

# MTA 2011 Final Proposed Budget November Financial Plan 2011 – 2014



**Volume 2**  
**November 2010**



Metropolitan Transportation Authority

**MTA 2011 FINAL PROPOSED BUDGET  
NOVEMBER FINANCIAL PLAN 2011-2014  
VOLUME 2**

The MTA's November Plan is divided into two volumes. Volume 1 consists of financial schedules supporting the complete MTA-Consolidated Financial Plan, including an Executive Summary, baseline and below-the-line Fare/Toll Increases, MTA Initiatives, Policy Actions, and MTA Re-estimates. Volume 1 also includes descriptions of the below-the-line actions as well as the required Certification by the Chairman and Chief Executive Officer.

Volume 2 includes MTA-Consolidated financial and position schedules as well as narratives that support the baseline projections included in the 2011 Final Proposed Budget and the Financial Plan for 2011 through 2014. Also included are the Agency sections which incorporate descriptions of Agency Programs, supporting baseline tables and details regarding Agency Budget Reduction Programs (BRP). Volume 2 also includes required information related to the MTA Capital Program.

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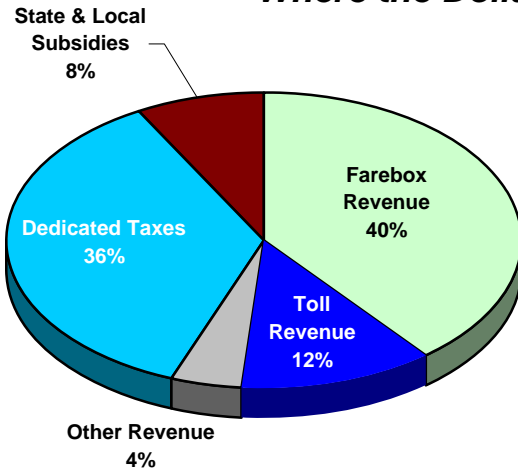
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# **I. MTA Consolidated 2010-2014 Financial Plan-Baseline**

# MTA 2011 Final Proposed Budget

## Baseline Before Below-the-Line Adjustments

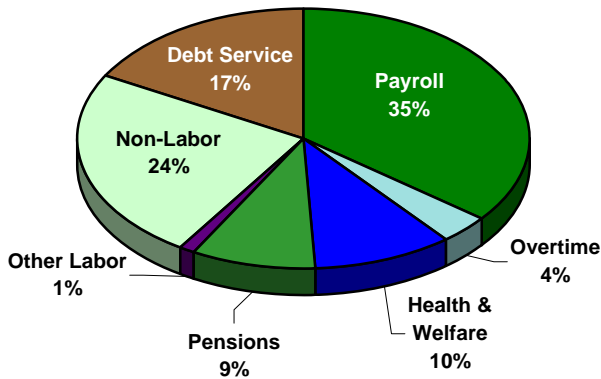
### Where the Dollars Come From ...



By Revenue Source (\$ in millions)	
Farebox Revenue	\$4,648
Toll Revenue	1,423
Other Revenue	523
Dedicated Taxes	4,283
State & Local Subsidies	956
<b>Total</b>	<b>\$11,833</b>

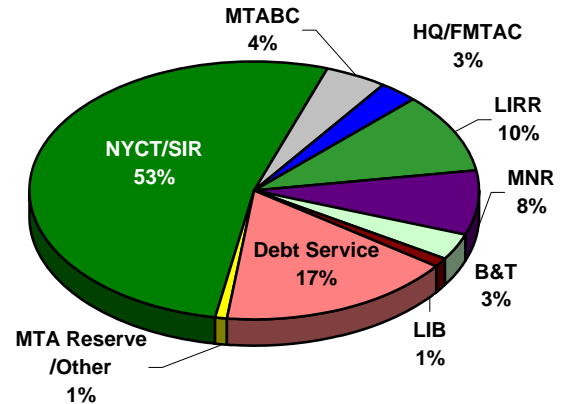
### Where the Dollars Go ...

#### By Expense Category



By Expense Category (\$ in millions)	
Payroll	\$4,286
Overtime	429
Health & Welfare	1,216
Pensions	1,070
Other Labor	135
Non-Labor	2,897
Debt Service	2,043
<b>Total</b>	<b>\$12,077</b>

#### By MTA Agency



By MTA Agency (\$ in millions)	
NYCT/SIR	\$6,347
MTABC	516
HQ/FMTAC	345
LIRR	1,197
MNR	998
B&T	397
LIB	134
Debt Service	2,043
MTA Reserve	100
<b>Total</b>	<b>\$12,077</b>

*Expenses exclude Depreciation, OPEB obligation and Environmental Remediation.*

The difference between revenues and expenses is (\$244) million. This is offset by cash flow timing adjustments, use of prior year cash balances and below-the-line actions.









**Metropolitan Transportation Authority**  
**November Financial Plan 2011 - 2014**  
**MTA Consolidated November Financial Plan Compared with July Financial Plan**  
**Cash Reconciliation**  
(\$ in millions)

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b>JULY BASELINE CASH BALANCE before PRIOR-YEAR CARRYOVER</b>	<b>(\$200)</b>	<b>(\$500)</b>	<b>(\$803)</b>	<b>(\$1,048)</b>	<b>(\$1,590)</b>
Farebox/Toll Revenue	(9)	(25)	(33)	(35)	(38)
Health & Welfare/OPEB	3	(13)	(23)	(39)	(44)
Claims	(28)	(0)	(0)	(0)	(0)
Pensions	3	(1)	(9)	(9)	(15)
Energy	6	13	4	6	7
New Needs/Investments:					
Maintenance	20	(6)	(16)	(23)	(26)
Safety & Security	0	(11)	(15)	(14)	(12)
Baseline BRP/AABB/PEG Re-estimates	(8)	(2)	(5)	(5)	(5)
Worker's Compensation Re-estimates	(14)	(3)	(3)	(3)	(3)
Timing Adjustments	55	(53)	7	(2)	(4)
Other Baseline Re-Estimates/Cash Adj.	(2)	(12)	22	30	33
General Reserve	50	0	0	0	0
<b>Net Cash Baseline Change</b>	<b>\$75</b>	<b>(\$112)</b>	<b>(\$72)</b>	<b>(\$94)</b>	<b>(\$108)</b>
<b>Subsidies</b>	<b>(\$4)</b>	<b>\$77</b>	<b>\$72</b>	<b>\$73</b>	<b>\$146</b>
Payroll Mobility Tax	65	73	80	77	68
MTA Aid	(60)	(38)	(34)	(29)	(25)
Metro. Mass Transp. Oper. Asst. (MMTOA)	(15)	41	33	29	48
Petroleum Business Tax (PBT)	0	(4)	(5)	(7)	(7)
Real Estate Taxes	(19)	(8)	(7)	(5)	47
CDOT Subsidy	(4)	1	2	4	9
City Subsidy for MTA Bus	5	7	(0)	(1)	0
B&T Operating Surplus Transfer	15	2	0	2	4
MTA Subsidy to Subsidiaries	4	5	4	4	4
Other	5	(1)	(2)	(2)	(1)
<b>Debt Service (excluding B&amp;T)</b>	<b>\$79</b>	<b>\$18</b>	<b>(\$1)</b>	<b>(\$6)</b>	<b>(\$20)</b>
<b>NOVEMBER BASELINE CASH BALANCE before PRIOR-YEAR CARRYOVER</b>	<b>(\$50)</b>	<b>(\$516)</b>	<b>(\$803)</b>	<b>(\$1,075)</b>	<b>(\$1,573)</b>

**Note:**

<sup>1</sup> B&T is captured as a subsidy and is not included in the agency portion of the cash baseline. While B&T impacts are captured in individual reconciliation categories, they are eliminated with this adjustment. Consequently, all B&T impacts, except Budget Reduction Program savings, are removed.

**METROPOLITAN TRANSPORTATION AUTHORITY  
NOVEMBER FINANCIAL PLAN 2011-2014  
BASELINE FAREBOX RECOVERY AND FAREBOX OPERATING RATIOS**

<b>FAREBOX RECOVERY RATIOS</b>					
	<b>2010 November Forecast</b>	<b>2011 Final Proposed Budget</b>	<b>2012 Forecast</b>	<b>2013 Forecast</b>	<b>2014 Forecast</b>
New York City Transit	36.9%	35.7%	34.7%	33.3%	31.9%
Staten Island Railway	11.0%	12.2%	11.8%	11.7%	11.5%
Long Island Rail Road	29.4%	28.5%	27.8%	27.1%	26.3%
Metro-North Railroad	37.9%	35.9%	35.3%	34.2%	33.3%
Long Island Bus	29.4%	29.6%	28.4%	28.1%	27.6%
Bus Company	<u>28.7%</u>	<u>28.3%</u>	<u>28.2%</u>	<u>27.7%</u>	<u>27.4%</u>
<b>MTA Total Agency Average</b>	<b>35.4%</b>	<b>34.3%</b>	<b>33.3%</b>	<b>32.2%</b>	<b>31.0%</b>

<b>FAREBOX OPERATING RATIOS</b>					
	<b>2010 November Forecast</b>	<b>2011 Final Proposed Budget</b>	<b>2011 Forecast</b>	<b>2013 Forecast</b>	<b>2014 Forecast</b>
New York City Transit	55.4%	54.6%	52.9%	50.8%	48.5%
Staten Island Railway	15.7%	18.1%	17.4%	17.3%	16.9%
Long Island Rail Road	45.4%	44.5%	43.3%	42.0%	40.5%
Metro-North Railroad	57.0%	54.9%	54.1%	52.5%	51.3%
Long Island Bus	32.2%	32.4%	31.0%	30.7%	30.0%
Bus Company	<u>35.8%</u>	<u>35.3%</u>	<u>35.1%</u>	<u>34.3%</u>	<u>33.8%</u>
<b>MTA Total Agency Average</b>	<b>52.6%</b>	<b>51.7%</b>	<b>50.3%</b>	<b>48.6%</b>	<b>46.6%</b>

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

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

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## **II. Major Assumptions 2011-2014 Projections- Baseline**

**Utilization**  
**(Revenue, Ridership, Vehicle Traffic)**

## UTILIZATION

Utilization figures presented in this section do not reflect fare media liability or paratransit operations at New York City Transit and Long Island Bus; these items are included in the Agency and MTA consolidated tables in the Financial Plan. Additionally, utilization for Metro-North Railroad's west-of-Hudson operations is also not included in this section; in the Agency and MTA consolidated financial tables, west-of-Hudson utilization is netted against expenses and is not included in revenue.

### **2010 Ridership, Traffic and Revenue**

The 2010 November Forecast for MTA consolidated ridership is projected to total 2,620 million passengers, while crossings at Bridges and Tunnels (B&T) facilities are projected to total 293 million vehicular crossings. The New York City Transit (NYCT) combined subway and bus ridership forecast for the 2010 November Forecast is 2,304 million and accounts for 88% of MTA consolidated ridership. Long Island Rail Road (LIRR) and Metro-North Railroad's (MNR) East-of-Hudson operations each account for 3% of MTA consolidated ridership, with 2010 ridership projected to be 82 million for LIRR and 79 million for MNR. The projection for MTA Bus Company (MTABC) ridership is 120 million and accounts for 4.6% of MTA consolidated ridership, while Staten Island Railway (SIR) ridership is estimated to be 4 million (0.2% of MTA ridership) and Long Island Bus (LIB) fixed route ridership is estimated to be 31 million (1.2% of MTA ridership).

MTA consolidated farebox revenue for the 2010 November Forecast is estimated to be \$4,503 million, and toll revenue is estimated to be \$1,417 million. NYCT combined subway and bus farebox revenue for the 2010 November Forecast is expected to be \$3,235 million, while LIRR is projecting \$526 million in farebox revenue and MNR is projecting \$527 million in farebox revenue for its East-of-Hudson operations. SIR farebox revenue is estimated to be \$5 million, LIB fixed route farebox revenue is estimated to be \$42 million, and MTABC farebox revenue is expected to be \$168 million.

2010 November Forecasts are based on actual results through August 2010 for each agency.

The 2010 November Forecast for MTA consolidated ridership is projected to decline by 2 million trips – a 0.1% decrease – from 2009; MNR and SIR ridership levels are projected to increase while LIB, LIRR, MTABC and NYCT ridership levels are projected to decline. B&T traffic is forecast to increase by 1.7 million crossings, a 0.6% increase.

Year to year increases in farebox and toll revenue reflect the impact of the fare and toll increases that went into effect in June 2009 for fares and in July 2009 for B&T tolls. The 2010 November Forecast for farebox revenue is projected to increase by \$220 million, a 5.1% increase, and is projected to be higher for each MTA Agency; B&T toll revenue is expected to be \$85 million greater than 2009 toll revenue, a 6.4% increase.





MTA consolidated ridership for 2011 in the November Plan is expected to exceed the February Plan projection by 11 million trips, an increase of 0.4%. At B&T facilities, the November Plan reflects 2 million additional vehicular crossings, a 0.8% increase, over the February Plan forecast. MTA consolidated farebox revenue for 2011 in the November Plan is forecast to be greater than projections in the February Plan by \$31 million, a 0.7% increase. B&T toll revenue for 2011 is projected to be \$12 million, or 0.8%, above the February Plan forecast. The utilization changes from the February Plan reflect more optimism in the employment forecasts for New York City, with about 36 thousand more jobs projected in New York City compared with the employment forecast used in the February Plan.

The November Plan forecast for 2011 MTA consolidated ridership is lower than the July Plan forecast by 14 million trips, a 0.5% decline, while B&T facility traffic is now expected to modestly surpass the July Plan forecast by 0.4 million crossings (0.1%). Lower ridership forecasts are due primarily to lower NYCT Bus ridership. Consolidated farebox revenue is also projected to be lower than the July Plan forecast, down \$26 million (0.6%) and B&T toll revenue is expected to exceed the July Plan by \$2 million (0.1%).

#### **2012 – 2014 Ridership, Traffic and Revenue**

MTA consolidated ridership and vehicle crossings, along with farebox and toll revenue, are expected to increase each year from 2012 through 2014. Consolidated ridership is projected to reach 2,782 million passengers by 2014, while farebox revenue is estimated to reach \$4,805 million. B&T vehicle crossings are projected to be 300 million by 2014, and toll revenue is estimated to increase to \$1,439 million.

Compared with the February Plan, MTA consolidated ridership is projected to be 0.9% higher in 2012 and 1.2% higher in 2013; the forecast for traffic at B&T facilities also exceeds the February Plan forecast, up 1.0% in both 2012 and 2013. MTA consolidated farebox revenue is expected surpass the February Plan projections by 1.0% in 2012 and by 1.3% in 2013; B&T toll revenue is projected to surpass the February Plan forecasts by 1.1% in both 2012 and 2013.

As with 2011 forecasts, the November Plan projections for MTA consolidated ridership and farebox revenue are lower than those presented in the July Plan, reflecting lower NYCT Bus levels.





# **Subsidies**

## SUBSIDIES - OVERVIEW

The following pages provide accrual and cash summary tables for the subsidies and dedicated taxes received by MTA, as well as additional tables detailing the changes between the November Plan and the July Plan. Detailed narratives describing each subsidy, the forecast methodologies employed and explanations of changes since the February Plan are also included. The details of Bridges and Tunnels operations that produce the Operating Surplus Transfer subsidy are discussed in the B&T portion of the Agency Financial Plans section that appears later in this report. A breakdown of subsidies paid to support LI Bus and SIRTOA operations is also found in this section although the costs themselves are captured as MTAHQ expenses under the category of "Support for Subsidiaries". *This section includes consolidated income and expense information on NYCT's Paratransit operation and Long Island Bus' Able Ride operation.* Other details of this operation can be found in this volume under Agency Financial Plans – NYCT and LIB.

As shown on the tables that follow, on an *accrual basis*, the 2010 November Forecast of Total Dedicated Taxes and State & Local Subsidies, including revenues from the Payroll Mobility Tax (PMT) and the other New State taxes and fees, is \$4,908 million. Dedicated Taxes and State & Local Subsidies are expected to fall short of the 2010 Adopted Budget by \$565 million. Approximately, two-thirds of this unfavorable variance is due to lower revenues from the New State Taxes, \$321 million in PMT and \$60 million in MTA Aid. As discussed in detail in the July Plan, the PMT collections for 2010 falls far short of New York State's original projections on which the MTA February forecast was based. Although there has been some improvement in PMT revenue collections in the months since the issuance of the July Plan, which is reflected in the positive variance from the July Plan forecast, the year to date result is still far below the levels that the MTA had anticipated at the beginning of 2010 as reflected in the February Plan. For the MTA Aid taxes, the July Plan made no change to the February Plan projections, however, based on year-to-date receipts through October, the November Plan assumes that the 2010 revenues will fall short of the February and July Plan estimates due to lower than expected tax collections, mostly for the DMV license and registration fees.

Also contributing to the unfavorable variance are receipts from real estate transaction taxes, which are \$128 million less than the Adopted Budget forecast and \$19 million less than the July Plan forecast. MMTOA receipts are \$14 million below the July Plan forecast, which reflects the recent FMAP Cuts implemented by New York State in summer 2010 (See detailed explanation in the MMTOA Section); when compared with the February forecast, the MMTOA revenues are estimated to fall short of the Adopted Budget by \$49 million. While PBT is on target with the July Plan, it falls short of the February estimate by \$32 million. These unfavorable variances are partially offset by a favorable variance of \$40 million in City Subsidy to MTA Bus, which reflects timing adjustments related to retroactive wage payments. MMTOA, 18-b and Urban Taxes designated for the former City-subsidized private buses are received by the City for their use in funding MTA Bus.

On a *cash basis*, total MTA Dedicated Taxes and State & Local Subsidies is \$5,054 million, which is \$535 million below the 2010 Adopted Budget and reflect mostly lower

PMT and MTA Aid (\$321 million and \$60 million, respectively), and real estate receipts (\$131 million), as well as lower MMTOA (\$48 million) and PBT (\$32 million). This is offset by favorable cash receipts of \$24 million for City Subsidy to MTA Bus.

For 2011 through 2013, total Dedicated Taxes and State & Local Subsidies, on an *accrual basis*, are projected to fall short of the February Plan by \$238 million in 2011, \$242 million in 2012, and \$267 million in 2013, due primarily to lower PMT and real estate forecasts. Compared with the July Plan, the forecasts are \$70 million higher in 2011, \$66 million higher in 2012 and \$71 million in 2013. On a *cash basis*, these taxes and subsidies are expected to fall short of the February estimates by \$233 million in 2011, \$240 million in 2012 and \$263 million in 2013; compared with the July Plan they are higher by \$70 million, \$68 million and \$67 million, respectively.

The Plan reflects technical adjustments for certain policy actions that are incorporated as part of the Subsidy baseline projections: Enhanced Security Training (\$3 million in 2010) and MTA Bus Debt Service (\$25 million each year from 2010 through 2014) are funded from the MRT-2 collections.









## **METROPOLITAN MASS TRANSPORTATION OPERATING ASSISTANCE (MMTOA)**

Metropolitan Mass Transportation Operating Assistance Taxes (MMTOA) consist of special State taxes imposed within the MTA Transportation District which, subject to State appropriation, supplement the general operating subsidies of transportation systems in the District. MMTOA is comprised of the following taxes:

- Petroleum Business Tax (PBT), which is a small portion of the basic PBT imposed on petroleum businesses operating within New York State;
- Sales Tax, which is imposed on sales and uses of certain tangible personal property and services;
- Corporate Franchise Taxes imposed on certain transportation and transmission companies;
- Temporary Corporate Surcharges imposed on the portion of the franchise and other taxes of certain businesses attributable to the conduct of business within the transportation district.

Total taxes in the Statewide Mass Transportation Operating Assistance Fund for 2010 are estimated at \$1,814 million, of which \$1,756 million is allotted for Downstate transit properties. Of the Downstate allotment, \$190 million, which includes \$154 million for NYCT and SIR and \$21 million for the Commuter Railroads, is earmarked to fund the State's 18-b obligation. Long Island Bus, MTA Bus and non-MTA Downstate transportation properties also receive a portion of the MMTOA funds.

The 2010 percentage allocation of the Downstate share for NYCT/SIR represents 56.3% and the percentage allocation to the commuter railroads represents 26.0%. These shares are slightly below the July Plan levels; they are based on New York State's revised 2010-11 appropriation of MTA MMTOA and reflect the recently implemented FMAP cuts which were implemented as the result of a reduction in the Federal Medicaid Assistance Percentage Matching Rate to New York State.

These latest funding cuts implemented in the summer of 2010 resulted in a total reduction in State subsidies to the MTA of \$17 million, which represents 1.1% of all remaining subsidies earmarked for the MTA in NYS' 2010-11 Budget that had not been paid as of September 15, 2010. With the exception of the Payroll Mobility Tax, which was exempted from the cuts by the legislation, all State subsidies were impacted. New York State Division of the Budget opted to take the full value of the cuts from two subsidy sources; \$2 million was deducted from MTA AID and the remaining \$15 million was deducted from MMTOA. The MMTOA deduction represents not only the share of cuts for MMTOA, but also the share of cuts for State Operating Assistance 18-b, Petroleum Business Tax (PBT) and Additional Mass Transportation Assistance Program (AMTAP). This was done to avoid a direct reduction to the operating assistance, which would adversely impact the mandated funding match required of the local municipalities.

## **2010 November Forecast**

The 2010 November Forecast, on an accrual basis, reflects New York State's revised appropriation for MTA MMTOA of \$1,314 million, which is \$29 million lower than the 2009 level. When compared with the MTA February and July Plans, this is \$49 million lower than the February Plan forecast and \$15 million lower than the July Plan forecast. The November Plan reduces the July Plan estimate by the amount of the State's FMAP cuts discussed above. Of the total for 2010, \$835 million of the revised appropriation is for NYCT/SIR, \$435 million for the commuter railroads, and \$44 million for Long Island Bus.

Consistent with the February and July Plans, on a cash basis, the November Plan reflects a carry-over of \$46 million from 2009, which was due to decreased collections and deposits in the MMTOA account in 2009 that prevented the State from paying the full amount of the SFY 2009-10 Appropriation to the MTA by the end of the last calendar year. As noted in the July Plan, this is a change from recent years, when the State paid MTA's full appropriation by the end of the current calendar year.

Consistent with the February and July Plans, the November Plan assumes that in 2010 the State will revert to paying the full MMTOA appropriation for SFY 2010-11 by the end of its third quarter, to coincide with the end of calendar year 2010, and thus does not anticipate any carryover of the 2010-11 MTA MMTOA appropriation into calendar year 2011.

For 2010, the November Plan assumes that the State will fund \$190 million in 18-b obligations from MMTOA, which is unchanged from the prior year forecast and from the February and July Plan levels.

The 2010 percentage allocation of MTA's share of Downstate MMTOA, 56.3% for NYCT/SIR and 26.0% for the CRRs, is derived from the actual amounts appropriated by the State.

## **2011**

For 2011, total estimated MTA MMTOA is \$1,481 million, which reflects the latest reforecast of revenues in New York State's Mid-year (October) Financial Plan update. Of the total, \$952 million is earmarked for NYCT and SIR, \$481 million is earmarked for the Commuter Railroads and \$48 million for Long Island Bus. The 2011 cash forecast is \$121 million higher than the prior year, \$100 million higher than the February Plan forecast and \$41 million higher than the July Plan forecast.

The November Plan assumes that in 2011, the State's funding of its 18-b obligation remains at the 2010 level of \$190 million, which is consistent with the February and July Plans. The percentage allocations of MMTOA's downstate shares that come to the MTA represent 60.0% for NYCT and SIR and 27.3% for the Commuter Railroads.

As reflected in the table at the end of this section, revenues from the Sales Tax, the Petroleum Business Tax and the Corporate Tax Surcharge are expected to increase from the 2010 level by 3.4%, 3.1% and 6.7%, respectively. There is no change expected in the level of Corporate Franchise Tax, which remains flat for the years covered by the Plan.

## **2012 – 2014**

For 2012 through 2014, the MTA MMTOA forecasts are based on New York State's latest projections of MMTOA revenues in its Mid-year (October) Financial Plan update. In 2012, the November Plan forecast is \$1,575 million, which is \$95 million higher than the 2011 forecast, \$93 million higher than the February Plan forecast and \$33 higher than the July Plan forecast.

In 2013 and 2014, the November Plan forecasts for MTA MMTOA are \$72 million and \$78 million higher than the prior year's forecast, respectively. Compared with the February Plan, the November forecast is \$91 million higher in 2013. Compared with the July Plan, the November Plan forecast is \$29 million higher in 2013 and \$48 million higher in 2014.

For 2011 through 2014, the Plan assumes the following growth rates from the prior year levels for the component taxes of MMTOA:

Growth Rate for the Individual Components of MMTOA (from prior year level)					
		<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Sales Tax		3.4%	6.5%	3.1%	0.0%
Petroleum Business Tax		3.1%	0.0%	0.8%	0.0%
Corporate Franchise Tax		0.0%	0.0%	0.0%	0.0%
Corporate Tax Surcharge		6.7%	5.9%	5.5%	8.3%



## **PETROLEUM BUSINESS TAXES (PBT) (Trust Fund Taxes)**

The Statewide Dedicated Funds Pool is the repository for revenues from the following dedicated taxes and fees:

- Petroleum business taxes - a business privilege tax imposed on petroleum businesses operating in New York State
- Motor fuel taxes - an excise tax levied with respect to gasoline and diesel motor fuels
- Motor vehicle fees - derived mainly from vehicle registration and driver license fees

Subject to statutory allocation under current State Law, thirty-four percent (34%) of the Dedicated Funds Pool is currently deposited in the Mass Transportation Trust Fund (MTTF) for MTA's benefit. Sixty-three percent (63%) of the remaining sixty-seven percent (67%) is earmarked for State uses including upstate highways and other transportation, and the other three percent (3%) is allotted to other mass transit operating agencies. Amounts transferred from the MTTF Account to the MTA's Dedicated Tax Fund constitute MTTF Receipts. For the purposes of budget preparations, MTTF Receipts are also referred to interchangeably as PBT Receipts. Eighty-five percent (85%) of the MTTF Receipts are payable to New York City Transit (NYCT) for the benefit of NYCT and SIR, and the remaining 15% to MTA for the benefit of LIRR and Metro-North.

MTA utilizes the MTTF Receipts (PBT) to pay debt service on MTA's Dedicated Tax Fund Bonds (DTF Bonds). Debt service on DTF Bonds is payable first from PBT Receipts and then, to the extent of any deficiency, from MMTOA Taxes. Through 2010, PBT Receipts have always been sufficient to meet all debt service commitments and MMTOA Taxes have never been needed for this purpose.

After debt obligations are satisfied, the remaining PBT funds are allocated to New York City Transit and the Commuter Railroads in accordance with the formula provided by statute: 85% to NYCT and 15% to the commuter railroads.

The PBT forecast in the 2010 November Plan reflects the latest reforecast of revenues in New York State's Mid-year (October) Financial Plan update. On a year-to-year basis, MTA PBT revenues are expected to increase slightly in 2011 and 2012 and to decrease in 2013 and 2014. On a plan-to-plan basis, the November Plan PBT revenues are expected to be below the February Plan forecast by \$32 million in 2010. In the subsequent years, the November Plan lowers the February Plan estimates by \$30 million in 2011, \$13 million in 2012, and \$13 million in 2013. Compared with the July Plan, the November Plan forecast makes no change to the 2010 estimate; however in the subsequent years, the Plan lowers the July Plan estimate by \$4 million in 2011, \$5 million in 2012, and \$7 million in 2013 and 2014, respectively. The following sections discuss the changes in more details.

## **2010 November Forecast**

The 2010 November Plan MTA PBT estimate, on a cash basis, is \$607 million, which is \$23 million lower than 2009 receipts and \$32 million lower than the MTA Adopted Budget (February Plan) estimate. The November Plan makes no changes to the MTA Preliminary Budget (July Plan) estimate; based on actual results through October year-to-date and adjustments for collection trends over the prior two years, the November Plan maintains the July Plan's PBT estimate for 2010. Of the total allocation, 85% or \$516 million is earmarked for New York City Transit and 15% or \$91 million for the commuter railroads.

On an accrual basis, the PBT estimate for 2010 is \$607 million. The accrual estimate is based on a one-month lag in the booking and collection of PBT proceeds.

## **2011 Forecast**

The 2011 PBT cash projection is \$612 million, which reflects NYS' latest reforecast of revenues in its Mid-Year (October) Financial Plan update. This is \$6 million higher than the 2010 estimate, \$30 million below the February Plan estimate and \$4 million below the July Plan estimate. Of the total PBT, \$521 million, or 85% is earmarked for New York City Transit, and \$92 million, or 15% is earmarked for the commuter railroads.

On an accrual basis, the 2011 PBT estimate is \$613 million.

## **2012 - 2014**

For 2012 through 2014, PBT cash estimates are \$615 million, \$611 million and \$610 million, respectively, and reflect NYS' revenue reforecast in its Mid-Year (October) update. The year over year changes reflect slight decreases in the forecasts. The 2013 and 2014 forecasts are below the previous year's level by 0.7% and 0.2%, respectively. The PBT estimates are below the MTA February Plan estimates by \$13 million in 2012 and \$13 million in 2013, respectively. When compared with the July Plan the estimates are below the July levels by \$5 million, \$7 million and \$7 million in each of the respective years.

On an accrual basis, PBT estimates for 2012 through 2014 are \$615 million, \$611 million and \$610 million, respectively.



## **MORTGAGE RECORDING TAXES (MRT)**

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

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

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

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

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

### **Forecast Methodology**

Forecasts of MRT receipts for 2010 consist of actual receipts through October; monthly receipts for November and December are assumed to be consistent with October's receipts. For prior Plans, MTA generally utilized forecasts of real estate transaction tax receipts incorporated into City of New York financial plans, but due to the timing of this

MTA financial plan that resource was not available. As an alternative, for 2011 through 2014 MTA consulted with real estate tax analysts at New York City's Office of Management and Budget before developing these forecasts.

### **2010 November Forecast**

MRT receipts are forecast to be \$228 million in 2010, \$14 million, or 6%, less than 2009 MRT receipts. While 2010 MRT is projected to be at its lowest level since 2000, the annual decline is very modest when compared with the annual declines over the past three years: from 2006 to 2009 MRT receipts declined 68%, or \$521 million. MRT-1, which is collected on mortgages for both commercial and residential properties, is projected to decline \$11 million (7%) and MRT-2, which is paid only on residential properties with fewer than seven units in the structure, is forecast to be \$3 million (3%) below 2009 receipts.

The 2010 November Forecast for MRT is \$47 million less than the Adopted Budget forecast (17%), reflecting a much slower recovery in mortgage originations than had been initially assumed. MRT-1 accounts for 83% of the shortfall, and is estimated to be \$39 million less (22%) than the Adopted Budget, while MRT-2 is projected to be \$7 million less (7%) than the Adopted Budget.

In the July Plan, forecasts for MRT were reduced by \$27 million from the Adopted Budget projections, but even these more modest levels will not be attained in 2010. Overall, the MRT forecast in the November Plan will miss the July Plan projection by \$18 million (7%). MRT-1 receipts comprise three-quarters of the shortfall, missing the July Plan projection by \$14 million (9%) with MRT-2 falling short of the July Plan forecast by \$5 million (5%).

### **2011 Final Proposed Budget**

Based on recent real estate activity and evidence of a modest economic recovery in the region, the 2011 MRT forecast reflects a stabilizing of both the commercial and residential real estate markets. MRT receipts are forecast to be \$239 million in 2011, \$10 million, or 4%, greater than the 2010 November Forecast. This projected increase, while modest, would be the first year-over-year increase since 2006. Over 90 percent of the increase is expected to come from MRT-1 receipts, which is projected to increase \$9 million (7%); MRT-2 receipts are forecast to increase \$1 million (1%).

The 2011 Final Proposed Budget for MRT is \$53 million less than the February Plan forecast (18%), reflecting both a lower base in 2010 and a smaller year-over-year increase; the larger increase in the February Plan reflected the belief that the real estate recovery would begin during 2010 and continue into 2011, while the November Plan is based on a later start to the real estate recovery, in 2011. MRT-1 is estimated to be \$43 million less (23%) than the February Plan forecast, while MRT-2 is projected to be \$10 million less (10%) than the February Plan forecast.

As with 2010 projections, the 2011 MRT forecast In the July Plan was reduced from the February Plan projections. Despite this reduction, the 2011 MRT forecast in the November Plan is projected to be below the July Plan forecast by \$27 million (10%).

MRT-1 receipts comprise three-quarters of the shortfall, missing the July Plan projection by \$20 million (12%) with MRT-2 falling short of the July Plan forecast by \$7 million (7%).

## **2012 - 2014**

MRT receipts are expected to improve through the remainder of the November Financial Plan period, increasing by \$39 million in 2012, \$49 million in 2013 and \$58 million in 2014. While these increases are significant – particularly when comparing with the massive declines over the past four years and the projections of modest improvements during the first two years of the Plan period – 2014 MRT receipts will still remain below 2003 levels, which was three full years before MRT receipts began to decline.

For 2012 through 2014, MRT receipts in the November Plan fall short of projection from the February Plan, reflective of lower forecasts for MRT receipts during the earlier part of the Plan period. MRT receipts for 2012 are \$77 million (22%) below the February Plan forecast; 2013 receipts are \$59 million less (15%) and 2014 receipts are \$32 million less (8%).

Compared with the July Plan, forecasts of MRT receipts are expected to be lower for 2012 and 2013, but higher for 2014. Receipts are projected to be below the July Plan level by \$23 million (8%) for 2012 and by \$28 million (8%) for 2013; in 2014, MRT receipts are expected to surpass the July Plan forecast by \$18 million (5%).

	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
MRT-1	(46)%	(7)%	7%	18%	17%	17%
MRT-2	(35)%	(3)%	1%	13%	19%	19%
TOTAL	(42)%	(6)%	4%	16%	18%	18%

## **Additional Assumptions**

The MTA General Reserve is funded from subsidies. As is tradition, the November Plan eliminates the remaining 2010 General Reserve. Thus, the July Plan level of \$50 million has been reduced to zero. Beginning in 2011 through the end of the Plan period, the November Plan maintains the July Plan's General Reserve levels of \$100 million annually.

MRT-2 is used to reimburse the agencies for certain security expenses from a fund managed by MTA Police. These monies are used for short term security projects. Consistent with the February and July Plans, an annual amount of \$10 million has been earmarked in the November Plan to cover these security expenses from 2010 through 2014.

## **Technical Adjustment:**

*Enhanced Security Training* – The November Plan allocates \$3 million for enhanced security training for NYCT, Metro-North, and LIRR's operating personnel. This is a \$3

million reduction from the July Plan's allocation, due to the receipt of a Federal grant. This is the final year of a four year initiative, which began in 2007 on the recommendations of Kroll Associates, the security consulting firm that the MTA engaged to review the agencies' safety/security training curriculum, and has sought and received the approval of the MTA Board.

### **Other MRT-2 Adjustments**

In addition to the adjustments above, the November Plan, like the July Plan, assumes that funds from subsidies will be used to cover debt service cash flow requirements of the MTA Bus Company (MTABC). This is pursuant to an agreement that the MTA pays the capital costs of the MTABC 2005-2009 capital program, to the extent that it is otherwise not paid from Federal grants, matching City funds, or other funding sources specifically dedicated to MTABC capital projects. As part of the terms of this agreement, the MTA is required to pay the debt service on bonds and commercial papers expended after November 2006 on MTABC capital projects, until such amounts are paid in full, which would require payments through the Plan period and beyond. The November Plan estimates of the required amounts are \$25 million annually beginning in 2010 and continuing for the duration of the Plan period. This reflects no changes from the February and July Plans.

The MTA is also required to fund a portion of MTA Bus' debt service from New York City Transit subsidies each year, which is projected to be \$12 million annually for the duration of the Plan. These amounts reflect reimbursement to MTA Bus under a swap agreement with New York City Transit. [For details see *Subsidy and Other Technical Adjustments* in this section].



## **URBAN TAXES**

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

### **Forecast Methodology**

Forecasts of Urban Tax receipts for 2010 consist of actual receipts through October; monthly receipts for November and December are assumed to be consistent with October's receipts. For prior Plans, MTA generally utilized forecasts of real estate transaction tax receipts incorporated into City of New York financial plans, but due to the timing of this MTA financial plan that resource was not available. As an alternative, for 2011 through 2014 MTA consulted with real estate tax analysts at New York City's Office of Management and Budget before developing these forecasts.

### **2010 November Forecast**

Urban Tax receipts are forecast to be \$177 million in 2010, \$27.6 million, or 18.5%, more than 2009 receipts. While this modest increase in Urban Tax receipts is the first increase after two years of dramatic declines, 2010 Urban Tax receipts are still only one-fifth the level they were at their peak in 2007; from 2007 to 2009, Urban Tax receipts declined 83%, or \$734 million. RPTT receipts are projected to increase \$33 million (33%) and MRT receipts are forecast to be \$5 million (10%) below 2009 receipts.

The 2010 November Forecast for the Urban Taxes is \$85 million less than the Adopted Budget forecast (32%), reflecting a much slower commercial property market than had been initially expected. RPTT is estimated to be \$47 million less (26%) than the Adopted Budget, while MRT is projected to be \$38 million less (46%) than the Adopted Budget.

In the July Plan, forecasts for Urban Tax receipts were reduced from the Adopted Budget projections, and it is expected that this more modest forecast will essentially be achieved. Overall, the Urban Tax forecast in the November Plan will miss the July Plan projection by just \$0.3 million (0.2%), reflecting both a modest increase in commercial real estate activity and a much slower recovery in the availability of capital for commercial property mortgage originations than had been initially assumed. RPTT is estimated to be \$11 million more (9%) than the Mid-Year Forecast, while MRT is projected to be \$11 million less (20%) than the Mid-Year Forecast.

## **2011 Final Proposed Budget**

Based on recent real estate activity and evidence of a modest economic recovery in the region, the 2011 Urban Tax forecast reflects growth in the New York City commercial real estate market. Urban Tax receipts are forecast to be \$244 million in 2011, \$67 million, or 38%, greater than 2010. This projected increase, while building on the modest increase that is projected for 2010, will nonetheless still result in receipts that are just 28 percent of the Urban Tax's peak in 2007. Over 70 percent of the increase is expected to come from RPTT receipts, which are projected to increase \$48 million (36%); MRT receipts are forecast to increase \$19 million (42%).

The 2011 Final Proposed Budget for the Urban Taxes is \$57 million less than the February Plan forecast (19%), reflecting a lower base in 2010, but also a stronger year-over-year increase. RPTT is estimated to be \$22 million less (11%) than the February Plan forecast, while MRT is projected to be \$35 million less (35%) than the February Plan forecast.

The 2011 Urban Tax forecast in the November Plan is projected to be modestly surpass the July Plan forecast by \$19 million (8%). RPTT receipts are estimated to be \$30 million (20%) above the July Plan forecast, while MRT receipts are expected to miss the July Plan forecast, down \$11 million (15%).

## **2012 - 2014**

Urban Tax receipts are expected to improve through the remainder of the November Financial Plan period, increasing by \$62 million in 2012, \$28 million in 2013 and \$17 million in 2014. While these increases are significant – particularly when comparing with the massive declines in 2008 and 2009 – 2014 Urban Tax receipts will be just slightly higher than 2004 receipts, which was three full years before Urban Tax receipts declined.

For 2012 through 2014, Urban Tax receipts in the November Plan fall short of projection from the February Plan, reflective of lower forecasts for Urban Tax receipts during the earlier part of the Plan period. Urban Tax receipts for 2012 are \$34 million (10%) below the February Plan forecast and 2013 receipts are \$68 million less.

Compared with the July Plan, forecasts of Urban Tax receipts are expected to be higher through 2014. Receipts are projected to be above the July Plan level by \$17 million (6%) for 2012, \$23 million (8%) for 2013 and \$29 million (9%) for 2014.

	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Real Property Transfer Tax	(71.6)%	32.8%	36.2%	16.6%	5.3%	2.9%
Mortgage Recording Tax	(71.0)%	(9.8)%	42.2%	49.2%	17.6%	9.6%
<b>TOTAL</b>	<b>(71.4)%</b>	<b>18.5%</b>	<b>37.7%</b>	<b>25.3%</b>	<b>9.2%</b>	<b>5.2%</b>





The November Plan's PMT revenue forecasts, as well as the changes from the February and July Plan levels for 2010 through 2014, are summarized in the table below:

<b>Payroll Mobility Tax</b>					
(\$ in millions)	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Revenue Forecast for PMT–November Plan	\$1,348	\$1,415	\$1,484	\$1,551	\$1,618
Changes from the February Plan	(\$321)	(\$146)	(\$151)	(\$169)	N/A
Changes from the July Plan	\$65	\$73	\$80	\$77	\$68

## MTA AID TRUST REVENUES

Legislative actions taken by New York State in May 2009 directed revenues from the following new taxes and fees to the MTA Aid Trust Account:

***License Fee*** - a supplemental fee of one dollar for each six month period of validity of a learner's permit or driver's license issued to individuals residing in the Metropolitan Commuter Transportation District (MCTD)

***Auto Registration Fee*** - a \$25 increase in automobile registration fees in the MTA region, on an annual basis, to be paid by automobile registrants in increments of \$50, since car registrations cover a two-year period

***Taxicab Tax*** – a tax of \$0.50 per ride imposed on taxicab owners for each taxicab ride that originates in New York City and terminates within the 12-county MTA region

***Auto Rental Tax*** – a supplemental tax of five-percent (5%) of the cost of automobile rentals within the MCTD

The legislation establishing these new tax streams:

- Allows for the revenues to be pledged by MTA or by TBTA to secure debt.
- Allows the MTA to pay operating and capital costs of the MTA and its subsidiaries and NYCTA and its subsidiaries as determined by the MTA, subject to the provisions of the above referenced pledges, or in the event there is no such pledge.

On a year-to-year basis, the MTA November Plan forecast of MTA Aid increases revenues by 1.5-percent annually from the 2010 base year estimate. Compared with the July Plan estimates, which makes no changes to the February Plan, the November Plan lowers the estimates by \$60 million in 2010, \$38 million in 2011, \$34 million in 2012, \$29 million in 2013 and \$25 million in 2014.

### **2010 November Forecast**

The November Plan 2010 estimate of MTA Aid is \$268 million, which is \$212 million higher than the 2009 receipts. Similar to the Payroll Mobility Tax (PMT) discussed in this section, the 2009 MTA Aid proceeds included only collections from the latter half of the year when the individual taxes began taking effect. The November estimate is lower than the February and July Plan estimates by \$60 million. Based on year-to-date collection patterns, the MTA November Plan assumes that the 2010 MTA Aid receipts will fall short of the July estimate due to lower than expected tax collections mostly in DMV license and registration fees. Note that \$1.8 million of the unfavorable variance in 2010 is due to New York States' FMAP cuts, which are discussed in detail in the Metropolitan Mass Transportation Assistant Program (MMTOA) Section. The Plan

assumes that the 2010 reduction to the MTA Aid forecast in the current year is permanent and will be carried forward to subsequent years.

### **2011 Forecast**

The MTA Aid forecast for 2011 in the MTA November Plan is \$290 million, which is \$22 million higher than the prior year. The November forecast is \$38 million below the February and July Plan forecast. In formulating the forecast for 2011 through 2014, beginning with the 2010 base estimate, the values were inflated by 1.5 percent per annum to account for anticipated moderate growth in economic activity over the years covered by the Plan.

### **2012 – 2014**

The November Plan forecast for MTA Aid revenues is \$295 million in 2012, \$299 in 2013 and \$304 million in 2014. Compared with the February and July Plans, the November forecast is \$34 million lower in 2012, \$29 million lower in 2013 and \$25 million lower in 2014.

The following table lists the November Plan forecasts for the MTA Aid Trust revenues for 2010 through 2014, as well as changes from the prior Plans:

<b>MTA Aid Trust Revenues</b>					
(\$ in millions)	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Forecast for MTA Aid –November Plan	\$268	\$290	\$295	\$299	\$304
Changes from the February Plan	(60)	(38)	(34)	(29)	N/A
Changes from the July Plan	(60)	(38)	(34)	(29)	(25)

## STATE AND LOCAL SUBSIDIES

State and Local Subsidies consist of the following:

- *New York State Section 18-B Operating Assistance* - a statewide mass transportation program that provides direct State aid to the MTA, which is appropriated by the State Legislature on an annual basis. Beginning in 1994, the State earmarked a portion of the dedicated taxes to fund the State's obligation of 18-b payments.
- *Local 18-b Operating Assistance* - Each County in the MTA Transportation District is required by the transportation law to match the amounts paid by the State. The matching payments are to be made quarterly to the MTA.
- *Station Maintenance* – a subsidy paid by the City and each of the seven counties in the MTA region for the operation, maintenance and use of Commuter System passenger stations within the City and each of the counties. Station Maintenance base amounts were established in 1999 and are subject to CPI (Consumer Price Index) adjustment each year thereafter.
- *Nassau County Subsidy to MTA Long Island Bus* – assistance that is intended to meet payment obligations to help cover LIB's operating deficit. Nassau's Local 18-b match for LIB is included in the Nassau County subsidy.
- *Connecticut Department of Transportation (CDOT) Subsidy to Metro-North Railroad* - subsidy payments made to Metro-North Railroad as reimbursement for expenses associated with commuter train operations by Metro-North in the State of Connecticut.
- *New York City Subsidy for MTA Bus* - New York City reimbursement to the MTA of the costs of MTA Bus' operation. The current costs of the MTA Bus' operations are 100% reimbursable by the City of New York. Under an agreement with the MTA, the City of New York committed to pay MTA Bus the difference between the actual operating costs of the City bus routes and all revenues received for operations from said routes. MMTOA, State and Local 18-b and Urban Taxes that are designated for the former private buses, which are subsidized by the City as required by Statute, continue to be paid directly to the City and are used by the City to partially fund MTA Bus.
- *Additional Mass Transit Assistance Program (AMTAP)* - For 2010, Long Island Bus' subsidies include additional assistance appropriated by the New York State.

## **2010 November Forecast**

In the 2010 November Forecast, the total State and Local cash subsidy estimate is \$620 million, which is \$3 million lower than the 2009 level. Compared with the February and July Plans, this represents a decrease of \$12 million from the February estimate and a \$5 million decrease from the July estimate. The variance from the July estimate is primarily due to unfavorable CDOT subsidy payment of \$4 million, as well as an unfavorable \$0.3 million of AMTAP which reflects LIB's share of the recent FMAP cuts undertaken by New York State. A detailed discussion of the FMAP cuts is included in the Metropolitan Mass Transportation Operating Assistance (MMTOA) Section.

For 2010, the November forecast of City Subsidy to MTA Bus increased by \$24 million from the February Plan forecast, primarily due to timing adjustments related to retroactive wage payments; compared with the July Plan, City Subsidy to MTA Bus increased by \$5 million, which is attributable to a claims provision reassessment from a third party actuary.

## **2011 – 2014**

In 2011, 2012, 2013 and 2014, State and Local subsidy November estimates are \$13 million, \$15 million, \$19 million and \$13 million higher than the prior years' level, respectively. The changes primarily represent higher CDOT and station maintenance levels year over year. However, when compared with the February Plan in 2011, 2012, and 2013, State and Local subsidy declined by \$12 million, \$18 million and \$20 million, respectively, mostly due to reduced CDOT subsidy receipts due to lower Metro-North expenses resulting from MTA cost savings initiatives. The November Plan estimates declined from the July Plan levels by \$1 million in 2011 and by \$0.3 million in 2012, and increase in 2013 and 2014 by \$2 million and \$6 million, respectively.

In 2011, the MTA Bus subsidy from the City increased by \$10 million from the February Plan estimate and \$7 million from the July Plan estimate. These changes are primarily driven by Business Service Center (BSC) transfer costs, overtime re-estimates and pension re-estimates. In 2012 and 2013, MTA Bus subsidy from the City decreased from the February Plan estimates by \$3 million, and \$7 million, respectively, and changed slightly from the July Plan estimates. When compared with the July Plan, the November estimates for 2014 also changed slightly.

## **MTA SUBSIDY TO SUBSIDIARIES**

LIB and SIR's shares of MTA subsidy in the MTA November Plan reflect amounts needed to cover their operating deficit after all other subsidies and operating revenues are allocated.

In the 2010 November Forecast, on a cash basis, total estimated MTA subsidy payment to LIB and SIR combined is \$54 million, which is \$5 million higher than 2009. On a plan-to-plan basis, this represents a decrease of \$6 million from the February Plan forecast and an increase of \$4 million from the July Plan forecast. Staten Island Railroad's (SIR) share is \$30 million; Long Island Bus' (LIB) share is \$24 million.

In 2011, the November forecast for MTA subsidy payment to LIB and SIR combined on a cash basis is \$60 million, which is \$6 million above the prior year's forecast. This is just slightly below the February Plan forecast and \$5 million higher than the July Plan forecast. LIB's share is \$28 million and SIR's share is \$32 million.

For each year from 2012 through 2014, MTA subsidy payments to LIB and SIR combined is \$61 million in 2012, \$62 million in 2013 and \$64 million in 2014. LIB's share is \$32 million in 2012, \$33 million in 2013 and \$34 million in 2014. SIR's share is \$29 million in 2012, \$29 million in 2013, and \$30 million in 2014.

Please note that MTA and Nassau County are holding discussions concerning the funding of LI Bus. Volume 1 contains a description of the issue, MTA's position and the resulting budgetary impact.





**MTA Commuter Railroad Subsidy Allocation**  
**November Financial Plan 2011 - 2014**  
**Cash Basis**  
(\$ in millions)

	2009	2010	2011	2012	2013	2014
<b><u>Subsidies</u></b>						
<b><i>Dedicated Taxes</i></b>						
Metropolitan Mass Transportation Operating Assistance (MMTOA)	\$425.0	\$447.2	\$480.9	\$509.6	\$531.2	\$554.9
Petroleum Business Tax (PBT) Receipts	94.4	91.0	91.8	92.3	91.7	91.5
Mortgage Recording Tax (MRT)	0.0	0.0	0.0	0.0	0.0	0.0
Investment Income	<u>0.9</u>	<u>0.9</u>	<u>0.9</u>	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>
	\$520.3	\$539.1	\$573.7	\$602.8	\$623.9	\$647.5
<b><i>New State Taxes and Fees</i></b>						
Payroll Mobility Tax	\$15.8	\$175.2	\$311.4	\$222.6	\$465.3	\$129.4
MTA Aid	<u>11.5</u>	<u>99.4</u>	<u>107.6</u>	<u>109.2</u>	<u>110.8</u>	<u>112.5</u>
	\$27.3	\$274.6	\$418.9	\$331.8	\$576.1	\$241.9
<b><i>State and Local Subsidies</i></b>						
State Operating Assistance	\$29.3	\$29.3	\$29.3	\$29.3	\$29.3	\$29.3
Local Operating Assistance	29.3	29.3	29.3	29.3	29.3	29.3
CDOT Subsidy	84.9	77.4	94.4	106.8	122.6	132.5
Station Maintenance	<u>145.2</u>	<u>149.1</u>	<u>150.2</u>	<u>152.9</u>	<u>156.0</u>	<u>158.7</u>
	\$288.6	\$285.0	\$303.1	\$318.2	\$337.2	\$349.8
2006 Surplus Recovery	\$25.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Forward Energy Contracts - 2008 (15 mth Contract)	20.9	0.0	0.0	0.0	0.0	0.0
Forward Energy Contracts - 2009 (12 mth Contract)	(73.0)	73.4	0.0	0.0	0.0	0.0
Pay-As-You-Go Capital	<u>0.0</u>	<u>(12.2)</u>	<u>(30.0)</u>	<u>(45.0)</u>	<u>(60.0)</u>	<u>(75.0)</u>
	(\$27.1)	\$61.3	(\$30.0)	(\$45.0)	(\$60.0)	(\$75.0)
<b>Total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>\$809.1</b>	<b>\$1,160.0</b>	<b>\$1,265.8</b>	<b>\$1,207.9</b>	<b>\$1,477.2</b>	<b>\$1,164.1</b>
<b><i>Inter-agency Subsidy Transactions</i></b>						
Bridges and Tunnels Operating Surplus Transfer	\$222.0	\$266.6	\$251.9	\$243.9	\$224.6	\$201.2
<b>GROSS SUBSIDIES</b>	<b>\$1,031.0</b>	<b>\$1,426.6</b>	<b>\$1,517.7</b>	<b>\$1,451.8</b>	<b>\$1,701.8</b>	<b>\$1,365.3</b>

**MTA Long Island Bus Subsidy Allocation**  
**November Financial Plan 2011 - 2014**  
**Cash Basis**  
(\$ in millions)

	2009	2010	2011	2012	2013	2014
<b><u>Subsidies</u></b>						
<b><i>Dedicated Taxes</i></b>						
MMTOA Allocation	\$46.8	\$45.0	\$48.0	\$50.9	\$53.0	\$55.4
<b><i>State and Local Subsidies</i></b>						
State Operating Assistance	\$6.5	\$8.3	\$3.0	\$3.0	\$3.0	\$3.0
Nassau County Subsidy	<u>10.5</u>	<u>9.1</u>	<u>9.1</u>	<u>9.1</u>	<u>9.1</u>	<u>9.1</u>
	\$17.0	\$17.4	12.0	12.0	12.0	12.0
<b>Total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>\$63.9</b>	<b>\$62.4</b>	\$60.0	\$62.9	\$65.1	\$67.4
<b><i>Inter-agency Subsidy Transactions</i></b>						
MTA Subsidy to Subsidiaries	\$16.4	\$24.3	\$28.2	\$32.5	\$32.7	\$34.1
<b>GROSS SUBSIDIES</b>	<b>\$80.2</b>	<b>\$86.7</b>	<b>\$88.3</b>	<b>\$95.4</b>	<b>\$97.7</b>	<b>\$101.5</b>

**MTA Staten Island Railway Subsidy Allocation**  
**November Financial Plan 2011 - 2014**  
**Cash Basis**  
(\$ in millions)

	2009	2010	2011	2012	2013	2014
<b><u>Subsidies</u></b>						
<b><i>Dedicated Taxes</i></b>						
Metropolitan Mass Transportation Operating Assistance	\$2.8	\$2.9	\$3.1	\$3.3	\$3.5	\$3.7
Mortgage Recording Tax (MRT)	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	\$2.8	\$2.9	\$3.1	\$3.3	\$3.5	\$3.7
<b><i>State and Local Subsidies</i></b>						
State Operating Assistance	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5
Local Operating Assistance	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>	<u>0.5</u>
	\$1.1	\$1.0	\$1.0	\$1.0	\$1.0	\$1.0
<b>Total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>\$3.9</b>	<b>\$3.9</b>	<b>\$4.2</b>	<b>\$4.4</b>	<b>\$4.5</b>	<b>\$4.7</b>
<b><i>Inter-agency Subsidy Transactions</i></b>						
MTA Subsidy to Subsidiaries	\$32.3	\$29.5	\$31.7	\$28.7	\$29.3	\$30.4
<b>GROSS SUBSIDIES</b>	<b>\$36.1</b>	<b>\$33.4</b>	<b>\$35.9</b>	<b>\$33.0</b>	<b>\$33.8</b>	<b>\$35.0</b>

**MTA Headquarters Subsidy Allocation**  
**November Financial Plan 2011 - 2014**  
**Cash Basis**  
(\$ in millions)

	2009	2010	2011	2012	2013	2014
<b><u>Subsidies</u></b>						
<b><u>Dedicated Taxes</u></b>						
<u>Mortgage Recording Tax-1</u>						
Net Receipts After Agency Transfers	\$149.9	\$139.4	\$148.7	\$176.0	\$206.3	\$241.0
<u>Adjustments</u>						
Diversion of MRT to Suburban Counties	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Carryover/Opening Balances/Interest	17.6	0.0	0.0	0.0	0.0	0.0
MRT-2 Required to Balance	148.2	190.1	203.2	186.8	166.3	147.8
<i>Total Adjustments</i>	<i>\$165.8</i>	<i>\$190.1</i>	<i>\$203.2</i>	<i>\$186.8</i>	<i>\$166.3</i>	<i>\$147.8</i>
<b>Net Funding of MTA Headquarters</b>	<b>\$315.7</b>	<b>\$329.4</b>	<b>\$351.9</b>	<b>\$362.7</b>	<b>\$372.6</b>	<b>\$388.7</b>
<u>Mortgage Recording Tax - 2</u>						
Net Receipts	\$101.9	\$88.9	\$89.8	\$101.8	\$120.7	\$143.9
<u>Adjustments</u>						
Funding of General Reserve	\$0.0	\$0.0	(\$100.0)	(\$100.0)	(\$100.0)	(\$100.0)
Diversion of MRT to Suburban Counties	(6.2)	(3.4)	(2.4)	(2.5)	(3.4)	(4.9)
Carryover/Opening Balances/Interest	4.2	4.2	4.2	4.3	4.5	4.7
Agency Security Costs from MRT	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)
Transfer to MRT-1	(148.2)	(190.1)	(203.2)	(186.8)	(166.3)	(147.8)
Enhanced Security Training	(6.2)	(3.2)	0.0	0.0	0.0	0.0
MTA Bus Debt Service	(23.2)	(24.9)	(24.9)	(24.9)	(24.9)	(24.9)
Cash Defeasance Loan for TBTA	90.8	0.0	0.0	0.0	0.0	0.0
<i>Total Adjustments</i>	<i>(\$98.8)</i>	<i>(\$227.4)</i>	<i>(\$336.3)</i>	<i>(\$319.8)</i>	<i>(\$300.1)</i>	<i>(\$282.9)</i>
<b>Unallocated MRT-2 Receipts</b>	<b>\$3.1</b>	<b>(\$138.5)</b>	<b>(\$246.5)</b>	<b>(\$218.1)</b>	<b>(\$179.4)</b>	<b>(\$139.0)</b>

**MTA Bus Company Subsidy Allocation**  
**November Financial Plan 2011 - 2014**  
**Cash Basis**  
(\$ in millions)

	2009	2010	2011	2012	2013	2014
<b><u>Subsidies</u></b>						
City Subsidy to MTA Bus Company	\$286.7	\$333.1	\$325.5	\$329.8	\$352.6	\$366.4











**MTA NEW YORK CITY TRANSIT**  
**November Financial Plan 2011 - 2014**  
**Paratransit Operations**

(\$ in thousands)

	<b>2010 November Financial Plan</b>					
	<b>2009 Actual</b>	<b>2010 Forecast</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b><u>Paratransit Costs:</u></b>						
Operating Expenses						
Salaries	\$ 10,583	\$ 10,862	\$ 12,369	\$ 12,369	\$ 12,369	\$ 12,369
Benefits	3,224	3,527	3,930	3,930	3,930	3,930
Other than Personal Services	426,688	450,771	465,418	559,393	675,080	809,408
<b>Total Paratransit Costs</b>	<b>\$ 440,495</b>	<b>\$ 465,160</b>	<b>\$ 481,717</b>	<b>\$ 575,692</b>	<b>\$ 691,379</b>	<b>\$ 825,707</b>
<b><u>Revenue:</u></b>						
Fares	\$ 13,942	\$ 16,096	\$ 17,588	\$ 20,399	\$ 23,631	\$ 27,348
Urban Tax	9,649	12,512	16,631	20,560	22,381	23,558
<i>Sub-total</i>	<i>\$ 23,591</i>	<i>\$ 28,608</i>	<i>\$ 34,219</i>	<i>\$ 40,959</i>	<i>\$ 46,012</i>	<i>\$ 50,906</i>
City Reimbursements	61,478	73,777	88,533	106,240	127,489	152,987
<b>Total Revenue</b>	<b>\$ 85,069</b>	<b>\$ 102,385</b>	<b>\$ 122,752</b>	<b>\$ 147,199</b>	<b>\$ 173,501</b>	<b>\$ 203,893</b>
<b>Net NYCT Expense</b>	<b>\$ 355,426</b>	<b>\$ 362,775</b>	<b>\$ 358,965</b>	<b>\$ 428,493</b>	<b>\$ 517,878</b>	<b>\$ 621,814</b>
<b><u>Funding as a Percent of Cost:</u></b>						
Farebox	3.2%	3.5%	3.7%	3.5%	3.4%	3.3%
Urban Tax	2.2%	2.7%	3.5%	3.6%	3.2%	2.9%
New York City Share	14.0%	15.9%	18.4%	18.5%	18.4%	18.5%
NYCT Share	80.6%	77.9%	74.4%	74.4%	75.0%	75.3%
ADA Trips	6,334,081	6,870,264	7,539,883	8,734,946	10,109,270	11,689,742



## **Debt Service**



- All debt is assumed to be issued as 30-year level debt, principal amortized over the life of the bonds.
- Current fixed-rate estimates derived from prevailing Fair Market Yield Curves for A- and AA- Transportation issuers using Bloomberg Information Service. Financial Plan years 2010–2014 derived by applying changes in U.S. Municipal Forward Curves to prevailing transportation curves (as of October 11, 2010).
- Split of fixed-rate debt versus variable rate debt each year is 90% fixed and 10% variable.
- New bond issues calculated interest rate at time of issuance use weighted average of fixed and variable assumptions (actual fixed-rates in table above assumed for fixed-rate bonds).
- Cost of issuance is 2% of gross bonding amount.
- New money bonds for currently approved transit and commuter projects assume a target split of 25% under the DTF credit and 75% under the Transportation credit, subject to satisfying the additional bonds test under the DTF Resolution. New money bonds for the two-year approved portion of the 2010-2014 Capital Program assumed to be issued under the Transportation credit.
- All bonds issued to finance TBTA capital projects issued under the TBTA General Revenue Resolution.
- No reserve funds.





## **Debt Service Affordability Statement**







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## **Agency Baseline Assumptions**

## **Agency Baseline Assumptions**

The November Financial Plan consists of the 2010 November Forecast, 2011 Final Proposed Budget and 2012 to 2014 projections. The Plan represents an update to the July Financial Plan, with some modest programmatic differences and expense and revenue re-estimates. Following is a recap of the adverse financial issues that the MTA faced at the beginning of 2010, a summation of the major assumptions in the MTA's February and July Plans and strategies for addressing the crisis as well as a discussion of the issues and assumptions in the current November Plan update.

### **July Plan Background**

In December 2009, the MTA faced a \$383 million deficit caused by a reduction in State subsidies, particularly Payroll Mobility Tax (PMT), and an unfavorable arbitration award to the TWU. In response, the MTA Board passed a 2010 budget that was balanced with cash management actions, re-estimates, and a number of deficit reduction measures, including the incorporation of service reductions (Additional Actions for Budget Balance - AABBs), a payroll furlough on non-represented employees, the elimination of free student fares and a reduction in Paratransit costs.

MTA's financial situation was further challenged in January and February when the New York State Division of the Budget (DOB) provided tax collection updates that led the MTA to lower its 2010 forecast of subsidies by approximately \$400 million, with most of the decline in Payroll Mobility Tax.

In March, following public hearings on proposed service reductions, the MTA Board restored certain AABB cuts, which caused the February Plan cash deficit to worsen by \$4 million in 2010 and approximately \$8 million in 2011 and subsequent years.

The MTA reinstated the free Student Fare Program in June following a commitment by New York State and the City to fund a portion of these costs. While this eliminated the tariff change that was scheduled to go into effect in September 2010, it caused the deficit net of subsidies to worsen by \$6 million in 2010, \$20 million in 2011, and \$145 million in 2012 through 2014.

The MTA's response was to focus on strategies that would close the growing funding gap while also seizing the opportunity to overhaul its cost structure to ensure every dollar was being used as effectively as possible. For the MTA Agencies, that meant a two-part savings initiative that would be instituted immediately: the first required additional administrative reductions, and the second involved a major undertaking to identify key areas for streamlining, downsizing, and eliminating redundancies.

The saving efficiencies identified in these initiatives were major components of the MTA's Administrative Reduction Program (ARP), the Budget Reduction Program (BRP), and the Overtime Reduction Program that were first identified in the July Plan and are modified slightly in this Plan. The July Financial Plan also included favorable re-estimates for Passenger and Toll Revenue, Energy, Health & Welfare, and Pensions.

Some of the favorable impacts in these areas have been reduced in the November Plan. It should be noted that additional savings have been identified as part of New MTA Efficiencies (Volume I) and include, but are not limited to cyclical projects, rapid procurement, health and welfare, vendor renegotiation gains, overtime, inventory/maintenance management, and other administrative and operating opportunities.

## ***November Plan Updates***

### **Administrative Reduction Program (ARP)**

The November Plan reflects administrative payroll savings of \$102 million starting in 2011, which captures the full-year impact of an MTA-wide span-of-control administrative reduction initiative implemented in February 2010. Initially (in December 2009), the ARP was targeted to save \$49 million in 2010 -- achievable through a 10% reduction in non-represented labor costs that would be prorated for an April 1<sup>st</sup> implementation date. Annualized, these savings were projected to grow to \$65 million in 2011 and were captured as a below-the-line item. The assumption was that furloughs and payroll lags would be used to meet some or all of the targeted savings.

### **2010 Administrative Reduction Program**

November Financial Plan 2011 - 2014

(\$ in millions)

Administrative Savings Program										
	2010		2011		2012		2013		2014	
	Pos	\$	Pos	\$	Pos	\$	Pos	\$	Pos	\$
<u>Administrative Savings</u>										
Administrative Savings	722	\$45.3	722	\$76.4	722	\$77.3	722	\$77.9	722	\$78.9
BRP Add'l Admin Pos Reducts	255	17.9	198	21.3	198	21.4	198	21.5	198	21.6
BRP Other Administrative Savings	-	11.0	-	4.0	-	3.7	-	3.8	-	3.8
<b>Total Administrative Savings</b>	<b>977</b>	<b>\$74.2</b>	<b>920</b>	<b>\$101.7</b>	<b>920</b>	<b>\$102.4</b>	<b>920</b>	<b>\$103.2</b>	<b>920</b>	<b>\$104.3</b>

In developing the ARP, the MTA put into immediate effect a plan to permanently reduce administrative payroll by 15%; the target was set higher for MTAHQ at 20%. These Agency-wide reductions were achieved through the elimination of vacancies, a voluntary severance program and lay-offs.

When combined with other administrative initiatives from the Budget Reduction Program (BRP) discussed in the next section, Agencies identified savings that exceeded the initial projections by \$25 million and an additional reduction of 255 positions in 2010 and more than \$37 million and an additional reduction of 198 positions in 2011 and in each year of the November Plan.

When compared with the July Plan, Agencies identified approximately \$2 million in additional administrative savings over the course of the November Plan. See the *Major Assumptions* section for more details on positions.



Major NYCT BRP savings are based on streamlining subways and bus operations in the following areas:

- car, track and escalator cleaning; employee facilities; station switching; terminal supervision; car quality control; dedicated announcers; grouting program; and electronic maintenance;
- extending Scheduled Maintenance System (SMS) cycle/other system-related economies;
- shop plan reductions;
- maintenance economies;
- reduction in staffing at the Meredith Avenue Depot and closing the Amsterdam Depot;
- shifting efficiencies;
- efficiencies in facilities security posts and revenue control; and
- OTPS reductions.

NYCT subways and buses have implemented stricter management controls in order to reduce unscheduled overtime expenditures and inventory levels. Total BRP overtime savings are projected at \$13 million in 2010, \$7 million in 2011 and \$4 million in each year of the Plan thereafter and inventory savings are projected at \$14 million, \$18 million, \$20 million, \$17 million and \$14 million from 2010-2014, respectively.

LIRR BRP Actions are projected to save \$37 million and decrease positions by 57 in 2010, and by \$17 million and 77 positions in 2011.

Major LIRR BRP savings include:

- reduced ticket collector requirements by adjusting crew schedules and train crew sizing;
- overtime initiatives and elimination or deferral of operating capital assets;
- operations support and efficiencies in Engineering, Information Technology and Transportation Services;
- rolling stock maintenance efficiencies;
- consist reductions and adjusted ticket window hours;
- strategic procurement initiatives which leverage joint contract opportunities with MNR on rolling stock part procurements; and
- reduced costs for rolling stock and station cleaning through improved productivity.

MNR BRP Actions are projected to save \$21 million and decrease positions by 56 in 2010, and by \$14 million and 32 positions in 2011.

Major MNR initiatives include:

- the elimination or deferral of projects related to facility improvements;
- information system fees and development costs;
- favorable contract negotiations that have created savings in GCT retail management fees, data processing costs and the purchase of rolling stock parts inventory;

- higher non-passenger revenues from actions that increase GCT retail operation profits and promote new sources of revenues at outlying stations;
- strategic procurement initiatives which leverage joint contract opportunities with the LIRR on rolling stock part procurements and competitive pricing bids on rubbish removal;
- reduced ticket selling and revenue collection costs by maximizing the utilization of ticket vending machines
- reduced ticket collector requirements by adjusting crew schedules and train crew sizing;
- scheduling changes in the deployment of personnel to inspect and maintain the new M8 car fleet;
- reducing operations staffing to streamline right-of-way maintenance and material management;
- reduction in Meadowlands Football Service; and
- subsidy reductions based on favorable cost trends and cash savings that include lower advertising costs, fringe benefit expenses, electric propulsion pricing and other cost adjustments.

MNR is reducing \$3 million in unscheduled overtime costs (including fringes) in each year of the Plan. This initiative was based on a review of overtime by causality with a focus on changing the corporate culture in response to emergencies, vacation, holiday coverage and absenteeism.

B&T BRP Actions are projected to generate savings of \$40 million and 88 position reductions in 2010 and over \$56 million in savings and 88 position reductions in 2011. B&T's BRP savings were particularly impressive and included the savings from a comprehensive organizational assessment that was a part of a cyclical review project. This effort resulted in key initiatives and savings resulting from the consolidation of maintenance operations; the revamping of maintenance schedules; an improved engineering process; a complete organizational restructuring; the implementation of best practices guidelines; eliminating the use of a warehouse and implementation of a "Just-in-Time" vendor delivery process.

Additional B&T initiatives include:

- shifting the bridge painting program into the Capital Budget;
- E-ZPass initiatives (E-ZPass Tag Swap, EZ-Pass Customer Service Center)
- major maintenance and capitalized asset reduction; and
- overtime reductions.

MTAHQ BRP Actions are projected to generate savings of \$16 million in 2010 and over \$2 million in savings in 2011 and beyond.

Major MTAHQ BRP actions include:

- elimination and deferral of select operating capital projects;
- strategic initiative savings in overtime and fringe benefits savings resulting from MTAPD command staff's increased vigilance to reduce overtime in all areas;

- reduced professional services for Real Estate activity on agency projects, lower consulting services for outside legal expenses, and reduced professional services related to financial services, advertising, Information Technology, and Human Resources; and
- reductions in areas such as employee expenses, office furniture and equipment, supplies, and telecommunications, mainly as a result of MTA Headquarters headcount decreases.

MTA Bus BRP Actions have targeted annual savings of \$15 million and a corresponding decrease of 30 positions in 2010, and savings of \$3 million in 2011.

Major MTA Bus Company BRP savings include:

- Shop Program savings;
- Material & Contracts reductions;
- Hastus Scheduling System implementation;
- Fewer Traffic Checking & Passenger Environment Surveys;
- Paint Shop Reduction;
- Transmission Recycling;
- Health & Welfare rate reductions;
- Project Deferrals/IT savings;
- Wheelchair Maintenance and Bus Shifting Efficiencies.

LI Bus's BRP Actions have annual savings of \$1 million in 2010, and \$2.0 million in 2011 and a decrease of one position.

Major LIB 2010 BRP savings include:

- Shop Overhaul Program
- Overtime Reduction initiative;
- Staff Reductions;
- Shifting Efficiencies;
- Transmission Recycling;
- Wheelchair Maintenance; and
- Project Deferrals/IT savings.

SIR BRP Actions have annual savings of \$0.7 million and 9 positions – these amounts are captured within New York City Transit's savings.

### Additional Overtime Savings

One of the key areas identified during the review of MTA's cost structure was the need to reduce overtime that had grown to over half a billion dollars annually. As a result, the November Plan incorporates \$30 million in 2010 savings due to increased monitoring, stricter management controls and programmatic efficiencies.



various measures to contain and reduce spending. For 2011, total expenses are projected to grow 4.5% over 2010, or \$432 million.

*MTA Initiatives and Policy Actions* are listed in a separate section of this report. Inclusion of these items would lower the growth rate in 2011 to 2.7% and growth over the 2009 to 2014 period to an average annual increase of 3.1%. Controllable expenses would increase by only 0.4% in 2011 with an average annual growth of 0.7%.

The following table details the major changes in the Agency Baseline Forecasts between the July and November Plans:

<p style="text-align: center;"><b><u>AGENCY BASELINE</u></b>  <b><u>NOVEMBER CHANGES FROM JULY PLAN</u></b>  Favorable/(Unfavorable)  (\$ in millions)</p>					
	<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>2012</u></b>	<b><u>2013</u></b>	<b><u>2014</u></b>
Farebox/Toll Revenue	(\$9)	(\$25)	(\$33)	(\$35)	(\$38)
Health & Welfare/OPEB	3	(13)	(23)	(39)	(44)
Claims	(28)	(0)	(0)	(0)	(0)
Pensions	3	(1)	(9)	(9)	(15)
Energy	6	13	4	6	7
New Needs/Investments:					
Maintenance	20	(6)	(16)	(23)	(26)
Safety & Security	0	(11)	(15)	(14)	(12)
Baseline BRP/AABB/PEG Re-estimates	(8)	(2)	(5)	(5)	(5)
Worker's Compensation Re-estimates	(14)	(3)	(3)	(3)	(3)
Timing Adjustments	55	(53)	7	(2)	(4)
Other Baseline Re-Estimates/Cash Adj.	(2)	(12)	22	30	33
General Reserve	50	0	0	0	0
<b>Net Cash Baseline Change</b>	<b>\$75</b>	<b>(\$112)</b>	<b>(\$72)</b>	<b>(\$94)</b>	<b>(\$108)</b>

For the period 2011 – 2014, the baseline cash deficit increases over the plan period primarily as a result of the following impacts:

Farebox and Toll Revenue changes, in general, lower farebox revenue for NYCT and LIRR. For NYCT Bus and LIRR, ridership improvements anticipated in the July Plan and accompanying farebox revenues have not materialized. NYCT Subway farebox revenue is also lower compared with the July Plan, the direct result of lower average fares for trips made with unlimited ride MetroCards.

The plan-to-plan declines at NYCT and LIRR are partially offset by improvements at the other Agencies, which reflect the impact of an economic climate, and primarily the number of jobs that is modestly better than assumed in the July Plan. On an annualized

basis compared with 2009 levels, the November Plan assumes a quarter percent decline in the number of jobs in New York City in 2010, a loss of 9 thousand jobs; the July Plan assumed a decline of 0.4%, a loss of 20 thousand jobs. For the remainder of the Financial Plan period, job growth is expected to proceed a bit slower than projected in the July Plan, with the number of jobs in New York City in 2014 projected to be 12 thousand below the level assumed in the July Plan.

There were also unfavorable changes in consolidated Health & Welfare/(OPEB) expenses in 2011 – 2014, primarily due to higher-than-expected premium increases (a portion of which is attributable to the impact of the Federal Health Care Reform Act) partially offset by savings from the NYS Dependent Eligibility Verification Audit (DEVA), the Federal Early Retiree Reimbursement Program (ERRP), and a large number of retirees anticipated to retire in 2013 when Metro-North reaches a 30<sup>th</sup> anniversary milestone. Compared with the July Plan, Health & Welfare expenses (including OPEB) for the period 2011 through 2014 are unfavorable by \$13 million, \$23 million, \$39 million, and \$44 million, respectively; the increases mostly reflect the impact of Metro-North's anticipation of a large number of retirees in 2013 and CPI rate changes.

Claims expenses increased significantly in 2010, primarily due to a recent actuarial re-assessment at MTA Bus and an increase to reserves at LI Bus related to a recent court ruling. Higher Pension costs in each year from 2011 through 2014 were primarily driven by NYSLRS increases impacting MTAHQ and LI Bus. An additional provision for costs based on the likelihood of lower investment returns is being made below-the-line and is captured in Volume I of the Plan.

Overall, Energy expenses improved over the July Plan. Traction & Propulsion expenses are favorable by \$6 million and \$3 million in 2010 and 2011, respectively, largely due to a reduction in NYCT's reserve levels, which offset increases for Con Edison delivery charges and CL&P electricity expense. The unfavorable plan-to-plan variances in 2012 through 2014 are primarily due to the impacts of electricity rates, as well as increases in MNR's Traction & Propulsion expenses resulting from its service addition intended to promote long-term ridership growth, and the introduction of the M8 fleet on the New Haven Line. Favorable Fuel expenses in each year of the Plan are primarily due to lower average ULSD prices at NYCT Buses than were assumed in the July Plan.

The largest portion of the New Needs and Investments is attributable to maintenance, specifically the reinstatement of the station painting program at NYCT and the realignment of equipment overhauls and labor and material resources at MNR. MNR has revised its car delivery schedules and strategic decisions in order to replace the aging M2 fleet as well as the M4/M6 cars with new M8 equipment.

Safety and security re-estimates were higher primarily due to costs for Federal Railroad Administration (FRA) mandated changes in Conductor Certification and Hours of Service guidelines at the commuter railroads and the need for additional bridge inspection consultants at MNR.

Baseline BRP/AABB/PEG re-estimates will have an unfavorable financial impact in the November Financial Plan and this is mainly due to NYCT's re-forecast of the savings related to the Fuel Economies-CNG Tax Credit PEG and Station Staffing Adjustment AABB. In addition, the LIRR had unfavorable re-estimates in 2010 for its Air Rights PEG and Exterior Train Car Advertising AABB.

Workers Compensation (captured in Other-Fringe Benefits) reflects primarily a worsening of expenses at NYCT caused by higher claims.

Timing adjustments between 2010 and 2011 were largely due to retroactive salary and wage and unemployment insurance payments as well as bus shop plan and vehicle purchase delays at NYCT. In addition, there were delays in force account receipts at MNR, and shifting of IT and diesel retrofit programs at the LIRR.

Other favorable expense re-estimates include improved inflation forecasts and miscellaneous base pay at NYCT, insurance expenses at the LIRR, reductions to labor expenses at B&T, modest service re-estimates at MNR and NYCT and new bus performance savings at MTA Bus and LI Bus. Unfavorable expense re-estimates include adjustments for reimbursable activity and overhead at the LIRR, higher railroad retirement costs at MNR and retroactive wage payments at SIR in 2010 and 2011.

Traditionally, the November Plan eliminates the remaining 2010 General Reserve. Thus, the July Plan level of \$50 million has been reduced to zero. Beginning in 2011 through the end of the Plan period, the November Plan maintains the July Plan's General Reserve levels of \$100 million annually. It represents only 1% of the MTA operating budget and will provide a modest measure of protection against variability in economic conditions and market-driven prices that can impact our subsidies, operating revenues and certain "uncontrollable" costs.

### **Accrued Baseline Assumptions**

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

### **2010 November Forecast**

The 2010 November Forecast projects a Net Operating Deficit Before Subsidies and Debt Service of \$6,360 million, \$229 million better than the Mid-Year Forecast. When compared with the Adopted Budget, it is \$608 million better. Total Operating Expenses were \$242 million better than the Forecast, slightly offset by a worsening of Total Operating Revenue by \$13 million compared to the Mid-Year Forecast. Total Operating Expenses were \$551 million better than the Adopted Budget.

### **Revenue**

Farebox Revenue is expected to decrease by \$15 million from the Mid-Year Forecast primarily due to ridership improvements that have not materialized as projected. Toll

Revenue is projected to increase by \$6 million, reflecting favorable traffic trends. When compared with the Adopted Budget, Farebox Revenue is projected to decrease by \$5 million. Toll Revenue is projected to increase by \$16 million due primarily to the impact of improved projected employment levels on ridership and traffic volume.

### Expenses

Payroll expenses are expected to increase \$29 million from the Mid-Year Forecast. Overall, this reflects unfavorable changes to NYCT (\$20 million), the LIRR (\$8 million), MNR (\$4 million) and SIR (\$4 million), partially offset by a favorable \$5 million change at MTA Bus. Most of the impact is due to higher average pay rates coupled with employee availability primarily resulting from the administrative and budget reduction programs at NYCT, and increases in headcount in the Department of Transportation Services to help offset overtime at the LIRR.

Other Fringe Benefits expenses are projected to increase by \$36 million primarily due to increases in Worker's Compensation requirements at NYCT.

Claims costs are expected to increase \$28 million from the Mid-Year Forecast primarily due to adjustments to actuarial reserve requirements at MTA Bus resulting from unfavorable settlements.

Maintenance and materials are projected to decrease from the Mid-Year Forecast by \$26 million and \$39 million, respectively, reflecting the overall impact of MTA-wide inventory management efficiencies, and re-estimated scheduled maintenance work and maintenance cycles.

Other Post Employment Benefits (Non-Cash Liability Adjustment) are projected to decrease by \$231 million from the Mid-Year Forecast primarily due to NYCT, which is projecting \$219 million in lower expenses based on updated 2010 actuarial information.

### **2011 Final Proposed Budget**

The 2011 Final Proposed Baseline Budget projects a Net Operating Deficit before Subsidies and Debt Service of \$6,840 million. Total operating revenue of \$6,594 million is \$26 million lower than the 2011 Mid-Year Forecast, reflecting primarily lower than-projected growth in NYCT bus ridership and NYC employment projections.

Total 2011 operating expenses of \$13,434 million are \$160 million lower than the 2010 Mid-Year Forecast due mostly to decreases in Non-Cash Liability Adjustments, particularly Other Post Employment Benefits (OPEB), partially offset by lower farebox revenue and higher payroll, other fringe benefits, maintenance and other operating contracts, professional service contracts and health & welfare expenses.



## **PAYROLL**

MTA Consolidated Payroll expenses from 2010 through 2014 are influenced by a number of factors including position levels, inflation assumptions, labor agreements, and programmatic changes. The fully annualized values of the administrative and budget reduction programs are reflected beginning in 2011. NYCT's TWU contract expired in 2009; subsequently, in August 2009, labor arbitration awarded raises approximating 11.8% over three years: roughly 4% in 2009 and 2010, followed by 3% in 2011. Upon the expiration of this pattern, inflationary growth is assumed. It should be noted that the MTA is challenging the validity of the third year award. The November Plan assumes that the TWU pattern will be followed by the remaining NYCT unions as well as for those of B&T, LIB and MTA Police. The commuter railroads assume that a CPI pattern will begin retroactive to the expiration of its last contracts (summer of 2010). CPI-inflationary growth factors are applied to non-represented employee salaries during the 2010-2014 period.

Please note that Volume I Policy Actions include smaller wage growth assumptions for represented and non-represented employees.

### **2010 November Forecast**

Consolidated Payroll expenses of \$4,198 million are forecast to be \$30 million lower than the 2010 Adopted Budget. NYCT contributes \$16 million to this decrease primarily due to the reclassification of AABB expenses into the Payroll expense line as well as initiatives implemented as part of the administrative and budget reduction programs. MTA Bus, B&T, LIB and MNR are favorable compared with the 2010 Adopted Budget by \$12 million, \$3 million, \$2 million and \$1 million, respectively, also due to the administrative and budget reduction programs.

Consolidated Payroll expenses of \$4,198 million are forecast to be \$29 million higher than the 2010 Mid-Year Forecast. NYCT contributes \$20 million to this increase mainly due to higher average pay rates coupled with the need to add 70 positions to meet requirements; position levels were too thin after the budget reduction program. The LIRR is unfavorable by \$8 million primarily due to increases in headcount in the Department of Transportation Services to help offset overtime with resulting net savings. MNR expenses are unfavorable by \$4 million due to the reallocation of staff between non-reimbursable and reimbursable program requirements. SIR is \$4 million unfavorable compared to the 2010 Mid-Year Forecast due to the recognition of a wage settlement and related pay rate adjustments for two bargaining units retroactive to January 1, 2007. Partially offsetting these was a favorable variance of \$5 million at MTA Bus mainly due to vacancies.

### **2011 Final Proposed Budget**

MTA Consolidated Payroll expenses of \$4,286 million are \$88 million more than 2010. This change is primarily caused by assumed labor rate increases consistent with those

described above, partially offset by the full year impact of the administrative and budget reduction programs as well as programmatic changes.

Overall, Payroll expenses are forecast to be \$146 million lower than the February Plan. NYCT contributes \$114 million to the decrease primarily due to the reclassification of AABB expenses into the Payroll expense line as well as initiatives implemented as part of the administrative and budget reduction programs. The LIRR, B&T, MTA Bus and MNR are favorable by \$14 million, \$12 million, \$5 million and \$2 million, respectively, compared with the February Plan. These decreases are reflective of the full year implementation of the administrative and budget reduction programs with offsetting programmatic adjustments.

Compared with the July Plan, Payroll expenses are forecast to worsen by \$28 million. NYCT contributes \$12 million to the unfavorable variance mainly due to higher average pay rates coupled with the need to increase employee availability after reductions resulting from the budget reduction program. MNR and the LIRR are unfavorable by \$7 million and \$6 million, respectively, mainly due to FRA-mandated Hours of Service and Conductor Certification compliance requirements, which include provisions for conductor service allowance payments and increased staffing levels. Increases at the LIRR also reflect adjustments to straight time from overtime. MTAHQ's increase from the July Plan is due to the consolidation of procurement functions at the Business Service Center, which worsens expenses at MTAHQ but is cost-neutral MTA-wide, as reflected by B&T's favorable \$3 million plan-to-plan variance.

## **2012 – 2014 Forecasts**

Consolidated Payroll expenses total \$4,394 million in 2012, \$4,497 million in 2013 and \$4,610 million in 2014, representing increases of approximately \$100 million in each year. The year-to-year changes are driven primarily by inflationary increases (2.20% in 2012, 1.97% in 2013 and 1.91% in 2014), position levels and programmatic changes.

In comparison with the February Plan, Payroll expenses are favorable by \$142 million in 2012 and \$151 million in 2013 and reflect the reclassification of AABB expenses into the Payroll expense line, continued savings from the administrative and budget reduction programs with offsetting adjustments for higher average pay rates and availability, and programmatic changes.

In comparison with the July Plan, Payroll expenses are unfavorable by \$31 million in 2012, \$34 million in 2013 and \$43 million in 2014. These increases are primarily reflective of: the impact of higher average rates at NYCT and positions resulting from the budget reduction program; increased staffing and pay allowance provisions resulting from FRA Hours of Service and Conductor Certification Compliance requirements at MNR and the LIRR as well as other programmatic changes.

## **OVERTIME**

MTA Consolidated Overtime expenses from 2010 to 2014 are influenced by a number of factors including position levels, Global Insight inflation assumptions, labor agreements, deferred salaries & wages and project activity.

One of the key areas identified during the review of MTA's cost structure was overtime. As a result of an internal review that revealed the potential for additional overtime savings, MTA instituted tighter management controls and established saving goals of more than \$20 million in 2010 – annualized to savings of approximately \$60 million starting in 2011. The February Financial Plan served as a base for savings measurement and that Plan had already captured some reductions in overtime when compared with 2009. As a result, the 2010 November Forecast is \$56 million lower than 2009 actuals.

Management controls include:

- closely monitoring shifts greater than 16 hours to reduce double-time payments, which ensures productivity and limits pension padding;
- aggressive enforcement of sick leave abuse;
- bi-weekly reporting of overtime;
- establishing specialized task forces to monitor overtime usage;
- more intensive reporting in high usage areas; and
- engaging with labor unions to begin the discussion about changing work rules that lead to unnecessary overtime.

In conjunction with these tighter controls, programmatic reductions as part of the budget reduction program are expected to further reduce Overtime expenses. For instance, efficiencies in fare collection and operations support are expected to generate additional savings. Offsetting adjustments to Overtime include the reclassification of AABB expenses into the Overtime expense line as well as additional overtime resulting from major snowstorms in February.

### **2010 November Forecast**

Consolidated Overtime expenses of \$443 million are forecast to be \$56 million, or 11.2% lower than 2009. NYCT is projected to save \$24 million by identifying the workplaces with highest levels of sick leave, limiting overtime only to critical activities like safety inspections and air conditioning maintenance, and filling critical vacancies that were creating a high need for overtime. The LIRR is projected to save \$13 million and MNR is projected to save \$3 million from a lower base. The railroads are more closely monitoring overtime assigned to the top 20 overtime earners at each railroad, beginning daily tracking of "hot spot" departments accruing large amounts of overtime, and modifying business practices to rebalance workloads with a renewed focus on reducing overtime expenses. B&T estimates savings of \$5 million by expanding the use of seasonal employees at the Marine Parkway-Gil Hodges Memorial Bridge and Cross

Bay Bridge, requiring managerial pre-approval of all overtime, and prohibiting operations personnel from working during vacations, among other actions.

In comparison with the February Plan, expenses are lower by \$32 million exceeding the \$20 million goal. NYCT's plan-to-plan decrease of \$21 million reflects the institution of further management controls on overtime, partially offset by adjustments for additional overtime resulting from major snowstorms in February. B&T's overtime decreased mainly due to the centralization of maintenance functions, tighter controls on overtime, and the elimination of some weekend and night supervisory overtime, all of which are associated with the budget reduction and overtime reduction programs. Lower expenses at the LIRR and MNR are also attributable to the overtime reduction and budget reduction programs. Partially offsetting these savings is a worsening of \$4 million at MTA Bus due to increased overtime for vacancy coverage.

Consolidated Overtime expenses are forecast to be \$9 million lower than the July Plan mainly due to the institution of further management controls on overtime, resulting in \$12 million of savings at NYCT and \$2 million at B&T. Partially offsetting these savings are unfavorable expenses at MTA Bus and LI Bus of \$5 million and \$1 million, respectively, due to increased overtime for vacancy coverage.

### **2011 Final Proposed Budget**

Consolidated Overtime expenses of \$429 million are \$14 million lower than 2010, mainly due to the full year implementation of the budget reduction and overtime reduction programs, with offsetting wage growth and programmatic adjustments.

Overtime costs are lower by \$62 million compared with the February Plan mainly as a result of actions proposed as part of the budget reduction and overtime reduction programs. The variance from plan-to-plan primarily reflects the incorporation of the additional overtime reduction program into agency financials, which further seeks to reduce overtime usage through tighter management controls.

Overtime expenses are lower by \$14 million compared with the July Plan mainly due to the incorporation of the additional overtime reduction program into agency financials. MTA Bus expenses worsen by \$2 million compared with the July Plan due to increased overtime for vacancy coverage.

### **2012 – 2014 Forecasts**

Consolidated Overtime expenses are \$429 million in 2012 and remain virtually unchanged from 2011 primarily due to the incorporation of the additional overtime reduction program – which ramps up in value in 2012 from 2011– into agency financials. Overtime expenses are \$433 million in 2013 and \$440 million in 2014, with year over increases of \$4 million from 2012 to 2013 and \$7 million from 2013 to 2014. These increases reflect assumed labor rate inflators of 2.20% in 2012, 1.97% in 2013 and 1.91% in 2014 as well as programmatic changes.

Consolidated Overtime costs are lower compared with the February Plan by \$75 million in 2012 and \$80 million in 2013. Decreases are mainly due to the overtime reduction and budget reduction programs, including the incorporation of the additional overtime reduction program into agency financials, with offsetting adjustments in Overtime to reflect trends in hiring, employee availability and step-up increases.

Consolidated Overtime costs are lower compared with the July Plan by \$26 million in 2012, \$28 million in 2013 and \$30 million in 2013. Decreases are due to the incorporation of the additional overtime reduction program into agency financials, with offsetting adjustments for re-estimates in Overtime to reflect trends in hiring, employee availability and step-up increases.

## **HEALTH & WELFARE**

MTA used inflators provided by the New York State Department of Civil Service DCS) on June 28, 2010 as the primary assumption for per-employee health and welfare premium expenses. 2010 premium increases were unusually small due to decisions made by DCS to utilize a much larger than typical amount of prior year dividend revenue to hold down the 2010 premium increases. As a consequence, there will be little prior year dividend revenue remaining to be used to offset premium increases for 2011.

### **2010 November Forecast**

The 2010 premium increase is significantly lower than originally projected in the Adopted Budget for individual coverage (3.6% vs. 10.0%) and for family coverage (2.9% vs. 8.0%). While these Empire Plan rates were held down, Health & Welfare premium payments for other employee plans increased more substantially and are reflected in the increase in MTA Consolidated Health & Welfare expenses.

MTA Consolidated Health & Welfare expenses of \$741 million for the 2010 November Forecast are \$53 million (7.6%) greater than 2009 expenses. Compared with the Adopted Budget, the 2010 November Forecast is \$39 million favorable (5.2%), a function of both lower Empire Plan rates and lower employment levels at MTA agencies. Also contributing to lower than expected expenses is NYCT's Dependent Eligibility Verification Audit (DEVA) process, which resulted in the removal from coverage of identified ineligible dependents; this program is expected to result in savings of almost \$4 million in 2010. MTA Consolidated Health & Welfare expenses are modestly higher compared with the Mid-Year Forecast, up \$2 million (0.3%).

### **2011 Final Proposed Budget**

Offsetting the favorable changes for 2010 are more significant increases in premiums for 2011. Premiums for individual coverage expected to increase 14.3% compared with the February Plan forecast of 6.7%; in the July Plan 2011 premiums for individual coverage were estimated to increase 13.5%. Family coverage premiums for 2011 are

now projected to increase 13.4% compared with a February Plan forecast of 7.0%; in the July Plan 2011 premiums for family coverage were projected to increase 13.1%.

Expenses are expected to be \$823 million, an increase of \$82 million (11.2%) over the 2010 November Forecast. While 2011 premium rates are much higher than those projected in the February Financial Plan, lower agency employment levels and additional savings from NYCT's DEVA process – estimated to save almost \$8 million in 2011 – contribute to lower MTA Consolidated Health & Welfare expenses of \$17 million (2.1%) compared with the February Plan. Compared with the July Plan, MTA Consolidated Health & Welfare expenses in the 2011 Final Proposed Budget are expected to be \$23 million (0.3%) unfavorable. Also contributing to the Health & Welfare savings is a \$6 million subsidy to NYCT from the Early Retirement Reinsurance Program (ERRP), a temporary Federal program that reimburses employers for not reducing certain retiree medical benefits.

## **2012 – 2014**

Forecasts of premiums for 2012 through 2014 are based on the average annual increase of premiums from 2004 to 2010. Premiums for individual coverage are projected to increase 6.7% each year, and premiums for family coverage are projected to increase 7.1% each year. These forecasts differ slightly from premium assumptions made in the February and July Plans: in February, individual coverage premiums were expected to increase 6.7% and family coverage premiums were expected to increase 7.0%; in July, individual coverage premiums were projected to increase 6.5% and family coverage premiums were expected to increase 7.0%.

MTA Consolidated Health & Welfare expenses are forecast to increase by 7.9% in 2012, 9.7% in 2013 and 9.1% in 2014, reaching \$1,068 million in 2014. November Plan forecasts are lower than expense forecasts in the February Plan, by \$21 million (2.3%) in 2012 and \$16 million (1.6%) in 2013. Plan to plan are unfavorable compared with the July Plan: \$22 million (2.5%) in 2012, \$30 million (3.2%) in 2013 and \$34 million (3.3%) in 2014.

Health & Welfare expenses also reflect continued savings from NYCT's DEVA program - \$8.4 million in 2012, \$9.1 million in 2013 and \$10.0 million in 2014 – as well as \$12 million in 2012 in Federal ERRP subsidy funds.

## **Other Health & Welfare Issues**

Not included in the MTA Consolidated Health & Welfare expenses are significant savings from NYCT's rebidding for medical benefits. These savings are captured "below-the-line" in New MTA Efficiencies.





The New York State Office of the State Comptroller lowered the assumed investment rate of return for the New York State and Local Retirement System (NYSLRS) from 8.0% to 7.5%, a 0.5% reduction. This lower assumed rate of return will result in participating employers having to make higher annual required contributions (ARC) for employees in that plan. Contributions to NYSLRS are a small portion of the MTA's total pension costs; however, similar reductions in pension return assumptions are likely to be made in other pension plans to which MTA contributes. The November Financial Plan is including a provision for this likelihood which is included "below-the-line" in Volume I.

## **OTHER FRINGE BENEFITS**

Year-to-year increases in Other Fringe Benefits expenses reflect staffing levels, programmatic changes, inflationary payroll rate assumptions and Railroad Retirement Tax assumptions at the commuter railroads.

Expenses for Other Fringe Benefits total \$498 million in 2010, \$481 million in 2011, \$493 million in 2012, \$511 million in 2013 and \$526 million in 2014. Expenses in 2010 increase by \$41 million compared with the February Plan, primarily due to a worsening of expenses at NYCT totaling \$40 million due to higher Workers' Compensation requirements. Expenses from 2011-2013 are only slightly favorable compared with February Plan.

Compared with the July Plan, expenses for Other Fringe Benefits are \$36 million unfavorable in 2010, primarily due to a worsening of expenses at NYCT of \$28 million due to higher Workers' Compensation requirements. Changes at other agencies are modest and reflect programmatic adjustments. Plan-to-plan increases are approximately \$17 million thereafter and are also largely driven by increases at NYCT due to higher Worker's Compensation requirements.

## **TRACTION AND PROPULSION POWER**

MTA has a Long-Term Agreement (LTA) through 2017 with the New York Power Authority (NYPA) to supply electricity within the City of New York and Westchester County. The LTA requires that many of NYPA's assets be allocated to serve its New York City governmental customers; these assets include two power plants in New York City (one having been decommissioned and a new replacement plant under construction) and dedicated low-cost transmission line capacity from upstate New York.

### **2010 November Forecast**

The rate for NYPA-supplied electricity for 2010 is projected to increase 4.9% over 2009 costs. This assumption is unchanged from the Mid-Year Forecast and significantly lower than the 12.3% forecast utilized in the Adopted Budget. Con Edison delivers the NYPA electricity in New York City and Westchester, and its delivery rates are projected to be 17.3% greater than charges incurred in 2009; this is higher than the assumption in the

Mid-Year Forecast (a 12.4% annual increase) but lower than the assumption in the Adopted Budget (20.5% above the 2009 charge). The Long Island Power Authority (LIPA) rate for electricity is estimated to decline 3.7% in 2010; this rate and rates for subsequent years are based on a 10-year agreement that maintains a fixed base rate with pass-through commodity charges. The LIPA rate is unchanged from the Mid-Year Forecast, and is significantly lower than the rate assumed in the Adopted Budget, when the rate was expected to increase 5.7% over the 2009 rate. The rate for electricity supplied by Connecticut Light & Power (CL&P) is projected to increase by 1.7% in 2010; in the Mid-Year Forecast the CL&P rate was forecast to increase just 0.1%, and in the Adopted Budget the CL&P rate was forecast to increase 5.0%.

MTA Consolidated Traction & Propulsion expenses of \$336 million for the 2010 November Forecast are \$18 million (5.8%) greater than 2009 expenses. Compared with the Adopted Budget, the 2010 November Forecast is \$46 million favorable (13.5%), a function of lower rates for electricity and its delivery, as well as a reduction in budgeted reserve levels carried by NYCT for electricity and delivery expenses. MTA Consolidated Traction & Propulsion expenses are modestly favorable compared with the Mid-Year Forecast by \$6 million (1.8%). This favorable variance is due to the a reduction in NYCT's reserve levels, which offsets increases for Con Edison delivery charges and CL&P electricity expense.

### **2011 Final Proposed Budget**

The rate for NYPA-supplied electricity for 2011 is projected to increase 7.5% over 2010 costs. This assumption is unchanged from the July Plan and significantly lower than the 13.0% forecast utilized in the February Plan. Con Edison delivery rates are projected to be 14.1% greater than charges incurred in 2010; this is higher than 9.5% estimate in the July Plan but significantly lower than the 23.0% projection in the February Plan. The Long Island Power Authority (LIPA) rate for electricity is estimated to increase 6.8% in 2011, which is unchanged from the July Plan but higher than the 3.5% estimated in the February Plan. The rate for electricity supplied by Connecticut Light & Power (CL&P) is projected to increase by 1.6% in 2011; in the July Plan the CL&P rate was forecast to increase 1.0%, and in the Adopted Budget the CL&P rate was forecast to increase 5.0%.

Expenses are expected to be \$360 million, an increase of \$24 million (7.1%) over the 2010 November Forecast. In addition to rate changes, 2011 and subsequent years are also impacted by an increase MNR's Traction & Propulsion expenses necessary to accommodate its service addition plan that is intended to promote long-term ridership growth, as well as the introduction of the M8 fleet on the New Haven Line, which will result in the need for an increased number of cars to offset lower ridership capacity on the M8's relative to the seat capacity of the cars being retired.

Compared with the February Plan, the 2011 Final Proposed Budget is favorable by \$69 million (19.3%) due to lower NYPA and Con Edison delivery rates, as well as the reduction in the NYCT reserve. Compared with the July Plan, MTA Consolidated

Traction & Propulsion expenses in the 2011 Final Proposed Budget are expected to be \$3 million (0.8%) favorable.

## **2012 - 2014**

NYPA rates are expected to continue to increase 7.5% annually through 2014, unchanged from the July Plan; in the February Plan NYPA rates were assumed to increase 13.0% per annum. Con Edison delivery rates are projected to increase 13.9% in 2012, 14.2% in 2013 and 14.1% in 2014. These rates are significantly higher than the 9.5% per annum rate increase assumed in the July Plan and the 10% per annum increase in the delivery rate assumed in the February Plan. LIPA rates are assumed to increase 1.4% in 2012 and 2013, and 1.5% in 2014. In the July Plan LIPA rates were projected to increase 1.7% in 2012, 1.8% in 2013 and 1.5% in 2014; in the February Plan LIPA rates were expected to increase 4.0% each year. Forecasts of CL&P rates are 2.8% for both 2012 and 2013, and 2.0% for 2014. In the July Plan the assumptions for CL&P rates were 3.5% in 2012, 3.6% in 2013 and 2.0% in 2014; in the February Plan it was assumed CL&P rates would increase 5.0% each year.

MTA Consolidated Traction & Propulsion expenses are forecast to increase by 9.6% in 2012, 8.9% in 2013 and 7.4% in 2014, reaching \$462 million in 2014. November Plan forecasts are significantly lower than expense forecasts in the February Plan, by \$84 million (21.3%) in 2012 and \$102 million (23.8%) in 2013. Compared with the July Plan, Consolidated Traction & Propulsion expenses are modestly unfavorable: \$6 million (1.4%) in 2012, \$8 million (1.9%) in 2013 and \$11 million (2.4%) in 2014.

## **FUEL FOR BUSES AND TRAINS**

MTA uses the New York Mercantile Exchange's (NYMEX) futures and option markets to forecast future price changes for diesel fuel and natural gas. The NYMEX forecasts extend out 36 months for diesel and 60 months for natural gas. Using NYMEX projections through 2013 for natural gas and through 2012 for diesel fuel – and August 2010 Global Insight forecasts for the remainder of the financial plan period – Agencies used projected Ultra Low Sulfur Diesel (ULSD) price increases of 28.2% in 2010, 3.2% in 2011, 5.1% in 2012, 3.8% in 2013 and 3.1% in 2014. For Compressed Natural Gas (CNG), prices are forecast to decline 3.3% in 2010, decline 3.5% in 2011, increase 13.2% in 2012, increase 4.4% in 2013 and increase 3.7% in 2014.

## **2010 November Forecast**

MTA Consolidated Fuel for Buses and Trains expense of \$199 million for the 2010 November Forecast is \$19 million (9.5%) higher than 2009 expenses. Compared with the Adopted Budget, the 2010 November Forecast is \$9 million favorable (4.5%), primarily due service reductions at NYCT, MNR and LIRR implemented as part of the AABBs, which are partially offset by ULSD prices that are higher than those projected in February. Fuel for Buses and Trains expenses are almost identical to the Mid-Year Forecast, favorable by less than \$0.03 million.

## **2011 Final Proposed Budget**

Expenses are expected to be \$200 million, an increase of \$1 million (0.6%) over 2010.

Compared with the February Plan, the 2011 Final Proposed Budget is favorable by \$33 million (16.6%) due to service reductions made in 2010 and a projection of lower CNG prices. Compared with the July Plan, expenses in the 2011 Final Proposed Budget are expected to be \$10 million (4.9%) favorable, primarily due to lower ULSD prices at NYCT than were assumed in the July Plan.

## **2012 - 2014**

MTA Consolidated Fuel for Buses and Trains expenses are forecast to increase by 6.8% in 2012, 5.1% in 2013 and 4.9% in 2014, reaching \$236 million in 2014. November Plan forecasts are significantly lower than expense forecasts in the February Plan, by \$34 million (15.9%) in 2012 and \$44 million (19.6%) in 2013. Compared with the July Plan, Consolidated Fuel for Buses and Trains expenses are favorable by \$9 million (4.3%) in 2012, \$14 million (6.2%) in 2013 and \$18 million (7.7%) in 2014.

## **Other Fuel for Buses and Trains Issues**

Since 2008, MTA has engaged in a hedging strategy intended to lock in fuel prices. In 2010, MTA entered into an energy hedge nominally valued at \$73 million. The 2011 hedging strategy is discussed in Volume 1 of this Financial Plan.

## **INSURANCE**

Year-to-year increases in Insurance expenses are primarily driven by assessments of market conditions made by MTA's Risk Management Department in conjunction with its brokers. Based on these assessments, policy premiums are estimated to increase by 10% each year. The Paratransit (Access-A-Ride) policy is inflated by 20% per annum primarily due to expected increases in new carriers. Increases from year-to-year also reflect the renewal of several multi-year policies, including All-Agency Environmental Liability, Travel Accident and Asbestos in Place.

In comparison with the February Financial Plan, Insurance expenses are favorable by \$6 million in 2010, \$10 million in 2011 and 2012 and \$6 million in 2013, primarily the result of lower-than-anticipated premiums for MTA's All-Agency Property and Sabotage & Terrorism policies. Working with its brokers, MTA's Risk Management Department was able to renew these policies at significantly lower rates than those budgeted in the February Plan.

With the exception of 2010, Insurance expenses in the November Financial Plan remain virtually unchanged from the July Financial Plan. In 2010, expenses worsen by \$2 million at MTAHQ primarily due to an adjustment in the actuarial reserve for future

liabilities. Claims and Insurance expenses are captured in the same generic category in MTAHQ's financials.

First Mutual Transportation Assurance Company (FMTAC) insurance premium assumptions are captured as credits to the Insurance expense line. Premiums paid to FMTAC are aligned with MTA Agency forecasts for Insurance and reflect increases in claims expenses and reserve adjustments.

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

## **CLAIMS**

Claims expenses are based on inflationary assumptions, actuarial evaluations and historical performance which are resulting in modest year-to-year growth.

In comparison to the February Financial Plan, expenses are higher by \$29 million in 2010, \$3 million in 2011 and \$4 million in 2012 and 2013. Increases from the February Plan are primarily driven by unfavorable adjustments to actuarial reserve requirements resulting from unfavorable settlements, particularly in 2010 where expenses at MTA Bus, NYCT and LIB are higher by \$23 million, \$5 million and \$2 million, respectively.

In comparison to the July Financial Plan, expenses are higher by \$28 million in 2010 primarily due to a worsening of expenses at MTA Bus, NYCT and LI Bus, which reflect adjustments to actuarial reserve requirements resulting from unfavorable settlements, partially offset by a favorable adjustment of \$2 million at the LIRR.

## **PARATRANSIT SERVICE CONTRACTS**

Expenses increase from \$381 million in 2010 to \$658 million in 2014, an increase of 73% over the period. On a year-to-year basis, 2011 expenses remain unchanged from 2010, but increase by approximately 20% each year starting in 2012.

In 2011, expenses of \$382 million reflect the full year implementation of the \$80M savings plan, which will reduce non-service related costs, average costs per trip, and total trips provided as well as convert contracted trips to fixed route feeder trips (trip shortening). Also included in this savings initiative are negotiated vendor rate reductions that are projected to save \$20 million and the impact of a stricter enforcement of the Paratransit No-Show Policy that will save \$4 million. These actions were initially proposed as part of the February Plan and were included in NYCT's baseline. The Plan also reflects annual projected ridership growth of 15.0% and cost-per-trip inflation projections based upon current carrier contracts, which provide for annual rate increases based on CPI.

When compared with the February Plan, the expense decreases by \$2 million in 2010, \$12 million in 2011, \$7 million in 2012 and \$10 million in 2013. November Plan expenses, when compared with the July Plan, decrease by approximately \$2 million each year.

This explanation covers only the generic expense category. For a complete income statement on Paratransit, please refer to the Subsidies section.

## **MAINTENANCE AND OTHER OPERATING CONTRACTS**

Expenses for Maintenance and Other Operating Contracts for all MTA agencies are inflated by Global Insight's CPI-U forecasts in each year from 2011 through 2014. In addition, NYCT includes NYPA/Con Edison energy rate increases for non-traction power.

November Plan Expenses are projected at \$582 million in 2010, \$635 million in 2011, \$645 million in 2012, \$661 million in 2013 and \$686 million in 2014, reflecting year-to-year increases of \$53 million in 2011, \$10 million in 2012, \$16 million in 2013 and \$25 million in 2014.

For LIRR, the 2011 change reflects a \$12 million increase due to a shift from the previous year of IT initiatives, Diesel Retrofit and Engineering Maintenance projects and a full-year impact of the Integrated Electronic Security System initiative. In 2012, the expense decreases by \$4 million due to various IT initiatives and the completion of the Diesel Retrofit Program. For 2013 and 2014, expenses increase slightly due to East Side Access start-up costs.

MNR's year-to-year expenses fluctuate significantly during the course of the Plan increasing by \$8 million in 2011, and only \$0.2 million in 2012 and \$1 million in 2014. In 2013, expenses decrease by \$2 million. In the years where expenses increase, they are driven by East and West of Hudson locomotive overhauls, higher West of Hudson subsidy payments, a GPS vehicle tracking system provision, equipment disposal costs, and provisions for office space renovations.

On a year-to-year basis, B&T's expenses decrease by \$13 million in 2011; however increase by \$4 million, \$7 million and \$17 million in the years 2012 – 2014, respectively. In 2011, the change is primarily due to the capitalization of bridge painting expenses. In 2012 – 2014, the changes are driven by higher E-ZPass Customer Service Center costs, non-capital eligible maintenance and revised estimates for new painting needs and existing work.

SIR's year-to-year expenses primarily reflect inflationary increases for lighting and fuel. In 2010, it reflects a \$2 million cash timing adjustment for fleet maintenance that was delayed from 2009.

When compared with the February Plan, expenses decrease in the years 2010 – 2013 by \$68 million, \$40 million, \$61 million and \$64 million respectively. The projected savings are indicative of an Agency-wide effort to better manage and align maintenance work and material needs with service levels.

The November Plan expenses, when compared with the July Plan, decrease by \$26 million in 2010 reflecting overall shifts in major scheduled work to 2011 (i.e. NYCT station painting program and LIRR IT initiatives) and fewer professional service and repair and maintenance work performed at MTAHQ. From 2011-2014 expenses are projected to increase by \$18 million, \$10 million, \$10 million and \$11 million, respectively. The major components of the increase are due to MNR's bridge inspection consultants and M8 Equipment Replacement Program, the timing of various LIRR IT and Diesel Retrofit programs and East Side Access start-up costs, ESA security coverage provided by MTAHQ and maintenance requirements to support NYCT's 7 West Extension project.

## **PROFESSIONAL SERVICE CONTRACTS**

On an Agency-wide basis, Professional Service Contracts for 2010 through 2014 are inflated primarily by Global Insight's Regional CPI-U forecasts.

November Plan Expenses are projected at \$216 million in 2010, \$231 million in 2011, \$231 million in 2012, \$236 million in 2013 and \$242 million in 2014.

NYCT's year-to-year increases of \$4 million, \$1 million and \$3 million in 2010–2013, respectively, are largely due to inflation. LIRR's yearly changes are minimal and reflect primarily inflation, system initiative projects and start-up costs for East Side Access. In 2011, MNR projects higher costs of \$9 million driven mostly by an annual provision for consulting services to perform bridge inspection work, security monitoring fees that support the IESS/3C System, GCT vault design services and BSC chargeback costs attributable to the New Haven Line (NHL). From 2012 and beyond, expenses fluctuate minimally.

When compared with the February Plan, the Plan reflects a decrease of \$7 million in 2010 and increases of \$11 million in 2011 and \$7 million in 2012 and 2013. The increase in 2011 reflects mostly a shift of a major station painting program from 2010 as well as other maintenance work to out-years at NYCT. It also reflects an Agency-wide reduction in overall spending at MTAHQ.

November Plan expenses, when compared with the July Plan, increase in 2011-2014 by \$15 million, \$10 million, \$9 million and \$6 million, respectively. Major drivers of the changes are the inclusion of costs for the Medical Standards Software and MVM Software upgrades at NYCT, and bridge inspection work, a GPS Vehicle Tracking System, security fees, GCT vault design services, BSC NHL chargeback costs, and higher West of Hudson subsidy payments at MNR. Also, MTAHQ includes infrastructure equipment and software for BSC.

## **MATERIALS AND SUPPLIES**

All agency increases in Materials and Supplies for 2010 – 2014 are inflated primarily by Global Insight's Regional CPI-U forecasts.

On a year-to-year basis, MTA-wide Materials and Supplies increase by \$26 million in 2011 and by \$14 million, \$35 million and \$23 million in 2012, 2013, and 2014, respectively. In addition to inflation, growth is driven by the rescheduling of subway and bus fleet maintenance programs at NYCT, LIRR's higher requirements for materials supporting IT initiatives and East Side Access, including start-up needs and the Reliability Centered Maintenance program (RCM). MNR's unfavorable annual expense growth was mostly driven by material requirements for the New Haven Line Equipment Replacement Plan and establishing a provision in 2012 and 2013 for the M4/M6 Critical System Replacement program. In addition, B&T's year-to-year expenses fluctuate primarily due to E-Z Pass tag purchases and replacement program.

Compared with the February Plan, MTA-wide Materials & Supplies are lower by \$75 million in 2010, \$35 million in 2011, \$48 million in 2012 and \$35 million in 2013 reflect an Agency-wide initiative to improve inventory management. In general, the multi-year reduction in material requirements reflect not only the impact of Agency-wide BRP actions, but initiatives that have adjusted bus and subway scheduled maintenance at NYCT, lower East Side Access material and timing of the RCM and various IT initiatives at the LIRR, changes in MNR's service plan, revised New Haven Line Equipment Plan, a deferral of the M7 Seat Change Out program and a reduction in M8 car spare parts.

November Plan expenses, when compared with the July Plan, decrease by \$39 million in 2010, \$10 million in 2011, \$14 million in 2012, \$11 million in 2013, and \$7 million in 2014. These decreases reflect overall inventory management efficiencies, re-estimates of bus and subway scheduled maintenance at NYCT, as well as a reduction in M8 car spare parts at MNR, and LIRR implementing a major inventory management initiative to improve and maintain service reliability and performance.

## **OTHER BUSINESS EXPENSES**

Other Business Expenses are comprised of a variety of expenses including credit/debit card fees for fare media purchases, bond service fees, and internal subsidy support requirements for Long Island Bus and Staten Island Railway. A portion of these costs are inflated with CPI-U forecasts provided by Global Insight.

On a year-to-year basis, increases for Other Business Expenses are \$15 million in 2011, \$4 million in 2012, and \$5 million in 2013 and 2014. Most of the year-to-year increase is attributable to MTA support requirements for Long Island Bus and Staten Island Railway based on projected revenue and support shortfalls from state and local subsidies.

Compared with the February Plan, November Plan expenses have decreased by \$8 million in 2010, less than \$1 million in 2011, and \$2 million in 2012 and 2013, primarily due to the Budget Reduction Program, which decreased expenses at Long Island Bus and Staten Island Railway, resulting in lower internal subsidy support requirements at MTAHQ. Lower expenses at FMTAC also contributed to the favorable variance. Partially offsetting these favorable variances are higher credit/debit card fees associated with increased fare media purchases accompanying higher ridership projections.

November Plan expenses, when compared with the July Plan, have increased by \$5 million in 2010, \$8 million in 2011, \$6 million in 2012 and 2013 due primarily due to higher support requirements at MTAHQ for Long Island Bus and Staten Island Railway. Higher Metrocard Vending Machine fees at NYCT and higher expenses at FMTAC also contributed to the unfavorable change. In 2014, the expense is projected to decrease by \$6 million.

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## **Positions (Headcount)**

## **POSITIONS (Headcount)**

The November Plan consolidated 2011 baseline reflects total positions of 66,517. This represents a year-to-year increase of 278 positions over 2010. When compared with the February Plan, 2011 baseline positions have fallen by 1,383 or 2%. This reduction was achieved in the July Plan primarily through the Administrative Reduction Proposal (ARP) (-920 positions), and the Budget Reduction Proposals (BRPs) (-844 positions).

A more telling way to capture the story would be to look at headcount levels in this Plan versus those anticipated last fall (after the State Legislature provided additional funding for the MTA). Since the November 2009 Financial Plan, the projected 2011 total headcount is expected to decline by 2,925 or 4%.

	<u>2011 Positions</u>
November 2009 Plan Baseline Positions	69,442
2010 PEG Program	356
2010 Re-Instated AABs	1,133
Administrative Reductions	920
Budget Reduction Program (BRP) (excluding Administration)	875
November 2010 Plan Changes + Other	(359)
Total Reductions	<u>2,925</u>
November 2010 Plan Baseline Positions	<u><u>66,517</u></u>

This reduced level of headcount is now the base year for the year-to-year comparisons captured in this section. Headcount will continue to be monitored closely to preserve savings that have been achieved and to reflect savings from additional MTA Efficiencies not captured within current baseline forecasts. The table on the following page captures this information for all of the years of the Plan. Following this table is the traditional year-to-year and plan-to-plan analysis.

The 2011 November Plan baseline positions are 167 higher than in the July Plan. Most of this increase results from staff additions at NYCT in support of Select Bus Service (SBS) and availability adjustments. Positions also increase at MTA Bus, primarily due to Capital Program support requirements, the Shop Program, overtime reduction efforts, and the timing of transfers to the BSC.

Between 2010 and 2014, positions are growing from 66,239 to 67,081, an 842 position increase. Much of that growth is the result of over 500 positions for East Side Access and the 7-Line Extension projects. Also contributing to the growth are more positions for maintenance (+299) and operations (+51).









## **BASELINE POSITIONS (Headcount)**

This section excludes below-the-line Gap Closing Actions.

### **Year-to-Year (2011 vs 2010)**

The MTA consolidated 2011 baseline shows 66,517 positions, 278 more than in 2010. Non-Reimbursable positions increase by 379 and Reimbursable positions decrease by 101. Total positions increase by 250 at MTA HQ, 186 at MNR, 63 at MTA Bus, and 1 at LIB, while positions decrease by 157 at NYCT, 33 at B&T, 25 at the LIRR, 4 at SIR, and 3 at MTACC.

MTA HQ's increase consists entirely of Non-Reimbursable positions. All of the increase is in Administrative positions, mostly due to transfers into the BSC of 289 positions from other Agencies (BSC is currently budgeted in MTA HQ).

MNR's increase is made up of increases of 141 Non-Reimbursable positions and 45 Reimbursable positions. Positions increase in Maintenance (+139), Operations (+91), and Engineering (+5), while positions fall in Administration (-49). Position increases are primarily due to the addition of positions to support the New Haven Maintenance Facility, the M8 service plan, security improvements, T&E positions for new train service, a second shift coach shop, support for signal and power improvements, conductor certification and training, and revised hours-of-service regulation compliance. These position increases were partially offset by the net transfer of 45 positions in Human Resource and the Comptrollers Office to the BSC.

MTA Bus' increase consists of 49 Non-Reimbursable and 14 Reimbursable positions. Positions increase in Maintenance (+72) and Engineering (+12), and decrease in Operations (-19) and Administration (-2). Maintenance positions increase largely due to the phase-in of the shop overhaul program and the hiring of facility maintenance staff, both of which were deferred in 2010. Engineering positions also increase due to the increased support needs of the Capital program. Partially offsetting these increases are position reductions of 21, primarily due to project deferrals and the net transfer of nine positions to the BSC.

NYCT will decrease Reimbursable positions by 329 and increase Non-Reimbursable positions by 172. Positions fall in Maintenance (-183) and Public Safety (-11), and increase in Operations (+36) and Administration (+1). Reimbursable positions fall primarily due to the timing of capital projects related to lighting, cable replacement, R160 warranty support, and electronics maintenance. Non-Reimbursable positions increase as a result of updated training float/employee availability requirements and additional positions in support of Select Bus Service (SBS).

B&T's lower headcount in 2011 is made up of a reduction of Non-Reimbursable positions (-41) and an increase of Reimbursable positions (+8). All of the overall decrease is in Administrative positions and results from transfers to the BSC of 33 positions.

The LIRR's decrease is made up of reductions of Non-Reimbursable positions (-172) and increases of Reimbursable positions (+164). Positions fall in Administration (-31) and Operations (-20), and increase in Maintenance (+26). The offsetting nature of the Non-Reimbursable and Reimbursable position changes is primarily due to the timing of project activity such as the 2011 Annual Track Program, ESA Construction, and Positive Train Control. The bulk of the net reduction of 25 positions is made up of transfers to the BSC and the BRPs, partially offset by increases related to Positive Train Control and positions in lieu of overtime.

#### Year-to-Year (2012 – 2014)

Total forecasted position levels increase by 564 from the end of 2011 to the end of 2014. Positions decrease by 96 in 2012, increase by 278 in 2013, and increase again by 382 in 2014. The Agencies with the largest position changes at the end of the three-year period are the LIRR (+370), MNR (+171), MTA HQ (+79), NYCT (-30), and B&T (-27). Positions increase over the three-year period primarily due to additional positions for East Side Access (ESA), fewer position reductions from AABBs and BRPs, and staffing for the New Haven Maintenance Facility Shop. Also included in the overall net change are eliminations related to the opening of the Business Service Center (BSC) which, on an MTA-wide basis, will result in a net decrease of 214 positions.

The LIRR's increase is made up of increases of 341 Non-Reimbursable positions and decreases of 29 Reimbursable positions. Most of this increase is due to the addition of positions for East Side Access.

MNR's increase from 2012-2014 is made up entirely of Non-Reimbursable positions. The position increase is primarily due to additional staffing for the New Haven Maintenance Facility Shop Complex, new train service, coach cleaning, and security. These increases are partially offset by position reductions associated with the completion of the M3 enhanced maintenance program.

MTA HQ's will increase headcount by 79 Non-Reimbursable positions. Public Safety positions increase by 83 due to the hiring in 2011 of 30 MTA Police Officers under the federally-funded COPS Hiring Recovery Program, and the hiring of additional Officers in 2014 to staff and patrol ESA.

