

MTA Bus Company

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

Mission Statement

The MTA Bus Company (MTABC) is committed to providing a safe, reliable, convenient and efficient bus service throughout the boroughs of Queens, Bronx, Brooklyn and Manhattan, and parts of Yonkers and Western Nassau County.

Agency Overview

In September 2004, the MTA created the MTA Bus Company as a subsidiary of the Authority in order to effectuate an agreement with the City of New York to consolidate the operations of seven private bus companies. The agreement was implemented as a result of the mutual desire of the MTA and the City of New York to improve the quality and efficiency of bus service formerly provided by private bus operators pursuant to franchises granted by the City. The agreement, as approved by the MTA Board, provided for the City to pay MTABC the difference between the actual cost of operation of the bus routes and all revenues and subsidies received by MTABC and allocable to the operation of the bus routes. Thus, the current costs of MTABC operations are 100% reimbursable by the City.

The transition of service of the seven private bus companies into MTABC began on January 3, 2005 with the transfer of operations of the former Liberty Lines Express, Inc. The transition was completed on February 20, 2006 as Triboro Coach Corporation became the seventh and final private bus company to join the operations of the MTABC. When the transition was completed, MTABC was operating over 1,250 buses serving approximately 350,000 riders daily. MTABC operates 46 local routes servicing the Bronx, Brooklyn and Queens, and 35 premium fare express routes between Manhattan and the Bronx, Brooklyn and Queens.

MTABC is committed to aggressively upgrading the overall service delivery of its bus operations through the replacement of an aged bus fleet, the institution of new maintenance practices and the establishment of a routinized service monitoring and adjustment program to facilitate positive service revisions within the transportation market.

Between 2005 and early 2007, MTABC introduced 475 new "over-the-road" express buses into service, and a total of 76% of the express fleet has been replaced since the transition into MTABC commenced. In addition, the delivery of 284 new hybrid electric buses for local service was completed in October 2007. With the new bus deliveries completed, a total of 759 new buses or almost 60% of the fleet have been replaced. The infusion of new buses into the MTABC fleet,

in conjunction with the introduction of comprehensive maintenance programs designed to improve the reliability of the older buses inherited from the private bus companies, has allowed MTABC the opportunity to address a number of other critical areas: environmental initiatives, safety, security and skills training, the introduction of a centralized road operations unit to ensure consistent delivery of transportation services throughout MTABC depots, facility upgrades and improvements, and service/route improvements. As a new subsidiary of the MTA, MTABC has been able to successfully partner and utilize the established services of other agencies within the MTA to provide technical expertise in numerous areas, including bus and electronics maintenance, voice and data networks, human resources and medical services, to help achieve its objectives and better utilize existing resources. In May 2008, the MTA combined the structure of its 3 bus units: MTA Bus Company, Long Island Bus, and New York City Transit – Department of Buses resulting in a joint effort to address policy regarding transportation, maintenance, and support function.

Fixed route ridership levels have increased dramatically from the inception of service transition in 2005. Ridership was 92.2 million in 2005, 99.3 million in 2006, 110.3 million for 2007 and 2008 levels are projected to be 119.8 million, or almost 30% higher than 2005 levels. This increase in ridership is attributable to the hundreds of new buses, improved on-time performance and maintenance, and targeted service enhancements. Due to current fiscal conditions ridership is projected to remain relatively stable in-line with economic conditions throughout the region.

Financial Overview

Transitioning seven different private companies with different collective bargaining agreements, bus fleets, facility conditions and workforce skills into a single, new public sector agency has provided for a unique and difficult challenge to balance service levels and productivity with cost efficiencies. The 2008 Budget continued the evolution bringing Bus Company operations to a high level of performance. The 2009 budget reflects the reality of changing from growth mode to stable operational levels, and also reflects the combined perspective of a single management structure that was established in May 2008 to comprehensively manage all bus operations within the MTA.

2008 November Forecast

The November Plan reflects comparable assumptions regarding labor and non-labor expenses to those included in the July plan, and reflect the full cost of basic service delivery funding requirements for MTA Bus Company operations during the past two years. The service enhancements made across many local and express bus routes, and the resulting positive ridership gains, have been sustained throughout 2008. Difficulties included in recruiting operating maintenance staff and incremental increases to service are resulting in overtime

overruns. Proposed 2008 non-labor expenses have also grown from prior assumptions, primarily where fuel costs grew at a high rate and supplies expenses tied to newer buses ran below adopted budget assumptions.

2009 Final Proposed Budget — Baseline

In 2009, the Bus Company's main objectives will be to focus on continued reliability improvements to the bus fleet, successfully introduce new buses into the fleet, address the condition and security of its facilities, enhance the quality and attractiveness of bus service, fully handle all Bus Company financial reporting functions and upgrade the skills of its existing employees while introducing additional professional expertise into its operations. MTABC's 2009 Final Proposed Budget includes total expenses before depreciation of \$475.2 million. Total revenues are projected to be \$176.0 million. Total baseline full-time positions are 3,565 (3,549 non-reimbursable and 16 reimbursable).

The major components of the 2009 MTABC Preliminary Budget are summarized as follows:

Labor

- Continued management focus filling critical operating vacancies while exploring economies through regional integration of some positions.
- A substantial reduction in the utilization of unscheduled overtime to meet service and maintenance levels.
- Reallocation of staff positions to meet the significant challenges in building an adequate support organization to meet public sector mandates.
- Utilization of an engineering staff to manage the facilities projects funded through the MTABC's Capital Budget.
- Institution of best practices across all three agencies as a result of the Regional Bus approach to operations.

Non-Labor

OTPS expenses are decreasing in 2009 by \$3.1 million over 2008 levels due to several factors:

- Fuel is expected to be lower (\$.1 million)
- Reserve for public liability claims (\$10.4 million).
- Reduced reliance on maintenance contracts for facility and bus repairs (\$4.8million).
- Other Business Expenses decline (\$2.8 million)

- Materials and supplies expenses increase as the newer bus fleet requires more maintenance (\$7.8 million).
- Professional Service Contracts grow (\$5.2 million) due primarily to the institution of a rigorous traffic checking program in conjunction with NYCT
- Insurance — higher worker's compensation policy costs (\$2.0 million)

2009-2012 Projections

The 2009-2012 projections reflect an increase change in headcount of 54 positions from the baseline 2009 Preliminary Budget Proposal. Salary and Wage projections incorporate CPI increases of 1.87% (2010), 2.23% (2011) and 2.20% (2012). Health and Welfare (H&W) expenses were established based on the estimated 2009 per employee expense. For the 2010-2012 period, H&W expenses were increased by 7.0% per annum in accordance with New York State Department of Civil Service guidance.

Diesel fuel wholesale prices for 2009 are projected to decrease by 3.0% relative to 2008 levels, and decreases of 5.0% in 2010 from 2009 levels, 4.0 % in 2011 from 2010 levels and increase 6.0% in 2012 over 2011 levels were included. Compressed Natural Gas (CNG) fuel expenses assume an 8.0% decrease in 2009 over 2008 levels, an increase of 4.0% in 2010 over 2009 levels, and decreases of 2.0% in 2011 from 2010 and 2.0% in 2012 from 2011 levels.

Other OTPS expense assumptions for 2009-2012 period reflect reductions in certain programs no longer required following the transition of operations, and CPI adjustments for inflation of 2.9% in 2009, 1.9% in 2010, 2.2% in 2011 and 2.2% in 2012 in accordance with Global Insight's CPI-U forecast.

Farebox revenue is projected to decrease by .5% in 2009 over 2008 estimates, and increases of .4% in 2010, .9% in 2011 and 1.0% in 2012 over prior year revenue levels are forecasted. Ridership levels are projected to fall by 1.0% in 2009 relative to the 2008 projections, followed by increases of .3% in 2010, .1% in 2011, and 1.0% for 2012. 2008 revenue improvements are attributable to MTABC initiatives to consistently meet service levels, provide enhanced service through selective route adjustments and the increased reliability of bus fareboxes.

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

NON-REIMBURSABLE	2008		2009			
	2007	November	Final Proposed			
	<u>Actual</u>	<u>Forecast</u>	<u>Budget</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Operating Revenue						
Farebox Revenue	\$139.823	\$153.812	\$153.043	\$153.655	\$155.038	\$156.588
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	21.867	23.005	23.005	23.005	23.005	23.005
Capital and Other Reimbursements		-				
Total Revenue	\$161.690	\$176.817	\$176.048	\$176.660	\$178.043	\$179.593
Operating Expenses						
<u>Labor:</u>						
Payroll	\$185.662	\$198.860	\$217.777	\$221.850	\$226.797	\$231.787
Overtime	37.997	42.276	34.295	34.937	35.716	36.501
Health and Welfare	29.659	39.251	37.658	40.295	43.115	46.133
OPEB Current Payment	10.725	12.000	12.600	13.230	13.892	14.586
Pensions	13.531	14.169	17.290	17.613	18.006	18.402
Other Fringe Benefits	20.096	18.140	18.496	18.842	19.262	19.686
Reimbursable Overhead	0.000	0.000	(0.943)	(0.963)	(0.984)	(1.004)
Total Labor Expenses	\$297.670	\$324.695	\$337.174	\$345.803	\$355.804	\$366.091
<u>Non-Labor:</u>						
Traction and Propulsion Power						
Fuel for Buses and Trains	\$25.429	\$51.204	\$51.084	\$44.381	\$42.946	\$44.755
Insurance	14.371	12.000	14.037	15.432	16.966	18.663
Claims	14.804	15.183	4.778	6.496	8.386	10.465
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	31.813	30.239	25.391	24.722	24.341	23.829
Professional Service Contracts	3.656	3.431	8.623	8.049	7.488	6.876
Materials & Supplies	27.270	22.195	30.020	30.278	30.969	31.760
Other Business Expenses	2.509	6.890	4.124	4.144	4.259	4.348
Total Non-Labor Expenses	\$119.852	\$141.141	\$138.057	\$133.501	\$135.355	\$140.696
<u>Other Expenses Adjustments:</u>						
Other						
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adjs.	\$417.522	\$465.836	\$475.231	\$479.304	\$491.159	\$506.787
Depreciation	29.955	29.500	37.110	40.185	42.235	42.235
OPEB Obligation	45.675	45.400	51.700	53.600	55.500	57.800
Environmental Remediation						
Total Expenses	\$493.152	\$540.736	\$564.041	\$573.089	\$588.894	\$606.822
Baseline Surplus/(Deficit)	(\$331.462)	(\$363.919)	(\$387.993)	(\$396.429)	(\$410.851)	(\$427.229)
2009 Program to Eliminate the Gap		2.563	6.555	6.291	7.307	7.964
Post-2009 Program to Eliminate the GAP		0.000	0.000	4.965	9.930	14.895
Net Surplus/(Deficit)	(\$331.462)	(\$361.356)	(\$381.438)	(\$385.173)	(\$393.614)	(\$404.370)
Business Service Center		0.153	0.945	0.973	3.433	3.450

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

REIMBURSABLE						
	<u>2007</u>	<u>2008</u>	<u>2009</u>			
	<u>Actual</u>	<u>November</u>	<u>Final Proposed</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
		<u>Forecast</u>	<u>Budget</u>			
Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Toll Revenue	-		-	-	-	-
Other Operating Revenue	-		-	-	-	-
Capital and Other Reimbursements		\$0.000	\$32.360	\$23.855	\$23.031	\$23.513
Total Revenue	\$0.000	\$0.000	\$32.360	\$23.855	\$23.031	\$23.513
Expenses						
<u>Labor:</u>						
Payroll		\$0.000	\$1.346	\$1.389	\$1.430	\$1.460
Overtime						
Health and Welfare						
OPEB Current Payment						
Pensions		\$0.000	\$0.087	\$0.089	\$0.092	\$0.094
Other Fringe Benefits		\$0.000	\$0.401	\$0.413	\$0.425	\$0.434
Reimbursable Overhead		\$0.000	\$0.943	\$0.963	\$0.984	\$1.004
Total Labor Expenses	\$0.000	\$0.000	\$2.777	\$2.855	\$2.931	\$2.992
<u>Non-Labor:</u>						
Traction and Propulsion Power						
Fuel for Buses and Trains						
Insurance						
Claims						
Paratransit Service Contracts						
Maintenance and Other Operating Contracts		\$0.000	\$25.883	\$17.300	\$17.100	\$17.457
Professional Service Contracts		\$0.000	\$1.500	\$1.500	\$0.800	\$0.817
Materials & Supplies		\$0.000	\$2.200	\$2.200	\$2.200	\$2.246
Other Business Expenses		\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Non-Labor Expenses	\$0.000	\$0.000	\$29.583	\$21.000	\$20.100	\$20.520
<u>Other Expenses Adjustments:</u>						
Other						
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$0.000	\$0.000	\$32.360	\$23.855	\$23.031	\$23.512
Depreciation						
Total Expenses	\$0.000	\$0.000	\$32.360	\$23.855	\$23.031	\$23.512
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	(\$0.000)
Business Service Center		0.000	0.000	0.000	0.000	0.000

