

# **MTA 2013 Preliminary Budget**

## **July Financial Plan 2013-2016**



**Volume 2  
July 2012**



**Metropolitan Transportation Authority**

## **OVERVIEW**

### **MTA 2013 PRELIMINARY BUDGET JULY FINANCIAL PLAN 2013-2016 VOLUME 2**

The MTA's July 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, MTA Re-estimates, and Policy Actions. Volume 1 also includes descriptions of the below-the-line actions as well as the required Certification by the Chairman and Chief Executive Officer, and a description of the MTA Budget Process.

Volume 2 includes MTA-Consolidated financial and position schedules as well as narratives that support the baseline projections included in the 2013 Preliminary Budget and the Financial Plan for 2013 through 2016. Also included are the Agency sections which incorporate descriptions of Agency Programs with supporting baseline tables and required information related to the MTA Capital Program.

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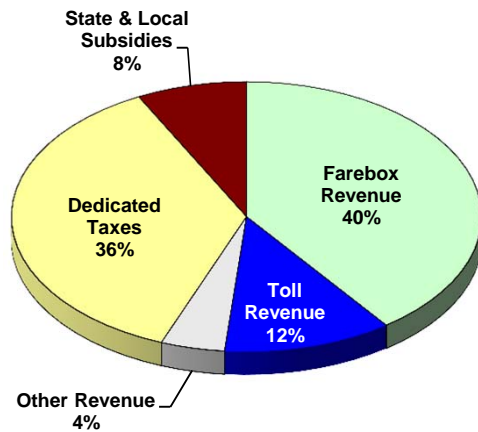
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# **I. MTA Consolidated 2012-2016 Financial Plan-Baseline**

**MTA 2013 Preliminary Budget**  
**Baseline Before Below-the-Line Adjustments**  
**Non-Reimbursable**

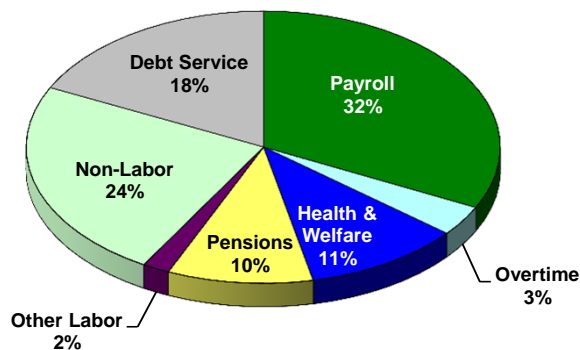
***Where the Dollars Come From ...***



By Revenue Source (\$ in millions)	
Farebox Revenue	\$5,157
Toll Revenue	1,502
Other Revenue	569
Dedicated Taxes	4,724
State & Local Subsidies	980
<b>Total</b>	<b>\$12,932</b>

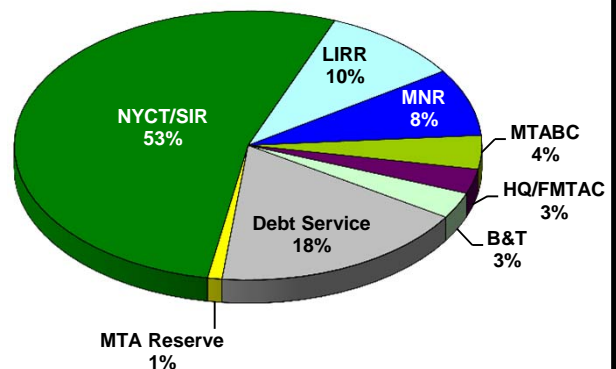
***Where the Dollars Go ...***

**By Expense Category**



By Expense Category (\$ in millions)	
Payroll	\$4,241
Overtime	472
Health & Welfare	1,406
Pensions	1,301
Other Labor	242
Non-Labor	3,121
Debt Service	2,335
<b>Total</b>	<b>\$13,119</b>

**By MTA Agency**



By MTA Agency <sup>1</sup> (\$ in millions)	
NYCT/SIR	\$6,991
LIRR	1,267
MNR	1,064
MTABC	531
HQ/FMTAC	386
B&T	415
Debt Service	2,335
MTA Reserve	130
<b>Total</b>	<b>\$13,119</b>

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

<sup>1</sup> MTA Capital Construction is not included in the above charts, as its budget contains reimbursable expenses only.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**July Financial Plan 2013-2016**  
**MTA Consolidated Statement Of Operations By Category**  
(\$ in millions)

Line No.						
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	2011 Actual	2012 Mid-Year Forecast	2013 Preliminary Budget	2014	2015	2016
<b>Operating Revenue</b>						
Farebox Revenue	\$4,999	\$5,079	\$5,157	\$5,243	\$5,319	\$5,368
Toll Revenue	1,502	1,507	1,502	1,507	1,513	1,524
Other Revenue	510	543	569	606	646	692
Capital and Other Reimbursements	0	0	0	0	0	0
<b>Total Operating Revenue</b>	<b>\$7,011</b>	<b>\$7,128</b>	<b>\$7,228</b>	<b>\$7,356</b>	<b>\$7,478</b>	<b>\$7,584</b>
<b>Operating Expense</b>						
<b>Labor Expenses:</b>						
Payroll	\$4,160	\$4,216	\$4,241	\$4,291	\$4,388	\$4,513
Overtime	539	484	472	472	481	490
Health & Welfare	810	845	933	1,002	1,090	1,198
OPEB Current Payment	394	426	474	512	558	608
Pensions	1,075	1,282	1,301	1,347	1,399	1,411
Other-Fringe Benefits	582	529	543	555	570	587
Reimbursable Overhead	(324)	(331)	(301)	(298)	(296)	(302)
<b>Sub-total Labor Expenses</b>	<b>\$7,235</b>	<b>\$7,451</b>	<b>\$7,662</b>	<b>\$7,882</b>	<b>\$8,189</b>	<b>\$8,505</b>
<b>Non-Labor Expenses:</b>						
Electric Power	\$457	\$518	\$548	\$568	\$614	\$679
Fuel	283	260	264	264	275	274
Insurance	14	20	34	48	58	71
Claims	316	195	199	214	222	235
Paratransit Service Contracts	349	385	441	498	562	645
Maintenance and Other Operating Contracts	451	519	541	543	578	612
Professional Service Contracts	226	285	265	268	267	272
Materials & Supplies	438	487	496	516	574	588
Other Business Expenses	170	154	159	162	168	173
<b>Sub-total Non-Labor Expenses</b>	<b>\$2,704</b>	<b>\$2,824</b>	<b>\$2,946</b>	<b>\$3,082</b>	<b>\$3,318</b>	<b>\$3,550</b>
<b>Other Expense Adjustments:</b>						
Other	(\$2)	\$44	\$45	\$46	\$46	\$50
General Reserve	0	62	130	135	145	150
<b>Sub-total Other Expense Adjustments</b>	<b>(\$2)</b>	<b>\$106</b>	<b>\$175</b>	<b>\$181</b>	<b>\$191</b>	<b>\$200</b>
<b>Total Operating Expense before Non-Cash Liability Adj.</b>	<b>\$9,937</b>	<b>\$10,381</b>	<b>\$10,784</b>	<b>\$11,144</b>	<b>\$11,699</b>	<b>\$12,254</b>
Depreciation	\$2,019	\$2,186	\$2,250	\$2,327	\$2,423	\$2,523
OPEB Obligation	1,707	1,712	1,756	1,827	1,897	1,968
Environmental Remediation	59	6	6	6	6	6
<b>Total Operating Expense after Non-Cash Liability Adj.</b>	<b>\$13,722</b>	<b>\$14,285</b>	<b>\$14,796</b>	<b>\$15,304</b>	<b>\$16,025</b>	<b>\$16,752</b>
<b>Net Deficit Before Subsidies and Debt Service</b>	<b>(\$6,711)</b>	<b>(\$7,156)</b>	<b>(\$7,567)</b>	<b>(\$7,948)</b>	<b>(\$8,547)</b>	<b>(\$9,168)</b>
Conversion to Cash Basis: Non-Cash Liability Adjs.	\$3,785	\$3,904	\$4,012	\$4,160	\$4,326	\$4,498
Debt Service (excludes Service Contract Bonds)	(1,934)	(2,124)	(2,335)	(2,570)	(2,806)	(2,996)
<b>Total Operating Expense with Debt Service</b>	<b>\$11,870</b>	<b>\$12,505</b>	<b>\$13,119</b>	<b>\$13,714</b>	<b>\$14,505</b>	<b>\$15,250</b>
Dedicated Taxes and State/Local Subsidies	\$5,150	\$5,470	\$5,704	\$5,954	\$6,231	\$6,452
<b>Net Deficit After Subsidies and Debt Service</b>	<b>\$290</b>	<b>\$94</b>	<b>(\$186)</b>	<b>(\$403)</b>	<b>(\$796)</b>	<b>(\$1,214)</b>
Conversion to Cash Basis: GASB Account	(38)	(77)	(82)	(86)	(89)	(92)
Conversion to Cash Basis: All Other	(116)	(244)	(134)	(171)	(114)	(89)
<b>CASH BALANCE BEFORE PRIOR-YEAR CARRY-OVER</b>	<b>\$137</b>	<b>(\$227)</b>	<b>(\$403)</b>	<b>(\$661)</b>	<b>(\$998)</b>	<b>(\$1,395)</b>

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**July Financial Plan 2013-2016**  
**MTA Consolidated Accrued Statement of Operations By Agency**  
(\$ in millions)

Line No	Non-Reimbursable	2011 Actual	2012 Mid-Year Forecast	2013 Preliminary Budget	2014	2015	2016
9	<b><u>Total Operating Revenue</u></b>						
10	New York City Transit	\$3,936	\$4,034	\$4,106	\$4,191	\$4,281	\$4,354
11	Bridges and Tunnels	1,517	1,522	1,516	1,521	1,527	1,538
12	Metro-North Railroad	615	647	672	701	717	732
13	Long Island Rail Road	606	625	634	639	644	648
14	MTA Bus Company	200	202	204	206	208	209
15	MTA Headquarters	60	59	58	59	60	61
16	Long Island Bus	47	0	0	0	0	0
17	Staten Island Railway	8	8	8	8	8	8
18	First Mutual Transportation Assurance Company	22	31	32	32	33	33
19	<b>Total</b>	<b>\$7,011</b>	<b>\$7,128</b>	<b>\$7,228</b>	<b>\$7,356</b>	<b>\$7,478</b>	<b>\$7,584</b>
21	<b><u>Total Operating Expenses before Non-Cash Liability Adjs. <sup>1</sup></u></b>						
22	New York City Transit	\$6,425	\$6,732	\$6,944	\$7,175	\$7,550	\$7,895
23	Bridges and Tunnels	359	398	415	442	471	486
24	Metro-North Railroad	960	1,008	1,063	1,083	1,124	1,165
25	Long Island Rail Road	1,135	1,237	1,266	1,324	1,390	1,512
26	MTA Bus Company	544	532	531	545	580	603
27	MTA Headquarters	343	333	344	343	351	363
28	Long Island Bus	135	0	0	0	0	0
29	Staten Island Railway	33	39	39	44	45	47
30	First Mutual Transportation Assurance Company	8	(5)	(3)	(2)	(14)	(25)
31	Other	(6)	106	185	190	201	209
32	<b>Total</b>	<b>\$9,937</b>	<b>\$10,381</b>	<b>\$10,784</b>	<b>\$11,144</b>	<b>\$11,699</b>	<b>\$12,254</b>
34	<b><u>Depreciation</u></b>						
35	New York City Transit	\$1,312	\$1,445	\$1,520	\$1,595	\$1,670	\$1,748
36	Bridges and Tunnels	87	90	94	104	112	120
37	Metro-North Railroad	214	236	241	245	251	256
38	Long Island Rail Road	316	317	309	298	307	316
39	MTA Bus Company	40	42	42	42	42	42
40	MTA Headquarters	41	46	34	33	33	32
41	Long Island Bus	0	0	0	0	0	0
42	Staten Island Railway	9	9	9	9	9	9
43	First Mutual Transportation Assurance Company	0	0	0	0	0	0
44	<b>Total</b>	<b>\$2,019</b>	<b>\$2,186</b>	<b>\$2,250</b>	<b>\$2,327</b>	<b>\$2,423</b>	<b>\$2,523</b>
46	<b><u>Other Post Employment Benefits</u></b>						
47	New York City Transit	\$1,323	\$1,355	\$1,405	\$1,464	\$1,521	\$1,580
48	Bridges and Tunnels	67	73	77	80	85	89
49	Metro-North Railroad	57	60	61	62	63	65
50	Long Island Rail Road	75	77	80	82	84	87
51	MTA Bus Company	96	55	56	57	58	58
52	MTA Headquarters	78	89	75	79	84	88
53	Long Island Bus	9	0	0	0	0	0
54	Staten Island Railway	2	2	2	2	2	2
55	<b>Total</b>	<b>\$1,707</b>	<b>\$1,712</b>	<b>\$1,756</b>	<b>\$1,827</b>	<b>\$1,897</b>	<b>\$1,968</b>
57	<b><u>Environmental Remediation</u></b>						
58	New York City Transit	\$49	\$0	\$0	\$0	\$0	\$0
59	Bridges and Tunnels	0	0	0	0	0	0
60	Metro-North Railroad	4	4	4	4	4	4
61	Long Island Rail Road	3	2	2	2	2	2
62	MTA Bus Company	2	0	0	0	0	0
63	Staten Island Railway	0	0	0	0	0	0
64	<b>Total</b>	<b>\$59</b>	<b>\$6</b>	<b>\$6</b>	<b>\$6</b>	<b>\$6</b>	<b>\$6</b>
66	<b><u>Net Operating Income/(Deficit)</u></b>						
67	New York City Transit	(\$5,173)	(\$5,498)	(\$5,764)	(\$6,043)	(\$6,460)	(\$6,868)
68	Bridges and Tunnels	1,004	961	931	895	860	843
69	Metro-North Railroad	(620)	(661)	(697)	(694)	(724)	(757)
70	Long Island Rail Road	(923)	(1,008)	(1,024)	(1,067)	(1,139)	(1,269)
71	MTA Bus Company	(482)	(428)	(426)	(439)	(472)	(494)
72	MTA Headquarters	(402)	(409)	(396)	(396)	(407)	(421)
73	Long Island Bus	(97)	0	0	0	0	0
74	Staten Island Railway	(37)	(43)	(43)	(48)	(49)	(50)
75	First Mutual Transportation Assurance Company	14	36	35	35	46	58
76	Other	6	(106)	(185)	(190)	(201)	(209)
	<b>Total</b>	<b>(\$6,711)</b>	<b>(\$7,156)</b>	<b>(\$7,567)</b>	<b>(\$7,948)</b>	<b>(\$8,547)</b>	<b>(\$9,168)</b>

Note: <sup>1</sup> Excludes Debt Service



**METROPOLITAN TRANSPORTATION AUTHORITY**  
**July Financial Plan 2013-2016**  
**MTA Consolidated Cash Receipts and Expenditures**  
(\$ in millions)

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Cash Receipts and Expenditures						
	2011	2012	2013			
	Actual	Mid-Year Forecast	Preliminary Budget	2014	2015	2016
<b>Receipts</b>						
Farebox Revenue	\$5,046	\$5,115	\$5,205	\$5,286	\$5,362	\$5,411
Other Operating Revenue	524	603	596	632	675	720
Capital and Other Reimbursements	1,285	1,580	1,449	1,382	1,387	1,408
<b>Total Receipts</b>	<b>\$6,856</b>	<b>\$7,298</b>	<b>\$7,249</b>	<b>\$7,299</b>	<b>\$7,424</b>	<b>\$7,539</b>
<b>Expenditures</b>						
<b><u>Labor:</u></b>						
Payroll	\$4,484	\$4,645	\$4,582	\$4,635	\$4,722	\$4,844
Overtime	630	562	543	545	552	561
Health and Welfare	858	880	964	1,035	1,124	1,232
OPEB Current Payment	369	419	457	495	540	588
Pensions	1,092	1,283	1,306	1,332	1,389	1,424
Other Fringe Benefits	609	631	633	646	662	681
Contribution to GASB Fund	38	77	82	86	89	92
Reimbursable Overhead	0	0	0	0	0	0
<b>Total Labor Expenditures</b>	<b>\$8,080</b>	<b>\$8,496</b>	<b>\$8,566</b>	<b>\$8,774</b>	<b>\$9,077</b>	<b>\$9,423</b>
<b><u>Non-Labor:</u></b>						
Electric Power	\$441	\$556	\$546	\$566	\$611	\$676
Fuel	265	262	261	262	272	272
Insurance	(9)	65	38	52	64	72
Claims	221	179	180	190	194	202
Paratransit Service Contracts	361	383	439	496	560	643
Maintenance and Other Operating Contracts	474	526	509	485	500	523
Professional Service Contracts	208	299	275	279	279	282
Materials & Supplies	512	625	628	662	706	726
Other Business Expenditures	134	154	169	172	175	180
<b>Total Non-Labor Expenditures</b>	<b>\$2,606</b>	<b>\$3,049</b>	<b>\$3,044</b>	<b>\$3,164</b>	<b>\$3,361</b>	<b>\$3,576</b>
<b><u>Other Expenditure Adjustments:</u></b>						
Other	\$30	\$81	\$99	\$95	\$109	\$123
General Reserve	0	62	130	135	145	150
<b>Total Other Expenditure Adjustments</b>	<b>\$30</b>	<b>\$143</b>	<b>\$229</b>	<b>\$230</b>	<b>\$254</b>	<b>\$273</b>
<b>Total Expenditures</b>	<b>\$10,716</b>	<b>\$11,689</b>	<b>\$11,839</b>	<b>\$12,169</b>	<b>\$12,692</b>	<b>\$13,272</b>
<b>Net Cash Deficit Before Subsidies and Debt Service</b>	<b>(\$3,860)</b>	<b>(\$4,391)</b>	<b>(\$4,590)</b>	<b>(\$4,870)</b>	<b>(\$5,268)</b>	<b>(\$5,733)</b>
Dedicated Taxes and State/Local Subsidies	\$5,294	\$5,647	\$5,865	\$6,097	\$6,355	\$6,573
Debt Service (excludes Service Contract Bonds)	(1,297)	(1,483)	(1,678)	(1,888)	(2,085)	(2,235)
Net Cash Balance from Previous Year	76	213	0	\$0	\$0	\$0
<b>Baseline Net Cash Surplus/(Deficit)</b>	<b>\$213</b>	<b>(\$14)</b>	<b>(\$403)</b>	<b>(\$661)</b>	<b>(\$998)</b>	<b>(\$1,395)</b>
<b>CASH BALANCE BEFORE PRIOR-YEAR CARRY-OVER</b>	<b>\$137</b>	<b>(\$227)</b>	<b>(\$403)</b>	<b>(\$661)</b>	<b>(\$998)</b>	<b>(\$1,395)</b>

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**July Financial Plan 2013-2016**  
**MTA Consolidated Cash Statement of Operations By Agency**  
(\$ in millions)

Line Number		2011	2012	2013			
		Actual	Mid-Year Forecast	Preliminary Budget	2014	2015	2016
9	<b><u>Total Receipts</u></b>						
10	New York City Transit	\$4,809	\$5,047	\$5,012	\$5,040	\$5,135	\$5,219
11	Metro-North Railroad	793	919	899	931	957	976
12	Long Island Rail Road	816	918	883	896	890	896
13	MTA Bus Company	204	216	217	219	221	223
14	MTA Headquarters	121	127	161	135	143	145
15	Long Island Bus	57	0	0	0	0	0
16	Staten Island Railway	8	10	9	10	10	10
17	Capital Construction Company	26	30	35	36	36	36
18	First Mutual Transportation Assurance Company	22	31	32	32	33	33
19	<b>Total</b>	<b>\$6,856</b>	<b>\$7,298</b>	<b>\$7,249</b>	<b>\$7,299</b>	<b>\$7,424</b>	<b>\$7,539</b>
21	<b><u>Total Expenditures</u></b>						
22	New York City Transit	\$7,160	\$7,647	\$7,756	\$7,963	\$8,352	\$8,720
23	Metro-North Railroad	1,192	1,276	1,330	1,353	1,380	1,419
24	Long Island Rail Road	1,335	1,529	1,521	1,593	1,640	1,770
25	MTA Bus Company	468	620	538	554	588	611
26	MTA Headquarters	361	427	423	423	437	449
27	Long Island Bus	137	0	0	0	0	0
28	Staten Island Railway	33	49	41	46	48	49
29	Capital Construction Company	26	30	35	36	36	36
30	First Mutual Transportation Assurance Company	22	31	32	32	33	33
31	Other	(20)	79	162	168	179	185
32	<b>Total</b>	<b>\$10,716</b>	<b>\$11,689</b>	<b>\$11,839</b>	<b>\$12,169</b>	<b>\$12,692</b>	<b>\$13,272</b>
34	<b><u>Net Operating Surplus/(Deficit)</u></b>						
35	New York City Transit	(2,352)	(2,600)	(2,744)	(2,923)	(3,217)	(3,501)
36	Metro-North Railroad	(399)	(357)	(431)	(421)	(423)	(443)
37	Long Island Rail Road	(519)	(611)	(638)	(697)	(751)	(874)
38	MTA Bus Company	(264)	(404)	(321)	(335)	(367)	(388)
39	MTA Headquarters	(241)	(300)	(262)	(288)	(294)	(304)
40	Long Island Bus	(80)	0	0	0	0	0
41	Staten Island Railway	(25)	(39)	(32)	(37)	(38)	(39)
42	Capital Construction Company	0	0	0	0	0	0
43	First Mutual Transportation Assurance Company	0	0	0	0	0	0
44	Other	20	(79)	(162)	(168)	(179)	(185)
45	<b>Total</b>	<b>(\$3,860)</b>	<b>(\$4,391)</b>	<b>(\$4,590)</b>	<b>(\$4,870)</b>	<b>(\$5,268)</b>	<b>(\$5,733)</b>

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**July Financial Plan 2013-2016**  
**MTA Consolidated July Financial Plan Compared with February Financial Plan**  
**Cash Reconciliation**  
(\$ in millions)

	Favorable/(Unfavorable)			
	2012	2013	2014	2015
<b>FEBRUARY FINANCIAL PLAN 2012-2015 BASELINE</b>	<b>(\$254)</b>	<b>(\$515)</b>	<b>(\$819)</b>	<b>(\$1,300)</b>
<b>Savings Programs</b>	<b>\$48</b>	<b>\$61</b>	<b>\$94</b>	<b>\$126</b>
2012 BRP - Paratransit	28	41	71	102
2012 BRP - Other	15	13	13	14
Additional MTA Baseline Efficiencies	5	7	9	11
<b>New Needs/Investments</b>	<b>(\$39)</b>	<b>(\$51)</b>	<b>(\$41)</b>	<b>(\$37)</b>
Maintenance	(27)	(27)	(26)	(23)
Service	(2)	(5)	(5)	(5)
Safety & Security	(1)	(3)	(2)	(3)
All Other	(8)	(16)	(9)	(6)
<b>Other Investments</b>	<b>(\$24)</b>	<b>(\$42)</b>	<b>(\$43)</b>	<b>(\$44)</b>
Other Maintenance Investments	(3)	(20)	(19)	(20)
MTA GASB 45 Contribution	(21)	(22)	(23)	(24)
<b>Agency Baseline Adjustments</b>	<b>(\$63)</b>	<b>\$152</b>	<b>\$174</b>	<b>\$224</b>
Farebox/Toll Revenue	25	29	29	25
Other Revenue	10	9	8	7
Energy	11	50	95	119
Health & Welfare	26	15	41	55
Pension	21	15	18	26
Tropical Storm Irene Recovery (Timing)	(33)	37	0	0
NYCT Capital Reimbursement Timing	(40)	40	0	0
ATU Arbitration Award Settlement	(16)	(9)	(4)	(4)
NYCT Worker's Compensation	(17)	(17)	(18)	(18)
Reimbursable Overhead	2	(10)	(11)	(7)
2011 Timing	(65)	0	0	0
Baseline Re-estimates	12	(8)	15	19
<b>Changes in Subsidies</b>	<b>(\$3)</b>	<b>\$1</b>	<b>(\$6)</b>	<b>\$53</b>
MMTOA	11	(3)	(10)	(16)
Petroleum Business Tax (PBT) Receipts	(7)	(3)	(0)	1
Real Estate Revenue	(34)	(6)	(5)	62
PMT/MTA Aid	37	12	13	13
All Other	(10)	1	(4)	(7)
<b>Other Subsidy Adjustments</b>	<b>\$61</b>	<b>\$56</b>	<b>\$137</b>	<b>\$232</b>
CDOT Subsidy Impact	(22)	(6)	(19)	(19)
B&T Operating Surplus Transfer	(2)	(14)	(9)	(11)
2011 Timing	67	(0)	(0)	0
Debt Service Paid by Committed to Capital Funds <sup>1</sup>	18	76	165	262
<b>Debt Service Adjustments</b>	<b>\$9</b>	<b>(\$65)</b>	<b>(\$156)</b>	<b>(\$252)</b>
Debt Service for 2012-2014 Capital Program <sup>1</sup>	(18)	(76)	(165)	(262)
Debt Service	27	11	9	10
<b>General Reserve</b>	<b>\$38</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>JULY FINANCIAL PLAN 2013-2016 BASELINE</b>	<b>(\$227)</b>	<b>(\$403)</b>	<b>(\$661)</b>	<b>(\$998)</b>

<sup>1</sup> Increased debt service is being funded out of operating dollars previously committed to funding the last three years of the 2010-2014 capital program. There is no net impact to the overall financial plan.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**July Financial Plan 2013-2016**  
**Baseline Farebox Recovery and Farebox Operating Ratios**

<b><u>FAREBOX RECOVERY RATIOS</u></b>					
	<b>2012 Mid-Year Forecast</b>	<b>2013 Preliminary Budget</b>	<b>2014 Plan</b>	<b>2015 Plan</b>	<b>2016 Plan</b>
New York City Transit	36.3%	35.3%	34.3%	33.0%	31.6%
Staten Island Railway	11.1%	11.0%	10.4%	10.3%	10.2%
Long Island Rail Road	30.1%	29.8%	29.0%	27.7%	25.9%
Metro-North Railroad	39.1%	38.5%	39.1%	38.4%	37.6%
Bus Company	<u>30.6%</u>	<u>30.9%</u>	<u>30.5%</u>	<u>29.1%</u>	<u>28.3%</u>
<b>MTA Total Agency Average</b>	<b>35.4%</b>	<b>34.6%</b>	<b>33.9%</b>	<b>32.6%</b>	<b>31.3%</b>

<b><u>FAREBOX OPERATING RATIOS</u></b>					
	<b>2012 Mid-Year Forecast</b>	<b>2013 Preliminary Budget</b>	<b>2014 Plan</b>	<b>2015 Plan</b>	<b>2016 Plan</b>
New York City Transit	56.3%	55.2%	54.2%	52.2%	50.3%
Staten Island Railway	18.4%	18.6%	16.8%	16.4%	16.1%
Long Island Rail Road	47.0%	46.4%	44.9%	43.3%	40.0%
Metro-North Railroad	58.9%	58.4%	59.8%	59.1%	58.1%
Bus Company	<u>36.9%</u>	<u>37.2%</u>	<u>36.5%</u>	<u>34.6%</u>	<u>33.5%</u>
<b>MTA Total Agency Average</b>	<b>54.1%</b>	<b>53.3%</b>	<b>52.5%</b>	<b>50.7%</b>	<b>48.7%</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 and interest on long-term debt. Approximately 20% (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, Legal and Shared Services.*

*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 cost that are not subject to Agency control, but are provided centrally by MTA.*

*In the agenda materials for the Meeting of the Metro-North and Long Island Committees, the calculations of the farebox operating and recovery ratios for the LIRR and MNR use a revised methodology to put the railroads on a more comparable basis. Those statistics, which are included in the respective financial and ridership reports of both Agencies, differ from the statistics presented in this table.*

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## **II. Major Assumptions**

## **Agency Baseline Assumptions**

## **Agency Baseline Assumptions**

Volume II of the July Financial Plan captures only the Baseline forecast. It excludes certain Policy and other “below-the-line” adjustments that are highlighted and captured in Volume I of the July Plan. This analysis, therefore, excludes:

- fare and toll increases in 2013 and 2015
- a provision to fund \$29.5 million of increased service
- savings from paratransit fare incentives
- higher revenue from better fare evasion enforcement
- higher pension costs due to lowering the projected rate of return

The July Financial Plan consists of the 2012 Mid-Year Forecast, 2013 Preliminary Budget and 2014 to 2016 projections. Plan-to-plan changes compare the July Plan with the February Financial Plan, which included forecasts through 2015.

The MTA strives to provide a safe, reliable and cost efficient transportation service that fosters the continued vibrancy and prosperity of the metropolitan New York region. It functions as a single entity in order to improve, maintain, expand and integrate its operations and to meet the needs of its customers. To that end, the July Plan invests in critical operational and maintenance needs, adds service and addresses customer concerns and interests. To help achieve these needs, the July Plan identifies additional cost savings beyond those identified and captured in prior plans.

In developing this Plan, the MTA Agencies were instructed to adhere to the spending envelope contained in the February Financial Plan. In addition, Agencies were apportioned the \$40 million “Unspecified Deficit Reduction” that was included below-the-line in the February Plan. Agencies were required to “self-fund” any expense growth (including any “New Need” program) by reducing costs in other areas.

The July Plan baseline continues to capture three years of “net-zero” wage growth for both represented and non-represented employees. The three years for non-represented employees has already occurred; while the savings for represented employees will need to be accomplished through collective bargaining.

Overall, Agency finances have improved since February, due to the favorable (net) re-estimate of operating revenues and expenses, and an increase in MTA savings programs. These changes are captured in the reconciliation included later in this section. Favorable re-estimates include:

- Higher Passenger Revenue
- Lower Health and Welfare costs
- Lower Energy costs
- Carryover of favorable 2011 results



Unfavorable re-estimates include:

- Higher ATU arbitration settlement
- Higher GASB 45 contribution from increased OPEB liability
- Higher worker's compensation costs

In addition to these favorable (net) re-estimates, the MTA has identified additional savings from new Budget Reduction Programs (BRPs), including significant new paratransit savings, and through greater savings from MTA Efficiency initiatives. Also contributing to the projected improvement in the 2012 bottom line is the mid-year reduction of the General Reserve that occurs every July.

As a result, the MTA will be able to fund important new investments to address safety, maintenance, operational and other on-going needs. These investments (described later in this section) will result in higher overtime costs and will increase headcount by 192 (0.3%) in 2012, 248 (0.4%) in 2013, 240 (0.4%) in 2014 and 171 (0.3%) in 2015.

MTA continues to carefully monitor spending. Over the Plan period, accrued baseline expenses, which include the impact of the 2012 Budget Reduction Program (BRP), grow at an average annual rate of 4.2%. "Non-discretionary" expenses – such as pension and fuel -- are projected to grow over the period by 6.9%, while "discretionary" expenses will grow by only 2.2%. On a year-to-year basis, 2013 expenses are projected to grow 3.7% over 2012, or \$380 million. Non-discretionary expenses are projected to grow 6.9%, while discretionary expense will grow at only 0.8%.

The MTA is committed to identifying more savings and efficiencies. Additional Gap Closing Actions beyond those captured within the baseline are listed in Volume I of the July Plan. Inclusion of these items lowers the growth rate in 2013 to 3.1% and growth over the 2011 to 2016 period to an average annual increase of 4.0%. Discretionary expenses will actually decrease by 0.1% in 2013 with an average annual growth of 1.5% over the course of the Plan period.

#### 2012 Budget Reduction Program (BRP)

In December, the Board adopted a financial plan that included \$35 million in recurring unspecified Agency deficit reduction measures. Subsequently, the incorporation of technical adjustments into the 2012 February Financial Plan resulted in a slight worsening of the bottom line, which required a \$5 million annual increase in the amount of these required savings. In order to achieve greater savings, Agencies were permitted to apply only 50% of real and discretionary prior-year (2011) favorable results toward meeting the \$40 million savings target for 2012, with the remaining 50% to be used to help fund new programs. Agencies also identified recurring savings to meet budget targets for 2013 and the out-years.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**July Financial Plan 2013 - 2016**

(\$ in millions)

Favorable/(Unfavorable)

2012 Budget Reduction Program by Agency and Category										
	2012		2013		2014		2015		2016	
	Pos	\$	Pos	\$	Pos	\$	Pos	\$	Pos	\$
<b>Agency:</b>										
New York City Transit/SIR	(22)	28.2	(22)	41.2	(22)	71.9	(22)	102.5	(22)	138.6
Long Island Rail Road	-	3.7	-	3.7	-	3.7	-	3.7	-	3.7
Metro-North Railroad	-	3.5	-	3.5	-	3.5	-	3.5	-	3.5
Bridges & Tunnels	-	0.0	-	0.0	-	0.0	-	0.0	-	0.0
MTA Headquarters	-	4.3	-	2.8	-	2.8	-	2.9	-	2.9
<b>Total (Excluding MTA Bus)</b>	<b>(22)</b>	<b>\$39.6</b>	<b>(22)</b>	<b>\$51.1</b>	<b>(22)</b>	<b>\$81.9</b>	<b>(22)</b>	<b>\$112.5</b>	<b>(22)</b>	<b>\$148.7</b>
MTA Bus	-	3.0	-	3.0	-	3.0	-	3.2	-	3.2
<b>Total</b>	<b>(22)</b>	<b>\$42.6</b>	<b>(22)</b>	<b>\$54.1</b>	<b>(22)</b>	<b>\$84.9</b>	<b>(22)</b>	<b>\$115.7</b>	<b>(22)</b>	<b>\$151.9</b>
<b>Category:</b>										
Administration	-	3.0	-	1.6	-	1.6	-	1.7	-	1.7
Customer Convenience/Amenities	-	0.0	-	0.0	-	0.0	-	0.0	-	0.0
Maintenance/Inventory	-	0.2	-	0.2	-	0.2	-	0.2	-	0.2
Revenue Enhancement	-	4.7	-	4.7	-	4.7	-	4.7	-	4.7
Safety/Security	-	1.4	-	1.4	-	1.4	-	1.4	-	1.5
Service	(22)	27.8	(22)	40.7	(22)	71.4	(22)	102.0	(22)	138.2
Service Support	-	0.0	-	0.0	-	0.0	-	0.0	-	0.0
Other	-	2.5	-	2.5	-	2.5	-	2.5	-	2.5
<b>Total (Excluding MTA Bus)</b>	<b>(22)</b>	<b>\$39.6</b>	<b>(22)</b>	<b>\$51.1</b>	<b>(22)</b>	<b>\$81.9</b>	<b>(22)</b>	<b>\$112.5</b>	<b>(22)</b>	<b>\$148.7</b>
MTA Bus - Other	-	3.0	-	3.0	-	3.0	-	3.2	-	3.2
<b>Total</b>	<b>(22)</b>	<b>\$42.6</b>	<b>(22)</b>	<b>\$54.1</b>	<b>(22)</b>	<b>\$84.9</b>	<b>(22)</b>	<b>\$115.7</b>	<b>(22)</b>	<b>\$151.9</b>

The BRP's developed for this Plan result in programmatic savings that reduce the deficit by \$43 million in 2012, \$54 million in 2013, \$85 million in 2014, \$116 million in 2015 and \$152 million in 2016, as well as reflect an increase of 22 positions. All BRPs have been incorporated into Agency baselines within the category construct of MTA's traditional financial statements.

Major budget reduction initiatives that comprise the total 2012 BRPs – Programmatic are listed below by agency. Specific details can be found in the BRP worksheets located in Agency sections.

**NYCT BRP Savings:**

- Revised projections of annual paratransit trip growth from 15% to 12% and diversion of trips to less-expensive taxis or voucher cars – includes corresponding savings in insurance and fuel costs

**LIRR BRP Savings:**

- Additional passenger revenue resultant of reduced incidents of credit card theft

**MNR BRP Savings:**

- Delay hiring and eliminate certain vacant positions
- Additional passenger revenue resultant of reduced incidents of credit card theft

**MTAHQ BRP Savings:**

- Savings from reduced IT and consolidation of wireless devices and services
- Lower requirements for temporary services and employ force account to repair MTA Police vehicles instead of third-party services

**SIR BRP Savings:**

- Delay hiring
- Telecommunication efficiencies

**MTA Efficiencies**

Following the extensive efficiency savings that were already captured in the February Financial Plan, the MTA is achieving additional savings within those program categories. Additional savings (totaling \$5 million in 2012, growing to \$11 million by 2016) have been identified from IT administration and projects, “thin client” technology, material efficiencies, strategic sourcing and training – which extract savings from Agency operating budgets – all of which have been incorporated into their respective baselines.

## Baseline July Plan Changes from February Plan

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

<b><u>AGENCY BASELINE</u></b> <b><u>JULY CHANGES FROM FEBRUARY PLAN</u></b> Favorable/(Unfavorable) (\$ in millions)				
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>Savings Programs</b>	<b>\$48</b>	<b>\$61</b>	<b>\$94</b>	<b>\$126</b>
2012 BRP - Paratransit	28	41	71	102
2012 BRP - Other	15	13	13	14
Additional MTA Baseline Efficiencies	5	7	9	11
<b>New Needs</b>	<b>(\$39)</b>	<b>(\$51)</b>	<b>(\$41)</b>	<b>(\$37)</b>
Maintenance	(27)	(27)	(26)	(23)
Service	(2)	(5)	(5)	(5)
Safety & Security	(1)	(3)	(2)	(3)
All Other	(8)	(16)	(9)	(6)
<b>Other Investments</b>	<b>(\$24)</b>	<b>(\$42)</b>	<b>(\$43)</b>	<b>(\$44)</b>
Other Maintenance Investments	(3)	(20)	(19)	(20)
MTA GASB 45 Contribution	(21)	(22)	(23)	(24)
<b>Agency Baseline Adjustments</b>	<b>(\$63)</b>	<b>\$152</b>	<b>\$174</b>	<b>\$224</b>
Farebox/Toll Revenue	25	29	29	25
Other Revenue	10	9	8	7
Energy	11	50	95	119
Health & Welfare (includes OPEB)	26	15	41	55
Pensions	21	15	18	26
Tropical Storm Irene Recovery (Timing)	(33)	37	0	0
NYCT Capital Reimbursement Timing	(40)	40	0	0
ATU Arbitration Award Settlement	(16)	(9)	(4)	(4)
NYCT Worker's Compensation	(17)	(17)	(18)	(18)
Reimbursable Overhead	2	(10)	(11)	(7)
2011 Timing	(65)	0	0	0
Baseline Re-estimates <sup>1</sup>	12	(8)	15	19
<b>MTA Adjustments</b>				
General Reserve	<b>\$38</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Net Cash Baseline Changes</b>	<b>(\$40)</b>	<b>\$120</b>	<b>\$184</b>	<b>\$270</b>
<sup>1</sup> B&T Operating Surplus Transfer is captured as a subsidy. While B&T's impacts are also captured in individual reconciliation categories in the Agency Baseline Adjustments above, the duplication is eliminated within the line "Baseline Re-estimates."				

The primary changes between the February and July Plans are: (1) the previously described 2012 BRP and MTA Efficiency impacts; (2) New Needs and other investments; (3) favorable revenue and expense re-estimates; and (4) timing adjustments.

***New Needs/Investments:***

Even as the MTA strides to reduce costs, it is continuing to improve the reliability and performance of its fleet and infrastructure through increased maintenance and better business practices. The 2013 Preliminary Budget includes increased resources to address maintenance needs. Below are examples of the major new needs included in this Plan.

**NYC Transit New Needs:**

- NYCT is increasing support and supplementing its signals program established in 2011 to address the current backlog in the inspection, testing and maintenance of its signals system;
- NYCT is investing in “FasTrack” track planning and an associated quality control unit. FasTrack is a limited-duration line segment closure program that allows for efficient completion of maintenance tasks, by various divisions, including often-delayed non-critical repairs;
- NYCT is investing in additional track staff in order to address the backlog of high priority track defects;
- NYCT is restarting the Employee Facility Maintenance Program, previously reduced in 2011 due to budget reduction requirements, in order to upgrade approximately 22 employee locations per year to well maintained and functional standards;
- NYCT is increasing staff in order to slow the increase of defect growth on the systems elevated structures;
- In 2012, NYCT will institute a pilot program to improve bus reliability that will reduce unscheduled maintenance and improve preventative maintenance.

**LIRR New Needs:**

- The LIRR is investing in an Elevator and Escalator (E&E) Safety and Maintenance Initiative that is designed to get all of its escalators up to, and maintained at, a state of good repair and will also provide increased oversight of E&E maintenance activities;

- The LIRR has developed a Lightning Strike Corrective Action Plan to address lightning protection and quality assurance issues as well as improved system oversight and response capabilities;
- The LIRR will provide extra train service during scheduled events at the new Barclay's Center in Brooklyn near the Atlantic Terminal and extra service to Farmingdale Station to support the Barclay's PGA Tour scheduled for Bethpage State Park Golf Course in August 2012.

#### MNR New Needs:

- Customer convenience and amenities investments at Metro-North include adding 10 positions in its Operations Control Center and 24 additional Conductors to meet the increase in train operations duties, ridership growth and customer information needs;
- Metro-North is hiring four additional Maintenance of Equipment training staff to support new FRA regulations;
- Metro-North is developing resources to support business process reviews and project management of key IT initiatives;
- Metro-North is purchasing an additional 20 Ticket Vending Machines (TVMs) to support the opening of two new stations on the New Haven Line at Fairfield and West Haven, meet customer demand and alleviate crowded usage conditions during peak periods;

#### B&T New Needs:

- B&T has reengineered its timekeeping processes and systems and will hire additional positions to support its Central Control Unit.
- B&T will invest in additional fire standpipe inspection and maintenance to meet the new and more stringent fire suppression codes established by the National Fire Protection Association (NFPA) and the NYC Fire Department (FDNY).

#### MTA Bus New Needs:

- MTA Bus is revising its Shop Overhaul Program as a result of delays in the procurement of new buses. To meet service requirements caused by these delays, NYCT plans to transfer 80 of its 1996 Nova buses to MTA Bus's fleet which will require upgrades and overhauls to meet safety operational requirements. The Shop Program revision also includes additional maintenance of the propulsion control system on the MTA Bus hybrid bus fleet;

- MTA Bus is implementing a rotational pilot program developed to perform preventative maintenance during scheduled inspections and scheduled operations (SO) pickup work similar to what has been proposed for NYCT Buses.

#### Staten Island Railway New Needs:

- SIR will be performing major maintenance on its R-44 fleet since the replacement of this fleet will not occur until approximately 2020.

#### MTA Headquarters New Needs:

- MTAHQ is planning to hire additional police beginning in 2013 to patrol the new Atlantic Terminal/ Barclay's Center and will begin hiring for the Moynihan project in 2015.

#### ***Other Investments:***

MTA has made upgrades to on-going maintenance programs especially in the areas of reliability-based maintenance programs and its replacement of concrete ties.

In response to a substantial increase in the actuarial value of the OPEB liability, the MTA is increasing its annual contribution.

#### ***Agency Baseline Adjustments:***

Farebox and Toll Revenue changes, by Agency, vary but are higher on a consolidated basis, while toll revenue at B&T facilities is lower. Ridership levels are expected to surpass those anticipated in the February Plan, along with accompanying farebox revenue levels, primarily due to stronger employment growth than was previously assumed. New York City employment is projected to increase 1.7% in 2012, while utilization forecasts for the Adopted Budget had assumed a slightly less robust employment growth of 1.3%. Toll revenue is adversely affected by the impact of continuing high automobile gasoline prices on driving patterns, as well as lower average toll due to a greater than anticipated share of crossings made with E-ZPass.

Expenses are lower than projected in February for energy, health & welfare, pensions (excluding an adjustment that is included and explained in Volume I). Partially offsetting those savings is the inclusion of the impact of an unfavorable arbitration decision for the third year of a contract with employees belonging to the ATU union.

The 2012 Mid-year forecast was impacted by Timing Variances for capital reimbursements, Tropical Storm Irene recoveries and 2011 expenses that weren't paid until 2012.

## **Accrued Baseline Assumptions**

The following presents Agency baseline assumptions supporting the MTA Consolidated Statement of Operations including analysis of individual revenue and expense categories. Additional detail is available in each Agency section.

### **2012 Mid-Year Forecast**

The 2012 Mid-Year Forecast projects a Net Operating Deficit before Subsidies and Debt Service of \$7,156 million. While this was \$348 million worse than the Adopted Budget, it was only because of the inclusion of unfavorable Non-Cash Liability Adjustments, particularly OPEB obligation expenses. Excluding those non-cash adjustments, the 2012 Mid-Year Forecast would be \$112 million better than the Adopted Budget.

#### **Revenue**

Total operating revenue was \$43 million better than the Adopted Budget due primarily to higher farebox revenue and other revenue, the result of increased investment income at the First Mutual Transportation Assurance Company (FMTAC), higher advertising income at NYCT and higher GCT and station retail income at MNR.

#### **Expenses**

Excluding non-cash adjustments, operating expenses were \$68 million better than the budget due to lower costs for health & welfare, pensions, paratransit, maintenance and other operating contracts, and claims litigation. Partially offsetting these costs were higher costs for overtime, other fringe benefits, professional service contracts and payroll.

### **2013 Preliminary Budget**

The 2013 Preliminary Baseline Budget projects a Net Operating Deficit before Subsidies and Debt Service of \$7,567 million. Total 2013 operating expenses of \$14,796 million are \$489 million higher than the 2012 Mid-Year Forecast due mostly to inflation, higher health & welfare, paratransit costs and depreciation, as well a full year capture of the general reserve.

When compared with the 2013 forecast in the February Plan, the 2013 Net Operating Deficit before Subsidies was \$400 million worse; however, it was only because of the inclusion of unfavorable Non-Cash Liability Adjustments, particularly OPEB obligation expenses. Excluding those non-cash adjustments, the 2013 Preliminary Budget would be \$76 million better than the 2013 forecast in the February Plan.

Total operating revenue of \$7,228 million is expected to be \$47 million better than February, largely reflecting higher ridership levels, and increased employment growth compared with the employment forecast used in the February Plan. Also contributing to the revenue increase is higher Other Operating Revenue due primarily to an increase in



investment income at FMTAC, higher advertising income at NYCT and higher GCT and station retail income at MNR.

Expenses in 2013 are expected to be \$29 million lower than February due to favorable re-estimates for fuel, paratransit, electric power and materials that are partially offset by new investments.

## **2014 – 2016 Forecast**

The July Forecast includes increases to the baseline deficit in the out-years mainly as a result of higher Non-Cash Liability Adjustments, and increases in costs for health & welfare, paratransit, pensions, electric power and materials. These are partially offset by higher projections for fare/toll and other revenue. Certain expenses at the LIRR and MTA Police begin to increase in preparation for the opening of East Side Access.

The following pages provide a more detailed description of the assumptions used in formulating the 2013 Preliminary Budget and the forecasts for 2014 through 2016. Additional detail can be found in individual Agency sections.

## **PASSENGER & TOLL REVENUE / UTILIZATION**

MTA-wide utilization levels continue to recover from the significant negative impacts of the global recession and, in particular, from the precipitous loss of jobs in New York City that began in 2008. Between the third quarter of that year and the final quarter of 2009, New York City lost more than 135,000 jobs (a drop of 3.6% on a seasonally adjusted basis). In 2010 the city added back 63,000 jobs, and in 2011 employment continued to trend upward as a further 64,000 jobs were added to New York City payrolls. Job growth was steady for the first five months of 2012, and by the end of the first quarter, seasonally adjusted employment was higher than at any time in the past ten years. For the full year, it is projected that New York City employment will increase 1.7% in 2012, adding a total of 66 thousand jobs over 2011. Utilization forecasts for the Adopted Budget had assumed a slightly less robust employment growth of 50 thousand jobs (1.3%), and higher employment has improved utilization on a Plan-to-Plan basis.

Utilization figures presented in this section do not reflect fare media liability or paratransit operations at New York City Transit; 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.

The 2012 Mid-Year Forecast for MTA consolidated ridership is 2,643 million passengers, while crossings at B&T facilities are projected to total 287 million vehicular crossings. NYCT combined subway and bus ridership for the 2012 Mid-Year Forecast is 2,350 million, accounting for 89% of MTA consolidated ridership. LIRR and MNR's East-of-Hudson operations each account for 3% of consolidated ridership, with 2012

ridership projected to be 83 million for LIRR and 84 million for MNR's East-of-Hudson operations. The projection for MTA Bus ridership is 122 million (5% of consolidated ridership, while SIR ridership is estimated to be 5 million (0.2% of MTA ridership).

MTA consolidated farebox revenue for the 2012 Mid-Year Forecast is estimated to be \$5,006 million, and toll revenue is estimated to be \$1,507 million. NYCT combined subway and bus farebox revenue is expected to be \$3,632 million, while LIRR is projecting \$585 million in farebox revenue and MNR is projecting \$600 million in farebox revenue for its East-of-Hudson operations. SIR farebox revenue is estimated to be \$6 million, and MTA Bus farebox revenue is expected to be \$183 million.

In spite of the loss of 31 million trips resulting from the separation of Long Island Bus, the 2012 Mid-Year Forecast for MTA consolidated ridership is projected to increase by 21 million (0.8%) trips from 2011. Excluding LIB, system-wide ridership is expected to increase by 51 million (2.0%) over 2011 levels. Ridership at NYCT is expected to increase by 44 million (1.9%), with MNR, LIRR, MTA Bus, and SIR also projected to experience higher utilization in 2012. Traffic crossings at B&T facilities are expected to increase by 3 million trips (1.1%) compared with 2011. Notwithstanding the loss of \$45 million in farebox revenue resulting from the cessation of LIB operations, the 2012 Mid-Year Forecast projects a consolidated farebox revenue increase of \$70 million (1.4%) in 2012. Excluding LIB, farebox revenue is expected to be \$115 million (2.3%) higher in 2012, the result of higher collections for each MTA Agency; B&T toll revenue is expected to be \$5 million (0.4%) greater than 2011 toll revenue.

MTA consolidated ridership for the 2012 Mid-Year Forecast is expected to exceed the 2012 Adopted Budget Forecast by 10.2 million trips (0.4%). With the exception of a small decrease at SIR, ridership for all MTA agencies is expected to be higher than the February Adopted Budget Forecast. MTA Bus, LIRR and MNR each project ridership increases over the Adopted Budget on the order of 2.5%. For NYCT, a small ridership increase of 3 million trips (0.1%) reflects 5 million more Subway trips and 2 million fewer Bus trips. The Mid-Year forecast projects SIR utilization to be lower than the Adopted Budget by 1%, the result of 400,000 fewer trips; and vehicle crossings at B&T facilities are projected to be in line with the Adopted Budget. B&T traffic levels were stronger than expected early in the year due to mild winter weather, but these gains have been offset by the impact of continuing high gasoline prices on driving patterns. MTA consolidated farebox revenue in the 2012 Mid-Year Forecast is projected to improve over the Adopted Budget Forecast by \$29 million, or 0.6%, while B&T toll revenue is projected to be \$4 million (0.2%) worse than the Adopted Budget Forecast. This unfavorable change in B&T toll revenue is due to lower average tolls, reflecting a greater than anticipated share of crossings being made with E-ZPass.

The 2013 forecast for MTA consolidated ridership is projected to total 2,673 million passengers, while crossings at B&T facilities are projected to total 286 million vehicular crossings. NYCT combined subway and bus ridership is expected to be 2,375 million, while LIRR is projecting 85 million passengers and MNR is projecting 86 million passengers for its East-of-Hudson operations. SIR ridership is estimated to be 5 million

and MTA Bus ridership is expected to be 123 million. MTA consolidated farebox revenue for 2013 is estimated to be \$5,086 million, and toll revenue is estimated to be \$1,502 million. NYCT combined subway and bus farebox revenue is expected to be \$3,677 million, while LIRR is projecting \$595 million in farebox revenue and MNR is projecting \$624 million in farebox revenue for its East-of-Hudson operations. SIR farebox revenue is estimated to be \$6 million and MTA Bus farebox revenue is expected to be \$184 million.

The 2013 Preliminary Budget continues to expect year-to-year improvements in ridership and fares, due mostly to the improvement in the regional economy and the associated increase in jobs in New York City. B&T traffic is marginally lower; it is expected that gasoline prices will more than offset favorable impacts associated with job growth, and toll revenue is also adversely affected by increased E-ZPass usage. Year-to-year, MTA consolidated ridership is expected to increase by 30 million trips (1%) compared to 2012, while B&T vehicular crossings are expected to decline by 300,000, or less than a tenth of a percent. Farebox revenue is projected to increase \$80 million (2%) over 2012, while toll revenue is forecast to decline by \$5 million (0.4%).

MTA consolidated ridership for 2013 in the July Preliminary Budget is expected to be lower than the February Plan projection by 10 million (0.4%) trips. At B&T facilities, the Preliminary Budget reflects 1 million (0.2%) fewer vehicular crossings from the February Plan forecast. MTA consolidated farebox revenue for 2013 in the Preliminary Budget is forecast to be greater than projections in the February Plan by \$36 million (1%). B&T toll revenue for 2012 is projected to be \$6 million (0.4%) below the February Plan forecast.

<b>Utilization Growth Rate for Traffic &amp; Ridership (from prior year)</b>					
	2012	2013	2014	2015	2016
<b>TRAFFIC: Bridges &amp; Tunnels</b>	<b>1.1%</b>	<b>(0.1%)</b>	<b>0.6%</b>	<b>0.6%</b>	<b>0.8%</b>
Long Island Rail Road	2.7%	1.7%	0.8%	0.7%	0.5%
Metro-North Railroad	4.3%	2.1%	2.1%	1.8%	1.5%
MTA Bus Company	1.4%	0.6%	0.8%	0.9%	0.5%
New York City Transit	1.9%	1.1%	1.3%	1.3%	0.7%
Staten Island Railway	0.9%	1.3%	1.3%	1.1%	0.9%
<b>RIDERSHIP</b>	<b>2.0%</b>	<b>1.1%</b>	<b>1.3%</b>	<b>1.3%</b>	<b>0.7%</b>

<b>Utilization Growth Rate for Toll &amp; Farebox Revenue (from prior year)</b>					
	2012	2013	2014	2015	2016
<b>TOLL REVENUE: Bridges &amp; Tunnels</b>	<b>0.4%</b>	<b>(0.3)%</b>	<b>0.4%</b>	<b>0.4%</b>	<b>0.7%</b>
Long Island Rail Road	2.3%	1.7%	0.7%	0.7%	0.5%
Metro-North Railroad	5.7%	4.0%	4.3%	2.3%	1.9%
MTA Bus Company	2.2%	0.6%	0.9%	1.0%	0.5%
New York City Transit	1.8%	1.2%	1.4%	1.4%	0.8%
Staten Island Railway	0.7%	1.0%	1.6%	1.4%	1.1%
<b>FAREBOX REVENUE</b>	<b>2.3%</b>	<b>1.6%</b>	<b>1.7%</b>	<b>1.4%</b>	<b>0.9%</b>

MTA consolidated ridership and farebox revenue are both expected to increase each year from 2014 to 2016. Consolidated ridership is projected to reach 2,762 million passengers by 2016, while farebox revenue is estimated to reach \$5,289 million. B&T vehicle crossings are also projected to increase each year, reaching 292 million crossings in 2016; toll revenue is forecast to reach \$1,524 million in 2016, increasing in each year. Compared with the February Plan, MTA consolidated ridership for 2014 and 2015 is projected to be 0.3% favorable; however, the forecast for traffic at B&T facilities is expected to be lower each year (0.3% for 2014 and 0.4% for 2015), reflecting the downward revision in the 2013 projection. MTA consolidated farebox revenue is expected to be 1% higher in 2014 and 2015 than was expected in the February Plan, while B&T toll revenue is projected to be 0.4% lower in 2014 and 0.5% lower in 2015.

**MTA Consolidated Utilization**  
**Plan-to-Plan Comparison**  
**Baseline Before Gap-Closing Actions (in millions)**

<b>July Financial Plan</b>					
	<b>2012 Mid-Year Forecast</b>	<b>2013 Preliminary Budget</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Traffic</b>					
Bridges & Tunnels	286.6	286.3	288.0	289.8	292.3
<b>Ridership</b>					
Long Island Rail Road	83.2	84.6	85.2	86.2	86.4
Metro-North Railroad <sup>1</sup>	83.8	85.6	87.5	89.1	90.4
MTA Bus Company	121.9	122.6	123.6	124.7	125.2
New York City Transit <sup>2, 3</sup>	2,349.6	2,375.2	2,406.2	2,437.8	2,455.3
Staten Island Railway	4.6	4.7	4.7	4.8	4.8
<i>Total Ridership</i>	<i>2,643.2</i>	<i>2,672.7</i>	<i>2,707.2</i>	<i>2,742.6</i>	<i>2,762.2</i>
<b>February Financial Plan</b>					
	<b>2012 Adopted Budget</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Traffic</b>					
Bridges & Tunnels	286.4	287.0	288.8	290.8	293.7
<b>Ridership</b>					
Long Island Rail Road	81.0	81.6	82.2	83.4	83.6
Metro-North Railroad <sup>2</sup>	81.8	83.2	84.7	86.6	88.3
MTA Bus Company	118.8	119.8	120.9	121.9	123.0
New York City Transit <sup>1, 3</sup>	2,346.7	2,373.9	2,406.1	2,437.1	2,466.9
Staten Island Railway	4.7	4.7	4.8	4.8	4.9
<i>Total Ridership</i>	<i>2,633.0</i>	<i>2,663.1</i>	<i>2,698.7</i>	<i>2,733.8</i>	<i>2,766.6</i>
<b>Plan-to-Plan Changes: Favorable / (Unfavorable)</b>					
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Traffic</b>					
Bridges & Tunnels	0.1	(0.7)	(0.8)	(1.0)	(1.5)
<b>Ridership</b>					
Long Island Rail Road	2.2	3.0	3.0	2.8	2.8
Metro-North Railroad <sup>2</sup>	2.1	2.5	2.7	2.5	2.2
MTA Bus Company	3.1	2.8	2.7	2.7	2.2
New York City Transit <sup>1, 3</sup>	2.9	1.3	0.1	0.8	(11.5)
Staten Island Railway	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)
<i>Total Ridership</i>	<i>10.2</i>	<i>9.6</i>	<i>8.5</i>	<i>8.8</i>	<i>(4.4)</i>

<sup>1</sup> Excludes Paratransit Operations.

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

<sup>3</sup> Excludes Fare Media Liability.

**MTA Consolidated Utilization**  
**Plan-to-Plan Comparison**  
**Baseline Before Gap-Closing Actions (in millions)**

<b>July Financial Plan</b>					
	<b>2012 Mid-Year Forecast</b>	<b>2013 Preliminary Budget</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Toll Revenue</b>					
Bridges & Tunnels	\$1,507.0	\$1,501.9	\$1,507.2	\$1,512.7	\$1,523.5
<b>Fare Revenue</b>					
Long Island Rail Road	584.7	594.6	598.8	603.0	606.0
Metro-North Railroad <sup>2</sup>	600.1	624.2	650.7	665.3	677.9
MTA Bus Company	183.0	184.2	185.9	187.7	188.6
New York City Transit <sup>1, 3</sup>	3,632.2	3,677.3	3,728.9	3,781.5	3,810.6
Staten Island Railway	5.6	5.7	5.8	5.8	5.9
<i>Total Farebox Revenue</i>	<i>\$5,005.7</i>	<i>\$5,085.9</i>	<i>\$5,170.0</i>	<i>\$5,243.3</i>	<i>\$5,289.0</i>
<b>February Financial Plan</b>					
	<b>2012 Adopted Budget</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Toll Revenue</b>					
Bridges & Tunnels	\$1,510.5	\$1,508.1	\$1,513.7	\$1,520.5	\$1,532.1
<b>Fare Revenue</b>					
Long Island Rail Road	570.7	575.2	579.6	584.2	587.9
Metro-North Railroad <sup>2</sup>	589.0	610.4	633.4	650.1	665.8
MTA Bus Company	180.2	181.9	184.0	186.0	187.9
New York City Transit <sup>1, 3</sup>	3,631.2	3,676.5	3,730.3	3,781.9	3,831.4
Staten Island Railway	5.7	5.8	5.9	6.0	6.1
<i>Total Farebox Revenue</i>	<i>\$4,976.8</i>	<i>\$5,049.9</i>	<i>\$5,133.2</i>	<i>\$5,208.1</i>	<i>\$5,279.0</i>
<b>Plan-to-Plan Changes: Favorable / (Unfavorable)</b>					
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Toll Revenue</b>					
Bridges & Tunnels	(\$3.5)	(\$6.2)	(\$6.5)	(\$7.7)	(\$8.6)
<b>Fare Revenue</b>					
Long Island Rail Road	14.0	19.4	19.1	18.8	18.1
Metro-North Railroad <sup>2</sup>	11.1	13.7	17.3	15.2	12.1
MTA Bus Company	2.9	2.3	1.9	1.7	0.7
New York City Transit <sup>1, 3</sup>	0.9	0.8	(1.4)	(0.4)	(20.8)
Staten Island Railway	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)
<i>Total Farebox Revenue</i>	<i>\$28.8</i>	<i>\$36.1</i>	<i>\$36.8</i>	<i>\$35.2</i>	<i>\$10.0</i>

<sup>1</sup> Excludes Paratransit Operations.

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

<sup>3</sup> Excludes Fare Media Liability.

## **OTHER OPERATING REVENUE**

The category of Other Revenue captures all revenues generated from sources other than fares or tolls including advertising, paratransit reimbursement, fare reimbursement, rents, concessions, parking and investment income.

July Plan Revenue is projected at \$543 million in 2012, \$569 million in 2013, \$606 million in 2014, \$646 million in 2015, and \$692 million in 2016. Revenue increases each year by \$26 million in 2013, \$36 million in 2014, \$40 million in 2015, and \$46 million in 2016. NYCT is responsible for the lion's share of the growth, with increases over the 2013-2016 period of \$28 million, \$31 million, \$35 million, and \$41 million, resulting mainly from NYC reimbursements of paratransit expenses (capped at 120% of prior calendar year billings).

MNR's other revenue increases by \$1 million in 2013, \$3 million in 2014, and \$2 million in 2015 and \$2 million in 2016, primarily due to higher parking fees, higher advertising revenue, higher commissary revenue and higher GCT retail revenue.

The LIRR's other revenue decreases by \$2 million in 2013 due to a one-time real estate sale in 2012. Other revenue increases by \$1 million in 2013 through 2016 primarily due to contractual and inflationary increases.

Compared with the February Plan, other revenues increase by \$18 million in 2012 and 2013, \$17 million in 2014 and \$16 million in 2015. Excluding investment income other revenues increase by \$10 million in 2012, \$9 million in 2013, \$8 million in 2014 and \$7 million in 2015.

NYCT's other revenue is favorable plan-to-plan by \$3 million in 2012, \$5 million in 2013, \$4 million in 2014 and \$2 million in 2015 primarily due to higher advertising revenue.

FMTAC's other revenue is favorable plan-to-plan by \$1 million annually from 2012 through 2015, primarily due to inflationary increases.

Overall, other income is favorable plan-to-plan among the Commuter Railroads. Although the LIRR's other income is unfavorable by \$0.1 million in 2012, it is generally favorable by less than \$1 million in the out-years as a result of higher projected advertising and rental revenue. At MNR, other revenue increases by \$3 million in 2012 and \$2 million from 2013 through 2015 primarily due to higher projected GCT retail revenue. MTA HQ other revenue is favorable plan-to-plan by \$2 million in 2012 and \$1 million from 2013 through 2015, primarily due to higher projected rental income for 2 Broadway and inflationary increases.

## **PAYROLL**

MTA Consolidated Payroll expenses from 2011 through 2015 are influenced by a number of factors including position levels, inflation assumptions, labor agreements, and capital project activity.

The baseline July Plan assumes that labor settlements will include three years of “net zero” wage growth, effective upon the completion of existing contracts. CPI inflationary growth is assumed in the years following.

The contract for the largest union, the TWU, expired in January of 2012. In the case of the ATU, an arbitrator awarded a 4%,4%,3% labor settlement for the three year period ending in January of 2011 in contrast to the February Financial Plan which assumed a 4,4,0 settlement. As a result, the 3 zero assumption has been moved back one year.

Wage increases for represented employees at MTA HQ, B&T, MTA Bus, and for non-TWU/ATU employees at NYCT— all of whose contracts expired prior to 2012 -- will follow only the first two years of the TWU agreement, followed by three consecutive years of zero wage growth and then CPI-based increases.

The commuter railroads are projected to receive three consecutive years of zero wage growth followed by CPI, which will begin retroactive to the expiration of their last contracts (summer of 2010). A further assumption of the July Plan is that represented workers at SIR will receive a third year of zero wage growth in 2012 followed by inflationary increases.

Non-represented employee salaries, following three straight years without raises, are assumed to increase based upon CPI beginning in 2012. No across the board raises have been granted as of the July Plan.

July Plan expenses are projected at \$4,216 million in 2012, \$4,241 in 2013, \$4,291 million in 2014, \$4,388 in 2015, and \$4,513 in 2016, reflecting year-to-year increases of \$25 million in 2013, \$50 million in 2014, \$97 million in 2015 and \$125 million in 2016.

The year-to-year increase in 2013 is mostly attributable to MNR (\$14 million), followed by MTA HQ (\$5 million); the LIRR (\$4 million); B&T (\$3 million); partially offset by a decrease of (\$1 million) at MTA Bus. MNR’s increases are reflective of the full-year impact of several new management initiatives, many of which will be implemented in the fourth quarter of 2012 in support of IT-related enhancements, customer service improvements, and Maintenance of Equipment training requirements. MTA HQ’s increases primarily reflect additional coverage requirements for MTA PD. The LIRR’s increases assume projected rate increases, an aggressive hiring plan to fill vacancies, and changes in the RCM (Reliability Centered Maintenance) program. B&T’s increases reflect the impact of the Central Control Unit, additional positions supporting new fire standpipe mandates, re-estimated staffing levels for BTOs, and interim costs associated with the BSC phase-in. Partially offsetting these higher expenses were lower payroll



costs at MTA Bus attributable to reductions in the Shop Program as well as savings due to the consolidation of the IT help desk.

Expense growth from 2014-2016 largely reflect the out-year impacts of wage assumptions at NYCT and MNR, and labor expenses associated with the East Side Access ramp-up at the LIRR. Aside from years with zero increases, the year-to-year changes at the remaining agencies are driven primarily by inflation assumptions of 1.91% in 2014, 1.85% in 2015, and 1.89% in 2016.

On a plan-to-plan basis, expenses increase by \$13 million in 2012, \$33 million in 2013, \$28 million in 2014, \$25 million in 2015, and by \$20 million in 2016.

In 2012, Agencies responsible for the unfavorable plan-to-plan change include: NYCT (\$20 million) – \$14 million of which resulted from the combined 2011-2012 impact of the above-mentioned unfavorable ATU arbitration award; as well as staffing increases required to support the back-log reduction initiatives for signals, track, and structures, position transfers from MTA HQ for the New Fare Payment Systems and Bus Customer Information Systems. The LIRR (\$3 million) – due to the filling of vacancies, additional staffing to support Federal Railroad Association (FRA) mandates, Lighting Strike Response initiatives, elevator/escalator maintenance and Reliability Centered Maintenance (RCM) programs. MTA Bus (\$2 million) – for projects including the Scheduled Operations Pickup Work, Hastus Mileage Increase, security initiatives, staffing changes in support of operations, and contractual pay rate changes. Plan-to-plan changes at MNR, MTA HQ, and B&T were favorable by a total of \$11 million: \$7 million at MNR primarily due to vacancies; \$4 million at MTA HQ due to budget reductions, position eliminations and transfers to NYCT (New Fare Payment Systems and Bus Customer Information Systems).

In 2013, expenses increase by the programmatic changes noted above; \$18 million at NYCT, \$8 million at the LIRR, \$2 million at MNR and at B&T, and \$1 million at both MTA HQ and MTA Bus.

From 2014-2016, expense growth mainly reflect the impact of: programmatic changes for the Bus Shop Plan and the Subways Scheduled Maintenance (SMS) program at NYCT (averaging \$13 million annually); elevator/escalator maintenance initiatives and additional staffing requirements to support FRA mandates, and the Lighting Strike Response Initiatives at the LIRR (averaging \$8 million annually); and expense increases at MNR and B&T for several new initiatives, many of which are expected to begin in the fourth quarter of 2012, and were noted above (averaging \$3 million and \$2 million annually, respectively). Partially offsetting these unfavorable projections are reductions at MTA HQ mainly due to headcount transfers to NYCT (New Fare Payment Systems and Bus Customer Information Systems) and changes in staffing requirements at MTA PD for the opening of the East Side Access project (averaging \$2 million annually).

## OVERTIME

MTA Consolidated Overtime expenses are influenced by a number of factors including vacancies, employee availability, wage growth assumptions, project activity, weather, and work rules.

Following an extensive review conducted in 2010, the MTA instituted an aggressive program to rein in overtime through a series of management controls that resulted in efficiency savings of approximately \$20 million in 2010 and projected annual savings of \$60 million thereafter. In 2011, employee availability and vacancy coverage and severe weather conditions prevented the targeted savings from being achieved. In 2012, unbudgeted, but scheduled overtime for major maintenance programs, such as *Fastrack*, and backlog reduction initiatives for signals, track and structures, coupled with on-going employee availability and vacancies issues have resulted in a failure to achieve the overtime target.

In spite of these challenges, the MTA remains committed to identifying new opportunities for improvement and enforcing management controls established two years ago.

July Plan expenses are projected at \$484 million in 2012, \$472 million in 2013 and 2014, \$481 million in 2015, and \$490 million in 2016, reflecting a year-to-year decrease of \$12 million in 2013, and increases of less than \$1 million in 2014, \$9 million in 2015, and \$10 million in 2016.

The LIRR's expenses decrease by \$6 million in 2013, and increase by \$2 million in 2014, \$1 million in 2015 and \$2 million in 2016. The savings in 2013 reflects the assumption that a significant amount of current vacant craft positions will be filled by year end. The out-year increases primarily reflect inflation following the MTA 3 Zeroes Salary/Wage Initiative.

NYCT's year-to-year expenses decrease by \$4 million in 2013 and \$3 million in 2014, and increase by \$5 million in 2015 and 2016. The overall changes are mostly related to programmatic requirements for *Fastrack*, and backlog reduction initiatives for signals and track. The out-year increases primarily reflect inflation following the MTA 3 Zeroes Salary/Wage Initiative.

MTA Bus' year-to-year expenses decrease by \$2 million in 2013 and \$1 million in 2014, and increase by \$1 million in 2015 and 2016 reflecting changes in the timing and number of bus overhauls as part of the Bus Shop Program. The out-year increases primarily reflect inflation following the MTA 3 Zeroes Salary/Wage Initiative.

On a plan-to-plan basis, overtime expenses increase by \$25 million in 2012, \$17 million in 2013, \$15 million in 2014 and 2015, and \$13 million in 2016. The bulk of the increase is attributable to maintenance requirements for signals inspection, track and structure defect backlog reductions, and *Fastrack* at NYCT; an elevator and escalator

maintenance program, a lightning strike action plan, and FRA mandates at the LIRR. Also, impacting costs was an arbitration award to dispatchers which re-instated an additional hour of work at MTA Bus.

It should be noted that while actual overtime spending for the first quarter of 2012 negatively impacted full-year 2012 projections, improvements are being seen, particularly in the areas of scheduled service and weather emergencies. There remain other areas where improvement is needed, such as programmatic/routine maintenance and vacancy/absentee coverage. The MTA has been proactive in its efforts to correct these deficiencies, and has made Agency-specific recommendations such as: investigate the causes for higher absenteeism and crack down on persistent offenders; perform cost/benefit sensitivity analysis on overtime vs. straight time economies; re-focus efforts to achieve overtime control; and continue to address underlying issues responsible for high OT in specific categories such as service delays.

## HEALTH & WELFARE

Empire Plan premium rates provided in March 2012 by the New York State Department of Civil Service (DCS) are used as the primary assumption for per-employee Health & Welfare premium expenses. Compared with the February Plan, premium assumptions are favorable in 2012, and, with the exception of 2013, are favorable for the remainder of the Plan period.

	2012	2013	2014	2015	2016
<b>Individual Coverage</b>					
February Plan	8.4%	5.9%	7.9%	7.9%	7.9%
July Plan	0.2%	10.4%	3.0%	6.4%	6.4%
<b>Family Coverage</b>					
February Plan	10.1%	6.4%	8.3%	8.3%	8.3%
July Plan	2.8%	10.8%	3.6%	7.0%	7.0%

The lower premium assumptions beginning with 2012 reflect improved surplus levels in the Empire Plan, which are due to lower claims activity and better-than-expected investment returns. Forecasts of premiums for 2013 through 2016 are based on the 10-year average change in premiums, excluding the largest and smallest annual percent changes. For employee health plans other than the Empire Plan, existing contractual rates—and when available projected rate changes—are used in place of the Empire Plan assumptions.

MTA Consolidated Health & Welfare expenses of \$845 million for the 2012 Mid-Year Forecast are \$35 million (4%) greater than 2011 expenses. In comparison with the 2012 Adopted Budget, expenses are \$18 million favorable, primarily due to lower premiums, particularly for participants in the Empire Plan.

In the 2013 Preliminary Budget, Health & Welfare expenses are projected to be \$933 million, an increase of \$88 million (10%) over the 2012 Mid-Year Forecast. Compared

with the February Plan, the 2013 Preliminary Budget is \$5 million (0.6%) favorable, primarily due to lower premiums, particularly for participants in the Empire Plan.

MTA Consolidated Health & Welfare expenses are forecast to increase annually by 7.4%, 8.7% and 9.9%, respectively, for 2014 through 2016, when expenses are projected to reach \$1,198 million. July Plan forecasts are lower than expense forecasts in the February Plan, favorable by \$23 million (2%) in 2014, \$33 million (3%) in 2015 and \$37 million (3%) in 2016.

## **OTHER POST EMPLOYMENT BENEFITS (OPEB) and GASB FUND**

### **OPEB**

In 2007, the MTA implemented the Governmental Accounting Standard Board Statement No. 45 (“GASB-45”), the “Accounting and Financial Reporting for Employers for Postemployment Benefits Other Than Pensions,” requiring that state and local governmental entities’ financial reports reflect systematic, accrual-based measurements and the recognition of Other Post-Employment Benefit (OPEB) costs over a period that approximates the employee’s years of services and provides information about actuarial accrued liabilities and to what extent progress is made in the funding. Prior to that, the MTA and other governmental employers OPEB costs had been funded on a “pay-as-you-go” basis and were reported in the financial statements when the “promised” benefits were paid.

After reviewing per capita claims cost for NYCT and MTA Bus, the impact of healthcare reform, a decrease in the discount rate and other factors, the MTA’s actuary has recently increased the annual required contribution from \$1,765 million in 2010 to \$2,422 million in 2011 and the value of the above-mentioned unfunded accrued liability from \$13.2 billion to \$17.8 billion—an increase of approximately 35%.

The July Plan accrued baseline reflects the pay-as-you-go component for the OPEB expense category called “OPEB Current Payment.” Growth in this category is consistent with the assumptions described under Health & Welfare.

When compared with the February Plan, OPEB current payment expenses are favorable by \$9 million in 2012, \$10 million in 2013, \$18 million in 2014 and \$23 million in 2015. The favorable variances are primarily due to lower Health & Welfare premiums—particularly for participants in the Empire Plan.

### **GASB FUND**

While the GASB 45 standard only requires the disclosure of this future liability, the MTA has created a GASB fund which appears only on the Cash Receipts and Expenditures Statement and not on the accrual-based Statement of Operations. In June 2008, the MTA Board approved the establishment of the “MTA Retiree Welfare Benefits Trust” to govern the administration and investment of the OPEB trust assets. Contributions to

this fund began in 2006 and include additional revenues generated by increased real-estate-related tax activity (MRT-2) as well as annual contributions from each Agency.

As a result of the above-mentioned substantial increase in the OPEB liability, the July Financial Plan includes additional annual contributions of \$21 million in 2012, growing to \$26 million by 2016. Total contributions are now \$77 million in 2012, \$82 million in 2013, \$86 million in 2014, \$89 million in 2015 and \$92 million in 2016. Included in these contributions are the Health & Welfare contributions made by those represented employees required to do so.

Primarily as a result of the additional contributions, in comparison with the February Plan, the cash Contribution to GASB Fund expenditures are higher by \$20 million in 2012, \$21 million in 2013 and \$22 million in each of 2014 and 2015.

## **PENSIONS**

MTA employees are covered by a number of separate and distinct pension plans. All B&T employees and two-thirds of employees at NYCT are participants in the New York City Employee Retirement System (NYCERS). The remaining one-third of NYCT employees are participants in the Manhattan and Bronx Surface Transit Operating Authority (MaBSTOA) Plan, one of three MTA-sponsored plans. The other two MTA-sponsored plans—the MTA Defined Benefit Plan and the Long Island Rail Road Additional Plan—cover employees at the LIRR, MNR, SIR, MTA Bus and MTA Police (which is part of MTAHQ). Non-police employees at MTAHQ are participants in the New York State and Local Retirement System (NYSLRS).

Year-to-year pension cost changes are influenced by the most recent actuarial valuations for the pension plans that MTA employees participate in, as well as changes in assumed position levels, wage growth and labor settlements. Pension expenses reflect changes to actuarial assumptions, the most significant of which is a change in a lower assumed rate of return on investments: from 8.0% down to 7.5% for NYSLRS and MTA-sponsored Plans and from 8.0% down to 7.0% for NYCERS (the MTA's 2010 November Plan provided for an expected decrease of 0.5%, not 1.0%, in NYCERS' rate of return change on investments). Since the 8.0% rate of return assumption was based on a return gross of expenses while the current 7.0% rate of return assumption is based on a return net of expenses, the change from 8.0% to 7.0% is, in effect, a net decrease of 80 basis points (0.8%). The higher-than-expected decrease in the rate of return assumption at NYCERS, combined with changes to other assumptions, including changes to longevity assumptions, are increasing pension expenses at NYCT and B&T. However, partially mitigating the financial impact of these lower returns are changes to the actuarial methodology that have been proposed by the City's Office of the Actuary.

Pension expenses total \$1,282 million in 2012 and increase by \$19 million in 2013, \$46 million in 2014, \$52 million in 2015 and \$12 million in 2016, when total pension expenses are projected to be \$1,411 million. Pension expenses are based on actuarial projections; where projections are unavailable, the forward three-year average CPI plus

one percent—which is a proxy intended to capture anticipated impacts from demographic changes of employees and retirees—is applied to projections.

In comparison with the February Plan, expenses are favorable by \$21 million in 2012, \$15 million in 2013, \$18 million in 2014 and \$26 million in 2015. The favorable variances are due to lower actuarial valuations in the MTA-Sponsored Plans primarily resulting from the impact of flat salaries for most active plan members and an overall decline in the number of active plan members. Partially offsetting these favorable variances are unfavorable variances at NYCT and B&T due to the impact of the NYCERS rate of return on investments as well as changes to other actuarial assumptions. Also included in NYCT's expenses is the impact of extending to MaBSTOA Plan members the recently expanded NYCERS death benefit.

The pension plan in which the greatest number of MTA employees participates in is NYCERS. In anticipation that a rate of return change on investments, mirroring the recent NYCERS rate of return change, will be necessary in the MTA-sponsored Plans, a provision totaling \$55 million per year starting in 2012 has been included below-the-line in Volume I of the July Financial Plan.

## **OTHER FRINGE BENEFITS**

Other Fringe Benefits captures costs for Worker's Compensation and Federal Insurance Contributions Act (FICA) expenses at all agencies except the Commuter Railroads, where similar expenses are captured in the form of Federal Employees Liability Act (FELA) and Railroad Retirement taxes. This category also includes miscellaneous employee expenses.

July Plan Expenses are projected at \$529 million in 2012, \$543 million in 2013, \$555 million in 2014, \$570 million in 2015, and \$587 reflecting modest annual growth consistent with payroll increases.

The year-to-year increase in 2013 is mostly due to: NYCT (\$6 million), consistent with payroll rate assumptions; the LIRR (\$3 million), consistent with Railroad Retirement Tax projections, Railroad Unemployment rates and FELA medical and indemnity payment increases based on CPI; and MNR (\$3 million), consistent with Railroad Retirement Tax projections.

For 2014 and thereafter, average annual expenses increase by \$7 million at the LIRR, \$5 million at NYCT, and \$3 million at MNR, with minor changes at the other agencies. By and large, these changes reflect a continuation of the assumptions noted above.

Compared with the February Plan expenses are projected to increase by \$19 million in 2012, \$24 million in 2013, and by \$23 million in 2014 and 2015. These results are mostly attributable to NYCT (\$20 million in 2012 and 2013, and \$21 million in 2014 and 2015) and reflect higher Worker's Compensation payments, driven by statutory increases in rates and increased medical costs. Plan-to-plan changes at other agencies

are consistent with payroll assumptions: B&T primarily reflects FICA adjustments; MNR fluctuations are reflective of vacancy levels and several new management initiatives; and LIRR increases are reflective of costs for new initiatives.

## **ELECTRIC POWER**

As the result of changes to the MTA chart of accounts, the Electric Power expense category – formerly referred to as Traction and Propulsion Power – now also encompasses electric expenses for revenue service vehicles as well as for non-revenue vehicle uses, including electric expense for buildings and maintenance facilities, bridges and tunnels lighting, station platform lighting and signals.

Electric Power is supplied to the MTA by the New York Power Authority (NYPA), the Long Island Power Authority (LIPA) and Connecticut Light & Power (CL&P). 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, such as a share of upstate hydroelectric power and dedicated low-cost transmission line capacity from upstate New York, be allocated to serve its New York City governmental customers. Additionally, along with NYPA and the New York City governmental customers, MTA has a long-term share in the Astoria II power plant.

Expenses associated with the NYPA LTA are based on the current 2012 cost of service; the 2013 projection is based on expenses currently estimated by NYPA; negotiations with NYPA regarding the 2013 cost of service are on-going, and any revisions will be incorporated in the November Financial Plan. Projections beyond 2013 assume an annual increase equivalent to the projected change from 2011 to 2012. Added to the 2013 NYPA cost of service projection is an MTA-estimated \$25 million expense provision to cover an expected Federal Energy Regulatory Commission (FERC) ruling regarding claims by independent generating firms that the pricing of power from NYPA's 500 MW plant has undercut their ability to competitively sell electricity.

Delivery of NYPA-supplied electricity is handled by Consolidated Edison (Con Ed), and delivery cost projections are based on rates approved by the State Public Service Commission (PSC) through 2012, with annual 10% increases assumed for subsequent years. A recent PSC ruling, however, resulted in a one-time reduction – for 2012 – in the PSC-approved rates, which is reflected in this forecast. Also affecting Con Ed rates, which are paid by NYPA and then passed through and billed to MTA, is the unfavorable impact of a reallocation of Con Ed costs for NYPA's governmental customers. This rate reallocation was included in the February Financial Plan but its impact was underestimated; corrections have been made for this plan.

Price projections for LIPA and CL&P are based on projections for the Producer Price Index for Electric Power.

The rate for NYPA-supplied electricity for the 2012 Mid-Year Forecast is projected to increase 8.7% over 2011 costs, unchanged from the 2012 Adopted Budget assumption. Con Ed delivery rates are projected to be 21.8% greater than charges incurred in 2011; this increase over the 14.2% assumption in the Adopted Budget reflects both the correction to the rate reallocation and the lower PSC-approved annual increase. The price for electricity supplied by LIPA and CL&P is estimated to increase 1.9% in 2012, significantly lower than the 3.6% increase assumed in the Adopted Budget.

MTA Consolidated Electric Power expenses of \$518 million for the 2012 Mid-Year Forecast are \$61 million (13%) greater than 2011 expenses, and \$5 million (1%) greater than the 2012 Adopted Budget.

The rate for NYPA-supplied electricity for the 2013 Preliminary Budget is projected to decrease 0.9% over 2012 costs, reflecting a projected 9% decline in NYPA's cost of service that is almost entirely offset by the provision for the FERC ruling; in the February Plan, 2013 NYPA costs were projected to increase 10.7%. Con Ed delivery rates are projected to be 15.0% greater than charges incurred in 2012, a lower annual increase than the 21.2% increase assumed in the February Plan. The LIPA and CL&P rates for electricity are estimated to increase 2.0% in 2013, lower than the 3.2% assumed in the February Plan.

Expenses for the 2013 Preliminary Budget are expected to be \$548 million, an increase of \$30 million (6%) over 2012 projected expenses, primarily reflecting annual rate changes. Compared with the February Plan, 2013 is favorable by \$22 million (4%), the result of impact from lower projected rates that is partially offset by the provision for the FERC ruling.

NYPA rates are expected to increase 8.7% annually from 2014 through 2016; in the February Plan NYPA rates were projected to increase 10.7% annually. Con Ed delivery rates are projected to increase 12.7% in 2014, 10.4% in 2015 and 10.0% in 2016, significantly lower the increases of 26.1% for 2014 and 28.5% for 2015 that were assumed in the February Plan.

MTA Consolidated Electric Power expenses are forecast to increase by 4% in 2014, 8% in 2015 and 11% in 2016, reaching \$679 million in 2016. Beginning in 2015, start-up costs associated with the East Side Access project increase consumption levels, increasing costs beyond rate impacts. July Plan forecasts are lower than expense forecasts in the February Plan, by \$67 million (11%) in 2014 and by \$91 million (13%) in 2014.

## **FUEL**

Due to a change in the MTA chart of accounts, the Fuel expense category—formerly known as Fuel for Buses and Trains—now encompasses expenses for revenue vehicle fuel as well non-revenue fuel. Non-revenue fuel includes fuel used in vehicles in the non-revenue fleet, fuel to heat buildings and other assorted non-revenue service uses.



Oil and natural gas prices are lower since projections used in the February Plan were prepared. Global demand for oil and natural gas has eased as the result of the European financial crisis and the effect it has had on manufacturing, particularly in China. And while uncertainty remains as a European embargo on Iranian oil has moved towards full implementation, tensions between Iran and Western nations are lower than they were late last year. Additionally, high US oil output is favorably affecting oil prices, while natural gas prices have also been favorably affected by US inventory levels.

Diesel fuel and natural gas prices include actual prices through May 8, 2012 and reflect commodity futures prices as of May 14, 2012. Where commodity futures prices are unavailable, price changes are projected using Global Insight forecasts (April 2012) for New York Harbor No. 2 Distillate for heating oil and diesel and PPI Utility for Natural Gas.

Ultra Low Sulfur Diesel (ULSD) prices are projected to increase 1.7% in 2012, decrease 4.3% in 2013, decrease 0.3% in 2014 and are followed by no price changes in 2015 and 2016. For Compressed Natural Gas (CNG), prices are forecast to decrease 38.0% in 2012, but increase 37.8% in 2013, 4.3% in 2014, 20.5% in 2015 and 3.6% in 2016.

Since 2008, the MTA has hedged a portion of its projected fuel expense to reduce budgetary risk from price volatility. Currently, the MTA sets aside \$100 million to hedge a portion of its expense for diesel fuel and natural gas, representing approximately one-third of its fuel requirement.

Fuel expenses of \$260 million for the 2012 Mid-Year Forecast are \$23 million less than 2011 expenses. Of the \$23 million year-to-year change, \$9 million is attributable to LI Bus, which ceased to be part of MTA operations beginning January 1, 2012. In comparison with the 2012 Adopted Budget, fuel expenses are favorable by \$16 million. The 2012 Mid-Year Forecast price for ULSD is estimated to be \$0.07 per gallon more than the 2012 Adopted Budget, while CNG prices are now estimated to be \$2.20 per MMBTU lower than the 2012 Adopted Budget.

Expenses in the 2013 Preliminary Budget are expected to be \$264 million, an increase of \$4 million from the 2012 Mid-Year Forecast. Compared with the February Plan, the July Plan is favorable by \$28 million, primarily due to slightly lower ULSD and CNG prices than those projected in the February Plan. The 2013 Preliminary Budget price for ULSD is now estimated to be \$0.20 per gallon lower than in the February Plan and CNG prices are now estimated to be \$1.39 per MMBTU lower than the February Plan.

Fuel expenses are forecasted to be \$264 million in 2014, \$275 million in 2015 and \$274 million in 2016. Compared with the February Plan, expenses are lower by \$29 million in 2014, and \$27 million in 2015, reflecting lower anticipated ULSD and CNG prices.

## **INSURANCE**

Year-to-year increases in Insurance expense 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 except for the All-Agency Excess (primary), All-Agency Excess (excess), All-Agency Property and the Paratransit (Access-A-Ride) policies, which are projected to increase by 25%, 20%, 20% and 15% per annum, respectively. Increases in policy costs are primarily driven by changes in underlying losses and market conditions. Year-to-year Insurance expense increases also reflect the renewal of several multi-year policies, including All-Agency Environmental Liability, Travel Accident and Asbestos in Place.

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 are based on claim losses, expenses, reserve adjustments and exposure such as ridership or vehicle count. Moreover, FMTAC's credits reflect premiums for Owner-Controlled Insurance Programs (OCIP), which cover MTA's mega capital projects such as East Side Access, and are funded out of the MTA Capital Program Budget.

In comparison with the February Financial Plan, MTA Consolidated Insurance expenses are favorable by \$3 million in 2012 and then turn unfavorable, by \$1 million in 2013 and \$2 million in each of 2014 and 2015. Working with its brokers, MTA's Risk Management Department successfully renewed a number of policies, including the Paratransit policy, at lower rates than those budgeted in the February Plan. These reductions resulted in plan-to-plan savings at NYCT of \$15 million in 2012, growing to \$30 million in 2015; however, on an MTA Consolidated basis, the NYCT savings are offset by lower credits to FMTAC.

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 actuarial evaluations of projected claims, actual claims expense paid and any adjustments to reserves.

Claims expenses in the July Financial Plan are projected at \$195 million in 2012, \$199 million in 2013, \$214 million in 2014, \$222 million in 2015 and \$235 million in 2016. In comparison with the February Financial Plan, expenses are favorable by \$10 million in 2012, \$11 million in 2013, \$7 million in 2014 and \$10 million in 2015. The favorable changes are due to an updated actuarial evaluation at FMTAC, which reflects more favorable actual and projected claims activity than assumed in the February Plan.

## **PARATRANSIT SERVICE CONTRACTS**

This category of expense represents third-party contracts for federally-mandated transportation services provided to customers who are unable to use fixed route service as covered under the Americans with Disabilities Act of 1990, as well as their personal care attendants. Funding is provided for direct transportation costs (primary vendors, vouchers and taxis), eligibility determinations as well as operational services for scheduling and dispatching trips. Maintenance expenses for vehicle rehabilitations, scheduling system, the Automated Vehicle Locator and Interactive Voice Response system are also included.

July Plan expenses are projected at \$385 million in 2012, \$441 million in 2013, \$498 million in 2014, \$562 million in 2015 and \$645 million in 2016 reflecting a year-to-year increase of \$56 million in 2013, \$57 million in 2014, \$64 million in 2015 and \$83 million in 2016. These increases are driven by projected annual ridership growth of 12%, and cost-per-trip inflation projections which provide for annual rate increases based on CPI.

In comparison with the February Financial Plan, Paratransit expenses decrease by \$19 million in 2012, \$27 million in 2013, \$52 million in 2014, \$75 million in 2015, and \$97 million in 2016. These savings are the result of the annualized impact of 2011 decreased trip activity, continued diversion of ridership to lower cost taxis and vouchers and revised projections of annual trip growth from 15 percent to 12 percent.

In 2010, faced with projected rapid growth in the demand for paratransit service and expenses, MTA embarked on an ambitious plan to control costs. By reducing non-service related costs, average costs per trip, better enforcing eligibility, and through conversion of contracted trips to fixed route feeder trips (trip shortening), savings of \$40 million in 2010 and \$80 million in each of the out-years were projected. Since then, additional efficiency savings have been identified and incorporated into the financial plan. Further information on Paratransit saving initiatives are included in Section II, Major Assumptions 2013-2016 Projections-Baseline, Agency Baseline Assumptions, Paratransit.

Not captured within the baseline is a new MTA efficiency initiative - Paratransit Fare Incentives. This major cost savings program, commencing in 2013, will enable paratransit customers to receive special MetroCards allowing them to ride subways and buses for free. Savings are ultimately expected to approximate \$96 million per year by 2015, and are captured "below-the-line" in Volume I.

This explanation covers only this generic expense category. For a complete income statement on Paratransit, please refer to Section II, Major Assumptions 2013-2016 Projections-Baseline, Subsidies.

## **MAINTENANCE AND OTHER OPERATING CONTRACTS**

Maintenance and Other Operating Contracts is a broad category of expenses that includes facility expenses (e.g. leases, rentals, utilities, real estate taxes), operating contracts (e.g. equipment/vehicle rental, E-ZPass tags, environmental testing & services, rolling stock purchases), and maintenance services (e.g. construction services, snow removal). Expense forecasts for this category are impacted by contractual increases and inflation estimates based on Global Insight's CPI-U forecasts.

July Plan Expenses are projected at \$519 million in 2012, \$541 million in 2013, \$543 million in 2014, \$578 million in 2015 and \$612 million in 2016, reflecting year-to-year increases of \$22 million in 2013, \$1 million in 2014, \$35 million in 2015, and \$34 million in 2016.

NYCT's expenses increase by \$23 million in 2013, decrease by \$18 million in 2014, and increase in 2015 and 2016 by \$1 million and \$14 million, respectively. The primary drivers of these changes are paratransit vehicle replacement and additional bus shop maintenance requirements in 2013 and 2016.

B&T's year-over-year expenses increase by \$8 million in 2013, \$16 million in 2014 and 2015, and \$5 million in 2016 largely due to major maintenance and bridge painting not eligible for capital funding, as well as purchases of E-ZPass tags.

MTAHQ expenses decrease by \$3 million in 2013 as a result of savings generated from a review of HQ expenses, the transfer and elimination of costs associated with the New Fare Payment Systems and Bus Customer Information Systems, and re-estimates of 2 Broadway rental costs; out-years increase slightly.

MTA Bus' expenses decrease by \$3 million in 2013, increase by \$3 million in 2014 and \$6 million in 2015, and decrease by \$5 million in 2016. These changes reflect fluctuations in the number of bus overhauls within the Shop Plan's four-year overhaul cycle.

MNR expenses decrease by \$2 million in 2013 and \$5 million in 2014, and increase by \$9 million in 2015 and \$2 million in 2016. The favorable year-to-year changes reflect the impact of scope changes and deferrals of Genesis and F40 locomotive overhauls and reductions in office space renovations for the GCT training center. Out-year increases reflect funding for overhauling Genesis and F40 locomotives.

Compared with the February Plan, expenses decrease by \$14 million in 2012, increase by \$9 million in 2013, decrease slightly in 2014 and 2015, and increase by \$9 million in 2016. In 2012, major plan-to-plan changes reflect lower E-ZPass tag purchases at B&T, lower relocation costs to 2 Broadway at MTAHQ, and lower Shop Program requirements and the transfer of overhaul work from outside vendors to in-house forces at MTA Bus, and the deferral of Genesis locomotive overhauls to 2013. Plan-to-plan expenses increase in 2013 mainly due to reclassification adjustments at NYCT (offset in

Materials and Supplies) and additional Genesis locomotive overhauls. Major plan-to-plan changes in the out-years include spending for R44 fleet maintenance at SIR (2014-2016), a new round of locomotive overhauls at MNR commencing in 2015, and a concrete tie replacement program at the LIRR in 2016.

## **PROFESSIONAL SERVICE CONTRACTS**

Professional Service Contracts broadly consists of three categories of expense: Information Technology (IT), Office and Employee expenses, and Other Professional Services. *Information Technology* expenses includes software, hardware, IT consulting, data center, and IT maintenance and repair. *Office & Employee* includes, but is not limited to expenses for temporary services, office equipment and related rentals, repair and maintenance, and outside training. *Other Professional Services* includes, but is not limited to fees for engineering, legal, auditing, and market research.

July Plan expenses are projected at \$285 million in 2012, \$265 million in 2013, \$268 million in 2014, \$267 million in 2015, and \$272 million in 2016, reflecting a year-to-year reduction of \$20 million in 2013. Expense growth in the out-years is for the most part minimal, consistent with MTA cost control initiatives.

The overall year-to-year decrease in 2013 is mostly attributable to MTA HQ (\$16 million) primarily due to higher spending in 2012 for consulting (\$11 million) and the transfer of \$4 million in Business Service Center (BSC) salaries from payroll to temporary services. It should be noted that the amount spent in 2012 on consulting resulted in significant paratransit cost savings and strategic-sourcing cost savings. Likewise, NYCT was favorable (\$5 million) due to a prepayment in 2012 of three years of electronic data processing (EDP) maintenance and repair costs; and the LIRR was favorable (\$3 million) primarily due to the timing of IT initiatives). These results were partially offset by an expense increase at MNR (\$3 million) attributable to general rail consulting, an upgrade to the legacy access control systems, and computer system performance monitoring. Year-to-year changes in the out-years are largely driven by inflation based on regional CPI-U forecasts.

Compared with the February Plan, expenses increase by \$15 million in 2012, remain flat in 2013, and then decrease in each of the out-years (\$1 million in 2014, \$7 million in 2015, and \$9 million in 2016). The major drivers of the 2012 increase are: MTA HQ primarily for consultant and temporary services (referred to previously); NYCT mostly due to the IT governance – thin client efficiency initiative and the EDP maintenance and repair prepayment (referred to previously). Favorable plan-to-plan results in the out-years are primarily due to re-estimates of MTA services and IT requirements at NYCT, and delays in the west side yard project and savings resulting from a review of administrative expenses at MTA HQ.

## **MATERIALS AND SUPPLIES**

Materials & Supplies reflect funding for a variety of expenses including, but not limited to, parts for trains & buses, electrical supplies, radio equipment, project materials, roadway equipment, paint and plumbing supplies. All agency increases in Materials and Supplies for 2013 – 2016 are inflated primarily by regional CPI-U forecasts.

July Plan expenses are projected at \$487 million in 2012, \$496 million in 2013, \$516 million in 2014, \$574 million in 2015, and \$588 million in 2016. On a year-to-year basis, expenses increase by \$9 million in 2013, \$20 million in 2014, \$58 million in 2015, and \$14 million in 2016.

NYCT's expense growth increase by \$10 million in 2013, \$6 million in 2014, \$48 million in 2015, and \$1 million in 2016 due to fluctuations in the timing of major subway and bus maintenance initiatives.

MNR's year-to-year expenses increase by \$5 million in 2013, \$3 million in 2014, \$2 million in 2015 and \$4 million in 2016, reflecting inflation and material requirements for car equipment maintenance and replacement plans.

LIRR's year-over-year expenses increase by less than \$0.2 million in 2013, \$10 million in 2014, \$2 million in 2015, and \$6 million in 2016 reflecting East Side Access and Reliability Centered Maintenance (RCM) material requirements.

MTA Bus' expenses decrease by \$4 million in 2013, and increase by \$1 million in 2014, \$6 million in 2015, and \$3 million in 2016 mainly due to the number of buses requiring overhauls.

Compared with the February Plan, expenses are lower by \$4 million in 2012, \$16 million in 2013, \$12 million in 2014, and \$6 million in 2015 and 2016. Plan-to-plan expenses decrease in 2012-2016 mainly due to reclassification adjustments at NYCT (offset in Maintenance & Other Operating Contracts); and material efficiencies gained by the integration of new M-8 cars into NHL service and modifications to maintenance cycles for older NHL equipment fleet at MNR. At MTA Bus' expenses are higher in 2012 for overhaul work required at the Shop Program, which decrease slightly in the out-years. The LIRR's expenses increase is mainly due to a re-estimate of material needs for East Side Access and the RCM program.

## **OTHER BUSINESS EXPENSES**

Other Business Expenses reflect a variety of different expenses including: credit/debit card fees for fare media purchases; bond service fees; internal and subsidy support requirements.

July Plan Expenses are projected at \$154 million in 2012, \$159 million in 2013, \$162 million in 2014, \$168 million in 2015 and \$173 million in 2016, reflecting inflationary growth and programmatic changes.

The year-to-year increase in 2013 is mostly attributable to MNR (\$4 million); NYCT (\$2 million) and B&T (\$1 million). MNR's increase is primarily the result of additional West of Hudson service (\$4 million). NYCT's and B&T's increase is primarily due to inflationary assumptions. Partially offsetting these results is a decrease at the LIRR (\$2 million) due mostly to the timing of credits associated with the concrete tie settlement. The year-to-year (2014 vs. 2013) increase is mostly attributable to the LIRR (\$3 million) reflecting East Side Access start-up costs. Partially offsetting these results is a favorable variance at MTA Bus of \$2 million primarily due to a reduction in office supplies expense. The year-to-year increases in the out years of the Plan primarily reflect a continuation of the same service and program expenses.

Compared with the February Plan, expenses are slightly higher in each year of the Plan. MTA HQ expense increase due to higher consulting fees, increased support for the Rockaway Discount Program and the reclassification of Transit Museum inventory purchases. MNR's expenses reflect higher cost recoveries from Amtrak, the purchase and installation of TVM's and additional West of Hudson service. Partially offsetting these increases is FMTAC due to updated estimates resultant from lower spending realized through April 2012, and at the LIRR an assumed third party reimbursement for the concrete tie replacement program. Plan-to-Plan increases in the out years of the Plan primarily reflect a continuation of the same programs and expenses.

# **Subsidies**



## SUBSIDIES - OVERVIEW

The following pages provide accrual and cash summary tables for the subsidies and dedicated taxes received by MTA, as well as tables detailing the changes between the 2012 July Plan and the 2012 February 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 are discussed in the B&T portion of the Agency Financial Plans section of this report. Consolidated income and expense information on NYCT's Paratransit operation is also included.

On an *accrual basis*, the 2012 Mid-Year Forecast of Total Dedicated Taxes and State & Local Subsidies is \$5,470 million, \$55 million above the February Plan. The favorable variance is primarily the result of higher City Subsidy for MTA Bus of \$70 million (the result of a 2011 timing variance), PMT of \$32 million, MMTOA of \$11 million, and MTA Aid of \$5 million. This is partially offset by unfavorable real estate transaction tax receipts (MRT and Urban Taxes) of \$31 million due to a slow recovery in mortgage borrowing and lower than anticipated commercial real estate activity in New York City, by unfavorable CDOT subsidies of \$22 million and by lower PBT of \$7 million.

On a *cash basis*, total 2012 MTA Dedicated Taxes and State & Local Subsidies is \$5,183 million, or \$61 million above the February Plan estimate. This favorable variance mostly reflects City Subsidy to MTA Bus of \$44 million (timing), PMT receipts of \$32, MMTOA of \$11 million, MTA Aid of \$5 million and favorable net subsidy adjustments of \$15 million, and is partially offset by unfavorable real estate transaction taxes of \$34 million, CDOT subsidies of \$22 million and PBT of \$7 million. Further details are provided in the individual subsidy sections of this report.

Total Dedicated Taxes and State & Local Subsidies, on an *accrual basis*, are projected to decline from the February Plan levels by \$13 million in 2013 and \$20 million in 2014, due primarily to unfavorable MRT, MMTOA, PBT, CDOT subsidies and City Subsidy to MTA Bus, offset by favorable Urban Taxes, PMT and MTA Aid. The plan-to-plan variance is projected to turn favorable, by \$34 million, in 2015, primarily the result of MRT and Urban Tax receipts reflecting anticipated growth in the regional economy and the resulting improvement in housing and commercial property activity.

On a *cash basis*, current estimates exceed projections in the February Plan by \$71 million in 2013, by \$140 million in 2014 and by \$295 million in 2015.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**July Financial Plan 2013-2016**  
**Consolidated Subsidies**  
**Accrual Basis**  
(\$ in millions)

	2011 Actual	2012 Mid-Year Forecast	2013 Preliminary Budget	2014	2015	2016
<b><u>Subsidies</u></b>						
<b><i>Dedicated Taxes</i></b>						
Metropolitan Mass Transportation Operating Assist (MMTOA)	\$1,306.6	\$1,343.4	\$1,488.2	\$1,568.0	\$1,640.1	\$1,690.6
Petroleum Business Tax (PBT) Receipts	619.6	624.1	631.3	635.8	638.1	639.8
Mortgage Recording Tax (MRT)	245.8	260.6	299.7	345.7	388.9	410.1
MRT Transfer to Suburban Counties	(1.8)	(3.8)	(5.4)	(7.3)	(6.3)	(6.5)
Reimburse Agency Security Costs	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)
Interest	4.2	4.3	4.5	4.7	4.9	5.1
Urban Tax	347.0	381.1	446.2	488.0	533.3	580.2
Investment Income	<u>0.4</u>	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	<u>1.1</u>	<u>1.1</u>
	<b>\$2,511.8</b>	<b>\$2,600.7</b>	<b>\$2,855.5</b>	<b>\$3,025.8</b>	<b>\$3,190.1</b>	<b>\$3,310.5</b>
<b><i>New State Taxes and Fees</i></b>						
Payroll Mobility Tax	\$1,415.0	\$1,261.4	\$1,248.0	\$1,315.1	\$1,384.7	\$1,452.4
Payroll Mobility Tax Replacement Funds	0.0	255.0	310.0	310.0	310.0	310.0
MTA Aid	<u>303.2</u>	<u>306.1</u>	<u>310.7</u>	<u>315.4</u>	<u>320.1</u>	<u>324.9</u>
	<b>\$1,718.3</b>	<b>\$1,822.5</b>	<b>\$1,868.8</b>	<b>\$1,940.5</b>	<b>\$2,014.8</b>	<b>\$2,087.4</b>
<b><i>State and Local Subsidies</i></b>						
State Operating Assistance	\$190.5	\$187.9	\$187.9	\$187.9	\$187.9	\$187.9
Local Operating Assistance	207.5	220.0	215.3	220.0	221.1	222.2
Nassau County Subsidy	4.6	0.0	0.0	0.0	0.0	0.0
CDOT Subsidy	93.9	77.4	95.6	81.8	83.9	87.3
Station Maintenance	153.2	157.4	160.0	163.0	166.1	168.8
AMTAP	<u>5.6</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	<b>\$655.2</b>	<b>\$642.7</b>	<b>\$658.9</b>	<b>\$652.7</b>	<b>\$659.1</b>	<b>\$666.2</b>
<b>Sub-total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>\$4,885.3</b>	<b>\$5,065.9</b>	<b>\$5,383.1</b>	<b>\$5,619.1</b>	<b>\$5,864.0</b>	<b>\$6,064.1</b>
City Subsidy for MTA Bus	\$264.3	\$404.2	\$321.1	\$335.2	\$367.0	\$388.0
<b>Total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>\$5,149.6</b>	<b>\$5,470.1</b>	<b>\$5,704.2</b>	<b>\$5,954.3</b>	<b>\$6,231.0</b>	<b>\$6,452.2</b>
<b><i>Inter-agency Subsidy Transactions</i></b>						
B&T Operating Surplus Transfer	\$527.7	\$461.6	\$419.0	\$371.8	\$309.2	\$262.5
MTA Subsidy to Subsidiaries	<u>27.2</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	<b>\$554.9</b>	<b>\$461.6</b>	<b>\$419.0</b>	<b>\$371.8</b>	<b>\$309.2</b>	<b>\$262.5</b>
<b>GROSS SUBSIDIES</b>	<b>\$5,704.5</b>	<b>\$5,931.7</b>	<b>\$6,123.3</b>	<b>\$6,326.1</b>	<b>\$6,540.2</b>	<b>\$6,714.6</b>

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**Summary of Changes Between the July and February Financial Plans**  
**Consolidated Subsidies**  
**Accrual Basis**  
(\$ in millions)

	2011	2012	2013	2014	2015
<b><u>Subsidies</u></b>					
<b><i>Dedicated Taxes</i></b>					
Metropolitan Mass Transportation Operating Assist (MMTOA)	\$0.1	\$10.6	(\$3.3)	(\$9.9)	(\$15.7)
Petroleum Business Tax (PBT) Receipts	(1.6)	(6.7)	(2.9)	(0.0)	0.6
Mortgage Recording Tax (MRT)	(5.3)	(16.9)	(26.5)	(16.3)	29.3
MRT Transfer to Suburban Counties	0.6	0.0	0.0	0.0	0.0
Reimburse Agency Security Costs	0.0	0.0	0.0	0.0	0.0
Interest	0.0	0.0	0.0	0.0	0.0
Urban Tax	(6.0)	(14.6)	20.8	17.2	34.7
Investment Income	<u>(0.5)</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	<b>(\$12.6)</b>	<b>(\$27.6)</b>	<b>(\$11.8)</b>	<b>(\$9.1)</b>	<b>\$48.9</b>
<b><i>New State Taxes and Fees</i></b>					
Payroll Mobility Tax	(\$0.3)	\$27.1	\$7.2	\$7.5	\$7.9
Payroll Mobility Tax Replacement Funds	0.0	5.0	0.0	0.0	0.0
MTA Aid	<u>(0.0)</u>	<u>5.0</u>	<u>5.2</u>	<u>5.4</u>	<u>5.5</u>
	<b>(\$0.3)</b>	<b>\$37.1</b>	<b>\$12.3</b>	<b>\$12.9</b>	<b>\$13.5</b>
<b><i>State and Local Subsidies</i></b>					
State Operating Assistance	(\$0.4)	\$0.0	\$0.0	\$0.0	\$0.0
Local Operating Assistance	(2.1)	(2.7)	(1.2)	2.1	1.7
Nassau County Subsidy	0.0	0.0	0.0	0.0	0.0
CDOT Subsidy	(6.4)	(22.2)	(5.7)	(19.0)	(19.1)
Station Maintenance	(1.6)	(0.1)	(0.4)	(0.6)	(1.1)
AMTAP	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	<b>(\$10.6)</b>	<b>(\$25.0)</b>	<b>(\$7.2)</b>	<b>(\$17.5)</b>	<b>(\$18.5)</b>
<b>Sub-total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>(\$23.5)</b>	<b>(\$15.4)</b>	<b>(\$6.7)</b>	<b>(\$13.7)</b>	<b>\$43.9</b>
City Subsidy for MTA Bus	(84.7)	70.1	(6.1)	(6.4)	(9.8)
<b>Total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>(\$108.2)</b>	<b>\$54.6</b>	<b>(\$12.8)</b>	<b>(\$20.1)</b>	<b>\$34.1</b>
<b><i>Inter-agency Subsidy Transactions</i></b>					
B&T Operating Surplus Transfer	31.9	(2.7)	(15.6)	(8.5)	(10.8)
MTA Subsidy to Subsidiaries	<u>6.7</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	<b>\$38.6</b>	<b>(\$2.7)</b>	<b>(\$15.6)</b>	<b>(\$8.5)</b>	<b>(\$10.8)</b>
<b>GROSS SUBSIDIES</b>	<b>(\$69.6)</b>	<b>\$51.9</b>	<b>(\$28.4)</b>	<b>(\$28.6)</b>	<b>\$23.4</b>

# METROPOLITAN TRANSPORTATION AUTHORITY

## July Financial Plan 2013-2016

### Consolidated Subsidies

Cash Basis

(\$ in millions)

	2011 Actual	2012 Mid-Year Forecast	2013 Preliminary Budget	2014	2015	2016
<b><u>Subsidies</u></b>						
<b><i>Dedicated Taxes</i></b>						
Metropolitan Mass Transportation Operating Assist (MMTOA)	\$1,306.6	\$1,343.4	\$1,488.2	\$1,568.0	\$1,640.1	\$1,690.6
Petroleum Business Tax (PBT) Receipts	619.6	623.5	630.9	635.6	638.0	639.7
Mortgage Recording Tax (MRT)	244.8	256.7	295.9	341.9	386.9	410.2
MRT Transfer to Suburban Counties	(2.6)	(1.8)	(3.8)	(5.4)	(7.3)	(6.3)
Reimburse Agency Security Costs	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)
MTA Bus Debt Service	(24.9)	(24.9)	(24.9)	(24.9)	(24.9)	(24.9)
Interest	4.2	4.3	4.5	4.7	4.9	5.1
Urban Tax	352.9	376.0	442.7	484.3	529.3	577.7
Investment Income	<u>0.4</u>	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	<u>1.1</u>	<u>1.1</u>
	<b>\$2,491.0</b>	<b>\$2,568.2</b>	<b>\$2,824.4</b>	<b>\$2,995.1</b>	<b>\$3,158.0</b>	<b>\$3,283.3</b>
<b><i>New State Taxes and Fees</i></b>						
Payroll Mobility Tax	\$1,415.0	\$1,261.4	\$1,248.0	\$1,315.1	\$1,384.7	\$1,452.4
Payroll Mobility Tax Replacement Funds	0.0	255.0	310.0	310.0	310.0	310.0
MTA Aid	<u>303.2</u>	<u>306.1</u>	<u>310.7</u>	<u>315.4</u>	<u>320.1</u>	<u>324.9</u>
	<b>\$1,718.3</b>	<b>\$1,822.5</b>	<b>\$1,868.8</b>	<b>\$1,940.5</b>	<b>\$2,014.8</b>	<b>\$2,087.4</b>
<b><i>State and Local Subsidies</i></b>						
State Operating Assistance	\$190.5	\$187.9	\$187.9	\$187.9	\$187.9	\$187.9
Local Operating Assistance	223.3	239.2	215.3	220.0	221.1	222.2
Nassau County Subsidy	4.6	0.0	0.0	0.0	0.0	0.0
CDOT Subsidy	89.1	77.4	95.6	81.8	83.9	87.3
Station Maintenance	153.2	155.7	157.9	160.7	163.8	166.9
AMTAP	<u>5.6</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	<b>\$666.2</b>	<b>\$660.2</b>	<b>\$656.8</b>	<b>\$650.4</b>	<b>\$656.7</b>	<b>\$664.4</b>
<b><i>Other Subsidy Adjustments</i></b>						
Interagency Loan	(\$269.0)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
NYCT Charge Back of MTA Bus Debt Service	(11.1)	(11.5)	(11.5)	(11.5)	(11.5)	(11.5)
Forward Energy Contracts Program - Gain/(Loss)	(101.6)	(3.3)	(5.2)	0.0	0.0	0.0
Forward Energy Contracts - 2012	0.0	0.0	0.0	0.0	0.0	0.0
MNR Repayment for 525 North Broadway	(7.3)	(2.4)	(2.4)	(2.4)	(2.4)	(2.4)
Repayment of Loan to Capital Financing Fund	0.0	(100.0)	(100.0)	(100.0)	(100.0)	(100.0)
Committed to Capital	(21.4)	(150.0)	(200.0)	(250.0)	(300.0)	(350.0)
Debt Service Paid by Committed to Capital Funds	<u>0.0</u>	<u>18.2</u>	<u>76.4</u>	<u>165.2</u>	<u>261.9</u>	<u>350.0</u>
	<b>(\$410.5)</b>	<b>(\$249.1)</b>	<b>(\$242.7)</b>	<b>(\$198.8)</b>	<b>(\$152.1)</b>	<b>(\$113.9)</b>
<b>Sub-total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>\$4,465.0</b>	<b>\$4,801.8</b>	<b>\$5,107.2</b>	<b>\$5,387.3</b>	<b>\$5,677.4</b>	<b>\$5,921.1</b>
City Subsidy for MTA Bus	\$292.1	\$380.8	\$335.0	\$332.9	\$361.7	\$384.5
<b>Total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>\$4,757.1</b>	<b>\$5,182.7</b>	<b>\$5,442.2</b>	<b>\$5,720.2</b>	<b>\$6,039.1</b>	<b>\$6,305.6</b>
<b><i>Inter-agency Subsidy Transactions</i></b>						
B&T Operating Surplus Transfer	\$509.7	\$486.8	\$423.3	\$376.5	\$315.5	\$267.1
MTA Subsidy to Subsidiaries	<u>27.2</u>	<u>(22.6)</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	<b>\$537.0</b>	<b>\$464.1</b>	<b>\$423.3</b>	<b>\$376.5</b>	<b>\$315.5</b>	<b>\$267.1</b>
<b>GROSS SUBSIDIES</b>	<b>\$5,294.1</b>	<b>\$5,646.8</b>	<b>\$5,865.5</b>	<b>\$6,096.7</b>	<b>\$6,354.6</b>	<b>\$6,572.7</b>

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**Summary of Changes Between the July and February Financial Plans**  
**Consolidated Subsidies**  
**Cash Basis**  
(\$ in millions)

	2011	2012	2013	2014	2015
<b><u>Subsidies</u></b>					
<b><i>Dedicated Taxes</i></b>					
Metropolitan Mass Transportation Operating Assist (MMTOA)	\$0.2	\$10.6	(\$3.3)	(\$9.9)	(\$15.7)
Petroleum Business Tax (PBT) Receipts	(0.8)	(7.0)	(3.1)	(0.1)	0.5
Mortgage Recording Tax (MRT)	(3.2)	(16.7)	(27.1)	(20.3)	27.5
MRT Transfer to Suburban Counties	0.0	0.6	0.0	0.0	0.0
Reimburse Agency Security Costs	0.0	0.0	0.0	0.0	0.0
MTA Bus Debt Service	0.0	0.0	0.0	0.0	0.0
Interest	0.0	0.0	0.0	0.0	0.0
Urban Tax	(5.1)	(17.3)	21.3	15.6	34.8
Investment Income	<u>(0.5)</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	<b>(\$9.4)</b>	<b>(\$29.8)</b>	<b>(\$12.2)</b>	<b>(\$14.7)</b>	<b>\$47.1</b>
<b><i>New State Taxes and Fees</i></b>					
Payroll Mobility Tax	(\$0.3)	\$27.1	\$7.2	\$7.5	\$7.9
Payroll Mobility Tax Replacement Funds	0.0	5.0	0.0	0.0	0.0
MTA Aid	<u>(0.0)</u>	<u>5.0</u>	<u>5.2</u>	<u>5.4</u>	<u>5.5</u>
	<b>(\$0.3)</b>	<b>\$37.1</b>	<b>\$12.3</b>	<b>\$12.9</b>	<b>\$13.5</b>
<b><i>State and Local Subsidies</i></b>					
State Operating Assistance	(\$0.4)	\$0.0	\$0.0	\$0.0	\$0.0
Local Operating Assistance (18-b)	(21.4)	16.5	(1.2)	2.1	1.7
Nassau County Subsidy (includes 18-b local match)	0.0	0.0	0.0	0.0	0.0
CDOT Subsidy	(11.3)	(22.2)	(5.7)	(19.0)	(19.1)
Station Maintenance	0.0	0.4	(0.2)	(0.4)	(0.7)
AMTAP	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	<b>(\$33.1)</b>	<b>(\$5.4)</b>	<b>(\$7.1)</b>	<b>(\$17.3)</b>	<b>(\$18.1)</b>
<b><i>Other Subsidy Adjustments</i></b>					
Inter-Agency Loan	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
NYCT Charge Back of MTA Bus Debt Service	0.4	0.0	0.0	0.0	0.0
Forward Energy Contracts Program - Initiated in 2011	2.6	(103.0)	(5.2)	0.0	0.0
Forward Energy Contracts - 2012 (12 mth Contract)	0.0	100.0	0.0	0.0	0.0
MNR Repayment for 525 North Broadway	0.0	0.0	0.0	0.0	0.0
Repayment of Loan to Capital Financing Fund	0.0	0.0	0.0	0.0	0.0
Committed to Capital	0.0	0.0	0.0	0.0	0.0
Debt Service Paid by Committed to Capital Funds	<u>0.0</u>	<u>18.2</u>	<u>76.4</u>	<u>165.2</u>	<u>261.9</u>
	<b>\$3.0</b>	<b>\$15.2</b>	<b>\$71.2</b>	<b>\$165.2</b>	<b>\$261.9</b>
<b>Sub-total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>(\$39.8)</b>	<b>\$17.2</b>	<b>\$64.3</b>	<b>\$146.0</b>	<b>\$304.3</b>
City Subsidy for MTA Bus	(\$46.6)	\$44.3	\$6.6	(\$6.3)	(\$9.2)
<b>Total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>(\$86.4)</b>	<b>\$61.5</b>	<b>\$70.9</b>	<b>\$139.7</b>	<b>\$295.1</b>
<b><i>Inter-agency Subsidy Transactions</i></b>					
B&T Operating Surplus Transfer	\$10.1	\$19.3	(\$14.3)	(\$9.3)	(\$10.6)
MTA Subsidy to Subsidiaries	<u>6.7</u>	<u>(22.6)</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	<b>\$16.8</b>	<b>(\$3.3)</b>	<b>(\$14.3)</b>	<b>(\$9.3)</b>	<b>(\$10.6)</b>
<b>GROSS SUBSIDIES</b>	<b>(\$69.5)</b>	<b>\$58.1</b>	<b>\$56.6</b>	<b>\$130.5</b>	<b>\$284.6</b>

## **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.

The estimate of total taxes in the Statewide Mass Transportation Operating Assistance Fund for 2012 is \$1,976 million, of which \$1,792 million is allotted for Downstate transit properties. Of the Downstate allotment, \$888 million in non-18b funds is appropriated for the benefit of MTA NYCT/SIR and \$455 million for the Commuter Railroads. In addition, \$190 million, which includes \$154 million for NYCT/SIR and \$21 million for the Commuter Railroads, is earmarked to fund the State's 18-b obligation. The 2012 percentage allocations of the Downstate share of MMTOA are 58% for NYCT/SIR and 27% for the Commuter Railroads. These percentages are based on the actual amounts appropriated in NYS' 2012-13 Enacted Budget. MMTOA and State 18-b funds were also allotted to MTA Bus and other downstate transportation properties.

Based on the latest revenue projections in NYS' 2012-13 Enacted Budget, on a year-to-year basis, the Mid-Year forecast of MTA MMTOA revenues are expected to increase by \$145 million (11%) in 2013, \$80 million (5%) in 2014, \$72 million (5%) in 2015 and \$51 million (3%) in 2016. On a plan-to-plan basis, the July Plan MTA MMTOA revenues are expected to decrease from the February Plan forecasts in all the years in the Plan period, details of which are discussed in the sections that follow.

The July Plan estimates include the enacted change in the split of the Transportation and Transmission Tax between the Metropolitan Mass Transportation Operating Assistance (MMTOA) and Public Transportation Systems Operating Assistance (PTOA). Previously, eighty percent (80%) of the Transportation and Transmission Taxes flowed into the downstate MMTOA Account; however this change diverts twenty-six percent (26%) to the upstate PTOA account, leaving fifty-four percent (54%) in the MMTOA account. The MTA reduction due to the change is projected to be \$21 million based on NYS DOB's latest estimates.

### **2012 Mid-Year Forecast**

The 2012 MTA MMTOA Mid-Year Forecast reflects the New York State 2012-13 Enacted Budget appropriation of \$1,343 million, which is \$11 million above the February Plan forecast. When compared with 2011, the 2012 projected revenues for NYCT/SIR and the Commuter Railroads combined are higher by \$81 million. Of the total estimated MMTOA receipts for 2012, \$888 million is appropriated for NYCT/SIR and \$455 million for the Commuter Railroads.

The 2012 Mid-Year Forecast assumes that the State's funding of its 18-b obligations remains at the 2011 level of \$175 million, which is consistent with the February Plan. The 2012 percentage allocations of MTA's share of downstate MMTOA, 58% for NYCT/SIR and 27% for the Commuter Railroads, are derived from the actual amounts appropriated by the State.

### **2013 Preliminary Budget**

For 2013, total estimated MTA MMTOA revenue is \$1,488 million, which is \$3 million below the February Plan level. Of the total, \$946 million is earmarked for NYCT/SIR and \$542 million is earmarked for the Commuter Railroads. These forecasts reflect NYS' latest reforecast of revenues in the 2012-13 Enacted Budget.

The 2013 Preliminary Budget assumes that the State's funding of its 18-b obligations for NYCT and Commuter Railroads will remain at the 2012 level of \$175 million, which is consistent with the February Plan. The percentage allocations of MMTOA's downstate share that comes to the MTA represent 56% for NYCT/SIR and 29% for the Commuter Railroads.

Revenues for the Sales Tax, Petroleum Business Tax, and Corporate Surcharge components of MMTOA are expected to grow annually from the 2012 level by 4%, 4% and 3%, respectively. There is no change expected in the level of Corporate Franchise Tax, which remains flat through the Plan period. (See the table at the end of this section).

### **2014 – 2016**

For 2014 through 2016, the MTA MMTOA forecast is based on New York State's latest projections of revenues from sale taxes, petroleum business taxes, corporate franchise taxes and corporate tax surcharge in its 2012-13 Enacted Budget. The July Plan projections are \$1,568 million in 2014, \$1,640 million in 2015, and \$1,691 in 2016, with unfavorable variances of \$10 million in 2014 and \$16 million in 2015 relative to the February Plan estimates.

For 2013 through 2016, 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>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Sales Tax		4%	3%	3%	0%
Petroleum Business Tax		4%	1%	1%	0%
Corporate Franchise Tax		0%	0%	0%	0%
Corporate Tax Surcharge		3%	7%	5%	5%



**MMTOA STATE DEDICATED TAXES**  
**JULY FINANCIAL PLAN 2013-2016**  
(\$ in millions)

	ACTUAL	FORECAST				
	2011	2012	2013	2014	2015	2016
<b><u>Forecast of MMTOA Gross Receipts (\$FY):</u></b>						
Sales Tax	\$774.3	\$823.3	\$854.3	\$883.3	\$913.3	\$913.3
PBT	129.0	138.3	143.4	144.5	145.6	146.2
Corporate Franchise	65.0	65.0	65.0	65.0	65.0	65.0
Corporate Surcharge	858.0	949.0	975.0	1,039.0	1,093.0	1,152.0
Investment Income	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Gross Receipts Available for Allocation</b>	<b>\$1,826.3</b>	<b>\$1,975.6</b>	<b>\$2,037.7</b>	<b>\$2,131.8</b>	<b>\$2,216.9</b>	<b>\$2,276.5</b>

**Allocation of Total Gross Receipts to DownState:**

Total Gross Receipts	\$1,826.3	\$1,975.6	\$2,037.7	\$2,131.8	\$2,216.9	\$2,276.5
Less: Upstate Share of PBT	(58.1)	(62.2)	(64.5)	(65.0)	(65.5)	(65.8)
Less: Upstate Share of Transmission	0.0	(21.5)	(21.5)	(21.5)	(21.5)	(21.5)
Less: Repay Negative Fund Balance	0.0	0.0	0.0	0.0	0.0	0.0
Less: New Fund Balance	0.0	(100.0)	0.0	0.0	0.0	0.0
Upstate Percent Share of Investment Income	3.18%	3.15%	3.17%	3.05%	2.96%	2.89%
Less: Upstate Share of Investment Income	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Net DownState Share Available for Allocatio</b>	<b>\$1,768.3</b>	<b>\$1,791.9</b>	<b>\$1,951.7</b>	<b>\$2,045.3</b>	<b>\$2,129.9</b>	<b>\$2,189.3</b>
Less: 18-B Adjustment	(189.5)	(189.5)	(189.5)	(189.5)	(189.5)	(189.5)
<b>Adjusted Total Net DownState Share for Allocatio</b>	<b>\$1,578.7</b>	<b>\$1,602.4</b>	<b>\$1,762.2</b>	<b>\$1,855.8</b>	<b>\$1,940.4</b>	<b>\$1,999.7</b>

**Allocation of Total Net DownState Share to NYCT/SIR:**

NYCT/SIR Share	56.87%	58.17%	56.36%	56.36%	56.36%	56.36%
From Total Net DownState Share	\$1,005.6	\$1,042.3	\$1,099.9	\$1,152.7	\$1,200.4	\$1,233.8
Less: 18-B Adjustment	(153.9)	(153.9)	(153.9)	(153.9)	(153.9)	(153.9)
Adjusted Total Net DownState Share	\$851.8	\$888.4	\$946.1	\$998.8	\$1,046.5	\$1,080.0
From Carryover	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total NYCT/SIR Share of Net DownState Share</b>	<b>\$851.8</b>	<b>\$888.4</b>	<b>\$946.1</b>	<b>\$998.8</b>	<b>\$1,046.5</b>	<b>\$1,080.0</b>
Total SIR Share (Cash)	3.0	3.1	3.3	3.5	3.7	3.8
<b>Total NYCT Share of Net DownState Share</b>	<b>\$848.9</b>	<b>\$885.3</b>	<b>\$942.8</b>	<b>\$995.3</b>	<b>\$1,042.9</b>	<b>\$1,076.2</b>

**Allocation of Total Net DownState Share to MTA:**

MTA Share	24.42%	26.57%	28.86%	28.86%	28.86%	28.86%
From Total Net DownState Share	\$431.7	\$476.2	\$563.3	\$590.3	\$614.7	\$631.9
Less: 18-B Adjustment	(21.2)	(21.2)	(21.2)	(21.2)	(21.2)	(21.2)
Adjusted Total Net DownState Share	\$410.5	\$455.0	\$542.1	\$569.1	\$593.5	\$610.7
From Carryover	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total MTA Share of Net DownState Share</b>	<b>\$410.5</b>	<b>\$455.0</b>	<b>\$542.1</b>	<b>\$569.1</b>	<b>\$593.5</b>	<b>\$610.7</b>

**Allocation of Total Net DownState Share to LIB:**

LI Bus Share	2.67%	0.00%	0.00%	0.00%	0.00%	0.00%
From Total Net DownState Share	\$47.2	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Less: Used for 18-B/other	(2.1)	0.0	0.0	0.0	0.0	0.0
Adjusted Total Net DownState Share	44.2	0.0	0.0	0.0	0.0	0.0
From Carryover	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total LIB Share of Net DownState Share</b>	<b>\$44.2</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>

## **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-six percent (66%) 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. On an annual basis to date, PBT Receipts have been sufficient to meet all debt service commitments and no MMTOA Taxes have been used 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 2012 MTA July Plan reflects NYS' most recent revenue projections in its 2012-13 Enacted Budget. On a year-to-year basis, the MTA PBT revenues, on a cash basis, are expected to increase in 2012 by \$4 million, in 2013 by \$7 million, in 2014 by \$5 million, in 2015 by \$2 million and in 2016 by \$2 million. On a plan-to-plan basis, the July Plan PBT revenues are expected to decrease from the February Plan forecasts by \$7 million in 2012, by \$3 million in 2013 and by less than \$100 thousand in 2014, and increase slightly in 2015. Details of these variances are discussed in the following sections.

