projected increase in electric power costs of \$15.1 million in 2012.
- A reduction of \$13.9 million of farebox revenue in 2010 based upon conservative economic/employment projections.

Reimbursable expenses are projected to increase by \$25.7 million in 2010, \$10.3 million in 2011 and \$12.9 million in 2012. The 2010 increase was due mostly to increased reimbursable overhead rates and project support for tunnel lighting, critical signal safety, SIR fleet maintenance, signage and MTA Bus traffic checkers. The increases in 2011 and 2012 were mostly due to increased reimbursable overhead rates. These expense increases are offset by corresponding reimbursement increases.

Total baseline positions are projected to increase by 264 in 2010, 197 in 2011 and 248 in 2012 including non-reimbursable increases of 184 in 2010, 180 in 2011 and 263 in 2012. The non-reimbursable increases included 95 from overtime adjustments each year and 67 each year for a fourth Staten Island depot.

Programs to Eliminate the GAP (PEGs): 2010-2012

The 2009 Programs to Eliminate the GAP, presented below the baseline on the attached financial tables, are described below. PEGs are projected to yield deficit reductions of \$61.9 million in 2010, \$69.3 million in 2011 and \$59.1 million in 2012.

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

GAP CLOSING MEASURES

2009 Program to Eliminate the Gap (PEGs)

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

2008 November Forecast

In 2008, PEG savings are projected at \$9.9 million, including 109 end-of-year position reductions. Major contributors include:

- Maintenance savings of \$6.7 million and 67 position reductions including: Subways savings of \$3.5 million and 67 position reductions (efficiencies in terminal car cleaning, station track cleaning, RTO and Car Equipment, SONET/ATM maintenance reductions); Buses savings of \$3.0 million (MCI and bus facility maintenance economies) and \$0.3 million of agency-wide non-revenue vehicle savings from adjusting the replacement cycle.
- Service support/other savings of \$1.4 million with 21 position reductions including: savings of revenue collection/processing efficiencies with savings of \$1.3 million and 20 position reductions and traffic checking efficiencies saving \$0.2 million and 1 position.
- Administrative savings of \$1.8 million and 15 position reductions including Subways (\$1.0 million savings, 13 position reductions) and administrative/support department savings of \$0.8 million and 2 position reductions.

2009 (Final Proposed Budget) - 2012

PEG savings and position reductions are projected as follows: 2009=\$61.0 million, 512; 2010=\$61.9 million, 543; 2011=\$69.3 million, 578 and 2012=\$59.1 million, 515. Major highlights include:

- Maintenance savings and position reductions are projected as follows:
2009=\$39.4 million, 328; 2010=\$36.5 million, 332; 2011=\$43.7 million, 367 and 2012=\$33.5 million, 304. Major highlights include:
 1. Based on updated projections of new bus deliveries, it has been determined that the number of Buses undergoing 12-year maintenance upgrades, which are used to extend the useful life of a bus, can be reduced, resulting in savings of \$9.1 million in 2009, \$5.6 million in 2010, \$12.8 million in 2011 and \$2.2 million in 2012.
 2. Bus general vehicle maintenance efficiencies, including changed maintenance practices, are projected to achieve savings of \$4.3 million in 2009 and \$7.8 million for each subsequent year.
 3. Subways increased productivity in maintenance and overhaul shops and general vehicle maintenance efficiencies are expected to result in savings in each year of \$6.0 million.
 4. Based on the results to date of an ongoing pilot program, it has been determined that resources currently provided to maintain scratch-free glass on the #1 and L lines can be reduced, resulting in savings of \$3.5 million each year.
 5. Similarly, modifications to a pilot to clean in-service subway cars at both terminals of the line (#7 and L lines) are expected to result in savings of \$1.8 million each year.
 6. A reduction in material consumption by Department of Buses is projected to save \$1.3 million each year.
 7. With the replacement of "B" division cars with R160 cars, track testing for these cars will no longer be required, resulting in savings of \$1.1 million each year.
 8. Bus facility maintenance economies are expected to achieve savings for each year of \$1.1 million.
 9. A reduction in MCI bus overhauls is projected to save \$1.5 million in 2009, \$0.8 million in 2010, \$1.0 million in 2011 and \$1.1 million in 2012.
 10. Increased Bus supervisory productivity is expected to save \$1.1 million each year.

- Service support/other savings and position reductions are projected as follows:
2009=\$12.1 million, 115; 2010=\$13.0 million, 117; and 2011/2012=\$13.2 million, 117. Major contributors include:
 1. Elimination of the Work Experience Program (WEP) is expected to result in \$2.6 million of savings each year.
 2. Better monitoring and management of the bus depot Extra List (relief workforce) will enable efficiency savings of \$2.1 million each year.
 3. Traffic checking efficiencies are projected to save \$0.7 million in 2009, \$1.7 million in 2010 and \$1.9 million for 2011-2012.
 4. Efficiencies in an RTO safety initiative that began in 2007 are expected to result in savings each year of \$1.6 million.
 5. Reductions in platform controllers are expected to achieve savings each year of \$1.0 million.

- Administration savings and position reductions are projected as follows:
2009=\$9.6 million, 58; and 2010-2012=\$12.4 million, 61. Major contributors include:
 1. A renegotiation of NYCT's prescription drug contract is projected to achieve savings of \$2.5 million in 2009 and \$5.0 million in subsequent years.
 2. Subways/EMD administrative savings are projected to be \$3.9 million for each year.
 3. Buses administrative savings are projected to be \$1.5 million for each year.
 4. Administrative/support departments administrative savings are planned to be \$1.7 million in 2009 and \$2.0 million for each subsequent year.

MTA New York City Transit
November Financial Plan 2009 - 2012
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE

	2007	2008	2009			
	Actuals	November Forecast	Final Proposed Budget	2010	2011	2012
Revenue						
Farebox Revenue:						
Subway	\$2,030.0	\$2,172.3	\$2,154.2	\$2,162.1	\$2,193.5	\$2,227.3
Bus	772.3	802.6	795.6	801.6	813.0	825.6
Paratransit	9.5	11.5	13.3	15.3	17.6	20.2
Fare Media Liability	43.6	44.0	47.1	47.8	48.1	48.2
Total Farebox Revenue	2,855.4	3,030.4	3,010.1	3,026.7	3,072.2	3,121.3
Vehicle Toll Revenue	0.0	0.0	0.0	0.0	0.0	0.0
Other Operating Revenue:						
Fare Reimbursement	103.8	102.6	103.8	103.8	103.8	103.8
Paratransit Reimbursement	102.3	88.2	93.7	105.3	121.0	140.8
Other	97.9	104.5	110.8	116.2	121.5	126.2
Total Other Operating Revenue	303.9	295.2	308.3	325.2	346.2	370.8
Capital and Other Reimbursements	0.0	0.0	0.0	0.0	0.0	0.0
Total Revenue	\$3,159.3	\$3,325.6	\$3,318.4	\$3,351.9	\$3,418.4	\$3,492.1
Expenses						
Labor:						
Payroll	2,628.7	2,769.1	2,860.0	2,941.8	3,004.1	3,046.9
Overtime	265.6	252.6	250.1	255.2	261.4	267.0
Total Salaries & Wages	2,894.3	3,021.6	3,110.1	3,197.0	3,265.5	3,313.9
Health and Welfare	404.3	455.5	504.2	550.6	597.2	646.1
OPEB Current Payment	204.6	241.6	261.9	284.5	311.9	341.8
Pensions	595.7	683.5	688.0	662.7	631.8	629.6
Other Fringe Benefits	241.5	257.0	260.4	270.0	279.1	283.0
Total Fringe Benefits	1,446.1	1,637.6	1,714.5	1,767.9	1,820.0	1,900.5
Reimbursable Overhead	(168.6)	(188.1)	(200.2)	(193.1)	(185.4)	(187.2)
Total Labor Expenses	\$4,171.8	\$4,471.1	\$4,624.4	\$4,771.8	\$4,900.1	\$5,027.2
Non-Labor:						
Traction and Propulsion Power	160.6	171.3	192.8	227.0	242.8	259.7
Fuel for Buses and Trains	124.4	204.5	218.1	197.1	193.0	209.2
Insurance	37.3	42.2	48.9	56.0	64.1	73.5
Claims	71.4	84.6	76.5	78.5	78.5	78.5
Paratransit Service Contracts	233.2	284.3	366.4	422.9	481.3	561.2
Mtce. and Other Operating Contracts	186.3	228.9	240.1	260.3	268.2	276.1
Professional Service Contracts	80.5	87.3	99.0	93.8	97.8	99.7
Materials & Supplies	291.5	299.3	334.1	359.5	374.2	361.2
Other Business Expenses	40.7	43.3	45.3	46.6	47.3	47.9
Total Non-Labor Expenses	\$1,225.7	\$1,445.7	\$1,621.2	\$1,741.5	\$1,847.2	\$1,967.0
Other Expense Adjustments:						
Other	0.0	0.0	0.0	0.0	0.0	0.0
Total Other Expense Adjustments	0.0	0.0	0.0	0.0	0.0	0.0
Total Expenses before Depreciation, OPEB, ER	\$5,397.5	\$5,916.8	\$6,245.6	\$6,513.3	\$6,747.2	\$6,994.2
Depreciation	1,061.1	1,109.3	1,185.2	1,266.5	1,321.5	1,376.5
OPEB Obligation	991.3	1,009.5	1,055.4	1,098.9	1,144.8	1,191.6
Environmental Remediation	0.0	18.0	0.0	0.0	0.0	0.0
Total Expenses	\$7,449.9	\$8,053.6	\$8,486.2	\$8,878.7	\$9,213.5	\$9,562.3
Baseline Net Surplus/(Deficit)	(\$4,290.6)	(\$4,728.0)	(\$5,167.8)	(\$5,526.7)	(\$5,795.1)	(\$6,070.2)
2009 Program to Eliminate the Gap	0.0	9.9	61.0	61.9	69.3	59.1
Post-2009 Program to Eliminate the GAP (Unspecified)	0.0	0.0	0.0	59.6	119.2	178.8
Net Surplus/(Deficit)	(\$4,290.6)	(\$4,718.1)	(\$5,106.8)	(\$5,405.2)	(\$5,606.6)	(\$5,832.2)
Business Service Center	0.0	0.0	0.0	0.0	10.8	35.9

MTA New York City Transit
November Financial Plan 2009 - 2012
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE

	2007	2008	2009			
	Actuals	November Forecast	Final Proposed Budget	2010	2011	2012
<u>Revenue</u>						
Farebox Revenue	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Vehicle Toll Revenue	0.0	0.0	0.0	0.0	0.0	0.0
Other Operating Revenue	0.0	0.0	0.0	0.0	0.0	0.0
Capital and Other Reimbursements	829.3	875.2	894.6	870.1	847.9	861.1
Total Revenue	\$829.3	\$875.2	\$894.6	\$870.1	\$847.9	\$861.1
<u>Expenses</u>						
Labor:						
Payroll	348.2	370.6	392.2	382.2	372.4	376.7
Overtime	71.1	74.9	63.5	63.6	64.3	65.7
Total Salaries & Wages	419.4	445.5	455.6	445.8	436.7	442.4
Health and Welfare	19.9	20.7	22.4	24.0	25.7	27.5
OPEB Current Payment	0.0	0.0	0.0	0.0	0.0	0.0
Pensions	15.3	17.7	17.8	17.7	17.4	17.5
Other Fringe Benefits	89.8	98.6	102.1	98.4	94.8	95.7
Total Fringe Benefits	125.0	137.0	142.2	140.0	137.9	140.6
Reimbursable Overhead	168.6	188.1	200.2	193.1	185.4	187.2
Total Labor Expenses	\$713.0	\$770.5	\$798.1	\$779.0	\$760.1	\$770.2
Non-Labor:						
Traction and Propulsion Power	0.0	0.0	0.0	0.0	0.0	0.0
Fuel for Buses and Trains	0.1	0.0	0.0	0.0	0.0	0.0
Insurance	0.0	0.0	0.0	0.0	0.0	0.0
Claims	0.0	0.0	0.0	0.0	0.0	0.0
Paratransit Service Contracts	0.0	0.0	0.0	0.0	0.0	0.0
Mtce. and Other Operating Contracts	38.1	35.8	29.1	28.8	28.8	28.8
Professional Service Contracts	17.0	16.5	15.5	15.4	15.3	16.4
Materials & Supplies	61.2	52.4	51.6	46.6	43.4	45.4
Other Business Expenses	(0.1)	(0.1)	0.3	0.3	0.3	0.3
Total Non-Labor Expenses	\$116.2	\$104.6	\$96.5	\$91.1	\$87.8	\$90.9
Other Expense Adjustments:						
Other	0.0	0.0	0.0	0.0	0.0	0.0
Total Other Expense Adjustments	0.0	0.0	0.0	0.0	0.0	0.0
Total Expenses before Depreciation	\$829.3	\$875.2	\$894.6	\$870.1	\$847.9	\$861.1
Depreciation	0.0	0.0	0.0	0.0	0.0	0.0
Total Expenses	\$829.3	\$875.2	\$894.6	\$870.1	\$847.9	\$861.1
Baseline Net Surplus/(Deficit)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
2009 Program to Eliminate the Gap	0.0	0.0	0.0	0.0	0.0	0.0
Post-2009 Program to Eliminate the GAP (Unspecified)	0.0	0.0	0.0	0.0	0.0	0.0
Net Surplus/(Deficit)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Business Service Center	0.0	0.0	0.0	0.0	0.0	0.0

MTA New York City Transit
November Financial Plan 2009 - 2012
Accrual Statement of Operations by Category
(\$ in millions)

**NON-REIMBURSABLE and
REIMBURSABLE**

Revenue

Farebox Revenue:

	2007 Actuals	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Subway	\$2,030.0	\$2,172.3	\$2,154.2	\$2,162.1	\$2,193.5	\$2,227.3
Bus	772.3	802.6	795.6	801.6	813.0	825.6
Paratransit	9.5	11.5	13.3	15.3	17.6	20.2
Fare Media Liability	43.6	44.0	47.1	47.8	48.1	48.2
Total Farebox Revenue	2,855.4	3,030.4	3,010.1	3,026.7	3,072.2	3,121.3
Vehicle Toll Revenue	0.0	0.0	0.0	0.0	0.0	0.0
Other Operating Revenue:						
Fare Reimbursement	103.8	102.6	103.8	103.8	103.8	103.8
Paratransit Reimbursement	102.3	88.2	93.7	105.3	121.0	140.8
Other	97.9	104.5	110.8	116.2	121.5	126.2
Total Other Operating Revenue	303.9	295.2	308.3	325.2	346.2	370.8
Capital and Other Reimbursements	829.3	875.2	894.6	870.1	847.9	861.1
Total Revenue	\$3,988.5	\$4,200.8	\$4,213.0	\$4,222.0	\$4,266.3	\$4,353.2

Expenses

Labor:

Payroll	2,977.0	3,139.6	3,252.2	3,324.1	3,376.5	3,423.6
Overtime	336.7	327.5	313.5	318.8	325.7	332.7
Total Salaries & Wages	3,313.7	3,467.1	3,565.7	3,642.9	3,702.2	3,756.3
Health and Welfare	424.2	476.2	526.5	574.6	622.8	673.6
OPEB Current Payment	204.6	241.6	261.9	284.5	311.9	341.8
Pensions	611.0	701.2	705.8	680.4	649.2	647.0
Other Fringe Benefits	331.3	355.6	362.5	368.4	373.9	378.7
Total Fringe Benefits	1,571.1	1,774.6	1,856.7	1,907.9	1,957.9	2,041.1
Reimbursable Overhead	0.0	0.0	0.0	0.0	0.0	0.0
Total Labor Expenses	\$4,884.8	\$5,241.7	\$5,422.4	\$5,550.8	\$5,660.1	\$5,797.4

Non-Labor:

Traction and Propulsion Power	160.6	171.3	192.8	227.0	242.8	259.7
Fuel for Buses and Trains	124.4	204.5	218.1	197.1	193.0	209.2
Insurance	37.3	42.2	48.9	56.0	64.1	73.5
Claims	71.4	84.6	76.5	78.5	78.5	78.5
Paratransit Service Contracts	233.2	284.3	366.4	422.9	481.3	561.2
Mtce. and Other Operating Contracts	224.4	264.6	269.2	289.1	297.0	304.8
Professional Service Contracts	97.6	103.9	114.5	109.2	113.1	116.1
Materials & Supplies	352.7	351.7	385.7	406.1	417.6	406.6
Other Business Expenses	40.6	43.2	45.6	46.9	47.6	48.2
Total Non-Labor Expenses	\$1,341.9	\$1,550.3	\$1,717.8	\$1,832.6	\$1,935.0	\$2,057.8

Other Expense Adjustments:

Other	0.0	0.0	0.0	0.0	0.0	0.0
Total Other Expense Adjustments	0.0	0.0	0.0	0.0	0.0	0.0

Total Expenses before

Depreciation, OPEB, ER **\$6,226.7** **\$6,792.0** **\$7,140.2** **\$7,383.4** **\$7,595.1** **\$7,855.2**

Depreciation	1,061.1	1,109.3	1,185.2	1,266.5	1,321.5	1,376.5
OPEB Obligation	991.3	1,009.5	1,055.4	1,098.9	1,144.8	1,191.6
Environmental Remediation	0.0	18.0	0.0	0.0	0.0	0.0

Total Expenses **\$8,279.2** **\$8,928.8** **\$9,380.8** **\$9,748.8** **\$10,061.4** **\$10,423.3**

Baseline Net Surplus/(Deficit) **(\$4,290.6)** **(\$4,728.0)** **(\$5,167.8)** **(\$5,526.7)** **(\$5,795.1)** **(\$6,070.2)**

2009 Program to Eliminate the Gap	0.0	9.9	61.0	61.9	69.3	59.1
Post-2009 Program to Eliminate the GAP (Unspecified)	0.0	0.0	0.0	59.6	119.2	178.8

Net Surplus/(Deficit) **(\$4,290.6)** **(\$4,718.1)** **(\$5,106.8)** **(\$5,405.2)** **(\$5,606.6)** **(\$5,832.2)**

Business Service Center	0.0	0.0	0.0	0.0	10.8	35.9
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MTA New York City Transit
November Financial Plan 2009 - 2012
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS & EXPENDITURES

	2007	2008	2009			
	Actuals	November Forecast	Final Proposed Budget	2010	2011	2012
<u>Receipts</u>						
Farebox Revenue	\$2,868.8	\$3,040.5	\$3,014.8	\$3,028.6	\$3,074.1	\$3,123.2
Vehicle Toll Revenue	0.0	0.0	0.0	0.0	0.0	0.0
Other Operating Revenue:						
Fare Reimbursement	103.8	102.6	103.8	103.8	103.8	103.8
Paratransit Reimbursement	101.6	88.6	93.8	105.2	120.8	140.7
Other	106.7	147.8	113.0	118.5	123.7	128.3
Total Other Operating Revenue	312.1	339.0	310.6	327.4	348.3	372.8
Capital and Other Reimbursements	806.4	819.3	990.6	874.7	852.0	857.8
Total Receipts	\$3,987.3	\$4,198.9	\$4,316.0	\$4,230.8	\$4,274.5	\$4,353.8
<u>Expenditures</u>						
Labor:						
Payroll	2,957.5	3,124.9	3,234.5	3,300.5	3,352.1	3,389.0
Overtime	335.5	325.9	311.8	316.5	323.3	329.4
Total Salaries & Wages	3,293.0	3,450.9	3,546.3	3,617.1	3,675.4	3,718.4
Health and Welfare	417.3	480.6	523.2	571.0	619.0	669.5
OPEB Current Payment	204.6	241.6	261.9	284.5	311.9	341.8
Pensions	649.6	573.3	698.4	691.7	656.4	647.7
Other Fringe Benefits	294.5	309.0	316.9	323.5	329.0	333.6
Total Fringe Benefits	1,566.0	1,604.5	1,800.4	1,870.7	1,916.4	1,992.6
GASB Account	61.4	39.7	41.2	42.3	43.4	44.3
Reimbursable Overhead	0.0	0.0	0.0	0.0	0.0	0.0
Total Labor Expenditures	\$4,920.4	\$5,095.0	\$5,387.9	\$5,530.1	\$5,635.2	\$5,755.3
Non-Labor:						
Traction and Propulsion Power	165.5	171.3	192.8	227.0	242.8	259.7
Fuel for Buses and Trains	124.1	204.5	218.1	197.1	193.0	209.2
Insurance	34.3	38.8	49.0	56.5	66.9	74.3
Claims	59.4	71.8	59.4	60.9	62.4	64.0
Paratransit Service Contracts	231.3	279.8	361.4	417.9	476.3	556.2
Mtce. and Other Operating Contracts	230.9	273.6	279.9	299.8	307.7	315.5
Professional Service Contracts	96.2	99.9	109.5	104.2	108.1	111.1
Materials & Supplies	380.0	353.0	380.7	408.1	419.6	408.6
Other Business Expenditures	42.6	43.2	45.6	46.9	47.6	48.2
Total Non-Labor Expenditures	\$1,364.3	\$1,536.0	\$1,696.5	\$1,818.3	\$1,924.5	\$2,046.9
Other Expenditure Adjustments:						
Other	0.0	0.0	0.0	0.0	0.0	0.0
Total Other Expenditure Adjustments	0.0	0.0	0.0	0.0	0.0	0.0
Total Expenditures	\$6,284.7	\$6,631.0	\$7,084.5	\$7,348.4	\$7,559.7	\$7,802.2
Baseline Net Cash Deficit	(\$2,297.4)	(\$2,432.2)	(\$2,768.5)	(\$3,117.6)	(\$3,285.2)	(\$3,448.4)
2009 Program to Eliminate the Gap						
Post-2009 Program to Eliminate the GAP (Unspecified)	0.0	9.9	61.0	61.9	69.3	59.1
Net Cash Deficit	(\$2,297.4)	(\$2,422.2)	(\$2,707.5)	(\$2,996.0)	(\$3,096.7)	(\$3,210.5)
Business Service Center	0.0	0.0	0.0	0.0	10.8	35.9

MTA New York City Transit
November Financial Plan 2009 - 2012
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS

	2007	2008	2009			
	Actuals	November Forecast	Final Proposed Budget	2010	2011	2012
<u>Receipts</u>						
Farebox Revenue	13.4	10.2	4.7	1.9	1.9	1.9
Vehicle Toll Revenue	0.0	0.0	0.0	0.0	0.0	0.0
Other Operating Revenue:						
Fare Reimbursement	0.0	0.0	0.0	0.0	0.0	0.0
Paratransit Reimbursement	(0.7)	0.4	0.1	(0.1)	(0.2)	(0.1)
Other	8.8	43.4	2.2	2.3	2.3	2.2
Total Other Operating Revenue	8.2	43.8	2.3	2.2	2.1	2.0
Capital and Other Reimbursements	(22.8)	(55.8)	96.0	4.6	4.1	(3.3)
Total Receipt Adjustments	(\$1.2)	(\$1.9)	\$103.0	\$8.8	\$8.1	\$0.7
<u>Expenditures</u>						
Labor:						
Payroll	19.5	14.7	17.7	23.5	24.5	34.5
Overtime	1.2	1.5	1.7	2.3	2.4	3.4
Total Salaries & Wages	20.7	16.2	19.4	25.8	26.8	37.9
Health and Welfare	6.9	(4.4)	3.3	3.6	3.8	4.1
OPEB Current Payment	0.0	0.0	0.0	0.0	0.0	0.0
Pensions	(38.6)	127.9	7.4	(11.3)	(7.2)	(0.7)
Other Fringe Benefits	36.8	46.7	45.6	45.0	44.9	45.1
Total Fringe Benefits	5.1	170.1	56.3	37.2	41.5	48.5
GASB Account	(61.4)	(39.7)	(41.2)	(42.3)	(43.4)	(44.3)
Reimbursable Overhead						
Total Labor Expenditures	(\$35.6)	\$146.7	\$34.5	\$20.7	\$25.0	\$42.1
Non-Labor:						
Traction and Propulsion Power	(4.9)	0.0	0.0	0.0	0.0	0.0
Fuel for Buses and Trains	0.3	0.0	0.0	0.0	0.0	0.0
Insurance	3.0	3.4	(0.1)	(0.5)	(2.9)	(0.8)
Claims	12.0	12.8	17.1	17.5	16.0	14.5
Paratransit Service Contracts	1.9	4.5	5.0	5.0	5.0	5.0
Mtce. and Other Operating Contracts	(6.5)	(9.0)	(10.7)	(10.7)	(10.7)	(10.7)
Professional Service Contracts	1.4	4.0	5.0	5.0	5.0	5.0
Materials & Supplies	(27.3)	(1.3)	5.0	(2.0)	(2.0)	(2.0)
Other Business Expenditures	(2.0)	0.0	0.0	0.0	0.0	0.0
Total Non-Labor Expenditures	(\$22.4)	\$14.3	\$21.2	\$14.3	\$10.4	\$10.9
Other Expenditure Adjustments:						
Other	0.0	0.0	0.0	0.0	0.0	0.0
Total Other Expenditure Adjustments	0.0	0.0	0.0	0.0	0.0	0.0
Total Expenditure Adjustments	(57.9)	161.0	55.7	35.0	35.4	53.0
Total Cash Conversion Adjustments before Depreciation, OPEB, ER	(\$59.2)	\$159.1	\$158.7	\$43.8	\$43.6	\$53.7
Depreciation Adjustment	1,061.1	1,109.3	1,185.2	1,266.5	1,321.5	1,376.5
OPEB Obligation	991.3	1,009.5	1,055.4	1,098.9	1,144.8	1,191.6
Environmental Remediation	0.0	18.0	0.0	0.0	0.0	0.0
Baseline Total Cash Conversion Adj.	\$1,993.2	\$2,295.9	\$2,399.3	\$2,409.2	\$2,509.9	\$2,621.8
2009 Program to Eliminate the Gap	0.0	0.0	0.0	0.0	0.0	0.0
Post-2009 Program to Eliminate the GAP (Unspecified)	0.0	0.0	0.0	0.0	0.0	0.0
Total Cash Conversion Adjustments	\$1,993.2	\$2,295.9	\$2,399.3	\$2,409.2	\$2,509.9	\$2,621.8
Business Service Center	0.0	0.0	0.0	0.0	0.0	0.0

MTA New York City Transit
November Financial Plan 2009-2012
Year-To-Year Major Changes by Category-Baseline Narrative

TOTAL REVENUE/RECEIPTS

Farebox Revenue

- Projected annual changes in subway/bus farebox revenue through 2010 are based largely on conservative economic/employment projections with growth projected in subsequent years.
- Annual improvements in paratransit farebox revenue are based on an assumed annual ridership growth rate of 15%.
- Includes adjustments for expired MetroCards and the timing of cash receipts from counting and depositing, which can cause some fluctuations in cash received from year to year.

Other Operating Revenue

- Paratransit reimbursements include contractually-capped annual increases in NYC reimbursements that serve to partially fund the annual growth in paratransit expenses and urban tax revenue generated from commercial real estate transactions.
- Other revenues include annual increases mostly from advertising revenues based upon current contracts in place.
- 2008 includes non-recurring cash receipts of \$38.7 million representing a drawdown of prior years' accumulated Transit Adjudication Bureau funds originally scheduled for 2007.

Capital and Other Reimbursements

- Annual reimbursement levels fluctuate year-to-year based upon reimbursable expense levels driven mostly by capital project requirements.
- 2008 includes \$8.9 million of favorable timing of receipts originally anticipated to be received in 2007.
- Annual cash adjustments are included to recognize changes in the timing of receipts from year to year.

TOTAL EXPENSES/EXPENDITURES

Payroll

- 2009-2012 projections include primarily CPI-based rate increases as follows: 2009=2.94%, 2010=1.87%, 2011=2.23% and 2012=2.20%.
- 2008 includes \$5.2 million of unfavorable cash timing adjustments from 2007.

Overtime

- 2009-2012 payroll wage rate increase assumptions apply.

Health & Welfare

- Inflation assumptions (composite general inflators) are as follows: 2009=7.9% and 7.0% in subsequent years (annual employee plans); 9.2% each year (hourly employee plans).
- 2008 includes \$7.4 million of unfavorable cash timing adjustments from 2007.

Pension

- Projections are consistent with current actuarial information.
- Favorable cash adjustments are included in 2008, which are mostly offset by prepayments made in 2007.

Other Fringe Benefits

- Projections are consistent with payroll rate increase assumptions.
- 2008 includes \$0.4 million of unfavorable cash timing adjustments from 2007.

Traction and Propulsion Power

- The financial plan reflects projected weighted average New York Power Authority/Con Edison energy rate increases as follows: 2009=10.9%, 2010=17.7%, 2011=7.0% and 2012=7.0%.

Fuel for Buses and Trains

- The 2008 estimated average price per gallon of bus fuel is \$3.61, an increase of \$0.30 above the Mid-Year Forecast. Projected average prices per gallon are as follows: 2009=\$3.31, 2010=\$3.33, 2011=\$3.19 and 2012= \$3.39.

Insurance

- Inflation assumptions were provided by the MTA.
- 2008 includes \$13.2 million of favorable cash timing adjustments from 2007.

Claims

- The plan assumes an annual inflation rate of 2.5% for 2009 through 2012.
- 2008 includes \$3.7 million of favorable cash timing adjustments from 2007.

Paratransit Service Contracts

- The primary driver of expense increases is projected annual ridership growth of 15%.
- Cost-per-trip inflation projections reflect carrier contracts, which provide for annual rate increases based on CPI.
- 2008 includes a \$6.0 million unfavorable cash timing adjustment from 2007.