NYCT's decrease is made up of reductions of 258 Reimbursable positions and increases of 228 Non-Reimbursable positions. Reimbursable positions fall as a result of the continuation of the 2011 reductions (see above), and from changes/completions in the following: R160 Warranty work, support for the Signal Safety Project, the Subway Service Plan, the Cable Replacement Project, and support for the Culver Project. Non-Reimbursable position increases are primarily due to subways station maintenance and bus maintenance requirements, partially offset by the transfers of positions to the BSC.

B&T's decrease is made up of reductions of 27 Non-Reimbursable positions. Most of these reductions are in Administration (-23), and result from position transfers to the BSC.



**METROPOLITAN TRANSPORTATION AUTHORITY**  
**November Financial Plan 2011-2014**  
**Year to Year Changes for Positions by Function and Agency**  
**Baseline Total Non-Reimbursable - Reimbursable Positions**  
**Full-Time Positions and Full Time Equivalents**  
**Favorable/(Unfavorable)**

<b>FUNCTION/DEPARTMENT</b>	<b>Change 2010-2011</b>	<b>Change 2011-2012</b>	<b>Change 2012-2013</b>	<b>Change 2013-2014</b>
<b><i>Administration</i></b>	<b>(134)</b>	<b>208</b>	<b>17</b>	<b>(10)</b>
NYC Transit	(1)	181	7	-
Long Island Rail Road	31	5	(6)	(10)
Metro-North Railroad	49	(1)	-	-
Bridges & Tunnels	33	23	-	-
Headquarters	(250)	(13)	17	-
Long Island Bus	(1)	-	-	-
Staten Island Railway	3	-	-	-
Capital Construction Company	-	-	-	-
Bus Company	2	13	(1)	-
<b><i>Operations</i></b>	<b>(79)</b>	<b>(13)</b>	<b>(150)</b>	<b>(109)</b>
NYC Transit	(36)	23	62	(5)
Long Island Rail Road	20	(30)	(159)	(92)
Metro-North Railroad	(91)	(6)	(53)	(12)
Bridges & Tunnels	-	-	-	-
Headquarters	-	-	-	-
Long Island Bus	5	-	-	-
Staten Island Railway	4	-	-	-
Capital Construction Company	-	-	-	-
Bus Company	19	-	-	-
<b><i>Maintenance</i></b>	<b>(61)</b>	<b>(15)</b>	<b>(145)</b>	<b>(210)</b>
NYC Transit	183	34	(114)	(138)
Long Island Rail Road	(26)	(3)	6	(47)
Metro-North Railroad	(139)	(48)	(30)	(21)
Bridges & Tunnels	-	4	-	-
Headquarters	-	-	-	-
Long Island Bus	(4)	-	-	-
Staten Island Railway	(3)	-	-	-
Capital Construction Company	-	-	-	-
Bus Company	(72)	(2)	(7)	(4)
<b><i>Engineering/Capital</i></b>	<b>(14)</b>	<b>(53)</b>	<b>-</b>	<b>-</b>
NYC Transit	-	(20)	-	-
Long Island Rail Road	-	(33)	-	-
Metro-North Railroad	(5)	-	-	-
Bridges & Tunnels	-	-	-	-
Headquarters	-	-	-	-
Long Island Bus	-	-	-	-
Staten Island Railway	-	-	-	-
Capital Construction Company	3	-	-	-
Bus Company	(12)	-	-	-
<b><i>Public Safety</i></b>	<b>10</b>	<b>(30)</b>	<b>-</b>	<b>(53)</b>
NYC Transit	11	-	-	-
Long Island Rail Road	-	-	-	-
Metro-North Railroad	-	-	-	-
Bridges & Tunnels	-	-	-	-
Headquarters	-	(30)	-	(53)
Long Island Bus	(1)	-	-	-
Staten Island Railway	-	-	-	-
Capital Construction Company	-	-	-	-
Bus Company	-	-	-	-

**Metropolitan Transportation Authority**  
**November Financial Plan 2011-2014**  
**Year to Year Changes for Positions by Function and Occupational Group**  
**Baseline Total Full-time Positions and Full-time Equivalents**  
**Non-Reimbursable and Reimbursable**  
**Favorable/(Unfavorable)**

<b>FUNCTION/OCCUPATIONAL GROUP</b>	<b>Change 2010-2011</b>	<b>Change 2011-2012</b>	<b>Change 2012-2013</b>	<b>Change 2013-2014</b>
<b>Administration</b>				
Managers/Supervisors	15	39	4	(4)
Professional, Technical, Clerical	(72)	168	13	(6)
Operational Hourlies	(77)	1	-	-
<b>Total Administration</b>	<b>(134)</b>	<b>208</b>	<b>17</b>	<b>(10)</b>
<b>Operations</b>				
Managers/Supervisors	27	1	6	1
Professional, Technical, Clerical	22	2	-	-
Operational Hourlies	(128)	(16)	(156)	(110)
<b>Total Operations</b>	<b>(79)</b>	<b>(13)</b>	<b>(150)</b>	<b>(109)</b>
<b>Maintenance</b>				
Managers/Supervisors	5	20	(8)	(24)
Professional, Technical, Clerical	26	12	5	(26)
Operational Hourlies	(92)	(48)	(142)	(160)
<b>Total Maintenance</b>	<b>(61)</b>	<b>(16)</b>	<b>(145)</b>	<b>(210)</b>
<b>Engineering/Capital</b>				
Managers/Supervisors	(9)	(24)	-	-
Professional, Technical, Clerical	(6)	(29)	-	-
Operational Hourlies	-	-	-	-
<b>Total Engineering/Capital</b>	<b>(15)</b>	<b>(53)</b>	<b>-</b>	<b>-</b>
<b>Public Safety</b>				
Managers/Supervisors	(1)	-	-	(1)
Professional, Technical, Clerical	-	-	-	(1)
Operational Hourlies	11	(30)	-	(51)
<b>Total Public Safety</b>	<b>10</b>	<b>(30)</b>	<b>-</b>	<b>(53)</b>
<b>Baseline Total Positions</b>				
Managers/Supervisors	38	36	2	(28)
Professional, Technical, Clerical	(30)	153	18	(33)
Operational Hourlies	(286)	(93)	(298)	(321)
<b>Baseline Total Positions</b>	<b>(279)</b>	<b>96</b>	<b>(278)</b>	<b>(382)</b>

## **BASELINE POSITIONS (Headcount)**

This section excludes below-the-line Gap Closing Actions.

### **MTA COMBINED**

#### **Plan-to-Plan (2010) November Plan vs February Plan**

MTA consolidated baseline positions of 66,239 are 1,862 positions (3%) lower than the February Plan. Non-Reimbursable positions fall by 1,756, and Reimbursable positions by 106. The overall drop in positions is primarily due to the Administrative Reduction Program (ARP) (-977) and the Budget Reduction Proposals (BRPs) (-899). Positions decrease in NYCT (-1,003), LIRR (-268), MNR (-253), B&T (-117), MTA HQ (-95), MTA Bus (-92), LIB (-25), and SIR (-9),

<b>MTA COMBINED</b>				
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
February 2010 Plan Baseline Positions	68,101	67,900	67,742	68,030
AABB Restorations	(88)	(87)	(87)	(87)
Admin Position Reduction Program	<u>977</u>	<u>920</u>	<u>920</u>	<u>920</u>
	889	833	833	833
BRPs	899	875	736	764
November Plan Changes + Other	74	(325)	(248)	(266)
subtotal	<u>1,862</u>	<u>1,383</u>	<u>1,321</u>	<u>1,331</u>
November 2010 Plan Baseline Positions	<u>66,239</u>	<u>66,517</u>	<u>66,421</u>	<u>66,699</u>

#### **Plan-to-Plan (2011) November Plan vs February Plan**

When compared with the February Plan, MTA consolidated baseline positions decrease by 1,383 primarily because of the inclusion of the Budget Reduction Proposals (BRPs) and the Administrative Reduction Program. Non-Reimbursable positions decrease (-1,113) and Reimbursable positions decrease (-270). Positions drop by 856 at NYCT, 221 at the LIRR, 149 at B&T, 92 at MNR, 59 at MTA HQ, 9 at LIB, and 9 at SIR, and increase by 12 at MTA Bus.

#### **Plan-to-Plan (2012 & 2013) November Plan vs February Plan**

When compared with the February Plan, positions are projected to decrease by 1,321 in 2012 and 1,331 in 2013. Positions decrease in 2012 at NYCT (-847), the LIRR (-169), B&T (-151), MNR (-105), MTA HQ (-30), LIB (-9), SIR (-9), and MTA Bus (-1). These Plan-to-Plan changes primarily reflect a continuation of the BRPs, the Administrative Reduction Program, and other initiatives mentioned in the previous sections, and remain virtually unchanged in 2013.

#### Plan-to-Plan (2010) November Plan vs July Plan

MTA consolidated baseline positions of 66,239 are 53 positions lower than the July Plan. The net position reduction consists of reductions of 69 Reimbursable positions and increases of 16 Non-Reimbursable positions. Positions fall at the LIRR (-69), MNR (-49) and MTA HQ (-1), and increase at NYCT (+66).

#### Plan-to-Plan (2011) November Plan vs July Plan

When compared with the July Plan, MTA consolidated baseline positions increase by 167 positions. The net position increase consists of increases of 411 Non-Reimbursable positions and reductions of 244 Reimbursable positions. Positions increase at NYCT (+140), MTA Bus (+31), MNR (+17), LIB (+12), and MTA HQ (+3), and fall at B&T (-26) and the LIRR (-10).

#### Plan-to-Plan (2012 - 2014) November Plan vs July Plan

When compared with the July Plan, positions are projected to increase by 135 in 2012, 156 in 2013, and 269 in 2014. Positions increase in 2012 at NYCT (+60), MTA HQ (+32), the LIRR (+26), MTA Bus (+18), MNR (+15), and LIB (+12), and decrease at B&T (-28). These Plan-to-Plan changes primarily reflect a continuation of the initiatives mentioned in the previous sections, and except for one change in 2014, remain virtually the same in each of the out-years. In 2014, NYCT's headcount increases by 112, primarily due to hiring in support of the 7 West Extension.

### **NYCT**

#### Plan-to-Plan (2010) November Plan vs February Plan

NYCT's decrease is made up of reductions of 1,040 Non-Reimbursable positions and increases of 37 Reimbursable positions. The reduction in positions is primarily due to BRPs (-662) and the Administrative Reduction Program (-489), which will result in the elimination of 1,151 positions. Partly offsetting these reductions is the addition of 83 positions resulting from the reinstatement of some service cuts that were included in the February Plan.



## LIRR

### Plan-to-Plan (2010) November Plan vs February Plan

The LIRR's decrease is made up of reductions of 207 Non-Reimbursable and 61 Reimbursable positions. The reduction in positions is primarily due to BRPs (-57) and the Administrative Reduction Program (-137), which will result in the elimination of 194 positions.

LIRR				
	2010	2011	2012	2013
February Plan Positions:	6,784	6,712	6,722	6,859
AABB Restorations	(5)	(5)	(5)	(5)
Admin Position Reduction Program	<u>137</u>	<u>125</u>	<u>125</u>	<u>125</u>
subtotal	132	120	120	120
BRPs:				
Fare Collection Efficiencies	36	38	38	38
Operations Support & Efficiencies	6	17	17	17
consist reductions & ticket window closings	0	7	7	7
Other	<u>15</u>	<u>15</u>	<u>10</u>	<u>10</u>
subtotal	57	77	72	72
November Plan changes + Other	79	24	(23)	(45)
Total Change	268	221	169	147
November Plan Positions	<u>6,516</u>	<u>6,491</u>	<u>6,553</u>	<u>6,712</u>

### Plan-to-Plan (2011) November Plan vs February Plan

The LIRR's decrease is made up of reductions of 263 Reimbursable positions and increases of 42 Non-Reimbursable positions. Most of the decrease is due to position reductions resulting from the Administrative Reduction Program (-125) and BRP (-77).

### Plan-to-Plan (2010) November Plan vs July Plan

The LIRR's positions of 6,516 are 69 positions lower than the July Plan. Most of the position reductions result from the elimination of a Car Appearance Maintainer training class (-30), furloughs in the Signal and Power departments (-28), and hiring delays related to delays in capital project activity.

### Plan-to-Plan (2011) November Plan vs July Plan

The LIRR's positions of 6,491 are 10 positions lower than the July Plan, primarily due to hiring delays related to delays in capital project activity.

### Plan-to-Plan (2012 - 2014) November Plan vs July Plan

When compared with the July Plan, positions are projected to increase by 26 in 2012, 48 in 2013, and 48 in 2014. These Plan-to-Plan changes result from additional hiring for the new Federal Railroad Administration Hours of Service regulations, as well as positions for the East Side Access ramp-up.

## **MNR**

### **Plan-to-Plan (2010) November Plan vs February Plan**

MNR's decrease is made up of reductions of 171 Non-Reimbursable and 82 Reimbursable positions. The reduction in positions is primarily due to BRPs (-56) and the Administrative Reduction Program (-88), which will result in the elimination of 144 positions.

<b>MNR</b>				
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
February Plan Positions:	6,161	6,186	6,254	6,336
AABB Restorations	0	0	0	0
Admin Position Reduction Program	<u>88</u>	<u>88</u>	<u>88</u>	<u>88</u>
subtotal	88	88	88	88
<b><u>BRPs:</u></b>				
Deferral of MofE positions required for the inspection & maintenance of the new M8 fleet.	24	0	0	0
Operations staffing reductions	21	21	21	21
Revenue sales & collection	11	11	11	11
Other	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
subtotal	56	32	32	32
November Plan Changes + Other	109	(28)	(15)	(16)
Total Change	253	92	105	104
November Plan Positions	<u>5,908</u>	<u>6,094</u>	<u>6,149</u>	<u>6,232</u>

### **Plan-to-Plan (2011) November Plan vs February Plan**

MNR's decrease is made up of reductions of 55 Non-Reimbursable and 37 Reimbursable positions. Most of the decrease is due to position reductions resulting from the Administrative Reduction Program (-88) and the BRP (-32).

### **Plan-to-Plan (2010) November Plan vs July Plan**

MNR's positions of 5,908 are 49 positions lower than the July Plan. Most of the position reductions result from a change in the Agency's vacancy assumptions.

### **Plan-to-Plan (2011) November Plan vs July Plan**

NYCT's positions of 6,094 are 17 higher than the July Plan, primarily due to additional hiring to support the New Haven Maintenance Facility and a number of various other projects.

#### Plan-to-Plan (2012 - 2014) November Plan vs July Plan

When compared with the July Plan, positions are projected to increase by 15 in 2012, 21 in 2013, and 22 in 2014. These Plan-to-Plan changes result primarily from additional hiring for the New Haven Maintenance Facility, and support for the New Haven Line Equipment CSR M4/M6 cars.

#### **B&T**

#### Plan-to-Plan (2010) November Plan vs February Plan

B&T's decrease is made up of reductions of 109 Non-Reimbursable and 8 Reimbursable positions. The BRPs result in reductions of 88 positions, while the Administrative Reduction Program results in reductions of 29.

<b>B&amp;T</b>		<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
February Plan Positions:		1,805	1,804	1,779	1,779
AABB Restorations		-	-	-	-
Admin Position Reduction Program		<u>29</u>	<u>29</u>	<u>29</u>	<u>29</u>
	subtotal	29	29	29	29
BRPs:					
Organizational Streamlining (Labor)		88	88	88	88
Other		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
	subtotal	88	88	88	88
November Plan Changes + Other		0	32	34	34
	Total Change	117	149	151	151
November Plan Positions		<u>1,688</u>	<u>1,655</u>	<u>1,628</u>	<u>1,628</u>

#### Plan-to-Plan (2011) November Plan vs February Plan

B&T's total decrease consists entirely of Non-Reimbursable positions. Of the 149 position reductions, 88 are due to the BRPs, 29 are due to the Administrative Reduction Program, and 6 are Maintainer positions no longer required to service a newly-renovated building.

#### Plan-to-Plan (2010) November Plan vs July Plan

B&T's positions of 1,688 remain unchanged from the July Plan.

#### Plan-to-Plan (2011) November Plan vs July Plan

B&T's positions of 1,655 are 26 lower than the July Plan, primarily due to the transfer of the Procurement Department to the BSC.

#### Plan-to-Plan (2012 - 2014) November Plan vs July Plan

When compared with the July Plan, positions are projected to decrease by 28 in 2012 and in each of the out-years. These Plan-to-Plan changes reflect the transfer of positions to the BSC mentioned above.

## **MTA HQ**

### **Plan-to-Plan (2010) November Plan vs February Plan**

MTA HQ's decrease is made up entirely of Non-Reimbursable positions and results primarily from its Administrative Reduction Program which resulted in the elimination of 20% of administrative staff. Under this plan, 133 positions will be eliminated through a combination of voluntary separations, vacancy eliminations, and layoffs. Partly offsetting this reduction will be the addition of 38 positions for New Fare Payment Systems (+23), the Strategic Initiatives Unit (+10), and Bus Customer Information Systems (+5).

<b>MTA HQ</b>				
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
February Plan Positions:	1,568	1,782	1,796	1,780
AABB Restorations	0	0	0	0
Admin Position Reduction Program	<u>133</u>	<u>133</u>	<u>133</u>	<u>133</u>
subtotal	133	133	133	133
<u>BRPs:</u>				
subtotal	0	0	0	0
November Plan Changes + Other	(38)	(74)	(103)	(102)
Total Change	95	59	30	31
November Plan Positions	<u>1,473</u>	<u>1,723</u>	<u>1,766</u>	<u>1,749</u>

### **Plan-to-Plan (2011) November Plan vs February Plan**

MTA HQ's decrease consists of 60 Non-Reimbursable and 2 Reimbursable positions. MTA HQ's decrease results primarily from the Administrative Reduction Program, partially offset by the addition of positions for New Fare Payment Systems, the Strategic Initiatives Unit, and Bus Customer Information Systems.

### **Plan-to-Plan (2010) November Plan vs July Plan**

MTA HQ's positions of 1,473 are one position lower than the July Plan.

### **Plan-to-Plan (2011) November Plan vs July Plan**

MTA HQ's positions of 1,723 are three positions higher than the July Plan.

### **Plan-to-Plan (2012 - 2014) November Plan vs July Plan**

When compared with the July Plan, positions are projected to increase by 32 in 2012 and 31 in each of the out-years. These Plan-to-Plan changes primarily reflect the hiring of 30 MTA Police officers under the federally funded COPS Hiring Recovery Program.

## **MTA BUS**

### **Plan-to-Plan (2010) November Plan vs February Plan**

MTA Bus' decrease is made up of 103 Non-Reimbursable position reductions and 11 Reimbursable position increases. Most of the overall reduction is due to position reductions resulting from the Administrative Reduction Program (-73) and the BRPs (-30).

<b>MTA BUS</b>				
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>
February Plan Positions:	3,527	3,486	3,488	3,496
AABB Restorations	0	0	0	0
Admin Position Reduction Program	<u>73</u>	<u>30</u>	<u>30</u>	<u>30</u>
subtotal	73	30	30	30
<b><u>BRPs:</u></b>				
Shop overhaul program	25	(7)	(7)	(11)
Project deferrals/IT	0	7	7	7
Other	<u>5</u>	<u>0</u>	<u>0</u>	<u>4</u>
subtotal	30	0	0	0
November Plan Change + Other	(11)	(42)	(29)	(29)
Total Change	92	(12)	1	1
November Plan Positions	<u>3,435</u>	<u>3,498</u>	<u>3,487</u>	<u>3,495</u>

### **Plan-to-Plan (2011) November Plan vs February Plan**

MTA Bus' decrease consists of increases of 25 Reimbursable positions and reductions of 13 Non-Reimbursable positions. The Administrative Reduction Program accounts for all of the reductions, and reduces 73 fewer positions than in 2010 because of staff additions for the shop overhaul program, facility maintenance, and bus painting (hiring was deferred from 2010 to 2011).

### **Plan-to-Plan (2010) November Plan vs July Plan**

MTA Bus' positions of 3,435 remain unchanged from the July Plan.

### **Plan-to-Plan (2011) November Plan vs July Plan**

MTA Bus' positions of 3,498 are 31 higher than the July Plan, primarily due to additional staffing for Capital Program support, the Shop Program & overtime reductions, and the timing of transfers of Payroll and HR positions to the BSC.

### **Plan-to-Plan (2012 - 2014) November Plan vs July Plan**

When compared with the July Plan, positions are projected to increase by 18 in each of the years 2012 through 2014. These Plan-to-Plan changes primarily reflect a continuation of the initiatives listed above, partially offset by the timing of position transfers of Payroll and HR positions to the BSC.

**LIB**

### Plan-to-Plan (2010) November Plan vs February Plan

LIB's decrease is made up of reductions of 13 Non-Reimbursable and 12 Reimbursable positions. The Administrative Reduction Program accounts for all of the 25 position reductions.

		LIB			
		2010	2011	2012	2013
February Plan Positions:		1,129	1,114	1,114	1,114
AABB Restorations		0	0	0	0
Admin Position Reduction Program		<u>25</u>	<u>20</u>	<u>20</u>	<u>20</u>
	subtotal	25	20	20	20
<u>BRPs:</u>					
Shifting efficiencies		5	5	5	5
Shop overhaul program/OT reduction		(5)	(5)	(5)	(5)
Other		<u>0</u>	<u>1</u>	<u>1</u>	<u>1</u>
	subtotal	0	1	1	1
November Plan Changes + Other		<u>0</u>	<u>(12)</u>	<u>(12)</u>	<u>(12)</u>
	Total Change	25	9	9	9
November Plan Positions		<u>1,104</u>	<u>1,105</u>	<u>1,105</u>	<u>1,105</u>

### Plan-to-Plan (2011) November Plan vs Preliminary Budget

LIB's decrease consists entirely of Non-Reimbursable positions. The Administrative Reduction Program is responsible for 20 position reductions and the BRPs account for 1. These reductions are partially offset by additional staffing required to support the Shop Program and overtime reduction programs.

### Plan-to-Plan (2012 - 2014) November Plan vs July Plan

When compared with the July Plan, positions are projected to increase by 12 in each of the years 2012 through 2014. These Plan-to-Plan changes primarily reflect a continuation of the initiatives listed above.

SIR				
	2010	2011	2012	2013
February Plan Positions:	274	270	270	270
AABB Restorations	0	0	0	0
Admin Position Reduction Program	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>
subtotal	3	3	3	3
<u>BRPs:</u>				
Hiring Freeze	<u>6</u>	<u>6</u>	<u>6</u>	<u>6</u>
subtotal	6	6	6	6
November Plan Change + Other	0	0	0	0
Total Change	9	9	9	9
November Plan Positions	265	261	261	261

MTA CC				
	2010	2011	2012	2013
February Plan Positions:	150	147	147	147
AABB Restorations	0	0	0	0
Admin Position Reduction Program	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
subtotal	0	0	0	0
<u>BRPs:</u>				
subtotal	0	0	0	0
November Plan Change + Other	0	0	0	0
Total Change	0	0	0	0
November Plan Positions	150	147	147	147

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**November Financial Plan 2011-2014**  
**Baseline Change Between 2010 November Financial Plan vs. 2010 July Financial Plan**  
**Total Non-Reimbursable - Reimbursable Positions**  
**Full-Time Positions and Full Time Equivalents by Function and Agency**  
**Favorable/(Unfavorable)**

Category	2010	2011	2012	2013	2014
<b>Baseline Total Positions</b>	<b>53</b>	<b>(167)</b>	<b>(135)</b>	<b>(156)</b>	<b>(269)</b>
NYC Transit	(66)	(140)	(60)	(54)	(166)
Long Island Rail Road	69	10	(26)	(48)	(48)
Metro-North Railroad	49	(17)	(15)	(21)	(22)
Bridges & Tunnels	-	26	28	28	28
Headquarters	1	(3)	(32)	(31)	(31)
Long Island Bus	-	(12)	(12)	(12)	(12)
Staten Island Railway	-	-	-	-	-
Capital Construction Company	-	-	-	-	-
Bus Company	-	(31)	(18)	(18)	(18)
<b>Non-Reimbursable</b>	<b>(16)</b>	<b>(411)</b>	<b>(411)</b>	<b>(441)</b>	<b>(560)</b>
NYC Transit	(42)	(142)	(123)	(126)	(244)
Long Island Rail Road	8	(251)	(258)	(280)	(280)
Metro-North Railroad	8	(21)	(19)	(25)	(26)
Bridges & Tunnels	-	26	28	28	28
Headquarters	(2)	(6)	(35)	(34)	(34)
Long Island Bus	12	-	-	-	-
Staten Island Railway	-	-	-	-	-
Capital Construction Company	-	-	-	-	-
Bus Company	-	(17)	(4)	(4)	(4)
<b>Reimbursable</b>	<b>69</b>	<b>244</b>	<b>276</b>	<b>285</b>	<b>291</b>
NYC Transit	(24)	2	63	72	78
Long Island Rail Road	61	261	232	232	232
Metro-North Railroad	41	4	4	4	4
Bridges & Tunnels	-	-	-	-	-
Headquarters	3	3	3	3	3
Long Island Bus	(12)	(12)	(12)	(12)	(12)
Staten Island Railway	-	-	-	-	-
Capital Construction Company	-	-	-	-	-
Bus Company	-	(14)	(14)	(14)	(14)
<b>Total Full-Time</b>	<b>51</b>	<b>(170)</b>	<b>(138)</b>	<b>(159)</b>	<b>(272)</b>
NYC Transit	(67)	(147)	(67)	(61)	(173)
Long Island Rail Road	69	10	(26)	(48)	(48)
Metro-North Railroad	48	(18)	(16)	(22)	(23)
Bridges & Tunnels	-	26	28	28	28
Headquarters	1	(3)	(32)	(31)	(31)
Long Island Bus	-	(7)	(7)	(7)	(7)
Staten Island Railway	-	-	-	-	-
Capital Construction Company	-	-	-	-	-
Bus Company	-	(31)	(18)	(18)	(18)
<b>Total Full-Time-Equivalents</b>	<b>2</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
NYC Transit	1	7	7	7	7
Long Island Rail Road	-	-	-	-	-
Metro-North Railroad	1	1	1	1	1
Bridges & Tunnels	-	-	-	-	-
Headquarters	-	-	-	-	-
Long Island Bus	-	(5)	(5)	(5)	(5)
Staten Island Railway	-	-	-	-	-
Capital Construction Company	-	-	-	-	-
Bus Company	-	-	-	-	-

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**November Financial Plan 2011-2014**  
**Baseline Change Between 2010 November Financial Plan vs. 2010 July Financial Plan**  
**Total Non-Reimbursable - Reimbursable Positions**  
**Full-Time Positions and Full Time Equivalents by Function and Agency**  
**Favorable/(Unfavorable)**

<b>Function</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Administration</b>	<b>(91)</b>	<b>(203)</b>	<b>(189)</b>	<b>(185)</b>	<b>(185)</b>
NYC Transit	(2)	(46)	(53)	(50)	(50)
Long Island Rail Road	(1)	(7)	(2)	(2)	(2)
Metro-North Railroad	(97)	(105)	(105)	(105)	(105)
Bridges & Tunnels	7	33	35	35	35
Headquarters	2	(32)	(31)	(30)	(30)
Long Island Bus	-	(11)	(11)	(11)	(11)
Staten Island Railway	-	-	-	-	-
Capital Construction Company	-	-	-	-	-
Bus Company	-	(35)	(22)	(22)	(22)
<b>Operations</b>	<b>94</b>	<b>42</b>	<b>41</b>	<b>51</b>	<b>53</b>
NYC Transit	20	(8)	(6)	(11)	(11)
Long Island Rail Road	(17)	(14)	(38)	(39)	(39)
Metro-North Railroad	98	47	68	84	86
Bridges & Tunnels	(7)	(7)	(7)	(7)	(7)
Headquarters	-	-	-	-	-
Long Island Bus	-	5	5	5	5
Staten Island Railway	-	-	-	-	-
Capital Construction Company	-	-	-	-	-
Bus Company	-	19	19	19	19
<b>Maintenance</b>	<b>10</b>	<b>(62)</b>	<b>40</b>	<b>5</b>	<b>(110)</b>
NYC Transit	(94)	(93)	12	20	(92)
Long Island Rail Road	53	(2)	14	(7)	(7)
Metro-North Railroad	51	41	22	-	(3)
Bridges & Tunnels	-	-	-	-	-
Headquarters	-	-	-	-	-
Long Island Bus	-	(5)	(5)	(5)	(5)
Staten Island Railway	-	-	-	-	-
Capital Construction Company	-	-	-	-	-
Bus Company	-	(3)	(3)	(3)	(3)
<b>Engineering/Capital</b>	<b>71</b>	<b>61</b>	<b>8</b>	<b>8</b>	<b>8</b>
NYC Transit	40	40	20	20	20
Long Island Rail Road	34	33	-	-	-
Metro-North Railroad	(3)	-	-	-	-
Bridges & Tunnels	-	-	-	-	-
Headquarters	-	-	-	-	-
Long Island Bus	-	-	-	-	-
Staten Island Railway	-	-	-	-	-
Capital Construction Company	-	-	-	-	-
Bus Company	-	(12)	(12)	(12)	(12)
<b>Public Safety</b>	<b>(31)</b>	<b>(5)</b>	<b>(35)</b>	<b>(35)</b>	<b>(35)</b>
NYC Transit	(30)	(33)	(33)	(33)	(33)
Long Island Rail Road	-	-	-	-	-
Metro-North Railroad	-	-	-	-	-
Bridges & Tunnels	-	-	-	-	-
Headquarters	(1)	29	(1)	(1)	(1)
Long Island Bus	-	(1)	(1)	(1)	(1)
Staten Island Railway	-	-	-	-	-
Capital Construction Company	-	-	-	-	-
Bus Company	-	-	-	-	-
<b>Baseline Total Positions</b>	<b>53</b>	<b>(167)</b>	<b>(135)</b>	<b>(156)</b>	<b>(269)</b>

**Metropolitan Transportation Authority**  
**November Financial Plan 2011-2014**  
**Baseline Change Between 2010 November Financial Plan vs. 2010 July Financial Plan**  
**Non-Reimbursable and Reimbursable**  
**Full-time Positions and Full-time Equivalents by Occupational Group and Agency**  
**Favorable/(Unfavorable)**

		Change				
FUNCTION/OCCUPATIONAL GROUP		2010	2011	2012	2013	2014
<b>Administration</b>						
	Managers/Supervisors	(5)	15	17	19	19
	Professional, Technical, Clerical	(85)	(161)	(149)	(147)	(147)
	Operational Hourlies	(1)	(57)	(57)	(57)	(57)
	<b>Total Administration</b>	<b>(91)</b>	<b>(203)</b>	<b>(189)</b>	<b>(185)</b>	<b>(185)</b>
<b>Operations</b>						
	Managers/Supervisors	(24)	(32)	(31)	(31)	(31)
	Professional, Technical, Clerical	57	60	61	74	74
	Operational Hourlies	61	14	11	8	10
	<b>Total Operations</b>	<b>94</b>	<b>42</b>	<b>41</b>	<b>51</b>	<b>53</b>
<b>Maintenance</b>						
	Managers/Supervisors	5	(7)	15	1	(17)
	Professional, Technical, Clerical	4	10	2	5	(22)
	Operational Hourlies	1	(65)	23	(1)	(71)
	<b>Total Maintenance</b>	<b>10</b>	<b>(62)</b>	<b>40</b>	<b>5</b>	<b>(110)</b>
<b>Engineering/Capital</b>						
	Managers/Supervisors	25	25	1	1	1
	Professional, Technical, Clerical	46	36	7	7	7
	Operational Hourlies	-	-	-	-	-
	<b>Total Engineering/Capital</b>	<b>71</b>	<b>61</b>	<b>8</b>	<b>8</b>	<b>8</b>
<b>Public Safety</b>						
	Managers/Supervisors	(29)	(30)	(30)	(30)	(30)
	Professional, Technical, Clerical	(2)	(2)	(2)	(2)	(2)
	Operational Hourlies	-	27	(3)	(3)	(3)
	<b>Total Public Safety</b>	<b>(31)</b>	<b>(5)</b>	<b>(35)</b>	<b>(35)</b>	<b>(35)</b>
<b>Baseline Total Positions</b>						
	Managers/Supervisors	(28)	(29)	(28)	(40)	(58)
	Professional, Technical, Clerical	20	(57)	(81)	(63)	(90)
	Operational Hourlies	61	(81)	(26)	(53)	(121)
	<b>Baseline Total Positions</b>	<b>53</b>	<b>(167)</b>	<b>(135)</b>	<b>(156)</b>	<b>(269)</b>

# **Budget Reduction Program and Status of 2010 Agency PEGs**



## 2010 Budget Reduction Program (BRP) Summary

November Financial Plan 2011 - 2014

(\$ in millions)

2011 Budget Reduction Summary - Programmatic																		
	NYCT/SIR		LIRR		MNR		B&T		MTAHQ		LI Bus		Total (Excluding MTA Bus)		MTA Bus		Total	
	Pos	\$	Pos	\$	Pos	\$	Pos	\$	Pos	\$	Pos	\$	Pos	\$	Pos	\$	Pos	\$
<b>Cyclical Project and Rapid Procurement Review</b>																		
Project Deferral	-	\$0.0		(\$0.3)	-	(\$0.5)	-	(\$5.6)	-	\$0.0	1	\$0.3	1	(\$6.0)	7	\$1.8	8	(\$4.2)
Project Elimination	-	0.2	5	1.9	-	2.8	-	0.3	-	0.0	-	0.0	5	5.2	-	0.0	5	5.2
Rapid Procurement	-	21.1	-	0.1	-	0.6	-	0.0	-	0.2	-	0.0	-	22.0	-	0.0	-	22.0
Subtotal	-	\$21.2	5	\$1.8	-	\$2.9	-	(\$5.3)	-	\$0.2	1	\$0.3	6	\$21.2	7	\$1.8	13	\$23.0
<b>Strategic Initiatives</b>																		
Overtime Savings - Specific	-	\$0.0	-	\$1.7	-	\$2.7	-	\$4.9	-	\$0.8	-	\$1.0	-	\$11.1	-	\$0.0	-	\$11.1
Overtime Savings - Programmatic	(27)	7.0	-	3.7	-	0.0	-	0.0	-	0.0	-	0.4	(27)	11.2	-	0.8	(27)	12.0
Inventory/Maintenance Material Management	-	18.1	-	(3.0)	-	2.4	-	0.0	-	0.0	-	0.0	-	17.4	-	0.0	-	17.5
Process Re-Engineering/Consolidation	(20)	(2.2)	-	0.0	-	0.0	-	0.0	-	0.0	-	0.0	(20)	(2.2)	-	0.0	(20)	(2.2)
Subtotal	(47)	\$23.0	-	\$2.4	-	\$5.1	-	\$4.9	-	\$0.8	-	\$1.4	(47)	\$37.6	-	\$0.8	(47)	\$38.4
<b>Programmatic Efficiencies</b>																		
Maintenance	279	\$25.3	-	\$0.2	-	\$0.0	-	\$7.4	-	\$0.0	(4)	\$0.1	275	\$32.9	(2)	\$0.4	273	\$33.3
Cleaning	174	13.8	3	0.3	-	0.0	-	0.0	-	0.0	-	0.0	177	14.2	-	0.0	177	14.2
Minor Service Adjustments	58	9.1	7	2.3	-	0.3	-	0.0	-	0.0	-	0.0	65	11.8	-	0.0	65	11.8
Operations Support	202	21.0	62	6.9	32	4.0	-	0.0	-	0.0	4	0.4	300	32.4	(5)	0.4	295	32.8
Capitalization of Current Expenses	-	0.0	-	0.0	-	0.0	-	33.0	-	0.0	-	0.0	-	33.0	-	0.0	-	33.0
Subtotal	713	\$69.3	72	\$9.8	32	\$4.4	-	\$40.4	-	\$0.0	-	\$0.5	817	\$124.3	(7)	\$0.8	810	\$125.1
<b>Other</b>	11	(\$6.0)	-	\$3.4	-	\$1.9	88	\$16.3	-	\$0.5	-	(\$0.4)	99	\$15.8	-	(\$0.2)	99	\$15.5
<b>Total BRPs - Programmatic</b>	677	\$107.5	77	\$17.4	32	\$14.3	88	\$56.3	-	\$1.6	1	\$1.8	875	\$198.9	-	\$3.2	875	\$202.0

## 2010 Budget Reduction Program (BRP) Summary

November Financial Plan 2011 - 2014

(\$ in millions)

2012 Budget Reduction Summary - Programmatic																		
	NYCT/SIR		LIRR		MNR		B&T		MTAHQ		LI Bus		Total (Excluding MTA Bus)		MTA Bus		Total	
	Pos	\$	Pos	\$	Pos	\$	Pos	\$	Pos	\$	Pos	\$	Pos	\$	Pos	\$	Pos	\$
<b>Cyclical Project and Rapid Procurement Review</b>																		
Project Deferral	-	\$0.0	-	(\$1.6)	-	\$0.0	-	\$0.0	-	\$0.0	1	\$0.3	1	(\$1.3)	7	\$1.8	8	\$0.5
Project Elimination	-	1.9	-	0.0	-	0.0	-	0.0	-	0.0	-	0.0	-	1.9	-	0.0	-	1.9
Rapid Procurement	-	24.7	-	0.1	-	0.6	-	0.0	-	0.2	-	0.0	-	25.6	-	0.0	-	25.6
Subtotal	-	\$26.6	-	(\$1.5)	-	\$0.6	-	\$0.0	-	\$0.2	1	\$0.3	1	\$26.2	7	\$1.8	8	\$28.0
<b>Strategic Initiatives</b>																		
Overtime Savings - Specific	-	\$0.0	-	\$2.1	-	\$2.7	-	\$5.4	-	\$0.9	-	\$1.0	-	\$12.1	-	\$0.0	-	\$12.1
Overtime Savings - Programmatic	(27)	3.5	-	3.4	-	0.0	-	0.0	-	0.0	-	0.4	(27)	7.3	-	0.8	(27)	8.1
Inventory/Maintenance Material Management	-	20.4	-	0.1	-	2.4	-	0.0	-	0.0	-	0.0	-	22.8	-	0.0	-	22.8
Process Re-Engineering/Consolidation	(61)	(6.2)	-	0.0	-	0.0	-	0.0	-	0.0	-	0.0	(61)	(6.2)	-	0.0	(61)	(6.2)
Subtotal	(88)	\$17.7	-	\$5.5	-	\$5.1	-	\$5.4	-	\$0.9	-	\$1.4	(88)	\$36.0	-	\$0.8	(88)	\$36.8
<b>Programmatic Reductions</b>																		
Maintenance	217	\$21.6	-	\$0.2	-	\$0.0	-	\$0.0	-	\$0.0	(4)	\$0.1	213	\$21.8	(2)	\$0.4	211	\$22.2
Cleaning	174	13.8	3	0.4	-	0.0	-	0.0	-	0.0	-	0.0	177	14.2	-	0.0	177	14.2
Minor Service Adjustments	58	6.9	7	2.4	-	0.3	-	0.0	-	0.0	-	0.0	65	9.6	-	0.0	65	9.6
Operations Support	202	23.3	62	7.4	32	4.0	-	0.0	-	0.0	4	0.4	300	35.1	(5)	0.4	295	35.5
Capitalization of Current Expenses	-	0.0	-	0.0	-	0.0	-	41.4	-	0.0	-	0.0	-	41.4	-	0.0	-	41.4
Subtotal	651	\$65.7	72	\$10.3	32	\$4.4	-	\$41.4	-	\$0.0	-	\$0.5	755	\$122.2	(7)	\$0.8	748	\$123.0
<b>Other</b>	11	(\$5.7)	-	\$3.4	-	\$2.4	88	\$10.7	-	\$0.5	-	(\$0.4)	99	\$10.9	-	(\$0.2)	99	\$10.7
<b>Total BRPs - Programmatic</b>	574	\$104.2	72	\$17.7	32	\$12.5	88	\$57.5	-	\$1.6	1	\$1.8	767	\$195.3	-	\$3.2	767	\$198.5

## 2010 Budget Reduction Program (BRP) Summary

November Financial Plan 2011 - 2014

(\$ in millions)

### 2013 Budget Reduction Summary - Programmatic

	NYCT/SIR		LIRR		MNR		B&T		MTAHQ		LI Bus		Total (Excluding MTA Bus)		MTA Bus		Total	
	Pos	\$	Pos	\$	Pos	\$	Pos	\$	Pos	\$	Pos	\$	Pos	\$	Pos	\$	Pos	\$
<b>Cyclical Project and Rapid Procurement Review</b>																		
Project Deferral	-	\$0.0	-	(\$0.4)	-	\$0.0	-	\$0.0	-	\$0.0	1	\$0.3	1	(\$0.2)	7	\$1.8	8	\$1.6
Project Elimination	-	1.9	-	0.0	-	0.0	-	0.0	-	0.0	-	0.0	-	1.9	-	0.0	-	1.9
Rapid Procurement	-	27.2	-	0.1	-	0.1	-	0.0	-	0.2	-	0.0	-	27.7	-	0.0	-	27.7
Subtotal	-	\$29.1	-	(\$0.4)	-	\$0.1	-	\$0.0	-	\$0.2	1	\$0.3	1	\$29.4	7	\$1.8	8	\$31.2
<b>Strategic Initiatives</b>																		
Overtime Savings - Specific	-	\$0.0	-	\$2.1	-	\$2.8	-	\$5.4	-	\$0.9	-	\$1.0	-	\$12.2	-	\$0.0	-	\$12.2
Overtime Savings - Programmatic	(27)	3.5	-	3.4	-	0.0	-	0.0	-	0.0	-	1.7	(27)	8.7	-	0.8	(27)	9.5
Inventory/Maintenance Material Management	-	16.9	-	0.1	-	2.4	-	0.0	-	0.0	-	0.0	-	19.4	-	0.0	-	19.4
Process Re-Engineering/Consolidation	(61)	(6.2)	-	0.0	-	0.0	-	0.0	-	0.0	-	0.0	(61)	(6.2)	-	0.0	(61)	(6.2)
Subtotal	(88)	\$14.3	-	\$5.6	-	\$5.2	-	\$5.4	-	\$0.9	-	\$2.7	(88)	\$34.1	-	\$0.8	(88)	\$34.9
<b>Programmatic Reductions</b>																		
Maintenance	245	\$25.8	-	\$0.2	-	\$0.0	-	\$0.0	-	\$0.0	(4)	\$0.1	241	\$26.1	(2)	\$0.4	239	\$26.5
Cleaning	174	13.8	3	0.4	-	0.0	-	0.0	-	0.0	-	0.0	177	14.2	-	0.0	177	14.2
Minor Service Adjustments	58	7.0	7	2.4	-	0.3	-	0.0	-	0.0	-	0.0	65	9.8	-	0.0	65	9.8
Operations Support	202	23.3	62	7.6	32	4.1	-	0.0	-	0.0	4	1.9	300	36.9	(5)	4.3	295	41.1
Capitalization of Current Expenses	-	0.0	-	0.0	-	0.0	-	38.9	-	0.0	-	0.0	-	38.9	-	0.0	-	38.9
Subtotal	679	\$70.0	72	\$10.5	32	\$4.4	-	\$38.9	-	\$0.0	-	\$2.0	783	\$125.8	(7)	\$4.7	776	\$130.5
<b>Other</b>	11	(\$5.7)	-	\$3.4	-	\$2.5	88	\$10.7	-	\$0.5	-	(\$1.7)	99	\$9.7	-	(\$0.2)	99	\$9.5
<b>Total BRPs - Programmatic</b>	602	\$107.5	72	\$19.2	32	\$12.3	88	\$55.0	-	\$1.7	1	\$3.4	795	\$199.2	-	\$7.0	795	\$206.2

## 2010 Budget Reduction Program (BRP) Summary

November Financial Plan 2011 - 2014

(\$ in millions)

### 2014 Budget Reduction Summary - Programmatic

	NYCT/SIR		LIRR		MNR		B&T		MTAHQ		LI Bus		Total (Excluding MTA Bus)		MTA Bus		Total	
	Pos	\$	Pos	\$	Pos	\$	Pos	\$	Pos	\$	Pos	\$	Pos	\$	Pos	\$	Pos	\$
<b>Cyclical Project and Rapid Procurement Review</b>																		
Project Deferral	-	\$0.0	-	(\$0.4)	-	\$0.0	-	\$0.0	-	\$0.0	1	\$0.3	1	(\$0.2)	7	\$1.8	8	\$1.6
Project Elimination	-	1.9	-	0.0	-	0.0	-	0.0	-	0.0	-	0.0	-	1.9	-	0.0	-	1.9
Rapid Procurement	-	30.9	-	0.1	-	0.1	-	0.0	-	0.2	-	0.0	-	31.4	-	0.0	-	31.4
Subtotal	-	\$32.8	-	(\$0.4)	-	\$0.1	-	\$0.0	-	\$0.2	1	\$0.3	1	\$33.1	7	\$1.8	8	\$34.9
<b>Strategic Initiatives</b>																		
Overtime Savings - Specific	-	\$0.0	-	\$2.2	-	\$2.9	-	\$5.4	-	\$1.0	-	\$1.0	-	\$12.4	-	\$0.0	-	\$12.4
Overtime Savings - Programmatic	(27)	3.5	-	3.5	-	0.0	-	0.0	-	0.0	-	1.7	(27)	8.7	-	0.8	(27)	9.5
Inventory/Maintenance Material Management	-	14.4	-	0.1	-	2.4	-	0.0	-	0.0	-	0.0	-	16.9	-	0.0	-	16.9
Process Re-Engineering/Consolidation	(61)	(6.2)	-	0.0	-	0.0	-	0.0	-	0.0	-	0.0	(61)	(6.2)	-	0.0	(61)	(6.2)
Subtotal	(88)	\$11.8	-	\$5.8	-	\$5.2	-	\$5.4	-	\$1.0	-	\$2.7	(88)	\$31.8	-	\$0.8	(88)	\$32.6
<b>Programmatic Reductions</b>																		
Maintenance	241	\$25.3	-	\$0.2	-	\$0.0	-	\$0.0	-	\$0.0	(4)	\$0.1	237	\$25.6	(6)	\$0.4	231	\$26.0
Cleaning	174	13.8	3	0.4	-	0.0	-	0.0	-	0.0	-	0.0	177	14.2	-	0.0	177	14.2
Minor Service Adjustments	58	7.0	7	2.5	-	0.3	-	0.0	-	0.0	-	0.0	65	9.8	-	0.0	65	9.8
Operations Support	202	23.3	62	7.8	32	4.2	-	0.0	-	0.0	4	1.9	300	37.2	(5)	4.3	295	41.5
Capitalization of Current Expenses	-	0.0	-	0.0	-	0.0	-	27.7	-	0.0	-	0.0	-	27.7	-	0.0	-	27.7
Subtotal	675	\$69.5	72	\$10.8	32	\$4.6	-	\$27.7	-	\$0.0	-	\$2.0	779	\$114.6	(11)	\$4.7	768	\$119.2
<b>Other</b>	11	(\$5.7)	-	\$3.4	-	\$2.6	88	\$10.7	-	\$0.5	-	(\$1.7)	99	\$9.8	-	(\$0.2)	99	\$9.6
<b>Total BRPs - Programmatic</b>	598	\$108.3	72	\$19.6	32	\$12.5	88	\$43.8	-	\$1.7	1	\$3.3	791	\$189.3	(4)	\$7.0	787	\$196.3

## **STATUS OF THE 2010 PEGs**

As reflected on the chart below, the February Plan included within its baseline, 2010 Program to Eliminate the GAP (PEG) savings of \$71 million and 375 positions in 2010. Savings decrease slightly to \$70 million in 2011, remain unchanged in 2012, and then rise to \$73 million in 2013. PEG position savings fall to 356 positions in 2011 and 347 positions in 2012, and then increase to 390 positions in 2013. In the July Plan the value of these PEGs remained unchanged.

Re-estimates included in the November Plan reduce 2010 PEG dollar savings by \$5.8 million in 2010, \$0.8 million in 2011, and \$3.8 million in 2012 and 2013, respectively. NYCT re-estimated the savings associated with its "Fuel Economies" PEG downward by \$2.8 million in 2010 and \$3.8 million in each of the out-years. The LIRR deferred \$3 million in anticipated savings from its "Air Rights" PEG from 2010 to 2011. In both instances, positions were not affected.

METROPOLITAN TRANSPORTATION AUTHORITY						
November Financial Plan 2011 - 2014						
Summary of the 2010 PEG Program						
(\$ in millions)						
	<u>February Plan</u>		<u>July Plan</u>		<u>November Plan</u>	
	Positions	Dollars	Positions	Dollars	Positions	Dollars
2010	375	\$71	375	\$71	375	\$65
2011	356	\$70	356	\$70	356	\$69
2012	347	\$70	347	\$70	347	\$66
2013	390	\$73	390	\$73	390	\$69
2014	390	\$73	390	\$73	390	\$69

The November Plan also includes two re-estimates to prior-year PEGs. NYCT reduced the planned savings of its "Traffic Checking Efficiencies" PEG by \$0.2 million in each year of the plan. The LIRR reduced the planned savings of its "Health Insurance "Opt Out" Buy Back Program" PEG by \$0.5 million in 2010.

## **STATUS OF THE 2010 AABBs**

As reflected on the chart below, the February Plan included within its baseline, 2010 AABB savings of \$65 million and 1,341 positions. Savings increase to \$131 million in 2011, decrease slightly to \$124 million in 2012, and decrease again to \$119 million 2013. AABB position reductions decrease gradually to 1,220 in 2011, 1,122 in 2012, and 1,029 in 2013 and 2014.

The July Plan included re-estimates to the 2010 AABBs from March, 2010, as well as from July. These re-estimates reduce the AABB dollar savings by \$23 million in 2010, \$30 million in 2011, \$17 million in 2012, \$7M in 2013, and \$8M in 2014. AABB position reductions are lower than those in the February Plan by 63 in 2010, 129 in 2011, 115 in 2012, 107 in 2013, and 111 in 2014. The largest of the downward re-estimates to 2010 AABB savings results from NYCT's "Training Float, Avg. Rates, and Availability" AABB, with reduced savings of \$10M in 2010, \$24M in 2011, \$16M in 2012, \$5M in 2013, and \$6M in 2014.

Re-estimates included in the November Plan reduce AABB dollar savings by \$4.6 million in 2010.

METROPOLITAN TRANSPORTATION AUTHORITY						
November Financial Plan 2011 - 2014						
Summary of the 2010 AABBs						
(\$ in millions)						
	<u>February Plan</u>		<u>July Plan</u>		<u>November Plan</u>	
	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>
2010	1,341	\$65	1,278	\$42	1,278	\$37
2011	1,220	\$131	1,091	\$101	1,091	\$101
2012	1,122	\$124	1,007	\$107	1,007	\$107
2013	1,029	\$119	922	\$112	922	\$112
2014	1,029	\$119	918	\$111	918	\$111

There were no re-estimates to prior year AABBs (2009 and earlier) in the November Plan.

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### **III. Other MTA Consolidated Materials-Baseline**

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**November Financial Plan 2011 - 2014**  
**MTA Consolidated Statement Of Operations By Category**  
(\$ in millions)

Line No.		2009	2010	2011			
	Non-Reimbursable	Actual	November Forecast	Final Proposed Budget	2012	2013	2014
4	<b>Operating Revenue</b>						
5	Farebox Revenue	\$4,350	\$4,572	\$4,648	\$4,751	\$4,821	\$4,885
6	Toll Revenue	1,332	1,417	1,423	1,433	1,434	1,439
7	Other Revenue	461	499	523	549	581	617
8	Capital and Other Reimbursements	0	(0)	0	0	(0)	0
9	<b>Total Operating Revenue</b>	<b>\$6,144</b>	<b>\$6,488</b>	<b>\$6,594</b>	<b>\$6,733</b>	<b>\$6,836</b>	<b>\$6,941</b>
11	<b>Operating Expense</b>						
12	<b>Labor Expenses:</b>						
13	Payroll	\$4,163	\$4,198	\$4,286	\$4,394	\$4,497	\$4,610
14	Overtime	499	443	429	429	433	440
15	Health & Welfare	689	741	823	890	977	1,068
16	OPEB Current Payment	346	361	393	440	487	531
17	Pensions	1,021	1,021	1,070	1,139	1,191	1,281
18	Other-Fringe Benefits	517	498	481	493	511	526
19	Reimbursable Overhead	(322)	(342)	(346)	(342)	(340)	(345)
20	<b>Sub-total Labor Expenses</b>	<b>\$6,914</b>	<b>\$6,921</b>	<b>\$7,136</b>	<b>\$7,442</b>	<b>\$7,756</b>	<b>\$8,112</b>
22	<b>Non-Labor Expenses:</b>						
23	Traction and Propulsion Power	318	336	360	395	430	462
24	Fuel for Buses and Trains	180	199	200	214	225	236
25	Insurance	34	36	34	37	44	54
26	Claims	238	215	196	205	212	219
27	Paratransit Service Contracts	370	381	382	460	551	658
28	Maintenance and Other Operating Contracts	562	582	635	645	661	686
29	Professional Service Contracts	199	216	231	231	236	242
30	Materials & Supplies	526	537	564	578	614	637
31	Other Business Expenses	184	205	220	224	229	235
32	<b>Sub-total Non-Labor Expenses</b>	<b>\$2,612</b>	<b>\$2,708</b>	<b>\$2,822</b>	<b>\$2,991</b>	<b>\$3,202</b>	<b>\$3,429</b>
34	<b>Other Expense Adjustments:</b>						
35	Other	(\$15)	(\$28)	(\$25)	(\$26)	(\$26)	(\$28)
36	General Reserve	0	0	100	100	100	100
37	<b>Sub-total Other Expense Adjustments</b>	<b>(\$15)</b>	<b>(\$28)</b>	<b>\$75</b>	<b>\$74</b>	<b>\$74</b>	<b>\$72</b>
39	<b>Total Operating Expense before Non-Cash Liability Adjs.</b>	<b>\$9,512</b>	<b>\$9,602</b>	<b>\$10,034</b>	<b>\$10,508</b>	<b>\$11,032</b>	<b>\$11,612</b>
41	Depreciation	\$1,941	\$2,032	\$2,125	\$2,208	\$2,290	\$2,364
42	OPEB Obligation	1,136	1,203	1,265	1,291	1,321	1,350
43	Environmental Remediation	6	12	10	10	10	11
45	<b>Total Operating Expense</b>	<b>\$12,594</b>	<b>\$12,848</b>	<b>\$13,434</b>	<b>\$14,017</b>	<b>\$14,653</b>	<b>\$15,338</b>
47	<b>Net Operating Deficit Before Subsidies and Debt Service</b>	<b>(\$6,451)</b>	<b>(\$6,360)</b>	<b>(\$6,840)</b>	<b>(\$7,285)</b>	<b>(\$7,817)</b>	<b>(\$8,397)</b>
49	Dedicated Taxes and State/Local Subsidies	\$4,137	\$4,908	\$5,239	\$5,533	\$5,787	\$6,030
50	Debt Service (excludes Service Contract Bonds)	(1,404)	(1,756)	(2,043)	(2,215)	(2,392)	(2,583)
52	<b>Net Deficit After Subsidies and Debt Service</b>	<b>(\$3,718)</b>	<b>(\$3,207)</b>	<b>(\$3,644)</b>	<b>(\$3,966)</b>	<b>(\$4,421)</b>	<b>(\$4,950)</b>
54	Conversion to Cash Basis: Non-Cash Liability Adjs.	\$3,083	\$3,246	\$3,401	\$3,509	\$3,621	\$3,725
55	Conversion to Cash Basis: GASB Account	(54)	(65)	(47)	(60)	(63)	(66)
56	Conversion to Cash Basis: All Other	556	(23)	(225)	(287)	(212)	(282)
59	<b>CASH BALANCE BEFORE PRIOR-YEAR CARRY-OVER</b>	<b>(\$133)</b>	<b>(\$50)</b>	<b>(\$516)</b>	<b>(\$803)</b>	<b>(\$1,075)</b>	<b>(\$1,573)</b>



**METROPOLITAN TRANSPORTATION AUTHORITY**  
**November Financial Plan 2011 - 2014**  
**MTA Consolidated Statement Of Operations By Category**  
(\$ in millions)

Line Number	Non-Reimbursable / Reimbursable	2009 Actual	2010 November Forecast	2011 Final Proposed Budget	2012	2013	2014
10	<b>Operating Revenue</b>						
11	Farebox Revenue	\$4,350	\$4,572	\$4,648	\$4,751	\$4,821	\$4,885
12	Toll Revenue	1,332	1,417	1,423	1,433	1,434	1,439
13	Other Revenue	461	499	523	549	581	617
14	Capital and Other Reimbursements	1,411	1,464	1,511	1,515	1,514	1,543
15	<b>Total Operating Revenue</b>	<b>\$7,554</b>	<b>\$7,952</b>	<b>\$8,105</b>	<b>\$8,248</b>	<b>\$8,351</b>	<b>\$8,483</b>
17	<b>Operating Expense</b>						
18	<b>Labor Expenses:</b>						
19	Payroll	\$4,686	\$4,732	\$4,854	\$4,967	\$5,071	\$5,194
20	Overtime	616	558	532	532	538	547
21	Health & Welfare	736	791	881	953	1,045	1,140
22	OPEB Current Payment	348	363	394	441	488	533
23	Pensions	1,073	1,069	1,122	1,192	1,245	1,338
24	Other-Fringe Benefits	654	642	631	644	660	678
25	Reimbursable Overhead	(1)	(1)	5	5	6	6
26	<b>Sub-total Labor Expenses</b>	<b>\$8,113</b>	<b>\$8,154</b>	<b>\$8,418</b>	<b>\$8,734</b>	<b>\$9,053</b>	<b>\$9,435</b>
28	<b>Non-Labor Expenses:</b>						
29	Traction and Propulsion Power	\$318	\$336	\$360	\$395	\$430	\$462
30	Fuel for Buses and Trains	180	199	200	214	225	236
31	Insurance	39	41	41	45	52	62
32	Claims	240	215	196	205	212	219
33	Paratransit Service Contracts	370	381	382	460	551	658
34	Maintenance and Other Operating Contracts	624	672	704	707	724	749
35	Professional Service Contracts	243	253	275	281	285	290
36	Materials & Supplies	624	634	670	680	709	734
37	Other Business Expenses	185	207	223	227	232	237
38	<b>Sub-total Non-Labor Expenses</b>	<b>\$2,824</b>	<b>\$2,939</b>	<b>\$3,052</b>	<b>\$3,214</b>	<b>\$3,419</b>	<b>\$3,649</b>
40	<b>Other Expense Adjustments:</b>						
41	Other	(\$15)	(\$28)	(\$25)	(\$26)	(\$26)	(\$28)
42	General Reserve	0	0	100	100	100	100
43	<b>Sub-total Other Expense Adjustments</b>	<b>(\$15)</b>	<b>(\$28)</b>	<b>\$75</b>	<b>\$74</b>	<b>\$74</b>	<b>\$72</b>
45	<b>Total Operating Expense before Non-Cash Liability Adjs.</b>	<b>\$10,922</b>	<b>\$11,065</b>	<b>\$11,545</b>	<b>\$12,023</b>	<b>\$12,546</b>	<b>\$13,155</b>
47	Depreciation	\$1,941	\$2,032	\$2,125	\$2,208	\$2,290	\$2,364
48	OPEB Obligation	1,136	1,203	1,265	1,291	1,321	1,350
49	Environmental Remediation	6	12	10	10	10	11
51	<b>Total Operating Expense</b>	<b>\$14,005</b>	<b>\$14,312</b>	<b>\$14,946</b>	<b>\$15,532</b>	<b>\$16,167</b>	<b>\$16,880</b>
53	<b>Net Operating Deficit Before Subsidies and Debt Service</b>	<b>(\$6,451)</b>	<b>(\$6,360)</b>	<b>(\$6,840)</b>	<b>(\$7,285)</b>	<b>(\$7,817)</b>	<b>(\$8,397)</b>
55	Dedicated Taxes and State/Local Subsidies	\$4,137	\$4,908	\$5,239	\$5,533	\$5,787	\$6,030
56	Debt Service (excludes Service Contract Bonds)	(1,404)	(1,756)	(2,043)	(2,215)	(2,392)	(2,583)
58	<b>Net Deficit After Subsidies and Debt Service</b>	<b>(\$3,718)</b>	<b>(\$3,207)</b>	<b>(\$3,644)</b>	<b>(\$3,966)</b>	<b>(\$4,421)</b>	<b>(\$4,950)</b>
60	Conversion to Cash Basis: Non-Cash Liability Adjs.	\$3,083	\$3,246	\$3,401	\$3,509	\$3,621	\$3,725
62	Conversion to Cash Basis: GASB Account	(54)	(65)	(47)	(60)	(63)	(66)
63	Conversion to Cash Basis: All Other	556	(23)	(225)	(287)	(212)	(282)
65	<b>CASH BALANCE BEFORE PRIOR-YEAR CARRY-OVER</b>	<b>(\$133)</b>	<b>(\$50)</b>	<b>(\$516)</b>	<b>(\$803)</b>	<b>(\$1,075)</b>	<b>(\$1,573)</b>

# METROPOLITAN TRANSPORTATION AUTHORITY

November Financial Plan 2011 - 2014

## MTA Consolidated Cash Receipts and Expenditures

(\$ in millions)

Line No.	CASH RECEIPTS AND EXPENDITURES	2009	2010	2011	2012	2013	2014
		Actual	November Forecast	Final Proposed Budget			
11	<b>Receipts</b>						
12	Farebox Revenue	\$4,403	\$4,614	\$4,692	\$4,789	\$4,871	\$4,930
13	Other Operating Revenue	478	553	542	569	602	638
14	Capital and Other Reimbursements	1,495	1,443	1,592	1,533	1,527	1,550
15	<b>Total Receipts</b>	<b>\$6,376</b>	<b>\$6,610</b>	<b>\$6,826</b>	<b>\$6,891</b>	<b>\$7,001</b>	<b>\$7,117</b>
17	<b>Expenditures</b>						
18	<u><b>Labor:</b></u>						
19	Payroll	\$4,479	\$4,621	\$4,718	\$4,791	\$4,895	\$5,021
20	Overtime	577	539	510	508	513	524
21	Health and Welfare	730	756	864	924	1,014	1,106
22	OPEB Current Payment	331	350	380	426	472	515
23	Pensions	892	1,161	1,080	1,145	1,194	1,258
24	Other Fringe Benefits	561	589	589	595	613	632
25	Pattern Labor Provision	0	0	0	0	0	0
26	Contribution to GASB Fund	54	65	47	60	63	66
27	Reimbursable Overhead	0	0	0	0	0	0
28	<b>Total Labor Expenditures</b>	<b>\$7,624</b>	<b>\$8,081</b>	<b>\$8,188</b>	<b>\$8,449</b>	<b>\$8,763</b>	<b>\$9,123</b>
30	<u><b>Non-Labor:</b></u>						
31	Traction and Propulsion Power	\$313	\$365	\$363	\$397	\$433	\$465
32	Fuel for Buses and Trains	180	199	200	214	225	236
33	Insurance	15	52	39	45	50	62
34	Claims	190	183	170	181	192	202
35	Paratransit Service Contracts	364	388	377	455	546	653
36	Maintenance and Other Operating Contracts	536	591	629	624	636	643
37	Professional Service Contracts	207	231	250	252	256	260
38	Materials & Supplies	667	599	672	686	712	755
39	Other Business Expenditures	201	219	231	228	233	244
40	<b>Total Non-Labor Expenditures</b>	<b>\$2,672</b>	<b>\$2,827</b>	<b>\$2,932</b>	<b>\$3,083</b>	<b>\$3,284</b>	<b>\$3,520</b>
42	<u><b>Other Expenditure Adjustments:</b></u>						
43	Other	\$56	\$107	\$128	\$135	\$147	\$160
44	General Reserve	0	0	100	100	100	100
45	<b>Total Other Expenditure Adjustments</b>	<b>\$56</b>	<b>\$107</b>	<b>\$228</b>	<b>\$235</b>	<b>\$247</b>	<b>\$260</b>
47	<b>Total Expenditures</b>	<b>\$10,352</b>	<b>\$11,015</b>	<b>\$11,348</b>	<b>\$11,767</b>	<b>\$12,294</b>	<b>\$12,903</b>
49	<b>Net Cash Deficit Before Subsidies and Debt Service</b>	<b>(\$3,976)</b>	<b>(\$4,405)</b>	<b>(\$4,522)</b>	<b>(\$4,876)</b>	<b>(\$5,293)</b>	<b>(\$5,786)</b>
51	Dedicated Taxes and State/Local Subsidies	\$4,724	\$5,506	\$5,401	\$5,627	\$5,926	\$6,082
52	Debt Service (excludes Service Contract Bonds)	(881)	(1,150)	(1,394)	(1,554)	(1,708)	(1,869)
54	<b>CASH BALANCE BEFORE PRIOR-YEAR CARRY-OVER</b>	<b>(\$133)</b>	<b>(\$50)</b>	<b>(\$516)</b>	<b>(\$803)</b>	<b>(\$1,075)</b>	<b>(\$1,573)</b>

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**November Financial Plan 2011 - 2014**  
**Cash Conversion Detail**  
(\$ in millions)

	<b>2009</b>	<b>2010</b>	<b>2011</b>			
	<b><u>Actual</u></b>	<b><u>November</u></b>	<b><u>Final Proposed</u></b>	<b><u>2012</u></b>	<b><u>2013</u></b>	<b><u>2014</u></b>
<b><u>Depreciation</u></b>						
New York City Transit	\$1,231	\$1,325	\$1,400	\$1,475	\$1,550	\$1,625
Metro-North Railroad	248	225	245	250	260	263
Long Island Rail Road	307	316	318	317	309	298
MTA Bus Company	36	40	42	42	42	42
MTA Headquarters	30	36	27	27	27	24
Staten Island Railway	8	8	8	8	8	8
Bridges & Tunnels	80	82	86	90	94	104
<i>Sub-Total</i>	<i>1,941</i>	<i>2,032</i>	<i>2,125</i>	<i>2,208</i>	<i>2,290</i>	<i>2,364</i>
<b><u>Other Post Employment Benefits</u></b>						
New York City Transit	\$828	\$880	\$919	\$930	\$944	\$963
Metro-North Railroad	44	59	67	71	76	81
Long Island Rail Road	60	67	75	77	80	82
MTA Bus Company	47	68	69	70	72	73
MTA Headquarters	64	64	67	71	75	79
Bridges & Tunnels	82	55	57	59	63	60
Long Island Bus	8	9	9	9	9	9
Staten Island Railway	2	3	3	3	3	3
<i>Sub-Total</i>	<i>1,136</i>	<i>1,203</i>	<i>1,265</i>	<i>1,291</i>	<i>1,321</i>	<i>1,350</i>
<b><u>Environmental Remediation</u></b>						
New York City Transit	(2)	0	0	0	0	0
Metro-North Railroad	5	9	8	8	8	9
Long Island Rail Road	0	3	2	2	2	2
MTA Bus Company	2	0	0	0	0	0
Bridges & Tunnels	0	0	0	0	0	0
Staten Island Railway	0	0	0	0	0	0
<i>Sub-Total</i>	<i>6</i>	<i>12</i>	<i>10</i>	<i>10</i>	<i>10</i>	<i>11</i>
<b><u>Operating</u></b>						
New York City Transit	356	(123)	101	56	56	68
Metro-North Railroad	(30)	(23)	(42)	(23)	(25)	(38)
Long Island Rail Road	11	4	2	5	7	(8)
MTA Bus Company	2	(26)	6	4	(1)	(3)
MTA Headquarters	33	(10)	(14)	(10)	(10)	(9)
Long Island Bus	(2)	(3)	1	1	1	1
Staten Island Railway	4	1	(5)	(0)	(0)	(0)
First Mutual Transportation Assurance Company	(24)	(64)	(68)	(74)	(85)	(98)
Other	14	14	21	23	24	25
<i>Sub-Total</i>	<i>364</i>	<i>(230)</i>	<i>2</i>	<i>(18)</i>	<i>(33)</i>	<i>(63)</i>
<b><u>Subsidies</u></b>						
New York City Transit	185	100	(220)	(252)	(151)	(186)
Commuter Railroads	(46)	72	(30)	(47)	(60)	(75)
Headquarters	(17)	(26)	(28)	(28)	(28)	(22)
MTA Bus Company	12	(12)	4	(2)	(4)	(2)
Long Island Bus	4	6	0	0	0	0
Staten Island Railway	0	2	0	0	0	0
<i>Sub-Total</i>	<i>138</i>	<i>142</i>	<i>(274)</i>	<i>(329)</i>	<i>(242)</i>	<i>(285)</i>
<b>Total Cash Conversion</b>	<b>\$3,585</b>	<b>\$3,158</b>	<b>\$3,128</b>	<b>\$3,163</b>	<b>\$3,346</b>	<b>\$3,377</b>



**METROPOLITAN TRANSPORTATION AUTHORITY**  
**NOVEMBER FINANCIAL PLAN 2011-2014**  
**NON-RECURRING REVENUES AND SAVINGS - BASELINE**  
(\$ in millions)

Non-recurring revenues and savings with a value of \$1 million or more in calendar years 2010 through 2014.

Agency	2010 November Forecast	2011 Final Proposed Budget	2012 Plan	2013 Plan	2014 Plan
<b>New York City Transit</b>					
Health & Welfare	\$ - None	\$ 15.0 ERRP Federal Program Subsidy	\$ 6.0 ERRP Federal Program Subsidy	\$ - None	\$ - None
<b>Subtotal</b>	<u>\$ -</u>	<u>\$ 15.0</u>	<u>\$ 6.0</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Long Island Rail Road</b>					
Air Rights	\$ - None	\$ 3.0 Through a formal RFP process, the MTA and LIRR have identified a property owner interested in purchasing air rights over the right of way (Originally projected in 2010 - shifted to 2011)	\$ - None	\$ - None	\$ - None
<b>Subtotal</b>	<u>\$ -</u>	<u>\$ 3.0</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Metro-North Railroad</b>					
	\$ - None	\$ - None	\$ - None	\$ - None	\$ - None
<b>Subtotal</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Bridges &amp; Tunnels</b>					
	\$ - None	\$ - None	\$ - None	None	None
<b>Subtotal</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>MTA Bus</b>					
	\$ - None	\$ - None	\$ - None	\$ - None	\$ - None
<b>Subtotal</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Long Island Bus</b>					
	\$ - None	\$ - None	\$ - None	\$ - None	\$ - None
<b>Subtotal</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**NOVEMBER FINANCIAL PLAN 2011-2014**  
**NON-RECURRING REVENUES AND SAVINGS - BASELINE**  
(\$ in millions)

Non-recurring revenues and savings with a value of \$1 million or more in calendar years 2010 through 2014.

Agency	2010 November Forecast	2011 Final Proposed Budget	2012 Plan	2013 Plan	2014 Plan
<b>MTA Headquarters</b>	\$ - None	\$ - None	\$ - None	\$ - None	\$ - None
<b>Subtotal</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Staten Island Railroad</b>	\$ - None	\$ - None	\$ - None	\$ - None	\$ - None
<b>Subtotal</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>MTA Capital Construction</b>	\$ - None	\$ - None	\$ - None	\$ - None	\$ - None
<b>Subtotal</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>MTA Transactions</b>					
Debt Service Variable Rate Savings	\$ 107.1 Variable rates lower than budgeted.	\$ - None	\$ - None	\$ - None	\$ - None
<b>Subtotal</b>	<u>\$ 107.1</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Total Non-Recurring Resources (&gt;or = \$1million)</b>	<b>\$ 107.1</b>	<b>\$ 18.0</b>	<b>\$ 6.0</b>	<b>\$ -</b>	<b>\$ -</b>

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

# **METROPOLITAN TRANSPORTATION AUTHORITY**

## **November Financial Plan 2011-2014**

### **Operating Budget Reserves - Baseline**

(\$ in millions)

	<b>2010 November Forecast</b>	<b>2011 Final Proposed Budget</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
MTA General Reserve	\$0.0	\$100.0	\$100.0	\$100.0	\$100.0
GASB Fund Reserve	\$131.0	\$314.9	\$511.5	\$576.9	\$645.8

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## **IV. MTA Capital Program Information**





New York City Transit & Staten Island Railway  
2010 Commitment Summary  
All \$ in Millions

ACEP	Project Description	2010 Commitments	MTA Funding	Federal Funding	Local Funding
	<b>Element Total</b>	<b>\$ 392.52</b>	<b>\$ 392.52</b>	<b>\$ -</b>	<b>\$ -</b>
T60902/01	Substation Enclosures: 5 Locations	\$ 16.97	\$ -	\$ 16.97	\$ -
T60902/02	Modernize 10 Street Substation / Culver	\$ 23.24	\$ -	\$ 23.24	\$ -
T60902/04	Cabling: Central Substation / 6th Avenue	\$ 0.92	\$ 0.92	\$ -	\$ -
	<b>Element Total</b>	<b>\$ 41.13</b>	<b>\$ 0.92</b>	<b>\$ 40.21</b>	<b>\$ -</b>
T60904/01	New Duct Bank: 141 St - 148 St / Lenox	\$ 30.48	\$ 15.48	\$ 15.00	\$ -
T60904/02	CBH #292/293 Albermarle Rd / Nostrand	\$ 6.98	\$ -	\$ 6.98	\$ -
T60904/05	Rehab CBH #403 Vanderbilt / Flushing	\$ 0.60	\$ 0.60	\$ -	\$ -
T60904/10	Jeralemon/Willow Duct Replacement	\$ 4.01	\$ 4.01	\$ -	\$ -
T61004/02	207th St Overhaul Shop: Electrical	\$ 33.11	\$ 4.74	\$ 28.37	\$ -
T61004/03	207 Street Overhaul Shop: Heating Plant	\$ 21.00	\$ -	\$ 21.00	\$ -
T61004/05	ENY Maintenance Shop: Ventilation Improvements	\$ 0.66	\$ 0.66	\$ -	\$ -
T61004/11	Yard Track - Jan-Apr 2010	\$ 0.30	\$ 0.03	\$ 0.27	\$ -
T61004/11	Yard Track - May-Dec 2010	\$ 2.66	\$ 0.27	\$ 2.39	\$ -
T61004/12	Yard Track Rehabilitation - 2011	\$ 0.08	\$ 0.08	\$ -	\$ -
T61004/17	Yard Switches - Jan-Apr 2010	\$ 3.00	\$ 0.81	\$ 2.19	\$ -
T61004/17	Yard Switches - May-Dec 2010	\$ 1.69	\$ 0.46	\$ 1.23	\$ -
T61004/18	Yard Switches - 2011	\$ 0.26	\$ 0.26	\$ -	\$ -
T61204/02	BRT - Bus Rapid Transit 2010-11	\$ 10.00	\$ 10.00	\$ -	\$ -
T61204/03	Bus Radio System - NYCT	\$ 1.11	\$ 1.11	\$ -	\$ -
	<b>Element Total</b>	<b>\$ 115.94</b>	<b>\$ 38.51</b>	<b>\$ 77.43</b>	<b>\$ -</b>
T61302/01	Purchase 110 Non-Revenue Vehicles	\$ 13.20	\$ 13.20	\$ -	\$ -
T61602/01	Capital Revolving Fund - 2010	\$ 5.00	\$ -	\$ -	\$ 5.00
	<b>Element Total</b>	<b>\$ 18.20</b>	<b>\$ 13.20</b>	<b>\$ -</b>	<b>\$ 5.00</b>
T61604/03	Enterprise Securty Network Infrastructure	\$ 10.39	\$ 10.39		
	<b>Element Total</b>	<b>\$ 10.39</b>	<b>\$ 10.39</b>	<b>\$ -</b>	<b>\$ -</b>
T61605/01	Boring Services: Bklyn, Qns, SI	\$ 2.28	\$ 2.28	\$ -	\$ -
T61605/01	Boring Services: Bklyn, Qns, SI	\$ 0.07	\$ 0.07	\$ -	\$ -
T61605/02	Boring Services: Manhattan & Bronx	\$ 1.92	\$ 1.92	\$ -	\$ -
T61605/02	Boring Services: Manhattan & Bronx	\$ 0.07	\$ 0.07	\$ -	\$ -
T61605/03	Test Pits Contract	\$ 4.95	\$ 4.95	\$ -	\$ -
T61605/03	Test Pits Contract	\$ 0.05	\$ 0.05	\$ -	\$ -
T61605/04	Independent Eng'g Consultant 2010-2014	\$ 3.89	\$ 3.89	\$ -	\$ -
T61605/06	2010 Value Engineering Services	\$ 2.20	\$ 2.20	\$ -	\$ -
T61605/07	Engineering Services (2010)	\$ 3.60	\$ 3.60	\$ -	\$ -
T61605/09	Scope Develeopment (2010)	\$ 8.00	\$ 8.00	\$ -	\$ -
	<b>Element Total</b>	<b>\$ 27.03</b>	<b>\$ 27.03</b>	<b>\$ -</b>	<b>\$ -</b>
T61606/02	Asbestos Abatement I/Q	\$ 8.80	\$ 8.80	\$ -	\$ -
T61606/03	IQ Asbestos/Lead Air Monitoring (2010)	\$ 7.17	\$ 7.17	\$ -	\$ -
	<b>Element Total</b>	<b>\$ 15.97</b>	<b>\$ 15.97</b>	<b>\$ -</b>	<b>\$ -</b>
T61607/13	Employee Facilities: 207 Street / 8th Avenue	\$ 8.65	\$ 8.65	\$ -	\$ -
	<b>Element Total</b>	<b>\$ 8.65</b>	<b>\$ 8.65</b>	<b>\$ -</b>	<b>\$ -</b>
<b>NYC Transit and Staten Island Railway 2010 Commitment Total</b>		<b>\$ 3,790.23</b>	<b>\$ 2,765.24</b>	<b>\$ 899.92</b>	<b>\$ 125.07</b>



MTA Long Island Rail Road  
2010 Commitment Summary  
All \$ in Millions

ACEP	Project Description	2010 Commitments	MTA Funding	Federal Funding	Local Funding
L60501L3	Communication Pole / Copper Plant Replacement	\$ 0.70	\$ -	\$ 0.70	\$ -
	<b>Element Total</b>	<b>\$ 0.70</b>	<b>\$ -</b>	<b>\$ 0.70</b>	<b>\$ -</b>
L60502LA	Positive Train Control (PTC)	\$ 2.10	\$ 2.10	\$ -	\$ -
L60502LB	Signal Normal Replacement Program	\$ 2.50	\$ -	\$ 2.50	\$ -
L60502LE	Supervisory Control & Remote Terminal Unit	\$ 0.80	\$ 0.80	\$ -	\$ -
	<b>Element Total</b>	<b>\$ 5.40</b>	<b>\$ 2.90</b>	<b>\$ 2.50</b>	<b>\$ -</b>
L60701AB	Substation Battery Replacement	\$ 0.40	\$ -	\$ 0.40	\$ -
L60701AE	3rd Rail - 2000 Million Cubic Meter Cable	\$ 0.30	\$ -	\$ 0.30	\$ -
L60701AF	3rd Rail - Disconnect Switches	\$ 0.50	\$ -	\$ 0.50	\$ -
L60701AG	3rd Rail - Protection Board	\$ 1.60	\$ -	\$ 1.60	\$ -
L60701AH	3rd Rail - Aluminum Rail	\$ 2.80	\$ -	\$ 2.80	\$ -
L60701AK	Signal Power Line Replacement	\$ 1.00	\$ -	\$ 1.00	\$ -
L60701AL	Power Pole Line Replacement	\$ 1.50	\$ -	\$ 1.50	\$ -
L60701AN	3rd Rail Feeder Cable Upgrade	\$ 0.70	\$ -	\$ 0.70	\$ -
L60701AP	Negative Reactor Upgrade	\$ 0.40	\$ -	\$ 0.40	\$ -
	<b>Element Total</b>	<b>\$ 9.20</b>	<b>\$ -</b>	<b>\$ 9.20</b>	<b>\$ -</b>
L60904NA	Program Administration	\$ 10.20	\$ 10.20	\$ -	\$ -
L60904NE	Mentoring Program Administration	\$ 0.56	\$ 0.56	\$ -	\$ -
	<b>Element Total</b>	<b>\$ 10.76</b>	<b>\$ 10.76</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Long Island Rail Road 2010 Commitment Total</b>		<b>\$ 155.36</b>	<b>\$ 96.87</b>	<b>\$ 58.49</b>	<b>\$ -</b>

**MTA Metro-North Railroad**  
**2010 Commitment Summary**  
All \$ in Millions

ACEP	Project Description	2010 Commitments	MTA Funding	Federal Funding	Local Funding
<b>2000-2004</b>					
M4020110	GCT Biltmore Rm Connection-Design	\$ 1.40	\$ 1.40	\$ -	\$ -
	<b>Element Total</b>	<b>\$ 1.40</b>	<b>\$ 1.40</b>	<b>\$ -</b>	<b>\$ -</b>
N4090527	Port Jervis Yard & Station Improvements	\$ 0.81	\$ 0.81	\$ -	\$ -
	<b>Element Total</b>	<b>\$ 0.81</b>	<b>\$ 0.81</b>	<b>\$ -</b>	<b>\$ -</b>
<b>2005-2009</b>					
M5010112	Rolling Stock Signals (PTC)	\$ 5.32	\$ 5.32	\$ -	\$ -
	<b>Element Total</b>	<b>\$ 5.32</b>	<b>\$ 5.32</b>	<b>\$ -</b>	<b>\$ -</b>
M5020102	GCT Leaks Remediation	\$ 0.90	\$ 0.90	\$ -	\$ -
M5020108	GCT Water Conveyance Utilities Improvements	\$ 2.09	\$ 2.09	\$ -	\$ -
M5020109	GCT Facilities Rehabilitation	\$ 0.36	\$ 0.36	\$ -	\$ -
M5020110	GCT Trainshed Block Restoration	\$ 2.35	\$ 2.35	\$ -	\$ -
M5020111	2010 GCT Switch/Track Renewal	\$ 1.28	\$ 1.28	\$ -	\$ -
M5020114	GCT IT Data Room	\$ 1.18	\$ 1.18	\$ -	\$ -
	<b>Element Total</b>	<b>\$ 8.16</b>	<b>\$ 8.16</b>	<b>\$ -</b>	<b>\$ -</b>
M5020202	Croton Harmon/Peekskill Station Improvements	\$ 15.42	\$ 15.42	\$ -	\$ -
M5020203	Poughkeepsie Station Building	\$ 0.50	\$ 0.50	\$ -	\$ -
M5020205	New Haven Line (NYS) Stations Improvements	\$ 0.86	\$ 0.86	\$ -	\$ -
M5020206	Station Building Rehabilitation	\$ 4.20	\$ 2.49	\$ 1.71	\$ -
M5020207	Station and Platform Informational Signs	\$ 0.08	\$ 0.08	\$ -	\$ -
M5020209	Bronx Stations/Capacity Improvements	\$ 2.45	\$ 0.77	\$ 1.68	\$ -
M5020210	Smart Cards	\$ 2.78	\$ 2.78	\$ -	\$ -
M5020211	System Wide Vending Machines	\$ 0.57	\$ 0.45	\$ -	\$ 0.12
	<b>Element Total</b>	<b>\$ 26.87</b>	<b>\$ 23.36</b>	<b>\$ 3.39</b>	<b>\$ 0.12</b>
M5020301	Parking Rehabilitation	\$ 0.30	\$ 0.30	\$ -	\$ -
	<b>Element Total</b>	<b>\$ 0.30</b>	<b>\$ 0.30</b>	<b>\$ -</b>	<b>\$ -</b>
M5030102	Turnouts Mainline/High Speed	\$ 1.25	\$ 0.25	\$ 1.00	\$ -
M5030105	M of W Equipment	\$ 0.70	\$ 0.70	\$ -	\$ -
M5030109	Drainage and Undercutting	\$ 3.69	\$ 1.49	\$ 2.20	\$ -
M5030115	2010 Cyclical Track Program	\$ 3.75	\$ 3.75	\$ -	\$ -
	<b>Element Total</b>	<b>\$ 9.39</b>	<b>\$ 6.19</b>	<b>\$ 3.20</b>	<b>\$ -</b>
M5030206	Overhead Bridge Program-East of Hudson (MNR Share)	\$ 0.53	\$ 0.53	\$ -	\$ -
M5030216	Employee Welfare and Storage Facilities	\$ 0.43	\$ 0.43	\$ -	\$ -
M5030218	Systemwide Flood Control	\$ 2.80	\$ 2.80	\$ -	\$ -
	<b>Element Total</b>	<b>\$ 3.76</b>	<b>\$ 3.76</b>	<b>\$ -</b>	<b>\$ -</b>
M5040107	Signal System Replacement	\$ 6.66	\$ 1.14	\$ 4.00	\$ 1.52
M5040118	Positive Train Control (PTC)	\$ 9.87	\$ 9.87	\$ -	\$ -
	<b>Element Total</b>	<b>\$ 16.53</b>	<b>\$ 11.01</b>	<b>\$ 4.00</b>	<b>\$ 1.52</b>
M5050108	Harlem and Hudson Lines Power Improvements	\$ 1.51	\$ 1.51	\$ -	\$ -
M5050111	Cyclical DC Switchgear	\$ 11.10	\$ 11.10	\$ -	\$ -
	<b>Element Total</b>	<b>\$ 12.61</b>	<b>\$ 12.61</b>	<b>\$ -</b>	<b>\$ -</b>
M5060107	Shops & Yards Miscellaneous Environmental Improvements	\$ 1.20	\$ 1.20	\$ -	\$ -
	<b>Element Total</b>	<b>\$ 1.20</b>	<b>\$ 1.20</b>	<b>\$ -</b>	<b>\$ -</b>
M5080107	Program Scope Development	\$ 0.05	\$ 0.05	\$ -	\$ -
M5080109	Customer and Employee Communications Projects	\$ 3.61	\$ 3.61	\$ -	\$ -
M5080113	2010 Program Scope Development	\$ 1.16	\$ 1.16	\$ -	\$ -
M5080115	Small Business Development	\$ 0.37	\$ 0.37	\$ -	\$ -
	<b>Element Total</b>	<b>\$ 5.20</b>	<b>\$ 5.20</b>	<b>\$ -</b>	<b>\$ -</b>
<b>2010-2014</b>					
M6020101	GCT Trainshed/Tunnel Structure	\$ 7.70	\$ 7.70	\$ -	\$ -
	<b>Element Total</b>	<b>\$ 7.70</b>	<b>\$ 7.70</b>	<b>\$ -</b>	<b>\$ -</b>
M6020207	Smart Card Improvements	\$ 3.20	\$ 3.20	\$ -	\$ -
	<b>Element Total</b>	<b>\$ 3.20</b>	<b>\$ 3.20</b>	<b>\$ -</b>	<b>\$ -</b>
M6020302	Strategic Facilities	\$ 0.18	\$ 0.18	\$ -	\$ -
	<b>Element Total</b>	<b>\$ 0.18</b>	<b>\$ 0.18</b>	<b>\$ -</b>	<b>\$ -</b>





**Bridges & Tunnels**  
**2010 Commitment Summary**  
**\$ in Millions**

<b>ACEP</b>	<b>Project Description</b>	<b>2010 Commitments</b>	<b>MTA Funding</b>	<b>Federal Funding</b>	<b>Local Funding</b>
D606AW18	Protective Liability Insurance	\$ 0.78	\$ 0.78	\$ -	\$ -
D606AW21	Program Administration	\$ 2.91	\$ 2.91	\$ -	\$ -
D606AW22	Miscellaneous	\$ 0.08	\$ 0.08	\$ -	\$ -
D606AW28	Scope Development	\$ 2.28	\$ 2.28	\$ -	\$ -
	<b>Element Total</b>	<b>\$ 6.05</b>	<b>\$ 6.05</b>	<b>\$ -</b>	<b>\$ -</b>
D607HH10	Upper Level Sidewalk / Curb Stringers	\$ 0.74	\$ 0.74	\$ -	\$ -
	<b>Element Total</b>	<b>\$ 0.74</b>	<b>\$ 0.74</b>	<b>\$ -</b>	<b>\$ -</b>
D607TN82	Paint - of Bronx & Queens Approach Spans	\$ 1.80	\$ 1.80	\$ -	\$ -
D607TN85	Steel Repairs - Suspended Span	\$ 1.14	\$ 1.14	\$ -	\$ -
D607TN87	Paint - Bronx & Queens Tower Fender Systems	\$ 7.55	\$ 7.55	\$ -	\$ -
	<b>Element Total</b>	<b>\$ 10.49</b>	<b>\$ 10.49</b>	<b>\$ -</b>	<b>\$ -</b>
D607VN88	Tower Painting - Below Roadway Level	\$ 27.29	\$ 27.29	\$ -	\$ -
	<b>Element Total</b>	<b>\$ 27.29</b>	<b>\$ 27.29</b>	<b>\$ -</b>	<b>\$ -</b>
<b>MTA Bridges and Tunnels 2010 Commitment Total</b>		<b>\$ 186.84</b>	<b>\$ 186.84</b>	<b>\$ -</b>	<b>\$ -</b>

**MTA Capital Construction Company**  
**2010 Commitment Summary**  
**\$ in millions**

<b>ACEP</b>	<b>Project Description</b>	<b>2010 Commitments</b>	<b>MTA Funding</b>	<b>Federal Funding</b>	<b>Local Funding</b>
<b>2000-2004</b>					
G4090102	Design	\$ 25.30	\$ 25.30	\$ -	\$ -
G4090103	Project Management	\$ 6.50	\$ 6.50	\$ -	\$ -
G4090104	Force Account Design Support	\$ 1.00	\$ 1.00	\$ -	\$ -
G4090119	MH Tunnel Excavation	\$ 4.47	\$ 4.47	\$ -	\$ -
G4090126	Harold Structures (Part 2A)	\$ 4.20	\$ 4.20	\$ -	\$ -
	<b>Element Total</b>	<b>\$ 41.47</b>	<b>\$ 41.47</b>	<b>\$ -</b>	<b>\$ -</b>
G4100102	SAS Final Design	\$ 11.67	\$ 11.67	\$ -	\$ -
G4100106	SAS Tunnels 92 St-62 St	\$ 4.01	\$ 4.01	\$ -	\$ -
G4100109	SAS Construction Management	\$ 5.06	\$ 5.06	\$ -	\$ -
	<b>Element Total</b>	<b>\$ 20.73</b>	<b>\$ 20.73</b>	<b>\$ -</b>	<b>\$ -</b>
G4120106	FSTC 4B- A/C Mezzanine, J/M/Z	\$ 0.12	\$ -	\$ 0.12	\$ -
G4120107	FSTC 4F-Transit Center Enclosure	\$ 218.51	\$ 16.13	\$ 202.38	\$ -
G4120108	FSTC 4G-Corbin Bldg Restoration	\$ 73.21	\$ -	\$ 73.21	\$ -
G4120115	FSTC 4E-Dey St Conc Finishes	\$ 33.96	\$ -	\$ 33.96	\$ -
	<b>Element Total</b>	<b>\$ 325.79</b>	<b>\$ 16.13</b>	<b>\$ 309.66</b>	<b>\$ -</b>
G4140101	B&T Security Projs:Infra&Facs	\$ 0.52	\$ 0.52	\$ -	\$ -
G4140102	Verazzano Br Security / Harden	\$ 2.36	\$ 2.36	\$ -	\$ -
	<b>Element Total</b>	<b>\$ 2.88</b>	<b>\$ 2.88</b>	<b>\$ -</b>	<b>\$ -</b>
G4140201	LIRR Security Projs:Infra&Facs	\$ 1.38	\$ 1.38	\$ -	\$ -
G4140203	Penn Stn LIRR/NYCT Sec/Harden	\$ 2.12	\$ 2.12	\$ -	\$ -
G4140204	East River Tunnels - Security	\$ 4.78	\$ 4.78	\$ -	\$ -
G4140206	ARRA TSGP-Penn Stn Perim Prot	\$ 11.81	\$ -	\$ 11.81	\$ -
	<b>Element Total</b>	<b>\$ 20.09</b>	<b>\$ 8.28</b>	<b>\$ 11.81</b>	<b>\$ -</b>
G4140301	MNR Security Projs:Infra&Facs	\$ 2.18	\$ 2.18	\$ -	\$ -
G4140302	Grnd Cntrl Security/Hardening	\$ 12.02	\$ 12.02	\$ -	\$ -
	<b>Element Total</b>	<b>\$ 14.20</b>	<b>\$ 14.20</b>	<b>\$ -</b>	<b>\$ -</b>
G4140401	NYCT Security Projs:Infra&Facs	\$ 26.23	\$ 26.23	\$ -	\$ -
G4140403	63 St Tun Security & Hardening	\$ 2.31	\$ 0.58	\$ 1.73	\$ -
G4140404	Times Square - Security	\$ 2.27	\$ 2.27	\$ -	\$ -
G4140412	04ODP - RollUp Doors - Depots	\$ 0.96	\$ 0.96	\$ -	\$ -
G4140417	CCTV Installation on Buses	\$ 2.40	\$ 2.40	\$ -	\$ -
	<b>Element Total</b>	<b>\$ 34.16</b>	<b>\$ 32.43</b>	<b>\$ 1.73</b>	<b>\$ -</b>
G4140501	MTA Security Program	\$ 10.19	\$ 10.19	\$ -	\$ -
	<b>Element Total</b>	<b>\$ 10.19</b>	<b>\$ 10.19</b>	<b>\$ -</b>	<b>\$ -</b>
<b>2005-2009</b>					
G5000102	South Ferry Terminal	\$ 1.46	\$ 1.46	\$ -	\$ -
	<b>Element Total</b>	<b>\$ 1.46</b>	<b>\$ 1.46</b>	<b>\$ -</b>	<b>\$ -</b>



**MTA Bus Company**  
**2010 Commitment Summary**  
**\$ in Millions**

<b>ACEP</b>	<b>Project Description</b>	<b>2010 Commitments</b>	<b>MTA Funding</b>	<b>Federal Funding</b>	<b>Local Funding</b>
<b>2000-2004</b>					
U4030213	45 Standard Low Floor CNG Buses	\$ 19.22	\$ 19.22	\$ -	\$ -
	<b>Element Total</b>	<b>\$ 19.22</b>	<b>\$ 19.22</b>	<b>\$ -</b>	<b>\$ -</b>
<b>2005-2009</b>					
U5030217	Fire Protection: JFK, LG, Baisley	\$ 10.00	\$ -	\$ 8.00	\$ 2.00
U5030204	Electrical Upgrade Emergency Generators 6 Depots	\$ 13.86	\$ -	\$ 11.09	\$ 2.77
U5030209	Upgrade Parking Lot at JFK & Baisley Park	\$ 10.16	\$ -	\$ 8.13	\$ 2.03
U5030210	Security Upgrade: College PT, Eastchester & Yonkers	\$ 2.83	\$ -	\$ 2.26	\$ 0.57
U5030212	New Roof and Ventilation at Baisley Park	\$ 7.28	\$ -	\$ 5.82	\$ 1.46
U5030213	New Roof and Ventilation at Eastchester Maintenance Bldg	\$ 3.09	\$ -	\$ 2.48	\$ 0.62
U5030214	New Roof and Ventilation system at JFK	\$ 8.00	\$ -	\$ 6.40	\$ 1.60
U5030215	New Fueling Lane & Bus Washer at LaGuardia Bus Depot	\$ 8.00	\$ -	\$ 6.40	\$ 1.60
U5030216	Additional Fueling Capacity: Baisley Park, JFK, LaGuardia	\$ 3.00	\$ -	\$ 2.40	\$ 0.60
	<b>Element Total</b>	<b>\$ 66.23</b>	<b>\$ -</b>	<b>\$ 52.98</b>	<b>\$ 13.25</b>
U6030205	83 Standard Low Floor CNG Buses	\$ 50.90	\$ 50.90	\$ -	\$ -
	<b>Element Total</b>	<b>\$ 50.90</b>	<b>\$ 50.90</b>	<b>\$ -</b>	<b>\$ -</b>
<b>MTA Bus Company 2010 Commitment Total</b>		<b>\$ 136.35</b>	<b>\$ 70.12</b>	<b>\$ 52.98</b>	<b>\$ 13.25</b>

**MTA Police Department**  
**2010 Commitment Summary**  
**\$ in Millions**

<b>ACEP</b>	<b>Project Description</b>	<b>2010 Commiments</b>	<b>MTA Funding</b>	<b>Federal Funding</b>	<b>Local Funding</b>
<b>2005-2009</b>					
N5100115	Merrick Facility-Construction	1.50	1.50	0.00	0.0
N5100104	K9 Facility Property Acquisition	1.05	1.05	0.00	0.0
N5100104	K-9 Facility Design	0.70	0.70	0.00	0.0
N5100116	MTAPD Radio Project-Alternatives Analysis	0.33	0.33	0.00	0.0
N5100109	MTAPD Radio Project-Equipment Purchase	0.12	0.12	0.00	0.0
	<b>MTA PD Projects Total</b>	<b>3.69</b>	<b>3.69</b>	<b>0.00</b>	<b>0.0</b>

<b>MTA Police Department 2010 Commitment Total</b>	<b>\$3.69</b>	<b>\$3.69</b>	<b>\$0.00</b>	<b>\$0.00</b>
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**MTA Long Island Rail Road**  
**2010-2014 Completions**  
**\$ in millions**

<b>Project ID</b>	<b>Project Description</b>	<b>Completion</b>	<b>Project Allocation</b>
L50701P8	Signal Load Electrical System	Jan-10	\$1.20
N40905FS	Smithtown/St. James Parking	Jan-10	\$0.77
N50905HY	Bayshore Platform Lighting	Jan-10	\$0.85
L5020526	Ronkonkoma Parking Improvement	Feb-10	\$4.20
L506016C	Hillside Facility Roof Rehab	Feb-10	\$3.05
L50701P7	Repl Bridge Electrical System	Mar-10	\$0.91
L50502SG	Signal Normal Replacement Prog	Mar-10	\$5.45
L50401B3	Powell Creek & Hog Island Chan	May-10	\$24.46
L50701PB	Replace Substation Batteries	May-10	\$1.36
L509048R	GP-38 Diesel Simulator	May-10	\$2.25
L50301R2	Drainage Control	Jun-10	\$6.00
L50701PG	Replace 3 Substations	Jul-10	\$37.04
L5020425	Jamaica Fit-Out Phase 2	Aug-10	\$21.67
N50905HM	Brentwood Station	Aug-10	\$1.73
N50905HN	Central Islip Station	Aug-10	\$2.03
L50701PA	Replace Substation DC Breakers	Sep-10	\$3.82
N50905HR	Little Neck Quiet Zone	Oct-10	\$1.50
L50101M1	M-7 Horns	Nov-10	\$4.90
L50502SL	Jay, Hall & Dunton Micropro	Nov-10	\$42.29
L50301E9	ACL Direct Fixation	Dec-10	\$61.47
L50301TA	2010 Annual Track Program	Dec-10	\$28.00
L60301TA	2010 Annual Track Program	Dec-10	\$34.40
L50502SA	Wayside Event Recorders	Dec-10	\$6.30
L50502SC	CTC-Traction Power-SCADA	Jan-11	\$14.66
L40703C1	Circuit Brkr House - "F" Tower	Jan-11	\$5.86
L50301R1	Culverts	Jan-11	\$2.00
L50301R6	Track Stability/Retaining Wall	Jan-11	\$4.06
L50501S7	Fiber Optic Network	Jan-11	\$70.12
L506016K	Rolling Stock Support Equipmnt	Jan-11	\$8.01
N50905HU	Stony Brook Station Imps	Jan-11	\$2.93
L502042U	Elevator Replacement Program	Feb-11	\$2.80
L50701PU	Signal Power Motor Generators	Feb-11	\$2.08
L50206VB	PS Third Rail & Signals	Mar-11	\$9.63
L50206VC	PS Emp Fac Yards & Buildings	Mar-11	\$2.18
L50502SB	Babylon Branch Signal Improvem	Apr-11	\$23.60
L50401B5	Junction Blvd Abutment PW	May-11	\$19.01
L407032I	Valley Strm/Isl Pk Subst Recon	Jun-11	\$25.25
L50501S6	Improved Radio Coverage/Infras	Jun-11	\$15.29
L404024Y	East River Tunnel Ventilation	Oct-11	\$89.75
L50701PH	Demo/Const 6 Substations	Nov-11	\$61.34
L50501S8	Audio/Visual Paging System (AV	Dec-11	\$31.94
L60301TB	2011 Annual Track Program	Dec-11	\$47.40
L502042T	Escalator Replacement Program	Jan-12	\$5.77
L50401B2	Bridge Painting	Jan-12	\$6.00
L506016Y	LCM-Shop Design and Construction	Jan-12	\$46.51
L50699YY	Babylon Car Wash	Apr-12	\$25.50
L509048A	Substations Environmental Reme	May-12	\$10.23
L50206VD	PS Customer Service Office	Jun-12	\$0.82
L50401B8	Woodhaven/Queens Blvd Bridges	Sep-12	\$20.72
L60301TC	2012 Annual Track Program	Dec-12	\$59.50
L60401BE	Construct Three Montauk Branch Bridges	Dec-12	\$26.20
L60601YA	Shop Reconfig & Reliability Centered Maint Instructr	Dec-12	\$10.40
L50304T8	Main Line Corridor-Grade Xing	Jan-13	\$80.79

**MTA Long Island Rail Road**  
**2010-2014 Completions**  
**\$ in millions**

<b>Project ID</b>	<b>Project Description</b>	<b>Completion</b>	<b>Project Allocation</b>
L509048K	Morris Park Environmental Stud	Mar-13	\$8.59
L502042D	New Elevators-Queen Village St	Aug-13	\$8.45
L5020427	Replace Elevator-Atlantic Term	Nov-13	\$3.00
L50401BC	Colonial Road Highway Bridge Replacement	Dec-13	\$10.00
L60301TD	2013 Annual Track Program	Dec-13	\$59.50
L60301TE	2014 Annual Track Program	Dec-14	\$57.10
L50402VA	ERT Fire & Life Safety	Dec-14	\$116.30
L60401BD	150th Street - Jamaica & Broadway /Port Washington	Dec-14	\$29.70
L60501L6	PennStation Radio Retrofit/EastRiverTunnel Antenna	Dec-14	\$6.50

**MTA Metro-North Railroad**  
**2010-2014 Completions**  
**\$ in millions**

<b>Project ID</b>	<b>Project Description</b>	<b>Completion</b>	<b>Project Allocation</b>
M503-03-01	West of Hudson Track Program	Jan-10	\$31.18
M503-02-08	Right-of-Way Fencing	Jan-10	\$1.85
M504-01-17	PBX Replacement	Mar-10	\$1.69
M502-01-13	GCT Switch & Track Renewal	Apr-10	\$11.88
M501-03-08	Replace Obsolete Work Equipment	Apr-10	\$1.73
M504-01-13	Refurbish/Replace Electric Switch Machines	Apr-10	\$0.95
M503-02-02	Rehabilitate Culverts/Railtop Culverts	May-10	\$3.13
M503-02-09	Remove Obsolete Facilities	May-10	\$5.02
M502-01-05	GCT Elevator Rehabilitation Phase III	Jun-10	\$4.37
M504-01-12	Vital Processor System (GCT)	Jun-10	\$0.00
M501-01-09	End Door Coach Midlife Overhaul - 40 Cars	Aug-10	\$21.75
M501-01-10	M-9 Specification Development	Aug-10	\$1.40
M502-01-12	Vital Processor System (GCT)	Aug-10	\$6.20
M503-01-14	2009 Cyclical Track Program	Aug-10	\$12.73
M508-01-14	PTC Scope Development	Aug-10	\$4.00
M503-02-03	D.C. Substation/Signal House	Sep-10	\$2.01
M505-01-10	Install Sectionalizing Switches GCT	Oct-10	\$4.35
M502-02-01	Hudson Line Stations Improvements Phase II	Nov-10	\$88.08
M503-02-16	Employee Welfare and Storage Facilities	Nov-10	\$2.74
M504-01-11	C&S Cable Replacement GCT to Mott Haven	Nov-10	\$4.20
M505-01-04	Aluminum 3rd Rail and E-Rail GCT Lower Level	Nov-10	\$2.98
M502-01-11	2010 GCT Switch/Track Renewal	Dec-10	\$1.28
M503-03-05	Undergrade Bridge Program West of Hudson	Dec-10	\$7.89
M504-01-05	Replace CTC Systems (OCC/ECC)	Dec-10	\$26.47
M504-01-10	Upgrade Grade Crossings	Dec-10	\$1.02
M505-01-02	Substation Retrofit - Harlem and Hudson Lines	Dec-10	\$12.68
M505-01-09	Rehab Harlem and Hudson Lines Substations	Dec-10	\$13.62
M604-01-10	Communication & Signals Maintenance Mgmt System	Feb-11	\$0.78
M501-01-04	M-4 Midlife Remanufacture - 54 Cars	Feb-11	\$9.96
M501-01-05	M-6 Midlife Remanufacture Spec Develop	Feb-11	\$0.60
M503-01-15	2010 Cyclical Track Program	Mar-11	\$3.75
M502-01-09	GCT Facilities Rehabilitation	Apr-11	\$0.44
M502-01-14	GCT IT Data Room	Apr-11	\$1.18
M502-99-09	GCT Facilities Rehabilitation	Apr-11	\$21.94
M503-02-18	Systemwide Flood Control	May-11	\$3.30
M505-01-01	Substation Bridge 23	May-11	\$4.93
M502-01-08	GCT Water Conveyance Utilities Improvements	Jun-11	\$3.64
M502-02-07	Station and Platform Informational Signs	Jun-11	\$0.95
M502-02-08	Ticket Selling Machines	Jun-11	\$3.66
M502-99-05	GCT Elevators	Jun-11	\$7.70
M508-01-02	Systemwide Lead/Asbestos Abatement	Jun-11	\$4.40
M508-01-15	Small Business Development	Jul-11	\$0.37
M605-01-02	Renewal Harlem & Hudson Substations - Construction	Aug-11	\$8.00
M503-01-05	M of W Equipment	Oct-11	\$10.55
M506-01-07	Shops and Yards Miscellaneous Environmental Improvements	Oct-11	\$0.23
M604-01-05	Crossing Upgrades - Phase 2	Dec-11	\$0.98
M604-01-14	Radio Base Station Replacement	Dec-11	\$0.71
M605-01-08	Replace 3rd Rail Sectionalizing Switches	Dec-11	\$1.26
M502-01-02	GCT Leaks Remediation	Dec-11	\$1.37
M502-01-10	GCT Trainshed Block Restoration	Dec-11	\$2.37
M502-02-03	Poughkeepsie Station Building	Dec-11	\$16.86

**MTA Metro-North Railroad**  
**2010-2014 Completions**  
**\$ in millions**

<b>Project ID</b>	<b>Project Description</b>	<b>Completion</b>	<b>Project Allocation</b>
M502-03-03	Cortlandt Parking & Access Improvements	Dec-11	\$34.24
M502-99-03	Poughkeepsie Station Building	Dec-11	\$4.61
M503-01-02	Turnouts Mainline/High Speed	Dec-11	\$52.62
M503-01-04	Turnouts Yards	Dec-11	\$5.25
M508-01-03	Environmental Remediation	Dec-11	\$1.20
M501-01-11	West of Hudson Locomotives - F40	Jan-12	\$8.02
M502-02-05	New Haven Line (NYS) Stations Improvements	Feb-12	\$21.33
M502-99-01	Tarrytown Station Improvement	Apr-12	\$38.06
M503-02-17	Beacon Line Undergrade Bridge	May-12	\$0.03
M503-03-03	Moodna/Woodbury Viaducts	Sep-12	\$4.65
M602-02-02	Fordham Station Improvements	Oct-12	\$11.31
M504-01-18	Positive Train Control (PTC)	Nov-12	\$9.87
M602-01-02	Park Avenue Tunnel Renewal	Dec-12	\$7.50
M603-01-09	Rebuild Retaining Walls	Dec-12	\$5.00
M603-02-14	Park Avenue Viaduct Direct Fixation	Dec-12	\$1.80
M604-01-06	Centralized Train Control/SCADA Intrusion Testing	Dec-12	\$0.73
M604-01-11	PBX Equipment Upgrade	Dec-12	\$2.78
M604-01-16	Radio Frequency Rebanding	Dec-12	\$3.49
M501-01-07	M-8 NHL Purchase - 210+90 Cars MN Share	Dec-12	\$99.86
M501-01-12	Rolling Stock Signals (PTC)	Dec-12	\$5.32
M502-02-02	Croton Harmon/Peekskill Station Improvements	Dec-12	\$16.67
M502-02-06	Station Building Rehabilitation	Dec-12	\$10.75
M502-02-11	System Wide Vending Machines	Dec-12	\$0.57
M503-01-09	Drainage and Undercutting	Dec-12	\$9.18
M604-01-02	West of Hudson Signal Improvements	Jan-13	\$64.38
M504-01-07	Signal System Replacement	Jan-13	\$30.74
M505-01-03	Replace Harlem River Lift Bridge Breaker Houses	Jan-13	\$1.43
M503-02-06	Overhead Bridge Program-East of Hudson (MNR Share)	Feb-13	\$5.70
M605-01-07	Harlem River Lift Bridge Breaker Houses/Controls	Mar-13	\$13.00
M602-02-06	New Haven Line Station Phase II	Jun-13	\$33.19
M603-03-03	Moodna/Woodbury Viaduct	Jun-13	\$9.86
M605-01-06	Park Avenue Tunnel & Viaduct Alarm	Jun-13	\$1.00
M606-01-04	Port Jervis Yard Expansion	Jun-13	\$6.54
M505-01-08	Harlem and Hudson Lines Power Improvements	Oct-13	\$8.76
M604-01-04	Replace Field code System - Mott Haven	Nov-13	\$1.66
M502-03-01	Parking Rehabilitation	Nov-13	\$1.17
M602-01-07	GCT Platform Improvements	Dec-13	\$3.10
M603-02-07	Specialized Structure Equipment	Dec-13	\$0.92
M603-02-13	Catenary Painting/Rehabilitate Catenary Structures	Dec-13	\$4.00
M604-01-03	Replace Fiber/Communication & Signals Cables	Dec-13	\$8.34
M604-01-12	Mobile/Portable Radios	Dec-13	\$0.17
M604-01-13	Rolling Stock Radios and PA Equipment	Dec-13	\$0.24
M502-02-09	Bronx Stations/Capacity Improvements	Dec-13	\$11.36
M503-03-04	Otisville Tunnel	Dec-13	\$1.09
M508-01-09	Customer and Employee Communications Projects	Dec-13	\$7.35
M603-03-04	Otisville Tunnel Renewal	Jan-14	\$3.00
M605-01-03	Harlem & Hudson Lines Power Improvements	Jan-14	\$35.21
M603-02-04	DC Substation/Signal House	Feb-14	\$1.65
M602-03-01	Parking Renewal	Mar-14	\$2.50
M602-01-08	GCT Utilities	Apr-14	\$26.09
M605-01-01	Substation Bridge 23 - Construction	Jun-14	\$24.90

**MTA Metro-North Railroad**  
**2010-2014 Completions**  
**\$ in millions**

<b>Project ID</b>	<b>Project Description</b>	<b>Completion</b>	<b>Project Allocation</b>
M606-01-02	Wassaic Yard Expansion-D/C	Sep-14	\$2.70
M601-01-01	EMU Replacement/Repair	Dec-14	\$24.97
M601-01-02	M-8 New Haven Line Purchase	Dec-14	\$220.50
M601-01-03	Shuttle/Switcher Locomotives	Dec-14	\$11.91
M602-01-01	GCT Trainshed/Tunnel Structure	Dec-14	\$30.03
M602-01-04	GCT Trainshed Track Structure	Dec-14	\$3.00
M602-01-09	GCT Customer Communications	Dec-14	\$2.04
M602-02-04	Station Building Rehabilitation/Net Lease	Dec-14	\$4.95
M602-02-07	Smart Card Improvements	Dec-14	\$8.13
M602-02-08	Customer Communications/Connectivity Improvements	Dec-14	\$60.52
M602-03-02	Strategic Facilities	Dec-14	\$45.25
M603-01-05	M o f W Equipment/RS	Dec-14	\$10.00
M603-01-06	Cyclical Repl. Insulated Joint	Dec-14	\$2.40
M603-01-07	Rock Slope Remediation	Dec-14	\$6.70
M603-01-08	Drainage and Undercutting Program	Dec-14	\$10.00
M603-02-01	Replace Timbers Undergrade Bridges	Dec-14	\$3.68
M603-02-02	Rehab Culverts/Railtop Culvert	Dec-14	\$3.31
M603-02-03	Right of Way Fencing	Dec-14	\$0.70
M603-02-05	Bridge Walkways Installation	Dec-14	\$1.77
M603-02-06	Remove Obsolete Facilities	Dec-14	\$2.90
M603-02-09	Employee Welfare and Storage Facility	Dec-14	\$10.00
M603-02-10	Replace/Repair Undergrade Bridges Program	Dec-14	\$36.50
M603-02-11	Harlem River Lift Bridge Cable	Dec-14	\$10.50
M603-02-12	Overhead Bridge Program - E of H	Dec-14	\$17.10
M603-03-02	West of Hudson Improvements	Dec-14	\$3.79
M603-03-05	West of Hudson Replace/Renew Undergrade Bridges	Dec-14	\$11.91
M604-01-07	Refurbish/Replace Electrical Switch Machine	Dec-14	\$0.48
M604-01-08	Design/Replace Harlem and Hudson Track Relays	Dec-14	\$1.14
M604-01-09	Replace High Cycle Relays	Dec-14	\$0.60
M605-01-05	Replace Substation Batteries	Dec-14	\$1.00
M605-01-09	Replace 3rd Rail Brackets - Park Avenue Tunnel	Dec-14	\$6.00
M606-01-03	Other Shops/Yards Renewal	Dec-14	\$24.10
M608-01-09	Systemwide Security Initiatives	Dec-14	\$5.00
M603-01-04	Turnouts - Yards/Sidings	Dec-14	\$4.41

**Bridges & Tunnels**  
**2010-2014 Completions**  
**\$ in millions**

Project ID	Project Description	Completion	Project Allocation
D501CB08	Deck and Structural Rehab	May-10	\$69.34
D502TN49	Suspended Span Deck Repl	Jun-10	\$4.66
D502TN82	Rehab of Orthotropic Deck	Jun-10	\$2.73
D502HH80	Replace Lower Level Deck	Jun-10	\$87.91
D503AW48	2nd Generation E-Zpass In-Lane	Jun-10	\$5.01
D504AW82	Alternate Fuel Storage	Jul-10	\$2.18
D502VN80	Rehab Decks on Suspended Spans	Oct-10	\$51.91
D501VN32	Structural Steel Repairs	Nov-10	\$13.63
D402BW89	Approach Ramps Repl.& Lower Ga	Dec-10	\$21.07
D502HH04	Replace Cross Drainage	Dec-10	\$3.96
D502VN84	Widening of Belt Parkway Ramps	Jan-11	\$3.58
D504QM30	Electric Upgrade - Vent Bldgs	Feb-11	\$3.56
D502TB64	Replace Deck-RI Viaduct	Mar-11	\$250.92
D502TN50	Replace Concrete Deck	Apr-11	\$75.89
D503VN03	New Toll Plaza - Phase 1	Oct-11	\$11.02
D503AW36	Installation of CCTV/Fiber Opt	Dec-11	\$1.72
D503AW35	Weather Information Systems	Dec-11	\$0.98
D504AW80	Variable Message Signs	Dec-11	\$3.59
D602RK74	Replace T-48 Wearing Surface	Jan-12	\$30.86
D503HH85	Upper Level Toll Plaza Deck	Feb-12	\$4.75
D501TN87	Anchorage and Tower Protection	Mar-12	\$11.41
D607TN87	Paint - Bronx and Queens Tower Fender Systems	Mar-12	\$8.31
D503AW37	Operation Centers TS Systems	Mar-12	\$3.28
D607VN88	Tower Painting - Below Roadway Level	Oct-12	\$30.36
D502BW89	Elevated & On Grade (Bx) Appr.	Oct-12	\$209.38
D501BW84	Cable and Anchorage Investigation	Dec-12	\$8.18
D501BW97	Concrete Anchorage Repairs	Dec-12	\$11.10
D601CB09	Substructure & Underwater Work	Dec-12	\$30.06
D505QM01	Service & FE Building Rehab	Mar-13	\$16.29
D607TN85	Steel Repairs - Suspended Span	Jun-13	\$4.12
D602HH10	Upper Level Sidewalk / Curb Stringers	Aug-13	\$39.15
D607HH10	Paint - Curb Stringers	Aug-13	\$0.81
D603AW54	Regional Integration	Nov-13	\$3.12
D601MP06	Substructure & Underwater Scour Protection	Dec-13	\$17.10
D601MP16	Miscellaneous Steel Repairs	Dec-13	\$2.51
D602TN82	Rehabilitate Orthotropic Deck - Phase B	Dec-13	\$51.96
D604BW15	Installation of New Necklace Lighting System & Accoustic Monitoring System	Dec-13	\$10.67
D607TN82	Paint - Bronx and Queens Approach Spans	Dec-13	\$63.35
D601TN60	Anchorage Dehumidification	Jan-14	\$3.30
D601HH07	Structural Rehabilitation - Phase I	Feb-14	\$7.28
D602VN03	Toll Plaza - East & West Bound Ramps Improvements	May-14	\$105.82
D402TB65	Deck Rpl: Manhattan Plaza & Ra	Jun-14	\$24.86
D601BW97	Concrete Anchorage Repairs - Bronx	Jun-14	\$10.75
D602RK65	Deck Replacement - Bronx/Manhattan Ramps/TollPlaza	Jun-14	\$435.81
D607RK65	Paint - Plaza and Approach Ramps	Jun-14	\$18.83
D601TN52	Miscellaneous Structural Rehabilitation	Sep-14	\$26.80
D604BB45	Replace Electrical Switchgear & Equipment	Sep-14	\$63.47
D604QM81	Controls / Communication System	Sep-14	\$4.31
D604VN87	Substation #1 Rehabilitation	Oct-14	\$16.63
D603AW52	Advanced Traffic Detection / Management System	Nov-14	\$4.59
D601BW84	Cable Investigation / Monitoring	Dec-14	\$9.24
D601HH81	Replace Lower Level South Approach	Dec-14	\$8.67
D601VN35	Steel Repair & Concrete Rehab. & Drainage Systems	Dec-14	\$19.09
D605BB21	Service Building Rehabilitation	Dec-14	\$4.16
D607VN35	Paint - Brooklyn&Staten Island Lower Level Ramps	Dec-14	\$17.41
D603AW48	2nd Generation E-Zpass In-Lane	Jul-15	\$35.00

**MTA Capital Construction Company**  
**2010-2014 Completions**  
**\$ in millions**

<b>Project ID</b>	<b>Project Description</b>	<b>Completion</b>	<b>Project Allocation</b>
G51402G3	06TSG Fncg&CCTV-Var Sys Loc'ns	Mar-10	\$2.03
G4140407	03ODP -AccessCntrl/Detect Sys	Mar-10	\$17.67
G4140409	04ODP -Incident Mgmt Equipmnt	Apr-10	\$0.55
G5140401	05 ODP Grant - CCTV	May-10	\$21.68
G4140412	04ODP - RollUp Doors - Depots	Jun-10	\$3.50
G5090125	MNR MODs andTractionPower Relo	Jun-10	\$16.60
G5140103	B&T Bronx Whitestone Hardening	Jul-10	\$44.60
G4120109	FSTC 4A- Foundation	Aug-10	\$98.95
G4120204	SoFe Landscaping	Aug-10	\$25.40
G4140204	East River Tunnels - Security	Aug-10	\$47.50
G4140201	LIRR Security Projs:Infra&Facs	Sep-10	\$13.37
G5090128	Madison Yard Demolition	Sep-10	\$40.93
G5140404	2006 BZPP Grant - 63rd Street	Sep-10	\$1.00
G4140101	B&T Security Projs:Infra&Facs	Dec-10	\$16.77
G5090119	Harold & Point CIL	Dec-10	\$38.17
G4140501	MTA Security Program	Dec-10	\$59.72
G4140401	NYCT Security Projs:Infra&Facs	Dec-10	\$201.68
G5140104	B&T Triborough Hardening	Dec-10	\$55.72
G5090127	F Interlocking CIL	Feb-11	\$8.18
G5090145	Adv Procurement-Mtls 3rd Party	Mar-11	\$31.58
G5140303	07TSG GCT Emergency Generators	May-11	\$17.32
G4090126	Harold Structures (Part 2A)	May-11	\$27.07
G4140206	ARRA TSGP-Penn Stn Perim Prot	Jun-11	\$11.81
G4140301	MNR Security Projs:Infra&Facs	Jul-11	\$59.58
G5100103	Cntract 5A 86 St Stn Structure	Aug-11	\$46.00
G5140405	07TSG Access Cntrl/Detect Sys	Aug-11	\$15.48
G4120115	FSTC 4E-Dey St Conc Finishes	Sep-11	\$26.73
G4120116	Cortlandt St BWY-BMT Southbound Platform (MTA)	Sep-11	\$5.92
G4160103	Cortlandt St BWY-BMT Southbound Platform (PANY)	Sep-11	\$9.98
G5140407	08TS 34th St Herald Sq AccCntl	Sep-11	\$33.50
G5140408	08TSG 47-50 RockCtrAccessCntrl	Sep-11	\$5.23
G4090143	44th St. & 245 Park Ave. Entr	Sep-11	\$42.80
G5090148	Northern Blvd Crossing	Oct-11	\$89.24
G4100106	SAS Tunnels 92 St-62 St	Jan-12	\$397.06
G5090117	Harold Structures (Part 1)	Jan-12	\$179.71
G5140406	07TSG Chambers St IESS	Mar-12	\$15.78
G4140203	Penn Stn LIRR/NYCT Sec/Harden	Mar-12	\$52.85
G5140107	08TSG RFK Bridge Hardening	Apr-12	\$5.54
G5110110	Construction (Site K)	May-12	\$92.34
G5090115	50th St. Vent Plant Facility	Jun-12	\$99.07
G4140417	CCTV Installation on Buses	Jun-12	\$5.00
G4140102	Verazzano Br Security / Harden	Jun-12	\$105.79
G4140302	Grnd Cntrl Security/Hardening	Jun-12	\$64.16
G4140403	63 St Tun Security & Hardening	Jun-12	\$81.11
G4140404	Times Square - Security	Jun-12	\$23.28
G5140206	07UASI Jamaic Sta PerimProtect	Jun-12	\$4.21
G4120114	FSTC 4C/D-4/5 Rehb Dey Headhse	Jul-12	\$84.78
G5110107	Construction (Site L)	Aug-12	\$65.50
G5110104	Running Tunnel	Sep-12	\$1,226.30
G4090119	MH Tunnel Excavation	Sep-12	\$455.00
G5090114	GCT Concrse Civil&Structural	Sep-12	\$781.02
G5090122	Queens Bored Infrastructure	Sep-12	\$756.76
G4120108	FSTC 4G-Corbin Bldg Restoratn	Dec-12	\$86.03

**MTA Capital Construction Company**  
**2010-2014 Completions**  
**\$ in millions**

<b>Project ID</b>	<b>Project Description</b>	<b>Completion</b>	<b>Project Allocation</b>
G5110108	Construction (Site J)	Dec-12	\$170.97
G6140104	Procure Loop & Hardy CILs	Jan-13	\$4.61
G4120106	FSTC 4B- A/C Mezzanine, J/M/Z	Mar-13	\$188.18
G6090112	55th St Vent Facility	Apr-13	\$71.55
G5110101	Future Construction	Jul-13	\$351.70
G5100101	Contract 2A 96 St Stn Structure	Aug-13	\$363.30
G5100102	Contract 4A&B 72 St Stn Structure	Aug-13	\$661.10
G5090118	Harold Interlocking Stage 1	Sep-13	\$164.19
G6090120	Plaza Substation & Structure	Nov-13	\$242.34
G5100107	Cnt 5B 86St Stn Mining&Lining	Jan-14	\$105.90
G5100108	Contract 3: 63rd St Stn Rehab	Jan-14	\$152.50
G6090118	Harold Interlocking Stage 3 (FHA-03)	Apr-14	\$27.65
G6090123	Harold Structures (Part 3)	Apr-14	\$233.75
G4120103	FSTC Real Estate	Jun-14	\$174.05
G4120107	FSTC 4F-Transit Center Encl	Jun-14	\$291.68
G6090108	Facility Power & Tunnel Vent	Jun-14	\$202.72
G5090129	Systemwide Trackwork	Jul-14	\$12.69
G6090106	Systemwide Trackwork	Jul-14	\$128.90
G6090110	Signals	Jul-14	\$109.66
G5090150	Manhattan Structures Part 2	Oct-14	\$19.88
G6090117	Manhattan Structures Part 2	Oct-14	\$396.40
G6090109	Traction Power	Oct-14	\$56.92

**MTA Bus Company**  
**2010-2014 Completions**  
**\$ millions**

<b>Project ID</b>	<b>Project Description</b>	<b>Completion</b>	<b>Project Allocation</b>
U40302/08	New Buses:105 Standard Hybrid Buses	Mar-10	\$63.27
U50302/03	Depot Rehabilitation:Roof/Ventilation: Laguardia Depot	Feb-11	\$8.75
U50302/11	Depot Rehabilitation:Roof/Ventilation: Far Rockaway Depot	Apr-11	\$6.93
U50302/21	Misc: Bus Projects:2008 Project Administration	Apr-11	\$1.23
U50302/04	Depot Rehabilitation:Power Upgrade-LaGuardia Depot	May-11	\$2.08
U50302/13	Depot Rehabilitation:Roof/Ventilation: Eastchester Maintenance Facility	May-11	\$3.09
U50302/20	Depot Equipment And Machinery:Depot Equipment	May-11	\$0.79
U50302/09	Misc: Bus Projects:Upgrade Parking: Baisley Pk & JFK Depot	Aug-11	\$9.76
U50302/12	Depot Rehabilitation:Roof/Ventilation: Baisley Park Depot	Oct-11	\$8.50
U50302/10	Misc: Bus Projects:Security Upgrade: College Point, Eastchester, Yonkers	Dec-11	\$2.83
U60302/15	New Buses:83 Standard Buses	Dec-11	\$50.90
U50302/14	Depot Rehabilitation:Roof/Ventilation: JFK Depot	Mar-12	\$8.00
U50302/17	Misc: Bus Projects:Fire Protection: JFK, LaGuardia, Baisley Park, Eastchester	Apr-12	\$10.00
U50302/04	Depot Rehabilitation:Electr Upgrd/Emerg Generators 6 Depots	May-12	\$11.78
U50302/15	Misc: Bus Projects:New Fueling Lane & Bus Washer: LaGuardia	Jun-12	\$8.00
U50302/16	Misc: Bus Projects:Additional Fueling Capacity: Baisley Park, JFK, LaGuardia	Jun-12	\$3.00
U60302/16	New Buses:64 Standard Buses	Dec-12	\$46.30
U50302/05	Depot Rehabilitation:Reloc Fuel Tanks/Bus Washers-Eastchester	Jan-13	\$10.00
U50302/19	Autos, Trucks & Service Vehicles: DOB:Service Vehicles	Mar-13	\$4.17
U50302/99	Capital Program Management:Misc Consultant Construction Mgmt Svces	Aug-13	\$5.00
U60302/01	Misc: Bus Projects:Project Administration & Engineering - 2011	Dec-13	\$4.10
U60302/04	Misc: Bus Projects:MTA-Bus Security Improvements - 2011	Dec-13	\$6.10
U60302/05	Depot Equipment And Machinery:MTA-Bus Depot Equipment - 2011	Dec-13	\$3.30
U60302/08	Depot Rehabilitation:New Apron - JFK Depot	Dec-13	\$6.50
U60302/17	New Buses:34 Standard Buses	Dec-13	\$25.90
U60302/19	New Buses:72 Articulated Buses	Dec-13	\$65.52
U60302/20	Misc: Bus Projects:Real Time Customer Information, MTA Bus	Dec-13	\$8.00
U60302/21	Misc: Bus Projects:Design Management Services - 2011	Dec-13	\$2.05
U60302/22	Misc: Bus Projects:Construction Managmeent Services - 2011	Dec-13	\$2.05
U60302/01	Misc: Bus Projects:Project Administration & Engineering Support - 2012	Dec-14	\$4.26
U60302/05	Depot Equipment And Machinery:MTA-Bus Depot Equipment - 2012	Dec-14	\$5.00
U60302/13	Depot Rehabilitation:Depot Modifications for Articulated Buses: Baisley Park, JFK	Dec-14	\$6.10
U60302/18	New Buses:32 Express Buses	Dec-14	\$23.60
U60302/21	Misc: Bus Projects:Design Management Services - 2012	Dec-14	\$2.13
U60302/22	Misc: Bus Projects:Construction Managment Services - 2012	Dec-14	\$2.13

**MTA Police Department**  
**2010-2014 Completions**  
**\$ in millions**

<b>Project ID</b>	<b>Project Description</b>	<b>Completion</b>	<b>Project Allocation</b>
N510-01-01	MTAPD Suffolk County District Office	Dec-10	\$11.47
N510-01-16	MTAPD Public Safety Radio Alternatives Analysis	May-11	\$0.25
N510-01-15	MTAPD Merrick Facility	Dec-11	\$1.49
N510-01-10	MTAPD Communication Center Backup	Jun-12	\$2.22
N510-01-04	MTAPD K9 Facility	Dec-13	\$7.46
E610-01-02	MTAPD Staten Island District Office	Dec-14	\$12.00
E610-01-03	MTAPD Nassau County District Office	Dec-14	\$13.00

**OPERATING IMPACTS EXCEEDING \$1 MILLION  
FOR CAPITAL PROJECTS REACHING BENEFICIAL USE 2010-2014**

**NEW YORK CITY TRANSIT CAPITAL PROJECTS**

**Project:** Mother Clara Hale Depot Reconstruction (*newly added*)

This is a reconstruction of a bus depot to create a modern facility and increase vehicle handling capacity. The new multi-story depot will replace a single-story structure dating from the 1890's. Impacts will begin in 2011 (\$1.5 million), with full impacts in late 2013 (\$2.7 million).

