

IV. Gap Closing Programs

IV. GAP CLOSING PROGRAMS

The discussion below reflects Gap Closing Program initiatives proposed as part of the July Plan; these below-the-line items, are categorized under the headings of Internal Actions, External Actions and Fares/Tolls.

Internal Actions:

2010 Agency Program to Eliminate the Gap - The 2010 Program to Eliminate the Gap (PEG) consists of savings of \$20 million and 118 positions in 2009, \$64 million and 375 positions in 2010, \$66 million and 356 positions in 2011, \$67 million and 347 positions in 2012, and \$69 million and 390 positions in 2013. These 2010 PEG savings exclude MTA Bus' PEGs which would serve to reduce the City subsidy to MTA Bus.

For a fuller discussion and summary of the 2010 PEG program, please refer to the PEG Detail section.

Post-2010 Agency Program to Eliminate the Gap - MTA Agencies are expected to achieve targeted savings equivalent to a 1.5% reduction in controllable expenses in each of the Plan years. Agencies will identify PEGs beginning in 2011 during next year's budget cycle. Therefore, the vast majority of the Post-2010 PEG program remains unspecified at this time. On an MTA-wide basis, the value of these "unspecified" PEGs is \$95 million in 2011, \$188 million in 2012, and \$279 million in 2013. These savings exclude MTA Bus' PEGs which would serve to reduce the City subsidy to MTA Bus.

For a fuller discussion and summary of the 2010 Post-PEG program, please refer to the PEG Detail section.

New Contracts Labor Contribution – The MTA and its biggest union (TWU) have concluded binding arbitration proceedings. At this time, a decision has not been reached. Consistent with the MTA position at these proceedings, the Financial Plan continues the assumption that upon the expiration of labor contracts in 2009 and 2010, the net value of new contract costs would enable a reduction to baseline assumptions for one year which would help close current and future-year budget gaps. Savings would occur in the year of the reduction and in the out-years as well since the base for future growth would be reduced. Savings are projected at \$60 million in 2009, \$65 million in 2010, and approximately \$80 million annually in the out-years.

Non-Represented Wage Freeze in 2009 – Non-represented employees did not receive a cost of living raise in 2009.

2010 Agency Program to Eliminate the Gap

The 2010 Program to Eliminate the Gap (PEG), including MTA Bus, reflects savings of \$20 million and 118 positions in 2009, \$64 million and 375 positions in 2010, \$66 million and 356 positions in 2011, \$67 million and 347 positions in 2012, and \$69 million and 390 positions in 2013. These PEGs are in addition to the 2009 PEG program approved by the MTA Board in December of 2008 and included in the February 2009 Baseline. Included in the July Plan are prior year PEG re-forecasts which increase the projected savings in the baseline by \$3.0 million in 2009, \$2.5 million in 2010, \$4.0 million in 2011, \$5.7 million in 2012, and \$7.6 million in 2013.

In establishing spending targets for 2010, recognition was given to the fact that MTA Agencies took substantial expense reductions in 2009. The maintained AABBs (slightly modified and excluding MTA Bus) are expected to achieve savings of \$147 million in 2009 and \$202 million in 2010. The July baseline includes these maintained AABBs along with the savings from the 2009 PEG Program (\$87 million). They result in combined savings of \$288 million in 2010, or 4.4%. When further combined with the 2010 PEG Program, total savings equal \$352 million, or 5.4%.

Agencies were encouraged to start 2010 savings as soon as possible; therefore, some programs have begun in 2009 with savings of \$20 million.