### **2012 Mid-Year Forecast**

The 2012 MTA Mid-Year PBT estimate, on a cash basis, is \$624 million, which is \$7 million below the February Plan forecast. The estimate was revised downward to reflect the State's appropriation in the 2012-13 Enacted Budget. Of the total PBT allocation, 85% or \$530 million is earmarked for New York City Transit and 15% or \$94 million for the commuter railroads.

On an accrual basis, the PBT estimate for 2012 is \$624 million. The accrual estimate is based on a one-month lag in the booking and collection of PBT proceeds.

### **2013 Preliminary Budget**

The 2013 MTA PBT cash projection is \$631 million, which is \$3 million below the February Plan estimate, reflecting NYS' Enacted Budget re-estimates of PBT revenues. On an accrual basis, the 2012 PBT estimate is \$631 million, an increase of \$7 million from the prior year's level.

### **2014 - 2016**

For 2014 through 2016, PBT cash estimates are \$636 million, \$638 million and \$640 million, respectively. The PBT estimate is slightly below the February Plan in 2014 and slightly above the estimates in 2015, based on NYS' most recent Enacted Budget revenue projections. The 2014 through 2016 PBT forecasts are higher than the previous year by 0.7% in 2014, 0.4% in 2015 and 0.3% in 2016.

On an accrual basis, PBT estimates for 2014 through 2016 are \$636 million, \$638 million and \$640 million, respectively.

**PETROLEUM BUSINESS TAX PROJECTIONS**  
**JULY FINANCIAL PLAN 2013-2016**  
(\$ in millions)

	<b>ACTUAL</b>	<b>FORECAST</b>				
	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>Total Net PBT Collections Available for Distribution</b>	<b>\$1,822.4</b>	<b>\$1,833.8</b>	<b>\$1,855.6</b>	<b>\$1,869.3</b>	<b>\$1,876.4</b>	<b>\$1,881.6</b>

**Distribution Shares:**

MTA Total	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%
Other Transit	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Highway Trust Fund	63.0%	63.0%	63.0%	63.0%	63.0%	63.0%
General Fund	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Share Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

**Amount of Total Net Collections Available for the MTA:**

<b>MTA Total</b>	<b>\$619.6</b>	<b>\$623.5</b>	<b>\$630.9</b>	<b>\$635.6</b>	<b>\$638.0</b>	<b>\$639.7</b>
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**Accrued**

NYCT/SIR Share of MTA Total	\$526.7	\$530.5	\$536.6	\$540.4	\$542.4	\$543.8
Commuter Railroad Share of MTA Total	<u>92.9</u>	<u>93.6</u>	<u>94.7</u>	<u>95.4</u>	<u>95.7</u>	<u>96.0</u>
<b>MTA Total of Net Collections</b>	<b>\$619.6</b>	<b>\$624.1</b>	<b>\$631.3</b>	<b>\$635.8</b>	<b>\$638.1</b>	<b>\$639.8</b>

**Cash**

NYCT/SIR Share of MTA Total	\$526.7	\$530.0	\$536.3	\$540.2	\$542.3	\$543.8
Commuter Railroad Share of MTA Total	<u>92.9</u>	<u>93.5</u>	<u>94.6</u>	<u>95.3</u>	<u>95.7</u>	<u>96.0</u>
<b>MTA Total of Net Collections</b>	<b>\$619.6</b>	<b>\$623.5</b>	<b>\$630.9</b>	<b>\$635.6</b>	<b>\$638.0</b>	<b>\$639.7</b>

## **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 (0.3%) of the debt secured by certain real estate mortgages. 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, any 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 at a rate of one-quarter of one percent (0.25%) 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 post-1989 tax 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 2012 consist of actual receipts through June. Receipts for the second half of 2012 are assumed to be unchanged from the receipts collected in the first half of the year.

This is consistent with year-to-date collections that have been very stable from month to month. As with the projections presented in the February Financial Plan, MTA consulted with real estate tax analysts at New York City's Office of Management and Budget prior to the preparation of MRT forecasts. Based on those discussions, growth assumptions reflect the City's latest forecast as well as projections of suburban real estate activity and an analysis of recent conditions. That said, forecasts for the plan period have been developed on a 2012 base that is \$17 million lower than the base used for the February Plan, reflecting unfavorable year-to-date variances.

### **2012 Mid-Year Forecast**

MRT receipts are forecast to be \$257 million in 2012, \$12 million (5%) more than 2011 MRT receipts. This projected increase would be the second annual increase after four years of declines from 2007 to 2010. MRT-1, which is collected on mortgages for both commercial and residential properties, is projected to increase \$12 million (7%) while MRT-2, which is paid only on residential properties with fewer than seven units in the structure, is forecast to be almost unchanged (up just \$300 thousand, or 0.4%) compared with 2011 receipts.

The 2012 Mid-Year Forecast for MRT is \$17 million (6%) less than the Adopted Budget forecast, reflecting slower recovery mortgage borrowing than anticipated in the February Plan. MRT-1 is estimated to be \$10 million (5%) less than the Adopted Budget, while MRT-2 is projected to be \$7 million (7%) less than the Adopted Budget.

### **2013 Preliminary Budget**

Projections indicate that, while recent improvements in the regional economy will continue and will spur growth in mortgage recordings, growth will be slower than anticipated in the February Plan. MRT receipts are forecast to be \$296 million in 2013, \$39 million (15%) greater than the 2012 Mid-Year Forecast. The projected 2013 MRT increase, coupled with the modest increases for 2011 and 2012, will still leave MRT receipts more than 60 percent lower than when MRT receipts peaked in 2006. Two-thirds of the MRT increase in 2013 is expected to come from MRT-1 receipts, which is projected to increase \$27 million (15%); MRT-2 receipts are forecast to increase \$13 million (15%).

The 2013 Preliminary Budget for MRT is \$27 million (8%) less than the February Plan forecast, reflecting both a lower 2012 base and a smaller year-over-year increase (15% vs. 18% in February). MRT-1 is estimated to be \$14 million (7%) less than the February Plan forecast, while MRT-2 is projected to be \$13 million (12%) less than the February Plan forecast.

### **2014 - 2016**

MRT receipts are expected to improve annually, increasing \$46 million in 2014, \$45 million in 2015 and \$23 million in 2016. Despite these increases, projected 2016 MRT receipts will still be 46 percent below receipts from ten years earlier, when MRT receipts peaked in 2006.

For 2014, projected MRT receipts in the July Plan are \$20 million (6%) lower than the forecast in the February Plan, a continuation of the impact of the lower 2012 base and smaller 2013 year-over-year increase. However, the July Plan projects stronger 2013-to-2014 growth than was estimated in February.

For 2015, MRT receipts are expected to be \$28 million (8%) higher than was forecast in the February Plan. This improvement reflects a change in the forecasting methodology for the outer years of plan periods. In the July Plan, outer-year forecasts are based on projections of transaction activity and sale prices provided by Global Insight. For previous plans, a simple relationship between MRT receipts and population and US Treasury rates was employed.

The following table summarizes MRT year-to-year changes in the July Plan:

	2012	2013	2014	2015	2016
MRT-1	7%	15%	15%	13%	6%
MRT-2	0%	15%	17%	14%	5%
TOTAL	5%	15%	16%	13%	6%

The projected growth in MRT receipts reflects annual improvements in the regional economy over the course of the plan period, which is expected to have favorable impacts on housing demand – and by extension housing prices – in the MTA region.

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

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 Plan, an annual amount of \$10 million has been earmarked in the July Plan to cover these security expenses from 2012 through 2016.

In addition, the July Plan assumes that funds from subsidies will be used to cover debt service cash flow requirements and loan repayment of the MTA Bus Company (MTABC). In negotiations with the City, during the MTA takeover of the private buses, a package that consisted of bond proceeds (\$209 million) and inter-agency loans (\$114 million) was used to finance MTABC's capital investment. Pursuant to the agreement with the City, 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 July Plan estimates of the required amounts are \$25 million annually beginning in 2012 and continuing for the duration of the Plan period, which are earmarked to cover debt service on bonds and loan repayment. This reflects no changes to the February Plan.

**SUMMARY OF MORTGAGE RECORDING TAX PROJECTIONS**  
**JULY FINANCIAL PLAN 2013-2016**  
(\$ in millions)

**Cash Basis**

	ACTUAL	FORECAST				
	2011	2012	2013	2014	2015	2016
<b>MORTGAGE RECORDING TAX #261-1</b>						

**Receipts Available for Transfer to NYCT and CRs:**

Total Gross Receipts	\$160.2	\$171.8	\$198.3	\$227.7	\$256.7	\$272.8
Less: MTAHQ Operating Deficit	(324.0)	(320.3)	(320.5)	(317.0)	(323.6)	(333.5)
<b>Receipts Available for Transfer</b>	<b>(\$163.8)</b>	<b>(\$148.5)</b>	<b>(\$122.2)</b>	<b>(\$89.3)</b>	<b>(\$67.0)</b>	<b>(\$60.7)</b>
Adjustments	0.0	0.0	0.0	0.0	0.0	0.0
MRT-2 Required to Balance	163.8	148.5	122.2	89.3	67.0	60.7
<b>Adjusted Receipts Available for Transfer</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>

**Allocation of Net Receipts to NYCT/SIR Account:**

Opening Balance	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
NYCT/SIR Share	55%	55%	55%	55%	55%	55%
From Current Year Net Receipts	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total NYCT/SIR Net Cash Share</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
Total SIR Net Cash Share	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total NYCT Net Cash Share</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>

**Allocation of Net Receipts to Commuter Railroad Account:**

Opening Balance - CR/SHF	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Commuter Railroad Share	45%	45%	45%	45%	45%	45%
From Net Receipts	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Commuter Railroad Net Cash Share</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>

**MORTGAGE RECORDING TAX #261-2**

**Receipts Available**

Total Receipts to Corporate Account	\$84.6	\$84.9	\$97.6	\$114.2	\$130.3	\$137.4
All Agency Security Pool	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)
MTA Bus Debt Service	(24.9)	(24.9)	(24.9)	(24.9)	(24.9)	(24.9)
General Reserve	0.0	(62.0)	(130.0)	(135.0)	(145.0)	(150.0)
Investment Income	4.2	4.3	4.5	4.7	4.9	5.1
<b>Total Receipts Available for Transfer</b>	<b>\$53.9</b>	<b>(\$7.7)</b>	<b>(\$62.9)</b>	<b>(\$51.0)</b>	<b>(\$44.8)</b>	<b>(\$42.4)</b>

**Use of Total Receipts:**

DORF Opening Balance	\$4.5	\$4.5	\$4.5	\$4.5	\$4.5	\$4.5
Less: Transfer to MTA DORF Account	(7.1)	(6.3)	(8.3)	(9.9)	(11.8)	(10.7)
Less: Transfer to MTAHQ Funds	(163.8)	(148.5)	(122.2)	(89.3)	(67.0)	(60.7)
<b>Net Receipts Available</b>	<b>(\$112.6)</b>	<b>(\$158.0)</b>	<b>(\$188.9)</b>	<b>(\$145.7)</b>	<b>(\$119.0)</b>	<b>(\$109.4)</b>



## **URBAN TAXES**

Urban Taxes consist of two distinct taxes applied to certain commercial real property transactions and mortgage recordings within New York City: a Mortgage Recording Tax (MRT) imposes a five-eighths of one-percent (0.625%) levy on mortgages exceeding \$500,000 on New York City commercial properties; and, a Real Property Transfer Tax (RPTT) imposes a one percent levy 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% is earmarked as subsidy for the New York City private buses; the City utilizes these funds to reimburse MTA Bus expenses. Figures below reflect the 90% of Urban Tax receipts earmarked to NYCT general operations.

### **Forecast Methodology**

Forecasts of Urban Tax receipts for 2012 consist of actual receipts through June. Receipts for the second half of the year are assumed to be unchanged from receipts collected in the first half of the year. This is consistent with year-to-date collections that have been very stable from month to month. As with the projections presented in the February Financial Plan, MTA consulted with real estate tax analysts at New York City's Office of Management and Budget prior to the preparation of the Urban Tax forecasts. Based on those discussions, growth assumptions reflect both the City's latest forecast as well as an analysis of recent conditions. That said, forecasts for the plan period have been developed on a 2012 base that is \$17 million lower than the base used for the February Plan, reflecting unfavorable year-to-date variances.

### **2012 Mid-Year Forecast**

Urban Tax receipts are forecast to be \$376 million in 2012, \$23 million (7%) more than 2011 receipts. While this increase follows a \$179 million increase (103%) in 2011 and a more modest \$23 million increase (15%) in 2010, it also follows an 83% decline from 2007 to 2009, when annual receipts fell by \$733 million in two years. The growth in receipts since 2009 represents about 45% of the 2007 to 2009 decline. RPTT receipts are projected to increase \$3 million (1%) and MRT receipts are forecast to be \$20 million (23%) above 2011 receipts.

The 2012 Mid-Year Forecast for the Urban Taxes is \$17 million less than the Adopted Budget forecast, a 4% reduction that reflects unfavorable year-to-date variances for both RPTT and MRT during the first half of 2012. Compared with the Adopted Budget, RPTT is estimated to be \$12 million (4%) less while MRT is projected to be \$6 million less (5%). While commercial real estate activity in New York City has been stronger than in 2011, it nonetheless remains weaker than the level of activity assumed in the Adopted Budget, reflecting lingering concerns about the strength of the economic recovery.

### **2013 Preliminary Budget**

Despite those concerns and its effect on 2012 receipts, projections indicate that recent improvements in the region's economy will continue and spur more sustained growth in real estate activity; in fact, real estate activity expected in 2012 will be realized during 2013, in addition to modestly stronger growth compared with the February Plan. Urban Tax receipts are forecast to be \$443 million in 2013, \$67 million (18%) greater than 2012. This projected increase, while building on the increase that is projected for 2012, will nonetheless still result in receipts that are just half of the Urban Tax's peak in 2007. About three-quarters of the increase is expected to come from RPTT receipts, which are projected to increase \$48 million (18%), while MRT receipts are forecast to increase \$19 million (18%).

The 2013 Preliminary Budget for the Urban Taxes is \$21 million more than the February Plan forecast (5%), reflecting a year-over-year increase that is more pronounced than projected in the February Plan (18% vs. 7% in February). RPTT is estimated to be \$18 million more (6%) than the February Plan forecast, while MRT is projected to be \$3 million more (2%) than the February Plan forecast.

### **2014 - 2016**

Urban Tax receipts are expected to improve annually, increasing by \$42 million in 2014, \$45 million in 2015 and \$48 million in 2016. Despite these increases, projected 2016 Urban Tax receipts will still be 35 percent below receipts from nine years earlier, when Urban Tax receipts peaked in 2007.

For 2014 and 2015, Urban Tax receipts in the July Plan exceed the projections in the February Plan. Receipts are projected to be above the February Plan by \$16 million (3%) for 2014 and by \$35 million (7%) for 2015.

The following table summarizes Urban Tax year-to-year changes in the July Plan:

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Real Property Transfer Tax	1%	18%	9%	9%	9%
Mortgage Recording Tax	23%	18%	10%	10%	9%
<b>TOTAL</b>	<b>7%</b>	<b>18%</b>	<b>9%</b>	<b>9%</b>	<b>9%</b>

The projected growth in Urban Tax receipts reflects annual improvements in the regional economy over the course of the plan period, which is expected to have favorable impacts on commercial real estate activity in New York City.

## PAYROLL MOBILITY TAX

The Payroll Mobility Tax (PMT)<sup>1</sup> was enacted in 2009 by New York State (Chapter 25 of the Laws of 2009) to provide a stable source of revenues for the MTA that would also address the MTA's revenue shortfall and operating budget gap. It is also referred to interchangeably as the Metropolitan Commuter Transportation Mobility Tax (MCTMT). Legislation enacted in December 2011 significantly changed the payroll mobility tax, effective April 1, 2012. The new legislation, referred to as the "December Act", eliminates the payroll mobility tax imposed within the MTA Commuter Transportation District ("MCTD") for the following taxpayers:

- Employers with payroll expense less than or equal to \$312,500 in any calendar quarter;
- Any public school district, board of cooperative educational services, public elementary or secondary school, school serving students with disabilities of school age and any nonpublic elementary or secondary school that provides instruction in grade one or above; and
- Individuals with net earnings from self-employment attributable to the MCTD that do not exceed \$50,000 for the tax year.

The new legislation reduces the payroll mobility tax liability for the following taxpayers:

- Employers with payroll expense no greater than \$375,000 in any calendar quarter are subject to reduced tax rate of 0.11 percent; and
- Employers with payroll expense greater than \$375,000 but not greater than \$437,500 in any calendar quarter are subject to reduced tax rate of 0.23 percent.

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<sup>1</sup> A payroll tax with rates of 0.11 percent, 0.23 percent or 0.34 percent based on total payroll expenses, imposed on certain employers and on net earnings of certain self-employed individuals engaged in business within the 12-county region serviced by the MTA, referred to as the Metropolitan Commuter Transportation District (MCTD). The entire proceeds from the mobility tax are remitted by employers to the State for deposit into an account that benefits the MTA.

When the tax was first enacted in 2009, it applied to all employers in the MCTD and was imposed on the earnings of all self-employed individuals within the MCTD at a flat rate of 0.34 percent. School districts were also required to pay the tax, but the legislation mandated that the tax payments from school districts be reimbursed by the State.

The legislation permits the MTA to utilize the payroll mobility tax revenues:

- As pledged revenue to secure and be applied to the payment of bonds to be issued in the future to fund capital projects of the MTA and NYCTA and NYCTA subsidiaries;
- To pay capital costs, including debt service of MTA and its subsidiaries, and NYCTA and its subsidiaries;
- To pay for costs, including operating costs of MTA and its subsidiaries, and NYCTA and its subsidiaries.

Employers with payroll expense in excess of \$437,500 in any calendar quarter continue to pay a tax rate of 0.34 percent.

Further, the December Act expressly provides that any reductions in transit aid attributable to these reductions in the payroll mobility tax “shall be offset through alternative sources that will be included in the state budget”; these alternative sources are known as the “PMT Revenue Offset” or “PMT Replacement Funds”.

Based on the MTA July Plan estimates, the PMT is expected to generate \$1,261 million for the MTA in 2012, \$1,248 million in 2013, \$1,315 million in 2014, \$1,385 million in 2015 and \$1,452 million in 2016. In addition, the State has committed to paying \$250 million in PMT replacement funds in 2012 and \$310 million in 2013 and beyond. Further, the 2012 July estimate includes a \$5 million payment from the State for MTA B&T to reimburse residents of the Rockaway section of Queens for bridge tolls necessary to access their homes. The 2012 estimate is prorated for three-quarters of the year because the tax changes in the new legislation took effect on April 1, 2012. Total MTA PMT including the replacement funds is \$1,516 million in 2012, \$1,558 in 2013, \$1,625 in 2014, \$1,695 in 2015 and \$1,762 in 2016.

Compared with the February Plan, the 2012 Preliminary Budget PMT estimate is higher by \$27 million (2%). The estimate is higher by \$7 million (1%) in 2013, \$8 million (1%) in 2014 and \$8 million (1%) in 2015.

### **2012 Mid-Year Forecast**

The 2012 Mid-Year forecast of PMT revenues of \$1,261 million is \$27 million higher than February; this does not include the \$250 million in PMT replacement funds or the \$5 million payment to MTA B&T. Total PMT for 2012, including these additional funds, is \$1,516 million. The 2012 forecast is based on a June year-to-date favorable variance of \$27 million. The majority of the 2012 variance is the result of catch-up first quarter payments by certain small businesses that will no longer be subject to the tax, partially offset by lower bonuses in the financial services industry. As a consequence, only a small portion of the favorable variance is expected to recur in future years. For the second half of the year the Plan assumes that collections will be unchanged from the February Plan.

### **2013 Preliminary Budget**

The 2013 Preliminary Budget PMT forecast is \$1,248 million, which is \$7 million higher than February Plan, due to the slight year-to-date recurring increase in the 2012 base year forecast that carries to the out years. When combined with the PMT replacement funds of \$310 million for the first full year impact of the tax law changes, the 2013 Total PMT is \$1,558 million.

**2014 - 2016**

The July Plan PMT forecast is \$1,315 million for 2014, \$1,385 million for 2015 and \$1,452 million for 2016. These estimates are \$8 million higher than the February Plan in both 2014 and 2015. The PMT replacement funds for each of the out-years remain flat at \$310 million. Consistent with the February Plan, the July Plan continues to assume 5 percent growth per annum from the prior year's level.

## **MTA AID TRUST REVENUES**

Legislative actions 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.

The Mid-Year forecast of total MTA Aid taxes for 2012 is \$306 million, which is higher than the February Plan estimate by \$5 million (2%). The increase is due primarily to expansion of the tax base for the Taxicab Tax to include for-hire car services, which will generate additional revenues.

For 2013 through 2016, the Plan assumes overall annual growth of 1.5 percent per annum, which is consistent with the February Plan, and accounts for anticipated moderate favorable economic activity over the years covered by the Plan. The resulting favorable variance for the out years are \$5 million (1.7%) in 2013, \$5 million (1.7%) in 2014 and \$6 million (1.8%) in 2015.

### **2012 Mid-Year Forecast**

The 2012 Mid-Year estimate of MTA Aid is \$306 million, which is \$5 million higher than the February Plan estimate. The increase over the prior plan is due to additional revenues from imposing the \$0.50 per ride on for-hire car services for rides that originate in New York City and terminate in one of the counties in the MTA region.

### **2013 Preliminary Budget**

The MTA Aid forecast for 2013 in the MTA July Plan is \$311 million, which is \$5 million higher than the February Plan forecast. The July Plan continues to assume moderate growth of 1.5 percent per annum to account for anticipated moderate favorable economic activity over the years covered by the Plan.

### **2014 – 2016**

The July Plan forecast for MTA Aid revenues is \$315 million in 2014, \$320 million in 2015 and \$325 million in 2016. The estimates are above the February Plan levels by \$5 million in 2014 and \$6 million in 2015.

## STATE AND LOCAL SUBSIDIES

State and Local Subsidies consist of the following:

- *New York State Operating Assistance* - a statewide mass transportation program (State 18-b Operating Assistance) 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 Operating Assistance* - Each County in the MTA Transportation District is required by the transportation law to match the amounts of 18-b Operating Assistance paid by the State. The matching payments are to be made quarterly to the MTA. This also includes any other assistance from NYC and the localities.
- *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.
- *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.
- *New York City Subsidy for SI Railway* – subsidy payments made by New York City to cover expenses associated with SI Railway operations.



### **2012 Mid-Year Forecast**

In the 2012 Mid-Year Forecast, the total State and Local cash subsidy estimate is \$660 million, \$5 million below the February Plan level. The change is primarily due to lower CDOT subsidy to MNR (\$22 million) resulting from higher revenues and lower expenses. This was offset by favorable New York City Subsidy for Staten Island Railway (\$17 million) due primarily to a delay in the 2011 reimbursement that is carried over to the current year. On an accrual basis, total State and Local subsidy is \$25 million unfavorable.

For 2012, the cash forecast of City Subsidy to MTA Bus increased by \$44 million from the February Plan level. This was primarily due to favorable cash timing adjustments.

### **2013 – 2016**

When compared with the February Plan, total State and Local subsidy are lower than the February Plan projections by \$7 million in 2013, \$17 million in 2014, and \$18 million in 2015. This was due primarily to unfavorable re-estimates of CDOT subsidies to MNR, reflecting higher revenues and lower expenses.

## **SUBSIDY AND OTHER TECHNICAL ADJUSTMENTS**

In addition to the adjustments to MRT-2, which are discussed in the MRT Section, the July Plan includes other subsidy adjustments for 2012 through 2016.

MTA Bus Debt Service - Consistent with the February Plan, the July Plan reflects the MTA's agreement with the City of New York to fund a portion of MTA Bus' debt service from New York City Transit subsidies each year, which is \$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 in which Federal capital grant moneys earmarked for MTA Bus are paid directly to New York City Transit; NYCT applies these funds to cover its own capital projects and in turn reimburses MTA Bus. This is in addition to the MTA's funding of all capital costs associated with MTABC's 2005-2009 Capital Program, currently estimated at \$25 million annually that was pursuant to an agreement between the MTA and the City of New York that MTA would pay the debt service cost on bonds and repayment on interagency loans that made up a package of funds for MTABC's capital investment (\$323 million) at the time of the take-over of the private buses by the MTA. [For details see *Other MRT-2 Adjustments* in the Mortgage Recording Taxes (MRT) Section].

Forward Energy Contract Since 2008, MTA has hedged a portion of its projected fuel expense to reduce budgetary risk from price volatility. The MTA intends to continue this strategy and has set aside \$100 million to hedge a portion of its expense for diesel fuel and natural gas.

### MNR Repayment for 525 North Broadway

In 2007, an arrangement was made whereby MTA Capital would advance the funds for MNR's capital project at 525 North Broadway, for which MTA Capital would be reimbursed overtime from MNR's operating budget. The July Plan incorporates the repayment of this loan in the amount of \$2.4 million annually from 2012 through 2016. This is consistent with the February Plan.

### Repayment of Loan to Capital Financing Fund

The July Plan, similar to the February Plan, anticipates the repayment of a Board-authorized \$500 million interagency loan, from the "Capital Financing Fund" (non-bond related funds dedicated to capital programs) to the operating budget, in five equal installments of \$100 million annually beginning in 2012.

### Committed to Capital

Like the February Plan, the July Plan assumes that a portion of the new tax revenues authorized by New York State in May 2009 will be used for the MTA Capital Program. For 2012 and the subsequent Plan years, there are no changes

to the February Plan forecasts. The 2012 payment is planned at \$150 million and increases by increments of \$50 million annually until the annual contribution achieves \$550 million in 2018. This level of contribution will be necessary to support local funding for the 2010-2014 capital programs, including support for “mega” projects like East Side Access and the Second Avenue Subway.

Debt Service Paid By “Committed to Capital Funds”

The July Plan also incorporates projections for debt service paid by “committed to capital” funds of \$18 million in 2012, \$76 million in 2013, \$165 million in 2014, \$262 million in 2015 and \$350 million in 2016.

**MTA New York City Transit Subsidy Allocation**  
**July Financial Plan 2013-2016**

**Cash Basis**  
(\$ in millions)

	<b>2011 Actual</b>	<b>2012 Mid-Year Forecast</b>	<b>2013 Preliminary Budget</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b><u>Subsidies</u></b>						
<b><i>Dedicated Taxes</i></b>						
Metropolitan Mass Transportation Operating Assist (MMTOA)	\$848.9	\$885.3	\$942.8	\$995.3	\$1,042.9	\$1,076.2
Petroleum Business Tax (PBT) Receipts	526.7	530.0	536.3	540.2	542.3	543.8
Mortgage Recording Tax (MRT)	0.0	0.0	0.0	0.0	0.0	0.0
Urban Tax	<u>352.9</u>	<u>376.0</u>	<u>442.7</u>	<u>484.3</u>	<u>529.3</u>	<u>577.7</u>
	<b>\$1,728.4</b>	<b>\$1,791.3</b>	<b>\$1,921.8</b>	<b>\$2,019.8</b>	<b>\$2,114.4</b>	<b>\$2,197.6</b>
<b><i>New State Taxes and Fees</i></b>						
Payroll Mobility Tax	\$1,231.1	\$977.6	\$875.5	\$933.8	\$972.0	\$1,031.2
Payroll Mobility Tax Replacement Funds	0.0	197.6	217.5	220.1	217.6	220.1
MTA Aid	<u>190.7</u>	<u>192.6</u>	<u>195.5</u>	<u>198.4</u>	<u>201.4</u>	<u>204.4</u>
	<b>\$1,421.8</b>	<b>\$1,367.8</b>	<b>\$1,288.4</b>	<b>\$1,352.2</b>	<b>\$1,391.0</b>	<b>\$1,455.7</b>
<b><i>State and Local Subsidies</i></b>						
State Operating Assistance	\$158.1	\$158.1	\$158.1	\$158.1	\$158.1	\$158.1
Local Operating Assistance	<u>193.3</u>	<u>158.1</u>	<u>158.1</u>	<u>158.1</u>	<u>158.1</u>	<u>158.1</u>
	<b>\$351.4</b>	<b>\$316.2</b>	<b>\$316.2</b>	<b>\$316.2</b>	<b>\$316.2</b>	<b>\$316.2</b>
<b><i>Other Subsidy Adjustments</i></b>						
Inter-Agency Loan	(\$269.0)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
NYCT Charge Back of MTA Bus Debt Service	(11.1)	(11.5)	(11.5)	(11.5)	(11.5)	(11.5)
Forward Energy Contracts Program - Initiated in 2011	(71.1)	(2.3)	(3.6)	0.0	0.0	0.0
Forward Energy Contracts Program - 2012	0.0	0.0	0.0	0.0	0.0	0.0
Repayment of Loan to Capital Financing Fund	0.0	(69.0)	(69.0)	(69.0)	(69.0)	(69.0)
Committed to Capital	(21.0)	(69.0)	(92.0)	(115.0)	(138.0)	(161.0)
Debt Service Paid by Committed to Capital Funds	<u>0.0</u>	<u>3.2</u>	<u>20.2</u>	<u>56.3</u>	<u>106.5</u>	<u>161.0</u>
	<b>(\$372.2)</b>	<b>(\$148.6)</b>	<b>(\$156.0)</b>	<b>(\$139.2)</b>	<b>(\$112.0)</b>	<b>(\$80.5)</b>
<b>Total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>\$3,129.4</b>	<b>\$3,326.7</b>	<b>\$3,370.4</b>	<b>\$3,549.1</b>	<b>\$3,709.6</b>	<b>\$3,889.1</b>
<b><i>Inter-agency Subsidy Transactions</i></b>						
Bridges and Tunnels Operating Surplus Transfer	<u>\$192.4</u>	<u>\$176.4</u>	<u>\$151.1</u>	<u>\$127.9</u>	<u>\$97.5</u>	<u>\$73.3</u>
	<b>\$192.4</b>	<b>\$176.4</b>	<b>\$151.1</b>	<b>\$127.9</b>	<b>\$97.5</b>	<b>\$73.3</b>
<b>GROSS SUBSIDIES</b>	<b>\$3,321.8</b>	<b>\$3,503.1</b>	<b>\$3,521.5</b>	<b>\$3,677.0</b>	<b>\$3,807.1</b>	<b>\$3,962.4</b>

**MTA Commuter Railroad Subsidy Allocation**  
**July Financial Plan 2013-2016**

**Cash Basis**  
(\$ in millions)

	<b>2011</b>	<b>2012</b>	<b>2013</b>			
	<b>Actual</b>	<b>Mid-Year</b>	<b>Preliminary</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
		<b>Forecast</b>	<b>Budget</b>			
<b><u>Subsidies</u></b>						
<b><i>Dedicated Taxes</i></b>						
Metropolitan Mass Transportation Operating Assist (MMTOA)	\$410.5	\$455.0	\$542.1	\$569.1	\$593.5	\$610.7
Petroleum Business Tax (PBT) Receipts	92.9	93.5	94.6	95.3	95.7	96.0
Mortgage Recording Tax (MRT)	0.0	0.0	0.0	0.0	0.0	0.0
Investment Income	<u>0.4</u>	<u>1.0</u>	<u>1.0</u>	<u>1.0</u>	<u>1.1</u>	<u>1.1</u>
	<b>\$503.9</b>	<b>\$549.5</b>	<b>\$637.7</b>	<b>\$665.5</b>	<b>\$690.3</b>	<b>\$707.8</b>
<b><i>New State Taxes and Fees</i></b>						
Payroll Mobility Tax	\$184.0	\$283.8	\$372.5	\$381.4	\$412.6	\$421.2
Payroll Mobility Tax Replacement Funds	0.0	57.4	92.5	89.9	92.4	89.9
MTA Aid	<u>112.5</u>	<u>113.6</u>	<u>115.3</u>	<u>117.0</u>	<u>118.8</u>	<u>120.6</u>
	<b>\$296.5</b>	<b>\$454.8</b>	<b>\$580.4</b>	<b>\$588.3</b>	<b>\$623.8</b>	<b>\$631.7</b>
<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	29.6	29.2	29.2	29.2	29.2	29.2
CDOT Subsidy	89.1	77.4	95.6	81.8	83.9	87.3
Station Maintenance	<u>153.2</u>	<u>155.7</u>	<u>157.9</u>	<u>160.7</u>	<u>163.8</u>	<u>166.9</u>
AMTAP	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	<b>\$301.1</b>	<b>\$291.6</b>	<b>\$312.0</b>	<b>\$301.0</b>	<b>\$306.2</b>	<b>\$312.7</b>
<b><i>Other Subsidy Adjustments</i></b>						
Forward Energy Contracts Program - Initiated in 2011	(\$30.5)	(\$1.0)	(\$1.6)	\$0.0	\$0.0	\$0.0
Forward Energy Contracts Program - 2012	0.0	0.0	0.0	0.0	0.0	0.0
MNR Repayment for 525 North Broadway	(7.3)	(2.4)	(2.4)	(2.4)	(2.4)	(2.4)
Repayment of Loan to Capital Financing Fund	0.0	(31.0)	(31.0)	(31.0)	(31.0)	(31.0)
Committed to Capital	(0.4)	(81.0)	(108.0)	(135.0)	(162.0)	(189.0)
Debt Service Paid by Committed to Capital Funds	<u>0.0</u>	<u>15.0</u>	<u>56.2</u>	<u>108.9</u>	<u>155.4</u>	<u>189.0</u>
	<b>(\$38.2)</b>	<b>(\$100.4)</b>	<b>(\$86.8)</b>	<b>(\$59.6)</b>	<b>(\$40.1)</b>	<b>(\$33.4)</b>
<b>Total Dedicated Taxes &amp; State and Local Subsidies</b>	<b>\$1,063.2</b>	<b>\$1,195.4</b>	<b>\$1,443.3</b>	<b>\$1,495.2</b>	<b>\$1,580.2</b>	<b>\$1,618.7</b>
<b><i>Inter-agency Subsidy Transactions</i></b>						
Bridges and Tunnels Operating Surplus Transfer	<u>\$317.3</u>	<u>\$310.4</u>	<u>\$272.2</u>	<u>\$248.6</u>	<u>\$218.0</u>	<u>\$193.8</u>
	<b>\$317.3</b>	<b>\$310.4</b>	<b>\$272.2</b>	<b>\$248.6</b>	<b>\$218.0</b>	<b>\$193.8</b>
<b>GROSS SUBSIDIES</b>	<b>\$1,380.6</b>	<b>\$1,505.8</b>	<b>\$1,715.5</b>	<b>\$1,743.8</b>	<b>\$1,798.2</b>	<b>\$1,812.5</b>

**MTA Staten Island Railway Subsidy Allocation**  
**July Financial Plan 2013-2016**

**Cash Basis**  
(\$ in millions)

	<b>2011 Actual</b>	<b>2012 Mid-Year Forecast</b>	<b>2013 Preliminary Budget</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b><u>Subsidies</u></b>						
<b><i>Dedicated Taxes</i></b>						
Metropolitan Mass Transportation Operating Assist (MMTOA)	\$3.0	\$3.1	\$3.3	\$3.5	\$3.7	\$3.8
<b><i>State and Local Subsidies</i></b>						
State Operating Assistance	\$0.5	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6
Local Operating Assistance	0.4	0.6	0.6	0.6	0.6	0.6
SIRTOA Recovery	<u>0.0</u>	<u>51.3</u>	<u>27.4</u>	<u>32.1</u>	<u>33.2</u>	<u>34.3</u>
	\$1.0	\$52.4	\$28.5	\$33.2	\$34.3	\$35.4
<b>Total Dedicated Taxes &amp; State and Local Subsidies</b>	\$3.9	\$55.5	\$31.8	\$36.7	\$38.0	\$39.2
<b><i>Inter-agency Subsidy Transactions</i></b>						
MTA Subsidy to Subsidiaries	\$21.9	(\$21.9)	\$0.0	\$0.0	\$0.0	\$0.0
<b>GROSS SUBSIDIES</b>	<b>\$25.8</b>	<b>\$33.6</b>	<b>\$31.8</b>	<b>\$36.7</b>	<b>\$38.0</b>	<b>\$39.2</b>

**MTA Headquarters Subsidy Allocation**  
**July Financial Plan 2013-2016**

**Cash Basis**  
(\$ in millions)

	<b>2011 Actual</b>	<b>2012 Mid-Year Forecast</b>	<b>2013 Preliminary Budget</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b><u>Subsidies</u></b>						
<b><u>Dedicated Taxes</u></b>						
<u>Mortgage Recording Tax-1</u>						
Net Receipts After Agency Transfers	\$160.2	\$171.8	\$198.3	\$227.7	\$256.7	\$272.8
<b><u>Adjustments</u></b>						
MRT-2 Required to Balance	\$163.8	\$148.5	\$122.2	\$89.3	\$67.0	\$60.7
<b>Net Funding of MTA Headquarters</b>	<b>\$324.0</b>	<b>\$320.3</b>	<b>\$320.5</b>	<b>\$317.0</b>	<b>\$323.6</b>	<b>\$333.5</b>
<b><u>Mortgage Recording Tax - 2</u></b>						
Net Receipts	\$84.6	\$84.9	\$97.6	\$114.2	\$130.3	\$137.4
<b><u>Adjustments</u></b>						
Funding of General Reserve	\$0.0	(\$62.0)	(\$130.0)	(\$135.0)	(\$145.0)	(\$150.0)
Use of MRT Balances	0.0	0.0	0.0	0.0	0.0	0.0
Diversion of MRT to Suburban Counties	(2.6)	(1.8)	(3.8)	(5.4)	(7.3)	(6.3)
Carryover/Opening Balances/Interest	4.2	4.3	4.5	4.7	4.9	5.1
Agency Security Costs from MRT	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)
MTA Bus Debt Service	(24.9)	(24.9)	(24.9)	(24.9)	(24.9)	(24.9)
Transfer to MRT-1	<u>(163.8)</u>	<u>(148.5)</u>	<u>(122.2)</u>	<u>(89.3)</u>	<u>(67.0)</u>	<u>(60.7)</u>
	<b>(\$197.1)</b>	<b>(\$242.9)</b>	<b>(\$286.4)</b>	<b>(\$259.9)</b>	<b>(\$249.3)</b>	<b>(\$246.7)</b>
<b>Unallocated MRT-2 Receipts</b>	<b>(\$112.6)</b>	<b>(\$158.0)</b>	<b>(\$188.9)</b>	<b>(\$145.7)</b>	<b>(\$119.0)</b>	<b>(\$109.4)</b>

**MTA Bus Company Subsidy Allocation**  
**July Financial Plan 2013-2016**

**Cash Basis**  
(\$ in millions)

	<b>2011 Actual</b>	<b>2012 Mid-Year Forecast</b>	<b>2013 Preliminary Budget</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<u><b>Subsidies</b></u>						
City Subsidy to MTA Bus Company	<b>\$292.1</b>	<b>\$380.8</b>	<b>\$335.0</b>	<b>\$332.9</b>	<b>\$361.7</b>	<b>\$384.5</b>



**MTA Bridges & Tunnels**  
**July Financial Plan 2013-2016**  
**Surplus Transfer**  
(\$ in millions)

	ACTUAL	FORECAST				
	2011	2012	2013	2014	2015	2016
<b>Net Surplus/(Deficit)</b>	<b>\$1,157.762</b>	<b>\$1,124.188</b>	<b>\$1,101.777</b>	<b>\$1,079.812</b>	<b>\$1,057.300</b>	<b>\$1,053.981</b>

**Deductions from Net Operating Income:**

Investment Income	\$0.085	\$0.103	\$0.103	\$0.137	\$1.528	\$2.746
Total Debt Service	608.592	618.387	637.579	662.236	700.390	739.285
Capitalized Assets	4.364	17.370	17.781	17.843	17.849	20.635
Reserves	15.276	25.000	25.415	25.895	26.382	26.881
GASB Reserves	1.787	1.766	1.863	1.903	1.952	1.985
<b>Total Deductions from Net Operating Income</b>	<b>\$630.104</b>	<b>\$662.626</b>	<b>\$682.741</b>	<b>\$708.014</b>	<b>\$748.101</b>	<b>\$791.530</b>
<b>Net Income Available for Transfer to MTA and NYCT</b>	<b>\$527.658</b>	<b>\$461.562</b>	<b>\$419.035</b>	<b>\$371.798</b>	<b>\$309.199</b>	<b>\$262.451</b>

**Distribution of Funds to MTA:**

Investment Income in Current Year	\$0.085	\$0.103	\$0.103	\$0.137	\$1.528	\$2.746
Accrued Current Year Allocation	326.113	293.470	269.835	246.262	214.839	191.482
<b>Total Accrued Amount Distributed to MTA</b>	<b>\$326.198</b>	<b>\$293.572</b>	<b>\$269.937</b>	<b>\$246.399</b>	<b>\$216.366</b>	<b>\$194.228</b>

**Distribution of Funds to NYCT:**

First \$24 million of Surplus reserved for NYCT	\$24.000	\$24.000	\$24.000	\$24.000	\$24.000	\$24.000
Additional Accrued Current Year Allocation	177.545	144.092	125.201	101.536	70.360	46.969
<b>Total Accrued Amount Distributed to NYCT</b>	<b>\$201.545</b>	<b>\$168.092</b>	<b>\$149.201</b>	<b>\$125.536</b>	<b>\$94.360</b>	<b>\$70.969</b>

**Actual Cash Transfer to MTA and NYCT:**

From Current Year Surplus	\$317.328	\$310.353	\$272.198	\$248.619	\$217.981	\$193.818
Investment Income in Prior Year	0.147	0.085	0.103	0.103	0.137	1.528
<b>Total Cash Amount Distributed to MTA</b>	<b>\$317.475</b>	<b>\$310.438</b>	<b>\$272.301</b>	<b>\$248.722</b>	<b>\$218.118</b>	<b>\$195.345</b>
<b>Total Cash Amount Distributed to NYCT</b>	<b>\$192.402</b>	<b>\$176.425</b>	<b>\$151.090</b>	<b>\$127.903</b>	<b>\$97.478</b>	<b>\$73.308</b>

**MTA Bridges & Tunnels**  
**July Financial Plan 2013-2016**  
**Surplus Transfer**  
(\$ in millions)

	ACTUAL	FORECAST				
	2011	2012	2013	2014	2015	2016
<b><u>Debt Service Detail by Agency:</u></b>						
B&T Own Purpose Debt Service	\$196.750	\$220.476	\$245.540	\$269.995	\$308.787	\$347.639
NYCT Transportation Debt Service	280.205	273.644	268.337	268.483	268.041	268.079
MTA Transportation Debt Service	131.637	124.267	123.703	123.757	123.562	123.566
<b>Total Debt Service by Agency</b>	<b>\$608.592</b>	<b>\$618.387</b>	<b>\$637.579</b>	<b>\$662.236</b>	<b>\$700.390</b>	<b>\$739.285</b>

**Total Accrued Amount for Transfer to MTA and NYCT:**

Total Adjusted Net Income Available for Transfer	\$1,136.250	\$1,079.949	\$1,056.615	\$1,034.034	\$1,009.589	\$1,001.736
Less: B&T Total Debt Service	(196.750)	(220.476)	(245.540)	(269.995)	(308.787)	(347.639)
Less: first \$24 million reserved for NYCT	(24.000)	(24.000)	(24.000)	(24.000)	(24.000)	(24.000)
<b>Remainder of Total Accrued Amount for Transfer</b>	<b>\$915.500</b>	<b>\$835.473</b>	<b>\$787.075</b>	<b>\$740.039</b>	<b>\$676.802</b>	<b>\$630.097</b>

**Calculation of Actual Cash Transfer to MTA:**

<b><u>Distribution of Remainder to MTA</u></b>						
Fifty Percent of Total Accrued Amount for Transfer	\$457.750	\$417.737	\$393.537	\$370.019	\$338.401	\$315.048
Less: MTA Total Debt Service	(131.637)	(124.267)	(123.703)	(123.757)	(123.562)	(123.566)
<b>MTA's Accrued Current Year Allocation</b>	<b>\$326.113</b>	<b>\$293.470</b>	<b>\$269.835</b>	<b>\$246.262</b>	<b>\$214.839</b>	<b>\$191.482</b>

<b><u>Cash Conversion of MTA's Accrued Amount</u></b>						
Current Year Amount	\$279.882	\$264.123	\$242.851	\$221.636	\$193.355	\$172.334
Balance of Prior Year	37.446	46.231	29.347	26.983	24.626	21.484
<b>Cash Transfer to MTA</b>	<b>\$317.328</b>	<b>\$310.353</b>	<b>\$272.198</b>	<b>\$248.619</b>	<b>\$217.981</b>	<b>\$193.818</b>

**Calculation of Actual Cash Transfer to NYCT:**

<b><u>Distribution of Remainder to NYCT</u></b>						
Fifty Percent of Total Accrued Amount for Transfer	\$457.750	\$417.737	\$393.537	\$370.019	\$338.401	\$315.048
Less: NYCT Total Debt Service	(280.205)	(273.644)	(268.337)	(268.483)	(268.041)	(268.079)
Plus: first \$24 million reserved for NYCT	24.000	24.000	24.000	24.000	24.000	24.000
<b>NYCT's Accrued Current Year Allocation</b>	<b>\$201.545</b>	<b>\$168.092</b>	<b>\$149.201</b>	<b>\$125.536</b>	<b>\$94.360</b>	<b>\$70.969</b>

<b><u>Cash Conversion of NYCT's Accrued Amount</u></b>						
Current Year Amount	\$176.403	\$151.283	\$134.281	\$112.983	\$84.924	\$63.872
Balance of Prior Year	15.999	25.142	16.809	14.920	12.554	9.436
<b>Cash Transfer to NYCT</b>	<b>\$192.402</b>	<b>\$176.425</b>	<b>\$151.090</b>	<b>\$127.903</b>	<b>\$97.478</b>	<b>\$73.308</b>

**SUMMARY**  
**MTA STATEN ISLAND RAILWAY**  
**MULTI-YEAR FINANCIAL PLAN**  
**2013-2016**  
(\$ in millions)

	ACTUAL	FORECAST				
	2011	2012	2013	2014	2015	2016
<b><u>Revenue Summary:</u></b>						
Farebox Revenue	\$5.6	\$5.6	\$5.7	\$5.8	\$5.8	\$5.9
Other Revenue	2.3	2.1	2.1	2.1	2.1	2.1
State/City Subsidies	23.1	36.3	31.8	36.7	38.0	39.2
<b>Total Revenue Before MTA Subsidy</b>	<b>\$31.0</b>	<b>\$44.0</b>	<b>\$39.6</b>	<b>\$44.5</b>	<b>\$45.9</b>	<b>\$47.2</b>
<b><u>Non-Reimbursable Expense Summary:</u></b>						
Labor Expenses	\$25.8	\$27.8	\$29.4	\$29.5	\$30.3	\$31.2
Non-Labor Expenses	7.5	11.5	9.8	14.6	15.2	15.6
Depreciation	9.2	9.0	9.0	9.0	9.0	9.0
OPEB Obligation	2.2	2.3	2.3	2.3	2.3	2.3
Environmental Remediation	0.4	0.0	0.0	0.0	0.0	0.0
<b>Total Non-Reimbursable Expenses</b>	<b>\$45.0</b>	<b>\$50.7</b>	<b>\$50.5</b>	<b>\$55.4</b>	<b>\$56.8</b>	<b>\$58.1</b>
<b>Total Net Revenue/(Deficit)</b>	<b>(\$13.9)</b>	<b>(\$6.7)</b>	<b>(\$10.9)</b>	<b>(\$10.9)</b>	<b>(\$10.9)</b>	<b>(\$10.9)</b>
<b><u>Cash Adjustment Summary:</u></b>						
Operating Cash Adjustments	\$12.1	\$4.0	\$10.9	\$10.9	\$10.9	\$10.9
Subsidy Cash Adjustments	(19.2)	19.2	0.0	0.0	0.0	0.0
<b>Total Cash Adjustment</b>	<b>(\$7.1)</b>	<b>\$23.1</b>	<b>\$10.9</b>	<b>\$10.9</b>	<b>\$10.9</b>	<b>\$10.9</b>
<b>Gross Cash Balance</b>	<b>(\$21.1)</b>	<b>\$16.4</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
MTA Subsidy (Cash)	21.9	(21.9)	0.0	0.0	0.0	0.0
<b>Net Cash Balance from Previous Year</b>	<b>\$1.9</b>	<b>\$2.7</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>Baseline Net Cash Surplus/(Deficit)</b>	<b>\$2.7</b>	<b>(\$2.7)</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>

**SUMMARY**  
**MTA BUS COMPANY**  
**MULTI-YEAR FINANCIAL PLAN**  
**2013-2016**  
(\$ in millions)

	ACTUAL	FORECAST				
	2011	2012	2013	2014	2015	2016
<b><u>Revenue Summary:</u></b>						
Farebox Revenue	\$179.0	\$183.0	\$184.2	\$185.9	\$187.7	\$188.6
Other Revenue	20.9	19.0	19.4	19.8	20.2	20.6
<b>Total Revenue Before MTA Subsidy</b>	<b>\$199.9</b>	<b>\$202.0</b>	<b>\$203.6</b>	<b>\$205.7</b>	<b>\$207.8</b>	<b>\$209.2</b>
<b><u>Non-Reimbursable Expense Summary:</u></b>						
Labor Expenses	\$388.3	\$388.9	\$391.9	\$396.6	\$417.4	\$437.8
Non-Labor Expenses	155.3	143.2	138.7	148.5	162.8	165.0
Depreciation	40.5	42.2	42.2	42.2	42.2	42.2
OPEB Obligation	96.1	55.4	56.3	56.9	57.7	58.3
Environmental Remediation	2.0	0.0	0.0	0.0	0.0	0.0
<b>Total Non-Reimbursable Expenses</b>	<b>\$682.2</b>	<b>\$629.7</b>	<b>\$629.2</b>	<b>\$644.2</b>	<b>\$680.0</b>	<b>\$703.3</b>
<b>Total Net Revenue/(Deficit)</b>	<b>(\$482.3)</b>	<b>(\$427.7)</b>	<b>(\$425.7)</b>	<b>(\$438.5)</b>	<b>(\$472.2)</b>	<b>(\$494.1)</b>
Cash Adjustments	\$221.9	\$27.8	\$109.9	\$109.6	\$111.5	\$112.4
GASB Cash Adjustments	(\$3.9)	(\$4.3)	(\$5.3)	(\$6.3)	(\$6.3)	(\$6.3)
Subsidy Cash Adjustments	0.0	0.0	0.0	0.0	0.0	0.0
<b>Total Cash Adjustment</b>	<b>\$218.0</b>	<b>\$23.5</b>	<b>\$104.5</b>	<b>\$103.3</b>	<b>\$105.2</b>	<b>\$106.1</b>
<b>Gross Cash Balance</b>	<b>(\$264.3)</b>	<b>(\$404.2)</b>	<b>(\$321.1)</b>	<b>(\$335.2)</b>	<b>(\$367.0)</b>	<b>(\$388.0)</b>
<b><u>City Subsidy</u></b>						
Accrued	264.3	404.2	321.1	335.2	367.0	388.0
Cash	<u>292.1</u>	<u>380.8</u>	<u>335.0</u>	<u>332.9</u>	<u>361.7</u>	<u>384.5</u>
Cash Flow Adjustments	27.8	(23.3)	13.8	(2.3)	(5.3)	(3.5)
<b>Net Cash Balance from Previous Year</b>	<b>(\$48.4)</b>	<b>(\$20.6)</b>	<b>(\$43.9)</b>	<b>(\$30.0)</b>	<b>(\$32.4)</b>	<b>(\$37.7)</b>
<b>Baseline Net Cash Surplus/(Deficit)</b>	<b>(\$20.6)</b>	<b>(\$43.9)</b>	<b>(\$30.0)</b>	<b>(\$32.4)</b>	<b>(\$37.7)</b>	<b>(\$41.2)</b>

**MTA New York City Transit**  
**July Financial Plan 2013 - 2016**  
**Paratransit Operations**  
(\$ in thousands)

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>ADA Trips:</b>	7,523,677	8,426,518	9,437,700	10,570,224	11,838,651
<i>Pct Change from Previous Year</i>	14.7%	12.0%	12.0%	12.0%	12.0%

<b>Revenue:</b>					
Fares	\$ 16,842	\$ 18,878	\$ 21,159	\$ 23,714	\$ 26,576
Urban Tax	25,407	29,745	32,534	35,554	38,681
<i>Sub-total</i>	\$ 42,249	\$ 48,623	\$ 53,693	\$ 59,268	\$ 65,257
City Reimbursements	106,240	127,489	152,987	183,585	220,302
<b>Total Revenue</b>	<b>\$ 148,489</b>	<b>\$ 176,113</b>	<b>\$ 206,681</b>	<b>\$ 242,853</b>	<b>\$ 285,558</b>

<b>Expenses:</b>					
Operating Expenses:					
Salaries& Benefits	\$ 17,742	\$ 17,817	\$ 17,817	\$ 17,817	\$ 17,817
Rental & Miscellaneous	457,613	535,767	598,491	675,825	776,387
<b>Total Expenses</b>	<b>\$ 475,355</b>	<b>\$ 553,584</b>	<b>\$ 616,308</b>	<b>\$ 693,642</b>	<b>\$ 794,204</b>

<b>Net Paratransit Surplus/(Deficit)</b>	<b>\$ (326,866)</b>	<b>\$ (377,471)</b>	<b>\$ (409,627)</b>	<b>\$ (450,789)</b>	<b>\$ (508,646)</b>
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<b>Paratransit Details</b>					
<b>Total Paratransit Reimbursement:</b>	<b>\$ 131,647</b>	<b>\$ 157,234</b>	<b>\$ 185,521</b>	<b>\$ 219,139</b>	<b>\$ 258,983</b>
Urban Tax	\$ 25,407	\$ 29,745	\$ 32,534	\$ 35,554	\$ 38,681
City Reimbursements	106,240	127,489	152,987	183,585	220,302

**Rental & Miscellaneous Expense:**

<i>Paratransit Service Contracts</i>					
Carrier Services	\$ 347,663	\$ 398,691	\$ 450,731	\$ 509,018	\$ 586,521
Command Center	27,362	30,919	34,938	39,480	44,613
Eligibility Certification	5,275	6,675	7,701	8,882	8,882
Other	5,030	5,030	5,031	5,031	5,031
<b>Subtotal</b>	<b>\$ 385,330</b>	<b>\$ 441,315</b>	<b>\$ 498,401</b>	<b>\$ 562,411</b>	<b>\$ 645,047</b>

<i>Other Than Personnel Service:</i>					
Insurance	37,873	44,213	54,446	67,075	82,626
Fuel	25,083	26,172	28,963	32,108	34,518
Other	8,708	23,448	16,062	13,610	13,575
<b>Subtotal</b>	<b>\$ 71,664</b>	<b>\$ 93,833</b>	<b>\$ 99,471</b>	<b>\$ 112,793</b>	<b>\$ 130,719</b>

<i>Non-City Reimbursable OTPS:</i>	<b>\$ 619</b>	<b>\$ 619</b>	<b>\$ 619</b>	<b>\$ 621</b>	<b>\$ 621</b>
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<b>Total Rental &amp; Miscellaneous Expense</b>	<b>\$ 457,613</b>	<b>\$ 535,767</b>	<b>\$ 598,491</b>	<b>\$ 675,825</b>	<b>\$ 776,387</b>
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<i>Annual Growth in Total Expenses</i>	9.6%	16.5%	11.3%	12.5%	14.5%
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## **Debt Service**

## Debt Service in the Financial Plan

The following table includes debt service projections for 2012 through 2016 and compares them with the February 2012 Financial Plan. At the time of the February 2012 Financial Plan publication, the funding of the last three years of the 2010-2014 Capital Plans for transit, commuter railroads and bus projects were not approved and, therefore, were not included in the debt service projections.

Subsequently, the final three years of the 2010-2014 Capital Programs were approved in full in March 2012 and are now reflected in the July 2012 Financial Plan forecast. This change accounts for the significant unfavorable debt service variance against the February 2012 Financial Plan highlighted in the following table. It is important to note that this increase is being funded out of operating dollars previously committed to funding the last three years of the capital program. Therefore, there is no net impact to the overall financial Plan.

<b>Debt Service Forecast (in millions)*</b>			
<b>Year</b>	<b>February Plan Debt Service</b>	<b>July Plan Debt Service</b>	<b>Difference Favorable/(Unfavorable)</b>
<b>2012</b>	\$2,129	\$2,124	\$5
<b>2013</b>	2,271	2,335	(64)
<b>2014</b>	2,418	2,570	(152)
<b>2015</b>	2,555	2,806	(251)
<b>2016</b>	N/A	2,996	N/A
<b>Total 2012-2015:</b>	<b>\$8,767</b>	<b>\$9,835</b>	<b>(\$462)</b>

\*Totals may not add due to rounding.

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

## Debt Issuance Assumptions:

<b>Forecasted Borrowing Schedule*</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<i>(\$ in millions)</i>					
TR and DTF New Money Bonds	\$2,356	\$2,977	\$2,916	\$2,530	\$1,241
TBTA New Money Bonds	231	237	496	648	493
Total New Money Bonds	\$2,588	\$3,215	\$3,412	\$3,178	\$1,734
Assumed Fixed-Rates					
Transportation Revenue Bonds	5.27%	5.59%	5.90%	6.17%	6.35%
Dedicated Tax Fund Bonds	4.80%	5.09%	5.37%	5.62%	5.79%
Triborough Bridge & Tunnel Authority	4.80%	5.09%	5.37%	5.62%	5.79%
Assumed Variable Rates	4.00%	4.00%	4.00%	4.00%	4.00%



Weighted Average Interest Rates <sup>1</sup>

Transportation Revenue Bonds	5.15%	5.43%	5.71%	5.95%	6.12%
Dedicated Tax Fund Bonds	4.72%	4.98%	5.23%	5.46%	5.61%
Triborough Bridge & Tunnel Authority	4.72%	4.98%	5.23%	5.46%	5.61%

\*TR stands for Transportation Revenue; DTF stands for Dedicated Tax Fund. 2012 New Money Bonds include \$1.19 billion of new money bonds issued to date.

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

- All debt is assumed to be issued as 30-year level debt, principal amortized over the life of the bonds.
- Current fixed-rate estimates derived from prevailing Fair Market Yield Curves for A- and AA- Transportation issuers using Bloomberg Information Service. Financial Plan years 2012–2016 derived by applying changes in U.S. Municipal Forward Curves to prevailing transportation curves (as of May 15, 2012).
- 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.
- Assumes Transportation Revenue Bonds are issued to fund a portion of the East Side Access project costs ultimately expected to be funded by the Railroad Rehabilitation and Improvement Financing (RRIF) loan.
- All bonds issued to finance TBTA capital projects issued under the TBTA General Revenue Resolution.
- Assumes \$430 million of funding committed to capital during the 2012-2016 forecast period.
- In 2012 and 2013, 2 Broadway Certificates of Participation Debt Service is partially offset by approximately \$10 million debt service reserve fund release.
- No reserve funds.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**2013-2016 JULY FINANCIAL PLAN**  
**Summary of Total Budgeted Debt Service**  
(\$ in millions)

Line number		Actual	Forecast				
		2011	2012	2013	2014	2015	2016
9	<b><u>New York City Transit:</u></b>						
10							
11	Budgeted Gross Debt Service for Existing Transportation Revenue Bonds	\$586.437	\$654.237	\$683.483	\$689.281	\$690.999	\$701.011
12	Debt Service on Additional Transportation Revenue Bonds Supporting Approved Capital Programs	0.000	23.021	91.145	182.828	275.887	351.793
13	2 Broadway Certificates of Participation - NYCT Lease Portion	23.315	4.648	16.695	19.799	21.633	18.974
14	Transportation Resolution Commercial Paper	1.201	13.144	21.697	21.697	21.697	21.697
15	Budgeted Gross Debt Service for Existing Dedicated Tax Fund Bonds	311.707	310.207	325.631	322.763	324.628	327.116
16	<u>Debt Service on Additional Dedicated Tax Fund Bonds Supporting Approved Capital Programs</u>	<u>0.000</u>	<u>0.000</u>	<u>9.979</u>	<u>27.695</u>	<u>41.458</u>	<u>47.484</u>
17	<i>Sub-Total MTA Paid Debt Service</i>	\$922.660	\$1,005.257	\$1,148.629	\$1,264.064	\$1,376.301	\$1,468.074
18							
19	Budgeted Gross Debt Service for Existing TBTA (B&T) General Revenue Bonds	\$203.162	\$193.417	\$189.255	\$188.974	\$188.940	\$188.525
20	<u>Budgeted Gross Debt Service for Existing TBTA (B&amp;T) Subordinate Revenue Bonds</u>	<u>80.825</u>	<u>80.227</u>	<u>79.082</u>	<u>79.544</u>	<u>79.138</u>	<u>79.593</u>
21	<i>Sub-Total B&amp;T Paid Debt Service</i>	\$283.986	\$273.644	\$268.337	\$268.518	\$268.078	\$268.118
22							
23							
24	<b>Total NYCT Debt Service</b>	<b>\$1,206.647</b>	<b>\$1,278.901</b>	<b>\$1,416.966</b>	<b>\$1,532.582</b>	<b>\$1,644.379</b>	<b>\$1,736.193</b>
25							
26	<b><u>Commuter Railroads:</u></b>						
27							
28	Budgeted Gross Debt Service for Existing Transportation Revenue Bonds	\$389.124	\$423.683	\$440.841	\$444.580	\$445.689	\$452.146
29	Debt Service on Additional Transportation Revenue Bonds Supporting Approved Capital Programs	0.000	22.772	90.266	181.175	264.168	315.731
30	Transportation Resolution Commercial Paper	\$0.502	\$8.162	\$14.032	\$14.032	\$14.032	\$14.032
31	Budgeted Gross Debt Service for Existing Dedicated Tax Fund Bonds	65.695	65.619	68.102	67.502	67.892	68.412
32	<u>Debt Service on Additional Dedicated Tax Fund Bonds Supporting Approved Capital Programs</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
33	<i>Sub-Total MTA Paid Debt Service</i>	\$455.321	\$520.236	\$613.240	\$707.289	\$791.780	\$850.320
34							
35	Budgeted Gross Debt Service for Existing TBTA (B&T) General Revenue Bonds	\$90.935	\$89.018	\$88.957	\$88.825	\$88.809	\$88.615
36	<u>Budgeted Gross Debt Service for Existing TBTA (B&amp;T) Subordinate Revenue Bonds</u>	<u>35.511</u>	<u>35.249</u>	<u>34.745</u>	<u>34.948</u>	<u>34.770</u>	<u>34.970</u>
37	<i>Sub-Total B&amp;T Paid Debt Service</i>	\$126.446	\$124.267	\$123.703	\$123.774	\$123.579	\$123.584
38							
39	<b>Total CRR Debt Service</b>	<b>\$581.766</b>	<b>\$644.503</b>	<b>\$736.943</b>	<b>\$831.063</b>	<b>\$915.359</b>	<b>\$973.905</b>
40							
41	<b><u>Bridges and Tunnels:</u></b>						
42							
43	Budgeted Gross Debt Service for Existing TBTA (B&T) General Revenue Bonds	\$177.297	\$192.659	\$213.342	\$213.025	\$212.987	\$212.519
44	Budgeted Gross Debt Service for Existing TBTA (B&T) Subordinate Revenue Bonds	31.927	31.691	31.239	31.421	31.261	31.441
45	Debt Service on Additional TBTA (B&T) General Revenue Bonds Supporting Approved Capital Programs	0.000	0.000	7.662	31.848	70.582	110.099
46	2 Broadway Certificates of Participation - TBTA Lease Portion	3.297	0.657	2.361	2.800	3.059	2.683
47							
48	<b>Total B&amp;T Debt Service</b>	<b>\$212.521</b>	<b>\$225.008</b>	<b>\$254.603</b>	<b>\$279.094</b>	<b>\$317.889</b>	<b>\$356.742</b>
49							
50	<b><u>MTA Bus:</u></b>						
51							
52	Budgeted Gross Debt Service for Existing Transportation Revenue Bonds	\$23.349	\$22.331	\$19.823	\$19.991	\$20.041	\$20.331
53	Debt Service on Additional Transportation Revenue Bonds Supporting Approved Capital Programs	0.000	0.075	0.298	0.732	1.445	2.081
54	Transportation Resolution Commercial Paper	\$0.241	\$0.261	\$0.272	\$0.272	\$0.272	\$0.272
55							
56	<b>Total MTA Bus Debt Service</b>	<b>\$23.591</b>	<b>\$22.666</b>	<b>\$20.392</b>	<b>\$20.995</b>	<b>\$21.757</b>	<b>\$22.684</b>
57							
58	<b>Total MTA HQ Debt Service for 2 Broadway Certificates of Participation</b>	<b>\$3.182</b>	<b>\$0.638</b>	<b>\$2.290</b>	<b>\$2.716</b>	<b>\$2.968</b>	<b>\$2.603</b>

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**2013-2016 JULY FINANCIAL PLAN**  
**Summary of Total Budgeted Debt Service**  
(\$ in millions)

Line number		Actual	Forecast				
		2011	2012	2013	2014	2015	2016
59							
60	<b><u>MTA Total:</u></b>						
61							
62	Budgeted Gross Debt Service for Existing Transportation Revenue Bonds	\$998.911	\$1,100.251	\$1,144.147	\$1,153.853	\$1,156.729	\$1,173.488
63	Budgeted Gross Debt Service for Existing Dedicated Tax Fund Bonds	377.402	375.827	393.733	390.265	392.520	395.529
64	Budgeted Gross Debt Service for Existing TBTA (B&T) General Revenue Bonds	471.394	475.094	491.554	490.824	490.736	489.659
65	Budgeted Gross Debt Service for Existing TBTA (B&T) Subordinate Revenue Bonds	148.263	147.167	145.066	145.914	145.168	146.003
66	2 Broadway Certificates of Participation	29.794	5.942	21.346	25.316	27.660	24.260
67	Transportation Resolution Commercial Paper	1.944	21.566	36.000	36.000	36.000	36.000
68	Debt Service on Additional Transportation Revenue Bonds Supporting Approved Capital Programs	0.000	45.868	181.709	364.735	541.499	669.606
69	Debt Service on Additional Dedicated Tax Fund Bonds Supporting Approved Capital Programs	0.000	0.000	9.979	27.695	41.458	47.484
70	Debt Service on Additional TBTA (B&T) General Revenue Bonds Supporting Approved Capital Programs	0.000	0.000	7.662	31.848	70.582	110.099
71							
72	<b>Total Debt Service</b>	<b>\$2,027.707</b>	<b>\$2,171.716</b>	<b>\$2,431.195</b>	<b>\$2,666.450</b>	<b>\$2,902.352</b>	<b>\$3,092.127</b>
73							
74	<b><u>MTA Investment Income by Resolution</u></b>						
75							
76	Investment Income from Transportation Debt Service Fund	\$0.000	\$0.000	\$0.000	(\$0.169)	(\$0.180)	(\$0.186)
77	Investment Income from Dedicated Tax Fund Debt Service Fund	0.000	0.000	0.000	(0.052)	(0.054)	(0.055)
78	Investment Income from TBTA (B&T) General Revenue Debt Service Fund	0.000	0.000	0.000	(0.065)	(0.070)	(0.075)
79	Investment Income from TBTA (B&T) Subordinate Revenue Debt Service Fund	0.000	0.000	0.000	(0.018)	(0.018)	(0.018)
80	Investment Income from 2 Broadway Certificates of Participation Debt Service Fund	0.000	0.000	0.000	(0.003)	(0.003)	(0.003)
81							
82	<b>Total MTA Investment Income</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.308)</b>	<b>(\$0.326)</b>	<b>(\$0.338)</b>
83							
84	<b><u>MTA Net Total</u></b>						
85							
86	Net Transportation Revenue Bonds Debt Service	\$998.911	\$1,146.118	\$1,325.856	\$1,518.419	\$1,698.048	\$1,842.907
87	Transportation Resolution Commercial Paper	1.944	21.566	36.000	36.000	36.000	36.000
88	Net Dedicated Tax Fund Bonds Debt Service	377.402	375.827	403.711	417.908	433.923	442.957
89	Net TBTA (B&T) General Revenue Bonds Debt Service	471.394	475.094	499.216	522.607	561.248	599.683
90	Net TBTA (B&T) Subordinate Revenue Bonds Debt Service	148.263	147.167	145.066	145.896	145.150	145.985
91	Net 2 Broadway Certificates of Participation Debt Service	29.794	5.942	21.346	25.312	27.656	24.257
92	BAB Subsidy Transportation Revenue Bonds	(56.495)	(29.352)	(58.703)	(58.703)	(58.703)	(58.703)
93	BAB Subsidy Dedicated Tax Fund Bonds	(28.369)	(14.184)	(28.369)	(28.369)	(28.369)	(28.369)
94	BAB Subsidy TBTA General Revenue Bonds	(9.311)	(4.532)	(9.063)	(9.063)	(9.063)	(9.063)
95							
96	<b>Total MTA Net Debt Service</b>	<b>\$1,933.532</b>	<b>\$2,123.648</b>	<b>\$2,335.060</b>	<b>\$2,570.006</b>	<b>\$2,805.891</b>	<b>\$2,995.653</b>

## **Debt Service Affordability Statement**

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# METROPOLITAN TRANSPORTATION AUTHORITY

## JULY FINANCIAL PLAN 2013-2016

### Debt Affordability Statement <sup>(1)</sup>

\$ in millions

Forecasted Debt Service and Borrowing Schedule		Notes	2011 ACTL	2012	2013	2014	2015	2016
Combined MTA/TBTA Forecasted Debt Service Schedule		1, 2, 3	\$1,903.7	\$2,117.7	\$2,313.7	\$2,544.7	\$2,778.2	\$2,971.4
Forecasted New Money Bonds Issued		4	1,226.7	2,588.0	3,214.7	3,411.9	3,177.9	1,734.4
Forecasted Debt Service by Credit <sup>9</sup>		Notes	2011	2012	2013	2014	2015	2016
Transportation Revenue Bonds								
Pledged Revenues		5	\$10,389.1	\$10,889.4	\$11,099.3	\$11,336.1	\$11,602.9	\$11,838.6
Debt Service			944.4	1,138.3	1,303.2	1,495.7	1,675.3	1,820.2
Debt Service as a % of Pledged Revenues			9%	10%	12%	13%	14%	15%
Dedicated Tax Fund Bonds								
Pledged Revenues		6	\$619.6	\$623.5	\$630.9	\$635.6	\$638.0	\$639.7
Debt Service			349.0	361.6	375.3	389.5	405.6	414.6
Debt Service as a % of Pledged Revenues			56%	58%	59%	61%	64%	65%
Triborough Bridge and Tunnel Authority General Revenue Bonds								
Pledged Revenues		7	\$1,166.7	\$1,079.9	\$1,056.6	\$1,034.0	\$1,009.6	\$1,001.7
Debt Service			462.1	470.6	490.2	513.5	552.2	590.6
Debt Service as a % of Total Pledged Revenues			40%	44%	46%	50%	55%	59%
Triborough Bridge and Tunnel Authority Subordinate Revenue Bonds								
Pledged Revenues		8	\$700.4	\$609.4	\$566.5	\$520.5	\$457.4	\$411.1
Debt Service			148.3	147.2	145.1	145.9	145.2	146.0
Debt Service as a % of Total Pledged Revenues			21%	24%	26%	28%	32%	36%
Cumulative Debt Service (Excluding State Service Contract Bonds)		Notes	2011	2012	2013	2014	2015	2016
Total Debt Service			\$1,903.7	\$2,117.7	\$2,313.7	\$2,544.7	\$2,778.2	\$2,971.4
Fare and Toll Revenues			\$6,500.8	\$6,585.7	\$6,658.9	\$6,750.5	\$6,832.0	\$6,891.3
Total Debt Service as a % of Fare and Toll Revenue			29%	32%	35%	38%	41%	43%
Operating Revenues and Subsidies			\$12,160.6	\$12,598.6	\$12,932.3	\$13,310.5	\$13,709.1	\$14,035.9
Total Debt Service as a % of Operating Revenues and Subsidies			16%	17%	18%	19%	20%	21%
Operating Revenues and Subsidies after Below the Line Adjustments			\$12,160.6	\$12,605.9	\$13,336.5	\$13,798.0	\$14,628.2	\$15,049.2
Total Debt Service as a % of Operating Rev/Subsidies after BTL Adj.			16%	17%	17%	18%	19%	20%
Non-reimbursable Expenses with Non-Cash Liabilities			\$13,722.1	\$14,284.6	\$14,795.6	\$15,303.9	\$16,024.8	\$16,752.0
Total Debt Service as % of Non-reimbursable Expenses			14%	15%	16%	17%	17%	18%
Non-reimbursable Expenses after Below the Line Adjustments			\$13,722.1	\$14,254.7	\$14,792.2	\$15,302.7	\$16,089.7	\$16,857.6
Total Debt Service as a % of Non-Reimbursable Exp after BTL Adj.			14%	15%	16%	17%	17%	18%

Notes on the following page are integral to this table.

## **Notes**

- 1** *Unhedged tax-exempt variable rate debt reflects actual rates through May 2012, and 4.00% for the remaining life of bonds.*
- 2** *Synthetic fixed-rate debt assumed at swap rate.*
- 3** *Total debt service excludes COPS lease payments. All debt service numbers reduced by expected investment income and Build America Bonds (BAB) subsidy.*
- 4** *New money bonds amortized as 30-year level debt. New debt issued assumed 90% fixed-rate and 10% variable rate. Actual 2012 issuance is included with the forecast and is reflective of new money bonds and notes.*
- 5** *Transportation Revenue Bonds pledged revenues consist generally of the following: fares and other miscellaneous revenues from the transit and commuter systems, including advertising, rental income and certain concession revenues (not including Grand Central and Penn Station); revenues from the distribution to the transit and commuter system of TBTA surplus; State and local general operating subsidies, including the new State taxes and fees; special tax-supported operating subsidies after the payment of debt service on the MTA Dedicated Tax Fund Bonds; New York City urban tax for transit; station maintenance and service reimbursements; and revenues from the investment of capital program funds. Pledged revenues secure Transportation Revenue Bonds before the payment of operating and maintenance expenses. Starting in 2006, revenues, expenses and debt service for MTA Bus have also been included.*
- 6** *Dedicated Tax Fund pledged revenues as shown above consist generally of the following: petroleum business tax, motor fuel tax and motor vehicle fees deposited into the Dedicated Mass Transportation Trust Fund for the benefit of the MTA; in addition, while not reflected in the DTF pledged revenue figures above, the petroleum business tax, district sales tax, franchise taxes and temporary franchise surcharges deposited into the Metropolitan Transportation Operating Assistance Account for the benefit of the MTA are also pledged. After the payment of debt service on the MTA Dedicated Tax Fund Bonds, these subsidies are available to pay debt service on the MTA Transportation Revenue Bonds, and then any remaining amounts are available to be used to meet operating costs of the transit system, the commuter system, and SIRTOA.*
- 7** *Triborough Bridge and Tunnel Authority General Revenue Bond pledged revenues consist primarily of the tolls charged by TBTA on its seven bridges and two tunnels. Pledged revenues secure TBTA General Revenue Bonds after the payment of TBTA operating and maintenance expenses, including certain reserves.*
- 8** *Triborough Bridge and Tunnel Authority Subordinate Revenue Bonds pledged revenues consist primarily of the tolls charged by TBTA on its seven bridges and two tunnels, after the payment of debt service on the TBTA General Revenue Bonds.*
- 9** *A debt service schedule for each credit is included as addendum hereto.*

## **Special Notes**

- <sup>(1)</sup> *Revenue and expense numbers do not include the impact of those items listed as part of the below-the-line adjustments on the financial schedules.*

# Metropolitan Transportation Authority (including Triborough Bridge and Tunnel Authority)

Total Budgeted Annual Debt Service

All Issuance to June 2012 (\$ in millions)

	Transportation Revenue Resolution			Dedicated Tax Fund Resolution			TBTA General Revenue Resolution			TBTA Subordinate Resolution			MTA and TBTA Debt Service		
Fiscal Year	Existing DS	Additional DS	Combined	Existing DS	Additional DS	Combined	Existing DS	Additional DS	Combined	Existing DS	Additional DS	Combined	Existing DS	Additional DS	Combined
2012	1,092.5	45.9	1,138.3	361.6	-	361.6	470.6	-	470.6	147.2	-	147.2	2,071.8	45.9	2,117.7
2013	1,121.4	181.7	1,303.2	365.4	10.0	375.3	482.5	7.7	490.2	145.1	-	145.1	2,114.4	199.3	2,313.7
2014	1,131.1	364.7	1,495.9	361.9	27.7	389.6	481.8	31.8	513.6	145.9	-	145.9	2,120.7	424.3	2,545.0
2015	1,134.0	541.5	1,675.5	364.2	41.5	405.6	481.7	70.6	552.3	145.2	-	145.2	2,125.0	653.5	2,778.6
2016	1,150.8	669.6	1,820.4	367.2	47.5	414.6	480.6	110.1	590.7	146.0	-	146.0	2,144.5	827.2	2,971.7
2017	1,153.7	742.5	1,896.2	368.6	47.5	416.1	482.4	131.4	613.8	148.3	-	148.3	2,152.9	921.4	3,074.3
2018	1,156.2	786.6	1,942.8	367.9	47.5	415.4	479.1	135.4	614.6	146.1	-	146.1	2,149.3	969.5	3,118.9
2019	1,157.1	808.4	1,965.4	362.3	47.5	409.7	474.8	135.4	610.3	145.8	-	145.8	2,140.0	991.3	3,131.3
2020	1,156.5	815.0	1,971.5	364.4	47.5	411.9	475.0	135.4	610.4	145.2	-	145.2	2,141.1	997.9	3,139.0
2021	1,156.4	815.3	1,971.8	363.2	47.5	410.7	472.0	135.4	607.5	145.9	-	145.9	2,137.5	998.3	3,135.8
2022	1,151.3	815.3	1,966.7	360.1	47.5	407.6	476.0	135.4	611.4	145.4	-	145.4	2,132.8	998.3	3,131.0
2023	1,164.2	815.3	1,979.5	363.0	47.5	410.5	469.6	135.4	605.0	146.1	-	146.1	2,142.9	998.3	3,141.2
2024	1,165.3	815.3	1,980.6	362.4	47.5	409.9	465.4	135.4	600.8	146.0	-	146.0	2,139.0	998.3	3,137.3
2025	1,171.8	815.3	1,987.2	362.2	47.5	409.7	465.6	135.4	601.0	146.0	-	146.0	2,145.6	998.3	3,143.8
2026	1,213.2	815.3	2,028.6	359.9	47.5	407.3	464.9	135.4	600.3	146.2	-	146.2	2,184.2	998.3	3,182.5
2027	1,200.6	815.3	2,016.0	352.9	47.5	400.4	467.9	135.4	603.4	146.2	-	146.2	2,167.7	998.3	3,166.0
2028	1,196.6	815.3	2,011.9	360.4	47.5	407.9	480.1	135.4	615.6	146.5	-	146.5	2,183.6	998.3	3,181.9
2029	1,181.2	815.3	1,996.5	360.2	47.5	407.7	479.2	135.4	614.7	146.4	-	146.4	2,167.0	998.3	3,165.3
2030	1,184.4	815.3	1,999.7	359.2	47.5	406.6	481.4	135.4	616.9	146.7	-	146.7	2,171.7	998.3	3,170.0
2031	1,208.6	815.3	2,023.9	356.5	47.5	404.0	498.3	135.4	633.8	140.8	-	140.8	2,204.2	998.3	3,202.5
2032	1,116.9	815.3	1,932.3	359.4	47.5	406.9	421.5	135.4	556.9	86.4	-	86.4	1,984.2	998.3	2,982.5
2033	815.1	815.3	1,630.5	333.7	47.5	381.2	206.8	135.4	342.3	-	-	-	1,355.7	998.3	2,354.0
2034	817.5	815.3	1,632.9	182.7	47.5	230.2	211.6	135.4	347.0	-	-	-	1,211.8	998.3	2,210.1
2035	792.5	815.3	1,607.8	131.3	47.5	178.7	241.6	135.4	377.1	-	-	-	1,165.4	998.3	2,163.7
2036	611.9	815.3	1,427.3	146.0	47.5	193.5	235.5	135.4	371.0	-	-	-	993.5	998.3	1,991.8
2037	583.0	815.3	1,398.3	334.1	47.5	381.6	236.5	135.4	372.0	-	-	-	1,153.6	998.3	2,151.9
2038	530.9	815.3	1,346.3	322.8	47.5	370.2	217.3	135.4	352.7	-	-	-	1,071.0	998.3	2,069.2
2039	466.7	815.3	1,282.0	271.3	47.5	318.8	76.5	135.4	211.9	-	-	-	814.5	998.3	1,812.8
2040	366.2	815.3	1,181.6	29.9	47.5	77.4	33.6	135.4	169.1	-	-	-	429.8	998.3	1,428.0
2041	180.0	815.3	995.3	-	47.5	47.5	-	135.4	135.4	-	-	-	180.0	998.3	1,178.3
2042	125.1	784.5	909.6	-	47.5	47.5	-	135.4	135.4	-	-	-	125.1	967.4	1,092.5
2043	56.8	633.6	690.5	-	37.5	37.5	-	127.8	127.8	-	-	-	56.8	798.9	855.8
2044	56.8	450.6	507.4	-	19.8	19.8	-	103.6	103.6	-	-	-	56.8	574.0	630.8
2045	56.8	273.8	330.7	-	6.0	6.0	-	64.9	64.9	-	-	-	56.8	344.7	401.6
2046	55.4	145.7	201.1	-	-	-	-	25.3	25.3	-	-	-	55.4	171.1	226.4
2047	7.9	72.8	80.7	-	-	-	-	4.0	4.0	-	-	-	7.9	76.9	84.7

## Notes:

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

Includes interest budgeted for Transportation Revenue Commercial Paper.

Forecasted Investment Income is not included above.

Net of Build America Bonds subsidy.



## **Positions (Headcount)**

## POSITIONS (Headcount)

The information contained in this section presents MTA headcount by Agency, function, occupational group and various other reporting categories. Analysis of these numbers is provided on both a plan-to-plan and a year-to-year basis. The changes in headcount described below are reflective of the MTA-wide commitment to improve service as well as to maintain, expand and integrate the MTA Network. The changes reflect strategic reallocation of resources with reductions in areas where business can be made more efficient while also adding positions where more personnel are required.

The MTA continues to reap savings from the headcount reductions taken in 2010, which included a 15% administrative reduction at the Agencies (20% at Headquarters). In 2011, an additional reduction equal to 15% of reimbursable/capital administrative positions was taken by MTA Agencies (with the exception of MTA HQ which had absorbed a 20% reduction the previous year). However, certain positions are being added in 2012 in an effort to improve maintenance and service. These “New Needs” are detailed on the following page.

<b>METROPOLITAN TRANSPORTATION AUTHORITY</b> <b>July Financial Plan 2013-2016</b> Favorable/(Unfavorable)				
<b>Total Position Changes at a Glance</b>				
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>2012 February Plan - Total Baseline Positions</b>	<b>65,763</b>	<b>65,671</b>	<b>65,949</b>	<b>66,192</b>
Total Plan-to-Plan Changes	<b>(192)</b>	<b>(248)</b>	<b>(240)</b>	<b>(171)</b>
<b>2012 July Plan - Total Baseline Positions</b>	<b>65,955</b>	<b>65,919</b>	<b>66,189</b>	<b>66,363</b>
Total Year-to-Year Changes, July Plan		36	(270)	(174)
<b>Total Plan-to-Plan Changes by Reporting Category:</b>				
<i>Non-Reimbursable</i>	(219)	(255)	(270)	(216)
<i>Reimbursable</i>	27	7	30	45
<b>Total</b>	<b>(192)</b>	<b>(248)</b>	<b>(240)</b>	<b>(171)</b>
<i>Full-Time</i>	(188)	(249)	(249)	(180)
<i>Full-Time Equivalents</i>	(4)	1	9	9
<b>Total</b>	<b>(192)</b>	<b>(248)</b>	<b>(240)</b>	<b>(171)</b>
<b>By Function Category</b>				
- Administration	3	3	5	8
- Operations	(168)	(131)	(168)	(168)
- Maintenance	0	(75)	(32)	9
- Engineering/Capital	(29)	(35)	(35)	(35)
- Public Safety	2	(10)	(10)	15
<b>Total</b>	<b>(192)</b>	<b>(248)</b>	<b>(240)</b>	<b>(171)</b>
<b>By Occupational Group</b>				
- Managers/Supervisors	(63)	(76)	(70)	(70)
- Professional, Technical, Clerical	(71)	(77)	(68)	(66)
- Operational Hourlies	(58)	(95)	(102)	(35)
<b>Total</b>	<b>(192)</b>	<b>(248)</b>	<b>(240)</b>	<b>(171)</b>
<b>Total Plan-to-Plan Changes by Major Category:</b>				
2012 BRPs	(22)	(22)	(22)	(22)
New Needs	(198)	(209)	(204)	(193)
Change in Reimbursable Positions	27	7	30	45
Re-estimates & All Other <sup>1</sup>	1	(24)	(44)	(1)
<b>Total</b>	<b>(192)</b>	<b>(248)</b>	<b>(240)</b>	<b>(171)</b>

<sup>1</sup> Includes Full-time Equivalents

### Budget Reduction Program

MTA Budget Reduction Programs (BRPs) have typically resulted in fewer positions; however, NYCT's Paratransit Savings initiative is based on management's ability to prevent fraud, enforce eligibility guidelines, ensure vendor compliance, and keep pace with taxi reimbursement. To supplement this effort, twenty two positions were acquired during the dissolution of MTA's LIB Able Ride service.

### New Needs

Programmatic changes referred to earlier and explained further in Agency sections, address MTA's most pressing safety and operational needs, identify personnel resources needed to address critical system maintenance work, meet FRA mandates, and commence or continue programmatic efforts that will improve equipment, safety and reliability of service. These New Needs result in increases of 198 positions in 2012, 209 positions in 2013, 204 positions in 2014 and 193 positions in 2015. Major New Needs are listed below:

<b>METROPOLITAN TRANSPORTATION AUTHORITY</b> <b>July Financial Plan 2013-2016</b> Favorable/(Unfavorable)				
<b>Position Impacts of Major New Needs</b>				
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>NYCT</b>				
- Track Defect Backlog	(25)	(25)	(25)	(25)
- Maintenance Training and Other Programs Backlog	(33)	(34)	(34)	(34)
- Bus Preventive Maintenance/Schedule Operations	(18)	(18)	0	0
- Structure Defect Backlog Reduction and Maintenance	(14)	(14)	(14)	(14)
- Administration Programs	(5)	(2)	(2)	(2)
- Customer Convenience and Amenities	(5)	(5)	(5)	(5)
<b>LIRR</b>				
- Lightning Strike Initiative	(12)	(12)	(8)	(8)
- Escalator/Elevator Upgrade	(4)	(4)	(4)	(4)
<b>MNR</b>				
- Train operation services	(34)	(34)	(34)	(34)
- Maintenance training	(4)	(4)	(4)	(4)
- Customer Service Communication Enhancement	(2)	(2)	(2)	(2)
- Critical Systems Monitoring and Project Management	(4)	(10)	(10)	(10)
<b>MTABus</b>				
- Security Initiatives	(2)	(2)	(2)	(2)
- Depot Maintenance Scheduled Op. Pickup Work	(11)	(11)	(11)	(11)
- Shop Programs	(6)	2	(15)	1
- Service	(5)	(5)	(5)	(5)
- Administration	(2)	(1)	(1)	(1)
<b>MTAHQ</b>				
- Webmaster positions for mta.info website	(2)	(2)	(2)	(2)
- Deputy Director Finance for derivatives portfolio	(1)	(1)	(1)	(1)
- MTAPD positions for Atlantic Avenue Terminal	0	(12)	(12)	(12)
- MTAPD positions for Moynihan Project	0	0	0	(5)
<b>B&amp;T</b>				
- Timekeeping Central Control Unit	(9)	(9)	(9)	(9)
- Fire standpipe maintenance and inspection	-	(4)	(4)	(4)
<b>Total New Needs</b>	<b>(198)</b>	<b>(209)</b>	<b>(204)</b>	<b>(193)</b>

### Changes in Reimbursable Positions

Efficiencies, primarily in the management of the Capital Program which showed 15% capital administration reductions in 2011, have resulted in additional favorable changes in reimbursable positions of 27 positions in 2012, 7 positions in 2013, 30 positions in 2014, and 45 positions in 2015. Decreases 16 positions at LIRR, 8 positions at MTACCC, and 5 positions at NYCT, are the major reasons for the favorable variance in 2012. Favorable reductions of NYCT positions in 2013, 41 positions in 2014, and 48 positions in 2015 are offset, in part, by LIRR projected increases of 18 positions, 9 positions, and 1 position in 2013, 2014, and 2015, respectively. MTA Headquarters shows an increase of 2 deferred compensation positions throughout the July Plan.

The reimbursable headcount savings do not readily appear within the plan-to-plan changes by reporting category, since the favorable changes are for the most part offset by increases in non-reimbursable positions. For example, while reimbursable positions include most positions within the functional category "Engineering/Capital", a large number of "Maintenance" and "Administrative" positions (particularly at MTA CCC) are Reimbursable as well. At MTA CCC, for example, a net reduction of 8 reimbursable positions in 2012 is made up of a reduction of 25 administrative positions partially offset by an increase of 17 engineering/capital positions to address the increased workload of the "mega projects". At the LIRR, most reimbursable positions are in the engineering department within the category of "Maintenance", and at NYCT, the "Engineering/Capital" category only captures positions within the department of Capital Program Management (CPM), with most of the other reimbursable positions captured within "Maintenance."

### Re-Estimates & All Other

Combined, agencies show a net increase of 24 positions in 2013 resulting from their re-estimates and other changes. Major drivers of the change are captured below with more information contained in Agency sections:

**METROPOLITAN TRANSPORTATION AUTHORITY**

**July Financial Plan 2013-2016**

Favorable/(Unfavorable)

**Position Impacts of Major Re-Estimates**

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>NYCT</b>				
- Transfer of BCIS/NFPS from HQ	(17)	(21)	(21)	(21)
- IT Projects	(1)	(3)	--	--
- Maintenance	--	(21)	(39)	(10)
<b>LIRR</b>				
- Federal Mandate Conductor Certification	(22)	(13)	(13)	(13)
- Program and Rolling Stock Support	--	(10)	(10)	(10)
- Maintain Ticket Window Operations	--	(7)	(7)	(7)
<b>MNR</b>				
- Service Plan Adjustments	3	(6)	8	3
- New Haven Maintenance Facility Shop	(1)	(1)	(1)	(1)
- Fire, Life Safety Alarms at Stations and Facilities	--	(2)	(2)	(2)
- Preventative Maintenance Program at HVAC	--	(4)	(4)	(4)
- West of Hudson Signal Improvements	--	--	(7)	(7)
- Relocation of 347 Madison Electronic Control System.	--	(2)	(6)	(6)
- Unidentified reductions	17	25	25	25
<b>MTAHQ</b>				
- Transfer and elimination of BCIS/NFPS	33	33	33	33
- Revised MTAPD hiring for East Side Access	--	--	--	--
<b>SIRTOA</b>				
- Reinstatement of positions at St. George Terminal	(4)	(4)	(4)	(4)
<b>MTA Bus</b>				
- Estab. Electronic Booking System	(1)	--	--	--
<b>Other</b>	(6)	12	4	23
<b>Total Re-Estimates</b>	<b>1</b>	<b>(24)</b>	<b>(44)</b>	<b>(1)</b>

## **Year-to-Year Position Changes**

### **2013 vs. 2012**

Consolidated 2013 baseline positions are 65,919, a reduction of 36 positions from the 2012 level. It reflects a decrease of 140 reimbursable positions offset by an increase of 104 non-reimbursable positions. Positions by Function, Maintenance (80 positions), Public Safety (12 positions) and Engineering/Capital (6 positions) all show increases between 2012 and 2013 based on Agency New Needs. Offsetting these are reductions in Administration (28 Positions) and Operations (106 positions) reflecting Agency reductions and efficiencies.

### **2014 - 2016**

Total forecasted positions are 66,189 for 2014, 66,363 in 2015, and 66,842 in 2016. These reflect a total increase of 270 positions between 2013 and 2014; an increase of 174 positions between 2014 and 2015; and an increase of 479 positions between 2015 and 2016. These increases are primarily related to the impact of East Side Access and other mega-projects and other Agency needs as described in individual Agency sections.

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**July Financial Plan 2013-2016**  
**Baseline Total Non-Reimbursable - Reimbursable Positions**  
**Full-Time Positions and Full Time Equivalents by Agency**

Category	2011 Actual	2012 Mid-Year Forecast	2013 Preliminary Budget	2014	2015	2016
<b>Baseline Total Positions</b>	<b>64,522</b>	<b>65,955</b>	<b>65,919</b>	<b>66,189</b>	<b>66,363</b>	<b>66,842</b>
NYC Transit	45,339	45,734	45,589	45,631	45,586	45,653
Long Island Rail Road	6,312	6,529	6,597	6,776	6,911	7,282
Metro-North Railroad	5,825	6,351	6,403	6,446	6,457	6,463
Bridges & Tunnels	1,584	1,648	1,652	1,652	1,652	1,652
Headquarters	1,603	1,737	1,732	1,732	1,737	1,767
Staten Island Railway	265	271	271	271	271	271
Capital Construction Company	123	132	140	140	140	140
Bus Company	3,471	3,553	3,535	3,541	3,609	3,614
<b>Non-Reimbursable</b>	<b>58,626</b>	<b>59,977</b>	<b>60,081</b>	<b>60,431</b>	<b>60,641</b>	<b>61,137</b>
NYC Transit	40,606	41,211	41,301	41,414	41,390	41,467
Long Island Rail Road	5,765	5,977	5,958	6,146	6,296	6,674
Metro-North Railroad	5,469	5,741	5,793	5,836	5,847	5,853
Bridges & Tunnels	1,540	1,604	1,608	1,608	1,608	1,608
Headquarters	1,560	1,687	1,682	1,682	1,687	1,717
Staten Island Railway	262	268	268	268	268	268
Capital Construction Company	-	-	-	-	-	-
Bus Company	3,424	3,489	3,471	3,477	3,545	3,550
<b>Reimbursable</b>	<b>5,896</b>	<b>5,978</b>	<b>5,838</b>	<b>5,758</b>	<b>5,722</b>	<b>5,705</b>
NYC Transit	4,733	4,523	4,288	4,217	4,196	4,186
Long Island Rail Road	547	552	639	630	615	608
Metro-North Railroad	356	610	610	610	610	610
Bridges & Tunnels	44	44	44	44	44	44
Headquarters	43	50	50	50	50	50
Staten Island Railway	3	3	3	3	3	3
Capital Construction Company	123	132	140	140	140	140
Bus Company	47	64	64	64	64	64
<b>Total Full-Time</b>	<b>64,310</b>	<b>65,780</b>	<b>65,749</b>	<b>66,027</b>	<b>66,201</b>	<b>66,680</b>
NYC Transit	45,143	45,575	45,435	45,485	45,440	45,507
Long Island Rail Road	6,312	6,529	6,597	6,776	6,911	7,282
Metro-North Railroad	5,824	6,350	6,402	6,445	6,456	6,462
Bridges & Tunnels	1,584	1,648	1,652	1,652	1,652	1,652
Headquarters	1,603	1,737	1,732	1,732	1,737	1,767
Staten Island Railway	265	271	271	271	271	271
Capital Construction Company	123	132	140	140	140	140
Bus Company	3,456	3,538	3,520	3,526	3,594	3,599
<b>Total Full-Time-Equivalents</b>	<b>212</b>	<b>175</b>	<b>170</b>	<b>162</b>	<b>162</b>	<b>162</b>
NYC Transit	196	159	154	146	146	146
Long Island Rail Road	-	-	-	-	-	-
Metro-North Railroad	1	1	1	1	1	1
Bridges & Tunnels	-	-	-	-	-	-
Headquarters	-	-	-	-	-	-
Staten Island Railway	-	-	-	-	-	-
Capital Construction Company	-	-	-	-	-	-
Bus Company	15	15	15	15	15	15

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**July Financial Plan 2013-2016**  
**Baseline Total Non-Reimbursable - Reimbursable Positions**  
**Full-Time Positions and Full Time Equivalents by Function and Agency**

<b>Function</b>	<b>2011 Actual</b>	<b>2012 Mid-Year Forecast</b>	<b>2013 Preliminary Budget</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Administration</b>	<b>4,032</b>	<b>4,217</b>	<b>4,189</b>	<b>4,193</b>	<b>4,200</b>	<b>4,200</b>
NYC Transit	1,851	1,868	1,858	1,851	1,848	1,847
Long Island Rail Road	611	614	614	620	630	639
Metro-North Railroad	463	504	500	500	497	497
Bridges & Tunnels	66	50	50	50	50	50
Headquarters	859	955	938	938	938	938
Staten Island Railway	28	28	28	28	28	28
Capital Construction Company	22	16	18	18	18	18
Bus Company	132	182	183	188	191	183
<b>Operations</b>	<b>28,762</b>	<b>29,155</b>	<b>29,049</b>	<b>29,256</b>	<b>29,363</b>	<b>29,520</b>
NYC Transit	21,597	21,693	21,586	21,631	21,631	21,628
Long Island Rail Road	2,058	2,162	2,140	2,296	2,389	2,543
Metro-North Railroad	2,006	2,166	2,189	2,195	2,209	2,215
Bridges & Tunnels	703	773	773	773	773	773
Headquarters	-	-	-	-	-	-
Staten Island Railway	93	91	91	91	91	91
Capital Construction Company	-	-	-	-	-	-
Bus Company	2,305	2,270	2,270	2,270	2,270	2,270
<b>Maintenance</b>	<b>28,495</b>	<b>29,271</b>	<b>29,351</b>	<b>29,410</b>	<b>29,465</b>	<b>29,757</b>
NYC Transit	20,147	20,451	20,423	20,427	20,385	20,456
Long Island Rail Road	3,537	3,626	3,716	3,733	3,765	3,973
Metro-North Railroad	3,265	3,585	3,618	3,655	3,655	3,655
Bridges & Tunnels	410	408	412	412	412	412
Headquarters	-	-	-	-	-	-
Staten Island Railway	144	152	152	152	152	152
Capital Construction Company	-	-	-	-	-	-
Bus Company	992	1,049	1,030	1,031	1,096	1,109
<b>Engineering/Capital</b>	<b>1,718</b>	<b>1,742</b>	<b>1,748</b>	<b>1,748</b>	<b>1,748</b>	<b>1,748</b>
NYC Transit	1,249	1,218	1,218	1,218	1,218	1,218
Long Island Rail Road	106	127	127	127	127	127
Metro-North Railroad	91	96	96	96	96	96
Bridges & Tunnels	139	147	147	147	147	147
Headquarters	-	-	-	-	-	-
Staten Island Railway	-	-	-	-	-	-
Capital Construction Company	101	116	122	122	122	122
Bus Company	32	38	38	38	38	38
<b>Public Safety</b>	<b>1,515</b>	<b>1,570</b>	<b>1,582</b>	<b>1,582</b>	<b>1,587</b>	<b>1,617</b>
NYC Transit	495	504	504	504	504	504
Long Island Rail Road	-	-	-	-	-	-
Metro-North Railroad	-	-	-	-	-	-
Bridges & Tunnels	266	270	270	270	270	270
Headquarters	744	782	794	794	799	829
Staten Island Railway	-	-	-	-	-	-
Capital Construction Company	-	-	-	-	-	-
Bus Company	10	14	14	14	14	14



**Metropolitan Transportation Authority**  
**July Financial Plan 2013-2016**  
**Baseline Total Full-time Positions and Full-time Equivalents by Function and Occupational Group**  
**Non-Reimbursable and Reimbursable**

FUNCTION/OCCUPATIONAL GROUP		2011 Actual	2012 Mid-Year Forecast	2013 Preliminary Budget	2014	2015	2016
<b>Administration</b>							
	Managers/Supervisors	1,438	1,525	1,515	1,515	1,522	1,531
	Professional, Technical, Clerical	2,569	2,532	2,520	2,519	2,516	2,515
	Operational Hourlies	25	160	154	159	162	154
	<b>Total Administration</b>	<b>4,032</b>	<b>4,217</b>	<b>4,189</b>	<b>4,193</b>	<b>4,200</b>	<b>4,200</b>
<b>Operations</b>							
	Managers/Supervisors	3,091	3,232	3,208	3,210	3,211	3,228
	Professional, Technical, Clerical	1,070	1,133	1,133	1,130	1,130	1,130
	Operational Hourlies	24,601	24,790	24,708	24,916	25,022	25,162
	<b>Total Operations</b>	<b>28,762</b>	<b>29,155</b>	<b>29,049</b>	<b>29,256</b>	<b>29,363</b>	<b>29,520</b>
<b>Maintenance</b>							
	Managers/Supervisors	4,542	4,863	4,855	4,853	4,886	4,922
	Professional, Technical, Clerical	2,282	2,407	2,376	2,361	2,355	2,350
	Operational Hourlies	21,671	22,001	22,120	22,196	22,224	22,485
	<b>Total Maintenance</b>	<b>28,495</b>	<b>29,271</b>	<b>29,351</b>	<b>29,410</b>	<b>29,465</b>	<b>29,757</b>
<b>Engineering/Capital</b>							
	Managers/Supervisors	423	460	460	460	460	460
	Professional, Technical, Clerical	1,293	1,280	1,286	1,286	1,286	1,286
	Operational Hourlies	2	2	2	2	2	2
	<b>Total Engineering/Capital</b>	<b>1,718</b>	<b>1,742</b>	<b>1,748</b>	<b>1,748</b>	<b>1,748</b>	<b>1,748</b>
<b>Public Safety</b>							
	Managers/Supervisors	170	186	186	186	186	186
	Professional, Technical, Clerical	126	139	139	139	139	139
	Operational Hourlies	1,219	1,245	1,257	1,257	1,262	1,292
	<b>Total Public Safety</b>	<b>1,515</b>	<b>1,570</b>	<b>1,582</b>	<b>1,582</b>	<b>1,587</b>	<b>1,617</b>
<b>Baseline Total Positions</b>							
	Managers/Supervisors	9,664	10,266	10,224	10,224	10,265	10,327
	Professional, Technical, Clerical	7,340	7,491	7,454	7,435	7,426	7,420
	Operational Hourlies	47,518	48,198	48,241	48,530	48,672	49,095
	<b>Baseline Total Positions</b>	<b>64,522</b>	<b>65,955</b>	<b>65,919</b>	<b>66,189</b>	<b>66,363</b>	<b>66,842</b>

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**July Financial Plan 2013-2016**  
**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)**

Function	Change 2012-2011	Change 2012-2013	Change 2013-2014	Change 2014-2015	Change 2015-2016
<b>Baseline Total Positions</b>	<b>(1,433)</b>	<b>36</b>	<b>(270)</b>	<b>(174)</b>	<b>(479)</b>
NYC Transit	(395)	145	(42)	45	(67)
Long Island Rail Road	(217)	(68)	(179)	(135)	(371)
Metro-North Railroad	(526)	(52)	(43)	(11)	(6)
Bridges & Tunnels	(64)	(4)	-	-	-
Headquarters	(134)	5	-	(5)	(30)
Staten Island Railway	(6)	-	-	-	-
Capital Construction Company	(9)	(8)	-	-	-
Bus Company	(82)	18	(6)	(68)	(5)
<b>Non-Reimbursable</b>	<b>(1,351)</b>	<b>(104)</b>	<b>(350)</b>	<b>(210)</b>	<b>(496)</b>
NYC Transit	(605)	(90)	(113)	24	(77)
Long Island Rail Road	(212)	19	(188)	(150)	(378)
Metro-North Railroad	(272)	(52)	(43)	(11)	(6)
Bridges & Tunnels	(64)	(4)	-	-	-
Headquarters	(127)	5	-	(5)	(30)
Staten Island Railway	(6)	-	-	-	-
Capital Construction Company	-	-	-	-	-
Bus Company	(65)	18	(6)	(68)	(5)
<b>Reimbursable</b>	<b>(82)</b>	<b>140</b>	<b>80</b>	<b>36</b>	<b>17</b>
NYC Transit	210	235	71	21	10
Long Island Rail Road	(5)	(87)	9	15	7
Metro-North Railroad	(254)	-	-	-	-
Bridges & Tunnels	-	-	-	-	-
Headquarters	(7)	-	-	-	-
Staten Island Railway	-	-	-	-	-
Capital Construction Company	(9)	(8)	-	-	-
Bus Company	(17)	-	-	-	-
<b>Total Full-Time</b>	<b>(1,470)</b>	<b>31</b>	<b>(278)</b>	<b>(174)</b>	<b>(479)</b>
NYC Transit	(432)	140	(50)	45	(67)
Long Island Rail Road	(217)	(68)	(179)	(135)	(371)
Metro-North Railroad	(526)	(52)	(43)	(11)	(6)
Bridges & Tunnels	(64)	(4)	-	-	-
Headquarters	(134)	5	-	(5)	(30)
Staten Island Railway	(6)	-	-	-	-
Capital Construction Company	(9)	(8)	-	-	-
Bus Company	(82)	18	(6)	(68)	(5)
<b>Total Full-Time-Equivalents</b>	<b>37</b>	<b>5</b>	<b>8</b>	<b>-</b>	<b>-</b>
NYC Transit	37	5	8	-	-
Long Island Rail Road	-	-	-	-	-
Metro-North Railroad	-	-	-	-	-
Bridges & Tunnels	-	-	-	-	-
Headquarters	-	-	-	-	-
Staten Island Railway	-	-	-	-	-
Capital Construction Company	-	-	-	-	-
Bus Company	-	-	-	-	-

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**July Financial Plan 2013-2016**  
**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 2012-2011</b>	<b>Change 2012-2013</b>	<b>Change 2013-2014</b>	<b>Change 2014-2015</b>	<b>Change 2015-2016</b>
<b>Administration</b>	<b>(185)</b>	<b>28</b>	<b>(4)</b>	<b>(7)</b>	<b>-</b>
NYC Transit	(17)	10	7	3	1
Long Island Rail Road	(3)	-	(6)	(10)	(9)
Metro-North Railroad	(41)	4	-	3	-
Bridges & Tunnels	16	-	-	-	-
Headquarters	(96)	17	-	-	-
Staten Island Railway	-	-	-	-	-
Capital Construction Company	6	(2)	-	-	-
Bus Company	(50)	(1)	(5)	(3)	8
<b>Operations</b>	<b>(393)</b>	<b>106</b>	<b>(207)</b>	<b>(107)</b>	<b>(157)</b>
NYC Transit	(96)	107	(45)	-	3
Long Island Rail Road	(104)	22	(156)	(93)	(154)
Metro-North Railroad	(160)	(23)	(6)	(14)	(6)
Bridges & Tunnels	(70)	-	-	-	-
Headquarters	-	-	-	-	-
Staten Island Railway	2	-	-	-	-
Capital Construction Company	-	-	-	-	-
Bus Company	35	-	-	-	-
<b>Maintenance</b>	<b>(776)</b>	<b>(80)</b>	<b>(59)</b>	<b>(55)</b>	<b>(292)</b>
NYC Transit	(304)	28	(4)	42	(71)
Long Island Rail Road	(89)	(90)	(17)	(32)	(208)
Metro-North Railroad	(320)	(33)	(37)	-	-
Bridges & Tunnels	2	(4)	-	-	-
Headquarters	-	-	-	-	-
Long Island Bus	-	-	-	-	-
Staten Island Railway	(8)	-	-	-	-
Capital Construction Company	-	-	-	-	-
Bus Company	(57)	19	(1)	(65)	(13)
<b>Engineering/Capital</b>	<b>(24)</b>	<b>(6)</b>	<b>-</b>	<b>-</b>	<b>-</b>
NYC Transit	31	-	-	-	-
Long Island Rail Road	(21)	-	-	-	-
Metro-North Railroad	(5)	-	-	-	-
Bridges & Tunnels	(8)	-	-	-	-
Headquarters	-	-	-	-	-
Staten Island Railway	-	-	-	-	-
Capital Construction Company	(15)	(6)	-	-	-
Bus Company	(6)	-	-	-	-
<b>Public Safety</b>	<b>(55)</b>	<b>(12)</b>	<b>-</b>	<b>(5)</b>	<b>(30)</b>
NYC Transit	(9)	-	-	-	-
Long Island Rail Road	-	-	-	-	-
Metro-North Railroad	-	-	-	-	-
Bridges & Tunnels	(4)	-	-	-	-
Headquarters	(38)	(12)	-	(5)	(30)
Staten Island Railway	-	-	-	-	-
Capital Construction Company	-	-	-	-	-
Bus Company	(4)	-	-	-	-

**Metropolitan Transportation Authority**  
**July Financial Plan 2013-2016**  
**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 2012-2013</b>	<b>Change 2013-2014</b>	<b>Change 2014-2015</b>	<b>Change 2015-2016</b>
<b>Administration</b>				
Managers/Supervisors	10	-	(7)	(9)
Professional, Technical, Clerical	12	1	3	1
Operational Hourlies	6	(5)	(3)	8
<b>Total Administration</b>	<b>28</b>	<b>(4)</b>	<b>(7)</b>	<b>-</b>
<b>Operations</b>				
Managers/Supervisors	24	(2)	(1)	(17)
Professional, Technical, Clerical	-	3	-	-
Operational Hourlies	82	(208)	(106)	(140)
<b>Total Operations</b>	<b>106</b>	<b>(207)</b>	<b>(107)</b>	<b>(157)</b>
<b>Maintenance</b>				
Managers/Supervisors	8	2	(33)	(36)
Professional, Technical, Clerical	31	15	6	5
Operational Hourlies	(119)	(76)	(28)	(261)
<b>Total Maintenance</b>	<b>(80)</b>	<b>(59)</b>	<b>(55)</b>	<b>(292)</b>
<b>Engineering/Capital</b>				
Managers/Supervisors	-	-	-	-
Professional, Technical, Clerical	(6)	-	-	-
Operational Hourlies	-	-	-	-
<b>Total Engineering/Capital</b>	<b>(6)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Public Safety</b>				
Managers/Supervisors	-	-	-	-
Professional, Technical, Clerical	-	-	-	-
Operational Hourlies	(12)	-	(5)	(30)
<b>Total Public Safety</b>	<b>(12)</b>	<b>-</b>	<b>(5)</b>	<b>(30)</b>
<b>Baseline Total Positions</b>				
Managers/Supervisors	42	-	(41)	(62)
Professional, Technical, Clerical	37	19	9	6
Operational Hourlies	(43)	(289)	(142)	(423)
<b>Baseline Total Positions</b>	<b>36</b>	<b>(270)</b>	<b>(174)</b>	<b>(479)</b>

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**July Financial Plan 2013-2016**  
**Baseline Change Between 2012 July Financial Plan vs. 2012 February Financial Plan**  
**Total Non-Reimbursable - Reimbursable Positions**  
**Full-Time Positions and Full Time Equivalents by Function and Agency**  
**Favorable/(Unfavorable)**

<b>Category</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b><i>Baseline Total Positions</i></b>	<b>(192)</b>	<b>(248)</b>	<b>(240)</b>	<b>(171)</b>
NYC Transit	(135)	(121)	(95)	(80)
Long Island Rail Road	(21)	(72)	(64)	(54)
Metro-North Railroad	(32)	(37)	(46)	(43)
Bridges & Tunnels	(9)	(13)	(13)	(13)
Headquarters	28	16	16	41
Staten Island Railway	(4)	(4)	(4)	(4)
Capital Construction Company	8	-	-	-
Bus Company	(27)	(17)	(34)	(18)
<b><i>Non-Reimbursable</i></b>	<b>(219)</b>	<b>(255)</b>	<b>(270)</b>	<b>(216)</b>
NYC Transit	(140)	(148)	(136)	(128)
Long Island Rail Road	(37)	(54)	(55)	(53)
Metro-North Railroad	(32)	(37)	(46)	(43)
Bridges & Tunnels	(9)	(13)	(13)	(13)
Headquarters	30	18	18	43
Staten Island Railway	(4)	(4)	(4)	(4)
Capital Construction Company	-	-	-	-
Bus Company	(27)	(17)	(34)	(18)
<b><i>Reimbursable</i></b>	<b>27</b>	<b>7</b>	<b>30</b>	<b>45</b>
NYC Transit	5	27	41	48
Long Island Rail Road	16	(18)	(9)	(1)
Metro-North Railroad	-	-	-	-
Bridges & Tunnels	-	-	-	-
Headquarters	(2)	(2)	(2)	(2)
Long Island Bus	-	-	-	-
Staten Island Railway	-	-	-	-
Capital Construction Company	8	-	-	-
Bus Company	-	-	-	-
<b><i>Total Full-Time</i></b>	<b>(188)</b>	<b>(249)</b>	<b>(249)</b>	<b>(180)</b>
NYC Transit	(131)	(122)	(104)	(89)
Long Island Rail Road	(21)	(72)	(64)	(54)
Metro-North Railroad	(32)	(37)	(46)	(43)
Bridges & Tunnels	(9)	(13)	(13)	(13)
Headquarters	28	16	16	41
Staten Island Railway	(4)	(4)	(4)	(4)
Capital Construction Company	8	-	-	-
Bus Company	(27)	(17)	(34)	(18)
<b><i>Total Full-Time-Equivalents</i></b>	<b>(4)</b>	<b>1</b>	<b>9</b>	<b>9</b>
NYC Transit	(4)	1	9	9
Long Island Rail Road	-	-	-	-
Metro-North Railroad	-	-	-	-
Bridges & Tunnels	-	-	-	-
Headquarters	-	-	-	-
Staten Island Railway	-	-	-	-
Capital Construction Company	-	-	-	-
Bus Company	-	-	-	-

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**July Financial Plan 2013-2016**  
**Baseline Change Between 2012 July Financial Plan vs. 2012 February Financial Plan**  
**Total Non-Reimbursable - Reimbursable Positions**  
**Full-Time Positions and Full Time Equivalents by Function and Agency**  
**Favorable/(Unfavorable)**

<b>Function</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>Administration</b>	<b>3</b>	<b>3</b>	<b>5</b>	<b>8</b>
NYC Transit	(62)	(63)	(63)	(61)
Long Island Rail Road	22	22	22	22
Metro-North Railroad	5	8	8	8
Bridges & Tunnels	-	-	-	-
Headquarters	28	28	28	28
Staten Island Railway	(7)	(7)	(7)	(7)
Capital Construction Company	25	23	23	23
Bus Company	(8)	(8)	(6)	(5)
<b>Operations</b>	<b>(168)</b>	<b>(131)</b>	<b>(168)</b>	<b>(168)</b>
NYC Transit	(58)	(34)	(80)	(83)
Long Island Rail Road	(63)	(44)	(43)	(43)
Metro-North Railroad	(38)	(44)	(36)	(33)
Bridges & Tunnels	(4)	(4)	(4)	(4)
Headquarters	-	-	-	-
Staten Island Railway	-	-	-	-
Capital Construction Company	-	-	-	-
Bus Company	(5)	(5)	(5)	(5)
<b>Maintenance</b>	<b>(0)</b>	<b>(75)</b>	<b>(32)</b>	<b>9</b>
NYC Transit	(15)	(24)	48	64
Long Island Rail Road	34	(36)	(29)	(19)
Metro-North Railroad	-	(2)	(19)	(19)
Bridges & Tunnels	(10)	(14)	(14)	(14)
Headquarters	-	-	-	-
Staten Island Railway	3	3	3	3
Capital Construction Company	-	-	-	-
Bus Company	(12)	(2)	(21)	(6)
<b>Engineering/Capital</b>	<b>(29)</b>	<b>(35)</b>	<b>(35)</b>	<b>(35)</b>
NYC Transit	-	-	-	-
Long Island Rail Road	(14)	(14)	(14)	(14)
Metro-North Railroad	1	1	1	1
Bridges & Tunnels	1	1	1	1
Headquarters	-	-	-	-
Staten Island Railway	-	-	-	-
Capital Construction Company	(17)	(23)	(23)	(23)
Bus Company	-	-	-	-
<b>Public Safety</b>	<b>2</b>	<b>(10)</b>	<b>(10)</b>	<b>15</b>
NYC Transit	-	-	-	-
Long Island Rail Road	-	-	-	-
Metro-North Railroad	-	-	-	-
Bridges & Tunnels	4	4	4	4
Headquarters	-	(12)	(12)	13
Staten Island Railway	-	-	-	-
Capital Construction Company	-	-	-	-
Bus Company	(2)	(2)	(2)	(2)
<b>Baseline Total Positions</b>	<b>(192)</b>	<b>(248)</b>	<b>(240)</b>	<b>(171)</b>

**Metropolitan Transportation Authority**  
**July Financial Plan 2013-2016**  
**Baseline Change Between 2012 July Financial Plan vs. 2012 February Financial Plan**  
**Non-Reimbursable and Reimbursable**  
**Full-time Positions and Full-time Equivalents by Occupational Group and Agency**  
**Favorable/(Unfavorable)**

		Change			
FUNCTION/OCCUPATIONAL GROUP		2012	2013	2014	2015
<b>Administration</b>					
	Managers/Supervisors	8	9	9	11
	Professional, Technical, Clerical	(18)	(25)	(25)	(25)
	Operational Hourlies	13	19	21	22
	<b>Total Administration</b>	<b>3</b>	<b>3</b>	<b>5</b>	<b>8</b>
<b>Operations</b>					
	Managers/Supervisors	(32)	(32)	(36)	(39)
	Professional, Technical, Clerical	(17)	(18)	(15)	(15)
	Operational Hourlies	(119)	(81)	(117)	(114)
	<b>Total Operations</b>	<b>(168)</b>	<b>(131)</b>	<b>(168)</b>	<b>(168)</b>
<b>Maintenance</b>					
	Managers/Supervisors	(25)	(39)	(29)	(28)
	Professional, Technical, Clerical	(20)	(12)	(6)	(4)
	Operational Hourlies	45	(24)	3	41
	<b>Total Maintenance</b>	<b>-</b>	<b>(75)</b>	<b>(32)</b>	<b>9</b>
<b>Engineering/Capital</b>					
	Managers/Supervisors	(13)	(13)	(13)	(13)
	Professional, Technical, Clerical	(16)	(22)	(22)	(22)
	Operational Hourlies	-	-	-	-
	<b>Total Engineering/Capital</b>	<b>(29)</b>	<b>(35)</b>	<b>(35)</b>	<b>(35)</b>
<b>Public Safety</b>					
	Managers/Supervisors	(1)	(1)	(1)	(1)
	Professional, Technical, Clerical	-	-	-	-
	Operational Hourlies	3	(9)	(9)	16
	<b>Total Public Safety</b>	<b>2</b>	<b>(10)</b>	<b>(10)</b>	<b>15</b>
<b>Baseline Total Positions</b>					
	Managers/Supervisors	(63)	(76)	(70)	(70)
	Professional, Technical, Clerical	(71)	(77)	(68)	(66)
	Operational Hourlies	(58)	(95)	(102)	(35)
	<b>Baseline Total Positions</b>	<b>(192)</b>	<b>(248)</b>	<b>(240)</b>	<b>(171)</b>

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



**METROPOLITAN TRANSPORTATION AUTHORITY**  
**July Financial Plan 2013-2016**  
**MTA Consolidated Statement Of Operations By Category**  
(\$ in millions)

Line No.						
7		<b>Non-Reimbursable</b>				
8						
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10			<b>2011</b>	<b>2012</b>	<b>2013</b>	
11			<b>Actual</b>	<b>Mid-Year Forecast</b>	<b>Preliminary Budget</b>	
12						<b>2014</b>
13						<b>2015</b>
14						<b>2016</b>
15		<b>Operating Revenue</b>				
16						
17						
18						
19		Farebox Revenue	\$4,999	\$5,079	\$5,157	\$5,243
20		Toll Revenue	1,502	1,507	1,502	1,507
21		Other Revenue	510	543	569	606
22		Capital and Other Reimbursements	0	0	0	0
23		<b>Total Operating Revenue</b>	<b>\$7,011</b>	<b>\$7,128</b>	<b>\$7,228</b>	<b>\$7,356</b>
24						<b>\$7,478</b>
25						<b>\$7,584</b>
26						
27		<b>Operating Expense</b>				
28		<b>Labor Expenses:</b>				
29		Payroll	\$4,160	\$4,216	\$4,241	\$4,291
30		Overtime	539	484	472	472
31		Health & Welfare	810	845	933	1,002
32		OPEB Current Payment	394	426	474	512
33		Pensions	1,075	1,282	1,301	1,347
34		Other-Fringe Benefits	582	529	543	555
35		Reimbursable Overhead	(324)	(331)	(301)	(298)
36		<b>Sub-total Labor Expenses</b>	<b>\$7,235</b>	<b>\$7,451</b>	<b>\$7,662</b>	<b>\$7,882</b>
37						<b>\$8,189</b>
38						<b>\$8,505</b>
39						
40		<b>Non-Labor Expenses:</b>				
41		Electric Power	\$457	\$518	\$548	\$568
42		Fuel	283	260	264	264
43		Insurance	14	20	34	48
44		Claims	316	195	199	214
45		Paratransit Service Contracts	349	385	441	498
46		Maintenance and Other Operating Contracts	451	519	541	543
47		Professional Service Contracts	226	285	265	268
48		Materials & Supplies	438	487	496	516
49		Other Business Expenses	170	154	159	162
50		<b>Sub-total Non-Labor Expenses</b>	<b>\$2,704</b>	<b>\$2,824</b>	<b>\$2,946</b>	<b>\$3,082</b>
51						<b>\$3,318</b>
52						<b>\$3,550</b>
53						
54		<b>Other Expense Adjustments:</b>				
55		Other	(\$2)	\$44	\$45	\$46
56		General Reserve	0	62	130	135
57		<b>Sub-total Other Expense Adjustments</b>	<b>(\$2)</b>	<b>\$106</b>	<b>\$175</b>	<b>\$181</b>
58						<b>\$191</b>
59						<b>\$200</b>
60						
61		<b>Total Operating Expense before Non-Cash Liability Adj.</b>	<b>\$9,937</b>	<b>\$10,381</b>	<b>\$10,784</b>	<b>\$11,144</b>
62						<b>\$11,699</b>
63						<b>\$12,254</b>
64						
65		Depreciation	\$2,019	\$2,186	\$2,250	\$2,327
66		OPEB Obligation	1,707	1,712	1,756	1,827
67		Environmental Remediation	59	6	6	6
68		<b>Total Operating Expense after Non-Cash Liability Adj.</b>	<b>\$13,722</b>	<b>\$14,285</b>	<b>\$14,796</b>	<b>\$15,304</b>
69						<b>\$16,025</b>
70						<b>\$16,752</b>
71						
72		<b>Net Deficit Before Subsidies and Debt Service</b>	<b>(\$6,711)</b>	<b>(\$7,156)</b>	<b>(\$7,567)</b>	<b>(\$7,948)</b>
73						<b>(\$8,547)</b>
74						<b>(\$9,168)</b>
75						
76		Conversion to Cash Basis: Non-Cash Liability Adjs.	\$3,785	\$3,904	\$4,012	\$4,160
77						<b>\$4,326</b>
78						<b>\$4,498</b>
79		Debt Service (excludes Service Contract Bonds)	(1,934)	(2,124)	(2,335)	(2,570)
80						<b>(2,806)</b>
81						<b>(2,996)</b>
82						
83		<b>Total Operating Expense with Debt Service</b>	<b>\$11,870</b>	<b>\$12,505</b>	<b>\$13,119</b>	<b>\$13,714</b>
84						<b>\$14,505</b>
85						<b>\$15,250</b>
86						
87		Dedicated Taxes and State/Local Subsidies	\$5,150	\$5,470	\$5,704	\$5,954
88						<b>\$6,231</b>
89						<b>\$6,452</b>
90						
91		<b>Net Deficit After Subsidies and Debt Service</b>	<b>\$290</b>	<b>\$94</b>	<b>(\$186)</b>	<b>(\$403)</b>
92						<b>(\$796)</b>
93						<b>(\$1,214)</b>
94						
95		Conversion to Cash Basis: GASB Account	(38)	(77)	(82)	(86)
96		Conversion to Cash Basis: All Other	(116)	(244)	(134)	(171)
97						<b>(114)</b>
98						<b>(89)</b>
99						
100		<b>CASH BALANCE BEFORE PRIOR-YEAR CARRY-OVER</b>	<b>\$137</b>	<b>(\$227)</b>	<b>(\$403)</b>	<b>(\$661)</b>
						<b>(\$998)</b>
						<b>(\$1,395)</b>

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**July Financial Plan 2013-2016**  
**MTA Consolidated Statement Of Operations By Category**  
(\$ in millions)

Line

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Reimbursable

	2011	2012	2013			
	Actual	Mid-Year	Preliminary	2014	2015	2016
		Forecast	Budget			
<b>Operating Revenue</b>						
Farebox Revenue	\$0	\$0	\$0	\$0	\$0	\$0
Toll Revenue	0	0	0	0	0	0
Other Revenue	0	0	0	0	0	0
Capital and Other Reimbursements	1,452	1,428	1,402	1,412	1,411	1,434
<b>Total Operating Revenue</b>	<b>\$1,452</b>	<b>\$1,428</b>	<b>\$1,402</b>	<b>\$1,412</b>	<b>\$1,411</b>	<b>\$1,434</b>
<b>Operating Expense</b>						
<b>Labor Expenses:</b>						
Payroll	\$507	\$509	\$505	\$503	\$509	\$518
Overtime	116	94	94	93	95	96
Health & Welfare	51	54	60	63	66	70
OPEB Current Payment	1	0	0	0	0	0
Pensions	51	51	52	54	56	56
Other-Fringe Benefits	145	140	137	137	138	141
Reimbursable Overhead	325	331	302	299	297	302
<b>Sub-total Labor Expenses</b>	<b>\$1,197</b>	<b>\$1,178</b>	<b>\$1,150</b>	<b>\$1,149</b>	<b>\$1,161</b>	<b>\$1,183</b>
<b>Non-Labor Expenses:</b>						
Electric Power	\$1	\$0	\$1	\$0	\$0	\$0
Fuel	0	0	0	0	0	0
Insurance	9	9	12	12	12	12
Claims	0	0	0	0	0	0
Paratransit Service Contracts	0	0	0	0	0	0
Maintenance and Other Operating Contracts	99	62	54	53	51	52
Professional Service Contracts	40	42	48	50	52	52
Materials & Supplies	102	129	127	137	125	126
Other Business Expenses	3	7	10	10	9	9
<b>Sub-total Non-Labor Expenses</b>	<b>\$254</b>	<b>\$250</b>	<b>\$252</b>	<b>\$263</b>	<b>\$250</b>	<b>\$251</b>
<b>Other Expense Adjustments:</b>						
Other	\$0	\$0	\$0	\$0	\$0	\$0
<b>Sub-total Other Expense Adjustments</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Environmental Remediation	0	0	0	0	0	0
<b>Total Operating Expense</b>	<b>\$1,452</b>	<b>\$1,428</b>	<b>\$1,402</b>	<b>\$1,412</b>	<b>\$1,411</b>	<b>\$1,434</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$0)</b>	<b>\$0</b>	<b>(\$0)</b>	<b>(\$0)</b>	<b>(\$0)</b>	<b>\$0</b>

Line  
Number

	Non-Reimbursable / Reimbursable	2011	2012	2013			
		Actual	Mid-Year Forecast	Preliminary Budget	2014	2015	2016
<b><u>Operating Revenue</u></b>							
	Farebox Revenue	\$4,999	\$5,079	\$5,157	\$5,243	\$5,319	\$5,368
	Toll Revenue	1,502	1,507	1,502	1,507	1,513	1,524
	Other Revenue	510	543	569	606	646	692
	Capital and Other Reimbursements	1,452	1,428	1,402	1,412	1,411	1,434
<b>Total Operating Revenue</b>		<b>\$8,463</b>	<b>\$8,556</b>	<b>\$8,630</b>	<b>\$8,768</b>	<b>\$8,889</b>	<b>\$9,018</b>
<b><u>Operating Expense</u></b>							
<b>Labor Expenses:</b>							
	Payroll	\$4,667	\$4,725	\$4,746	\$4,795	\$4,897	\$5,031
	Overtime	655	578	566	565	575	586
	Health & Welfare	861	898	993	1,065	1,156	1,268
	OPEB Current Payment	395	426	474	512	558	608
	Pensions	1,126	1,333	1,354	1,401	1,455	1,467
	Other-Fringe Benefits	727	669	680	691	709	728
	Reimbursable Overhead	1	(1)	0	0	0	0
<b>Sub-total Labor Expenses</b>		<b>\$8,432</b>	<b>\$8,629</b>	<b>\$8,812</b>	<b>\$9,031</b>	<b>\$9,350</b>	<b>\$9,688</b>
<b>Non-Labor Expenses:</b>							
	Electric Power	\$458	\$518	\$548	\$568	\$614	\$679
	Fuel	283	260	264	264	275	274
	Insurance	24	30	46	60	70	84
	Claims	316	195	199	214	222	235
	Paratransit Service Contracts	349	385	441	498	562	645
	Maintenance and Other Operating Contracts	550	582	596	596	629	664
	Professional Service Contracts	266	326	313	318	319	323
	Materials & Supplies	540	616	623	653	699	714
	Other Business Expenses	173	161	169	173	177	182
<b>Sub-total Non-Labor Expenses</b>		<b>\$2,958</b>	<b>\$3,074</b>	<b>\$3,199</b>	<b>\$3,345</b>	<b>\$3,569</b>	<b>\$3,801</b>
<b>Other Expense Adjustments:</b>							
	Other	(\$2)	\$44	\$45	\$46	\$46	\$50
	General Reserve	0	62	130	135	145	150
<b>Sub-total Other Expense Adjustments</b>		<b>(\$2)</b>	<b>\$106</b>	<b>\$175</b>	<b>\$181</b>	<b>\$191</b>	<b>\$200</b>
<b>Total Operating Expense before Non-Cash Liability Adjs.</b>		<b>\$11,388</b>	<b>\$11,809</b>	<b>\$12,186</b>	<b>\$12,556</b>	<b>\$13,110</b>	<b>\$13,688</b>
	Depreciation	\$2,019	\$2,186	\$2,250	\$2,327	\$2,423	\$2,523
	OPEB Obligation	1,707	1,712	1,756	1,827	1,897	1,968
	Environmental Remediation	59	6	6	6	6	6
<b>Total Operating Expense</b>		<b>\$15,174</b>	<b>\$15,712</b>	<b>\$16,198</b>	<b>\$16,716</b>	<b>\$17,436</b>	<b>\$18,186</b>
<b>Net Operating Deficit Before Subsidies and Debt Service</b>		<b>(\$6,711)</b>	<b>(\$7,156)</b>	<b>(\$7,567)</b>	<b>(\$7,948)</b>	<b>(\$8,547)</b>	<b>(\$9,168)</b>
	Conversion to Cash Basis: Non-Cash Liability Adjs.	\$3,786	\$3,904	\$4,012	\$4,160	\$4,326	\$4,498
	Debt Service (excludes Service Contract Bonds)	(1,934)	(2,124)	(2,335)	(2,570)	(2,806)	(2,996)
<b>Total Operating Expense with Debt Service</b>		<b>\$13,322</b>	<b>\$13,932</b>	<b>\$14,521</b>	<b>\$15,126</b>	<b>\$15,916</b>	<b>\$16,684</b>
	Dedicated Taxes and State/Local Subsidies	\$5,150	\$5,470	\$5,704	\$5,954	\$6,231	\$6,452
<b>Net Deficit After Subsidies and Debt Service</b>		<b>\$291</b>	<b>\$94</b>	<b>(\$186)</b>	<b>(\$403)</b>	<b>(\$796)</b>	<b>(\$1,214)</b>
	Conversion to Cash Basis: GASB Account	(\$38)	(77)	(82)	(86)	(89)	(92)
	Conversion to Cash Basis: All Other	(116)	(244)	(134)	(171)	(114)	(89)
<b>CASH BALANCE BEFORE PRIOR-YEAR CARRY-OVER</b>		<b>\$137</b>	<b>(\$227)</b>	<b>(\$403)</b>	<b>(\$661)</b>	<b>(\$998)</b>	<b>(\$1,395)</b>

