

V. Agency Financial Plans

Bridges and Tunnels

MTA Bridges and Tunnels
2010 Preliminary Budget
July Financial Plan 2010–2013

MISSION STATEMENT/MAJOR HIGHLIGHTS

MTA Bridges and Tunnels (B&T) operates seven bridges and two tunnels in the New York City metropolitan region, carrying out a dual mission to provide significant financial support for mass transportation and enhance regional mobility. On an average day, more than 800,000 vehicles use the nine crossings, generating approximately \$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.

Despite the current economic downturn, MTA Bridges & Tunnels continues to be a strong source of fiscal stability for the MTA. For 2009 and 2010, B&T projects that it will contribute \$661.3 million and \$699.9 million, respectively in Support to Mass Transit. Since becoming part of the MTA in 1968, B&T has contributed a total of \$16.2 billion (through 2008) to transit.

B&T is able to generate this financial support while providing high levels of customer satisfaction to travelers utilizing its facilities. In its most recent customer satisfaction survey taken during the fall 2008, B&T's customers rated their overall satisfaction at 7.2 out of 10. Satisfaction with the performance of the agency's E-ZPass system was 8.4, ratings that are improved from the previous year and consistent with historical performance.

One factor driving customer satisfaction is the ability to travel across the facility without delay. In 2009, B&T developed a new performance metric that shows the average travel times of E-ZPass customers during peak periods. So far the measure is in use at three facilities and will be expanded to each of the others by year end. Approximately 76% of all weekday B&T traffic and 88% of all truck traffic use E-ZPass.

In 2009 B&T is also beginning the initial stages of studying the feasibility of All-Electronic Toll Collection at its facilities. This assessment will consider different approaches for collecting and adjudicating tolls and consider the financial impacts of All-Electronic Toll Collection. This study is expected to be completed in April 2010 and the results will guide the future reconstruction of the Authority's existing toll plazas.

B&T continues to rank safety as its top priority, emphasizing safe work practices and regularly providing safety training. Through May 2009, based on preliminary results, there were only 11 lost time injuries, compared to 18 for the same period last year. At its present rate of 1.4 injuries per 200,000 hours, B&T would exceed its best ever recorded year end rate of 2.2.

B&T also carries 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 March 2009, the collision rate was 0.68 per million vehicles compared to 0.77 for the same period last year.

To better enforce weight restrictions and ensure the safety and structural integrity of the facilities, a new truck weight enforcement program was initiated in 2007 on B&T's suspension bridges. The program uses a combination of personnel 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 May 2009, more than 60,000 trucks have been inspected.

Sustainability is another critical priority area for the MTA and B&T is taking steps to operate in a more environmentally-friendly way and help preserve our natural resources. An interdepartmental "Green" Council has been formed to help guide, track and measure B&T's sustainability efforts. Among the B&T initiatives monitored by the Council that are in various stages of planning, implementation, or development in 2009-2010 are: the completion of the conversion of the Verrazano-Narrows Bridge necklace lights to LED technology by mid-2009; the installation of an on-site Ethanol-85 station at the Verrazano-Narrows Facility station by December 2009 to service southern B&T facilities; the installation of energy efficient lighting at the Queens Midtown Tunnel and BBT service and ventilation buildings, currently in progress and to be completed in 2010; and new designs and renovations for existing buildings and new building construction being performed with the goal of Leadership in Energy and Environmental Design (LEED) silver for new construction and LEED silver equivalent for renovations to existing buildings.

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

2009 Mid-Year Forecast

In the 2009 Mid-Year Forecast, a total of \$899.1 million is projected in Baseline Net Operating Income compared to \$1,038.4 in the 2009 Adopted Budget.

Total revenues are \$1,338.5 million, which is \$137.8 million less than the Adopted Budget. Toll revenue accounts for 98% of all revenues and is projected at \$1,312.5 million, which is \$134.7 million less than the original estimate. Most of the reduction in toll revenue, \$116.2 million, is the result of a considerably lower toll rate increase scheduled for implementation on July 12, 2009. The original plan for increasing toll rates was formulated to generate an additional 23% in revenue. Following the actions from Albany, toll rates are increasing approximately 10%. The remaining toll revenue reduction of \$18.5 million is primarily due to recessionary economic conditions. The weak economy has also negatively affected Investment Income and Other Operating Revenue. The \$1.1 million reduction in Other Operating Revenue is the result of lower projected receipts from the Battery Parking garage. Investment Income is \$2.0 million lower based on a reduction in interest rates.

The 2009 Mid-Year Forecast expenses are \$439.5 million, which is composed of \$237.6 million in labor costs and \$201.9 million in non-labor expenses. Total expenses are \$1.6 million higher than the Adopted Budget.

Labor expenses are down by \$0.6 million due mainly to lower payroll costs (\$2.2 million) due primarily to higher than planned vacancies (\$1.6 million), the reduction of 14 administrative positions as part of the AABB program (\$0.6 million), and savings from the hiring freeze (\$0.3 million), offset by the re-estimate of a prior year's PEG (\$0.4 million)). These decreases are offset by higher overtime costs (\$2.4 million) due primarily to a rate adjustment resulting from contract settlements (\$0.9 million) and the back-filling of vacant positions with overtime (\$1.2 million), as well as higher pension costs (\$0.6 million).

Lower non-labor expenses (\$12.8 million) are largely due to reductions associated with the AABB program, including the realignment of Bridge Painting expenses with the capital program (\$6.1 million), reductions in planning studies (\$2.0 million), guard services (\$0.4 million), maintenance of toll equipment (\$0.3 million) and other various reductions (\$0.4 million). In addition to those reductions, there are re-estimates of E-ZPass Customer Service Center expenses (\$1.6 million), credit card fees (\$1.3 million), heating oil expenses (\$0.8 million) and natural gas costs (\$0.2 million), lower maintenance costs for security equipment (\$0.8 million), lower expenses for general engineering services (\$0.6 million), lower insurance

costs as provided by MTA Risk Management (\$0.5 million) and the reduction of consulting services (\$0.3 million). These reductions are offset by an increase in major maintenance (\$4.1 million) resulting from the carryover of work begun in 2008.

The AABBs were captured in a discrete expense line item in the February Adopted Budget and were not allocated to conventional generic revenue and expense categories. In the 2009 Mid-Year Forecast, the actual operating savings are captured within the category construct of MTA's traditional financial statements. Therefore, the AABB expense line has an unfavorable variance of \$14.9 million, while favorable variances of \$10.0 million are captured and described in the generic expense categories above. The differential of \$4.9 million is the result of AABBs that have been restored (\$3.1 million) and later-than-planned implementation dates or re-estimates of some AABBs (\$1.8 million).

There are no new needs for 2009.

In 2009, the total planned headcount is 1,819, which includes 45 capitalily reimbursable positions.

Details regarding the reconciliation of the 2009 Mid-Year Forecast to the Adopted Budget and the assumptions for traffic and headcount are discussed in the Plan-to-Plan Summary of Changes and the Other Assumptions sections.

2010 Preliminary Budget - Baseline

In the 2010 Preliminary Budget, a total of \$947.2 million is projected in Baseline Net Operating Income for 2010, before factoring in the savings from PEGs, compared to \$1,130.0 million in the February Financial Plan.

Revenues are \$1,412.2 million, which is \$184.9 million lower than the Adopted Budget. Lower toll rate increases account for \$170.3 million of the reduction, and an additional \$10.1 decrease is attributable to the unfavorable traffic trend in 2009 and downward revisions to the projection for regional employment. The unfavorable 2009 trends at the Battery Parking Garage are expected to continue into 2010, which will reduce Other Operating Revenue by \$1.2 million. Also, Investment income has been reduced by \$3.4 million to incorporate Global Insight's lower forecast for short-term investment yield rates.

Expenses are \$465.0 million, which are composed of \$246.4 million in labor costs and \$218.6 million in non-labor expenses. Overall expenses are \$2.2 million lower than the February Financial Plan after factoring in the AABBs.

Labor costs are projected to remain the same, reflecting primarily higher overtime (\$1.0 million) resulting from an increase in rates due to contract settlements, the re-estimate of a previous year's PEG resulting in additional labor expenses (\$0.6 million), and higher pension costs (\$0.2 million). This increase is offset by favorable health and welfare/OPEB expenses (\$1.0 million).

Non-labor expenses will decrease by \$22.7 million largely due to reductions as defined in the AABB program, which includes a further alignment of Bridge Painting expenses with the capital program (\$13.5 million), reductions in guard services (\$0.4 million), maintenance of toll equipment (\$0.3 million) and new contract for money counting services (approximately \$0.1 million). In addition to the AABB program, there is a reduction of credit card fees (\$2.8 million), E-ZPass Customer Service Center expenses (\$2.1 million), lower insurance costs as provided by MTA Risk Management (\$1.5 million), and a reduction in heating oil expenses (\$0.5 million) and natural gas (\$0.1 million).

The AABB discrete expense line has an unfavorable variance of \$20.6 million, while favorable variances of \$16.6 million are captured and described in the generic expense categories above. The differential of \$4.0 million is primarily the result of AABBs that have been restored (\$3.4 million) and re-estimates of existing AABBs (\$0.6 million).

There are no new needs for 2010.

In 2010, total headcount remains at 1819, which includes 53 reimbursable positions.

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

2011-2013 Projections

The 2011 projection for Baseline Net Operating Income is \$936.3 million before factoring in the savings from PEGs, compared to \$1,116.0 million in the February Financial Plan. This consists of \$1,422.9 million in revenues, less \$486.6 million in expenses. The expenses are comprised of \$254.3 million in labor costs and \$232.3 million in non-labor expenses.

The 2012 projection for Baseline Net Operating Income is \$931.1 million, before factoring in the savings from PEGs, compared to \$1,113.2 million in the February Financial Plan. This consists of \$1,430.1 million in revenues, offset by \$499.0 million in expenses. The expenses are comprised of \$261.6 million in labor costs and \$237.4 million in non-labor expenses.

In 2013, the projection for Baseline Net Operating Income is \$911.7 million compared to \$1,097.7 million in the February Financial Plan. This consists of \$1,429.6 million in revenues, offset by \$517.9 million in expenses. The expenses are comprised of \$271.1 million in labor costs and \$246.8 million in non-labor expenses.

For the period from 2011 to 2013, a new need of \$0.8 million annually is included as a technical adjustment regarding the transfer of B&T staff to the Business Service Center. This will result in eight fewer B&T positions being reduced in the areas of Finance, Payroll and Technology.

The full impact of the new needs started in 2011 will amount to \$0.8 million every year thereafter.

In 2011, before factoring in PEGs, the total baseline planned headcount will be 1,818 after accounting for the BSC, which includes 53 capially-reimbursable positions.

In 2012 and 2013, before factoring in PEGs but after accounting for the BSC reduction, the total baseline planned headcount will be 1,793, which includes 53 capially-reimbursable positions.

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

2010 PEG Actions

New PEG actions for 2010 are projected to generate a total of \$0.610 million in annual cost reductions. The program consists of the following actions:

- A review of a previous successful roadway sweeping initiative at the southern facilities has determined that B&T can implement the same program at the northern facilities. This initiative will generate savings by not renewing the current sweeping contract and performing the services with in-house personnel. No new headcount will be required and there will be a reduction in non-labor expenses. The current contract ends on 12/31/2009.
- The responsibility for maintenance of in-lane toll equipment will be consolidated under the Maintenance Department, enabling the Internal Security Department to reduce its headcount by three positions. The Maintenance Department will assume responsibility for maintaining all in-lane toll equipment, including flat panel screens, receipt printers, motorist transaction indicators and canopy lighting.

Post-2010 PEG Actions

Unidentified PEG actions are scheduled to begin in 2012.

MTA BRIDGES AND TUNNELS
July Financial Plan 2010-2013
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE

	2008	2009	2010			
	Actual	Mid-Year Forecast	Preliminary Budget	2011	2012	2013
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	1,273.974	1,252.705	1,253.541	1,261.069	1,265.773	1,265.221
Toll Increase 7/12/09	0.000	57.324	120.335	121.053	121.505	121.452
Additional Actions for Budget Balance: Revenue Impact	0.000	0.000	0.000	0.000	0.000	0.000
Eliminate E-Z Pass Forgiveness	0.000	2.479	10.000	10.000	10.000	10.000
Other Operating Revenue	13.316	10.865	10.917	11.071	11.242	11.420
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Investment Income	4.491	0.307	0.748	2.685	4.107	4.487
Total Revenue	\$1,291.781	\$1,323.679	\$1,395.541	\$1,405.878	\$1,412.627	\$1,412.580
Operating Expenses						
Labor:						
Payroll	\$121.260	\$126.449	\$132.620	\$136.280	\$139.307	\$143.907
Overtime	25.946	28.757	27.530	28.232	28.851	29.418
Health and Welfare	18.665	21.242	22.867	24.545	26.254	28.311
OPEB Current Payment	11.378	12.033	13.195	14.126	15.122	16.188
Pensions	20.028	24.081	24.265	24.953	25.690	26.494
Other Fringe Benefits	16.858	16.190	16.452	16.428	16.350	16.970
Reimbursable Overhead	(6.830)	(6.037)	(7.170)	(7.314)	(7.460)	(7.192)
Total Labor Expenses	\$207.305	\$222.715	\$229.760	\$237.251	\$244.114	\$254.096
Non-Labor:						
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	8.284	8.336	8.904	9.736	10.651	11.642
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	161.354	154.582	152.509	163.546	172.827	178.346
Professional Service Contracts	14.207	18.106	18.867	18.397	20.285	20.722
Materials & Supplies	15.819	17.886	34.727	37.230	30.083	32.440
Other Business Expenses	1.021	2.999	3.561	3.392	3.522	3.593
Total Non-Labor Expenses	\$200.685	\$201.908	\$218.568	\$232.301	\$237.367	\$246.743
Other Expense Adjustments:						
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
Gap Closing Actions:						
Additional Actions for Budget Balance: Expense Impact	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Gap Closing Actions	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$407.990	\$424.623	\$448.328	\$469.551	\$481.481	\$500.839
Add: Depreciation	\$77.213	\$81.000	\$85.100	\$89.400	\$93.900	\$98.600
Add: OPEB Obligation	66.323	70.920	76.200	79.400	82.800	86.700
Add: Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses After Depreciation and GASB Adjs.	\$551.526	\$576.543	\$609.628	\$638.351	\$658.181	\$686.139
Less: Depreciation	77.213	81.000	85.100	89.400	93.900	98.600
Less: OPEB Obligation	66.323	70.920	76.200	79.400	82.800	86.700
Total Expenses	\$407.990	\$424.623	\$448.328	\$469.551	\$481.481	\$500.839
Baseline Income/(Deficit)	\$883.792	\$899.057	\$947.213	\$936.327	\$931.146	\$911.741
2010 Agency Program to Eliminate the Gap	\$0.000	\$0.063	\$0.610	\$0.618	\$0.627	\$0.635
Post 2010 Agency Program to Eliminate the Gap	0.000	0.000	0.000	0.000	3.776	18.251
Net Income/(Deficit)	\$883.792	\$899.120	\$947.824	\$936.945	\$935.549	\$930.628

REIMBURSABLE

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MTA BRIDGES AND TUNNELS
July Financial Plan 2010-2013
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE
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	2008	2009	2010			
	Actual	Mid-Year Forecast	Preliminary Budget	2011	2012	2013
Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	1,273.974	1,252.705	1,253.541	1,261.069	1,265.773	1,265.221
<i>Toll Increase 7/12/09</i>	0.000	57.324	120.335	121.053	121.505	121.452
<i>Additional Actions for Budget Balance: Revenue Impact</i>	0.000	0.000	0.000	0.000	0.000	0.000
<i>Eliminate E-Z Pass Forgiveness</i>	0.000	2.479	10.000	10.000	10.000	10.000
Other Operating Revenue	13.316	10.865	10.917	11.071	11.242	11.420
Capital and Other Reimbursements	16.447	14.840	16.657	17.065	17.529	17.036
Investment Income	4.491	0.307	0.748	2.685	4.107	4.487
Total Revenue	\$1,308.228	\$1,338.519	\$1,412.198	\$1,422.943	\$1,430.156	\$1,429.616
Expenses						
<u>Labor:</u>						
Payroll	\$127.157	\$132.390	\$138.633	\$142.413	\$145.563	\$149.938
Overtime	26.384	28.806	27.665	28.332	28.951	29.518
Health and Welfare	20.426	22.698	24.600	26.423	28.290	30.400
OPEB Current Payment	11.378	12.033	13.195	14.126	15.122	16.188
Pensions	20.403	24.821	25.172	25.877	26.632	27.405
Other Fringe Benefits	18.004	16.806	17.151	17.145	17.085	17.683
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$223.752	\$237.555	\$246.416	\$254.316	\$261.643	\$271.132
<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	8.284	8.336	8.904	9.736	10.651	11.642
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	161.354	154.582	152.509	163.546	172.827	178.346
Professional Service Contracts	14.207	18.106	18.867	18.397	20.285	20.722
Materials & Supplies	15.819	17.886	34.727	37.230	30.083	32.440
Other Business Expenses	1.021	2.999	3.561	3.392	3.522	3.593
Total Non-Labor Expenses	\$200.685	\$201.908	\$218.568	\$232.301	\$237.367	\$246.743
<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
<u>Gap Closing Actions:</u>						
<i>Additional Actions for Budget Balance: Expense Impact</i>	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Gap Closing Actions	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$424.436	\$439.463	\$464.984	\$486.616	\$499.010	\$517.874
Add: Depreciation	\$77.213	\$81.000	\$85.100	\$89.400	\$93.900	\$98.600
Add: OPEB Obligation	66.323	70.920	76.200	79.400	82.800	86.700
Add: Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses After Depreciation and GASB Adjs.	\$567.972	\$591.383	\$626.284	\$655.416	\$675.710	\$703.174
Less: Depreciation	\$77.213	\$81.000	\$85.100	\$89.400	\$93.900	\$98.600
Less: OPEB Obligation	66.323	70.920	76.200	79.400	82.800	86.700
Total Expenses	\$424.436	\$439.463	\$464.984	\$486.616	\$499.010	\$517.874
Baseline Net Income/(Deficit)	\$883.792	\$899.057	\$947.213	\$936.327	\$931.146	\$911.741
2010 Agency Program to Eliminate the Gap	\$0.000	\$0.063	\$0.610	\$0.618	\$0.627	\$0.635
Post 2010 Agency Program to Eliminate the Gap	0.000	0.000	0.000	0.000	3.776	18.251
Net Income/(Deficit)	\$883.792	\$899.120	\$947.824	\$936.945	\$935.549	\$930.628

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July Financial Plan 2010-2013
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE
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	2008	2009	2010			
	Actual	Mid-Year Forecast	Preliminary Budget	2011	2012	2013
Baseline Income/(Deficit)	\$883.792	\$899.057	\$947.213	\$936.327	\$931.146	\$911.741
<u>Deductions from Income:</u>						
Less: Capitalized Assets	\$11.806	\$18.483	\$18.767	\$18.716	\$18.701	\$18.743
Reserves	11.421	13.953	14.195	14.425	14.689	14.995
GASB 45 Reserves	1.980	2.210	2.431	2.479	2.529	2.581
Adjusted Baseline Income/(Deficit)	\$858.584	\$864.411	\$911.819	\$900.708	\$895.227	\$875.422
Less: Debt Service	506.978	610.805	613.879	629.739	647.774	679.387
Income Available for Distribution	\$351.606	\$253.607	\$297.940	\$270.969	\$247.453	\$196.035
<u>Distributable To:</u>						
MTA - Investment Income	\$4.491	\$0.307	\$0.748	\$2.685	\$4.107	\$4.487
MTA - Distributable Income	226.855	190.421	210.604	196.090	183.286	157.329
NYCT - Distributable Income	120.260	62.879	86.589	72.194	60.060	34.218
Total Distributable Income:	\$351.606	\$253.607	\$297.940	\$270.969	\$247.453	\$196.035
<u>Actual Cash Transfers:</u>						
MTA - Investment Income	\$5.558	\$4.491	\$0.307	\$0.748	\$2.685	\$4.107
MTA - Transfers	232.285	197.190	208.585	197.541	184.567	159.925
NYCT - Transfers	127.177	64.771	84.218	73.633	61.273	36.803
Total Cash Transfers:	\$365.021	\$266.451	\$293.110	\$271.923	\$248.525	\$200.835
<u>SUPPORT TO MASS TRANSIT:</u>						
Total Revenues	\$1,308.228	\$1,338.519	\$1,412.198	\$1,422.943	\$1,430.156	\$1,429.616
Less: Net Operating Expenses	424.436	439.463	464.984	486.616	499.010	517.874
2010 Agency Program to Eliminate the Gap	0.000	0.063	0.610	0.618	0.627	0.635
Post-2010 Agency Program to Eliminate the Gap	0.000	0.000	0.000	0.000	3.776	18.251
Net Operating Income:	\$883.792	\$899.120	\$947.824	\$936.945	\$935.549	\$930.628
<u>Deductions from Operating Income:</u>						
B&T Debt Service	\$150.269	\$203.085	\$212.493	\$228.665	\$248.590	\$280.473
Capitalized Assets	11.806	18.483	18.767	18.716	18.701	18.743
Reserves	11.421	13.953	14.195	14.425	14.689	14.995
GASB Reserves	1.980	2.210	2.431	2.479	2.529	2.581
Total Deductions from Operating Income:	\$175.476	\$237.731	\$247.887	\$264.284	\$284.509	\$316.792
Total Support to Mass Transit:	\$708.315	\$661.389	\$699.937	\$672.661	\$651.039	\$613.835

MTA Bridges and Tunnels
July Financial Plan 2010-2013
Year-to-Year Changes by Category - Accrual Basis

YEAR-TO-YEAR CHANGES: 2010-2013

Toll Revenue

- Revenues, including the toll increase, are estimated at \$1,312.5 million in 2009, \$1,383.9 million in 2010, \$1,392.1 million in 2011, \$1,397.3 million in 2012 and \$1,396.7 million in 2013. Revenue increases in 2010 are due to the full year's impact of the toll increase to be implemented on July 12, 2009. The forecast assumes a decline of 0.6% in regional (New York City, Long Island and Westchester) employment in 2010 and modest growth from 2011 to 2013 as reflected in the current projections supplied by Global Insight.
- Paid traffic is expected to reach 287.3 million vehicles in 2009. Traffic in 2010 drops to 286.5 million vehicles due to continued job losses and a full year's impact of the toll increase to be implemented on July 12, 2009. The forecast from 2011 through 2013 incorporates the most recent projections for regional employment and inflation utilized by MTA, and adjusts for the leap year in 2012. Paid traffic is forecast at 288.7 million vehicles in 2011, 290.2 million in 2012, 290.5 million in 2013.