2009 Impact:

NYCT's 2010 PEGs with a 2009 impact are expected to save \$13 million and 101 positions in 2009 primarily in the areas of Administration (\$5M and 0 positions), Maintenance (\$5M and 70 positions), and Service Support (\$2M and 31 positions). Administrative savings include \$4 million at the Department of Buses from the early implementation of scheduled administrative reductions and aggressive salvaging of parts from scrapped buses. Maintenance savings include \$2 million from the elimination of 58 terminal subway cleaning positions, \$1 million from the completion and elimination of the Bus Facility Rehab Program, \$1 million from Electronics Maintenance Division efficiencies, and \$1 million from the deferred hiring of 10 positions until new rail grinder equipment becomes operational in 2010. Lastly, Service Support/Other savings include \$2 million from a reduction in uniform purchases based on historical usage and \$1 million of fuel savings from the use of less expensive fuel. NYCT's 2010 PEGs beginning in 2009 are expected to yield average annual savings of approximately \$27 million and 188 positions over the 2010 through 2013 period.

MTA HQ has one 2010 PEG with a 2009 impact which is expected to save \$4 million in 2009 and the out-years primarily through a reduction in the amount of MTA Police patrol work to be performed on overtime.

The LIRR has one 2010 PEG with a 2009 impact which is expected to save \$2 million in 2009 primarily through the indefinite deferral of the Network Strategy Study. This was

an initiative to study the region's transportation needs and help the LIRR in designing an infrastructure strategy to meet growing ridership demands.

MNR's 2010 PEGs with a 2009 impact are expected to save \$.7 million and 12 positions in 2009 primarily through Administrative efficiencies (\$.5M and 8 positions), and the elimination of lightly used equipment trains (\$.3M and 4 positions). MNR's 2010 PEGs beginning in 2009 are expected to yield average annual savings of approximately \$2.4 million and 14 positions over the 2010 through 2013 period.

2010 – 2013:

NYCT's total 2010 PEG program is expected to save \$48 million and 309 positions in 2010, \$51 million and 301 positions in 2011, \$51 million and 292 positions in 2012, and \$54 million and 335 positions in 2013. PEG savings in 2010 are primarily in Maintenance (\$32 million and 232 positions), Service Support/Other (\$10 million and 63 positions), and Administration (\$5 million and 14 positions). Maintenance savings include \$12 million from PEGs starting in 2009 (mentioned above), \$9 million from the elimination of the Station Painting Program, \$5 million from lengthening the bus overhaul cycle from three years to four, and \$3 million from Station Cleaning/Maintenance efficiencies. Most of the Service Support/Other savings (\$9 million) and Administrative savings (\$4 million) are the result of PEGs starting in 2009 (mentioned above). Out-year savings over the period 2011 through 2013 are relatively flat.

MNR's total 2010 PEG program is expected to save \$10 million and 56 positions in 2010 and \$9 million and 44 positions in each of the out-years of the Plan. PEG savings in 2010 are primarily in Service (\$ 4 million and 9 positions), Other (\$1 million and 4 positions), Administration (\$1 million and 10 positions), Customer Convenience /Amenities (\$1 million and 13 positions), Safety (\$1 million and 12 positions), and Maintenance (\$1 million and 8 positions). Service savings include \$4 million from reductions/eliminations of planned future East and West-of-Hudson service increases. Savings in Administration and "Other" are primarily due to PEGs starting in 2009 (mentioned above). Customer Convenience/Amenities savings of \$1 million result from efficiencies gained by the deployment of ticket vending machines (TVMs) and the continued growth of Mail-n-Ride and Web Ticket sales. Safety savings of \$1 million result from efficiencies in GCT fire safety duties which will now be performed with existing forces. Maintenance savings result from a one-year deferral of a planned second shift at the Harmon Coach Shop. Out-year savings over the period 2011 through 2013 are relatively flat.

MTA HQ's total 2010 PEG program is expected to save \$4 million in 2009 and in each of the out-years. The savings result from reduced police overtime starting in 2009 (mentioned above).

The LIRR's total 2010 PEG program is expected to save \$1 million in 2010 and \$.4 million in each of the out-years, with position reductions of four. Most of the savings

result from the cancellation of the planned purchase in 2010 of GPS for the Diesel fleet. The remainder of the PEG savings (\$.5 million and 4 positions) is due to Administrative efficiencies and continues through each of the Plan years.