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**July Financial Plan 2013-2016**  
**MTA Consolidated Cash Receipts and Expenditures**  
(\$ in millions)

Line

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Cash Receipts and Expenditures						
	2011	2012	2013			
	Actual	Mid-Year Forecast	Preliminary Budget	2014	2015	2016
<b>Receipts</b>						
Farebox Revenue	\$5,046	\$5,115	\$5,205	\$5,286	\$5,362	\$5,411
Other Operating Revenue	524	603	596	632	675	720
Capital and Other Reimbursements	1,285	1,580	1,449	1,382	1,387	1,408
<b>Total Receipts</b>	<b>\$6,856</b>	<b>\$7,298</b>	<b>\$7,249</b>	<b>\$7,299</b>	<b>\$7,424</b>	<b>\$7,539</b>
<b>Expenditures</b>						
<b><u>Labor:</u></b>						
Payroll	\$4,484	\$4,645	\$4,582	\$4,635	\$4,722	\$4,844
Overtime	630	562	543	545	552	561
Health and Welfare	858	880	964	1,035	1,124	1,232
OPEB Current Payment	369	419	457	495	540	588
Pensions	1,092	1,283	1,306	1,332	1,389	1,424
Other Fringe Benefits	609	631	633	646	662	681
Contribution to GASB Fund	38	77	82	86	89	92
Reimbursable Overhead	0	0	0	0	0	0
<b>Total Labor Expenditures</b>	<b>\$8,080</b>	<b>\$8,496</b>	<b>\$8,566</b>	<b>\$8,774</b>	<b>\$9,077</b>	<b>\$9,423</b>
<b><u>Non-Labor:</u></b>						
Electric Power	\$441	\$556	\$546	\$566	\$611	\$676
Fuel	265	262	261	262	272	272
Insurance	(9)	65	38	52	64	72
Claims	221	179	180	190	194	202
Paratransit Service Contracts	361	383	439	496	560	643
Maintenance and Other Operating Contracts	474	526	509	485	500	523
Professional Service Contracts	208	299	275	279	279	282
Materials & Supplies	512	625	628	662	706	726
Other Business Expenditures	134	154	169	172	175	180
<b>Total Non-Labor Expenditures</b>	<b>\$2,606</b>	<b>\$3,049</b>	<b>\$3,044</b>	<b>\$3,164</b>	<b>\$3,361</b>	<b>\$3,576</b>
<b><u>Other Expenditure Adjustments:</u></b>						
Other	\$30	\$81	\$99	\$95	\$109	\$123
General Reserve	0	62	130	135	145	150
<b>Total Other Expenditure Adjustments</b>	<b>\$30</b>	<b>\$143</b>	<b>\$229</b>	<b>\$230</b>	<b>\$254</b>	<b>\$273</b>
<b>Total Expenditures</b>	<b>\$10,716</b>	<b>\$11,689</b>	<b>\$11,839</b>	<b>\$12,169</b>	<b>\$12,692</b>	<b>\$13,272</b>
<b>Net Cash Deficit Before Subsidies and Debt Service</b>	<b>(\$3,860)</b>	<b>(\$4,391)</b>	<b>(\$4,590)</b>	<b>(\$4,870)</b>	<b>(\$5,268)</b>	<b>(\$5,733)</b>
Dedicated Taxes and State/Local Subsidies	\$5,294	\$5,647	\$5,865	\$6,097	\$6,355	\$6,573
Debt Service (excludes Service Contract Bonds)	(1,297)	(1,483)	(1,678)	(1,888)	(2,085)	(2,235)
Net Cash Balance from Previous Year	76	213	0	\$0	\$0	\$0
<b>Baseline Net Cash Surplus/(Deficit)</b>	<b>\$213</b>	<b>(\$14)</b>	<b>(\$403)</b>	<b>(\$661)</b>	<b>(\$998)</b>	<b>(\$1,395)</b>
<b>CASH BALANCE BEFORE PRIOR-YEAR CARRY-OVER</b>	<b>\$137</b>	<b>(\$227)</b>	<b>(\$403)</b>	<b>(\$661)</b>	<b>(\$998)</b>	<b>(\$1,395)</b>

# METROPOLITAN TRANSPORTATION AUTHORITY

## July Financial Plan 2013-2016

### Cash Conversion Detail

(\$ in millions)

	<u>2011 Actual</u>	<u>2012 Mid-Year Forecast</u>	<u>2013 Preliminary Budget</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b><u>Depreciation</u></b>						
New York City Transit	\$1,312	\$1,445	\$1,520	\$1,595	\$1,670	\$1,748
Metro-North Railroad	214	236	241	245	251	256
Long Island Rail Road	316	317	309	298	307	316
MTA Bus Company	40	42	42	42	42	42
MTA Headquarters	41	46	34	33	33	32
Staten Island Railway	9	9	9	9	9	9
Bridges & Tunnels	87	90	94	104	112	120
<i>Sub-Total</i>	<i>2,019</i>	<i>2,186</i>	<i>2,250</i>	<i>2,327</i>	<i>2,423</i>	<i>2,523</i>
<b><u>Other Post Employment Benefits</u></b>						
New York City Transit	\$1,323	\$1,355	\$1,405	\$1,464	\$1,521	\$1,580
Metro-North Railroad	57	60	61	62	63	65
Long Island Rail Road	75	77	80	82	84	87
MTA Bus Company	96	55	56	57	58	58
MTA Headquarters	78	89	75	79	84	88
Bridges & Tunnels	67	73	77	80	85	89
Long Island Bus	9	0	0	0	0	0
Staten Island Railway	2	2	2	2	2	2
<i>Sub-Total</i>	<i>1,707</i>	<i>1,712</i>	<i>1,756</i>	<i>1,827</i>	<i>1,897</i>	<i>1,968</i>
<b><u>Environmental Remediation</u></b>						
New York City Transit	49	0	0	0	0	0
Metro-North Railroad	4	4	4	4	4	4
Long Island Rail Road	4	2	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>59</i>	<i>6</i>	<i>6</i>	<i>6</i>	<i>6</i>	<i>6</i>
<b><u>Operating</u></b>						
New York City Transit	138	98	95	61	52	40
Metro-North Railroad	(54)	4	(40)	(39)	(17)	(10)
Long Island Rail Road	9	1	(5)	(12)	(5)	(10)
MTA Bus Company	79	(74)	6	4	5	6
MTA Headquarters	42	(42)	(13)	(4)	(3)	(2)
Long Island Bus	9	0	0	0	0	0
Staten Island Railway	0	(7)	(0)	(0)	(0)	(0)
First Mutual Transportation Assurance Company	(14)	(36)	(35)	(35)	(46)	(58)
Other	23	17	34	(3)	(3)	(3)
<i>Sub-Total</i>	<i>232</i>	<i>(40)</i>	<i>42</i>	<i>(28)</i>	<i>(17)</i>	<i>(39)</i>
<b><u>Subsidies</u></b>						
New York City Transit	(342)	(148)	(162)	(145)	(118)	(85)
Commuter Railroads	(45)	(83)	(82)	(55)	(35)	(28)
Headquarters	(27)	(27)	(27)	(27)	(28)	(25)
MTA Bus Company	28	(23)	14	(2)	(5)	(4)
Long Island Bus	18	0	0	0	0	0
Staten Island Railway	(17)	(0)	0	0	0	0
<i>Sub-Total</i>	<i>(385)</i>	<i>(281)</i>	<i>(258)</i>	<i>(229)</i>	<i>(186)</i>	<i>(142)</i>
<b>Total Cash Conversion</b>	<b>\$3,632</b>	<b>\$3,583</b>	<b>\$3,796</b>	<b>\$3,902</b>	<b>\$4,123</b>	<b>\$4,317</b>

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**July Financial Plan 2013-2016**  
**Changes Year-to-Year By Category**

Favorable/(Unfavorable)  
(\$ in millions)

Line Number	Non-Reimbursable	2012 Mid-Year Forecast	Change 2012 - 2011	2013 Preliminary Budget	Change 2013 - 2012	2014	Change 2014 - 2013	2015	Change 2015 - 2014	2016	Change 2016 - 2015
9											
10											
11											
12	<b>Operating Revenue</b>										
13	Farebox Revenue	\$5,079	\$80	\$5,157	\$78	\$5,243	\$86	\$5,319	\$76	\$5,368	\$49
14	Toll Revenue	1,507	5	1,502	(5)	1,507	5	1,513	6	1,524	11
15	Other Revenue	543	33	569	26	606	36	646	40	692	46
16	Capital and Other Reimbursements	0	0	0	0	0	0	0	0	0	0
17	<b>Total Operating Revenue</b>	<b>\$7,128</b>	<b>\$117</b>	<b>\$7,228</b>	<b>\$100</b>	<b>\$7,356</b>	<b>\$128</b>	<b>\$7,478</b>	<b>\$122</b>	<b>\$7,584</b>	<b>\$106</b>
18											
19	<b>Operating Expense</b>										
20	<b>Labor Expenses:</b>										
21	Payroll	\$4,216	(\$56)	\$4,241	(\$25)	\$4,291	(\$50)	\$4,388	(\$97)	\$4,513	(\$125)
22	Overtime	484	54	472	12	472	(0)	481	(9)	490	(10)
23	Health & Welfare	845	(35)	933	(88)	1,002	(69)	1,090	(88)	1,198	(108)
24	OPEB Current Payment	426	(32)	474	(48)	512	(39)	558	(46)	608	(50)
25	Pensions	1,282	(207)	1,301	(19)	1,347	(46)	1,399	(52)	1,411	(12)
26	Other-Fringe Benefits	529	52	543	(14)	555	(12)	570	(15)	587	(17)
27	Reimbursable Overhead	(331)	7	(301)	(30)	(298)	(3)	(296)	(2)	(302)	5
28	<b>Sub-total Labor Expenses</b>	<b>\$7,451</b>	<b>(\$216)</b>	<b>\$7,662</b>	<b>(\$212)</b>	<b>\$7,882</b>	<b>(\$219)</b>	<b>\$8,189</b>	<b>(\$308)</b>	<b>\$8,505</b>	<b>(\$316)</b>
29											
30	<b>Non-Labor Expenses:</b>										
31	Traction and Propulsion Power	\$518	(\$61)	\$548	(\$30)	\$568	(\$21)	\$614	(\$46)	\$679	(\$65)
32	Fuel for Buses and Trains	260	22	264	(3)	264	(1)	275	(10)	274	0
33	Insurance	20	(6)	34	(14)	48	(14)	58	(10)	71	(13)
34	Claims	195	120	199	(4)	214	(15)	222	(9)	235	(13)
35	Paratransit Service Contracts	385	(37)	441	(56)	498	(57)	562	(64)	645	(83)
36	Maintenance and Other Operating Contracts	519	(68)	541	(22)	543	(1)	578	(35)	612	(34)
37	Professional Service Contracts	285	(58)	265	20	268	(3)	267	1	272	(5)
38	Materials & Supplies	487	(48)	496	(9)	516	(20)	574	(58)	588	(14)
39	Other Business Expenses	154	16	159	(5)	162	(3)	168	(5)	173	(5)
40	<b>Sub-total Non-Labor Expenses</b>	<b>\$2,824</b>	<b>(\$120)</b>	<b>\$2,946</b>	<b>(\$122)</b>	<b>\$3,082</b>	<b>(\$136)</b>	<b>\$3,318</b>	<b>(\$237)</b>	<b>\$3,550</b>	<b>(\$232)</b>
41											
42	<b>Other Expense Adjustments:</b>										
43	Other	\$44	(46)	\$45	(1)	\$46	(1)	\$46	(1)	\$50	(3)
44	General Reserve	62	(62)	130	(68)	135	(5)	145	(10)	150	(5)
45	<b>Sub-total Other Expense Adjustments</b>	<b>\$106</b>	<b>(\$108)</b>	<b>\$175</b>	<b>(\$69)</b>	<b>\$181</b>	<b>(\$6)</b>	<b>\$191</b>	<b>(\$11)</b>	<b>\$200</b>	<b>(\$8)</b>
46											
47	<b>Total Operating Expense before Non-Cash Liability Adjs.</b>	<b>\$10,381</b>	<b>(\$444)</b>	<b>\$10,784</b>	<b>(\$403)</b>	<b>\$11,144</b>	<b>(\$360)</b>	<b>\$11,699</b>	<b>(\$555)</b>	<b>\$12,254</b>	<b>(\$555)</b>
48											
49	Depreciation	2,186	(166)	2,250	(64)	2,327	(78)	2,423	(96)	2,523	(100)
50	OPEB Obligation	1,712	(5)	1,756	(44)	1,827	(70)	1,897	(70)	1,968	(72)
51	Environmental Remediation	6	53	6	0	6	0	6	0	6	0
52											
53	<b>Total Operating Expense</b>	<b>\$14,285</b>	<b>(\$562)</b>	<b>\$14,796</b>	<b>(\$511)</b>	<b>\$15,304</b>	<b>(\$508)</b>	<b>\$16,025</b>	<b>(\$721)</b>	<b>\$16,752</b>	<b>(\$727)</b>
54											
55	Less B&T Depreciation	90	(3.4)	94	(4.5)	104	(10.0)	112	(7.3)	120	(7.9)
56	<b>Net Operating Deficit Before Subsidies and Debt Service</b>	<b>(\$7,156)</b>	<b>(\$445)</b>	<b>(\$7,567)</b>	<b>(\$411)</b>	<b>(\$7,948)</b>	<b>(\$380)</b>	<b>(\$8,547)</b>	<b>(\$599)</b>	<b>(\$9,168)</b>	<b>(\$622)</b>
57											
58	Conversion to Cash Basis: Non-Cash Liability Adjs.	\$3,904	(\$118)	\$4,012	(\$108)	\$4,160	(\$148)	\$4,326	(\$166)	\$4,498	(\$190)
59	Debt Service (excludes Service Contract Bonds)	(2,124)	(190)	(2,335)	(211)	(2,570)	(235)	(2,806)	(236)	(2,996)	(190)
60											
61	<b>Total Operating Expense with Debt Service</b>	<b>\$12,505</b>	<b>(\$634)</b>	<b>\$13,119</b>	<b>(\$614)</b>	<b>\$13,714</b>	<b>(\$595)</b>	<b>\$14,505</b>	<b>(\$791)</b>	<b>\$15,250</b>	<b>\$745</b>
62											
63	Dedicated Taxes and State/Local Subsidies	\$5,470	\$321	\$5,704	\$234	\$5,954	\$250	\$6,231	\$277	\$6,452	\$221
64											
65	<b>Net Deficit After Subsidies and Debt Service</b>	<b>\$94</b>	<b>(\$196)</b>	<b>(\$186)</b>	<b>(\$280)</b>	<b>(\$403)</b>	<b>(\$217)</b>	<b>(\$796)</b>	<b>(\$392)</b>	<b>(\$1,214)</b>	<b>(\$418)</b>
66											
67	Conversion to Cash Basis: GASB Account	(77)	39	(82)	5	(86)	4	(89)	2	(92)	(397)
68	Conversion to Cash Basis: All Other	(244)	129	(134)	(110)	(171)	37	(114)	(57)	(89)	0
69											
70	<b>CASH BALANCE BEFORE PRIOR YEAR CARRYOVER</b>	<b>(\$227)</b>	<b>(\$364)</b>	<b>(\$403)</b>	<b>(\$176)</b>	<b>(\$661)</b>	<b>(\$258)</b>	<b>(\$998)</b>	<b>(\$337)</b>	<b>(\$1,395)</b>	<b>0</b>

**Metropolitan Transportation Authority**  
**July Financial Plan 2013-2016**  
**Non-Recurring Revenue and Savings**  
(\$ in millions)

		2012 Mid-Year Forecast	2013 Preliminary Budget	2014 Plan	2015 Plan	2016 Plan
		Explanation	Explanation	Explanation	Explanation	Explanation
New York City Transit	CNG Tax Rebate	\$ 3.7 2011 CNG IRS Rebate received June, 2012	\$ -	\$ -	\$ -	\$ -
Long Island Rail Road	Air Rights	\$ 3.0 Through a formal RFP process, the MTA and LIRR have identified a property owner interested in purchasing real estate along the right of way	\$ -	\$ -	\$ -	\$ -
Metro-North Railroad	Harlem River Lift Bridge Repairs	\$ 1.0 One-time project cost, favorable to budget	\$ -	\$ -	\$ -	\$ -
Bridges & Tunnels	None	\$ -	\$ -	\$ -	\$ -	\$ -
MTA Headquarters	2011 Tropical Storm Irene Reimb.	\$ 15.6 Insurance/FEMA reimbursement for expenses incurred as a results of Tropical Storm Irene (August 2011)	\$ 36.9 Insurance/FEMA reimbursement for expenses incurred as a results of Tropical Storm Irene (August 2011)	\$ -	\$ -	\$ -
MTA Bus	None	\$ -	\$ -	\$ -	\$ -	\$ -
Staten Island Railway	None	\$ -	\$ -	\$ -	\$ -	\$ -
MTA Capital Construction	None	\$ -	\$ -	\$ -	\$ -	\$ -
FMTAC	None	\$ -	\$ -	\$ -	\$ -	\$ -
Total Non-Recurring Resources (> or = \$1 million		\$ 23.3	\$ 36.9	\$ -	\$ -	\$ -

**METROPOLITAN TRANSPORTATION AUTHORITY**  
**July Financial Plan 2013-2016**  
**Operating Budget Reserves - Baseline**  
(\$ in millions)

	2012 Mid-Year <u>Forecast</u>	2013 Preliminary <u>Budget</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
MTA General Reserve (annual)	\$62.0	\$130.0	\$135.0	\$145.0	\$150.0
GASB Fund Reserve <sup>1,2</sup>	\$402.5	\$464.0	\$528.6	\$595.1	\$664.3
MTA Retiree Welfare Benefits Trust <sup>1</sup>	\$125.0	\$125.0	\$125.0	\$125.0	\$125.0

<sup>1</sup> Cumulative balances

<sup>2</sup> MTA Intends to move funds from the GASB Fund Reserve into the MTA Retiree Welfare Benefits Trust Fund.



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

NYCT  
2012 Commitments Goal  
All \$ in millions

ACEP	Project Description	2012 Commitments
2005-2009		
T50302/18	Purchase 90 Standard Buses	\$ 52.42
T50302/21	Purchase 60 Express Buses	38.26
	<b>Element Total</b>	<b>90.68</b>
T50904/14	Cathodic Protection Manhole Relocation At Queensbridge Park	0.25
	<b>Element Total</b>	<b>0.25</b>
T51204/08	BRT: Traffic Signal Priority Hardware	4.63
T51204/08	BRT Traffic Signal Priority Hardware	0.07
T51204/23	Chassis Wash Lift Replace: Castleton Depot [Mentor]	0.55
T51204/24	Chassis Wash Lift Replacement: East New York Depot [Mentor]	0.55
	<b>Element Total</b>	<b>5.80</b>
T51605/21	Concrete Batch Plant Inspection	1.15
T51605/24	Concrete Cylinder Testing	0.66
	<b>Element Total</b>	<b>1.81</b>
2010-2014		
S60701/02	Lemon Creek Culvert Bridge	7.40
	<b>Element Total</b>	<b>7.40</b>
T60101/02	Purchase 300 B Division Cars - R179	637.64
	<b>Element Total</b>	<b>637.64</b>
T60302/06	Purchase 90 Articulated Buses	70.63
T60302/07	Purchase 99 Express Buses	72.75
T60302/09	Purchase 425 Standard Buses	321.48
T60302/10	Purchase 89 Express Buses	65.76
T60302/14	Purchase 97 Express Buses	74.53
T60302/16	Purchase 71 Standard Buses	55.85
T60302/18	Replace Integrated Farebox Unit (IFU) Components, Phase 2	21.94
T60302/22	Purchase 104 Standard Buses	72.68
T60302/23	Bus Cameras: 2010-2014 Purchases	24.83
	<b>Element Total</b>	<b>780.45</b>
T60404/02	Purchase Automated Farecard Access System (AFAS) Units	2.31
T60404/05	Smart Card Implementation, Phase 1	10.00
	<b>Element Total</b>	<b>12.31</b>
T60407/04	Replace 11 Hydraulic Elevators	44.62
	<b>Element Total</b>	<b>44.62</b>
T60412	Station Ventilators: Ph3 - 7 Loc / Canarsie & 6 Av Lines	3.51
T60412	Station Component Investments: 4 Locations / Eastern Parkway	0.76
T60412/06	Station Components: Pelham Bay Park / Pelham	9.10
T60412/07	Station Renewal: Buhre Avenue / Pelham	20.61

NYCT  
2012 Commitments Goal  
All \$ in millions

ACEP	Project Description	2012 Commitments
T60412/08	Station Renewal: Middletown Road / Pelham	19.55
T60412/09	Station Renewal: Zerega Avenue / Pelham	19.58
T60412/10	Station Renewal: Castle Hill Avenue / Pelham	20.31
T60412/22	Brick Arch Repair: 168 Street & 181 Street / Broadway-7th Av	37.96
T60412/24	Station Painting At Component Locations, Phase 1	9.49
T60412/25	Station Renewal: Central Avenue / Myrtle	11.08
T60412/26	Station Renewal: Seneca Avenue / Myrtle	6.84
T60412/27	Station Renewal: Forest Avenue / Myrtle	6.71
T60412/28	Station Renewal: Knickerbocker Avenue / Myrtle	10.33
T60412/29	Station Renewal: Fresh Pond Road / Myrtle	6.87
T60412/30	Station Walls-Tile Repl: Borough Hall / Lexington	2.64
T60412/31	Station Renewal: 104 Street / Liberty	17.62
T60412/31	Station Renewal: 104 Street / Liberty	0.92
T60412/32	Station Renewal: Ozone Park-lefferts Boulevard / Liberty	6.75
T60412/32	Station Renewal: Ozone Park-lefferts Boulevard / Liberty	0.93
T60412/33	Station Renewal: 111 Street / Liberty	16.83
T60412/33	Station Renewal: 111 Street / Liberty	0.88
T60412/34	Station Renewal: Rockaway Boulevard / Liberty	17.24
T60412/34	Station Renewal: Rockaway Boulevard / Liberty	0.96
T60412/35	Station Renewal: 88 Street / Liberty	17.31
T60412/35	Station Renewal: 88 Street / Liberty	0.87
T60412/36	Station Renewal: 80 Street / Liberty	16.96
T60412/36	Station Renewal: 80 Street / Liberty	0.91
T60412/60	Station Components: 6 Stations / Jamaica	21.91
T60412/60	Station Components: 6 Stations / Jamaica	2.02
T60412/61	Station Components: 5 Stations / Brighton	8.85
T60412/64	Station Component Investments: 3 Locations / Astoria	0.57
T60412/67	Station Components: 149 Street-grand Concourse / Jerome	6.44
T60412/68	Station Components: 149 Street-grand Concourse / WPR	8.85
	<b>Element Total</b>	<b>332.15</b>
T60413/04	Platform Gap Retrofit Phase 1 - 14 Stations	0.19
T60413/06	ADA: Kingsbridge Rd / Concourse	28.76
T60413/07	ADA: 68 St-Hunter College / Lexington	66.27
T60413/07	ADA: 68 St-Hunter College / Lexington	0.96
T60413/09	ADA: Hunts Point Av / Pelham	28.17
T60413/12	ADA: Ozone Park-Lefferts Blvd / Liberty	31.77
T60413/12	ADA: Ozone Park-lefferts Blvd / Liberty	3.36
	<b>Element Total</b>	<b>159.48</b>

NYCT  
2012 Commitments Goal  
All \$ in millions

ACEP	Project Description	2012 Commitments
T60414/04	Scrubber Room Drainage - 4 Locations	0.48
T60414/05	Access Improvements: Grand Central / Lex	0.52
T60414/07	Station Signage	0.47
	<b>Element Total</b>	<b>1.47</b>
T60502/07	Mainline Track Replacement - 2012 Support Costs	2.36
T60502/08	Track Force Account - 2012	35.00
T60502/09	Continuous Welded Rail - 2012	5.69
T60502/10	Mainline Track Replacement - 2013	1.01
T60502/24	Mainline Track Replacement 2012 At Broadway	2.55
T60502/25	Mainline Track Replacement 2012 At Brighton	7.64
T60502/26	Mainline Track Replacement 2012 At N/o Dekalb	5.54
T60502/27	Mainline Track Replacement 2012 At Atlantic Avenue	5.36
T60502/28	Mainline Track Replacement 2012 At S/o Court Street	2.26
T60502/29	Mainline Track Replacement 2012 At West End	3.18
T60502/30	Mainline Track Replacement 2012 At Sea Beach	1.01
T60502/31	Mainline Track Replacement 2012 At N/o Pacific Street	4.03
T60502/32	Mainline Track Replacement 2012 At Jamaica	7.88
T60502/33	Mainline Track Replacement 2012 At Myrtle Avenue	15.97
T60502/34	Mainline Track Replacement 2012 At 168 Street/ 8 Avenue	1.62
T60502/35	Mainline Track Replacement 2012 At Cranberry Tube / 8 Avenue	8.52
T60502/36	Mainline Track Replacement 2012 At 6th Avenue	14.72
T60502/37	Mainline Track Replacement 2012 At Concourse	15.13
T60502/38	Mainline Track Replacement 2012 At Queens Blvd	9.09
T60502/39	Mainline Track Replacement 2012 At Canarsie	1.15
T60502/40	Mainline Track Replacement 2012 At Rockaway	9.16
T60502/41	Mainline Track Replacement 2012 At Broadway-7th Avenue	7.04
T60502/42	Mainline Track Replacement 2012 At Flushing	30.16
T60502/43	Mainline Track Replacement 2012 At Eastern Parkway	2.17
T60502/44	Mainline Track Replacement 2012 At Lenox-white Plains Rd	7.56
T60502/45	Mainline Track Replacement 2012 At Jerome Ave	4.90
T60502/46	Mainline Track Replacement 2012 At Pelham	1.57
T60502/47	Mainline Track Replacement 2012 At Lexington Avenue	8.50
T60502/48	Mainline Track Replacement 2012 At White Plains Road	9.95
	<b>Element Total</b>	<b>230.72</b>
T60503/03	Mainline Track Switches - 2012 Support Costs	8.01
T60503/04	Mainline Track Switches- 2013	1.69
T60503/09	Mainline Track Switches - 2012 At West End	7.06
T60503/10	Mainline Track Switches - 2012 At Queens Blvd	5.54

NYCT  
2012 Commitments Goal  
All \$ in millions

ACEP	Project Description	2012 Commitments
T60503/11	Mainline Track Switches - 2012 At Broadway-7th Avenue	5.29
T60503/12	Mainline Track Switches - 2012 At Eastern Parkway	3.57
T60503/13	Mainline Track Switches - 2012 At Lexington Avenue	6.31
T60503/14	Mainline Track Switches - 2012 At White Plain Road	9.30
	<b>Element Total</b>	<b>46.77</b>
T60602/03	Tunnel Lighting Rehabilitation: 36 St To Jackson-roosevelt / QBL	1.35
T60603/03	Vent Plant: Mulry Square / 8av & Bw7	108.50
T60603/05	Replace Vent Controls: 26 Locations	0.82
T60603/05	Replace Vent Controls: 26 Locations	0.82
	<b>Element Total</b>	<b>111.48</b>
T60604/03	Pumps: 4 Locations / Pelham-Jerome-Lenox	0.89
	<b>Element Total</b>	<b>0.89</b>
T60703/02	Rehab Emergency Exits: 75 Locs	18.00
T60703/06	Demolition Of Abandoned Structures - Various	14.07
T60703/06	Demolition Of Abandoned Structures - Various	0.93
T60703/09	Line Structure Overcoating: Portal - East 180 Street / White Plains	33.67
T60703/13	Structure Repairs / Dyre Avenue Line	8.99
T60703/13	Structure Repairs / Dyre Avenue Line	0.32
T60703/14	Line Structure Overcoating: Bway Junction - Cypress Hills / Jamaica	25.88
	<b>Element Total</b>	<b>101.86</b>
T60803/10	Signal Systems: 2 Interlockings: Union Turnpike & 71 Av	362.69
T60803/13	Signal Systems: Dyre Avenue Line Signals	245.12
T60803/13	Dyre Avenue Line Signals	6.18
T60803/14	Signal Systems: Roosevelt Interlocking / Queens Blvd	110.72
T60803/15	34th St Interlocking / 6th Avenue	2.98
T60803/16	West 4 St Interlocking / 6th Avenue	5.60
T60803/22	Duct Rehabilitation & Negative Cable: Steinway Tube/flushing	46.46
	<b>Element Total</b>	<b>779.75</b>
T60806/01	Fiber Optic Cable Replacement: Phase 1	13.90
T60806/01	Fiber Optic Cable Replacement: Phase 1	1.10
T60806/03	PRS: Time Domain Interference Solution	10.15
T60806/04	PA/CIS at 43 Stations: Install Cable	55.56
T60806/07	Copper Cable Upgrade/replacement Phase 2	8.89
T60806/08	VHF Radio System Upgrade	210.71
T60806/09	Comm Room HVAC Ph 2: 7 Stations / Brooklyn	20.00
T60806/13	Antenna Cable Upgrade/replacement Ph 1	15.58
T60806/13	Antenna Cable Upgrade/Replacement Ph 1	0.85
T60806/15	Copper Cable Upgrade/replacement Phase 3	0.62

NYCT  
2012 Commitments Goal  
All \$ in millions

ACEP	Project Description	2012 Commitments
T60806/15	Copper Cable Upgrade/replacement Phase 3	0.46
	<b>Element Total</b>	<b>337.83</b>
T60902/03	Substation Hatchways: 8 Locs	10.63
T60902/04	Cabling: Central Substation / 6th Av - Phase 2	1.00
T60902/05	Substation Roof And Enclosure	15.64
T60902/05	Substation Roof And Enclosure [design Only]	1.26
	<b>Element Total</b>	<b>28.52</b>
T60904/04	CBH 74 Havermeyer & 74A Bridge / Jamaica	22.20
T60904/04	CBH 74 Havermeyer & 74A Bridge / Jamaica	0.84
T60904/06	CBH 146 Prospect Park / Brighton	6.34
T60904/06	CBH 146 Prospect Park / Brighton	0.40
	<b>Element Total</b>	<b>29.78</b>
T61004/04	207 St Maintenance Shop: Dc Power Upgrade	15.67
T61004/04	207 St Maintenance Shop: Dc Power Upgrade	0.82
T61004/07	DCE Shop Component Priority Repairs Ph 2	1.13
T61004/07	DCE Shop Component Priority Repairs Ph 2	1.13
T61004/13	Yard Track - 2012	3.06
T61004/19	Yard Switches - 2012	4.71
	<b>Element Total</b>	<b>26.52</b>
T61204/03	Bus Radio System Interim Upgrade	8.76
T61204/05	IVN For 5 Depots	2.60
T61204/06	3 Bus Washers At Manhattanville Depot	6.38
T61204/06	7 Bus Washers at Kb, Gh, Cs	5.91
T61204/09	Tank Upgrades: 2 Depots	1.97
T61204/10	HVAC Upgrades - 4 Depots (locker Rooms)	1.14
T61204/18	Bus Lane Enforcement Cameras, Phase 1	2.70
	<b>Element Total</b>	<b>29.46</b>
T61302/05	Purchase 118 Non-Rev Vehicles: 2012-2013	13.94
T61602/03	Capital Revolving Fund - 2012	5.00
	<b>Element Total</b>	<b>18.94</b>
T61604/03	Enterprise Securty Network Infrastructure	10.39
	<b>Element Total</b>	<b>10.39</b>
T61605/07	Engineering Services: 2012	3.60
T61605/09	Scope Development: 2012 Scope Development	10.00
	<b>Element Total</b>	<b>13.60</b>
T61606/04	Asbestos Disposal	2.52
T61606/05	Sprinkler & Alarm Systems: Phase 1 - 5 Locations	17.6
T61606/05	Sprinkler & Alarm Systems: Phase 2	9.15

NYCT  
2012 Commitments Goal  
All \$ in millions

ACEP	Project Description	2012 Commitments
T61606/06	Fire Alarm: 207 Street Overhaul Shop	10.51
T61606/06	Fire Alarm: 207 Street Overhaul Shop	0.49
T61606/07	Groundwater And Soil Remediation (2011)	6.50
T61606/08	Groundwater And Soil Remediation Consultant (2011)	6.00
	<b>Element Total</b>	<b>12.50</b>
T61607/02	Information Technology: Jay Street Systems Phase 1	1.90
T61607/03	RTO Master Tower Hardening	4.34
T61607/06	Maspeth Warehouse Repairs	8.60
T61607/06	Maspeth Warehouse Repairs	0.32
T61607/07	Perimeter Hardening: RCC, PCC & 130 Livingston	11.51
T61607/13	Employee Facilities at 207 Street / 8th Avenue	8.66
T61607/17	Livingston Plaza: Elevators, Roof, Facade	0.31
T61607/17	Livingston Plaza: Elevators, Roof, Facade	0.47
	<b>Element Total</b>	<b>36.10</b>

<b>Total 2012 Commitments</b>	<b>\$ 3,889.17</b>
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MTA Bus  
2012 Commitments Goal  
All \$ in millions

<i>ACEP</i>	<i>Project Description</i>	<b>2012 Commiments</b>
<b><u>2005-2009</u></b>		
<i>U5030205</i>	Fuel Tanks and Bus Wash: Eastchester Depot	\$12.55
<i>U5030219</i>	Service Vehicles	\$4.00
<i>U5030210</i>	Security Upgrade: College Point Depot	\$2.83
<i>U5030220</i>	New Boilers and A/C: JFK Depot	\$1.68
<i>U5030204</i>	Emergency Generators: 6 Depots	\$7.73
<i>U5030202</i>	College Point Storage Building	\$3.00
<i>U5030218</i>	Security Upgrade: Eastchester and LaGuardia	\$7.50
<i>U5030220</i>	Chassis Wash and Oil Water Separator: JFK	\$1.50
<b>Element Total</b>		<b>\$40.78</b>
<b><u>2010-2014</u></b>		
U6030215	Bus Cameras on 79 CNG Buses	\$2.20
U6030205	Bus Wash: JFK and Baisley Park	\$3.30
<b>Element Total</b>		<b>\$5.50</b>
<b>2012 Commitments Goal</b>		<b>\$46.28</b>



**MTA Long Island Rail Road**  
**2012 Commitment Summary**  
All \$ in Millions

<b>ACEP</b>	<b>Project Description</b>	<b>2012 Commitments</b>
<b>2005-2009</b>		
L5020425	JCC BUILDING FITOUT - PHASE 2	\$0.35
L5020427	NEW ATLANTIC TERMINAL ELEVATOR	\$2.40
L502042D	NEW ELEVATORS-QUEENS VILLAGE STATION	\$0.59
L502042E	NEW ELEVATORS-FLUSHING MAIN STREET	\$0.57
	<b>Element Total</b>	<b>\$3.91</b>
L50206VD	PS CUSTOMER SERVICE OFFICE	\$0.03
	<b>Element Total</b>	<b>\$0.03</b>
L50301E1	TRACK EQUIPMENT	\$1.64
	<b>Element Total</b>	<b>\$1.64</b>
L50401B8	QUEENS BLVD BRIDGE	\$0.80
	<b>Element Total</b>	<b>\$0.80</b>
L50601Y1	PORT WASHINGTON YARD - DESIGN	\$1.52
L50601Y3	JAMAICA STATION BUILDING REHAB	\$6.83
	<b>Element Total</b>	<b>\$8.34</b>
L50699YY	BABYLON TRAIN WASH	\$0.23
	<b>Element Total</b>	<b>\$0.23</b>
L509048A	ELECTRIC SUBSTATIONS REMEDIATION	\$1.05
L509048H	HOLBAN YARD	\$0.10
L50904OP	PROGRAM DEVELOPMENT	\$0.77
	<b>Element Total</b>	<b>\$1.92</b>
<b>2010-2014</b>		
L60204UB	MASSAPEQUA STATION PLATFORM REPLACEMENT	\$0.50
L60204UH	ELEVATOR REPLACEMENT PROGRAM	\$0.74
	<b>Element Total</b>	<b>\$1.24</b>
L60206VL	PENN STATION HVAC	\$0.05
	<b>Element Total</b>	<b>\$0.05</b>
L60301TC	2012 ANNUAL TRACK PROGRAM	\$51.80
L60301TF	CONSTRUCTION EQUIPMENT	\$2.20
L60301TG	ATLANTIC BRANCH 1/2 TIES	\$1.73
L60301TH	MERRICK/BELLMORE DIRECT FIXATION	\$17.29
L60301TL	ROW-FENCING	\$1.60
L60301TM	ERT TUNNEL REHABILITATION	\$25.00
	<b>Element Total</b>	<b>\$99.62</b>
L60304TU	JAMAICA CAPACITY IMPROVEMENTS	\$19.02
L60304TV	MASSAPEQUA POCKET TRACK	\$1.60
	<b>Element Total</b>	<b>\$20.62</b>
L60401BB	BRIDGE PROGRAM	\$14.60
L60401BD	CONSTRUCT 150TH ST-JAMAICA & BRDWAY/PW	\$2.50
L60401BE	CONSTRUCT 3 MONTAUK BRANCH BRIDGES	\$0.58
L60401BF	ATLANTIC AVENUE VIADUCT - PHASE 2B	\$1.13
L60401BH	WOODHAVEN BLVD. BRIDGE	\$7.93
	<b>Element Total</b>	<b>\$26.74</b>
L60501L1	FIBER OPTIC NETWORK	\$10.00
L60501L4	IMPROVED RADIO COVERAGE INITIATIVE	\$2.30
L60501L6	PENN STATION RADIO RETROFIT/ERT ANTENNA	\$0.12

MTA Long Island Rail Road  
2012 Commitment Summary  
All \$ in Millions

ACEP	Project Description	2012 Commitments
L60501L7	ATLANTIC AVE TUNNEL CABLE REPLACEMENT	\$0.05
	<b>Element Total</b>	<b>\$12.47</b>
L60502LA	POSITIVE TRAIN CONTROL	\$0.36
	<b>Element Total</b>	<b>\$0.36</b>
L60601YA	SHOP RECONFIG & RCM INFRASTRUCTURE	\$0.73
L60601YB	HILLSIDE FACILITY BLDG REHAB (ROOF)	\$4.90
L60601YC	HILLSIDE MAINTENANCE FACILITY	\$1.86
L60601YN	NEW MID SUFFOLK ELECTRIC YARD	\$0.08
	<b>Element Total</b>	<b>\$7.56</b>
L60604YT	REHAB OF EMPLOYEE FACILITIES	\$1.66
	<b>Element Total</b>	<b>\$1.66</b>
L60701AA	2010-2014 SUBSTATION REPLACEMENT	\$23.09
L60701AJ	ATLANTIC AVE TUNNEL LIGHTING	\$6.53
	<b>Element Total</b>	<b>\$29.62</b>
L60904NA	PROGRAM ADMIN	\$24.83
L60904NC	INSURANCE	\$0.10
L60904ND	INDEPENDENT ENGINEER	\$0.90
	<b>Element Total</b>	<b>\$25.83</b>

<b>Long Island Rail Road 2012 Commitment Total</b>	<b>\$242.64</b>
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**MTA Metro-North Railroad**  
**2012 Commitment Summary**  
**All \$ in Millions**

<b>ACEP</b>	<b>Project Description</b>	<b>2012 Commitments</b>
<b>2000-2004</b>		
M4020313	North White Plains Parking - EIS/EA/Prelim Design	\$0.30
	<b>Element Total</b>	<b>\$0.30</b>
<b>2005-2009</b>		
M5010112	Rolling Stock Signals (PTC)	\$3.26
	<b>Element Total</b>	<b>\$3.26</b>
M5020108	GCT Water Conveyance Utilities Improvements	\$0.46
	<b>Element Total</b>	<b>\$0.46</b>
M5020209	Bronx Stations/Capacity Improvements	\$5.57
M5020210	Smart Cards	\$2.78
	<b>Element Total</b>	<b>\$8.35</b>
M5050101	Substation Bridge 23	\$5.45
	<b>Element Total</b>	<b>\$5.45</b>
M5080109	Customer and Employee Communications Projects	\$2.03
	<b>Element Total</b>	<b>\$2.03</b>
<b>2010-2014</b>		
M6010102	M-8 New Haven Line Purchase	\$17.36
	<b>Element Total</b>	<b>\$17.36</b>
M6020101	GCT Trainshed/Tunnel Structure	\$4.04
M6020102	Park Avenue Tunnel Renewal	\$7.50
M6020106	GCT Elevator Rehab Phase 4	\$1.50
M6020108	GCT Utilities	\$2.13
	<b>Element Total</b>	<b>\$15.17</b>
M6020201	Poughkeepsie Station Building	\$1.00
M6020203	Harlem Line Station Renewal	\$2.30
M6020204	Station Building Rehabilitation/Net Lease	\$0.26
M6020206	New Haven Line Station Phase II	\$32.73
M6020207	Smart Card Improvements	\$4.38
M6020208	Customer Communications/Connectivity Improvements	\$5.37
	<b>Element Total</b>	<b>\$46.04</b>
M6020302	Strategic Facilities	\$2.45
	<b>Element Total</b>	<b>\$2.45</b>
M6030102	Turnouts - Mainline/High Speed	\$27.43
M6030103	GCT Turnouts/Switch Renewal	\$3.50
M6030104	Turnouts - Yards/Sidings	\$0.59
M6030106	Cyclical Repl. Insulated Joint	\$0.48
M6030107	Rock Slope Remediation	\$5.00
M6030108	Drainage and Undercutting Program	\$9.78
M6030109	Rebuild Retaining Walls	\$3.60
M6030112	2012 Cyclical Track Program	\$13.00
	<b>Element Total</b>	<b>\$63.38</b>
M6030206	Remove Obsolete Facilities	\$0.04
M6030209	Employee Welfare and Storage Facility	\$0.60
M6030210	Replace/Repair Undergrade Bridges Program	\$14.38
M6030211	Harlem River Lift Bridge Cable	\$9.55
M6030213	Catenary Painting/Rehabilitate Catenary Structures	\$3.50
M6030214	Park Avenue Viaduct Direct Fixation	\$1.80
	<b>Element Total</b>	<b>\$29.87</b>
M6030301	West of Hudson Track Program	\$6.45

**MTA Metro-North Railroad**  
**2012 Commitment Summary**  
**All \$ in Millions**

<b>ACEP</b>	<b>Project Description</b>	<b>2012 Commitments</b>
M6030302	West of Hudson Improvements	\$0.75
M6030303	Moodna/Woodbury Viaduct	\$3.36
M6030304	Otisville Tunnel Renewal	\$3.00
M6030305	West of Hudson Replace/Renew Undergrade Bridges	\$1.80
	<b>Element Total</b>	<b>\$15.35</b>
M6040101	Positive Train Control	\$38.65
M6040102	West of Hudson Signal Improvements	\$64.96
M6040103	Replace Fiber/Communication & Signals Cables	\$3.69
M6040104	Replace Field code System - Mott Haven	\$0.63
M6040105	Crossing Upgrades - Phase 2	\$0.79
M6040106	Centralized Train Control/SCADA Intrusion Testing	\$0.70
M6040108	Design/Replace Harlem and Hudson Track Relays	\$0.68
M6040111	PBX Equipment Upgrade	\$1.37
M6040116	Radio Frequency Rebanding	\$0.51
	<b>Element Total</b>	<b>\$111.98</b>
M6050101	Substation Bridge 23 - Construction	\$26.81
M6050102	Renewal Harlem & Hudson Substations - Construction	\$2.90
M6050103	Harlem & Hudson Lines Power Improvements	\$26.25
M6050104	Replace Motors Alternators	\$1.00
M6050107	Harlem River Lift Bridge Breaker Houses/Controls	\$13.60
M6050109	Replace 3rd Rail Brackets - Park Avenue Tunnel	\$0.91
	<b>Element Total</b>	<b>\$71.47</b>
M6060101	Harmon Shop Improvements	\$8.93
	<b>Element Total</b>	<b>\$8.93</b>
M6080106	Program Administration	\$9.00
M6080107	Program Scope Development	\$2.32
	<b>Element Total</b>	<b>\$11.32</b>

<b>Metro-North Railroad 2012 Commitment Total</b>	<b>\$413.17</b>
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MTA Bridges & Tunnels  
2012 Commitments Goal  
All \$ in millions

ACEP	Project Description	2012 Commitments
<b>2000-2004</b>		
D405BB43	Rehab Battery Parking Garage	\$3.98
	<b>Element Total</b>	<b>\$3.98</b>
<b>2005-2009</b>		
D505QM01	Service & FE Building Rehab	\$2.30
	<b>Element Total</b>	<b>\$2.30</b>
<b>2010-2014</b>		
D601BB28	Rehab. Walls, Roadway, Firelines, Ceiling Repair	\$4.11
	<b>Element Total</b>	<b>\$4.11</b>
D601BW14	Miscellaneous Structural Rehabilitation	\$0.05
D601BW84	Cable Investigation / Monitoring	\$0.05
D601BW97	Concrete Anchorage Repairs	\$9.81
	<b>Element Total</b>	<b>\$9.91</b>
D601HH07	Structural Rehabilitation - Phase I	\$1.08
	<b>Element Total</b>	<b>\$1.08</b>
D601MP16	Miscellaneous Steel Repairs	\$2.25
	<b>Element Total</b>	<b>\$2.25</b>
D601QM40	Tunnel Wall and Ceiling Repairs and Leak Control	\$5.22
	<b>Element Total</b>	<b>\$5.22</b>
D601RK19	Seismic and Wind Study	\$5.00
D601RK23	Miscellaneous Rehab - Manhattan Approach Ramps	\$9.06
D601RK76	Miscellaneous Structural Repair	\$0.55
	<b>Element Total</b>	<b>\$14.61</b>
D601VN35	Steel Repair & Concrete Rehab. & Drainage Systems	\$2.69
	<b>Element Total</b>	<b>\$2.69</b>
D602BB54	Replacement Brooklyn Plaza Structural Slab	\$2.34
	<b>Element Total</b>	<b>\$2.34</b>
D602HH88	Replace Upper & Lower Level Plazas and Southbound Approach	\$9.41
	<b>Element Total</b>	<b>\$9.41</b>
D602MP21	Rehabilitate Rockaway Point Blvd Overpass	\$1.11
	<b>Element Total</b>	<b>\$1.11</b>
D602RK65	Deck Replacement - Bronx/Manhattan Ramps/Toll Plaza	\$15.86
D602RK73	Deck Replacement- RFK MQ Ramp	\$71.26
	<b>Element Total</b>	<b>\$87.11</b>
D602TN49	Suspended Span Replacement - Phase A	\$11.68
	<b>Element Total</b>	<b>\$11.68</b>
D602VN80	Replace Upper Level Suspended Span	\$332.88
D602VN84	Widening of Belt Parkway Ramps	\$0.05
	<b>Element Total</b>	<b>\$332.93</b>
D604QM30	Tunnel Ventilation Building Electrical Upgrade	\$64.41
D604QM81	Controls / Communication System	\$0.05
	<b>Element Total</b>	<b>\$64.46</b>
D604VN87	Substation #1 Rehabilitation	\$0.95
	<b>Element Total</b>	<b>\$0.95</b>
D605AW12	Hazardous Materials Abatement	\$0.40
	<b>Element Total</b>	<b>\$0.40</b>
D605BB21	Service Building Rehabilitation	\$0.54

MTA Bridges & Tunnels  
2012 Commitments Goal  
All \$ in millions

<b>ACEP</b>	<b>Project Description</b>	<b>2012 Commitments</b>
D605BB43	Miscellaneous Repairs at BPG	\$0.75
	<b>Element Total</b>	<b>\$1.29</b>
D606AW18	Protective Liability Insurance	\$0.24
D606AW21	Program Administration	\$3.21
D606AW28	Scope Development	\$1.20
	<b>Element Total</b>	<b>\$4.65</b>
D607MP21	Paint - Rockaway Point Overpass	\$0.02
	<b>Element Total</b>	<b>\$0.02</b>
D607VN80	Paint - Upper Level Superstructure	\$16.10
	<b>Element Total</b>	<b>\$16.10</b>
<b>MTA Bridges and Tunnels 2012 Commitment Total</b>		<b>\$578.59</b>

MTA Police Department  
 2012 Commitment Summary  
 All \$ in Millions

ACEP	Project Description	2012 Commiments
<b>2005-2009</b>		
N5100104	K-9 Facility (Construction)	10.5
N5100109	Public Safety Radio (30% Design)	0.5
	<b>Element Total</b>	11.05
<b>MTA Police Department 2012 Commitment Total</b>		<b>\$11.05</b>

**MTA Capital Construction**  
**2012 Commitment Goals**  
All \$ in Millions

<b>Project ID (ACEP)</b>	<b>Project Description</b>	<b>2012 Commiments</b>
<b><u>2000-2004</u></b>		
G4140203	Penn Stn LIRR/NYCT Sec/Harden	\$0.31
G4140401	Cisco Video Upgrade	\$0.45
G4140401	Consolidated Training	\$0.90
G4140501	Lenel Enterprise Work	\$1.30
	<b>Element Total</b>	<b>\$2.96</b>
<b><u>2005-2009</u></b>		
G5100104	Cntract 6: SAS Systems	\$325.19
G5100197	SAS Owner Controlled Insurance	\$1.40
	<b>Element Total</b>	<b>\$326.59</b>
G5110112	Construction: Core&Shell (Site P)	\$103.48
	<b>Element Total</b>	<b>\$103.48</b>
G5140207	08TSG Atlantic Ave Perim Prot	\$11.27
G5140208	09ARRA TSG Penn Station FLS (Design)	\$1.92
	<b>Element Total</b>	<b>\$13.19</b>
G5140305	GCT Lexington Avenue Bollards	\$0.35
	<b>Element Total</b>	<b>\$0.35</b>
<b><u>2010-2014</u></b>		
G6100101	2B/C: Shell/Finishes/MEP 96 St	\$439.26
	<b>Element Total</b>	<b>\$439.26</b>
<b>Total MTA CC 2012 Commitment Goals</b>		<b>\$885.83</b>



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**MTA New York City Transit**  
2012-2016 Completions  
\$ in millions

ACEP	Project Description	Project	
		Completion Date	Allocation
T304119K	Station Rehabilitation: 149 St-Grand Concourse / Jerome Design	Jan-12	\$2.65
T304119L	Station Rehabilitation: 149 St-Grand Concourse/White Plains Design	Jan-12	\$1.59
T40806T1	Communications Cable and Equipment: TIS Command Center At RCC	Jan-12	\$1.30
T5070339	Line Structure Overcoating: Portal - 27 Street / Astoria & Flushing	Jan-12	\$14.20
T40806T1	Communications Cable and Equipment: Network Management (CNMMS)	Jan-12	\$10.83
T5100403	Shop Equipment And Machinery: 207 St OH Shop: Cranes And Equipment	Jan-12	\$2.59
T6030220	New Buses:90 Standard Diesel Buses - Daimler Pilot	Jan-12	\$44.77
T6050206	Welded Rail:Continuous Welded Rail - 2011	Jan-12	\$6.57
T6050219	Mainline Track Rehabilitation:Mainline Track Replacement at 8th Avenue	Jan-12	\$16.58
T6050223	Mainline Track Rehabilitation:Mainline Track Replacement at Clark St Tube	Jan-12	\$10.11
T6100418	Yard Switches:Yard Switches - 2011	Jan-12	\$2.03
T6030203	New Buses:90 Express Buses	Feb-12	\$55.46
T5040405	MetroCard Vending Machine Replacement: Bill Handler Upgrade	Feb-12	\$3.25
T5120419	Depot Rehabilitation:Jamaica Depot Roof Repairs, Phase 1 (Mentor)	Feb-12	\$0.92
T5040401	Fare Control Modernization:Smart Card Cabling: 32 Pilot Stations	Feb-12	\$4.64
T5080317	Fire Protection:Signal Room Fire Suppression, Phase 1	Feb-12	\$18.09
T5080616	Station Communication Rooms:HVAC Comm Rooms: 5 Locations	Feb-12	\$6.67
T5160402	Computer Hardware & Communications:HP Server Consolidation/Replacement	Feb-12	\$5.20
T6041255	Station Component Investments:2 Street Stairs: Rockaway Avenue / New Lots	Feb-12	\$0.83
T5041160	Station Rehabilitation:Far Rockaway-Mott Avenue/ Far Rockaway	Feb-12	\$11.31
T5041161	Station Rehabilitation:Beach 90 Street / Rockaway	Feb-12	\$19.38
T5041162	Station Rehabilitation:Beach 98 Street / Rockaway	Feb-12	\$20.20
T5041163	Station Rehabilitation:Beach 105 Street / Rockaway	Feb-12	\$18.29
T5041317	Station Accessibility (ADA):Mott Avenue: Far Rockaway Line	Feb-12	\$10.67
T5080608	Antenna Cable Replacement:Antenna Cable Replacement Phase II (Wrap Up)	Feb-12	\$3.00
T6030221	New Buses:90 Standard Diesel Buses - New Flyer Pilot	Feb-12	\$44.23
T6050307	Mainline Track Switches:Mainline Track Switches at Jamaica	Feb-12	\$4.36
T5070329	Line Structure Overcoating:27 Street - 41 Avenue / Astoria & Flushing	Mar-12	\$13.80
T5120420	Depot Rehabilitation:Jamaica Depot Roof Repair, Phase 2 [Mentor]	Mar-12	\$0.97
T404112D	Station Rehabilitation:Intermodal: Gun Hill Road / White Plains Road	Mar-12	\$6.77
T6041257	Station Component Investments:2 Street Stairs: New Lots Avenue / New Lots	Mar-12	\$0.85
T6030204	New Paratransit Vehicles:15 Paratransit Vehicles - Ramp-based prototype (CNG)	Mar-12	\$0.93
T30902FE	Substations (IRT-BMT):Neg Return System At Joralmon/Willow	Mar-12	\$4.20
T40409PW	Public Address/Customer Info Systems:PA/CIS Wrap-Up (TIS)	Mar-12	\$2.07
T40806D2	Communications Cable/Eqt:ATM Network System: B Division-253 Stations Base	Mar-12	\$91.67
T40806P2	Public Address/Customer Info Systems:PA/CIS, Phase 2: 156 Stations (IRT)	Mar-12	\$200.19
T41302O4	Work Train & Special Equipment:36 CWR Flatcars & 18 Flatcars	Mar-12	\$15.11
T5030227	New Buses:90 Standard Low-floor CNG Buses	Mar-12	\$45.96
T5041174	Station Rehabilitation:East 180 Street / White Plains Road	Mar-12	\$49.65
T5041319	Station Accessibility (ADA):ADA: E 180 Street / White Plains Road	Mar-12	\$10.43
T5041421	Station Component Repairs: Ventilator Rehab: 149 Street-Grand Conc/Jerome	Mar-12	\$3.61
T5041421	Station Component Repairs: Ventilator Rehab: 149 Street-Grand Conc LL / WPR	Mar-12	\$1.84
T5059901	Maintenance Of Way:Third Rail Heater Control System	Mar-12	\$2.00
T5080319	Communication-Based Train Control:CBTC Canarsie: Equip 64 R-160 Cars	Mar-12	\$61.37
T5080320	Communication-Based Train Control:CBTC Canarsie: Automatic Signal Removals	Mar-12	\$5.08
T5080324	Signal Systems:Alstom Relay Replacement	Mar-12	\$10.82
T5080601	Communications Cable/Eqt:ATM Network System: B Division-253 Stations Option	Mar-12	\$210.63
T5080604	Communications Cable/Eqpt:Copper Cable Replacement: Steinway Tube-Phase 1	Mar-12	\$4.49
T5160403	Automated Telephone Travel Information	Mar-12	\$2.84
T5160506	Concrete Batch Plant Inspection	Mar-12	\$1.49
T5160508	Capital Program Management:Concrete Cylinder Testing (2006)	Mar-12	\$0.63
T5160726	Consolidated Employee Facilities:Subways:East 180th Street / White Plains Road	Mar-12	\$6.54
T6050302	Mainline Track Switches:29 Mainline Switches - 2011	Mar-12	\$37.13

**MTA New York City Transit**  
2012-2016 Completions  
\$ in millions

ACEP	Project Description	Project	
		Completion Date	Allocation
T6080618	Communications Cable/Eqpmt:Copper Cable Repl: Steinway Tube Phase 2	Mar-12	\$9.95
T6090410	Power Distribution Facilities:Joralemon/Willow Duct Replacement	Mar-12	\$4.07
T6160508	Capital Program Management:Construction Support Reserve 2010	Mar-12	\$2.33
T6050227	Mainline Track Rehabilitation: Track Replacement 2012 at Atlantic Avenue	Apr-12	\$5.36
T5041421	Station Component Repairs: 181 St Ceiling/Broadway-7th Ave EMERGENCY FIX	Apr-12	\$7.02
T5049901	Station Rehabilitation:71 Street / West End	Apr-12	\$10.23
T5049902	Station Rehabilitation:79 Street / West End	Apr-12	\$10.17
T5049903	Station Rehabilitation:18 Avenue / West End	Apr-12	\$10.07
T5049904	Station Rehabilitation:20 Avenue / West End	Apr-12	\$9.60
T5049905	Station Rehabilitation:25 Avenue / West End Line	Apr-12	\$10.60
T5049906	Station Rehabilitation:Bay 50 Street / West End	Apr-12	\$9.80
T5049907	Station Rehabilitation:Bay Parkway / West End	Apr-12	\$23.60
T5049908	Station Accessibility (ADA):ADA: Bay Parkway / West End	Apr-12	\$14.23
T5049909	Station Rehabilitation:Fort Hamilton Parkway / West End	Apr-12	\$23.88
T5049910	Station Rehabilitation:62 Street / West End	Apr-12	\$21.24
T5049911	Station Rehabilitation:9 Avenue / West End	Apr-12	\$23.36
T5049912	Misc: Stations:Station Work: 50 Street / West End	Apr-12	\$9.71
T5049913	Misc: Stations:Station Work: 55 Street / West End	Apr-12	\$9.85
T5079901	Elevated Structure Rehabilitation:Bay 50 Street - 63 Street / West End	Apr-12	\$41.48
T5079902	Elevated Structure Rehabilitation:63 Street - 9 Avenue / WST	Apr-12	\$17.30
T5080615	Public Address/Customer Info Systems:PA/CIS: 44 Stns: Install Cable & Equip	Apr-12	\$24.27
T5160501	Capital Program Management:MTA-Indep Engineering Consultant 2009-2010	Apr-12	\$8.27
T6041256	Station Component Investments:3 Street Stairs: Saratoga Avenue/New Lots	Apr-12	\$1.15
T6050234	Mainline Track Rehabilitation: Track Replacement 2012 at 168 Street/ 8 Avenue	May-12	\$1.62
T6041237	Station Renewal:Hunters Point Avenue / Flushing	May-12	\$10.47
T6050230	Mainline Track Rehabilitation:Mainline Track Replacement 2012 at Sea Beach	May-12	\$1.01
S5070111	SIR: Passenger Stations:St George Terminal: Floor Repair/Repl	May-12	\$6.24
S4070115	SIR: Passenger Stations:Station Security Initiatives	May-12	\$18.35
T5049914	Station Accessibility (ADA):Induction Loops: 642 Booths	May-12	\$13.37
T5119902	Yard Rehabilitation:Yard Fencing: 5 Locations	May-12	\$21.47
T6090402	Power Distribution Facilities:CBH #292/293 Albermarle Rd / Nostrand	Jun-12	\$6.25
T6050231	Mainline Track Rehabilitation: Track Replacement 2012 at N/O Pacific Street	Jun-12	\$4.03
T6050241	Mainline Track Rehabilitation: Track Replacement 2012 at Broadway-7th Avenue	Jun-12	\$7.04
T6050311	Mainline Track Switches:Mainline Track Switches - 2012 at Broadway-7th Avenue	Jun-12	\$5.29
T414042R	Facilities: Police:District Office 23: Canopy Reconstruction - Mentoring	Jun-12	\$0.93
T5160202	Capital Revolving Fund - 2009	Jun-12	\$5.00
T6041410	Station Accessibility (ADA):Platforms: 45 Rd-Court House Sq/Flushing	Jun-12	\$18.40
T5041407	Platform, Roof & Canopy Replacement:Repair Canopies: 5 Stns / Bway-7th Ave	Jun-12	\$14.14
T5041421	Station Component Investments:Street Stairs: 2 Locations / Broadway-7th Ave	Jun-12	\$8.05
T5041421	Station Component Investments:Platform Edge: 5 Locations / Broadway-7th Ave	Jun-12	\$12.07
T6041211	Station Normal Replacement:Dyckman Street / Broadway-7th Ave	Jun-12	\$46.93
T6041271	Station Component Repairs: Painting at Component Locations: 207 St / BW7	Jun-12	\$0.51
S5070112	SIR: Line Equipment:Signl Sys Mod: St.George-Tottenvil/Wrap-Up	Jun-12	\$1.19
T30806BS	Employee Facilities-Upgrade RTO Radio Base Stations to Fiber Optics	Jun-12	\$15.59
T31302RG	Work Train & Special Equipment:1 Rail Grinder	Jun-12	\$11.73
T4080701	Rapid Transit Operations:Backup Command Center	Jun-12	\$22.84
T5030212	New Buses:Bus Cameras for 90 Articulated Buses	Jun-12	\$2.42
T5030227	New Buses:Bus Cameras for 90 Standard Low-floor CNG Buses	Jun-12	\$4.25
T5041108	Station Rehabilitation:Bleecker Street / Lexington	Jun-12	\$33.65
T5041155	Station Rehabilitation:Beach 67 Street / Far Rockaway	Jun-12	\$22.07
T5041156	Station Rehabilitation:Beach 60 Street / Far Rockaway	Jun-12	\$18.16
T5041157	Station Rehabilitation:Beach 44 Street / Far Rockaway	Jun-12	\$17.95
T5041158	Station Rehabilitation:Beach 36 Street / Far Rockaway	Jun-12	\$16.91

**MTA New York City Transit**

2012-2016 Completions

\$ in millions

ACEP	Project Description	Project	
		Completion Date	Allocation
T5041159	Station Rehabilitation:Beach 25 Street / Far Rockaway	Jun-12	\$18.44
T5041302	Station Accessibility (ADA):Broadway-Lafayette-Bleecker St Complex	Jun-12	\$18.14
T5041402	Intermodal/Transfer Facilities:Broadway-Lafayette-Bleecker Transfer	Jun-12	\$81.52
T5070317	Line Structure Overcoating:Portal To EOL / Pelham	Jun-12	\$28.16
T5080616	Station Communication Rooms:HVAC Comm Romms: 2 Locs	Jun-12	\$0.92
T5080616	Station Communication Rooms:Comm Room HVAC: 6 Locs (On-Call)	Jun-12	\$4.21
T5160609	Groundwater And Soil Remediation:Consultant Srvcs: UST & Remediation 2008	Jun-12	\$7.37
T6050204	Mainline Track Rehabilitation: Track Replacement - 2011	Jun-12	\$108.52
T6050217	Mainline Track Rehabilitation: Track Replacement at Jamaica	Jun-12	\$11.68
T6050308	Mainline Track Switches: Track Switches at 238th Street	Jun-12	\$8.51
T6060402	Water Conditions Remedy:Deep Wells: Crosstown Ph 2: Rehabilitate	Jun-12	\$11.47
T6080606	Communications - RTO:RTO: Portable Radio Unit Replacement	Jun-12	\$7.21
T6041266	Station Component Investments:Street Stairs: Longwood Avenue/Pelham	Jul-12	\$0.93
T6041258	Station Component Investments:3 Street Stairs: Sutter Av-Rutland Rd/New Lots	Jul-12	\$0.94
T6041201	Station Component Investments:4 Avenue / Culver	Jul-12	\$11.87
T6041212	Station Rehabilitation:Smith-9 Streets / Prospect Park Line	Jul-12	\$32.31
T5160736	Roofing Repair & Replacement:DOS Roof Replacement Phase 2	Jul-12	\$19.66
T6120418	Misc: Bus Projects:Bus Lane Enforcement Cameras, Phase 1	Aug-12	\$2.70
T6050224	Mainline Track Rehabilitation: Track Replacement 2012 at Broadway	Aug-12	\$2.55
T6100405	East New York Maintenance Shop: Ventilation Improvements	Aug-12	\$5.61
T6160402	Computer HW & Communications:Enterprise-Wide SAN/Disaster Recovery Phs 1	Aug-12	\$6.37
T30803CN	Mainline Track Rehabilitation: CBTC Canarsie: I/H Track Wrap-Up	Aug-12	\$0.41
T6050246	Mainline Track Rehabilitation: Track Replacement 2012 at Pelham	Aug-12	\$1.57
T6060202	Tunnel Lighting Rehabilitation: 4 Avenue - Church Av Local Tracks / Culver	Aug-12	\$31.83
T41203FG	New Depots & Facilities:Charleston-Storm Water Sewer	Aug-12	\$14.92
T5040403	Fare Control Modernization:Replac High Production Encoding Machines	Aug-12	\$5.24
T6120405	Depot Equipment And Machinery:IVN For 5 Depots	Sep-12	\$2.60
T5069901	Ventilation Facilities:Vent Plant: Jackson Avenue / Queens	Sep-12	\$83.66
T6050232	Mainline Track Rehabilitation: Track Replacement 2012 at Jamaica	Sep-12	\$7.88
T6050238	Mainline Track Rehabilitation: Track Replacement 2012 at Queens Blvd	Sep-12	\$9.09
T5090403	Control And Battery Cable: Replace Cable: 4 Substation Control Zones	Sep-12	\$48.81
T5099901	Substations (IND): Jay St Substation: DC Feeders / CBH #579	Sep-12	\$34.59
T5120411	Depot Rehabilitation: Bus Lifts At Various Locations	Sep-12	\$8.80
T5120422	Depot Equipment/Machinery:Chassis Wash Repl 2 Lifts: Fresh Pond Depot	Sep-12	\$0.97
T6041262	Station Component Investments:Platform Stairs: 182-183 Streets / Concourse	Sep-12	\$1.58
T6100403	Car Maintenance Shops:207 Street Overhaul Shop: Heating Plant	Sep-12	\$15.70
T6050229	Mainline Track Rehabilitation: Track Replacement 2012 at West End	Oct-12	\$3.18
T6050309	Mainline Track Switches: Track Switches - 2012 at West End	Oct-12	\$7.06
T6041259	Station Component Investments:Street Stairs: Longwood Avenue/Pelham	Oct-12	\$1.26
T6041262	Station Component Investments:Street Stairs: Fordham Road / Concourse	Oct-12	\$1.31
T6041263	Station Component Investments:Station Components: 138 Street- 3 Av / Pelham	Oct-12	\$1.43
T6050247	Mainline Track Rehabilitation: Track Replacement 2012 at Lexington Avenue	Oct-12	\$8.50
T6050313	Mainline Track Switches: Track Switches - 2012 at Lexington Avenue	Oct-12	\$6.31
T6050310	Mainline Track Switches: Track Switches - 2012 at Queens Blvd	Oct-12	\$5.54
T6050226	Mainline Track Rehabilitation: Track Replacement 2012 at N/O Dekalb	Oct-12	\$5.54
T5060215	Tunnel Lighting Rehabilitation:7 Av And 47-50 Sts To Lex Av / QBL	Oct-12	\$11.99
T5060216	Tunnel Lighting Rehabilitation:Removals: Lex Av-Queens Plz / 53 St Tube	Oct-12	\$2.82
T5070335	Elevated Structure Rehab:Stillwell Ave Terminal: Place Switch 977 in Service	Oct-12	\$2.10
T5080314	Signal Systems:Interlockings: Lexington Av, 5 Av / Queens Blvd	Oct-12	\$142.57
T5080325	Signal Systems:Times Square - n/o Hunters Pt / Flushing WRAP-UP	Oct-12	\$4.02
T6030205	New Buses:171 Standard Low-floor CNG Buses	Oct-12	\$87.13
T6050244	Mainline Track Rehabilitation: Track Replacement 2012 at Lenox-White Plains Rd	Nov-12	\$7.56
T6080304	Signal Systems:Replace Solid State Signal Equipment - 5 Locs	Nov-12	\$6.90

**MTA New York City Transit**  
2012-2016 Completions  
\$ in millions

ACEP	Project Description	Project	
		Completion Date	Allocation
T6050235	Mainline Track Rehabilitation: Track Replacement 2012 at Cranberry Tube / 8 Ave	Nov-12	\$8.52
T5160610	Asbestos Abatement:Asbestos Waste Disposal I/Q	Nov-12	\$0.84
T6050233	Mainline Track Rehabilitation: Track Replacement 2012 at Myrtle Avenue	Nov-12	\$15.97
T5120407	Depot Rehabilitation:Lifts: Stengel/Manhattanville	Nov-12	\$5.70
T5120416	Depot Rehabilitation:Priority Repairs: Jamaica Depot	Nov-12	\$4.12
T5130204	Rubber-Tired Vehicles:Replace Rubber Tire Vehicles - 2008-2009	Nov-12	\$7.49
T6090410	Substations (IND):Cabling: Central Substation / 6th Av - Phase 1	Nov-12	\$10.00
T6120402	Misc: Bus Projects:BRT - Bus Rapid Transit 2010-2011	Dec-12	\$10.00
T5090216	Substations (IND):Greeley Substation / 6th Avenue	Dec-12	\$30.81
T6050225	Mainline Track Rehabilitation: Track Replacement 2012 at Brighton	Dec-12	\$7.64
T6050245	Mainline Track Rehabilitation: Track Replacement 2012 at Jerome Ave	Dec-12	\$4.90
T6050242	Mainline Track Rehabilitation: Track Replacement 2012 at Flushing	Dec-12	\$30.16
T6050236	Mainline Track Rehabilitation: Track Replacement 2012 at 6th Avenue	Dec-12	\$14.72
T6041212	Station Component Investments: Ventilators: Ph3 - 7 Loc / Canarsie & 6 Av Lines	Dec-12	\$3.51
T6090201	Substation Enclosures (IRT-BMT): 5 Locations	Dec-12	\$16.64
T40803CI	Mainline Track Rehabilitation:SSI Bergen: I/H Track Wrap-Up	Dec-12	\$1.80
T4120401	Radio & Data Communication:AVLM: Paratransit - 2,273 Veh	Dec-12	\$37.28
T5030212	New Buses:Intelligent Vehicle Network (IVN) at 4 Depots	Dec-12	\$2.12
T5090402	Power Distribution Facilities: Duct Reconstruction: Ryders-Front St/8th Ave (Ph2)	Dec-12	\$21.36
T5120423	Depot Equipment And Machinery:Chassis Wash Lift Replace: Castleton Depot	Dec-12	\$0.55
T5120424	Chassis Wash Lift Replacement: East New York Depot	Dec-12	\$0.55
T6041401	Station Signage:Station Signage	Dec-12	\$3.93
T6050207	Mainline Track Rehabilitation: Track Replacement - 2012: Design and EFA	Dec-12	\$3.33
T6050208	Mainline Track Rehabilitation:Track Force Account - 2012	Dec-12	\$35.00
T6050209	Continuous Welded Rail - 2012	Dec-12	\$5.69
T6050303	Mainline Track Switches:29 Mainline Switches - 2012	Dec-12	\$9.62
T6100413	Yard Track Rehabilitation:Yard Track - 2012	Dec-12	\$3.14
T6100419	Yard Switches - 2012	Dec-12	\$4.98
T6160504	Independent Eng'g Consultant 2010-2014	Dec-12	\$19.48
T6050228	Mainline Track Rehabilitation: Track Replacement 2012 at S/O Court Street	Jan-13	\$2.26
T6050243	Mainline Track Rehabilitation: Track Replacement 2012 at Eastern Parkway	Jan-13	\$2.17
T6050312	Mainline Track Switches: Track Switches - 2012 at Eastern Parkway	Jan-13	\$3.57
T6050237	Mainline Track Rehabilitation: Track Replacement 2012 at Concourse	Jan-13	\$15.13
T6050239	Mainline Track Rehabilitation: Track Replacement 2012 at Canarsie	Jan-13	\$1.15
T6050240	Mainline Track Rehabilitation: Track Replacement 2012 at Rockaway	Jan-13	\$9.16
T6050248	Mainline Track Rehabilitation: Track Replacement 2012 at White Plains Road	Jan-13	\$9.95
T6050314	Mainline Track Switches: Track Switches - 2012 at White Plain Road	Jan-13	\$9.30
T5160602	Groundwater And Soil Remediation (2005)	Jan-13	\$6.99
T5160604	Fire Protection (Fire Alarms): 130 Livingston & Power Ctr	Jan-13	\$15.55
T6100402	Car Maintenance Shops: 207 St OH: Electrical	Jan-13	\$21.25
T5120307	Depot Rehabilitation: ENY	Feb-13	\$17.19
T5120416	Depot Rehabilitation - Priority Repairs: Flatbush Depot	Feb-13	\$5.82
T5120416	Depot Rehabilitation - Priority Repairs: Ulmer Depot	Feb-13	\$8.89
T5120416	Depot Rehabilitation - Priority Repairs: Jamaica Depot	Feb-13	\$0.90
T40404M4	Fare Control Modernization:AFC Replacement, Phase 1: Station Controllers	Feb-13	\$7.53
T5070307	Elevated Structure Rehabilitation: Culver Viaduct Rehabilitation - Phase 2	Feb-13	\$151.41
T5080312	Signal Systems: Interlocking: 4th Ave / Culver	Feb-13	\$118.26
T6030223	Bus Component Systems:Bus Cameras - 2010-14 Purchases	Mar-13	\$24.83
T6160721	Facilities: Distribution:Replace Roofing System at Maspeth Office Building	Mar-13	\$0.20
T5090406	Power Distribution Facilities: Neg Cable Repl: Rockaway & Far Rockaway	Mar-13	\$13.12
T5130210	Rubber-Tired Vehicles:Diesel Part. Filters: Non-Rev Fleet, Ph1	Mar-13	\$4.97
T40803CI	Signal Systems:SSI: Bergen St Interlocking / Prospect Park WRAP-UP	Mar-13	\$1.42
T6160713	Consolidated Employee Facilities:Subways:207 Street / 8th Avenue	Mar-13	\$8.78

**MTA New York City Transit**  
2012-2016 Completions  
\$ in millions

ACEP	Project Description	Project	
		Completion Date	Allocation
T6041230	Station Component Repairs: Station Walls-Tile Repl: Borough Hall / Lexington	Apr-13	\$2.84
T6070305	Elevated Structure Rehabilitation:Cypress Hills - 130 Street / Jamaica	Apr-13	\$19.15
T6070318	Line Structure Overcoating:Cypress Hills - 130 Street / Jamaica	Apr-13	\$20.04
T6160602	Asbestos Abatement:Asbestos Abatement I/Q	May-13	\$8.30
T6070303	Elevated Structure Rehabilitation:Culver Viaduct Rehab Phase 3 - Underside	May-13	\$50.64
T6090202	Substations (IND):Modernize 10 Street Substation / Culver	May-13	\$20.63
T6090203	Substation Hatchways: Phase 2 - 2 Loc CONSTRUCTION ONLY	May-13	\$3.81
T6130203	Work Train & Special Equipment: 8 Auger-Type Snowthrowers	May-13	\$8.98
T6030206	New Buses: 90 Articulated Buses	Jun-13	\$78.08
T6120409	Bus Projects:Tank Upgrades: 2 Depots	Jun-13	\$2.60
T6040701	Escalator Replacement:3 Escalators - Southern Manhattan	Jun-13	\$14.48
S6070102	SIR: Structures:Rehabilitation of 8 Bridges	Jun-13	\$20.64
T5120413	Depot Equipment And Machinery:Depot Equipment 2009	Jun-13	\$9.88
T6030202	New Buses:328 Articulated Buses	Jun-13	\$251.94
T6041403	Misc: Stations:Water Condition Remedy (2011)	Jun-13	\$3.77
T6050221	Mainline Track Rehabilitation:Mainline Track Replacement at Dyre Av	Jun-13	\$1.08
T6070301	Water Conditions Remedy:Flood Mitigation/Relieving Platform Rehab/148 St Yard	Jun-13	\$26.22
T5120306	New Depots & Facilities:Clara Hale Depot: Reconstruction	Jul-13	\$253.02
T6090401	Power Distribution Facilities:New Duct Bank: 141 St - 148 St / Lenox	Jul-13	\$22.20
T6160603	Asbestos Abatement:IQ Asbestos/Lead Air Monitoring (2010)	Jul-13	\$7.52
T6160707	Security: Perimeter Hardening: RCC, PCC & 130 Livingston	Jul-13	\$12.00
T5080608	Communication Equipment: Police:PRS: TDI & Coverage (Pilot)	Jul-13	\$10.00
T6080603	Communication Equipment: Police:PRS:Time Domain Interference Solution	Jul-13	\$10.15
T5041403	Intermodal/Transfer Facilities:Myrtle-Wyckoff Intermdl FacI -Signal Wrk	Aug-13	\$0.68
T6041224	Station Component Investments: Painting at Component Locations, Phase 1	Aug-13	\$9.49
S6070102	SIR: Structures:Lemon Creek Culvert Bridge	Aug-13	\$8.14
T6100406	Car Maintenance Shops: Power Centers 2&3: CI OH Shop	Aug-13	\$8.13
T6120403	Radio & Data Communication:Bus Radio System Interim Upgrade	Aug-13	\$0.56
S6070101	SIR: Passenger Stations:Station Structural Repairs, 8 Locations	Sep-13	\$14.97
T5130203	Work Train & Special Equipment:2 Ballast Regulators	Sep-13	\$7.74
T6160703	Maintenance Of Way:RTO Master Tower Hardening	Sep-13	\$4.60
T6160706	Facilities: Distribution:Maspeth Warehouse Repairs	Sep-13	\$9.57
T6041261	Station Component Investments:Station Components: 5 Stations / Brighton	Oct-13	\$9.93
T6041301	Station Accessibility (ADA): Forest Hills - 71 Av / Queens Blvd	Oct-13	\$24.70
T5090212	Misc: Power:Substation Hatchways: 6 Locations CONSTRUCTION ONLY	Oct-13	\$6.10
T6041309	Station Accessibility (ADA): Hunts Point Av / Pelham	Oct-13	\$30.91
T6080301	Signal Systems: AC to DC Line Relay Conversion / Fulton PILOT	Nov-13	\$10.00
T6030207	New Buses: 99 Express Buses	Dec-13	\$73.00
T6030212	New Buses: 100 Articulated Buses	Dec-13	\$91.33
T6030215	New Buses: 156 Articulated Buses	Dec-13	\$165.76
T6050210	Mainline Track Rehabilitation: Track Replacement - 2013	Dec-13	\$196.14
T6050211	Mainline Track Rehabilitation:Track Force Account - 2013	Dec-13	\$35.00
T6050212	Continuous Welded Rail - 2013	Dec-13	\$5.96
T6050304	Mainline Track Switches:29 Mainline Switches - 2013	Dec-13	\$48.89
T6100414	Yard Track Rehabilitation:Yard Track - 2013	Dec-13	\$3.29
T6100420	Yard Switches:Yard Switches - 2013	Dec-13	\$5.22
T5030221	New Buses:60 Express Buses	Dec-13	\$38.26
T5120405	Misc: Bus Projects:Real Time Customer Information, Phase 1	Dec-13	\$30.69
T6041267	Station Component Investments:149 Street-Grand Concourse / Jerome	Dec-13	\$7.17
T6041268	Station Component Investments: 149 Street-Grand Concourse / WPR	Dec-13	\$9.63
T6070304	Elevated Structure Rehabilitation: Viaduct Structure Rockaway & Far Rockaway	Dec-13	\$42.09
T6070307	Line Structure Overcoating:Rockaway Boulevard - Hammels Wye / Rockaway	Dec-13	\$4.48
T41204P2	Depot Rehabilitation:Paving: 3 Locations	Dec-13	\$3.13

**MTA New York City Transit**  
2012-2016 Completions  
\$ in millions

ACEP	Project Description	Project	
		Completion Date	Allocation
T6040401	Fare Control Modernization:MVM Electronics Replacement Phase 1	Jan-14	\$10.00
T6041225	Station Renewal:Central Avenue / Myrtle	Jan-14	\$13.40
T6041226	Station Renewal:Seneca Avenue / Myrtle	Jan-14	\$8.06
T6041227	Station Renewal:Forest Avenue / Myrtle	Jan-14	\$7.92
T6041228	Station Renewal:Knickerbocker Avenue / Myrtle	Jan-14	\$12.24
T6041229	Station Renewal:Fresh Pond Road / Myrtle	Jan-14	\$8.22
T6041312	Station Accessibility (ADA):ADA: Ozone Park-Lefferts Blvd / Liberty	Jan-14	\$35.84
T6041308	Station Accessibility (ADA):ADA: Utica Av / Fulton Line	Feb-14	\$16.95
T6040402	Purchase Automated Farecard Access System (AFAS) Units	Feb-14	\$2.31
T6090406	Power Distribution Facilities:CBH 146 Prospect Park / Brighton	Feb-14	\$7.10
T6120406	Bus Washers:3 Bus Washers at Manhattanville Depot	Mar-14	\$0.26
T6160605	Fire Protection:Sprinkler & Alarm Systems: Phase 1 - 5 Locations	Mar-14	\$20.01
T5080307	Signal Systems:Signal Key-By Circuit Mod: Phase 2	Mar-14	\$26.76
T6080301	Maintenance Of Way:Signal Control Modifications Phase 4	Mar-14	\$15.48
T6090203	Misc: Power:Substation Hatchways: 8 Locs	Mar-14	\$10.63
T6041231	Station Renewal:104 Street / Liberty	Apr-14	\$19.69
T6041232	Station Renewal:Ozone Park-Lefferts Boulevard / Liberty	Apr-14	\$8.20
T6041233	Station Renewal:111 Street / Liberty	Apr-14	\$18.83
T6041234	Station Renewal:Rockaway Boulevard / Liberty	Apr-14	\$19.31
T6041235	Station Renewal:88 Street / Liberty	Apr-14	\$19.30
T6041236	Station Renewal:80 Street / Liberty	Apr-14	\$18.98
T6070314	Line Structure Overcoating:Bway Junction - Cypress Hills / Jamaica	Apr-14	\$26.68
T6030218	Fare Control Modernization:Replace Integrated Farebox Unit Components, Ph 2	Apr-14	\$21.94
T6080307	Rapid Transit Operations:Station Time (ST) Improvements, Ph 2 / LEX	May-14	\$29.67
T41302P4	Work Train & Special Equipment:Purchase 9 Diesel-Electric Locomotives	May-14	\$31.04
T5130205	Work Train & Special Equipment:19 Diesel Locomotives	May-14	\$72.37
T6041306	Station Accessibility (ADA):ADA: Kingsbridge Rd / Concourse	May-14	\$32.03
T6030209	New Buses:425 Standard Buses	Jun-14	\$321.48
T6030210	New Buses:89 Express Buses	Jun-14	\$65.76
T6030214	New Buses:97 Express Buses	Jun-14	\$74.53
T6030216	New Buses:71 Standard Buses	Jun-14	\$55.85
T6030222	New Buses:104 Standard Buses	Jun-14	\$72.93
T6041224	Station Component Investments: Painting at Component Locations, Phase 2	Jun-14	\$15.00
T6120406	Bus Washers:7 Bus Washers KB, GH, CS	Jun-14	\$22.26
T6160501	Capital Program Management:Boring Services: Bklyn, Qns, SI	Jun-14	\$1.54
T6160502	Capital Program Management:Boring Services: Manhattan & Bronx	Jun-14	\$1.85
T6160503	Capital Program Management:Test Pits Contract	Jun-14	\$2.60
T6041313	Station Accessibility (ADA):Dyckman Street / Broadway-7th Avenue	Jul-14	\$0.90
T6160716	Depot Rehabilitation:8 AFC (Keene) Employee Office Upgrades @ 5 Depots	Aug-14	\$3.00
T6080303	Signal Systems:Church Ave Interlocking & Automatics / Culver	Aug-14	\$210.61
T6070303	Subway Tunnel Rehabilitation:122 St &135 St Portal Repairs / Broadway-7th Ave	Aug-14	\$0.79
T5160204	Owner-Controlled Insurance Program:2006-2009 Owner-Controlled Insurance	Aug-14	\$132.35
T6160606	Fire Protection:Fire Alarm: 207 Street Overhaul Shop	Aug-14	\$11.00
T6080601	Communications Cable And Equipment:Fiber Optic Cable Replacement: Phase 1	Sep-14	\$15.00
T6040704	Elevator Replacement:Replace 11 Hydraulic Elevators	Oct-14	\$49.91
T6040703	Escalator Replacement:2 Escalators Roosevelt Av / QBL	Oct-14	\$15.48
T6041222	Station Components: Brick Arch Repair: 168 Street & 181 Street / Broadway-7th Av	Oct-14	\$40.10
T6070311	Water Conditions Remedy:Alleviate Flooding At 6 Locs: Manhattan	Oct-14	\$48.69
T6160605	Fire Protection:Sprinkler & Alarm Systems: Phase 2	Nov-14	\$10.00
S6070103	SIR: Track:St. George Interlocking - Phase 1	Nov-14	\$15.00
T6070313	Line Structure Rehabilitation:Structure Repairs / Dyre Avenue Line	Nov-14	\$10.00
T6070315	Line Structure Overcoating:Dyckman Street - 215 Street / Broadway-7th Avenue	Nov-14	\$18.89
T6080604	Public Address/Customer Info Systems:PA/CIS: 43 Stations: Install Cable	Nov-14	\$55.56

**MTA New York City Transit**  
2012-2016 Completions  
\$ in millions

ACEP	Project Description	Project	
		Completion Date	Allocation
T6100404	Car Maintenance Shops:207 St Maintenance Shop: DC Power Upgrade	Nov-14	\$19.70
T6050213	Mainline Track Rehabilitation:Mainline Track Replacement - 2014	Dec-14	\$205.41
T6050214	Mainline Track Rehabilitation:Track Force Account - 2014	Dec-14	\$35.00
T6050216	Welded Rail:Continuous Welded Rail - 2014	Dec-14	\$1.86
T6050305	Mainline Track Switches:29 Mainline Switches - 2014	Dec-14	\$51.20
T6080308	Maintenance Of Way:Stop Cable Repl Ph4: Various Locations	Dec-14	\$22.80
T6090404	Power Distribution Facilities:CBH 74 Havermeyer & 74A Bridge / Jamaica	Dec-14	\$24.24
T6100415	Yard Track Rehabilitation:Yard Track - 2014	Dec-14	\$3.45
T6100421	Yard Switches:Yard Switches - 2014	Dec-14	\$5.46
T6041402	Station Rehabilitation:Station Entrance Railings	Dec-14	\$4.02
T41204HU	New Depots & Facilities:AVL: 126 St Depot - Pilot 2	Dec-14	\$7.97
T6041260	Station Component Investments:Station Components: 6 Stations / Jamaica	Dec-14	\$24.66
T6070302	Line Structure Rehabilitation:Rehab Emergency Exits: 75 Locs	Dec-14	\$18.00
T6160710	Consolidated Employee Facilities:Subways:West 4 Street / 6th Avenue	Dec-14	\$4.13
T6160715	Consolidated Employee Facilities:Subways:9 Locations / Crosstown	Dec-14	\$7.51
T6041407	Station Signage:Station Signage	Jan-15	\$4.83
T6070320	Elevated Structure Rehabilitation:Trackway Stabilization / Franklin Shuttle	Jan-15	\$29.53
T6080302	Maintenance Of Way:Messenger Cable Brackets / Brighton	Jan-15	\$1.47
T6090408	Power Distribution Facilities:Negative Cables: 4th Avenue - Phase 2	Jan-15	\$5.00
T6120416	Bus Washers:8 Bus Washers	Jan-15	\$19.40
T6160513	Capital Program Management:Boring Services: Manhattan & Bronx	Jan-15	\$2.03
T6160514	Capital Program Management:Boring Services: Bklyn, Qns & SI	Jan-15	\$1.69
T6160709	Roofing Repair & Replacement:DOS Roof Replacement Phase 3	Jan-15	\$13.68
T5090414	Misc: Power:Cathodic Protection Manhole Relocation at Queensbridge Park	Jan-15	\$3.50
T6080322	Subway Tunnel Rehabilitation:Duct Reconstruction: Steinway Tube / Flushing	Jan-15	\$32.23
T6080322	Maint. of Way:Duct Rehabilitation & Negative Cable: Steinway Tube/Flushing	Jan-15	\$46.46
T6120408	Misc: Bus Projects:Paint Application System: Fresh Pond & Zerega	Jan-15	\$1.70
T40404M6	Fare Control Modernization:AFC System Wrap-Up	Feb-15	\$8.10
T6120410	Depot Equipment And Machinery:HVAC Upgrades - 4 Depots (Locker Rooms)	Mar-15	\$15.27
T6160403	Computer HW & Communications:Enterprise Securty Network Infrastructure	Mar-15	\$10.39
T5160521	Materiel:Concrete Batch Plant Inspection	Mar-15	\$1.21
T5160524	Capital Program Management:Concrete Cylinder Testing	Mar-15	\$0.72
T6160705	Consolidated Employee Facilities:Subways:RTO Fac: Chambers St / Nassau Loop	Mar-15	\$7.07
T6041304	Station Accessibility (ADA):ADA: Platform Gap Retrofit Phase 1 - 14 Stations	Apr-15	\$5.51
T6080609	Station Communication Rooms:Comm Room HVAC Ph 2: 7 Stations / Brooklyn	Apr-15	\$20.00
T6100409	Yard Lighting:Yard Lighting: (Jerome, Pelham)	Apr-15	\$15.07
T6120401	Misc: Bus Projects:Paint Booth Air Systems 6 Loc	Apr-15	\$10.00
T6160717	Facilities:Livingston Plaza: Elevators, Roof, Facade	Apr-15	\$23.56
T6040705	Elevator Replacement:10 Hydraulic Elevators	May-15	\$61.13
T6041304	Station Accessibility (ADA):ADA: Platform Gap Retrofit Phase 2 - 14 Stations	May-15	\$5.86
T5090217	Substation Equipment (IND):Repl DC Feeder Systems At 4 IND Substns	May-15	\$0.39
T6080602	Communications Cable And Equipment:Application Cutover to SONET Phase 1	May-15	\$7.50
T6120302	Depot Rehabilitation:In-House Mini-Rehabs At 3 Locations	Jun-15	\$27.80
T6120421	Misc: Bus Projects:New DOB Facility At St George Terminal	Jun-15	\$4.20
T6160607	Groundwater And Soil Remediation:Groundwater & Soil Remed - 2011	Jun-15	\$6.50
T6160608	Groundwater And Soil Remediation:Consult: UST & Remed (2011)	Jun-15	\$6.00
T6080619	Station Communication Rooms:Communication Room Waterproofing	Jun-15	\$16.00
T6041404	Misc: Stations:Scrubber Room Drainage - 4 Locations	Jun-15	\$4.52
T6070309	Line Structure Overcoating:Portal - East 180 Street / White Plains	Jul-15	\$37.56
T5080323	Communication-Based Train Control:CBTC Test Track Pilot/ Culver Line	Jul-15	\$16.01
T6041310	Station Accessibility (ADA):ADA: 23 Street / Lexington	Jul-15	\$30.18
T6041311	Station Accessibility (ADA):ADA Phase 2: 57 Street - 7 Avenue / Broadway	Jul-15	\$38.77
T6080311	Communication-Based Train Control:CBTC Test Track, Phase 2 / Culver	Jul-15	\$84.90



**MTA New York City Transit**  
2012-2016 Completions  
\$ in millions

ACEP	Project Description	Project	
		Completion Date	Allocation
T6160201	Capital Revolving Fund:Capital Revolving Fund - 2010	Aug-15	\$5.00
T6041405	Misc: Stations:Access Improvements: Grand Central / LEX	Aug-15	\$20.43
T6060303	Ventilation Facilities:Vent Plant: Mulry Square / 8AV & BW7	Aug-15	\$118.96
T6130201	Rubber-Tired Vehicles:Purchase 110 Non-Revenue Vehicles - 2011	Aug-15	\$13.20
T6130205	Rubber-Tired Vehicles:Purchase 118 Non-Rev Vehicles: 2012-13 Orders	Sep-15	\$13.94
T5080615	Public Address/Customer Info Systems: 44 Stns: Furn & Install Cabinets	Sep-15	\$9.76
T6080604	PA/CIS: 43 Stns: Furnish-Install Cabinets	Sep-15	\$10.40
T6160601	Asbestos Abatement:Asbestos Abatement: Priority 7	Sep-15	\$5.00
T6120420	Misc: Bus Projects:Jamaica Bus Terminal Reconfiguration	Oct-15	\$3.40
T6070319	Line Structure Overcoating:Broadway Junction - New Lots Avenue / CNR	Nov-15	\$25.73
T6050215	Mainline Track Rehabilitation:Mainline Track Replacement - 2015	Dec-15	\$2.00
T6050306	Mainline Track Switches:Mainline Switch Replacement 2015	Dec-15	\$2.90
T6080602	Communications Cable And Equipment:Application Cutover to SONET Phase 2	Dec-15	\$15.00
T6100416	Yard Track Rehabilitation:Yard Track - 2015	Dec-15	\$0.06
T6100422	Yard Switches:Yard Switches - 2015	Dec-15	\$0.65
T6041207	Station Renewal:Buhre Avenue / Pelham	Dec-15	\$23.58
T6041208	Station Renewal:Middletown Road / Pelham	Dec-15	\$21.62
T6041209	Station Renewal:Zerega Avenue / Pelham	Dec-15	\$21.97
T6041210	Station Renewal:Castle Hill Avenue / Pelham	Dec-15	\$22.49
T6041206	Station Component Investments:Pelham Bay Park / Pelham	Dec-15	\$10.16
T6080603	Communication Equipment: Police:Police Radio Wrap-Up	Dec-15	\$17.87
T6080613	Antenna Cable Replacement:Antenna Cable Upgrade/Replacement Ph 1	Dec-15	\$16.42
T6160704	Consolidated Employee Facilities:Subways:Employee Facility: Jay St / Fulton	Dec-15	\$12.32
S6070104	SIR: Car Rehabilitation:R-46 Retrofit for SIR Service	Jan-16	\$20.00
T6030208	New Paratransit Vehicles:52 Paratransit Vans	Jan-16	\$4.04
T6030213	New Paratransit Vehicles:333 Paratransit Vans	Jan-16	\$29.68
T6030217	New Paratransit Vehicles:222 Paratransit Vehicles	Jan-16	\$20.59
T6040401	Fare Control Modernization:HEET NR Electronics Replacement Ph I	Jan-16	\$2.71
T6040405	Fare Control Modernization:Smart Card Implementation, Phase 1	Jan-16	\$60.00
T6041202	Station Renewal:Station Renewal: 7 Locations - 2013 Reserve	Jan-16	\$91.84
T6041409	Misc: Stations:Church Street Corridor Improvements	Jan-16	\$70.00
T6080304	Signal Systems:Repl Solid State Sig Equip - 8 Locs	Jan-16	\$28.49
T6080312	Maintenance Of Way:Signal Control Modifications Phase 5	Jan-16	\$10.00
T6080610	Information Technology:PBX Upgrade	Jan-16	\$14.21
T6080616	Station Communication Rooms:Comm Room HVAC - Phase 3	Jan-16	\$27.63
T6080617	PA/CIS: Real Time Train Arrival Information: B-Division, Phase 2	Jan-16	\$120.00
T6090204	Substations (IND):Cabling: Central Substation / 6th Av - Phase 2	Jan-16	\$20.40
T6090206	Misc: Power:Substation Hatchways: Phase 3 - 23 Loc	Jan-16	\$17.03
T6090407	Emergency Alarms Replacement:Replace Emergency Alarms (EAs) Phase1	Jan-16	\$21.08
T6120305	New Depots & Facilities:ENY Paint Shop Rehab For Alternative Use	Jan-16	\$10.00
T6120411	Depot Equipment And Machinery:Depot Equipment Replacement	Jan-16	\$15.94
T6120412	Depot Equipment And Machinery:Lot Development (Jam, Grand)	Jan-16	\$5.19
T6120413	Radio & Data Communication:Replace The Adept System	Jan-16	\$7.20
T6120414	Depot Equipment and Machinery:Automated Fuel Management System Upgrade	Jan-16	\$2.50
T6120415	Depot Equipment and Machinery:Replace Bus Lifts	Jan-16	\$14.30
T6130202	Work Train & Special Equipment:54 Flat Cars	Jan-16	\$35.38
T6130204	Work Train & Special Equipment:10 Diesel-Electric Locomotives (Option)	Jan-16	\$40.68
T6130206	Rubber-Tired Vehicles:Purchase 101 Non-Rev Vehicles: 2013-14 Orders	Jan-16	\$11.50
T6160402	Computer HW & Communications:Enterprise-Wide SAN/Disaster Recovery Phs 2	Jan-16	\$11.68
T6160404	Information Technology:Wan And Legacy Systems Replacement	Jan-16	\$9.61
T6160515	Capital Program Management:Test Pits Contract (2014)	Jan-16	\$5.56
T6160604	Asbestos Abatement:Asbestos Disposal	Jan-16	\$2.52
T6160718	Revenue Facilities:Replace Currency Counters	Jan-16	\$3.49

**MTA New York City Transit**  
2012-2016 Completions  
\$ in millions

ACEP	Project Description	Project	
		Completion Date	Allocation
T6090409	Power Distribution Facilities:CBH 275: Pearl Street / Clark	Feb-16	\$8.13
T5010101	New Subway Cars:23 A Division Cars - R188; Convert 10 R142A Cars	Feb-16	\$116.46
T6010101	New Subway Cars:103 A Division Cars - R188 Option	Feb-16	\$272.39
T6080607	Copper Cable Upgrade/Replacement Phase 2 - CONSTRUCTION	Feb-16	\$8.89
T6100407	Car Maintenance Shops:DCE Shop Component Priority Repairs Ph 2	Mar-16	\$45.13
T6100408	Shop Equipment And Machinery:Heavy Shop Equipment Replacement	Mar-16	\$12.88
T6060203	Tunnel Lighting Rehabilitation:36 St To Jackson-Roosevelt / Queens Blvd	Mar-16	\$62.14
T6160609	Abatement:Asbestos Abatement 2013	Apr-16	\$9.66
T6160712	Facilities:Power Upgrade: RCC, PCC	Apr-16	\$23.09
T6160719	Roofing Repair & Replacement:DOS Roof Replacement Phase 4	Apr-16	\$14.88
S6070107	SIR: Power:Installation Of Composite Contact Rail	Jun-16	\$14.21
T6041403	Misc: Stations:Water Condition Remedy (2013)	Jun-16	\$3.28
T6060401	Water Conditions Remedy:Deep Wells: Nostrand Ph 2: Rehabilitate	Jun-16	\$15.96
T6070306	Demolition of Abandoned Structures - Various	Jun-16	\$15.15
T6080305	Communication-Based Train Control:CBTC Flushing: 370 R-142A Conversions	Jun-16	\$224.78
T6080307	Rapid Transit Operations:Station Time (ST) Improvements, Ph 3 / LEX	Jun-16	\$21.81
T6160610	Asbestos Abatement:Asbestos/Lead: Air Monitor	Jun-16	\$9.12
T6060305	Ventilation Facilities:Replace Vent Controls: 26 Locations	Jul-16	\$15.82
T6080310	Signal Systems:2 Interlockings: Union Turnpike & 71 Av	Jul-16	\$362.69
T6060404	Pumping Facilities:Pumps: 2 Locs - Manhattan Midtown	Aug-16	\$21.02
T6010102	New Subway Cars:300 B Division Cars - R179	Sep-16	\$638.00
T6070317	Line Structure Overcoating:West 8 Street - Church Avenue Portal / Culver	Nov-16	\$51.43
T6160720	Maintenance Of Way:RTO Facilities Hardening Ph 2	Nov-16	\$10.00
T6041223	Station Component Investments:Station Component Repairs: 2012	Dec-16	\$65.44
T6080318	Signal Systems:Signal Key-By Circuit Mods: Phase 3	Dec-16	\$15.00
T6030204	New Paratransit Vehicles:321 Paratransit Vehicles	Dec-16	\$24.20

**MTA Long Island Rail Road**

2012-2016 Completions

\$ in millions

ACEP	Project Description	Completion Date	Project Allocation
L30209EC	Little Neck Station Platform Improvements	Jan-12	\$1.3
L40703C1	Circuit Brkr House - "F" Tower	Jan-12	\$7.2
L50101M7	M7 Procurement - 158 Cars	Jan-12	\$388.4
L50502SC	CTC-Traction Power-SCADA	Jan-12	\$14.7
L5020428	Forest Hills Station-Ramp	Feb-12	\$2.0
L50699YY	Babylon Car Wash	Feb-12	\$25.5
L50701PH	Demo/Const 6 Substations	Feb-12	\$61.3
L509048D	Richmond Hill Yard - Environme	Mar-12	\$1.0
L60301TB	2011 Annual Track Program	Mar-12	\$55.1
L4020434	Valley Stream Station Rehab	Apr-12	\$7.0
L308059B	Brooklyn\Queens Freight Projs	Jun-12	\$9.0
L4070370	Flatbush Substation Upgrade	Jun-12	\$5.1
L502042T	Escalator Replacement Program	Jun-12	\$5.7
L50301R3	Fencing	Jun-12	\$3.1
L509048C	LIC Car Wash Environmental Rem	Jul-12	\$1.2
L506016Y	LCM-Shop Design and Construction	Sep-12	\$46.5
L60301TL	Right of Way - Fencing	Sep-12	\$8.0
L60601YA	Shop Reconfig& Reliability Centered Maint Infrastr	Sep-12	\$10.4
L302097W	LIRR Stations Imps/Farley	Dec-12	\$28.3
L50205U2	Kew Gardens & Stony Brook Parking (2010 Mentoring)	Dec-12	\$0.5
L50206VF	Penn Station Visioning Study	Dec-12	\$2.5
L50401B8	Queens Blvd Bridge Rehabilitation	Dec-12	\$23.1
L50402VA	ERT Fire & Life Safety	Dec-12	\$116.3
L509048R	GP-38 Diesel Simulator	Dec-12	\$2.3
L60301TC	2012 Annual Track Program	Dec-12	\$51.8
L60301TF	Construction Equipment	Dec-12	\$7.0
L30209EB	Amityville Station Fencing	Jan-13	\$0.1
L50304T8	Main Line Corridor-Grade Xing	Jan-13	\$80.8
L50401B2	Bridge Painting	Jan-13	\$5.0
L50501S6	Improved Radio Coverage/Infras	Jan-13	\$15.3
L509048A	Substations Environmental Reme	Jan-13	\$10.5
L50206VD	PS Customer Service Office	Feb-13	\$0.8
L50701PG	Replace 3 Substations	Mar-13	\$36.8
L509048K	Morris Park Environmental Stud	Mar-13	\$8.6
L50206VC	PS Emp Fac Yards & Buildings	Mar-13	\$2.2
L502042D	New Elevators-Queen Village St	Apr-13	\$8.5
L50301E1	Track Equipment	Apr-13	\$34.0
L50101M4	Protect & Work Loco Spec Devel	Jun-13	\$2.8
L60204UK	Smart Card Improvements	Jun-13	\$10.0
L50204UK	SMART Card Improvements - Study	Dec-13	\$1.0
L509048H	Holban Yard - Environmental De	Dec-13	\$0.9
L60401BF	Atlantic Avenue Viaduct - Phase lib	Dec-13	\$46.8
L60701AN	3rd Rail Feeder Cable Upgrade	Dec-13	\$2.5
L60701AP	Negative Reactor Upgrade	Dec-13	\$4.0
L50304T7	Main Line Corridor-Des/Con Ph1	Jan-14	\$122.9
L509048B	Yaphank Landfill Environmental	Jan-14	\$2.2
L5060161	Diesel Locomotive Shop Upgrade	Mar-14	\$10.0
L60301TD	2013 Annual Track Program	Mar-14	\$59.5
L60601YC	Hillside Maintenance Facility	Mar-14	\$2.8
L5020427	Replace Elevator-Atlantic Term	Apr-14	\$3.4
L60204UC	Wantagh Station Platform Replacement	Jun-14	\$21.2
L60301TG	Atlantic Branch Half ties	Jun-14	\$14.0
L60301TH	Merrick / Bellmore Direct Fixation	Jun-14	\$34.0
L60601YB	Hillside Facility Roof Renewal	Jun-14	\$6.0
L50301TP	Queens Blvd Track & Deck Rehabilitation	Sep-14	\$11.3
L50601Y3	Jamaica Station Building Rehab	Sep-14	\$8.5
L60401BC	Colonial Road Highway Bridge Replacement	Sep-14	\$10.0

**MTA Long Island Rail Road**

2012-2016 Completions

\$ in millions

ACEP	Project Description	Completion Date	Project Allocation
L60501L6	PennStation Radio Retrofit/EastRiverTunnel Antenna	Sep-14	\$6.5
L60501L7	Atlantic Avenue Tunnel Cable Replacement	Sep-14	\$5.1
L60502LD	Babylon Interlocking Renewal	Sep-14	\$76.5
L60601YK	Montauk Yard Improvements	Sep-14	\$8.4
L4020424	Atlantic Terminal	Dec-14	\$94.3
L60204UF	Mets / Willets Point Station Renovation	Dec-14	\$6.2
L60206VL	Penn Station Heating, Ventilation & Air Conditioning	Dec-14	\$11.0
L60304TV	Massapequa Pocket Track	Dec-14	\$19.6
L60304TW	Extend Great Neck Pocket Track	Dec-14	\$26.1
L60401BB	Bridge Program	Dec-14	\$24.6
L60401BE	Construct Three Montauk Branch Bridges	Dec-14	\$22.4
L60401BG	Bridge Painting Program	Dec-14	\$5.2
L60502LB	Signal Normal Replacement Program	Dec-14	\$15.0
L60701AB	Substation Battery Replacement	Dec-14	\$0.8
L60701AC	Signal Power Motor Generator Replacement	Dec-14	\$2.0
L60701AD	Substation Pilot Wire & Relay Replacement	Dec-14	\$2.0
L60701AE	3rd Rail - 2000 Million Cubic Meter Cable	Dec-14	\$2.5
L60701AF	3rd Rail - Disconnect Switches	Dec-14	\$1.0
L60701AG	3rd Rail - Protection Board	Dec-14	\$9.2
L60701AH	3rd Rail - Aluminum Rail	Dec-14	\$10.9
L60701AK	Signal Power Line Replacement	Dec-14	\$3.0
L60701AL	Power Pole Line Replacement	Dec-14	\$3.0
L60904N6	Smithtown Viaduct Remediation	Dec-14	\$3.2
L60205U1	Intermodal Facility Development	Mar-15	\$50.0
L60301TE	2014 Annual Track Program	Mar-15	\$57.1
L60502LE	Supervisory Control & Remote Terminal Unit	Mar-15	\$9.3
L60502LF	Centralized Train Control	Mar-15	\$30.0
L60601YL	Port Washington Yard Reconfiguration	Mar-15	\$12.1
L60204UB	Massapequa Station Platform Replacement	Jun-15	\$20.3
L60204UH	Elevator Replacement Program	Jun-15	\$5.0
L60301TN	Right of Way - Track Stability / Retaining Walls	Jun-15	\$1.1
L60501L2	PrivateBranchExchange-Wayside Phone Rplcmt Phase 1	Jun-15	\$10.5
L60501L3	Communication Pole / Copper Plant Replacement	Jun-15	\$7.0
L60501L4	Radio Coverage Improvements	Jun-15	\$10.3
L60301TJ	Right of Way - Culverts	Sep-15	\$2.5
L60301TK	Right of Way - Drainage Control	Sep-15	\$3.5
L60601YN	New Mid Suffolk Electric Yard	Sep-15	\$79.2
L60604YT	Employee Facilities Renewal	Sep-15	\$10.0
L60904N4	Yaphank Landfill Remediation	Sep-15	\$9.1
L60401BH	Woodhaven Boulevard Bridge	Dec-15	\$11.0
L60501L1	Fiber Optic Network	Dec-15	\$10.0
L60701AA	Substation Replacements	Dec-15	\$60.0
L60701AJ	Atlantic Avenue Tunnel Lighting	Dec-15	\$7.0
L60701AM	New Substations	Dec-15	\$22.1
L60904N3	Chlordane Remediation - 20 Substations	Dec-15	\$8.5
L502042E	New Elevators -Flushing-MainSt	Apr-16	\$8.5
L60502LA	Positive Train Control (PTC)	Jun-16	\$264.5
L60502LC	Speonk to Montauk Signalization	Jun-16	\$49.9
L50502SM	PTC DES only	Jul-16	\$9.5
L60301TM	East River Tunnel Track Replacement	Dec-16	\$28.0
L60304TU	Jamaica Capacity Improvements - Phase One	Dec-16	\$345.0
L60401BD	150th Street - Jamaica & Broadway /Port Washington	Dec-16	\$29.7

**MTA Metro North Railroad**

2012-2016 Completions

\$ in millions

ACEP	Project Description	Completion Date	Project Allocation
M5020203	Poughkeepsie Station Building	Jan-12	\$18.4
M5020303	Cortlandt Pkg. & Access Imp.	Jan-12	\$34.8
M6030205	Bridge Walkways Installation	Jan-12	\$1.9
M6040114	Radio Base Station Replacement	Jan-12	\$0.8
M5020102	GCT Leaks Remediation	Feb-12	\$2.4
M5010111	West of Hudson Locomotives -4	Mar-12	\$8.3
M5020110	GCT Trainshed Block Restoration-Phase 1	Mar-12	\$2.5
M5050102	Tagging Relays - H&H	Mar-12	\$12.7
M5050108	Harlem And Hudson Lines Power	Mar-12	\$9.0
M6030204	DC Substation / Signal House	Mar-12	\$1.8
M5020209	Bronx Stations/Capacity Imp	Apr-12	\$15.5
M6050105	Replace Substation Batteries	Apr-12	\$1.0
M5020207	Station & Platform Info. Signs	May-12	\$1.0
M5029901	Tarrytown Station Improvement	May-12	\$36.4
M6030103	GCT Turnout / Switch Renewal	May-12	\$13.6
M3030928	Pt Jervis Line Trop Storm Irene Restoration-Phs 1	Jun-12	\$12.8
M3031104	Pt Jervis Line Trop Storm Irene Restoration-Phs 2	Jun-12	\$14.2
M5020108	GCT Water Conveyance Utilities	Jun-12	\$3.5
M6030111	2011 Cyclical Track Program	Jun-12	\$12.4
M6040107	Refurbish / Replace Electrical Switch Machine	Jun-12	\$0.5
M6040109	Replace High Cycle Relays	Jun-12	\$0.6
M6030106	Cyclical Replacement of Insulated Joints	Jul-12	\$2.5
M5080109	Customer & Employee Comms.	Aug-12	\$9.0
M6030303	Moodna / Woodbury Viaducts	Aug-12	\$10.0
M6040105	Crossing Upgrades - Phase 2	Sep-12	\$1.0
M4030203	Purchase MoW Equipment	Oct-12	\$10.8
M5020202	Croton Harmon/Peekskill Impr.	Oct-12	\$15.4
M5040107	Signal System Replacement	Oct-12	\$31.9
M5010112	Rolling Stock - Signals - PTC	Dec-12	\$5.3
M5020211	System-Wide Vending Machines	Dec-12	\$0.6
M5020302	Parking Expansion	Dec-12	\$3.5
M5029903	Pok Station Bldg-Doors/Windows	Dec-12	\$5.9
M5030201	Replace/Repair Undergrade Brid	Dec-12	\$26.4
M5040111	C&S Cable Repl GCT-Mott Haven	Dec-12	\$4.2
M5040118	Positive Train Control (PTC)	Dec-12	\$9.9
M5050101	Substation Bridge 23	Dec-12	\$15.1
M5060103	Harmon Shop Repl. -Master Plan	Dec-12	\$346.2
M5080114	PTC - Scope Development	Dec-12	\$4.0
M6030201	Replace Timbers Undergrade Bridges	Dec-12	\$3.7
M6030203	Right-of-Way Fencing	Dec-12	\$0.8
M6030206	Remove Obsolete Facilities	Dec-12	\$3.0
M6040103	Replace Fiber / Communication & Signals Cables	Dec-12	\$8.8
M6040104	Replace Field Code System - Mott Haven	Dec-12	\$1.8
M6040113	Rolling Stock Radios and PA Equipment	Dec-12	\$0.3
M6040116	Radio Frequency Rebanding	Dec-12	\$3.7
M6050109	Replace 3rd Rail Brackets - Park Avenue Tunnel	Dec-12	\$5.6
M6040111	PBX Equipment Upgrade	Jan-13	\$2.9
M6010103	Shuttle / Switcher Locomotives	Feb-13	\$13.1
M6020101	GCT Trainshed / Park Avenue Tunnel Structure	Feb-13	\$30.0
M6020301	Parking Renewal	Feb-13	\$2.5
M6030105	Maintenance of Way Equipment / Rolling Stock	Feb-13	\$6.3
M6040112	Mobile / Portable Radios	Feb-13	\$0.2
M4020313	North White Plains Pkg. EIS/EA/Prelim Design	Mar-13	\$6.3
M5080112	WHRTAS Study Phase II AA	Apr-13	\$4.0
M6030108	Drainage and Undercutting	Apr-13	\$10.0
M6040101	Positive Train Control	Apr-13	\$187.1
M6030112	2012 Cyclical Track Program	Jun-13	\$13.0

**MTA Metro North Railroad**

2012-2016 Completions

\$ in millions

ACEP	Project Description	Completion Date	Project Allocation
M6030109	Rebuild Retaining Walls	Aug-13	\$5.0
M6020108	GCT Utilities	Sep-13	\$27.4
M6030210	Replace / Repair Undergrade Bridges	Sep-13	\$36.5
M6050104	Replace Motor Alternators	Sep-13	\$8.0
M5020206	Station Building Rehabs.	Oct-13	\$11.3
M6030304	Otisville Tunnel Renewal	Oct-13	\$3.0
M5020301	Parking Rehabilitation	Nov-13	\$1.2
M6030214	Park Avenue Viaduct Direct Fixation	Nov-13	\$1.8
M6040102	West of Hudson Signal Improvements	Nov-13	\$67.6
M3070106	Penn Station Access	Dec-13	\$6.6
M6030202	Renew / Replace Railtop Culverts	Dec-13	\$3.6
M6030213	Catenary Painting/Rehabilitate Catenary Structures	Dec-13	\$4.0
M6030302	West of Hudson Improvements	Dec-13	\$3.8
M6040108	Design / Replace Harlem and Hudson Track Relays	Dec-13	\$1.2
M6020207	Smart Card Improvements	Feb-14	\$9.1
M6030113	2013 Cyclical Track Program	Apr-14	\$13.6
M6030305	West of Hudson Replace / Renew Undergrade Bridges	Apr-14	\$11.9
M5010107	M-8 NHL Purchase - 210+90 Cars	May-14	\$110.7
M6010101	EMU Replacement / Repair	May-14	\$25.0
M6010102	M-8 New Haven Line Purchase	May-14	\$220.5
M6020102	Park Avenue Tunnel Renewal	May-14	\$7.5
M6050101	Substation Bridge 23 - Construction	May-14	\$32.8
M6020206	New Haven Line Stations - Phase II	Jun-14	\$37.2
M6020202	Fordham Station Improvements	Aug-14	\$13.0
M6040106	Centralized Train Control /SCADA Intrusion Testing	Aug-14	\$0.7
M5030206	Overhead Bridge Program-E of H	Sep-14	\$6.0
M6030211	Harlem River Lift Bridge Cable	Sep-14	\$10.5
M6050107	Harlem River Lift Bridge Breaker Houses / Controls	Sep-14	\$13.6
M5020210	SmartCard	Dec-14	\$2.8
M6020104	GCT Trainshed Track Structure	Dec-14	\$3.0
M6020109	Customer Communications - GCT	Dec-14	\$2.0
M6030104	Turnouts: Yards / Sidings	Dec-14	\$4.4
M6030209	Employee Welfare and Storage Facilities	Dec-14	\$10.0
M6030212	Overhead Bridge Program - East of Hudson	Dec-14	\$17.1
M6030301	West of Hudson Track Program	Dec-14	\$21.2
M6050108	Replace 3rd Rail Sectionalizing Switches	Dec-14	\$1.3
M6080109	Systemwide Security Initiatives	Dec-14	\$5.0
M5050111	Renew H&H Substations	Jan-15	\$11.1
M6050102	Renewal Harlem & Hudson Substations - Construction	Jan-15	\$8.0
M6050103	Harlem & Hudson Lines Power Improvements	Jan-15	\$35.7
M6060104	Port Jervis Yard Expansion	Jan-15	\$7.3
M6020201	Poughkeepsie Station Building	Feb-15	\$6.0
M6030114	2014 Cyclical Track Program	Apr-15	\$14.3
M6030107	Rock Slope Remediation	May-15	\$7.0
M6080104	Independent Engineer	Jun-15	\$6.7
M6020203	Harlem Line Station Renewal	Sep-15	\$24.5
M6020204	Station Building Renewal / Net Lease	Sep-15	\$4.9
M6020302	Strategic Facilities	Sep-15	\$45.5
M6060102	Wassaic Yard Expansion - D/C	Sep-15	\$3.0
M5030218	Systemwide Flood Control	Dec-15	\$3.2
M6020107	GCT Platform Improvements	Dec-15	\$3.1
M6060103	Other Shops / Yards Renewal	Dec-15	\$24.1
M6020106	GCT Elevator Renewal - Phase 4	Apr-16	\$7.5
M6020105	GCT Leaks Remediation	Oct-16	\$13.0
M6020110	GCT Recycling Facility	Dec-16	\$7.5
M6030102	Turnouts: Mainline / High Speed	Dec-16	\$69.8
M6060101	Harmon Shop Improvements	Dec-16	\$289.8

**MTA Bridges and Tunnels**

2012-2016 Completions

\$ in millions

ACEP	Project Description	Completion Date	Project Allocation
D602RK65	Deck Replacement - Bronx/Manhattan Ramps/Toll Plaza	Jan-12	\$338.3
D503AW48	2nd Generation E-Zpass In-Lane	Feb-12	\$5.1
D403AW37	Operations Center @ RI & Other	Mar-12	\$15.7
D502TN50	Replace Concrete Deck	Mar-12	\$76.7
D503VN03	New Toll Plaza - Phase 1	Mar-12	\$13.8
D505AW12	Hazardous Material Abatement	Mar-12	\$3.7
D603AW48	2nd Generation E-Zpass In-Lane	Mar-12	\$35.0
D501TB23	HRD Ramp	Apr-12	\$11.8
D501TN87	Anchorage and Tower Protection	Sep-12	\$11.8
D503AW37	Operation Centers TS Systems	Sep-12	\$3.3
D607TN87	Paint - Bronx and Queens Tower Fender Systems	Sep-12	\$8.3
D502BW89	Elevated & On Grade (Bx) Appr.	Oct-12	\$212.3
D607VN88	Tower Painting - Below Roadway Level	Oct-12	\$30.4
D501BW97	Concrete Anchorage Repairs	Dec-12	\$9.2
D504AW80	Variable Message Signs	Dec-12	\$3.6
D601CB09	Substructure & Underwater Work	Feb-13	\$20.1
D601TN52	Miscellaneous Structural Rehabilitation	Jun-13	\$22.0
D501TN85	Suspended Span Cable Rewrap	Jul-13	\$40.4
D607TN85	Steel Repairs - Suspended Span	Jul-13	\$6.2
D506AW28	Scope Development	Aug-13	\$5.5
D601AW98	Feasibility Study:BBT/QMT Improve/Modernize	Aug-13	\$3.4
D602HH10	Upper Level Sidewalk / Curb Stringers	Sep-13	\$42.0
D607HH10	Paint - Curb Stringers	Sep-13	\$0.8
D601HH07	Structural Rehabilitation - Phase I	Dec-13	\$8.6
D604BW15	Necklace Lighting	Dec-13	\$10.7
D602TN82	Rehabilitate Orthotropic Deck - Phase B	Jan-14	\$25.4
D607TN82	Paint - Bronx and Queens Approach Spans	Jan-14	\$46.2
D601BW07	Tower and Pier Fender Protection	Mar-14	\$3.1
D601BW97	Concrete Anchorage Repairs	Jul-14	\$10.7
D405BB43	Rehab Battery Parking Garage	Sep-14	\$44.6
D601RK19	Seismic and Wind Study	Sep-14	\$5.4
D602RK73	Deck Replacement- RFK MQ Ramp	Sep-14	\$76.0
D604BB45	Replace Electrical Switchgear & Equipment	Sep-14	\$56.7
D601MP06	Substructure & Underwater Scour Protection	Oct-14	\$17.1
D601BW84	Cable Investigation / Monitoring	Dec-14	\$9.2
D601VN35	Steel Repair & Concrete Rehab. & Drainage Systems	Dec-14	\$19.1
D607AW95	Miscellaneous Agency Wide Painting	Dec-14	\$6.3
D607VN35	Paint - Brooklyn&Staten Island Lower Level Ramps	Dec-14	\$19.6
D602BW89	Deck Replacement - Elevated and On Grade Approach	Jan-15	\$166.1
D505QM01	Service & FE Building Rehab	Jun-15	\$13.3
D602VN03	Toll Plaza - East & West Bound Ramps Improvements	Jul-15	\$73.6
D604VN87	Substation #1 Rehabilitation	Sep-15	\$16.6
D602MP21	Rehabilitate Rockaway Point Blvd Overpass	Nov-15	\$7.6
D603AW54	Regional Integration	Nov-15	\$3.1
D607MP21	Paint - Rockaway Point Overpass	Nov-15	\$1.1
D602HH88	Replace Upper & Lower Level Plza & Southbnd. Appr.	Dec-15	\$49.4
D603AW35	Weather Information Systems	Dec-15	\$1.2
D603AW50	Wireless Communications	Dec-15	\$2.4
D604AW80	Advanced Traveler Information Systems	Dec-15	\$19.4
D605BB21	Service Building Rehabilitation	Dec-15	\$4.4
D605BB43	Misc. Repairs at BP Garage	Dec-15	\$6.3
D603AW36	Installation of CCTV / Fiber Optic Cable	Jan-16	\$12.1
D604MP03	Programmable Logic Controller & Mechanical Rehab.	Mar-16	\$20.2
D601QM18	Entrance and Exit Plazas Structural Rehabilitation	Apr-16	\$20.6
D602VN80	Replace Upper Level Suspended Span	Apr-16	\$414.0
D603AW52	Advanced Traffic Detection / Management System	Apr-16	\$4.6
D601RK76	Miscellaneous Structural Repair	Jun-16	\$20.0

**MTA Bridges and Tunnels**

2012-2016 Completions

\$ in millions

<b>ACEP</b>	<b>Project Description</b>	<b>Completion Date</b>	<b>Project Allocation</b>
D602BB54	Replacement Brooklyn Plaza Structural Slab	Jun-16	\$22.3
D601BW14	Miscellaneous Structural Rehabilitation	Aug-16	\$13.5
D602TN49	Suspended Span Replacement - Phase A	Dec-16	\$96.8



**MTA Capital Construction Company**

2012-2016 Completions

\$ in millions

ACEP	Project Description	Completion Date	Project Allocation
G4100106	SAS Tunnels 92 St-62 St (00-04 & 05-09)	Mar-12	397.1
G5100109	SAS Tunnels 92 St-62 St (00-04 & 05-09)	Mar-12	34.3
G5110104	Running Tunnel	Apr-12	1,165.1
G5090126	Expansion Joints	Jul-12	4.8
G4120114	FSTC 4C/D-4/5 Rehab - Dey St Headhouse	Jul-12	80.9
G5110107	Construction (Site L)	Aug-12	63.8
G4120115	FSTC 4E-Dey St Conc Finishes	Nov-12	27.2
G4120106	FSTC 4B- A/C Mezzanine, J/M/Z	Nov-12	175.4
G4090143	44th St and 245 Park Ave Entr	Dec-12	52.8
G5090119	Harold & Point CIL	Dec-12	8.1
G5110108	Construction (Site J)	Dec-12	129.2
G4120108	FSTC 4G-Corbin Bldg Restoration	Dec-12	78.5
G5110110	Construction (Site K)	Dec-12	61.2
G5090115	50th St. Vent Plant Facility	Jan-13	99.1
G5090148	Northern Blvd Crossing	Mar-13	101.0
G5090122	Queens Bored Infrastructure	Mar-13	763.5
G4090126	Harold Structures (Part 2A) (00-04 & 05-09)	May-13	27.1
G5090155	Harold Structures (Part 2A) (00-04 & 05-09)	May-13	11.2
G5100101	Cntract 2A 96 St Stn Structure (05-09 & 10-14)	Jul-13	381.6
G6100107	Cntract 2A 96 St Stn Structure (05-09 & 10-14)	Jul-13	8.0
G4090119	MH Tunnel Excavation	Aug-13	413.5
G5090114	GCT Concourse Civil&Structural (05-09 & 10-14)	Aug-13	539.2
G6090130	GCT Concourse Civil&Structural (05-09 & 10-14)	Aug-13	244.7
G5090117	Harold Structures (Part 1)	Dec-13	204.9
G5090118	Harold Interlocking Stage 1-4	Dec-13	67.0
G5100102	Cntract 4B 72 St Stn Structure	Dec-13	481.2
G5100108	Contract 3: 63rd St Stn Rehab	May-14	201.7
G5110106	Site A Fac; Finishes and Systems	Jun-14	578.4
G4120107	FSTC 4F-Transit Center Enclosure	Jun-14	224.9
G6090120	Plaza Substation & Structures	Aug-14	162.1
G5100107	Cnt 5B 86St Stn Mining&Lining (05-09 & 10-14)	Sep-14	76.9
G6100103	Cnt 5B 86St Stn Mining&Lining (05-09 & 10-14)	Sep-14	260.9
G6100102	4C: Station Finishes/MEP 72 St	Oct-15	272.3
G6100101	2B/C: Shell/Finishes/MEP 96 St	Nov-15	439.3
G5110112	Construction: Core&Shell (Site P)	Dec-15	103.8
G6100104	5C: Station Finishes/MEP 86 St	Jul-16	265.9
G5100104	Cntract 6: SAS Systems	Aug-16	324.4
G5090154	250 HZ Track Circuit	TBD*	12.5
G5090119	Harold & Point CIL	TBD*	30.8
G6090137	Signal Equipment	TBD*	20.7
G6090112	55th St. Ventilation Facility	TBD*	50.1
G6140105	Amtrak Buildings	TBD*	16.1

\*ESA Project adjustments underway to reflect update reported to Board in May 2012, therefore subject to change.

**MTA Bus Company**

2012-2016 Completions

\$ in millions

ACEP	Project Description	Completion Date	Project Allocation
U4030299	Design/Consultant Services	Apr-12	\$14.9
U4030213	45 CNG Buses 2009	Apr-12	\$25.6
U5030212	Roof/Ventilation Baisley Park	Apr-12	\$8.5
U5030211	Roof/Ventilation Far Rockaway	May-12	\$6.9
U5030213	Roof/Ventilation E'chester Mtc	May-12	\$3.6
U5030203	Roof/Ventilation LaGuardia	Jun-12	\$7.0
U5030215	Fueling Lane & Bus Wash LG	Jul-12	\$2.4
U5030209	Upgrade Parking - JFK & BP	Sep-12	\$9.8
U6030215	Purchase 79 CNG Standard Buses	Oct-12	\$40.3
U5030217	Fire Protection JFK LG BP ECH	Nov-12	\$8.6
U5030207	Environmental Remediation Rsrv	Dec-12	\$17.4
U5030214	Roof/Ventilation JFK	Dec-12	\$9.5
U6030216	Purchase 74 Standard Buses	Jan-13	\$46.3
U5030202	College Point Building Annex	Feb-13	\$3.0
U5030219	Service Vehicles	Feb-13	\$4.0
U5030205	Relo. Tanks/Washers-Eastchester	Mar-13	\$12.9
U5030210	Security Upgrade CP ECH YONKRS	Mar-13	\$2.8
U5030218	Security Upgrade 5 Locs.	May-13	\$7.5
U5030216	Addtnl Fuel Capacity BP JFK LG	Aug-13	\$8.7
U6030205	Depot Equipment	Sep-13	\$15.0
U5030204	Elec Upgrd/Emer Gens 6 Depots	Oct-13	\$13.3
U5030220	Depot Equipment	Dec-13	\$7.2
U6030206	Purchase Service Vehicles	Jan-15	\$4.6
U6030207	New Elevator at College Point Depot	Jan-15	\$2.2
U6030224	Bus Cameras	Dec-15	\$2.2
U6030210	"5 New Bus Washers Spring Creek	Jan-16	\$6.5
U6030211	"New HVAC Spring Creek	Jan-16	\$6.5

**MTA Police Department**

2012-2016 Completions

\$ in millions

ACEP	Project Description	Completion Date	Project Allocation
N5100104	K-9 Facility	Jun-14	\$10.5

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## **OPERATING IMPACTS EXCEEDING \$1 MILLION FOR CAPITAL PROJECTS REACHING BENEFICIAL USE 2012-2016**

### **MTA NEW YORK CITY TRANSIT CAPITAL PROJECTS**

**Project:** Mother Clara Hale Depot Reconstruction

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 began in 2013, with full impacts in late 2014 (\$1.1 million).