Other Operating Revenue

- Other Operating Revenue is projected at \$10.9 million in 2009 and nominal growth of around \$0.1 million is expected in 2010.
- Other Operating Revenue increases approximately \$0.2 million each year from 2011 through 2013, primarily reflecting expected modest growth in parking receipts from the BPG.

Capital and Other Reimbursements

- Capital and Other Reimbursements increase by \$1.8 million in 2010 to reflect a projected increase in reimbursable work for the new capital program. There is an increase of \$0.4 million in 2011 and \$0.5 million in 2012 due to CPIU adjustments. In 2013, there is a reduction in projected reimbursable work by \$0.5 million.

Investment Income

- The Investment Income plan for 2010 through 2013 reflects earnings on estimated fund balances based on Global Insight's forecasts for short-term investment yields. Projected Investment Income is estimated at \$0.3 million in 2009 and \$0.7 million in 2010.

- As short-term yields return to more stable levels, investment income is projected to grow to \$2.7 million in 2011, \$4.1 million in 2012 and \$4.5 million in 2012.

Payroll

- In 2010, there is an increase of \$6.2 million over 2009 due to CPIU (\$2.2 million), contractual step-up increases, (\$2.0 million), and reduced vacancies from the prior year.
- Thereafter, expenses increase by contractual step-up increases and CPIU by \$3.8 million in 2011, \$3.1 million in 2012, and \$4.4 million in 2013. There is also a new need that was approved as part of the 2008 July Mid-Year Forecast 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, in addition to a technical adjustment in the BSC reduction (\$0.4 million).

Overtime

- In 2010, there is a \$1.1 million decrease from 2009 in overtime expenses due to the filling of BTO vacant positions in 2009.
- Thereafter, the year-over-year increases of \$0.7 million in 2011, \$0.6 million in 2012, and \$0.6 million in 2013 are the result of CPIU adjustments.

Health and Welfare and OPEB

- In 2010, there is a \$3.1 million increase from 2009 in Health and Welfare expenses. This increase is mainly due to a CPIU of 9.7% for medical expenses.
- The year-over-year increases from 2011 to 2013 are \$2.8 million, \$2.9 million, and \$3.2 million, respectively. A CPIU of 7.1% has been added to each year from 2010 on, based on factors provided by the MTA.

Pension

- In 2010, there is a \$0.4 million increase from 2009, based on the latest NYCERS estimates received. The increases of \$0.7 million per year from 2011 to 2013 are due to CPIU.

Other Fringe Benefits

- The year-over-year increases from 2010 to 2013 are approximately \$0.4 million, \$0.7 million, \$0.8 million and \$0.8 million per year, respectively. These increases are mainly due to the effect of CPIU inflators.

Insurance

- Insurance expenses increase between \$0.6 million and \$0.9 million annually from 2009 through 2013 based on MTA Risk Management's most recent estimates.

Maintenance and Other Operating Contracts

- In 2010, expenses are \$2.1 million lower than 2009 due primarily to a decrease in bridge painting costs (\$6.3 million) associated with realigning painting with capital projects as included in the AABB and major maintenance (\$1.9 million) for completing the 2009 rollover, offset by the new Customer Service Center (CSC) contract (\$1.2 million) due to an expected increase in E-ZPass accounts; the full year's impact of the July 2009 toll increases on credit card fees (\$1.5 million); re-estimate of other maintenance contracts (\$0.6 million) and CPIU increases (\$2.8 million).
- For 2011, expenses are \$11.0 million higher than 2010 primarily due to an increase in bridge painting expenses (\$5.4 million) associated with realigning painting with capital projects as included in the AABB; higher CSC operating costs (\$1.3 million) based on an expected increase in E-ZPass accounts and CPIU and other increases (\$4.3 million).
- In 2012, expenses are \$9.3 million higher than 2011 primarily due to higher bridge painting expenses (\$3.6 million) associated with realigning painting with capital projects as included in the AABB, offset by higher expenses for the CSC operating costs (1.3 million) due to expected increase in E-ZPass accounts, CPIU and other increases (\$4.4 million).
- For 2013, expenses are \$5.5 million higher than 2012 mainly due to higher expenses for the CSC operating costs (\$1.3 million) due to expected growth in E-ZPass accounts, CPIU and other increases (\$4.5 million).
- CPIU increases are 1.55% in 2010, 2.12% in 2011, 2.31% in 2012 and 2.35% in 2013 based on forecasts for national inflation provided by Global Insight.

Professional Service Contracts

- In 2010, expenses are higher by \$0.8 million due primarily to higher general engineering services expenses (\$0.7 million) and CPIU.
- For 2011 the lower expenses (\$0.5 million) are primarily a result of a reduction in planning studies (\$1.0 million) offset by CPIU and other increases.
- In 2012, the higher expenses (\$1.9 million) primarily reflect higher planning study needs for an anticipated origin and destination study.
- For 2013, expenses (\$0.4 million) are higher due to inflation.
- CPIU increases are 1.55% in 2010, 2.12% in 2011, 2.31% in 2012 and 2.35% in 2013 based on forecasts for national inflation provided by Global Insight.

Materials and Supplies

- The 2010 expenses are \$16.8 million greater primarily due to additional inventory necessary for the E-ZPass tag replacement program (\$15.6 million), which is scheduled to begin during the first quarter of the year.
- For 2011, expenses are \$2.5 million greater due primarily to the increase in E-ZPass tag purchases (\$2.3 million) for the tag replacement program.
- In 2012, expenses are \$7.1 million lower primarily due to lower tag replacement requirements than in previous years.

- For 2013, expenses are \$2.4 million greater mainly due to increases in tag inventory (\$1.9 million) and CPIU increases.
- CPIU increases are 1.55% in 2010, 2.12% in 2011, 2.31% in 2012 and 2.35% in 2013 based on forecasts for national inflation provided by Global Insight.

Other Business Expenses

- In 2010, the higher expenses reflect increases in various accounts (\$0.6 million), offset by bad debt fees for E-ZPass Toll Collection (\$0.4 million). For 2011 through 2013, the slightly higher costs are the result of CPIU increases.
- CPIU increases are 1.55% in 2010, 2.12% in 2011, 2.31% in 2012 and 2.35% in 2013 based on forecasts for national inflation provided by Global Insight.

MTA BRIDGES AND TUNNELS
July Financial Plan 2010 - 2013
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE

	Favorable/(Unfavorable)								
	2009	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011	2013	Change 2013 - 2012
Revenue									
Farebox Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vehicle Toll Revenue	1,252.705	1,253.541	0.836	1,261.069	7.528	1,265.773	4.704	1,265.221	(0.552)
<i>Toll Increase 7/12/09</i>	57.324	120.335	63.011	121.053	0.718	121.505	0.452	121.452	(0.053)
<i>Additional Actions for Budget Balance: Revenue Impact</i>	0.000	0.000	-	0.000	-	0.000	-	0.000	-
<i>Eliminate E-Z Pass Forgiveness</i>	2.479	10.000	7.521	10.000	-	10.000	-	10.000	-
Other Operating Revenue	10.865	10.917	0.052	11.071	0.154	11.242	0.171	11.420	0.178
Capital and Other Reimbursements	0.000	0.000	-	0.000	-	0.000	-	0.000	-
Investment Income	0.307	0.748	0.441	2.685	1.937	4.107	1.422	4.487	0.380
Total Revenue	\$ 1,323.679	\$ 1,395.541	\$ 71.862	\$ 1,405.878	\$ 10.337	\$ 1,412.627	\$ 6.749	\$ 1,412.580	\$ (0.047)
Expenses									
Labor:									
Payroll	\$ 126.449	\$ 132.620	\$ (6.171)	\$ 136.280	\$ (3.660)	\$ 139.307	\$ (3.027)	\$ 143.907	\$ (4.600)
Overtime	28.757	27.530	1.227	28.232	(0.702)	28.851	(0.619)	29.418	(0.566)
Health and Welfare	21.242	22.867	(1.626)	24.545	(1.678)	26.254	(1.709)	28.311	(2.057)
OPEB Current Payment	12.033	13.195	(1.162)	14.126	(0.930)	15.122	(0.996)	16.188	(1.066)
Pensions	24.081	24.265	(0.184)	24.953	(0.688)	25.690	(0.737)	26.494	(0.805)
Other Fringe Benefits	16.190	16.452	(0.262)	16.428	0.024	16.350	0.078	16.970	(0.620)
Reimbursable Overhead	(6.037)	(7.170)	1.133	(7.314)	0.143	(7.460)	0.146	(7.192)	(0.268)
Total Labor Expenses	\$ 222.715	\$ 229.760	\$ (7.045)	\$ 237.251	\$ (7.491)	\$ 244.114	\$ (6.863)	\$ 254.096	\$ (9.983)
Non-Labor:									
Traction and Propulsion Power	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fuel for Buses and Trains	-	-	-	-	-	-	-	-	-
Insurance	8.336	8.904	(0.569)	9.736	(0.832)	10.651	(0.914)	11.642	(0.991)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	154.582	152.509	2.073	163.546	(11.037)	172.827	(9.281)	178.346	(5.519)
Professional Service Contracts	18.106	18.867	(0.762)	18.397	0.471	20.285	(1.888)	20.722	(0.437)
Materials & Supplies	17.886	34.727	(16.841)	37.230	(2.503)	30.083	7.147	32.440	(2.357)
Other Business Expenses	2.999	3.561	(0.562)	3.392	0.169	3.522	(0.130)	3.593	(0.070)
Total Non-Labor Expenses	\$ 201.908	\$ 218.568	\$ (16.660)	\$ 232.301	\$ (13.733)	\$ 237.367	\$ (5.066)	\$ 246.743	\$ (9.376)
Other Expenses Adjustments:									
Other	-	-	-	-	-	-	-	-	-
Total Other Expense Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenses before Depreciation and GASB Adjs.	\$ 424.623	\$ 448.328	\$ (23.705)	\$ 469.551	\$ (21.224)	\$ 481.481	\$ (11.929)	\$ 500.839	\$ (19.358)
Add: Depreciation	\$ 81.000	\$ 85.100	\$ (4.100)	\$ 89.400	\$ (4.300)	\$ 93.900	\$ (4.500)	\$ 98.600	\$ (4.700)
Add: OPEB Obligation	70.920	76.200	(5.280)	79.400	(3.200)	82.800	(3.400)	86.700	(3.900)
Add: Environmental Remediation	-	-	-	-	-	-	-	-	-
Total Expenses after Depreciation and GASB Adjs.	\$ 576.543	\$ 609.628	\$ (33.085)	\$ 638.351	\$ (28.724)	\$ 658.181	\$ (19.829)	\$ 686.139	\$ (27.958)
Less: Depreciation	81.000	85.100	(4.100)	89.400	(4.300)	93.900	(4.500)	98.600	(4.700)
Less: OPEB Obligation	70.920	76.200	(5.280)	79.400	(3.200)	82.800	(3.400)	86.700	(3.900)
Total Expenses	\$ 424.623	\$ 448.328	\$ (23.705)	\$ 469.551	\$ (21.224)	\$ 481.481	\$ (11.929)	\$ 500.839	\$ (19.358)
Baseline Net Income/(Deficit)	\$ 899.057	\$ 947.213	\$ 48.157	\$ 936.327	\$ (10.887)	\$ 931.146	\$ (5.180)	\$ 911.741	\$ (19.405)
2010 Program to Eliminate the Gap (PEGs)	\$ 0.063	\$ 0.610	\$ 0.547	\$ 0.618	\$ 0.008	\$ 0.627	\$ 0.008	\$ 0.635	\$ 0.009
Post-2010 Program to Eliminate the Gap (PEGs)	-	-	-	-	-	3.776	3.776	18.251	14.475
Net Income/(Deficit)	\$ 899.120	\$ 947.824	\$ 48.704	\$ 936.945	\$ (10.879)	\$ 935.549	\$ (1.396)	\$ 930.628	\$ (4.921)

REIMBURSABLE

[illegible]

MTA BRIDGES AND TUNNELS
July Financial Plan 2010 - 2013
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE
(Page 1 of 2)

	Favorable/(Unfavorable)								
	2009	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011	2013	Change 2013 - 2012
Revenue									
Farebox Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Vehicle Toll Revenue	1,252.705	1,253.541	0.836	1,261.069	7.528	1,265.773	4.704	1,265.221	(0.552)
<i>Toll Increase 7/12/09</i>	57.324	120.335	63.011	121.053	0.718	121.505	0.452	121.452	(0.053)
<i>Additional Actions for Budget Balance: Revenue Impact</i>	-	-	-	-	-	-	-	-	-
<i>Eliminate E-Z Pass Forgiveness</i>	2.479	10.000	7.521	10.000	-	10.000	-	10.000	-
Other Operating Revenue	10.865	10.917	0.052	11.071	0.154	11.242	0.171	11.420	0.178
Capital and Other Reimbursements	14.840	16.657	1.817	17.065	0.408	17.529	0.464	17.036	(0.494)
Investment Income	0.307	0.748	0.441	2.685	1.937	4.107	1.422	4.487	0.380
Total Revenue	\$ 1,338.519	\$ 1,412.198	\$ 73.679	\$ 1,422.943	\$ 10.745	\$ 1,430.156	\$ 7.213	\$ 1,429.616	\$ (0.541)
Expenses									
Labor:									
Payroll	\$ 132.390	\$ 138.633	\$ (6.243)	\$ 142.413	\$ (3.780)	\$ 145.563	\$ (3.149)	\$ 149.938	\$ (4.375)
Overtime	28.806	27.665	1.141	28.332	(0.667)	28.951	(0.619)	29.518	(0.566)
Health and Welfare	22.698	24.600	(1.902)	26.423	(1.823)	28.290	(1.867)	30.400	(2.110)
OPEB Current Payment	12.033	13.195	(1.162)	14.126	(0.930)	15.122	(0.996)	16.188	(1.066)
Pensions	24.821	25.172	(0.351)	25.877	(0.705)	26.632	(0.756)	27.405	(0.772)
Other Fringe Benefits	16.806	17.151	(0.346)	17.145	0.007	17.085	0.060	17.683	(0.599)
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
Total Labor Expenses	\$ 237.555	\$ 246.416	\$ (8.862)	\$ 254.316	\$ (7.899)	\$ 261.643	\$ (7.327)	\$ 271.132	\$ (9.489)
Non-Labor:									
Traction and Propulsion Power	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Fuel for Buses and Trains	-	-	-	-	-	-	-	-	-
Insurance	8.336	8.904	(0.569)	9.736	(0.832)	10.651	(0.914)	11.642	(0.991)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	154.582	152.509	2.073	163.546	(11.037)	172.827	(9.281)	178.346	(5.519)
Professional Service Contracts	18.106	18.867	(0.762)	18.397	0.471	20.285	(1.888)	20.722	(0.437)
Materials & Supplies	17.886	34.727	(16.841)	37.230	(2.503)	30.083	7.147	32.440	(2.357)
Other Business Expenses	2.999	3.561	(0.562)	3.392	0.169	3.522	(0.130)	3.593	(0.070)
Total Non-Labor Expenses	\$ 201.908	\$ 218.568	\$ (16.660)	\$ 232.301	\$ (13.733)	\$ 237.367	\$ (5.066)	\$ 246.743	\$ (9.376)
Other Expenses Adjustments:									
Other	-	-	-	-	-	-	-	-	-
Total Other Expense Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenses before Depreciation and GASB Adjs.	\$ 439.463	\$ 464.984	\$ (25.522)	\$ 486.616	\$ (21.632)	\$ 499.010	\$ (12.394)	\$ 517.874	\$ (18.865)
Add: Depreciation	\$ 81.000	\$ 85.100	\$ (4.100)	\$ 89.400	\$ (4.300)	\$ 93.900	\$ (4.500)	\$ 98.600	\$ (4.700)
Add: OPEB Obligation	70.920	76.200	(5.280)	79.400	(3.200)	82.800	(3.400)	86.700	(3.900)
Add: Environmental Remediation	-	-	-	-	-	-	-	-	-
Total Expenses after Depreciation and GASB Adjs.	\$ 591.383	\$ 626.284	\$ (34.902)	\$ 655.416	\$ (29.132)	\$ 675.710	\$ (20.294)	\$ 703.174	\$ (27.465)
Less: Depreciation	81.000	85.100	(4.100)	89.400	(4.300)	93.900	(4.500)	98.600	(4.700)
Less: OPEB Obligation	70.920	76.200	(5.280)	79.400	(3.200)	82.800	(3.400)	86.700	(3.900)
Total Expenses	\$ 439.463	\$ 464.984	\$ (25.522)	\$ 486.616	\$ (21.632)	\$ 499.010	\$ (12.394)	\$ 517.874	\$ (18.865)
Baseline Net Income/(Deficit)	\$ 899.057	\$ 947.213	\$ 48.157	\$ 936.327	\$ (10.887)	\$ 931.146	\$ (5.180)	\$ 911.741	\$ (19.405)
2010 Program to Eliminate the Gap (PEGs)	\$ 0.063	\$ 0.610	\$ 0.547	\$ 0.618	\$ 0.008	\$ 0.627	\$ 0.008	\$ 0.635	\$ 0.009
Post-2010 Program to Eliminate the Gap (PEGs)	-	-	-	-	-	3.776	3.776	18.251	14.475
Net Income/(Deficit)	\$ 899.120	\$ 947.824	\$ 48.704	\$ 936.945	\$ (10.879)	\$ 935.549	\$ (1.396)	\$ 930.628	\$ (4.921)

MTA BRIDGES AND TUNNELS
July Financial Plan 2010 - 2013
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE
(Page 2 of 2)