B&T's 2010 PEG program is expected to save \$0.6 million and 3 positions in each year of the Plan. PEG savings in 2010 are entirely in Maintenance and result from cancellation of a Roadway Sweeping contract in 2010 and efficiencies in toll system maintenance. In the case of the former, roadway sweeping will be performed using "in-house" forces.

2010 Agency PEGs - Positions

The 2010 Agency PEGs include headcount reductions of 118 in 2009, 375 in 2010, 356 in 2011, 347 in 2012, and 390 in 2013.

Agency PEGs are expected to result in position reductions at the end of 2013 of 335 at NYCT, 44 at MNR, 4 at the LIRR, 4 at SIR, and 3 at B&T. Positions are reduced in Maintenance (-258), Service/Service Support (-45), Other (-36), Administration (-29), Customer Convenience & Amenities (-14), and Safety (-8).

Post-2010 Agency Program to Eliminate the Gap

These PEGs, which reflect a target equivalent to an annual 1.5% incremental reduction in controllable expenses, have not been fully identified by the Agencies and so are designated "unspecified". On an MTA-wide basis, the value of this "unspecified" PEG is \$100 million in 2011, \$199 million in 2012, and \$296 million in 2013.

METROPOLITAN TRANSPORTATION AUTHORITY
July Financial Plan 2010-2013
Summary of 2010 Program to Eliminate the Gap (PEGs)
(\$ in millions)

	2009		2010		2011		2012		2013	
	Positions ¹	Dollars	Positions ¹	Dollars	Positions ¹	Dollars	Positions ¹	Dollars	Positions ¹	Dollars
MTA-Wide										
NYC Transit	101	\$13.219	309	\$47.986	301	\$50.767	292	\$51.175	335	\$53.942
Long Island Rail Road	0	1.500	4	1.307	4	0.413	4	0.419	4	0.426
Metro-North Railroad	12	0.725	56	9.673	44	9.350	44	9.393	44	9.453
Bridges & Tunnels	3	0.063	3	0.610	3	0.618	3	0.627	3	0.635
MTA Headquarters	0	4.179	0	4.277	0	4.376	0	4.478	0	4.583
Long Island Bus	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Staten Island Railway	2	0.090	3	0.330	4	0.420	4	0.420	4	0.420
Capital Construction Company	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Bus Company	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Total MTA-Wide By Category	118	\$19.776	375	\$64.183	356	\$65.944	347	\$66.512	390	\$69.459
MTA-Wide by Category										
Administration:	9	\$7.374	29	\$7.069	29	\$7.946	29	\$7.649	29	\$7.327
Customer Convenience & Amenities:	1	0.035	14	1.183	14	1.196	14	1.218	14	1.241
Service:	0	0.000	9	3.978	9	4.691	9	4.655	9	4.626
Maintenance:	73	5.223	244	33.872	224	33.552	215	34.283	258	37.396
Revenue Enhancements:	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Other :	4	1.055	31	11.387	36	11.673	36	11.701	36	11.740
Service Support:	31	1.910	36	1.172	36	1.646	36	1.646	36	1.646
Safety:	0	0.000	12	1.245	8	0.864	8	0.882	8	0.900
Security:	0	4.179	0	4.277	0	4.376	0	4.478	0	4.583
Total MTA-Wide by Category	118	\$19.776	375	\$64.183	356	\$65.944	347	\$66.512	390	\$69.459

¹ Reflects the impact of amendments on full-time year-end positions.

METROPOLITAN TRANSPORTATION AUTHORITY
July Financial Plan 2010-2013
Summary of 2010 Program to Eliminate the Gap (PEGs)
(\$ in millions)

