

MTA 2016

Final Proposed Budget

November Financial Plan 2016 – 2019



Volume 2
November 2015



Metropolitan Transportation Authority

OVERVIEW

MTA 2016 FINAL PROPOSED BUDGET NOVEMBER FINANCIAL PLAN 2016-2019 VOLUME 2

The MTA's November Plan is divided into two volumes:

Volume 1 consists of financial schedules supporting the complete MTA-Consolidated Financial Plan, including an Executive Summary, the baseline forecast (as detailed in Volume 2 and described below) and certain adjustments captured below the baseline. These "below-the-line" adjustments include: Fare/Toll Increases, MTA Initiatives, Policy Actions, and any MTA Re-estimates. Volume 1 also includes descriptions of the "below-the-line" actions as well as the required Certification by the Chairman and Chief Executive Officer, and a description of the MTA Budget Process.

Volume 2 includes MTA-Consolidated detailed financial and position schedules as well as the narratives that support the baseline projections included in the 2016 Final Proposed Budget and the Financial Plan for 2016 through 2019. Also included are the Agency sections which incorporate descriptions of Agency Programs with supporting baseline tables and required information related to the MTA Capital Program.

TABLE OF CONTENTS

VOLUME 2

I.	<u>MTA Consolidated 2016-2019 Financial Plan</u>	
	2016: Where the Dollars Come From and Where the Dollars Go.....	I-1
	2016-2019 Financial Plan: Statement of Operations by Category.....	I-2
	2016-2019 Financial Plan: Cash Statements.....	I-4
	2015-2019 Reconciliation to July Plan.....	I-6
	Farebox Recovery and Operating Ratios.....	I-7
II.	<u>Major Assumptions</u>	
	Agency Baseline Assumptions.....	II-1
	Subsidies.....	II-31
	Debt Service.....	II-67
	Debt Service Affordability Statement.....	II-72
	Positions (Headcount).....	II-75
III.	<u>Other MTA Consolidated Materials</u>	
	2016-2019 Consolidated Statements of Operations by Category:	
	Accrued, Cash, and Cash Conversion Detail.....	III-1
	Year-to-Year Changes by Category.....	III-6
	Non-Recurring Revenues and Savings, and MTA Reserves.....	III-7
IV.	<u>MTA Capital Program Information</u>	
	2015 Commitment Goals by Agency.....	IV-1
	2015-2018 Completions by Agency.....	IV-13
	Operating Impacts Exceeding \$1 Million.....	IV-25

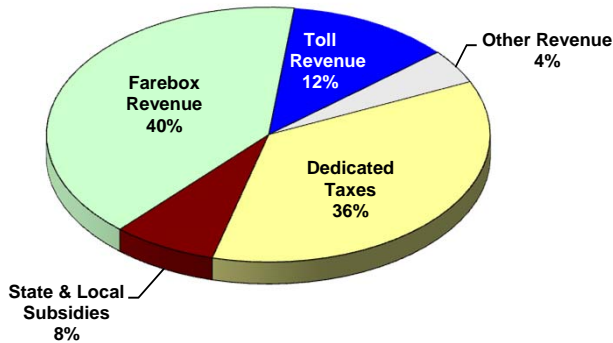
V. Agency Financial Plans

Bridges and Tunnels.....	V-1
Capital Construction Company.....	V-39
Long Island Rail Road.....	V-55
Metro-North Railroad.....	V-101
MTA Headquarters and Inspector General.....	V-159
First Mutual Transportation Assurance Co. (FMTAC).....	V-221
New York City Transit.....	V-233
MTA Bus Company.....	V-283
Staten Island Railway.....	V-321

I. MTA Consolidated 2016-2019 Financial Plan

MTA 2016 Final Proposed Budget
Baseline Expenses Before Below-the-Line Adjustments
Non-Reimbursable

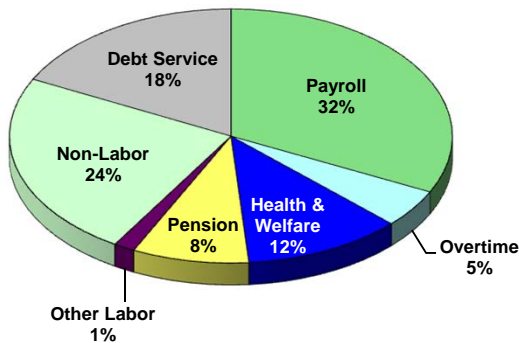
Where the Dollars Come From ...



By Revenue Source (\$ in millions)	
Farebox Revenue	\$6,072
Toll Revenue	1,809
Other Revenue	661
Dedicated Taxes	5,427
State & Local Subsidies	1,146
Total ¹	\$15,115

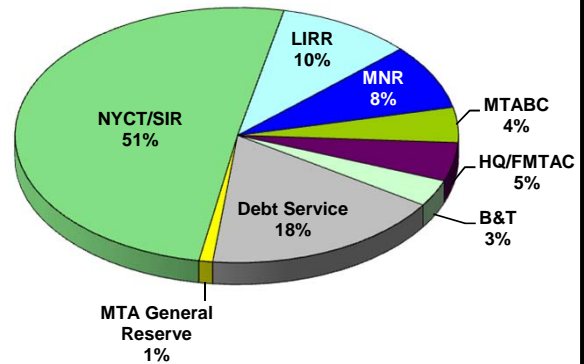
Where the Dollars Go ...

By Expense Category



By Expense Category ² (\$ in millions)	
Payroll	\$4,870
Overtime	735
Health & Welfare	1,750
Pension	1,285
Other Labor	233
Non-Labor	3,567
Debt Service	2,660
Total ¹	\$15,101

By MTA Agency



By MTA Agency ² (\$ in millions)	
NYCT/SIR	\$7,637
LIRR	1,485
MNR	1,251
MTABC	671
HQ/FMTAC	738
B&T	510
Debt Service	2,660
MTA General Reserve	150
Total ¹	\$15,101

¹ Totals may not add due to rounding.

² Expenses exclude Depreciation, OPEB Obligation and Environmental Remediation. MTA Capital Construction is not included, as its budget contains reimbursable expenses only.

Note: The revenues and expenses reflected in these charts are on an accrued basis and exclude cash adjustments, carry-over balances and those "below-the-line" adjustments that are captured in Volume 1. Any comparison of revenues versus expenses will not directly correspond to the cash balances reflected in the Statement of Operations.

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2016-2019
MTA Consolidated Statement Of Operations By Category
(\$ in millions)

Line No.	Non-Reimbursable	2014 Actual	2015 November Forecast	2016 Final Proposed Budget	2017	2018	2019
10	Operating Revenue						
11	Farebox Revenue	\$5,709	\$5,929	\$6,072	\$6,119	\$6,159	\$6,183
12	Toll Revenue	1,676	1,792	1,809	1,818	1,831	1,844
13	Other Revenue	682	662	661	677	699	724
14	Capital and Other Reimbursements	0	0	0	0	0	0
15	Total Operating Revenue	\$8,068	\$8,382	\$8,542	\$8,614	\$8,688	\$8,752
17	Operating Expense						
18	Labor Expenses:						
19	Payroll	\$4,672	\$4,689	\$4,870	\$5,016	\$5,130	\$5,236
20	Overtime	730	755	735	745	760	775
21	Health & Welfare	962	1,052	1,173	1,241	1,323	1,413
22	OPEB Current Payment	479	529	577	615	663	717
23	Pensions	1,304	1,282	1,285	1,252	1,244	1,269
24	Other-Fringe Benefits	784	644	653	680	708	728
25	Reimbursable Overhead	(350)	(391)	(420)	(407)	(400)	(403)
26	Sub-total Labor Expenses	\$8,582	\$8,560	\$8,874	\$9,141	\$9,428	\$9,736
28	Non-Labor Expenses:						
29	Electric Power	\$516	\$500	\$503	\$527	\$559	\$594
30	Fuel	267	188	180	189	215	241
31	Insurance	51	52	55	60	67	75
32	Claims	269	260	243	247	251	255
33	Paratransit Service Contracts	366	383	407	426	463	502
34	Maintenance and Other Operating Contracts	549	612	714	724	670	684
35	Professional Service Contracts	283	414	458	400	402	410
36	Materials & Supplies	527	558	617	608	601	619
37	Other Business Expenses	180	208	195	195	203	201
38	Sub-total Non-Labor Expenses	\$3,007	\$3,176	\$3,372	\$3,376	\$3,431	\$3,580
40	Other Expense Adjustments:						
41	Other	\$45	\$43	\$45	\$46	\$47	\$49
42	General Reserve	0	0	150	155	160	165
43	Sub-total Other Expense Adjustments	\$45	\$43	\$195	\$201	\$207	\$214
45	Total Operating Expense before Non-Cash Liability Adj.	\$11,634	\$11,778	\$12,441	\$12,718	\$13,065	\$13,530
47	Depreciation	\$2,266	\$2,380	\$2,456	\$2,656	\$2,728	\$2,798
48	OPEB Obligation	2,035	2,030	2,114	2,199	2,287	2,378
49	Environmental Remediation	21	7	7	7	7	7
51	Total Operating Expense after Non-Cash Liability Adj.	\$15,956	\$16,194	\$17,017	\$17,580	\$18,088	\$18,713
53	Conversion to Cash Basis: Non-Cash Liability Adjs.	\$4,322	\$4,416	\$4,576	\$4,862	\$5,022	\$5,183
55	Debt Service (excludes Service Contract Bonds)	(2,249)	(2,383)	(2,660)	(2,888)	(3,071)	(3,204)
57	Total Operating Expense with Debt Service	\$13,882	\$14,161	\$15,101	\$15,606	\$16,136	\$16,734
59	Dedicated Taxes and State/Local Subsidies	\$6,375	\$6,625	\$6,574	\$6,709	\$6,830	\$7,034
61	Net Surplus/(Deficit) After Subsidies and Debt Service	\$561	\$847	\$15	(\$283)	(\$618)	(\$948)
63	Conversion to Cash Basis: GASB Account	(50)	(0)	0	0	(9)	(19)
64	Conversion to Cash Basis: All Other	(496)	(247)	(146)	(78)	(26)	91
66	CASH BALANCE BEFORE PRIOR-YEAR CARRYOVER	\$15	\$600	(\$131)	(\$361)	(\$653)	(\$877)

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2016-2019
MTA Consolidated Accrued Statement of Operations By Agency
(\$ in millions)

Line No	Non-Reimbursable	2015		2016		2017	2018	2019
		2014 Actual	November Forecast	Final Proposed Budget				
9	Total Operating Revenue							
10	New York City Transit	\$4,628	\$4,771	\$4,891	\$4,929	\$4,973	\$5,011	
11	Bridges and Tunnels	1,703	1,823	1,832	1,841	1,854	1,867	
12	Long Island Rail Road	710	747	757	763	763	766	
13	Metro-North Railroad	712	738	754	770	782	791	
14	MTA Bus Company	224	231	235	236	237	237	
15	MTA Headquarters	66	61	61	63	66	67	
16	Staten Island Railway	8	9	9	9	9	9	
17	First Mutual Transportation Assurance Company	16	3	3	3	3	3	
18	Total	\$8,068	\$8,382	\$8,542	\$8,614	\$8,688	\$8,752	
20	Total Operating Expenses before Non-Cash Liability Adjs. ¹							
21	New York City Transit	\$7,353	\$7,308	\$7,569	\$7,785	\$8,030	\$8,348	
22	Bridges and Tunnels	444	492	510	527	552	574	
23	Long Island Rail Road	1,452	1,422	1,485	1,494	1,577	1,636	
24	Metro-North Railroad	1,237	1,207	1,251	1,283	1,328	1,364	
25	MTA Bus Company	663	639	671	706	664	670	
26	MTA Headquarters	385	602	684	649	649	669	
27	Staten Island Railway	50	50	68	55	49	51	
28	First Mutual Transportation Assurance Company	5	13	2	(2)	(10)	(17)	
29	Other	45	46	202	221	227	234	
30	Total	\$11,634	\$11,778	\$12,441	\$12,718	\$13,065	\$13,530	
32	Depreciation							
33	New York City Transit	\$1,520	\$1,638	\$1,688	\$1,863	\$1,913	\$1,965	
34	Bridges and Tunnels	104	112	120	128	137	146	
35	Long Island Rail Road	325	324	327	330	334	337	
36	Metro-North Railroad	232	227	234	234	234	234	
37	MTA Bus Company	49	42	42	43	44	44	
38	MTA Headquarters	29	29	36	49	58	64	
39	Staten Island Railway	8	8	8	8	8	8	
40	First Mutual Transportation Assurance Company	0	0	0	0	0	0	
41	Total	\$2,266	\$2,380	\$2,456	\$2,656	\$2,728	\$2,798	
43	Other Post Employment Benefits							
44	New York City Transit	\$1,638	\$1,616	\$1,681	\$1,748	\$1,818	\$1,891	
45	Bridges and Tunnels	71	72	74	77	81	85	
46	Long Island Rail Road	75	75	77	79	81	84	
47	Metro-North Railroad	58	68	68	68	68	68	
48	MTA Bus Company	105	100	100	100	100	100	
49	MTA Headquarters	86	96	111	124	135	147	
50	Staten Island Railway	2	2	2	2	2	2	
51	Total	\$2,035	\$2,030	\$2,114	\$2,199	\$2,287	\$2,378	
53	Environmental Remediation							
54	New York City Transit	\$12	\$0	\$0	\$0	\$0	\$0	
55	Bridges and Tunnels	0	0	0	0	0	0	
56	Long Island Rail Road	6	2	2	2	2	2	
57	Metro-North Railroad	2	5	5	5	5	5	
58	MTA Bus Company	1	0	0	0	0	0	
59	Staten Island Railway	(0)	0	0	0	0	0	
60	Total	\$21	\$7	\$7	\$7	\$7	\$7	
63	Net Surplus/(Deficit) ¹							
63	New York City Transit	(\$5,895)	(\$5,791)	(\$6,047)	(\$6,467)	(\$6,788)	(\$7,193)	
64	Bridges and Tunnels	1,084	1,147	1,129	1,108	1,084	1,062	
65	Long Island Rail Road	(1,148)	(1,075)	(1,134)	(1,143)	(1,230)	(1,293)	
66	Metro-North Railroad	(817)	(770)	(805)	(821)	(853)	(881)	
67	MTA Bus Company	(593)	(550)	(578)	(613)	(571)	(577)	
68	MTA Headquarters	(433)	(666)	(771)	(759)	(777)	(813)	
69	Staten Island Railway	(52)	(52)	(70)	(57)	(50)	(52)	
70	First Mutual Transportation Assurance Company	11	(10)	1	5	14	20	
71	Other	(45)	(46)	(202)	(221)	(227)	(234)	
	Total	(\$7,888)	(\$7,812)	(\$8,475)	(\$8,966)	(\$9,399)	(\$9,961)	

Notes: ¹ Excludes Debt Service

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2016-2019
MTA Consolidated Cash Receipts and Expenditures
(\$ in millions)

Line

No

7

Cash Receipts and Expenditures

8

2015 **2016**
2014 **November** **Final Proposed**
Actual **Forecast** **Budget**

9

2017 **2018** **2019**

10

Receipts

11

Farebox Revenue \$5,734 \$5,960 \$6,099 \$6,145 \$6,185 \$6,211

12

Other Operating Revenue 705 730 719 819 744 784

13

Capital and Other Reimbursements 1,492 1,965 1,957 1,866 1,840 1,847

14

Total Receipts **\$7,931** **\$8,655** **\$8,775** **\$8,830** **\$8,769** **\$8,842**

15

Expenditures

16

Labor:

18

Payroll \$5,257 \$5,278 \$5,350 \$5,484 \$5,583 \$5,689

19

Overtime 875 945 854 859 869 886

20

Health and Welfare 975 1,096 1,204 1,275 1,351 1,441

21

OPEB Current Payment 470 517 568 606 654 708

22

Pensions 1,351 1,311 1,338 1,306 1,297 1,311

23

Other Fringe Benefits 738 805 821 835 857 874

24

Contribution to GASB Fund 50 0 0 0 9 19

25

Reimbursable Overhead 0 0 (0) 0 (0) (0)

26

Total Labor Expenditures **\$9,716** **\$9,952** **\$10,137** **\$10,365** **\$10,620** **\$10,928**

27

Non-Labor:

29

Electric Power \$520 \$498 \$500 \$524 \$554 \$589

30

Fuel 264 186 176 186 212 236

31

Insurance 41 52 52 56 63 71

32

Claims 251 257 271 220 224 228

33

Paratransit Service Contracts 366 381 405 424 461 500

34

Maintenance and Other Operating Contracts 526 574 663 653 576 579

35

Professional Service Contracts 304 408 496 408 405 401

36

Materials & Supplies 691 686 774 765 757 778

37

Other Business Expenditures 233 256 224 217 222 219

38

Total Non-Labor Expenditures **\$3,196** **\$3,298** **\$3,562** **\$3,454** **\$3,474** **\$3,601**

39

Other Expenditure Adjustments:

41

Other \$25 \$73 \$141 \$121 \$102 \$105

42

General Reserve 0 0 150 155 160 165

43

Total Other Expenditure Adjustments **\$25** **\$73** **\$291** **\$276** **\$262** **\$270**

44

Total Expenditures **\$12,936** **\$13,323** **\$13,990** **\$14,095** **\$14,355** **\$14,799**

45

Net Cash Deficit Before Subsidies and Debt Service **(\$5,005)** **(\$4,668)** **(\$5,215)** **(\$5,265)** **(\$5,587)** **(5,957)**

48

Dedicated Taxes and State/Local Subsidies \$6,666 \$7,016 \$7,071 \$7,099 \$7,291 \$7,531

50

Debt Service (excludes Service Contract Bonds) (\$1,646) (\$1,749) (\$1,987) (\$2,195) (\$2,358) (\$2,450)

51

52

CASH BALANCE BEFORE PRIOR-YEAR CARRY-OVER **\$15** **\$600** **(\$131)** **(\$361)** **(\$653)** **(\$877)**

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2016-2019
MTA Consolidated Cash Statement of Operations By Agency
(\$ in millions)

Line Number		2014	2015 November	2016 Final Proposed	2017	2018	2019
		<u>Actual</u>	<u>Forecast</u>	<u>Budget</u>			
9	<u>Total Receipts</u>						
10	New York City Transit	\$5,510	\$5,920	\$5,942	\$5,954	\$5,968	\$6,004
11	Long Island Rail Road	967	1,092	1,097	1,078	1,073	1,075
12	Metro-North Railroad	903	1,016	1,104	1,070	1,086	1,101
13	MTA Bus Company	230	244	244	247	248	252
14	MTA Headquarters	263	332	331	426	337	353
15	Staten Island Railway	11	13	16	15	13	13
16	Capital Construction Company	30	35	38	39	40	40
17	First Mutual Transportation Assurance Company	16	3	3	3	3	3
18	Total	\$7,931	\$8,655	\$8,775	\$8,830	\$8,769	\$8,842
19							
20	<u>Total Expenditures</u>						
21	New York City Transit	\$8,467	\$8,462	\$8,623	\$8,829	\$9,054	\$9,379
22	Long Island Rail Road	1,777	1,690	1,837	1,813	1,894	1,960
23	Metro-North Railroad	1,429	1,603	1,665	1,638	1,666	1,693
24	MTA Bus Company	667	656	670	705	663	670
25	MTA Headquarters	529	809	909	830	799	810
26	Staten Island Railway	49	59	75	61	53	55
27	Capital Construction Company	30	35	38	39	40	40
28	First Mutual Transportation Assurance Company	16	3	3	3	3	3
29	Other	(28)	6	170	179	184	189
30	Total	\$12,936	\$13,323	\$13,990	\$14,095	\$14,355	\$14,799
31							
32	<u>Net Cash Surplus/(Deficit)</u>						
33	New York City Transit	(\$2,956)	(\$2,542)	(\$2,681)	(\$2,875)	(\$3,086)	(3,375)
34	Long Island Rail Road	(810)	(598)	(741)	(735)	(821)	(885)
35	Metro-North Railroad	(526)	(588)	(561)	(568)	(580)	(592)
36	MTA Bus Company	(437)	(412)	(425)	(458)	(415)	(418)
37	MTA Headquarters	(266)	(477)	(578)	(404)	(462)	(457)
38	Staten Island Railway	(38)	(46)	(59)	(46)	(40)	(41)
39	Capital Construction Company	-	-	-	-	-	-
40	First Mutual Transportation Assurance Company	-	-	-	-	-	-
41	Other	28	(6)	(170)	(179)	(184)	(189)
42	Total	(\$5,005)	(\$4,668)	(\$5,215)	(\$5,265)	(\$5,587)	(\$5,957)

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2016-2019
MTA Consolidated November Financial Plan Compared with July Financial Plan
Cash Reconciliation
(\$ in millions)

	Favorable/(Unfavorable)				
	2015	2016	2017	2018	2019
JULY FINANCIAL PLAN 2016-2019					
NET CASH SURPLUS/(DEFICIT)	\$81	(\$25)	(\$311)	(\$632)	(\$869)
Agency Baseline Adjustments	\$206	(\$121)	\$45	\$85	\$100
<i>Toll Revenue</i>	23	18	17	18	17
<i>Energy</i>	14	48	46	41	41
<i>Reimbursable Overhead¹</i>	30	28	28	28	19
<i>Other Baseline Re-estimates (includes timing)²</i>	139	(215)	(46)	(1)	22
New Needs/Investments	\$11	(\$78)	(\$129)	(\$139)	(\$141)
<i>Enterprise Asset Management Initiative</i>	14	(19)	(45)	(51)	(57)
<i>Maintenance/Operations</i>	(2)	(28)	(40)	(39)	(39)
<i>Service Adjustments/Service Support</i>	1	(9)	(27)	(32)	(29)
<i>Safety & Security</i>	2	(11)	(8)	(7)	(7)
<i>Information Technology</i>	(3)	(4)	(4)	(5)	(5)
<i>All Other New Needs</i>	(1)	(7)	(5)	(5)	(5)
Savings Programs	\$15	\$20	\$14	\$17	\$18
<i>2015 BRP (New Savings Programs)</i>	15	20	14	17	18
MTA Adjustments	\$140	\$0	\$0	\$0	\$0
<i>General Reserve</i>	140	-	-	-	-
Changes in Subsidies	\$72	\$20	(\$7)	(\$7)	(\$8)
<i>Real Estate Taxes</i>	80	66	26	31	37
<i>Petroleum Business Tax</i>	(12)	(22)	(25)	(29)	(35)
<i>Payroll Mobility Tax</i>	13	(12)	7	7	7
<i>MTA Aid</i>	(8)	(12)	(14)	(17)	(17)
Other Subsidy Adjustments	\$17	\$47	\$85	\$151	\$227
<i>CDOT Subsidy</i>	(2)	1	(3)	0	2
<i>B&T Surplus Transfer</i>	53	24	9	2	(12)
<i>Forward Energy Contracts</i>	(7)	(12)	(1)	-	-
<i>Other Subsidies</i>	(27)	33	80	149	237
Debt Service³	\$57	\$6	(\$57)	(\$129)	(\$204)
NOVEMBER FINANCIAL PLAN 2016-2019					
NET CASH SURPLUS/(DEFICIT)	\$600	(\$131)	(\$361)	(\$653)	(\$877)

* Totals may not add due to rounding

¹ Reflects changes in overhead cost recoveries resulting from revisions in capital project activity.

² Includes changes from timing, inflation, operating capital and cash adjustments.

³ This variance represents the inclusion of the debt service for the 2015-2019 Capital Program. It also captures debt service savings on prior capital plans due to the combination of refundings, variable rate savings and issuance of notes instead of long-term bonds.

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2016-2019
Baseline Farebox Recovery and Farebox Operating Ratios

FAREBOX RECOVERY RATIOS

	2015 November Forecast	2016 Final Proposed Budget	2017 Plan	2018 Plan	2019 Plan
New York City Transit	37.9%	37.1%	35.8%	34.7%	33.6%
Staten Island Railway	11.6%	9.7%	11.4%	12.5%	12.2%
Long Island Rail Road	32.3%	31.2%	30.9%	29.5%	28.6%
Metro-North Railroad	40.5%	39.7%	39.5%	39.0%	38.5%
Bus Company	<u>27.7%</u>	<u>27.0%</u>	<u>26.0%</u>	<u>27.4%</u>	<u>27.3%</u>
MTA Total Agency Average	36.8%	36.0%	34.9%	34.1%	33.1%

FAREBOX OPERATING RATIOS

	2015 November Forecast	2016 Final Proposed Budget	2017 Plan	2018 Plan	2019 Plan
New York City Transit	60.6%	60.0%	58.7%	57.2%	55.2%
Staten Island Railway	16.6%	12.8%	15.8%	17.9%	17.4%
Long Island Rail Road	48.3%	46.2%	46.8%	44.4%	43.0%
Metro-North Railroad	57.9%	56.6%	56.5%	56.2%	56.0%
Bus Company	<u>35.1%</u>	<u>34.1%</u>	<u>32.4%</u>	<u>34.6%</u>	<u>34.4%</u>
MTA Total Agency Average	56.9%	55.8%	55.0%	53.9%	52.3%

Farebox recovery ratio has a long-term focus. It includes costs that are not funded in the current year, except in an accounting-ledger sense, but are, in effect, passed on to future years. Those costs include depreciation and interest on long-term debt. Approximately 20% (and sometimes more) of MTA costs are not recovered in the current year from farebox revenues, other operating revenues or subsidies. That is why MTA operating statements generally show deficits. In addition, the recovery ratio allocates centralized MTA services to the Agencies, such as Security, the costs of the Inspector General, Civil Rights, Audit, Risk Management, Legal and Shared Services.

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

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

[THIS PAGE INTENTIONALLY LEFT BLANK]

II. Major Assumptions

Agency Baseline Assumptions

Agency Baseline Assumptions

The November Financial Plan (the “Plan”) consists of the 2015 November Forecast, the 2016 Final Proposed Budget, and 2017 to 2019 projections. Plan-to-plan comparisons for the years 2015 through 2018 are made against the February Plan and for years 2015 through 2019 against the July Plan. Volume II of the November Plan reports on the Baseline forecast, which excludes certain Policy and other “below-the-line” adjustments that are highlighted and captured in Volume I of this two-volume Plan submission. This Baseline analysis, therefore, excludes fare and toll increases proposed for 2017 and 2019, and targeted savings for 2016 and beyond.

This Plan updates the Agency Baseline forecasts that were included in the July Plan while also capturing programmatic changes and re-estimates of revenues and expenses. July included favorable re-estimates for toll revenue and costs for pensions, energy, paratransit, pensions, and insurance. These favorable changes combined with Budget Reduction Program (BRP) savings afforded the MTA to fund investments for service and service quality, maintenance, operations, and information technology. In July, the MTA also “re-baselined” overtime projections to more realistically address operational needs.

In the November Plan, Agency forecasts in aggregate have improved again due to additional beneficial changes in projections for energy costs and toll revenue. Increases in the scope and timing of the Capital Program will result in larger recoveries of capital overhead that further benefit the operating budget. One other major change from July is a timing shift of expenses from 2015 to 2016.

The November Plan retains funding for new service and service-related initiatives that were launched in 2012, 2013, 2014, and for 2015 and beyond, those proposed in July. New investments proposed in this Plan include additional “platform” service adjustments needed to maintain loading and headway guidelines consistent with increased demand requirements, further supplementing service and service-related adjustments that were proposed in July. Investments are also being made in maintenance and safety-related work. Improved inspection procedures have resulted in an increase in the number of structural deficiencies identified.

The Plan captures operating expenses associated with “Mega” projects, including Phase I of the Second Avenue Subway, Fulton Street Transit Center, 7 Line Extension, and East Side Access, and provides a funding envelope that supports key elements of an MTA-wide asset management initiative, including technological support by MTA IT. Overtime growth is being restricted to the levels that were targeted in July.

Detailed descriptions of these and other investments follow later in this section as well as within individual Agency sections.

Baseline November Plan Changes from July Plan

The major Plan additions and adjustments are identified in the following reconciliation table, highlighted in the proceeding narratives, explained by generic category later in this section, and detailed further in Agency sections.

<u>AGENCY BASELINE</u>					
<u>NOVEMBER CHANGES FROM JULY PLAN</u>					
Favorable/(Unfavorable)					
(\$ in millions)					
	2015	2016	2017	2018	2019
Agency Baseline Adjustments	\$206	(\$121)	\$45	\$85	\$100
Toll Revenue	23	18	17	18	17
Energy	14	48	46	41	41
Reimbursable Overhead ¹	30	28	28	28	19
Other Baseline Re-estimates (includes timing) ²	139	(215)	(46)	(1)	22
New Needs/Investments	\$11	(\$78)	(\$129)	(\$139)	(\$141)
Enterprise Asset Management Initiative	14	(19)	(45)	(51)	(57)
Maintenance and Operations	(2)	(28)	(40)	(39)	(39)
Service Adjustments/Service Support	1	(9)	(27)	(32)	(29)
Safety & Security	2	(11)	(8)	(7)	(7)
Information Technology	(3)	(4)	(4)	(5)	(5)
All Other New Needs	(1)	(7)	(5)	(5)	(5)
Savings Programs	\$15	\$20	\$14	\$17	\$18
2015 BRP (New Savings Programs)	15	20	14	17	18
MTA Adjustments	\$140	\$0	\$0	\$0	\$0
General Reserve	140	0	0	0	0
Net Cash Baseline Changes	\$372	(\$179)	(\$71)	(\$36)	(\$23)
¹ Reflects changes in overhead cost recoveries resulting from revisions in capital project activity.					
² Includes changes from timing, inflation, operating capital and cash adjustments.					

New Needs/Investments:

MTA continues to take steps to improve the reliability, efficiency and performance of its fleet, facilities and infrastructure. Additional support is proposed for service, maintenance and operations, and safety. Below lists major Plan investments by subject:

Enterprise Asset Management:

The goal of this MTA-wide is to improve the safety, reliability, capability and maintainability of assets and services while ensuring best value and an overall reduction in lifecycle costs across the Agencies. The July Plan captured preliminary estimates of required costs. The November Plan captures revised estimates based on a "gap assessment" analysis.

Maintenance and Operations:

The July Plan proposed investments to extend the useful life of certain classes of buses, subway cars and commuter railcars; improve the commuter rail signal systems, and augment B&T tunnel inspections. This Plan maintains the \$191 million in investments and adds an additional investment of \$147 million to fund:

- NYCT will nearly double its rate of repairs on structure defects and expedite repairs on third-rails, reducing backlogs and increasing the number of defects identified through improved inspection procedures; and provide more resources to maintain Phase I of the Second Avenue Subway;
- LIRR will replace critical M-7 door components experiencing a high rate of corrosion;
- MNR plans to reorganize select divisions critical to maintaining the software and hardware of centralized signal and power systems; and
- SIR will perform a myriad of maintenance work on aging fleet, third-rail, signals and switches, and perform inspections on bridges.

Service Adjustments/Service Support:

The November Plan retains the \$183 million in service and service-related investments proposed in July and adds another \$95 million over the course of the Plan. The July Plan proposed investments to mitigate subway delays, expand Select Bus Service, address “Platform” budget guidelines, as well as improve on-time performance and customer service. Additional investments proposed for the November Plan include:

- NYCT and MTA Bus will increase “platform” service adjustments required to improve subway and bus reliability, and frequency of service in response to guidelines, street congestion, ridership trends and maintenance requirements. NYCT will also expand Select Bus Service;
- LIRR plans to train personnel on the new M-9 fleet and Positive Train Control system; and
- B&T will pilot the All Electronic Toll program at the Rockaway crossings (Marine Parkway and Cross Bay bridges).