**Project:** Enterprise Security Network Infrastructure (*newly added*)

This will install unified threat management network security hardware at all the nodes on the new IP-based enterprise data network. The security hardware will protect mission-critical applications like ATS (Automatic Train Supervision), CBTC (Computer based Train Control), PACIS (Public address and Customer Information System) which are planned to be migrated to new network. Full impacts will start in 2014 (\$2.7 million).

**Project:** 7 West Extension (*newly added*)

This project will extend the Flushing Line (7) southwest from 42 St & 8<sup>th</sup> Ave to a new station at 34 St & 11<sup>th</sup> Ave. The construction includes new running tunnel and associated right-of-way equipment; vent plants; and a new terminal station with elevators, escalators, HVAC, and other modern station finishes. The extension is currently scheduled to begin revenue service in 3Q2013. Full impacts have not been calculated but are expected to be greater than \$1 million per year.

**Project:** Fulton St Transit Center Complex

This is a reconfiguration and reconstruction of an existing complex of subway stations. There is an additional underground connecting concourse extending west to the Cortland St Broadway line station, and the design for a new entry pavilion at Fulton and Broadway is still being determined. The complex is being renewed in phases. The renewed complex will be larger and have new escalators and elevators. Full impacts begin in 2013 (\$12.5 million).

**Project:** R160 Option 2 Subway Car Purchase

This is the second option of the purchase of R160 subway cars. The option was exercised in November 2008. This purchase of 382 cars has 292 cars that replace older ones and 90 that are expanding the fleet, which were ordered as a result of previous service decisions. Additional new cars to the fleet have additional maintenance, energy, and personnel costs. Deliveries will start in August 2009 through completion in June 2010, with arrival of the growth cars starting in approximately March 2010. Full impacts begin in June 2010 (\$4.3 million).

**Project:** Charleston Depot Annex

This is a new bus depot. 72 positions are added, reflecting the fixed overhead of operating a depot. Beginning in 2009, 10 of the positions include security guards, who will provide 24x7 coverage. Initial operating impacts begin in 2008 (\$1.2 million), but full impacts begin with completion of the project in August 2010, totaling about \$6.4 million annually.

## **OPERATING IMPACTS EXCEEDING \$1 MILLION FOR CAPITAL PROJECTS REACHING BENEFICIAL USE 2010-2014**

**Project:** Paratransit AVL

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

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

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

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### **LONG ISLAND RAIL ROAD CAPITAL PROJECTS**

There are no capital projects entering beneficial use in 2010-2014 that have an impact on LIRR's operating budget over \$1 million.

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### **METRO-NORTH RAILROAD CAPITAL PROJECTS**

**Project:** GCT Facilities Rehabilitation

This project renovates the existing Tennis Court Facilities on the 3rd floor including two mezzanines in GCT into a suitable, environmentally-friendly locker/rest facility for Train & Engine (T&E) crews, Bldg Services/Customer Service Reps, and Fire Brigade personnel. Also included is the construction of two structural floors at the 4th and 5th floor as an option to add at a later. There is a one time approx. impacts in 2011 (\$0.98 million) includes purchase of furniture, and possible increase in positions to manage services. Future impacts in 2012 and on will be minimal.

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### **MTA CAPITAL CONSTRUCTION COMPANY CAPITAL PROJECTS**

There are no capital projects entering beneficial use in 2010-2014 that have an impact on the MTACC's operating budget over \$1 million.

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### **MTA BUS COMPANY CAPITAL PROJECTS**

There are no capital projects entering beneficial use in 2010-2014 that have an impact on the MTA BUS's operating budget over \$1 million.

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**OPERATING IMPACTS EXCEEDING \$1 MILLION  
FOR CAPITAL PROJECTS REACHING BENEFICIAL USE 2010-2014**

**BRIDGES AND TUNNELS CAPITAL PROJECTS**

**Project:** Anchorage and Tower Improvements at the Throgs Neck Bridge

Best Value Analysis of the 2010-2014 Capital Program resulted in the incorporation of the Major Maintenance Project TNM-338, miscellaneous steel repairs to the tower bases and removal and replacement of concrete encasements, into this Capital Project. The work being capitalized is similar to the work being performed under the capital project, economies of scale are achieved by performing this work under one contract and the work complies with capital eligibility requirements. The major work of this project is structural steel work water for anchorage and tower protection. Impacts reflecting reductions to the major maintenance costs are reflected in 2010 and 2011 (\$3.9 million and \$2.3 million respectively). These reductions have already been incorporated into the July 2010 Financial Plan.

**Project:** QMT Maintenance Facility

Best Value Analysis of the 2010-2014 Capital Program resulted in the incorporation of the Major Maintenance Project QMM-332, Borden Avenue Environmental Remediation, into this Capital Project. The work being capitalized complies with capital eligibility requirements and is a GASB #49 reportable remediation. In addition, economies of scale are achieved by performing this work under one contract. Impacts reflecting reductions to the major maintenance costs are reflected in 2010 and 2011 (\$0.1 million and \$1.1 million respectively). These reductions have already been incorporated into the July 2010 Financial Plan.

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**MTA POLICE DEPARTMENT CAPITAL PROJECTS**

There are no capital projects entering beneficial use in 2010-2014 that have an impact on the MTAPD's operating budget over \$1 million.

## **V. Agency Financial Plans**

# **Bridges and Tunnels**

**MTA BRIDGES AND TUNNELS**  
**2011 Final Proposed Budget**  
**November Financial Plan 2011–2014**

**MAJOR HIGHLIGHTS**

MTA Bridges and Tunnels (B&T) operates seven bridges and two tunnels that form essential links for vehicular highway transportation in the New York City metropolitan region. With an average daily traffic of more than 800,000 vehicles using the nine crossings and more than half of its \$1.4 billion in revenue dedicated to mass transit, B&T plays a significant role in enhancing regional mobility.

B&T consists of 14 different departments, including the Operations workforce that manages the facilities on a day-to-day basis, and the Engineering and Construction Department that is responsible for maintaining the structural integrity of the facilities. The Operations Department employs 70 percent of the workforce and the Engineering and Construction employs another 9 percent. 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 and efficiently as possible and providing essential and significant financial support to the MTA transportation network.

While the current economic downturn continues to be a significant challenge for the region's transportation network, B&T continues to be a strong source of fiscal stability to the MTA. In 2010 and 2011, B&T will contribute \$801.9 million and \$778.9 million, respectively in Support to Mass Transit. Since becoming part of the MTA in 1968, B&T has contributed nearly \$17 billion as of year-end 2009 to mass public transportation.

B&T has been able to maintain this financial support with the help of significant cost savings. In 2010, B&T developed a Budget Reduction Program (BRP) to reduce current and ongoing expenses, undertaking a comprehensive organizational assessment to identify cost saving opportunities in both administrative and operational areas. Key initiatives included the consolidation of Maintenance Operations, elimination of the Warehouse, revamping of Maintenance Schedules, improving Engineering process and Organizational Restructuring and Implementation of Best Practice Guidelines.

Through these actions, B&T eliminated 117 positions in the July Financial Plan for 2010 and reduced operating expenses by \$36.3 million in addition to \$8.4 million in capitalized asset expenses. The 2011 reductions identified in the July Plan totaled \$69.2 million and ranged between \$61 and \$72 million in 2012-14. Included in these savings were significant overtime reductions of approximately \$4.4 million in 2010, almost \$5.5 million in 2011 and \$6.4 million in 2012 and beyond (including 7% fringe benefits each year). These reductions lowered overtime by nearly 15 percent in 2010, and more than 18 percent in 2011 and 20 percent in 2012 and thereafter.

Very significant non-labor savings were also incorporated into the previous financial plan as part of the BRP. Projects were eliminated or deferred after being evaluated against a more rigorous and analytical framework, contractual costs were reduced, E-ZPass savings were realized and, through a comprehensive Best Value Analysis of the 2010-14 capital program, major savings opportunities were identified in the operating budget. Included in this effort was the determination that a significant portion of B&T's bridge painting program was capital budget eligible since it extends the useful life of the structure. This funding switch alone reduced operating expenses by \$17 million in 2010 and more than \$158 million over the 2010-14 plan period. Moreover, incorporating painting into the 2010-14 Capital Program was done without increasing the \$2.45 billion capital funding envelope, as other reductions were made in the program as a result of a Best Value Analysis carried out earlier this year.

In this November Financial Plan, B&T is incorporating further savings in overtime and other areas into its budget, as well as revising its revenue forecasts. In non-reimbursable overtime, the total savings increase to approximately \$6.5 million in 2010, almost \$7.0 million in 2011 and \$8.0 million in 2012 and beyond (including 7% fringe benefits each year).

Other key changes between the July and November plans are outlined below.

## **FINANCIAL OVERVIEW**

### **2010 November Forecast**

In the 2010 November Forecast, a total of \$1,027.1 million is projected in Baseline Operating Income compared to \$1,013.1 million in the 2010 Mid-Year Forecast, an increase of \$14.0 million.

Total revenues are \$1,446.3 million, which is \$8.1 million greater than the Mid-Year Forecast. Toll revenue accounts for 98% of all revenues and is projected at \$1,417.2 million, which is \$6.1 million more than the Mid-Year Forecast. The increase is primarily due to generally favorable traffic trends through September. Other income has also been increased by \$2.1 million to reflect greater-than-forecast parking receipts from the Battery Parking Garage and higher revenues from E-ZPass administrative fees.

The 2010 November Forecast expenses are \$419.2 million, which is comprised of \$228.4 million in labor costs and \$190.8 million in non-labor expenses. Total expenses are \$5.8 million lower than the Mid-Year Forecast.

Labor expenses are lower by \$2.6 million due mainly to reductions associated with further controls on overtime costs (\$2.0 million), and a corresponding effect on health and welfare expenses (\$0.9 million). These were offset by a \$0.2 million increase in payroll expenses mainly for slightly higher salary expenses.

Non-labor expenses are lower by \$3.2 million due to more favorable expenses for Maintenance and Other Operating Contracts (\$0.7 million), primarily due to lower costs for the maintenance of office and telecommunications equipment and copiers; Professional Services (\$0.9 million), primarily due to a re-estimate of bond services fees (\$0.6 million) and MTA Chargeback savings (\$0.3 million); and Other Business Expenses were reduced by \$1.0 million.

Total Deductions from Income will decrease by \$0.6 million primarily due to lower capitalized asset expenditures resulting from a re-estimate of vehicle purchasing needs.

Total Support to Mass Transit is \$801.9 million compared to \$780.8 million in the 2010 Mid-Year Forecast, an increase of \$21.1 million. The \$21.1 million is a result of the increase in Baseline Operating Income of (\$14.0 million), the decrease in Total Deductions from Income (\$0.6 million) and lower expenses for B&T Debt Service (\$6.5 million).

In 2010, the total planned headcount is 1,688, which includes 45 capially reimbursable positions. There is no change from the Mid-Year Forecast.

Details regarding the reconciliation of the 2010 November Forecast to the Mid-Year Forecast and the assumptions for traffic and headcount are discussed in the Plan-to-Plan Summary of Changes and the Other Assumptions sections.

### **2011 Final Proposed Budget - Baseline**

In the 2011 Final Proposed Budget, a total of \$1,038.9 million is projected in Baseline Operating Income compared to \$1,031.9 million in the Mid-Year Forecast, an increase of \$7.0 million.

Revenues are \$1,454.0 million, which is \$3.2 million greater than the Mid-Year Forecast. Toll revenue has been increased by \$2.0 million to reflect higher traffic volume stemming from favorable trends in 2010, though Global Insight's employment growth assumptions are lower compared to the July Financial Plan, which results in relatively weaker growth in traffic for 2011. Other income has been raised by \$1.7 million as most of the 2010 gains in revenue from E-ZPass administrative fees and Battery Parking Garage receipts are expected to recur in 2011. Capital reimbursements increase by \$0.8 million to reimburse the agency for additional expenses for the capital program. Investment income has been decreased by \$1.3 million to reflect Global Insight's downward revisions to short-term investment yields.

Expenses are \$415.1 million, which are composed of \$236.3 million in labor costs and \$178.8 million in non-labor expenses. Overall expenses are \$3.8 million lower than the July financial Plan.

Labor costs are projected to be lower by \$3.4 million, primarily due to the savings realized from the transfer of an additional 26 Procurement Department positions to the Business Service Center (\$3.2 million); further reductions in non-reimbursable overtime (\$1.4 million) resulting from instituting even tighter controls, offset by a need for additional work to be performed for the capital program (\$0.8 million), yielding a net decrease of \$0.6 million in overtime expenses; and an increase in total fringe benefits (\$0.2 million) due to higher CPIU rates for medical expenses.

Non-labor expenses will decrease by \$0.4 million mainly as a result of lower expenses for 2 Broadway lease costs (\$0.3 million), bond insurance fees (\$0.3 million), general engineering services activities (\$0.3 million) and MTA chargebacks (\$0.1 million). These reductions are offset by a re-estimate of expenses (\$0.6 million) associated with the restructuring of the warehouse.

Total Support to Mass Transit is \$778.9 million compared to \$765.9 million in the July Financial Plan, an increase of \$12.9 million. The \$12.9 million is primarily the result of the increase in Baseline Operating Income of (\$7.0 million) and lower expenses for B&T Debt Service (\$5.8 million).

In 2011, total headcount is budgeted at 1,655, which includes 53 reimbursable positions for the capital program. This incorporates a change of 33 administrative positions for the transfer of headcount to the Business Service Center (BSC).

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

## **2012-2014 Projections**

The 2012 projection for Baseline Operating Income is \$1,036.3 million compared to \$1,029.4 million in the July Financial Plan. This consists of \$1,465.3 million in revenues, less \$428.9 million in expenses. The expenses are comprised of \$245.7 million in labor costs and \$183.2 million in non-labor expenses.

The 2013 projection for Baseline Operating Income is \$1,017.9 million compared to \$1,010.6 million in the July Financial Plan. This consists of \$1,467.3 million in revenues, offset by \$449.4 million in expenses. The expenses are comprised of \$255.9 million in labor costs and \$193.5 million in non-labor expenses.

In 2014, the projection for Baseline Operating Income is \$1,001.2 million compared to \$994.6 million in the July Financial Plan. This consists of \$1,472.6 million in revenues, offset by \$471.4 million in expenses. The expenses are comprised of \$266.6 million in labor costs and \$204.8 million in non-labor expenses.

In 2012 to 2014, the total baseline planned headcount will be 1,628. There are 2 additional transfers to the BSC in 2012 from the 25 that were being transferred in the July Financial Plan.

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

**MTA BRIDGES AND TUNNELS**  
**November Financial Plan 2011-2014**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

**NON-REIMBURSABLE**

	2009	2010	2011			
	Actual	November Forecast	Final Proposed Budget	2012	2013	2014
<b>Operating Revenue</b>						
Vehicle Toll Revenue	\$1,332.115	\$1,417.201	\$1,423.082	\$1,432.945	\$1,434.473	\$1,438.574
Other Operating Revenue	13.468	13.992	12.759	12.905	13.067	13.238
Capital and Other Reimbursements	0.000	(0.000)	0.000	0.000	(0.000)	0.000
Investment Income	0.256	0.114	0.301	1.885	2.733	3.224
<b>Total Revenue</b>	<b>\$1,345.839</b>	<b>\$1,431.307</b>	<b>\$1,436.142</b>	<b>\$1,447.735</b>	<b>\$1,450.273</b>	<b>\$1,455.036</b>
<b>Operating Expenses</b>						
<b><u>Labor:</u></b>						
Payroll	\$125.836	\$126.868	\$125.783	\$130.490	\$134.167	\$137.469
Overtime	26.494	20.519	21.294	21.727	22.158	22.584
Health and Welfare	20.063	20.050	22.033	23.444	25.264	27.101
OPEB Current Payment	11.677	12.103	13.983	14.959	16.003	17.120
Pensions	23.630	25.152	26.911	29.394	32.240	35.309
Other Fringe Benefits	19.247	15.972	15.789	15.669	16.254	16.859
Reimbursable Overhead	(6.491)	(7.230)	(7.314)	(7.460)	(7.192)	(7.345)
<b>Total Labor Expenses</b>	<b>\$220.457</b>	<b>\$213.434</b>	<b>\$218.479</b>	<b>\$228.223</b>	<b>\$238.893</b>	<b>\$249.099</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	9.073	7.463	7.631	8.254	8.936	9.686
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	139.374	131.985	118.851	122.923	129.932	146.823
Professional Service Contracts	13.831	15.945	17.746	18.792	19.125	19.503
Materials & Supplies	12.763	32.975	31.304	29.860	32.076	25.291
Other Business Expenses	2.283	2.401	3.226	3.341	3.400	3.462
<b>Total Non-Labor Expenses</b>	<b>\$177.324</b>	<b>\$190.770</b>	<b>\$178.759</b>	<b>\$183.171</b>	<b>\$193.469</b>	<b>\$204.765</b>
<b><u>Other Expense Adjustments:</u></b>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses Before Depreciation and GASB Adjs.</b>	<b>\$397.781</b>	<b>\$404.203</b>	<b>\$397.237</b>	<b>\$411.394</b>	<b>\$432.362</b>	<b>\$453.864</b>
Add: Depreciation	\$80.097	\$81.500	\$85.618	\$89.928	\$94.429	\$104.389
Add: OPEB Obligation	82.223	55.000	57.310	59.475	62.579	60.125
Add: Environmental Remediation	0.044	0.000	0.000	0.000	0.000	0.000
<b>Total Expenses After Depreciation and GASB Adjs.</b>	<b>\$560.145</b>	<b>\$540.703</b>	<b>\$540.165</b>	<b>\$560.797</b>	<b>\$589.370</b>	<b>\$618.378</b>
Less: Depreciation	80.097	81.500	85.618	89.928	94.429	104.389
Less: OPEB Obligation	82.223	55.000	57.310	59.475	62.579	60.125
<b>Total Expenses</b>	<b>\$397.825</b>	<b>\$404.203</b>	<b>\$397.237</b>	<b>\$411.394</b>	<b>\$432.362</b>	<b>\$453.864</b>
<b>Baseline Income/(Deficit)</b>	<b>\$948.014</b>	<b>\$1,027.104</b>	<b>\$1,038.905</b>	<b>\$1,036.341</b>	<b>\$1,017.911</b>	<b>\$1,001.172</b>

## REIMBURSABLE

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**MTA BRIDGES AND TUNNELS**  
**November Financial Plan 2011-2014**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE  
Page 2 of 2

	2009 Actual	2010 November Forecast	2011 Final Proposed Budget	2012	2013	2014
<b>Baseline Income/(Deficit)</b>	<b>\$948.014</b>	<b>\$1,027.104</b>	<b>\$1,038.905</b>	<b>\$1,036.341</b>	<b>\$1,017.911</b>	<b>\$1,001.172</b>
<b><u>Deductions from Income:</u></b>						
Less: Capitalized Assets	\$17.300	\$9.448	\$18.259	\$18.522	\$18.451	\$18.413
Reserves	14.373	14.162	14.353	14.548	14.762	15.003
GASB 45 Reserves	2.210	2.322	2.365	2.492	2.562	2.625
<b>Adjusted Baseline Income/(Deficit)</b>	<b>\$914.130</b>	<b>\$1,001.172</b>	<b>\$1,003.927</b>	<b>\$1,000.779</b>	<b>\$982.136</b>	<b>\$965.131</b>
Less: Debt Service	599.415	592.199	627.773	637.401	659.834	689.824
<b>Income Available for Distribution</b>	<b>\$314.715</b>	<b>\$408.973</b>	<b>\$376.155</b>	<b>\$363.378</b>	<b>\$322.302</b>	<b>\$275.306</b>
<b><u>Distributable To:</u></b>						
MTA - Investment Income	\$0.256	\$0.114	\$0.301	\$1.885	\$2.733	\$3.224
MTA - Distributable Income	222.304	267.161	250.168	243.258	222.522	198.827
NYCT - Distributable Income	92.156	141.698	125.686	118.235	97.047	73.255
<b>Total Distributable Income:</b>	<b>\$314.715</b>	<b>\$408.973</b>	<b>\$376.155</b>	<b>\$363.378</b>	<b>\$322.302</b>	<b>\$275.306</b>
<b><u>Actual Cash Transfers:</u></b>						
MTA - Investment Income	\$4.491	\$0.256	\$0.114	\$0.301	\$1.885	\$2.733
MTA - Transfers	221.976	266.583	251.867	243.949	224.595	201.197
NYCT - Transfers	96.196	131.668	127.287	118.980	99.166	75.634
<b>Total Cash Transfers:</b>	<b>\$322.662</b>	<b>\$398.506</b>	<b>\$379.268</b>	<b>\$363.230</b>	<b>\$325.646</b>	<b>\$279.564</b>
<b><u>SUPPORT TO MASS TRANSIT:</u></b>						
Total Revenues	\$1,361.550	\$1,446.297	\$1,453.997	\$1,465.264	\$1,467.308	\$1,472.573
Less: Net Operating Expenses	413.536	419.193	415.092	428.923	449.398	471.400
<b>Net Operating Income:</b>	<b>\$948.014</b>	<b>\$1,027.104</b>	<b>\$1,038.905</b>	<b>\$1,036.341</b>	<b>\$1,017.911</b>	<b>\$1,001.172</b>
<b><u>Deductions from Operating Income:</u></b>						
B&T Debt Service	\$172.438	\$199.247	\$225.075	\$233.239	\$254.366	\$284.138
Capitalized Assets	17.300	9.448	18.259	18.522	18.451	18.413
Reserves	14.373	14.162	14.353	14.548	14.762	15.003
GASB Reserves	2.210	2.322	2.365	2.492	2.562	2.625
<b>Total Deductions from Operating Income:</b>	<b>\$206.322</b>	<b>\$225.179</b>	<b>\$260.052</b>	<b>\$268.801</b>	<b>\$290.140</b>	<b>\$320.180</b>
<b>Total Support to Mass Transit:</b>	<b>\$741.692</b>	<b>\$801.925</b>	<b>\$778.852</b>	<b>\$767.540</b>	<b>\$727.770</b>	<b>\$680.992</b>

**MTA BRIDGES AND TUNNELS**  
**2011 Final Proposed Budget**  
**November Financial Plan 2011-2014**  
**Year-to-Year Changes by Category - Baseline**

**Toll Revenue**

- At current crossing charges, revenues are estimated at \$1,423.1 million in 2011, \$1,432.9 million in 2012, \$1,434.5 million in 2013 and \$1,438.6 million in 2014. The forecast assumes regional (New York City, Long Island and Westchester) employment growth of 1.4% in 2011, 2.0% in 2012, 1.5% in 2013 and 1.2% in 2014 as reflected in the current projections supplied by Global Insight.
- Traffic is expected to reach 293.1 million vehicles in 2010. The forecast from 2011 through 2014 incorporates the most recent projections for regional employment utilized by MTA. Traffic is forecast at 295.0 million vehicles in 2011, 297.5 million in 2012, 298.3 million in 2013 and 299.7 million in 2014.

**Other Operating Revenue**

- Other Operating Revenue is projected at \$14.0 million in 2010 and \$12.8 million in 2011. The reduction is the result of lower E-ZPass Administrative Fees.
- Other Operating Revenue increases between \$0.1 and \$0.2 million each year from 2012 through 2014, primarily reflecting expected modest growth in parking receipts from the Battery Parking Garage.

**Capital and Other Reimbursements**

- Capital and Other Reimbursements increase by \$2.9 million in 2011 and decrease by \$0.3 million in 2012. A drop of \$0.5 million occurs in 2013 due to the timing of capital projects, followed by an increase of \$0.5 million in 2014. These adjustments are tied to the expected work to be performed for the 2010-2014 Capital Program.

**Investment Income**

- The Investment Income plan for 2011 through 2014 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 2011.
- Investment income is projected to grow by \$1.6 million in 2012, \$0.8 million in 2013 and \$0.5 million in 2014.

## **Payroll**

- In 2011, the budget realizes the full-year effect of the reduction in payroll for the Budget Reduction Program (BRP) and the transfer of 26 positions from B&T's Procurement Department to the Business Service Center (BSC), offset by CPIU and contractual step-up increases, resulting in a net increase of \$0.7 million.
- Thereafter, expenses increase by \$4.8 million in 2012, \$3.5 million in 2013, and \$3.4 million in 2014 for contractual step-up increases and CPIU.
- CPIU rates for 2011 are 4.11% for represented employees and 2.23% for non-represented; 5.02% for represented and 2.20% for non-represented in 2012; 1.97% in 2013, and 1.91% in 2014.

## **Overtime**

- In 2011, the budget includes the ongoing effect of the reductions in overtime established in the BRP, in addition to further savings by instituting even tighter controls in non-reimbursable overtime (\$1.4 million), offset by additional work for overtime related to capital projects (\$0.8 million), resulting in a net \$0.7 million increase from the 2010 overtime expenses.
- Thereafter, the year-over-year decrease of \$0.4 million in 2012 and increase of \$0.4 million in 2013 and 2014 reflects the annual reduction in overtime by instituting further controls, offset by CPIU adjustments.
- CPIU rates for overtime are the same as for payroll.

## **Health and Welfare/OPEB Current Payments**

- In 2011, the budget includes corresponding reductions in Health and Welfare expenses to coincide with the payroll and overtime actions, offset by large increases in the CPIU applied to medical expenses and OPEB Current Payments, resulting in a net increase of \$4.5 million.
- The year-over-year net increases from 2012 to 2014 are \$2.5 million, \$2.9 million, and \$3.1 million, respectively, and are the result of CPIU applied to medical expenses, based on factors provided by the MTA.
- CPIU rates for defined medical programs are 13.67% for 2011 and 7.09% for each year thereafter.

## **Pension**

- In 2011, there is a \$2.4 million increase from 2010, based on the latest NYCERS estimates received.
- The increases of \$2.5 million in 2012, \$2.8 million in 2013 and \$3.1 in 2014 are due to CPIU increases.
- CPIU rates for pension are 2.32% in 2011, 2.49% in 2012, 2.74% in 2013 and 2.85% in 2014.

## **Other Fringe Benefits**

- The year-over-year decrease from 2010 to 2011 is approximately \$0.4 million as a result of corresponding payroll actions.
- Thereafter, the change is insignificant in 2012, and 2013 and 2014 increase by \$0.6 million due to adjustments for worker's compensation and CPIU increases.
- CPIU rates for other fringe benefits are the same as for pension.

## **Insurance**

- Insurance expenses increase between \$0.2 million and \$0.8 million annually from 2011 through 2014 based on MTA Risk Management's most recent estimates.

## **Maintenance and Other Operating Contracts**

- In 2011, expenses are \$13.1 million lower than 2010 due primarily to a decrease in major maintenance and painting costs (\$16.8 million) associated with the best value analysis for major maintenance and capitalization of bridge painting expenses in the 2010-14 capital program. These were offset primarily by higher expenses for CPIU totaling \$1.5 million.
- For 2012, expenses are \$4.1 million greater than 2011 primarily due to higher anticipated costs for the E-ZPass Customer Service Center (\$1.3 million) and CPIU (\$2.1 million).
- In 2013, expenses are \$7.0 million higher than 2012 primarily due to higher non-capital eligible maintenance painting expenses (\$2.7 million) resulting from anticipated work for new painting needs along with revised estimates and realignment of existing work, higher anticipated costs for the E-ZPass Customer Service Center and other expenses (\$1.9 million) and CPIU (2.4 million).
- For 2014, expenses are \$16.9 million higher than 2013 primarily due to higher expenses for non-capital eligible maintenance painting (\$11.1 million) resulting from anticipated work for new painting needs along with revised estimates and realignment of existing work, higher expenses for the E-ZPass Customer Service Center and other expenses (\$2.4 million) and CPIU (\$3.4 million).
- CPIU increases are 1.32% in 2011, 1.87% in 2012, 2.04% in 2013 and 2.11% in 2014 based on forecasts for national inflation provided by Global Insight.

## **Professional Service Contracts**

- In 2011, expenses are higher by \$1.8 million due primarily to higher expenses (\$1.6 million) for professional services and CPIU.
- For 2012 the higher expenses (\$1.0 million) are due to increases for planning studies for an anticipated Origin & Destination survey (\$0.7 million) and bond service fees (\$0.2 million) and CPIU and other increases.
- In 2013, the higher expenses (\$0.3 million) primarily reflect CPIU increases.

- For 2014, expenses (\$0.4 million) are higher due to CPIU.
- CPIU increases are 1.32% in 2011, 1.87% in 2012, 2.04% in 2013 and 2.11% in 2014 based on forecasts for national inflation provided by Global Insight.

### **Materials and Supplies**

- The 2011 expenses are \$1.7 million lower primarily due to reductions in E-ZPass tag purchases (\$1.7 million) and the re-estimate of other expenses, offset by CPIU increases.
- For 2012, expenses are \$1.4 million lower due primarily to the reduction in E-ZPass tag purchases (\$1.8 million) for the tag replacement program, offset by CPIU increases.
- In 2013, expenses are \$2.2 million greater primarily due to increase in E-ZPass tag purchases for the tag replacement program and CPIU increases.
- For 2014, expenses are \$6.8 million lower mainly due to decreases in tag purchases (\$7.0 million).
- CPIU increases are 1.32% in 2011, 1.87% in 2012, 2.04% in 2013 and 2.11% in 2014 based on forecasts for national inflation provided by Global Insight.

### **Other Business Expenses**

- In 2011, there is an increase of \$0.8 million in Other Business Expenses. For 2012 through 2014, the slightly higher costs are the result of CPIU increases.
- CPIU increases are 1.32% in 2011, 1.87% in 2012, 2.04% in 2013 and 2.11% in 2014 based on forecasts for national inflation provided by Global Insight.









**MTA BRIDGES AND TUNNELS**  
**2011 Final Proposed Budget**  
**November Financial Plan 2011 - 2014**  
**Summary of Major Plan-to-Plan Changes**

**Non-Reimbursable**

**2010: November Forecast vs. Mid-Year Forecast**

**Revenues**

Revenue adjustments from the Mid-Year Forecast result in an increase of \$8.1 million. The major changes include:

- Higher toll revenues (\$6.1 million) primarily due to generally favorable traffic trends through September.
- Increase in Other Operating Revenues (\$2.1 million) primarily due to higher revenues from E-ZPass administrative fees and Battery Parking Garage receipts.

**Expenses**

Non-reimbursable expenses are projected to be \$5.8 million lower than the Mid-Year Forecast due to decreases in labor (\$2.6 million) and non-labor (\$3.2 million) expenses. The major variances include:

**Labor**

Labor expenses are reduced by \$2.6 million from the Mid-Year Forecast resulting from:

- Slightly higher Payroll costs (\$0.2 million) due primarily to a re-estimate of salary expenses.
- Lower Overtime costs (\$2.0 million) due primarily to the institution of further controls on overtime usage.
- Reduction in total fringe benefits expenses (\$0.8 million) primarily due to the reduction in overtime and lower than planned health costs for the current year.

**Non-Labor**

Non-Labor expenses are reduced by \$3.2 million from the Mid-Year Forecast resulting from:

- Lower Insurance expenses (\$0.1 million) due to re-estimate of property insurance from MTA Risk Management.
- Reduction in Maintenance and Other Operating expenses (\$0.7 million) due mainly to reduction in bridge painting expenses (\$0.6 million) and maintenance of computer & telecommunication equipment (\$0.6 million). These were offset by an increase in major maintenance (\$0.6 million) due to changes in scoping/schedule and new projects mainly for repairs.

- Lower Professional Services Contract expenses (\$0.9 million) reflecting re-estimates for bond insurance fees (\$0.6 million) and MTA chargeback (\$0.3 million).
- Lower expenses for Material and Supplies (\$0.5 million) resulted mainly from the re-estimate of expenses needed for security equipment (\$0.5 million).
- Lower Other Business Expenses (\$1.0 million) due primarily to re-estimate of membership dues.

#### **Total Deductions from Income**

- Lower Capitalized Assets expenses (\$0.7 million) are the result of reduction and deferral of some purchases to 2011.

### **2011-2014: November Financial Plan vs. July Financial Plan**

#### **Revenues**

Revenues are being increased by \$2.5 million in 2011, \$1.8 million in 2012, \$2.0 million in 2013, and \$1.4 million in 2014 consisting of:

- Toll Revenue increases of \$2.0 million in 2011, \$0.9 million in 2012, \$0.5 million in 2013 and no significant change to 2014 to reflect higher traffic volume stemming from favorable trends in 2010 and slower growth in regional employment compared to Global Insight's previous projections.
- Other Operating Revenue increases of \$1.7 million annually from 2011 through 2014 with the expectation that most of the 2010 gains in revenue from E-ZPass administrative fees and Battery Parking Garage receipts will be recurring.
- Downward revisions to investment income of \$1.3 million in 2011, \$0.8 million in 2012, \$0.2 million in 2013 and \$0.5 million in 2014 based on Global Insight's lower short-term interest rate forecasts.

#### **Expenses**

Non-reimbursable expenses are being reduced by \$4.6 million in 2011, \$5.1 million in 2012, \$5.3 million in 2013 and \$5.2 million in 2014 consisting of:

##### **Labor**

Labor expenses will be reduced by \$4.2 million in 2011, \$4.7 million in 2012, \$4.9 million in 2013 and \$5.0 million in 2014, due to adjustment for payroll and the institution of further controls in overtime usage.

##### **Non-Labor**

Reductions in non-labor expenses for each year of the financial plan includes: \$0.4 million annually from 2011 through 2013 and \$0.2 million in 2014, are based on the following changes:

- Lower expenses for Insurance from 2010 to 2013 estimated by MTA Risk Management.

- Changes for Maintenance and Other Operating Contracts include lower 2 Broadway costs offset by higher major maintenance expenses for new projects and scheduling changes.
- Changes in Professional Services Contracts mainly reflect re-estimates of bond service and cost adjustments to reflect the completion of some general engineering projects.
- Changes in Materials and Supplies primarily include a re-estimate of expenses for additional procurement credit card purchases resulting from the closing of the warehouse.
- Reduction for Other Business Expenses includes re-estimates for membership dues.

## **Reimbursable Major Changes**

### **2010: November Financial Plan vs. July Financial Plan**

#### **Revenue**

No change in 2010 for capital reimbursements.

#### **Expense**

No change in 2010 for capital reimbursable expenses.

### **2011-2013: November Financial Plan vs. July Financial Plan**

#### **Revenue**

In 2011, there is an increase in capital reimbursements corresponding to the increase in overtime expenses for additional work for the capital program.

No changes for capital reimbursements in 2012-2014.

#### **Expense**

In 2011, there is an increase of \$0.8 million in overtime expenses for additional work for capital-eligible projects.

No changes for capital reimbursable expenses in 2012-2014.

**MTA BRIDGES AND TUNNELS**  
**November Financial Plan 2011 - 2014**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

**NON-REIMBURSABLE**

	2010	2011	2012	2013	2014
<b>Baseline 2010 July Financial Plan - Adjusted Net Income</b>	<b>\$986.558</b>	<b>\$996.773</b>	<b>\$993.607</b>	<b>\$974.543</b>	<b>\$958.286</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
Vehicle Toll Revenue	\$6.067	\$2.037	\$0.916	\$0.483	\$0.059
Other Operating Revenue	2.096	1.743	1.738	1.738	1.747
Capital and Other Reimbursement	0.000	0.000	0.000	0.000	0.000
Investment Income	(0.031)	(1.326)	(0.822)	(0.183)	(0.450)
<b>Total Revenue Changes</b>	<b>\$8.132</b>	<b>\$2.454</b>	<b>\$1.832</b>	<b>\$2.038</b>	<b>\$1.356</b>
<b>Expenses</b>					
<i>Labor:</i>					
Payroll	(\$0.232)	\$2.991	\$3.178	\$3.267	\$3.232
Overtime	1.997	1.371	1.522	1.542	1.562
Health and Welfare	0.851	0.205	0.251	0.284	0.319
OPEB Current Payment	(0.019)	(0.750)	(0.796)	(0.843)	(0.894)
Pensions	0.000	0.119	0.248	0.318	0.387
Other Fringe Benefits	0.041	0.252	0.305	0.333	0.350
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expense Changes</b>	<b>\$2.638</b>	<b>\$4.188</b>	<b>\$4.708</b>	<b>\$4.901</b>	<b>\$4.955</b>
<i>Non-Labor:</i>					
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000
Insurance	0.110	0.112	0.114	0.115	0.115
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	0.740	0.485	0.354	0.244	0.092
Professional Service Contracts	0.890	0.838	1.011	1.080	1.104
Materials & Supplies	0.458	(1.125)	(1.139)	(1.143)	(1.159)
Other Business Expenses	0.993	0.076	0.084	0.089	0.092
<b>Total Non-Labor Expense Changes</b>	<b>\$3.190</b>	<b>\$0.386</b>	<b>\$0.423</b>	<b>\$0.385</b>	<b>\$0.243</b>
<b>Total Expenses before Depreciation and GASB Adjs.</b>	<b>\$5.828</b>	<b>\$4.574</b>	<b>\$5.132</b>	<b>\$5.286</b>	<b>\$5.198</b>
Add: Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Obligation	0.000	0.000	0.000	0.000	0.000
Environmental Remediation	0.000	0.000	0.000	0.000	0.000
<b>Total Expenses after Depreciation and GASB Adjs.</b>	<b>\$5.828</b>	<b>\$4.574</b>	<b>\$5.132</b>	<b>\$5.286</b>	<b>\$5.198</b>
Less: Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Obligation	0.000	0.000	0.000	0.000	0.000
<b>Total Expense Changes</b>	<b>\$5.828</b>	<b>\$4.574</b>	<b>\$5.132</b>	<b>\$5.286</b>	<b>\$5.198</b>
<b>Total Baseline Changes</b>	<b>\$13.960</b>	<b>\$7.029</b>	<b>\$6.963</b>	<b>\$7.324</b>	<b>\$6.554</b>
<b>Deductions from Income</b>					
Capitalized Assets	\$0.654	\$0.070	\$0.117	\$0.149	\$0.160
Capital Reserves	0.000	0.055	0.092	0.119	0.130
GASB 45 Reserves	0.000	0.000	0.000	0.000	0.000
<b>Total Deductions from Income</b>	<b>\$0.654</b>	<b>\$0.126</b>	<b>\$0.209</b>	<b>\$0.269</b>	<b>\$0.290</b>
<b>Total Adjusted Baseline Changes</b>	<b>\$14.614</b>	<b>\$7.154</b>	<b>\$7.172</b>	<b>\$7.593</b>	<b>\$6.844</b>
<b>Baseline 2010 November Financial Plan - Adjusted Net Income</b>	<b>\$1,001.172</b>	<b>\$1,003.927</b>	<b>\$1,000.779</b>	<b>\$982.136</b>	<b>\$965.131</b>

**MTA BRIDGES AND TUNNELS**  
**November Financial Plan 2011 - 2014**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

**REIMBURSABLE**

	2010	2011	2012	2013	2014
<b>Baseline 2010 July Financial Plan - Adjusted Net Income</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
Vehicle Toll Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursement	0.000	0.790	0.000	0.000	0.000
Investment Income	0.000	0.000	0.000	0.000	0.000
<b>Total Revenue Changes</b>	<b>\$0.000</b>	<b>\$0.790</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Expenses</b>					
<i>Labor:</i>					
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	0.000	(0.790)	0.000	0.000	0.000
Health and Welfare	0.000	0.000	0.000	0.000	0.000
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000
Pensions	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expense Changes</b>	<b>\$0.000</b>	<b>(\$0.790)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<i>Non-Labor:</i>					
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.000	0.000	0.000	0.000
Professional Service Contracts	0.000	0.000	0.000	0.000	0.000
Materials & Supplies	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.000	0.000	0.000	0.000	0.000
<b>Total Non-Labor Expense Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$0.000</b>	<b>(\$0.790)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
Add: Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Obligation	0.000	0.000	0.000	0.000	0.000
Environmental Remediation	0.000	0.000	0.000	0.000	0.000
<b>Total Expenses after Depreciation and GASB Adjs.</b>	<b>\$0.000</b>	<b>(\$0.790)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
Less: Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Obligation	0.000	0.000	0.000	0.000	0.000
<b>Total Expense Changes</b>	<b>\$0.000</b>	<b>(\$0.790)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Baseline Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Deductions from Income</b>					
Capitalized Assets	0.000	0.000	0.000	0.000	0.000
Capital Reserves	0.000	0.000	0.000	0.000	0.000
GASB 45 Reserves	0.000	0.000	0.000	0.000	0.000
<b>Total Deductions from Income</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Adjusted Baseline Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Baseline 2010 November Financial Plan - Adjusted Net Income</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>

**MTA BRIDGES AND TUNNELS**  
**November Financial Plan 2011 - 2014**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

**NON-REIMBURSABLE and REIMBURSABLE**

	2010	2011	2012	2013	2014
<b>Baseline 2010 July Financial Plan - Adjusted Net Income</b>	<b>\$986.558</b>	<b>\$996.773</b>	<b>\$993.607</b>	<b>\$974.543</b>	<b>\$958.286</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
Vehicle Toll Revenue	\$6.067	\$2.037	\$0.916	\$0.483	\$0.059
Other Operating Revenue	2.096	1.743	1.738	1.738	1.747
Capital and Other Reimbursement	0.000	0.790	0.000	0.000	-
Investment Income	(0.031)	(1.326)	(0.822)	(0.183)	(0.450)
<b>Total Revenue Changes</b>	<b>\$8.132</b>	<b>\$3.244</b>	<b>\$1.832</b>	<b>\$2.038</b>	<b>\$1.356</b>
<b>Expenses</b>					
<b>Labor:</b>					
Payroll	(\$0.232)	\$2.991	\$3.178	\$3.267	\$3.232
Overtime	1.997	0.581	1.522	1.542	1.562
Health and Welfare	0.851	0.205	0.251	0.284	0.319
OPEB Current Payment	(0.019)	(0.750)	(0.796)	(0.843)	(0.894)
Pensions	0.000	0.119	0.248	0.318	0.387
Other Fringe Benefits	0.041	0.252	0.305	0.333	0.350
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expense Changes</b>	<b>\$2.638</b>	<b>\$3.398</b>	<b>\$4.708</b>	<b>\$4.901</b>	<b>\$4.955</b>
<b>Non-Labor:</b>					
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000
Insurance	0.110	0.112	0.114	0.115	0.115
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	0.740	0.485	0.354	0.244	0.092
Professional Service Contracts	0.890	0.838	1.011	1.080	1.104
Materials & Supplies	0.458	(1.125)	(1.139)	(1.143)	(1.159)
Other Business Expenses	0.993	0.076	0.084	0.089	0.092
<b>Total Non-Labor Expense Changes</b>	<b>\$3.190</b>	<b>\$0.386</b>	<b>\$0.423</b>	<b>\$0.385</b>	<b>\$0.243</b>
<b>Total Expenses before Depreciation and GASB Adjs.</b>	<b>\$5.828</b>	<b>\$3.784</b>	<b>\$5.132</b>	<b>\$5.286</b>	<b>\$5.198</b>
Add: Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Obligation	0.000	0.000	0.000	0.000	0.000
Environmental Remediation	0.000	0.000	0.000	0.000	0.000
<b>Total Expenses after Depreciation and GASB Adjs.</b>	<b>\$5.828</b>	<b>\$3.784</b>	<b>\$5.132</b>	<b>\$5.286</b>	<b>\$5.198</b>
Less: Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Obligation	0.000	0.000	0.000	0.000	0.000
<b>Total Expense Changes</b>	<b>\$5.828</b>	<b>\$3.784</b>	<b>\$5.132</b>	<b>\$5.286</b>	<b>\$5.198</b>
<b>Total Baseline Changes</b>	<b>\$13.960</b>	<b>\$7.029</b>	<b>\$6.963</b>	<b>\$7.324</b>	<b>\$6.554</b>
<b>Deductions from Income</b>					
Capitalized Assets	0.654	0.070	0.117	0.149	0.160
Capital Reserves	0.000	0.055	0.092	0.119	0.130
GASB 45 Reserves	0.000	0.000	0.000	0.000	0.000
<b>Total Deductions from Income</b>	<b>\$0.654</b>	<b>\$0.126</b>	<b>\$0.209</b>	<b>\$0.269</b>	<b>\$0.290</b>
<b>Total Adjusted Baseline Changes</b>	<b>\$14.614</b>	<b>\$7.154</b>	<b>\$7.172</b>	<b>\$7.593</b>	<b>\$6.844</b>
<b>Baseline 2010 November Financial Plan - Adjusted Net Income</b>	<b>\$1,001.172</b>	<b>\$1,003.927</b>	<b>\$1,000.779</b>	<b>\$982.136</b>	<b>\$965.131</b>

**MTA BRIDGES AND TUNNELS**  
**November Financial Plan 2011-2014**  
**Summary of Major Programmatic Changes Between Financial Plans**  
(\$ in millions)

**TOTAL NON-REIMBURSABLE and REIMBURSABLE**

	2010	2011	2012	2013	2014
<b>Baseline 2010 July Financial Plan - Adjusted Net Income</b>	<b>\$986.558</b>	<b>\$996.773</b>	<b>\$993.607</b>	<b>\$974.543</b>	<b>\$958.286</b>
<b><i>Non-Reimbursable Major Changes</i></b>					
<b>Revenue</b>					
Vehicle Toll Revenue	\$6.067	\$2.037	\$ .916	\$ .483	\$ .059
Other Operating Revenue	2.096	1.743	1.738	1.738	1.747
Investment Income	(0.031)	(1.326)	(0.822)	(0.183)	(.450)
<b>Sub-Total Non-Reimbursable Revenue Changes</b>	<b>\$8.132</b>	<b>\$2.454</b>	<b>\$1.832</b>	<b>\$2.038</b>	<b>\$1.356</b>
<b>Expenses</b>					
Overtime Reduction	\$1.997	\$1.371	\$1.522	\$1.542	\$1.562
Other Labor Reductions	0.641	2.817	3.186	3.359	3.393
Insurance	0.110	0.112	0.114	0.115	0.115
Bond Service Fees	0.600	0.336	0.366	0.389	0.403
Other Non-Labor Reductions	2.480	(0.062)	(0.056)	(0.118)	(0.275)
<b>Deductions from Income</b>	<b>0.654</b>	<b>0.126</b>	<b>0.209</b>	<b>0.269</b>	<b>0.290</b>
<b>Sub-Total Non-Reimbursable Expense Changes</b>	<b>\$6.482</b>	<b>\$4.700</b>	<b>\$5.340</b>	<b>\$5.555</b>	<b>\$5.488</b>
<b>Total Non-Reimbursable Major Changes</b>	<b>\$14.614</b>	<b>\$7.154</b>	<b>\$7.172</b>	<b>\$7.593</b>	<b>\$6.844</b>
<b><i>Reimbursable Major Changes</i></b>					
<b>Revenue</b>					
Capital & Other Reimbursement	0.000	0.790	0.000	0.000	0.000
<b>Sub-Total Reimbursable Revenue Changes</b>	<b>\$0.000</b>	<b>\$0.790</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Expenses</b>					
Labor Expenses	0.000	(0.790)	0.000	0.000	0.000
<b>Sub-Total Reimbursable Expense Changes</b>	<b>\$0.000</b>	<b>(\$0.790)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Reimbursable Major Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Accrual Changes</b>	<b>\$14.614</b>	<b>\$7.154</b>	<b>\$7.172</b>	<b>\$7.593</b>	<b>\$6.844</b>
<b>Total Adjusted Baseline Changes</b>	<b>\$14.614</b>	<b>\$7.154</b>	<b>\$7.172</b>	<b>\$7.593</b>	<b>\$6.844</b>
<b>Baseline 2010 November Financial Plan - Adjusted Net Income</b>	<b>\$1,001.172</b>	<b>\$1,003.927</b>	<b>\$1,000.779</b>	<b>\$982.136</b>	<b>\$965.131</b>

**MTA BRIDGES AND TUNNELS**  
**2011 Final Proposed Budget**  
**November Financial Plan 2011-2014**  
**Ridership/Utilization**

**Year-to-Year**

The traffic forecast developed for the November Financial Plan incorporates actual trends through September and the most recent economic forecast issued by Global Insight, which includes growth in regional (New York City, Long Island and Westchester) employment of 1.4% in 2011, 2.0% in 2012, 1.5% in 2013 and 1.2% in 2014.

Paid traffic volume is projected to reach 293.1 million vehicles in 2010. The growth in regional employment from 2011 through 2014 is expected to have a positive impact on traffic volumes each year. Paid traffic is forecast at 295.0 million vehicles in 2011, 297.5 million in 2012 (leap year), 298.3 million in 2013 and 299.7 million in 2014.

**Plan-to-Plan**

In 2010, the projected volume is 293.1 million vehicles, which is 1.0 million vehicles, or 0.4% above the Mid-Year Forecast level. The additional volume is due to generally favorable traffic trends through September. This trend is incorporated into the baseline levels for 2011 through 2014, but the gains are partially offset by the impact of slower growth in regional employment compared to Global Insight's previous projections. The net plan-to-plan utilization increases are 0.4 million vehicles in 2011, 0.2 million in 2012, and 0.1 million in 2013. There is no significant increase to the 2014 level.

**MTA BRIDGES AND TUNNELS**  
**November Financial Plan 2011-2014**  
**Ridership/Traffic Volume (Utilization)**

	2009 Actual	2010 November Forecast	2011 Final Proposed Budget	2012	2013	2014
<hr/>						
<b><u>Traffic Volume</u></b>						
Baseline	<u>291.383</u>	<u>293.056</u>	<u>294.995</u>	<u>297.527</u>	<u>298.336</u>	<u>299.683</u>
<b>Total</b>	<b>291.383</b>	<b>293.056</b>	<b>294.995</b>	<b>297.527</b>	<b>298.336</b>	<b>299.683</b>
<b><u>Toll Revenue</u></b>						
Baseline	<u>\$1,332.115</u>	<u>\$1,417.201</u>	<u>\$1,423.082</u>	<u>\$1,432.945</u>	<u>\$1,434.473</u>	<u>\$1,438.574</u>
<b>Total</b>	<b>\$1,332.115</b>	<b>\$1,417.201</b>	<b>\$1,423.082</b>	<b>\$1,432.945</b>	<b>\$1,434.473</b>	<b>\$1,438.574</b>

**MTA BRIDGES & TUNNELS**  
**November Financial Plan 2011-2014**  
**2010 Budget Reduction Proposals - Accrual Basis**  
(\$ in millions)

	Favorable/(Unfavorable)									
	<u>Pos.</u>	<u>2010</u>	<u>Pos.</u>	<u>2011</u>	<u>Pos.</u>	<u>2012</u>	<u>Pos.</u>	<u>2013</u>	<u>Pos.</u>	<u>2014</u>
<b>Administration</b>										
Project Elimination, Deferral or Savings	-	\$6.416	-	(\$5.290)	-	\$0.000	-	\$0.000	-	\$0.000
E-ZPass Initiatives	-	3.234	-	7.248	-	1.700	-	1.700	-	1.700
Major Maintenance/Capitalized Asset Reduction	-	0.000	-	7.350	-	0.000	-	0.000	-	0.000
Organizational Assessment (Labor/Non-Labor)	88	5.689	88	9.021	88	9.021	88	9.021	88	9.021
2010 Overtime Reductions	-	6.239	-	4.852	-	5.387	-	5.387	-	5.387
Other Initiatives	-	1.710	-	0.034	-	0.000	-	0.000	-	0.000
<i>Subtotal Administration</i>	88	23.288	88	23.215	88	\$16.108	88	\$16.108	88	\$16.108
<b>Customer Convenience/Amenities</b>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Customer Convenience/Amenities</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<b>Maintenance</b>										
Bridge Painting	-	17.266	-	33.039	-	41.393	-	38.940	-	27.724
<i>Subtotal Maintenance</i>	-	17.266	-	33.039	-	41.393	-	38.940	-	27.724
<b>Revenue Enhancement</b>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Revenue Enhancement</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<b>Safety</b>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Safety</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<b>Security</b>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Security</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<b>Service</b>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Service</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<b>Service Support</b>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Service Support</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<b>Other</b>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Other</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<b>Agency Submission</b>	88	\$40.554	88	\$56.254	88	\$57.501	88	\$55.048	88	\$43.832

**MTA Bridges and Tunnels  
November Financial Plan 2011-2014  
2010 Budget Reduction Plan Worksheet**

**Category by Function:** Administration

**Program:** Project Elimination, Deferral or Savings

**Background Details:** As part of the Cyclical Review Project, B&T reviewed operating budget and capitalized asset purchases originally planned in 2010 against a new set of criteria established by the MTA.

**Program Description/Implementation Plan:**

Out of all the projects funded through capitalized assets or the operating budget, a total of six projects were flagged for elimination (all capitalized asset projects) amounting to a reduction of \$0.9 million in 2010 and \$0.2 million in 2011. Thirteen projects have been marked for deferral from 2010 to 2011 (eleven capitalized asset and two operating budget projects) resulting in a total reduction of \$3.9 million in 2010 with a corresponding increase in 2011. Projects deferred until 2011 will have no impact on the safety and security of customers and employees. Projects eliminated were primarily in the technology area and will have no effect on day-to-day operations.

As part of this effort, B&T also reviewed its vehicle procurement plan. B&T's fleet replacement cycles were reviewed and were determined to be better than current industry benchmarks. However, B&T still re-evaluated the frequency of its fleet replacements and was able to determine that some of the vehicles' useful lives can be extended with minimal impact to facility operations. Therefore, a total of 28 vehicles planned for replacement in 2010 will be replaced in 2011 instead, saving approximately \$1.0 million.

**Program Implementation Date:** Apr 2010      **When will savings begin?:** Apr 2010

**Are these savings recurring?:** No

**Other Issues:**

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$6.416	(\$5.290)	\$0.000	\$0.000	\$0.000

*Total Reduction in Positions Required:* 0      0      0      0      0

*(List Title of Positions)*

*Impact on Operations:*  
Ridership Per Week (in thousands)  
Mean Distance Between Failure  
On-Time Performance

Other  
(Identify Appropriate Indicator)

*List of Other Concerns:*

**MTA BRIDGES AND TUNNELS**  
**November Financial Plan 2011-2014**  
**2010 Budget Reduction Plan Worksheet**

**Category by Function:** Administration

**Program:** E-ZPass Initiatives

<b>Background Details:</b>	B&T continually strives to both ensure the continued success of E-ZPass and increase the market share on its facilities, recognizing that E-ZPass not only speeds trips for customers, but keeps B&T costs down, as the cost per transaction for E-ZPass compared to cash tolls is much lower.
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<b>Program Description/Implementation Plan:</b>	The E-ZPass Initiatives include the budget reduction for the E-ZPass Customer Service Center by \$1.7 million per year based on savings generated from a new contract that began in 2009. In addition, beginning in the second half of 2010 and continuing throughout the plan period, B&T will replace E-ZPass tags that are approaching the end of their service lives. This program will ensure that tags are replaced before the tag components expire, greatly decreasing the possibility that customers will experience tag performance problems. In anticipation of this effort, B&T negotiated a contract option with its E-ZPass tag vendor that includes a 21% discount off the regular tag price for the remainder of the contract period for all tag purchases associated with the tag swap, saving B&T approximately \$1.5 million in 2010 and \$5.5 million in 2011.		
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<b>Program Implementation Date:</b>	<b>Jan 2010</b>	<b>When will savings begin?:</b>	<b>Jan 2010</b>
		<b>Are these savings recurring?:</b>	<b>Yes</b>

**Other Issues:**

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$3.234	\$7.248	\$1.700	\$1.700	\$1.700

<i>Total Reduction in Positions Required:</i>	0	0	0	0	0
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*(List Title of Positions)*

*Impact on Operations:*

Ridership Per Week (in thousands)  
Mean Distance Between Failure  
On-Time Performance

Other  
(Identify Appropriate Indicator)

*List of Other Concerns:*

**MTA BRIDGES AND TUNNELS**  
**November Financial Plan 2011-2014**  
**2010 Budget Reduction Plan Worksheet**

**Category by Function:** Administration

**Program:** Major Maintenance/Capitalized Asset Reduction from Best Value Analysis

<b>Background Details:</b>	B&T undertook a Best Value Review of it's 2010-2014 Capital Program, major maintenance and capitalized asset projects were reviewed to determine if certain work could be combined with planned capital projects.
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<b>Program Description/Implementation Plan:</b>	The ongoing review has thus far identified several projects that can be incorporated into the capital program (6 major maintenance projects and 2 capitalized asset projects). This will reduce expenditures by a total of \$7.4 million in 2011 (\$3.2 million in major maintenance and \$4.1 million in capitalized assets).
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<b>Program Implementation Date:</b>	Jan 2011	<b>When will savings begin?:</b>	Jan 2011
		<b>Are these savings recurring?:</b>	No
<b>Other Issues:</b>			

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.000	\$7.350	\$0.000	\$0.000	\$0.000
<i>Total Reduction in Positions Required:</i>	0	0	0	0	0
<i>(List Title of Positions)</i>					
<i>Impact on Operations:</i>					
Ridership Per Week (in thousands)					
Mean Distance Between Failure					
On-Time Performance					
Other					
(Identify Appropriate Indicator)					
<i>List of Other Concerns:</i>					

**MTA BRIDGES AND TUNNELS**  
**November Financial Plan 2011-2014**  
**2010 Budget Reduction Plan Worksheet**

**Category by Function:** Administration

**Program:** Organizational Assessment

<b>Background Details:</b>	B&T undertook a comprehensive organizational assessment to identify cost saving opportunities in both administrative and operational areas. Through this effort the organization was significantly re-designed; non-value added and duplicative functions were eliminated; the number of organizational layers were reduced; and spans of controls were increased.						
<b>Program Description/Implementation Plan:</b>	The Organizational Assessment program includes the consolidation of maintenance operations, elimination of the warehouse, revamping of maintenance schedules, improving the engineering process, and organizational restructuring and implementation of best practices guidelines, resulting in labor savings (not including overtime) of \$4.2 million in 2010 and \$6.9 million in 2011. Non-labor savings are generated by bringing the cleaning of facilities and landscaping of the premises in-house, enabling contracted costs for these programs to be reduced and amount to \$1.5 million in 2010 and \$2.1 million in 2011.						
<b>Program Implementation Date:</b>	<table style="width: 100%;"> <tr> <td style="width: 33%;">Apr 2010</td> <td style="width: 33%;"><b>When will savings begin?:</b></td> <td style="width: 33%;">Apr 2010</td> </tr> <tr> <td></td> <td><b>Are these savings recurring?:</b></td> <td>Yes</td> </tr> </table>	Apr 2010	<b>When will savings begin?:</b>	Apr 2010		<b>Are these savings recurring?:</b>	Yes
Apr 2010	<b>When will savings begin?:</b>	Apr 2010					
	<b>Are these savings recurring?:</b>	Yes					
<b>Other Issues:</b>							

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$5.689	\$9.021	\$9.021	\$9.021	\$9.021
<i>Total Reduction in Positions Required:</i>	88	88	88	88	88
<i>(List Title of Positions)</i>					
<i>Impact on Operations:</i>					
Ridership Per Week (in thousands)					
Mean Distance Between Failure					
On-Time Performance					
Other					
(Identify Appropriate Indicator)					
<i>List of Other Concerns:</i>					

**MTA BRIDGES AND TUNNELS**  
**November Financial Plan 2011-2014**  
**2010 Budget Reduction Plan Worksheet**

**Category by Function:**

**Administration**

**Program:**

**Overtime Reduction Program**

<b>Background Details:</b>	Through a comprehensive organizational assessment, B&T was able to consolidate functions, improve management controls and realign schedules to allow for more efficient utilization of the workforce, helping to reduce overtime and related costs. The reductions are primarily the result of the centralization of maintenance functions, instituting tighter controls on overtime, and elimination of some weekend and night supervisory overtime.
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<b>Program Description/Implementation Plan:</b>	Parts of the overtime reduction program were implemented early on in the current year. All of the programs have been put in place and B&T will realize \$6.2 million in overtime savings. In the July Financial Plan, B&T committed to a savings of \$4.2 million in overtime. In the November Financial Plan, B&T was able to identify an additional \$2.0 million in overtime savings.
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<b>Program Implementation Date:</b>	<b>Jan 2010</b>	<b>When will savings begin?:</b>	<b>Jan 2010</b>
		<b>Are these savings recurring?:</b>	<b>Yes</b>

**Other Issues:**

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
<b>Net Cash Savings (in millions)</b>	<b>\$6.239</b>	<b>\$4.852</b>	<b>\$5.387</b>	<b>\$5.387</b>	<b>\$5.387</b>

<i>Total Reduction in Positions Required:</i>	0	0	0	0	0
<i>(List Title of Positions)</i>					

*Impact on Operations:*

Ridership Per Week (in thousands)  
Mean Distance Between Failure  
On-Time Performance

Other  
(Identify Appropriate Indicator)

*List of Other Concerns:*

**MTA Bridges and Tunnels**  
**November Financial Plan 2011-2014**  
**2010 Budget Reduction Plan Worksheet**

**Category by Function:** Administration

**Program:** Other Initiatives

**Background Details:** These initiatives include one-time expense reductions for planning studies (\$0.7 million) based on capitalizing some expenses related to the study of All-Electronic Toll Collection, health and welfare expenses for the Empire Plan (\$1.0 million) and rapid procurement (\$0.045 million in 2010 and \$0.034 million in 2011).

**Program Description/Implementation Plan:** A total one-time savings of \$1.710 million in 2010 for planning studies, Empire Plan and rapid procurement and \$0.034 million for rapid procurement in 2011.

**Program Implementation Date:** Jan 2010      **When will savings begin?:** Jan 2010

**Are these savings recurring?:** No

**Other Issues:**

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$1.710	\$0.034	\$0.000	\$0.000	\$0.000
<i>Total Reduction in Positions Required:</i>	0	0	0	0	0
<i>(List Title of Positions)</i>					

*Impact on Operations:*  
 Ridership Per Week (in thousands)  
 Mean Distance Between Failure  
 On-Time Performance  
 Other  
 (Identify Appropriate Indicator)

*List of Other Concerns:*

**MTA Bridges and Tunnels**  
**November Financial Plan 2011-2014**  
**2010 Budget Reduction Plan Worksheet**

**Category by Function:** Maintenance

**Program:** Bridge Painting

<b>Background Details:</b>	B&T embarked on a large scale painting program in 1995 and has traditionally funded painting needs under the Operating Budget. The overall strategy for the Painting program is to minimize coating deterioration, which provides corrosion protection to maintain the structural integrity of all B&T facilities. Like standard capital work, paint conditions are monitored and needs are prioritized based on Biennial Inspection ratings. Painting work falls into two categories: 1) Removal of lead based paint or old coating and replacement with new high performance coating; and 2) Maintenance of the new coatings that keeps existing coatings in place. A significant portion of the current Painting program falls under the first category and is considered capital eligible based on useful life (greater than 7 years) and cost (greater than \$50,000) criteria. As a result, B&T has determined that all capital eligible painting work can be transferred to the capital program.
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<b>Program Description/Implementation Plan:</b>	For the 2010-2014 time frame, \$219.9M of expenditures are planned in the Operating Budget, of which \$158.4M can be classified as capital eligible and, when transferred to the Capital Program, results in significant annual savings in the Operating Budget of \$17.3M, \$33.0M, \$41.4M, \$38.9M, and \$27.7M for the period 2010-2014, respectively. This action leaves \$61.5M in the Operating Budget over that time frame for maintenance and painting.		
<b>Program Implementation Date:</b>	Jan 2010	<b>When will savings begin?:</b>	Jan 2010
		<b>Are these savings recurring?:</b>	Yes
<b>Other Issues:</b>	While not recurring at the same value each year, there are significant savings in each year of the Financial plan.		

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$17.266	\$33.039	\$41.393	\$38.940	\$27.724
<i>Total Reduction in Positions Required:</i>	0	0	0	0	0
<i>(List Title of Positions)</i>					
<i>Impact on Operations:</i>					
Ridership Per Week (in thousands)					
Mean Distance Between Failure					
On-Time Performance					
Other					
(Identify Appropriate Indicator)					
<i>List of Other Concerns:</i>					

**MTA BRIDGES AND TUNNELS  
2011 FINAL PROPOSED BUDGET  
NOVEMBER FINANCIAL PLAN 2011-2014  
POSITIONS**

**Year-to-Year**

In 2010, total headcount is budgeted at 1,688, which includes 45 reimbursable positions. In 2011, the total headcount will decrease by 33 to 1,655 to account for the number of positions being reduced as a result of the transfer of functions to the Business Service Center (BSC). This includes 53 reimbursable positions to carry out the additional work required in the capital program. In 2012, an additional 27 positions will be transferred to the BSC, bringing the total headcount to 1,628. Headcount will remain unchanged at 1,628 through 2014.

**Plan-to-Plan**

In 2010, the budgeted headcount is 1,688, which is no change from July Financial Plan. In 2011, the budgeted headcount is 1,655, which is a reduction from the July Financial Plan of 26 positions to reflect the transfer of the Procurement Department to the Business Service Center. In 2012 through 2014, the budgeted headcount is 1,628, which is a reduction of 28 positions from the July Financial Plan. The additional 2 positions are newly-identified transfers to the Business Service Center.

**MTA BRIDGES AND TUNNELS**  
**November Financial Plan 2011-2014**  
**Total Positions by Function**  
**Non-Reimbursable/Reimbursable and Full-time/Full-time Equivalents**

FUNCTION/DEPARTMENT	2009 Actual	2010 November Forecast	2011 Final Proposed Budget	2012	2013	2014
<b>Administration</b>						
Executive	2	2	2	2	2	2
Law	9	7	7	7	7	7
CFO <sup>(1)</sup>	38	34	27	18	18	18
Labor Relations	5	5	5	5	5	5
Procurement & Materials	37	26	0	0	0	0
Staff Services <sup>(2)</sup>	46	33	33	19	19	19
EEO	1	1	1	1	1	1
<b>Total Administration</b>	<b>138</b>	<b>108</b>	<b>75</b>	<b>52</b>	<b>52</b>	<b>52</b>
<b>Operations</b>						
Revenue Management	41	41	41	41	41	41
Operations (Non-Security)	733	732	732	732	732	732
<b>Total Operations</b>	<b>774</b>	<b>773</b>	<b>773</b>	<b>773</b>	<b>773</b>	<b>773</b>
<b>Maintenance</b>						
Maintenance	124	161	161	161	161	161
Operations - Maintainers	166	162	162	162	162	162
Procurement & Materials	12	0	0	0	0	0
Technology	58	56	56	52	52	52
Internal Security - Tech Svcs	35	8	8	8	8	8
<b>Total Maintenance</b>	<b>395</b>	<b>387</b>	<b>387</b>	<b>383</b>	<b>383</b>	<b>383</b>
<b>Engineering/Capital</b>						
Engineering & Construction	158	127	127	127	127	127
Health & Safety	10	8	8	8	8	8
Planning & Budget Capital	8	12	12	12	12	12
<b>Total Engineering/Capital</b>	<b>176</b>	<b>147</b>	<b>147</b>	<b>147</b>	<b>147</b>	<b>147</b>
<b>Public Safety</b>						
Operations (Security)	252	234	234	234	234	234
Internal Security - Operations	46	39	39	39	39	39
<b>Total Public Safety</b>	<b>298</b>	<b>273</b>	<b>273</b>	<b>273</b>	<b>273</b>	<b>273</b>
<b>Total Baseline Positions</b>	<b>1,781</b>	<b>1,688</b>	<b>1,655</b>	<b>1,628</b>	<b>1,628</b>	<b>1,628</b>
<i>Non-Reimbursable</i>	1,736	1,643	1,602	1,575	1,575	1,575
<i>Reimbursable</i>	45	45	53	53	53	53
<i>Total Full-Time</i>	1,781	1,688	1,655	1,628	1,628	1,628
<i>Total Full-Time Equivalents</i>	0	0	0	0	0	0

<sup>(1)</sup> includes Accounts Payable, Accounting, Payroll and Operating Budget staff.

<sup>(2)</sup> includes Human Resources and Administration staff.

**MTA BRIDGES AND TUNNELS**  
**November Financial Plan 2011-2014**  
**Total Positions by Function and Occupation**

FUNCTION/OCCUPATIONAL GROUP	2009 Actual	2010 November Forecast	2011 Final Proposed Budget	2012	2013	2014
<b>Administration</b>						
Managers/Supervisors	46	41	31	24	24	24
Professional, Technical, Clerical	92	67	44	28	28	28
Operational Hourlies	-	-	-	-	-	-
<b>Total Administration</b>	<b>138</b>	<b>108</b>	<b>75</b>	<b>52</b>	<b>52</b>	<b>52</b>
<b>Operations</b>						
Managers/Supervisors	52	50	50	50	50	50
Professional, Technical, Clerical	50	44	44	44	44	44
Operational Hourlies <sup>(1)</sup>	672	679	679	679	679	679
<b>Total Operations</b>	<b>774</b>	<b>773</b>	<b>773</b>	<b>773</b>	<b>773</b>	<b>773</b>
<b>Maintenance</b>						
Managers/Supervisors	29	33	33	32	32	32
Professional, Technical, Clerical	57	51	51	48	48	48
Operational Hourlies <sup>(2)</sup>	309	303	303	303	303	303
<b>Total Maintenance</b>	<b>395</b>	<b>387</b>	<b>387</b>	<b>383</b>	<b>383</b>	<b>383</b>
<b>Engineering/Capital</b>						
Managers/Supervisors	38	30	30	30	30	30
Professional, Technical, Clerical	138	117	117	117	117	117
Operational Hourlies	-	-	-	-	-	-
<b>Total Engineering/Capital</b>	<b>176</b>	<b>147</b>	<b>147</b>	<b>147</b>	<b>147</b>	<b>147</b>
<b>Public Safety</b>						
Managers/Supervisors	15	10	10	10	10	10
Professional, Technical, Clerical	27	29	29	29	29	29
Operational Hourlies <sup>(3)</sup>	256	234	234	234	234	234
<b>Total Public Safety</b>	<b>298</b>	<b>273</b>	<b>273</b>	<b>273</b>	<b>273</b>	<b>273</b>
<b>Total Positions</b>						
Managers/Supervisors	180	164	154	146	146	146
Professional, Technical, Clerical	364	308	285	266	266	266
Operational Hourlies	1,237	1,216	1,216	1,216	1,216	1,216
<b>Total Positions</b>	<b>1,781</b>	<b>1,688</b>	<b>1,655</b>	<b>1,628</b>	<b>1,628</b>	<b>1,628</b>

<sup>(1)</sup> Represents Bridge and Tunnel Officers, Sergeants and Lieutenants. These positions are paid annually, not hourly.

<sup>(2)</sup> Represents maintenance personnel. These positions are paid annually, not hourly.

<sup>(3)</sup> Represents Bridge and Tunnel Officers, Sergeants and Lieutenants performing public safety. These positions are paid annually, not hourly.

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# **Capital Construction Company**

**MTA CAPITAL CONSTRUCTION COMPANY**  
**2011 Final Proposed Budget**  
**November Financial Plan 2011-2014**

**MAJOR HIGHLIGHTS**

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 21<sup>st</sup> 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 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 \$9 billion in commitments. In July of 2010, MTACC's 7 Line Extension project hit a major milestone in the \$2.1 billion project. The second of two tunnel boring machines (TBM) has completed its 4,661 foot run and has reached the chamber adjacent to the current terminus for the No. 7 train underneath 42nd Street. The TBM broke through into the receiving chamber just below the Port Authority Bus Terminal in close proximity to the bus terminal foundation and utilities, as well as the 8th Avenue Subway Line. Our

additional two tunnel boring machines, on the East Side Access project, continue to progress. In Manhattan, the SELI TBM continued mining its third drive and the Robbins TBM completed its fourth drive. Roadheader excavation continued in both Grand Central caverns and blasting has begun. Excavation of the shafts and escalator ways in Madison Yard continued. Agreement was reached between NYCDEP, Metro-North and MTACC on a MOU for work as part of the 50th Street Vent Facility (CM013). This will allow work to proceed without delay.

In May, Second Avenue Subway also made significant progress on excavation work on its tunneling projects. The 485-ton, 450-foot-long TBM will dig through approximately 50 feet of Manhattan bedrock per day as it completes two runs from 92nd Street to 63rd Street. This aspect of the project called Phase 1 will serve more than 200,000 people per day, reducing overcrowding on the Lexington Avenue Line and restoring a transit link to a neighborhood that lost the Second Avenue Elevated in 1940.

In recent months the underpinning for the Corbin Building and the foundation for the new Fulton Transit Center Project were completed. This allows for restoration of the Corbin building for future use by the public while further work can begin on the new Transit Center Building.

Among the most significant awards in 2010 was the Federal Stimulus grant awarded on March 1, 2010 for the East Side Access Project. The grant allows for deferred local match. Notable contracts that were awarded this year in addition to the Corbin Building Restoration, were the Dey Street and R/W Underpass Finishes. As expected, the Transit Center Building on the Fulton Transit Center project was recently awarded on August 5<sup>th</sup>. The 72<sup>nd</sup> St. Station building demolition and the 72<sup>nd</sup> St. Station heavy civil mining and lining contracts for the Second Avenue Subway project were combined into one contract and awarded on October 1.

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 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.
- MTA Capital Construction is pursuing LEED (Leadership in Energy and Environmental Design) certification of 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
- MTACC continues to preserve and/or document archeological resources unearthed during construction. These resources include a well found beneath the Corbin Building on the Fulton Street Transit Center project, and the Battery Wall, Whitehall Slip and thousands of 18<sup>th</sup> and 19<sup>th</sup> century artifacts found during construction of the South Ferry Terminal Station.

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 2010 totals approximately \$2.4 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. Our conservative budgets and forecasting are evident in 2010 through 2014 and as history has shown, our actual expenditures have consistently come in lower than our Adopted Budgets.

### **2010 November Forecast**

MTACC's 2010 November Forecast is \$32.647 million, remaining the same as the July Financial Plan. Labor Costs are projected at \$26.029 million, with a staffing level of 150 by year end, also remaining constant to the July Financial Plan.

MTACC Administration will provide funding for 55% of the \$32.647 November Final Proposed Budget, which is approximately \$18 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; 27 for the East Side Access project; 20 for the Second Avenue Subway project; 19 for the Lower Manhattan projects; 10 for 7 Line Extension, and 14 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 \$6.618 million. 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 \$2.7 million of projected non-labor expenditures

are uncontrollable and determined by MTAHQ such as independent engineer, independent compliance monitor, MTA Audit quarterly chargebacks, AAPL insurance and payroll mobility tax. Independent engineering expenses and legal litigation fees incurred from June through December 2010 will be captured in a new line item within the 2010-2014 Capital Plan. Remaining funds have been budgeted for miscellaneous 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, occupancy, mobile communications devices and supplies.

### **2011 Final Proposed Budget - Baseline**

In 2011 MTACC's main objective will be to continue major construction of the MTA's system expansion projects. By 2011 all system expansion projects will have over \$11.5 billion in commitments underway or completed. MTACC projects 2011 costs of \$34.524 million, a slight decrease of less than 1% from the July Financial Plan. Under the direction of MTAHQ, 3 positions will be transferred to the Business Service Center and year end staffing levels will reach 147.

MTACC Administration will provide funding for 55% of the \$34.524, which is approximately \$19 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 remain consistent with the July Financial Plan projected at \$27.650 million. Staff includes 60 MTACC positions who support the system expansion projects and cannot charge directly to a specific project, 26 for the East Side Access project, 20 for the Second Avenue Subway project, 18 for the Lower Manhattan projects, 9 for 7 Line Extension, and 14 for Security projects.

Non-Labor costs are projected at \$6.874 million, a decrease of less than 1% from the July Financial Plan. Non-Labor costs increase by approximately 3.9% from 2010. Costs include the continued support of 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. In 2011, MTACC will allocate the support of independent engineer and legal litigation expenditures within a sub-category of the overall MTACC Capital Plan. These expenses of approximately \$5.1 million will be funded through the Administrative 2010-2014 Capital Program and will be tracked independently of the administrative professional services forecasts and expenditures. This process will allow us efficient and candid reporting of such annual costs.

## **2012 - 2014 Projections**

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

MTACC costs for 2012-2014 are projected to decrease by less than 1% each year when compared to the July Financial Plan.

Year-end staffing levels remain constant at 147 through 2014.

Non-labor expenses decrease by less than 1% in 2012-2014 compared to the July Financial Plan. The decrease reflects the updated cost inflator assumptions.

MTACC Administration will continue to provide the majority of funding of the overall projections from 2012-2014. Administration's contribution is expected to be 54% for 2012 and 2013 with a slight decrease to 52% in 2014. Approximate expenditures for the year 2012 are \$19 million increasing to an estimated \$20 million in 2013 due to the final anticipated MTA Audit quarterly chargebacks. In 2014, Administrations contribution is estimated to be \$19 million. The remainder of the expenses will be reimbursed by each of the mega projects. AABB's are consistently applied within the professional services category, from 2012 to 2014 in the amount of \$1.100 million per year.

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**MTA CAPITAL CONSTRUCTION COMPANY**  
**2011 Final Proposed Budget**  
**November Financial Plan 2011-2014**  
**Year-to-Year Changes by Category-Baseline**

**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:**

- 2010 payroll costs reflect a projected year-end staffing level of 150. Majority of new hires will occur in the third and fourth quarters of 2010. 2011 payroll costs increase by 5.8% based on annual full-time staff levels of 147.
- 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 2014.

**Other Fringe Benefits:**

- Health and Welfare, Pensions and Other Fringe Benefits costs in 2010 increased from 2009 to coincide with the adjusted year-end staffing levels of 150. In 2011, these costs will increase by 24.2%, 0.7%, 2.5%, respectively, to reflect full year of staffing levels.
- Benefits expenditures remain constant and are escalated by inflation rates from 2012 through 2014.

**Insurance:**

- 2010 includes insurance expenses for the All-Agency Protective Liability Program for all MTACC projects.

- 2011 costs remain constant through 2014 and escalated by inflation rates determined by MTAHQ.

#### Professional Service Contracts:

- In 2010, anticipated costs are commensurate to the timeline of projects. These expenditures are for specialty contractors, independent compliance monitor, MTA Audit quarterly chargebacks, contractual employees such as URS consultants and miscellaneous project related costs.
- With the continuation of contractual employees, costs increase slightly in 2011. In 2012 and 2013, costs remain constant. A decrease of \$1.146 million (22%) in 2014 due to the reallocation of projected MTA Audit chargebacks from Administration to projects.

#### Materials and Supplies:

- 2010 costs include safety equipment for field employees and general office supplies. Expenses between 2011 and 2014 are based on 2010 projections and are escalated by inflation rates.

#### Other Business Expenses:

- 2010 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.
- Costs increase by 9.0% in 2011 due to anticipated occupancy expenses. Additional increases in expenditures include the payroll mobility tax based on annual full staff levels.
- 2012 through 2014 costs are escalated by inflations rates.

**MTA CAPITAL CONSTRUCTION**  
**November Financial Plan 2011-2014**  
**Year-to-Year Changes by Category - Accrual Basis**  
(\$ in millions)

**REIMBURSABLE**

	Favorable/(Unfavorable)								
	2010	2011	Change 2011 - 2010	2012	Change 2012 - 2011	2013	Change 2013 - 2012	2014	Change 2014 - 2013
<b><u>Revenue</u></b>									
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	32.647	34.524	1.877	35.350	0.825	36.122	0.773	35.732	(0.390)
<b>Total Revenue</b>	<b>\$32.647</b>	<b>\$34.524</b>	<b>\$1.877</b>	<b>\$35.350</b>	<b>\$0.825</b>	<b>\$36.122</b>	<b>\$0.773</b>	<b>\$35.732</b>	<b>(\$0.390)</b>
<b><u>Expenses</u></b>									
Labor:									
Payroll	\$15.854	\$16.772	(\$0.919)	\$17.138	(\$0.365)	\$17.486	(\$0.349)	\$17.820	(\$0.333)
Overtime	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	2.254	2.798	(0.544)	2.975	(0.177)	3.168	(0.193)	3.363	(0.195)
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	2.311	2.328	(0.016)	2.398	(0.070)	2.471	(0.073)	2.541	(0.070)
Other Fringe Benefits	5.610	5.752	(0.142)	5.942	(0.190)	6.040	(0.099)	6.175	(0.135)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenses</b>	<b>\$26.029</b>	<b>\$27.650</b>	<b>(\$1.621)</b>	<b>\$28.452</b>	<b>(\$0.802)</b>	<b>\$29.165</b>	<b>(\$0.713)</b>	<b>\$29.899</b>	<b>(\$0.733)</b>
Non-Labor:									
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.104	0.115	(0.010)	0.126	(0.011)	0.139	(0.013)	0.153	(0.014)
Claims	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Professional Service Contracts	5.060	5.178	(0.118)	5.181	(0.002)	5.218	(0.037)	4.072	1.146
Materials & Supplies	0.045	0.045	(0.000)	0.046	(0.001)	0.047	(0.001)	0.048	(0.001)
Other Business Expenses	1.409	1.536	(0.127)	1.544	(0.008)	1.553	(0.009)	1.561	(0.008)
<b>Total Non-Labor Expenses</b>	<b>\$6.618</b>	<b>\$6.874</b>	<b>(\$0.256)</b>	<b>\$6.897</b>	<b>(\$0.023)</b>	<b>\$6.957</b>	<b>(\$0.060)</b>	<b>\$5.833</b>	<b>\$1.124</b>
Other Expenses Adjustments:									
Other			0.000		0.000		0.000		0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$32.647</b>	<b>\$34.524</b>	<b>(\$1.877)</b>	<b>\$35.350</b>	<b>(\$0.825)</b>	<b>\$36.122</b>	<b>(\$0.773)</b>	<b>\$35.732</b>	<b>\$0.390</b>
Depreciation			0.000		0.000		0.000		0.000
<b>Total Expenses</b>	<b>\$32.647</b>	<b>\$34.524</b>	<b>(\$1.877)</b>	<b>\$35.350</b>	<b>(\$0.825)</b>	<b>\$36.122</b>	<b>(\$0.773)</b>	<b>\$35.732</b>	<b>\$0.390</b>
<b>Baseline Net Surplus/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>(\$0.000)</b>

### CASH RECEIPTS & EXPENDITURES

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**MTA CAPITAL CONSTRUCTION COMPANY**  
**2011 Final Proposed Budget**  
**November Financial Plan 2011-2014**  
**Summary of Major Plan-to-Plan Changes-Baseline**

**2010: November Financial Plan vs. July Financial Plan**

The November Financial Plan is unchanged from the July Financial Plan.

**2011 - 2014: November Financial Plan vs. July Financial Plan**

Projections for 2011 have decreased by \$.002 million from the July Financial Plan.

2012-2014 annual projections have decreased by \$.003 million, less than 1% from the July Financial Plan. This decrease is due to revised cost inflator assumptions.

**MTA CAPITAL CONSTRUCTION**  
**November Financial Plan 2011-2014**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

**REIMBURSABLE**

	2010	2011	2012	2013	2014
<b>Baseline 2010 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b><i>Baseline Changes</i></b>					
<b>Revenue</b>					
Farebox Revenue					
Vehicle Toll Revenue					
Capital and Other Reimbursement	(\$0.000)	(\$0.002)	(\$0.003)	(\$0.003)	(\$0.003)
<b><i>Total Revenue Changes</i></b>	<b>(\$0.000)</b>	<b>(\$0.002)</b>	<b>(\$0.003)</b>	<b>(\$0.003)</b>	<b>(\$0.003)</b>
<b>Expenses</b>					
<b><i>Labor:</i></b>					
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Health and Welfare	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Current Payment					
Pensions	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Fringe Benefits	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Reimbursable Overhead					
<b><i>Total Labor Expense Changes</i></b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b><i>Non-Labor:</i></b>					
Traction and Propulsion Power					
Fuel for Buses and Trains					
Insurance	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Claims					
Paratransit Service Contracts					
Professional Service Contracts	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Maintenance and Other Operating Contracts					
Materials & Supplies	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Business Expenses	(\$0.000)	\$0.002	\$0.003	\$0.003	\$0.003
<b><i>Total Non-Labor Expense Changes</i></b>	<b>(\$0.000)</b>	<b>\$0.002</b>	<b>\$0.003</b>	<b>\$0.003</b>	<b>\$0.003</b>
<b><i>Total Expense Changes</i></b>	<b>(\$0.000)</b>	<b>\$0.002</b>	<b>\$0.003</b>	<b>\$0.003</b>	<b>\$0.003</b>
<b><i>Other Expense Adjustments/Gap Closing Actions</i></b>					
Other - Restricted Cash Adjustment					
<b><i>Total Other Expenditure AdjustmentsChanges</i></b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b><i>Total Baseline Changes</i></b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>
<b>Baseline 2010 November Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>

**MTA CAPITAL CONSTRUCTION**  
**November Financial Plan 2011-2014**  
**Summary of Major Programmatic Changes Between Financial Plans**  
(\$ in millions)

**NON-REIMBURSABLE and REIMBURSABLE**

	2010	2011	2012	2013	2014
<b>Baseline 2010 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<i><b>Non-Reimbursable Major Changes</b></i>					
<b>Revenue</b>					
<b>Sub-Total Non-Reimbursable Revenue Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Expenses</b>					
<b>Sub-Total Non-Reimbursable Expense Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<i><b>Total Non-Reimbursable Major Changes</b></i>	<i><b>\$0.000</b></i>	<i><b>\$0.000</b></i>	<i><b>\$0.000</b></i>	<i><b>\$0.000</b></i>	<i><b>\$0.000</b></i>
<i><b>Reimbursable Major Changes</b></i>					
<b>Revenue</b>	(\$0.000)	(\$0.002)	(\$0.003)	(\$0.003)	(\$0.003)
<b>Sub-Total Reimbursable Revenue Changes</b>	(\$0.000)	(\$0.002)	(\$0.003)	(\$0.003)	(\$0.003)
<b>Expenses</b>	(\$0.000)	\$0.002	\$0.003	\$0.003	\$0.003
<b>Sub-Total Reimbursable Expense Changes</b>	(\$0.000)	\$0.002	\$0.003	\$0.003	\$0.003
<i><b>Total Reimbursable Major Changes</b></i>	<i><b>(\$0.000)</b></i>	<i><b>\$0.000</b></i>	<i><b>\$0.000</b></i>	<i><b>\$0.000</b></i>	<i><b>(\$0.000)</b></i>
<b>Total Accrual Changes</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>
<b>Cash Adjustment Changes</b>					
<b>Total Cash Adjustment Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<i><b>Total Baseline Changes</b></i>	<i><b>(\$0.000)</b></i>	<i><b>\$0.000</b></i>	<i><b>\$0.000</b></i>	<i><b>\$0.000</b></i>	<i><b>(\$0.000)</b></i>
<b>Baseline 2010 November Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>

**MTA CAPITAL CONSTRUCTION COMPANY**  
**2011 Final Proposed Budget**  
**November Financial Plan 2011-2014**  
**Positions**

**Position Assumptions**

All MTACC costs are reimbursable from the MTA Capital Program. The November Financial Plan projects 2010 year end staffing of 150. Staffing levels reach 150 in the fourth quarter 2010 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 2010 Year-End Staffing level remains constant at 150 employees. The breakdown is as follows: 60 MTACC administrative positions and 90 project positions implementing East Side Access, Second Avenue Subway, Lower Manhattan, No. 7 Line and the system-wide security program.

There were no position changes from the July Plan.

\*Employees of other agencies under temporary management by MTACC

**MTA CAPITAL CONSTRUCTION**  
**November Financial Plan 2011-2014**  
**Total Positions by Function**  
**Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents**

<b>FUNCTION/DEPARTMENT</b>	<b>2009 Actual</b>	<b>2010 November Forecast</b>	<b>2011 Final Proposed Budget</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Administration</b>						
MTACC	31	28	28	28	28	28
<b>Engineering/Capital</b>						
MTACC	25	32	32	32	32	32
East Side Access	26	27	26	26	26	26
Security	16	14	14	14	14	14
Second Avenue Subway	13	20	20	20	20	20
7 Line Extension	4	10	9	9	9	9
Lower Manhattan Project	12	19	18	18	18	18
<b>Total Engineering/Capital</b>	<b>96</b>	<b>122</b>	<b>119</b>	<b>119</b>	<b>119</b>	<b>119</b>
<b>Total Baseline Positions</b>	<b>127</b>	<b>150</b>	<b>147</b>	<b>147</b>	<b>147</b>	<b>147</b>
<i>Non-Reimbursable</i>	-	-	-	-	-	-
<i>Reimbursable</i>	127	150	147	147	147	147
<i>Total Full-Time</i>	127	150	147	147	147	147
<i>Total Full-Time Equivalents</i>	-	-	-	-	-	-

**MTA CAPITAL CONSTRUCTION**  
**November Financial Plan 2011-2014**  
**Total Positions by Function and Occupation**

FUNCTION/OCCUPATIONAL GROUP		2009 Actual	2010 November Forecast	2011 Final Proposed Budget	2012	2013	2014
<b>Administration</b>							
	Managers/Supervisors	-	-	-	-	-	-
	Professional, Technical, Clerical	31	28	28	28	28	28
	Operational Hourlies	-	-	-	-	-	-
	<b>Total Administration</b>	31	28	28	28	28	28
<b>Operations</b>							
	Managers/Supervisors						
	Professional, Technical, Clerical						
	Operational Hourlies <sup>(1)</sup>						
	<b>Total Operations</b>	-	-	-	-	-	-
<b>Maintenance</b>							
	Managers/Supervisors						
	Professional, Technical, Clerical						
	Operational Hourlies <sup>(1)</sup>						
	<b>Total Maintenance</b>	-	-	-	-	-	-
<b>Engineering/Capital</b>							
	Managers/Supervisors	-	-	-	-	-	-
	Professional, Technical, Clerical	96	122	119	119	119	119
	Operational Hourlies	-	-	-	-	-	-
	<b>Total Engineering/Capital</b>	96	122	119	119	119	119
<b>Public Safety</b>							
	Managers/Supervisors						
	Professional, Technical, Clerical						
	Operational Hourlies <sup>(1)</sup>						
	<b>Total Public Safety</b>	-	-	-	-	-	-
<b>Total Baseline Positions</b>							
	Managers/Supervisors	-	-	-	-	-	-
	Professional, Technical, Clerical	127	150	147	147	147	147
	Operational Hourlies	-	-	-	-	-	-
	<b>Total Baseline Positions</b>	127	150	147	147	147	147

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**Long Island Bus**

# **MTA LONG ISLAND BUS**

## **2011 Final Proposed Budget**

### **November Financial Plan 2011 - 2014**

#### **MAJOR HIGHLIGHTS**

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% Compressed Natural Gas (CNG) fixed-route fleet in the eastern USA, with 301 buses. This benefits the environment, both for LI Bus's passengers and for the 96 communities it serves. LI Bus's services provide linkages to 47 Long Island Rail Road stations and 5 New York City Transit subway stations, as well as shopping centers, colleges, museums, parks, theaters, and beaches throughout the area.

LI Bus also operates the Able-Ride Paratransit service, with a fleet of 88 fully-equipped vans and 4 sedans 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, LI Bus has met the goal of a zero denial rate and has reduced missed trips for all A.D.A. required trips.

LI Bus is managed by the MTA through a lease and operating agreement with Nassau County. Titles to fixed assets and revenue and non-revenue fleets are assigned to the County. Annual operating deficits are covered by a combination of subsidies from New York State, Nassau County, and MTA Headquarters. Capital programs, including revenue bus replacements and facility and equipment improvements 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 the MTA Bus Company (MTA Bus), New York City Transit's Department of Buses (NYCT DOB), and 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. Achievements to date include:

- Establishing a single management structure to set policy for all three companies and ensure coordination in all aspects of management and operations.
- Standardizing maintenance procedures and service manuals.
- Progressing the assimilation of information systems and standards.
- Increasing coordination of Command Center operations and road operations.
- Ensuring effective and consistent training regimens across all three companies.
- Consolidating procurements to ensure the best terms are achieved.
- Economies from the joint bus scrap program.

## FINANCIAL OVERVIEW

*Please note that MTA and Nassau County are holding discussions concerning the funding of LI Bus. Volume I contains a description of the issue, MTA's position and the resulting budgetary impact.*

The 2010 November forecast, 2011 Final Proposed Budget and projections for the years 2012-2014 includes the approved service reductions from the July Plan based on reduced Nassau County subsidy level and aggressively continues to control expenses through 2011 and the out years. LI Bus will continue to provide the best service possible in a safe and secure environment for our customers while trying to reduce cost efficiently.

The focus areas are:

- New Bus performance and administration efficiencies
- Maintenance productivities
- Paratransit cost savings
- Aggressive monitoring and control of overtime
- Inventory management
- Efficient management of procurements and operating/professional contracts

For the years 2010 - 2011, the November Plan has increased costs of \$2.2 million and \$0.1 million, respectively, primarily due to claims and pension.

Savings have previously been identified and realized from programs that started in February adopted budget and the July MYF. Further savings will be achieved for the years 2011 – 2014 in the November Plan. We exceeded the November plan \$0.2 Million targeted reduction by \$2.8 million in 2011, \$2.5 million in 2012, \$2.4 million in 2013; and \$2.5 million in 2014.

The November Plan includes \$5.7 million in cash timing from 2009 detailed in the generic budget categories as follows:

- \$3.3 million in Maintenance Contracts
- \$2.3 million in Claims
- \$1.1 million in Payroll retroactive wage provision for represented employees
- \$0.6 million in related Payroll Fringe Benefits
- \$0.2 million in Materials
- \$0.1 million in Insurance
- (\$1.9) million in Capital Reimbursements offset to expenses

Cash Adjustments from 2010 to 2011 include:

- \$2.3 Million in Pension payment to 2011

The economic conditions have impacted utilization less than expected. As of August year-to-date, fixed-route ridership is up by 0.4% compared to the July Plan and revenue is up by 1.1%.

Paratransit faces further challenges as they adhere to the ADA service guidelines as a means of cost savings. Year-to-date August shows ridership on target when compared to the July Plan. Farebox revenue is up by 0.6% versus the July Plan.

Labor negotiations are in progress for the TWU 252 LI Bus membership. There are two other major unions with contracts that expired at different dates during 2009. Based on final agreements, the 2010 cash budget may be impacted by retroactive pay requirements.

Capital projects, including 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 to fund the purchase and/or replacement of equipment and rolling stock. Any reduced availability of funding from these sources will have a direct impact on programs currently proposed in the Transportation Improvement Program (TIP).

The November Financial Plan maintains all July Plan initiatives and are adjusted to reflect new inflation assumptions, savings initiatives and budget guidelines.

### **2010 November Forecast**

Total revenue is projected at \$52.1 million, of which \$43.1 million is expected from Farebox receipts. Other operating revenue is projected at \$2.1 million and capital and other reimbursements at \$6.9 million. Capital Reimbursement decreased by \$0.3 million compared to the July plan due to the reclassification of post 1983 retiree OPEB Current expense from Reimbursable to Non Reimbursable.

LI Bus's November forecast reflects total baseline expenses of \$141.1 million before depreciation and OPEB obligations. The baseline cash deficit increased by \$2.2 million from the July Plan, primarily driven by the following:

- \$2.3 million in Claims - Unfavorable settlement
- \$2.1 million in Pensions
- \$1.1 million in Overtime - Vacancy coverage offset by Payroll
- \$0.6 million in OPEB Current payment – Reclassified from Health & Welfare
- \$0.3 million in Capital and Other Reimbursement -Post 1983 Retirees

Offset by:

- \$1.0 million in Payroll – Vacancy coverage offset by Overtime
- \$0.7 million in Health & Welfare – Reclassified to OPEB Current payment
- \$0.4 Million in Fuel – Rate change

## **2011 Final Proposed Budget - Baseline**

Total revenue is projected at \$52.2 million of which \$43.5 million is expected from Farebox Receipts (This does not take into consideration the 2011 fare increase and will be reported at the consolidation level). Other operating revenue is projected at \$1.7 million and capital and other reimbursements at \$7.0 million

LI Bus's total baseline expenses are \$141.1 million before depreciation and OPEB obligations. The total cash deficit increased by \$0.1 million from the July MYF, primarily driven by the following:

- \$1.9 million in Pensions – Per NY State instructions
- \$1.4 million in Payroll – Resulting from lower overtime initiative and BSC Chargeback
- \$0.6 million in OPEB Current Payment – Post 1983 Retirees
- \$0.3 million in Capital Reimbursements – Post 1983 Retirees

Offset by:

- \$1.8 million in Overtime – reductions and productivity efficiency
- \$1.2 million in Fuel – Rate change
- \$0.5 million in Fuel – Bus performance
- \$0.3 million in Health and welfare – Offset to reimbursements
- \$0.3 million in Materials and Supplies – Bus performance

## **2012 – 2014 Projections**

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

- Revenue:
  - 2012 – \$52.8 million, of which farebox revenue is \$43.9 million
  - 2013 – \$53.2 million, of which farebox revenue is \$44.2 million
  - 2014 – \$53.7 million, of which farebox revenue is \$44.6 million
- Expenses:
  - 2012 – \$148.7 million
  - 2013 – \$151.5 million
  - 2014 – \$155.8 million

Farebox Revenue projections are based on current regional employment data, which are used to forecast ridership levels that translate into revenue.

2012 – A total increase in the baseline of \$3.6 million comprised of an increase of \$1.2 million in Payroll, \$0.6 million OPEB Current Payment and \$5.3 million in Pension offset by a \$1.8 million decrease in Overtime, \$1.4 million in Fuel, \$0.3 million in Material and Supplies and \$0.4 million in Health & Welfare.

2013 – A total increase in the baseline of \$3.9 million comprised of an increase of \$0.4 million OPEB Current Payment and \$5.5 million in Pension offset by \$0.5 million decrease in Overtime, \$1.3 million in Fuel, \$0.3 million in Material and Supplies, \$0.1 million in Payroll and \$0.4 million in Health & Welfare.

2014 – A total increase in the baseline of \$3.9 million comprised of an increase of \$0.5 million OPEB Current Payment and \$5.6 million in Pension offset by \$0.5 million decrease in Overtime, \$1.4 million in Fuel, \$0.3 million in Material and Supplies, \$0.1 million in Payroll and \$0.5 million in Health & Welfare.

**MTA LONG ISLAND BUS**  
**November Financial Plan 2011-2014**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

<b>NON-REIMBURSABLE</b>						
	<b>2009</b>	<b>2010</b>	<b>2011</b>			
	<b>Actual</b>	<b>November Forecast</b>	<b>Final Proposed Budget</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Operating Revenue</b>						
Farebox Revenue	\$42.014	\$43.125	\$43.471	\$43.907	\$44.255	\$44.566
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	3.484	2.055	1.716	1.745	1.804	1.863
Capital and Other Reimbursements	-	-	-	-	-	-
<b>Total Revenue</b>	<b>\$45.498</b>	<b>\$45.180</b>	<b>\$45.187</b>	<b>\$45.652</b>	<b>\$46.059</b>	<b>\$46.429</b>
<b>Operating Expenses</b>						
<b><u>Labor:</u></b>						
Payroll	\$64.510	\$66.756	\$69.670	\$70.536	\$70.761	\$72.008
Overtime	7.863	6.105	4.046	4.187	4.307	4.437
Health and Welfare	11.567	12.914	15.187	16.131	17.170	18.276
OPEB Current Payment	0.709	0.819	0.929	0.995	1.065	1.141
Pensions	4.080	6.538	7.469	11.037	11.379	11.695
Other Fringe Benefits	11.973	7.670	7.139	7.529	7.340	7.698
Reimbursable Overhead	-	-	-	-	-	-
<b>Total Labor Expenses</b>	<b>\$100.702</b>	<b>\$100.802</b>	<b>\$104.440</b>	<b>\$110.414</b>	<b>\$112.023</b>	<b>\$115.255</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power	-	-	-	-	-	-
Fuel for Buses and Trains	\$6.596	\$9.387	\$8.709	\$9.486	\$9.970	\$10.240
Insurance	0.477	0.598	0.610	0.656	0.708	0.754
Claims	1.592	5.919	3.733	3.816	3.900	3.979
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	9.082	10.337	10.568	11.004	11.357	11.628
Professional Service Contracts	1.789	2.489	1.968	2.016	2.062	2.105
Materials & Supplies	3.119	3.630	3.808	3.954	4.127	4.302
Other Business Expenses	(0.163)	0.974	0.187	0.191	0.194	0.198
<b>Total Non-Labor Expenses</b>	<b>\$22.492</b>	<b>\$33.334</b>	<b>\$29.583</b>	<b>\$31.123</b>	<b>\$32.317</b>	<b>\$33.206</b>
<b><u>Other Expenses Adjustments:</u></b>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation and GASB Adjs.</b>	<b>\$123.194</b>	<b>\$134.135</b>	<b>\$134.023</b>	<b>\$141.537</b>	<b>\$144.340</b>	<b>\$148.461</b>
Depreciation	-	-	-	-	-	-
OPEB Obligation	8.107	8.906	8.960	9.014	9.068	9.122
Environmental Remediation	-	-	-	-	-	-
<b>Total Expenses</b>	<b>131.301</b>	<b>143.042</b>	<b>142.983</b>	<b>150.551</b>	<b>153.408</b>	<b>157.583</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$85.803)</b>	<b>(\$97.862)</b>	<b>(\$97.796)</b>	<b>(\$104.899)</b>	<b>(\$107.349)</b>	<b>(\$111.154)</b>



**MTA LONG ISLAND BUS**  
**November Financial Plan 2011-2014**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE						
	2009 <u>Actual</u>	2010 November <u>Forecast</u>	2011 Final Proposed <u>Budget</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b>Revenue</b>						
Farebox Revenue	\$42.014	\$43.125	\$43.471	\$43.907	\$44.255	\$44.566
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	3.484	2.055	1.716	1.745	1.804	1.863
Capital and Other Reimbursements	6.643	6.916	7.033	7.187	7.142	7.308
<b>Total Revenue</b>	<b>\$52.141</b>	<b>\$52.096</b>	<b>\$52.220</b>	<b>\$52.839</b>	<b>\$53.201</b>	<b>\$53.737</b>
<b>Expenses</b>						
<b><u>Labor:</u></b>						
Payroll	\$65.361	\$67.764	\$70.700	\$71.590	\$71.846	\$73.126
Overtime	7.863	6.105	4.046	4.187	4.307	4.437
Health and Welfare	11.841	13.289	15.589	16.562	17.632	18.771
OPEB Current Payment	1.980	2.037	2.215	2.376	2.331	2.500
Pensions	4.149	6.657	7.585	11.154	11.498	11.815
Other Fringe Benefits	12.151	7.866	7.338	7.733	7.550	7.914
Reimbursable Overhead	-	-	-	-	-	-
<b>Total Labor Expenses</b>	<b>103.345</b>	<b>103.718</b>	<b>107.473</b>	<b>113.601</b>	<b>115.165</b>	<b>118.563</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	6.596	9.387	8.709	9.486	9.970	10.240
Insurance	0.477	0.598	0.610	0.656	0.708	0.754
Claims	1.592	5.919	3.733	3.816	3.900	3.979
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	9.082	10.337	10.568	11.004	11.357	11.628
Professional Service Contracts	1.789	2.489	1.968	2.016	2.062	2.105
Materials & Supplies	7.119	7.630	7.808	7.954	8.127	8.302
Other Business Expenses	(0.163)	0.974	0.187	0.191	0.194	0.198
<b>Total Non-Labor Expenses</b>	<b>26.492</b>	<b>37.334</b>	<b>33.583</b>	<b>35.123</b>	<b>36.317</b>	<b>37.206</b>
<b><u>Other Expenses Adjustments:</u></b>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation and GASB Adjs.</b>	<b>\$129.837</b>	<b>\$141.051</b>	<b>\$141.056</b>	<b>\$148.724</b>	<b>\$151.482</b>	<b>\$155.769</b>
Depreciation	-	-	-	-	-	-
OPEB Obligation	8.107	8.906	8.960	9.014	9.068	9.122
Environmental Remediation	-	-	-	-	-	-
<b>Total Expenses</b>	<b>\$137.944</b>	<b>\$149.958</b>	<b>\$150.016</b>	<b>\$157.738</b>	<b>\$160.550</b>	<b>\$164.891</b>
<b>Net Surplus/(Deficit)</b>	<b>(\$85.803)</b>	<b>(\$97.862)</b>	<b>(\$97.796)</b>	<b>(\$104.899)</b>	<b>(\$107.349)</b>	<b>(\$111.154)</b>

**MTA LONG ISLAND BUS**  
**November Financial Plan 2011-2014**  
**Cash Receipts & Expenditures**  
(\$ in millions)

<b>CASH RECEIPTS AND EXPENDITURES</b>						
	<b>2009</b>	<b>2010</b>	<b>2011</b>			
	<b><u>Actual</u></b>	<b><u>Forecast</u></b>	<b><u>Final Proposed Budget</u></b>	<b><u>2012</u></b>	<b><u>2013</u></b>	<b><u>2014</u></b>
<b>Receipts</b>						
Farebox Revenue	\$41.917	\$43.015	\$43.360	\$43.795	\$44.143	\$44.453
Vehicle Toll Revenue						
Other Operating Revenue	5.556	2.005	1.666	1.695	1.754	1.813
Capital and Other Reimbursements	4.798	8.456	6.621	6.732	6.638	6.752
<b>Total Receipts</b>	<b>\$52.271</b>	<b>\$53.476</b>	<b>\$51.647</b>	<b>\$52.222</b>	<b>\$52.535</b>	<b>\$53.018</b>
<b>Expenditures</b>						
<b><u>Labor:</u></b>						
Payroll	\$65.508	\$68.482	\$70.354	\$71.238	\$71.488	\$72.760
Overtime	7.218	6.069	4.008	4.147	4.265	4.393
Health and Welfare	12.762	13.228	15.523	16.490	17.553	18.685
OPEB Current Payment	1.270	2.037	2.215	2.376	2.331	2.500
Pensions	5.210	4.378	7.402	10.964	11.302	11.612
Other Fringe Benefits	7.631	8.462	7.294	7.687	7.502	7.864
GASB Account	0.318	0.327	0.338	0.345	0.352	0.359
Reimbursable Overhead	-	-	-	-	-	-
<b>Total Labor Expenditures</b>	<b>\$99.917</b>	<b>\$102.983</b>	<b>\$107.134</b>	<b>\$113.246</b>	<b>\$114.794</b>	<b>\$118.173</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power						
Fuel for Buses and Trains	\$6.637	\$9.093	\$8.408	\$9.180	\$9.658	\$9.922
Insurance	0.487	0.714	0.585	0.673	0.679	0.722
Claims	4.531	8.205	3.673	3.755	3.838	3.914
Paratransit Service Contracts		-	-	-	-	-
Maintenance and Other Operating Contracts	9.053	13.434	10.384	10.816	11.164	11.431
Professional Service Contracts	2.376	2.403	1.874	1.920	1.964	2.005
Materials & Supplies	8.055	7.772	7.699	7.843	8.014	8.186
Other Business Expenses	1.174	0.849	0.159	0.162	0.164	0.167
<b>Total Non-Labor Expenditures</b>	<b>\$32.313</b>	<b>\$42.470</b>	<b>\$32.782</b>	<b>\$34.350</b>	<b>\$35.480</b>	<b>\$36.347</b>
<b><u>Other Expenditure Adjustments:</u></b>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expenditure Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenditures</b>	<b>\$132.230</b>	<b>\$145.453</b>	<b>\$139.917</b>	<b>\$147.596</b>	<b>\$150.274</b>	<b>\$154.520</b>
<b>Baseline Cash Deficit</b>	<b>(\$79.959)</b>	<b>(\$91.977)</b>	<b>(\$88.270)</b>	<b>(\$95.374)</b>	<b>(\$97.739)</b>	<b>(\$101.502)</b>

**MTA LONG ISLAND BUS**  
**November Financial Plan 2011-2014**  
**Cash Conversion (Cash Flow Adjustments)**  
(\$ in millions)

<b>CASH FLOW ADJUSTMENTS</b>						
	<b>2009</b>	<b>2010</b>	<b>2011</b>			
	<b>Actual</b>	<b>November Forecast</b>	<b>Final Proposed Budget</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Receipts</b>						
Farebox Revenue	(\$0.097)	(\$0.110)	(\$0.111)	(\$0.112)	(\$0.112)	(\$0.113)
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	2.072	(0.050)	(0.050)	(0.050)	(0.050)	(0.050)
Capital and Other Reimbursements	(1.845)	1.540	(0.412)	(0.455)	(0.504)	(0.556)
<b>Total Receipts</b>	<b>\$0.130</b>	<b>\$1.380</b>	<b>(\$0.573)</b>	<b>(\$0.617)</b>	<b>(\$0.666)</b>	<b>(\$0.719)</b>
<b>Expenditures</b>						
<b>Labor:</b>						
Payroll	(\$0.147)	(\$0.718)	\$0.346	\$0.352	\$0.358	\$0.366
Overtime	0.645	0.036	0.038	0.040	0.042	0.044
Health and Welfare	(0.921)	0.061	0.066	0.072	0.079	0.086
OPEB Current Payment	0.710	-	-	-	-	-
Pensions	(1.061)	2.279	0.183	0.190	0.196	0.203
Other Fringe Benefits	4.520	(0.596)	0.044	0.046	0.048	0.050
GASB Account	(0.318)	(0.327)	(0.338)	(0.345)	(0.352)	(0.359)
Reimbursable Overhead	-	-	-	-	-	-
<b>Total Labor Expenditures</b>	<b>\$3.428</b>	<b>\$0.735</b>	<b>\$0.339</b>	<b>\$0.355</b>	<b>\$0.371</b>	<b>\$0.390</b>
<b>Non-Labor:</b>						
Traction and Propulsion Power	-	-	-	-	-	-
Fuel for Buses and Trains	(\$0.041)	\$0.294	\$0.301	\$0.306	\$0.312	\$0.318
Insurance	(0.010)	(0.116)	0.024	(0.018)	0.029	0.032
Claims	(2.939)	(2.286)	0.060	0.061	0.062	0.065
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	0.029	(3.097)	0.184	0.188	0.193	0.197
Professional Service Contracts	(0.587)	0.086	0.094	0.096	0.098	0.100
Materials & Supplies	(0.936)	(0.142)	0.109	0.111	0.113	0.116
Other Business Expenditures	(1.337)	0.125	0.028	0.029	0.030	0.031
<b>Total Non-Labor Expenditures</b>	<b>(\$5.821)</b>	<b>(\$5.136)</b>	<b>\$0.800</b>	<b>\$0.773</b>	<b>\$0.837</b>	<b>\$0.859</b>
<b>Other Expenditures Adjustments:</b>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expenditures Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Cash Conversion Adjustments before Depreciation and GASB Adjs.</b>	<b>(\$2.263)</b>	<b>(\$3.022)</b>	<b>\$0.566</b>	<b>\$0.511</b>	<b>\$0.542</b>	<b>\$0.530</b>
Depreciation Adjustment	-	-	-	-	-	-
OPEB Obligation	8.107	8.906	8.960	9.014	9.068	9.122
Environmental Remediation	-	-	-	-	-	-
<b>Baseline Total Cash Conversion Adjustments</b>	<b>\$5.844</b>	<b>\$5.885</b>	<b>\$9.526</b>	<b>\$9.525</b>	<b>\$9.610</b>	<b>\$9.652</b>

**MTA LONG ISLAND BUS**  
**2011 Final Proposed Budget**  
**November Financial Plan 2011 - 2014**  
**Year-to-Year by Category – Baseline**

**TOTAL REVENUE / RECEIPTS**

**Farebox Revenue**

- Annual changes in farebox revenue are based on year-to-date actual results, as well as local employment indicators (excludes the fare increase that will be reported at the consolidated level).

**Other Operating Revenue**

- A change in the agency-wide advertising contract resulted in lower advertising revenue in 2011.

**Capital and Other Reimbursements**

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

**TOTAL EXPENSES / EXPENDITURES**

**Payroll**

- Payroll costs were affected by shop/depot productivity and new bus performance in order to reduce overtime, as well as inflation assumptions.

**Overtime**

- Payroll wage rate increase assumptions apply. Managing overtime is a major component of the expense reduction program. Annual changes reflect the reduction initiatives such as New Bus Performance, Shop Productivity decrease operating service and lowering held in reserve.

## Health & Welfare

- Assumptions are based on revised inflators which increased the annual rates on LI Bus's primary carrier, the Empire Plan. An adjusted 2010 base was used in conjunction with the guideline rates to forecast the 2011 – 2014 plan rates as follows:

Year	Family	Individual
2011	13.4%	14.3%
2012	7.1%	6.7%
2013	7.1%	6.7%
2014	7.1%	6.7%

## Pension

- The July Plan included a 7.0% rate of Payroll. Late August New York State issued new guidance for pension rates to increase to 11.3% of payroll versus 7.0% in 2011 and 15.8% in 2012 therefore the annual changes are the direct result of this rate increase and budget reduction programs.

## Other Fringe Benefits

- Projections are consistent with changes in positions and related rate assumptions.

## Fuel for Buses and Trains

- CNG fuel projections for 2011 and beyond were based on revised market forecasts. The 2010 forecasted average price per therm of bus fuel is \$1.46. Projected average prices per therm are as follows:
  - 2011: \$1.58, representing a 8.3% increase from 2010
  - 2012: \$1.64, representing a 3.6% increase from 2011
  - 2013: \$1.70, representing a 3.4% increase from 2012
  - 2014: \$1.75, representing a 3.2% increase from 2013

Included in the November plan are fuel savings which are based on a 20% improvement in the fuel economy of new buses delivered to LIB. These projections assume a fuel savings of

- 2011: \$0.5 million
- 2012: \$0.7 million
- 2013: \$0.8 million
- 2014: \$1.0 million

The projections assume that the following new buses will be delivered over the 2011 – 2014 period

- 2011: 140
  - 2012: 162
  - 2013: 183
  - 2014: 204
- Paratransit diesel fuel projections, including delivery charges for 2010 and beyond, were based on revised market forecasts. The 2010 forecasted average price per gallon for bus fuel is \$2.67. Projected average price per gallons are as follows:
  - 2011: \$2.85, representing a 6.9% increase from 2010
  - 2012: \$2.97, representing a 4.2.% increase from 2011
  - 2013: \$3.09, representing a 3.9% increase from 2012
  - 2014: \$3.18, representing a 3.2% increase from 2013

#### **Insurance**

- Annual changes were based on payment and policy renewal schedules.