	2009		2010		2011		2012		2013	
	Positions¹	Dollars	Positions¹	Dollars	Positions¹	Dollars	Positions¹	Dollars	Positions¹	Dollars
LIST of AGENCY PROGRAMS										
Administration:										
NYC Transit	0	\$5.369	14	\$5.209	14	\$6.179	14	\$5.851	14	\$5.498
Long Island Rail Road	0	\$1.500	4	\$.532	4	\$.413	4	\$.419	4	\$.426
Metro-North Railroad	8	\$.450	10	\$1.170	10	\$1.192	10	\$1.217	10	\$1.241
Bridges & Tunnels	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
MTA Headquarters	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Long Island Bus	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Staten Island Railway	1	\$.055	1	\$.158	1	\$.162	1	\$.162	1	\$.162
Capital Construction Company	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Bus Company	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Sub-Total Administration	9	\$7.374	29	\$7.069	29	\$7.946	29	\$7.649	29	\$7.327
Customer Convenience & Amenities:										
NYC Transit	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Long Island Rail Road	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Metro-North Railroad	0	\$.000	13	\$1.097	13	\$1.110	13	\$1.132	13	\$1.155
Bridges & Tunnels	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
MTA Headquarters	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Long Island Bus	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Staten Island Railway	1	\$.035	1	\$.086	1	\$.086	1	\$.086	1	\$.086
Capital Construction Company	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Bus Company	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Sub-Total Customer Convenience & Amenities	1	\$.035	14	\$1.183	14	\$1.196	14	\$1.218	14	\$1.241
Service:										
NYC Transit	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Long Island Rail Road	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Metro-North Railroad	0	\$.000	9	\$3.978	9	\$4.691	9	\$4.655	9	\$4.626
Bridges & Tunnels	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
MTA Headquarters	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Long Island Bus	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Staten Island Railway	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Capital Construction Company	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Bus Company	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Sub-Total Service	0	\$.000	9	\$3.978	9	\$4.691	9	\$4.655	9	\$4.626

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

	2009		2010		2011		2012		2013	
	Positions ¹	Dollars	Positions ¹	Dollars	Positions ¹	Dollars	Positions ¹	Dollars	Positions ¹	Dollars
LIST of AGENCY PROGRAMS										
Maintenance:										
NYC Transit	70	\$5.160	232	\$32.467	219	\$32.792	210	\$33.528	253	\$36.648
Long Island Rail Road	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Metro-North Railroad	0	\$0.000	8	\$0.709	0	(\$0.030)	0	(\$0.044)	0	(\$0.059)
Bridges & Tunnels	3	\$0.063	3	\$0.610	3	\$0.618	3	\$0.627	3	\$0.635
MTA Headquarters	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Long Island Bus	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Staten Island Railway	0	\$0.000	1	\$0.086	2	\$0.172	2	\$0.172	2	\$0.172
Capital Construction Company	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Bus Company	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Sub-Total Maintenance	73	\$5.223	244	\$33.872	224	\$33.552	215	\$34.283	258	\$37.396
Revenue Enhancements:										
NYC Transit	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Long Island Rail Road	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Metro-North Railroad	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Bridges & Tunnels	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
MTA Headquarters	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Long Island Bus	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Staten Island Railway	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Capital Construction Company	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Bus Company	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Sub-Total Revenue Enhancements	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Other :										
NYC Transit	0	\$0.780	27	\$9.138	32	\$10.150	32	\$10.150	32	\$10.150
Long Island Rail Road	0	\$0.000	0	\$0.775	0	\$0.000	0	\$0.000	0	\$0.000
Metro-North Railroad	4	\$0.275	4	\$1.474	4	\$1.523	4	\$1.551	4	\$1.590
Bridges & Tunnels	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
MTA Headquarters	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Long Island Bus	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Staten Island Railway	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Capital Construction Company	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Bus Company	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
Sub-Total Other	4	\$1.055	31	\$11.387	36	\$11.673	36	\$11.701	36	\$11.740

METROPOLITAN TRANSPORTATION AUTHORITY
July Financial Plan 2010-2013
Summary of 2010 Program to Eliminate the Gap (PEGs)
(\$ in millions)