**Project:** Enterprise Security Network Infrastructure

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), PA/CIS (Public address and Customer Information System) which are planned to be migrated to new network. Full impacts will start in 2015 (\$2.7 million).

**Project:** 7 West Extension

This project will extend the Flushing Line (7) southwest from 42 St & 8th Ave to a new station at 34 St & 11th 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. Full impacts will start in 2014 (\$12 million).

**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 2014 (\$6.4 million).

**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.

**Project:** R188 Subway Car Purchase

The purchase of 23 cars, in conjunction with the option for 103 cars, is to grow the A-Division fleet in anticipation of beginning CBTC on the Flushing Line and to support the extension of the Flushing Line. Additional new cars to the fleet have additional maintenance, energy, and personnel costs. Total impacts of the 23 cars are expected to begin in 2013, with an annual cost estimated to be \$1.2 million. Total impacts of the 103 car option are expected to begin in 2015, with an annual cost estimated to be \$5.37 million.

**Project:** R179 Subway Car Purchase

This project is for the purchase of 300 'B' division cars that will replace 272 R32 and R42 cars due for retirement. The operating budget impact in years 1 & 2 are expected to be savings of \$8.25 million. Savings will be reduced to \$4.77m, \$3.03 million, \$4.77 million in years 3, 4 and 5 respectively.

**Project:** Public Address/ Customer Information – 87 Stations

This project will install public address speakers and visual information delivered by Customer Information Screens at 87 stations and 2 pilot stations. Impacts will begin in 2015, when the majority of the equipment would be installed or shortly thereafter. An annual total impact of \$5.5 million is expected.

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

**Project:** East Side Access

This project will expand LIRR service into Grand Central Terminal. The construction includes new tunnel and track along with related right-of-way equipment, vent plants, substations, and a new terminal station with elevators, escalators, and HVAC. The project also includes 236 new rail cars and will introduce an expanded train service plan to support 2018 Opening Day, impacts will begin before 2018.

**Project:** Positive Train Control

This project is for the installation of a Positive Train Control (PTC) system for the LIRR. PTC is mandated by the Federal Rail Safety Improvement Act of 2008 for commuter railroads such as the LIRR with an implementation deadline of December 15, 2015. It is an integrated command, control, communication, and geographic information system designed to prevent train-to-train collisions, over-speed derailments, incursions into established work zone limits, and the movement of a train through a switch left in the wrong position. PTC is comprised of five core elements: On-Board Equipment, a Wireless Communication Network, Central Servers, a Dispatching System, and Wayside Equipment. The full operating budget impact has not been identified. However, because of the assets and equipment that will need to be operated and maintained, it is expected that PTC will have an OBI of at least \$1 million a year. Partial impacts will begin in 2015 with full impacts realized starting in 2016.

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

**Project:** M-8 New Haven Line Purchase [May 2014]

This project is for the design, manufacture, test and delivery of the new New Haven Line M8 EMU Cars. The first one hundred cars will be utilized to supplement the existing fleet to fill out trains and reduce standees. The base contract for 210 cars and the first option for 90 additional cars were awarded on August 21, 2006. Two additional options 42 and 38 cars respectively. A change order was executed for 25 Single Cars for a total of 405 cars. As of the end of December 2011, 60 Cars have been conditionally

accepted and were placed into revenue service. Anticipated steady-state Operating Budget Impact of approximately \$3m (NYS portion) once all 405 cars are in service.

**Project:** Customer Communication/Connectivity Improvements [December 2014]

Under this project, an updated public address system and real-time information will be provided to Metro-North customers at East of Hudson stations. Departure time and destination, status, and track number will be displayed. Connectivity will be provided at each station to support the new real-time train information/public address system, upgrade ticket office workstations, and allow capability for remote CCTV and elevator monitoring/control. Project currently in scoping phase and any potential Operating Budget Impacts are currently unknown, however they could potentially exceed \$1m.

**Project:** Positive Train Control [December 2015]

Installation of a Positive Train Control (PTC) system is mandated by the Federal Rail Safety Improvement Act of 2008. Commuter railroads such as Metro-North have until December 15, 2015 to implement a PTC system. PTC is an integrated command, control, communication, and geographic information system designed to prevent train-to-train collisions, over-speed derailments, incursions into established work zone limits, and the movement of a train through a switch left in the wrong position. It is comprised of five core elements: On-Board Equipment, a Wireless Communication Network, Central Servers, a Dispatching System, and Wayside Equipment. The full operating budget impact has not been identified. However, because of the assets and equipment that will need to be operated and maintained, it is expected that PTC will have an Operating Budget Impact of at least \$1 million a year. Partial impacts will begin in 2015 with full impacts realized starting in 2016.

**Project:** West of Hudson Signal Improvements [January 2014]

The purpose of this project is to install a new 100 Hz Cab Signal system replacing existing antiquated signal system for the West of Hudson Port Jervis Line between Suffern, NY (MP 31.3) and Sparrowbush, NY (MP 89.9). This system will be consistent with NORAC (Northeast Operating Rules Advisory Committee) and NJT (New Jersey Transit) operating rules. This project will extend existing cab signal system from NJT territory (south of Suffern) into MNR territory up to the division post at MP 89.9. This line consists of nine interlockings and four highway grade crossings. MNR rolling stock operated by NJT is already equipped with cab signal system due to its operation south of Suffern. PTC equipment for West of Hudson will be procured as options on New Jersey Transit PTC contract. Similarly to the Positive Train Control project (above), the West of Hudson Signal Improvements project could potentially have an annual Operating Budget Impact of greater than \$1m due to the assets and equipment that will need to be operated and maintained.

## **MTA BUS COMPANY CAPITAL PROJECTS**

There are no capital projects entering beneficial use in 2012-2015 that have an impact on the MTA BUS's operating budget over \$1 million.

## **MTA 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 Financial Plan.

## **MTA POLICE DEPARTMENT CAPITAL PROJECTS**

There are no capital projects entering beneficial use in 2012-2015 that have an impact on the MTAPD's operating budget over \$1 million.

## **V. Agency Financial Plans**



# **Bridges and Tunnels**

**MTA BRIDGES AND TUNNELS**  
**2013 Preliminary Budget**  
**July Financial Plan 2013–2016**

**FINANCIAL OVERVIEW**

MTA Bridges and Tunnels (B&T) continues to be a strong source of fiscal stability to the MTA. In 2012 and 2013 combined, B&T will contribute over \$1.6 billion in Support to Mass Transit. In this July Financial Plan, revenue is being adjusted slightly downward against the Adopted Budget to reflect an increase in payments of the lower E-ZPass tolls and revised economic forecasts, but expenses are also being reduced, ensuring that there is an overall increase in net income over the plan period compared to the February Financial Plan.

B&T is able to generate this financial support by carrying out its operations in an efficient way, while providing high levels of customer service to travelers utilizing its facilities and a strong safety focus for both employees and customers.

The most important customer service objective for B&T continues to be encouraging E-ZPass use for motorists crossing its bridges and tunnels. E-ZPass saves customers time on their trip and all customers of the New York E-ZPass Customer Service Center pay lower E-ZPass tolls. In its most recent customer satisfaction survey taken during the Fall of 2011, 80% of B&T's customers rated their overall satisfaction with the agency favorably—a very strong score—yet satisfaction with the performance of the agency's E-ZPass system was even higher at 95% favorable. E-ZPass market share is now over 80%, an increase of more than 3 percentage points from the previous year.

Over the past year, a number of initiatives to encourage E-ZPass participation have been introduced or expanded:

- B&T began selling E-ZPass “On the Go” pre-paid tags in the cash toll lanes at each facility. By the end of June, more than 60,000 tags have been sold in the lanes. “On the Go” tags are also now sold through the MTA mobile vans, and since 2008 have been sold in retail outlets throughout the metropolitan area. Approximately 140 retailers and 575 stores now sell these E-ZPass tags. For the most recent month, about half of all E-ZPass accounts opened were through “On the Go”.
- B&T introduced the MTA Reload Card in February of this year, an initiative which makes it easier for customers to replenish their E-ZPass account with cash. Customers can go to any Visa ReadyLink retail merchant and use the card to reload their E-ZPass accounts through a self-service kiosk or through a sales clerk, eliminating the need to travel to one of three walk-in centers in Yonkers, Queens, or Staten Island to add cash to their E-ZPass accounts. The card is designed for people who want greater cash control and either do not have or do not want to use a credit card for E-ZPass. To date, approximately 20,000 cards have been issued to customers.

- Spanish language versions of the E-ZPass application, interactive website, and the customer service telephone voice response system were introduced in January of this year.
- Later this year, B&T will introduce E-ZPass “Pay per Trip”, which will enable customers to set up an E-ZPass account without a pre-paid balance. Those interested in this program will pay for their tolls each day through an Automated Clearinghouse (ACH) deduction from their checking account.

In another important customer service effort, B&T is continuing to replace E-ZPass tags that are approaching the end of their service lives. This program ensures that tags are replaced before the tag components expire, greatly decreasing the possibility that customers will experience tag performance problems. Customers are being notified in advance that their tags are due to be replaced and a new tag is being mailed to them along with a prepaid return envelope to send back the old tag. More than 1 million tags have been swapped out to date.

The most potentially far reaching B&T initiative is the pilot project at the Henry Hudson Bridge to test All Electronic Toll (AET) collection operations. In the first phase (implemented in January 2011) toll gates were removed at the Henry Hudson, enabling peak hour throughput to increase from approximately 800 to 1,000 vehicles per hour. The implementation of cashless tolling at the facility is expected to begin during the Fall of 2012. The purpose of the pilot is to test both the new technologies required to collect video images from passing vehicles and the back-office systems to collect tolls from vehicles without an E-ZPass tag. The pilot will also help determine the operational and financial issues in a cashless environment. The data collected from this pilot will be used to evaluate and guide future toll collection and toll plaza reconstruction plans.

To further help customers crossing B&T facilities, real time travel times are now posted on electronic signs at six crossings, with a seventh facility planned for this summer. Utilizing customized software, travel time information to major regional destinations like airports, sports stadiums and connecting highways can now be displayed on 26 electronic signs at these B&T facilities. The same information is also now available as a free iPhone app, MTA EZTravel, as well as on the MTA website.

B&T also monitors its facility operations by tracking key customer service oriented performance statistics at the bridges and tunnels. For example, through the first quarter of 2012, 942 potholes were repaired and 3,370 miles of roadway were swept across all facilities. At the RFK Bridge, 117,476 feet of roadway striping was completed. A total of 473,115 linear feet of walls and ceilings were cleaned at the Brooklyn-Battery and Queen Midtown tunnels. Traffic mobility at all facilities was consistently smooth, with 94% of vehicle crossings at bridges during weekday peak periods traveling above 30 mph, and 76% of vehicle crossings at the tunnels (where lower speeds are posted during measured peak periods) traveling above 25 mph.

Significant customer service improvements are also being carried out through the capital program. In the past year, an \$11.7 million design-build project to replace the

Harlem River Drive Ramp of the Robert F. Kennedy bridge (RFK) was completed in December 2011, ahead of schedule. The entire project took just eight months and was executed with minimal impact to motorists. A temporary ramp was constructed and opened in September before the nearly 50-year old ramp was demolished and a new ramp built.

In addition, in October 2011 a \$12.6 million project to replace approximately 345,000 square feet of the wearing surface of different deck sections of all three RFK spans was completed more than a year earlier than anticipated, enabling customers to experience a much smoother ride across the facility.

The first phase of a major toll plaza improvement project at the Verrazano-Narrows Bridge that includes demolition of the unused Brooklyn-bound toll booths and removing various components such as concrete islands, utilities, canopy structures, was completed in 2011. Removing these structures that have not been used since 1986 when one-way tolling was instituted is good news for drivers who will now have a straight drive from the Staten Island Expressway through the Brooklyn-bound toll plaza.

Earlier this year, the completion of the nearly \$100 million, three-year project to replace the Queens approach roadway decking on the Throgs Neck Bridge (TN50), the Bronx-bound, Cross Island Parkway (CIP) ramp returned to two lanes. The ramp was changed to a one-lane configuration in the summer of 2009 to accommodate the ongoing construction work and reduce accidents. This new configuration will significantly improve the experience of B&T customers when they merge onto the Throgs Neck Bridge from the CIP ramp.

There is no more important priority for B&T than safety. Safe work practices are continually emphasized and safety training is regularly provided to employees. Through the first four months of 2012, there were 20 lost time injuries in the agency, compared to 31 for the same period last year. The present rate of 3.7 injuries per 200,000 hours is 36% lower than last year at this time.

B&T also carries out initiatives that help assure the safe passage of its customers, including identifying collision hotspots, re-evaluating and modifying traffic patterns in construction zones and improving roadway signage. Through April 2012, the collision rate was 0.85 per million vehicles, slightly higher than the 0.79 rate over the same period last year.

To better enforce weight restrictions and ensure the safety and structural integrity of the facilities, a truck weight enforcement program is in place on B&T's suspension bridges. The program uses a combination of personnel to perform vehicle weight and safety inspections and provide a regular facility presence to conduct credential checks. From the start of the program in 2007 through April 2012, more than 64,000 trucks have been interdicted. In addition, B&T assists the NYC Department of Transportation with inspections and violation assessments of commuter buses.

Finally, in 2012, B&T is continuing its very successful efforts to reduce overtime. Since 2009, overtime costs have declined 43% from \$26.9 million in 2009 to \$18.8 million in 2011. The 2012 Mid-Year Forecast increases modestly to \$20.1 million, primarily to cover current and anticipated vacancies (mostly Bridge & Tunnel Officers), but the forecast is nevertheless below the Adopted Budget by \$0.6 million. Key factors that have enabled B&T Operations management staff to reduce overtime include the consolidation of maintenance operations carried out as part of the 2010 Budget Reduction Program, the implementation of scheduling efficiencies such as the utilization of Directed Patrol Sergeants and Lieutenants, which is a flexible assignment that can be dispatched to multiple facilities to cover supervisory needs; stronger operational oversight of employee court appearances; and staffing adjustments based on seasonal patterns/facility needs and the use of seasonal employees. In addition, the overall increase in E-ZPass market share has reduced the need for cash lane coverage, further allowing scheduling changes that reduce overtime to be put in place.

Key changes between the July and February plans are outlined below.

### **2012 Mid-Year Forecast**

In the 2012 Mid-Year Forecast, a total of \$1,124.2 million is projected in Baseline Operating Income compared to \$1,119.6 million in the 2012 Adopted Budget, an increase of \$4.6 million.

Total revenues are \$1,536.3 million, which is \$3.0 million less than the Adopted Budget. Toll revenue accounts for 98% of all revenues and is projected at \$1,507.0 million, which is \$3.5 million less than the original estimate. Traffic levels exceeded expectations in January and February due to highly favorable winter weather, which generated \$8.4 million more in toll revenue than originally projected for those months. However, the year-to-year traffic growth of 0.5% in the Adopted Budget that was originally projected for March through May did not materialize, and revenues were subsequently \$1.6 million below forecast. Traffic was essentially flat on a year-to-year basis over the latter three months, with any positive impacts gained from generally favorable weather being offset by the negative effects of persistently high gas prices. This no-growth year-to-year trend has been carried out in the Mid-Year Forecast baseline for June through December, resulting in an additional reduction of \$6.1 million from the Adopted Budget level. Though recent year-to-year trends in overall traffic have been flat, cash paying crossings have been down while lower tolled E-ZPass crossings have been up, which has resulted in a lower than anticipated average toll per vehicle. Adjusting for a lower average toll reduces the 2012 revenue forecast by another \$4.2 million. These reductions are partially offset by an additional \$0.5 million in Other Operating Revenue, primarily from higher proceeds from the auction of non-revenue fleet vehicles stemming from more efficient processes for identifying vehicles to retire.

2012 Mid-Year Forecast expenses are \$412.1 million, which consists of \$240.5 million in labor costs and nearly \$171.7 million in non-labor expenses. Total expenses are \$7.6 million lower than the Adopted Budget.

Labor expenses are higher by less than \$0.1 million. Payroll expenses are \$1.2 million favorable primarily due to vacancies for Bridge & Tunnel Officers (BTOs) and managerial/professional staff (\$1.6 million), partially offset by new needs in the fourth quarter for 9 additional timekeeping positions (Central Control Unit (CCU) to cover expanded system requirements (\$0.2 million) and interim costs associated with final BSC phase-in as B&T begins transferring payroll and human resources functions to the Business Service Center (\$0.2 million). Overtime is forecast at \$0.6 million less than the Adopted Budget due to favorable results through May (\$1.2 million) partially offset by additional needs through December primarily for BTO vacancy coverage (\$0.6 million). Pension costs are unfavorable by \$3.1 million based on the latest valuation by the New York City Office of the Actuary, which includes a higher drop in the assumed rate of investment return, from 8% to 7%, retroactive to July 2011. The Adopted Budget had assumed a drop to 7.5%. Health and Welfare, OPEB current payment and Other Fringe Benefits are a net \$1.3 million favorable, resulting primarily from vacancies and current cost trends through May.

Non-labor expenses are lower by \$7.6 million, largely due to a thorough re-assessment of E-ZPass tag inventory needs that produced savings of \$4.7 million against the Adopted Budget. Other expenses reductions have been identified based on current spending and forecast rates for electric power (\$1.4 million) and heating fuel (\$0.3 million), growth assumptions for property and liability insurance (\$0.8 million), and downward revisions to originally projected needs for various outside professional services based on more efficient use of in-house resources (\$0.4 million).

Total Deductions from Income will decrease by \$2.2 million due to lower capitalized asset expenditures (\$2.0 million) and an adjustment to GASB reserves (\$0.2 million).

Total Support to Mass Transit is \$859.6 million compared to \$856.5 million in the 2012 Adopted Budget, an increase of \$3.1 million resulting from an increase of \$4.6 million in Baseline Operating Income (\$3.0 million in revenue losses offset by \$7.6 million in lower expenses), lower B&T debt service (nearly \$6.8 million), lower capitalized assets expenditures (\$2.0 million), an adjustment to GASB Reserves (less than \$0.2 million), partially offset by higher capital reserves for the Necessary Reconstruction Fund (\$10.5 million).

In 2012, total planned year-end headcount is 1,648, which is 9 positions higher than the Adopted Budget. Following the re-engineering of B&T's current timekeeping processes and systems a Central Control Unit was established and positions were transferred from field operations. These additional 9 positions are required to support and improve this function. Also included in the total headcount are 44 capital reimbursable full-time equivalents.

Details regarding the reconciliation of the 2012 Mid-Year Forecast to the Adopted Budget and the assumptions for traffic and headcount are discussed in the Plan-to-Plan Summary of Changes and the Other Assumptions sections.

### **2013 Preliminary Budget - Baseline**

In the 2013 Preliminary Budget, a total of \$1,101.8 million is projected in Baseline Operating Income compared to \$1,107.7 million in the February Financial Plan, a decrease of \$5.9 million.

Total revenues are \$1,530.6 million, which is \$6.3 million lower than the February Financial Plan. The reduction is due almost entirely to decreased toll revenues that reflect the lower plan-to-plan baseline traffic trends from 2012. The toll revenue forecast also assumes a lower average toll per vehicle stemming from programmatic efforts to further increase E-ZPass usage at B&T facilities. Lastly, the forecast reflects MTA's current third party projection for regional (New York City, Long Island and Westchester) employment growth of 1.6%, which is slightly above the Adopted Budget assumption of 1.5%.

Expenses are \$428.8 million, which are composed of \$246.9 million in labor costs and \$181.9 million in non-labor expenses. Overall expenses are \$0.4 million lower than the February Financial Plan.

Labor costs are projected to be higher by \$4.2 million primarily due to a full year's impact the 9 additional positions required to staff the Central Control Unit for expanded timekeeping processes (\$1.2 million) beginning in the fourth quarter of 2012, interim costs associated with final BSC phase-in (\$0.5 million), re-estimates for temporary BTO staffing (\$0.8 million) and 4 additional maintenance positions required to meet new, more rigorous mandated standards for fire standpipe maintenance and inspection at all B&T facilities (\$0.4 million). In addition, pension expenses have been increased by \$1.4 million to reflect the latest NYCERS actuarial valuation and the most recent growth factors provided by the New York City Office of the Actuary.

Non-labor expenses are lower by \$4.6 million. Rate assumptions for electric power and heating fuel have been revised downward, resulting in reductions of \$2.3 million and \$0.5 million, respectively. The E-ZPass tag inventory re-assessment previously discussed produced savings of \$0.9 million. Further expense reductions totaling \$1.4 million were achieved through re-estimates for various outside professional services based on more efficient use of in-house resources.

An adjustment to GASB Reserves reduces Total Deductions from Income by less than \$0.1 million.

Total Support to Mass Transit is \$811.2 million compared to \$828.2 million in the February Financial Plan, a decrease of over \$17.1 million resulting from a \$5.9 million drop in Baseline Operating Income (\$6.3 million in revenue losses partially offset by nearly \$0.4 million in lower expenses), higher B&T Debt Service (\$0.5 million), and higher capital reserves for the Necessary Reconstruction Fund (nearly \$10.7 million).

In 2013, total headcount is budgeted at 1,652, including 44 reimbursable positions, which is 13 positions higher than the February Financial Plan. The increases include

the 9 positions for the timekeeping Central Control Unit, and the 4 additional maintenance positions previously discussed.

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

### **2014-2016 Projections**

The 2014 projection for Baseline Operating Income is \$1,079.8 million compared to \$1,083.8 million in the February Financial Plan. This consists of \$1,535.6 million in revenues, less \$455.8 million in expenses. The expenses are comprised of \$255.2 million in labor costs and \$200.6 million in non-labor expenses.

The 2015 projection for Baseline Operating Income is \$1,057.3 million compared to \$1,061.1 million in the February Financial Plan. This consists of \$1,542.6 million in revenues, offset by \$485.3 million in expenses. The expenses are comprised of nearly \$265.5 million in labor costs and nearly \$219.9 million in non-labor expenses.

In 2016, the projection for Baseline Operating Income is \$1,054.0 million. This consists of \$1,555.1 million in revenues, offset by nearly \$501.1 million in expenses. The expenses are comprised of \$271.8 million in labor costs and \$229.3 million in non-labor expenses.

In 2014 to 2016, the total baseline planned headcount will be 1,652, which includes 44 capitalily-reimbursable positions.

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



**MTA BRIDGES AND TUNNELS**  
**July Financial Plan 2013-2016**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

**NON-REIMBURSABLE**

	2011 <u>Actual</u>	2012 <u>Mid-Year Forecast</u>	2013 <u>Preliminary Budget</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>Operating Revenue</b>						
Vehicle Toll Revenue	\$1,501.589	\$1,506.970	\$1,501.879	\$1,507.176	\$1,512.707	\$1,523.524
Other Operating Revenue	15.105	15.187	14.436	14.068	13.902	14.060
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Investment Income	0.085	0.103	0.103	0.137	1.528	2.746
<b>Total Revenue</b>	<b>\$1,516.779</b>	<b>\$1,522.259</b>	<b>\$1,516.418</b>	<b>\$1,521.381</b>	<b>\$1,528.137</b>	<b>\$1,540.330</b>
<b>Operating Expenses</b>						
<b><u>Labor:</u></b>						
Payroll	\$117.515	\$122.930	\$125.862	\$128.475	\$131.802	\$134.147
Overtime	18.601	19.937	20.481	20.822	21.243	21.682
Health and Welfare	21.130	22.785	25.563	26.515	28.479	30.585
OPEB Current Payment	14.145	14.819	16.419	17.010	18.201	19.475
Pensions	26.665	34.818	32.823	36.224	39.118	38.829
Other Fringe Benefits	15.666	16.238	16.701	16.992	17.287	17.532
Reimbursable Overhead	(5.379)	(5.116)	(5.114)	(5.095)	(5.145)	(5.196)
<b>Total Labor Expenses</b>	<b>\$208.343</b>	<b>\$226.412</b>	<b>\$232.734</b>	<b>\$240.943</b>	<b>\$250.984</b>	<b>\$257.053</b>
<b><u>Non-Labor:</u></b>						
Electric Power	\$6.178	\$7.002	\$7.339	\$7.669	\$8.389	\$9.165
Fuel	3.037	2.652	2.602	2.545	2.541	2.499
Insurance	4.812	6.657	8.055	9.783	11.430	13.413
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	91.350	98.910	106.733	122.691	138.438	143.927
Professional Service Contracts	17.744	26.055	26.162	26.249	26.675	27.143
Materials & Supplies	3.434	4.195	4.248	4.331	4.418	4.570
Other Business Expenses	24.113	26.188	26.768	27.357	27.960	28.578
<b>Total Non-Labor Expenses</b>	<b>\$150.668</b>	<b>\$171.659</b>	<b>\$181.907</b>	<b>\$200.625</b>	<b>\$219.852</b>	<b>\$229.295</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>\$359.011</b>	<b>\$398.071</b>	<b>\$414.641</b>	<b>\$441.568</b>	<b>\$470.837</b>	<b>\$486.348</b>
Add: Depreciation	\$86.545	\$89.928	\$94.429	\$104.389	\$111.667	\$119.521
Add: OPEB Obligation	66.680	73.000	76.650	80.483	84.507	88.732
Add: Environmental Remediation	0.006	0.000	0.000	0.000	0.000	0.000
<b>Total Expenses After Depreciation and GASB Adjs.</b>	<b>\$512.242</b>	<b>\$560.999</b>	<b>\$585.720</b>	<b>\$626.440</b>	<b>\$667.010</b>	<b>\$694.601</b>
Less: Depreciation	\$86.545	\$89.928	\$94.429	\$104.389	\$111.667	\$119.521
Less: OPEB Obligation	66.680	73.000	76.650	80.483	84.507	88.732
<b>Total Expenses</b>	<b>\$359.017</b>	<b>\$398.071</b>	<b>\$414.641</b>	<b>\$441.568</b>	<b>\$470.837</b>	<b>\$486.348</b>
<b>Baseline Income/(Deficit)</b>	<b>\$1,157.762</b>	<b>\$1,124.188</b>	<b>\$1,101.777</b>	<b>\$1,079.812</b>	<b>\$1,057.300</b>	<b>\$1,053.981</b>

REIMBURSABLE	
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**MTA BRIDGES AND TUNNELS**  
**July Financial Plan 2013-2016**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

**NON-REIMBURSABLE / REIMBURSABLE**  
Page 1 of 2

	2011 <u>Actual</u>	2012 <u>Mid-Year Forecast</u>	2013 <u>Preliminary Budget</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<b>Revenue</b>						
Vehicle Toll Revenue	\$1,501.589	\$1,506.970	\$1,501.879	\$1,507.176	\$1,512.707	\$1,523.524
Other Operating Revenue	15.105	15.187	14.436	14.068	13.902	14.060
Capital and Other Reimbursements	14.222	14.051	14.194	14.261	14.494	14.788
Investment Income	0.085	0.103	0.103	0.137	1.528	2.746
<b>Total Revenue</b>	<b>\$1,531.001</b>	<b>\$1,536.310</b>	<b>\$1,530.612</b>	<b>\$1,535.642</b>	<b>\$1,542.631</b>	<b>\$1,555.118</b>
<b>Expenses</b>						
<b><u>Labor:</u></b>						
Payroll	\$123.147	\$128.507122	\$131.428	\$133.997	\$137.324	\$139.669
Overtime	18.821	20.139	20.639	20.937	21.343	21.782
Health and Welfare	22.483	23.900	26.765	27.791	29.837	32.043
OPEB Current Payment	14.145	14.819	16.419	17.010	18.201	19.475
Pensions	27.671	36.184	34.298	37.798	40.797	40.640
Other Fringe Benefits	16.298	16.913	17.380	17.671	17.977	18.233
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenses</b>	<b>\$222.565</b>	<b>\$240.463</b>	<b>\$246.928</b>	<b>\$255.204</b>	<b>\$265.478</b>	<b>\$271.841</b>
<b><u>Non-Labor:</u></b>						
Electric Power	\$6.178	\$7.002	\$7.339	\$7.669	\$8.389	\$9.165
Fuel	3.037	2.652	2.602	2.545	2.541	2.499
Insurance	4.812	6.657	8.055	9.783	11.430	13.413
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	91.350	98.910	106.733	122.691	138.438	143.927
Professional Service Contracts	17.744	26.055	26.162	26.249	26.675	27.143
Materials & Supplies	3.434	4.195	4.248	4.331	4.418	4.570
Other Business Expenses	24.113	26.188	26.768	27.357	27.960	28.578
<b>Total Non-Labor Expenses</b>	<b>\$150.668</b>	<b>\$171.659</b>	<b>\$181.907</b>	<b>\$200.625</b>	<b>\$219.852</b>	<b>\$229.295</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>\$373.233</b>	<b>\$412.122</b>	<b>\$428.835</b>	<b>\$455.829</b>	<b>\$485.331</b>	<b>\$501.136</b>
Add: Depreciation	\$86.545	\$89.928	\$94.429	\$104.389	\$111.667	\$119.521
Add: OPEB Obligation	66.680	73.000	76.650	80.483	84.507	88.732
Add: Environmental Remediation	0.006	0.000	0.000	0.000	0.000	0.000
<b>Total Expenses After Depreciation and GASB Adjs.</b>	<b>\$526.464</b>	<b>\$575.050</b>	<b>\$599.914</b>	<b>\$640.701</b>	<b>\$681.504</b>	<b>\$709.389</b>
Less: Depreciation	\$86.545	\$89.928	\$94.429	\$104.389	\$111.667	\$119.521
Less: OPEB Obligation	66.680	73.000	76.650	80.483	84.507	88.732
<b>Total Expenses</b>	<b>\$373.239</b>	<b>\$412.122</b>	<b>\$428.835</b>	<b>\$455.829</b>	<b>\$485.331</b>	<b>\$501.136</b>
<b>Baseline Income/(Deficit)</b>	<b>\$1,157.762</b>	<b>\$1,124.188</b>	<b>\$1,101.777</b>	<b>\$1,079.812</b>	<b>\$1,057.300</b>	<b>\$1,053.981</b>

**MTA BRIDGES AND TUNNELS**  
**July Financial Plan 2013-2016**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE  
Page 2 of 2

	2011 Actual	2012 Mid-Year Forecast	2013 Preliminary Budget	2014	2015	2016
<b>Baseline Income/(Deficit)</b>	<b>\$1,157.762</b>	<b>\$1,124.188</b>	<b>\$1,101.777</b>	<b>\$1,079.812</b>	<b>\$1,057.300</b>	<b>\$1,053.981</b>
<u><b>Deductions from Income:</b></u>						
Less: Capitalized Assets	\$4.364	\$17.370	\$17.781	\$17.843	\$17.849	\$20.635
Reserves	15.276	25.000	25.415	25.895	26.382	26.881
GASB Reserves	1.787	1.766	1.863	1.903	1.952	1.985
<b>Adjusted Baseline Income/(Deficit)</b>	<b>\$1,136.335</b>	<b>\$1,080.052</b>	<b>\$1,056.717</b>	<b>\$1,034.171</b>	<b>\$1,011.117</b>	<b>\$1,004.481</b>
Less: Debt Service	608.592	618.387	637.579	662.236	700.390	739.285
<b>Income Available for Distribution</b>	<b>\$527.743</b>	<b>\$461.665</b>	<b>\$419.138</b>	<b>\$371.935</b>	<b>\$310.727</b>	<b>\$265.197</b>
<u><b>Distributable To:</b></u>						
MTA - Investment Income	\$0.085	\$0.103	\$0.103	\$0.137	\$1.528	\$2.746
MTA - Distributable Income	326.113	293.470	269.835	246.262	214.839	191.482
NYCT - Distributable Income	201.545	168.092	149.201	125.536	94.360	70.969
<b>Total Distributable Income:</b>	<b>\$527.743</b>	<b>\$461.665</b>	<b>\$419.138</b>	<b>\$371.935</b>	<b>\$310.727</b>	<b>\$265.197</b>
<u><b>Actual Cash Transfers:</b></u>						
MTA - Investment Income	\$0.147	\$0.085	\$0.103	\$0.103	\$0.137	\$1.528
MTA - Transfers	317.328	272.908	267.477	243.120	212.503	189.621
NYCT - Transfers	192.402	160.426	146.834	122.419	92.021	69.002
<b>Total Cash Transfers:</b>	<b>\$509.877</b>	<b>\$433.419</b>	<b>\$414.414</b>	<b>\$365.641</b>	<b>\$304.661</b>	<b>\$260.150</b>
<u><b>SUPPORT TO MASS TRANSIT:</b></u>						
Total Revenues	\$1,531.001	\$1,536.310	\$1,530.612	\$1,535.642	\$1,542.631	\$1,555.118
Less: Net Operating Expenses	373.239	412.122	428.835	455.829	485.331	501.136
<b>Net Operating Income:</b>	<b>\$1,157.762</b>	<b>\$1,124.188</b>	<b>\$1,101.777</b>	<b>\$1,079.812</b>	<b>\$1,057.300</b>	<b>\$1,053.981</b>
<u><b>Deductions from Operating Income:</b></u>						
B&T Debt Service	\$196.750	\$220.476	\$245.540	\$269.995	\$308.787	\$347.639
Capitalized Assets	4.364	17.370	17.781	17.843	17.849	20.635
Reserves	15.276	25.000	25.415	25.895	26.382	26.881
GASB Reserves	1.787	1.766	1.863	1.903	1.952	1.985
<b>Total Deductions from Operating Income:</b>	<b>\$218.177</b>	<b>\$264.612</b>	<b>\$290.599</b>	<b>\$315.637</b>	<b>\$354.970</b>	<b>\$397.139</b>
<b>Total Support to Mass Transit:</b>	<b>\$939.585</b>	<b>\$859.576</b>	<b>\$811.177</b>	<b>\$764.176</b>	<b>\$702.330</b>	<b>\$656.842</b>

**MTA BRIDGES AND TUNNELS**  
**2013 Preliminary Budget**  
**July Financial Plan 2013–2016**  
**Year-to-Year Changes by Category - Baseline**

**Toll Revenue**

- At current crossing charges, toll revenues are estimated at \$1,507.0 million in 2012 and \$1,501.9 million in 2013, a decrease of \$5.1 million based on downward adjustments for the leap-year day (\$4.1 million) and unusually mild winter weather in 2012 that is not expected to recur (\$8.4 million), partially offset by favorable impacts generated by 1.6% projected growth in regional (New York City, Long Island and Westchester) employment and other economic considerations (\$7.4 million). Revenue rises to \$1,507.2 million in 2014 and to \$1,512.7 million in 2015, reflecting forecast employment growth of 1.5% and 1.4% respectively. Employment growth in 2016 is projected at 1.0%, which, along with an extra day due to the leap year, pushes revenue up to \$1,523.5 million.
- Traffic is expected to reach 286.6 million vehicles in 2012. The forecast for 2013 through 2016, which incorporates the adjustments and regional employment projections cited above, is 286.3 million vehicles in 2013, 288.0 million in 2014, 289.8 million in 2015 and 292.3 million in 2016.

**Other Operating Revenue**

- Other Operating Revenue is projected at \$15.2 million in 2012 and \$14.4 million in 2013. The decline is primarily due to anticipated reductions in revenue from E-ZPass administrative fees and lower proceeds from the auction of obsolete non-revenue fleet vehicles.
- Other Operating Revenue decreases by \$0.4 million in 2014 and by \$0.2 million in 2015 due to anticipated reductions in E-ZPass administrative fees. Revenue growth of \$0.2 million in 2016 primarily reflects projected improvement in receipts from the Battery Parking Garage.

**Capital and Other Reimbursements**

- Capital and Other Reimbursements increase by \$0.1 million annually in 2013 and 2014, by \$0.2 million in 2015 and by \$0.3 million in 2016. These adjustments are tied to the expected work to be performed for the 2010-2014 Capital Program.

## **Investment Income**

- The Investment Income plan for 2013 through 2016 reflects earnings on estimated fund balances based on projected short-term investment yields, which continue to be forecast at very low interest rates. Investment Income is estimated at \$0.1 million in 2013, the same level as in 2012.
- Investment income is projected to remain flat at \$0.1 million in 2014, growing thereafter to \$1.5 million and \$2.7 million in 2015 and 2016 respectively, based on the most recent forecast for interest rates.

## **Payroll**

- In 2013, expenses increase by \$2.9 million, primarily reflecting contractual step-up increases, the filling of 2012 vacancies and inflationary adjustments (\$2.5 million), a full year's impact of the 9 additional positions for the timekeeping Central Control Unit (\$0.9 million), 4 additional maintainer positions needed to cover more stringent fire standpipe inspection mandates (\$0.3 million), offset by \$0.8 million in savings from the transfer of 27 headcount to the Business Service Center effective October 2012.
- Thereafter, expenses increase by contractual step-up increases and inflationary adjustments by \$2.6 million in 2014, \$3.3 million in 2015, and \$2.3 million in 2016.
- Wage inflation for non-represented employees is 1.97% in 2013, 1.91% in 2014, 1.85% in 2015, and 1.89% in 2016, and for represented employees, wage inflation is held at 0.00% in 2013, and averages 1.03% in 2014 and 1.87% in both 2015 and 2016.

## **Overtime**

- In 2013, there is an increase of \$0.5 million to reflect normal winter weather patterns compared to the warmer and drier 2012 weather pattern.
- Thereafter, inflationary adjustments are the primary reason for increases of \$0.3 million in 2014, and \$0.4 million in both 2015 and 2016.
- Wage inflation rates for overtime are the same as for payroll.

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

- In 2013, there is an increase of \$4.5 million from 2012 primarily due to forecast inflation for defined medical programs (\$4.3 million), the previously discussed additional headcount needed for the timekeeping Central Control Unit, and the fire standpipe maintenance program (\$0.2 million).
- The year-over-year net increases from 2014 to 2016 are \$1.6 million, \$3.2 million, and \$3.5 million, respectively, and are the result of forecast inflation for defined medical programs.
- Inflation rates for defined medical programs are 10.8% for 2013 and 7.0% for each year thereafter.

## **Pension**

- In 2013, there is a \$1.9 million decrease from 2012. The New York City Office of the Actuary recently dropped their assumed rate of investment return from 8% to 7%, retroactive to July 2011. This resulted in a non-recurring additional charge in 2012 of \$5.1 million. Partially offsetting this favorable year-to-year change is \$3.2 million in forecast baseline growth.
- The increases of \$3.5 million in 2014, \$3.0 million in 2015, and a decrease of \$0.2 million in 2016 are based on the latest growth factors provided by the New York City Office of the Actuary.

## **Other Fringe Benefits**

- The year-over-year increase from 2012 to 2013 of \$0.5 million is primarily due to higher FICA and other expenses associated the payroll changes discussed above.
- Thereafter, expenses increase by \$0.3 million annually from 2014 through 2016 primarily due to inflationary adjustments.

## **Electric Power**

- Expenses for Electric Power increase by \$0.3 million in 2013 and 2014, \$0.7 million in 2015 and \$0.8 million in 2016 due to inflationary adjustments.

## **Fuel**

- The small year-to-year annual decreases, all less than \$0.1 million, from 2013 through 2016 are the result of incorporating the most recent projections for heating fuel.

## **Insurance**

- Insurance expenses increase between \$1.4 million and \$2.0 million annually from 2013 through 2016 based on the latest growth assumptions.

## **Maintenance and Other Operating Contracts**

- In 2013, expenses are \$7.8 million higher than 2012 primarily due to anticipated increases in maintenance painting needs that will not be eligible for capital funding (\$3.4 million), changes in E-ZPass tag inventory (\$1.7 million), and inflationary adjustments.
- Expenses grow by \$16.0 million in 2014, \$15.7 million in 2015, and \$5.5 million in 2016. Most of the growth (\$12.9 million in 2014, \$15.3 million in 2015 and \$1.3 million in 2016) is driven by anticipated increases in maintenance painting needs that are not capital eligible as well as projected higher expenses for other maintenance projects, which will ensure that key bridge and tunnel components are properly maintained to maximize the level of service they provide until large scale rehabilitation or replacement work under the capital program can be carried

out. Outside of inflationary adjustments, the E-ZPass Tag Replacement Program accounts for other significant year-to-year shifts, with \$0.7 million more needed in 2014, \$1.5 less required in 2015, and \$2.0 million more needed in 2016.

- Inflationary adjustments are based on a national CPI-U forecast of 1.66% in 2013, 1.89% in 2014, 1.88% in 2015 and 1.89% in 2016, and these factors also apply to the expense categories that follow (Professional Service Contracts, Materials and Supplies and Other Business Expenses).

### **Professional Service Contracts**

- In 2013, expenses are higher by \$0.1 million due primarily to an increase in bond issuance fees (\$0.1 million), office equipment (\$0.1 million), and CPI-U adjustments, partially offset by lower outside training expenses (\$0.2 million).
- Expenses grow by \$0.1 million in 2014, \$0.4 million in 2015 and \$0.5 million in 2016 primarily due to inflationary adjustments.

### **Materials and Supplies**

- Material and Supplies expenses increase between \$0.1 million and \$0.2 million annually due to inflationary adjustments.

### **Other Business Expenses**

- Expenses from 2013 through 2016 are approximately \$0.6 million greater each year due to inflationary adjustments.



**MTA BRIDGES AND TUNNELS**  
**July Financial Plan 2013-2016**  
**Year-to-Year Changes by Category - Accrual Basis**  
(\$ in millions)

**NON-REIMBURSABLE**

	Favorable/(Unfavorable)								
	Change		Change		Change		Change		Change
	2012	2013	2013 -	2014	2013 -	2015	2014	2016	2016 -
			2012		2013				2015
<b>Revenue</b>									
Vehicle Toll Revenue	\$ 1,506.970	\$ 1,501.879	\$ (5.091)	\$ 1,507.176	\$ 5.297	\$ 1,512.707	\$ 5.531	\$ 1,523.524	\$ 10.817
Other Operating Revenue	15.187	14.436	(0.750)	14.068	(0.368)	13.902	(0.166)	14.060	0.158
Capital and Other Reimbursements	0.000	0.000	-	0.000	-	0.000	-	0.000	-
Investment Income	0.103	0.103	-	0.137	0.034	1.528	1.391	2.746	1.218
<b>Total Revenue</b>	<b>\$ 1,522.259</b>	<b>\$ 1,516.418</b>	<b>\$ (5.841)</b>	<b>\$ 1,521.381</b>	<b>\$ 4.963</b>	<b>\$ 1,528.137</b>	<b>\$ 6.756</b>	<b>\$ 1,540.330</b>	<b>\$ 12.193</b>
<b>Expenses</b>									
Labor:									
Payroll	\$ 122.930	\$ 125.862	\$ (2.932)	\$ 128.475	\$ (2.613)	\$ 131.802	\$ (3.327)	\$ 134.147	\$ (2.345)
Overtime	19.937	20.481	(0.544)	20.822	(0.341)	21.243	(0.421)	21.682	(0.439)
Health and Welfare	22.785	25.563	(2.778)	26.515	(0.953)	28.479	(1.963)	30.585	(2.106)
OPEB Current Payment	14.819	16.419	(1.600)	17.010	(0.591)	18.201	(1.191)	19.475	(1.274)
Pensions	34.818	32.823	1.995	36.224	(3.401)	39.118	(2.894)	38.829	0.289
Other Fringe Benefits	16.238	16.701	(0.462)	16.992	(0.291)	17.287	(0.295)	17.532	(0.245)
Reimbursable Overhead	(5.116)	(5.114)	(0.002)	(5.095)	(0.019)	(5.145)	0.050	(5.196)	0.051
<b>Total Labor Expenses</b>	<b>\$ 226.412</b>	<b>\$ 232.734</b>	<b>\$ (6.323)</b>	<b>\$ 240.943</b>	<b>\$ (8.209)</b>	<b>\$ 250.984</b>	<b>\$ (10.041)</b>	<b>\$ 257.053</b>	<b>\$ (6.069)</b>
Non-Labor:									
Electric Power	\$ 7.002	\$ 7.339	\$ (0.337)	\$ 7.669	\$ (0.330)	\$ 8.389	\$ (0.721)	\$ 9.165	\$ (0.775)
Fuel	2.652	2.602	0.050	2.545	0.057	2.541	0.004	2.499	0.041
Insurance	6.657	8.055	(1.398)	9.783	(1.728)	11.430	(1.647)	13.413	(1.983)
Maintenance and Other Operating Contracts	98.910	106.733	(7.823)	122.691	(15.958)	138.438	(15.747)	143.927	(5.489)
Professional Service Contracts	26.055	26.162	(0.107)	26.249	(0.087)	26.675	(0.426)	27.143	(0.468)
Materials & Supplies	4.195	4.248	(0.053)	4.331	(0.083)	4.418	(0.087)	4.570	(0.152)
Other Business Expenses	26.188	26.768	(0.580)	27.357	(0.589)	27.960	(0.603)	28.578	(0.617)
<b>Total Non-Labor Expenses</b>	<b>\$ 171.659</b>	<b>\$ 181.907</b>	<b>\$ (10.247)</b>	<b>\$ 200.625</b>	<b>\$ (18.718)</b>	<b>\$ 219.852</b>	<b>\$ (19.227)</b>	<b>\$ 229.295</b>	<b>\$ (9.443)</b>
Other Expenses Adjustments:									
Other	-	-	-	-	-	-	-	-	-
<b>Total Other Expense Adjustments</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Expenses before Depreciation and GASB Adjs.</b>	<b>\$ 398.071</b>	<b>\$ 414.641</b>	<b>\$ (16.570)</b>	<b>\$ 441.568</b>	<b>\$ (26.927)</b>	<b>\$ 470.837</b>	<b>\$ (29.268)</b>	<b>\$ 486.348</b>	<b>\$ (15.512)</b>
Add: Depreciation	\$ 89.928	\$ 94.429	\$ (4.501)	\$ 104.389	\$ (9.960)	\$ 111.667	\$ (7.278)	\$ 119.521	\$ (7.854)
Add: OPEB Obligation	73.000	76.650	(3.650)	80.483	(3.833)	84.507	(4.024)	88.732	(4.225)
Add: Environmental Remediation	-	-	-	-	-	-	-	-	-
<b>Total Expenses after Depreciation and GASB Adjs.</b>	<b>\$ 560.999</b>	<b>\$ 585.720</b>	<b>\$ (24.721)</b>	<b>\$ 626.440</b>	<b>\$ (40.720)</b>	<b>\$ 667.010</b>	<b>\$ (40.570)</b>	<b>\$ 694.601</b>	<b>\$ (27.591)</b>
Less: Depreciation	\$ 89.928	\$ 94.429	\$ (4.501)	\$ 104.389	\$ (9.960)	\$ 111.667	\$ (7.278)	\$ 119.521	\$ (7.854)
Less: OPEB Obligation	73.000	76.650	(3.650)	80.483	(3.833)	84.507	(4.024)	88.732	(4.225)
<b>Total Expenses</b>	<b>\$ 398.071</b>	<b>\$ 414.641</b>	<b>\$ (16.570)</b>	<b>\$ 441.568</b>	<b>\$ (26.927)</b>	<b>\$ 470.837</b>	<b>\$ (29.268)</b>	<b>\$ 486.348</b>	<b>\$ (15.512)</b>
<b>Baseline Income/(Deficit)</b>	<b>\$ 1,124.188</b>	<b>\$ 1,101.777</b>	<b>\$ (22.411)</b>	<b>\$ 1,079.812</b>	<b>\$ (21.964)</b>	<b>\$ 1,057.300</b>	<b>\$ (22.512)</b>	<b>\$ 1,053.981</b>	<b>\$ (3.319)</b>

## REIMBURSABLE

[illegible]

**MTA BRIDGES AND TUNNELS**  
**July Financial Plan 2013-2016**  
**Year-to-Year Changes by Category - Accrual Basis**  
(\$ in millions)

**NON-REIMBURSABLE and REIMBURSABLE**  
**(Page 1 of 2)**

	Favorable/(Unfavorable)								
	Change		Change		Change		Change		Change
	2012	2013	2013 -	2014	2013 -	2015	2013 -	2016	2016 -
			2012		2013		2014		2015
<b>Revenue</b>									
Vehicle Toll Revenue	\$ 1,506.970	\$ 1,501.879	\$ (5.091)	\$ 1,507.176	\$ 5.297	\$ 1,512.707	\$ 5.531	\$ 1,523.524	\$ 10.817
Other Operating Revenue	15.187	14.436	(0.750)	14.068	(0.368)	13.902	(0.166)	14.060	0.158
Capital and Other Reimbursements	14.051	14.194	0.143	14.261	0.067	14.494	0.233	14.788	0.294
Investment Income	0.103	0.103	-	0.137	0.034	1.528	1.391	2.746	1.218
<b>Total Revenue</b>	<b>\$ 1,536.310</b>	<b>\$ 1,530.612</b>	<b>\$ (5.698)</b>	<b>\$ 1,535.642</b>	<b>\$ 5.030</b>	<b>\$ 1,542.631</b>	<b>\$ 6.989</b>	<b>\$ 1,555.118</b>	<b>\$ 12.487</b>
<b>Expenses</b>									
Labor:									
Payroll	\$ 128.507	\$ 131.428	\$ (2.921)	\$ 133.997	\$ (2.569)	\$ 137.324	\$ (3.327)	\$ 139.669	\$ (2.345)
Overtime	20.139	20.639	(0.500)	20.937	(0.298)	21.343	(0.406)	21.782	(0.439)
Health and Welfare	23.900	26.765	(2.865)	27.791	(1.027)	29.837	(2.045)	32.043	(2.206)
OPEB Current Payment	14.819	16.419	(1.600)	17.010	(0.591)	18.201	(1.191)	19.475	(1.274)
Pensions	36.184	34.298	1.886	37.798	(3.500)	40.797	(2.999)	40.640	0.157
Other Fringe Benefits	16.913	17.380	(0.466)	17.671	(0.291)	17.977	(0.306)	18.233	(0.256)
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
<b>Total Labor Expenses</b>	<b>\$ 240.463</b>	<b>\$ 246.928</b>	<b>\$ (6.466)</b>	<b>\$ 255.204</b>	<b>\$ (8.276)</b>	<b>\$ 265.478</b>	<b>\$ (10.274)</b>	<b>\$ 271.841</b>	<b>\$ (6.363)</b>
Non-Labor:									
Electric Power	\$ 7.002	\$ 7.339	\$ (0.337)	\$ 7.669	\$ (0.330)	\$ 8.389	\$ (0.721)	\$ 9.165	\$ (0.775)
Fuel	2.652	2.602	0.050	2.545	0.057	2.541	0.004	2.499	0.041
Insurance	6.657	8.055	(1.398)	9.783	(1.728)	11.430	(1.647)	13.413	(1.983)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	98.910	106.733	(7.823)	122.691	(15.958)	138.438	(15.747)	143.927	(5.489)
Professional Service Contracts	26.055	26.162	(0.107)	26.249	(0.087)	26.675	(0.426)	27.143	(0.468)
Materials & Supplies	4.195	4.248	(0.053)	4.331	(0.083)	4.418	(0.087)	4.570	(0.152)
Other Business Expenses	26.188	26.768	(0.580)	27.357	(0.589)	27.960	(0.603)	28.578	(0.617)
<b>Total Non-Labor Expenses</b>	<b>\$ 171.659</b>	<b>\$ 181.907</b>	<b>\$ (10.247)</b>	<b>\$ 200.625</b>	<b>\$ (18.718)</b>	<b>\$ 219.852</b>	<b>\$ (19.227)</b>	<b>\$ 229.295</b>	<b>\$ (9.443)</b>
Other Expenses Adjustments:									
Other	-	-	-	-	-	-	-	-	-
<b>Total Other Expense Adjustments</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Total Expenses before Depreciation and GASB Adjs.</b>	<b>\$ 412.122</b>	<b>\$ 428.835</b>	<b>\$ (16.713)</b>	<b>\$ 455.829</b>	<b>\$ (26.994)</b>	<b>\$ 485.331</b>	<b>\$ (29.501)</b>	<b>\$ 501.136</b>	<b>\$ (15.806)</b>
Add: Depreciation	\$ 89.928	\$ 94.429	\$ (4.501)	\$ 104.389	\$ (9.960)	\$ 111.667	\$ (7.278)	\$ 119.521	\$ (7.854)
Add: OPEB Obligation	73.000	76.650	(3.650)	80.483	(3.833)	84.507	(4.024)	88.732	(4.225)
Add: Environmental Remediation	-	-	-	-	-	-	-	-	-
<b>Total Expenses after Depreciation and GASB Adjs.</b>	<b>\$ 575.050</b>	<b>\$ 599.914</b>	<b>\$ (24.864)</b>	<b>\$ 640.701</b>	<b>\$ (40.787)</b>	<b>\$ 681.504</b>	<b>\$ (40.803)</b>	<b>\$ 709.389</b>	<b>\$ (27.885)</b>
Less: Depreciation	\$ 89.928	\$ 94.429	\$ (4.501)	\$ 104.389	\$ (9.960)	\$ 111.667	\$ (7.278)	\$ 119.521	\$ (7.854)
Less: OPEB Obligation	73.000	76.650	(3.650)	80.483	(3.833)	84.507	(4.024)	88.732	(4.225)
<b>Total Expenses</b>	<b>\$ 412.122</b>	<b>\$ 428.835</b>	<b>\$ (16.713)</b>	<b>\$ 455.829</b>	<b>\$ (26.994)</b>	<b>\$ 485.331</b>	<b>\$ (29.501)</b>	<b>\$ 501.136</b>	<b>\$ (15.806)</b>
<b>Baseline Income/(Deficit)</b>	<b>\$ 1,124.188</b>	<b>\$ 1,101.777</b>	<b>\$ (22.411)</b>	<b>\$ 1,079.812</b>	<b>\$ (21.964)</b>	<b>\$ 1,057.300</b>	<b>\$ (22.512)</b>	<b>\$ 1,053.981</b>	<b>\$ (3.319)</b>

**MTA BRIDGES AND TUNNELS**  
**July Financial Plan 2013-2016**  
**Year-to-Year Changes by Category - Accrual Basis**  
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE  
(Page 2 of 2)

	Favorable/(Unfavorable)								
	2012	2013	Change 2013 - 2012	2014	Change 2014 - 2013	2015	Change 2015 - 2014	2016	Change 2016 - 2015
<b>Baseline Net Income/(Deficit)</b>	<b>\$ 1,124.188</b>	<b>\$ 1,101.777</b>	<b>\$ (22.411)</b>	<b>\$ 1,079.812</b>	<b>\$ (21.964)</b>	<b>\$ 1,057.300</b>	<b>\$ (22.512)</b>	<b>\$ 1,053.981</b>	<b>\$ (3.319)</b>
<u>Deductions from Income:</u>									
Less: Capitalized Assets	\$ 17.370	\$ 17.781	\$ (0.411)	\$ 17.843	\$ (0.062)	\$ 17.849	\$ (0.006)	\$ 20.635	\$ (2.786)
Reserves	25.000	25.415	(0.415)	25.895	(0.480)	26.382	(0.487)	26.881	(0.499)
GASB Reserves	1.766	1.863	(0.097)	1.903	(0.040)	1.952	(0.049)	1.985	(0.033)
<b>Adjusted Baseline Net Income/(Deficit)</b>	<b>\$ 1,080.052</b>	<b>\$ 1,056.717</b>	<b>\$ (23.237)</b>	<b>\$ 1,034.171</b>	<b>\$ (22.507)</b>	<b>\$ 1,011.117</b>	<b>\$ (23.005)</b>	<b>\$ 1,004.481</b>	<b>\$ (6.603)</b>
Less: Debt Service	618.387	637.579	(19.192)	662.236	(24.656)	700.390	(38.155)	739.285	(38.894)
<b>Income Available for Distribution</b>	<b>\$ 461.665</b>	<b>\$ 419.138</b>	<b>\$ (42.430)</b>	<b>\$ 371.935</b>	<b>\$ (47.163)</b>	<b>\$ 310.727</b>	<b>\$ (61.160)</b>	<b>\$ 265.197</b>	<b>\$ (45.497)</b>
<b>Distributable To:</b>									
MTA - Investment Income	\$ 0.103	\$ 0.103	\$ -	\$ 0.137	\$ 0.034	\$ 1.528	\$ 1.391	\$ 2.746	\$ 1.218
MTA - Distributable Income	293.470	269.835	(23.635)	246.262	(23.573)	214.839	(31.423)	191.482	(23.357)
NYCT - Distributable Income	168.092	149.201	(18.892)	125.536	(23.664)	94.360	(31.176)	70.969	(23.391)
<b>Total Distributable Income:</b>	<b>\$ 461.665</b>	<b>\$ 419.138</b>	<b>\$ (42.527)</b>	<b>\$ 371.935</b>	<b>\$ (47.203)</b>	<b>\$ 310.727</b>	<b>\$ (61.209)</b>	<b>\$ 265.197</b>	<b>\$ (45.530)</b>
<b>Actual Cash Transfers:</b>									
MTA - Investment Income	\$ 0.085	\$ 0.103	\$ 0.018	\$ 0.103	\$ -	\$ 0.137	\$ 0.034	\$ 1.528	\$ 1.391
MTA - Transfers	272.908	267.477	(5.430)	243.120	(24.358)	212.503	(30.616)	189.621	(22.882)
NYCT - Transfers	160.426	146.834	(13.592)	122.419	(24.415)	92.021	(30.398)	69.002	(23.019)
<b>Total Cash Transfers:</b>	<b>\$ 433.419</b>	<b>\$ 414.414</b>	<b>\$ (19.005)</b>	<b>\$ 365.641</b>	<b>\$ (48.773)</b>	<b>\$ 304.661</b>	<b>\$ (60.980)</b>	<b>\$ 260.150</b>	<b>\$ (44.511)</b>
<b>SUPPORT TO MASS TRANSIT:</b>									
Total Revenues	\$1,536.310	\$1,530.612	(\$5.698)	\$1,535.642	\$5.030	\$1,542.631	\$6.989	\$1,555.118	\$12.487
Less: Net Operating Expenses	412.122	428.835	(16.713)	455.829	(26.994)	485.331	(29.501)	501.136	(15.806)
<b>Net Operating Income:</b>	<b>\$ 1,124.188</b>	<b>\$ 1,101.777</b>	<b>\$ (22.411)</b>	<b>\$ 1,079.812</b>	<b>\$ (21.964)</b>	<b>\$ 1,057.300</b>	<b>\$ (22.512)</b>	<b>\$ 1,053.981</b>	<b>\$ (3.319)</b>
<b>Deductions from Operating Income:</b>									
B&T Debt Service	\$220.476	\$245.540	(\$25.064)	\$269.995	(\$24.455)	\$308.787	(\$38.792)	\$347.639	(\$38.852)
Capitalized Assets	17.370	17.781	(0.411)	17.843	(0.062)	17.849	(0.006)	20.635	(2.786)
Reserves	25.000	25.415	(0.415)	25.895	(0.480)	26.382	(0.487)	26.881	(0.499)
GASB Reserves	1.766	1.863	(0.097)	1.903	(0.040)	1.952	(0.049)	1.985	(0.033)
<b>Total Deductions from Operating Inc:</b>	<b>\$ 264.612</b>	<b>\$ 290.599</b>	<b>\$ (25.987)</b>	<b>\$ 315.637</b>	<b>\$ (25.038)</b>	<b>\$ 354.970</b>	<b>\$ (39.334)</b>	<b>\$ 397.139</b>	<b>\$ (42.169)</b>
<b>Total Support to Mass Transit:</b>	<b>\$ 859.576</b>	<b>\$ 811.177</b>	<b>\$ (48.398)</b>	<b>\$ 764.176</b>	<b>\$ (47.002)</b>	<b>\$ 702.330</b>	<b>\$ (61.846)</b>	<b>\$ 656.842</b>	<b>\$ (45.487)</b>

**MTA BRIDGES AND TUNNELS**  
**2013 Preliminary Budget**  
**July Financial Plan 2013–2016**  
**Summary of Major Plan-to-Plan Changes**

**Non-Reimbursable**

**2012: July Financial Plan vs. February Financial Plan**

**Revenues**

Revenue adjustments from the February Plan result in a decrease of \$3.0 million. The major changes include:

- Lower toll revenues (\$3.5 million) resulting primarily from re-forecast traffic based on actual trends through May, which, adjusting for unusually mild weather early in the year, show no growth compared to the 0.5% growth assumed in the Adopted Budget. In addition, cash paying crossings have been down while lower tolled E-ZPass crossings have been up, which has resulted in a lower than anticipated average toll per vehicle. These traffic and average toll trends are expected to continue through the end of the year.
- Increase in Other Operating Revenues (\$0.5 million) primarily due to higher proceeds from the auction of non-revenue fleet vehicles stemming from more efficient processes for identifying vehicles to retire.

**Expenses**

Non-reimbursable expenses are projected to be \$7.6 million lower than the February Plan due to an increase of less than \$0.1 million in labor costs offset by over \$7.6 million in non-labor expenses. The major variances include:

**Labor**

- Lower Payroll costs (\$1.2 million) consisting of \$1.6 million due to vacancies for Bridge & Tunnel Officers (BTOs) and managerial employees, partially offset by new needs in the fourth quarter for 9 additional timekeeping positions to cover expanded system requirements (\$0.2 million) and interim costs associated with final BSC phase-in as B&T begins transferring payroll and human resources functions to the Business Service Center (\$0.2 million).
- Lower Overtime costs (\$0.6 million) due to favorable results through May (\$1.2 million) partially offset by additional needs through December for Bridge & Tunnel Officer vacancy coverage (\$0.6 million).
- Net decrease in Fringe Benefits (Health and Welfare, OPEB Current Payment and Other Fringe Benefits) of \$1.2 million resulting primarily from vacancies and current cost trends through May.
- Increase in Pension costs (\$3.1 million) from incorporating the latest valuation provided by the New York City Office of the Actuary, which includes a higher

drop in the assumed rate of investment return, from 8% to 7%, retroactive to July 2011. The Adopted Budget had assumed a drop to 7.5%.

#### **Non-Labor**

- Lower Electric Power (\$1.4 million) due to a decrease in forecasted usage and lower projected rates from the New York Power Authority.
- Decrease in Fuel expenses (\$0.3 million) due to lower forecasted usage for heating fuel (\$0.4 million), partially offset by higher forecasted usage in motor fuel for non-revenue vehicles (\$0.1 million).
- Lower Insurance expenses (\$0.8 million) reflect the latest inflator assumptions.
- Reduction in Maintenance and Other Operating Contracts expenses (\$5.1 million) resulting primarily from lower-than-projected expenses for E-ZPass tags (\$4.7 million) and re-estimates for major maintenance projects (\$0.4 million).
- Decrease in Professional Service Contracts due to lower expenses for outside training, partially offset by an increase in engineering services
- Decrease in Material and Supplies expenses due to minor expense re-estimates totaling less than \$0.1 million.
- Higher Other Business Expenses due to minor expense re-estimates totaling less than \$0.1 million.

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

- Lower Capitalized Assets of \$2.0 million due to project re-estimates.
- GASB Reserves have been adjusted downward by \$0.2 million.

### **2013-2015: July Financial Plan vs. February Financial Plan**

#### **Revenues**

Revenues are being decreased by \$6.3 million in 2013, \$7.4 million in 2014 and \$8.8 million in 2015, consisting of:

- Toll Revenue decreases of \$6.2 million in 2013, \$6.5 million in 2014 and \$7.7 million in 2015 reflecting the lower baseline traffic trends from 2012 and decreases to the average toll per vehicle stemming from programmatic efforts to further increase E-ZPass market shares. The forecast incorporates the latest growth rate projections for regional (New York City, Long Island and Westchester) employment, which, compared to the assumptions used in the February Financial Plan, are slightly better in 2013 and slightly weaker in 2014 and 2015.
- Other Operating Revenues decreases of less than \$0.1 million from 2013 through 2015 are primarily due to re-estimations of revenue from E-ZPass administrative fees.
- Downward revisions to investment income of \$0.1 million in 2013, \$0.9 million in 2014 and \$1.0 million in 2015 are based on the most recent projections for short-term investment yields.

**Expenses**

Non-reimbursable expenses are being decreased by \$0.4 million in 2013, \$3.5 million in 2014 and \$5.0 million in 2015.

**Labor**

Labor expenses will increase by \$4.2 million in 2013, \$1.8 million in 2014, and \$1.0 million in 2015, based primarily on the following changes:

- Higher Payroll expenses resulting primarily from the 9 additional positions required to staff the Central Control Unit for expanded timekeeping processes and 4 additional maintenance positions required to meet new and tougher mandated standards for fire standpipe maintenance and inspection at all B&T facilities
- Lower expenses for Health & Welfare/OPEB Current Payment based on relatively lower inflationary adjustments;
- Higher pension costs to reflect the most recent growth factors provided by the New York City Office of the Actuary.

**Non-Labor**

Non-Labor expenses will decrease by \$4.6 million in 2013, \$5.2 million in 2014, and \$6.0 million in 2015, based on the following changes:

- Lower expenses for Electric Power due to a decrease in forecasted usage and lower projected rates from the New York Power Authority.
- Decrease in Fuel expenses due to lower forecasted usage for heating fuel and lower forecast inflation.
- Changes in Insurance expenses reflect latest growth assumptions.
- Reduction in Maintenance and Other Operating Contracts include lower expenses for E-ZPass tags and favorable re-estimates for major maintenance projects.
- Changes in Professional Service Contracts primarily due to lower expenses for outside training and other miscellaneous services.
- Lower Material and Supplies and Other Business Expenses mainly reflect CPI-U adjustments.

**Total Deductions from Income**

- Deductions are smaller by approximately \$0.1 million per year due to adjustments to the GASB Reserve.

**Reimbursable**

The July Financial Plan includes no changes from the February Financial Plan for reimbursable revenues and expenses.

**MTA BRIDGES AND TUNNELS**  
**July Financial Plan 2013-2016**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

**NON-REIMBURSABLE**

	2012	2013	2014	2015
<b>2012 February Financial Plan - Adjusted Baseline Income</b>	<b>\$1,083.762</b>	<b>\$1,073.209</b>	<b>\$1,048.950</b>	<b>\$1,025.989</b>
<b>Baseline Changes</b>				
<b>Revenue</b>				
Vehicle Toll Revenue	(\$3.525)	(\$6.223)	(\$6.512)	(\$7.746)
Other Operating Revenue	0.523	(0.009)	(0.023)	(0.041)
Investment Income	(0.005)	(0.059)	(0.900)	(1.006)
<b>Total Revenue Changes</b>	<b>(\$3.008)</b>	<b>(\$6.291)</b>	<b>(\$7.434)</b>	<b>(\$8.793)</b>
<b>Expenses</b>				
<i>Labor:</i>				
Payroll	\$1.176	(\$2.189)	(\$1.882)	(\$1.903)
Overtime	0.603	0.000	0.000	0.000
Health and Welfare	1.745	0.632	1.995	2.527
OPEB Current Payment	0.734	0.129	0.911	1.208
Pensions	(3.147)	(1.419)	(1.565)	(2.003)
Other Fringe Benefits	(1.158)	(1.400)	(1.211)	(0.871)
Reimbursable Overhead	0.000	0.000	0.000	0.000
<b>Total Labor Expense Changes</b>	<b>(\$0.047)</b>	<b>(\$4.248)</b>	<b>(\$1.752)</b>	<b>(\$1.042)</b>
<i>Non-Labor:</i>				
Electric Power	\$1.427	\$2.309	\$3.579	\$4.889
Fuel	0.284	0.464	0.513	0.547
Insurance	0.802	0.114	(0.834)	(1.624)
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	5.097	1.336	1.185	1.255
Professional Service Contracts	0.012	0.393	0.766	0.912
Materials & Supplies	0.025	0.010	0.018	0.028
Other Business Expenses	(0.010)	0.006	0.011	0.016
<b>Total Non-Labor Expense Changes</b>	<b>\$7.636</b>	<b>\$4.632</b>	<b>\$5.236</b>	<b>\$6.023</b>
<b>Total Expenses before Depreciation and GASB Adjs.</b>	<b>\$7.589</b>	<b>\$0.384</b>	<b>\$3.484</b>	<b>\$4.981</b>
Add: Depreciation				
OPEB Obligation	0.000	0.000	0.000	0.000
Environmental Remediation	0.000	0.000	0.000	0.000
<b>Total Expenses after Depreciation and GASB Adjs.</b>	<b>\$7.589</b>	<b>\$0.384</b>	<b>\$3.484</b>	<b>\$4.981</b>
Less: Depreciation				
OPEB Obligation				
<b>Total Expense Changes</b>	<b>\$7.589</b>	<b>\$0.384</b>	<b>\$3.484</b>	<b>\$4.981</b>
<b>Total Baseline Changes</b>	<b>\$4.581</b>	<b>(\$5.907)</b>	<b>(\$3.950)</b>	<b>(\$3.812)</b>
<b>Deductions from Income</b>				
Capitalized Assets	\$2.000	\$0.000	\$0.000	\$0.000
Capital Reserves	(10.452)	(10.653)	(10.892)	(11.125)
GASB Reserves	0.161	0.069	0.063	0.065
<b>Total Deductions from Income</b>	<b>(\$8.291)</b>	<b>(\$10.585)</b>	<b>(\$10.830)</b>	<b>(\$11.059)</b>
<b>Total Adjusted Baseline Changes</b>	<b>(\$3.710)</b>	<b>(\$16.491)</b>	<b>(\$14.780)</b>	<b>(\$14.872)</b>
<b>2012 July Financial Plan - Adjusted Baseline Income</b>	<b>\$1,080.052</b>	<b>\$1,056.717</b>	<b>\$1,034.171</b>	<b>\$1,011.117</b>



**MTA BRIDGES AND TUNNELS**  
**July Financial Plan 2013-2016**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

**REIMBURSABLE**

	2012	2013	2014	2015
<b>2012 February Financial Plan - Adjusted Baseline Income</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
Other Operating Revenue	0.000	0.000	0.000	0.000
Capital and Other Reimbursement	0.000	0.000	0.000	0.000
Investment Income	0.000	0.000	0.000	0.000
<b>Total Revenue Changes</b>	<b>\$0.000</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
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 Expense Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<i>Non-Labor:</i>				
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.000	0.000	0.000
Professional Service Contracts	0.000	0.000	0.000	0.000
Materials & Supplies	0.000	0.000	0.000	0.000
Other Business Expenses	0.000	0.000	0.000	0.000
<b>Total Non-Labor Expense Changes</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>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
Add: Depreciation	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Obligation	0.000	0.000	0.000	0.000
Environmental Remediation	0.000	0.000	0.000	0.000
<b>Total Expenses after Depreciation and GASB Adjs.</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
Less: Depreciation	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Obligation	0.000	0.000	0.000	0.000
<b>Total Expense Changes</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>Total Baseline Changes</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
Capital Reserves	0.000	0.000	0.000	0.000
GASB Reserves	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>Total Adjusted Baseline Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>2012 July Financial Plan - Adjusted Baseline Income</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>

**MTA BRIDGES AND TUNNELS**  
**July Financial Plan 2013-2016**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

**NON-REIMBURSABLE and REIMBURSABLE**

	2012	2013	2014	2015
<b>2012 February Financial Plan - Adjusted Baseline Income</b>	<b>\$1,083.762</b>	<b>\$1,073.209</b>	<b>\$1,048.950</b>	<b>\$1,025.989</b>
<b>Baseline Changes</b>				
<b>Revenue</b>				
Vehicle Toll Revenue	(\$3.525)	(\$6.223)	(\$6.512)	(\$7.746)
Other Operating Revenue	\$0.523	(\$0.009)	(\$0.023)	(\$0.041)
Capital and Other Reimbursement	\$0.000	\$0.000	\$0.000	\$0.000
Investment Income	(\$0.005)	(\$0.059)	(\$0.900)	(\$1.006)
<b>Total Revenue Changes</b>	<b>(\$3.008)</b>	<b>(\$6.291)</b>	<b>(\$7.434)</b>	<b>(\$8.793)</b>
<b>Expenses</b>				
<b>Labor:</b>				
Payroll	\$1.176	(\$2.189)	(\$1.882)	(\$1.903)
Overtime	0.603	0.000	0.000	0.000
Health and Welfare	1.745	0.632	1.995	2.527
OPEB Current Payment	0.734	0.129	0.911	1.208
Pensions	(3.147)	(1.419)	(1.565)	(2.003)
Other Fringe Benefits	(1.158)	(1.400)	(1.211)	(0.871)
Reimbursable Overhead	0.000	0.000	0.000	0.000
<b>Total Labor Expense Changes</b>	<b>(\$0.047)</b>	<b>(\$4.248)</b>	<b>(\$1.752)</b>	<b>(\$1.042)</b>
<b>Non-Labor:</b>				
Electric Power	\$1.427	\$2.309	\$3.579	\$4.889
Fuel	0.284	0.464	0.513	0.547
Insurance	0.802	0.114	(0.834)	(1.624)
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	5.097	1.336	1.185	1.255
Professional Service Contracts	0.012	0.393	0.766	0.912
Materials & Supplies	0.025	0.010	0.018	0.028
Other Business Expenses	(0.010)	0.006	0.011	0.016
<b>Total Non-Labor Expense Changes</b>	<b>\$7.636</b>	<b>\$4.632</b>	<b>\$5.236</b>	<b>\$6.023</b>
<b>Total Expenses before Depreciation and GASB Adjs.</b>	<b>\$7.589</b>	<b>\$0.384</b>	<b>\$3.484</b>	<b>\$4.981</b>
Add: Depreciation	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Obligation	0.000	0.000	0.000	0.000
Environmental Remediation	0.000	0.000	0.000	0.000
<b>Total Expenses after Depreciation and GASB Adjs.</b>	<b>\$7.589</b>	<b>\$0.384</b>	<b>\$3.484</b>	<b>\$4.981</b>
Less: Depreciation	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Obligation	0.000	0.000	0.000	0.000
<b>Total Expense Changes</b>	<b>\$7.589</b>	<b>\$0.384</b>	<b>\$3.484</b>	<b>\$4.981</b>
<b>Total Baseline Changes</b>	<b>\$4.581</b>	<b>(\$5.907)</b>	<b>(\$3.950)</b>	<b>(\$3.812)</b>
<b>Deductions from Income</b>				
Capitalized Assets	\$2.000	\$0.000	\$0.000	\$0.000
Capital Reserves	(10.452)	(10.653)	(10.892)	(11.125)
GASB Reserves	0.161	0.069	0.063	0.065
<b>Total Deductions from Income</b>	<b>(\$8.291)</b>	<b>(\$10.585)</b>	<b>(\$10.830)</b>	<b>(\$11.059)</b>
<b>Total Adjusted Baseline Changes</b>	<b>(\$3.710)</b>	<b>(\$16.491)</b>	<b>(\$14.780)</b>	<b>(\$14.872)</b>
<b>2012 July Financial Plan - Adjusted Baseline Income</b>	<b>\$1,080.052</b>	<b>\$1,056.717</b>	<b>\$1,034.171</b>	<b>\$1,011.117</b>

**MTA BRIDGES AND TUNNELS**  
**July Financial Plan 2013-2016**  
**Summary of Major Programmatic Changes Between Financial Plans**  
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE				
	2012	2013	2014	2015
<b>Baseline 2012 February Financial Plan - Net Operating Income</b>	<b>\$1,083.762</b>	<b>\$1,073.209</b>	<b>\$1,048.950</b>	<b>\$1,025.989</b>
<b><i>Non-Reimbursable Major Changes</i></b>				
<b>Revenue</b>				
Vehicle Toll Revenue	(\$3.525)	(\$6.223)	(\$6.512)	(\$7.746)
Other Operating Revenue		(0.009)	(0.023)	(0.041)
Efficiency Savings: Auction Proceeds and Other Misc. Income	0.523			
Investment Income	(0.005)	(0.059)	(0.900)	(1.006)
<b>Sub-Total Non-Reimbursable Revenue Changes</b>	<b>(\$3.008)</b>	<b>(\$6.291)</b>	<b>(\$7.434)</b>	<b>(\$8.793)</b>
<b>Expenses</b>				
New Needs:				
Central Control Unit	(\$0.304)	(\$1.217)	(\$1.264)	(\$1.300)
Fire Standpipe Maintenance	0.000	(0.359)	(0.366)	(0.378)
<b>Sub-Total New Needs</b>	<b>(\$0.304)</b>	<b>(\$1.576)</b>	<b>(\$1.630)</b>	<b>(\$1.678)</b>
Inflation-Related:				
Electric Power	\$1.427	\$2.309	\$3.579	\$4.889
Fuel	0.284	0.464	0.513	0.547
Pensions	(3.147)	(1.191)	(1.315)	(1.736)
Health and Welfare/OPEB Current Payment/Other Fringe Benefits	1.372	(0.422)	1.877	3.054
Maintenance, Insurance, and Miscellaneous Expenses	0.802	0.360	(0.363)	(0.803)
<b>Sub-Total Inflation Related</b>	<b>0.738</b>	<b>1.520</b>	<b>4.290</b>	<b>5.950</b>
<b>Re-Estimates</b>				
Labor Vacancies	\$2.986	\$0.000	\$0.000	\$0.000
Overtime	0.663	0.000	0.000	0.000
BSC Stabilization	(0.229)	(0.475)	0.000	0.000
E-ZPass Tag Inventory Reassessment	4.673	0.882	0.920	0.782
Efficiency Savings: Outside Training and Other Services	0.466	0.687	0.659	0.747
Miscellaneous Expenses	(1.403)	(0.654)	(0.755)	(0.820)
<b>Sub-Total Re-Estimates</b>	<b>7.156</b>	<b>0.440</b>	<b>0.824</b>	<b>0.709</b>
<b>Sub-Total Non-Reimbursable Expense Changes</b>	<b>\$7.589</b>	<b>\$0.384</b>	<b>\$3.484</b>	<b>\$4.981</b>
<b>Total Baseline Changes</b>	<b>\$4.581</b>	<b>(\$5.907)</b>	<b>(\$3.950)</b>	<b>(\$3.812)</b>
<b>Deductions from Income</b>				
Capitalized Assets	\$2.000	\$0.000	\$0.000	\$0.000
Reserves	(10.452)	(10.653)	(10.892)	(11.125)
GASB Reserves	0.161	0.069	0.063	0.065
<b>Sub-Total Deductions from Income</b>	<b>(8.291)</b>	<b>(10.585)</b>	<b>(10.830)</b>	<b>(11.059)</b>
<b>Total Non-Reimbursable Major Changes</b>	<b>(\$3.710)</b>	<b>(\$16.491)</b>	<b>(\$14.780)</b>	<b>(\$14.872)</b>
<b><i>Reimbursable Major Changes</i></b>				
Revenue	\$0.000	\$0.000	\$0.000	\$0.000
Expenses	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Reimbursable Major Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Accrual Changes</b>	<b>(\$3.710)</b>	<b>(\$16.491)</b>	<b>(\$14.780)</b>	<b>(\$14.872)</b>
<b>Total Cash Adjustment Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Baseline Changes</b>	<b>\$4.581</b>	<b>(\$5.907)</b>	<b>(\$3.950)</b>	<b>(\$3.812)</b>
<b>Deductions from Income</b>				
Capitalized Assets	\$2.000	\$0.000	\$0.000	\$0.000
Reserves	(10.452)	(10.653)	(10.892)	(11.125)
GASB Reserves	0.161	0.069	0.063	0.065
<b>Sub-Total Deductions from Income</b>	<b>(8.291)</b>	<b>(10.585)</b>	<b>(10.830)</b>	<b>(11.059)</b>
<b>Baseline 2012 July Financial Plan - Net Operating Income</b>	<b>\$1,080.052</b>	<b>\$1,056.717</b>	<b>\$1,034.171</b>	<b>\$1,011.117</b>

**MTA BRIDGES AND TUNNELS**  
**2013 Preliminary Budget**  
**July Financial Plan 2013–2016**  
**Traffic/Utilization**

**Year-to-Year**

Paid traffic in 2012 is forecast at 286.6 million vehicles, which is 3.0 million vehicles, or 1.1% above 2011 volume. Actual traffic in January and February of 2012 was a combined 2.4 million vehicles, or 6.0% higher than the same period in 2011 due to a mild winter this year and a severe one last year, and an extra day in 2012, this being a leap year. Traffic was up less than 0.1 million vehicles in total from March through May, with any positive impacts gained from relatively favorable weather being offset by the negative effects of continued high gas prices. This essentially flat trend has been carried out in the Mid-Year Forecast baseline for June through December. However, some growth has been added back, primarily to adjust for the negative impacts of Tropical Storm Irene in August 2011. The net result of all baseline and weather adjustments is 0.6 million vehicles above the 2.4 million gain experienced early in the year.

The traffic forecast developed for the July Financial Plan 2013-2016 incorporates the most recent economic projections, which include regional (New York City, Long Island and Westchester) employment growth of 1.5% in 2013, 1.6% in both 2014 and 2015, and 1.3% in 2016. This growth in regional employment is expected to have positive year-to-year impacts on traffic volumes. In addition, a downward adjustment was made in 2013 to account for the leap-year in 2012, and an upward adjustment was made for 2016, the next leap-year. Paid traffic is forecast at 286.3 million vehicles in 2013, 288.0 million in 2014, 289.8 million in 2015 and 292.3 million in 2016.

**Plan-to-Plan**

Paid traffic volume is projected to reach 286.6 million vehicles in 2012, which is 0.1 million vehicles above the Adopted Budget level. Actual traffic exceeded the original forecast by 1.6 million vehicles, or 3.9% through February due to mild winter weather, but volumes were subsequently 0.3 million vehicles, or 0.4% below budget from March through May. Based on the actual March through May trend, and an adjustment for the unusually mild winter weather in December 2011, baseline traffic from June through December has been reduced further by 1.2 million vehicles, or 0.7% compared to the Adopted Budget. The forecast for 2013 through 2015 reflects these lower baseline traffic trends and also incorporates the growth rate projections for regional employment cited above, which, compared to the assumptions used in the February Financial Plan, are slightly better in 2013 but slightly weaker in 2014 and 2015. Plan-to-plan traffic is subsequently lower by 0.7 million vehicles in 2013, 0.8 million in 2014, and 1.0 million in 2015.

**MTA BRIDGES AND TUNNELS**  
**July Financial Plan 2013-2016**  
**Traffic Volume (Utilization)**

	2011 Actual	2012 Mid-Year Forecast	2013 Preliminary Budget	2014	2015	2016
<u>Traffic Volume</u>	283.575	286.581	286.314	288.042	289.822	292.269
<u>Toll Revenue</u>	\$ 1,501.589	\$ 1,506.970	\$ 1,501.879	\$ 1,507.176	\$ 1,512.707	\$ 1,523.524

**MTA BRIDGES & TUNNELS**  
**July Financial Plan 2013-2016**  
**2012 Budget Reduction Plan Summary**  
(\$ in millions)

	Favorable/(Unfavorable)									
	<u>Pos.</u>	<u>2012</u>	<u>Pos.</u>	<u>2013</u>	<u>Pos.</u>	<u>2014</u>	<u>Pos.</u>	<u>2015</u>	<u>Pos.</u>	<u>2016</u>
<u>Administration</u>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Administration</i>	-	0.000	-	0.000	-	\$0.000	-	\$0.000	-	\$0.000
<u>Customer Convenience/Amenities</u>	-	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>	-	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>	-	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/Security</u>	-	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>Service</u>	-	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>	-	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>	-	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>\$0.000</b>	-	<b>\$0.000</b>	-	<b>\$0.000</b>	-	<b>\$0.000</b>	-	<b>\$0.000</b>

**MTA BRIDGES AND TUNNELS**  
**2013 Preliminary Budget**  
**July Financial Plan 2013–2016**  
**Positions**

**Position Assumptions**

**Year-to-Year**

In 2012, total headcount is budgeted at 1,648, which includes 44 reimbursable positions. Total headcount will increase to 1,652 in 2013. The 4 additional positions will be assigned to our Maintenance Department to cover the needs of new and tougher mandated standards for fire standpipe maintenance and inspection at all facilities. From 2014 through 2016, headcount will remain unchanged at 1,652, and the number of reimbursable positions will stay at 44.

**Plan-to-Plan**

Total headcount in the 2012 Mid-Year Forecast is 1,648, an increase of 9 positions over the Adopted Budget. These new positions, which will begin in the fourth quarter, are needed to fully staff a new timekeeping Central Control Unit (CCU) which will be located in our Maintenance Department. The re-engineering of B&T's current timekeeping processes and systems revealed the need for a total staff of 21 to meet the forthcoming timekeeping demands. Through a comprehensive organizational assessment, B&T identified 12 positions within the agency that will be transferred into a Central Control Unit for these purposes. For 2013 through 2016, total headcount is 1,652, which is 13 positions above the February Financial Plan. On top of the 9 headcount for the CCU, 4 additional positions will be assigned beginning in 2013 to B&T's Maintenance Department to cover the needs for new, more rigorous mandated standards for fire standpipe maintenance and inspection at all facilities. In each year of the July Financial Plan, reimbursable headcount is set at 44.

<b>MTA BRIDGES &amp; TUNNELS</b> <b>July Financial Plan 2013-2016</b> Favorable/(Unfavorable)				
<b>Total Position Changes at a Glance</b>				
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>2012 February Plan - Total Baseline Positions</b>	<b>1,639</b>	<b>1,639</b>	<b>1,639</b>	<b>1,639</b>
Total Plan-to-Plan Changes	(9)	(13)	(13)	(13)
<b>2012 July Plan - Total Baseline Positions</b>	<b>1,648</b>	<b>1,652</b>	<b>1,652</b>	<b>1,652</b>
Total Year-to-Year Changes, July Plan		(4)	0	0

<b>Total Plan-to-Plan Changes by Reporting Category:</b>				
<i>Non-Reimbursable</i>	(9)	(13)	(13)	(13)
<i>Reimbursable</i>	0	0	0	0
<b>Total</b>	<b>(9)</b>	<b>(13)</b>	<b>(13)</b>	<b>(13)</b>
<i>Full-Time</i>	(9)	(13)	(13)	(13)
<i>Full-Time Equivalents</i>	0	0	0	0
<b>Total</b>	<b>(9)</b>	<b>(13)</b>	<b>(13)</b>	<b>(13)</b>
<i>By Function Category</i>				
- Administration	0	0	0	0
- Operations	(4)	(4)	(4)	(4)
- Maintenance	(10)	(14)	(14)	(14)
- Engineering/Capital	1	1	1	1
- Public Safety	4	4	4	4
<b>Total</b>	<b>(9)</b>	<b>(13)</b>	<b>(13)</b>	<b>(13)</b>
<i>By Occupational Group</i>				
- Managers/Supervisors	(2)	(2)	(2)	(2)
- Professional, Technical, Clerical	(7)	(7)	(7)	(7)
- Operational Hourlies	0	(4)	(4)	(4)
<b>Total</b>	<b>(9)</b>	<b>(13)</b>	<b>(13)</b>	<b>(13)</b>

<b>Total Plan-to-Plan Changes by Major Category:</b>				
<i>2012 BRPs</i>	0	0	0	0
<i>New Needs</i>	(9)	(13)	(13)	(13)
<i>Change in Reimbursable Positions</i>	0	0	0	0
<i>Re-estimates &amp; All Other</i> <sup>1</sup>	0	0	0	0
<b>Total</b>	<b>(9)</b>	<b>(13)</b>	<b>(13)</b>	<b>(13)</b>

<sup>1</sup> Includes Full-time Equivalents



**MTA BRIDGES AND TUNNELS**  
**July Financial Plan 2013-2016**  
**Total Positions by Function and Department**  
**Non-Reimbursable/Reimbursable and Full-time/Full-time Equivalents**

<b>FUNCTION/DEPARTMENT</b>	<b>2011 Actual</b>	<b>2012 Mid-Year Forecast</b>	<b>2013 Preliminary Budget</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Administration</b>						
Executive	2	2	2	2	2	2
Law	8	7	7	7	7	7
CFO <sup>(1)</sup>	26	18	18	18	18	18
Labor Relations	3	5	5	5	5	5
Staff Services <sup>(2)</sup>	26	17	17	17	17	17
EEO	1	1	1	1	1	1
<b>Total Administration</b>	<b>66</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>50</b>
<b>Operations</b>						
Revenue Management	36	41	41	41	41	41
Operations (Non-Security)	667	732	732	732	732	732
<b>Total Operations</b>	<b>703</b>	<b>773</b>	<b>773</b>	<b>773</b>	<b>773</b>	<b>773</b>
<b>Maintenance</b>						
Maintenance	181	178	182	182	182	182
Operations - Maintainers	167	170	170	170	170	170
Technology	52	52	52	52	52	52
Internal Security - Tech Svcs	10	8	8	8	8	8
<b>Total Maintenance</b>	<b>410</b>	<b>408</b>	<b>412</b>	<b>412</b>	<b>412</b>	<b>412</b>
<b>Engineering/Capital</b>						
Engineering & Construction	119	127	127	127	127	127
Health & Safety	8	8	8	8	8	8
Planning & Budget Capital	12	12	12	12	12	12
<b>Total Engineering/Capital</b>	<b>139</b>	<b>147</b>	<b>147</b>	<b>147</b>	<b>147</b>	<b>147</b>
<b>Public Safety</b>						
Operations (Security)	233	232	232	232	232	232
Internal Security - Operations	33	38	38	38	38	38
<b>Total Public Safety</b>	<b>266</b>	<b>270</b>	<b>270</b>	<b>270</b>	<b>270</b>	<b>270</b>
<b>Total Baseline Positions</b>	<b>1,584</b>	<b>1,648</b>	<b>1,652</b>	<b>1,652</b>	<b>1,652</b>	<b>1,652</b>
<i>Non-Reimbursable</i>	1,540	1,604	1,608	1,608	1,608	1,608
<i>Reimbursable</i>	44	44	44	44	44	44
<i>Total Full-Time</i>	1,584	1,648	1,652	1,652	1,652	1,652
<i>Total Full-Time Equivalents</i>	0	0	0	0	0	0

(1) Includes Capital Accounting, General Accounting, Payroll and Operating Budget staff.

(2) Includes Human Resources and Administration staff.

**MTA BRIDGES AND TUNNELS**  
**July Financial Plan 2013-2016**  
**Total Positions by Function and Occupation**

<b>FUNCTION/OCCUPATIONAL GROUP</b>	<b>2011 Actual</b>	<b>2012 Mid-Year Forecast</b>	<b>2013 Preliminary Budget</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Administration</b>						
Managers/Supervisors	28	21	21	21	21	21
Professional, Technical, Clerical	38	29	29	29	29	29
Operational Hourlies	-	-	-	-	-	-
<b>Total Administration</b>	<b>66</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>50</b>
<b>Operations</b>						
Managers/Supervisors	51	52	52	52	52	52
Professional, Technical, Clerical	31	39	39	39	39	39
Operational Hourlies <sup>(1)</sup>	621	682	682	682	682	682
<b>Total Operations</b>	<b>703</b>	<b>773</b>	<b>773</b>	<b>773</b>	<b>773</b>	<b>773</b>
<b>Maintenance</b>						
Managers/Supervisors	33	28	28	28	28	28
Professional, Technical, Clerical	55	67	67	67	67	67
Operational Hourlies <sup>(2)</sup>	322	313	317	317	317	317
<b>Total Maintenance</b>	<b>410</b>	<b>408</b>	<b>412</b>	<b>412</b>	<b>412</b>	<b>412</b>
<b>Engineering/Capital</b>						
Managers/Supervisors	31	33	33	33	33	33
Professional, Technical, Clerical	108	114	114	114	114	114
Operational Hourlies	-	-	-	-	-	-
<b>Total Engineering/Capital</b>	<b>139</b>	<b>147</b>	<b>147</b>	<b>147</b>	<b>147</b>	<b>147</b>
<b>Public Safety</b>						
Managers/Supervisors	8	8	8	8	8	8
Professional, Technical, Clerical	24	28	28	28	28	28
Operational Hourlies <sup>(3)</sup>	234	234	234	234	234	234
<b>Total Public Safety</b>	<b>266</b>	<b>270</b>	<b>270</b>	<b>270</b>	<b>270</b>	<b>270</b>
<b>Total Positions</b>						
Managers/Supervisors	151	142	142	142	142	142
Professional, Technical, Clerical	256	277	277	277	277	277
Operational Hourlies	1,177	1,229	1,233	1,233	1,233	1,233
<b>Total Positions</b>	<b>1,584</b>	<b>1,648</b>	<b>1,652</b>	<b>1,652</b>	<b>1,652</b>	<b>1,652</b>

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

(2) Represents maintenance personnel. These positions are paid annually, not hourly.

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

# **Capital Construction Company**

**MTA CAPITAL CONSTRUCTION COMPANY**  
**2013 Preliminary Budget**  
**July Financial Plan 2013-2016**

**Financial Overview**

In order to respond to the large volume of construction being managed by MTACC, as well as the strict 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. The “Mega” Projects include:

- Second Avenue Subway
- East Side Access
- 7 Line Extension
- Fulton Center
- Security Program

MTACC is committed to quality and safety in the work place and at its construction sites.

MTACC participated in the MTA-wide initiative to reduce reimbursable positions and will continue to maintain a cost efficient program management structure. MTACC’s core staff directly manages the design and construction of over \$12 billion in capital projects. 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.

**2012 Mid-Year Forecast**

MTACC’s 2012 Mid-Year Forecast is \$29.9 million reflecting an approximate \$1 million decrease from the 2012 Adopted Budget. Labor Costs are projected at \$24.9 million, with a staffing level of 132 by year end.

MTACC Administration will provide funding for 28% of the \$29.9 Mid-Year Forecast, which is approximately \$8 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 16 MTACC positions that support the system expansion projects and cannot charge directly to a specific project. The remaining 116 positions will be charged to the “mega” projects. There are 37 technical employees who are not assigned to a specific project but charge their time to projects based on work assignments. Position breakdowns for each of the “mega” projects are as follows: East Side Access - 22,

Second Avenue Subway - 16, Fulton Center - 19, 7 Line Extension - 10, Security Program - 12. Since the creation of the agency, MTACC has developed and implemented strategies to recruit staff with the experience and technical skills required for our complex construction projects on an as needed basis only. 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. These expenses will be funded directly from specific project capital programs.

Non-Labor costs are projected at \$5.1 million, a decrease of 3.0% from 2012 Adopted Budget. These costs are non-project specific and are for the provision of company-wide construction support from specialty contractors and oversight agencies. Such expenditures may not be eligible for reimbursement by the Federal Transit Administration and will be funded through MTACC Administration. Independent engineer and legal litigation expenditures 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 to efficiently and candidly report these annual costs. Non-Labor costs are projected to decrease primarily due to reduced needs for legal and program management consulting services. Remaining funds have been budgeted for risk management software, archeological and environmental services, reimbursement of NYCT for administrative support staff and services, and other office costs including computer equipment and mobile communications device upgrades and supplies.

### **2013 Preliminary Budget – Baseline**

In 2013, Second Avenue Subway and East Side Access estimate an additional \$1.5 billion in awarded contracts. Total commitments for all system expansion projects will be approximately \$13.5 billion. MTACC projects 2013 expenditures of \$35.1 million, an increase of 10.5% (\$3.3 million) from the 2012 Adopted Budget, and a year end headcount of 140.

MTACC Administration will provide funding for 34% of the \$35.1 million, which is approximately \$12 million. The remainder of the staffing expenditures will be reimbursed by each of the “mega” projects for those employees directly working on projects.

Labor and fringe expenses are projected at \$27.0 million, an increase of 2.1% (\$0.6 million) from the 2012 Adopted Budget. Labor costs increase due to a full year of headcount of 140 and escalation rates. Staff includes 18 MTACC positions that support the system expansion projects and cannot charge directly to a specific project. The remaining 122 positions will be charged to the “mega” projects. There are 37 technical employees who are not assigned to a specific project but charge their time fully to projects based on work assignments. Position breakdowns for each of the mega projects are as follows: East Side Access - 22, Second Avenue Subway - 19, Fulton Center - 20, 7 Line Extension - 12, Security Program - 12.

Non-Labor costs are projected at \$8.1 million, a 52% increase from the 2012 Adopted Budget. This increase of \$2.8 million is due to expected occupancy expenses for office space at 2 Broadway. Independent engineering and legal expenses of approximately \$10 million will be funded through the Administrative 2010-2014 Capital Program. MTA Audit quarterly chargebacks, All Agency Protective Liability insurance and payroll mobility tax are included within the MTACC Administrative July Plan and the forecasts are on par with the Adopted Budget. 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), legal and engineering services, workforce development through employee training and other office costs such as communications and computer equipment. Archaeological and program management consulting expenses are projected to decrease in 2013, but remain constant through 2016.

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

### **2014 - 2016 Projections**

MTACC expenses are projected to increase by 10.5%, 12.6% and 9.0%, respectively in 2014, 2015 and 2016 against the Adopted Budget. Occupancy expenses for space at 2 Broadway were not included in the Adopted Budget but are within the July Plan, accounting for an approximate \$3.0 million annual expense through 2016. Professional services expenses are anticipated to decrease by \$0.6 million in 2014 due to a decrease in needs within the following categories: temporary experts, environmental and archeological resources and internal audit expenses. In 2015 professional services remain steady with a \$0.1 million increase due to inflation. By 2016, professional services will significantly decrease by \$1.0 million from the Adopted Budget, as a result of fewer program management consulting services and audit expenses to be charged directly to mega projects, rather than Administration. Maintaining a tight control of administrative spending and continuing to charge the mega projects for direct costs will allow MTACC to remain on par with previous financial plans. Year-end staffing levels of 140 employees remain constant through 2016.

In comparison to the Adopted Budget, non-labor expenses increase from 2014 through 2016 to account for rent expenses at 2 Broadway. Non-labor expenses increase in 2014 by 54.3% and continue to increase in 2015 and 2016 by 80.2% and 54.8%, respectively.

MTACC Administration will continue to provide significant funding of the overall projections from 2014-2016. The administrative contribution will be approximately 31% through 2016 (average of \$11.3 million). The remainder of the expenses will be reimbursed by each of the “mega” projects.

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

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**MTA CAPITAL CONSTRUCTION COMPANY**  
**2013 Preliminary Budget**  
**July Financial Plan 2013-2016**  
**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 in accordance with how the resources are utilized.

**Expenses**

**Payroll:**

- 2013 payroll costs will increase by 7.8%, due to a full staffing level of 140 and an inflation escalation of 2.0%.
- 2014, 2015 and 2016 annual staffing levels will continue to remain at 140. Payroll expenditures will increase by approximately 1.9% for 2014-2016 as result of inflation.

**Other Fringe Benefits:**

- In 2013, Health and Welfare, Pension and Other Fringe Benefits costs will increase by 11.3%, 11.5% and 7.7% respectively, reflecting mostly inflation assumptions.
- Overall, benefits expenditures will continue to slightly increase in 2014, 2015 and 2016 by 4.0%, 3.8% and 3.8% respectively due to an escalation in inflation rates and the projections of the five various MTA agencies' labor and fringe expenses where MTACC employees reside.

**Insurance:**

- Premium rates are assumed to increase by 10% per year during 2013-2016.

#### Professional Service Contracts:

- Professional Service costs will slightly increase in 2013 by \$0.1 million.
- Costs will slightly decrease in 2014. From 2015 to 2016, professional service expenditures will rapidly decline by 7.3% and 26.0% respectively as MTACC capital projects approach the near completion stage. As a result, fewer audit, technical experts and IQ consultant expenses are anticipated.

#### Materials and Supplies:

- 2013 through 2016 reflects inflationary increases.

#### Other Business Expenses:

- 2013 costs will increase by \$2.9 million due to estimated charges for occupancy and building maintenance.
- 2014 through 2016 costs remain relatively constant and are escalated by inflation rates.

**MTA CAPITAL CONSTRUCTION**  
**July Financial Plan 2013 - 2016**  
**Year-to-Year Changes by Category - Accrual Basis**  
(\$ in millions)

**REIMBURSABLE**

	Favorable/(Unfavorable)								
	2012	2013	Change 2013 - 2012	2014	Change 2014 - 2013	2015	Change 2015 - 2014	2016	Change 2016 - 2015
<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	29.946	35.092	5.145	35.918	0.826	36.454	0.536	36.290	(0.164)
<b>Total Revenue</b>	<b>\$29.946</b>	<b>\$35.092</b>	<b>\$5.145</b>	<b>\$35.918</b>	<b>\$0.826</b>	<b>\$36.454</b>	<b>\$0.536</b>	<b>\$36.290</b>	<b>(\$0.164)</b>
<b><u>Expenses</u></b>									
Labor:									
Payroll	\$14.371	\$15.497	(\$1.125)	\$15.780	(\$0.283)	\$16.060	(\$0.280)	\$16.344	(\$0.284)
Overtime									
Health and Welfare	2.675	2.977	(0.301)	3.236	(0.259)	3.478	(0.243)	3.744	(0.266)
OPEB Current Payment									
Pensions	2.609	2.910	(0.301)	3.001	(0.091)	3.090	(0.088)	3.173	(0.083)
Other Fringe Benefits	5.241	5.642	(0.402)	5.756	(0.114)	5.877	(0.121)	5.996	(0.119)
Reimbursable Overhead									
<b>Total Labor Expenses</b>	<b>\$24.896</b>	<b>\$27.025</b>	<b>(\$2.129)</b>	<b>\$27.773</b>	<b>(\$0.747)</b>	<b>\$28.505</b>	<b>(\$0.732)</b>	<b>\$29.257</b>	<b>(\$0.753)</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	0.218	0.240	(0.022)	0.264	(0.024)	0.290	(0.026)	0.319	(0.029)
Claims									
Paratransit Service Contracts									
Maintenance and Other Operating Contracts									
Professional Service Contracts	3.863	3.945	(0.082)	3.933	0.012	3.646	0.286	2.699	0.947
Materials & Supplies	0.060	0.059	0.001	0.061	(0.001)	0.062	(0.001)	0.063	(0.001)
Other Business Expenses	0.908	3.822	(2.914)	3.888	(0.066)	3.951	(0.063)	3.951	0.000
<b>Total Non-Labor Expenses</b>	<b>\$5.050</b>	<b>\$8.066</b>	<b>(\$3.016)</b>	<b>\$8.145</b>	<b>(\$0.079)</b>	<b>\$7.950</b>	<b>\$0.196</b>	<b>\$7.033</b>	<b>\$0.917</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</b>	<b>\$29.946</b>	<b>\$35.092</b>	<b>(\$5.145)</b>	<b>\$35.918</b>	<b>(\$0.826)</b>	<b>\$36.454</b>	<b>(\$0.536)</b>	<b>\$36.290</b>	<b>\$0.164</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>\$29.946</b>	<b>\$35.092</b>	<b>(\$5.145)</b>	<b>\$35.918</b>	<b>(\$0.826)</b>	<b>\$36.454</b>	<b>(\$0.536)</b>	<b>\$36.290</b>	<b>\$0.164</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

[illegible]

**MTA CAPITAL CONSTRUCTION COMPANY**  
**2013 Preliminary Budget**  
**July Financial Plan 2013-2016**  
**Summary of Major Plan-to-Plan Changes**

**2012: July Financial Plan vs. February Financial Plan**

The July Financial Plan is \$1.0 million (3.4%) lower than the February Financial Plan. This decrease is due to a reduction in legal services and program management consulting resources and a projected staffing level of 132, from 140, by year end (eight positions or \$0.9 million lower than the Adopted Budget). Non-Labor costs are also expected to decrease by \$0.2 million. Administrative costs captured within this plan are specialized consultant services, environmental and archeological resources, MTA Audit chargebacks, payroll mobility tax, telecommunications and IT expenditures such as risk management software and upgrades to existing equipment.

**2013 - 2016: July Financial Plan vs. February Financial Plan**

Expenses for 2013 increase by \$3.3 million from the February Financial Plan primarily due to anticipated occupancy expenses. As a result, expenses are expected to increase, from the Adopted Budget, through 2016, by an average of 10.6%. In 2013, staffing levels assume 140 and will remain constant through 2016. Labor expenses are \$0.6 million (2.1%) higher than the Adopted Budget; overall Non-labor expenditures are \$2.8 million higher. The Professional Services budget has decreased by \$0.6 million, in 2013, with fewer program management consulting resources and archeological expenses, due to the progression of the Fulton Center project. These costs are expected to continue to decrease through 2016. Miscellaneous engineering, environmental and temporary expert services (hiring indefinite quantity consultant firms and individuals to support project controls, claims and change orders) for project needs are projected in the July Plan as are All Agency Protective Liability insurance expenses and payroll mobility taxes.

**MTA CAPITAL CONSTRUCTION**  
**July Financial Plan 2013-2016**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

**REIMBURSABLE**

	2012	2013	2014	2015
<b>Baseline 2012 February Financial Plan - Operating Cash Income/(Deficit)</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	(1.047)	3.325	3.425	4.069
<b>Total Revenue Changes</b>	<b>(\$1.047)</b>	<b>\$3.325</b>	<b>\$3.425</b>	<b>\$4.069</b>
<b>Expenses</b>				
<i>Labor:</i>				
Payroll	\$ .680	(\$ .133)	(\$ .119)	(\$ .105)
Health and Welfare	0.111	(0.076)	(0.051)	(0.046)
OPEB Current Payment				
Pensions	0.038	(0.175)	(0.168)	(0.165)
Other Fringe Benefits	0.058	(0.181)	(0.217)	(0.213)
Reimbursable Overhead				
<b>Total Labor Expense Changes</b>	<b>\$ .887</b>	<b>(\$ .565)</b>	<b>(\$ .555)</b>	<b>(\$ .529)</b>
<i>Non-Labor:</i>				
Traction and Propulsion Power	\$ .000	\$ .000	\$ .000	\$ .000
Fuel for Buses and Trains				
Insurance	(0.033)	(0.036)	(0.039)	(0.043)
Claims				
Paratransit Service Contracts				
Professional Service Contracts	0.618	0.604	0.555	(0.059)
Maintenance and Other Operating Contracts				
Materials & Supplies	(0.017)	(0.016)	(0.016)	(0.016)
Other Business Expenses	(0.408)	(3.313)	(3.369)	(3.422)
<b>Total Non-Labor Expense Changes</b>	<b>\$ .160</b>	<b>(\$2.760)</b>	<b>(\$2.869)</b>	<b>(\$3.540)</b>
<b>Total Expense Changes</b>	<b>\$1.047</b>	<b>(\$3.325)</b>	<b>(\$3.425)</b>	<b>(\$4.069)</b>
<i>Other Expense Adjustments/Gap Closing Actions</i>				
Other - Restricted Cash Adjustment				
<b>Total Other Expenditure Adjustments Changes</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>Baseline 2012 July Financial Plan - Operating Cash</b>	<b>(\$0.000)</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>

**MTA CAPITAL CONSTRUCTION**  
**July Financial Plan 2013-2016**  
**Summary of Major Programmatic Changes Between Financial Plans**  
(\$ in millions)

**REIMBURSABLE**

	2012	2013	2014	2015
<b>Baseline 2012 February Financial Plan - Operating Cash Income/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>

***Non-Reimbursable Major Changes***

**Revenue**

<b>Sub-Total Non-Reimbursable Revenue Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
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**Expenses**

<b>Sub-Total Non-Reimbursable Expense Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
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<b><i>Total Non-Reimbursable Major Changes</i></b>	<b><i>\$0.000</i></b>	<b><i>\$0.000</i></b>	<b><i>\$0.000</i></b>	<b><i>\$0.000</i></b>
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***Reimbursable Major Changes***

Revenue	(\$1.047)	\$3.325	\$3.425	\$4.069
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Sub-Total Reimbursable Revenue Changes	(\$1.047)	\$3.325	\$3.425	\$4.069
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Expenses	\$1.047	(\$3.325)	(\$3.425)	(\$4.069)
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Sub-Total Reimbursable Expense Changes	\$1.047	(\$3.325)	(\$3.425)	(\$4.069)
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<b><i>Total Reimbursable Major Changes</i></b>	<b><i>(\$0.000)</i></b>	<b><i>(\$0.000)</i></b>	<b><i>\$0.000</i></b>	<b><i>\$0.000</i></b>
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<b>Total Accrual Changes</b>	<b>(\$0.000)</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>
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**Cash Adjustment Changes**

<b>Total Cash Adjustment Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
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<b><i>Total Baseline Changes</i></b>	<b><i>(\$0.000)</i></b>	<b><i>(\$0.000)</i></b>	<b><i>\$0.000</i></b>	<b><i>\$0.000</i></b>
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<b>Baseline 2012 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$0.000)</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>
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**MTA CAPITAL CONSTRUCTION COMPANY**  
**2013 Preliminary Budget**  
**July Financial Plan 2013-2016**  
**Positions**

**Position Assumptions**

All costs are reimbursable from the MTA Capital Program. The July Financial Plan projects 2012 year end staffing of 132. Staffing levels are 140 in 2013 and remain constant at that level through 2016.

Staffing needs are also 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 are dependent upon the particular needs of each project and the availability of the proper resources.

MTACC has carefully timed the hiring of employees to correspond with the needs of the projects and the mix of construction and design activities underway and as a result, in 2012, the projected year end employee quota will decrease by 8 positions from the Adopted Budget, from 140 to 132.

The breakdown of the year-end staffing level of 132 is as follows: 16 MTACC administrative positions and 116 positions implementing East Side Access, Second Avenue Subway, Lower Manhattan, No. 7 Line and the system-wide security program. In the Adopted Budget, MTACC anticipated a year end staff of 140 employees. This breakdown comprised of 56 administrative positions and 85 project positions. The July Plan has been adjusted from the Adopted Budget to fully charge the time of 37 technical employees directly to the “mega” projects, based on work assignments, rather than the Administrative budget.

\*Employees of other agencies under temporary management by MTACC

<b>MTA Capital Construction Company</b> <b>July Financial Plan 2013-2016</b> Favorable/(Unfavorable)				
<b>Total Position Changes at a Glance</b>				
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>2012 February Plan - Total Baseline Positions</b>	<b>140</b>	<b>140</b>	<b>140</b>	<b>140</b>
Total Plan-to-Plan Changes	8	0	0	0
<b>2012 July Plan - Total Baseline Positions</b>	<b>132</b>	<b>140</b>	<b>140</b>	<b>140</b>
Total Year-to-Year Changes, July Plan		(8)	0	0

<b>Total Plan-to-Plan Changes by Reporting Category:</b>				
<i>Non-Reimbursable</i>	0	0	0	0
<i>Reimbursable</i>	8	0	0	0
<b>Total</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>Full-Time</i>	8	0	0	0
<i>Full-Time Equivalents</i>	0	0	0	0
<b>Total</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>By Function Category</i>				
- Administration	25	23	23	23
- Operations	0	0	0	0
- Maintenance	0	0	0	0
- Engineering/Capital	(17)	(23)	(23)	(23)
- Public Safety	0	0	0	0
<b>Total</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>By Occupational Group</i>				
- Managers/Supervisors	0	0	0	0
- Professional, Technical, Clerical	8	0	0	0
- Operational Hourlies	0	0	0	0
<b>Total</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>Total Plan-to-Plan Changes by Major Category:</b>				
<i>2012 BRPs</i>	0	0	0	0
<i>New Needs</i>	0	0	0	0
<i>Change in Reimbursable Positions</i>	8	0	0	0
<i>Re-estimates &amp; All Other</i> <sup>1</sup>	0	0	0	0
<b>Total</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>0</b>

<sup>1</sup>Includes Full Time Equivalents

**MTA CAPITAL CONSTRUCTION**  
**July Financial Plan 2013-2016**  
**Total Positions by Function and Department**  
**Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents**

<b>FUNCTION/DEPARTMENT</b>	<b>2011 Actual</b>	<b>2012 Mid-Year Forecast</b>	<b>2013 Preliminary Budget</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Administration</b>						
MTACC	22	16	18	18	18	18
<b>Engineering/Capital</b>						
MTACC	25	37	37	37	37	37
East Side Access	22	22	22	22	22	22
Second Avenue Subway	16	16	19	19	19	19
Security Program	11	12	12	12	12	12
Lower Manhattan Projects	17	19	20	20	20	20
7 Line Extension	10	10	12	12	12	12
<b>Total Engineering/Capital</b>	<b>101</b>	<b>116</b>	<b>122</b>	<b>122</b>	<b>122</b>	<b>122</b>
<b>Total Baseline Positions</b>	<b>123</b>	<b>132</b>	<b>140</b>	<b>140</b>	<b>140</b>	<b>140</b>
<i>Non-Reimbursable</i>	-	-	-	-	-	-
<i>Reimbursable</i>	123	132	140	140	140	140
<i>Total Full-Time</i>	123	132	140	140	140	140
<i>Total Full-Time Equivalents</i>	-	-	-	-	-	-

**MTA CAPITAL CONSTRUCTION**  
**July Financial Plan 2013-2016**  
**Total Positions by Function and Occupation**

FUNCTION/OCCUPATIONAL GROUP		2011 Actual	2012 Mid-Year Forecast	2013 Preliminary Budget	2014	2015	2016
<b>Administration</b>							
	Managers/Supervisors						
	Professional, Technical, Clerical	22	16	18	18	18	18
	Operational Hourlies						
	<b>Total Administration</b>	22	16	18	18	18	18
<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	101	116	122	122	122	122
	Operational Hourlies						
	<b>Total Engineering/Capital</b>	101	116	122	122	122	122
<b>Public Safety</b>							
	Managers/Supervisors						
	Professional, Technical, Clerical						
	Operational Hourlies						
	<b>Total Public Safety</b>	-	-	-	-	-	-
<b>Total Baseline Positions</b>							
	Managers/Supervisors						
	Professional, Technical, Clerical	123	132	140	140	140	140
	Operational Hourlies						
	<b>Total Baseline Positions</b>	123	132	140	140	140	140

# **Long Island Rail Road**

# **MTA LONG ISLAND RAIL ROAD**

## **2013 Preliminary Budget**

### **July Financial Plan 2013 - 2016**

#### **FINANCIAL OVERVIEW**

The 2012 July Financial Plan sustains LIRR's commitment to delivering safe, secure and reliable transportation while continuing to improve customer service. The Mid Year Forecast and Preliminary Financial Plan contain funding for a series of strategic initiatives focused on improved customer safety and communications while maintaining fleet performance and infrastructure in a state of good repair – all areas of particular concern for customers.

The July Financial Plan holds controllable expense growth to an average of 2.0% per year, excluding the ramp-up costs for East Side Access. This achievement is made possible through the LIRR's continued efforts to control key cost drivers, with a particular focus on overtime expenses, inventory management and administrative costs.

Uncontrollable expenses such as health benefits, insurance and fuel continue to rise more rapidly than the rate of inflation. Of particular note is the burden the LIRR bears for its "closed pension plan," which has not accepted new members since the 1980's. Covering this unfunded liability will cost the LIRR \$108.5 million in 2012 alone. It is striking to note that the LIRR's total number of retirees/beneficiaries in the closed plan of 6,200 is approximately the same as the total number of the current LIRR workforce.

#### **Ridership and Revenue**

The strengthening economic recovery has been evident in ridership growth at the Long Island Rail Road. Through May 2012, the LIRR has experienced ridership growth each month for the past nine consecutive months in both the commutation and non-commutation markets.

Ridership through May was above the Adopted Budget by 4.1% and remains above 2011 levels by 4.5% when adjusted for calendar differences.

These trends have been incorporated into the July Financial Plan. The 2012 Mid Year Forecast total 2012 ridership is now projected to be 83.187 million, or 2.7% increase over 2011 levels based on projected improvements in the 2012 employment forecast. Further, the 2012 Mid Year Forecast ridership is projected to be 2.7% above the 2012 Adopted Budget. Farebox revenue is projected to increase in line with the ridership trends. In addition, the LIRR launched a revenue protection initiative at the end of 2011: an address verification system has been installed on all ticket selling devices to prevent credit card fraud.

## Management Initiatives

The LIRR's commitment to efficiency is evidenced by this proposed Mid Forecast and Preliminary Financial Plan, which reflects the continued implementation of budget reduction programs outlined in prior financial plans. The LIRR continues to subject all areas of the budget to intensive review, specifically administrative functions, inventory, and overtime.

Nevertheless, the Long Island Rail Road also recognizes the importance of maintaining the proper level of investment in service reliability and making critical improvements in customer safety and convenience.

I. *Customer Communication:* The 2012 July Financial Plan builds on the prior investments in three customer communication initiatives. These initiatives include enhancing the current Audio Visual Paging System (AVPS) in order to improve customer communication on station platforms during major service disruptions, introducing real-time train status information to customers via handheld devices, and upgrading the C3 Coach Audio Visual Announcement system.

II. *Fleet Maintenance:* The Maintenance of Equipment Department continues to aggressively manage and adjust its maintenance activities. Based on a careful analysis of mechanical failures, the department was able to lengthen the interval between several part replacement programs. Savings in 2012 and 2013 were re-invested in improved diagnostic and wayside communication equipment for the diesel locomotives.

III. *Administrative Functions:* In prior financial plan, the LIRR reduced both administrative staffing and non-payroll savings in support areas. The 2012 July Financial Plan maintains these savings.

IV. *Overtime:* The Long Island Rail Road considers overtime management to be one of its highest priorities. The 2012 Adopted Budget targeted another 15% reduction in overtime spending. Through the first four months of 2012, the LIRR has reduced overtime spending by approximately 4% compared to 2011.

While the Mid Year Forecast reflects an additional \$6.8 million in overtime spending against the 2012 Adopted Budget, spending is still projected to be below 2010 and 2011 actuals. The additional spending is largely due to open position job coverage in the Maintenance of Equipment Department. Planned hiring and training schedules will fill most open positions by the end of 2012.

V. *Inventory Management:* In 2009, the LIRR established an Inventory and Materials Task Force to improve the planning and oversight of material purchases and usage. This led to reducing the re-order point for selected "min-max" material, creating an interdepartmental review of all Maintenance of Equipment requisitions over \$25,000, and increased scrutiny of maintenance activities at the key material order points to

increase the accuracy procurement levels. As a result of these efforts the LIRR saved approximately \$9.0 million in 2012 in addition to savings achieved in 2010 and 2011.

## **New Needs**

The 2012 Final Proposed Budget reflects additional funding associated with two major customer safety initiatives and two service requirements. In September 2011, lightning struck a LIRR signal hut west of Jamaica that controls many of the signals and switches for accessing Jamaica Station. The lightning strike disabled the signal system resulting in significant service disruptions during the evening's peak service hours. In response, the LIRR developed a Lightning Strike Corrective Action Plan to improve its ability during service emergencies to redirect train movements, ensure customer safety, provide customers with timely and accurate service information, and expeditiously restore the signal system. Approximately 25 specific improvement projects were undertaken of which 17 are completed.

The LIRR has also launched a major Elevator and Escalator Safety and Maintenance Initiative. This is designed to maintain all nineteen escalators in a state of good repair and increase oversight of maintenance activities. This includes a five-person team of qualified inspectors and field staff to closely monitor all field repairs, establishing a dedicated preventive maintenance team, and implementing mechanical improvements.

The 2012 July Financial Plan provides for extra service to Farmingdale Station to support the Barclay's PGA Tour scheduled for Bethpage State Park Golf Course in August 2012. In addition, the financial plan also provides for extra train service during scheduled events at the new Barclay's Center in Brooklyn near the Atlantic Terminal.

## **2012 Mid-Year Forecast**

The LIRR's 2012 Mid-Year Forecast is comprised of non-reimbursable revenue totaling \$625.4 million and non-reimbursable expenses including depreciation, other post-employment benefits and environmental remediation of \$1,633.7 million that generate an operating deficit of (\$1,008.3) million. The 2012 Mid-Year Forecast reimbursable revenue and expenses each total \$209.6 million.

The Baseline Accrued Deficit is \$57.3 million better than the 2012 Budget. The Baseline Cash Deficit is \$34.4 million better than the 2012 Budget. The difference between the Baseline Accrued Deficit and the Baseline Cash Deficit is better primarily due to the timing of capital and operating reimbursements between 2011 and 2012.

Total Non-Reimbursable revenue is \$13.9 million favorable to the 2012 Budget. Farebox Revenue is \$14.0 million favorable due to higher ridership and reduced fraud as a result of implementing an Address Verification System at the Ticket Vending Machines. Other Operating Revenue is unfavorable by (\$0.1) million.



Total Non-Reimbursable expenses (excluding depreciation and OPEB) are favorable by \$43.4 million. The favorable variance is primarily due to the latest actuarial estimate for Pension, lower health and welfare rates for active and retired employees and lower Electric Power rates and consumption. This is partially offset by additional headcount associated with several FRA Mandates, increased elevator/escalator maintenance costs and implementation of a lightning strike action plan.

The major cash adjustments from the Budget are timing of capital, other reimbursements and non-labor expenditures, between 2011 and 2012.

Full-time positions total 6,529 in the 2012 Mid-Year Forecast, with 5,977 non-reimbursable positions and 552 reimbursable positions. This reflects an increase of 217 positions from 2011 Year-end Actual and 21 positions from the 2012 Budget. Most of the year-on-year increase is associated with filling vacant positions. The changes from the Budget include additional headcount associated with several FRA Mandates, increased elevator/escalator maintenance costs and implementation of a lightning strike action plan.

### **2013 Preliminary Budget - Baseline**

Among the key goals for 2013 are maintaining on-time performance at 95.1 % and a fleet-wide mean distance between failures (MDBF) of 150,000 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 Adopted Budget.

The 2013 Revenue totals \$867.5 million, of which \$633.6 million is Non-reimbursable revenue and \$233.9 million is Reimbursable revenue. The total expense budget is \$1,891.1 million, of which \$1,500.2 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 \$1,266.3 million in 2013, while Reimbursable expenses are \$233.9 million in the accrued statements.

The cash budget for 2013 incorporates \$883.4 million in cash receipts and \$1,521.5 million in cash disbursements. The baseline cash requirement is (\$638.1) million, as driven by operating expenses paid for in 2013, revenues received in 2013 and other adjustments to cash flow.

On an accrued basis, revenues and expenses are higher in the 2013 Preliminary Budget. Total revenues for 2013 are \$867.5 million, \$32.5 million higher than in the 2012 Mid-Year Forecast, with non-reimbursable revenues rising by \$8.2 million and Reimbursable revenues rising by \$24.3 million. Baseline Ridership in 2013 increases over the 2012 Mid-Year Forecast by 1.4 million rides, or 1.7%. Total operating expenses before depreciation of \$1,500.2 million reflect growth of \$53.3 million over the 2012 Mid-

Year Forecast. Non-reimbursable expenses increase by (\$29.1) million and reimbursable expenses increase by (\$24.3) million. While the resulting total operating baseline deficit increases by (\$15.3) million to (\$1,023.6) million in 2013, the projected baseline cash deficit (or subsidy requirement) of (\$638.1) million in 2013 is higher by \$27.2 million.

Full-time positions total 6,597 in the 2013 Preliminary Budget, with 5,958 non-reimbursable positions and 639 reimbursable positions. Compared to the 2012 Mid-Year Forecast, this reflects a total increase of 68 positions, 87 reimbursable positions and a decrease of 19 non-reimbursable positions. The driver of the reimbursable headcount increase is a result of project activity. The major drivers of the non-reimbursable headcount change are staffing levels in the Transportation Services Department.

### **Financial Plan 2014-2016 Projections**

The baseline projections for 2014 through 2016 reflect continuing initiatives launched in 2012. 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. In addition, the LIRR will begin ramping up costs for service to Grand Central Terminal (East Side Access).

The baseline projections for 2014-2016 reflect these various impacts. Non-reimbursable revenues grow by less than 1% in each year, while Reimbursable revenues increase by 1.2% in 2014, decrease by 7.7% in 2015 and increase by 1.5% in 2016.

The pace of expense growth is higher, driven by rates that exceed inflation in Health and Welfare (active and retirees), Electric Power and Pension costs throughout the plan. Non-reimbursable expenses (before depreciation) grow by 4.6% from \$1,266.3 million in 2013 to \$1,324.0 million in 2014. They continue to rise by 5.0% in 2015 and 8.8% in 2016, reaching \$1,512.0 million. The higher rate of growth in the out years is due to East Side Access ramp-up costs. Reimbursable expenses increase by 1.2% in 2014, decrease by 7.7% in 2015 and increase by 1.5% in 2016.

On a year-to-year basis, the Baseline positions increase in 2014 by 179 positions over 2013, increase by 135 positions in 2015 and 371 positions in 2016. The increases are primarily related to the East Side Access ramp-up. For the period 2014 to 2016, reimbursable positions decrease by 9 in 2014, 15 in 2015 and declines by 7 in 2016.

Appearing in a separate section is a discussion of the major assumptions in the 2014-2016 forecasts and reconciliations to the Adopted Budget for the years through 2015.

## **GAP CLOSING MEASURES – 2012 Budget Reduction Program (BRP)**

### **BRP Actions**

The July Financial Plan includes a Budget Reduction Program resulting in \$3.7 million in improved fare box revenue. The revenue is generated from the implementation of an Address Verification System on ticket selling machines to reduce incidents of credit card fraud.

For more information, please see BRP tables.