#### **Claims**

- Projections are consistent with the current third-party actuarial valuation however 2010 increased by \$2.3 million due to an unfavorable settlements

#### **Maintenance and Other Operating Contracts**

- 2011 – 2014 Inflation assumptions are based upon Global Insight's estimates

#### **Professional Service Contracts**

- 2011 – 2014 Inflation assumptions are based upon Global Insight's estimates

#### **Materials and Supplies**

- 2011 – 2014 Inflation assumptions are based upon Global Insight's estimates

#### **Other Business Expenses**

- 2011 – 2014 Inflation assumptions are based upon Global Insight's estimates after GEAC start up expenses are finished in 2010. (as listed above under Maintenance and Other Operating Contracts)

**MTA LONG ISLAND BUS**  
**November Financial Plan 2011 - 2014**  
**Year-to-Year Changes by Category - Accrual Basis**  
(\$ in millions)

**NON-REIMBURSABLE**

	Favorable/(Unfavorable)								
	2010	2011	Change 2011 - 2010	2012	Change 2012 - 2011	2013	Change 2013 - 2012	2014	Change 2014 - 2013
<b>Revenue</b>									
Farebox Revenue	\$43.125	\$43.471	\$0.346	\$43.907	\$0.436	\$44.255	\$0.348	\$44.566	\$0.312
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	2.055	1.716	(0.339)	1.745	0.029	1.804	0.059	1.863	0.059
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Revenue</b>	<b>\$45.180</b>	<b>\$45.187</b>	<b>\$0.007</b>	<b>\$45.652</b>	<b>\$0.465</b>	<b>\$46.059</b>	<b>\$0.407</b>	<b>\$46.429</b>	<b>\$0.371</b>
<b>Expenses</b>									
Labor:									
Payroll	\$66.756	\$69.670	(\$2.914)	\$70.536	(\$0.866)	\$70.761	(\$0.225)	\$72.008	(\$1.247)
Overtime	6.105	4.046	2.059	4.187	(0.141)	4.307	(0.120)	4.437	(0.130)
Health and Welfare	12.914	15.187	(2.273)	16.131	(0.943)	17.170	(1.039)	18.276	(1.106)
OPEB Current Payment	0.819	0.929	(0.110)	0.995	(0.066)	1.065	(0.070)	1.141	
Pensions	6.538	7.469	(0.931)	11.037	(3.568)	11.379	(0.343)	11.695	(0.316)
Other Fringe Benefits	7.670	7.139	0.531	7.529	(0.390)	7.340	0.188	7.698	(0.358)
Reimbursable Overhead									
<b>Total Labor Expenses</b>	<b>\$100.802</b>	<b>\$104.440</b>	<b>(\$3.638)</b>	<b>\$110.414</b>	<b>(\$5.975)</b>	<b>\$112.023</b>	<b>(\$1.609)</b>	<b>\$115.255</b>	<b>(\$3.156)</b>
<b>Non-Labor:</b>									
Traction and Propulsion Power									
Fuel for Buses and Trains	\$9.387	\$8.709	\$0.678	\$9.486	(\$0.777)	\$9.970	(\$0.484)	\$10.240	(\$0.270)
Insurance	0.598	0.610	(0.012)	0.656	(0.046)	0.708	(0.052)	0.754	(0.046)
Claims	5.919	3.733	2.186	3.816	(0.082)	3.900	(0.084)	3.979	(0.079)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	10.337	10.568	(0.231)	11.004	(0.436)	11.357	(0.353)	11.628	(0.271)
Professional Service Contracts	2.489	1.968	0.521	2.016	(0.048)	2.062	(0.046)	2.105	(0.043)
Materials & Supplies	3.630	3.808	(0.178)	3.954	(0.146)	4.127	(0.172)	4.302	(0.175)
Other Business Expenses	0.974	0.187	0.787	0.191	(0.005)	0.194	(0.002)	0.198	(0.005)
<b>Total Non-Labor Expenses</b>	<b>\$33.334</b>	<b>\$29.583</b>	<b>\$3.751</b>	<b>\$31.123</b>	<b>(\$1.540)</b>	<b>\$32.317</b>	<b>(\$1.194)</b>	<b>\$33.206</b>	<b>(\$0.889)</b>
<b>Other Expenses Adjustments:</b>									
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation and GASB Adjs.</b>	<b>\$134.135</b>	<b>\$134.023</b>	<b>\$0.113</b>	<b>\$141.537</b>	<b>(\$7.515)</b>	<b>\$144.340</b>	<b>(\$2.803)</b>	<b>\$148.461</b>	<b>(\$4.045)</b>
Depreciation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
OPEB Obligation	8.906	8.960	(0.054)	9.014	(0.054)	9.068	(0.054)	9.122	(0.054)
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Expenses</b>	<b>\$143.042</b>	<b>\$142.983</b>	<b>\$0.059</b>	<b>\$150.551</b>	<b>(\$7.568)</b>	<b>\$153.408</b>	<b>(\$2.857)</b>	<b>\$157.583</b>	<b>(\$4.100)</b>
<b>Baseline Net Surplus/(Deficit)</b>	<b>(\$97.862)</b>	<b>(\$97.796)</b>	<b>\$0.066</b>	<b>(\$104.899)</b>	<b>(\$7.103)</b>	<b>(\$107.349)</b>	<b>(\$2.450)</b>	<b>(\$111.154)</b>	<b>(\$3.805)</b>

## REIMBURSABLE

[illegible]

**MTA LONG ISLAND BUS**  
**November Financial Plan 2011 - 2014**  
**Year-to-Year Changes by Category - Cash Basis**  
(\$ in millions)

**CASH RECEIPTS & EXPENDITURES**

	Favorable/(Unfavorable)								
	2010	2011	Change 2011 - 2010	2012	Change 2012 - 2011	2013	Change 2013 - 2012	2014	Change 2014 - 2013
<b><u>Receipts</u></b>									
Farebox Revenue	\$43.015	\$43.360	\$0.345	\$43.795	\$0.435	\$44.143	\$0.348	\$44.453	\$0.311
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	2.005	1.666	(0.339)	1.695	0.029	1.754	0.059	1.813	0.059
Capital and Other Reimbursements	8.456	6.621	(1.835)	6.732	0.111	6.638	(0.094)	6.752	0.114
<b>Total Receipts</b>	<b>\$53.476</b>	<b>\$51.647</b>	<b>(\$1.829)</b>	<b>\$52.222</b>	<b>\$0.575</b>	<b>\$52.535</b>	<b>\$0.313</b>	<b>\$53.018</b>	<b>\$0.484</b>
<b><u>Expenditures</u></b>									
Labor:									
Payroll	\$68.482	\$70.354	(\$1.872)	\$71.238	(\$0.884)	\$71.488	(\$0.250)	\$72.760	(\$1.272)
Overtime	6.069	4.008	2.061	\$4.147	(0.139)	4.265	(0.118)	4.393	(0.128)
Health and Welfare	13.228	15.523	(2.295)	\$16.490	(0.966)	17.553	(1.063)	18.685	(1.132)
OPEB Current Payment	2.037	2.215	(0.178)	\$2.376	(0.161)	2.331	0.045	2.500	(0.169)
Pensions	4.378	7.402	(3.024)	\$10.964	(3.562)	11.302	(0.339)	11.612	(0.310)
Other Fringe Benefits	8.462	7.294	1.168	\$7.687	(0.393)	7.502	0.184	7.864	(0.362)
GASB Account	0.327	0.338	(0.011)	\$0.345	(0.007)	0.352	(0.007)	0.359	(0.007)
Reimbursable Overhead	0.000	0.000	0.000	\$0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenditures</b>	<b>\$102.983</b>	<b>\$107.134</b>	<b>(\$4.151)</b>	<b>\$113.246</b>	<b>(\$6.112)</b>	<b>\$114.794</b>	<b>(\$1.548)</b>	<b>\$118.173</b>	<b>(\$3.379)</b>
Non-Labor:									
Traction and Propulsion Power									
Fuel for Buses and Trains	\$9.093	\$8.408	0.685	\$9.180	(0.772)	\$9.658	(0.478)	\$9.922	(0.264)
Insurance	0.714	0.585	0.129	0.673	(0.088)	0.679	(0.005)	0.722	(0.043)
Claims	8.205	3.673	4.532	3.755	(0.081)	3.838	(0.083)	3.914	(0.076)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	13.434	10.384	3.050	10.816	(0.432)	11.164	(0.348)	11.431	(0.267)
Professional Service Contracts	2.403	1.874	0.529	1.920	(0.046)	1.964	(0.044)	2.005	(0.041)
Materials & Supplies	7.772	7.699	0.073	7.843	(0.144)	8.014	(0.170)	8.186	(0.172)
Other Business Expenses	0.849	0.159	0.690	0.162	(0.004)	0.164	(0.001)	0.167	(0.004)
<b>Total Non-Labor Expenditures</b>	<b>\$42.470</b>	<b>\$32.782</b>	<b>\$9.688</b>	<b>\$34.350</b>	<b>(\$1.567)</b>	<b>\$35.480</b>	<b>(\$1.130)</b>	<b>\$36.347</b>	<b>(\$0.867)</b>
Other Expenditure Adjustments:									
Other	0.000	0.000	\$0.000	0.000	\$0.000	0.000	\$0.000	0.000	\$0.000
<b>Total Other Expenditure Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenditures</b>	<b>\$145.453</b>	<b>\$139.917</b>	<b>\$5.536</b>	<b>\$147.596</b>	<b>(\$7.679)</b>	<b>\$150.274</b>	<b>(\$2.678)</b>	<b>\$154.520</b>	<b>(\$4.246)</b>
<b>Baseline Net Cash Deficit</b>	<b>(\$91.977)</b>	<b>(\$88.270)</b>	<b>\$3.707</b>	<b>(\$95.374)</b>	<b>(\$7.104)</b>	<b>(\$97.739)</b>	<b>(\$2.365)</b>	<b>(\$101.502)</b>	<b>(\$3.763)</b>

**MTA LONG ISLAND BUS**  
**2011 Final Proposed Budget**  
**November Financial Plan 2011 - 2014**  
**Summary of Major Plan-to-Plan Changes**

**2010: November Financial Plan vs. July Financial Plan**

**Revenue and Expense Changes**

Total revenue projected for 2010 is \$52.1 million, while expenses before depreciation were \$141.1 million. This resulted in an unfavorable change of \$2.2 million from the July Plan and is primarily comprised of the following:

- Labor – \$2.4 million unfavorable result due to the Pension rate increase.
- Non-Labor – \$1.9 million unfavorable due to an increase in public liability claims.

**Cash Adjustments**

Cash for all line items mirrors the Non-reimbursable / Reimbursable accrual tables. However, the following additional cash adjustment was made in 2010:

- \$2.1 million in Pension in 2011.

The changes for the other years of the plan are as follows:

2011 - A net increase of \$0.1 million in total expenses:

- \$2.0 million pension rate
- \$1.0 million BSC charge back
- \$0.4 million in post 1983 retirees

Offset by:

- \$1.4 million in New Bus performance
- \$1.2 million in Fuel Rates
- \$0.5 million in overtime reduction

2012 - A net increase of \$3.6 million in total expenses:

- \$5.3 million Pension rate increase
- \$0.8 million BSC charge back
- \$0.4 million in post 1983 retirees OPEB cost

Offset by:

- \$1.6 million in New Bus performance improvement
- \$0.7 million in Fuel Rates
- \$0.5 million in Overtime reduction initiative such as decreasing Operating Services and lowering Held in Reserve
- \$0.1 million in Depot Productivity improvement

2013 - A net increase of \$3.6 million in total expenses:

- \$5.5 million pension rate
- \$0.8 million BSC charge back
- \$0.4 million in post 1983 retirees

Offset by:

- \$1.8 million in New Bus performance
- \$0.5 million in overtime reduction
- \$0.4 million in Fuel Rates
- \$0.1 million in Depot Productivity

2014 - A net increase of \$3.9 million in total expenses:

- \$5.6 million pension rate
- \$0.8 million BSC charge back
- \$0.4 million in post 1983 retirees

Offset by

- \$1.9 million in New Bus performance
- \$0.5 million in overtime reduction
- \$0.4 million in Fuel Rates

## Reimbursable Changes

There were no net changes in the reimbursable budget from the July Plan. OPEB Current expenses for post 1983 retirees were reclassified to Non-Reimbursable. This was offset to Capital Reimbursement

**MTA LONG ISLAND BUS**  
**November Financial Plan 2011-2014**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

**NON-REIMBURSABLE**

	2010	2011	2012	2013	2014
<b>Baseline 2010 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$89.805)</b>	<b>(\$88.147)</b>	<b>(\$91.763)</b>	<b>(\$93.887)</b>	<b>(\$97.610)</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
Farebox Revenue	0.008	0.009	0.010	0.007	0.009
Toll Revenue					
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursement					
<b>Total Revenue Changes</b>	<b>\$0.008</b>	<b>\$0.009</b>	<b>\$0.010</b>	<b>\$0.007</b>	<b>\$0.009</b>
<b>Expenses</b>					
<b>Labor:</b>					
Payroll	\$0.965	(\$1.415)	(\$1.244)	\$0.088	\$0.088
Overtime	(1.127)	1.826	1.827	0.513	0.508
Health and Welfare	0.680	0.295	0.367	0.409	0.455
OPEB Current Payment	(0.819)	(0.929)	(0.995)	(1.065)	(1.141)
Pensions	(2.066)	(1.942)	(5.287)	(5.452)	(5.563)
Other Fringe Benefits	(0.013)	0.013	0.031	0.039	0.032
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expense Changes</b>	<b>(\$2.380)</b>	<b>(\$2.150)</b>	<b>(\$5.300)</b>	<b>(\$5.467)</b>	<b>(\$5.620)</b>
<b>Non-Labor:</b>					
Traction and Propulsion Power					
Fuel for Buses and Trains	\$0.398	\$1.754	\$1.379	\$1.303	\$1.426
Insurance	0.000	0.000	0.000	0.000	0.000
Claims	(2.300)	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.000	0.000	0.000	0.000
Professional Service Contracts	0.000	0.000	0.000	0.000	0.000
Materials & Supplies	0.000	0.265	0.300	0.305	0.293
Other Business Expenses	0.000	0.000	0.000	0.000	0.000
<b>Total Non-Labor Expense Changes before Non-Cash Liability Adjs.</b>	<b>(\$1.902)</b>	<b>\$2.019</b>	<b>\$1.679</b>	<b>\$1.608</b>	<b>\$1.719</b>
Depreciation					
OPEB Obligation	1.800	1.800	1.800	1.800	1.800
<b>Total Expense Changes</b>	<b>(\$2.483)</b>	<b>\$1.669</b>	<b>(\$1.820)</b>	<b>(\$2.058)</b>	<b>(\$2.101)</b>
<b>Cash Adjustment Changes</b>					
OPEB Obligation	(1.800)	(1.800)	(1.800)	(1.800)	(1.800)
Pension Cost	\$2.102				
<b>Total Cash Adjustment Changes</b>	<b>\$0.302</b>	<b>(\$1.800)</b>	<b>(\$1.800)</b>	<b>(\$1.800)</b>	<b>(\$1.800)</b>
<b>Total Baseline Changes</b>	<b>(\$2.172)</b>	<b>(\$0.122)</b>	<b>(\$3.611)</b>	<b>(\$3.852)</b>	<b>(\$3.892)</b>
<b>Baseline 2010 November Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$91.977)</b>	<b>(\$88.270)</b>	<b>(\$95.374)</b>	<b>(\$97.738)</b>	<b>(\$101.502)</b>

**MTA LONG ISLAND BUS**  
**November Financial Plan 2011-2014**  
**Changes Between Financial Plans by Generic Categories**  
**(\$ in millions)**

**REIMBURSABLE**

	2010	2011	2012	2013	2014
<b>Baseline 2010 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
Farebox Revenue					
Vehicle Toll Revenue					
Capital and Other Reimbursement	(0.288)	(0.336)	(0.363)	(0.609)	(0.656)
<b>Total Revenue Changes</b>	<b>(\$.288)</b>	<b>(\$.336)</b>	<b>(\$.363)</b>	<b>(\$.609)</b>	<b>(\$.656)</b>
<b>Expenses</b>					
<b>Labor:</b>					
Payroll					
Overtime					
Health and Welfare					
OPEB Current Payment	0.326	0.370	0.396	0.641	0.687
Pensions	(0.038)	(0.034)	(0.033)	(0.032)	(0.031)
Other Fringe Benefits					
Reimbursable Overhead					
<b>Total Labor Expense Changes</b>	<b>\$ .288</b>	<b>\$ .336</b>	<b>\$ .363</b>	<b>\$ .609</b>	<b>\$ .656</b>
<b>Non-Labor:</b>					
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					
<b>Total Non-Labor Expense Changes</b>	<b>\$ .000</b>	<b>\$ .000</b>	<b>\$ .000</b>	<b>\$ .000</b>	<b>\$ .000</b>
<b>Total Expense Changes</b>	<b>\$ .288</b>	<b>\$ .336</b>	<b>\$ .363</b>	<b>\$ .609</b>	<b>\$ .656</b>
<b>Cash Adjustment Changes</b>					
<b>Total Cash Adjustment Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Baseline Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>
<b>Baseline 2010 November Financial Plan - Operating Cash Income/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>

**MTA LONG ISLAND BUS**  
**November Financial Plan 2011-2014**  
**Summary of Major Programmatic Changes Between Financial Plans**  
(\$ in millions)

**NON-REIMBURSABLE and REIMBURSABLE**

	2010	2011	2012	2013	2014
<b>Baseline 2010 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$89.805)</b>	<b>(\$88.147)</b>	<b>(\$91.763)</b>	<b>(\$93.887)</b>	<b>(\$97.610)</b>
<b><i>Non-Reimbursable Major Changes</i></b>					
<b>Revenue</b>					
Change in revenue	0.008	0.009	0.010	0.007	0.009
<b>Sub-Total Non-Reimbursable Revenue Changes</b>	<b>\$0.008</b>	<b>\$0.009</b>	<b>\$0.010</b>	<b>\$0.007</b>	<b>\$0.009</b>
<b>Expenses</b>					
Pension	(2.054)	(1.966)	(5.324)	(5.495)	(5.601)
Cost Re-Estimate OPEB Liability	1.800	1.800	1.800	1.800	1.800
OPEB Switch from reimbursable	(0.326)	(0.370)	(0.396)	(0.424)	(0.454)
New Bus Performance	0.000	1.384	1.614	1.802	1.877
Claims	(2.300)	0.000	0.000	0.000	0.000
Overtime Reductions	0.000	0.538	0.538	0.538	0.538
Shop Productivity	0.000	0.031	0.033	0.033	0.048
Overtime correction		(0.079)	(0.079)	(0.079)	(0.079)
Depot Productivity	0.000	0.106	0.106	0.106	0.106
BSC Charge Back	0.000	(0.996)	(0.763)	(0.763)	(0.763)
Fuel Rates	0.398	1.220	0.649	0.423	0.426
<b>Sub-Total Non-Reimbursable Expense Changes</b>	<b>(\$2.482)</b>	<b>\$1.668</b>	<b>(\$1.821)</b>	<b>(\$2.059)</b>	<b>(\$2.101)</b>
<b>Total Non-Reimbursable Major Changes</b>	<b>(\$2.474)</b>	<b>\$1.677</b>	<b>(\$1.811)</b>	<b>(\$2.052)</b>	<b>(\$2.092)</b>
<b><i>Reimbursable Major Changes</i></b>					
Reimbursable Labor	0.288	0.336	0.363	0.608	0.655
<b>Sub-Total Reimbursable Revenue Changes</b>	<b>\$0.288</b>	<b>\$0.336</b>	<b>\$0.363</b>	<b>\$0.608</b>	<b>\$0.655</b>
Labor Expenses	(0.288)	(0.336)	(0.363)	(0.608)	(0.655)
<b>Sub-Total Reimbursable Expense Changes</b>	<b>(\$0.288)</b>	<b>(\$0.336)</b>	<b>(\$0.363)</b>	<b>(\$0.608)</b>	<b>(\$0.655)</b>
<b>Total Reimbursable Major Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Accrual Changes</b>	<b>(\$2.474)</b>	<b>\$1.677</b>	<b>(\$1.811)</b>	<b>(\$2.052)</b>	<b>(\$2.092)</b>
<b><i>Cash Adjustment Changes</i></b>					
Pension Expenses Adjustment	2.102				
Changes in OPEB obligation	(1.800)	(1.800)	(1.800)	(1.800)	(1.800)
Other Adjustments/Rounding					
Reversal of Other Expense Adjustments in February Budget					
<b>Total Cash Adjustment Changes</b>	<b>\$0.302</b>	<b>(\$1.800)</b>	<b>(\$1.800)</b>	<b>(\$1.800)</b>	<b>(\$1.800)</b>
<b>Total Baseline Changes</b>	<b>(\$2.172)</b>	<b>(\$0.122)</b>	<b>(\$3.611)</b>	<b>(\$3.851)</b>	<b>(\$3.892)</b>
<b>Baseline 2010 November Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$91.977)</b>	<b>(\$88.270)</b>	<b>(\$95.374)</b>	<b>(\$97.738)</b>	<b>(\$101.502)</b>

**MTA LONG ISLAND BUS**  
**2011 Final Proposed Budget**  
**November Financial Plan 2011 - 2014**  
**Ridership / Utilization**

**Ridership:**

As of August 2010, fixed-route ridership is trending slightly upward and is 0.4% better than the July Plan year-to-date forecast. The latest regional employment data shows improvements and the forecast for each plan year reflects these changes. This does not account for the 2011 fare increase effect on ridership which will be reported at the consolidated level as a below-the-line adjustment to the November Plan.

Paratransit ridership has increased by 22.1% since 2003. However, the current trend is on target with the July plan. The forecast for the 2011–2014 plan years follow the regional employment indicators.

**Revenue:**

The 2010 November Plan reflects current regional employment data. As of August 2010, Farebox Revenue is favorable by 1.1%.

Fixed-route revenue in 2010 is projected to be \$41.9 million. This does not account for the 2011 fare increase which will be reported at the consolidated level as a below-the-line adjustment to the November Plan.

Paratransit Farebox Revenue is projected to be \$1.2 million for 2010.

**MTA LONG ISLAND BUS**  
**November Financial Plan 2011-2014**  
**Ridership(utilization)**  
(in millions)

<b>2009 Actuals</b>	<b>2010 November Forecast</b>	<b>2011 Final Proposed Budget</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
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**RIDERSHIP**

Fixed Route	30.757	30.721	30.967	31.276	31.527	31.748
Paratransit	0.395	0.313	0.316	0.319	0.321	0.323
<b>Baseline Total Ridership</b>	<b>31.152</b>	<b>31.034</b>	<b>31.283</b>	<b>31.595</b>	<b>31.848</b>	<b>32.071</b>

<b>Total Ridership</b>	<b>31.152</b>	<b>31.034</b>	<b>31.283</b>	<b>31.595</b>	<b>31.848</b>	<b>32.071</b>
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**FAREBOX REVENUE**

Fixed Route	\$40.719	\$41.966	\$42.302	\$42.725	\$43.067	\$43.368
Paratransit	1.295	1.159	1.169	1.182	1.188	1.198
<b>Total Revenue</b>	<b>\$42.014</b>	<b>\$43.125</b>	<b>\$43.471</b>	<b>\$43.907</b>	<b>\$44.255</b>	<b>\$44.566</b>

**MTA Long Island Bus  
November Financial Plan 2011 - 2014  
BRP Worksheet Summary**

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
<b>Receipts</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
Payroll	\$0.151	\$0.295	\$0.295	\$0.295	\$0.295
Overtime	\$1.121	\$0.407	\$0.407	\$1.739	\$1.739
Health and Welfare	\$0.543	\$0.055	\$0.055	\$0.055	\$0.055
OPEB Current Payment	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Pensions	\$0.916	\$0.052	\$0.052	\$0.097	\$0.097
Other Fringe Benefits	\$0.108	\$0.064	\$0.064	\$0.174	\$0.174
GASB Account	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Reimbursable Overhead	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Labor Expenditures</b>	<b>\$2.838</b>	<b>\$0.874</b>	<b>\$0.874</b>	<b>\$2.360</b>	<b>\$2.360</b>
 Traction and Propulsion Power	 \$0.000	 \$0.000	 \$0.000	 \$0.000	 \$0.000
Fuel for Buses and Trains	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Insurance	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Claims	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Paratransit Service Contract	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Maintenance and Other Operating Contracts	\$0.112	\$0.000	\$0.000	\$0.000	\$0.000
Professional Service Contracts	(\$0.386)	\$0.160	\$0.160	\$0.160	\$0.160
Materials & Supplies	\$0.366	\$0.003	\$0.003	\$0.001	\$0.001
Other Business Expenses	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Non-Labor Expenditures</b>	<b>\$0.092</b>	<b>\$0.163</b>	<b>\$0.163</b>	<b>\$0.161</b>	<b>\$0.161</b>
 <b>Total Expenditures</b>	 \$2.931	 \$1.036	 \$1.036	 \$2.521	 \$2.521
 <b>Net Financial Impact</b>	 \$2.931	 \$1.036	 \$1.036	 \$2.521	 \$2.521

**NOTE: Does not include 15% Administration - list separately**

**MTA Long Island Bus  
November Financial Plan 2011-2014  
2010 Budget Reduction Program**

**Category by Function:** Administration

**Program:** Project Deferral/IT

<b>Background Details:</b>	As a result of the Cyclical Project and Rapid Procurement Review, IT economies are available.
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<b>Program Description/ Implementation Plan:</b>	This program includes the completion of the UTS rollout, the implementation of Kronos and Trak maintenance system.			
<b>Program Implementation Date:</b>	7/1/2010	<b>When will savings begin?:</b>	7/1/2010	

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.221	\$0.290	\$0.290	\$0.290	\$0.290
<i>Total Reduction in Positions Required:</i>	0	1	1	1	1

**MTA Long Island Bus  
November Financial Plan 2011-2014  
2010 Budget Reduction Program**

**Category by Function:** Administration

**Program:** Pensions

**Background Details:** LI Bus provides Pensions for employees.

**Program Description/  
Implementation Plan:** Based on the 2010 bill from the MTA, actuarial results indicate an economy is available as compared to the adopted budget.

**Program Implementation Date:** 1/1/2010      **When will savings begin?:** 1/1/2010

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.821	\$0.000	\$0.000	\$0.000	\$0.000
<i>Total Reduction in Positions Required:</i>	0	0	0	0	0

**MTA Long Island Bus  
November Financial Plan 2011-2014  
2010 Budget Reduction Program**

**Category by Function:** Administration

**Program:** Staff Reductions

<b>Background Details:</b>	The LI Bus budget includes positions in all areas of administration, operations, maintenance, and public safety.
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<b>Program Description/ Implementation Plan:</b>	A review was conducted to identify staff reductions in addition to those previously identified as administrative economies. This reviewed included all areas of operations. This program includes the following reductions: Budget (1), Material (1), QP (1)
<b>Program Implementation Date:</b>	7/1/2010
<b>When will savings begin?:</b>	7/1/2010

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.344	\$0.242	\$0.242	\$0.242	\$0.242
<i>Total Reduction in Positions Required:</i>	11	6	6	6	6

**MTA Long Island Bus  
November Financial Plan 2011-2014  
2010 Budget Reduction Program**

**Category by Function:** Maintenance Support/Central Maintenance Facility (CMF)

**Program:** Shop Overhaul Program/Overtime Reduction Initiative

<b>Background Details:</b>	In 2009 Long Island Bus began the implementation of a scheduled Shop Overhaul Program.
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<b>Program Description/ Implementation Plan:</b>	This modification phases in the implementation of the Shop Program over the 2010/2011 period. It reduces the scope of work to only critical items such as engine, structure, and key component replacements.			
<b>Program Implementation Date:</b>	1/1/2010	<b>When will savings begin?:</b>	1/1/2010	

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$1.069	\$0.000	\$0.000	\$0.000	\$0.000
<i>Total Reduction in Positions Required:</i>	(5)	(5)	(5)	(5)	(5)

**MTA Long Island Bus  
November Financial Plan 2011-2014  
2010 Budget Reduction Program**

**Category by Function:** Maintenance

**Program:** Transmission Recycling

<b>Background Details:</b>	Vehicles being retired from revenue service are sent to Eastchester Depot prior to sale as scrap. Prior to sale, recyclable parts and units are tested/evaluated and recycled into inventory. This offsets the cost of new or rebuilt part
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<b>Program Description/ Implementation Plan:</b>	This program has been expanded to include Transmission, and given the level of units available in 2010, LI Bus can significantly reduce 2010 new/rebuilt rebuilt requirements.			
<b>Program Implementation Date:</b>	1/1/2010	<b>When will savings begin?:</b>	1/1/2010	

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.094	\$0.000	\$0.000	\$0.000	\$0.000
<i>Total Reduction in Positions Required:</i>	0	0	0	0	0

**MTA Long Island Bus  
November Financial Plan 2011-2014  
2010 Budget Reduction Program**

**Category by Function:** Maintenance

**Program:** Wheelchair Maintenance

**Background Details:** LI Bus provides 100% accessibility. New buses are being delivered with ramps as opposed to lifts.

**Program Description/  
Implementation Plan:** This program reduces the funding for wheelchair maintenance as the new bus ramps require less maintenance than the older buses with lifts.

**Program Implementation Date:** 7/1/2010      **When will savings begin?:** 7/1/2010

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.038	\$0.076	\$0.076	\$0.076	\$0.076
<i>Total Reduction in Positions Required:</i>	1	1	1	1	1

**MTA Long Island Bus  
November Financial Plan 2011-2014  
2010 Budget Reduction Program**

**Category by Function:** Administration

**Program:** Health and Welfare

**Background Details:** LI Bus provides Health and Welfare for employees.

**Program Description/  
Implementation Plan:** Based on revised rates for LIB employees.

**Program Implementation Date:** 1/1/2010      **When will savings begin?:** 1/1/2010

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.515	\$0.000	\$0.000	\$0.000	\$0.000
<i>Total Reduction in Positions Required:</i>	0	0	0	0	0

**MTA Long Island Bus  
November Financial Plan 2011-2014  
2010 Budget Reduction Program**

**Category by Function:** Other  
**Program:** Rapid Procurement

<b>Background Details:</b>	Renegotiating with vendors to achieve lower contract prices.
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<b>Program Description/ Implementation Plan:</b>			
<b>Program Implementation Date:</b>	1/1/2010	<b>When will savings begin?:</b>	1/1/2010

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.001	\$0.003	\$0.003	\$0.001	\$0.001
<i>Total Reduction in Positions Required:</i>	0	0	0	0	0

**MTA Long Island Bus  
November Financial Plan 2011-2014  
2010 Budget Reduction Program**

**Category by Function:** Service Support

**Program:** Hastus Implementation

**Background Details:** Currently LI Bus uses an inadequate systems to develop schedules.

**Program Description/  
Implementation Plan:** This initiative will implement the Hastus system (currently in place in NYC Transit) in LI Bus. While this initiative will require an additional position, beginning in 2013 a 2% reduction in bus operator pay hours and mileage will provide an attract retu

**Program Implementation Date:** 7/1/2010      **When will savings begin?:** 1/1/2013

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	(\$0.426)	(\$0.081)	(\$0.081)	\$1.405	\$1.405
<i>Total Reduction in Positions Required:</i>	(1)	(1)	(1)	(1)	(1)

**MTA Long Island Bus  
November Financial Plan 2011-2014  
2010 Budget Reduction Program**

**Category by Function:** Service Support  
**Program:** Shifting Efficiencies

<b>Background Details:</b>	Non-revenue bus operators are required to move buses through the fueling, vault, cleaning processes and parking them.
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<b>Program Description/ Implementation Plan:</b>	A study of best practices has indicated economies can be achieved.		
<b>Program Implementation Date:</b>	7/1/2010	<b>When will savings begin?:</b>	7/1/2010

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.253	\$0.505	\$0.505	\$0.505	\$0.505
<i>Total Reduction in Positions Required:</i>	5	5	5	5	5

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**MTA LONG ISLAND BUS  
2011 Final Proposed Budget  
November Financial Plan 2011 – 2014  
POSITIONS**

**Total Non-Reimbursable and Reimbursable Baseline Positions**

**2010 - November Plan vs July Plan**

Total 2010 Operating Positions have not changed since the July Plan.

**2011, 2012, 2013 & 2014 – November Plan vs July Plan**

Net change of +12 positions from the July Plan.

- -1 New Bus Performance
- +13 2010 Shop Program & Overtime Reduction

**Year-to-Year Changes**

**Total Non-Reimbursable and Reimbursable Baseline Positions**

**2011 Changes over 2010:**

Total Net Change of +1 Position.

- - 10 BSC Reduction (-15 plus +5 BSC already reduced in 2010)
- - 1 Project Deferrals
- - 1 New Bus Performance
- +13 Shop Program and Overtime Reductions

**2012- 2014: No Changes**

**MTA LONG ISLAND BUS**  
**November Financial Plan 2011-2014**  
**Total Positions by Function**  
**Non-Reimbursable and Full-Time Positions / Full Time Equivalents**

<b>FUNCTION/DEPARTMENT</b>	<b>2009 Actuals</b>	<b>2010 November Forecast</b>	<b>2011 Final Proposed Budget</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Administration</b>						
Office of the EVP	0	0	0	0	0	0
Human Resources	8	7	3	3	3	3
Office of Management and Budget	3	5	5	5	5	5
Technology & Information Services	19	21	20	20	20	20
Materiel	9	12	12	12	12	12
Controller	15	15	10	10	10	10
Office of the President	2	2	2	2	2	2
System Safety Administration	3	3	3	3	3	3
Law	8	9	9	9	9	9
Corporate Communications	4	3	3	3	3	3
Labor Relations	1	1	1	1	1	1
Non-Departmental	0	4	15	15	15	15
<b>Total Administration</b>	<b>72</b>	<b>82</b>	<b>83</b>	<b>83</b>	<b>83</b>	<b>83</b>
<b>Operations</b>						
Buses (Fixed Route)	588	555	552	552	552	552
Buses (Paratransit)	152	155	157	157	157	157
Office of Senior Vice President	0	0	0	0	0	0
Office of the Executive Vice President, Regional	2	4	0	0	0	0
Safety & Training	7	6	5	5	5	5
Road Operations	0	19	19	19	19	19
Transportation Support	19	13	14	14	14	14
Operations Planning	6	6	6	6	6	6
Revenue Control	9	6	6	6	6	6
<b>Total Operations</b>	<b>783</b>	<b>764</b>	<b>759</b>	<b>759</b>	<b>759</b>	<b>759</b>
<b>Maintenance</b>						
Buses (Fixed Route)	208	184	188	188	188	188
Buses (Paratransit)	12	14	12	12	12	12
Maintenance Support/CMF	2	22	24	24	24	24
Facilities	13	15	15	15	15	15
Supply Logistics	19	18	18	18	18	18
<b>Total Maintenance</b>	<b>254</b>	<b>253</b>	<b>257</b>	<b>257</b>	<b>257</b>	<b>257</b>
<b>Engineering/Capital</b>						
Capital Program Management	14	3	3	3	3	3
<b>Public Safety</b>						
Security	2	2	3	3	3	3
<b>Total Baseline Positions</b>	<b>1,125</b>	<b>1,104</b>	<b>1,105</b>	<b>1,105</b>	<b>1,105</b>	<b>1,105</b>
Non-Reimbursable	1,111	1,089	1,090	1,090	1,090	1,090
Reimbursable	14	15	15	15	15	15
Total Full-Time	1,028	1,004	1,000	1,000	1,000	1,000
Total Full-Time Equivalents	97	100	105	105	105	105

**MTA LONG ISLAND BUS**  
**November Financial Plan 2011-2014**  
**Total Positions by Function and Occupation**

FUNCTION/OCCUPATIONAL GROUP		2009 Actuals	2010 November Forecast	2011 Final Proposed Budget	2012	2013	2014
<b>Administration</b>							
	Managers/Supervisors	32	40	34	34	34	34
	Professional, Technical, Clerical	40	42	36	36	36	36
	Operational Hourlies	-	-	13	13	13	13
	<b>Total Administration</b>	<b>72</b>	<b>82</b>	<b>83</b>	<b>83</b>	<b>83</b>	<b>83</b>
<b>Operations</b>							
	Managers/Supervisors	76	66	69	69	69	69
	Professional, Technical, Clerical	49	41	41	41	41	41
	Operational Hourlies	658	657	649	649	649	649
	<b>Total Operations</b>	<b>783</b>	<b>764</b>	<b>759</b>	<b>759</b>	<b>759</b>	<b>759</b>
<b>Maintenance</b>							
	Managers/Supervisors	39	46	43	43	43	43
	Professional, Technical, Clerical	2	2	2	2	2	2
	Operational Hourlies	213	205	212	212	212	212
	<b>Total Maintenance</b>	<b>254</b>	<b>253</b>	<b>257</b>	<b>257</b>	<b>257</b>	<b>257</b>
<b>Engineering/Capital</b>							
	Managers/Supervisors	7	-	2	2	2	2
	Professional, Technical, Clerical	7	3	1	1	1	1
	Operational Hourlies	-	-	-	-	-	-
	<b>Total Engineering/Capital</b>	<b>14</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
<b>Public Safety</b>							
	Managers/Supervisors	-	-	1	1	1	1
	Professional, Technical, Clerical	-	-	-	-	-	-
	Operational Hourlies	2	2	2	2	2	2
	<b>Total Public Safety</b>	<b>2</b>	<b>2</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
<b>Total Baseline Positions</b>							
	Managers/Supervisors	154	152	149	149	149	149
	Professional, Technical, Clerical	98	88	80	80	80	80
	Operational Hourlies	873	864	876	876	876	876
	<b>Total Baseline Positions</b>	<b>1,125</b>	<b>1,104</b>	<b>1,105</b>	<b>1,105</b>	<b>1,105</b>	<b>1,105</b>

# **Long Island Rail Road**

**MTA LONG ISLAND RAIL ROAD**  
**2011 Final Proposed Budget**  
**November Financial Plan 2011-2014**

## **FINANCIAL OVERVIEW**

The Long Island Rail Road approached the 2011 Final Proposed Budget and 2012-2014 Financial Plan with the goal of making every dollar count. The economy and its adverse impact on farebox revenue and subsidies have placed pressure on the railroad to further reduce operating costs. The proposed financial plan ensures safe and reliable service while incorporating \$42.8 million in cost saving actions in 2011. Of particular note are savings attributable to new overtime and inventory management initiatives.

### **Ridership**

Continued economic weakness in the Long Island region is evident in 2010 ridership trends. Ridership through September is below the Mid-Year Forecast by 0.4% and remains below 2009 levels by 1.9%, reflecting the impact of the recession in the New York City area. Year-end 2010 ridership is projected to be 81.9 million, 1.3% below 2009 levels. However, the projected ridership and farebox revenue for the 2011 Final Proposed Budget reflects a 1.4% and 1.7% increase, respectively, over 2010 levels based on projected improvements in the 2011 employment forecast. Year-end 2011 ridership is projected to be 83.0 million.

### **Budget Reduction Initiatives**

Lower ridership coupled with reduced MTA subsidies made it critical to reduce expenses. By improving agency efficiencies, the LIRR identified \$42.8 million in budget reductions, \$39.5 million of which do not directly impact customers.. While the entire budget was subject to intensive review, three critical areas yielded the most savings, specifically administrative functions, operational overtime and non-operational critical projects. Each area is more fully described below.

I. *Administrative Functions:* One of the primary objectives of the budget development process was to reduce administrative expenditures. The Final Proposed Budget includes the reduction of 15% of all administrative staffing – over 130 positions - and reduces material handling and inventory costs by taking steps to develop an efficient supply chain and improving inventory management procedures. In 2011 the LIRR will pursue additional reductions through departmental consolidations.

II. *Operational Overtime:* Through the creation of the Overtime Task Force and improved oversight in the field, the Long Island Rail Road has achieved significant overtime reductions in 2009 and in 2010. During 2009, overtime hours worked in the

operating departments were down 5.5% versus 2008. When adjusted for wage growth, overtime spending was down 4.6%. The success in overtime management has continued through August 2010, with overtime hours worked and dollars spent in the operating departments down 16.2% and 13.5%, respectively, when compared to the same period in 2009.

Overtime reduction initiatives were included in the baseline 2010 July Plan. An additional overtime target has since then been incorporated as part of the 2011 Final Proposed Budget. Combined, the 2011 overtime budget reflects a reduction of \$10.7 million, or 11.3% compared to the 2010 Adopted Budget. The key initiatives are:

- Initiative to improve employee availability.
- Manage workload and assignments in order to complete more work using straight-time staff.
- Redeploy resources among maintenance facilities and adjust/level maintenance schedules.
- More effectively deploy train and engine service staff to offset relief day and scheduled crew book overtime.
- Adjust tour start times to improve alignment with track outages and work schedule.
- Modify training programs to reduce overtime backfilling.
- Implement pilot project to evaluate utilizing private vendors for snow removal at stations.

### III. *Non-Operational Critical Projects*

- *Project Eliminations/ Deferrals:* Additional efforts to make every dollar count included a top-to-bottom review of all administrative projects. In 2010, this analysis identified \$12.8 million of lower priority projects to be cancelled or deferred with little or no impact to service or customers. A similar analysis is being applied to all 2011 Operating Budget Funded Projects resulting in reductions of \$1.7 million in 2011.
- *Fare Collection:* Through a detailed analysis of fare collection practices, various efficiencies were identified. Specific initiatives include changing punch day ticket validation staffing levels, eliminating additional weekday and weekend collector tours and rebalancing weekend staffing. In addition, changes to the Mail and Ride Program's enrollment policies will enable the Long Island Rail Road to generate staffing and non-payroll savings.

*Customer Impacts:* Where possible LIRR minimized impact to service quality and customer service. LIRR plans to better match train sizes to actual customer demand, shorten ticket window hours at certain locations and reduce consists.

## **New Needs**

The 2011 Final Proposed Budget reflects additional funding associated with implementing the new Federal Rail Safety legislation mandated to address fatigue management and requiring conductor certification. Based on current draft rules, the LIRR has estimated the financial impact of these new rulings to be minimal in 2011 but increasing to \$2.6 million starting in 2012 and then approximately \$2.0 million annually thereafter. These estimates are preliminary and may change based on the final ruling.

## **Operational Performance**

In spite of the economy, the LIRR continues to strive for on-time performance improvement. The record of 95.2% for 2009 was the best since record keeping started in 1979. On-time performance (OTP) was slightly below the 2009 level, due in large part to major snowstorms in the first quarter of 2010, the August Jamaica Tower fire, the August hurricane and the September tornado. OTP is 92.4% through September.

In 2009, the LIRR's fleet of M7 cars was especially reliable, achieving a mean distance between failures (MDBF) of 364,935 miles – far better than expected. While the M7 fleet has been slightly less reliable during the first eight months of 2010 when compared to 2009, it still far exceeds the 2010 goal. Overall across all fleets, MDBF continues to exceed both the same eight-month period of 2009 and the year-end 2009 level. Car Availability is also reflective of investments to maintenance, which improved fleet reliability with the AM Peak Electric Fleet for the first nine months of 2010 exceeding the 2010 year-to-date target.

The LIRR's record in the area of safety and security has exceeded the target and continues to improve. Customer injury for the first eight months of 2010 were at 5.43 customer injuries per one million customers compared to 5.93 during the same period in 2009. On a full-year basis, the LIRR target is to reduce customer injuries from 5.93 at the end of 2009 to 5.22 at the end of 2010.

Employee lost time and restricted duty injury rates for the first eight months of 2010 were 2.77 accidents per 200,000 worker hours compared to 2.50 during the same period in 2009. On a full-year basis, the LIRR target is to reduce employee accidents per 200,000 worker hours to 2.05 at the end of 2010.

The financial projections in the attached statements reflect the most current projections by the LIRR for the balance of 2010, carrying out into 2014.

## **2010 November Forecast**

The LIRR's 2010 November Forecast is comprised of non-reimbursable revenue totaling \$557.9 million and non-reimbursable expenses including depreciation, other

post employment benefits and environmental remediation of \$1,541.0 million that generate an operating deficit of (\$983.0) million. The 2010 November reimbursable revenue and expenses each total \$182.7 million.

The Baseline Accrued Deficit is (\$18.9) million worse than the 2010 Mid-Year Forecast. The Baseline Cash Deficit is (\$12.4) million worse than the 2010 Mid-Year Forecast.

Total Non-Reimbursable revenue is (\$8.2) million unfavorable to the 2010 Mid-Year Forecast. Farebox Revenue is (\$3.4) million unfavorable due to lower ridership, partially offset by higher yield per passenger. Other Operating Revenue is unfavorable by (\$4.8) million due to the timing of an air rights sale, delayed launch of the exterior train car advertising initiative and lower overall advertising revenue.

Total Non-Reimbursable expenses (excluding depreciation and OPEB) are unfavorable by (\$16.0) million, or (1.4%). The unfavorable variance is primarily due to lower Reimbursable Overhead.

The major cash adjustments from the Mid-Year Forecast are from the advertising letter of credit from 2009 Titan advertising and timing of IT and other operating funded capital initiatives.

Full-time positions total 6,516 in the 2010 November Forecast, with 6,045 non-reimbursable positions and 471 reimbursable positions. This reflects a reduction of 236 positions from 2009 Year-end Actual and 69 positions from the 2010 Mid-Year Forecast. Most of the year-on-year reductions are associated with the Budget Reduction Program and the 15% Administrative Position Reduction. The changes from the Mid-Year Forecast include reductions due to eliminating a Maintenance of Equipment training class, vacant positions in the Capital Program Management department due to changes in capital project activity and the furlough of employees in the Signal and Power departments due to lower capital project activity. These decreases were partially offset by an increase in headcount in the Transportation Services department to offset overtime.

## **2011 Final Proposed Budget - Baseline**

The goals and objectives contained in the 2011 Final Proposed Budget are consistent with the LIRR's mission and its aim to continue to improve service.. Among the key goals for 2011 are maintaining on-time performance at 95.1% and a fleet-wide mean distance between failures (MDBF) of 110,000 miles. The budget plan also reflects a continuing commitment to improve both employee and customer safety and security. Other key assumptions incorporated in the baseline are discussed in a later section, along with reconciliation to the July Financial Plan.

The 2011 Revenue totals \$765.0 million, of which \$572.2 million is Non-reimbursable revenue and \$192.7 million is Reimbursable revenue. The total expense budget is \$1,784.9 million, of which \$1,389.9 million is for operating expenses and the balance is

associated with such non-cash items as depreciation, other post employment benefits and environmental remediation. Non-reimbursable operating expenses total \$1,197.2 million in 2011, while Reimbursable expenses are \$192.7 million in the accrued statements.

The cash budget for 2011 incorporates \$841.9 million in cash receipts and \$1,464.6 million in cash disbursements. The baseline cash requirement is (\$622.7) million, as driven by operating expenses paid for in 2011, revenues received in 2011, and other adjustments to cash flow. While much of the operating budget has a direct impact on cash flow, there are some items such as material purchases for capital work that only appear in the cash budget. In addition, the differences between accrued and cash budgets reflect natural lags between when costs are incurred and when they will be paid. .

On an accrued basis, revenues and expenses in the 2011 Final Proposed Budget are higher than in the 2010 November Forecast. Total revenues for 2011 are \$765.0 million, \$24.3 million higher than in the 2010 November Forecast, with Non-reimbursable revenues rising by \$14.3 million and Reimbursable revenues rising by \$10.0 million. Baseline Ridership in 2011 increases over the 2010 November Forecast by 1.2 million rides, or 1.4%. Total operating expenses before depreciation of \$1,389.9 million reflect growth of \$51.6 million over the 2010 November Forecast. Non-reimbursable expenses increase by (\$41.6) million and reimbursable expenses increase by (\$10.0) million. While the resulting total operating baseline deficit increases by (\$36.9) million to \$(1,020.0) million in 2011, the projected baseline cash deficit (or subsidy requirement) of \$(622.7) million in 2011 is higher by (\$29.1) million.

Full-time positions total 6,491 in the 2011 Final Proposed Budget, with 5,856 non-reimbursable positions and 635 reimbursable positions. Compared to the 2010 November Forecast, this reflects a total decrease of 25 positions, 189 non-reimbursable positions and an increase of (164) reimbursable positions, consistent with anticipated levels of capital funding and timing of project activity in 2011. The major drivers of the reimbursable headcount change are the 2011 Track Program, East Side Access Construction and Positive Train Control.

Lack of funding for the last three years of the Capital Program could have significant impacts on the reimbursable budget.

There is only one major programmatic New Need identified in the 2011 Final Proposed Budget. Based on new FRA regulations related to hours of service and conductor certification, there is additional funding for software development. However, the majority of the expenses related to this new need will not occur until 2012.

## **2012-2014 Projections**

The baseline projections for 2012 through 2014 reflect minor changes that impact customers. Goals remain unchanged to continue improving key performance measures in safety, for employees and customers, and MDBF, which remains at 110,000 miles fleet-wide. Projections are to maintain an on-time performance rating of 95.1%. During this period, the LIRR will continue its Reliability Centered Maintenance (RCM) for its M7 fleet, as many components start to enter key maintenance stages. Fulfillment of RCM requirements will continue to place growing demands on resources, in both labor and maintenance materials. In 2013, the LIRR will begin ramping up costs for service to Grand Central Terminal scheduled to open in 2017 (East Side Access).

The baseline projections for 2012-2014 reflect these various impacts. Non-reimbursable revenues grow by 1.1% in each year, while Reimbursable revenues increase by 7.3% in 2012, 2.0% in 2013 and 1.4% in 2014.

The pace of expense growth is higher, driven by rates that exceed inflation in Health and Welfare (active and retirees), Traction and Propulsion Power, and Pension costs throughout the plan. Non-reimbursable expenses (before depreciation) grow by 4.3% from \$1,197.2 million in 2011 to \$1,248.4 million in 2012. They continue to rise by 4.4% in 2013 and 4.7% in 2014, reaching \$1,364.1 million. East Side Access ramp up costs are included beginning in 2013. Reimbursable expenses increase by 7.3% (to \$206.8 million) in 2012 and then increase by less than 2.0% per year, reaching (\$214.1) million in 2014.

On a year-to-year basis, the Baseline positions increase in 2012 by 62 positions over 2011, 159 positions in 2013 and 149 positions in 2014. The increase in 2012 is primarily related to additional train and engine positions related to the new FRA hours of service regulations, full staffing of the Department of Project Management and Transportation Department trainees. The increases in 2013 and 2014 are primarily related to the East Side Access ramp up. For the period 2012 to 2014, reimbursable positions remain flat.

Appearing in a separate section is a discussion of the major assumptions in the 2012-2014 forecasts and reconciliations to the Mid-Year forecast for the years through 2014.

## **GAP CLOSING MEASURES – Budget Reduction Program (BRP)**

### **BRP Actions**

The November Forecast includes a Budget Reduction Program resulting in 2010 operating expense reductions of \$47.1 million. This includes \$39.6 million administrative, \$1.9 million customer convenience/amenities, \$1.7 million maintenance

and \$3.9 million service support. Overall, these savings are (\$1.4) million unfavorable from the Mid-Year Forecast due to delayed implementation of several initiatives.

The 2011 BRP results in \$27.0 million in savings and includes \$12.1 million administrative, \$4.4 million customer convenience/amenities, \$2.8 million maintenance, \$0.4 million revenue enhancements and \$7.4 million service support. Overall, these savings are an increase of \$0.6 million to the preliminary 2011 budget.

**MTA LONG ISLAND RAIL ROAD**  
**November Financial Plan 2011-2014**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

**NON-REIMBURSABLE**

	<b>2009</b>	<b>2010</b>	<b>2011</b>			
	<b>Actual</b>	<b>November Forecast</b>	<b>Final Proposed Budget</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Operating Revenue</b>						
Farebox Revenue	\$509.306	\$525.923	\$534.639	\$542.706	\$548.655	\$553.935
Toll Revenue						
Other Operating Revenue	36.587	32.015	37.580	35.846	36.523	37.859
Capital and Other Reimbursements						
<b>Total Revenue</b>	<b>\$545.894</b>	<b>\$557.937</b>	<b>\$572.218</b>	<b>\$578.552</b>	<b>\$585.177</b>	<b>\$591.794</b>
<b>Operating Expenses</b>						
<b><u>Labor:</u></b>						
Payroll	\$426.934	\$425.373	\$419.744	\$432.289	\$452.599	\$472.715
Overtime	91.744	78.780	72.744	72.117	71.581	72.955
Health and Welfare	75.428	75.296	83.934	89.628	98.698	108.729
OPEB Current Payment	48.027	51.781	58.797	62.934	67.339	72.053
Pensions	136.286	139.224	153.255	166.693	169.809	174.225
Other Fringe Benefits	92.272	89.462	91.244	93.451	98.277	103.511
Reimbursable Overhead	(28.483)	(27.657)	(32.657)	(35.112)	(35.938)	(35.165)
<b>Total Labor Expenses</b>	<b>\$842.208</b>	<b>\$832.259</b>	<b>\$847.061</b>	<b>\$882.000</b>	<b>\$922.364</b>	<b>\$969.024</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power	\$77.857	\$83.634	\$88.729	\$95.248	\$104.415	\$109.214
Fuel for Buses and Trains	13.385	17.167	17.726	18.619	19.284	19.875
Insurance	15.720	14.786	16.320	17.640	19.084	20.661
Claims	11.717	13.846	15.813	16.110	16.116	16.472
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	63.289	66.879	79.262	75.556	76.219	78.323
Professional Service Contracts	23.082	19.112	20.370	19.532	19.704	20.198
Materials & Supplies	103.841	97.813	100.226	111.638	113.500	117.967
Other Business Expenses	9.396	10.107	11.690	12.060	12.203	12.411
<b>Total Non-Labor Expenses</b>	<b>\$318.287</b>	<b>\$323.344</b>	<b>\$350.136</b>	<b>\$366.403</b>	<b>\$380.524</b>	<b>\$395.123</b>
<b><u>Other Expenses Adjustments:</u></b>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation and GASB Adjs</b>	<b>\$1,160.495</b>	<b>\$1,155.603</b>	<b>\$1,197.197</b>	<b>\$1,248.403</b>	<b>\$1,302.888</b>	<b>\$1,364.147</b>
Depreciation	\$306.980	\$315.911	\$317.991	\$317.060	\$309.279	\$298.284
OPEB Obligation	60.008	66.951	75.000	77.250	79.568	81.955
Environmental Remediation	0.124	2.503	2.000	2.000	2.000	2.000
<b>Total Expenses</b>	<b>\$1,527.607</b>	<b>\$1,540.968</b>	<b>\$1,592.188</b>	<b>\$1,644.713</b>	<b>\$1,693.735</b>	<b>\$1,746.386</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$981.713)</b>	<b>(\$983.031)</b>	<b>(\$1,019.970)</b>	<b>(\$1,066.161)</b>	<b>(\$1,108.558)</b>	<b>(\$1,154.592)</b>

**MTA LONG ISLAND RAIL ROAD**  
**November Financial Plan 2011-2014**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

<b>REIMBURSABLE</b>						
	<b>2009 Actual</b>	<b>2010 November Forecast</b>	<b>2011 Final Proposed Budget</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Revenue</b>						
Farebox Revenue						
Toll Revenue						
Other Operating Revenue						
Capital and Other Reimbursements	\$186.871	\$182.697	\$192.743	\$206.821	\$211.073	\$214.129
<b>Total Revenue</b>	<b>\$186.871</b>	<b>\$182.697</b>	<b>\$192.743</b>	<b>\$206.821</b>	<b>\$211.073</b>	<b>\$214.129</b>
<b>Expenses</b>						
<b><u>Labor:</u></b>						
Payroll	\$73.306	\$72.187	\$76.054	\$82.523	\$84.511	\$86.169
Overtime	14.746	11.572	11.164	11.410	11.635	11.864
Health and Welfare	12.743	12.317	12.698	14.475	14.982	15.277
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	24.541	21.129	20.713	21.106	20.976	21.390
Other Fringe Benefits	15.393	14.910	15.292	17.433	18.043	18.399
Reimbursable Overhead	28.483	27.657	32.657	35.112	35.938	35.165
<b>Total Labor Expenses</b>	<b>\$169.212</b>	<b>\$159.772</b>	<b>\$168.578</b>	<b>\$182.059</b>	<b>\$186.085</b>	<b>\$188.264</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power	\$0.175	\$0.110	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	0.768	1.061	1.881	1.942	1.981	2.020
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	8.151	8.116	7.877	8.186	8.274	8.450
Professional Service Contracts	1.072	0.940	0.438	0.499	0.517	0.527
Materials & Supplies	7.249	12.591	13.888	14.043	14.120	14.770
Other Business Expenses	0.244	0.107	0.081	0.092	0.096	0.098
<b>Total Non-Labor Expenses</b>	<b>\$17.659</b>	<b>\$22.925</b>	<b>\$24.165</b>	<b>\$24.762</b>	<b>\$24.988</b>	<b>\$25.865</b>
<b><u>Other Expenses Adjustments:</u></b>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$186.871</b>	<b>\$182.697</b>	<b>\$192.743</b>	<b>\$206.821</b>	<b>\$211.073</b>	<b>\$214.129</b>
Depreciation	-	-	-	-	-	-
<b>Total Expenses</b>	<b>\$186.871</b>	<b>\$182.697</b>	<b>\$192.743</b>	<b>\$206.821</b>	<b>\$211.073</b>	<b>\$214.129</b>
<b>Net Surplus/(Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**MTA LONG ISLAND RAIL ROAD**  
**November Financial Plan 2011-2014**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

<b>NON-REIMBURSABLE / REIMBURSABLE</b>						
	<b>2009</b>	<b>2010</b>	<b>2011</b>			
	<b>Actual</b>	<b>November Forecast</b>	<b>Final Proposed Budget</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Revenue</b>						
Farebox Revenue	\$509.306	\$525.923	\$534.639	\$542.706	\$548.655	\$553.935
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	36.587	32.015	37.580	35.846	36.523	37.859
Capital and Other Reimbursements	186.871	182.697	192.743	206.821	211.073	214.129
<b>Total Revenue</b>	<b>\$732.765</b>	<b>\$740.634</b>	<b>\$764.961</b>	<b>\$785.373</b>	<b>\$796.250</b>	<b>\$805.923</b>
<b>Expenses</b>						
<b><u>Labor:</u></b>						
Payroll	\$500.240	\$497.560	\$495.798	\$514.812	\$537.110	\$558.884
Overtime	106.490	90.352	83.908	83.527	83.216	84.819
Health and Welfare	88.171	87.613	96.632	104.103	113.680	124.006
OPEB Current Payment	48.027	51.781	58.797	62.934	67.339	72.053
Pensions	160.827	160.353	173.968	187.799	190.785	195.615
Other Fringe Benefits	107.665	104.372	106.536	110.884	116.320	121.910
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenses</b>	<b>\$1,011.420</b>	<b>\$992.031</b>	<b>\$1,015.639</b>	<b>\$1,064.059</b>	<b>\$1,108.449</b>	<b>\$1,157.288</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power	\$78.032	\$83.744	\$88.729	\$95.248	\$104.415	\$109.214
Fuel for Buses and Trains	13.385	17.167	17.726	18.619	19.284	19.875
Insurance	16.488	15.847	18.201	19.582	21.065	22.681
Claims	11.717	13.846	15.813	16.110	16.116	16.472
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	71.440	74.995	87.139	83.742	84.493	86.773
Professional Service Contracts	24.154	20.052	20.808	20.031	20.221	20.725
Materials & Supplies	111.090	110.404	114.114	125.681	127.620	132.737
Other Business Expenses	9.640	10.214	11.771	12.152	12.299	12.509
<b>Total Non-Labor Expenses</b>	<b>\$335.946</b>	<b>\$346.269</b>	<b>\$374.301</b>	<b>\$391.165</b>	<b>\$405.512</b>	<b>\$420.988</b>
<b><u>Other Expenses Adjustments:</u></b>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation and GASB Adjs</b>	<b>\$1,347.366</b>	<b>\$1,338.300</b>	<b>\$1,389.940</b>	<b>\$1,455.224</b>	<b>\$1,513.961</b>	<b>\$1,578.276</b>
Depreciation	\$306.980	\$315.911	\$317.991	\$317.060	\$309.279	\$298.284
OPEB Obligation	60.008	66.951	75.000	77.250	79.568	81.955
Environmental Remediation	0.124	2.503	2.000	2.000	2.000	2.000
<b>Total Expenses</b>	<b>\$1,714.478</b>	<b>\$1,723.665</b>	<b>\$1,784.931</b>	<b>\$1,851.534</b>	<b>\$1,904.808</b>	<b>\$1,960.515</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$981.713)</b>	<b>(\$983.031)</b>	<b>(\$1,019.970)</b>	<b>(\$1,066.161)</b>	<b>(\$1,108.558)</b>	<b>(\$1,154.592)</b>

**MTA LONG ISLAND RAIL ROAD**  
**November Financial Plan 2011-2014**  
**Cash Receipts & Expenditures**  
(\$ in millions)

**CASH RECEIPTS AND EXPENDITURES**

	<b>2009</b>	<b>2010</b>	<b>2011</b>			
	<b>Actual</b>	<b>November</b>	<b>Final Proposed</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
		<b>Forecast</b>	<b>Budget</b>			
<b>Receipts</b>						
Farebox Revenue	\$537.488	\$555.723	\$566.639	\$574.706	\$580.655	\$585.935
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	35.237	69.795	46.665	43.806	44.630	45.906
Capital and Other Reimbursements	233.339	221.910	228.633	238.231	242.785	246.029
<b>Total Receipts</b>	<b>\$806.065</b>	<b>\$847.428</b>	<b>\$841.937</b>	<b>\$856.743</b>	<b>\$868.070</b>	<b>\$877.870</b>
<b>Expenditures</b>						
<b><u>Labor:</u></b>						
Payroll	\$494.809	\$498.038	\$493.560	\$512.551	\$534.826	\$556.532
Overtime	106.118	90.352	83.908	83.527	83.216	84.819
Health and Welfare	88.420	87.613	96.632	104.103	113.680	124.006
OPEB Current Payment	47.832	51.781	58.797	62.934	67.339	72.053
Pensions	144.361	177.408	173.968	187.799	190.785	195.615
Other Fringe Benefits	107.793	105.343	106.536	110.884	116.320	121.910
GASB Account	7.825	7.358	7.948	8.552	9.074	9.719
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenditures</b>	<b>\$997.159</b>	<b>\$1,017.893</b>	<b>\$1,021.349</b>	<b>\$1,070.350</b>	<b>\$1,115.240</b>	<b>\$1,164.654</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power	\$76.461	\$108.980	\$91.465	\$97.856	\$107.198	\$112.183
Fuel for Buses and Trains	13.232	17.167	17.726	18.619	19.284	19.875
Insurance	21.833	20.502	22.979	23.426	25.096	27.867
Claims	13.342	8.934	13.978	14.259	14.264	14.601
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	79.133	82.092	92.076	86.722	87.473	89.756
Professional Service Contracts	19.375	22.650	20.589	17.531	17.721	18.075
Materials & Supplies	155.331	119.627	141.077	148.666	148.802	167.197
Other Business Expenses	8.460	9.955	11.371	11.734	11.881	12.077
<b>Total Non-Labor Expenditures</b>	<b>\$387.168</b>	<b>\$389.907</b>	<b>\$411.261</b>	<b>\$418.813</b>	<b>\$431.719</b>	<b>\$461.631</b>
<b><u>Other Expenditure Adjustments:</u></b>						
Other	\$28.869	\$29.800	\$32.000	\$32.000	\$32.000	\$32.000
<b>Total Other Expenditure Adjustments</b>	<b>\$28.869</b>	<b>\$29.800</b>	<b>\$32.000</b>	<b>\$32.000</b>	<b>\$32.000</b>	<b>\$32.000</b>
<b>Total Expenditures</b>	<b>\$1,413.196</b>	<b>\$1,437.600</b>	<b>\$1,464.610</b>	<b>\$1,521.163</b>	<b>\$1,578.959</b>	<b>\$1,658.285</b>
Cash Timing and Availability Adjustment	\$3.430	(\$3.430)	\$0.000	\$0.000	\$0.000	\$0.000
<b>Baseline Cash Deficit</b>	<b>(\$603.702)</b>	<b>(\$593.602)</b>	<b>(\$622.673)</b>	<b>(\$664.420)</b>	<b>(\$710.889)</b>	<b>(\$780.415)</b>

**MTA LONG ISLAND RAIL ROAD**  
**November Financial Plan 2011-2014**  
**Cash Conversion (Cash Flow Adjustments)**  
(\$ in millions)

**CASH FLOW ADJUSTMENTS**

	2009	2010	2011			
	Actual	November Forecast	Final Proposed Budget	2012	2013	2014
<b>Receipts</b>						
Farebox Revenue	\$28.182	\$29.800	\$32.000	\$32.000	\$32.000	\$32.000
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	(1.350)	37.780	9.085	7.960	8.107	8.047
Capital and Other Reimbursements	46.468	39.213	35.890	31.410	31.712	31.900
<b>Total Receipts</b>	<b>\$73.300</b>	<b>\$106.794</b>	<b>\$76.976</b>	<b>\$71.370</b>	<b>\$71.820</b>	<b>\$71.947</b>
<b>Expenditures</b>						
<b><u>Labor:</u></b>						
Payroll	\$5.431	(\$0.478)	\$2.238	\$2.261	\$2.284	\$2.352
Overtime	0.372	0.000	0.000	0.000	0.000	0.000
Health and Welfare	(0.249)	0.000	0.000	0.000	(0.000)	0.000
OPEB Current Payment	0.195	0.000	0.000	0.000	0.000	0.000
Pensions	16.466	(17.055)	0.000	0.000	(0.000)	(0.000)
Other Fringe Benefits	(0.128)	(0.971)	0.000	0.000	(0.000)	0.000
GASB Account	(7.825)	(7.358)	(7.948)	(8.552)	(9.074)	(9.719)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenditures</b>	<b>\$14.261</b>	<b>(\$25.862)</b>	<b>(\$5.710)</b>	<b>(\$6.291)</b>	<b>(\$6.791)</b>	<b>(\$7.366)</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power	\$1.571	(\$25.236)	(\$2.736)	(\$2.608)	(\$2.783)	(\$2.969)
Fuel for Buses and Trains	0.153	0.000	0.000	0.000	0.000	0.000
Insurance	(5.345)	(4.655)	(4.778)	(3.844)	(4.031)	(5.186)
Claims	(1.625)	4.912	1.835	1.851	1.852	1.871
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	(7.693)	(7.097)	(4.937)	(2.980)	(2.980)	(2.983)
Professional Service Contracts	4.779	(2.598)	0.219	2.500	2.500	2.650
Materials & Supplies	(44.241)	(9.223)	(26.963)	(22.985)	(21.182)	(34.460)
Other Business Expenditures	1.180	0.259	0.400	0.418	0.418	0.432
<b>Total Non-Labor Expenditures</b>	<b>(\$51.222)</b>	<b>(\$43.638)</b>	<b>(\$36.960)</b>	<b>(\$27.648)</b>	<b>(\$26.207)</b>	<b>(\$40.643)</b>
<b><u>Other Expenditures Adjustments:</u></b>						
Other	(\$28.869)	(\$29.800)	(\$32.000)	(\$32.000)	(\$32.000)	(\$32.000)
<b>Total Other Expenditures Adjustments</b>	<b>(\$28.869)</b>	<b>(\$29.800)</b>	<b>(\$32.000)</b>	<b>(\$32.000)</b>	<b>(\$32.000)</b>	<b>(\$32.000)</b>
<b>Total Cash Conversion Adjustments before Depreciation and GASB Adjs.</b>	<b>\$7.470</b>	<b>\$7.494</b>	<b>\$2.306</b>	<b>\$5.431</b>	<b>\$6.822</b>	<b>(\$8.062)</b>
Depreciation Adjustment	\$306.980	\$315.911	\$317.991	\$317.060	\$309.279	\$298.284
OPEB Obligation	60.008	66.951	75.000	77.250	79.568	81.955
Environmental Remediation	0.124	2.503	2.000	2.000	2.000	2.000
Cash Timing and Availability Adjustment	3.430	(3.430)	0.000	0.000	0.000	0.000
<b>Baseline Total Cash Conversion Adjustments</b>	<b>\$378.012</b>	<b>\$389.429</b>	<b>\$397.297</b>	<b>\$401.741</b>	<b>\$397.669</b>	<b>\$374.177</b>
<b>Total Cash Conversion Adjustments</b>	<b>\$378.012</b>	<b>\$389.429</b>	<b>\$397.297</b>	<b>\$401.741</b>	<b>\$397.669</b>	<b>\$374.177</b>

**MTA LONG ISLAND RAIL ROAD**  
**2011 Final Proposed Budget**  
**November Financial Plan 2011 – 2014**  
**Year-to-Year Changes by Category - Baseline**

**Revenue**

**Farebox Revenue**

- The regional economy and employment trends are the primary drivers.
- Farebox revenue is increasing by 1.7% in 2011 over 2010 due to ridership growth.
- Passenger revenue forecasts in the outer years 2012 - 2014 reveal modest annual growth due to increases in ridership.

**Other Operating Revenue**

- Other revenues are higher in 2011 from the 2010 November Forecast due to a one-time revenue stream associated with selling air rights over the right of way and the full-year impact of exterior train car advertising.
- Projected to grow each year primarily through contractual and inflationary increases.

**Capital and Other Reimbursements**

- Reflects the 2010 - 2014 Capital Program and other project activity including East Side Access materials.

**Expenses**

**Payroll**

- 2010 - 2014 includes increases for management and represented employees of 1.87%, 2.23%, 2.20%, 1.97% and 1.91%, respectively.
- Headcount changes each year are associated with the Budget Reduction Program (BRP), 15% Administrative Reductions, Business Service Center and changes in programs and Capital Program activity.
- 2013 includes East Side Access ramp-up costs.

**Overtime**

- 2010 - 2011 decrease of \$6.4 million or 7.1% is primarily associated with the full year impact of the BRPs, various fleet maintenance activities, fare collection efficiencies and additional management control initiatives.
- 2011 –2013 continue to show slight decreases year-on-year.
- 2014 shows a slight increase reflecting CPI increases and changes in Capital Program activity.

### **Health & Welfare**

- 2011 reflects an annual rate increase of approximately 13.4% for family and 14.3% for individual coverage over 2010.
- 2012 - 2014 reflects annual rate increases of approximately 7.1% for family and 6.7% for individual.
- Reflects impact of headcount changes each year, including ramp-up costs for East Side Access in 2013.

### **Pensions**

- Reflects the latest actuarial valuation for each year.

### **Other Fringe Benefits**

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

### **Traction and Propulsion Power**

- 2010 is based on actuals through July and implementation of AABB Service Reductions and the BRP.
- 2011 includes full year impact of the 2010 AABB Service Reductions and BRP and price inflators provided by the MTA.
- 2012 - 2014 reflects price inflators provided by MTA.

### **Fuel**

- 2010 is based on actuals through July and implementation of AABB Service Reductions and BRP.
- 2011 includes full year impact of the 2010 AABB Service Reductions and BRP and price inflators provided by the MTA.
- 2012 - 2014 reflects price inflators provided by MTA.

### **Insurance**

- 2010 is based on actual results through July, which reflect favorable insurance premium payments and prior year credits.
- 2011 - 2014 reflects price inflators provided by MTA.

### **Claims**

- 2010 reflects actual experience through July and the anticipated settlement and payout of claims for the balance of the year.
- 2011 - 2014 reflects inflationary increases.

### **Maintenance and Other Operating Contracts**

- 2010 – 2011 increases due to shifting of expenses to 2011 for various IT initiatives, Diesel Retrofit and Engineering maintenance projects, full year impact of IESS initiative and normal inflationary increases.

- 2011 – 2012 decreases as various IT initiatives and Diesel retrofit program are completed.
- 2013 – 2014 includes East Side Access start-up costs.

#### **Professional Service Contracts**

- 2010 – 2011 reflects changes in System Initiative projects.
- 2011 – 2013 increases due to normal inflationary increases.
- 2013 – 2014 includes East Side Access start-up costs.

#### **Material and Supplies**

- The increase in materials from 2010 - 2011 is primarily various IT initiatives and East Side Access material.
- 2011 – 2012 reflects higher Reliability Centered Maintenance (RCM) material.
- 2013 – 2014 includes East Side Access start-up costs.

#### **Other Business Expenses**

- 2010 includes several one-year BRP initiatives and prior year adjustments.
- 2011 - 2014 includes inflationary increases.

#### **Cash Adjustments**

##### **Expense**

- Pension – cash payments versus accrued expenses.
- Shift of New York and Atlantic Railroad 2009 derailment settlement from 2010 to 2011.
- 2011 includes shifting certain IT initiatives (Operating Funded Capital) from 2010 to 2011.
- Insurance and Claims & Suits – payments versus accrued expenses.
- 2010 - 2014 - timing of material purchases versus charge-outs.
- Depreciation and other non-cash adjustments for each year 2010 - 2014.
- Traction and Propulsion Power – reflects projected LIPA settlement.



## REIMBURSABLE

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**MTA LONG ISLAND RAIL ROAD**  
**November Financial Plan 2011-2014**  
**Year-to-Year Changes by Category - Cash Basis**  
(\$ in millions)

**CASH RECEIPTS & EXPENDITURES**

	Favorable/(Unfavorable)								
	2010	2011	Change 2011 - 2010	2012	Change 2012 - 2011	2013	Change 2013 - 2012	2014	Change 2014 - 2013
<b><u>Receipts</u></b>									
Farebox Revenue	\$555.723	\$566.639	\$10.916	\$574.706	\$8.067	\$580.655	\$5.949	\$585.935	\$5.280
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	69.795	46.665	(23.130)	43.806	(2.859)	44.630	0.824	45.906	1.276
Capital and Other Reimbursements	221.910	228.633	6.723	238.231	9.598	242.785	4.554	246.029	3.244
<b>Total Receipts</b>	<b>\$847.428</b>	<b>\$841.937</b>	<b>(\$5.491)</b>	<b>\$856.743</b>	<b>\$14.806</b>	<b>\$868.070</b>	<b>\$11.327</b>	<b>\$877.870</b>	<b>\$9.800</b>
<b><u>Expenditures</u></b>									
Labor:									
Payroll	\$498.038	\$493.560	\$4.478	\$512.551	(\$18.991)	\$534.826	(\$22.275)	\$556.532	(\$21.706)
Overtime	90.352	83.908	6.444	83.527	0.381	83.216	0.311	84.819	(1.603)
Health and Welfare	87.613	96.632	(9.019)	104.103	(7.471)	113.680	(9.577)	124.006	(10.326)
OPEB Current Payment	51.781	58.797	(7.016)	62.934	(4.137)	67.339	(4.405)	72.053	(4.714)
Pensions	177.408	173.968	3.440	187.799	(13.831)	190.785	(2.986)	195.615	(4.830)
Other Fringe Benefits	105.343	106.536	(1.193)	110.884	(4.348)	116.320	(5.436)	121.910	(5.590)
GASB Account	7.358	7.948	(0.590)	8.552	(0.604)	9.074	(0.522)	9.719	(0.645)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenditures</b>	<b>\$1,017.893</b>	<b>\$1,021.349</b>	<b>(\$3.456)</b>	<b>\$1,070.350</b>	<b>(\$49.001)</b>	<b>\$1,115.240</b>	<b>(\$44.890)</b>	<b>\$1,164.654</b>	<b>(\$49.414)</b>
Non-Labor:									
Traction and Propulsion Power	\$108.980	\$91.465	\$17.515	\$97.856	(\$6.391)	\$107.198	(\$9.342)	\$112.183	(\$4.985)
Fuel for Buses and Trains	17.167	17.726	(0.559)	18.619	(0.893)	19.284	(0.665)	19.875	(0.591)
Insurance	20.502	22.979	(2.477)	23.426	(0.447)	25.096	(1.670)	27.867	(2.771)
Claims	8.934	13.978	(5.044)	14.259	(0.281)	14.264	(0.005)	14.601	(0.337)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	82.092	92.076	(9.984)	86.722	5.354	87.473	(0.751)	89.756	(2.283)
Professional Service Contracts	22.650	20.589	2.061	17.531	3.058	17.721	(0.190)	18.075	(0.354)
Materials & Supplies	119.627	141.077	(21.450)	148.666	(7.589)	148.802	(0.136)	167.197	(18.395)
Other Business Expenses	9.955	11.371	(1.416)	11.734	(0.363)	11.881	(0.147)	12.077	(0.196)
<b>Total Non-Labor Expenditures</b>	<b>\$389.907</b>	<b>\$411.261</b>	<b>(\$21.354)</b>	<b>\$418.813</b>	<b>(\$7.552)</b>	<b>\$431.719</b>	<b>(\$12.906)</b>	<b>\$461.631</b>	<b>(\$29.912)</b>
Other Expenditure Adjustments:									
Other	\$29.800	\$32.000	(2.200)	\$32.000	0.000	\$32.000	0.000	\$32.000	0.000
<b>Total Other Expenditure Adjustments</b>	<b>\$29.800</b>	<b>\$32.000</b>	<b>(\$2.200)</b>	<b>\$32.000</b>	<b>\$0.000</b>	<b>\$32.000</b>	<b>\$0.000</b>	<b>\$32.000</b>	<b>\$0.000</b>
<b>Total Expenditures</b>	<b>\$1,437.600</b>	<b>\$1,464.610</b>	<b>(\$27.010)</b>	<b>\$1,521.163</b>	<b>(\$56.553)</b>	<b>\$1,578.959</b>	<b>(\$57.796)</b>	<b>\$1,658.285</b>	<b>(\$79.326)</b>
Cash Timing and Availability Adjustment	(3.430)	0.000	(3.430)	0.000	0.000	0.000	0.000	0.000	0.000
<b>Baseline Net Cash Deficit</b>	<b>(\$593.602)</b>	<b>(\$622.673)</b>	<b>(\$29.071)</b>	<b>(\$664.420)</b>	<b>(\$41.747)</b>	<b>(\$710.889)</b>	<b>(\$46.469)</b>	<b>(\$780.415)</b>	<b>(\$69.526)</b>

**MTA LONG ISLAND RAIL ROAD**  
**2011 Final Proposed Budget**  
**November Financial Plan 2011 - 2014**  
**Summary of Major Plan-to-Plan Changes**

**2010: November Financial Plan vs. July Financial Plan**

2010 November Financial Plan is based on actual performance through July with projections for August through December based on current trends and known activities.

**Revenue**

- Ridership is (0.6) million unfavorable to plan. Passenger Revenue is (\$3.4) million unfavorable to plan due to lower ridership, partially offset by higher yield per passenger.
- Other Operating Revenue is lower due to the delayed launch of exterior train car advertising, timing of air rights sales (now expected in 2011); lower overall advertising and lower special services revenue.
- Capital and Other Reimbursements are lower primarily resulting from changes in capital project activity and other reimbursements and lower East Side Access Material.

**Expense**

- Payroll and Benefits –increase from the July Plan due to timing of attrition and timing of implementation of Budget Reduction Program (BRP).
- Higher Traction and Propulsion Power is due to timing of implementation of BRPs.
- Lower Force Account Insurance based on changes in capital project activity.
- Lower Maintenance and other Operating Contracts are due to a shift of IT initiatives and Diesel retrofit program from 2010 to 2011, timing of IESS initiative and lower vehicle maintenance, utilities and communication expenses.
- Lower Materials and Supplies due to East Side Access material, timing of Reliability Centered Maintenance and IT initiatives.
- Other Business Expense favorable due to prior year adjustments.

**2011 - 2014: November Financial Plan vs. July Financial Plan**

**Revenue**

- Passenger Revenue is unfavorable to plan due to lower ridership of approximately (0.6) million each year.
- Other Operating Revenue is favorable in 2011 due to timing of an air rights sale from 2010, partially offset by lower rental revenue. From 2012 - 2014 lower revenue is due to real estate assumptions on rental receipts.
- Capital and Other Reimbursements are lower in 2011 primarily resulting from changes in capital project activity.

**Expense**

- Payroll and Benefits – 2011-2014 increases from the July Plan as staffing levels have been adjusted to shift work to straight time from overtime. The plan also reflects higher Health & Welfare rates and adjustments to pay rates for certain occupation codes. In 2012, additional headcount has been added based on the latest federal Hours of Service regulations.
- Traction Power and Diesel Fuel is higher due to higher estimated rates per MTA guidance.
- Higher Force Account Insurance based on project activity.
- Material & Supplies change each year due to inventory control initiatives resulting in a re-estimate of material needs associated with Reliability Centered Maintenance and other inventory adjustments.
- Professional Services increase is based on the timing of IT initiatives.
- All other non-payroll expenses are re-estimates based on planned activities changes in service contracts and adjustments to inflationary increases.

**MTA LONG ISLAND RAIL ROAD**  
**November Financial Plan 2011-2014**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

**NON-REIMBURSABLE**

	2010	2011	2012	2013	2014
<b>Baseline 2010 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$581.230)</b>	<b>(\$604.427)</b>	<b>(\$652.263)</b>	<b>(\$699.325)</b>	<b>(\$769.851)</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
Farebox Revenue	(\$3.445)	(\$3.444)	(\$3.498)	(\$3.539)	(\$3.576)
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	(4.785)	2.452	(0.449)	(0.492)	(0.493)
Capital and Other Reimbursement	0.000	0.000	0.000	0.000	0.000
<b>Total Revenue Changes</b>	<b>(\$8.230)</b>	<b>(\$0.992)</b>	<b>(\$3.947)</b>	<b>(\$4.031)</b>	<b>(\$4.068)</b>
<b>Expenses</b>					
<b>Labor:</b>					
Payroll and Overtime	(\$7.696)	(\$4.291)	(\$2.789)	(\$3.291)	(\$3.266)
Health and Welfare	(1.406)	(1.247)	(0.964)	(1.530)	(1.796)
OPEB Current Payment	0.000	(0.123)	0.097	0.372	0.686
Pensions	(1.906)	(0.180)	0.005	0.004	0.004
Other Fringe Benefits	(4.116)	(1.693)	(0.801)	(1.017)	(1.023)
Reimbursable Overhead	(17.196)	(0.284)	0.810	4.808	6.105
<b>Total Labor Expense Changes</b>	<b>(\$32.320)</b>	<b>(\$7.818)</b>	<b>(\$3.642)</b>	<b>(\$0.654)</b>	<b>\$0.710</b>
<b>Non-Labor:</b>					
Traction and Propulsion Power	(\$2.155)	(\$3.184)	(\$4.285)	(\$7.974)	(\$7.004)
Fuel for Buses and Trains	(0.361)	(0.147)	(0.222)	(0.148)	(0.148)
Insurance	(0.002)	0.000	0.000	0.000	0.000
Claims	1.967	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	9.147	(4.553)	0.285	0.361	0.362
Professional Service Contracts	0.835	(1.458)	(0.216)	(0.216)	(0.217)
Materials & Supplies	6.604	(1.699)	(0.456)	0.626	2.391
Other Business Expenses	0.295	(0.549)	(0.698)	(0.678)	(0.655)
<b>Total Non-Labor Expense Changes</b>	<b>\$16.330</b>	<b>(\$11.590)</b>	<b>(\$5.592)</b>	<b>(\$8.029)</b>	<b>(\$5.271)</b>
<b>Total Expense Changes before Depreciation and GASB Adj.</b>	<b>(\$15.990)</b>	<b>(\$19.408)</b>	<b>(\$9.234)</b>	<b>(\$8.683)</b>	<b>(\$4.561)</b>
<b>Depreciation</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
OPEB Obligation	5.792	0.000	0.000	0.000	0.000
Environmental Remediation	(0.503)	0.000	0.000	0.000	0.000
<b>Total Expense Changes</b>	<b>(\$10.701)</b>	<b>(\$19.408)</b>	<b>(\$9.234)</b>	<b>(\$8.683)</b>	<b>(\$4.561)</b>
<b>Cash Adjustment Changes</b>					
Advertising Guarantee - Titan 2009	\$4.773	\$0.241	\$0.000	\$0.104	\$0.000
Revenue - NYAR settlement from 2009 derailment	(0.925)	0.925	0.000	0.000	0.000
Pension	0.932	0.000	0.000	0.000	0.000
Insurance	(0.269)	0.987	1.024	1.044	1.064
Claims adjustment	1.976	0.000	0.000	0.000	0.000
JCC Savings	0.380	0.000	0.000	0.000	0.000
Material adjustments	0.000	0.700	0.000	0.000	(3.000)
Bad Debt adjustment	(0.108)	0.000	0.000	0.000	0.000
IT Technical adjustments (Operating Funded Capital)	2.020	(1.866)	0.000	0.000	0.000
Additional Operating Funded Capital adjustments	1.276	1.165	0.000	0.000	0.000
Misc Charges and Credits (non-cash)	1.750	0.000	0.000	0.000	0.000
Depreciation/OPEB/Environmental Remediation	(5.289)	0.000	0.000	0.000	0.000
Other Misc	(0.002)	0.002	0.000	0.003	0.002
<b>Total Cash Adjustment Changes</b>	<b>\$6.514</b>	<b>\$2.154</b>	<b>\$1.024</b>	<b>\$1.151</b>	<b>(\$1.934)</b>
<b>Total Baseline Changes</b>	<b>(\$12.417)</b>	<b>(\$18.246)</b>	<b>(\$12.157)</b>	<b>(\$11.564)</b>	<b>(\$10.563)</b>
<b>Baseline 2010 November Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$593.647)</b>	<b>(\$622.673)</b>	<b>(\$664.420)</b>	<b>(\$710.889)</b>	<b>(\$780.414)</b>

**MTA LONG ISLAND RAIL ROAD**  
**November Financial Plan 2011-2014**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

**REIMBURSABLE**

	2010	2011	2012	2013	2014
<b>Baseline 2010 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursement	(30.154)	(6.229)	1.940	5.942	7.260
<b>Total Revenue Changes</b>	<b>(\$30.154)</b>	<b>(\$6.229)</b>	<b>\$1.940</b>	<b>\$5.942</b>	<b>\$7.260</b>
<b>Expenses</b>					
<b>Labor:</b>					
Payroll and Overtime	\$5.990	\$3.637	(\$0.223)	(\$0.221)	(\$0.225)
Health and Welfare	0.927	1.201	0.048	0.053	0.054
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000
Pensions	0.974	0.180	(0.005)	(0.004)	(0.004)
Other Fringe Benefits	1.064	1.447	0.057	0.064	0.064
Reimbursable Overhead	17.196	0.284	(0.810)	(4.808)	(6.105)
<b>Total Labor Expense Changes</b>	<b>\$26.151</b>	<b>\$6.749</b>	<b>(\$0.933)</b>	<b>(\$4.916)</b>	<b>(\$6.216)</b>
<b>Non-Labor:</b>					
Traction and Propulsion Power	(\$0.037)	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000
Insurance	0.271	(0.987)	(1.025)	(1.046)	(1.066)
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	(0.133)	0.209	0.008	0.009	0.010
Professional Service Contracts	(0.329)	0.041	0.002	0.001	0.002
Materials & Supplies	4.243	0.209	0.007	0.010	0.010
Other Business Expenses	(0.012)	0.008	0.001	0.000	0.000
<b>Total Non-Labor Expense Changes</b>	<b>\$4.003</b>	<b>(\$0.520)</b>	<b>(\$1.007)</b>	<b>(\$1.026)</b>	<b>(\$1.044)</b>
<b>Total Expense Changes</b>	<b>\$30.154</b>	<b>\$6.229</b>	<b>(\$1.940)</b>	<b>(\$5.942)</b>	<b>(\$7.260)</b>
<b>Cash Adjustment Changes</b>					
Capital and Other Reimbursements	0.045	0.000	0.000	0.000	0.000
<b>Total Cash Adjustment Changes</b>	<b>\$0.045</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Baseline Changes</b>	<b>\$0.045</b>	<b>(\$0.000)</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>(\$0.000)</b>
<b>Baseline 2010 November Financial Plan - Operating Cash</b>	<b>\$0.045</b>	<b>(\$0.000)</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>(\$0.000)</b>

**MTA LONG ISLAND RAIL ROAD**  
**November Financial Plan 2011-2014**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

**NON-REIMBURSABLE/REIMBURSABLE**

	2010	2011	2012	2013	2014
<b>Baseline 2010 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$581.230)</b>	<b>(\$604.427)</b>	<b>(\$652.263)</b>	<b>(\$699.325)</b>	<b>(\$769.851)</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
Farebox Revenue	(\$3.445)	(\$3.444)	(\$3.498)	(\$3.539)	(\$3.576)
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	(4.785)	2.452	(0.449)	(0.492)	(0.493)
Capital and Other Reimbursement	(30.154)	(6.229)	1.940	5.942	7.260
<b>Total Revenue Changes</b>	<b>(\$38.384)</b>	<b>(\$7.221)</b>	<b>(\$2.007)</b>	<b>\$1.911</b>	<b>\$3.192</b>
<b>Expenses</b>					
<b>Labor:</b>					
Payroll and Overtime	(\$1.706)	(\$0.654)	(\$3.012)	(\$3.512)	(\$3.491)
Health and Welfare	(0.479)	(0.046)	(0.916)	(1.477)	(1.742)
OPEB Current Payment	0.000	(0.123)	0.097	0.372	0.686
Pensions	(0.932)	(0.000)	(0.000)	(0.000)	(0.000)
Other Fringe Benefits	(3.052)	(0.246)	(0.744)	(0.953)	(0.959)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expense Changes</b>	<b>(\$6.169)</b>	<b>(\$1.069)</b>	<b>(\$4.575)</b>	<b>(\$5.570)</b>	<b>(\$5.506)</b>
<b>Non-Labor:</b>					
Traction and Propulsion Power	(\$2.192)	(\$3.184)	(\$4.285)	(\$7.974)	(\$7.004)
Fuel for Buses and Trains	(0.361)	(0.147)	(0.222)	(0.148)	(0.148)
Insurance	0.269	(0.987)	(1.025)	(1.046)	(1.066)
Claims	1.967	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	9.014	(4.344)	0.293	0.370	0.372
Professional Service Contracts	0.506	(1.417)	(0.214)	(0.215)	(0.215)
Materials & Supplies	10.847	(1.490)	(0.449)	0.636	2.401
Other Business Expenses	0.283	(0.541)	(0.697)	(0.678)	(0.655)
<b>Total Non-Labor Expense Changes</b>	<b>\$20.333</b>	<b>(\$12.110)</b>	<b>(\$6.599)</b>	<b>(\$9.055)</b>	<b>(\$6.315)</b>
<b>Total Expense Changes before Depreciation and GASB Adj.</b>	<b>\$14.164</b>	<b>(\$13.179)</b>	<b>(\$11.174)</b>	<b>(\$14.625)</b>	<b>(\$11.821)</b>
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Obligation	5.792	0.000	0.000	0.000	0.000
Environmental Remediation	(0.503)	0.000	0.000	0.000	0.000
<b>Total Expense Changes</b>	<b>\$19.453</b>	<b>(\$13.179)</b>	<b>(\$11.174)</b>	<b>(\$14.626)</b>	<b>(\$11.822)</b>
<b>Cash Adjustment Changes</b>					
Advertising Guarantee - Titan 2009	\$4.773	\$0.241	\$0.000	\$0.104	\$0.000
Revenue - NYAR settlement from 2009 derailment	(0.925)	0.925	0.000	0.000	0.000
Pension	0.932	0.000	0.000	0.000	0.000
Insurance	(0.269)	0.987	1.024	1.044	1.064
Claims adjustment	1.976	0.000	0.000	0.000	0.000
JCC Savings	0.380	0.000	0.000	0.000	0.000
Material adjustments	0.000	0.700	0.000	0.000	(3.000)
Bad Debt adjustment	(0.108)	0.000	0.000	0.000	0.000
IT Technical adjustments (Operating Funded Capital)	2.020	(1.866)	0.000	0.000	0.000
Additional Operating Funded Capital adjustments	1.276	1.165	0.000	0.000	0.000
Misc Charges and Credits (non-cash)	1.750	0.000	0.000	0.000	0.000
Depreciation/OPEB/Environmental Remediation	(5.289)	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	0.045	0.000	0.000	0.000	0.000
Other Misc	(0.002)	0.002	0.000	0.003	0.002
<b>Total Cash Adjustment Changes</b>	<b>\$6.559</b>	<b>\$2.154</b>	<b>\$1.024</b>	<b>\$1.151</b>	<b>(\$1.934)</b>
<b>Total Baseline Changes</b>	<b>(\$12.372)</b>	<b>(\$18.246)</b>	<b>(\$12.157)</b>	<b>(\$11.564)</b>	<b>(\$10.564)</b>
<b>Baseline 2010 November Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$593.602)</b>	<b>(\$622.673)</b>	<b>(\$664.420)</b>	<b>(\$710.889)</b>	<b>(\$780.415)</b>

**MTA LONG ISLAND RAIL ROAD**  
**November Financial Plan 2011-2014**  
**Summary of Major Programmatic Changes Between Financial Plans**  
(\$ in millions)

**NON-REIMBURSABLE and REIMBURSABLE**

	2010	2011	2012	2013	2014
<b>Baseline 2010 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$581.230)</b>	<b>(\$604.427)</b>	<b>(\$652.263)</b>	<b>(\$699.325)</b>	<b>(\$769.851)</b>
<b>Non-Reimbursable Major Changes</b>					
<b>Revenue</b>					
Base Passenger Revenue	(\$3.445)	(\$3.444)	(\$3.498)	(\$3.539)	(\$3.576)
Exterior Train Car Advertising - delay	(1.395)	-	-	-	-
Budget Reduction Program	(0.035)	0.015	0.015	0.015	0.015
All Other Operating Revenue	(3.355)	2.437	(0.464)	(0.507)	(0.508)
Sub-Total Non-Reimbursable Revenue Changes	(\$8.230)	(\$.992)	(\$3.947)	(\$4.031)	(\$4.068)
<b>Expenses</b>					
Budget Reduction Program (BRP)	(1.339)	(0.274)	(0.149)	(0.167)	(0.187)
OT Target Reduction	0.000	3.567	3.816	4.474	4.615
Headcount Increase associated with OT reduction	0.000	(2.356)	(1.693)	(1.876)	(1.905)
Timing of various expenses (includes IT Initiatives, Diesel Retrofit, etc.)	7.992	(7.992)	-	-	-
Joint Facilities - Tunnel Lighting and Vent Maintenance	0.000	(0.900)	(0.900)	(0.900)	(0.900)
Maintenance of Equipment running repair and Reliability Centered Maintenance activity adjustments	3.700	(0.010)	(0.400)	(1.495)	0.230
Increased headcount due to availability reduction and penalty payments	(0.711)	(1.720)	(1.772)	(1.796)	(1.850)
Traction Power Inflation Changes	0.520	(3.932)	(5.107)	(8.722)	(7.752)
Traction & Diesel Power Consumption Changes	(2.234)	-	-	-	-
Crew Book OT increase	(0.227)	(1.419)	-	-	-
Payroll & Fringe Adjustment (including Asst Conductor/Conductor Rate)	(5.082)	0.025	(1.790)	(1.810)	(1.856)
FRA - Hours of Service & Conductor Certification	0.000	(0.300)	(2.635)	(1.926)	(1.959)
Mini Theater position reduction	-	0.371	0.771	0.792	0.814
H&W Active & Retiree Rates	0.000	(0.423)	(0.383)	(0.299)	(0.203)
Penn Station Cleaning Contract Savings	0.329	0.446	0.493	0.493	0.493
Dr/Cr Card Fees	(0.427)	(0.712)	(0.694)	(0.673)	(0.650)
Miscellaneous charges and credits	(1.750)	0.000	0.000	0.000	0.000
Reimbursable Overhead	(17.196)	(3.280)	0.810	4.808	6.105
Depreciation/OPEB/ Environmental Remediation	5.289	0.000	0.000	0.000	0.000
Other	0.435	(0.499)	0.399	0.414	0.444
Sub-Total Non-Reimbursable Expense Changes	(\$10.701)	(\$19.408)	(\$9.234)	(\$8.683)	(\$4.561)
<b>Total Non-Reimbursable Major Changes</b>	<b>(\$18.931)</b>	<b>(\$20.400)</b>	<b>(\$13.181)</b>	<b>(\$12.715)</b>	<b>(\$8.629)</b>
<b>Reimbursable Major Changes</b>					
<b>Revenue</b>					
Capital and Other Reimbursement	(30.154)	(6.229)	1.940	5.942	7.260
Sub-Total Reimbursable Revenue Changes	(\$30.154)	(\$6.229)	\$1.940	\$5.942	\$7.260
<b>Expenses</b>					
Labor	\$26.151	\$6.749	(\$0.933)	(\$4.916)	(\$6.216)
Non-Labor	4.003	(0.520)	(1.007)	(1.026)	(1.044)
Sub-Total Reimbursable Expense Changes	\$30.154	\$6.229	(\$1.940)	(\$5.942)	(\$7.260)
<b>Total Reimbursable Major Changes</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>(\$0.000)</b>
<b>Total Accrual Changes</b>	<b>(\$18.931)</b>	<b>(\$20.400)</b>	<b>(\$13.181)</b>	<b>(\$12.715)</b>	<b>(\$8.629)</b>
<b>Cash Adjustment Changes</b>					
Advertising Guarantee - Titan 2009	\$4.773	\$0.241	\$0.000	\$0.104	\$0.000
Revenue - NYAR settlement from 2009 derailment	(0.925)	0.925	-	-	-
Pension	0.932	-	-	-	-
Insurance	(0.269)	0.987	1.024	1.044	1.064
Claims adjustment	1.976	-	-	-	-
JCC Savings	0.380	-	-	-	-
Material adjustments	-	0.700	-	-	(3.000)
Bad Debt adjustment	(0.108)	-	-	-	-
Budget Reduction Program (BRP) - OFC	-	0.900	-	-	-
IT Technical adjustments (Operating Funded Capital)	2.020	(1.866)	-	-	-
Additional Operating Funded Capital adjustments	1.276	0.265	-	-	-
Misc Charges and Credits (non-cash)	1.750	-	-	-	-
Depreciation/OPEB/Environmental Remediation	(5.289)	-	-	-	-
Capital and Other Reimbursements	0.045	-	-	-	-
Other Misc	(0.002)	0.002	-	0.003	0.001
<b>Total Cash Adjustment Changes</b>	<b>\$6.559</b>	<b>\$2.154</b>	<b>\$1.024</b>	<b>\$1.151</b>	<b>(\$1.935)</b>
<b>Total Baseline Changes</b>	<b>(\$12.372)</b>	<b>(\$18.246)</b>	<b>(\$12.157)</b>	<b>(\$11.564)</b>	<b>(\$10.564)</b>
<b>Baseline 2010 November Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$593.602)</b>	<b>(\$622.673)</b>	<b>(\$664.420)</b>	<b>(\$710.889)</b>	<b>(\$780.415)</b>

**MTA LONG ISLAND RAIL ROAD**  
**2011 Final Proposed Budget**  
**November Financial Plan 2011 – 2014**  
**Ridership/(Utilization)**

**RIDERSHIP/UTILIZATION PROJECTIONS**

- The regional economy and employment are the primary drivers of passenger ridership and revenue.
- Ridership through August has fallen short of the July Plan by 0.2% and 2009 actuals by 2.0%. The November Forecast projects 2010 total ridership to be 81.9 million, which is a decrease of (0.7%) over the 2010 July Financial Plan. Based on employment forecasts, the 2011 Final Proposed Budget projects a 1.4% growth in ridership.

Ridership projections for the outer years 2012-2014 reveal modest annual growth of 1.7% in 2012, 1.1% in 2013 and 1.0% in 2014.

**MTA LONG ISLAND RAIL ROAD**  
**November Financial Plan 2011-2014**  
**Ridership/(Utilization)**  
(in millions)

	<b>2009 Actual</b>	<b>2010 November Forecast</b>	<b>2011 Final Proposed Budget</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b><u>RIDERSHIP</u></b>						
Monthly	46.764	45.623	46.298	47.157	47.644	48.107
Weekly	1.814	1.831	1.859	1.887	1.908	1.926
<b>Total Commutation</b>	<b>48.578</b>	<b>47.454</b>	<b>48.158</b>	<b>49.043</b>	<b>49.552</b>	<b>50.033</b>
One-Way Full Fare	7.419	7.388	7.498	7.609	7.692	7.766
One-Way Off Peak	17.459	17.469	17.731	17.992	18.189	18.363
All Other	9.495	9.548	9.645	9.786	9.893	9.989
<b>Total Non Commutation</b>	<b>34.373</b>	<b>34.404</b>	<b>34.874</b>	<b>35.387</b>	<b>35.774</b>	<b>36.118</b>
<b>Total Ridership</b>	<b>82.951</b>	<b>81.859</b>	<b>83.032</b>	<b>84.430</b>	<b>85.326</b>	<b>86.151</b>
<b><u>FAREBOX REVENUE</u></b>						
Baseline Passenger Revenue	\$509.306	\$525.923	\$534.639	\$542.706	\$548.655	\$553.935

**MTA LONG ISLAND RAIL ROAD**  
**November Financial Plan 2011-2014**  
**2010 Budget Reduction Proposals - Cash Basis**  
(\$ in millions)

		Favorable/(Unfavorable)									
		Pos.	2010	Pos.	2011	Pos.	2012	Pos.	2013	Pos.	2014
<u>Administration</u>											
Administrative and Management Staff Reductions	43	3.538	31	3.384	31	3.491	31	3.583	31	3.678	
Administrative Savings Initiatives - Non Payroll Savings	-	1.145	-	1.055	-	0.705	-	0.705	-	0.705	
Additional Overtime Initiatives	-	2.894	-	1.657	-	2.061	-	2.104	-	2.159	
Eliminate Restricted Duty	-	0.000	-	1.600	-	1.600	-	1.600	-	1.600	
Corporate Expense Re-estimates	-	9.029	-	5.493	-	5.496	-	5.495	-	5.500	
Pension Re-estimate	-	1.130	-	1.100	-	1.100	-	1.100	-	1.100	
Material and Inventory Management	-	9.000	-	(4.000)	-	0.000	-	0.000	-	0.000	
Project Elimination and Deferral	5	12.815	5	1.681	-	(1.570)	-	(0.447)	-	(0.443)	
Rapid Procurement Review	-	0.088	-	0.088	-	0.088	-	0.088	-	0.088	
<i>Subtotal Administration</i>	48	39.639	36	12.058	31	12.971	31	14.228	31	14.387	
<u>Customer Convenience/Amenities</u>											
Cleaning	3	0.875	3	0.950	3	0.973	3	0.996	3	1.019	
Reduce Ticket Window Hours	7	0.142	7	0.635	7	0.657	7	0.677	7	0.699	
Consist Reductions and Ticket Window Hours	-	0.839	7	2.767	7	2.808	7	2.853	7	2.901	
<i>Subtotal Customer Convenience/Amenities</i>	10	1.856	17	4.352	17	4.438	17	4.526	17	4.619	
<u>Maintenance</u>											
Fleet Maintenance Initiatives	-	1.685	-	2.837	-	1.557	-	1.600	-	1.638	
<i>Subtotal Maintenance</i>	-	1.685	-	2.837	-	1.557	-	1.600	-	1.638	
<u>Revenue Enhancement</u>											
Revenue Initiatives	-	0.000	-	0.440	-	0.440	-	0.440	-	0.440	
<i>Subtotal Revenue Enhancement</i>	-	0.000	-	0.440	-	0.440	-	0.440	-	0.440	
<u>Safety</u>											
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000	
<i>Subtotal Safety</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000	
<u>Security</u>											
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000	
<i>Subtotal Security</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000	
<u>Service</u>											
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000	
<i>Subtotal Service</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000	
<u>Service Support</u>											
Fare Collection Efficiencies	36	1.428	38	4.160	38	4.283	38	4.391	38	4.505	
Operations Support & Efficiencies	6	2.484	17	3.193	17	3.474	17	3.572	17	3.657	
<i>Subtotal Service Support</i>	42	3.912	55	7.353	55	7.757	55	7.963	55	8.162	
<u>Other</u>											
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000	
<i>Subtotal Other</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000	
<b>Agency Submission</b>	<b>100</b>	<b>\$47.092</b>	<b>108</b>	<b>\$27.040</b>	<b>103</b>	<b>\$27.162</b>	<b>103</b>	<b>\$28.757</b>	<b>103</b>	<b>\$29.246</b>	

**MTA Long Island Rail Road  
November Financial Plan 2011-2014  
2010 Budget Reduction Plan Worksheet**

**Category by Function:** Administration

**Program:** Administrative and Management Staff Reductions

<b>Background Details:</b>	Administrative and Management position reductions in Engineering, Maintenance of Equipment, Stores Department, Transportation Services and Public Affairs.
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<b>Program Description/ Implementation Plan:</b>	In addition to the 15% reduction in administrative staffing, this reduction of 43 positions was implemented through eliminating vacant non-critical administrative positions and through lay-offs. Exact titles will be determined based on the ongoing functional review analysis. Six of these 43 positions were eliminated as a result of the recently implemented consolidation of the former Transportation and Passenger Services departments.		
<b>Program Implementation Date:</b>	7/1/2010	<b>When will savings begin?:</b>	7/1/2010
		<b>Are these savings recurring?:</b>	Yes. Estimated 31 positions are recurring.
<b>Other Issues:</b>			

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$3.538	\$3.384	\$3.491	\$3.583	\$3.678
<i>Total Reduction in Positions Required:</i>	43	31	31	31	31
<i>(List Title of Positions)</i>	TBD				
<i>Impact on Operations:</i>					
Ridership Per Week (in thousands)					
Mean Distance Between Failure					
On-Time Performance					
Other					
(Identify Appropriate Indicator)					
<i>List of Other Concerns:</i>					

**MTA Long Island Rail Road  
November Financial Plan 2011-2014  
2010 Budget Reduction Plan Worksheet**

**Category by Function:** Administration

**Program:** Administrative Non-Payroll Savings

<b>Background Details:</b>	Administrative reductions was implemented in the following areas: employee recruitment, postage, uniform contracts, warehouse space leases, corporate communications graphics contracts and advertising.
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<b>Program Description/ Implementation Plan:</b>	Employee recruitment costs (background investigations, advertising and job fairs) was reduced in 2010 and 2011 and several advertising initiatives will be reduced in 2010. The new joint employee uniform procurement with NYCT resulted in a 25% reduction in costs. The leasing of additional warehouse space will not take place. Overall spending on graphing contracts and postage will be reduced across the Five-Year Plan.		
<b>Program Implementation Date:</b>	7/1/2010	<b>When will savings begin?:</b>	7/1/2010
		<b>Are these savings recurring?:</b>	Yes
<b>Other Issues:</b>			

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$1.145	\$1.055	\$0.705	\$0.705	\$0.705
<i>Total Reduction in Positions Required:</i>	0	0	0	0	0
<i>(List Title of Positions)</i>					
<i>Impact on Operations:</i>					
Ridership Per Week (in thousands)					
Mean Distance Between Failure					
On-Time Performance					
Other (Identify Appropriate Indicator)					
<i>List of Other Concerns:</i>					

**MTA Long Island Rail Road  
November Financial Plan 2011-2014  
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**Category by Function:**

**Administration**

**Program:**

**Additional Overtime Initiatives**

**Background Details:**

Through improved overtime controls, the LIRR has implement reductions in scheduled and unscheduled overtime. The LIRR has identified overtime control as a critical agency priority and specified particular areas of focus for reduction. An Overtime Task Force was developed in 2009 which will be strengthened and refocused in 2010.

**Program Description/  
Implementation Plan:**

Various initiatives has been implemented that were focused on controlling overtime such as deploying train and engine service staff to offset overtime, conducting training on the job during straight-time hours, redeploying staff, changing shift hours, etc. Some of these overtime reductions were associated with reimbursable project activity.

**Program Implementation Date:**

7/1/2010

**When will savings begin?:**

7/1/2010

**Are these savings recurring?:**

Yes

**Other Issues:**

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	<b>\$2.894</b>	<b>\$1.657</b>	<b>\$2.061</b>	<b>\$2.104</b>	<b>\$2.159</b>
<i>Total Reduction in Positions Required:</i>					
(List Title of Positions)	0	0	0	0	0
<i>Impact on Operations:</i>					
Ridership Per Week (in thousands)					
Mean Distance Between Failure					
On-Time Performance					
Other					
(Identify Appropriate Indicator)					
<i>List of Other Concerns:</i>					

**MTA Long Island Rail Road  
November Financial Plan 2011-2014  
2010 Budget Reduction Plan Worksheet**

**Category by Function:** Administration

**Program:** Eliminate Restricted Duty

**Background Details:** The Rail Road has on average 40 employees who are assigned to restricted or "light" duty as a result of medical limitations. Approximately half of these individual did not develop their conditions on the job. This reduction would eliminate restricted duty.

**Program Description/Implementation Plan:** Employees who are on restricted duty due to on-the-job injury would still receive salary but would not report to a work location. The others would no longer be paid. Savings assumes implementation January 2011.

**Program Implementation Date:** 01/01/11      **When will savings begin?:** 01/01/11

**Are these savings recurring?:** Yes

**Other Issues:** Change from current practice.

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.000	\$1.600	\$1.600	\$1.600	\$1.600
<i>Total Reduction in Positions Required:</i>	0	0	0	0	0
<i>(List Title of Positions)</i>					

**Impact on Operations:**

Ridership Per Week (in thousands)  
Mean Distance Between Failure  
On-Time Performance

Other  
(Identify Appropriate Indicator)

*List of Other Concerns:*

**MTA Long Island Rail Road  
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**Category by Function:** Administration

**Program:** Corporate Expense Re-estimates

**Background Details:** Based on a review of actual invoices and expenditures, the LIRR has reduced its budget in the following areas: Health & Welfare rates, Station Liability Insurance, Engineering-Non-Payroll spending, Security Guard Contracts, and the Amtrak Joint Facility agreement.

**Program Description/Implementation Plan:** Re-estimates were based on the following assumptions: Actual Health and Welfare rates are running under budget by approximately \$50 per employee per month. Actual station liability insurance invoices and audit credit refund. One time elimination of non-payroll projects and initiatives in Engineering. Budget savings in current security guard staffing. Reduce budget for LIRR joint facility costs with Amtrak in line with current spending levels.

**Program Implementation Date:** 7/1/2010      **When will savings begin?:** 7/1/2010  
**Are these savings recurring?:** Yes

**Other Issues:**

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$9.029	\$5.493	\$5.496	\$5.495	\$5.500
<i>Total Reduction in Positions Required:</i>	0	0	0	0	0
<i>(List Title of Positions)</i>					

*Impact on Operations:*  
Ridership Per Week (in thousands)  
Mean Distance Between Failure  
On-Time Performance  
  
Other  
(Identify Appropriate Indicator)

*List of Other Concerns:*

**MTA Long Island Rail Road  
November Financial Plan 2011-2014  
2010 Budget Reduction Plan Worksheet**

**Category by Function:** Administration  
**Program:** Pension Re-estimate

**Background Details:** In an effort to coordinate agency submissions and identify additional savings opportunities that may have been overlooked, LIRR staff reached out to MNR staff. The following item emerged as potential savings to the LIRR and is pending a final analysis from the MTA: pension rate re-estimate (\$1.1 million).

**Program Description/Implementation Plan:** In an effort to coordinate agency submissions and identify additional savings opportunities that may have been overlooked, LIRR staff reached out to MNR staff. The following item emerged as potential savings to the LIRR and is pending a final analysis from the MTA: pension rate re-estimate (\$1.1 million).

**Program Implementation Date:** 7/1/2010      **When will savings begin?:** 7/1/2010  
**Are these savings recurring?:** Yes

**Other Issues:**

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$1.130	\$1.100	\$1.100	\$1.100	\$1.100
<i>Total Reduction in Positions Required:</i>					
<i>(List Title of Positions)</i>					
<i>Impact on Operations:</i>					
Ridership Per Week (in thousands)					
Mean Distance Between Failure					
On-Time Performance					
Other					
(Identify Appropriate Indicator)					
<i>List of Other Concerns:</i>					

**MTA Long Island Rail Road  
November Financial Plan 2011-2014  
2010 Budget Reduction Plan Worksheet**

**Category by Function:** Administration

**Program:** Material and Inventory Management

<b>Background Details:</b>	The LIRR's internal Inventory Management Task Force has strengthened oversight of the fleet component procurement process and identified opportunities to lower material expenses.
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<b>Program Description/ Implementation Plan:</b>	A joint initiative between Maintenance of Equipment, Procurement, Management and Budget and Operations Support and Analysis has resulted in new policies and procedures that more clearly identify production plan and min-max needs requirements and impose tighter internal controls. This will result in one time savings in 2010 as well as a shift of certain 2010 items from 2010 to 2011. This reduction is in addition to the \$3.0 million in annual material savings that was built into the railroad's budget as part of the original AABs starting in 2009.
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<b>Program Implementation Date:</b>	1/1/2010	<b>When will savings begin?:</b>	1/1/2010
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		<b>Are these savings recurring?:</b>	No
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**Other Issues:**

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$9.000	(\$4.000)	\$0.000	\$0.000	\$0.000
<i>Total Reduction in Positions Required:</i>	0	0	0	0	0
<i>(List Title of Positions)</i>					

*Impact on Operations:*  
Ridership Per Week (in thousands)  
Mean Distance Between Failure  
On-Time Performance

Other  
(Identify Appropriate Indicator)

*List of Other Concerns:*

**MTA Long Island Rail Road  
November Financial Plan 2011-2014  
2010 Budget Reduction Plan Worksheet**

**Category by Function:** Administration

**Program:** Project Elimination and Deferral

<b>Background Details:</b>	Delay various operating funded capital projects including highway vehicle replacement, Bethpage Facility security upgrade, LIRR facility upgrades and other miscellaneous projects.
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<b>Program Description/ Implementation Plan:</b>	Various operating budget funded initiatives have been eliminated or deferred.		
<b>Program Implementation Date:</b>	7/1/10	<b>When will savings begin?:</b>	7/1/2010
		<b>Are these savings recurring?:</b>	No
<b>Other Issues:</b>			

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$12.815	\$1.681	(\$1.570)	(\$0.447)	(\$0.443)

<i>Total Reduction in Positions Required:</i>	5	5	0	0	0
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*(List Title of Positions)*

*Impact on Operations:*  
Ridership Per Week (in thousands)  
Mean Distance Between Failure  
On-Time Performance

Other  
(Identify Appropriate Indicator)

*List of Other Concerns:*

**MTA Long Island Rail Road  
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**Category by Function:** Administration  
**Program:** Rapid Procurement Review

**Background Details:** Procurement savings.

**Program Description/Implementation Plan:** Procurement savings based on rapid procurement review.

**Program Implementation Date:** 7/1/2010      **When will savings begin?:** 7/1/2010  
**Are these savings recurring?:** Yes

**Other Issues:**

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.088	\$0.088	\$0.088	\$0.088	\$0.088
<i>Total Reduction in Positions Required:</i>	0	0	0	0	0
<i>(List Title of Positions)</i>					

*Impact on Operations:*  
Ridership Per Week (in thousands)  
Mean Distance Between Failure  
On-Time Performance

Other  
(Identify Appropriate Indicator)

*List of Other Concerns:*

**MTA Long Island Rail Road  
November Financial Plan 2011-2014  
2010 Budget Reduction Plan Worksheet**

**Category by Function:** Customer Convenience

**Program:** Cleaning

**Background Details:** Through improved productivity the LIRR was able to reduce costs for station and rolling stock cleaning.

**Program Description/Implementation Plan:** The railroad has abolished three Station Appearance Maintainers. In addition, a 10% reduction in overtime for Station Appearance Maintainers was implemented. A reduction of overtime for Car Appearance Maintainers was implemented. In both cases, 2011 will include a full year's savings. Separately, a 50% reduction in pigeon proofing was implemented in 2010. Each year beginning January 2011 will include a 19% reduction in pigeon proofing.

**Program Implementation Date:** 7/1/2010      **When will savings begin?:** 7/1/2010

**Are these savings recurring?:** Yes

**Other Issues:**

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	<b>\$0.875</b>	<b>\$0.950</b>	<b>\$0.973</b>	<b>\$0.996</b>	<b>\$1.019</b>
<i>Total Reduction in Positions Required:</i>	3	3	3	3	3
<i>(List Title of Positions)</i>	Station Appearance Maintainers				

*Impact on Operations:*  
Ridership Per Week (in thousands)  
Mean Distance Between Failure  
On-Time Performance

Other  
(Identify Appropriate Indicator)

*List of Other Concerns:*

**MTA Long Island Rail Road  
November Financial Plan 2011-2014  
2010 Budget Reduction Plan Worksheet**

**Category by Function:** Customer Convenience  
**Program:** Reduce Ticket Windows Hours

**Background Details:** The LIRR reduced ticket window hours based on sales data and other operational considerations.

**Program Description/Implementation Plan:** The location of the ticket window hour reductions was determined based on ticket sale levels and other operational considerations, such as ticket receiver required for train crews.

**Program Implementation Date:** 10/1/2010      **When will savings begin?:** 10/1/2010  
**Are these savings recurring?:** Yes

**Other Issues:**

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.142	\$0.635	\$0.657	\$0.677	\$0.699
<i>Total Reduction in Positions Required:</i>	7	7	7	7	7
<i>(List Title of Positions)</i>	Ticket Clerks				

*Impact on Operations:*  
Ridership Per Week (in thousands)  
Mean Distance Between Failure  
On-Time Performance  
  
Other  
(Identify Appropriate Indicator)

*List of Other Concerns:*

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**MTA Long Island Rail Road  
November Financial Plan 2011-2014  
2010 Budget Reduction Plan Worksheet**

**Category by Function:**

**Customer Convenience**

**Program:**

**Consist Reductions and Ticket Window Hours**

<b>Background Details:</b>	Reduce the number of cars on selected trains that to reduce traction power costs. In 2011, ticket window hours will be reduced at select stations.
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<b>Program Description/ Implementation Plan:</b>	The LIRR has shortened ticket window hours at certain locations and plans to better match train sizes to actual customer demand.		
<b>Program Implementation Date:</b>	9/15/2010	<b>When will savings begin?:</b>	9/15/2010
		<b>Are these savings recurring?:</b>	Yes
<b>Other Issues:</b>	Potential Layoffs		

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	<b>\$0.839</b>	<b>\$2.767</b>	<b>\$2.808</b>	<b>\$2.853</b>	<b>\$2.901</b>

<i>Total Reduction in Positions Required:</i>	0	7	7	7	7
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*(List Title of Positions)* Ticket Clerks and Agents.

*Impact on Operations:*

Ridership Per Week (in thousands)  
Mean Distance Between Failure  
On-Time Performance

Other  
(Identify Appropriate Indicator)

*List of Other Concerns:*

**MTA Long Island Rail Road  
November Financial Plan 2011-2014  
2010 Budget Reduction Plan Worksheet**

**Category by Function:** Maintenance

**Program:** Fleet Maintenance Initiatives

**Background Details:** The LIRR has implement a series of initiatives to reduce costs associated with rolling stock maintenance. These initiatives were possible as a result of the Maintenance of Equipment Department's review of parts/components reliability.

**Program Description/Implementation Plan:** The M3 cars are currently on a 60-day Periodic Inspection schedule compared to 92 days for M7 cars. This proposal has moved the M3 to the same inspection period as the M7. Based on a review of the reliability of the M7 HVAC, the scheduled overhaul of the M7 HVAC has been extended two years to every eight years. The West Side Yard Support Shops currently operate on three shifts per day. The proposal would lower the operations to one shift. Staff and workload performed on the remaining shifts has been moved to HSF. Savings have been generated largely through a reduction in overtime coupled with a reduction in materials.

**Program Implementation Date:** 7/1/2010

**When will savings begin?:** 7/1/2010

**Are these savings recurring?:** Yes (except for HVAC)

**Other Issues:**

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$1.685	\$2.837	\$1.557	\$1.600	\$1.638
<i>Total Reduction in Positions Required</i>	0	0	0	0	0

*(List Title of Positions)*

*Impact on Operations:*

Ridership Per Week (in thousands)

Mean Distance Between Failure

On-Time Performance

Other

(Identify Appropriate Indicator)

*List of Other Concerns:*

**MTA Long Island Rail Road  
November Financial Plan 2011-2014  
2010 Budget Reduction Plan Worksheet**

**Category by Function:** Revenue

**Program:** Revenue Initiatives

<b>Background Details:</b>	Implement several initiatives that generate additional revenue to more accurately reflect LIRR costs and inflation. Increase beverage prices, negotiate exclusive sponsorship for beverage carts and increase parking garage fees.
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<b>Program Description/ Implementation Plan:</b>	1) The railroad will increase beverage prices for domestic beer in January 2011 and negotiate exclusive sponsorship for beverage carts, this is consistent with MNR. 2) Increase parking garage fees by up to 20% at Mineola and Ronkonkoma, implementation 2011.		
<b>Program Implementation Date:</b>	1/1/2011	<b>When will savings begin?:</b>	1/1/2011
		<b>Are these savings recurring?:</b>	Yes
<b>Other Issues:</b>			

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	<b>\$0.000</b>	<b>\$0.440</b>	<b>\$0.440</b>	<b>\$0.440</b>	<b>\$0.440</b>
<i>Total Reduction in Positions Required:</i>	0	0	0	0	0
<i>(List Title of Positions)</i>					

*Impact on Operations:*  
Ridership Per Week (in thousands)  
Mean Distance Between Failure  
On-Time Performance  
  
Other  
(Identify Appropriate Indicator)

*List of Other Concerns:*

**MTA Long Island Rail Road  
November Financial Plan 2011-2014  
2010 Budget Reduction Plan Worksheet**

**Category by Function:**

**Service Support**

**Program:**

**Fare Collection Efficiencies**

**Background Details:**

The Transportation Services Department concluded the first phase of its analysis of fare collection practices and identified a series of efficiencies that can reduce staffing requirements.

**Program Description/  
Implementation Plan:**

Specific initiatives include completing punch days ticket validation using base crew staffing levels, eliminating additional weekday and weekend collector tours and rebalancing Port Washington weekend staffing. In addition, by changing Mail and Ride Program enrollment policies the LIRR would be able to generate staffing and OTPS reductions.

**Program Implementation Date:**

9/12/10

**When will savings begin?:**

9/12/10

**Are these savings recurring?:**

Yes

**Other Issues:**

Favorable/(Unfavorable)

*Financial Impact (Operating):*

Net Cash Savings (in millions)

**2010**

**2011**

**2012**

**2013**

**2014**

**\$1.428**

**\$4.160**

**\$4.283**

**\$4.391**

**\$4.505**

*Total Reduction in Positions Required:*

36

38

38

38

38

*(List Title of Positions)*

Conductors and Assistant Conductors

*Impact on Operations:*

Ridership Per Week (in thousands)

Mean Distance Between Failure

On-Time Performance

Other

(Identify Appropriate Indicator)

*List of Other Concerns:*

**MTA Long Island Rail Road  
November Financial Plan 2011-2014  
2010 Budget Reduction Plan Worksheet**

**Category by Function:** Service Support

**Program:** Operations Support & Efficiencies

**Background Details:** Savings achieved through operations support and efficiencies in Engineering, Information Technology (IT) and Transportation Services.

**Program Description/Implementation Plan:**

**Engineering-** Transfer the Lower Montauk Track and right of way to New York and Atlantic Railway until required for East Side Access operation (1/1/2011). Reduce overtime costs through improved management controls and extend ROW tree trimming and vegetation management cycle to over 10 years.

**IT-** eliminate most radios used in the Customer Assistance Program (by LIRR managers) and achieve Verizon circuit savings due to the connecting TVMs to the Fiber Optic Network (beginning in 2012).

**Transportation Services-** eliminate 2 ticket receiver positions at PSNY, reduce staffing after the completion of the Jamaica Central Control Mini Theater, lower penalty payments, reduce overtime through improved management control, realign Citifield service/support based on current ridership levels and eliminate 2 Special Platform Conductors at Jamaica.

**Program Implementation Date:** 7/1/10      **When will savings begin?:** 7/1/2010

**Are these savings recurring?:** Yes

**Other Issues:** Potential Layoffs

Favorable/(Unfavorable)

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
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*Financial Impact (Operating):*

Net Cash Savings (in millions)	<b>\$2.484</b>	<b>\$3.193</b>	<b>\$3.474</b>	<b>\$3.572</b>	<b>\$3.657</b>
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<i>Total Reduction in Positions Required:</i>	6	17	17	17	17
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*(List Title of Positions)* Track Workers, Signalmen, Locomotive Engineers, Conductors, Assistant Conductors, Ticket Clerks, Train Directors, and Block Operators.