	2009		2010		2011		2012		2013	
	Positions ¹	Dollars	Positions ¹	Dollars	Positions ¹	Dollars	Positions ¹	Dollars	Positions ¹	Dollars
LIST of AGENCY PROGRAMS										
Service Support:										
NYC Transit	31	\$1.910	36	\$1.172	36	\$1.646	36	\$1.646	36	\$1.646
Long Island Rail Road	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Metro-North Railroad	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Bridges & Tunnels	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
MTA Headquarters	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Long Island Bus	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Staten Island Railway	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Capital Construction Company	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Bus Company	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Sub-Total Service Support	31	\$1.910	36	\$1.172	36	\$1.646	36	\$1.646	36	\$1.646
Safety										
NYC Transit	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Long Island Rail Road	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Metro-North Railroad	0	\$.000	12	\$1.245	8	\$.864	8	\$.882	8	\$.900
Bridges & Tunnels	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
MTA Headquarters	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Long Island Bus	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Staten Island Railway	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Capital Construction Company	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Bus Company	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Sub-Total Safety	0	\$.000	12	\$1.245	8	\$.864	8	\$.882	8	\$.900
Security										
NYC Transit	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Long Island Rail Road	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Metro-North Railroad	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Bridges & Tunnels	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
MTA Headquarters	0	\$4.179	0	\$4.277	0	\$4.376	0	\$4.478	0	\$4.583
Long Island Bus	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Staten Island Railway	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Capital Construction Company	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Bus Company	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Sub-Total Security	0	\$4.179	0	\$4.277	0	\$4.376	0	\$4.478	0	\$4.583
Total Agency PEGs	118	\$19.776	375	\$64.183	356	\$65.944	347	\$66.512	390	\$69.459

¹ Reflects the impact of amendments on full-time year-end positions.

METROPOLITAN TRANSPORTATION AUTHORITY
July Financial Plan 2010-2013
Summary of Post-2010 Program to Eliminate the Gap (PEGs)
(\$ in millions)

	2009		2010		2011		2012		2013	
	Positions ¹	Dollars	Positions ¹	Dollars	Positions ¹	Dollars	Positions ¹	Dollars	Positions ¹	Dollars
MTA-Wide										
NYC Transit	0	\$.000	0	\$.000	0	\$61.700	0	\$123.300	0	\$185.000
Long Island Rail Road	0	\$.000	0	\$.000	0	12.300	0	24.500	0	36.800
Metro-North Railroad	0	\$.000	0	\$.000	0	19.190	0	33.045	0	34.400
Bridges & Tunnels	0	\$.000	0	\$.000	0	0.000	0	3.776	0	18.251
MTA Headquarters	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Long Island Bus	0	\$.000	0	\$.000	0	1.481	0	2.962	0	4.442
Staten Island Railway	0	\$.000	0	\$.000	0	0.350	0	0.700	0	1.050
Capital Construction Company	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Bus Company	0	\$.000	0	\$.000	0	5.369	0	10.738	0	16.107
Total MTA-Wide By Category	0	\$.000	0	\$.000	0	\$100.390	0	\$199.021	0	\$296.050
MTA-Wide by Category										
Administration:	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Customer Convenience & Amenities:	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Service:	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Maintenance:	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Revenue Enhancements:	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Other :	0	\$.000	0	\$.000	0	100.390	0	199.021	0	296.050
Service Support:	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Safety:	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Security:	0	\$.000	0	\$.000	0	\$.000	0	\$.000	0	\$.000
Total MTA-Wide by Category	0	\$.000	0	\$.000	0	\$100.390	0	\$199.021	0	\$296.050

¹ Reflects the impact of amendments on full-time year-end positions.