Safety & Security:

The November Plan maintains the \$52 million in safety and security investments proposed in July and adds another \$30 million over the course of the Plan. The July Plan proposed investments to upgrade highway grade crossings, install cameras and audio equipment on West of Hudson rolling stock, perform maintenance work on track and overhead structures, and fund training. Additional investments proposed for the November Plan include:

- MNR will increase the frequency of physical examinations for engineers and conductors, to every two years from three years, as a proactive step to further ensure the fitness of

train operators, improving safety for passengers and employees. It will upgrade and integrate the centralized traction power control system and automate its recordkeeping;

- MTAHQ will establish a Safety Management Office within the auspices of the MTA Police Department tasked with developing a framework for policies and programs that govern all MTA Agencies; and
- MTA Bus will supplement the Electronic Security System with additional guards to prevent unauthorized access to depots and equipment.

Information Technology:

The November Plan maintains the \$162 million technology investments proposed in July and adds another \$21 million over the course of the Plan. The July Plan proposed investments to establish a back-up disaster recovery site, augment/upgrade/migrate the PeopleSoft operating system, and to safeguard critical infrastructure from cyber-attacks. Additionally, the November Plan includes increased funding for hardware devices and network equipment at MTAHQ.

Savings Programs

The growth in non-discretionary costs remains a challenge. Categories such as employee and retiree health care, energy, insurance, paratransit, and pensions are dependent on factors that are largely outside the control of the MTA. The MTA is committed to reducing this growth with strategies that include the hedging of fuel purchases, paying down pension liability (when funding is available), proactively managing paratransit, and negotiating more favorable health & welfare expense terms.

In addition to these strategies, the MTA continues to identify new opportunities for efficiencies and raising the savings bar. In this Plan, the MTA is committing to achieving additional efficiency savings in annual increments of \$25 million beginning in 2017 (see Volume I).

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2016 - 2019

(\$ in millions)

Favorable/(Unfavorable)

2015 Budget Reduction Program by Agency and Category										
	2015		2016		2017		2018		2019	
	Pos	\$	Pos	\$	Pos	\$	Pos	\$	Pos	\$
Agency:										
New York City Transit/SIR	14	1.6	47	10.5	67	17.8	67	21.8	67	22.8
Long Island Rail Road	-	4.2	-	15.5	-	9.4	-	6.4	-	6.4
Metro-North Railroad	-	0.0	-	3.6	-	3.6	-	3.6	-	3.6
Bridges & Tunnels	124	18.2	-	3.3	-	0.5	-	0.5	-	0.5
MTA Headquarters	59	26.6	59	16.8	59	16.6	59	16.7	59	16.8
Total (Excluding MTA Bus)	197	\$50.6	106	\$49.8	126	\$47.9	126	\$49.0	126	\$50.1
MTA Bus	-	3.0	-	2.8	-	4.2	-	4.5	-	4.6
Total	197	\$53.6	106	\$52.6	126	\$52.2	126	\$53.5	126	\$54.7
Category:										
Administration	59	26.7	89	27.3	109	34.4	109	38.5	109	39.6
Customer Convenience/Amenities	-	0.0	-	0.0	-	0.0	-	0.0	-	0.0
Maintenance/Inventory	6	2.2	8	3.9	8	3.9	8	3.9	8	3.9
Revenue Enhancement	-	0.0	-	0.0	-	4.3	-	1.3	-	1.3
Safety/Security	1	0.8	2	1.2	2	1.2	2	1.2	2	1.2
Service	-	0.0	-	0.0	-	0.0	-	0.0	-	0.0
Service Support	7	0.6	7	0.6	7	0.6	7	0.6	7	0.6
Other	124	20.4	-	16.7	-	3.4	-	3.4	-	3.4
Total (Excluding MTA Bus)	197	\$50.6	106	\$49.8	126	\$47.9	126	\$49.0	126	\$50.1
MTA Bus - Administration	-	0.5	-	0.5	-	0.5	-	0.5	-	0.5
MTA Bus - Other	-	2.5	-	2.3	-	3.7	-	4.0	-	4.1
Total	197	\$53.6	106	\$52.6	126	\$52.2	126	\$53.5	126	\$54.7

The 2015 MTA Budget Reduction Program (BRP) identifies approximately \$84 million in greater savings over the course of the November Plan. These savings coupled with the 2015 July Plan Budget Reduction Program reduce the *MTA Initiative: Efficiencies Not Yet Implemented (captured in Volume I)* by about \$54 million a year. Positions are projected to decrease by 126 positions by the end of the Plan period. All BRPs have been incorporated into Agency baselines within the category construct of the MTA's financial statements.

When combined with additional MTA Efficiency savings, captured as "below-the-line" Plan adjustments in Volume I, total annual savings are projected to rise to \$1.5 billion in 2016, and reach \$1.8 billion by 2019.

Major budget reduction initiative comprising the total 2015 BRPs—Programmatic follow. Specific details can be found in the BRP worksheets located in Agency sections.

NYCT BRP Savings:

- Centralize select timekeeping functions of the Department of Subways;

- Generate supply logistics savings by improving the management of warehouse stores and the receipt, processing and delivery of materials;
- Implement efficiencies within the revenue collection process;
- Identify operational efficiencies within security function processes;
- Adjust *FasTrack* support based on revised planned occurrences;
- Utilize in-house resources in Corporate Communications instead of outside graphic artist services; and
- *New Nov. Plan BRP*: Greater healthcare savings resulting from a new prescription drug contract negotiated through a competitive RFP procurement process.

LIRR BRP Savings:

- Enforce tighter management controls and increase oversight of non-payroll budgets, with a particular emphasis on contractual services;
- Eliminate leases for replacement work locomotives;
- Increase reimbursement from Amtrak for a portion of the property insurance for Penn Station;
- Extend a freight contract that is expected to result in higher revenue;
- Reduce material usage for specific rolling stock maintenance tasks;
- *New Nov. Plan BRP*: Lower M-7 running repairs due to improved fleet performance attributed to the LIRR's Reliability Center Maintenance program and close monitoring of planned work efforts; and
- *New Nov. Plan BRP*: Efficiency savings resulting from improved inventory control.

MNR BRP Savings:

- Realize one-time vacancy savings that are expected to exceed budgeted levels;
- Enforce tighter management controls and increase oversight of non-payroll budgets, with a particular emphasis on contractual services; and
- Utilize internal and external websites for communication and information sharing, reducing dependency on corporate printing spending.

B&T BRP Savings:

- Realize one-time vacancy savings that are expected to exceed budgeted levels in 2015 and 2016; and
- Reduce procured services and utilize in-house resources.

MTAHQ BRP Savings:

- Realize reductions in headcount and non-payroll expenses that are expected to result from efficiencies realized through the MTA Headquarters' Information Technology Transformation initiative;
- Realize one-time vacancy savings that are expected to exceed budgeted levels;
- Eliminate Unisys desktop support and EDP consultant costs; and
- Reduce MTA PD expenses for facilities maintenance and repairs, outside consultants, and fuel.

SIR BRP Savings:

- Realize lower costs for Workers' Compensation, tire/tube and diesel valve costs, and savings resulting from delayed hiring and vacancies.

MTA Bus BRP Savings:

- Enforce tighter management controls and increase oversight of non-payroll budgets, with a particular emphasis on contractual and professional services;
- *New Nov. Plan BRP:* Greater healthcare savings based on new prescription drug contract; and
- *New Nov. Plan BRP:* Efficiencies based on assessment of positions by function and risk.

Operating Budget Impacts of Capital "Mega" Projects

Agency baselines capture the impact of "Mega" projects scheduled to come into or ramping-up for service within the next five years. Compared with the July Plan, the relevant operating expense projections mainly reflect revised maintenance requirements for Phase I of the Second Avenue Subway.

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2016-2019
Operating Budget Impacts of Capital "Mega" Projects
(\$ in millions)

		2015		2016		2017		2018		2019	
		Budget		Budget		Budget		Budget		Budget	
		Pos	(\$000)	Pos	(\$000)	Pos	(\$000)	Pos	(\$000)	Pos	(\$000)
East Side Access											
<i>Revenue Service Date: Year 2022</i>											
	LIRR	0	-	0	-	19	2.337	203	26.890	335	51.533
	MTAHQ	-	-	-	-	-	-	-	-	30	2.458
	Subtotal	0	\$ -	0	\$ -	19	\$ 2.337	203	\$ 26.890	365	\$ 53.991
2nd Avenue Subway											
<i>Revenue Service Date: December 2016</i>											
	NYCT	0	-	392	11.262	392	45.379	387	46.483	384	47.941
	Subtotal	0	\$ -	392	\$ 11.262	392	\$ 45.379	387	\$ 46.483	384	\$ 47.941
7-Line Extension											
<i>Revenue Service Date: September 2015</i>											
	NYCT	175	18.150	182	18.494	184	18.863	184	19.550	184	20.280
	Subtotal	175	\$ 18.150	182	\$ 18.494	184	\$ 18.863	184	\$ 19.550	184	\$ 20.280
Fulton St Transit Center											
<i>Revenue Service Date: Nov 2014</i>											
	NYCT	35	9.548	35	9.333	35	9.333	35	9.704	35	10.098
	Subtotal	35	\$ 9.548	35	\$ 9.333	35	\$ 9.333	35	\$ 9.704	35	\$ 10.098
	TOTAL	210	\$ 27.698	609	\$ 39.089	630	\$ 75.912	809	\$ 102.626	968	\$ 132.310

Accrued Baseline Assumptions

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

PASSENGER & TOLL REVENUE / UTILIZATION

On an average weekday, MTA carries 8.7 million passengers on its subways, buses and commuter railroads, while there are 825 thousand crossings at MTA Bridges & Tunnels facilities.

The use of MTA services varies with a number of factors, and perhaps most important among these is the health of the regional economy. Since hitting recessionary lows in 2010, and as the regional economy has gradually recovered, employment levels have steadily improved, and utilization, as measured by 12-month average ridership levels, exceeds its pre-recession level. The November Financial Plan incorporates updated forecasts of regional employment and is reflected in these revised system-wide utilization estimates. While employment projections are now higher than those used in the July Plan, year to year growth from 2015 to 2016 is a bit weaker. This, however, is a single year aberration and out-year growth is a bit stronger than the projections used for the July Plan. By 2019, the number of jobs in New York City is expected to reach 4.31 million.

While economic conditions are an important influence on system-wide utilization, one of the most significant determinants in 2015 was the severe winter weather during the first three months of the year. Weather conditions during the first quarter turned out to be worse than in 2014 and included significant snowfall totals, record cold temperatures and the “Juno” blizzard in January which brought 30 inches of snow to Suffolk County, 17 inches of snow to parts of Nassau County, and 10 inches to some parts of Westchester County. The first quarter was also quite cold: while February was the coldest February since complete records were first kept in 1948, January and March temperatures were also colder than average. Moreover, March had the greatest total snowfall for that month since 1940, with snowfall in excess of seven inches occurring four times during the month. Since the first quarter of the year, the region’s weather has been warmer and dryer than the climatic norms, with total precipitation 31% below normal levels and the average temperature 5% above normal. A year ago, the April through September 2014 period was much closer to the region’s norms, with precipitation just 3% below normal and the average temperature 1% above normal.

MTA Agencies continue taking measures to improve customer satisfaction by making transportation safe, convenient and reliable. B&T continues with its efforts to expand E-ZPass usage; through August usage was 84.8% of total traffic, which is almost a full point above usage during the first eight months of last year. The success of the All Electronic Toll (AET) collection pilot program at Henry Hudson Bridge will result in the complete replacement of the toll plazas with a gantry-based system by early 2017, and B&T is considering AET pilot programs for the Marine Parkway and Cross Bay Bridges in 2016. Work on the Verrazano-Narrows Bridge continues, with improvements to traffic flow and bridge access, and upper deck replacement work will include a reversible high-occupancy vehicle lane that will connect to HOV lanes on both sides of the span. NYCT has been responding to record-breaking subway ridership levels with a comprehensive delay mitigation program to reduce dwell times at stations by quickly responding to right-of-way service disruptions, and has also added Road Car Inspectors to similarly respond to car equipment breakdowns. Additional funding has been added to address structure and third rail defects. Countering an unfavorable trend in bus ridership in New York City brought on by

increased traffic congestion, NYCT also plans to add ten Select Bus Service (SBS) routes over the next three years, which will reduce travel times in key corridors in Manhattan, Brooklyn and Queens; MTA Bus will also introduce SBS routes in 2016. The LIRR and MNR continue to collaborate on the implementation of mobile ticketing, which will allow customers to purchase tickets using mobile devices and then display an on-screen ticket for railroad conductors. The LIRR continues to make progress on a number of track maintenance items that improve service reliability. MNR continues to install customer information monitors and electronic signs at its stations, and opened a new parking garage at North White Plains. SIR is working to improve system reliability with upgrades to the third rail, signal and switch systems brought to a state of good repair.

In addition to those factors influencing ridership and traffic, farebox and toll revenue reflect the 4 percent average fare and toll increases that went into effect in late March 2015. On a year-to-year basis, this results in three quarters of 2015 at higher fare and toll rates than 2014. Similarly, 2016 farebox and toll revenue is based on a fully annualized impact of the 4 percent increase, affecting the year to year comparison with 2015. B&T traffic and toll revenue are also favorably impacted – in 2015 and subsequent years – from less traffic loss than anticipated from the toll increase.

Utilization figures presented in this section do not reflect fare media liability or farebox revenue for paratransit operations at NYCT; these items are included in the Agency and MTA consolidated tables in the Financial Plan. Fare media liability is estimated to be \$62 million in 2015 and projected to be \$60 million thereafter, while paratransit farebox revenue is forecast to be \$18 million in 2015, growing to \$24 million in 2019. Nor is utilization for MNR's west-of-Hudson operations included in this section; in the Agency and MTA consolidated financial tables, west-of-Hudson utilization is netted against expenses and is not included in farebox revenue.

The 2015 November Forecast for MTA consolidated ridership is projected to total 2,717 million passengers, while crossings at B&T facilities are expected to reach 295 million. The NYCT combined subway and bus ridership forecast is 2,415 million and accounts for 89% of MTA consolidated ridership. LIRR and MNR's East-of-Hudson operations each account for 3% of MTA consolidated ridership, with 2015 ridership projected to be 87 million for LIRR and 84 million for MNR's East-of-Hudson operations. Ridership for MTA Bus is projected to be 126 million, and accounts for 5% of MTA consolidated ridership, while SIR ridership is projected to be 5 million (0.2% of MTA ridership).

MTA consolidated farebox revenue for the 2015 November Forecast is expected to be \$5,849 million, and toll revenue is expected to be \$1,792 million. NYCT combined subway and bus farebox revenue is forecast at \$4,264 million, while LIRR is projecting \$692 million in farebox revenue and MNR \$676 million in farebox revenue for its East-of-Hudson operations. MTA Bus farebox revenue is expected to be \$210 million, and SIR farebox revenue is expected to be \$6 million.

2015 MTA consolidated ridership is expected to approximate 2014 ridership (down 0.1 million, 0.0%). Ridership at NYCT is expected to decrease by 3 million (0.1%) while ridership levels at MNR, LIRR, MTA Bus and SIR are all expected to rise in 2015, combining for an increase of 3 million trips (1.0%). Traffic crossings at B&T facilities are expected to increase by 9 million trips (3.0%) compared with 2014, reflecting significantly lower gasoline prices and more seasonable weather during the summer months. The 2015 November Forecast projects a consolidated farebox revenue increase of \$209 million (3.7%) in 2015, reflecting higher collections at all agencies, while B&T toll revenue is expected to exceed 2014 toll revenue by \$116 million (6.9%). The variances for both farebox and toll revenue, in addition to reflecting changes in ridership and

traffic levels, are impacted by the 4 percent increase in fares and tolls implemented in March 2015.

MTA consolidated ridership for the 2015 November Forecast is expected to fall short of the 2015 Mid-Year Forecast by 15 million trips (0.5%). NYCT ridership is projected to be 15 million trips lower, with MNR and MTA Bus each falling below the Mid-Year Forecast by 100 thousand trips; LIRR is expecting about 1 million more trips than projected at mid-year and SIR ridership forecast is unchanged. The ridership decrease of 15 million trips (0.6%) at NYCT reflects 10 million fewer subway trips and 5 million fewer bus trips than included in the Mid-Year Forecast. The unrealized subway and bus ridership projections reflect anticipated ridership growth, expected in late 2014 when the Adopted Budget was developed, that did not materialize. The ridership changes experienced by the other Agencies are minor, ranging from a favorable 0.9% increase for the LIRR to a 0.1% decrease for both MNR and MTA Bus and reflect the manner in which employment growth impacts vary by Agency. The November Forecast expects that B&T crossings will improve compared with the Mid-Year Forecast by 4 million trips (1.2%), reflecting the steep decline in gasoline prices that began in the fall of 2014 and has continued throughout 2015.

MTA consolidated farebox revenue in the 2015 November Forecast is expected to be lower than the Mid-Year Forecast by \$17 million (0.3%). NYCT is projected to be \$26 million lower (0.6%), while all other Agencies project higher farebox revenues than were forecast at mid-year, combining for an increase of \$8 million (1%). B&T toll revenue is projected to exceed the Mid-Year Forecast by \$23 million (1.3%). Compared with the Adopted Budget, consolidated ridership is lower by 37 million trips and B&T vehicular volume is higher by 12 million crossings. Consolidated farebox revenue is \$25 million lower than the Adopted Budget forecast, and toll revenue exceeds the projection in the Adopted Budget by \$76 million.

The 2016 Final Proposed Budget continues to anticipate year-to-year improvements in ridership and farebox revenues, as the regional economy and the associated employment picture continues to improve; B&T traffic and toll receipts are also expected to improve over 2015. Farebox and toll revenue are both favorably impacted by the full annualization of the March 2015 fare and toll increases, which were in effect for only nine months in 2015. Additionally, utilization benefits from the extra 2016 leap year day. Year-to-year, MTA consolidated ridership is expected to increase by 52 million trips (1.9%) compared to 2015, and B&T vehicular crossings are expected to increase by 1 million trips (0.4%). Farebox revenue is projected to increase \$143 million (2.5%) over 2015, while toll revenue is forecast to improve by \$16 million (0.9%).

MTA consolidated ridership for the 2016 Final Proposed Budget is expected to be lower than the July Plan projection by 27 million trips (1.0%). NYCT ridership is projected to be 28 million trips lower, with MNR falling below the July Plan forecast by 300 thousand trips; LIRR and MTA Bus are forecasting modest improvements over the July Plan, each up 1 million trips, with SIR essentially unchanged. The ridership decrease at NYCT is the result of 17 million (1.0%) fewer subway trips and 11 million (1.6%) fewer bus trips than projected in the July Plan, and reflects the 2015 November Forecast that was reduced from the Mid-Year Forecast. At B&T facilities, the Final Proposed Budget shows an increase of 3 million (1.0%) vehicular crossings in 2016 than forecast in the July Plan. Consistent with the change in ridership, MTA consolidated farebox revenue for 2016 in the Final Proposed Budget is expected to fall short of the projections in the July Plan by \$43 million (0.7%), with NYCT and MNR showing unfavorable variances. B&T toll revenue for 2016 is expected to be \$18 million (1.0%) above the July Plan forecast. Compared with the February Plan, 2016 consolidated ridership is lower by 22 million trips and B&T vehicular volume is higher by 12 million crossings. Consolidated farebox revenue is \$14 million lower, and toll revenue exceeds the projection in the February Plan by \$71 million.

MTA consolidated ridership and farebox revenue are both expected to increase each year from 2017 to 2019: by 2019, consolidated ridership is projected to reach 2,803 million passengers, and farebox revenue is expected to reach \$6,099 million. B&T crossings are also projected to increase each year, reaching 304 million crossings in 2019, with toll revenue forecast to reach \$1,844 million.

Compared with the July Plan, MTA consolidated ridership is unfavorable each year for 2017 through 2019, by 0.8% for 2017 and by 0.7% for both 2018 and 2019. The decline in consolidated ridership reflects the reduced 2016 ridership projection for NYCT, which is the basis for NYCT's 2017 to 2019 forecasts. Traffic forecasts for B&T facilities are higher than in the July Plan each year, by 0.9% in 2017, 1.0% in 2018 and 0.9% in 2019. MTA consolidated farebox revenue is expected to be 0.4% lower in 2017, and 0.2% lower in both 2018 and 2019 relative to the July Plan, while B&T toll revenue is projected to be higher by 0.9% in 2017, 1.0% in 2018 and 0.9% in 2019. Compared with the February Plan, consolidated ridership is lower by 33 million trips in 2017 and lower by 40 million trips in 2018; B&T vehicular volume is higher by 12 million crossings in 2017 and by 13 million crossings in 2018. Consolidated farebox revenue is \$28 million lower in 2017 and \$42 million lower in 2018, while toll revenue exceeds the projection in the February Plan by \$73 million in 2017 and by \$77 million in 2018.

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

November Financial Plan					
	2015 November Forecast	2016 Final Proposed Budget	2017	2018	2019
Traffic					
Bridges & Tunnels	295.1	296.4	298.3	300.9	303.5
Ridership					
Long Island Rail Road	87.4	88.1	88.2	88.6	88.8
Metro-North Railroad ¹	84.2	85.6	87.1	88.2	89.2
MTA Bus Company	125.7	127.4	127.4	127.8	128.0
New York City Transit ^{2,3}	2,415.2	2,462.9	2,472.2	2,485.3	2,492.4
Staten Island Railway	4.5	4.7	4.7	4.7	4.7
<i>Total Ridership</i>	<i>2,717.0</i>	<i>2,768.6</i>	<i>2,779.6</i>	<i>2,794.6</i>	<i>2,803.1</i>

July Financial Plan					
	2015 Mid-Year Forecast	2016 Preliminary Budget	2017	2018	2019
Traffic					
Bridges & Tunnels	291.5	293.5	295.5	298.0	300.7
Ridership					
Long Island Rail Road	86.6	87.3	87.4	87.7	87.9
Metro-North Railroad ¹	84.3	85.9	87.3	88.3	89.4
MTA Bus Company	125.8	126.4	126.6	127.2	127.3
New York City Transit ^{2,3}	2,430.7	2,490.9	2,497.2	2,505.4	2,513.1
Staten Island Railway	4.5	4.7	4.7	4.7	4.7
<i>Total Ridership</i>	<i>2,731.8</i>	<i>2,795.2</i>	<i>2,803.2</i>	<i>2,813.2</i>	<i>2,822.4</i>

Plan-to-Plan Changes: Favorable / (Unfavorable)					
	2015	2016	2017	2018	2019
Traffic					
Bridges & Tunnels	3.6	2.9	2.8	2.9	2.8
Ridership					
Long Island Rail Road	0.8	0.8	0.8	0.9	0.9
Metro-North Railroad ¹	(0.1)	(0.3)	(0.3)	(0.1)	(0.2)
MTA Bus Company	(0.1)	1.0	0.8	0.7	0.7
New York City Transit ^{2,3}	(15.5)	(28.0)	(25.0)	(20.1)	(20.7)
Staten Island Railway	0.0	0.0	0.0	0.0	0.0
<i>Total Ridership</i>	<i>(14.8)</i>	<i>(26.6)</i>	<i>(23.6)</i>	<i>(18.6)</i>	<i>(19.3)</i>

¹ Metro-North Railroad utilization figures are for East-of-Hudson service (Hudson, Harlem and New Haven Lines) only.

² Excludes Paratransit Operations.

³ Excludes Fare Media Liability.

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

November Financial Plan					
	2015 November Forecast	2016 Final Proposed Budget	2017	2018	2019
Toll Revenue					
Bridges & Tunnels	\$1,792.3	\$1,808.6	\$1,817.8	\$1,830.7	\$1,844.4
Fare Revenue					
Long Island Rail Road	692.3	702.6	705.6	707.2	708.7
Metro-North Railroad ¹	675.7	693.3	707.3	718.7	726.7
MTA Bus Company	210.4	214.5	214.5	215.3	215.6
New York City Transit ^{2,3}	4,264.1	4,375.1	4,402.9	4,427.8	4,441.3
Staten Island Railway	6.4	6.7	6.8	6.8	6.8
<i>Total Farebox Revenue</i>	<i>\$5,848.8</i>	<i>\$5,992.2</i>	<i>\$6,037.1</i>	<i>\$6,075.8</i>	<i>\$6,099.2</i>

July Financial Plan					
	2015 Mid-Year Forecast	2016 Preliminary Budget	2017	2018	2019
Toll Revenue					
Bridges & Tunnels	\$1,768.8	\$1,791.0	\$1,801.0	\$1,813.0	\$1,827.2
Fare Revenue					
Long Island Rail Road	685.7	695.9	698.2	699.2	700.8
Metro-North Railroad ¹	675.4	694.8	708.2	718.0	726.6
MTA Bus Company	208.9	212.4	212.2	212.8	213.2
New York City Transit ^{2,3}	4,289.8	4,426.1	4,435.0	4,451.5	4,465.9
Staten Island Railway	6.4	6.6	6.6	6.6	6.6
<i>Total Farebox Revenue</i>	<i>\$5,866.2</i>	<i>\$6,035.6</i>	<i>\$6,060.3</i>	<i>\$6,088.1</i>	<i>\$6,113.2</i>

Plan-to-Plan Changes: Favorable / (Unfavorable)					
	2015	2016	2017	2018	2019
Toll Revenue					
Bridges & Tunnels	\$23.5	\$17.6	\$16.8	\$17.8	\$17.2
Fare Revenue					
Long Island Rail Road	6.5	6.8	7.3	8.0	7.9
Metro-North Railroad ¹	0.3	(1.6)	(0.9)	0.7	0.1
MTA Bus Company	1.5	2.1	2.2	2.4	2.4
New York City Transit ^{2,3}	(25.7)	(50.9)	(32.1)	(23.6)	(24.7)
Staten Island Railway	0.0	0.2	0.2	0.2	0.2
<i>Total Farebox Revenue</i>	<i>(\$17.4)</i>	<i>(\$43.4)</i>	<i>(\$23.2)</i>	<i>(\$12.3)</i>	<i>(\$14.0)</i>

¹ Excludes Paratransit Operations.

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

³ Excludes Fare Media Liability.

OTHER OPERATING REVENUE

The Other Operating Revenue category captures all operating revenues generated from sources other than fares and tolls, and includes advertising, paratransit reimbursement, fare reimbursement, rents, concessions, parking and investment income. It also includes reimbursement from insurance and the federal government for storm-related operating losses and infrastructure damages sustained by MTA Agencies.

Other Operating Revenue					
November Financial Plan 2016-2019					
(\$ in millions)					
	2015	2016	2017	2018	2019
	November	Final Proposed			
	<u>Forecast</u>	<u>Budget</u>			
<i>Rental Income</i>	\$100	\$99	\$102	\$106	\$107
<i>Advertising</i>	144	149	153	158	162
<i>Paratransit Reimbursement</i>	188	192	198	212	231
<i>Fare Reimbursement (students/seniors)</i>	100	100	100	101	101
<i>Concessions</i>	8	8	8	9	9
<i>Parking</i>	18	16	19	19	19
<i>All Other (Investment Income, MetroCard "Green" Fee, Recoveries, etc)</i>	104	96	97	95	95
Total Other Operating Revenue	\$662	\$661	\$677	\$699	\$724

Over the course of the Plan, year-to-year changes are modest in 2016 and 2017, while increases in 2018 and 2019 mainly reflect higher paratransit reimbursements attributable to ridership growth and inflation.

Compared with the July Plan, revenues decrease by \$6 million in 2015, \$11 million in 2016, \$14 million in 2017, \$12 million in 2018 and \$13 million in 2019. These decreases are mostly attributable to lower investment income at FMTAC. Partially offsetting these revenue decreases are increases of \$3 million in each year of the plan due mostly to B&T re-estimates of E-ZPass and other administrative fees; and increases at the LIRR due to higher interagency reimbursements from NYCT.

Compared with the February Plan, Other Operating Revenue decreases by \$27 million in 2015, \$5 million in 2016, \$17 million in 2017, and \$21 million in 2018. In addition to the factors noted above, plan-to-plan decreases are mainly driven by the expected elimination of Sandy-related recoveries across the Agencies in 2015; lower revenue at NYCT primarily due to reductions in NYC reimbursements for paratransit service (consistent with additional paratransit expense savings and higher Urban Tax receipts); and lower investment income at FMTAC. Partially offsetting these revenue decreases are increases at MNR due to higher interagency reimbursements from NYCT and GCT retail revenue; higher federal reimbursements for storms at the LIRR; higher advertising revenue at NYCT; and higher NYS support for the Verrazano-Narrows Bridge toll rebate program at MTAHQ.

PAYROLL

MTA Consolidated Payroll expenses are influenced by a number of factors including position levels, inflation assumptions, labor agreements, programs and initiatives, and capital project activity. In 2014, the MTA reached agreement with the vast majority of its represented employees. The November Plan captures the projected cost of these contracts, assumes pattern settlements for all remaining unions, and further assumes annual inflation-based growth of 2% for all years

beyond contractual periods. For non-represented employee salaries, the Plan assumes an annual 2% increase effective January 1 for 2016 and future Plan years.

November Plan Payroll expenses are projected at \$4,689 million in 2015, \$4,871 million in 2016, \$5,016 million in 2017, \$5,130 million in 2018, and \$5,236 million in 2019. Projected 2016 growth of \$181 million over 2015 reflects the contractual and inflationary growth factors previously mentioned. Additionally, the 2016 Final Proposed Budget captures headcount growth to support the Enterprise Asset Management (EAM) program, the Structure Defect Backlog Reduction initiative, and Select Bus service at NYCT. At MTAHQ, it captures re-estimated departmental costs, the transfer of the New Fare Payment System group from NYCT, the centralization of the treasury function, and miscellaneous personnel additions associated with new initiatives. The Plan also captures adjustments in support of safety and infrastructure initiatives, normal turnover and the impact of actions to address wage compression between management and agreement staff at MNR. At MTA Bus, increases result from adjustments to the Shop Overhaul and EAM.

Aside from wage growth assumptions for both non-represented and represented employees, year-to-year annual expense growth from 2017 to 2019 mainly reflects a continuation of the projects noted above, as well as additional support for Second Avenue Subway maintenance at NYCT; East Side Access (ESA) readiness efforts at the LIRR; Maintenance of Way programs at MNR; IT and EAM program requirements, as well as additional MTA Police Officers at MTAHQ; and the Shop Overhaul program at MTA Bus. Annual changes are further influenced by new and existing maintenance and operational programmatic investments, IT-related initiatives, contractual escalations, and the full-year impact of newly authorized positions at other Agencies. See Agency sections for specific program details and headcount implications.

Compared with the July Plan, Payroll expenses are projected to decrease by \$15 million in 2015, followed by increases of \$25 million in 2016, \$49 million in 2017, \$56 million in 2018, and \$58 million in 2019. Plan-to-plan reductions in 2015, by and large, reflect the impact of vacancy savings at B&T, NYCT, and the LIRR. The above noted reductions are partially offset by expense growth at MTAHQ resulting from personnel additions supporting the Safety Management Office, Pension function, and Capital Program Management efforts. At MNR, increases reflect the impact of Retroactive Wage Agreement payments and the redeployment of reimbursable labor forces to non-reimbursable work efforts. The expense growth at MTA Bus reflects projected wage progressions.

Plan-to-plan increases in 2016 and beyond reflect additional resources necessary to support new and existing efforts mainly comprised of the following: support for the MTA-Wide EAM program at all Agencies; additional resources supporting new Select Bus Service, Second Avenue Subway cleaning and maintenance requirements associated with a larger estimation of the station footprint than originally assumed, and the Structure Defect Backlog Reduction initiative aimed at addressing structural defects throughout the subway system at NYCT; provisioning for the previously noted factors, and additional MTA Police Officers in support of counter-terrorism efforts at MTAHQ; and Employee Availability and Platform Budget adjustments at MTA Bus.