*Impact on Operations:*

Ridership Per Week (in thousands)  
Mean Distance Between Failure  
On-Time Performance

Other  
(Identify Appropriate Indicator)

*List of Other Concerns:*

**MTA LONG ISLAND RAIL ROAD**  
**2011 Final Proposed Budget**  
**November Financial Plan 2011 – 2014**  
**Positions**

**POSITION ASSUMPTIONS**

Positions are identified as of year-end (December 31) for each year in the financial plan and reflect an estimate of the total number of paid employees required to meet and achieve corporate goals as well as those in line with reimbursable activity. Position totals incorporate the seasonal, as well as other fluctuations in staffing requirements for capital projects.

**2010 Changes**

Total Positions of 6,516 in 2010 represents a reduction of 69 positions from the July Plan, which already included a reduction of 199 positions associated with the Budget Reduction Program and the 15% Administrative reduction. The additional reduction of 69 positions is comprised of 8 non-reimbursable positions and 61 reimbursable positions.

- The non-reimbursable reduction is due to the elimination of a Car Appearance Maintainer training class resulting in a savings of 30 positions, partially offset by an addition of 17 train and engine positions to offset relief day overtime and penalty payments and 5 positions associated with the delayed BRP of transferring the Lower Montauk line maintenance to New York and Atlantic Railroad.
- The reimbursable reduction of 61 positions is associated with the furlough of 28 Engineering employees in the Signal and Power department and the delay in hiring staff in the Capital Program Management Department based on delays in various capital and overbuild project activity.

**2011 Changes**

The 2011 Final Proposed Budget totals 6,491 positions, a reduction of 10 positions from the July Plan and a reduction from 2010 of 25 positions.

The reduction of 10 positions from July Plan is comprised of an increase of 251 non-reimbursable positions with an offsetting reduction of 261 reimbursable positions.

- The non-reimbursable increase of 251 year-end positions is primarily the result of a realignment of Engineering workforce from project work to maintenance associated with the fluctuations of staffing requirements for capital projects due in part to the

shortfall in capital project activity/funding. In addition, several positions have been added in the Transportation and Maintenance of Equipment Departments to offset overtime and the ticket window hour reductions were modified resulting in less staffing reductions. These assumptions are assumed throughout the financial plan.

- The reimbursable reduction of 261 positions is associated with the fluctuations of staffing requirements for capital projects due in part to the shortfall in capital project activity/funding, which includes the furlough of 28 Engineering employees in the Signal and Power department and project management staff in the Capital Program Management Department. These favorable variances are partially offset by an additional 12 positions for Maintenance of Equipment efforts for the installation of Positive Train Control. This lower level of project activity is assumed throughout the business plan.

## **2012 – 2014**

- Beginning in 2012, there is an additional 15 position impact based on the new Federal Railroad Administration Hours of Service regulations.
- Annual staffing levels include the impact of re-estimates consistent with the associated cost changes incorporated in the financial plan.
- 2013 includes approximately 183 positions due to East Side Access ramp-up.
- The lower level of project activity is assumed throughout the business plan.

**MTA LONG ISLAND RAIL ROAD**  
**November Financial Plan 2011-2014**  
**Total Positions by Function**  
**Non-Reimbursable/Reimbursable and Full-Time Positions/Full Time Equivalents**

FUNCTION/DEPARTMENT	2009 Actual	2010 November Forecast	2011 Final Proposed Budget	2012	2013	2014
<b>Administration</b>						
Executive VP	2	2	2	2	2	2
Sr. VP Administration	2	2	2	2	2	2
Labor Relations	10	9	9	9	9	9
Procurement & Logistics (excl. Stores)	81	84	84	84	84	86
Human Resources	102	84	75	75	81	89
Strategic Investments	37	39	39	39	39	39
Diversity Management	0	2	2	2	2	2
President	4	4	4	4	4	4
VP & Chief Financial Officer	103	96	74	69	69	69
Information Technology	174	160	160	160	160	160
VP - East Side Access & Special Projects	27	26	26	26	26	26
Market Dev. & Public Affairs	69	57	57	57	57	57
Gen. Counsel & Secretary	35	31	31	31	31	31
System Safety	21	19	19	19	19	19
Security Department	6	5	5	5	5	5
VP Operations/Oper. S/A & Serv. Planning	41	39	39	39	39	39
<b>Total Administration</b>	<b>714</b>	<b>659</b>	<b>628</b>	<b>623</b>	<b>629</b>	<b>639</b>
<b>Operations</b>						
Transportation	1,847	1,761	1,748	1,778	1,937	2,029
Passenger Service (Ticket Clerks & Agents)	166	153	146	146	146	146
<b>Total Operations</b>	<b>2,013</b>	<b>1,914</b>	<b>1,894</b>	<b>1,924</b>	<b>2,083</b>	<b>2,175</b>
<b>Maintenance</b>						
Engineering	1,706	1,627	1,625	1,619	1,613	1,631
Equipment	1,923	1,918	1,948	1,958	1,958	1,986
Passenger Service (excl. Ticket Selling)	183	187	185	185	185	186
Procurement (Stores)	99	94	94	94	94	94
<b>Total Maintenance</b>	<b>3,911</b>	<b>3,826</b>	<b>3,852</b>	<b>3,856</b>	<b>3,850</b>	<b>3,897</b>
<b>Engineering/Capital</b>						
Capital Program Management	114	117	117	150	150	150
Force Acct Mgmt	0	0	0	0	0	0
<b>Total Engineering/Capital</b>	<b>114</b>	<b>117</b>	<b>117</b>	<b>150</b>	<b>150</b>	<b>150</b>
<b>Total Baseline Positions</b>	<b>6,752</b>	<b>6,516</b>	<b>6,491</b>	<b>6,553</b>	<b>6,712</b>	<b>6,861</b>
<i>Non-Reimbursable</i>	6,127	6,045	5,856	5,889	6,048	6,197
<i>Reimbursable</i>	625	471	635	664	664	664
<i>Total Full-Time</i>	6,752	6,516	6,491	6,553	6,712	6,861
<i>Total Full-Time Equivalents</i>	-	-	-	-	-	-

**MTA LONG ISLAND RAIL ROAD**  
**November Financial Plan 2011-2014**  
**Total Positions by Function and Occupation**

<b>FUNCTION/OCCUPATIONAL GROUP</b>	<b>2009 Actual</b>	<b>2010 November Forecast</b>	<b>2011 Final Proposed Budget</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Administration</b>						
Managers/Supervisors	338	324	322	322	324	328
Professional, Technical, Clerical	376	335	306	301	305	311
Operational Hourlies	-	-	-	-	-	-
<b>Total Administration</b>	<b>714</b>	<b>659</b>	<b>628</b>	<b>623</b>	<b>629</b>	<b>639</b>
<b>Operations</b>						
Managers/Supervisors	262	271	267	267	267	267
Professional, Technical, Clerical	158	142	137	137	137	137
Operational Hourlies	1,593	1,501	1,490	1,520	1,679	1,771
<b>Total Operations</b>	<b>2,013</b>	<b>1,914</b>	<b>1,894</b>	<b>1,924</b>	<b>2,083</b>	<b>2,175</b>
<b>Maintenance</b>						
Managers/Supervisors	702	705	720	720	739	757
Professional, Technical, Clerical	269	267	267	267	267	295
Operational Hourlies	2,940	2,854	2,865	2,869	2,844	2,845
<b>Total Maintenance</b>	<b>3,911</b>	<b>3,826</b>	<b>3,852</b>	<b>3,856</b>	<b>3,850</b>	<b>3,897</b>
<b>Engineering/Capital</b>						
Managers/Supervisors	96	99	98	122	122	122
Professional, Technical, Clerical	18	18	19	28	28	28
Operational Hourlies	-	-	-	-	-	-
<b>Total Engineering/Capital</b>	<b>114</b>	<b>117</b>	<b>117</b>	<b>150</b>	<b>150</b>	<b>150</b>
<b>Public Safety</b>						
Managers/Supervisors	-	-	-	-	-	-
Professional, Technical, Clerical	-	-	-	-	-	-
Operational Hourlies	-	-	-	-	-	-
<b>Total Public Safety</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Baseline Positions</b>						
Managers/Supervisors	1,398	1,399	1,407	1,431	1,452	1,474
Professional, Technical, Clerical	821	762	729	733	737	771
Operational Hourlies	4,533	4,355	4,355	4,389	4,523	4,616
<b>Total Baseline Positions</b>	<b>6,752</b>	<b>6,516</b>	<b>6,491</b>	<b>6,553</b>	<b>6,712</b>	<b>6,861</b>

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# **Metro-North Railroad**

**MTA METRO-NORTH RAILROAD**  
**2011 Final Proposed Budget**  
**November Financial Plan 2011-2014**

**FINANCIAL OVERVIEW**

The regional recession, which has resulted in revenue losses, in addition to lower projected operating subsidies available from the MTA and Connecticut Department of Transportation has placed pressure on Metro-North Railroad to further reduce operating costs to contribute toward achieving budgetary balance.

Consequently, over the last two years Metro-North has implemented a series of cost-reduction plans to reduce its subsidy requirements, thus improving its recovery ratio. These plans were developed in accordance with MTA system-wide guidelines and were designed to maintain current safety standards and, where possible, minimize adverse impacts on service quality and customer service. These actions were also used as an opportunity to develop long-term cost reduction measures that improve efficiency and ensure that every revenue dollar is maximized in supporting daily operations.

During 2009, cost reductions were enacted, which included service cost efficiencies, management efforts to lower operating labor costs, material usage and contracted service fees, as well as a concerted effort to reduce administrative expenses. In addition, new ticket vending machines were added in Grand Central Terminal and at outlying station locations, which generated additional efficiencies in ticket selling. These actions, in addition to a reduction in injury claims costs in accordance with railroad efforts to promote safety, enabled Metro-North to reduce its operating subsidies to levels that were below budget and forecasted projections.

In 2010, additional subsidy reduction measures have been included in the November Financial Plan yielding annual savings of \$48 million and 153 position eliminations. Specific actions include:

- Service Reductions in the form of train consolidations and reduced train consists that save on-board staffing (9 positions) and eliminate car miles and related traction power and fleet maintenance costs generate \$6 million in annual savings.
- 15% Reduction in the Administrative Workforce yield \$10 million in annual salary and fringe benefit savings from a decrease of 88 positions.
- A further Budget Reduction Plan (BRP) that generates over \$32 million in 2010 cost savings and an additional 56 position eliminations with carryover savings of over \$16 million in 2011 and beyond. This initiative includes a series of programmatic and process changes that identify efficiencies in overtime, procurement of material and supplies inventory, revenue collection, and operations staffing. Specific actions in this plan represent:

- Project Eliminations and Deferrals saved \$2.6 million in facility improvements, information system fees and development costs.
- Favorable Contract Negotiations have created savings of \$0.7 million in GCT retail management fees, data processing costs and the purchase of rolling stock parts inventory.
- Non Passenger Revenue increases of \$1.0 million from actions that increase GCT retail operation profits and promote new sources of revenues at outlying stations.
- Strategic Procurement Initiatives generated \$5.9 million in savings through efforts that:
  - closely manage inventory replenishments through the review of minimum/maximum inventory levels, safety stock requirements, and coordinating maintenance program work with inventory procurements (\$4.0 million).
  - leverage joint contract opportunities with the LIRR on rolling stock part procurements (\$0.4 million).
  - take advantage of competitive pricing bids on rubbish removal (\$1.5 million).
- Overtime Savings from the adopted budget have generated savings of over \$3 million in 2010 and \$5.1 million in 2011. These savings have been identified based on reductions in unscheduled overtime costs. These savings were made possible through a detailed review of overtime by cause that fostered the development of strategic actions that include:
  - Limiting sick and vacation overtime coverage from full shift to half shift coverage where possible.
  - Reviewing emergency response requirements and make corresponding reductions in overtime usage at a higher level of risk to the operation of the railroad.
  - Reducing holiday coverage and extending facility maintenance cycles in Grand Central Terminal.
  - Aggressively filling vacant positions.
  - Distributing the use of vacation time more evenly throughout the year at maintenance shops.
- Ticket Selling and Revenue Collection Efficiencies of \$1.1 million were achieved by maximizing the utilization of ticket vending machines and reducing ticket collector requirements by adjusting crew schedules and train crew sizing.
- Additional Staffing Reductions of \$1.8 million associated with scheduling changes in the deployment of personnel to inspect and maintain the new M8 car fleet (\$0.7 million) and operations staffing reductions to streamline right-of-way maintenance and material management (\$1.1 million).
- Reduction in Meadowlands Football Service (\$0.3 million).
- Favorable Cost Trends and Cash Savings of \$15.5 million in subsidy reductions that include lower advertising costs, fringe benefit expenses, electric propulsion pricing and other cost adjustments.

Development of these plans flow from Metro-North's annual planning process, which is designed to ensure the appropriate balance between meeting financial targets while continuing key programs, or initiating new endeavors, that do not compromise the high quality of service currently provided, or slow the momentum in the achievement of long-term goals. Consequently, operating resources are based on the consideration of factors which affect all aspects of the railroad including current operating trends, projected changes in costs, new initiatives/business decisions which affect service quantity, quality or efficiency, and the impacts of capital improvements on operating expenditures.

Key programs supported in the November 2010 Financial Plan are highlighted below:

Customer Service/Service Reliability

- 2010 marks the first full-year operation of Yankees-E.153<sup>rd</sup> Street station service. This very successful service will provide:
  - baseball season travel to the new Yankee Stadium from all three East of Hudson service lines;
  - travel to concerts and sporting events;
  - a transportation option for Bronx residents; and
  - Park-and-ride opportunities for tri-state area travelers to midtown Manhattan.
- Provisions for additional East of Hudson train service are included during 2011-2014.
- Starting in December 2010, Metro-North will begin the rollout of the new M-8 car fleet for New Haven Line service. The M-8 cars will replace the aging M-2 fleet as well as some of the less reliable M-4 and M-6 cars. These cars will improve the customer environment on-board trains, improve service reliability, and increase capacity for current and future ridership levels. The financial plan includes resources required to, operate, maintain and dispatch the increase in fleet, and incorporates anticipated savings in maintenance material requirements
- Equipment overhauls will continue and resources have been realigned in accordance with vendor completion and Metro-North acceptance schedules.
- Resources to maintain the new Danbury Branch signal system have been added in 2011.
- A new Interactive Voice Response system (IVR) was recently implemented that will increase the capacity and reliability of the customer telephone information system.
- Metro-North *train time* was introduced where customers can access convenient, "real-time" train status and schedule information via their smart phones and computers, and can check departure times, destination, scheduled stops and track assignments.
- The phased replacement of Hudson Rail Link shuttle buses will continue through 2012 to ensure the reliability and adequate capacity of this successful connecting service.

- Cyclical station painting and maintenance programs have been incorporated to maintain/improve the environment at outlying stations.

#### Safety and Security

- In compliance with recently adopted changes in federal safety regulations, resources have been added to support new Conductor Certification and Hours of Service guidelines.
- Metro-North has incorporated resources to support the maintenance and monitoring functions associated with the implementation of new security systems in New York and Connecticut.
- GCT safety will be strengthened with the establishment of a fire brigade unit to support new fire safety systems...

#### Financial Stability

- Increase passenger revenues through the implementation of new train service in 2011 - 2014 that promotes long-term ridership growth.
- Incorporate new sources of non-passenger revenue as a result of focused efforts to leverage Metro-North assets for advertising, vending, and transit oriented development projects.
- 2011 budget incorporates overtime savings generated by adjusting vacation schedules at maintenance shops to improve employee availability, continuing programs that reduce holiday coverage, managing emergency responses and adjusting facility maintenance schedules.
- Efforts to reduce inventory procurements will continue in 2011 through the on-going review of minimum/maximum reorder quantities of stock material, the implementation of a Maintenance of Way Management Unit, and the use of an algorithmic forecasting model to improve the ability to track, distribute and project material needs.
- Complete the installation and implementation of Kronos timekeeping at all facilities to improve the tracking and reporting of personnel costs.
- Install GPS-based tracking on the non-revenue vehicle fleet to improve the efficiency of its deployment.
- Accounting and Human Resource functions will be transferred to the Business Service Center in 2011 that will reduce the Metro-North workforce by an additional 45 positions.

The 2011-2014 financial plan also includes current expenditure trends and continuation of critical operating functions. Consequently, projected cost changes for energy, material prices, and insurance coverage, as well as the financial impact of negotiated wage agreements through July 2010 is incorporated. In addition to these economic factors, cost provisions have been added or maintained for West of Hudson subsidies (including mandated fare holddown payments and inflation-based cost adjustments), security projects, and operating support costs to maintain capital-funded improvements to infrastructure and facilities. To preserve the retail revenue stream in GCT and maintain its landmark status, GCT renovation funds have been earmarked in each year of the plan. Similar to the costs required for the overall GCT retail operation and its

management, the cost of GCT restoration/renovation projects are netted in the Financial Plan against GCT Retail Revenue.

The culmination of these efforts is illustrated in the improvement in financial performance indicators shown below

Financial Performance Indicators						
2010-2012 Comparison Between February and November Financial Plans						
	2010		2011		2012	
	February Plan	November Plan	February Plan	November Plan	February Plan	November Plan
Fare Operating Ratio	53.3%	57.0%	52.6%	54.9%	52.8%	54.1%
Cost Per Passenger	\$12.21	\$11.54	\$12.40	\$11.99	\$12.32	\$12.19
Subsidy Per Passenger	\$5.91	\$4.85	\$5.84	\$5.57	\$5.90	\$5.51

### 2010 November Forecast

The 2010 November Forecast subsidy requirement of \$392.7 million for non-reimbursable operations is \$27.5 million lower than the July 2010 Mid-Year Forecast. The decrease reflects higher passenger revenues of \$527.4 million that are \$2.3 million higher than the July Plan due to improving ridership levels in both the commutation and non-commutation markets. Non-passenger revenues are also higher by \$3.2 million reflecting higher proceeds from GCT retail operations, advertising and station parking. Favorable cash expenses compared to the July Forecast reflect lower overtime and material consumption due to on-going control efforts, reduced injury claim expenditures, and favorable cash adjustments related to improved collection from Capital Project billings and the deferral of accrued wage settlements. These decreases are offset by lower overhead recovery credits from capital projects and slightly higher electric propulsion costs.

The 2010 Reimbursable projections total \$197.4 million which are \$16.5 million lower than the July Plan reflecting multiple changes to project schedules including the MTA SMART Card project and GCT Leaks project, as well as scheduling adjustments on the 525 North Broadway project, Danbury Branch Signal System project and New Haven Diesel Storage Yard project.

## **2011 Final Proposed Budget**

The 2011 Final Proposed Budget includes subsidy requirements of \$459.2 million. Non-reimbursable revenue projections of \$580.5 million reflect higher passenger revenues due to ridership growth of 1.7% over the July 2010 Forecast, as well as higher advertising, parking and GCT retail revenues. Operating expenses of \$1,317.8 million include the full-year value of Administrative Staff cutbacks (\$10 million) and service reductions of (\$6.3 million) implemented in mid-2010, as well as the carryover of savings from the 2010 Budget Reduction Plan (\$16 million). Additional overtime savings have been programmed through the continuation of overtime reduction strategies started in 2010 as well as 2011 plans to distribute the use of vacation time more evenly throughout the year at equipment maintenance shops. An additional 45 positions will be eliminated (\$5.7 million) with the transfer of Accounting and Human Resource functions to the Business Service Center. The 2011 Final Proposed Budget also includes provisions to implement and manage recently mandated safety requirements for Conductor Certification and Hours of Service guidelines, the establishment of a Maintenance of Way Material Management Unit, the phase-in of new M8 cars and the retirement of the M2 fleet, the establishment of a GCT Fire Brigade, continuation of locomotive overhauls, support costs for system-wide security monitoring equipment, and operations costs associated with service improvements.

The 2011 Reimbursable Budget projections total \$215.5 million which is \$11.8 million higher than the July Plan primarily due to the recent CDOT funding of the West Haven Station project. This new addition was offset by multiple project cost refinement reductions.

## **2012-2014 Projections**

The 2012-2014 expenditure projections will allow Metro-North to continue initiatives that maintain existing train service levels, add new service on all lines, continue service reliability programs that maintain rolling stock and the right-of-way, and the phasing in of resources to support maintenance requirements on the new M8 car fleet. Financial stability measures include the removal of completed programs such as concrete tie replacements, locomotive overhauls, and the incorporation of projected cost changes in energy, healthcare and material. Major assumptions reflected in the 2011-2014 projections and reconciliation to the July 2010 Financial Plan is furnished later in this document.

The 2012 Reimbursable projections total \$209.8 million which is \$26.2 million higher than the July Plan primarily due to the gearing up of the Danbury Branch Signal System project and the Component Change Out Shop offset by the winding down of the West Haven Station project and the completion of the NHL Concrete Tie project in late 2011. Projections for 2013-2014 are \$29.5 million and \$31.6 million respectively higher than the July Plan reflecting a continuation of levels in 2012 increased by inflation.

**MTA METRO-NORTH RAILROAD**  
**November Financial Plan 2011 - 2014**  
**Accrual Statement of Operations by Category**  
**(\$ in millions)**

NON-REIMBURSABLE						
	2009 Actual	2010 November Forecast	2011 Final Proposed Budget	2012	2013	2014
<b>Operating Revenue</b>						
Farebox Revenue	\$501.937	\$527.412	\$537.467	\$553.530	\$566.416	\$576.564
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	40.314	43.310	43.095	43.505	45.127	46.551
MNR - MTA	0.000	0.000	0.000	0.000	0.000	0.000
MNR - CDOT	0.000	0.000	0.000	0.000	0.000	0.000
MNR - Other	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
<b>Total Revenue</b>	<b>\$542.251</b>	<b>\$570.722</b>	<b>\$580.562</b>	<b>\$597.035</b>	<b>\$611.543</b>	<b>\$623.115</b>
<b>Operating Expenses</b>						
<b>Labor:</b>						
Payroll	\$385.971	\$390.934	\$404.870	\$419.555	\$434.971	\$446.066
Overtime	57.563	55.300	54.662	54.896	55.724	56.806
Health and Welfare	69.239	72.505	85.105	93.414	109.649	119.505
OPEB Current Payment	10.620	9.410	10.467	11.353	12.312	13.351
Pensions	44.991	46.946	46.639	48.727	50.307	51.740
Other Fringe Benefits	79.973	79.171	81.150	84.148	87.719	90.580
Reimbursable Overhead	(42.851)	(35.675)	(36.906)	(37.156)	(37.406)	(37.656)
<b>Total Labor</b>	<b>\$605.506</b>	<b>\$618.592</b>	<b>\$645.988</b>	<b>\$674.937</b>	<b>\$713.276</b>	<b>\$740.392</b>
<b>Non-Labor:</b>						
Traction and Propulsion Power	\$60.520	\$62.160	\$68.757	\$80.236	\$88.225	\$95.350
Fuel for Buses and Trains	12.758	16.888	17.292	18.427	19.548	20.235
Insurance	11.853	10.800	11.950	12.995	14.262	15.610
Claims	1.193	10.632	11.000	11.000	11.000	11.000
Paratransit Service Contracts						
Maintenance and Other Operating Contracts	78.853	95.036	102.868	103.050	100.772	102.101
Professional Service Contracts	24.681	28.732	37.244	36.062	36.548	37.600
Materials & Supplies	79.628	82.612	87.372	90.280	99.535	104.878
Other Business Expenses	15.536	14.494	15.245	15.077	15.429	16.349
<b>Total Non-Labor</b>	<b>\$285.022</b>	<b>\$321.354</b>	<b>\$351.728</b>	<b>\$367.127</b>	<b>\$385.319</b>	<b>\$403.123</b>
<b>Other Expenses Adjustments:</b>						
Other						
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation and GASB Adjs.</b>	<b>\$890.528</b>	<b>\$939.946</b>	<b>\$997.716</b>	<b>\$1,042.064</b>	<b>\$1,098.595</b>	<b>\$1,143.515</b>
Depreciation	\$248.343	\$225.421	\$245.062	\$250.062	\$260.062	\$263.062
OPEB Obligation	43.965	58.700	67.000	71.000	76.000	81.000
Environmental Remediation	5.101	9.000	8.000	8.240	8.487	8.742
<b>Total Expenses</b>	<b>\$1,187.937</b>	<b>\$1,233.067</b>	<b>\$1,317.778</b>	<b>\$1,371.366</b>	<b>\$1,443.144</b>	<b>\$1,496.319</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$645.686)</b>	<b>(\$662.345)</b>	<b>(\$737.216)</b>	<b>(\$774.331)</b>	<b>(\$831.601)</b>	<b>(\$873.204)</b>
<b>Cash Conversion Adjustments:</b>						
Depreciation	\$248.343	\$225.421	\$245.062	\$250.062	\$260.062	\$263.062
Operating/Capital	(19.371)	(14.590)	(13.931)	(16.000)	(17.000)	(17.000)
Other Cash Adjustments	46.288	58.814	46.863	72.511	76.743	68.451
<b>Total Cash Conversion Adjustments</b>	<b>\$275.260</b>	<b>\$269.645</b>	<b>\$277.994</b>	<b>\$306.573</b>	<b>\$319.805</b>	<b>\$314.513</b>
<b>Baseline Cash Surplus/(Deficit)</b>	<b>(\$370.426)</b>	<b>(\$392.700)</b>	<b>(\$459.222)</b>	<b>(\$467.758)</b>	<b>(\$511.796)</b>	<b>(\$558.691)</b>

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**MTA METRO-NORTH RAILROAD**  
**November Financial Plan 2011 - 2014**  
**Accrual Statement of Operations by Category**  
**(\$ in millions)**

NON-REIMBURSABLE / REIMBURSABLE						
	2009 Actual	2010 November Forecast	2011 Final Proposed Budget	2012	2013	2014
<b>Revenue</b>						
Farebox Revenue	\$501.937	\$527.412	\$537.467	\$553.530	\$566.416	\$576.564
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	40.314	43.310	43.095	43.505	45.127	46.551
MNR - MTA	109.635	99.236	128.557	131.199	135.823	140.030
MNR - CDOT	59.253	82.145	74.411	65.020	62.085	63.982
MNR - Other	16.273	16.049	12.503	13.590	13.976	14.331
Capital and Other Reimbursements	185.161	197.430	215.471	209.809	211.884	218.343
<b>Total Revenue</b>	<b>\$727.412</b>	<b>\$768.152</b>	<b>\$796.033</b>	<b>\$806.844</b>	<b>\$823.427</b>	<b>\$841.458</b>
<b>Expenses</b>						
<b>Labor:</b>						
Payroll	\$428.887	\$433.128	\$454.320	\$470.096	\$486.536	\$498.625
Overtime	76.043	68.886	74.484	75.156	76.403	77.886
Health and Welfare	79.283	82.223	98.366	107.751	126.141	137.466
OPEB Current Payment	10.620	9.410	10.467	11.353	12.312	13.351
Pensions	50.120	52.099	53.736	56.055	57.779	59.398
Other Fringe Benefits	90.125	88.548	92.549	95.844	99.738	102.926
Reimbursable Overhead	(0.526)	(1.314)	4.633	5.293	5.907	6.497
<b>Total Labor</b>	<b>\$734.552</b>	<b>\$732.981</b>	<b>\$788.556</b>	<b>\$821.548</b>	<b>\$864.816</b>	<b>\$896.149</b>
<b>Non-Labor:</b>						
Traction and Propulsion Power	\$60.520	\$62.160	\$68.757	\$80.236	\$88.225	\$95.350
Fuel for Buses and Trains	12.758	16.888	17.292	18.427	19.548	20.235
Insurance	16.287	14.448	17.213	18.389	19.766	21.220
Claims	1.193	10.632	11.000	11.000	11.000	11.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	99.693	145.195	129.061	122.538	120.658	122.407
Professional Service Contracts	32.974	35.726	42.507	41.372	41.023	42.271
Materials & Supplies	102.833	104.711	123.252	122.976	129.698	136.554
Other Business Expenses	14.879	14.635	15.549	15.387	15.745	16.672
<b>Total Non-Labor</b>	<b>\$341.137</b>	<b>\$404.395</b>	<b>\$424.631</b>	<b>\$430.325</b>	<b>\$445.663</b>	<b>\$465.709</b>
<b>Other Adjustments:</b>						
Other	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Other Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation and GASB Adjs.</b>	<b>\$1,075.689</b>	<b>\$1,137.376</b>	<b>\$1,213.187</b>	<b>\$1,251.873</b>	<b>\$1,310.479</b>	<b>\$1,361.858</b>
Depreciation	\$248.343	\$225.421	\$245.062	\$250.062	\$260.062	\$263.062
OPEB Obligation	43.965	58.700	67.000	71.000	76.000	81.000
Environmental Remediation	5.101	9.000	8.000	8.240	8.487	8.742
<b>Total Expenses</b>	<b>\$1,373.098</b>	<b>\$1,430.497</b>	<b>\$1,533.249</b>	<b>\$1,581.175</b>	<b>\$1,655.028</b>	<b>\$1,714.662</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$645.686)</b>	<b>(\$662.345)</b>	<b>(\$737.216)</b>	<b>(\$774.331)</b>	<b>(\$831.601)</b>	<b>(\$873.204)</b>
<b>Cash Conversion Adjustments:</b>						
Depreciation	\$248.343	\$225.421	\$245.062	\$250.062	\$260.062	\$263.062
Operating/Capital	(19.371)	(14.590)	(13.931)	(16.000)	(17.000)	(17.000)
Other Cash Adjustments	46.288	58.814	46.863	72.511	76.743	68.451
<b>Total Cash Conversion Adjustments</b>	<b>\$275.260</b>	<b>\$269.645</b>	<b>\$277.994</b>	<b>\$306.573</b>	<b>\$319.805</b>	<b>\$314.513</b>
<b>Baseline Cash Surplus/(Deficit)</b>	<b>(\$370.426)</b>	<b>(\$392.700)</b>	<b>(\$459.222)</b>	<b>(\$467.758)</b>	<b>(\$511.796)</b>	<b>(\$558.691)</b>

**MTA METRO-NORTH RAILROAD**  
**November Financial Plan 2011 - 2014**  
**Cash Receipts & Expenditures**  
**(\$ in millions)**

CASH RECEIPTS AND EXPENDITURES						
	2009 Actual	2010 November Forecast	2011 Final Proposed Budget	2012	2013	2014
<b>Receipts</b>						
Farebox Revenue	\$512.050	\$535.180	\$545.533	\$561.530	\$574.516	\$585.164
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	67.170	64.854	65.248	67.915	70.197	71.257
MNR - MTA	106.981	100.695	115.499	129.826	130.727	134.686
MNR - CDOT	60.833	81.720	71.259	64.345	60.308	62.043
MNR - Other	30.722	14.948	15.478	13.525	13.904	14.268
Capital and Other Reimbursements	198.536	197.363	202.236	207.696	204.939	210.997
<b>Total Receipts</b>	<b>\$777.756</b>	<b>\$797.397</b>	<b>\$813.017</b>	<b>\$837.141</b>	<b>\$849.652</b>	<b>\$867.418</b>
<b>Expenditures</b>						
Labor:						
Payroll	\$426.318	\$429.180	\$454.886	\$472.157	\$483.853	\$503.502
Overtime	76.848	68.828	74.787	75.837	76.101	79.640
Health and Welfare	83.168	85.105	101.120	110.688	128.967	140.624
OPEB Current Payment	10.620	9.410	10.467	11.353	12.312	13.351
Pensions	44.229	56.367	54.235	56.160	57.886	59.508
Other Fringe Benefits	89.536	88.110	93.073	96.830	99.594	104.721
GASB Account	6.548	7.216	7.984	8.746	9.607	10.512
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor</b>	<b>\$737.267</b>	<b>\$744.216</b>	<b>\$796.552</b>	<b>\$831.771</b>	<b>\$868.320</b>	<b>\$911.858</b>
<b>Non-Labor:</b>						
Traction and Propulsion Power	\$60.536	\$62.160	\$68.757	\$80.236	\$88.225	\$95.350
Fuel for Buses and Trains	12.778	16.888	17.292	18.427	19.548	20.235
Insurance	17.025	13.643	17.985	18.065	19.993	22.077
Claims	8.814	10.832	11.146	11.146	11.146	11.146
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	129.682	171.035	153.366	143.964	144.527	144.283
Professional Service Contracts	35.087	36.845	44.283	43.392	43.127	44.315
Materials & Supplies	112.495	102.882	131.311	134.182	141.738	146.268
Other Business Expenses	34.498	31.595	31.546	23.716	24.824	30.577
<b>Total Non-Labor</b>	<b>\$410.915</b>	<b>\$445.880</b>	<b>\$475.686</b>	<b>\$473.128</b>	<b>\$493.128</b>	<b>\$514.251</b>
<b>Other Adjustments:</b>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Cash Timing and Availability Adjustmen	7.973	0.000	0.000	0.000	0.000	0.000
<b>Total Other Adjustments</b>	<b>\$7.973</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenditures</b>	<b>\$1,156.155</b>	<b>\$1,190.096</b>	<b>\$1,272.238</b>	<b>\$1,304.899</b>	<b>\$1,361.448</b>	<b>\$1,426.109</b>
<b>Baseline Cash Deficit</b>	<b>(\$378.399)</b>	<b>(\$392.699)</b>	<b>(\$459.221)</b>	<b>(\$467.758)</b>	<b>(\$511.796)</b>	<b>(\$558.691)</b>
<b>Subsidies</b>						
MTA	(\$293.476)	(\$315.256)	(\$364.787)	(\$360.915)	(\$389.150)	(\$426.159)
CDOT	(84.923)	(77.443)	(94.435)	(106.843)	(122.646)	(132.532)
<b>Total Subsidies</b>	<b>(\$378.399)</b>	<b>(\$392.699)</b>	<b>(\$459.222)</b>	<b>(\$467.758)</b>	<b>(\$511.796)</b>	<b>(\$558.691)</b>

**MTA METRO-NORTH RAILROAD**  
**November Financial Plan 2011 - 2014**  
**Cash Conversion (Cash Flow Adjustments)**  
**(\$ in millions)**

CASH FLOW ADJUSTMENTS						
	2009 Actual	2010 November Forecast	2011 Final Proposed Budget	2012	2013	2014
<b>Receipts</b>						
Farebox Revenue	\$10.113	\$7.768	\$8.066	\$8.000	\$8.100	\$8.600
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	26.856	21.544	22.153	24.410	25.070	24.706
MNR - MTA	(2.654)	1.459	(13.058)	(1.373)	(5.096)	(5.344)
MNR - CDOT	1.580	(0.425)	(3.152)	(0.675)	(1.777)	(1.939)
MNR - Other	14.449	(1.101)	2.975	(0.065)	(0.072)	(0.063)
Capital and Other Reimbursements	13.375	(0.067)	(13.235)	(2.113)	(6.945)	(7.346)
<b>Total Receipts</b>	<b>\$50.344</b>	<b>\$29.245</b>	<b>\$16.984</b>	<b>\$30.297</b>	<b>\$26.225</b>	<b>\$25.960</b>
<b>Expenditures</b>						
Payroll	\$2.569	\$3.948	(\$0.566)	(\$2.061)	\$2.683	(\$4.877)
Overtime	(0.805)	0.058	(0.303)	(0.681)	0.302	(1.754)
Health and Welfare	(3.885)	(2.882)	(2.754)	(2.937)	(2.826)	(3.158)
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	5.891	(4.268)	(0.499)	(0.105)	(0.107)	(0.110)
Other Fringe Benefits	0.589	0.438	(0.524)	(0.986)	0.144	(1.795)
GASB Account	(6.548)	(7.216)	(7.984)	(8.746)	(9.607)	(10.512)
Reimbursable Overhead	(0.526)	(1.314)	4.633	5.293	5.907	6.497
<b>Total Labor</b>	<b>(\$2.715)</b>	<b>(\$11.235)</b>	<b>(\$7.996)</b>	<b>(\$10.223)</b>	<b>(\$3.504)</b>	<b>(\$15.709)</b>
<b>Non-Labor:</b>						
Traction and Propulsion Power	(\$0.016)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	(0.020)	0.000	0.000	0.000	0.000	0.000
Insurance	(0.738)	0.805	(0.772)	0.324	(0.227)	(0.857)
Claims	(7.621)	(0.200)	(0.146)	(0.146)	(0.146)	(0.146)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	(29.989)	(25.840)	(24.305)	(21.426)	(23.869)	(21.876)
Professional Service Contracts	(2.113)	(1.119)	(1.776)	(2.020)	(2.104)	(2.044)
Materials & Supplies	(9.662)	1.829	(8.059)	(11.206)	(12.040)	(9.714)
Other Business Expenditures	(19.619)	(16.960)	(15.997)	(8.329)	(9.079)	(13.905)
<b>Total Non-Labor</b>	<b>(\$69.778)</b>	<b>(\$41.485)</b>	<b>(\$51.055)</b>	<b>(\$42.803)</b>	<b>(\$47.465)</b>	<b>(\$48.542)</b>
<b>Other Adjustments:</b>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expenditure Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Cash Conversion Adjustments before Depreciation and GASB Adj.</b>	<b>(\$22.149)</b>	<b>(\$23.475)</b>	<b>(\$42.067)</b>	<b>(\$22.729)</b>	<b>(\$24.744)</b>	<b>(\$38.291)</b>
Depreciation Adjustment	\$248.343	\$225.421	\$245.062	\$250.062	\$260.062	\$263.062
OPEB Obligation	43.965	58.700	67.000	71.000	76.000	81.000
Environmental Remediation	5.101	9.000	8.000	8.240	8.487	8.742
<b>Baseline Total Cash Conversion Adjustments</b>	<b>\$275.260</b>	<b>\$269.646</b>	<b>\$277.995</b>	<b>\$306.573</b>	<b>\$319.805</b>	<b>\$314.513</b>

**MTA METRO-NORTH RAILROAD**  
**2011 Final Proposed Budget**  
**November Financial Plan 2011-2014**  
**Year-to-Year Changes By Category- Baseline**

**Farebox Revenue**

**Non-Reimbursable**

- East of Hudson ridership growth is projected at 1.5% in 2010 over 2009, 1.8% in 2011, 2.9% in 2012, 2.2% in 2013, and 1.7% in 2014.
- 2010 Revenues reflect the full-year impact of the June 2009 10% fare increase. No fare increases are assumed for the 2011-2014 period in New York State or the State of Connecticut.
- 2011-2014 ridership growth reflects a gradual recovery from the regional economic slowdown and the full-year impact of the Yankee-E.153rd Street service. Through 2014, increases in ridership reflect the resumption of modest employment growth and the continuing impacts of service initiatives.

**Reimbursable**

- Not applicable

**Cash**

- 2010-2014 cash adjustments include receipts from the sale of Metro Cards, Westchester County bus fares, and special event promotions, partially offset by credit card fees associated with the purchase of passenger tickets.

**Other Operating Revenue**

**Non-Reimbursable**

- 2010 reflects increases from net GCT retail tenants, advertising, commissary, and parking revenues, partially offset by a decrease in interest income due to lower interest rates.
- 2011 revenue increase reflects higher revenues from parking expansions and rate increases, higher advertising revenue, continuing improvement in GCT retail sales, and higher commissary revenues (includes a January 2011 price increase averaging 3.8%), offset by a higher provision for GCT restoration projects (2011 cost of \$1.4 million for retail market rehabilitation work).
- 2012-2014 reflects contracted escalations in advertising revenues and higher GCT retail revenue, partially offset by a higher annual provision for GCT restoration projects (\$2.2 million).

#### Cash

- 2010-2014 adjustments include the reclassifications of Amtrak and other railroad reimbursements (from the Maintenance and Other Operating Contracts category), and revenue offsets for GCT revenue funded projects to expenditure categories. Also included are reimbursements from CDOT for station facilities and unitickets, the MTA for electricity charges, payments by former employees for health insurance coverage, reimbursements for claims settlements, scrap sale receipts, settlement for defective concrete ties, and other miscellaneous items.

### **Capital And Other Reimbursements**

#### Non-Reimbursable

- Not applicable

#### Reimbursable

Capital project cost reimbursements in each year of the financial plan are based on recouping 100% of accrued project expenditures.

- 2011 accrued expenditures (and receipts) are based upon the latest projections of capital project activity. Higher reimbursements in 2011 (\$18.0 million) vs 2010 are primarily attributable to the recent CDOT funding of the West Haven Station project. This new addition was offset by multiple project cost refinement reductions.
- 2012 accrued expenditures (and receipts) are based upon the latest projections of capital project activity. Lower reimbursements in 2012 (\$5.7 million) vs. 2011 are primarily attributable to the winding down of the West Haven Station project plus the completion of the NHL Concrete Tie Project (in late 2011).
- 2013-2014 accrued expenditures (and receipts) are based on a continuation of 2012 project cost levels adjusted for the impact of inflation.

#### Cash

- 2010-2014 includes cash adjustments to MTA and CDOT receipts for reimbursable portion of GASB contribution.

### **Payroll**

#### Non-Reimbursable

- Inflationary salary increases for Non-Agreement positions are included for 2010-2014 at 1.87%, 2.23%, 2.20%, 1.97% and 1.91% respectively. Agreement wages include a negotiated salary increase of 3.0% spanning January 2009 through July 15, 2010. For 2010–2014 increases are applied starting July 16 of each year at annual rates of 1.87% in 2010, 2.23% in 2011, 2.20% in 2012, 1.97% in 2013, and 1.91% in 2014.
- In 2010, both Non-Agreement and Agreement payroll reflect the partial year impacts of mid-year service reductions (9 positions), a 15% administrative

payroll reduction net of severance (88 positions), and the benefits gained from the implementation of the Budget Reduction Program (BRP) (56 positions - of which 24 are deferrals to 2011). The BRP includes position reductions in ticket selling, material management, and rolling stock and facility maintenance.

- 2011-2014 benefit from the full-year savings from the administrative payroll reductions and the Budget Reduction Program.
- 2011 is favorably impacted by the transfer of 45 Human Resources and Accounting positions to the BSC (\$2.4 million).
- Other Programmatic Changes include:
  - Establishment of a Maintenance of Way Material Management Unit in 2011 (\$0.5 million).
  - Establishment of a GCT Fire Brigade unit in 2011 (\$0.4 million) and 2012 (\$0.5 million).
  - Staffing to comply with Conductor Certification regulatory requirements in 2011, including the addition of Non Agreement training staff and operations support personnel to administer, monitor, and report on compliance requirements (adds \$0.8 million in 2011 and \$0.4 million in 2012). Also included is a provision for Conductor Certification allowance payments estimated at \$2.2 million annually starting in the fourth quarter of 2011.
  - The NHL Equipment Plan for 2011-2014 results in the phase-in of staffing to support car maintenance and inspection requirements for the net increase in rolling stock with the acquisition of new M8 cars and retirement of M2 cars, infrastructure and facility upgrades at the New Haven Maintenance Shop Complex, and the Critical System Replacement (CSR) program for the remaining fleet of M4 and M6 cars. (To support these changes approximately \$2.3 million is added in 2011, \$2.6 million in 2012, \$4.0 million in 2013, and \$1.0 million in 2014).
  - 2011 includes additional labor costs for a second shift at the Harmon Coach Shop (\$0.5 million), T&E labor costs for added service (\$1.6 million), FRA mandated changes in Hours of Service guidelines (\$2.6 million), and technical support staff to maintain the new Danbury signal system (\$0.3 million).

#### Reimbursable

- Annual cost of living increases and wage contract increases for agreement employees follow the same rate assumptions as the non-reimbursable costs noted above

#### Cash

- 2011 cash includes payment of \$2.9 million (excluding fringe) for prior period (2010) accrued retroactive wage settlements for unsettled unions. 2010-2014 cash adjustments include differences between expense accruals and cash disbursements for the number of days paid, vacation and sick day provisions, employee health club memberships, agreement employee allowance for tools and safety shoes, and employee contribution to health care coverage.

## **Overtime**

### **Non-Reimbursable**

- Overtime follows the same inflation rate assumptions as the Agreement increases noted above and increases 2010 overtime costs by approximately \$1.0 million.
- As part of the Budget Reduction Program initiatives, a series of controls have been put in place to limit overtime in areas controlled by management. As a result, overtime budgets have been reduced by \$3.3 million in 2010, and an additional \$5.5 million in 2011.
- Overtime savings of \$0.8 million at equipment maintenance shops are included in 2011 based on plans to distribute the use of vacation time more evenly throughout the year. This decrease is partially offset by \$0.3 million in costs for the FRA mandated Hours of Service requirements.
- In 2012, an additional \$1.0 million in overtime savings for on-board service coverage is made possible by the increase in positions associated with changes in Hours of Service guidelines.

### **Reimbursable**

- Annual cost of living increases and wage contract increases for agreement employees follow the same rate assumptions as the non-reimbursable costs noted above.

### **Cash**

- 2011 cash includes payment of \$0.6 million (excluding fringe) for prior period (2010) accrued retroactive wage settlements for unsettled unions. 2010-2014 cash adjustments include differences between expense accruals and cash disbursements for the number of days paid.

## **Health and Welfare**

### **Non-Reimbursable**

- 2010 forecast reflects revised net premium rate increases for the NYS Empire Plan for employees with family coverage of 2.9% and for individual coverage of 3.6%.
- 2011-2014 include estimated annual premium increases for NYS Empire Plan health care and insurance premiums of 13.4% in 2011 and 7.1 % for 2012-2014.
- 2011-2014 costs are higher as savings due to staffing reductions noted above are offset, by projected retirees, and employees on leave of absence status. Adjustments in staffing levels due to programmatic changes are incorporated into each year of the financial plan for Maintenance Improvements, Service Enhancements, Customer Service Amenities, Security, and Administration.

#### Reimbursable

- Projected inflationary increases follow the same pattern as non-reimbursable costs noted above.

#### Cash

- 2010-2014 cash adjustments include current and former management employee contributions toward health insurance costs.

### **OPEB Current Payment (GASB 45)**

#### Non-Reimbursable

- Other Post Employment Benefit (OPEB) current payments reflect Metro-North's estimated annual cost of health care for current retirees. The estimated annual costs for 2011-2014 are \$10.5 million in 2011, \$11.4 million in 2012, and \$12.3 million in 2013, and 13.4 million in 2014.

### **Pensions**

#### Non-Reimbursable and Reimbursable

- The 2010-2014 pension costs represent the inclusion of all non-represented and most represented Metro-North employees in the MTA Defined Benefit Plan (DB Plan). Those employees not in the DB Plan are participants in the MTA 401K Plan.
- DB Plan funding requirements are based on preliminary projections prepared by actuarial consultants. Future actuarial valuations are expected to reflect more accurate estimates of the pension liabilities on behalf of these employees.
- Metro-North's contribution to the MTA 401K plan (estimated at \$3 million annually) is based on participating employee earnings and years of service.

#### Cash

- 2010 includes an increase to MTA cash requirements for 2009 pension liability paid in 2010 (\$4.5 million). 2011 includes payments of \$0.4 million for prior period (2010) accrued pension costs related to retroactive wage settlements for unsettled unions.

### **Other Fringe Benefits**

#### Non-Reimbursable

- Railroad Retirement tax rates for Tier I and II remain constant for 2011-2014 at 7.65% and 12.1%, respectively.
- Maximum earnings level for Tier I is estimated at \$106,800 in 2011 and \$110,700 in 2012, \$114,900 in 2013 and \$119,700 in 2014.
- Maximum earnings level for Tier II is estimated at \$79,200 in 2011 and 2012, \$87,000 in 2013, and \$91,200 in 2014.

- Other cost adjustments reflect the net impact of inflationary salary increases and changes in staffing levels affected by the implementation of the 15% Administrative Staffing, and Budget Reduction Programs.

#### Reimbursable

- Railroad Retirement tax rates and earnings maximums follow the same assumptions as the non-reimbursable costs noted above.

#### Cash

- 2010-2014 adjustments include differences between expense accruals and cash disbursements. 2011 includes payments of \$.6 million for prior period (2010) accrued railroad retirement taxes related to retroactive wage settlements for unsettled unions.

### **GASB Account**

#### Cash

- 2010-2014 includes cash expenditures to fund a contribution to a special GASB 45 (Government Accounting Standards Board) fund earmarked for post-retirement liabilities for "Other than Pension Benefits" (healthcare costs).

### **Reimbursable Overhead**

#### Non-Reimbursable

- Overhead Cost Recoveries are derived from Reimbursable Capital Project Estimates. Assumptions are described in the Reimbursable section below.

#### Reimbursable

- Overhead costs for 2011 are based on a percentage share of direct labor costs charged to reimbursable projects. 2012-2014 overhead costs are based on the continuation of 2011 forecast levels, adjusted for inflation-based increases in labor costs.
- Material handling and equipment recovery increases are predicated on CPI-based inflation rates.

### **Traction and Propulsion Power**

#### Non-Reimbursable

- 2010-2014 also incorporates the net effect of the rolling stock equipment plan, new service, and savings from the AABB and Budget Reduction Program plans. Also included over this period are cost changes associated with the 2011 Service Plan, the incorporation of the new M8 cars into NHL service, and the gradual retirement of the M2, M4 and M6 car fleet.
- 2011-2014 reflects annual inflation-based increases of 6.7% in 2011, 7.1% in 2012, 7.1% in 2013, and 6.8 % in 2014.

## **Fuel for Buses and Trains**

### **Non-Reimbursable**

- Fuel Prices reflect inflation-based increases of 3.2% in 2011, 5.08% in 2012, 3.79% in 2013, and 3.13% in 2014, and incorporate 2011 and 2013 Service Plan increases.
- 2011 and 2014 incorporate savings from equipment updates.

## **Insurance**

### **Non-Reimbursable and Reimbursable**

- Increases in 2011-2014 reflect revised insurance premium estimates.

### **Cash**

- 2010-2014 reflects an increase in force account payments as well as All-Agency insurance costs, including timing adjustments between expense accruals and cash payments.

## **Claims**

### **Non-Reimbursable**

- 2010 - 2014 reflect current claims trends.

The Remaining Non-Reimbursable Cost Categories, other than Material & Supplies, were inflated by CPI Increases in 2011-2014 of 1.32%, 1.87%, 2.04%, and 2.11% respectively.

## **Maintenance And Other Contracts**

### **Non-Reimbursable**

- 2010-2014 includes fluctuating costs for East and West of Hudson locomotive overhauls as work is performed or completed. In 2010, these costs increase \$1.7 million; 2011 increases by \$0.2 million followed by cost reductions of \$4.2 million in 2012 and \$5.8 million in 2013, as program costs wind down or are completed.
- 2010 includes the cost of repairing GCT steam lines \$0.5 million.
- 2011 includes \$1.0 million for the installation cost of the GPS vehicle tracking system and \$0.3 million in 2012 and beyond for annual maintenance costs.
- 2010–2014 incorporates higher West of Hudson subsidy payments (\$0.5 million in 2010, \$2.3 million in 2011, \$0.6 million in 2013, and \$0.5 million in 2014) due to contract cost escalations, service enhancements, and West of Hudson fare hold-down payments.

- 2010-2013 includes equipment disposal costs. 2010 includes \$0.5 million for H&H M1 cars; 2011-2013 includes NHL disposal costs for M2, M4, and M6 cars of \$1.3 million in 2011, \$5.0 in 2012, \$6.1 million in 2013 and \$4.5 million in 2014.
- Provisions for office space renovations costs are included in 2010 for \$0.5 million and in 2011 for \$1.1 million. These costs are reduced in 2012 and 2013 as renovations are completed

#### Reimbursable

- CPI increases in 2011-2014 follow the same pattern as non-reimbursable costs noted above.
- In 2011, decreased expenditures reflect the scope reduction/completion of the M4 Mid Life Overhaul project, completion of NHL End Door Bombardier Coaches Mid-Life Overhaul and cost refinements to the Danbury Branch Signal System; projections for 2012-2014 reflect a continuation of 2011 levels.

#### Cash

- 2010 cash adjustments include the elimination of non-cash GASB 49 environmental accruals and payment of 2009 accruals for equipment overhauls and real estate administration costs. 2010-2014 also includes the reclassifications of Amtrak and other railroad reimbursements to Other Operating Revenue and revenue offsets for GCT revenue funded projects to expenditure categories. 2010-2014 also includes payments on behalf of CDOT for station facilities and the MTA for electricity charges.

### **Professional Service Contracts**

#### Non-Reimbursable

- 2010-2014 includes Budget Reduction Program initiatives that reduce cost by \$2.3 million in 2010 and by \$1.0 million in 2011-2014, primarily for reductions in advertising fees and a one-time 2010 provision for BSC PeopleSoft interface modifications.
- 2011 includes GCT vault design fee (\$0.7 million) and adds \$2.5 million for Bridge Inspection Consultants that is reduced by \$0.5 million in 2013.
- 2011 includes \$2.4 million for BSC chargeback for the NHL share of costs (\$1.5 million increase vs. 2010 as BSC becomes fully operational) and a full year of security monitoring fees for the IESS/3C System (\$0.8 million).
- 2012 includes the elimination of \$0.7 million for GCT vault design and lower BSC chargeback costs (\$0.8 million).

#### Reimbursable

- CPI increases in 2011-2014 follow the same pattern as non-reimbursable costs noted above.
- In 2011, the decrease reflects the winding down of the Cos Cob West Substation project. 2012 reflects a continuation of 2011 levels. The reduction in 2013 reflects the winding down of several projects. 2014 levels are a continuation of 2013 levels adjusted for the impact of inflation.

### **Material and Supplies**

#### Non-Reimbursable

- 2011 inflation was applied based on the CPI rate of 1.34%. 2012-2014 inflation was based on the Chained Price Index for Construction Industrial Building Materials applied at the rate of 5.43% in 2012, 5.11% in 2013, and 5.02% in 2014.
- 2010 includes \$0.6 million earmarked for office space renovations that are eliminated by 2012.
- 2010-2014 includes the net cost impacts of Metro-North's equipment maintenance and replacement strategies that are driven by Customer Service goals to maintain and improve service reliability and performance.
- 2011 includes reduced material requirements for the NHL Equipment Replacement Plan (\$6.9 million) offset by \$6.1 million for new M8 car spare parts, and the elimination of several one-time 2010 expenditure programs.
- 2012 includes additional expenditures for M8 car spare parts (\$0.8 million), and the phase-in of the M7 seat change-out program, partially offset by a lower cost for the NHL Equipment Replacement Plan (\$1.6 million).
- 2013 includes a \$6.3 million provision for the M4/M6 CSR Program that is partially offset by the gradual reduction in expenditures for M8 car spare parts (\$2.6 million), and for the NHL Equipment Replacement Plan (\$0.7 million).
- 2014 includes the continued reduction in the M8 car spare parts procurement initiative (\$4.4 million), offset by higher costs for the NHL Equipment Replacement Plan \$4.9 million.

#### Reimbursable

- CPI increases in 2010-2013 follow the same pattern as non-reimbursable costs noted above.
- In 2011, the increase reflects requirements primarily for the West Haven Station project plus several others including: NH Rail Yard Component Change-Out Shop, East Bridgeport Yard Improvements and the Danbury Branch Signal System project. In 2012, the small reduction reflects the completion of the M-4 Inverter Replacement in 2011. Remaining levels for 2013-2014 reflect a continuation of 2012 levels adjusted for inflation.

#### Cash

- Cash adjustments reflect differences between expense accruals and cash requirements:
  - 2010-2014 includes decreases to cash requirements due to ongoing reductions in material consumption (\$5.4 million in 2010; \$2.9 million in 2011; \$2.4 million 2012-2014).
  - 2010-2014 includes adjustment for obsolete material reserve (\$0.6 million per year).

### **Other Business Expenses**

#### Non-Reimbursable

- 2011 includes the tri-annual cost of providing winter gear to agreement employees that is eliminated in 2012 and reinstated in 2014.
- 2011 includes \$0.2 million for Conductor uniforms.

#### Reimbursable

- CPI increases in 2011-2014 follow the same pattern as non-reimbursable costs noted above.

#### Cash

- 2010-2014 cash adjustments include payments for receipt of MetroCards, Westchester County bus fares, special promotions, and employee health club memberships, partially offset by the reclassification of credit card fees as an offset to Farebox Revenue, the reclassification of a credit for defective concrete ties as a receipt to Other Operating Revenue, and safety shoe and tool allowance to the Payroll category. 2010 and 2011 also include payments that reflect refunds of Individual & Company advances.

### **Depreciation**

#### Non-Reimbursable

- 2010-2014 includes provisions for changes in Metro-North's capital assets.

### **OPEB Obligation (GASB 45)**

#### Non-Reimbursable

2010-2014 costs reflect the recognition of the liability for Post Retirement Benefits (healthcare costs) for future retirees.

### **Environmental Remediation (GASB 49)**

#### Non-Reimbursable

- 2010-2014 costs reflect the estimated liability for pollution remediation costs associated with capital projects.

**MTA METRO-NORTH RAILROAD**  
**November Financial Plan 2011 - 2014**  
**Year-to-Year Changes by Category - Accrual Basis**  
**(\$ in millions)**

**NON-REIMBURSABLE**

	Favorable/(Unfavorable)								
	2010	2011	Change 2011 - 2010	2012	Change 2012 - 2011	2013	Change 2013 - 2012	2014	Change 2014 - 2013
<b>Revenue</b>									
Farebox Revenue	\$527.412	\$537.467	\$10.055	\$553.530	\$16.064	\$566.416	\$12.886	\$576.564	\$10.148
Vehicle Toll Revenue									
Other Operating Revenue	43.310	43.095	(\$0.215)	43.505	\$0.410	45.127	\$1.622	46.551	\$1.424
Capital and Other Reimbursements									
<b>Total Revenue</b>	<b>\$570.722</b>	<b>\$580.562</b>	<b>\$9.840</b>	<b>\$597.035</b>	<b>\$16.474</b>	<b>\$611.543</b>	<b>\$14.508</b>	<b>\$623.115</b>	<b>\$11.572</b>
<b>Expenses</b>									
Labor:									
Payroll	\$390.934	\$404.870	(\$13.936)	\$419.555	(\$14.685)	\$434.971	(\$15.416)	\$446.066	(\$11.095)
Overtime	55.300	54.662	0.638	54.896	(0.234)	55.724	(0.828)	56.806	(1.082)
Health and Welfare	72.505	85.105	(12.600)	93.414	(8.309)	109.649	(16.235)	119.505	(9.856)
OPEB Current Payment	9.410	10.467	(1.057)	11.353	(0.886)	12.312	(0.959)	13.351	(1.039)
Pensions	46.946	46.639	0.306	48.727	(2.088)	50.307	(1.579)	51.740	(1.433)
Other Fringe Benefits	79.171	81.150	(1.979)	84.148	(2.997)	87.719	(3.572)	90.580	(2.861)
Reimbursable Overhead	(35.675)	(36.906)	1.231	(37.156)	0.250	(37.406)	0.250	(37.656)	0.250
<b>Total Labor Expenses</b>	<b>\$618.592</b>	<b>\$645.988</b>	<b>(\$27.396)</b>	<b>\$674.937</b>	<b>(\$28.949)</b>	<b>\$713.276</b>	<b>(\$38.339)</b>	<b>\$740.392</b>	<b>(\$27.116)</b>
Non-Labor:									
Traction and Propulsion Power	62.160	68.757	(\$6.597)	80.236	(\$11.479)	88.225	(\$7.989)	95.350	(\$7.125)
Fuel for Buses and Trains	16.888	17.292	(0.404)	18.427	(1.135)	19.548	(1.121)	20.235	(0.687)
Insurance	10.800	11.950	(1.150)	12.995	(1.045)	14.262	(1.267)	15.610	(1.348)
Claims	10.632	11.000	(0.368)	11.000	0.000	11.000	0.000	11.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	95.036	102.868	(7.832)	103.050	(0.182)	100.772	2.278	102.101	(1.329)
Professional Service Contracts	28.732	37.244	(8.512)	36.062	1.182	36.548	(0.486)	37.600	(1.052)
Materials & Supplies	82.612	87.372	(4.760)	90.280	(2.908)	99.535	(9.255)	104.878	(5.343)
Other Business Expenses	14.494	15.245	(0.751)	15.077	0.168	15.429	(0.352)	16.349	(0.920)
<b>Total Non-Labor Expenses</b>	<b>\$321.354</b>	<b>\$351.728</b>	<b>(\$30.374)</b>	<b>\$367.127</b>	<b>(\$15.399)</b>	<b>\$385.319</b>	<b>(\$18.192)</b>	<b>\$403.123</b>	<b>(\$17.804)</b>
Other Expenses Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation and GASB Adj.</b>	<b>\$939.946</b>	<b>\$997.716</b>	<b>(\$57.770)</b>	<b>\$1,042.064</b>	<b>(\$44.348)</b>	<b>\$1,098.595</b>	<b>(\$56.531)</b>	<b>\$1,143.515</b>	<b>(\$44.920)</b>
Depreciation	225.421	245.062	(19.641)	250.062	(5.000)	260.062	(10.000)	263.062	(3.000)
OPEB Obligation	58.700	67.000	(8.300)	71.000	(4.000)	76.000	(5.000)	81.000	(5.000)
Environmental Remediation	9.000	8.000	1.000	8.240	(0.240)	8.487	(0.247)	8.742	(0.255)
<b>Total Expenses</b>	<b>\$1,233.067</b>	<b>\$1,317.778</b>	<b>(\$84.711)</b>	<b>\$1,371.366</b>	<b>(\$53.588)</b>	<b>\$1,443.144</b>	<b>(\$71.778)</b>	<b>\$1,496.319</b>	<b>(\$53.175)</b>
<b>Baseline Net Surplus/(Deficit)</b>	<b>(\$662.345)</b>	<b>(\$737.216)</b>	<b>(\$74.871)</b>	<b>(\$774.331)</b>	<b>(\$37.115)</b>	<b>(\$831.601)</b>	<b>(\$57.270)</b>	<b>(\$873.204)</b>	<b>(\$41.603)</b>

## REIMBURSABLE

[illegible]

**MTA METRO-NORTH RAILROAD**  
**November Financial Plan 2011 - 2014**  
**Year-to-Year Changes by Category - Accrual Basis**  
**(\$ in millions)**

**NON-REIMBURSABLE and REIMBURSABLE**

	Favorable/(Unfavorable)								
	2010	2011	Change 2011 - 2010	2012	Change 2012 - 2011	2013	Change 2013 - 2012	2014	Change 2014 - 2013
<b><u>Revenue</u></b>									
Farebox Revenue	\$527.412	\$537.467	\$10.055	\$553.530	\$16.064	\$566.416	\$12.886	\$576.564	\$10.148
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	43.310	43.095	(0.215)	43.505	0.410	45.127	1.622	46.551	1.424
Capital and Other Reimbursements	197.430	215.471	18.041	209.809	(5.662)	211.884	2.075	218.343	6.459
<b>Total Revenue</b>	<b>\$768.152</b>	<b>\$796.033</b>	<b>\$27.881</b>	<b>\$806.844</b>	<b>\$10.812</b>	<b>\$823.427</b>	<b>\$16.583</b>	<b>\$841.458</b>	<b>\$18.031</b>
<b><u>Expenses</u></b>									
Labor:									
Payroll	\$433.128	\$454.320	(\$21.192)	\$470.096	(\$15.776)	\$486.536	(\$16.440)	\$498.625	(\$12.089)
Overtime	68.886	74.484	(5.598)	75.156	(0.672)	76.403	(1.247)	77.886	(1.483)
Health and Welfare	82.223	98.366	(16.143)	107.751	(9.385)	126.141	(18.390)	137.466	(11.325)
Fuel for Buses and Trains	16.888	17.292	(0.404)	18.427	(1.135)	19.548	(1.121)	20.235	(0.687)
Insurance	14.448	17.213	(2.765)	18.389	(1.176)	19.766	(1.377)	21.220	(1.454)
Claims	10.632	11.000	(0.368)	11.000	0.000	11.000	0.000	11.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	145.195	129.061	16.134	122.538	6.523	120.658	1.880	122.407	(1.749)
Professional Service Contracts	35.726	42.507	(6.781)	41.372	1.135	41.023	0.349	42.271	(1.248)
Materials & Supplies	104.711	123.252	(18.541)	122.976	0.276	129.698	(6.722)	136.554	(6.856)
Other Business Expenses	14.635	15.549	(0.914)	15.387	0.162	15.745	(0.358)	16.672	(0.927)
<b>Total Non-Labor Expenses</b>	<b>\$404.395</b>	<b>\$424.631</b>	<b>(\$20.236)</b>	<b>\$430.325</b>	<b>(\$5.694)</b>	<b>\$445.663</b>	<b>(\$15.338)</b>	<b>\$465.709</b>	<b>(\$20.046)</b>
Other Expenses Adjustments:	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$1,137.376</b>	<b>\$1,213.187</b>	<b>(\$75.811)</b>	<b>\$1,251.873</b>	<b>(\$38.686)</b>	<b>\$1,310.479</b>	<b>(\$58.606)</b>	<b>\$1,361.858</b>	<b>(\$51.379)</b>
Depreciation	\$225.421	\$245.062	(19.641)	\$250.062	(\$5.000)	\$260.062	(\$10.000)	\$263.062	(\$3.000)
OPEB Obligation	58.700	67.000	(8.300)	71.000	(4.000)	76.000	(5.000)	81.000	(5.000)
Environmental Remediation	9.000	8.000	1.000	8.240	(0.240)	8.487	(0.247)	8.742	(0.255)
<b>Total Expenses</b>	<b>\$1,430.497</b>	<b>\$1,533.249</b>	<b>(\$102.752)</b>	<b>\$1,581.175</b>	<b>(\$47.926)</b>	<b>\$1,655.028</b>	<b>(\$73.853)</b>	<b>\$1,714.662</b>	<b>(\$59.634)</b>
<b>Baseline Net Surplus/(Deficit)</b>	<b>(\$662.345)</b>	<b>(\$737.216)</b>	<b>(\$74.871)</b>	<b>(\$774.331)</b>	<b>(\$37.115)</b>	<b>(\$831.601)</b>	<b>(\$57.270)</b>	<b>(\$873.204)</b>	<b>(\$41.603)</b>

**MTA METRO-NORTH RAILROAD**  
**November Financial Plan 2011 - 2014**  
**Year-to-Year Changes by Category - Cash Basis**  
**(\$ in millions)**

**Cash Receipts & Expenditures**

	Favorable/(Unfavorable)								
	2010	2011	Change 2011 - 2010	2012	Change 2012 - 2011	2013	Change 2013 - 2012	2014	Change 2014 - 2013
<b><u>Receipts</u></b>									
Farebox Revenue	\$535.180	\$545.533	\$10.353	\$561.530	\$15.997	\$574.516	\$12.986	\$585.164	\$10.648
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	64.854	65.248	0.394	67.915	2.667	70.197	2.282	71.257	1.060
Capital and Other Reimbursements	197.363	202.236	4.873	207.696	5.460	204.939	(2.757)	210.997	6.058
<b>Total Receipts</b>	<b>\$797.397</b>	<b>\$813.017</b>	<b>\$15.620</b>	<b>\$837.141</b>	<b>\$24.124</b>	<b>\$849.652</b>	<b>\$12.511</b>	<b>\$867.418</b>	<b>\$17.766</b>
<b><u>Expenditures</u></b>									
Labor:									
Payroll	\$429.180	\$454.886	(\$25.706)	\$472.157	(\$17.271)	\$483.853	(\$11.697)	\$503.502	(\$19.649)
Overtime	68.828	74.787	(5.959)	75.837	(1.050)	76.101	(0.263)	79.640	(3.539)
Health and Welfare	85.105	101.120	(16.015)	110.688	(9.568)	128.967	(18.279)	140.624	(11.657)
OPEB Current Payment	9.410	10.467	(1.057)	11.353	(0.886)	12.312	(0.959)	13.351	(1.039)
Pensions	56.367	54.235	2.132	56.160	(1.925)	57.886	(1.726)	59.508	(1.622)
Other Fringe Benefits	88.110	93.073	(4.963)	96.830	(3.757)	99.594	(2.764)	104.721	(5.127)
Reimbursable Overhead	7.216	7.984	(0.768)	8.746	(0.762)	9.607	(0.861)	10.512	(0.905)
<b>Total Labor Expenditures</b>	<b>\$744.216</b>	<b>\$796.552</b>	<b>(\$52.336)</b>	<b>\$831.771</b>	<b>(\$35.219)</b>	<b>\$868.320</b>	<b>(\$36.549)</b>	<b>\$911.858</b>	<b>(\$43.538)</b>
Non-Labor:									
Traction and Propulsion Power	\$62.160	\$68.757	(\$6.597)	\$80.236	(\$11.479)	\$88.225	(\$7.989)	\$95.350	(\$7.125)
Fuel for Buses and Trains	16.888	17.292	(0.404)	18.427	(1.135)	19.548	(1.121)	20.235	(0.687)
Insurance	13.643	17.985	(4.342)	18.065	(0.080)	19.993	(1.928)	22.077	(2.084)
Claims	10.832	11.146	(0.314)	11.146	0.000	11.146	0.000	11.146	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	171.035	153.366	17.669	143.964	9.402	144.527	(0.563)	144.283	0.244
Professional Service Contracts	36.845	44.283	(7.438)	43.392	0.891	43.127	0.265	44.315	(1.188)
Materials & Supplies	102.882	131.311	(28.429)	134.182	(2.871)	141.738	(7.556)	146.268	(4.530)
Other Business Expenses	31.595	31.546	0.049	23.716	7.830	24.824	(1.108)	30.577	(5.753)
<b>Total Non-Labor Expenditures</b>	<b>\$445.880</b>	<b>\$475.686</b>	<b>(\$29.806)</b>	<b>\$473.128</b>	<b>\$2.558</b>	<b>\$493.128</b>	<b>(\$20.000)</b>	<b>\$514.251</b>	<b>(\$21.123)</b>
Other Expenditure Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expenditure Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenditures</b>	<b>\$1,190.096</b>	<b>\$1,272.238</b>	<b>(\$82.142)</b>	<b>\$1,304.899</b>	<b>(\$32.661)</b>	<b>\$1,361.448</b>	<b>(\$56.549)</b>	<b>\$1,426.109</b>	<b>(\$64.661)</b>
<b>Baseline Net Cash Deficit</b>	<b>(\$392.699)</b>	<b>(\$459.221)</b>	<b>(\$66.522)</b>	<b>(\$467.758)</b>	<b>(\$8.537)</b>	<b>(\$511.796)</b>	<b>(\$44.038)</b>	<b>(\$558.691)</b>	<b>(\$46.895)</b>
<b><u>Subsidies</u></b>									
MTA	(\$315.256)	(\$364.787)	(\$49.531)	(\$360.915)	\$3.872	(\$389.150)	(\$28.235)	(\$426.159)	(\$37.009)
CDOT	(77.443)	(94.435)	(16.992)	(106.843)	(12.408)	(122.646)	(15.803)	(132.532)	(9.886)
<b>Total Subsidies</b>	<b>(\$392.699)</b>	<b>(\$459.222)</b>	<b>(\$66.523)</b>	<b>(\$467.758)</b>	<b>(\$8.536)</b>	<b>(\$511.796)</b>	<b>(\$44.038)</b>	<b>(\$558.691)</b>	<b>(\$46.895)</b>

**MTA METRO-NORTH RAILROAD**  
**2011 Final Proposed Budget**  
**November Financial Plan 2011-2014**  
**Summary of Major Plan-to-Plan Changes**

Revisions to Metro-North's financial plan for the 2010-2014 period reflect adjustments resulting from evolving economic conditions, changing cost assumptions and resource allocations, as well as the impact of recently implemented cost reduction plans.

**2010: November Financial Plan vs. July Financial Plan**

The 2010 November Forecast subsidy requirements for non-reimbursable operations are \$27.5 million lower than the 2010 July Financial Plan. The decrease reflects higher revenues of \$5.4 million and lower expenditures of \$6.0 million. Passenger revenues are \$2.3 million higher than projected due to slightly higher ridership (0.4% increase) in both the commutation and non-commutation markets. Non-passenger revenues are higher by \$3.2 million related to better-than-anticipated parking, advertising, and GCT retail proceeds. Favorable expenses reflect overtime reductions, lower material usage, improvements in propulsion pricing, energy efficiencies, and reduced right-of-way maintenance requirements. Partially offsetting these decreases are higher West of Hudson subsidies, driven by higher inflation adjustments.

The 2010 Reimbursable projections total \$197.4 million which is \$16.5 million lower than the July Plan reflecting multiple rescheduling changes due to funding constraints including the MTA SMART Card project and GCT Leaks project as well as delays on the 525 North Broadway project, Danbury Branch Signal System project and New Haven Diesel Storage Yard project.

**2011: November Financial Plan vs. July Financial Plan**

The 2011 Final Proposed Budget subsidy requirements are \$28.0 million higher than the July Financial Plan. Revenues are \$1.9 million higher with improvements in both Passenger and Non passenger revenue categories. Expense increases are due to 2011 Service Plan changes, increased West of Hudson subsidy payments, higher Health and Welfare costs, associated with additional retirees and higher premiums, revised NHL equipment plan requirements and the inclusion of labor cost provisions for FRA mandated changes to Conductor Certification and Hours of Service requirements. Also included is funding for Bridge Inspection Consultants and the installation of the GPS Vehicle Tracking System. Partially offsetting these increases are savings due to lower diesel fuel prices, further reductions in overtime, and deferral of the M7 Seat Change Out program.

The 2011 Reimbursable Budget projections total \$215.5 million which is \$11.8 million higher than the July Plan primarily due to the recent CDOT funding of the West Haven

Station project. This new addition was offset by multiple project cost refinement reductions.

### **2012 - 2014: November Financial Plan vs. July Financial Plan**

The 2012 - 2013 November Financial Plan subsidy requirements are higher than the July Financial Plan by \$13.2 million in 2012, and \$24.7 million in 2013. Included in these figures are revenue improvements of \$1.4 million in 2012 and \$4.2 million in 2013 driven by increases in passenger revenues due to growing ridership. Expense increases over this period reflect the application of CPI-based inflation factors on labor costs and the rising cost of Health and Welfare premiums which includes rate increases as well as an increase in retirees as Metro-North reaches its 30th anniversary. Additional cost changes include higher propulsion costs due to projected price increases, additional West of Hudson Subsidy payments, costs for FRA mandated changes in Conductor Certification and Hours of Service guidelines, and the retirement of M4 and M6 cars in conjunction with the acquisition of the new M8 fleet. Partially offsetting these increases is the elimination of the 2012 Service Plan.

The 2012 Reimbursable projections total \$209.8 million which is \$26.2 million higher than the July Plan primarily due to the gearing up of the Danbury Branch Signal System project and the Component Change-Out Shop, offset by the winding down of the West Haven Station project. Projections for 2013-2014 are \$29.5 million and \$31.6 million respectively higher than the July Plan reflecting a continuation of levels in 2012 increased by inflation.

**MTA METRO-NORTH RAILROAD**  
**November Financial Plan 2011 - 2014**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

<b>NON-REIMBURSABLE</b>					
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>2010 July Financial Plan Baseline - Operating Cash</b>	<b>(\$420.168)</b>	<b>(\$431.200)</b>	<b>(\$454.524)</b>	<b>(\$487.134)</b>	<b>(\$523.290)</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
Farebox Revenue	\$2.252	\$1.007	\$1.058	\$2.697	\$3.668
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	3.231	0.848	0.356	1.512	2.211
Capital and Other Reimbursement	0.000	0.000	0.000	0.000	0.000
<b>Total Revenue Changes</b>	<b>\$5.483</b>	<b>\$1.855</b>	<b>\$1.414</b>	<b>\$4.209</b>	<b>\$5.879</b>
<b>Expenses</b>					
<b>Labor:</b>					
Payroll	(\$4.201)	(\$7.397)	(\$9.632)	(\$11.008)	(\$11.112)
Overtime	0.591	0.384	2.083	3.191	4.012
Health and Welfare	0.580	(3.518)	(5.282)	(14.085)	(16.946)
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000
Pensions	0.821	1.654	1.463	1.591	1.588
Other Fringe Benefits	(1.055)	(1.588)	(2.757)	(1.576)	(1.521)
Reimbursable Overhead	(2.299)	(0.497)	(0.451)	(0.733)	(1.006)
<b>Total Labor Expense Changes</b>	<b>(\$5.564)</b>	<b>(\$10.963)</b>	<b>(\$14.576)</b>	<b>(\$22.620)</b>	<b>(\$24.985)</b>
<b>Non-Labor:</b>					
Traction and Propulsion Power	(\$1.589)	(\$5.106)	(\$12.288)	(\$11.326)	(\$14.741)
Fuel for Buses and Trains	(0.377)	1.172	1.071	2.099	2.789
Insurance	0.000	0.013	0.013	0.013	0.013
Claims	0.168	(0.200)	(0.200)	(0.200)	(0.200)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	1.164	(2.602)	(1.983)	(1.788)	(1.945)
Professional Service Contracts	0.748	(2.661)	(0.824)	(0.312)	(0.149)
Materials & Supplies	5.447	6.795	6.500	3.388	(0.971)
Other Business Expenses	0.127	0.432	0.447	0.465	0.478
<b>Total Non-Labor Expense Changes</b>	<b>\$5.688</b>	<b>(\$2.157)</b>	<b>(\$7.264)</b>	<b>(\$7.661)</b>	<b>(\$14.726)</b>
<b>Total Expenses before Depreciation and GASB Adjustments</b>	<b>\$0.124</b>	<b>(\$13.120)</b>	<b>(\$21.840)</b>	<b>(\$30.281)</b>	<b>(\$39.711)</b>
Depreciation	(\$10.421)	(\$14.062)	(\$1.895)	(\$3.302)	\$2.549
OPEB Obligation	4.300	0.000	0.000	(1.000)	(2.000)
Environmental Remediation	0.000	0.000	(0.001)	(0.000)	0.000
<b>Total Expense Changes</b>	<b>(\$5.997)</b>	<b>(\$27.182)</b>	<b>(\$23.736)</b>	<b>(\$34.583)</b>	<b>(\$39.162)</b>
<b>Cash Conversion Adjustment Changes</b>					
Depreciation	\$10.421	\$14.062	\$1.895	\$3.302	(\$2.549)
Operating/Capital	0.748	1.053	0.000	0.000	0.000
Other Cash Adjustments	16.813	(17.810)	7.193	2.410	0.431
<b>Total Cash Conversion Adjustments</b>	<b>\$27.982</b>	<b>(\$2.695)</b>	<b>\$9.088</b>	<b>\$5.712</b>	<b>(\$2.118)</b>
<b>Total Baseline Changes</b>	<b>\$27.468</b>	<b>(\$28.022)</b>	<b>(\$13.234)</b>	<b>(\$24.662)</b>	<b>(\$35.401)</b>
<b>2010 November Financial Plan Baseline - Operating Cash Income/(Deficit)</b>	<b>(\$392.700)</b>	<b>(\$459.222)</b>	<b>(\$467.758)</b>	<b>(\$511.796)</b>	<b>(\$558.691)</b>

**MTA METRO-NORTH RAILROAD**  
**November Financial Plan 2011 - 2014**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

<b>REIMBURSABLE</b>					
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>2010 July Financial Plan Baseline - Operating Cash</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursement	(16.462)	11.779	26.219	29.486	31.550
<b>Total Revenue Changes</b>	<b>(\$16.462)</b>	<b>\$11.779</b>	<b>\$26.219</b>	<b>\$29.486</b>	<b>\$31.550</b>
<b>Expenses</b>					
<b>Labor:</b>					
Payroll	1.958	(4.569)	(4.928)	(5.285)	(5.623)
Overtime	(0.135)	(6.208)	(6.484)	(6.756)	(7.014)
Health and Welfare	0.289	(2.456)	(2.834)	(4.219)	(4.919)
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000
Pensions	0.194	(1.430)	(1.457)	(1.399)	(1.383)
Other Fringe Benefits	0.324	(1.718)	(1.952)	(1.891)	(2.001)
Reimbursable Overhead	2.314	(4.283)	(4.992)	(5.327)	(5.647)
<b>Total Labor Expense Changes</b>	<b>\$4.945</b>	<b>(\$20.663)</b>	<b>(\$22.647)</b>	<b>(\$24.877)</b>	<b>(\$26.586)</b>
<b>Non-Labor:</b>					
Traction and Propulsion Power	0.000	0.000	0.000	0.000	0.000
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000
Insurance	0.195	(1.298)	(1.367)	(1.420)	(1.472)
Claims	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	1.756	6.358	(4.478)	(3.958)	(4.105)
Professional Service Contracts	1.091	3.569	2.197	0.460	0.348
Materials & Supplies	7.926	(0.142)	(0.230)	(0.001)	(0.049)
Other Business Expenses	0.549	0.398	0.306	0.310	0.314
<b>Total Non-Labor Expense Changes</b>	<b>\$11.518</b>	<b>\$8.885</b>	<b>(\$3.573)</b>	<b>(\$4.609)</b>	<b>(\$4.964)</b>
<b>Total Expenses before Non-Cash Liability Adjs.</b>	<b>\$16.462</b>	<b>(\$11.779)</b>	<b>(\$26.219)</b>	<b>(\$29.486)</b>	<b>(\$31.550)</b>
Depreciation	0.000	0.000	0.000	0.000	0.000
OPEB Obligation	0.000	0.000	0.000	0.000	0.000
Environmental Remediation	0.000	0.000	0.000	0.000	0.000
<b>Total Expense Changes</b>	<b>\$16.462</b>	<b>(\$11.779)</b>	<b>(\$26.219)</b>	<b>(\$29.486)</b>	<b>(\$31.550)</b>
<b>Baseline Net Surplus/(Deficit) Changes</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>
<b>Cash Conversion Adjustment Changes</b>					
Depreciation	0.000	0.000	0.000	0.000	0.000
Operating/Capital	0.000	0.000	0.000	0.000	0.000
Other Cash Adjustments	0.000	0.000	0.000	0.000	0.000
<b>Total Cash Conversion Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Baseline Changes</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>
<b>2010 November Financial Plan Baseline - Operating Cash Income/(Deficit)</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>

**MTA METRO-NORTH RAILROAD**  
**November Financial Plan 2011 - 2014**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

**NON-REIMBURSABLE and REIMBURSABLE**

	2010	2011	2012	2013	2014
<b>2010 July Financial Plan Baseline - Operating Cash Income/(Deficit)</b>	<b>(\$420.168)</b>	<b>(\$431.200)</b>	<b>(\$454.524)</b>	<b>(\$487.134)</b>	<b>(\$523.290)</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
Farebox Revenue	\$2.252	\$1.007	\$1.058	\$2.697	\$3.668
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	3.231	0.848	0.356	1.512	2.211
Capital and Other Reimbursement	(16.462)	11.779	26.219	29.486	31.550
<b>Total Revenue Changes</b>	<b>(\$10.979)</b>	<b>\$13.633</b>	<b>\$27.634</b>	<b>\$33.695</b>	<b>\$37.429</b>
<b>Expenses</b>					
<b>Labor:</b>					
Payroll	(\$2.243)	(\$11.966)	(\$14.560)	(\$16.293)	(\$16.735)
Overtime	0.456	(5.824)	(4.401)	(3.565)	(3.002)
Health and Welfare	0.869	(5.974)	(8.116)	(18.304)	(21.865)
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000
Pensions	1.015	0.224	0.006	0.192	0.205
Other Fringe Benefits	(0.732)	(3.306)	(4.709)	(3.467)	(3.522)
Reimbursable Overhead	0.015	(4.780)	(5.443)	(6.060)	(6.653)
<b>Total Labor Expense Changes</b>	<b>(\$6.19)</b>	<b>(\$31.626)</b>	<b>(\$37.223)</b>	<b>(\$47.497)</b>	<b>(\$51.571)</b>
<b>Non-Labor:</b>					
Traction and Propulsion Power	(\$1.589)	(\$5.106)	(\$12.288)	(\$11.326)	(\$14.741)
Fuel for Buses and Trains	(0.377)	1.172	1.071	2.099	2.789
Insurance	0.195	(1.285)	(1.354)	(1.407)	(1.459)
Claims	0.168	(0.200)	(0.200)	(0.200)	(0.200)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	2.920	3.756	(6.461)	(5.746)	(6.050)
Professional Service Contracts	1.839	0.908	1.373	0.148	0.199
Materials & Supplies	13.373	6.653	6.270	3.387	(1.020)
Other Business Expenses	0.676	0.830	0.753	0.775	0.792
<b>Total Non-Labor Expense Changes</b>	<b>\$17.206</b>	<b>\$6.728</b>	<b>(\$10.836)</b>	<b>(\$12.270)</b>	<b>(\$19.690)</b>
<b>Total Expenses before Non-Cash Liability Adjs.</b>	<b>\$16.586</b>	<b>(\$24.899)</b>	<b>(\$48.060)</b>	<b>(\$59.767)</b>	<b>(\$71.261)</b>
Depreciation	(\$10.421)	(\$14.062)	(\$1.895)	(\$3.302)	\$2.549
OPEB Obligation	4.300	0.000	0.000	(1.000)	(2.000)
Environmental Remediation	0.000	0.000	(0.001)	(0.000)	0.000
<b>Total Expense Changes</b>	<b>\$10.465</b>	<b>(\$38.961)</b>	<b>(\$49.956)</b>	<b>(\$64.069)</b>	<b>(\$70.711)</b>
<b>Baseline Net Surplus/(Deficit) Changes</b>	<b>(\$0.514)</b>	<b>(\$25.327)</b>	<b>(\$22.322)</b>	<b>(\$30.374)</b>	<b>(\$33.283)</b>
<b>Cash Conversion Adjustment Changes</b>					
Depreciation	\$10.421	\$14.062	\$1.895	\$3.302	(\$2.549)
Operating/Capital	0.748	1.053	0.000	0.000	0.000
Other Cash Adjustments	16.813	(17.810)	7.193	2.410	0.431
<b>Total Cash Conversion Adjustments</b>	<b>\$27.982</b>	<b>(\$2.695)</b>	<b>\$9.088</b>	<b>\$5.712</b>	<b>(\$2.118)</b>
<b>Total Baseline Changes</b>	<b>\$27.468</b>	<b>(\$28.022)</b>	<b>(\$13.234)</b>	<b>(\$24.662)</b>	<b>(\$35.401)</b>
<b>2010 November Financial Plan Baseline - Operating Cash Income/(Deficit)</b>	<b>(\$392.700)</b>	<b>(\$459.222)</b>	<b>(\$467.758)</b>	<b>(\$511.796)</b>	<b>(\$558.691)</b>

**MTA METRO-NORTH RAILROAD**  
**November Financial Plan 2011 - 2014**  
**Summary of Major Programmatic Changes Between Financial Plans**  
**(\$ In millions)**

**TOTAL NON-REIMBURSABLE and REIMBURSABLE**

	2010	2011	2012	2013	2014
<b>2010 July Financial Plan Baseline - Operating Cash Income/(Deficit)</b>	<b>(\$420.168)</b>	<b>(\$431.200)</b>	<b>(\$454.524)</b>	<b>(\$487.134)</b>	<b>(\$523.290)</b>
<b>Non-Reimbursable Major Changes</b>					
Revenue					
Fare Box Revenue	\$2.252	\$1.007	\$1.058	\$2.697	\$3.668
Non Passenger Revenue	3.231	.848	.356	1.512	2.211
Sub-Total Non-Reimbursable Revenue Changes	\$5.483	\$1.855	\$1.414	\$4.209	\$5.879
Expenses					
NEW HAVEN - MAINTENANCE FACILITY SHOP	0.000	0.940	0.511	0.884	0.608
SERVICE PLAN 2011	0.000	(1.480)	(1.339)	(1.339)	(1.339)
SERVICE PLAN 2012	0.000	0.000	3.748	4.998	4.998
REIMBURSABLE OVERHEAD	(2.299)	(0.497)	(0.451)	(0.733)	(1.006)
LOWER MATERIAL USAGE REQUIREMENTS	4.018	0.000	0.000	0.000	0.000
SECURITY PLAN - GCT FIRE BRIGADE	0.000	0.733	0.000	0.000	0.000
M 7 - SEAT CHANGE-OUT PLAN	0.000	4.825	2.413	0.000	0.000
SIGNAL & CTC IMPROVEMENTS DANBURY BRANCH	0.000	0.198	0.000	0.000	0.000
M 8-EQUIPMENT REPLACEMENT PLAN - NHL (OP. COSTS- WEST OF HUDSON SUBSIDY - HIGHER ESCALATION INDEX	0.000	(1.738)	(7.915)	(1.301)	(6.683)
IESS/3C SYSTEM AND PHYSICAL	(2.500)	(2.700)	(2.700)	(2.700)	(2.700)
GCT VAULT DESIGN	0.000	(0.755)	(0.770)	(0.785)	(0.802)
BRIDGE INSPECTION CONSULTANTS	0.000	(0.668)	0.000	0.000	0.000
TRACTION AND PROPULSION	0.000	(2.550)	(2.597)	(2.120)	(2.165)
DIESEL FUEL	(1.589)	(5.106)	(12.288)	(11.328)	(14.741)
OTHER POST EMPLOYMENT BENEFITS	(0.377)	1.172	1.071	2.099	2.789
DEPRECIATION	4.300	0.000	0.000	(1.000)	(2.000)
MAINTENANCE CONTRACTS	(10.421)	(14.062)	(1.895)	(3.302)	2.549
MATERIALS & SUPPLIES ( Less M7 Seat Change Out Plan in 2011	3.566	(0.091)	(0.200)	(0.380)	(0.574)
HEALTH & WELFARE	5.447	1.970	6.500	3.388	(0.971)
PENSION	0.580	(3.518)	(5.282)	(14.085)	(16.946)
OTHER FRINGE BENEFITS	0.821	1.654	1.463	1.591	1.588
OCCUPANCY	(1.055)	(1.588)	(2.757)	(1.576)	(1.521)
STRAIGHT TIME LABOR	1.878	2.069	2.207	2.335	2.408
OVERTIME	(4.201)	(7.397)	(9.632)	(11.008)	(11.112)
ALL OTHER	0.591	0.384	2.083	3.191	4.012
	(4.757)	1.024	4.094	(1.413)	4.447
Sub-Total Non-Reimbursable Expense Changes	(\$5.999)	(\$27.182)	(\$23.736)	(\$34.584)	(\$39.161)
<b>Total Non-Reimbursable Major Changes</b>	<b>(\$ 516)</b>	<b>(\$25.327)</b>	<b>(\$22.322)</b>	<b>(\$30.375)</b>	<b>(\$33.282)</b>
<b>Reimbursable Major Changes</b>					
Revenue					
Projections for 2012-2014 assume capital project activity levels similar to the 2011 Budget adjusted for the winding down/ completion of one-time projects active in 2011 and new projects added in subsequent years.	(16.462)	11.779	26.219	29.486	31.550
Sub-Total Reimbursable Revenue Changes	(\$16.462)	\$11.779	\$26.219	\$29.486	\$31.550
Expenses					
Projections for 2012-2014 assume capital project activity levels similar to the 2011 Budget adjusted for the winding down/ completion of one-time projects active in 2011 and new projects added in subsequent years.	16.462	(11.779)	(26.219)	(29.486)	(31.550)
Sub-Total Reimbursable Expense Changes	\$16.462	(\$11.779)	(\$26.219)	(\$29.486)	(\$31.550)
<b>Total Reimbursable Major Changes</b>	<b>\$ 000</b>	<b>(\$ 000)</b>	<b>(\$ 000)</b>	<b>\$ 000</b>	<b>\$ 000</b>
<b>Total Accrual Changes</b>	<b>(\$0.516)</b>	<b>(\$25.327)</b>	<b>(\$22.322)</b>	<b>(\$30.375)</b>	<b>(\$33.282)</b>
<b>Cash Adjustment Changes</b>					
Additional Force Account receipts	\$9.198	(\$8.585)	\$2.685	(\$0.281)	(\$0.351)
Refund of I&C Advances	(\$1.500)	(\$1.000)	\$0.000	\$0.000	\$0.000
Budget Reduction Plan Cash Adjustment Savings	6.801	(1.500)	3.813	0.978	(1.954)
Operating Capital Program Changes	0.748	1.053	0.000	0.000	0.000
Depreciation	10.421	14.062	1.895	3.302	(2.549)
GCT Steam Leak Repairs Paid in 2011	0.500	(0.500)	0.000	0.000	0.000
GASB 56 Post Retirement Benefit (Accrual)	(4.300)	0.000	0.000	0.000	0.000
2010 Accrued RWA paid in 2011	4.550	(4.550)	0.000	0.000	0.000
Claims	1.146	0.000	0.000	0.000	0.000
Other	0.420	(1.675)	0.695	1.713	2.735
<b>Total Cash Adjustment Changes</b>	<b>\$27.984</b>	<b>(\$2.695)</b>	<b>\$9.088</b>	<b>\$5.712</b>	<b>(\$2.119)</b>
<b>Total Baseline Changes</b>	<b>\$27.468</b>	<b>(\$28.022)</b>	<b>(\$13.234)</b>	<b>(\$24.663)</b>	<b>(\$35.401)</b>
<b>Total Changes</b>	<b>\$27.468</b>	<b>(\$28.022)</b>	<b>(\$13.234)</b>	<b>(\$24.663)</b>	<b>(\$35.401)</b>
<b>2010 November Financial Plan Baseline - Operating Cash Income/(Deficit)</b>	<b>(\$392.700)</b>	<b>(\$459.222)</b>	<b>(\$467.758)</b>	<b>(\$511.797)</b>	<b>(\$558.692)</b>

**MTA METRO-NORTH RAILROAD**  
**2011 Final Proposed Budget**  
**November Financial Plan 2011-2014**  
**Ridership/ (Utilization)**

Ridership projections are developed primarily by the application of line segment ridership forecasting models that incorporate current trends and the impact of economic and demographic factors as well as government-supported mass transit initiatives. In addition, internal programs that affect service, customer awareness, and access to Metro-North are also incorporated into ridership forecasts.

The 2010 November Forecast reflects East of Hudson service ridership that is 0.4% higher than the July Financial Plan, 2.4% higher than the 2010 Adopted Budget, and 1.5% higher than 2009 actual results, reflecting a gradually improving economy and regional employment. 2011-2014 ridership is projected to grow 1.8%, 2.9%, 2.2% and 1.7% respectively. Projections over this period assume no fare increases in New York State or the State of Connecticut. Efforts to promote ridership growth continue with planned increases in service, parking and advertising promotions. 2011-2014 also includes a resumption of modest regional employment growth.

West of Hudson utilization reflects 2010 customer levels that are 0.5% higher than the July Financial Plan.. In 2011, 2012, 2013 and 2014, West of Hudson ridership is projected to grow 2.1%, 2.9%, 3.3%, and 3.3%, respectively. The substantial growth rates during the 2012–2014 period reflects the improvement in the economic climate and a resumption of customer growth in peak periods, a continuation of Pascack Valley line customer increases during off-peak periods, and an increase in Port Jervis line service in 2011.

**MTA METRO-NORTH RAILROAD**  
**November Financial Plan 2011 - 2014**  
**Ridership (Utilization)**  
(in millions)

	<b>2009 Actual</b>	<b>2010 November Forecast</b>	<b>2011 Final Proposed Budget</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b><u>Ridership</u></b>						
Harlem Line	26.163	26.258	26.806	27.629	28.289	28.867
Hudson Line	15.497	15.515	15.892	16.460	16.868	17.200
New Haven Line	36.315	37.360	37.872	38.788	39.574	40.142
<b>Baseline Total Ridership</b>	<b>77.975</b>	<b>79.133</b>	<b>80.570</b>	<b>82.877</b>	<b>84.731</b>	<b>86.209</b>
<b>Total Ridership</b>	<b>77.975</b>	<b>79.133</b>	<b>80.570</b>	<b>82.877</b>	<b>84.731</b>	<b>86.209</b>
<b><u>Farebox Revenue</u></b>						
Harlem Line	\$148.400	\$156.465	\$160.050	\$165.367	\$169.560	\$173.261
Hudson Line	108.715	113.418	116.453	121.025	124.279	127.026
New Haven Line	244.203	256.597	260.010	266.157	271.560	275.223
West of Hudson Mail & Ride	0.712	0.932	0.953	0.981	1.017	1.054
<b>Total Farebox Revenue</b>	<b>\$502.030</b>	<b>\$527.412</b>	<b>\$537.466</b>	<b>\$553.530</b>	<b>\$566.416</b>	<b>\$576.564</b>

**MTA METRO-NORTH RAILROAD**  
**November Financial Plan 2011-2014**  
**2010 Budget Reduction Proposals (BRPs)**  
**(\$ in millions)**

		2010		2011		2012		2013		2014	
		Pos	Dollars	Pos	Dollars	Pos	Dollars	Pos	Dollars	Pos	Dollars
<b>Administration</b>											
	Financial Plan Update (subsidy reductions based on cost trends and cash adjustments that include: lower advertising costs, fringe benefit expenses, electric propulsion pricing and other cost provisions)	-	\$15.500	-	\$2.492	-	\$3.000	-	\$3.000	-	\$3.000
	Strategic Procurement Initiative (includes reductions in material inventory and rubbish removal costs negotiation of lower cost contracts and on-going management review of inventory replenishments, consumption and reliability)	-	5.900	-	2.350	-	2.350	-	2.350	-	2.350
	Project Eliminations and Deferrals (includes the deferral of equipment purchases and the development of several computer systems as well as the elimination of ticket issuing machine purchases, inspection train upgrades and a new identification pass issuing system.	-	\$2.625	-	\$2.328	-	\$0.000	-	\$0.000	-	\$0.000
	Rapid Procurement Initiative (reflects savings from favorable contract renegotiations for GCT retail management fees, data processing services and rolling stock parts inventory.	-	0.710	-	0.598	-	0.606	-	0.146	-	0.114
<b>Sub-Total</b>	<b>Administration</b>	-	\$24.735	-	\$7.768	-	\$5.956	-	\$5.496	-	\$5.464
<b>Customer Convenience/Amenities</b>											
	Revenue Sales and Collection (cost saving initiatives that reduce on-board staffing and ticket sellers)	11	\$1.071	11	\$2.088	11	\$2.069	11	\$2.091	11	\$2.153
<b>Sub-Total</b>	<b>Customer Convenience/Amenities</b>	11	\$1.071	11	\$2.088	11	\$2.069	11	\$2.091	11	\$2.153
<b>Maintenance</b>											
	Operations Staffing Reductions (includes reductions in Coach Cleaners, Facility Maintenance and Material Management and GCT Usher positions)	21	\$1.115	21	\$1.945	21	\$1.968	21	\$1.989	21	\$2.090
	Deferral of MoE Positions Required for Inspection and Maintenance for the New M8 Fleet	24	0.716	-	-	-	-	-	-	-	-
	Reduce Operations Division Unscheduled Overtime by 3%	-	3.298	-	2.730	-	2.736	-	2.802	-	2.851
<b>Sub-Total</b>	<b>Maintenance</b>	45	\$5.129	21	\$4.675	21	\$4.704	21	\$4.791	21	\$4.941
<b>Other</b>											
<b>Sub-Total</b>	<b>Other</b>	-	\$0.000	-	\$0.000	-	\$0.000	-	\$0.000	-	\$0.000
<b>Revenue</b>											
	Grow Non-Fare revenue (reduce GCT retail management fees, implement vending machine program and increase parking and commissary prices)	0	\$1.020	0	\$1.425	0	\$1.434	0	\$1.545	0	\$1.587
<b>Sub-Total</b>	<b>Revenue Enhancement</b>	-	\$1.020	-	\$1.425	-	\$1.434	-	\$1.545	-	\$1.587
<b>Safety</b>											
<b>Sub-Total</b>	<b>Safety</b>	-	\$0.000	-	\$0.000	-	\$0.000	-	\$0.000	-	\$0.000
<b>Security</b>											
<b>Sub-Total</b>	<b>Security</b>	-	\$0.000	-	\$0.000	-	\$0.000	-	\$0.000	-	\$0.000
<b>Service</b>											
	Reduce Meadowlands Football Service	-	\$0.311	0	\$0.323	0	\$0.326	0	\$0.330	0	\$0.333
<b>Sub-Total</b>	<b>Service</b>	-	\$0.311	-	\$0.323	-	\$0.326	-	\$0.330	-	\$0.333
<b>Service Support</b>											
<b>Sub-Total</b>	<b>Service Support</b>	-	\$0.000	-	\$0.000	-	\$0.000	-	\$0.000	-	\$0.000
<b>Total Programs</b>		<u>56</u>	<u>\$32.266</u>	<u>32</u>	<u>\$16.279</u>	<u>32</u>	<u>\$14.489</u>	<u>32</u>	<u>\$14.253</u>	<u>32</u>	<u>\$14.478</u>

**MTA Metro-North Railroad  
November Financial Plan 2011-2014  
2010 Budget Reduction Plan Worksheet**

**Category by Function:**

**Administration**

**Program:**

**Budget Plan Reduction - Financial Plan Update**

**Background Details:**

Review of the 2010-2013 Financial Plan identified areas of potential savings that have then resulted in the following initiatives:

- Reduce spending on Advertising programs.
- Reduce Electric Propulsion power rates to reflect lower cost trends; growth in rates is now estimated at approximately 6% based on actual results for both 2009 and YTD 2010 vs. budgeted projected growth of 11%.
- Reduce Pension costs to reflect the lower actuarial calculation of the required contribution to the MTA DB Plan for 2010.
- Reduce H&W cost to reflect lower premium rates than budgeted for MetLife and NYSHIP/Empire contract payments. Growth in premium rates for 2010 is now estimated at approximately 7% above 2009 rates; budget projected premium rate increases of 10.6%.
- Increase vacancy savings to reflect higher number of vacant positions than budgeted. Attributed to the slowdown in hiring of both new 2010 positions and existing positions that become vacant.
- Reduced Cash Requirements due to timing.
- Eliminate the President's Vision 2013 Management Initiatives funding.
- Defer (one time) GCT Employee Welfare Facility furniture purchase into 2011.

**Program Description/Implementation Plan:**

**Program Implementation Date:** 1/2010      **When will savings begin?:** 1/2010  
**Are these savings recurring?:** Partial

**Other Issues:**

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$15.500	\$2.492	\$3.000	\$3.000	\$3.000
<i>Total Reduction in Positions Required:</i>	0	0	0	0	0

*(List Title of Positions)*

**Impact on Operations:**

Ridership Per Week (in thousands)  
Mean Distance Between Failure  
On-Time Performance

Other  
(Identify Appropriate Indicator)

*List of Other Concerns:*

**MTA Metro-North Railroad  
November Financial Plan 2011-2014  
2010 Budget Reduction Plan Worksheet**

**Category by Function:**

**Administration**

**Program:**

**Budget Reduction Plan - Strategic Procurement Initiative**

**Background Details:**

This is a key initiative that MNR started in January and involves joint partnered reviews between the Operating Division and the Procurement Department. It is a major refinement to MNR's material purchasing and inventory maintenance business processes. In addition, we will continue to aggressively pursue joint initiatives with the LIRR and other MTA agencies so as to capture economies of scale wherever possible.

Thus, attacking both sides of the procurement process – reducing and streamlining purchasing activity as well as increasing competition to bring down prices – Metro-North has been able to identify both one-time and recurring savings. Examples include: 1) conducting joint reviews with M of E and M of W to adjust purchasing levels and reduce both usage and inventory; 2) increasing competition in bids for rubbish removal which resulted in a \$1.5 million savings; and 3) buying an inventory forecasting system that is anticipated to help reduce costs annually.

**Program Description/Implementation Plan:**

- Obtain one-time and on-going reduction in maintenance material and supply purchases thru partnered reviews between Operations and Materials Management.
- Reduce Min/Max replenishments based on new review of stock margins.
- Reduce material consumption projected for Planned maintenance Activity due to identified improved commodity performance/reliability.
- Reduce Rubbish Removal Services costs by maximizing competitive bidding field for vendors in the Metropolitan Area
- Joint Procurement Contract Savings.
- Reducing material purchases thru implementation and use of the Inventory Forecasting System.

**Program Implementation Date:**

1/2010

**When will savings begin?:**

1/2010

**Are these savings recurring?:** Y

**Other Issues:**

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	<b>\$5.900</b>	<b>\$2.350</b>	<b>\$2.350</b>	<b>\$2.350</b>	<b>\$2.350</b>

*Total Reduction in Positions Required:*

**0                      0                      0                      0                      0**

*(List Title of Positions)*

*Impact on Operations:*

Ridership Per Week (in thousands)  
Mean Distance Between Failure  
On-Time Performance

Other  
(Identify Appropriate Indicator)

*List of Other Concerns:*

**MTA Metro-North Railroad  
November Financial Plan 2011-2014  
2010 Budget Reduction Plan Worksheet**

**Category by Function:**

**Administration**

**Program:**

**Budget Reduction Plan - Project Elimination and Deferrals**

**Background Details:**

The project elimination and deferral initiative is a cyclical project review of all IT and administrative projects. This review evaluated and ranked projects based on their contributions toward operational support, safety, regulatory compliance and efficiency. The results of this study yielded \$2.7 million in savings of which \$0.7 million are project deferrals, \$1.3 million are project eliminations, and \$0.6 million reflect savings from PeopleSoft system initiatives to be implemented at a lower cost. In addition, there is \$1.1 million in estimated MTA Headquarter savings allocated to Metro-North. This amount needs to be finalized by the MTA.

**Program Description/Implementation Plan:**

**Projects Deferred to 2011:**

Commissary Renovation (GCT) - Phase II  
Shop Equipment Replacement Plan  
New Train Scheduling System  
School Commutation Program  
Fork Truck Fleet Replacement

**Projects Eliminated:**

Ticket Issuing Machine Credit / Debit/ Smart Card Initiative - Hardware and Software (transferred to Capital Program)  
NWP Yard Parking Lot Drainage With Pump Station  
Inspection Train Design  
Pass Bureau System

**Continuing Projects With Further Savings:**

BSC PeopleSoft Interfaces

**Allocated Portion With Further Savings:**

BSC PeopleSoft Interfaces

**Allocated Portion of MTA HQ Reduction:**

Placeholder Value Per MTA Budget

**Program Implementation Date:**

1/2010

**When will savings begin?:**

1/2010

**Are these savings recurring?:** N

**Other Issues:**

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$2.625	\$2.328	\$0.000	\$0.000	\$0.000
<i>Total Reduction in Positions Required:</i>	0	0	0	0	0
<i>(List Title of Positions)</i>					

**Impact on Operations:**

Ridership Per Week (in thousands)  
Mean Distance Between Failure  
On-Time Performance

Other

(Identify Appropriate Indicator)

*List of Other Concerns:*

**MTA Metro-North Railroad  
November Financial Plan 2011-2014  
2010 Budget Reduction Plan Worksheet**

**Category by Function:**

**Administration**

**Program:**

**Budget Plan Reduction - Rapid Procurement**

**Background Details:**

The Rapid Procurement initiative was designed to take advantage of recent changes in the market place that present the MTA with opportunities to better leverage its buying power and supplier relationships in order to obtain reduced pricing and immediate savings in procurements. This initiative was performed by Cyclical Project Review at the request of the MTA and yielded a savings of \$0.7 million in 2010, \$0.6 million in 2011 and 2012 and \$0.1 million in 2013.

To achieve these savings Metro-North expenditure history was analyzed and categorized. Vendors falling within targeted economic categories were engaged to develop new contract terms and pricing reductions. Proposals to amend existing contracts were submitted to the MTA/Agencies for rapid approval in order to begin the immediate capture of savings.

**Program Description/Implementation Plan:**

1. Increase Net GCT Retail Revenues thru Reduction in LaSalle Expenditures and Management Fees.
2. Reduce the cost of IBM Data Center Service.
3. Reduce the cost on rolling stock parts inventory.

**Program Implementation Date:**

4/2010

**When will savings begin?:**

4/2010

**Are these savings recurring?:**

Y

**Other Issues:**

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	<b>\$0.710</b>	<b>\$0.598</b>	<b>\$0.606</b>	<b>\$0.146</b>	<b>\$0.114</b>
<i>Total Reduction in Positions Required:</i>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

*(List Title of Positions)*

**Impact on Operations:**

Ridership Per Week (in thousands)  
Mean Distance Between Failure  
On-Time Performance

Other

(Identify Appropriate Indicator)

*List of Other Concerns:*

**MTA Metro-North Railroad  
November Financial Plan 2011-2014  
2010 Budget Reduction Plan Worksheet**

**Category by Function:** *Customer Convenience and Amenities*

**Program:** **Budget Reduction Plan - Revenue Sales and Collection Initiative**

**Background Details:**

A review of revenue collection processes was performed which encompassed both on-board collections and station ticket selling.

**On-Board Revenue Collection**

In the first quarter of 2010, a review of on-train staffing levels was conducted using results from the fall 2009 count program and Ticket Issuing Machines (TIMS) on-board ticket sales data. This information was then evaluated using the Crew Productivity model and other factors such as stopping patterns of individual trains, number of intermediate riders, and ticket types (commutation verses non commutation), to determine the optimal staffing level for each train. This review resulted in the elimination of 6 train service positions as revenue collection requirements were streamlined.

**Station Ticket Selling**

A review of ticket selling operations at stations was conducted taking into account sales volumes, conductor remittance locations, key transfer station points, and Amtrak contractual obligations. In addition, the State of Connecticut requested the closure of ticket offices at three Connecticut stations using the same criteria. It was determined from this review that TVM sales could replace ticket office sales at various locations which results in the elimination of 10 ticket selling positions through the closure of several stations, or the elimination of work shifts and extra list coverage.

**Program Description/Implementation Plan:**

Further T&E Efficiencies were obtained as follows: Reduce Train Crew Size Through Reduction in Assistant Conductor Positions (4/2010), Reduce Scheduled Overtime (6/2010), No Meal Payments and On/Off Duty Times. Obtain Operational Efficiencies Thru Elimination of Certain Deadhead Trains and Equipment Turns (6/2010). Implement Variable Day of the Week Train Crew Sizing (6/2010). A total of six Assistant Conductor positions will be eliminated as a result of these efforts.

**Station Closing Includes:**

Close Conn-NHL Ticket Office Windows at Westport, New Canaan, and Fairfield on 7/7/2010.

Close Ticket Office Windows at Yonkers 7/7/2010.

Reduce Ticket Seller Extra List That Provide Coverage for Vacancies and Time off 7/7/2010.

**Program Implementation Date:**

various dates as  
identified in  
description

**When will savings begin?:**

various dates as identified  
in description

**Are these savings recurring?:** Y

**Other Issues:**

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>

*Financial Impact (Operating):*

Net Cash Savings (in millions)	<b>\$1.071</b>	<b>\$2.088</b>	<b>\$2.069</b>	<b>\$2.091</b>	<b>\$2.153</b>
--------------------------------	----------------	----------------	----------------	----------------	----------------

<i>Total Reduction in Positions Required:</i>	<b>11</b>	<b>11</b>	<b>11</b>	<b>11</b>	<b>11</b>
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*(List Title of Positions)*

*Impact on Operations:*

Ridership Per Week (in thousands)

Mean Distance Between Failure

On-Time Performance

Other

(Identify Appropriate Indicator)

*List of Other Concerns:*

**MTA Metro-North Railroad  
November Financial Plan 2011-2014  
2010 Budget Reduction Plan Worksheet**

**Category by Function:** *Maintenance*

**Program:** **Budget Plan Reduction - Operations Staffing Reduction Initiative**

**Background Details:**

Metro-North performed a review of its operations to seek opportunities where staffing efficiencies could be gained without compromising safety, essential maintenance, and the least possible disruption to customer service. These efforts resulted in a reduction of 21 positions at a cost savings of \$1.1 million in 2010 and \$1.9 million annually thereafter that will defer certain projects/work efforts, increase productivity, extend cleaning cycles on trains and at stations, and increase response times to infrastructure repairs.

**Program Description/Implementation Plan:**

- Reduce 3 MofW Harlem & Hudson Interlocking Lighting Program positions that perform repairs and maintenance to interlockings high mast lighting.
- Reduce 1 MofW Station Lighting Program Positions that perform inspections.
- Reduce 2 MofW Positions that support Right of Way fencing maintenance.
- Reduce 2 Material Management Inventory Clerk Positions that support material delivery to MofE work locations.
- Reduce 2 Material Management Supervisory Positions.
- Reduce 2 positions; Material Management Manager Planning and Statistical Analysis Position.
- Reduce cost to provide customer information by reducing 5 GCT Usher positions.
- Increase MofE productivity through a reduction of 4 Mechanics at the new Harmon Diesel Locomotive Repair Shop.

**Program Implementation Date:** 6/2010      **When will savings begin?:** 6/2010

**Are these savings recurring?:** Y

**Other Issues:**

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$1.115	\$1.945	\$1.968	\$1.989	\$2.090
<i>Total Reduction in Positions Required:</i>	21	21	21	21	21
<i>(List Title of Positions)</i>					

*Impact on Operations:*

Ridership Per Week (in thousands)  
Mean Distance Between Failure  
On-Time Performance

Other  
(Identify Appropriate Indicator)

*List of Other Concerns:*

**MTA Metro-North Railroad  
November Financial Plan 2011-2014  
2010 Budget Reduction Plan Worksheet**

**Category by Function:** *Maintenance*

**Program:** *Budget Plan Reduction - Deferral of M8 Positions*

**Background Details:**

To reduce costs, the plan to integrate the new fleet of M8 cars into Metro-North service was re-evaluated. As a result, M8's will be placed into service coincident with an expedited M2 retirement schedule. This will reduce the intermediate need for additional resources due to fleet expansion. However, it will increase the risk of meeting the NHL AM and PM peak car requirement. This initiative defers the addition of 24 positions that were scheduled to be added in September 2010 until 2011 at a savings of \$0.7 million.

**Program Description/Implementation Plan:**

1. Deferral of 19 MofE Positions Required for Inspection and Maintenance for the New M8 Fleet.
2. Deferral of 5 Operations Services Positions Required for Coach Cleaning for the New M8 Fleet.

**Program Implementation Date:** 9/2010      **When will savings begin?:** 9/2010

**Are these savings recurring?:** N

**Other Issues:**

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.716	\$0.000	\$0.000	\$0.000	\$0.000
<i>Total Reduction in Positions Required:</i>	24	0	0	0	0
<i>(List Title of Positions)</i>					

**Impact on Operations:**

Ridership Per Week (in thousands)  
Mean Distance Between Failure  
On-Time Performance

Other  
(Identify Appropriate Indicator)

*List of Other Concerns:*

**MTA Metro-North Railroad  
November Financial Plan 2011-2014  
2010 Budget Reduction Plan Worksheet**

**Category by Function:**

**Maintenance**

**Program:**

**Budget Reduction Plan - Reduce Operations Division Unscheduled Overtime by 3%**

**Background Details:**

The Operations Division conducted a review to reduce overtime which considered "protect" service in peak periods and emergency coverage (including weather related events), as well as specific departmental reviews of service needs, work functions, and position coverage requirements. This review resulted in a plan to reduce overtime expenditures by \$3.3 million.

**Program Description/Implementation Plan:**

Overtime savings are planned for the following departments GCT \$0.1million, Operation Services \$0.4 million, M of E \$0.9 million, M of W \$0.6 million. The M of E amount also includes \$0.1 million in new shop efficiencies and throughput.

**Program Implementation Date:**

1/2010

**When will savings begin?:**

1/2010

**Are these savings recurring?:** Y

**Other Issues:**

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$3.298	\$2.731	\$2.736	\$2.802	\$2.851
<i>Total Reduction in Positions Required:</i>	0	0	0	0	0
<i>(List Title of Positions)</i>					

**Impact on Operations:**

Ridership Per Week (in thousands)  
Mean Distance Between Failure  
On-Time Performance

Other  
(Identify Appropriate Indicator)

*List of Other Concerns:*

**MTA Metro-North Railroad  
November Financial Plan 2011-2014  
2010 Budget Reduction Plan Worksheet**

**Category by Function:** *Revenue*

**Program:** *Budget Reduction Plan - Grow Non- Fare Revenue*

**Background Details:**

As part of Vision 2013 goals, growth in non fare revenue as a means to fund operating costs and reduce subsidies has become a primary focus of Metro North. As a result the programs noted below are being pursued and result in \$1.0 million in additional revenues in 2010 and \$1.4 million annually thereafter.

**Program Description/Implementation Plan:**

-Increase net GCT Retail Revenues thru reduction in Jones Lang LaSalle operating expenditures and the management fees paid to them by MN for GCT retail management (Separate from Cyclical Project Review, Rapid Procurement Initiative) - 1/2010.  
-Increase Commissary prices by 3% to reflect CPI price increases - 9/2010.  
-Increase Parking fees by 9.6% to further close the price gap with local Municipalities - 11/2010 (Requires Board approval).  
-Implement new system-wide Vending Operator Program with exclusive branding for Coca-Cola as the brand-exclusive beverage provider and M&M/MARS as the exclusive snack provider - 1/2010.  
-Increase current commissary cart sponsorship thru a new broadened Sponsorship Program leveraging all commissary assets beyond the carts and offering "Product Sale" exclusivity components - 10/2010.

**Program Implementation Date:**

various dates as  
identified in  
description

**When will savings begin?:**

various dates as  
identified in description

**Are these savings recurring?:** Y

**Other Issues:**

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$1.020	\$1.425	\$1.434	\$1.545	\$1.587
<i>Total Reduction in Positions Required:</i>	0	0	0	0	0
<i>(List Title of Positions)</i>					

**Impact on Operations:**

Ridership Per Week (in thousands)  
Mean Distance Between Failure  
On-Time Performance

Other  
(Identify Appropriate Indicator)

*List of Other Concerns:*

**MTA Metro-North Railroad  
November Financial Plan 2011-2014  
2010 Budget Reduction Plan Worksheet**

**Category by Function:**

**Service**

**Program:**

**Budget Reduction Plan - Service Reduction Initiative - Reduce Meadowlands Football Service**

**Background Details:**

To reduce costs, train service provided was reviewed on all lines and in all time periods. This review was performed under the guidelines to impact the fewest number of riders; minimize the negative effects to riders; operate service within existing service and capacity guidelines; and improve the cost-efficiency of the service provided.

**Program Description/Implementation Plan:**

Meadowlands football game service will be reduced from two to one train in the fall of 2010.

**Program Implementation Date:**

9/2010

**When will savings begin?:**

9/2010

**Are these savings recurring?:** Y

**Other Issues:**

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.311	\$0.323	\$0.326	\$0.330	\$0.333
<i>Total Reduction in Positions Required:</i>	0	0	0	0	0
<i>(List Title of Positions)</i>					

**Impact on Operations:**

Ridership Per Week (in thousands)  
Mean Distance Between Failure  
On-Time Performance

Other  
(Identify Appropriate Indicator)

*List of Other Concerns:*

**MTA METRO-NORTH RAILROAD  
2011 Final Proposed Budget  
November Financial Plan 2011-2014  
Positions**

**POSITION ASSUMPTIONS**

**Non-Reimbursable Positions**

Positions are stated as of December 31 of each year and reflect employees projected to be paid. Consequently, position totals incorporate existing vacancy and turnover estimates, as well as seasonal fluctuations in staffing requirements for capital projects.

Annual non-reimbursable staffing levels also include the impact of new program additions, deferrals, cost reduction programs or re-estimates that are consistent with the associated cost changes incorporated into the financial plan.

The 2011-2014 staffing levels assume changes in project activity requirements.

**Year-to-Year Changes**

**2010 - 2011**

The 2010 November Forecast of paid positions reflects a slight decrease in the level of paid positions by 49 positions compared to the 2010 July Forecast primarily due to a change in vacancy assumptions. 2010 projections also include the reallocation of staff between non-reimbursable and reimbursable program requirements at year end.

The 2011 Final Proposed Budget increase compared to the 2010 November Forecast reflects the increase of 186 positions. Of this total, 45 positions are additional reimbursable positions for capital projects, and 141 are non-reimbursable paid positions which include the reinstatement of 69 positions vacant during 2010. The remaining increase of 70 positions reflects the addition of 43 positions in support of the New Haven Maintenance Facility Shop Complex, 13 positions to support Conductor Certification and training requirements, 21 T&E positions to comply with revised Hours of Service regulations, nine T&E positions to support the service plan, eight positions to establish the second shift coach shop, four positions to support signal and Centralized Train Control (CTC) improvements for the Danbury Branch, two positions to support Harlem/Hudson power improvements and turnout replacement, five for the GCT Fire Brigade, five positions for M of W material management staffing and other support positions. These increases are offset by the net transfer of 45 positions from both the Human Resources and Controller departments to the BSC.

**2011 - 2012**

The increase of 55 non-reimbursable paid positions reflects the addition of 46 maintenance positions to support the New Haven Maintenance Facility Shop Complex, 13 positions in support of the New Haven Line Equipment CSR M4/M6 cars, six positions for the GCT Fire Brigade, one staffing increase for Training offset by the reduction of 11 positions associated with the completion of the M3 enhanced maintenance program.

**2012 - 2013**

The increase of 83 non-reimbursable paid positions reflects 21 additional coach cleaners, 24 maintenance positions to support the New Haven Line Equipment CSR M4/M6 cars, 14 maintenance positions to support the New Haven Maintenance Facility Shop Complex, 24 T&E positions in support of the service plan.

**2013 - 2014**

The increase of 33 non-reimbursable paid positions reflects 21 maintenance positions to support the New Haven Maintenance Facility Shop Complex, and 12 T&E positions in support of the service plan.