METROPOLITAN TRANSPORTATION AUTHORITY
July Financial Plan 2010-2013
Baseline Total Non-Reimbursable - Reimbursable Positions
Full-Time Positions and Full Time Equivalents by Agency

Category	2008 Actual	2009 Mid-Year Forecast	2010 Preliminary Budget	2011	2012	2013
Baseline Non-Reimbursable	63,329	62,736	62,232	62,257	62,141	62,406
NYC Transit	44,166	42,920	42,643	42,564	42,377	42,402
Long Island Rail Road	6,050	6,200	5,876	5,820	5,842	5,985
Metro-North Railroad	5,306	5,423	5,544	5,577	5,638	5,729
Bridges & Tunnels	1,723	1,774	1,766	1,765	1,740	1,740
Headquarters	1,394	1,517	1,517	1,712	1,725	1,709
Long Island Bus	1,104	1,134	1,129	1,114	1,114	1,114
Staten Island Railway	264	274	274	271	271	271
Capital Construction Company	-	-	-	-	-	-
Bus Company	3,322	3,494	3,483	3,434	3,434	3,456
Gap Closing Program						
2010 Agency Program to Eliminate the Gap	-	(118)	(375)	(356)	(347)	(390)
NYC Transit ¹	-	(101)	(309)	(301)	(292)	(335)
Long Island Rail Road	-	-	(4)	(4)	(4)	(4)
Metro-North Railroad	-	(12)	(56)	(44)	(44)	(44)
Bridges & Tunnels	-	(3)	(3)	(3)	(3)	(3)
Headquarters	-	-	-	-	-	-
Long Island Bus	-	-	-	-	-	-
Staten Island Railway	-	(2)	(3)	(4)	(4)	(4)
Capital Construction Company	-	-	-	-	-	-
Bus Company	-	-	-	-	-	-
Post-2010 Agency Program to Eliminate the Gap	-	-	-	-	-	-
Total Non-Reimbursable	63,329	62,618	61,857	61,901	61,794	62,016
NYC Transit	44,166	42,819	42,334	42,263	42,085	42,067
Long Island Rail Road	6,050	6,200	5,872	5,816	5,838	5,981
Metro-North Railroad	5,306	5,411	5,488	5,533	5,594	5,685
Bridges & Tunnels	1,723	1,771	1,763	1,762	1,737	1,737
Headquarters	1,394	1,517	1,517	1,712	1,725	1,709
Long Island Bus	1,104	1,134	1,129	1,114	1,114	1,114
Staten Island Railway	264	272	271	267	267	267
Capital Construction Company	-	-	-	-	-	-
Bus Company	3,322	3,494	3,483	3,434	3,434	3,456
Reimbursable	6,427	7,115	7,083	6,805	6,724	6,671
NYC Transit	4,843	5,555	5,283	5,024	4,946	4,893
Long Island Rail Road	756	673	898	880	876	876
Metro-North Railroad	611	604	604	604	604	604
Bridges & Tunnels	52	45	53	53	53	53
Headquarters	20	48	51	53	54	54
Long Island Bus	13	15	15	15	15	15
Staten Island Railway	3	3	3	3	3	3
Capital Construction Company	129	150	150	147	147	147
Bus Company	-	22	26	26	26	26
Total Full-Time	69,405	69,452	68,684	68,450	68,262	68,431
NYC Transit	48,760	48,201	47,467	47,137	46,881	46,810
Long Island Rail Road	6,806	6,873	6,770	6,696	6,714	6,857
Metro-North Railroad	5,912	6,012	6,091	6,136	6,197	6,288
Bridges & Tunnels	1,775	1,816	1,816	1,815	1,790	1,790
Headquarters	1,414	1,565	1,568	1,765	1,779	1,763
Long Island Bus	1,020	1,044	1,039	1,024	1,024	1,024
Staten Island Railway	267	275	274	270	270	270
Capital Construction Company	129	150	150	147	147	147
Bus Company	3,322	3,516	3,509	3,460	3,460	3,482
Total Full-Time-Equivalents	351	281	256	256	256	256
NYC Transit	249	173	150	150	150	150
Long Island Rail Road	-	-	-	-	-	-
Metro-North Railroad	5	3	1	1	1	1
Bridges & Tunnels	-	-	-	-	-	-
Headquarters	-	-	-	-	-	-
Long Island Bus	97	105	105	105	105	105
Staten Island Railway	-	-	-	-	-	-
Capital Construction Company	-	-	-	-	-	-
Bus Company	-	-	-	-	-	-
Total Positions	69,756	69,733	68,940	68,706	68,518	68,687
NYC Transit	49,009	48,374	47,617	47,287	47,031	46,960
Long Island Rail Road	6,806	6,873	6,770	6,696	6,714	6,857
Metro-North Railroad	5,917	6,015	6,092	6,137	6,198	6,289
Bridges & Tunnels	1,775	1,816	1,816	1,815	1,790	1,790
Headquarters	1,414	1,565	1,568	1,765	1,779	1,763
Long Island Bus	1,117	1,149	1,144	1,129	1,129	1,129
Staten Island Railway	267	275	274	270	270	270
Capital Construction Company	129	150	150	147	147	147
Bus Company	3,322	3,516	3,509	3,460	3,460	3,482