Maintenance and Other Operating Contracts

- 2009-2012 inflation assumptions are based upon Global Insight's estimates as follows: 2009=2.53%, 2010=2.02%, 2011=2.40% and 2012=2.39%.
- Facility power inflation assumptions are based on projected weighted average New York Power Authority/Con Edison energy rate increases as follows: 2009=10.9%, 2010=17.7%, 2011=7.0% and 2012=7.0%.
- 2008 includes a \$3.2 million unfavorable cash timing adjustment from 2007.

Professional Service Contracts

- 2009-2012 inflation assumptions are based upon Global Insight's estimates as follows: 2009=2.53%, 2010=2.02%, 2011=2.40% and 2012=2.39%.
- 2008 includes a \$1.9 million unfavorable cash timing adjustment from 2007.

Materials & Supplies

- 2009-2012 inflation assumptions are based upon Global Insight's estimates as follows: 2009=3.88%, 2010=4.58%, 2011=2.96% and 2012=2.17%.
- 2008 includes a \$0.4 million favorable cash timing adjustment from 2007.
- Non-reimbursable expense levels fluctuate year-to-year, primarily due to the timing of subway and bus fleet maintenance programs.

Other Business Expenses

- 2009-2012 inflation assumptions are based upon Global Insight's estimates as follows: 2009=2.53%, 2010=2.02%, 2011=2.40% and 2012=2.39%.

Depreciation (non-cash)

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

MTA New York City Transit
November Financial Plan 2009 - 2012
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE

	Favorable/(Unfavorable)								
	2008	2009	Change 2009-2008	2010	Change 2010-2009	2011	Change 2011-2010	2012	Change 2012-2011
Revenue									
Farebox Revenue:									
Subway	\$2,172.3	\$2,154.2	(\$18.1)	\$2,162.1	\$7.9	\$2,193.5	\$31.4	\$2,227.3	\$33.8
Bus	802.6	795.6	(7.0)	801.6	6.0	813.0	11.5	825.6	12.5
Paratransit	11.5	13.3	1.8	15.3	2.0	17.6	2.3	20.2	2.6
Fare Media Liability	44.0	47.1	3.1	47.8	0.7	48.1	0.3	48.2	0.1
Total Farebox Revenue	3,030.4	3,010.1	(20.2)	3,026.7	16.6	3,072.2	45.5	3,121.3	49.1
Vehicle Toll Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Operating Revenue:									
Fare Reimbursement	102.6	103.8	1.2	103.8	0.0	103.8	0.0	103.8	0.0
Paratransit Reimbursement	88.2	93.7	5.5	105.3	11.6	121.0	15.7	140.8	19.9
Other	104.5	110.8	6.4	116.2	5.3	121.5	5.3	126.2	4.7
Total Other Operating Revenue	295.2	308.3	13.0	325.2	16.9	346.2	21.0	370.8	24.6
Capital and Other Reimbursements	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Revenue	\$3,325.6	\$3,318.4	(\$7.2)	\$3,351.9	\$33.5	\$3,418.4	\$66.5	\$3,492.1	\$73.6
Expenses									
Labor:									
Payroll	2,769.1	2,860.0	(91.0)	2,941.8	(81.8)	3,004.1	(62.3)	3,046.9	(42.8)
Overtime	252.6	250.1	2.5	255.2	(5.1)	261.4	(6.2)	267.0	(5.6)
Total Salaries & Wages	3,021.6	3,110.1	(88.5)	3,197.0	(86.9)	3,265.5	(68.5)	3,313.9	(48.4)
Health and Welfare	455.5	504.2	(48.7)	550.6	(46.4)	597.2	(46.6)	646.1	(48.9)
OPEB Current Payment	241.6	261.9	(20.3)	284.5	(22.6)	311.9	(27.4)	341.8	(29.9)
Pensions	683.5	688.0	(4.5)	662.7	25.3	631.8	31.0	629.6	2.2
Other Fringe Benefits	257.0	260.4	(3.4)	270.0	(9.6)	279.1	(9.1)	283.0	(3.9)
Total Fringe Benefits	1,637.6	1,714.5	(76.9)	1,767.9	(53.4)	1,820.0	(52.1)	1,900.5	(80.5)
Reimbursable Overhead	(188.1)	(200.2)	12.1	(193.1)	(7.1)	(185.4)	(7.7)	(187.2)	1.8
Total Labor Expenses	\$4,471.1	\$4,624.4	(\$153.2)	\$4,771.8	(\$147.4)	\$4,900.1	(\$128.3)	\$5,027.2	(\$127.1)
Non-Labor:									
Traction and Propulsion Power	171.3	192.8	(21.5)	227.0	(34.1)	242.8	(15.8)	259.7	(16.9)
Fuel for Buses and Trains	204.5	218.1	(13.6)	197.1	21.0	193.0	4.1	209.2	(16.2)
Insurance	42.2	48.9	(6.7)	56.0	(7.1)	64.1	(8.1)	73.5	(9.4)
Claims	84.6	76.5	8.1	78.5	(2.0)	78.5	0.0	78.5	0.0
Paratransit Service Contracts	284.3	366.4	(82.2)	422.9	(56.4)	481.3	(58.5)	561.2	(79.9)
Mtce. and Other Operating Contracts	228.9	240.1	(11.2)	260.3	(20.2)	268.2	(7.9)	276.1	(7.8)
Professional Service Contracts	87.3	99.0	(11.6)	93.8	5.2	97.8	(4.0)	99.7	(1.9)
Materials & Supplies	299.3	334.1	(34.8)	359.5	(25.4)	374.2	(14.7)	361.2	13.0
Other Business Expenses	43.3	45.3	(2.0)	46.6	(1.3)	47.3	(0.7)	47.9	(0.6)
Total Non-Labor Expenses	\$1,445.7	\$1,621.2	(\$175.6)	\$1,741.5	(\$120.3)	\$1,847.2	(\$105.7)	\$1,967.0	(\$119.8)
Other Expense Adjustments:									
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Other Expense Adjustments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Expenses before Depreciation	\$5,916.8	\$6,245.6	(\$328.8)	\$6,513.3	(\$267.7)	\$6,747.2	(\$234.0)	\$6,994.2	(\$246.9)
Depreciation	1,109.3	1,185.2	(75.9)	1,266.5	(81.3)	1,321.5	(55.0)	1,376.5	(55.0)
OPEB Obligation	1,009.5	1,055.4	(45.9)	1,098.9	(43.5)	1,144.8	(45.9)	1,191.6	(46.8)
Environmental Remediation	18.0	0.0	18.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Expenses	\$8,053.6	\$8,486.2	(\$432.6)	\$8,878.7	(\$392.5)	\$9,213.5	(\$334.9)	\$9,562.3	(\$348.7)
Baseline Net Surplus/(Deficit)	(\$4,728.0)	(\$5,167.8)	(\$439.8)	(\$5,526.7)	(\$358.9)	(\$5,795.1)	(\$268.4)	(\$6,070.2)	(\$275.1)
2009 Program to Eliminate the Gap	9.9	61.0	51.0	61.9	1.0	69.3	7.4	59.1	(10.2)
Post-2009 Program to Eliminate the GAP	0.0	0.0	0.0	59.6	59.6	119.2	59.6	178.8	59.6
Net Surplus/(Deficit)	(\$4,718.1)	(\$5,106.8)	(\$388.7)	(\$5,405.2)	(\$298.4)	(\$5,606.6)	(\$201.4)	(\$5,832.2)	(\$225.7)

REIMBURSABLE

[illegible]

MTA New York City Transit
November Financial Plan 2009 - 2012
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE	Favorable/(Unfavorable)								
	2008	2009	Change 2009-2008	2010	Change 2010-2009	2011	Change 2011-2010	2012	Change 2012-2011
Revenue									
Farebox Revenue:									
Subway	\$2,172.3	\$2,154.2	(\$18.1)	\$2,162.1	\$7.9	\$2,193.5	\$31.4	\$2,227.3	\$33.8
Bus	802.6	795.6	(7.0)	801.6	6.0	813.0	11.5	825.6	12.5
Paratransit	11.5	13.3	1.8	15.3	2.0	17.6	2.3	20.2	2.6
Fare Media Liability	44.0	47.1	3.1	47.8	0.7	48.1	0.3	48.2	0.1
Total Farebox Revenue	3,030.4	3,010.1	(20.2)	3,026.7	16.6	3,072.2	45.5	3,121.3	49.1
Vehicle Toll Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Operating Revenue:									
Fare Reimbursement	102.6	103.8	1.2	103.8	0.0	103.8	0.0	103.8	0.0
Paratransit Reimbursement	88.2	93.7	5.5	105.3	11.6	121.0	15.7	140.8	19.9
Other	104.5	110.8	6.4	116.2	5.3	121.5	5.3	126.2	4.7
Total Other Operating Revenue	295.2	308.3	13.0	325.2	16.9	346.2	21.0	370.8	24.6
Capital and Other Reimbursements	875.2	894.6	19.4	870.1	(24.5)	847.9	(22.2)	861.1	13.2
Total Revenue	\$4,200.8	\$4,213.0	\$12.2	\$4,222.0	\$9.0	\$4,266.3	\$44.3	\$4,353.2	\$86.8
Expenses									
Labor:									
Payroll	3,139.6	3,252.2	(112.6)	3,324.1	(71.9)	3,376.5	(52.5)	3,423.6	(47.1)
Overtime	327.5	313.5	13.9	318.8	(5.3)	325.7	(6.9)	332.7	(7.0)
Total Salaries & Wages	3,467.1	3,565.7	(98.6)	3,642.9	(77.1)	3,702.2	(59.4)	3,756.3	(54.1)
Health and Welfare	476.2	526.5	(50.4)	574.6	(48.0)	622.8	(48.3)	673.6	(50.7)
Pensions	701.2	705.8	(4.6)	680.4	25.4	649.2	31.2	647.0	2.2
Other Fringe Benefits	355.6	362.5	(6.9)	368.4	(5.9)	373.9	(5.5)	378.7	(4.8)
Total Fringe Benefits	1,774.6	1,856.7	(82.1)	1,907.9	(51.2)	1,957.9	(50.0)	2,041.1	(83.2)
Reimbursable Overhead	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Labor Expenses	\$5,241.7	\$5,422.4	(\$180.8)	\$5,550.8	(\$128.3)	\$5,660.1	(\$109.4)	\$5,797.4	(\$137.3)
Non-Labor:									
Traction and Propulsion Power	171.3	192.8	(21.5)	227.0	(34.1)	242.8	(15.8)	259.7	(16.9)
Fuel for Buses and Trains	204.5	218.1	(13.6)	197.1	21.0	193.0	4.1	209.2	(16.2)
Insurance	42.2	48.9	(6.7)	56.0	(7.1)	64.1	(8.1)	73.5	(9.4)
Claims	84.6	76.5	8.1	78.5	(2.0)	78.5	0.0	78.5	0.0
Paratransit Service Contracts	284.3	366.4	(82.2)	422.9	(56.4)	481.3	(58.5)	561.2	(79.9)
Mtce. and Other Operating Contracts	264.6	269.2	(4.5)	289.1	(19.9)	297.0	(7.9)	304.8	(7.8)
Professional Service Contracts	103.9	114.5	(10.6)	109.2	5.3	113.1	(3.9)	116.1	(3.0)
Materials & Supplies	351.7	385.7	(34.0)	406.1	(20.4)	417.6	(11.5)	406.6	11.0
Other Business Expenses	43.2	45.6	(2.4)	46.9	(1.3)	47.6	(0.7)	48.2	(0.6)
Total Non-Labor Expenses	\$1,550.3	\$1,717.8	(\$167.4)	\$1,832.6	(\$114.8)	\$1,935.0	(\$102.3)	\$2,057.8	(\$122.9)
Other Expense Adjustments:									
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Other Expense Adjustments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Expenses before Depreciation	\$6,792.0	\$7,140.2	(\$348.2)	\$7,383.4	(\$243.2)	\$7,595.1	(\$211.7)	\$7,855.2	(\$260.1)
Depreciation	1,109.3	1,185.2	(75.9)	1,266.5	(81.3)	1,321.5	(55.0)	1,376.5	(55.0)
OPEB Obligation	1,009.5	1,055.4	(45.9)	1,098.9	(43.5)	1,144.8	(45.9)	1,191.6	(46.8)
Environmental Remediation	18.0	0.0	18.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Expenses	\$8,928.8	\$9,380.8	(\$452.0)	\$9,748.8	(\$368.0)	\$10,061.4	(\$312.6)	\$10,423.3	(\$361.9)
Baseline Net Surplus/(Deficit)	(\$4,728.0)	(\$5,167.8)	(\$439.8)	(\$5,526.7)	(\$358.9)	(\$5,795.1)	(\$268.4)	(\$6,070.2)	(\$275.1)
2009 Program to Eliminate the Gap	9.9	61.0	51.0	61.9	1.0	69.3	7.4	59.1	(10.2)
Post-2009 Program to Eliminate the GAP	0.0	0.0	0.0	59.6	59.6	119.2	59.6	178.8	59.6
Net Surplus/(Deficit)	(\$4,718.1)	(\$5,106.8)	(\$388.7)	(\$5,405.2)	(\$298.4)	(\$5,606.6)	(\$201.4)	(\$5,832.2)	(\$225.7)

MTA New York City Transit
November Financial Plan 2009 - 2012
Year-to-Year Changes by Category - Cash Basis
(\$ in millions)

CASH RECEIPTS & EXPENDITURES

	Favorable/(Unfavorable)								
	2008	2009	Change 2009-2008	2010	Change 2010-2009	2011	Change 2011-2010	2012	Change 2012-2011
<u>Receipts</u>									
Farebox Revenue	\$3,040.5	\$3,014.8	(\$25.7)	\$3,028.6	\$13.8	\$3,074.1	\$45.5	\$3,123.2	\$49.1
Vehicle Toll Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Operating Revenue:									
Fare Reimbursement	102.6	103.8	1.2	103.8	0.0	103.8	0.0	103.8	0.0
Paratransit Reimbursement	88.6	93.8	5.2	105.2	11.5	120.8	15.6	140.7	19.9
Other	147.8	113.0	(34.8)	118.5	5.4	123.7	5.3	128.3	4.6
Total Other Operating Revenue	339.0	310.6	(28.5)	327.4	16.9	348.3	20.9	372.8	24.5
Capital and Other Reimbursements	819.3	990.6	171.2	874.7	(115.9)	852.0	(22.7)	857.8	5.8
Total Receipts	\$4,198.9	\$4,316.0	\$117.1	\$4,230.8	(\$85.2)	\$4,274.5	\$43.7	\$4,353.8	\$79.4
<u>Expenditures</u>									
Labor:									
Payroll	3,124.9	3,234.5	(109.6)	3,300.5	(66.0)	3,352.1	(51.5)	3,389.0	(37.0)
Overtime	325.9	311.8	14.1	316.5	(4.7)	323.3	(6.8)	329.4	(6.0)
Total Salaries & Wages	3,450.9	3,546.3	(95.5)	3,617.1	(70.7)	3,675.4	(58.3)	3,718.4	(43.0)
Health and Welfare	480.6	523.2	(42.7)	571.0	(47.8)	619.0	(48.0)	669.5	(50.5)
OPEB Current Payment	241.6	261.9	(20.3)	284.5	(22.6)	311.9	(27.4)	341.8	(29.9)
Pensions	573.3	698.4	(125.1)	691.7	6.6	656.4	35.3	647.7	8.7
Other Fringe Benefits	309.0	316.9	(7.9)	323.5	(6.5)	329.0	(5.6)	333.6	(4.6)
Total Fringe Benefits	1,604.5	1,800.4	(195.9)	1,870.7	(70.3)	1,916.4	(45.7)	1,992.6	(76.2)
GASB Account	39.7	41.2	(1.5)	42.3	(1.1)	43.4	(1.1)	(0.0)	43.4
Reimbursable Overhead	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Labor Expenditures	\$5,095.0	\$5,387.9	(\$292.9)	\$5,530.1	(\$142.1)	\$5,635.2	(\$105.1)	\$5,755.3	(\$120.2)
Non-Labor:									
Traction and Propulsion Power	171.3	192.8	(21.5)	227.0	(34.1)	242.8	(15.8)	259.7	(16.9)
Fuel for Buses and Trains	204.5	218.1	(13.6)	197.1	21.0	193.0	4.1	209.2	(16.2)
Insurance	38.8	49.0	(10.2)	56.5	(7.5)	66.9	(10.5)	74.3	(7.4)
Claims	71.8	59.4	12.4	60.9	(1.5)	62.4	(1.5)	64.0	(1.6)
Paratransit Service Contracts	279.8	361.4	(81.7)	417.9	(56.4)	476.3	(58.5)	556.2	(79.9)
Mtce. and Other Operating Contracts	273.6	279.9	(6.2)	299.8	(19.9)	307.7	(7.9)	315.5	(7.8)
Professional Service Contracts	99.9	109.5	(9.6)	104.2	5.3	108.1	(3.9)	111.1	(3.0)
Materials & Supplies	353.0	380.7	(27.7)	408.1	(27.4)	419.6	(11.5)	408.6	11.0
Other Business Expenditures	43.2	45.6	(2.4)	46.9	(1.3)	47.6	(0.7)	48.2	(0.6)
Total Non-Labor Expenditures	\$1,536.0	\$1,696.5	(\$160.5)	\$1,818.3	(\$121.8)	\$1,924.5	(\$106.2)	\$2,046.9	(\$122.4)
Other Expenditure Adjustments:									
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Other Expenditure Adjustments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Expenditures	\$6,631.0	\$7,084.5	(\$453.4)	\$7,348.4	(\$263.9)	\$7,559.7	(\$211.3)	\$7,802.2	(\$242.6)
Baseline Net Cash Deficit	(\$2,432.2)	(\$2,768.5)	(\$336.3)	(\$3,117.6)	(\$349.1)	(\$3,285.2)	(\$167.7)	(\$3,448.4)	(\$163.2)
2009 Program to Eliminate the Gap	9.9	61.0	51.0	61.9	1.0	69.3	7.4	59.1	(10.2)
Post-2009 Program to Eliminate the GAP	0.0	0.0	0.0	59.6	59.6	119.2	59.6	178.8	59.6
Net Cash Deficit	(\$2,422.2)	(\$2,707.5)	(\$285.3)	(\$2,996.0)	(\$288.5)	(\$3,096.7)	(\$100.7)	(\$3,210.5)	(\$113.8)

MTA New York City Transit
November Financial Plan 2009 - 2012
Year-to-Year Changes by Category - Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS

	Favorable/(Unfavorable)								
	2008	2009	Change 2009-2008	2010	Change 2010-2009	2011	Change 2011-2010	2012	Change 2012-2011
<u>Receipts</u>									
Farebox Revenue	\$10.2	\$4.7	(\$5.5)	\$1.9	(\$2.8)	\$1.9	\$0.0	\$1.9	\$0.0
Vehicle Toll Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other Operating Revenue:									
Fare Reimbursement	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Paratransit Reimbursement	0.4	0.1	(0.4)	(0.1)	(0.1)	(0.2)	(0.1)	(0.1)	0.0
Other	43.4	2.2	(41.1)	2.3	0.1	2.3	(0.0)	2.2	(0.1)
Total Other Operating Revenue	43.8	2.3	(41.5)	2.2	(0.1)	2.1	(0.1)	2.0	(0.1)
Capital and Other Reimbursements	(55.8)	96.0	151.8	4.6	(91.4)	4.1	(0.5)	(3.3)	(7.4)
Total Receipt Adjustments	(\$1.9)	\$103.0	\$104.9	\$8.8	(\$94.2)	\$8.1	(\$0.6)	\$0.7	(\$7.4)
<u>Expenditures</u>									
Labor:									
Payroll	14.7	17.7	3.0	23.5	5.8	24.5	0.9	34.5	10.1
Overtime	1.5	1.7	0.2	2.3	0.6	2.4	0.1	3.4	1.0
Total Salaries & Wages	16.2	19.4	3.2	25.8	6.4	26.8	1.0	37.9	11.1
Health and Welfare	(4.4)	3.3	7.7	3.6	0.2	3.8	0.2	4.1	0.3
OPEB Current Payment	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Pensions	127.9	7.4	(120.5)	(11.3)	(18.7)	(7.2)	4.1	(0.7)	6.6
Other Fringe Benefits	46.7	45.6	(1.1)	45.0	(0.6)	44.9	(0.0)	45.1	0.1
Total Fringe Benefits	170.1	56.3	(113.8)	37.2	(19.1)	41.5	4.3	48.5	7.0
GASB Account	(39.7)	(41.2)	(1.5)	(42.3)	(1.1)	(43.4)	(1.1)	(44.3)	(0.9)
Reimbursable Overhead	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Labor Expenditures	\$146.7	\$34.5	(\$112.1)	\$20.7	(\$13.8)	\$25.0	\$4.3	\$42.1	\$17.1
Non-Labor:									
Traction and Propulsion Power	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Fuel for Buses and Trains	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Insurance	3.4	(0.1)	(3.5)	(0.5)	(0.4)	(2.9)	(2.4)	(0.8)	2.0
Claims	12.8	17.1	4.3	17.5	0.5	16.0	(1.5)	14.5	(1.6)
Paratransit Service Contracts	4.5	5.0	0.5	5.0	0.0	5.0	0.0	5.0	0.0
Mtce. and Other Operating Contracts	(9.0)	(10.7)	(1.7)	(10.7)	0.0	(10.7)	0.0	(10.7)	0.0
Professional Service Contracts	4.0	5.0	1.0	5.0	0.0	5.0	0.0	5.0	0.0
Materials & Supplies	(1.3)	5.0	6.3	(2.0)	(7.0)	(2.0)	0.0	(2.0)	0.0
Other Business Expenditures	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Non-Labor Expenditures	\$14.3	\$21.2	\$6.9	\$14.3	(\$6.9)	\$10.4	(\$3.9)	\$10.9	\$0.5
Other Expenditure Adjustments:									
Other	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Other Expenditure Adjustments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Expenditure Adjustments	\$161.0	\$55.7	(\$105.2)	\$35.0	(\$20.7)	\$35.4	\$0.4	\$53.0	\$17.6
Total Cash Conversion Adjustments before Depreciation	\$159.1	\$158.7	(\$0.3)	\$43.8	(\$115.0)	\$43.6	(\$0.2)	\$53.7	\$10.1
Depreciation Adjustment	1,109.3	1,185.2	75.9	1,266.5	81.3	1,321.5	55.0	1,376.5	55.0
OPEB Obligation	1,009.5	1,055.4	45.9	1,098.9	43.5	1,144.8	45.9	1,191.6	46.8
Environmental Remediation	18.0	0.0	(18.0)	0.0	0.0	0.0	0.0	0.0	0.0
Baseline Total Cash Conversion Adj.	\$2,295.9	\$2,399.3	\$103.5	\$2,409.2	\$9.8	\$2,509.9	\$100.7	\$2,621.8	\$111.9
2009 Program to Eliminate the Gap	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Post-2009 Program to Eliminate the GAP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Cash Conversion Adjustments	\$2,295.9	\$2,399.3	\$103.5	\$2,409.2	\$9.8	\$2,509.9	\$100.7	\$2,621.8	\$111.9

**MTA New York City Transit
November Financial Plan 2009-2012
Summary of Major Plan-to-Plan Changes**

2008: November Financial Plan vs. July Financial Plan

Revenue Changes

Revenue changes from the July Financial Plan resulted in an increase of \$45.9 million. Major changes include:

- A projected farebox revenue increase of \$37.4 million due mostly to higher subway and bus ridership.
- A capital reimbursement increase of \$6.5 million consistent with a projected increase in reimbursable expenses.

Expense Changes

Expense changes from the July Financial Plan result in a decrease in expenses of \$70.2 million. Major expense changes include:

- A decrease in pension expenses of \$89.0 million as certain NYCERS lump-sum payments will not be made at this time.
- A favorable rescheduling of expenses of \$25.1 million to 2009 including station painting contracts, purchases of non-revenue support vehicles and paratransit sedans for service, a delayed award for R62 converter replacements, roof replacements and some bus shop program maintenance requirements.
- A re-estimate of depreciation expenses results in an expense decrease of \$24.7 million.
- An increase of \$43.2 million primarily due to a Workers' Compensation reserve increase due to significantly higher medical costs and legislative changes that increase weekly payouts and reduce NYS employer reimbursements for employee accidents related to pre-existing conditions. Any realized cash impacts related to this expense adjustment are anticipated be incurred over time.
- Public liability payment overruns of \$10.1 million due mostly to higher than anticipated jury awards and settlements.

Cash Adjustments

Cash adjustments were unfavorable by \$66.8 million. Major changes include:

- A deferral of \$75.0 million of capital reimbursements to 2009 due primarily to the timing of availability of Capital Program funding.

- An unfavorable non-cash offset to the depreciation expense re-estimate of \$24.7 million.
- A favorable non-cash partial offset to the Workers' Compensation reserve adjustment of \$37.4 million.

2009-2012: November Financial Plan vs. July Financial Plan

Revenue Changes

Revenue changes from the July Financial Plan result in increases of \$31.1 million in 2009, \$13.9 million in 2010, \$9.3 million in 2011, and \$37.2 million in 2012.

Major changes include:

- Capital reimbursement increases of \$28.8 million in 2009, \$25.7 million in 2010, \$10.3 million in 2011 and \$12.9 million in 2012, consistent with increases in reimbursable expense levels.
- A projected increase in farebox revenue of \$0.2 million in 2009, decreases of \$13.9 million in 2010 and \$3.1 million in 2011 and an increase of \$17.9 million in 2012, based upon conservative economic/employment projections.
- Other operating revenue improvements of \$2.0 million in 2009, \$2.1 million in 2010 and 2011 and \$6.4 million in 2012 due mostly to projected higher Transit Adjudication Bureau (TAB) fees due to an increase in the fare evasion penalty from \$60.00 to \$100.00 per infraction.

Expense Changes

Changes from the July Financial Plan result in expense increases of \$138.2 million in 2009, \$162.5 million in 2010, \$141.5 million in 2011 and \$182.9 million in 2012. Major changes include:

- Projected increases in paratransit costs of \$50.0 million in 2009, \$56.8 million in 2010, \$40.6 million in 2011 and \$34.0 million in 2012 including:
 1. Cost increases resulting from new vendor contracts of \$28.8 million in 2009, \$35.9 million in 2010, \$32.7 million in 2011 and \$34.4 million in 2012 primarily in the areas of fixed costs and maintenance costs.
 2. Cost increases of \$9.2 million in 2009, \$3.1 million in 2010 and \$2.0 million in 2012 from new vendor mobilization costs.
 3. Financial plan re-estimates/corrections resulting in increases of \$9.1 million in 2009, \$14.4 million in 2010, \$3.7 million in 2011 and a decrease of \$3.0 million in 2012.
 4. Cost increases of \$2.9 million in 2009, \$3.4 million in 2010, \$4.2 million in 2011 and \$0.6 million in 2012 due to higher ridership.
- Projected increases of \$40.4 million in 2009, \$40.2 million in 2010, \$42.2 million in 2011 and \$43.2 million in 2012 primarily due to estimated Workers' Compensation reserve adjustments based upon anticipation of new and higher cost cases.

- Projected increases in inflation assumptions (primarily labor) resulting in expense increases of \$25.1 million in 2009, \$33.5 million in 2010, \$47.0 million in 2011 and \$56.2 million in 2012.
- Projected increases in bus/heating fuel expenses of \$16.3 million in 2010, \$21.3 million in 2011 and \$44.4 million in 2012.

Cash Adjustments

Cash adjustments are projected to be favorable by \$104.6 million in 2009, \$30.4 million in 2010, \$17.9 million in 2011 and unfavorable \$1.4 million in 2012.

Major changes include:

- A deferral from 2008 to 2009 of \$75.0 million of capital reimbursements due primarily to the timing of availability of Capital Program funding.
- Favorable non-cash offsets to anticipated Workers' Compensation reserve adjustments of \$36.1 million in 2009, \$35.0 million in 2010, \$34.9 million in 2011 and \$34.2 million in 2012.
- Unfavorable non-cash offsets to depreciation expense re-estimates of \$18.8 million in 2009, \$7.5 million in 2010, \$22.5 million in 2011 and \$37.5 million in 2012.