	Favorable/(Unfavorable)									
			Change	Change		Change		Change		
	2009	2010	2010 - 2009	2011	2011 - 2010	2012	2012 - 2011	2013	2013 - 2012	
Baseline Net Income/(Deficit)	\$ 899.057	\$ 947.213	\$ 48.157	\$ 936.327	\$ (10.887)	\$ 931.146	\$ (5.180)	\$ 911.741	\$ (19.405)	
<u>Deductions from Income:</u>										
Less: Capitalized Assets	\$ 18.483	\$ 18.767	\$ (0.285)	\$ 18.716	\$ 0.051	\$ 18.701	\$ 0.015	\$ 18.743	\$ (0.042)	
Reserves	13.953	14.195	(0.242)	14.425	(0.229)	14.689	(0.264)	14.995	(0.306)	
GASB 45 Reserves	2.210	2.431	(0.222)	2.479	(0.047)	2.529	(0.051)	2.581	(0.052)	
Adjusted Baseline Net Income/(Deficit)	\$ 864.411	\$ 911.819	\$ 47.630	\$ 900.708	\$ (11.065)	\$ 895.227	\$ (5.430)	\$ 875.422	\$ (19.754)	
Less: Debt Service	610.805	613.879	(3.074)	629.739	(15.860)	647.774	(18.035)	679.387	(31.613)	
Income Available for Distribution	\$ 253.607	\$ 297.940	\$ 44.555	\$ 270.969	\$ (26.925)	\$ 247.453	\$ (23.465)	\$ 196.035	\$ (51.367)	
Distributable To:										
MTA - Investment Income	\$ 0.307	\$ 0.748	\$ 0.441	\$ 2.685	\$ 1.937	\$ 4.107	\$ 1.422	\$ 4.487	\$ 0.380	
MTA - Distributable Income	190.421	210.604	20.183	196.090	(14.514)	183.286	(12.803)	157.329	(25.957)	
NYCT - Distributable Income	62.879	86.589	23.710	72.194	(14.395)	60.060	(12.134)	34.218	(25.841)	
Total Distributable Income:	\$ 253.607	\$ 297.940	\$ 44.334	\$ 270.969	\$ (26.972)	\$ 247.453	\$ (23.516)	\$ 196.035	\$ (51.418)	
Actual Cash Transfers:										
MTA - Investment Income	\$ 4.491	\$ 0.307	\$ (4.184)	\$ 0.748	\$ 0.441	\$ 2.685	\$ 1.937	\$ 4.107	\$ 1.422	
MTA - Transfers	197.190	208.585	11.396	197.541	(11.044)	184.567	(12.975)	159.925	(24.642)	
NYCT - Transfers	64.771	84.218	19.447	73.633	(10.584)	61.273	(12.360)	36.803	(24.471)	
Total Cash Transfers:	\$ 266.451	\$ 293.110	\$ 26.658	\$ 271.923	\$ (21.187)	\$ 248.525	\$ (23.398)	\$ 200.835	\$ (47.690)	
SUPPORT TO MASS TRANSIT:										
Total Revenues	\$1,338.519	\$1,412.198	\$73.679	\$1,422.943	\$10.745	\$1,430.156	\$7.213	\$1,429.616	(\$0.541)	
Less: Net Operating Expenses	439.463	464.984	(25.522)	486.616	(21.632)	499.010	(12.394)	517.874	(18.865)	
2010 Program to Eliminate the Gap (PEGs)	0.063	0.610	0.547	0.618	0.008	0.627	0.008	0.635	0.009	
Post-2010 Program to Eliminate the Gap (PEGs)	-	-	-	-	-	3.776	3.776	18.251	14.475	
Net Operating Income:	\$ 899.120	\$ 947.824	\$ 48.704	\$ 936.945	\$ (10.879)	\$ 935.549	\$ (1.396)	\$ 930.628	\$ (4.921)	
Deductions from Operating Income:										
B&T Debt Service	\$203.085	\$212.493	(\$9.408)	\$228.665	(\$16.172)	\$248.590	(\$19.925)	\$280.473	(\$31.883)	
Capitalized Assets	18.483	18.767	(0.285)	18.716	0.051	18.701	0.015	18.743	(0.042)	
Reserves	13.953	14.195	(0.242)	14.425	(0.229)	14.689	(0.264)	14.995	(0.306)	
GASB 45 Reserves	2.210	2.431	(0.222)	2.479	(0.047)	2.529	(0.051)	2.581	(0.052)	
Total Deductions from Operating Inc:	\$ 237.731	\$ 247.887	\$ (10.156)	\$ 264.284	\$ (16.397)	\$ 284.509	\$ (20.225)	\$ 316.792	\$ (32.283)	
Total Support to Mass Transit:	\$ 661.389	\$ 699.937	\$ 38.548	\$ 672.661	\$ (27.276)	\$ 651.039	\$ (21.621)	\$ 613.835	\$ (37.204)	

MTA Bridges and Tunnels
July Financial Plan 2010 - 2013
Summary of Major Changes between Financial Plans
(\$ in millions)

Non-Reimbursable

2009: July Financial Plan vs. February Financial Plan

Revenue

Revenue adjustments from the February Plan result in a decrease of \$137.8 million. The major changes include:

- Lower toll revenues (\$134.7 million) primarily due to smaller toll increases scheduled for July 12, 2009 and weaker economic conditions.
- Lower Other Operating Revenues (\$1.1 million) primarily due to unfavorable local economic impacts on receipts from the Battery Parking Garage.
- Decrease in Investment Income based on a reduction in interest rates (\$2.0 million).

Expense

Expenses are projected to be \$1.6 million greater than the February Plan due to decrease in expenses for labor (\$0.6 million), a decrease in non-labor expenses (\$12.8 million) and an adjustment for the Additional Actions for Budget Balance (AABBs) (\$14.9 million), which are now reflected in the appropriate generic category. The major variances include:

Labor

- Lower Payroll costs (\$2.2 million) due primarily to higher than planned vacancies (\$1.6 million), the reduction of 14 administrative positions as part of the AABB program (\$0.6 million), and savings from the hiring freeze (\$0.3 million), offset by the re-estimate of a prior year's PEG (\$0.4 million).
- Higher overtime costs (\$2.4 million) due primarily to a rate adjustment resulting from contract settlements (\$0.9 million) and the back-filling of vacant positions with overtime (\$1.2 million).
- Lower Health and Welfare and OPEB expenses (\$1.4 million) primarily due to the changes in payroll resulting from vacancies and lower CPIU rates for 2009.
- Increase in pension (\$0.6 million) costs due to adjustment to the pension reserve from NYCERS.

Non-Labor

- Lower Insurance expenses (\$0.5 million) due to re-estimates from MTA Risk Management.

- Maintenance and Other Operating expenses (\$7.5 million). Of the \$7.5 million, \$6.8 million is the result of the AABB reductions and decreases of \$0.7 million in other expenses. AABBs include reductions of \$6.1 million in bridge painting due to the realignment of expenses with the capital program, \$0.4 million in guard services and \$0.3 million in maintenance of toll equipment. The \$0.7 million reduction is primarily composed of decreases in the E-ZPass Customer Service Center (\$1.6 million) due to lower than planned expenditures for transition and implementation of a new contract, reductions to credit card fees (\$1.3 million) due to the lower toll increase, maintenance costs for surveillance equipment (\$0.8 million), and heating oil (\$0.8 million), offset by an increase in major maintenance expenses (\$4.1 million) for 2008 rollovers.
- Professional Services Contract expenses (\$4.2 million). Out of the \$4.2 million, \$2.0 million is the result of AABB reductions and \$2.2 million reductions in other expenses. AABBs include the reduction of \$2.0 million for planning studies. The remaining \$2.2 million is the result of lower expenses due mainly to re-estimates of general engineering services (\$0.6 million), lower bond insurance service fees (\$0.2 million), training services (\$0.3 million) and various other services totaling \$0.8 million.
- Material and Supplies (\$1.0 million). Of the \$1.0 million in lower expenses, \$0.2 million is the result of AABB reductions and \$0.8 million in other expense reductions. The AABB is for a \$0.2 million reduction in equipment expenses. The remaining \$0.8 million is mainly the result of lower gas and diesel fuel expenses (\$0.5 million) and a one-time discount negotiated for E-ZPass tag purchases (\$0.2 million).
- Other Business Expenses (\$0.2 million) reflects the addition of the NY State mobility Tax Benefit expense (\$0.4 million) offset by re-estimates for various other accounts.

Additional Actions for Budget Balance (AABB)

- The Additional Actions for Budget Balance were captured in a discrete expense line item in the February Financial Plan (\$14.9 million). In the July Financial Plan, the operating savings are captured within the category construct of MTA's traditional financial statements, as described above, and total \$10.0 million. The variance of \$4.9 million is the result of AABBs that have been restored (\$3.1 million) and later-than-planned implementation dates or re-estimates of some other AABBs (\$1.8 million).

2010-2012: July Financial Plan vs. February Financial Plan

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

- Toll Revenues have been decreased following the actions from Albany (by \$180.3 million in 2010, \$177.5 million in 2011, \$181.1 million in 2012, and \$182.2 million in 2013) based on lower toll increases scheduled for July 12, 2009 and weaker economic conditions.
- Other Operating Revenues are lower from 2010 through 2012 primarily due to unfavorable local economic impacts on receipts from the Battery Parking Garage.
- Unfavorable re-estimates of investment income based on Global Insight's lower short-term interest rate forecasts.

Labor:

Net reduction in labor expenses for 2010-2011 (by \$0.03 million in 2010 and \$0.04 million in 2011) and increases due to CPIU each year thereafter (\$0.1 million in each of 2011 and 2012) are based on the following changes:

- Lower payroll expenses due primarily to the AABB reductions, offset by an adjustment in a prior year PEG and a technical adjustment for the BSC beginning in 2011.
- Higher overtime due primarily to rate adjustments resulting from contract settlements.
- Lower expenses for Health & Welfare and OPEB due to the corresponding reductions in health and welfare expenses resulting from the AABB reductions, in addition to a revision in the NYS Department of Civil Service (DCS) premium for Empire Plan participants.
- Increase in Pension costs due to re-estimate from NYCERS.

Non-Labor

Reductions in non-labor expenses for each year of the financial plan (by \$12.8 million in 2009, \$22.7 million in 2010, \$4.6 million in 2011, and \$7.8 million in 2012) are based on the following changes after adjustments for bringing above the line the additional actions for budget balancing:

- Lower expenses for Insurance from 2009 to 2012 estimated by MTA Risk Management.
- Changes for Maintenance and Other Operating Contracts include lower expenses for Bridge Painting in 2009 and 2010 as defined in the AABBs, offset by a slight increase in 2011 and 2012; lower E-ZPass Customer Service Center expenses in 2009 to 2012 due primarily to favorable transition and implementation of a new contract in 2009 and reductions to credit card fees due to the lower toll increase. These changes are offset by higher 2 Broadway lease and rental expenses resulting from an increase in the ground rent.
- Changes for Professional Services Contracts include re-estimates of bond insurance service fees from 2009 and 2011.

- Changes for Materials and Supplies primarily include re-estimates of equipment as part of the AABBs.
- Reduction for Other Business Expenses includes an unplanned expense for NY State Mobility Tax Benefit (-\$0.4 million), offset by re-estimates in various accounts.

Reimbursable Major Changes

2009: July Financial Plan vs. February Financial Plan

Revenue

Capital Reimbursements between plans remains the same.

Expense

No change in the capital reimbursable expenses between plans.

2010-2012: July Financial Plan vs. February Financial Plan

Revenue

No change between plans for capital reimbursable expenses.

Expense

No change in the out-years between plans for capital reimbursable expenses.

MTA BRIDGES AND TUNNELS
July Financial Plan 2010 - 2013
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE

	2009	2010	2011	2012
Baseline 2009 February Financial Plan - Net Operating Income	\$1,038.443	\$1,129.988	\$1,115.988	\$1,113.169
Baseline Changes				
Revenue				
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	(11.025)	(10.051)	(6.877)	(9.307)
Toll Increase 7/12/09	(116.152)	(170.291)	(170.575)	(171.763)
Additional Actions for Budget Balance: Revenue Impact	0.000	0.000	0.000	0.000
Eliminate E-Z Pass Forgiveness	(7.521)	0.000	0.000	0.000
Other Operating Revenue	(1.116)	(1.234)	(1.287)	(1.328)
Capital and Other Reimbursement	0.000	0.000	0.000	0.000
Investment Income	(2.014)	(3.351)	(1.773)	(0.351)
Total Revenue Changes	(\$137.829)	(\$184.928)	(\$180.511)	(\$182.750)
Expenses				
Labor:				
Payroll	\$2.164	\$0.030	(\$0.101)	(\$0.104)
Overtime	(2.388)	(1.008)	(1.175)	(1.284)
Health and Welfare	0.597	0.367	0.555	0.732
OPEB Current Payment	0.890	0.649	0.704	0.765
Pensions	(0.635)	(0.198)	(0.203)	(0.209)
Other Fringe Benefits	(0.059)	0.191	0.259	0.128
Reimbursable Overhead	0.000	0.000	0.000	0.000
Total Labor Expense Changes	\$0.569	\$0.030	\$0.038	\$0.028
Non-Labor:				
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	0.000	0.000	0.000	0.000
Insurance	0.515	1.486	1.621	1.780
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	7.493	20.014	2.434	5.650
Professional Service Contracts	4.248	0.718	0.347	0.183
Materials & Supplies	1.018	0.684	0.510	0.546
Other Business Expenses	(0.489)	(0.222)	(0.322)	(0.331)
Total Non-Labor Expense Changes	\$12.786	\$22.681	\$4.590	\$7.829
Gap Closing Action Changes:				
Additional Actions for Budget Balance: Expense Impact	(14.913)	(20.559)	(3.778)	(7.129)
Total Gap Closing Action Changes	(\$14.913)	(\$20.559)	(\$3.778)	(\$7.129)
Total Expenses before Depreciation and GASB Adjs.	(\$1.558)	\$2.152	\$0.850	\$0.727
Add: Depreciation	(\$19.700)	(\$19.200)	(\$20.200)	(\$21.500)
OPEB Obligation	(5.020)	(7.000)	(7.000)	(7.000)
Environmental Remediation	0.000	0.000	0.000	0.000
Total Expenses after Depreciation and GASB Adjs.	(\$26.278)	(\$24.048)	(\$26.350)	(\$27.773)
Less: Depreciation	(\$19.700)	(\$19.200)	(\$20.200)	(\$21.500)
OPEB Obligation	(5.020)	(7.000)	(7.000)	(7.000)
Total Expense Changes	(\$1.558)	\$2.152	\$0.850	\$0.727
Cash Adjustment Changes				
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	(\$139.387)	(\$182.775)	(\$179.662)	(\$182.022)
Baseline 2009 July Financial Plan - Net Operating Income	\$899.057	\$947.213	\$936.326	\$931.146

MTA BRIDGES AND TUNNELS
July Financial Plan 2010 - 2013
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE

	2009	2010	2011	2012
Baseline 2008 November Financial Plan - Net Operating Income	\$0.000	\$0.000	\$0.000	\$0.000
<i>Baseline Changes</i>				
Revenue				
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	0.000	0.000	0.000	0.000
Other Operating Revenue	0.000	0.000	0.000	0.000
Capital and Other Reimbursement	0.000	0.000	0.000	0.000
Investment Income	0.000	0.000	0.000	0.000
Total Revenue Changes	\$0.000	\$0.000	\$0.000	\$0.000
Expenses				
<i>Labor:</i>				
Payroll	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	0.000	0.000	0.000	0.000
Health and Welfare	0.000	0.000	0.000	0.000
OPEB Current Payment	0.000	0.000	0.000	0.000
Pensions	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000
Total Labor Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000
<i>Non-Labor:</i>				
Traction and Propulsion Power	\$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	0.000	0.000	0.000	0.000
Other Business Expenses	0.000	0.000	0.000	0.000
Total Non-Labor Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation				
Add: Depreciation	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Obligation	0.000	0.000	0.000	0.000
Environmental Remediation	0.000	0.000	0.000	0.000
Total Expenses after Depreciation and GASB Adj.	\$0.000	\$0.000	\$0.000	\$0.000
Less: Depreciation	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Obligation	0.000	0.000	0.000	0.000
Total Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000
Cash Adjustment Changes				
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$0.000	\$0.000	\$0.000	\$0.000
Baseline 2009 July Financial Plan - Net Operating Income	\$0.000	\$0.000	\$0.000	\$0.000

MTA BRIDGES AND TUNNELS
July Financial Plan 2010 - 2013
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2009	2010	2011	2012
Baseline 2009 February Financial Plan - Net Operating Income	\$1,038.443	\$1,129.988	\$1,115.988	\$1,113.169
Baseline Changes				
Revenue				
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	(11.025)	(10.051)	(6.877)	(9.307)
Toll Increase 7/12/09	(116.152)	(170.291)	(170.575)	(171.763)
Additional Actions for Budget Balance: Revenue Impact	-	-	-	-
Eliminate E-Z Pass Forgiveness	(7.521)	-	-	-
Other Operating Revenue	(1.116)	(1.234)	(1.287)	(1.328)
Capital and Other Reimbursement	0.000	0.000	0.000	0.000
Investment Income	(2.014)	(3.351)	(1.773)	(0.351)
Total Revenue Changes	(\$137.829)	(\$184.928)	(\$180.511)	(\$182.750)
Expenses				
Labor:				
Payroll	\$2.164	\$0.030	(\$0.101)	(\$0.104)
Overtime	(2.388)	(1.008)	(1.175)	(1.284)
Health and Welfare	0.597	0.367	0.555	0.732
OPEB Current Payment	0.890	0.649	0.704	0.765
Pensions	(0.635)	(0.198)	(0.203)	(0.209)
Other Fringe Benefits	(0.059)	0.191	0.259	0.128
Reimbursable Overhead	-	-	-	-
Total Labor Expense Changes	\$0.569	\$0.030	\$0.038	\$0.028
Non-Labor:				
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-
Insurance	0.515	1.486	1.621	1.780
Claims	-	-	-	-
Paratransit Service Contracts	-	-	-	-
Maintenance and Other Operating Contracts	7.493	20.014	2.434	5.650
Professional Service Contracts	4.248	0.718	0.347	0.183
Materials & Supplies	1.018	0.684	0.510	0.546
Other Business Expenses	(0.489)	(0.222)	(0.322)	(0.331)
Total Non-Labor Expense Changes	\$12.786	\$22.681	\$4.590	\$7.829
Gap Closing Action Changes:				
Additional Actions for Budget Balance: Expense Impact	(\$14.913)	(\$20.559)	(\$3.778)	(\$7.129)
Total Gap Closing Action Changes	(\$14.913)	(\$20.559)	(\$3.778)	(\$7.129)
Total Expenses before Depreciation and GASB Adjs.	(\$1.558)	\$2.152	\$0.850	\$0.727
Add: Depreciation	(\$19.700)	(\$19.200)	(\$20.200)	(\$21.500)
OPEB Obligation	(5.020)	(7.000)	(7.000)	(7.000)
Environmental Remediation	-	-	-	-
Total Expenses after Depreciation and GASB Adjs.	(\$26.278)	(\$24.048)	(\$26.350)	(\$27.773)
Less: Depreciation	(\$19.700)	(\$19.200)	(\$20.200)	(\$21.500)
OPEB Obligation	(5.020)	(7.000)	(7.000)	(7.000)
Total Expense Changes	(\$1.558)	\$2.152	\$0.850	\$0.727
Cash Adjustment Changes				
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	(\$139.387)	(\$182.775)	(\$179.662)	(\$182.022)
Baseline 2009 July Financial Plan - Net Operating Income	\$899.057	\$947.213	\$936.326	\$931.146

MTA BRIDGES AND TUNNELS
July Financial Plan 2010-2013
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

TOTAL NON-REIMBURSABLE and REIMBURSABLE

	2009	2010	2011	2012
Baseline 2009 February Financial Plan - Net Operating Income	\$1,038.443	\$1,129.988	\$1,115.988	\$1,113.169
Restored AABBs	(3.093)	(3.340)	(3.340)	(3.340)
Passenger Fare and Toll Revenue in the Baseline - 23% Yield	(173.476)	(290.626)	(291.628)	(293.268)
Passenger Fare and Toll Revenue - 10% Increase	57.324	120.335	121.053	121.505
E-ZPass Forgiveness	(7.521)	0.000	0.000	0.000
Non-Reimbursable Major Changes				
Revenue				
Vehicle Toll Revenue	(11.025)	(10.051)	(6.877)	(9.307)
Other Operating Revenue	(1.116)	(1.234)	(1.287)	(1.328)
Investment Income	(2.014)	(3.351)	(1.773)	(.351)
Sub-Total Non-Reimbursable Revenue Changes	(\$14.156)	(\$14.636)	(\$9.937)	(\$10.986)
Expenses				
Payroll	\$1.187	(\$1.506)	(\$1.648)	(\$1.663)
AABBs - Labor Expenses	0.977	1.536	1.547	1.559
Overtime	(2.388)	(1.008)	(1.175)	(1.284)
Health and Welfare	0.597	0.367	0.555	0.732
OPEB Current Payment	0.890	0.649	0.704	0.765
Pensions	(0.635)	(0.198)	(0.203)	(0.209)
Other Fringe Benefits	(0.059)	0.191	0.259	0.128
Total Labor Expense Changes	\$0.569	\$0.030	\$0.038	\$0.028
Major Maintenance	(4.147)	0.000	0.000	0.000
E-ZPass Customer Service Center	1.636	2.105	1.893	0.965
Other Non-Labor Categories	(5.594)	(11.733)	4.038	1.579
AABBs - Non-Labor Expenses	9.071	15.090	(1.779)	1.496
Total Non-Labor Expense Changes	\$0.966	\$5.462	\$4.152	\$4.040
Sub-Total Non-Reimbursable Expense Changes	\$1.535	\$5.492	\$4.190	\$4.067
Total Non-Reimbursable Major Changes	(\$139.387)	(\$182.775)	(\$179.662)	(\$182.022)
Reimbursable Major Changes				
Revenue				
None	0.000	0.000	0.000	0.000
Sub-Total Reimbursable Revenue Changes	\$0.000	\$0.000	\$0.000	\$0.000
Expenses				
None	0.000	0.000	0.000	0.000
Sub-Total Reimbursable Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000
Total Reimbursable Major Changes	\$0.000	\$0.000	\$0.000	\$0.000
Total Accrual Changes	(\$139.387)	(\$182.775)	(\$179.662)	(\$182.022)
Cash Adjustment Changes				
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	(\$139.387)	(\$182.775)	(\$179.662)	(\$182.022)
Baseline 2009 July Financial Plan - Net Operating Income	\$899.056	\$947.213	\$936.326	\$931.146

MTA Bridges and Tunnels July Financial Plan 2010-2013

OTHER ASSUMPTIONS

Ridership/Traffic Volume (Utilization)

Paid traffic volume is projected to reach 287.3 million vehicles in 2009, which is 1.2% above the Adopted Budget level of 283.8 million vehicles. The additional volume is entirely due to the higher toll increases proposed in the Adopted Budget compared to those scheduled for implementation on July 12, 2009. The original plan for increasing tolls was formulated to generate an additional 23% in revenue. Following the actions from Albany, toll rates are now scheduled to rise approximately 10%. Based on historical traffic elasticities, the relatively lower toll increases are expected to have less of a negative effect on consumer travel choices, and therefore fewer canceled trips or diversions to free crossings and public transit are anticipated. These traffic gains alone would have brought volume 1.4% above the February Plan level. However, traffic gains from the plan-to-plan decrease in crossing charges are partially offset from incorporating the most recent economic forecast utilized by the MTA, which includes steeper job losses than previously projected. The weaker economic assumptions necessitate a 0.3% downward revision to the traffic volume forecast.