When compared with the February Plan, projected Payroll expenses decrease by \$47 million in 2015, then increase by \$25 million in 2016, \$67 million in 2017, and \$89 million in 2018. The expense reduction in 2015 largely reflects the impact of vacancy savings. For 2016 through 2018, in addition to the above noted factors, expense growth is primarily associated with support for the Delay-Mitigation, R32 Fleet SMS, and Bus Fleet Maintenance Programs at NYCT; the Farebox Maintenance initiative, aging fleet requirements, and revised Shop Overhaul Program assumptions at MTA Bus; and Construction, Engineering, and Capital Project requirements at

B&T. These increases are partially offset by higher levels of attrition at MNR and reductions in maintenance and operations at the LIRR. These changes were first identified in the July Plan.

OVERTIME

MTA Consolidated Overtime expenses are influenced by a number of factors including vacancies, employee availability, wage growth assumptions, project activity, weather, work rules and recently required MTA-wide annual compliance training certification. Since last November, MTA has used a five-year rolling average to forecast weather coverage.

In the July Plan, Agencies re-forecasted overtime projections to more realistically reflect operating requirements. Adjustments were made to better reflect coverage requirements for additional anticipated track and fleet maintenance work, a NYS mandate on MTA-wide annual compliance training/certifications, trend-based vacancy/absentee coverage, and service adjustments. The July Plan captured an average annual increase of approximately \$60 million.

When compared with the July Plan, overtime projections are changing very little as the MTA is committed to meeting the overtime targets established then. Areas that continue to be internally scrutinized and require particular focus include: vacancies and employee accidents, optimizing overtime vs. straight-time, overtime use for non-essential work, capital work and overtime intensity. Further analysis of overtime will be conducted, and it is expected that efficiencies can be identified that will result in savings.

November Plan expenses are projected at \$755 million in 2015, \$735 million in 2016, \$745 million in 2017, \$760 million in 2018, and \$775 million in 2019, reflecting a year-to-year decrease of \$20 million in 2016 followed by modest annual increases. The year-to-year expense reduction in 2016 is mostly attributable to lower projected weather overtime at NYCT and the LIRR. Growth between 2017 and 2019 reflects mainly wage growth assumptions and changes in operational requirements offset with efficiency assumptions.

When compared with the February Plan, overtime expenses increase by \$86 million in 2015, \$65 million in 2016, \$59 million in 2017, and \$60 million in 2018. In addition to the factors noted above that increased projections in each year, 2015 was impacted by severe winter weather conditions early in the year.

HEALTH & WELFARE

Empire Plan premium rates provided in April 2015 by the New York State Department of Civil Service are used as the primary assumption for per-employee Health & Welfare premium expenses in 2015 and 2016. Premium forecasts for 2017 through 2019 are based on the 10-year average change in premiums, excluding the largest and smallest annual percent changes. For employee health plans other than the Empire Plan, existing contractual rates—and when available projected rate changes—are used in place of the Empire Plan assumptions. Year-to-year changes in expenses are also impacted by position levels.

MTA Consolidated Health & Welfare expenses are \$1,052 million for the 2015 November Forecast. November Plan Health & Welfare expenses for the 2016 Final Proposed Budget are projected to be \$1,173 million, \$121 million (11.5%) greater than 2015 expenses, primarily due to higher costs for premiums and anticipated increases in positions. MTA Consolidated Health & Welfare expenses are forecast to increase annually by 5.8%, 6.6% and 6.8%, respectively, for 2017 through 2019, when expenses are projected to reach \$1,413 million.

In comparison with the July Plan, the November Plan is favorable by \$20 million, \$6 million, \$6 million, \$8 million and \$10 million over the 2015 through 2019 period, respectively. The favorable changes are primarily due to slightly lower premiums and savings in connection with the Prescription Drug Re-Bid, that were partially offset by headcount increases supporting MTA initiatives.

In comparison with the February Plan, the July Plan is favorable by \$24 million in 2015, unfavorable by \$23 million and \$7 million in 2016 and 2017, respectively, and \$3 million favorable in 2018. The unfavorable changes beginning in 2016 are primarily due to premium increases that more closely reflect the projected increase in claim trends which is partially offset by the savings in connection with the Prescription Drug Re-Bid.

OTHER POST-EMPLOYMENT BENEFITS (OPEB) and GASB FUND

OPEB

The November Plan accrued baseline reflects, for each Agency, the pay-as-you-go component for the Other Post-Employment Benefit (OPEB) expense category called "OPEB Current Payment." Growth in this category is consistent with the assumptions described under Health & Welfare.

In comparison with the July Plan, OPEB current payment expenses are unfavorable by \$19 million 2015, \$14 million in 2016, \$9 million in 2017, \$6 million in 2018 and \$2 million in 2019. Compared with the February Plan, OPEB current payment expenses are unfavorable by \$16 million 2015, \$20 million in 2016, \$11 million in 2017 and \$6 million in 2018. Expense increases reflect changes in both retiree and employer premium assumptions from the July and February Plans.

Governmental Accounting Standard Board Statement No. 45 (GASB 45), "Accounting and Financial Reporting for Employers for Post-Employment Benefits Other Than Pensions," requires that state and local governmental entities' financial reports reflect systematic, accrual-based measurements of OPEB costs over a period that approximates the employee's years of service, provides information about actuarial accrued liabilities and to what extent progress is made in the funding of any liabilities. The actuarial accrued liability contained in the most recent valuation dated January 1, 2012 is \$20.2 billion, with an annual OPEB expense in excess of \$2.0 billion in each year of the financial plan period. These amounts, reflecting the change in liability, are captured in the Statement of Operations under "Non-Cash Liabilities."

GASB FUND

While the GASB 45 standard only requires the disclosure of this future liability, the MTA has taken measures to fund this growing liability. Agency contributions to this GASB fund are captured in the Cash Receipts and Expenditures Statement. In June 2008, the MTA Board approved the establishment of the "MTA Retiree Welfare Benefits Trust" ("OPEB Trust") to govern the administration and investment of the OPEB Trust assets. Annual contributions are deposited with the MTA Treasurer in the GASB Fund Reserve, with the intent of periodically moving such funds into the OPEB Trust. Since 2012, the MTA has moved \$300 million from the GASB Fund Reserve to the OPEB Trust. Currently, \$148 million remains in the GASB Fund Reserve.

In 2014, the MTA funded a portion of the financial impact of labor contract settlements with the suspension of contributions to the GASB fund from mid-2014 through 2017, with reduced

contributions to resume in 2018. The MTA remains fully committed to the importance of funding this growing obligation, and opportunities to increase contributions will be evaluated in future plans. In 2014, \$50 million was contributed to the GASB fund. There are no projected contributions through 2017, followed by contributions of \$9 million in 2018 and \$19 million in 2019.

In comparison with both the July and February Plans, there is no significant change in the expected Contribution to GASB Fund.

PENSIONS

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

Year-to-year pension cost changes are influenced by the most recent actuarial valuations for the pension plans that MTA employees participate in, as well as changes in assumed position levels, wage growth and labor settlements. Pension expenses reflect the impact of the Tier 6 pension tier, which applies to new NYCERS, NYSLRS, and MaBSTOA participants, as well as MTA Police members of the MTA Defined Benefit Plan, hired after April 1, 2012.

Projected pension expenses total \$1,282 million in 2015 and remain relatively flat over the Plan period, reflecting positive investment returns experienced in 2013 and 2014. Pension expenses are based on actuarial projections; where projections are unavailable, the forward three-year average CPI plus one percent—which is a proxy intended to capture anticipated impacts from demographic changes of employees and retirees—is applied to projections.

In comparison with the July Financial Plan, expenses are unfavorable by \$4 million, \$3 million, \$1 million, \$3 million and \$3 million for 2015 through 2019, respectively. These minor plan-to-plan variances are primarily the result of headcount changes in connection with MTA initiatives.

Compared with the February Financial Plan, expenses are favorable by \$74 million, \$70 million, \$88 million and \$105 million for 2015 through 2018, respectively. Plan-to-plan variances that were captured in the July Plan are primarily due to lower expenses at NYCT for NYCERS, which posted actuarial gains due to: higher returns on investments than the assumed actuarial return in City Fiscal Years 2013 and 2014; labor contracts settling more favorable than the actuarial assumptions; and the impact of increasing membership in the lower cost Tier 6. Some \$11 million of the favorable variance in each year reflects the \$80 million in 2013 made to reduce the pension liability of the LIRR Additional Plan.

OTHER FRINGE BENEFITS

The Other Fringe Benefits category captures costs for Worker's Compensation and Federal Insurance Contributions Act (FICA) expenses at all Agencies except the Commuter Railroads. Expenses at the LIRR and MNR for Federal Employees Liability Act (FELA) and Railroad Retirement taxes (RRT), which are similar in nature to Worker's Compensation and FICA, are also included in this category, as are miscellaneous employee expenses.

November Plan expenses are projected at \$644 million in 2015, \$653 million in 2016, \$680 million in 2017, \$708 million in 2018, and \$728 million in 2019. Over the course of the Plan, on a year-to-year basis, this results in an increase of expenses totaling \$9 million in 2016, followed by average annual increases of \$25 million from 2017 through 2019.

The 2016 year-to-year increase reflects higher expenses at MNR (\$6 million), LIRR (\$3 million), MTA Bus (\$3 million), MTA HQ (\$1 million), and B&T (\$1 million), partly offset by expense reductions at NYCT (\$6 million). The net impact of these changes is reflective of the overall impact of staffing levels, programmatic changes, and inflationary payroll rate assumptions at all Agencies, as well as the latest RRT, railroad unemployment assumptions and employee claims adjustments at the Commuter Railroads. These are partially offset by higher direct overhead credits in 2016, based on reimbursable project costs at NYCT. Specific payroll rate assumptions as well as detailed position impacts are discussed further in the Agency sections.

For the years 2017 and thereafter, average annual expenses increase by \$12 million at NYCT, \$6 million at the LIRR, \$3 million at MNR, \$2 million at both MTA Bus and MTA HQ, and by \$1 million at B&T. These changes reflect a continuation of the assumptions noted above.

Compared with the July Plan, expenses are projected to increase by \$7 million in 2015, followed by small annual increases from 2016 to 2019. These changes are mostly attributable to NYCT (\$5 million in 2015 and approximately \$4 million annually from 2016 to 2019) and reflect higher Worker's Compensation payments as well as increased direct overhead credits resulting from higher reimbursable project requirements; and at the Commuter Railroads (approximately \$1 million annually) that reflect changes in RRT, railroad unemployment assumptions, and employee claims. Plan-to-plan changes at the other agencies are modest and consistent with payroll assumptions.

When compared with the February Plan, Other Fringe Benefits expense increases by \$4 million in 2015, then declines by \$7 million in 2016. For 2017 through 2019, modest expense growth results in a less than one percent deviation from the February Plan. Overall, projected expense levels are consistent with prevailing wage assumptions, changes in staffing levels, and programmatic activity. They also proportionately reflect changes in RRT and adjustments to employee claims at MNR, partially offset by expense reductions driven by the reclassification of costs associated with railroad passes for TWU employees from other business expenses at NYCT.

ELECTRIC POWER

Electric Power is supplied to the MTA by the New York Power Authority (NYPA), PSEG Long Island (PSEGLI) – the successor to the Long Island Power Authority – and Connecticut Light & Power (CL&P). MTA has a Long-Term Agreement (LTA) through 2017 with NYPA to meet MTA's electricity requirements within the City of New York and Westchester County. The LTA requires that certain NYPA assets, including a share of low-cost upstate hydroelectric power and dedicated low-cost transmission line capacity from upstate New York, be allocated to serve the MTA and NYPA's other governmental customers located in New York City. Additionally, along with NYPA and the other governmental customers involved in the LTA, MTA has a long-term operational share in the Astoria II power plant located in Queens.

Expenses associated with the NYPA LTA are based on NYPA's final 2015 cost of service estimate, amended to reflect actuals through June and NYPA's August revision for the remainder

of the year. Projections for 2016 through the end of the financial plan period for NYPA cost of service are based on changes in the national consumer price index as well as projected commodity price changes for natural gas and diesel fuel. Delivery of NYPA-supplied electricity is handled by Consolidated Edison (Con Ed), and delivery cost projections through 2017 are based on rates approved by, or being reviewed by, the State Public Service Commission (PSC); for subsequent years, annual delivery rate increases of 10% are assumed. Price projections for electricity supplied by PSEGLI and CL&P are based on Producer Price Index for Electric Power forecasts. The following table provides an overview of assumed changes in rates over the current and prior Plan period:

FINANCIAL PLAN ASSUMPTIONS FOR ELECTRIC POWER					
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<u>2015 November Financial Plan</u>					
NYPA	-14.4%	4.0%	10.0%	4.7%	5.4%
Con Edison Delivery	1.6%	0.0%	11.8%	10.0%	10.0%
PSEGLI / CL&P	0.4%	0.5%	4.1%	3.6%	2.7%
<u>2015 July Financial Plan</u>					
NYPA	-11.4%	6.8%	1.1%	4.1%	5.6%
Con Edison Delivery	1.6%	10.0%	10.0%	10.0%	10.0%
PSEGLI / CL&P	-0.4%	0.3%	3.9%	3.6%	2.9%
<u>2015 February Financial Plan</u>					
NYPA	-11.0%	5.2%	15.9%	7.2%	
Con Edison Delivery	0.0%	15.0%	10.0%	10.0%	
PSEGLI / CL&P	2.0%	0.7%	3.4%	3.7%	

MTA Consolidated Electric Power expenses of \$509 million for the 2015 Mid-Year Forecast are \$6 million (1.2%) lower than 2014 expenses, and primarily reflects the impact of lower natural gas prices on rates, as well as the delay into 2016 of a NYPA non-recurring accounting adjustment. This estimate is \$4 million (0.9%) unfavorable compared with the Adopted Budget.

Expenses for the 2016 Final Proposed Budget are expected to be \$503 million, a decrease of \$3 million (0.6%) from the 2015 November Forecast, primarily reflecting the impact of lower natural gas prices on annual rate changes, the additional expense in 2016 of the NYPA non-recurring accounting adjustment, and other NYPA-related expense increases. Compared with previous Plans, 2016 is \$26 million (4.8%) favorable to July and \$34 million (6.3%) favorable to February.

MTA Consolidated Electric Power expenses are forecast to decrease by 4.8% in 2017, 5.9% in 2018 and 6.3% in 2019, totaling \$594 million in 2019. Compared with the July Plan, forecasts are \$27 million (4.8%) favorable in 2017, \$27 million (4.7%) in 2018 and \$30 million (4.9%) favorable in 2019. Compared with the February Plan, forecasts are \$73 million (12.1%) favorable in 2017 and \$85.7 million (13.3%) favorable in 2018.

FUEL

Diesel and natural gas prices for the 2015 November Financial Plan include actual prices through August 24, 2015 and reflect commodity futures prices as of August 31, 2015. Where commodity

futures prices are unavailable, price changes are projected using IHS, Inc. forecasts (June 2015) for New York Harbor No. 2 Distillate for heating oil and diesel and PPI (Producer Price Index) Utility for Natural Gas. Oil prices are forecast to change favorably from the projections in the July Plan. On a year-to-year basis, Ultra Low Sulfur Diesel (ULSD) prices are projected to decrease by 38.1% from 2014 to 2015. These are expected to increase by 2.8%, 6.3%, 14.4% and 11.2% from 2016 through 2019, respectively. For Compressed Natural Gas (CNG), year-to-year prices are forecast to decrease by 30.5% in 2015, decrease by 2.6% in 2016 and 2.7% in 2017, and then to increase by 0.5% in 2018 and 1.9% in 2019.

Since 2008, the MTA has used financial instruments to hedge a portion of its projected fuel expense to reduce budgetary risk from price volatility.¹ The MTA intends to continue this strategy, with new hedge contracts extending as far as 24 months from execution date, which provides a measure of financial stability from price fluctuations. At any point in time, approximately 50% of the projected fuel usage for the forward 12-month period will be hedged.

Fuel expenses of \$188 million for the 2015 November Forecast are \$5 million favorable from the 2015 Mid-Year Forecast. The 2015 November Forecast price for ULSD is estimated to be \$0.16 per gallon lower, while CNG prices are estimated to be unchanged from the price assumptions in the 2015 Mid-Year Forecast.

Fuel expenses for the 2016 Final Proposed Budget are estimated to be \$180 million, \$23 million less than projected in the 2016 Preliminary Budget. The price for ULSD is estimated to be \$0.27 per gallon lower and CNG prices are also projected to be \$0.16 per MMBTU lower than assumed in the July Plan.

November Plan Fuel expenses in 2017 are estimated to be \$189 million, \$19 million less than projected in the July Plan. The price for ULSD is estimated to be \$0.22 per gallon lower and CNG prices are also estimated to be \$0.26 per MMBTU lower than in the July Plan.

For 2018, November Plan Fuel expenses are estimated to be \$215 million, \$13 million less than projected in the July Plan. The price for ULSD is estimated to be \$0.16 per gallon lower and CNG prices are also estimated to be \$0.26 per MMBTU lower than in the July Plan.

For 2019, November Plan Fuel expenses are estimated to be \$241 million, \$11 million less than projected in the July Plan. The price for ULSD is estimated to be \$0.12 per gallon lower and CNG prices are also estimated to be \$0.29 per MMBTU lower than projected in the July Plan.

Fuel expenses are significantly lower in the November Plan in comparison with the February Plan and reflect a drop in prices which was mostly captured in the July Plan. Compared with 2015 Adopted Budget, Fuel expenses are \$75 million favorable due to lower estimated prices of \$1.11 per gallon for ULSD, partially offset by higher estimated prices for CNG of \$0.14 per MMBTU. Fuel expenses in 2016 are \$77 million favorable due to projected lower prices of \$1.00 per gallon for ULSD and \$0.09 per MMBTU for CNG. Fuel expenses in 2017 are favorable by \$73 million due to lower projected prices of \$0.94 per gallon for ULSD and lower CNG prices of \$0.91 per MMBTU. Fuel expenses in 2018 are \$57 million favorable due to lower projected prices for ULSD of \$0.76 per gallon and lower CNG prices of \$1.12 per MMBTU.

¹ Financial impacts from fuel hedge settlements are reflected in cash subsidies, not in the fuel expense category.

INSURANCE

The MTA's insurance programs are obtained through the commercial insurance marketplace and by the MTA's First Mutual Transportation Assurance Company (FMTAC), which is a pure captive insurance company. The programs insured by FMTAC include:

- All-Agency Excess Liability (Primary)
- All-Agency Excess Liability (Excess)²
- All-Agency Protective Liability (Primary)
- All-Agency Protective Liability (Excess)
- All-Agency Protective Liability (LORAM)
- All-Agency Property Policy³
- All-Agency Sabotage & Terrorism³
- Comprehensive Automobile Liability⁴
- Paratransit (Access-A-Ride)⁴
- Station Liability – LIRR & MNR
- Force Account – LIRR & MNR
- Premises Liability

The following table measures MTA Consolidated Insurance expenses:

MTA CONSOLIDATED INSURANCE EXPENSES						
Non-Reimbursable						
(\$ in millions)						
<u>Insurance Expenses</u>	2014 <u>Actual</u>	2015 November <u>Forecast</u>	2016 Final Proposed <u>Budget</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
NYCT	\$69	\$72	\$78	\$85	\$95	\$107
LIRR	23	23	25	27	29	31
MNR	17	19	20	21	23	25
SIR	2	1	2	2	2	2
MTA Bus	3	5	6	7	7	8
B&T	17	15	15	16	17	18
MTAHQ	<u>3</u>	<u>3</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
Total Gross Insurance Expenses	\$135	\$140	\$148	\$159	\$175	\$192
<u>Insurance Credits</u>						
FMTAC	(\$84)	(\$87)	(\$93)	(\$100)	(\$108)	(\$117)
Net Insurance Expenses	\$51	\$52	\$55	\$60	\$67	\$75

The table captures gross insurance expenses by Agency, including some costs that are contracted between MTA Risk Management and the commercial marketplace on behalf of MTA Agencies. It also captures FMTAC expense credits necessary for correct accounting treatment. Since FMTAC is an MTA Agency, its finances are incorporated within MTA consolidated financial reports and budgets. Therefore, premiums paid by an Agency to FMTAC result in offsetting revenue that has to be credited. What remains, and is captured as net insurance expenses, are only those costs for non-FMTAC insurance premiums. This includes costs for policies that are contracted directly between MTA Risk Management and the commercial marketplace on behalf

² A portion is insured through FMTAC and the remainder is insured in the global market.

³ These policies are insured through FMTAC and then reinsured in the global market.

⁴ Only the deductible portion of these policies is captured within FMTAC.

of an Agency, as well as for FMTAC policies that are then re-insured in the commercial marketplace.

Insurance expenses include supplemental coverage to MTA's property program, which provides for a further layer of \$200 million of fully collateralized coverage for losses from storm surges that surpass specified trigger levels in New York Harbor or Long Island Sound and are associated with named storms that occur at any point in the three year period from July 31, 2013 to July 30, 2016. The expanded protection is reinsured by MetroCat Re Ltd., a Bermuda special purpose insurer formed to provide FMTAC with capital markets-based property reinsurance. The MetroCat Re reinsurance policy is fully collateralized by a Regulation 114 trust invested in U.S. Treasury Money Market Funds. The additional coverage provided is available for storm surge losses only after amounts available under the \$500 million in general property reinsurance are exhausted.

Year-to-year increases in Insurance expense are primarily driven by assessments of market conditions made by MTA's Risk Management Department in conjunction with its master broker. Policy premiums are primarily driven by changes in underlying losses and market conditions, and are further influenced by factors such as claims losses, reserve adjustments and exposure (e.g., projected ridership, vehicle count, and volume of capital work).

In comparison with the July Financial Plan, MTA Consolidated Insurance expenses are favorable by less than \$1 million in 2015 and favorable by \$3 million, \$5 million, \$8 million and \$11 million for 2016 through 2019, respectively, due to a re-estimate in premium renewals for the All-Agency Property Policy.

When compared with the February Financial Plan, MTA Consolidated Insurance expenses are favorable by \$8 million in 2015, \$12 million in 2016 and \$16 million in each of 2017 and 2018. The favorable variances reflect the renewal of several large policies at prior year rates.

CLAIMS

Claims expenses are based on actuarial valuations of projected claims, actual claims expense paid and any adjustments to reserves.

Claims expenses in the November Financial Plan are projected to be \$260 million in 2015, \$243 million in 2016, \$247 million in 2017, \$251 million in 2018 and \$255 million in 2019. Compared with the July Financial Plan, Claims expenses are unfavorable by \$5 million and \$2 million in 2015 and 2016, respectively, and \$1 million unfavorable in each of 2017 through 2019, reflecting the latest actuarial valuation of projected claims.

In comparison with the February Financial Plan, Claims expenses are unfavorable by \$38 million in 2015, \$18 million in 2016 and \$15 million in each of 2017 and 2018, reflecting adjustments to the actuarial valuation of projected claims.

PARATRANSIT SERVICE CONTRACTS

Paratransit Service Contracts are third-party contracts for federally mandated transportation services for the benefit of people covered under the Americans with Disabilities Act, as well as their accompanying personal care attendants. Funding is provided for direct transportation costs (primary vendors, vouchers and taxis) and eligibility determinations, as well as for operational services for scheduling and dispatching trips. Maintenance expenses for vehicle rehabilitations,

the scheduling system, the Automated Vehicle Locator and the Interactive Voice Response system are also included.

Faced with a projected rapid growth in the demand for paratransit service and an associated increase in expenses, the MTA in 2010 embarked on an ambitious plan to control expenses. This included reducing non-service related costs and average cost per trip, improved adherence of eligibility requirements, and the conversion of contracted trips to fixed route feeder trips where available and permissible.

November Plan expenses are projected to be \$383 million in 2015, \$407 million in 2016, \$426 million in 2017, \$463 million in 2018, and \$502 million in 2019, reflecting year-to-year increases of \$24 million in 2016, \$20 million in 2017, \$37 million in 2018, and \$39 million in 2019. These increases mainly reflect assumed annual trip growth of 6.5% and inflationary adjustments on paratransit carrier contracts.

Cost projections for Paratransit Service Contracts remain unchanged from the July Financial Plan. Compared with the February Financial Plan, Paratransit Service Contract expenses are projected to decrease by \$3 million in 2015, \$14 million in 2016, \$48 million in 2017, and \$53 million in 2018. These savings are primarily attributable to projected reductions in trip activity resulting from actions taken to better enforce eligibility and to direct trips to lower cost providers and the fixed route system.

For a complete income statement on Paratransit, please refer to Subsidies section of Volume II, Major Assumptions. Further information on Paratransit saving initiatives is included in the Paratransit portion of the Agency Baseline Assumptions section of Volume II, Major Assumptions.

MAINTENANCE AND OTHER OPERATING CONTRACTS

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

November Plan expenses are projected at \$612 million in 2015, \$714 million in 2016, \$724 million in 2017, \$670 million in 2018, and \$684 million in 2019, reflecting year-to-year increases of \$102 million in 2016, \$10 million in 2017, a decrease of \$53 million in 2018, followed by an increase of \$14 million in 2019.

The year-to-year increase in 2016 is attributable to: NYCT (\$27 million) reflecting the timing of bus shop requirements, a lease/facility build-out and the purchase of a track rail grinder; the LIRR (\$21 million) mainly due to the timing of the elevator maintenance overhaul program, and higher joint facility-related costs due to the Passenger Rail Investment and Improvement Act (PRIIA); MNR (\$20 million) primarily due to infrastructure improvement programs and rolling stock maintenance costs; SIR (\$17 million) mostly due to the R44 car fleet maintenance program reflecting 12 months of work in 2016 versus one month in 2015; B&T (\$7 million) to expand the All Electronic Tolling (AET) program, as well as EAM development costs; and MTA Bus (\$8 million), due to changes in the hybrid bus conversion overhaul program.

The year-to-year increase in 2017 is driven by: MTA Bus (\$28 million), mainly due to hybrid bus conversion work; and at B&T (\$5 million) mostly for the E-ZPass Customer Service Center. These

results are partially offset by lower expenses at NYCT (\$14 million), due to the timing of bus shop requirements; SIR (\$11 million), reflecting reduced fleet maintenance work; and the LIRR (\$9 million) mostly due to the completion of the elevator maintenance overhaul program and other projects. In 2018, expenses decrease (\$41 million) resulting from the completion of the Shop Overhaul Program at MTA Bus in 2017; and NYCT (\$19 million) and SIR (\$7 million), due to the factors noted above, partially offset by higher expenses at B&T (\$13 million), also due to the factors noted above. In 2019, expenses increase mainly due to the LIRR (\$8 million) reflecting East Side Access readiness efforts as well as contractual and normal inflationary increases; and B&T (\$6 million) mostly due to higher E-ZPass expenses and inflation, partially offset by favorable expenses at MTA Bus (\$3 million) due to a reclassification adjustment.

Compared with the July Plan, Maintenance and Other Operating Contracts decrease by \$38 million in 2015, and increase by \$22 million in 2016, \$17 million in 2017, \$25 million in 2018 and \$28 million in 2019. In 2015, plan-to-plan decreases are driven by station painting contract savings at NYCT; the timing of the elevator overhaul program and security initiatives at the LIRR; locomotive overhauls, and an accounting adjustment for the amortization of the Greybar Building at MNR; and the timing of the EAM initiative expenses, E-ZPass cost re-estimates and lower Customer Service Center expenses at B&T. From 2016 through 2019, plan-to-plan increases are driven primarily by the timing of elevator/escalator maintenance, and higher joint facilities costs associated with PRIIA at the LIRR; Life Extension Work at MTA Bus; subway maintenance at NYCT; the EAM initiative, and E-ZPass Customer Service Center costs at B&T; and the Power Control/SCADA system upgrade at MNR.

Overall, compared to the February Plan, Maintenance and Other Operating Contracts decrease by \$38 million in 2015, and increase by \$22 million in 2016, \$17 million in 2017 and \$25 million in 2018. In addition to the factors noted above, plan-to-plan variations in 2015 are mainly driven by deferred implementation of the R44 fleet maintenance program at SIR and reclassified expenses from the IT Transformation initiative at MTAHQ. These results were partially offset by an increase at MTA Bus due to factors noted above. For 2016 through 2018, in addition to the factors noted above, increases reflect substitute busing for the New Haven Line Grade Crossing Project at MNR; and Tropical Storm Sandy-related restoration work at B&T. These projections are partially offset by lower expenses at NYCT due to lower bus shop requirements and factors noted above for MTAHQ.

PROFESSIONAL SERVICE CONTRACTS

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

November Plan annual expenses are projected at \$414 million in 2015, \$458 million in 2016, \$400 million in 2017, \$402 million in 2018, and \$410 million in 2019, reflecting an increase of \$44 million in 2016, a decrease of \$58 million in 2017, and increases of \$2 million in 2018 and \$8 million in 2019. The growth from 2015 to 2016 reflects timing delays.

Year-to-year expenses for 2016 are projected to increase by \$70 million over 2015 at MTAHQ for various IT security-related services supporting the MTA IT Transformation Initiative and the MTA

Enterprise Asset Management Initiative (EAM); and \$4 million at MNR for EAM-related expenses, procured services, medical services, and miscellaneous surveys, studies, and inspections. This growth is partially offset by \$28 million in reduced expenses at the LIRR, attributable to a 2015 write-off of East River Tunnel security assets rendered useless as a result of Hurricane Sandy; and \$2 million at B&T due to lower estimated engineering services and consulting costs associated with the new E-ZPass Customer Service Center contract.

Year-to-year average annual changes from 2017 through 2019 reflect the impact of inflationary adjustments, EAM program development costs, revised IT requirements, and other procured services consistent with anticipated project activity. Over this same period, MTAHQ expenses are forecast to decrease by \$51 million in 2017, and \$5 million in 2018, followed by a projected increase of \$6 million in 2019; these fluctuations reflect the nature and timing of IT projects, procurement activity and adjustments corresponding to the needs of the West Side Yards development.

Compared with the July Plan, expenses decrease by \$39 million in 2015, then increase by \$47 million in 2016, followed by average annual increases of \$21 million over the 2017-2019 period. The major contributors are:

- MTAHQ: lower expenses of \$60 million in 2015 primarily reflect the reclassification of IT costs as operating capital and the delay of IT spending until 2016. For 2016 through 2019, increases of \$27 million, \$4 million, \$7 million, and \$8 million, respectively, reflect higher IT spending due to timing, funding for hardware devices and network equipment in support of the EAM initiative.
- NYCT: lower expenses of \$11 million in 2015 reflect revised assumptions for various procured services, particularly for structural inspections, and timing. In subsequent years, average annual growth of \$6 million primarily reflects EAM-related consulting services.
- LIRR: higher expenses of \$35 million in 2015 mostly reflect the reclassification of planning study expenses from the capital budget to the operating budget. In subsequent years, expenses increase by \$7 million, \$3 million, \$2 million, and \$1 million, respectively, and mostly reflect EAM-related consulting requirements.
- B&T: lower expenses of \$1 million in 2015 reflect the timing of EAM development cost. For 2016 through 2019, average annual increases of \$3 million mainly reflect additional investments in EAM initiative.
- MNR: lower expenses of \$3 million in 2015 reflect favorable re-estimates of miscellaneous service contracts, outside training and counseling costs, and investment in EAM program development. For 2016 through 2019, average annual increases of \$3 million mainly reflect a continuation of the 2015 on-call track engineering program and rescheduled 2015 outside training expenses, as well as additional investments in the EAM initiative.

When compared with the February Plan, Professional Service Contracts increased by \$16 million in 2015, \$103 million in 2016, \$51 million in 2017, and \$45 million in 2018. In addition to the factors described above, changes over the life of the Plan were largely driven by provisioning for the MTA-Wide EAM initiative based on a preliminary “gap assessment” analysis and funding for several high priority MTA-wide initiatives, including an Energy Management System with automated metering, security projects aimed at protecting critical infrastructure from cyber threats

and unauthorized access, IT consulting and application expenses and a newly designed procurement module providing an improved platform experience through the Procure-to-Pay Initiative at MTAHQ.