MTA New York City Transit
November Financial Plan 2009 - 2012
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE					
	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Cash Deficit	(\$2,476.4)	(\$2,748.2)	(\$3,007.6)	(\$3,192.0)	(\$3,330.8)
IESS Adjustment	(0.7)	(7.8)	(11.1)	(9.9)	(10.2)
Fuel Adjustment	(24.8)	(35.6)	15.4	30.0	42.4
Adjusted July Financial Plan - Cash Deficit	(2,502.0)	(2,791.6)	(3,003.3)	(3,171.9)	(3,298.6)
Baseline Changes					
Revenue					
Farebox Revenue	37.4	0.2	(13.9)	(3.1)	17.9
Other Operating Revenue	2.0	2.0	2.1	2.1	6.4
Capital and Other Reimbursement	0.0	0.0	0.0	0.0	0.0
Total Revenue Changes	39.4	2.2	(11.8)	(1.0)	24.3
Expenses					
<i>Labor:</i>					
Payroll	(4.4)	(31.9)	(32.6)	(42.2)	(48.4)
Overtime	(7.3)	3.1	3.6	3.1	2.7
Health and Welfare	(2.2)	(3.8)	(1.9)	(1.0)	(1.4)
OPEB Current Payment	(1.5)	3.4	2.8	1.9	0.8
Pensions	89.0	(7.7)	(8.4)	(8.7)	(9.3)
Other Fringe Benefits	(43.2)	(40.6)	(40.2)	(42.2)	(43.2)
Reimbursable Overhead	7.8	10.4	9.5	5.1	4.2
Total Labor Expense Changes	38.3	(67.1)	(67.2)	(84.1)	(94.6)
<i>Non-Labor:</i>					
Traction and Propulsion Power	2.0	0.6	1.4	2.2	(11.6)
Fuel for Buses and Trains	1.3	3.6	(24.1)	(30.3)	(51.7)
Insurance	(0.3)	0.0	0.0	0.0	0.0
Claims	(10.1)	0.0	0.0	0.0	0.0
Paratransit Service Contracts	(4.2)	(50.0)	(56.8)	(40.6)	(38.4)
Maintenance and Other Operating Contracts	11.0	(3.6)	2.4	2.6	(3.8)
Professional Service Contracts	8.3	(0.9)	0.9	0.2	(0.2)
Materials & Supplies	6.4	(9.9)	1.0	(1.5)	(4.8)
Other Business Expenses	(0.6)	(0.9)	(1.9)	(2.2)	(2.5)
Total Non-Labor Expense Changes	13.8	(61.1)	(77.2)	(69.6)	(113.0)
Depreciation	24.7	18.8	7.5	22.5	37.5
Total Expense Changes	76.8	(109.4)	(136.8)	(131.2)	(170.0)
Cash Adjustment Changes					
Revenue	(1.0)	0.0	0.0	(0.0)	(0.0)
Expense	35.2	53.1	37.2	37.2	36.6
Depreciation	(24.7)	(18.8)	(7.5)	(22.5)	(37.5)
Total Cash Adjustment Changes	\$9.5	\$34.3	\$29.7	\$14.7	(\$0.9)
Total Baseline Changes	\$125.6	(\$72.9)	(\$118.9)	(\$117.5)	(\$146.6)
Baseline 2008 November Financial Plan - Cash Deficit	(\$2,376.3)	(\$2,864.5)	(\$3,122.2)	(\$3,289.4)	(\$3,445.1)

MTA New York City Transit
November Financial Plan 2009 - 2012
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE					
	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Cash Deficit	\$20.5	\$25.7	\$3.9	\$0.9	(\$2.7)
IESS Adjustment	0.0	0.0	0.0	0.0	0.0
Fuel Adjustment	0.0	0.0	0.0	0.0	0.0
Adjusted July Financial Plan - Cash Deficit	20.5	25.7	3.9	0.9	(2.7)
Baseline Changes					
Revenue					
Farebox Revenue	0.0	0.0	0.0	0.0	0.0
Other Operating Revenue	0.0	0.0	0.0	0.0	0.0
Capital and Other Reimbursement	6.5	28.8	25.7	10.3	12.9
Total Revenue Changes	6.5	28.8	25.7	10.3	12.9
Expenses					
<i>Labor:</i>					
Payroll	10.5	(10.8)	(10.8)	(4.8)	(3.9)
Overtime	(11.8)	0.1	0.5	0.6	0.5
Health and Welfare	(0.1)	0.2	0.3	0.4	0.5
Pensions	(0.4)	(0.4)	(0.4)	(0.4)	(0.5)
Other Fringe Benefits	0.0	(4.0)	(3.9)	(2.1)	(1.8)
Reimbursable Overhead	(7.8)	(10.4)	(9.5)	(5.1)	(4.2)
Total Labor Expense Changes	(9.6)	(25.4)	(23.8)	(11.5)	(9.4)
<i>Non-Labor:</i>					
Traction and Propulsion Power	0.0	0.0	0.0	0.0	0.0
Fuel for Buses and Trains	0.0	0.0	0.0	0.0	0.0
Insurance	0.0	0.0	0.0	0.0	0.0
Claims	0.0	0.0	0.0	0.0	0.0
Paratransit Service Contracts	0.0	0.0	0.0	0.0	0.0
Maintenance and Other Operating Contracts	(5.9)	(0.1)	(0.1)	(0.1)	(0.1)
Professional Service Contracts	(0.6)	(1.0)	(1.7)	(1.7)	(3.9)
Materials & Supplies	9.1	(2.3)	(0.1)	2.9	0.4
Other Business Expenses	0.4	0.0	0.0	0.0	0.0
Total Non-Labor Expense Changes	3.0	(3.4)	(1.9)	1.2	(3.5)
Total Expense Changes	(6.5)	(28.8)	(25.7)	(10.3)	(12.9)
Cash Adjustment Changes					
Capital Reimbursement Timing	(76.3)	70.3	0.7	3.2	(0.5)
Total Cash Adjustment Changes	(\$76.3)	\$70.3	\$0.7	\$3.2	(\$0.5)
Total Baseline Changes	(\$76.3)	\$70.3	\$0.7	\$3.2	(\$0.5)
Baseline 2008 November Financial Plan - Cash Deficit	(\$55.8)	\$96.0	\$4.6	\$4.1	(\$3.3)

MTA New York City Transit
November Financial Plan 2009 - 2012
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE					
	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Cash Deficit	(\$2,455.9)	(\$2,722.5)	(\$3,003.7)	(\$3,191.1)	(\$3,333.5)
IESS Adjustment	(0.7)	(7.8)	(11.1)	(9.9)	(10.2)
Fuel Adjustment	(24.8)	(35.6)	15.4	30.0	42.4
Adjusted July Financial Plan - Cash Deficit	(2,481.5)	(2,765.9)	(2,999.3)	(3,170.9)	(3,301.3)
Baseline Changes					
Revenue					
Farebox Revenue	37.4	0.2	(13.9)	(3.1)	17.9
Other Operating Revenue	2.0	2.0	2.1	2.1	6.4
Capital and Other Reimbursement	6.5	28.8	25.7	10.3	12.9
Total Revenue Changes	45.9	31.1	13.9	9.3	37.2
Expenses					
Labor:					
Payroll	6.1	(42.7)	(43.5)	(47.0)	(52.2)
Overtime	(19.1)	3.1	4.2	3.6	3.1
Health and Welfare	(2.2)	(3.6)	(1.6)	(0.6)	(0.9)
OPEB Current Payment	(1.5)	3.4	2.8	1.9	0.8
Pensions	88.6	(8.1)	(8.8)	(9.1)	(9.8)
Other Fringe Benefits	(43.2)	(44.6)	(44.1)	(44.3)	(45.0)
Reimbursable Overhead	0.0	0.0	0.0	0.0	0.0
Total Labor Expense Changes	28.7	(92.5)	(91.0)	(95.5)	(104.0)
Non-Labor:					
Traction and Propulsion Power	2.0	0.6	1.4	2.2	(11.6)
Fuel for Buses and Trains	1.3	3.6	(24.1)	(30.3)	(51.7)
Insurance	(0.3)	0.0	0.0	0.0	0.0
Claims	(10.1)	0.0	0.0	0.0	0.0
Paratransit Service Contracts	(4.2)	(50.0)	(56.8)	(40.6)	(38.4)
Maintenance and Other Operating Contracts	5.1	(3.6)	2.3	2.5	(3.9)
Professional Service Contracts	7.7	(2.0)	(0.8)	(1.4)	(4.1)
Materials & Supplies	15.5	(12.2)	0.9	1.4	(4.4)
Other Business Expenses	(0.2)	(0.9)	(1.9)	(2.2)	(2.5)
Total Non-Labor Expense Changes	16.8	(64.5)	(79.1)	(68.4)	(116.5)
Depreciation	24.7	18.8	7.5	22.5	37.5
Total Expense Changes	70.2	(138.2)	(162.5)	(141.5)	(182.9)
Cash Adjustment Changes					
Revenue	(1.0)	0.0	0.0	(0.0)	(0.0)
Expense	35.2	53.1	37.2	37.2	36.6
Capital Reimbursement Timing	(76.3)	70.3	0.7	3.2	(0.5)
Depreciation	(24.7)	(18.8)	(7.5)	(22.5)	(37.5)
Total Cash Adjustment Changes	(\$66.8)	\$104.6	\$30.4	\$17.9	(\$1.4)
Total Baseline Changes	\$49.3	(\$2.6)	(\$118.2)	(\$114.3)	(\$147.1)
Baseline 2008 November Financial Plan - Cash Deficit	(\$2,432.2)	(\$2,768.5)	(\$3,117.6)	(\$3,285.2)	(\$3,448.4)

MTA New York City Transit
November Financial Plan 2009 - 2012
Summary of Programmatic Changes Between Financial Plans
(\$ in millions)

TOTAL NON-REIMBURSABLE AND REIMBURSABLE

	2008	2009	2010	2011	2012
2008 July Financial Plan - Net Cash Deficit	(\$2,455.9)	(\$2,722.5)	(\$3,003.7)	(\$3,191.1)	(\$3,333.5)
IESS Adjustment	(0.7)	(7.8)	(11.1)	(9.9)	(10.2)
Fuel Adjustment	(24.8)	(35.6)	15.4	30.0	42.4
Adjusted July Financial Plan - Net Cash Deficit	(2,481.5)	(2,765.9)	(2,999.3)	(3,170.9)	(3,301.3)
Baseline Changes:					
Revenue					
Farebox Revenue Re-estimate	37.4	0.2	(13.9)	(3.1)	17.9
Paratransit Urban Tax Re-estimate	0.0	0.0	0.0	0.0	0.0
Capital Reimbursement Revision	6.5	28.8	25.7	10.3	12.9
Other Re-estimates	2.0	2.0	2.1	2.1	6.4
Sub-Total Revenue Changes	45.9	31.1	13.9	9.3	37.2
Expenses					
Expense Re-estimates:					
Paratransit:					
Additional Costs-New Vendor Contracts	0.0	(28.8)	(35.9)	(32.7)	(34.4)
New Vendor Start-up/Mobilization Costs	(2.0)	(9.2)	(3.1)	0.0	(2.0)
Financial Plan Re-estimates/Corrections	5.5	(9.1)	(14.4)	(3.7)	3.0
Cost Impact of Increased Ridership	(2.6)	(2.9)	(3.4)	(4.2)	(0.6)
Sub-total Paratransit	1.0	(50.0)	(56.8)	(40.6)	(34.0)
Labor/Material/Other Inflation Update	0.0	(25.1)	(33.5)	(47.0)	(56.2)
Bus/Heating Fuel	2.0	11.6	(16.3)	(21.3)	(44.4)
Electric Power	(0.3)	1.2	2.4	3.5	(15.1)
Workers' Compensation Reserve Adj./Other Fringe Benefits	(43.2)	(40.4)	(40.2)	(42.2)	(43.2)
Rescheduling of Expenses	25.1	(24.6)	(0.4)	0.0	0.0
Pension	89.0	(7.7)	(8.4)	(8.7)	(9.3)
Health & Welfare	(4.7)	3.6	3.9	2.8	1.7
Public Liability Additional Payments	(10.1)	0.0	0.0	0.0	0.0
Other Than Personal Service Adjustments	(0.6)	5.5	6.0	5.4	3.4
Overhead Rate Adjustment	5.9	7.0	6.5	6.2	6.3
Miscellaneous Base Pay	(3.3)	(2.7)	(2.7)	(2.7)	(2.7)
Fare Media Transaction Costs	(2.2)	(1.8)	(1.8)	(2.0)	(2.2)
Depreciation	24.7	18.8	7.5	22.5	37.5
Reimbursable Expenses	(6.5)	(28.8)	(25.7)	(10.3)	(12.9)
Other Re-estimates	(5.6)	0.8	5.5	(0.2)	(4.3)
Sub-Total Expense Re-estimates	71.2	(132.6)	(153.9)	(134.4)	(175.9)
Programmatic New Needs:					
Fourth Staten Island Depot	(0.4)	(6.8)	(6.7)	(6.7)	(6.7)
Direct Service	(0.6)	1.2	(1.9)	(0.4)	(0.4)
Sub-Total Programmatic New Needs	(1.0)	(5.6)	(8.6)	(7.1)	(7.1)
Sub-Total Expense Changes	70.2	(138.2)	(162.5)	(141.5)	(182.9)
Cash Adjustments					
Revenue					
Timing of Capital Reimbursements	(76.3)	70.3	0.7	3.2	(0.6)
Other Revenue Adjustments	(1.0)	0.0	0.0	0.0	0.0
Expense					
Workers' Compensation Reserve Adjustment-Non Cash Offset	37.4	36.1	35.0	34.9	34.2
Depreciation Re-estimate-Non Cash Offset	(24.7)	(18.8)	(7.5)	(22.5)	(37.5)
Timing of Inventory Purchases	(9.0)	7.0	0.0	0.0	0.0
Timing of Pension Payments	(6.7)	6.9	0.0	0.0	(0.0)
Paratransit Payment Lag	5.5	0.0	0.0	0.0	0.0
Payroll-Related Expenditure Timing	5.8	1.0	0.0	0.1	0.2
Other Cash Adjustments	2.2	2.2	2.2	2.2	2.2
Sub-Total Cash Adjustment Changes	(66.8)	104.6	30.4	17.9	(1.4)
Total Baseline Changes	\$49.3	(\$2.6)	(\$118.2)	(\$114.3)	(\$147.1)
Programs to Eliminate the GAP (PEGS)					
2009 Program	9.9	61.0	61.9	69.3	59.1
Post-2009 Program-Unspecified	0.0	0.0	59.6	119.2	178.8
2008 November Financial Plan - Net Cash Deficit	(\$2,422.2)	(\$2,707.5)	(\$2,996.0)	(\$3,096.7)	(\$3,210.5)

MTA New York City Transit
November Financial Plan 2009-2012
Summary of Major Plan-to-Plan Changes
Ridership (Utilization)

The November 2008 Financial Plan baseline non-student ridership forecast uses as a base September actual 2008 year-to-date ridership. The October-December 2008 forecast is the same as the July 2008 Plan, which assumed that the January-April trend (1.1% above budget for subway and 0.2% below budget for buses) would continue for the remainder of 2008. Although May-September non-student ridership was higher than the July Plan (2.9% higher for subway and 1.8% higher for buses), the lower ridership from the July Plan was used for October-December because ridership is expected to slow down due to the worsening economy. The resulting 2008 non-student ridership forecast is 23.3 million higher than the July Plan.

Working off the revised 2008 projection, annual 2009-2012 ridership growth forecasts are based on a revised employment forecast developed by the MTA that reflects the recent financial turmoil. The revised forecast projects a 1.35% decline in NYC employment in 2009 (compared to the July Plan assumption of flat employment), followed by a slight increase of 0.54% in 2010 (compared to 1.02% in the July Plan). Employment is projected to grow by more than one percent in 2011 and 2012, higher than the less than one percent growth assumed for 2011 and 2012 in the July Plan. The resulting November Plan non-student ridership is expected to be 7.2 million lower than the July Plan in 2009, 17.8 million lower in 2010, 9.8 million lower in 2011, and 5.7 million higher in 2012.

The November Plan student ridership forecast is based on September year-to-date results and an assumption of no annual growth from 2009 to 2012 (the July Plan also assumed no student growth). As a result of slightly higher September Year-to-date results, student ridership is expected to be 0.6 million higher than the February Plan each year from 2008 to 2012.

The resulting total subway and bus ridership forecast is higher than the July 2008 Plan by 23.9 million in 2008, then 6.6 million lower in 2009, 17.2 million lower in 2010, 9.2 million lower in 2011, and higher by 6.3 million in 2012.

MTA New York City Transit
November Financial Plan 2009 - 2012
Ridership/Traffic Volume (Utilization)
(in millions)

	2007	2008	2009			
	Actuals	November	Final Proposed	2010	2011	2012
		Forecast	Budget			
Subway	1,562.5	1,622.8	1,596.7	1,602.3	1,624.6	1,648.6
Bus	738.0	747.9	736.6	740.0	749.6	760.1
Paratransit	5.9	7.2	8.2	9.5	10.9	12.5
Baseline Total Ridership	2,306.4	2,377.8	2,341.6	2,351.8	2,385.1	2,421.2
Impact of: PEG Program						
Total Ridership	2,306.4	2,377.8	2,341.6	2,351.8	2,385.1	2,421.2

MTA NEW YORK CITY TRANSIT
November Plan 2009 - 2012
Summary of 2009 Program to Eliminate the Gap(PEGs)
(\$ in millions)

		2008		2009		2010		2011		2012	
		<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											
Administrative Efficiencies - AFC		0	0.000	2	0.207	2	0.207	2	0.207	2	0.207
Administrative Efficiencies - Buses		0	0.000	15	1.495	15	1.495	15	1.495	15	1.495
Administrative Efficiencies - Chief of Staff		4	0.421	12	1.348	12	1.348	12	1.348	12	1.348
Administrative Efficiencies - Corporate Communicatio		0	0.000	1	0.065	1	0.065	1	0.065	1	0.065
Administrative Efficiencies - EMD		0	0.000	13	1.672	13	1.672	13	1.672	13	1.672
Administrative Efficiencies - Law		1	0.058	(1)	0.266	0	0.565	0	0.548	0	0.548
Administrative Efficiencies - OMB		1	0.343	1	0.096	1	0.096	1	0.096	1	0.096
Administrative Efficiencies - RTO		0	0.000	2	0.214	2	0.214	2	0.214	2	0.214
Administrative Efficiencies - System Safety		0	0.000	1	0.071	1	0.071	1	0.071	1	0.071
Administrative Efficiencies - Technology and Informat		0	0.000	0	0.300	0	0.600	0	0.600	0	0.600
Administrative Efficiencies -Materiel		0	0.333	0	0.334	0	0.000	0	0.000	0	0.000
Administrative Efficiencies-Controller		0	0.000	3	0.334	5	0.447	5	0.447	5	0.447
Administrative Efficiencies-MOW (Maintenance of We		9	0.611	9	0.665	9	0.665	9	0.665	9	0.665
Prescription Drug Contract Re-bid		0	0.000	0	2.500	0	5.000	0	5.000	0	5.000
Sub-Total	Administration	15	\$ 1.766	58	\$ 9.567	61	\$ 12.445	61	\$ 12.428	61	\$ 12.428
Maintenance											
Bus Facility Maintenance Economies		0	1.148	0	1.148	0	1.148	0	1.148	0	1.148
Bus Shop Plan - 12 Year Upgrade Savings		0	0.000	69	9.125	34	5.620	73	12.796	9	2.229
Bus Shop Plan - MCI Economies		0	1.848	6	1.525	2	0.774	3	0.994	4	1.053
Bus Supervisory Productivity		0	0.000	8	1.060	8	1.060	8	1.060	8	1.060
Car Cleaning Economies		0	0.000	0	0.000	14	0.864	14	0.864	14	0.864
Car Quality Control Initiative Efficiencies		0	0.000	17	3.455	17	3.455	17	3.455	17	3.455
EMD Maintenance Efficiencies		0	0.000	4	0.730	4	0.530	4	0.530	4	0.530
Fare Control Maintenance Efficiencies		0	0.000	6	0.505	6	0.505	6	0.505	6	0.505
Fleet Maintenance Efficiencies - Buses		0	0.000	50	4.252	79	7.798	79	7.798	79	7.798
Maintenance Efficiencies - Car Equipment		12	0.476	59	5.971	59	5.971	59	5.971	59	5.971

MTA NEW YORK CITY TRANSIT
November Plan 2009 - 2012
Summary of 2009 Program to Eliminate the Gap(PEGs)
(\$ in millions)

		2008		2009		2010		2011		2012	
		<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>
Maintenance Efficiencies - Electrical		0	0.000	4	0.301	4	0.301	4	0.301	4	0.301
Maintenance Efficiencies - Infrastructure		0	0.000	3	0.241	3	0.241	3	0.241	3	0.241
Maintenance Efficiencies - RTO		10	0.282	10	0.307	10	0.307	10	0.307	10	0.307
Maintenance Efficiencies - Track		0	0.000	5	0.484	5	0.484	0	0.000	0	0.000
Material Economies-Buses		0	0.000	0	1.276	0	1.276	0	1.276	0	1.276
Non-Revenue Vehicle Replacement Cycle		0	0.260	0	2.114	0	(0.216)	0	0.124	0	0.464
Rehabilitated Stations Maintenance Efficiencies		0	0.000	12	0.848	12	0.848	12	0.848	12	0.848
SONET/ATM Maintenance Reduction		0	1.000	0	0.500	0	0.000	0	0.000	0	0.000
Station Track Cleaning Initiative Efficiencies		8	0.558	8	0.607	8	0.607	8	0.607	8	0.607
Supply Logistics Efficiencies		0	0.000	13	0.993	13	0.985	13	0.964	13	0.943
Terminal Car Cleaning Initiative Efficiencies		29	0.843	29	1.833	29	1.833	29	1.833	29	1.833
Track Test Savings		8	0.305	13	1.078	13	1.078	13	1.078	13	1.078
Water Intrusion Remediation		0	0.000	12	0.998	12	0.998	12	0.998	12	0.998
Sub-Total	Maintenance	67	\$ 6.720	328	\$ 39.351	332	\$ 36.467	367	\$ 43.698	304	\$ 33.509
Other											
Security Post Reductions		0	0.000	13	0.916	13	0.916	13	0.916	13	0.916
Title Downgrades		0	0.000	0	0.836	0	0.836	0	0.836	0	0.836
Sub-Total	Other	0	\$ 0.000	13	\$ 1.752	13	\$ 1.752	13	\$ 1.752	13	\$ 1.752
Service Support											
Bus Shifter Economies		0	0.000	21	2.137	21	2.137	21	2.137	21	2.137
Eliminate Night Shift Revenue Processing		10	0.278	10	0.605	10	0.605	10	0.605	10	0.605
Eliminate WEP Program		0	0.000	19	2.563	19	2.563	19	2.563	19	2.563
Platform Controller Reduction		0	0.000	14	0.955	14	0.955	14	0.955	14	0.955
RTO Safety Initiative Efficiencies		0	0.000	17	1.575	17	1.575	17	1.575	17	1.575
Revenue Collection Efficiencies		10	0.953	10	0.691	10	0.691	10	0.691	10	0.691
Service Support Efficiencies - Buses		0	0.000	0	0.300	0	0.300	0	0.300	0	0.300
Service Support Efficiencies - Subways		0	0.000	9	0.734	9	0.734	9	0.734	9	0.734

MTA NEW YORK CITY TRANSIT
November Plan 2009 - 2012
Summary of 2009 Program to Eliminate the Gap(PEGs)
(\$ in millions)

		2008		2009		2010		2011		2012	
		<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>
Traffic Checking Efficiencies		1	0.212	2	0.743	4	1.715	4	1.865	4	1.865
Sub-Total	Service Support	21	\$ 1.443	102	\$ 10.303	104	\$ 11.275	104	\$ 11.425	104	\$ 11.425
Total Programs		103	\$ 9.929	501	\$ 60.973	510	\$ 61.939	545	\$ 69.303	482	\$ 59.114

MTA NEW YORK CITY TRANSIT
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Administration	Savings Date	1/1/2009
PEG / New Need ID	0000000214	Current Budget Year	2008	Status	Open
Program:	Administrative Efficiencies - AFC			Agency Status	Pending
Description and Implementation Pla	This proposal provides productivity savings through staffing efficiencies. Functions will be absorbed by existing staff.				
Background Details	This proposal eliminates 2 professional and technical positions from the Division of Automated Fare Control (AFC) Program Management and Sales in 2009.				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000214	FINAL08	0	2	2	2	2
Financial Impact	NYCTR	0000000214	FINAL08	\$ 0.000	\$ 0.207	\$ 0.207	\$ 0.207	\$ 0.207

MTA NEW YORK CITY TRANSIT
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Administration	Savings Date	1/1/2009
PEG / New Need ID	0000000181	Current Budget Year	2008	Status	Open
Program:	Administrative Efficiencies - Buses			Agency Status	Pending
Description and Implementation Pla	Existing staff will absorb the workload.				
Background Details	Administrative efficiencies will reduce 15 positions from various divisions within the Department of Buses (12 Administrative and 3 Hourly) as follows: Facilities (1), Transportation (1), Training (1), Maintenance & Support Service (1), Maintenance Overhaul Facilities (1), Operations Support (3), Division Operations (4), 3 Hourly Road Control positions from Centralized Road Service (CRS).				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000181	FINAL08	0	15	15	15	15
Financial Impact	NYCTR	0000000181	FINAL08	\$ 0.000	\$ 1.495	\$ 1.495	\$ 1.495	\$ 1.495

MTA NEW YORK CITY TRANSIT
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2008
Budget Reference	FINAL08	Category	Administration	Savings Date	1/1/2008
PEG / New Need ID	0000000182	Current Budget Year	2008	Status	Open
Program:	Administrative Efficiencies - Chief of Staff			Agency Status	Pending
Description and Implementation Pla	Due to the reorganization of the Dept. of Subways, the Office of the Chief of Staff was created. This new consolidated group now eliminates the redundancy of functions accross the various divisions in Subways.				
Background Details	Under this proposal the following positions will be eliminated: Chief of Operations-Rolling Stock and MOW, Chief of Operations for Service Delivery, 1 manager from the General Services Office, 6 PT&E's throughout DOS, 1 clerical in Employee Availability, and 2 Operating Supervisors from the Administration and Finance Groups. Also a reduction of \$60K in unscheduled overtime for PT&E's and Supervisors in MOW Administration will be achieved. 2008 savings achieved by eliminating vacant positions.				
	"				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000182	FINAL08	4	12	12	12	12
Financial Impact	NYCTR	0000000182	FINAL08	\$ 0.421	\$ 1.348	\$ 1.348	\$ 1.348	\$ 1.348

MTA NEW YORK CITY TRANSIT
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Administration	Savings Date	1/1/2009
PEG / New Need ID	0000000216	Current Budget Year	2008	Status	Open
Program:	Administrative Efficiencies - Corporate Communications			Agency Status	Pending
Description and Implementation Pla	In order to complete this enhancement, six Customer Service Specialists will be converted to four Analysts who will perform database analysis and interpretation. Temporary services will be increased to cover peak periods and availability issues.				
Background Details	Administrative efficiencies can be achieved through a number of initiatives. With the implementation of Trip Planner on the internet, Corporate Communications can enhance customer itineraries by factoring in service changes resulting from scheduled work.				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000216	FINAL08	0	1	1	1	1
Financial Impact	NYCTR	0000000216	FINAL08	\$ 0.000	\$ 0.065	\$ 0.065	\$ 0.065	\$ 0.065

MTA NEW YORK CITY TRANSIT
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Administration	Savings Date	1/1/2009
PEG / New Need ID	0000000217	Current Budget Year	2008	Status	Open
Program:	Administrative Efficiencies - EMD			Agency Status	Pending
Description and Implementation Pla	EMD is undergoing a reorganization and anticipates that productivity and streamlining efficiencies will be achieved. Functions will be absorbed by existing staff.				
Background Details	Reduce administrative staff in the Electronics Maintenance Division (EMD), beginning 1/1/2009 with the reduction of twelve managerial positions and one clerical position.				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000217	FINAL08	0	13	13	13	13
Financial Impact	NYCTR	0000000217	FINAL08	\$ 0.000	\$ 1.672	\$ 1.672	\$ 1.672	\$ 1.672

MTA NEW YORK CITY TRANSIT
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	7/1/2008
Budget Reference	FINAL08	Category	Administration	Savings Date	7/1/2008
PEG / New Need ID	0000000218	Current Budget Year	2008	Status	Open
Program:	Administrative Efficiencies - Law			Agency Status	Pending
Description and Implementation Pla	Effective May 2008, an administrative clerical position will be eliminated; functions will be absorbed by existing staff. Effective January, 2009, the Law Dept. will increase staff to reduce Outside counsel costs.				
Background Details	Outside counsel costs will be reduced by using internal staff to both prepare the initial legal instruments in No-fault cases and to handle the annual arbitrations under the Uninsured Motorist Law. In addition, through the realignment of responsibilities, the Law Dept. will eliminate a clerical position beginning in 2008.				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000218	FINAL08	1	(1)	0	0	0
Financial Impact	NYCTR	0000000218	FINAL08	\$ 0.058	\$ 0.266	\$ 0.565	\$ 0.548	\$ 0.548

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Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2008
Budget Reference	FINAL08	Category	Administration	Savings Date	1/1/2008
PEG / New Need ID	0000000169	Current Budget Year	2008	Status	Open
Program:	Administrative Efficiencies - OMB			Agency Status	Pending
Description and Implementation Pla	This proposal provides productivity savings through staffing efficiencies. Functions will be performed by existing staff.				
Background Details	Reduce administrative staff in the Office of Management and Budget, beginning 1/1/08 with the reduction of one managerial position In addition, 2008 includes one-time salary and wage savings due to vacancies.				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000169	FINAL08	1	1	1	1	1
Financial Impact	NYCTR	0000000169	FINAL08	\$ 0.343	\$ 0.096	\$ 0.096	\$ 0.096	\$ 0.096

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Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Administration	Savings Date	1/1/2009
PEG / New Need ID	0000000183	Current Budget Year	2008	Status	Open
Program:	Administrative Efficiencies - RTO			Agency Status	Pending
Description and Implementation Pla	This proposal eliminates one member of the Emergency Response Team on select tours starting January, 2009.				
Background Details	In 2008, 10 Emergency Response Teams each consisting of 1 Train Service Supervisor and 1 Superintendent were established in RTO to respond to emergencies and to act as liaison with the Mayor's Office of Emergency Management and other Federal, State or City emergency response units. In an emergency, the teams coordinate with the Rail Control Center in facilitating a response and/or changes to subway service.				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000183	FINAL08	0	2	2	2	2
Financial Impact	NYCTR	0000000183	FINAL08	\$ 0.000	\$ 0.214	\$ 0.214	\$ 0.214	\$ 0.214

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Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Administration	Savings Date	1/1/2009
PEG / New Need ID	0000000170	Current Budget Year	2008	Status	Open
Program:	Administrative Efficiencies - System Safety			Agency Status	Pending
Description and Implementation Pla	This proposal provides productivity savings through staffing efficiencies. Functions will be absorbed by existing staff.				
Background Details	Reduce administrative staff in the Office of System Safety, beginning 1/1/09 with the reduction of one clerical position.				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000170	FINAL08	0	1	1	1	1
Financial Impact	NYCTR	0000000170	FINAL08	\$ 0.000	\$ 0.071	\$ 0.071	\$ 0.071	\$ 0.071