Given the indicators discussed above, the traffic forecast developed for the July Financial Plan incorporates projected declines in employment in regional areas (New York City, Long Island and Westchester) by 3.7% in 2009 and 0.6% in 2010, and growth of around 1% each year thereafter, based on the most recent economic projections utilized by the MTA.

Paid traffic is forecast at 286.5 million vehicles in 2010, a drop of 0.3% from 2009 primarily due to continued job losses and a full year's impact of the toll increase to be implemented on July 12, 2009. Modest growth in employment from 2011 on is expected to have a positive impact on volumes. Traffic is forecast at 288.7 million vehicles in 2011, 290.2 million in 2012 (a leap year), and 290.5 million in 2013.

MTA BRIDGES AND TUNNELS
July Financial Plan 2010-2013
Ridership/Traffic Volume (Utilization)

	2008 Actual	2009 Mid-Year Forecast	2010 Preliminary Budget	2011	2012	2013
<u>Traffic Volume</u>						
Traffic Volume	295.680	287.347	286.498	288.669	290.205	290.549
2010 Program to Eliminate the Gap	0.000	0.000	0.000	0.000	0.000	0.000
Post 2010 Program to Eliminate the Gap	0.000	0.000	0.000	0.000	0.000	0.000
Total	295.680	287.347	286.498	288.669	290.205	290.549
<u>Toll Revenue</u>						
Baseline	\$1,273.974	\$1,252.705	\$1,253.541	\$1,261.069	\$1,265.773	\$1,265.221
<i>Toll Increase 7/12/09</i>	\$0.000	\$57.324	\$120.335	\$121.053	\$121.505	\$121.452
<i>Eliminate E-Z Pass Forgiveness</i>	\$0.000	\$2.479	\$10.000	\$10.000	\$10.000	\$10.000
<i>Add'l Action to Balance Budget</i>	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Subtotal	\$1,273.974	\$1,312.508	\$1,383.876	\$1,392.122	\$1,397.278	\$1,396.673
2010 Program to Eliminate the Gap	0.000	0.000	0.000	0.000	0.000	0.000
Post 2010 Program to Eliminate the Gap	0.000	0.000	0.000	0.000	0.000	0.000
Total	\$1,273.974	\$1,312.508	\$1,383.876	\$1,392.122	\$1,397.278	\$1,396.673

MTA BRIDGES AND TUNNELS
July Financial Plan 2010-2013
Summary of 2010 Program to Eliminate the Gap (PEGs)
(\$ in millions)

		2009		2010		2011		2012		2013	
		Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars
Administration											
Sub-Total	Administration	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Customer Convenience/Amenities											
Sub-Total	Customer Convenience/Amenities	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Maintenance											
	2010-01 - In-Lane Toll Equipment	3	\$0.063	3	\$0.253	3	\$0.257	3	\$0.262	3	\$0.266
	2010-02 - Roadway Sweeping	0	0.000	0	0.357	0	0.361	0	0.365	0	0.369
Sub-Total	Maintenance	3	\$0.063	3	\$0.610	3	\$0.618	3	\$0.627	3	\$0.635
Other											
Sub-Total	Other	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Revenue Enhancement											
Sub-Total	Revenue Enhancement	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Safety											
Sub-Total	Safety	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Security											
Sub-Total	Security	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Service											
Sub-Total	Service	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Service Support											
Sub-Total	Service Support	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Total Programs		<u>3</u>	<u>\$0.063</u>	<u>3</u>	<u>\$0.610</u>	<u>3</u>	<u>\$0.618</u>	<u>3</u>	<u>\$0.627</u>	<u>3</u>	<u>\$0.635</u>

MTA BRIDGES AND TUNNELS
July Financial Plan 2010-2013
2010 Program to Eliminate the Gap (PEGs) Worksheet
(\$ in millions)

Business Unit	MTA Bridges & Tunnels	PEG Category	Maintenance	Implementation Date	09/01/2009
PEG / New Need ID	2010-01			Savings Date	09/01/2009
Program:	In-Lane Toll Equipment				

Description and Implementation Plan

The Operations Department's staff and toll system maintenance contractor will assume responsibility for toll system maintenance, which will result in a reduction of three positions in the Internal Security Department (ISD). These three employees will backfill existing Maintenance Division vacancies. Operations will assume the additional toll system maintenance responsibilities for flat panels, receipt printers, motorist transaction indicators and canopy lighting.

Background Details

Currently, the responsibility for maintenance of B&T's in lane toll equipment is split between the Internal Security and Operations Departments. Through this initiative, the responsibilities will be consolidated under the Operations Department.

	2009	2010	2011	2012	2013
Total Headcount	3	3	3	3	3
Financial Impact	\$0.063	\$0.253	\$0.257	\$0.262	\$0.266

MTA BRIDGES AND TUNNELS
July Financial Plan 2010-2013
2010 Program to Eliminate the Gap (PEGs) Worksheet
(\$ in millions)

Period	MTA Bridges & Tunnels	PEG Category	Maintenance	Implementation Date	01/01/2010
PEG / New Need ID	2010-02			Savings Date	01/01/2010
Program:	Roadway Sweeping - Northern Facilities				

Description and Implementation Plan

In 2010, a roadway sweeping contract for the northern facilities (Robert F. Kennedy, Throgs Neck, Bronx-Whitestone and Henry Hudson Bridges) will not be renewed and the services will be performed with in-house personnel that will be reassigned to perform additional night roadway maintenance services. No new headcount will be required and there will be a savings in non-labor expenses. The current contract ends on 12/31/2009.

Background Details

In 2008 a similar initiative was successfully undertaken at the southern facilities (Verrazano Narrows, Cross Bay and Marine Parkway Bridges). Implementation of this program will enhance B&T's ability to carry out these maintenance activities during the overnight hours, reducing the traffic impact.

	2009	2010	2011	2012	2013
Total Headcount	0	0	0	0	0
Financial Impact	\$0.000	\$0.357	\$0.361	\$0.365	\$0.369

<p align="center">MTA BRIDGES AND TUNNELS July Financial Plan 2010-2013 Summary of Post-2010 Program to Eliminate the Gap (PEGs) (\$ in millions)</p>
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		2009		2010		2011		2012		2013	
		Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars	Positions	Dollars
Administration											
Sub-Total	Administration	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Customer Convenience/Amenities											
Sub-Total	Customer Convenience/Amenities	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Maintenance											
Sub-Total	Maintenance	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Other											
Unidentified			\$0.000		\$0.000		\$0.000	0	\$3.776	0	\$18.251
Sub-Total	Other	0	\$0.000	0	\$0.000	0	\$0.000	0	\$3.776	0	\$18.251
Revenue Enhancement											
Sub-Total	Revenue Enhancement	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Safety											
Sub-Total	Safety	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Security											
Sub-Total	Security	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Service											
Sub-Total	Service	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Service Support											
Sub-Total	Service Support	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Total Programs		0	\$0.000	0	\$0.000	0	\$0.000	0	\$3.776	0	\$18.251

MTA BRIDGES AND TUNNELS
July Financial Plan 2010-2013
Post-2010 Program to Eliminate the Gap (PEGs) Worksheet
(\$ in millions)

Business Unit	MTA Bridges & Tunnels	PEG Category	Other	Implementation Date	04/01/2009
PEG / New Need ID	Post-2010-01			Savings Date	04/01/2009
Program:	Unidentified				

Description and Implementation Plan

Background Details

	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Total Headcount	0	0	0	0	0
Financial Impact	\$0.000	\$0.000	\$0.000	\$3.776	\$18.251

MTA Bridges and Tunnels July Financial Plan 2010-2013

OTHER ASSUMPTIONS

Position Table

In 2009, the baseline headcount will be 1,819. Headcount will remain at 1,819 in 2010. In 2011, seven Maintainer 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 Robert F. Kennedy Bridge complex, will no longer be able to occupy the Robert Moses Building on Randall's Island. These increases will be offset by a reduction in headcount for the Business Service Center (BSC) by eight positions, reducing the 2011 headcount to 1,818. In 2012, the BSC transfer of 25 positions will bring the headcount down to 1,793.

2010 PEG Actions

The 2010 PEGs consist of the reduction of 3 Maintainer positions within the Internal Security Department, as the responsibilities for maintenance of in-lane toll collection will be consolidated under the Operations Department. The inclusion of the PEG will result in a reduction of three positions across all years, bringing the headcount down to 1,816 from 2009 to 2010, 1,815 in 2011 and 1,790 from 2012 to 2013.

Headcount will remain at 1,790 in 2013.

MTA BRIDGES AND TUNNELS
July Financial Plan 2010-2013
Non-Reimbursable - Reimbursable Positions by Function and Department
Full-Time Positions and Full Time Equivalents

FUNCTION/DEPARTMENT	2008 Actual	2009 Mid-Year Forecast	2010 Preliminary Budget	2011	2012	2013
Administration						
Executive	2	2	2	2	2	2
Law	9	9	9	9	9	9
CFO ⁽¹⁾	34	36	36	28	19	19
Labor Relations	5	5	5	5	5	5
Procurement & Materials	40	41	41	41	41	41
Staff Services ⁽²⁾	44	45	45	45	33	33
EEO	1	1	1	1	1	1
Total Administration	135	139	139	131	110	110
Operations						
Revenue Management	43	43	43	43	43	43
Operations (Non-Security)	727	750	750	750	750	750
Total Operations	770	793	793	793	793	793
Maintenance						
Maintenance	108	111	111	118	118	118
Operations - Maintainers	171	173	173	173	173	173
Procurement & Materials	13	14	14	14	14	14
Technology	56	63	63	63	59	59
Internal Security - Tech Svcs	33	36	36	36	36	36
Total Maintenance	381	397	397	404	400	400
Engineering/Capital						
Engineering & Construction	160	167	167	167	167	167
Health & Safety	10	10	10	10	10	10
Planning & Budget Capital	9	9	9	9	9	9
Total Engineering/Capital	179	186	186	186	186	186
Public Safety						
Operations (Security)	266	252	252	252	252	252
Internal Security - Operations	44	52	52	52	52	52
Total Public Safety	310	304	304	304	304	304
Total Baseline Positions	1,775	1,819	1,819	1,818	1,793	1,793
<i>Non-Reimbursable</i>	1,723	1,774	1,766	1,765	1,740	1,740
<i>Reimbursable</i>	52	45	53	53	53	53
Total Full-Time	1,775	1,819	1,819	1,818	1,793	1,793
Total Full-Time Equivalents	0	0	0	0	0	0
<hr/>						
Impact of:						
2010 Program to Eliminate the Gap	0	(3)	(3)	(3)	(3)	(3)
Post-2010 Program to Eliminate the Gap	0	0	0	0	0	0
Total Positions	1,775	1,816	1,816	1,815	1,790	1,790
<i>Non-Reimbursable</i>	1,723	1,771	1,763	1,762	1,737	1,737
<i>Reimbursable</i>	52	45	53	53	53	53
Total Full-Time	1,775	1,816	1,816	1,815	1,790	1,790
Total Full-Time Equivalents	0	0	0	0	0	0

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

⁽²⁾ includes Human Resources and Administration staff.

MTA BRIDGES AND TUNNELS
July Financial Plan 2010-2013
Full-time Positions and Full-time Equivalents by Function and Occupational Group

FUNCTION/OCCUPATIONAL GROUP	2008 Actual	2009 Mid-Year Forecast	2010 Preliminary Budget	2011	2012	2013
Administration						
Managers/Supervisors	43	47	47	46	41	41
Professional, Technical, Clerical	92	92	92	85	69	69
Operational Hourlies	-	-	-	-	-	-
Total Administration	135	139	139	131	110	110
Operations						
Managers/Supervisors	52	52	52	52	52	52
Professional, Technical, Clerical	54	53	53	53	53	53
Operational Hourlies ⁽¹⁾	664	688	688	688	688	688
Total Operations	770	793	793	793	793	793
Maintenance						
Managers/Supervisors	28	31	31	32	32	32
Professional, Technical, Clerical	56	60	60	60	56	56
Operational Hourlies ⁽²⁾	297	306	306	312	312	312
Total Maintenance	381	397	397	404	400	400
Engineering/Capital						
Managers/Supervisors	39	39	39	39	39	39
Professional, Technical, Clerical	140	147	147	147	147	147
Operational Hourlies	-	-	-	-	-	-
Total Engineering/Capital	179	186	186	186	186	186
Public Safety						
Managers/Supervisors	14	15	15	15	15	15
Professional, Technical, Clerical	29	33	33	33	33	33
Operational Hourlies ⁽³⁾	267	256	256	256	256	256
Total Public Safety	310	304	304	304	304	304
Total Baseline Positions						
Managers/Supervisors	176	184	184	184	179	179
Professional, Technical, Clerical	371	385	385	378	358	358
Operational Hourlies	1,228	1,250	1,250	1,256	1,256	1,256
Total Baseline Positions	1,775	1,819	1,819	1,818	1,793	1,793
Impact of:						
2010 Program to Eliminate the Gap	0	(3)	(3)	(3)	(3)	(3)
Post-2010 Program to Eliminate the Gap	0	0	0	0	0	0
Total Positions						
Managers/Supervisors	176	184	184	184	179	179
Professional, Technical, Clerical	371	385	385	378	358	358
Operational Hourlies	1,228	1,247	1,247	1,253	1,253	1,253
Total Positions	1,775	1,816	1,816	1,815	1,790	1,790

Capital Construction Company

**MTA Capital Construction Company
2010 Preliminary Budget
July Financial Plan 2010-2013**

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

Under new executive leadership's direction, great emphasis is being placed on project cost controls, overall staffing and analyses of consultant resources. Through the creation of new financial performance indicators, in order to monitor activities and to identify trends, this will give us greater control on a regular basis to identify problem areas rapidly and to develop solutions and plans that will allow MTACC greater efficiencies and effectiveness. This is a valuable tool to better ensure that our resources are being applied to attaining our goals while communicating fiscal responsibility company-wide.

Currently all MTACC mega projects are under construction with over \$6.7 billion in commitments. In 2009, MTACC commemorated the opening of the new South Ferry Terminal Station. Among the most significant awards in 2009 were the soft-ground tunneling in Queens for East Side Access and the project's 50th Street vent plants, the Second Avenue Subway structural and utility relocation at the 96th Street station and the remaining underground work at the Fulton Street Transit Center.

Capital Construction made significant progress on excavation work on its three tunneling projects: East Side Access, Second Avenue Subway and the 7 Line Extension.

Two tunnel boring machines (TBMs) completed the full-length of their first runs under Park Avenue for East Side Access, including a tunnel reaching south of Grand Central Terminal where the new LIRR terminal will have tail tracks (tracks based beyond the terminal for train storage and other service flexibility requirements). Construction of the Second Avenue Subway TBM launch box began in 2008 and continues in 2009. Much of the work has involved the temporary or permanent relocation of utilities between 92nd and 95th Streets. The 7 Line Extension project, which will extend service to Manhattan's far west side and the Javits Convention Center, made progress at several work sites. Excavation began for a TBM launch box at 11th Avenue, between 25th and 26th Streets, and for the new station at 34th Street. At Times Square, excavation of tail tracks where the new line will connect with the existing right of way and underpinning of the existing Eighth Ave Subway, under which the new line will pass, are also underway.

With the increased number of contract packages, Capital Construction is carefully managing procurement and construction schedules in order to coordinate the timing of, and interface between, contracts. In addition, MTACC continued the implementation of projects funded from the system-wide security capital program.

- The scope of our contracts is being evaluated with the goal of making them as small as possible and to make sure that the type of work within a contract is comparable. This will result in increased competition for the work. This will also limit the number of subcontractors contained within any single contract and thereby reduce the costs of these contracts
- 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.
- 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 against 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 continues to support the work on the Blue Ribbon Panel Commission on Sustainability and has completed Agency-wide Green Construction Specifications. In addition, MTACC participates on the Climate Adaptation Committee to advance the Commission's recommendations.

MTA Capital Construction has had a number of successes implementing sustainable measures into project designs and construction practices this year. Design teams on all MTACC projects continued to identify the best available technology and equipment to maximize energy efficiency. Construction Management teams on all MTACC projects were successful in diverting more than 85% of construction and demolition debris from disposal in landfills via recycling and salvaging materials. High compliance rates for retrofitting construction equipment with Diesel Particulate filters were achieved for each contract. This summer, MTACC will study the feasibility of using the sewer at Madison Avenue and 43rd Street as a heat sink to cool station platform areas in Grand Central Terminal and potentially for the future East Side Access Terminal. In consultation with NYCDEP, we will determine the size of the potential heat sink by measuring the temperature and the flow-rate of the sewage that flows past the manhole location. MTA Capital Construction is pursuing LEED (Leadership in Energy and Environmental Design) certification of two buildings:

- the Fulton Street Transit Center building that will serve as the focal point for entry in the customer friendly complex that will connect 12 subway lines
- a yard services building, located off of Northern Blvd in Long Island City, adjacent to the planned East Side Access Midday Storage Yard, housing administrative offices, train crew locker rooms, lunch and communications rooms, a yard signal relay room and other support functions

MTACC is undertaking a number of workforce development initiatives. This is particularly important to the company given the labor trends as well as the relatively new nature of the Company.

MTACC's goal for capital commitments in 2009 totals approximately \$2.2 billion. MTACC continues to monitor the pace of hiring to meet the rising work load demand.