MATERIALS AND SUPPLIES

Materials & Supplies include funding for a variety of expenses such as rolling stock replacement parts, electrical supplies, communication equipment, project materials, roadway equipment, and infrastructure maintenance supplies. Agency increases in Materials and Supplies for 2016 through 2019 are inflated primarily by regional inflation.

November Plan expenses are projected at \$558 million in 2015, \$617 million in 2016, \$608 million in 2017, \$601 million in 2018, and \$619 million in 2019, reflecting a year-to-year increase of \$60 million in 2016, decreases of \$9 million in 2017 and \$7 million in 2018, and an increase of \$18 million in 2019.

The year-to-year increase in 2016 is mostly attributable to revised timing assumptions at the LIRR (\$31 million) for the Reliability Centered Maintenance (RCM) program, East Side Access requirements, and rolling stock modifications, as well as the timing of subway and bus fleet maintenance material requirements at NYCT (\$18 million) and MTA Bus (\$5 million).

The 2017 year-to-year decrease is mainly attributable to the LIRR (\$13 million) due to the timing of RCM and East Side Access activity, and MTA Bus (\$3 million) due to the timing of bus fleet maintenance requirements. These results are partially offset by an increase at MNR (\$5 million) primarily due to M-7 Centralized Diagnostic System Replacement and the New Haven Signal Motor Operated Disconnect change-out. The decrease in 2018 is mostly attributable to MTA Bus and NYCT, and reflects the timing of requirements for bus and subway fleet maintenance materials, partly offset by increases at the LIRR due to inflation and the beginning of the 15/20 year Truck RCM program, and at MNR for the Harlem & Hudson Third Rail Sectionalizing Switch Replacement program. The increase in 2019 mostly reflects the timing of subway and bus fleet maintenance requirements at NYCT and MTA Bus.

Compared with the July Plan, expenses decrease by \$25 million in 2015 and increase by \$16 million in 2016, \$6 million in 2017 and 2018, and less than \$1 million in 2019. The expense decrease in 2015 is mostly due to rolling stock equipment modifications and revised timing for East Side Access material needs at the LIRR (\$18 million), and expense rollovers to 2016 at NYCT (\$7 million). Expense increases for 2016 through 2019 are due largely to revised assumptions, including the RCM program and East Side Access material requirements at the LIRR, and the decision to perform Genesis Locomotive overhauls “in-house” and the M-7 Seat Change-Out Plan at MNR, partially offset by favorable obsolescence adjustments at NYCT.

Compared with the February Plan, expenses decrease by \$6 million in 2015 and increase by \$28 million in 2016, and \$20 million in 2017 and 2018. In addition to the factors described above, the plan-to-plan decrease in 2015 is mainly attributable to rolling stock equipment modifications and lower M-7 running repairs at the LIRR. For 2016 through 2018, expense increases are primarily attributable to vehicle replacement, new M-7 traction motors and timing of M-7 obsolescence materials at the LIRR; additional safety investments to address new mandates and ensure compliance with regulatory requirements at MNR; changes in the Shop Overhaul Plan at MTA Bus; scheduled subway and bus maintenance requirements at NYCT, and the reclassification of Two Broadway expenses at MTAHQ.

OTHER BUSINESS EXPENSES

Other Business Expenses consist of a variety of expenses including credit and debit card fees for fare media purchases, bond service fees and internal subsidy support requirements, and employee benefits.

November Plan Expenses are projected to be \$208 million in 2015, \$195 million in 2016, \$195 million in 2017, \$203 million in 2018 and \$201 million in 2019. The 2016 decrease is mostly attributable to increased Amtrak cost recoveries in accordance with the Passenger Rail Investment and Improvement Act (PRIIA) at MNR, a write-off of outstanding E-ZPass account balances at B&T, and an unfavorable cash timing adjustment from 2014 at NYCT.

While overall spending is unchanged for 2017, major changes include higher expenses at MNR due to West-of-Hudson service and the purchase of winter gear, and at MTA Bus for office supplies, automatic fare collection and ticket printing fees/charges, training courses, and travel & meetings. Expenses are lower at NYCT due to the suspension of the Apprentice Program as per the TWU labor agreement. The year-to-year increase in 2018 is attributable to normal expense growth and M-3 decommissioning work at the LIRR. The year-to-year decrease in 2019 is largely due to the conclusion of M-3 decommission work at the LIRR and a reclassification adjustment at MTA Bus, partially offset by normal expense growth.

Compared with the July Plan, expenses increase annually by \$5 million for 2015 through 2017, and by \$3 million in 2018 and 2019. In 2015, the increase is mainly caused by a year-end write-off of debt associated with outstanding E-ZPass account balances at B&T, and increases in MetroCard Vending Machine (MVM) debit/credit card charges at NYCT. In the out years, increases are primarily driven by higher MVM debit/credit card charges at NYCT, partially offset by lower expenses at MNR reflecting West-of-Hudson subsidy reductions related to the postponement of additional service and higher revenue.

When compared with the February Plan, expenses increase by \$25 million in 2015 and by \$2 million in 2016, are unchanged in 2017, and decrease by \$1 million in 2018. In addition to the factors noted above, plan-to-plan increases from 2015 through 2018 mainly impact MTAHQ due to the non-recovery of Long Island Bus expenses from Nassau County and additional support for the Verrazano Narrows Bridge toll rebate program. Expenses also increase at MNR due the elimination of a previously assumed cost recovery from Con Edison for the 2013 New Haven Line power outage, and the write-off of accident-damaged rolling stock. These unfavorable projections are partially offset by lower expenses at NYCT due to the reclassification of TWU commuter rail pass expenses to the Other Fringe Benefits expense category, and increased Amtrak cost recoveries at MNR in the out years.

[THIS PAGE INTENTIONALLY LEFT BLANK]

Subsidies

SUBSIDIES - OVERVIEW

The following pages provide accrual and cash summary tables for projections of subsidies and dedicated taxes received by the MTA, as well as tables comparing these projections with those from the 2015 July Financial Plan and the 2015 February Financial Plan. Detailed narratives describing each subsidy, the forecast methodologies employed and explanations of changes from earlier Plans are also included. The details of Bridges and Tunnels operations that produce the Operating Surplus Transfer are discussed in the Bridges and Tunnels portion of the Agency Financial Plans section of this report. Consolidated income and expense information on NYCT's Paratransit operation is also included at the end of this section. (Note that additional details on NYCT's Paratransit operation can be found in this volume under Agency Financial Plans.)

Taken in aggregate, subsidies have improved from July due to higher projections for the Mortgage Recording Taxes (MRT) and the Urban Tax. Lower projections for MTA Aid and the Petroleum Business Tax (PBT) are offsetting some of that improvement.

Through the Plan Period, total subsidies reflect modest growth assumptions. Urban Tax, Petroleum Business Tax, and MTA Aid revenues are projected to decline or remain flat year-over-year. All other accrued subsidies are projected to grow in line with regional economic growth projections. Combined State Dedicated Tax revenues trend higher reflecting favorable economic growth projections in the MTA Commuter Transportation District (MCTD). Annual increases in the projections for Metropolitan Mass Transportation Operating Assistance (MMTOA) reflect higher revenue estimates for sales taxes and corporate surcharges on businesses in the MCTD, and higher Payroll Mobility Tax (PMT) estimates, reflecting projected growth in regional wage and salary disbursements. This is partially offset by decreasing PBT receipts.

Urban Tax revenues are increasing in 2015 but then decline in 2016 and in 2017, reflecting unsustainably high levels of large transactions. Overall total real estate transaction taxes are showing only modest increases year-over-year. Total real estate transaction tax revenues have trended higher since the Fall of 2010 in contrast with the steep declines that occurred in 2008 and 2009, when MTA saw receipts fall by 75%; the 2015 real estate tax forecast remains 11% lower than actual receipts in 2007.

On an *accrual basis*, the November Plan Forecast of Total Dedicated Taxes and State & Local Subsidies is projected to be \$6,625 million in 2015, growing to \$7,034 million in 2019. The growth is due primarily to favorable MMTOA and PMT transactions. The 2015 November Forecast is \$68 million higher than the Mid-Year Forecast due primarily to favorable real estate transaction taxes, offset by unfavorable PBT and MTA Aid; the November Plan is lower than the July Plan by \$75 million in 2016, and by \$108 million in both 2017 and 2018, due primarily to unfavorable MMTOA, Urban Tax, PBT and MTA Aid, offset by favorable MRT revenue. Compared with the Adopted Budget estimate, the 2015 November Forecast is \$345 million favorable, primarily the result of higher Urban Tax and MRT receipts and higher City Subsidy for MTA Bus, partially offset by unfavorable MTA Aid receipts. The November Plan forecasts are higher than the

February Plan estimates by \$27 million in 2016 and lower by \$58 million in 2017 and by \$100 million in 2018.

In its current Enacted Budget (2015-2016), NYS increased MMTOA subsidies to the MTA by \$36 million. It then redirected \$104 million of MMTOA funds to the Capital Program. In order to make its operating budget whole for 2015, the MTA reduced its 2015 Committed to Capital contribution

by \$68 million. This Plan recognizes that NYS will continue to redirect \$104 million to the Capital Program on an annual basis.

On a *cash basis*, total 2015 MTA Dedicated Taxes and State & Local Subsidies is \$6,320 million, growing to \$7,005 in 2019. The 2015 November Forecast is \$36 million above the Mid-Year Forecast, reflecting favorable variances of \$48 million for Urban Tax, \$32 million for MRT, and \$13 million for PMT. These are offset by a \$26 million unfavorable cash adjustment caused by a lag in the realization of savings in pension from investments made to reduce pension liability, a \$7 million energy hedge adjustment, lower PBT of \$12 million and lower MTA Aid of \$8 million. Details of these changes are described later in this section. The November Plan forecasts are higher than the July estimates by \$43 million in 2016, \$69 million in 2017, \$142 million in 2018 and \$231 million in 2019, due primarily to favorable MRT receipts and reductions in contributions to Committed to Capital used to fund debt service payments for the 2015-2019 Capital Program and to reimburse the operating budget for the redirection of MMTOA funds to the Capital Program. These adjustments are offset by unfavorable Urban Tax, PBT and MTA Aid.

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2016-2019
Consolidated Subsidies
Accrual Basis
(\$ in millions)

Subsidies	2014 Actual	2015 November Forecast	2016 Final Proposed Budget	2017	2018	2019
Dedicated Taxes						
Metropolitan Mass Transportation Operating Assist (MMTOA)	\$1,563.9	\$1,563.9	\$1,599.6	\$1,667.1	\$1,747.5	\$1,823.9
Petroleum Business Tax (PBT) Receipts	659.4	609.7	597.5	593.3	590.4	586.8
Mortgage Recording Tax (MRT)	366.6	441.4	448.4	465.2	483.2	500.3
MRT Transfer to Suburban Counties	(1.7)	(3.1)	(3.0)	(3.0)	(3.3)	(3.6)
Reimburse Agency Security Costs	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)
Interest	4.7	4.9	5.1	5.3	5.3	5.3
Urban Tax	799.5	948.2	829.1	784.3	786.8	817.8
Investment Income	<u>1.0</u>	<u>1.1</u>	<u>1.1</u>	<u>1.2</u>	<u>1.2</u>	<u>1.2</u>
	\$3,383.5	\$3,556.0	\$3,467.8	\$3,503.4	\$3,601.1	\$3,721.7
PMT and MTA Aid						
Payroll Mobility Tax	\$1,262.6	\$1,322.8	\$1,357.3	\$1,437.7	\$1,498.9	\$1,566.4
Payroll Mobility Tax Replacement Funds	309.3	309.3	311.3	311.3	311.3	311.3
MTA Aid	<u>313.2</u>	<u>293.6</u>	<u>291.1</u>	<u>291.1</u>	<u>291.1</u>	<u>291.1</u>
	\$1,885.1	\$1,925.6	\$1,959.7	\$2,040.1	\$2,101.2	\$2,168.7
State and Local Subsidies						
State Operating Assistance	\$187.9	\$187.9	\$187.9	\$187.9	\$187.9	\$187.9
Local Operating Assistance	187.9	187.9	187.9	187.9	187.9	187.9
CDOT Subsidy	98.0	148.9	120.4	115.8	122.9	129.9
Station Maintenance	<u>163.7</u>	<u>163.2</u>	<u>167.0</u>	<u>171.3</u>	<u>175.6</u>	<u>179.2</u>
	\$637.5	\$688.0	\$663.2	\$663.0	\$674.4	\$684.9
Subtotal Dedicated Taxes & State and Local Subsidies	\$5,906.1	\$6,169.6	\$6,090.7	\$6,206.4	\$6,376.7	\$6,575.3
City Subsidy for MTA Bus	436.0	413.7	427.4	460.0	416.6	420.3
City Subsidy for SIRTOA	<u>33.4</u>	<u>41.6</u>	<u>55.4</u>	<u>42.8</u>	<u>36.6</u>	<u>38.0</u>
	\$469.4	\$455.3	\$482.8	\$502.8	\$453.2	\$458.3
Total Dedicated Taxes & State and Local Subsidies	\$6,375.5	\$6,624.9	\$6,573.5	\$6,709.2	\$6,830.0	\$7,033.7
Inter-agency Subsidy Transactions						
B&T Operating Surplus Transfer	\$637.6	\$681.3	\$628.5	\$600.7	\$570.2	\$521.1
	\$637.6	\$681.3	\$628.5	\$600.7	\$570.2	\$521.1
GROSS SUBSIDIES	\$7,013.0	\$7,306.2	\$7,202.0	\$7,309.9	\$7,400.2	\$7,554.8

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

<u>Subsidies</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Dedicated Taxes					
Metropolitan Mass Transportation Operating Assist (MMTOA)	\$0.0	(\$104.0)	(\$104.0)	(\$104.0)	(\$104.0)
Petroleum Business Tax (PBT) Receipts	(13.2)	(21.9)	(25.7)	(29.8)	(35.2)
Mortgage Recording Tax (MRT)	35.4	41.9	49.4	54.8	60.1
MRT Transfer to Suburban Counties	0.0	0.0	0.0	0.0	0.0
Reimburse Agency Security Costs	0.0	0.0	0.0	0.0	0.0
Interest	0.0	0.0	0.0	0.0	0.0
Urban Tax	45.6	20.6	(22.9)	(23.0)	(23.1)
Investment Income	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	\$67.9	(\$63.4)	(\$103.2)	(\$101.9)	(\$102.3)
PMT and MTA Aid					
Payroll Mobility Tax	\$13.1	(\$11.9)	\$7.0	\$7.4	\$6.8
Payroll Mobility Tax Replacement Funds	0.0	2.0	2.0	2.0	2.0
MTA Aid	<u>(8.3)</u>	<u>(12.2)</u>	<u>(14.5)</u>	<u>(16.5)</u>	<u>(16.5)</u>
	\$4.8	(\$22.1)	(\$5.4)	(\$7.1)	(\$7.8)
State and Local Subsidies					
State Operating Assistance	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Local Operating Assistance	0.0	0.0	0.0	0.0	0.0
CDOT Subsidy	(1.9)	1.5	(3.3)	0.1	2.4
Station Maintenance	<u>(3.6)</u>	<u>(2.4)</u>	<u>(0.7)</u>	<u>0.6</u>	<u>0.7</u>
	(\$5.5)	(\$0.9)	(\$3.9)	\$0.7	\$3.1
Subtotal Dedicated Taxes & State and Local Subsidies	\$67.2	(\$86.4)	(\$112.5)	(\$108.3)	(\$106.9)
City Subsidy for MTA Bus	\$3.8	\$8.3	\$4.9	\$1.3	(\$2.6)
City Subsidy for SIRTOA Recovery	<u>(3.4)</u>	<u>3.4</u>	<u>(0.0)</u>	<u>(0.6)</u>	<u>(0.7)</u>
	\$0.4	\$11.8	\$4.9	\$0.6	(\$3.2)
Total Dedicated Taxes & State and Local Subsidies	\$67.6	(\$74.6)	(\$107.6)	(\$107.7)	(\$110.1)
Inter-agency Subsidy Transactions					
B&T Operating Surplus Transfer	\$59.3	\$19.9	\$8.1	\$1.6	(\$13.6)
	\$59.3	\$19.9	\$8.1	\$1.6	(\$13.6)
GROSS SUBSIDIES	\$126.9	(\$54.7)	(\$99.5)	(\$106.1)	(\$123.8)

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2016-2019
Consolidated Subsidies
Cash Basis
(\$ in millions)

<u>Subsidies</u>	2014 Actual	2015 November Forecast	2016 Final Proposed Budget	2017	2018	2019
Dedicated Taxes						
Metropolitan Mass Transportation Operating Assist (MMTOA)	\$1,563.9	\$1,563.9	\$1,599.6	\$1,667.1	\$1,747.5	\$1,823.9
Petroleum Business Tax (PBT) Receipts	627.2	610.8	597.8	593.5	590.7	586.8
Mortgage Recording Tax (MRT)	359.5	442.8	447.1	463.7	481.7	499.0
MRT Transfer to Suburban Counties	(3.4)	(1.7)	(3.1)	(3.0)	(3.0)	(3.3)
Reimburse Agency Security Costs	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)
MTA Bus Debt Service	(24.9)	(24.9)	(24.9)	(24.9)	(23.8)	(23.8)
Interest	4.7	4.9	5.1	5.3	5.3	5.3
Urban Tax	806.1	977.0	833.1	784.3	784.3	814.0
Investment Income	<u>1.0</u>	<u>1.1</u>	<u>1.1</u>	<u>1.2</u>	<u>1.2</u>	<u>1.2</u>
	\$3,324.1	\$3,563.8	\$3,445.9	\$3,477.2	\$3,573.9	\$3,693.2
PMT and MTA Aid						
Payroll Mobility Tax	\$1,262.6	\$1,322.8	\$1,357.3	\$1,437.7	\$1,498.9	\$1,566.4
Payroll Mobility Tax Replacement Funds	309.3	309.3	311.3	311.3	311.3	311.3
MTA Aid	<u>313.2</u>	<u>293.6</u>	<u>291.1</u>	<u>291.1</u>	<u>291.1</u>	<u>291.1</u>
	\$1,885.1	\$1,925.6	\$1,959.7	\$2,040.1	\$2,101.2	\$2,168.7
State and Local Subsidies						
State Operating Assistance	\$187.9	\$187.9	\$187.9	\$187.9	\$187.9	\$187.9
Local Operating Assistance	187.8	187.9	187.9	187.9	187.9	187.9
CDOT Subsidy	98.0	148.9	120.4	115.8	122.9	129.9
Station Maintenance	<u>162.2</u>	<u>161.0</u>	<u>163.9</u>	<u>168.0</u>	<u>172.4</u>	<u>176.7</u>
	\$635.9	\$685.8	\$660.1	\$659.7	\$671.2	\$682.4
Other Subsidy Adjustments						
Resource to Reduce Pension Liability	(\$165.0)	\$0.0	\$29.3	\$29.3	\$29.3	\$29.3
GASB Reserves to Fund Labor Settlements	254.5	0.0	0.0	0.0	0.0	0.0
Reserve for Retroactive Payments	(109.3)	109.3	0.0	0.0	0.0	0.0
NYCT Charge Back of MTA Bus Debt Service	(11.5)	(11.5)	(11.5)	(11.5)	(11.5)	(11.5)
Forward Energy Contracts Program - Gain/(Loss)	(6.9)	(45.6)	(23.0)	(1.5)	0.0	0.0
MNR Repayment for 525 North Broadway	(2.4)	(2.4)	(2.4)	(2.4)	(2.4)	(2.4)
Repayment of Loan to Capital Financing Fund	(100.0)	(100.0)	0.0	0.0	0.0	0.0
Committed to Capital 2010-2014 Capital Program	(144.8)	(38.1)	0.0	(73.0)	(78.9)	(57.2)
Committed to Capital 2015-2019 Capital Program	<u>0.0</u>	<u>(221.9)</u>	<u>(161.0)</u>	<u>(121.1)</u>	<u>(45.8)</u>	<u>47.3</u>
	(\$285.6)	(\$310.2)	(\$168.6)	(\$180.2)	(\$109.4)	\$5.5
Subtotal Dedicated Taxes & State and Local Subsidies	\$5,559.5	\$5,865.0	\$5,897.0	\$5,996.8	\$6,236.9	\$6,549.8
City Subsidy for MTA Bus	\$460.2	\$422.1	\$498.8	\$443.7	\$438.3	\$418.5
City Subsidy for SIRTOA	<u>24.0</u>	<u>33.4</u>	<u>41.6</u>	<u>55.4</u>	<u>42.8</u>	<u>36.6</u>
	\$484.2	\$455.4	\$540.4	\$499.1	\$481.1	\$455.1
Total Dedicated Taxes & State and Local Subsidies	\$6,043.7	\$6,320.5	\$6,437.4	\$6,495.9	\$6,718.0	\$7,004.9
Inter-agency Subsidy Transactions						
B&T Operating Surplus Transfer	<u>\$622.8</u>	<u>\$695.9</u>	<u>\$633.8</u>	<u>\$603.5</u>	<u>\$573.3</u>	<u>\$526.0</u>
	\$622.8	\$695.9	\$633.8	\$603.5	\$573.3	\$526.0
GROSS SUBSIDIES	\$6,666.5	\$7,016.4	\$7,071.2	\$7,099.4	\$7,291.3	\$7,530.9

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

Subsidies	2015	2016	2017	2018	2019
Dedicated Taxes					
Metropolitan Mass Transportation Operating Assist (MMTOA) ¹	\$0.0	(\$104.0)	(\$104.0)	(\$104.0)	(\$104.0)
Petroleum Business Tax (PBT) Receipts	(12.4)	(21.6)	(25.3)	(29.3)	(35.1)
Mortgage Recording Tax (MRT)	32.0	41.3	49.0	54.4	59.9
MRT Transfer to Suburban Counties	0.0	0.0	0.0	0.0	0.0
Reimburse Agency Security Costs	0.0	0.0	0.0	0.0	0.0
MTA Bus Debt Service	0.0	0.0	0.0	0.0	0.0
Interest	0.0	0.0	0.0	0.0	0.0
Urban Tax	47.6	24.6	(22.9)	(22.9)	(23.1)
Investment Income	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	\$67.2	(\$59.8)	(\$103.3)	(\$101.9)	(\$102.4)
PMT and MTA Aid					
Payroll Mobility Tax	\$13.1	(\$11.9)	\$7.0	\$7.4	\$6.8
Payroll Mobility Tax Replacement Funds	0.0	2.0	2.0	2.0	2.0
MTA Aid	<u>(8.3)</u>	<u>(12.2)</u>	<u>(14.5)</u>	<u>(16.5)</u>	<u>(16.5)</u>
	\$4.8	(\$22.1)	(\$5.4)	(\$7.1)	(\$7.8)
State and Local Subsidies					
State Operating Assistance	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Local Operating Assistance (18-b)	0.0	0.0	0.0	0.0	0.0
CDOT Subsidy	(1.9)	1.5	(3.3)	0.1	2.4
Station Maintenance	<u>(3.7)</u>	<u>(3.6)</u>	<u>(2.0)</u>	<u>(0.2)</u>	<u>0.8</u>
	(\$5.5)	(\$2.1)	(\$5.2)	(\$0.2)	\$3.3
Other Subsidy Adjustments					
Resource to Reduce Pension Liability	(\$25.5)	\$6.9	\$5.3	\$3.6	\$1.8
GASB Reserves to Fund Labor Settlements	0.0	0.0	0.0	0.0	0.0
Reserve for Retroactive Payments	0.0	0.0	0.0	0.0	0.0
NYCT Charge Back of MTA Bus Debt Service	0.0	0.0	0.0	0.0	0.0
Forward Energy Contracts Program - Gain/(Loss)	(7.1)	(11.6)	(1.4)	0.0	0.0
MNR Repayment for 525 North Broadway	0.0	0.0	0.0	0.0	0.0
Repayment of Loan to Capital Financing Fund	0.0	0.0	0.0	0.0	0.0
Committed to Capital 2010-2014 Capital Program	0.0	0.0	0.0	0.0	0.0
Committed to Capital 2015-2019 Capital Program	<u>0.0</u>	<u>129.0</u>	<u>168.9</u>	<u>244.2</u>	<u>337.3</u>
	(\$32.6)	\$124.3	\$172.9	\$247.8	\$339.1
Subtotal Dedicated Taxes & State and Local Subsidies	\$33.8	\$40.4	\$58.9	\$138.7	\$232.3
City Subsidy for MTA Bus	\$1.9	\$6.1	\$6.6	\$3.1	(\$0.6)
City Subsidy for SIRTOA	<u>0.0</u>	<u>(3.4)</u>	<u>3.4</u>	<u>(0.0)</u>	<u>(0.6)</u>
	\$1.9	\$2.7	\$10.1	\$3.1	(\$1.3)
Total Dedicated Taxes & State and Local Subsidies	\$35.7	\$43.1	\$69.0	\$141.8	\$231.0
Inter-agency Subsidy Transactions					
B&T Operating Surplus Transfer	<u>\$53.4</u>	<u>\$23.9</u>	<u>\$9.3</u>	<u>\$2.3</u>	<u>(\$12.1)</u>
	\$53.4	\$23.9	\$9.3	\$2.3	(\$12.1)
GROSS SUBSIDIES	\$89.1	\$66.9	\$78.3	\$144.1	\$218.9

METROPOLITAN MASS TRANSPORTATION OPERATING ASSISTANCE (MMTOA)

Metropolitan Mass Transportation Operating Assistance (MMTOA) provides general operating subsidies for the MTA and other downstate transportation systems, and funds are derived from the Mass Transportation Operating Assistance (MTOA) Fund¹. In addition to MMTOA, these funds are also appropriated to the Public Transportation Systems Operating Assistance Account and the Urban Mass Transit Operating Assistance Account. The Metropolitan Mass Transportation Operating Assistance (MMTOA) Account consists of:

- 55% of the MTOA PBT, which is collected Statewide;
- 100% of the three-eighths of one percent sales and use tax imposed in the MCTD;
- 80% of the tax on transportation and transmission companies imposed statewide; and
- 100% of the receipts from the corporate surcharge imposed within the MCTD.

Tax law changes implemented in January 2015 now require corporations deriving at least \$1 million in receipts from activity in New York to pay the corporate franchise tax and the metropolitan tax (MTA) surcharge, or if the corporation is part of a combined group with New York-derived receipts totaling at least \$1 million in receipts. In effect, the changes merged Article 32 of the New York Tax Law, applicable to banking corporations, into Article 9-A, applicable to general corporations. To offset the impact of these tax changes, the State annually adjusts the rate of the MTA surcharge to reflect a dollar amount equal to the financial projections in the State enacted budget. For the 2015 tax year, the MTA Surcharge was increased from 17 percent to 25.6 percent.

2015 November Forecast

The estimate of total taxes in the MMTOA Fund for Downstate transit properties for 2015 is \$2,142 million. Of this allotment, \$1,564 million in non-18b funds is appropriated for the benefit of MTA, with \$1,036 million for NYCT/SIR and \$528 million for the Commuter Railroads. The combined MTA operating receipts are unchanged from the 2014 receipts; however, the State Enacted Budget also provided \$104 million for the Capital Program. The forecast is unchanged from both the Mid-Year Forecast and the Adopted Budget. Of the \$104 million, \$36 million represented a proposed increase in total capital funding and \$68 million was redirected from MTA's operating budget to its capital program. To offset the reduction in operating funding, an identical \$68 million was reallocated from the MTA's 2015 committed-to-capital contribution to the MTA operating budget. The November Plan assumes that the State will annually transfer \$104 million of MMTOA funds previously used for operating expenses to the MTA Capital Program.

Additionally, \$190 million is earmarked to fund the State's 18-b obligation, which includes \$175 million for the MTA. Of this amount, \$154 million for NYCT/SIR and \$21 million for the Commuter Railroads; these levels are unchanged from 2014, the Mid-Year Forecast and the Adopted Budget.

The amounts appropriated in the NYS 2015-16 Enacted Budget, combined with the State 18-b

¹MTOA consists of revenues from a small portion of the basic Petroleum Business Tax (PBT) imposed on petroleum businesses operating within New York State, a sales tax imposed in the Metropolitan Commuter Transportation District (MCTD) on sales and uses of certain tangible personal property and services, corporate franchise taxes imposed on certain transportation and transmission companies, and temporary corporate surcharges imposed on the portion of the franchise and other taxes of certain businesses attributable to the conduct of business within the MCTD.

amounts, reflect a 58% share of the Downstate portion of MMTOA for NYCT/SIR and 27% for the Commuter Railroads. MMTOA and State 18-b funds were also allotted to MTA Bus and other downstate transportation properties.

2016 Final Proposed Budget

The 2016 Final Proposed Budget estimates MTA MMTOA revenue at \$1,600 million, which is \$36 million (2.3%) greater than the 2015 November Forecast. This forecast is \$104 million less than the 2016 Preliminary Budget and the February Plan forecasts due to the transfer of MMTOA monies by the State from covering operating expenses to funding the MTA Capital Program, which was not reflected in the MTA July Plan. To offset the reduction in operating funding, an identical amount is being redirected from MTA's committed-to-capital contribution to the MTA operating budget. Of the total estimated MTA MMTOA revenues, \$1,133 million is earmarked for NYCT/ SIR and \$570 million is earmarked for the Commuter Railroads.

The MMTOA forecast assumes that revenues from the Sales Tax and Corporate Surcharge components will grow from the 2015 levels by 8% and 13%, respectively, while revenue from the Petroleum Business Tax is expected to decline by 4%. There is no change expected in the level of Corporate Franchise Tax, which remains flat through the Plan period. It is further assumed that the State's funding of its 18-b obligation for NYCT and the Commuter Railroads will remain at the 2015 level of \$175 million, which is consistent with the July and February Plans. The percentage allocations of MMTOA's downstate shares that come to the MTA represent 58% for NYCT/SIR and 27% for the Commuter Railroads.

2017 – 2019

MTA MMTOA forecasts are \$1,667 million in 2017, \$1,748 million in 2018, and \$1,824 million in 2019. Year-over-year, MTA MMTOA revenues are expected to increase \$67 million (4%) in 2017, \$80 million (5%) in 2018 and \$76 million (4%) in 2019. As with the 2016 Final Proposed Budget, these forecasts are \$104 million lower than the July Plan and February Plan forecasts due to the funds transfer to the Capital Program. The reduction is offset by an identical transfer from the committed-to-capital contribution to the MTA operating budget. The annual MMTOA estimates are based on: sales tax receipts increasing 3 percent in 2017 and 2018, and then by 4 percent in 2019; no change in PBT for 2017, followed by a one percent increase in 2018 and a 4% increase in 2019; increases in corporate tax surcharge revenue of four percent in 2017, five percent in 2018 and 4 percent in 2019; and, no change in corporate tax receipts through the Plan period.