**MTA METRO NORTH RAILROAD**  
**November Financial Plan 2011 - 2014**  
**Total Positions by Department**  
**Non-Reimbursable/Reimbursable and Full-Time Positions/Full Time Equivalents**

FUNCTION/DEPARTMENT	2009 Actual	2010 November Forecast	2011 Final Proposed Budget	2012	2013	2014
<b>Administration</b>						
President	3	3	3	3	3	3
Labor Relations	12	9	9	9	9	9
Safety	17	16	16	16	16	16
Corporate Communications	21	17	17	17	17	17
Customer Service	246	272	276	276	276	276
Legal	17	16	16	16	16	16
Claims Services	16	14	14	14	14	14
Environmental Compliance & Svce	6	7	7	7	7	7
VP Admin	0	3	3	3	3	3
VP Human Resources	4	3	3	3	3	3
Human Resources & Diversity	45	36	22	22	22	22
Training	26	27	37	38	38	38
Employee Relations & Diversity	4	4	4	4	4	4
VP Planning Procurem't & Bus Dev Admin	2	2	2	2	2	2
Operations Planning & Analysis	20	16	17	17	17	17
Capital Planning & Programming	14	14	15	15	15	15
Business Development Facilities & Mktg	21	61	61	61	61	61
Long Range Planning	9	10	9	9	9	9
VP Finance & Info Systems	2	2	2	2	2	2
Controller	116	105	83	83	83	83
Information Technology & Project Mgmt	107	94	97	97	97	97
Budget	16	14	18	18	18	18
Corporate *	0	0	(35)	(35)	(35)	(35)
<b>Total Administration</b>	<b>724</b>	<b>745</b>	<b>696</b>	<b>697</b>	<b>697</b>	<b>697</b>
<b>Operations</b>						
VP Operations	48	52	54	54	54	54
Operations Services	1,718	1,653	1,741	1,747	1,800	1,812
Metro-North West	27	27	28	28	28	28
<b>Total Operations</b>	<b>1,793</b>	<b>1,732</b>	<b>1,823</b>	<b>1,829</b>	<b>1,882</b>	<b>1,894</b>
<b>Maintenance</b>						
GCT	360	352	358	364	364	364
Maintenance of Equipment	1,247	1,255	1,309	1,340	1,370	1,391
Maintenance of Way	1,526	1,559	1,637	1,648	1,648	1,648
Procurement & Material Management	169	163	164	164	164	164
<b>Total Maintenance</b>	<b>3,302</b>	<b>3,329</b>	<b>3,468</b>	<b>3,516</b>	<b>3,546</b>	<b>3,567</b>
<b>Engineering/Capital</b>						
Construction Management	37	38	39	39	39	39
Engineering & Design	64	64	68	68	68	68
<b>Total Engineering/Capital</b>	<b>101</b>	<b>102</b>	<b>107</b>	<b>107</b>	<b>107</b>	<b>107</b>
<b>Total Baseline Positions</b>	<b>5,920</b>	<b>5,908</b>	<b>6,094</b>	<b>6,149</b>	<b>6,232</b>	<b>6,265</b>
<b>Non-Reimbursable</b>	<b>5,358</b>	<b>5,378</b>	<b>5,519</b>	<b>5,574</b>	<b>5,657</b>	<b>5,690</b>
<b>Reimbursable</b>	<b>562</b>	<b>530</b>	<b>575</b>	<b>575</b>	<b>575</b>	<b>575</b>
<b>Total Full-Time</b>	<b>5,917</b>	<b>5,907</b>	<b>6,093</b>	<b>6,148</b>	<b>6,231</b>	<b>6,264</b>
<b>Total Full-Time-Equivalents</b>	<b>3</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>

(1) Reflects the reorganization of the following customer service functions: the Commissary and Group Sales Units have been transferred from the Customer Service Department to the Business Development & Facilities & Marketing Dept (+41); the Operation Services - Station Services Unit (custodial forces) has been transferred to the Customer Service Department (-88) and one agreement custodial position from MofE has been transferred to the Customer Service Department. Net impact on the Customer Service Department is +48 positions.

**MTA METRO-NORTH RAILROAD**  
**November Financial Plan 2011 - 2014**  
**Total Positions by Function and Occupation**

FUNCTION/OCCUPATIONAL GROUP	2009 Actual	2010 November Forecast	2011 Final Proposed Budget	2012	2013	2014
<b>Administration</b>						
Managers/Supervisors	47	48	51	51	51	51
Professional, Technical, Clerical	648	669	615	616	616	616
Operational Hourlies	29	28	30	30	30	30
<b>Total Administration</b>	<b>724</b>	<b>745</b>	<b>696</b>	<b>697</b>	<b>697</b>	<b>697</b>
<b>Operations</b>						
Managers/Supervisors	23	23	25	25	25	25
Professional, Technical, Clerical	315	268	252	252	252	252
Operational Hourlies	1,455	1,441	1,546	1,552	1,605	1,617
<b>Total Operations</b>	<b>1,793</b>	<b>1,732</b>	<b>1,823</b>	<b>1,829</b>	<b>1,882</b>	<b>1,894</b>
<b>Maintenance</b>						
Managers/Supervisors	41	43	48	48	48	48
Professional, Technical, Clerical	1,013	1,037	1,061	1,071	1,071	1,071
Operational Hourlies	2,248	2,249	2,359	2,397	2,427	2,448
<b>Total Maintenance</b>	<b>3,302</b>	<b>3,329</b>	<b>3,468</b>	<b>3,516</b>	<b>3,546</b>	<b>3,567</b>
<b>Engineering/Capital</b>						
Managers/Supervisors	30	30	32	32	32	32
Professional, Technical, Clerical	71	72	75	75	75	75
Operational Hourlies	-	-	-	-	-	-
<b>Total Engineering/Capital</b>	<b>101</b>	<b>102</b>	<b>107</b>	<b>107</b>	<b>107</b>	<b>107</b>
<b>Public Safety</b>						
Managers/Supervisors	-	-	-	-	-	-
Professional, Technical, Clerical	-	-	-	-	-	-
Operational Hourlies	-	-	-	-	-	-
<b>Total Public Safety</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Baseline Positions</b>						
Managers/Supervisors	141	144	156	156	156	156
Professional, Technical, Clerical	2,047	2,046	2,003	2,014	2,014	2,014
Operational Hourlies	3,732	3,718	3,935	3,979	4,062	4,095
<b>Total Baseline Positions</b>	<b>5,920</b>	<b>5,908</b>	<b>6,094</b>	<b>6,149</b>	<b>6,232</b>	<b>6,265</b>

## **MTA Headquarters**

**MTA HEADQUARTERS**  
**2011 Final Proposed Budget**  
**November Financial Plan 2011 – 2014**

**MAJOR HIGHLIGHTS**

The MTA Headquarters November Financial Plan 2011-2014 continues expense reduction efforts that were initiated in previous budgets. Initiatives begun earlier in the year continue to produce efficiencies and reduce operating expenses. Savings occur at the Business Service Center (BSC) through the consolidation of the Procurement function. Corresponding savings are reflected in agency budgets. Offsetting these efficiency savings was an increase in the New York State and Local Retiree System Pension costs. Due to low rates of return on pension assets and a revision in the rate of return assumptions, the MTA's annual required contribution increases significantly.

**Financial Overview**

MTA Headquarters' November Financial Plan contains self-funded programs and funding for MTA-wide initiatives considered to be the highest priority by MTA management. It reflects the incorporation of the Administrative Reduction Program (ARP) implemented earlier this year which resulted in the reduction of 134 non-reimbursable positions through voluntary and involuntary reductions and the elimination of vacant positions. With annualized savings of \$11.1 million beginning in 2011, this represents a 20% reduction in non-reimbursable salaries from the February Plan. It also reflects the incorporation of the Budget Reduction Program (BRP) which resulted in significant savings and efficiencies at MTA Headquarters. This reflects \$15.5 million in savings resulting from a study on operating capital projects and rapid procurements and \$7.1 million in savings from other initiatives.

Despite these reductions, MTA Headquarters continues to assume a leadership role in issues critical to the MTA commuting region. The security of MTA facilities, customers, and employees is centralized at MTAHQ. The November Plan includes operating funds for the Integrated Electronic Security System (IESS) facility. This facility provides for the deployment of various electronic technologies with the aim of detecting, deterring, identifying, delaying, and/or preventing terrorist security threats on MTA properties. The IESS facility is scheduled to open in the fourth quarter of 2010.

In order to ensure the MTA's financial stability and to promote institutional transformation, the BSC is scheduled to "go live" on January 1, 2011. Under BSC, select administrative functions for all the MTA agencies are combined and a single Enterprise Resource Planning (ERP), Financial and Human Resources/Payroll system along with other technologies is utilized to process administrative and back-office transactions. Administration of the MTA Defined Benefit Pension Plan, a complex multi-article pension plan for represented and non-represented employees in MNR, LIRR, MTA Bus, MTA PD and SIRTOA, is now managed by MTA Headquarters and their related costs are contained within the Financial Plan. Also, as part of continued efforts to increase efficiencies and generate cost savings, the MTA is consolidating its Procurement operations into the MTA Business Service Center.

Funding is also included for projects and planning related expenses, specifically for oversight of the West Side Yards Development project. This is a zero impact project, since all funding is reimbursable by the project developer.

MTA Headquarters continues to promote operating efficiencies through the efforts of the newly formed Office of Strategic Initiatives group. And the New Fare Payments Systems and Bus Customer Information Systems have been formed to explore new ways for the MTA to invest in new technologies, improve services and maintain a high level of convenience to the riding community.

### **2010 November Forecast**

MTA Headquarters Baseline Deficit increases by \$9.0 million in the November Plan from the July Plan of \$383.9 million. The increase is primarily due to higher MTA Support for Subsidiaries, higher assessment by NYS for cost recovery, depreciation and amortization charges related to BSC project development costs, partially offset by lower anticipated maintenance and repairs and professional services expenses.

Headcount of 1,473 positions in 2010 represents a decrease of 1 position from the July Plan primarily resulting from the finalization of the Reduction in Force Program.

### **2011 Final Proposed Budget- Baseline**

MTA Headquarters projects a Baseline Deficit of \$419.0 million for 2011. This is \$15.9 million higher than the July Plan of \$403.1 million. The increase is primarily attributable to higher MTA Support for Subsidiaries, depreciation and amortization charges related to BSC project development costs, and higher labor expenses at the BSC due to the consolidation of the Procurement function. Corresponding offsets are reflected in Agency sections.

The baseline budget assumes headcount levels of 1,723 employees. This is an unfavorable variance from the July Plan mainly due to the consolidation of the Procurement function into the BSC. Offsetting this is a delay in the hiring of 30 police officers, originally assumed in the July Plan, which will be funded for three years by the COPS Hiring Recovery Program, a federally funded program that will allow MTAPD to deploy uniform officers in problem prone locations throughout the MTA system. This will be delayed one year pending awarding of a federal grant.

### **2012-2014 Projections**

The Baseline Deficit for 2012 increases to \$433.7 million from the July Plan of \$412.0 million. The Baseline Deficit for 2013 increases to \$447.6 million from the July Plan of \$425.2 million. An increase in the Baseline Deficit for 2014 to \$468.0 million is \$21.3 million higher than the July Plan of \$446.7 million. These increases are primarily due to continued higher MTA Support for Subsidiaries, higher assessment by NYS for cost recovery, depreciation and amortization charges related to BSC project development costs, higher accrued NYSLRS pension charges, and higher labor expenses at the BSC.

due to the consolidation of the Procurement function in the BSC. Corresponding offsets are reflected Agency sections.

In 2012 the baseline headcount increases to 1,766 from the July Plan of 1,734 employees. The baseline headcount increases to 1,749 positions in 2013 from the July Plan of 1,718. In 2014 the baseline increases to 1,802 employees from the July Plan of 1,771. The unfavorable increase in headcount in 2012-2014 is primarily due to the consolidation of the Procurement function into the BSC.

**MTA HEADQUARTERS**  
**November Financial Plan 2011-2014**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

<b>NON-REIMBURSABLE</b>						
	<b>2009 Actuals</b>	<b>2010 November Forecast</b>	<b>2011 Final Proposed Budget</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Operating Revenue</b>						
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
<u>Other Operating Revenue</u>						
Rental Income	50.312	52.742	53.645	54.605	55.724	56.694
Other	4.181	4.000	4.029	4.101	4.185	4.258
Total Other Operating Revenue	54.493	56.742	57.673	58.706	59.909	60.952
Capital and Other Reimbursements						
<b>Total Revenue</b>	<b>\$54.493</b>	<b>\$56.742</b>	<b>\$57.673</b>	<b>\$58.706</b>	<b>\$59.909</b>	<b>\$60.952</b>
<b>Operating Expenses</b>						
<u>Labor:</u>						
Payroll	\$143.867	\$134.980	\$156.532	\$162.318	\$164.891	\$172.596
Overtime	13.471	9.614	8.593	8.775	8.938	9.104
Health and Welfare	16.057	16.014	20.671	22.096	24.267	27.044
OPEB Current Payment	5.555	6.200	7.200	8.400	9.600	10.900
Pensions	22.773	21.580	25.901	32.193	33.657	35.722
Other Fringe Benefits	11.746	14.476	13.107	12.383	13.230	14.062
Reimbursable Overhead	(31.394)	(45.876)	(56.072)	(58.191)	(59.583)	(60.744)
<b>Total Labor Expenses</b>	<b>\$182.075</b>	<b>\$156.988</b>	<b>\$175.932</b>	<b>\$187.974</b>	<b>\$194.999</b>	<b>\$208.684</b>
<u>Non-Labor:</u>						
Traction and Propulsion Power						
Fuel for Buses and Trains						
Insurance	4.208	6.066	4.422	4.864	5.351	5.886
Claims						
Paratransit Service Contracts						
Maintenance and Other Operating Contracts	25.241	35.419	45.663	45.719	46.657	47.468
Professional Service Contracts	32.790	42.388	41.109	41.529	42.049	43.267
Materials & Supplies	3.683	6.665	5.596	3.065	3.155	3.233
<u>Other Business Expenses</u>						
MTA Internal Subsidy	52.254	56.420	60.538	61.733	62.559	65.017
Other	38.258	46.150	49.826	50.032	51.192	52.448
Total Other Business Expenses	90.512	102.570	110.365	111.764	113.751	117.464
<b>Total Non-Labor Expenses</b>	<b>\$156.434</b>	<b>\$193.107</b>	<b>\$207.155</b>	<b>\$206.942</b>	<b>\$210.963</b>	<b>\$217.319</b>
<u>Other Expenses Adjustments:</u>						
Other	-	-	-	-	-	-
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation and GASB Adjs.</b>	<b>\$338.509</b>	<b>\$350.095</b>	<b>\$383.086</b>	<b>\$394.916</b>	<b>\$405.962</b>	<b>\$426.003</b>
Depreciation	29.605	36.075	26.514	26.514	26.514	23.657
OPEB Obligation	64.345	63.500	67.100	71.000	75.000	79.300
<b>Total Expenses</b>	<b>\$432.459</b>	<b>\$449.670</b>	<b>\$476.701</b>	<b>\$492.431</b>	<b>\$507.476</b>	<b>\$528.960</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$377.966)</b>	<b>(\$392.929)</b>	<b>(\$419.027)</b>	<b>(\$433.725)</b>	<b>(\$447.567)</b>	<b>(\$468.008)</b>

**MTA HEADQUARTERS**  
**November Financial Plan 2011-2014**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

REIMBURSABLE						
	2009 Actuals	2010 November Forecast	2011 Final Proposed Budget	2012	2013	2014
<b>Revenue</b>						
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-
Capital and Other Reimbursements	47.714	58.025	79.894	87.919	89.556	90.952
<b>Total Revenue</b>	<b>\$47.714</b>	<b>\$58.025</b>	<b>\$79.894</b>	<b>\$87.919</b>	<b>\$89.556</b>	<b>\$90.952</b>
<b>Expenses</b>						
<b><u>Labor:</u></b>						
Payroll	\$2.864	\$2.782	\$3.585	\$3.663	\$3.736	\$3.807
Overtime	0.007	-	-	-	-	-
Health and Welfare	0.314	0.389	0.486	0.527	0.571	0.618
OPEB Current Payment	0.000	-	0.000	0.000	0.000	0.000
Pensions	0.231	0.260	0.351	0.500	0.525	0.551
Other Fringe Benefits	0.524	0.210	0.282	0.293	0.305	0.316
Reimbursable Overhead	31.394	\$45.876	\$56.072	\$58.191	\$59.583	\$60.744
<b>Total Labor Expenses</b>	<b>\$35.334</b>	<b>\$49.518</b>	<b>\$60.775</b>	<b>\$63.175</b>	<b>\$64.720</b>	<b>\$66.036</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power						
Fuel for Buses and Trains						
Insurance						
Claims						
Paratransit Service Contracts						
Maintenance and Other Operating Contracts	0.000	0.030	0.115	0.115	0.118	0.120
Professional Service Contracts	12.353	8.375	18.762	24.384	24.469	24.543
Materials & Supplies	0.006	0.039	0.078	0.080	0.081	0.083
<u>Other Business Expenses</u>		-				
MTA Internal Subsidy		-				
Other	0.021	0.064	0.164	0.165	0.168	0.171
Total Other Business Expenses	0.021	0.064	0.164	0.165	0.168	0.171
<b>Total Non-Labor Expenses</b>	<b>\$12.380</b>	<b>\$8.507</b>	<b>\$19.119</b>	<b>\$24.744</b>	<b>\$24.836</b>	<b>\$24.916</b>
<b><u>Other Expenses Adjustments:</u></b>						
Other						
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$47.714</b>	<b>\$58.025</b>	<b>\$79.894</b>	<b>\$87.919</b>	<b>\$89.556</b>	<b>\$90.952</b>
<b>Depreciation</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Expenses</b>	<b>\$47.714</b>	<b>\$58.025</b>	<b>\$79.894</b>	<b>\$87.919</b>	<b>\$89.556</b>	<b>\$90.952</b>
<b>Baseline Surplus/(Deficit)</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>

**MTA HEADQUARTERS**  
**November Financial Plan 2011-2014**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

<b>NON-REIMBURSABLE / REIMBURSABLE</b>						
	<b>2009</b>	<b>2010</b>	<b>2011</b>			
	<b>Actuals</b>	<b>November Forecast</b>	<b>Final Proposed Budget</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Revenue</b>						
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
<u>Other Operating Revenue</u>						
Rental Income	50.312	52.742	53.645	54.605	55.724	56.694
Other	4.181	4.000	4.029	4.101	4.185	4.258
Total Other Operating Revenue	54.493	56.742	57.673	58.706	59.909	60.952
Capital and Other Reimbursements	47.714	58.025	79.894	87.919	89.556	90.952
<b>Total Revenue</b>	<b>\$102.207</b>	<b>\$114.767</b>	<b>\$137.568</b>	<b>\$146.625</b>	<b>\$149.465</b>	<b>\$151.904</b>
<b>Expenses</b>						
<u>Labor:</u>						
Payroll	\$146.731	\$137.762	\$160.117	\$165.981	\$168.626	\$176.403
Overtime	13.478	9.614	8.593	8.775	8.938	9.104
Health and Welfare	16.371	16.403	21.157	22.623	24.838	27.662
OPEB Current Payment	5.555	6.200	7.200	8.400	9.600	10.900
Pensions	23.004	21.841	26.252	32.693	34.182	36.273
Other Fringe Benefits	12.270	14.687	13.389	12.676	13.535	14.378
Reimbursable Overhead	-	(0.000)	-	-	-	-
<b>Total Labor Expenses</b>	<b>\$217.409</b>	<b>\$206.506</b>	<b>\$236.707</b>	<b>\$251.149</b>	<b>\$259.719</b>	<b>\$274.720</b>
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	4.208	6.066	4.422	4.864	5.351	5.886
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	25.241	35.449	45.778	45.834	46.774	47.588
Professional Service Contracts	45.143	50.762	59.871	65.913	66.518	67.810
Materials & Supplies	3.689	6.704	5.675	3.145	3.237	3.316
<u>Other Business Expenses</u>						
MTA Internal Subsidy	52.254	56.420	60.538	61.733	62.559	65.017
Other Business Expenses	38.279	46.213	49.990	50.197	51.360	52.619
Total Other Business Expenses	90.533	102.633	110.528	111.929	113.919	117.636
<b>Total Non-Labor Expenses</b>	<b>\$168.814</b>	<b>\$201.614</b>	<b>\$226.274</b>	<b>\$231.686</b>	<b>\$235.799</b>	<b>\$242.235</b>
<u>Other Expenses Adjustments:</u>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation and GASB Adjs.</b>	<b>\$386.223</b>	<b>\$408.120</b>	<b>\$462.981</b>	<b>\$482.835</b>	<b>\$495.518</b>	<b>\$516.955</b>
Depreciation	29.605	36.075	26.514	26.514	26.514	23.657
OPEB Obligation	64.345	63.500	67.100	71.000	75.000	79.300
<b>Total Expenses</b>	<b>\$480.173</b>	<b>\$507.695</b>	<b>\$556.595</b>	<b>\$580.350</b>	<b>\$597.033</b>	<b>\$619.912</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$377.966)</b>	<b>(\$392.929)</b>	<b>(\$419.027)</b>	<b>(\$433.725)</b>	<b>(\$447.567)</b>	<b>(\$468.008)</b>

**MTA HEADQUARTERS**  
**November Financial Plan 2011-2014**  
**Cash Receipts & Expenditures**  
(\$ in millions)

<b>CASH RECEIPTS AND EXPENDITURES</b>						
	<b>2009</b>	<b>2010</b>	<b>2011</b>			
	<b>Actuals</b>	<b>November Forecast</b>	<b>Final Proposed Budget</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Receipts</b>						
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
<u>Other Operating Revenue</u>						
Rental Income	50.310	52.636	53.645	54.605	55.724	56.694
Other	4.754	4.356	4.392	4.470	4.562	4.641
Total Other Operating Revenue	55.064	56.992	58.036	59.075	60.286	61.335
Capital and Other Reimbursements	47.714	58.019	79.894	87.919	89.556	90.952
<b>Total Receipts</b>	<b>\$102.778</b>	<b>\$115.011</b>	<b>\$137.931</b>	<b>\$146.994</b>	<b>\$149.843</b>	<b>\$152.288</b>
<b>Expenditures</b>						
<u><b>Labor:</b></u>						
Payroll	\$132.882	\$137.259	\$157.715	\$163.491	\$166.097	\$173.757
Overtime	13.477	9.614	8.593	8.775	8.938	9.104
Health and Welfare	15.829	15.328	20.156	21.594	23.765	26.544
OPEB Current Payment	5.555	6.200	7.200	8.400	9.600	10.900
Pensions	12.793	36.235	30.304	33.358	34.863	36.969
Other Fringe Benefits	12.528	12.228	13.334	12.619	13.475	14.316
GASB Account	0.000	0.991	1.000	1.029	1.073	1.118
Reimbursable Overhead	0.000	(0.000)	-	-	-	-
<b>Total Labor Expenditures</b>	<b>\$193.064</b>	<b>\$217.854</b>	<b>\$238.303</b>	<b>\$249.267</b>	<b>\$257.811</b>	<b>\$272.708</b>
<u><b>Non-Labor:</b></u>						
Traction and Propulsion Power						
Fuel for Buses and Trains						
Insurance	3.326	3.745	4.201	4.621	5.083	5.592
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	25.078	34.360	44.404	44.459	45.371	46.160
Professional Service Contracts	32.976	46.524	56.878	62.618	63.193	64.420
Materials & Supplies	2.949	6.468	5.504	3.051	3.140	3.217
<u>Other Business Expenses</u>						
MTA Internal Subsidy	52.254	56.420	60.538	61.733	62.559	65.017
Other Business Expenses	40.679	42.330	46.490	46.683	47.765	48.935
Total Other Business Expenses	92.933	98.750	107.029	108.415	110.324	113.952
<b>Total Non-Labor Expenditures</b>	<b>\$157.262</b>	<b>\$189.846</b>	<b>\$218.016</b>	<b>\$223.165</b>	<b>\$227.111</b>	<b>\$233.340</b>
<u><b>Other Expenditure Adjustments:</b></u>						
Capital	\$3.899	10.450	20.566	20.566	20.566	20.566
<b>Total Other Expenditure Adjustments</b>	<b>\$3.899</b>	<b>\$10.450</b>	<b>\$20.566</b>	<b>\$20.566</b>	<b>\$20.566</b>	<b>\$20.566</b>
<b>Total Expenditures</b>	<b>\$354.225</b>	<b>\$418.150</b>	<b>\$476.885</b>	<b>\$492.998</b>	<b>\$505.488</b>	<b>\$526.614</b>
<b>Baseline Cash Deficit</b>	<b>(\$251.447)</b>	<b>(\$303.139)</b>	<b>(\$338.954)</b>	<b>(\$346.004)</b>	<b>(\$355.645)</b>	<b>(\$374.327)</b>

**MTA HEADQUARTERS**  
**November Financial Plan 2011-2014**  
**Cash Conversion (Cash Flow Adjustments)**  
(\$ in millions)

<b>CASH FLOW ADJUSTMENTS</b>						
	<b>2009</b>	<b>2010</b>	<b>2011</b>			
	<b>Actuals</b>	<b>November Forecast</b>	<b>Final Proposed Budget</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Receipts</b>						
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Rental Income	-	(0.106)	-	-	-	-
Other Operating Revenue	0.571	0.356	0.363	0.370	0.377	0.384
Capital and Other Reimbursements	0.000	(0.006)	0.000	0.000	0.000	0.000
<b>Total Receipts</b>	<b>\$0.571</b>	<b>\$0.245</b>	<b>\$0.363</b>	<b>\$0.370</b>	<b>\$0.377</b>	<b>\$0.384</b>
<b>Expenditures</b>						
<b><u>Labor:</u></b>						
Payroll	\$13.849	\$0.503	\$2.402	\$2.490	\$2.529	\$2.646
Overtime	0.001	\$0.000				
Health and Welfare	0.542	\$1.075	1.000	1.029	1.073	1.118
OPEB Current Payment	0.000	\$0.000	0.000	0.000	0.000	0.000
Pensions	10.211	(\$14.394)	(4.052)	(0.665)	(0.681)	(0.696)
Other Fringe Benefits	(0.258)	\$2.459	0.055	0.057	0.059	0.062
GASB Account	0.000	(\$0.991)	(1.000)	(1.029)	(1.073)	(1.118)
Reimbursable Overhead	0.000	(\$0.000)	0.000	0.000	0.000	0.000
<b>Total Labor Expenditures</b>	<b>\$24.345</b>	<b>(\$11.349)</b>	<b>(\$1.595)</b>	<b>\$1.882</b>	<b>\$1.908</b>	<b>\$2.012</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power						
Fuel for Buses and Trains						
Insurance	0.882	2.321	0.221	0.243	0.268	0.294
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	0.163	1.090	1.373	1.375	1.403	1.428
Professional Service Contracts	12.167	4.238	2.993	3.295	3.325	3.390
Materials & Supplies	0.740	0.236	0.170	0.094	0.097	0.099
<b><u>Other Business Expenses</u></b>						
MTA Internal Subsidy		0.000	-	-	-	-
Other Business Expenses	(2.400)	3.883	3.499	3.514	3.595	3.683
Total Other Business Expenses	(2.400)	3.883	3.499	3.514	3.595	3.683
<b>Total Non-Labor Expenditures</b>	<b>\$11.552</b>	<b>\$11.769</b>	<b>\$8.257</b>	<b>\$8.522</b>	<b>\$8.689</b>	<b>\$8.895</b>
<b><u>Other Expenditure Adjustments:</u></b>						
Capital	(\$3.899)	(\$10.450)	(\$20.566)	(\$20.566)	(\$20.566)	(\$20.566)
<b>Total Other Expenditure Adjustments</b>	<b>(\$3.899)</b>	<b>(\$10.450)</b>	<b>(\$20.566)</b>	<b>(\$20.566)</b>	<b>(\$20.566)</b>	<b>(\$20.566)</b>
<b>Total Cash Conversion Adjustments before Depreciation and GASB Adjs.</b>	<b>\$32.569</b>	<b>(\$9.785)</b>	<b>(\$13.541)</b>	<b>(\$9.793)</b>	<b>(\$9.592)</b>	<b>(\$9.275)</b>
Depreciation Adjustment	29.605	36.075	26.514	26.514	26.514	23.657
OPEB Obligation	64.345	63.500	67.100	71.000	75.000	79.300
<b>Baseline Total Cash Conversion Adjustments</b>	<b>\$126.519</b>	<b>\$89.790</b>	<b>\$80.073</b>	<b>\$87.721</b>	<b>\$91.922</b>	<b>\$93.682</b>

**MTA HEADQUARTERS**  
**November Financial Plan 2011-2014**  
**Year-to-Year Changes by Category - Baseline**

**Baseline Assumptions:**

The following explanations refer to the year-to-year variances in MTA Baseline assumptions for the November Financial Plan 2011-2014:

**Receipts:**

Rental Income, Data Center Billings, and Other

- The 2010 November Financial Plan reflects a re-estimate of charge-backs to Agencies for work performed by MTA Headquarters on their behalf, revised rental revenue, and higher recovery of costs billable to the Connecticut Department of Transportation, through Metro North, for Police expenses required to patrol and secure the New Haven Line.
- Thereafter, 2011, 2012, 2013, 2014 are inflated by the CPI-Urban 0.74%, 1.79%, 2.05%, and 1.74%, respectively, with adjustments made for reimbursements related to annual West Side Yard expenses, the Federal COPS Hiring Program grant and recoverable expenses at BSC.

**Expenditures:**

Payroll

- Payroll changes in the November Financial Plan in 2010 primarily reflect re-estimated departmental costs.
- An increase in 2011 reflects the impact of consolidating the Procurement function at the BSC.
- Thereafter 2012, 2013, and 2014 reflect MTA Headquarters and MTA Police civilian salaries inflated by wage growth assumptions consistent with the July Financial Plan of 2.20%, 1.97% and 1.91% respectively.
- MTA Police represented salaries are inflated according to prevailing patterned bargaining rates, with a one year shift in the hiring of COPS Grant funded officers from 2011 to 2012 and 2014 reflecting the increase in patrol force necessary to secure the East Side Access Project.

Overtime

- Overtime expenses throughout the November Financial Plan, which are primarily related to MTA Police operations, have been reduced as a result of the Budget Reduction Plan and by the Strategic Initiatives study. These reductions are slightly offset by a re-estimate for overtime needs at the BSC.
- Expense in 2011, 2012, 2013, and 2014 are inflated by prevailing pattern bargaining rates.

### Health and Welfare

- Health and Welfare premium rates in 2011 are projected to increase at a rate of 13.3% in 2011 and 6.8% in each year thereafter.

### Pensions

- The November Financial Plan primarily reflects adjusted estimated contributions to the employee retirement systems in 2011 and 2012 due to the impact of recent market losses on pension assets as well as a revision to the rate of return assumptions.
- Thereafter, rates are inflated by the CPI-Urban rates of 2.05% in 2013, and 1.74% in 2014.

### Other Fringe Benefits

- The Plan years 2011 - 2014 are inflated by CPI-Urban rates of 0.74%, 1.79%, 2.05%, and 1.74%, respectively.

### Insurance

- Insurance premiums are inflated at approximately 10% annually with some off-setting adjustments.

### Maintenance and Other Operating Contracts

- Maintenance expenses in the November Financial Plan for 2010 continue to reflect the one year impact of the Budget Reduction Plan due to the delayed opening of the Integrated Electronic Security System All Agency facility. It is anticipated that IESS will open in the fourth quarter of 2010.
- The Final Proposed 2011 Budget reflects utilization of full-year IESS maintenance expenses of approximately \$11 million and CPI-Urban growth of 0.74% on all other existing maintenance and operating contracts. Thereafter, 2012, 2013 and 2014 are inflated by the CPI-Urban rates of 1.79%, 2.05%, and 1.74%, respectively.

### Professional Service Contracts

- Decreases in the November Financial Plan for 2010 primarily reflect re-estimates at the BSC mainly due to the use of IT consultants for the full year.
- Thereafter, each year is inflated by the CPI-Urban rates of 0.74%, 1.79%, 2.05%, and 1.74%, respectively, with adjustments made to reflect, anticipated levels of West Side Yard project work.

### Materials & Supplies

- Expenses in 2011 through 2014 are inflated by the CPI-Urban rates of 0.74%, 1.79%, 2.05%, and 1.74%, respectively.

### MTA Internal Subsidy

- All years reflect MTA support requirements for SIRTOA and Long Island Bus based on projected revenue and shortfalls from state and local subsidies. Also included is the continuation of a moderate amount of support for the Rockaway Resident Discount Program which was restored in the July Plan.

#### Other Business Expenses

- Increases in 2011, 2012, 2013 and 2014 are inflated by the CPI-Urban rates of 0.74%, 1.79%, 2.05%, and 1.74%, respectively.

#### **Other Expenditure Adjustments:**

##### Capital Expenditures

- 2010 expenditures of \$10.5 million reflect the impact of a study that reduced operating capital by eliminating or deferring projects totaling \$15.5 million, including savings from rapid procurement. Offsetting these reductions, in part, is the inclusion of \$4.8 million in capital funding for BSC infrastructure equipment and software.
- Capital expenditures in 2011 are \$20.6 million and remain constant for the plan period.

**MTA HEADQUARTERS**  
**November Financial Plan 2011-2014**  
**Year-to-Year Changes by Category - Accrual Basis**  
(\$ in millions)

**NON-REIMBURSABLE**

	Favorable/(Unfavorable)								
	2010	2011	Change 2011 - 2010	2012	Change 2012 - 2011	2013	Change 2013 - 2012	2014	Change 2014 - 2013
<b>Revenue</b>									
Farebox Revenue	-	-	-	-	-	-	-	-	-
Vehicle Toll Revenue	-	-	-	-	-	-	-	-	-
Other Operating Revenue									
Rental Income	52.742	53.645	0.903	54.605	0.960	55.724	1.119	56.694	0.970
Data Center Billings									
Other	4.000	4.029	0.029	4.101	0.072	4.185	0.084	4.258	0.073
Capital and Other Reimbursements									
<b>Total Revenue</b>	<b>\$56.742</b>	<b>\$57.673</b>	<b>\$0.932</b>	<b>\$58.706</b>	<b>\$1.032</b>	<b>\$59.909</b>	<b>\$1.203</b>	<b>\$60.952</b>	<b>\$1.042</b>
<b>Expenses</b>									
Labor:									
Payroll	134.980	156.532	(21.552)	162.318	(5.785)	164.891	(2.573)	172.596	(7.705)
Overtime	9.614	8.593	1.021	8.775	(0.183)	8.938	(0.162)	9.104	(0.166)
Health and Welfare	16.014	20.671	(4.657)	22.096	(1.425)	24.267	(2.171)	27.044	(2.777)
OPEB Current Payment	6.200	7.200	(1.000)	8.400	(1.200)	9.600	(1.200)	10.900	(1.300)
Pensions	21.580	25.901	(4.321)	32.193	(6.292)	33.657	(1.464)	35.722	(2.065)
Other Fringe Benefits	14.476	13.107	1.369	12.383	0.724	13.230	(0.847)	14.062	(0.832)
Reimbursable Overhead	(45.876)	(56.072)	10.197	(58.191)	2.119	(59.583)	1.392	(60.744)	1.161
<b>Total Labor Expenses</b>	<b>\$156.988</b>	<b>\$175.932</b>	<b>(\$18.944)</b>	<b>\$187.974</b>	<b>(\$12.042)</b>	<b>\$194.999</b>	<b>(\$7.025)</b>	<b>\$208.684</b>	<b>(\$13.685)</b>
Non-Labor:									
Traction and Propulsion Power									
Fuel for Buses and Trains									
Insurance	6.066	4.422	1.644	4.864	(0.442)	5.351	(0.486)	5.886	(0.535)
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	35.419	45.663	(10.244)	45.719	(0.057)	46.657	(0.937)	47.468	(0.812)
Professional Service Contracts	42.388	41.109	1.279	41.529	(0.420)	42.049	(0.520)	43.267	(1.218)
Materials & Supplies	6.665	5.596	1.068	3.065	2.531	3.155	(0.090)	3.233	(0.078)
MTA Internal Subsidy	56.420	60.538	(4.118)	61.733	(1.194)	62.559	(0.826)	65.017	(2.458)
Other Business Expenses	46.150	49.826	(3.677)	50.032	(0.205)	51.192	(1.160)	52.448	(1.256)
<b>Total Non-Labor Expenses</b>	<b>\$193.107</b>	<b>\$207.155</b>	<b>(\$14.048)</b>	<b>\$206.942</b>	<b>\$0.212</b>	<b>\$210.963</b>	<b>(\$4.020)</b>	<b>\$217.319</b>	<b>(\$6.356)</b>
Other Expenses Adjustments:									
Other									
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation and GASB Adjs.</b>	<b>\$350.095</b>	<b>\$383.086</b>	<b>(\$32.991)</b>	<b>\$394.916</b>	<b>(\$11.830)</b>	<b>\$405.962</b>	<b>(\$11.046)</b>	<b>\$426.003</b>	<b>(\$20.041)</b>
Depreciation	36.075	26.514	9.561	26.514	0.000	26.514	0.000	23.657	2.857
OPEB Obligation	63.500	67.100	(3.600)	71.000	(3.900)	75.000	(4.000)	79.300	(4.300)
Environmental Remediation									
<b>Total Expenses</b>	<b>\$449.670</b>	<b>\$476.701</b>	<b>(\$27.030)</b>	<b>\$492.431</b>	<b>(\$15.730)</b>	<b>\$507.476</b>	<b>(\$15.046)</b>	<b>\$528.960</b>	<b>(\$21.484)</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$392.929)</b>	<b>(\$419.027)</b>	<b>(\$26.098)</b>	<b>(\$433.725)</b>	<b>(\$14.698)</b>	<b>(\$447.567)</b>	<b>(\$13.842)</b>	<b>(\$468.008)</b>	<b>(\$20.441)</b>

## REIMBURSABLE

[illegible]

**MTA HEADQUARTERS**  
**November Financial Plan 2011-2014**  
**Year-to-Year Changes by Category - Cash Basis**  
(\$ in millions)

**CASH RECEIPTS AND EXPENDITURES**

	Favorable/(Unfavorable)								
	2010	2011	Change 2011 - 2010	2012	Change 2012 - 2011	2013	Change 2013 - 2012	2014	Change 2014 - 2013
<b>Revenue</b>									
Farebox Revenue	-	-	-	-	-	-	-	-	-
Vehicle Toll Revenue	-	-	-	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-	-	-	-
Rental Income	52.636	53.645	1.008	54.605	0.960	55.724	1.119	56.694	0.970
Data Center Billings	-	-	0.000	-	0.000	-	0.000	-	0.000
Other	4.356	4.392	0.036	4.470	0.079	4.562	0.092	4.641	0.079
Capital and Other Reimbursements	58.019	79.894	21.875	87.919	8.024	89.556	1.637	90.952	1.396
<b>Total Revenue</b>	<b>\$115.011</b>	<b>\$137.931</b>	<b>\$22.920</b>	<b>\$146.994</b>	<b>\$9.063</b>	<b>\$149.843</b>	<b>\$2.848</b>	<b>\$152.288</b>	<b>\$2.445</b>
<b>Expenses</b>									
<b>Labor:</b>									
Payroll	137.259	157.715	(\$20.456)	163.491	(\$5.776)	166.097	(\$2.606)	173.757	(\$7.660)
Overtime	9.614	8.593	1.021	8.775	(0.183)	8.938	(0.162)	9.104	(0.166)
Health and Welfare	15.328	20.156	(4.828)	21.594	(1.438)	23.765	(2.171)	26.544	(2.779)
OPEB Current Payment	6.200	7.200	(1.000)	8.400	(1.200)	9.600	(1.200)	10.900	(1.300)
Pensions	36.235	30.304	5.931	33.358	(3.054)	34.863	(1.505)	36.969	(2.106)
Other Fringe Benefits	12.228	13.334	(1.106)	12.619	0.715	13.475	(0.856)	14.316	(0.841)
GASB Account	0.991	1.000	(0.009)	1.029	(0.028)	1.073	(0.044)	1.118	(0.045)
Reimbursable Overhead	(0.000)	0.000	(0.000)	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenditures</b>	<b>\$217.854</b>	<b>\$238.303</b>	<b>(\$20.448)</b>	<b>\$249.267</b>	<b>(\$10.964)</b>	<b>\$257.811</b>	<b>(\$8.544)</b>	<b>\$272.708</b>	<b>(\$14.897)</b>
<b>Non-Labor:</b>									
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	3.745	4.201	(0.457)	4.621	(0.420)	5.083	(0.462)	5.592	(0.508)
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	34.360	44.404	(10.045)	44.459	(0.055)	45.371	(0.911)	46.160	(0.789)
Professional Service Contracts	46.524	56.878	(10.354)	62.618	(5.740)	63.193	(0.575)	64.420	(1.227)
Materials & Supplies	6.468	5.504	0.963	3.051	2.454	3.140	(0.089)	3.217	(0.077)
MTA Internal Subsidy	56.420	60.538	(4.118)	61.733	(1.194)	62.559	(0.826)	65.017	(2.458)
Other Business Expenses	42.330	46.490	(4.161)	46.683	(0.192)	47.765	(1.082)	48.935	(1.171)
<b>Total Non-Labor Expenditures</b>	<b>\$189.846</b>	<b>\$218.016</b>	<b>(\$28.171)</b>	<b>\$223.165</b>	<b>(\$5.148)</b>	<b>\$227.111</b>	<b>(\$3.946)</b>	<b>\$233.340</b>	<b>(\$6.230)</b>
<b>Other Expenditure Adjustments:</b>									
Capital	10.450	20.566	(10.116)	20.566	-	20.566	-	20.566	-
<b>Total Other Expenditure Adjustments</b>	<b>\$10.450</b>	<b>\$20.566</b>	<b>(\$10.116)</b>	<b>\$20.566</b>	<b>\$0.000</b>	<b>\$20.566</b>	<b>\$0.000</b>	<b>\$20.566</b>	<b>\$0.000</b>
<b>Total Expenditures</b>	<b>\$418.150</b>	<b>\$476.885</b>	<b>(\$58.735)</b>	<b>\$492.998</b>	<b>(\$16.113)</b>	<b>\$505.488</b>	<b>(\$12.490)</b>	<b>\$526.614</b>	<b>(\$21.127)</b>
<b>Baseline Cash Deficit</b>	<b>(\$303.139)</b>	<b>(\$338.954)</b>	<b>(\$35.815)</b>	<b>(\$346.004)</b>	<b>(\$7.049)</b>	<b>(\$355.645)</b>	<b>(\$9.642)</b>	<b>(\$374.327)</b>	<b>(\$18.681)</b>

**MTA HEADQUARTERS**  
**November Financial Plan 2011-2014**  
**Summary of Plan-to-Plan Changes - Baseline**

The following summarizes the major differences between the November Financial Plan and the July Financial Plan:

**2010: November Financial Plan vs. July Financial Plan**

The Baseline Cash Deficit in the November Financial Plan of \$303.1 million is a \$9.5 million increase from the July Plan of \$293.6 million. The unfavorable variance is primarily attributable to higher than anticipated pension payments to NYSLERS, as well as payments from 2009 for the MTA Defined Benefits Plan, higher MTA Support for Subsidiaries and the inclusion of \$4.8 million in operating capital funding for BSC infrastructure equipment and software. Reduced OTPS costs, mainly for maintenance and repairs and professional services, provide an offset.

**2011: November Financial Plan vs. July Financial Plan**

The Baseline Cash Deficit in the November Financial Plan of \$339.0 million is a \$14.2 million increase from the July Plan of \$324.8 million. The unfavorable variance is primarily attributable to higher MTA Support for Subsidiaries, higher assessment by NYS for cost recovery, higher than anticipated pension payments to NYSLERS, higher labor costs due to the consolidation of the Procurement function within MTAHQ/BSC.

**2012 - 2014: November Financial Plan vs. July Financial Plan**

The Baseline Cash Deficit in the November Financial Plan of \$346.0 million in 2012 is an \$16.6 million increase from the July Plan of \$329.4 million. The Baseline Cash Deficit in the November Financial Plan of \$355.6 million in 2013 is a \$17.2 million increase from the July Plan of \$338.4 million. The Baseline Cash Deficit in the November Financial Plan of \$374.3 million for 2014 is a \$19.0 million unfavorable variance from the July Plan of \$355.3 million. The reasons for the variances are explained above.

**MTA HEADQUARTERS**  
**November Financial Plan 2011-2014**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

**NON-REIMBURSABLE**

	2010	2011	2012	2013	2014
<b>Baseline 2010 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$293.603)</b>	<b>(\$324.779)</b>	<b>(\$329.399)</b>	<b>(\$338.407)</b>	<b>(\$355.251)</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
Farebox Revenue					
Vehicle Toll Revenue					
Rental Income	\$ .066	\$ .000	(\$ .182)	(\$ .208)	(\$ .212)
Other	\$ .000	(\$ .019)	(\$ .033)	(\$ .035)	(\$ .036)
Capital and Other Reimbursement	\$ .000	\$ .000	\$ .000	\$ .000	\$ .000
<b>Total Revenue Changes</b>	<b>\$ .067</b>	<b>(\$ .019)</b>	<b>(\$ .215)</b>	<b>(\$ .243)</b>	<b>(\$ .247)</b>
<b>Expenses</b>					
<b>Labor:</b>					
Payroll	\$1.198	(\$1.936)	(\$4.719)	(\$4.805)	(\$4.872)
Overtime	(0.001)	0.153	0.157	0.160	0.164
Health and Welfare	(0.752)	(0.510)	(0.605)	(0.642)	(0.677)
OPEB Current Payment	(0.000)	-	-	-	-
Pensions	1.336	1.488	(4.403)	(4.595)	(10.000)
Other Fringe Benefits	(3.180)	(0.089)	(0.000)	(0.202)	(0.196)
<u>Reimbursable Overhead</u>	<u>(0.366)</u>	<u>(0.415)</u>	<u>0.282</u>	<u>0.119</u>	<u>3.234</u>
<b>Total Labor Expense Changes</b>	<b>(\$1.765)</b>	<b>(\$1.309)</b>	<b>(\$9.289)</b>	<b>(\$9.964)</b>	<b>(\$12.349)</b>
<b>Non-Labor:</b>					
Traction and Propulsion Power					
Fuel for Buses and Trains					
Insurance	(\$2.124)	\$ .000	\$ .000	\$ .000	\$ .000
Claims	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	5.244	(0.919)	(0.076)	(0.059)	(0.060)
Professional Service Contracts	2.854	(1.567)	(1.581)	(1.267)	(1.288)
Materials & Supplies	0.000	0.249	(0.248)	(0.251)	(0.256)
MTA Internal Subsidy	(3.830)	(5.264)	(4.039)	(4.396)	(3.827)
<u>Other Business Expenses</u>	<u>0.003</u>	<u>(1.398)</u>	<u>(0.583)</u>	<u>(0.456)</u>	<u>(0.444)</u>
<b>Total Non-Labor Expense Changes</b>	<b>\$2.148</b>	<b>(\$8.900)</b>	<b>(\$6.526)</b>	<b>(\$6.429)</b>	<b>(\$5.875)</b>
<b>Gap Closing Expenses :</b>					
<b>Total Gap Closing Expenses</b>	<b>\$ .000</b>	<b>\$ .000</b>	<b>\$ .000</b>	<b>\$ .000</b>	<b>\$ .000</b>
<b>Total Expenses before Depreciation and GASB Adjs.</b>					
Depreciation	(\$9.431)	(\$5.714)	(\$5.714)	(\$5.714)	(\$2.857)
OPEB Obligation	(\$ .000)	\$ .000	\$ .000	\$ .000	\$ .000
<b>Total Expense Changes</b>	<b>(\$9.048)</b>	<b>(\$15.923)</b>	<b>(\$21.529)</b>	<b>(\$22.107)</b>	<b>(\$21.080)</b>
<b>Cash Adjustment Changes</b>					
Revenue Adjustments	(.105)	.005	.003	.003	.003
Expense Adjustments	(.449)	1.761	5.136	5.108	2.248
<b>Total Cash Adjustment Changes</b>	<b>(\$0.555)</b>	<b>\$1.766</b>	<b>\$5.139</b>	<b>\$5.112</b>	<b>\$2.252</b>
<b>Total Baseline Changes</b>	<b>(\$9.536)</b>	<b>(\$14.176)</b>	<b>(\$16.605)</b>	<b>(\$17.238)</b>	<b>(\$19.076)</b>
<b>Baseline 2010 November Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$303.139)</b>	<b>(\$338.954)</b>	<b>(\$346.004)</b>	<b>(\$355.645)</b>	<b>(\$374.327)</b>

**MTA HEADQUARTERS**  
**November Financial Plan 2011-2014**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

**REIMBURSABLE**

	2010	2011	2012	2013	2014
<b>Baseline 2010 July Financial Plan - Operating Cash</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
Farebox Revenue					
Vehicle Toll Revenue					
Rental Income					
Data Center Billings					
Other					
Capital and Other Reimbursement	(\$1.226)	(\$.318)	\$.496	\$.343	\$3.469
<b>Total Revenue Changes</b>	<b>(\$1.226)</b>	<b>(\$.318)</b>	<b>\$.496</b>	<b>\$.343</b>	<b>\$3.469</b>
<b>Expenses</b>					
<b>Labor:</b>					
Payroll	\$ .591	\$ .028	\$ .029	\$ .030	\$ .030
Overtime	-	-	-	-	-
Health and Welfare	0.056	0.004	0.005	0.005	0.006
OPEB Current Payment	-	-	-	-	-
Pensions	0.071	0.015	(0.118)	(0.128)	(0.139)
Other Fringe Benefits	0.062	0.005	0.006	0.006	0.006
Reimbursable Overhead	0.366	0.415	(0.282)	(0.119)	(3.234)
<b>Total Labor Expense Changes</b>	<b>\$1.145</b>	<b>\$.467</b>	<b>(\$.360)</b>	<b>(\$.206)</b>	<b>(\$3.330)</b>
<b>Non-Labor:</b>					
Traction and Propulsion Power					
Fuel for Buses and Trains					
Insurance					
Claims					
Paratransit Service Contracts					
Maintenance and Other Operating Contracts	\$ .029	(\$.082)	(\$.083)	(\$.084)	(\$.086)
Professional Services	0.000	0.019	0.033	0.035	0.036
Materials & Supplies	0.038	0.000	0.000	0.000	0.000
MTA Internal Subsidy	-	-	-	-	-
Other Business Expenses	0.013	(0.087)	(0.086)	(0.088)	(0.090)
<b>Total Non-Labor Expense Changes</b>	<b>\$ .081</b>	<b>(\$.149)</b>	<b>(\$.136)</b>	<b>(\$.137)</b>	<b>(\$.139)</b>
<b>Gap Closing Expenses :</b>					
<b>Total Expenses before Depreciation</b>	<b>\$1.226</b>	<b>\$.318</b>	<b>(\$.496)</b>	<b>(\$.343)</b>	<b>(\$3.469)</b>
Depreciation					
<b>Total Expense Changes</b>	<b>\$1.226</b>	<b>\$.318</b>	<b>(\$.496)</b>	<b>(\$.343)</b>	<b>(\$3.469)</b>
<b>Cash Adjustment Changes</b>					
<b>Total Cash Adjustment Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Baseline Changes</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>
<b>Baseline 2010 November Financial Plan - Operating Cash</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>

**MTA HEADQUARTERS**  
**November Financial Plan 2011-2014**  
**Summary of Major Programmatic Changes Between Financial Plans**  
(\$ in millions)

**NON-REIMBURSABLE and REIMBURSABLE**

	2010	2011	2012	2013	2014
<b>Baseline 2010 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$293.603)</b>	<b>(\$324.779)</b>	<b>(\$329.399)</b>	<b>(\$338.407)</b>	<b>(\$355.251)</b>
<b>Non-Reimbursable Major Changes</b>					
<b>Revenue</b>					
Rental Income	0.066	-	(0.182)	(0.208)	(0.212)
Change in Other Income	-	(0.019)	(0.033)	(0.035)	(0.036)
<b>Sub-Total Non-Reimbursable Revenue Changes</b>	<b>\$0.066</b>	<b>(\$0.019)</b>	<b>(\$0.215)</b>	<b>(\$0.243)</b>	<b>(\$0.248)</b>
<b>Expenses</b>					
Procurement Consolidation at BSC	-	(3.948)	(3.661)	(3.765)	(3.864)
Re-Estimated BSC Expenses	1.071	(0.176)	(0.528)	(0.539)	(0.548)
Accrued Pension Changes	1.406	1.852	(4.516)	(4.429)	(9.837)
Re-estimated IESS Maintenance Expenses	1.760	-	-	-	-
MTA PD Overtime Reduction	-	0.192	0.196	0.202	0.207
Inflation	-	0.588	0.841	0.887	0.902
Fringe Benefit Adjustment	(3.908)	(0.123)	(0.187)	(0.189)	(0.188)
Lower Spending	7.838	-	-	-	-
Revised BSC Savings	-	(2.166)	(2.234)	(2.299)	(2.367)
Re-estimated Personnel Expense	-	(0.517)	(0.533)	(0.549)	(0.565)
Revised Depreciation	(9.431)	(5.714)	(5.714)	(5.714)	(2.857)
Revised Support for Subsidiaries	(3.830)	(5.264)	(4.039)	(4.396)	(3.827)
Shift in Inspector General expenses	0.525	(0.525)	-	-	-
Industrial Design Services	-	(0.100)	(0.080)	(0.020)	-
Accrual for Claims	(2.124)	-	-	-	-
Change in Reimbursable Overhead	(0.366)	(0.415)	0.282	0.119	3.234
Shift in MTAPD COPS Hiring program	-	2.898	(0.355)	0.565	0.756
Increase in NYS Cost Recovery Assessment	(1.500)	(1.511)	(1.538)	(1.570)	(1.597)
All Other	(\$0.490)	(\$0.927)	\$0.604	(\$0.342)	(\$0.458)
<b>Sub-Total Non-Reimbursable Expense Changes</b>	<b>(\$9.048)</b>	<b>(\$15.857)</b>	<b>(\$21.462)</b>	<b>(\$22.038)</b>	<b>(\$21.010)</b>
<b>Total Non-Reimbursable Major Changes</b>	<b>(\$8.981)</b>	<b>(\$15.876)</b>	<b>(\$21.677)</b>	<b>(\$22.281)</b>	<b>(\$21.258)</b>
<b>Reimbursable Major Changes</b>					
<b>Revenue</b>					
Change in Capital & Other Reimbursements	(\$1.226)	(\$0.318)	\$0.496	\$0.343	\$3.469
<b>Sub-Total Reimbursable Revenue Changes</b>	<b>(\$1.226)</b>	<b>(\$0.318)</b>	<b>\$0.496</b>	<b>\$0.343</b>	<b>\$3.469</b>
<b>Expenses</b>					
Revised Overhead Expenses	0.366	0.415	(0.282)	(0.119)	(3.234)
All Other	0.860	(0.097)	(0.214)	(0.223)	(0.235)
<b>Sub-Total Reimbursable Expense Changes</b>	<b>\$1.226</b>	<b>\$0.318</b>	<b>(\$0.496)</b>	<b>(\$0.343)</b>	<b>(\$3.469)</b>
<b>Total Reimbursable Major Changes</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>
<b>Total Accrual Changes</b>	<b>(\$8.981)</b>	<b>(\$15.876)</b>	<b>(\$21.677)</b>	<b>(\$22.281)</b>	<b>(\$21.258)</b>
<b>Cash Adjustment Changes</b>					
Operating Capital Increase for BSC	(\$4.760)	\$0.000	\$0.000	\$0.000	\$0.000
Pension Adjustment	(\$8.794)	(\$4.185)	(\$0.785)	(\$0.789)	(\$0.793)
All Other	\$13.000	\$5.885	\$5.857	\$5.832	\$2.975
<b>Total Cash Adjustment Changes</b>	<b>(\$0.555)</b>	<b>\$1.700</b>	<b>\$5.072</b>	<b>\$5.043</b>	<b>\$2.182</b>
<b>Total Baseline Changes</b>	<b>(\$9.536)</b>	<b>(\$14.176)</b>	<b>(\$16.605)</b>	<b>(\$17.238)</b>	<b>(\$19.076)</b>
<b>Baseline 2010 November Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$303.139)</b>	<b>(\$338.954)</b>	<b>(\$346.004)</b>	<b>(\$355.645)</b>	<b>(\$374.327)</b>

**MTA HEADQUARTERS**  
**November Financial Plan 2011-2014**  
**2010 Budget Reduction Proposals - Cash Basis**  
(\$ in millions)

	Favorable/(Unfavorable)									
	Pos.	2010	Pos.	2011	Pos.	2012	Pos.	2013	Pos.	2014
<u>Administration</u>										
Cyclical Project Review - Offset	-	(\$2.000)	-	\$0.000	-	\$0.000	-	0.000	-	0.000
Cyclical Project Review - Project Deferral & Elimination/Rapid Proc.	-	15.460	-	0.234	-	0.234	-	0.234	-	0.234
Health & Welfare - Lower Rates <sup>1</sup>	-	1.186	-	0.000	-	0.000	-	0.000	-	0.000
Reduce Real Estate Operating Costs	-	1.291	-	1.307	-	1.334	-	1.362	-	1.386
IT and Communications Expenses	-	0.847	-	0.373	-	0.381	-	0.389	-	0.396
Miscellaneous Reductions	-	0.720	-	0.253	-	0.258	-	0.264	-	0.268
Outside Financial and Audit Services	-	1.098	-	0.911	-	0.930	-	0.950	-	0.966
IESS Maintenance <sup>1</sup>	-	1.068	-	0.000	-	0.000	-	0.000	-	0.000
Lobbying, Marketing and Advertising <sup>1</sup>	-	1.580	-	0.100	-	0.102	-	0.104	-	0.106
<i>Subtotal Administration</i>	-	21.250	-	3.178	-	3.239	-	3.303	-	3.356
<u>Customer Convenience/Amenities</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Customer Convenience/Amenities</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Maintenance</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Maintenance</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Revenue Enhancement</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Revenue Enhancement</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Safety</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Safety</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Security</u>										
MTA Police OTPS		0.500		0.507		0.518		0.529		0.538
MTA Police Overtime	-	0.813	-	0.846	-	0.874	-	0.916	-	0.958
<i>Subtotal Security</i>	-	1.313	-	1.353	-	1.392	-	1.445	-	1.496
<u>Service</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Service</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Service Support</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Service Support</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Other</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Other</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<b>Agency Submission</b>	-	<b>\$22.563</b>	-	<b>\$4.531</b>	-	<b>\$4.631</b>	-	<b>\$4.748</b>	-	<b>\$4.852</b>

<sup>1</sup> These proposals are non-recurring.

**MTA HEADQUARTERS**  
**November Financial Plan 2011-2014**  
**2010 Budget Reduction Plan Worksheet**  
(\$ in millions)

**Category by Function:** Administration

**Program:** Cyclical Project Review - Offset

**Background Details:**

<b>Program Description/ Implementation Plan:</b>	These expenses are for costs associated with the Cyclical Project Review.		
<b>Program Implementation Date:</b>	3/19/2010	<b>When will savings begin?:</b>	3/19/2010
		<b>Are these savings recurring?:</b>	No
<b>Other Issues:</b>			

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	(\$2.000)	\$0.000	\$0.000	\$0.000	\$0.000
<i>Total Reduction in Positions Required:</i>	0	0	0	0	0
<i>(List Title of Positions)</i>					

*Impact on Operations:*  
Ridership Per Week (in thousands)  
Mean Distance Between Failure  
On-Time Performance  
  
Other  
(Identify Appropriate Indicator)

*List of Other Concerns:*

**MTA HEADQUARTERS**  
**November Financial Plan 2011-2014**  
**2010 Budget Reduction Plan Worksheet**  
(\$ in millions)

**Category by Function:** Administration

**Program:** Cyclical Project Review - Project Deferral & Elimination/Rapid Procurement

<b>Background Details:</b>	Elimination and deferral of operating capital projects totaling \$15.460 million, identified by cyclical project review and savings from rapid procurement review comprise the largest portion of the Budget Reduction Program.
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<b>Program Description/ Implementation Plan:</b>	
<b>Program Implementation Date:</b>	3/19/2010 <b>When will savings begin?:</b> 3/19/2010
	<b>Are these savings recurring?:</b> Yes
<b>Other Issues:</b>	

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$15.460	\$0.234	\$0.234	\$0.234	\$0.234
<i>Total Reduction in Positions Required</i>	0	0	0	0	0
<i>(List Title of Positions)</i>					

*Impact on Operations:*  
Ridership Per Week (in thousands)  
Mean Distance Between Failure  
On-Time Performance  
  
Other  
(Identify Appropriate Indicator)

*List of Other Concerns:*

**MTA HEADQUARTERS**  
**November Financial Plan 2011-2014**  
**2010 Budget Reduction Plan Worksheet**  
(\$ in millions)

**Category by Function:** Administration

**Program:** Health & Welfare - Lower Rates

<b>Background Details:</b>	To reduce Health & Welfare due to change in Fringe Rates
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**Program Description/  
Implementation Plan:**

**Program Implementation Date:** 3/19/2010      **When will savings begin?:** 3/19/2010

**Are these savings recurring?:** No

**Other Issues:**

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$1.186	\$0.000	\$0.000	\$0.000	\$0.000

<i>Total Reduction in Positions Required:</i>	0	0	0	0	0
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*(List Title of Positions)*

*Impact on Operations:*

Ridership Per Week (in thousands)

Mean Distance Between Failure

On-Time Performance

Other

(Identify Appropriate Indicator)

*List of Other Concerns:*

**MTA HEADQUARTERS**  
**November Financial Plan 2011-2014**  
**2010 Budget Reduction Plan Worksheet**  
(\$ in millions)

**Category by Function:** Administration

**Program:** Reduce Real Estate Operating Costs

<b>Background Details:</b>	MTA Outside Legal Services reduction due to Real Estate using MTA Legal Department. Reduction in Professional Services due to numerous Agency Projects being held or reduced. Purchase of Office Furniture, Computer Equip - Software/Hardware, and Office Supplies for the MTA Real Estate Department reduced due to budget cuts.
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<b>Program Description/Implementation Plan:</b>	Reduce Real Estate Operating Costs		
<b>Program Implementation Date:</b>	3/19/2010	<b>When will savings begin?:</b>	3/19/2010
		<b>Are these savings recurring?:</b>	Yes
<b>Other Issues:</b>			

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$1.291	\$1.307	\$1.334	\$1.362	\$1.386
<i>Total Reduction in Positions Required:</i>	0	0	0	0	0
<i>(List Title of Positions)</i>					

*Impact on Operations:*  
Ridership Per Week (in thousands)  
Mean Distance Between Failure  
On-Time Performance

Other  
(Identify Appropriate Indicator)

*List of Other Concerns:*

**MTA HEADQUARTERS**  
**November Financial Plan 2011-2014**  
**2010 Budget Reduction Plan Worksheet**  
(\$ in millions)

**Category by Function:** Administration

**Program:** IT and Communications Expenses

**Background Details:** Reducing Professional Services due to reduction in Disaster Recovery contract and E-Alert running well below budget. Software support reduction due to software being supported at the BSC. Lower communication expenses with reduced headcount.

**Program Description/Implementation Plan:** Reduce IT and Communications Expenses

**Program Implementation Date:** 3/19/2010      **When will savings begin?:** 3/19/2010

**Are these savings recurring?:** Yes

**Other Issues:**

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.847	\$0.373	\$0.381	\$0.389	\$0.396
<i>Total Reduction in Positions Required:</i>	0	0	0	0	0
<i>(List Title of Positions)</i>					
<i>Impact on Operations:</i>					
Ridership Per Week (in thousands)					
Mean Distance Between Failure					
On-Time Performance					
Other					
(Identify Appropriate Indicator)					
<i>List of Other Concerns:</i>					

**MTA HEADQUARTERS**  
**November Financial Plan 2011-2014**  
**2010 Budget Reduction Plan Worksheet**  
(\$ in millions)

**Category by Function:**

**Administration**

**Program:**

**Miscellaneous Reductions**

**Background Details:**

Lower maintenance and repairs and reduced supplies needed due to headcount reductions. Professional Service reduction due to Hay contract being paid out of Corp Acct. Reduced Public Hearing expenses.

**Program Description/  
Implementation Plan:**

Reduce Miscellaneous expenses.

**Program Implementation Date:**

**3/19/2010**

**When will savings begin?:**

**3/19/2010**

**Are these savings recurring?:**

**Yes**

**Other Issues:**

Favorable/(Unfavorable)

*Financial Impact (Operating):*

Net Cash Savings (in millions)

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b>\$0.720</b>	<b>\$0.253</b>	<b>\$0.258</b>	<b>\$0.264</b>	<b>\$0.268</b>

*Total Reduction in Positions Required:*

0	0	0	0	0
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*(List Title of Positions)*

*Impact on Operations:*

Ridership Per Week (in thousands)

Mean Distance Between Failure

On-Time Performance

Other

(Identify Appropriate Indicator)

*List of Other Concerns:*

**MTA HEADQUARTERS**  
**November Financial Plan 2011-2014**  
**2010 Budget Reduction Plan Worksheet**  
(\$ in millions)

**Category by Function:** Administration

**Program:** Outside Financial and Audit Services

<b>Background Details:</b>	Reduce the use of outside consultant services and limit the use of Winston staff for "on board train observations".
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<b>Program Description/ Implementation Plan:</b>	Reduce Outside Financial and Audit Services		
<b>Program Implementation Date:</b>	3/19/2010	<b>When will savings begin?:</b>	3/19/2010
		<b>Are these savings recurring?:</b>	Yes
<b>Other Issues:</b>			

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	<b>\$1.098</b>	<b>\$0.911</b>	<b>\$0.930</b>	<b>\$0.950</b>	<b>\$0.966</b>
<i>Total Reduction in Positions Required:</i>	0	0	0	0	0
<i>(List Title of Positions)</i>					

*Impact on Operations:*

Ridership Per Week (in thousands)

Mean Distance Between Failure

On-Time Performance

Other

(Identify Appropriate Indicator)

*List of Other Concerns:*

**MTA HEADQUARTERS**  
**November Financial Plan 2011-2014**  
**2010 Budget Reduction Plan Worksheet**  
(\$ in millions)

**Category by Function:** Administration

**Program:** IESS Maintenance

**Background Details:** IESS All Agency Maintenance and Repairs Reductions due to delayed opening.

**Program Description/Implementation Plan:** Reduce IESS Maintenance expenses.

**Program Implementation Date:** 3/19/2010      **When will savings begin?:** 3/19/2010

**Are these savings recurring?:** No

**Other Issues:**

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$1.068	\$0.000	\$0.000	\$0.000	\$0.000
<i>Total Reduction in Positions Required:</i>	0	0	0	0	0
<i>(List Title of Positions)</i>					

*Impact on Operations:*  
Ridership Per Week (in thousands)  
Mean Distance Between Failure  
On-Time Performance  
  
Other  
(Identify Appropriate Indicator)

*List of Other Concerns:*

**MTA HEADQUARTERS**  
**November Financial Plan 2011-2014**  
**2010 Budget Reduction Plan Worksheet**  
(\$ in millions)

**Category by Function:** Administration

**Program:** Lobbying, Marketing and Advertising

<b>Background Details:</b>	Reduce Professional Services for Marketing, Lobbying and Corporate wide activities and expenses.
----------------------------	--

<b>Program Description/Implementation Plan:</b>	Reduce Lobbying, Marketing and Advertising expenses.		
<b>Program Implementation Date:</b>	3/19/2010	<b>When will savings begin?:</b>	3/19/2010
		<b>Are these savings recurring?:</b>	Yes
<b>Other Issues:</b>			

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$1.580	\$0.100	\$0.102	\$0.104	\$0.106
<i>Total Reduction in Positions Required:</i>	0	0	0	0	0
<i>(List Title of Positions)</i>					

*Impact on Operations:*  
Ridership Per Week (in thousands)  
Mean Distance Between Failure  
On-Time Performance  
  
Other  
(Identify Appropriate Indicator)

*List of Other Concerns:*

**MTA HEADQUARTERS**  
**November Financial Plan 2011-2014**  
**2010 Budget Reduction Plan Worksheet**  
(\$ in millions)

**Category by Function:** Security

**Program:** MTA Police OTPS

**Background Details:** To re-evaluate MTA Police Cleaning Costs, Maint and Repairs, Purchase of Office Furniture, Supplies and Computer Software and Equipment. This PEG will also reduce Membership Dues, Meeting expenses, Seminars and Professional Training.

**Program Description/ Implementation Plan:** MTA Police OTPS

**Program Implementation Date:** 3/19/2010      **When will savings begin?:** 3/19/2010

**Are these savings recurring?:** Yes

**Other Issues:**

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.500	\$0.507	\$0.518	\$0.529	\$0.538

*Total Reduction in Positions Required:* 0      0      0      0      0

*(List Title of Positions)*

*Impact on Operations:*

Ridership Per Week (in thousands)  
Mean Distance Between Failure  
On-Time Performance

Other  
(Identify Appropriate Indicator)

*List of Other Concerns:*

**MTA HEADQUARTERS**  
**November Financial Plan 2011-2014**  
**2010 Budget Reduction Plan Worksheet**  
(\$ in millions)

**Category by Function:** Security

**Program:** MTA Police Overtime

**Background Details:** The Police Department has been able to reduce overtime expenses by means of evaluating and redeploying. The Department will continue to evaluate the service being supplied to agencies, customers, employees and property of the MTA .

**Program Description/Implementation Plan:** Reduce MTA Police Overtime

**Program Implementation Date:** 3/19/2010      **When will savings begin?:** 3/19/2010

**Are these savings recurring?:** Yes

**Other Issues:**

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.813	\$0.846	\$0.874	\$0.916	\$0.958
<i>Total Reduction in Positions Required:</i>	0	0	0	0	0
<i>(List Title of Positions)</i>					

*Impact on Operations:*  
Ridership Per Week (in thousands)  
Mean Distance Between Failure  
On-Time Performance

Other  
(Identify Appropriate Indicator)

*List of Other Concerns:*

**MTA HEADQUARTERS  
2011 Final Proposed Budget  
November Financial Plan 2011-2014  
Positions**

**Position Assumptions**

Headcount of 1,473 positions in 2010 represents a decrease of 1 position from the July Plan. The reduction is primarily due to the finalization of the Reduction in Force Program captured in the July Plan. The level of employees will increase to 1,723 positions in 2011 with the opening of the BSC. In 2012, headcount increases to 1,766 positions mainly as a result of BSC consolidation and the addition of 30 MTAPD officers to be hired under the federally funded COPS Hiring Recovery Program. Headcount decreases to 1,749 positions in 2013 primarily due to a continuous improvement program at the BSC. In 2014 headcount increases to 1,802 primarily due to the additions required by the MTA Police to staff and patrol East Side Access.

**MTA HEADQUARTERS**  
**November Financial Plan 2011 - 2014**  
**Total Positions by Function**  
**Non-Reimbursable/Reimbursable and Full-Time Positions/Full-Time Equivalents**

FUNCTION/DEPARTMENT	2009 Actual	2010 November Forecast	2011 Final Proposed Budget	2012	2013	2014
<b>Administration</b>						
Executive	3	6	6	6	6	6
Managing Director	0	122	122	122	122	122
Strategic Initiatives	0	9	9	9	9	9
Bus Customer Info	0	5	7	7	7	7
New Fare Systems	0	23	23	23	23	23
Administration	205	48	33	33	33	33
Audit	99	85	85	85	85	85
Chief Financial Officer	90	83	60	60	60	60
Corporate and Community Affairs	48	40	40	40	40	40
Policy and Media Relations	11	11	11	11	11	11
General Counsel	64	56	56	56	56	56
Office of Diversity	31	28	28	28	28	28
Chief of Staff/Senior Policy Advisor	29	19	19	19	19	19
Spec. Project Develop/Planning	9	8	8	8	8	8
Labor Relations	5	5	5	5	5	5
PCAC	4	4	4	4	4	4
Vending Fare Media	6	4	4	4	4	4
Corporate Account	1	3	0	0	0	0
<u>Business Service Center</u>	98	136	425	438	421	421
<b>Total Administration</b>	<b>703</b>	<b>695</b>	<b>945</b>	<b>958</b>	<b>941</b>	<b>941</b>
<b>Public Safety</b>	<b>770</b>	<b>778</b>	<b>778</b>	<b>808</b>	<b>808</b>	<b>861</b>
 <b>Baseline Total Positions</b>	 <b>1,473</b>	 <b>1,473</b>	 <b>1,723</b>	 <b>1,766</b>	 <b>1,749</b>	 <b>1,802</b>
 <i>Non-Reimbursable</i>	 1,428	 1,425	 1,675	 1,718	 1,701	 1,754
<i>Reimbursable</i>	45	48	48	48	48	48
 <i>Full-Time</i>	 1,473	 1,473	 1,723	 1,766	 1,749	 1,802
<i>Full-Time Equivalents</i>	-	-	-	-	-	-

**MTA HEADQUARTERS**  
**November Financial Plan 2011 - 2014**  
**Total Positions by Function and Occupation**

FUNCTION/OCCUPATIONAL GROUP		2009 Actual	2010 November Forecast	2011 Final Proposed	2012	2013	2014
<b>Administration</b>							
	Managers/Supervisors	434	414	436	436	436	436
	Professional, Technical, Clerical	269	281	509	522	505	505
	Operational Hourlies						
	<b>Total Administration</b>	703	695	945	958	941	941
<b>Operations</b>							
	Managers/Supervisors						
	Professional, Technical, Clerical						
	Operational Hourlies						
	<b>Total Operations</b>	-	-	-	-	-	-
<b>Maintenance</b>							
	Managers/Supervisors						
	Professional, Technical, Clerical						
	Operational Hourlies						
	<b>Total Maintenance</b>	-	-	-	-	-	-
<b>Engineering/Capital</b>							
	Managers/Supervisors						
	Professional, Technical, Clerical						
	Operational Hourlies						
	<b>Total Engineering/Capital</b>	-	-	-	-	-	-
<b>Public Safety</b>							
	Managers/Supervisors	35	36	36	36	36	37
	Professional, Technical, Clerical	68	74	74	74	74	75
	Operational Hourlies (Uniformed)	667	668	668	698	698	749
	<b>Total Public Safety</b>	770	778	778	808	808	861
<b>Total Positions</b>							
	Managers/Supervisors	469	450	472	472	472	473
	Professional, Technical, Clerical	337	355	583	596	579	580
	Operational Hourlies	667	668	668	698	698	749
	<b>Total Baseline Positions</b>	1,473	1,473	1,723	1,766	1,749	1,802

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**MTA INSPECTOR GENERAL  
2011 Final Proposed Budget  
November Financial Plan 2011-2014**

**MAJOR HIGHLIGHTS**

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

**FINANCIAL OVERVIEW**

The budget for the Office of the Inspector General for the years 2011-2014 reflect expense reductions consistent with the guidelines and assumptions used by MTA Headquarters.

**2010 November Forecast**

In the 2010 November Forecast, a total of \$13.0 million is projected in baseline expenses. The November Forecast includes \$0.8 million in new needs from monies approved in 2008, of which \$0.3 million will be expended in 2010 and the remaining \$0.5 million will be rolled over into 2011. The funding is for on-going legal fees and outside engineering and construction experts retained for a joint investigation with the Manhattan District Attorney and the Port Authority Inspector General's office. The costs of these outside experts are being shared by the three agencies and will continue into 2011. Funding for other joint cases with our investigative and prosecutorial partners within both local and federal jurisdictions has been budgeted.

The Office of Inspector General will realize over \$0.7 million savings in personal services, which is in excess of the OIG's share of the 4.5% or \$0.6 million Budget Reduction Program. Additional savings will be realized from reductions in employee expenses; office furniture and equipment; auto fuel and repairs; office supplies; and, maintenance and repair costs.

**2011 Final Proposed Budget – Baseline**

In the 2011 Final Proposed Budget, a total of \$13.5 million is projected in baseline expenses due to the roll-over of \$0.5 million for legal matters and investigations that will continue into 2011. The budget also reflects recurring savings from Programs to Eliminate the Gap (PEG) and Additional Actions for Budget Balance (AABB) reductions that began in 2009.

## **2012-2014 Projections**

The budget for the Office of Inspector General for the years 2012-2014 maintains the base funding from the previous year and provides inflationary growth according to the guidelines and assumptions used by MTA Headquarters.

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**INSPECTOR GENERAL**  
**November Financial Plan 2011 - 2014**  
**Cash Conversion (Cash Flow Adjustments)**  
(\$ in millions)

<b>CASH FLOW ADJUSTMENTS</b>						
	<b>2009</b>	<b>2010</b>	<b>2011</b>			
	<b>Actual</b>	<b>November</b>	<b>Final Proposed</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
		<b>Forecast</b>	<b>Budget</b>			
<b>Receipts</b>						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-
Capital and Other Reimbursements	(0.048)	0.007	(0.202)	0.394	(0.030)	(0.034)
<b>Total Receipts</b>	<b>(\$0.048)</b>	<b>\$0.007</b>	<b>(\$0.202)</b>	<b>\$0.394</b>	<b>(\$0.030)</b>	<b>(\$0.034)</b>
<b>Expenditures</b>						
<b><u>Labor:</u></b>						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-
OPEB Current Payment	-	-	-	-	-	-
Pensions	-	-	-	-	-	-
Other Fringe Benefits	-	-	-	-	-	-
Reimbursable Overhead	-	-	-	-	-	-
<b>Total Labor Expenditures</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	-	-	-	-	-	-
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	-	-	-	-	-	-
Professional Service Contracts	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-
Other Business Expenditures	-	-	-	-	-	-
<b>Total Non-Labor Expenditures</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b><u>Other Expenditures Adjustments:</u></b>						
Other - Operating Capital	(\$0.140)	(\$0.186)	\$0.000	(\$0.600)	(\$0.180)	(\$0.180)
<b>Total Other Expenditures Adjustments</b>	<b>(\$0.140)</b>	<b>(\$0.186)</b>	<b>\$0.000</b>	<b>(\$0.600)</b>	<b>(\$0.180)</b>	<b>(\$0.180)</b>
<b>Total Cash Conversion Adjustments before Depreciation</b>	<b>(\$0.188)</b>	<b>(\$0.179)</b>	<b>(\$0.202)</b>	<b>(\$0.206)</b>	<b>(\$0.210)</b>	<b>(\$0.214)</b>
Depreciation	0.188	0.179	0.202	0.206	0.210	0.214
<b>Total Cash Conversion Adjustments</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>

**MTA INSPECTOR GENERAL**  
**November Financial Plan 2011 - 2014**  
**Year-to-Year Changes by Category - Accrual Basis**  
**(\$ in millions)**

**REIMBURSABLE**

	Favorable/(Unfavorable)								
	2010	2011	Change 2011 - 2010	2012	Change 2012 - 2011	2013	Change 2013 - 2012	2014	Change 2014 - 2013
<b><u>Revenue</u></b>									
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-	-	-	-
Capital and Other Reimbursements	\$12.966	\$13.520	\$0.554	\$13.359	(\$0.161)	\$13.729	\$0.370	\$14.090	\$0.361
<b>Total Revenue</b>	<b>\$12.966</b>	<b>\$13.520</b>	<b>\$0.554</b>	<b>\$13.359</b>	<b>(\$0.161)</b>	<b>\$13.729</b>	<b>\$0.370</b>	<b>\$14.090</b>	<b>\$0.361</b>
<b><u>Expenses</u></b>									
<b>Labor:</b>									
Payroll	\$7.343	\$7.409	(0.066)	\$7.572	(0.163)	\$7.721	(0.149)	\$7.869	(0.148)
Overtime	-	-	-	-	-	-	-	-	-
Health and Welfare	0.854	1.004	(0.150)	1.089	(0.085)	1.181	(0.092)	1.278	(0.097)
OPEB Current Payment	-	-	-	-	-	-	-	-	-
Pensions	0.702	0.744	(0.042)	0.774	(0.030)	0.805	(0.031)	0.835	(0.030)
Other Fringe Benefits	0.583	0.582	0.001	0.605	(0.023)	0.630	(0.025)	0.653	(0.023)
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
<b>Total Labor Expenses</b>	<b>\$9.482</b>	<b>\$9.739</b>	<b>(\$0.257)</b>	<b>\$10.040</b>	<b>(\$0.301)</b>	<b>\$10.337</b>	<b>(\$0.297)</b>	<b>\$10.635</b>	<b>(\$0.298)</b>
<b>Non-Labor:</b>									
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-	-	-	-
Insurance	0.015	0.017	(0.002)	0.018	(0.001)	0.020	(0.002)	0.022	(0.002)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other									
Operating Contracts	0.244	0.246	(0.002)	0.250	(0.004)	0.255	(0.005)	0.259	(0.004)
Professional Service Contracts	0.282	0.532	(0.250)	0.007	0.525	0.007	0.000	0.008	(0.001)
Materials & Supplies	0.110	0.110	0.000	0.112	(0.002)	0.116	(0.004)	0.118	(0.002)
MTA Internal Subsidy	-	-	-	-	-	-	-	-	-
Other Business Expenses	2.654	2.674	(0.020)	2.726	(0.052)	2.784	(0.058)	2.834	(0.050)
<b>Total Non-Labor Expenses</b>	<b>\$3.305</b>	<b>\$3.579</b>	<b>(\$0.274)</b>	<b>\$3.113</b>	<b>\$0.466</b>	<b>\$3.182</b>	<b>(\$0.069)</b>	<b>\$3.241</b>	<b>(\$0.059)</b>
<b>Other Expenses Adjustments:</b>									
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$12.787</b>	<b>\$13.318</b>	<b>(\$0.531)</b>	<b>\$13.153</b>	<b>\$0.165</b>	<b>\$13.519</b>	<b>(\$0.366)</b>	<b>\$13.876</b>	<b>(\$0.357)</b>
Depreciation	0.179	0.202	(0.023)	0.206	(0.004)	0.210	(0.004)	0.214	(0.004)
<b>Total Expenses</b>	<b>\$12.966</b>	<b>\$13.520</b>	<b>(\$0.554)</b>	<b>\$13.359</b>	<b>\$0.161</b>	<b>\$13.729</b>	<b>(\$0.370)</b>	<b>\$14.090</b>	<b>(\$0.361)</b>
<b>Baseline Surplus/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>

**MTA INSPECTOR GENERAL**  
**November Financial Plan 2011 - 2014**  
**Year-to-Year Changes by Category - Cash Basis**  
**(\$ in millions)**

**CASH RECEIPTS & EXPENDITURES**

	Favorable/(Unfavorable)								
	2010	2011	Change 2011 - 2010	2012	Change 2012 - 2011	2013	Change 2013 - 2012	2014	Change 2014 - 2013
<b><u>Receipts</u></b>									
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-	-	-	-
Capital and Other Reimbursements	12.973	13.318	0.345	13.753	0.435	13.699	(0.054)	14.056	0.357
<b>Total Receipts</b>	<b>\$12.973</b>	<b>\$13.318</b>	<b>\$0.345</b>	<b>\$13.753</b>	<b>\$0.435</b>	<b>\$13.699</b>	<b>(\$0.054)</b>	<b>\$14.056</b>	<b>\$0.357</b>
<b><u>Expenditures</u></b>									
Labor:									
Payroll	\$7.343	\$7.409	(0.066)	\$7.572	(0.163)	\$7.721	(0.149)	\$7.869	(0.148)
Overtime	-	-	-	-	-	-	-	-	-
Health and Welfare	0.854	1.004	(0.150)	1.089	(0.085)	1.181	(0.092)	1.278	(0.097)
OPEB Current Payment	-	-	0.000	-	0.000	-	0.000	-	0.000
Pensions	0.702	0.744	(0.042)	0.774	(0.030)	0.805	(0.031)	0.835	(0.030)
Other Fringe Benefits	0.583	0.582	0.001	0.605	(0.023)	0.630	(0.025)	0.653	(0.023)
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
<b>Total Labor Expenditures</b>	<b>\$9.482</b>	<b>\$9.739</b>	<b>(\$0.257)</b>	<b>\$10.040</b>	<b>(\$0.301)</b>	<b>\$10.337</b>	<b>(\$0.297)</b>	<b>\$10.635</b>	<b>(\$0.298)</b>
Non-Labor:									
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-	-	-	-
Insurance	0.015	0.017	(0.002)	0.018	(0.001)	0.020	(0.002)	0.022	(0.002)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other									
Operating Contracts	0.244	0.246	(0.002)	0.250	(0.004)	0.255	(0.005)	0.259	(0.004)
Professional Service Contracts	0.282	0.532	(0.250)	0.007	0.525	0.007	0.000	0.008	(0.001)
Materials & Supplies	0.110	0.110	0.000	0.112	(0.002)	0.116	(0.004)	0.118	(0.002)
MTA Internal Subsidy	-	-	-	-	-	-	-	-	-
Other Business Expenses	2.654	2.674	(0.020)	2.726	(0.052)	2.784	(0.058)	2.834	(0.050)
<b>Total Non-Labor Expenditures</b>	<b>\$3.305</b>	<b>\$3.579</b>	<b>(\$0.274)</b>	<b>\$3.113</b>	<b>\$0.466</b>	<b>\$3.182</b>	<b>(\$0.069)</b>	<b>\$3.241</b>	<b>(\$0.059)</b>
Other Expenditure Adjustments:									
Other	0.186	0.000	0.186	0.600	(0.600)	0.180	0.420	0.180	0.000
<b>Total Other Expenditure Adjustments</b>	<b>\$0.186</b>	<b>\$0.000</b>	<b>\$0.186</b>	<b>\$0.600</b>	<b>(\$0.600)</b>	<b>\$0.180</b>	<b>\$0.420</b>	<b>\$0.180</b>	<b>\$0.000</b>
<b>Total Expenditures</b>	<b>\$12.973</b>	<b>\$13.318</b>	<b>(\$0.345)</b>	<b>\$13.753</b>	<b>(\$0.435)</b>	<b>\$13.699</b>	<b>\$0.054</b>	<b>\$14.056</b>	<b>(\$0.357)</b>
<b>Baseline Cash Deficit</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>0.000</b>	<b>\$0.000</b>	<b>0.000</b>	<b>\$0.000</b>	<b>0.000</b>	<b>\$0.000</b>	<b>0.000</b>

**INSPECTOR GENERAL**  
**November Financial Plan 2011 - 2014**  
**Summary of Changes Between Financial Plans by Category**  
**(\$ in millions)**

**REIMBURSABLE**

	2010	2011	2012	2013	2014
<b>2010 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Baseline:</b>					
<b>Changes</b>					
<b>Revenue:</b>					
Capital and Other Reimbursements	\$ (0.525)	\$ 0.507	\$ (0.036)	\$ (0.035)	\$ (0.045)
<b>Sub-Total Revenue Changes</b>	<b>\$ (0.525)</b>	<b>\$ 0.507</b>	<b>\$ (0.036)</b>	<b>\$ (0.035)</b>	<b>\$ (0.045)</b>
<b>Expenses:</b>					
Payroll	-	-	-	-	-
Overtime	-	-	-	-	-
Health and Welfare	-	0.001	0.002	0.001	0.001
OPEB Current Payment	-	-	-	-	-
Pensions	-	0.006	0.009	0.010	0.010
Other Fringe Benefits	-	0.005	0.008	0.008	0.008
Reimbursable Overhead	-	-	-	-	-
Insurance	-	-	-	-	-
Claims	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other					
Operating Contracts	-	-	0.002	0.002	0.003
Professional Service Contracts	0.525	(0.525)	-	0.001	-
Materials & Supplies	-	0.002	0.002	-	-
Other Business Expenses	-	0.004	0.013	0.013	0.022
Depreciation	-	-	-	-	-
<b>Sub-Total Expense Changes</b>	<b>\$ 0.525</b>	<b>\$ (0.507)</b>	<b>\$ 0.036</b>	<b>\$ 0.035</b>	<b>\$ 0.045</b>
<b>Cash Adjustments:</b>					
Revenue					
Expense					
<b>Sub-Total Cash Adjustment Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Baseline Changes</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>
Programmatic New Needs					
<b>Total Changes</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>
<b>2010 November Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>

**INSPECTOR GENERAL**  
**November Financial Plan 2011 - 2014**  
**Total Positions by Function**  
**Non-Reimbursable/Reimbursable and Full-Time Positions/Full Time Equivalents**

<b>FUNCTION/DEPARTMENT</b>	<b>2009 Actual</b>	<b>2010 November Forecast</b>	<b>2011 Final Proposed Budget</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Administration</b>						
Office of the Inspector General	81	86	86	86	86	86
<b>Total Administration</b>	<b>81</b>	<b>86</b>	<b>86</b>	<b>86</b>	<b>86</b>	<b>86</b>
 <b>Baseline Total Positions</b>	 <b>81</b>	 <b>86</b>	 <b>86</b>	 <b>86</b>	 <b>86</b>	 <b>86</b>
 <b>Non-Reimbursable</b>	 0	 0	 0	 0	 0	 0
<b>Reimbursable</b>	81	86	86	86	86	86
<b>Total</b>	<b>81</b>	<b>86</b>	<b>86</b>	<b>86</b>	<b>86</b>	<b>86</b>
 <b>Total Full-Time</b>	 81	 86	 86	 86	 86	 86
<b>Total Full-Time Equivalents</b>	0	0	0	0	0	0

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**First Mutual Transportation Assurance Co.  
(FMTAC)**

**MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY**  
**2011 Final Proposed Budget**  
**November Financial Plan 2011 - 2014**

**MAJOR HIGHLIGHTS**

The mission of the First Mutual Transportation Assurance Company (FMTAC) is to engage in the business of acting as a pure captive insurance company under Section 7005, Article 70 of the Insurance Law and Section 1266 subdivision 5 of the Public Authorities Law of the State of New York. FMTAC's mission is to continue, develop, and improve the insurance and risk management needs as required by the MTA. FMTAC was established to maximize the flexibility and effectiveness of the MTA's insurance program.

**FINANCIAL OVERVIEW**

FMTAC utilizes dedicated resources to address the challenges related to insurance and risk management for the MTA. It is the goal of FMTAC to maximize the efficiency and flexibility of the insurance programs while minimizing costs to the MTA and its subsidiaries. FMTAC continues to draw from the expertise and support services available in other MTA agencies and outside service providers to support risk management. This is reflected in the current budget proposal.

For all years, on a cash basis, FMTAC generates a net cash deficit of zero, which is the true cash impact of FMTAC on MTA cash balances. FMTAC cash reserves are separate and distinct from MTA and are necessary to maintain the appropriate capital and reserve levels pursuant to the State of New York Insurance guidelines.

Insurance premiums from the Agencies (revenue) are recorded as credits to the Insurance expense line. Overall premiums are increasing 10% annually, except for the Paratransit policy, which is increasing 20% annually due to assumptions associated with new carriers.

Additional expenses consist primarily of Claims and Other Business Expenses.

**MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY**  
**2011 Final Proposed Budget**  
**November Financial Plan 2011-2014**

**2010 November Forecast**

In the 2010 November Forecast, a total of \$63.7 million is projected in the Baseline Surplus compared to the \$69.6 million Baseline Surplus in the 2010 Mid-Year Forecast. This consists of a decrease of \$5.3 million in revenues as well as an increase in expenses of approximately \$0.6 million. The unfavorable outcome is primarily due to lower Investment Income than projected in the 2010 Mid-Year Forecast due to a negative shift in the market value of the invested asset portfolio. Claims are based on actuarial analysis of claim activity on an estimated basis. Revenue and Other Business Expenses are based on trends reflected in actual results through August 2010.

**2011 Final Proposed Budget**

In the 2011 Final Proposed Budget, a total of \$67.7 million is projected in the Baseline Surplus compared to the \$74.0 million Baseline Surplus in the July Plan. This consists of a decrease of \$5.6 million in revenues as well as an increase in expenses of approximately \$0.6 million. The unfavorable outcome is primarily due to lower Investment Income than projected in the 2010 Mid Year Forecast. Claims are based on actuarial analysis of claim activity on an estimated basis.

**2012 – 2014 Projections**

2012 – 2014 Projections are representative of 2010 projections with market increases. Investment Income and Other Operating Revenue are estimated to increase over 2010 projections at a rate equal to CPI. Premiums for Paratransit are increasing 20% each year. Claims are based on an actuarial analysis of projected claims activities and adjustments, whether favorable or unfavorable in required reserves. Other Business Expenses are estimated to increase over 2010 at a rate of 2% each year.

**MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY**  
**November Financial Plan 2011-2014**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

<b>NON-REIMBURSABLE</b>						
	<b>2009</b>	<b>2010</b>	<b>2011</b>			
	<b>Actual</b>	<b>November Forecast</b>	<b>Final Proposed Budget</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Operating Revenue</b>						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	11.198	31.562	31.796	32.365	33.028	33.603
Investment Income	26.345	22.262	22.427	22.828	23.296	23.702
Capital and Other Reimbursements	-	-	-	-	-	-
<b>Total Revenue</b>	<b>\$37.543</b>	<b>\$53.824</b>	<b>\$54.222</b>	<b>\$55.193</b>	<b>\$56.324</b>	<b>\$57.304</b>
<b>Operating Expenses</b>						
<b><u>Labor:</u></b>						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-
Pensions	-	-	-	-	-	-
Other Fringe Benefits	-	-	-	-	-	-
Reimbursable Overhead	-	-	-	-	-	-
<b>Total Labor Expenses</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	(75.469)	(73.893)	(84.961)	(98.412)	(113.702)	(131.711)
Claims	79.457	55.953	63.238	71.128	76.400	82.479
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	-	-	-	-	-	-
Professional Service Contracts	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-
Other Business Expenses	9.545	8.091	8.253	8.418	8.586	8.758
<b>Total Non-Labor Expenses</b>	<b>\$13.533</b>	<b>(\$9.849)</b>	<b>(\$13.470)</b>	<b>(\$18.866)</b>	<b>(\$28.716)</b>	<b>(\$40.474)</b>
<b><u>Other Expenses Adjustments:</u></b>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$13.533</b>	<b>(\$9.849)</b>	<b>(\$13.470)</b>	<b>(\$18.866)</b>	<b>(\$28.716)</b>	<b>(\$40.474)</b>
Depreciation	-	-	-	-	-	-
<b>Total Expenses</b>	<b>\$13.533</b>	<b>(\$9.849)</b>	<b>(\$13.470)</b>	<b>(\$18.866)</b>	<b>(\$28.716)</b>	<b>(\$40.474)</b>
<b>Baseline Surplus/(Deficit)</b>	<b>\$24.010</b>	<b>\$63.673</b>	<b>\$67.692</b>	<b>\$74.059</b>	<b>\$85.040</b>	<b>\$97.778</b>

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**MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY**  
**November Financial Plan 2011-2014**  
**Cash Conversion (Cash Flow Adjustments)**  
(\$ in millions)

**CASH FLOW ADJUSTMENTS**

	2009 <u>Actual</u>	2010 <u>November Forecast</u>	2011 <u>Final Proposed Budget</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b>Receipts</b>						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Investment Income	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	-	-	-	-	-	-
<b>Total Receipts</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Expenditures</b>						
<b><u>Labor:</u></b>						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-
Pensions	-	-	-	-	-	-
Other Fringe Benefits	-	-	-	-	-	-
Reimbursable Overhead	-	-	-	-	-	-
<b>Total Labor Expenditures</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b><u>Non-Labor:</u></b>						
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	6.437	7.275	8.735	9.382	10.129
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	-	-	-	-	-	-
Professional Service Contracts	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-
Other Business Expenditures	-	-	-	-	-	-
<b>Total Non-Labor Expenditures</b>	<b>\$0.000</b>	<b>\$6.437</b>	<b>\$7.275</b>	<b>\$8.735</b>	<b>\$9.382</b>	<b>\$10.129</b>
<b><u>Other Expenditures Adjustments:</u></b>						
Other	(\$24.010)	(\$70.110)	(\$74.967)	(\$82.794)	(\$94.422)	(\$107.907)
<b>Total Other Expenditures Adjustments</b>	<b>(\$24.010)</b>	<b>(\$70.110)</b>	<b>(\$74.967)</b>	<b>(\$82.794)</b>	<b>(\$94.422)</b>	<b>(\$107.907)</b>
<b>Total Cash Conversion Adjustments before Depreciation</b>	<b>(\$24.010)</b>	<b>(\$63.673)</b>	<b>(\$67.692)</b>	<b>(\$74.059)</b>	<b>(\$85.040)</b>	<b>(\$97.778)</b>
Depreciation Adjustment	-	-	-	-	-	-
<b>Total Cash Conversion Adjustments</b>	<b>(\$24.010)</b>	<b>(\$63.673)</b>	<b>(\$67.692)</b>	<b>(\$74.059)</b>	<b>(\$85.040)</b>	<b>(\$97.778)</b>

**MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY**  
**November Financial Plan 2011-2014**  
**Year-to-Year Changes by Category - Baseline**

**Revenue**

**Investment Income**

- Investment income is derived through FMTAC based on the investments held with Dwight Asset Management.
- Investment income is projected based on the All Urban Consumer CPI inflation rates as provided in the Global Insight Economic and Demographic Forecasts dated August 25, 2010.

**Expenses**

**Insurance**

- Insurance (premiums paid to FMTAC) is from the 2010 Mid-Year Forecast of the MTA Summary & Detailed Agency Insurance Cash Budgets and are based on increases in the market as well as increases in the claims expense and reserve adjustments.
- Insurance (premiums) is estimated to increase approximately 10% each year for 2011 – 2014, except for the Paratransit policy, which is projected to grow by 20% annually due to anticipated increases in size of the service fleet and claims.

**Claims**

- Claims expenses are determined by actuarial projection for 2011 – 2014 actual claim expense paid and adjustments to reserves.

**Other Business Expenses**

- Other Business Expenses increase 2% for 2011 – 2014 and are representative of general increases for professional services provided and expenses not directly related to claims.

**MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY**  
**November Financial Plan 2011-2014**  
**Year-to-Year Changes by Category - Accrual Basis**  
(\$ in millions)

**NON-REIMBURSABLE**

	Favorable/(Unfavorable)								
	2010	2011	Change 2011 - 2010	2012	Change 2012 - 2011	2013	Change 2013 - 2012	2014	Change 2014 - 2013
<b>Revenue</b>									
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	0.000	-	0.000	-	0.000	-	0.000
Other Operating Revenue	31.562	31.796	0.234	32.365	0.569	33.028	0.663	33.603	0.575
Investment Income	22.262	22.427	0.165	22.828	0.401	23.296	0.468	23.702	0.405
Capital and Other Reimbursement									
<b>Total Revenue</b>	<b>\$53.824</b>	<b>\$54.222</b>	<b>\$0.398</b>	<b>\$55.193</b>	<b>\$0.971</b>	<b>\$56.324</b>	<b>\$1.131</b>	<b>\$57.304</b>	<b>\$0.980</b>
<b>Expenses</b>									
Labor:									
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	-	-	0.000	-	0.000	-	0.000	-	0.000
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
<b>Total Labor Expenses</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
Non-Labor:									
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	0.000	-	0.000	-	0.000	-	0.000
Insurance	(73.893)	(84.961)	11.068	(98.412)	13.451	(113.702)	15.290	(131.711)	18.009
Claims	55.953	63.238	(7.285)	71.128	(7.890)	76.400	(5.272)	82.479	(6.079)
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	8.091	8.253	(0.162)	8.418	(0.165)	8.586	(0.168)	8.758	(0.172)
<b>Total Non-Labor Expenses</b>	<b>(\$9.849)</b>	<b>(\$13.470)</b>	<b>\$3.621</b>	<b>(\$18.866)</b>	<b>\$5.396</b>	<b>(\$28.716)</b>	<b>\$9.850</b>	<b>(\$40.474)</b>	<b>\$11.758</b>
Other Expenses Adjustments:									
Other	-	-	0.000	-	0.000	-	0.000	-	0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>(\$9.849)</b>	<b>(\$13.470)</b>	<b>\$3.621</b>	<b>(\$18.866)</b>	<b>\$5.396</b>	<b>(\$28.716)</b>	<b>\$9.850</b>	<b>(\$40.474)</b>	<b>\$11.758</b>
Depreciation	-	-	0.000	-	0.000	-	0.000	-	0.000
<b>Total Expenses</b>	<b>(\$9.849)</b>	<b>(\$13.470)</b>	<b>\$3.621</b>	<b>(\$18.866)</b>	<b>\$5.396</b>	<b>(\$28.716)</b>	<b>\$9.850</b>	<b>(\$40.474)</b>	<b>\$11.758</b>
<b>Baseline Surplus/(Deficit)</b>	<b>\$63.673</b>	<b>\$67.692</b>	<b>\$4.019</b>	<b>\$74.059</b>	<b>\$6.367</b>	<b>\$85.040</b>	<b>\$10.981</b>	<b>\$97.778</b>	<b>\$12.738</b>

## CASH RECEIPTS & EXPENDITURES

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**MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY**  
**November Financial Plan 2011-2014**  
**Summary of Major Plan-to-Plan Changes**

**2010 – 2014 November Financial Plan vs July Financial Plan**

**Revenue**

Revenue changes from the July Plan over the 2010 – 2014 periods include:

- A decreased baseline estimate based on trends reflected in actual results through August 2010.

**Expenses**

Expense changes from the July Plan over the 2010 – 2014 periods include:

- No change in Insurance (premium revenue), projected from the 2010 Mid-Year Forecast of the MTA Summary & Detailed Agency Insurance Cash Budgets.
- No change to claim expense, projected from actuarial projections used in the Mid-Year Forecast.
- Other Business Expense increased due to updated estimates based on actual results through August 2010. The inflation rate for Other Business Expense is expected to increase 2% per year.

**MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY**  
**November Financial Plan 2011-2014**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

<b>NON-REIMBURSABLE</b>					
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Baseline 2010 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
Farebox Revenue					
Vehicle Toll Revenue					
Other Operating Revenue	(0.265)	(0.413)	(0.530)	(0.554)	(0.564)
Investment Income	(5.059)	(5.222)	(5.410)	(5.532)	(5.628)
Capital and Other Reimbursement					
<b>Total Revenue Changes</b>	<b>(\$5.324)</b>	<b>(\$5.635)</b>	<b>(\$5.940)</b>	<b>(\$6.086)</b>	<b>(\$6.192)</b>
<b>Expenses</b>					
<b>Labor:</b>					
Payroll					
Health and Welfare					
OPEB Current Payment					
Pensions					
Other Fringe Benefits					
Reimbursable Overhead					
<b>Total Labor Expense Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Non-Labor:</b>					
Traction and Propulsion Power					
Fuel for Buses and Trains					
Insurance	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Claims	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Paratransit Service Contracts					
Maintenance and Other Operating Contracts					
Materials & Supplies					
Other Business Expenses	(.633)	(.646)	(.659)	(.672)	(.685)
<b>Total Non-Labor Expense Changes</b>	<b>(\$.633)</b>	<b>(\$.646)</b>	<b>(\$.659)</b>	<b>(\$.672)</b>	<b>(\$.685)</b>
<b>Total Expenses before Depreciation and GASB Adjs.</b>					
Depreciation					
OPEB Obligation					
Environmental Remediation					
<b>Total Expense Changes</b>	<b>(\$.633)</b>	<b>(\$.646)</b>	<b>(\$.659)</b>	<b>(\$.672)</b>	<b>(\$.685)</b>
<b>Cash Adjustment Changes</b>					
<b>Revenue:</b>					
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000
<b>Expenses:</b>					
Claims	0.000	0.000	0.000	0.000	0.000
Other Business Expenses					
<b>Total Expense Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
Restricted Cash Adjustment	5.957	6.281	6.598	6.758	6.877
<b>Total Cash Adjustment Changes</b>	<b>\$5.957</b>	<b>\$6.281</b>	<b>\$6.598</b>	<b>\$6.758</b>	<b>\$6.877</b>
<b>Total Baseline Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>(\$0.000)</b>
<b>Baseline 2010 November Financial Plan - Operating Cash Income/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>(\$0.000)</b>

**MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY**  
**November Financial Plan 2011-2014**  
**Summary of Major Programmatic Changes Between Financial Plans**  
(\$ in millions)

**NON-REIMBURSABLE and REIMBURSABLE**

	2010	2011	2012	2013	2014
<b>Baseline 2010 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<i><b>Non-Reimbursable Major Changes</b></i>					
<b>Revenue</b>	<b>(\$5.324)</b>	<b>(\$5.635)</b>	<b>(\$5.940)</b>	<b>(\$6.086)</b>	<b>(\$6.192)</b>
<b>Sub-Total Non-Reimbursable Revenue Changes</b>	<b>(\$5.324)</b>	<b>(\$5.635)</b>	<b>(\$5.940)</b>	<b>(\$6.086)</b>	<b>(\$6.192)</b>
<b>Expenses</b>	<b>(\$0.633)</b>	<b>(\$0.646)</b>	<b>(\$0.659)</b>	<b>(\$0.672)</b>	<b>(\$0.685)</b>
<b>Sub-Total Non-Reimbursable Expense Changes</b>	<b>(\$0.633)</b>	<b>(\$0.646)</b>	<b>(\$0.659)</b>	<b>(\$0.672)</b>	<b>(\$0.685)</b>
<i><b>Total Non-Reimbursable Major Changes</b></i>	<i><b>(\$5.957)</b></i>	<i><b>(\$6.281)</b></i>	<i><b>(\$6.598)</b></i>	<i><b>(\$6.758)</b></i>	<i><b>(\$6.877)</b></i>
<i><b>Reimbursable Major Changes</b></i>					
<b>Revenue</b>					
<b>Sub-Total Reimbursable Revenue Changes</b>					
<b>Expenses</b>					
<b>Sub-Total Reimbursable Expense Changes</b>					
<i><b>Total Reimbursable Major Changes</b></i>	<i><b>\$0.000</b></i>	<i><b>\$0.000</b></i>	<i><b>\$0.000</b></i>	<i><b>\$0.000</b></i>	<i><b>\$0.000</b></i>
<b>Total Accrual Changes</b>	<b>(\$5.957)</b>	<b>(\$6.281)</b>	<b>(\$6.598)</b>	<b>(\$6.758)</b>	<b>(\$6.877)</b>
<b>Cash Adjustment Changes</b>	<b>\$5.957</b>	<b>\$6.281</b>	<b>\$6.598</b>	<b>\$6.758</b>	<b>\$6.877</b>
<b>Total Cash Adjustment Changes</b>	<b>\$5.957</b>	<b>\$6.281</b>	<b>\$6.598</b>	<b>\$6.758</b>	<b>\$6.877</b>
<i><b>Total Baseline Changes</b></i>	<i><b>\$0.000</b></i>	<i><b>\$0.000</b></i>	<i><b>(\$0.000)</b></i>	<i><b>\$0.000</b></i>	<i><b>(\$0.000)</b></i>
<b>Baseline 2010 November Financial Plan - Operating Cash Income/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>(\$0.000)</b>

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**New York City Transit**

**MTA NEW YORK CITY TRANSIT**  
**2011 Final Proposed Budget**  
**November Financial Plan 2011 – 2014**

## **MAJOR HIGHLIGHTS**

### **MTA NYC Transit service consists of:**

- A subway system operating 6,374 subway cars on 24 routes over 231 route miles and 659 miles of mainline track, serving 466 active stations located in four of New York City's (City) boroughs;
- A bus system of 4,355 buses operating on 191 local and 24 express routes in all five boroughs and 2 SBS (Select Bus Service) routes;
- Access-a-Ride, a paratransit service that operates throughout the City under private contractors to serve persons whose disabilities preclude their use of bus and subway services.

## **FINANCIAL OVERVIEW**

### **Budget Reduction Initiatives**

In response to the regional recession, which has resulted in lower MTA subsidies, this Plan incorporates significant budget reduction initiatives that result in projected 2011 savings of \$356.7 million and 2,149 position reductions. These initiatives include the following:

- An extensive **Budget Reduction Program (BRP)**, based on an agency-wide comprehensive analysis of operational costs and functions, resulting in a projected savings of \$107.5 million in 2011 with 677 position reductions.
- **Additional Actions for Budget Balance (AABB)**, representing primarily bus/subway service and station agent reductions that were implemented mostly in mid 2010, are projected to save \$91.6 million in 2011 with 1,017 position reductions.
- **Administrative cost reductions**, based on an agency-wide extensive analysis of operating and support staff administrative costs and functions, are projected to save \$52.3 million in 2011 with 487 position reductions.
- **Planned reductions in paratransit service costs** in 2011 of \$80.0 million.
- **Additional agency-wide overtime expense reductions**, based primarily on expanded management controls, resulting in a projected savings of \$25.3 million in 2011 with an increase of 32 positions.

Major BRP initiatives are summarized as follows (2011 savings, position reductions):

- **Extend Subways Scheduled Maintenance (SMS) Cycle/Other Economies (\$20.9 million, 146 positions)** – Extension of cycle from 6 to 6 1/2 years will reduce an average of 80 cars enrolled in the program annually.
- **Paratransit Rate Reduction (\$19.7 million)** – Negotiated vendor rate reductions.
- **Car Cleaning Reductions (\$8.6 million, 116 positions)** – reductions based on a scale-down of car cleaning at all terminal locations.
- **Subway OTPS Reductions (\$4.8 million)** – Reduction of glass/Mylar material replacements on subway car windows, reduced elevator and escalator SMS material inventory, less janitorial and building services at some buildings and limited new furniture purchases.
- **Subway Car Quality Control Streamlining (\$4.6 million, 17 positions)** – Consolidation of two glass/Mylar maintenance programs into one resulting in the position reductions effective 2010.
- **Close Amsterdam Depot (\$4.1 million, 46 positions)** – Closing of the Amsterdam Depot is planned for July 2011 with buses then reallocated to three other depots.
- **Track Cleaning Reductions (\$3.9 million, 46 positions)** – A reduction in the number of track cleaned and scraped each year reduces the number of cleaning gangs required.
- **Paratransit No-Show Policy (\$3.9 million)** – Savings based on tightening of management controls.
- **Terminal Supervision Economies (\$3.4 million, 35 positions)** – Position reductions will result from elimination of duplicative work at crew reporting centers eliminating terminal supervision at locations no longer supporting train service due to AABB service reductions.
- **Eliminate Bio-Diesel Fuel (\$3.4 million)** – This elimination is based on the rescission of Section II of Executive Order #142 which mandated bio-diesel fuel for use as transportation fuel.
- **Bus Maintenance Economies (\$3.1 million, 34 positions)** – Elimination of restoration work on the Museum Fleet and a reduction in costs of wheelchair lift maintenance.
- **Revenue Control Efficiencies (\$2.6 million, 29 positions)** – The basis for these position reductions are a change in booth collections at certain locations

from weekly to biweekly, an upgrade of High Production Encoding Machines (HPEM) which increases encoding speed, reducing cashier positions, elimination of the HPEM operations night shift, and reduced collections from the closing of 29 full-time booths.

- **Grouting Program Reduction (\$2.2 million, 24 positions)** – The pace of water intrusion remediation by injecting grout into subway tunnel walls and ceilings is being scaled back, resulting in a reduction of required grouting gangs.
- **Bus Shifting Efficiencies (\$2.1 million, 22 positions)** – Based on an analysis of bus shifting operations through all depots, it was determined that these bus operator positions could be eliminated, resulting in more efficient operations.
- **Electronics Maintenance Economies (\$1.8 million, 20 positions)** – Position savings due to improved component testing, consolidation of maintenance & repair functions, extension of maintenance cycles and a reduction in quality control inspections and reduced equipment maintenance requirements due to station booth closings.
- **Reduce Meredith Avenue to Annex (\$1.8 million, 19 positions)** – The elimination of both management and hourly maintenance positions are due to the conversion of the Meredith Avenue depot to an annex facility.
- **Subway Employee Facility Enhancement Program Reduction (\$1.6 million, 14 positions)** -- This Program staffing is scheduled for a 25% reduction effective January 2011.
- **Dedicated Announcers Reductions (\$1.5 million, 19 positions)** – The position reduction represents a scale-down of dedicated announcers who provide customer service information from key locations (usually towers), which are connected via public address systems to subway stations.
- **Bus Shop Plan Reductions (\$1.4 million, 17 positions)** – Elimination of heavy scheduled operations on 1999 New Flyer CNG buses effective January 2011.
- **Facilities-Security Post Reductions (\$1.3 million, 16 positions)** – Staff efficiencies resulting from reductions in security posts at various transit locations.
- **Bus OTPS Reductions (\$1.0 million)** – Savings in water and sewer expenses based on lower usage and lower bus filter cleaning contract prices.

**Major AABB initiatives are summarized as follows (2011 savings, position reductions):**

- **Bus Service Reductions (\$54.1 million, 550 positions)** -- Bus service reductions were implemented in 2010 and included the discontinuance of 20 local and 12 express bus routes, the discontinuance of weekend service on 12 local and 2 express bus routes, rerouting bus service where possible to partially

replace discontinued routes and a change in the hours of operation of 39 local bus routes.

- **Reduce Station Staffing (\$19.8 million, 318 positions)** – Layoffs of Station Agents and Customer Assistants were implemented in 2010.
- **Subway Service Reductions (\$17.7 million, 149 positions)** -- Subway service reductions implemented in June 2010 included the rerouting of the M Line to replace the V Line between Broadway-Lafayette and Forest Hills, extension of the Q Line to Astoria, operation of the N Line local north of Canal Street to replace the W Line, full-time termination of the G Line at Court Square, and changes to weekend levels of service on multiple lines. In December 2010, changes to weekday off-peak levels of service on five lines, as well as additional weekend reductions to four lines are planned.

## **2010 November Forecast**

MTA NYC Transit's 2010 November Forecast includes total expenses before depreciation and other post-employment benefits of \$7,070.7 million, consisting of \$6,107.9 million of non-reimbursable expenses and \$962.8 million of reimbursable expenses. Total revenues are projected to be \$4,542.7 million, of which \$3,579.9 million are operating revenues and \$962.8 million are capital reimbursements. Total baseline full-time and full-time equivalent positions are 45,700 (40,330 non-reimbursable positions and 5,370 reimbursable positions).

The 2010 net cash deficit is projected to decrease by \$38.5 million from the 2010 Mid-Year Forecast.

Major favorable operating cash changes include:

- Operational savings of \$34.1 million including \$16.6 million from the timing of several rollovers to subsequent years, overtime savings of \$10.8 million from stronger management controls, and \$9.8 million due to a cancelled station painting program which will now be reinstated beginning 2011.
- A deferral to 2011 of \$29.0 million of estimated retroactive wage/FICA payments based on the assumed timing of labor contract settlements.
- Updated inflation assumptions for electric power, bus fuel and health & welfare rates resulting in an expense reduction of \$22.6 million.

Major unfavorable operating cash changes include:

- A projected increase in other fringe benefit expenditures of \$14.3 million due primarily to a high backlog of Workers' Compensation payments.
- A projected underrun in farebox revenue of \$15.7 million due mostly to a projected decline in bus ridership.

- The timing of capital reimbursements of \$23.6 million to subsequent years.

Reimbursable expenses are projected to increase in 2010 by \$15.4 million due mostly to departmental re-estimates of capital project requirements. This increase is offset by a corresponding reimbursement increase.

Non-cash other post-employment benefit expenses were revised downward by \$219.3 million based on updated 2010 actuarial information which assumed lower health & welfare rates.

Total baseline positions are projected to increase by 66, due mostly to the addition of 54 positions in support of SBS (Select Bus Service).

### **2011 Final Proposed Budget**

MTA New York City Transit's 2011 Final Proposed Budget includes total expenses before depreciation and other post-employment benefits of \$7,264.1 million, consisting of \$6,309.3 million of non-reimbursable expenses and \$954.8 million of reimbursable expenses. Total revenues are projected to be \$4,607.5 million, of which \$3,652.7 million are operating revenues and \$954.8 million are capital reimbursements. Total baseline full-time and full-time equivalent positions are 45,543, including 40,502 non-reimbursable positions and 5,041 reimbursable positions.

The 2011 net cash deficit is projected to increase by \$37.9 million from the July Financial Plan. Major unfavorable operating cash variances include:

- A deferral from 2010 of \$29.0 million of estimated retroactive wage/FICA payments based on the assumed timing of labor contract settlements.
- A projected underrun in farebox revenue of \$27.1 million due mostly to a projected decline in bus ridership.
- Increased operational net expenses of \$8.4 million, including \$9.8 million for the reinstatement of the Station Painting Program and \$9.0 million from the timing of several rollovers from 2010, partially offset by overtime savings of \$9.8 million from stronger management controls.

Major favorable operating cash changes include:

- A health & welfare projected savings of \$15.0 million based on NYCT's acceptance in a Federal ERRP Program that will subsidize NYCT for certain retiree medical benefits.
- The projected timing of capital reimbursements of \$17.1 million from 2010.

Non-cash other post-employment benefit expenses were revised downward by \$226.1 million based on updated 2010 actuarial information which assumed lower health & welfare rates.

Reimbursable expenses are projected to increase in 2011 by \$30.8 million due mostly to departmental re-estimates of several capital project requirements, including \$9.9 million for the Phase II Tunnel Lighting Culver Line project and \$6.7 million for the Replace Battery Cable project. This increase is offset by a corresponding reimbursement increase.

Total baseline positions are projected to increase by 140, due mostly to the addition of 58 positions in support of SBS (Select Bus Service) and availability/labor adjustments resulting in an additional 97 positions.

### **2012-2014 Projections**

Net cash deficits are projected to increase by \$26.1 million in 2012, \$36.7 million in 2013 and \$49.4 million in 2014 relative to the July Financial Plan. Major unfavorable operating cash changes include:

- Underruns in farebox revenue of \$34.0 million in 2012, \$36.8 million in 2013 and \$40.0 million in 2014 due mostly to a projected decline in bus ridership.
- \$13.3 million of expenses in 2014 are required to support the 7 West Extension.

Major favorable operating cash changes include:

- Health & welfare projected savings of \$6.0 million in 2012 based on NYCT's acceptance in a Federal ERRP Program that will subsidize NYCT for certain retiree medical benefits.
- Health & welfare projected savings of \$8.4 million in 2012, \$9.1 million in 2013 and \$10.0 million in 2014 to be achieved from a dependent eligibility verification process.

Non-cash other post-employment benefit expenses were revised downward by \$261.7 million in 2012, \$296.5 million in 2013 and \$328.4 million in 2014 based on updated 2010 actuarial information which assumed lower health & welfare rates.

Reimbursable expenses are projected to increase by \$10.7 million in 2012 and \$0.8 million in 2013 and 2014 due mostly to departmental re-estimates of capital project requirements. These increases are offset by corresponding reimbursement increases.

Total baseline positions are projected to increase by 60 in 2012, 54 in 2013 and 166 in 2014, due mostly to 58 positions each year in support of SBS (Select Bus Service), availability adjustments resulting in an additional 70 positions each year, and 117 positions required in 2014 to support the 7 West Extension, partly offset by reimbursable position reductions of 63 in 2012, 72 in 2013 and 78 in 2014.