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

NON-REIMBURSABLE / REIMBURSABLE						
	2007	2008	2009			
	Actual	November Forecast	Final Proposed Budget	2010	2011	2012
Revenue						
Farebox Revenue	\$139.823	\$153.812	\$153.043	\$153.655	\$155.038	\$156.588
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	21.867	23.005	23.005	23.005	23.005	23.005
Capital and Other Reimbursements	-	-	32.360	23.855	23.031	23.513
Total Revenue	\$161.690	\$176.817	\$208.408	\$200.515	\$201.074	\$203.106
Expenses						
<u>Labor:</u>						
Payroll	\$185.662	\$198.860	\$219.124	\$223.239	\$228.227	\$233.247
Overtime	37.997	42.276	34.295	34.937	35.716	36.501
Health and Welfare	29.659	39.251	37.658	40.295	43.115	46.133
OPEB Current Payment	10.725	12.000	12.600	13.230	13.892	14.586
Pensions	13.531	14.169	17.376	17.703	18.098	18.496
Other Fringe Benefits	20.096	18.140	18.897	19.255	19.688	20.120
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenses	\$297.670	\$324.695	\$339.950	\$348.658	\$358.735	\$369.083
<u>Non-Labor:</u>						
Traction and Propulsion Power						
Fuel for Buses and Trains	\$25.429	\$51.204	\$51.084	\$44.381	\$42.946	\$44.755
Insurance	14.371	12.000	14.037	15.432	16.966	18.663
Claims	14.804	15.183	4.778	6.496	8.386	10.465
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	31.813	30.239	51.274	42.022	41.441	41.286
Professional Service Contracts	3.656	3.431	10.123	9.549	8.288	7.693
Materials & Supplies	27.270	22.195	32.220	32.478	33.169	34.006
Other Business Expenses	2.509	6.890	4.124	4.144	4.259	4.348
Total Non-Labor Expenses	\$119.852	\$141.141	\$167.640	\$154.501	\$155.455	\$161.216
<u>Other Expenses Adjustments:</u>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adjs.	\$417.522	\$465.836	\$507.590	\$503.159	\$514.190	\$530.299
Depreciation	29.955	29.500	37.110	40.185	42.235	42.235
OPEB Obligation	45.675	45.400	51.700	53.600	55.500	57.800
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$493.152	\$540.736	\$596.400	\$596.944	\$611.925	\$630.334
Baseline Surplus/(Deficit)	(\$331.462)	(\$363.919)	(\$387.993)	(\$396.429)	(\$410.851)	(\$427.228)
2009 Program to Eliminate the Gap	0.000	2.563	6.555	6.291	7.307	7.964
Post-2009 Program to Eliminate the GAP	-	-	-	4.965	9.930	14.895
Net Surplus/(Deficit)	(\$331.462)	(\$361.356)	(\$381.438)	(\$385.173)	(\$393.614)	(\$404.369)
Business Service Center		0.153	0.945	0.973	3.433	3.450

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

CASH RECEIPTS AND EXPENDITURES						
	2007	2008	2009			
	Actual	November Forecast	Final Proposed Budget	2010	2011	2012
Receipts						
Farebox Revenue	\$139.308	\$153.812	\$153.043	\$153.655	\$155.038	\$156.588
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	20.965	23.005	23.005	23.005	23.005	23.005
Capital and Other Reimbursements	-	-	32.360	23.855	23.031	23.513
Total Receipts	\$160.273	\$176.817	\$208.408	\$200.515	\$201.074	\$203.106
Expenditures						
<u>Labor:</u>						
Payroll	\$168.172	\$198.860	\$219.124	\$223.239	\$228.227	\$233.247
Overtime	37.997	42.276	34.295	34.937	35.716	36.501
Health and Welfare	29.659	39.251	37.658	40.295	43.115	46.133
OPEB Current Payment	10.725	12.000	12.600	13.230	13.892	14.586
Pensions	17.760	14.169	17.376	17.703	18.098	18.496
Other Fringe Benefits	17.666	18.140	18.897	19.255	19.688	20.120
Pattern Labor Provision	0.000	0.000	0.000	0.000	0.000	0.000
GASB Account	2.648	2.967	3.305	3.579	3.948	4.317
Reimbursable Overhead						
Total Labor Expenditures	\$284.627	\$327.662	\$343.255	\$352.237	\$362.683	\$373.400
<u>Non-Labor:</u>						
Traction and Propulsion Power						
Fuel for Buses and Trains	\$25.429	\$51.204	\$51.084	\$44.381	\$42.946	\$44.755
Insurance	15.380	12.000	14.037	15.432	16.966	18.663
Claims	2.695	3.451	4.778	6.496	8.386	10.465
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	41.560	30.239	51.274	42.022	41.441	41.286
Professional Service Contracts	3.656	3.431	10.123	9.549	8.288	7.693
Materials & Supplies	29.369	22.195	32.220	32.478	33.169	34.006
Other Business Expenses	2.536	6.890	4.124	4.144	4.259	4.348
Total Non-Labor Expenditures	\$120.625	\$129.409	\$167.640	\$154.501	\$155.455	\$161.216
<u>Other Expenditure Adjustments:</u>						
Other						
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$405.252	\$457.071	\$510.895	\$506.738	\$518.138	\$534.616
Baseline Cash Deficit	(\$244.979)	(\$280.254)	(\$302.487)	(\$306.223)	(\$317.063)	(\$331.510)
2009 Program to Eliminate the Gap		2.563	6.555	6.291	7.307	7.964
Post-2009 Program to Eliminate the GAP		0.000	0.000	4.965	9.930	14.895
Net Cash Deficit	(\$244.979)	(\$277.691)	(\$295.932)	(\$294.967)	(\$299.826)	(\$308.651)
Business Service Center		0.153	0.945	0.973	3.433	3.450

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

CASH FLOW ADJUSTMENTS						
	2007	2008	2009			
	Actual	November	Final Proposed	2010	2011	2012
		Forecast	Budget			
Receipts						
Farebox Revenue	(\$0.515)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	(0.902)	-	-	-	-	-
Capital and Other Reimbursements	-	-	-	-	-	-
Total Receipts	(\$1.417)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Expenditures						
<u>Labor:</u>						
Payroll	\$17.490	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-
OPEB Current Payment	-	-	-	-	-	-
Pensions	(4.229)	-	-	-	-	-
Other Fringe Benefits	2.430	-	-	-	-	-
GASB Account	(2.648)	(2.967)	(3.305)	(3.579)	(3.948)	(4.317)
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$13.043	(\$2.967)	(\$3.305)	(\$3.579)	(\$3.948)	(\$4.317)
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$0.000	-	-	-	-	-
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	(1.009)	-	-	-	-	-
Claims	12.109	11.732	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	(9.747)	-	-	-	-	-
Professional Service Contracts	-	-	-	-	-	-
Materials & Supplies	(2.099)	-	-	-	-	-
Other Business Expenditures	(0.027)	-	-	-	-	-
Total Non-Labor Expenditures	(\$0.773)	\$11.732	\$0.000	\$0.000	\$0.000	\$0.000
<u>Other Expenditures Adjustments:</u>						
Other	-	-	-	-	-	-
Total Other Expenditures Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Cash Conversion Adjustments before Depreciation and GASB Adjs.	\$10.853	\$8.765	(\$3.305)	(\$3.579)	(\$3.948)	(\$4.317)
Depreciation Adjustment	29.955	29.500	37.110	40.185	42.235	42.235
OPEB Obligation	45.675	45.400	51.700	53.600	55.500	57.800
Environmental Remediation	-	-	-	-	-	-
Baseline Total Cash Conversion Adjustments	\$86.483	\$83.665	\$85.505	\$90.206	\$93.787	\$95.718
2009 Program to Eliminate the Gap	-	-	-	-	-	-
Post-2009 Program to Eliminate the GAP	-	-	-	-	-	-
Total Cash Conversion Adjustments	\$86.483	\$83.665	\$85.505	\$90.206	\$93.787	\$95.718
Business Service Center		0.000	0.000	0.000	0.000	0.000

MTA Bus Company
November Financial Plan 2009-2012
Year-to-Year Changes by Category

TOTAL REVENUES

Farebox

2008 - 2012 - There is a \$.8 million projected decrease in the 2009 budget from the 2008 farebox estimate. A growth rate of .4% is forecasted for 2010 over 2009 levels, .9% in 2011 over 2010 levels and 1.0% in 2012 over 2011 levels, as service levels become more responsive to customer demand patterns.

Other Operating Revenue

2008 - 2012 - This category is expected to remain stable as the financial guidance indicates insignificant change during the period.

Capital and Other Reimbursements

2008 - 2012 - Delays in hiring and securing design contracts and delayed grant approvals account for the lowered level of reimbursable activity in 2008. In the 2009-2012 period, higher levels of reimbursable activity are anticipated, and annual changes are due to timing of facility upgrade work.

LABOR EXPENSES

Payroll / Overtime

2008 - 2012 - The reliance on overtime to offset operating and staff vacancies has continued, with corresponding pay over-runs. The 2009 budget reflects the full value cost of service improvements established during the previous two years. In the 2010-2012 period, projected CPI increases of 1.9% (2010), 2.2% (2011) and 2.2% (2012) were included. Headcount levels remain constant in the 2010-2012 period.

Health and Welfare

2008 - 2009 - Costs reflect levels of staffing and the current projected employee rates.
2010 - 2012 - CPI increases of 7% were incorporated into 2009 projections.

Pensions

2008 - 2012 - Projections incorporate estimates for the inclusion rate for all current employees

Other Fringe Benefits

2008 - 2009 - The full cost of service improvements account for the increases in this category.

2010 - 2012 - Projected CPI increases of 2010 - 1.9%, 2011 - 2.2% and 2012 - 2.2% were incorporated into the estimates.

NON-LABOR EXPENSES

Fuel

2008 - 2009 - Expenses were adjusted upward to reflect increased fuel costs and processing charges during the period as well as additional service provided and higher vehicle revenue mileage.

2010 - 2012 - Projected fuel rates based on issued guidelines account for the annual changes between the plan years. Diesel fuel wholesale prices for 2009 are projected to decrease by 3% relative to 2008 levels, and decreases of 5% in 2010 from 2009 levels, 4% in 2011 from 2010 levels and increase 6% in 2012 from 2011 levels were included.

Compressed Natural Gas (CNG) fuel expenses assume an 8% decrease in 2009 from 2008 levels, an increase of 4% in 2010 over 2009 levels, and decreases of 2% in 2011 and 2% in 2012 from 2011 levels.

Insurance

2008 - 2012 – Less favorable cost of vendor contracts handling worker's compensation claims accounts for the projected annual increases.

Claims

2008 - 2012 - Anticipated increases in the volume and settlement of claims attributed to liability for MTA Bus since 2006 accounts for the projected cost escalation in the 2009-2012 period. The 2008 changes results from the 2007 establishment of a reserve account for public liability claims and subsequent actuarial guideline adjustments.

Maintenance and Other Operating Contracts

2008 - 2012 - Less reliance on the use of vendor contracts to handle bus and facility repairs allows for a decrease in projected expenses beginning in 2008 over prior year levels. Expense assumptions reflect CPI adjustments for inflation of 2.9% in 2009, 1.9% in 2010, 2.2% in 2011 and 2.2% in 2012.

Professional Service Contracts

2008 - 2012 - The ramp up of reimbursable facility projects starting in 2009 accounts for the major changes in this category. Expense assumptions reflect CPI adjustments for inflation 2.9% in 2009, 1.9% in 2010, 2.2% in 2011 and 2.2% in 2012.