¹NYCT PEGs include Full-Time positions only.

External Actions:

Federal Legislative Actions - The MTA is proposing changes in federal legislation that would eliminate certain federal mandates for commuter rail employees without impacting employee benefits. The July Plan delays the assumed initiation of these changes until the third quarter of 2010.

Fare/Toll:

2011 Increased Fare and Toll Yields – Consistent with the discussions in Albany this past Spring, the July Plan assumes a 7.5% increase in MTA consolidated farebox and toll revenue yields beginning January 1, 2011. Consolidated fare and toll revenues, excluding MTA Bus revenues, are expected to increase by \$405 million in 2011, \$420 million in 2012 and \$422 million in 2013. MTA Bus revenue is expected to increase by \$12 million in 2011 and 2012, and by \$13 million in 2013. These additional MTA Bus revenues will be used to hold down the NYC subsidy used to cover the costs associated with MTA Bus operations.

As a post-2009 gap closing action, the February Financial Plan anticipated a 5% yield increase in 2011 which was estimated to generate \$307 million in 2011 and \$319 million in 2012, excluding \$10 million per year in additional farebox revenue generated at MTA Bus. While the increases in the February Financial Plan are lower than the current assumptions, they were estimated on baseline revenues that incorporated a 23% yield increase in 2009 instead of the 10% fare increase that is captured in this Plan.

2013 Increased Fare and Toll Yields - A 7.5% consolidated farebox and toll revenue yield increase is also assumed for implementation on January 1, 2013, and is estimated to yield an additional \$442 million in 2013, excluding yield increases for MTA Bus. The 5% farebox yield increase at MTA Bus is expected to generate additional revenue of \$14 million in 2013, and will be used to hold down the NYC subsidy to MTA Bus.

MTA Consolidated Utilization

MTA Agency Fare and Toll Revenue Projections, in millions
Including the Impact of 2011 and 2013 Fare & Toll Yield Increases