**MTA NEW YORK CITY TRANSIT**  
**November Financial Plan 2011 - 2014**  
**Accrual Statement of Operations by Category**  
**(\$ in millions)**

<b>NON-REIMBURSABLE</b>						
	<b>2009 Actual</b>	<b>2010 November Forecast</b>	<b>2011 Final Proposed Budget</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Operating Revenue</b>						
<u>Farebox Revenue:</u>						
Subway	\$2,245.620	\$2,390.586	\$2,436.269	\$2,490.062	\$2,523.786	\$2,555.213
Bus	821.111	844.105	851.886	870.711	882.376	893.229
Paratransit	13.942	16.096	17.588	20.399	23.631	27.348
Fare Media Liability	52.087	51.764	52.092	52.221	52.221	52.221
<b>Farebox Revenue</b>	<b>\$3,132.760</b>	<b>\$3,302.551</b>	<b>\$3,357.835</b>	<b>\$3,433.393</b>	<b>\$3,482.014</b>	<b>\$3,528.011</b>
Vehicle Toll Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue:						
Fare Reimbursement	65.078	84.016	84.016	84.016	84.016	84.016
Paratransit Reimbursement	71.127	86.289	105.164	126.800	149.870	176.545
Other	115.839	107.038	105.688	108.949	112.850	116.883
<b>Other Operating Revenue</b>	<b>\$252.044</b>	<b>\$277.343</b>	<b>\$294.868</b>	<b>\$319.765</b>	<b>\$346.736</b>	<b>\$377.444</b>
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Revenue</b>	<b>\$3,384.804</b>	<b>\$3,579.894</b>	<b>\$3,652.703</b>	<b>\$3,753.158</b>	<b>\$3,828.750</b>	<b>\$3,905.455</b>
<b>Expenses</b>						
<b>Labor:</b>						
Payroll	\$2,804.650	\$2,826.069	\$2,869.103	\$2,936.035	\$2,991.267	\$3,058.467
Overtime	247.284	223.345	223.726	223.541	227.466	231.698
Total Salaries & Wages	3,051.934	3,049.414	3,092.829	3,159.576	3,218.733	3,290.165
Health and Welfare	474.569	505.882	552.690	597.239	649.964	709.747
OPEB Current Payment	248.806	267.196	287.164	326.062	364.306	399.781
Pensions	756.617	746.053	769.527	807.328	849.539	927.217
Other Fringe Benefits	281.037	267.729	248.303	255.643	263.075	269.467
Total Fringe Benefits	1,761.029	1,786.860	1,857.684	1,986.272	2,126.884	2,306.212
Reimbursable Overhead	(213.011)	(225.082)	(212.814)	(204.289)	(200.283)	(203.603)
<b>Total Labor Expenses</b>	<b>\$4,599.952</b>	<b>\$4,611.192</b>	<b>\$4,737.699</b>	<b>\$4,941.559</b>	<b>\$5,145.334</b>	<b>\$5,392.774</b>
<b>Non-Labor:</b>						
Traction and Propulsion Power	\$176.878	\$187.211	\$199.046	\$215.490	\$233.343	\$253.143
Fuel for Buses and Trains	118.921	125.254	125.607	134.814	142.436	150.937
Insurance	53.869	57.981	64.062	76.515	93.130	113.516
Claims	114.105	82.970	78.083	78.083	78.083	78.083
Paratransit Service Contracts	370.094	381.363	382.486	460.388	551.296	657.887
Maintenance and Other Operating Contracts	212.724	211.682	250.471	257.932	266.015	273.974
Professional Service Contracts	99.298	101.013	104.693	105.838	108.392	108.820
Materials & Supplies	299.213	286.836	302.480	309.302	328.426	342.477
Other Business Expenses	53.972	62.368	64.712	67.139	69.487	71.422
<b>Total Non-Labor Expenses</b>	<b>\$1,499.074</b>	<b>\$1,496.678</b>	<b>\$1,571.640</b>	<b>\$1,705.501</b>	<b>\$1,870.608</b>	<b>\$2,050.259</b>
<b>Other Expense Adjustments:</b>						
Other	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before</b>						
<b>Depreciation and GASB Adjustments</b>	<b>\$6,099.026</b>	<b>\$6,107.870</b>	<b>\$6,309.339</b>	<b>\$6,647.060</b>	<b>\$7,015.942</b>	<b>\$7,443.033</b>
Depreciation	1,231.057	1,325.000	1,400.000	1,475.000	1,550.000	1,625.000
OPEB Obligation	828.291	879.604	918.747	929.883	943.779	962.640
Environmental Remediation	(1.531)	0.000	0.000	0.000	0.000	0.000
<b>Total Expenses</b>	<b>\$8,156.843</b>	<b>\$8,312.474</b>	<b>\$8,628.086</b>	<b>\$9,051.943</b>	<b>\$9,509.721</b>	<b>\$10,030.673</b>
<b>Net Surplus/(Deficit)</b>	<b>(\$4,772.039)</b>	<b>(\$4,732.580)</b>	<b>(\$4,975.383)</b>	<b>(\$5,298.785)</b>	<b>(\$5,680.971)</b>	<b>(\$6,125.218)</b>

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**MTA NEW YORK CITY TRANSIT**  
**November Financial Plan 2011 - 2014**  
**Accrual Statement of Operations by Category**  
**(\$ in millions)**

<b>NON-REIMBURSABLE/REIMBURSABLE</b>						
	<b>2009 Actual</b>	<b>2010 November Forecast</b>	<b>2011 Final Proposed Budget</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Revenue</b>						
<u>Farebox Revenue:</u>						
Subway	\$2,245.620	\$2,390.586	\$2,436.269	\$2,490.062	\$2,523.786	\$2,555.213
Bus	821.111	844.105	851.886	870.711	882.376	893.229
Paratransit	13.942	16.096	17.588	20.399	23.631	27.348
Fare Media Liability	52.087	51.764	52.092	52.221	52.221	52.221
<b>Farebox Revenue</b>	<b>\$3,132.760</b>	<b>\$3,302.551</b>	<b>\$3,357.835</b>	<b>\$3,433.393</b>	<b>\$3,482.014</b>	<b>\$3,528.011</b>
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
<u>Other Operating Revenue:</u>						
Fare Reimbursement	65.078	84.016	84.016	84.016	84.016	84.016
Paratransit Reimbursement	71.127	86.289	105.164	126.800	149.870	176.545
Other	115.839	107.038	105.688	108.949	112.850	116.883
<b>Other Operating Revenue</b>	<b>252.044</b>	<b>277.343</b>	<b>294.868</b>	<b>319.765</b>	<b>346.736</b>	<b>377.444</b>
Capital and Other Reimbursements	938.377	962.818	954.781	941.656	932.236	949.219
<b>Total Revenue</b>	<b>\$4,323.181</b>	<b>\$4,542.712</b>	<b>\$4,607.484</b>	<b>\$4,694.814</b>	<b>\$4,760.986</b>	<b>\$4,854.674</b>
<b>Expenses</b>						
<u>Labor:</u>						
Payroll	\$3,187.593	\$3,216.917	\$3,278.104	\$3,342.150	\$3,394.700	\$3,468.650
Overtime	330.474	311.640	294.588	294.756	299.086	304.627
Total Salaries & Wages	3,518.067	3,528.557	3,572.692	3,636.906	3,693.786	3,773.277
Health and Welfare	495.375	528.533	577.430	623.711	678.240	739.953
OPEB Current Payment	248.806	267.196	287.164	326.062	364.306	399.781
Pensions	775.221	763.953	788.675	827.201	870.353	950.504
Other Fringe Benefits	385.438	380.095	364.446	369.429	374.768	382.360
Total Fringe Benefits	1,904.840	1,939.777	2,017.715	2,146.403	2,287.667	2,472.598
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenses</b>	<b>\$5,422.907</b>	<b>\$5,468.334</b>	<b>\$5,590.407</b>	<b>\$5,783.309</b>	<b>\$5,981.453</b>	<b>\$6,245.875</b>
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$176.946	\$187.211	\$199.046	\$215.490	\$233.343	\$253.143
Fuel for Buses and Trains	118.951	125.356	125.607	134.814	142.436	150.937
Insurance	53.869	57.981	64.062	76.515	93.130	113.516
Claims	116.414	82.970	78.083	78.083	78.083	78.083
Paratransit Service Contracts	370.094	381.363	382.486	460.388	551.296	657.887
Maintenance and Other Operating Contracts	244.803	243.777	285.064	292.331	300.414	308.373
Professional Service Contracts	115.970	116.918	119.251	120.027	122.657	123.085
Materials & Supplies	362.479	344.152	354.840	360.079	375.338	389.389
Other Business Expenses	54.970	62.626	65.274	67.680	70.028	71.964
<b>Total Non-Labor Expenses</b>	<b>\$1,614.496</b>	<b>\$1,602.354</b>	<b>\$1,673.713</b>	<b>\$1,805.407</b>	<b>\$1,966.725</b>	<b>\$2,146.377</b>
<u>Other Expense Adjustments:</u>						
Other	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation and GASB Adjustments</b>	<b>\$7,037.403</b>	<b>\$7,070.688</b>	<b>\$7,264.120</b>	<b>\$7,588.716</b>	<b>\$7,948.178</b>	<b>\$8,392.252</b>
Depreciation	1,231.057	1,325.000	1,400.000	1,475.000	1,550.000	1,625.000
OPEB Obligation	828.291	879.604	918.747	929.883	943.779	962.640
Environmental Remediation	(1.531)	0.000	0.000	0.000	0.000	0.000
<b>Total Expenses</b>	<b>\$9,095.220</b>	<b>\$9,275.292</b>	<b>\$9,582.867</b>	<b>\$9,993.599</b>	<b>\$10,441.957</b>	<b>\$10,979.892</b>
<b>Net Surplus/(Deficit)</b>	<b>(\$4,772.039)</b>	<b>(\$4,732.580)</b>	<b>(\$4,975.383)</b>	<b>(\$5,298.785)</b>	<b>(\$5,680.971)</b>	<b>(\$6,125.218)</b>

**MTA NEW YORK CITY TRANSIT**  
**November Financial Plan 2011 - 2014**  
**Cash Receipts & Expenditures**

<b>CASH RECEIPTS AND EXPENDITURES</b>						
	<b>2009</b>	<b>2010</b>	<b>2011</b>			
	<b>Actual</b>	<b>November Forecast</b>	<b>Final Proposed Budget</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Receipts</b>						
Farebox Revenue	\$3,149,100	\$3,306,779	\$3,362,065	\$3,431.924	\$3,491.945	\$3,532.242
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
<u>Other Operating Revenue:</u>						
Fare Reimbursement	65.100	84.016	84.016	84.016	84.016	84.016
Paratransit Reimbursement	71.478	85.603	104.821	126.643	149.774	176.425
Other	116.422	115.759	106.188	109.949	113.850	117.883
<b>Other Operating Revenue</b>	<b>\$253.000</b>	<b>\$285.378</b>	<b>\$295.025</b>	<b>\$320.608</b>	<b>\$347.640</b>	<b>\$378.324</b>
Capital and Other Reimbursements	980.900	912.918	1,026.886	943.684	933.692	945.175
<b>Total Receipts</b>	<b>\$4,383.000</b>	<b>\$4,505.075</b>	<b>\$4,683.976</b>	<b>\$4,696.216</b>	<b>\$4,773.277</b>	<b>\$4,855.741</b>
<b>Expenditures</b>						
<u>Labor:</u>						
Payroll	\$3,124.573	\$3,220.036	\$3,275.895	\$3,307.126	\$3,368.580	\$3,441.823
Overtime	326.828	311.942	294.389	291.667	296.785	302.271
Total Salaries & Wages	3,451.401	3,531.978	3,570.284	3,598.793	3,665.365	3,744.094
Health and Welfare	483.540	512.917	582.679	618.991	673.119	734.396
OPEB Current Payment	256.860	267.196	287.164	326.062	364.306	399.781
Pensions	649.200	846.685	770.454	810.770	852.195	906.661
Other Fringe Benefits	316.700	341.663	338.958	337.017	344.539	353.171
Total Fringe Benefits	1,706.300	1,968.461	1,979.255	2,092.840	2,234.159	2,394.009
GASB Account	39.300	41.819	25.523	36.233	37.088	37.801
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenditures</b>	<b>\$5,197.001</b>	<b>\$5,542.258</b>	<b>\$5,575.062</b>	<b>\$5,727.866</b>	<b>\$5,936.612</b>	<b>\$6,175.904</b>
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$173.600	\$190.711	\$199.046	\$215.490	\$233.343	\$253.143
Fuel for Buses and Trains	116.200	125.356	125.607	134.814	142.436	150.937
Insurance	46.200	65.509	65.037	81.494	96.585	117.274
Claims	70.500	81.964	70.378	72.062	73.787	75.560
Paratransit Service Contracts	363.500	387.686	377.486	455.388	546.296	652.887
Maintenance and Other Operating Contracts	255.100	254.477	295.764	303.031	311.114	319.073
Professional Service Contracts	107.600	110.418	113.251	114.027	116.657	117.085
Materials & Supplies	360.500	335.226	352.840	362.079	377.338	391.389
Other Business Expenditures	50.999	62.626	65.274	67.680	70.028	71.964
<b>Total Non-Labor Expenditures</b>	<b>\$1,544.199</b>	<b>\$1,613.973</b>	<b>\$1,664.683</b>	<b>\$1,806.065</b>	<b>\$1,967.584</b>	<b>\$2,149.312</b>
<u>Other Expenditure Adjustments:</u>						
Other	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expenditure Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenditures</b>	<b>\$6,741.200</b>	<b>\$7,156.231</b>	<b>\$7,239.745</b>	<b>\$7,533.931</b>	<b>\$7,904.196</b>	<b>\$8,325.216</b>
<b>Net Cash Deficit</b>	<b>(\$2,358.200)</b>	<b>(\$2,651.156)</b>	<b>(\$2,555.769)</b>	<b>(\$2,837.715)</b>	<b>(\$3,130.919)</b>	<b>(\$3,469.475)</b>

**MTA NEW YORK CITY TRANSIT**  
**November Financial Plan 2011 - 2014**  
**Cash Conversion (Cash Flow Adjustments)**  
(\$ in millions)

	2009 Actual	2010 November Forecast	2011 Final Proposed Budget	2012	2013	2014
<b>Receipts</b>						
Fare Revenue	\$16.340	\$4.228	\$4.230	(\$1.469)	\$9.931	\$4.231
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
<u>Other Operating Revenue:</u>						
Fare Reimbursement	0.022	0.000	0.000	0.000	0.000	0.000
Paratransit Reimbursement	0.351	(0.686)	(0.343)	(0.157)	(0.096)	(0.120)
Other	0.583	8.721	0.500	1.000	1.000	1.000
<b>Other Operating Revenue</b>	<b>\$0.956</b>	<b>\$8.035</b>	<b>\$0.157</b>	<b>\$0.843</b>	<b>\$0.904</b>	<b>\$0.880</b>
Capital and Other Reimbursements	42.523	(49.900)	72.105	2.028	1.456	(4.044)
<b>Total Receipt Adjustments</b>	<b>\$59.819</b>	<b>(\$37.637)</b>	<b>\$76.492</b>	<b>\$1.402</b>	<b>\$12.291</b>	<b>\$1.067</b>
<b>Expenditures</b>						
<u>Labor:</u>						
Payroll	\$63.020	(\$3.119)	\$2.209	\$35.024	\$26.120	\$26.827
Overtime	3.646	(0.302)	0.199	3.089	2.301	2.356
Total Salaries & Wages	66.666	(3.421)	2.408	38.113	28.421	29.183
Health and Welfare	11.835	15.616	(5.249)	4.720	5.121	5.557
OPEB Current Payment	(8.054)	0.000	0.000	0.000	0.000	0.000
Pensions	126.021	(82.732)	18.221	16.431	18.158	43.843
Other Fringe Benefits	68.738	38.432	25.488	32.412	30.229	29.189
Total Fringe Benefits	198.540	(28.684)	38.460	53.563	53.508	78.589
GASB Account	(39.300)	(41.819)	(25.523)	(36.233)	(37.088)	(37.801)
Reimbursable Overhead						
<b>Total Labor Expenditures</b>	<b>\$225.906</b>	<b>(\$73.924)</b>	<b>\$15.345</b>	<b>\$55.443</b>	<b>\$44.841</b>	<b>\$69.971</b>
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$3.346	(\$3.500)	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	2.751	0.000	0.000	0.000	0.000	0.000
Insurance	7.669	(7.528)	(0.975)	(4.979)	(3.455)	(3.758)
Claims	45.914	1.006	7.705	6.021	4.296	2.523
Paratransit Service Contracts	6.594	(6.323)	5.000	5.000	5.000	5.000
Maintenance and Other Operating Contracts	(10.297)	(10.700)	(10.700)	(10.700)	(10.700)	(10.700)
Professional Service Contracts	8.370	6.500	6.000	6.000	6.000	6.000
Materials & Supplies	1.979	8.926	2.000	(2.000)	(2.000)	(2.000)
Other Business Expenditures	3.971	0.000	0.000	0.000	0.000	0.000
<b>Total Non-Labor Expenditures</b>	<b>\$70.297</b>	<b>(\$11.619)</b>	<b>\$9.030</b>	<b>(\$0.658)</b>	<b>(\$0.859)</b>	<b>(\$2.935)</b>
<u>Other Expenditure Adjustments:</u>						
Other	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expenditure Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenditure Adjustments</b>	<b>\$296.203</b>	<b>(\$85.543)</b>	<b>\$24.375</b>	<b>\$54.785</b>	<b>\$43.982</b>	<b>\$67.036</b>
<b>Total Cash Conversion Adjustments before Depreciation and GASB Adjustments</b>	<b>\$356.022</b>	<b>(\$123.180)</b>	<b>\$100.867</b>	<b>\$56.187</b>	<b>\$56.273</b>	<b>\$68.103</b>
Depreciation Adjustment	1,231.057	1,325.000	1,400.000	1,475.000	1,550.000	1,625.000
OPEB Obligation	828.291	879.604	918.747	929.883	943.779	962.640
Environmental Remediation	(1.531)	0.000	0.000	0.000	0.000	0.000
<b>Total Cash Conversion Adjustments</b>	<b>\$2,413.839</b>	<b>\$2,081.424</b>	<b>\$2,419.614</b>	<b>\$2,461.070</b>	<b>\$2,550.052</b>	<b>\$2,655.743</b>

**MTA NEW YORK CITY TRANSIT**  
**2011 Final Proposed Budget**  
**November Financial Plan 2011 – 2014**  
**Year-to-Year Changes by Category-Baseline**

**TOTAL REVENUE/RECEIPTS**

**Farebox Revenue**

- Subway/bus farebox revenue annual growth based largely on Global Insight projected NYC employment levels.
- Farebox cash receipts include adjustments for expired MetroCards and the timing of cash receipts from counting and depositing, which can cause some fluctuations in cash received from year to year.

**Other Operating Revenue**

- Paratransit reimbursements include contractually-capped annual increases in NYC reimbursements that serve to partially fund the annual growth in paratransit expenses and Urban Tax revenue generated from Commercial Real Estate Market transactions.
- Other revenues include annual increases mostly from advertising revenues based upon current contracts in place.
- 2010 cash receipts include \$8.2 million of favorable timing from 2009 regarding funds received from a letter of credit related to an advertising agency experiencing financial difficulties in 2009.

**Capital and Other Reimbursements**

- Annual reimbursement levels fluctuate year-to-year based upon reimbursable expense levels driven mostly by capital project requirements.
- Annual cash adjustments are included to recognize changes in the timing of receipts.
- 2010 includes \$5.9 million of unfavorable timing of receipts as these receipts were actually received in 2009.

**TOTAL EXPENSES/EXPENDITURES**

**Payroll**

- 2011-2014 projections include primarily CPI-based rate increases as follows: 2011=4.55% (projected average rate), 2012=2.20%, 2013=1.97% and 2014=1.91%.
- 2010 includes \$3.5 million of unfavorable cash timing adjustments from 2009.

**Overtime**

- 2011-2014 payroll wage rate increase assumptions apply.

**Health & Welfare**

- Inflation assumptions for 2011-2014: Annual employees - 2011=13.5% and 2012-2014=7.1% per year; hourly employees - 2011=range from 11.0% to 12.0% and 2012-2014=9.0% per year.
- 2010 includes \$1.7 million of favorable cash timing adjustments from 2009.

**Pension**

- Projections are consistent with current actuarial information

**Other Fringe Benefits**

- Projections are consistent with payroll rate increase assumptions.
- 2010 includes \$0.3 million of unfavorable cash timing adjustments from 2009.

**Traction and Propulsion Power**

- The financial plan reflects projected weighted average New York Power Authority/Con Edison energy rate increases as follows: 2011=8.2%, 2012=8.1%, 2013=8.2% and 2014=8.2%.
- 2010 includes \$3.5 million of unfavorable cash timing adjustments from 2009.

**Fuel for Buses and Trains**

- Diesel fuel inflation assumptions are as follows: 2011=3.2%, 2012=5.1%, 2013=3.8% and 2014=3.1%.

**Insurance**

- Inflation assumptions were provided by the MTA.
- 2010 includes \$8.7 million of unfavorable cash timing adjustments from 2009.

**Paratransit Service Contracts**

- The primary driver of expense increases is projected annual ridership growth of 15%.
- Cost-per-trip inflation projections reflect carrier contracts, which provide for annual rate increases based on CPI.
- 2010 includes a \$0.4 million unfavorable cash timing adjustment from 2009.

**Maintenance and Other Operating Contracts**

- 2011-2014 inflation assumptions are based upon Global Insight's estimates as follows: 2011=1.32%, 2012=1.87%, 2013=2.04% and 2014=2.11%.
- Facility power inflation assumptions are based on projected weighted average New York Power Authority/Con Edison energy rate increases as follows: 2011=8.2%, 2012=8.1%, 2013=8.2% and 2014=8.2%.
- 2010 includes a \$1.6 million unfavorable cash timing adjustment from 2009.

**Professional Service Contracts**

- 2011-2014 inflation assumptions are based upon Global Insight's estimates as follows: 2011=1.32%, 2012=1.87%, 2013=2.04% and 2014=2.11%.
- 2010 includes a \$2.1 million unfavorable cash timing adjustment from 2009.

**Materials and Supplies**

- 2011-2014 inflation assumptions are based upon Global Insight's estimates as follows: 2011=1.43%, 2012=1.36%, 2013=1.67% and 2014=1.95%.
- 2010 includes a \$1.9 million unfavorable cash timing adjustment from 2009.
- Non-reimbursable expense levels fluctuate year-to-year, primarily due to the timing of subway and bus fleet maintenance program requirements.

**Other Business Expenses**

- 2011-2014 inflation assumptions are based upon Global Insight's estimates as follows: 2011=1.32%, 2012=1.87%, 2013=2.04% and 2014=2.11%.

**Depreciation (non-cash)**

- Annual expense increases are due to projections of additional capital assets reaching beneficial use. Examples of these assets include subway station rehabilitations, track & switches, new subway cars and buses.

MTA New York City Transit  
November Financial Plan 2011 - 2014  
Year-to-Year Changes by Category - Accrual Basis  
(\$ in millions)

**NON-REIMBURSABLE**

	Favorable/(Unfavorable)								
	2010	2011	Change 2011-2010	2012	Change 2012-2011	2013	Change 2013-2012	2014	Change 2014-2013
<b>Revenue</b>									
Farebox Revenue:									
Subway	\$2,390.586	\$2,436.269	\$45.683	\$2,490.062	\$53.793	\$2,523.786	\$33.724	\$2,555.213	\$31.427
Bus	\$844.105	851.886	7.781	870.711	18.825	882.376	11.665	893.229	10.853
Paratransit	16.096	17.588	1.492	20.399	2.811	23.631	3.232	27.348	3.717
Fare Media Liability	51.764	52.092	0.328	52.221	0.129	52.221	0.000	52.221	0.000
<b>Total Farebox Revenue</b>	<b>\$3,302.551</b>	<b>\$3,357.835</b>	<b>\$55.284</b>	<b>\$3,433.393</b>	<b>\$75.558</b>	<b>\$3,482.014</b>	<b>\$48.621</b>	<b>\$3,528.011</b>	<b>\$45.997</b>
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue:									
Fare Reimbursement	84.016	84.016	0.000	84.016	0.000	84.016	0.000	84.016	0.000
Paratransit Reimbursement	86.289	105.164	18.875	126.800	21.636	149.870	23.070	176.545	26.675
Other	107.038	105.688	(1.350)	108.949	3.261	112.850	3.901	116.883	4.033
<b>Total Other Operating Revenue</b>	<b>277.343</b>	<b>294.868</b>	<b>17.525</b>	<b>319.765</b>	<b>24.897</b>	<b>346.736</b>	<b>26.971</b>	<b>377.444</b>	<b>30.708</b>
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Revenue</b>	<b>\$3,579.894</b>	<b>\$3,652.703</b>	<b>\$72.809</b>	<b>\$3,753.158</b>	<b>\$100.455</b>	<b>\$3,828.750</b>	<b>\$75.592</b>	<b>\$3,905.455</b>	<b>\$76.705</b>
<b>Expenses</b>									
Labor:									
Payroll	\$2,826.069	\$2,869.103	(\$43.034)	\$2,936.035	(\$66.932)	\$2,991.267	(\$55.232)	\$3,058.467	(\$67.200)
Overtime	223.345	223.726	(0.381)	223.541	0.185	227.466	(3.925)	231.698	(4.232)
Total Salaries & Wages	3,049.414	3,092.829	(43.415)	3,159.576	(66.747)	3,218.733	(59.157)	3,290.165	(71.432)
Health and Welfare	505.882	552.690	(46.808)	597.239	(44.549)	649.964	(52.725)	709.747	(59.783)
OPEB Current Payment	267.196	287.164	(19.968)	326.062	(38.898)	364.306	(38.244)	399.781	(35.475)
Pensions	746.053	769.527	(23.474)	807.328	(37.801)	849.539	(42.211)	927.217	(77.678)
Other Fringe Benefits	267.729	248.303	19.426	255.643	(7.340)	263.075	(7.432)	269.467	(6.392)
Total Fringe Benefits	1,786.860	1,857.684	(70.824)	1,986.272	(128.588)	2,126.884	(140.612)	2,306.212	(179.328)
Reimbursable Overhead	(225.082)	(212.814)	(12.268)	(204.289)	(8.525)	(200.283)	(4.006)	(203.603)	3.320
<b>Total Labor Expenses</b>	<b>\$4,611.192</b>	<b>\$4,737.699</b>	<b>(\$126.507)</b>	<b>\$4,941.559</b>	<b>(\$203.860)</b>	<b>\$5,145.334</b>	<b>(\$203.775)</b>	<b>\$5,392.774</b>	<b>(\$247.440)</b>
Non-Labor:									
Traction and Propulsion Power	\$187.211	\$199.046	(\$11.835)	\$215.490	(\$16.444)	\$233.343	(\$17.853)	\$253.143	(\$19.800)
Fuel for Buses and Trains	125.254	125.607	(0.353)	134.814	(9.207)	142.436	(7.622)	150.937	(8.501)
Insurance	57.981	64.062	(6.081)	76.515	(12.453)	93.130	(16.615)	113.516	(20.386)
Claims	82.970	78.083	4.887	78.083	0.000	78.083	0.000	78.083	0.000
Paratransit Service Contracts	381.363	382.486	(1.123)	460.388	(77.902)	551.296	(90.908)	657.887	(106.591)
Mtce. and Other Operating Contracts	211.682	250.471	(38.789)	257.932	(7.461)	266.015	(8.083)	273.974	(7.959)
Professional Service Contracts	101.013	104.693	(3.680)	105.838	(1.145)	108.392	(2.554)	108.820	(0.428)
Materials & Supplies	286.836	302.480	(15.644)	309.302	(6.822)	328.426	(19.124)	342.477	(14.051)
Other Business Expenses	62.368	64.712	(2.344)	67.139	(2.427)	69.487	(2.348)	71.422	(1.935)
<b>Total Non-Labor Expenses</b>	<b>\$1,496.678</b>	<b>\$1,571.640</b>	<b>(\$74.962)</b>	<b>\$1,705.501</b>	<b>(\$133.861)</b>	<b>\$1,870.608</b>	<b>(\$165.107)</b>	<b>\$2,050.259</b>	<b>(\$179.651)</b>
Other Expense Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation and GASB Adjustments</b>	<b>\$6,107.870</b>	<b>\$6,309.339</b>	<b>(\$201.469)</b>	<b>\$6,647.060</b>	<b>(\$337.721)</b>	<b>\$7,015.942</b>	<b>(\$368.882)</b>	<b>\$7,443.033</b>	<b>(\$427.091)</b>
Depreciation	1,325.000	1,400.000	(75.000)	1,475.000	(75.000)	1,550.000	(75.000)	1,625.000	(75.000)
OPEB Obligation	879.604	918.747	(39.143)	929.883	(11.136)	943.779	(13.896)	962.640	(18.861)
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Expenses</b>	<b>\$8,312.474</b>	<b>\$8,628.086</b>	<b>(\$315.612)</b>	<b>\$9,051.943</b>	<b>(\$423.857)</b>	<b>\$9,509.721</b>	<b>(\$457.778)</b>	<b>\$10,030.673</b>	<b>(\$520.952)</b>
<b>Net Surplus/(Deficit)</b>	<b>(\$4,732.580)</b>	<b>(\$4,975.383)</b>	<b>(\$242.803)</b>	<b>(\$5,298.785)</b>	<b>(\$323.402)</b>	<b>(\$5,680.971)</b>	<b>(\$382.186)</b>	<b>(\$6,125.218)</b>	<b>(\$444.247)</b>

MTA New York City Transit  
November Financial Plan 2011 - 2014  
Year-to-Year Changes by Category - Accrual Basis  
(\$ in millions)

REIMBURSABLE

	Favorable/(Unfavorable)								
	2010	2011	Change 2011-2010	2012	Change 2012-2011	2013	Change 2013-2012	2014	Change 2014-2013
<b>Revenue</b>									
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	962.818	954.781	(8.037)	941.656	(13.125)	932.236	(9.420)	949.219	16.983
<b>Total Revenue</b>	<b>\$962.818</b>	<b>\$954.781</b>	<b>(\$8.037)</b>	<b>\$941.656</b>	<b>(\$13.125)</b>	<b>\$932.236</b>	<b>(\$9.420)</b>	<b>\$949.219</b>	<b>\$16.983</b>
<b>Expenses</b>									
Labor:									
Payroll	\$390.848	\$409.001	(\$18.153)	\$406.115	\$2.886	\$403.433	\$2.682	\$410.183	(\$6.750)
Overtime	88.295	70.862	17.433	71.215	(0.353)	71.620	(0.405)	72.929	(1.309)
Total Salaries & Wages	479.143	479.863	(0.720)	477.330	2.533	475.053	2.277	483.112	(8.059)
Health and Welfare	22.651	24.740	(2.089)	26.472	(1.732)	28.276	(1.804)	30.206	(1.930)
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	17.900	19.148	(1.248)	19.873	(0.725)	20.814	(0.941)	23.287	(2.473)
Other Fringe Benefits	112.366	116.143	(3.777)	113.786	2.357	111.693	2.093	112.893	(1.200)
Total Fringe Benefits	152.917	160.031	(7.114)	160.131	(0.100)	160.783	(0.652)	166.386	(5.603)
Reimbursable Overhead	225.082	212.814	12.268	204.289	8.525	200.283	4.006	203.603	(3.320)
<b>Total Labor Expenses</b>	<b>\$857.142</b>	<b>\$852.708</b>	<b>\$4.434</b>	<b>\$841.750</b>	<b>\$10.958</b>	<b>\$836.119</b>	<b>\$5.631</b>	<b>\$853.101</b>	<b>(\$16.982)</b>
Non-Labor:									
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	0.102	0.000	0.102	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Mtce. and Other Operating Contracts	32.095	34.593	(2.498)	34.399	0.194	34.399	0.000	34.399	0.000
Professional Service Contracts	15.905	14.558	1.347	14.189	0.369	14.265	(0.076)	14.265	0.000
Materials & Supplies	57.316	52.360	4.956	50.777	1.583	46.912	3.865	46.912	0.000
Other Business Expenses	0.258	0.562	(0.304)	0.541	0.021	0.541	0.000	0.542	(0.001)
<b>Total Non-Labor Expenses</b>	<b>\$105.676</b>	<b>\$102.073</b>	<b>\$3.603</b>	<b>\$99.906</b>	<b>\$2.167</b>	<b>\$96.117</b>	<b>\$3.789</b>	<b>\$96.118</b>	<b>(\$0.001)</b>
Other Expense Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$962.818</b>	<b>\$954.781</b>	<b>\$8.037</b>	<b>\$941.656</b>	<b>\$13.125</b>	<b>\$932.236</b>	<b>\$9.420</b>	<b>\$949.219</b>	<b>(\$16.983)</b>
Depreciation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Expenses</b>	<b>\$962.818</b>	<b>\$954.781</b>	<b>\$8.037</b>	<b>\$941.656</b>	<b>\$13.125</b>	<b>\$932.236</b>	<b>\$9.420</b>	<b>\$949.219</b>	<b>(\$16.983)</b>
<b>Net Surplus/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>

**MTA New York City Transit**  
**November Financial Plan 2011 - 2014**  
**Year-to-Year Changes by Category - Accrual Basis**  
**(\$ in millions)**

**NON-REIMBURSABLE and  
REIMBURSABLE**

	Favorable/(Unfavorable)								
	2010	2011	Change 2011-2010	2012	Change 2012-2011	2013	Change 2013-2012	2014	Change 2014-2013
<b>Revenue</b>									
Farebox Revenue:									
Subway	\$2,390.586	\$2,436.269	\$45.683	\$2,490.062	\$53.793	\$2,523.786	\$33.724	\$2,555.213	\$31.427
Bus	844.105	851.886	7.781	870.711	18.825	882.376	11.665	893.229	10.853
Paratransit	16.096	17.588	1.492	20.399	2.811	23.631	3.232	27.348	3.717
Fare Media Liability	51.764	52.092	0.328	52.221	0.129	52.221	0.000	52.221	0.000
<b>Total Farebox Revenue</b>	<b>\$3,302.551</b>	<b>\$3,357.835</b>	<b>\$55.284</b>	<b>\$3,433.393</b>	<b>\$75.558</b>	<b>\$3,482.014</b>	<b>\$48.621</b>	<b>\$3,528.011</b>	<b>\$45.997</b>
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue:									
Fare Reimbursement	84.016	84.016	0.000	84.016	0.000	84.016	0.000	84.016	0.000
Paratransit Reimbursement	86.289	105.164	18.875	126.800	21.636	149.870	23.070	176.545	26.675
Other	107.038	105.688	(1.350)	108.949	3.261	112.850	3.901	116.883	4.033
Total Other Operating Revenue	277.343	294.868	17.525	319.765	24.897	346.736	26.971	377.444	30.708
Capital and Other Reimbursements	962.818	954.781	(8.037)	941.656	(13.125)	932.236	(9.420)	949.219	16.983
<b>Total Revenue</b>	<b>\$4,542.712</b>	<b>\$4,607.484</b>	<b>\$64.772</b>	<b>\$4,694.814</b>	<b>\$87.330</b>	<b>\$4,760.986</b>	<b>\$66.172</b>	<b>\$4,854.674</b>	<b>\$93.688</b>
<b>Expenses</b>									
Labor:									
Payroll	\$3,216.917	\$3,278.104	(\$61.187)	\$3,342.150	(\$64.046)	\$3,394.700	(\$52.550)	\$3,468.650	(\$73.950)
Overtime	311.640	294.588	17.052	294.756	(0.168)	299.086	(4.330)	304.627	(5.541)
Total Salaries & Wages	3,528.557	3,572.692	(44.135)	3,636.906	(64.214)	3,693.786	(56.880)	3,773.277	(79.491)
Health and Welfare	528.533	577.430	(48.897)	623.711	(46.281)	678.240	(54.529)	739.953	(61.713)
OPEB Current Payment	267.196	287.164	(19.968)	326.062	(38.898)	364.306	(38.244)	399.781	(35.475)
Pensions	763.953	788.675	(24.722)	827.201	(38.526)	870.353	(43.152)	950.504	(80.151)
Other Fringe Benefits	380.095	364.446	15.649	369.429	(4.983)	374.768	(5.339)	382.360	(7.592)
Total Fringe Benefits	1,939.777	2,017.715	(77.938)	2,146.403	(128.688)	2,287.667	(141.264)	2,472.598	(184.931)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenses</b>	<b>\$5,468.334</b>	<b>\$5,590.407</b>	<b>(\$122.073)</b>	<b>\$5,783.309</b>	<b>(\$192.902)</b>	<b>\$5,981.453</b>	<b>(\$198.144)</b>	<b>\$6,245.875</b>	<b>(\$264.422)</b>
Non-Labor:									
Traction and Propulsion Power	\$187.211	\$199.046	(\$11.835)	\$215.490	(\$16.444)	\$233.343	(\$17.853)	\$253.143	(\$19.800)
Fuel for Buses and Trains	125.356	125.607	(0.251)	134.814	(9.207)	142.436	(7.622)	150.937	(8.501)
Insurance	57.981	64.062	(6.081)	76.515	(12.453)	93.130	(16.615)	113.516	(20.386)
Claims	82.970	78.083	4.887	78.083	0.000	78.083	0.000	78.083	0.000
Paratransit Service Contracts	381.363	382.486	(1.123)	460.388	(77.902)	551.296	(90.908)	657.887	(106.591)
Mtce. and Other Operating Contracts	243.777	285.064	(41.287)	292.331	(7.267)	300.414	(8.083)	308.373	(7.959)
Professional Service Contracts	116.918	119.251	(2.333)	120.027	(0.776)	122.657	(2.630)	123.085	(0.428)
Materials & Supplies	344.152	354.840	(10.688)	360.079	(5.239)	375.338	(15.259)	389.389	(14.051)
Other Business Expenses	62.626	65.274	(2.648)	67.680	(2.406)	70.028	(2.348)	71.964	(1.936)
<b>Total Non-Labor Expenses</b>	<b>\$1,602.354</b>	<b>\$1,673.713</b>	<b>(\$71.359)</b>	<b>\$1,805.407</b>	<b>(\$131.694)</b>	<b>\$1,966.725</b>	<b>(\$161.318)</b>	<b>\$2,146.377</b>	<b>(\$179.652)</b>
Other Expense Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$7,070.688</b>	<b>\$7,264.120</b>	<b>(\$193.432)</b>	<b>\$7,588.716</b>	<b>(\$324.596)</b>	<b>\$7,948.178</b>	<b>(\$359.462)</b>	<b>\$8,392.252</b>	<b>(\$444.074)</b>
Depreciation	1,325.000	1,400.000	(75.000)	1,475.000	(75.000)	1,550.000	(75.000)	1,625.000	(75.000)
OPEB Obligation	879.604	918.747	(39.143)	929.883	(11.136)	943.779	(13.896)	962.640	(18.861)
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Expenses</b>	<b>\$9,275.292</b>	<b>\$9,582.867</b>	<b>(\$307.575)</b>	<b>\$9,993.599</b>	<b>(\$410.732)</b>	<b>\$10,441.957</b>	<b>(\$448.358)</b>	<b>\$10,979.892</b>	<b>(\$537.935)</b>
<b>Net Surplus/(Deficit)</b>	<b>(\$4,732.580)</b>	<b>(\$4,975.383)</b>	<b>(\$242.803)</b>	<b>(\$5,298.785)</b>	<b>(\$323.402)</b>	<b>(\$5,680.971)</b>	<b>(\$382.186)</b>	<b>(\$6,125.218)</b>	<b>(\$444.247)</b>

MTA New York City Transit  
November Financial Plan 2011 - 2014  
Year-to-Year Changes by Category - Cash Basis  
(\$ in millions)

	Favorable/(Unfavorable)								
	2010	2011	Change 2011-2010	2012	Change 2012-2011	2013	Change 2013-2012	2014	Change 2014-2013
<b><u>Receipts</u></b>									
Farebox Revenue	\$3,306.779	\$3,362.065	\$55.286	\$3,431.924	\$69.859	\$3,491.945	\$60.021	\$3,532.242	\$40.297
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue:									
Fare Reimbursement	84.016	84.016	0.000	84.016	0.000	84.016	0.000	84.016	0.000
Paratransit Reimbursement	85.603	104.821	19.218	126.643	21.822	149.774	23.131	176.425	26.651
Other	115.759	106.188	(9.571)	109.949	3.761	113.850	3.901	117.883	4.033
<b>Total Other Operating Revenue</b>	<b>285.378</b>	<b>295.025</b>	<b>9.647</b>	<b>320.608</b>	<b>25.583</b>	<b>347.640</b>	<b>27.032</b>	<b>378.324</b>	<b>30.684</b>
Capital and Other Reimbursements	912.918	1,026.886	113.968	943.684	(83.202)	933.692	(9.992)	945.175	11.483
<b>Total Receipts</b>	<b>\$4,505.075</b>	<b>\$4,683.976</b>	<b>\$178.901</b>	<b>\$4,696.216</b>	<b>\$12.240</b>	<b>\$4,773.277</b>	<b>\$77.061</b>	<b>\$4,855.741</b>	<b>\$82.464</b>
<b><u>Expenditures</u></b>									
Labor:									
Payroll	\$3,220.036	\$3,275.895	(\$55.859)	\$3,307.126	(\$31.231)	\$3,368.580	(\$61.454)	\$3,441.823	(\$73.243)
Overtime	311.942	294.389	17.553	291.667	2.722	296.785	(5.118)	302.271	(5.486)
Total Salaries & Wages	3,531.978	3,570.284	(38.306)	3,598.793	(28.509)	3,665.365	(66.572)	3,744.094	(78.729)
Health and Welfare	512.917	582.679	(69.762)	618.991	(36.312)	673.119	(54.128)	734.396	(61.277)
OPEB Current Payment	267.196	287.164	(19.968)	326.062	(38.898)	364.306	(38.244)	399.781	(35.475)
Pensions	846.685	770.454	76.231	810.770	(40.316)	852.195	(41.425)	906.661	(54.466)
Other Fringe Benefits	341.663	338.958	2.705	337.017	1.941	344.539	(7.522)	353.171	(8.632)
Total Fringe Benefits	1,968.461	1,979.255	(10.794)	2,092.840	(113.585)	2,234.159	(141.319)	2,394.009	(159.850)
GASB Account	41.819	25.523	16.296	36.233	(10.710)	37.088	(0.855)	37.801	(0.713)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenditures</b>	<b>\$5,542.258</b>	<b>\$5,575.062</b>	<b>(\$32.804)</b>	<b>\$5,727.866</b>	<b>(\$152.804)</b>	<b>\$5,936.612</b>	<b>(\$208.746)</b>	<b>\$6,175.904</b>	<b>(\$239.292)</b>
Non-Labor:									
Traction and Propulsion Power	\$190.711	\$199.046	(\$8.335)	\$215.490	(\$16.444)	\$233.343	(\$17.853)	\$253.143	(\$19.800)
Fuel for Buses and Trains	125.356	125.607	(0.251)	134.814	(9.207)	142.436	(7.622)	150.937	(8.501)
Insurance	65.509	65.037	0.472	81.494	(16.457)	96.585	(15.091)	117.274	(20.689)
Claims	81.964	70.378	11.586	72.062	(1.684)	73.787	(1.725)	75.560	(1.773)
Paratransit Service Contracts	387.686	377.486	10.200	455.388	(77.902)	546.296	(90.908)	652.887	(106.591)
Mtce. and Other Operating Contracts	254.477	295.764	(41.287)	303.031	(7.267)	311.114	(8.083)	319.073	(7.959)
Professional Service Contracts	110.418	113.251	(2.833)	114.027	(0.776)	116.657	(2.630)	117.085	(0.428)
Materials & Supplies	335.226	352.840	(17.614)	362.079	(9.239)	377.338	(15.259)	391.389	(14.051)
Other Business Expenditures	62.626	65.274	(2.648)	67.680	(2.406)	70.028	(2.348)	71.964	(1.936)
<b>Total Non-Labor Expenditures</b>	<b>\$1,613.973</b>	<b>\$1,664.683</b>	<b>(\$50.710)</b>	<b>\$1,806.065</b>	<b>(\$141.382)</b>	<b>\$1,967.584</b>	<b>(\$161.519)</b>	<b>\$2,149.312</b>	<b>(\$181.728)</b>
Other Expenditure Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expenditure Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenditures</b>	<b>\$7,156.231</b>	<b>\$7,239.745</b>	<b>(\$83.514)</b>	<b>\$7,533.931</b>	<b>(\$294.186)</b>	<b>\$7,904.196</b>	<b>(\$370.265)</b>	<b>\$8,325.216</b>	<b>(\$421.020)</b>
<b>Net Cash Deficit</b>	<b>(\$2,651.156)</b>	<b>(\$2,555.769)</b>	<b>\$95.387</b>	<b>(\$2,837.715)</b>	<b>(\$281.946)</b>	<b>(\$3,130.919)</b>	<b>(\$293.204)</b>	<b>(\$3,469.475)</b>	<b>(\$338.556)</b>

MTA New York City Transit  
November Financial Plan 2011 - 2014  
Year-to-Year Changes by Category - Cash Conversion (Cash Flow Adjustments)  
(\$ in millions)

	Favorable/(Unfavorable)								
	2010	2011	Change 2011-2010	2012	Change 2012-2011	2013	Change 2013-2012	2014	Change 2014-2013
<b>Receipts</b>									
Farebox Revenue	\$4.228	\$4.230	\$0.002	(\$1.469)	(\$5.699)	\$9.931	\$11.400	\$4.231	(\$5.700)
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue:									
Fare Reimbursement	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Reimbursement	(0.686)	(0.343)	0.343	(0.157)	0.186	(0.096)	0.061	(0.120)	(0.024)
Other	8.721	0.500	(8.221)	1.000	0.500	1.000	0.000	1.000	0.000
<b>Total Other Operating Revenue</b>	<b>8.035</b>	<b>0.157</b>	<b>(7.878)</b>	<b>0.843</b>	<b>0.686</b>	<b>0.904</b>	<b>0.061</b>	<b>0.880</b>	<b>(0.024)</b>
Capital and Other Reimbursements	(49.900)	72.105	122.005	2.028	(70.077)	1.456	(0.572)	(4.044)	(5.500)
<b>Total Receipt Adjustments</b>	<b>(\$37.637)</b>	<b>\$76.492</b>	<b>\$114.129</b>	<b>\$1.402</b>	<b>(\$75.090)</b>	<b>\$12.291</b>	<b>\$10.889</b>	<b>\$1.067</b>	<b>(\$11.224)</b>
<b>Expenditures</b>									
Labor:									
Payroll	(\$3.119)	\$2.209	\$5.328	\$35.024	\$32.815	\$26.120	(\$8.904)	\$26.827	\$0.707
Overtime	(0.302)	0.199	0.501	3.089	2.890	2.301	(0.788)	2.356	0.055
Total Salaries & Wages	(3.421)	2.408	5.829	38.113	35.705	28.421	(9.692)	29.183	0.762
Health and Welfare	15.616	(5.249)	(20.865)	4.720	9.969	5.121	0.401	5.557	0.436
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	(82.732)	18.221	100.953	16.431	(1.790)	18.158	1.727	43.843	25.685
Other Fringe Benefits	38.432	25.488	(12.944)	32.412	6.924	30.229	(2.183)	29.189	(1.040)
Total Fringe Benefits	(28.684)	38.460	67.144	53.563	15.103	53.508	(0.055)	78.589	25.081
GASB Account	(41.819)	(25.523)	16.296	(36.233)	(10.710)	(37.088)	(0.855)	(37.801)	(0.713)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenditures</b>	<b>(\$73.924)</b>	<b>\$15.345</b>	<b>\$89.269</b>	<b>\$55.443</b>	<b>\$40.098</b>	<b>\$44.841</b>	<b>(\$10.602)</b>	<b>\$69.971</b>	<b>\$25.130</b>
Non-Labor:									
Traction and Propulsion Power	(\$3.500)	\$0.000	\$3.500	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	(7.528)	(0.975)	6.553	(4.979)	(4.004)	(3.455)	1.524	(3.758)	(0.303)
Claims	1.006	7.705	6.699	6.021	(1.684)	4.296	(1.725)	2.523	(1.773)
Paratransit Service Contracts	(6.323)	5.000	11.323	5.000	0.000	5.000	0.000	5.000	0.000
Mtce. and Other Operating Contracts	(10.700)	(10.700)	0.000	(10.700)	0.000	(10.700)	0.000	(10.700)	0.000
Professional Service Contracts	6.500	6.000	(0.500)	6.000	0.000	6.000	0.000	6.000	0.000
Materials & Supplies	8.926	2.000	(6.926)	(2.000)	(4.000)	(2.000)	0.000	(2.000)	0.000
Other Business Expenditures	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Non-Labor Expenditures</b>	<b>(\$11.619)</b>	<b>\$9.030</b>	<b>\$20.649</b>	<b>(\$0.658)</b>	<b>(\$9.688)</b>	<b>(\$0.859)</b>	<b>(\$0.201)</b>	<b>(\$2.935)</b>	<b>(\$2.076)</b>
Other Expenditure Adjustments:									
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expenditure Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenditure Adjustments</b>	<b>(\$85.543)</b>	<b>\$24.375</b>	<b>\$109.918</b>	<b>\$54.785</b>	<b>\$30.410</b>	<b>\$43.982</b>	<b>(\$10.803)</b>	<b>\$67.036</b>	<b>\$23.054</b>
<b>Total Cash Conversion Adjustments before Depreciation</b>	<b>(\$123.180)</b>	<b>\$100.867</b>	<b>\$224.047</b>	<b>\$56.187</b>	<b>(\$44.680)</b>	<b>\$56.273</b>	<b>\$0.086</b>	<b>\$68.103</b>	<b>\$11.830</b>
Depreciation Adjustment	1,325.000	1,400.000	75.000	1,475.000	75.000	1,550.000	75.000	1,625.000	75.000
OPEB Obligation	879.604	918.747	39.143	929.883	11.136	943.779	13.896	962.640	18.861
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Cash Conversion Adjustments</b>	<b>\$2,081.424</b>	<b>\$2,419.614</b>	<b>\$338.190</b>	<b>\$2,461.070</b>	<b>\$41.456</b>	<b>\$2,550.052</b>	<b>\$88.982</b>	<b>\$2,655.743</b>	<b>\$105.691</b>

**MTA NEW YORK CITY TRANSIT**  
**2011 Final Proposed Budget**  
**November Financial Plan 2011 – 2014**  
**Summary of Major Plan-to-Plan Changes**

**2010: November Financial Plan vs. July Financial Plan**

**Revenue Changes**

Total revenue projections decreased by \$0.3 million from the July Financial Plan. Major changes include:

- Lower farebox revenue of \$15.7 million due mostly to a projected decline in bus ridership.
- An increase in capital reimbursements of \$15.4 million consistent with increased reimbursable expense levels.

**Expense Changes**

Total expenses (excluding other post-employment benefits) decrease from the July Financial Plan by \$10.5 million. Major changes include:

- Operational savings of \$34.1 million including \$16.6 million from the timing of several rollovers to subsequent years, overtime savings of \$10.8 million from stronger management controls, and \$9.8 million due to a cancelled station painting program which will now be reinstated beginning 2011.
- Updated inflation assumptions for electric power, bus fuel and health & welfare rates resulting in an expense reduction of \$22.6 million.
- A projected increase in other fringe benefit expenses of \$27.7 million due primarily to higher Workers' Compensation requirements.
- An increase in reimbursable expenses of \$15.4 million based on capital project requirements.

Non-cash other post-employment benefit expenses were revised downward by \$219.3 million based on updated 2010 actuarial information which assumed lower health & welfare rates.

**Cash Adjustments**

Net cash adjustments (excluding other post-employment benefits) were favorable by \$28.3 million. Major changes include:

- A favorable deferral to 2011 of \$27.0 million of estimated retroactive wage payments based on the assumed timing of labor contract settlements.

- A favorable \$22.7 million of other fringe benefit/Workers' Compensation partial cash offset to accrual expense adjustments and the timing of payments.
- A favorable \$5.5 million representing materials & supplies payment timing and projected inventory savings.
- An unfavorable timing of \$23.6 million of capital reimbursements to subsequent years.

## **2011-2014: November Financial Plan vs. July Financial Plan**

### **Revenue Changes**

Total revenue changes from the July Financial Plan result in an increase of \$3.1 million in 2011 and reductions of \$22.9 million in 2012, \$35.2 million in 2013 and \$38.2 million in 2014.

Major changes include:

- Lower farebox revenue of \$27.1 million in 2011, \$34.0 million in 2012, \$36.8 million in 2013 and \$40.0 million in 2014 due mostly to a projected decline in bus ridership.
- Increases in capital reimbursements of \$30.8 million in 2011, \$10.7 million in 2012, and \$0.8 million in 2013 and 2014 consistent with increased reimbursable expense levels.

### **Expense Changes**

Total expenses (excluding other post-employment benefits) increase from the July Financial Plan by \$37.8 million in 2011, \$20.4 million in 2012, \$16.9 million in 2013 and \$24.4 million in 2014. Major changes include:

- Projected increases in other fringe benefit expenses of \$14.3 million in 2011, \$13.7 million in 2012, \$13.8 million in 2013 and \$13.7 million in 2014 due primarily to higher Workers' Compensation requirements.
- Increases in reimbursable expenses of \$30.8 million in 2011 and \$10.7 million in 2012 based on capital project requirements.
- Health & welfare projected savings of \$15.0 million in 2011 and \$6.0 million in 2012 based on NYCT's acceptance in a Federal ERBP Program that will subsidize NYCT for certain retiree medical benefits.
- \$13.4 million of expenses in 2014 are required to support the 7 West Extension.

Non-cash other post-employment benefit expenses were revised downward by \$226.1 million in 2011, \$261.7 million in 2012, \$296.5 million in 2013 and \$328.4 million in 2014 based on updated 2010 actuarial information which assumed lower health & welfare rates.

### **Cash Adjustments**

Cash adjustments (excluding other post-employment benefits) are projected to be unfavorable by \$3.2 million in 2011 and favorable by \$17.2 million in 2012, \$15.4 million in 2013 and \$13.3 million in 2014. Major changes include:

- An unfavorable deferral from 2010 to 2011 of \$27.0 million of estimated retroactive wage payments based on the assumed timing of labor contract settlements.
- Favorable other fringe benefit/Workers' Compensation partial cash offsets to accrual expense adjustments/timing of payments of \$6.7 million in 2011, \$13.9 million in 2012, \$13.3 million in 2013 and 13.1 million in 2014.
- Capital reimbursement timing of a favorable \$17.1 million in 2011 and favorable timing of \$4.0 million in 2012 and \$2.1 million in 2013.

**MTA New York City Transit**  
**November Financial Plan 2011 - 2014**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

<b>NON-REIMBURSABLE</b>					
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>2010 July Financial Plan - Cash Deficit</b>	<b>(\$2,667.879)</b>	<b>(\$2,575.216)</b>	<b>(\$2,810.306)</b>	<b>(\$3,093.002)</b>	<b>(\$3,420.052)</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
Farebox Revenue	(\$15.690)	(\$27.068)	(\$33.991)	(\$36.815)	(\$40.046)
Other Operating Revenue	(0.006)	(0.566)	0.354	0.791	1.044
Capital and Other Reimbursement	0.000	0.000	0.000	0.000	0.000
<b>Total Revenue Changes</b>	<b>(\$15.696)</b>	<b>(\$27.634)</b>	<b>(\$33.637)</b>	<b>(\$36.024)</b>	<b>(\$39.002)</b>
<b>Expenses</b>					
<i>Labor:</i>					
Payroll	(\$19.772)	(\$12.487)	(\$12.867)	(\$12.847)	(\$20.876)
Overtime	21.843	11.341	17.209	18.192	19.268
Health and Welfare	(3.396)	(17.667)	(14.794)	(12.496)	(12.873)
OPEB Current Payment	6.465	12.029	0.849	(7.216)	(8.215)
Pensions	6.123	(0.672)	0.117	0.395	(0.267)
Other Fringe Benefits	(27.663)	(14.599)	(14.017)	(14.188)	(14.722)
Reimbursable Overhead	12.311	9.883	2.538	(1.399)	(1.592)
<b>Total Labor Expense Changes</b>	<b>(\$4.089)</b>	<b>(\$12.172)</b>	<b>(\$20.965)</b>	<b>(\$29.559)</b>	<b>(\$39.277)</b>
<i>Non-Labor:</i>					
Traction and Propulsion Power	\$9.687	\$11.083	\$11.073	\$11.035	\$10.429
Fuel for Buses and Trains	(0.086)	3.323	3.510	7.065	10.208
Insurance	0.000	0.000	0.000	0.000	0.000
Claims	(4.987)	0.000	0.000	0.000	0.000
Paratransit Service Contracts	(0.473)	1.624	1.859	2.128	2.438
Maintenance and Other Operating Contracts	9.277	(10.134)	(8.245)	(8.564)	(9.267)
Professional Service Contracts	(6.812)	(6.974)	(5.175)	(4.912)	(2.826)
Materials & Supplies	25.570	6.941	8.665	7.102	5.864
Other Business Expenses	(2.193)	(0.741)	(0.454)	(0.413)	(1.229)
<b>Total Non-Labor Expense Changes</b>	<b>\$29.983</b>	<b>\$5.122</b>	<b>\$11.233</b>	<b>\$13.441</b>	<b>\$15.617</b>
Other Post-Employment Benefits	<b>\$219.296</b>	<b>\$226.053</b>	<b>\$261.717</b>	<b>\$296.534</b>	<b>\$328.360</b>
<b>Total Expense Changes</b>	<b>\$245.190</b>	<b>\$219.003</b>	<b>\$251.985</b>	<b>\$280.416</b>	<b>\$304.700</b>
<b>Cash Adjustment Changes</b>					
Revenue	(0.012)	(0.080)	(0.037)	(0.032)	0.097
Expense	51.868	(20.324)	13.277	13.364	13.140
Other Post-Employment Benefits	(219.296)	(226.053)	(261.717)	(296.534)	(328.360)
<b>Total Cash Adjustment Changes</b>	<b>(\$167.440)</b>	<b>(\$246.457)</b>	<b>(\$248.477)</b>	<b>(\$283.202)</b>	<b>(\$315.123)</b>
<b>Total Baseline Changes</b>	<b>\$62.054</b>	<b>(\$55.088)</b>	<b>(\$30.129)</b>	<b>(\$38.810)</b>	<b>(\$49.425)</b>
<b>2010 November Financial Plan - Cash Deficit</b>	<b>(\$2,605.825)</b>	<b>(\$2,630.304)</b>	<b>(\$2,840.435)</b>	<b>(\$3,131.812)</b>	<b>(\$3,469.477)</b>

**MTA New York City Transit**  
**November Financial Plan 2011 - 2014**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

<b>REIMBURSABLE</b>					
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>2010 July Financial Plan - Cash Deficit</b>	<b>(\$21.781)</b>	<b>\$57.388</b>	<b>(\$1.262)</b>	<b>(\$1.168)</b>	<b>\$0.000</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursement	15.376	30.763	10.700	0.796	0.782
<b>Total Revenue Changes</b>	<b>\$15.376</b>	<b>\$30.763</b>	<b>\$10.700</b>	<b>\$0.796</b>	<b>\$0.782</b>
<b>Expenses</b>					
<i>Labor:</i>					
Payroll	\$16.414	(\$7.842)	(\$2.651)	\$0.335	(\$0.511)
Overtime	(19.844)	(1.179)	(0.340)	(0.177)	(0.113)
Health and Welfare	0.596	0.693	0.709	0.772	0.839
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000
Pensions	0.000	0.079	0.083	0.084	0.086
Other Fringe Benefits	1.450	(5.566)	(3.219)	(1.564)	(1.028)
Reimbursable Overhead	(12.311)	(9.883)	(2.538)	1.399	1.592
<b>Total Labor Expense Changes</b>	<b>(\$13.695)</b>	<b>(\$23.698)</b>	<b>(\$7.956)</b>	<b>\$0.849</b>	<b>\$0.865</b>
<i>Non-Labor:</i>					
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	(0.102)	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	(0.562)	(3.116)	(2.916)	(2.916)	(2.916)
Professional Service Contracts	(0.035)	1.058	1.058	1.058	1.058
Materials & Supplies	(1.325)	(5.046)	(0.927)	0.172	0.172
Other Business Expenses	0.343	0.039	0.041	0.041	0.039
<b>Total Non-Labor Expense Changes</b>	<b>(\$1.681)</b>	<b>(\$7.065)</b>	<b>(\$2.744)</b>	<b>(\$1.645)</b>	<b>(\$1.647)</b>
<b>Total Expense Changes</b>	<b>(\$15.376)</b>	<b>(\$30.763)</b>	<b>(\$10.700)</b>	<b>(\$0.796)</b>	<b>(\$0.782)</b>
<b>Cash Adjustment Changes</b>					
Capital Reimbursement Timing	(\$23.550)	\$17.147	\$3.982	\$2.061	\$0.002
<b>Total Cash Adjustment Changes</b>	<b>(\$23.550)</b>	<b>\$17.147</b>	<b>\$3.982</b>	<b>\$2.061</b>	<b>\$0.002</b>
<b>Total Baseline Changes</b>	<b>(\$23.550)</b>	<b>\$17.147</b>	<b>\$3.982</b>	<b>\$2.061</b>	<b>\$0.002</b>
<b>2010 November Financial Plan - Cash Deficit</b>	<b>(\$45.331)</b>	<b>\$74.535</b>	<b>\$2.720</b>	<b>\$0.893</b>	<b>\$0.002</b>

**MTA New York City Transit**  
**November Financial Plan 2011 - 2014**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE					
	2010	2011	2012	2013	2014
<b>2010 July Financial Plan - Cash Deficit</b>	<b>(\$2,689.660)</b>	<b>(\$2,517.828)</b>	<b>(\$2,811.568)</b>	<b>(\$3,094.170)</b>	<b>(\$3,420.052)</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
Farebox Revenue	(\$15.690)	(\$27.068)	(\$33.991)	(\$36.815)	(\$40.046)
Other Operating Revenue	(0.006)	(0.566)	0.354	0.791	1.044
Capital and Other Reimbursement	15.376	30.763	10.700	0.796	0.782
<b>Total Revenue Changes</b>	<b>(\$0.320)</b>	<b>\$3.129</b>	<b>(\$22.937)</b>	<b>(\$35.228)</b>	<b>(\$38.220)</b>
<b>Expenses</b>					
<i>Labor:</i>					
Payroll	(\$3.358)	(\$20.329)	(\$15.518)	(\$12.512)	(\$21.387)
Overtime	1.999	10.162	16.869	18.015	19.155
Health and Welfare	(2.800)	(16.974)	(14.085)	(11.724)	(12.034)
OPEB Current Payment	6.465	12.029	0.849	(7.216)	(8.215)
Pensions	6.123	(0.593)	0.200	0.479	(0.181)
Other Fringe Benefits	(26.213)	(20.165)	(17.236)	(15.752)	(15.750)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expense Changes</b>	<b>(\$17.784)</b>	<b>(\$35.870)</b>	<b>(\$28.921)</b>	<b>(\$28.710)</b>	<b>(\$38.412)</b>
<i>Non-Labor:</i>					
Traction and Propulsion Power	\$9.687	\$11.083	\$11.073	\$11.035	\$10.429
Fuel for Buses and Trains	(0.188)	3.323	3.510	7.065	10.208
Insurance	0.000	0.000	0.000	0.000	0.000
Claims	(4.987)	0.000	0.000	0.000	0.000
Paratransit Service Contracts	(0.473)	1.624	1.859	2.128	2.438
Maintenance and Other Operating Contracts	8.715	(13.250)	(11.161)	(11.480)	(12.183)
Professional Service Contracts	(6.847)	(5.916)	(4.117)	(3.854)	(1.768)
Materials & Supplies	24.245	1.895	7.738	7.274	6.036
Other Business Expenses	(1.850)	(0.702)	(0.413)	(0.372)	(1.190)
<b>Total Non-Labor Expense Changes</b>	<b>\$28.302</b>	<b>(\$1.943)</b>	<b>\$8.489</b>	<b>\$11.796</b>	<b>\$13.970</b>
Other Post-Employment Benefits	<b>\$219.296</b>	<b>\$226.053</b>	<b>\$261.717</b>	<b>\$296.534</b>	<b>\$328.360</b>
<b>Total Expense Changes</b>	<b>\$229.814</b>	<b>\$188.240</b>	<b>\$241.285</b>	<b>\$279.620</b>	<b>\$303.918</b>
<b>Cash Adjustment Changes</b>					
Revenue	(0.012)	(0.080)	(0.037)	(0.032)	0.097
Expense	51.868	(20.324)	13.277	13.364	13.140
Capital Reimbursement Timing	(23.550)	17.147	3.982	2.061	0.002
Other Post-Employment Benefits	(219.296)	(226.053)	(261.717)	(296.534)	(328.360)
<b>Total Cash Adjustment Changes</b>	<b>(\$190.990)</b>	<b>(\$229.310)</b>	<b>(\$244.495)</b>	<b>(\$281.141)</b>	<b>(\$315.121)</b>
<b>Total Baseline Changes</b>	<b>\$38.504</b>	<b>(\$37.941)</b>	<b>(\$26.147)</b>	<b>(\$36.749)</b>	<b>(\$49.423)</b>
<b>2010 November Financial Plan - Cash Deficit</b>	<b>(\$2,651.156)</b>	<b>(\$2,555.769)</b>	<b>(\$2,837.715)</b>	<b>(\$3,130.919)</b>	<b>(\$3,469.475)</b>

**MTA NEW YORK CITY TRANSIT**  
**November Financial Plan 2011-2014**  
**Summary of Major Programmatic Changes Between Financial Plans**  
(\$ in millions)

**TOTAL NON-REIMBURSABLE and REIMBURSABLE**

	2010	2011	2012	2013	2014
<b>2010 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$2,689.660)</b>	<b>(\$2,517.828)</b>	<b>(\$2,811.568)</b>	<b>(\$3,094.170)</b>	<b>(\$3,420.052)</b>
<b>Non-Reimbursable Major Changes</b>					
<b>Revenue</b>					
Farebox Revenue	(15.690)	(27.068)	(33.991)	(36.815)	(40.046)
Other Operating Revenue	(0.006)	(0.566)	0.354	0.791	1.044
<b>Sub-Total Non-Reimbursable Revenue Changes</b>	<b>(\$15.696)</b>	<b>(\$27.634)</b>	<b>(\$33.637)</b>	<b>(\$36.024)</b>	<b>(\$39.002)</b>
<b>Expenses</b>					
<b>Inflation-Related:</b>					
Electric Power	13.657	12.256	11.854	11.381	10.822
Bus Fuel	5.933	8.654	7.113	7.573	8.332
Health & Welfare	3.036	(23.618)	(24.570)	(25.409)	(25.783)
Material/Rentals & Miscellaneous Expenses	0.000	2.357	4.532	6.139	6.700
<b>Sub-Total Inflation-Related</b>	<b>22.626</b>	<b>(0.351)</b>	<b>(1.071)</b>	<b>(0.316)</b>	<b>0.071</b>
<b>Operations:</b>					
Overtime Savings	10.756	9.753	10.051	11.370	12.626
Station Painting Program	9.800	(9.800)	(9.800)	(9.800)	(9.800)
Fuel-New Buses	0.000	0.595	2.016	5.193	7.657
Paratransit Carrier Services Savings Re-estimate	(3.000)	0.000	0.000	0.000	0.000
Rollovers-Timing of Expenses	16.575	(8.990)	0.237	(3.906)	(3.975)
<b>Sub-Total Operations</b>	<b>34.131</b>	<b>(8.442)</b>	<b>2.504</b>	<b>2.857</b>	<b>6.508</b>
<b>Major Re-estimates/Technical Adjustments/Other:</b>					
Health & Welfare-ERRP Federal Program Subsidy	0.000	15.000	6.000	0.000	0.000
Health & Welfare-Dependent Eligibility Verification Savings	3.847	7.694	8.386	9.141	9.964
Other Benefits-Mostly Workers' Compensation Re-estimates	(27.655)	(14.252)	(13.656)	(13.820)	(13.731)
Fuel Economies-Loss of CNG Tax Credit	(2.836)	(3.800)	(3.800)	(3.800)	(3.800)
Average Rates of Pay/Availability Adjustments	(5.617)	(2.916)	(2.317)	(3.171)	(3.277)
Public Liability Claims Re-estimate	(4.987)	0.000	0.000	0.000	0.000
Pension Re-estimate	6.124	0.139	0.091	0.044	(0.004)
Reimbursable Adjustments	1.874	4.575	(0.647)	(3.053)	(3.204)
Medical Standards Software Update	0.000	(1.500)	(2.000)	(2.000)	0.000
Increased MetroCard Fees	(1.374)	(1.267)	(1.256)	(1.285)	(1.598)
MVM Software Upgrade	0.000	(1.800)	0.000	0.000	0.000
Costs Supporting the 7 West Extension	0.000	0.000	0.000	0.000	(13.341)
All Other	(0.239)	(0.130)	(1.966)	(0.715)	(1.248)
<b>Sub-Total Non-Reimbursable Expense Changes</b>	<b>\$25.894</b>	<b>(\$7.050)</b>	<b>(\$9.732)</b>	<b>(\$16.118)</b>	<b>(\$23.660)</b>
<b>Total Non-Reimbursable Major Changes</b>	<b>\$10.198</b>	<b>(\$34.684)</b>	<b>(\$43.369)</b>	<b>(\$52.142)</b>	<b>(\$62.662)</b>
<b>Reimbursable Major Changes</b>					
<b>Revenue</b>					
Reimbursement of Increased Expense Requirements	15.376	30.763	10.700	0.796	0.782
<b>Sub-Total Reimbursable Revenue Changes</b>	<b>\$15.376</b>	<b>\$30.763</b>	<b>\$10.700</b>	<b>\$796</b>	<b>\$782</b>
<b>Expenses</b>					
Capital Project Requirements	(15.376)	(30.763)	(10.700)	(0.796)	(0.782)
<b>Sub-Total Reimbursable Expense Changes</b>	<b>(\$15.376)</b>	<b>(\$30.763)</b>	<b>(\$10.700)</b>	<b>(\$796)</b>	<b>(\$782)</b>
<b>Total Reimbursable Major Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
Other Post-Employment Benefits (Actuarial Update)	219.296	226.053	261.717	296.534	328.360
<b>Total Accrual Changes</b>	<b>\$229.494</b>	<b>\$191.369</b>	<b>\$218.348</b>	<b>\$244.392</b>	<b>\$265.698</b>
<b>Cash Adjustment Changes</b>					
Other Post-Employment Benefits-Offset To Non-Cash Accrual Change	(219.296)	(226.053)	(261.717)	(296.534)	(328.360)
Salaries & Wages-Timing of Payments/Union Contract Settlements	18.603	(27.978)	(1.595)	(0.906)	(0.926)
Workers' Compensation/Other Benefits Partial Cash Offsets/Timing	22.654	6.681	13.900	13.299	13.101
Capital Reimbursement Timing	(23.550)	17.147	3.982	2.061	0.002
Professional Service Contract Payment Timing	3.000	1.000	1.000	1.000	1.000
Materials & Supplies Payment Timing/Inventory Savings	5.500	0.000	0.000	0.000	0.000
Other	2.099	(0.107)	(0.065)	(0.061)	0.062
<b>Total Cash Adjustment Changes</b>	<b>(\$190.990)</b>	<b>(\$229.310)</b>	<b>(\$244.495)</b>	<b>(\$281.141)</b>	<b>(\$315.121)</b>
<b>Total Changes</b>	<b>\$38.504</b>	<b>(\$37.941)</b>	<b>(\$26.147)</b>	<b>(\$36.749)</b>	<b>(\$49.423)</b>
<b>2010 November Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$2,651.156)</b>	<b>(\$2,555.769)</b>	<b>(\$2,837.715)</b>	<b>(\$3,130.919)</b>	<b>(\$3,469.475)</b>

**MTA NEW YORK CITY TRANSIT**  
**2011 Final Proposed Budget**  
**November Financial Plan 2011 – 2014**  
**Summary of Major Plan-to-Plan Changes**  
**Ridership/(Utilization)**

The November 2010 Financial Plan ridership forecast is based on August 2010 year-to-date ridership. On the subway, the September-December ridership forecast is unchanged from the July Plan, since the weather adjusted May – August 2010 ridership change from budget was similar to the 2.1% used in the July Plan. On the bus, September-December 2010 ridership is projected to be 2.4% below budget (including service cuts) based on May-August 2010, when ridership compared to budget further declined from the beginning of the year. The resulting subway and bus ridership forecast is 5.9 million lower than the July 2010 Plan.

2011 baseline subway ridership was derived by annualizing March-August 2010 actual results and the September-December 2010 forecast. 2011 baseline bus ridership was derived by annualizing the 2.4 percent ridership decrease from budget. 2011 subway and bus ridership is projected to increase by approximately 1.5% based on Global Insight's 2011 employment forecast compared with the 1.8% increase used in the July 2010 Plan. As a result of the worse than expected 2010 bus ridership and lower 2011 employment forecast, projected 2011 subway and bus ridership is 15.7 million lower than the July Plan.

Working off the revised 2011 projection, 2012-2014 ridership growth forecasts are based on the August 2010 Global Insight employment forecast, which projects lower employment increases in 2012-2014 than the May 2010 forecast used in the July 2010 Plan. The resulting ridership is expected to be lower than the July Plan by 20.1 million in 2012, 21.8 million in 2013, and 23.7 million in 2014.

**MTA NEW YORK CITY TRANSIT**  
**November Financial Plan 2011-2014**  
**Ridership/(Utilization)**  
(\$ in millions)

	<b>2009 Actual</b>	<b>2010 November Forecast</b>	<b>2011 Final Proposed Budget</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>RIDERSHIP</b>						
Subway	1,579.867	1,602.149	1,631.702	1,666.229	1,687.874	1,708.045
Bus	726.472	701.643	707.497	721.734	730.556	738.763
Paratransit	8.490	9.289	10.195	11.810	13.669	15.805
<b>Total Ridership</b>	<b>2,314.829</b>	<b>2,313.081</b>	<b>2,349.394</b>	<b>2,399.773</b>	<b>2,432.099</b>	<b>2,462.613</b>
<b>FAREBOX REVENUE (Excluding fare media liability)</b>						
Subway	2,245.620	2,390.586	2,436.269	2,490.062	2,523.786	2,555.213
Bus	821.111	844.105	851.886	870.711	882.376	893.229
Paratransit	13.942	16.096	17.588	20.399	23.631	27.348
<b>Total Farebox Revenue</b>	<b>3,080.673</b>	<b>3,250.787</b>	<b>3,305.743</b>	<b>3,381.172</b>	<b>3,429.793</b>	<b>3,475.790</b>

MTA NEW YORK CITY TRANSIT											
November Financial Plan 2011 - 2014											
Budget Reduction Program Summary (BRPs + Administration + OT)											
(\$ Millions)											
		2010		2011		2012		2013		2014	
		Pos	\$M	Pos	\$M	Pos	\$M	Pos	\$M	Pos	\$M
<b>Administration</b>											
	BRP - Rapid Procurement/Project Elim	14	\$6.421		\$1.410		\$1.147		\$0.645		\$0.297
	BRP - BSC Transfer Reduction			(20)	(\$2.153)	(61)	(\$6.185)	(61)	(\$6.185)	(61)	(\$6.185)
	BRP - OTPS Reductions		\$4.280		\$3.696		\$3.696		\$3.696		\$3.696
	Sub-Total Administration	14	\$10.701	(20)	\$2.953	(61)	(\$1.342)	(61)	(\$1.844)	(61)	(\$2.192)
<b>Maintenance</b>											
	BRP - Empl Facility Enhance 25% Reduct			14	\$1.646	14	\$1.646	14	\$1.646	14	\$1.646
	BRP - Car Quality Control Streamlining	17	\$2.558	17	\$4.555	17	\$4.555	17	\$4.555	17	\$4.555
	BRP - Reduce Escalator Cleaning	11	\$0.511	11	\$0.980	11	\$0.980	11	\$0.980	11	\$0.980
	BRP - Extend SMS Cycle/Other SMS Economies	109	\$10.693	146	\$20.948	84	\$19.215	111	\$20.136	107	\$17.316
	BRP - Track Cleaning Reductions	46	\$2.054	46	\$3.938	46	\$3.938	46	\$3.938	46	\$3.938
	BRP - Grouting Program Reduction	24	\$1.137	24	\$2.180	24	\$2.180	24	\$2.180	24	\$2.180
	BRP - Shop Plan Reductions	74	\$10.829	17	\$1.350	17	\$1.317	17	\$1.086	17	\$0.936
	BRP - Bus Mtc Economies	34	\$1.361	34	\$3.050	34	\$3.050	34	\$3.050	34	\$3.050
	BRP - OTPS Reductions (Buses)		\$2.074		\$1.047		\$1.047		\$1.047		\$1.047
	BRP - OTPS Reductions (All Other)		\$1.695		\$0.383		\$0.383		\$0.383		\$0.383
	BRP - Electronics Maintenance Economies	2	\$0.074	20	\$1.802	20	\$1.802	20	\$1.802	20	\$1.802
	BRP - Other Savings (Subways)	18	\$0.790	13	\$1.132	13	\$1.210	13	\$1.210	13	\$1.210
	Sub-Total Maintenance	335	\$33.776	342	\$43.011	280	\$41.323	307	\$42.013	303	\$39.043
<b>Other</b>											
	BRP - Facilities-Security Post Reductions	7	\$0.344	16	\$1.259	16	\$1.259	16	\$1.259	16	\$1.259
	BRP - OTPS Reductions (Subways)		\$4.477		\$4.839		\$5.089		\$5.089		\$5.089
*	BRP - IESS Refcst		\$5.895		\$3.305		\$0.024		\$0.024		\$0.024
*	BRP - Public Liability CFA		(\$5.000)		(\$5.000)		(\$5.000)		(\$5.000)		(\$5.000)
*	BRP - Misc Base Pay		(\$1.000)		(\$2.500)		(\$2.500)		(\$2.501)		(\$2.501)
*	Other	6	\$0.704	6	\$0.704	6	\$0.704	6	\$0.704	6	\$0.704
	Sub-Total Other	13	\$5.420	22	\$2.607	22	(\$0.424)	22	(\$0.425)	22	(\$0.425)
<b>Service Support</b>											
	BRP - Overtime Reductions	(27)	\$0.622	(27)	\$1.665	(27)	\$1.665	(27)	\$1.665	(27)	\$1.665
	BRP - Station Switching Economy	9	\$0.364	9	\$0.814	9	\$0.814	9	\$0.814	9	\$0.814
	BRP - Terminal Supervision Economy	35	\$1.742	35	\$3.418	35	\$3.418	35	\$3.418	35	\$3.418
	BRP - Car Cleaning Reductions	116	\$4.542	116	\$8.642	116	\$8.642	116	\$8.642	116	\$8.642
	BRP - Dedicated Announcers Reduction	19	\$0.780	19	\$1.497	19	\$1.497	19	\$1.497	19	\$1.497
	BRP - Eliminate Bio-Diesel Fuel		\$1.407		\$3.417		\$4.409		\$4.409		\$4.409

<b>MTA NEW YORK CITY TRANSIT</b> <b>November Financial Plan 2011 - 2014</b> <b>Budget Reduction Program Summary (BRPs + Administration + OT)</b> <b>(\$ Millions)</b>	
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**MTA New York City Transit**  
**November Financial Plan 2011-2014**  
**2010 Program to Eliminate the Gap (PEGs) Worksheet**  
**(\$ in millions)**

<b>Business Unit</b>	NYCT	<b>PEG Category</b>	Administration	<b>Implementation Date</b>	1/1/10
<b>PEG / New Need ID</b>	4			<b>Savings Date</b>	1/1/10
<b>Program:</b>	BRP - Rapid Procurement/Project Elimination				

**Description and Implementation Plan**

Authority-wide reduction in 2010. Savings derived from renegotiation of various supplier's contracts, project deferrals / elimination in various departments (e.g. elimination of non-revenue vehicle purchases, customer surveys / rider report cards); and the elimination of 14 positions in the Department of Subway's Employee Facility Enhancements Program.

**Background Details**

Savings derived from project eliminations / deferral and contractual savings were identified. It should also be noted that the Department of Subways has taken a permanent 25% reduction in the Employee Facility Enhancement Program beginning in 2011, see PEG worksheet entitled "Empl Facility Enhance 25% Redux".

	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>2012</b></u>	<u><b>2013</b></u>	<u><b>2014</b></u>
<b>Total Headcount</b>	14	-	-	-	-
<b>Financial Impact</b>	\$6.421	\$1.410	\$1.147	\$0.645	\$0.297

**MTA New York City Transit**  
**November Financial Plan 2011-2014**  
**2010 Program to Eliminate the Gap (PEGs) Worksheet**  
(\$ in millions)

<b>Business Unit</b>	NYCT	<b>PEG Category</b>	Administration	<b>Implementation Date</b>	1/1/11
<b>PEG / New Need ID</b>	2			<b>Savings Date</b>	1/1/11
<b>Program:</b>	BRP - BSC Transfer Reduction				

**Description and Implementation Plan**

Offset of positions included in the 15% Reduction Plan that are scheduled to be transferred to the BSC. Includes TIS (15 positions), Office of the Controller (18 positions) and Human Resources (28 positions).

**Background Details**

Offset of positions included in the 15% Reduction Plan that are scheduled to be transferred to the BSC beginning with 20 positions in 2011 to administer general ledger, accounts payable functions, followed by 41 positions in 2012 for payroll and human resources functions.

	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>2012</b></u>	<u><b>2013</b></u>	<u><b>2014</b></u>
<b>Total Headcount</b>	-	(20)	(61)	(61)	(61)
<b>Financial Impact</b>	\$0.000	(\$2.153)	(\$6.185)	(\$6.185)	(\$6.185)

**MTA New York City Transit**  
**November Financial Plan 2011-2014**  
**2010 Program to Eliminate the Gap (PEGs) Worksheet**  
(\$ in millions)

<b>Business Unit</b>	NYCT	<b>PEG Category</b>	Administration	<b>Implementation Date</b>	1/1/10
<b>PEG / New Need ID</b>	5			<b>Savings Date</b>	1/1/10
<b>Program:</b>	BRP - OTPS Reductions				

**Description and Implementation Plan**

Savings from various departments include: a \$1.9M reduction in refuse collection based on historical patterns; \$1.6M from the reprioritization for data processing material expenditures and consultant services; \$0.4M in reduced overtime costs as NYCT foregoes its policy of providing Traffic Checker coverage at Yankee home games and the U.S. Open tournament along with the elimination of planned data processing and stationary purchases within the Operations Planning division and a \$0.2M reduction in employee training, medical consulting and tuition reimbursement.

**Background Details**

The key assumptions of this savings initiative include the reprioritization of major data processing expenditures, aligning the budget with historical actuals for refuse collection and uniform expenses and rethinking NYCT's responsibility to provide customer service outside of the actual transit system.

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b>Total Headcount</b>	-	-	-	-	-
<b>Financial Impact</b>	\$4.280	\$3.696	\$3.696	\$3.696	\$3.696

**MTA New York City Transit**  
**November Financial Plan 2011-2014**  
**2010 Program to Eliminate the Gap (PEGs) Worksheet**  
(\$ in millions)

<b>Business Unit</b>	NYCT	<b>PEG Category</b>	Maintenance	<b>Implementation Date</b>	1/1/11
<b>PEG / New Need ID</b>	7			<b>Savings Date</b>	1/1/11
<b>Program:</b>	BRP - Employee Facility Enhancement 25% Reduction				

**Description and Implementation Plan**

The Employee Facility Enhancement (EFE) program will be permanently reduced by 25%. As a result of this reduction, the goal will be reduced from 60 employee facility enhancements per year to 45. The 2010 reduction has already been included in the MTA savings plan.

**Background Details**

The Employee Facility Enhancement (EFE) program began in September 2007 when 57 positions were added to re-establish a non-reimbursable Department of Subways employee facilities rehabilitation program that had been eliminated in 2003. Through February 2010, 152 employee facilities (locker rooms, crew rooms, lunch rooms and toilets) have been upgraded by the EFE Program with installation of new lighting and plumbing fixtures, replacement of flooring and ceiling tiles and repainting.

	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>2012</b></u>	<u><b>2013</b></u>	<u><b>2014</b></u>
<b>Total Headcount</b>	-	14	14	14	14
<b>Financial Impact</b>	\$0.000	\$1.646	\$1.646	\$1.646	\$1.646

**MTA New York City Transit**  
**November Financial Plan 2011-2014**  
**2010 Program to Eliminate the Gap (PEGs) Worksheet**  
(\$ in millions)

<b>Business Unit</b>	NYCT	<b>PEG Category</b>	Maintenance	<b>Implementation Date</b>	6/1/10
<b>PEG / New Need ID</b>	8			<b>Savings Date</b>	6/1/10
<b>Program:</b>	BRP - Car Quality Control Streamlining				

**Description and Implementation Plan**

In addition to the Car Quality Control Pilot on the #1 and L lines, Car Equipment implemented a glass/Mylar Maintenance Program in 2007 to replace vandalized glass and install 4-ply Mylar on 2,788 subway cars (R44, R46, R62, R62A, R68, R68A) which was completed at the end of 2009. Four-ply Mylar was also installed on all R142, R142A and R143 cars (R160's have 4-ply Mylar installed by the manufacturer). The remaining resources for the pilot are being eliminated as a result of streamlining the two programs together to maintain one fleet-wide glass/Mylar maintenance program.

**Background Details**

A Car Quality Control Program was established in September 2007 on two lines (#1 and L) to ensure that all subway cars are maintained in a scratch-free condition through timely change-out (within 24 hours) of scratched Mylar vandal shields. The initial budget was based on an estimated number of scratch hits that is greater than actual experience. Based on the lower level of hits, resources provided for this pilot are being reduced without affecting quality.

	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>2012</b></u>	<u><b>2013</b></u>	<u><b>2014</b></u>
<b>Total Headcount</b>	17	17	17	17	17
<b>Financial Impact</b>	\$2.558	\$4.555	\$4.555	\$4.555	\$4.555

**MTA New York City Transit**  
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**2010 Program to Eliminate the Gap (PEGs) Worksheet**  
**(\$ in millions)**

<b>Business Unit</b>	NYCT	<b>PEG Category</b>	Maintenance	<b>Implementation Date</b>	6/1/10
<b>PEG / New Need ID</b>	9			<b>Savings Date</b>	6/1/10
<b>Program:</b>	BRP - Reduce Escalator Cleaning				

**Description and Implementation Plan**

This program will reduce Escalator Step Cleaning and Heavy Cleaning Gangs. The annual goal of cleaning the steps of 48 escalators will be eliminated. The scheduled removal of steps and extensive cleaning of the escalator truss, pans and pits as well as the scheduled cleaning of escalator steps with the Rotomac machine will be discontinued. However, Rotomac machines will still be used to clean the escalator steps during routine maintenance and heavy cleaning will be performed during major repairs.

**Background Details**

In 2007 as part of the Elevator and Escalator Customer Enhancement Initiative, the Escalator Step Cleaning program was developed to improve the cleanliness and reliability of escalators by ensuring that escalators are clean and free from debris without the dismantling of escalators thereby putting them out of service. This budget reduction discontinues that program.

	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>2012</b></u>	<u><b>2013</b></u>	<u><b>2014</b></u>
<b>Total Headcount</b>	11	11	11	11	11
<b>Financial Impact</b>	\$0.511	\$0.980	\$0.980	\$0.980	\$0.980

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(\$ in millions)

<b>Business Unit</b>	NYCT	<b>PEG Category</b>	Maintenance	<b>Implementation Date</b>	1/1/10
<b>PEG / New Need ID</b>	10			<b>Savings Date</b>	1/1/10
<b>Program:</b>	BRP - Extend SMS Cycle/Other SMS Economies				

**Description and Implementation Plan**

First, the extension of the 6-year SMS cycle to a 6-1/2 year cycle will reduce an average of 80 cars enrolled in the SMS program annually. EMD's HVAC SMS reduction saves 1 position and \$0.096M through 2013. Finally, costs associated with disposal and retirement of the R44 fleet include removal of salvageable parts, having an outside contractor remove the cars from the property via flat bed trucks, and abatement/disposal of the cars offsite (vendor contract).

**Background Details**

Savings in Car Equipment's SMS Program resulted from elimination of scheduled enhanced work and 6-year SMS work for the R44 fleet due to advanced retirement. Savings also realized by extending the 6 and 12 year SMS cycle to 6-1/2 and 13 year SMS cycle. Electronics Maintenance Division's savings in HVAC SMS is associated with Car Equipment's 6 and 12 year SMS cycle extension. The savings are offset by the costs of land based disposal of the R44 cars -- reefing would be too costly for this car class.

	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>2012</b></u>	<u><b>2013</b></u>	<u><b>2014</b></u>
<b>Total Headcount</b>	109	146	84	111	107
<b>Financial Impact</b>	\$10.693	\$20.948	\$19.215	\$20.136	\$17.316

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<b>Business Unit</b>	NYCT	<b>PEG Category</b>	Maintenance	<b>Implementation Date</b>	6/1/10
<b>PEG / New Need ID</b>	11			<b>Savings Date</b>	6/1/10
<b>Program:</b>	BRP - Track Cleaning Reductions				

**Description and Implementation Plan**

This program reduces the track cleaning goal from 26,000 station tracks per year to 19,500. As a result of this reduction, 5 out of 20 cleaning gangs (35 positions) will be eliminated. The goal for scraping will be reduced from 150,000 linear feet to 100,000 and 1 out of 3 scraping gangs (11 positions) will be eliminated.

**Background Details**

The purpose of the track cleaning program is to address train delays due to fires, arcing insulators and high water incidents. In 2006, 93 positions (68 for trackbed cleaning and 25 for trackbed scraping) comprised of 12 supervisors and 81 hourlies were added to this program.

	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>2012</b></u>	<u><b>2013</b></u>	<u><b>2014</b></u>
<b>Total Headcount</b>	46	46	46	46	46
<b>Financial Impact</b>	\$2.054	\$3.938	\$3.938	\$3.938	\$3.938

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(\$ in millions)

<b>Business Unit</b>	NYCT	<b>PEG Category</b>	Maintenance	<b>Implementation Date</b>	6/1/10
<b>PEG / New Need ID</b>	12			<b>Savings Date</b>	6/1/10
<b>Program:</b>	BRP - Grouting Program Reduction				

**Description and Implementation Plan**

The Water Intrusion Remediation program addresses water leaks by injecting grout into subway tunnel walls and ceilings. This reduction will reduce the program by 50%, from 8 grouting gangs (each gang consists of 1 supervisor and 5 maintainers) to 4 gangs. This reduction will slow down the pace of remediation by reducing the goal commensurately - from 10,000 to 5,000 leaks per year.

**Background Details**

Four grouting gangs were added to the budget in 2001 and an additional 4 gangs were added in 2006. Grouting is also completed through various Capital Program projects; this work will continue subject to appropriate capital funding. Since the program's start in 2001, over 87,000 leaks have been remedied.

	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>2012</b></u>	<u><b>2013</b></u>	<u><b>2014</b></u>
<b>Total Headcount</b>	24	24	24	24	24
<b>Financial Impact</b>	\$1.137	\$2.180	\$2.180	\$2.180	\$2.180

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**(\$ in millions)**

<b>Business Unit</b>	NYCT	<b>PEG Category</b>	Maintenance	<b>Implementation Date</b>	7/1/10
<b>PEG / New Need ID</b>	13			<b>Savings Date</b>	7/1/10
<b>Program:</b>	BRP - Shop Plan Reductions				

**Description and Implementation Plan**

This proposal reduce 74 hourly positions supporting bus shop work. This includes elimination of heavy scheduled operations (HSO) on 1999 New Flyer CNG buses, reduced scopes on the 2000 fleet of articulated buses and 40% paint reduction limited to the all 1999 fleet buses included in the 2010 shop program. In addition miscellaneous shop maintenance and helper positions supporting parts running, cleaning, salvage, welding, etc were reduced.

**Background Details**

This programs eliminates or reduces Shop maintenance on the older buses (1999 and 2000 fleets) predicated on expected procurement of replacement buses in 2011 and 2012. Reductions in Shop miscellaneous support maintenance positions may adversely impact Shop production and productivity.

	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>2012</b></u>	<u><b>2013</b></u>	<u><b>2014</b></u>
<b>Total Headcount</b>	74	17	17	17	17
<b>Financial Impact</b>	\$10.829	\$1.350	\$1.317	\$1.086	\$0.936

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**2010 Program to Eliminate the Gap (PEGs) Worksheet**  
**(\$ in millions)**

<b>Business Unit</b>	NYCT	<b>PEG Category</b>	Maintenance	<b>Implementation Date</b>	7/1/10
<b>PEG / New Need ID</b>	14			<b>Savings Date</b>	7/1/10
<b>Program:</b>	BRP - Bus Maintenance Economies				

**Description and Implementation Plan**

This proposal eliminates restoration work to the Museum Fleet and includes savings from decreased costs in required wheelchair lift maintenance.

**Background Details**

Currently DOB maintains a Museum Fleet of 23 vintage buses for public display. Further restoration work has been eliminated from the budget. In addition, DOB maintenance costs for wheel chair systems has declined significantly. The recent new bus purchases are equipped with wheel chair ramps instead of more expensive wheel chair lift/platforms found in older fleets. The wheel chair ramps have significantly lower maintenance costs than wheel chair lifts.

	<b><u>2010</u></b>	<b><u>2011</u></b>	<b><u>2012</u></b>	<b><u>2013</u></b>	<b><u>2014</u></b>
<b>Total Headcount</b>	34	34	34	34	34
<b>Financial Impact</b>	\$1.361	\$3.050	\$3.050	\$3.050	\$3.050

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**2010 Program to Eliminate the Gap (PEGs) Worksheet**  
(\$ in millions)

<b>Business Unit</b>	NYCT	<b>PEG Category</b>	Maintenance	<b>Implementation Date</b>	7/1/10
<b>PEG / New Need ID</b>	15			<b>Savings Date</b>	7/1/10
<b>Program:</b>	BRP - OTPS Reductions (Buses)				

**Description and Implementation Plan**

Recurring savings were identified in the Dept of Buses for water and sewer expenses based on less usage, and for bus filter cleaning contracts based on favorable new contract prices. One time savings were identified in administrative expenses such as travel expense, training expenses, real estate, rental costs and professional service/consultant contract costs.

**Background Details**

Reduction levels were based on review of existing OTPS budgets and identification of expenses which could be eliminated in the short-term as well as identifying opportunities for recurring savings based on favorable actual expenses due to lower usage or more favorable contract pricings.

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b>Total Headcount</b>	-	-	-	-	-
<b>Financial Impact</b>	\$2.074	\$1.047	\$1.047	\$1.047	\$1.047

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**(\$ in millions)**

<b>Business Unit</b>	NYCT	<b>PEG Category</b>	Maintenance	<b>Implementation Date</b>	7/1/10
<b>PEG / New Need ID</b>	16			<b>Savings Date</b>	7/1/10
<b>Program:</b>	BRP - OTPS Reductions (All Other)				

**Description and Implementation Plan**

This initiative reflects the discontinuation of the R42/R32 railcar reefing programs, a reduction in the scope of the PA Canarsie maintenance contract as well as decreased armed guard coverage at the Arthur Kill bus lot. Additionally, warehousing operations has implemented an 18 month deferral on the replacement of material handling equipment as well as reductions in other operating costs.

**Background Details**

The major component in 2010 is the discontinuation of the reefing program which reflects a savings of \$2.4M in transportation, hazardous material abatement and barging costs, partially offset by a \$1.1M loss in scrap revenue. In all, 290 railcars (50 R42's and 240 R32's) will remain in service. Outyear savings reflects the scope reduction for PA Canarsie maintenance and the elimination of 1 tour of armed guard coverage at the Arthur Kill bus lot.

	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>2012</b></u>	<u><b>2013</b></u>	<u><b>2014</b></u>
<b>Total Headcount</b>	-	-	-	-	-
<b>Financial Impact</b>	\$1.695	\$0.383	\$0.383	\$0.383	\$0.383

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(\$ in millions)

<b>Business Unit</b>	NYCT	<b>PEG Category</b>	Maintenance	<b>Implementation Date</b>	6/1/10
<b>PEG / New Need ID</b>	17			<b>Savings Date</b>	6/1/10
<b>Program:</b>	BRP - Electronics Maintenance Economies				

**Description and Implementation Plan**

Position savings via improved component testing, consolidation of maintenance and repair functions, extension of preventative maintenance cycles and a reduction of quality control inspections on electronic equipment including OPTO cameras, turnstile swipe/read/write (SRW) components, coin modules, integrated fare units, PBX and Asynchronous equipment. In addition to these measures, the planned closure of subway booths has reduced the total amount of equipment to be maintained.

**Background Details**

Beginning June 2010, efficiencies gained through improved component testing result in a reduction in hourly maintainers, with the majority of savings occurring January 2011.

	<u><b>2009</b></u>	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>2012</b></u>	<u><b>2013</b></u>
<b>Total Headcount</b>	2	20	20	20	20
<b>Financial Impact</b>	\$0.074	\$1.802	\$1.802	\$1.802	\$1.802

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<b>Business Unit</b>	NYCT	<b>PEG Category</b>	Maintenance	<b>Implementation Date</b>	6/1/10
<b>PEG / New Need ID</b>	18			<b>Savings Date</b>	6/1/10
<b>Program:</b>	BRP - Other Savings (Subways)				

**Description and Implementation Plan**

The Division of Stations will reduce 8 positions in Operations Support Assignment Center (OSAC), Rail Control Center (RCC), and Stations Programs. The Division of Track will defer 5 positions for Rail Grinder maintenance to 2011. The Division of Power will reduce 3 positions (4% of quota) in the Cable section. Electronics Maintenance will reclassify 2 positions to the reimbursable budget to support control area reconfiguration associated with station rehabilitations.

**Background Details**

As part of the \$280 million Reduction Plan, NYCT proposed to reduce its Department of Subways operations support personnel.

	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>2012</b></u>	<u><b>2013</b></u>	<u><b>2014</b></u>
<b>Total Headcount</b>	18	13	13	13	13
<b>Financial Impact</b>	\$0.790	\$1.132	\$1.210	\$1.210	\$1.210

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(\$ in millions)

<b>Business Unit</b>	NYCT	<b>PEG Category</b>	Other	<b>Implementation Date</b>	1/1/10
<b>PEG / New Need ID</b>	20			<b>Savings Date</b>	1/1/10
<b>Program:</b>	BRP - Facilities-Security Post Reductions				

**Description and Implementation Plan**

Staff efficiencies resulting from reductions in the number of security posts at various transit locations. Savings is partially offset by an investment in closed circuit cameras and the installation of high entry exit turnstiles (HEET's) at unstaffed locations.

**Background Details**

A total of eleven security posts spanning three tours will be eliminated.

	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>2012</b></u>	<u><b>2013</b></u>	<u><b>2014</b></u>
<b>Total Headcount</b>	7	16	16	16	16
<b>Financial Impact</b>	\$0.344	\$1.259	\$1.259	\$1.259	\$1.259

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(\$ in millions)

<b>Business Unit</b>	NYCT	<b>PEG Category</b>	Other	<b>Implementation Date</b>	7/1/10
<b>PEG / New Need ID</b>	21			<b>Savings Date</b>	7/1/10
<b>Program:</b>	BRP - OTPS Reductions (Subways)				

**Description and Implementation Plan**

Subway-wide reduction in materials and supplies and rentals and miscellaneous. This reduction includes but is not limited to: less replacement of Glass/Mylar on Subway car windows; reduced elevator and escalator SMS material inventory; less janitorial services in low-populated buildings; reduced building services at 2 Broadway; and limited new furniture purchases.

**Background Details**

Reduction levels were based on review of existing OTPS budgets and identification of expenses which could be eliminated in the short-term as well as identifying opportunities for recurring savings based on favorable actual expenses due to lower usage or more favorable contract pricings.

	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>2012</b></u>	<u><b>2013</b></u>	<u><b>2014</b></u>
<b>Total Headcount</b>	-	-	-	-	-
<b>Financial Impact</b>	\$4.477	\$4.839	\$5.089	\$5.089	\$5.089

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(\$ in millions)

<b>Business Unit</b>	NYCT	<b>PEG Category</b>	Service Support	<b>Implementation Date</b>	1/1/10
<b>PEG / New Need ID</b>	25			<b>Savings Date</b>	1/1/10
<b>Program:</b>	BRP - Overtime Reductions				

**Description and Implementation Plan**

Savings derived by reinvesting overtime into staff costs in various departments.

**Background Details**

A majority of the savings pertains to EMD (\$1.6M annual savings), and is the continuation of various actions which reduced overtime during 2009. Savings also reflects the elimination of an agency-wide vacancy provision and the reinvestment of Buses' unscheduled overtime costs which equated to the addition of 25 maintainer positions.

	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>2012</b></u>	<u><b>2013</b></u>	<u><b>2014</b></u>
	(27)	(27)	(27)	(27)	(27)
<b>Total Headcount</b>					
<b>Financial Impact</b>	\$0.622	\$1.665	\$1.665	\$1.665	\$1.665

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<b>Business Unit</b>	NYCT	<b>PEG Category</b>	Service Support	<b>Implementation Date</b>	7/1/10
<b>PEG / New Need ID</b>	26			<b>Savings Date</b>	7/1/10
<b>Program:</b>	BRP - Station Switching Economy				

**Description and Implementation Plan**

This proposal eliminates a total of 9 Station Switching Train Operators at three B Division terminal locations (Bay Pkwy, Church Ave and Continental Ave) due to AABBB service changes. These savings are reflected in the June 27, 2010 RTO pick.

**Background Details**

The M train will no longer operate to Bay Pkwy and the G train will be cut back to Court Sq. These service changes will result in the elimination of 9 Station Switching Train Operator positions, which were used to facilitate terminal relaying.

	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>2012</b></u>	<u><b>2013</b></u>	<u><b>2014</b></u>
<b>Total Headcount</b>	9	9	9	9	9
<b>Financial Impact</b>	\$0.364	\$0.814	\$0.814	\$0.814	\$0.814

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<b>Business Unit</b>	NYCT	<b>PEG Category</b>	Service Support	<b>Implementation Date</b>	7/1/10
<b>PEG / New Need ID</b>	27			<b>Savings Date</b>	7/1/10
<b>Program:</b>	BRP - Terminal Supervision Economy				

**Description and Implementation Plan**

This proposal reduces a total of 35 dispatchers by eliminating duplicative work at crew reporting centers (28 ATD's) and eliminating terminal supervision at locations no longer supporting train service due to AABB reductions (3 ATD's and 4 TD's).

**Background Details**

AABB service reductions will extend the Q to Astoria and will result in eliminating terminal supervision (3 ATD's and 4 TD's) at 57th St.

	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>2012</b></u>	<u><b>2013</b></u>	<u><b>2014</b></u>
<b>Total Headcount</b>	35	35	35	35	35
<b>Financial Impact</b>	\$1.742	\$3.418	\$3.418	\$3.418	\$3.418

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(\$ in millions)

<b>Business Unit</b>	NYCT	<b>PEG Category</b>	Service Support	<b>Implementation Date</b>	6/1/10
<b>PEG / New Need ID</b>	28			<b>Savings Date</b>	6/1/10
<b>Program:</b>	BRP - Car Cleaning Reductions				

**Description and Implementation Plan**

Car Equipment will reduce car cleaning at all train terminal locations. This reduction will eliminate the remaining resources added in 2007 for the pilot program on the 7 & L lines (56 positions) as well as 60 positions from other terminal locations.

**Background Details**

In August of 2007, a pilot program was implemented on the 7 and L lines to enhance terminal cleaning by increasing the number of cleaners at Main St and Rockaway Parkway terminals and create new cleaning operations at two additional terminals (Times Square and 8th Ave/14th St.). The pilot program was scaled back by 77 cleaner positions and 10 supervisor positions in two phases: 2009: 28 cleaners & 1 supervisor; 2010: 49 cleaners & 9 supervisors. The remaining resources for the pilot -- 48 cleaners and 8 supervisors will be eliminated starting in June 2010. The 60 other terminal cleaning reductions will be taken by reducing the number of cleaners assigned to each terminal.

	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>2012</b></u>	<u><b>2013</b></u>	<u><b>2014</b></u>
<b>Total Headcount</b>	116	116	116	116	116
<b>Financial Impact</b>	\$4.542	\$8.642	\$8.642	\$8.642	\$8.642

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(\$ in millions)

<b>Business Unit</b>	NYCT	<b>PEG Category</b>	Service Support	<b>Implementation Date</b>	6/1/10
<b>PEG / New Need ID</b>	29			<b>Savings Date</b>	6/1/10
<b>Program:</b>	BRP - Dedicated Announcers Reduction				

**Description and Implementation Plan**

This proposal reduces by 19 the number of dedicated announcers assigned to provide customer service information from key locations (usually towers), each of which are connected via public address system to a number of subway stations.

**Background Details**

There are currently 29 announcers assigned to the Dedicated Announcers Program; 28 of these positions staff 14 Key Station Locations and one announcer is assigned to General Order coverage during midnight shifts. The elimination of 19 positions will reduce the number of key locations from 14 (with a 183 station span of control) to 5 (with an 78 station span of control) and eliminate midnight General Order coverage.

	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>2012</b></u>	<u><b>2013</b></u>	<u><b>2014</b></u>
<b>Total Headcount</b>	19	19	19	19	19
<b>Financial Impact</b>	\$0.780	\$1.497	\$1.497	\$1.497	\$1.497

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<b>Business Unit</b>	NYCT	<b>PEG Category</b>	Service Support	<b>Implementation Date</b>	1/1/10
<b>PEG / New Need ID</b>	30			<b>Savings Date</b>	1/1/10
<b>Program:</b>	BRP - Eliminate Bio-Diesel Fuel				

**Description and Implementation Plan**

This reflects rescission of Section II of Executive Order-142 mandating biodiesel use for transportation fuel.

**Background Details**

Executive Order 142 enacted by Governor Pataki in 2005 required the use of biodiesel transportation fuel and biodiesel heating oil at levels of 10% and 5%, respectively, by 2012. As of September 2009, bus operations had converted 14 depots to B5 (i.e., 5% biodiesel blend), including six NYCT depots and all 8 MTABC depots, and was prepared to continue this roll-out of biodiesel in March 2010 under the new fuel contract.

With Executive Order-35 in February 2010, Governor Paterson rescinded Section II of EO-142, the transportation fuel portion (but not the heating fuel portion), citing "advancements in vehicle engine technology coupled with significant improvements in diesel fuel quality" which made this mandate "not cost-effective". At this point, the transportation fuel vendor was notified that the MTA would not be using biodiesel any longer, though the MTA continues towards biodiesel conversion for heating oil where practicable.

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b>Total Headcount</b>	-	-	-	-	-
<b>Financial Impact</b>	\$1.407	\$3.417	\$4.409	\$4.409	\$4.409

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**(\$ in millions)**

<b>Business Unit</b>	NYCT	<b>PEG Category</b>	Service Support	<b>Implementation Date</b>	6/1/10
<b>PEG / New Need ID</b>	31			<b>Savings Date</b>	6/1/10
<b>Program:</b>	BRP - Reduce Meredith Avenue to Annex/Charleston Delay				

**Description and Implementation Plan**

This proposal reduces 21 management and maintenance hourly positions supporting Meredith Avenue depot when it is converted to an annex. Savings in 2010 also reflects the delayed opening of Charleston Depot from January 2010 to July 2010. This reduction is offset by the addition of two (2) Electronics Maintenance Division (EMD) positions which had not been provided to support operations at Charleston Depot. EMD positions are mainly for farebox, destination signage and bus radio maintenance.

**Background Details**

Meredith Avenue Depot operations have been scaled back to an annex operating 5 days per week instead of 7. Charleston depot will have a 'soft opening' in July 2010 to initially test bus operations out of the depot. Full operations are planned for September 2010. Minimal EMD support for Charleston and Meredith Depot has been added to reflect both lower requirements at Meredith as an annex and that EMD work can be performed at other existing Staten Island depots.

	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>2012</b></u>	<u><b>2013</b></u>	<u><b>2014</b></u>
<b>Total Headcount</b>	19	19	19	19	19
<b>Financial Impact</b>	\$3.204	\$1.800	\$1.800	\$1.800	\$1.800

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<b>Business Unit</b>	NYCT	<b>PEG Category</b>	Service Support	<b>Implementation Date</b>	7/1/10
<b>PEG / New Need ID</b>	32			<b>Savings Date</b>	7/1/10
<b>Program:</b>	BRP - Close Amsterdam Depot				

**Description and Implementation Plan**

This proposal reallocates buses from Amsterdam to Manhattanville, Quill, and 126th Street Depots commencing in July 2010. In addition, storeroom operations supporting bus maintenance at Amsterdam Depot (SR#12) will be closed, reducing three (3) hourly storeroom positions.

**Background Details**

Due to planned service reductions commencing in July 2010, Amsterdam Depot can be closed and the existing service and buses can be relocated to other depots providing budget savings from eliminating fixed staffing at the depot. Savings are partially offset by increased mileage requirements due to the longer distance required for buses to travel from their assigned depot to the beginning of their routes.

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b>Total Headcount</b>	46	46	46	46	46
<b>Financial Impact</b>	\$1.919	\$4.093	\$4.114	\$4.114	\$4.114

**MTA New York City Transit**  
**November Financial Plan 2011-2014**  
**2010 Program to Eliminate the Gap (PEGs) Worksheet**  
**(\$ in millions)**

<b>Business Unit</b>	NYCT	<b>PEG Category</b>	Service Support	<b>Implementation Date</b>	4/1/10
<b>PEG / New Need ID</b>	33			<b>Savings Date</b>	4/1/10
<b>Program:</b>	BRP - Shifting Efficiencies				

**Description and Implementation Plan**

This proposal reduces depot shifters in all boroughs, though predominantly in Manhattan and Staten Island.

**Background Details**

DOB has non-revenue operators to move buses for fueling, maintenance work and parking. In 2009 DOB has reviewed shifting requirements. As part of the review each division identified potential reductions. DOB was able to reduce a total of 22 of 315 non revenue shifting positions (7% reduction) primarily in Manhattan and Staten Island depots.

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b>Total Headcount</b>	22	22	22	22	22
<b>Financial Impact</b>	\$1.466	\$2.104	\$2.104	\$2.104	\$2.104

**MTA New York City Transit**  
**November Financial Plan 2011-2014**  
**2010 Program to Eliminate the Gap (PEGs) Worksheet**  
(\$ in millions)

<b>Business Unit</b>	NYCT	<b>PEG Category</b>	Service Support	<b>Implementation Date</b>	1/1/10
<b>PEG / New Need ID</b>	34			<b>Savings Date</b>	6/1/10
<b>Program:</b>	BRP - Revenue Control Efficiencies				

**Description and Implementation Plan**

Via efficiencies and operational changes a total of 25 positions will be eliminated in 2010 while an additional 4 positions will be eliminated during 2011.

**Background Details**

Operational changes and efficiencies include reducing revenue collection cycle from weekly to biweekly at 197 station booths; eliminating HPEM night shift operations by not wrapping round-trip MetroCards that are delivered to various social service groups; upgrades to the HPEM encoding speeds; and implementation of interfaces to from cash settlement system to the Passenger Revenue Audit System (PRAS). In addition, staff efficiencies will be gained from the planned closure of 29 full time booths.

	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>2012</b></u>	<u><b>2013</b></u>	<u><b>2014</b></u>
<b>Total Headcount</b>	25	29	29	29	29
<b>Financial Impact</b>	\$0.801	\$2.559	\$2.559	\$2.559	\$2.559

**MTA New York City Transit**  
**November Financial Plan 2011-2014**  
**2010 Program to Eliminate the Gap (PEGs) Worksheet**  
**(\$ in millions)**

<b>Business Unit</b>	NYCT	<b>PEG Category</b>	Service Support	<b>Implementation Date</b>	4/1/10
<b>PEG / New Need ID</b>	35			<b>Savings Date</b>	4/1/10
<b>Program:</b>	BRP - Other Savings (All Other)				

**Description and Implementation Plan**

The Department of Security will reduce property protection coverage at various locations. Corporate Communication will defer OTPS funding for various projects. The Department of Supply Logistics will reduce two managerial positions and one supervisory position in its storerooms.

**Background Details**

As part of the \$280 million Reduction Plan, NYCT proposed to reduce its operating department's operations support personnel.

	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>2012</b></u>	<u><b>2013</b></u>	<u><b>2014</b></u>
<b>Total Headcount</b>	2	2	2	3	3
<b>Financial Impact</b>	\$0.197	\$0.750	\$0.713	\$0.823	\$0.823

**MTA New York City Transit**  
**November Financial Plan 2011-2014**  
**2010 Program to Eliminate the Gap (PEGs) Worksheet**  
**(\$ in millions)**

<b>Business Unit</b>	NYCT	<b>PEG Category</b>	Service Support	<b>Implementation Date</b>	7/1/10
<b>PEG / New Need ID</b>	37			<b>Savings Date</b>	7/1/10
<b>Program:</b>	BRP - AABBS Service Spinoffs				

**Description and Implementation Plan**

This program reflects the reduction of 5 dispatcher positions eliminated as service is reduced as well as additional savings from phasing in April through June 2010 until full implementation is achieved in July 2010. Also included are increased costs for outreach to the public on the affected routes via bus stop panels and guide-a-ride inserts on bus canisters.

**Background Details**

Service reductions are planned to be implemented in July 2010.

	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>2012</b></u>	<u><b>2013</b></u>	<u><b>2014</b></u>
<b>Total Headcount</b>	5	5	5	5	5
<b>Financial Impact</b>	\$2.321	\$0.520	\$0.520	\$0.520	\$0.520

**MTA New York City Transit**  
**November Financial Plan 2011-2014**  
**2010 Program to Eliminate the Gap (PEGs) Worksheet**  
(\$ in millions)

<b>Business Unit</b>	NYCT	<b>PEG Category</b>	Service	<b>Implementation Date</b>	1/1/10
<b>PEG / New Need ID</b>				<b>Savings Date</b>	1/1/10
<b>Program:</b>	BRP - Direct Service - Normal Business				

**Description and Implementation Plan**

This program includes savings from routine Platform Budget adjustments in both Subways and Buses, based on ride checks that adjust service at the margins and are done annually to meet passenger requirements; and also includes savings resulting from the implementation of HASTUS, a scheduling application that includes "crew optimizer" software for Subway scheduling.

**Background Details**

Implement platform budget adjustments. Utilize scheduling software application for Subways scheduling.

	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>2012</b></u>	<u><b>2013</b></u>	<u><b>2014</b></u>
<b>Total Headcount</b>	35	58	58	58	58
<b>Financial Impact</b>	\$1.354	\$5.406	\$4.916	\$5.000	\$5.000

**MTA New York City Transit**  
**November Financial Plan 2011-2014**  
**2010 Program to Eliminate the Gap (PEGs) Worksheet**  
(\$ in millions)

<b>Business Unit</b>	NYCT	<b>PEG Category</b>	Administration	<b>Implementation Date</b>	6/1/10
<b>PEG / New Need ID</b>	1			<b>Savings Date</b>	6/1/10
<b>Program:</b>	Administration Reductions (Central Administration)				

**Description and Implementation Plan**

NYCT will eliminate a total of 351 positions (including 13 full-time equivalents), performing administrative support functions in various central administrative departments. The savings submission exceeded the targeted quota reduction by 27 FTEs.

In an effort to reduce MTA Agency costs for medical review and data processing services, NYCT will provide support for these services to both MTA - Bus and LI - Bus at a more favorable rate than the current service providers. Memorandums of Understanding (MOU's) are being developed / finalized identifying the scope of work as well as specific responsibilities of the service provider (NYCT) and the clients (MTA - Bus / LI - Bus). Savings is based on switching non-reimbursable quota in Technology and Information Service (TIS) Division to non-capital reimbursable thereby reducing the expense outlay. In addition, TIS will provide system maintenance support to the bus companies for UTS and Spear.

**Background Details**

As part of the \$280 million Reduction Plan, NYCT is reducing its administrative personnel by 15%. Six positions are projected to support the IT portion of the MTA / Long Island Bus initiative.

	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>2012</b></u>	<u><b>2013</b></u>	<u><b>2014</b></u>
<b>Total Headcount</b>	345	343	343	343	343
<b>Financial Impact</b>	\$21.632	\$36.988	\$36.842	\$36.477	\$36.477

**MTA New York City Transit**  
**November Financial Plan 2011-2014**  
**2010 Program to Eliminate the Gap (PEGs) Worksheet**  
**(\$ in millions)**

<b>Business Unit</b>	NYCT	<b>PEG Category</b>	Administration	<b>Implementation Date</b>	1/1/10
<b>PEG / New Need ID</b>	3			<b>Savings Date</b>	1/1/10
<b>Program:</b>	10% Operating Department Administrative Support				

**Description and Implementation Plan**

NYCT will eliminate a total of 144 positions performing administrative support functions in various operating departments. The majority of the savings are scheduled to begin in June, although in some cases immediate savings are achieved as of January 2010 through elimination of vacant positions.

**Background Details**

As part of the \$280 million Reduction Plan, NYCT is reducing its operating department's administrative personnel by 10%.

	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>2012</b></u>	<u><b>2013</b></u>	<u><b>2014</b></u>
<b>Total Headcount</b>	144	144	144	144	144
<b>Financial Impact</b>	\$9.399	\$15.309	\$15.309	\$15.309	\$15.309

**MTA New York City Transit**  
**November Financial Plan 2011-2014**  
**2010 Program to Eliminate the Gap (PEGs) Worksheet**  
(\$ in millions)

<b>Business Unit</b>	NYCT	<b>PEG Category</b>	Service Support	<b>Implementation Date</b>	6/1/10
<b>PEG / New Need ID</b>	22			<b>Savings Date</b>	6/1/10
<b>Program:</b>	Overtime Savings - Subways				

**Description and Implementation Plan**

This program reduces unscheduled overtime in Subways, Supply Logistics, Revenue Control and Security starting in June 2010.

**Background Details**

The Department of Subways, Supply Logistics, Revenue Control, and Security evaluated current spending patterns and needs to determine appropriate overtime levels. Reductions were based on each divisions ability to absorb unscheduled overtime cuts.

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b>Total Headcount</b>	-	-	-	-	-
<b>Financial Impact</b>	\$6.225	\$14.195	\$14.195	\$14.195	\$14.195

**MTA New York City Transit**  
**November Financial Plan 2011-2014**  
**2010 Program to Eliminate the Gap (PEGs) Worksheet**  
**(\$ in millions)**

<b>Business Unit</b>	NYCT	<b>PEG Category</b>	Service Support	<b>Implementation Date</b>	1/1/10
<b>PEG / New Need ID</b>	23			<b>Savings Date</b>	1/1/10
<b>Program:</b>	Overtime Savings - Buses				

**Description and Implementation Plan**

This agency-wide proposal reduces unscheduled overtime beginning in 2010. Areas of overtime reductions include bus operator extra board relief, clerical and professional staff overtime, reduced task times for specific maintenance work, supervisory overtime savings based on improved dispatcher assignments versus budget and overtime reductions achieved by implementing a revised goal of operating 99.4% of scheduled service.

**Background Details**

Reduction levels were based on each areas ability to absorb unscheduled overtime cuts.

	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>2012</b></u>	<u><b>2013</b></u>	<u><b>2014</b></u>
<b>Total Headcount</b>	(11)	(32)	(28)	(21)	(20)
<b>Financial Impact</b>	\$4.531	\$10.967	\$11.265	\$12.584	\$13.840

**MTA NEW YORK CITY TRANSIT**  
**2011 Final Proposed Budget**  
**November Financial Plan 2011 – 2014**  
**Positions**

**POSITION ASSUMPTIONS**

**2010: November Financial Plan vs. July Financial Plan**

Total baseline positions are projected to increase by 66, due mostly to the addition of 54 positions in support of SBS (Select Bus Service).

**2011-2014: November Financial Plan vs. July Financial Plan**

Total baseline positions are projected to increase by 140 in 2011, 60 in 2012, 54 in 2013 and 166 in 2014, due mostly to 58 positions each year in support of SBS (Select Bus Service), availability adjustments resulting in an additional 70 positions each year, and 117 positions required in 2014 to support the 7 West Extension, partly offset by reimbursable position reductions of 63 in 2012, 72 in 2013 and 78 in 2014.

**MTA NEW YORK CITY TRANSIT**  
**November Financial Plan 2011-2014**  
**Total Positions by Function**  
**Non-Reimbursable/Reimbursable and Full-Time Positions/Full-Time Equivalents**

Function/Department	2009 Actual	2010 November Forecast	2011 Final Budget	2012	2013	2014
<b>Administration</b>						
Office of the President	-	13	13	13	13	13
Law	-	269	269	269	269	269
Office of the EVP	-	33	32	32	30	30
Human Resources	-	299	313	191	191	191
Office of Management and Budget	-	39	39	39	39	39
Capital Planning & Budget	-	35	35	35	35	35
Corporate Communications	-	238	238	236	236	236
AFC Program Management & Sales	-	54	54	54	54	54
Technology & Information Services	-	443	433	401	401	401
Non-Departmental	-	42	81	81	81	81
Labor Relations	-	72	72	72	72	72
Materiel	-	236	239	238	233	233
Controller	-	191	147	123	123	123
<b>Total Administration</b>	-	<b>1,964</b>	<b>1,965</b>	<b>1,784</b>	<b>1,777</b>	<b>1,777</b>
<b>Operations</b>						
Subways Service Delivery	-	10,241	10,188	10,179	10,126	10,131
Subways Operation Support /Admin	-	338	338	338	338	338
<i>Subtotal - Subways</i>	-	10,579	10,526	10,517	10,464	10,469
Buses	-	10,157	10,249	10,235	10,227	10,227
Paratransit	-	149	148	148	148	148
Operations Planning	-	377	375	375	374	374
Revenue Control	-	423	423	423	423	423
<b>Total Operations</b>	-	<b>21,685</b>	<b>21,721</b>	<b>21,698</b>	<b>21,636</b>	<b>21,641</b>
<b>Maintenance</b>						
Subways Service Delivery	-	560	560	560	560	560
Subways Operation Support /Admin	-	250	220	220	220	220
Subways Office of the SVP	-	-	-	-	-	-
Subways Engineering	-	315	297	281	270	263
Subways Car Equipment	-	4,003	3,990	4,085	4,078	4,066
Subways Infrastructure	-	1,685	1,651	1,600	1,594	1,594
Subways Stations	-	2,774	2,783	2,777	2,867	2,993
Subways Track	-	2,751	2,728	2,727	2,727	2,727
Subways Power	-	678	598	583	576	577
Subways Signals	-	1,305	1,270	1,225	1,224	1,224
Subways Electronics Maintenance	-	1,386	1,343	1,342	1,339	1,328
<i>Subtotal - Subways</i>	-	15,707	15,440	15,400	15,455	15,552
Buses	-	3,661	3,745	3,751	3,811	3,852
Revenue Control	-	137	137	137	137	137
Supply Logistics	-	547	547	547	546	546
System Safety	-	90	90	90	90	90
<b>Total Maintenance</b>	-	<b>20,142</b>	<b>19,959</b>	<b>19,925</b>	<b>20,039</b>	<b>20,177</b>
<b>Engineering/Capital</b>						
Capital Program Management	-	1,398	1,398	1,418	1,418	1,418
<b>Total Engineering/Capital</b>	-	<b>1,398</b>	<b>1,398</b>	<b>1,418</b>	<b>1,418</b>	<b>1,418</b>
<b>Public Safety</b>						
Security	-	511	500	500	500	500
<b>Total Public Safety</b>	-	<b>511</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>
<b>Baseline Total Positions</b>	<b>48,216</b>	<b>45,700</b>	<b>45,543</b>	<b>45,325</b>	<b>45,370</b>	<b>45,513</b>
Non-Reimbursable	43,153	40,330	40,502	40,427	40,579	40,730
Reimbursable **	5,063	5,370	5,041	4,898	4,791	4,783
Total Full-Time	47,976	45,541	45,390	45,172	45,217	45,360
Total Full-Time Equivalents	240	159	153	153	153	153

\*The November Financial Plan position data by category includes a recent major subways reorganization which also impacted other departments. Restated 2009 actual data by category is not available.

\*\* 2009 Reimbursable positions estimated

**MTA NEW YORK CITY TRANSIT**  
**November Financial Plan 2011-2014**  
**Total Positions by Function and Occupation**

FUNCTION/OCCUPATIONAL GROUP	2009 Actual	2010 November Forecast	2011 Preliminary Budget	2012	2013	2014
<b>Administration</b>						
Managers/Supervisors	-	622	615	584	578	578
Professional, Technical, Clerical	-	1,276	1,242	1,093	1,092	1,092
Operational Hourlies	-	66	108	107	107	107
<b>Total Administration</b>	-	<b>1,964</b>	<b>1,965</b>	<b>1,784</b>	<b>1,777</b>	<b>1,777</b>
<b>Operations</b>						
Managers/Supervisors	-	2,702	2,672	2,671	2,665	2,664
Professional, Technical, Clerical	-	445	444	442	442	442
Operational Hourlies	-	18,538	18,605	18,585	18,529	18,535
<b>Total Operations</b>	-	<b>21,685</b>	<b>21,721</b>	<b>21,698</b>	<b>21,636</b>	<b>21,641</b>
<b>Maintenance</b>						
Managers/Supervisors	-	3,541	3,513	3,494	3,483	3,489
Professional, Technical, Clerical	-	1,031	981	962	957	955
Operational Hourlies	-	15,570	15,465	15,469	15,599	15,733
<b>Total Maintenance</b>	-	<b>20,142</b>	<b>19,959</b>	<b>19,925</b>	<b>20,039</b>	<b>20,177</b>
<b>Engineering/Capital</b>						
Managers/Supervisors	-	324	324	324	324	324
Professional, Technical, Clerical	-	1,072	1,072	1,092	1,092	1,092
Operational Hourlies	-	2	2	2	2	2
<b>Total Engineering/Capital</b>	-	<b>1,398</b>	<b>1,398</b>	<b>1,418</b>	<b>1,418</b>	<b>1,418</b>
<b>Public Safety</b>						
Managers/Supervisors	-	121	121	121	121	121
Professional, Technical, Clerical	-	32	32	32	32	32
Operational Hourlies	-	358	347	347	347	347
<b>Total Public Safety</b>	-	<b>511</b>	<b>500</b>	<b>500</b>	<b>500</b>	<b>500</b>
<b>Total Baseline Positions</b>						
Managers/Supervisors	-	7,310	7,245	7,194	7,171	7,176
Professional, Technical, Clerical	-	3,856	3,771	3,621	3,615	3,613
Operational Hourlies	-	34,534	34,527	34,510	34,584	34,724
<b>Total Baseline Positions</b>	<b>48,216</b>	<b>45,700</b>	<b>45,543</b>	<b>45,325</b>	<b>45,370</b>	<b>45,513</b>
Non-Reimbursable	43,153	40,330	40,502	40,427	40,579	40,730
Reimbursable **	5,063	5,370	5,041	4,898	4,791	4,783
<b>Total Full-Time</b>	<b>47,976</b>	<b>45,541</b>	<b>45,390</b>	<b>45,172</b>	<b>45,217</b>	<b>45,360</b>
<b>Total Full-Time Equivalents</b>	<b>240</b>	<b>159</b>	<b>153</b>	<b>153</b>	<b>153</b>	<b>153</b>

\*The November Financial Plan position data by category includes a recent major subways reorganization which also impacted other departments. Restated 2009 actual data by category is not available.

\*\* 2009 Reimbursable positions estimated

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**MTA Bus Company**

**MTA BUS COMPANY**  
**2011 Final Proposed Budget**  
**November Financial Plan 2011 – 2014**

**MAJOR HIGHLIGHTS**

MTA Bus Company (MTA Bus) provides safe, reliable, convenient and efficient bus service throughout the boroughs of Manhattan, the Bronx, Brooklyn and Queens, as well as parts of Yonkers and western Nassau County.