MMTOA STATE DEDICATED TAXES
November Financial Plan 2016-2019
(\$ in millions)

	ACTUAL		FORECAST			
	2014	2015	2016	2017	2018	2019
<i>Forecast of MMTOA Gross Receipts (SFY):</i>						
Sales Tax	\$894.5	\$934.5	\$967.5	\$996.5	\$1,030.5	\$1,069.0
PBT	135.1	130.4	130.1	130.1	130.8	135.7
Corporate Franchise	60.0	60.0	60.0	60.0	60.0	62.2
Corporate Surcharge	1,018.0	1,096.0	1,148.0	1,199.0	1,260.0	1,307.1
Investment Income	0.0	0.0	0.0	0.0	0.0	0.0
Total Gross Receipts Available for Allocation	\$2,107.6	\$2,220.9	\$2,305.6	\$2,385.6	\$2,481.3	\$2,574.1

Allocation of Total Gross Receipts to Downstate:

Total Gross Receipts	\$2,107.6	\$2,220.9	\$2,305.6	\$2,385.6	\$2,481.3	\$2,574.1
Less: Upstate Share of PBT	(60.8)	(58.7)	(58.5)	(58.5)	(58.9)	(61.1)
Less: Upstate Share of Transmission	(19.8)	(19.8)	(19.8)	(19.8)	(19.8)	(19.8)
Less: New Fund Balance	0.0	0.0	0.0	0.0	0.0	0.0
Upstate Percent Share of Investment Income	2.88%	2.64%	2.54%	2.45%	2.37%	2.37%
Less: Upstate Share of Investment Income	0.0	0.0	0.0	0.0	0.0	0.0
Total Net Downstate Share Available for Allocation	\$2,059.3	\$2,142.4	\$2,227.3	\$2,307.3	\$2,402.6	\$2,493.3
Less: 18-B Adjustment	(189.5)	(189.5)	(189.5)	(189.5)	(189.5)	(189.5)
Adjusted Total Net Downstate Share for Allocation	\$1,869.8	\$1,952.9	\$2,037.7	\$2,117.7	\$2,213.1	\$2,303.7
Add: NYS Reimbursement	0.0	0.0	0.0	0.0	0.0	0.0
Adjusted Total Net Downstate Share + Other	\$1,869.8	\$1,952.9	\$2,037.7	\$2,117.7	\$2,213.1	\$2,303.7

Allocation of Total Net Downstate Share to NYCT/SIR:

NYCT/SIR Share	57.77%	57.63%	57.79%	57.79%	57.79%	57.79%
From Total Net Downstate Share	\$1,189.6	\$1,234.6	\$1,287.0	\$1,333.3	\$1,388.4	\$1,440.8
Less: 18-B Adjustment	(153.9)	(153.9)	(153.9)	(153.9)	(153.9)	(153.9)
Adjusted Total Net Downstate Share	\$1,035.8	\$1,080.8	\$1,133.2	\$1,179.4	\$1,234.5	\$1,286.9
Less: Transfer to Capital Program	0.0	(45.0)	(69.2)	(69.3)	(69.3)	(69.4)
From Carryover	0.0	0.0	0.0	0.0	0.0	0.0
Total NYCT/SIR Share of Net Downstate Share	\$1,035.8	\$1,035.8	\$1,064.0	\$1,110.2	\$1,165.2	\$1,217.5
Total SIR Share (Cash)	3.6	3.6	3.7	3.9	4.1	4.3
Total NYCT Share of Net Downstate Share	\$1,032.1	\$1,032.1	\$1,060.3	\$1,106.3	\$1,161.1	\$1,213.2

Allocation of Total Net Downstate Share to MTA:

MTA Share	26.68%	26.71%	26.56%	26.56%	26.56%	26.56%
From Total Net Downstate Share	\$549.3	\$572.3	\$591.6	\$612.8	\$638.2	\$662.2
Less: 18-B Adjustment	(21.2)	(21.2)	(21.2)	(21.2)	(21.2)	(21.2)
Adjusted Total Net Downstate Share	\$528.1	\$551.1	\$570.4	\$591.6	\$617.0	\$641.0
Less: Transfer to Capital Program	0.0	(23.0)	(34.8)	(34.7)	(34.7)	(34.6)
From Carryover	0.0	0.0	0.0	0.0	0.0	0.0
Total MTA Share of Net Downstate Share	\$528.1	\$528.1	\$535.6	\$556.9	\$582.3	\$606.5

PETROLEUM BUSINESS TAXES (PBT)

The Petroleum Business Taxes (PBT) are composed of a business privilege tax, a gasoline and diesel fuel excise tax, and fees for vehicle registrations and driver licenses.

The business privilege tax is imposed on petroleum businesses operating in New York State. The tax base is the quantity of various petroleum products refined and sold in the State or imported into the State for sale and use therein, and tax rates are subject to adjustments made annually to reflect changes in the Producer Price Index (PPI) for refined petroleum products for the 12-month period ending August 31 of the immediate preceding year. While the tax rates rise and fall along with prices, they are subject to a maximum change of plus or minus 5% of the existing rate in any one year.

Under State Law, 34 percent of the proceeds from the taxes and fees are deposited in the Mass Transportation Trust Fund (MTTF) for MTA's benefit, 63 percent is earmarked for State uses such as upstate highways and other transportation needs, and the remaining 3 percent is allotted to other mass transit operating agencies.

Amounts transferred from the MTTF Account to the MTA's Dedicated Tax Fund constitute MTTF Receipts, which, in MTA budgets, is designated Petroleum Business Tax (PBT) Receipts. MTA utilizes the PBT Receipts to pay debt service on MTA's Dedicated Tax Fund Bonds (DTF Bonds), which is payable first from PBT Receipts and then, to the extent of any deficiency, from MMTOA Taxes. To date, PBT Receipts have always been sufficient to meet debt service commitments and MMTOA Taxes have never been used for this purpose. After debt obligations are satisfied, 85 percent of the remaining PBT funds are allocated to New York City Transit and the remaining 15 percent is allocated to the Commuter Railroads in accordance with the formula provided by statute.

PBT estimates are provided on a cash basis. Accrual estimates are based on a one-month lag in the booking and collection of PBT proceeds.

2015 November Forecast

PBT receipts are projected to be \$611 million for 2015, a \$16 million decline from 2014 as the result of lower fuel prices impacting the business privilege tax rate. Compared with the Mid-Year Forecast, PBT receipts are expected to be unfavorable by \$12 million. This decline reflects the reversal of the \$14 million increase in the 2015 projection in the Mid-Year Forecast, which was based on a favorable variance. That variance, which was expected to be maintained, was timing-related and not a reflection of an actual increase in tax receipts. Compared with the Adopted Budget, PBT receipts are projected to be \$2 million favorable.

2016 Final Proposed Budget

The 2016 Final Proposed Budget for PBT is \$598 million, which is \$13 million (2%) lower than the 2015 November Forecast. This reduction is based on recently revised PBT projections provided by the New York State Division of the Budget. The forecast is \$22 million below the July Plan forecast and reflects both the State's projected PBT decline and the 2015 base, which is \$12 million lower than the base used in the July Plan. Compared with the February Plan, the 2016 Final Proposed Budget is \$7 million unfavorable.

2017 - 2019

For the remainder of the Plan period, PBT forecasts are \$593 million in 2017, \$591 million in 2018 and \$587 million in 2019, reflecting year-to-year declines of \$4 million (0.7%) in 2017, \$3 million (0.5%) in 2018 and \$4 million (0.7%) in 2019. Compared to the July Plan, these estimates are lower by \$25 million in 2017, \$29 million in 2018 and \$35 million in 2019, reflecting the lower 2015 base year and changes in the State's annual growth rate projections. Compared to the February Plan, these estimates are lower by \$11 million in 2017 and by \$15 million in 2018.

PETROLEUM BUSINESS TAX PROJECTIONS
November Financial Plan 2016-2019
(\$ in millions)

	ACTUAL	FORECAST				
	2014	2015	2016	2017	2018	2019
Total Net PBT Collections Available for Distribution	\$1,844.8	\$1,796.4	\$1,758.3	\$1,745.6	\$1,737.3	\$1,725.8

Distribution Shares:

MTA Total	34.0%	34.0%	34.0%	34.0%	34.0%	34.0%
Other Transit	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Highway Trust Fund	63.0%	63.0%	63.0%	63.0%	63.0%	63.0%
General Fund	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Share Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Amount of Total Net Collections Available for the MTA:

MTA Total	\$627.2	\$610.8	\$597.8	\$593.5	\$590.7	\$586.8
------------------	----------------	----------------	----------------	----------------	----------------	----------------

Accrued

NYCT/SIR Share of MTA Total	\$560.5	\$518.2	\$507.8	\$504.3	\$501.8	\$498.7
Commuter Railroad Share of MTA Total	<u>98.9</u>	<u>91.5</u>	<u>89.6</u>	<u>89.0</u>	<u>88.6</u>	<u>88.0</u>
MTA Total of Net Collections	\$659.4	\$609.7	\$597.5	\$593.3	\$590.4	\$586.8

Cash

NYCT/SIR Share of MTA Total	\$533.2	\$519.2	\$508.1	\$504.5	\$502.1	\$498.7
Commuter Railroad Share of MTA Total	<u>94.1</u>	<u>91.6</u>	<u>89.7</u>	<u>89.0</u>	<u>88.6</u>	<u>88.0</u>
MTA Total of Net Collections	\$627.2	\$610.8	\$597.8	\$593.5	\$590.7	\$586.8

MORTGAGE RECORDING TAXES (MRT)

The Mortgage Recording Taxes consist of two distinct taxes: Mortgage Recording Tax-1 (MRT-1) and Mortgage Recording Tax-2 (MRT-2). These taxes are collected by New York City and the seven other counties within the MTA's service area.

MRT-1 is imposed on the borrower of recorded mortgages of all real property, subject to certain exclusions, at the rate of three-tenths of one percent (0.3%) of the debt. By Statute, receipts from MRT-1 must be applied, first, to meet MTA Headquarters operating expenses and, second, to make deposits into the New York City Transit and Commuter Railroad Accounts, with 55% earmarking for NYCT and the remaining 45% for the commuter railroads. Funds in the NYCT Account are required to be used to pay operating and capital costs of NYCT. Funds in the Commuter Railroad Account are required to be first used to pay up to \$20 million to the State Suburban Transportation Fund each year. In the event the transfer to the Suburban Fund would result in a Commuter Railroad operating deficit, the amount of the deficit is appropriated to the MTA for Commuter Railroad operating purposes, and not transferred to the Suburban Fund. After making the required transfers to the Suburban Fund, any balance in the Commuter Railroad Account is required to be used to pay commuter railroad operating and capital costs.

MRT-2 is a tax imposed on the institutional lender of recorded mortgages, subject to certain exclusions, at a rate of one-quarter of one percent (0.25%) of the debt secured by residential real estate structures containing one to six dwelling units. MRT-2 receipts are to be applied, first, to make deposits into the Payment Sub-accounts for Dutchess, Orange and Rockland Fund (DORF) payments and, second, to make deposits into the Corporate Purposes Sub-account for the purpose of paying operating and capital costs, including debt service and debt service reserve requirements, if any, incurred for the benefit of MTA, NYCT and their respective subsidiaries.

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

Forecast Methodology

Forecasts of MRT receipts consist of actual receipts through October 2015; forecasts for the remainder of the year are consistent with recent activity. For 2016 and subsequent years, forecasts are based on projections in the City of New York's May 2015 Executive Budget and, for the suburban counties, projections of real estate activity provided by IHS, Inc. Receipts from unusually large transactions¹ are excluded from the 2015 base that is used to project MRT receipts for 2016.

2015 November Forecast

MRT receipts are forecast to be \$443 million in 2015, an \$83 million (23%) increase over 2014 receipts. This is the fifth successive year of increases following four years of large declines from

¹ Forecasts exclude those recorded mortgage associated with property values in excess of \$600 million. The level of large transactions is unpredictable and cannot be relied on with any certainty.

2007 to 2010. Despite this recent growth, the 2015 projection remains 42 percent lower than when MRT receipts peaked in 2006. Compared with 2014, MRT-1, which is collected on all mortgages, is projected to increase \$64 million (24%) while MRT-2, which is only paid on residential properties with fewer than seven units in the structure, is forecast to increase \$19 million (21%).

The 2015 November Forecast for MRT is \$32 million (8%) more than the Mid-Year Forecast. This favorable plan-to-plan variance is attributable to a large increase in the value of recorded mortgages since May, when the Mid-Year Forecast was finalized, particularly affecting MRT-1 receipts which indicates that the improved mortgage activity reflects the recording of mortgages for commercial properties. MRT-1 is estimated to be \$27 million (9%) more than the Mid-Year Forecast, while MRT-2 is projected to be \$5 million (4%) more than the Mid-Year Forecast. Compared with the Adopted Budget, the 2015 November Forecast projects a \$79 million (22%) favorable increase in MRT receipts.

2016 Final Proposed Budget

MRT receipts are projected to be \$447 million in 2016, \$4 million (1%) more than estimated for the 2015 November Forecast; MRT-1 receipts are projected to decrease \$7 million (2%), while MRT-2 receipts are forecast to increase \$11 million (10%). The forecast assumes that the \$9 million in MRT receipts from unusually large transactions in 2015, all falling in MRT-1, will not recur and that New York City commercial mortgage activity will pull back from its 2015 level while year-over-year residential mortgage activity will improve.

The 2016 Final Proposed Budget for MRT is \$41 million (10%) more than the July Plan forecast, reflecting a higher 2015 base along with stronger residential mortgage activity. MRT-1 is estimated to be \$36 million (11%) more, while MRT-2 is projected to be \$10 million (9%) more than the July Plan forecast.

2017 - 2019

MRT receipts are expected to continue annual growth, increasing \$17 million in 2017, \$18 million in 2018, and \$17 million in 2019. The projected growth in MRT receipts reflects continued improvement in the regional economy over the course of the plan period, which is expected to have favorable impacts on housing demand – and, by extension, mortgage recording activity – in the MTA region. Despite these increases, 2019 MRT receipts, which are projected to reach \$439 million, will still be 35 percent below receipts from thirteen years earlier, when MRT receipts peaked in 2006.

Compared with the July Plan, MRT receipts are \$49 million (12%) higher in 2017, \$54 million (13%) higher in 2018, and \$60 million (14%) higher in 2019. These forecasts reflect a higher 2016 base and stronger year-to-year growth through the Plan period than the growth projected in the July Plan. November Plan projections of the MRT receipts compared with the February Plan are projected to be higher by \$73 million (19%) in 2017 and \$77 million (19%) in 2018.

Other MRT-2 Adjustments

MRT-2 receipts are used to reimburse MTA Agencies for certain short term security projects from a fund managed by MTA Safety and Security. An annual amount of \$10 million has been earmarked to cover these security expenses from through the end of the Plan period.

In addition, the Plan assumes that funds from subsidies will be used to cover debt service cash flow requirements and loan repayment on behalf of MTA Bus. In negotiations with the City during the MTA takeover of the private bus companies, a package that consisted of bond proceeds (\$209 million) and inter-agency loans (\$114 million) was used to finance MTA Bus's capital investment. Pursuant to the agreement with the City, the MTA pays the capital costs of the MTA Bus 2005-2009 Capital Program to the extent that it is otherwise not paid from Federal grants, matching City funds, or other funding sources specifically dedicated to MTA Bus capital projects. As part of the terms of this agreement, the MTA is required to pay the debt service on bonds and commercial paper expended after November 2006 on MTA Bus 2005-2009 Capital Program projects, until such amounts are paid in full, which would require payments through the Plan period and beyond. The Plan estimates the required amounts to be \$25 million annually during the Plan period, reflecting no change in assumptions from either the July or February Plans.

MORTGAGE RECORDING TAX PROJECTIONS

November Financial Plan 2016-2019

(\$ in millions)

Cash Basis

	ACTUAL	FORECAST				
	2014	2015	2016	2017	2018	2019
MORTGAGE RECORDING TAX #261-1						

Receipts Available for Transfer to NYCT and CRs:

Total Gross Receipts	\$264.8	\$328.7	\$321.6	\$331.9	\$343.1	\$354.8
Carryover	0.0	0.0	0.0	0.0	0.0	0.0
OPEB Offset	0.0	0.0	0.0	0.0	0.0	0.0
Less: MTAHQ Operating Expenses Net of Reimbursement	(347.5)	(570.0)	(659.3)	(635.3)	(642.1)	(665.9)
Receipts Available for Transfer	(\$82.7)	(\$241.3)	(\$337.7)	(\$303.4)	(\$299.0)	(\$311.2)
Adjustments	0.0	0.0	0.0	0.0	0.0	0.0
MRT-2 Required to Balance	82.7	241.3	337.7	303.4	299.0	311.2
Adjusted Receipts Available for Transfer	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0

Allocation of Net Receipts to NYCT/SIR Account:

Opening Balance	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
NYCT/SIR Share	55%	55%	55%	55%	55%	55%
From Current Year Net Receipts	0.0	0.0	0.0	0.0	0.0	0.0
Interest	0.0	0.0	0.0	0.0	0.0	0.0
Carryover from Prior-Year	0.0	0.0	0.0	0.0	0.0	0.0
Transfers from MRT-2	0.0	0.0	0.0	0.0	0.0	0.0
Total NYCT/SIR Net Cash Share	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total SIR Net Cash Share	0.0	0.0	0.0	0.0	0.0	0.0
Total NYCT Net Cash Share	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0

Allocation of Net Receipts to Commuter Railroad Account:

Opening Balance - CR/SHF	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Commuter Railroad Share	45%	45%	45%	45%	45%	45%
From Current Year Net Receipts	0.0	0.0	0.0	0.0	0.0	0.0
Interest	0.0	0.0	0.0	0.0	0.0	0.0
Carryover from Prior-Year	0.0	0.0	0.0	0.0	0.0	0.0
Less: Suburban Highway Fund	0.0	0.0	0.0	0.0	0.0	0.0
Transfers from MRT-2	0.0	0.0	0.0	0.0	0.0	0.0
Total Commuter Railroad Net Cash Share	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0

MORTGAGE RECORDING TAX #261-2

Receipts Available

Total Receipts to Corporate Account	\$94.6	\$114.1	\$125.5	\$131.8	\$138.6	\$144.3
All Agency Security Pool	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)
MTA Bus Debt Service	(24.9)	(24.9)	(24.9)	(24.9)	(23.8)	(23.8)
General Reserve	0.0	0.0	(150.0)	(155.0)	(160.0)	(165.0)
Investment Income	4.7	4.9	5.1	5.3	5.3	5.3
Total Receipts Available for Transfer	\$64.4	\$84.1	(\$54.3)	(\$52.7)	(\$49.9)	(\$49.2)

Use of Total Receipts:

DORF Opening Balance	\$4.5	\$4.5	\$4.5	\$4.5	\$4.5	\$4.5
Less: Transfer to MTA DORF Account	(7.8)	(6.2)	(7.5)	(7.5)	(7.5)	(7.7)
Less: Transfer to MTAHQ Funds	(82.7)	(241.3)	(337.7)	(303.4)	(299.0)	(311.2)
Net Receipts Available	(\$21.7)	(\$159.0)	(\$395.1)	(\$359.1)	(\$351.9)	(\$363.6)

URBAN TAXES

The Urban Taxes consist of two distinct taxes applied to certain commercial real property transactions and mortgage recordings within New York City: a Mortgage Recording Tax (MRT) imposes a five-eighths of one-percent (0.625%) levy on the recorded mortgage amount for New York City commercial property mortgages exceeding \$500,000; and, a Real Property Transfer Tax (RPTT) imposes a one percent levy on the property value for New York City commercial real estate transactions with a real property value exceeding \$500,000. Tax receipts are available only for transit purposes in New York City, with 90% of the receipts earmarked for New York City Transit general operations and 6% used for the partial reimbursement of NYCT Paratransit costs. The remaining 4% is assigned as subsidy for the New York City private franchise buses, and the City applies these funds toward its reimbursement of MTA Bus expenses. Figures below reflect the 90% of Urban Tax receipts earmarked to NYCT general operations.

Forecast Methodology

Forecasts of Urban Tax receipts consist of actual receipts through October 2015; projections for the remainder of the year are consistent with recent activity. For 2016 and subsequent years, forecasts are consistent with estimates in the City of New York's May 2015 Executive Budget, with receipts from unusually large transactions¹ excluded from the 2015 base that is used to project Urban Tax receipts for 2016. The forecasts for 2015 and 2016 also include projected tax revenues from two large transactions, one occurring in each year, which have been announced but not yet formally recorded with the City.

2015 November Forecast

Urban Tax receipts are forecast to be \$977 million in 2015, \$171 million (21%) more than 2014 receipts. Sixty-two percent of the Urban Tax growth over the 2014 level is derived from RPTT receipts, which are projected to increase \$106 million (19%), while MRT receipts are forecast to increase \$65 million (26%). The year-to-year variance is attributable to increases in tax receipts from unusually large transactions, particularly for RPTT, and from an overall increase in tax-generating real estate activity.

The 2015 forecast is \$827 million (552%) greater than the 2009 nadir, when Urban Tax receipts totaled just \$150 million in the aftermath of the \$734 million (83%) decline that occurred between 2007 and 2009. The 2015 forecast, benefiting from the \$115 million in tax revenue generated from the unusually large real estate transactions, will be the first time since the decline that annual receipts surpass the 2007 high mark, exceeding it by \$94 million (11%).

Compared with the Mid-Year Forecast, the November Forecast is favorable by \$48 million, a 5% improvement. RPTT receipts are unfavorable by \$10 million (2%), while MRT receipts are \$58 million (23%) favorable. Compared with the Adopted Budget, the forecast is favorable by \$299 million (44%); RPTT receipts are favorable by \$209 million (46%) and MRT receipts are favorable by 40%). Almost 40 percent of the favorable variance relative to the Adopted Budget is attributable to tax receipts from the unusually large transactions, with these transactions comprising 46% and 19% of the favorable RPTT and MRT variances, respectively.

¹ Forecasts exclude those transactions in excess of \$600 million. The level of large transactions is unpredictable and cannot be relied on with any certainty.

2016 Final Proposed Budget

Urban Tax receipts are forecast to be \$833 million in 2016, a \$144 million (15%) decline from the 2015 November Forecast; the Final Proposed Budget includes \$48 million in RPTT receipts from a recently announced unusually large real estate transaction that is expected to be recorded in 2016. Just over half the annual decline can be attributed to the impacts associated with the level of unusually large transactions. RPTT receipts are forecast to decline by 14% while MRT receipts are expected to decrease by 17%.

The 2016 Final Proposed Budget surpasses the July Plan forecast by \$25 million (10%), with RPTT unfavorable by \$20 million (3%) while MRT is favorable by \$44 million (20%). Compared with the February Plan, the 2016 Final Proposed Budget is \$93 million (13%) favorable, with RPTT \$80 million (16%) greater and MRT \$13 million (5%) greater.

2017 - 2019

Urban Tax receipts are expected to decline \$49 million (6%) in 2017, remain unchanged in 2018 and then increase \$30 million (4%) in 2019. The 2017 decline reflects the unusually large 2016 transaction that is projected to generate \$48 million in RPTT receipts that is not expected to recur in 2018. Without this transaction, Urban Tax receipts would be unchanged from 2016 through 2018, consistent with the City's fiscal year 2017 through 2019 forecasts. Receipts in 2019 are projected to be \$814 million, 8 percent below the 2007 pre-recession peak. Urban Tax projections for 2017 through 2019 are projected to fall short of the July Plan by \$23 million (3%) each year. Compared with the February Plan, 2017 is forecast to be slightly unfavorable (\$0.4 million; 0.1%) and \$39 million (5%) unfavorable for 2018.

PAYROLL MOBILITY TAX (PMT)

The Payroll Mobility Tax (PMT), also known as the Metropolitan Commuter Transportation Mobility Tax (MCTMT), was enacted in 2009¹ to provide a stable source of revenues for the MTA to address revenue shortfalls and operating budget gaps. Amendments, effective April 2012 (referred to as the “December Act”), reduced the tax rate or eliminated the PMT liability entirely for a number of taxpayers, leaving the liability as follows:

- Individuals with net earnings from self-employment earning in the MCTD that exceed \$50,000 in a calendar year are subject to a tax rate of 0.34 percent;
- Employers with payroll expense no greater than \$375,000 in any calendar quarter are subject to a tax rate of 0.11 percent;
- Employers with payroll expense greater than \$375,000 but not greater than \$437,500 in any calendar quarter are subject to a tax rate of 0.23 percent; and
- Employers with payroll expense in excess of \$437,500 in any calendar quarter continue to pay a tax rate of 0.34 percent.

The December Act exempted public and private schools and school districts from the tax, and also expressly provided that reductions attributable to the PMT rate reductions and exemptions be offset through alternative sources that will be included in the state budget; these PMT revenue offsets are known as “PMT Replacement Funds.” The 2015-16 New York State Enacted Budget eliminates the PMT levy on all public library systems, as well as public and free association libraries, effective January 1, 2016; it is estimated PMT revenue will decline by \$2 million annually and PMT Replacement Funds will increase accordingly to offset the tax revenue loss.

2015 November Forecast

PMT revenues for the 2015 November Forecast are projected to be \$1,323 million, a \$60 million (5%) increase over 2014 receipts. The November Forecast is favorable to the Mid-Year Forecast by \$13 million and is \$7 million greater than the Adopted Budget forecast. The forecast reflects year-to-date actual collections through October and trends for the remaining two months of the year.

PMT Replacement Funds are projected to total \$309 million, unchanged from both the Mid-Year Forecast and the Adopted Budget, resulting in total PMT revenues of \$1,632 million, including the replacement funds.

2016 Final Proposed Budget

The 2016 Final Proposed Budget forecast for PMT is \$1,357 million, which is \$34 million (2.6%) higher than the 2015 November Forecast. The forecast is \$12 million lower than the 2016

¹ When first enacted in 2009, the PMT applied to all employers in the MCTD, and was imposed on self-employment earnings within the MCTD, at a rate of 0.34 percent. School districts were also required to pay the tax, but the school district tax payments were reimbursed by the State. The legislation permits the MTA to utilize the payroll mobility tax revenues:

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

Preliminary Budget forecast projected in the July Plan. The reduction reflects the impact of revised salary and wage forecasts and the estimated impact of the 2015 Wall Street bonuses which are expected to be paid in early 2016. Wall Street bonuses are projected to decline by 16 percent from last year's level, an assumption based on a number of recent financial media reports. The 2016 forecast also reflects the loss of \$2 million from the exemption on libraries, which will be offset by a \$2 million increase in PMT replacement funds. Compared with the February Plan, the 2016 forecast is \$19 million unfavorable.

PMT replacement funds are expected to increase by \$2 million, to \$311 million, over the 2015 level as an offset to the loss of PMT revenue resulting from the library exemption; this increase is also \$2 million favorable when compared with the July Plan and the February Plan. Including the replacement funds, PMT revenues are projected to total \$1,669 million in 2016.

2017 - 2019

The November Plan forecasts PMT at \$1,438 million in 2017, \$1,499 million in 2018 and \$1,566 in 2019, reflecting the June 2015 IHS, Inc. wage and salary disbursement forecasts. Compared with the July Plan, these forecasts are favorable by \$7 million annually (0.5%); relative to the February Plan, 2017 is \$1 million favorable and 2018 is \$5 million favorable.

The \$2 million increase in PMT replacement funds to offset the library exemption continues throughout the Plan period, with each year projected to be \$311 million. Including the replacement funds, PMT revenues are projected to total \$1,749 million in 2017, \$1,810 million in 2018 and \$1,877 million in 2019.

MTA AID TRUST REVENUES

MTA Aid Trust Revenues (MTA Aid) are a tax and fee stream enacted in 2009 along with the Payroll Mobility Tax to address the MTA's revenue shortfalls and operating budget gaps. These revenues are permitted to be pledged to secure debt or to pay operating and capital costs. MTA Aid is composed of the following taxes and fees:

- License Fee - one dollar fee for each six month period of validity of a learner's permit or driver's license issued to individuals residing in the MCTD;
- Motor Vehicle Registration Fee – twenty-five dollar annual fee on motor vehicle registrations in the MCTD paid in biennial \$50 increments corresponding to the vehicle registration period;
- Taxicab Tax – fifty cents per ride tax imposed on owners for each taxicab ride that originates in New York City and terminates within the MCTD;
- Auto Rental Tax – five percent tax on automobile rental fees within the MCTD.

FINANCIAL PLAN ASSUMPTIONS FOR MTA AID TRUST REVENUES					
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<u>2015 November Financial Plan</u>					
License / Motor Vehicle Registration Fees	\$172.4	\$172.4	\$172.4	\$172.4	\$172.4
Taxicab Tax	75.6	73.1	73.1	73.1	73.1
Auto Rental Tax	<u>45.5</u>	<u>45.5</u>	<u>45.5</u>	<u>45.5</u>	<u>45.5</u>
Total	\$293.6	\$291.1	\$291.1	\$291.1	\$291.1
<u>2015 July Financial Plan</u>					
License / Motor Vehicle Registration Fees	\$177.4	\$178.2	\$179.6	\$180.8	\$180.8
Taxicab Tax	84.3	84.7	85.3	85.9	85.9
Auto Rental Tax	<u>40.2</u>	<u>40.4</u>	<u>40.7</u>	<u>41.0</u>	<u>41.0</u>
Total	\$301.9	\$303.3	\$305.6	\$307.6	\$307.6
<u>Plan-to-Plan Changes</u>					
License / Motor Vehicle Registration Fees	(\$5.0)	(\$5.8)	(\$7.1)	(\$8.3)	(\$8.3)
Taxicab Tax	(8.7)	(11.5)	(12.2)	(12.8)	(12.8)
Auto Rental Tax	<u>5.3</u>	<u>5.2</u>	<u>4.9</u>	<u>4.6</u>	<u>4.6</u>
Total	(\$8.3)	(\$12.2)	(\$14.5)	(\$16.5)	(\$16.5)

2015 November Forecast

MTA Aid for the 2015 November Forecast is projected to be \$294 million, a \$20 million reduction from 2014. The forecast, which is based on receipts through September, is \$8 million lower than the July Plan estimate. The revision primarily reflects a decline in Taxicab Tax receipts, which are down 6.3% this year through September compared to the same period last year. Pickups by Yellow and Green metered taxicabs are down as app-driven providers such as Uber increase market share. The Taxicab Tax applies to the metered Yellow and Green Taxicabs but not to app-based taxi services. The 2015 forecast is \$21 million below the Adopted Budget estimate.

2016 Final Proposed Budget

For the 2016 Final Proposed Budget, MTA Aid is forecast to be \$291 million, \$2 million lower than the 2015 November Forecast. This projection is \$12 million lower than the July Plan forecast and \$25 million lower than the February Plan. The 2016 reduction is based on the lower 2015 base and the assumption that Yellow and Green Taxi pick-ups will continue to decline as app-based taxi services make further market share gains.

2017 - 2019

MTA Aid is forecast to be \$291 million in 2017 and remain flat through 2019. These projections are \$14 million lower than the July Plan in 2017 and \$17 million lower in 2018 and 2019. They are lower than the estimates in the February Plan by \$27 million in 2017 and \$30 million in 2018.

STATE AND LOCAL SUBSIDIES

State and Local Subsidies consist of the following:

- *New York State Operating Assistance* – a statewide mass transportation program (State 18-b Operating Assistance) that provides direct State aid to the MTA, which is appropriated by the State Legislature on an annual basis. Since 1994, the State has funded most of its 18-b payments with MMTOA.
- *Local Operating Assistance* – payments made by the City and each of the seven suburban counties in the MCTD, which are required by the transportation law to match the amounts of State 18-b Operating Assistance. The matching payments are made quarterly to the MTA. Additional assistance from NYC and other localities not elsewhere captured are included in Local Operating Assistance.
- *Station Maintenance* – a subsidy paid by the City and each of the seven suburban counties in the MCTD for the operation, maintenance and use of commuter railroad passenger stations within their jurisdictions. Station Maintenance base amounts were established in 1999 and are subject to an annual adjustment tied to the consumer price index.
- *Connecticut Department of Transportation (CDOT) Subsidy to Metro-North Railroad* – subsidy payments made to Metro-North Railroad for the Connecticut share of expenses associated with the operation of the New Haven Line and the Connecticut branch lines.
- *New York City Subsidy for MTA Bus* – New York City reimbursement to the MTA of the cost of MTA Bus operations. Per an agreement with the MTA, the City pays MTA Bus the difference between the actual operating costs of the City bus routes and all revenues received from operations of those routes. MMTOA, State 18-b, Local Operating Assistance, and Urban Taxes that were designated for the former private buses (that became MTA Bus) continue to be paid directly to the City and can be used by the City towards the funding of MTA Bus.
- *New York City Subsidy for Staten Island Railway* – subsidy payments made by the City to cover expenses associated with Staten Island Railway operations.