Materials and Supplies

2008 - 2012 - The material requirements on older buses decreased during 2008 as many newer buses remained in warranty and required lower parts issues while in the 2009 -2012 period, a stabilized level of material usage is projected with CPI increases reflected in those years. Expense assumptions reflect CPI adjustments for inflation 2.9% in 2009, 1.9% in 2010, 2.2% in 2011 and 2.2% in 2012.

Other Business Expenses

2009 -2012 - There were no major changes to this category. Expense assumptions reflect CPI adjustments for inflation 2.9% in 2009, 1.9% in 2010, 2.2% in 2011 and 2.2% in 2012

Other Post Employment Benefits

Re-estimates of projected costs in this expense category are reflected in the November Plan.

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

NON-REIMBURSABLE

	Favorable/(Unfavorable)								
	2008	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011
Revenue									
Farebox Revenue	\$153.812	\$153.043	(\$0.769)	\$153.655	\$0.612	\$155.038	\$1.383	\$156.588	\$1.550
Other Operating Revenue	23.005	23.005	\$0.000	23.005	0.000	23.005	0.000	23.005	0.000
Capital and Other Reimbursements	0.000	0.000	\$0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenue	\$176.817	\$176.048	(\$0.769)	\$176.660	\$0.612	\$178.043	\$1.383	\$179.593	\$1.550
Expenses									
Labor:									
Payroll	\$198.860	\$217.777	(\$18.917)	\$221.850	(\$4.072)	\$226.797	(\$4.947)	\$231.787	(\$4.990)
Overtime	42.276	34.295	\$7.980	34.937	(0.641)	35.716	(0.779)	36.501	(0.786)
Health and Welfare	39.251	37.658	\$1.593	40.295	(2.636)	43.115	(2.821)	46.133	(3.018)
OPEB Current Payment	12.000	12.600	(\$0.600)	13.230	(0.630)	13.892	(0.662)	14.586	(0.695)
Pensions	14.169	17.290	(\$3.121)	17.613	(0.323)	18.006	(0.393)	18.402	(0.396)
Other Fringe Benefits	18.140	18.496	(\$0.356)	18.842	(0.346)	19.262	(0.420)	19.686	(0.424)
Reimbursable Overhead	0.000	(0.943)	\$0.943	(0.963)	0.020	(0.984)	0.021	(1.004)	0.020
Total Labor Expenses	\$324.695	\$337.174	(\$12.479)	\$345.803	(\$8.629)	\$355.804	(\$10.001)	\$366.091	(\$10.287)
Non-Labor:									
Traction and Propulsion Power									
Fuel for Buses and Trains	\$51.204	\$51.084	\$0.119	\$44.381	\$6.703	\$42.946	\$1.435	\$44.755	(\$1.809)
Insurance	12.000	14.037	(\$2.037)	15.432	(1.395)	16.966	(1.534)	18.663	(1.697)
Claims	15.183	4.778	\$10.405	6.496	(1.718)	8.386	(1.890)	10.465	(2.079)
Paratransit Service Contracts	0.000	0.000	\$0.000	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	30.239	25.391	\$4.848	24.722	0.669	24.341	0.381	23.829	0.512
Professional Service Contracts	3.431	8.623	(\$5.192)	8.049	0.574	7.488	0.561	6.876	0.611
Materials & Supplies	22.195	30.020	(\$7.825)	30.278	(0.257)	30.969	(0.691)	31.760	(0.791)
Other Business Expenses	6.890	4.124	\$2.766	4.144	(0.020)	4.259	(0.115)	4.348	(0.089)
Total Non-Labor Expenses	\$141.141	\$138.057	\$3.084	\$133.501	\$4.556	\$135.355	(\$1.854)	\$140.696	(\$5.341)
Other Expenses Adjustments:									
Other	0.000	0.000	\$0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adjs.	\$465.836	\$475.231	(\$9.394)	\$479.304	(\$4.074)	\$491.159	(\$11.854)	\$506.787	(\$15.628)
Depreciation									
Depreciation	\$29.500	\$37.110	(\$7.610)	\$40.185	(\$3.075)	\$42.235	(\$2.050)	\$42.235	\$0.000
OPEB Obligation	45.400	51.700	(\$6.300)	53.600	(1.900)	55.500	(1.900)	57.800	(2.300)
Environmental Remediation	0.000	0.000	\$0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$540.736	\$564.041	(\$23.304)	\$573.089	(\$9.049)	\$588.894	(\$15.804)	\$606.822	(\$17.928)
Baseline Net Surplus/(Deficit)	(\$363.919)	(\$387.993)	(\$24.073)	(\$396.429)	(\$8.437)	(\$410.851)	(\$14.421)	(\$427.229)	(\$16.378)
2009 Agency Program to Eliminate the Gap (PEGs)									
2009 Agency Program to Eliminate the Gap (PEGs)	\$2.563	\$6.555	\$3.992	\$6.291	(\$0.264)	\$7.307	\$1.016	\$7.964	\$0.657
Post - 2009 Agency Program to Eliminate the Gap (PEGs)									
Post - 2009 Agency Program to Eliminate the Gap (PEGs)	0.000	0.000	\$0.000	4.965	\$4.965	9.930	\$4.965	14.895	\$4.965
Total PEGs	2.563	6.555	3.992	11.256	4.701	17.237	5.981	22.859	5.622
Net Surplus/(Deficit)	(\$361.356)	(\$381.438)	(\$20.081)	(\$385.173)	(\$3.736)	(\$393.614)	(\$8.440)	(\$404.370)	(\$10.756)

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

CASH RECEIPTS & EXPENDITURES

	Favorable/(Unfavorable)								
	2008	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011
Receipts									
Farebox Revenue	\$153.812	\$153.043	(\$0.769)	\$153.655	\$0.612	\$155.038	\$1.383	\$156.588	\$1.550
Other Operating Revenue	23.005	23.005	\$0.000	23.005	0.000	\$23.005	0.000	\$23.005	0.000
Capital and Other Reimbursements	0.000	32.360	\$32.360	23.855	(8.505)	\$23.031	(0.824)	\$23.513	0.482
Total Receipts	\$176.817	\$208.408	\$31.591	\$200.515	(\$7.893)	\$201.074	\$0.559	\$203.106	\$2.032
Expenditures									
Labor:									
Payroll	\$198.860	\$219.124	(\$20.264)	\$223.239	(\$4.116)	\$228.227	(\$4.988)	\$233.247	(\$5.019)
Overtime	42.276	34.295	\$7.980	34.937	(0.641)	35.716	(0.779)	36.501	(0.786)
Health and Welfare	39.251	37.658	\$1.593	40.295	(2.636)	43.115	(2.821)	46.133	(3.018)
OPEB Current Payment	12.000	12.600	(\$0.600)	13.230	(0.630)	13.892	(0.662)	14.586	(0.695)
Pensions	14.169	17.376	(\$3.208)	17.703	(0.326)	18.098	(0.395)	18.496	(0.398)
Other Fringe Benefits	18.140	18.897	(\$0.757)	19.255	(0.359)	19.688	(0.432)	20.120	(0.432)
GASB Account	2.967	3.305	(\$0.338)	3.579	(0.274)	3.948	(0.369)	4.317	(0.369)
Reimbursable Overhead	0.000	0.000	\$0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$327.662	\$343.255	(\$15.594)	\$352.237	(\$8.981)	\$362.683	(\$10.446)	\$373.400	(\$10.717)
Non-Labor:									
Traction and Propulsion Power									
Fuel for Buses and Trains	\$51.204	\$51.084	\$0.119	\$44.381	\$6.703	\$42.946	\$1.435	\$44.755	(\$1.809)
Insurance	12.000	14.037	(\$2.037)	15.432	(1.395)	16.966	(1.534)	18.663	(1.697)
Claims	3.451	4.778	(\$1.327)	6.496	(1.718)	8.386	(1.890)	10.465	(2.079)
Paratransit Service Contracts	0.000	0.000	\$0.000	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	30.239	51.274	(\$21.035)	42.022	9.252	41.441	0.581	41.286	0.155
Professional Service Contracts	3.431	10.123	(\$6.692)	9.549	0.574	8.288	1.261	7.693	0.594
Materials & Supplies	22.195	32.220	(\$10.025)	32.478	(0.257)	33.169	(0.691)	34.006	(0.837)
Other Business Expenses	6.890	4.124	\$2.766	4.144	(0.020)	4.259	(0.115)	4.348	(0.089)
Total Non-Labor Expenditures	\$129.409	\$167.640	(\$38.231)	\$154.501	\$13.139	\$155.455	(\$0.954)	\$161.216	(\$5.761)
Other Expenditure Adjustments:									
Other -	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$457.071	\$510.895	(\$53.824)	\$506.738	\$4.158	\$518.138	(\$11.400)	\$534.616	(\$16.478)
Baseline Net Cash Deficit	(\$280.254)	(\$302.487)	(\$22.233)	(\$306.223)	(\$3.735)	(\$317.063)	(\$10.841)	(\$331.510)	(\$14.446)
2009 Agency Program to Eliminate the Gap (PEGs)									
	2.563	6.555	\$3.992	6.291	(0.264)	7.307	1.016	7.964	0.657
Post - 2009 Agency Program to Eliminate the Gap (PEGs)									
	0.000	0.000	\$0.000	4.965	4.965	9.930	4.965	14.895	4.965
Total PEGs	2.563	6.555	3.992	11.256	4.701	17.237	5.981	22.859	5.622
Net Cash Deficit	(\$277.691)	(\$295.932)	(\$18.241)	(\$294.967)	\$0.966	(\$299.826)	(\$4.860)	(\$308.651)	(\$8.824)

MTA Bus Company
November Financial Plan 2009-2012
Summary of Major Plan-to-Plan Changes

REVENUE

- **Farebox** - Strong ridership growth has resulted in continued incremental increases in revenue and ridership categories. As a result there is a \$2.3 million increase in farebox revenue projections for 2008. A softening of overall economic indicators suggest a reduction in employment and lower ridership for the period including 2009 through 2012. Revenue is expected to decline by \$1.7 million for 2009, \$4.5 million for 2010, \$6.6 million for 2011 and \$8.6 million for 2012 from the July Plan as the regional indicators predict economic decline.
- **Other Operating Revenue** – Student fare revenue forecasts were adjusted from the July Plan resulting in lower predictions for each of the periods by \$3.0 million for 2008, \$3.5 million for 2009, \$4.1 million for 2010, \$4.6 million for 2011 and \$5.2 million for 2012.
- **Capital and Other Reimbursements** - There is no change in Capital and other Reimbursement levels from the July Plan.

LABOR EXPENSES

- **Payroll / Overtime / Other Fringe** - 2008 - There is an increase over the July Plan of \$14.7 million reflecting the inclusion of the full cost of basic service delivery funding requirements for MTA Bus operations service being provided during the period. 2009 - 2012 - There is an increase in the 2009 - 2012 period from the July Plan due to the full year costs of service enhancements from the prior year. Salary and Wage projections incorporate CPI increases of 1.9% (2010), 2.2% (2011) and 2.2% for 2012.
- **Health and Welfare** - Minor inflation related adjustments from the July Plan were included. CPI increases of 7% were incorporated into projections for the 2009-2012 period.
- **Pension**• The 2009-2012 period reflects inflation related assumptions

NON-LABOR EXPENSES

- **Fuel** - Fuel expenses were adjusted in the 2009-2011 period to reflect changes in the rate guidelines. Diesel fuel wholesale prices which for 2009 are projected to decrease by 3% relative to 2008 levels, and decreases of

5% in 2010 from 2009 levels, 4% in 2011 from 2010 levels and an increase 6% in 2012 from 2011 levels were included. Compressed Natural Gas (CNG) fuel expenses assume an 8% decrease in 2009 from 2008 levels, an increase of 4% in 2010 over 2009 levels, and decreases of 2% in 2011 and 2% in 2012 from 2011 levels.

- **Insurance/Claims** - There is no change from the July Plan for Insurance or Claims expenses during the 2009 – 2012 period.
- **Maintenance and Other Contracts** - The changes in the 2009-2012 period are due to inflation related assumptions.
- **Professional Service Contracts** The changes in the 2009-2012 period are due to inflation related assumptions. Expense assumptions reflect CPI adjustments for inflation of 1.9% (2010), 2.2% (2011) and 2.2% for 2012 in accordance with Global Insight's CPI-U forecast.
- **Materials and Supplies** -The changes in the 2009-2012 period are due to inflation-related assumptions Expense assumptions reflect reductions in CPI adjustments for inflation of 1.9% (2010), 2.2% (2011) and 2.2% for 2012.
- **Other Business Expenses** - The changes in the 2009-2012 period are due to CPI-related assumptions.
- **Other Post Employment Benefits** - The re-estimate of projected expenses related to Other Post Employment Benefits is reflected within the November Plan.