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Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2008
Budget Reference	FINAL08	Category	Administration	Savings Date	1/1/2008
PEG / New Need ID	0000000171	Current Budget Year	2008	Status	Open
Program:	Administrative Efficiencies - Technology and Information Services (TIS)			Agency Status	Pending
Description and Implementation Pla	Beginning in 2008, reduce mainframe budget to revised projections based on historical actuals.				
Background Details	NYCT outsources mainframe processing to an outside vendor (IBM). The IBM contract commenced in 2005, at which time the budget was established. However, mainframe usage has historically been lower than initially budgeted.				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000171	FINAL08	0	0	0	0	0
Financial Impact	NYCTR	0000000171	FINAL08	\$ 0.000	\$ 0.300	\$ 0.600	\$ 0.600	\$ 0.600

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Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2008
Budget Reference	FINAL08	Category	Administration	Savings Date	1/1/2008
PEG / New Need ID	0000000219	Current Budget Year	2008	Status	Open
Program:	Administrative Efficiencies -Materiel			Agency Status	Pending
Description and Implementation Pla	This initiative will reduce operating costs for construction and demolition debris removal by charging this cost to the appropriate capital project.				
Background Details	NYC Transit disposes of construction/demolition debris (CD/DD) in an estimated range of 89,000 to 156,000 cubic yards annually via waste hauling contracts. Over the past ten years, approximately 49% of CD/DD has been related to reimbursable work along the right-of -way				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	NYCTR	0000000219	FINAL08	\$ 0.333	\$ 0.334	\$ 0.000	\$ 0.000	\$ 0.000

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Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Administration	Savings Date	1/1/2009
PEG / New Need ID	0000000215	Current Budget Year	2008	Status	Open
Program:	Administrative Efficiencies-Controller			Agency Status	Pending
Description and Implementation Pla	This proposal provides productivity savings through staffing efficiencies. Functions will be absorbed by existing staff.				
Background Details	Eliminate position vacancies within the Controllers Office and adjust cash/trade discounts on operating contracts to historical actuals.				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000215	FINAL08	0	3	5	5	5
Financial Impact	NYCTR	0000000215	FINAL08	\$ 0.000	\$ 0.334	\$ 0.447	\$ 0.447	\$ 0.447

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Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2008
Budget Reference	FINAL08	Category	Administration	Savings Date	1/1/2008
PEG / New Need ID	0000000220	Current Budget Year	2008	Status	Open
Program:	Administrative Efficiencies-MOW (Maintenance of Way)			Agency Status	Pending
Description and Implementation Pla	Under this proposal Infrastructure will eliminate 6 vacant positions and Track will eliminate 3 vacant positions effective January 2008.				
Background Details	Infrastructure will eliminate 6 vacant positions from it's administrative staff: 2 PT&E's from Infrastructure Capital Construction; 2 PT&E's from Structures & Facilities and 2 clericals from Electro-Mech. Track will eliminate 3 vacant clerical positions, 1 each from Track Construction, Subway Maintenance and System Maintenance.				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000220	FINAL08	9	9	9	9	9
Financial Impact	NYCTR	0000000220	FINAL08	\$ 0.611	\$ 0.665	\$ 0.665	\$ 0.665	\$ 0.665

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Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	7/1/2009
Budget Reference	FINAL08	Category	Administration	Savings Date	12/1/2009
PEG / New Need ID	0000000173	Current Budget Year	2008	Status	Open
Program:	Prescription Drug Contract Re-bid			Agency Status	Pending
Description and Implementation Pla	Increased discounts are expected for the average wholesale price of retail/generic prescriptions of at least. 5% and 6%, respectively; reductions in dispensing fees/improved rebates are based on preliminary contract discussions.				
Background Details	Renegotiate NYC Transit's prescription drug contract which expires in July 2009 to achieve additional savings. It's anticipated that the renegotiated contract will yield the following benefits: savings from increased discounts on both retail brand and generic prescription drugs, reduction in retail dispensing fees and an improvement in rebates for prescriptions processed at retail sites as well as through the mail. Cost reductions are expected to be greater once prospective bidders compete for NYCT's business.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	NYCTR	0000000173	FINAL08	\$ 0.000	\$ 2.500	\$ 5.000	\$ 5.000	\$ 5.000

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Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	7/1/2008
Budget Reference	FINAL08	Category	Maintenance	Savings Date	7/1/2008
PEG / New Need ID	0000000185	Current Budget Year	2008	Status	Open
Program:	Bus Facility Maintenance Economies			Agency Status	Pending
Description and Implementation Pla	Savings will be primarily achieved through the introduction of a capital in-house workforce which will complete select construction projects in a more cost efficient and timely manner.				
Background Details	Operating contract expenditures will be reduced by minimizing maintenance repairs on upcoming facility-based capital work.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	NYCTR	0000000185	FINAL08	\$ 1.148	\$ 1.148	\$ 1.148	\$ 1.148	\$ 1.148

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Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	7/1/2008
Budget Reference	FINAL08	Category	Maintenance	Savings Date	7/1/2008
PEG / New Need ID	0000000187	Current Budget Year	2008	Status	Open
Program:	Bus Shop Plan - 12 Year Upgrade Savings			Agency Status	Pending
Description and Implementation Pla	Currently buses are planned to be retired after 12 years. Buses undergo 12 year upgrades to further extend their useful life. This initiative assumes that current planned bus replacements will be timely and allow for the elimination of these upgrades.				
Background Details	Based on current service requirements and the schedule for bus replacements, the Department of Buses assumes a lower number of 12 Year Upgrades will be required during the financial plan period.				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000187	FINAL08	0	69	34	73	9
Financial Impact	NYCTR	0000000187	FINAL08	\$ 0.000	\$ 9.125	\$ 5.620	\$ 12.796	\$ 2.229

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Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Maintenance	Savings Date	1/1/2009
PEG / New Need ID	0000000188	Current Budget Year	2008	Status	Open
Program:	Bus Shop Plan - MCI Economies			Agency Status	Pending
Description and Implementation Pla	MCI bus engines and transmissions are projected to last longer than planned and will reduce in-chassis overhauls (ICO) by 75%. Combined with reduced transmission work on 40 MCI buses, this results in a need for fewer bus maintainers.				
Background Details	Based on historical performance data, the Department of Buses plans to decrease the magnitude of In-Chasis Overhauls (ICO) performed on MCI buses. The funding envelope for ICOs can be reduced by 75%. In addition, transmission work on MCI's can be reduced in 2009 due to better performance.				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000188	FINAL08	0	6	2	3	4
Financial Impact	NYCTR	0000000188	FINAL08	\$ 1.848	\$ 1.525	\$ 0.774	\$ 0.994	\$ 1.053

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Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Maintenance	Savings Date	1/1/2009
PEG / New Need ID	0000000189	Current Budget Year	2008	Status	Open
Program:	Bus Supervisory Productivity			Agency Status	Pending
Description and Implementation Pla	This program implements co-mingling of relief coverage by division allowing for more efficient assignment of relief. Inside dispatchers will be used to provide road relief. Maint. supervisor relief will be deployed centrally among depots/divisions.				
Background Details	The implementation of co-mingling relief coverage from division to division facilitates a reduction of: 6 Dispatchers, 2 Line Supervisors, and the overtime equivalent of 4 Line Supervisors from various Department of Buses locations.				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000189	FINAL08	0	8	8	8	8
Financial Impact	NYCTR	0000000189	FINAL08	\$ 0.000	\$ 1.060	\$ 1.060	\$ 1.060	\$ 1.060

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Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2010
Budget Reference	FINAL08	Category	Maintenance	Savings Date	1/1/2010
PEG / New Need ID	0000000190	Current Budget Year	2008	Status	Open
Program:	Car Cleaning Economies			Agency Status	Pending
Description and Implementation Pla	One cleaner will be eliminated from each maintenance shop (including Pelham diesel), which will result in a reduction of 14 cleaners starting in January 2010.				
Background Details	Car Equipment has cleaners dedicated to perform duties such as inspection cleaning, condenser/evaporator wash, and facility cleaning at each maintenance shop.				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000190	FINAL08	0	0	14	14	14
Financial Impact	NYCTR	0000000190	FINAL08	\$ 0.000	\$ 0.000	\$ 0.864	\$ 0.864	\$ 0.864

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Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Maintenance	Savings Date	1/1/2009
PEG / New Need ID	0000000191	Current Budget Year	2008	Status	Open
Program:	Car Quality Control Initiative Efficiencies			Agency Status	Pending
Description and Implementation Pla	Effective January 2009, 17 positions will be eliminated (15 car inspectors, 2 maintenance supervisors), and maintenance material funding will be reduced by \$2.0M.				
Background Details	Pilot programs for scratch free glass were implemented on the #1 line and the L line. The initial budget was based on an estimated number of scratch hits that is greater than actual experience. Based on the lower level of hits, resources provided for these pilots will be reduced by 50%.				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000191	FINAL08	0	17	17	17	17
Financial Impact	NYCTR	0000000191	FINAL08	\$ 0.000	\$ 3.455	\$ 3.455	\$ 3.455	\$ 3.455

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Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Maintenance	Savings Date	1/1/2009
PEG / New Need ID	0000000175	Current Budget Year	2008	Status	Open
Program:	EMD Maintenance Efficencies			Agency Status	Pending
Description and Implementation Pla	The above initiatives facilitate reduction of 4 hourly positions, effective 1/1/09.				
Background Details	Through a series of efficiencies, the Electronics Maintenance Division (EMD) will eliminate four positions. One Electronic Specialist will be eliminated from the Machine Shop through productivity savings. Three Telephone Maintainers will be eliminated by extending the subway security camera preventive maintenance cycle from bi-monthly to quarterly. Additionally, the maintenance contract budgets for Halon and EBCS (emergency booth communication system) in the booths will be reduced to historical actuals.				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000175	FINAL08	0	4	4	4	4
Financial Impact	NYCTR	0000000175	FINAL08	\$ 0.000	\$ 0.730	\$ 0.530	\$ 0.530	\$ 0.530

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Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Maintenance	Savings Date	1/1/2009
PEG / New Need ID	0000000176	Current Budget Year	2008	Status	Open
Program:	Fare Control Maintenance Efficiencies			Agency Status	Pending
Description and Implementation Pla	The above initiatives facilitate reduction of one Electronics Specialist and five Revenue Equipment Maintainers, effective 1/1/09.				
Background Details	<p>The Electronics Maintenance Division will reduce six positions in MVM and turnstile asset maintenance, beginning in 2009. By extending the MVM scheduled maintenance cycles for the dual ticket feeder and ticket processing unit from 12 months to 18 months, one hourly position will be eliminated. By extending turnstile assets preventive maintenance interval for turnstile assets from 90 to 120 days, five positions will be eliminated. Turnstile assets include AFC turnstiles, HEETs, AFAS gates, MVM, MEM, MCR and TBT systems.</p>				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000176	FINAL08	0	6	6	6	6
Financial Impact	NYCTR	0000000176	FINAL08	\$ 0.000	\$ 0.505	\$ 0.505	\$ 0.505	\$ 0.505

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Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Maintenance	Savings Date	1/1/2009
PEG / New Need ID	0000000193	Current Budget Year	2008	Status	Open
Program:	Fleet Maintenance Efficiencies - Buses			Agency Status	Pending
Description and Implementation Pla	This program reduces 79 Maintainers (19 for general vehicle maint. efficiencies, 19 helpers for maint. changes, 43 for new clean fuel bus maint. and 2 positions added for inhouse unit rebuilds.				
Background Details	This program reduces 19 Maintainers (1/depot), 19 helpers (1/depot) and 43 Maintainers reserved for incremental maint. cost of Clean Fuel (CF) buses. Reductions are based on general vehicle maintenance efficiencies, changed maint. practices (ie. new oil change machines, improved fuel line duty scheduling, reductions in greasing due to synthetic grease, etc.) and reductions in incremental maintenance costs for CF buses.				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000193	FINAL08	0	50	79	79	79
Financial Impact	NYCTR	0000000193	FINAL08	\$ 0.000	\$ 4.252	\$ 7.798	\$ 7.798	\$ 7.798

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Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Maintenance	Savings Date	1/1/2009
PEG / New Need ID	0000000194	Current Budget Year	2008	Status	Open
Program:	Maintenance Efficiencies - Car Equipment			Agency Status	Pending
Description and Implementation Pla	Implementing improved fleet maintenance practices and processes will permit maintenance resource savings in the maintenance shops, overhaul shops, and yards.				
Background Details	Productivity savings will be implemented as follows: Maintenance Shops-37 Car Inspectors and 2 MSI's; Overhaul Shops-8 Car Inspectors in Non-SMS functions; and Yards-12 Road Car Inspectors performing pre-service inspection and troubleshooting				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000194	FINAL08	12	59	59	59	59
Financial Impact	NYCTR	0000000194	FINAL08	\$ 0.476	\$ 5.971	\$ 5.971	\$ 5.971	\$ 5.971

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Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Maintenance	Savings Date	1/1/2009
PEG / New Need ID	0000000195	Current Budget Year	2008	Status	Open
Program:	Maintenance Efficiencies - Electrical			Agency Status	Pending
Description and Implementation Pla	Under this proposal, these two crews will be eliminated consisting of a total of 4 personnel: 2 Power Electronic Maintainers and 2 Power Electronic Technicians. This function will be absorbed by the existing substation workforce crews.				
Background Details	The Sound Diagnostic crew uses decibel reading equipment to test whether NYCT's equipment is working within OSHA guidelines. This allows our substation personnel to take corrective action when sound levels exceed legal limits. The Thermal Diagnostic crew uses sophisticated thermal imaging equipment to scan equipment in Power Substations on a three year schedule (and on a requested basis) to detect abnormal heating issues on power equipment.				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000195	FINAL08	0	4	4	4	4
Financial Impact	NYCTR	0000000195	FINAL08	\$ 0.000	\$ 0.301	\$ 0.301	\$ 0.301	\$ 0.301

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Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Maintenance	Savings Date	1/1/2009
PEG / New Need ID	0000000197	Current Budget Year	2008	Status	Open
Program:	Maintenance Efficiencies - Infrastructure			Agency Status	Pending
Description and Implementation Pla	Proposal- reduce frequency of preventive maint. as follows:(1) Heat trace systems-from monthly to bi-monthly in cold weather months- (2) Air curtains-quarterly to semi-annually; (3) Fan coils-from bi-monthly to 3 times a year. 3 FTE's to be elim.				
Background Details	This PEG addresses the following: (1) Heat trace systems: to prevent freezing, 45 heat trace systems have been installed on underriver tube fire suppression systems and pump room discharge lines to insure that both water-based systems remain fully operational during periods of cold weather. These systems are inspected and maintained monthly for 6 months of the year by teams of 2 maintainers. (2) Air curtains: located adjacent to roll-up doors and blow hot air when the doors are open in cold weather. (3) Fan coils: ceiling units located in buildings, shops and barns that blow hot air in winter and cold air in summer. Air curtains and fan coils are inspected and maintained by teams of 2 HVAC maintainers.				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000197	FINAL08	0	3	3	3	3
Financial Impact	NYCTR	0000000197	FINAL08	\$ 0.000	\$ 0.241	\$ 0.241	\$ 0.241	\$ 0.241

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Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2008
Budget Reference	FINAL08	Category	Maintenance	Savings Date	1/1/2008
PEG / New Need ID	0000000199	Current Budget Year	2008	Status	Open
Program:	Maintenance Efficiencies - RTO			Agency Status	Pending
Description and Implementation Pla	These 10 positions will be eliminated and the maintenance of the facilities will be done by existing RTO staff. RTO will also work with Stations to develop work programs that include the daily cleaning of these facilities, with existing station cleaners				
Background Details	There are 10 Cleaners performing heavy duty cleaning of crew rooms and RTO facilities in Subdivision A & B.				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000199	FINAL08	10	10	10	10	10
Financial Impact	NYCTR	0000000199	FINAL08	\$ 0.282	\$ 0.307	\$ 0.307	\$ 0.307	\$ 0.307

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Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Maintenance	Savings Date	1/1/2009
PEG / New Need ID	0000000200	Current Budget Year	2008	Status	Open
Program:	Maintenance Efficiencies - Track			Agency Status	Pending
Description and Implementation Pla	Under this proposal the entire additional workforce of 5 positions is eliminated returning us to the pre-2006 levels of installation.				
Background Details	In 2006, 5 positions were added to the budget to undertake a campaign to retrofit 50,000 rolled steel Pandrol plates installed in subway jointed rail areas with anti-abrasion pads. The pads fit between the base of the rail and the baseplate as a measure to reduce rail gall (worn spots). The initial proposal envisioned 2 gangs of 10 positions taking 5 years (through 2010) to complete the retrofit, though the initiative was budgeted at the 50% level. However, as finally approved, only 5 positions were added with the December 2010 completion date. While the anti-abrasion pads were installed by maintenance forces when the opportunity arose, a systematic retrofit program was never fully implemented.				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000200	FINAL08	0	5	5	0	0
Financial Impact	NYCTR	0000000200	FINAL08	\$ 0.000	\$ 0.484	\$ 0.484	\$ 0.000	\$ 0.000

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Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Maintenance	Savings Date	1/1/2009
PEG / New Need ID	0000000221	Current Budget Year	2008	Status	Open
Program:	Material Economies-Buses			Agency Status	Pending
Description and Implementation Pla	These savings come primarily as a result of increased longer service/change intervals, increased unit rebuild in-house work, and longer life expectancy on some parts.				
Background Details	This program reduces material consumption and/or costs in the following areas: Air condition air filters, air condition controller motors, Compressed Natural Gas (CNG) bus parts, fuel filters, CNG bus tune-ups, and wheel checks.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	NYCTR	0000000221	FINAL08	\$ 0.000	\$ 1.276	\$ 1.276	\$ 1.276	\$ 1.276

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Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	7/1/2008
Budget Reference	FINAL08	Category	Maintenance	Savings Date	7/1/2008
PEG / New Need ID	0000000201	Current Budget Year	2008	Status	Open
Program:	Non-Revenue Vehicle Replacement Cycle			Agency Status	Pending
Description and Implementation Pla	Beginning in 2008, the current 8 year non-revenue replacement cycle will be revised to reflect a 10 year cycle. Savings will result from fewer vehicle purchases and lower maintenance costs due to the elimination of most costly repairs.				
Background Details	Vehicle replacement savings and maintenance economies result by extending the current 8 year non-revenue vehicle replacement plan to a 10 year plan, for light duty vehicles. The plan assumes: rotation of fleet to ensure 10k miles per vehicle per year; replacing vehicles every 10 years (previously 8 years); and replacing vehicles not yet 10 years old when repairs exceeds current book value.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	NYCTR	0000000201	FINAL08	\$ 0.260	\$ 2.114	\$(0.216)	\$ 0.124	\$ 0.464

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Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Maintenance	Savings Date	1/1/2009
PEG / New Need ID	0000000203	Current Budget Year	2008	Status	Open
Program:	Rehabilitated Stations Maintenance Efficiencies			Agency Status	Pending
Description and Implementation Pla	With no station rehabilitations expected to be completed in 2009, six cleaners and six maintainers can be eliminated.				
Background Details	Since 2001 and 2004, cleaning and maintenance resources respectively have been added for rehabilitated stations. This is a result of additional maintenance requirements for new finishes and fixtures installed as part of the capital project renovation (e.g. additional lighting, new facilities, stainless steel fixtures, and glass surfaces.) Consequently, 6 Cleaners and 6 Maintainers are incrementally added each year; this is renewed and annually revised based on the actual number of stations receiving beneficial use.				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000203	FINAL08	0	12	12	12	12
Financial Impact	NYCTR	0000000203	FINAL08	\$ 0.000	\$ 0.848	\$ 0.848	\$ 0.848	\$ 0.848

MTA NEW YORK CITY TRANSIT
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2008
Budget Reference	FINAL08	Category	Maintenance	Savings Date	1/1/2008
PEG / New Need ID	0000000179	Current Budget Year	2008	Status	Open
Program:	SONET/ATM Maintenance Reduction			Agency Status	Pending
Description and Implementation Pla	Revise SONET/ATM network vendor support contract to reflect current project status.				
Background Details	The SONET/ATM network was scheduled for beneficial use in January, 2008 and additional in-house resources and funds for maintenance contracts with Siemens were added to the budget. The Siemens contracts will provide maintenance repair and return of defective equipment, technical assistance, software upgrades and support. Due to delays in final acceptance, not all contracts will be required in 2008, with the remainder being implemented in mid-2009.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	NYCTR	0000000179	FINAL08	\$ 1.000	\$ 0.500	\$ 0.000	\$ 0.000	\$ 0.000

MTA NEW YORK CITY TRANSIT
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2008
Budget Reference	FINAL08	Category	Maintenance	Savings Date	1/1/2008
PEG / New Need ID	0000000222	Current Budget Year	2008	Status	Open
Program:	Station Track Cleaning Initiative Efficiencies			Agency Status	Pending
Description and Implementation Pla	Achievement of the entire goal with an equivalent effort would require 80.5 FTE, or 7.5 FTE less than current budget of 88 pos. Pilot cleaning goals not impacted by elim. of 1 cleaning gang.				
Background Details	The track Cleaning Pilot initiative included 92 operating positions. 11 gangs each consist of 1 Supervisor, 6 trackworkers and 1 PD Mtr. (total of 88 pos); and 4 relief supervisors, primarily to cover pre-existing gangs. From the Pilot's inception through May 3, Track's goal was to clean a total of 9,384 station tracks. Actual cleaned was 7,665. An average 65.8 supervisory/hourly FTE's were used-more efficient use of staff than originally projected.				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000222	FINAL08	8	8	8	8	8
Financial Impact	NYCTR	0000000222	FINAL08	\$ 0.558	\$ 0.607	\$ 0.607	\$ 0.607	\$ 0.607

MTA NEW YORK CITY TRANSIT
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Maintenance	Savings Date	1/1/2009
PEG / New Need ID	0000000180	Current Budget Year	2008	Status	Open
Program:	Supply Logistics Efficiencies			Agency Status	Pending
Description and Implementation Pla	Supply Logistics Div. will reduce operating costs through work plan efficiencies, elim. 13 pos. involved with parts receipts & distribution for maint. activities in both Dept. of Subways and Buses.				
Background Details	Savings include reducing staff at the Central Warehouse facilities located in both Queens and the Bronx, elim. a position and the shipping support hub by transferring the East New York Yard Truck function to drivers located at the Maspeth site, reducing parts kitting support and the full or partial closure of a number of storerooms/shifts.				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000180	FINAL08	0	13	13	13	13
Financial Impact	NYCTR	0000000180	FINAL08	\$ 0.000	\$ 0.993	\$ 0.985	\$ 0.964	\$ 0.943

MTA NEW YORK CITY TRANSIT
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	7/1/2008
Budget Reference	FINAL08	Category	Maintenance	Savings Date	7/1/2008
PEG / New Need ID	0000000207	Current Budget Year	2008	Status	Open
Program:	Terminal Car Cleaning Initiative Efficiencies			Agency Status	Pending
Description and Implementation Pla	Effective July 2008, 29 positions will be eliminated (28 Cleaners, 1 Supervisor). This 20% reduction leaves 97 Cleaners and 17 Supervisors for this program.				
Background Details	Pilot Programs for terminal cleaning began in the fall of 2008 on the Flushing #7 Line and the Canarsie L line. These pilots included establishing terminal cleaning at both ends of the line, and determining the optimal number of cleaners at the terminal to improve car cleanliness. The current budget for these two pilots is 125 hourlies and 18 supervisors. A review of the pilot results indicates that the budgeted resources can be reduced by 20% with no impact on the pilot cleaning goals.				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000207	FINAL08	29	29	29	29	29
Financial Impact	NYCTR	0000000207	FINAL08	\$ 0.843	\$ 1.833	\$ 1.833	\$ 1.833	\$ 1.833

MTA NEW YORK CITY TRANSIT
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	7/1/2008
Budget Reference	FINAL08	Category	Maintenance	Savings Date	7/1/2008
PEG / New Need ID	0000000209	Current Budget Year	2008	Status	Open
Program:	Track Test Savings			Agency Status	Pending
Description and Implementation Pla	Starting in July 2008, 8 positions related to Track Testing on the "B" division will be eliminated. An additional five positions will be eliminated in 2009, for a total reduction of 13.				
Background Details	Cars with electronically regulated propulsion controllers (ie: R142, R142A, R143, R160) do not require the annual track test to ensure that the car's dynamic braking and propulsion systems are operating properly. With the replacement of 1,572 60-foot "B" Division cars with R160's, track testing will no longer be needed for these specific cars.				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000209	FINAL08	8	13	13	13	13
Financial Impact	NYCTR	0000000209	FINAL08	\$ 0.305	\$ 1.078	\$ 1.078	\$ 1.078	\$ 1.078

MTA NEW YORK CITY TRANSIT
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Maintenance	Savings Date	1/1/2009
PEG / New Need ID	0000000211	Current Budget Year	2008	Status	Open
Program:	Water Intrusion Remediation			Agency Status	Pending
Description and Implementation Pla	Under this proposal the grouting workforce will be reduced by 20%, or 2 gangs consisting of 2 Supervisors and 10 hourlies. As a result, the new goal will be repairing 10,000 leaks per year.				
Background Details	The Water Intrusion Remediation program addresses water leaks by injecting grout into subway tunnel walls and ceilings. Expanded by 6 gangs in 2006, this program currently consists of 10 gangs with a goal of stopping 12,500 water leaks annually. Grouting is also completed through various Capital Program Projects: This work will continue at present levels.				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000211	FINAL08	0	12	12	12	12
Financial Impact	NYCTR	0000000211	FINAL08	\$ 0.000	\$ 0.998	\$ 0.998	\$ 0.998	\$ 0.998

MTA NEW YORK CITY TRANSIT
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Other	Savings Date	1/1/2009
PEG / New Need ID	0000000178	Current Budget Year	2008	Status	Open
Program:	Security Post Reductions			Agency Status	Pending
Description and Implementation Pla	The Dept. of Security will implement these cost reductions: Elim. post coverage at employee parking lots-126th St. bus depot, Haven lot-East NY; post coverage-Kingsbridge depot tower,Cozine Iron Shop entrance,Maspeth rear dock,Westfarm roving patrol.				
Background Details	The Department of Security has identified several locations where current coverage can be reduced or eliminated without adversely affecting the safety and security of employees or NYC Transit property. Current coverage changes are the result of operational changes and/or use of alarm system/CCTV and motion detectors.				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000178	FINAL08	0	13	13	13	13
Financial Impact	NYCTR	0000000178	FINAL08	\$ 0.000	\$ 0.916	\$ 0.916	\$ 0.916	\$ 0.916

MTA NEW YORK CITY TRANSIT
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Other	Savings Date	1/1/2009
PEG / New Need ID	0000000208	Current Budget Year	2008	Status	Open
Program:	Title Downgrades			Agency Status	Pending
Description and Implementation Pla	The Dept. of Subways will do title swaps to achieve savings. CES will convert 4 mgrl. pos. to operating suprvs., RTO will downgrade 2 train dispatchers to Ass't. Train Dispatchers, Stations will convert 28 vacant Station Suprv. pos. from level II to I				
Background Details	The Department of Subways will implement various title downgrades. In the Central Electronic Shop (CES) a new labor agreement with Surface Subway Supervisors Association (SSSA) will allow use of an Operating Supervisor title instead of a managerial title, facilitating promotional opportunities for hourly employees. In RTO Assistant Train Dispatchers will replace Train Dispatchers at the Whitehall Street station, and in Stations the Station Supervisor Level I and II incumbents will be re-aligned with the budget.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	NYCTR	0000000208	FINAL08	\$ 0.000	\$ 0.836	\$ 0.836	\$ 0.836	\$ 0.836

MTA NEW YORK CITY TRANSIT
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Service Support	Savings Date	1/1/2009
PEG / New Need ID	0000000186	Current Budget Year	2008	Status	Open
Program:	Bus Shifter Economies			Agency Status	Pending
Description and Implementation Pla	This program reduces 21 Shifters based on optimizing assignments and also reduces Extra List overtime by 18,570 hours due to better monitoring of Depot Extra List utilization.				
Background Details	Based on a review of Shifter utilization during pull-ins, fuel lane capacities and parking pool requirements, the Department of Buses (DOB) will be able to reduce 21 Shifters (Shifters are Bus Operators who move buses around the Depot). In addition, with the development of a more advanced reporting system, DOB is now able to better manage their Extra List and reduce 18,570 hours of Bus Operator overtime.				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000186	FINAL08	0	21	21	21	21
Financial Impact	NYCTR	0000000186	FINAL08	\$ 0.000	\$ 2.137	\$ 2.137	\$ 2.137	\$ 2.137

MTA NEW YORK CITY TRANSIT
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	7/1/2008
Budget Reference	FINAL08	Category	Service Support	Savings Date	7/1/2008
PEG / New Need ID	0000000174	Current Budget Year	2008	Status	Open
Program:	Eliminate Night Shift Revenue Processing			Agency Status	Pending
Description and Implementation Pla	Reduction of 5 Supervisor Associate Cashiers and 5 Cashiers can be achieved, effective July 1, 2008.				
Background Details	As a result of broadbanding of the Associate Cashier and Supervisor Associate Cashier titles, Revenue Control will be able to eliminate the revenue processing night shift. Broadbanding will provide greater coverage flexibility within all revenue processing and MetroCard production operations. Currently, there are 2 levels of Associate Cashier titles and 2 levels of Supervisor Cashier, each with distinct functions. Broadbanding would combine the levels of both titles, allowing greater flexibility in scheduling.				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000174	FINAL08	10	10	10	10	10
Financial Impact	NYCTR	0000000174	FINAL08	\$ 0.278	\$ 0.605	\$ 0.605	\$ 0.605	\$ 0.605