		2009 Mid-Year Forecast	2010	2011	2012	2013
Fare Revenue						
Long Island Bus ¹	- July Baseline	\$41.188	\$42.556	\$42.964	\$43.381	\$43.741
	- 1/1/11 Fare Yield	0.000	0.000	3.222	3.254	3.281
	- 1/1/13 Fare Yield	0.000	0.000	0.000	0.000	3.527
		\$41.188	\$42.556	\$46.186	\$46.635	\$50.548
Long Island Rail Road	- July Baseline	\$516.584	\$537.343	\$542.130	\$546.986	\$551.179
	- 1/1/11 Fare Yield	0.000	0.000	40.660	41.024	41.338
	- 1/1/13 Fare Yield	0.000	0.000	0.000	0.000	44.439
		\$516.584	\$537.343	\$582.790	\$588.010	\$636.956
Metro-North Railroad ²	- July Baseline	\$512.909	\$533.477	\$552.734	\$569.885	\$585.642
	- 1/1/11 Fare Yield ³	0.000	0.000	25.307	26.155	26.927
	- 1/1/13 Fare Yield ³	0.000	0.000	0.000	0.000	28.234
		\$512.909	\$533.477	\$578.041	\$596.040	\$640.803
MTA Bus Company	- July Baseline	\$156.702	\$162.808	\$164.928	\$166.622	\$167.927
	- 1/1/11 Fare Yield ⁴	0.000	0.000	12.370	12.497	12.595
	- 1/1/13 Fare Yield ⁴	0.000	0.000	0.000	0.000	13.539
		\$156.702	\$162.808	\$177.297	\$179.119	\$194.061
New York City Transit ¹	- July Baseline	\$3,044.128	\$3,166.503	\$3,215.806	\$3,253.801	\$3,277.157
	- 1/1/11 Fare Yield	0.000	0.000	241.185	244.035	245.787
	- 1/1/13 Fare Yield	0.000	0.000	0.000	0.000	264.221
		\$3,044.128	\$3,166.503	\$3,456.991	\$3,497.836	\$3,787.165
Staten Island Railway	- July Baseline	\$4.480	\$5.305	\$5.377	\$5.427	\$5.463
	- 1/1/11 Fare Yield	0.000	0.000	0.403	0.407	0.410
	- 1/1/13 Fare Yield	0.000	0.000	0.000	0.000	0.440
		\$4.480	\$5.305	\$5.780	\$5.834	\$6.313
Total Farebox Revenue						
	- July Baseline	\$4,275.992	\$4,447.992	\$4,523.939	\$4,586.102	\$4,631.109
	- 1/1/11 Fare Yield	0.000	0.000	323.147	327.372	330.337
	- 1/1/13 Fare Yield	0.000	0.000	0.000	0.000	354.400
		\$4,275.992	\$4,447.992	\$4,847.086	\$4,913.474	\$5,315.846
Toll Revenue						
Bridges & Tunnels	- July Baseline	\$1,312.507	\$1,383.876	\$1,392.122	\$1,397.278	\$1,396.673
	- 1/1/11 Toll Yield ⁵	0.000	0.000	93.968	104.757	104.755
	- 1/1/13 Toll Yield ⁵	0.000	0.000	0.000	0.000	101.346
		\$1,312.507	\$1,383.876	\$1,486.090	\$1,502.035	\$1,602.774
TOTAL FARE & TOLL REVENUE ²						
	- July Baseline	\$5,588.499	\$5,831.868	\$5,916.061	\$5,983.380	\$6,027.782
	- 1/1/11 Fare/Toll Yield	0.000	0.000	417.115	432.129	435.092
	- 1/1/13 Fare/Toll Yield	0.000	0.000	0.000	0.000	455.746
		\$5,588.499	\$5,831.868	\$6,333.176	\$6,415.509	\$6,918.621

¹ Excludes Paratransit Operations.

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

³ MNR utilization changes from the fare yield increases reflect impacts to both East-of-Hudson and West-of-Hudson utilization.

⁴ MTA Bus revenue from Fare Yield will be used to reduce NYC subsidy to MTA Bus.

⁵ Reflects 10% delay in the distribution of surplus toll revenues per MTA Board resolution. This has no impact on ridership

V. Cash Management Actions

V. Cash Management Actions:

Forward Energy Contracts – The July Plan continues to assume that an energy hedging strategy or similar mechanism will be used to lock-in fuel prices. The Plan assumes that the MTA will set-aside \$73 million in 2009 to be used to lock-in pricing for approximately one-third of its fuel budget for 2010. Similarly, it assumes that in 2010, the MTA will set-aside \$82 million to lock-in one-third of its expected 2011 fuel requirement.

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VI. Appendix

**Certification of the Interim Executive Director
of the
Metropolitan Transportation Authority
in accordance with Section 202.3(l)
of the
State Comptroller's Regulations**

I, Helena E. Williams, Interim Executive Director of the Metropolitan Transportation Authority ("MTA"), hereby certify, to the best of my knowledge and belief after reasonable inquiry, including certifications from senior management at the MTA agencies, that the attached budget and financial plan is based on reasonable assumptions and methods of estimation and that the requirements of Section 202.3 and 202.4 of the Regulations referenced above have been satisfied.

Metropolitan Transportation Authority

By: _____



Helena E. Williams
Interim Executive Director

Dated: July 23 2009

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