**MTA LONG ISLAND RAIL ROAD**  
**July Financial Plan 2013-2016**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

<b>NON-REIMBURSABLE</b>						
	<b>2011</b>	<b>2012</b>	<b>2013</b>			
	<b>Actual</b>	<b>Mid-Year Forecast</b>	<b>Preliminary Budget</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Operating Revenue</b>						
Farebox Revenue	\$571.706	\$584.723	\$594.650	\$598.780	\$603.006	\$605.983
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	34.185	40.632	38.934	40.002	41.378	42.147
Capital and Other Reimbursements	-	-	-	-	-	-
<b>Total Revenue</b>	<b>\$605.891</b>	<b>\$625.355</b>	<b>\$633.584</b>	<b>\$638.782</b>	<b>\$644.384</b>	<b>\$648.130</b>
<b>Operating Expenses</b>						
<b><u>Labor:</u></b>						
Payroll	\$409.228	\$421.213	\$425.134	\$446.270	\$467.134	\$503.273
Overtime	84.707	78.533	72.107	74.459	75.553	77.089
Health and Welfare	83.356	86.112	96.277	102.772	112.597	128.416
OPEB Current Payment	54.292	57.429	63.775	66.675	71.836	77.463
Pensions	142.163	163.801	169.327	167.430	170.195	173.851
Other Fringe Benefits	96.138	104.001	107.278	113.055	118.339	126.912
Reimbursable Overhead	(23.305)	(27.209)	(21.465)	(20.222)	(13.957)	(14.341)
<b>Total Labor Expenses</b>	<b>\$846.579</b>	<b>\$883.880</b>	<b>\$912.433</b>	<b>\$950.439</b>	<b>\$1,001.697</b>	<b>\$1,072.663</b>
<b><u>Non-Labor:</u></b>						
Electric Power	\$90.897	\$99.009	\$105.176	\$108.843	\$115.068	\$137.510
Fuel	26.139	27.658	26.498	26.402	26.367	26.362
Insurance	14.869	15.621	17.661	20.427	23.708	27.554
Claims	1.628	3.401	3.401	3.456	3.513	3.570
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	52.635	57.689	56.610	58.757	61.369	78.663
Professional Service Contracts	23.885	33.130	29.898	28.591	28.160	29.136
Materials & Supplies	67.022	103.371	103.505	113.216	114.878	120.490
Other Business Expenses	11.008	13.524	11.157	13.877	15.395	16.071
<b>Total Non-Labor Expenses</b>	<b>\$288.083</b>	<b>\$353.403</b>	<b>\$353.906</b>	<b>\$373.569</b>	<b>\$388.458</b>	<b>\$439.356</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>\$1,134.662</b>	<b>\$1,237.283</b>	<b>\$1,266.339</b>	<b>\$1,324.008</b>	<b>\$1,390.155</b>	<b>\$1,512.019</b>
Depreciation	\$316.199	\$317.141	\$309.279	\$298.284	\$307.186	\$316.355
OPEB Obligation	74.596	77.250	79.568	81.955	84.413	86.946
Environmental Remediation	3.496	2.000	2.000	2.000	2.000	2.000
<b>Total Expenses</b>	<b>\$1,528.953</b>	<b>\$1,633.674</b>	<b>\$1,657.186</b>	<b>\$1,706.247</b>	<b>\$1,783.754</b>	<b>\$1,917.320</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$923.062)</b>	<b>(\$1,008.319)</b>	<b>(\$1,023.602)</b>	<b>(\$1,067.465)</b>	<b>(\$1,139.370)</b>	<b>(\$1,269.190)</b>
<b><u>Cash Conversion Adjustments</u></b>						
Depreciation	\$316.199	\$317.141	\$309.279	\$298.284	\$307.186	\$316.355
Operating/Capital	(2.435)	(12.404)	(20.735)	(16.229)	(9.823)	(10.111)
Other Cash Adjustment	92.159	92.726	96.997	87.941	91.354	89.065
<b>Total Cash Conversion Adjustments</b>	<b>\$405.923</b>	<b>\$397.463</b>	<b>\$385.541</b>	<b>\$369.996</b>	<b>\$388.717</b>	<b>\$395.309</b>
<b>Net Cash Surplus/(Deficit)</b>	<b>(\$517.139)</b>	<b>(\$610.856)</b>	<b>(\$638.061)</b>	<b>(\$697.469)</b>	<b>(\$750.653)</b>	<b>(\$873.881)</b>

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**MTA LONG ISLAND RAIL ROAD**  
**July Financial Plan 2013-2016**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

<b>NON-REIMBURSABLE / REIMBURSABLE</b>						
	<b>2011 Actual</b>	<b>2012 Mid-Year Forecast</b>	<b>2013 Preliminary Budget</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Revenue</b>						
Farebox Revenue	\$571.706	\$584.723	\$594.650	\$598.780	\$603.006	\$605.983
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	34.185	40.632	38.934	40.002	41.378	42.147
Capital and Other Reimbursements	197.076	209.626	233.891	236.785	218.470	221.798
<b>Total Revenue</b>	<b>\$802.967</b>	<b>\$834.981</b>	<b>\$867.475</b>	<b>\$875.567</b>	<b>\$862.854</b>	<b>\$869.928</b>
<b>Expenses</b>						
<b><u>Labor:</u></b>						
Payroll	\$474.267	\$489.928	\$504.915	\$527.193	\$548.246	\$585.750
Overtime	97.302	89.445	84.127	86.176	87.018	88.601
Health and Welfare	95.281	98.130	110.188	116.912	126.804	142.849
OPEB Current Payment	54.292	57.429	63.775	66.675	71.836	77.463
Pensions	164.573	183.100	188.800	187.139	189.899	193.866
Other Fringe Benefits	110.172	118.311	124.032	130.085	135.450	144.294
Reimbursable Overhead	(0.000)	-	-	-	-	-
<b>Total Labor Expenses</b>	<b>\$995.887</b>	<b>\$1,036.343</b>	<b>\$1,075.837</b>	<b>\$1,114.180</b>	<b>\$1,159.253</b>	<b>\$1,232.823</b>
<b><u>Non-Labor:</u></b>						
Electric Power	\$91.103	\$99.009	\$105.176	\$108.843	\$115.068	\$137.510
Fuel	26.139	27.658	26.498	26.402	26.367	26.362
Insurance	19.605	20.236	24.645	27.543	30.783	34.748
Claims	1.628	3.401	3.401	3.456	3.513	3.570
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	63.132	68.940	70.362	70.377	70.941	88.405
Professional Service Contracts	28.061	36.582	32.565	29.782	29.354	30.339
Materials & Supplies	94.646	140.260	149.231	164.939	157.860	163.897
Other Business Expenses	11.260	14.480	12.515	15.271	15.486	16.163
<b>Total Non-Labor Expenses</b>	<b>\$335.574</b>	<b>\$410.566</b>	<b>\$424.393</b>	<b>\$446.613</b>	<b>\$449.372</b>	<b>\$500.994</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>\$1,331.461</b>	<b>\$1,446.909</b>	<b>\$1,500.230</b>	<b>\$1,560.793</b>	<b>\$1,608.625</b>	<b>\$1,733.817</b>
Depreciation	\$316.199	\$317.141	\$309.279	\$298.284	\$307.186	\$316.355
OPEB Obligation	74.596	77.250	79.568	81.955	84.413	86.946
Environmental Remediation	3.773	2.000	2.000	2.000	2.000	2.000
<b>Total Expenses</b>	<b>\$1,726.029</b>	<b>\$1,843.300</b>	<b>\$1,891.077</b>	<b>\$1,943.032</b>	<b>\$2,002.224</b>	<b>\$2,139.118</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$923.062)</b>	<b>(\$1,008.319)</b>	<b>(\$1,023.602)</b>	<b>(\$1,067.465)</b>	<b>(\$1,139.370)</b>	<b>(\$1,269.190)</b>
<b><u>Cash Conversion Adjustments</u></b>						
Depreciation	\$316.199	\$317.141	\$309.279	\$298.284	\$307.186	\$316.355
Operating/Capital	(2.435)	(12.404)	(20.735)	(16.229)	(9.823)	(10.111)
Other Cash Adjustment	92.159	92.726	96.997	87.941	91.354	89.065
<b>Total Cash Conversion Adjustments</b>	<b>\$405.923</b>	<b>\$397.463</b>	<b>\$385.541</b>	<b>\$369.996</b>	<b>\$388.717</b>	<b>\$395.309</b>
<b>Net Cash Surplus/(Deficit)</b>	<b>(\$517.139)</b>	<b>(\$610.856)</b>	<b>(\$638.061)</b>	<b>(\$697.469)</b>	<b>(\$750.653)</b>	<b>(\$873.881)</b>

**MTA LONG ISLAND RAIL ROAD**  
**July Financial Plan 2013-2016**  
**Cash Receipts & Expenditures**  
(\$ in millions)

<b>CASH RECEIPTS AND EXPENDITURES</b>						
	<b>2011</b>	<b>2012</b>	<b>2013</b>			
	<b>Actual</b>	<b>Mid-Year</b>	<b>Preliminary</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
		<b>Forecast</b>	<b>Budget</b>			
<b>Receipts</b>						
Farebox Revenue	\$596.699	\$613.851	\$624.650	\$628.780	\$633.006	\$635.983
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	35.350	95.057	51.994	52.807	54.303	55.197
Capital and Other Reimbursements	184.416	209.383	206.759	214.309	202.281	204.964
<b>Total Receipts</b>	<b>\$816.465</b>	<b>\$918.291</b>	<b>\$883.403</b>	<b>\$895.896</b>	<b>\$889.590</b>	<b>\$896.144</b>
<b>Expenditures</b>						
<b><u>Labor:</u></b>						
Payroll	\$477.441	\$486.632	\$502.570	\$524.778	\$545.759	\$583.188
Overtime	99.126	89.445	84.127	86.176	87.018	88.601
Health and Welfare	96.648	98.130	110.188	116.912	126.804	142.849
OPEB Current Payment	52.858	57.429	63.775	66.675	71.836	77.463
Pensions	164.450	183.100	188.800	187.139	189.899	193.866
Other Fringe Benefits	111.163	121.311	124.032	130.085	135.450	144.294
GASB Account	7.233	7.232	7.460	8.568	8.980	10.068
Reimbursable Overhead	-	-	-	-	-	-
<b>Total Labor Expenditures</b>	<b>\$1,008.918</b>	<b>\$1,043.279</b>	<b>\$1,080.952</b>	<b>\$1,120.333</b>	<b>\$1,165.746</b>	<b>\$1,240.329</b>
<b><u>Non-Labor:</u></b>						
Electric Power	\$85.686	\$138.226	\$107.959	\$111.812	\$118.236	\$140.890
Fuel	23.226	31.298	26.498	26.402	26.367	26.362
Insurance	15.649	25.618	23.891	28.085	30.423	34.373
Claims	1.209	2.609	1.609	1.646	1.684	1.722
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	48.866	80.995	70.662	70.677	71.241	88.705
Professional Service Contracts	22.694	35.808	29.565	26.632	26.047	26.866
Materials & Supplies	91.452	128.578	138.231	162.939	155.460	165.077
Other Business Expenses	8.785	14.736	12.097	14.839	15.039	15.701
<b>Total Non-Labor Expenditures</b>	<b>\$297.567</b>	<b>\$457.868</b>	<b>\$410.512</b>	<b>\$443.032</b>	<b>\$444.497</b>	<b>\$499.696</b>
<b><u>Other Expenditure Adjustments:</u></b>						
Other	28.982	28.000	30.000	30.000	30.000	30.000
<b>Total Other Expenditure Adjustments</b>	<b>\$28.982</b>	<b>\$28.000</b>	<b>\$30.000</b>	<b>\$30.000</b>	<b>\$30.000</b>	<b>\$30.000</b>
<b>Total Expenditures</b>	<b>\$1,335.467</b>	<b>\$1,529.147</b>	<b>\$1,521.464</b>	<b>\$1,593.365</b>	<b>\$1,640.243</b>	<b>\$1,770.025</b>
Cash Timing and Availability Adjustment	1.863	-	-	-	-	-
<b>Baseline Cash Surplus/(Deficit)</b>	<b>(\$517.139)</b>	<b>(\$610.856)</b>	<b>(\$638.061)</b>	<b>(\$697.469)</b>	<b>(\$750.653)</b>	<b>(\$873.881)</b>

**MTA LONG ISLAND RAIL ROAD**  
**July Financial Plan 2013-2016**  
**Cash Conversion (Cash Flow Adjustments)**  
(\$ in millions)

<b>CASH FLOW ADJUSTMENTS</b>						
	<b>2011</b>	<b>2012</b>	<b>2013</b>			
	<b>Actual</b>	<b>Mid-Year</b>	<b>Preliminary</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
		<b>Forecast</b>	<b>Budget</b>			
<b>Receipts</b>						
Farebox Revenue	\$24.993	\$29.128	\$30.000	\$30.000	\$30.000	\$30.000
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	1.165	54.425	13.060	12.805	12.925	13.050
Capital and Other Reimbursements	(12.660)	(0.243)	(27.132)	(22.476)	(16.189)	(16.834)
<b>Total Receipts</b>	<b>\$13.498</b>	<b>\$83.310</b>	<b>\$15.928</b>	<b>\$20.329</b>	<b>\$26.736</b>	<b>\$26.216</b>
<b>Expenditures</b>						
<b><u>Labor:</u></b>						
Payroll	(\$3.174)	\$3.296	\$2.345	\$2.415	\$2.487	\$2.562
Overtime	(1.824)	-	-	-	-	-
Health and Welfare	(1.367)	-	-	-	-	-
OPEB Current Payment	1.434	-	-	-	-	-
Pensions	0.123	-	-	-	-	-
Other Fringe Benefits	(0.991)	(3.000)	-	-	-	-
GASB Account	(7.233)	(7.232)	(7.460)	(8.568)	(8.980)	(10.068)
Reimbursable Overhead	(0.000)	-	-	-	-	-
<b>Total Labor Expenditures</b>	<b>(\$13.032)</b>	<b>(\$6.936)</b>	<b>(\$5.115)</b>	<b>(\$6.153)</b>	<b>(\$6.493)</b>	<b>(\$7.506)</b>
<b><u>Non-Labor:</u></b>						
Electric Power	\$5.417	(\$39.217)	(\$2.783)	(\$2.969)	(\$3.168)	(\$3.380)
Fuel	2.913	(3.640)	-	-	-	-
Insurance	3.956	(5.382)	0.754	(0.542)	0.360	0.375
Claims	0.419	0.792	1.792	1.810	1.829	1.848
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	14.266	(12.055)	(0.300)	(0.300)	(0.300)	(0.300)
Professional Service Contracts	5.367	0.774	3.000	3.150	3.307	3.473
Materials & Supplies	3.194	11.682	11.000	2.000	2.400	(1.180)
Other Business Expenditures	2.475	(0.256)	0.418	0.432	0.447	0.462
<b>Total Non-Labor Expenditures</b>	<b>\$38.007</b>	<b>(\$47.302)</b>	<b>\$13.881</b>	<b>\$3.581</b>	<b>\$4.875</b>	<b>\$1.298</b>
<b><u>Other Expenditures Adjustments:</u></b>						
Other	(28.982)	(28.000)	(30.000)	(30.000)	(30.000)	(30.000)
<b>Total Other Expenditures Adjustments</b>	<b>(\$28.982)</b>	<b>(\$28.000)</b>	<b>(\$30.000)</b>	<b>(\$30.000)</b>	<b>(\$30.000)</b>	<b>(\$30.000)</b>
<b>Total Cash Conversion Adjustments before Depreciation and GASB Adjs.</b>	<b>\$9.492</b>	<b>\$1.072</b>	<b>(\$5.306)</b>	<b>(\$12.243)</b>	<b>(\$4.882)</b>	<b>(\$9.992)</b>
Depreciation Adjustment	\$316.199	\$317.141	\$309.279	\$298.284	\$307.186	\$316.355
OPEB Obligation	74.596	77.250	79.568	81.955	84.413	86.946
Environmental Remediation	3.773	2.000	2.000	2.000	2.000	2.000
Cash Timing and Availability Adjustment	1.863	-	-	-	-	-
<b>Baseline Total Cash Conversion Adjustments</b>	<b>\$405.923</b>	<b>\$397.463</b>	<b>\$385.541</b>	<b>\$369.996</b>	<b>\$388.717</b>	<b>\$395.309</b>



**MTA LONG ISLAND RAIL ROAD**  
**2013 Preliminary Budget**  
**July Financial Plan 2013 – 2016**  
**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 2.3% in 2012 over 2011 primarily due to anticipated ridership growth and full year impact of AVS implementation.
- Farebox revenue is increasing by 1.7% in 2013 over 2012 primarily due to anticipated ridership growth.
- Passenger revenue forecasts in the outer years 2014 - 2016 reveal modest annual growth due to increases in ridership.

**Other Operating Revenue**

- Other revenues are higher in 2012 from the 2011 actual due to a full year of exterior train car advertising revenue, an anticipated real estate sale and other inflationary increases.
- Excluding the one-time real estate sale in 2012, 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 overbuilds and East Side Access materials.

**Expenses**

**Payroll**

- 2012 - 2016 includes increases for management employees of 2.20%, 1.97%, 1.91%, 1.85% and 1.89% respectively.
- 2012 - 2016 includes increases for represented employees of 0.0%, 1.97%, 1.91%, 1.85% and 1.89% respectively (all increases effective July 1 of each year).
- 2011 - 2012 headcount increases include filling all vacant positions, additional resources to support FRA Mandates, elevator and escalator maintenance and Reliability Centered Maintenance needs and changes in programs.
- 2012 - 2013 increase is due to projected wage assumptions, the assumption of full staffing by year end 2012, capital project activity and base plan RCM staffing levels.
- 2012 - 2013 headcount increases are primarily related to Capital Program activity.
- 2014 - 2016 include East Side Access ramp-up costs. Of the 188 non-reimbursable head increase from 2013 to 2014, 183 are related to East Side Access. Similarly, almost all the headcount increases from 2014 – 2016 are related to East Side Access.

### **Overtime**

- 2012 - 2013 decrease of \$5.3 million or 5.9% is primarily associated with the assumption that a significant number of vacant craft positions will be filled by 2013 and improved availability, partially offset by higher project activity.
- 2013 - 2016 increases reflect CPI increases and changes in Capital Program activity.

### **Health & Welfare**

- 2012 – 2016 reflects an annual NYSHIP rate increase of approximately 0.2% (2012), 10.4%, 3.0%, 6.4% and 6.4% (2016) for individual coverage and 2.8% (2012), 10.8%, 3.6%, 7.0% and 7.0% (2016) for family coverage.
- Reflects impact of headcount changes each year, including ramp-up costs for East Side Access beginning in 2014.

### **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 and annual CPI increases; 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.
- FELA Medical and Indemnity payments assumed to increase by CPI.

### **Electric Power**

- 2012 is based on actuals through March and reflects the latest LIRR consumption estimates and inflationary increases.
- 2013 - 2016 reflects the latest LIRR consumption estimates and inflationary increases.
- 2015 includes East Side Access start-up costs.

### **Fuel**

- 2012 is based on actuals through March and reflects the latest LIRR consumption estimates inflationary increases.
- 2013 - 2016 reflects the latest inflationary increases.

### **Insurance**

- 2012 - 2016 reflects the latest inflationary increases and Force Account Insurance estimates based on project activity. Generally, premium rates are assumed to increase by 10% per year during 2013-2016.

### **Claims**

- 2012 reflects actual experience through March and the anticipated settlement and payout of claims for the balance of the year.
- 2013 - 2016 reflects inflationary increases.

**Maintenance and Other Operating Contracts**

- 2012 – 2013 increases due to timing of project activity.
- 2013 – 2014 expenses remain flat.
- 2014 – 2016 include East Side Access start-up costs and normal inflationary and contractual increases.

**Professional Service Contracts**

- 2012 – 2016 reflects changes in timing of System Initiative projects.
- 2014 – 2016 increase due to prior year timing changes, normal inflationary increases and East Side Access start-up costs.

**Material and Supplies**

- The increase in materials from 2012 – 2013 is primarily due to East Side Access material and other capital program activity.
- 2013 – 2016 reflects timing in Reliability Centered Maintenance (RCM) material and normal inflationary increases.
- 2014 – 2016 include East Side Access start-up costs.

**Other Business Expenses**

- 2012 – 2016 reflects changes in timing of credits for concrete tie settlement and normal inflationary increases.
- 2014 – 2016 include East Side Access start-up costs.

**Depreciation**

- Reflects depreciation of current assets as well as estimates for capital projects based on their beneficial use.

**Cash Adjustments****Expense**

- Pension – cash payments versus accrued expenses.
- Insurance and Claims & Suits – payments versus accrued expenses.
- 2012 - 2016 - timing of material purchases versus charge-outs.
- Depreciation and other non-cash adjustments for each year 2012 - 2016.
- Traction and Propulsion Power – reflects projected LIPA settlement.

**MTA LONG ISLAND RAILROAD**  
**July Financial Plan 2013-2016**  
**Year-to-Year Changes by Category - Accrual Basis**  
(\$ in millions)

**NON-REIMBURSABLE**

	Favorable/(Unfavorable)								
	2012	2013	Change 2013 - 2012	2014	Change 2014 - 2013	2015	Change 2015 - 2014	2016	Change 2016 - 2015
<b>Revenue</b>									
Farebox Revenue	\$584.723	\$594.650	\$9.927	\$598.780	\$4.130	\$603.006	\$4.226	\$605.983	\$2.977
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	40.632	38.934	(1.698)	40.002	1.068	41.378	1.376	42.147	0.769
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>\$625.355</b>	<b>\$633.584</b>	<b>\$8.229</b>	<b>\$638.782</b>	<b>\$5.198</b>	<b>\$644.384</b>	<b>\$5.602</b>	<b>\$648.130</b>	<b>\$3.746</b>
<b>Expenses</b>									
<b>Labor:</b>									
Payroll	\$421.213	\$425.134	(3.921)	\$446.270	(\$21.136)	\$467.134	(\$20.864)	\$503.273	(\$36.139)
Overtime	78.533	72.107	6.426	74.459	(2.352)	75.553	(1.094)	77.089	(1.536)
Health and Welfare	86.112	96.277	(10.165)	102.772	(6.495)	112.597	(9.825)	128.416	(15.819)
OPEB Current Payment	57.429	63.775	(6.346)	66.675	(2.900)	71.836	(5.161)	77.463	(5.627)
Pensions	163.801	169.327	(5.526)	167.430	1.897	170.195	(2.765)	173.851	(3.656)
Other Fringe Benefits	104.001	107.278	(3.277)	113.055	(5.777)	118.339	(5.284)	126.912	(8.573)
Reimbursable Overhead	(27.209)	(21.465)	(5.744)	(20.222)	(1.243)	(13.957)	(6.265)	(14.341)	0.384
<b>Total Labor Expenses</b>	<b>\$883.880</b>	<b>\$912.433</b>	<b>(\$28.553)</b>	<b>\$950.439</b>	<b>(\$38.006)</b>	<b>\$1,001.697</b>	<b>(\$51.258)</b>	<b>\$1,072.663</b>	<b>(\$70.966)</b>
<b>Non-Labor:</b>									
Electric Power	\$99.009	\$105.176	(\$6.167)	\$108.843	(\$3.667)	\$115.068	(\$6.225)	\$137.510	(\$22.442)
Fuel	27.658	26.498	1.160	26.402	0.096	26.367	0.035	26.362	0.005
Insurance	15.621	17.661	(2.040)	20.427	(2.766)	23.708	(3.281)	27.554	(3.846)
Claims	3.401	3.401	0.000	3.456	(0.055)	3.513	(0.057)	3.570	(0.057)
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	57.689	56.610	1.079	58.757	(2.147)	61.369	(2.612)	78.663	(17.294)
Professional Service Contracts	33.130	29.898	3.232	28.591	1.307	28.160	0.431	29.136	(0.976)
Materials & Supplies	103.371	103.505	(0.134)	113.216	(9.711)	114.878	(1.662)	120.490	(5.612)
Other Business Expenses	13.524	11.157	2.367	13.877	(2.720)	15.395	(1.518)	16.071	(0.676)
<b>Total Non-Labor Expenses</b>	<b>\$353.403</b>	<b>\$353.906</b>	<b>(\$0.503)</b>	<b>\$373.569</b>	<b>(\$19.663)</b>	<b>\$388.458</b>	<b>(\$14.889)</b>	<b>\$439.356</b>	<b>(\$50.898)</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>\$1,237.283</b>	<b>\$1,266.339</b>	<b>(\$29.056)</b>	<b>\$1,324.008</b>	<b>(\$57.669)</b>	<b>\$1,390.155</b>	<b>(\$66.147)</b>	<b>\$1,512.019</b>	<b>(\$121.864)</b>
Depreciation	\$317.141	\$309.279	\$7.862	\$298.284	\$10.995	\$307.186	(\$8.902)	\$316.355	(\$9.169)
OPEB Obligation	77.250	79.568	(2.318)	81.955	(2.387)	84.413	(2.458)	86.946	(2.533)
Environmental Remediation	2.000	2.000	0.000	2.000	0.000	2.000	0.000	2.000	0.000
<b>Total Expenses</b>	<b>\$1,633.674</b>	<b>\$1,657.186</b>	<b>(\$23.512)</b>	<b>\$1,706.247</b>	<b>(\$49.061)</b>	<b>\$1,783.754</b>	<b>(\$77.507)</b>	<b>\$1,917.320</b>	<b>(\$131.033)</b>
<b>Baseline Net Surplus/(Deficit)</b>	<b>(\$1,008.319)</b>	<b>(\$1,023.602)</b>	<b>(\$15.283)</b>	<b>(\$1,067.465)</b>	<b>(\$43.863)</b>	<b>(\$1,139.370)</b>	<b>(\$71.905)</b>	<b>(\$1,269.190)</b>	<b>(\$127.287)</b>

**MTA LONG ISLAND RAILROAD**  
**July Financial Plan 2013-2016**  
**Year-to-Year Changes by Category - Accrual Basis**  
(\$ in millions)

**REIMBURSABLE**

	Favorable/(Unfavorable)								
	2012	2013	Change 2013 - 2012	2014	Change 2014 - 2013	2015	Change 2015- 2014	2016	Change 2016 - 2015
<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	209.626	233.891	24.265	236.785	2.894	218.470	(18.315)	221.798	3.328
<b>Total Revenue</b>	<b>\$209.626</b>	<b>\$233.891</b>	<b>\$24.265</b>	<b>\$236.785</b>	<b>\$2.894</b>	<b>\$218.470</b>	<b>(\$18.315)</b>	<b>\$221.798</b>	<b>\$3.328</b>
<b>Expenses</b>									
Labor:									
Payroll	\$68.715	\$79.781	(\$11.066)	\$80.923	(\$1.142)	\$81.112	(\$0.189)	\$82.477	(\$1.365)
Overtime	10.912	12.020	(1.108)	11.717	0.303	11.465	0.252	11.512	(0.047)
Health and Welfare	12.018	13.911	(1.893)	14.140	(0.229)	14.207	(0.067)	14.433	(0.226)
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	19.299	19.473	(0.174)	19.709	(0.236)	19.704	0.005	20.015	(0.311)
Other Fringe Benefits	14.310	16.754	(2.444)	17.030	(0.276)	17.111	(0.081)	17.382	(0.271)
Reimbursable Overhead	27.209	21.465	5.744	20.222	1.243	13.957	6.265	14.341	(0.384)
<b>Total Labor Expenses</b>	<b>\$152.463</b>	<b>\$163.404</b>	<b>(\$10.941)</b>	<b>\$163.741</b>	<b>(\$0.337)</b>	<b>\$157.556</b>	<b>\$6.185</b>	<b>\$160.160</b>	<b>(\$2.604)</b>
Non-Labor:									
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	4.615	6.984	(2.369)	7.116	(0.132)	7.075	0.041	7.194	(0.119)
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	11.251	13.752	(2.501)	11.620	2.132	9.572	2.048	9.742	(0.170)
Professional Service Contracts	3.452	2.667	0.785	1.191	1.476	1.194	(0.003)	1.203	(0.009)
Materials & Supplies	36.889	45.726	(8.837)	51.723	(5.997)	42.982	8.741	43.407	(0.425)
Other Business Expenses	0.956	1.358	(0.402)	1.394	(0.036)	0.091	1.303	0.092	(0.001)
<b>Total Non-Labor Expenses</b>	<b>\$57.163</b>	<b>\$70.487</b>	<b>(\$13.324)</b>	<b>\$73.044</b>	<b>(\$2.557)</b>	<b>\$60.914</b>	<b>\$12.130</b>	<b>\$61.638</b>	<b>(\$0.724)</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</b>	<b>\$209.626</b>	<b>\$233.891</b>	<b>(\$24.265)</b>	<b>\$236.785</b>	<b>(\$2.894)</b>	<b>\$218.470</b>	<b>\$18.315</b>	<b>\$221.798</b>	<b>(\$3.328)</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>\$209.626</b>	<b>\$233.891</b>	<b>(\$24.265)</b>	<b>\$236.785</b>	<b>(\$2.894)</b>	<b>\$218.470</b>	<b>\$18.315</b>	<b>\$221.798</b>	<b>(\$3.328)</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>
<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 LONG ISLAND RAILROAD**  
**July Financial Plan 2013-2016**  
**Year-to-Year Changes by Category - Accrual Basis**  
(\$ in millions)

**NON-REIMBURSABLE / REIMBURSABLE**

	Favorable/(Unfavorable)								
	2012	2013	Change 2013 - 2012	2014	Change 2014 - 2013	2015	Change 2015- 2014	2016	Change 2016 - 2015
<b>Revenue</b>									
Farebox Revenue	\$584.723	\$594.650	\$9.927	\$598.780	\$4.130	\$603.006	\$4.226	\$605.983	\$2.977
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	40.632	38.934	(1.698)	40.002	1.068	41.378	1.376	42.147	0.769
Capital and Other Reimbursements	209.626	233.891	24.265	236.785	2.894	218.470	(18.315)	221.798	3.328
<b>Total Revenue</b>	<b>\$834.981</b>	<b>\$867.475</b>	<b>\$32.494</b>	<b>\$875.567</b>	<b>\$8.092</b>	<b>\$862.854</b>	<b>(\$12.713)</b>	<b>\$869.928</b>	<b>\$7.074</b>
<b>Expenses</b>									
Labor:									
Payroll	\$489.928	\$504.915	(\$14.987)	\$527.193	(\$22.278)	\$548.246	(\$21.053)	\$585.750	(\$37.504)
Overtime	89.445	84.127	5.318	86.176	(2.049)	87.018	(0.842)	88.601	(1.583)
Health and Welfare	98.130	110.188	(12.058)	116.912	(6.724)	126.804	(9.892)	142.849	(16.045)
OPEB Current Payment	57.429	63.775	(6.346)	66.675	(2.900)	71.836	(5.161)	77.463	(5.627)
Pensions	183.100	188.800	(5.700)	187.139	1.661	189.899	(2.760)	193.866	(3.967)
Other Fringe Benefits	118.311	124.032	(5.721)	130.085	(6.053)	135.450	(5.365)	144.294	(8.844)
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>\$1,036.343</b>	<b>\$1,075.837</b>	<b>(\$39.494)</b>	<b>\$1,114.180</b>	<b>(\$38.343)</b>	<b>\$1,159.253</b>	<b>(\$45.073)</b>	<b>\$1,232.823</b>	<b>(\$73.570)</b>
Non-Labor:									
Electric Power	\$99.009	\$105.176	(\$6.167)	\$108.843	(\$3.667)	\$115.068	(\$6.225)	\$137.510	(\$22.442)
Fuel	27.658	26.498	1.160	26.402	0.096	26.367	0.035	26.362	0.005
Insurance	20.236	24.645	(4.409)	27.543	(2.898)	30.783	(3.240)	34.748	(3.965)
Claims	3.401	3.401	0.000	3.456	(0.055)	3.513	(0.057)	3.570	(0.057)
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	68.940	70.362	(1.422)	70.377	(0.015)	70.941	(0.564)	88.405	(17.464)
Professional Service Contracts	36.582	32.565	4.017	29.782	2.783	29.354	0.428	30.339	(0.985)
Materials & Supplies	140.260	149.231	(8.971)	164.939	(15.708)	157.860	7.079	163.897	(6.037)
Other Business Expenses	14.480	12.515	1.965	15.271	(2.756)	15.486	(0.215)	16.163	(0.677)
<b>Total Non-Labor Expenses</b>	<b>\$410.566</b>	<b>\$424.393</b>	<b>(\$13.827)</b>	<b>\$446.613</b>	<b>(\$22.220)</b>	<b>\$449.372</b>	<b>(\$2.759)</b>	<b>\$500.994</b>	<b>(\$51.622)</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>\$1,446.909</b>	<b>\$1,500.230</b>	<b>(\$53.321)</b>	<b>\$1,560.793</b>	<b>(\$60.563)</b>	<b>\$1,608.625</b>	<b>(\$47.832)</b>	<b>\$1,733.817</b>	<b>(\$125.192)</b>
Depreciation	\$317.141	\$309.279	\$7.862	\$298.284	\$10.995	\$307.186	(\$8.902)	\$316.355	(\$9.169)
OPEB Obligation	77.250	79.568	(2.318)	81.955	(2.387)	84.413	(2.458)	86.946	(2.533)
Environmental Remediation	2.000	2.000	0.000	2.000	0.000	2.000	0.000	2.000	0.000
<b>Total Expenses</b>	<b>\$1,843.300</b>	<b>\$1,891.077</b>	<b>(\$47.777)</b>	<b>\$1,943.032</b>	<b>(\$51.955)</b>	<b>\$2,002.224</b>	<b>(\$59.192)</b>	<b>\$2,139.118</b>	<b>(\$134.361)</b>
<b>Baseline Net Surplus/(Deficit)</b>	<b>(\$1,008.319)</b>	<b>(\$1,023.602)</b>	<b>(\$15.283)</b>	<b>(\$1,067.465)</b>	<b>(\$43.863)</b>	<b>(\$1,139.370)</b>	<b>(\$71.905)</b>	<b>(\$1,269.190)</b>	<b>(\$127.287)</b>

**MTA LONG ISLAND RAILROAD**  
**July Financial Plan 2013-2016**  
**Year-to-Year Changes by Category - Cash Basis**  
(\$ in millions)

**CASH RECEIPTS & EXPENDITURES**

	Favorable/(Unfavorable)								
	2012	2013	Change 2013 - 2012	2014	Change 2014 - 2013	2015	Change 2015- 2014	2016	Change 2016 - 2015
<b><u>Receipts</u></b>									
Farebox Revenue	\$613.851	\$624.650	\$10.799	\$628.780	\$4.130	\$633.006	\$4.226	\$635.983	\$2.977
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	95.057	51.994	(43.063)	52.807	0.813	54.303	1.496	55.197	0.894
Capital and Other Reimbursements	209.383	206.759	(2.624)	214.309	7.550	202.281	(12.028)	204.964	2.683
<b>Total Receipts</b>	<b>\$918.291</b>	<b>\$883.403</b>	<b>(\$34.888)</b>	<b>\$895.896</b>	<b>\$12.493</b>	<b>\$889.590</b>	<b>(\$6.306)</b>	<b>\$896.144</b>	<b>\$6.554</b>
<b><u>Expenditures</u></b>									
Labor:									
Payroll	\$486.632	\$502.570	(\$15.938)	\$524.778	(\$22.208)	\$545.759	(\$20.981)	\$583.188	(\$37.429)
Overtime	89.445	84.127	5.318	86.176	(2.049)	87.018	(0.842)	88.601	(1.583)
Health and Welfare	98.130	110.188	(12.058)	116.912	(6.724)	126.804	(9.892)	142.849	(16.045)
OPEB Current Payment	57.429	63.775	(6.346)	66.675	(2.900)	71.836	(5.161)	77.463	(5.627)
Pensions	183.100	188.800	(5.700)	187.139	1.661	189.899	(2.760)	193.866	(3.967)
Other Fringe Benefits	121.311	124.032	(2.721)	130.085	(6.053)	135.450	(5.365)	144.294	(8.844)
GASB Account	7.232	7.460	(0.228)	8.568	(1.108)	8.980	(0.412)	10.068	(1.088)
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>\$1,043.279</b>	<b>\$1,080.952</b>	<b>(\$37.673)</b>	<b>\$1,120.333</b>	<b>(\$39.381)</b>	<b>\$1,165.746</b>	<b>(\$45.413)</b>	<b>\$1,240.329</b>	<b>(\$74.583)</b>
Non-Labor:									
Electric Power	\$138.226	\$107.959	\$30.267	\$111.812	(\$3.853)	\$118.236	(\$6.424)	\$140.890	(\$22.654)
Fuel	31.298	26.498	4.800	26.402	0.096	26.367	0.035	26.362	0.005
Insurance	25.618	23.891	1.727	28.085	(4.194)	30.423	(2.338)	34.373	(3.950)
Claims	2.609	1.609	1.000	1.646	(0.037)	1.684	(0.038)	1.722	(0.038)
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	80.995	70.662	10.333	70.677	(0.015)	71.241	(0.564)	88.705	(17.464)
Professional Service Contracts	35.808	29.565	6.243	26.632	2.933	26.047	0.585	26.866	(0.819)
Materials & Supplies	128.578	138.231	(9.653)	162.939	(24.708)	155.460	7.479	165.077	(9.617)
Other Business Expenses	14.736	12.097	2.639	14.839	(2.742)	15.039	(0.200)	15.701	(0.662)
<b>Total Non-Labor Expenditures</b>	<b>\$457.868</b>	<b>\$410.512</b>	<b>\$47.356</b>	<b>\$443.032</b>	<b>(\$32.520)</b>	<b>\$444.497</b>	<b>(\$1.465)</b>	<b>\$499.696</b>	<b>(\$55.199)</b>
Other Expenditure Adjustments:									
Other	\$28.000	\$30.000	(2.000)	\$30.000	0.000	\$30.000	0.000	\$30.000	0.000
<b>Total Other Expenditure Adjustments</b>	<b>\$28.000</b>	<b>\$30.000</b>	<b>(\$2.000)</b>	<b>\$30.000</b>	<b>\$0.000</b>	<b>\$30.000</b>	<b>\$0.000</b>	<b>\$30.000</b>	<b>\$0.000</b>
<b>Total Expenditures</b>	<b>\$1,529.147</b>	<b>\$1,521.464</b>	<b>\$7.683</b>	<b>\$1,593.365</b>	<b>(\$71.901)</b>	<b>\$1,640.243</b>	<b>(\$46.878)</b>	<b>\$1,770.025</b>	<b>(\$129.782)</b>
Cash Timing and Availability Adjustment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Baseline Net Cash Deficit</b>	<b>(\$610.856)</b>	<b>(\$638.061)</b>	<b>(\$27.205)</b>	<b>(\$697.469)</b>	<b>(\$59.408)</b>	<b>(\$750.653)</b>	<b>(\$53.184)</b>	<b>(\$873.881)</b>	<b>(\$123.228)</b>

**MTA LONG ISLAND RAIL ROAD**  
**2013 Preliminary Budget**  
**July Financial Plan 2013 - 2016**  
**Summary of Major Plan-To-Plan Changes**

**2012: July Financial vs. February Adopted Budget**

2012 July Financial Plan is based on actual performance through March with projections for April through December based on current trends and known activities.

**Revenue**

- Passenger Revenue is favorable to plan primarily due to higher ridership.
- AVS initiative resulted in additional savings than anticipated.
- Capital and Other Reimbursements are lower primarily resulting from changes in capital project activity and lower East Side Access material requirements.

**Expense**

- Payroll – increased due to higher headcount associated with elevator/escalator maintenance, FRA mandates and additional staffing associated with the lightning strike action plan.
- Overtime - increased as a result of vacant craft and foreman positions in the Maintenance of Equipment department. There is a hiring plan in place to fill and train a significant number of these positions by 2013.
- Health and Welfare costs are lower due to lower rates.
- OPEB Current Payment costs are lower due to lower rates and fewer retiree/beneficiaries.
- Pension costs decreased based on latest actuarial estimates.
- Lower Electric Power is due to lower consumption and lower inflationary growth assumptions.
- Higher Fuel costs reflect price increases.
- Lower Insurance reflects revised insurance premium estimates and lower Force Account Insurance associated with project activity.
- Higher Maintenance and other Operating Contracts are due to additional operating expenses for elevator/escalator maintenance and capital project activity.
- Lower Professional Services primarily due to timing of IT initiatives.
- Lower Materials and Supplies due to East Side Access capital material costs, partially offset by timing of Reliability Centered Maintenance (RCM) activities.

**2013 - 2016: July Financial Plan vs. February Adopted Budget**

**Revenue**

- Passenger Revenue is favorable to plan primarily due to higher ridership.
- AVS initiative resulted in additional savings than anticipated.
- Other Operating Revenue is slightly favorable to plan.



- Capital and Other Reimbursements are higher primarily resulting from accounting treatment associated with concrete tie replacement program.

### **Expense**

- Payroll - increased from the February Plan due to natural progression, higher headcount associated with elevator/escalator maintenance, FRA mandates and additional staffing associated with the lightning strike action plan.
- Overtime - increased primarily driven by additional late night service to Atlantic Avenue when events occur at Barclay Center, FRA Mandates and Maintenance of Equipment Reliability Centered Maintenance and Equipment Modifications.
- Health and Welfare costs are lower due to lower rates.
- OPEB Current Payment costs are lower due to lower rates and fewer retiree/beneficiaries.
- Pension costs decreased based on latest actuarial estimates.
- Electric Power is associated with lower rates.
- Fuel is lower resulting from lower rates.
- Higher Insurance reflects revised insurance premium estimates. Generally, premium rates are assumed to increase by 10% per year during 2013-2016.
- Maintenance and Other Operating Contracts increase primarily related to concrete tie replacement program.
- Professional Services are higher each year due to various IT initiatives, lightning strike action plan and Wayside Data Management System for diesel locomotives.
- Material & Supplies change each year due to a re-estimate of material needs associated with East Side Access Material and RCM program.
- Other Business Expense includes third party reimbursement for concrete tie replacement program.

**MTA LONG ISLAND RAILROAD**  
**July Financial Plan 2013-2016**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

**NON-REIMBURSABLE**

	2012	2013	2014	2015
<b>Baseline 2012 February Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$645.208)</b>	<b>(\$683.064)</b>	<b>(\$758.708)</b>	<b>(\$834.106)</b>
<b>Baseline Changes</b>				
<b>Revenue</b>				
Farebox Revenue	\$13.996	\$19.416	\$19.150	\$18.843
Vehicle Toll Revenue	0.000	0.000	0.000	0.000
Other Operating Revenue	(0.063)	0.567	0.389	1.029
Capital and Other Reimbursement	0.000	0.000	0.000	0.000
<b>Total Revenue Changes</b>	<b>\$13.933</b>	<b>\$19.983</b>	<b>\$19.539</b>	<b>\$19.872</b>
<b>Expenses</b>				
<b>Labor:</b>				
Payroll and Overtime	(\$8.742)	(\$8.684)	(\$9.861)	(\$9.508)
Health and Welfare	7.189	2.164	7.260	9.541
OPEB Current Payment	3.511	1.537	4.537	5.787
Pensions	33.701	29.473	32.425	37.235
Other Fringe Benefits	1.061	(1.198)	(1.486)	(1.384)
Reimbursable Overhead	(1.460)	0.513	0.316	(0.132)
<b>Total Labor Expense Changes</b>	<b>\$35.260</b>	<b>\$23.805</b>	<b>\$33.191</b>	<b>\$41.539</b>
<b>Non-Labor:</b>				
Electric Power	\$6.463	\$9.240	\$17.128	\$24.692
Fuel	(0.234)	1.864	1.655	1.730
Insurance	0.583	(0.189)	(1.548)	(3.277)
Claims	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.996	0.258	0.372	0.121
Professional Service Contracts	0.703	(3.812)	(1.834)	(0.591)
Materials & Supplies	(1.531)	(0.008)	(4.029)	(3.258)
Other Business Expenses	1.177	4.302	1.975	0.800
<b>Total Non-Labor Expense Changes</b>	<b>\$8.157</b>	<b>\$11.655</b>	<b>\$13.719</b>	<b>\$20.217</b>
<b>Total Expense Changes before Depreciation and GASB Adjs.</b>	<b>\$43.417</b>	<b>\$35.460</b>	<b>\$46.910</b>	<b>\$61.756</b>
<b>Depreciation</b>	<b>(\$0.081)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>OPEB Obligation</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>Environmental Remediation</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>Total Expense Changes</b>	<b>\$43.336</b>	<b>\$35.460</b>	<b>\$46.910</b>	<b>\$61.756</b>
<b>Cash Adjustment Changes</b>				
Timing from 2011	\$6.659			
Amtrak Retro Wage	(1.460)			
Insurance	(1.106)	0.280	0.032	(0.176)
GASB	0.771	1.432	1.222	1.790
Claims reserve adjustment	(0.059)	(0.059)	(0.061)	(0.062)
Maintenance	1.076			
Material	4.670			
Melco - Global Settlement	1.300			
Depreciation/OPEB/Environmental Remediation	0.081			
Other Misc	0.424	0.062	0.061	0.065
<b>Total Cash Adjustment Changes</b>	<b>\$12.356</b>	<b>\$1.715</b>	<b>\$1.254</b>	<b>\$1.617</b>
<b>Total Baseline Changes</b>	<b>\$69.625</b>	<b>\$57.158</b>	<b>\$67.703</b>	<b>\$83.245</b>
<b>Baseline 2012 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$575.583)</b>	<b>(\$625.906)</b>	<b>(\$691.005)</b>	<b>(\$750.861)</b>

**MTA LONG ISLAND RAILROAD**  
**July Financial Plan 2013-2016**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

**REIMBURSABLE**

	2012	2013	2014	2015
<b>Baseline 2012 February Financial Plan - Operating Cash Income/(Deficit)</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
Vehicle Toll Revenue	0.000	0.000	0.000	0.000
Other Operating Revenue	0.000	0.000	0.000	0.000
Capital and Other Reimbursement	(1.874)	15.475	14.865	(0.258)
<b>Total Revenue Changes</b>	<b>(\$1.874)</b>	<b>\$15.475</b>	<b>\$14.865</b>	<b>(\$0.258)</b>
<b>Expenses</b>				
<i>Labor:</i>				
Payroll and Overtime	\$1.489	(\$1.825)	(\$1.078)	\$0.189
Health and Welfare	0.256	(0.086)	(0.065)	0.049
OPEB Current Payment	0.000	0.000	0.000	0.000
Pensions	(0.713)	(0.291)	(0.180)	0.075
Other Fringe Benefits	0.473	(0.104)	(0.079)	0.058
Reimbursable Overhead	1.460	(0.513)	(0.316)	0.132
<i>Total Labor Expense Changes</i>	<i>\$2.965</i>	<i>(\$2.819)</i>	<i>(\$1.718)</i>	<i>\$0.503</i>
<i>Non-Labor:</i>				
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000
Insurance	0.368	(0.053)	(0.053)	0.049
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	(2.157)	(4.499)	(2.198)	0.009
Professional Service Contracts	(0.704)	(1.724)	(0.287)	(0.311)
Materials & Supplies	2.280	(5.110)	(9.305)	0.008
Other Business Expenses	(0.878)	(1.270)	(1.304)	0.000
<i>Total Non-Labor Expense Changes</i>	<i>(\$1.091)</i>	<i>(\$12.656)</i>	<i>(\$13.147)</i>	<i>(\$0.245)</i>
<b>Total Expense Changes</b>	<b>\$1.874</b>	<b>(\$15.475)</b>	<b>(\$14.865)</b>	<b>\$0.258</b>
<b>Cash Adjustment Changes</b>				
Timing from 2012	(31.717)			
Amtrak Retro Wage	0.359			
Operating Funded Capital - 2012-2014 includes Rocla	(3.915)	(12.155)	(6.464)	0.209
<b>Total Cash Adjustment Changes</b>	<b>(\$35.273)</b>	<b>(\$12.155)</b>	<b>(\$6.464)</b>	<b>\$0.209</b>
<b>Total Baseline Changes</b>	<b>(\$35.273)</b>	<b>(\$12.155)</b>	<b>(\$6.464)</b>	<b>\$0.209</b>
<b>Baseline 2012 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$35.273)</b>	<b>(\$12.155)</b>	<b>(\$6.464)</b>	<b>\$0.209</b>

**MTA LONG ISLAND RAILROAD**  
**July Financial Plan 2013-2016**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

**NON-REIMBURSABLE/REIMBURSABLE**

	2012	2013	2014	2015
<b>Baseline 2012 February Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$645.208)</b>	<b>(\$683.064)</b>	<b>(\$758.708)</b>	<b>(\$834.106)</b>
<b>Baseline Changes</b>				
<b>Revenue</b>				
Farebox Revenue	\$13.996	\$19.416	\$19.150	\$18.843
Vehicle Toll Revenue	0.000	0.000	0.000	0.000
Other Operating Revenue	(0.063)	0.567	0.389	1.029
Capital and Other Reimbursement	(1.874)	15.475	14.865	(0.258)
<b>Total Revenue Changes</b>	<b>\$12.059</b>	<b>\$35.458</b>	<b>\$34.404</b>	<b>\$19.614</b>
<b>Expenses</b>				
<i>Labor:</i>				
Payroll and Overtime	(\$7.253)	(\$10.509)	(\$10.939)	(\$9.319)
Health and Welfare	7.445	2.078	7.195	9.590
OPEB Current Payment	3.511	1.537	4.537	5.787
Pensions	32.988	29.182	32.245	37.310
Other Fringe Benefits	1.534	(1.302)	(1.565)	(1.326)
Reimbursable Overhead	0.000	0.000	0.000	0.000
<b>Total Labor Expense Changes</b>	<b>\$38.225</b>	<b>\$20.986</b>	<b>\$31.473</b>	<b>\$42.042</b>
<i>Non-Labor:</i>				
Electric Power	\$6.463	\$9.240	\$17.128	\$24.692
Fuel	(0.234)	1.864	1.655	1.730
Insurance	0.951	(0.242)	(1.601)	(3.228)
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	(1.161)	(4.241)	(1.826)	0.130
Professional Service Contracts	(0.001)	(5.536)	(2.121)	(0.902)
Materials & Supplies	0.749	(5.118)	(13.334)	(3.250)
Other Business Expenses	0.299	3.032	0.671	0.800
<b>Total Non-Labor Expense Changes</b>	<b>\$7.066</b>	<b>(\$1.001)</b>	<b>\$0.572</b>	<b>\$19.972</b>
<b>Total Expense Changes before Depreciation and GASB Adjs.</b>	<b>\$45.291</b>	<b>\$19.985</b>	<b>\$32.045</b>	<b>\$62.014</b>
Depreciation	(\$0.081)	\$0.000	\$0.000	\$0.000
OPEB Obligation	0.000	0.000	0.000	0.000
Environmental Remediation	0.000	0.000	0.000	0.000
<b>Total Expense Changes</b>	<b>\$45.210</b>	<b>\$19.985</b>	<b>\$32.045</b>	<b>\$62.013</b>
<b>Cash Adjustment Changes</b>				
Timing from 2011	(\$25.058)	\$0.000	\$0.000	\$0.000
Amtrak Retro Wage	(1.101)	0.000	0.000	0.000
Operating Funded Capital - 2012-2014 includes Rocla	(3.915)	(12.155)	(6.464)	0.209
Insurance	(1.106)	0.280	0.032	(0.176)
GASB	0.771	1.432	1.222	1.790
Claims reserve adjustment	(0.059)	(0.059)	(0.061)	(0.062)
Maintenance	1.076	0.000	0.000	0.000
Material	4.670	0.000	0.000	0.000
Melco - Global Settlement	1.300	0.000	0.000	0.000
Depreciation/OPEB/Environmental Remediation	0.081	0.000	0.000	0.000
Other Misc	0.424	0.062	0.061	0.065
<b>Total Cash Adjustment Changes</b>	<b>(\$22.917)</b>	<b>(\$10.440)</b>	<b>(\$5.210)</b>	<b>\$1.826</b>
<b>Total Baseline Changes</b>	<b>\$34.352</b>	<b>\$45.003</b>	<b>\$61.239</b>	<b>\$83.453</b>
<b>Baseline 2012 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$610.856)</b>	<b>(\$638.061)</b>	<b>(\$697.469)</b>	<b>(\$750.653)</b>

**MTA LONG ISLAND RAILROAD**  
**July Financial Plan 2013-2016**  
**Summary of Major Programmatic Changes Between Financial Plans**  
(\$ in millions)

**NON-REIMBURSABLE and REIMBURSABLE**

	2012	2013	2014	2015
<b>Baseline 2012 February Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$645.208)</b>	<b>(\$683.064)</b>	<b>(\$758.708)</b>	<b>(\$834.106)</b>
<b><i>Non-Reimbursable Major Changes</i></b>				
<b>Revenue</b>				
Passenger Revenue	\$10.33	\$15.75	\$15.49	\$15.18
Additional AVS Savings (BRP)	3.663	3.663	3.663	3.663
Other Operating Revenue	(0.063)	0.567	0.389	1.029
 Sub-Total Non-Reimbursable Revenue Changes	 \$13.933	 \$19.983	 \$19.539	 \$19.872
<b>Expenses</b>				
Pension (latest actuarial estimate)	33.701	29.473	32.425	37.235
Health & Welfare/OPEB Current rate changes	9.969	4.666	12.832	16.324
Energy - Electric Power - rate changes	2.806	10.101	17.989	25.552
Energy - Fuel - rate changes	(0.232)	1.864	1.655	1.730
Insurance	0.583	(0.189)	(1.548)	(3.277)
Lightning Strike Initiatives	(1.116)	(1.964)	(1.047)	(1.070)
Elevator/Escalator Initiatives	(3.521)	(1.633)	(1.654)	(1.678)
Concrete Tie Replacement	1.154	4.087	1.842	0.845
FRA Mandates	(0.366)	(2.142)	(2.187)	(2.216)
Payroll rates, open positions and vacancy rate adjustments	(0.078)	(0.789)	(0.821)	(0.836)
M7, C3 and Diesel Reliability Centered Maintenance Activities	(0.368)	0.174	(5.640)	(3.627)
Barclay Center Service	(0.256)	(1.016)	(1.033)	(1.051)
Barclay PGA Event	(0.651)			
Fire Alarm System Upgrade	0.475	(2.275)	(1.800)	(1.800)
Service Adjustment	(0.947)	(1.433)	(1.287)	(1.299)
Labor Rate Correction	(1.505)	(2.416)	(2.107)	(1.797)
 Depreciation/OPEB/Environmental Remediation	 (0.081)	 -	 -	 -
Other	3.769	(1.049)	(0.708)	(1.279)
 Sub-Total Non-Reimbursable Expense Changes	 \$43.336	 \$35.460	 \$46.910	 \$61.756
<b>Total Non-Reimbursable Major Changes</b>	<b>\$57.269</b>	<b>\$55.443</b>	<b>\$66.449</b>	<b>\$81.628</b>
<b><i>Reimbursable Major Changes</i></b>				
<b>Revenue</b>				
Capital and Other Reimbursement	(1.874)	15.475	14.865	(0.258)
Sub-Total Reimbursable Revenue Changes	(\$1.874)	\$15.475	\$14.865	(\$.258)
<b>Expenses</b>				
East Side Access material	\$2.293	(\$1.500)	(\$6.900)	\$0.000
 Lightning Strike	 \$0.000	 (\$0.429)	 (\$0.416)	 (\$0.416)
Other project related activity	(0.419)	(13.547)	(7.549)	0.674
Sub-Total Reimbursable Expense Changes	\$1.874	(\$15.475)	(\$14.865)	\$0.258
<b>Total Reimbursable Major Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>
<b>Total Accrual Changes</b>	<b>\$57.269</b>	<b>\$55.443</b>	<b>\$66.449</b>	<b>\$81.628</b>
<b><i>Cash Adjustment Changes</i></b>				
Timing from 2011	(\$25.058)	\$0.000	\$0.000	\$0.000
Amtrak Retro Wage	(1.101)	0.000	0.000	0.000
Operating Funded Capital - 2012-2014 includes Rocla	(3.915)	(12.155)	(6.464)	0.209
Insurance	(1.106)	0.280	0.032	(0.176)
GASB	0.771	1.432	1.222	1.790
Claims reserve adjustment	(0.059)	(0.059)	(0.061)	(0.062)
Maintenance	1.076	0.000	0.000	0.000
Material	4.670	0.000	0.000	0.000
Melco - Global Settlement	1.300	0.000	0.000	0.000
Depreciation/OPEB/Environmental Remediation	0.081	0.000	0.000	0.000
Other Misc	0.424	0.062	0.061	0.064
<b>Total Cash Adjustment Changes</b>	<b>(\$22.917)</b>	<b>(\$10.440)</b>	<b>(\$5.210)</b>	<b>\$1.825</b>
<b>Total Baseline Changes</b>	<b>\$34.352</b>	<b>\$45.003</b>	<b>\$61.239</b>	<b>\$83.453</b>
<b>Baseline 2012 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$610.856)</b>	<b>(\$638.061)</b>	<b>(\$697.469)</b>	<b>(\$750.653)</b>

**MTA LONG ISLAND RAIL ROAD  
2013 Preliminary Budget  
July Financial Plan 2013 – 2016  
Ridership/(Utilization)**

**RIDERSHIP/UTILIZATION PROJECTIONS**

The regional economy and employment are the primary drivers of passenger ridership and revenue. Ridership through May has exceeded the Adopted Budget by 4.1% and was above the 2011 levels by 4.5% (adjusted for the same number of work days). This is due in large part to an improvement in the overall economy. The Mid Year Forecast projects 2012 ridership to be 83.187 million, which is an increase of 2.7% over the Adopted Budget. Ridership projections for the outer years 2014-2016 reveal modest annual growth of 0.8% in 2014, 0.7% in 2015 and 0.5% in 2016.

**MTA LONG ISLAND RAIL ROAD**  
**July Financial Plan 2013-2016**  
**Ridership/(Utilization)**  
(\$ in millions)

	<b>2011</b>	<b>2012</b>	<b>2013</b>			
	<b>Actual</b>	<b>Mid-Year Forecast</b>	<b>Preliminary Budget</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b><u>RIDERSHIP</u></b>						
Monthly	45.292	46.418	47.492	47.894	48.239	48.464
Weekly	1.668	1.693	1.706	1.719	1.731	1.739
<b>Total Commutation</b>	<b>46.960</b>	<b>48.110</b>	<b>49.198</b>	<b>49.613</b>	<b>49.970</b>	<b>50.203</b>
One-Way Full Fare	7.697	7.932	7.989	8.050	8.107	8.148
One-Way Off Peak	17.132	17.678	17.820	17.957	18.085	18.174
All Other	9.239	9.467	9.556	9.600	9.663	9.710
<b>Total Non-Commutation</b>	<b>34.067</b>	<b>35.077</b>	<b>35.365</b>	<b>35.607</b>	<b>35.855</b>	<b>36.031</b>
<b>Total Ridership</b>	<b>81.027</b>	<b>83.187</b>	<b>84.563</b>	<b>85.220</b>	<b>85.825</b>	<b>86.234</b>
<b><u>FAREBOX REVENUE</u></b>						
Passenger Revenue	\$571.706	\$584.723	\$594.650	\$598.780	\$603.006	\$605.983
<b>Total Revenue</b>	<b>\$571.706</b>	<b>\$584.723</b>	<b>\$594.650</b>	<b>\$598.780</b>	<b>\$603.006</b>	<b>\$605.983</b>

**MTA LONG ISLAND RAIL ROAD**  
**July Financial Plan 2013-2016**  
**2012 Budget Reduction Plan Summary**  
(\$ in millions)

		Favorable/(Unfavorable)									
		Pos.	2012	Pos.	2013	Pos.	2014	Pos.	2015	Pos.	2016
<u>Administration</u>											
None											
Subtotal Administration		-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Customer Convenience/Amenities</u>											
None		-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Customer Convenience/Amenities		-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Maintenance</u>											
None											
Subtotal Maintenance		-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Revenue Enhancement</u>											
Address Verification System (AVS)			3.663		3.663		3.663		3.663		3.663
Subtotal Revenue Enhancement		-	3.663	-	3.663	-	3.663	-	3.663	-	3.663
<u>Safety</u>											
None		-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Safety		-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Security</u>											
None		-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Security		-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Service</u>											
None		-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Service		-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Service Support</u>											
None											
Subtotal Service Support		-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Other</u>											
None		-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Other		-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<b>Agency Submission</b>		-	<b>\$3.663</b>	-	<b>\$3.663</b>	-	<b>\$3.663</b>	-	<b>\$3.663</b>	-	<b>\$3.663</b>



**MTA LONG ISLAND RAIL ROAD**  
**July Financial Plan 2013-2016**  
**2012 Budget Reduction Plan Worksheet**

**Category by Function:** Revenue Enhancement

**Program:** Address Verification System (AVS)

<b>Background Details:</b>	Address Verification System (AVS) at the LIRR's ticket vending machines will significantly reduce credit card chargebacks.
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<b>Program Description/ Implementation Plan:</b>	AVS requires a customer to enter the zip code of the credit card holder prior to completing a credit transaction. This is similar to many gas stations. There has been a greater reduction in chargebacks than originally anticipated. Charge backs have improved over all from 1.7% of total sales to less than 0.1%, resulting in increases passenger revenue from non-fraudulent ticket sales.
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<b>Program Implementation Date:</b>	7/1/2011	<b>When will savings begin?:</b>	7/1/2011
		<b>Are these savings recurring?:</b>	Yes
<b>Other Issues:</b>			

	Favorable/(Unfavorable)				
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$3.663	\$3.663	\$3.663	\$3.663	\$3.663
<i>Total Positions Required:</i>	0	0	0	0	0

**MTA LONG ISLAND RAIL ROAD**  
**2013 Preliminary Budget**  
**July Financial Plan 2013 – 2016**  
**Positions**  
**Year-To-Year Summary of Changes**

**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.

**2011 - 2012 Changes**

Total Positions of 6,529 in 2012 represents an increase of 217 positions from the 2011 year-end actuals. The increase of 217 positions is comprised of 212 non-reimbursable positions and 5 reimbursable positions. The non-reimbursable increase in positions is primarily due to 84 vacant positions at year end 2011 assumed to be filled by year end 2012, RCM initiatives, train crew staffing levels, accelerated hire of train crew for the new FRA Hours of Service regulations, elevator/escalator maintenance and implementation of the Lightning Strike action plan. The increase of 5 reimbursable positions is associated with changes in capital project activity.

**2012 - 2013 Changes**

The 2013 Preliminary Budget totals 6,597 positions, an increase of 68 positions from the 2012 Mid-Year forecast. This includes a decrease of 19 non-reimbursable positions and an increase of 87 reimbursable positions.

The net reduction of 19 non-reimbursable positions includes a shift of non-reimbursable Engineering maintenance workforce to Reimbursable project activity and changes in train crew staffing levels, partially offset by RCM initiatives. Reimbursable headcount increases by 87 which reflect the shift of Engineering workforce from maintenance activity to project activity as well as other project activity.

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**2014 – 2016 Changes**

Annual staffing levels increase by 179 in 2014, 135 in 2015 and 371 in 2016. Non-reimbursable positions increased by 188 in 2014, 150 in 2015 and 378 in 2016. These increases are primarily related to East Side Access start-up costs (increases of 183, 149 and 384 positions respectively). Reimbursable positions decreased by 9 in 2014, 15 in 2015 and 7 in 2016 due to changes in project activity.

**MTA LONG ISLAND RAIL ROAD**  
**2013 Preliminary Budget**  
**July Financial Plan 2013 – 2016**  
**Positions**  
**Plan-to-Plan Summary of Changes**

**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.

**2012 Changes**

Total Positions of 6,529 in 2012 represents an increase of 21 positions from the Adopted Budget. The increase of 21 positions is comprised of 37 non-reimbursable positions and a decrease of 16 reimbursable positions. The non-reimbursable increase in positions is primarily due to FRA Mandates as it relates to Hours of Service for train crew, timing of implementation of fare collection initiative efficiencies, increased resources dedicated to elevator/escalator maintenance and the implementation of the Lightning Strike response plan. The reduction of 16 reimbursable positions is associated with changes in capital project activity.

**2013 Changes**

The 2013 Preliminary Budget totals 6,597 positions, an increase of 72 positions from the Adopted Budget. The net increase of 54 non-reimbursable positions results from RCM initiatives, FRA Mandates as it relates to Hours of Service for train crew, increased resources dedicated to elevator/escalator maintenance and the implementation of the Lightning Strike response plan. The net increase of 18 reimbursable positions is driven by project activity, including the concrete tie replacement program.

**2014 – 2015 Changes**

The 2014 and 2015 Preliminary Budget reflects increases of 64 and 54 positions. Non-reimbursable positions increased by 55 and 53. This assumes the initiatives begun in 2013 continue through 2015. Reimbursable positions increase by 9 in 2014 and 1 in 2015 based on project activity.

MTA LONG ISLAND RAIL ROAD				
July Financial Plan 2013-2016				
Favorable/(Unfavorable)				
Total Position Changes at a Glance				
	2012	2013	2014	2015
<b>2012 February Plan - Total Baseline Positions</b>	<b>6,508</b>	<b>6,525</b>	<b>6,712</b>	<b>6,857</b>
Total Plan-to-Plan Changes	(21)	(72)	(64)	(54)
<b>2012 July Plan - Total Baseline Positions</b>	<b>6,529</b>	<b>6,597</b>	<b>6,776</b>	<b>6,911</b>
Total Year-to-Year Changes, July Plan		(68)	(179)	(135)

Total Plan-to-Plan Changes by Reporting Category:				
<i>Non-Reimbursable</i>	(37)	(54)	(55)	(53)
<i>Reimbursable</i>	16	(18)	(9)	(1)
<b>Total</b>	<b>(21)</b>	<b>(72)</b>	<b>(64)</b>	<b>(54)</b>
<i>Full-Time</i>	(21)	(72)	(64)	(54)
<i>Full-Time Equivalents</i>				
<b>Total</b>	<b>(21)</b>	<b>(72)</b>	<b>(64)</b>	<b>(54)</b>
<i>By Function Category</i>				
- Administration	22	22	22	22
- Operations	(63)	(44)	(43)	(43)
- Maintenance	34	(36)	(29)	(19)
- Engineering/Capital	(14)	(14)	(14)	(14)
- Public Safety	0	0	0	0
<b>Total</b>	<b>(21)</b>	<b>(72)</b>	<b>(64)</b>	<b>(54)</b>
<i>By Occupational Group</i>				
- Managers/Supervisors	(13)	(29)	(20)	(20)
- Professional, Technical, Clerical	(27)	(23)	(19)	(19)
- Operational Hourlies	19	(20)	(25)	(15)
<b>Total</b>	<b>(21)</b>	<b>(72)</b>	<b>(64)</b>	<b>(54)</b>

Total Plan-to-Plan Changes by Major Category:				
<i>2012 BRPs</i>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>New Needs</i>	(16)	(16)	(12)	(12)
<i>Change in Reimbursable Positions</i>	16	(18)	(9)	(1)
<i>Re-estimates &amp; All Other</i> <sup>1</sup>	(21)	(38)	(43)	(41)
<b>Total</b>	<b>(21)</b>	<b>(72)</b>	<b>(64)</b>	<b>(54)</b>

<sup>1</sup> Includes Full-time Equivalents

**MTA LONG ISLAND RAIL ROAD**  
**July Financial Plan 2013-2016**  
**Total Positions by Function and Department**  
**Non-Reimbursable/Reimbursable and Full-Time/Full Time Equivalents**

<b>FUNCTION/DEPARTMENT</b>	<b>2011 Actual</b>	<b>2012 Mid-Year Forecast</b>	<b>2013 Preliminary Budget</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Administration</b>						
Executive VP	2	3	3	3	3	3
Labor Relations	10	11	11	11	11	11
Procurement & Logistics (excl. Stores)	83	84	84	84	84	85
Human Resources	78	31	31	37	47	50
Sr VP Administration	2	2	2	2	2	2
Strategic Investments	30	32	32	32	32	32
President	4	4	4	4	4	4
VP & CFO/Pensions	9	8	8	8	8	8
Information Technology	157	160	160	160	160	167
Controller	39	41	41	41	41	41
Management and Budget	18	18	18	18	18	18
Process Re-Engineering	6	7	7	7	7	7
VP - East Side Access & Special Projects	19	27	27	27	27	27
Market Dev. & Public Affairs	59	59	59	59	59	59
Gen. Counsel & Secretary	30	30	30	30	30	30
Diversity Management	2	1	1	1	1	1
System Safety/Training	20	66	66	66	66	66
Security	6	6	6	6	6	6
Sr VP Operations/Oper. S/A & Serv. Planning	37	24	24	24	24	22
<b>Total Administration</b>	<b>611</b>	<b>614</b>	<b>614</b>	<b>620</b>	<b>630</b>	<b>639</b>
<b>Operations</b>						
Train Operations	1,784	1,870	1,848	2,004	2,096	2,244
Customer Services	274	292	292	292	293	299
<b>Total Operations</b>	<b>2,058</b>	<b>2,162</b>	<b>2,140</b>	<b>2,296</b>	<b>2,389</b>	<b>2,543</b>
<b>Maintenance</b>						
Engineering	1,532	1,554	1,616	1,622	1,640	1,670
Equipment	1,912	1,979	2,007	2,018	2,032	2,210
Procurement (Stores)	93	93	93	93	93	93
<b>Total Maintenance</b>	<b>3,537</b>	<b>3,626</b>	<b>3,716</b>	<b>3,733</b>	<b>3,765</b>	<b>3,973</b>
<b>Engineering/Capital</b>						
Department of Project Management	106	127	127	127	127	127
<b>Total Engineering/Capital</b>	<b>106</b>	<b>127</b>	<b>127</b>	<b>127</b>	<b>127</b>	<b>127</b>
<b>Total Baseline Positions</b>	<b>6,312</b>	<b>6,529</b>	<b>6,597</b>	<b>6,776</b>	<b>6,911</b>	<b>7,282</b>
<i>Non-Reimbursable</i>	5,765	5,977	5,958	6,146	6,296	6,674
<i>Reimbursable</i>	547	552	639	630	615	608
<i>Total Full-Time</i>	6,312	6,529	6,597	6,776	6,911	7,282
<i>Total Full-Time Equivalents</i>	-	-	-	-	-	-

**MTA LONG ISLAND RAIL ROAD**  
**July Financial Plan 2013-2016**  
**Total Positions by Function and Occupation**

FUNCTION/DEPARTMENT		2011 Actual	2012 Mid-Year Forecast	2013 Preliminary Budget	2014	2015	2016
<b>Administration</b>							
	Managers/Supervisors	287	309	309	315	325	334
	Professional, Technical, Clerical	324	305	305	305	305	305
	Operational Hourlies	-	-	-	-	-	-
	<b>Total Administration</b>	611	614	614	620	630	639
<b>Operations</b>							
	Managers/Supervisors	287	326	326	325	326	346
	Professional, Technical, Clerical	155	162	162	162	162	162
	Operational Hourlies	1,616	1,674	1,652	1,809	1,901	2,035
	<b>Total Operations</b>	2,058	2,162	2,140	2,296	2,389	2,543
<b>Maintenance</b>							
	Managers/Supervisors	643	691	708	703	739	782
	Professional, Technical, Clerical	238	272	270	266	268	268
	Operational Hourlies	2,656	2,663	2,738	2,764	2,758	2,923
	<b>Total Maintenance</b>	3,537	3,626	3,716	3,733	3,765	3,973
<b>Engineering/Capital</b>							
	Managers/Supervisors	90	106	106	106	106	106
	Professional, Technical, Clerical	16	21	21	21	21	21
	Operational Hourlies	-	-	-	-	-	-
	<b>Total Engineering/Capital</b>	106	127	127	127	127	127
<b>Public Safety</b>							
	Managers/Supervisors	-	-	-	-	-	-
	Professional, Technical, Clerical	-	-	-	-	-	-
	Operational Hourlies	-	-	-	-	-	-
	<b>Total Public Safety</b>	-	-	-	-	-	-
<b>Total Baseline Positions</b>							
	Managers/Supervisors	1,307	1,432	1,449	1,449	1,496	1,568
	Professional, Technical, Clerical	733	760	758	754	756	756
	Operational Hourlies	4,272	4,337	4,390	4,573	4,659	4,958
	<b>Total Baseline Positions</b>	6,312	6,529	6,597	6,776	6,911	7,282

# **Metro-North Railroad**

**MTA METRO-NORTH RAILROAD**  
**2013 Preliminary Budget**  
**July Financial Plan 2013 - 2016**

**FINANCIAL OVERVIEW**

Metro-North continues to ensure that its operating and financial plans consider and incorporate proactive business initiatives. The development of the July Financial Plan 2013-2016 flows from Metro-North's Vision 2013 strategic plan which sets the framework for the railroad's long-term goal to become a brand name for excellence by providing high quality service and using financial resources efficiently.

The July 2012 Financial Plan update reflects the continuation of the positive financial trends that Metro-North experienced during the latter part of 2011. These positive trends include ridership growth that has contributed to greater passenger revenues, increasing non-passenger revenue from GCT retail operations, controlled overtime, and lower inventory spending from more efficient procurement and use of materials and equipment. These trends and other favorable cost adjustments provide opportunities for Metro-North to re-invest in programs that ensure the maintenance of our high service quality, meet regulatory requirements, and address organizational succession planning and infrastructure needs.

The July Financial Plan also sustains the hard earned savings achieved from previous cost reduction measures, maintains current safety standards, and incorporates further cost savings through a budget reduction plan which reduces non-reimbursable operating subsidies by \$3.5 million and incorporates additional efficiencies from programs that reduce material purchases and consumption by \$5.8 million in 2013.

Key on-going or new programs funded in the July Financial Plan are highlighted below:

1. *Continued ridership growth in 2012 will enable Metro-North to achieve the highest ridership in its history*
  - The 2012 Mid-Year Forecast includes 85.6 million riders that is 2.4% higher than the 2012 Adopted Budget and 4.4% higher than 2011. This improvement reflects our high quality service, an improved regional economy, growing employment, and a mild winter season. This also results in higher 2012 farebox revenues of \$11 million.
  - In 2013-2016 ridership is projected to grow approximately 2% annually with growth occurring across all commuter lines.
  - Financial plan projections assume no fare increases in New York State, and fare increases in Connecticut of 5.04% in 2013 and 2014, and annual increases of 1.0% in 2015 and 2016.



- Efforts to promote ridership growth continue with increases in programmed service expansion, increased parking and promotional advertising, as well as a projected continuation of regional employment growth.
2. *Recent changes in regulatory requirements to improve safety require the railroad to provide additional employee training or to monitor employee service hours. In order to comply with these guidelines the following additional resources are required:*
- Maintenance of Equipment Training  
There has been a greater level of training required for Maintenance of Equipment personnel due to changes in FRA Rail Safety Advisory Committee (RSAC) Minimum Training Standards. To keep pace with these regulatory changes and meet succession planning requirements for projected new hires, four additional training staff employees are required.
  - Hours of Service  
With the recent change in Hours of Service (HOS) regulations governing Conductors and Engineers, additional tracking of T&E employee service hours is required to ensure Metro-North is in compliance. To perform this function, three clerical positions have been added to the Crew Dispatching Office to track the availability of on-board personnel.
3. *Strategic Initiatives address succession planning needs, enhance service quality while achieving overtime efficiencies, and improve passenger revenue collections*
- Conductor Right Sizing – a review of the Conductor workforce was performed to address recent declines in employee availability primarily due to higher attrition and other factors. Lower employee availability results in higher overtime and lost revenue when train service assignments cannot be covered. To address this issue, 24 Conductors will be added. This initiative will have a zero impact on operating subsidies by 2014 as additional train crew costs will be offset by lower overtime and higher passenger revenue collections.
  - Operation Control Center (OCC) Service Quality and Succession Planning – Since the Rail Traffic Controllers and their Supervisors control all train dispatching and are must-fill positions requiring coverage on a 24 hour, 7 day per week basis, staffing and shift coverage had been previously been covered through the use of overtime. Operations Control Center staff has incurred a marked increase in work over the past years due to increases in train service related to ridership growth without an increase to staffing levels. In addition, the average age/years of service of the employees in this Unit leads to projected increases in attrition rates beginning in 2013, with new employees requiring a one-year training period to meet job qualifications. Accordingly, the addition of 10 OCC positions is required to improve service coverage and reduce overtime costs (\$0.5 million in 2013).

4. *Additional Train Service*

Provisions for additional train service begin in October 2012 and continue in the 2013-2016 period. Service changes are designed to address growing ridership levels, mitigate customer conditions on board trains that exceed Metro-North standards, meet seasonal ridership demands, accommodate parking expansion and protect revenue collection. In 2012 and 2013 increases in New Haven Line service is included in the financial plan to address overcrowded trains on weekdays and weekends, provide better intermediate service during the morning and evening peaks, and take advantage of the new signal system on the Danbury Branch.

5. *Improved Service Reliability with new M8's*

In partnership with CDOT, Metro-North continues to phase-in the replacement of the entire New Haven Line electric car fleet with new M-8 cars. By the end of 2012, 178 of the 405 new M-8 cars are scheduled to be in service, with all cars on-line in 2014. With the integration of this equipment into daily train operations, service reliability will be improved as the aging and lesser performing M-2, M-4 and M-6 cars are retired. Through May 2012, the new M-8 fleet is having a very positive operating impact on the New Haven Line as on-time performance of 98% is exceeding the goal of 97.2%, and the Mean Distance Between Failure (MDBF) is significantly better for M-8 cars than the other cars in the NHL electric fleet (April YTD MDBF for new M-8 cars is 212,251 miles vs. 102,499 miles for M-2 cars and 102,500 miles for the M4 and M6 fleets). The financial plan incorporates the phasing in of resources necessary to support new M-8 cars and the associated improvement and expansion of shop facilities at New Haven. This not only includes additional staffing for required maintenance and inspection to a larger car fleet, but also incorporates the savings in material consumption that will be enjoyed as the older, less reliable, NHL electric cars are retired.

6. *Infrastructure Improvements and Maintenance Programs that ensure the continuation of high service quality*

- Power reliability projects include enhancements to the third rail and catenary infrastructure, as well as traction power delivery systems and switches.
- In GCT, new maintenance programs will be put in place in 2013 to ensure the reliability of Terminal's building ventilation systems:
  - New energy efficient electric-powered chillers that support the GCT air conditioning system, installed in partnership with NYPA, will require maintenance forces to ensure this equipment is monitored, inspected and maintained on a 24/7 basis.
  - An HVAC preventive maintenance program will be put in place in 2013 to perform scheduled cleaning, inspection and maintenance to HVAC systems that have been installed in the Terminal over the past several years. Staffing additions supporting this program are partially offset by lower overtime costs (\$0.1 million).

- The July Financial Plan includes the resources for the continuation of Locomotive Overhaul programs that maintain equipment reliability, improve their mean distance between failures, and reduce out-of-service rates which avoids extraordinary operating costs for major component repairs and locomotive rentals.
  - Genesis locomotive overhauls continue to be funded and are scheduled for completion in 2013.
  - Two West of Hudson locomotives have been scheduled for overhaul in 2012.
  - Overhaul of GP35 locomotives beginning in 2013 will ensure continued reliability of this work equipment.
- Continuation of the phased replacement of Hudson Rail Link shuttle buses ensures the reliability and adequate capacity of this successful connecting service.
- Right-of-Way maintenance equipment will be procured to ensure Metro-North is adequately prepared to perform on-going maintenance and combat inclement weather conditions to minimize service disruptions and rolling stock damage.
- Cyclical Station Painting will be expanded to further improve the station environment.
- Metro-North will maximize track outages while performing construction projects by simultaneously scheduling maintenance work in the same area.

*7. Customer Service initiatives that improve customer communication and convenience*

- Resources are included to support the development of a comprehensive plan to improve the maintenance, performance and eventual replacement of GCT escalators.
- Metro-North is establishing a comprehensive interdepartmental Station Ownership Program to better coordinate station cleaning, maintenance and capital improvements that will result in an inviting and safe station environment that further enhances the overall customer experience.
- Metro-North Train-time will be enhanced to improve the communication of track assignment changes to customers.
- Installation of new customer information monitors and the replacement of outdated electronic platform signs at outlying stations to improve the quality of information communicated to customers.
- Installation of NYCT monitors (SAIDs-Station Advisory Information Displays) in GCT and Metro-North information displays at select Subway transfer stations will provide customers with real-time service status information.
- Purchase of additional Ticket Vending Machines in 2013 and recent upgrades to Ticket Machine security for credit cards will improve customer convenience and generate additional revenue.

- Handheld computers will be developed for GCT Customer Service Representatives in 2013 to provide convenient and on-the-spot transportation and non-transportation information to MNR riders, NYC tourists and GCT shoppers.
  - Additional Customer Service Representatives will be added to reduce the response time to a rapidly growing number of customer inquiries
8. *Continue on-going Safety and Security programs as part of Metro-North's commitment to safety as Priority One*
- Continue accident prevention programs, safety committees, and communication efforts that increase customer and employee safety awareness and reduce injuries.
  - Maintain existing resources that support the maintenance and monitoring of security systems in New York and Connecticut.
  - Add resources to maintain fire and security alarm equipment recently installed at outlying stations.
  - M-3 Door Modification program will create redundancy in door operating systems, improving fleet reliability and safety.
  - Evaluation of additional customer safety improvements at stations is currently underway which includes expansion of the communication network for security cameras, centralization of elevator alarm systems and control, and coordinated efforts to improve maintenance and related safety conditions.
  - Emergency water supply will be available on-board trains for use during service disruptions.
9. *Sustainability Initiatives not only focus on being "Greener" but also on less costly ways of doing business*
- In partnership with the New York Power Authority (NYPA), Metro-North will take steps to conserve electricity through the following programs:
    - Installation of HVAC system upgrades in GCT
    - Installation of energy efficient lighting in GCT and at select offices, conference rooms, shop locations and stations.
    - Developing a solar carport in the new parking lot at Cortlandt Station to provide solar powered charging stations for electric cars for commuters.
  - Auto-shutoff lighting fixtures and low flow water appliances will continue to be installed at select locations.
  - The recycling program will continue and be expanded at several shop locations.
  - The conversion of copy machines to data network connected multi-functional office equipment eliminates the need for individual fax machines and printers, which reduces equipment costs, electricity consumption, and toner costs and disposal.

*10. Technology Investments that replace dated legacy systems, help meet regulatory requirements, and enhance customer service and information*

- The Crew Management System (CMS) that is used to process Train and Engine payroll requires a platform upgrade to web-based technology that will replace outdated technology supporting this system.
- Development of an application for Electronic Hours of Service (EHOS) tracking will enable Metro-North to more efficiently monitor Train and Engine employee work hours and their availability for service to ensure compliance with federal guidelines.
- Integrated scheduling systems will be developed and implemented over the next three years to replace outdated train scheduling applications and provide a link with crew scheduling, crew management, and customer communication systems.
- To improve customer convenience and enhance revenue collection efforts, Ticket Issuing Machines will be replaced starting in late 2014 with units that support debit, credit, smartcard, and barcode scanning technology.
- Resources have also been added to support business process reviews and project management of key IT initiatives.

*11. Financial Stability initiatives result in efficiencies or expense reductions that improve financial controls or save costs*

- In 2012, the installation and implementation of Kronos timekeeping will be completed at all facilities to improve the tracking and reporting of personnel costs.
- Competitive bidding for New Haven Line Electric Traction Power results in lower energy prices (approximately \$700k in annual savings).
- Overtime  
Over the past several years, Metro-North has managed its overtime to reduce unscheduled overtime and balance overtime spending with service reliability. This discipline continues in the July Financial Plan as the 2012 Mid-Year Forecast for Overtime is on-target to an already reduced 2012 budget, reflecting cost levels below those incurred in 2008. Overtime reduction strategies employed to date include:
  - Reducing overtime from full-shifts to half-shifts when applicable;
  - Scheduling vacation time more evenly throughout the year;
  - Reallocating resources to night work;
  - Adjusting maintenance cycles in GCT;
  - Reviewing coverage to meet service requirements, consist compliance, and preserve peak period service; and
  - Incorporating overtime savings associated with new M-8 cars.

Continuation of these programs as well as additional Overtime saving initiatives to increase employee availability result in a 2013 Preliminary Budget forecast of \$53.3 million, a 1% decrease versus the 2012 Mid Year Forecast.

- Strategic Procurement/Inventory Planning  
Efforts to reduce stock inventory purchases and improve control of material usage will continue through the implementation of strategic procurement and inventory planning initiatives that partner maintenance needs with material management efforts. In 2010 and 2011 reductions of over \$20 million in material procurements were achieved as compared to 2009 levels. Actions that were successfully implemented over this period include:
  - Refinement in the scheduling of maintenance programs.
  - Managing safety stock levels.
  - Monitoring inventory replenishments.
  - Implementation of a new forecasting model for inventory procurements.
  - Developing a new Maintenance of Way Department Material Management Unit.

The July Financial Plan incorporates several new strategic initiatives that reduce material purchases and consumption and save nearly \$6 million annually versus the adopted February Financial Plan. These efforts include:

- Modification to the M7 seat replacement program that will continue the cyclical replacement of seat covers on all cars but replace seat bottoms on an as-needed basis (instead of a full replacement program). This change enables material savings of over \$3 million annually starting in 2013.
- With the integration of new M-8 cars into daily train service material efficiencies will not only be gained from the high performance of this equipment, but enables adjustments to programmed maintenance on the older New Haven Line car fleet where timed change-outs of traction motors is replaced with failure-based maintenance.
- Recent modifications to NHL car fleet traction motors reduce stress on this equipment and lower the frequency of motor failure rates and component repair costs.

#### *12. Non-Passenger Revenue continues its positive growth trend*

- Improvements to Metro-North's bottom-line have been further bolstered by new sources of non-passenger revenue attributed to efforts that leverage Metro-North assets for GCT retail revenue, parking, advertising, commissary services, and vending. On-going efforts enable a \$3 million increase in 2012 forecasted revenues over the adopted budget.
- The retail revenue stream in GCT is also used for GCT renovation projects that preserve and maintain Terminal's landmark status. In 2012, projects that renovate canopies and entrance doors will be completed and the project to further improve the GCT trainshed will begin.

The financial plan also includes inflation-driven changes for energy, material and supplies, employee health benefit costs and insurance coverage. Labor costs and wage

contract settlement assumptions, as well as Defined Benefit Pension contributions, were adjusted in accordance with current growth assumptions.

## **2012 MID-YEAR FORECAST**

The 2012 Mid-Year Forecast Non-Reimbursable Budget reflects revenue projections totaling \$647.2 million, and expenses, including depreciation, of \$1,308.2 million that generate an operating deficit of \$661.0 million. Operating revenues of \$647.2 million reflect passenger revenues of \$600.1 million that are \$11.1 million higher than the adopted budget due to higher ridership (2.4% increase vs. the adopted budget and 4.4% vs. 2011). Non-passenger revenues of \$47.1 million are \$3.2 million favorable to the adopted budget due to higher GCT retail proceeds and outlying station revenue. Non-reimbursable operating expenses of \$1,308.2 million reflect the reduction of \$37.2 million compared to the adopted budget. Cost savings include lower labor expense due to authorized but unfilled positions, lower health and welfare premiums and reduced pension estimates. 2012 non-labor expenditures reflect lower energy costs, material usage efficiencies as well as higher cost recoveries from Amtrak and reduced provisions for environmental remediation.

The 2012 Mid-Year Reimbursable revenue and expense projections total \$199.0 million which is \$15.3 million lower than the 2012 Adopted Budget. This reduction reflects the re-estimate of various projects including lower costs for the Port Jervis Line Reconstruction Phase 2, the Cyclical Track Program and the rescheduling of the Park Ave Tunnel 3<sup>rd</sup> Rail Bracket replacement project.

## **2013 PRELIMINARY BUDGET-BASELINE**

The 2013 Preliminary Non-Reimbursable Budget reflects revenue projections totaling \$671.9 million, and expenses, including depreciation, of \$1,368.5 million that generate an operating deficit of \$696.6 million. Non-reimbursable farebox revenue of \$624.2 million is \$24.1 million or 4.0% higher than the 2012 Mid-Year Forecast due to ridership growth projected at 2.1%. Non-passenger revenue is \$0.6 million or 1.2% higher than 2012 reflecting stable advertising, parking and GCT retail revenues. Operating expenses of \$1,368.5 million reflect higher employee benefit costs, anticipated increases in electric power costs and insurance, as well as inflation-based increases for material. Labor costs reflect CPI-based wage increase assumptions, fewer vacancies and several new initiatives. New initiatives include staffing to meet regulatory requirements for employee training and monitoring, strategic staffing initiatives for train operations that reduce overtime, enhance revenue collection and address succession planning needs; increased maintenance staff for new M-8 cars and GCT HVAC systems; and staffing for train service improvements.

The 2013 Proposed Reimbursable revenues and expenses total \$193.0 million and reflect the completion of the Port Jervis Line Reconstruction Phase 2, and the Danbury Branch Signal System.

## **2014-2016 PROJECTIONS**

The 2014-2016 expenditure projections will allow Metro-North to continue initiatives that maintain or enhance train service levels, 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 M-8 car fleet. Financial stability measures include the removal of completed programs such as locomotive overhauls, and the incorporation of projected cost changes in labor, energy, employee benefits, insurance and material. Major assumptions reflected in the 2014-2016 projections and reconciliation to the February Plan is furnished later in this document.



**MTA METRO-NORTH RAILROAD**  
**July Financial Plan 2013 - 2016**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

<b>NON-REIMBURSABLE</b>						
	<b>2011</b>	<b>2012</b>	<b>2013</b>			
	<b>Actual</b>	<b>Mid-Year</b>	<b>Preliminary</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
		<b>Forecast</b>	<b>Budget</b>			
<b>Operating Revenue</b>						
Farebox Revenue	\$567.533	\$600.100	\$624.152	\$650.684	\$665.296	\$677.862
Other Operating Revenue	47.757	47.125	47.707	50.223	52.183	53.950
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						
<b>Total Revenue</b>	<b>\$615.290</b>	<b>\$647.225</b>	<b>\$671.859</b>	<b>\$700.907</b>	<b>\$717.479</b>	<b>\$731.812</b>
<b>Operating Expenses</b>						
<b>Labor:</b>						
Payroll	\$385.061	\$398.991	\$413.231	\$424.038	\$432.421	\$441.871
Overtime	60.094	53.855	53.303	54.301	55.322	56.356
Health and Welfare	77.195	82.070	98.813	101.393	109.740	118.900
OPEB Current Payment	16.748	18.000	19.000	21.000	21.500	22.000
Pensions	50.895	61.790	64.643	64.133	65.401	67.135
Other Fringe Benefits	87.746	93.546	96.727	99.405	101.925	104.570
Reimbursable Overhead	(36.894)	(40.501)	(40.197)	(40.975)	(41.747)	(42.537)
<b>Total Labor Expenses</b>	<b>\$640.845</b>	<b>\$667.752</b>	<b>\$705.519</b>	<b>\$723.295</b>	<b>\$744.561</b>	<b>\$768.295</b>
<b>Non-Labor:</b>						
Electric Power	\$72.980	\$77.967	\$84.231	\$86.992	\$93.031	\$99.442
Fuel	30.427	27.529	26.825	26.812	27.073	27.180
Insurance	10.027	11.081	12.550	14.395	16.563	19.055
Claims	1.926	0.485	0.485	0.460	0.460	0.460
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	88.204	102.838	100.399	95.401	103.941	105.511
Professional Service Contracts	21.459	26.340	29.798	29.725	28.750	29.206
Materials & Supplies	69.646	70.720	75.282	77.825	79.644	83.520
Other Business Expenses	24.647	23.521	27.910	28.098	29.718	31.863
<b>Total Non-Labor</b>	<b>\$319.316</b>	<b>\$340.481</b>	<b>\$357.480</b>	<b>\$359.708</b>	<b>\$379.180</b>	<b>\$396.237</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 Depreciation and GASB Adjs.</b>	<b>\$960.161</b>	<b>\$1,008.233</b>	<b>\$1,062.999</b>	<b>\$1,083.003</b>	<b>\$1,123.741</b>	<b>\$1,164.532</b>
Depreciation	\$213.811	\$236.015	\$240.523	\$245.478	\$250.633	\$256.096
OPEB Obligation	57.015	59.997	60.993	62.146	63.314	64.511
Environmental Remediation	4.460	3.955	3.955	3.955	3.955	3.955
<b>Total Expenses</b>	<b>\$1,235.447</b>	<b>\$1,308.200</b>	<b>\$1,368.470</b>	<b>\$1,394.582</b>	<b>\$1,441.643</b>	<b>\$1,489.094</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$620.157)</b>	<b>(\$660.974)</b>	<b>(\$696.611)</b>	<b>(\$693.675)</b>	<b>(\$724.164)</b>	<b>(\$757.282)</b>
<b>Cash Conversion Adjustments:</b>						
Depreciation	\$213.811	\$236.015	\$240.523	\$245.478	\$250.633	\$256.096
Operating Capital	(8.981)	(26.646)	(21.982)	(19.497)	(17.000)	(17.000)
Other Cash Adjustments	16.000	94.309	47.012	46.310	67.542	75.351
<b>Total Cash Conversion Adjustments</b>	<b>\$220.830</b>	<b>\$303.678</b>	<b>\$265.553</b>	<b>\$272.291</b>	<b>\$301.175</b>	<b>\$314.447</b>
<b>Baseline Cash Surplus/(Deficit)</b>	<b>(\$399.327)</b>	<b>(\$357.296)</b>	<b>(\$431.058)</b>	<b>(\$421.384)</b>	<b>(\$422.989)</b>	<b>(\$442.835)</b>

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**MTA METRO NORTH RAILROAD**  
**July Financial Plan 2013 - 2016**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

<b>NON-REIMBURSABLE / REIMBURSABLE</b>						
	<b>2011</b>	<b>2012</b>	<b>2013</b>			
	<b>Actual</b>	<b>Mid-Year Forecast</b>	<b>Preliminary Budget</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Revenue</b>						
Farebox Revenue	\$567.533	\$600.100	\$624.152	\$650.684	\$665.296	\$677.862
Other Operating Revenue	47.757	47.125	47.707	50.223	52.183	53.950
MNR - MTA	94.510	106.481	105.937	108.397	111.458	114.629
MNR - CDOT	96.857	82.952	76.881	76.290	75.983	78.016
MNR - Other	19.198	9.592	10.198	10.403	10.649	10.904
Capital and Other Reimbursements	210.565	199.026	193.016	195.090	198.090	203.549
<b>Total Revenue</b>	<b>\$825.855</b>	<b>\$846.251</b>	<b>\$864.875</b>	<b>\$895.997</b>	<b>\$915.569</b>	<b>\$935.361</b>
<b>Expenses</b>						
<b>Labor:</b>						
Payroll	\$427.359	\$444.012	\$458.855	\$470.541	\$479.793	\$490.133
Overtime	78.582	70.661	70.260	71.587	72.933	74.297
Health and Welfare	88.459	94.758	113.456	116.580	126.051	136.414
OPEB Current Payment	16.748	18.000	19.000	21.000	21.500	22.000
Pensions	56.280	69.912	73.221	72.593	74.033	75.983
Other Fringe Benefits	99.041	104.356	107.338	110.261	113.052	115.966
Reimbursable Overhead	1.168	(0.588)	0.225	0.227	0.225	0.223
<b>Total Labor</b>	<b>\$767.637</b>	<b>\$801.112</b>	<b>\$842.355</b>	<b>\$862.789</b>	<b>\$887.588</b>	<b>\$915.016</b>
<b>Non-Labor:</b>						
Electric Power	\$73.248	\$77.967	\$84.231	\$86.992	\$93.031	\$99.442
Fuel	30.427	27.529	26.825	26.812	27.073	27.180
Insurance	14.328	15.590	17.104	19.037	21.292	23.873
Claims	1.926	0.485	0.485	0.460	0.460	0.460
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	144.163	121.829	113.354	108.601	117.389	119.213
Professional Service Contracts	27.782	34.784	39.908	37.708	34.565	35.131
Materials & Supplies	86.068	101.212	100.561	104.251	107.307	112.431
Other Business Expenses	25.147	26.750	31.192	31.443	33.125	35.335
<b>Total Non-Labor</b>	<b>\$403.089</b>	<b>\$406.146</b>	<b>\$413.660</b>	<b>\$415.304</b>	<b>\$434.242</b>	<b>\$453.065</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 Depreciation and GASB Adjs.</b>	<b>\$1,170.726</b>	<b>\$1,207.258</b>	<b>\$1,256.016</b>	<b>\$1,278.093</b>	<b>\$1,321.831</b>	<b>\$1,368.081</b>
Depreciation	\$213.811	\$236.015	\$240.523	\$245.478	\$250.633	\$256.096
OPEB Obligation	57.015	59.997	60.993	62.146	63.314	64.511
Environmental Remediation	4.460	3.955	3.955	3.955	3.955	3.955
<b>Total Expenses</b>	<b>\$1,446.012</b>	<b>\$1,507.225</b>	<b>\$1,561.487</b>	<b>\$1,589.672</b>	<b>\$1,639.733</b>	<b>\$1,692.643</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$620.157)</b>	<b>(\$660.974)</b>	<b>(\$696.611)</b>	<b>(\$693.675)</b>	<b>(\$724.164)</b>	<b>(\$757.282)</b>
<b>Cash Conversion Adjustments:</b>						
Depreciation	\$213.811	\$236.015	\$240.523	\$245.478	\$250.633	\$256.096
Operating Capital	(8.981)	(26.646)	(21.982)	(19.497)	(17.000)	(17.000)
Other Cash Adjustments	16.000	94.309	47.012	46.310	67.542	75.351
<b>Total Cash Conversion Adjustments</b>	<b>\$220.830</b>	<b>\$303.678</b>	<b>\$265.553</b>	<b>\$272.291</b>	<b>\$301.175</b>	<b>\$314.447</b>
<b>Baseline Cash Surplus/(Deficit)</b>	<b>(\$399.327)</b>	<b>(\$357.296)</b>	<b>(\$431.058)</b>	<b>(\$421.384)</b>	<b>(\$422.989)</b>	<b>(\$442.835)</b>

**MTA METRO NORTH RAILROAD**  
**July Financial Plan 2013 - 2016**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

**CASH RECEIPTS AND EXPENDITURES**

	2011 Actual	2012 Mid-Year Forecast	2013 Preliminary Budget	2014	2015	2016
<b>Receipts</b>						
Farebox Revenue	\$574.623	\$607.705	\$632.102	\$658.784	\$673.796	\$686.362
Other Operating Revenue	68.645	71.959	74.527	76.857	81.382	82.017
MNR - MTA	54.611	126.406	105.728	109.376	115.298	118.804
MNR - CDOT	78.599	100.491	76.869	76.072	75.787	78.060
MNR - Other	16.037	12.539	10.140	10.352	10.588	10.841
Capital and Other Reimbursements	149.247	239.436	192.737	195.800	201.673	207.705
<b>Total Revenue</b>	<b>\$792.515</b>	<b>\$919.100</b>	<b>\$899.366</b>	<b>\$931.441</b>	<b>\$956.851</b>	<b>\$976.084</b>
<b>Expenditures</b>						
<b>Labor:</b>						
Payroll	\$427.153	\$447.862	\$459.662	\$479.254	\$479.697	\$488.471
Overtime	79.601	71.664	70.723	74.111	73.383	74.739
Health and Welfare	89.595	102.036	117.315	120.764	130.319	139.769
OPEB Current Payment	15.699	19.500	19.000	21.000	21.500	22.000
Pensions	72.659	55.064	73.381	72.752	74.196	76.149
Other Fringe Benefits	97.196	104.642	107.463	111.783	112.410	115.310
GASB Account	0.000	8.746	9.607	10.512	11.229	12.035
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor</b>	<b>\$781.903</b>	<b>\$809.514</b>	<b>\$857.151</b>	<b>\$890.176</b>	<b>\$902.734</b>	<b>\$928.473</b>
<b>Non-Labor:</b>						
Electric Power	\$73.070	\$79.781	\$86.424	\$89.236	\$95.327	\$101.792
Fuel	27.470	28.429	26.825	26.812	27.073	27.180
Insurance	12.222	17.817	16.587	18.460	21.573	23.115
Claims	0.355	0.631	0.631	0.606	0.606	0.606
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	148.699	135.282	124.445	112.568	117.592	113.839
Professional Service Contracts	18.728	36.307	40.889	38.511	35.355	35.907
Materials & Supplies	107.907	114.861	118.986	117.811	118.915	125.342
Other Business Expenditures	21.488	53.774	58.487	58.645	60.666	62.665
<b>Total Non-Labor</b>	<b>\$409.939</b>	<b>\$466.882</b>	<b>\$473.274</b>	<b>\$462.649</b>	<b>\$477.107</b>	<b>\$490.446</b>
<b>Other Adjustments:</b>						
Other						
Cash Timing and Availability Adjustment	(\$4.209)					
<b>Total Other Expense Adjustments</b>	<b>(\$4.209)</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>\$1,187.633</b>	<b>\$1,276.396</b>	<b>\$1,330.425</b>	<b>\$1,352.825</b>	<b>\$1,379.841</b>	<b>\$1,418.919</b>
<b>Baseline Cash Surplus/(Deficit)</b>	<b>(\$395.118)</b>	<b>(\$357.296)</b>	<b>(\$431.059)</b>	<b>(\$421.384)</b>	<b>(\$422.990)</b>	<b>(\$442.835)</b>
<b>Subsidies</b>						
MTA	(\$306.042)	(\$279.895)	(\$335.465)	(\$339.622)	(\$339.069)	(\$355.531)
CDOT	(\$89.076)	(\$77.401)	(\$95.594)	(\$81.762)	(\$83.921)	(\$87.304)
<b>Total Subsidies</b>	<b>(\$395.118)</b>	<b>(\$357.296)</b>	<b>(\$431.059)</b>	<b>(\$421.384)</b>	<b>(\$422.990)</b>	<b>(\$442.835)</b>

**MTA METRO NORTH RAILROAD**  
**July Financial Plan 2013 - 2016**  
**Cash Conversion (Cash Flow Adjustments)**  
(\$ in millions)

<b>CASH FLOW ADJUSTMENTS</b>						
	<b>2011</b>	<b>2012</b>	<b>2013</b>			
	<b>Actual</b>	<b>Mid-Year Forecast</b>	<b>Preliminary Budget</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Receipts</b>						
Farebox Revenue	\$7.090	\$7.605	\$7.950	\$8.100	\$8.500	\$8.500
Other Operating Revenue	20.888	24.834	26.820	26.634	29.199	28.067
MTA	(39.899)	19.925	(0.209)	0.979	3.840	4.175
CDOT	(18.258)	17.539	(0.012)	(0.218)	(0.196)	0.044
Other	(3.161)	2.947	(0.058)	(0.051)	(0.061)	(0.063)
Total Capital and Other Reimbursements	(61.318)	40.410	(0.279)	0.710	3.583	4.156
<b>Total Receipts</b>	<b>(\$33.340)</b>	<b>\$72.849</b>	<b>\$34.491</b>	<b>\$35.444</b>	<b>\$41.282</b>	<b>\$40.723</b>
<b>Expenditures</b>						
<b>Labor:</b>						
Payroll	\$0.206	(\$3.850)	(\$0.807)	(\$8.713)	\$0.096	\$1.661
Overtime	(1.019)	(1.003)	(0.463)	(2.524)	(0.450)	(0.442)
Health and Welfare	(1.136)	(7.278)	(3.859)	(4.184)	(4.268)	(3.355)
OPEB Current Payment	1.049	(1.500)	0.000	0.000	0.000	0.000
Pensions	(16.379)	14.848	(0.160)	(0.159)	(0.163)	(0.166)
Other Fringe Benefits	1.845	(0.286)	(0.125)	(1.522)	0.642	0.656
GASB Account	0.000	(8.746)	(9.607)	(10.512)	(11.229)	(12.035)
Reimbursable Overhead	1.168	(0.588)	0.225	0.227	0.225	0.223
<b>Total Labor</b>	<b>(\$14.266)</b>	<b>(\$8.402)</b>	<b>(\$14.796)</b>	<b>(\$27.387)</b>	<b>(\$15.146)</b>	<b>(\$13.457)</b>
<b>Non-Labor:</b>						
Electric Power	\$0.178	(\$1.814)	(\$2.193)	(\$2.244)	(\$2.296)	(\$2.350)
Fuel	2.957	(0.900)	0.000	0.000	0.000	0.000
Insurance	2.106	(2.227)	0.517	0.577	(0.281)	0.758
Claims	1.571	(0.146)	(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	(4.536)	(13.453)	(11.091)	(3.967)	(0.203)	5.374
Professional Service Contracts	9.054	(1.523)	(0.981)	(0.803)	(0.790)	(0.776)
Materials & Supplies	(21.839)	(13.649)	(18.425)	(13.560)	(11.608)	(12.911)
Other Business Expenditures	3.659	(27.024)	(27.295)	(27.202)	(27.541)	(27.330)
<b>Total Non-Labor</b>	<b>(\$6.850)</b>	<b>(\$60.736)</b>	<b>(\$59.614)</b>	<b>(\$47.345)</b>	<b>(\$42.865)</b>	<b>(\$37.381)</b>
<b>Other 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</b>	<b>(\$54.456)</b>	<b>\$3.711</b>	<b>(\$39.919)</b>	<b>(\$39.288)</b>	<b>(\$16.728)</b>	<b>(\$10.115)</b>
Depreciation Adjustment	\$213.811	\$236.015	\$240.523	\$245.478	\$250.633	\$256.096
OPEB Obligation	57.015	59.997	60.993	62.146	63.314	64.511
Environmental Remediation	4.460	3.955	3.955	3.955	3.955	3.955
<b>Baseline Total Cash Conversion Adjustments</b>	<b>\$220.830</b>	<b>\$303.678</b>	<b>\$265.552</b>	<b>\$272.291</b>	<b>\$301.174</b>	<b>\$314.447</b>

**MTA METRO-NORTH RAILROAD**  
**2013 Preliminary Budget**  
**July Financial Plan 2013-2016**  
**Year-to-Year Changes by Category - Baseline**

**REVENUE**

**FAREBOX REVENUE**

Non-Reimbursable

- East of Hudson revenue growth is projected to be 5.8% in 2012, 4.0% in 2013, 4.3% in 2014, 2.3% in 2015, and 1.9% in 2016.
- 2012 assumes the continuing expansion of the regional economy.
- 2013-2016 reflects an increase in ridership in both commutation and non-commutation in response to the resumption of modest employment growth, and the continuing economic expansion, as well as the impacts of service initiatives.
- No fare increases are assumed in New York State thru 2016.
- Revenue forecasts include a Connecticut fare increase of 5.04% in each year on 1/1/2013 and 1/1/2014; and annual increases of 1.0% from 1/1/2015 thru 1/1/2018.

Reimbursable

- Not applicable

Cash

- 2012-2016 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

- 2012-2016 revenue increase reflects continuing improvement in GCT retail revenues and higher commissary sales.

Reimbursable

- Not applicable

Cash

- 2012-2016 adjustments include the reclassifications of Amtrak and other railroad reimbursements, revenue offsets for GCT revenue funded projects, reimbursements from CDOT, and reimbursements for settlements and scrap material sales and other miscellaneous items.

**CAPITAL AND OTHER REIMBURSEMENTS**

Reimbursable

Capital project cost reimbursements in each year of the financial plan are based on recouping 100% of accrued project expenditures.

- 2012 accrued expenditures (and receipts) total \$199.0 million and are based upon the latest projections of capital project activity. Lower reimbursements in 2012 are primarily attributable to: the lower cost of the Port Jervis Line Reconstruction Phase 2 and the Cyclical Track Program, as well as the rescheduling of the Park Ave Tunnel 3<sup>rd</sup> Rail Bracket replacement project.,
- 2013 accrued expenditures (and receipts) total \$193.0 million and are based upon the latest projections of capital project activity. Lower reimbursements in 2013 are primarily attributable to the completion of Port Jervis Line Reconstruction Phase 2 and the Danbury Branch Signal System projects, offset by revised estimate for the M8 car acceptance testing.
- 2014-2015 accrued expenditures (and receipts) are based on a continuation of 2013 project cost levels adjusted for the impact of inflation.

#### Cash

- 2012 includes adjustments for receipt timing differences. In addition, 2012-2016 includes cash adjustments to MTA and CDOT receipts for reimbursable portion of GASB contribution.

## EXPENSES

### PAYROLL

#### Management Labor

- Non-Agreement salaries include provisions for cost of living increases in 2012-2016 of 2.20%, 1.97%, 1.91%, 1.85% and 1.89% respectively.
- Several new initiatives add \$1.3 million in 2012 with a 2013 full-year impact forecast at \$1.7 million. These include additional staff resources for IT project management and improvements in monitoring critical information systems, customer service enhancements that decrease the response time to customer inquiries, training staff to administer mandatory training to Maintenance of Equipment employees, and support staff for train operations, communication engineering and financial functions.
- In 2014 additional staffing is included for the GCT Fire Brigade (enables 24/7 coverage)
- 2015 reflects a reduction in training staff.

#### Agreement Labor

- Agreement wages assume no wage increases for the three years July 16, 2010 through July 15, 2013. For 2013–2016 increases are applied starting July 16 of each year at annual CPI-driven rates of 1.97% in 2013, 1.91% 2014, 1.85% in 2015 and 1.89% in 2016.
- 2012 Mid-Year Forecast decrease compared to the 2012 adopted budget reflects vacancies and the rescheduling of positions to support new M-8 cars to the latter part of the year.
- 2013 includes additional staffing to meet service quality and succession planning for on-board train crews and the Operations Control Center add \$1.0

million in 2012 with 2013 showing the full impact of \$2.8 million. (Overtime reductions will partially fund the cost of these new positions.)

- 2013 also includes staffing requirements for the service plan (\$1.7 million), new M-8 cars and the New Haven shop complex (\$2.2 million) and maintenance staff for fire/life safety systems at outlying stations and GCT HVAC system upgrades.
- 2014 also includes staffing to support the service plan (\$0.9 million) and new M-8 cars and the New Haven shop complex (\$1.2 million).
- 2015 and 2016 incremental agreement labor costs include adjustments to the service plan of \$1.0 million and \$0.7 million respectively.

#### 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.
- 2012 lower costs are primarily due to lower flag protection requirements on various projects.

#### Cash

- 2012-2016 cash adjustments include timing differences, an Agreement employee allowance (for uniforms, tools and shoes), retirement payments, and employee contribution to health care coverage.

### **OVERTIME**

#### Non-Reimbursable

- Overtime is inflated at the same rate as agreement salaries.
- The 2012 Mid-Year Forecast is on-target to the Adopted Budget.
- 2013 includes overtime reductions related to initiatives that improve employee availability for train operation coverage and lower unscheduled maintenance costs associated with the new M-8 car fleet.

#### Reimbursable

- Annual cost of living increases and wage contract increases for Agreement employees follow the same rate assumptions as the non-reimbursable costs noted above.

### **HEALTH AND WELFARE**

#### Non-Reimbursable and Reimbursable

- 2012 Mid-Year Forecast reflects premium increases of 2.8%. 2013-2016 include estimated annual rate increases of 10.8% in 2013, 3.6% in 2014, and 7.0% for 2015-2016.

#### Cash

- 2012-2016 cash adjustments include current and former management employee contributions toward health insurance costs. 2012 also includes a payment timing carryover from 2011 (\$6 million).



## **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 2012 provision increases by \$2 million due to an increasing level of retirees. The estimated annual costs for 2013-2016 are \$19.0 million in 2013, \$21.0 million in 2014, \$21.5 million in 2015 and \$22.0 million in 2016.

## **PENSIONS**

### **Non-Reimbursable and Reimbursable**

- The 2012-2016 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. Metro-North's projected share of the incremental funding requirements for the DB Plan is based on draft projections prepared by actuarial consultants.

### **Cash**

- 2012 cash requirements are decreased by \$15 million to reflect advance payment of 2012 costs in 2011.

## **OTHER FRINGE BENEFITS**

### **Non-Reimbursable and Reimbursable**

- Railroad Retirement tax rates for Tier I and II remain constant for 2013-2016 at 7.65% and 12.1%, respectively.
- Maximum earnings level for Tier I is estimated at \$112,800 in 2013, \$116,100 in 2014, \$121,200 in 2015 and \$126,600 in 2016.
- Maximum earnings level for Tier II is estimated at \$83,700 2013, \$86,400 in 2014, \$90,000 in 2015, and \$93,900 in 2016.
- Other cost adjustments reflect inflationary salary increases and changes in staffing levels.
- Non-reimbursable costs include estimates for personal injury claims (\$12.3 million in 2012, \$12.5 million in 2013, \$12.8 million in 2014, \$13.0 million in 2015 and \$13.3 million in 2016).

### **Cash**

- 2012-2016 adjustments include differences between expense accruals and cash disbursements.

## **GASB ACCOUNT**

### **Cash**

- 2012-2016 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 Employee Benefits" (healthcare costs).

## **REIMBURSABLE OVERHEAD**

### **Non-Reimbursable**

- Changes in overhead cost recoveries reflect revisions in Reimbursable project cost estimates.

### **Reimbursable**

- Overhead costs for 2012 are based on a percentage share of direct labor costs charged to reimbursable projects. 2013-2016 overhead costs are based on the continuation of 2012 forecast levels, adjusted for inflation-based increases in labor costs.
- Material handling and equipment recovery increases are predicated on CPI-based inflation rates.

## **ELECTRIC POWER**

### **Traction Power - Revenue**

#### **Non-Reimbursable**

- 2012-2016 incorporates the net effect of new service and the cost changes associated with the integration of new M-8 cars into New Haven Line service, offset by the gradual retirement of the M-2, M-4 and M-6 car fleets.
- 2013-2016 costs reflect annual increases of 3.0% in 2013, 2.7% in 2014 and 6.7% in both 2015 and 2016.

### **Non-Traction Power – Non-Revenue**

#### **Non-Reimbursable**

- 2013-2016 costs reflect annual increases of 3.5% in 2013, 3.3% in 2014, 2.4% in 2015 and 2.9% in 2016.

## **FUEL**

### **Revenue Vehicle Fuel**

#### **Non-Reimbursable**

- 2013-2016 prices are projected to decrease by 4.3% in 2013, 0.3% in 2014, and remain unchanged in 2015 and 2016.

### **Non-Revenue Fuel**

#### **Non-Reimbursable**

- 2013-2016 prices are projected to increase by 3.0% in 2013, 1.6% in 2014, and 0.7% in both 2015 and 2016.

## **INSURANCE**

### **Non-Reimbursable and Reimbursable**

- Increases in 2012-2016 reflect revised insurance premium estimates.

### **Cash**

- 2012-2016 reflects increase in force account payments as well as All-Agency insurance costs. 2012-2016 also includes the difference between expense accruals and cash payments.

## **CLAIMS**

### **Non-Reimbursable**

- 2012 - 2016 reflect current claims trends for passenger injuries and miscellaneous claims.

**The Remaining Non-Reimbursable Cost Categories, other than Material & Supplies, were inflated by CPI Increases in 2013-2016 of 1.66%, 1.89%, 1.88%, and 1.89% respectively.**

## **MAINTENANCE AND OTHER OPERATING CONTRACTS**

### **Non-Reimbursable**

- 2012 Mid-Year Forecast decrease of \$2.0 million vs. the adopted budget reflects rescheduled overhaul of two Genesis locomotives to 2013 (\$2.9 million), and lower costs for Harlem River Lift Bridge repairs (\$1.0 million). These decreases are offset by higher NHL car disposal costs due to timing (\$0.6 million) and higher MTA Police costs (\$0.5 million).
- 2013 includes reductions for the Genesis Locomotive Overhaul program (\$2.5 million), West of Hudson F40 Locomotive Overhaul (\$2.7 million), and NHL shop improvements (\$1.0 million). Partially offsetting these decreases are costs for GCT Training Center renovations (\$1.7 million), Employee Welfare facility improvements (\$0.6 million), Upper Harlem Line Traction Transformer Refurbishment (\$0.5 million), NH Maintenance Facility occupancy costs (\$0.5 million), Fleetwood Station repairs (\$0.4 million) and the procurement of a safety protection system for C&S employees (ARC Flash Protection - \$0.3 million).
- 2014 reflects the completion of the Genesis Locomotive Overhaul (\$3.0 million), GCT Training Center renovations (\$2.3 million), Employee Welfare facility improvements (\$0.6 million), Fleetwood station repairs (\$0.4 million), GCT Escalator Maintenance (\$0.3 million) and a reduction in emergency bus services (\$0.2 million) and the relocation of network communication equipment to GCT (\$0.5 million). Partially offsetting these decreases is maintenance cost requirements for Ticket Issuing Machines (\$0.6 million).
- 2015 includes increases for the next cycle of the Genesis and F40 (WofH) locomotive overhaul programs (\$9.1 million), partially offset by a reduction in NHL car disposal costs (\$1.8 million), IT rationalization savings (\$0.3 million) and the completion of overhaul work for catenary maintenance vehicles (\$0.3 million).

### **Reimbursable**

- CPI increases in 2013-2016 follow the same pattern as non-reimbursable costs noted above.
- In 2012, decreased expenditures reflect the lower cost estimate for the Port Jervis Line Reconstruction Phase 2 project.

- 2013 costs decreased due to the completion of the Port Jervis Line Reconstruction Phase 2, and the Danbury Branch Signal System projects.
- 2014-2016 estimates reflect the continuation of 2012 proper activity levels adjusted for inflation and the completion of the GCT Leak Remediation, and M8 car acceptance testing.

#### Cash

- 2012-2016 cash adjustments include the elimination of non-cash GASB 49 environmental accruals and payment of 2011 accruals. 2012-2016 also includes reclassifications of revenue offsets for GCT revenue funded projects and payments on behalf of CDOT for station facilities and the MTA for utilities.

### **PROFESSIONAL SERVICES CONTRACTS**

#### Non-Reimbursable

- 2013 includes increases for GCT escalator performance monitoring (\$0.5 million), consulting for information system development projects (\$1.6 million) and security improvements for buildings and facilities (\$1.8 million). Partially offsetting these increases is a reduction in bridge inspection service fees (\$0.5 million).
- 2014 includes reductions for one-time 2013 fees for GCT escalator performance monitoring and security system upgrades (\$1.6 million), partially offset by increases in information technology improvements (\$0.7 million) and security enhancements at parking facilities (\$0.6 million).
- 2015 includes elimination of one-time 2014 services for IT improvements and parking security (\$1.4 million)

#### Reimbursable

- In 2012, the increase is primarily attributable to: the following projects: Cos Cob West Substation, West Haven Station and Guard Booth Design at Stamford and East Bridgeport.
- In 2013, the increase reflects revised estimate for M-8 car acceptance testing.
- 2014-2016, levels are consistent with 2013 projections adjusted for the impact of inflation and the completion of the M-8 car acceptance testing project.

### **MATERIAL AND SUPPLIES**

#### Non-Reimbursable

- 2013-2016 costs were inflated based on the Chained Price Index for Industrial Building Materials (4.20% in 2013, 4.54% in 2014, 4.68% in 2015, and 4.51% in 2016).
- 2012 Mid-Year Forecast decrease of \$2.1 million vs. the adopted budget reflects material usage efficiencies gained by the integration of new M-8 cars into NHL service and modifications to maintenance cycles for the older NHL equipment fleet.
- 2013 includes increases for Snow Melters (\$1.1 million), power reliability initiatives (\$2.0 million), the M-7 Seat Change-Out program (\$0.8 million), Employee Welfare facility improvements (\$0.6 million), and signage improvements at stations (\$0.9 million). Partially offsetting these increases are

lower material requirements due to the Equipment Replacement Plan (\$2.8 million) and the completion of several maintenance programs (\$1.4 million for M-3 Door Modifications and the M-3 performance improvement program) and elimination of 2012 purchases of Maintenance of Way material management equipment and supplies (\$0.5 million).

- 2014 includes reductions for completion of power reliability material purchases (\$1.2 million), employee welfare facility improvements (\$0.6 million), and station signage (\$0.9 million), partially offset by increases in materials for the Equipment Replacement Plan (\$1.5 million).
- 2015 includes further reductions for completed power reliability initiatives (\$0.8 million), NH Signal material (\$0.4 million), and the Equipment Replacement Plan (\$0.4 million), partially offset by an increase for Kronos clock replacement (\$0.2 million).
- 2016 includes increase for Equipment Replacement Plan (\$0.5 million), partially offset by a decrease for Power Reliability Initiatives (\$0.3 million).

#### Reimbursable

- CPI increases in 2013-2016 follow the same assumptions as non-reimbursable costs noted above.
- In 2012, the decrease is primarily attributable the PA Tunnel 3<sup>rd</sup> Rail Bracket Replacement and the Bronx Station/Capacity Improvement projects.
- In 2013, the decrease reflects the completion of the Danbury Branch Signal System project.
- 2014-2016, levels are consistent with 2013 projections adjusted for the impact of inflation.

#### Cash

- Cash adjustments reflect differences between expense accruals and cash requirements:
- 2012-2016 includes increases to cash requirements for M8 spare part inventory build-up (\$2.2 million in 2012; \$8.3 million in 2013; \$2.0 million in 2014; \$2.3 million in 2015). These increases are offset by decreases to cash requirements for ongoing reductions in material consumption (\$2.4 million per year from 2012-2016).
- 2012-2016 includes adjustment for obsolete material reserve (\$0.6 million per year).

### **OTHER BUSINESS EXPENSES**

#### Non-Reimbursable

- 2012 decrease in the Mid-Year forecast versus the adopted budget is primarily due to higher cost recoveries from Amtrak, lower credit card fees offset by higher subsidy requirements for West of Hudson service.
- 2013 includes the purchase and installation of new TVMs in GCT and Outlying Stations (\$2.3 million), miscellaneous costs for station improvements (\$0.5 million) and the implementation of GCT Handheld Computers that will enable Customer Service Reps to provide diverse information to commuters, tourists and shoppers (\$0.4 million).

- 2014 includes reductions for new TVMs in GCT and Outlying Stations (\$2.3 million); partially offset by increased West of Hudson subsidies due to additional train service (\$2.2 million).
- 2015 includes increase for West of Hudson Service (\$1.8 million), partially offset by decrease for Winter Gear (\$0.5 million).
- 2016 includes increase for West of Hudson subsidies (\$1.8 million).

#### Reimbursable

- CPI increases in 2012-2016 follow the same assumptions as non-reimbursable costs noted above.

#### Cash

- 2012-2016 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. 2012-2016 also includes the reclassification of Amtrak and other railroad reimbursements to the Other Operating Revenue category.

### **DEPRECIATION**

#### Non-Reimbursable

- 2012-2016 includes provisions for changes in Metro-North's capital assets.

### **OPEB OBLIGATION (GASB 45)**

#### Non-Reimbursable

- 2012-2016 costs reflect the recognition of the liability for Post Retirement Benefits (healthcare costs) for future retirees.

### **ENVIRONMENTAL REMEDIATION (GASB 49)**

#### Non-Reimbursable

- 2012-2016 costs reflect the estimated liability for pollution remediation costs associated with capital projects.

**MTA METRO-NORTH RAILROAD**  
**July Financial Plan 2013 - 2016**  
**Year-to-Year Changes by Category - Accrual Basis**  
**(\$ in millions)**

**NON-REIMBURSABLE**

	Favorable/(Unfavorable)								
	2012	2013	Change 2013 - 2012	2014	Change 2014 - 2013	2015	Change 2015 - 2014	2016	Change 2016 - 2015
<b><u>Operating Revenue:</u></b>									
Farebox Revenue	\$600.100	\$624.152	\$24.052	\$650.684	\$26.532	\$665.296	\$14.612	\$677.862	\$12.565
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	47.125	47.707	0.582	50.223	2.516	52.183	1.960	53.950	1.768
MNR - MTA	0.000	0.000	0.000	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	0.000	0.000	0.000
MNR - Other	0.000	0.000	0.000	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	0.000	0.000	0.000
<b>Total Revenue</b>	<b>\$647.225</b>	<b>\$671.859</b>	<b>\$24.634</b>	<b>\$700.907</b>	<b>\$29.048</b>	<b>\$717.479</b>	<b>\$16.572</b>	<b>\$731.812</b>	<b>\$14.333</b>
<b><u>Expenses:</u></b>									
<b><u>Labor:</u></b>									
Payroll	\$398.991	\$413.231	(\$14.240)	\$424.038	(\$10.807)	\$432.421	(\$8.383)	\$441.871	(\$9.450)
Overtime	53.855	53.303	0.552	54.301	(0.998)	55.322	(1.021)	56.356	(1.034)
Health and Welfare	82.070	98.813	(16.743)	101.393	(2.580)	109.740	(8.347)	118.900	(9.160)
OPEB Current Payment	18.000	19.000	(1.000)	21.000	(2.000)	21.500	(0.500)	22.000	(0.500)
Pensions	61.790	64.643	(2.853)	64.133	0.510	65.401	(1.268)	67.135	(1.734)
Other Fringe Benefits	93.546	96.727	(3.181)	99.405	(2.678)	101.925	(2.520)	104.570	(2.646)
Reimbursable Overhead	(40.501)	(40.197)	(0.304)	(40.975)	0.778	(41.747)	0.772	(42.537)	0.790
<b>Total Labor Expenses</b>	<b>\$667.752</b>	<b>\$705.519</b>	<b>(\$37.768)</b>	<b>\$723.295</b>	<b>(\$17.776)</b>	<b>\$744.561</b>	<b>(\$21.266)</b>	<b>\$768.295</b>	<b>(\$23.734)</b>
<b><u>Non-Labor:</u></b>									
Electric Power	\$77.967	\$84.231	(\$6.264)	\$86.992	(\$2.761)	\$93.031	(\$6.039)	\$99.442	(\$6.411)
Fuel	27.529	26.825	0.704	26.812	0.013	27.073	(0.261)	27.180	(0.107)
Insurance	11.081	12.550	(1.469)	14.395	(1.845)	16.563	(2.168)	19.055	(2.492)
Claims	0.485	0.485	0.000	0.460	0.025	0.460	0.000	0.460	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	102.838	100.399	2.439	95.401	4.998	103.941	(8.540)	105.511	(1.570)
Professional Service Contracts	26.340	29.798	(3.458)	29.725	0.073	28.750	0.975	29.206	(0.456)
Materials & Supplies	70.720	75.282	(4.562)	77.825	(2.543)	79.644	(1.819)	83.520	(3.876)
Other Business Expenses	23.521	27.910	(4.389)	28.098	(0.188)	29.718	(1.620)	31.863	(2.145)
<b>Total Non-Labor Expenses</b>	<b>\$340.481</b>	<b>\$357.480</b>	<b>(\$16.999)</b>	<b>\$359.708</b>	<b>(\$2.228)</b>	<b>\$379.180</b>	<b>(\$19.472)</b>	<b>\$396.237</b>	<b>(\$17.057)</b>
<b><u>Other Adjustments:</u></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>\$1,008.233</b>	<b>\$1,062.999</b>	<b>(\$54.767)</b>	<b>\$1,083.003</b>	<b>(\$20.004)</b>	<b>\$1,123.741</b>	<b>(\$40.738)</b>	<b>\$1,164.532</b>	<b>(\$40.791)</b>
Depreciation	\$236.015	\$240.523	(\$4.508)	\$245.478	(\$4.955)	\$250.633	(\$5.155)	\$256.096	(\$5.463)
OPEB Obligation	59.997	60.993	(0.996)	62.146	(1.153)	63.314	(1.168)	64.511	(1.197)
Environmental Remediation	3.955	3.955	0.000	3.955	0.000	3.955	0.000	3.955	0.000
<b>Total Expenses</b>	<b>\$1,308.200</b>	<b>\$1,368.470</b>	<b>(\$60.271)</b>	<b>\$1,394.582</b>	<b>(\$26.112)</b>	<b>\$1,441.643</b>	<b>(\$47.061)</b>	<b>\$1,489.094</b>	<b>(\$47.451)</b>
<b>Baseline Net Surplus/(Deficit)</b>	<b>(\$660.974)</b>	<b>(\$696.611)</b>	<b>(\$35.637)</b>	<b>(\$693.675)</b>	<b>\$2.936</b>	<b>(\$724.164)</b>	<b>(\$30.489)</b>	<b>(\$757.282)</b>	<b>(\$33.118)</b>

**MTA METRO-NORTH RAILROAD**  
**July Financial Plan 2013 - 2016**  
**Year-to-Year Changes by Category - Accrual Basis**  
**(\$ in millions)**

**REIMBURSABLE**

	Favorable/(Unfavorable)								
	2012	2013	Change 2013 - 2012	2014	Change 2014 - 2013	2015	Change 2015 - 2014	2016	Change 2016 - 2015
<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
MNR - MTA	106.481	105.937	(0.544)	108.397	2.460	111.458	3.060	114.629	3.172
MNR - CDOT	82.952	76.881	(6.071)	76.290	(0.591)	75.983	(0.307)	78.016	2.033
MNR - Other	9.592	10.198	0.606	10.403	0.205	10.649	0.246	10.904	0.254
Capital and Other Reimbursements	199.026	193.016	(6.009)	195.090	2.074	198.090	2.999	203.549	5.459
<b>Total Revenue</b>	<b>\$199.026</b>	<b>\$193.016</b>	<b>(\$6.009)</b>	<b>\$195.090</b>	<b>\$2.074</b>	<b>\$198.090</b>	<b>\$2.999</b>	<b>\$203.549</b>	<b>\$5.459</b>
<b>Expenses:</b>									
<b>Labor:</b>									
Payroll	\$45.021	\$45.624	(\$0.603)	\$46.503	(\$0.879)	\$47.372	(\$0.869)	\$48.262	(\$0.890)
Overtime	16.806	16.957	(0.151)	17.286	(0.329)	17.611	(0.325)	17.941	(0.329)
Health and Welfare	12.688	14.643	(1.955)	15.187	(0.544)	16.311	(1.124)	17.514	(1.204)
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	8.122	8.578	(0.456)	8.460	0.118	8.633	(0.173)	8.848	(0.215)
Other Fringe Benefits	10.810	10.611	0.199	10.856	(0.245)	11.128	(0.271)	11.396	(0.268)
Reimbursable Overhead	39.913	40.422	(0.510)	41.202	(0.779)	41.972	(0.771)	42.760	(0.788)
<b>Total Labor Expenses</b>	<b>\$133.360</b>	<b>\$136.836</b>	<b>(\$3.476)</b>	<b>\$139.494</b>	<b>(\$2.658)</b>	<b>\$143.027</b>	<b>(\$3.532)</b>	<b>\$146.721</b>	<b>(\$3.694)</b>
<b>Non-Labor:</b>									
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	4.509	4.554	(0.045)	4.642	(0.088)	4.729	(0.087)	4.818	(0.089)
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	18.991	12.955	6.035	13.200	(0.245)	13.448	(0.248)	13.702	(0.254)
Professional Service Contracts	8.444	10.110	(1.665)	7.983	2.127	5.815	2.168	5.925	(0.110)
Materials & Supplies	30.492	25.279	5.213	26.426	(1.148)	27.663	(1.237)	28.911	(1.248)
Other Business Expenses	3.229	3.282	(0.054)	3.344	(0.062)	3.407	(0.063)	3.472	(0.064)
<b>Total Non-Labor Expenses</b>	<b>\$65.665</b>	<b>\$56.180</b>	<b>\$9.485</b>	<b>\$55.596</b>	<b>\$0.585</b>	<b>\$55.063</b>	<b>\$0.533</b>	<b>\$56.828</b>	<b>(\$1.765)</b>
<b>Other 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>\$199.026</b>	<b>\$193.016</b>	<b>\$6.009</b>	<b>\$195.090</b>	<b>(\$2.074)</b>	<b>\$198.090</b>	<b>(\$2.999)</b>	<b>\$203.549</b>	<b>(\$5.459)</b>
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Obligation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Expenses</b>	<b>\$199.026</b>	<b>\$193.016</b>	<b>\$6.009</b>	<b>\$195.090</b>	<b>(\$2.074)</b>	<b>\$198.090</b>	<b>(\$2.999)</b>	<b>\$203.549</b>	<b>(\$5.459)</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 METRO-NORTH RAILROAD**  
**July Financial Plan 2013 - 2016**  
**Year-to-Year Changes by Category - Accrual Basis**  
**(\$ in millions)**

**NON-REIMBURSABLE and REIMBURSABLE**

	Favorable/(Unfavorable)								
	2012	2013	Change 2013 - 2012	2014	Change 2014 - 2013	2015	Change 2015 - 2014	2016	Change 2016 - 2015
<b>Revenue:</b>									
Farebox Revenue	\$600.100	\$624.152	\$24.052	\$650.684	\$26.532	\$665.296	\$14.612	\$677.862	\$12.565
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	47.125	47.707	0.582	50.223	2.516	52.183	1.960	53.950	1.768
MNR - MTA	106.481	105.937	(0.544)	108.397	2.460	111.458	3.060	114.629	3.172
MNR - CDOT	82.952	76.881	(6.071)	76.290	(0.591)	75.983	(0.307)	78.016	2.033
MNR - Other	9.592	10.198	0.606	10.403	0.205	10.649	0.246	10.904	0.254
Capital and Other Reimbursements	199.026	193.016	(6.009)	195.090	2.074	198.090	2.999	203.549	5.459
<b>Total Revenue</b>	<b>\$846.251</b>	<b>\$864.875</b>	<b>\$18.625</b>	<b>\$895.997</b>	<b>\$31.122</b>	<b>\$915.569</b>	<b>\$19.571</b>	<b>\$935.361</b>	<b>\$19.792</b>
<b>Expenses:</b>									
<b>Labor:</b>									
Payroll	\$444.012	\$458.855	(\$14.842)	\$470.541	(\$11.686)	\$479.793	(\$9.252)	\$490.133	(\$10.340)
Overtime	70.661	70.260	0.401	71.587	(1.327)	72.933	(1.346)	74.297	(1.363)
Health and Welfare	94.758	113.456	(18.698)	116.580	(3.124)	126.051	(9.471)	136.414	(10.364)
OPEB Current Payment	18.000	19.000	(1.000)	21.000	(2.000)	21.500	(0.500)	22.000	(0.500)
Pensions	69.912	73.221	(3.308)	72.593	0.627	74.033	(1.440)	75.983	(1.949)
Other Fringe Benefits	104.356	107.338	(2.982)	110.261	(2.923)	113.052	(2.792)	115.966	(2.914)
Reimbursable Overhead	(0.588)	0.225	(0.814)	0.227	(0.001)	0.225	0.001	0.223	0.002
<b>Total Labor Expenses</b>	<b>\$801.112</b>	<b>\$842.355</b>	<b>(\$41.244)</b>	<b>\$862.789</b>	<b>(\$20.434)</b>	<b>\$887.588</b>	<b>(\$24.799)</b>	<b>\$915.016</b>	<b>(\$27.428)</b>
<b>Non-Labor:</b>									
Electric Power	\$77.967	\$84.231	(\$6.264)	\$86.992	(\$2.761)	\$93.031	(\$6.039)	\$99.442	(\$6.411)
Fuel	27.529	26.825	0.704	26.812	0.013	27.073	(0.261)	27.180	(0.107)
Insurance	15.590	17.104	(1.514)	19.037	(1.933)	21.292	(2.255)	23.873	(2.581)
Claims	0.485	0.485	0.000	0.460	0.025	0.460	0.000	0.460	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	121.829	113.354	8.474	108.601	4.753	117.389	(8.788)	119.213	(1.824)
Professional Service Contracts	34.784	39.908	(5.123)	37.708	2.200	34.565	3.143	35.131	(0.566)
Materials & Supplies	101.212	100.561	0.651	104.251	(3.691)	107.307	(3.056)	112.431	(5.124)
Other Business Expenses	26.750	31.192	(4.442)	31.443	(0.250)	33.125	(1.682)	35.335	(2.210)
<b>Total Non-Labor Expenses</b>	<b>\$406.146</b>	<b>\$413.660</b>	<b>(\$7.514)</b>	<b>\$415.304</b>	<b>(\$1.644)</b>	<b>\$434.242</b>	<b>(\$18.938)</b>	<b>\$453.065</b>	<b>(\$18.822)</b>
<b>Other 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>									
Depreciation	\$236.015	\$240.523	(\$4.508)	\$245.478	(\$4.955)	\$250.633	(\$5.155)	\$256.096	(\$5.463)
OPEB Obligation	59.997	60.993	(0.996)	62.146	(1.153)	63.314	(1.168)	64.511	(1.197)
Environmental Remediation	3.955	3.955	0.000	3.955	0.000	3.955	0.000	3.955	0.000
<b>Total Expenses</b>	<b>\$1,507.225</b>	<b>\$1,561.487</b>	<b>(\$54.261)</b>	<b>\$1,589.672</b>	<b>(\$28.186)</b>	<b>\$1,639.733</b>	<b>(\$50.061)</b>	<b>\$1,692.643</b>	<b>(\$52.910)</b>
<b>Baseline Net Surplus/(Deficit)</b>	<b>(\$660.974)</b>	<b>(\$696.611)</b>	<b>(\$35.637)</b>	<b>(\$693.675)</b>	<b>\$2.936</b>	<b>(\$724.164)</b>	<b>(\$30.489)</b>	<b>(\$757.282)</b>	<b>(\$33.118)</b>

**MTA METRO-NORTH RAILROAD**  
**July Financial Plan 2013 - 2016**  
**Year-to-Year Changes by Category - Cash Basis**  
**(\$ in millions)**

**CASH RECEIPTS AND EXPENDITURES**

	Favorable/(Unfavorable)								
	2012	2013	Change 2013 - 2012	2014	Change 2014 - 2013	2015	Change 2015 - 2014	2016	Change 2016 - 2015
<b><u>Receipts</u></b>									
Farebox Revenue	\$607.705	\$632.102	\$24.397	\$658.784	\$26.682	\$673.796	\$15.012	\$686.362	\$12.566
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	71.959	74.527	2.568	76.857	2.330	81.382	4.525	82.017	0.635
MNR - MTA	126.406	105.728	(20.678)	109.376	3.648	115.298	5.922	118.804	3.506
MNR - CDOT	100.491	76.869	(23.622)	76.072	(0.797)	75.787	(0.285)	78.060	2.273
MNR - Other	12.539	10.140	(2.399)	10.352	0.212	10.588	0.236	10.841	0.253
Capital and Other Reimbursements	239.436	192.737	(46.699)	195.800	3.063	201.673	5.873	207.705	6.032
<b>Total Receipts</b>	<b>\$919.100</b>	<b>\$899.366</b>	<b>(\$19.734)</b>	<b>\$931.441</b>	<b>\$32.075</b>	<b>\$956.851</b>	<b>\$25.410</b>	<b>\$976.084</b>	<b>\$19.233</b>
<b><u>Expenditures</u></b>									
<b>Labor:</b>									
Payroll	\$447.862	\$459.662	(\$11.800)	\$479.254	(\$19.592)	\$479.697	(\$0.443)	\$488.471	(\$8.775)
Overtime	71.664	70.723	0.941	74.111	(3.388)	73.383	0.728	74.739	(1.355)
Health and Welfare	102.036	117.315	(15.279)	120.764	(3.449)	130.319	(9.555)	139.769	(9.450)
OPEB Current Payment	19.500	19.000	0.500	21.000	(2.000)	21.500	(0.500)	22.000	(0.500)
Pensions	55.064	73.381	(18.317)	72.752	0.629	74.196	(1.444)	76.149	(1.953)
Other Fringe Benefits	104.642	107.463	(2.821)	111.783	(4.320)	112.410	(0.627)	115.310	(2.900)
GASB Account	8.746	9.607	(0.861)	10.512	(0.905)	11.229	(0.717)	12.035	(0.806)
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>\$809.514</b>	<b>\$857.151</b>	<b>(\$47.637)</b>	<b>\$890.176</b>	<b>(\$33.025)</b>	<b>\$902.734</b>	<b>(\$12.558)</b>	<b>\$928.473</b>	<b>(\$25.739)</b>
<b>Non-Labor:</b>									
Electric Power	\$79.781	\$86.424	(\$6.643)	\$89.236	(\$2.812)	\$95.327	(\$6.091)	\$101.792	(\$6.465)
Fuel	28.429	26.825	1.604	26.812	0.013	27.073	(0.261)	27.180	(0.107)
Insurance	17.817	16.587	1.230	18.460	(1.873)	21.573	(3.113)	23.115	(1.542)
Claims	0.631	0.631	0.000	0.606	0.025	0.606	0.000	0.606	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	135.282	124.445	10.837	112.568	11.877	117.592	(5.024)	113.839	3.753
Professional Service Contracts	36.307	40.889	(4.582)	38.511	2.378	35.355	3.156	35.907	(0.552)
Materials & Supplies	114.861	118.986	(4.125)	117.811	1.175	118.915	(1.104)	125.342	(6.427)
Other Business Expenses	53.774	58.487	(4.713)	58.645	(0.158)	60.666	(2.021)	62.665	(1.999)
<b>Total Non-Labor Expenditures</b>	<b>\$466.882</b>	<b>\$473.274</b>	<b>(\$6.392)</b>	<b>\$462.649</b>	<b>\$10.625</b>	<b>\$477.107</b>	<b>(\$14.458)</b>	<b>\$490.446</b>	<b>(\$13.339)</b>
<b><u>Other Adjustments:</u></b>									
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>\$1,276.396</b>	<b>\$1,330.425</b>	<b>(\$54.029)</b>	<b>\$1,352.825</b>	<b>(\$22.400)</b>	<b>\$1,379.841</b>	<b>(\$27.016)</b>	<b>\$1,418.919</b>	<b>(\$39.078)</b>
<b>Baseline Net Cash Deficit</b>	<b>(\$357.296)</b>	<b>(\$431.059)</b>	<b>(\$73.763)</b>	<b>(\$421.384)</b>	<b>\$9.675</b>	<b>(\$422.990)</b>	<b>(\$1.606)</b>	<b>(\$442.835)</b>	<b>(\$19.845)</b>
<b><u>Subsidies</u></b>									
MTA	(\$279.895)	(\$335.465)	(\$55.570)	(\$339.622)	(\$4.157)	(\$339.069)	\$0.553	(\$355.531)	(\$16.462)
CDOT	(\$77.401)	(\$95.594)	(\$18.193)	(\$81.762)	\$13.832	(\$83.921)	(\$2.159)	(\$87.304)	(\$3.383)
<b>Total Subsidies</b>	<b>(\$357.296)</b>	<b>(\$431.059)</b>	<b>(\$73.763)</b>	<b>(\$421.384)</b>	<b>\$9.675</b>	<b>(\$422.990)</b>	<b>(\$1.606)</b>	<b>(\$442.835)</b>	<b>(\$19.845)</b>

**MTA METRO-NORTH RAILROAD**  
**2013 Preliminary Budget**  
**July Financial Plan 2013-2016**  
**Summary of Plan-to-Plan Changes by Generic Category**

**REVENUE**

**FAREBOX REVENUE**

Non-Reimbursable

- 2012 – 2015 includes ridership growth of approximately 2% annually which generates higher revenues of \$11.1 million, \$13.7 million, \$17.3 million and \$15.2 million respectively.