Financial Overview

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

It is the goal of MTACC to minimize the number of full-time employees in order to maintain a cost efficient program management structure. MTACC is hiring a core staff to directly manage the design and construction of the 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.

2009 Mid-Year Forecast

MTACC's 2009 Mid-Year Forecast is \$37.808 million reflecting a 4.9% increase from the 2009 Adopted Budget. Labor Costs are projected at \$26.502 million, with a staffing level of 150 by year end, 1.7% lower than the 2009 Adopted Budget.

MTACC Administration will provide funding for 60% of the \$37.808 million Mid-Year Forecast, which is approximately \$23 million. These expenditures are comprised of administrative staff and non-project specific costs. The remainder of the expenses, predominantly labor, will be reimbursed by each of the mega projects.

Staff includes 60 MTACC positions who support the system expansion projects and cannot charge directly to a specific project; 40 for the East Side Access project; 15 for the Second Avenue Subway project; 15 for the Lower Manhattan projects; and 20 for Security projects. MTACC is working with the MTA and employee recruitment agencies to develop strategies to recruit staff with the experience and technical skills required for these complex construction projects. Matrixed employees (employees of other agencies under temporary management by MTACC) and consultants will continue to support MTACC in lieu of hiring full time staff.

Non-Labor costs are projected at \$11.307 million, an increase of 11.0% from 2009 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. Approximately \$5 million of projected non-labor expenditures are uncontrollable and determined by MTAHQ such as independent engineer, independent compliance monitoring, MTA Audit quarterly chargebacks, AAPL insurance and payroll mobility tax. Remaining funds have been budgeted for engineering and legal services, archeological and environmental services, reimbursement of NYCT for administrative support staff and services, and other project office costs including computer equipment and MTACC intranet creation, mobile communications devices and supplies.

2010 Preliminary Budget - Baseline

In 2010, MTACC's main objective will be to continue major construction and design of the MTA's system expansion projects. By 2010 all system expansion projects will have over \$8 billion in commitments underway or completed. MTACC projects 2010 costs of \$37.293 million, an increase of 3.5% over the 2009 Adopted Budget, and a year end headcount of 150.

MTACC Administration will provide funding for 58% of the \$37.293 million, which is approximately \$22 million. The remainder of the staffing expenditures will be

reimbursed by each of the mega projects for those employees directly working on projects.

Labor and fringe expenses are projected at \$27.398 million, a slight decrease of .95% from the 2009 Adopted Budget. Labor costs decrease due revised overhead rates from MTA agencies. Allocation of staff and timing of start dates have been revised from the Adopted Budget, as well. Staff includes 60 MTACC positions who support the system expansion projects and cannot charge directly to a specific project; 40 for the East Side Access project; 15 for the Second Avenue Subway project; 15 for the Lower Manhattan projects; and 20 for Security projects.

Non-Labor costs are projected at \$9.895 million, a 4.5% increase from the 2009 Adopted Budget. This increase is allocated to the continued support of independent engineer, independent compliance monitor, MTA Audit quarterly chargebacks, AAPL insurance and payroll mobility tax. Additional projections include the 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), engineering services, workforce development through employee training and other office costs such as communications and computer equipment.

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

2011 - 2013 Projections

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

MTACC costs for 2011-2013 are projected to increase by 6.2%, 6.9% and 3.1%, respectively, over 2009 Adopted Budget due to an increase in expenditures for independent engineer, legal and temporary support services. Labor expenses slightly decrease in 2011 due to 3 fewer positions to the BSC and rise slightly in 2012 and 2013, due to inflation. Year-end staffing levels of 147 employees, remains constant through 2013.

Non-labor expenses increase by 13.6% in 2011 from the 2009 Adopted Budget and 21.4% in 2012. This increase reflects higher professional services, Security Program field office occupancy, computer equipment replacement (as needed), in addition to maintenance fees, network requirements or upgrades. Archeological expenditures will taper off due to the progress in our mega projects, specifically Lower Manhattan.

MTACC Administration will continue to provide the majority of funding of the overall projections from 2011-2013. Administration's anticipated contribution is expected to be 57% for 2011 and 2012 with a slight decrease to 57% in 2013. Approximate expenditures are \$22 million for 2011 and 2012 and \$21 million in 2013 due primarily to

fewer anticipated legal fees. The remainder of the expenses will be reimbursed by each of the mega projects.

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

[illegible]

CASH RECEIPTS AND EXPENDITURES

	2008	2009	2010			
	Actual	Mid-Year Forecast	Preliminary Budget	2011	2012	2013
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	28.738	37.808	37.293	37.150	38.283	37.896
Total Receipts	\$28.738	\$37.808	\$37.293	\$37.150	\$38.283	\$37.896

Expenditures

Labor:

Payroll	\$11.923	\$16.851	\$17.190	\$17.440	\$17.948	\$18.472
Overtime	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Health and Welfare	\$2.365	\$2.221	\$2.531	\$2.696	\$2.913	\$3.145
OPEB Current Payment	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Pensions	\$2.316	\$2.101	\$2.176	\$2.248	\$2.346	\$2.450
Other Fringe Benefits	\$2.811	\$5.328	\$5.501	\$5.722	\$5.870	\$6.067
Reimbursable Overhead	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Labor Expenditures	\$19.415	\$26.502	\$27.398	\$28.106	\$29.077	\$30.134

Non-Labor:

Traction and Propulsion Power						
Fuel for Buses and Trains						
Insurance	1.081	0.151	0.166	0.183	0.201	0.221
Claims						
Paratransit Service Contracts						
Maintenance and Other Operating Contracts						
Professional Service Contracts	7.580	9.489	8.172	7.256	7.375	5.873
Materials & Supplies	0.019	0.031	0.025	0.031	0.027	0.032
Other Business Expenses	0.644	1.635	1.531	1.574	1.603	1.636
Total Non-Labor Expenditures	\$9.323	\$11.307	\$9.895	\$9.044	\$9.206	\$7.762

Other Expenditure Adjustments:

Other - Restricted Cash Adjustment

Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
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Total Expenditures	\$28.738	\$37.808	\$37.293	\$37.150	\$38.283	\$37.896

Baseline Cash Deficit	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
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CASH FLOW ADJUSTMENTS						
	2008	2009	2010			
	Actual	Mid-Year Forecast	Preliminary Budget	2011	2012	2013
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	0.000	0.000	0.000	0.000	0.000	0.000
Total Receipts	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Expenditures						
Labor:						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.000	0.000	0.000	0.000	0.000	0.000
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	0.000	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$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
Fuel for Buses and Trains	-	-	-	-	-	-
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	-	-	-	-	-	-
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 Expenditures	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Expenditures Adjustments:						
Other	0.000	0.000	0.000	0.000	0.000	0.000
Total Other Expenditures Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Cash Conversion Adjustments before Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Depreciation Adjustment	-	-	-	-	-	-
Total Cash Conversion Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

**MTA Capital Construction Company
July Financial Plan 2010-2013
Year-to-Year Changes by Category 2009-2013
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:

- 2009 payroll costs reflect a projected year-end staffing level of 150. Majority of new hires will occur in the fourth quarter of 2009. 2010 payroll costs increase by 2.0% based on annual full staff levels of 150.
- 2011, 2012 and 2013 year end staffing levels decrease to 147 due to the shifting of 3 permanent positions to the Business Service Center.

Other Fringe Benefits:

- Health and Welfare, Pensions and Other Fringe Benefits costs in 2009 increased from 2008 to coincide with the adjusted year-end staffing levels of 150. In 2010, these costs will increase by 13.9%, 3.5%, 3.3%, respectively, to reflect the escalation of benefits at full staffing levels of 150.
- 2011 through 2013 Benefits expenditures remain constant and are escalated by inflation rates.

Insurance:

- 2009 includes insurance expenses for the All-Agency Protective Liability Program for all MTACC projects.
- Costs are escalated by approximately 10% each year through 2013.

Professional Service Contracts:

- In 2009, costs increase by more than \$.759 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 decline in 2010 through 2013 due to the reduction of projected audit fees, legal expenses and miscellaneous consulting fees.

Materials and Supplies:

- 2009 costs include safety equipment for field employees and general office supplies. 2010 through 2013 costs are based on 2009 projections and are escalated by inflation rates provided by Global Insight.

Other Business Expenses:

- 2009 costs are comprised of wireless communication devices for staff, employee recruitment fees, computer equipment, printers, copiers, occupancy for Security Program field office and establishing an MTACC network Intranet. Additional expenditures include the payroll mobility tax that was recently passed in Albany.
- Costs decrease by 6.8% in 2010 due to a possible relocation of the Security Program field office. Mid-year we were able to renegotiate our monthly rates with the company's telecommunications provider.
- 2011 through 2013 costs are escalated by inflations rates.

MTA CAPITAL CONSTRUCTION
July Financial Plan 2010 - 2013
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

REIMBURSABLE

	Favorable/(Unfavorable)										
	2008 Actual	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011	2013	Change 2013 - 2012
Revenue											
Farebox Revenue	\$0.000	\$0.000	\$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	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	0.000	0.000
Capital and Other Reimbursements	28.738	37.808	9.070	37.293	(0.515)	37.150	(0.143)	38.283	1.133	37.896	(0.387)
Total Revenue	\$28.738	\$37.808	\$9.070	\$37.293	(\$0.515)	\$37.150	(\$0.143)	\$38.283	\$1.133	\$37.896	(\$0.387)
Expenses											
Labor:											
Payroll	\$11.923	\$16.851	(\$4.929)	\$17.190	(\$0.339)	\$17.440	(\$0.250)	\$17.948	(\$0.508)	\$18.472	(\$0.524)
Overtime	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	2.365	2.221	0.144	2.531	(0.310)	2.696	(0.165)	2.913	(0.217)	3.145	(0.232)
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	2.316	2.101	0.215	2.176	(0.074)	2.248	(0.073)	2.346	(0.098)	2.450	(0.104)
Other Fringe Benefits	2.811	5.328	(2.517)	5.501	(0.173)	5.722	(0.221)	5.870	(0.148)	6.067	(0.197)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$19.415	\$26.502	(\$7.086)	\$27.398	(\$0.896)	\$28.106	(\$0.709)	\$29.077	(\$0.971)	\$30.134	(\$1.056)
Non-Labor:											
Traction and Propulsion Power	\$0.000	\$0.000	\$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	0.000	0.000
Insurance	1.081	0.151	0.930	0.166	(0.015)	0.183	(0.017)	0.201	(0.018)	0.221	(0.020)
Claims	0.000	0.000	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	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Professional Service Contracts	7.580	9.489	(1.910)	8.172	1.317	7.256	0.917	7.375	(0.120)	5.873	1.502
Materials & Supplies	0.019	0.031	(0.012)	0.025	0.006	0.031	(0.006)	0.027	0.004	0.032	(0.005)
Other Business Expenses	0.644	1.635	(0.992)	1.531	0.104	1.574	(0.043)	1.603	(0.029)	1.636	(0.033)
Total Non-Labor Expenses	\$9.323	\$11.307	(\$1.983)	\$9.895	\$1.411	\$9.044	\$0.851	\$9.206	(\$0.162)	\$7.762	\$1.444
Other Expenses Adjustments:											
Other	0.000	0.000	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	\$0.000	\$0.000
Total Expenses before Depreciation	\$28.738	\$37.808	(\$9.070)	\$37.293	\$0.515	\$37.150	\$0.143	\$38.283	(\$1.133)	\$37.896	\$0.387
Depreciation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$28.738	\$37.808	(\$9.070)	\$37.293	\$0.515	\$37.150	\$0.143	\$38.283	(\$1.133)	\$37.896	\$0.387
Baseline Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	(\$0.000)	\$0.000	\$0.000
2010 PEGs			0.000		0.000		0.000		0.000		0.000
Post-2010 PEGs			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)	\$0.000	\$0.000

CASH RECEIPTS & EXPENDITURES

CASH RECEIPTS & EXPENDITURES	Favorable/(Unfavorable)										
	2008		Change		Change		Change		Change		Change
	Actual	2009	2009 - 2008	2010	2010 - 2009	2011	2011 - 2010	2012	2012 - 2011	2013	2013 - 2012
Receipts											
Farebox Revenue	\$0.000	\$0.000	\$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	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	0.000	0.000
Capital and Other Reimbursements	28.738	37.808	9.070	37.293	(0.515)	37.150	(0.143)	38.283	1.133	37.896	(0.387)
Total Receipts	\$28.738	\$37.808	\$9.070	\$37.293	(\$0.515)	\$37.150	(\$0.143)	\$38.283	\$1.133	\$37.896	(\$0.387)
Expenditures											
Labor:											
Payroll	\$11.923	\$16.851	(\$4.929)	\$17.190	(\$0.339)	\$17.440	(\$0.250)	\$17.948	(\$0.508)	\$18.472	(\$0.524)
Overtime	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	2.365	2.221	0.144	2.531	(0.310)	2.696	(0.165)	2.913	(0.217)	3.145	(0.232)
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	2.316	2.101	0.215	2.176	(0.074)	2.248	(0.073)	2.346	(0.098)	2.450	(0.104)
Other Fringe Benefits	2.811	5.328	(2.517)	5.501	(0.173)	5.722	(0.221)	5.870	(0.148)	6.067	(0.197)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$19.415	\$26.502	(\$7.086)	\$27.398	(\$0.896)	\$28.106	(\$0.709)	\$29.077	(\$0.971)	\$30.134	(\$1.056)
Non-Labor:											
Traction and Propulsion Power	\$0.000	\$0.000	\$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	0.000	0.000
Insurance	1.081	0.151	0.930	0.166	(0.015)	0.183	(0.017)	0.201	(0.018)	0.221	(0.020)
Claims	0.000	0.000	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	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Professional Service Contracts	7.580	9.489	(1.910)	8.172	1.317	7.256	0.917	7.375	(0.120)	5.873	1.502
Materials & Supplies	0.019	0.031	(0.012)	0.025	0.006	0.031	(0.006)	0.027	0.004	0.032	(0.005)
Other Business Expenses	0.644	1.635	(0.992)	1.531	0.104	1.574	(0.043)	1.603	(0.029)	1.636	(0.033)
Total Non-Labor Expenditures	\$9.323	\$11.307	(\$1.983)	\$9.895	\$1.411	\$9.044	\$0.851	\$9.206	(\$0.162)	\$7.762	\$1.444
Other Expenditure Adjustments:											
Other	0.000	0.000	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	\$0.000	\$0.000
Total Expenditures	\$28.738	\$37.808	(\$9.070)	\$37.293	\$0.515	\$37.150	\$0.143	\$38.283	(\$1.133)	\$37.896	\$0.387
Baseline Net Cash Deficit	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
2010 PEGs			0.000		\$0.000		\$0.000		\$0.000		\$0.000
Post-2010 PEGs			0.000		\$0.000		\$0.000		\$0.000		\$0.000
Net Cash Deficit	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA Capital Construction Company
July Financial Plan 2010-2013
Summary of Changes Between Financial Plans 2010-2012

2009: July Financial Plan vs. February Financial Plan

The July Financial Plan is \$1.754 million (4.9%) higher than the February Plan. This increase in expenditures is due to an increase of non-labor expenditures. The 2009 July Plan is projecting a staffing level of 150 by year end. The 150 staffing level has been MTACC's consistent target since its inception. Although the headcount, by year end of 2009, is expected to remain the same as the February Financial Plan, labor costs have decreased by \$.468 million due to the reallocation and reorganization of staffing and employee start dates. The majority of new hires are anticipated to start in the fourth quarter of 2009 causing one to two months of a full staff. Non-Labor costs are expected to increase by \$1.223 million in professional services, materials and supplies, other business expenses and insurance. Additional expenses are comprised of the Security Program field office occupancy and payroll mobility tax, offset by a decrease in telecommunications due to renegotiation of monthly rates. Fewer equipment purchases are expected in 2009. Professional services expenses have been restructured to account for the timeline of projects and company-wide construction support from specialty contractors, independent engineer, oversight agencies, legal support, environmental and archeological resources and MTA Audit chargebacks, allowing for an increase in overall costs in this category.

2010 - 2012: July Financial Plan vs. February Financial Plan

Projections for 2010 have increased by \$1.260 million, 3.5%, from the February Financial Plan. MTACC costs reflect anticipated progress in major construction of capital projects and full staff levels of 150 beginning in 2010. Revised staffing plan and start dates result in a slight decrease in labor expenses of \$.263 million (1.0%) lower than the February Plan. Overall Non-labor expenditures are \$.423 million higher, 4.5%, for company-wide construction support. Increases within Other Business Expenses are predominantly made up Security Program field office occupancy, payroll mobility tax and computer and communication equipment for full staff offset by decreases in employee expenses. AAPL insurance expenses increase from the February Plan, as well. To continue support of the progression of MTACC mega projects and comply with the oversight measures directed by the MTA and FTA, the Professional Services budget will include the independent engineer and independent compliance monitor expenditures. Temporary expert services (hiring indefinite quantity consultant firms and individuals to support project controls, claims and change orders) for project needs are projected in the July Plan, as well. 2010 headcount is still anticipated at 150 but in 2011, under the direction of MTAHQ, 3 positions will be transferred to the Business Service Center and staffing levels

remain constant at 147 through 2012. Labor and non-labor costs are higher than the February Adopted budget and overall budgeted expenses are expected to increase in 2011 and 2012 by 6.2% and 6.9%, respectively.

MTA CAPITAL CONSTRUCTION
July Financial Plan 2010-2013
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE

	2009	2010	2011	2012
Baseline 2009 February Financial Plan - Total Expenses	(\$36.054)	(\$36.033)	(\$34.993)	(\$35.808)
<i>Baseline Changes</i>				
Expenses				
<i>Labor:</i>				
Payroll	\$.515	\$.532	\$.492	\$.352
Health and Welfare	\$.201	\$.023	(\$.012)	(\$.062)
OPEB Current Payment	\$.000	\$.000	\$.000	\$.000
Pensions	(\$.316)	(\$.335)	(\$.352)	(\$.386)
Other Fringe Benefits	\$.068	\$.043	(\$.104)	(\$.065)
Reimbursable Overhead	\$.000	\$.000	\$.000	\$.000
<i>Total Labor Expense Changes</i>	<i>\$.468</i>	<i>\$.263</i>	<i>\$.024</i>	<i>(\$.162)</i>
<i>Non-Labor:</i>				
Traction and Propulsion Power				
Fuel for Buses and Trains				
Insurance	(\$.055)	(\$.060)	(\$.066)	(\$.073)
Claims	\$.000	\$.000	\$.000	\$.000
Paratransit Service Contracts	\$.000	\$.000	\$.000	\$.000
Professional Service Contracts	(\$.759)	(\$.148)	(\$.601)	(\$.650)
Maintenance and Other Operating Contracts	\$.000	\$.000	\$.000	\$.000
Materials & Supplies	\$.036	\$.043	\$.038	\$.044
Other Business Expenses	(\$.345)	(\$.258)	(\$.452)	(\$.535)
<i>Total Non-Labor Expense Changes</i>	<i>(\$ 1.123)</i>	<i>(\$.423)</i>	<i>(\$ 1.082)</i>	<i>(\$ 1.214)</i>
<i>Total Expense Changes</i>	<i>(\$.654)</i>	<i>(\$.160)</i>	<i>(\$ 1.058)</i>	<i>(\$ 1.376)</i>
<i>Other Expense Adjustments/Gap Closing Actions</i>				
Other - Restricted Cash Adjustment				
<i>Total Other Expenditure AdjustmentsChanges</i>	<i>(\$ 1.100)</i>	<i>(\$ 1.100)</i>	<i>(\$ 1.100)</i>	<i>(\$ 1.100)</i>
<i>Total Baseline Changes</i>	<i>(\$ 1.754)</i>	<i>(\$ 1.260)</i>	<i>(\$ 2.158)</i>	<i>(\$ 2.476)</i>
Baseline 2009 July Financial Plan - Total Expenses	(\$37.808)	(\$37.293)	(\$37.151)	(\$38.284)

MTA CAPITAL CONSTRUCTION
July Financial Plan 2010-2013
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2009	2010	2011	2012
Baseline 2009 February Financial Plan - Total Expenses	(\$36.054)	(\$36.033)	(\$34.993)	(\$35.808)
<i>Non-Reimbursable Major Changes</i>				
Revenue				
Sub-Total Non-Reimbursable Revenue Changes	\$0.000	\$0.000	\$0.000	\$0.000
Expenses				
Sub-Total Non-Reimbursable Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000
<i>Total Non-Reimbursable Major Changes</i>	<i>\$0.000</i>	<i>\$0.000</i>	<i>\$0.000</i>	<i>\$0.000</i>
<i>Reimbursable Major Changes</i>				
Revenue	\$1.754	\$1.260	\$2.158	\$2.476
Sub-Total Reimbursable Revenue Changes	\$1.754	\$1.260	\$2.158	\$2.476
Expenses	(\$.654)	(\$.160)	(\$1.058)	(\$1.376)
<i>Other Expense Adjustments/Gap Closing Actions</i>				
Other - Restricted Cash Adjustment				
<i>Total Other Expenditure AdjustmentsChanges</i>	<i>(\$1.100)</i>	<i>(\$1.100)</i>	<i>(\$1.100)</i>	<i>(\$1.100)</i>
Total Baseline Changes	(\$1.754)	(\$1.260)	(\$2.158)	(\$2.476)
Baseline 2009 July Financial Plan - Total Expenses	(\$37.808)	(\$37.293)	(\$37.151)	(\$38.284)

**MTA Capital Construction Company
2010 Preliminary Budget
July Financial Plan 2010-2013**

Summary of Assumptions Regarding Staffing Positions

All MTACC costs are reimbursable from the MTA Capital Program. The July Financial Plan projects 2009 year end staffing of 150. Staffing levels reach 150 in the fourth quarter 2009 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.