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

NON-REIMBURSABLE

	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Operating Cash	(\$251.886)	(\$262.421)	(\$268.895)	(\$276.870)	(\$286.824)
Fuel Adjustment	(\$4.557)	(\$8.243)	\$0.346	\$2.335	\$4.121
Adjusted July Financial Plan	(\$256.443)	(\$270.664)	(\$268.549)	(\$274.536)	(\$282.703)
Baseline Changes					
Revenue					
Farebox Revenue	\$2.373	(\$1.710)	(\$4.505)	(\$6.594)	(\$8.582)
Vehicle Toll Revenue	-	-	-	-	-
Other Operating Revenue	(3.004)	(3.522)	(4.065)	(4.591)	(5.153)
Capital and Other Reimbursement	-	-	-	-	-
Total Revenue Changes	(\$0.631)	(\$5.231)	(\$8.570)	(\$11.184)	(\$13.735)
Expenses					
<i>Labor:</i>					
Payroll	(\$6.836)	(\$4.439)	(\$4.138)	(\$4.862)	(\$5.324)
Overtime	(6.238)	(13.888)	(14.111)	(14.486)	(14.839)
Health and Welfare	-	(0.421)	(0.450)	(0.482)	(0.515)
OPEB Current Payment	-	-	-	-	-
Pensions	-	(0.694)	(0.677)	(0.741)	(0.785)
Other Fringe Benefits	(0.673)	(0.965)	(0.952)	(1.025)	(1.076)
Reimbursable Overhead	(0.923)	-	-	-	-
Total Labor Expense Changes	(\$14.669)	(\$20.407)	(\$20.328)	(\$21.596)	(\$22.540)
<i>Non-Labor:</i>					
Traction and Propulsion Power					
Fuel for Buses and Trains	(8.960)	(5.588)	(8.888)	(9.568)	(12.434)
Insurance	0.586	-	-	-	-
Claims	(11.967)	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	1.100	(0.234)	0.044	(0.069)	(0.037)
Professional Service Contracts	1.265	(0.056)	0.010	(0.014)	(0.006)
Materials & Supplies	(1.363)	(0.277)	0.053	(0.088)	(0.049)
Other Business Expenses	(0.904)	(0.030)	0.006	(0.010)	(0.006)
Total Non-Labor Expense Changes	(\$20.243)	(\$6.185)	(\$8.776)	(\$9.748)	(\$12.532)
<i>Total Expenses before Depreciation and GASB Adjs.</i>					
Total Expense Changes	(\$34.912)	(\$26.593)	(\$29.104)	(\$31.343)	(\$35.072)
Cash Adjustment Changes					
<i>Revenue:</i>					
Other Operating Revenue					
<i>Expenses:</i>					
Claims	11.732				
Other Business Expenses					
Total Expense Changes	11.732	-	-	-	-
Restricted Cash Adjustment					
Total Cash Adjustment Changes	11.732	0.000	0.000	0.000	0.000
Total Baseline Changes	(\$23.811)	(\$31.824)	(\$37.674)	(\$42.528)	(\$48.807)
Baseline 2008 November Financial Plan - Operating Cash	(\$280.254)	(\$302.487)	(\$306.223)	(\$317.063)	(\$331.510)

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

REIMBURSABLE	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Operating Cash	0.000	0.000	0.000	0.000	0.000
Fuel Adjustment					
Adjusted July Financial Plan	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline Changes					
Revenue					
Farebox Revenue					
Vehicle Toll Revenue					
Capital and Other Reimbursement	(\$24.238)	-	-	-	-
Total Revenue Changes	(\$24.238)	\$0.000	\$0.000	\$0.000	\$0.000
Expenses					
<i>Labor:</i>					
Payroll	0.849	-	-	-	-
Overtime					
Health and Welfare		-	-	-	-
OPEB Current Payment		-	-	-	-
Pensions	0.084	-	-	-	-
Other Fringe Benefits	0.389	-	-	-	-
Reimbursable Overhead	0.923	-	-	-	-
Total Labor Expense Changes	\$2.245	\$0.000	\$0.000	\$0.000	\$0.000
<i>Non-Labor:</i>					
Traction and Propulsion Power					
Fuel for Buses and Trains					
Insurance					
Claims					
Paratransit Service Contracts					
Maintenance and Other Operating Contracts	15.793				
Professional Service Contracts	4.000	-	-	-	-
Materials & Supplies	2.200	-	-	-	-
Other Business Expenses		-	-	-	-
Total Non-Labor Expense Changes	\$21.993	\$0.000	\$0.000	\$0.000	\$0.000
<i>Total Expenses before Depreciation</i>					
Depreciation					
Total Expense Changes	\$24.238	\$0.000	\$0.000	\$0.000	\$0.000
Cash Adjustment Changes					
Total Cash Adjustment Changes	0.000	0.000	0.000	0.000	0.000
Total Baseline Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline 2008 November Financial Plan - Operating Cash	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

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

NON-REIMBURSABLE and REIMBURSABLE

	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Operating Cash					
Income/(Deficit)	(\$251.886)	(\$262.421)	(\$268.895)	(\$276.870)	(\$286.824)
Fuel Adjustment	(\$4.557)	(\$8.243)	\$0.346	\$2.335	\$4.121
Adjusted July Financial Plan	(\$256.443)	(\$270.664)	(\$268.549)	(\$274.535)	(\$282.703)
Non-Reimbursable Major Changes					
Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Farebox Revenue Re-estimate	2.373	(1.710)	(4.505)	(6.594)	(8.582)
Other Operating Revenue Re-estimates	(3.004)	(3.522)	(4.065)	(4.591)	(5.153)
Sub-Total Non-Reimbursable Revenue Changes	(\$631)	(\$5,231)	(\$8,570)	(\$11,184)	(\$13,735)
Expenses	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Payroll	(6.836)	(4.439)	(4.138)	(4.862)	(5.324)
Overtime	(6.238)	(13.888)	(14.111)	(14.486)	(14.839)
Health and Welfare	-	(0.421)	(0.450)	(0.482)	(0.515)
Fuel	(8.960)	(5.588)	(8.888)	(9.568)	(12.434)
Claims	(11.967)	-	-	-	-
Maintenance and other Operating	1.100	(0.234)	0.044	(0.069)	(0.037)
Professional Service Contracts	1.265	(0.056)	0.010	(0.014)	(0.006)
Materials & Supplies	(1.363)	(0.277)	0.053	(0.088)	(0.049)
Other Business Expense	(0.904)	(0.030)	0.006	(0.010)	(0.006)
Other Re-estimates	(1.010)	(1.659)	(1.629)	(1.766)	(1.862)
Sub-Total Non-Reimbursable Expense Changes	(\$34,912)	(\$26,593)	(\$29,104)	(\$31,343)	(\$35,072)
Total Non-Reimbursable Major Changes	(\$35,543)	(\$31,824)	(\$37,674)	(\$42,528)	(\$48,807)
Reimbursable Major Changes					
Revenue					
Capital and Other Reimbursement	(\$24.238)	\$0.000	\$0.000	\$0.000	\$0.000
Sub-Total Reimbursable Revenue Changes	(\$24,238)	\$0,000	\$0,000	\$0,000	\$0,000
Expenses					
Labor Expense	2.245				
Maintenance and Other Operating Contracts	15.793				
Professional Service Contracts	4.000				
Materials & Supplies	2.200				
Sub-Total Reimbursable Expense Changes	24,238				
Total Reimbursable Major Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Accrual Changes	(\$35,543)	(\$31,824)	(\$37,674)	(\$42,528)	(\$48,807)
Cash Adjustment Changes					
Total Cash Adjustments					
Claims	11.732				
Total Cash Adjustment Changes	\$11,732	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	(\$23,811)	(\$31,824)	(\$37,674)	(\$42,528)	(\$48,807)
Baseline 2008 November Financial Plan - Operating					
Cash Income/(Deficit)	(\$280,254)	(\$302,487)	(\$306,223)	(\$317,063)	(\$331,510)

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

UTILIZATION

Fixed Route Ridership:

MTA Bus experienced a sizable increase in fixed route ridership for the first eight months of 2008. We are projecting an annualized 8.6% increase for 2008 over 2007 levels based on August year to date levels however the worsening economic outlook threatens future growth forecasts for the coming periods.

The full year 2008 November Forecast was increased to 119.8 million riders. For 2009, the revised ridership was decreased by 1.4 million riders over July Plan levels as a result of predicted declines in ridership through the period. This represents a 1% decrease from projected 2008 ridership levels. Ridership increases of .3% for 2010, .1% for 2011 and 1.0% for 2012 are also projected.

Fixed Route Revenue:

Revenue is projected to be \$153.8 million in 2008, based on the 119.8 million riders. Projected revenue in 2009-2011 period is reflective of the ridership changes primarily resulting from the employment outlook, forecast during that period.

MTA BUS COMPANY
November Financial Plan 2009 - 2012
RIDERSHIP/TRAFFIC VOLUME (UTILIZATION)
(\$ in millions)

	2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
<u>Baseline</u>						
Fixed Route	110.269	119.789	118.591	118.947	119.066	120.256
Baseline Total Ridership	110.269	119.789	118.591	118.947	119.066	120.256

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

		2008		2009		2010		2011		2012	
		<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>
Administration											
CNG Fuel Tax Rebate		0	1.851	0	0.800	0	0.000	0	0.000	0	0.000
Eliminate Use of Legacy Computer System		0	0.000	0	0.000	0	0.000	0	0.424	0	0.432
Worker's Compensation Management		0	0.000	(6)	2.698	(6)	3.009	(6)	3.360	(6)	3.746
Sub-Total	Administration	0	\$ 1.851	(6)	\$ 3.498	(6)	\$ 3.009	(6)	\$ 3.784	(6)	\$ 4.178
Maintenance											
Maintenance Material Reduction		0	0.712	0	2.579	0	2.632	0	2.684	0	2.739
Sub-Total	Maintenance	0	\$ 0.712	0	\$ 2.579	0	\$ 2.632	0	\$ 2.684	0	\$ 2.739
Safety											
Claims Reduction		0	0.000	0	0.478	0	0.650	0	0.839	0	1.047
Sub-Total	Safety	0	\$ 0.000	0	\$ 0.478	0	\$ 0.650	0	\$ 0.839	0	\$ 1.047
Total Programs		0	\$ 2.563	(6)	\$ 6.555	(6)	\$ 6.291	(6)	\$ 7.307	(6)	\$ 7.964

MTA BUS COMPANY
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet

(\$ in millions)

Business Unit	MTBUS	Financial Plan Category	PEG	Implementation Date	7/1/2008
Budget Reference	FINAL08	Category	Administration	Savings Date	9/30/2008
PEG / New Need ID	0000000011	Current Budget Year	2008	Status	Open
Program:	CNG Fuel Tax Rebate			Agency Status	Pending
Description and Implementation Pla	Federal tax rebates for CNG usage. Appropriate rebate forms have been filed for calendar year 2007 usage.				

Background Details

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	MTBUS	0000000011	FINAL08	\$ 1.851	\$ 0.800	\$ 0.000	\$ 0.000	\$ 0.000

MTA BUS COMPANY
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet

(\$ in millions)

Business Unit	MTBUS	Financial Plan Category	PEG	Implementation Date	1/1/2011
Budget Reference	FINAL08	Category	Administration	Savings Date	1/1/2011
PEG / New Need ID	0000000012	Current Budget Year	2008	Status	Open
Program:	Eliminate Use of Legacy Computer System			Agency Status	Pending
Description and Implementation Pla	Eliminate Legacy stand alone system and migrate to integrated multi-agency payroll system.				