MTA NEW YORK CITY TRANSIT
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2008
Budget Reference	FINAL08	Category	Service Support	Savings Date	1/1/2008
PEG / New Need ID	0000000192	Current Budget Year	2008	Status	Open
Program:	Eliminate WEP Program			Agency Status	Pending
Description and Implementation Pla	The WEP Program places public assistance recipients into supplementary cleaning assignments at NYCT. The WEP began in 1999 with the intent to augment subway car and station cleaning. WEP's are supervised by lead cleaners.				
Background Details	The Work Experience Program (WEP) will be eliminated. The impact will be minimal due to the fact the lead cleaners will resume their original cleaning role, which has a larger scope of responsibilities than what WEP's can do. This proposal also reflects payroll savings from eliminating Lead Cleaner premiums (\$261K in DCE and \$262K in Stations) paid to the 150 lead cleaners (75 in DCE and 75 in Stations).				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000192	FINAL08	0	19	19	19	19
Financial Impact	NYCTR	0000000192	FINAL08	\$ 0.000	\$ 2.563	\$ 2.563	\$ 2.563	\$ 2.563

MTA NEW YORK CITY TRANSIT
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Service Support	Savings Date	1/1/2009
PEG / New Need ID	0000000202	Current Budget Year	2008	Status	Open
Program:	Platform Controller Reduction			Agency Status	Pending
Description and Implementation Pla	As a result of an analysis of platform conductor utilization, RTO has taken a 14 position reduction in Platform Conductors starting in January 2009.				
Background Details	RTO has a total of 56 platform conductors in the work program in Subdivisions A & B. RTO will eliminate 7 positions in each Subdivision which translates to a total savings of 14 positions.				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000202	FINAL08	0	14	14	14	14
Financial Impact	NYCTR	0000000202	FINAL08	\$ 0.000	\$ 0.955	\$ 0.955	\$ 0.955	\$ 0.955

MTA NEW YORK CITY TRANSIT
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Service Support	Savings Date	1/1/2009
PEG / New Need ID	0000000223	Current Budget Year	2008	Status	Open
Program:	RTO Safety Initiative Efficiencies			Agency Status	Pending
Description and Implementation Pla	RTO will reorganize the implementation protocol for this initiative to achieve savings of 17 positions. Subdivision A will reduce by 9 ATD's, Subdivision B by 6 ATD's, and Subdivision C by 2 ATD's.				
Background Details	In 2008, a safety initiative was implemented in RTO with 35 Assisant Train Dispatchers (ATD) added. These ATD's were assigned to various RTO locations to brief the train crews reporting for duty of any significant events impacting their subway route and instructing the crews to adhere to all safety rules.				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000223	FINAL08	0	17	17	17	17
Financial Impact	NYCTR	0000000223	FINAL08	\$ 0.000	\$ 1.575	\$ 1.575	\$ 1.575	\$ 1.575

MTA NEW YORK CITY TRANSIT
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2008
Budget Reference	FINAL08	Category	Service Support	Savings Date	1/1/2008
PEG / New Need ID	0000000204	Current Budget Year	2008	Status	Open
Program:	Revenue Collection Efficiencies			Agency Status	Pending
Description and Implementation Pla	Reduction of 10 Collecting Agent (TA) positions can be realized effective 1/1/08				
Background Details	Efficiencies in collection services can be achieved by co-mingling subways booth and MetroCard Vending Machine (MVM) collections on the same route. This will result in the elimination of two routes and ten Collecting Agents. Additionally, due to the delay in hiring Collecting Agents, increased savings can be achieved in 2008 only.				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000204	FINAL08	10	10	10	10	10
Financial Impact	NYCTR	0000000204	FINAL08	\$ 0.953	\$ 0.691	\$ 0.691	\$ 0.691	\$ 0.691

MTA NEW YORK CITY TRANSIT
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Service Support	Savings Date	1/1/2009
PEG / New Need ID	0000000212	Current Budget Year	2008	Status	Open
Program:	Service Support Efficiencies - Buses			Agency Status	Pending
Description and Implementation Pla	Currently buses are driven back to their home depot when not in use. The lot in LIC will provide closer proximity to parking spaces during down-time, resulting in savings by reducing vehicle miles/hour for 30 express buses saving fuel and maint. costs.				
Background Details	NYCT Department of Buses will share a swing space lot in Long Island City with MTA Bus, which will provide midday accommodations for 30 express bus service routes originating from the Queens Division. Dispatching and security requirements will be provided by the primary benefactor of this facility, MTA Bus.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	NYCTR	0000000212	FINAL08	\$ 0.000	\$ 0.300	\$ 0.300	\$ 0.300	\$ 0.300

MTA NEW YORK CITY TRANSIT
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Service Support	Savings Date	1/1/2009
PEG / New Need ID	0000000213	Current Budget Year	2008	Status	Open
Program:	Service Support Efficiencies - Subways			Agency Status	Pending
Description and Implementation Pla	Program components are: 1) Eliminate 3 Train Operator positions through scheduling efficiencies in shop transfers, 2) Eliminate 3 Train Operator positions through scheduled efficiencies and 3) convert 3 yard switching positions to reimbursable.				
Background Details	Service support efficiencies will be implemented in RTO through improved scheduling. This will reduce Train Operators assigned to moving trains to and from shops and work train operators supporting track maintenance. In addition, those positions assigned to switching capital work trains at the 38th Street Yard will be charged to the reimbursable job they are supporting.				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000213	FINAL08	0	9	9	9	9
Financial Impact	NYCTR	0000000213	FINAL08	\$ 0.000	\$ 0.734	\$ 0.734	\$ 0.734	\$ 0.734

MTA NEW YORK CITY TRANSIT
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	NYCTR	Financial Plan Category	PEG	Implementation Date	7/1/2008
Budget Reference	FINAL08	Category	Service Support	Savings Date	7/1/2008
PEG / New Need ID	0000000210	Current Budget Year	2008	Status	Open
Program:	Traffic Checking Efficiencies			Agency Status	Pending
Description and Implementation Pla	Savings in this initiative is derived from using various technologies to gain Traffic Checker efficiencies.				
Background Details	Measures include using service scheduling software to more efficiently schedule Traffic Checkers, use origin/destination data from MetroCard records as well as cameras already installed in M.J. Quill Depot buses to forego/limit traffic checker field work and eliminate Traffic Checker assignments in the Bus and Rail Planning Service Unit. This initiative also reflects a corresponding reduction in Traffic Checker supervision and analytical staff resulting from automated data gathering. NYCT currently uses Traffic Checkers (part time and full time) to collect information to support schedule changes, monitor on-time performance, estimate the number of riders on bus and subway routes, conduct passenger environmental surveys as well as monitor performance goals for the Cleaning Pilot Program enacted during 2007.				

				2008	2009	2010	2011	2012
Total Headcount	NYCTR	0000000210	FINAL08	1	2	4	4	4
Financial Impact	NYCTR	0000000210	FINAL08	\$ 0.212	\$ 0.743	\$ 1.715	\$ 1.865	\$ 1.865

MTA NEW YORK CITY TRANSIT
November Plan 2009 - 2012
Summary of Post 2009 PEGs
(\$ in millions)

		2008		2009		2010		2011		2012	
		<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>
Other											
Unspecified		0	0.000	0	0.000	0	59.613	0	119.226	0	178.839
Sub-Total	Other	<u>0</u>	<u>\$ 0.000</u>	<u>0</u>	<u>\$ 0.000</u>	<u>0</u>	<u>\$ 59.613</u>	<u>0</u>	<u>\$ 119.226</u>	<u>0</u>	<u>\$ 178.839</u>
Total Programs		<u>0</u>	<u>\$ 0.000</u>	<u>0</u>	<u>\$ 0.000</u>	<u>0</u>	<u>\$ 59.613</u>	<u>0</u>	<u>\$ 119.226</u>	<u>0</u>	<u>\$ 178.839</u>

MTA NEW YORK CITY TRANSIT
November Plan 2009 - 2012
Summary of Post PEGs Worksheet

(\$ in millions)

Business Unit	NYCTR	Financial Plan Category	Post PEG	Implementation Date	1/1/2010
Budget Reference	FINAL08	Category	Other	Savings Date	1/1/2010
PEG / New Need ID	0000000224	Current Budget Year	2008	Status	Open
Program:	Unspecified			Agency Status	Pending
Description and Implementation Pla	Unspecified				
Background Details	Unspecified				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	NYCTR	0000000224	FINAL08	\$ 0.000	\$ 0.000	\$ 59.613	\$ 119.226	\$ 178.839

**MTA New York City Transit
November Financial Plan 2009-2012
Summary of Major Plan-to-Plan Changes
Total Non-reimbursable and Reimbursable Baseline Positions**

2008: November Financial Plan vs. July Financial Plan

Total baseline positions are projected to increase by 43, due mostly to increased reimbursable requirements of 51 positions (36 full-time, 15 full-time equivalents) largely for MTA Bus traffic checking support.

2009: November Financial Plan vs. July Financial Plan

Total baseline positions are projected to increase by 302, including a non-reimbursable increase of 158 and a reimbursable increase of 144. The non-reimbursable increase includes 95 from overtime adjustments and 67 for a fourth Staten Island depot. The reimbursable increase includes 53 for tunnel lighting, 50 for MTA Bus traffic checkers and 35 for SIR fleet maintenance.

2010-2012: November Financial Plan vs. July Financial Plan

Total baseline positions are projected to increase by 264 in 2010, 197 in 2011 and 248 in 2012 including non-reimbursable increases of 184 in 2010, 180 in 2011 and 263 in 2012. The non-reimbursable increases included 95 from overtime adjustments each year and 67 each year for a fourth Staten Island depot.

MTA New York City Transit
November Financial Plan 2009-2012
Total Full-Time Positions and Full-Time Equivalents by Function and Department
Non-Reimbursable and Reimbursable

	2007 Actuals	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Administration						
Office of the EVP	28	34	34	32	31	31
Administration	478	438	446	446	446	446
* Workforce Development	173	185	185	185	185	185
Office of Management and Budget	32	40	40	40	40	40
Technology & Information Services	553	588	615	613	609	609
Materiel	284	272	272	270	268	267
Controller	234	234	234	234	234	234
Office of the President	4	5	5	5	5	5
Law	291	315	315	315	315	315
Corporate Communications	288	290	278	278	278	278
Non-Departmental	75	-	-	-	-	-
AFC Program Management & Sales	65	69	69	69	69	69
Capital Planning & Budget	35	35	35	35	35	35
Total Administration	2,540	2,505	2,528	2,522	2,515	2,514
Operations						
Subways Service Delivery	11,248	11,255	11,098	11,043	11,035	11,028
Subways Chief of Staff	229	212	187	187	187	187
Buses	10,679	10,693	10,748	10,809	10,809	10,809
Paratransit	132	148	147	147	147	147
Operations Planning	432	476	468	468	468	468
Revenue Control	451	449	459	459	459	459
Total Operations	23,171	23,233	23,107	23,113	23,105	23,098
Maintenance						
Subways Senior VP	20	6	6	6	6	6
Subways Service Delivery	2,900	2,936	2,962	2,963	2,912	2,910
Subways Chief of Staff	1,629	1,664	1,672	1,632	1,599	1,598
Maintenance of Way & Rolling Stock	11,870	12,080	12,281	12,171	12,106	11,743
Buses	4,066	4,093	4,204	4,206	4,243	4,179
Revenue Control	133	137	137	137	137	137
Supply Logistics	575	570	584	584	584	584
System Safety	91	97	97	97	97	97
Total Maintenance	21,284	21,583	21,943	21,796	21,684	21,254
Engineering/Capital						
Capital Program Management	1,431	1,470	1,438	1,438	1,438	1,438
Total Engineering/Capital	1,431	1,470	1,438	1,438	1,438	1,438
Public Safety						
Security	484	499	528	527	524	524
Total Public Safety	484	499	528	527	524	524
Baseline Total Positions	48,910	49,290	49,544	49,396	49,266	48,828
Non-Reimbursable	44,025	43,637	44,113	44,242	44,335	43,941
Reimbursable	4,885	5,653	5,431	5,154	4,931	4,887
Total Full-Time	48,630	49,080	49,352	49,204	49,074	48,636
Total Full-Time Equivalents	280	210	192	192	192	192
Impact of:						
Program to Eliminate the Gap	-	(109)	(512)	(543)	(578)	(515)
Total Positions	48,910	49,181	49,032	48,853	48,688	48,313
Non-Reimbursable	44,025	43,528	43,601	43,699	43,757	43,426
Reimbursable	4,885	5,653	5,431	5,154	4,931	4,887
Total Full-Time	48,630	48,977	48,851	48,694	48,529	48,154
Total Full-Time Equivalents	280	204	181	159	159	159
Business Service Center					(81)	(309)

MTA New York City Transit
November Financial Plan 2008-2012
Total Full-time Positions and Full-time Equivalents by Function and Occupational Group
Non-Reimbursable and Reimbursable

FUNCTION/OCCUPATIONAL GROUP	2007 Actuals	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Administration						
Managers/Supervisors	868	873	869	864	862	861
Professional, Technical, Clerical	1,572	1,589	1,619	1,618	1,613	1,613
Operational Hourlies	100	43	40	40	40	40
Total Administration	2,540	2,505	2,528	2,522	2,515	2,514
Operations						
Managers/Supervisors	2,547	2,625	2,566	2,564	2,556	2,554
Professional, Technical, Clerical	413	418	411	410	410	410
Operational Hourlies	20,211	20,190	20,130	20,139	20,139	20,134
Total Operations	23,171	23,233	23,107	23,113	23,105	23,098
Maintenance						
Managers/Supervisors	3,857	3,941	3,998	3,936	3,906	3,863
Professional, Technical, Clerical	1,191	1,262	1,275	1,235	1,202	1,186
Operational Hourlies	16,236	16,380	16,670	16,625	16,576	16,205
Total Maintenance	21,284	21,583	21,943	21,796	21,684	21,254
Engineering/Capital						
Managers/Supervisors	304	330	324	324	324	324
Professional, Technical, Clerical	1,125	1,138	1,112	1,112	1,112	1,112
Operational Hourlies	2	2	2	2	2	2
Total Engineering/Capital	1,431	1,470	1,438	1,438	1,438	1,438
Public Safety						
Managers/Supervisors	70	92	93	93	93	93
Professional, Technical, Clerical	20	27	39	39	36	36
Operational Hourlies	394	380	396	395	395	395
Total Public Safety	484	499	528	527	524	524
Total Baseline Positions						
Managers/Supervisors	7,646	7,861	7,850	7,781	7,741	7,695
Professional, Technical, Clerical	4,321	4,434	4,456	4,414	4,373	4,357
Operational Hourlies	36,943	36,995	37,238	37,201	37,152	36,776
Total Baseline Positions	48,910	49,290	49,544	49,396	49,266	48,828
Non-Reimbursable	44,025	43,637	44,113	44,242	44,335	43,941
Reimbursable	4,885	5,653	5,431	5,154	4,931	4,887
Total Full-Time	48,630	49,080	49,352	49,204	49,074	48,636
Total Full-Time Equivalents	280	210	192	192	192	192
Impact of:						
Program to Eliminate the Gap	-	(109)	(512)	(543)	(578)	(515)
Total Positions	48,910	49,181	49,032	48,853	48,688	48,313
Non-Reimbursable	44,025	43,528	43,601	43,699	43,757	43,426
Reimbursable	4,885	5,653	5,431	5,154	4,931	4,887
Total Full-Time	48,630	48,977	48,851	48,694	48,529	48,154
Total Full-Time Equivalents	280	204	181	159	159	159

MTA Bus Company

**MTA Bus Company
2009 Final Proposed Budget
November Financial Plan 2009-2012**

Mission Statement

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

Agency Overview

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

The transition of service of the seven private bus companies into MTABC began on January 3, 2005 with the transfer of operations of the former Liberty Lines Express, Inc. The transition was completed on February 20, 2006 as Triboro Coach Corporation became the seventh and final private bus company to join the operations of the MTABC. When the transition was completed, MTABC was operating over 1,250 buses serving approximately 350,000 riders daily. MTABC operates 46 local routes servicing the Bronx, Brooklyn and Queens, and 35 premium fare express routes between Manhattan and the Bronx, Brooklyn and Queens.

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

Between 2005 and early 2007, MTABC introduced 475 new "over-the-road" express buses into service, and a total of 76% of the express fleet has been replaced since the transition into MTABC commenced. In addition, the delivery of 284 new hybrid electric buses for local service was completed in October 2007. With the new bus deliveries completed, a total of 759 new buses or almost 60% of the fleet have been replaced. The infusion of new buses into the MTABC fleet,

in conjunction with the introduction of comprehensive maintenance programs designed to improve the reliability of the older buses inherited from the private bus companies, has allowed MTABC the opportunity to address a number of other critical areas: environmental initiatives, safety, security and skills training, the introduction of a centralized road operations unit to ensure consistent delivery of transportation services throughout MTABC depots, facility upgrades and improvements, and service/route improvements. As a new subsidiary of the MTA, MTABC has been able to successfully partner and utilize the established services of other agencies within the MTA to provide technical expertise in numerous areas, including bus and electronics maintenance, voice and data networks, human resources and medical services, to help achieve its objectives and better utilize existing resources. In May 2008, the MTA combined the structure of its 3 bus units: MTA Bus Company, Long Island Bus, and New York City Transit – Department of Buses resulting in a joint effort to address policy regarding transportation, maintenance, and support function.

Fixed route ridership levels have increased dramatically from the inception of service transition in 2005. Ridership was 92.2 million in 2005, 99.3 million in 2006, 110.3 million for 2007 and 2008 levels are projected to be 119.8 million, or almost 30% higher than 2005 levels. This increase in ridership is attributable to the hundreds of new buses, improved on-time performance and maintenance, and targeted service enhancements. Due to current fiscal conditions ridership is projected to remain relatively stable in-line with economic conditions throughout the region.

Financial Overview

Transitioning seven different private companies with different collective bargaining agreements, bus fleets, facility conditions and workforce skills into a single, new public sector agency has provided for a unique and difficult challenge to balance service levels and productivity with cost efficiencies. The 2008 Budget continued the evolution bringing Bus Company operations to a high level of performance. The 2009 budget reflects the reality of changing from growth mode to stable operational levels, and also reflects the combined perspective of a single management structure that was established in May 2008 to comprehensively manage all bus operations within the MTA.

2008 November Forecast

The November Plan reflects comparable assumptions regarding labor and non-labor expenses to those included in the July plan, and reflect the full cost of basic service delivery funding requirements for MTA Bus Company operations during the past two years. The service enhancements made across many local and express bus routes, and the resulting positive ridership gains, have been sustained throughout 2008. Difficulties included in recruiting operating maintenance staff and incremental increases to service are resulting in overtime

overruns. Proposed 2008 non-labor expenses have also grown from prior assumptions, primarily where fuel costs grew at a high rate and supplies expenses tied to newer buses ran below adopted budget assumptions.

2009 Final Proposed Budget — Baseline

In 2009, the Bus Company's main objectives will be to focus on continued reliability improvements to the bus fleet, successfully introduce new buses into the fleet, address the condition and security of its facilities, enhance the quality and attractiveness of bus service, fully handle all Bus Company financial reporting functions and upgrade the skills of its existing employees while introducing additional professional expertise into its operations. MTABC's 2009 Final Proposed Budget includes total expenses before depreciation of \$475.2 million. Total revenues are projected to be \$176.0 million. Total baseline full-time positions are 3,565 (3,549 non-reimbursable and 16 reimbursable).

The major components of the 2009 MTABC Preliminary Budget are summarized as follows:

Labor

- Continued management focus filling critical operating vacancies while exploring economies through regional integration of some positions.
- A substantial reduction in the utilization of unscheduled overtime to meet service and maintenance levels.
- Reallocation of staff positions to meet the significant challenges in building an adequate support organization to meet public sector mandates.
- Utilization of an engineering staff to manage the facilities projects funded through the MTABC's Capital Budget.
- Institution of best practices across all three agencies as a result of the Regional Bus approach to operations.

Non-Labor

OTPS expenses are decreasing in 2009 by \$3.1 million over 2008 levels due to several factors:

- Fuel is expected to be lower (\$.1 million)
- Reserve for public liability claims (\$10.4 million).
- Reduced reliance on maintenance contracts for facility and bus repairs (\$4.8million).
- Other Business Expenses decline (\$2.8 million)

- Materials and supplies expenses increase as the newer bus fleet requires more maintenance (\$7.8 million).
- Professional Service Contracts grow (\$5.2 million) due primarily to the institution of a rigorous traffic checking program in conjunction with NYCT
- Insurance — higher worker's compensation policy costs (\$2.0 million)

2009-2012 Projections

The 2009-2012 projections reflect an increase change in headcount of 54 positions from the baseline 2009 Preliminary Budget Proposal. Salary and Wage projections incorporate CPI increases of 1.87% (2010), 2.23% (2011) and 2.20% (2012). Health and Welfare (H&W) expenses were established based on the estimated 2009 per employee expense. For the 2010-2012 period, H&W expenses were increased by 7.0% per annum in accordance with New York State Department of Civil Service guidance.

Diesel fuel wholesale prices for 2009 are projected to decrease by 3.0% relative to 2008 levels, and decreases of 5.0% in 2010 from 2009 levels, 4.0 % in 2011 from 2010 levels and increase 6.0% in 2012 over 2011 levels were included. Compressed Natural Gas (CNG) fuel expenses assume an 8.0% decrease in 2009 over 2008 levels, an increase of 4.0% in 2010 over 2009 levels, and decreases of 2.0% in 2011 from 2010 and 2.0% in 2012 from 2011 levels.

Other OTPS expense assumptions for 2009-2012 period reflect reductions in certain programs no longer required following the transition of operations, and CPI adjustments for inflation of 2.9% in 2009, 1.9% in 2010, 2.2% in 2011 and 2.2% in 2012 in accordance with Global Insight's CPI-U forecast.

Farebox revenue is projected to decrease by .5% in 2009 over 2008 estimates, and increases of .4% in 2010, .9% in 2011 and 1.0% in 2012 over prior year revenue levels are forecasted. Ridership levels are projected to fall by 1.0% in 2009 relative to the 2008 projections, followed by increases of .3% in 2010, .1% in 2011, and 1.0% for 2012. 2008 revenue improvements are attributable to MTABC initiatives to consistently meet service levels, provide enhanced service through selective route adjustments and the increased reliability of bus fareboxes.

MTA BUS COMPANY
November Financial Plan 2009 - 2012
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE						
	2007	2008	2009			
	Actual	November Forecast	Final Proposed Budget	2010	2011	2012
Operating Revenue						
Farebox Revenue	\$139.823	\$153.812	\$153.043	\$153.655	\$155.038	\$156.588
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	21.867	23.005	23.005	23.005	23.005	23.005
Capital and Other Reimbursements		-				
Total Revenue	\$161.690	\$176.817	\$176.048	\$176.660	\$178.043	\$179.593
Operating Expenses						
<u>Labor:</u>						
Payroll	\$185.662	\$198.860	\$217.777	\$221.850	\$226.797	\$231.787
Overtime	37.997	42.276	34.295	34.937	35.716	36.501
Health and Welfare	29.659	39.251	37.658	40.295	43.115	46.133
OPEB Current Payment	10.725	12.000	12.600	13.230	13.892	14.586
Pensions	13.531	14.169	17.290	17.613	18.006	18.402
Other Fringe Benefits	20.096	18.140	18.496	18.842	19.262	19.686
Reimbursable Overhead	0.000	0.000	(0.943)	(0.963)	(0.984)	(1.004)
Total Labor Expenses	\$297.670	\$324.695	\$337.174	\$345.803	\$355.804	\$366.091
<u>Non-Labor:</u>						
Traction and Propulsion Power						
Fuel for Buses and Trains	\$25.429	\$51.204	\$51.084	\$44.381	\$42.946	\$44.755
Insurance	14.371	12.000	14.037	15.432	16.966	18.663
Claims	14.804	15.183	4.778	6.496	8.386	10.465
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	31.813	30.239	25.391	24.722	24.341	23.829
Professional Service Contracts	3.656	3.431	8.623	8.049	7.488	6.876
Materials & Supplies	27.270	22.195	30.020	30.278	30.969	31.760
Other Business Expenses	2.509	6.890	4.124	4.144	4.259	4.348
Total Non-Labor Expenses	\$119.852	\$141.141	\$138.057	\$133.501	\$135.355	\$140.696
<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 and GASB Adjs.	\$417.522	\$465.836	\$475.231	\$479.304	\$491.159	\$506.787
Depreciation	29.955	29.500	37.110	40.185	42.235	42.235
OPEB Obligation	45.675	45.400	51.700	53.600	55.500	57.800
Environmental Remediation						
Total Expenses	\$493.152	\$540.736	\$564.041	\$573.089	\$588.894	\$606.822
Baseline Surplus/(Deficit)	(\$331.462)	(\$363.919)	(\$387.993)	(\$396.429)	(\$410.851)	(\$427.229)
2009 Program to Eliminate the Gap		2.563	6.555	6.291	7.307	7.964
Post-2009 Program to Eliminate the GAP		0.000	0.000	4.965	9.930	14.895
Net Surplus/(Deficit)	(\$331.462)	(\$361.356)	(\$381.438)	(\$385.173)	(\$393.614)	(\$404.370)
Business Service Center		0.153	0.945	0.973	3.433	3.450

MTA BUS COMPANY
November Financial Plan 2009 - 2012
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE						
	2007	2008	2009			
	Actual	November Forecast	Final Proposed Budget	2010	2011	2012
Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Toll Revenue	-		-	-	-	-
Other Operating Revenue	-		-	-	-	-
Capital and Other Reimbursements		\$0.000	\$32.360	\$23.855	\$23.031	\$23.513
Total Revenue	\$0.000	\$0.000	\$32.360	\$23.855	\$23.031	\$23.513
Expenses						
<u>Labor:</u>						
Payroll		\$0.000	\$1.346	\$1.389	\$1.430	\$1.460
Overtime						
Health and Welfare						
OPEB Current Payment						
Pensions		\$0.000	\$0.087	\$0.089	\$0.092	\$0.094
Other Fringe Benefits		\$0.000	\$0.401	\$0.413	\$0.425	\$0.434
Reimbursable Overhead		\$0.000	\$0.943	\$0.963	\$0.984	\$1.004
Total Labor Expenses	\$0.000	\$0.000	\$2.777	\$2.855	\$2.931	\$2.992
<u>Non-Labor:</u>						
Traction and Propulsion Power						
Fuel for Buses and Trains						
Insurance						
Claims						
Paratransit Service Contracts						
Maintenance and Other Operating Contracts		\$0.000	\$25.883	\$17.300	\$17.100	\$17.457
Professional Service Contracts		\$0.000	\$1.500	\$1.500	\$0.800	\$0.817
Materials & Supplies		\$0.000	\$2.200	\$2.200	\$2.200	\$2.246
Other Business Expenses		\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Non-Labor Expenses	\$0.000	\$0.000	\$29.583	\$21.000	\$20.100	\$20.520
<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	\$0.000	\$0.000	\$32.360	\$23.855	\$23.031	\$23.512
Depreciation						
Total Expenses	\$0.000	\$0.000	\$32.360	\$23.855	\$23.031	\$23.512
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	(\$0.000)
Business Service Center		0.000	0.000	0.000	0.000	0.000

MTA BUS COMPANY
November Financial Plan 2009 - 2012
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE						
	2007	2008	2009			
	Actual	November Forecast	Final Proposed Budget	2010	2011	2012
Revenue						
Farebox Revenue	\$139.823	\$153.812	\$153.043	\$153.655	\$155.038	\$156.588
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	21.867	23.005	23.005	23.005	23.005	23.005
Capital and Other Reimbursements	-	-	32.360	23.855	23.031	23.513
Total Revenue	\$161.690	\$176.817	\$208.408	\$200.515	\$201.074	\$203.106
Expenses						
<u>Labor:</u>						
Payroll	\$185.662	\$198.860	\$219.124	\$223.239	\$228.227	\$233.247
Overtime	37.997	42.276	34.295	34.937	35.716	36.501
Health and Welfare	29.659	39.251	37.658	40.295	43.115	46.133
OPEB Current Payment	10.725	12.000	12.600	13.230	13.892	14.586
Pensions	13.531	14.169	17.376	17.703	18.098	18.496
Other Fringe Benefits	20.096	18.140	18.897	19.255	19.688	20.120
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenses	\$297.670	\$324.695	\$339.950	\$348.658	\$358.735	\$369.083
<u>Non-Labor:</u>						
Traction and Propulsion Power						
Fuel for Buses and Trains	\$25.429	\$51.204	\$51.084	\$44.381	\$42.946	\$44.755
Insurance	14.371	12.000	14.037	15.432	16.966	18.663
Claims	14.804	15.183	4.778	6.496	8.386	10.465
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	31.813	30.239	51.274	42.022	41.441	41.286
Professional Service Contracts	3.656	3.431	10.123	9.549	8.288	7.693
Materials & Supplies	27.270	22.195	32.220	32.478	33.169	34.006
Other Business Expenses	2.509	6.890	4.124	4.144	4.259	4.348
Total Non-Labor Expenses	\$119.852	\$141.141	\$167.640	\$154.501	\$155.455	\$161.216
<u>Other Expenses Adjustments:</u>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adjs.	\$417.522	\$465.836	\$507.590	\$503.159	\$514.190	\$530.299
Depreciation	29.955	29.500	37.110	40.185	42.235	42.235
OPEB Obligation	45.675	45.400	51.700	53.600	55.500	57.800
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$493.152	\$540.736	\$596.400	\$596.944	\$611.925	\$630.334
Baseline Surplus/(Deficit)	(\$331.462)	(\$363.919)	(\$387.993)	(\$396.429)	(\$410.851)	(\$427.228)
2009 Program to Eliminate the Gap	0.000	2.563	6.555	6.291	7.307	7.964
Post-2009 Program to Eliminate the GAP	-	-	-	4.965	9.930	14.895
Net Surplus/(Deficit)	(\$331.462)	(\$361.356)	(\$381.438)	(\$385.173)	(\$393.614)	(\$404.369)
Business Service Center		0.153	0.945	0.973	3.433	3.450