Reimbursable and Cash

- Not applicable

**OTHER OPERATING REVENUE**

Non-Reimbursable

- 2012 reflects continuing improvement in GCT retail revenues, higher commissary sales and rescheduling of GCT revenue funded projects to 2013.
- 2013 - 2015 reflects continuing improvement in GCT retail revenues and higher commissary sales and outlying station rents.

Reimbursable

- Not applicable

Cash

- 2015-2016 adjustments reflect increases for scrap material sales.

**CAPITAL AND OTHER REIMBURSEMENTS**

Reimbursable

- Lower reimbursements in 2012 are primarily attributable to the lower cost of the Port Jervis Line Reconstruction Phase 2 and the Cyclical Track Program, as well as the rescheduling of the Park Ave Tunnel 3<sup>rd</sup> Rail Bracket replacement project.
- 2013-2015 reimbursable project costs (and receipts) for 2012 reflect a continuation of new baseline project levels from 2012 and select minor project cost and scheduling refinements.

Cash

- 2012 includes adjustments for receipt timing difference carryover from 2011.

## **EXPENSES**

### **PAYROLL**

#### **Management Labor**

- 2012 Mid-year Forecast includes several new initiatives that add \$1.3 million for IT project management and improvements in monitoring critical information systems, customer service enhancements that decrease the response time to customer inquiries, training staff to administer mandatory training to Maintenance of Equipment employees, and support staff for train operations, communication engineering and financial functions. These increases are offset by position vacancies.
- 2013 includes a full-year impact of 2012 position adds at \$1.7 million plus lower expected vacancy rate and the deferral of GCT Fire Brigade positions until 2014.
- 2014 – 2015 reflect the full-year impact of 2013 changes.

#### **Agreement Labor**

- 2012 decrease reflects vacancies and the rescheduling of positions to support new M-8 cars to the latter part of the year.
- 2013 staffing requirements to meet service quality and succession planning for on-board train crews and the Operations Control Center add \$1.7 million. (Overtime reductions will partially fund the cost of these new positions.) There is additional staffing of \$0.4 million for preventive maintenance at GCT and outlying station facilities. Offsetting these increases are the Budget Reduction Plan vacancy savings.
- 2014 increase reflects new communications and signal positions for new West of Hudson signal and GCT communication network systems.
- 2014 – 2015 reflect the full-year impact of 2013 changes.

#### **Reimbursable**

- 2012 lower costs are primarily due to lower flag protection requirements on various projects.
- 2013-2015 reimbursable project costs reflect a continuation of new baseline project levels from 2012 and select minor project cost and scheduling refinements.

### **OVERTIME**

#### **Non-Reimbursable**

- The 2012 Mid-Year Forecast is on-target to the Adopted Budget.
- 2013 - 2016 changes reflect reduced overtime of \$0.9 million per year associated with increased staffing of the Operations Control Center on-board train crews to meet service quality and succession planning goals.

### **HEALTH AND WELFARE**

#### **Non-Reimbursable and Reimbursable**

- 2012 - 2015 Mid-Year Forecast changes generally reflect lower premium growth rates compared to February Adopted Budget.

## Cash

- 2012 reflects a payment timing carryover from 2011 (\$6 million).

## **OPEB CURRENT PAYMENT (GASB 45)**

### Non-Reimbursable

- 2012 – 2015 changes in Other Post Employment Benefit (OPEB) payments are due to an increasing level of retirees.

## **PENSIONS**

### Non-Reimbursable and Reimbursable

- The 2012-2015 changes in pension costs represent updated actuarial estimates for the Defined Benefit Plan

### Cash

- 2012 cash requirements are decreased by \$15 million to reflect advance payment of 2012 costs in 2011.

## **OTHER FRINGE BENEFITS**

### Non-Reimbursable and Reimbursable

- 2012 – 2015 reflect changes in Railroad Retirement taxes due changes in labor costs.

## **REIMBURSABLE OVERHEAD**

### Non-Reimbursable and Reimbursable

- Overhead cost recovery changes lower capital project activity.

## **ELECTRIC POWER**

### **Traction Power - Revenue**

#### Non-Reimbursable

- 2012-2015 incorporates the impact of revised inflation factors and service plan changes.

### **Non-Traction Power – Non-Revenue**

#### Non-Reimbursable

- 2012-2015 incorporates the impact of revised inflation assumptions.

## **FUEL**

### **Revenue Vehicle Fuel**

#### Non-Reimbursable

- 2012-2015 incorporates the impact of revised inflation assumptions.

### **Non-Revenue Fuel**

#### Non-Reimbursable

- 2012-2015 incorporates the impact of revised inflation assumptions.

## **INSURANCE**

### Non-Reimbursable and Reimbursable

- 2012-2015 incorporates the impact of revised premiums.

#### Cash

- 2012 includes an adjustment for the difference between expense accruals and cash payments.

### **CLAIMS**

#### Non-Reimbursable

- 2012 – 2015 reflect no changes in current forecast.

### **MAINTENANCE AND OTHER OPERATING CONTRACTS**

#### Non-Reimbursable

- 2012 – 2015 Mid-Year Forecast reflects changes in the Genesis and West of Hudson Locomotive overhaul programs (2012 includes a rescheduling of costs to 2013 and the start of a new overhaul cycle commencing in 2015).

#### Reimbursable

- In 2012, decreased expenditures reflect: the lower cost estimate for the Port Jervis Line Reconstruction Phase 2 project.
- 2013-2015 reimbursable project costs reflect a continuation of new baseline project levels from 2012 and select minor project cost and scheduling refinements.

#### Cash

- 2012-2016 cash adjustments include timing differences and reallocations to accrued expenses.

### **PROFESSIONAL SERVICES CONTRACTS**

#### Non-Reimbursable

- 2012 – 2015 reflects changes in IT project development costs as well as safety and security improvement services.

#### Reimbursable

- In 2012, the increase is primarily attributable to the following projects: Cos Cob West Substation, West Haven Station and Guard Booth Design at Stamford and East Bridgeport.
- In 2013, the increase reflects revised estimate for M-8 car acceptance testing.
- 2014-2015 reimbursable project costs reflect a continuation of new baseline project levels from 2012 and select minor project cost and scheduling refinements.

### **MATERIAL AND SUPPLIES**

#### Non-Reimbursable

- 2012 Mid-Year Forecast decrease of \$2.6 million vs. the adopted budget reflects material usage efficiencies gained by the integration of new M-8 cars into NHL service and modifications to maintenance cycles for the older NHL equipment fleet.

- 2013 includes increases for Snow Melters (\$1.1 million), power reliability initiatives (\$2.0 million), employee welfare facility improvements (\$0.6 million), and signage improvements at stations (\$0.9 million). Partially offsetting these increases are material usage efficiencies for the M-7 seat replacement program (\$3.3 million) and rolling stock maintenance..
- 2014 - 2015 includes the elimination of one-time improvement projects for power reliability and employee welfare facilities.

#### Reimbursable

- In 2012, the decrease is primarily attributable to: the following projects: PA Tunnel 3<sup>rd</sup> Rail Bracket Replacement and the Bronx Station/Capacity Improvements.

#### Cash

- 2012-2015 reflects cash adjustments for the rescheduling of M8 spare part inventory build-up.

### **OTHER BUSINESS EXPENSES**

#### Non-Reimbursable

- 2012 – 2015 reflects the net effect of higher Amtrak cost recoveries and higher West of Hudson subsidy requirements.

### **OPEB OBLIGATION (GASB 45)**

#### Non-Reimbursable

- 2012-2016 costs reflect the recognition of the liability for Post Retirement Benefits (healthcare costs) for future retirees.

### **ENVIRONMENTAL REMEDIATION (GASB 49)**

#### Non-Reimbursable

- 2012-2016 costs reflect the estimated liability for pollution remediation costs associated with capital projects.

**MTA METRO-NORTH RAILROAD**  
**July Financial Plan 2013 - 2016**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

**NON-REIMBURSABLE**

	2012	2013	2014	2015
<b>2012 February Financial Plan Baseline - Operating Cash Income/(Deficit)</b>	<b>(\$446.151)</b>	<b>(\$441.439)</b>	<b>(\$473.625)</b>	<b>(\$481.800)</b>
<b>Baseline Changes</b>				
<b>Revenue</b>				
Farebox Revenue	\$11.136	\$13.733	\$17.256	\$15.206
Vehicle Toll Revenue	0.000	0.000	0.000	0.000
Other Operating Revenue	3.222	2.107	2.245	2.450
Capital and Other Reimbursement	0.000	0.000	0.000	0.000
<b>Total Revenue Changes</b>	<b>\$14.358</b>	<b>\$15.840</b>	<b>\$19.501</b>	<b>\$17.656</b>
<b>Expenses</b>				
<b>Labor:</b>				
Payroll	\$7.402	(\$2.181)	(\$3.415)	(\$2.791)
Overtime	0.000	0.736	0.787	0.802
Health and Welfare	9.748	6.176	12.809	15.187
OPEB Current Payment	(2.000)	(2.000)	(3.000)	(3.000)
Pensions	4.604	2.347	1.194	3.673
Other Fringe Benefits	1.419	(0.546)	(1.028)	(1.179)
Reimbursable Overhead	(1.250)	(1.288)	(1.313)	(1.337)
<b>Total Labor Expense Changes</b>	<b>\$19.922</b>	<b>\$3.245</b>	<b>\$6.034</b>	<b>\$11.356</b>
<b>Non-Labor:</b>				
Electric Power	\$6.681	\$11.124	\$19.066	\$25.284
Fuel	0.700	2.987	2.843	2.946
Insurance	(0.188)	(0.571)	(1.206)	(2.041)
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	1.996	(2.416)	(0.132)	(8.747)
Professional Service Contracts	0.519	(3.154)	(2.532)	(0.987)
Materials & Supplies	2.612	(1.309)	1.382	2.421
Other Business Expenses	2.140	(1.512)	(0.360)	(1.642)
<b>Total Non-Labor Expense Changes</b>	<b>\$14.460</b>	<b>\$5.149</b>	<b>\$19.061</b>	<b>\$17.234</b>
<b>Total Expenses before Depreciation and GASB Adjustments</b>	<b>\$34.382</b>	<b>\$8.394</b>	<b>\$25.095</b>	<b>\$28.590</b>
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Obligation	0.000	0.150	0.256	0.399
Environmental Remediation	2.768	2.970	3.177	3.391
<b>Total Expense Changes</b>	<b>\$37.150</b>	<b>\$11.514</b>	<b>\$28.528</b>	<b>\$32.380</b>
<b>Cash Conversion Adjustment Changes</b>				
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000
Operating/Capital	(6.191)	(4.982)	(2.497)	0.000
Other Cash Adjustments	43.537	(11.992)	6.709	8.775
<b>Total Cash Conversion Adjustments</b>	<b>\$37.346</b>	<b>(\$16.974)</b>	<b>\$4.212</b>	<b>\$8.775</b>
<b>Total Baseline Changes</b>	<b>\$88.855</b>	<b>\$10.380</b>	<b>\$52.241</b>	<b>\$58.811</b>
<b>2012 July Financial Plan Baseline-Operating Cash Income/(Deficit)</b>	<b>(\$357.296)</b>	<b>(\$431.058)</b>	<b>(\$421.384)</b>	<b>(\$422.989)</b>



**MTA METRO-NORTH RAILROAD**  
**July Financial Plan 2013 - 2016**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

**REIMBURSABLE**

	2012	2013	2014	2015
<b>2012 February 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>Baseline Changes</b>				
<b>Revenue</b>				
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	0.000	0.000	0.000	0.000
Other Operating Revenue	0.000	0.000	0.000	0.000
Capital and Other Reimbursement	(15.264)	(9.302)	(10.386)	(11.532)
<b>Total Revenue Changes</b>	<b>(\$15.264)</b>	<b>(\$9.302)</b>	<b>(\$10.386)</b>	<b>(\$11.532)</b>
<b>Expenses</b>				
<b>Labor:</b>				
Payroll	\$2.129	\$1.168	\$1.190	\$1.213
Overtime	1.249	0.952	0.970	0.988
Health and Welfare	1.228	0.711	1.474	1.780
OPEB Current Payment	0.000	0.000	0.000	0.000
Pensions	1.216	0.671	0.543	0.880
Other Fringe Benefits	0.146	0.304	0.309	0.317
Reimbursable Overhead	1.547	0.775	0.794	0.814
<b>Total Labor Expense Changes</b>	<b>\$7.517</b>	<b>\$4.581</b>	<b>\$5.281</b>	<b>\$5.993</b>
<b>Non-Labor:</b>				
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000
Insurance	0.980	0.955	0.973	0.991
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	2.307	(0.513)	(0.502)	(0.483)
Professional Service Contracts	(1.887)	(1.898)	(1.924)	(1.952)
Materials & Supplies	6.560	6.386	6.765	7.188
Other Business Expenses	(0.213)	(0.209)	(0.208)	(0.205)
<b>Total Non-Labor Expense Changes</b>	<b>\$7.747</b>	<b>\$4.721</b>	<b>\$5.105</b>	<b>\$5.539</b>
<b>Total Expense Changes</b>	<b>\$15.264</b>	<b>\$9.302</b>	<b>\$10.386</b>	<b>\$11.532</b>
<b>2012 July Financial Plan Baseline-Operating Cash Income/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>

**MTA METRO-NORTH RAILROAD**  
**July Financial Plan 2013 - 2016**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

**NON-REIMBURSABLE and REIMBURSABLE**

	2012	2013	2014	2015
<b>2012 February Financial Plan Baseline - Operating Cash Income/(Deficit)</b>	<b>(\$446.151)</b>	<b>(\$441.439)</b>	<b>(\$473.625)</b>	<b>(\$481.800)</b>
<b>Baseline Changes</b>				
<b>Revenue</b>				
Farebox Revenue	\$11.136	\$13.733	\$17.256	\$15.206
Vehicle Toll Revenue	0.000	0.000	0.000	0.000
Other Operating Revenue	3.222	2.107	2.245	2.450
Capital and Other Reimbursement	(15.264)	(9.302)	(10.386)	(11.532)
<b>Total Revenue Changes</b>	<b>(\$0.906)</b>	<b>\$6.538</b>	<b>\$9.115</b>	<b>\$6.124</b>
<b>Expenses</b>				
<b>Labor:</b>				
Payroll	\$9.531	(\$1.013)	(\$2.225)	(\$1.578)
Overtime	1.249	1.688	1.757	1.790
Health and Welfare	10.976	6.887	14.283	16.967
OPEB Current Payment	(2.000)	(2.000)	(3.000)	(3.000)
Pensions	5.820	3.018	1.737	4.554
Other Fringe Benefits	1.566	(0.241)	(0.719)	(0.862)
Reimbursable Overhead	0.297	(0.513)	(0.519)	(0.523)
<b>Total Labor Expense Changes</b>	<b>\$27.439</b>	<b>\$7.826</b>	<b>\$11.315</b>	<b>\$17.348</b>
<b>Non-Labor:</b>				
Electric Power	\$6.681	\$11.124	\$19.066	\$25.284
Fuel	0.700	2.987	2.843	2.946
Insurance	0.792	0.384	(0.233)	(1.050)
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	4.303	(2.929)	(0.634)	(9.230)
Professional Service Contracts	(1.368)	(5.052)	(4.456)	(2.939)
Materials & Supplies	9.172	5.077	8.147	9.609
Other Business Expenses	1.927	(1.721)	(0.568)	(1.847)
<b>Total Non-Labor Expense Changes</b>	<b>\$22.207</b>	<b>\$9.870</b>	<b>\$24.165</b>	<b>\$22.774</b>
<b>Total Expenses before Non-Cash Liability Adjs.</b>	<b>\$49.647</b>	<b>\$17.696</b>	<b>\$35.480</b>	<b>\$40.122</b>
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Obligation	0.000	0.150	0.256	0.399
Environmental Remediation	2.768	2.970	3.177	3.391
<b>Total Expense Changes</b>	<b>\$52.415</b>	<b>\$20.816</b>	<b>\$38.914</b>	<b>\$43.912</b>
<b>Baseline Net Surplus/(Deficit) Changes</b>	<b>\$51.509</b>	<b>\$27.354</b>	<b>\$48.029</b>	<b>\$50.036</b>
<b>Cash Conversion Adjustment Changes</b>				
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000
Operating/Capital	(6.191)	(4.982)	(2.497)	0.000
Other Cash Adjustments	43.537	(11.992)	6.709	8.775
<b>Total Cash Conversion Adjustments</b>	<b>\$37.346</b>	<b>(\$16.974)</b>	<b>\$4.212</b>	<b>\$8.775</b>
<b>Total Baseline Changes</b>	<b>\$88.855</b>	<b>\$10.380</b>	<b>\$52.241</b>	<b>\$58.811</b>
<b>2012 July Financial Plan Baseline-Operating Cash Income/(Deficit)</b>	<b>(\$357.296)</b>	<b>(\$431.058)</b>	<b>(\$421.384)</b>	<b>(\$422.989)</b>

**MTA METRO-NORTH RAILROAD**  
**2013 Preliminary Budget**  
**July Financial Plan 2013- 2016**  
**Summary of Major Plan-to-Plan Changes**

Revisions to Metro-North's financial plan for the 2012-2016 periods reflect adjustments resulting from evolving economic conditions, changing cost assumptions and resource allocations, as well as the impact of recently implemented cost reduction plans.

**2012: JULY FINANCIAL PLAN vs. FEBRUARY FINANCIAL PLAN**

The 2012 Mid-Year Forecast cash subsidy requirement of \$357.3 million for non-reimbursable operations is \$88.9 million lower than the 2012 Adopted Budget. This reflects \$14.4 million in higher total revenue in addition to forecast reduction of \$74.5 million in cash expenditures. Operating revenues of \$647.2 million reflect passenger revenues of \$600.1 million that are \$11.1 million higher than the adopted budget due to higher ridership (2.4% increase vs. the adopted budget and 4.4% vs. 2011). Non-passenger revenues of \$47.1 million are \$3.2 million favorable to the adopted budget due to higher GCT retail proceeds and outlying station revenue. Non-reimbursable operating expenses of \$1,308.2 million reflect the reduction of \$37.2 million compared to the adopted budget. Cost savings include lower labor expense due to authorized but unfilled positions, lower health and welfare premiums and reduced pension estimates. 2012 non-labor expenditures reflect lower energy costs, material usage efficiencies as well as higher cost recoveries from Amtrak and reduced provisions for environmental remediation.

The 2012 Mid-Year Reimbursable revenue and expense projections total \$199.0 million which is \$15.3 million lower than the 2012 Adopted Budget. This reduction reflects the re-estimate of various projects including lower costs for the Port Jervis Line Reconstruction Phase 2, the Cyclical Track Program and the rescheduling of the Park Ave Tunnel 3<sup>rd</sup> Rail Bracket replacement project.

**2013: JULY FINANCIAL PLAN vs. FEBRUARY FINANCIAL PLAN**

The 2013 Preliminary Budget cash subsidy requirement of \$431.1 million is \$10.4 million lower than the February Financial Plan. This reflects a \$15.8 million increase in revenues primarily driven by an increase in farebox revenue. Expense reductions are primarily due to lower energy costs, healthcare premiums, reduced overtime requirements, material usage efficiencies and adjustments for environmental remediation costs. Partially offsetting these decreases are higher labor costs from new initiatives which include staffing to meet regulatory requirements for employee

training and monitoring, strategic staffing initiatives for train operations that reduce overtime, enhance revenue collection and address succession planning needs. Other increases include the purchase of additional Ticket Vending Machines for GCT and outlying stations, additional IT systems support services, and material for power reliability programs and infrastructure maintenance.

Reimbursable project costs (and receipts) for 2012 are \$9.3 million lower than the February Plan and essentially reflect a continuation of new baseline project levels from 2012 and select minor project cost and scheduling refinements.

#### **2014 - 2015: JULY FINANCIAL PLAN vs. FEBRUARY FINANCIAL PLAN**

The 2014-2015 July Financial Plan subsidy requirements are lower than the February Financial Plan by \$52.2 million in 2014 and \$58.8 million in 2015. Revenue increases reflect higher farebox revenues from growing ridership as the regional economy improves and M-8 cars are fully in service, and the continuation of higher GCT retail revenues. Favorable expense changes versus the February Financial Plan reflect lower fringe rates, electric power and fuel inflators, efficiencies in material usage, and favorable provisions for environmental remediation. These decreases are partially offset by higher labor costs from new initiatives, insurance premiums and the new cycle of locomotive overhaul programs.

Reimbursable project costs (and receipts) for 2014-2015 compared to the February Plan are lower by \$10.4 million in 2014, and by \$11.5 million in 2015 reflecting a continuation of new baseline project levels from 2013 and select minor project cost and scheduling refinements.

**MTA Metro-North Railroad**  
**July Financial Plan 2013 - 2016**  
**Summary of Major Programmatic Changes Between Financial Plans**  
(\$ in millions)

**NON-REIMBURSABLE and REIMBURSABLE**

	2012	2013	2014	2015
<b>2012 February Financial Plan Baseline - Operating Cash Income/(Deficit)</b>	<b>(\$446.151)</b>	<b>(\$441.439)</b>	<b>(\$473.625)</b>	<b>(\$481.800)</b>
<b>Non-Reimbursable Major Changes</b>				
<b>Revenue</b>				
Fare Box Revenue (Higher Ridership) (Excl BRP)	\$10.636	\$13.233	\$16.756	\$14.706
Non Passenger Revenue (Excl BRP)	2.722	1.607	1.745	1.950
Sub-Total Non-Reimbursable Revenue Changes	13.358	14.840	18.501	16.656
<b>Expenses</b>				
Health & Welfare Premium Reductions (Excl BRP)	\$7.310	\$3.739	\$9.371	\$11.750
Electric Power	6.681	11.124	19.066	25.284
Efficiency Savings: M-7 Seat Change Out Program	0.947	3.330	3.330	3.330
Service Plan Adjustments	2.520	0.436	0.885	1.800
Efficiency Savings: Material Usage	2.612	2.500	2.500	2.500
Pension - Actuarial Adjustment (Excl BRP)	4.399	2.142	0.989	3.469
Other Fringe Benefits ( Excl BRPs))	1.112	(0.853)	(1.335)	(1.486)
M of W Miscellaneous Contractual Services Savings	0.934	0.000	0.000	0.000
New Haven - Maintenance Facility Shop	0.973	0.174	(0.078)	(0.078)
Harlem River Lift Bridge Repairs	1.000	0.000	0.000	0.000
Amtrak Recoveries	2.200	0.000	0.000	0.000
Fire, Life Safety Alarms At Stations and Facilities	0.000	(0.136)	(0.136)	(0.136)
GCT Performance Monitoring of Elevators and Escalators	0.000	(0.500)	0.000	0.000
Locomotive Overhaul - Brookvilles	0.000	0.000	0.000	(3.900)
Locomotive Overhaul - Genesis	2.892	0.000	0.000	(5.200)
Replace Roof And Windows At Fleetwood Station	0.000	(0.400)	0.000	0.000
Relocation of 347 Madison Electronic Control Systems	0.000	(0.278)	(0.653)	(0.653)
H&H 3rd Rail Sectionalizing	0.000	(0.685)	(0.685)	(0.685)
H&H Snowmelter Equipment	0.000	(1.100)	(1.100)	(1.100)
Maintenance For TIMS	0.000	0.000	(0.566)	(0.566)
IT Project Management Services	0.000	(0.900)	(0.900)	(0.900)
Parking Structure CCTV – Poughkeepsie	0.000	0.000	(0.500)	0.000
Overhead Recovery	(1.250)	(1.288)	(1.313)	(1.337)
West Of Hudson Subsidy Changes	(0.941)	(1.328)	(0.858)	(0.990)
2012 Budget Reduction Plan	3.500	3.500	3.500	3.500
Additional TVMs at GCT and Outlying Stations	0.000	(2.373)	0.000	0.000
Customer Service Communication Enhancements	(0.110)	(1.427)	(0.385)	(0.396)
Operations Services Staffing (Onboard and OCC)	(1.463)	(3.534)	(3.532)	(3.654)
All Other	2.066	(2.750)	(1.506)	(0.961)
Sub-Total Non-Reimbursable Expense Changes	\$35.382	\$9.394	\$26.095	\$29.590
<b>Total Non-Reimbursable Major Changes</b>	<b>\$48.741</b>	<b>\$24.234</b>	<b>\$44.596</b>	<b>\$46.246</b>
<b>Reimbursable Major Changes</b>				
<b>Revenue</b>				
Projections for 2013-2016 assume capital project activity levels similar to 2012 MYF adjusted for the winding down/ completion of one-time projects active in 2012	(15.264)	(9.302)	(10.386)	(11.532)
Sub-Total Reimbursable Revenue Changes	(\$15.264)	(\$9.302)	(\$10.386)	(\$11.532)
<b>Expenses</b>				
Projections for 2013-2016 assume capital project activity levels similar to 2012 MYF adjusted for the winding down/ completion of one-time projects active in 2012	15.264	9.302	10.386	11.532
Sub-Total Reimbursable Expense Changes	\$15.264	\$9.302	\$10.386	\$11.532
<b>Total Reimbursable Major Changes</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Accrual Changes</b>	<b>\$48.741</b>	<b>\$24.234</b>	<b>\$44.596</b>	<b>\$46.246</b>
<b>Cash Adjustment Changes</b>				
Timing of Force Account Receipts	\$24.290	(\$2.194)	\$3.716	\$6.739
Advance Payment Of 2012 Pension	15.000	0.000	0.000	0.000
M-8 Spare Part Inventory	3.960	(1.260)	2.150	(2.300)
Operating Capital	(6.191)	(4.982)	(2.497)	0.000
Cash Timing / Position Offsets	3.055	(5.417)	4.276	8.126
<b>Total Cash Adjustment Changes</b>	<b>\$40.114</b>	<b>(\$13.853)</b>	<b>\$7.645</b>	<b>\$12.565</b>
<b>Total Baseline Changes</b>	<b>\$88.855</b>	<b>\$10.380</b>	<b>\$52.241</b>	<b>\$58.811</b>
<b>2012 July Financial Plan Baseline-Operating Cash Income/(Deficit)</b>	<b>(\$357.296)</b>	<b>(\$431.058)</b>	<b>(\$421.384)</b>	<b>(\$422.989)</b>

**MTA METRO-NORTH RAILROAD**  
**2013 Preliminary Budget**  
**July Financial Plan 2013-2016**  
**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 and government-supported mass transit initiatives. In addition, internal programs that affect service, customer awareness, and access to Metro-North are also incorporated into ridership forecasts.

Total rail ridership is projected at 85.6 million in 2012. This is the highest ridership in the history of Metro-North and reflects the Railroad's high quality service, an improving regional economy and a mild winter season.

The 2012 Mid-Year Forecast for East of Hudson service ridership is 2.5% higher than the 2012 Adopted Budget and 4.3% higher than 2011. In 2013, 2014, 2015, and 2016, ridership is projected to grow 2.1%, 2.1%, 1.9%, and 1.5% respectively, with growth occurring across all three commuter lines. Projections over this period assume no fare increases in New York State, and fare increases in Connecticut of 5.04% in 2013 and 2014, and annual increases of 1.0% in 2015 and 2016. Efforts to promote ridership growth continue with increases in programmed service expansion, increased parking and promotional advertising, as well as a continuation of regional employment growth.

West of Hudson utilization reflects 2012 customer levels that are 7.2% higher than 2011 actual results, reflecting a recovery from the 2011 Port Jervis Line service outage that resulted from *Tropical Storm Irene* infrastructure damages. In 2013-2016, West of Hudson ridership is projected to grow 1.6%, 1.7%, 2.0% and 1.8%, respectively. Growth rates during this period reflect the improvement in the economic climate, a resumption of customer growth in peak periods, and continued customer increases during off-peak periods on both the Port Jervis and Pascack Valley lines.

**MTA Metro-North Railroad**  
**July Financial Plan 2013 - 2016**  
**Ridership/(Utilization)**  
(in millions)

		2012	2013			
	2011	Mid-Year	Preliminary			
<u>RIDERSHIP</u>	Actual	Forecast	Budget	2014	2015	2016
Harlem Line	26.364	27.265	27.985	28.670	29.324	29.861
Hudson Line	15.760	16.238	16.682	17.088	17.471	17.773
New Haven Line	38.240	40.340	40.970	41.708	42.297	42.790
<b>Total East of Hudson Ridership</b>	<b>80.364</b>	<b>83.843</b>	<b>85.637</b>	<b>87.466</b>	<b>89.092</b>	<b>90.424</b>
West of Hudson	1.680	1.802	1.831	1.862	1.899	1.934
<b>Total Ridership</b>	<b>82.044</b>	<b>85.644</b>	<b>87.468</b>	<b>89.328</b>	<b>90.991</b>	<b>92.358</b>
<b><u>FAREBOX REVENUE</u></b>						
Harlem Line	\$172.373	\$177.331	\$181.982	\$186.739	\$191.295	\$195.131
Hudson Line	126.189	129.892	133.506	136.953	140.200	142.775
New Haven Line	268.278	292.291	308.070	326.389	333.187	339.329
West of Hudson Mail & Ride	0.790	0.586	0.594	0.603	0.615	0.627
<b>Baseline Total Farebox Revenue</b>	<b>\$567.629</b>	<b>\$600.100</b>	<b>\$624.152</b>	<b>\$650.684</b>	<b>\$665.296</b>	<b>\$677.861</b>

**MTA Metro-North Railroad**  
**July Financial Plan 2013 - 2016**  
**2012 Budget Reduction Plan Summary**  
(\$ in millions)

	Favorable/(Unfavorable)									
	Pos.	2012	Pos.	2013	Pos.	2014	Pos.	2015	Pos.	2016
<u>Administration</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Administration	-	0.000	-	0.000	-	\$0.000	-	\$0.000	-	\$0.000
<u>Customer Convenience/Amenities</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Customer Convenience/Amenities	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Maintenance</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Maintenance	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Revenue Enhancement</u>										
Passenger Revenue - Credit Card Address Verification Software	-	0.500	-	0.500	-	0.500	-	0.500	-	0.500
Non Passenger Revenue - Increase in GCT Retail Revenue	-	0.500	-	0.500	-	0.500	-	0.500	-	0.500
Subtotal Revenue Enhancement	-	1.000	-	1.000	-	1.000	-	1.000	-	1.000
<u>Safety/Security</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Safety	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Service</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Service	-	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
Subtotal Service Support	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Other</u>										
Lower Payroll Costs from Increase in Vacancies	-	2.500	-	2.500	-	2.500	-	2.500	-	2.500
Subtotal Other	-	2.500	-	2.500	-	2.500	-	2.500	-	2.500
<b>Agency Submission</b>	-	<b>\$3.500</b>	-	<b>\$3.500</b>	-	<b>\$3.500</b>	-	<b>\$3.500</b>	-	<b>\$3.500</b>



**MTA Metro-North Railroad  
July Financial Plan 2013 - 2016  
2012 Budget Reduction Plan Worksheet**

**Category by Function:**

Revenue Enhancement

**Program:**

Passenger Revenue Increase from Credit Card Fraud Prevention Software

**Background Details:**

Metro-North has installed credit card fraud prevention software on its Ticket Vending Machines. This address verification software will prompt customers to enter zip code information as a safeguard against the illegal use of credit cards in the purchase of rail tickets and improving revenue collection.

**Program Description/  
Implementation Plan:**

Credit Card Fraud Prevention Software implemented in April 2012 will result in in additional passenger revenues of \$0.5 million per year.

**Program Implementation Date:**

April 2012

**When will savings begin?:**

April 2012

**Are these savings recurring?:**

Yes

**Other Issues:**

Favorable/(Unfavorable)

*Financial Impact (Operating):*

Net Cash Savings (in millions)

2012

2013

2014

2015

2016

\$0.500

\$0.500

\$0.500

\$0.500

\$0.500

*Total Positions Required:*

**MTA Metro-North Railroad  
July Financial Plan 2013 - 2016  
2012 Budget Reduction Plan Worksheet**

**Category by Function:** Revenue Enhancement

**Program:** Rental / Retail Revenues

<b>Background Details:</b>	Metro-North continues to partner with MTA Real Estate and Jones Lang LaSalle to more closely manage retail operations and leverage revenue opportunities. Results of these efforts enabled Metro-North to exceed its 2011 Final Estimate by \$2.6 million. These favorable results continue in 2012 with higher retail revenues and percentage rent receipts and the rescheduling of revenue-funded maintenance projects.
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<b>Program Description/ Implementation Plan:</b>	As a result of Metro-North efforts to promote Non Passenger an annual increase of \$0.5 million can be used to lower operating subsidy requirements.
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<b>Program Implementation Date:</b>	1/1/2012	<b>When will savings begin?:</b>	1/1/2012
		<b>Are these savings recurring?:</b>	Yes
<b>Other Issues:</b>			

	Favorable/(Unfavorable)				
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.500	\$0.500	\$0.500	\$0.500	\$0.500

*Total Positions Required:*

**MTA Metro-North Railroad  
July Financial Plan 2013 - 2016  
2012 Budget Reduction Plan Worksheet**

**Category by Function:** Other

**Program:** Lower Payroll Costs from Increase in Vacancies

<b>Background Details:</b>	Metro-North is experiencing a slower rate of hiring for open jobs and expects vacancy savings beyond budgeted expectations. As hiring efforts are accelerated the rate of vacancies will decline by the end of the year; however, it is expected that an annual vacancy savings of \$2.5 million will be realized in the operating budget (includes fringe costs).
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<b>Program Description/ Implementation Plan:</b>	Savings occur as of January 2012 with vacancy rate at a higher level than budget and will continue throughout the year at a slower rate as hiring plans are executed.
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<b>Program Implementation Date:</b>	1/1/2012	<b>When will savings begin?:</b>	1/1/2012
		<b>Are these savings recurring?:</b>	Yes
<b>Other Issues:</b>			

	Favorable/(Unfavorable)				
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$2.500	\$2.500	\$2.500	\$2.500	\$2.500

*Total Positions Required:*

**MTA METRO-NORTH RAILROAD**  
**2013 Preliminary Budget**  
**July Financial Plan 2013 - 2016**  
**Positions**

**POSITION ASSUMPTIONS**

Positions are stated as of December 31 of each year and reflect authorized staffing levels.

Non-reimbursable staffing levels include the impact of new program additions and re-estimates consistent with the associated cost changes incorporated into the financial plan.

There is no change in 2012 reimbursable staffing levels. The 2013-2016 staffing levels assume a continuation of 2012 project activity levels.

**YEAR-TO-YEAR CHANGES**

**2012 - 2013**

The 2012 Mid-Year Forecast reflects an increase of 32 non-reimbursable positions versus the 2012 Adopted Budget. To meet regulatory requirements four training positions have been added to administer mandatory training to Maintenance of Equipment forces and three clerical positions have been added to monitor train crew utilization for compliance with Hours of Service rules. To support train operations, address anticipated attrition, reduce overtime and enhance revenue collection, 34 Operation Services positions have been added: 24 Conductors and 10 Operations Control Center positions. To strengthen customer service and communication, two Customer Service Representatives have been added to improve response time to an increasing level of customer inquiries, and four Information Technology staff positions have been added for project management support and monitoring critical information systems. In addition, four support staff positions have been added for legal, human resource and financial functions, and one Yardmaster is required for M-8 train operations at Bridgeport Yard. Offsetting these increases is a reduction of three train service positions in conjunction with service plan updates, and a provision to reduce 17 authorized positions to partially offset position additions noted above.

The 2013 Preliminary Budget includes programmatic additions of 52 non-reimbursable positions versus 2012 reflecting 20 T&E positions in support of the service plan and 10 GCT positions to support HVAC system upgrades and a new preventive maintenance program. The new M-8 cars and New Haven Maintenance Facility Shop Complex will require the addition of 22 positions: 13 Maintenance of Equipment employees for M-8 car maintenance and dispatching, three car cleaners in support of e-cleaning efforts,

and six Maintenance of Way positions to support facility and signal maintenance requirements. In addition, four communication system maintainers will be required to maintain critical GCT data communication equipment and fire and life safety equipment at outlying stations, and six IT staff positions will be added for project management and monitoring critical information systems. Offsetting these increases is the elimination of a temporary position in the Controller's Department, the elimination of an IT position due to efficiencies in the help desk function, and a provision to reduce eight authorized positions to partially offset position additions noted above.

#### **2013 - 2014**

The increase of 43 non-reimbursable positions reflects the addition of six GCT fire brigade positions, six GCT escalator maintenance positions, seven positions to support the new West of Hudson signal system, and four positions to support the relocation of critical data communication equipment to a new location in GCT. In addition, 14 Maintenance of Equipment positions have been added as the phasing-in of new M-8 cars is completed, and six T&E positions are added to support the service plan.

#### **2014 - 2015**

The increase of 11 non-reimbursable positions reflects the addition of 14 T&E positions for new train service offset by a reduction of three training positions.

#### **2015 - 2016**

2016 includes an increase of six non-reimbursable T&E positions for new train service

**MTA METRO-NORTH RAILROAD**  
**2013 Preliminary Budget**  
**July Financial Plan 2013 - 2016**  
**Positions Plan-to-Plan Changes**

**PLAN TO PLAN CHANGES**

**2012**

The 2012 Mid-Year Forecast reflects an increase of 32 non-reimbursable positions versus the 2012 Adopted Budget. To meet regulatory requirements four training positions have been added to administer mandatory rolling stock maintenance training and three clerical positions have been added to monitor train crew utilization for compliance with Hours of Service rules. To support train operations, address anticipated attrition, reduce overtime and enhance revenue collection, 34 Operation Services positions have been added consisting of 24 Conductors and 10 Operations Control Center positions. To further improve customer service and communication, two Customer Service Representatives have been added to improve response time to customer inquiries. Four Information Technology staff positions have been added to provide project management support and strengthen the monitoring of critical information systems. In addition four positions have been added to support legal, human resource and financial functions. One Yardmaster is required at Bridgeport Yard in accordance with the operation of the new M-8 car fleet. Offsetting these increases is a reduction of three positions for the service plan, and a provision to reduce 17 authorized positions to partially offset position additions noted above.

**2013**

The 2013 Preliminary Budget shows a net increase of 37 positions over the Adopted Budget. 32 of these positions carry forward from the 2012 changes noted above. The incremental five positions are the net of the following: four GCT positions to support HVAC preventive maintenance, four communication system maintainers for critical data communication equipment in GCT and to maintain fire and life safety equipment at outlying stations, six IT staff positions for project management and monitoring critical information systems, and six T&E positions in support of the service plan. These increases are offset by the deferral of six GCT Fire Brigade positions until 2014, the elimination of an IT position due to efficiencies in the help desk function, and a provision to reduce eight authorized positions to partially offset position additions noted above.

**2014**

The July Forecast of the 2014 shows a net increase of 46 positions over the Adopted Budget. 37 of these positions carry forward from the 2013 changes noted above. The increase of nine non-reimbursable positions reflects the addition of six GCT Fire Brigade positions, seven positions to support the new West of Hudson signal system

and four positions to support critical data communication equipment in GCT and the reduction of eight T&E positions to support the service plan.

## **2015**

The July Forecast of the 2015 shows a net increase of 43 positions over the Adopted Budget. 46 of these positions carry forward from the 2014 changes noted above. The remaining decrease of three non-reimbursable positions reflects the reduction of three T&E positions in accordance with service plan updates.

**MTA METRO-NORTH RAILROAD**

**July Financial Plan 2013-2016**

Favorable/(Unfavorable)

**Total Position Changes at a Glance**

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>2012 February Plan - Total Baseline Positions</b>	<b>6,319</b>	<b>6,366</b>	<b>6,400</b>	<b>6,414</b>
Total Plan-to-Plan Changes	(32)	(37)	(46)	(43)
<b>2012 July Plan - Total Baseline Positions</b>	<b>6,351</b>	<b>6,403</b>	<b>6,446</b>	<b>6,457</b>
Total Year-to-Year Changes, July Plan		(52)	(43)	(11)

**Total Plan-to-Plan Changes by Reporting Category:**

<i>Non-Reimbursable</i>	(32)	(37)	(46)	(43)
<i>Reimbursable</i>	0	0	0	0
<b>Total</b>	<b>(32)</b>	<b>(37)</b>	<b>(46)</b>	<b>(43)</b>
<i>Full-Time</i>	(32)	(37)	(46)	(43)
<i>Full-Time Equivalents</i>	0	0	0	0
<b>Total</b>	<b>(32)</b>	<b>(37)</b>	<b>(46)</b>	<b>(43)</b>
<i>By Function Category</i>				
- Administration	5	8	8	8
- Operations	(38)	(44)	(36)	(33)
- Maintenance	0	(2)	(19)	(19)
- Engineering/Capital	1	1	1	1
- Public Safety	0	0	0	0
<b>Total</b>	<b>(32)</b>	<b>(37)</b>	<b>(46)</b>	<b>(43)</b>
<i>By Occupational Group</i>				
- Managers/Supervisors	(4)	(5)	(5)	(5)
- Professional, Technical, Clerical	0	0	(6)	(6)
- Operational Hourlies	(28)	(32)	(35)	(32)
<b>Total</b>	<b>(32)</b>	<b>(37)</b>	<b>(46)</b>	<b>(43)</b>

**Total Plan-to-Plan Changes by Major Category:**

<i>2012 BRPs</i>	0	0	0	0
<i>New Needs</i>	(44)	(50)	(50)	(50)
<i>Change in Reimbursable Positions</i>	0	0	0	0
<i>Re-estimates &amp; All Other<sup>1</sup></i>	12	13	4	7
<b>Total</b>	<b>(32)</b>	<b>(37)</b>	<b>(46)</b>	<b>(43)</b>



**MTA METRO-NORTH RAILROAD**  
**July Financial Plan 2013 - 2016**  
**Total Positions by Function and Department**  
**Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents**

<b>FUNCTION/DEPARTMENT</b>	<b>2011 Actual</b>	<b>2012 Mid-Year Forecast</b>	<b>2013 Preliminary Budget</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Administration</b>						
President	3	3	3	3	3	3
Labor Relations	8	9	9	9	9	9
Safety	15	19	19	19	19	19
COS/ Corporate & Public Affairs	13	17	17	17	17	17
Customer Service	44	45	45	45	45	45
Legal	16	18	18	18	18	18
Claims	14	14	14	14	14	14
Environmental Compliance & Svce	7	7	7	7	7	7
VP Administration	3	3	3	3	3	3
VP Human Resources	3	4	4	4	4	4
Human Resources & Diversity	20	24	24	24	24	24
Training	33	51	51	51	48	48
Employee Relations & Diversity	4	4	4	4	4	4
VP Planning	2	2	2	2	2	2
Operations Planning & Analysis	16	17	17	17	17	17
Capital Planning & Programming	10	13	13	13	13	13
Business Development Facilities & Mktg	20	21	21	21	21	21
Long Range Planning	8	8	8	8	8	8
VP Finance & Info Systems	1	2	2	2	2	2
Controller	79	78	77	77	77	77
Information Technology & Project Mgmt	91	101	106	106	106	106
Budget	15	20	20	20	20	20
Procurement & Material Management	38	41	41	41	41	41
Corporate	0	(17)	(25)	(25)	(25)	(25)
<b>Total Administration</b>	<b>463</b>	<b>504</b>	<b>500</b>	<b>500</b>	<b>497</b>	<b>497</b>
<b>Operations</b>						
Operations Administration	50	56	56	56	56	56
Operations Services	1,660	1,806	1,829	1,835	1,849	1,855
Customer Service	227	238	238	238	238	238
Business Development Facilities & Mktg	37	38	38	38	38	38
Metro-North West	32	28	28	28	28	28
<b>Total Operations</b>	<b>2,006</b>	<b>2,166</b>	<b>2,189</b>	<b>2,195</b>	<b>2,209</b>	<b>2,215</b>
<b>Maintenance</b>						
GCT	360	375	385	397	397	397
Maintenance of Equipment	1,251	1,338	1,351	1,365	1,365	1,365
Maintenance of Way	1,534	1,752	1,762	1,773	1,773	1,773
Procurement & Material Management	120	120	120	120	120	120
<b>Total Maintenance</b>	<b>3,265</b>	<b>3,585</b>	<b>3,618</b>	<b>3,655</b>	<b>3,655</b>	<b>3,655</b>
<b>Engineering/Capital</b>						
Construction Management	36	37	37	37	37	37
Engineering & Design	55	59	59	59	59	59
<b>Total Engineering/Capital</b>	<b>91</b>	<b>96</b>	<b>96</b>	<b>96</b>	<b>96</b>	<b>96</b>
<b>Baseline Total Positions</b>	<b>5,825</b>	<b>6,351</b>	<b>6,403</b>	<b>6,446</b>	<b>6,457</b>	<b>6,463</b>
<i>Non-Reimbursable</i>	5,469	5,741	5,793	5,836	5,847	5,853
<i>Reimbursable</i>	356	610	610	610	610	610
<i>Total Full-Time</i>	5,824	6,350	6,402	6,445	6,456	6,462
<i>Total Full-Time-Equivalents</i>	1	1	1	1	1	1

**MTA METRO-NORTH RAILROAD**  
**July Financial Plan 2013 - 2016**  
**Total Positions by Function and Occupation**

FUNCTION/OCCUPATIONAL GROUP		2011 Actual	2012 Mid-Year Forecast	2013 Preliminary Budget	2014	2015	2016
<b>Administration</b>							
	Managers/Supervisors	55	58	58	58	58	58
	Professional, Technical, Clerical	408	463	467	467	464	464
	Operational Hourlies	-	(17)	(25)	(25)	(25)	(25)
	<b>Total Administration</b>	463	504	500	500	497	497
<b>Operations</b>							
	Managers/Supervisors	24	30	30	30	30	30
	Professional, Technical, Clerical	461	500	500	500	500	500
	Operational Hourlies	1,521	1,636	1,659	1,665	1,679	1,685
	<b>Total Operations</b>	2,006	2,166	2,189	2,195	2,209	2,215
<b>Maintenance</b>							
	Managers/Supervisors	56	57	57	57	57	57
	Professional, Technical, Clerical	956	1,027	1,029	1,035	1,035	1,035
	Operational Hourlies	2,253	2,501	2,532	2,563	2,563	2,563
	<b>Total Maintenance</b>	3,265	3,585	3,618	3,655	3,655	3,655
<b>Engineering/Capital</b>							
	Managers/Supervisors	23	27	27	27	27	27
	Professional, Technical, Clerical	68	69	69	69	69	69
	Operational Hourlies	-	-	-	-	-	-
	<b>Total Engineering/Capital</b>	91	96	96	96	96	96
<b>Public Safety</b>							
	Managers/Supervisors	-	-	-	-	-	-
	Professional, Technical, Clerical	-	-	-	-	-	-
	Operational Hourlies	-	-	-	-	-	-
	<b>Total Public Safety</b>	-	-	-	-	-	-
<b>Total Baseline Positions</b>							
	Managers/Supervisors	158	172	172	172	172	172
	Professional, Technical, Clerical	1,893	2,059	2,065	2,071	2,068	2,068
	Operational Hourlies	3,774	4,120	4,166	4,203	4,217	4,223
	<b>Total Baseline Positions</b>	5,825	6,351	6,403	6,446	6,457	6,463

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## **MTA Headquarters**

**MTA HEADQUARTERS**  
**2013 Preliminary Budget**  
**July Financial Plan 2013 – 2016**

**FINANCIAL OVERVIEW**

MTA Headquarters' operations include four distinct components: Policy and Oversight; Consolidated Functions (those departments that perform services on behalf of MTA agencies); the Business Service Center (BSC); and MTA Security, which includes the MTA Police Department. In keeping with the Chairman's Vision Statement announced in March, MTA Headquarters' Plan demonstrates the organization's commitment to streamlining these operations and maximizing efficiencies and revenue opportunities within the organization and across the MTA. At the same time, it also remains committed to maintaining an organization dedicated to communicating effectively and promoting customer satisfaction, as well as enhancing safety and security throughout the MTA system.

MTA Headquarters' July Financial Plan contains self-funded programs and funding for MTA-wide initiatives considered to be the highest priority by executive management. At the same time MTA headquarters conducted a review of operations that identified recurring savings of over \$2 million.

The MTA Headquarters' July Financial Plan continues to provide for a number of strategic cost reduction initiatives, including undertaking a strategic sourcing approach that evaluates the total cost of ownership in procuring goods and services. Part of this approach involves conducting an MTA-wide review of Information Technology resources such as desktop configurations, telecom expenses and non-revenue fleet acquisition, distribution and maintenance. Other key initiatives include the rationalization and consolidation of IT services and equipment and the restructuring of agency-wide Marketing and Corporate Communications functions.

As our transportation system expands, MTA is taking steps to ensure additional protection is provided for our customers, employees and facilities. Beginning in 2013, the July Plan includes costs for the hiring of 12 MTAPD positions to enable the MTA Police to increase patrol at the Atlantic Avenue Terminal for the new Barclays Center. In 2015 funding is provided for the hiring of 5 MTAPD positions for patrolling the Moynihan project, an expansion of the west end concourse at Penn Station. Lastly, the July Plan includes funding in 2016 for the MTAPD to begin a hiring schedule for approximately 30 new officers each July which will be used to augment safety and security throughout the MTA system and be available to establish a fully-trained security presence for East Side Access when it opens in 2019. Funding is also included for projects and planning related expenses, specifically for oversight of the West Side Yards Development project. This project has no net cost impact, since all funding is reimbursable by the project developer.

### *Business Service Center (BSC)*

In order to transform the way the MTA conducts business, it established the BSC, which began operations 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 as part of continued efforts to increase efficiencies and generate cost savings. The second phase of implementation, which will incorporate NYCT, MTA Bus and B&T Human Resources functions into the BSC, will begin in the second half of 2012.

As the BSC reevaluates its requirements, the July Plan provides funding of \$2.8 million for IBM to provide data center hosting services through 2015. It had previously been assumed that the MTA would provide these services. In addition, the plan provides funding for the addition of 2 reimbursable Deferred Compensation positions needed for the expanding enrollment in 401(K), 457, and Flexible Spending Accounts (FSA) for all agencies of the MTA. Continuous improvement efficiencies will result in BSC headcount reductions in 2013 and beyond.

### **2012 Mid-Year Forecast**

MTA Headquarters Baseline Deficit increases to \$409.4 million in the July Plan from the Adopted Budget of \$390.8 million, an unfavorable increase of \$18.6 million. An extensive review of operations yielded non-reimbursable savings of \$4.3 million in Budget Reduction Programs (BRPs). These included lower MTAHQ and MTAPD maintenance costs of \$2.5 million, \$1.0 million in reduced telecom needs and all-Agency IT consulting costs, and \$0.2 million in lower temporary service costs due to reassessed accounting needs post-BSC start-up. MTAPD shows reduced wireless costs of \$0.4 million through consolidation of services and fleet costs of \$0.2 million through using in-house MTA Bus services. The transfer and elimination of 33 positions from New Fare Payment Systems and Bus Customer Information Systems (17 positions transferred to NYCT and the 16 remaining Headquarters positions eliminated) results in a reduction of \$0.9 million.

The submission includes certain New Needs that are an offset to these savings, primarily due to the BSC continuation of IBM hosting costs of \$2.8 million, expected to end in 2015. Additional costs of \$3.4 million for the Rockaway Resident Discount Program subsidy are assumed, although the full subsidy will be reimbursable from the State by the MTA. The July Plan also includes costs of \$2.7 million for strategic sourcing consulting services that identified cost savings throughout the MTA. New Needs are also included for two Deferred Compensation positions, two Web Design positions, and a Deputy Director of Finance position. When the New Needs positions are combined with the 33 transferred and eliminated New Fare Payment Systems and Bus Customer Information Services positions, headcount is reduced to 1,737 positions from 1,765 positions in the February Plan.

## **2013 Preliminary Budget - Baseline**

MTA Headquarters projects a Baseline Deficit of \$395.5 million for 2013, an unfavorable variance of \$0.8 million from the Adopted Budget of \$394.7 million. This reflects the continued impact of the 2012 BRPs of \$2.8 million. New needs of \$5.1 million include the BSC hosting costs of \$2.8 million, the addition of 12 MTAPD positions needed for the security of the Atlantic Avenue Terminal for the new Barclays Center for a cost of \$1.1 million, and IT maintenance and consulting costs \$0.8 million. Reductions of \$6.5 million due to the reduction of New Fare Payment Systems and Bus Customer Information Services positions, and lower health and welfare costs of \$4.3 million, are partly offset by increased amortization costs of \$4.7 million related to the BSC project, and increased Rockaway Resident Discount Program subsidy of \$3.4 million.

Headcount of 1,732 positions is a decrease from the Adopted Budget of 1,748 due to a reduction 33 positions from New Fare Payment Systems and Bus Customer Information Services, partly offset by the addition of 12 MTAPD positions needed to secure the Atlantic Avenue Terminal for the Barclays Center, and New Needs for two reimbursable Deferred Compensation positions, two Web Design positions, and a Deputy Director of Finance position.

## **2014-2016 Projections**

The Baseline Deficit for 2014 decreases to \$396.3 million from the February Plan of \$407.3 million, a reduction of \$11.0 million. The decrease primarily results from reductions of \$11.2 million due to the reduction of New Fare Payment Systems and Bus Customer Information Services positions; lower health and welfare rates of \$6.1 million; and the continued impact of the 2012 BRPs of \$2.8 million. The continued impact of New Needs of \$4.9 million and increased Rockaway Resident Discount Program subsidy of \$3.4 million are an offset. Headcount of 1,732 positions remains unchanged from 2013.

The Baseline Deficit for 2015 decreases to \$407.2 million from the February Plan of \$431.5 million, a reduction of \$24.3 million. The decrease primarily results from reductions of \$19.9 million due to the reduction of New Fare Payment Systems and Bus Customer Information Services positions; lower health and welfare rates of \$6.9 million; a change in the assumption for the opening of East Side Access, now expected to open in 2019, resulting in savings of \$2.8 million due to revised staffing requirements by the MTAPD; and the continued impact of the 2012 BRPs of \$2.9 million. The continued impact of New Needs of \$4.2 million and increased Rockaway Resident Discount Program subsidy of \$3.4 million provide an offset. Headcount of 1,737 positions is an increase of five positions from 2014 and reflects the MTAPD hiring of five new positions for the Moynihan Project, an expansion of the west end concourse at Penn Station.

A Baseline Deficit of \$421.4 million is forecast for 2016 and continues to reflect the reduction of New Fare Payment Systems and Bus Customer Information Services positions, lower health and welfare rates; and continued savings from the 2012 BRPs. In 2016 the MTAPD will begin a hiring and training schedule for approximately 30 new officers each July who will be used to augment safety and security throughout the MTA

system and be available to patrol East Side Access when it opens in 2019. This results in an increase to 1,767 positions from 1,737 positions in 2015, an increase of 30 positions.

### **Budget Reduction Program (BRPs)**

The July Plan includes BRPs of \$4.3 million in 2012. This is comprised of \$2.9 million in HQ administrative reductions and \$1.4 million in Safety and Security administrative reductions. These included combined lower MTAHQ and MTAPD maintenance costs of \$2.5 million, partly as a result of non-recurring savings at the Integrated Electronic Security System facility. Administrative reductions also include \$1.0 million in reduced telecom needs and all-Agency IT consulting, and \$0.2 million in lower temporary service costs due to reassessed accounting needs post-BSC start-up. MTAPD reductions also include reduced wireless costs of \$0.4 million through consolidation of devices and services, and lower fleet costs of \$0.2 million through using in-house MTA Bus services.

BRP savings of \$2.8 million are forecast for 2013, a reduction from 2012 which reflected some non-recurring savings, mainly related to the IESS. Thereafter, BRP savings of \$2.8 million, \$2.9 million, and \$2.9 million in 2014, 2015, and 2016, respectively, are inflated at the CPI-Urban rates of 1.77%, 1.88%, and 1.93%.



**MTA HEADQUARTERS**  
**July Financial Plan 2013-2016**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

<b>NON-REIMBURSABLE</b>						
	<b>2011 Actuals</b>	<b>2012 Mid-Year Forecast</b>	<b>2013 Preliminary Budget</b>	<b>2014</b>	<b>2015</b>	<b>2016</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	54.972	53.901	52.874	53.809	54.821	55.879
Other	4.757	5.060	5.059	5.149	5.246	5.347
Total Other Operating Revenue	59.729	58.961	57.933	58.958	60.067	61.226
Capital and Other Reimbursements						
<b>Total Revenue</b>	<b>\$59.729</b>	<b>\$58.961</b>	<b>\$57.933</b>	<b>\$58.958</b>	<b>\$60.067</b>	<b>\$61.226</b>
<b>Operating Expenses</b>						
<u>Labor:</u>						
Payroll	\$159.886	\$156.692	\$162.037	\$161.364	\$163.262	\$166.813
Overtime	14.174	8.727	8.932	9.092	9.092	9.135
Health and Welfare	20.391	20.913	21.523	20.938	22.544	24.553
OPEB Current Payment	6.847	6.386	9.600	10.900	12.200	13.500
Pensions	27.899	34.008	39.910	39.152	40.456	42.311
Other Fringe Benefits	16.036	14.132	14.521	12.976	13.370	13.920
Reimbursable Overhead	(40.392)	(59.888)	(49.298)	(50.172)	(51.116)	(52.103)
<b>Total Labor Expenses</b>	<b>\$204.841</b>	<b>\$180.969</b>	<b>\$207.224</b>	<b>\$204.250</b>	<b>\$209.809</b>	<b>\$218.129</b>
<u>Non-Labor:</u>						
Electric Power	\$6.777	\$7.845	\$7.977	\$8.670	\$9.424	\$10.243
Fuel	2.543	2.765	2.791	2.718	2.687	2.659
Insurance	4.873	(0.391)	2.935	3.395	3.826	4.381
Claims	2.266	1.080	1.099	1.209	1.330	1.463
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	44.572	67.420	64.490	64.264	65.394	66.657
Professional Service Contracts	44.896	61.227	45.713	46.497	46.522	46.692
Materials & Supplies	0.322	0.005	0.005	0.005	0.005	0.005
<u>Other Business Expenses</u>						
MTA Internal Subsidy	27.845	4.000	4.000	4.000	4.000	4.000
Other	3.703	7.883	7.857	7.971	8.133	8.341
Total Other Business Expenses	31.548	11.883	11.857	11.971	12.133	12.341
<b>Total Non-Labor Expenses</b>	<b>\$137.797</b>	<b>\$151.834</b>	<b>\$136.867</b>	<b>\$138.729</b>	<b>\$141.320</b>	<b>\$144.441</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>\$342.638</b>	<b>\$332.803</b>	<b>\$344.091</b>	<b>\$342.979</b>	<b>\$351.129</b>	<b>\$362.570</b>
Depreciation	41.088	46.411	34.345	32.984	32.563	32.150
OPEB Obligation	78.142	89.100	75.000	79.300	83.600	87.900
Environmental Remediation	-	-	-	-	-	-
<b>Total Expenses</b>	<b>\$461.868</b>	<b>\$468.314</b>	<b>\$453.436</b>	<b>\$455.263</b>	<b>\$467.292</b>	<b>\$482.620</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$402.139)</b>	<b>(\$409.353)</b>	<b>(\$395.503)</b>	<b>(\$396.304)</b>	<b>(\$407.226)</b>	<b>(\$421.394)</b>

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**MTA HEADQUARTERS**  
**July Financial Plan 2013-2016**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

<b>NON-REIMBURSABLE / REIMBURSABLE</b>						
	<b>2011</b>	<b>2012</b>	<b>2013</b>			
	<b>Actuals</b>	<b>Mid-Year Forecast</b>	<b>Preliminary Budget</b>	<b>2014</b>	<b>2015</b>	<b>2016</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	54.972	53.901	52.874	53.809	54.821	55.879
Other	4.757	5.060	5.059	5.149	5.246	5.347
Total Other Operating Revenue	59.729	58.961	57.933	58.958	60.067	61.226
Capital and Other Reimbursements	47.672	71.827	66.176	76.309	82.593	83.877
<b>Total Revenue</b>	<b>\$107.401</b>	<b>\$130.788</b>	<b>\$124.109</b>	<b>\$135.267</b>	<b>\$142.660</b>	<b>\$145.103</b>
<b>Expenses</b>						
<u>Labor:</u>						
Payroll	\$161.971	\$160.295	\$166.109	\$165.509	\$167.485	\$171.117
Overtime	14.175	8.727	8.932	9.092	9.092	9.135
Health and Welfare	20.641	21.433	22.051	21.502	23.154	25.215
OPEB Current Payment	6.847	6.386	9.600	10.900	12.200	13.500
Pensions	28.190	34.454	40.581	39.907	41.247	43.138
Other Fringe Benefits	16.381	14.424	14.863	13.307	13.714	14.277
Reimbursable Overhead	-	-	-	-	-	-
<b>Total Labor Expenses</b>	<b>\$248.205</b>	<b>\$245.719</b>	<b>\$262.136</b>	<b>\$260.216</b>	<b>\$266.892</b>	<b>\$276.382</b>
<u>Non-Labor:</u>						
Electric Power	\$6.777	\$7.858	\$7.991	\$8.685	\$9.440	\$10.260
Fuel	2.543	2.765	2.791	2.718	2.687	2.659
Insurance	4.873	(0.278)	3.047	3.519	3.961	4.530
Claims	2.266	1.080	1.099	1.209	1.330	1.463
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	44.572	67.513	64.582	64.358	65.490	66.755
Professional Service Contracts	49.167	67.976	56.646	66.492	71.669	71.933
Materials & Supplies	0.328	0.005	0.005	0.005	0.005	0.005
<u>Other Business Expenses</u>						
MTA Internal Subsidy	27.845	4.000	4.000	4.000	4.000	4.000
Other Business Expenses	3.734	7.993	7.969	8.085	8.249	8.459
Total Other Business Expenses	31.579	11.993	11.969	12.085	12.249	12.459
<b>Total Non-Labor Expenses</b>	<b>\$142.105</b>	<b>\$158.911</b>	<b>\$148.131</b>	<b>\$159.071</b>	<b>\$166.831</b>	<b>\$170.065</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>\$390.310</b>	<b>\$404.630</b>	<b>\$410.267</b>	<b>\$419.288</b>	<b>\$433.723</b>	<b>\$446.447</b>
Depreciation	41.088	46.411	34.345	32.984	32.563	32.150
OPEB Obligation	78.142	89.100	75.000	79.300	83.600	87.900
Environmental Remediation	-	-	-	-	-	-
<b>Total Expenses</b>	<b>\$509.540</b>	<b>\$540.141</b>	<b>\$519.612</b>	<b>\$531.571</b>	<b>\$549.886</b>	<b>\$566.497</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$402.139)</b>	<b>(\$409.353)</b>	<b>(\$395.503)</b>	<b>(\$396.304)</b>	<b>(\$407.226)</b>	<b>(\$421.394)</b>

**MTA HEADQUARTERS**  
**July Financial Plan 2013-2016**  
**Cash Receipts & Expenditures**  
(\$ in millions)

<b>CASH RECEIPTS AND EXPENDITURES</b>						
	<b>2011</b>	<b>2012</b>	<b>2013</b>			
	<b>Actuals</b>	<b>Mid-Year</b>	<b>Preliminary</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
		<b>Forecast</b>	<b>Budget</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	71.489	33.976	52.874	53.809	54.821	55.879
Other	4.658	5.156	5.157	5.248	5.347	5.450
Total Other Operating Revenue	76.147	39.132	58.030	59.057	60.168	61.329
Capital and Other Reimbursements	44.621	71.827	66.176	76.309	82.593	83.877
<b>Total Receipts</b>	<b>\$120.768</b>	<b>\$110.959</b>	<b>\$124.207</b>	<b>\$135.366</b>	<b>\$142.761</b>	<b>\$145.206</b>
<b>Expenditures</b>						
<u>Labor:</u>						
Payroll	\$145.516	\$153.827	\$159.580	\$158.863	\$160.780	\$164.355
Overtime	14.175	8.727	8.932	9.092	9.092	9.135
Health and Welfare	18.192	20.405	20.978	20.385	22.014	24.050
OPEB Current Payment	6.847	6.386	9.600	10.900	12.200	13.500
Pensions	21.314	47.963	39.039	38.404	39.378	40.878
Other Fringe Benefits	15.980	14.367	14.803	13.245	13.649	14.212
GASB Account	1.000	1.029	1.073	1.118	1.140	1.165
Reimbursable Overhead	-	-	-	-	-	-
<b>Total Labor Expenditures</b>	<b>\$223.024</b>	<b>\$252.703</b>	<b>\$254.005</b>	<b>\$252.006</b>	<b>\$258.253</b>	<b>\$267.295</b>
<u>Non-Labor:</u>						
Electric Power	\$6.317	\$7.858	\$7.991	\$8.685	\$9.440	\$10.260
Fuel	1.233	2.765	2.791	2.718	2.687	2.659
Insurance	2.562	2.514	2.780	3.225	3.638	4.174
Claims	3.631	1.080	1.099	1.209	1.330	1.463
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	52.651	70.724	61.934	61.719	62.805	64.018
Professional Service Contracts	39.700	70.065	52.398	61.505	66.293	66.538
Materials & Supplies	0.099	0.972	0.005	0.005	0.005	0.005
<u>Other Business Expenses</u>						
MTA Internal Subsidy	22.500	(6.684)	4.000	4.000	4.000	4.000
Other Business Expenses	2.658	9.130	7.411	7.519	7.672	7.867
Total Other Business Expenses	25.158	2.446	11.411	11.519	11.672	11.867
<b>Total Non-Labor Expenditures</b>	<b>\$131.351</b>	<b>\$158.423</b>	<b>\$140.410</b>	<b>\$150.585</b>	<b>\$157.869</b>	<b>\$160.985</b>
<u>Other Expenditure Adjustments:</u>						
Capital	7.095	15.505	28.797	20.566	20.566	20.566
Unallocated Service Enhancement Policy Action	-	-	-	-	-	-
<b>Total Other Expenditure Adjustments</b>	<b>\$7.095</b>	<b>\$15.505</b>	<b>\$28.797</b>	<b>\$20.566</b>	<b>\$20.566</b>	<b>\$20.566</b>
<b>Total Expenditures</b>	<b>\$361.470</b>	<b>\$426.631</b>	<b>\$423.212</b>	<b>\$423.157</b>	<b>\$436.689</b>	<b>\$448.846</b>
<b>Baseline Cash Deficit</b>	<b>(\$240.702)</b>	<b>(\$315.672)</b>	<b>(\$299.005)</b>	<b>(\$287.791)</b>	<b>(\$293.928)</b>	<b>(\$303.640)</b>

**MTA HEADQUARTERS**  
**July Financial Plan 2013-2016**  
**Cash Conversion (Cash Flow Adjustments)**  
(\$ in millions)

<b>CASH FLOW ADJUSTMENTS</b>						
	<b>2011</b>	<b>2012</b>	<b>2013</b>			
	<b>Actuals</b>	<b>Mid-Year</b>	<b>Preliminary</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Receipts</b>						
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Rental Income	16.517	(19.925)	-	-	-	-
Other Operating Revenue	(0.099)	0.096	0.097	0.099	0.101	0.103
Capital and Other Reimbursements	(3.051)	0.000	0.000	0.000	0.000	0.000
<b>Total Receipts</b>	<b>\$13.367</b>	<b>(\$19.829)</b>	<b>\$0.097</b>	<b>\$0.099</b>	<b>\$0.101</b>	<b>\$0.103</b>
<b>Expenditures</b>						
<b><u>Labor:</u></b>						
Payroll	\$16.455	\$6.468	\$6.529	\$6.646	\$6.705	\$6.762
Overtime	-	-	-	-	-	-
Health and Welfare	2.449	1.029	1.073	1.118	1.140	1.165
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	6.876	(13.509)	1.541	1.502	1.869	2.260
Other Fringe Benefits	0.401	0.057	0.059	0.062	0.065	0.065
GASB Account	(1.000)	(1.029)	(1.073)	(1.118)	(1.140)	(1.165)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenditures</b>	<b>\$25.181</b>	<b>(\$6.984)</b>	<b>\$8.130</b>	<b>\$8.210</b>	<b>\$8.639</b>	<b>\$9.087</b>
<b><u>Non-Labor:</u></b>						
Electric Power	(\$0.460)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	(1.310)	-	-	-	-	-
Insurance	(2.311)	(2.792)	0.268	0.294	0.324	0.356
Claims	1.365	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	8.079	(3.211)	2.648	2.639	2.685	2.737
Professional Service Contracts	(9.467)	(2.089)	4.248	4.987	5.375	5.395
Materials & Supplies	(0.229)	(0.967)	-	-	-	-
<b><u>Other Business Expenses</u></b>						
MTA Internal Subsidy	(5.345)	10.684	-	-	-	-
Other Business Expenses	(1.076)	(1.137)	0.558	0.566	0.577	0.592
Total Other Business Expenses	(6.421)	9.547	0.558	0.566	0.577	0.592
<b>Total Non-Labor Expenditures</b>	<b>(\$10.754)</b>	<b>\$0.488</b>	<b>\$7.722</b>	<b>\$8.486</b>	<b>\$8.961</b>	<b>\$9.080</b>
<b><u>Other Expenditure Adjustments:</u></b>						
Capital	(\$7.095)	(\$15.505)	(\$28.797)	(\$20.566)	(\$20.566)	(\$20.566)
<b>Total Other Expenditure Adjustments</b>	<b>(\$7.095)</b>	<b>(\$15.505)</b>	<b>(\$28.797)</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>\$20.699</b>	<b>(\$41.830)</b>	<b>(\$12.848)</b>	<b>(\$3.771)</b>	<b>(\$2.865)</b>	<b>(\$2.296)</b>
Depreciation Adjustment	41.088	46.411	34.345	32.984	32.563	32.150
OPEB Obligation	78.142	89.100	75.000	79.300	83.600	87.900
Environmental Remediation	-	-	-	-	-	-
<b>Baseline Total Cash Conversion Adjustments</b>	<b>\$139.929</b>	<b>\$93.681</b>	<b>\$96.497</b>	<b>\$108.513</b>	<b>\$113.298</b>	<b>\$117.754</b>

**MTA HEADQUARTERS**  
**JULY FINANCIAL PLAN 2013-2016**  
**Year-to-Year Changes by Category - Baseline**

**Receipts:**

Rental and Other Income and Reimbursements

- The July Financial Plan for 2012 reflects adjustments to 2 Broadway rental income, re-estimated charge-backs to Agencies for work performed by MTA Headquarters on their behalf, and re-estimated other income.
- The July Financial Plan for 2013 reflects re-estimated income for 2 Broadway, and reduced recoveries mainly related to the reduction of New Fare Payment Systems and Bus Customer Information Systems positions.
- Thereafter, 2014, 2015, and 2016 are inflated by the CPI-Urban 1.77%, 1.88%, and 1.93%, respectively, with adjustments to corresponding recoverable spending for the West Side Yard Development.

**Expenditures:**

Payroll

- Payroll changes in the July Financial Plan in 2012 primarily reflect re-estimated departmental costs, the reduction of New Fare Payment Systems and Bus Customer Information Systems positions, and the transfer of \$4.0 million from BSC salaries to temporary services.
- An increase in 2013 primarily reflects the impact of full-year staffing, mainly at MTAPD, as well as the addition of MTAPD positions at Atlantic Avenue Terminal for the Barclays Center.
- Thereafter, 2014, 2015, and 2016 reflect MTA Headquarters and MTA Police civilian salaries inflated by wage growth assumptions consistent with the July Financial Plan of 1.77%, 1.88%, and 1.93%, respectively.
- MTA Police represented salaries are inflated according to prevailing inflator assumptions and reflect the increase in patrol force necessary to secure the Atlantic Avenue Terminal for the Barclays Center in 2013, as previously mentioned, the Moynihan project in 2015, and the East Side Access Project beginning in 2016.

Overtime

- Overtime expenses throughout the July Financial Plan are primarily related to MTA Police operations. In 2012, overtime expenses are virtually unchanged from the Adopted Budget.
- Expenses in 2013, 2014, 2015, and 2016 are inflated by prevailing inflator assumptions.

Health and Welfare

- Health and Welfare premium rates in 2012 are projected to increase at a rate of 1.97%, 10.7% in 2013, 3.4% in 2014 and 6.8% in each year thereafter.

### Pensions

- The July Financial Plan primarily reflects adjusted estimated contributions to the employee retirement systems in 2012 and 2013 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 3 +1% rate of 2.86% in 2014, 2.77% in 2015, and 2.61% in 2016.
- MTA Defined Benefits contributions estimates are developed by an actuarial consultant through 2016.

### Other Fringe Benefits

- Projections are consistent with payroll rate increase assumptions.

### Insurance and Claims

- The impact of prior year adjustments is included in 2012. Thereafter, the core of excess liability policies is inflated at approximately 23% annually. Other Insurance premiums and claims expenses are inflated at approximately 10% annually.

### Maintenance and Other Operating Contracts

- The July Plan includes reductions to projected 2012 expense levels as a result of a review of YTD expense levels, elimination of maintenance of \$1.3 million related to New Fare Payment Systems and Bus Customer Information Systems, and a reduction in Integrated Electronic Security System maintenance of \$1.0 million.
- Maintenance expenses for 2013 and 2014 reflect the impact of favorable re-estimated 2 Broadway rental costs of \$2.8 million.
- Thereafter, maintenance expenses in 2015 and 2016 are inflated by the CPI-Urban rates of 1.88%, and 1.93%, respectively.

### Professional Service Contracts

- The July Plan reflects higher 2012 expenses mainly due to consulting costs of \$11.3 million for services which that identified significant Paratransit cost savings and strategic sourcing cost savings throughout the MTA; the transfer of \$4.0 million from BSC salaries to temporary services; and the BSC continuation of IBM hosting costs of \$2.8 million. These are offset by reductions of consultant and other outside professional services needs as a result of the Headquarters operating expense review, as well as the delay in West Side Yards project.
- Reduced expenses in 2013 reflect further delay in the West Side Yards Development project.
- Thereafter, in 2014, 2015, and 2016 the majority of expenses are inflated by the CPI-Urban rates of 1.77%, 1.88%, and 1.93%, respectively, with adjustments corresponding to the needs of the West Side Yards development.

#### Materials & Supplies

- Materials and Supplies expenses, while negligible, are inflated at the CPI-Urban rate of 1.45%, 1.77%, 1.88%, and 1.93% in 2013, 2014, 2015, and 2016, respectively.

#### MTA Internal Subsidy

- Support for the Rockaway Resident Discount Program totaling \$4.0 million per year is included in this Plan. Reimbursements from the state are expected but are included elsewhere in the July Financial Plan.

#### Other Business Expenses

- Increases in 2012 reflect a reclassification of non-operating purchases of \$2.2 million. Thereafter 2013, 2014, 2015, and 2016 are inflated by the CPI-Urban rates of 1.45%, 1.77%, 1.88%, and 1.93%, respectively.

#### **Other Expenditure Adjustments:**

##### Capital Expenditures

- 2012 expenditures of \$15.5 million reflect a \$5.0 million shift of spending on the Enterprise Asset Management System to 2013. As a result, spending in 2013 is expected to be \$28.8 million.
- Thereafter, capital expenditures in 2014-2016 remain constant at \$20.6 million.



**MTA HEADQUARTERS**  
**July Financial Plan 2013-2016**  
**Year-to-Year Changes by Category - Accrual Basis**  
(\$ in millions)

**NON-REIMBURSABLE**

	Favorable/(Unfavorable)								
	2012	2013	Change 2013 - 2012	2014	Change 2014 - 2013	2015	Change 2015 - 2014	2016	Change 2016 - 2015
<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	-	-	-	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-	-	-	-
Rental Income	53.901	52.874	(1.027)	53.809	0.936	54.821	1.012	55.879	1.058
Other	5.060	5.059	(0.001)	5.149	0.090	5.246	0.097	5.347	0.101
Capital and Other Reimbursements									
<b>Total Revenue</b>	<b>\$58.961</b>	<b>\$57.933</b>	<b>(\$1.028)</b>	<b>\$58.958</b>	<b>\$1.025</b>	<b>\$60.067</b>	<b>\$1.108</b>	<b>\$61.226</b>	<b>\$1.159</b>
<b>Expenses</b>									
Labor:									
Payroll	\$156.692	\$162.037	(\$5.345)	\$161.364	\$0.673	\$163.262	(\$1.898)	\$166.813	(\$3.551)
Overtime	8.727	8.932	(0.204)	9.092	(0.160)	9.092	-	9.135	(0.043)
Health and Welfare	20.913	21.523	(0.610)	20.938	0.585	22.544	(1.606)	24.553	(2.010)
OPEB Current Payment	6.386	9.600	(3.214)	10.900	(1.300)	12.200	(1.300)	13.500	(1.300)
Pensions	34.008	39.910	(5.902)	39.152	0.758	40.456	(1.305)	42.311	(1.855)
Other Fringe Benefits	14.132	14.521	(0.389)	12.976	1.545	13.370	(0.395)	13.920	(0.550)
Reimbursable Overhead	(59.888)	(49.298)	(10.590)	(50.172)	0.873	(51.116)	0.944	(52.103)	0.987
<b>Total Labor Expenses</b>	<b>\$180.969</b>	<b>\$207.224</b>	<b>(\$26.254)</b>	<b>\$204.250</b>	<b>\$2.974</b>	<b>\$209.809</b>	<b>(\$5.559)</b>	<b>\$218.129</b>	<b>(\$8.320)</b>
Non-Labor:									
Electric Power	\$7.845	\$7.977	(\$0.132)	\$8.670	(\$0.693)	\$9.424	(\$0.753)	\$10.243	(\$0.819)
Fuel	2.765	2.791	(0.027)	2.718	0.074	2.687	0.031	2.659	0.027
Insurance	(0.391)	2.935	(3.326)	3.395	(0.461)	3.826	(0.430)	4.381	(0.555)
Claims	1.080	1.099	(0.019)	1.209	(0.110)	1.330	(0.121)	1.463	(0.133)
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	67.420	64.490	2.931	64.264	0.226	65.394	(1.130)	66.657	(1.263)
Professional Service Contracts	61.227	45.713	15.515	46.497	(0.784)	46.522	(0.026)	46.692	(0.170)
Materials & Supplies	0.005	0.005	(0.000)	0.005	(0.000)	0.005	(0.000)	0.005	(0.000)
MTA Internal Subsidy	4.000	4.000	-	4.000	-	4.000	-	4.000	-
Other Business Expenses	7.883	7.857	0.025	7.971	(0.114)	8.133	(0.162)	8.341	(0.207)
<b>Total Non-Labor Expenses</b>	<b>\$151.834</b>	<b>\$136.867</b>	<b>\$14.967</b>	<b>\$138.729</b>	<b>(\$1.862)</b>	<b>\$141.320</b>	<b>(\$2.591)</b>	<b>\$144.441</b>	<b>(\$3.120)</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>\$332.803</b>	<b>\$344.091</b>	<b>(\$11.288)</b>	<b>\$342.979</b>	<b>\$1.112</b>	<b>\$351.129</b>	<b>(\$8.150)</b>	<b>\$362.570</b>	<b>(\$11.440)</b>
Depreciation	46.411	34.345	12.066	32.984	1.361	32.563	0.421	32.150	0.413
OPEB Obligation	89.100	75.000	14.100	79.300	(4.300)	83.600	(4.300)	87.900	(4.300)
Environmental Remediation	-	-	-	-	-	-	-	-	-
<b>Total Expenses</b>	<b>\$468.314</b>	<b>\$453.436</b>	<b>\$14.878</b>	<b>\$455.263</b>	<b>(\$1.827)</b>	<b>\$467.292</b>	<b>(\$12.029)</b>	<b>\$482.620</b>	<b>(\$15.328)</b>
<b>Baseline Net Surplus/(Deficit)</b>	<b>(\$409.353)</b>	<b>(\$395.503)</b>	<b>\$13.850</b>	<b>(\$396.304)</b>	<b>(\$0.802)</b>	<b>(\$407.226)</b>	<b>(\$10.921)</b>	<b>(\$421.394)</b>	<b>(\$14.168)</b>

## REIMBURSABLE

[illegible]

**MTA HEADQUARTERS**  
**July Financial Plan 2013-2016**  
**Year-to-Year Changes by Category - Cash Basis**  
(\$ in millions)

**CASH RECEIPTS AND EXPENDITURES**

	Favorable/(Unfavorable)								
	2012	2013	Change 2013 - 2012	2014	Change 2014 - 2013	2015	Change 2015 - 2014	2016	Change 2016 - 2015
<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	-	-	-	-	-	-	-	-	-
Rental Income	33.976	52.874	18.898	53.809	0.936	54.821	1.012	55.879	1.058
Other	5.156	5.157	0.001	5.248	0.091	5.347	0.099	5.450	0.103
Capital and Other Reimbursements	71.827	66.176	(5.651)	76.309	10.132	82.593	6.285	83.877	1.283
<b>Total Revenue</b>	<b>\$110.959</b>	<b>\$124.207</b>	<b>\$13.247</b>	<b>\$135.366</b>	<b>\$11.159</b>	<b>\$142.761</b>	<b>\$7.395</b>	<b>\$145.206</b>	<b>\$2.445</b>
<b><u>Expenses</u></b>									
<b>Labor:</b>									
Payroll	\$153.827	\$159.580	(\$5.753)	\$158.863	\$0.717	\$160.780	(\$1.917)	\$164.355	(\$3.575)
Overtime	8.727	8.932	(0.205)	9.092	(0.160)	9.092	-	9.135	(0.043)
Health and Welfare	20.405	20.978	(0.573)	20.385	0.593	22.014	(1.629)	24.050	(2.036)
OPEB Current Payment	6.386	9.600	(3.214)	10.900	(1.300)	12.200	(1.300)	13.500	(1.300)
Pensions	47.963	39.039	8.923	38.404	0.635	39.378	(0.974)	40.878	(1.500)
Other Fringe Benefits	14.367	14.803	(0.436)	13.245	1.559	13.649	(0.405)	14.212	(0.563)
GASB Account	1.029	1.073	(0.044)	1.118	(0.045)	1.140	(0.023)	1.165	(0.025)
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
<b>Total Labor Expenditures</b>	<b>\$252.703</b>	<b>\$254.005</b>	<b>(\$1.302)</b>	<b>\$252.006</b>	<b>\$1.999</b>	<b>\$258.253</b>	<b>(\$6.247)</b>	<b>\$267.295</b>	<b>(\$9.041)</b>
<b>Non-Labor:</b>									
Electric Power	\$7.858	\$7.991	(\$0.132)	\$8.685	(\$0.694)	\$9.440	(\$0.755)	\$10.260	(\$0.820)
Fuel	2.765	2.791	(0.027)	2.718	0.074	2.687	0.031	2.659	0.027
Insurance	2.514	2.780	(0.266)	3.225	(0.445)	3.638	(0.413)	4.174	(0.537)
Claims	1.080	1.099	(0.019)	1.209	(0.110)	1.330	(0.121)	1.463	(0.133)
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	70.724	61.934	8.790	61.719	0.215	62.805	(1.085)	64.018	(1.213)
Professional Service Contracts	70.065	52.398	17.667	61.505	(9.107)	66.293	(4.788)	66.538	(0.245)
Materials & Supplies	0.972	0.005	0.967	0.005	(0.000)	0.005	(0.000)	0.005	(0.000)
MTA Internal Subsidy	(6.684)	4.000	(10.684)	4.000	-	4.000	-	4.000	-
Other Business Expenses	9.130	7.411	1.718	7.519	(0.108)	7.672	(0.153)	7.867	(0.195)
<b>Total Non-Labor Expenditures</b>	<b>\$158.423</b>	<b>\$140.410</b>	<b>\$18.013</b>	<b>\$150.585</b>	<b>(\$10.176)</b>	<b>\$157.869</b>	<b>(\$7.284)</b>	<b>\$160.985</b>	<b>(\$3.115)</b>
<b>Other Expenditure Adjustments:</b>									
Capital	15.505	28.797	(13.292)	20.566	8.231	20.566	-	20.566	-
<b>Total Other Expenditure Adjustments</b>	<b>\$15.505</b>	<b>\$28.797</b>	<b>(\$13.292)</b>	<b>\$20.566</b>	<b>\$8.231</b>	<b>\$20.566</b>	<b>\$0.000</b>	<b>\$20.566</b>	<b>\$0.000</b>
<b>Total Expenditures</b>	<b>\$426.631</b>	<b>\$423.212</b>	<b>\$3.419</b>	<b>\$423.157</b>	<b>\$0.055</b>	<b>\$436.689</b>	<b>(\$13.531)</b>	<b>\$448.846</b>	<b>(\$12.157)</b>
<b>Baseline Net Cash Deficit</b>	<b>(\$315.672)</b>	<b>(\$299.005)</b>	<b>\$16.667</b>	<b>(\$287.791)</b>	<b>\$11.214</b>	<b>(\$293.928)</b>	<b>(\$6.136)</b>	<b>(\$303.640)</b>	<b>(\$9.712)</b>

**MTA HEADQUARTERS**  
**JULY FINANCIAL PLAN 2013-2016**  
**Summary of Major Plan-to-Plan Changes**

**2012: July Financial Plan vs. February Financial Plan**

The Baseline Cash Deficit of \$315.7 million is a \$22.8 million unfavorable variance from the February Plan Cash Deficit of \$292.9 million. This primarily results from:

- 2011 prepayment of 2 Broadway rent of \$19.9 million by NYCTA;
- NYSLER's pension liability payment of \$10.5 million in 2012;
- Higher consulting costs of \$11.3 million for services that identified significant Paratransit cost savings, and strategic sourcing cost savings throughout the MTA.
- New Needs of \$3.3 million.

These are partially offset by:

- State reimbursement of subsidy payments of \$10.7 million;
- Delay of operating capital costs to 2013 of \$5.0 million;
- BRPs of \$4.3 million.

On an accrual basis, MTA Headquarters Baseline Deficit increases to \$409.4 million from the Adopted Budget of \$390.8 million, an unfavorable increase of \$10.0 million. This increase reflects:

- Re-estimate of the long-term OPEB obligation of \$18.6 million;
- Higher professional services of \$13.1 million reflecting increased consulting services that identified significant Paratransit cost savings, as well as strategic sourcing cost savings throughout the MTA; and increased temporary services at the BSC.
- Higher depreciation of \$6.7 million reflecting increased amortization costs for the Business Service Center project;
- Higher subsidy of \$3.4 million for the Rockaway Resident Discount Program.

Offsetting decreases include:

- Reductions of Health and Welfare costs of \$4.5 million due to lower rates, vacancies, and headcount transfers and eliminations;
- Lower maintenance and other operating contracts of \$3.7 million mainly due to reductions related to lower maintenance costs in anticipation of the Headquarters move from the Madison Avenue offices of \$1.4 million, the elimination of \$1.3 million in maintenance costs related to New Fare Payment Systems and Bus Customer Information Systems, and the reduction of \$1.0 million in costs related to the Integrated Electronic Security System;
- Lower insurance costs of \$3.5 million primarily reflecting a prior period adjustment;
- Payroll reductions of \$3.6 million mainly due to Headquarters vacancy savings and the reduction of New Fare Payment Systems and Bus Customer Information Systems positions, a net transfer of BSC salary expense to temporary services of

\$2.7 million, MTAPD payroll savings due to changes in salary mix of \$1.8 million, partly offset by a vacation accrual of \$4.0 million;

- Lower reimbursable overhead of \$2.8 million due to reduced billable expenses;
- Higher operating revenue of \$2.0 million mainly from higher 2 Broadway rental income;
- Lower OPEB current payment of \$2.0 million.

Headcount of 1,737 positions is a favorable variance of 28 positions from the Adopted Budget of 1,765 positions, and is discussed in the Positions Narrative.

### **2013: July Financial Plan vs. February Financial Plan**

The Baseline Cash Deficit of \$299.0 million is a \$4.1 million favorable variance from the February Plan Cash Deficit of \$303.1 million. This primarily reflects lower compensation due to reduced headcount, and lower fringe benefits rates coupled with the continued impact of the 2012 BRPs program. Increased operating capital costs of \$5.0 million are an offset.

MTA Headquarters projects a Baseline Deficit of \$395.5 million for 2013, an unfavorable variance of \$0.8 million from the Adopted Budget of \$394.7 million. This reflects:

- Lower reimbursable overhead of \$9.5 million reflecting the elimination of New Fare Payment Systems and Bus Customer Information Systems positions;
- Increased amortization costs of \$4.7 million for the Business Service Center project;
- Higher subsidy of \$3.4 million for the Rockaway Resident Discount Program.

Offsetting increases include:

- Lower maintenance costs of \$9.7 million primarily due to the elimination of New Fare Payment Systems and Bus Customer Information Systems, and recurring savings identified by a review of administrative expenses;
- Lower Health and Welfare of \$4.8 million reflects lower rates and headcount;
- Lower professional services of \$3.6 million due to delays in the West Side Yard project and recurring savings identified by a review of administrative expenses;
- Lower electric expense of \$1.4 million due to mainly due to re-estimated 2 Broadway and Jamaica costs; higher revenue mainly due to higher re-estimated 2 Broadway rental income;
- Lower re-estimated insurance expenses of \$0.5 million.

Headcount of 1,732 positions is 16 positions lower than the Adopted Budget of 1,748 positions, and is discussed in the Positions Narrative.

## **2014 and 2015: July Financial Plan vs. February Financial Plan**

The Baseline Cash Deficit for 2014 of \$287.8 million is a \$19.1 million favorable variance from the February Plan Cash Deficit of \$306.9 million. The Baseline Cash Deficit for 2015 of \$293.9 million is a \$32.7 million favorable variance from the February Plan Cash Deficit of \$326.6 million. These variances primarily reflect the impact of the transfer and elimination of New Fare Payments and Bus Customer Information Services positions, and reduced compensation costs due to lower headcount and lower fringe benefits rates.

The Baseline Deficit for 2014 decreases to \$396.3 million from the February Plan of \$407.3 million, a reduction of \$11.0 million. A Baseline Deficit of \$407.2 million in 2015 is a favorable variance of \$24.3 million from the February Plan of \$431.5 million. These decreases are primarily due to:

- Lower maintenance and other contract expenses mainly as a result of reductions related to the transfer and elimination of New Fare Payment Systems and Bus Customer Information Systems positions and recurring savings identified by a review of administrative expenses (\$17.0 million in 2014 and \$19.5 million in 2015);
- Lower health and welfare and other fringe benefits expenses mainly due to lower rates and position reductions (combined \$8.7 million in 2014 and \$10.0 million in 2015).

Unfavorable offsetting variances include:

- Lower reimbursable overhead reflecting the transfer and elimination of New Fare Payment Systems and Bus Customer Information Systems positions (\$9.8 million in 2014 and \$4.2 million in 2015);
- Higher subsidy for the Rockaway Resident Discount Program subsidy (\$3.4 million in 2014 and 2015);
- Increased amortization costs of \$2.8 million for the Business Service Center project (\$2.8 million in 2014 and \$2.9 million in 2015).

Headcount of 1,732 positions in 2014 is a reduction of 16 positions from the February Plan of 1,748, and headcount of 1,737 positions in 2015 is a reduction of 41 positions. These variances are discussed in the Positions Narrative.

**MTA HEADQUARTERS**  
**July Financial Plan 2013- 2016**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

**NON-REIMBURSABLE**

	2012	2013	2014	2015
<b>Baseline 2012 February Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$292.920)</b>	<b>(\$303.083)</b>	<b>(\$306.904)</b>	<b>(\$326.637)</b>
<b>Baseline Changes</b>				
<b>Revenue</b>				
Farebox Revenue				
Vehicle Toll Revenue				
Rental Income	\$1.273	\$ .403	\$ .342	\$ .252
Other	\$ .762	\$ .696	\$ .702	\$ .708
Capital and Other Reimbursement				
<b>Total Revenue Changes</b>	<b>\$2.035</b>	<b>\$1.098</b>	<b>\$1.044</b>	<b>\$ .959</b>
<b>Expenses</b>				
<b>Labor:</b>				
Payroll	\$3.617	(\$0.818)	\$1.098	\$2.540
Overtime	0.048	-	0.006	0.011
Health and Welfare	4.517	4.768	7.242	8.304
OPEB Current Payment	2.014	-	-	-
Pensions	1.534	(0.800)	(0.374)	0.615
Other Fringe Benefits	0.079	(0.350)	1.494	1.679
<u>Reimbursable Overhead</u>	2.792	(9.504)	(9.837)	(4.215)
<b>Total Labor Expense Changes</b>	<b>\$14.601</b>	<b>(\$6.704)</b>	<b>(\$ .371)</b>	<b>\$8.935</b>
<b>Non-Labor:</b>				
Electric Power	\$1.355	\$1.395	\$ .880	\$ .324
Fuel	(0.173)	(0.126)	(0.029)	0.010
Insurance	3.540	0.530	0.415	0.366
Claims	(0.081)	-	-	-
Paratransit Service Contracts	-	-	-	-
Maintenance and Other Operating Contracts	3.712	9.693	16.994	19.527
Professional Service Contracts	(13.143)	3.595	0.427	2.551
Materials & Supplies	0.008	0.008	0.008	0.009
MTA Internal Subsidy	(3.400)	(3.400)	(3.400)	(3.400)
<u>Other Business Expenses</u>	(2.182)	(2.133)	(2.140)	(2.123)
<b>Total Non-Labor Expense Changes</b>	<b>(\$10.365)</b>	<b>\$9.562</b>	<b>\$13.156</b>	<b>\$17.264</b>
<b>Gap Closing Expenses :</b>				
<b>Total Gap Closing Expenses</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>				
Depreciation	(6.698)	(4.721)	(2.836)	(2.879)
OPEB Obligation	(18.100)	-	-	-
Environmental Remediation				
<b>Total Expense Changes</b>	<b>(\$20.562)</b>	<b>(\$1.863)</b>	<b>\$9.948</b>	<b>\$23.320</b>
<b>Cash Adjustment Changes</b>				
Revenue Adjustments	(20.079)	(.157)	(.160)	(.164)
Expense Adjustments	(13.943)	5.278	5.444	5.715
Operating Capital Adjustment	5.000	(5.000)	.000	.000
Depreciation & OPEB Obligation	24.798	4.721	2.836	2.879
<b>Total Cash Adjustment Changes</b>	<b>(\$4.224)</b>	<b>\$4.842</b>	<b>\$8.120</b>	<b>\$8.430</b>
<b>Total Baseline Changes</b>	<b>(\$22.752)</b>	<b>\$4.078</b>	<b>\$19.112</b>	<b>\$32.709</b>
<b>Baseline 2012 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$315.672)</b>	<b>(\$299.005)</b>	<b>(\$287.791)</b>	<b>(\$293.928)</b>

**MTA HEADQUARTERS**  
**July Financial Plan 2013- 2016**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

**REIMBURSABLE**

	2012	2013	2014	2015
<b>Baseline 2012 February Financial Plan - Operating Cash</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				
Other				
<u>Capital and Other Reimbursement</u>	<u>(\$2.964)</u>	<u>(\$19.353)</u>	<u>(\$15.807)</u>	<u>(\$5.185)</u>
<b>Total Revenue Changes</b>	<b>(\$2.964)</b>	<b>(\$19.353)</b>	<b>(\$15.807)</b>	<b>(\$5.185)</b>
<b>Expenses</b>				
<b>Labor:</b>				
Payroll	\$0.037	(\$0.362)	(\$0.362)	(\$0.370)
Overtime	0.000	-	-	-
Health and Welfare	0.003	0.083	0.105	0.121
OPEB Current Payment	-	-	-	-
Pensions	(0.021)	(0.127)	(0.185)	(0.193)
Other Fringe Benefits	(0.023)	(0.034)	(0.012)	(0.011)
<u>Reimbursable Overhead</u>	<u>(2.792)</u>	<u>9.504</u>	<u>9.837</u>	<u>4.215</u>
<b>Total Labor Expense Changes</b>	<b>(\$2.795)</b>	<b>\$9.065</b>	<b>\$9.384</b>	<b>\$3.761</b>
<b>Non-Labor:</b>				
Electric Power	(0.000)	0.000	(0.001)	(0.002)
Fuel	-	-	-	-
Insurance	(0.000)	0.011	0.012	0.013
Claims	-	-	-	-
Paratransit Service Contracts	-	-	-	-
Maintenance and Other Operating Contracts	0.001	0.003	0.003	0.003
Professional Services	5.758	10.273	6.407	1.407
Materials & Supplies	-	-	-	-
MTA Internal Subsidy	-	-	-	-
<u>Other Business Expenses</u>	<u>0.001</u>	<u>0.001</u>	<u>0.001</u>	<u>0.001</u>
<b>Total Non-Labor Expense Changes</b>	<b>\$5.760</b>	<b>\$10.288</b>	<b>\$6.423</b>	<b>\$1.423</b>
<b>Gap Closing Expenses :</b>				
<b>Total Gap Closing Expenses</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$2.964</b>	<b>\$19.353</b>	<b>\$15.807</b>	<b>\$5.185</b>
<b>Depreciation</b>				
<b>Total Expense Changes</b>	<b>\$2.964</b>	<b>\$19.353</b>	<b>\$15.807</b>	<b>\$5.185</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>Total Baseline Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>
<b>Baseline 2012 July Financial Plan - Operating Cash</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>



**MTA HEADQUARTERS**  
**July Financial Plan 2013- 2016**  
**Summary of Major Programmatic Changes Between Financial Plans**  
(\$ in millions)

**NON-REIMBURSABLE and REIMBURSABLE**

	2012	2013	2014	2015
<b>Baseline 2012 February Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$292.920)</b>	<b>(\$303.083)</b>	<b>(\$306.904)</b>	<b>(\$326.637)</b>
<b><i>Non-Reimbursable Major Changes</i></b>				
<b>Revenue</b>				
Change in Rental Income	\$1.273	\$0.403	\$0.342	\$0.252
Change in Other Revenue	0.762	0.696	0.702	0.708
<b>Sub-Total Non-Reimbursable Revenue Changes</b>	<b>\$2.035</b>	<b>\$1.098</b>	<b>\$1.044</b>	<b>\$ .959</b>
<b>Expenses</b>				
July 2012 BRPs	\$4.272	\$2.763	\$2.811	\$2.861
New Needs	(3.252)	(5.078)	(4.922)	(4.203)
Revised Insurance Premiums	0.748	0.531	0.451	0.366
Prior Year Insurance Accrual Reversal	2.792	-	-	-
Lower Health and Welfare Rates	3.481	4.312	6.099	6.889
Change in Energy Rates	(0.095)	0.295	0.494	0.113
Electricity re-estimate	1.355	1.199	0.497	0.393
Accrued Pension Change	1.526	(0.744)	(0.353)	0.293
MTA PD East Side Access delay in Hiring	-	-	-	2.786
MTA PD Salary mix	2.354	1.798	1.202	0.607
Government Lobbyists	0.200	-	-	-
Public Hearings	-	0.234	-	0.243
New Fare Payments/Bus Cust. Info transfer to NYCT	0.924	6.482	11.223	19.851
Inspector General Reductions	-	0.346	-	-
Prior Year Expense recovery	10.112	-	-	-
Lower Level of Expense Rec From Agencies	(2.809)	(3.858)	(3.194)	(2.941)
Inflation	-	1.273	1.398	1.573
Payroll Adjustment to reflect Vacation Accruals	(3.978)	(4.000)	(4.000)	(4.000)
Cross Bay Toll	(3.400)	(3.400)	(3.400)	(3.400)
McKinsey Consulting Fees	(11.300)	-	-	-
Change in Depreciation	(6.698)	(4.721)	(2.836)	(2.879)
Change in OPEB Obligation	(18.100)	-	-	-
Revised 2012 OPEB Current Payments	2.014	-	-	-
Effect of revised wage inflators on Payroll	(0.778)	(0.066)	3.390	4.426
Other	0.070	0.773	1.090	0.341
<b>Sub-Total Non-Reimbursable Expense Changes</b>	<b>(\$20.562)</b>	<b>(\$1.862)</b>	<b>\$9.949</b>	<b>\$23.320</b>
<b>Total Non-Reimbursable Major Changes</b>	<b>(\$18.527)</b>	<b>(\$.764)</b>	<b>\$10.993</b>	<b>\$24.279</b>
<b><i>Reimbursable Major Changes</i></b>				
<b>Revenue</b>				
Change in Reimbursement	(\$2.964)	(\$19.353)	(\$15.807)	(\$5.185)
<b>Sub-Total Reimbursable Revenue Changes</b>	<b>(\$2.964)</b>	<b>(\$19.353)</b>	<b>(\$15.807)</b>	<b>(\$5.185)</b>
<b>Expenses</b>				
West Side Yard Project Activity	\$4.685	\$8.978	\$5.060	\$0.000
Lower level of Reimbursable Overhead	(2.792)	9.504	9.837	4.215
Risk Management Reduction	1.125	1.000	1.000	1.000
<u>Other</u>	<u>(0.054)</u>	<u>(0.130)</u>	<u>(0.090)</u>	<u>(0.031)</u>
<b>Sub-Total Reimbursable Expense Changes</b>	<b>2.964</b>	<b>19.353</b>	<b>15.807</b>	<b>5.184</b>
<b>Total Reimbursable Major Changes</b>	<b>(0.000)</b>	<b>(0.000)</b>	<b>(0.000)</b>	<b>(0.000)</b>
<b>Total Accrual Changes</b>	<b>(\$18.528)</b>	<b>(\$0.764)</b>	<b>\$10.992</b>	<b>\$24.279</b>
<b>Cash Adjustment Changes</b>				
	<b>(\$4.224)</b>	<b>\$4.842</b>	<b>\$8.120</b>	<b>\$8.430</b>
<b>Total Cash Adjustment Changes</b>	<b>(\$4.224)</b>	<b>\$4.842</b>	<b>\$8.120</b>	<b>\$8.430</b>
<b>Total Baseline Changes</b>	<b>(\$22.752)</b>	<b>\$4.078</b>	<b>\$19.112</b>	<b>\$32.709</b>
<b>Baseline 2012 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$315.672)</b>	<b>(\$299.005)</b>	<b>(\$287.791)</b>	<b>(\$293.928)</b>

**MTA HEADQUARTERS**  
**July Financial Plan 2013-2016**  
**2012 Budget Reduction Plan Summary**  
**(\$ in millions)**

	<b>2012</b>		<b>2013</b>		<b>2014</b>		<b>2015</b>		<b>2016</b>	
	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
<u>Administration</u>										
Reduced Need for Temp Services Post BSC		0.214		0.214		0.218		0.222		0.226
Reduced MTAHQ Needs Prior to 2 Bwy Move		1.642		0.652		0.663		0.675		0.689
Reduction in IT expenses		1.043		0.524		0.533		0.540		0.554
<i>Sub-Total Administration</i>	0	\$2.899	0	\$1.390	0	\$1.414	0	\$1.437	0	\$1.469
<u>Customer Convenience &amp; Amenities</u>										
None										
<i>Sub-Total Customer Convenience &amp; Amenities</i>	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
<u>Maintenance</u>										
None										
<i>Sub-Total Maintenance</i>	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
<u>Revenue Enhancement</u>										
None										
<i>Sub-Total Revenue Enhancement</i>	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
<u>Service</u>										
None										
<i>Sub-Total Service</i>	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
<u>Service Support</u>										
None										
<i>Sub-Total Service Support</i>	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
<u>Safety/Security</u>										
Consolidation of Wireless Devices and Service		0.400		0.400		0.407		0.415		0.423
Work with MTA Bus for Fleet Needs		0.150		0.150		0.153		0.155		0.158
Reduced Needs Prior to move to 2 Broadway and other		0.823		0.823		0.837		0.854		0.869
<i>Sub-Total Safety/Security</i>		1.373		1.373		1.397		1.424		1.450
<u>Other</u>										
None										
<i>Sub-Total Other</i>	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000	0	\$0.000
<b>Total BRPs</b>	<b>0</b>	<b>\$4.272</b>	<b>0</b>	<b>\$2.763</b>	<b>0</b>	<b>\$2.811</b>	<b>0</b>	<b>\$2.861</b>	<b>0</b>	<b>\$2.919</b>

<sup>1</sup> Reflects the impact of amendments on year-end positions.

**MTA Headquarters  
July Financial Plan 2013-2016  
2012 Budget Reduction Plan Worksheet  
(\$ in millions)**

**Category by Function:** Administration

**Program:** Reduced Temp Services needs Post BSC

<b>Background Details:</b>	Headquarters is reducing temporary personnel costs as a result of reassessed needs based on a year of experience operating with the Business Service Center.
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<b>Program Description/ Implementation Plan:</b>	
<b>Program Implementation Date:</b> 1/1/2012	<b>When will savings begin?:</b> 1/1/2012

	Favorable/(Unfavorable)				
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.214	\$0.214	\$0.218	\$0.222	\$0.226
<i>Total Reduction in Positions Required:</i>	0	0	0	0	0
<i>(List Title of Positions)</i>					

**MTA Headquarters**  
**July Financial Plan 2013-2016**  
**2012 Budget Reduction Plan Worksheet**  
**(\$ in millions)**

**Category by Function:** Administration

**Program:** Reduced needs prior to move to 2 Broadway

<b>Background Details:</b>	Headquarters is reducing all costs not needed in the Madison Avenue offices in anticipation of the move to 2 Broadway and reduction in required IESS Maintenance expenses for the current year.
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<b>Program Description/ Implementation Plan:</b>	
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<b>Program Implementation Date:</b>	1/1/2012	<b>When will savings begin?:</b>	1/1/2012
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	Favorable/(Unfavorable)				
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$1.642	\$0.652	\$0.663	\$0.675	\$0.689
<i>Total Reduction in Positions Required:</i>	0	0	0	0	0
<i>(List Title of Positions)</i>					

**MTA Headquarters  
July Financial Plan 2013-2016  
2012 Budget Reduction Plan Worksheet  
(\$ in millions)**

**Category by Function:** Administration

**Program:** Reduction in IT expenses

<b>Background Details:</b>	Reduction in IT expenses primarily for HQ telecom usage and a reduction in all-Agency IT consulting.
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<b>Program Description/ Implementation Plan:</b>	
<b>Program Implementation Date:</b>	1/1/2012
<b>When will savings begin?:</b>	1/1/2012

	Favorable/(Unfavorable)				
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$1.043	\$0.524	\$0.533	\$0.540	\$0.554
<i>Total Reduction in Positions Required:</i>	0	0	0	0	0
<i>(List Title of Positions)</i>					

**MTA Headquarters  
July Financial Plan 2013-2016  
2012 Budget Reduction Plan Worksheet  
(\$ in millions)**

**Category by Function:**

**Safety & Security**

**Program:**

**Consolidation of Wireless Devices and Services**

<b>Background Details:</b>	MTAPD is restructuring contracts and consolidating and eliminating wireless devices.
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<b>Program Description/ Implementation Plan:</b>	
<b>Program Implementation Date:</b>	1/1/2012
<b>When will savings begin?:</b>	1/1/2012

	Favorable/(Unfavorable)				
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	<b>\$0.400</b>	<b>\$0.400</b>	<b>\$0.407</b>	<b>\$0.415</b>	<b>\$0.423</b>
<i>Total Reduction in Positions Required:</i>	0	0	0	0	0
<i>(List Title of Positions)</i>					

**MTA Headquarters  
July Financial Plan 2013-2016  
2012 Budget Reduction Plan Worksheet  
(\$ in millions)**

**Category by Function:**

**Safety & Security**

**Program:**

**Working in house with MTA Bus for Fleet Needs**

<b>Background Details:</b>	Working in house with MTA Bus for Fleet Needs
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<b>Program Description/ Implementation Plan:</b>	
<b>Program Implementation Date:</b>	1/1/2012
<b>When will savings begin?:</b>	1/1/2012

	Favorable/(Unfavorable)				
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.150	\$0.150	\$0.153	\$0.155	\$0.158
<i>Total Reduction in Positions Required:</i>	0	0	0	0	0
<i>(List Title of Positions)</i>					

**MTA Headquarters  
July Financial Plan 2013-2016  
2012 Budget Reduction Plan Worksheet  
(\$ in millions)**

**Category by Function:**

**Safety & Security**

**Program:**

**Reduced Needs Prior to Move from Madison Avenue Offices**

<b>Background Details:</b>	MTAPD is reducing all costs not needed in the Madison Avenue offices in anticipation of the move possibly to 34th Street and other locations.
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<b>Program Description/ Implementation Plan:</b>	
<b>Program Implementation Date:</b>	1/1/2012 <b>When will savings begin?:</b> 1/1/2012

	Favorable/(Unfavorable)				
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	<b>\$0.823</b>	<b>\$0.823</b>	<b>\$0.837</b>	<b>\$0.854</b>	<b>\$0.869</b>
<i>Total Reduction in Positions Required:</i>	0	0	0	0	0
<i>(List Title of Positions)</i>					



**MTA HEADQUARTERS  
2013 Preliminary Budget  
July Financial Plan 2013-2016  
Positions**

**Positions**

Changes in MTA Headquarters headcount reflect strategic reallocation of resources allowing initiatives to be nurtured and efficiently monitored. At the same time, self-funded additions are included that will ease rapidly increasing workloads, as well as positions that will improve customer service and communications.

**Plan-to-Plan**

**2012:**

Headcount of 1,737 positions in 2012 represents a net decrease of 28 positions from the 2012 Adopted Budget of 1,765 positions. The decrease primarily results from:

- The transfer to MTA New York City Transit of nine positions and eight positions, respectively, for New Fare Payment Systems and Bus Customer Information Systems initiatives, and the further elimination of 16 New Fare Payment Systems positions.

These decreases are partially offset by:

- Two headcount positions for a Webmaster and a Senior Web Developer/Programmer, needed to keep pace with the expanding need to effectively communicate with MTA customers through continued enhancements to the mta.info website
- One position in the Finance Department for a Deputy Director position whose responsibility will be to manage the MTA's derivative and leasing portfolios.
- Two reimbursable Deferred Compensation positions needed at the Business Service Center for the expanding enrollment in 401(K), 457, and Flexible Spending Accounts (FSA) for all agencies of the MTA.

Non-reimbursable and Reimbursable:

- Non-reimbursable headcount positions decrease by 30 positions mainly due to the 33 transferred and eliminated New Fare Payment Systems and Bus Customer Information Systems positions, partly offset by the two Web Development positions and the Deputy Director of Finance position.
- The two Deferred Compensation positions are reimbursable and increase total reimbursable positions to 50 in 2012.

**2013 and 2014:**

Headcount of 1,732 positions in 2013 and 2014, represent a reduction of 16 positions. These decreases are mainly due to:

- The transfer and elimination of 33 New Fare Payment System and Bus Customer Information Systems positions

These decreases are partially offset by:

- The two Deferred Compensation positions, two Web Development positions, and Deputy Director of Finance New Needs.

- New Needs of 12 positions to enable the MTA Police to effectively patrol the Atlantic Avenue Terminal for the new Barclays Center.

Non-reimbursable and Reimbursable:

- Non-reimbursable positions reflect a decrease of 18 positions mainly due to the 33 transferred and eliminated New Fare Payment Systems and Bus Customer Information Systems positions, partly offset by 12 additional MTAPD positions at the Atlantic Avenue Terminal, the two Web Design positions and the Deputy Director of Finance position.
- Reimbursable headcount increases by two positions due to the Deferred Compensation positions.

## **2015:**

The 2015 headcount of 1,737 positions is a reduction of 41 positions due to:

- The reasons previously mentioned in 2013 and 2014;
- The revised MTAPD hiring schedule postponing the training of 30 new officers for East Side Access.

These decreases are partially offset by:

- MTAPD's hiring of five new positions for the Moynihan project, an expansion of the west end concourse at Penn Station.

Non-reimbursable and Reimbursable:

- Non-reimbursable positions reflect a decrease of 18 positions mainly due to the reasons mentioned in 2013 and 2014; the revised MTAPD hiring and training schedule for 30 new officers for East Side Access; partially offset by MTAPD's hiring of five new positions for the Moynihan project.
- Reimbursable headcount increases by two positions due to the Deferred Compensation positions.

## **Function Category:**

- Administration headcount is 28 positions below the Adopted Budget throughout the Plan due to the 33 transferred and eliminated New Fare Payment Systems and Bus Customer Information Systems positions, partly offset by the 2 new Deferred Compensation positions, the two new Web Development positions and the new Deputy Director of Finance position.
- Public Safety headcount is unchanged in 2012; higher in 2013 and 2014 due to 12 additional MTAPD positions at the Atlantic Avenue Terminal; and 13 positions lower in 2015 due to the revised MTAPD hiring schedule for 30 new officers for East Side Access, partially offset by the hiring of five new positions for the Moynihan project, and 12 positions for the Atlantic Avenue Terminal.

MTA HEADQUARTERS				
July Financial Plan 2013-2016				
Favorable/(Unfavorable)				
Total Position Changes at a Glance				
	2012	2013	2014	2015
<b>2012 February Plan - Total Baseline Positions</b>	<b>1,765</b>	<b>1,748</b>	<b>1,748</b>	<b>1,778</b>
Total Plan-to-Plan Changes	28	16	16	41
<b>2012 July Plan - Total Baseline Positions</b>	<b>1,737</b>	<b>1,732</b>	<b>1,732</b>	<b>1,737</b>
Total Year-to-Year Changes, July Plan		5	0	(5)

Total Plan-to-Plan Changes by Reporting Category:				
Non-Reimbursable	30	18	18	43
Reimbursable	(2)	(2)	(2)	(2)
<b>Total</b>	<b>28</b>	<b>16</b>	<b>16</b>	<b>41</b>
Full-Time	28	16	16	41
Full-Time Equivalents				
<b>Total</b>	<b>28</b>	<b>16</b>	<b>16</b>	<b>41</b>
By Function Category				
- Administration	28	28	28	28
- Operations				
- Maintenance				
- Engineering/Capital				
- Public Safety	0	(12)	(12)	13
<b>Total</b>	<b>28</b>	<b>16</b>	<b>16</b>	<b>41</b>
By Occupational Group				
- Managers/Supervisors	2	2	2	2
- Professional, Technical, Clerical	26	26	26	26
- Operational Hourlies	0	(12)	(12)	13
<b>Total</b>	<b>28</b>	<b>16</b>	<b>16</b>	<b>41</b>

Total Plan-to-Plan Changes by Major Category:				
2012 BRPs	0	0	0	0
New Needs	(3)	(15)	(15)	(20)
Change in Reimbursable Positions	(2)	(2)	(2)	(2)
Re-estimates & All Other <sup>1</sup>	33	33	33	63
<b>Total</b>	<b>28</b>	<b>16</b>	<b>16</b>	<b>41</b>

<sup>1</sup> Includes Full-time Equivalents

**MTA HEADQUARTERS**  
**July Financial Plan 2013- 2016**  
**Total Positions by Function and Department**  
**Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents**

<b>FUNCTION/DEPARTMENT</b>	<b>2011 Actual</b>	<b>2012 Mid-Year Forecast</b>	<b>2013 Preliminary Budget</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Administration</b>						
Office of Chairman	4	5	5	5	5	5
Office of Chief of Staff	4	3	3	3	3	3
Human Resources and Pensions	9	14	14	14	14	14
Spec. Project Develop/Planning	8	8	8	8	8	8
General Counsel	54	56	56	56	56	56
Office of Diversity	25	28	28	28	28	28
Labor Relations	8	6	6	6	6	6
Counselor to the Chairman	0	2	2	2	2	2
Media Relations/External Communication	11	11	11	11	11	11
Intergovernmental Relations/State & Local Gov't	5	4	4	4	4	4
Corporate and Internal Communications	33	40	40	40	40	40
PCAC	4	4	4	4	4	4
Audit	82	85	85	85	85	85
Chief Financial Officer	60	61	61	61	61	61
Strategic Initiatives Group	1	3	3	3	3	3
Real Estate	59	60	60	60	60	60
Chief Operating Officer	2	2	2	2	2	2
Capital Programs	28	27	27	27	27	27
Federal Affairs	0	1	1	1	1	1
Environmental Policy, Sustainability & Compliance	6	6	6	6	6	6
Information Technology	64	67	67	67	67	67
Business Service Center	373	461	444	444	444	444
Corporate Account	1	1	1	1	1	1
Bus Customer Info	5	0	0	0	0	0
New Fare Systems	11	0	0	0	0	0
Managing Director	2	0	0	0	0	0
<b>Total Administration</b>	<b>859</b>	<b>955</b>	<b>938</b>	<b>938</b>	<b>938</b>	<b>938</b>
<b>Public Safety</b>	<b>744</b>	<b>782</b>	<b>794</b>	<b>794</b>	<b>799</b>	<b>829</b>
<b>Baseline Total Positions</b>	<b>1,603</b>	<b>1,737</b>	<b>1,732</b>	<b>1,732</b>	<b>1,737</b>	<b>1,767</b>
<i>Non-Reimbursable</i>	1,560	1,687	1,682	1,682	1,687	1,717
<i>Reimbursable</i>	43	50	50	50	50	50
<i>Full-Time</i>	1,603	1,737	1,732	1,732	1,737	1,767
<i>Full-Time Equivalents</i>	-	-	-	-	-	-

**MTA HEADQUARTERS**  
**July Financial Plan 2013- 2016**  
**Total Positions by Function and Occupation**

FUNCTION/OCCUPATIONAL GROUP		2011 Actual	2012 Mid-Year Forecast	2013 Preliminary Budget	2014	2015	2016
<b>Administration</b>							
	Managers/Supervisors	425	444	444	444	444	444
	Professional, Technical, Clerical	434	511	494	494	494	494
	Operational Hourlies						
	<b>Total Administration</b>	<b>859</b>	<b>955</b>	<b>938</b>	<b>938</b>	<b>938</b>	<b>938</b>
<b>Operations</b>							
	Managers/Supervisors						
	Professional, Technical, Clerical						
	Operational Hourlies						
	<b>Total Operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Maintenance</b>							
	Managers/Supervisors						
	Professional, Technical, Clerical						
	Operational Hourlies						
	<b>Total Maintenance</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Engineering/Capital</b>							
	Managers/Supervisors						
	Professional, Technical, Clerical						
	Operational Hourlies						
	<b>Total Engineering/Capital</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Public Safety</b>							
	Managers/Supervisors	37	38	38	38	38	38
	Professional, Technical, Clerical	66	76	76	76	76	76
	Operational Hourlies (Uniformed)	641	668	680	680	685	715
	<b>Total Public Safety</b>	<b>744</b>	<b>782</b>	<b>794</b>	<b>794</b>	<b>799</b>	<b>829</b>
<b>Total Positions</b>							
	Managers/Supervisors	462	482	482	482	482	482
	Professional, Technical, Clerical	500	587	570	570	570	570
	Operational Hourlies	641	668	680	680	685	715
	<b>Total Baseline Positions</b>	<b>1,603</b>	<b>1,737</b>	<b>1,732</b>	<b>1,732</b>	<b>1,737</b>	<b>1,767</b>

## **MTA Headquarters**

MTA Headquarters includes four distinct components: Policy & Oversight, MTA Consolidated Functions, the Business Service Center, and MTA Security:

- MTA HQ, Policy & Oversight includes MTA Executive Leadership and policy/oversight functions. All aspects of Administration strive to identify opportunities to streamline expenses and increase efficiencies.
- MTA Consolidated Functions includes areas where savings have been achieved through function consolidations or areas where the work can be more efficiently performed at Headquarters. As MTA consolidates functions across the Agencies, it is likely that the net budget change associated with those functions will increase Headquarters' costs, while staffing and expense levels decrease at a higher level at the Agencies.
- The Business Service Center provides shared back-office financial, payroll, procurement, and human resource services to all agencies. While a number of services began operating in January 2011, the full complement of services will become available in 2012.
- Public Safety includes the MTA Police which patrols the MTA's commuter railroads, and provides MTA-wide oversight of security and safety services. Public Safety also leads emergency preparedness, and interfaces with multiple city, state and federal law enforcement agencies.

The following table breaks out the MTA HQ personnel Budgets by these categories.