2015 November Forecast

The 2015 November Forecast of State and Local Subsidy on a cash basis (excluding New York City Subsidy for MTA Bus and SIR) is \$686 million, or \$50 million higher than 2014. This estimate is \$6 million below the Mid-Year Forecast due to lower CDOT and Station Maintenance subsidies, and \$consistent with the Adopted Budget estimate.

The 2015 November cash forecast of City Subsidy to MTA Bus of \$422 million is \$38 million below 2014, \$2 million higher than the Mid-Year Forecast and \$64 million below the Adopted Budget estimate primarily due to unfavorable cash timing adjustments. The 2015 cash forecast for City Subsidy to Staten Island Railroad is \$33 million. This is \$9 million higher than the 2014 forecast. The estimate is unchanged from the Mid-Year Forecast and decreased by \$1 million from the Adopted Budget due to favorable re-estimates of revenues and expenses.

2016 Final Proposed Budget

The 2016 Final Proposed Budget for State and Local Subsidy on a cash basis (excluding the City Subsidy for MTA Bus and SIR), is \$26 million below the 2015 estimate. The estimate is \$2 million below the July Plan forecast and \$10 million above the February Plan estimate.

The 2016 Final Proposed Budget cash forecast of City Subsidy to MTA Bus of \$499 million is \$77 million higher than the 2015 projection. The estimate is \$6 million higher than the July Plan forecast and \$93 million higher than the February Plan estimate primarily due to favorable cash timing adjustments. The 2016 cash forecast for City Subsidy to Staten Island Railroad is \$42 million, which is \$8 million higher than the 2015 forecast the estimate is \$3 million below the July Plan and \$1 million below the February Plan.

2017 - 2019

The forecasts for total State and Local Subsidy are unchanged in 2017, and annually increase by \$11 million in both 2018 and 2019. The estimates are lower than the July Plan by \$5 million in 2017, \$0.2 million in 2018 and \$3 million in 2019, primarily due to unfavorable re-estimates of CDOT subsidies to MNR that reflect higher revenues and lower expenses. Compared with the February Plan estimates, these forecasts are higher by \$4 million in 2017 and \$11 million in 2018.

Forecasts of City Subsidy to MTA Bus are \$444 million for 2017, \$438 for 2018 and \$419 for 2019, reflecting year-over-year declines of \$55 million in 2017, \$5 million in 2018 and \$20 million in 2019. These estimates are higher than the July Plan by \$7 million in 2017 and \$3 million in 2018, and lower by \$0.6 million in 2019. Compared to the February Plan, these estimates are higher by \$5 million in 2017 and lower by \$5 million in 2018 due to cash timing adjustments. The cash forecasts for City Subsidy to Staten Island Railroad are \$55 million in 2017, \$43 million in 2018 and \$37 million in 2019, reflecting a year-over-year increase of \$14 million in 2017 and declines of \$13 million in 2018 and \$6 million in 2019. These estimates are higher than the July Plan by \$3 million in 2017, unchanged in 2018 and lower by \$0.6 million in 2019. Compared with the February Plan, the estimates increase by \$5 million in 2017 and \$8 million in 2018, due to favorable re-estimate of revenues and expenses.

OTHER SUBSIDY ADJUSTMENTS

In addition to the adjustments to MRT-2, which are discussed in the Mortgage Recording Taxes section, the November Plan includes other subsidy adjustments over the Plan period.

Resource to Reduce Pension Liability – LIRR employees who began employment before 1988 are members of the LIRR Additional Plan. In 2013, this pension plan was the least funded of the MTA Plans, at only 24% with a \$1.3 billion unfunded liability. MTA has adopted a policy of applying funds from non-recurring financial resources to reduce long-term obligations such as this. In 2013, the MTA invested \$80 million from excess real estate transaction tax receipts and \$130 million from the unused general reserve into the LIRR Additional Plan, and in 2014 made additional investments of \$30 million from excess real estate transaction tax receipts and the \$135 million unused general reserve. These investments, reflected in the July and February Plans, increased the estimated funded ratio to 47%. In the November Plan, referenced in Volume 1 Policy Actions, the MTA will invest an additional \$140 million from the remaining general reserve to further reduce pension obligations, increasing the estimated funded ratio of the LIRR Additional Plan to 56%.

GASB Reserves to Fund Labor Settlements – In 2014, the MTA reached agreement with the vast majority of its represented force, and unions that have not signed were expected to follow similar wage cost patterns. To help fund the cost of those retroactive labor settlements spanning from 2010 to 2014, a withdrawal of \$255 million was made from the Other Post-Employment Benefits (OPEB) Reserve; this was disclosed in the July and February Plans.

Reserve for Retroactive Payment – The labor settlements mentioned above resulted in significant retroactive wage costs that in many cases were not paid until 2015. To fund these 2015 payments, a reserve account of \$109 million was established in 2014; this was disclosed in the July and February Plans.

NYCT Charge Back of MTA Bus Debt Service – Consistent with the February and July Financial Plans, the November Financial Plan reflects the MTA's agreement with the City of New York to fund a portion of MTA Bus debt service from New York City Transit subsidies each year, amounting to \$11.5 million annually for the duration of the Plan. These amounts reflect reimbursement to MTA Bus under a swap agreement with NYCT in which Federal capital grant money earmarked for MTA Bus is paid directly to NYCT; NYCT applies these funds to cover its own capital projects and in turn reimburses MTA Bus. This is in addition to the MTA's funding of all capital costs associated with the MTA Bus 2005-2009 Capital Program, currently estimated at \$25 million. [For details, see *Other MRT-2 Adjustments* in the Mortgage Recording Taxes section.]

Forward Energy Contracts Program – Since 2008, MTA has hedged a portion of its projected fuel expense to reduce budgetary risk from price volatility. The MTA intends to continue this strategy, with new hedge contracts extending as far as 24 months from execution date, which provides a measure of financial stability from price fluctuations. To effectuate the strategy of reducing the budgetary impact from fuel price volatility, new hedges are executed on a monthly basis, irrespective of price increases and decreases. With approximately half of MTA's fuel needs covered by hedges at any time, the net effect is essentially a halving of adverse impact from price increases, but also a halving of savings during price declines; over time, these impacts tend to offset each other. In fact, from the start of this hedge program in 2008 through the third quarter of 2014 (just before the recent decline in fuel prices began), total savings from hedges that were favorable to MTA equaled the total cost of hedges that were unfavorable to MTA. MTA's hedging strategy is not designed to achieve financial savings, which is speculative in nature, but rather to smooth the financial impacts of fuel price changes.

Compared with the July Plan, it is projected that hedges are unfavorable by \$7 million in 2015, \$12 million in 2016, and \$1 million in 2017. These impacts, however, are offset by favorable changes in fuel expenditures of \$5 million in 2015, \$23 million in 2016 and \$19 million in 2017. Compared with the February Plan – which provides the full annual impact of the hedge program, the hedges are unfavorable by \$46 million in 2015, \$23 million in 2016 and \$2 million in 2017, and are offset by favorable changes in fuel expenditures of \$75 million in 2015, \$77 million in 2016 and \$73 million in 2017.

MNR Repayment for 525 North Broadway – In 2007, MTA Capital advanced funds for Metro-North Railroad’s capital project at 525 North Broadway in North White Plains, with MTA Capital being reimbursed over time from MNR’s operating budget. The November Financial Plan, like the July and February Plans, includes repayment of this loan in the amount of \$2.4 million annually.

Repayment of Loan to Capital Financing Fund – Consistent with prior plans, the November Plan assumes payment by year end 2015 of the final installment of \$100 million of a Board-authorized \$500 million interagency loan to the operating budget from the “Capital Financing Fund” (non-bond related funds dedicated to capital programs).

Committed to Capital – A portion of the new tax revenues authorized by New York State in May 2009 is used for the MTA Capital Program. Monies are being used to support both the 2010-2014 and 2015-2019 programs. Some of this funding has been, or is being, converted to debt service; the remaining funds are assumed to be used for “Pay-As-You-Go” Capital (PAYGO).

2010-2014 Capital Program: The November Financial Plan, consistent with prior Plans, assumes: (i) the transfer of operating funds to the Capital Program, which began in 2012, with an initial payment of \$150 million increasing by increments of \$50 million annually through 2018 and a steady payment of \$450 million thereafter; and (ii) annual operating budget contributions of \$100 million beginning in 2017. From these contributions, the following debt service payment assumptions are netted out and captured within consolidated MTA debt service: \$262 million in 2015, \$350 million in 2016, \$427 million in 2017, \$471 million in 2018, and \$493 million in 2019.

2015-2019 Capital Program: This Plan, consistent with prior Plans, assumes annual operating budget contributions of \$290 million per year beginning with 2015 to support the 2015-2019 Capital Program. Beginning with this Plan, the following debt service payment assumptions are netted out and captured within consolidated MTA debt service: \$25 million in 2016, \$65 million in 2017, \$140 million in 2018, and \$233 million in 2019.

In its current Enacted Budget (2015-2016), NYS increased MMTOA subsidies to the MTA by \$36 million. It then redirected \$104 million of MMTOA funds to the Capital Program. In order to make its operating budget whole for 2015, the MTA reduced its 2015 Committed to Capital contribution by \$68 million. This Plan recognizes that NYS will continue to redirect \$104 million to the Capital Program on an annual basis. MTA will make a corresponding \$104 million reduction to its Committed to Capital contribution beginning in 2016.

In addition to these operating contributions to Capital, Volume I captures additional Committed to Capital proposed investments of \$200 million in 2015 and \$125 million in each year thereafter for the MTA’s 2015-2019 Capital Program.

MTA NEW YORK CITY TRANSIT SUBSIDY ALLOCATION
November Financial Plan 2016-2019

Cash Basis
(\$ in millions)

	2014 Actual	2015 November Forecast	2016 Final Proposed Budget	2017	2018	2019
Subsidies						
Dedicated Taxes						
Metropolitan Mass Transportation Operating Assist (MMTOA)	\$1,032.1	\$1,032.1	\$1,060.3	\$1,106.3	\$1,161.1	\$1,213.2
Petroleum Business Tax (PBT) Receipts	533.2	519.2	508.1	504.5	502.1	498.7
Mortgage Recording Tax (MRT)	0.0	0.0	0.0	0.0	0.0	0.0
Urban Tax	<u>806.1</u>	<u>977.0</u>	<u>833.1</u>	<u>784.3</u>	<u>784.3</u>	<u>814.0</u>
	\$2,371.4	\$2,528.3	\$2,401.6	\$2,395.1	\$2,447.5	\$2,526.0
New State Taxes and Fees						
Payroll Mobility Tax	\$831.4	\$883.4	\$758.2	\$897.9	\$879.1	\$992.2
Payroll Mobility Tax Replacement Funds	207.2	234.7	245.3	259.1	238.6	256.8
MTA Aid	<u>209.9</u>	<u>222.8</u>	<u>229.4</u>	<u>242.4</u>	<u>223.1</u>	<u>240.2</u>
	\$1,248.4	\$1,340.9	\$1,232.8	\$1,399.4	\$1,340.9	\$1,489.2
State and Local Subsidies						
State Operating Assistance	\$158.1	\$158.1	\$158.1	\$158.1	\$158.1	\$158.1
Local Operating Assistance	<u>158.1</u>	<u>158.1</u>	<u>158.1</u>	<u>158.1</u>	<u>158.1</u>	<u>158.1</u>
	\$316.2	\$316.2	\$316.2	\$316.2	\$316.2	\$316.2
Other Subsidy Adjustments						
Resource to Reduce Pension Liability	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
GASB Reserves to Fund Labor Settlements	178.5	0.0	0.0	0.0	0.0	0.0
Reserve for Retroactive Payments	(23.0)	23.0	0.0	0.0	0.0	0.0
Interagency Loan	0.0	0.0	0.0	0.0	0.0	0.0
NYCT Charge Back of MTA Bus Debt Service	(11.5)	(11.5)	(11.5)	(11.5)	(11.5)	(11.5)
Forward Energy Contracts Program - Gain/(Loss)	(4.9)	(31.9)	(16.1)	(1.1)	0.0	0.0
Repayment of Loan to Capital Financing Fund	(100.0)	(100.0)	0.0	0.0	0.0	0.0
Committed to Capital 2010-2014 Capital Program	(176.2)	(118.5)	(101.5)	(162.0)	(169.6)	(155.2)
Committed to Capital 2015-2019 Capital Program	<u>0.0</u>	<u>(166.4)</u>	<u>(120.7)</u>	<u>(90.8)</u>	<u>(34.4)</u>	<u>35.5</u>
	(\$137.1)	(\$405.3)	(\$249.9)	(\$265.4)	(\$215.5)	(\$131.3)
Total Dedicated Taxes & State and Local Subsidies	\$3,798.9	\$3,780.1	\$3,700.8	\$3,845.3	\$3,889.1	\$4,200.2
Inter-agency Subsidy Transactions						
B&T Operating Surplus Transfer	<u>\$254.8</u>	<u>\$290.8</u>	<u>\$261.3</u>	<u>\$245.7</u>	<u>\$230.9</u>	<u>\$206.8</u>
	\$254.8	\$290.8	\$261.3	\$245.7	\$230.9	\$206.8
GROSS SUBSIDIES	\$4,053.8	\$4,070.9	\$3,962.1	\$4,090.9	\$4,120.0	\$4,407.0

MTA COMMUTER RAILROAD SUBSIDY ALLOCATION
November Financial Plan 2016-2019

Cash Basis
(\$ in millions)

	2014 Actual	2015 November Forecast	2016 Final Proposed Budget	2017	2018	2019
Subsidies						
Dedicated Taxes						
Metropolitan Mass Transportation Operating Assist (MMTOA)	\$528.1	\$528.1	\$535.6	\$556.9	\$582.3	\$606.5
Petroleum Business Tax (PBT) Receipts	94.1	91.6	89.7	89.0	88.6	88.0
Mortgage Recording Tax (MRT)	0.0	0.0	0.0	0.0	0.0	0.0
Investment Income	<u>1.0</u>	<u>1.1</u>	<u>1.1</u>	<u>1.2</u>	<u>1.2</u>	<u>1.2</u>
	\$623.3	\$620.8	\$626.4	\$647.1	\$672.1	\$695.7
New State Taxes and Fees						
Payroll Mobility Tax	\$409.5	\$280.5	\$204.0	\$180.7	\$267.8	\$210.5
Payroll Mobility Tax Replacement Funds	102.1	74.5	66.0	52.1	72.7	54.5
MTA Aid	<u>103.4</u>	<u>70.8</u>	<u>61.7</u>	<u>48.8</u>	<u>68.0</u>	<u>50.9</u>
	\$614.9	\$425.8	\$331.7	\$281.6	\$408.5	\$315.9
State and Local Subsidies						
State Operating Assistance	\$29.3	\$29.3	\$29.3	\$29.3	\$29.3	\$29.3
Local Operating Assistance	29.2	29.3	29.3	29.3	29.3	29.3
CDOT Subsidy	98.0	148.9	120.4	115.8	122.9	129.9
Station Maintenance	<u>162.2</u>	<u>161.0</u>	<u>163.9</u>	<u>168.0</u>	<u>172.4</u>	<u>176.7</u>
	\$318.6	\$368.4	\$342.8	\$342.4	\$353.8	\$365.1
Other Subsidy Adjustments						
Resource to Reduce Pension Liability	(\$165.0)	\$0.0	\$29.3	\$29.3	\$29.3	\$29.3
GASB Reserves to Fund Labor Settlements	76.0	0.0	0.0	0.0	0.0	0.0
Reserve for Retroactive Payments	(86.3)	86.3	0.0	0.0	0.0	0.0
Inter-agency Loan	0.0	0.0	0.0	0.0	0.0	0.0
Forward Energy Contracts Program - Gain/(Loss)	(2.1)	(13.7)	(6.9)	(0.5)	0.0	0.0
MNR Repayment for 525 North Broadway	(2.4)	(2.4)	(2.4)	(2.4)	(2.4)	(2.4)
Repayment of Loan to Capital Financing Fund	0.0	0.0	0.0	0.0	0.0	0.0
Committed to Capital 2010-2014 Capital Program	31.4	80.4	101.5	89.0	90.7	98.0
Committed to Capital 2015-2019 Capital Program	<u>0.0</u>	<u>(55.5)</u>	<u>(40.2)</u>	<u>(30.3)</u>	<u>(11.5)</u>	<u>11.8</u>
	(\$148.5)	\$95.1	\$81.2	\$85.2	\$106.1	\$136.7
Total Dedicated Taxes & State and Local Subsidies	\$1,408.3	\$1,510.1	\$1,382.1	\$1,356.2	\$1,540.5	\$1,513.4
Inter-agency Subsidy Transactions						
B&T Operating Surplus Transfer	<u>\$368.0</u>	<u>\$405.1</u>	<u>\$372.4</u>	<u>\$357.8</u>	<u>\$342.3</u>	<u>\$319.2</u>
	\$368.0	\$405.1	\$372.4	\$357.8	\$342.3	\$319.2
GROSS SUBSIDIES	\$1,776.2	\$1,915.3	\$1,754.5	\$1,714.1	\$1,882.9	\$1,832.6

MTA STATEN ISLAND RAILWAY SUBSIDY ALLOCATION
November Financial Plan 2016-2019
Cash Basis
(\$ in millions)

<u>Subsidies</u>	2014 Actual	2015 November Forecast	2016 Final Proposed Budget	2017	2018	2019
<i>Dedicated Taxes</i>						
Metropolitan Mass Transportation Operating Assist (MMTOA)	\$3.6	\$3.6	\$3.7	\$3.9	\$4.1	\$4.3
Mortgage Recording Tax (MRT)	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	\$3.6	\$3.6	\$3.7	\$3.9	\$4.1	\$4.3
<i>State and Local Subsidies</i>						
State Operating Assistance	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6	\$0.6
Local Operating Assistance	<u>0.6</u>	<u>0.6</u>	<u>0.6</u>	<u>0.6</u>	<u>0.6</u>	<u>0.6</u>
	\$1.1	\$1.1	\$1.1	\$1.1	\$1.1	\$1.1
Total Dedicated Taxes & State and Local Subsidies	\$4.7	\$4.7	\$4.8	\$5.0	\$5.2	\$5.4
City Subsidy to SIRTOA	\$24.0	\$33.4	\$41.6	\$55.4	\$42.8	\$36.6
GROSS SUBSIDIES	\$28.8	\$38.1	\$46.4	\$60.4	\$48.0	\$42.0

MTA HEADQUARTERS SUBSIDY ALLOCATION

November Financial Plan 2016-2019

Cash Basis

(\$ in millions)

	2014 Actual	2015 November Forecast	2016 Final Proposed Budget	2017	2018	2019
Subsidies						
Net Funding of MTA Headquarters	(\$347.5)	(\$570.0)	(\$659.3)	(\$635.3)	(\$642.1)	(\$665.9)
Dedicated Taxes						
<u>Mortgage Recording Tax-1</u>						
Net Receipts After Agency Transfers	\$264.8	\$328.7	\$321.6	\$331.9	\$343.1	\$354.8
<u>Adjustments to MRT-1</u>						
Diversion of MRT to Suburban Highway	0.0	0.0	0.0	0.0	0.0	0.0
MRT-2 Required to Balance	82.7	241.3	337.7	303.4	299.0	311.2
	\$82.7	\$241.3	\$337.7	\$303.4	\$299.0	\$311.2
Net Available MRT-1 Funds for MTA HQ	\$347.5	\$570.0	\$659.3	\$635.3	\$642.1	\$665.9
Unallocated MRT-1 Receipts	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<u>Mortgage Recording Tax - 2</u>						
Net Receipts	\$94.6	\$114.1	\$125.5	\$131.8	\$138.6	\$144.3
<u>Adjustments to MRT-2</u>						
Funding of General Reserve	\$0.0	\$0.0	(\$150.0)	(\$155.0)	(\$160.0)	(\$165.0)
Diversion of MRT to Suburban Counties	(3.4)	(1.7)	(3.1)	(3.0)	(3.0)	(3.3)
Investment Income	4.7	4.9	5.1	5.3	5.3	5.3
Agency Security Costs from MRT	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)	(10.0)
MTA Bus Debt Service	(24.9)	(24.9)	(24.9)	(24.9)	(23.8)	(23.8)
Transfer to MRT-1	(82.7)	(241.3)	(337.7)	(303.4)	(299.0)	(311.2)
	(\$116.4)	(\$273.0)	(\$520.6)	(\$491.0)	(\$490.5)	(\$507.9)
Unallocated MRT-2 Receipts	(\$21.7)	(\$159.0)	(\$395.1)	(\$359.1)	(\$351.9)	(\$363.6)
Payroll Mobility Tax to Fund Unallocated MRT-2 Receipts	\$21.7	\$159.0	\$395.1	\$359.1	\$351.9	\$363.6

MTA BUS COMPANY SUBSIDY ALLOCATION

November Financial Plan 2016-2019

Cash Basis

(\$ in millions)

	2014 Actual	2015 November Forecast	2016 Final Proposed Budget	2017	2018	2019
<u>Subsidies</u>						
City Subsidy for MTA Bus Company	\$460.2	\$422.1	\$498.8	\$443.7	\$438.3	\$418.5

MTA BRIDGES AND TUNNELS
November Financial Plan 2016-2019
Surplus Transfer
(\$ in millions)

	ACTUAL	FORECAST				
	2014	2015	2016	2017	2018	2019
Net Surplus/(Deficit)	\$1,259.351	\$1,330.668	\$1,322.574	\$1,314.584	\$1,303.188	\$1,294.627

Deductions from Net Operating Income:

Total Debt Service	\$576.687	\$606.681	\$648.865	\$667.179	\$684.962	\$723.303
Capitalized Assets	17.218	16.142	17.927	18.348	18.767	20.335
Reserves	26.161	26.382	26.881	27.338	27.824	28.306
GASB Reserves	1.594	0.000	0.000	0.000	0.165	0.337
Total Deductions from Net Operating Income	\$621.660	\$649.205	\$693.673	\$712.865	\$731.718	\$772.281
Net Income Available for Transfer to MTA and NYCT	\$637.691	\$681.462	\$628.901	\$601.720	\$571.470	\$522.346

Distributable Income:

Distribution of Funds to MTA:

Investment Income in Current Year	\$0.137	\$0.137	\$0.427	\$0.987	\$1.240	\$1.240
Accrued Current Year Allocation	371.984	394.269	369.993	356.477	340.774	316.779
Accrued Amount Distributed to MTA	\$372.121	\$394.406	\$370.420	\$357.464	\$342.015	\$318.019

Distribution of Funds to NYCT:

First \$24 million of Surplus reserved for NYCT	\$24.000	\$24.000	\$24.000	\$24.000	\$24.000	\$24.000
Additional Accrued Current Year Allocation	241.570	263.056	234.482	220.256	205.455	180.327
Accrued Amount Distributed to NYCT	\$265.570	\$287.056	\$258.482	\$244.256	\$229.455	\$204.327
Total Distributable Income:	\$637.691	\$681.462	\$628.901	\$601.720	\$571.470	\$522.346

Cash Transfers:

Actual Cash Transfer to MTA and NYCT:

From Current Year Surplus	\$367.957	\$405.118	\$372.421	\$357.829	\$342.345	\$319.178
Investment Income in Prior Year	0.131	0.137	0.137	0.427	0.987	1.240
Cash Amount Distributed to MTA	\$368.088	\$405.255	\$372.557	\$358.256	\$343.332	\$320.418
Cash Amount Distributed to NYCT	\$254.811	\$290.797	\$261.339	\$245.678	\$230.935	\$206.840
Total Cash Transfer:	\$622.899	\$696.052	\$633.897	\$603.934	\$574.267	\$527.258

MTA BRIDGES AND TUNNELS
November Financial Plan 2016-2019
Surplus Transfer
(\$ in millions)

	ACTUAL		FORECAST			
	2014	2015	2016	2017	2018	2019
<u>Debt Service Detail by Agency:</u>						
B&T Own Purpose Debt Service	\$221.617	\$250.776	\$281.476	\$297.978	\$318.190	\$353.382
NYCT Transportation Debt Service	242.742	243.559	251.450	252.711	251.045	253.186
MTA Transportation Debt Service	112.328	112.346	115.939	116.489	115.726	116.735
Total Debt Service by Agency	\$576.687	\$606.681	\$648.865	\$667.179	\$684.962	\$723.303

Total Accrued Amount for Transfer to MTA and NYCT:

Total Adjusted Net Income Available for Transfer	\$1,214.241	\$1,288.007	\$1,277.339	\$1,267.912	\$1,255.191	\$1,244.409
Less: B&T Total Debt Service	(221.617)	(250.776)	(281.476)	(297.978)	(318.190)	(353.382)
Less: first \$24 million reserved for NYCT	(24.000)	(24.000)	(24.000)	(24.000)	(24.000)	(24.000)
Remainder of Total Accrued Amount for Transfer	\$968.624	\$1,013.231	\$971.863	\$945.933	\$913.001	\$867.026

Calculation of Actual Cash Transfer to MTA:

<u>Distribution of Remainder to MTA</u>						
Fifty Percent of Total Accrued Amount for Transfer	\$484.312	\$506.616	\$485.932	\$472.967	\$456.501	\$433.513
Less: MTA Total Debt Service	(112.328)	(112.346)	(115.939)	(116.489)	(115.726)	(116.735)
MTA's Accrued Current Year Allocation	\$371.984	\$394.269	\$369.993	\$356.477	\$340.774	\$316.779
<u>Cash Conversion of MTA's Accrued Amount</u>						
Current Year Amount	\$321.708	\$354.842	\$332.994	\$320.830	\$306.697	\$285.101
Balance of Prior Year	46.249	50.276	39.427	36.999	35.648	34.077
Cash Transfer to MTA	\$367.957	\$405.118	\$372.421	\$357.829	\$342.345	\$319.178

Calculation of Actual Cash Transfer to NYCT:

<u>Distribution of Remainder to NYCT</u>						
Fifty Percent of Total Accrued Amount for Transfer	\$484.312	\$506.616	\$485.932	\$472.967	\$456.501	\$433.513
Less: NYCT Total Debt Service	(242.742)	(243.559)	(251.450)	(252.711)	(251.045)	(253.186)
Plus: first \$24 million reserved for NYCT	24.000	24.000	24.000	24.000	24.000	24.000
NYCT's Accrued Current Year Allocation	\$265.570	\$287.056	\$258.482	\$244.256	\$229.455	\$204.327
<u>Cash Conversion of NYCT's Accrued Amount</u>						
Current Year Amount	\$233.124	\$258.351	\$232.634	\$219.830	\$206.510	\$183.894
Balance of Prior Year	21.687	32.446	28.706	25.848	24.426	22.946
Cash Transfer to NYCT	\$254.811	\$290.797	\$261.339	\$245.678	\$230.935	\$206.840

SUMMARY
MTA STATEN ISLAND RAILWAY
2015 NOVEMBER FINANCIAL PLAN
2016-2019
(\$ in millions)

Line Number	ACTUAL	FORECAST				
	2014	2015	2016	2017	2018	2019
9						
10	<u>Revenue Summary:</u>					
11						
12	Farebox Revenue	\$5.9	\$6.4	\$6.7	\$6.8	\$6.8
13	Other Revenue	2.6	2.5	2.6	2.6	2.6
14	State/City Subsidies	4.7	4.7	4.8	5.0	5.4
15						
16	Total Revenues	\$13.2	\$13.6	\$14.1	\$14.4	\$14.8
17						
18	<u>Non-Reimbursable Expense Summary:</u>					
19						
20	Labor Expenses	\$39.3	\$37.4	\$39.3	\$38.1	\$38.8
21	Non-Labor Expenses	10.5	12.3	28.9	17.2	10.5
22	Depreciation	7.9	8.3	8.3	8.3	8.3
23	OPEB Obligation	2.4	2.3	2.3	2.3	2.3
24	Environmental Remediation	(0.0)	0.0	0.0	0.0	0.0
25						
26	Total Non-Reimbursable Expenses	\$60.1	\$60.4	\$78.8	\$65.9	\$61.4
27						
28						
29	Total Net Revenue/(Deficit)	(\$46.9)	(\$46.8)	(\$64.7)	(\$51.6)	(\$46.5)
30						
31	<u>Cash Adjustment Summary:</u>					
32	Operating Cash Adjustments	\$14.1	\$5.8	\$10.6	\$10.6	\$10.6
33	GASB Cash Adjustments	(0.5)	0.0	0.0	0.0	(0.0)
34	Subsidy Cash Adjustments (Other than SIRTOA Recovery)	0.0	0.0	0.0	0.0	0.0
35						
36	Total Cash Adjustments	\$13.7	\$5.8	\$10.6	\$10.6	\$10.6
37						
38	Gross Cash Balance	(\$33.2)	(\$41.0)	(\$54.1)	(\$41.0)	(\$35.9)
39						
40	<u>Other Adjustments:</u>					
41	Debt Service	(0.1)	(0.6)	(1.3)	(1.8)	(2.1)
42						
43	Total Billable Adjusted Cash Balance after Debt Service	(\$33.4)	(\$41.6)	(\$55.4)	(\$42.8)	(\$38.0)
44						
45	<u>City Subsidy Cash Adjustments:</u>					
46	Cash Balance Due from the City of New York	33.4	41.6	55.4	42.8	38.0
47	Cash Subsidy Received from City of New York for SIRTOA	24.0	33.4	41.6	55.4	36.6
48	Subsidy Cash Timing	(\$9.3)	(\$8.3)	(\$13.8)	\$12.6	(\$1.4)
49						
50	Net Cash Balance from Previous Year	(24.0)	(33.4)	(41.6)	(55.4)	(36.6)
51						
52	Baseline Net Cash Surplus/(Deficit)	(\$33.4)	(\$41.6)	(\$55.4)	(\$42.8)	(\$38.0)
53						

SUMMARY
MTA BUS COMPANY
2015 NOVEMBER FINANCIAL PLAN
2016-2019
(\$ in millions)

Line Number	ACTUAL	FORECAST					
	2014	2015	2016	2017	2018	2019	
9							
10	<u>Revenue Summary:</u>						
11							
12	Farebox Revenue	\$203.6	\$210.4	\$214.5	\$214.5	\$215.3	\$215.6
13	Other Revenue	20.1	20.6	20.7	21.1	21.5	21.7
14							
15	Total Revenues	\$223.7	\$231.0	\$235.2	\$235.6	\$236.7	\$237.3
16							
17	<u>Non-Reimbursable Expense Summary:</u>						
18							
19	Labor Expenses	\$501.9	\$477.0	\$495.8	\$502.0	\$503.6	\$507.0
20	Non-Labor Expenses	160.8	161.5	174.8	203.6	160.0	163.1
21	Depreciation	48.5	42.2	42.2	42.9	43.7	43.7
22	OPEB Obligation	105.0	100.2	100.2	100.2	100.2	100.2
23	Environmental Remediation	0.6	0.0	0.0	0.0	0.0	0.0
24							
25	Total Non-Reimbursable Expenses	\$816.9	\$780.9	\$812.9	\$848.7	\$807.4	\$813.9
26							
27							
28	Total Net Revenue/(Deficit)	(\$593.3)	(\$549.9)	(\$577.7)	(\$613.1)	(\$570.6)	(\$576.7)
29							
30	<u>Cash Adjustment Summary:</u>						
31	Operating Cash Adjustments	\$159.3	\$138.3	\$152.4	\$155.1	\$156.1	\$158.5
32	GASB Cash Adjustments	(2.6)	(0.0)	0.0	0.0	0.0	(0.1)
33							
34	Total Cash Adjustments	\$156.7	\$138.3	\$152.4	\$155.1	\$156.1	\$158.4
35							
36	Gross Cash Balance	(\$436.5)	(\$411.6)	(\$425.4)	(\$458.0)	(\$414.5)	(\$418.3)
37							
38	<u>Other Adjustments:</u>						
39	Non-Billable GASB Cash Adjustments	2.6	0.0	0.0	0.0	0.0	0.1
40	Debt Service	(\$28.9)	(\$26.3)	(\$22.2)	(\$23.6)	(\$25.9)	(\$28.1)
41	Non-Billable Debt Service (2005-2011 Capital Program)	26.8	\$24.3	\$20.1	\$21.6	\$23.8	\$26.0
42							
43	Total Billable Adjusted Cash Balance after Debt Service	(\$436.0)	(\$413.7)	(\$427.4)	(\$460.0)	(\$416.6)	(\$420.3)
44							
45	<u>City Subsidy Cash Adjustments:</u>						
46	Cash Balance Due from NYC (adjusted for Non-Billable GASB)	\$436.0	\$413.7	\$427.4	\$460.0	\$416.6	\$420.3
47	Cash Subsidy Received from City of New York for MTA Bus	<u>460.2</u>	<u>422.1</u>	<u>498.8</u>	<u>443.7</u>	<u>438.3</u>	<u>418.5</u>
48	Subsidy Cash Timing	\$24.2	\$8.4	\$71.4	(\$16.3)	\$21.7	(\$1.8)
49							
50	Net Cash Balance from Previous Year	(\$137.7)	(\$113.5)	(\$105.1)	(\$33.7)	(\$50.0)	(\$28.3)
51							
52							
53	Baseline Net Cash Surplus/(Deficit)	(\$113.5)	(\$105.1)	(\$33.7)	(\$50.0)	(\$28.3)	(\$30.2)
54							