MTA Bus operates the tenth largest transit fleet in the United States. Service is provided on 80 routes by over 1,252 local and express buses including 389 low floor hybrid electric buses and 170 CNG buses.

MTA Bus operates under an agreement with the City of New York which consolidated the operations of seven private bus companies. The agreement, approved by the MTA Board, stipulated that the City of New York will pay MTA Bus the difference between the actual cost of route service operations and all revenues and subsidies received by MTA Bus. Thus, the current costs of MTA Bus operations are 100% reimbursable by the City.

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 the MTA with the same level of service. Achievements to date include:

- Establishing a single management structure to set policy for all three companies and ensure coordination in all aspects of management and operations.
- Standardizing maintenance procedures and service manuals.
- Progressing the assimilation of information systems and standards.
- Unifying Bus Command Center functions of MTA Bus and NYCT DOB and increasing coordination with the LI Bus Command Center.
- Incorporating road operations management, which is now organized by geographic locale rather than by company.
- Ensuring effective and consistent training regimens across all three companies.
- Consolidating procurements to ensure the best terms are achieved.
- Sharing of fleet and facility resources (for example, MTA Bus can now lay over express buses in NYCT DOB facilities to reduce non-revenue miles and expenses).
- Economies from the joint bus scrap program.

## FINANCIAL OVERVIEW

The 2010 November Forecast, 2011 Final Proposed Budget and projections for the years 2012-2014 includes the approved service reductions from the July Plan and aggressively continues to control expenses through 2011 and the out years. MTA Bus will continue to provide the best service possible in a safe and secure environment for our customers while trying to reduce costs efficiently.

The focus areas are:

- New Bus performance and administration efficiencies
- Maintenance efficiencies
- Aggressive monitoring and control of overtime
- Inventory management
- Efficient management of procurements and operating/professional contracts

For the years 2010 - 2011, the November Plan has increased costs of \$5.6 million and \$6.7 million respectively, primarily due to costs in Claims, (BSC) Business Service Center charges, Pension, Health & Welfare and various Timing issues offset by favorable Revenues, Fuel costs and Savings programs.

Savings have previously been identified and realized from programs that were incorporated into the 2010 February adopted budget and July MYF. Further savings will be achieved for the years 2012 - 2013 and an additional cost in 2014 are as follows:

- \$1.5 million in 2012  
(primarily due to favorable Fuel costs, Revenues, Hastus implementation offset by costs in BSC, Pension and Health & Welfare)
- \$1.1 million in 2013  
(primarily due to favorable Fuel costs, Revenues, Overtime reduction and Productivities offset by costs in BSC, Pension and Health & Welfare)
- (\$0.6) million in 2014  
(primarily due to costs in BSC, Pension and Health & Welfare and Claims offset by favorable Fuel costs, Revenues, Overtime reduction and Productivities)

November Plan Claims cash adjustments:

- \$12.6 million in 2010
- (\$3.2) million in 2011
- (\$1.0) million in 2014

Also included is the \$46.4 million cash timing from 2009 as follows:

- \$25.6 million in Retro-Active Wage adjustments for all hourly union employees
- \$1.8 million in Overtime
- \$4.2 million in Other Fringe Benefits
- \$1.0 million in Pension Costs based on a Third-Party Actuarial evaluation
- \$9.3 million in Insurance

- \$0.6 million in Claims
- \$0.2 million in Maintenance and Other Operating Contracts
- \$1.1 million in Professional Service Contracts
- \$2.0 million in Other Business expenses
- \$3.3 million in GASB
- (\$2.7) million in Capital and Other Reimbursements

Capital projects for upgrading facilities, purchasing depot equipment and replacing service vehicles are dependent on available funding, which is limited.

Labor negotiations are in progress for the TSO and ATU 1181 MTA Bus membership. Based on final agreements, the 2010 cash budget may be impacted by retroactive pay requirements.

The economic condition has impacted utilization less than expected. As of August year-to-date, fixed-route ridership is up by 2.0% compared to the July Plan and revenue is up approximately 1.0%.

The November Plan maintains all July Plan initiatives and are adjusted to reflect new inflation assumptions, savings initiatives and budget guidelines.

### **2010 November Forecast**

Total revenue is projected to be \$192.1 million, of which \$167.8 million is expected from Farebox Receipts, \$17.7 million in Other Operating Revenue and \$6.6 million is Capital and Other Reimbursements. Overall, revenue increased by \$3.9 million compared to the July Plan due to \$2.3 million Revenue increase and \$1.6 million Capital Reimbursements.

MTA Bus Company's November forecast reflects total non-reimbursable baseline expenses of \$504.7 million before Depreciation and OPEB Obligations. The baseline deficit increased by \$5.6 million from the July Plan which was primarily driven by:

- (\$22.6) million in Claims Provision – Third Party re-assessment
- (\$4.6) million in Overtime – Vacancy coverage
- (\$1.4) million in Pension – 401k contributions, inter-agency expenses and delayed July Plan economies

Offset by:

- \$12.6 million in Claims cash adjustment – Third Party re-assessment
- \$5.2 million in Payroll – Vacancy coverage, Shop timing
- \$2.3 million in Revenue – favorable Ridership/Farebox Revenue
- \$1.3 million in Materials & Supplies – Shop timing
- \$1.0 million in Health & Welfare – Vacancy coverage, Shop timing
- \$0.5 million in Fuel - favorable prices and fuel economy
- \$0.1 million in Other – Vacancy coverage, Shop timing

## **2011 Final Proposed Budget**

Total revenue is projected to be \$195.6 million, of which \$169.5 million is expected from Farebox Receipts, \$18.8 million in Other Operating Revenue, and \$7.3 million is Capital and Other Reimbursements. Overall, revenue increased by \$3.9 million compared to the July Plan due to \$2.3 million Revenue increase and \$1.6 million Capital Reimbursements.

MTA Bus Company's 2011 final proposed budget reflects non-reimbursable baseline expenses before Depreciation and OPEB obligations of \$515.7 million. The baseline deficit increased by \$6.7 million from the July MYF Plan which was primarily driven by the following:

- (\$3.2) million in Claims adjustment – Third Party re-assessment
- (\$2.9) million in Professional Service Contracts – BSC costs
- (\$2.0) million in Overtime –Shop timing
- (\$1.5) million in Pensions – 401k contributions, inter-agency expenses and delayed July Plan economies
- (\$1.4) million in Materials & Supplies – Shop timing
- (\$1.1) million in Payroll – various timing issues
- (\$0.4) million in Health & Welfare – various timing issues
- (\$0.1) million in Other Fringe/Maintenance Contracts – Shop timing

Offset by:

- \$3.6 million in Fuel – favorable Prices and Fuel Economy
- \$2.3 million in Revenue – favorable Ridership/Farebox Revenue

## **2012 – 2014 Projections**

Total non-reimbursable and reimbursable expenses before Depreciation and OPEB obligation and Revenue are as follows:

- Revenue:
  - 2012 - \$198.4 million of which Farebox is \$171.9 million
  - 2013 - \$201.1 million of which Farebox is \$174.2 million
  - 2014 - \$203.9 million of which Farebox is \$176.5 million
- Expenses:
  - 2012 - \$534.1 million
  - 2013 - \$553.1 million
  - 2014 - \$567.7 million

Farebox revenue projections are based on current regional employment data, which are used to forecast ridership levels that translate into revenue.

2012 – From the Mid-Year-Forecast a total baseline savings of \$1.5 million are as follows: \$3.4 million in Traction and Propulsion, \$2.3 million in Revenue increase, \$1.6 million in Payroll and \$0.2 million in Other Fringe Benefits; offset by costs of (\$2.9)

million in Professional Service Contract, (\$1.3) million in Pension, (\$1.1) million in Health & Welfare, (\$0.6) million in Overtime and (\$0.1) million in Materials & Supplies.

2013 – A total baseline savings of \$1.1 million are as follows: \$3.6 million in Fuel, \$2.4 million in Revenue increase, \$0.5 million in Materials & Supplies, \$0.4 million in Overtime, \$0.3 million in Other Fringe Benefits and \$0.1 million in Payroll; offset by costs of (\$2.9) million in Professional Service Contract, (\$2.0) million in Health & Welfare, (\$1.2) million in Pension.

2014 – A total baseline costs of (\$0.6) million are as follows: (\$2.9) million in Professional Service Contract, (\$2.9) million in Health & Welfare, (\$1.2) million in Pension and (\$1.0) Claims cash adjustment; offset by savings of \$3.9 million in Fuel, \$2.4 million in Revenue increase, \$0.5 million in Materials & Supplies, \$0.5 million in Overtime, \$0.3 million in Other Fringe Benefits and \$0.1 million in Payroll.

**MTA BUS COMPANY**  
**November Financial Plan 2011 - 2014**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

<b>NON-REIMBURSABLE</b>						
	<b>2009</b>	<b>2010</b>	<b>2011</b>			
	<b>Actual</b>	<b>November Forecast</b>	<b>Final Proposed Budget</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Operating Revenue</b>						
Farebox Revenue	\$160.016	\$167.774	\$169.452	\$171.993	\$174.229	\$176.493
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	21.371	17.722	18.841	19.019	19.391	19.771
Capital and Other Reimbursements	-	-	-	-	-	-
<b>Total Revenue</b>	<b>\$181.387</b>	<b>\$185.496</b>	<b>\$188.293</b>	<b>\$191.012</b>	<b>\$193.620</b>	<b>\$196.264</b>
<b>Operating Expenses</b>						
<b><u>Labor:</u></b>						
Payroll	\$196.974	\$207.319	\$223.416	\$226.082	\$231.229	\$233.011
Overtime	53.812	48.924	43.152	42.630	42.650	41.952
Health and Welfare	27.071	35.545	40.488	44.273	48.616	53.348
OPEB Current Payment	12.360	13.230	13.892	14.586	15.315	16.081
Pensions	29.174	30.923	33.470	35.423	35.966	36.660
Other Fringe Benefits	19.626	21.812	22.499	22.822	23.399	22.548
Reimbursable Overhead	-	-	-	-	-	-
<b>Total Labor Expenses</b>	<b>\$339.017</b>	<b>\$357.754</b>	<b>\$376.917</b>	<b>\$385.816</b>	<b>\$397.176</b>	<b>\$403.600</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power						
Fuel for Buses and Trains	\$28.634	\$30.524	\$31.129	\$32.726	\$33.853	\$34.846
Insurance	14.012	12.020	13.195	14.515	15.937	19.544
Claims	25.300	45.600	24.000	25.000	26.000	27.000
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	21.769	23.512	25.015	26.230	27.338	23.101
Professional Service Contracts	3.299	5.633	7.113	7.098	7.456	9.935
Materials & Supplies	22.878	25.896	32.101	29.240	31.711	37.636
Other Business Expenses	3.063	3.796	6.206	6.153	6.128	4.449
<b>Total Non-Labor Expenses</b>	<b>\$118.955</b>	<b>\$146.981</b>	<b>\$138.759</b>	<b>\$140.962</b>	<b>\$148.423</b>	<b>\$156.510</b>
<b><u>Other Expenses Adjustments:</u></b>						
Other	-	-	-	-	-	-
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation &amp; GASB Adj.</b>	<b>\$457.972</b>	<b>\$504.735</b>	<b>\$515.676</b>	<b>\$526.778</b>	<b>\$545.599</b>	<b>\$560.110</b>
Depreciation	\$36.469	\$40.185	\$42.235	\$42.235	\$42.235	\$42.235
OPEB Obligation	47.140	67.602	68.521	70.001	71.611	73.000
Environmental Remediation	2.036	-	-	-	-	-
<b>Total Expenses</b>	<b>\$543.617</b>	<b>\$612.522</b>	<b>\$626.432</b>	<b>\$639.014</b>	<b>\$659.445</b>	<b>\$675.345</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$362.230)</b>	<b>(\$427.026)</b>	<b>(\$438.139)</b>	<b>(\$448.001)</b>	<b>(\$465.825)</b>	<b>(\$479.081)</b>

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**MTA BUS COMPANY**  
**November Financial Plan 2011 - 2014**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

<b>NON-REIMBURSABLE / REIMBURSABLE</b>						
	<b>2009 Actual</b>	<b>2010 November Forecast</b>	<b>2011 Final Proposed Budget</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Revenue</b>						
Farebox Revenue	\$160.016	\$167.774	\$169.452	\$171.993	\$174.229	\$176.493
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	21.371	17.722	18.841	19.019	19.391	19.771
Capital and Other Reimbursements	0.144	6.566	7.260	7.384	7.512	7.628
<b>Total Revenue</b>	<b>\$181.531</b>	<b>\$192.062</b>	<b>\$195.553</b>	<b>\$198.397</b>	<b>\$201.132</b>	<b>\$203.892</b>
<b>Expenses</b>						
<b><u>Labor:</u></b>						
Payroll	\$197.052	\$212.203	\$228.806	\$231.564	\$236.807	\$238.675
Overtime	53.812	48.924	43.152	42.630	42.650	41.952
Health and Welfare	27.111	36.417	41.457	45.259	49.618	54.365
OPEB Current Payment	12.360	13.230	13.892	14.586	15.315	16.081
Pensions	29.194	31.339	33.934	35.894	36.445	37.147
Other Fringe Benefits	19.632	22.208	22.936	23.266	23.852	23.008
Reimbursable Overhead	-	-	-	-	-	-
<b>Total Labor Expenses</b>	<b>\$339.161</b>	<b>\$364.320</b>	<b>\$384.176</b>	<b>\$393.199</b>	<b>\$404.688</b>	<b>\$411.228</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power	-	-	-	-	-	-
Fuel for Buses and Trains	\$28.634	\$30.524	\$31.129	\$32.726	\$33.853	\$34.846
Insurance	14.012	12.020	13.195	14.515	15.937	19.544
Claims	25.300	45.600	24.000	25.000	26.000	27.000
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	21.769	23.512	25.015	26.230	27.338	23.101
Professional Service Contracts	3.299	5.633	7.113	7.098	7.456	9.935
Materials & Supplies	22.878	25.896	32.101	29.240	31.711	37.636
Other Business Expenses	3.063	3.796	6.206	6.153	6.128	4.449
<b>Total Non-Labor Expenses</b>	<b>\$118.955</b>	<b>\$146.981</b>	<b>\$138.759</b>	<b>\$140.962</b>	<b>\$148.423</b>	<b>\$156.510</b>
<b><u>Other Expenses Adjustments:</u></b>						
Other	-	-	-	-	-	-
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation &amp; GASB Adj.</b>	<b>\$458.116</b>	<b>\$511.301</b>	<b>\$522.935</b>	<b>\$534.161</b>	<b>\$553.111</b>	<b>\$567.738</b>
Depreciation	\$36.469	\$40.185	\$42.235	\$42.235	\$42.235	\$42.235
OPEB Obligation	47.140	67.602	68.521	70.001	71.611	73.000
Environmental Remediation	2.036	-	-	-	-	-
<b>Total Expenses</b>	<b>\$543.761</b>	<b>\$619.088</b>	<b>\$633.691</b>	<b>\$646.397</b>	<b>\$666.957</b>	<b>\$682.973</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$362.230)</b>	<b>(\$427.026)</b>	<b>(\$438.138)</b>	<b>(\$448.001)</b>	<b>(\$465.824)</b>	<b>(\$479.081)</b>

**MTA BUS COMPANY**  
**November Financial Plan 2011 - 2014**  
**Cash Receipts & Expenditures**  
(\$ in millions)

<b>CASH RECEIPTS AND EXPENDITURES</b>						
	<b>2009 Actual</b>	<b>2010 November Forecast</b>	<b>2011 Final Proposed Budget</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Receipts</b>						
Farebox Revenue	\$158.241	\$167.774	\$169.452	\$171.993	\$174.229	\$176.493
Other Operating Revenue	22.041	17.722	18.841	19.019	19.391	19.771
Capital and Other Reimbursements	-	10.538	11.130	11.372	11.957	12.195
<b>Total Receipts</b>	<b>\$180.282</b>	<b>\$196.033</b>	<b>\$199.423</b>	<b>\$202.384</b>	<b>\$205.577</b>	<b>\$208.459</b>
<b>Expenditures</b>						
<b><u>Labor:</u></b>						
Payroll	\$206.176	\$235.561	\$226.748	\$229.487	\$234.709	\$236.562
Overtime	45.641	50.717	43.152	42.630	42.650	41.952
Health and Welfare	41.165	36.106	41.058	44.855	49.211	53.955
OPEB Current Payment	8.323	13.230	13.892	14.586	15.315	16.081
Pensions	28.921	32.172	33.740	35.699	36.248	36.948
Other Fringe Benefits	20.030	26.277	22.765	23.094	23.678	22.832
GASB Account	-	6.884	3.948	4.317	5.317	6.317
Reimbursable Overhead	-	0.000	0.000	0.000	0.000	-
<b>Total Labor Expenditures</b>	<b>\$350.256</b>	<b>\$400.947</b>	<b>\$385.302</b>	<b>\$394.668</b>	<b>\$407.128</b>	<b>\$414.647</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power						
Fuel for Buses and Trains	\$30.797	\$30.524	\$31.129	\$32.726	\$33.853	\$34.846
Insurance	1.610	21.361	13.195	14.515	15.937	19.544
Claims	12.555	23.000	15.000	17.100	22.000	24.000
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	26.903	26.555	31.017	32.361	33.937	29.830
Professional Service Contracts	3.878	6.741	7.113	7.098	7.456	9.935
Materials & Supplies	26.389	25.896	32.101	29.240	31.711	37.636
Other Business Expenses	2.513	5.764	6.206	6.153	6.128	4.449
<b>Total Non-Labor Expenditures</b>	<b>\$104.645</b>	<b>\$139.842</b>	<b>\$135.761</b>	<b>\$139.192</b>	<b>\$151.023</b>	<b>\$160.238</b>
<b><u>Other Expenditure Adjustments:</u></b>						
Other	-	-	-	-	-	-
<b>Total Other Expenditure Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenditures</b>	<b>\$454.901</b>	<b>\$540.788</b>	<b>\$521.064</b>	<b>\$533.860</b>	<b>\$558.151</b>	<b>\$574.886</b>
<b>Baseline Cash Deficit</b>	<b>(\$274.619)</b>	<b>(\$344.755)</b>	<b>(\$321.641)</b>	<b>(\$331.476)</b>	<b>(\$352.574)</b>	<b>(\$366.427)</b>

**MTA BUS COMPANY**  
**November Financial Plan 2011 - 2014**  
**Cash Conversion (Cash Flow Adjustments)**  
(\$ in millions)

<b>CASH FLOW ADJUSTMENTS</b>						
	<b>2009 Actual</b>	<b>2010 November Forecast</b>	<b>2011 Final Proposed Budget</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Receipts</b>						
Farebox Revenue	(\$1.775)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	0.670	-	-	-	-	-
Capital and Other Reimbursements	(0.144)	3.971	3.871	3.988	4.445	4.567
<b>Total Receipts</b>	<b>(\$1.249)</b>	<b>\$3.971</b>	<b>\$3.871</b>	<b>\$3.988</b>	<b>\$4.445</b>	<b>\$4.567</b>
<b>Expenditures</b>						
<b><u>Labor:</u></b>						
Payroll	(\$9.124)	(\$23.358)	2.058	2.078	2.097	2.112
Overtime	8.171	(1.793)	-	-	-	-
Health and Welfare	(14.054)	0.310	0.399	0.403	0.407	0.410
OPEB Current Payment	4.037	-	-	-	-	-
Pensions	0.273	(0.832)	0.194	0.195	0.197	0.199
Other Fringe Benefits	(0.398)	(4.070)	0.170	0.172	0.174	0.175
GASB Account	-	(6.884)	(3.948)	(4.317)	(5.317)	(6.317)
Reimbursable Overhead	-	(0.000)	(0.000)	(0.000)	(0.000)	-
<b>Total Labor Expenditures</b>	<b>(\$11.095)</b>	<b>(\$36.627)</b>	<b>(\$1.126)</b>	<b>(\$1.469)</b>	<b>(\$2.441)</b>	<b>(\$3.420)</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power	-	-	-	-	-	-
Fuel for Buses and Trains	(\$2.163)	-	-	-	-	-
Insurance	12.402	(9.341)	-	-	-	-
Claims	12.745	22.600	9.000	7.900	4.000	3.000
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	(5.134)	(3.043)	(6.002)	(6.130)	(6.599)	(6.729)
Professional Service Contracts	(0.579)	(1.108)	-	-	-	-
Materials & Supplies	(3.511)	0.000	-	-	-	-
Other Business Expenditures	0.550	(1.968)	-	-	-	-
<b>Total Non-Labor Expenditures</b>	<b>\$14.310</b>	<b>\$7.139</b>	<b>\$2.998</b>	<b>\$1.770</b>	<b>(\$2.599)</b>	<b>(\$3.729)</b>
<b><u>Other Expenditures Adjustments:</u></b>						
Other	-	-	-	-	-	-
<b>Total Other Expenditures Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Cash Conversion Adjustments before Depreciation</b>	<b>\$1.966</b>	<b>(\$25.516)</b>	<b>\$5.742</b>	<b>\$4.289</b>	<b>(\$0.595)</b>	<b>(\$2.582)</b>
Depreciation Adjustment	\$36.469	\$40.185	\$42.235	\$42.235	\$42.235	\$42.235
OPEB Obligation	47.140	67.602	68.521	70.001	71.611	73.000
Environmental Remediation	2.036	-	-	-	-	-
<b>Baseline Total Cash Conversion Adjustments</b>	<b>\$87.611</b>	<b>\$82.271</b>	<b>\$116.498</b>	<b>\$116.525</b>	<b>\$113.251</b>	<b>\$112.654</b>

**MTA BUS COMPANY**  
**2011 Final Proposed Budget**  
**November Financial Plan 2011 - 2014**  
**Year-to-Year Summary of Changes**

**TOTAL REVENUE / RECEIPTS**

**Farebox Revenue**

- Annual changes in farebox revenue are based on year-to-date actual results, as well as local employment indicators.

**Other Operating Revenue**

- Projections are consistent with the February Plan and are offset by a July Plan change in the agency-wide advertising contract.

**Capital and Other Reimbursements**

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

**TOTAL EXPENSES / EXPENDITURES**

**Payroll**

- Payroll costs were affected by productivity (in order to reduce overtime) and inflation assumptions.

Wage Assumptions for Represented Labor

Included from the February Plan is the TWU settlement award:

- Year 1: 2.44%
- Year 2: 4.11%
- Year 3: 5.02%

Wage Assumptions for Non-Represented Labor

- Wage assumptions remain unchanged from the February Plan

**Overtime**

- Payroll wage rate increase assumptions apply. Managing overtime is a major component of the expense reduction program. Annual changes reflect the reduction expense initiatives such as New Bus Performance and decrease in operating service and shop and depot maintenance productivities.

## Health & Welfare

- Assumptions are based on revised inflators which increased the annual rates. An adjusted 2010 base was used in conjunction with the guideline rates to forecast the 2011 – 2014 plan rates as follows:

Year	Family	Individual
2011	13.4%	14.3%
2012	7.1%	6.7%
2013	7.1%	6.7%
2014	7.1%	6.7%

## Pension

- Assumptions are based on third party re-assessments, reduction program initiatives and timing of expenses.

The 2010 November Plan reflects \$1.5 million adjustment that is comprised of \$0.7 million delayed July Plan economies, \$0.4 million for 401k contributions, and \$0.4 million for higher than expected inter-agency personnel.

## Other Fringe Benefits

- Projections are consistent with payroll rate assumptions.

## Fuel for Buses and Trains

- The 2010 Diesel fuel average price per gallon is \$2.37. Below are the projections:
  - 2011 = \$2.45 representing 3.2% increase compared to 2010.
  - 2012 = \$2.57 representing 5.1% increase compared to 2011.
  - 2013 = \$2.67 representing 3.8% increase compared to 2012.
  - 2014 = \$2.75 representing 3.1% increase compared to 2013.
- The 2010 CNG fuel average price per therm is \$1.07. Below are the projections:
  - 2011 = \$1.07 representing 0.2% increase compared to 2010.
  - 2012 = \$1.18 representing 10.5% increase compared to 2011.
  - 2013 = \$1.26 representing 6.7% increase compared to 2012.
  - 2014 = \$1.30 representing 3.6% increase compared to 2013.

Included in the November plan are fuel savings which are based on a 20% improvement in the fuel economy of new buses delivered to MTA. These projections assume a fuel savings of:

- 2011: \$0.1 million
- 2012: \$0.3 million
- 2013: \$0.5 million

- 2014: \$0.6 million

The projections assume that the following new buses will be delivered over the 2011-2014 period:

- 2011: 23
- 2012: 87
- 2013: 165
- 2014: 202

## **Insurance**

- Annual changes were based on payment and policy renewal schedules.

## **Claims**

- Projections are from the third-party actuarial valuation.

The 2010 November Plan reflects a \$22.6 million increase in the accrual provision expense to maintain the actuarial reserve requirement. This is offset by the \$12.6 million claims cash adjustment.

## **Maintenance and Other Operating Contracts**

- 2011 – 2014 Inflation assumptions are based upon Global Insight's estimates

## **Professional Service Contracts**

- 2011 – 2014 Inflation assumptions are based upon Global Insight's estimates

## **Materials and Supplies**

- 2011 – 2014 Inflation assumptions are based upon Global Insight's estimates

## **Other Business Expenses**

- 2011 – 2014 Inflation assumptions are based upon Global Insight's estimates

## **Depreciation (non-cash)**

- Annual expense changes are due to projections of additional capital assets (e.g., buses) reaching beneficial use.

**MTA BUS COMPANY**  
**November Financial Plan 2011 - 2014**  
**Year-to-Year Changes by Category - Accrual Basis**  
(\$ in millions)

NON-REIMBURSABLE	Favorable/(Unfavorable)								
	2010	2011	Change 2011 - 2010	2012	Change 2012 - 2011	2013	Change 2013 - 2012	2014	Change 2014 - 2013
<b><u>Revenue</u></b>									
Farebox Revenue	\$167.774	\$169.452	\$1.678	\$171.993	\$2.541	\$174.229	\$2.236	\$176.493	\$2.264
Vehicle Toll Revenue	-	-	-	-	-	-	-	-	-
Other Operating Revenue	17.722	18.841	1.119	19.019	0.178	19.391	0.372	19.771	0.380
Capital and Other Reimbursements	-	-	-	-	-	-	-	-	-
<b>Total Revenue</b>	<b>\$185.496</b>	<b>\$188.293</b>	<b>\$2.797</b>	<b>\$191.012</b>	<b>\$2.719</b>	<b>\$193.620</b>	<b>\$2.608</b>	<b>\$196.264</b>	<b>\$2.644</b>
<b><u>Expenses</u></b>									
Labor:									
Payroll	\$207.319	\$223.416	(\$16.097)	\$226.082	(\$2.666)	\$231.229	(\$5.148)	\$233.011	(\$1.782)
Overtime	48.924	43.152	5.772	42.630	0.522	42.650	(0.021)	41.952	0.699
Health and Welfare	35.545	40.488	(4.943)	44.273	(3.785)	48.616	(4.343)	53.348	(4.732)
OPEB Current Payment	13.230	13.892	(0.662)	14.586	(0.695)	15.315	(0.729)	16.081	(0.766)
Pensions	30.923	33.470	(2.547)	35.423	(1.953)	35.966	(0.542)	36.660	(0.694)
Other Fringe Benefits	21.812	22.499	(0.687)	22.822	(0.323)	23.399	(0.577)	22.548	0.851
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
<b>Total Labor Expenses</b>	<b>\$357.754</b>	<b>\$376.917</b>	<b>(\$19.163)</b>	<b>\$385.816</b>	<b>(\$8.899)</b>	<b>\$397.176</b>	<b>(\$11.360)</b>	<b>\$403.600</b>	<b>(\$6.424)</b>
Non-Labor:									
Traction and Propulsion Power	-	-	-	-	-	-	-	-	-
Fuel for Buses and Trains	\$30.524	\$31.129	(\$0.605)	\$32.726	(\$1.597)	\$33.853	(\$1.127)	\$34.846	(\$0.993)
Insurance	12.020	13.195	(1.175)	14.515	(1.320)	15.937	(1.422)	19.544	(3.607)
Claims	45.600	24.000	21.600	25.000	(1.000)	26.000	(1.000)	27.000	(1.000)
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	23.512	25.015	(1.503)	26.230	(1.216)	27.338	(1.107)	23.101	4.237
Professional Service Contracts	5.633	7.113	(1.480)	7.098	0.015	7.456	(0.358)	9.935	(2.478)
Materials & Supplies	25.896	32.101	(6.205)	29.240	2.861	31.711	(2.471)	37.636	(5.925)
Other Business Expenses	3.796	6.206	(2.410)	6.153	0.053	6.128	0.025	4.449	1.679
<b>Total Non-Labor Expenses</b>	<b>\$146.981</b>	<b>\$138.759</b>	<b>\$8.222</b>	<b>\$140.962</b>	<b>(\$2.203)</b>	<b>\$148.423</b>	<b>(\$7.461)</b>	<b>\$156.510</b>	<b>(\$8.087)</b>
Other Expenses Adjustments:									
Other	-	-	-	-	-	-	-	-	-
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation and GASB Adjs.</b>	<b>\$504.735</b>	<b>\$515.676</b>	<b>(\$10.941)</b>	<b>\$526.778</b>	<b>(\$11.102)</b>	<b>\$545.599</b>	<b>(\$18.822)</b>	<b>\$560.110</b>	<b>(\$14.511)</b>
Depreciation	\$40.185	\$42.235	(2.050)	\$42.235	-	\$42.235	-	\$42.235	-
OPEB Obligation	67.602	68.521	(0.919)	70.001	(1.480)	71.611	(1.610)	73.000	(1.389)
Environmental Remediation	-	-	-	-	-	-	-	-	-
<b>Total Expenses</b>	<b>\$612.522</b>	<b>\$626.432</b>	<b>(\$13.910)</b>	<b>\$639.014</b>	<b>(\$12.582)</b>	<b>\$659.445</b>	<b>(\$20.432)</b>	<b>\$675.345</b>	<b>(\$15.900)</b>
<b>Baseline Net Surplus/(Deficit)</b>	<b>(\$427.026)</b>	<b>(\$438.139)</b>	<b>(\$11.112)</b>	<b>(\$448.001)</b>	<b>(\$9.863)</b>	<b>(\$465.825)</b>	<b>(\$17.824)</b>	<b>(\$479.081)</b>	<b>(\$13.256)</b>

**MTA BUS COMPANY**  
**November Financial Plan 2011 - 2014**  
**Year-to-Year Changes by Category - Accrual Basis**  
(\$ in millions)

**REIMBURSABLE**

	Favorable/(Unfavorable)								
	2010	2011	Change 2011 - 2010	2012	Change 2012 - 2011	2013	Change 2013 - 2012	2014	Change 2014 - 2013
<b><u>Revenue</u></b>									
Farebox Revenue	-	-	-	-	-	-	-	-	-
Vehicle Toll Revenue	-	-	-	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-	-	-	-
Capital and Other Reimbursements	6.566	7.260	0.693	7.384	0.125	7.512	0.128	7.628	0.116
<b>Total Revenue</b>	<b>\$6.566</b>	<b>\$7.260</b>	<b>\$0.693</b>	<b>\$7.384</b>	<b>\$0.125</b>	<b>\$7.512</b>	<b>\$0.128</b>	<b>\$7.628</b>	<b>\$0.116</b>
<b><u>Expenses</u></b>									
Labor:									
Payroll	\$4.884	\$5.390	(\$0.507)	\$5.482	(\$0.092)	\$5.577	(\$0.095)	\$5.664	(\$0.086)
Overtime	-	-	-	-	-	-	-	-	-
Health and Welfare	0.871	0.969	(0.098)	0.986	(0.016)	1.002	(0.017)	1.017	(0.015)
OPEB Current Payment	-	-	-	-	-	-	-	-	-
Pensions	0.416	0.464	(0.048)	0.471	(0.007)	0.480	(0.008)	0.488	(0.008)
Other Fringe Benefits	0.395	0.436	(0.041)	0.444	(0.008)	0.453	(0.008)	0.460	(0.007)
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
<b>Total Labor Expenses</b>	<b>\$6.566</b>	<b>\$7.260</b>	<b>(\$0.693)</b>	<b>\$7.384</b>	<b>(\$0.124)</b>	<b>\$7.512</b>	<b>(\$0.128)</b>	<b>\$7.628</b>	<b>(\$0.117)</b>
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	-	-	-	-	-	-	-	-	-
<b>Total Non-Labor Expenses</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
Other Expenses Adjustments:									
Other	-	-	-	-	-	-	-	-	-
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$6.566</b>	<b>\$7.260</b>	<b>(\$0.693)</b>	<b>\$7.384</b>	<b>(\$0.124)</b>	<b>\$7.512</b>	<b>(\$0.128)</b>	<b>\$7.628</b>	<b>(\$0.117)</b>
Depreciation	-	-	-	-	-	-	-	-	-
<b>Total Expenses</b>	<b>\$6.566</b>	<b>\$7.260</b>	<b>(\$0.693)</b>	<b>\$7.384</b>	<b>(\$0.124)</b>	<b>\$7.512</b>	<b>(\$0.128)</b>	<b>\$7.628</b>	<b>(\$0.117)</b>
<b>Baseline Net Surplus/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>

**MTA BUS COMPANY**  
**November Financial Plan 2011 - 2014**  
**Year-to-Year Changes by Category - Accrual Basis**  
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES	Favorable/(Unfavorable)								
	2010	2011	Change 2011 - 2010	2012	Change 2012 - 2011	2013	Change 2013 - 2012	2014	Change 2014 - 2013
<b><u>Receipts</u></b>									
Farebox Revenue	\$167.774	\$169.452	\$1.678	\$171.993	\$2.541	\$174.229	\$2.236	\$176.493	\$2.264
Vehicle Toll Revenue									
Other Operating Revenue	17.722	18.841	1.119	19.019	0.178	19.391	0.372	19.771	0.380
Capital and Other Reimbursements	10.538	11.130	0.593	11.372	0.242	11.957	0.585	12.195	0.238
<b>Total Receipts</b>	<b>\$196.033</b>	<b>\$199.423</b>	<b>\$3.390</b>	<b>\$202.384</b>	<b>\$2.961</b>	<b>\$205.577</b>	<b>\$3.193</b>	<b>\$208.459</b>	<b>\$2.882</b>
<b><u>Expenditures</u></b>									
Labor:									
Payroll	\$235.561	\$226.748	\$8.813	\$229.487	(\$2.739)	\$234.709	(\$5.222)	\$236.562	(\$1.853)
Overtime	50.717	43.152	7.565	42.630	0.522	42.650	(0.021)	41.952	0.699
Health and Welfare	36.106	41.058	(4.952)	44.855	(3.797)	49.211	(4.355)	53.955	(4.744)
OPEB Current Payment	13.230	13.892	(0.662)	14.586	(0.695)	15.315	(0.729)	16.081	(0.766)
Pensions	32.172	33.740	(1.568)	35.699	(1.959)	36.248	(0.549)	36.948	(0.700)
Other Fringe Benefits	26.277	22.765	3.512	23.094	(0.329)	23.678	(0.584)	22.832	0.845
GASB Account	6.884	3.948	2.936	4.317	(0.369)	5.317	(1.000)	6.317	(1.000)
Reimbursable Overhead	0.000	0.000	(0.000)	0.000	(0.000)	0.000	0.000	-	0.000
<b>Total Labor Expenditures</b>	<b>\$400.947</b>	<b>\$385.302</b>	<b>\$15.644</b>	<b>\$394.668</b>	<b>(\$9.366)</b>	<b>\$407.128</b>	<b>(\$12.460)</b>	<b>\$414.647</b>	<b>(\$7.519)</b>
Non-Labor:									
Traction and Propulsion Power									
Fuel for Buses and Trains	\$30.524	\$31.129	(\$0.605)	\$32.726	(\$1.597)	\$33.853	(\$1.127)	\$34.846	(\$0.993)
Insurance	21.361	13.195	8.166	14.515	(1.320)	15.937	(1.422)	19.544	(3.607)
Claims	23.000	15.000	8.000	17.100	(2.100)	22.000	(4.900)	24.000	(2.000)
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	26.555	31.017	(4.462)	32.361	(1.344)	33.937	(1.577)	29.830	4.108
Professional Service Contracts	6.741	7.113	(0.372)	7.098	0.015	7.456	(0.358)	9.935	(2.478)
Materials & Supplies	25.896	32.101	(6.205)	29.240	2.861	31.711	(2.471)	37.636	(5.925)
Other Business Expenses	5.764	6.206	(0.442)	6.153	0.053	6.128	0.025	4.449	1.679
<b>Total Non-Labor Expenditures</b>	<b>\$139.842</b>	<b>\$135.761</b>	<b>\$4.080</b>	<b>\$139.192</b>	<b>(\$3.431)</b>	<b>\$151.023</b>	<b>(\$11.830)</b>	<b>\$160.238</b>	<b>(\$9.216)</b>
Other Expenditure Adjustments:									
Other	-	-	-	-	-	-	-	-	-
<b>Total Other Expenditure Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenditures</b>	<b>\$540.788</b>	<b>\$521.064</b>	<b>\$19.724</b>	<b>\$533.860</b>	<b>(\$12.797)</b>	<b>\$558.151</b>	<b>(\$24.290)</b>	<b>\$574.886</b>	<b>(\$16.735)</b>
<b>Baseline Net Cash Deficit</b>	<b>(\$344.755)</b>	<b>(\$321.641)</b>	<b>\$23.114</b>	<b>(\$331.476)</b>	<b>(\$9.835)</b>	<b>(\$352.574)</b>	<b>(\$21.098)</b>	<b>(\$366.427)</b>	<b>(\$13.853)</b>

**MTA BUS COMPANY**  
**2011 Final Proposed Budget**  
**November Financial Plan 2011 - 2014**  
**Summary of Major Plan-to-Plan Changes**

**2010: November Financial Plan vs. July Financial Plan**

**Revenue and Expense Changes**

Total revenue projected for 2010 is \$192.1 million, while expenses before depreciation were \$511.3 million. This resulted in an unfavorable change of \$5.6 million from the July Plan and is primarily comprised of the following:

- Revenue - \$3.9 million increase due to \$2.3 million Revenue increase and \$1.6 million capital reimbursements versus the July Plan.
- Labor – \$0.3 million savings primarily resulting from timing
- Non-Labor – (\$20.8) million additional cost primarily due to the Third Party Claims re-assessment offset by the material & supplies timing.

**Cash Adjustments**

Cash for all line items mirrors the Non-reimbursable / Reimbursable accrual tables. The following additional cash adjustment was made in the November Plan:

- \$12.6 million in Claims for 2010

The November Plan changes for the out years are as follows:

2011 - A net cost of \$6.7 million:

- (\$3.2) million in Claims cash adjustment
- (\$3.1) million in Shop timing
- (\$2.9) million in BSC costs
- (\$2.7) million in July Plan Overtime program
- (\$1.5) million in Pension costs
- (\$1.4) million in Various timing issues
- (\$0.2) million in Health & Welfare assumptions

Offset by savings:

- \$3.6 million in Fuel
- \$2.3 million in Farebox Revenue increase
- \$1.4 million in Overtime reductions
- \$1.0 million in Shop/Depot productivity

2012 - A net savings of \$1.4 million:

- \$3.1 million in Fuel
- \$2.3 million in Favorable Ridership/Farebox Revenue
- \$1.6 million in Hastus
- \$1.4 million in Overtime reductions

- \$1.0 million in Shop/Depot productivity
- \$0.2 million in New Bus performance

Offset by costs:

- \$2.9 million in BSC costs
- \$2.7 million in July Plan Overtime program
- \$1.5 million in Pension costs
- \$1.1 million in Health & Welfare assumption

2013 - A net savings of \$1.1 million:

- \$3.1 million in Fuel
- \$2.4 million in Favorable Ridership/Farebox Revenue
- \$2.3 million in New Bus performance
- \$1.4 million in Overtime reductions
- \$1.0 million in Shop/Depot productivity

Offset by costs:

- (\$2.9) million in BSC costs
- (\$2.7) million in July Plan Overtime program
- (\$2.0) million in Health & Welfare
- (\$1.5) million in Pension costs

2014 - A net cost of \$0.6 million:

- (\$2.9) million in BSC costs
- (\$2.9) million in Health & Welfare
- (\$2.7) million in July Plan Overtime program
- (\$1.5) million in Pension costs
- (\$1.0) million in Claims adjustment

Offset by savings:

- \$3.2 million in Fuel
- \$2.4 million in Farebox Revenue
- \$2.4 million in New Bus performance
- \$1.4 million in Overtime reductions
- \$1.0 million in Shop/Depot productivity

### Reimbursable Changes

The reimbursable revenue and expense budget was increased by \$1.6 million to \$6.6 million for the November Plan. Labor increased by \$1.6 million. Non-labor remained constant.

**MTA BUS COMPANY**  
**November Financial Plan 2011 - 2014**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

NON-REIMBURSABLE					
	2010	2011	2012	2013	2014
<b>Baseline 2010 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$339.175)</b>	<b>(\$314.942)</b>	<b>(\$332.972)</b>	<b>(\$353.659)</b>	<b>(\$365.824)</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
Farebox Revenue	\$2.276	\$2.300	\$2.334	\$2.364	\$2.394
Reduced Fare/Toll Increase	-	-	-	-	-
Additional Actions for Budget Balance: Revenue Impact	-	-	-	-	-
Vehicle Toll Revenue	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-
Capital and Other Reimbursements	-	-	-	-	-
<b>Total Revenue Changes</b>	<b>\$2.276</b>	<b>\$2.300</b>	<b>\$2.334</b>	<b>\$2.364</b>	<b>\$2.394</b>
<b>Expenses</b>					
<b>Labor:</b>					
Payroll	\$5.239	(\$1.103)	\$1.594	\$0.067	\$0.067
Overtime	(4.595)	(2.051)	(0.583)	0.363	0.359
Health and Welfare	1.018	(0.374)	(1.138)	(2.029)	(2.931)
OPEB Current Payment	-	-	-	-	-
Pensions	(1.439)	(1.539)	(1.329)	(1.202)	(1.202)
Other Fringe Benefits	0.054	(0.034)	0.151	0.263	0.263
Reimbursable Overhead	-	-	-	-	-
<b>Total Labor Expense Changes</b>	<b>\$2.277</b>	<b>(\$5.101)</b>	<b>(\$1.306)</b>	<b>(\$2.538)</b>	<b>(\$3.444)</b>
<b>Non-Labor:</b>					
Traction and Propulsion Power	-	-	-	-	-
Fuel for Buses and Trains	\$4.53	\$3.627	\$3.430	\$3.664	\$3.864
Insurance	-	-	-	-	-
Claims	(22.600)	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	0.042	(0.042)	-	-	-
Professional Service Contracts	-	(2.909)	(2.891)	(2.898)	(2.898)
Materials & Supplies	1.327	(1.374)	(0.071)	0.492	0.481
Other Business Expenses	-	-	-	-	-
<b>Total Non-Labor Expense Changes</b>	<b>(\$20.778)</b>	<b>(\$6.98)</b>	<b>\$468</b>	<b>\$1.258</b>	<b>\$1.447</b>
Other Expenditure Adjustments:					
Other	-	-	-	-	-
<b>Total Other Expenditure Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Gap Closing Actions:</b>					
Additional Actions for Budget Balance: Expense Impact	-	-	-	-	-
<b>Total Gap Closing Actions</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation and GASB Adj.</b>					
Depreciation	-	-	-	-	-
OPEB Obligation	-	-	-	-	-
Environmental Remediation	-	-	-	-	-
<b>Total Expense Changes</b>	<b>(\$20.501)</b>	<b>(\$5.799)</b>	<b>(\$.838)</b>	<b>(\$1.279)</b>	<b>(\$1.997)</b>
<b>Cash Adjustment Changes</b>					
<b>Revenue:</b>					
<b>Expenses:</b>					
<b>Total Expense Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
Claims Cash Adjustment	12.645	(3.200)	-	-	(1.000)
<b>Total Cash Adjustment Changes</b>	<b>\$12.645</b>	<b>(\$3.200)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$1.000)</b>
<b>Total Baseline Changes</b>	<b>(\$5.580)</b>	<b>(\$6.699)</b>	<b>\$1.496</b>	<b>\$1.085</b>	<b>(\$0.603)</b>
<b>Baseline 2010 November Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$344.756)</b>	<b>(\$321.641)</b>	<b>(\$331.476)</b>	<b>(\$352.574)</b>	<b>(\$366.427)</b>

**MTA BUS COMPANY**  
**November Financial Plan 2011 - 2014**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

REIMBURSABLE					
	2010	2011	2012	2013	2014
Baseline 2010 July Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Baseline Changes</b>					
<b>Revenue</b>					
Farebox Revenue	-	-	-	-	-
Vehicle Toll Revenue					
Capital and Other Reimbursements	1.577	1.577	1.577	1.577	1.577
<b>Total Revenue Changes</b>	<b>\$1.577</b>	<b>\$1.577</b>	<b>\$1.577</b>	<b>\$1.577</b>	<b>\$1.577</b>
<b>Expenses</b>					
<b>Labor:</b>					
Payroll	(\$1.150)	(\$1.150)	(\$1.150)	(\$1.150)	(\$1.150)
Overtime	-	-	-	-	-
Health and Welfare	(0.223)	(0.223)	(0.223)	(0.223)	(0.223)
OPEB Current Payment	-	-	-	-	-
Pensions	(0.108)	(0.108)	(0.108)	(0.108)	(0.108)
Other Fringe Benefits	(0.095)	(0.095)	(0.095)	(0.095)	(0.095)
Reimbursable Overhead	-	-	-	-	-
<b>Total Labor Expense Changes</b>	<b>(\$1.577)</b>	<b>(\$1.577)</b>	<b>(\$1.577)</b>	<b>(\$1.577)</b>	<b>(\$1.577)</b>
<b>Non-Labor:</b>					
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	-	-	-	-	-
<b>Total Non-Labor Expense Changes</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>Total Expenses before Depreciation</i>					
Depreciation					
<b>Total Expense Changes</b>	<b>(\$1.577)</b>	<b>(\$1.577)</b>	<b>(\$1.577)</b>	<b>(\$1.577)</b>	<b>(\$1.577)</b>
<b>Cash Adjustment Changes</b>					
<b>Total Cash Adjustment Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Baseline Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
Baseline 2010 November Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

**MTA BUS COMPANY**  
**November Financial Plan 2011 - 2014**  
**Summary of Major Programmatic Changes Between Financial Plans**  
(\$ in millions)

**TOTAL NON-REIMBURSABLE and REIMBURSABLE**

	2010	2011	2012	2013	2014
<b>Baseline 2010 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$339.175)</b>	<b>(\$314.942)</b>	<b>(\$332.972)</b>	<b>(\$353.659)</b>	<b>(\$365.824)</b>
<b>Non-Reimbursable Major Changes</b>					
<b>Revenue</b>					
Farebox Revenue	\$2.276	\$2.300	\$2.334	\$2.364	\$2.394
Other Operating Revenue	-	-	-	-	-
<b>Sub-Total Non-Reimbursable Revenue Changes</b>	<b>\$2.276</b>	<b>\$2.300</b>	<b>\$2.334</b>	<b>\$2.364</b>	<b>\$2.394</b>
<b>Expenses</b>					
<b>Cost Reduction Programs:</b>					
Depot Productivity	-	0.710	0.710	0.710	0.710
Shop Productivity	-	0.306	0.302	0.338	0.355
New Bus Performance	-	0.013	0.244	2.308	2.397
Overtime	-	1.384	1.384	1.384	1.384
Systems Timing	-	(1.357)	-	-	-
Hastus	-	-	1.547	-	-
Shop Timing	3.146	(3.146)	-	-	-
<b>Sub-Total Cost Reduction Programs</b>	<b>3.146</b>	<b>(2.091)</b>	<b>4.187</b>	<b>4.739</b>	<b>4.847</b>
<b>Major Re-estimates/Technical Adjustments/Other:</b>					
Claims	(22.600)	-	-	-	-
Fuel	0.453	3.559	3.143	3.119	3.196
Health&Welfare	-	(0.141)	(1.053)	(2.023)	(2.925)
Pension	(1.500)	(1.500)	(1.500)	(1.500)	(1.500)
BSC	-	(2.909)	(2.898)	(2.898)	(2.898)
July Plan OT Reductions	-	(2.717)	(2.717)	(2.717)	(2.717)
<b>Sub-Total Non-Reimbursable Expense Changes</b>	<b>(\$23.647)</b>	<b>(\$3.708)</b>	<b>(\$5.025)</b>	<b>(\$6.019)</b>	<b>(\$6.844)</b>
<b>Total Non-Reimbursable Major Changes</b>	<b>(\$18.225)</b>	<b>(\$3.499)</b>	<b>\$1.496</b>	<b>\$1.085</b>	<b>\$0.397</b>
<b>Reimbursable Major Changes</b>					
<b>Revenue</b>	<b>1.577</b>	<b>1.577</b>	<b>1.577</b>	<b>1.577</b>	<b>1.577</b>
Reimbursement of Increased Expense Requirements					
<b>Sub-Total Reimbursable Revenue Changes</b>	<b>\$1.577</b>	<b>\$1.577</b>	<b>\$1.577</b>	<b>\$1.577</b>	<b>\$1.577</b>
<b>Expenses</b>					
Engineering Admin Support	(1.577)	(1.577)	(1.577)	(1.577)	(1.577)
<b>Sub-Total Reimbursable Expense Changes</b>	<b>(\$1.577)</b>	<b>(\$1.577)</b>	<b>(\$1.577)</b>	<b>(\$1.577)</b>	<b>(\$1.577)</b>
<b>Total Reimbursable Major Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Accrual Changes</b>	<b>(\$18.225)</b>	<b>(\$3.499)</b>	<b>\$1.496</b>	<b>\$1.085</b>	<b>\$0.397</b>
<b>Cash Adjustment Changes</b>					
Claims Cash Adjustment	\$12.645	(\$3.200)	\$0.000	\$0.000	(\$1.000)
<b>Total Cash Adjustment Changes</b>	<b>\$12.645</b>	<b>(\$3.200)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$1.000)</b>
<b>Total Baseline Changes</b>	<b>(\$5.580)</b>	<b>(\$6.699)</b>	<b>\$1.496</b>	<b>\$1.085</b>	<b>(\$0.603)</b>
<b>Baseline 2010 November Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$344.755)</b>	<b>(\$321.640)</b>	<b>(\$331.476)</b>	<b>(\$352.574)</b>	<b>(\$366.427)</b>

**MTA BUS COMPANY**  
**2011 Final Proposed Budget**  
**November Financial Plan 2011 – 2014**  
**Ridership / Utilization**

**Fixed Route Ridership:**

As of August 2010 year-to-date, fixed-route ridership is trending 2.0% better than the July Mid-Year-Forecast. The November Plan ridership projections reflect an average 1.0% annual increase in 2011 – 2014.

Compared to the July Plan ridership, November Plan has increased ridership of 1.6 million in 2010 through 2014. The July forecast is based on the May 2010 Global Insight Employment forecast, which projects employment growth in 2012 – 2013.

**Revenue:**

The November Plan revenue projections reflect an average 1.0% annual increase in 2011 – 2014.

Revenue has increased by \$2.3 million in 2011 through 2014 compared to the July Plan.

MTA Bus Company  
November Financial Plan 2011 - 2014  
Ridership/Volume (Utilization)  
(in millions)

	2010	2011			
2009	November	Final Proposed			
Actual	Forecast	Budget	2012	2013	2014

**RIDERSHIP**

Fixed Route	119.993	119.918	121.117	122.933	124.531	126.150
<b>Baseline Total Ridership</b>	<b>119.993</b>	<b>119.918</b>	<b>121.117</b>	<b>122.933</b>	<b>124.531</b>	<b>126.150</b>

**FAREBOX REVENUE**

Fixed Route	\$160.016	\$167.774	\$169.452	\$171.993	\$174.229	\$176.493
<b>Baseline Total Revenue</b>	<b>\$160.016</b>	<b>\$167.774</b>	<b>\$169.452</b>	<b>\$171.993</b>	<b>\$174.229</b>	<b>\$176.493</b>

**MTA Bus Company**  
**November Financial Plan 2011 - 2014**  
**BRP Worksheet Summary**

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
<b>Receipts</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
Payroll	\$6.163	\$1.708	\$1.708	\$5.577	\$5.577
Overtime	\$0.731	\$0.819	\$0.819	\$0.819	\$0.819
Health and Welfare	\$1.446	\$0.332	\$0.332	\$0.332	\$0.332
OPEB Current Payment	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Pensions	\$0.648	\$0.237	\$0.237	\$0.237	\$0.237
Other Fringe Benefits	\$0.572	\$0.210	\$0.210	\$0.210	\$0.210
GASB Account	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Reimbursable Overhead	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Labor Expenditures</b>	<b>\$9.559</b>	<b>\$3.306</b>	<b>\$3.306</b>	<b>\$7.175</b>	<b>\$7.175</b>
Traction and Propulsion Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	\$0.291	\$0.387	\$0.387	\$0.387	\$0.387
Insurance	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Claims	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Paratransit Service Contract	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Maintenance and Other Operating Contracts	\$0.301	\$0.200	\$0.200	\$0.200	\$0.200
Professional Service Contracts	\$2.955	\$0.000	\$0.000	\$0.014	\$0.014
Materials & Supplies	\$3.128	\$0.007	\$0.007	\$0.003	\$0.003
Other Business Expenses	\$2.902	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Non-Labor Expenditures</b>	<b>\$9.577</b>	<b>\$0.594</b>	<b>\$0.594</b>	<b>\$0.604</b>	<b>\$0.604</b>
<b>Total Expenditures</b>	\$19.136	\$3.900	\$3.900	\$7.779	\$7.779
<b>Net Financial Impact</b>	\$19.136	\$3.900	\$3.900	\$7.779	\$7.779

**NOTE: Does not include 15% Administration - list separately**

**MTA Bus Company**  
**November Financial Plan 2011 - 2014**  
**2010 Reduction Plan Worksheet**

**Category by Function:** Administration

**Program:** Project Deferrals/IT

<b>Background Details:</b>	As a result of the Cyclical Project and Rapid Procurement Review analysis, IT economies are available.
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<b>Program Description/ Implementation Plan:</b>	This program includes the completion of the UTS rollout, the implementation of Kronos and the Trak maintenance system.		
<b>Program Implementation Date:</b>	7/1/2010	<b>When will savings begin?:</b>	7/1/2010

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.171	\$1.778	\$1.778	\$1.778	\$1.778
<i>Total Reduction in Positions Required:</i>	0	7	7	7	7

**MTA Bus Company**  
**November Financial Plan 2011 - 2014**  
**2010 Reduction Plan Worksheet**

**Category by Function:** Administration

**Program:** Defer Staffing

<b>Background Details:</b>	Pending Labor negotiations for a Facility Maintainer Title, MTA Bus has held off filling supervisory and facility maintainer positions. The requirements have also been delayed pending the delivery/completion of various facility/equipment capital and operating improvements
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<b>Program Description/Implementation Plan:</b>	This program delays filling these positions until 2011.
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<b>Program Implementation Date:</b>	1/1/2010	<b>When will savings begin?:</b>	1/1/2010
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	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	<b>\$2.973</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<i>Total Reduction in Positions Required:</i>	32	0	0	0	0

**MTA Bus Company  
November Financial Plan 2011 - 2014  
2010 Reduction Plan Worksheet**

**Category by Function:** Administration

**Program:** Rapid Procurement

**Background Details:** Renegotiating with vendors to achieve lower contract prices.

**Program Description/  
Implementation Plan:** Renegotiating with vendors to achieve lower contract prices.

**Program Implementation Date:** 1/1/2010      **When will savings begin?:** 1/1/2010

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.004	\$0.007	\$0.007	\$0.003	\$0.003
<i>Total Reduction in Positions Required:</i>	0	0	0	0	0

**MTA Bus Company  
November Financial Plan 2011 - 2014  
2010 Reduction Plan Worksheet**

**Category by Function:** Administration  
**Program:** Health and Welfare

<b>Background Details:</b>	MTA Bus provides Health and Welfare for employees.
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<b>Program Description/ Implementation Plan:</b>	Based on revised rates for MTABC employees.		
<b>Program Implementation Date:</b>	1/1/2010	<b>When will savings begin?:</b>	1/1/2010

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.249	\$0.000	\$0.000	\$0.000	\$0.000
<i>Total Reduction in Positions Required:</i>	0	0	0	0	0

**MTA Bus Company  
November Financial Plan 2011 - 2014  
2010 Reduction Plan Worksheet**

**Category by Function:** Administration and Operations

**Program:** Staff Reduction

<b>Background Details:</b>	The MTA Bus budget includes positions in all areas of administration, operations, maintenance, and public safety.
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<b>Program Description/ Implementation Plan:</b>	A review was conducted to identify staff reductions identified as administrative economies. This reviewed included all areas of operations. Budget (2), Material (2), Training (3), OP (1), CTO (1), Museum Fleet (2), Farebox (3). These reductions, in combination with the previous administrative reductions, include positions already removed from the 2011 budget for the BSC; therefore we must add them back in 2011 as they will not represent a reduction in MTA Bus, but rather the BSC. These add backs include Controller (6), IT (5), and HR (1).
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<b>Program Implementation Date:</b>	7/1/2010	<b>When will savings begin?:</b>	7/1/2010
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	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.938	\$0.749	\$0.749	\$0.749	\$0.749
 <i>Total Reduction in Positions Required:</i>	 15	 4	 4	 4	 4

**MTA Bus Company  
November Financial Plan 2011 - 2014  
2010 Reduction Plan Worksheet**

**Category by Function:** Maintenance

**Program:** Shop Overhaul Program

<b>Background Details:</b>	In 2009 the MTA Bus Company began the implementation of a scheduled Shop Overhaul Program in a centralized facility utilizing the NYC Transit Department of Buses' East New York Shop.
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<b>Program Description/ Implementation Plan:</b>	This modification phases in the implementation of the Shop Program over the 2010/2011 period. It reduces the scope of work to only critical items such as engine, structure, and key component replacements. It is also heavily dependent on the approval of the 2010-2014 Capital Program and the replacement of the 1999 Orion CNG Fleet in 2011.		
<b>Program Implementation Date:</b>	1/1/2010	<b>When will savings begin?:</b>	1/1/2010

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$5.931	\$0.000	\$0.000	\$0.000	\$0.000
<i>Total Reduction in Positions Required:</i>	25	(7)	(7)	(7)	(11)

**MTA Bus Company  
November Financial Plan 2011 - 2014  
2010 Reduction Plan Worksheet**

**Category by Function:** Maintenance

**Program:** Shop Paint Reduction

<b>Background Details:</b>	In 2009 the MTA Bus Company began the implementation of a scheduled Shop Overhaul Program in a centralized facility utilizing the NYC Transit Department of Buses' East New York Shop.
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<b>Program Description/ Implementation Plan:</b>	This modification eliminates paint on the 1999 Orion fleet. It is also heavily dependent on the approval of the 2010 - 2014 Capital Program and the replacement of the 1999 Orion CNG Fleet in 2011.		
<b>Program Implementation Date:</b>	1/1/2010	<b>When will savings begin?:</b>	1/1/2010

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.556	\$0.000	\$0.000	\$0.000	\$0.000
<i>Total Reduction in Positions Required:</i>	5	0	0	0	0

**MTA Bus Company**  
**November Financial Plan 2011 - 2014**  
**2010 Reduction Plan Worksheet**

**Category by Function:** Maintenance

**Program:** Transmission Recycling

<b>Background Details:</b>	Vehicles being retired from revenue service are sent to Eastchester Depot prior to sale as scrap. Prior to sale, recyclable parts and units are tested/evaluated and recycled into inventory. This offsets the cost of new or rebuilt parts and units.
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<b>Program Description/Implementation Plan:</b>	This program has been expanded to include Transmission, and given the level of units available in 2010, MTA Bus can significantly reduce 2010 new/rebuilt rebuilt requirements.		
<b>Program Implementation Date:</b>	1/1/2010	<b>When will savings begin?:</b>	1/1/2010

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.277	\$0.000	\$0.000	\$0.000	\$0.000
<i>Total Reduction in Positions Required:</i>	0	0	0	0	0

**MTA Bus Company**  
**November Financial Plan 2011 - 2014**  
**2010 Reduction Plan Worksheet**

**Category by Function:** Maintenance

**Program:** Wheelchair Maintenance

<b>Background Details:</b>	MTA Bus provides 100% accessibility. New buses are being delivered with ramps as opposed to lifts.
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<b>Program Description/ Implementation Plan:</b>	This program reduces the funding for wheelchair maintenance as the new bus ramps require less maintenance than the older buses with lifts.		
<b>Program Implementation Date:</b>	7/1/2010	<b>When will savings begin?:</b>	7/1/2010

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.205	\$0.410	\$0.410	\$0.410	\$0.410
<i>Total Reduction in Positions Required:</i>	5	5	5	5	5

**MTA Bus Company**  
**November Financial Plan 2011 - 2014**  
**2010 Reduction Plan Worksheet**

**Category by Function:** Service Support

**Program:** Traffic Checking & Passenger Environment Surveys

<b>Background Details:</b>	The MTA Bus Company has a Memorandum of Understanding (MOU) with NYC Transit to provide Traffic Checking Services to support schedule development and guideline revisions.
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<b>Program Description/ Implementation Plan:</b>	The use/need for these services has declined as MTA Bus Operations have matured. This will provide a permanent reduction to funding needs. Starting in 2011 a portion of these savings will be reinvested to produce Passenger Environment Surveys, as well as On-Time Performance and Wait Assessment reviews and statistics - just as is done in NYC Transit.			
<b>Program Implementation Date:</b>	1/1/2010	<b>When will savings begin?:</b>	1/1/2010	

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	<b>\$1.900</b>	<b>\$1.000</b>	<b>\$1.000</b>	<b>\$1.000</b>	<b>\$1.000</b>
<i>Total Reduction in Positions Required:</i>	0	0	0	0	0

**MTA Bus Company**  
**November Financial Plan 2011 - 2014**  
**2010 Reduction Plan Worksheet**

**Category by Function:** Service Support

**Program:** Hastus Implementation

**Background Details:** Currently MTA Bus uses legacy and proprietary systems and consultants to develop schedules.

**Program Description/Implementation Plan:** This initiative will implement the Hastus system (currently in place in NYC Transit) in MTA Bus. While this initiative will require an additional seven positions, the estimated costs for implementation are far below those included in the adopted budget. Further, beginning in 2013 a 2% reduction in bus operator pay hours and mileage will provide an attract return on investment.

**Program Implementation Date:** 7/1/2010      **When will savings begin?:** 1/1/2010

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$2.561	(\$0.788)	(\$0.788)	\$3.095	\$3.095
<i>Total Reduction in Positions Required:</i>	(7)	(7)	(7)	(7)	(7)

MTA Bus Company  
November Financial Plan 2011 - 2014  
2010 Reduction Plan Worksheet

Category by Function: Service Support

Program: Shifting Efficiencies

<b>Background Details:</b>	Non-revenue bus operators are required to move buses through the fueling, vault, cleaning processes and parking them.
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<b>Program Description/ Implementation Plan:</b>	A study of best practices has indicated economies can be achieved.		
<b>Program Implementation Date:</b>	7/1/2010	<b>When will savings begin?:</b>	7/1/2010

	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.079	\$0.158	\$0.158	\$0.158	\$0.158
<i>Total Reduction in Positions Required:</i>	2	2	2	2	2

**MTA Bus Company**  
**November Financial Plan 2011 - 2014**  
**2010 Reduction Plan Worksheet**

**Category by Function:** Other

**Program:** Material and Contracts

<b>Background Details:</b>	The MTA Bus budget includes materials and supplies, maintenance and other operating contracts, professional service contracts, and other business expenses, as well as fuel.
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<b>Program Description/ Implementation Plan:</b>	A review was conducted in an effort to identify items that could be avoided either on a one-time basis in 2010, or on a more permanent basis. These include, eliminating the use of bio-diesel fuel given the executive order has been rescinded, reduced DPF contractual cleaning costs, deferred claims expenses, office supplies, and consulting services.
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<b>Program Implementation Date:</b>	1/1/2010	<b>When will savings begin?:</b>	1/1/2010
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	Favorable/(Unfavorable)				
	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	<b>\$3.293</b>	<b>\$0.587</b>	<b>\$0.587</b>	<b>\$0.587</b>	<b>\$0.587</b>
<i>Total Reduction in Positions Required:</i>	0	0	0	0	0

**MTA BUS COMPANY**  
**2011 Final Proposed Budget**  
**November Financial Plan 2011 – 2014**  
**POSITIONS**

**Position Assumptions**

**Total Non-Reimbursable and Reimbursable Baseline Positions**

**2010: November Financial Plan vs. July Financial Plan**

Total 2010 Operation Positions have not changed since the July Plan.

**2011: November Financial Plan vs. July Financial Plan**

Net change of +31 positions from July Financial Plan

- + 14 Engineering and Professional Support for the Capital Program
- + 13 BSC Payroll and Human Resources Timing
- + 5 Shop Program & Overtime Reduction
- - 1 New Bus Performance

**2012, 2013 & 2014: November Financial Plan vs. July Financial Plan**

Net change of +18 positions from July Financial Plan

- + 31 As Above
- - 13 BSC Payroll and Human Resources Timing

**Year-to- Year Changes**

**2011 Changes Over 2010:**

The year to year changes total +63 positions, which will result in the sum of 3,498 for the year 2011. The +63 positions is a net sum of the following changes:

2011- Net Change of +63 positions

- + 37 2010 Shop Program and Overtime Reductions
- + 32 2010 Facilities Deferral
- - 22 BSC Reduction ( -33 plus +11 BSC already reduced in 2010)
- - 15 Project Deferral ( -8 Spear, -7 UTS, -1 Kronos, +1 Maintenance Systems)
- + 14 Engineering and Professional Support for the Capital Program
- + 13 BSC Payroll and Human Resources Timing
- + 5 Shop Program and Overtime Reductions
- - 1 New Bus Performance

### **2012 Changes Over 2011:**

The total number of positions in 2012 decreases by -11, leaving the number of overall positions at 3,487. The change is as follows:

2012 - Net Change of -11 Positions

- + 2 Shop Overhaul Program
- - 13 BSC Payroll and Human Resource Timing

### **2013 Changes Over 2012:**

The total number of positions in 2012 increases by +8, leaving the number of overall positions at 3,495. The changes are as follows:

2013 - Net Change of +8 Positions

- + 7 Shop Overhaul Program
- + 1 Maintenance System

### **2014 Changes Over 2013:**

The total number of positions in 2013 increases by 4, leaving the number of overall positions at 3,499. The changes are as follows:

2014 - Net Change of +4 Positions

- + 4 Shop Overhaul Program

**MTA BUS COMPANY**  
**November Financial Plan 2011 - 2014**  
**Total Positions by Function**  
**Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents**

FUNCTION/DEPARTMENT	2009 Actual	2010 November Forecast	2011 Final Proposed Budget	2012	2013	2014
<b>Administration</b>						
Office of the EVP	5	4	4	4	4	4
Human Resources	8	6	9	5	5	5
Office of Management and Budget	12	12	14	14	14	14
Technology & Information Services	26	30	20	20	21	21
Materiel	20	17	17	17	17	17
Controller	41	38	22	13	13	13
Office of the President	4	7	7	7	7	7
System Safety Administration	6	5	5	5	5	5
Law	22	21	21	21	21	21
Corporate Communications	3	2	2	2	2	2
Labor Relations	4	4	3	3	3	3
Non Departmental	-	26	46	46	46	46
<b>Total Administration</b>	<b>151</b>	<b>172</b>	<b>170</b>	<b>157</b>	<b>158</b>	<b>158</b>
<b>Operations</b>						
Buses	2,105	2,066	2,047	2,047	2,047	2,047
Office of Senior Vice President	-	-	-	-	-	-
Office of the Executive Vice President, Regional	3	1	1	1	1	1
Safety & Training	19	18	18	18	18	18
Road Operations	104	114	114	114	114	114
Transportation Support	19	17	17	17	17	17
Operations Planning	18	23	23	23	23	23
Revenue Control	32	21	21	21	21	21
<b>Total Operations</b>	<b>2,300</b>	<b>2,260</b>	<b>2,241</b>	<b>2,241</b>	<b>2,241</b>	<b>2,241</b>
<b>Maintenance</b>						
Buses	762	728	750	750	750	750
Maintenance Support/CMF	75	115	133	135	142	146
Facilities	30	40	72	72	72	72
Supply Logistics	64	82	82	82	82	82
<b>Total Maintenance</b>	<b>931</b>	<b>965</b>	<b>1,037</b>	<b>1,039</b>	<b>1,046</b>	<b>1,050</b>
<b>Engineering/Capital</b>						
Capital Program Management	19	26	38	38	38	38
<b>Public Safety</b>						
Office of the Senior Vice President	15	12	12	12	12	12
<b>Total Positions</b>	<b>3,416</b>	<b>3,435</b>	<b>3,498</b>	<b>3,487</b>	<b>3,495</b>	<b>3,499</b>
Non-Reimbursable	3,377	3,385	3,434	3,423	3,431	3,435
Reimbursable	39	50	64	64	64	64
Total Full-Time	3,416	3,435	3,498	3,487	3,495	3,499
Total Full-Time Equivalents						

**MTA BUS COMPANY**  
**November Financial Plan 2011 - 2014**  
**Total Positions by Function and Occupation**

FUNCTION/DEPARTMENT	2010		2011		2012	2013	2014
	2009 Actual	November Forecast	Final Budget	Proposed			
<b>Administration</b>							
Managers/Supervisors	49	53	38	37	37	37	37
Professional, Technical, Clerical	102	93	86	74	75	75	75
Operational Hourlies	-	26	46	46	46	46	46
<b>Total Administration</b>	151	172	170	157	158	158	158
<b>Operations</b>							
Managers/Supervisors	285	277	279	279	279	279	279
Professional, Technical, Clerical	52	46	46	46	46	46	46
Operational Hourlies	1,963	1,937	1,916	1,916	1,916	1,916	1,916
<b>Total Operations</b>	2,300	2,260	2,241	2,241	2,241	2,241	2,241
<b>Maintenance</b>							
Managers/Supervisors	172	195	201	201	201	201	201
Professional, Technical, Clerical	6	12	12	12	12	12	12
Operational Hourlies	753	758	824	826	833	837	837
<b>Total Maintenance</b>	931	965	1,037	1,039	1,046	1,050	1,050
<b>Engineering/Capital</b>							
Managers/Supervisors	7	15	20	20	20	20	20
Professional, Technical, Clerical	12	11	18	18	18	18	18
Operational Hourlies	-	-	-	-	-	-	-
<b>Total Engineering/Capital</b>	19	26	38	38	38	38	38
<b>Public Safety</b>							
Managers/Supervisors	8	9	9	9	9	9	9
Professional, Technical, Clerical	2	3	3	3	3	3	3
Operational Hourlies	5	-	-	-	-	-	-
<b>Total Public Safety</b>	15	12	12	12	12	12	12
<b>Total Positions</b>							
Managers/Supervisors	521	549	547	546	546	546	546
Professional, Technical, Clerical	174	165	165	153	154	154	154
Operational Hourlies	2,721	2,721	2,786	2,788	2,795	2,799	2,799
<b>Total Baseline Positions</b>	3,416	3,435	3,498	3,487	3,495	3,499	3,499

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# **Staten Island Railway**

**MTA STATEN ISLAND RAILWAY**  
**2011 Final Proposed Budget**  
**November Financial Plan 2011 – 2014**

**MAJOR HIGHLIGHTS**

MTA Staten Island Railway carries out its mission by providing effective and cost-efficient transportation services through a heavy rail system operating 63 subway cars over 14.3 route miles and 28.6 miles of mainline track, serving 22 stations located primarily on the south shore of Staten Island.

The 2011 Final Proposed Budget and projections for the years 2012-2014 provide sufficient funding to maintain current service levels as well as to maintain MTA's commitment to safety and security. This is accomplished primarily through implementation of operational efficiencies that optimize the utilization of resources to achieve agency goals. Performance indicators including mean distance between failures and on-time performance remain within targeted levels.

**FINANCIAL OVERVIEW**

**2010 Budget Reduction Program/Administration Savings**

- The SIR 2010 Budget Reduction Program includes savings of \$0.641 million in 2010 and \$0.541 million in each subsequent year with 7 position reductions (5 maintenance and 2 operations) each year
- Administrative reductions include savings of \$0.063 million in 2010 and \$0.160 million in each subsequent year with 2 position reductions each year

**2010 November Forecast**

MTA Staten Island Railway's 2010 November Forecast reflects total expenses before depreciation and other post-employment benefits (OPEB) of \$44.492 million, including \$42.947 million of non-reimbursable expenses and \$1.545 million of reimbursable expenses. Total revenues are projected to be \$8.693 million, of which \$7.148 million are operating revenues and \$1.545 million represent capital reimbursements. Total full-time positions are 265, including 262 non-reimbursable positions and 3 reimbursable positions.

The November Forecast operating cash deficit is projected to worsen by \$1.012 million. Major changes include:

- Recognition of wage settlement and related pay rate adjustments for two bargaining units retroactive to 1/1/07 resulting in an expenditure increase of \$0.904 million.

- Revised inflation assumptions resulting in an expenditure increase of \$0.072 million.
- Reduced farebox revenues of \$0.048 million based on projected lower ridership.
- Additional overtime reductions of \$0.012 million

## **2011 Final Proposed Budget**

MTA Staten Island Railway's 2011 Final Proposed Budget reflects total expenses before depreciation and OPEB of \$39.556 million, including \$37.951 million of non-reimbursable expenses and \$1.605 million of reimbursable expenses. Total revenues are projected to be \$8.885 million, of which \$7.280 million are operating revenues and \$1.605 million represents capital reimbursements. Total full-time positions are 261, including 258 non-reimbursable positions and 3 reimbursable positions.

The 2011 Final Proposed Budget operating cash deficit is projected to be higher by \$6.452 million. Major changes include:

- Recognition of estimated wage impacts and related pay rate adjustments for one unsettled bargaining unit retroactive to 1/1/07 resulting in an expenditure increase of \$6.089 million.
- Recognition of wage settlement and related pay rate adjustments for two bargaining units resulting in an expenditure increase of \$0.255 million.
- Revised inflation assumptions resulting in an expense increase of \$0.098 million.
- Reduced farebox revenues of \$0.022 million based on projected lower ridership.
- Additional overtime reductions of \$0.012 million

## **2012-2014 Projections**

Operating cash deficits are projected to increase by \$1.451 million in 2012, \$1.465 million in 2013 and \$1.474 million in 2014. Major changes include:

- Recognition of pay rate adjustments associated with wage settlements of two bargaining units and estimated wage rate adjustments for one unsettled bargaining unit resulting in increased expenditures of \$1.441 million for each year 2012, 2013 and 2014.
- Revised inflation assumptions resulting in an expense decrease of \$0.011 million in 2012, and an increase of \$0.005 million in 2014.

- Reduced farebox revenues of \$0.033 million in 2012, \$0.036 million in 2013 and \$0.040 million in 2014 based on projected lower ridership.
- Additional Overtime reductions of \$0.012 million for each year 2012, 2013 and 2014.

**MTA STATEN ISLAND RAILWAY**  
**November Financial Plan 2011-2014**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

<b>NON-REIMBURSABLE</b>						
	<b>2009</b>	<b>2010</b>	<b>2011</b>			
	<b>Actual</b>	<b>November Forecast</b>	<b>Final Proposed Budget</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Operating Revenue</b>						
Farebox Revenue	\$4.377	\$5.077	\$5.209	\$5.319	\$5.395	\$5.463
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	2.054	2.071	2.071	2.071	2.071	2.071
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Revenue</b>	<b>\$6.431</b>	<b>\$7.148</b>	<b>\$7.280</b>	<b>\$7.390</b>	<b>\$7.466</b>	<b>\$7.534</b>
<b>Operating Expenses</b>						
<b><u>Labor:</u></b>						
Payroll	\$14.587	\$19.580	\$16.749	\$17.109	\$17.440	\$17.768
Overtime	1.076	0.725	0.638	0.656	0.672	0.688
Health and Welfare	2.958	2.962	3.371	3.553	3.795	4.054
OPEB Current Payment	0.508	0.545	0.585	0.628	0.673	0.722
Pensions	3.677	5.065	7.165	8.214	7.984	8.107
Other Fringe Benefits	1.321	1.560	1.347	1.336	1.365	1.388
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenses</b>	<b>\$24.127</b>	<b>\$30.437</b>	<b>\$29.855</b>	<b>\$31.496</b>	<b>\$31.929</b>	<b>\$32.727</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power	\$2.679	\$3.320	\$3.569	\$3.837	\$4.124	\$4.434
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.269	0.258	0.303	0.436	0.361	0.393
Claims	4.740	0.266	0.268	0.268	0.274	0.279
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	12.126	7.201	2.473	2.546	2.643	2.734
Professional Service Contracts	0.394	0.405	0.408	0.408	0.418	0.425
Materials & Supplies	1.063	1.055	1.070	1.095	1.118	1.143
Other Business Expenses	0.000	0.005	0.005	0.005	0.005	0.005
<b>Total Non-Labor Expenses</b>	<b>\$21.271</b>	<b>\$12.510</b>	<b>\$8.096</b>	<b>\$8.595</b>	<b>\$8.943</b>	<b>\$9.413</b>
<b><u>Other Expenses Adjustments:</u></b>						
Other						
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation and GASB Adjs.</b>	<b>\$45.398</b>	<b>\$42.947</b>	<b>\$37.951</b>	<b>\$40.091</b>	<b>\$40.872</b>	<b>\$42.140</b>
Depreciation	\$8.025	\$7.700	\$7.700	\$7.700	\$7.700	\$7.700
OPEB Obligation	2.048	2.500	2.800	3.000	3.000	3.000
Environmental Remediation	0.287	0.000	0.000	0.000	0.000	0.000
<b>Total Expenses</b>	<b>\$55.758</b>	<b>\$53.147</b>	<b>\$48.451</b>	<b>\$50.791</b>	<b>\$51.572</b>	<b>\$52.840</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$49.327)</b>	<b>(\$45.999)</b>	<b>(\$41.171)</b>	<b>(\$43.401)</b>	<b>(\$44.106)</b>	<b>(\$45.306)</b>

REIMBURSABLE
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**MTA STATEN ISLAND RAILWAY**  
**November Financial Plan 2011-2014**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

<b>NON-REIMBURSABLE / REIMBURSABLE</b>						
	<b>2009</b>	<b>2010</b>	<b>2011</b>			
	<b>Actual</b>	<b>November Forecast</b>	<b>Final Proposed Budget</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>Revenue</b>						
Farebox Revenue	\$4.377	\$5.077	\$5.209	\$5.319	\$5.395	\$5.463
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	2.054	2.071	2.071	2.071	2.071	2.071
Capital and Other Reimbursements	0.576	1.545	1.605	1.672	1.674	1.680
<b>Total Revenue</b>	<b>\$7.007</b>	<b>\$8.693</b>	<b>\$8.885</b>	<b>\$9.062</b>	<b>\$9.140</b>	<b>\$9.214</b>
<b>Expenses</b>						
<b><u>Labor:</u></b>						
Payroll	\$14.765	\$19.857	\$17.031	\$17.397	\$17.727	\$18.056
Overtime	1.257	1.402	1.328	1.360	1.376	1.392
Health and Welfare	3.067	3.389	3.837	4.062	4.308	4.571
OPEB Current Payment	0.508	0.545	0.585	0.628	0.673	0.722
Pensions	3.757	5.155	7.257	8.308	8.078	8.201
Other Fringe Benefits	1.349	1.634	1.422	1.413	1.441	1.465
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenses</b>	<b>\$24.703</b>	<b>\$31.982</b>	<b>\$31.460</b>	<b>\$33.168</b>	<b>\$33.603</b>	<b>\$34.407</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power	\$2.679	\$3.320	\$3.569	\$3.837	\$4.124	\$4.434
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.269	0.258	0.303	0.436	0.361	0.393
Claims	4.740	0.266	0.268	0.268	0.274	0.279
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	12.126	7.201	2.473	2.546	2.643	2.734
Professional Service Contracts	0.394	0.405	0.408	0.408	0.418	0.425
Materials & Supplies	1.063	1.055	1.070	1.095	1.118	1.143
Other Business Expenses	0.000	0.005	0.005	0.005	0.005	0.005
<b>Total Non-Labor Expenses</b>	<b>\$21.271</b>	<b>\$12.510</b>	<b>\$8.096</b>	<b>\$8.595</b>	<b>\$8.943</b>	<b>\$9.413</b>
<b><u>Other Expenses Adjustments:</u></b>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$45.974</b>	<b>\$44.492</b>	<b>\$39.556</b>	<b>\$41.763</b>	<b>\$42.546</b>	<b>\$43.820</b>
Depreciation	\$8.025	\$7.700	\$7.700	\$7.700	\$7.700	\$7.700
OPEB Obligation	2.048	2.500	2.800	3.000	3.000	3.000
Environmental Remediation	0.287	0.000	0.000	0.000	0.000	0.000
<b>Total Expenses</b>	<b>\$56.334</b>	<b>\$54.692</b>	<b>\$50.056</b>	<b>\$52.463</b>	<b>\$53.246</b>	<b>\$54.520</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$49.327)</b>	<b>(\$45.999)</b>	<b>(\$41.171)</b>	<b>(\$43.401)</b>	<b>(\$44.106)</b>	<b>(\$45.306)</b>

**MTA STATEN ISLAND RAILWAY**  
**November Financial Plan 2011-2014**  
**Cash Receipts & Expenditures**  
(\$ in millions)

**CASH RECEIPTS AND EXPENDITURES**

	2009	2010	2011			
	<u>Actual</u>	<u>November</u>	<u>Final Proposed</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b>Receipts</b>		<b>Forecast</b>	<b>Budget</b>			
Farebox Revenue	\$4.325	\$5.077	\$5.209	\$5.319	\$5.395	\$5.463
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	2.044	2.071	2.071	2.071	2.071	2.071
Capital and Other Reimbursements	0.705	1.545	1.605	1.672	1.674	1.680
<b>Total Receipts</b>	<b>\$7.074</b>	<b>\$8.693</b>	<b>\$8.885</b>	<b>\$9.062</b>	<b>\$9.140</b>	<b>\$9.214</b>
<b>Expenditures</b>						
<b><u>Labor:</u></b>						
Payroll	\$14.707	\$16.404	\$21.586	\$17.397	\$17.727	\$18.056
Overtime	1.285	1.402	1.328	1.360	1.376	1.392
Health and Welfare	3.135	3.389	3.837	4.062	4.308	4.571
OPEB Current Payment	0.508	0.545	0.585	0.628	0.673	0.722
Pensions	5.059	5.605	7.257	8.308	8.078	8.201
Other Fringe Benefits	1.522	1.370	1.770	1.413	1.441	1.465
GASB Account	0.265	0.290	0.317	0.347	0.379	0.415
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenditures</b>	<b>\$26.481</b>	<b>\$29.005</b>	<b>\$36.680</b>	<b>\$33.515</b>	<b>\$33.982</b>	<b>\$34.822</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power	\$2.654	\$3.320	\$3.569	\$3.837	\$4.124	\$4.434
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.231	0.258	0.303	0.436	0.361	0.393
Claims	0.303	0.266	0.268	0.268	0.274	0.279
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	10.648	9.535	2.473	2.546	2.643	2.734
Professional Service Contracts	0.413	0.405	0.408	0.408	0.418	0.425
Materials & Supplies	1.107	1.055	1.070	1.095	1.118	1.143
Other Business Expenses	0.000	0.005	0.005	0.005	0.005	0.005
<b>Total Non-Labor Expenditures</b>	<b>\$15.356</b>	<b>\$14.844</b>	<b>\$8.096</b>	<b>\$8.595</b>	<b>\$8.943</b>	<b>\$9.413</b>
<b><u>Other Expenditure Adjustments:</u></b>						
Other						
<b>Total Other Expenditure Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenditures</b>	<b>\$41.837</b>	<b>\$43.849</b>	<b>\$44.776</b>	<b>\$42.110</b>	<b>\$42.925</b>	<b>\$44.235</b>
<b>Baseline Cash Deficit</b>	<b>(\$34.763)</b>	<b>(\$35.156)</b>	<b>(\$35.891)</b>	<b>(\$33.048)</b>	<b>(\$33.785)</b>	<b>(\$35.021)</b>

**MTA STATEN ISLAND RAILWAY**  
**November Financial Plan 2011-2014**  
**Cash Conversion (Cash Flow Adjustments)**  
(\$ in millions)

**CASH FLOW ADJUSTMENTS**

	<b>2009</b>	<b>2010</b>	<b>2011</b>			
	<b><u>Actual</u></b>	<b><u>Forecast</u></b>	<b><u>Final Proposed Budget</u></b>	<b><u>2012</u></b>	<b><u>2013</u></b>	<b><u>2014</u></b>
<b>Receipts</b>						
Farebox Revenue	(\$0.052)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	(0.010)	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	0.129	0.000	0.000	0.000	0.000	0.000
<b>Total Receipts</b>	<b>\$0.067</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Expenditures</b>						
<b><u>Labor:</u></b>						
Payroll	\$0.058	\$3.453	(\$4.555)	\$0.000	\$0.000	\$0.000
Overtime	(0.028)	0.000	0.000	0.000	0.000	0.000
Health and Welfare	(0.068)	0.000	0.000	0.000	0.000	0.000
OPEB Current Payment						
Pensions	(1.302)	(0.450)	0.000	0.000	0.000	0.000
Other Fringe Benefits	(0.173)	0.264	(0.348)	0.000	0.000	0.000
GASB Account	(0.265)	(0.290)	(0.317)	(0.347)	(0.379)	(0.415)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenditures</b>	<b>(\$1.778)</b>	<b>\$2.977</b>	<b>(\$5.220)</b>	<b>(\$0.347)</b>	<b>(\$0.379)</b>	<b>(\$0.415)</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power	\$0.025	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.038	0.000	0.000	0.000	0.000	0.000
Claims	4.437	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	1.478	(2.334)	0.000	0.000	0.000	0.000
Professional Service Contracts	(0.019)	0.000	0.000	0.000	0.000	0.000
Materials & Supplies	(0.044)	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
<b>Total Non-Labor Expenditures</b>	<b>\$5.915</b>	<b>(\$2.334)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b><u>Other Expenditures Adjustments:</u></b>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Other Expenditures Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Cash Conversion Adjustments before Depreciation and GASB Adjs.</b>	<b>\$4.204</b>	<b>\$0.643</b>	<b>(\$5.220)</b>	<b>(\$0.347)</b>	<b>(\$0.379)</b>	<b>(\$0.415)</b>
Depreciation Adjustment	\$8.025	\$7.700	\$7.700	\$7.700	\$7.700	\$7.700
OPEB Obligation	2.048	2.500	2.800	3.000	3.000	3.000
Environmental Remediation	0.287	0.000	0.000	0.000	0.000	0.000
<b>Baseline Total Cash Conversion Adjustments</b>	<b>\$14.564</b>	<b>\$10.843</b>	<b>\$5.280</b>	<b>\$10.353</b>	<b>\$10.321</b>	<b>\$10.285</b>

**MTA STATEN ISLAND RAILWAY**  
**2011 Final Proposed Budget**  
**November Financial Plan 2011-2014**  
**Year-to-Year Changes by Category-Baseline**

**TOTAL REVENUES/RECEIPTS**

**Farebox Revenue**

- Farebox revenue improvements of: 2011=\$0.132 million (2.6%), 2012=\$0.110 million (2.1%), 2013=\$0.076 million (1.4%), and 2014=\$0.068 million (1.3%) are due primarily to the full year effect in 2011 of implementation of fare collection at the Tompkinsville Station in early 2010 and Global Insight revenue projections in the out years.

**Other Operating Revenue**

- No changes.

**Capital and Other Reimbursements**

- Annual increases are projected from 2011 through 2014 to provide for reimbursement consistent with projected inflationary increases.

**TOTAL EXPENSES/EXPENDITURES**

**Payroll**

- Includes projected rate increases consistent with the July plan as follows: 2011=2.23%, 2012=2.20%, 2013=1.97% and 2014=1.91%.

**Overtime**

- Includes projected rate increases consistent with the July plan as follows: 2011=2.23%, 2012=2.20%, 2013=1.97% and 2014=1.91%.

**Health & Welfare**

- Increases represent MTA/actuarial assumptions for 2011-2014.

**OPEB**

- Increases represent MTA/actuarial assumptions for 2011-2014.

**Pension**

- Increases based on current actuarial information.

**Other Fringe Benefits**

- Inflation assumptions are consistent with projected payroll rate increases.

**Traction and Propulsion Power**

- 2011-2014 reflects projected New York Power Authority (NYPA) rate increases provided by MTA.

**Insurance**

- 2011-2014 assumptions provided by MTA.

**Claims**

- 2011-2014 inflation assumptions are based upon Global Insight's estimates as follows: 2011= 0.74%, 2012=1.79%, 2013=2.05% and 2014=1.74%.

**Maintenance and Other Operating Contracts**

- 2011-2014 inflation assumptions are based upon Global Insight's estimates as follows: 2011= 0.74%, 2012=1.79%, 2013=2.05% and 2014=1.74%.
- 2011-2014 lighting expense reflects projected New York Power Authority (NYPA) projected increases as provided by MTA.
- 2011-2014 fuel expenses reflects projected increases based on assumptions as provided by MTA.
- 2010 cash results includes \$2.334 million of fleet maintenance cash timing adjustments delayed from 2009.

**Professional Service Contracts**

- 2011-2014 inflation assumptions are based upon Global Insight's estimates as follows: 2011= 0.74%, 2012=1.79%, 2013=2.05% and 2014=1.74%.

**Materials and Supplies**

- 2011-2014 inflation assumptions are based upon Global Insight's estimates as follows: 2011= 1.43%, 2012=1.36%, 2013=1.67% and 2014=1.95%.

**Other Business Expenses**

- 2011-2014 inflation assumptions are based upon Global Insight's estimates as follows: 2011= 0.74%, 2012=1.79%, 2013=2.05% and 2014=1.74%.

**MTA STATEN ISLAND RAILWAY**  
**November Financial Plan 2011 - 2014**  
**Year-to-Year Changes by Category - Accrual Basis**  
**(\$ in millions)**

**NON-REIMBURSABLE**

	Favorable/(Unfavorable)								
	2010	2011	Change 2011 - 2010	2012	Change 2012 - 2011	2013	Change 2013 - 2012	2014	Change 2014 - 2013
<b>Revenue</b>									
Farebox Revenue	\$5.077	\$5.209	\$0.132	\$5.319	\$0.110	\$5.395	\$0.076	\$5.463	\$0.068
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	2.071	2.071	0.000	2.071	0.000	2.071	0.000	2.071	0.000
Capital and Other Reimbursements	0.000	0.000	\$0.000	0.000	\$0.000	0.000	\$0.000	0.000	\$0.000
<b>Total Revenue</b>	<b>\$7.148</b>	<b>\$7.280</b>	<b>\$0.132</b>	<b>\$7.390</b>	<b>\$0.110</b>	<b>\$7.466</b>	<b>\$0.076</b>	<b>\$7.534</b>	<b>\$0.068</b>
<b>Expenses</b>									
Labor:									
Payroll	19.580	16.749	2.831	17.109	(0.360)	17.440	(0.331)	17.768	(0.328)
Overtime	0.725	0.638	0.087	0.656	(0.018)	0.672	(0.016)	0.688	(0.016)
Health and Welfare	2.962	3.371	(0.409)	3.553	(0.182)	3.795	(0.242)	4.054	(0.259)
OPEB Current Payment	0.545	0.585	(0.040)	0.628	(0.043)	0.673	(0.045)	0.722	(0.049)
Pensions	5.065	7.165	(2.100)	8.214	(1.049)	7.984	0.230	8.107	(0.123)
Other Fringe Benefits	1.560	1.347	0.213	1.336	0.011	1.365	(0.029)	1.388	(0.023)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenses</b>	<b>\$30.437</b>	<b>\$29.855</b>	<b>\$0.582</b>	<b>\$31.496</b>	<b>(\$1.641)</b>	<b>\$31.929</b>	<b>(\$0.433)</b>	<b>\$32.727</b>	<b>(\$0.798)</b>
Non-Labor:									
Traction and Propulsion Power	3.320	3.569	(0.249)	3.837	(0.268)	4.124	(0.287)	4.434	(0.310)
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.258	0.303	(0.045)	0.436	(0.133)	0.361	0.075	0.393	(0.032)
Claims	0.266	0.268	(0.002)	0.268	0.000	0.274	(0.006)	0.279	(0.005)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other									
Operating Contracts	7.201	2.473	4.728	2.546	(0.073)	2.643	(0.097)	2.734	(0.091)
Professional Service Contracts	0.405	0.408	(0.003)	0.408	0.000	0.418	(0.010)	0.425	(0.007)
Materials & Supplies	1.055	1.070	(0.015)	1.095	(0.025)	1.118	(0.023)	1.143	(0.025)
Other Business Expenses	0.005	0.005	0.000	0.005	0.000	0.005	0.000	0.005	0.000
<b>Total Non-Labor Expenses</b>	<b>\$12.510</b>	<b>\$8.096</b>	<b>\$4.414</b>	<b>\$8.595</b>	<b>(\$0.499)</b>	<b>\$8.943</b>	<b>(\$0.348)</b>	<b>\$9.413</b>	<b>(\$0.470)</b>
Other Expenses Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expense Adjustments</b>	<b>\$0.000</b>	<b>0.000</b>	<b>\$0.000</b>	<b>0.000</b>	<b>\$0.000</b>	<b>0.000</b>	<b>\$0.000</b>	<b>0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation and GASB Adjs.</b>	<b>\$42.947</b>	<b>\$37.951</b>	<b>\$4.996</b>	<b>\$40.091</b>	<b>(\$2.140)</b>	<b>\$40.872</b>	<b>(\$0.781)</b>	<b>\$42.140</b>	<b>(\$1.268)</b>
Depreciation	7.700	7.700	0.000	7.700	0.000	7.700	0.000	7.700	0.000
OPEB Obligation	2.500	2.800	(0.300)	3.000	(0.200)	3.000	0.000	3.000	0.000
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Expenses</b>	<b>\$53.147</b>	<b>\$48.451</b>	<b>\$4.696</b>	<b>\$50.791</b>	<b>(\$2.340)</b>	<b>\$51.572</b>	<b>(\$0.781)</b>	<b>\$52.840</b>	<b>(\$1.268)</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$45.999)</b>	<b>(\$41.171)</b>	<b>\$4.828</b>	<b>(\$43.401)</b>	<b>(\$2.230)</b>	<b>(\$44.106)</b>	<b>(\$0.705)</b>	<b>(\$45.306)</b>	<b>(\$1.200)</b>

**REIMBURSABLE**

**Baseline Surplus/(Deficit)**

**MTA STATEN ISLAND RAILWAY**  
**November Financial Plan 2011 - 2014**  
**Year-to-Year Changes by Category - Cash Receipts and Expenditures**  
**(\$ in millions)**

**CASH RECEIPTS & EXPENDITURES**

	Favorable/(Unfavorable)								
	2010	2011	Change 2011 - 2010	2012	Change 2012 - 2011	2013	Change 2013 - 2012	2014	Change 2014 - 2013
<b><u>Receipts</u></b>									
Farebox Revenue	\$5.077	\$5.209	\$0.132	\$5.319	\$0.110	\$5.395	\$0.076	\$5.463	\$0.068
Other Operating Revenue	2.071	2.071	0.000	2.071	0.000	2.071	0.000	2.071	0.000
Capital and Other Reimbursements	1.545	1.605	0.060	1.672	0.067	1.674	0.002	1.680	0.006
<b>Total Receipts</b>	<b>\$8.693</b>	<b>\$8.885</b>	<b>\$0.192</b>	<b>\$9.062</b>	<b>\$0.177</b>	<b>\$9.140</b>	<b>\$0.078</b>	<b>\$9.214</b>	<b>\$0.074</b>
<b><u>Expenditures</u></b>									
Labor:									
Payroll	16.404	21.586	(5.182)	17.397	4.189	17.727	(0.330)	18.056	(0.329)
Overtime	1.402	1.328	0.074	1.360	(0.032)	1.376	(0.016)	1.392	(0.016)
Health and Welfare	3.389	3.837	(0.448)	4.062	(0.225)	4.308	(0.246)	4.571	(0.263)
OPEB Current Payment	0.545	0.585	(0.040)	0.628	(0.043)	0.673	(0.045)	0.722	(0.049)
Pensions	5.605	7.257	(1.652)	8.308	(1.051)	8.078	0.230	8.201	(0.123)
Other Fringe Benefits	1.370	1.770	(0.400)	1.413	0.357	1.441	(0.028)	1.465	(0.024)
Reimbursable Overhead	0.290	0.317	(0.027)	0.347	(0.030)	0.379	(0.032)	0.415	(0.036)
<b>Total Labor Expenditures</b>	<b>\$29.005</b>	<b>\$36.680</b>	<b>(\$7.675)</b>	<b>\$33.515</b>	<b>\$3.165</b>	<b>\$33.982</b>	<b>(\$0.467)</b>	<b>\$34.822</b>	<b>(\$0.840)</b>
Non-Labor:									
Traction and Propulsion Power	3.320	3.569	(0.249)	3.837	(0.268)	4.124	(0.287)	4.434	(0.310)
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.258	0.303	(0.045)	0.436	(0.133)	0.361	0.075	0.393	(0.032)
Claims	0.266	0.268	(0.002)	0.268	0.000	0.274	(0.006)	0.279	(0.005)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other									
Operating Contracts	9.535	2.473	7.062	2.546	(0.073)	2.643	(0.097)	2.734	(0.091)
Professional Service Contracts	0.405	0.408	(0.003)	0.408	0.000	0.418	(0.010)	0.425	(0.007)
Materials & Supplies	1.055	1.070	(0.015)	1.095	(0.025)	1.118	(0.023)	1.143	(0.025)
Other Business Expenses	0.005	0.005	0.000	0.005	0.000	0.005	0.000	0.005	0.000
<b>Total Non-Labor Expenditures</b>	<b>\$14.844</b>	<b>\$8.096</b>	<b>\$6.748</b>	<b>\$8.595</b>	<b>(\$0.499)</b>	<b>\$8.943</b>	<b>(\$0.348)</b>	<b>\$9.413</b>	<b>(\$0.470)</b>
Other Expenditure Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expenditure Adjustments</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenditures</b>	<b>\$43.849</b>	<b>\$44.776</b>	<b>(\$0.927)</b>	<b>\$42.110</b>	<b>\$2.666</b>	<b>\$42.925</b>	<b>(\$0.815)</b>	<b>\$44.235</b>	<b>(\$1.310)</b>
<b>Baseline Cash Deficit</b>	<b>(35.156)</b>	<b>(35.891)</b>	<b>(0.735)</b>	<b>(33.048)</b>	<b>2.843</b>	<b>(33.785)</b>	<b>(0.737)</b>	<b>(35.021)</b>	<b>(1.236)</b>

**MTA STATEN ISLAND RAILWAY  
2011 Final Proposed Budget  
November Financial Plan 2011-2014  
Summary of Plan to Plan Changes-Baseline**

**2010: November Financial Plan vs. July Financial Plan**

**Revenue Re-estimates**

- Reduced farebox revenues of \$0.048 million based on projected lower ridership.

**Expense Re-estimates/Cash Adjustments**

- Recognition of wage settlement and related pay rate adjustments for two bargaining units retroactive to 1/1/07 resulting in an expenditure increase of \$0.904 million.
- Revised inflation assumptions resulting in an expense increase of \$0.072 million.
- Additional Overtime reductions of \$0.012 million

**2011-2014: November Financial Plan vs. July Financial Plan**

**Revenue Re-estimates**

- Reduced farebox revenues of \$0.022 million in 2011, \$0.033 million in 2012, \$0.036 million in 2013 and \$0.040 million in 2014 based on projected lower ridership.

**Expense Re-estimates/Cash Adjustments**

- Recognition of estimated wage impacts and related pay rate adjustments for one unsettled bargaining unit retroactive to 1/1/07 resulting in an expenditure increase of \$6.089 million in 2011 and \$1.186 million for each year 2012-2014.
- Recognition of wage settlement and related pay rate adjustments for two bargaining units resulting in an expenditure increase of \$0.255 million for each year 2011-2014.
- Revised inflation assumptions resulting in expense increase of \$0.098 million in 2011, a decrease of \$0.011 million in 2012, and an increase of \$0.005 million in 2014.
- Additional Overtime reductions of \$0.012 million in 2011, 2012, 2013 and 2014

**MTA STATEN ISLAND RAILWAY**  
**November Financial Plan 2011-2014**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

<b>NON-REIMBURSABLE</b>					
	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
<b>July Financial Plan Net Cash Deficit</b>	<b>(\$34.144)</b>	<b>(\$29.439)</b>	<b>(\$31.597)</b>	<b>(\$32.320)</b>	<b>(\$33.547)</b>
<b>Baseline Changes</b>					
<b>Revenue</b>					
Farebox Revenue	(0.048)	(0.022)	(0.033)	(0.036)	(0.040)
Other Operating Revenue					
Capital and Other Reimbursement					
<b>Total Revenue Changes</b>	<b>(\$0.048)</b>	<b>(\$0.022)</b>	<b>(\$0.033)</b>	<b>(\$0.036)</b>	<b>(\$0.040)</b>
<b>Expenses</b>					
<b>Labor:</b>					
Payroll	(4.292)	(1.339)	(1.339)	(1.339)	(1.339)
Overtime	0.012	0.012	0.012	0.012	0.012
Health and Welfare	0.000	(0.047)	(0.003)	(0.003)	(0.005)
OPEB Current Payment					
Pensions					
Other Fringe Benefits	(0.356)	(0.135)	(0.098)	(0.102)	(0.102)
Reimbursable Overhead					
<b>Total Labor Expense Changes</b>	<b>(\$4.636)</b>	<b>(\$1.509)</b>	<b>(\$1.428)</b>	<b>(\$1.432)</b>	<b>(\$1.434)</b>
<b>Non-Labor:</b>					
Traction and Propulsion Power	0.000	0.000	0.000	0.000	0.000
Fuel for Buses and Trains					
Insurance					
Claims	(0.006)	(0.005)	0.000	0.000	0.000
Paratransit Service Contracts					
Maintenance and Other Operating Contracts	(0.035)	(0.016)	0.003	0.000	0.000
Professional Service Contracts	(0.009)	(0.007)	0.002	0.000	0.000
Materials & Supplies	0.005	0.010	0.005	0.003	0.000
Other Business Expenses					
<b>Total Non-Labor Expense Changes</b>	<b>(\$0.045)</b>	<b>(\$0.018)</b>	<b>\$0.010</b>	<b>\$0.003</b>	<b>\$0.000</b>
<b>Total Expense Changes before Depreciation &amp; GASB Adjs.</b>	<b>(\$4.681)</b>	<b>(\$1.527)</b>	<b>(\$1.418)</b>	<b>(\$1.429)</b>	<b>(\$1.434)</b>
OPEB Obligation	0.300	0.000	0.000	0.000	0.000
Environmental Remediation	0.286	0.286	0.286	0.286	0.286
<b>Total Depreciation and GASB Adjs. Changes</b>	<b>\$0.586</b>	<b>\$0.286</b>	<b>\$0.286</b>	<b>\$0.286</b>	<b>\$0.286</b>
<b>Cash Adjustment Changes</b>					
OPEB Obligation	(\$0.300)	\$0.000	\$0.000	\$0.000	\$0.000
Environmental Remediation	(\$0.286)	(\$0.286)	(\$0.286)	(\$0.286)	(\$0.286)
Unsettled Labor Agreements	3.717	(4.903)	-	-	-
<b>Total Cash Adjustment Changes</b>	<b>\$3.131</b>	<b>(\$5.189)</b>	<b>(\$0.286)</b>	<b>(\$0.286)</b>	<b>(\$0.286)</b>
<b>Total Baseline Changes</b>	<b>(\$1.012)</b>	<b>(\$6.452)</b>	<b>(\$1.451)</b>	<b>(\$1.465)</b>	<b>(\$1.474)</b>
<b>Total Changes</b>	<b>(\$1.012)</b>	<b>(\$6.452)</b>	<b>(\$1.451)</b>	<b>(\$1.465)</b>	<b>(\$1.474)</b>
<b>November Financial Plan Net Cash Deficit</b>	<b>(\$35.156)</b>	<b>(\$35.891)</b>	<b>(\$33.048)</b>	<b>(\$33.785)</b>	<b>(\$35.021)</b>

**MTA STATEN ISLAND RAILWAY**  
**November Financial Plan 2011-2014**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

REIMBURSABLE					
	2010	2011	2012	2013	2014
July Financial Plan Net Cash Deficit	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Baseline Changes</b>					
<b>Revenue</b>					
Farebox Revenue					
Other Operating Revenue					
Capital and Other Reimbursement					
<b>Total Revenue Changes</b>	\$ .000	\$ .000	\$ .000	\$ .000	\$ .000
<b>Expenses</b>					
<i>Labor:</i>					
Payroll					
Health and Welfare					
OPEB Current Payment					
Pensions					
Other Fringe Benefits					
Reimbursable Overhead					
<b>Total Labor Expense Changes</b>	\$ .000	\$ .000	\$ .000	\$ .000	\$ .000
<i>Non-Labor:</i>					
Traction and Propulsion Power					
Fuel for Buses and Trains					
Insurance					
Claims					
Paratransit Service Contracts					
Maintenance and Other Operating Contracts					
Materials & Supplies					
Other Business Expenses					
<b>Total Non-Labor Expense Changes</b>	\$ .000	\$ .000	\$ .000	\$ .000	\$ .000
<b>Total Expense Changes</b>	\$ .000	\$ .000	\$ .000	\$ .000	\$ .000
<b>Cash Adjustment Changes</b>					
<b>Total Cash Adjustment Changes</b>	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Baseline Changes</b>	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
November Financial Plan Net Cash Deficit	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

**MTA Staten Island Railway**  
**November Financial Plan 2011-2014**  
**Summary of Major Programmatic Changes Between Financial Plans**  
(\$ in millions)

**NON-REIMBURSABLE and REIMBURSABLE**

	2010	2011	2012	2013	2014
<b>July Financial Plan Net Cash Deficit</b>	<b>(\$34.144)</b>	<b>(\$29.439)</b>	<b>(\$31.597)</b>	<b>(\$32.320)</b>	<b>(\$33.547)</b>
<b><i>Non-Reimbursable Major Changes</i></b>					
<b>Revenue</b>					
Farebox Revenue	(0.048)	(0.022)	(0.033)	(0.036)	(0.040)
Sub-Total Non-Reimbursable Revenue Changes	(0.048)	(0.022)	(0.033)	(0.036)	(0.040)
<b>Expenses</b>					
Revised Inflatons	(0.072)	(0.098)	0.011	0.000	(0.005)
Additional Overtime Reductions	0.012	0.012	0.012	0.012	0.012
OPEB Obligation	0.300	0.000	0.000	0.000	0.000
Environmental Remediation	0.286	0.286	0.286	0.286	0.286
Settled Labor Agreements	(4.621)	(1.441)	(1.441)	(1.441)	(1.441)
Sub-Total Non-Reimbursable Expense Changes	(\$4.095)	(\$1.241)	(\$1.132)	(\$1.143)	(\$1.148)
<b>Total Non-Reimbursable Major Changes</b>	<b>(\$4.095)</b>	<b>(\$1.241)</b>	<b>(\$1.132)</b>	<b>(\$1.143)</b>	<b>(\$1.148)</b>
<b><i>Reimbursable Major Changes</i></b>					
Sub-Total Reimbursable Revenue Changes	0	0	0	0	0
Expenses					
Sub-Total Reimbursable Expense Changes	0	0	0	0	0
<b>Total Reimbursable Major Changes</b>	<b>\$ .000</b>	<b>\$ .000</b>	<b>\$ .000</b>	<b>\$ .000</b>	<b>\$ .000</b>
<b>Total Accrual Changes</b>	<b>(\$4.095)</b>	<b>(\$1.241)</b>	<b>(\$1.132)</b>	<b>(\$1.143)</b>	<b>(\$1.148)</b>
<b><i>Cash Adjustment Changes</i></b>					
OPEB Obligation	(0.300)	-	-	-	-
Environmental Remediation	(0.286)	(0.286)	(0.286)	(0.286)	(0.286)
Unsettled Labor Agreements	3.717	(4.903)	-	-	-
<b>Total Cash Adjustment Changes</b>	<b>\$3.131</b>	<b>(\$5.189)</b>	<b>(\$0.286)</b>	<b>(\$0.286)</b>	<b>(\$0.286)</b>
<b>Total Changes</b>	<b>(\$1.012)</b>	<b>(\$6.452)</b>	<b>(\$1.451)</b>	<b>(\$1.465)</b>	<b>(\$1.474)</b>
<b>November Financial Plan Net Cash Deficit</b>	<b>(\$35.156)</b>	<b>(\$35.891)</b>	<b>(\$33.048)</b>	<b>(\$33.785)</b>	<b>(\$35.021)</b>

**MTA STATEN ISLAND RAILWAY  
2011 Final Proposed Budget  
November Financial Plan 2011-2014  
Summary of Plan to Plan Changes-Baseline  
Ridership (Utilization)**

Re-estimates of net non-student/student ridership is projected to decrease from the July Financial Plan ridership by 0.043 million in 2010, 0.024 million in 2011, 0.031 million in 2012, 0.034 million in 2013 and 0.037 million in 2014.

**MTA STATEN ISLAND RAILWAY**  
**November Financial Plan 2011-2014**  
**Ridership/(Utilization)**  
(in millions)

	2009 Actual	2010 November Forecast	Final Proposed Budget	2012	2013	2014
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**RIDERSHIP**

Fixed Route	4.127	4.445	4.543	4.625	4.681	4.731
Paratransit	-	-	-	-	-	-

<b>Baseline Total Ridership</b>	<b>4.127</b>	<b>4.445</b>	<b>4.543</b>	<b>4.625</b>	<b>4.681</b>	<b>4.731</b>
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**FAREBOX REVENUE**

Fixed Route	\$4.377	\$5.077	\$5.209	\$5.319	\$5.395	\$5.463
Paratransit	0.000	0.000	0.000	0.000	0.000	0.000

<b>Baseline Total Revenue</b>	<b>\$4.377</b>	<b>\$5.077</b>	<b>\$5.209</b>	<b>\$5.319</b>	<b>\$5.395</b>	<b>\$5.463</b>
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**MTA STATEN ISLAND RAILWAY**  
**November Financial Plan 2011-2014**  
**2010 Budget Reduction Plan (BRP) Summary**  
**(\$ in millions)**

	2010		2011		2012		2013		2014	
	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars	Positions <sup>1</sup>	Dollars
<b>LIST of PROGRAMS</b>										
Administration:										
Hiring Delay	6	0.432								
OTPS Efficiencies	0	0.054								
PS Efficiencies	0	0.039	0	0.039	0	0.039	0	0.039	0	0.039
Administrative Reductions	2	0.063	2	0.160	2	0.160	2	0.160	2	0.160
Sub-Total Administration	8	0.588	2	0.199	2	0.199	2	0.199	2	0.199
Customer Convenience & Amenities:										
St. George - Unstaffed Fare Collection	0	0	6	0.386	6	0.386	6	0.386	6	0.386
Sub-Total Customer Convenience & Amenities	0	0.000	6	0.386	6	0.386	6	0.386	6	0.386
Service:										
Sub-Total Service	0	0.000	0	0.000	0	0.000	0	0.000	0	0.000
Maintenance:										
Position Elimination	1	0.116	1	0.116	1	0.116	1	0.116	1	0.116
Sub-Total Maintenance	1	0.116	1	0.116	1	0.116	1	0.116	1	0.116
Safety/Security:										
Sub-Total Other	0	\$ .000	0	\$ .000	0	\$ .000	0	\$ .000	0	\$ .000
<b>Total BRP</b>	<b>9</b>	<b>\$ .704</b>	<b>9</b>	<b>\$ .701</b>	<b>9</b>	<b>\$ .701</b>	<b>9</b>	<b>\$ .701</b>	<b>9</b>	<b>\$ .701</b>

<sup>1</sup> Reflects the impact of amendments on year-end positions.

**MTA Staten Island Railway**  
**November Financial Plan 2011-2014**  
**2010 Program to Eliminate the Gap (PEGs) Worksheet**  
**(\$ in millions)**

<b>Business Unit</b>	SIR	<b>PEG Category</b>	Administration	<b>Implementation Date</b>	1/1/10
<b>PEG / New Need ID</b>				<b>Savings Date</b>	1/1/10
<b>Program:</b>	BRP - Hiring Delay				

**Description and Implementation Plan**

The Authority currently has three (3) positions which have been vacant since 1/1/10. An evaluation of these titles indicates that a hiring delay for the remainder of 2010 will not significantly impact short term maintenance and operational goals. Furthermore, one (1) additional vacancy through retirement is expected on 6/1/10 and two (2) vacancies are expected through attrition by 7/1/10.

**Background Details**

The Authority will institute a hiring freeze through 12/31/10 enabling a full year labor savings savings on three (3) positions and a prorata savings for three (3) beginning in mid-year. All vacancies are expected to be filled in 2011.

	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>2012</b></u>	<u><b>2013</b></u>	<u><b>2014</b></u>
<b>Total Headcount</b>	6	-	-	-	-
<b>Financial Impact</b>	\$0.432	\$0.000	\$0.000	\$0.000	\$0.000

**MTA Staten Island Railway**  
**November Financial Plan 2011-2014**  
**2010 Program to Eliminate the Gap (PEGs) Worksheet**  
**(\$ in millions)**

<b>Business Unit</b>	SIR	<b>PEG Category</b>	Administration	<b>Implementation Date</b>	1/1/10
<b>PEG / New Need ID</b>				<b>Savings Date</b>	1/1/10
<b>Program:</b>	BRP - OTPS Efficiencies				

**Description and Implementation Plan**

Material and Supplies expenditures required to support operations, maintenance and administrative business areas are periodically evaluated to review requirements of these business areas. Over time, changes in procedures and practices can possibly result in savings in this expense category.

**Background Details**

In an effort to improve the efficient use of SIR resources, SIR identified and revised material forecasts realizing short saving of departmental requirements ensuring that proposed savings targets are realized.

	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>2012</b></u>	<u><b>2013</b></u>	<u><b>2014</b></u>
<b>Total Headcount</b>	-	-	-	-	-
<b>Financial Impact</b>	\$0.054	\$0.000	\$0.000	\$0.000	\$0.000

**MTA Staten Island Railway**  
**November Financial Plan 2011-2014**  
**2010 Program to Eliminate the Gap (PEGs) Worksheet**  
**(\$ in millions)**

<b>Business Unit</b>	SIR	<b>PEG Category</b>	Administration	<b>Implementation Date</b>	1/1/10
<b>PEG / New Need ID</b>				<b>Savings Date</b>	1/1/10
<b>Program:</b>	BRP - PS Efficiencies				

**Description and Implementation Plan**

Overtime expenditures required to support operations, maintenance and administrative business areas are periodically evaluated to review requirements of these business areas. Over time, changes in procedures and practices can possibly result in savings in this expense category.

**Background Details**

In reviewing this expense, SIR has identified and revised procedures to more efficiently cover vacation relief, thereby yielding reductions in unscheduled overtime expense.

	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>2012</b></u>	<u><b>2013</b></u>	<u><b>2014</b></u>
<b>Total Headcount</b>	-	-	-	-	-
<b>Financial Impact</b>	\$0.039	\$0.039	\$0.039	\$0.039	\$0.039

**MTA Staten Island Railway**  
**November Financial Plan 2011-2014**  
**2010 Program to Eliminate the Gap (PEGs) Worksheet**  
**(\$ in millions)**

<b>Business Unit</b>	SIR	<b>PEG Category</b>	Administration	<b>Implementation Date</b>	7/1/10
<b>PEG / New Need ID</b>				<b>Savings Date</b>	7/1/10
<b>Program:</b>	BRP - Administrative Reductions				

**Description and Implementation Plan**

Keeping with MTA initiative to reduce administrative expenses and balance budgets one component in this effort is administrative layoffs.

**Background Details**

Within the SIR administrative departments two (2) PAAI positions have been identified for abolishment.

	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>2012</b></u>	<u><b>2013</b></u>	<u><b>2014</b></u>
<b>Total Headcount</b>	2	2	2	2	2
<b>Financial Impact</b>	\$0.063	\$0.160	\$0.160	\$0.160	\$0.160

**MTA Staten Island Railway**  
**November Financial Plan 2011-2014**  
**2010 Program to Eliminate the Gap (PEGs) Worksheet**  
(\$ in millions)

<b>Business Unit</b>	SIR	<b>PEG Category</b>	Customer Convenience & Amenities	<b>Implementation Date</b>	1/1/11
<b>PEG / New Need ID</b>				<b>Savings Date</b>	1/1/11
<b>Program:</b>	BRP - St. George-Unstaffed Fare Collection				

**Description and Implementation Plan**

Based on a fare alternative analysis the Authority implemented a pilot program to restore fare collection at Tompkinsville station using an unstaffed/low turnstile/CCTV monitored control area. The success of this pilot will drive future fare policy.

**Background Details**

Extending the Tompkinsville pilot to St. George Terminal will allow for the elimination of the staffed agents booth and all cash collection a processing, thereby saving six (6) positions. This implementation assumes the completion of the Station Security capital program under which CCTV cameras and Customer Assistance Intercoms will be installed.

	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>2012</b></u>	<u><b>2013</b></u>	<u><b>2014</b></u>
<b>Total Headcount</b>	-	6	6	6	6
<b>Financial Impact</b>	\$0.000	\$0.386	\$0.386	\$0.386	\$0.386

**MTA Staten Island Railway**  
**November Financial Plan 2011-2014**  
**2010 Program to Eliminate the Gap (PEGs) Worksheet**  
(\$ in millions)

<b>Business Unit</b>	SIR	<b>PEG Category</b>	Maintenance	<b>Implementation Date</b>	1/1/10
<b>PEG / New Need ID</b>				<b>Savings Date</b>	1/1/10
<b>Program:</b>	BRP - Position Elimination				

**Description and Implementation Plan**

The Authority currently has one (1) Deputy Superintendent position in our maintenance shop which will be eliminated as a results of a 2010 retirement. An evaluation of this positions indicates that its elimination will not significantly impact maintenance and goals or activities

**Background Details**

The Authority will eliminate one (1) Deputy Superintendent title generating permanent savings of one position.

	<u><b>2010</b></u>	<u><b>2011</b></u>	<u><b>2012</b></u>	<u><b>2013</b></u>	<u><b>2014</b></u>
<b>Total Headcount</b>	1	1	1	1	1
<b>Financial Impact</b>	\$0.116	\$0.116	\$0.116	\$0.116	\$0.116

**MTA STATEN ISLAND RAILWAY  
2011 Final Proposed Budget  
November Financial Plan 2011-2014  
Summary of Plan to Plan Changes-Baseline  
Positions**

- Full-time baseline positions are unchanged from the July Financial Plan.

**MTA STATEN ISLAND RAILWAY**  
**November Financial Plan 2011-2014**  
**Total Positions by Function**  
**Non-Reimbursable/Reimbursable and Full-time/Full-time Equivalents**

FUNCTION/DEPARTMENT	2009 Actual	2010 November Forecast	2011 Final Proposed Budget	2012	2013	2014
<b>Administration</b>						
Executive	11	9	9	9	9	9
General Office	10	10	7	7	7	7
Purchasing/Stores	6	5	5	5	5	5
<b>Total Administration</b>	<b>27</b>	<b>24</b>	<b>21</b>	<b>21</b>	<b>21</b>	<b>21</b>
<b>Operations</b>						
Transportation	93	95	91	91	91	91
<b>Maintenance</b>						
Mechanical	35	35	35	35	35	35
Car and Station Cleaning	18	17	18	18	18	18
Power/Signals	25	26	25	25	25	25
Maintenance of Way	49	45	48	48	48	48
Bridge and Buildings	20	21	21	21	21	21
Material Handling	2	2	2	2	2	2
<b>Total Maintenance</b>	<b>149</b>	<b>146</b>	<b>149</b>	<b>149</b>	<b>149</b>	<b>149</b>
<b>Engineering/Capital</b>						
None	-	-	-	-	-	-
<b>Public Safety</b>						
Police	-	-	-	-	-	-
<b>Total Baseline Positions</b>	<b>269</b>	<b>265</b>	<b>261</b>	<b>261</b>	<b>261</b>	<b>261</b>
Non-Reimbursable	266	262	258	258	258	258
Reimbursable	3	3	3	3	3	3
Total Full-Time	269	265	261	261	261	261
Total Full-Time Equivalents	-	-	-	-	-	-

**MTA STATEN ISLAND RAILWAY**  
**November Financial Plan 2011-2014**  
**Total Positions by Function and Occupation**

FUNCTION/OCCUPATIONAL GROUP		2009 Actual	2010 November Forecast	2011 Final Proposed Budget	2012	2013	2014
<b>Administration</b>							
	Managers/Supervisors	13	12	12	12	12	12
	Professional, Technical, Clerical	14	12	9	9	9	9
	Operational Hourlies	-	-	-	-	-	-
	<b>Total Administration</b>	27	24	21	21	21	21
<b>Operations</b>							
	Managers/Supervisors	8	8	8	8	8	8
	Professional, Technical, Clerical	4	4	4	4	4	4
	Operational Hourlies	81	83	79	79	79	79
	<b>Total Operations</b>	93	95	91	91	91	91
<b>Maintenance</b>							
	Managers/Supervisors	8	6	6	6	6	6
	Professional, Technical, Clerical	3	3	3	3	3	3
	Operational Hourlies	138	137	140	140	140	140
	<b>Total Maintenance</b>	149	146	149	149	149	149
<b>Engineering/Capital</b>							
	Managers/Supervisors						
	Professional, Technical, Clerical						
	Operational Hourlies						
	<b>Total Engineering/Capital</b>	-	-	-	-	-	-
<b>Public Safety</b>							
	Managers/Supervisors						
	Professional, Technical, Clerical						
	Operational Hourlies						
	<b>Total Public Safety</b>	-	-	-	-	-	-
<b>Total Baseline Positions</b>							
	Managers/Supervisors	29	26	26	26	26	26
	Professional, Technical, Clerical	21	19	16	16	16	16
	Operational Hourlies	219	220	219	219	219	219
	<b>Total Baseline Positions</b>	269	265	261	261	261	261
<i>Non-Reimbursable</i>		266	262	258	258	258	258
<i>Reimbursable</i>		3	3	3	3	3	3
<i>Total Full-Time</i>		269	265	261	261	261	261
<i>Total Full-Time Equivalents</i>		-	-	-	-	-	-

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