Background Details

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	MTBUS	0000000012	FINAL08	\$ 0.000	\$ 0.000	\$ 0.000	\$ 0.424	\$ 0.432

MTA BUS COMPANY
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet

(\$ in millions)

Business Unit	MTBUS	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Administration	Savings Date	1/1/2009
PEG / New Need ID	0000000013	Current Budget Year	2008	Status	Open
Program:	Worker's Compensation Management			Agency Status	Pending
Description and Implementation Pla	Restructure management of MTA Bus Worker's Compensation program. Add additional staff to manage certain program aspects and reduce reliance on outside contracts.				
Background Details					

				2008	2009	2010	2011	2012
Total Headcount	MTBUS	0000000013	FINAL08	0	(6)	(6)	(6)	(6)
Financial Impact	MTBUS	0000000013	FINAL08	\$ 0.000	\$ 2.698	\$ 3.009	\$ 3.360	\$ 3.746

MTA BUS COMPANY
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet

(\$ in millions)

Business Unit	MTBUS	Financial Plan Category	PEG	Implementation Date	7/31/2008
Budget Reference	FINAL08	Category	Maintenance	Savings Date	9/30/2008
PEG / New Need ID	0000000014	Current Budget Year	2008	Status	Open
Program:	Maintenance Material Reduction			Agency Status	Pending
Description and Implementation Pla	Review of current shop program work scopes will result in reduced material consumption.				

Background Details

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	MTBUS	0000000014	FINAL08	\$ 0.712	\$ 2.579	\$ 2.632	\$ 2.684	\$ 2.739

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

Business Unit	MTBUS	Financial Plan Category	PEG	Implementation Date	7/1/2008
Budget Reference	FINAL08	Category	Safety	Savings Date	6/1/2009
PEG / New Need ID	0000000015	Current Budget Year	2008	Status	Open
Program:	Claims Reduction			Agency Status	Pending
Description and Implementation Pla	Initiation of numerous safe operation initiatives will result in annual savings in claims activity.				
Background Details					

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	MTBUS	0000000015	FINAL08	\$ 0.000	\$ 0.478	\$ 0.650	\$ 0.839	\$ 1.047

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

		2008		2009		2010		2011		2012	
		<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>
Other											
Unspecified		0	0.000	0	0.000	0	4.965	0	9.930	0	14.895
Sub-Total	Other	0	\$ 0.000	0	\$ 0.000	0	\$ 4.965	0	\$ 9.930	0	\$ 14.895
Total Programs		0	\$ 0.000	0	\$ 0.000	0	\$ 4.965	0	\$ 9.930	0	\$ 14.895

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

(\$ in millions)

Business Unit	MTBUS	Financial Plan Category	Post PEG	Implementation Date	1/1/2010
Budget Reference	FINAL08	Category	Other	Savings Date	1/1/2010
PEG / New Need ID	0000000016	Current Budget Year	2008	Status	Open
Program:	Unspecified			Agency Status	Pending

Description and Implementation Pla

Background Details

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	MTBUS	0000000016	FINAL08	\$ 0.000	\$ 0.000	\$ 4.965	\$ 9.930	\$ 14.895

**MTA Bus Company
November Financial Plan 2009-2012
Summary of Major Plan-to-Plan Changes**

POSITIONS

Total Non-Reimbursable and Reimbursable Baseline Positions

2008: November Financial Plan vs. July Financial Plan

2008 Operating positions remain the same as the July Plan.

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

2009 positions increase by a total of 54. Thirty nine Bus Operator positions are included to reflect total headcount needed for service levels provided and an additional fifteen positions that were already being paid through an MOU with New York City Transit are now included in the position tables.

2010 - 2012 position tables are expected to remain the same.

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

FUNCTION/DEPARTMENT	2007 Actuals	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Administration						
Office of the EVP	2	5	6	6	6	6
Human Resources	7	7	7	7	7	7
Office of Management and Budget	1	7	8	8	8	8
Technology & Information Services	10	15	15	15	15	15
Materiel	13	22	24	24	24	24
Controller	34	47	47	47	47	47
Office of the President	3	2	2	2	2	2
System Safety Administration	1	3	3	3	3	3
Law	14	22	22	22	22	22
Corporate Communications	9	8	4	4	4	4
Labor Relations	1	6	6	6	6	6
Non-Departmental	-	-	-	-	-	-
Total Administration	95	144	144	144	144	144
Operations						
Buses	2,343	2,145	2,184	2,184	2,184	2,184
Office of Senior Vice President	-	11	13	13	13	13
Office of Executive Vice President, Regional	-	-	-	-	-	-
Safety & Training	-	19	26	26	26	26
Road Operations	-	107	107	107	107	107
Transportation Support	-	14	14	14	14	14
Operations Planning	10	15	19	19	19	19
Revenue Control	9	7	7	7	7	7
Total Operations	2,362	2,318	2,370	2,370	2,370	2,370
Maintenance						
Buses	792	888	888	888	888	888
Maintenance Support/CMF		12	14	14	14	14
Facilities		57	57	57	57	57
Supply Logistics	31	68	68	68	68	68
Total Maintenance	823	1,025	1,027	1,027	1,027	1,027
Engineering/Capital						
Capital Program Management	11	14	14	14	14	14
Public Safety						
Security	10	10	10	10	10	10
Total Positions	3,301	3,511	3,565	3,565	3,565	3,565
Non-Reimbursable	3,301	3,495	3,549	3,549	3,549	3,549
Reimbursable	0	16	16	16	16	16
Total Full-Time	3,301	3,511	3,565	3,565	3,565	3,565
Total Full-Time Equivalents						
Impact of:						
2009 Program to Eliminate the Gap	0	0	(6)	(6)	(6)	(6)
Post 2009 Program to Eliminate the Gap	-	-	-	-	-	-
Total Positions	3,301	3,511	3,571	3,571	3,571	3,571
Non-Reimbursable	3,301	3,495	3,555	3,555	3,555	3,555
Reimbursable	0	16	16	16	16	16
Total Full-Time	3,301	3,511	3,571	3,571	3,571	3,571
Total Full-Time Equivalents	0	0	0	0	0	0
Business Service Center					(33)	(33)

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

FUNCTION/OCCUPATIONAL GROUP	2007 Actuals	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Administration						
Managers/Supervisors	22	45	49	49	49	49
Professional, Technical, Clerical	73	99	95	95	95	95
Operational Hourlies	-	-				
Total Administration	95	144	144	144	144	144
Operations						
Managers/Supervisors	233	279	286	286	286	286
Professional, Technical, Clerical	35	63	69	69	69	69
Operational Hourlies	2,094	1,976	2,015	2,015	2,015	2,015
Total Operations	2,362	2,318	2,370	2,370	2,370	2,370
Maintenance						
Managers/Supervisors	128	167	169	169	169	169
Professional, Technical, Clerical	9	11	11	11	11	11
Operational Hourlies	686	847	847	847	847	847
Total Maintenance	823	1,025	1,027	1,027	1,027	1,027
Engineering/Capital						
Managers/Supervisors	8	7	7	7	7	7
Professional, Technical, Clerical	3	7	7	7	7	7
Operational Hourlies	-					
Total Engineering/Capital	11	14	14	14	14	14
Public Safety						
Managers/Supervisors	4	4	4	4	4	4
Professional, Technical, Clerical	2	2	2	2	2	2
Operational Hourlies	4	4	4	4	4	4
Total Public Safety	10	10	10	10	10	10
Total Positions						
Managers/Supervisors	395	502	515	515	515	515
Professional, Technical, Clerical	122	182	184	184	184	184
Operational Hourlies	2,784	2,827	2,866	2,866	2,866	2,866
Total Baseline Positions	3,301	3,511	3,565	3,565	3,565	3,565

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Staten Island Railway

**MTA Staten Island Railway
2009 Final Proposed Budget
November Financial Plan 2009 - 2012**

MISSION STATEMENT

The mission of MTA Staten Island Railway is to provide customers with safe, reliable, and convenient public transportation in a cost-effective manner.

FINANCIAL OVERVIEW

MTA Staten Island Railway carries out its mission by providing effective and cost-efficient transportation services through a heavy rail system operating 64 subway cars over 14.3 route miles and 28.6 miles of mainline track, serving 22 stations located primarily on the south shore of Staten Island.

The 2009 Final Proposed Budget and projections for the years 2010-2012 provide sufficient funding to maintain current service levels as well as to maintain MTA's commitment to safety and security. This is accomplished primarily through implementation of operational efficiencies that optimize the utilization of resources to achieve agency goals. Performance indicators including mean distance between failures and on-time performance remain within targeted levels. Additionally, in concert with MTA New York City Transit, efforts are underway to establish initiatives in order to meet key MTA priorities including workforce development, customer service, financial stability, safety and security and sustainability.

2008 November Forecast-Baseline

MTA Staten Island Railway's 2008 November Forecast reflects total expenses before depreciation and other post-employment benefits (OPEB) of \$38.174 million, including \$36.752 million of non-reimbursable expenses and \$1.422 million of reimbursable expenses. Total revenues are projected to be \$7.895 million, of which \$6.473 million are operating revenues and \$1.422 million represent capital reimbursements. Total full-time positions are 278, including 275 non-reimbursable positions and 3 reimbursable positions.

The November forecast includes a reduction in the operating cash deficit of \$3.551 million. Favorable changes include:

- A delay in the timing of R-44 fleet maintenance work resulting in the deferral of \$3.836 million of expenses to 2009 and 2010.
- Increased farebox revenues of \$0.021 million based on projected higher ridership.

Unfavorable changes include:

- Revised inflation projections which result in an expense increase of \$0.290 million.

- Reduced student ridership projections resulting in lower fare reimbursement of \$0.016 million.

2008 savings as part of the 2009 Programs to Eliminate the GAP, presented below the baseline on the attached financial tables and described below, are projected to yield a deficit reduction of \$0.225 million and a position reduction of 1.

2009 Final Proposed Budget - Baseline

MTA Staten Island Railway's 2009 Final Proposed Budget reflects total expenses before depreciation and OPEB of \$44.093 million, including \$42.606 million of non-reimbursable expenses and \$1.487 million of reimbursable expenses. Total revenues are projected to be \$8.265 million, of which \$6.778 million are operating revenues and \$1.487 million represent capital reimbursements. Total full-time positions are 283, including 280 non-reimbursable positions and 3 reimbursable positions.

The 2009 Final Proposed Budget operating cash deficit has increased by \$3.155 million. Unfavorable changes include:

- Deferral of \$2.255 million of expenses from 2008 due to the timing of R-44 fleet maintenance work.
- Inclusion of Integrated Electronic Security System (IESS) support including an expense increase \$0.578 million and a position increase of 6.
- Revised inflation projections resulting in an increase in expenses of \$0.242 million.
- Reduced farebox revenues of \$0.064 million based on projected lower ridership.
- Reduced student ridership projections resulting in lower student fare reimbursement of \$0.016 million.

The 2009 Programs to Eliminate the GAP, presented below the baseline on the attached financial tables and described below, are projected to yield a deficit reduction of \$0.743 million and a position reduction of 4 in 2009.

2010-2012 Projections-Baseline

Operating cash deficits are projected to increase by \$2.631 million in 2010, \$1.026 million in 2011 and \$1.336 million in 2012.

Unfavorable changes include:

- Deferral of \$1.581 million of expenses from 2008 due to the timing of R-44 fleet maintenance work.
- Inclusion of Integrated Electronic Security System (IESS) support including an expense increase of \$0.578 million and position increase of 6 in 2010 and expense increases of \$0.487 million and 5 positions in both 2011 and 2012.

- Revised inflation projections resulting in increased expenses of \$0.371 million in 2010, \$0.453 million in 2011 and \$0.793 million in 2012.
- Reduced farebox revenues (excluding Tompkinsville) of \$0.085 million in 2010, \$0.070 million in 2011 and \$0.040 million in 2012 based on projected lower ridership.
- Reduced student ridership projections resulting in lower student fare reimbursement of \$0.016 million for each year.

The 2009 Programs to Eliminate the GAP, presented below the baseline on the attached financial tables and described below, are projected to yield deficit reductions of \$0.428 million and 4 position reductions for each year 2010, 2011 and 2012.

Major assumptions and reconciliations are discussed later in this section.