MTA NEW YORK CITY TRANSIT
November Financial Plan 2016-2019
Paratransit Operations
(\$ in thousands)

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
ADA Trips:	6,376,036	6,911,721	7,360,983	7,839,447	8,349,011
<i>Pct Change from Previous Year</i>	-0.6%	8.4%	6.5%	6.5%	6.5%
<hr/>					
Revenue:					
Fares	\$ 17,823	\$ 19,751	\$ 21,034	\$ 22,402	23,858
Urban Tax	63,211	55,271	52,287	52,453	54,519
<i>Sub-total</i>	<u>\$ 81,034</u>	<u>\$ 75,022</u>	<u>\$ 73,321</u>	<u>\$ 74,855</u>	<u>\$ 78,377</u>
City Reimbursements	124,423	136,710	145,451	159,307	176,015
Total Revenue	<u>\$ 205,457</u>	<u>\$ 211,731</u>	<u>\$ 218,772</u>	<u>\$ 234,161</u>	<u>\$ 254,392</u>
Expenses:					
Operating Expenses:					
Salaries & Benefits	\$ 23,763	\$ 23,763	\$ 23,763	\$ 23,763	\$ 23,763
Carrier Service Costs					
Rental & Miscellaneous	450,113	482,431	506,753	549,678	603,466
Total Expenses	<u>\$ 473,876</u>	<u>\$ 506,194</u>	<u>\$ 530,516</u>	<u>\$ 573,441</u>	<u>\$ 627,229</u>
Net Paratransit Surplus/(Deficit)	<u>\$ (268,419)</u>	<u>\$ (294,463)</u>	<u>\$ (311,744)</u>	<u>\$ (339,280)</u>	<u>\$ (372,837)</u>

Paratransit Details					
Total Paratransit Reimbursement:	\$ 187,634	\$ 191,981	\$ 197,738	\$ 211,760	\$ 230,534
Urban Tax	\$ 63,211	\$ 55,271	\$ 52,287	\$ 52,453	\$ 54,519
City Reimbursements	124,423	136,710	145,451	159,307	176,015
Rental & Miscellaneous Expense:					
<i>Paratransit Service Contracts</i>					
Carrier Services	\$ 348,957	\$ 369,587	\$ 386,220	\$ 420,710	\$ 456,388
Command Center	24,419	26,959	29,394	32,051	34,954
Eligibility Certification	4,100	4,550	5,050	5,050	5,050
Other	5,537	5,538	5,538	5,537	5,539
<i>Subtotal</i>	<u>\$ 383,013</u>	<u>\$ 406,635</u>	<u>\$ 426,202</u>	<u>\$ 463,348</u>	<u>\$ 501,931</u>
<i>Other Than Personnel Service:</i>					
Insurance	35,526	39,739	44,323	51,520	60,359
Fuel	16,381	18,463	19,019	22,229	25,758
Other	13,961	16,362	15,976	11,348	14,185
<i>Subtotal</i>	<u>\$ 65,868</u>	<u>\$ 74,564</u>	<u>\$ 79,318</u>	<u>\$ 85,097</u>	<u>\$ 100,303</u>
<i>Non-City Reimbursable OTPS:</i>	\$ 1,232	\$ 1,232	\$ 1,233	\$ 1,233	\$ 1,232
Total Rental & Miscellaneous Expense	<u>\$ 450,113</u>	<u>\$ 482,431</u>	<u>\$ 506,753</u>	<u>\$ 549,678</u>	<u>\$ 603,466</u>
Annual Growth in Total Expenses	4.1%	6.8%	4.8%	8.1%	9.4%

Debt Service

Debt Service in the Financial Plan

The following table includes debt service projections for 2015 through 2019 in connection with the bond financed portion of the *approved* Capital Programs. These projections include the 2015-2019 Capital Program, which was approved by the MTA Board on October 28, 2015. The overall increase in baseline debt service from the July Financial Plan is primarily due to debt service related to the 2015-2019 Capital Program, which was not included in the July Financial Plan. The 2015 and 2016 favorable debt service variance is mainly due to the impact of issuing bond anticipation notes instead of long term bonds in 2015; additionally, debt service in 2015 benefited from lower than budgeted short-term rates.

Debt Service Forecast (in millions) ¹			
Year	July Plan Debt Service	November Plan Debt Service	Difference Favorable (Unfavorable)
2015	\$2,454	\$2,383	\$71
2016	2,662	2,660	2
2017	2,827	2,888	(61)
2018	2,934	3,071	(136)
2019	2,974	3,204	(230)
Total 2015-2019	\$13,850	\$14,205	(\$354)

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

Debt Issuance Assumptions:

Forecasted Borrowing Schedule²	2015	2016	2017	2018	2019
<i>(\$ in millions)</i>					
TR and DTF New Money Bonds	\$2,795	\$3,843	\$2,416	\$2,241	\$1,120
TBTA New Money Bonds	<u>180</u>	<u>249</u>	<u>281</u>	<u>447</u>	<u>644</u>
Total New Money Bonds	\$2,975	\$4,092	\$2,697	\$2,688	\$1,764
Assumed Fixed-Rates					
Transportation Revenue Bonds	4.36%	4.48%	4.62%	4.73%	4.81%
Dedicated Tax Fund Bonds	4.06%	4.18%	4.30%	4.41%	4.48%
Triborough Bridge & Tunnel Authority	4.06%	4.18%	4.30%	4.41%	4.48%
Assumed Variable Rates					
	4.00%	4.00%	4.00%	4.00%	4.00%
Weighted Average Interest Rates ³					
Transportation Revenue Bonds	4.33%	4.44%	4.56%	4.66%	4.73%
Dedicated Tax Fund Bonds	4.06%	4.16%	4.27%	4.37%	4.43%
Triborough Bridge & Tunnel Authority	4.06%	4.16%	4.27%	4.37%	4.43%

¹ Totals may not add due to rounding

² TR stands for Transportation Revenue; DTF stands for Dedicated Tax Fund. 2015 New Money Bonds include \$1,950 million of Transportation Revenue New Money Bonds and Bond Anticipation Notes, \$500 million DTF New Money Bond Anticipation Notes and \$180 million TBTA New Money Bonds. 2016 New Money Bonds include \$1,000 million of Transportation Revenue and DTF Bonds issued to take out outstanding Bond Anticipation Notes.

³ Weighted Average of fixed and variable forecasted rates calculated.

- All debt is assumed to be issued as 30-year level debt service debt with principal amortized over the life of the bonds, except for the Railroad Rehabilitation and Improvement Financing (RRIF) loan which is amortized over 20 years on a level debt service basis.
- Current fixed-rate estimates derived from prevailing Fair Market Yield BVAL Curves for A and AA- rated Transportation issuers as published by Bloomberg Information Service. Financial Plan years 2015–2019 derived by applying changes in U.S. Municipal Forward Curves to prevailing transportation curves (as of September 2015).
- Split of fixed-rate debt versus variable rate debt each year is 90% fixed and 10% variable.
- New bond issues calculated interest rate at time of issuance use weighted average of fixed and variable assumptions.
- Cost of issuance is 2% of gross bonding amount.
- In 2016, assumes issuance of \$500 million of DTF bonds to take out outstanding DTF bond anticipation notes. Assumes issuance of new money DTF bonds in 2017 and 2018, subject to satisfying the additional bonds test under the DTF Resolution.
- All bonds issued to finance TBTA capital projects issued under the TBTA General Revenue Resolution.
- Build America Bonds subsidy has been reduced by 7.2% annually through and including Federal Fiscal Year 2023 reflecting the sequester reduction for payments to issuers of direct pay bonds.
- No reserve funds.

METROPOLITAN TRANSPORTATION AUTHORITY

November Financial Plan 2016-2019

Summary of Total Budgeted Debt Service

(\$ in millions)

Line Number		ACTUAL		FORECAST			
		2014	2015	2016	2017	2018	2019
9	<u>New York City Transit (NYCT):</u>						
10	Budgeted Gross Debt Service for Existing Transportation Revenue Bonds	\$830.676	\$885.867	\$909.271	\$926.681	\$940.670	\$941.466
11	Debt Service on Additional Transportation Revenue Bonds Supporting Approved Capital Programs	0.000	0.000	102.307	197.621	259.688	311.340
12	2 Broadway Certificates of Participation - NYCT Share	17.773	19.196	16.340	18.605	19.395	13.625
13	2 Broadway Certificates of Participation - Additional NYCT Share of MTA Lease Portion	0.000	0.601	2.262	2.575	2.685	1.886
13	Bond Anticipation Notes	0.306	0.189	1.221	0.000	0.000	0.000
14	Budgeted Gross Debt Service for Existing Dedicated Tax Fund Bonds	307.058	301.716	326.542	320.682	319.340	314.636
15	Debt Service on Additional Dedicated Tax Fund Bonds Supporting Approved Capital Programs	<u>0.000</u>	<u>0.000</u>	<u>12.782</u>	<u>33.374</u>	<u>44.381</u>	<u>47.578</u>
16	Sub-Total MTA Paid Debt Service	\$1,155.812	\$1,207.569	\$1,370.725	\$1,499.538	\$1,586.160	\$1,630.530
17							
18	Budgeted Gross Debt Service for Existing TBTA (B&T) General Revenue Bonds	\$175.655	\$173.933	\$178.026	\$178.346	\$177.408	\$179.627
19	Budgeted Gross Debt Service for Existing TBTA (B&T) Subordinate Revenue Bonds	<u>59.463</u>	<u>69.626</u>	<u>73.424</u>	<u>74.892</u>	<u>74.368</u>	<u>74.295</u>
20	Sub-Total B&T Paid Debt Service	\$235.118	\$243.559	\$251.450	\$253.238	\$251.775	\$253.922
21							
22	Total NYCT Debt Service	\$1,390.930	\$1,451.128	\$1,622.175	\$1,752.777	\$1,837.935	\$1,884.453
23							
24	<u>Commuter Railroads (CRR):</u>						
25	Budgeted Gross Debt Service for Existing Transportation Revenue Bonds	\$501.172	\$552.432	\$576.947	\$587.994	\$596.871	\$597.375
26	Debt Service on Additional Transportation Revenue Bonds Supporting Approved Capital Programs	0.000	0.000	47.882	117.609	185.156	233.965
27	Bond Anticipation Notes	0.196	0.123	0.385	0.000	0.000	0.000
28	Budgeted Gross Debt Service for Existing Dedicated Tax Fund Bonds	67.176	66.842	67.389	66.180	65.903	64.932
29	Debt Service on Additional Dedicated Tax Fund Bonds Supporting Approved Capital Programs	<u>0.000</u>	<u>0.000</u>	<u>2.256</u>	<u>6.364</u>	<u>8.216</u>	<u>8.216</u>
30	Sub-Total MTA Paid Debt Service	\$568.544	\$619.396	\$694.859	\$778.147	\$856.146	\$904.489
31							
32	Budgeted Gross Debt Service for Existing TBTA (B&T) General Revenue Bonds	\$82.565	\$81.756	\$83.679	\$83.830	\$83.389	\$84.432
33	Budgeted Gross Debt Service for Existing TBTA (B&T) Subordinate Revenue Bonds	<u>26.126</u>	<u>30.591</u>	<u>32.259</u>	<u>32.904</u>	<u>32.674</u>	<u>32.642</u>
34	Sub-Total B&T Paid Debt Service	\$108.691	\$112.346	\$115.939	\$116.734	\$116.063	\$117.074
35							
36	Total CRR Debt Service	\$677.234	\$731.743	\$810.798	\$894.881	\$972.209	\$1,021.563
37							
38	<u>Bridges and Tunnels (B&T):</u>						
39	Budgeted Gross Debt Service for Existing TBTA (B&T) General Revenue Bonds	\$212.007	\$228.879	\$250.912	\$251.364	\$250.041	\$253.169
40	Budgeted Gross Debt Service for Existing TBTA (B&T) Subordinate Revenue Bonds	23.489	27.504	29.004	29.584	29.377	29.348
41	Debt Service on Additional TBTA (B&T) General Revenue Bonds Supporting Approved Capital Programs	0.000	0.000	7.340	23.084	45.001	78.128
42	2 Broadway Certificates of Participation - TBTA Share	2.513	2.752	2.450	2.789	2.908	2.043
43	2 Broadway Certificates of Participation - Additional TBTA Share of MTA Lease Portion	0.000	0.048	0.181	0.206	0.215	0.151
44	Total B&T Debt Service	\$238.009	\$259.182	\$289.887	\$307.027	\$327.542	\$362.839
45							
46	<u>MTA Bus:</u>						
47	Budgeted Gross Debt Service for Existing Transportation Revenue Bonds	\$28.963	\$26.396	\$20.886	\$21.286	\$21.607	\$21.626
48	Debt Service on Additional Transportation Revenue Bonds Supporting Approved Capital Programs	0.000	0.000	1.361	2.482	4.468	6.676
49	Bond Anticipation Notes	0.005	0.003	0.000	0.000	0.000	0.000
50							
51	Total MTA Bus Debt Service	\$28.968	\$26.399	\$22.248	\$23.769	\$26.076	\$28.302
52							
53	<u>Staten Island Railway (SIRTOA):</u>						
54	Budgeted Gross Debt Service for Existing Transportation Revenue Bonds	\$0.124	\$0.587	\$0.344	\$0.351	\$0.356	\$0.356
55	Debt Service on Additional Transportation Revenue Bonds Supporting Approved Capital Programs	0.000	0.000	0.977	1.462	1.611	1.713
56	Bond Anticipation Notes	0.000	0.000	0.000	0.000	0.000	0.000
57							
58	Total SIRTOA Debt Service	\$0.124	\$0.587	\$1.321	\$1.812	\$1.967	\$2.070
59							
60	Total MTA HQ Debt Service for 2 Broadway Certificates of Participation	\$2.438	\$2.716	\$2.552	\$2.906	\$3.029	\$2.128

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2016-2019
Summary of Total Budgeted Debt Service
(\$ in millions)

Line Number		ACTUAL		FORECAST			
		2014	2015	2016	2017	2018	2019
61	<u>MTA Total:</u>						
62							
63	Budgeted Gross Debt Service for Existing Transportation Revenue Bonds	\$1,360.935	\$1,465.282	\$1,507.448	\$1,536.312	\$1,559.504	\$1,560.824
64	Budgeted Gross Debt Service for Existing Dedicated Tax Fund Bonds	374.234	368.558	393.931	386.862	385.243	379.568
65	Budgeted Gross Debt Service for Existing TBTA (B&T) General Revenue Bonds	470.227	484.568	512.617	513.541	510.838	517.228
66	Budgeted Gross Debt Service for Existing TBTA (B&T) Subordinate Revenue Bonds	109.078	127.720	134.688	137.380	136.418	136.286
67	2 Broadway Certificates of Participation	22.724	25.313	23.785	27.081	28.232	19.832
68	Bond Anticipation Notes	0.506	0.315	1.606	0.000	0.000	0.000
69	Debt Service on Additional Transportation Revenue Bonds Supporting Approved Capital Programs	0.000	0.000	152.528	319.174	450.924	553.694
70	Debt Service on Additional Dedicated Tax Fund Bonds Supporting Approved Capital Programs	0.000	0.000	15.038	39.738	52.597	55.794
71	Debt Service on Additional TBTA (B&T) General Revenue Bonds Supporting Approved Capital Programs	0.000	0.000	7.340	23.084	45.001	78.128
72							
73	Total Debt Service	\$2,337.705	\$2,471.755	\$2,748.981	\$2,983.172	\$3,168.758	\$3,301.354
74							
75	<u>MTA Investment Income by Resolution</u>						
76							
77	Investment Income from Transportation Revenue Bond Debt Service Fund	\$0.000	\$0.000	\$0.000	(\$3.897)	(\$5.830)	(\$6.132)
78	Investment Income from Dedicated Tax Fund Debt Service Fund	0.000	0.000	0.000	(0.896)	(1.270)	(1.263)
79	Investment Income from TBTA (B&T) General Revenue Debt Service Fund	0.000	0.000	0.000	(1.122)	(1.612)	(1.727)
80	Investment Income from TBTA (B&T) Subordinate Revenue Debt Service Fund	0.000	0.000	0.000	(0.288)	(0.396)	(0.395)
81	Investment Income from 2 Broadway Certificates of Participation Debt Service Fund	0.000	0.000	0.000	0.000	0.000	0.000
82							
83	Total MTA Investment Income	\$0.000	\$0.000	\$0.000	(\$6.203)	(\$9.108)	(\$9.516)
84							
85	<u>MTA Net Total</u>						
86							
87	Net Transportation Revenue Bonds Debt Service	\$1,360.935	\$1,465.282	\$1,659.976	\$1,851.590	\$2,004.598	\$2,108.386
88	Bond Anticipation Notes	0.506	0.315	1.606	0.000	0.000	0.000
89	Net Dedicated Tax Fund Bonds Debt Service	374.234	368.558	408.969	425.703	436.570	434.099
90	Net TBTA (B&T) General Revenue Bonds Debt Service	470.227	484.568	519.957	535.502	554.228	593.630
91	Net TBTA (B&T) Subordinate Revenue Bonds Debt Service	109.078	127.720	134.688	137.092	136.023	135.891
92	Net 2 Broadway Certificates of Participation Debt Service	22.724	25.313	23.785	27.081	28.232	19.832
93	Build America Bonds Interest Subsidy - TRB	(54.447)	(54.470)	(54.477)	(54.330)	(54.167)	(53.580)
94	Build America Bonds Interest Subsidy - DTF	(26.302)	(26.312)	(26.326)	(26.326)	(26.326)	(26.175)
95	Build America Bonds Interest Subsidy - TBTA GR Bonds	(8.417)	(8.406)	(8.411)	(8.411)	(8.411)	(8.411)
96							
97	Total MTA Net Debt Service	\$2,248.538	\$2,382.567	\$2,659.767	\$2,887.902	\$3,070.746	\$3,203.671

Debt Service Affordability Statement

[THIS PAGE INTENTIONALLY LEFT BLANK]

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2016-2019
Debt Affordability Statement ⁽¹⁾

\$ in millions

Forecasted Debt Service and Borrowing Schedule	Notes	2014 ACTL	2015	2016	2017	2018	2019
Combined MTA/TBTA Forecasted Debt Service Schedule	1, 2, 3	\$2,225.8	\$2,357.3	\$2,636.0	\$2,860.8	\$3,042.5	\$3,183.8
Forecasted New Money Bonds Issued	4	2,119.0	2,975.1	3,092.2	2,697.2	2,688.5	1,764.1
Forecasted Debt Service by Credit ⁹	Notes	2014 ACTL	2015	2016	2017	2018	2019
Transportation Revenue Bonds							
Pledged Revenues	5	\$12,549.0	\$13,087.9	\$13,068.8	\$13,104.2	\$13,263.3	\$13,428.5
Debt Service		1,307.0	1,411.1	1,607.1	1,797.3	1,950.4	2,054.8
Debt Service as a % of Pledged Revenues		10%	11%	12%	14%	15%	15%
Dedicated Tax Fund Bonds							
Pledged Revenues	6	\$627.2	\$610.8	\$597.8	\$593.5	\$590.7	\$586.8
Debt Service		347.9	342.2	382.6	399.4	410.2	407.9
Debt Service as a % of Pledged Revenues		55%	56%	64%	67%	69%	70%
Triborough Bridge and Tunnel Authority General Revenue Bonds							
Pledged Revenues	7	\$1,214.2	\$1,288.0	\$1,277.3	\$1,267.9	\$1,255.2	\$1,244.4
Debt Service		461.8	476.2	511.5	527.1	545.8	585.2
Debt Service as a % of Total Pledged Revenues		38%	37%	40%	42%	43%	47%
Triborough Bridge and Tunnel Authority Subordinate Revenue Bonds							
Pledged Revenues	8	\$752.4	\$811.8	\$765.8	\$740.8	\$709.4	\$659.2
Debt Service		109.1	127.7	134.7	137.1	136.0	135.9
Debt Service as a % of Total Pledged Revenues		14%	16%	18%	19%	19%	21%
Cumulative Debt Service (Excluding State Service Contract Bonds)	Notes	2014 ACTL	2015	2016	2017	2018	2019
Total Debt Service	1, 2, 3	\$2,225.8	\$2,357.3	\$2,636.0	\$2,860.8	\$3,042.5	\$3,183.8
Fare and Toll Revenues		\$7,385.6	\$7,720.8	\$7,880.9	\$7,936.3	\$7,989.3	\$8,027.8
Total Debt Service as a % of Fare and Toll Revenue		30%	31%	33%	36%	38%	40%
Operating Revenues (including Fare and Toll Revenues) and Subsidies		\$14,443.5	\$15,007.3	\$15,115.2	\$15,322.8	\$15,518.2	\$15,785.6
Total Debt Service as a % of Operating Revenues and Subsidies		15%	16%	17%	19%	20%	20%
Non-Reimbursable Expenses with Non-Cash Liabilities		\$15,955.8	\$16,194.2	\$17,017.0	\$17,579.9	\$18,087.5	\$18,713.0
Total Debt Service as % of Non-reimbursable Expenses		14%	15%	15%	16%	17%	17%

Notes on the following page are integral to this table.

Notes

- 1 *Unhedged tax-exempt variable rate debt reflects actual rates through May 2015, and 4.00% for the remaining life of bonds.*
- 2 *Synthetic fixed-rate debt assumed at swap rate.*
- 3 *Total debt service excludes COPS lease payments. All debt service numbers reduced by expected investment income and Build America Bonds (BAB) subsidy.*
- 4 *New money bonds amortized as 30-year level debt. New debt issued assumed 90% fixed-rate and 10% variable rate. Actual 2014 issuance through August 30, 2014 is included with the forecast and is reflective of new money bonds and notes.*
- 5 *Transportation Revenue Bonds pledged revenues consist generally of the following: fares and other miscellaneous revenues from the transit and commuter systems, including advertising, rental income and certain concession revenues (not including Grand Central and Penn Station); revenues from the distribution to the transit and commuter system of TBTA surplus; State and local general operating subsidies, including the new State taxes and fees; special tax-supported operating subsidies after the payment of debt service on the MTA Dedicated Tax Fund Bonds; New York City urban tax for transit; station maintenance and service reimbursements; and revenues from the investment of capital program funds. Pledged revenues secure Transportation Revenue Bonds before the payment of operating and maintenance expenses. Starting in 2006, revenues, expenses and debt service for MTA Bus have also been included.*
- 6 *Dedicated Tax Fund pledged revenues as shown above consist generally of the following: petroleum business tax, motor fuel tax and motor vehicle fees deposited into the Dedicated Mass Transportation Trust Fund for the benefit of the MTA; in addition, while not reflected in the DTF pledged revenue figures above, the petroleum business tax, district sales tax, franchise taxes and temporary franchise surcharges deposited into the Metropolitan Transportation Operating Assistance Account for the benefit of the MTA are also pledged. After the payment of debt service on the MTA Dedicated Tax Fund Bonds, these subsidies are available to pay debt service on the MTA Transportation Revenue Bonds, and then any remaining amounts are available to be used to meet operating costs of the transit system, the commuter system, and SIRTOA.*
- 7 *Triborough Bridge and Tunnel Authority General Revenue Bond pledged revenues consist primarily of the tolls charged by TBTA on its seven bridges and two tunnels. Pledged revenues secure TBTA General Revenue Bonds after the payment of TBTA operating and maintenance expenses, including certain reserves.*
- 8 *Triborough Bridge and Tunnel Authority Subordinate Revenue Bonds pledged revenues consist primarily of the tolls charged by TBTA on its seven bridges and two tunnels, after the payment of debt service on the TBTA General Revenue Bonds.*
- 9 *Debt service schedules for each credit are attached as addendum hereto.*

Special Notes

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

METROPOLITAN TRANSPORTATION AUTHORITY (including Triborough Bridge and Tunnel Authority)
Total Budgeted Annual Debt Service
All Issuance to September 30, 2015 (\$ in millions)

Fiscal Year	Transportation Revenue Resolution			Dedicated Tax Fund Resolution			TBTA General Revenue Resolution			TBTA Subordinate Resolution			MTA and TBTA Debt Service		
	Existing DS	Additional DS	Combined	Existing DS	Additional DS	Combined	Existing DS	Additional DS	Combined	Existing DS	Additional DS	Combined	Existing DS	Additional DS	Combined
2015	1,411.1	-	1,411.1	342.2	-	342.2	476.2	-	476.2	127.7	-	127.7	2,357.3	-	2,357.3
2016	1,454.6	152.5	1,607.1	367.6	15.0	382.6	504.2	7.3	511.5	134.7	-	134.7	2,461.1	174.9	2,636.0
2017	1,482.0	319.2	1,801.2	360.5	39.7	400.3	505.1	23.1	528.2	137.4	-	137.4	2,485.0	382.0	2,867.0
2018	1,505.3	450.9	1,956.3	358.9	52.6	411.5	502.4	45.0	547.4	136.4	-	136.4	2,503.1	548.5	3,051.6
2019	1,507.2	553.7	2,060.9	353.4	55.8	409.2	508.8	78.1	586.9	136.3	-	136.3	2,505.7	687.6	3,193.4
2020	1,503.1	618.1	2,121.2	354.9	55.8	410.7	501.2	118.5	619.8	135.9	-	135.9	2,495.1	792.4	3,287.6
2021	1,502.9	667.8	2,170.7	353.3	55.8	409.1	498.6	155.2	653.8	136.6	-	136.6	2,491.3	878.8	3,370.2
2022	1,492.1	697.7	2,189.8	350.1	55.8	405.9	502.5	186.5	689.0	136.1	-	136.1	2,480.8	940.0	3,420.8
2023	1,505.5	710.8	2,216.3	351.6	55.8	407.4	495.5	211.2	706.7	136.6	-	136.6	2,489.3	977.8	3,467.1
2024	1,496.3	716.6	2,212.9	349.9	55.8	405.7	490.3	224.9	715.2	136.7	-	136.7	2,473.3	997.3	3,470.5
2025	1,478.3	718.0	2,196.2	349.8	55.8	405.6	490.1	231.0	721.2	136.7	-	136.7	2,454.9	1,004.8	3,459.7
2026	1,509.3	718.0	2,227.2	347.0	55.8	402.8	489.7	232.8	722.5	136.9	-	136.9	2,482.8	1,006.5	3,489.3
2027	1,505.5	718.0	2,223.5	339.9	55.8	395.7	493.2	232.8	726.0	136.8	-	136.8	2,475.5	1,006.5	3,482.0
2028	1,503.6	718.0	2,221.6	348.3	55.8	404.1	505.0	232.8	737.8	137.0	-	137.0	2,493.9	1,006.5	3,500.4
2029	1,503.4	718.0	2,221.4	346.5	55.8	402.3	504.0	232.8	736.7	136.8	-	136.8	2,490.7	1,006.5	3,497.3
2030	1,505.9	718.0	2,223.8	345.4	55.8	401.2	506.2	232.8	738.9	136.9	-	136.9	2,494.4	1,006.5	3,500.9
2031	1,519.1	718.0	2,237.0	342.9	55.8	398.7	523.2	232.8	756.0	129.9	-	129.9	2,515.1	1,006.5	3,521.6
2032	1,439.1	718.0	2,157.1	347.2	55.8	403.0	443.0	232.8	675.7	76.6	-	76.6	2,305.8	1,006.5	3,312.4
2033	1,165.0	718.0	1,883.0	333.2	55.8	389.0	249.2	232.8	481.9	-	-	-	1,747.4	1,006.5	2,753.9
2034	1,166.1	718.0	1,884.1	182.6	55.8	238.4	260.1	232.8	492.8	-	-	-	1,608.8	1,006.5	2,615.3
2035	1,140.7	716.3	1,857.0	131.2	55.8	187.0	289.9	232.8	522.7	-	-	-	1,561.7	1,004.9	2,566.6
2036	971.5	708.4	1,679.9	146.8	55.8	202.6	283.7	232.8	516.5	-	-	-	1,402.0	997.0	2,399.0
2037	940.7	694.4	1,635.1	334.0	55.8	389.8	284.7	232.8	517.5	-	-	-	1,559.4	983.0	2,542.4
2038	882.7	679.3	1,562.0	322.7	55.8	378.5	262.9	232.8	495.6	-	-	-	1,468.3	967.9	2,436.1
2039	814.7	668.7	1,483.5	270.4	55.8	326.2	108.8	232.8	341.6	-	-	-	1,193.9	957.3	2,151.2
2040	710.4	664.1	1,374.5	29.8	55.8	85.6	66.1	232.8	298.8	-	-	-	806.3	952.7	1,759.0
2041	559.7	662.6	1,222.3	-	55.8	55.8	46.2	232.8	279.0	-	-	-	605.9	951.1	1,557.1
2042	496.6	662.6	1,159.1	-	55.8	55.8	44.5	232.8	277.2	-	-	-	541.0	951.1	1,492.1
2043	353.8	662.6	1,016.3	-	55.8	55.8	32.1	232.8	264.8	-	-	-	385.9	951.1	1,337.0
2044	211.2	662.6	873.8	-	55.8	55.8	27.2	232.8	260.0	-	-	-	238.4	951.1	1,189.6
2045	115.3	638.8	754.2	-	55.8	55.8	13.7	232.8	246.5	-	-	-	129.1	927.4	1,056.5
2046	64.5	519.6	584.1	-	40.8	40.8	13.7	225.4	239.2	-	-	-	78.2	785.8	864.0
2047	53.0	366.9	419.9	-	16.1	16.1	13.7	209.7	223.4	-	-	-	66.8	592.6	659.4
2048	45.2	250.3	295.5	-	3.2	3.2	13.7	187.8	201.5	-	-	-	58.9	441.3	500.2
2049	45.2	158.1	203.2	-	-	-	13.7	154.7	168.4	-	-	-	58.9	312.7	371.6
2050	41.4	98.3	139.7	-	-	-	12.0	114.3	126.2	-	-	-	53.4	212.5	265.9
2051	15.7	50.1	65.8	-	-	-	-	77.6	77.6	-	-	-	15.7	127.7	143.4
2052	15.7	20.3	36.0	-	-	-	-	46.3	46.3	-	-	-	15.7	66.5	82.2
2053	15.7	7.2	22.9	-	-	-	-	21.6	21.6	-	-	-	15.7	28.8	44.5
2054	15.7	1.4	17.1	-	-	-	-	7.9	7.9	-	-	-	15.7	9.3	25.0
2055	13.7	-	13.7	-	-	-	-	1.7	1.7	-	-	-	13.7	1.7	15.4

Notes:

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

Includes interest budgeted for Transportation Revenue Bond Anticipation Notes.