**MTA HEADQUARTERS**  
**July Financial Plan 2013 - 2016**  
**Accrual Statement of Operations by Major Function**  
(\$ in millions)

<b>NON-REIMBURSABLE</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b><u>MTA Consolidated Functions</u></b>					
<b>Operating Revenue</b>	\$15.794	\$17.004	\$17.305	\$17.630	\$17.971
Labor Expenses	\$7.387	\$9.772	\$10.373	\$10.868	\$11.393
Non-Labor Expenses	18.22	21.484	22.395	23.316	24.397
Depreciation / OPEB Obligation	1.311	1.200	1.221	1.244	1.268
<b>Total Expenses</b>	<b>\$26.915</b>	<b>\$32.457</b>	<b>\$33.990</b>	<b>\$35.428</b>	<b>\$37.058</b>
<b>Baseline Deficit</b>	<b>(\$11.121)</b>	<b>(\$15.453)</b>	<b>(\$16.684)</b>	<b>(\$17.797)</b>	<b>(\$19.087)</b>
<b><u>MTA HQ, Policy &amp; Oversight</u></b>					
<b>Operating Revenue</b>	\$43.167	\$40.929	\$41.653	\$42.436	\$43.255
Labor Expenses	\$36.060	\$45.931	\$48.010	\$50.463	\$52.951
Non-Labor Expenses	102.68	93.253	93.839	95.873	98.093
Depreciation / OPEB Obligation	131.788	106.118	109.000	112.817	116.640
<b>Total Expenses</b>	<b>\$270.523</b>	<b>\$245.302</b>	<b>\$250.848</b>	<b>\$259.153</b>	<b>\$267.684</b>
<b>Baseline Deficit</b>	<b>(\$227.356)</b>	<b>(\$204.373)</b>	<b>(\$209.195)</b>	<b>(\$216.717)</b>	<b>(\$224.429)</b>
<b><u>Business Service Center</u></b>					
<b>Operating Revenue</b>	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Labor Expenses	\$37.301	\$39.061	\$38.886	\$40.092	\$41.366
Non-Labor Expenses	20.73	11.837	12.160	11.519	10.771
Depreciation / OPEB Obligation	-	-	-	-	-
<b>Total Expenses</b>	<b>\$58.027</b>	<b>\$50.898</b>	<b>\$51.045</b>	<b>\$51.611</b>	<b>\$52.137</b>
<b>Baseline Deficit</b>	<b>(\$58.027)</b>	<b>(\$50.898)</b>	<b>(\$51.045)</b>	<b>(\$51.611)</b>	<b>(\$52.137)</b>
<b><u>Public Safety</u></b>					
<b>Operating Revenue</b>	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Labor Expenses	\$100.221	\$112.459	\$106.981	\$108.385	\$112.419
Non-Labor Expenses	10.22	10.292	10.336	10.613	11.180
Depreciation / OPEB Obligation	2.412	2.027	2.063	2.102	2.142
<b>Total Expenses</b>	<b>\$112.849</b>	<b>\$124.779</b>	<b>\$119.380</b>	<b>\$121.101</b>	<b>\$125.741</b>
<b>Baseline Deficit</b>	<b>(\$112.849)</b>	<b>(\$124.779)</b>	<b>(\$119.380)</b>	<b>(\$121.101)</b>	<b>(\$125.741)</b>

**MTA HEADQUARTERS**  
**July Financial Plan 2013- 2016**  
**Total Positions by Function**  
**Non-Reimbursable/Reimbursable and Full-Time Positions/Full-Time Equivalents**

<b>FUNCTION</b>	<b>2011 Actual</b>	<b>2012 Mid-Year Forecast</b>	<b>2013 Preliminary Budget</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
MTA Consolidated Functions	246	255	255	255	255	255
MTA HQ, Policy & Oversight	240	239	239	239	239	239
Business Service Center	373	461	444	444	444	444
Public Safety	744	782	794	794	799	829
<b>Baseline Total Positions</b>	<b>1,603</b>	<b>1,737</b>	<b>1,732</b>	<b>1,732</b>	<b>1,737</b>	<b>1,767</b>
<b>Non-Reimbursable</b>	<b>1,560</b>	<b>1,687</b>	<b>1,682</b>	<b>1,682</b>	<b>1,687</b>	<b>1,717</b>
MTA Consolidated Functions	224	232	232	232	232	232
MTA HQ, Policy & Oversight	240	239	239	239	239	239
Business Service Center	352	434	417	417	417	417
Public Safety	744	782	794	794	799	829
	-	-	-	-	-	-
<b>Reimbursable</b>	<b>43</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>50</b>	<b>50</b>
MTA Consolidated Functions	22	23	23	23	23	23
MTA HQ, Policy & Oversight	-	-	-	-	-	-
Business Service Center	21	27	27	27	27	27
Public Safety	-	-	-	-	-	-
<i>Full-Time</i>	1,603	1,737	1,732	1,732	1,737	1,767
<i>Full-Time Equivalents</i>	-	-	-	-	-	-

Note: Actuals reflect headcount vacancies.



**MTA INSPECTOR GENERAL**  
**2013 Preliminary Budget**  
**July Financial Plan 2013-2016**

**Financial Overview**

The forecast for the Office of Inspector General for the years 2013-2016 reflect the guidelines and assumptions used by MTA Headquarters, and provides adequate resources used to investigate and audit matters of concern throughout the MTA and its subsidiaries. In 2013, the Plan reflects the IT Refresh Project new need, which includes the replacement of the Office of the Inspector General's servers and Local Area Network (LAN) equipment that will reach the end of their 5-year obsolescence life-cycle and can no longer be covered under existing hardware maintenance. In addition to the hardware replacement, there will be a migration of the LAN operating system software and e-mail application from Novell to Microsoft, which is consistent with MTA migration efforts in progress.

**2012 Mid-Year Forecast**

In the 2012 Mid-Year Forecast a total of \$12.7 million is projected in baseline expenses, compared to \$13.2 million in the Adopted Budget. The favorable variance is realized from vacancy savings.

The 2012 Mid-Year Forecast reflects the reclassification and renaming of certain accounts in the non-labor account structure of the MTA chart of accounts.

**2013 Preliminary Budget – Baseline**

In the 2013 Preliminary Budget, a total of \$13.6 million is projected in baseline expenses compared to the February Financial Plan of \$13.9 million. The favorable variance is due to lower salary and fringe benefit expenses partially offset by an increase in professional services to fund the IT Refresh Project new need of \$0.7 million for the replacement of servers and LAN equipment and migration of the LAN operating system from Novell to Microsoft. The estimated operating budget portion of the project will be \$0.4 million in the professional service contract expense line and the capital operating budget portion of the project will be \$0.3 million. Funding for this project is primarily derived from a reimbursement of hard and soft costs incurred during the office relocation. The remainder of funding is coming from reductions in the rental, janitorial and IT hardware/IT maintenance expense lines.

**2014-2016 Projections**

The forecast for the Office of Inspector General for the years 2014-2016 reflects inflationary growth according to the prevailing guidelines and assumptions.

[illegible]

[illegible]

[illegible]

**MTA INSPECTOR GENERAL**  
**July Financial Plan 2013 - 2016**  
**Year-to-Year Changes by Category - Accrual Basis**  
**(\$ in millions)**

**REIMBURSABLE**

	Favorable/(Unfavorable)								
	2012	2013	Change 2013 - 2012	2014	Change 2014 - 2013	2015	Change 2015 - 2014	2016	Change 2016 - 2015
<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	\$12.665	\$13.583	\$0.918	\$13.731	\$0.148	\$14.092	\$0.361	\$14.419	\$0.327
<b>Total Revenue</b>	<b>\$12.665</b>	<b>\$13.583</b>	<b>\$0.918</b>	<b>\$13.731</b>	<b>\$0.148</b>	<b>\$14.092</b>	<b>\$0.361</b>	<b>\$14.419</b>	<b>\$0.327</b>
<b><u>Expenses</u></b>									
Labor:									
Payroll	\$7.170	\$7.370	(0.200)	\$7.501	(0.131)	\$7.642	(0.141)	\$7.789	(0.147)
Overtime	-	-	-	-	-	-	-	-	-
Health and Welfare	0.863	0.967	(0.104)	1.020	(0.053)	1.105	(0.085)	1.197	(0.092)
OPEB Current Payment	-	-	-	-	-	-	-	-	-
Pensions	0.829	1.269	(0.440)	1.329	(0.060)	1.391	(0.062)	1.455	(0.064)
Other Fringe Benefits	0.591	0.581	0.010	0.591	(0.010)	0.613	(0.022)	0.637	(0.024)
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
<b>Total Labor Expenses</b>	<b>\$9.453</b>	<b>\$10.187</b>	<b>(\$0.734)</b>	<b>\$10.441</b>	<b>(\$0.254)</b>	<b>\$10.751</b>	<b>(\$0.310)</b>	<b>\$11.078</b>	<b>(\$0.327)</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	0.043	0.044	(0.001)	0.045	(0.001)	0.045	0.000	0.046	(0.001)
Insurance	0.025	0.027	(0.002)	0.030	(0.003)	0.033	(0.003)	0.036	(0.003)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other									
Operating Contracts	2.551	2.451	0.100	2.562	(0.111)	2.610	(0.048)	2.661	(0.051)
Professional Service Contracts	0.371	0.651	(0.280)	0.378	0.273	0.385	(0.007)	0.393	(0.008)
Materials & Supplies	-	-	-	-	-	-	-	-	-
MTA Internal Subsidy	-	-	-	-	-	-	-	-	-
Other Business Expenses	0.133	0.134	(0.001)	0.136	(0.002)	0.139	(0.003)	0.141	(0.002)
<b>Total Non-Labor Expenses</b>	<b>\$3.123</b>	<b>\$3.307</b>	<b>(\$0.184)</b>	<b>\$3.151</b>	<b>\$0.156</b>	<b>\$3.212</b>	<b>(\$0.061)</b>	<b>\$3.277</b>	<b>(\$0.065)</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</b>	<b>\$12.576</b>	<b>\$13.494</b>	<b>(\$0.918)</b>	<b>\$13.592</b>	<b>(\$0.098)</b>	<b>\$13.963</b>	<b>(\$0.371)</b>	<b>\$14.355</b>	<b>(\$0.392)</b>
Depreciation	0.089	0.089	0.000	0.139	(0.050)	0.129	0.010	0.064	0.065
<b>Total Expenses</b>	<b>\$12.665</b>	<b>\$13.583</b>	<b>(\$0.918)</b>	<b>\$13.731</b>	<b>(\$0.148)</b>	<b>\$14.092</b>	<b>(\$0.361)</b>	<b>\$14.419</b>	<b>(\$0.327)</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**  
**July Financial Plan 2013 - 2016**  
**Year-to-Year Changes by Category - Cash Basis**  
**(\$ in millions)**

**CASH RECEIPTS & EXPENDITURES**

	Favorable/(Unfavorable)								
	2012	2013	Change 2013 - 2012	2014	Change 2014 - 2013	2015	Change 2015 - 2014	2016	Change 2016 - 2015
<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	12.576	13.880	1.304	13.592	(0.288)	13.963	0.371	14.355	0.392
<b>Total Receipts</b>	<b>\$12.576</b>	<b>\$13.880</b>	<b>\$1.304</b>	<b>\$13.592</b>	<b>(\$0.288)</b>	<b>\$13.963</b>	<b>\$0.371</b>	<b>\$14.355</b>	<b>\$0.392</b>
<b><u>Expenditures</u></b>									
Labor:									
Payroll	7.170	7.370	(0.200)	7.501	(0.131)	7.642	(0.141)	7.789	(0.147)
Overtime	-	-	-	-	-	-	-	-	-
Health and Welfare	0.863	0.967	(0.104)	1.020	(0.053)	1.105	(0.085)	1.197	(0.092)
OPEB Current Payment	-	-	0.000	-	0.000	-	0.000	-	0.000
Pensions	0.829	1.269	(0.440)	1.329	(0.060)	1.391	(0.062)	1.455	(0.064)
Other Fringe Benefits	0.591	0.581	0.010	0.591	(0.010)	0.613	(0.022)	0.637	(0.024)
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
<b>Total Labor Expenditures</b>	<b>\$9.453</b>	<b>\$10.187</b>	<b>(\$0.734)</b>	<b>\$10.441</b>	<b>(\$0.254)</b>	<b>\$10.751</b>	<b>(\$0.310)</b>	<b>\$11.078</b>	<b>(\$0.327)</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	0.043	0.044	(0.001)	0.045	(0.001)	0.045	0.000	0.046	(0.001)
Insurance	0.025	0.027	(0.002)	0.030	(0.003)	0.033	(0.003)	0.036	(0.003)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other									
Operating Contracts	2.551	2.451	0.100	2.562	(0.111)	2.610	(0.048)	2.661	(0.051)
Professional Service Contracts	0.371	0.651	(0.280)	0.378	0.273	0.385	(0.007)	0.393	(0.008)
Materials & Supplies	-	-	-	-	-	-	-	-	-
MTA Internal Subsidy	-	-	-	-	-	-	-	-	-
Other Business Expenses	0.133	0.134	(0.001)	0.136	(0.002)	0.139	(0.003)	0.141	(0.002)
<b>Total Non-Labor Expenditures</b>	<b>\$3.123</b>	<b>\$3.307</b>	<b>(\$0.184)</b>	<b>\$3.151</b>	<b>\$0.156</b>	<b>\$3.212</b>	<b>(\$0.061)</b>	<b>\$3.277</b>	<b>(\$0.065)</b>
Other Expenditure Adjustments:									
Other	0.000	0.386	(0.386)	0.000	0.386	0.000	0.000	0.000	0.000
<b>Total Other Expenditure Adjustments</b>	<b>\$0.000</b>	<b>\$0.386</b>	<b>(\$0.386)</b>	<b>\$0.000</b>	<b>\$0.386</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Expenditures</b>	<b>\$12.576</b>	<b>\$13.880</b>	<b>(\$1.304)</b>	<b>\$13.592</b>	<b>\$0.288</b>	<b>\$13.963</b>	<b>(\$0.371)</b>	<b>\$14.355</b>	<b>(\$0.392)</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>

**MTA INSPECTOR GENERAL**  
**July Financial Plan 2013 - 2016**  
**Summary of Changes Between Financial Plans by Generic Categories**  
**(\$ in millions)**

**REIMBURSABLE**

	2012	2013	2014	2015
<b>2010 February Financial Plan - Operating Cash Income/(Deficit)</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	(\$0.519)	(\$0.276)	(\$0.588)	(\$0.641)
<b>Sub-Total Revenue Changes</b>	<b>(\$0.519)</b>	<b>(\$0.276)</b>	<b>(\$0.588)</b>	<b>(\$0.641)</b>
<b>Expenses:</b>				
Payroll	\$0.234	\$0.179	\$0.193	\$0.195
Overtime	-	-	-	-
Health and Welfare	0.291	0.276	0.340	0.383
OPEB Current Payment	-	-	-	-
Pensions	(0.020)	(0.164)	(0.168)	(0.173)
Other Fringe Benefits	0.012	0.045	0.059	0.063
Reimbursable Overhead	-	-	-	-
Fuel	0.000	0.001	0.000	0.001
Insurance	(0.002)	(0.002)	(0.003)	(0.003)
Claims	-	-	-	-
Paratransit Service Contracts	-	-	-	-
Maintenance and Other				
Operating Contracts	(2.292)	(2.188)	(2.293)	(2.336)
Professional Service Contracts	(0.132)	(0.407)	(0.130)	(0.132)
Materials & Supplies	0.075	0.075	0.077	0.079
Other Business Expenses	2.350	2.396	2.442	2.493
Depreciation	0.003	0.065	0.071	0.071
<b>Sub-Total Expense Changes</b>	<b>\$0.519</b>	<b>\$0.276</b>	<b>\$0.588</b>	<b>\$0.641</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>Total Baseline Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>(\$0.000)</b>
<b>Total Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>(\$0.000)</b>
<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>

**MTA INSPECTOR GENERAL**  
**July Financial Plan 2013 - 2016**  
**Total Positions by Function and Department**  
**Non-Reimbursable/Reimbursable and Full-Time/Full Time Equivalents**

<b>FUNCTION/DEPARTMENT</b>	<b>2011 Actual</b>	<b>2012 Mid-Year Forecast</b>	<b>2013 Preliminary Budget</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Administration</b>						
Office of the Inspector General	74	86	86	86	86	86
<b>Total Administration</b>	<b>74</b>	<b>86</b>	<b>86</b>	<b>86</b>	<b>86</b>	<b>86</b>
 <b>Baseline Total Positions</b>	 <b>74</b>	 <b>86</b>	 <b>86</b>	 <b>86</b>	 <b>86</b>	 <b>86</b>
 <b>Non-Reimbursable</b>						
<b>Reimbursable</b>	74	86	86	86	86	86
<b>Total</b>	<b>74</b>	<b>86</b>	<b>86</b>	<b>86</b>	<b>86</b>	<b>86</b>
 <b>Total Full-Time</b>	 74	 86	 86	 86	 86	 86
<b>Total Full-Time Equivalents</b>	0	0	0	0	0	0



**First Mutual Transportation Assurance Co.  
(FMTAC)**

**MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY**  
**2013 Preliminary Budget**  
**July Financial Plan 2013 - 2016**

The mission of the First Mutual Transportation Assurance Company (FMTAC) is to engage in the business of acting as a pure captive insurance company under Section 7005, Article 70 of the Insurance Law and Section 1266 subdivision 5 of the Public Authorities Law of the State of New York. FMTAC's mission is to continue, develop, and improve the insurance and risk management needs as required by the MTA. FMTAC was established to maximize the flexibility and effectiveness of the MTA's insurance program.

## **FINANCIAL OVERVIEW**

FMTAC continues to utilize dedicated resources to efficiently address the challenges related to insurance and risk management for the MTA. It is the goal of FMTAC to maximize the efficiency and flexibility of the insurance programs while minimizing costs to the MTA and its subsidiaries. FMTAC continues to draw from the expertise and support services available in other MTA agencies and outside service providers to support risk management. This is reflected in the current budget proposal.

For all years, on a cash basis, FMTAC generates a net cash deficit of zero, which is the true cash impact of FMTAC on MTA cash balances. FMTAC cash reserves are separate and distinct from MTA and are necessary to maintain the appropriate capital and reserve levels pursuant to the State of New York Insurance guidelines.

Insurance premiums from the Agencies (revenue) are recorded as credits to the Insurance expense line. Premiums are increasing 10% annually with the exception of the All-Agency Excess Liability policies, the All-Agency Property policy, the All-Agency Sabotage & Terrorism policy and the Paratransit policy.

All Agency Excess Liability (Primary & Excess) – The All-Agency Excess Liability (Primary) policy is increasing 25% annually. This layer provides \$50 million of coverage in excess of each MTA Agency's self-insured retentions. This policy has been historically underpriced for premium compared to the premium rate for the layers above. In addition, FMTAC has experienced numerous large losses since 2007, which contribute to the need for premium increases. The All-Agency Excess Liability (Excess) policy premium is expected to increase by 20% annually due to market hardening.

All Agency Property Insurance Program – The property market has suffered significant financial losses due to natural disasters that have occurred around the world, and MTA is no exception, due to losses sustained in 2011 from Tropical Storm Irene. This increase in losses has caused upward pressure on premiums. In order to minimize the premium increase, FMTAC elected to self-insure in some of the layers. FMTAC's

broker Marsh, the MTA's broker advises MTA Risk Management on market conditions and current forecasts indicate increases in property insurance premiums. The All-Agency Property and All-Agency Sabotage & Terrorism policies are expected to increase by 20% per year.

Paratransit Policy – Paratransit policy premium increases are due to frequent and serious losses, and increased exposure, resulting in an increase in collateral held by FMTAC. The Paratransit policy year-to-year increases are primarily driven by paratransit fleet assumptions contained in the July Plan.

FMTAC has made significant investments in loss control to reduce losses associated with the Paratransit Program and has begun to see a decrease in claim numbers as a result. At the time of this printing, actuaries have not rendered an opinion on this trend.

For the agency self-insured retentions, FMTAC is planning an increase in November to coincide with the excess loss renewal.

Additional expenses consist primarily of Claims and Other Business Expenses.

**MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY**  
**2013 Preliminary Budget**  
**July Financial Plan 2013-2016**

**2012 Mid-Year Forecast**

In the 2012 Mid-Year Forecast, a total of \$36.279 million is projected in Baseline Surplus compared to the \$32.025 million Baseline Surplus in the 2012 Adopted Budget. This consists of an increase of \$9.104 million in revenues as well as an increase in expenses of \$4.849 million. The favorable outcome is a net result of higher Investment Income offset by decreased Insurance premium revenue (recorded as credits to the Insurance expense line) than projected in the 2012 Adopted Budget. Claims are based on actuarial analysis of claim activity on an estimated basis. Revenue and Other Business Expenses are based on actual 2011 results and trending actual results through April 2012.

**2013 Preliminary Budget**

In the 2013 Preliminary Budget, a total of \$34.673 million is projected in Baseline Surplus compared to the \$33.234 million Baseline Surplus in the February Plan. This consists of an increase of \$9.152 million in revenues as well as an increase in expenses of \$7.713 million. The favorable outcome is a net result of higher Investment Income offset by decreased Insurance premium revenue (recorded as credits to the Insurance expense line) than projected in the 2012 Adopted Budget. Claims are based on actuarial analysis of claim activity on an estimated basis.

**2014 – 2016 Projections**

2014 – 2016 Projections are representative of 2012 projections with market increases. Investment Income and Other Operating Revenue are estimated to increase over 2012 projections at a rate equal to CPI. Claims are based on actuarial analysis of projected claims activities and adjustments, whether favorable or unfavorable in required reserves. Other Business Expenses are estimated to increase over 2012 at a rate of 2% each year.

**MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY**  
**July Financial Plan 2013-2016**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

<b>NON-REIMBURSABLE</b>						
	<b>2011</b>	<b>2012</b>	<b>2013</b>			
	<b>Actual</b>	<b>Mid-Year Forecast</b>	<b>Preliminary Budget</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Operating Revenue</b>						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	21.928	22.000	22.319	22.714	23.141	23.588
Investment Income	0.361	9.123	9.255	9.419	9.596	9.781
Capital and Other Reimbursements	-	-	-	-	-	-
<b>Total Revenue</b>	<b>\$22.289</b>	<b>\$31.123</b>	<b>\$31.574</b>	<b>\$32.133</b>	<b>\$32.737</b>	<b>\$33.369</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	(95.837)	(82.033)	(87.599)	(98.647)	(113.572)	(132.720)
Claims	94.673	69.782	77.263	88.865	92.463	100.315
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	-	-	-	-	-	-
Professional Service Contracts	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-
Other Business Expenses	9.570	7.095	7.237	7.382	7.529	7.680
<b>Total Non-Labor Expenses</b>	<b>\$8.406</b>	<b>(\$5.156)</b>	<b>(\$3.099)</b>	<b>(\$2.400)</b>	<b>(\$13.580)</b>	<b>(\$24.725)</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>\$8.406</b>	<b>(\$5.156)</b>	<b>(\$3.099)</b>	<b>(\$2.400)</b>	<b>(\$13.580)</b>	<b>(\$24.725)</b>
Depreciation	-	-	-	-	-	-
<b>Total Expenses</b>	<b>\$8.406</b>	<b>(\$5.156)</b>	<b>(\$3.099)</b>	<b>(\$2.400)</b>	<b>(\$13.580)</b>	<b>(\$24.725)</b>
<b>Baseline Surplus/(Deficit)</b>	<b>\$13.883</b>	<b>\$36.279</b>	<b>\$34.673</b>	<b>\$34.534</b>	<b>\$46.317</b>	<b>\$58.094</b>

[illegible]

**MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY**  
**July Financial Plan 2013-2016**  
**Cash Conversion (Cash Flow Adjustments)**  
(\$ in millions)

<b>CASH FLOW ADJUSTMENTS</b>						
	<b>2011 Actual</b>	<b>2012 Mid-Year Forecast</b>	<b>2013 Preliminary Budget</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<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	4.565	5.055	10.223	12.060	14.576
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>\$4.565</b>	<b>\$5.055</b>	<b>\$10.223</b>	<b>\$12.060</b>	<b>\$14.576</b>
<b><u>Other Expenditures Adjustments:</u></b>						
Other	(\$13.883)	(\$40.844)	(\$39.728)	(\$44.757)	(\$58.377)	(\$72.670)
<b>Total Other Expenditures Adjustments</b>	<b>(\$13.883)</b>	<b>(\$40.844)</b>	<b>(\$39.728)</b>	<b>(\$44.757)</b>	<b>(\$58.377)</b>	<b>(\$72.670)</b>
<b>Total Cash Conversion Adjustments before Depreciation</b>	<b>(\$13.883)</b>	<b>(\$36.279)</b>	<b>(\$34.673)</b>	<b>(\$34.534)</b>	<b>(\$46.317)</b>	<b>(\$58.094)</b>
Depreciation Adjustment	-	-	-	-	-	-
<b>Total Cash Conversion Adjustments</b>	<b>(\$13.883)</b>	<b>(\$36.279)</b>	<b>(\$34.673)</b>	<b>(\$34.534)</b>	<b>(\$46.317)</b>	<b>(\$58.094)</b>

**MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY**  
**July Financial Plan 2013-2016**  
**Year-to-Year Changes by Category - Baseline**

**Revenue**

**Investment Income**

- A majority of Investment income is derived through FMTAC based on the investments managed by Goldman Sachs Asset Management and held by Bank of New York.
- Investment income is projected based on the MTA Region All Urban Consumer CPI inflation rates as provided in the Economic and Demographic Forecasts April 11, 2012.

**Expenses**

**Insurance**

- Insurance (premiums paid to FMTAC) is from the 2012 Mid-Year Forecast of the MTA Summary & Detailed Agency Insurance Cash Budgets and are based on increases in the market and exposure, as well as increases in the claims expense and reserve adjustments. For the Liberty OCIP programs, an estimated of earned premium is also included, which is calculated based on percentage of contract completion.
- Insurance (premiums) are estimated to increase 10% annually with the exception of the All-Agency Excess Liability policies, the All-Agency Property policy, the All-Agency Sabotage & Terrorism policy and the Paratransit policy. The All-Agency Excess Liability (Primary) policy is increasing 25% annually. The All-Agency Excess Liability (Excess) policy is increasing 20% annually. The All-Agency Property and All-Agency Sabotage & Terrorism policies are increasing by 20% per year. The Paratransit policy year-to-year increases are primarily driven by paratransit fleet assumptions contained in the July Plan.



## **Claims**

- Claims expenses are determined by actuarial projection for 2013 – 2016 actual claim expense paid and any adjustment either favorable or unfavorable to reserves.

## **Other Business Expenses**

- Other Business Expenses increase 2% for 2013 – 2016 and are representative of general increases for professional services provided and expenses not directly related to claims.

**MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY**  
**July Financial Plan 2013-2016**  
**Year-to-Year Changes by Category - Accrual Basis**  
(\$ in millions)

**NON-REIMBURSABLE**

	Favorable/(Unfavorable)								
	2012	2013	Change 2013 - 2012	2014	Change 2014 - 2013	2015	Change 2015 - 2014	2016	Change 2016 - 2015
<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	22.000	22.319	0.319	22.714	0.395	23.141	0.427	23.588	0.447
Investment Income	9.123	9.255	0.132	9.419	0.164	9.596	0.177	9.781	0.185
Capital and Other Reimbursement									
<b>Total Revenue</b>	<b>\$31.123</b>	<b>\$31.574</b>	<b>\$0.451</b>	<b>\$32.133</b>	<b>\$0.559</b>	<b>\$32.737</b>	<b>\$0.604</b>	<b>\$33.369</b>	<b>\$0.632</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	(82.033)	(87.599)	5.566	(98.647)	11.048	(113.572)	14.925	(132.720)	19.148
Claims	69.782	77.263	(7.481)	88.865	(11.602)	92.463	(3.598)	100.315	(7.852)
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	7.095	7.237	(0.142)	7.382	(0.145)	7.529	(0.148)	7.680	(0.151)
<b>Total Non-Labor Expenses</b>	<b>(\$5.156)</b>	<b>(\$3.099)</b>	<b>(\$2.057)</b>	<b>(\$2.400)</b>	<b>(\$0.699)</b>	<b>(\$13.580)</b>	<b>\$11.179</b>	<b>(\$24.725)</b>	<b>\$11.145</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>(\$5.156)</b>	<b>(\$3.099)</b>	<b>(\$2.057)</b>	<b>(\$2.400)</b>	<b>(\$0.699)</b>	<b>(\$13.580)</b>	<b>\$11.179</b>	<b>(\$24.725)</b>	<b>\$11.145</b>
Depreciation	-	-	0.000	-	0.000	-	0.000	-	0.000
<b>Total Expenses</b>	<b>(\$5.156)</b>	<b>(\$3.099)</b>	<b>(\$2.057)</b>	<b>(\$2.400)</b>	<b>(\$0.699)</b>	<b>(\$13.580)</b>	<b>\$11.179</b>	<b>(\$24.725)</b>	<b>\$11.145</b>
<b>Baseline Surplus/(Deficit)</b>	<b>\$36.279</b>	<b>\$34.673</b>	<b>(\$1.606)</b>	<b>\$34.534</b>	<b>(\$0.140)</b>	<b>\$46.317</b>	<b>\$11.783</b>	<b>\$58.094</b>	<b>\$11.777</b>

### CASH RECEIPTS & EXPENDITURES

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**MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY**  
**July Financial Plan 2013-2016**  
**Summary of Major Plan-to-Plan Changes**

**2012 – 2015 July Financial Plan vs February Financial Plan**

**Revenue**

Revenue changes from the February Plan over the 2012 – 2015 periods include:

- An increased baseline estimate for 2012 is due to increase in investment income for the first four months of 2012. For 2013 – 2015, the increased baseline estimate for 2012 is then projected based on the MTA Region All Urban Consumer CPI inflation rates as provided in the Economic and Demographic Forecasts April 11, 2012.

**Expenses**

Expense changes from the February Plan over the 2012 – 2015 periods include:

- A decrease in Insurance (premium revenue) as projected in the 2012 Mid-Year Forecast of the MTA Summary & Detailed Agency Insurance Cash Budgets.
- Claim expenses resulted in favorable developments due to updated loss projections from actuarial projections.
- Other Business Expenses decreased due to updated estimates based on actual results through April 2012. The inflation rate for Other Business Expenses is expected to increase 2% per year.

**MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY**  
**July Financial Plan 2013-2016**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

<b>NON-REIMBURSABLE</b>				
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>Baseline 2012 February Financial Plan - Operating Cash Income/(Deficit)</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	0.821	0.752	0.737	0.712
Investment Income	8.283	8.400	8.548	8.707
Capital and Other Reimbursement				
Total Revenue Changes	\$9.104	\$9.152	\$9.285	\$9.418
<b>Expenses</b>				
<b>Labor:</b>				
Payroll				
Health and Welfare				
OPEB Current Payment				
Pensions				
Other Fringe Benefits				
Reimbursable Overhead				
Total Labor Expense Changes	\$ .000	\$ .000	\$ .000	\$ .000
<b>Non-Labor:</b>				
Traction and Propulsion Power				
Fuel for Buses and Trains				
Insurance	(\$16.082)	(\$20.457)	(\$22.464)	(\$23.919)
Claims	\$9.625	\$11.104	\$7.417	\$10.349
Paratransit Service Contracts				
Maintenance and Other Operating Contracts				
Materials & Supplies				
Other Business Expenses	1.608	1.640	1.673	1.706
Total Non-Labor Expense Changes	(\$4.849)	(\$7.713)	(\$13.374)	(\$11.864)
Total Expenses before Depreciation and GASB Adj.				
Depreciation				
OPEB Obligation				
Environmental Remediation				
Total Expense Changes	(\$4.849)	(\$7.713)	(\$13.374)	(\$11.864)
<b>Cash Adjustment Changes</b>				
<b>Revenue:</b>				
Other Operating Revenue	0.000	0.000	0.000	0.000
<b>Expenses:</b>				
Claims	(\$6.387)	(\$7.133)	(\$3.057)	(\$2.121)
Other Business Expenses				
Total Expense Changes	(\$6.387)	(\$7.133)	(\$3.057)	(\$2.121)
Restricted Cash Adjustment	2.133	5.694	7.146	4.567
Total Cash Adjustment Changes	(\$4.254)	(\$1.439)	\$4.089	\$2.446
Total Baseline Changes	\$0.000	\$0.000	\$0.000	\$0.000
<b>Baseline 2012 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>

**MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY**  
**July Financial Plan 2013-2016**  
**Summary of Major Programmatic Changes Between Financial Plans**  
(\$ in millions)

**NON-REIMBURSABLE and REIMBURSABLE**

	2012	2013	2014	2015
<b>Baseline 2012 February Financial Plan - Operating Cash Income/(Deficit)</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>				
	\$9.104	\$9.152	\$9.285	\$9.418
<b>Sub-Total Non-Reimbursable Revenue Changes</b>	<b>\$9.104</b>	<b>\$9.152</b>	<b>\$9.285</b>	<b>\$9.418</b>
<b>Expenses</b>				
	(\$4.849)	(\$7.713)	(\$13.374)	(\$11.864)
<b>Sub-Total Non-Reimbursable Expense Changes</b>	<b>(\$4.849)</b>	<b>(\$7.713)</b>	<b>(\$13.374)</b>	<b>(\$11.864)</b>
<i><b>Total Non-Reimbursable Major Changes</b></i>	<i><b>\$4.254</b></i>	<i><b>\$1.439</b></i>	<i><b>(\$4.089)</b></i>	<i><b>(\$2.446)</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>
<b>Total Accrual Changes</b>	<b>\$4.254</b>	<b>\$1.439</b>	<b>(\$4.089)</b>	<b>(\$2.446)</b>
<b>Cash Adjustment Changes</b>				
	(\$4.254)	(\$1.439)	\$4.089	\$2.446
<b>Total Cash Adjustment Changes</b>	<b>(\$4.254)</b>	<b>(\$1.439)</b>	<b>\$4.089</b>	<b>\$2.446</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>
<b>Baseline 2012 July Financial Plan - Operating Cash Income/(Deficit)</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**  
**2013 Preliminary Budget**  
**July Financial Plan 2013 – 2016**

**FINANCIAL OVERVIEW**

MTA New York City Transit remains committed to providing safe, secure and reliable services despite the lingering impact of the economy on the region's transportation network. The July Financial Plan includes significant paratransit savings and funding for several important programmatic initiatives critical to meeting NYCT's operational and maintenance needs. All other expense/cash changes are either from re-estimates, adjustments reflecting the impact of inflation, or the projected timing of expenses, payments or reimbursements.

**The 2012 Budget Reduction Program (BRP) is based on Paratransit projected expense savings (excluding the impact of related farebox revenue losses)** of \$28.0 million in 2012, \$41.4 million in 2013, \$72.8 million in 2014, and \$104.3 million in 2015. These savings reflect the annualized impact of 2011 decreased trip activity, continued diversion of trips from higher cost "primary" providers to lower cost taxis and vouchers and revised projections of annual trip growth from 15 percent to 12 percent. These factors have also resulted in reduced insurance and fuel costs as the NYCT dedicated fleet has been reduced.

**Important programmatic initiatives**, included in this financial plan, are summarized as follows:

- **Signals Inspection/Maintenance Backlog Reduction.** In order to properly address the current significant backlog in inspection, testing and maintenance activities, additional unscheduled overtime support of \$5.0 million in both 2012 and 2013 and \$2.0 million in subsequent plan years is required. This additional support is necessary to supplement the program established in 2011, which involved adding 88 positions and the unscheduled overtime equivalent of 20 positions in 2011, and adding 50 positions and the unscheduled overtime equivalent of 35 positions in 2012.
- **FasTrack Overtime/Planning and Quality Control Unit.** FasTrack is a limited-duration line segment closure program that allows for efficient completion of maintenance tasks, by various divisions, including often-delayed non-critical repairs. In order to ensure FasTrack efficiencies, additional overtime is required to provide for report-to-work location, early-report, and no-lunch bonuses. Additionally, a new Track Planning and Quality Control Unit is necessary to improve maintenance efficiencies by enhancing the repair planning process and implementing needed quality controls. In order to meet these needs, total costs required are \$6.8 million in 2012 and \$6.0 million in subsequent plan years. Key

- Primary FasTrack efficiencies are summarized as follows:
  1. Achieves focused maintenance and improved safety for employees due to the suspension of revenue service.
  2. Promotes efficiencies from long productive work windows without having to “clear up” at repeated and frequent intervals for trains.
  3. Maximizes the potential for multiple departments to work in a closure area.
  4. Provides an opportunity to attend to oft-delayed non-critical stations repairs such as peeling paint near the right-of-way.
  5. Facilitates better maintenance which reduces breakdowns and train delays.
  6. In the first quarter of 2012, the FasTrack productivity value was estimated at \$5M, reflecting work done in line segment closures versus under flagging or through multiple, separate diversion occasions.
- **Track Defect Backlog Reduction.** An investment of \$2.7 million in 2012 and \$3.3 million in subsequent plan years is required. This represents the addition of 25 positions and the unscheduled overtime equivalent of 13 positions in order to raise staffing levels sufficiently to slow the growth of the high priority track defect backlog.
- **Employee Facility Maintenance Program.** In 2008, an Employee Facility Enhancement (EFE) Program was established in order to upgrade employee locations to well maintained and functional standards. In 2011, due to budget reduction requirements, the existing workforce of 57 positions was reduced to 43 positions. MTA management is now committed to restarting this program to provide employees with safe and sanitary facilities. Beginning 2013, an investment of \$2.2 million annually is required to add 20 positions with a target of upgrading approximately 22 locations per year, in conjunction with additional locations addressed in the Capital Program.
- **Structure Defect Backlog Reduction.** Iron elevated “B” defects will have increased a projected 72 percent from 2000 to 2012 while staffing decreased during the same period. An investment of \$1.2 million in 2012 and \$2.0 million in subsequent plan years will restore two iron gangs (2 supervisors and 12 hourly positions) as well as add an unscheduled overtime equivalent of one additional gang in order to slow the increase of “B” defect growth on the system’s elevated structures.
- **Bus Preventive Maintenance/Scheduled Operations.** To improve bus reliability, a pilot program will commence July 2012 through the end of 2013 to shift focus from unscheduled maintenance to correct problems after failure to improved preventative maintenance, including implementing predictive maintenance practices and comprehensive reviews of in-service vehicle failures. A total of 18 positions will be required, costing \$0.8 million in 2012 and \$1.7 million in 2013 to support this pilot program. An assessment of the success of

this pilot will be made at the end of 2013 to determine if this program should continue.

## **2012 Mid-Year Forecast**

MTA NYC Transit's 2012 Mid-Year-Forecast includes total expenses before depreciation and other post-employment benefits of \$7,625.0 million, consisting of \$6,732.2 million of non-reimbursable expenses and \$892.7 million of reimbursable expenses. Total revenues are projected to be \$4,926.7 million, of which \$4,033.9 million are operating revenues and \$892.7 million are capital reimbursements. Total baseline full-time and full-time equivalent positions are 45,734 (41,211 non-reimbursable positions and 4,523 reimbursable positions).

The 2012 net operating cash deficit is projected to increase by \$56.1 million from the 2012 Adopted Budget.

Major operating cash changes include:

- The unfavorable capital reimbursement cash timing of \$40.4 million, deferred to 2013.
- Investments of \$19.7 million in several important programmatic initiatives (see detailed information at the beginning of this narrative).
- A pension expense increase of \$19.0 million, based on current actuarial information.
- A budgeted \$17.5 million of subsidies, available on a limited basis from a Federal early retiree program, were not realized.
- Projected higher Workers' Compensation payments of \$16.5 million, driven by statutory increases in rates of payouts per case and increased medical costs.
- A recent ATU arbitration award resulted in increased labor costs of \$14.0 million.
- The favorable timing of \$35.9 million of 2011 results impacting 2012.
- Paratransit savings of \$28.0 million (see BRP section at the beginning of this narrative).

Reimbursable expenses are projected to increase in 2012 by \$9.7 million, due primarily to increases in programmatic construction/engineering requirements, such as AFC System Modernization, IT Governance-Thin Client and Signals/Communications Support.

Total baseline positions are projected to increase by 135, including a non-reimbursable increase of 140 and a reimbursable decrease of 5. The non-reimbursable increase included 100 positions in support of new programmatic initiatives, 22 positions in support of paratransit operations, and 10 positions required for subway car maintenance requirements.

### **2013 Preliminary Budget**

MTA New York City Transit's 2013 Preliminary Budget includes total expenses before depreciation and other post-employment benefits of \$7,794.1 million, consisting of \$6,944.2 million of non-reimbursable expenses and \$849.8 million of reimbursable expenses. Total revenues are projected to be \$4,955.4 million, of which \$4,105.5 million are operating revenues and \$849.8 million are capital reimbursements. Total baseline full-time and full-time equivalent positions are 45,589, including 41,301 non-reimbursable positions and 4,288 reimbursable positions.

The 2013 net operating cash deficit is projected to decrease by \$49.2 million from the February Financial Plan.

Major operating cash variances include:

- Paratransit savings of \$41.4 million (see BRP section at the beginning of this narrative).
- Capital reimbursement cash timing of \$38.8 million, deferred from 2012.
- Updated inflation assumptions, resulting in reduced expenses of \$30.0 million, due primarily to projected energy cost savings.
- Investments of \$23.1 million in several important programmatic initiatives (see detailed information at the beginning of this narrative).
- A pension expense increase of \$12.8 million, based on current actuarial information.
- Projected higher Workers' Compensation payments of \$17.0 million, driven by statutory increases in rates of payouts per case and increased medical costs.

Reimbursable expenses are projected to increase in 2013 by \$5.7 million, due primarily to increases in programmatic construction/engineering requirements, such as AFC System Modernization, IT Governance-Thin Client and Signals/Communications Support.

Total baseline positions are projected to increase by 121, including a non-reimbursable increase of 148 and a reimbursable decrease of 27. The non-reimbursable increase included 98 positions in support of new programmatic initiatives, 22 positions in support

of paratransit operations, and 21 positions required for subway car maintenance requirements. The reimbursable reduction was due mostly to lower project support requirements.

## **2014-2015 Projections**

Net operating cash deficits are projected to decrease by \$80.6 million in 2014 and \$120.8 million in 2015, relative to the February Financial Plan.

Major operating cash changes include:

- Paratransit savings of \$72.8 million in 2014 and \$104.3 million in 2015 (see BRP section at the beginning of this narrative).
- Updated inflation assumptions, resulting in reduced expenses of \$62.2 million in 2014 and \$72.1 million in 2015, due primarily to projected energy cost savings.
- Investments of \$17.6 million in 2014 and \$19.2 million in 2015 for several important programmatic initiatives (see detailed information at the beginning of this narrative).
- Projected higher Workers' Compensation payments of \$17.5 million in 2014 and \$18.0 million in 2015, driven by statutory increases in rates of payouts per case and increased medical costs.
- Pension expense increases of \$12.8 million in both years, based on current actuarial information.

Reimbursable expenses are projected to increase by \$2.9 million in 2014 and decrease by \$4.9 million in 2015.

Total baseline positions are projected to increase by 95 in 2014, including a non-reimbursable increase of 136 and a reimbursable decrease of 41. In 2015, baseline positions are projected to increase by 80, including a non-reimbursable increase of 128 and a reimbursable decrease of 48. The non-reimbursable increases were mostly due to 80 positions each year in support of new programmatic initiatives and 22 positions each year in support of paratransit operations. The reimbursable reductions were due mostly to lower project support requirements.

**MTA NEW YORK CITY TRANSIT**  
**July Financial Plan 2013 - 2016**  
**Accrual Statement of Operations by Category**  
**(\$ in millions)**

<b>NON-REIMBURSABLE</b>						
	<b>2011 Actual</b>	<b>2012 Mid-Year Forecast</b>	<b>2013 Preliminary Budget</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Operating Revenue</b>						
<u>Farebox Revenue:</u>						
Subway	\$2,698.747	\$2,751.789	\$2,789.863	\$2,833.158	\$2,877.222	\$2,901.803
Bus	868.194	880.404	887.421	895.695	904.282	908.832
Paratransit	14.613	16.842	18.878	21.159	23.714	26.576
Fare Media Liability	47.475	56.221	52.221	52.221	52.221	52.221
<b>Farebox Revenue</b>	<b>\$3,629.029</b>	<b>\$3,705.256</b>	<b>\$3,748.383</b>	<b>\$3,802.233</b>	<b>\$3,857.439</b>	<b>\$3,889.432</b>
Vehicle Toll Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue:						
Fare Reimbursement	84.016	84.016	84.016	84.016	84.016	84.016
Paratransit Reimbursement	111.660	131.647	157.234	185.521	219.138	258.982
Other	111.509	113.011	115.909	118.891	120.450	122.000
<b>Other Operating Revenue</b>	<b>\$307.185</b>	<b>\$328.674</b>	<b>\$357.159</b>	<b>\$388.428</b>	<b>\$423.604</b>	<b>\$464.998</b>
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Revenue</b>	<b>\$3,936.214</b>	<b>\$4,033.930</b>	<b>\$4,105.542</b>	<b>\$4,190.661</b>	<b>\$4,281.043</b>	<b>\$4,354.430</b>
<b>Expenses</b>						
<b>Labor:</b>						
Payroll	\$2,791.486	\$2,874.389	\$2,874.273	\$2,889.690	\$2,939.758	\$3,007.272
Overtime	304.743	279.367	275.001	272.366	277.071	282.506
Total Salaries & Wages	\$3,096.229	\$3,153.756	\$3,149.274	\$3,162.056	\$3,216.829	\$3,289.778
Health and Welfare	548.888	586.592	639.772	694.561	754.920	822.653
OPEB Current Payment	283.092	313.949	348.683	379.969	416.652	456.653
Pensions	780.581	942.724	943.958	989.773	1,032.669	1,036.142
Other Fringe Benefits	324.932	277.004	283.222	288.557	294.360	298.620
Total Fringe Benefits	\$1,937.493	\$2,120.269	\$2,215.635	\$2,352.860	\$2,498.601	\$2,614.068
Reimbursable Overhead	(218.036)	(198.769)	(185.336)	(181.998)	(184.439)	(187.651)
<b>Total Labor Expenses</b>	<b>\$4,815.686</b>	<b>\$5,075.256</b>	<b>\$5,179.573</b>	<b>\$5,332.918</b>	<b>\$5,530.991</b>	<b>\$5,716.195</b>
<b>Non-Labor:</b>						
Electric Power	\$275.971	\$320.147	\$330.800	\$343.782	\$375.461	\$409.474
Fuel	170.517	164.904	170.845	172.039	181.567	181.137
Insurance	57.861	53.618	62.838	76.766	94.020	114.981
Claims	174.448	95.039	90.116	92.245	96.244	99.752
Paratransit Service Contracts	348.553	385.331	441.316	498.401	562.411	645.047
Maintenance and Other Operating Contracts	139.908	164.537	187.739	169.381	170.680	184.559
Professional Service Contracts	111.923	131.756	127.059	128.271	127.758	130.113
Materials & Supplies	261.923	273.789	283.981	290.306	338.506	339.755
Other Business Expenses	65.101	67.852	69.972	71.335	72.661	74.016
<b>Total Non-Labor Expenses</b>	<b>\$1,606.205</b>	<b>\$1,656.973</b>	<b>\$1,764.666</b>	<b>\$1,842.526</b>	<b>\$2,019.308</b>	<b>\$2,178.834</b>
<b>Other Expense Adjustments:</b>						
Other	3.529	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expense Adjustments</b>	<b>\$3.529</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>\$6,425.420</b>	<b>\$6,732.229</b>	<b>\$6,944.239</b>	<b>\$7,175.444</b>	<b>\$7,550.299</b>	<b>\$7,895.029</b>
Depreciation	\$1,312.102	\$1,445.000	\$1,520.000	\$1,595.000	\$1,670.000	\$1,748.000
OPEB Obligation	1,323.381	1,354.951	1,405.331	1,463.500	1,520.834	1,579.644
Environmental Remediation	48.727	0.000	0.000	0.000	0.000	0.000
<b>Total Expenses</b>	<b>\$9,109.630</b>	<b>\$9,532.180</b>	<b>\$9,869.570</b>	<b>\$10,233.944</b>	<b>\$10,741.133</b>	<b>\$11,222.673</b>
<b>Net Surplus/(Deficit)</b>	<b>(\$5,173.416)</b>	<b>(\$5,498.250)</b>	<b>(\$5,764.028)</b>	<b>(\$6,043.283)</b>	<b>(\$6,460.090)</b>	<b>(\$6,868.243)</b>

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**MTA NEW YORK CITY TRANSIT**  
**July Financial Plan 2013 - 2016**  
**Accrual Statement of Operations by Category**  
**(\$ in millions)**

<b>NON-REIMBURSABLE/REIMBURSABLE</b>						
	<b>2011 Actual</b>	<b>2012 Mid-Year Forecast</b>	<b>2013 Preliminary Budget</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Revenue</b>						
<u>Farebox Revenue:</u>						
Subway	\$2,698.747	\$2,751.789	\$2,789.863	\$2,833.158	\$2,877.222	\$2,901.803
Bus	868.194	880.404	887.421	895.695	904.282	908.832
Paratransit	14.613	16.842	18.878	21.159	23.714	26.576
Fare Media Liability	47.475	56.221	52.221	52.221	52.221	52.221
<b>Farebox Revenue</b>	<b>\$3,629.029</b>	<b>\$3,705.256</b>	<b>\$3,748.383</b>	<b>\$3,802.233</b>	<b>\$3,857.439</b>	<b>\$3,889.432</b>
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
<u>Other Operating Revenue:</u>						
Fare Reimbursement	84.016	84.016	84.016	84.016	84.016	84.016
Paratransit Reimbursement	111.660	131.647	157.234	185.521	219.138	258.982
Other	111.509	113.011	115.909	118.891	120.450	122.000
<b>Other Operating Revenue</b>	<b>307.185</b>	<b>328.674</b>	<b>357.159</b>	<b>388.428</b>	<b>423.604</b>	<b>464.998</b>
Capital and Other Reimbursements	939.882	892.728	849.823	843.623	850.475	863.041
<b>Total Revenue</b>	<b>\$4,876.096</b>	<b>\$4,926.658</b>	<b>\$4,955.365</b>	<b>\$5,034.284</b>	<b>\$5,131.518</b>	<b>\$5,217.471</b>
<b>Expenses</b>						
<u>Labor:</u>						
Payroll	\$3,165.165	\$3,239.876	\$3,223.158	\$3,234.320	\$3,288.706	\$3,362.015
Overtime	388.901	344.475	338.929	335.920	341.727	348.385
Total Salaries & Wages	\$3,554.066	\$3,584.351	\$3,562.087	\$3,570.240	\$3,630.433	\$3,710.400
Health and Welfare	572.401	609.523	665.008	721.464	783.601	853.230
OPEB Current Payment	283.092	313.949	348.683	379.969	416.652	456.653
Pensions	799.948	961.254	962.559	1,009.868	1,054.137	1,057.132
Other Fringe Benefits	438.051	385.197	385.660	389.921	396.906	402.832
Total Fringe Benefits	\$2,093.492	\$2,269.923	\$2,361.910	\$2,501.222	\$2,651.296	\$2,769.847
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenses</b>	<b>\$5,647.558</b>	<b>\$5,854.274</b>	<b>\$5,923.997</b>	<b>\$6,071.462</b>	<b>\$6,281.729</b>	<b>\$6,480.247</b>
<u>Non-Labor:</u>						
Electric Power	\$276.283	\$320.399	\$331.324	\$344.034	\$375.713	\$409.726
Fuel	170.534	164.926	170.867	172.061	181.589	181.159
Insurance	57.861	53.618	62.838	76.766	94.020	114.981
Claims	174.448	95.039	90.116	92.245	96.244	99.752
Paratransit Service Contracts	348.950	385.331	441.316	498.401	562.411	645.047
Maintenance and Other Operating Contracts	171.311	196.315	215.202	197.347	198.646	212.525
Professional Service Contracts	134.255	150.771	147.604	145.429	144.296	146.651
Materials & Supplies	313.576	334.872	339.035	348.428	391.908	392.407
Other Business Expenses	66.997	69.412	71.763	72.894	74.218	75.575
<b>Total Non-Labor Expenses</b>	<b>\$1,714.215</b>	<b>\$1,770.683</b>	<b>\$1,870.065</b>	<b>\$1,947.605</b>	<b>\$2,119.045</b>	<b>\$2,277.823</b>
<u>Other Expense Adjustments:</u>						
Other	3.529	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expense Adjustments</b>	<b>\$3.529</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>\$7,365.302</b>	<b>\$7,624.957</b>	<b>\$7,794.062</b>	<b>\$8,019.067</b>	<b>\$8,400.774</b>	<b>\$8,758.070</b>
Depreciation	\$1,312.102	\$1,445.000	\$1,520.000	\$1,595.000	\$1,670.000	\$1,748.000
OPEB Obligation	1,323.381	1,354.951	1,405.331	1,463.500	1,520.834	1,579.644
Environmental Remediation	48.727	0.000	0.000	0.000	0.000	0.000
<b>Total Expenses</b>	<b>\$10,049.512</b>	<b>\$10,424.908</b>	<b>\$10,719.393</b>	<b>\$11,077.567</b>	<b>\$11,591.608</b>	<b>\$12,085.714</b>
<b>Net Surplus/(Deficit)</b>	<b>(\$5,173.416)</b>	<b>(\$5,498.250)</b>	<b>(\$5,764.028)</b>	<b>(\$6,043.283)</b>	<b>(\$6,460.090)</b>	<b>(\$6,868.243)</b>



**MTA NEW YORK CITY TRANSIT**  
**July Financial Plan 2013 - 2016**  
**Cash Receipts & Expenditures**  
(\$ in millions)

<b>CASH RECEIPTS AND EXPENDITURES</b>						
	<b>2011 Actual</b>	<b>2012 Mid-Year Forecast</b>	<b>2013 Preliminary Budget</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Receipts</b>						
Farebox Revenue	\$3,647.200	\$3,703.787	\$3,758.314	\$3,806.464	\$3,861.670	\$3,893.663
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
<u>Other Operating Revenue:</u>						
Fare Reimbursement	69.000	99.016	84.016	84.016	84.016	84.016
Paratransit Reimbursement	112.100	131.308	157.003	185.270	218.870	258.812
Other	114.600	114.011	116.909	119.891	121.450	123.000
<b>Other Operating Revenue</b>	<b>\$295.700</b>	<b>\$344.335</b>	<b>\$357.928</b>	<b>\$389.177</b>	<b>\$424.336</b>	<b>\$465.828</b>
Capital and Other Reimbursements	865.600	998.904	896.174	844.411	848.541	859.916
<b>Total Receipts</b>	<b>\$4,808.500</b>	<b>\$5,047.026</b>	<b>\$5,012.416</b>	<b>\$5,040.052</b>	<b>\$5,134.547</b>	<b>\$5,219.407</b>
<b>Expenditures</b>						
<u>Labor:</u>						
Payroll	\$3,133.851	\$3,267.805	\$3,200.473	\$3,211.177	\$3,262.566	\$3,327.648
Overtime	379.349	347.445	336.544	333.516	339.011	344.824
Total Salaries & Wages	\$3,513.200	\$3,615.250	\$3,537.017	\$3,544.693	\$3,601.577	\$3,672.472
Health and Welfare	597.908	599.963	660.672	716.760	778.497	847.692
OPEB Current Payment	283.092	313.949	348.683	379.969	416.652	456.653
Pensions	775.700	948.563	950.214	979.472	1,030.647	1,057.357
Other Fringe Benefits	348.400	358.141	355.752	361.077	369.112	375.552
Total Fringe Benefits	\$2,005.100	\$2,220.616	\$2,315.321	\$2,437.278	\$2,594.908	\$2,737.254
GASB Account	24.800	34.370	35.762	35.793	36.432	37.226
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenditures</b>	<b>\$5,543.100</b>	<b>\$5,870.236</b>	<b>\$5,888.100</b>	<b>\$6,017.764</b>	<b>\$6,232.917</b>	<b>\$6,446.952</b>
<u>Non-Labor:</u>						
Electric Power	\$272.653	\$323.399	\$331.324	\$344.034	\$375.713	\$409.726
Fuel	176.952	156.726	170.867	172.061	181.589	181.159
Insurance	44.400	68.167	64.641	78.664	99.518	118.460
Claims	102.000	87.066	81.870	83.716	85.613	86.966
Paratransit Service Contracts	360.600	383.331	439.316	496.401	560.411	643.047
Maintenance and Other Operating Contracts	193.100	207.022	225.902	208.047	209.346	223.225
Professional Service Contracts	120.093	144.771	141.604	139.429	138.296	140.651
Materials & Supplies	280.427	336.872	341.035	350.428	393.908	394.407
Other Business Expenditures	66.875	69.412	71.763	72.894	74.218	75.575
<b>Total Non-Labor Expenditures</b>	<b>\$1,617.100</b>	<b>\$1,776.766</b>	<b>\$1,868.322</b>	<b>\$1,945.674</b>	<b>\$2,118.612</b>	<b>\$2,273.216</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>\$7,160.200</b>	<b>\$7,647.002</b>	<b>\$7,756.422</b>	<b>\$7,963.438</b>	<b>\$8,351.529</b>	<b>\$8,720.168</b>
<b>Net Cash Deficit</b>	<b>(\$2,351.700)</b>	<b>(\$2,599.976)</b>	<b>(\$2,744.006)</b>	<b>(\$2,923.386)</b>	<b>(\$3,216.982)</b>	<b>(\$3,500.761)</b>

**MTA NEW YORK CITY TRANSIT**  
**July Financial Plan 2013 - 2016**  
**Cash Conversion (Cash Flow Adjustments)**  
**(\$ in millions)**

	2011 Actual	2012 Mid-Year Forecast	2013 Preliminary Budget	2014	2015	2016
<b>Receipts</b>						
Fare Revenue	\$18.171	(\$1.469)	\$9.931	\$4.231	\$4.231	\$4.231
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
<b>Other Operating Revenue:</b>						
Fare Reimbursement	(15.016)	15.000	0.000	0.000	0.000	0.000
Paratransit Reimbursement	0.440	(0.339)	(0.231)	(0.251)	(0.268)	(0.170)
Other	3.091	1.000	1.000	1.000	1.000	1.000
<b>Other Operating Revenue</b>	<b>(\$11.485)</b>	<b>\$15.661</b>	<b>\$0.769</b>	<b>\$0.749</b>	<b>\$0.732</b>	<b>\$0.830</b>
Capital and Other Reimbursements	(74.282)	106.176	46.351	0.788	(1.934)	(3.125)
<b>Total Receipt Adjustments</b>	<b>(\$67.596)</b>	<b>\$120.368</b>	<b>\$57.051</b>	<b>\$5.768</b>	<b>\$3.029</b>	<b>\$1.936</b>
<b>Expenditures</b>						
<b>Labor:</b>						
Payroll	\$31.314	(\$27.929)	\$22.685	\$23.143	\$26.140	\$34.367
Overtime	9.552	(2.970)	2.385	2.404	2.716	3.561
Total Salaries & Wages	\$40.866	(\$30.899)	\$25.070	\$25.547	\$28.856	\$37.928
Health and Welfare	(25.507)	9.560	4.336	4.704	5.104	5.538
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	24.248	12.691	12.345	30.396	23.490	(0.225)
Other Fringe Benefits	89.651	27.056	29.908	28.844	27.794	27.280
Total Fringe Benefits	\$88.392	\$49.307	\$46.589	\$63.944	\$56.388	\$32.593
GASB Account	(24.800)	(34.370)	(35.762)	(35.793)	(36.432)	(37.226)
Reimbursable Overhead						
<b>Total Labor Expenditures</b>	<b>\$104.458</b>	<b>(\$15.962)</b>	<b>\$35.897</b>	<b>\$53.698</b>	<b>\$48.812</b>	<b>\$33.295</b>
<b>Non-Labor:</b>						
Electric Power	\$3.630	(\$3.000)	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	(6.418)	8.200	0.000	0.000	0.000	0.000
Insurance	13.461	(14.549)	(1.803)	(1.898)	(5.498)	(3.479)
Claims	72.448	7.973	8.246	8.529	10.631	12.786
Paratransit Service Contracts	(11.650)	2.000	2.000	2.000	2.000	2.000
Maintenance and Other Operating Contracts	(21.789)	(10.707)	(10.700)	(10.700)	(10.700)	(10.700)
Professional Service Contracts	14.162	6.000	6.000	6.000	6.000	6.000
Materials & Supplies	33.149	(2.000)	(2.000)	(2.000)	(2.000)	(2.000)
Other Business Expenditures	0.122	0.000	0.000	0.000	0.000	0.000
<b>Total Non-Labor Expenditures</b>	<b>\$97.115</b>	<b>(\$6.083)</b>	<b>\$1.743</b>	<b>\$1.931</b>	<b>\$0.433</b>	<b>\$4.607</b>
<b>Other Expenditure Adjustments:</b>						
Other	3.529	0.000	0.000	0.000	0.000	0.000
<b>Total Other Expenditure Adjustments</b>	<b>\$3.529</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>\$205.102</b>	<b>(\$22.045)</b>	<b>\$37.640</b>	<b>\$55.629</b>	<b>\$49.245</b>	<b>\$37.902</b>
<b>Total Cash Conversion Adjustments before Depreciation and GASB Adjustments</b>	<b>\$137.506</b>	<b>\$98.323</b>	<b>\$94.691</b>	<b>\$61.397</b>	<b>\$52.274</b>	<b>\$39.838</b>
Depreciation Adjustment	\$1,312.102	\$1,445.000	\$1,520.000	\$1,595.000	\$1,670.000	\$1,748.000
OPEB Obligation	1,323.381	1,354.951	1,405.331	1,463.500	1,520.834	1,579.644
Environmental Remediation	48.727	0.000	0.000	0.000	0.000	0.000
<b>Total Cash Conversion Adjustments</b>	<b>\$2,821.716</b>	<b>\$2,898.274</b>	<b>\$3,020.022</b>	<b>\$3,119.897</b>	<b>\$3,243.108</b>	<b>\$3,367.482</b>

**MTA NEW YORK CITY TRANSIT**  
**2013 Preliminary Budget**  
**July Financial Plan 2013 – 2016**  
**Year-to-Year Changes by Category-Baseline**

**TOTAL REVENUE/RECEIPTS**

**Farebox Revenue**

- Subway/bus farebox revenue annual growth based largely on the regional economy and updated NYC employment projections.
- 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 (based on 120 percent of prior calendar year total amounts billed) 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.
- \$15.0 million of student fare reimbursements, originally planned to be received in 2011, were received in early 2012.

**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.
- 2012 includes \$4.6 million of unfavorable timing of receipts as these receipts were actually received in 2011.

**TOTAL EXPENSES/EXPENDITURES**

**Payroll**

- 2013-2016 projections include a zero wage increase assumption for represented employees for 2012-2014 (Non-represented employees received zero wage increases for 2009-2011). Aside from years with zero increases, projections include primarily CPI-based rate increases as follows: 2012=2.20%; 2013=1.97%; 2014=1.91%; 2015=1.85%; 2016=1.89%.
- Year-to-year, payroll expenses are projected to increase by \$15.4 million in 2014, \$50.1 million in 2015, and \$67.5 million in 2016. The out year increases are

primarily due to the post net-zero increase period with represented employee wage increases based on inflationary assumptions.

- 2012 includes \$3.0 million of unfavorable cash timing adjustments from 2011.

### **Overtime**

- 2013-2016 payroll wage rate increase assumptions apply.

### **Health & Welfare**

- Inflation assumptions for 2013-2016: Annual employees = 6.8% per year; hourly employees = 9.0% per year
- 2012 includes \$15.8 million of favorable cash timing adjustments from 2011.

### **Pension**

- Projections are consistent with current actuarial information.

### **Other Fringe Benefits**

- Projected increases year-to-year reflect staffing levels, programmatic changes, and inflationary payroll rate assumptions.
- 2012 includes \$0.2 million of unfavorable cash timing adjustments from 2011.

### **Electric Power**

- The financial plan reflects projected New York Power Authority and Con Edison energy rate increases for both traction and non-traction power.
- 2012 includes \$3.8 million of unfavorable cash timing adjustments from 2011.

### **Fuel**

- Diesel fuel inflation assumptions are as follows: 2013=(4.36)%, 2014=(0.3)%, 2015-2016=no change.
- 2012 includes \$11.2 million of favorable cash timing adjustments from 2012.

### **Insurance**

- Generally, premium rates are assumed to increase by 10% per year during 2013 – 2016.

### **Paratransit Service Contracts**

- The primary driver of expense increases is projected annual ridership growth of 12%.
- Cost-per-trip inflation projections reflect carrier contracts, which provide for annual rate increases based on CPI.

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

- 2013-2016 inflation assumptions are as follows: 2013=1.66%, 2014=1.89%, 2015=1.88% and 2016=1.89%.
- The year-to-year increase in 2013 and 2016 is due to paratransit primary vehicle replacement (\$15 million in 2013; \$5 million in 2016), and additional bus shop maintenance requirements (\$8 million in 2013; \$9.5 million in 2016).

- The year-to-year decrease in 2014 of \$18.4 million is due mainly to the non-recurrence of paratransit primary vehicle replacement included in 2013.
- 2012 includes \$13.7 million of favorable cash timing adjustments from 2011.

#### **Professional Service Contracts**

- 2013-2016 inflation assumptions are as follows: 2013=1.66%, 2014=1.89%, 2015=1.88% and 2016=1.89%.
- Year-to-year, 2013 decreased by \$4.7 million, due to a prepayment in 2012 of three years of EDP maintenance and repair costs. Subsequent year changes are minimal.
- 2012 includes a \$15.7 million unfavorable cash timing adjustment from 2011.

#### **Materials and Supplies**

- 2013-2016 inflation assumptions are as follows: 2013=2.88%, 2014=2.55%, 2015=2.13% and 2016=1.74%.
- 2012 includes an \$18.5 million favorable cash timing adjustment from 2011.
- Non-reimbursable expense levels fluctuate year-to-year, primarily due to the timing of subway and bus fleet maintenance program requirements.

#### **Other Business Expenses**

- 2013-2016 inflation assumptions are as follows: 2013=1.66%, 2014=1.89%, 2015=1.88% and 2016=1.89%.
- Year-to-year increases are primarily due to the above inflationary increases.

#### **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, and new subway cars and buses.

**MTA NEW YORK CITY TRANSIT**  
**July Financial Plan 2013 - 2016**  
**Year-to-Year Changes by Category - Accrual Basis**  
**(\$ in millions)**

**NON-REIMBURSABLE**

	Favorable/(Unfavorable)								
	2012	2013	Change 2013-2012	2014	Change 2014-2013	2015	Change 2015-2014	2016	Change 2016-2015
<b>Revenue</b>									
Farebox Revenue:									
Subway	\$2,751.789	\$2,789.863	\$38.074	\$2,833.158	\$43.295	\$2,877.222	\$44.064	\$2,901.803	\$24.581
Bus	880.404	887.421	7.017	895.695	8.274	904.282	8.587	908.832	4.550
Paratransit	16.842	18.878	2.036	21.159	2.281	23.714	2.555	26.576	2.862
Fare Media Liability	56.221	52.221	(4.000)	52.221	0.000	52.221	0.000	52.221	0.000
<b>Total Farebox Revenue</b>	<b>\$3,705.256</b>	<b>\$3,748.383</b>	<b>\$43.127</b>	<b>\$3,802.233</b>	<b>\$53.850</b>	<b>\$3,857.439</b>	<b>\$55.206</b>	<b>\$3,889.432</b>	<b>\$31.993</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	131.647	157.234	25.587	185.521	28.287	219.138	33.617	258.982	39.844
Other	113.011	115.909	2.898	118.891	2.982	120.450	1.559	122.000	1.550
<b>Total Other Operating Revenue</b>	<b>\$328.674</b>	<b>\$357.159</b>	<b>\$28.485</b>	<b>\$388.428</b>	<b>\$31.269</b>	<b>\$423.604</b>	<b>\$35.176</b>	<b>\$464.998</b>	<b>\$41.394</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>\$4,033.930</b>	<b>\$4,105.542</b>	<b>\$71.612</b>	<b>\$4,190.661</b>	<b>\$85.119</b>	<b>\$4,281.043</b>	<b>\$90.382</b>	<b>\$4,354.430</b>	<b>\$73.387</b>
<b>Expenses</b>									
Labor:									
Payroll	\$2,874.389	\$2,874.273	\$0.116	\$2,889.690	(\$15.417)	\$2,939.758	(\$50.068)	\$3,007.272	(\$67.514)
Overtime	279.367	275.001	4.366	272.366	2.635	277.071	(4.705)	282.506	(5.435)
Total Salaries & Wages	\$3,153.756	\$3,149.274	\$4.482	\$3,162.056	(\$12.782)	\$3,216.829	(\$54.773)	\$3,289.778	(\$72.949)
Health and Welfare	586.592	639.772	(53.180)	694.561	(54.789)	754.920	(60.359)	822.653	(67.733)
OPEB Current Payment	313.949	348.683	(34.734)	379.969	(31.286)	416.652	(36.683)	456.653	(40.001)
Pensions	942.724	943.958	(1.234)	989.773	(45.815)	1,032.669	(42.896)	1,036.142	(3.473)
Other Fringe Benefits	277.004	283.222	(6.218)	288.557	(5.335)	294.360	(5.803)	298.620	(4.260)
Total Fringe Benefits	\$2,120.269	\$2,215.635	(\$95.366)	\$2,352.860	(\$137.225)	\$2,498.601	(\$145.741)	\$2,614.068	(\$115.467)
Reimbursable Overhead	(198.769)	(185.336)	(13.433)	(181.998)	(3.338)	(184.439)	2.441	(187.651)	3.212
<b>Total Labor Expenses</b>	<b>\$5,075.256</b>	<b>\$5,179.573</b>	<b>(\$104.317)</b>	<b>\$5,332.918</b>	<b>(\$153.345)</b>	<b>\$5,530.991</b>	<b>(\$198.073)</b>	<b>\$5,716.195</b>	<b>(\$185.204)</b>
Non-Labor:									
Electric Power	\$320.147	\$330.800	(\$10.653)	\$343.782	(\$12.982)	\$375.461	(\$31.679)	\$409.474	(\$34.013)
Fuel	164.904	170.845	(5.941)	172.039	(1.194)	181.567	(9.528)	181.137	0.430
Insurance	53.618	62.838	(9.220)	76.766	(13.928)	94.020	(17.254)	114.981	(20.961)
Claims	95.039	90.116	4.923	92.245	(2.129)	96.244	(3.999)	99.752	(3.508)
Paratransit Service Contracts	385.331	441.316	(55.985)	498.401	(57.085)	562.411	(64.010)	645.047	(82.636)
Mtce. and Other Operating Contracts	164.537	187.739	(23.202)	169.381	18.358	170.680	(1.299)	184.559	(13.879)
Professional Service Contracts	131.756	127.059	4.697	128.271	(1.212)	127.758	0.513	130.113	(2.355)
Materials & Supplies	273.789	283.981	(10.192)	290.306	(6.325)	338.506	(48.200)	339.755	(1.249)
Other Business Expenses	67.852	69.972	(2.120)	71.335	(1.363)	72.661	(1.326)	74.016	(1.355)
<b>Total Non-Labor Expenses</b>	<b>\$1,656.973</b>	<b>\$1,764.666</b>	<b>(\$107.693)</b>	<b>\$1,842.526</b>	<b>(\$77.860)</b>	<b>\$2,019.308</b>	<b>(\$176.782)</b>	<b>\$2,178.834</b>	<b>(\$159.526)</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>\$6,732.229</b>	<b>\$6,944.239</b>	<b>(\$212.010)</b>	<b>\$7,175.444</b>	<b>(\$231.205)</b>	<b>\$7,550.299</b>	<b>(\$374.855)</b>	<b>\$7,895.029</b>	<b>(\$344.730)</b>
Depreciation	\$1,445.000	\$1,520.000	(\$75.000)	\$1,595.000	(\$75.000)	\$1,670.000	(\$75.000)	\$1,748.000	(\$78.000)
OPEB Obligation	1,354.951	1,405.331	(50.380)	1,463.500	(58.169)	1,520.834	(57.334)	1,579.644	(58.810)
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>\$9,532.180</b>	<b>\$9,869.570</b>	<b>(\$337.390)</b>	<b>\$10,233.944</b>	<b>(\$364.374)</b>	<b>\$10,741.133</b>	<b>(\$507.189)</b>	<b>\$11,222.673</b>	<b>(\$481.540)</b>
<b>Net Surplus/(Deficit)</b>	<b>(\$5,498.250)</b>	<b>(\$5,764.028)</b>	<b>(\$265.778)</b>	<b>(\$6,043.283)</b>	<b>(\$279.255)</b>	<b>(\$6,460.090)</b>	<b>(\$416.807)</b>	<b>(\$6,868.243)</b>	<b>(\$408.153)</b>

**MTA NEW YORK CITY TRANSIT**  
**July Financial Plan 2013 - 2016**  
**Year-to-Year Changes by Category - Accrual Basis**  
**(\$ in millions)**

**REIMBURSABLE**

	Favorable/(Unfavorable)								
	2012	2013	Change 2013-2012	2014	Change 2014-2013	2015	Change 2015-2014	2016	Change 2016-2015
<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	892.728	849.823	(42.905)	843.623	(6.200)	850.475	6.852	863.041	12.566
<b>Total Revenue</b>	<b>\$892.728</b>	<b>\$849.823</b>	<b>(\$42.905)</b>	<b>\$843.623</b>	<b>(\$6.200)</b>	<b>\$850.475</b>	<b>\$6.852</b>	<b>\$863.041</b>	<b>\$12.566</b>
<b>Expenses</b>									
Labor:									
Payroll	\$365.487	\$348.885	\$16.602	\$344.630	\$4.255	\$348.948	(\$4.318)	\$354.743	(\$5.795)
Overtime	65.108	63.928	1.180	63.554	0.374	64.656	(1.102)	65.879	(1.223)
Total Salaries & Wages	\$430.595	\$412.813	\$17.782	\$408.184	\$4.629	\$413.604	(\$5.420)	\$420.622	(\$7.018)
Health and Welfare	22.931	25.236	(2.305)	26.903	(1.667)	28.681	(1.778)	30.577	(1.896)
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	18.530	18.601	(0.071)	20.095	(1.494)	21.468	(1.373)	20.990	0.478
Other Fringe Benefits	108.193	102.438	5.755	101.364	1.074	102.546	(1.182)	104.212	(1.666)
Total Fringe Benefits	\$149.654	\$146.275	\$3.379	\$148.362	(\$2.087)	\$152.695	(\$4.333)	\$155.779	(\$3.084)
Reimbursable Overhead	198.769	185.336	13.433	181.998	3.338	184.439	(2.441)	187.651	(3.212)
<b>Total Labor Expenses</b>	<b>\$779.018</b>	<b>\$744.424</b>	<b>\$34.594</b>	<b>\$738.544</b>	<b>\$5.880</b>	<b>\$750.738</b>	<b>(\$12.194)</b>	<b>\$764.052</b>	<b>(\$13.314)</b>
Non-Labor:									
Electric Power	\$0.252	\$0.524	(\$0.272)	\$0.252	\$0.272	\$0.252	\$0.000	\$0.252	\$0.000
Fuel	0.022	0.022	0.000	0.022	0.000	0.022	0.000	0.022	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	31.778	27.463	4.315	27.966	(0.503)	27.966	0.000	27.966	0.000
Professional Service Contracts	19.015	20.545	(1.530)	17.158	3.387	16.538	0.620	16.538	0.000
Materials & Supplies	61.083	55.054	6.029	58.122	(3.068)	53.402	4.720	52.652	0.750
Other Business Expenses	1.560	1.791	(0.231)	1.559	0.232	1.557	0.002	1.559	(0.002)
<b>Total Non-Labor Expenses</b>	<b>\$113.710</b>	<b>\$105.399</b>	<b>\$8.311</b>	<b>\$105.079</b>	<b>\$0.320</b>	<b>\$99.737</b>	<b>\$5.342</b>	<b>\$98.989</b>	<b>\$0.748</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>\$892.728</b>	<b>\$849.823</b>	<b>\$42.905</b>	<b>\$843.623</b>	<b>\$6.200</b>	<b>\$850.475</b>	<b>(\$6.852)</b>	<b>\$863.041</b>	<b>(\$12.566)</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>\$892.728</b>	<b>\$849.823</b>	<b>\$42.905</b>	<b>\$843.623</b>	<b>\$6.200</b>	<b>\$850.475</b>	<b>(\$6.852)</b>	<b>\$863.041</b>	<b>(\$12.566)</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**  
**July Financial Plan 2013 - 2016**  
**Year-to-Year Changes by Category - Accrual Basis**  
**(\$ in millions)**

**NON-REIMBURSABLE and  
REIMBURSABLE**

	Favorable/(Unfavorable)								
	2012	2013	Change 2013-2012	2014	Change 2014-2013	2015	Change 2015-2014	2016	Change 2016-2015
<b>Revenue</b>									
Farebox Revenue:									
Subway	\$2,751.789	\$2,789.863	\$38.074	\$2,833.158	\$43.295	\$2,877.222	\$44.064	\$2,901.803	\$24.581
Bus	880.404	887.421	7.017	895.695	8.274	904.282	8.587	908.832	4.550
Paratransit	16.842	18.878	2.036	21.159	2.281	23.714	2.555	26.576	2.862
Fare Media Liability	56.221	52.221	(4.000)	52.221	0.000	52.221	0.000	52.221	0.000
<b>Total Farebox Revenue</b>	<b>\$3,705.256</b>	<b>\$3,748.383</b>	<b>\$43.127</b>	<b>\$3,802.233</b>	<b>\$53.850</b>	<b>\$3,857.439</b>	<b>\$55.206</b>	<b>\$3,889.432</b>	<b>\$31.993</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	131.647	157.234	25.587	185.521	28.287	219.138	33.617	258.982	39.844
Other	113.011	115.909	2.898	118.891	2.982	120.450	1.559	122.000	1.550
Total Other Operating Revenue	328.674	357.159	28.485	388.428	31.269	423.604	35.176	464.998	41.394
Capital and Other Reimbursements	892.728	849.823	(42.905)	843.623	(6.200)	850.475	6.852	863.041	12.566
<b>Total Revenue</b>	<b>\$4,926.658</b>	<b>\$4,955.365</b>	<b>\$28.707</b>	<b>\$5,034.284</b>	<b>\$78.919</b>	<b>\$5,131.518</b>	<b>\$97.234</b>	<b>\$5,217.471</b>	<b>\$85.953</b>
<b>Expenses</b>									
Labor:									
Payroll	\$3,239.876	\$3,223.158	\$16.718	\$3,234.320	(\$11.162)	\$3,288.706	(\$54.386)	\$3,362.015	(\$73.309)
Overtime	344.475	338.929	5.546	335.920	3.009	341.727	(5.807)	348.385	(6.658)
Total Salaries & Wages	\$3,584.351	\$3,562.087	\$22.264	\$3,570.240	(\$8.153)	\$3,630.433	(\$60.193)	\$3,710.400	(\$79.967)
Health and Welfare	609.523	665.008	(55.485)	721.464	(56.456)	783.601	(62.137)	853.230	(69.629)
OPEB Current Payment	313.949	348.683	(34.734)	379.969	(31.286)	416.652	(36.683)	456.653	(40.001)
Pensions	961.254	962.559	(1.305)	1,009.868	(47.309)	1,054.137	(44.269)	1,057.132	(2.995)
Other Fringe Benefits	385.197	385.660	(0.463)	389.921	(4.261)	396.906	(6.985)	402.832	(5.926)
Total Fringe Benefits	\$2,269.923	\$2,361.910	(\$91.987)	\$2,501.222	(\$139.312)	\$2,651.296	(\$150.074)	\$2,769.847	(\$118.551)
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>\$5,854.274</b>	<b>\$5,923.997</b>	<b>(\$69.723)</b>	<b>\$6,071.462</b>	<b>(\$147.465)</b>	<b>\$6,281.729</b>	<b>(\$210.267)</b>	<b>\$6,480.247</b>	<b>(\$198.518)</b>
Non-Labor:									
Electric Power	\$320.399	\$331.324	(\$10.925)	\$344.034	(\$12.710)	\$375.713	(\$31.679)	\$409.726	(\$34.013)
Fuel	164.926	170.867	(5.941)	172.061	(1.194)	181.589	(9.528)	181.159	0.430
Insurance	53.618	62.838	(9.220)	76.766	(13.928)	94.020	(17.254)	114.981	(20.961)
Claims	95.039	90.116	4.923	92.245	(2.129)	96.244	(3.999)	99.752	(3.508)
Paratransit Service Contracts	385.331	441.316	(55.985)	498.401	(57.085)	562.411	(64.010)	645.047	(82.636)
Mtce. and Other Operating Contracts	196.315	215.202	(18.887)	197.347	17.855	198.646	(1.299)	212.525	(13.879)
Professional Service Contracts	150.771	147.604	3.167	145.429	2.175	144.296	1.133	146.651	(2.355)
Materials & Supplies	334.872	339.035	(4.163)	348.428	(9.393)	391.908	(43.480)	392.407	(0.499)
Other Business Expenses	69.412	71.763	(2.351)	72.894	(1.131)	74.218	(1.324)	75.575	(1.357)
<b>Total Non-Labor Expenses</b>	<b>\$1,770.683</b>	<b>\$1,870.065</b>	<b>(\$99.382)</b>	<b>\$1,947.605</b>	<b>(\$77.540)</b>	<b>\$2,119.045</b>	<b>(\$171.440)</b>	<b>\$2,277.823</b>	<b>(\$158.778)</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>\$7,624.957</b>	<b>\$7,794.062</b>	<b>(\$169.105)</b>	<b>\$8,019.067</b>	<b>(\$225.005)</b>	<b>\$8,400.774</b>	<b>(\$381.707)</b>	<b>\$8,758.070</b>	<b>(\$357.296)</b>
Depreciation	\$1,445.000	\$1,520.000	(\$75.000)	\$1,595.000	(\$75.000)	\$1,670.000	(\$75.000)	\$1,748.000	(\$78.000)
OPEB Obligation	1,354.951	1,405.331	(50.380)	1,463.500	(58.169)	1,520.834	(57.334)	1,579.644	(58.810)
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>\$10,424.908</b>	<b>\$10,719.393</b>	<b>(\$294.485)</b>	<b>\$11,077.567</b>	<b>(\$358.174)</b>	<b>\$11,591.608</b>	<b>(\$514.041)</b>	<b>\$12,085.714</b>	<b>(\$494.106)</b>
<b>Net Surplus/(Deficit)</b>	<b>(\$5,498.250)</b>	<b>(\$5,764.028)</b>	<b>(\$265.778)</b>	<b>(\$6,043.283)</b>	<b>(\$279.255)</b>	<b>(\$6,460.090)</b>	<b>(\$416.807)</b>	<b>(\$6,868.243)</b>	<b>(\$408.153)</b>



**MTA NEW YORK CITY TRANSIT**  
**July Financial Plan 2013 - 2016**  
**Year-to-Year Changes by Category - Cash Basis**  
**(\$ in millions)**

	Favorable/(Unfavorable)								
	2012	2013	Change 2013-2012	2014	Change 2014-2013	2015	Change 2015-2014	2016	Change 2016-2015
<b><u>Receipts</u></b>									
Farebox Revenue	\$3,703.787	\$3,758.314	\$54.527	\$3,806.464	\$48.150	\$3,861.670	\$55.206	\$3,893.663	\$31.993
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
Fare Reimbursement	99.016	84.016	(15.000)	84.016	0.000	84.016	0.000	84.016	0.000
Paratransit Reimbursement	131.308	157.003	25.695	185.270	28.267	218.870	33.600	258.812	39.942
Other	114.011	116.909	2.898	119.891	2.982	121.450	1.559	123.000	1.550
<b>Total Other Operating Revenue</b>	<b>\$344.335</b>	<b>\$357.928</b>	<b>\$13.593</b>	<b>\$389.177</b>	<b>\$31.249</b>	<b>\$424.336</b>	<b>\$35.159</b>	<b>\$465.828</b>	<b>\$41.492</b>
Capital and Other Reimbursements	998.904	896.174	(102.730)	844.411	(51.763)	848.541	4.130	859.916	11.375
<b>Total Receipts</b>	<b>\$5,047.026</b>	<b>\$5,012.416</b>	<b>(\$34.610)</b>	<b>\$5,040.052</b>	<b>\$27.636</b>	<b>\$5,134.547</b>	<b>\$94.495</b>	<b>\$5,219.407</b>	<b>\$84.860</b>
<b><u>Expenditures</u></b>									
Labor:									
Payroll	\$3,267.805	\$3,200.473	\$67.332	\$3,211.177	(\$10.703)	\$3,262.566	(\$51.389)	\$3,327.648	(\$65.082)
Overtime	347.445	336.544	10.901	333.516	3.027	339.011	(5.495)	344.824	(5.813)
Total Salaries & Wages	\$3,615.250	\$3,537.017	\$78.233	\$3,544.693	(\$7.676)	\$3,601.577	(\$56.884)	\$3,672.472	(\$70.895)
Health and Welfare	599.963	660.672	(60.709)	716.760	(56.088)	778.497	(61.737)	847.692	(69.195)
OPEB Current Payment	313.949	348.683	(34.734)	379.969	(31.286)	416.652	(36.683)	456.653	(40.001)
Pensions	948.563	950.214	(1.651)	979.472	(29.258)	1,030.647	(51.175)	1,057.357	(26.710)
Other Fringe Benefits	358.141	355.752	2.389	361.077	(5.325)	369.112	(8.035)	375.552	(6.440)
Total Fringe Benefits	\$2,220.616	\$2,315.321	(\$94.705)	\$2,437.278	(\$121.957)	\$2,594.908	(\$157.630)	\$2,737.254	(\$142.346)
GASB Account	34.370	35.762	(1.392)	35.793	(0.031)	36.432	(0.639)	37.226	(0.794)
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>\$5,870.236</b>	<b>\$5,888.100</b>	<b>(\$17.864)</b>	<b>\$6,017.764</b>	<b>(\$129.664)</b>	<b>\$6,232.917</b>	<b>(\$215.153)</b>	<b>\$6,446.952</b>	<b>(\$214.035)</b>
Non-Labor:									
Electric Power	\$323.399	\$331.324	(\$7.925)	\$344.034	(\$12.710)	\$375.713	(\$31.679)	\$409.726	(\$34.013)
Fuel	156.726	170.867	(14.141)	172.061	(1.194)	181.589	(9.528)	181.159	0.430
Insurance	68.167	64.641	3.526	78.664	(14.023)	99.518	(20.854)	118.460	(18.942)
Claims	87.066	81.870	5.196	83.716	(1.846)	85.613	(1.897)	86.966	(1.353)
Paratransit Service Contracts	383.331	439.316	(55.985)	496.401	(57.085)	560.411	(64.010)	643.047	(82.636)
Mtce. and Other Operating Contracts	207.022	225.902	(18.880)	208.047	17.855	209.346	(1.299)	223.225	(13.879)
Professional Service Contracts	144.771	141.604	3.167	139.429	2.175	138.296	1.133	140.651	(2.355)
Materials & Supplies	336.872	341.035	(4.163)	350.428	(9.393)	393.908	(43.480)	394.407	(0.499)
Other Business Expenditures	69.412	71.763	(2.351)	72.894	(1.131)	74.218	(1.324)	75.575	(1.357)
<b>Total Non-Labor Expenditures</b>	<b>\$1,776.766</b>	<b>\$1,868.322</b>	<b>(\$91.556)</b>	<b>\$1,945.674</b>	<b>(\$77.352)</b>	<b>\$2,118.612</b>	<b>(\$172.938)</b>	<b>\$2,273.216</b>	<b>(\$154.604)</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>\$7,647.002</b>	<b>\$7,756.422</b>	<b>(\$109.420)</b>	<b>\$7,963.438</b>	<b>(\$207.016)</b>	<b>\$8,351.529</b>	<b>(\$388.091)</b>	<b>\$8,720.168</b>	<b>(\$368.639)</b>
<b>Net Cash Deficit</b>	<b>(\$2,599.976)</b>	<b>(\$2,744.006)</b>	<b>(\$144.030)</b>	<b>(\$2,923.386)</b>	<b>(\$179.380)</b>	<b>(\$3,216.982)</b>	<b>(\$293.596)</b>	<b>(\$3,500.761)</b>	<b>(\$283.779)</b>

**MTA NEW YORK CITY TRANSIT**  
**July Financial Plan 2013 - 2016**  
**Year-to-Year Changes by Category - Cash Conversion (Cash Flow Adjustments)**  
**(\$ in millions)**

	Favorable/(Unfavorable)								
	2012	2013	Change 2013-2012	2014	Change 2014-2013	2015	Change 2015-2014	2016	Change 2016-2015
<b><u>Receipts</u></b>									
Farebox Revenue	(\$1.469)	\$9.931	\$11.400	\$4.231	(\$5.700)	\$4.231	\$0.000	\$4.231	\$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
Fare Reimbursement	15.000	0.000	(15.000)	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Reimbursement	(0.339)	(0.231)	0.108	(0.251)	(0.020)	(0.268)	(0.017)	(0.170)	0.098
Other	1.000	1.000	0.000	1.000	0.000	1.000	0.000	1.000	0.000
<b>Total Other Operating Revenue</b>	<b>\$15.661</b>	<b>\$0.769</b>	<b>(\$14.892)</b>	<b>\$0.749</b>	<b>(\$0.020)</b>	<b>\$0.732</b>	<b>(\$0.017)</b>	<b>\$0.830</b>	<b>\$0.098</b>
Capital and Other Reimbursements	106.176	46.351	(59.825)	0.788	(45.563)	(1.934)	(2.722)	(3.125)	(1.191)
<b>Total Receipt Adjustments</b>	<b>\$120.368</b>	<b>\$57.051</b>	<b>(\$63.317)</b>	<b>\$5.768</b>	<b>(\$51.283)</b>	<b>\$3.029</b>	<b>(\$2.739)</b>	<b>\$1.936</b>	<b>(\$1.093)</b>
<b><u>Expenditures</u></b>									
Labor:									
Payroll	(\$27.929)	\$22.685	\$50.614	\$23.143	\$0.459	\$26.140	\$2.997	\$34.367	\$8.227
Overtime	(2.970)	2.385	5.355	2.404	0.018	2.716	0.312	3.561	0.845
Total Salaries & Wages	(\$30.899)	\$25.070	\$55.969	\$25.547	\$0.477	\$28.856	\$3.309	\$37.928	\$9.072
Health and Welfare	9.560	4.336	(5.224)	4.704	0.368	5.104	0.400	5.538	0.434
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	12.691	12.345	(0.346)	30.396	18.051	23.490	(6.906)	(0.225)	(23.715)
Other Fringe Benefits	27.056	29.908	2.852	28.844	(1.064)	27.794	(1.050)	27.280	(0.514)
Total Fringe Benefits	\$49.307	\$46.589	(\$2.718)	\$63.944	\$17.355	\$56.388	(\$7.556)	\$32.593	(\$23.795)
GASB Account	(34.370)	(35.762)	(1.392)	(35.793)	(0.031)	(36.432)	(0.639)	(37.226)	(0.794)
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>(\$15.962)</b>	<b>\$35.897</b>	<b>\$51.859</b>	<b>\$53.698</b>	<b>\$17.801</b>	<b>\$48.812</b>	<b>(\$4.886)</b>	<b>\$33.295</b>	<b>(\$15.517)</b>
Non-Labor:									
Electric Power	(\$3.000)	\$0.000	\$3.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	8.200	0.000	(8.200)	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	(14.549)	(1.803)	12.746	(1.898)	(0.095)	(5.498)	(3.600)	(3.479)	2.019
Claims	7.973	8.246	0.273	8.529	0.283	10.631	2.102	12.786	2.155
Paratransit Service Contracts	2.000	2.000	0.000	2.000	0.000	2.000	0.000	2.000	0.000
Mtce. and Other Operating Contracts	(10.707)	(10.700)	0.007	(10.700)	0.000	(10.700)	0.000	(10.700)	0.000
Professional Service Contracts	6.000	6.000	0.000	6.000	0.000	6.000	0.000	6.000	0.000
Materials & Supplies	(2.000)	(2.000)	0.000	(2.000)	0.000	(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>(\$6.083)</b>	<b>\$1.743</b>	<b>\$7.826</b>	<b>\$1.931</b>	<b>\$0.188</b>	<b>\$0.433</b>	<b>(\$1.498)</b>	<b>\$4.607</b>	<b>\$4.174</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>(\$22.045)</b>	<b>\$37.640</b>	<b>\$59.685</b>	<b>\$55.629</b>	<b>\$17.989</b>	<b>\$49.245</b>	<b>(\$6.384)</b>	<b>\$37.902</b>	<b>(\$11.343)</b>
<b>Total Cash Conversion Adjustments before Depreciation</b>	<b>\$98.323</b>	<b>\$94.691</b>	<b>(\$3.632)</b>	<b>\$61.397</b>	<b>(\$33.294)</b>	<b>\$52.274</b>	<b>(\$9.123)</b>	<b>\$39.838</b>	<b>(\$12.436)</b>
Depreciation Adjustment	\$1,445.000	\$1,520.000	\$75.000	\$1,595.000	\$75.000	\$1,670.000	\$75.000	\$1,748.000	\$78.000
OPEB Obligation	1,354.951	1,405.331	50.380	1,463.500	58.169	1,520.834	57.334	1,579.644	58.810
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>\$2,898.274</b>	<b>\$3,020.022</b>	<b>\$121.748</b>	<b>\$3,119.897</b>	<b>\$99.875</b>	<b>\$3,243.108</b>	<b>\$123.211</b>	<b>\$3,367.482</b>	<b>\$124.374</b>

**MTA NEW YORK CITY TRANSIT**  
**2013 Preliminary Budget**  
**July Financial Plan 2013 – 2016**  
**Summary of Plan-to-Plan Changes by Generic Category**

**2012: July Financial Plan vs. February Financial Plan**

**Operating Revenue Changes**

Operating revenues are projected to increase from the February Financial Plan by \$4.2 million.

Major generic category changes include:

- Other operating revenues are projected to increase by \$3.4 million, including an increase in advertising revenue of \$4.4 million and a decrease in paratransit Urban Tax revenue of \$1.0 million.
- An increase in farebox revenue of \$0.8 million.

**Operating Expense Changes**

Excluding an other post-employment benefit expense increase of \$425.1 million, based on an actuarial update, operating expenses increased from the February Financial Plan by \$44.1 million.

Major generic category changes include:

- Payroll is projected to increase by \$20.4 million, due mostly to the impact of a recent ATU arbitration ruling and increases in support of important programmatic initiatives, such as Track/Structure Defect Backlog Reduction and Maintenance Program, Bus Preventive Maintenance/Scheduled Operations Program, and the Structure Defect Backlog Reduction. Payroll increases also include the transfers from MTA HQ of support for New Fare Payment and Customer Information systems, as well as increased paratransit support.
- Overtime is projected to increase by \$17.3 million, mostly in support of FasTrack and Signals Inspection/Maintenance requirements, and the Track/Structure Defect and Structure Defect Backlog Reduction initiatives.
- Health & welfare/OPEB current payment expenses are projected to increase by a net \$2.5 million, due to the non-realization of Federal subsidies from an employee early retirement program, rate re-estimates and headcount changes.

- Pension expenses are projected to increase by \$19.5 million, based on current actuarial information.
- Other fringe benefits are projected to increase by \$19.6 million, due to additional Workers' Compensation requirements.
- Electric power expenses are projected to increase by \$19.1 million, due mostly to updated inflationary assumptions.
- Fuel expenses are projected to decrease by \$15.3 million, also due to updated inflationary assumptions and the reduced paratransit primary fleet.
- Insurance expenses are projected to decrease by \$14.8 million, due to reduced fleet liability coverage based on reduced paratransit primary fleet vehicle requirements.
- Paratransit service contract expenses are projected to decrease by \$18.9 million, based on the annualized impact of 2011 decreased trip activity, continued diversion of trips from higher cost "primary" providers to lower cost taxis and vouchers and revised projections of annual trip growth from 15 percent to 12 percent.
- Professional service contract expenses are projected to increase by \$3.6 million, mostly due to an Information Technology Governance/Thin Client initiative and a prepayment regarding EDP maintenance & repair costs.
- Materials and supplies expenses are projected to decrease by \$7.0 million, due primarily to an agency-wide inflation reassessment.

## **2013-2015: July Financial Plan vs. February Financial Plan**

### **Operating Revenue Changes**

Operating revenues are projected to increase from the February Financial Plan by \$5.0 million in 2013, \$0.9 million in 2014 and decrease by \$0.3 million in 2015.

Major generic category changes include:

- Other operating revenues are projected to increase by \$4.9 million in 2013, \$3.7 million in 2014 and \$2.3 million in 2015, including increases in advertising revenue of \$3.5 million in 2013 and \$2.5 million in 2014, and paratransit Urban Tax revenue increases of \$1.4 million in 2013, \$1.1 million in 2014 and \$2.3 million in 2015.

- An increase in farebox revenue of \$0.1 million in 2013 and reductions of \$2.8 million in 2014 and \$2.6 million in 2015.

## **Operating Expense Changes**

Excluding other post-employment benefit expense increases of \$461.6 million in 2013, \$500.9 million in 2014 and \$541.1 million in 2015, based on an actuarial update, operating expenses decreased from the February Financial Plan by \$5.5 million in 2013, \$79.2 million in 2014 and \$119.4 million in 2015.

Major generic category changes include:

- Payroll is projected to increase by \$18.2 million in 2013, \$13.6 million in 2014 and \$13.3 million in 2015, due mostly to the impact of a recent ATU arbitration ruling and increases in support of important programmatic initiatives, such as Track/Structure Defect Backlog Reduction and Maintenance Program, Bus Preventive Maintenance/Scheduled Operations Program (2013 only), and the Structure Defect Backlog Reduction. Payroll increases also include the transfers from MTA HQ of support for New Fare Payment and Customer Information systems, as well as increased paratransit support.
- Overtime is projected to increase by \$15.2 million in 2013, \$12.8 million in 2014 and \$13.7 million in 2015, mostly in support of FasTrack and Signals Inspection/Maintenance requirements, and the Track/Structure Defect and Structure Defect Backlog Reduction initiatives.
- Health & welfare/OPEB current payment expenses are projected to have no net change in 2013 and decrease by a net \$7.4 million in 2014 and \$11.7 million in 2015, due mostly to rate re-estimates and headcount changes.
- Pension expenses are projected to increase by \$15.2 million in 2013, \$14.3 million in 2014 and \$14.6 million in 2015, based on current actuarial information.
- Other fringe benefits are projected to increase by \$20.2 million in 2013, \$20.6 million in 2014 and \$21.1 million in 2015, due to additional Workers' Compensation requirements.
- Electric power expenses are projected to decrease by \$5.0 million in 2013, \$32.5 million in 2014 and \$42.3 million in 2015, due mostly to updated inflationary assumptions.
- Fuel expenses are projected to decrease by \$20.4 million in 2013, \$21.5 million in 2014 and \$20.4 million in 2015, also due to updated inflationary assumptions and the reduced paratransit primary fleet.

- Insurance expenses are projected to decrease by \$20.4 million in 2013, \$24.8 million in 2014 and \$30.4 million in 2015, due to reduced fleet liability coverage based on reduced paratransit primary fleet vehicle requirements.
- Paratransit service contract expenses are projected to decrease by \$26.8 million in 2013, \$51.6 million in 2014 and \$74.5 million in 2015, based on continued diversion of trips from higher cost “primary” providers to lower cost taxis and vouchers and revised projections of annual trip growth from 15 percent to 12 percent.
- Professional service contract expenses are projected to decrease by \$2.3 million in 2013, \$3.5 million in 2014 and \$4.5 million in 2015, mostly due to re-estimates of MTA services and information technology requirements.
- Materials and supplies and maintenance contract expense changes represent offsetting classification adjustments for each year of approximately \$17 million in 2013, \$14 million in 2014, and \$5 million in 2015.

**MTA NEW YORK CITY TRANSIT**  
**July Financial Plan 2013 - 2016**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

<b>NON-REIMBURSABLE</b>				
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>2012 February Financial Plan - Cash Deficit</b>	<b>(\$2,657.656)</b>	<b>(\$2,796.997)</b>	<b>(\$3,005.699)</b>	<b>(\$3,337.902)</b>
<b>Baseline Changes</b>				
<b>Revenue</b>				
Farebox Revenue	\$0.789	\$0.080	(\$2.796)	(\$2.577)
Other Operating Revenue	3.447	4.918	3.695	2.313
Capital and Other Reimbursement				
<b>Total Revenue Changes</b>	<b>\$4.236</b>	<b>\$4.998</b>	<b>\$0.899</b>	<b>(\$0.264)</b>
<b>Expenses</b>				
<i>Labor:</i>				
Payroll	(\$20.365)	(\$18.220)	(\$13.609)	(\$13.335)
Overtime	(17.335)	(15.227)	(12.830)	(13.659)
Health and Welfare	(7.040)	(10.498)	(8.043)	(7.129)
OPEB Current Payment	4.547	10.464	15.449	18.830
Pensions	(19.489)	(15.249)	(14.287)	(14.567)
Other Fringe Benefits	(19.583)	(20.152)	(20.633)	(21.112)
Reimbursable Overhead	1.638	0.040	(0.408)	(0.821)
<b>Total Labor Expense Changes</b>	<b>(\$77.627)</b>	<b>(\$68.842)</b>	<b>(\$54.361)</b>	<b>(\$51.793)</b>
<i>Non-Labor:</i>				
Electric Power	(\$19.116)	\$4.985	\$32.462	\$42.329
Fuel	15.322	20.379	21.503	20.372
Insurance	14.769	20.389	24.830	30.420
Claims	0.000	0.000	0.000	0.000
Paratransit Service Contracts	18.863	26.768	51.624	74.539
Maintenance and Other Operating Contracts	0.383	(17.329)	(14.626)	(5.991)
Professional Service Contracts	(3.645)	2.297	3.481	4.495
Materials & Supplies	7.013	16.762	14.219	4.890
Other Business Expenses	(0.035)	0.045	0.087	0.133
<b>Total Non-Labor Expense Changes</b>	<b>\$33.554</b>	<b>\$74.296</b>	<b>\$133.580</b>	<b>\$171.187</b>
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Expense Changes*</b>	<b>(\$44.073)</b>	<b>\$5.454</b>	<b>\$79.219</b>	<b>\$119.394</b>
<b>Cash Adjustment Changes</b>				
Revenue	14.816	0.031	(0.107)	0.007
Expense	17.783	(0.008)	(0.012)	0.007
Depreciation	0.000	0.000	0.000	0.000
<b>Total Cash Adjustment Changes*</b>	<b>\$32.599</b>	<b>\$0.023</b>	<b>(\$0.119)</b>	<b>\$0.014</b>
<b>Total Baseline Changes</b>	<b>(\$7.238)</b>	<b>\$10.475</b>	<b>\$79.999</b>	<b>\$119.144</b>
<b>2012 July Financial Plan - Cash Deficit</b>	<b>(\$2,664.894)</b>	<b>(\$2,786.522)</b>	<b>(\$2,925.700)</b>	<b>(\$3,218.758)</b>

\*Excluding other post employment benefit expense increases, based on current actuarial information, and offsetting cash adjustments

**MTA NEW YORK CITY TRANSIT**  
**July Financial Plan 2013 - 2016**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

REIMBURSABLE				
	2012	2013	2014	2015
<b>2012 February Financial Plan - Cash Deficit</b>	<b>\$113.752</b>	<b>\$3.762</b>	<b>\$1.732</b>	<b>\$0.163</b>
<b>Baseline Changes</b>				
<b>Revenue</b>				
Farebox Revenue				
Other Operating Revenue				
Capital and Other Reimbursement	9.700	5.678	2.884	(4.861)
<b>Total Revenue Changes</b>	<b>\$9.700</b>	<b>\$5.678</b>	<b>\$2.884</b>	<b>(\$4.861)</b>
<b>Expenses</b>				
<b>Labor:</b>				
Payroll	\$3.542	\$4.024	\$5.245	\$6.199
Overtime	(0.543)	(0.547)	(0.445)	(0.457)
Health and Welfare	0.683	0.334	0.945	1.629
OPEB Current Payment	0.000	0.000	0.000	0.000
Pensions	(0.026)	(0.002)	(0.002)	(0.001)
Other Fringe Benefits	0.781	0.758	0.448	0.812
Reimbursable Overhead	(1.638)	(0.040)	0.408	0.821
<b>Total Labor Expense Changes</b>	<b>\$2.799</b>	<b>\$4.527</b>	<b>\$6.599</b>	<b>\$9.003</b>
<b>Non-Labor:</b>				
Electric Power	\$0.000	(\$0.544)	(\$0.272)	(\$0.272)
Fuel	0.000	(0.001)	(0.001)	(0.001)
Insurance				
Claims				
Paratransit Service Contracts				
Maintenance and Other Operating Contracts	1.332	5.259	5.659	5.659
Professional Service Contracts	(2.032)	(5.893)	(2.506)	(1.886)
Materials & Supplies	(11.800)	(8.566)	(12.133)	(7.413)
Other Business Expenses	0.001	(0.460)	(0.230)	(0.229)
<b>Total Non-Labor Expense Changes</b>	<b>(\$12.499)</b>	<b>(\$10.205)</b>	<b>(\$9.483)</b>	<b>(\$4.142)</b>
<b>Total Expense Changes</b>	<b>(\$9.700)</b>	<b>(\$5.678)</b>	<b>(\$2.884)</b>	<b>\$4.861</b>
<b>Cash Adjustment Changes</b>				
Capital Reimbursement Timing	(48.834)	38.754	0.582	1.613
<b>Total Cash Adjustment Changes</b>	<b>(\$48.834)</b>	<b>\$38.754</b>	<b>\$0.582</b>	<b>\$1.613</b>
<b>Total Baseline Changes</b>	<b>(\$48.834)</b>	<b>\$38.754</b>	<b>\$0.582</b>	<b>\$1.613</b>
<b>2012 July Financial Plan - Cash Deficit</b>	<b>\$64.918</b>	<b>\$42.516</b>	<b>\$2.314</b>	<b>\$1.776</b>



**MTA NEW YORK CITY TRANSIT**  
**July Financial Plan 2013 - 2016**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE				
	2012	2013	2014	2015
<b>2012 February Financial Plan - Cash Deficit</b>	<b>(\$2,543.904)</b>	<b>(\$2,793.235)</b>	<b>(\$3,003.967)</b>	<b>(\$3,337.739)</b>
<b>Baseline Changes</b>				
<b>Revenue</b>				
Farebox Revenue	\$0.789	\$0.080	(\$2.796)	(\$2.577)
Other Operating Revenue	3.447	4.918	3.695	2.313
Capital and Other Reimbursement	9.700	5.678	2.884	(4.861)
<b>Total Revenue Changes</b>	<b>\$13.936</b>	<b>\$10.676</b>	<b>\$3.783</b>	<b>(\$5.125)</b>
<b>Expenses</b>				
<i>Labor:</i>				
Payroll	(\$16.823)	(\$14.196)	(\$8.364)	(\$7.136)
Overtime	(17.878)	(15.774)	(13.275)	(14.116)
Health and Welfare	(6.357)	(10.164)	(7.098)	(5.500)
OPEB Current Payment	4.547	10.464	15.449	18.830
Pensions	(19.515)	(15.251)	(14.289)	(14.568)
Other Fringe Benefits	(18.802)	(19.394)	(20.185)	(20.300)
Reimbursable Overhead	0.000	0.000	0.000	0.000
<b>Total Labor Expense Changes</b>	<b>(\$74.828)</b>	<b>(\$64.315)</b>	<b>(\$47.762)</b>	<b>(\$42.790)</b>
<i>Non-Labor:</i>				
Electric Power	(\$19.116)	\$4.441	\$32.190	\$42.057
Fuel	15.322	20.378	21.502	20.371
Insurance	14.769	20.389	24.830	30.420
Claims	0.000	0.000	0.000	0.000
Paratransit Service Contracts	18.863	26.768	51.624	74.539
Maintenance and Other Operating Contracts	1.715	(12.070)	(8.967)	(0.332)
Professional Service Contracts	(5.677)	(3.596)	0.975	2.609
Materials & Supplies	(4.787)	8.196	2.086	(2.523)
Other Business Expenses	(0.034)	(0.415)	(0.143)	(0.096)
<b>Total Non-Labor Expense Changes</b>	<b>\$21.055</b>	<b>\$64.091</b>	<b>\$124.097</b>	<b>\$167.045</b>
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Expense Changes</b>	<b>(\$53.773)</b>	<b>(\$0.224)</b>	<b>\$76.335</b>	<b>\$124.255</b>
<b>Cash Adjustment Changes</b>				
Revenue	14.816	0.031	(0.107)	0.007
Expense	17.783	(0.008)	(0.012)	0.007
Capital Reimbursement Timing	(48.834)	38.754	0.582	1.613
Depreciation	0.000	0.000	0.000	0.000
<b>Total Cash Adjustment Changes</b>	<b>(\$16.235)</b>	<b>\$38.777</b>	<b>\$0.463</b>	<b>\$1.627</b>
<b>Total Baseline Changes</b>	<b>(\$56.072)</b>	<b>\$49.229</b>	<b>\$80.581</b>	<b>\$120.757</b>
<b>2012 July Financial Plan - Cash Deficit</b>	<b>(\$2,599.976)</b>	<b>(\$2,744.006)</b>	<b>(\$2,923.386)</b>	<b>(\$3,216.982)</b>

**MTA NEW YORK CITY TRANSIT**  
**2013 Preliminary Budget**  
**July Financial Plan 2013 – 2016**  
**Summary of Major Plan-to-Plan Changes**

**2012: July Financial Plan vs. February Financial Plan**

**Revenue Changes**

Total revenue changes from the February Financial Plan increase by \$13.9 million.

Major changes include:

- Capital reimbursements increase by \$9.7 million, consistent with an increase in reimbursable expenses.
- A projected increase in advertising revenue of \$4.4 million.
- An increase in farebox revenue of \$0.8 million.
- A re-estimate of paratransit Urban Tax revenue, resulting in a decrease of \$1.0 million.

**Expense Changes**

Excluding another post-employment benefit expense increase of \$425.1 million, based on an actuarial update, total expenses increased from the February Financial Plan by \$53.8 million.

Major changes include:

- Investments of \$19.7 million in several important programmatic initiatives (see detailed information at the beginning of introductory narrative).
- A budgeted \$17.5 million of subsidies, available on a limited basis from a Federal early retiree program, were not realized.
- Pension expense increased by \$19.0 million, based on current actuarial information.
- Projected higher Workers' Compensation payments of \$16.5 million, driven by statutory increases in rates of payouts per case and increased medical costs.
- A recent ATU arbitration award resulted in increased labor costs of \$14.0 million.

- Paratransit savings of \$28.0 million (see BRP section at the beginning of the introductory narrative).

## **Cash Adjustments**

Cash adjustments are projected to be unfavorable by \$16.2 million.

Major changes include:

- The unfavorable capital reimbursement cash timing of \$40.4 million, deferred to 2013.
- Favorable timing of \$24.4 million of 2011 results impacting 2012.

## **2013-2015: July Financial Plan vs. February Financial Plan**

### **Revenue Changes**

Revenue changes from the February Financial Plan result in increases of \$10.7 million in 2013, \$3.8 million in 2014, and a decrease of \$5.1 million in 2015.

Major changes include:

- Increases in capital reimbursements of \$5.7 million in 2013, \$2.9 million in 2014, and a decrease of \$4.9 million in 2015, which are consistent with changes in reimbursable expense levels.
- Re-estimates of farebox revenues, resulting in an increase of \$0.1 million in 2013, and decreases of \$2.8 million in 2014 and \$2.6 million in 2015.
- Re-estimates of paratransit Urban Tax revenue, resulting in increases of \$1.4 million in 2013, \$1.1 million in 2014, and \$2.3 million in 2015.
- Advertising revenue increases of \$3.5 million in 2014 and \$2.5 million in 2015.

### **Expense Changes**

Excluding other post-employment benefit accrued expense increases of \$461.6 million in 2013, \$500.9 million in 2014 and \$541.1 million in 2015, based on an actuarial update, total expenses increased from the February Financial Plan by \$0.2 million in 2013, and decreased by \$76.3 million in 2014 and \$124.3 million in 2015.

Major changes include:

- Paratransit savings of \$41.4 million in 2013, \$72.8 million in 2014 and \$104.3 million in 2015 (see BRP section at the beginning of the introductory narrative).
- Updated inflation assumptions, resulting in reduced expenses of \$30.0 million in 2013, \$62.2 million in 2014 and \$72.1 million in 2015, due primarily to projected energy cost savings.
- Investments of \$23.1 million in 2013, \$17.6 million in 2014 and \$19.2 million in 2015 for several important programmatic initiatives (see detailed information at the beginning of the introductory narrative).
- Subways Scheduled Maintenance Program (SMS) required additional investments of \$0.1 million in 2012, \$4.2 million in 2013, \$3.4 million in 2014 and \$1.5 million in 2015 for mainly due to R142A conversions and new technology cars.
- Bus Shop Plan expense increases of \$2.2 million in 2012, \$2.5 million in 2013, \$2.9 million in 2014 and \$3.3 million in 2015 mainly for component replacement costs for track motors and propulsion control systems.
- Pension expense increases of \$12.8 million for each year, based on current actuarial information.
- Projected higher Workers' Compensation payments of \$17.0 million in 2013, \$17.5 million in 2014 and \$18.0 million in 2015, driven by statutory increases in rates of payouts per case and increased medical costs.

### **Cash Adjustments**

Cash adjustments are projected to be favorable by \$38.8 million in 2013 due largely to the favorable timing of capital reimbursements deferred from 2012. Cash adjustments are favorable by \$0.5 million in 2014 and \$1.6 million in 2015.

**MTA NEW YORK CITY TRANSIT**  
**July Financial Plan 2013- 2016**  
**Summary of Major Programmatic Changes Between Financial Plans**  
(\$ in millions)

**TOTAL NON-REIMBURSABLE and REIMBURSABLE**

	2012	2013	2014	2015
<b>2012 February Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$2,543.904)</b>	<b>(\$2,793.235)</b>	<b>(\$3,003.967)</b>	<b>(\$3,337.739)</b>
<b>Non-Reimbursable Major Changes</b>				
<b>Revenue</b>				
Farebox	\$ .789	\$ .080	(\$2.796)	(\$2.577)
Paratransit Urban Tax	(0.972)	1.390	1.147	2.313
Other Operating Revenue	4.419	3.528	2.548	0.000
<b>Sub-Total Non-Reimbursable Revenue Changes</b>	<b>\$4.236</b>	<b>\$4.998</b>	<b>\$ .899</b>	<b>(\$ .264)</b>
<b>Expenses</b>				
<b>Inflation-Related:</b>				
Electric Power	(18.370)	4.985	32.462	42.442
Bus/Heating Fuel	\$8.441	\$14.975	\$14.241	\$10.829
Property/Liability Insurance	7.280	9.448	9.206	8.558
Health & Welfare Rates	7.844	1.994	9.112	13.098
Materials, Rentals and Miscellaneous Expenses	0.000	(1.407)	(2.827)	(2.782)
<b>Sub-total Inflation-Related</b>	<b>5.195</b>	<b>29.995</b>	<b>62.194</b>	<b>72.145</b>
<b>Programmatic Initiatives:</b>				
Signals Inspection/Maintenance Requirements	(\$5.001)	(\$5.001)	(\$2.000)	(\$2.000)
FasTrack Overtime/Planning and Quality Control Unit	(6.791)	(5.952)	(5.952)	(5.952)
Track Defect Backlog Reduction and Maintenance	(2.689)	(3.300)	(3.300)	(3.300)
Employee Facility Maintenance Program	0.000	(2.249)	(2.249)	(2.249)
Structure Defect Backlog Reduction and Maintenance	(1.224)	(1.961)	(1.961)	(1.961)
Bus Preventative Maintenance/Scheduled Operations	(0.770)	(1.656)	0.000	0.000
IT Governance-Thin Client	(2.786)	(2.115)	0.829	2.188
Other Initiatives	(0.411)	(0.883)	(2.981)	(5.884)
<b>Sub-total Programmatic Initiatives</b>	<b>(\$19.672)</b>	<b>(\$23.117)</b>	<b>(\$17.614)</b>	<b>(\$19.158)</b>
<b>Budget Reduction Program:</b>				
Paratransit Savings	\$27.964	\$41.421	\$72.818	\$104.252
<b>Sub-total Budget Reduction Program</b>	<b>\$27.964</b>	<b>\$41.421</b>	<b>\$72.818</b>	<b>\$104.252</b>
<b>Technical Adjustments/Re-estimates:</b>				
Workers' Compensation Payment Re-estimate	(16.500)	(17.000)	(17.500)	(18.000)
Pension	(18.985)	(12.839)	(12.839)	(12.839)
ATU Arbitration Award	(14.047)	(7.420)	(2.688)	(2.519)
Subways Scheduled Maintenance Program (SMS)	(0.122)	(4.153)	(3.359)	(1.490)
Bus Shop Plan	(2.213)	(2.543)	(2.851)	(3.345)
Federal Employee Retiree Program Subsidies	(17.500)	0.000	0.000	0.000
Timing of 2011 Results Impacting 2012	11.528	0.000	0.000	0.000
IT Project Savings	2.001	1.915	0.351	0.725
MTA Services Savings	1.053	1.053	1.053	1.053
All Other	(2.775)	(1.858)	(0.346)	(1.430)
<b>Sub-total Technical Adjustments/Re-estimates</b>	<b>(57.560)</b>	<b>(42.845)</b>	<b>(38.179)</b>	<b>(37.845)</b>
<b>Sub-Total Non-Reimbursable Expense Changes*</b>	<b>(\$44.073)</b>	<b>\$5.454</b>	<b>\$79.219</b>	<b>\$119.394</b>
<b>Total Non-Reimbursable Major Changes</b>	<b>(\$39.837)</b>	<b>\$10.452</b>	<b>\$80.118</b>	<b>\$119.130</b>
<b>Reimbursable Major Changes</b>				
<b>Revenue</b>				
Revised Reimbursements-Expense Changes	9.700	5.678	2.884	(4.861)
<b>Sub-Total Reimbursable Revenue Changes</b>	<b>\$9.700</b>	<b>\$5.678</b>	<b>\$2.884</b>	<b>(\$4.861)</b>
<b>Expenses</b>				
Change in Expenses	(9.700)	(5.678)	(2.884)	4.861
<b>Sub-Total Reimbursable Expense Changes</b>	<b>(\$9.700)</b>	<b>(\$5.678)</b>	<b>(\$2.884)</b>	<b>\$4.861</b>
<b>Total Reimbursable Major Changes</b>	<b>\$ .000</b>	<b>\$ .000</b>	<b>\$ .000</b>	<b>\$ .000</b>
<b>Total Accrual Changes</b>	<b>(\$39.837)</b>	<b>\$10.452</b>	<b>\$80.118</b>	<b>\$119.130</b>
<b>Cash Adjustment Changes</b>				
Timing of 2011 Results Impacting 2012	\$24.351	\$ .000	\$ .000	\$ .000
Capital Reimbursement Timing	(40.395)	38.754	0.582	1.613
Other	(0.191)	0.023	(0.119)	0.014
<b>Total Cash Adjustment Changes*</b>	<b>(\$16.235)</b>	<b>\$38.777</b>	<b>\$0.463</b>	<b>\$1.627</b>
<b>Total Baseline Changes</b>	<b>(\$56.072)</b>	<b>\$49.229</b>	<b>\$80.581</b>	<b>\$120.757</b>
<b>2012 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$2,599.976)</b>	<b>(\$2,744.006)</b>	<b>(\$2,923.386)</b>	<b>(\$3,216.982)</b>

\*Excluding other-post employment benefit expense increases, based on current actuarial information, and offsetting cash adjustments

**MTA NEW YORK CITY TRANSIT**  
**2013 Preliminary Budget**  
**July Financial Plan 2013 – 2016**

**RIDERSHIP/ (UTILIZATION)**

The July 2012 Financial Plan baseline ridership forecast assumes that the weather adjusted January-April 2012 trend, which was 0.3% above budget for subway and 0.4% below budget for bus, will continue for the rest of the year. As a result of higher than expected 2012 subway ridership and mild winter weather in 2012, partially offset by lower than expected bus ridership, projected 2012 ridership is 2.9 million higher than the February 2012 Plan.

2013 subway ridership is projected to increase by approximately 1.6% based on the revised 2013 employment forecast, which was virtually the same as the August 2011 forecast used in the February 2012 Plan. 2013 bus ridership is projected to increase by approximately 1.0%, based on a 60% factor applied to the employment forecast. The 60% bus factor was also used in the February Plan and is based on an analysis of historical bus ridership showing a lower employment elasticity on bus than on subway. As a result of the higher than expected 2012 baseline forecast (adjusted downward to account for favorable weather in early 2012) and a similar 2013 employment forecast, projected 2013 ridership is 1.3 million higher than the February Plan.

Working off the revised 2013 projection, 2014-2015 subway and bus ridership growth forecasts are based on the April 2012 employment forecast, which projects smaller employment increases than the forecast used in the February 2012 Plan. The resulting ridership is expected to be 0.1 million higher than the February Plan in 2014, and 0.8 million higher in 2015.

**MTA NEW YORK CITY TRANSIT**  
**July Financial Plan 2013 - 2016**  
**Ridership/(Utilization)**  
(\$ in millions)

	2011 Actual	2012 Mid-Year Forecast	2013 Preliminary Budget	2014	2015	2016
<b>RIDERSHIP</b>						
Subway	1,640.435	1,673.854	1,696.051	1,721.292	1,746.981	1,761.312
Bus	665.314	675.760	679.144	684.891	690.854	694.015
Paratransit	8.947	10.261	11.492	12.872	14.416	16.146
<b>Total Ridership</b>	<b>2,314.696</b>	<b>2,359.875</b>	<b>2,386.687</b>	<b>2,419.055</b>	<b>2,452.251</b>	<b>2,471.473</b>

**FAREBOX REVENUE (Excluding fare media liability)**

Subway	2,698.747	2,751.789	2,789.863	2,833.158	2,877.222	2,901.803
Bus	868.194	880.404	887.421	895.695	904.282	908.832
Paratransit	14.613	16.842	18.878	21.159	23.714	26.576
<b>Total Farebox Revenue</b>	<b>3,581.554</b>	<b>3,649.035</b>	<b>3,696.162</b>	<b>3,750.012</b>	<b>3,805.218</b>	<b>3,837.211</b>

**MTA New York City Transit**  
**July Financial Plan 2013-2016**  
**2012 Budget Reduction Plan Summary**  
(\$ in millions)

		Favorable/(Unfavorable)									
<u>Administration</u>		Pos.	2012	Pos.	2013	Pos.	2014	Pos.	2015	Pos.	2016
None											
Subtotal Administration		-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Customer Convenience/Amenities</u>											
None		-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Customer Convenience/Amenities		-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Maintenance</u>											
None											
Subtotal Maintenance		-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Revenue Enhancement</u>											
			0.000		0.000		0.000		0.000		0.000
Subtotal Revenue Enhancement		-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Safety/Security</u>											
None		-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Safety		-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Service</u>											
Paratransit Savings		(22)	27.803	(22)	40.726	(22)	71.448	(22)	102.038	(22)	138.180
Subtotal Service		(22)	27.803	(22)	40.726	(22)	71.448	(22)	102.038	(22)	138.180
<u>Service Support</u>											
None											
Subtotal Service Support		-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Other</u>											
None		-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Other		-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Agency Submission		(22)	\$27.803	(22)	\$40.726	(22)	\$71.448	(22)	\$102.038	(22)	\$138.180



NEW YORK CITY TRANSIT  
July Financial Plan 2013-2016  
2012 Budget Reduction Plan Worksheet

Category by Function:

Service

Program:

Paratransit Additional Savings

**Background Details:**

Savings reflect the annualized impact of 2011 decreased trip activity, continued diversion of trips from higher cost 'Primary' providers to lower cost taxis and vouchers and revised projections of annual trip growth (12% rather than 15% growth). These factors have also favorably affected insurance and fuel costs as the NYCT dedicated fleet is smaller and a larger number of trips are now routed towards taxi/voucher service. Savings are partially offset by reduced fare revenue and the addition of LIB personnel who have been assigned to various Paratransit functions.

**Program Description/Implementation Plan:**

Currently approximately 30% of trips are performed by taxi / voucher providers.

Program Implementation Date:

Jan-12

When will savings begin?:

Jan-12

Are these savings recurring?: Yes

Other Issues:

Favorable/(Unfavorable)

	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$27.803	\$40.726	\$71.448	\$102.038	\$138.180
<i>Total Positions Required:</i>	(22)	(22)	(22)	(22)	(22)

**MTA NEW YORK CITY TRANSIT**  
**2013 Preliminary Budget**  
**July Financial Plan 2013 – 2016**  
**Positions**

**POSITION ASSUMPTIONS**

**2011 Actual Incumbents vs. July 2012 Financial Plan Positions**

Total 2012 positions of 45,734 represent an increase of 395, from the 2011 actual incumbent level of 45,339, due primarily to vacancies in 2011 assumed to be filled in 2012.

**2012: July Financial Plan vs. February Financial Plan**

Total baseline positions are projected to increase by 135, including a non-reimbursable increase of 140 and a reimbursable decrease of 5. Specifically:

New Needs (total increase of 100 positions) include:

- 25 positions for Track Defect Backlog Reduction and Maintenance
- 18 positions for Bus Preventive Maintenance/Scheduled Operations
- 14 positions for Structure Defect Backlog Reduction and Maintenance
- 13 positions for Video Retrieval
- Eight positions for Increased Bus Maintenance & Training
- Six positions for FasTrack Planning & Quality Control requirements
- Six positions for Refuse Trains – Additional Staff

(These initiatives are summarized at the beginning of the introductory narrative.)

2012 Budget Reduction Program (total increase of 22 positions):

- 22 positions in support of paratransit operations

Reimbursable Positions

- Decrease of five positions due to lower project support requirements

Re-estimates/All Other (total increase of 18 positions) include:

- Increase of 17 positions, transferred from MTA, in support of the Bus Customer Information System/New Fare Payment System
- Increase of 10 positions required for subway car maintenance requirements (SMS)
- Decrease of 10 positions – Other Re-Estimates

The breakdown of the 135 position increase by function is as follows:

Administration (total increase of 62 positions):

- 37 Positions transferred to Technology and Information Services (TIS), (Administration) from Subways – Electronics Maintenance Division (Maintenance). The transfer reflects a change in ownership of network maintenance and a re-categorization of functions and does not increase headcount.
- Increase of 9 positions in President's Office for the New Fare Payment Unit (transferred from MTA HQ)
- Increase of 3 positions in TIS for IT Governance-Thin Client

Operations (total increase of 58 positions):

- 28 Positions in Subways – Service Delivery mainly due to capital project requirements (17 positions), the correction of a technical error (8 positions), and additional staff in 2012 for refuse trains (2 positions)
- 22 positions in support of paratransit operations
- 14 positions in Operations Planning to support MTA Bus Guide-A-Ride and Passenger Environment Surveys

Maintenance (total increase of 15 positions):

- Subways had zero net change in headcount. Increases noted in new needs section above are offset by reimbursable reductions due to capital project requirements and 37 positions transferred to Technology and Information Services (TIS) (Administration) from Subways – Electronics Maintenance Division (Maintenance).
- Supply Logistics – increase of 10 positions in support of increased SMS activity

Position increases by occupational group are: Managers/Supervisors +34, Professional, Technical, Clerical +65, and Operational Hourlies +36.

For further details, please see position tables.

**2013: July Financial Plan vs. February Financial Plan**

New Needs (total increase of 98 positions) include:

- 25 positions for Track Defect Backlog Reduction and Maintenance
- 20 positions for the Employee Facility Maintenance Program
- 18 positions for Bus Preventive Maintenance/Scheduled Operations
- 14 positions for Structure Defect Backlog Reduction and Maintenance
- Eight positions for Increased Bus Maintenance & Training
- Six positions for FasTrack Planning & Quality Control requirements

2012 Budget Reduction Program (total increase of 22 positions):

- 22 positions in support of paratransit operations

### Reimbursable Positions

Decrease of 27 positions due to lower project support requirements

### Re-estimates/All Other (total increase of 28 positions) include:

- Increase of 21 positions, transferred from MTA, in support of the Bus Customer Information System/New Fare Payment System
- Increase of 21 positions required for subway car maintenance requirements (SMS)
- Decrease of 11 positions – Other Re-estimates

The breakdown of the 121 position increase by function is as follows:

### Administration (total increase of 63 positions):

- 37 Positions transferred to Technology and Information Services (TIS), (Administration) from Subways – Electronics Maintenance Division (Maintenance). The transfer reflects a change in ownership of network maintenance and a re-categorization of functions and does not increase headcount.
- Increase of 13 positions in President's Office for the New Fare Payment Unit (transferred from MTA HQ)
- Increase of 3 positions (2 non-reimbursable) in TIS for IT Governance-Thin Client

### Operations (total increase of 34 positions):

- 22 positions in support of paratransit operations
- 14 positions in Operations Planning to support MTA Bus Guide-A-Ride and Passenger Environment Surveys

### Maintenance (total increase of 24 positions):

- Subways net increase of 11 positions includes the new needs noted above, partially offset by reimbursable reductions due to capital project requirements and 37 positions transferred to Technology and Information Services (TIS) (Administration) from Subways – Electronics Maintenance Division (Maintenance)
- Supply Logistics – increase of 10 positions in support of increased SMS activity

Position increases by occupational group are: Managers/Supervisors +31, Professional, Technical, Clerical +68, and Operational Hourlies +22.

## **2014 - 2015: July Financial Plan vs. February Financial Plan**

### New Needs (total increase of 80 positions) include:

- 25 positions for Track Defect Backlog Reduction and Maintenance

- 20 positions for the Employee Facility Maintenance Program
- 14 positions for Structure Defect Backlog Reduction and Maintenance
- Eight positions for Increased Bus Maintenance & Training
- Six positions for FasTrack Planning & Quality Control requirements

2012 Budget Reduction Program (total increase of 22 positions):

- 22 positions in support of paratransit operations

Reimbursable Positions

- Decrease of 41 positions in 2014 and 48 positions in 2015 due to lower project support requirements

Re-estimates/All Other (total increase of 34 positions in 2014 and 26 positions in 2015) include:

- Increase of positions required for subway car maintenance requirements (SMS) (39 in 2014; 10 in 2015)
- Increase of positions reflecting the Operating Budget Impact of the PA/CIS project (25 positions in 2015)
- Increase of positions, transferred from MTA, in support of the Bus Customer Information System/New Fare Payment System (21 in 2014; 13 in 2015)
- Decrease of positions – Other Re-estimates (11 in both 2014 and 2015)

In 2014, the net increase of 95 positions by function is as follows:

Administration (total increase of 63 positions):

- 37 Positions transferred to Technology and Information Services (TIS), categorized in administration from Subways – Electronics Maintenance Division, categorized in maintenance. The transfer reflects change in ownership of network maintenance and re-categorization of functions and does not include any change in positions.
- Increase of 2 positions in TIS for IT Governance-Thin Client
- Increase of 13 positions in President's Office for New Fare Payment Unit transfer from MTA HQ

Operations (total increase of 80 positions):

- 64 Positions in Subways – Service Delivery mainly due to operating budget impact of 7 West extension capital project scheduled for completion in 2014
- 22 positions in support of paratransit operations
- 14 positions in Operations Planning to support MTA Bus Guide-A-Ride and Passenger Environment Survey

### Maintenance (total decrease of 48 positions):

- Subways has a net decrease of 41 positions for 2014. Position reductions are primarily due to reduced capital project requirements (Reimbursable positions) and the transfer of 37 positions from Subways' Electronics Maintenance Division (Maintenance) to TIS (Administration). These results were partially offset by increases related to the investments noted above, a Division of Car Equipment increase of 25 positions mainly due to updated SMS requirements, and the operating budget impact of the #7 West extension capital project scheduled for completion in 2014.
- A reduction of 17 positions in NYCT Buses mainly due to updated bus shop maintenance requirements
- An increase of 10 positions in Supply Logistics to support increased SMS activity

Likewise, in 2015, the breakdown of the net increase of 80 positions by function is similar to 2014 for administration (increase of 61 positions) and operations (increase of 83 positions). These increases are partially offset by a decrease of 64 maintenance positions. Maintenance requirements are similar to 2014 except there is no increase for Car Equipment maintenance and in 2015, EMD includes an increase of 25 positions for the operating budget impact of PA/CIS.