GAP CLOSING MEASURES

2009 Programs to Eliminate the Gap (PEGs)

These programs in total project deficit reductions of \$0.225 million in 2008, \$0.743 million in 2009 and \$0.428 million for each projection year 2010-2012. Position reductions are projected at 1 by the end of 2008 and at 4 by the end of each projection year 2009-2012. Major programs are summarized as follows:

- Administrative/organizational efficiencies are projected to result in savings of \$0.085 million and 1 position in 2008 and \$0.321 million and 3 positions for each year 2009-2012.
- Establishment of a medical assessment facility on Staten Island is projected to result in improved employee availability and savings of \$0.030 million for each year 2009-2012.
- Delays in filling vacant positions are projected to result in vacancy savings of \$0.140 million in 2008 and \$0.315 million in 2009.
- Implementation of a pc-based interlocking control system is expected to allow for automatic dispatching and routing of train movement at two terminals resulting in savings of \$0.077 million and one position for each year 2009-2012.

Post-2009 Programs to Eliminate the GAP

- Post-2009 Programs to Eliminate the GAP of \$0.420 in each projection year 2010-2012 are currently unspecified.

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

NON-REIMBURSABLE						
	2007	2008	2009			
	<u>Actual</u>	<u>Forecast</u>	<u>Final Proposed Budget</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Operating Revenue						
Farebox Revenue	\$ 3.938	\$ 4.402	\$ 4.707	\$ 5.047	\$ 5.112	\$ 5.176
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	2.050	2.071	2.071	2.071	2.071	2.071
Capital and Other Reimbursements	-	-	-	-	-	-
Total Revenue	\$5.988	\$6.473	\$6.778	\$7.118	\$7.183	\$7.247
Operating Expenses						
<u>Labor:</u>						
Payroll	\$ 14.810	\$ 15.328	\$ 16.198	\$ 16.493	\$ 16.787	\$ 17.148
Overtime	1.061	0.750	0.772	0.786	0.804	0.822
Health and Welfare	3.099	2.834	3.200	3.426	3.656	3.916
OPEB Current Payment	-	0.462	0.508	0.545	0.585	0.628
Pensions	3.604	4.748	5.065	5.504	5.735	6.184
Other Fringe Benefits	1.302	1.209	1.268	1.291	1.316	1.344
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenses	\$23.876	\$25.331	\$27.011	\$28.045	\$28.883	\$30.042
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$ 2.211	\$ 2.691	\$ 2.987	\$ 3.564	\$ 3.813	\$ 4.080
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	0.307	0.335	0.269	0.294	0.418	0.353
Claims	1.104	2.824	0.273	0.278	0.284	0.290
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	1.790	4.177	10.676	4.360	2.866	2.980
Professional Service Contracts	0.331	0.398	0.356	0.363	0.371	0.379
Materials & Supplies	0.981	0.991	1.029	1.077	1.108	1.133
Other Business Expenses	0.001	0.005	0.005	0.005	0.005	0.005
Total Non-Labor Expenses	\$6.725	\$11.421	\$15.595	\$9.941	\$8.865	\$9.220
<u>Other Expenses Adjustments:</u>						
Other						
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adjs.	\$30.601	\$36.752	\$42.606	\$37.986	\$37.748	\$39.262
Depreciation	7.103	10.337	10.337	10.337	10.337	10.337
OPEB Obligation	2.432	2.600	2.700	2.800	2.800	3.000
Environmental Remediation						
Total Expenses	\$40.136	\$49.689	\$55.643	\$51.123	\$50.885	\$52.599
Baseline Surplus/(Deficit)	(\$34.148)	(\$43.216)	(\$48.865)	(\$44.005)	(\$43.702)	(\$45.352)
2009 Program to Eliminate the Gap (PEGs)	-	0.225	0.743	0.428	0.428	0.428
Post 2009 Program to Eliminate the Gap (PEGs)	-	-	-	0.420	0.840	1.260
Net Surplus/(Deficit)	(\$34.148)	(\$42.991)	(\$48.122)	(\$43.157)	(\$42.434)	(\$43.664)
Business Service Center	\$0.000	\$0.000	\$0.000	\$0.000	\$0.131	\$0.132

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

NON-REIMBURSABLE / REIMBURSABLE						
	2007	2008	2009			
	Actual	November	Final Proposed	2010	2011	2012
Revenue						
Farebox Revenue	\$ 3.938	\$ 4.402	\$ 4.707	\$ 5.047	\$ 5.112	\$ 5.176
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	2.050	2.071	2.071	2.071	2.071	2.071
Capital and Other Reimbursements	0.306	1.422	1.487	1.545	1.605	1.672
Total Revenue	\$6.294	\$7.895	\$8.265	\$8.663	\$8.788	\$8.919
Expenses						
<u>Labor:</u>						
Payroll	\$ 14.897	\$ 15.605	\$ 16.469	\$ 16.770	\$ 17.069	\$ 17.436
Overtime	1.178	1.381	1.436	1.463	1.494	1.526
Health and Welfare	3.166	3.192	3.591	3.853	4.122	4.425
OPEB Current Payment	-	0.462	0.508	0.545	0.585	0.628
Pensions	3.624	4.835	5.154	5.594	5.827	6.278
Other Fringe Benefits	1.317	1.278	1.340	1.365	1.391	1.421
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenses	\$24.182	\$26.753	\$28.498	\$29.590	\$30.488	\$31.714
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$ 2.211	\$ 2.691	\$ 2.987	\$ 3.564	\$ 3.813	\$ 4.080
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	0.307	0.335	0.269	0.294	0.418	0.353
Claims	1.104	2.824	0.273	0.278	0.284	0.290
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	1.790	4.177	10.676	4.360	2.866	2.980
Professional Service Contracts	0.331	0.398	0.356	0.363	0.371	0.379
Materials & Supplies	0.981	0.991	1.029	1.077	1.108	1.133
Other Business Expenses	0.001	0.005	0.005	0.005	0.005	0.005
Total Non-Labor Expenses	\$6.725	\$11.421	\$15.595	\$9.941	\$8.865	\$9.220
<u>Other Expenses Adjustments:</u>						
Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$30.907	\$38.174	\$44.093	\$39.531	\$39.353	\$40.934
Depreciation	7.103	10.337	10.337	10.337	10.337	10.337
OPEB Obligation	2.432	2.600	2.700	2.800	2.800	3.000
Total Expenses	\$40.442	\$51.111	\$57.130	\$52.668	\$52.490	\$54.271
Baseline Surplus/(Deficit)	(\$34.148)	(\$43.216)	(\$48.865)	(\$44.005)	(\$43.702)	(\$45.352)
2009 Program to Eliminate the Gap (PEGs)	0.000	0.225	0.743	0.428	0.428	0.428
Post 2009 Program to Eliminate the Gap (PEGs)	-	-	-	0.420	0.840	1.260
Net Surplus/(Deficit)	(\$34.148)	(\$42.991)	(\$48.122)	(\$43.157)	(\$42.434)	(\$43.664)
Business Service Center	\$0.000	\$0.000	\$0.000	\$0.000	\$0.131	\$0.132

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

CASH RECEIPTS AND EXPENDITURES						
	2007	2008	2009			
	<u>Actual</u>	<u>November Forecast</u>	<u>Final Proposed Budget</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
Receipts						
Farebox Revenue	\$ 3.931	\$ 4.402	\$ 4.707	\$ 5.047	\$ 5.112	\$ 5.176
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	2.060	2.071	2.071	2.071	2.071	2.071
Capital and Other Reimbursements	0.301	1.422	1.487	1.545	1.605	1.672
Total Receipts	\$6.292	\$7.895	\$8.265	\$8.663	\$8.788	\$8.919
Expenditures						
<u>Labor:</u>						
Payroll	\$ 14.992	\$ 15.869	\$ 16.469	\$ 16.770	\$ 17.069	\$ 17.436
Overtime	1.178	1.381	1.436	1.463	1.494	1.526
Health and Welfare	3.313	3.192	3.591	3.853	4.122	4.425
OPEB Current Payment	-	0.462	0.508	0.545	0.585	0.628
Pensions	4.463	1.912	5.154	5.594	5.827	6.278
Other Fringe Benefits	1.522	1.278	1.340	1.365	1.391	1.421
GASB Account	0.212	0.230	0.265	0.290	0.317	0.347
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$25.680	\$24.324	\$28.763	\$29.880	\$30.805	\$32.061
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$ 2.211	\$ 2.691	\$ 2.987	\$ 3.564	\$ 3.813	\$ 4.080
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	0.385	0.335	0.269	0.294	0.418	0.353
Claims	0.235	2.824	0.273	0.278	0.284	0.290
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	1.623	4.177	10.676	4.360	2.866	2.980
Professional Service Contracts	0.308	0.398	0.356	0.363	0.371	0.379
Materials & Supplies	1.039	0.991	1.029	1.077	1.108	1.133
Other Business Expenses	0.001	0.005	0.005	0.005	0.005	0.005
Total Non-Labor Expenditures	\$5.802	\$11.421	\$15.595	\$9.941	\$8.865	\$9.220
<u>Other Expenditure Adjustments:</u>						
Other	-	-	-	-	-	-
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$31.482	\$35.745	\$44.358	\$39.821	\$39.670	\$41.281
Baseline Cash Deficit	(\$25.190)	(\$27.850)	(\$36.093)	(\$31.158)	(\$30.882)	(\$32.362)
2009 Program to Eliminate the Gap (PEGs)	-	0.225	0.743	0.428	0.428	0.428
Post 2009 Program to Eliminate the Gap (PEGs)	-	-	-	0.420	0.840	1.260
Net Cash Deficit	(\$25.190)	(\$27.625)	(\$35.350)	(\$30.310)	(\$29.614)	(\$30.674)
Business Service Center	\$0.000	\$0.000	\$0.000	\$0.000	\$0.131	\$0.132

**MTA Staten Island Railway
November Financial Plan 2009-2012
Year-Over-Year Changes by Category-Baseline Narrative**

TOTAL REVENUES/RECEIPTS

Farebox Revenue

- Farebox revenue improvements of: 2009=\$0.305 million (6.9%), 2010=\$0.340 million (7.2%), 2011=\$0.065 million (1.3%), and 2012=\$0.064 million (1.3%) are due to projected increases in ridership, which are based primarily upon current economic/employment assumptions. The increase in 2010 over 2009 includes the implementation of fare collection at the Tompkinsville Station.

Other Operating Revenue

- No changes.

Capital and Other Reimbursements

- Annual increases are projected from 2009 through 2012 to provide for reimbursement consistent with projected inflationary increases.

TOTAL EXPENSES/EXPENDITURES

Payroll

- Includes projected rate increases as follows: 2009=3.00%, 2010=1.87%, 2011=2.23% and 2012=2.20%.
- Includes \$0.413 million and 6 position increases in 2009 and 2010 and \$0.348 million and 5 position increases in 2011 and 2012 for implementation of Integrated Electronic Security System (IESS)

Overtime

- 2009-2012 payroll wage rate increase assumptions apply.

Health & Welfare

- Increases represent projected rate increases as follows: 2009=9.90%, 2010=7.30%, 2011=7.30%, and 2012=7.30%.
- Includes \$0.087 million increase 2009 and 2010 and \$0.074 million increase in 2011 and 2012 for implementation of Integrated Electronic Security System (IESS).

Pension

- Increases are determined based on current actuarial information.
- Includes \$0.055 million increase in 2009 and 2010 and \$0.046 million increase in 2011 and 2012 for implementation of Integrated Electronic Security System (IESS).

Other Fringe Benefits

- Inflation assumptions are consistent with payroll rate increase assumptions.
- Includes \$0.023 million increase in 2009 and 2010 and \$0.019 million increase in 2011 and 2012 for implementation of Integrated Electronic Security System (IESS).

Traction and Propulsion Power

- 2009-2012 reflects projected New York Power Authority (NYPA) assumptions provided by MTA.

Insurance

- 2009-2012 assumptions provided by MTA.

Claims

- 2009-2012 inflation assumptions are based upon Global Insight's estimates as follows: 2009=2.94%, 2010=1.87%, 2011=2.23%, and 2012=2.20%.

Maintenance and Other Operating Contracts

- 2009-2012 inflation assumptions are based upon Global Insight's estimates as follows: 2009=2.94%, 2010=1.87%, 2011=2.23%, and 2012=2.20%.
- 2009-2012 reflects projected New York Power Authority (NYPA) increases consistent with assumptions provided by MTA.
- 2008-2010 includes an estimated \$11.0 million of one-time fleet maintenance expenses to maintain the safety and reliability of the 64-car fleet until anticipated replacement in 2014.
- 2008 includes \$0.172 million of expenses delayed from 2007.