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 constant at 150 employees. The breakdown is as follows: 35 MTACC administrative positions and 115 project positions implementing East Side Access, Second Avenue Subway, Lower Manhattan, No. 7 Line and the system-wide security program. Starting in 2011 and in the subsequent years, Year-End Staffing levels will be reduced to 147 due to the allocation of personnel to the newly formed Business Service Center.

*Employees of other agencies under temporary management by MTACC

MTA CAPITAL CONSTRUCTION
July Financial Plan 2010-2013
Non-Reimbursable - Reimbursable Positions at End-of-Year
Full-Time Positions and Full Time Equivalents

FUNCTION/DEPARTMENT	2008 Actual	2009 Mid-Year Forecast	2010 Preliminary Budget	2011	2012	2013
Administration						
MTACC	32	35	35	35	35	35
Engineering/Capital						
MTACC	27	25	25	25	25	25
East Side Access	28	40	40	38	38	38
Security	14	20	20	20	20	20
Second Avenue Subway	14	15	15	14	14	14
Lower Manhattan Project	14	15	15	15	15	15
Total Engineering/Capital	97	115	115	112	112	112
Total Baseline Positions	129	150	150	147	147	147
<i>Non-Reimbursable</i>	-	-	-	-	-	-
<i>Reimbursable</i>	129	150	150	147	147	147
<i>Total Full-Time</i>	129	150	150	147	147	147
<i>Total Full-Time Equivalents</i>	-	-	-	-	-	-

MTA CAPITAL CONSTRUCTION
July Financial Plan 2010-2013
Total Full-time Positions and Full-time Equivalents by Function and Occupational Group

FUNCTION/OCCUPATIONAL GROUP		2008 Actual	2009 Mid-Year Forecast	2010 Preliminary Budget	2011	2012	2013
Administration							
	Managers/Supervisors	-	-	-	-	-	-
	Professional, Technical, Clerical	32	35	35	35	35	35
	Operational Hourlies	-	-	-	-	-	-
	Total Administration	32	35	35	35	35	35
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	97	115	115	112	112	112
	Operational Hourlies	-	-	-	-	-	-
	Total Engineering/Capital	97	115	115	112	112	112
Public Safety							
	Managers/Supervisors	-	-	-	-	-	-
	Professional, Technical, Clerical	-	-	-	-	-	-
	Operational Hourlies ⁽¹⁾	-	-	-	-	-	-
	Total Public Safety	-	-	-	-	-	-
Total Baseline Positions							
	Managers/Supervisors	-	-	-	-	-	-
	Professional, Technical, Clerical	129	150	150	147	147	147
	Operational Hourlies	-	-	-	-	-	-
	Total Baseline Positions	129	150	150	147	147	147

Long Island Bus

MTA Long Island Bus 2010 Preliminary Budget July Financial Plan 2010 - 2013

Mission Statement and Highlights of Operations

MTA Long Island Bus (LI Bus) is committed to providing safe, reliable, convenient and efficient bus service throughout Nassau, western Suffolk and eastern Queens Counties.

LI Bus operates the largest 100% Clean Fuel, Compressed Natural Gas (CNG) fixed route fleet in the eastern USA. This benefits the environment, passengers and the 96 communities that it serves. The fleet size of 334 buses also provides 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.

LI Bus also operates the Able-Ride Paratransit service with a fleet comprised of 89 fully equipped buses that offer curb-to-curb transportation for eligible customers with disabilities, 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 has been met.

LI Bus is managed by the MTA through a lease and operating agreement with Nassau County. Title to fixed assets, revenue and non revenue fleets are assigned to the County. Annual operating deficits are covered by a combination of subsidies from New York State (NYS), Nassau County and MTA Headquarters. Capital programs that include revenue bus replacement, facility and equipment improvement and/or replacements are funded through annual Federal formula funding and where available, earmarks and Special Designated Funding (SDF).

In 2008, a consolidation of operational responsibilities for MTA Bus, New York City Transit's Department of Buses (NYCT-DOB) and Long Island Bus (LI Bus) was initiated to streamline management and support functions, thereby providing all bus customers served by each agency of the MTA, with the same level of service using seven strategic goals as the template for policy standardization. Objectives include Customer Service, Financial Stability, Institutional Transformation, Projects & Planning, Safety & Security, Sustainability, and Workforce Development. Achievements to date include:

- Establishing a single management structure which will serve as policy-makers for all three companies and ensure coordination in all aspects of management and operations.
- Standardizing maintenance procedures and service manuals.
- Assimilating information systems and standards.
- Increased coordination between the Command Centers and Road Control of LI Bus, MTA Bus and NYCT-DOB.
- Ensuring effective and consistent training regiments across all three companies.
- Consolidating procurements to ensure best terms are achieved.

FINANCIAL OVERVIEW

The 2009 Mid Year, 2010 Preliminary Budget and projections for the years 2011-2013 provide sufficient funding levels to continue current service levels as well as providing a safe and secure environment for our customers.

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 five years, and with the prolonged economic uncertainty, subsidy levels from the MTA and New York State (NYS) could be impacted. It is the expectation that adequate steps will be taken to correct these uncertainties as LI Bus folds into the Regional Bus structure.

Recent changes to the economic and employment outlook in New York region have negatively impacted revenue and ridership projections. While bolstered by the 10% fare increase instituted this year, a larger fare yield of 23% was rescinded, severe service level reductions were restored, resulting in increased budget deficit projections. Further, advertising revenue guidance indicates a reduction of 31% with lowered projections for the remainder of the plan.

Utilization has been negatively impacted by the weak regional economy and inclement spring weather. As of May 2009, fixed route ridership is down 3.8% while farebox revenue is down 2.7%. This decreasing ridership trend is expected to continue and will result in a negative 1.1% variance to the adopted budget. A further 0.1% decrease is forecasted for 2010 with small increases expected for the remaining years of the plan.

Using 2003 as a base year, paratransit ridership has increased by 22.1%. This service continues an upward trend with May year-to-date ridership increasing by 7.6% and revenue by 9.3% over the adopted budget. Full year 2009 ridership is also projected to be 2.9% above the adopted budget. Small 0.1% increases are projected for each of the plan years.

All labor contracts are scheduled for renegotiation at different expiration dates during 2009.

Capital projects, revenue and non revenue vehicle replacements, remain dependent on grant funding. LI Bus is not part of the MTA Capital program and as such, has to seek and manage annual formula funds to construct and rehabilitate facilities as well as fund the purchase and/or replacement of equipment and rolling stock. Any reduced availability of these funding sources will have a direct impact on programs proposed in the Transportation Improvement Program (TIP).

These financial plans also include savings related to the accepted AABB economies including administrative reductions, improved fuel pricing projections, and maintenance economies related to Regional Bus zero base allocation models.

Finally, investments in new needs include the installation of a Spear Maintenance system and additional headcount to enhance road control functions. In addition, the recently enacted mobility tax was included in cost projections.

2009 Mid-Year Forecast

The total revenue in the July plan is projected at \$51.7 million of which \$42.4 is expected from farebox receipts. This reflects lower base ridership projections and changes in the fare increase plans from a 23% yield down to a 10% fare increase. Other operating revenue is projected at \$2.4 million and was negatively impacted by revised advertising and grant funding revisions. Also included is the elimination of \$4.5 million for the LI Bus deficit reduction. In total, revenue decreased by \$10.2 million compared to the Adopted Budget.

LI Bus' Mid-Year forecast reflects total non-reimbursable expenses of \$127.3 million before depreciation and OPEB obligations. The total cash baseline increased by \$15.7 million from the Adopted Budget which was primarily driven by:

- \$3.6 million in cash adjustments reflecting the timing of 2008 expenses.
- \$10.2 million in reduced revenue as mentioned above.
- \$5.6 million in restorations and/or the inclusion of accepted AABB reductions in the appropriate labor and non-labor categories.
- \$3.7 million in labor and non-labor savings as detailed below.

Labor expenses decreased by \$0.3 million as compared to the Adopted Budget. This includes savings associated with:

- \$0.8 million in AABB administrative reductions.
- \$0.2 million in reductions of maintenance hourly positions resulting from regional bus zero based allocation models.

This also includes partially offsetting investments of:

- \$0.4 million for improved road control oversight;
- \$0.1 million for Spear maintenance system management;
- \$0.2 million for the New Mobility tax

Non-labor decreased by \$3.4 million as compared to the Adopted Budget. This included savings associated with:

- \$4.5 million in projected fuel cost savings driven by lower pricing. This includes the previously accepted AABB reductions.
- \$0.5 million in contract savings as previously accepted in the AABB.

These are partially offset by:

- \$1.0 million for the implementation of a Spear maintenance system

- \$0.3 million in rescheduled insurance payments.
- \$0.3 million in other investments including RSG claims management system, system support contracts, emergency sewer repairs and tire and tubes contract increases.

2010 – Preliminary Budget – Baseline

The total revenue in the July plan is projected at \$53.3 million of which \$43.8 is expected from farebox receipts. This reflects lower base ridership projections and changes in the fare increase plans from a 23% yield down to a 10% fare increase. Other operating revenue is projected at \$2.3 million and was negatively impacted by revised advertising and grant funding revisions. Also included is the elimination of \$2.8 million for the LI Bus deficit reduction. In total, revenue decreased by \$10.9 million compared to the Adopted Budget.

LI Bus' total non-reimbursable expenses are \$133.0 million before depreciation and OPEB obligations. The total cash baseline increased by \$12.8 million from the Adopted Budget which was primarily driven by:

- \$10.8 million in reduced revenue as mentioned above.
- \$6.2 million in restorations and/or the inclusion of accepted AABB reductions in the appropriate labor and non-labor categories.
- \$4.2 million in labor and non-labor savings as detailed below.

Labor expenses remained flat as compared to the Adopted Budget. This includes savings associated with:

- \$0.8 million in AABB administrative reductions.
- \$1.2 million in reductions of maintenance hourly positions resulting from regional bus zero based allocation models.

This also includes offsetting investments of:

- \$1.3 million for improved road control oversight;
- \$0.2 million for Spear maintenance system management;
- \$0.3 million for the New Mobility tax
- \$0.2 million in Health and Welfare Costs, the result of revised guidance.

Non-labor decreased by \$4.2 million as compared to the Adopted Budget. This included savings associated with:

- \$4.6 million in projected fuel cost savings driven by lower pricing. This includes the previously accepted AABB reductions.
- \$0.5 million in contract savings as previously accepted in the AABB.

These are partially offset by:

- \$0.2 million due to revised CPI guidelines
- \$0.3 million in rescheduled insurance payments.
- \$0.3 million in other investments including the RSG claims management system, system support contracts and tire and tubes contract increases.

2011 – 2013 Projections

Total revenue and expenses before depreciation and OPEB obligation are as follows:

- Expenses:
 - 2011 – \$144 million
 - 2012 - \$148 million
 - 2013 - \$153 million
- Revenue:
 - 2011 – \$53.6 million of which farebox is \$44.2 million
 - 2012 - \$54.2 million of which farebox is \$44.6 million
 - 2013 - \$54.8 million of which farebox is \$45.0 million

Farebox revenue projections are based on the July Plan model that uses current economic data (employment) to forecast ridership levels that translates into revenue. Small increases in ridership and revenue is projected in each of the plan years.

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.

MTA LONG ISLAND BUS
July Financial Plan 2010-2013
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE						
	2008	2009	2010			
	<u>Actual</u>	<u>Mid-Year Forecast</u>	<u>Preliminary Budget</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Operating Revenue						
Farebox Revenue	\$ 42.381	\$ 42.363	\$ 43.765	\$ 44.185	\$ 44.614	\$ 44.984
Toll Revenue						
Other Operating Revenue	2.710	2.372	2.342	2.003	2.032	2.091
Capital and Other Reimbursements						
Total Revenue	\$45.091	\$44.735	\$46.107	\$46.188	\$46.646	\$47.075
Operating Expenses						
<u>Labor:</u>						
Payroll	63.190	65.905	67.451	68.051	69.567	71.009
Overtime	6.143	5.726	5.838	5.968	6.100	6.219
Health and Welfare	12.227	13.036	14.029	15.092	16.232	17.460
OPEB Current Payment		-				
Pensions	5.076	5.284	5.403	5.451	5.572	5.682
Other Fringe Benefits	12.239	7.420	7.584	7.515	7.696	7.849
Reimbursable Overhead						
Total Labor Expenses	\$98.875	\$97.371	\$100.305	\$102.077	\$105.167	\$108.219
<u>Non-Labor:</u>						
Traction and Propulsion Power						
Fuel for Buses and Trains	13.515	8.532	11.141	12.205	12.608	13.341
Insurance	0.372	0.641	0.684	0.741	0.812	0.873
Claims	4.821	3.537	3.619	3.733	3.816	3.900
Paratransit Service Contracts						
Maintenance and Other Operating Contracts	8.620	10.778	10.480	10.871	11.163	11.501
Professional Service Contracts	1.810	2.040	2.088	2.153	2.201	2.249
Materials & Supplies	5.289	4.015	4.151	4.412	4.600	4.800
Other Business Expenses	0.111	0.394	0.403	0.416	0.425	0.434
Total Non-Labor Expenses	\$34.538	\$29.937	\$32.566	\$34.531	\$35.625	\$37.098
<u>Other Expenses Adjustments:</u>						
Other	(3.469)					
Total Other Expense Adjustments	(\$3.469)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adjs.	\$129.944	\$127.308	\$132.871	\$136.608	\$140.792	\$145.317
Depreciation						
OPEB Obligation	10.600	10.653	10.706	10.760	10.814	10.868
Environmental Remediation						
Total Expenses	\$140.544	\$137.961	\$143.578	\$147.368	\$151.605	\$156.185
Baseline Surplus/(Deficit)	(\$95.453)	(\$93.226)	(\$97.471)	(\$101.180)	(\$104.959)	(\$109.110)
2010 PEGs						
Post-2010 PEGs				1.481	2.962	4.442
Total PEGs	-	-	-	1.481	2.962	4.442
Net Surplus/(Deficit)	(\$95.453)	(\$93.226)	(\$97.471)	(\$99.699)	(\$101.997)	(\$104.668)

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MTA LONG ISLAND BUS
July Financial Plan 2010-2013
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE							
	2008	2009	2010				
	<u>Actual</u>	<u>Mid-Year Forecast</u>	<u>Preliminary Budget</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	
Revenue							
Farebox Revenue	\$ 42.381	\$ 42.363	\$ 43.765	\$ 44.185	\$ 44.614	\$ 44.984	
Toll Revenue	-	-	-	-	-	-	
Other Operating Revenue	2.710	2.372	2.342	2.003	2.032	2.091	
Capital and Other Reimbursements	5.890	7.042	7.204	7.369	7.550	7.751	
Total Revenue	\$50.981	\$51.777	\$53.311	\$53.557	\$54.196	\$54.826	
Expenses							
<u>Labor:</u>							
Payroll	\$ 64.005	\$ 66.895	\$ 68.459	\$ 69.081	\$ 70.621	\$ 72.094	
Overtime	6.143	5.726	5.838	5.968	6.100	6.219	
Health and Welfare	12.490	13.378	14.404	15.494	16.663	17.922	
OPEB Current Payment	1.257	1.439	1.544	1.656	1.777	1.907	
Pensions	5.207	5.363	5.484	5.533	5.656	5.769	
Other Fringe Benefits	12.363	7.612	7.780	7.714	7.900	8.059	
Pattern Labor Provision	-	-	-	-	-	-	
Reimbursable Overhead	-	-	-	-	-	-	
Total Labor Expenses	\$101.465	\$100.413	\$103.509	\$105.446	\$108.717	\$111.970	
<u>Non-Labor:</u>							
Traction and Propulsion Power	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Fuel for Buses and Trains	13.515	8.532	11.141	12.205	12.608	13.341	
Insurance	0.372	0.641	0.684	0.741	0.812	0.873	
Claims	4.821	3.537	3.619	3.733	3.816	3.900	
Paratransit Service Contracts	-	-	-	-	-	-	
Maintenance and Other Operating Contracts	8.620	10.778	10.480	10.871	11.163	11.501	
Professional Service Contracts	1.810	2.040	2.088	2.153	2.201	2.249	
Materials & Supplies	8.589	8.015	8.151	8.412	8.600	8.800	
Other Business Expenses	0.111	0.394	0.403	0.416	0.425	0.434	
Total Non-Labor Expenses	\$37.838	\$33.937	\$36.566	\$38.531	\$39.625	\$41.098	
<u>Other Expenses Adjustments:</u>							
Other	\$ (3.469)	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Other Expense Adjustments	(\$3.469)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	
Total Expenses before Depreciation and GASB Adjs.	\$135.834	\$134.350	\$140.075	\$143.977	\$148.342	\$153.068	
Depreciation	-	-	-	-	-	-	
OPEB Obligation	10.600	10.653	10.706	10.760	10.814	10.868	
Environmental Remediation	-	-	-	-	-	-	
Total Expenses	\$146.434	\$145.003	\$150.782	\$154.737	\$159.155	\$163.936	
Baseline Surplus/(Deficit)	(\$95.453)	(\$93.226)	(\$97.471)	(\$101.180)	(\$104.959)	(\$109.110)	
2010 PEGs	-	-	-	-	-	-	
Post-2010 PEGs	-	-	-	1.481	2.962	4.442	
Total PEGs	-	-	-	1.481	2.962	4.442	
Net Surplus/(Deficit)	(\$95.453)	(\$93.226)	(\$97.471)	(\$99.699)	(\$101.997)	(\$104.668)	

MTA LONG ISLAND BUS
July Financial Plan 2010-2013
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2008	2009	2010			
	<u>Actual</u>	<u>Mid-Year Forecast</u>	<u>Preliminary Budget</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Receipts						
Farebox Revenue	\$ 42.536	\$ 42.963	\$ 43.655	\$ 44.074	\$ 44.502	\$ 44.872
Vehicle Toll Revenue						
Other Operating Revenue	3.987	2.322	2.292	1.953	1.982	2.041
Capital and Other Reimbursements	5.804	6.709	6.833	6.957	7.095	7.247
Total Receipts	\$52.327	\$51.994	\$52.780	\$52.984	\$53.579	\$54.160
Expenditures						
<u>Labor:</u>						
Payroll	\$ 66.314	\$ 66.505	\$ 68.119	\$ 68.735	\$ 70.269	\$ 71.735
Overtime	6.318	5.695	5.802	5.930	6.060	6.177
Health and Welfare	12.634	13.322	14.343	15.428	16.591	17.843
OPEB Current Payment	1.257	1.439	1.544	1.656	1.777	1.907
Pensions	4.763	5.192	5.307	5.350	5.466	5.573
Other Fringe Benefits	7.583	8.263	7.738	7.670	7.854	8.011
GASB Account	0.308	0.318	0.327	0.338	0.345	0.352
Reimbursable Overhead						
Total Labor Expenditures	\$99.177	\$100.734	\$103.180	\$105.107	\$108.362	\$111.598
<u>Non-Labor:</u>						
Traction and Propulsion Power						
Fuel for Buses and Trains	\$ 14.760	\$ 8.254	\$ 10.847	\$ 11.904	\$ 12.302	\$ 13.029
Insurance	0.246	0.616	0.671	0.717	0.830	0.844
Claims	3.528	6.871	3.565	3.673	3.755	3.838
Paratransit Service Contracts		-	-	-	-	-
Maintenance and Other Operating Contracts	8.901	11.835	10.300	10.687	10.975	11.309
Professional Service Contracts	1.890	2.271	2.002	2.059	2.105	2.151
Materials & Supplies	8.637	7.910	8.044	8.303	8.489	8.687
Other Business Expenses	0.739	0.369	0.378	0.388	0.396	0.404
Total Non-Labor Expenditures	\$38.701	\$38.126	\$35.808	\$37.731	\$38.851	\$40.262
<u>Other Expenditure Adjustments:</u>						
Other	\$ (3.469)					
Total Other Expenditure Adjustments	(\$3.469)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$134.409	\$138.860	\$138.988	\$142.838	\$147.213	\$151.860
Baseline Cash Deficit	(\$82.082)	(\$86.866)	(\$86.208)	(\$89.854)	(\$93.634)	(\$97.700)
2010 PEGs						
Post-2010 PEGs				1.481	2.962	4.442
Total PEGs	-	-	-	1.481	2.962	4.442
Net Cash Deficit	(\$82.082)	(\$86.866)	(\$86.208)	(\$88.373)	(\$90.672)	(\$93.258)