Position increases by occupational group in 2014 are: Managers/Supervisors +34, Professional, Technical, Clerical +57, and Operational Hourlies +4. In 2015, positions increase among Managers/Supervisors +34, and Professional, Technical, Clerical +55, while decreasing among Operational Hourlies by 9.

### Year over Year

#### **2013 over 2012**

Total positions decrease by 145, including a non-reimbursable increase of 90 due mostly to subways car maintenance requirements. Reimbursable positions decrease by 235, due mainly to capital project support requirements.

#### **2014 over 2013**

Total positions increase by 42, including a non-reimbursable increase of 113 due mostly to the Fulton Street Transit Center and 7 West project requirements. Reimbursable positions decrease by 71, due mainly to capital project support requirements.

#### **2015 over 2014**

Total positions decrease by 45, including a non-reimbursable decrease of 24 and a reimbursable decrease of 21.

**2016 over 2015**

Total positions increase by 67, including a non-reimbursable increase of 77, due mostly to Bus Shop requirements, and a reimbursable decrease of 10.

<b>MTA NEW YORK CITY TRANSIT</b> <b>July Financial Plan 2013-2016</b> Favorable/(Unfavorable)				
<b>Total Position Changes at a Glance</b>				
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>2012 February Plan - Total Baseline Positions</b>	<b>45,599</b>	<b>45,468</b>	<b>45,536</b>	<b>45,506</b>
Total Plan-to-Plan Changes	(135)	(121)	(95)	(80)
<b>2012 July Plan - Total Baseline Positions</b>	<b>45,734</b>	<b>45,589</b>	<b>45,631</b>	<b>45,586</b>
Total Year-to-Year Changes, July Plan		145	(42)	45

<b>Total Plan-to-Plan Changes by Reporting Category:</b>				
<i>Non-Reimbursable</i>	(140)	(148)	(136)	(128)
<i>Reimbursable</i>	5	27	41	48
<b>Total</b>	<b>(135)</b>	<b>(121)</b>	<b>(95)</b>	<b>(80)</b>
<i>Full-Time</i>	(131)	(122)	(104)	(89)
<i>Full-Time Equivalents</i>	(4)	1	9	9
<b>Total</b>	<b>(135)</b>	<b>(121)</b>	<b>(95)</b>	<b>(80)</b>
<i>By Function Category</i>				
- Administration	(62)	(63)	(63)	(61)
- Operations	(58)	(34)	(80)	(83)
- Maintenance	(15)	(24)	48	64
- Engineering/Capital	0	0	0	0
- Public Safety	0	0	0	0
<b>Total</b>	<b>(135)</b>	<b>(121)</b>	<b>(95)</b>	<b>(80)</b>
<i>By Occupational Group</i>				
- Managers/Supervisors	(34)	(31)	(34)	(34)
- Professional, Technical, Clerical	(65)	(68)	(57)	(55)
- Operational Hourlies	(36)	(22)	(4)	9
<b>Total</b>	<b>(135)</b>	<b>(121)</b>	<b>(95)</b>	<b>(80)</b>

<b>Total Plan-to-Plan Changes by Major Category:</b>				
<i>2012 BRPs</i>	(22)	(22)	(22)	(22)
<i>New Needs</i>	(100)	(98)	(80)	(80)
<i>Change in Reimbursable Positions</i>	5	27	41	48
<i>Re-estimates &amp; All Other<sup>1</sup></i>	(18)	(28)	(34)	(26)
<b>Total</b>	<b>(135)</b>	<b>(121)</b>	<b>(95)</b>	<b>(80)</b>

<sup>1</sup> Includes Full-time Equivalents



**MTA NEW YORK CITY TRANSIT**  
**July Financial Plan 2013-2016**  
**Total Positions by Function and Department**  
**Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents**

	2011 Actual	2012 Mid-Year Forecast	2013 Preliminary Budget	2014	2015	2016
<b>Administration</b>						
Office of the President	20	29	33	33	33	33
Law	247	266	266	266	266	266
Office of the EVP	37	41	38	38	38	38
Human Resources	298	184	181	181	181	181
Office of Management and Budget	36	39	39	39	39	39
Capital Planning & Budget	28	31	31	31	31	31
Corporate Communications	235	249	249	249	249	249
AFC Program Management & Sales	52	54	54	54	54	54
Technology & Information Services	421	436	433	432	431	430
Non-Departmental	-	84	84	84	84	84
Labor Relations	95	96	96	96	96	96
Material	231	238	233	227	225	225
Controller	151	121	121	121	121	121
<b>Total Administration</b>	<b>1,851</b>	<b>1,868</b>	<b>1,858</b>	<b>1,851</b>	<b>1,848</b>	<b>1,847</b>
<b>Operations</b>						
Subways Service Delivery	7,411	7,418	7,324	7,378	7,378	7,375
Subways Operation Support /Admin	282	312	312	312	312	312
Subways Stations	2,660	2,685	2,684	2,690	2,690	2,690
<b>Subtotal - Subways</b>	<b>10,353</b>	<b>10,415</b>	<b>10,320</b>	<b>10,380</b>	<b>10,380</b>	<b>10,377</b>
Buses	10,335	10,292	10,289	10,289	10,289	10,289
Paratransit	139	170	170	170	170	170
Operations Planning	377	395	386	371	371	371
Revenue Control	393	421	421	421	421	421
<b>Total Operations</b>	<b>21,597</b>	<b>21,693</b>	<b>21,586</b>	<b>21,631</b>	<b>21,631</b>	<b>21,628</b>
<b>Maintenance</b>						
Subways Operation Support /Admin	167	162	162	163	160	156
Subways Engineering	307	311	294	261	256	254
Subways Car Equipment	4,002	4,118	4,175	4,114	4,094	4,045
Subways Infrastructure	1,661	1,292	1,304	1,305	1,305	1,305
Subways Elevators & Escalators	-	381	381	378	378	378
Subways Stations	3,498	3,540	3,534	3,676	3,676	3,676
Subways Track	2,684	2,730	2,730	2,730	2,730	2,730
Subways Power	650	596	569	570	570	570
Subways Signals	1,372	1,417	1,374	1,350	1,347	1,347
Subways Electronics Maintenance	1,356	1,379	1,370	1,365	1,383	1,383
<b>Subtotal - Subways</b>	<b>15,697</b>	<b>15,926</b>	<b>15,893</b>	<b>15,912</b>	<b>15,899</b>	<b>15,844</b>
Buses	3,683	3,730	3,736	3,721	3,692	3,818
Revenue Control	137	150	150	150	150	150
Supply Logistics	544	557	556	556	556	556
System Safety	86	88	88	88	88	88
<b>Total Maintenance</b>	<b>20,147</b>	<b>20,451</b>	<b>20,423</b>	<b>20,427</b>	<b>20,385</b>	<b>20,456</b>
<b>Engineering/Capital</b>						
Capital Program Management	1,249	1,218	1,218	1,218	1,218	1,218
<b>Total Engineering/Capital</b>	<b>1,249</b>	<b>1,218</b>	<b>1,218</b>	<b>1,218</b>	<b>1,218</b>	<b>1,218</b>
<b>Public Safety</b>						
Security	495	504	504	504	504	504
<b>Total Public Safety</b>	<b>495</b>	<b>504</b>	<b>504</b>	<b>504</b>	<b>504</b>	<b>504</b>
<b>Total Baseline Positions</b>	<b>45,339</b>	<b>45,734</b>	<b>45,589</b>	<b>45,631</b>	<b>45,586</b>	<b>45,653</b>
Non-Reimbursable	40,606	41,211	41,301	41,414	41,390	41,467
Reimbursable	4,733	4,523	4,288	4,217	4,196	4,186
Total Full-Time	45,143	45,575	45,435	45,485	45,440	45,507
Total Full-Time Equivalents	196	159	154	146	146	146

**MTA NEW YORK CITY TRANSIT**  
**July Financial Plan 2013-2016**  
**Total Positions by Function and Occupation**

<b>FUNCTION/OCCUPATIONAL GROUP</b>	<b>2011 Actual</b>	<b>2012 Mid-Year Forecast</b>	<b>2013 Preliminary Budget</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Administration</b>						
Managers/Supervisors	583	629	620	614	611	611
Professional, Technical, Clerical	1,243	1,123	1,122	1,121	1,121	1,120
Operational Hourlies	25	116	116	116	116	116
<b>Total Administration</b>	<b>1,851</b>	<b>1,868</b>	<b>1,858</b>	<b>1,851</b>	<b>1,848</b>	<b>1,847</b>
<b>Operations</b>						
Managers/Supervisors	2,429	2,517	2,493	2,496	2,496	2,493
Professional, Technical, Clerical	373	379	379	376	376	376
Operational Hourlies	18,795	18,797	18,714	18,759	18,759	18,759
<b>Total Operations</b>	<b>21,597</b>	<b>21,693</b>	<b>21,586</b>	<b>21,631</b>	<b>21,631</b>	<b>21,628</b>
<b>Maintenance</b>						
Managers/Supervisors	3,619	3,883	3,858	3,861	3,858	3,851
Professional, Technical, Clerical	1,016	1,025	994	977	969	964
Operational Hourlies	15,512	15,543	15,571	15,589	15,558	15,641
<b>Total Maintenance</b>	<b>20,147</b>	<b>20,451</b>	<b>20,423</b>	<b>20,427</b>	<b>20,385</b>	<b>20,456</b>
<b>Engineering/Capital</b>						
Managers/Supervisors	261	272	272	272	272	272
Professional, Technical, Clerical	986	944	944	944	944	944
Operational Hourlies	2	2	2	2	2	2
<b>Total Engineering/Capital</b>	<b>1,249</b>	<b>1,218</b>	<b>1,218</b>	<b>1,218</b>	<b>1,218</b>	<b>1,218</b>
<b>Public Safety</b>						
Managers/Supervisors	120	129	129	129	129	129
Professional, Technical, Clerical	32	32	32	32	32	32
Operational Hourlies	343	343	343	343	343	343
<b>Total Public Safety</b>	<b>495</b>	<b>504</b>	<b>504</b>	<b>504</b>	<b>504</b>	<b>504</b>
<b>Total Baseline Positions</b>						
Managers/Supervisors	7,012	7,430	7,372	7,372	7,366	7,356
Professional, Technical, Clerical	3,650	3,503	3,471	3,450	3,442	3,436
Operational Hourlies	34,677	34,801	34,746	34,809	34,778	34,861
<b>Total Baseline Positions</b>	<b>45,339</b>	<b>45,734</b>	<b>45,589</b>	<b>45,631</b>	<b>45,586</b>	<b>45,653</b>

**MTA Bus Company**

**MTA BUS COMPANY**  
**2013 Preliminary Budget**  
**July Financial Plan 2013 – 2016**

**FINANCIAL OVERVIEW**

The 2012 July Forecast, 2013 Preliminary Budget and projections for 2014-2016 reflects new inflation assumptions, re-estimates, the Budget Reduction Program and Programmatic Initiatives critical to meeting MTA Bus Company's (MTABC) operational and maintenance needs.

The 2012 Mid-Year Forecast projects a cash deficit of \$404.2 million, which was \$70.1 million higher than the 2012 Adopted Budget. However it captures a \$69.4 million timing variance from 2011. The 2011-2012 funding envelope in the Mid-Year Forecast is actually \$14.6 million lower when compared to the 2012 Adopted Budget, as a result of savings initiatives and favorable re-estimates. A summary of the cash receipts and expenditures of the 2012 Mid-Year Forecast are:

- Total Receipts are \$215.9 million
- Labor Expenditures are \$438.4 million
- Non-Labor Expenditures are \$181.6 million

In 2013, the July Plan baseline cash deficit is \$321.1 million, increasing to \$388.0 million by 2016. Summarized as follows:

- Total Receipts are \$216.6 million in 2013, increasing to \$223.1 million in 2016
- Labor Expenditures of \$402.0 million in 2013, increasing to \$449.0 million in 2016
- Non-Labor Expenditures of \$135.8 million in 2013, increasing to \$162.1 million in 2016

In 2012, positions totaled 3,553. In 2013, total positions will decline to 3,535 and will increase to 3,614 by 2016.

Major Initiatives included in this financial plan are summarized as follows:

- **Shop Overhaul Program** - A transfer of 80 NYCT buses (1996 Nova) into the Shop Overhaul Program which require upgrades/overhauls to meet safety operational requirements, improve reliability, and extend useful lives. As a result of contractual issues, certain parts need to be purchased from a sub-contractor, which will result in a higher price due to mark-up costs. Also the propulsion control system for the hybrid fleets were originally budgeted under an extended warranty contract, however an extended warranty is not being provided by the manufacturer.

- **Labor Contract/Arbitration Award/TSO Division Chair** – Labor / management agreements incorporated in the July Plan are the following:
  - A one hour increase in overtime per day for Dispatchers in Baisley Park, College Point and LaGuardia depots as a result of a Contractual/Arbitration Award. Additionally for 2012, there is a one time retroactive 30 week overtime pay award to cover the liability for the retroactive (April 2009 to July 2011) period.
  - A union release person is required to represent the newly created Transit Supervisory Organization (TSO) union at MTABC.
  - Until now, wages between NYCT and MTABC operating managers have not been equal. A wage rate adjustment to increase MTABC salaries and wages has been included in the July Plan to establish parity, which shall be phased in over a two year period.
- **Real Estate Leasehold Agreement** – 2 Broadway lease expenses
- **Maintenance Scheduled Operations Pickup Work** - A rotational pilot program has been developed to perform preventative maintenance during scheduled inspections and scheduled operations (SO) pickup work similar to what has been proposed for NYCT Buses. This program will improve performance and fleet reliability and support the effort to shift focus and resources from unscheduled maintenance ("Fix as Fail") to preventative and proactive maintenance.
- **EBS Project/Command Center Radio System** - To establish at MTABC an Electronic Booking System similar to NYCT DOB, and to provide absence coverage for the MTABC command center.
- **Security Initiatives** – Two security initiatives; the first will provide supervision during the evening and overnight hours and absence coverage for farebox maintenance. The second, is a Transportation Security Administration (TSA) edict to secure unattended buses at the JFK terminal.

## **2012 Budget Reduction Program**

MTA Bus performed a top down review of controllable non-labor categories, specifically Professional Services, Maintenance and Other Operating Contracts, and Other Business Expenses resulting in recurring savings of \$3.0 million.

## **2012 Mid-Year Forecast**

Total Revenue is projected at \$210.8 million of which \$183.0 million is expected from Farebox Receipts, Other Operating Revenue is projected at \$19.0 million, and Capital and Other Reimbursements at \$8.7 million. Farebox Revenue increased by approximately \$2.9 million compared to the February Plan, primarily due to the higher ridership forecast, partially offset by lower than expected average fares.

The plan reflects total non-reimbursable baseline expenses of \$532.1 million before Depreciation and GASB Adjustments. The baseline full-time and part-time equivalent positions are 3,553 comprised of 3,489 non-reimbursable positions and 64 reimbursable positions.

The baseline cash deficit increased by \$70.1 million from the February Plan.

*Major operating cash changes include:*

- Programmatic Initiatives requiring additional expenses of \$8.1 million for the overhaul of 80 buses (Nova 1996 fleet), increased cost of hybrid traction motors and propulsion control systems, the 2 Broadway Lease, Scheduled Operations Pickup Work Improvement, Electronic Booking System and a technical adjustment to the budget to reflect a more accurate mileage as a result of data identified following the Hastus implementation.
- Favorable savings of \$3.0 million from the Budget Reduction Program as a result of a top down review of non-labor categories in Professional Services, Maintenance and Other Operating Contracts, and Other Business Expenses.
- Favorable re-estimates of \$4.5 million resulted primarily from reduced costs for Pensions, Health & Welfare and increased Farebox Revenue. This is partially offset by the labor / management agreements and increased insurance premiums.
- Unfavorable Cash Adjustment of \$69.4 million due to timing of payments in 2011.

## **2013 Preliminary Budget**

Total Revenue is projected at \$212.0 million of which \$184.2 million is expected from Farebox Receipts, \$19.4 million in Other Operating Revenue, and \$8.4 million in Capital and Other Reimbursements. Total Revenue reflects a \$3.3 million increase compared to the February Plan. (\$2.3 million Farebox Revenue and \$1.0 million Capital Reimbursements)

MTA Bus Company's Forecast reflects total Baseline expenses of \$539.1 million before Depreciation and GASB Adjustments.

The baseline cash deficit decreased by \$6.1 million from the February Plan.

*Major operating cash changes include:*

- Programmatic Initiatives requiring additional expenses of \$5.3 million mostly for the overhaul of 80 buses (Nova 1996 fleet), increased cost of hybrid traction motors and propulsion control systems, 2 Broadway rental expenses, Scheduled Operations Pickup Work Improvement, Electronic Booking System and a technical adjustment to the budget to reflect more accurate mileage as a result of the Hastus implementation.
- Favorable savings of \$3.0 million from the Budget Reduction Program as result of a top down review of OTPS categories in Professional Services, Maintenance and Other Operating Contracts, and Other Business Expenses.
- Favorable re-estimates of \$8.4 million resulted primarily from reduced costs in Pensions, Health & Welfare, Fuel and increased Farebox Revenue. This is partially offset by the labor / management agreements and increased insurance premiums.

## **2014 – 2016 Projections**

The 2014 through 2016 Total Revenue and Expenses before Depreciation and GASB Adjustment are as follows:

- Revenue:
  - 2014 - \$214.2 million of which Farebox is \$185.9 million
  - 2015 - \$216.5 million of which Farebox is \$187.7 million
  - 2016 - \$218.0 million of which Farebox is \$188.6 million
- Expenses:
  - 2014 - \$553.6 million
  - 2015 - \$588.8 million
  - 2016 - \$611.6 million

Farebox Revenue projections are based on growth assumptions for employment to forecast ridership levels that translates into revenue. Farebox Revenue projections have increased from the 2012 February Plan. Small increases in ridership and revenue are projected on a year-to-year basis through 2016.

**MTA BUS COMPANY**  
**July Financial Plan 2013 - 2016**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

<b>NON-REIMBURSABLE</b>						
	<b>2011</b>	<b>2012</b>	<b>2013</b>			
	<b>Actual</b>	<b>Mid-Year Forecast</b>	<b>Preliminary Budget</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Operating Revenue</b>						
Farebox Revenue	\$179.042	\$183.024	\$184.163	\$185.883	\$187.673	\$188.612
Other Operating Revenue	20.871	19.019	19.391	19.771	20.169	20.578
Capital and Other Reimbursements	-	-	-	-	-	-
<b>Total Revenue</b>	<b>\$199.913</b>	<b>\$202.043</b>	<b>\$203.554</b>	<b>\$205.654</b>	<b>\$207.842</b>	<b>\$209.190</b>
<b>Operating Expenses</b>						
<b><u>Labor:</u></b>						
Payroll	\$221.432	\$224.887	\$223.455	\$224.054	\$236.002	\$241.628
Overtime	45.458	43.211	41.089	40.345	41.665	42.695
Health and Welfare	42.612	42.729	46.600	51.659	56.763	68.017
OPEB Current Payment	16.238	14.586	15.315	16.081	16.885	17.729
Pensions	32.683	40.249	42.059	41.784	42.415	43.489
Other Fringe Benefits	29.878	23.191	23.422	22.643	23.668	24.216
Reimbursable Overhead	-	-	-	-	-	-
<b>Total Labor Expenses</b>	<b>\$388.301</b>	<b>\$388.853</b>	<b>\$391.941</b>	<b>\$396.567</b>	<b>\$417.398</b>	<b>\$437.774</b>
<b><u>Non-Labor:</u></b>						
Electric Power	\$0.000	\$1.180	\$1.169	\$1.161	\$1.262	\$1.372
Fuel	40.596	34.461	33.608	33.528	34.012	34.078
Insurance	17.174	15.356	17.196	21.271	21.536	24.160
Claims	33.558	25.000	26.000	27.000	28.000	29.000
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	25.031	26.352	23.778	26.283	32.363	27.037
Professional Service Contracts	3.286	5.678	5.919	8.426	8.586	8.867
Materials & Supplies	31.840	30.947	26.917	28.315	34.663	38.008
Other Business Expenses	3.862	4.249	4.152	2.467	2.330	2.479
<b>Total Non-Labor Expenses</b>	<b>\$155.347</b>	<b>\$143.224</b>	<b>\$138.738</b>	<b>\$148.452</b>	<b>\$162.753</b>	<b>\$165.002</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>\$543.648</b>	<b>\$532.077</b>	<b>\$530.679</b>	<b>\$545.020</b>	<b>\$580.151</b>	<b>\$602.776</b>
Depreciation	\$40.457	\$42.235	\$42.235	\$42.235	\$42.235	\$42.235
OPEB Obligation	96.073	55.415	56.296	56.919	57.663	58.264
Environmental Remediation	2.015	-	-	-	-	-
<b>Total Expenses</b>	<b>\$682.193</b>	<b>\$629.727</b>	<b>\$629.210</b>	<b>\$644.174</b>	<b>\$680.049</b>	<b>\$703.275</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$482.280)</b>	<b>(\$427.684)</b>	<b>(\$425.656)</b>	<b>(\$438.520)</b>	<b>(\$472.207)</b>	<b>(\$494.085)</b>



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**MTA BUS COMPANY**  
**July Financial Plan 2013 - 2016**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

<b>NON-REIMBURSABLE / REIMBURSABLE</b>						
	<b>2011 Actual</b>	<b>2012 Mid-Year Forecast</b>	<b>2013 Preliminary Budget</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Revenue</b>						
Farebox Revenue	\$179.042	\$183.024	\$184.163	\$185.883	\$187.673	\$188.612
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	20.871	19.019	19.391	19.771	20.169	20.578
Capital and Other Reimbursements	5.689	8.729	8.422	8.551	8.678	8.809
<b>Total Revenue</b>	<b>\$205.602</b>	<b>\$210.772</b>	<b>\$211.976</b>	<b>\$214.205</b>	<b>\$216.520</b>	<b>\$217.999</b>
<b>Expenses</b>						
<b><u>Labor:</u></b>						
Payroll	\$224.236	\$230.605	\$228.945	\$229.626	\$241.656	\$247.368
Overtime	45.458	43.211	41.089	40.345	41.665	42.695
Health and Welfare	43.506	43.781	47.608	52.682	57.801	69.070
OPEB Current Payment	16.238	14.586	15.315	16.081	16.885	17.729
Pensions	33.124	40.741	42.520	42.249	42.885	43.962
Other Fringe Benefits	30.068	23.657	23.870	23.099	24.130	24.685
Reimbursable Overhead	0.214	-	-	-	-	-
<b>Total Labor Expenses</b>	<b>\$392.844</b>	<b>\$396.580</b>	<b>\$399.347</b>	<b>\$404.083</b>	<b>\$425.023</b>	<b>\$445.509</b>
<b><u>Non-Labor:</u></b>						
Electric Power	\$0.000	\$1.180	\$1.169	\$1.161	\$1.262	\$1.372
Fuel	40.596	34.461	33.608	33.528	34.012	34.078
Insurance	17.174	15.356	17.196	21.271	21.536	24.160
Claims	33.558	25.000	26.000	27.000	28.000	29.000
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	25.741	26.568	23.997	26.506	32.590	27.268
Professional Service Contracts	3.725	5.678	5.919	8.426	8.586	8.867
Materials & Supplies	31.824	31.733	27.714	29.127	35.490	38.851
Other Business Expenses	3.875	4.249	4.152	2.467	2.330	2.479
<b>Total Non-Labor Expenses</b>	<b>\$156.493</b>	<b>\$144.226</b>	<b>\$139.755</b>	<b>\$149.487</b>	<b>\$163.807</b>	<b>\$166.076</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>\$549.337</b>	<b>\$540.806</b>	<b>\$539.102</b>	<b>\$553.570</b>	<b>\$588.830</b>	<b>\$611.584</b>
Depreciation	\$40.457	\$42.235	\$42.235	\$42.235	\$42.235	\$42.235
OPEB Obligation	96.073	55.415	56.296	56.919	57.663	58.264
Environmental Remediation	2.015	-	-	-	-	-
<b>Total Expenses</b>	<b>\$687.882</b>	<b>\$638.456</b>	<b>\$637.633</b>	<b>\$652.725</b>	<b>\$688.728</b>	<b>\$712.084</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$482.280)</b>	<b>(\$427.684)</b>	<b>(\$425.657)</b>	<b>(\$438.520)</b>	<b>(\$472.207)</b>	<b>(\$494.085)</b>

**MTA BUS COMPANY**  
**July Financial Plan 2013 - 2016**  
**Cash Receipts & Expenditures**  
(\$ in millions)

<b>CASH RECEIPTS AND EXPENDITURES</b>						
	<b>2011</b>	<b>2012</b>	<b>2013</b>			
	<b>Actual</b>	<b>Mid-Year Forecast</b>	<b>Preliminary Budget</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Receipts</b>						
Farebox Revenue	\$176.335	\$184.041	\$184.163	\$185.883	\$187.673	\$188.612
Other Operating Revenue	20.323	19.019	19.391	19.771	20.169	20.578
Capital and Other Reimbursements	6.926	12.840	13.013	13.271	13.531	13.898
<b>Total Receipts</b>	<b>\$203.584</b>	<b>\$215.900</b>	<b>\$216.567</b>	<b>\$218.925</b>	<b>\$221.373</b>	<b>\$223.088</b>
<b>Expenditures</b>						
<b><u>Labor:</u></b>						
Payroll	\$216.720	\$251.104	\$226.963	\$227.634	\$239.646	\$245.341
Overtime	45.458	\$43.211	41.089	40.345	41.665	42.695
Health and Welfare	36.195	\$52.463	47.200	52.272	57.387	68.653
OPEB Current Payment	7.608	\$20.869	15.315	16.081	16.885	17.729
Pensions	37.682	\$40.567	42.345	42.076	42.712	43.791
Other Fringe Benefits	21.254	\$25.912	23.703	22.930	23.959	24.512
GASB Account	3.948	4.317	5.317	6.317	6.317	6.317
Reimbursable Overhead	-	-	-	-	-	-
<b>Total Labor Expenditures</b>	<b>\$368.865</b>	<b>\$438.442</b>	<b>\$401.933</b>	<b>\$407.655</b>	<b>\$428.571</b>	<b>\$449.038</b>
<b><u>Non-Labor:</u></b>						
Electric Power	\$0.000	\$1.180	\$1.169	\$1.161	\$1.262	\$1.372
Fuel	27.303	42.626	33.608	33.528	34.012	34.078
Insurance	11.711	32.600	17.196	21.271	21.536	24.160
Claims	13.265	21.835	22.000	24.000	24.000	25.000
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	17.894	29.850	23.997	26.506	32.590	27.268
Professional Service Contracts	2.626	7.678	5.919	8.426	8.586	8.867
Materials & Supplies	24.990	40.258	27.714	29.127	35.490	38.851
Other Business Expenses	1.221	5.586	4.152	2.467	2.330	2.479
<b>Total Non-Labor Expenditures</b>	<b>\$99.010</b>	<b>\$181.614</b>	<b>\$135.755</b>	<b>\$146.487</b>	<b>\$159.806</b>	<b>\$162.076</b>
<b><u>Other Expenditure Adjustments:</u></b>						
Other	0.010	-	-	-	-	-
<b>Total Other Expenditure Adjustments</b>	<b>\$0.010</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>\$467.885</b>	<b>\$620.056</b>	<b>\$537.688</b>	<b>\$554.143</b>	<b>\$588.378</b>	<b>\$611.114</b>
<b>Baseline Cash Deficit</b>	<b>(\$264.301)</b>	<b>(\$404.155)</b>	<b>(\$321.121)</b>	<b>(\$335.218)</b>	<b>(\$367.004)</b>	<b>(\$388.026)</b>

**MTA BUS COMPANY**  
**July Financial Plan 2013 - 2016**  
**Cash Conversion (Cash Flow Adjustments)**  
(\$ in millions)

<b>CASH FLOW ADJUSTMENTS</b>						
	<b>2011 Actual</b>	<b>2012 Mid-Year Forecast</b>	<b>2013 Preliminary Budget</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Receipts</b>						
Farebox Revenue	(\$2.707)	\$1.017	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	(0.548)	-	-	-	-	-
Capital and Other Reimbursements	1.237	4.111	4.591	4.720	4.853	5.089
<b>Total Receipts</b>	<b>(\$2.018)</b>	<b>\$5.128</b>	<b>\$4.591</b>	<b>\$4.720</b>	<b>\$4.853</b>	<b>\$5.089</b>
<b>Expenditures</b>						
<b><u>Labor:</u></b>						
Payroll	\$7.516	(\$20.499)	\$1.982	\$1.992	\$2.011	\$2.026
Overtime	-	-	-	-	-	-
Health and Welfare	7.311	(8.682)	0.407	0.410	0.414	0.417
OPEB Current Payment	8.630	(6.283)	-	-	-	-
Pensions	(4.558)	0.174	0.175	0.173	0.173	0.171
Other Fringe Benefits	8.814	(2.256)	0.167	0.169	0.171	0.172
GASB Account	(3.948)	(4.317)	(5.317)	(6.317)	(6.317)	(6.317)
Reimbursable Overhead	0.214	-	-	-	-	-
<b>Total Labor Expenditures</b>	<b>\$23.979</b>	<b>(\$41.862)</b>	<b>(\$2.586)</b>	<b>(\$3.572)</b>	<b>(\$3.548)</b>	<b>(\$3.530)</b>
<b><u>Non-Labor:</u></b>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	13.293	(8.165)	-	-	-	-
Insurance	5.463	(17.244)	-	-	-	-
Claims	20.293	3.165	4.000	3.000	4.000	4.000
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	7.847	(3.282)	-	-	-	-
Professional Service Contracts	1.099	(2.000)	-	-	-	-
Materials & Supplies	6.834	(8.525)	-	-	-	-
Other Business Expenditures	2.654	(1.337)	-	-	-	-
<b>Total Non-Labor Expenditures</b>	<b>\$57.483</b>	<b>(\$37.388)</b>	<b>\$4.000</b>	<b>\$3.000</b>	<b>\$4.000</b>	<b>\$4.000</b>
<b><u>Other Expenditures Adjustments:</u></b>						
Other	(0.010)	-	-	-	-	-
<b>Total Other Expenditures Adjustments</b>	<b>(\$0.010)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b><u>Gap Closing Actions:</u></b>						
<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>\$0.000</b>
<b>Total Cash Conversion Adjustments before Depreciation</b>	<b>\$79.434</b>	<b>(\$74.122)</b>	<b>\$6.005</b>	<b>\$4.148</b>	<b>\$5.305</b>	<b>\$5.559</b>
Depreciation Adjustment	\$40.457	\$42.235	\$42.235	\$42.235	\$42.235	\$42.235
OPEB Obligation	96.073	55.415	56.296	56.919	57.663	58.264
Environmental Remediation	2.015	-	-	-	-	-
<b>Baseline Total Cash Conversion Adjustments</b>	<b>\$217.979</b>	<b>\$23.528</b>	<b>\$104.535</b>	<b>\$103.302</b>	<b>\$105.203</b>	<b>\$106.058</b>

**MTA BUS COMPANY**  
**2013 Preliminary Budget**  
**July Financial Plan 2013 - 2016**  
**Year-to-Year Changes by Category - Baseline**

**TOTAL REVENUE / RECEIPTS**

**Farebox Revenue**

- Annual changes in Farebox Revenue are based on April year-to-date actual results as well as the regional economy and updated NYC employment projections, resulting in an increase of approximately 1.0% per year from 2013 to 2016.

**Other Operating Revenue**

- Other Operating Revenue projections include no increases for student fare, increases in projections for elderly and disabled fares consistent with the year-to-date actual results, as well as applying an increase of approximately 1% per year. Advertising projections are based on existing contracts.

**Capital and Other Reimbursements**

- Annual reimbursement levels fluctuate year-to-year based on reimbursable expense levels driven mostly by capital project and third party interagency requirements.

**TOTAL EXPENSES / EXPENDITURES**

**Payroll**

- In 2012, payroll expenses are impacted by the following:
  - The increase in headcount for the rotational preventative maintenance program during scheduled inspections; security supervision during evening and night hours, and positions required for the vintage fleet.
  - TSA edict to secure unattended buses at airports; a relief position at the Command Center Bus Radio.
  - Positions to review, track and manage expenses between agencies.

- The establishment of a Transit Supervisory Organization Union Representative position.
  - Technical change in budgeted positions due to the accurate measurement of mileage using Geographic Information System technology as well as expenses associated with the Operating Managers wage rate parity with NYCT.
  - The Shop Program which is based on a 4 year overhaul cycle resulting in a number of buses to be overhauled each year. As a result, the headcount need varies year-to-year.
  - The 2012 cash payroll includes unfavorable timing adjustments from 2011.
- In 2013, projections include the Shop Program headcount decrease as well as a favorable reduction in payroll due to the IT help desk consolidation.
- In 2014, projections include the Shop Program headcount increase and CPI changes.
- In 2015, projections include the Shop Program headcount increase and CPI changes.
- In 2016, projections include the Shop Program headcount increase, CPI changes and a technical adjustment for leap year expenses.

## **Overtime**

- In 2012, expense changes are mainly due to an Arbitration Award to Dispatchers, which re-instated an additional hour of work.
- The Shop Program which is based on a 4 year overhaul cycle resulted in an updated number of buses to be overhauled each year. As a result, overtime expense varies year-to-year. The 2014 to 2016 projections include CPI-based wage rate increases.

## **Health & Welfare**

- Inflation assumptions for the years 2013-2016 average 9.0%. The 2012 cash projection includes an unfavorable timing adjustment from 2011.

## **Pension**

- Annual pension changes are the direct result of changes in headcount needs and contractual pay rates as discussed previously in the payroll narrative.

## **Other Fringe Benefits**

- Projections are consistent with payroll and overtime expenses assumptions above. The 2012 cash projection includes an unfavorable timing adjustment from 2011.

## **Electric Power**

- 2013 – 2016 estimate assumptions are based upon the New York Power Authority estimates of 2012 Final and 2013 Preliminary Cost of Service:
  - 2013: (0.9%)
  - 2014: (0.72%)
  - 2015: 8.69%
  - 2016: 8.69%

## **Fuel for Buses and Trains**

- The 2012 Diesel fuel average price per gallon is \$3.31. Below are the projections:
  - 2013 = \$3.17 representing 4.2% decrease compared to 2012
  - 2014 = \$3.16 representing 0.3% decrease compared to 2013
  - 2015 = \$3.16 representing 0.0% no change compared to 2014
  - 2016 = \$3.16 representing 0.0% no change compared to 2015
- The 2012 CNG fuel average price per therm is \$3.25. Below are the projections:
  - 2013 = \$4.48 representing 37.8% increase compared to 2012
  - 2014 = \$4.67 representing 4.2% increase compared to 2013
  - 2015 = \$5.62 representing 20.3% increase compared to 2014
  - 2016 = \$5.82 representing 3.6% increase compared to 2015
- The 2012 cash projection includes an unfavorable cash timing adjustment from 2011.

## **Insurance**

- Annual changes are based on policy renewal premium schedules. The 2012 cash projection includes an unfavorable cash timing adjustment from 2011.

## **Claims**

- Projections are consistent with the current third-party actuarial valuation. The 2012 cash projection includes an unfavorable timing adjustment from 2011.

## **Maintenance and Other Operating Contracts**

- Annual changes are primarily the result of the Shop Program which is based on a 4 year overhaul cycle. Since the number of buses overhauled vary each year, the expenses also vary year-to-year. The 2012 cash projection includes an unfavorable cash timing adjustment from 2011.
- Inflation assumptions for 2013 – 2016 are as follows:
  - 2013: 1.45%
  - 2014: 1.77%
  - 2015: 1.88%
  - 2016: 1.93%

## **Professional Service Contracts**

- Inflation assumptions for 2013 – 2016 are listed under Maintenance and Other Operating Contracts. The Shop Program is based on a 4 year overhaul cycle. Since the number of buses overhauled vary each year, the expenses also vary year-to-year. The 2012 cash projection includes an unfavorable timing adjustment from 2011.

## **Materials and Supplies**

- Inflation assumptions for 2013 – 2016 are listed under Maintenance and Other Operating Contracts. The Shop Program is based on a 4 year overhaul cycle. Since the number of buses overhauled vary each year, the expenses also vary year-to-year.

## **Other Business Expenses**

- Inflation assumptions for 2013 – 2016 are listed under Maintenance and Other Operating Contracts. The 2013 to 2014 change in expense is mainly due to the reduction in office supplies expense. The 2012 cash projection includes an unfavorable cash timing adjustment from 2011.



**MTA BUS COMPANY**  
**July Financial Plan 2013 - 2016**  
**Year-to-Year Changes by Category - Accrual Basis**  
(\$ in millions)

NON-REIMBURSABLE	Favorable/(Unfavorable)								
	2012	2013	Change 2013 - 2012	2014	Change 2014 - 2013	2015	Change 2015 - 2014	2016	Change 2016 - 2015
<b><u>Revenue</u></b>									
Farebox Revenue	\$183.024	\$184.163	\$1.139	\$185.883	\$1.720	\$187.673	\$1.790	\$188.612	\$0.939
Other Operating Revenue	-	-	-	-	-	-	-	-	-
Capital and Other Reimbursements	19.019	19.391	0.372	19.771	0.380	20.169	0.398	20.578	0.409
<b>Total Revenue</b>	<b>\$202.043</b>	<b>\$203.554</b>	<b>\$1.511</b>	<b>\$205.654</b>	<b>\$2.100</b>	<b>\$207.842</b>	<b>\$2.188</b>	<b>\$209.190</b>	<b>\$1.348</b>
<b><u>Expenses</u></b>									
Labor:									
Payroll	\$224.887	\$223.455	\$1.432	\$224.054	(\$0.599)	\$236.002	(\$11.947)	\$241.628	(\$5.626)
Overtime	\$43.211	\$41.089	2.122	\$40.345	0.744	\$41.665	(1.320)	\$42.695	(1.029)
Health and Welfare	\$42.729	\$46.600	(3.871)	\$51.659	(5.059)	\$56.763	(5.103)	\$68.017	(11.254)
OPEB Current Payment	\$14.586	\$15.315	(0.729)	\$16.081	(0.766)	\$16.885	(0.804)	\$17.729	(0.844)
Pensions	\$40.249	\$42.059	(1.810)	\$41.784	0.275	\$42.415	(0.631)	\$43.489	(1.074)
Other Fringe Benefits	\$23.191	\$23.422	(0.231)	\$22.643	0.779	\$23.668	(1.025)	\$24.216	(0.548)
Reimbursable Overhead	\$0.000	\$0.000	-	\$0.000	-	\$0.000	-	\$0.000	-
<b>Total Labor Expenses</b>	<b>\$388.853</b>	<b>\$391.941</b>	<b>(\$3.088)</b>	<b>\$396.567</b>	<b>(\$4.626)</b>	<b>\$417.398</b>	<b>(\$20.831)</b>	<b>\$437.774</b>	<b>(\$20.375)</b>
Non-Labor:									
Electric Power	1.180	1.169	\$0.011	1.161	(0.008)	1.262	0.101	1.372	0.110
Fuel	\$34.461	\$33.608	\$0.854	\$33.528	\$0.079	\$34.012	(\$0.484)	\$34.078	(\$0.066)
Insurance	15.356	17.196	(1.840)	21.271	(4.075)	21.536	(0.265)	24.160	(2.624)
Claims	25.000	26.000	(1.000)	27.000	(1.000)	28.000	(1.000)	29.000	(1.000)
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	26.352	23.778	2.574	26.283	(2.505)	32.363	(6.080)	27.037	5.326
Professional Service Contracts	5.678	5.919	(0.241)	8.426	(2.507)	8.586	(0.159)	8.867	(0.281)
Materials & Supplies	30.947	26.917	4.031	28.315	(1.399)	34.663	(6.348)	38.008	(3.345)
Other Business Expenses	4.249	4.152	0.097	2.467	1.684	2.330	0.137	2.479	(0.149)
<b>Total Non-Labor Expenses</b>	<b>\$143.224</b>	<b>\$138.738</b>	<b>\$4.485</b>	<b>\$148.452</b>	<b>(\$9.731)</b>	<b>\$162.753</b>	<b>(\$14.098)</b>	<b>\$165.002</b>	<b>(\$2.029)</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>\$532.077</b>	<b>\$530.679</b>	<b>\$1.397</b>	<b>\$545.020</b>	<b>(\$14.357)</b>	<b>\$580.151</b>	<b>(\$34.930)</b>	<b>\$602.776</b>	<b>(\$22.404)</b>
Depreciation	\$42.235	\$42.235	-	\$42.235	-	\$42.235	-	\$42.235	-
OPEB Obligation	\$55.415	\$56.296	(0.881)	\$56.919	(0.624)	\$57.663	(0.744)	\$58.264	(0.601)
Environmental Remediation	\$0.000	\$0.000	-	\$0.000	-	\$0.000	-	\$0.000	-
<b>Total Expenses</b>	<b>\$629.727</b>	<b>\$629.210</b>	<b>\$0.517</b>	<b>\$644.174</b>	<b>(\$14.981)</b>	<b>\$680.049</b>	<b>(\$35.673)</b>	<b>\$703.275</b>	<b>(\$23.006)</b>
<b>Baseline Net Surplus/(Deficit)</b>	<b>(\$427.684)</b>	<b>(\$425.656)</b>	<b>\$2.027</b>	<b>(\$438.520)</b>	<b>(\$12.864)</b>	<b>(\$472.207)</b>	<b>(\$33.687)</b>	<b>(\$494.085)</b>	<b>(\$21.878)</b>

## REIMBURSABLE

[illegible]

**MTA BUS COMPANY**  
**July Financial Plan 2013 - 2016**  
**Year-to-Year Changes by Category - Accrual Basis**  
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES	Favorable/(Unfavorable)								
	2012	2013	Change 2013 - 2012	2014	Change 2014 - 2013	2015	Change 2015 - 2014	2016	Change 2016 - 2015
<b><u>Receipts</u></b>									
Farebox Revenue	\$184.041	\$184.163	\$0.122	\$185.883	\$1.720	\$187.673	\$1.790	\$188.612	\$0.939
Other Operating Revenue	\$19.019	\$19.391	0.372	\$19.771	0.380	\$20.169	0.398	\$20.578	0.409
Capital and Other Reimbursements	\$12.840	\$13.013	0.173	\$13.271	0.258	\$13.531	0.260	\$13.898	0.367
<b>Total Receipts</b>	<b>\$215.900</b>	<b>\$216.567</b>	<b>\$0.666</b>	<b>\$218.925</b>	<b>\$2.358</b>	<b>\$221.373</b>	<b>\$2.448</b>	<b>\$223.088</b>	<b>\$1.714</b>
<b><u>Expenditures</u></b>									
Labor:									
Payroll	\$251.104	\$226.963	\$24.140	\$227.634	(\$0.671)	\$239.646	(\$12.012)	\$245.341	(\$5.695)
Overtime	43.211	41.089	2.122	40.345	0.744	41.665	(1.320)	42.695	(1.029)
Health and Welfare	52.463	47.200	5.262	52.272	(5.072)	57.387	(5.115)	68.653	(11.266)
OPEB Current Payment	20.869	15.315	5.554	16.081	(0.766)	16.885	(0.804)	17.729	(0.844)
Pensions	40.567	42.345	(1.779)	42.076	0.269	42.712	(0.636)	43.791	(1.079)
Other Fringe Benefits	25.912	23.703	2.209	22.930	0.773	23.959	(1.030)	24.512	(0.553)
GASB Account	4.317	5.317	(1.000)	6.317	(1.000)	6.317	-	6.317	-
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
<b>Total Labor Expenditures</b>	<b>\$438.442</b>	<b>\$401.933</b>	<b>\$36.509</b>	<b>\$407.655</b>	<b>(\$5.722)</b>	<b>\$428.571</b>	<b>(\$20.916)</b>	<b>\$449.038</b>	<b>(\$20.467)</b>
Non-Labor:									
Electric Power	\$1.180	\$1.169	\$0.011	\$1.161	\$0.008	\$1.262	(\$0.101)	\$1.372	(\$0.110)
Fuel	\$42.626	\$33.608	\$9.019	\$33.528	\$0.079	\$34.012	(\$0.484)	\$34.078	(\$0.066)
Insurance	32.600	17.196	15.404	21.271	(4.075)	21.536	(0.265)	24.160	(2.624)
Claims	21.835	22.000	(0.165)	24.000	(2.000)	24.000	-	25.000	(1.000)
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	29.850	23.997	5.853	26.506	(2.509)	32.590	(6.084)	27.268	5.322
Professional Service Contracts	7.678	5.919	1.759	8.426	(2.507)	8.586	(0.159)	8.867	(0.281)
Materials & Supplies	40.258	27.714	12.544	29.127	(1.413)	35.490	(6.363)	38.851	(3.361)
Other Business Expenses	5.586	4.152	1.434	2.467	1.684	2.330	0.137	2.479	(0.149)
<b>Total Non-Labor Expenditures</b>	<b>\$181.614</b>	<b>\$135.755</b>	<b>\$45.859</b>	<b>\$146.487</b>	<b>(\$10.733)</b>	<b>\$159.806</b>	<b>(\$13.319)</b>	<b>\$162.076</b>	<b>(\$2.270)</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>\$620.056</b>	<b>\$537.688</b>	<b>\$82.368</b>	<b>\$554.143</b>	<b>(\$16.455)</b>	<b>\$588.378</b>	<b>(\$34.235)</b>	<b>\$611.114</b>	<b>(\$22.736)</b>
<b>Baseline Net Cash Deficit</b>	<b>(\$404.155)</b>	<b>(\$321.121)</b>	<b>\$83.034</b>	<b>(\$335.218)</b>	<b>(\$14.097)</b>	<b>(\$367.004)</b>	<b>(\$31.787)</b>	<b>(\$388.026)</b>	<b>(\$21.022)</b>

**MTA BUS COMPANY**  
**2013 Preliminary Budget**  
**July Financial Plan 2013 - 2016**  
**Summary of Major Plan-to-Plan Changes**

**2012: July Financial Plan vs. February Financial Plan**

**Revenue and Expense Changes**

Total Revenue projected for 2012 is \$210.8 million while Expenses before Depreciation is \$540.8 million. This resulted in a baseline cash deficit increase of \$70.1 million from the February Plan, comprised mostly of the following:

- Revenue – A \$2.9 million favorable increase in Farebox re-estimate
- Labor – A \$0.6 million unfavorable increase in costs primarily due to the following:
  - Payroll \$2.1 million unfavorable - Expenses are impacted by the increase in headcount for the rotational preventative maintenance program during scheduled inspections; security supervision during evening and night hours; TSA edict to secure unattended buses at airports; a relief position at the Command Center Bus Radio; positions to review, track and manage expenses between agencies. Other Payroll impacts include positions required for the vintage fleet, the establishment of a TSO Union Representative position, technical change in budgeted positions due to the accurate measurement of mileage using GIS technology as well as expenses associated with the Operating Managers wage rate parity with NYCT
  - Overtime \$2.4 million unfavorable - Expense changes are mainly due to an Arbitration award to Dispatchers, re-instating an additional hour of work and the re-estimates of the Shop Program requirements
  - Other Fringe Benefits \$0.4 million unfavorable – As discussed in payroll and overtime
  - Health and Welfare \$1.4 million favorable - Due to a re-estimate
  - Pensions \$2.9 million favorable – Mainly due to re-estimates and changes in headcount, overtime and contractual pay rates as discussed in payroll
- Non-Labor – A \$2.8 million unfavorable increase in costs due to the following:

- Electric Power \$1.1 million unfavorable as a result of a reclassification of expenses from Maintenance and Other Operating Contracts.
- Fuel \$0.1 million unfavorable - Due to the re-estimate
- Insurance \$0.7 million unfavorable - Due to the policy renewal premium schedules
- Materials & Supplies \$4.0 million unfavorable - Mainly due to the re-estimate of the Shop Program requirements and performing more overhaul work in-house
- Maintenance and Other Operating Contracts \$2.1 million favorable - Savings are mainly due to maximizing business synergies, Shop Program re-estimates, the transfer of overhaul work from vendor contracts to in-house, and a reclassification of expenses to Electric Power. These savings were partially offset by expenses related to the transfer of 80 1996 Nova buses which require overhaul, the cost of the propulsion control system for the hybrid fleets, and Real Estate costs at 2 Broadway
- Professional Service Contracts \$1.0 million favorable – Savings are mainly due to maximizing business synergies, which has resulted in savings
- Cash Adjustment - A \$69.4 million unfavorable timing adjustment from 2011

## **Reimbursable Changes**

The Reimbursable Expense budget increased by \$1.0 million to \$8.7 million due to the materials and non labor costs provided and billed to other MTA agencies.

The Reimbursable Budget for MTA Bus includes in-house labor needed to manage, inspect and support facility projects from concept through completion. It also includes the materials and non-labor costs provided and billed to other MTA agencies.

## **2013-2015: July Financial Plan vs. February Financial Plan**

### **Revenue and Expense Changes**

#### **2013**

The July Plan total baseline cash deficit decreased by \$6.1 million compared to the February Plan comprised of the following:

- Revenue – A \$2.3 million favorable increase due to a re-estimate
- Labor - A \$2.7 million favorable decrease primarily due to the following:
  - Pension \$3.3 million favorable decrease due to a re-estimate
  - Health & Welfare \$2.2 million favorable decrease due to the re-estimate
  - Payroll \$1.3 million unfavorable includes expenses for the Shop Overhaul Program, Maintenance Scheduled Operations Pickup Work, the Labor Contract Arbitration Award, Security Initiatives, Electronic Booking System/Command Center Program as well as expenses associated with the Operating Managers wage rate parity with NYCT
  - Overtime \$1.3 million unfavorable mainly due to an Arbitration Award to Dispatchers which re-instated an additional hour of work
  - Other Fringe Benefits \$0.2 million unfavorable due to payroll and overtime
- Non-Labor – A \$1.1 million favorable decrease primarily due to the following:
  - Professional Service Contracts \$1.0 million favorable decrease due to maximizing business synergies which resulted in saving opportunities.
  - Materials & Supplies \$1.0 million favorable decrease due to the Shop Overhaul Program
  - Fuel \$2.3 million favorable due to a re-estimate
  - Insurance \$1.1 million unfavorable due to policy renewal premium schedules
  - Electric Power \$1.2 million unfavorable as a result of a reclassification of expenses from Maintenance & Other Operating Contracts
  - Maintenance & Other Operating Contracts \$1.0 million unfavorable primarily due to the Shop Overhaul Program, the cost of the propulsion control system for the hybrid fleets and Real Estate costs at 2 Broadway partially offset by saving opportunities in maximizing business synergies and the reclassification of expenses to Electric Power

## **Reimbursable Changes**

The Reimbursable Expense budget increased by \$1.0 million to \$8.4 million due to the materials and non labor costs provided and billed to other MTA agencies.

## **2014**

The July Plan total baseline cash deficit decreased by \$6.4 million compared to the February Plan comprised of the following:

- Revenue – A \$1.9 million favorable increase due to the re-estimate
- Labor - A \$2.5 million favorable decrease primarily due to the following:
  - Pension \$3.9 million favorable decrease due to re-estimate
  - Health & Welfare \$2.2 million favorable decrease due to the re-estimate
  - Payroll \$2.2 million unfavorable includes the Shop Overhaul Program, Maintenance Scheduled Operations Pickup Work, the Labor Contract Arbitration Award, Security Initiatives and Electronic Booking System/Command Center Program
  - Overtime \$1.2 million unfavorable mainly due to an Arbitration Award to Dispatchers which re-instated an additional hour of work
  - Other Fringe Benefits \$0.3 million unfavorable due to payroll and overtime
- Non-Labor – A \$2.0 million favorable decrease primarily due to the following:
  - Fuel \$2.2 million favorable due to a re-estimate
  - Maintenance & Other Operating Contracts \$1.1 million favorable primarily due to saving opportunities and the reclassification of expenses to Electric Power offset by the Shop Program and 2 Broadway Real Estate costs
  - Professional Service Contracts \$1.0 million favorable decrease due to savings opportunity
  - Materials & Supplies \$0.3 million favorable decrease due to the Shop Program and savings opportunity
  - Electric Power \$1.1 million unfavorable as a result of a reclassification of expenses from Maintenance & Other Operating Contracts
  - Insurance \$1.5 million unfavorable due to policy renewal premium schedules

## **Reimbursable Changes**

The Reimbursable Expense budget increased by \$1.0 million to \$8.7 million due to the materials and non labor costs provided and billed to other MTA agencies.

## **2015**

The July Plan total baseline cash deficit decreased by \$9.8 million compared to the February Plan comprised of the following:

- Revenue – A \$1.7 million favorable increase due to the re-estimate
- Labor - A \$5.5 million favorable decrease primarily due to the following:

- Health & Welfare \$4.1 million favorable decrease due to the re-estimate
  - Pension \$4.0 million favorable decrease due to re-estimate
  - Payroll \$1.2 million unfavorable includes the Shop Overhaul Program, Maintenance Scheduled Operations Pickup Work, the Labor Contract Arbitration Award, Security Initiatives and Electronic Booking System/Command Center Program
  - Overtime \$1.2 million unfavorable mainly due to an Arbitration Award to Dispatchers which re-instated an additional hour of work
  - Other Fringe Benefits \$0.2 million unfavorable due to payroll and overtime
- Non-Labor – A \$2.6 million favorable decrease primarily due to the following:
  - Fuel \$1.8 million favorable due to the re-estimate
  - Maintenance and Other Operating Contracts \$1.4 million favorable decrease due to savings opportunity and the reclassification of expenses to Electric Power partially offset by Shop Program and 2 Broadway Real Estate costs
  - Professional Service Contracts \$1.0 million favorable decrease due to savings opportunities
  - Materials & Supplies \$1.5 million favorable decrease due to the Shop Program and savings opportunity
  - Other Business Expenses \$0.2 million favorable decrease due to savings opportunity
  - Electric Power \$1.3 million unfavorable as a result of a reclassification of expenses from Maintenance & Other Operating Contracts
  - Insurance \$2.0 million unfavorable due to policy renewal premium schedules

### **Reimbursable Changes**

The Reimbursable Expense budget increased by \$1.0 million to \$8.7 million due to the materials and non labor costs provided and billed to other MTA agencies.



**MTA BUS COMPANY**  
**July Financial Plan 2013 - 2016**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

NON-REIMBURSABLE				
	2012	2013	2014	2015
<b>Baseline 2012 February Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$334.099)</b>	<b>(\$327.222)</b>	<b>(\$341.573)</b>	<b>(\$376.811)</b>
<b>Baseline Changes</b>				
<b>Revenue</b>				
Farebox Revenue	\$2.856	\$2.284	\$1.927	\$1.709
Vehicle Toll Revenue	-	-	-	-
Other Operating Revenue	-	-	-	-
Capital and Other Reimbursements	-	-	-	-
<b>Total Revenue Changes</b>	<b>\$2.856</b>	<b>\$2.284</b>	<b>\$1.927</b>	<b>\$1.709</b>
<b>Expenses</b>				
<b>Labor:</b>				
Payroll	(\$2.093)	(\$1.275)	(\$2.198)	(\$1.201)
Overtime	(2.428)	(1.294)	(1.160)	(1.157)
Health and Welfare	1.389	2.165	2.229	4.066
OPEB Current Payment	-	-	-	-
Pensions	2.901	3.336	3.893	3.961
Other Fringe Benefits	(0.391)	(0.222)	(0.290)	(0.204)
Reimbursable Overhead	-	-	-	-
<b>Total Labor Expense Changes</b>	<b>(\$.623)</b>	<b>\$2.710</b>	<b>\$2.473</b>	<b>\$5.465</b>
<b>Non-Labor:</b>				
Electric Power*	(\$1.180)	(\$1.169)	(\$1.161)	(\$1.262)
Fuel	(\$.053)	\$2.304	\$2.167	\$1.831
Insurance	(0.688)	(1.061)	(1.481)	(2.013)
Claims	-	-	-	-
Paratransit Service Contracts	-	-	-	-
Maintenance and Other Operating Contracts*	2.088	(0.998)	1.133	1.364
Professional Service Contracts	1.027	1.000	0.994	0.988
Materials & Supplies	(4.043)	1.012	0.295	1.523
Other Business Expenses	0.002	0.020	0.007	0.202
<b>Total Non-Labor Expense Changes</b>	<b>(\$2.846)</b>	<b>\$1.107</b>	<b>\$1.955</b>	<b>\$2.632</b>
Other Expenditure Adjustments:				
Other	-	-	-	-
Total Other Expenditure Adjustments	-	-	-	-
<b>Total Expenses before Depreciation and GASB Adjs.</b>	<b>(\$3.469)</b>	<b>\$3.817</b>	<b>\$4.428</b>	<b>\$8.097</b>
Depreciation	-	-	-	-
OPEB Obligation	-	-	-	-
Environmental Remediation	-	-	-	-
<b>Total Expense Changes</b>	<b>(\$3.469)</b>	<b>\$3.817</b>	<b>\$4.428</b>	<b>\$8.097</b>
<b>Cash Adjustment Changes</b>	<b>(\$69.442)</b>			
<b>Total Expense Changes</b>	<b>(\$69.442)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Cash Adjustment Changes</b>	<b>(\$69.442)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Baseline Changes</b>	<b>(\$70.056)</b>	<b>\$6.101</b>	<b>\$6.355</b>	<b>\$9.806</b>
<b>Baseline 2012 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$404.155)</b>	<b>(\$321.121)</b>	<b>(\$335.218)</b>	<b>(\$367.004)</b>

\* The July Plan reflects Chart of Accounts reclassifications for Electric Power and Maintenance & Other Operating Contracts.

**MTA BUS COMPANY**  
**July Financial Plan 2013 - 2016**  
**Changes Between Financial Plans by Generic Categories**  
(\$ in millions)

REIMBURSABLE				
	2012	2013	2014	2015
<b>Baseline 2012 February Financial Plan - Operating Cash Income/(Deficit)</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 Reimbursements	\$1.002	\$1.017	\$1.035	\$1.054
<b>Total Revenue Changes</b>	<b>\$1.002</b>	<b>\$1.017</b>	<b>\$1.035</b>	<b>\$1.054</b>
<b>Expenses</b>				
<b>Labor:</b>				
Payroll				
Overtime				
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>Non-Labor:</b>				
Electric Power	-	-	-	-
Fuel	-	-	-	-
Insurance	-	-	-	-
Claims	-	-	-	-
Paratransit Service Contracts	-	-	-	-
Maintenance and Other Operating Contracts	0.216	0.219	0.223	0.227
Professional Service Contracts	-	-	-	-
Materials & Supplies	0.786	0.797	0.812	0.827
Other Business Expenses	-	-	-	-
<b>Total Non-Labor Expense Changes</b>	<b>1.002</b>	<b>1.017</b>	<b>1.035</b>	<b>1.054</b>
<b>Total Expenses before Depreciation</b>				
Depreciation				
<b>Total Expense Changes</b>	<b>\$1.002</b>	<b>\$1.017</b>	<b>\$1.035</b>	<b>\$1.054</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>Total Baseline Changes</b>	<b>\$0.000</b>	<b>(\$0.000)</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Baseline 2012 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>

**MTA BUS COMPANY**  
**July Financial Plan 2013 - 2016**  
**Summary of Major Programmatic Changes Between Financial Plans**  
(\$ in millions)

**TOTAL NON-REIMBURSABLE and REIMBURSABLE**

	2012	2013	2014	2015
<b>Baseline 2012 February Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$334.099)</b>	<b>(\$327.222)</b>	<b>(\$341.573)</b>	<b>(\$376.811)</b>
<b>Non-Reimbursable Major Changes</b>				
<b>Revenue</b>				
Farebox Revenue	2.856	2.284	1.927	1.709
Other Operating Revenue	-	-	-	-
<b>Sub-Total Non-Reimbursable Revenue Changes</b>	<b>\$2.856</b>	<b>\$2.284</b>	<b>\$1.927</b>	<b>\$1.709</b>
<b>Expenses</b>				
<b>Programs:</b>				
Administration - Controller PTE	(\$0.101)	(\$0.200)	(\$0.204)	(\$0.207)
Administration - IT Consolidation Outsource IT help desk function	(0.210)	(0.187)	(0.190)	(0.195)
Administration - Real Estate Rentals	(0.546)	(0.546)	(0.557)	(0.567)
Service - EBS Project	(0.324)	(0.138)	(0.114)	(0.116)
Service - JFK Dispatcher	(0.149)	(0.298)	(0.303)	(0.309)
Service - TSO union Release	(0.051)	(0.101)	(0.103)	(0.105)
Service - Command Center	(0.050)	(0.099)	(0.101)	(0.102)
Maintenance - CMF Admin	(0.032)	(0.063)	(0.064)	(0.065)
Maintenance - SO Pickup Work	(0.277)	(0.554)	(0.564)	(0.575)
Maintenance - Hastus	(0.279)	(0.404)	(0.420)	(0.420)
Maintenance - Museum Fleet maintenance	(0.149)	(0.152)	(0.155)	(0.158)
Maintenance - Shop Implication of delays in the delivery of new buses	(5.611)	(1.930)	(1.875)	1.178
Maintenance - Inventory Management	(0.050)	(0.101)	(0.103)	(0.104)
Maintenance - Storeroom Attendants	(0.090)	(0.180)	(0.183)	(0.187)
Maintenance - CNG Tune up	(0.093)	(0.093)	(0.095)	(0.096)
Safety - Security Supervisor	(0.108)	(0.214)	(0.218)	(0.222)
<b>Sub-Total Programs</b>	<b>(\$8.120)</b>	<b>(\$5.260)</b>	<b>(\$5.249)</b>	<b>(\$2.250)</b>
<b>Major Re-estimates/Technical Adjustments/Other:</b>				
Guidance - Insurance	(\$0.688)	(\$1.061)	(\$1.481)	(\$2.013)
CPI - Maintenance and Other Operating Contracts - CPI	0.014	0.106	0.073	0.026
CPI - Materials & Supplies - CPI	0.013	0.137	0.080	0.029
CPI - Other Business Expense - CPI	0.002	0.020	0.007	0.002
CPI - Professional Service Contracts - CPI				
H&W - H&W	1.855	2.448	2.718	4.333
Pension	3.641	3.756	4.442	4.346
Fuel-CPI	(0.053)	2.304	2.167	1.831
Electricity- CPI	-	0.052	0.106	0.055
Other - BSC	(0.295)	-	-	-
Other - Arbitration reward	(2.171)	(1.375)	(1.402)	(1.428)
Other - Government Affairs	(0.075)	-	-	-
Other - Managerial Parity	(0.561)	(0.277)	-	-
Other - Title Swap	(0.032)	(0.032)	(0.033)	(0.034)
Other - Leap Year	-	-	-	-
Other - BRP	3.000	3.000	3.000	3.200
Sub-Total Non-Reimbursable Expense Changes	\$4.650	\$9.078	\$9.677	\$10.347
<b>Total Non-Reimbursable Major Changes</b>	<b>(\$.614)</b>	<b>\$6.101</b>	<b>\$6.355</b>	<b>\$9.8064</b>
<b>Reimbursable Major Changes</b>				
<b>Revenue</b>				
Reimbursement of Increased Expense Requirements	1.002	1.017	1.035	1.054
<b>Sub-Total Reimbursable Revenue Changes</b>	<b>\$1.002</b>	<b>\$1.017</b>	<b>\$1.035</b>	<b>\$1.054</b>
<b>Expenses</b>				
Maintenance and Other Operating Contracts	0.216	0.219	0.223	0.227
Materials & Supplies	0.786	0.797	0.812	0.827
<b>Sub-Total Reimbursable Expense Changes</b>	<b>\$1.002</b>	<b>\$1.017</b>	<b>\$1.035</b>	<b>\$1.054</b>
<b>Total Reimbursable Major Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Accrual Changes</b>	<b>(\$0.614)</b>	<b>\$6.101</b>	<b>\$6.355</b>	<b>\$9.806</b>
<b>Cash Adjustment Changes</b>				
	(69.442)	0.000	0.000	0.000
<b>Total Cash Adjustment Changes</b>	<b>(\$69.442)</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Baseline Changes</b>	<b>(\$70.056)</b>	<b>\$6.101</b>	<b>\$6.355</b>	<b>\$9.806</b>
<b>Baseline 2012 July Financial Plan - Operating Cash Income/(Deficit)</b>	<b>(\$404.155)</b>	<b>(\$321.121)</b>	<b>(\$335.218)</b>	<b>(\$367.004)</b>

**MTA BUS COMPANY**  
**2013 Preliminary Budget**  
**July Financial Plan 2013 – 2016**  
**Ridership / (Utilization)**

**Fixed Route Ridership:**

The July 2012 Financial Plan baseline ridership forecast assumes that the weather adjusted January 2012 – April 2012 trend, which was 2.1% above budget, will continue for the rest of the year. As a result of higher than expected 2012 ridership and mild winter weather in 2012, projected 2012 ridership is 3.1 million higher than the February 2012 Plan.

2013 ridership is projected to increase by approximately 1.0%, based on regional economic projections and increases in NYC employment. As a result of the higher than expected 2012 baseline forecast (adjusted ridership to account for favorable weather in early 2012) and a similar 2013 employment forecast, projected 2013 ridership is 2.8 million higher than the February 2012 Plan.

Working off the revised 2013 projection, 2014-2015 ridership growth forecasts are based on the April 2012 inflation assumptions which projects smaller employment increases than the forecast used in the 2012 February Plan. The resulting ridership is expected to be 2.7 million higher than the February Plan in both 2014 and 2015.

**Revenue:**

Projected 2012 farebox revenue is \$2.9 million higher than presented in the February Plan, and \$2.3 million, \$1.9 million and \$1.7 million higher, respectively, in 2013, 2014 and 2015 due to the higher ridership forecast partially offset by lower than expected average fares.

**MTA BUS COMPANY**  
**July Financial Plan 2013 - 2016**  
**Ridership/(Utilization)**  
(in millions)

	2011 Actual	2012 Mid-Year Forecast	2013 Preliminary Budget	2014	2015	2016
<b><u>RIDERSHIP</u></b>						
Fixed Route	120.227	121.897	122.579	123.609	124.680	125.243
<b>Baseline Total Ridership</b>	<b>120.227</b>	<b>121.897</b>	<b>122.579</b>	<b>123.609</b>	<b>124.680</b>	<b>125.243</b>
<b><u>FAREBOX REVENUE</u></b>						
Fixed Route	\$179.042	\$183.024	\$184.163	\$185.883	\$187.673	\$188.612
<b>Baseline Total Revenue</b>	<b>\$183.024</b>	<b>\$183.024</b>	<b>\$184.163</b>	<b>\$185.883</b>	<b>\$187.673</b>	<b>\$188.612</b>

**MTA BUS COMPANY**  
**July Financial Plan 2013-2016**  
**2012 Budget Reduction Plan Summary**  
(\$ in millions)

	Favorable/(Unfavorable)									
	Pos.	2012	Pos.	2013	Pos.	2014	Pos.	2015	Pos.	2016
<u>Administration</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Administration	-	0.000	-	0.000	-	\$0.000	-	\$0.000	-	\$0.000
<u>Customer Convenience/Amenities</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Customer Convenience/Amenities	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Maintenance</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Maintenance	-	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
Subtotal Revenue Enhancement	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Safety/Security</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Safety	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Service</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Service	-	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
Subtotal Service Support	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Other</u>										
OTPS	-	3.000	-	3.000	-	3.000	-	3.200	-	3.200
Subtotal Other	-	3.000	-	3.000	-	3.000	-	3.200	-	3.200
<b>Agency Submission</b>	-	<b>\$3.000</b>	-	<b>\$3.000</b>	-	<b>\$3.000</b>	-	<b>\$3.200</b>	-	<b>\$3.200</b>

**MTA BUS COMPANY**  
**July Financial Plan 2013-2016**  
**2012 Budget Reduction Plan Worksheet**

**Category by Function:** Other

**Program:** OTPS

<b>Background Details:</b>	The MTA Bus budget for Maintenance & Other Operating contract, Professional Service and Other Business Expenses was originally modeled using the NYCT-DOB budget, pro-rated for its operational size, along with specific funding for existing MTA bus programs and contracts. 2009 was the transition year as Bus Operation first became regionalized. Senior Bus management began the process of streamlining/standardizing operations, policies and practice in order to build a more efficient operation capable of maximizing the synergies within the business which has resulted in the savings identified below
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<b>Program Description/ Implementation Plan:</b>				
<b>Program Implementation Date:</b>	1/1/2012	<b>When will savings begin?:</b>	<u>2012</u>	
		<b>Are these savings recurring?:</b>	Y	
<b>Other Issues:</b>				

	Favorable/(Unfavorable)				
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$3.000	\$3.000	\$3.000	\$3.200	\$3.200

*Total Positions Required:*

**MTA BUS COMPANY  
2013 Preliminary Budget  
July Financial Plan 2013 – 2016  
Positions**

**Plan-to-Plan Changes**

**Total Non-Reimbursable and Reimbursable Baseline Positions**

**2012: July Financial Plan vs. February Financial Plan**

The starting baseline positions for the February 2012 Plan are 3,526. There is an additional 27 positions added which results in the sum of 3,553 positions for the July 2012 Plan.

The additions are represented by the following:

- +5 Security Initiatives
- +11 Depot Maintenance Scheduled Operations Pickup Work
- +6 Shop Programs.
- +1 Labor / Management Agreement
- +3 Interagency Expense Oversight
- +1 Establishment of the Electronic Booking System Project

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

**2013 – Net change of +17 positions from February Financial Plan**

- +5 Security Initiatives
- +11 Depot Maintenance Scheduled Operations Pickup Work
- -2 Shop Programs
- +1 Labor / Management Agreement
- +1 Interagency Expense Oversight



- +1 Establishment of the Electronic Booking System Project

**2014 – Net change of +34 positions from February Financial Plan**

- +5 Security Initiatives
- +11 Depot Maintenance Scheduled Operations Pickup Work
- +15 Shop Programs
- +1 Labor / Management Agreement
- +1 Interagency Expense Oversight
- +1 Establishment of the Electronic Booking System Project

**2015 – Net change of +18 positions from February Financial Plan**

- +5 Security Initiatives
- +11 Depot Maintenance Scheduled Operations Pickup Work
- -1 Shop Programs
- +1 Labor / Management Agreement
- +1 Interagency Expense Oversight
- +1 Establishment of the Electronic Booking System Project

**Year-to-Year Changes**

**2013 Changes Over 2012:**

The year-to-year changes total -18 positions, which will result in the sum of 3,535 for the year 2013. The -18 positions is a net sum of the following changes:

- -17 Shop Programs
- -1 Information Technology Help Desk Consolidation

**2014 Changes Over 2013:**

The total number of positions in 2014 increases by 6, leaving the number of overall positions at 3,541. The change is as follows:

- +6 Shop Programs

**2015 Changes Over 2014:**

The total number of positions in 2015 increases by 68, leaving the number of overall positions at 3,609. The changes are as follows:

- +68 Shop Programs

**2016 Changes Over 2015:**

The total number of positions in 2016 increases by 5, leaving the number of overall positions at 3,614. The changes are as follows:

- +5 Shop Programs

<b>MTA BUS COMPANY</b> <b>July Financial Plan 2013-2016</b> Favorable/(Unfavorable)				
<b>Total Position Changes at a Glance</b>				
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>2012 February Plan - Total Baseline Positions</b>	<b>3,526</b>	<b>3,518</b>	<b>3,507</b>	<b>3,591</b>
Total Plan-to-Plan Changes	(27)	(17)	(34)	(18)
<b>2012 July Plan - Total Baseline Positions</b>	<b>3,553</b>	<b>3,535</b>	<b>3,541</b>	<b>3,609</b>
Total Year-to-Year Changes, July Plan		18	(6)	(68)

<b>Total Plan-to-Plan Changes by Reporting Category:</b>				
<i>Non-Reimbursable</i>	(27)	(17)	(34)	(18)
<i>Reimbursable</i>	0	0	0	0
<b>Total</b>	<b>(27)</b>	<b>(17)</b>	<b>(34)</b>	<b>(18)</b>
<i>Full-Time</i>	(27)	(17)	(34)	(18)
<i>Full-Time Equivalents</i>	0	0	0	0
<b>Total</b>	<b>(27)</b>	<b>(17)</b>	<b>(34)</b>	<b>(18)</b>
<i>By Function Category</i>				
- Administration	(8)	(8)	(6)	(5)
- Operations	(5)	(5)	(5)	(5)
- Maintenance	(12)	(2)	(21)	(6)
- Engineering/Capital	0	0	0	0
- Public Safety	(2)	(2)	(2)	(2)
<b>Total</b>	<b>(27)</b>	<b>(17)</b>	<b>(34)</b>	<b>(18)</b>
<i>By Occupational Group</i>				
- Managers/Supervisors	(10)	(9)	(9)	(9)
- Professional, Technical, Clerical	(4)	(3)	(3)	(3)
- Operational Hourlies	(13)	(5)	(22)	(6)
<b>Total</b>	<b>(27)</b>	<b>(17)</b>	<b>(34)</b>	<b>(18)</b>

<b>Total Plan-to-Plan Changes by Major Category:</b>				
<i>2012 BRPs</i>	0	0	0	0
<i>New Needs</i>	(26)	(17)	(34)	(18)
<i>Change in Reimbursable Positions</i>	0	0	0	0
<i>Re-estimates &amp; All Other<sup>1</sup></i>	(1)	0	0	0
<b>Total</b>	<b>(27)</b>	<b>(17)</b>	<b>(34)</b>	<b>(18)</b>

<sup>1</sup>Includes Full Time Equivalents

**MTA BUS COMPANY**  
**July Financial Plan 2013 - 2016**  
**Total Positions by Function & Department**  
**Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents**

FUNCTION/DEPARTMENT	2011 Actual	2012 Mid-Year Forecast	2013 Preliminary Budget	2014	2015	2016
<b>Administration</b>						
Office of the EVP	4	4	4	4	4	4
Human Resources	7	6	6	6	6	6
Office of Management and Budget	16	14	14	14	14	14
Technology & Information Services	20	17	17	17	17	17
Materiel	20	19	19	19	19	19
Controller	33	15	15	15	15	15
Office of the President	10	6	5	5	5	5
System Safety Administration	1	5	5	5	5	5
Law	19	21	21	21	21	21
Corporate Communications	2	2	2	2	2	2
Strategic Office	-	8	8	8	8	8
Labor Relations	-	4	4	4	4	4
Non Departmental	-	61	63	68	71	63
<b>Total Administration</b>	<b>132</b>	<b>182</b>	<b>183</b>	<b>188</b>	<b>191</b>	<b>183</b>
<b>Operations</b>						
Buses	2,085	2,060	2,060	2,060	2,060	2,060
Office of the Executive Vice President, Regional	1	1	1	1	1	1
Safety & Training	40	21	21	21	21	21
Road Operations	119	117	117	117	117	117
Transportation Support	16	20	20	20	20	20
Operations Planning	23	30	30	30	30	30
Revenue Control	21	21	21	21	21	21
<b>Total Operations</b>	<b>2,305</b>	<b>2,270</b>	<b>2,270</b>	<b>2,270</b>	<b>2,270</b>	<b>2,270</b>
<b>Maintenance</b>						
Buses	722	738	728	728	728	728
Maintenance Support/CMF	148	154	145	146	211	224
Facilities	39	72	72	72	72	72
Supply Logistics	83	85	85	85	85	85
<b>Total Maintenance</b>	<b>992</b>	<b>1,049</b>	<b>1,030</b>	<b>1,031</b>	<b>1,096</b>	<b>1,109</b>
<b>Engineering/Capital</b>						
Capital Program Management	32	38	38	38	38	38
<b>Public Safety</b>						
Office of the Senior Vice President	10	14	14	14	14	14
<b>Total Positions</b>	<b>3,471</b>	<b>3,553</b>	<b>3,535</b>	<b>3,541</b>	<b>3,609</b>	<b>3,614</b>
Non-Reimbursable	3,424	3,489	3,471	3,477	3,545	3,550
Reimbursable	47	64	64	64	64	64
Total Full-Time	3,456	3,538	3,520	3,526	3,594	3,599
Total Full-Time Equivalents	15	15	15	15	15	15

**MTA BUS COMPANY**  
**July Financial Plan 2013 - 2016**  
**Total Positions by Function and Occupation**

<b>FUNCTION/OCCUPATIONAL GROUP</b>	<b>2011 Actual</b>	<b>2012 Mid-Year Forecast</b>	<b>2013 Preliminary Budget</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Administration</b>						
Managers/Supervisors	44	48	47	47	47	47
Professional, Technical, Clerical	88	73	73	73	73	73
Operational Hourlies	-	61	63	68	71	63
<b>Total Administration</b>	<b>132</b>	<b>182</b>	<b>183</b>	<b>188</b>	<b>191</b>	<b>183</b>
<b>Operations</b>						
Managers/Supervisors	296	302	302	302	302	302
Professional, Technical, Clerical	46	50	50	50	50	50
Operational Hourlies	1,963	1,918	1,918	1,918	1,918	1,918
<b>Total Operations</b>	<b>2,305</b>	<b>2,270</b>	<b>2,270</b>	<b>2,270</b>	<b>2,270</b>	<b>2,270</b>
<b>Maintenance</b>						
Managers/Supervisors	184	197	197	197	197	197
Professional, Technical, Clerical	13	13	13	13	13	13
Operational Hourlies	795	839	820	821	886	899
<b>Total Maintenance</b>	<b>992</b>	<b>1,049</b>	<b>1,030</b>	<b>1,031</b>	<b>1,096</b>	<b>1,109</b>
<b>Engineering/Capital</b>						
Managers/Supervisors	18	22	22	22	22	22
Professional, Technical, Clerical	14	16	16	16	16	16
Operational Hourlies	-	-	-	-	-	-
<b>Total Engineering/Capital</b>	<b>32</b>	<b>38</b>	<b>38</b>	<b>38</b>	<b>38</b>	<b>38</b>
<b>Public Safety</b>						
Managers/Supervisors	5	11	11	11	11	11
Professional, Technical, Clerical	4	3	3	3	3	3
Operational Hourlies	1	-	-	-	-	-
<b>Total Public Safety</b>	<b>10</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>14</b>	<b>14</b>
<b>Total Positions</b>						
Managers/Supervisors	547	580	579	579	579	579
Professional, Technical, Clerical	165	155	155	155	155	155
Operational Hourlies	2,759	2,818	2,801	2,807	2,875	2,880
<b>Total Baseline Positions</b>	<b>3,471</b>	<b>3,553</b>	<b>3,535</b>	<b>3,541</b>	<b>3,609</b>	<b>3,614</b>

# **Staten Island Railway**

**MTA STATEN ISLAND RAILWAY**  
**2013 Preliminary Budget**  
**July Financial Plan 2013 - 2016**

**FINANCIAL OVERVIEW**

The 2013 Preliminary Budget and projections for the years 2014-2016 provide sufficient funding to maintain current service levels as well as to maintain MTA's commitment to safety and security. Performance indicators including mean distance between failures and on-time performance remain within targeted levels.

**A major programmatic initiative** in support of R44 fleet maintenance requirements is included in this financial plan and is summarized as follows:

The SIR R44 fleet of 63 cars is now forty years old, which is considered to be the full useful life of these vehicles. It is currently estimated that the replacement of this fleet won't occur until around 2020. In order to maintain this fleet in a state of good repair to be able to operate safely and reliably, it will be necessary for this fleet to undergo a full maintenance program to be performed mostly at MTA New York City Transit's subway's facilities.

This plan includes an estimate of \$0.400 million of overtime expenses in 2013 to enable SIR to deal directly with more immediate component problems that can be addressed in the Staten Island Shop and a three year SMS fleet maintenance program (2014-2016) with an estimated cost of \$12.900 million (\$4.300 million and 21 cars per year). These preliminary cost estimates will continue to be under review and will be updated as necessary.

**A 2012 Budget Reduction Program (BRP)** is included in this financial plan and projects savings of \$0.347 million in 2012 and \$0.433 million in subsequent plan years. The major components of this program are summarized as follows:

- To date, CCTVs have been installed in the Tompkinsville Station and partly in St. George Terminal. No installations have been made at the remaining twenty stations. Due to timing of these circumstances, SIR plans to defer the filling of two electronic maintainer positions until more installations are completed. Annual savings due to this deferral are \$0.211 million per year.
- Based upon a recent review, it has been determined that telephone expenses are significantly higher than they should be, due mostly to phone line redundancies and apparent erroneous charges. All redundant phone lines have now been shut-down and an investigation into erroneous charges is underway, with the expectation that any identified erroneous charges will be presented to the vendor for reimbursement. Savings are projected to be \$0.088 million in 2012 and \$0.181 million in subsequent plan years.

- Clerical overtime efficiency savings are projected at \$0.020 million in 2012 and \$0.041 million in subsequent plan years, based on implementation of a UTS Timekeeping system and a more efficient realignment of clerical personnel.
- Vacancy maintenance savings of \$0.028 million are estimated in 2012, based on a monthly deferral of filling some current vacant positions.

## **2012 Mid-Year Forecast**

MTA Staten Island Railway's 2012 Mid-Year Forecast reflects total expenses before depreciation and other post-employment benefits (OPEB) of \$41.047 million, including \$39.375 million of non-reimbursable expenses and \$1.672 million of reimbursable expenses. Total revenues are projected to be \$9.367 million, of which \$7.695 million are operating revenues and \$1.672 million represent capital reimbursements. Total full-time positions are 271, including 268 non-reimbursable positions and 3 reimbursable positions.

The 2012 Mid-Year Forecast operating cash deficit is projected to increase by \$1.046 million, based on the following changes:

- Cash timing adjustments of \$2.099 million from 2011, including delayed expense payments, partly offset by delayed capital reimbursements.
- An expense increase of \$0.173 million to reinstate four station agent positions at St. George Terminal, to maintain safety, security and access to fare media.
- Updated inflation assumptions resulting in a \$0.160 million expense increase.
- A reduction in farebox revenue, of \$0.102 million due mostly to ridership trends.
- A pension re-estimate, to be more consistent with actuarial information resulting in a reduction in expenses of \$1.141 million.
- Savings of \$0.347 million detailed in the Budget Reduction Program. See the BRP section at the beginning of this narrative for details.

## **2013 Preliminary Budget**

MTA Staten Island Railway's 2013 Preliminary Budget reflects total expenses before depreciation and OPEB of \$40.867 million, including \$39.193 million of non-reimbursable expenses and \$1.674 million of reimbursable expenses. Total revenues are projected to be \$9.426 million, of which \$7.752 million are operating revenues and \$1.674 million represent capital reimbursements. Total full-time positions are 271, including 268 non-reimbursable positions and 3 reimbursable positions.

The 2013 Preliminary Budget operating cash deficit is projected to decrease by \$0.397 million, based on the following:



- A pension re-estimate, to be more consistent with current actuarial information, resulting in a reduction of \$0.870 million.
- Budget Reduction Program savings of \$0.433 million.
- Estimated R44 fleet maintenance requirements of \$0.400 million. Delivery of the replacement fleet has been deferred to 2020.
- An expense increase of \$0.259 million to reinstate four station agent positions at St. George Terminal, to maintain safety, security and access to fare media.
- A reduction in farebox revenue of \$0.128 million, based mostly on ridership trends.
- Updated inflation assumptions, resulting in expense increases of \$0.119 million.

### **Financial Plan 2014-2015 Projections**

Operating cash deficits are projected to increase by \$2.857 million in 2014 and \$2.458 million in 2015. Major changes include:

- Expense increases of \$4.300 million for both years to meet estimated R44 fleet maintenance requirements.
- Increased expenses of \$0.259 million for both years due to the reinstatement of four station agent positions at St. George Terminal, to maintain safety, security and access to fare media.
- Lower farebox revenue of \$0.134 million in 2014 and \$0.147 million in 2015, based mostly on ridership trends.
- Pension re-estimates to be more consistent with current actuarial information, resulting in reductions in expenses of \$0.749 million in 2014 and \$0.894 million in 2015.
- \$0.654 million in 2014 and \$0.921 million in 2015 of expense reductions, due to updated inflation assumptions.
- Savings of \$0.433 million for both years identified in the Budget Reduction Program. See BRP section at the beginning of this narrative for details.

**MTA STATEN ISLAND RAILWAY**  
**July Financial Plan 2013-2016**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

<b>Non-Reimbursable</b>						
	<b>2011</b>	<b>2012</b>	<b>2013</b>			
	<b>Actual</b>	<b>Mid-Year Forecast</b>	<b>Preliminary Budget</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Operating Revenue</b>						
Farebox Revenue	\$5.586	\$5.624	\$5.681	\$5.770	\$5.848	\$5.912
Toll Revenue						
Other Operating Revenue	2.296	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>\$7.882</b>	<b>\$7.695</b>	<b>\$7.752</b>	<b>\$7.841</b>	<b>\$7.919</b>	<b>\$7.983</b>
<b>Operating Expenses</b>						
<b><u>Labor:</u></b>						
Payroll	\$15.876	\$16.709	\$17.006	\$17.321	\$17.630	\$17.997
Overtime	1.074	0.661	1.055	0.671	0.686	0.700
Health and Welfare	2.890	3.756	4.176	4.326	4.628	4.952
OPEB Current Payment	0.536	0.657	0.728	0.754	0.807	0.863
Pensions	3.957	4.800	5.100	5.100	5.200	5.300
Other Fringe Benefits	1.438	1.264	1.290	1.314	1.339	1.364
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenses</b>	<b>\$25.771</b>	<b>\$27.847</b>	<b>\$29.355</b>	<b>\$29.486</b>	<b>\$30.290</b>	<b>\$31.176</b>
<b><u>Non-Labor:</u></b>						
Electric Power	\$4.466	\$4.897	\$5.025	\$5.138	\$5.604	\$6.107
Fuel	0.400	0.405	0.417	0.429	0.441	0.454
Insurance	0.349	0.259	0.300	0.444	0.405	0.472
Claims	0.177	0.275	0.279	0.285	0.290	0.296
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.792	1.633	1.568	5.901	5.935	5.969
Professional Service Contracts	0.408	0.418	0.425	0.433	0.440	0.449
Materials & Supplies	0.864	3.636	1.819	2.006	2.066	1.825
Other Business Expenses	0.000	0.005	0.005	0.005	0.005	0.005
<b>Total Non-Labor Expenses</b>	<b>\$7.456</b>	<b>\$11.528</b>	<b>\$9.838</b>	<b>\$14.641</b>	<b>\$15.186</b>	<b>\$15.577</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 Ac</b>	<b>\$33.227</b>	<b>\$39.375</b>	<b>\$39.193</b>	<b>\$44.127</b>	<b>\$45.476</b>	<b>\$46.753</b>
Depreciation	\$9.176	\$9.000	\$9.000	\$9.000	\$9.000	\$9.000
OPEB Obligation	2.172	2.300	2.300	2.300	2.300	2.300
Environmental Remediation	0.375	0.000	0.000	0.000	0.000	0.000
<b>Total Expenses</b>	<b>\$44.950</b>	<b>\$50.675</b>	<b>\$50.493</b>	<b>\$55.427</b>	<b>\$56.776</b>	<b>\$58.053</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$37.068)</b>	<b>(\$42.980)</b>	<b>(\$42.741)</b>	<b>(\$47.586)</b>	<b>(\$48.857)</b>	<b>(\$50.070)</b>

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**MTA STATEN ISLAND RAILWAY**  
**July Financial Plan 2013-2016**  
**Accrual Statement of Operations by Category**  
(\$ in millions)

<b>NON-REIMBURSABLE / REIMBURSABLE</b>						
	<b>2011</b>	<b>2012</b>	<b>2013</b>			
	<b>Actual</b>	<b>Mid-Year Forecast</b>	<b>Preliminary Budget</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Revenue</b>						
Farebox Revenue	\$5.586	\$5.624	\$5.681	\$5.770	\$5.848	\$5.912
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	2.296	2.071	2.071	2.071	2.071	2.071
Capital and Other Reimbursements	0.946	1.672	1.674	1.680	1.680	1.680
<b>Total Revenue</b>	<b>\$8.828</b>	<b>\$9.367</b>	<b>\$9.426</b>	<b>\$9.521</b>	<b>\$9.599</b>	<b>\$9.663</b>
<b>Expenses</b>						
<b><u>Labor:</u></b>						
Payroll	\$16.054	\$16.997	\$17.293	\$17.609	\$17.918	\$18.285
Overtime	1.262	1.365	1.759	1.375	1.390	1.404
Health and Welfare	3.046	4.265	4.689	4.843	5.145	5.469
OPEB Current Payment	0.536	0.657	0.728	0.754	0.807	0.863
Pensions	4.025	4.894	5.194	5.194	5.294	5.394
Other Fringe Benefits	1.456	1.341	1.366	1.391	1.416	1.441
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenses</b>	<b>\$26.379</b>	<b>\$29.519</b>	<b>\$31.029</b>	<b>\$31.166</b>	<b>\$31.970</b>	<b>\$32.856</b>
<b><u>Non-Labor:</u></b>						
Electric Power	\$4.466	\$4.897	\$5.025	\$5.138	\$5.604	\$6.107
Fuel	0.400	0.405	0.417	0.429	0.441	0.454
Insurance	0.349	0.259	0.300	0.444	0.405	0.472
Claims	0.177	0.275	0.279	0.285	0.290	0.296
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.792	1.633	1.568	5.901	5.935	5.969
Professional Service Contracts	0.408	0.418	0.425	0.433	0.440	0.449
Materials & Supplies	1.202	3.636	1.819	2.006	2.066	1.825
Other Business Expenses	0.000	0.005	0.005	0.005	0.005	0.005
<b>Total Non-Labor Expenses</b>	<b>\$7.794</b>	<b>\$11.528</b>	<b>\$9.838</b>	<b>\$14.641</b>	<b>\$15.186</b>	<b>\$15.577</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><u>Gap Closing Actions:</u></b>						
<i>Additional Actions for Budget Balance: Expense Impe</i>	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<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>\$0.000</b>
<b>Total Expenses before Depreciation</b>	<b>\$34.173</b>	<b>\$41.047</b>	<b>\$40.867</b>	<b>\$45.807</b>	<b>\$47.156</b>	<b>\$48.433</b>
Depreciation	\$9.176	\$9.000	\$9.000	\$9.000	\$9.000	\$9.000
OPEB Obligation	2.172	2.300	2.300	2.300	2.300	2.300
Environmental Remediation	0.375	0.000	0.000	0.000	0.000	0.000
<b>Total Expenses</b>	<b>\$45.896</b>	<b>\$52.347</b>	<b>\$52.167</b>	<b>\$57.107</b>	<b>\$58.456</b>	<b>\$59.733</b>
<b>Baseline Surplus/(Deficit)</b>	<b>(\$37.068)</b>	<b>(\$42.980)</b>	<b>(\$42.741)</b>	<b>(\$47.586)</b>	<b>(\$48.857)</b>	<b>(\$50.070)</b>

**MTA STATEN ISLAND RAILWAY**  
**July Financial Plan 2013-2016**  
**Cash Receipts & Expenditures**  
(\$ in millions)

**CASH RECEIPTS AND EXPENDITURES**

	2011 <u>Actual</u>	2012 <u>Mid-Year Forecast</u>	2013 <u>Preliminary Budget</u>	2014	2015	2016
<b>Receipts</b>						
Farebox Revenue	\$5.480	\$5.624	\$5.681	\$5.770	\$5.848	\$5.912
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	2.446	2.071	2.071	2.071	2.071	2.071
Capital and Other Reimbursements	0.231	2.387	1.674	1.680	1.680	1.680
<b>Total Receipts</b>	<b>\$8.157</b>	<b>\$10.082</b>	<b>\$9.426</b>	<b>\$9.521</b>	<b>\$9.599</b>	<b>\$9.663</b>
<b>Expenditures</b>						
<b><u>Labor:</u></b>						
Payroll	\$14.542	\$23.168	\$17.293	\$17.609	\$17.918	\$18.285
Overtime	1.483	1.365	1.759	1.375	1.390	1.404
Health and Welfare	3.237	4.265	4.689	4.843	5.145	5.469
OPEB Current Payment	0.587	0.657	0.728	0.754	0.807	0.863
Pensions	4.175	4.936	5.194	5.194	5.294	5.394
Other Fringe Benefits	1.511	1.812	1.366	1.391	1.416	1.441
GASB Account	0.317	0.347	0.379	0.415	0.415	0.415
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenditures</b>	<b>\$25.852</b>	<b>\$36.550</b>	<b>\$31.408</b>	<b>\$31.581</b>	<b>\$32.385</b>	<b>\$33.271</b>
<b><u>Non-Labor:</u></b>						
Electric Power	\$4.159	\$5.227	\$5.025	\$5.138	\$5.604	\$6.107
Fuel	0.400	0.405	0.417	0.429	0.441	0.454
Insurance	0.198	0.259	0.300	0.444	0.405	0.472
Claims	0.261	0.406	0.279	0.285	0.290	0.296
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.983	1.633	1.568	5.901	5.935	5.969
Professional Service Contracts	0.187	0.568	0.425	0.433	0.440	0.449
Materials & Supplies	1.122	3.694	1.819	2.006	2.066	1.825
Other Business Expenses	0.000	0.369	0.005	0.005	0.005	0.005
<b>Total Non-Labor Expenditures</b>	<b>\$7.310</b>	<b>\$12.561</b>	<b>\$9.838</b>	<b>\$14.641</b>	<b>\$15.186</b>	<b>\$15.577</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>\$33.162</b>	<b>\$49.111</b>	<b>\$41.246</b>	<b>\$46.222</b>	<b>\$47.571</b>	<b>\$48.848</b>
<b>Baseline Cash Deficit</b>	<b>(\$25.005)</b>	<b>(\$39.029)</b>	<b>(\$31.820)</b>	<b>(\$36.701)</b>	<b>(\$37.972)</b>	<b>(\$39.185)</b>

**MTA STATEN ISLAND RAILWAY**  
**July Financial Plan 2013-2016**  
**Cash Conversion (Cash Flow Adjustments)**  
(\$ in millions)

<b>CASH FLOW ADJUSTMENTS</b>						
	<b>2011 Actual</b>	<b>2012 Mid-Year Forecast</b>	<b>2013 Preliminary Budget</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Receipts</b>						
Farebox Revenue	(\$0.106)	\$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	0.150	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	(0.715)	0.715	0.000	0.000	0.000	0.000
<b>Total Receipts</b>	<b>(\$0.671)</b>	<b>\$0.715</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	\$1.512	(\$6.171)	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	(0.221)	0.000	0.000	0.000	0.000	0.000
Health and Welfare	(0.191)	0.000	0.000	0.000	0.000	0.000
OPEB Current Payment	(0.051)	0.000	0.000	0.000	0.000	0.000
Pensions	(0.150)	(0.042)	0.000	0.000	0.000	0.000
Other Fringe Benefits	(0.055)	(0.471)	0.000	0.000	0.000	0.000
GASB Account	(0.317)	(0.347)	(0.379)	(0.415)	(0.415)	(0.415)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total Labor Expenditures</b>	<b>\$0.527</b>	<b>(\$7.031)</b>	<b>(\$0.379)</b>	<b>(\$0.415)</b>	<b>(\$0.415)</b>	<b>(\$0.415)</b>
<b><u>Non-Labor:</u></b>						
Traction and Propulsion Power	\$0.307	(\$0.330)	\$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	0.151	(0.131)	0.000	0.000	0.000	0.000
Claims	(0.084)	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	(0.191)	(0.150)	0.000	0.000	0.000	0.000
Professional Service Contracts	0.221	(0.058)	0.000	0.000	0.000	0.000
Materials & Supplies	0.080	(0.364)	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>\$0.484</b>	<b>(\$1.033)</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>\$0.340</b>	<b>(\$7.349)</b>	<b>(\$0.379)</b>	<b>(\$0.415)</b>	<b>(\$0.415)</b>	<b>(\$0.415)</b>
Depreciation Adjustment	\$9.176	\$9.000	\$9.000	\$9.000	\$9.000	\$9.000
OPEB Obligation	2.172	2.300	2.300	2.300	2.300	2.300
Environmental Remediation	0.375	0.000	0.000	0.000	0.000	0.000
<b>Baseline Total Cash Conversion Adjustments</b>	<b>\$12.063</b>	<b>\$3.951</b>	<b>\$10.921</b>	<b>\$10.885</b>	<b>\$10.885</b>	<b>\$10.885</b>

**MTA STATEN ISLAND RAILWAY**  
**2013 Preliminary Budget**  
**July Financial Plan 2013 - 2016**  
**Year-to-Year Changes by Category-Baseline**

**TOTAL REVENUES/RECEIPTS**

**Farebox Revenue**

- Farebox revenue improves by (1.0%) or \$0.057 million in 2013, (1.6%) or \$0.089 million in 2014, (1.4%) or \$0.078 million in 2015, and (1.1%) or \$0.064 million in 2016 due to updated employment projections.

**Other Operating Revenue**

- No changes.

**Capital and Other Reimbursements**

- 2012 includes \$0.715 million of reimbursements delayed from 2011.

**TOTAL EXPENSES/EXPENDITURES**

**Payroll**

- 2013-2016 includes provisions for cost of living increases for non-represented employees, following three-years of wage freezes, of 1.97%, 1.91% 1.85% and 1.89%, respectively.
- 2013-2016 includes projected wage inflation increases for represented employees of 1.97%, 1.91%, 1.85% and 1.89%, respectively.
- 2012 includes \$1.616 million of payments, originally assumed to be paid in 2011.

**Overtime**

- Includes projected wage inflation increases as noted above for represented employees.

**Health & Welfare/OPEB Current Payment**

- 2013-2016 includes projected rate increases of 8.0%, 3.6%, 7.0% and 7.0%, respectively.

**Pension**

- Projections are based on current actuarial information and a timing impact in 2012 of \$0.042 million of payments.

**Other Fringe Benefits**

- 2013-2016 includes inflation increases of 1.66%, 1.89%, 1.88% and 1.89%, respectively. 2012 includes a timing impact of \$0.123 million of payments.

**Electric Power (Traction/Non-Traction)**

- 2013-2016 inflation assumptions based on projected New York Power Authority (NYPA)/Con Ed rate increases provided by MTA. 2012 includes \$0.330 million of payments, originally assumed to be paid in 2011.

**Fuel (Heating/Diesel)**

- 2013-2016 reflects inflationary assumptions.

**Insurance**

- 2013-2016 reflects inflationary assumptions. 2012 includes \$0.131 million of payments, originally assumed to be paid in 2011.

**Claims**

- 2013-2016 reflects inflationary assumptions of 1.66%, 1.89%, 1.88% and 1.89%, respectively.

**Maintenance and Other Operating Contracts**

- 2013-2016 reflects inflationary increases of 1.66%, 1.89%, 1.88% and 1.89%, respectively. 2012 includes \$0.150 million of payments, originally assumed to be paid in 2011.

**Professional Service Contracts**

- 2013-2016 reflects inflationary increases of 1.66%, 1.89%, 1.88% and 1.89%, respectively. 2012 includes \$0.058 million of payments, originally assumed to be paid in 2011.

**Materials and Supplies**

- 2013-2016 reflects inflationary increases of 2.88%, 2.55%, 2.13% and 1.74%, respectively. 2012 includes \$0.364 million of payments, originally assumed to be paid in 2011.

**Other Business Expenses**

- 2013-2016 reflects inflationary increases of 1.66%, 1.89%, 1.88% and 1.89%, respectively.

**Depreciation**

- Annual expenses of \$9.0 million do not increase during the Financial Plan, as no additional capital assets are projected to reach beneficial use.



**MTA STATEN ISLAND RAILWAY**  
**July Financial Plan 2013-2016**  
**Year-to-Year Changes by Category - Accrual Basis**  
**(\$ in millions)**

**NON-REIMBURSABLE**

	Favorable/(Unfavorable)								
	2012	2013	Change 2013 - 2012	2014	Change 2014 - 2013	2015	Change 2015 - 2014	2016	Change 2016 - 2015
<b><u>Revenue</u></b>									
Farebox Revenue	\$5.624	\$5.681	\$0.057	\$5.770	\$0.089	\$5.848	\$0.078	\$5.912	\$0.064
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	2.071	2.071	0.000	2.071	0.000	2.071	0.000	2.071	0.000
Capital and Other Reimbursements	0.000	0.000	\$0.000	0.000	\$0.000	0.000	\$0.000	0.000	\$0.000
<b>Total Revenue</b>	<b>\$7.695</b>	<b>\$7.752</b>	<b>\$0.057</b>	<b>\$7.841</b>	<b>\$0.089</b>	<b>\$7.919</b>	<b>\$0.078</b>	<b>\$7.983</b>	<b>\$0.064</b>
<b><u>Expenses</u></b>									
Labor:									
Payroll	\$16.709	\$17.006	(\$0.297)	\$17.321	(\$0.315)	\$17.630	(\$0.309)	\$17.997	(\$0.367)
Overtime	0.661	1.055	(0.394)	0.671	0.384	0.686	(0.015)	0.700	(0.014)
Health and Welfare	3.756	4.176	(0.420)	4.326	(0.150)	4.628	(0.302)	4.952	(0.324)
OPEB Current Payment	0.657	0.728	(0.071)	0.754	(0.026)	0.807	(0.053)	0.863	(0.056)
Pensions	4.800	5.100	(0.300)	5.100	0.000	5.200	(0.100)	5.300	(0.100)
Other Fringe Benefits	1.264	1.290	(0.026)	1.314	(0.024)	1.339	(0.025)	1.364	(0.025)
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>\$27.847</b>	<b>\$29.355</b>	<b>(\$1.508)</b>	<b>\$29.486</b>	<b>(\$0.131)</b>	<b>\$30.290</b>	<b>(\$0.804)</b>	<b>\$31.176</b>	<b>(\$0.886)</b>
Non-Labor:									
Traction and Propulsion Power	\$4.897	\$5.025	(\$0.128)	\$5.138	(\$0.113)	\$5.604	(\$0.466)	\$6.107	(\$0.503)
Fuel for Buses and Trains	0.405	0.417	(0.012)	0.429	(0.012)	0.441	(0.012)	0.454	(0.013)
Insurance	0.259	0.300	(0.041)	0.444	(0.144)	0.405	0.039	0.472	(0.067)
Claims	0.275	0.279	(0.004)	0.285	(0.006)	0.290	(0.005)	0.296	(0.006)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	1.633	1.568	0.065	5.901	(4.333)	5.935	(0.034)	5.969	(0.034)
Professional Service Contracts	0.418	0.425	(0.007)	0.433	(0.008)	0.440	(0.007)	0.449	(0.009)
Materials & Supplies	3.636	1.819	1.817	2.006	(0.187)	2.066	(0.060)	1.825	0.241
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>\$11.528</b>	<b>\$9.838</b>	<b>\$1.690</b>	<b>\$14.641</b>	<b>(\$4.803)</b>	<b>\$15.186</b>	<b>(\$0.545)</b>	<b>\$15.577</b>	<b>(\$0.391)</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>\$39.375</b>	<b>\$39.193</b>	<b>\$0.182</b>	<b>\$44.127</b>	<b>(\$4.934)</b>	<b>\$45.476</b>	<b>(\$1.349)</b>	<b>\$46.753</b>	<b>(\$1.277)</b>
Depreciation	\$9.000	\$9.000	\$0.000	\$9.000	\$0.000	\$9.000	\$0.000	\$9.000	\$0.000
OPEB Obligation	2.300	2.300	0.000	2.300	0.000	2.300	0.000	2.300	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>\$50.675</b>	<b>\$50.493</b>	<b>\$0.182</b>	<b>\$55.427</b>	<b>(\$4.934)</b>	<b>\$56.776</b>	<b>(\$1.349)</b>	<b>\$58.053</b>	<b>(\$1.277)</b>
<b>Net Surplus/(Deficit)</b>	<b>(\$42.980)</b>	<b>(\$42.741)</b>	<b>\$0.239</b>	<b>(\$47.586)</b>	<b>(\$4.845)</b>	<b>(\$48.857)</b>	<b>(\$1.271)</b>	<b>(\$50.070)</b>	<b>(\$1.213)</b>

## REIMBURSABLE

[illegible]

**MTA STATEN ISLAND RAILWAY**  
**July Financial Plan 2013-2016**  
**Year-to-Year Changes by Category - Cash Receipts and Expenditures**  
**(\$ in millions)**

	Favorable/(Unfavorable)								
	2012	2013	Change 2013 - 2012	2014	Change 2014 - 2013	2015	Change 2015 - 2014	2016	Change 2016 - 2015
<b><u>Receipts</u></b>									
Farebox Revenue	\$5.624	\$5.681	\$0.057	\$5.770	\$0.089	\$5.848	\$0.078	\$5.912	\$0.064
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	2.387	1.674	(0.713)	1.680	0.006	1.680	0.000	1.680	0.000
<b>Total Receipts</b>	<b>\$10.082</b>	<b>\$9.426</b>	<b>(\$0.656)</b>	<b>\$9.521</b>	<b>\$0.095</b>	<b>\$9.599</b>	<b>\$0.078</b>	<b>\$9.663</b>	<b>\$0.064</b>
<b><u>Expenditures</u></b>									
Labor:									
Payroll	\$23.168	\$17.293	\$5.875	\$17.609	(\$0.316)	\$17.918	(\$0.309)	\$18.285	(\$0.367)
Overtime	1.365	1.759	(0.394)	1.375	0.384	1.390	(0.015)	1.404	(0.014)
Health and Welfare	4.265	4.689	(0.424)	4.843	(0.154)	5.145	(0.302)	5.469	(0.324)
OPEB Current Payment	0.657	0.728	(0.071)	0.754	(0.026)	0.807	(0.053)	0.863	(0.056)
Pensions	4.936	5.194	(0.258)	5.194	0.000	5.294	(0.100)	5.394	(0.100)
Other Fringe Benefits	1.812	1.366	0.446	1.391	(0.025)	1.416	(0.025)	1.441	(0.025)
GASB Account	0.347	0.379	(0.032)	0.415	(0.036)	0.415	0.000	0.415	0.000
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>\$36.550</b>	<b>\$31.408</b>	<b>\$5.142</b>	<b>\$31.581</b>	<b>(\$0.173)</b>	<b>\$32.385</b>	<b>(\$0.804)</b>	<b>\$33.271</b>	<b>(\$0.886)</b>
Non-Labor:									
Traction and Propulsion Power	\$5.227	\$5.025	\$0.202	\$5.138	(\$0.113)	\$5.604	(\$0.466)	\$6.107	(\$0.503)
Fuel for Buses and Trains	0.405	0.417	(0.012)	0.429	(0.012)	0.441	(0.012)	0.454	(0.013)
Insurance	0.259	0.300	(0.041)	0.444	(0.144)	0.405	0.039	0.472	(0.067)
Claims	0.406	0.279	0.127	0.285	(0.006)	0.290	(0.005)	0.296	(0.006)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	1.633	1.568	0.065	5.901	(4.333)	5.935	(0.034)	5.969	(0.034)
Professional Service Contracts	0.568	0.425	0.143	0.433	(0.008)	0.440	(0.007)	0.449	(0.009)
Materials & Supplies	3.694	1.819	1.875	2.006	(0.187)	2.066	(0.060)	1.825	0.241
Other Business Expenses	0.369	0.005	0.364	0.005	0.000	0.005	0.000	0.005	0.000
<b>Total Non-Labor Expenditures</b>	<b>\$12.561</b>	<b>\$9.838</b>	<b>\$2.723</b>	<b>\$14.641</b>	<b>(\$4.803)</b>	<b>\$15.186</b>	<b>(\$0.545)</b>	<b>\$15.577</b>	<b>(\$0.391)</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>\$49.111</b>	<b>\$41.246</b>	<b>\$7.865</b>	<b>\$46.222</b>	<b>(\$4.976)</b>	<b>\$47.571</b>	<b>(\$1.349)</b>	<b>\$48.848</b>	<b>(\$1.277)</b>
<b>Net Cash Deficit</b>	<b>(\$39.029)</b>	<b>(\$31.820)</b>	<b>\$7.209</b>	<b>(\$36.701)</b>	<b>(\$4.881)</b>	<b>(\$37.972)</b>	<b>(\$1.271)</b>	<b>(\$39.185)</b>	<b>(\$1.213)</b>

**MTA STATEN ISLAND RAILWAY**  
**2013 Preliminary Budget**  
**July Financial Plan 2013-2016**  
**Summary of Plan to Plan Changes-Baseline**

**2012: July Financial Plan vs. February Financial Plan**

**Revenue Re-estimates**

- A reduction in farebox revenue of \$0.102 million, based mostly on a recent ridership trend.

**Expense Re-estimates**

- Reduced pension expenses of \$1.141 million, based on current actuarial information.
- Reduced other post-employment benefit liability accrued expenses of \$0.700 million, also based on current actuarial information.
- Budget Reduction Program savings of \$0.347 million.
- A \$0.173 million increase in expenses reflects the reinstatement of four station agent positions at St. George Terminal, to improve safety, security and access to fare media.
- Updated inflation assumptions resulting in expense increases of \$0.160 million.

**Cash Adjustments**

- Unfavorable timing of expenditures from 2011 of \$2.099 million.
- Cash offset to other post-employment benefit liability decrease of \$0.700 million.

**2013-2015: July Financial Plan vs. February Financial Plan**

**Revenue Re-estimates**

- Lower farebox revenues of \$0.128 million in 2013, \$0.134 million in 2014 and \$0.147 million in 2015, due mostly to a recent ridership trend.

## **Expense Re-estimates**

- R44 fleet maintenance requirements of \$0.400 million in 2013 and \$4.300 million in both 2014 and 2015.
- Pension re-estimates, to be consistent with current actuarial information, resulting in reductions of \$0.870 million in 2013, \$0.749 million in 2014 and \$0.894 million in 2015.
- Other post-employment benefit liability re-estimate, to be more consistent with current actuarial information, resulting in reductions of \$0.700 million each year.
- Budget Reduction Program savings of \$0.433 million for each year.
- Expense increases of \$0.259 million for each year to reinstate four station agent positions at the St. George Terminal to maintain safety, security and access to fare media.
- Updated inflation assumptions resulting in a net expense increase of \$0.119 million in 2014 and net expense decreases of \$0.654 million in 2014 and \$0.921 million in 2015.

## **Cash Adjustments**

- Cash offset to other post-employment benefit liability expense decrease of \$0.700 million.

**MTA STATEN ISLAND RAILWAY**  
**July Financial Plan 2013-2016**  
**Changes Between Financial Plans by Generic Categories**  
**(\$ in millions)**

<b>NON-REIMBURSABLE</b>				
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>February Financial Plan Net Cash Deficit</b>	<b>(\$37.983)</b>	<b>(\$32.217)</b>	<b>(\$33.844)</b>	<b>(\$35.514)</b>
<b>Baseline Changes</b>				
<b>Revenue</b>				
Farebox Revenue	(\$0.102)	(\$0.128)	(\$0.134)	(\$0.147)
Other Operating Revenue	0.000	0.000	0.000	0.000
Capital and Other Reimbursement	0.000	0.000	0.000	0.000
<b>Total Revenue Changes</b>	<b>(\$0.102)</b>	<b>(\$0.128)</b>	<b>(\$0.134)</b>	<b>(\$0.147)</b>
<b>Expenses</b>				
<i>Labor:</i>				
Payroll	\$0.057	(\$0.038)	(\$0.038)	(\$0.038)
Overtime	0.020	(0.359)	0.041	0.041
Health and Welfare	0.025	(0.194)	(0.027)	0.013
OPEB Current Payment	(0.018)	(0.050)	(0.021)	(0.014)
Pensions	1.141	0.870	0.749	0.894
Other Fringe Benefits	0.012	0.000	(0.001)	0.003
Reimbursable Overhead				
<b>Total Labor Expense Changes</b>	<b>\$1.237</b>	<b>\$0.229</b>	<b>\$0.703</b>	<b>\$0.899</b>
<i>Non-Labor:</i>				
Electric Power	(\$0.178)	\$0.242	\$0.765	\$1.027
Fuel	0.004	0.010	(0.007)	(0.019)
Insurance	0.007	(0.007)	(0.003)	(0.050)
Claims	0.002	0.003	0.003	0.004
Paratransit Service Contracts	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.101	0.149	(4.161)	(4.136)
Professional Service Contracts	0.003	0.004	0.006	0.007
Materials & Supplies	(0.021)	(0.105)	(0.029)	(0.043)
Other Business Expenses	0.000	0.000	0.000	0.000
<b>Total Non-Labor Expense Changes</b>	<b>(\$0.082)</b>	<b>\$0.296</b>	<b>(\$3.426)</b>	<b>(\$3.210)</b>
<b>Total Expense Changes before Depreciation &amp; GASB Adjs.</b>	<b>\$1.155</b>	<b>\$0.525</b>	<b>(\$2.723)</b>	<b>(\$2.311)</b>
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Obligation	0.700	0.700	0.700	0.700
Environmental Remediation	0.000	0.000	0.000	0.000
<b>Total Depreciation and GASB Adjs. Changes</b>	<b>\$0.700</b>	<b>\$0.700</b>	<b>\$0.700</b>	<b>\$0.700</b>
<b>Cash Adjustment Changes</b>				
OPEB Obligation	(\$0.700)	(\$0.700)	(\$0.700)	(\$0.700)
Timing of 2011 Results to 2012	(2.099)	0.000	0.000	0.000
<b>Total Cash Adjustment Changes</b>	<b>(\$2.799)</b>	<b>(\$0.700)</b>	<b>(\$0.700)</b>	<b>(\$0.700)</b>
<b>Total Baseline Changes</b>	<b>(\$1.046)</b>	<b>\$0.397</b>	<b>(\$2.857)</b>	<b>(\$2.458)</b>
<b>July Financial Plan Net Cash Deficit</b>	<b>(\$39.029)</b>	<b>(\$31.820)</b>	<b>(\$36.701)</b>	<b>(\$37.972)</b>

**MTA STATEN ISLAND RAILWAY**  
**July Financial Plan 2013-2016**  
**Changes Between Financial Plans by Generic Categories**  
**(\$ in millions)**

REIMBURSABLE				
	2012	2013	2014	2015
February Financial Plan Net Cash Deficit	\$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>	\$0.000	\$0.000	\$0.000	\$0.000
<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>	\$0.000	\$0.000	\$0.000	\$0.000
<i>Non-Labor:</i>				
Traction and Propulsion Power				
Fuel for Buses and Trains				
Insurance				
Claims				
Paratransit Service Contracts				
Maintenance and Other Operating Contracts				
Materials & Supplies				
Other Business Expenses				
<b>Total Non-Labor Expense Changes</b>	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Expense Changes</b>	\$0.000	\$0.000	\$0.000	\$0.000
<b>Cash Adjustment Changes</b>				
<b>Total Cash Adjustment Changes</b>	\$0.000	\$0.000	\$0.000	\$0.000
<b>Total Baseline Changes</b>	\$0.000	\$0.000	\$0.000	\$0.000
July Financial Plan Net Cash Deficit	\$0.000	\$0.000	\$0.000	\$0.000

**MTA Staten Island Railway**  
**July Financial Plan 2013-2016**  
**Summary of Major Programmatic Changes Between Financial Plans**  
**(\$ in millions)**

**NON-REIMBURSABLE and REIMBURSABLE**

	2012	2013	2014	2015
<b>February Financial Plan Net Cash Deficit</b>				
<b><i>Non-Reimbursable Major Changes</i></b>	<b>(\$37.983)</b>	<b>(\$32.217)</b>	<b>(\$33.844)</b>	<b>(\$35.514)</b>
<b>Revenue</b>				
Farebox Revenue	(0.102)	(0.128)	(0.134)	(0.147)
Sub-Total Non-Reimbursable Revenue Changes	(0.102)	(0.128)	(0.134)	(0.147)
<b>Expenses</b>				
R44 Fleet Maintenance Requirements-Delay in Fleet Replacement Timing*	\$0.000	(\$0.400)	(\$4.300)	(\$4.300)
Reinstate Four St. George Station Agent Positions Planned to be Eliminated	(0.173)	(0.259)	(0.259)	(0.259)
2012 Budget Reduction Plan (BRP) Savings Program	0.347	0.433	0.433	0.433
Pension Re-estimates	1.141	0.870	0.749	0.894
Other Postemployment Benefits Re-estimate (non-cash)	0.700	0.700	0.700	0.700
Revised Inflation Assumptions-Mostly Reduced Power Prices	(0.160)	(0.119)	0.654	0.921
Sub-Total Non-Reimbursable Expense Changes	\$1.855	\$1.225	(\$2.023)	(\$1.611)
<b>Total Non-Reimbursable Major Changes</b>	<b>\$1.753</b>	<b>\$1.097</b>	<b>(\$2.157)</b>	<b>(\$1.758)</b>
<b><i>Reimbursable Major Changes</i></b>				
Sub-Total Reimbursable Revenue Changes	\$0.000	\$0.000	\$0.000	\$0.000
Sub-Total Reimbursable Expense Changes	0.000	0.000	0.000	0.000
<b>Total Reimbursable Major Changes</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>	<b>\$0.000</b>
<b>Total Accrual Changes</b>	<b>\$1.753</b>	<b>\$1.097</b>	<b>(\$2.157)</b>	<b>(\$1.758)</b>
<b><i>Cash Adjustment Changes</i></b>				
Other Postemployment Benefits Cash Offset to Expense Re-estimate	(\$0.700)	(\$0.700)	(\$0.700)	(\$0.700)
Timing of 2011 Cash Results from 2011 to 2012	(2.099)	0.000	0.000	0.000
<b>Total Cash Adjustment Changes</b>	<b>(\$2.799)</b>	<b>(\$0.700)</b>	<b>(\$0.700)</b>	<b>(\$0.700)</b>
<b>Total Baseline Changes</b>	<b>(\$1.046)</b>	<b>\$0.397</b>	<b>(\$2.857)</b>	<b>(\$2.458)</b>
<b>July Financial Plan Net Cash Deficit</b>	<b>(\$39.029)</b>	<b>(\$31.820)</b>	<b>(\$36.701)</b>	<b>(\$37.972)</b>

\*Preliminary estimates subject to further review/update.



**MTA STATEN ISLAND RAILWAY**  
**2013 Preliminary Budget**  
**July Financial Plan 2013-2016**  
**Ridership/(Utilization)**

- A re-estimate of non-student ridership is projected to decrease ridership below the February Financial Plan by 0.036 million in 2012.
- 2013-2016 ridership growth projects virtually the same annual employment growth in 2013 as in the August 2011 forecast used for the February Financial Plan, and lower employment growth in 2014, 2015 and 2016. As a result of the new employment forecast, ridership decreases from the February Plan in 2012, stay the same in 2013, then get slightly larger in 2014, 2015 and 2016.
- Annual ridership is projected to be below the February Financial Plan by 0.035 million in 2013, 0.038 million in 2014, 0.046 million in 2015 and 0.059 million in 2016.

**MTA STATEN ISLAND RAILWAY**  
**July Financial Plan 2013-2016**  
**Ridership/(Utilization)**  
**(in millions)**

	2011	2012	2013			
	Actual	Mid-Year	Preliminary	2014	2015	2016
		Forecast	Budget			

**RIDERSHIP**

Fixed Route	4.583	4.622	4.681	4.743	4.797	4.842
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<b>Baseline Total Ridership</b>	<b>4.583</b>	<b>4.622</b>	<b>4.681</b>	<b>4.743</b>	<b>4.797</b>	<b>4.842</b>
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**FAREBOX REVENUE**

Fixed Route	\$5.586	\$5.624	\$5.681	\$5.770	\$5.848	\$5.912
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<b>Baseline Total Revenue</b>	<b>\$5.586</b>	<b>\$5.624</b>	<b>\$5.681</b>	<b>\$5.770</b>	<b>5.848</b>	<b>5.912</b>
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**MTA Staten Island Railway  
July Financial Plan 2013-2016  
2012 Budget Reduction Plan Summary  
(\$ in millions)**

	Favorable/(Unfavorable)									
	Pos.	2012	Pos.	2013	Pos.	2014	Pos.	2015	Pos.	2016
<u>Administration</u>										
Telephone Expenses, Clerical Overtime & Vacancy Savings	—	0.136	—	0.222	—	0.222	—	0.222	—	0.222
Subtotal Administration	-	0.136	-	0.222	-	\$0.222	-	\$0.222	-	\$0.222
<u>Customer Convenience/Amenities</u>										
None	—	0.000	—	0.000	—	0.000	—	0.000	—	0.000
Subtotal Customer Convenience/Amenities	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Maintenance</u>										
Defer Filling of 2 Positions Until CCTVs Installed at Stations	—	0.211	—	0.211	—	0.211	—	0.211	—	0.211
Subtotal Maintenance	-	0.211	-	0.211	-	0.211	-	0.211	-	0.211
<u>Revenue Enhancement</u>										
None	—	0.000	—	0.000	—	0.000	—	0.000	—	0.000
Subtotal Revenue Enhancement	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Safety/Security</u>										
None	—	0.000	—	0.000	—	0.000	—	0.000	—	0.000
Subtotal Safety	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Service</u>										
None	—	0.000	—	0.000	—	0.000	—	0.000	—	0.000
Subtotal Service	-	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
Subtotal Service Support	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Other</u>										
None	—	0.000	—	0.000	—	0.000	—	0.000	—	0.000
Subtotal Other	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<b>Agency Submission</b>	-	<b>\$0.347</b>	-	<b>\$0.433</b>	-	<b>\$0.433</b>	-	<b>\$0.433</b>	-	<b>\$0.433</b>

MTA Staten Island Railway  
July Financial Plan 2013-2016  
2012 Budget Reduction Plan Worksheet

**Category by Function:** Administration

**Program:** Telephone Expenses, Clerical Overtime, and Vacancy Savings

<b>Background Details:</b>	Telephone expenses are estimated to be reduced by \$181K annually, mostly by eliminating multiple line redundancies. Clerical overtime expenses are estimated to be reduced by \$41K annually, to result from the installation of a new UTS Timekeeping system effective mid 2012 and a more efficient realignment of clerical personnel. \$28K of vacancy savings are estimated to be achieved in 2012.
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<b>Program Description/ Implementation Plan:</b>	See above		
<b>Program Implementation Date:</b>	<b>When will savings begin?:</b>	2012	
	<b>Are these savings recurring?:</b>	Telephone/overtime savings-Yes Vacancy Savings-only 2012	
<b>Other Issues:</b>			

	Favorable/(Unfavorable)				
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.136	\$0.222	\$0.222	\$0.222	\$0.222
<i>Total Positions Required:</i>					

MTA Staten Island Railway  
July Financial Plan 2013-2016  
2012 Budget Reduction Plan Worksheet

**Category by Function:** Maintenance

**Program:** Defer Filling of 2 Maintainer Positions Until CCTVs are Installed at Stations

<b>Background Details:</b>	CCTV's installed at Tomkinsville, partially at St. George, none at other 18 stations. When other installations are sufficiently complete, positions will be filled and replacement savings will be identified.
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<b>Program Description/Implementation Plan:</b>	Deferral of filling positions effective 1/1/12. Timing of CCTV installations at other 18 stations based on unclear Capital Project implementation plan		
<b>Public hearings required?:</b>	No	<b>If Yes, when?:</b>	N/A
<b>Labor agreement concerns?:</b>	No	<b>If Yes, describe in Other Issues below.</b>	N/A
<b>Layoffs required?:</b>	No	<b>If Yes, when?:</b>	N/A
<b>Program Implementation Date:</b>	<b>When will savings begin?:</b>		1/1/12
	<b>Are these savings recurring?:</b>		Yes
<b>Other Issues:</b>			

	Favorable/(Unfavorable)				
	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.211	\$0.211	\$0.211	\$0.211	\$0.211

*Total Positions Required:*  
*(List Title of Positions)*  
**Custodial Assistant**

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

Other  
(Identify Appropriate Indicator)

*List of Other Concerns:*

**MTA STATEN ISLAND RAILWAY  
2013 Preliminary Budget  
July Financial Plan 2013-2016  
Positions**

**2013-2016: July Financial Plan vs. February Financial Plan**

Four hourly station agent positions were reinstated at St. George Terminal to maintain safety, security and access to fare media.

All other changes versus the February Financial Plan were due to offsetting reclassification consistency adjustments. Total positions did not change due to these adjustments.

<b>MTA Staten Island Railroad</b> <b>July Financial Plan 2013-2016</b> Favorable/(Unfavorable)				
<b>Total Position Changes at a Glance</b>				
	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>2012 February Plan - Total Baseline Positions</b>	<b>267</b>	<b>267</b>	<b>267</b>	<b>267</b>
Total Plan-to-Plan Changes	(4)	(4)	(4)	(4)
<b>2012 July Plan - Total Baseline Positions</b>	<b>271</b>	<b>271</b>	<b>271</b>	<b>271</b>
Total Year-to-Year Changes, July Plan		0	0	0

<b>Total Plan-to-Plan Changes by Reporting Category:</b>				
<i>Non-Reimbursable</i>	(4)	(4)	(4)	(4)
<i>Reimbursable</i>	0	0	0	0
<b>Total</b>	<b>(4)</b>	<b>(4)</b>	<b>(4)</b>	<b>(4)</b>
<i>Full-Time</i>	(4)	(4)	(4)	(4)
<i>Full-Time Equivalents</i>	0	0	0	0
<b>Total</b>	<b>(4)</b>	<b>(4)</b>	<b>(4)</b>	<b>(4)</b>
<i>By Function Category</i>				
- Administration	(7)	(7)	(7)	(7)
- Operations	0	0	0	0
- Maintenance	3	3	3	3
- Engineering/Capital	0	0	0	0
- Public Safety	0	0	0	0
<b>Total</b>	<b>(4)</b>	<b>(4)</b>	<b>(4)</b>	<b>(4)</b>
<i>By Occupational Group</i>				
- Managers/Supervisors	(2)	(2)	(2)	(2)
- Professional, Technical, Clerical	(2)	(2)	(2)	(2)
- Operational Hourlies	0	0	0	0
<b>Total</b>	<b>(4)</b>	<b>(4)</b>	<b>(4)</b>	<b>(4)</b>

<b>Total Plan-to-Plan Changes by Major Category:</b>				
<i>2012 BRPs</i>	0	0	0	0
<i>New Needs</i>	0	0	0	0
<i>Change in Reimbursable Positions</i>	0	0	0	0
<i>Re-estimates &amp; All Other<sup>1</sup></i>	(4)	(4)	(4)	(4)
<b>Total</b>	<b>(4)</b>	<b>(4)</b>	<b>(4)</b>	<b>(4)</b>

<sup>1</sup>Includes Full Time Equivalents

**MTA STATEN ISLAND RAILWAY**  
**July Financial Plan 2013-2016**  
**Total Positions by Function and Department**  
**Non-Reimbursable/Reimbursable and Full-Time/Full Time Equivalents**

FUNCTION/DEPARTMENT	2011 Actual	2012 Mid-Year Forecast	2013 Preliminary Budget	2014	2015	2016
<b>Administration</b>						
Executive	14	14	14	14	14	14
General Office	7	8	8	8	8	8
Purchasing/Stores	7	6	6	6	6	6
<b>Total Administration</b>	<b>28</b>	<b>28</b>	<b>28</b>	<b>28</b>	<b>28</b>	<b>28</b>
<b>Operations</b>						
Transportation	93	91	91	91	91	91
<b>Maintenance</b>						
Mechanical	44	43	43	43	43	43
Electronic/Electrical	-	12	12	12	12	12
Power/Signals	24	26	26	26	26	26
Maintenance of Way	46	46	46	46	46	46
Infrastructure	30	25	25	25	25	25
<b>Total Maintenance</b>	<b>144</b>	<b>152</b>	<b>152</b>	<b>152</b>	<b>152</b>	<b>152</b>
<b>Engineering/Capital</b>						
None		-	-	-	-	-
<b>Public Safety</b>						
Police		-	-	-	-	-
<b>Baseline Total Positions</b>	<b>265</b>	<b>271</b>	<b>271</b>	<b>271</b>	<b>271</b>	<b>271</b>
Non-Reimbursable	262	268	268	268	268	268
Reimbursable	3	3	3	3	3	3
Total Full-Time	265	271	271	271	271	271
Total Full-Time Equivalents						



**MTA STATEN ISLAND RAILWAY**  
**July Financial Plan 2013-2016**  
**Total Positions by Function and Occupation**

FUNCTION/OCCUPATIONAL GROUP	2012		2013 Preliminary Budget	2014	2015	2016
	2011 Actual	Mid-Year Forecast				
<b>Administration</b>						
Managers/Supervisors	16	16	16	16	16	16
Professional, Technical, Clerical	12	12	12	12	12	12
Operational Hourlies	-	-	-	-	-	-
<b>Total Administration</b>	28	28	28	28	28	28
<b>Operations</b>						
Managers/Supervisors	4	5	5	5	5	5
Professional, Technical, Clerical	4	3	3	3	3	3
Operational Hourlies	85	83	83	83	83	83
<b>Total Operations</b>	93	91	91	91	91	91
<b>Maintenance</b>						
Managers/Supervisors	7	7	7	7	7	7
Professional, Technical, Clerical	4	3	3	3	3	3
Operational Hourlies	133	142	142	142	142	142
<b>Total Maintenance</b>	144	152	152	152	152	152
<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 Positions</b>						
Managers/Supervisors	27	28	28	28	28	28
Professional, Technical, Clerical	20	18	18	18	18	18
Operational Hourlies	218	225	225	225	225	225
<b>Baseline Total Positions</b>	265	271	271	271	271	271

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