Professional Service Contracts

- 2009-2012 inflation assumptions are based upon Global Insight's estimates as follows: 2009=2.94%, 2010=1.87%, 2011=2.23%, and 2012=2.20%.
- 2008 includes \$0.050 million of expenses delayed from 2007.

Materials and Supplies

- 2009-2012 inflation assumptions are based upon Global Insight's estimates as follows: 2009=3.88%, 2010=4.58%, 2011=2.96%, and 2012=2.17%.

Other Business Expenses

- 2009-2012 inflation assumptions are based upon Global Insight's estimates as follows: 2009=2.94%, 2010=1.87%, 2011=2.23%, and 2012=2.20%.

Depreciation

- Annual expenses do not increase during the Financial Plan period, as no additional capital assets are projected to reach beneficial use.

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

NON-REIMBURSABLE

	Favorable/(Unfavorable)								
	2008	2009	Change 2009 - 2008	2010	Change 2010 - 2009	2011	Change 2011 - 2010	2012	Change 2012 - 2011
Revenue									
Farebox Revenue	\$4.402	\$4.707	\$0.305	\$5.047	\$0.340	\$5.112	\$0.065	\$5.176	\$0.064
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	2.071	2.071	0.000	2.071	0.000	2.071	0.000	2.071	0.000
Capital and Other Reimbursements	0.000	0.000	\$0.000	0.000	\$0.000	0.000	\$0.000	0.000	\$0.000
Total Revenue	\$6.473	\$6.778	\$0.305	\$7.118	\$0.340	\$7.183	\$0.065	\$7.247	\$0.064
Expenses									
Labor:									
Payroll	15.328	16.198	(0.870)	16.493	(0.295)	16.787	(0.294)	17.148	(0.361)
Overtime	0.750	0.772	(0.022)	0.786	(0.014)	0.804	(0.018)	0.822	(0.018)
Health and Welfare	2.834	3.200	(0.366)	3.426	(0.226)	3.656	(0.230)	3.916	(0.260)
OPEB Current Payment	0.462	0.508	(0.046)	0.545	(0.037)	0.585	(0.040)	0.628	(0.043)
Pensions	4.748	5.065	(0.317)	5.504	(0.439)	5.735	(0.231)	6.184	(0.449)
Other Fringe Benefits	1.209	1.268	(0.059)	1.291	(0.023)	1.316	(0.025)	1.344	(0.028)
Reimbursable Overhead		0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$25.331	\$27.011	(\$1.680)	\$28.045	(\$1.034)	\$28.883	(\$0.838)	\$30.042	(\$1.159)
Non-Labor:									
Traction and Propulsion Power	2.691	2.987	(0.296)	3.564	(0.577)	3.813	(0.249)	4.080	(0.267)
Fuel for Buses and Trains	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.335	0.269	0.066	0.294	(0.025)	0.418	(0.124)	0.353	0.065
Claims	2.824	0.273	2.551	0.278	(0.005)	0.284	(0.006)	0.290	(0.006)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other									
Operating Contracts	4.177	10.676	(6.499)	4.360	6.316	2.866	1.494	2.980	(0.114)
Professional Service Contracts	0.398	0.356	0.042	0.363	(0.007)	0.371	(0.008)	0.379	(0.008)
Materials & Supplies	0.991	1.029	(0.038)	1.077	(0.048)	1.108	(0.031)	1.133	(0.025)
Other Business Expenses	0.005	0.005	0.000	0.005	0.000	0.005	0.000	0.005	0.000
Total Non-Labor Expenses	\$11.421	\$15.595	(\$4.174)	\$9.941	\$5.654	\$8.865	\$1.076	\$9.220	(\$0.355)
Other Expenses Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Other Expense Adjustments	\$0.000	0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adjs.	\$36.752	\$42.606	(\$5.854)	\$37.986	\$4.620	\$37.748	\$0.238	\$39.262	(\$1.514)
Depreciation	10.337	10.337	0.000	10.337	0.000	10.337	0.000	10.337	0.000
OPEB Current Payment	2.600	2.700	(0.100)	2.800	(0.100)	2.800	0.000	3.000	(0.200)
OPEB Obligation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$49.689	\$55.643	(\$5.954)	\$51.123	\$4.520	\$50.885	\$0.238	\$52.599	(\$1.714)
Baseline Net Surplus/(Deficit)	(\$43.216)	(\$48.865)	(\$5.649)	(\$44.005)	\$4.860	(\$43.702)	\$0.303	(\$45.352)	(\$1.650)
2009 Agency Prog. to Elim. the GAP	0.225	0.743	0.518	0.428	(0.315)	0.428	0.000	0.428	0.000
Post-2009 Agency Prog. to Elim. The Gap	0.000	0.000	0.000	0.420	0.420	0.840	0.420	1.260	0.420
Net Surplus/(Deficit)	(\$42.991)	(\$48.122)	(\$5.131)	(\$43.157)	\$4.965	(\$42.434)	\$0.723	(\$43.664)	(\$1.230)
Business Service Center	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.131	\$0.131	\$0.132	\$0.001

**MTA Staten Island Railway
November Financial Plan 2009-2012
Summary of Plan to Plan Changes-Baseline Narrative**

2008: November Financial Plan vs. July Financial Plan

Revenue Re-estimates

- Increased farebox revenues of \$0.021 million based on projected higher ridership.
- Reduced student ridership projections resulting in lower student fare reimbursement of \$0.016 million.

Expense Re-estimates

- A delay in the timing of R-44 fleet maintenance work resulting in the deferral of \$3.836 million of expenses to 2009 and 2010.
- Updated inflation projections which result in an expense increase of \$0.290 million.

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

Revenue Re-estimates

- Reduced farebox revenues (excluding Tompkinsville) of \$0.064 million in 2009, \$0.085 million in 2010, \$0.070 million in 2011 and \$0.040 million in 2012 based on projected lower ridership
- Reduced student ridership projections resulting in lower student fare reimbursement of \$0.016 million in each year.

Expense Re-estimates

- A delay in the timing of R-44 fleet maintenance work from 2008 resulting in the deferral of \$2.255 million of expenses to 2009 and \$1.581 million of expenses to 2010.
- Inclusion of Integrated Electronic Security System (IESS) support including expense increases of \$0.578 million and position increases of 6 in 2009 and 2010 and expense increases of \$0.487 million and 5 position increases in 2011 and 2012.
- Revised inflation projections resulting in increased expenses of \$0.242 million in 2009, \$0.371 million in 2010, \$0.453 million in 2011, and \$0.793 million in 2012.

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

NON-REIMBURSABLE					
	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Operating Cash Income/(Deficit)	(\$31.401)	(\$32.938)	(\$28.527)	(\$29.856)	(\$31.026)
Baseline Changes					
Revenue					
Farebox Revenue	0.021	(0.064)	(0.085)	(0.070)	(0.040)
Other Operating Revenue	(0.016)	(0.016)	(0.016)	(0.016)	(0.016)
Capital and Other Reimbursement					
Total Revenue Changes	\$0.005	(\$0.080)	(\$0.101)	(\$0.086)	(\$0.056)
Expenses					
<i>Labor:</i>					
Payroll	0.000	(0.413)	(0.385)	(0.369)	(0.395)
Overtime	0.000	0.000	0.002	(0.001)	0.015
Health and Welfare	0.000	(0.087)	(0.087)	(0.074)	(0.074)
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000
Pensions	0.000	(0.055)	(0.055)	(0.046)	(0.046)
Other Fringe Benefits	0.000	(0.023)	(0.020)	(0.021)	0.008
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000
Total Labor Expense Changes	\$0.000	(\$0.578)	(\$0.545)	(\$0.511)	(\$0.492)
<i>Non-Labor:</i>					
Traction and Propulsion Power	(0.152)	(0.169)	(0.202)	(0.215)	(0.471)
Fuel for Buses and Trains					
Insurance					
Claims	(0.064)	(0.008)	(0.008)	(0.008)	(0.011)
Paratransit Service Contracts					
Maintenance and Other Operating Contracts	3.763	(2.319)	(1.752)	(0.173)	(0.286)
Professional Service Contracts	(0.009)	(0.010)	(0.010)	(0.011)	(0.005)
Materials & Supplies	0.008	0.009	(0.013)	(0.022)	(0.016)
Other Business Expenses	0.000	0.000	0.000	0.000	0.001
Total Non-Labor Expense Changes	\$3.546	(\$2.497)	(\$1.985)	(\$.429)	(\$.788)
Total Expense Changes before Depreciation & GASB Adjs.	\$3.546	(\$3.075)	(\$2.530)	(\$.940)	(\$1.280)
Depreciation					
OPEB Obligation					
Environmental Remediation					
Total Depreciation and GASB Adjs. Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Cash Adjustment Changes					
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$3.551	(\$3.155)	(\$2.631)	(\$1.026)	(\$1.336)
Baseline 2008 November Financial Plan - Operating Cash Income/(Deficit)	(\$27.850)	(\$36.093)	(\$31.158)	(\$30.882)	(\$32.362)

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

REIMBURSABLE	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline Changes					
Revenue					
Farebox Revenue					
Other Operating Revenue					
Capital and Other Reimbursement					
Total Revenue Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Expenses					
<i>Labor:</i>					
Payroll					
Health and Welfare					
OPEB Current Payment					
Pensions					
Other Fringe Benefits					
Reimbursable Overhead					
Total Labor Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<i>Non-Labor:</i>					
Traction and Propulsion Power					
Fuel for Buses and Trains					
Insurance					
Claims					
Paratransit Service Contracts					
Maintenance and Other Operating Contracts					
Materials & Supplies					
Other Business Expenses					
Total Non-Labor Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Cash Adjustment Changes					
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline 2008 November Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

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

NON-REIMBURSABLE and REIMBURSABLE

	2008	2009	2010	2011	2012
Baseline 2008 July Financial Plan - Operating Cash Income/(Deficit)	(\$31.401)	(\$32.938)	(\$28.527)	(\$29.856)	(\$31.026)
Non-Reimbursable Major Changes					
Revenue					
Fare Revenue Re-estimate	0.021	(0.064)	(0.085)	(0.070)	(0.040)
School Fare Reimbursement Re-estimate	(0.016)	(0.016)	(0.016)	(0.016)	(0.016)
Sub-Total Non-Reimbursable Revenue Changes	\$.005	(\$.080)	(\$.101)	(\$.086)	(\$.056)
Expenses					
Impact of a Delay in the Timing of R-44 Fleet Maintenance Project	3.836	(2.255)	(1.581)	0.000	0.000
Impact of Revised Inflation Assumptions	(0.290)	(0.242)	(0.371)	(0.453)	(0.793)
Inclusion of Intergrated Electronic Security System (IESS) Expenses	0.000	(0.578)	(0.578)	(0.487)	(0.487)
Sub-Total Non-Reimbursable Expense Changes	\$3.546	(\$3.075)	(\$2.530)	(\$.940)	(\$1.280)
Total Non-Reimbursable Major Changes	\$3.551	(\$3.155)	(\$2.631)	(\$1.026)	(\$1.336)
Reimbursable Major Changes					
Revenue					
Sub-Total Reimbursable Revenue Changes					
Expenses					
Inflation					
Sub-Total Reimbursable Expense Changes					
Total Reimbursable Major Changes	\$.000	\$.000	\$.000	\$.000	\$.000
Total Accrual Changes	\$3.551	(\$3.155)	(\$2.631)	(\$1.026)	(\$1.336)
Cash Adjustment Changes					
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$3.551	(\$3.155)	(\$2.631)	(\$1.026)	(\$1.336)
Baseline 2008 November Financial Plan - Operating Cash Income/(Deficit)	(\$27.850)	(\$36.093)	(\$31.158)	(\$30.882)	(\$32.362)

**MTA Staten Island Railway
November Financial Plan 2009-2012
Summary of Plan to Plan Changes-Baseline Narrative
Ridership (Utilization)**

- Re-estimates of net non-student/student ridership is projected to decrease from the July Financial Plan ridership by 0.010 million in 2008, 0.059 million in 2009, 0.078 million in 2010, 0.065 million in 2011 and 0.040 million in 2012.