MTA LONG ISLAND BUS
July Financial Plan 2010-2013
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2008	2009	2010			
	Actual	Mid-Year Forecast	Preliminary Budget	2011	2012	2013
Receipts						
Farebox Revenue	\$ 0.155	\$ 0.600	\$ (0.110)	\$ (0.111)	\$ (0.112)	\$ (0.112)
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	1.277	(0.050)	(0.050)	(0.050)	(0.050)	(0.050)
Capital and Other Reimbursements	(0.086)	(0.333)	(0.371)	(0.412)	(0.455)	(0.504)
Total Receipts	\$1.346	\$0.217	(\$0.531)	(\$0.573)	(\$0.617)	(\$0.666)
Expenditures						
<u>Labor:</u>						
Payroll	(2.309)	0.390	0.340	0.346	0.352	0.359
Overtime	(0.175)	0.031	0.036	0.038	0.040	0.042
Health and Welfare	(0.144)	0.056	0.061	0.066	0.072	0.079
OPEB Current Payment	-	-	-	-	-	-
Pensions	0.444	0.171	0.177	0.183	0.190	0.196
Other Fringe Benefits	4.780	(0.651)	0.042	0.044	0.046	0.048
GASB Account	-	-	-	-	-	-
Reimbursable Overhead	(0.308)	(0.318)	(0.327)	(0.338)	(0.345)	(0.352)
Total Labor Expenditures	\$2.288	(\$0.321)	\$0.329	\$0.339	\$0.355	\$0.372
<u>Non-Labor:</u>						
Traction and Propulsion Power	-	-	-	-	-	-
Fuel for Buses and Trains	(1.245)	0.278	0.294	0.301	0.306	0.312
Insurance	0.126	0.025	0.013	0.024	(0.018)	0.029
Claims	1.293	(3.334)	0.054	0.060	0.061	0.062
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	(0.281)	(1.057)	0.180	0.184	0.188	0.192
Professional Service Contracts	(0.080)	(0.231)	0.086	0.094	0.096	0.098
Materials & Supplies	(0.048)	0.105	0.107	0.109	0.111	0.113
Other Business Expenditures	(0.628)	0.025	0.025	0.028	0.029	0.030
Total Non-Labor Expenditures	(\$0.863)	(\$4.189)	\$0.759	\$0.800	\$0.773	\$0.836
<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.	\$2.771	(\$4.293)	\$0.557	\$0.566	\$0.511	\$0.542
Depreciation Adjustment	-	-	-	-	-	-
OPEB Obligation	10.600	10.653	10.706	10.760	10.814	10.868
Environmental Remediation	-	-	-	-	-	-
Baseline Total Cash Conversion Adjustments	\$13.371	\$6.360	\$11.263	\$11.326	\$11.325	\$11.410
2010 PEGs	-	-	-	-	-	-
Post-2010 PEGs	-	-	-	-	-	-
Total PEGs	-	-	-	-	-	-
Total Cash Conversion Adjustments	\$13.371	\$6.360	\$11.263	\$11.326	\$11.325	\$11.410

**MTA Long Island Bus
2010 Preliminary Budget
July Financial Plan 2010 - 2013
Year-to-Year Summary of Changes**

TOTAL REVENUE / RECEIPTS

Farebox Revenue

- Annual changes in bus farebox revenue are based on forecasted growth in Nassau County's non-farm employment forecast as well as the net yield from the 10% fare increase.

Other Operating Revenue

- Annual changes include revised advertising rates and grant funding.

Capital and Other Reimbursements

- Annual reimbursement levels are based on capital personnel and preventive maintenance expenses.

TOTAL EXPENSES / EXPENDITURES

Payroll

- Payroll costs were affected by new investments in road control and spear maintenance system personnel, as well as the continuation of the February Plan guideline rates. Removal of the Business Service Center headcount affected the 2011 annual rate change.

Overtime

- 2010 – 2013 payroll wage rate increase assumptions apply.

Health & Welfare

- 2009 - 2010 assumptions are based on rate guidance from MTA.

Pension

- Projections are based on guidelines contained in the Adopted budget.

Other Fringe Benefits

- Projections are consistent with payroll rate increase assumptions.

Fuel for Buses and Trains

- Diesel fuel projections, including delivery charges and bio-diesel for 2009 and beyond, were based on guidance received from the MTA. The 2009 forecasted average price per gallon for bus fuel is \$1.84, a decrease of \$1.85 or 50.3% below the 2009 adopted budget rate. Projected average price per gallons are as follows:
 - 2010 = \$2.24 representing a 22.0% increase compared to 2009.
 - 2011 = \$2.44 representing a 9.0% increase compared to 2010.

- 2012 = \$2.59 representing a 6.0% increase compared to 2011.
- 2013 = \$2.93 representing a 13.0% increase compared to 2012.
- CNG fuel projections for 2009 and beyond were based on guidance received from the MTA. The 2009 forecasted average price per therm of bus fuel is \$1.00, a decrease of \$0.84 or 45.7% below the 2009 adopted budget rate:
 - 2010 = \$1.35 representing a 35.0% increase compared to 2009.
 - 2011 = \$1.48 representing a 10.0% increase compared to 2010.
 - 2012 = \$1.53 representing a 3.0% increase compared to 2011.
 - 2013 = \$1.61 representing a 5.0% increase compared to 2012.

Insurance

- Annual changes were based on payment and policy renewal scheduled provided by the MTA.
- 2009 includes a cash adjustment of (\$0.3) million for 2008 timing.

Claims

- Projections are consistent with the current third-party actuarial valuation.
- 2009 includes a cash adjustment of (\$1.4) million for 2008 timing.

Maintenance and Other Operating Contracts

- 2010 – 2013 inflation assumptions are based upon Global Insight's estimates as follows:
 - 2010: 2.33%.
 - 2011: 3.15%.
 - 2012: 2.20%.
 - 2013: 2.21%.
- 2009 includes a cash adjustment of (\$1.2) million based on 2008 timing plus programmatic investments.

Professional Service Contracts

- 2010 – 2013 inflation assumptions are based upon Global Insight's estimates previously shown in Maintenance and Other Operating Contracts.
- 2009 includes a cash adjustment of (\$0.3) million based on 2008 timing.

Materials and Supplies

- 2010 – 2013 inflation assumptions are based upon Global Insight's estimates previously shown in Maintenance and Other Operating Contracts.

Other Business Expenses

- 2010 – 2013 inflation assumptions are based upon Global Insight's estimates previously shown in Maintenance and Other Operating Contracts.
- 2009 includes a cash adjustment of (\$0.3) million based on 2008 timing.

MTA LONG ISLAND BUS
July Financial Plan 2010 - 2013
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE

	Favorable/(Unfavorable)										
	2008 Actual	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011	2013	Change 2013 - 2012
Revenue											
Farebox Revenue	\$42.381	\$42.363	(\$0.018)	\$43.765	\$1.402	\$44.185	\$0.420	\$44.614	\$0.429	\$44.984	\$0.370
Vehicle Toll Revenue			0.000		0.000		0.000		0.000		0.000
Other Operating Revenue	2.710	2.372	(0.338)	2.342	(0.030)	2.003	(0.339)	2.032	0.029	2.091	0.059
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenue	\$45.091	\$44.735	(\$0.356)	\$46.107	\$1.372	\$46.188	\$0.081	\$46.646	\$0.458	\$47.075	\$0.429
Expenses											
Labor:											
Payroll	\$63.190	\$65.905	(\$2.715)	\$67.451	(\$1.546)	\$68.051	(\$0.600)	\$69.567	(\$1.516)	\$71.009	(\$1.442)
Overtime	6.143	5.726	0.417	5.838	(0.112)	5.968	(0.130)	6.100	(0.132)	6.219	(0.119)
Health and Welfare	12.227	13.036	(0.809)	14.029	(0.993)	15.092	(1.063)	16.232	(1.140)	17.460	(1.228)
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	5.076	5.284	(0.208)	5.403	(0.119)	5.451	(0.048)	5.572	(0.121)	5.682	(0.110)
Other Fringe Benefits	12.239	7.420	4.819	7.584	(0.164)	7.515	0.069	7.696	(0.181)	7.849	(0.153)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$98.875	\$97.371	\$1.504	\$100.305	(\$2.934)	\$102.077	(\$1.772)	\$105.167	(\$3.090)	\$108.219	(\$3.052)
Non-Labor:											
Traction and Propulsion Power											
Fuel for Buses and Trains	\$13.515	\$8.532	\$4.983	\$11.141	(\$2.609)	\$12.205	(\$1.064)	\$12.608	(\$0.403)	\$13.341	(\$0.733)
Insurance	0.372	0.641	(0.269)	0.684	(0.043)	0.741	(0.057)	0.812	(0.071)	0.873	(0.061)
Claims	4.821	3.537	1.284	3.619	(0.082)	3.733	(0.114)	3.816	(0.082)	3.900	(0.084)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	8.620	10.778	(2.158)	10.480	0.298	10.871	(0.391)	11.163	(0.292)	11.501	(0.338)
Professional Service Contracts	1.810	2.040	(0.230)	2.088	(0.048)	2.153	(0.065)	2.201	(0.048)	2.249	(0.048)
Materials & Supplies	5.289	4.015	1.274	4.151	(0.136)	4.412	(0.261)	4.600	(0.188)	4.800	(0.200)
Other Business Expenses	0.111	0.394	(0.283)	0.403	(0.009)	0.416	(0.013)	0.425	(0.009)	0.434	(0.009)
Total Non-Labor Expenses	\$34.538	\$29.937	\$4.601	\$32.566	(\$2.629)	\$34.531	(\$1.965)	\$35.625	(\$1.093)	\$37.098	(\$1.473)
Other Expenses Adjustments:											
Other	(\$3.469)	\$0.000	(\$3.469)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$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	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adj.	\$129.944	\$127.308	\$2.636	\$132.871	(\$5.563)	\$136.608	(\$3.737)	\$140.792	(\$4.183)	\$145.317	(\$4.525)
Depreciation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
OPEB Obligation	10.600	10.653	(0.053)	10.706	(0.053)	10.760	(0.054)	10.814	(0.054)	10.868	(0.054)
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$140.544	\$137.961	\$2.583	\$143.578	(\$5.617)	\$147.368	(\$3.791)	\$151.605	(\$4.237)	\$156.185	(\$4.579)
Baseline Net Surplus/(Deficit)	(\$95.453)	(\$93.226)	\$2.227	(\$97.471)	(\$4.245)	(\$101.180)	(\$3.710)	(\$104.959)	(\$3.779)	(\$109.110)	(\$4.150)
2010 PEGs	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	\$0.000	0.000	\$0.000
Post-2010 PEGs	0.000	0.000	0.000	0.000	0.000	1.481	1.481	2.962	\$1.481	4.442	\$2.961
Net Surplus/(Deficit)	(\$95.453)	(\$93.226)	\$2.227	(\$97.471)	(\$4.245)	(\$99.699)	(\$2.229)	(\$101.997)	(\$2.298)	(\$104.668)	(\$2.670)

REIMBURSABLE

	Favorable/(Unfavorable)										
	2008 Actual	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011	2013	Change 2013 - 2012
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 Reimbursements	5.890	7.042	1.152	7.204	0.162	7.369	0.165	7.550	0.181	7.751	0.201
Total Revenue	\$5.890	\$7.042	\$1.152	\$7.204	\$0.162	\$7.369	\$0.165	\$7.550	\$0.181	\$7.751	\$0.201
Expenses											
Labor:											
Payroll	\$0.815	\$0.990	(\$0.175)	\$1.008	(\$0.018)	\$1.030	(\$0.022)	\$1.054	(\$0.024)	\$1.085	(\$0.031)
Overtime	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.263	0.342	(0.079)	0.375	(0.033)	0.402	(0.027)	0.431	(0.029)	0.462	(0.031)
OPEB Current Payment	1.257	1.439	(0.182)	1.544	(0.105)	1.656	(0.112)	1.777	(0.121)	1.907	
Pensions	0.131	0.079	0.052	0.081	(0.002)	0.082	(0.001)	0.084	(0.002)	0.087	(0.003)
Other Fringe Benefits	0.124	0.192	(0.068)	0.196	(0.004)	0.199	(0.003)	0.204	(0.005)	0.210	(0.006)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
Total Labor Expenses	\$2.590	\$3.042	(\$0.452)	\$3.204	(\$0.162)	\$3.369	(\$0.165)	\$3.550	(\$0.181)	\$3.751	(\$0.071)
Non-Labor:											
Traction and Propulsion Power			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	3.300	4.000	(0.700)	4.000	0.000	4.000	0.000	4.000	0.000	4.000	0.000
Other Business Expenses			0.000		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	\$4.000	\$0.000
Other Expenses Adjustments:											
Other			\$0.000		\$0.000		\$0.000		\$0.000		\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$5.890	\$7.042	(\$1.152)	\$7.204	(\$0.162)	\$7.369	(\$0.165)	\$7.550	(\$0.181)	\$7.751	(\$0.071)
Depreciation			0.000		0.000		0.000		0.000		0.000
Total Expenses	\$5.890	\$7.042	(\$1.152)	\$7.204	(\$0.162)	\$7.369	(\$0.165)	\$7.550	(\$0.181)	\$7.751	(\$0.071)
Baseline Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
2010 PEGs	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	\$0.000	0.000	\$0.000
Post-2010 PEGs	0.000	0.000	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	\$0.000	\$0.000

MTA Long Island Bus
July Financial Plan 2010 - 2013
Year-to-Year Changes by Category - Cash Basis
(\$ in millions)

CASH RECEIPTS & EXPENDITURES

	Favorable/(Unfavorable)										
	2008 Actual	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011	2013	Change 2013 - 2012
<u>Receipts</u>											
Farebox Revenue	\$42.536	\$42.963	\$0.427	\$43.655	\$0.692	\$44.074	\$0.419	\$44.502	\$0.428	\$44.872	\$0.370
Vehicle Toll Revenue			0.000		0.000		0.000		0.000		0.000
Other Operating Revenue	3.987	2.322	(1.665)	2.292	(0.030)	1.953	(0.339)	1.982	0.029	2.041	0.059
Capital and Other Reimbursements	5.804	6.709	0.905	6.833	0.124	6.957	0.124	7.095	0.138	7.247	0.152
Total Receipts	\$52.327	\$51.994	(\$0.333)	\$52.780	\$0.786	\$52.984	\$0.204	\$53.579	\$0.595	\$54.160	\$0.581
<u>Expenditures</u>											
Labor:											
Payroll	\$66.314	\$66.505	(\$0.191)	\$68.119	(\$1.614)	\$68.735	(\$0.616)	\$70.269	(\$1.534)	\$71.735	(\$1.466)
Overtime	6.318	5.695	0.623	5.802	(0.107)	\$5.930	(0.128)	6.060	(0.130)	6.177	(0.117)
Health and Welfare	12.634	13.322	(0.688)	14.343	(1.021)	\$15.428	(1.085)	16.591	(1.163)	17.843	(1.252)
OPEB Current Payment	1.257	1.439	(0.182)	1.544	(0.105)	\$1.656	(0.112)	1.777	(0.121)	1.907	
Pensions	4.763	5.192	(0.429)	5.307	(0.115)	\$5.350	(0.043)	5.466	(0.116)	5.573	(0.107)
Other Fringe Benefits	7.583	8.263	(0.680)	7.738	0.525	\$7.670	0.068	7.854	(0.184)	8.011	(0.157)
GASB Account	0.308	0.318	(0.010)	0.327	(0.009)	\$0.338	(0.011)	0.345	(0.007)	0.352	(0.007)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	\$0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$99.177	\$100.734	(\$1.557)	\$103.180	(\$2.446)	\$105.107	(\$1.927)	\$108.362	(\$3.255)	\$111.598	(\$3.106)
Non-Labor:											
Traction and Propulsion Power											
Fuel for Buses and Trains	\$14.760	\$8.254	6.506	\$10.847	(2.593)	\$11.904	(1.057)	\$12.302	(0.398)	\$13.029	(0.727)
Insurance	0.246	0.616	(0.370)	0.671	(0.056)	0.717	(0.045)	0.830	(0.113)	0.844	(0.014)
Claims	3.528	6.871	(3.343)	3.565	3.306	3.673	(0.108)	3.755	(0.081)	3.838	(0.083)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	8.901	11.835	(2.934)	10.300	1.535	10.687	(0.387)	10.975	(0.288)	11.309	(0.334)
Professional Service Contracts	1.890	2.271	(0.381)	2.002	0.269	2.059	(0.057)	2.105	(0.046)	2.151	(0.046)
Materials & Supplies	8.637	7.910	0.727	8.044	(0.134)	8.303	(0.259)	8.489	(0.186)	8.687	(0.198)
Other Business Expenses	0.739	0.369	0.370	0.378	(0.009)	0.388	(0.010)	0.396	(0.008)	0.404	(0.008)
Total Non-Labor Expenditures	\$38.701	\$38.126	\$0.575	\$35.808	\$2.318	\$37.731	(\$1.923)	\$38.851	(\$1.120)	\$40.262	(\$1.411)
Other Expenditure Adjustments:											
Other	(3.469)	0.000	(\$3.469)	0.000	\$0.000	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	\$0.000	\$0.000
Total Expenditures	\$134.409	\$138.860	(\$4.451)	\$138.988	(\$0.128)	\$142.838	(\$3.850)	\$147.213	(\$4.375)	\$151.860	(\$4.517)
Baseline Net Cash Deficit	(\$82.082)	(\$86.866)	(\$4.784)	(\$86.208)	\$0.658	(\$89.854)	(\$3.646)	(\$93.634)	(\$3.780)	(\$97.700)	(\$4.066)
2010 PEGs											
2010 PEGs	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Post-2010 PEGs	0.000	0.000	0.000	0.000	0.000	1.481	1.481	2.962	1.481	4.442	1.480
Net Cash Deficit	(\$82.082)	(\$86.866)	(\$4.784)	(\$86.208)	\$0.658	(\$88.373)	(\$2.165)	(\$90.672)	(\$2.299)	(\$93.258)	(\$2.586)

**MTA Long Island Bus
2010 Preliminary Budget
July Financial Plan 2010 - 2013
Summary of Major Plan-to-Plan Changes**

Accrual

The February baseline cash deficit adjustments account for the restored AABB reductions, the elimination of the 23% fare yield and the adoption of a 10% fare increase.

Total 2009 revenue of \$51.8 million versus Expenses before Depreciation of \$134.4 million resulted in changes from the Adopted Budget that comprised mostly of:

- Revenue - \$10.2 million decrease in revenues resulting from a Farebox Revenue decrease of \$9.3 million, coupled with a decrease of \$0.9 million from advertising and other operating revenue.
- Fuel – \$1.4 million improvement based on current pricing forecasts net of AABB reductions.
- Other Programmatic Changes – \$7.6 million increase primarily driven by: \$4.2 million in OPEB expenses, \$1.0 million in AABB restored service cuts, \$0.4 million for additional road control supervision, \$1.0 million for the Spear Maintenance System implementation, \$0.3 million in insurance costs and \$0.2 million to cover the impact of the new mobility tax. These expenses are partially offset by \$0.2 million savings from a reduction in maintenance hourly employees.