MTA BUS COMPANY
November Financial Plan 2009 - 2012
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2007	2008	2009			
	Actual	November Forecast	Final Proposed Budget	2010	2011	2012
Receipts						
Farebox Revenue	\$139.308	\$153.812	\$153.043	\$153.655	\$155.038	\$156.588
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	20.965	23.005	23.005	23.005	23.005	23.005
Capital and Other Reimbursements	-	-	32.360	23.855	23.031	23.513
Total Receipts	\$160.273	\$176.817	\$208.408	\$200.515	\$201.074	\$203.106
Expenditures						
<u>Labor:</u>						
Payroll	\$168.172	\$198.860	\$219.124	\$223.239	\$228.227	\$233.247
Overtime	37.997	42.276	34.295	34.937	35.716	36.501
Health and Welfare	29.659	39.251	37.658	40.295	43.115	46.133
OPEB Current Payment	10.725	12.000	12.600	13.230	13.892	14.586
Pensions	17.760	14.169	17.376	17.703	18.098	18.496
Other Fringe Benefits	17.666	18.140	18.897	19.255	19.688	20.120
Pattern Labor Provision	0.000	0.000	0.000	0.000	0.000	0.000
GASB Account	2.648	2.967	3.305	3.579	3.948	4.317
Reimbursable Overhead						
Total Labor Expenditures	\$284.627	\$327.662	\$343.255	\$352.237	\$362.683	\$373.400
<u>Non-Labor:</u>						
Traction and Propulsion Power						
Fuel for Buses and Trains	\$25.429	\$51.204	\$51.084	\$44.381	\$42.946	\$44.755
Insurance	15.380	12.000	14.037	15.432	16.966	18.663
Claims	2.695	3.451	4.778	6.496	8.386	10.465
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	41.560	30.239	51.274	42.022	41.441	41.286
Professional Service Contracts	3.656	3.431	10.123	9.549	8.288	7.693
Materials & Supplies	29.369	22.195	32.220	32.478	33.169	34.006
Other Business Expenses	2.536	6.890	4.124	4.144	4.259	4.348
Total Non-Labor Expenditures	\$120.625	\$129.409	\$167.640	\$154.501	\$155.455	\$161.216
<u>Other Expenditure Adjustments:</u>						
Other						
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$405.252	\$457.071	\$510.895	\$506.738	\$518.138	\$534.616
Baseline Cash Deficit	(\$244.979)	(\$280.254)	(\$302.487)	(\$306.223)	(\$317.063)	(\$331.510)
2009 Program to Eliminate the Gap		2.563	6.555	6.291	7.307	7.964
Post-2009 Program to Eliminate the GAP		0.000	0.000	4.965	9.930	14.895
Net Cash Deficit	(\$244.979)	(\$277.691)	(\$295.932)	(\$294.967)	(\$299.826)	(\$308.651)
Business Service Center		0.153	0.945	0.973	3.433	3.450

MTA BUS COMPANY
November Financial Plan 2009 - 2012
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Receipts						
Farebox Revenue	(\$0.515)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	(0.902)	-	-	-	-	-
Capital and Other Reimbursements	-	-	-	-	-	-
Total Receipts	(\$1.417)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Expenditures						
<u>Labor:</u>						
Payroll	\$17.490	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-
OPEB Current Payment	-	-	-	-	-	-
Pensions	(4.229)	-	-	-	-	-
Other Fringe Benefits	2.430	-	-	-	-	-
GASB Account	(2.648)	(2.967)	(3.305)	(3.579)	(3.948)	(4.317)
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$13.043	(\$2.967)	(\$3.305)	(\$3.579)	(\$3.948)	(\$4.317)
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$0.000	-	-	-	-	-
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	(1.009)	-	-	-	-	-
Claims	12.109	11.732	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	(9.747)	-	-	-	-	-
Professional Service Contracts	-	-	-	-	-	-
Materials & Supplies	(2.099)	-	-	-	-	-
Other Business Expenditures	(0.027)	-	-	-	-	-
Total Non-Labor Expenditures	(\$0.773)	\$11.732	\$0.000	\$0.000	\$0.000	\$0.000
<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 and GASB Adjs.	\$10.853	\$8.765	(\$3.305)	(\$3.579)	(\$3.948)	(\$4.317)
Depreciation Adjustment	29.955	29.500	37.110	40.185	42.235	42.235
OPEB Obligation	45.675	45.400	51.700	53.600	55.500	57.800
Environmental Remediation	-	-	-	-	-	-
Baseline Total Cash Conversion Adjustments	\$86.483	\$83.665	\$85.505	\$90.206	\$93.787	\$95.718
2009 Program to Eliminate the Gap	-	-	-	-	-	-
Post-2009 Program to Eliminate the GAP	-	-	-	-	-	-
Total Cash Conversion Adjustments	\$86.483	\$83.665	\$85.505	\$90.206	\$93.787	\$95.718
Business Service Center		0.000	0.000	0.000	0.000	0.000

**MTA Bus Company
November Financial Plan 2009-2012
Year-to-Year Changes by Category**

TOTAL REVENUES

Farebox

2008 - 2012 - There is a \$.8 million projected decrease in the 2009 budget from the 2008 farebox estimate. A growth rate of .4% is forecasted for 2010 over 2009 levels, .9% in 2011 over 2010 levels and 1.0% in 2012 over 2011 levels, as service levels become more responsive to customer demand patterns.

Other Operating Revenue

2008 - 2012 - This category is expected to remain stable as the financial guidance indicates insignificant change during the period.

Capital and Other Reimbursements

2008 - 2012 - Delays in hiring and securing design contracts and delayed grant approvals account for the lowered level of reimbursable activity in 2008. In the 2009-2012 period, higher levels of reimbursable activity are anticipated, and annual changes are due to timing of facility upgrade work.

LABOR EXPENSES

Payroll / Overtime

2008 - 2012 - The reliance on overtime to offset operating and staff vacancies has continued, with corresponding pay over-runs. The 2009 budget reflects the full value cost of service improvements established during the previous two years. In the 2010-2012 period, projected CPI increases of 1.9% (2010), 2.2% (2011) and 2.2% (2012) were included. Headcount levels remain constant in the 2010-2012 period.

Health and Welfare

2008 - 2009 - Costs reflect levels of staffing and the current projected employee rates.
2010 - 2012 - CPI increases of 7% were incorporated into 2009 projections.

Pensions

2008 - 2012 - Projections incorporate estimates for the inclusion rate for all current employees

Other Fringe Benefits

2008 - 2009 - The full cost of service improvements account for the increases in this category.

2010 - 2012 - Projected CPI increases of 2010 - 1.9%, 2011 - 2.2% and 2012 - 2.2% were incorporated into the estimates.

NON-LABOR EXPENSES

Fuel

2008 - 2009 - Expenses were adjusted upward to reflect increased fuel costs and processing charges during the period as well as additional service provided and higher vehicle revenue mileage.

2010 - 2012 - Projected fuel rates based on issued guidelines account for the annual changes between the plan years. Diesel fuel wholesale prices for 2009 are projected to decrease by 3% relative to 2008 levels, and decreases of 5% in 2010 from 2009 levels, 4% in 2011 from 2010 levels and increase 6% in 2012 from 2011 levels were included.

Compressed Natural Gas (CNG) fuel expenses assume an 8% decrease in 2009 from 2008 levels, an increase of 4% in 2010 over 2009 levels, and decreases of 2% in 2011 and 2% in 2012 from 2011 levels.

Insurance

2008 - 2012 – Less favorable cost of vendor contracts handling worker's compensation claims accounts for the projected annual increases.

Claims

2008 - 2012 - Anticipated increases in the volume and settlement of claims attributed to liability for MTA Bus since 2006 accounts for the projected cost escalation in the 2009-2012 period. The 2008 changes results from the 2007 establishment of a reserve account for public liability claims and subsequent actuarial guideline adjustments.

Maintenance and Other Operating Contracts

2008 - 2012 - Less reliance on the use of vendor contracts to handle bus and facility repairs allows for a decrease in projected expenses beginning in 2008 over prior year levels. Expense assumptions reflect CPI adjustments for inflation of 2.9% in 2009, 1.9% in 2010, 2.2% in 2011 and 2.2% in 2012.

Professional Service Contracts

2008 - 2012 - The ramp up of reimbursable facility projects starting in 2009 accounts for the major changes in this category. Expense assumptions reflect CPI adjustments for inflation 2.9% in 2009, 1.9% in 2010, 2.2% in 2011 and 2.2% in 2012.

Materials and Supplies

2008 - 2012 - The material requirements on older buses decreased during 2008 as many newer buses remained in warranty and required lower parts issues while in the 2009 -2012 period, a stabilized level of material usage is projected with CPI increases reflected in those years. Expense assumptions reflect CPI adjustments for inflation 2.9% in 2009, 1.9% in 2010, 2.2% in 2011 and 2.2% in 2012.

Other Business Expenses

2009 -2012 - There were no major changes to this category. Expense assumptions reflect CPI adjustments for inflation 2.9% in 2009, 1.9% in 2010, 2.2% in 2011 and 2.2% in 2012

Other Post Employment Benefits

Re-estimates of projected costs in this expense category are reflected in the November Plan.

MTA BUS COMPANY
November Financial Plan 2009 - 2012
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE

	Favorable/(Unfavorable)								
	2008	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011
Revenue									
Farebox Revenue	\$153.812	\$153.043	(\$0.769)	\$153.655	\$0.612	\$155.038	\$1.383	\$156.588	\$1.550
Other Operating Revenue	23.005	23.005	\$0.000	23.005	0.000	23.005	0.000	23.005	0.000
Capital and Other Reimbursements	0.000	0.000	\$0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenue	\$176.817	\$176.048	(\$0.769)	\$176.660	\$0.612	\$178.043	\$1.383	\$179.593	\$1.550
Expenses									
Labor:									
Payroll	\$198.860	\$217.777	(\$18.917)	\$221.850	(\$4.072)	\$226.797	(\$4.947)	\$231.787	(\$4.990)
Overtime	42.276	34.295	\$7.980	34.937	(0.641)	35.716	(0.779)	36.501	(0.786)
Health and Welfare	39.251	37.658	\$1.593	40.295	(2.636)	43.115	(2.821)	46.133	(3.018)
OPEB Current Payment	12.000	12.600	(\$0.600)	13.230	(0.630)	13.892	(0.662)	14.586	(0.695)
Pensions	14.169	17.290	(\$3.121)	17.613	(0.323)	18.006	(0.393)	18.402	(0.396)
Other Fringe Benefits	18.140	18.496	(\$0.356)	18.842	(0.346)	19.262	(0.420)	19.686	(0.424)
Reimbursable Overhead	0.000	(0.943)	\$0.943	(0.963)	0.020	(0.984)	0.021	(1.004)	0.020
Total Labor Expenses	\$324.695	\$337.174	(\$12.479)	\$345.803	(\$8.629)	\$355.804	(\$10.001)	\$366.091	(\$10.287)
Non-Labor:									
Traction and Propulsion Power									
Fuel for Buses and Trains	\$51.204	\$51.084	\$0.119	\$44.381	\$6.703	\$42.946	\$1.435	\$44.755	(\$1.809)
Insurance	12.000	14.037	(\$2.037)	15.432	(1.395)	16.966	(1.534)	18.663	(1.697)
Claims	15.183	4.778	\$10.405	6.496	(1.718)	8.386	(1.890)	10.465	(2.079)
Paratransit Service Contracts	0.000	0.000	\$0.000	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	30.239	25.391	\$4.848	24.722	0.669	24.341	0.381	23.829	0.512
Professional Service Contracts	3.431	8.623	(\$5.192)	8.049	0.574	7.488	0.561	6.876	0.611
Materials & Supplies	22.195	30.020	(\$7.825)	30.278	(0.257)	30.969	(0.691)	31.760	(0.791)
Other Business Expenses	6.890	4.124	\$2.766	4.144	(0.020)	4.259	(0.115)	4.348	(0.089)
Total Non-Labor Expenses	\$141.141	\$138.057	\$3.084	\$133.501	\$4.556	\$135.355	(\$1.854)	\$140.696	(\$5.341)
Other Expenses Adjustments:									
Other	0.000	0.000	\$0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adjs.	\$465.836	\$475.231	(\$9.394)	\$479.304	(\$4.074)	\$491.159	(\$11.854)	\$506.787	(\$15.628)
Depreciation	\$29.500	\$37.110	(\$7.610)	\$40.185	(\$3.075)	\$42.235	(\$2.050)	\$42.235	\$0.000
OPEB Obligation	45.400	51.700	(\$6.300)	53.600	(1.900)	55.500	(1.900)	57.800	(2.300)
Environmental Remediation	0.000	0.000	\$0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$540.736	\$564.041	(\$23.304)	\$573.089	(\$9.049)	\$588.894	(\$15.804)	\$606.822	(\$17.928)
Baseline Net Surplus/(Deficit)	(\$363.919)	(\$387.993)	(\$24.073)	(\$396.429)	(\$8.437)	(\$410.851)	(\$14.421)	(\$427.229)	(\$16.378)
2009 Agency Program to Eliminate the Gap (PEGs)	\$2.563	\$6.555	\$3.992	\$6.291	(\$0.264)	\$7.307	\$1.016	\$7.964	\$0.657
Post - 2009 Agency Program to Eliminate the Gap (PEGs)	0.000	0.000	\$0.000	4.965	\$4.965	9.930	\$4.965	14.895	\$4.965
Total PEGs	2.563	6.555	3.992	11.256	4.701	17.237	5.981	22.859	5.622
Net Surplus/(Deficit)	(\$361.356)	(\$381.438)	(\$20.081)	(\$385.173)	(\$3.736)	(\$393.614)	(\$8.440)	(\$404.370)	(\$10.756)

REIMBURSABLE

[illegible]

MTA BUS COMPANY
November Financial Plan 2009 - 2012
Year-to-Year Changes by Category - Cash Basis
(\$ in millions)

CASH RECEIPTS & EXPENDITURES

	Favorable/(Unfavorable)								
	2008	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011
<u>Receipts</u>									
Farebox Revenue	\$153.812	\$153.043	(\$0.769)	\$153.655	\$0.612	\$155.038	\$1.383	\$156.588	\$1.550
Other Operating Revenue	23.005	23.005	\$0.000	23.005	0.000	\$23.005	0.000	\$23.005	0.000
Capital and Other Reimbursements	0.000	32.360	\$32.360	23.855	(8.505)	\$23.031	(0.824)	\$23.513	0.482
Total Receipts	\$176.817	\$208.408	\$31.591	\$200.515	(\$7.893)	\$201.074	\$0.559	\$203.106	\$2.032
<u>Expenditures</u>									
Labor:									
Payroll	\$198.860	\$219.124	(\$20.264)	\$223.239	(\$4.116)	\$228.227	(\$4.988)	\$233.247	(\$5.019)
Overtime	42.276	34.295	\$7.980	34.937	(0.641)	35.716	(0.779)	36.501	(0.786)
Health and Welfare	39.251	37.658	\$1.593	40.295	(2.636)	43.115	(2.821)	46.133	(3.018)
OPEB Current Payment	12.000	12.600	(\$0.600)	13.230	(0.630)	13.892	(0.662)	14.586	(0.695)
Pensions	14.169	17.376	(\$3.208)	17.703	(0.326)	18.098	(0.395)	18.496	(0.398)
Other Fringe Benefits	18.140	18.897	(\$0.757)	19.255	(0.359)	19.688	(0.432)	20.120	(0.432)
GASB Account	2.967	3.305	(\$0.338)	3.579	(0.274)	3.948	(0.369)	4.317	(0.369)
Reimbursable Overhead	0.000	0.000	\$0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$327.662	\$343.255	(\$15.594)	\$352.237	(\$8.981)	\$362.683	(\$10.446)	\$373.400	(\$10.717)
Non-Labor:									
Traction and Propulsion Power									
Fuel for Buses and Trains	\$51.204	\$51.084	\$0.119	\$44.381	\$6.703	\$42.946	\$1.435	\$44.755	(\$1.809)
Insurance	12.000	14.037	(\$2.037)	15.432	(1.395)	16.966	(1.534)	18.663	(1.697)
Claims	3.451	4.778	(\$1.327)	6.496	(1.718)	8.386	(1.890)	10.465	(2.079)
Paratransit Service Contracts	0.000	0.000	\$0.000	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	30.239	51.274	(\$21.035)	42.022	9.252	41.441	0.581	41.286	0.155
Professional Service Contracts	3.431	10.123	(\$6.692)	9.549	0.574	8.288	1.261	7.693	0.594
Materials & Supplies	22.195	32.220	(\$10.025)	32.478	(0.257)	33.169	(0.691)	34.006	(0.837)
Other Business Expenses	6.890	4.124	\$2.766	4.144	(0.020)	4.259	(0.115)	4.348	(0.089)
Total Non-Labor Expenditures	\$129.409	\$167.640	(\$38.231)	\$154.501	\$13.139	\$155.455	(\$0.954)	\$161.216	(\$5.761)
Other Expenditure Adjustments:									
Other -	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$457.071	\$510.895	(\$53.824)	\$506.738	\$4.158	\$518.138	(\$11.400)	\$534.616	(\$16.478)
Baseline Net Cash Deficit	(\$280.254)	(\$302.487)	(\$22.233)	(\$306.223)	(\$3.735)	(\$317.063)	(\$10.841)	(\$331.510)	(\$14.446)
2009 Agency Program to Eliminate the Gap (PEGs)	2.563	6.555	\$3.992	6.291	(0.264)	7.307	1.016	7.964	0.657
Post - 2009 Agency Program to Eliminate the Gap (PEGs)	0.000	0.000	\$0.000	4.965	4.965	9.930	4.965	14.895	4.965
Total PEGs	2.563	6.555	3.992	11.256	4.701	17.237	5.981	22.859	5.622
Net Cash Deficit	(\$277.691)	(\$295.932)	(\$18.241)	(\$294.967)	\$0.966	(\$299.826)	(\$4.860)	(\$308.651)	(\$8.824)

MTA Bus Company
November Financial Plan 2009-2012
Summary of Major Plan-to-Plan Changes

REVENUE

- **Farebox** - Strong ridership growth has resulted in continued incremental increases in revenue and ridership categories. As a result there is a \$2.3 million increase in farebox revenue projections for 2008. A softening of overall economic indicators suggest a reduction in employment and lower ridership for the period including 2009 through 2012. Revenue is expected to decline by \$1.7 million for 2009, \$4.5 million for 2010, \$6.6 million for 2011 and \$8.6 million for 2012 from the July Plan as the regional indicators predict economic decline.
- **Other Operating Revenue** – Student fare revenue forecasts were adjusted from the July Plan resulting in lower predictions for each of the periods by \$3.0 million for 2008, \$3.5 million for 2009, \$4.1 million for 2010, \$4.6 million for 2011 and \$5.2 million for 2012.
- **Capital and Other Reimbursements** - There is no change in Capital and other Reimbursement levels from the July Plan.

LABOR EXPENSES

- **Payroll / Overtime / Other Fringe** - 2008 - There is an increase over the July Plan of \$14.7 million reflecting the inclusion of the full cost of basic service delivery funding requirements for MTA Bus operations service being provided during the period. 2009 - 2012 - There is an increase in the 2009 - 2012 period from the July Plan due to the full year costs of service enhancements from the prior year. Salary and Wage projections incorporate CPI increases of 1.9% (2010), 2.2% (2011) and 2.2% for 2012.
- **Health and Welfare** - Minor inflation related adjustments from the July Plan were included. CPI increases of 7% were incorporated into projections for the 2009-2012 period.
- **Pension**• The 2009-2012 period reflects inflation related assumptions

NON-LABOR EXPENSES

- **Fuel** - Fuel expenses were adjusted in the 2009-2011 period to reflect changes in the rate guidelines. Diesel fuel wholesale prices which for 2009 are projected to decrease by 3% relative to 2008 levels, and decreases of

5% in 2010 from 2009 levels, 4% in 2011 from 2010 levels and an increase 6% in 2012 from 2011 levels were included. Compressed Natural Gas (CNG) fuel expenses assume an 8% decrease in 2009 from 2008 levels, an increase of 4% in 2010 over 2009 levels, and decreases of 2% in 2011 and 2% in 2012 from 2011 levels.

- **Insurance/Claims** - There is no change from the July Plan for Insurance or Claims expenses during the 2009 – 2012 period.
- **Maintenance and Other Contracts** - The changes in the 2009-2012 period are due to inflation related assumptions.
- **Professional Service Contracts** The changes in the 2009-2012 period are due to inflation related assumptions. Expense assumptions reflect CPI adjustments for inflation of 1.9% (2010), 2.2% (2011) and 2.2% for 2012 in accordance with Global Insight's CPI-U forecast.
- **Materials and Supplies** -The changes in the 2009-2012 period are due to inflation-related assumptions Expense assumptions reflect reductions in CPI adjustments for inflation of 1.9% (2010), 2.2% (2011) and 2.2% for 2012.
- **Other Business Expenses** - The changes in the 2009-2012 period are due to CPI-related assumptions.
- **Other Post Employment Benefits** - The re-estimate of projected expenses related to Other Post Employment Benefits is reflected within the November Plan.

MTA BUS COMPANY
November Financial Plan 2009 - 2012
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE					
	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Operating Cash	(\$251.886)	(\$262.421)	(\$268.895)	(\$276.870)	(\$286.824)
Fuel Adjustment	(\$4.557)	(\$8.243)	\$0.346	\$2.335	\$4.121
Adjusted July Financial Plan	(\$256.443)	(\$270.664)	(\$268.549)	(\$274.536)	(\$282.703)
Baseline Changes					
Revenue					
Farebox Revenue	\$2.373	(\$1.710)	(\$4.505)	(\$6.594)	(\$8.582)
Vehicle Toll Revenue	-	-	-	-	-
Other Operating Revenue	(3.004)	(3.522)	(4.065)	(4.591)	(5.153)
Capital and Other Reimbursement	-	-	-	-	-
Total Revenue Changes	(\$0.631)	(\$5.231)	(\$8.570)	(\$11.184)	(\$13.735)
Expenses					
<i>Labor:</i>					
Payroll	(\$6.836)	(\$4.439)	(\$4.138)	(\$4.862)	(\$5.324)
Overtime	(6.238)	(13.888)	(14.111)	(14.486)	(14.839)
Health and Welfare	-	(0.421)	(0.450)	(0.482)	(0.515)
OPEB Current Payment	-	-	-	-	-
Pensions	-	(0.694)	(0.677)	(0.741)	(0.785)
Other Fringe Benefits	(0.673)	(0.965)	(0.952)	(1.025)	(1.076)
Reimbursable Overhead	(0.923)	-	-	-	-
Total Labor Expense Changes	(\$14.669)	(\$20.407)	(\$20.328)	(\$21.596)	(\$22.540)
<i>Non-Labor:</i>					
Traction and Propulsion Power					
Fuel for Buses and Trains	(8.960)	(5.588)	(8.888)	(9.568)	(12.434)
Insurance	0.586	-	-	-	-
Claims	(11.967)	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	1.100	(0.234)	0.044	(0.069)	(0.037)
Professional Service Contracts	1.265	(0.056)	0.010	(0.014)	(0.006)
Materials & Supplies	(1.363)	(0.277)	0.053	(0.088)	(0.049)
Other Business Expenses	(0.904)	(0.030)	0.006	(0.010)	(0.006)
Total Non-Labor Expense Changes	(\$20.243)	(\$6.185)	(\$8.776)	(\$9.748)	(\$12.532)
<i>Total Expenses before Depreciation and GASB Adj.</i>					
Total Expense Changes	(\$34.912)	(\$26.593)	(\$29.104)	(\$31.343)	(\$35.072)
Cash Adjustment Changes					
<i>Revenue:</i>					
Other Operating Revenue					
<i>Expenses:</i>					
Claims	11.732				
Other Business Expenses					
Total Expense Changes	11.732	-	-	-	-
Restricted Cash Adjustment					
Total Cash Adjustment Changes	11.732	0.000	0.000	0.000	0.000
Total Baseline Changes	(\$23.811)	(\$31.824)	(\$37.674)	(\$42.528)	(\$48.807)
Baseline 2008 November Financial Plan - Operating Cash	(\$280.254)	(\$302.487)	(\$306.223)	(\$317.063)	(\$331.510)

MTA BUS COMPANY
November Financial Plan 2009 - 2012
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE					
	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Operating Cash	0.000	0.000	0.000	0.000	0.000
Fuel Adjustment					
Adjusted July Financial Plan	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline Changes					
Revenue					
Farebox Revenue					
Vehicle Toll Revenue					
Capital and Other Reimbursement	(\$24.238)	-	-	-	-
Total Revenue Changes	(\$24.238)	\$0.000	\$0.000	\$0.000	\$0.000
Expenses					
<i>Labor:</i>					
Payroll	0.849	-	-	-	-
Overtime					
Health and Welfare		-	-	-	-
OPEB Current Payment		-	-	-	-
Pensions	0.084	-	-	-	-
Other Fringe Benefits	0.389	-	-	-	-
Reimbursable Overhead	0.923	-	-	-	-
Total Labor Expense Changes	\$2.245	\$0.000	\$0.000	\$0.000	\$0.000
<i>Non-Labor:</i>					
Traction and Propulsion Power					
Fuel for Buses and Trains					
Insurance					
Claims					
Paratransit Service Contracts					
Maintenance and Other Operating Contracts	15.793				
Professional Service Contracts	4.000	-	-	-	-
Materials & Supplies	2.200	-	-	-	-
Other Business Expenses		-	-	-	-
Total Non-Labor Expense Changes	\$21.993	\$0.000	\$0.000	\$0.000	\$0.000
<i>Total Expenses before Depreciation</i>					
Depreciation					
Total Expense Changes	\$24.238	\$0.000	\$0.000	\$0.000	\$0.000
Cash Adjustment Changes					
Total Cash Adjustment Changes	0.000	0.000	0.000	0.000	0.000
Total Baseline Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline 2008 November Financial Plan - Operating Cash	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA BUS COMPANY
November Financial Plan 2009 - 2012
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Operating Cash Income/(Deficit)	(\$251.886)	(\$262.421)	(\$268.895)	(\$276.870)	(\$286.824)
Fuel Adjustment	(\$4.557)	(\$8.243)	\$0.346	\$2.335	\$4.121
Adjusted July Financial Plan	(\$256.443)	(\$270.664)	(\$268.549)	(\$274.535)	(\$282.703)
<i>Non-Reimbursable Major Changes</i>					
Revenue	\$.000	\$.000	\$.000	\$.000	\$.000
Farebox Revenue Re-estimate	2.373	(1.710)	(4.505)	(6.594)	(8.582)
Other Operating Revenue Re-estimates	(3.004)	(3.522)	(4.065)	(4.591)	(5.153)
Sub-Total Non-Reimbursable Revenue Changes	(\$.631)	(\$5.231)	(\$8.570)	(\$11.184)	(\$13.735)
Expenses	\$.000	\$.000	\$.000	\$.000	\$.000
Payroll	(6.836)	(4.439)	(4.138)	(4.862)	(5.324)
Overtime	(6.238)	(13.888)	(14.111)	(14.486)	(14.839)
Health and Welfare	-	(0.421)	(0.450)	(0.482)	(0.515)
Fuel	(8.960)	(5.588)	(8.888)	(9.568)	(12.434)
Claims	(11.967)	-	-	-	-
Maintenance and other Operating	1.100	(0.234)	0.044	(0.069)	(0.037)
Professional Service Contracts	1.265	(0.056)	0.010	(0.014)	(0.006)
Materials & Supplies	(1.363)	(0.277)	0.053	(0.088)	(0.049)
Other Business Expense	(0.904)	(0.030)	0.006	(0.010)	(0.006)
Other Re-estimates	(1.010)	(1.659)	(1.629)	(1.766)	(1.862)
Sub-Total Non-Reimbursable Expense Changes	(\$34.912)	(\$26.593)	(\$29.104)	(\$31.343)	(\$35.072)
Total Non-Reimbursable Major Changes	(\$35.543)	(\$31.824)	(\$37.674)	(\$42.528)	(\$48.807)
<i>Reimbursable Major Changes</i>					
Revenue					
Capital and Other Reimbursement	(\$24.238)	\$0.000	\$0.000	\$0.000	\$0.000
Sub-Total Reimbursable Revenue Changes	(\$24.238)	\$0.000	\$0.000	\$0.000	\$0.000
Expenses					
Labor Expense	2.245				
Maintenance and Other Operating Contracts	15.793				
Professional Service Contracts	4.000				
Materials & Supplies	2.200				
Sub-Total Reimbursable Expense Changes	24.238				
Total Reimbursable Major Changes	\$.000	\$.000	\$.000	\$.000	\$.000
Total Accrual Changes	(\$35.543)	(\$31.824)	(\$37.674)	(\$42.528)	(\$48.807)
<i>Cash Adjustment Changes</i>					
Total Cash Adjustments					
Claims	11.732				
Total Cash Adjustment Changes	\$11.732	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	(\$23.811)	(\$31.824)	(\$37.674)	(\$42.528)	(\$48.807)
Baseline 2008 November Financial Plan - Operating Cash Income/(Deficit)	(\$280.254)	(\$302.487)	(\$306.223)	(\$317.063)	(\$331.510)

**MTA Bus Company
2009 Final Proposed Budget
November Financial Plan 2009-2012**

UTILIZATION

Fixed Route Ridership:

MTA Bus experienced a sizable increase in fixed route ridership for the first eight months of 2008. We are projecting an annualized 8.6% increase for 2008 over 2007 levels based on August year to date levels however the worsening economic outlook threatens future growth forecasts for the coming periods.