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

	2007 Actual	2008 November Forecast	Final Proposed Budget	2010	2011	2012
Baseline Total Ridership	4.129	4.412	4.598	4.856	4.910	4.964
<i>Impact of:</i>						
2009 Program to Eliminate the Gap (PEGs)	0	0	0	0	0	0
Post 2009 Program to Eliminate the Gap (PEGs)	0	0	0	0	0	0
Total Ridership	4.129	4.412	4.598	4.856	4.910	4.964

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

		2008		2009		2010		2011		2012	
		<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>
Administration											
Administrative Efficiencies		1	0.085	2	0.244	2	0.244	2	0.244	2	0.244
Hiring Delay/Vacancy Savings		0	0.140	0	0.315	0	0.000	0	0.000	0	0.000
Operational Reorganization		0	0.000	1	0.077	1	0.077	1	0.077	1	0.077
S.I. Medical Assessment Facility		0	0.000	0	0.030	0	0.030	0	0.030	0	0.030
Sub-Total	Administration	1	\$ 0.225	3	\$ 0.666	3	\$ 0.351	3	\$ 0.351	3	\$ 0.351
Service											
PC Based Interlocking Control		0	0.000	1	0.077	1	0.077	1	0.077	1	0.077
Sub-Total	Service	0	\$ 0.000	1	\$ 0.077	1	\$ 0.077	1	\$ 0.077	1	\$ 0.077
Total Programs		1	\$ 0.225	4	\$ 0.743	4	\$ 0.428	4	\$ 0.428	4	\$ 0.428

MTA STATEN ISLAND RAILWAY
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet

(\$ in millions)

Business Unit	SIRTA	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Administration	Savings Date	1/1/2009
PEG / New Need ID	0000000016	Current Budget Year	2008	Status	Open
Program:	Administrative Efficiencies			Agency Status	Pending
Description and Implementation Pla	THE MANPOWER REQUIRED TO SUPPORT ADMINISTRATIVE OPERATIONS AT SIR ARE CONTINUALLY MONITORED TO IDENTIFY POTENTIAL EFFICIENCIES FROM RELATED FUNCTIONS AND ACTIVITIES THAT WILL LIKELY RESULT IN A REDUCTION IN ADMINISTRATIVE POSITIONS.				
Background Details	Based on a review of the SIR administrative functions in the area of Human Resources and Procurement, a total of two (2) administrative positions were identified for possible elimination through attrition. One position was attritted beginning in the 2nd Qtr. 2008 and a second is anticipated in 2009.				

				2008	2009	2010	2011	2012
Total Headcount	SIRTA	0000000016	FINAL08	1	2	2	2	2
Financial Impact	SIRTA	0000000016	FINAL08	\$ 0.085	\$ 0.244	\$ 0.244	\$ 0.244	\$ 0.244

MTA STATEN ISLAND RAILWAY
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet

(\$ in millions)

Business Unit	SIRTA	Financial Plan Category	PEG	Implementation Date	7/1/2008
Budget Reference	FINAL08	Category	Administration	Savings Date	7/1/2008
PEG / New Need ID	0000000021	Current Budget Year	2008	Status	Open
Program:	Hiring Delay/Vacancy Savings			Agency Status	Pending
Description and Implementation Pla	NORMAL EMPLOYEE TURNOVER THROUGH RESIGNATION, RETIREMENT, CREATES VACANCIES FILLED THROUGH INTERNAL PROMOTION OR RECRUITMENT. DURING THIS PROCESS SMALL INCREMENTAL SAVINGS FOR NON-OPERATING TITLES WHILE OPERATING POSITIONS MAY BE OFFST BY OVERTIM				
Background Details	Beginning July 1, 2008 SIR will implement a self-imposed hiring delay of six (6) months on all vacancies deemed not to impact on current service need. Based on turnover history it is expected that on average, eight (8) vacancies in 2008 and nine (9) vacancies in 2009 can remain unfilled for up to six months.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	SIRTA	0000000021	FINAL08	\$ 0.140	\$ 0.315	\$ 0.000	\$ 0.000	\$ 0.000

MTA STATEN ISLAND RAILWAY
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet

(\$ in millions)

Business Unit	SIRTA	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Administration	Savings Date	1/1/2009
PEG / New Need ID	0000000015	Current Budget Year	2008	Status	Open
Program:	Operational Reorganization			Agency Status	Pending
Description and Implementation Pla	MTA STATEN ISLAND RAILWAY IS IMPLEMENTING A REORGANIZATION OF ITS OPERATIONS DIVISION DESIGNED TO IMPROVE BOTH SUPERVISION AND OVERALL PRODUCTIVITY. THE CONSOLIDATION OF THE TRANSPORTATION AND CLEANING SERVICES DEPARTMENTS WILL RESULT IN EFFICIENCIES.				
Background Details	The consolidation of Transportation and Cleaning Services will result in savings of two positions; one Superintendent and one Train Dispatcher. At the same time, MTA Staten Island Railway is deficient in terms of field supervision. The reorganization includes a reinvestment of one Deputy Superintendent to provide improved Transportation rule compliance and field supervision of cleaning and maintenance of way activities.				

				2008	2009	2010	2011	2012
Total Headcount	SIRTA	0000000015	FINAL08	0	1	1	1	1
Financial Impact	SIRTA	0000000015	FINAL08	\$ 0.000	\$ 0.077	\$ 0.077	\$ 0.077	\$ 0.077

MTA STATEN ISLAND RAILWAY
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet

(\$ in millions)

Business Unit	SIRTA	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Administration	Savings Date	1/1/2009
PEG / New Need ID	0000000017	Current Budget Year	2008	Status	Open
Program:	S.I. Medical Assessment Facility			Agency Status	Pending
Description and Implementation Pla	NYCT SUPPORTS SIR FOR ALL MEDICAL ASSESSMENTS INCLUDING PRE-EMPLOYMENT, RETURN TO WORK, PERIODIC, RE-CHECKS AND MANDATED RANDOM TESTING. CURRENTLY, EMPLOYEES ARE DISPATCHED TO 180 LIVINGSTON FOR THESE TESTS RESULTING IN AN AVERAGE LOSS OF FOUR (4) HOURS				
Background Details	In cooperation with the NYCT Department of Buses and Human Resources, a satellite Medical Assessment Center will be established on SIR property at the 735 Bay St. Maintenance facility to provide all business day medical assessment related services currently provided at 180 Livingston St. Productivity savings associated with this initiative is projected to be \$30K annually.				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	SIRTA	0000000017	FINAL08	\$ 0.000	\$ 0.030	\$ 0.030	\$ 0.030	\$ 0.030

MTA STATEN ISLAND RAILWAY
November Plan 2009 - 2012
Summary of Program to Eliminate the Gap(PEGs) Worksheet

(\$ in millions)

Business Unit	SIRTA	Financial Plan Category	PEG	Implementation Date	1/1/2009
Budget Reference	FINAL08	Category	Service	Savings Date	1/1/2009
PEG / New Need ID	0000000018	Current Budget Year	2008	Status	Open
Program:	PC Based Interlocking Control			Agency Status	Pending
Description and Implementation Pla	THE INTRODUCTION OF PC-BASED INTERLOCKING CONTROL OF STATEN ISLAND RAILWAY'S TWO TERMINALS AT ST. GEORGE AND TOTTENVILLE AS WELL AS HOLLY/FERN AND WOLF/POND INTERLOCKINGS WILL ALLOW FOR AUTOMATIC DISPATCHING AND ROUTING OF SCHEDULED TRAIN MOVEMENT.				
Background Details	Operating impacts are considered to be minimal as most train movement at terminals is routine and can be programmed and controlled by a PC-based system. However, as the system is currently under in-house development, achievement of this PEG is contingent upon successful completion of the project.				

				2008	2009	2010	2011	2012
Total Headcount	SIRTA	0000000018	FINAL08	0	1	1	1	1
Financial Impact	SIRTA	0000000018	FINAL08	\$ 0.000	\$ 0.077	\$ 0.077	\$ 0.077	\$ 0.077

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

		2008		2009		2010		2011		2012	
		<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>	<u>Positions</u>	<u>Dollars</u>
Other											
Unspecified		0	0.000	0	0.000	0	0.420	0	0.840	0	1.260
Sub-Total	Other	0	\$ 0.000	0	\$ 0.000	0	\$ 0.420	0	\$ 0.840	0	\$ 1.260
Total Programs		0	\$ 0.000	0	\$ 0.000	0	\$ 0.420	0	\$ 0.840	0	\$ 1.260

MTA STATEN ISLAND RAILWAY
November Plan 2009 - 2012
Summary of Post PEGs Worksheet

(\$ in millions)

Business Unit	SIRTA	Financial Plan Category	Post PEG	Implementation Date	1/1/2010
Budget Reference	FINAL08	Category	Other	Savings Date	1/1/2010
PEG / New Need ID	0000000022	Current Budget Year	2008	Status	Open
Program:	Unspecified			Agency Status	Pending
Description and Implementation Pla	Unspecified				
Background Details	Unspecified				

				2008	2009	2010	2011	2012
Total Headcount								
Financial Impact	SIRTA	0000000022	FINAL08	\$ 0.000	\$ 0.000	\$ 0.420	\$ 0.840	\$ 1.260

MTA Staten Island Railway
November Financial Plan 2009-2012
Summary of Plan to Plan Changes-Baseline Narrative
Positions

- Full-time baseline positions have increased from the July Financial Plan by 6 in 2009 and 2010 and by 5 positions in 2011 and 2012 due to the inclusion of Integrated Electronic Security System (IESS) support.

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

FUNCTION/DEPARTMENT	2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Administration						
Executive	9	11	11	11	11	11
General Office	11	11	11	11	11	11
Purchasing/Stores	7	7	7	7	7	7
Total Administration	27	29	29	29	29	29
Operations						
Transportation	91	94	100	100	99	99
Maintenance						
Mechanical	34	36	36	36	36	36
Car and Station Cleaning	18	19	18	18	18	18
Power/Signals	25	28	28	28	28	28
Maintenance of Way	49	49	49	49	49	49
Bridge and Buildings	22	21	21	21	21	21
Material Handling	2	2	2	2	2	2
Total Maintenance	150	155	154	154	154	154
Engineering/Capital						
None	-	-	-	-	-	-
Public Safety						
Police	-	-	-	-	-	-
Baseline Total Positions	268	278	283	283	282	282
Non-Reimbursable	265	275	280	280	279	279
Reimbursable	3	3	3	3	3	3
Total Full-Time	268	278	283	283	282	282
Total Full-Time Equivalents	-	-	-	-	-	-
<hr/>						
Impact of:						
2009 Program to Eliminate the Gap	-	1	4	4	4	4
Post 2009 Program to Eliminate the Gap	-	-	-	-	-	-
Total Positions	268	277	279	279	278	278
Non-Reimbursable	-	274	276	276	275	275
Reimbursable	-	3	3	3	3	3
Total Full-Time	268	277	279	279	278	278
Total Full-Time Equivalents	-	-	-	-	-	-
Business Service Center	0	0	0	0	(2)	(2)

MTA STATEN ISLAND RAILWAY
November Financial Plan 2009- 2012
Total Full-Time Positions and Full-time Equivalents by Function and Occupational Group

FUNCTION/OCCUPATIONAL GROUP	2007 Actual	2008 November Forecast	2009 Final Proposed Budget	2010	2011	2012
Administration						
Managers/Supervisors	12	14	14	14	14	14
Professional, Technical, Clerical	15	15	15	15	15	15
Operational Hourlies	-	-	-	-	-	-
Total Administration	27	29	29	29	29	29
Operations						
Managers/Supervisors	7	7	8	8	8	8
Professional, Technical, Clerical	4	4	4	4	4	4
Operational Hourlies	80	83	88	88	87	87
Total Operations	91	94	100	100	99	99
Maintenance						
Managers/Supervisors	8	11	11	11	11	11
Professional, Technical, Clerical	3	3	3	3	3	3
Operational Hourlies	139	141	140	140	140	140
Total Maintenance	150	155	154	154	154	154
Engineering/Capital						
Managers/Supervisors						
Professional, Technical, Clerical						
Operational Hourlies						
Total Engineering/Capital	-	-	-	-	-	-
Public Safety						
Managers/Supervisors						
Professional, Technical, Clerical						
Operational Hourlies						
Total Public Safety	-	-	-	-	-	-
Total Baseline Positions						
Managers/Supervisors	27	32	33	33	33	33
Professional, Technical, Clerical	22	22	22	22	22	22
Operational Hourlies	219	224	228	228	227	227
Total Baseline Positions	268	278	283	283	282	282