2010 -\$10.9 million lower revenue combined with other expense categories of \$5.7 million for a total baseline change of \$12.7 million. This includes new investments of \$1.5 million for additional road control supervision and a Spear Superintendent, \$0.3 million for the full year impact of the NYS mobility tax, \$3.8 million in OPEB increases and a combined \$2.6 increase in other line item expenses. Expenses are offset by \$1.2 million in lower fuel rate net of AABB reductions, \$1.2 million in maintenance hourly headcount reductions and \$0.1 million in material savings.

2011 - \$9.5 million lower revenue combined with other expense categories of \$6.9 million for total baseline changes of \$13.0 million. This includes the impact of guideline or program rates being applied to the prior year's data.

2012 - \$9.3 million lower revenue combined with other expense categories of \$7.6 million for total baseline changes of \$13.8 million.

Cash

Cash for all line items mirror the Non-reimbursable / Reimbursable accrual tables. However, the following additional cash adjustments were made in 2009:

- \$3.6 million in 2008 timing, impacting additional cash expenses.
- \$4.2 million in OPEB adjustments caused by the non cash nature of the increase.

**MTA Long Island Bus
2010 Preliminary Budget
July Financial Plan 2010-2013
Summary of Major Plan-to-Plan Changes**

POSITIONS

Total Non-Reimbursable and Reimbursable Baseline Positions

2009: July Financial Plan vs. February Financial Plan

Total 2009 operating positions increase by 18 from the February Plan, bringing the total head count to 1,149 of which 15 are reimbursable.

- + 15 positions (AABB restorations)
- + 8 positions added for increased road supervision
- + 1 positions added to manage spear maintenance
- - 6 positions removed (maintenance hourly)

Note: 6 of the 21 positions originally marked as AABB reductions will remain as permanent reductions; these are 6 administrative/managerial positions.

2010-2013: July Financial Plan vs. February Financial Plan

Though the remainder of the plan, total baseline positions are projected to change as follows:

2010 – Net change of -5 positions from 2009:

- - 5 positions, additional maintenance hourly reductions.

2011 – Net change of -15 positions from 2010:

- -15 positions reallocated to Business Service Center

2012 – Net change of 0 positions from 2011

MTA LONG ISLAND BUS
July Financial Plan 2010-2013
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE

	2009	2010	2011	2012
Baseline 2009 February Financial Plan - Operating Cash Income/(Deficit)	(\$71.110)	(\$73.503)	(\$76.888)	(\$79.854)
Baseline Changes				
Revenue				
Farebox Revenue	\$.512	\$ 1.788 #	\$ 2.124	\$ 2.427
Reduced Fare/Toll Increase	(5.484)	(9.397) #	(9.416)	(9.444)
LI Bus Deficit Reduction	(4.500)	(2.800) #	(2.000)	(2.000)
Additional Actions for Budget Balance: Revenue Impact	0.196	0.258 #	0.263	0.269
Toll Revenue				
Other Operating Revenue	(0.893)	(0.731) #	(0.448)	(0.528)
Capital and Other Reimbursement				
Total Revenue Changes	(\$10.169)	(\$10.882)	(\$9.477)	(\$9.276)
Expenses				
Labor:				
Payroll	\$.201	\$.105	\$ 0.096	\$ 0.091
Overtime	(0.015)	(0.020)	(0.020)	(0.021)
Health and Welfare	(0.009)	(0.019)	(0.261)	(0.329)
OPEB Current Payment	0.000	0.000	0.000	0.000
Pensions	0.030	0.028	0.029	0.029
Other Fringe Benefits	0.029	0.026	0.028	0.028
Reimbursable Overhead	0.000	0.000	0.000	0.000
Total Labor Expense Changes	\$.236	\$.120	(\$.128)	(\$.202)
Non-Labor:				
Traction and Propulsion Power				
Fuel for Buses and Trains	\$ 4.546	\$ 4.596	\$ 3.172	\$ 2.653
Insurance	(0.314)	(0.319)	(0.113)	(0.387)
Claims	0.000	(0.017)	(0.061)	(0.071)
Paratransit Service Contracts	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	(0.799)	(0.092)	(0.129)	(0.114)
Professional Service Contracts	0.000	(0.010)	(0.028)	(0.029)
Materials & Supplies	0.000	0.033	(0.048)	(0.167)
Other Business Expenses	0.000	0.032	0.029	0.030
Total Non-Labor Expense Changes before Non-Cash Liability Adjs.	\$ 3.433	\$ 4.222	\$ 2.822	\$ 1.916
Gap Closing Expenses :				
Additional Actions for Budget Balance: Expense Impact	(\$ 5.632)	(\$ 6.165)	(\$ 6.183)	(\$ 6.218)
Total Gap Closing Expenses	(\$ 5.632)	(\$ 6.165)	(\$ 6.183)	(\$ 6.218)
Depreciation				
OPEB Obligation	(4.192)	(3.850)	(3.416)	(3.091)
Environmental Remediation				
Total Expense Changes	(\$ 6.155)	(\$ 5.673)	(\$ 6.905)	(\$ 7.595)
Cash Adjustment Changes				
2008 Timing Expenses	(\$ 3.624)	\$ 0.000	\$ 0.000	\$ 0.000
OPEB Obligation	\$ 4.192	\$ 3.850	\$ 3.416	\$ 3.091
Total Cash Adjustment Changes	\$ 0.568	\$ 3.850	\$ 3.416	\$ 3.091
Total Baseline Changes	(\$ 15.756)	(\$ 12.705)	(\$ 12.966)	(\$ 13.780)
Baseline 2009 July Financial Plan - Operating Cash Income/(Deficit)	(\$ 86.866)	(\$ 86.208)	(\$ 89.854)	(\$ 93.634)

MTA Long Island Bus
July Financial Plan 2010-2013
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE

	2009	2010	2011	2012
Baseline 2009 February Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000
Baseline Changes				
Revenue				
Farebox Revenue				
Reduced Fare/Toll Increase				
L/I Bus Deficit Reduction				
Additional Actions for Budget Balance: Revenue Impact				
Vehicle Toll Revenue				
Capital and Other Reimbursement	(0.005)	0.012	0.020	0.030
Total Revenue Changes	(\$0.005)	\$0.012	\$0.020	\$0.030
Expenses				
Labor:				
Payroll				
Overtime				
Health and Welfare	0.005	(0.012)	(0.020)	(0.030)
OPEB Current Payment				
Pensions				
Other Fringe Benefits				
Reimbursable Overhead				
Total Labor Expense Changes	\$0.005	(\$0.012)	(\$0.020)	(\$0.030)
Non-Labor:				
Traction and Propulsion Power				
Fuel for Buses and Trains				
Insurance				
Claims				
Paratransit Service Contracts				
Maintenance and Other Operating Contracts				
Professional Service Contracts				
Materials & Supplies				
Other Business Expenses				
Total Non-Labor Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000
Total Expense Changes	\$0.005	(\$0.012)	(\$0.020)	(\$0.030)
Gap Closing Expenses:				
Additional Actions for Budget Balance: Expense Impact				
Total Gap Closing Expenses	\$0.000	\$0.000	\$0.000	\$0.000
Cash Adjustment Changes				
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$0.000	\$0.000	\$0.000	\$0.000
Baseline 2009 July Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000

MTA LONG ISLAND BUS
July Financial Plan 2010 - 2013
Summary of Programmatic Changes Between Financial Plans
(\$ in millions)

TOTAL NON-REIMBURSABLE AND REIMBURSABLE

	2009	2010	2011	2012
Baseline 2009 February Financial Plan - Net Cash Deficit	(\$71.110)	(\$73.503)	(\$76.888)	(\$79.854)
Restored AABBs	(1.014)	(1.317)	(1.288)	(1.316)
Passenger Fare & Toll Revenue in the Baseline-23% Yield	(5.484)	(9.397)	(9.416)	(9.444)
LI Bus Deficit Reduction	(4.500)	(2.800)	(2.000)	(2.000)
Passenger Fare & Toll Revenue - 10% Increase	1.831	3.677	3.685	3.696
Revised 2009 February Financial Plan - Net Cash Deficit	(\$80.277)	(\$83.340)	(\$85.907)	(\$88.918)
Baseline Changes:				
Revenue				
Farebox Revenue Re-estimate	(1.319)	(1.889)	(1.561)	(1.269)
Other Operating Revenue Re-estimate	(0.893)	(0.731)	(0.448)	(0.528)
Capital Reimbursement Revision	(0.005)	0.012	0.020	0.030
Sub-Total Revenue Changes	(\$2.217)	(\$2.608)	(\$1.989)	(\$1.767)
Expenses				
Expense Re-estimates:				
Inflation/Related:				
Payroll				
Health & Welfare	(0.094)	(0.093)	(0.334)	(0.402)
Maintenance Contracts	(0.006)	(0.231)	(0.328)	(0.317)
Professional Services		(0.010)	(0.028)	(0.029)
Material & Supplies		(0.030)	(0.113)	(0.233)
Other Business		0.032	0.029	0.030
Sub-total Inflation-Related	(0.100)	(0.332)	(0.774)	(0.951)
Other Changes/Re-estimates:				
NYS Transportation Payroll Mobility Tax	(0.185)	(0.252)	(0.254)	(0.260)
Tires and Tubes Contract	(0.069)	(0.213)	(0.220)	(0.225)
Insurance based on renewal/payment schedule	(0.314)	(0.319)	(0.113)	(0.387)
Road Control Support	(0.419)	(1.282)	(1.349)	(1.353)
Spear System Implementation	(1.123)	(0.295)	(0.310)	(0.312)
RSG Claims Management System	(0.058)	(0.050)	0.000	0.000
Maintenance Contracts - Systems	(0.070)	(0.072)	(0.074)	(0.076)
Emergency Sewer Repair	(0.060)	0.000	0.000	0.000
Claims		(0.018)	(0.060)	(0.017)
Maintenance Hourly Reductions	0.222	1.176	1.260	1.262
Fuel Rate Savings	1.424	1.346	(0.109)	(0.613)
AABB resoration not shown above				(0.053)
Reimbursable labor		(0.012)	(0.020)	(0.030)
Reduction in Parts (Spear Effect)	0.000	0.063	0.065	0.066
Other Re-estimates				
Sub-Total Other Changes/Re-estimates	(\$0.652)	\$0.072	(\$1.184)	(\$1.998)
Sub-Total Expense Changes before Depreciation	(\$0.752)	(\$0.260)	(\$1.958)	(\$2.949)
Depreciation Re-estimate				
Sub-Total Expenses Changes	(\$0.752)	(\$0.260)	(\$1.958)	(\$2.949)
Cash Adjustments				
Revenue				
Timing of Capital Reimbursements				
Other Revenue Timing of Receipts				
Expense				
Timing of 2008 Expenses	(3.620)			
Cash adjustments between plans				
Sub-Total Cash Adjustment Changes	(\$3.620)	\$0.000	\$0.000	\$0.000
Total Baseline Changes	(\$6.589)	(\$2.868)	(\$3.947)	(\$4.716)
Programs to Eliminate the GAP (PEGS)				
2010 Program	0.000	0.000	0.000	0.000
Post-2010 Program-Unspecified	0.000	0.000	1.481	2.962
2009 July Financial Plan - Net Cash Deficit (After PEG's)	(\$86.866)	(\$86.208)	(\$88.373)	(\$90.672)

**MTA Long Island Bus
2010 Preliminary Budget
July Financial Plan 2010 – 2013**

Ridership / Utilization

Ridership:

As of May 2009, fixed route ridership is trending downwards and is 3.8% below the Adopted Budget. Farebox revenue is also lower by 2.7%. This decreasing ridership trend is expected to continue reflecting a 3.2% reduction in the Nassau-Suffolk non-farm employment forecast. This results in a 1.1% forecasted loss by year-end against the Adopted Budget or 4.7% lower as compared to 2008 actual. 2010 includes a 0.1% reduction, followed by small increases for the remainder of the Plan years.

Using 2003 as a base year, paratransit ridership has increased by 22.1%. This service continues an upward trend with May year-to-date ridership increasing by 7.6% and revenue by 9.3% over the adopted budget. Full year 2009 ridership is also projected to be 2.9% above the adopted budget. Small 0.1% increases are projected for each of the plan years.

Revenue:

Recent changes to the economic and employment outlook in the New York region have negatively impacted revenue and ridership projections. Accordingly, the 2009 February Plan cash deficit was revised to reflect a 10% fare increase instituted this year, while plans for a larger increase were rescinded and service level reductions were restored, thereby increasing budget deficit level projections.

Fixed route revenue in 2009 is projected to be \$41.2 million which is \$0.5 million higher than the adopted budget but lower than the projected 10% fare increase amount. This is due to the impact of the Nassau-Suffolk non-farm employment data on the forecast. Small annual revenue increases are tied to ridership improvements.

Paratransit farebox revenue is projected to be \$1.2 million and reflects an increase of \$0.1 million over the adopted budget. Small annual revenue increases are tied to ridership improvements.

MTA Long Island Bus
July Financial Plan 2010-2013
Ridership/Traffic Volume (Utilization)
(in millions)

2008 Actuals	2009 Midyear forecast	2010	2011	2012	2013
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RIDERSHIP

Fixed Route	32.649	31.155	30.851	31.147	31.449	31.710
Paratransit	0.378	0.371	0.382	0.385	0.389	0.392

Baseline Total Ridership	33.027	31.526	31.233	31.532	31.838	32.102
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Impact of:

2010 Program to Eliminate the Gap (PEGs)
Post-2010 Program to Eliminate the Gap (PEGs)

Total Ridership	33.027	31.526	31.233	31.532	31.838	32.102
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FAREBOX REVENUE

Fixed Route	\$ 41.190	\$ 41.188	\$ 42.556	\$ 42.964	\$ 43.381	\$ 43.741
Paratransit	\$ 1.191	\$ 1.175	\$ 1.209	\$ 1.221	\$ 1.233	\$ 1.243

Baseline Total Revenue	\$42.381	\$42.363	\$43.765	\$44.185	\$44.614	\$44.984
-------------------------------	-----------------	-----------------	-----------------	-----------------	-----------------	-----------------

Impact of:

2010 Program to Eliminate the Gap (PEGs)
Post-2010 Program to Eliminate the Gap (PEGs)

Total Revenue	\$42.381	\$42.363	\$43.765	\$44.185	\$44.614	\$44.984
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MTA LONG ISLAND BUS
July Financial Plan 2010-2013
Summary of Post-2010 Program to Eliminate the Gap (PEGs)
(\$ in millions)

		<u>2009</u>		<u>2010</u>		<u>2011</u>		<u>2012</u>		<u>2013</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>	<u>Positions</u>	<u>Dollars</u>
Administration											
	Sub-Total Administration	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$0.000</u>
Customer Convenience/Amenities											
	Sub-Total Customer Convenience/Amenities	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$0.000</u>
Maintenance											
	Sub-Total Maintenance	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$0.000</u>
Other											
	UNSPECIFIED					0	1.481	0	2.962	0	4.442
	Sub-Total Other	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$1.481</u>	<u>0</u>	<u>\$2.962</u>	<u>0</u>	<u>\$4.442</u>
Revenue Enhancement											
	Sub-Total Revenue Enhancement	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$0.000</u>
Safety											
	Sub-Total Safety	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$0.000</u>
Security											
	Sub-Total Security	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$0.000</u>
Service											
	Sub-Total Service	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$0.000</u>
Service Support											
	Sub-Total Service Support	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$0.000</u>
Total Programs		<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$0.000</u>	<u>0</u>	<u>\$ 1.481</u>	<u>0</u>	<u>\$2.962</u>	<u>0</u>	<u>\$4.442</u>

MTA LONG ISLAND BUS
July Financial Plan 2010-2013
Post-2010 Program to Eliminate the Gap (PEGs) Worksheet
(\$ in millions)

Business Unit:	LIBUS	PEG Category:	Post PEG	Implementation Date:	01/01/2011
PEG / New Need ID:	0001			Savings Date:	01/01/2011
Program:	Unspecified				

	2009	2010	2011	2012	2013
Total Headcount					
Financial Impact		\$ 1.481	\$ 2.962	\$ 4.442	

MTA LONG ISLAND BUS
July Financial Plan 2010-2013
Non-Reimbursable - Reimbursable Positions by Function and Department
Full-Time Positions and Full Time Equivalents

FUNCTION/DEPARTMENT	2008 Actuals	2009 Midyear forecast	2010	2011	2012	2013
Administration						
Office of the EVP	0	0	0	0	0	0
Human Resources	8	8	8	2	2	2
Office of Management and Budget	2	3	3	3	3	3
Technology & Information Services	19	20	20	17	17	17
Materiel	12	11	11	11	11	11
Controller	17	17	17	11	11	11
Office of the President	3	3	3	3	3	3
System Safety Administration	0	3	3	3	3	3
Law	10	10	10	10	10	10
Corporate Communications	5	4	4	4	4	4
Labor Relations	1	1	1	1	1	1
Non-Departmental	0	0	0	0	0	0
Total Administration	77	80	80	65	65	65
Operations						
Buses (Fixed Route)	583	596	596	596	596	596
Buses (Paratransit)	158	155	155	155	155	155
Office of Senior Vice President	0	0	0	0	0	0
Office of the Executive Vice President, Regional	0	2	2	2	2	2
Safety & Training	10	7	7	7	7	7
Road Operations	0	0	0	0	0	0
Transportation Support	14	19	19	19	19	19
Operations Planning	7	6	6	6	6	6
Revenue Control	5	9	9	9	9	9
Total Operations	777	794	794	794	794	794
Maintenance						
Buses (Fixed Route)	211	212	207	207	207	207
Buses (Paratransit)	8	12	12	12	12	12
Maintenance Support/CMF	1	2	2	2	2	2
Facilities	16	13	13	13	13	13
Supply Logistics	12	19	19	19	19	19
Total Maintenance	248	258	253	253	253	253
Engineering/Capital						
Capital Program Management	13	15	15	15	15	15
Public Safety						
Security	2	2	2	2	2	2
Impact of Gap Closing Actions						
Fare Increase 6/1/09						
Additional Actions for Budget Balance						
Total Positions	1,117	1,149	1,144	1,129	1,129	1,129
Non-Reimbursable	1,104	1,134	1,129	1,114	1,114	1,114
Reimbursable	13	15	15	15	15	15
Total Full-Time	1,020	1,044	1,039	1,024	1,024	1,024
Total Full-Time Equivalents	97	105	105	105	105	105

MTA LONG ISLAND BUS
July Financial Plan 2010-2013
Total Full-time Positions and Full-time Equivalents by Function and Occupational Group

FUNCTION/OCCUPATIONAL GROUP		2008 Actuals	2009 Midyear forecast	2010	2011	2012	2013
Administration							
	Managers/Supervisors	32	35	35	29	29	29
	Professional, Technical, Clerical	43	45	45	36	36	36
	Operational Hourlies	2	-	-	-	-	-
	Total Administration	77	80	80	65	65	65
Operations							
	Managers/Supervisors	71	77	77	77	77	77
	Professional, Technical, Clerical	43	50	50	50	50	50
	Operational Hourlies	663	667	667	667	667	667
	Total Operations	777	794	794	794	794	794
Maintenance							
	Managers/Supervisors	27	38	38	38	38	38
	Professional, Technical, Clerical	7	2	2	2	2	2
	Operational Hourlies	214	218	213	213	213	213
	Total Maintenance	248	258	253	253	253	253
Engineering/Capital							
	Managers/Supervisors	7	8	8	8	8	8
	Professional, Technical, Clerical	6	7	7	7	7	7
	Operational Hourlies	0	0	0	0	0	0
	Total Engineering/Capital	13	15	15	15	15	15
Public Safety							
	Managers/Supervisors	0	-	-	-	-	-
	Professional, Technical, Clerical	2	-	-	-	-	-
	Operational Hourlies	0	2	2	2	2	2
	Total Public Safety	2	2	2	2	2	2
Total Baseline Positions							
	Managers/Supervisors	137	158	158	152	152	152
	Professional, Technical, Clerical	101	104	104	95	95	95
	Operational Hourlies	879	887	882	882	882	882
	Total Baseline Positions	1,117	1,149	1,144	1,129	1,129	1,129

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