The full year 2008 November Forecast was increased to 119.8 million riders. For 2009, the revised ridership was decreased by 1.4 million riders over July Plan levels as a result of predicted declines in ridership through the period. This represents a 1% decrease from projected 2008 ridership levels. Ridership increases of .3% for 2010, .1% for 2011 and 1.0% for 2012 are also projected.

Fixed Route Revenue:

Revenue is projected to be \$153.8 million in 2008, based on the 119.8 million riders. Projected revenue in 2009-2011 period is reflective of the ridership changes primarily resulting from the employment outlook, forecast during that period.

MTA BUS COMPANY
November Financial Plan 2009 - 2012
RIDERSHIP/TRAFFIC VOLUME (UTILIZATION)
(\$ in millions)

	2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
<u>Baseline</u>						
Fixed Route	110.269	119.789	118.591	118.947	119.066	120.256
Baseline Total Ridership	110.269	119.789	118.591	118.947	119.066	120.256

MTA BUS COMPANY
November Plan 2009 - 2012
Summary of 2009 Program to Eliminate the Gap(PEGs)
(\$ in millions)

		2008		2009		2010		2011		2012	
		<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											
CNG Fuel Tax Rebate		0	1.851	0	0.800	0	0.000	0	0.000	0	0.000
Eliminate Use of Legacy Computer System		0	0.000	0	0.000	0	0.000	0	0.424	0	0.432
Worker's Compensation Management		0	0.000	(6)	2.698	(6)	3.009	(6)	3.360	(6)	3.746
Sub-Total	Administration	0	\$ 1.851	(6)	\$ 3.498	(6)	\$ 3.009	(6)	\$ 3.784	(6)	\$ 4.178
Maintenance											
Maintenance Material Reduction		0	0.712	0	2.579	0	2.632	0	2.684	0	2.739
Sub-Total	Maintenance	0	\$ 0.712	0	\$ 2.579	0	\$ 2.632	0	\$ 2.684	0	\$ 2.739
Safety											
Claims Reduction		0	0.000	0	0.478	0	0.650	0	0.839	0	1.047
Sub-Total	Safety	0	\$ 0.000	0	\$ 0.478	0	\$ 0.650	0	\$ 0.839	0	\$ 1.047
Total Programs		0	\$ 2.563	(6)	\$ 6.555	(6)	\$ 6.291	(6)	\$ 7.307	(6)	\$ 7.964

MTA BUS COMPANY
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	MTBUS	Financial Plan Category	PEG	Implementation Date	7/1/2008
Budget Reference	FINAL08	Category	Administration	Savings Date	9/30/2008
PEG / New Need ID	0000000011	Current Budget Year	2008	Status	Open
Program:	CNG Fuel Tax Rebate			Agency Status	Pending
Description and Implementation Pla	Federal tax rebates for CNG usage. Appropriate rebate forms have been filed for calendar year 2007 usage.				
Background Details					

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	MTBUS	0000000011	FINAL08	\$ 1.851	\$ 0.800	\$ 0.000	\$ 0.000	\$ 0.000

MTA BUS COMPANY
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	MTBUS	Financial Plan Category	PEG	Implementation Date	1/1/2011
Budget Reference	FINAL08	Category	Administration	Savings Date	1/1/2011
PEG / New Need ID	0000000012	Current Budget Year	2008	Status	Open
Program:	Eliminate Use of Legacy Computer System			Agency Status	Pending
Description and Implementation Pla	Eliminate Legacy stand alone system and migrate to integrated multi-agency payroll system.				
Background Details					

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	MTBUS	0000000012	FINAL08	\$ 0.000	\$ 0.000	\$ 0.000	\$ 0.424	\$ 0.432

MTA BUS COMPANY
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	MTBUS	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Administration	Savings Date	1/1/2009
PEG / New Need ID	0000000013	Current Budget Year	2008	Status	Open
Program:	Worker's Compensation Management			Agency Status	Pending
Description and Implementation Pla	Restructure management of MTA Bus Worker's Compensation program. Add additional staff to manage certain program aspects and reduce reliance on outside contracts.				
Background Details					

				2008	2009	2010	2011	2012
Total Headcount	MTBUS	0000000013	FINAL08	0	(6)	(6)	(6)	(6)
Financial Impact	MTBUS	0000000013	FINAL08	\$ 0.000	\$ 2.698	\$ 3.009	\$ 3.360	\$ 3.746

MTA BUS COMPANY
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	MTBUS	Financial Plan Category	PEG	Implementation Date	7/31/2008
Budget Reference	FINAL08	Category	Maintenance	Savings Date	9/30/2008
PEG / New Need ID	0000000014	Current Budget Year	2008	Status	Open
Program:	Maintenance Material Reduction			Agency Status	Pending
Description and Implementation Pla	Review of current shop program work scopes will result in reduced material consumption.				
Background Details					

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	MTBUS	0000000014	FINAL08	\$ 0.712	\$ 2.579	\$ 2.632	\$ 2.684	\$ 2.739

MTA BUS COMPANY
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	MTBUS	Financial Plan Category	PEG	Implementation Date	7/1/2008
Budget Reference	FINAL08	Category	Safety	Savings Date	6/1/2009
PEG / New Need ID	0000000015	Current Budget Year	2008	Status	Open
Program:	Claims Reduction			Agency Status	Pending
Description and Implementation Pla	Initiation of numerous safe operation initiatives will result in annual savings in claims activity.				
Background Details					

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	MTBUS	0000000015	FINAL08	\$ 0.000	\$ 0.478	\$ 0.650	\$ 0.839	\$ 1.047

MTA BUS COMPANY
November Plan 2009 - 2012
Summary of Post 2009 PEGs
(\$ in millions)

		2008		2009		2010		2011		2012	
		<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>
Other											
Unspecified		0	0.000	0	0.000	0	4.965	0	9.930	0	14.895
Sub-Total	Other	<u>0</u>	<u>\$ 0.000</u>	<u>0</u>	<u>\$ 0.000</u>	<u>0</u>	<u>\$ 4.965</u>	<u>0</u>	<u>\$ 9.930</u>	<u>0</u>	<u>\$ 14.895</u>
Total Programs		<u>0</u>	<u>\$ 0.000</u>	<u>0</u>	<u>\$ 0.000</u>	<u>0</u>	<u>\$ 4.965</u>	<u>0</u>	<u>\$ 9.930</u>	<u>0</u>	<u>\$ 14.895</u>

MTA BUS COMPANY
November Plan 2009 - 2012
Summary of Post PEGs Worksheet
(\$ in millions)

Business Unit	MTBUS	Financial Plan Category	Post PEG	Implementation Date	1/1/2010
Budget Reference	FINAL08	Category	Other	Savings Date	1/1/2010
PEG / New Need ID	0000000016	Current Budget Year	2008	Status	Open
Program:	Unspecified			Agency Status	Pending
Description and Implementation Pla					
Background Details					

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	MTBUS	0000000016	FINAL08	\$ 0.000	\$ 0.000	\$ 4.965	\$ 9.930	\$ 14.895

**MTA Bus Company
November Financial Plan 2009-2012
Summary of Major Plan-to-Plan Changes**

POSITIONS

Total Non-Reimbursable and Reimbursable Baseline Positions

2008: November Financial Plan vs. July Financial Plan

2008 Operating positions remain the same as the July Plan.

2009-2012: November Financial Plan vs. July Financial Plan

2009 positions increase by a total of 54. Thirty nine Bus Operator positions are included to reflect total headcount needed for service levels provided and an additional fifteen positions that were already being paid through an MOU with New York City Transit are now included in the position tables.

2010 - 2012 position tables are expected to remain the same.

MTA BUS COMPANY
November Financial Plan 2009 - 2012
Non-Reimbursable - Reimbursable Positions by Function and Department
Full-Time Positions and Full Time Equivalents

FUNCTION/DEPARTMENT	2007 Actuals	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Administration						
Office of the EVP	2	5	6	6	6	6
Human Resources	7	7	7	7	7	7
Office of Management and Budget	1	7	8	8	8	8
Technology & Information Services	10	15	15	15	15	15
Materiel	13	22	24	24	24	24
Controller	34	47	47	47	47	47
Office of the President	3	2	2	2	2	2
System Safety Administration	1	3	3	3	3	3
Law	14	22	22	22	22	22
Corporate Communications	9	8	4	4	4	4
Labor Relations	1	6	6	6	6	6
Non-Departmental	-	-	-	-	-	-
Total Administration	95	144	144	144	144	144
Operations						
Buses	2,343	2,145	2,184	2,184	2,184	2,184
Office of Senior Vice President	-	11	13	13	13	13
Office of Executive Vice President, Regional	-	-	-	-	-	-
Safety & Training	-	19	26	26	26	26
Road Operations	-	107	107	107	107	107
Transportation Support	-	14	14	14	14	14
Operations Planning	10	15	19	19	19	19
Revenue Control	9	7	7	7	7	7
Total Operations	2,362	2,318	2,370	2,370	2,370	2,370
Maintenance						
Buses	792	888	888	888	888	888
Maintenance Support/CMF		12	14	14	14	14
Facilities		57	57	57	57	57
Supply Logistics	31	68	68	68	68	68
Total Maintenance	823	1,025	1,027	1,027	1,027	1,027
Engineering/Capital						
Capital Program Management	11	14	14	14	14	14
Public Safety						
Security	10	10	10	10	10	10
Total Positions	3,301	3,511	3,565	3,565	3,565	3,565
Non-Reimbursable	3,301	3,495	3,549	3,549	3,549	3,549
Reimbursable	0	16	16	16	16	16
Total Full-Time	3,301	3,511	3,565	3,565	3,565	3,565
Total Full-Time Equivalents						
Impact of:						
2009 Program to Eliminate the Gap	0	0	(6)	(6)	(6)	(6)
Post 2009 Program to Eliminate the Gap	-	-	-	-	-	-
Total Positions	3,301	3,511	3,571	3,571	3,571	3,571
Non-Reimbursable	3,301	3,495	3,555	3,555	3,555	3,555
Reimbursable	0	16	16	16	16	16
Total Full-Time	3,301	3,511	3,571	3,571	3,571	3,571
Total Full-Time Equivalents	0	0	0	0	0	0
Business Service Center					(33)	(33)

MTA BUS COMPANY
November Financial Plan 2009 - 2012
Total Full-Time Positions and Full-time Equivalents by Function and Occupational Group

FUNCTION/OCCUPATIONAL GROUP	2007 Actuals	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Administration						
Managers/Supervisors	22	45	49	49	49	49
Professional, Technical, Clerical	73	99	95	95	95	95
Operational Hourlies	-	-				
Total Administration	95	144	144	144	144	144
Operations						
Managers/Supervisors	233	279	286	286	286	286
Professional, Technical, Clerical	35	63	69	69	69	69
Operational Hourlies	2,094	1,976	2,015	2,015	2,015	2,015
Total Operations	2,362	2,318	2,370	2,370	2,370	2,370
Maintenance						
Managers/Supervisors	128	167	169	169	169	169
Professional, Technical, Clerical	9	11	11	11	11	11
Operational Hourlies	686	847	847	847	847	847
Total Maintenance	823	1,025	1,027	1,027	1,027	1,027
Engineering/Capital						
Managers/Supervisors	8	7	7	7	7	7
Professional, Technical, Clerical	3	7	7	7	7	7
Operational Hourlies	-					
Total Engineering/Capital	11	14	14	14	14	14
Public Safety						
Managers/Supervisors	4	4	4	4	4	4
Professional, Technical, Clerical	2	2	2	2	2	2
Operational Hourlies	4	4	4	4	4	4
Total Public Safety	10	10	10	10	10	10
Total Positions						
Managers/Supervisors	395	502	515	515	515	515
Professional, Technical, Clerical	122	182	184	184	184	184
Operational Hourlies	2,784	2,827	2,866	2,866	2,866	2,866
Total Baseline Positions	3,301	3,511	3,565	3,565	3,565	3,565

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Staten Island Railway

**MTA Staten Island Railway
2009 Final Proposed Budget
November Financial Plan 2009 - 2012**

MISSION STATEMENT

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

FINANCIAL OVERVIEW

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

The 2009 Final Proposed Budget and projections for the years 2010-2012 provide sufficient funding to maintain current service levels as well as to maintain MTA's commitment to safety and security. This is accomplished primarily through implementation of operational efficiencies that optimize the utilization of resources to achieve agency goals. Performance indicators including mean distance between failures and on-time performance remain within targeted levels. Additionally, in concert with MTA New York City Transit, efforts are underway to establish initiatives in order to meet key MTA priorities including workforce development, customer service, financial stability, safety and security and sustainability.

2008 November Forecast-Baseline

MTA Staten Island Railway's 2008 November Forecast reflects total expenses before depreciation and other post-employment benefits (OPEB) of \$38.174 million, including \$36.752 million of non-reimbursable expenses and \$1.422 million of reimbursable expenses. Total revenues are projected to be \$7.895 million, of which \$6.473 million are operating revenues and \$1.422 million represent capital reimbursements. Total full-time positions are 278, including 275 non-reimbursable positions and 3 reimbursable positions.

The November forecast includes a reduction in the operating cash deficit of \$3.551 million. Favorable changes include:

- A delay in the timing of R-44 fleet maintenance work resulting in the deferral of \$3.836 million of expenses to 2009 and 2010.
- Increased farebox revenues of \$0.021 million based on projected higher ridership.

Unfavorable changes include:

- Revised inflation projections which result in an expense increase of \$0.290 million.

- Reduced student ridership projections resulting in lower fare reimbursement of \$0.016 million.

2008 savings as part of the 2009 Programs to Eliminate the GAP, presented below the baseline on the attached financial tables and described below, are projected to yield a deficit reduction of \$0.225 million and a position reduction of 1.

2009 Final Proposed Budget - Baseline

MTA Staten Island Railway's 2009 Final Proposed Budget reflects total expenses before depreciation and OPEB of \$44.093 million, including \$42.606 million of non-reimbursable expenses and \$1.487 million of reimbursable expenses. Total revenues are projected to be \$8.265 million, of which \$6.778 million are operating revenues and \$1.487 million represent capital reimbursements. Total full-time positions are 283, including 280 non-reimbursable positions and 3 reimbursable positions.

The 2009 Final Proposed Budget operating cash deficit has increased by \$3.155 million. Unfavorable changes include:

- Deferral of \$2.255 million of expenses from 2008 due to the timing of R-44 fleet maintenance work.
- Inclusion of Integrated Electronic Security System (IESS) support including an expense increase \$0.578 million and a position increase of 6.
- Revised inflation projections resulting in an increase in expenses of \$0.242 million.
- Reduced farebox revenues of \$0.064 million based on projected lower ridership.
- Reduced student ridership projections resulting in lower student fare reimbursement of \$0.016 million.

The 2009 Programs to Eliminate the GAP, presented below the baseline on the attached financial tables and described below, are projected to yield a deficit reduction of \$0.743 million and a position reduction of 4 in 2009.

2010-2012 Projections-Baseline

Operating cash deficits are projected to increase by \$2.631 million in 2010, \$1.026 million in 2011 and \$1.336 million in 2012.

Unfavorable changes include:

- Deferral of \$1.581 million of expenses from 2008 due to the timing of R-44 fleet maintenance work.
- Inclusion of Integrated Electronic Security System (IESS) support including an expense increase of \$0.578 million and position increase of 6 in 2010 and expense increases of \$0.487 million and 5 positions in both 2011 and 2012.

- Revised inflation projections resulting in increased expenses of \$0.371 million in 2010, \$0.453 million in 2011 and \$0.793 million in 2012.
- Reduced farebox revenues (excluding Tompkinsville) of \$0.085 million in 2010, \$0.070 million in 2011 and \$0.040 million in 2012 based on projected lower ridership.
- Reduced student ridership projections resulting in lower student fare reimbursement of \$0.016 million for each year.

The 2009 Programs to Eliminate the GAP, presented below the baseline on the attached financial tables and described below, are projected to yield deficit reductions of \$0.428 million and 4 position reductions for each year 2010, 2011 and 2012.

Major assumptions and reconciliations are discussed later in this section.

GAP CLOSING MEASURES

2009 Programs to Eliminate the Gap (PEGs)

These programs in total project deficit reductions of \$0.225 million in 2008, \$0.743 million in 2009 and \$0.428 million for each projection year 2010-2012. Position reductions are projected at 1 by the end of 2008 and at 4 by the end of each projection year 2009-2012. Major programs are summarized as follows:

- Administrative/organizational efficiencies are projected to result in savings of \$0.085 million and 1 position in 2008 and \$0.321 million and 3 positions for each year 2009-2012.
- Establishment of a medical assessment facility on Staten Island is projected to result in improved employee availability and savings of \$0.030 million for each year 2009-2012.
- Delays in filling vacant positions are projected to result in vacancy savings of \$0.140 million in 2008 and \$0.315 million in 2009.
- Implementation of a pc-based interlocking control system is expected to allow for automatic dispatching and routing of train movement at two terminals resulting in savings of \$0.077 million and one position for each year 2009-2012.

Post-2009 Programs to Eliminate the GAP

- Post-2009 Programs to Eliminate the GAP of \$0.420 in each projection year 2010-2012 are currently unspecified.

MTA STATEN ISLAND RAILWAY
November Financial Plan 2009- 2012
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE						
	2007	2008	2009			
	Actual	November Forecast	Final Proposed Budget	2010	2011	2012
Operating Revenue						
Farebox Revenue	\$ 3.938	\$ 4.402	\$ 4.707	\$ 5.047	\$ 5.112	\$ 5.176
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	2.050	2.071	2.071	2.071	2.071	2.071
Capital and Other Reimbursements	-	-	-	-	-	-
Total Revenue	\$5.988	\$6.473	\$6.778	\$7.118	\$7.183	\$7.247
Operating Expenses						
<u>Labor:</u>						
Payroll	\$ 14.810	\$ 15.328	\$ 16.198	\$ 16.493	\$ 16.787	\$ 17.148
Overtime	1.061	0.750	0.772	0.786	0.804	0.822
Health and Welfare	3.099	2.834	3.200	3.426	3.656	3.916
OPEB Current Payment	-	0.462	0.508	0.545	0.585	0.628
Pensions	3.604	4.748	5.065	5.504	5.735	6.184
Other Fringe Benefits	1.302	1.209	1.268	1.291	1.316	1.344
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenses	\$23.876	\$25.331	\$27.011	\$28.045	\$28.883	\$30.042
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$ 2.211	\$ 2.691	\$ 2.987	\$ 3.564	\$ 3.813	\$ 4.080
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	0.307	0.335	0.269	0.294	0.418	0.353
Claims	1.104	2.824	0.273	0.278	0.284	0.290
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	1.790	4.177	10.676	4.360	2.866	2.980
Professional Service Contracts	0.331	0.398	0.356	0.363	0.371	0.379
Materials & Supplies	0.981	0.991	1.029	1.077	1.108	1.133
Other Business Expenses	0.001	0.005	0.005	0.005	0.005	0.005
Total Non-Labor Expenses	\$6.725	\$11.421	\$15.595	\$9.941	\$8.865	\$9.220
<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 and GASB Adjs.	\$30.601	\$36.752	\$42.606	\$37.986	\$37.748	\$39.262
Depreciation	7.103	10.337	10.337	10.337	10.337	10.337
OPEB Obligation	2.432	2.600	2.700	2.800	2.800	3.000
Environmental Remediation						
Total Expenses	\$40.136	\$49.689	\$55.643	\$51.123	\$50.885	\$52.599
Baseline Surplus/(Deficit)	(\$34.148)	(\$43.216)	(\$48.865)	(\$44.005)	(\$43.702)	(\$45.352)
2009 Program to Eliminate the Gap (PEGs)	-	0.225	0.743	0.428	0.428	0.428
Post 2009 Program to Eliminate the Gap (PEGs)	-	-	-	0.420	0.840	1.260
Net Surplus/(Deficit)	(\$34.148)	(\$42.991)	(\$48.122)	(\$43.157)	(\$42.434)	(\$43.664)
Business Service Center	\$0.000	\$0.000	\$0.000	\$0.000	\$0.131	\$0.132

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MTA STATEN ISLAND RAILWAY
November Financial Plan 2009- 2012
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE						
	2007	2008	2009			
	Actual	November Forecast	Final Proposed Budget	2010	2011	2012
Revenue						
Farebox Revenue	\$ 3.938	\$ 4.402	\$ 4.707	\$ 5.047	\$ 5.112	\$ 5.176
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	2.050	2.071	2.071	2.071	2.071	2.071
Capital and Other Reimbursements	0.306	1.422	1.487	1.545	1.605	1.672
Total Revenue	\$6.294	\$7.895	\$8.265	\$8.663	\$8.788	\$8.919
Expenses						
<u>Labor:</u>						
Payroll	\$ 14.897	\$ 15.605	\$ 16.469	\$ 16.770	\$ 17.069	\$ 17.436
Overtime	1.178	1.381	1.436	1.463	1.494	1.526
Health and Welfare	3.166	3.192	3.591	3.853	4.122	4.425
OPEB Current Payment	-	0.462	0.508	0.545	0.585	0.628
Pensions	3.624	4.835	5.154	5.594	5.827	6.278
Other Fringe Benefits	1.317	1.278	1.340	1.365	1.391	1.421
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenses	\$24.182	\$26.753	\$28.498	\$29.590	\$30.488	\$31.714
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$ 2.211	\$ 2.691	\$ 2.987	\$ 3.564	\$ 3.813	\$ 4.080
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	0.307	0.335	0.269	0.294	0.418	0.353
Claims	1.104	2.824	0.273	0.278	0.284	0.290
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	1.790	4.177	10.676	4.360	2.866	2.980
Professional Service Contracts	0.331	0.398	0.356	0.363	0.371	0.379
Materials & Supplies	0.981	0.991	1.029	1.077	1.108	1.133
Other Business Expenses	0.001	0.005	0.005	0.005	0.005	0.005
Total Non-Labor Expenses	\$6.725	\$11.421	\$15.595	\$9.941	\$8.865	\$9.220
<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	\$30.907	\$38.174	\$44.093	\$39.531	\$39.353	\$40.934
Depreciation	7.103	10.337	10.337	10.337	10.337	10.337
OPEB Obligation	2.432	2.600	2.700	2.800	2.800	3.000
Total Expenses	\$40.442	\$51.111	\$57.130	\$52.668	\$52.490	\$54.271
Baseline Surplus/(Deficit)	(\$34.148)	(\$43.216)	(\$48.865)	(\$44.005)	(\$43.702)	(\$45.352)
2009 Program to Eliminate the Gap (PEGs)	0.000	0.225	0.743	0.428	0.428	0.428
Post 2009 Program to Eliminate the Gap (PEGs)	-	-	-	0.420	0.840	1.260
Net Surplus/(Deficit)	(\$34.148)	(\$42.991)	(\$48.122)	(\$43.157)	(\$42.434)	(\$43.664)
Business Service Center	\$0.000	\$0.000	\$0.000	\$0.000	\$0.131	\$0.132

MTA STATEN ISLAND RAILWAY
November Financial Plan 2009- 2012
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2007	2008	2009			
	Actual	November Forecast	Final Proposed Budget	2010	2011	2012
Receipts						
Farebox Revenue	\$ 3.931	\$ 4.402	\$ 4.707	\$ 5.047	\$ 5.112	\$ 5.176
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	2.060	2.071	2.071	2.071	2.071	2.071
Capital and Other Reimbursements	0.301	1.422	1.487	1.545	1.605	1.672
Total Receipts	\$6.292	\$7.895	\$8.265	\$8.663	\$8.788	\$8.919
Expenditures						
<u>Labor:</u>						
Payroll	\$ 14.992	\$ 15.869	\$ 16.469	\$ 16.770	\$ 17.069	\$ 17.436
Overtime	1.178	1.381	1.436	1.463	1.494	1.526
Health and Welfare	3.313	3.192	3.591	3.853	4.122	4.425
OPEB Current Payment	-	0.462	0.508	0.545	0.585	0.628
Pensions	4.463	1.912	5.154	5.594	5.827	6.278
Other Fringe Benefits	1.522	1.278	1.340	1.365	1.391	1.421
GASB Account	0.212	0.230	0.265	0.290	0.317	0.347
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$25.680	\$24.324	\$28.763	\$29.880	\$30.805	\$32.061
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$ 2.211	\$ 2.691	\$ 2.987	\$ 3.564	\$ 3.813	\$ 4.080
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	0.385	0.335	0.269	0.294	0.418	0.353
Claims	0.235	2.824	0.273	0.278	0.284	0.290
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	1.623	4.177	10.676	4.360	2.866	2.980
Professional Service Contracts	0.308	0.398	0.356	0.363	0.371	0.379
Materials & Supplies	1.039	0.991	1.029	1.077	1.108	1.133
Other Business Expenses	0.001	0.005	0.005	0.005	0.005	0.005
Total Non-Labor Expenditures	\$5.802	\$11.421	\$15.595	\$9.941	\$8.865	\$9.220
<u>Other Expenditure Adjustments:</u>						
Other						
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$31.482	\$35.745	\$44.358	\$39.821	\$39.670	\$41.281
Baseline Cash Deficit	(\$25.190)	(\$27.850)	(\$36.093)	(\$31.158)	(\$30.882)	(\$32.362)
2009 Program to Eliminate the Gap (PEGs)	-	0.225	0.743	0.428	0.428	0.428
Post 2009 Program to Eliminate the Gap (PEGs)	-	-	-	0.420	0.840	1.260
Net Cash Deficit	(\$25.190)	(\$27.625)	(\$35.350)	(\$30.310)	(\$29.614)	(\$30.674)
Business Service Center	\$0.000	\$0.000	\$0.000	\$0.000	\$0.131	\$0.132

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**MTA Staten Island Railway
November Financial Plan 2009-2012
Year-Over-Year Changes by Category-Baseline Narrative**

TOTAL REVENUES/RECEIPTS

Farebox Revenue

- Farebox revenue improvements of: 2009=\$0.305 million (6.9%), 2010=\$0.340 million (7.2%), 2011=\$0.065 million (1.3%), and 2012=\$0.064 million (1.3%) are due to projected increases in ridership, which are based primarily upon current economic/employment assumptions. The increase in 2010 over 2009 includes the implementation of fare collection at the Tompkinsville Station.

Other Operating Revenue

- No changes.

Capital and Other Reimbursements

- Annual increases are projected from 2009 through 2012 to provide for reimbursement consistent with projected inflationary increases.

TOTAL EXPENSES/EXPENDITURES

Payroll

- Includes projected rate increases as follows: 2009=3.00%, 2010=1.87%, 2011=2.23% and 2012=2.20%.
- Includes \$0.413 million and 6 position increases in 2009 and 2010 and \$0.348 million and 5 position increases in 2011 and 2012 for implementation of Integrated Electronic Security System (IESS)

Overtime

- 2009-2012 payroll wage rate increase assumptions apply.

Health & Welfare

- Increases represent projected rate increases as follows: 2009=9.90%, 2010=7.30%, 2011=7.30%, and 2012=7.30%.
- Includes \$0.087 million increase 2009 and 2010 and \$0.074 million increase in 2011 and 2012 for implementation of Integrated Electronic Security System (IESS).

Pension

- Increases are determined based on current actuarial information.
- Includes \$0.055 million increase in 2009 and 2010 and \$0.046 million increase in 2011 and 2012 for implementation of Integrated Electronic Security System (IESS).

Other Fringe Benefits

- Inflation assumptions are consistent with payroll rate increase assumptions.
- Includes \$0.023 million increase in 2009 and 2010 and \$0.019 million increase in 2011 and 2012 for implementation of Integrated Electronic Security System (IESS).

Traction and Propulsion Power

- 2009-2012 reflects projected New York Power Authority (NYPA) assumptions provided by MTA.

Insurance

- 2009-2012 assumptions provided by MTA.

Claims

- 2009-2012 inflation assumptions are based upon Global Insight's estimates as follows: 2009=2.94%, 2010=1.87%, 2011=2.23%, and 2012=2.20%.

Maintenance and Other Operating Contracts

- 2009-2012 inflation assumptions are based upon Global Insight's estimates as follows: 2009=2.94%, 2010=1.87%, 2011=2.23%, and 2012=2.20%.
- 2009-2012 reflects projected New York Power Authority (NYPA) increases consistent with assumptions provided by MTA.
- 2008-2010 includes an estimated \$11.0 million of one-time fleet maintenance expenses to maintain the safety and reliability of the 64-car fleet until anticipated replacement in 2014.
- 2008 includes \$0.172 million of expenses delayed from 2007.

Professional Service Contracts

- 2009-2012 inflation assumptions are based upon Global Insight's estimates as follows: 2009=2.94%, 2010=1.87%, 2011=2.23%, and 2012=2.20%.
- 2008 includes \$0.050 million of expenses delayed from 2007.

Materials and Supplies

- 2009-2012 inflation assumptions are based upon Global Insight's estimates as follows: 2009=3.88%, 2010=4.58%, 2011=2.96%, and 2012=2.17%.

Other Business Expenses

- 2009-2012 inflation assumptions are based upon Global Insight's estimates as follows: 2009=2.94%, 2010=1.87%, 2011=2.23%, and 2012=2.20%.

Depreciation

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

MTA STATEN ISLAND RAILWAY
November Financial Plan 2009- 2012
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE

	Favorable/(Unfavorable)								
	2008	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011
Revenue									
Farebox Revenue	\$4.402	\$4.707	\$0.305	\$5.047	\$0.340	\$5.112	\$0.065	\$5.176	\$0.064
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	2.071	2.071	0.000	2.071	0.000	2.071	0.000	2.071	0.000
Capital and Other Reimbursements	0.000	0.000	\$0.000	0.000	\$0.000	0.000	\$0.000	0.000	\$0.000
Total Revenue	\$6.473	\$6.778	\$0.305	\$7.118	\$0.340	\$7.183	\$0.065	\$7.247	\$0.064
Expenses									
Labor:									
Payroll	15.328	16.198	(0.870)	16.493	(0.295)	16.787	(0.294)	17.148	(0.361)
Overtime	0.750	0.772	(0.022)	0.786	(0.014)	0.804	(0.018)	0.822	(0.018)
Health and Welfare	2.834	3.200	(0.366)	3.426	(0.226)	3.656	(0.230)	3.916	(0.260)
OPEB Current Payment	0.462	0.508	(0.046)	0.545	(0.037)	0.585	(0.040)	0.628	(0.043)
Pensions	4.748	5.065	(0.317)	5.504	(0.439)	5.735	(0.231)	6.184	(0.449)
Other Fringe Benefits	1.209	1.268	(0.059)	1.291	(0.023)	1.316	(0.025)	1.344	(0.028)
Reimbursable Overhead		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$25.331	\$27.011	(\$1.680)	\$28.045	(\$1.034)	\$28.883	(\$0.838)	\$30.042	(\$1.159)
Non-Labor:									
Traction and Propulsion Power	2.691	2.987	(0.296)	3.564	(0.577)	3.813	(0.249)	4.080	(0.267)
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.335	0.269	0.066	0.294	(0.025)	0.418	(0.124)	0.353	0.065
Claims	2.824	0.273	2.551	0.278	(0.005)	0.284	(0.006)	0.290	(0.006)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other									
Operating Contracts	4.177	10.676	(6.499)	4.360	6.316	2.866	1.494	2.980	(0.114)
Professional Service Contracts	0.398	0.356	0.042	0.363	(0.007)	0.371	(0.008)	0.379	(0.008)
Materials & Supplies	0.991	1.029	(0.038)	1.077	(0.048)	1.108	(0.031)	1.133	(0.025)
Other Business Expenses	0.005	0.005	0.000	0.005	0.000	0.005	0.000	0.005	0.000
Total Non-Labor Expenses	\$11.421	\$15.595	(\$4.174)	\$9.941	\$5.654	\$8.865	\$1.076	\$9.220	(\$0.355)
Other Expenses Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Other Expense Adjustments	\$0.000	0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adj.	\$36.752	\$42.606	(\$5.854)	\$37.986	\$4.620	\$37.748	\$0.238	\$39.262	(\$1.514)
Depreciation	10.337	10.337	0.000	10.337	0.000	10.337	0.000	10.337	0.000
OPEB Current Payment	2.600	2.700	(0.100)	2.800	(0.100)	2.800	0.000	3.000	(0.200)
OPEB Obligation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$49.689	\$55.643	(\$5.954)	\$51.123	\$4.520	\$50.885	\$0.238	\$52.599	(\$1.714)
Baseline Net Surplus/(Deficit)	(\$43.216)	(\$48.865)	(\$5.649)	(\$44.005)	\$4.860	(\$43.702)	\$0.303	(\$45.352)	(\$1.650)
2009 Agency Prog. to Elim. the GAP	0.225	0.743	0.518	0.428	(0.315)	0.428	0.000	0.428	0.000
Post-2009 Agency Prog. to Elim. The Gap	0.000	0.000	0.000	0.420	0.420	0.840	0.420	1.260	0.420
Net Surplus/(Deficit)	(\$42.991)	(\$48.122)	(\$5.131)	(\$43.157)	\$4.965	(\$42.434)	\$0.723	(\$43.664)	(\$1.230)
Business Service Center	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.131	\$0.131	\$0.132	\$0.001

REIMBURSABLE

	Favorable/(Unfavorable)								
	2008	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011
Revenue									
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	1.422	1.487	\$0.065	1.545	\$0.058	1.605	\$0.060	1.672	\$0.067
Total Revenue	\$1.422	\$1.487	\$0.065	\$1.545	\$0.058	\$1.605	\$0.060	\$1.672	\$0.067
Expenses									
Labor:									
Payroll	0.277	0.271	0.006	0.277	(0.006)	0.282	(0.005)	0.288	(0.006)
Overtime	0.631	0.664	(0.033)	0.677	(0.013)	0.690	(0.013)	0.704	(0.014)
Health and Welfare	0.358	0.391	(0.033)	0.427	(0.036)	0.466	(0.039)	0.509	(0.043)
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	0.087	0.089	(0.002)	0.090	(0.001)	0.092	(0.002)	0.094	(0.002)
Other Fringe Benefits	0.069	0.072	(0.003)	0.074	(0.002)	0.075	(0.001)	0.077	(0.002)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$1.422	\$1.487	(\$0.065)	\$1.545	(\$0.058)	\$1.605	(\$0.060)	\$1.672	(\$0.067)
Non-Labor:									
Traction and Propulsion Power	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Operating Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Professional Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Materials & Supplies	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expenses	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Expenses Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$1.422	\$1.487	(\$0.065)	\$1.545	(\$0.058)	\$1.605	(\$0.060)	\$1.672	(\$0.067)
Depreciation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$1.422	\$1.487	(\$0.065)	\$1.545	(\$0.058)	\$1.605	(\$0.060)	\$1.672	(\$0.067)
Baseline Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
2009 Agency Prog. to Elim. the GAP	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Post-2009 Agency Prog. to Elim. The Gap	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Business Service Center	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

CASH RECEIPTS & EXPENDITURES

	Favorable/(Unfavorable)								
	2008	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011
Receipts									
Farebox Revenue	\$4.402	\$4.707	\$0.305	\$5.047	\$0.340	\$5.112	\$0.065	\$5.176	\$0.064
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	2.071	2.071	0.000	2.071	0.000	2.071	0.000	2.071	0.000
Capital and Other Reimbursements	1.422	1.487	0.065	1.545	0.058	1.605	0.060	1.672	0.067
Total Receipts	\$7.895	\$8.265	\$0.370	\$8.663	\$0.398	\$8.788	\$0.125	\$8.919	\$0.131
Expenditures									
Labor:									
Payroll	15.869	16.469	(0.600)	16.770	(0.301)	17.069	(0.299)	17.436	(0.367)
Overtime	1.381	1.436	(0.055)	1.463	(0.027)	1.494	(0.031)	1.526	(0.032)
Health and Welfare	3.192	3.591	(0.399)	3.853	(0.262)	4.122	(0.269)	4.425	(0.303)
OPEB Current Payment	0.462	0.508	(0.046)	0.545	(0.037)	0.585	(0.040)	0.628	(0.043)
Pensions	1.912	5.154	(3.242)	5.594	(0.440)	5.827	(0.233)	6.278	(0.451)
Other Fringe Benefits	1.278	1.340	(0.062)	1.365	(0.025)	1.391	(0.026)	1.421	(0.030)
Reimbursable Overhead	0.230	0.265	(0.035)	0.290	(0.025)	0.317	(0.027)	0.347	(0.030)
Total Labor Expenditures	\$24.324	\$28.763	(\$4.439)	\$29.880	(\$1.117)	\$30.805	(\$0.925)	\$32.061	(\$1.256)
Non-Labor:									
Traction and Propulsion Power	2.691	2.987	(0.296)	3.564	(0.577)	3.813	(0.249)	4.080	(0.267)
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.335	0.269	0.066	0.294	(0.025)	0.418	(0.124)	0.353	0.065
Claims	2.824	0.273	2.551	0.278	(0.005)	0.284	(0.006)	0.290	(0.006)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other									
Operating Contracts	4.177	10.676	(6.499)	4.360	6.316	2.866	1.494	2.980	(0.114)
Professional Service Contracts	0.398	0.356	0.042	0.363	(0.007)	0.371	(0.008)	0.379	(0.008)
Materials & Supplies	0.991	1.029	(0.038)	1.077	(0.048)	1.108	(0.031)	1.133	(0.025)
Other Business Expenses	0.005	0.005	0.000	0.005	0.000	0.005	0.000	0.005	0.000
Total Non-Labor Expenditures	\$11.421	\$15.595	(\$4.174)	\$9.941	\$5.654	\$8.865	\$1.076	\$9.220	(\$0.355)
Other Expenditure Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$35.745	\$44.358	(\$8.613)	\$39.821	\$4.537	\$39.670	\$0.151	\$41.281	(\$1.611)
Baseline Net Cash Deficit	(27.850)	(36.093)	(8.243)	(31.158)	4.935	(30.882)	0.276	(32.362)	(1.480)
2009 Agency Prog. to Elim. the GAP	0.225	0.743	0.518	0.428	(0.315)	0.428	0.000	0.428	0.000
Post-2009 Agency Prog. to Elim. The Gap	0.000	0.000	0.000	0.420	0.420	0.840	0.420	1.260	0.420
Net Cash Deficit	(\$27.625)	(\$35.350)	(\$7.725)	(\$30.310)	\$5.040	(\$29.614)	\$0.696	(\$30.674)	(\$1.060)
Business Service Center	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

**MTA Staten Island Railway
November Financial Plan 2009-2012
Summary of Plan to Plan Changes-Baseline Narrative**

2008: November Financial Plan vs. July Financial Plan

Revenue Re-estimates

- Increased farebox revenues of \$0.021 million based on projected higher ridership.
- Reduced student ridership projections resulting in lower student fare reimbursement of \$0.016 million.

Expense Re-estimates

- A delay in the timing of R-44 fleet maintenance work resulting in the deferral of \$3.836 million of expenses to 2009 and 2010.
- Updated inflation projections which result in an expense increase of \$0.290 million.

2009-2012: November Financial Plan vs. July Financial Plan

Revenue Re-estimates

- Reduced farebox revenues (excluding Tompkinsville) of \$0.064 million in 2009, \$0.085 million in 2010, \$0.070 million in 2011 and \$0.040 million in 2012 based on projected lower ridership
- Reduced student ridership projections resulting in lower student fare reimbursement of \$0.016 million in each year.

Expense Re-estimates

- A delay in the timing of R-44 fleet maintenance work from 2008 resulting in the deferral of \$2.255 million of expenses to 2009 and \$1.581 million of expenses to 2010.
- Inclusion of Integrated Electronic Security System (IESS) support including expense increases of \$0.578 million and position increases of 6 in 2009 and 2010 and expense increases of \$0.487 million and 5 position increases in 2011 and 2012.
- Revised inflation projections resulting in increased expenses of \$0.242 million in 2009, \$0.371 million in 2010, \$0.453 million in 2011, and \$0.793 million in 2012.

MTA Staten Island Railway
November Financial Plan 2009- 2012
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE

	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Operating Cash Income/(Deficit)	(\$31.401)	(\$32.938)	(\$28.527)	(\$29.856)	(\$31.026)
Baseline Changes					
Revenue					
Farebox Revenue	0.021	(0.064)	(0.085)	(0.070)	(0.040)
Other Operating Revenue	(0.016)	(0.016)	(0.016)	(0.016)	(0.016)
Capital and Other Reimbursement					
Total Revenue Changes	\$0.005	(\$0.080)	(\$0.101)	(\$0.086)	(\$0.056)
Expenses					
Labor:					
Payroll	0.000	(0.413)	(0.385)	(0.369)	(0.395)
Overtime	0.000	0.000	0.002	(0.001)	0.015
Health and Welfare	0.000	(0.087)	(0.087)	(0.074)	(0.074)
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000
Pensions	0.000	(0.055)	(0.055)	(0.046)	(0.046)
Other Fringe Benefits	0.000	(0.023)	(0.020)	(0.021)	0.008
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000
Total Labor Expense Changes	\$0.000	(\$0.578)	(\$0.545)	(\$0.511)	(\$0.492)
Non-Labor:					
Traction and Propulsion Power	(0.152)	(0.169)	(0.202)	(0.215)	(0.471)
Fuel for Buses and Trains					
Insurance					
Claims	(0.064)	(0.008)	(0.008)	(0.008)	(0.011)
Paratransit Service Contracts					
Maintenance and Other Operating Contracts	3.763	(2.319)	(1.752)	(0.173)	(0.286)
Professional Service Contracts	(0.009)	(0.010)	(0.010)	(0.011)	(0.005)
Materials & Supplies	0.008	0.009	(0.013)	(0.022)	(0.016)
Other Business Expenses	0.000	0.000	0.000	0.000	0.001
Total Non-Labor Expense Changes	\$3.546	(\$2.497)	(\$1.985)	(\$.429)	(\$.788)
Total Expense Changes before Depreciation & GASB Adjs.	\$3.546	(\$3.075)	(\$2.530)	(\$.940)	(\$1.280)
Depreciation					
OPEB Obligation					
Environmental Remediation					
Total Depreciation and GASB Adjs. Changes	\$.000	\$.000	\$.000	\$.000	\$.000
Cash Adjustment Changes					
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$3.551	(\$3.155)	(\$2.631)	(\$1.026)	(\$1.336)
Baseline 2008 November Financial Plan - Operating Cash Income/(Deficit)	(\$27.850)	(\$36.093)	(\$31.158)	(\$30.882)	(\$32.362)

MTA Staten Island Railway
November Financial Plan 2009- 2012
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE					
	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline Changes					
Revenue					
Farebox Revenue					
Other Operating Revenue					
Capital and Other Reimbursement					
Total Revenue Changes	\$.000	\$.000	\$.000	\$.000	\$.000
Expenses					
<i>Labor:</i>					
Payroll					
Health and Welfare					
OPEB Current Payment					
Pensions					
Other Fringe Benefits					
Reimbursable Overhead					
Total Labor Expense Changes	\$.000	\$.000	\$.000	\$.000	\$.000
<i>Non-Labor:</i>					
Traction and Propulsion Power					
Fuel for Buses and Trains					
Insurance					
Claims					
Paratransit Service Contracts					
Maintenance and Other Operating Contracts					
Materials & Supplies					
Other Business Expenses					
Total Non-Labor Expense Changes	\$.000	\$.000	\$.000	\$.000	\$.000
Total Expense Changes	\$.000	\$.000	\$.000	\$.000	\$.000
Cash Adjustment Changes					
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline 2008 November Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA Staten Island Railway
November Financial Plan 2009- 2012
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Operating Cash Income/(Deficit)	(\$31.401)	(\$32.938)	(\$28.527)	(\$29.856)	(\$31.026)
<i>Non-Reimbursable Major Changes</i>					
Revenue					
Fare Revenue Re-estimate	0.021	(0.064)	(0.085)	(0.070)	(0.040)
School Fare Reimbursement Re-estimate	(0.016)	(0.016)	(0.016)	(0.016)	(0.016)
Sub-Total Non-Reimbursable Revenue Changes	\$.005	(\$.080)	(\$.101)	(\$.086)	(\$.056)
Expenses					
Impact of a Delay in the Timing of R-44 Fleet Maintenance Project	3.836	(2.255)	(1.581)	0.000	0.000
Impact of Revised Inflation Assumptions	(0.290)	(0.242)	(0.371)	(0.453)	(0.793)
Inclusion of Intergrated Electronic Security System (IESS) Expenses	0.000	(0.578)	(0.578)	(0.487)	(0.487)
Sub-Total Non-Reimbursable Expense Changes	\$3.546	(\$3.075)	(\$2.530)	(\$.940)	(\$1.280)
<i>Total Non-Reimbursable Major Changes</i>	\$3.551	(\$3.155)	(\$2.631)	(\$1.026)	(\$1.336)
<i>Reimbursable Major Changes</i>					
Revenue					
Sub-Total Reimbursable Revenue Changes					
Expenses					
Inflation					
Sub-Total Reimbursable Expense Changes					
<i>Total Reimbursable Major Changes</i>	\$.000	\$.000	\$.000	\$.000	\$.000
<i>Total Accrual Changes</i>	\$3.551	(\$3.155)	(\$2.631)	(\$1.026)	(\$1.336)
<i>Cash Adjustment Changes</i>					
<i>Total Cash Adjustment Changes</i>	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<i>Total Baseline Changes</i>	\$3.551	(\$3.155)	(\$2.631)	(\$1.026)	(\$1.336)
Baseline 2008 November Financial Plan - Operating Cash Income/(Deficit)	(\$27.850)	(\$36.093)	(\$31.158)	(\$30.882)	(\$32.362)

**MTA Staten Island Railway
November Financial Plan 2009-2012
Summary of Plan to Plan Changes-Baseline Narrative
Ridership (Utilization)**

- Re-estimates of net non-student/student ridership is projected to decrease from the July Financial Plan ridership by 0.010 million in 2008, 0.059 million in 2009, 0.078 million in 2010, 0.065 million in 2011 and 0.040 million in 2012.

MTA Staten Island Railway
November Financial Plan 2009- 2012
Ridership/Traffic Volume (Utilization)
(in millions)

	2007 Actual	2008 November Forecast	Final Proposed Budget	2010	2011	2012
Baseline Total Ridership	4.129	4.412	4.598	4.856	4.910	4.964
<i>Impact of:</i>						
2009 Program to Eliminate the Gap (PEGs)	0	0	0	0	0	0
Post 2009 Program to Eliminate the Gap (PEGs)	0	0	0	0	0	0
Total Ridership	4.129	4.412	4.598	4.856	4.910	4.964

MTA STATEN ISLAND RAILWAY
November Plan 2009 - 2012
Summary of 2009 Program to Eliminate the Gap(PEGs)
(\$ in millions)

		2008		2009		2010		2011		2012	
		<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											
Administrative Efficiencies		1	0.085	2	0.244	2	0.244	2	0.244	2	0.244
Hiring Delay/Vacancy Savings		0	0.140	0	0.315	0	0.000	0	0.000	0	0.000
Operational Reorganization		0	0.000	1	0.077	1	0.077	1	0.077	1	0.077
S.I. Medical Assessment Facility		0	0.000	0	0.030	0	0.030	0	0.030	0	0.030
Sub-Total	Administration	1	\$ 0.225	3	\$ 0.666	3	\$ 0.351	3	\$ 0.351	3	\$ 0.351
Service											
PC Based Interlocking Control		0	0.000	1	0.077	1	0.077	1	0.077	1	0.077
Sub-Total	Service	0	\$ 0.000	1	\$ 0.077	1	\$ 0.077	1	\$ 0.077	1	\$ 0.077
Total Programs		1	\$ 0.225	4	\$ 0.743	4	\$ 0.428	4	\$ 0.428	4	\$ 0.428

MTA STATEN ISLAND RAILWAY
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	SIRTA	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Administration	Savings Date	1/1/2009
PEG / New Need ID	0000000016	Current Budget Year	2008	Status	Open
Program:	Administrative Efficiencies			Agency Status	Pending
Description and Implementation Pla	THE MANPOWER REQUIRED TO SUPPORT ADMINISTRATIVE OPERATIONS AT SIR ARE CONTINUALLY MONITORED TO IDENTIFY POTENTIAL EFFICIENCIES FROM RELATED FUNCTIONS AND ACTIVITIES THAT WILL LIKELY RESULT IN A REDUCTION IN ADMINISTRATIVE POSITIONS.				
Background Details	Based on a review of the SIR administrative functions in the area of Human Resources and Procurement, a total of two (2) administrative positions were identified for possible elimination through attrition. One position was attritted beginning in the 2nd Qtr. 2008 and a second is anticipated in 2009.				

				2008	2009	2010	2011	2012
Total Headcount	SIRTA	0000000016	FINAL08	1	2	2	2	2
Financial Impact	SIRTA	0000000016	FINAL08	\$ 0.085	\$ 0.244	\$ 0.244	\$ 0.244	\$ 0.244

MTA STATEN ISLAND RAILWAY
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	SIRTA	Financial Plan Category	PEG	Implementation Date	7/1/2008
Budget Reference	FINAL08	Category	Administration	Savings Date	7/1/2008
PEG / New Need ID	0000000021	Current Budget Year	2008	Status	Open
Program:	Hiring Delay/Vacancy Savings			Agency Status	Pending
Description and Implementation Pla	NORMAL EMPLOYEE TURNOVER THROUGH RESIGNATION, RETIREMENT, CREATES VACANCIES FILLED THROUGH INTERNAL PROMOTION OR RECRUITMENT. DURING THIS PROCESS SMALL INCREMENTAL SAVINGS FOR NON-OPERATING TITLES WHILE OPERATING POSITIONS MAY BE OFFST BY OVERTIM				
Background Details	Beginning July 1, 2008 SIR will implement a self-imposed hiring delay of six (6) months on all vacancies deemed not to impact on current service need. Based on turnover history it is expected that on average, eight (8) vacancies in 2008 and nine (9) vacancies in 2009 can remain unfilled for up to six months.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	SIRTA	0000000021	FINAL08	\$ 0.140	\$ 0.315	\$ 0.000	\$ 0.000	\$ 0.000

MTA STATEN ISLAND RAILWAY
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	SIRTA	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Administration	Savings Date	1/1/2009
PEG / New Need ID	0000000015	Current Budget Year	2008	Status	Open
Program:	Operational Reorganization			Agency Status	Pending
Description and Implementation Pla	MTA STATEN ISLAND RAILWAY IS IMPLEMENTING A REORGANIZATION OF ITS OPERATIONS DIVISION DESIGNED TO IMPROVE BOTH SUPERVISION AND OVERALL PRODUCTIVITY. THE CONSOLIDATION OF THE TRANSPORTATION AND CLEANING SERVICES DEPARTMENTS WILL RESULT IN EFFICIENCIES.				
Background Details	The consolidation of Transportation and Cleaning Services will result in savings of two positions; one Superintendent and one Train Dispatcher. At the same time, MTA Staten Island Railway is deficient in terms of field supervision. The reorganization includes a reinvestment of one Deputy Superintendent to provide improved Transportation rule compliance and field supervision of cleaning and maintenance of way activities.				

				2008	2009	2010	2011	2012
Total Headcount	SIRTA	0000000015	FINAL08	0	1	1	1	1
Financial Impact	SIRTA	0000000015	FINAL08	\$ 0.000	\$ 0.077	\$ 0.077	\$ 0.077	\$ 0.077

MTA STATEN ISLAND RAILWAY
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	SIRTA	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Administration	Savings Date	1/1/2009
PEG / New Need ID	0000000017	Current Budget Year	2008	Status	Open
Program:	S.I. Medical Assessment Facility			Agency Status	Pending
Description and Implementation Pla	NYCT SUPPORTS SIR FOR ALL MEDICAL ASSESSMENTS INCLUDING PRE-EMPLOYMENT, RETURN TO WORK, PERIODIC, RE-CHECKS AND MANDATED RANDOM TESTING. CURRENTLY, EMPLOYEES ARE DISPATCHED TO 180 LIVINGSTON FOR THESE TESTS RESULTING IN AN AVERAGE LOSS OF FOUR (4) HOURS				
Background Details	In cooperation with the NYCT Department of Buses and Human Resources, a satellite Medical Assessment Center will be established on SIR property at the 735 Bay St. Maintenance facility to provide all business day medical assessment related services currently provided at 180 Livingston St. Productivity savings associated with this initiative is projected to be \$30K annually.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	SIRTA	0000000017	FINAL08	\$ 0.000	\$ 0.030	\$ 0.030	\$ 0.030	\$ 0.030

MTA STATEN ISLAND RAILWAY
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet
(\$ in millions)

Business Unit	SIRTA	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Service	Savings Date	1/1/2009
PEG / New Need ID	0000000018	Current Budget Year	2008	Status	Open
Program:	PC Based Interlocking Control			Agency Status	Pending
Description and Implementation Pla	THE INTRODUCTION OF PC-BASED INTERLOCKING CONTROL OF STATEN ISLAND RAILWAY'S TWO TERMINALS AT ST. GEORGE AND TOTTEVILLE AS WELL AS HOLLY/FERN AND WOLF/POND INTERLOCKINGS WILL ALLOW FOR AUTOMATIC DISPATCHING AND ROUTING OF SCHEDULED TRAIN MOVEMENT.				
Background Details	Operating impacts are considered to be minimal as most train movement at terminals is routine and can be programmed and controlled by a PC-based system. However, as the system is currently under in-house development, achievement of this PEG is contingent upon successful completion of the project.				

				2008	2009	2010	2011	2012
Total Headcount	SIRTA	0000000018	FINAL08	0	1	1	1	1
Financial Impact	SIRTA	0000000018	FINAL08	\$ 0.000	\$ 0.077	\$ 0.077	\$ 0.077	\$ 0.077

MTA STATEN ISLAND RAILWAY
November Plan 2009 - 2012
Summary of Post 2009 PEGs
(\$ in millions)

		2008		2009		2010		2011		2012	
		<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>
Other											
Unspecified		0	0.000	0	0.000	0	0.420	0	0.840	0	1.260
Sub-Total	Other	<u>0</u>	<u>\$ 0.000</u>	<u>0</u>	<u>\$ 0.000</u>	<u>0</u>	<u>\$ 0.420</u>	<u>0</u>	<u>\$ 0.840</u>	<u>0</u>	<u>\$ 1.260</u>
Total Programs		<u>0</u>	<u>\$ 0.000</u>	<u>0</u>	<u>\$ 0.000</u>	<u>0</u>	<u>\$ 0.420</u>	<u>0</u>	<u>\$ 0.840</u>	<u>0</u>	<u>\$ 1.260</u>

MTA STATEN ISLAND RAILWAY
November Plan 2009 - 2012
Summary of Post PEGs Worksheet

(\$ in millions)

Business Unit	SIRTA	Financial Plan Category	Post PEG	Implementation Date	1/1/2010
Budget Reference	FINAL08	Category	Other	Savings Date	1/1/2010
PEG / New Need ID	0000000022	Current Budget Year	2008	Status	Open
Program:	Unspecified			Agency Status	Pending
Description and Implementation Pla	Unspecified				
Background Details	Unspecified				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	SIRTA	0000000022	FINAL08	\$ 0.000	\$ 0.000	\$ 0.420	\$ 0.840	\$ 1.260

**MTA Staten Island Railway
November Financial Plan 2009-2012
Summary of Plan to Plan Changes-Baseline Narrative
Positions**

- Full-time baseline positions have increased from the July Financial Plan by 6 in 2009 and 2010 and by 5 positions in 2011 and 2012 due to the inclusion of Integrated Electronic Security System (IESS) support.

MTA STATEN ISLAND RAILWAY
November Financial Plan 2009- 2012
Non-Reimbursable - Reimbursable Positions by Function and Department
Full-Time Positions and Full Time Equivalents

FUNCTION/DEPARTMENT	2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Administration						
Executive	9	11	11	11	11	11
General Office	11	11	11	11	11	11
Purchasing/Stores	7	7	7	7	7	7
Total Administration	27	29	29	29	29	29
Operations						
Transportation	91	94	100	100	99	99
Maintenance						
Mechanical	34	36	36	36	36	36
Car and Station Cleaning	18	19	18	18	18	18
Power/Signals	25	28	28	28	28	28
Maintenance of Way	49	49	49	49	49	49
Bridge and Buildings	22	21	21	21	21	21
Material Handling	2	2	2	2	2	2
Total Maintenance	150	155	154	154	154	154
Engineering/Capital						
None	-	-	-	-	-	-
Public Safety						
Police	-	-	-	-	-	-
Baseline Total Positions	268	278	283	283	282	282
Non-Reimbursable	265	275	280	280	279	279
Reimbursable	3	3	3	3	3	3
Total Full-Time	268	278	283	283	282	282
Total Full-Time Equivalents	-	-	-	-	-	-
<hr/>						
Impact of:						
2009 Program to Eliminate the Gap	-	1	4	4	4	4
Post 2009 Program to Eliminate the Gap	-	-	-	-	-	-
Total Positions	268	277	279	279	278	278
Non-Reimbursable	-	274	276	276	275	275
Reimbursable	-	3	3	3	3	3
Total Full-Time	268	277	279	279	278	278
Total Full-Time Equivalents	-	-	-	-	-	-
Business Service Center	0	0	0	0	(2)	(2)

MTA STATEN ISLAND RAILWAY
November Financial Plan 2009- 2012
Total Full-Time Positions and Full-time Equivalents by Function and Occupational Group

FUNCTION/OCCUPATIONAL GROUP	2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Administration						
Managers/Supervisors	12	14	14	14	14	14
Professional, Technical, Clerical	15	15	15	15	15	15
Operational Hourlies	-	-	-	-	-	-
Total Administration	27	29	29	29	29	29
Operations						
Managers/Supervisors	7	7	8	8	8	8
Professional, Technical, Clerical	4	4	4	4	4	4
Operational Hourlies	80	83	88	88	87	87
Total Operations	91	94	100	100	99	99
Maintenance						
Managers/Supervisors	8	11	11	11	11	11
Professional, Technical, Clerical	3	3	3	3	3	3
Operational Hourlies	139	141	140	140	140	140
Total Maintenance	150	155	154	154	154	154
Engineering/Capital						
Managers/Supervisors						
Professional, Technical, Clerical						
Operational Hourlies						
Total Engineering/Capital	-	-	-	-	-	-
Public Safety						
Managers/Supervisors						
Professional, Technical, Clerical						
Operational Hourlies						
Total Public Safety	-	-	-	-	-	-
Total Baseline Positions						
Managers/Supervisors	27	32	33	33	33	33
Professional, Technical, Clerical	22	22	22	22	22	22
Operational Hourlies	219	224	228	228	227	227
Total Baseline Positions	268	278	283	283	282	282