Forecasted Investment Income is not included above.

Net of Build America Bonds subsidy.

Positions (Headcount)

POSITIONS (Headcount)

The information contained in this section presents MTA headcount by Agency, function, and occupational group. It also captures the position impacts of programmatic initiatives and re-estimates. Analysis of these numbers is provided on both a plan-to-plan and a year-to-year basis. The changes in headcount described below are reflective of the MTA-wide commitment to improve service as well as maintain and expand the MTA network. To that end, the November Plan reflects changes to strategic resources, including reductions in areas where operations can be made more efficient while also adding positions where more personnel are required.

Positions are added to meet the requirements of a myriad of initiatives and activities scheduled or already underway, including: critical operational and maintenance needs, Enterprise Asset Management (EAM), safety initiatives, IT support, and new service and platform budget adjustments. These additional positions are referenced on the following pages and detailed in the Agency sections. The MTA consolidated position tables reflect full staffing for a Second Avenue Subway (SAS) opening date of December 1. Due to time constraints, the NYCT submission did not include certain cost and headcount projections that supported this opening date assumption; instead they are captured in MTA consolidated projections. Technical reallocation adjustments will be made in the February Plan.

METROPOLITAN TRANSPORTATION AUTHORITY					
November Financial Plan 2016-2019					
Favorable/(Unfavorable)					
Total Position Changes at a Glance^{1,2}					
	2015	2016	2017	2018	2019
2015 July Plan - Total Baseline Positions	70,220	69,802	69,914	69,665	69,790
Total Plan-to-Plan Changes	193	(1,683)	(1,281)	(1,473)	(1,480)
2015 November Plan - Total Baseline Positions	70,027	71,485	71,195	71,138	71,270
Total Year-to-Year Changes, November Plan		(1,458)	290	57	(132)
Total Plan-to-Plan Changes by Reporting Category:					
<i>Non-Reimbursable</i>	21	(1,130)	(898)	(957)	(991)
<i>Reimbursable</i>	172	(553)	(383)	(516)	(489)
Total	193	(1,683)	(1,281)	(1,473)	(1,480)
<i>Full-Time</i>	205	(1,621)	(1,219)	(1,411)	(1,418)
<i>Full-Time Equivalents</i>	(12)	(62)	(62)	(62)	(62)
Total	193	(1,683)	(1,281)	(1,473)	(1,480)
<i>By Function Category³</i>					
- Administration	(79)	(202)	113	105	98
- Operations	194	(854)	(490)	(663)	(639)
- Maintenance	74	(437)	(709)	(716)	(737)
- Engineering/Capital	3	(129)	(133)	(136)	(138)
- Public Safety	1	(61)	(62)	(63)	(64)
Total	193	(1,683)	(1,281)	(1,473)	(1,480)
<i>By Occupational Group</i>					
- Managers/Supervisors	(13)	(297)	(290)	(309)	(311)
- Professional, Technical, Clerical	11	(269)	(264)	(285)	(318)
- Operational Hourlies	195	(1,117)	(727)	(879)	(851)
Total	193	(1,683)	(1,281)	(1,473)	(1,480)
Total Plan-to-Plan Changes by Major Category:					
<i>2015 BRPs</i>	124	0	0	0	0
<i>New Needs</i>	(15)	(795)	(556)	(588)	(624)
<i>Change in Reimbursable Positions</i>	172	(553)	(383)	(516)	(489)
<i>Re-estimates & All Other</i>	(88)	(335)	(342)	(369)	(367)
Total	193	(1,683)	(1,281)	(1,473)	(1,480)

¹ Reflects positions at year end (December 31).

² Includes Full-time Equivalents

³ The top-sided adjustment of 301 positions categorized as Administrative in NYCT's 2015 July Plan have now been re-classified to Operations and Maintenance to be consistent with MTA-wide reporting and historical precedent.

Year-to-Year Position Changes

2016 vs. 2015

Consolidated 2016 baseline includes 71,485 positions, an overall net increase of 1,458 positions from the 2015 level. This is primarily due to:

- **NYCT** – a total increase of 900 positions (888 non-reimbursable, 12 reimbursable), mainly due to the operating impact of the SAS, Sandy staffing extension, TA Labor and Training Float requirements, EAM, Structure Defect Backlog Reduction, Select Bus Service (SBS) and other New Needs.
- **LIRR** – a total increase of 123 positions comprised of 245 reimbursable positions, mostly related to changes in capital project activity, partially offset by 122 non-reimbursable positions associated with engineering resources working on capital project activity instead of non-reimbursable activities.
- **MNR** – a total increase of 131 positions, comprised of 127 non-reimbursable and 4 reimbursable positions, and reflects 142 Maintenance of Way positions to maintain track, signal, power, station, GCT and other infrastructure as well as management positions for expanded video management requirements and expanded capabilities of the Geographical Information System (GIS). Reimbursable headcount increases support for the installation of cameras on the rolling stock fleet.
- **B&T** – an increase of 155 positions, comprised of 144 non-reimbursable and 11 reimbursable positions. Position requirements in 2016 include support for EAM, engineering positions to cover expanded needs stemming from Federal mandates for tunnel inspections, additional project management efforts to meet NYS guidelines governing design-build capital projects, and increasing support for the Small Business Mentoring Program.
- **MTAHQ** – an increase of 83 total positions, all non-reimbursable, mainly related to 47 MTA Police positions to perform counter terrorism surge assignments in Penn Station and Grand Central Terminal, IT positions to support EAM as well as positions to support the Safety Management Office and the Permanent Citizen Advisory Council (PCAC).
- **SIR** – an increase of 11 non-reimbursable positions mainly to support the fleet maintenance program set to begin in December 2015, as well as to support additional ongoing maintenance requirements.
- **MTA Bus** – an increase of 55 positions, comprised of 53 non-reimbursable and two reimbursable positions, reflecting an increase of 31 positions to support the Shop Overhaul Program, 15 positions related to adjustments in the Platform Budget as well as position increases to support the following programs: EAM, Bus Trek Training, Bus Technology and Bus Catalog.

2017 – 2019

Total positions are projected at 71,195 in 2017, representing a decrease of 290 positions from 2016. The total positions include a decrease of 419 non-reimbursable positions, partially offset by a increase of 129 reimbursable positions. Net decreases in positions are expected to be 263 at NYCT, comprised of 17 non-reimbursable and 246 reimbursable position decreases. Staffing levels decrease by a net 79 positions at LIRR, comprised of a decrease of 160 reimbursable positions, resulting from changes in project activity and the completion of the safety-related Positive Train Control (PTC) initiative, partially offset by an increase of 81 non-reimbursable positions to support East Side Access (ESA) readiness efforts. Net increases in positions are expected to be eight at MNR, reflecting a decrease of 13 reimbursable position decreases related to the completion of PTC, partially offset by an increase in 21 non-reimbursable positions, mainly related to the inspection and maintenance of the new interlocking in support of the Walk Bridge replacement project as well as positions in support of PTC system and EAM. B&T non-reimbursable positions increase by seven to support EAM. MTAHQ non-reimbursable positions increase by 16 for IT positions in support of EAM. Non-reimbursable positions at MTA Bus increase by 21 to support the Shop Overhaul Program, Employee Availability and EAM.

Total forecasted positions are projected at 71,138 in 2018, a decrease of 57 positions from 2017, reflecting a decrease of 173 reimbursable positions partially offset by an increase of 116 non-reimbursable positions. Total decreases in positions are expected to be 242 at NYCT, comprised of 166 reimbursable and 76 non-reimbursable positions, mainly due to changes in the Subway Scheduled Maintenance System (SMS) program and capital project completion. Increases of 216 positions at the LIRR are comprised of 223 non-reimbursable positions, partially offset by a decrease of seven reimbursable positions, and primarily reflect positions in support of ESA readiness efforts. Decreases of 46 non-reimbursable positions at MTA Bus are mainly related to the Shop Overhaul Program. Net position increases are expected to be six at MTAHQ, five at MNR, three at B&T and one at SIR, mainly to support implementation of the EAM initiative.

Total forecasted positions are projected at 71,270 in 2019, an increase of 132 positions from 2018. Total positions include an increase of 221 non-reimbursable positions, partially offset by a decrease of 89 reimbursable positions. Net position decreases of 38 at NYCT are mainly due to changes in the Subway SMS program. Net position increases at the LIRR are expected to be 84, primarily related to ESA readiness efforts, partially offset by a decrease of 24 reimbursable positions due to changes in project activity and the completion of the PTC initiative. Increases at MTAHQ include 37 non-reimbursable positions, mainly for MTA Police positions in connection with ESA readiness efforts and IT positions in support of the EAM initiative. SIR positions are projected to decrease by 26 reimbursable positions, reflecting the assumption that these positions will be absorbed through attrition by the end of 2019, subject to the identification of additional program requirements to be presented in subsequent plan updates. MTA Bus net positions are expected to increase by 67 positions, mostly due to the Shop Overhaul Program and EAM.

November Plan vs. July Plan Position Changes

2015

Total positions of 70,027 reflect a decrease of 193 positions from the July Plan, primarily due to:

- **NYCT** – decreases by 82 positions, mainly reflecting adjustments in the Platform Budget and the transfer of the New Fare Payment System program to MTAHQ.
- **LIRR** – increases by one position, including a 43 non-reimbursable position increase, partially offset by a 42 reimbursable position decrease. Non-reimbursable increases are related to the timing of Maintenance of Equipment trainees and other production activity while reimbursable decreases reflect the timing of Positive Train Control activities.
- **MNR** – decreases by five non-reimbursable positions due to EAM.
- **B&T** – decreases by 146 total positions comprised of 135 non-reimbursable and 11 reimbursable positions. Decreases are mainly due to vacancies and the delay of 14 planned EAM positions.
- **MTAHQ** – increases by 37 positions, comprised of 33 non-reimbursable and 4 reimbursable positions, in connection with the following initiatives: Safety Management Office, the Pension Exceptions Processing Unit, Capital Program Management, the transfer of New Fare Payment System positions from NYCT and IT headcount in support of EAM.
- **SIR** – increases by one non-reimbursable position for the support of various high priority software programs.
- **MTA Bus** – increases by one non-reimbursable position in support of the Depot Wireless initiative.

2016

Total positions of 71,485 reflect an increase of 1,683 positions from the July Plan, mainly attributable to:

- **NYCT** – increases by 1,326 positions, including 912 non-reimbursable and 414 reimbursable positions. Included in 2016 are 660 positions in connection with SAS, SBS, Structure Defect Backlog Reduction, Third Rail Defect Reduction, EAM and Law support. Positions in connection with the operating impact of SAS of 392 are being captured in 2016. Reimbursable position increases are mostly related to the Sandy Recovery & Resiliency extension, TA Labor, MOW Engineering support, Signals Support, Buses Shuttle Support and other capital support. Re-estimates of 252 positions are mainly due to Training Float, Availability Adjustment, Platform Budget and Bus Maintenance Support.
- **LIRR** – increases by 168 positions, including 248 reimbursable positions, partially offset by a decline of 80 non-reimbursable positions. Reimbursable increases primarily reflect capital project activity. Decreases in non-reimbursable positions result primarily from engineering workforce engaged in capital activity instead of non-reimbursable activity.
- **MNR** – increases by 31 positions, consisting of increases of 146 non-reimbursable positions, partially offset by a decline of 115 reimbursable positions, mainly to support expanded capabilities of GIS, Facility & Maintenance and the re-organization of the Power Department and Operations Center Office Systems Group.
- **B&T** – decreases by eight non-reimbursable positions due to EAM-related positions, partially offset by three position increases.
- **MTAHQ** – increases by 114 total positions, comprised of 110 non-reimbursable and four reimbursable positions, and continues to reflect initiatives that carry forward from 2015 as well as MTA Police position increases to support counter terrorism surge assignments

in Penn Station and Grand Central Terminal, and increases for EAM, PCAC and the Safety Management Office.

- **SIR** – increases by 12 non-reimbursable positions, including eight positions for the fleet maintenance program expected to begin December 2015, three positions in support of EAM, and the one position in support of various high priority software programs beginning in 2015.
- **MTA Bus** – increases by 40 positions, comprised of 38 non-reimbursable and two reimbursable positions, reflecting headcount adjustments for Employee Availability and the Platform Budget, as well as positions in support of the Depot Wireless and Bus Catalog initiatives.

2017

Total positions of 71,195 positions in 2017 reflect increases of 1,281 from the July Plan. This unfavorable variance is mainly due to:

- **NYCT** – increases by 907 positions, including 571 non-reimbursable and 336 reimbursable positions. In addition to continuing programmatic initiatives from 2016, this includes an increase of 91 positions related to SAS and increased requirements for EAM.
- **LIRR** – increases by 129 positions, comprised of 138 reimbursable positions, partially offset by a decrease of 9 non-reimbursable positions, and reflects the continued impact of 2016 programmatic initiatives as well as positions related to M-7 door-related maintenance and Audio Video Recording Medium (AVRM) installation.
- **MNR** – increases by 54 positions, consisting of 151 non-reimbursable position increases, partially offset by 97 reimbursable position decreases. In addition to the positions that carry forward from 2016, this includes additional reimbursable headcount adjustments for Tropical Storm Sandy and PTC projects.
- **B&T** – decreases by one non-reimbursable position and continues initiatives from 2016.
- **MTAHQ** – increases by 126 non-reimbursable and four reimbursable positions that carry forward from 2016 as well as increased requirements for EAM-related IT positions.
- **SIR** – increases by 12 non-reimbursable positions that reflect programmatic initiatives from 2016.
- **MTA Bus** – increases by 50 positions, comprised of 48 non-reimbursable and two reimbursable positions, which reflect initiatives that carry forward from 2016 as well as additional Platform Budget requirements.

2018

Total positions of 71,138 positions in 2018 reflect increases of 1,473 positions from the July Plan. This unfavorable variance is mainly due to:

- **NYCT** – increases by 1,059 positions, consisting of 591 non-reimbursable and 468 reimbursable positions, and in addition to continuing to reflect the programmatic initiatives that carry forward from 2017, includes additional headcount requirements for Sandy Recovery & Resiliency work and support for EAM. It is expected that the bulk of the capital work being performed under the federal financed Sandy Recovery and Resiliency Program will be completed by 2020. As a result, the 332 reimbursable positions added for this program in 2018 and 2019 are largely phased out in 2020 and eliminated altogether in 2021.
- **LIRR** – increases by 154 positions, comprised of 15 non-reimbursable and 139 reimbursable positions, and reflect the impact of programmatic initiatives included in 2017.

- **MNR** – increases by 56 positions, consisting of 153 non-reimbursable position increases, partially offset by 97 reimbursable position decreases, and carries forward initiatives from 2017.
- **B&T** – increases by two non-reimbursable positions that carry forward from 2016.
- **MTAHQ** – increases by 136 positions, comprised of 132 non-reimbursable and 4 reimbursable positions that carry forward initiatives from 2017.
- **SIR** – increases by 13 non-reimbursable positions that carry forward initiatives from 2016.
- **MTA Bus** – increases by 53 positions, comprised of 51 non-reimbursable and two reimbursable positions that carry forward initiatives from 2017.

2019

Total positions of 71,270 positions in 2019 reflect increases of 1,480 positions from the July Plan. This unfavorable variance is mainly due to:

- **NYCT** – increases by 1,065 positions, consisting of 618 non-reimbursable and 447 reimbursable positions and continues to reflect the programmatic initiatives that carry forward from 2018.
- **LIRR** – increases by 138 positions, comprised of five non-reimbursable and 133 reimbursable positions, and reflect the impact of the 2017 programmatic initiatives.
- **MNR** – increases by 61 positions, consisting of 158 non-reimbursable position increases, partially offset by 97 reimbursable position decreases that carry forward programmatic initiatives from 2017.
- **B&T** – increases by five non-reimbursable that carry forward programmatic initiatives from 2016.
- **MTAHQ** – increases by 143 positions, comprised of 139 non-reimbursable and four reimbursable positions that carry forward programmatic initiatives from 2017.
- **SIR** – increases by 13 non-reimbursable positions that carry forward programmatic initiatives from 2016.
- **MTA Bus** – increases by 55 positions, comprised of 53 non-reimbursable and two reimbursable positions that carry forward programmatic initiatives from 2017.

November Plan vs. February Plan Position Changes

2015

Total positions of 70,027 reflect an increase of 310 positions from the February Plan, primarily due to:

- **NYCT** – increases by 396 positions, mainly to support subway delays resulting from historic ridership growth (Mitigation of Subway Delays), WEP administration, car fleet expansion maintenance, infrastructure capital construction program (ICC), signals projects and station cleaning work. Re-estimates to positions are related to Platform Budget adjustments, Station Painting and M86 Select Bus Service.
- **LIRR** – decreases by 23 positions. Reimbursable decreases reflect lower than expected capital project activity, while non-reimbursable increases reflect the redeployment of Engineering's existing workforce to maintenance activities.
- **MNR** – increases by eight net positions, including support for the new Component Change-Out facility in New Haven, agreement rail traffic controllers, increased support for recruiting efforts and additional positions to meet mandated or regulatory requirements.

- **B&T** – decreases by 135 positions due to anticipated vacancies projected in the 2015 November Forecast.
- **MTAHQ** – increases by 49 positions, primarily for administrative related functions at the BSC, safety and security requirements, and increased headcount to support various IT projects, partially offset by efficiency reductions associated with the IT consolidation.
- **SIR** – increases by eight positions, mainly to support improved on-time performance, training requirements and EAM.
- **MTA CC** – increases by one reimbursable position in support of its mix of engineering and design activities.
- **MTA Bus** – increases by six positions in support of the Employee Availability Unit, Dispatchers in the Command Center and Bus Technology.

2016

Total positions of 71,485 reflect an increase of 2,342 positions from the February Plan, mainly attributable to:

- **NYCT** – increases by 1,1773 positions. In addition to continuing the programmatic initiatives from 2015, this includes positions in connection with the Bus Overage Fleet program, which addresses additional maintenance requirements associated with buses remaining in service in excess of 15 years as well as the anticipated opening of SAS. Re-estimates to positions continue to reflect those related to the Platform Budget, Station Painting and M86 Select Bus Service. BRP proposals include additional headcount reductions resulting from efficiencies in supply logistics and the consolidation of timekeeping at Subways.
- **LIRR** – increases by 217 positions. Decreases in non-reimbursable positions result primarily from engineering workforce working on capital activity instead of non-reimbursable activity. Reimbursable increases primarily reflect capital project activity.
- **MNR** – increases by 132 net positions. Included in non-reimbursable increases are headcount requirements related to safety, track maintenance, infrastructure improvement, the management of mandated and regulatory compliance work and support for expanded GIS capabilities.
- **B&T** – increases by 20 positions in connection with EAM as well as positions primarily to cover expanded needs stemming from new Federal mandates for tunnel inspections, additional project management efforts to meet NYS guidelines governing design-build capital projects, and increasing goals with the Small Business Mentoring Program.
- **MTAHQ** – increases by 126 positions, and includes 46 MTA Police and one civilian position to perform counter terrorism surge assignments in Penn Station and Grand Central Terminal as well as additions in connection with IT support for EAM.
- **SIR** – increases by 45 positions to support on-time performance efforts, maintenance work, Sandy-related projects, EAM and various high priority software programs.
- **MTA CC** – increases by one reimbursable position in support of its mix of engineering and design activities.
- **MTA Bus** – increases by 28 net positions, reflecting headcount adjustments for Employee Availability and Platform Budget requirements, as well as positions in support of the Depot Wireless and Bus Catalog initiatives.

2017

Total positions of 71,195 positions in 2017 reflect increases of 2,007 from the February Plan. This unfavorable variance is mainly due to:

- **NYCT** – increases by 1,406 positions. In addition to continuing the programmatic initiatives from 2015 and 2016, this includes position increases for R32 SMS resulting from delays in the delivery of R179 replacement cars, operating impacts of the SAS and support for EAM.
- **LIRR** – increases by 187 net positions, and reflects the impact of 2016 programmatic initiatives.
- **MNR** – increases by 161 positions, which reflects programmatic initiatives that carry forward from 2016 as well as additional positions in 2017 for the inspection and maintenance of the new interlocking to support the Walk Bridge replacement project in Connecticut as well reimbursable headcount adjustments.
- **B&T** – increases by 27 non-reimbursable positions that carry programmatic initiatives forward from 2016.
- **MTAHQ** – increases by 142 positions, which carry forward programmatic initiatives from 2016.
- **SIR** – increases by 45 positions which carry forward programmatic initiatives from 2016.
- **MTA CC** – increases by one reimbursable position in support of its mix of engineering and design activities.
- **MTA Bus** – increases by 38 positions, and in addition to reflecting programmatic initiatives that carry forward from 2016, includes increased needs related to Platform Budget requirements.

2018

Total positions of 71,138 positions in 2018 reflect increases of 2,077 positions from the February Plan. This unfavorable variance is mainly due to:

- **NYCT** – increases by 1,441 positions, and continues to reflect the programmatic initiatives that carry forward from 2017.
- **LIRR** – increases by 207 positions, and reflects the impact of the 2016 programmatic initiatives.
- **MNR** – increases by 163 positions that carry forward programmatic initiatives from 2017.
- **B&T** – increases by 30 non-reimbursable that carry forward programmatic initiatives from 2016.
- **MTAHQ** – increases by 148 positions that carry forward programmatic initiatives from 2016.
- **SIR** – increases by 46 positions that carry forward programmatic initiatives from 2016.
- **MTA CC** – increases by one reimbursable position in support of its mix of engineering and design activities.
- **MTA Bus** – increases by 41 positions that carry forward programmatic initiatives from 2017.

New Needs

Programmatic changes referred to earlier and explained further in Agency sections include Enterprise Asset Management, safety initiatives, IT support, new service and platform budget adjustments, and critical operational and maintenance needs. Major New Needs are listed in the following table:

METROPOLITAN TRANSPORTATION AUTHORITY					
November Financial Plan 2016-2019					
Favorable/(Unfavorable)					
Position Impacts of New Needs					
	2015	2016	2017	2018	2019
NYCT					
Law Additional Support	(6)	(36)	(36)	(36)	(36)
Third Rail Defect Reduction	0	(42)	(42)	(42)	(42)
Enterprise Asset Management Project	(3)	(57)	(95)	(119)	(146)
OBI - Second Ave Subway	0	(392)	(91)	(86)	(83)
Structure Defect Backlog Reduction	0	(58)	(58)	(58)	(58)
Select Bus Service	0	(75)	(75)	(75)	(75)
Total	(9)	(660)	(397)	(416)	(440)
LIRR					
New M7 Maintenance Initiatives	0	(12)	(12)	(12)	(12)
Total	0	(12)	(12)	(12)	(12)
MNR					
Corporate Compliance, Strategic Initiatives and Finance	0	(2)	(2)	(2)	(2)
GPS Coordinator	0	(1)	(1)	(1)	(1)
Facility Inspection & Maintenance	0	(7)	(7)	(7)	(7)
Operations Center Office Systems Group Reorganization	0	(6)	(6)	(6)	(6)
Power Department Reorganization	0	(6)	(6)	(6)	(6)
GIS - Railroad Property Mapping System	0	(1)	(1)	(1)	(1)
GIS Expansion Personnel	0	(1)	(1)	(1)	(1)
EAM - Trouble Desk	0	(9)	(9)	(9)	(9)
GIS - Capital Plan Drawing Room Visual Retrieval Personnel	0	(1)	(1)	(1)	(1)
Total	0	(34)	(34)	(34)	(34)
B&T					
Director of All Electronic Tolling Administration	(1)	(1)	(1)	(1)	(1)
Enterprise Asset Management	14	11	4	1	(2)
Security Project Planner	(1)	(1)	(1)	(1)	(1)
Total	12	9	2	(1)	(4)
MTAHQ					
CPM Analyst	(1)	(1)	(1)	(1)	(1)
Pension Manager	(1)	(1)	(1)	(1)	(1)
Exception Processing and MaBSTOA	(6)	(6)	(6)	(6)	(6)
PCAC position	0	(1)	(1)	(1)	(1)
EAM Positions	0	(4)	(4)	(4)	(4)
IT Positions supporting EAM	0	(13)	(29)	(35)	(42)
Senior Advisor Corp. Safety Initiatives	(1)	(1)	(1)	(1)	(1)
Safety Management Office Positions	(6)	(10)	(10)	(10)	(10)
MTAPD - Increased Staffing	0	(47)	(47)	(47)	(47)
Total	(15)	(84)	(100)	(106)	(113)
SIR					
Local Maintenance Shop Support	0	(8)	(8)	(8)	(8)
Enterprise Asset Management	0	(3)	(3)	(4)	(4)
Manager of Technical Support-Safety	(1)	(1)	(1)	(1)	(1)
Total	(1)	(12)	(12)	(13)	(13)
MTACC					
None	0	0	0	0	0
Total	0	0	0	0	0
MTA Bus Co					
Analyst Controller Backfill	(1)	(1)	(1)	(1)	(1)
Depot Wireless Network	(1)	(1)	0	0	0
Underground Storage Tank Testing	0	(1)	(1)	(1)	(1)
Enterprise Asset Management (EAM)	0	1	(1)	(4)	(6)
Total	(2)	(2)	(3)	(6)	(8)
Total New Needs	(15)	(795)	(556)	(588)	(624)

Changes in Reimbursable Positions

Major reimbursable positions in comparison with the July Plan are listed below.

METROPOLITAN TRANSPORTATION AUTHORITY					
November Financial Plan 2016-2019					
Favorable/(Unfavorable)					
Position Impact of Reimbursable					
	2015	2016	2017	2018	2019
NYCT					
Buses - Shuttle Support	0	(20)	(20)	(20)	(20)
NFPS Transfer to MTA HQ	14	14	14	14	14
Departmental Reestimates	0	2	2	2	2
All Other	(9)	(10)	(10)	(10)	(10)
Sandy Recovery & Resiliency	0	(165)	(161)	(332)	(332)
CPM - Increased Workload	0	(35)	(35)	(35)	(35)
Subways - Capital Program Support All Other	0	(33)	(25)	(8)	(6)
EAM - Buses	(1)	(3)	0	0	0
EAM - PMO	0	(5)	0	0	0
EMD - Connective Oriented Ethernet	0	(15)	0	0	0
EMD Capital Program Support	0	(24)	(19)	0	0
RTO TA Labor Adjustment	0	(109)	(109)	(109)	(109)
Third Rail Conversion	0	51	51	51	51
MOW Engineering Headcount	0	(40)	(24)	(21)	(2)
Signals	<u>0</u>	<u>(22)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	4	(414)	(336)	(468)	(447)
LIRR					
Reimbursable Headcount & Overtime Adjustments	42	(108)	(119)	(119)	(119)
Reallocation betw Reimbursable and Non-reimbursable Activity	0	(114)	0	0	0
M9 Acceptance Headcount	0	(6)	(6)	(6)	(6)
Transportation Support for M9 & PTC Projects	0	(12)	(5)	(6)	0
Transportation - Reimbursable Flag Protection Adjustments	<u>0</u>	<u>(8)</u>	<u>(8)</u>	<u>(8)</u>	<u>(8)</u>
Total	42	(248)	(138)	(139)	(133)
MNR					
Reimbursable Headcount & Overtime Adjustments	0	(16)	(34)	(34)	(34)
Timing Change in Reimbursable Program Requirements	<u>119</u>	<u>131</u>	<u>131</u>	<u>131</u>	<u>131</u>
Total	119	115	97	97	97
B&T					
Reimbursable Headcount Adjustments	<u>11</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	11	0	0	0	0
MTAHQ					
Transfer of New Fare Payment Systems from NYCT to MTAHQ	(14)	(14)	(14)	(14)	(14)
Reimbursable Headcount Adjustments	<u>10</u>	<u>10</u>	<u>10</u>	<u>10</u>	<u>10</u>
Total	(4)	(4)	(4)	(4)	(4)
SIR					
None	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	0	0	0	0	0
MTA CC					
None	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	0	0	0	0	0
MTA Bus Co					
Reimbursable Headcount Adjustments	<u>0</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>	<u>(2)</u>
Total	0	(2)	(2)	(2)	(2)
Total Reimbursable	172	(553)	(383)	(516)	(489)

Re-Estimates & All Other

Major drivers of re-estimates are captured in the table below, with more information contained in Agency sections:

METROPOLITAN TRANSPORTATION AUTHORITY					
November Financial Plan 2016-2019					
Favorable/(Unfavorable)					
Position Impact of Re-Estimates					
	2015	2016	2017	2018	2019
NYCT					
New Fare Payment System Transfer to MTA HQ	7	7	7	7	7
Platform Budget - Normal Business	81	(34)	(30)	(30)	(30)
Availability/Pay Hr Adjustment	0	(47)	(47)	(47)	(47)
Training Float Adjustment	0	(95)	(21)	(21)	(21)
Bus Maintenance Support	0	(17)	(17)	(17)	(17)
Full-Time Equivalents - Various Departments	0	(49)	(49)	(49)	(49)
Treasury Consolidation	0	5	5	5	5
Treasury Consolidation - Savings	0	3	3	3	3
Subways Other	0	(14)	(14)	(14)	(14)
Miscellaneous Other	(1)	(11)	(11)	(12)	(15)
Total	87	(252)	(174)	(175)	(178)
LIRR					
Vehicle Fleet Office Reorganization	0	(1)	(1)	(1)	(1)
Reallocation of Workforce Activity	0	114			
Transportation Support for M9 & PTC Projects	0	(4)	(23)	(31)	(13)
Transportation OBTIMS Training	0	(15)	0	0	0
Engineering Design Support Staff	0	(2)	(2)	(2)	(2)
Administrative Staffing Adjustments	(1)	(2)	(2)	(2)	(2)
Reliability Centered Maintenance and Rolling Stock Mod Updates	(46)	(11)	24	7	2
Training Associated Costs	(5)	0	0	0	0
Headcount - Impact due to Treasury Consolidation	4	4	4	4	4
Enterprise Asset Management	5	9	12	9	6
Transportation Support for M9 & PTC Projects	0	0	9	13	13
Total	(43)	92	21	(3)	7
MNR					
Transfer One Treasury Position to MTA	0	1	1	1	1
Eliminate One Treasury Position	0	1	1	1	1
EAM Revised Hiring of Authorized Positions	5	4	0	0	0
EAM MTA Directed Reduction of Authorized Positions	0	10	11	6	1
Remove Future Svc Positions, Continue Infrast. Imprvmnt Program	0	3	1	4	4
Timing Change in Reimbursable Program Requirements	(119)	(131)	(131)	(131)	(131)
Total	(114)	(112)	(117)	(119)	(124)
B&T					
Position Adjustment - CFO	(1)	(1)	(1)	(1)	(1)
Total	(1)	(1)	(1)	(1)	(1)
MTAHQ					
Consolidation of Treasury function from Agencies to MTAHQ	(9)	(9)	(9)	(9)	(9)
Transfer of New Fare Payment Systems from NYCT to MTAHQ	(14)	(14)	(14)	(14)	(14)
Enterprise Asset Management	15	7	7	7	7
IT Transfer of Nonreimbursable to Reimbursable	(10)	(10)	(10)	(10)	(10)
Total	(18)	(26)	(26)	(26)	(26)
SIR					
None	0	0	0	0	0
Total	0	0	0	0	0
MTACC					
None	0	0	0	0	0
Total	0	0	0	0	0
MTA Bus Co					
Treasury Consolidation	1	1	1	1	1
Employee Availability - Customer Service	0	(14)	(14)	(14)	(14)
Platform Budget - Customer Service	0	(14)	(23)	(23)	(23)
Employee Availability - Maintenance/Operations	0	(8)	(8)	(8)	(8)
Platform Budget - Maintenance/Operations	0	(1)	(1)	(1)	(1)
Total	1	(36)	(45)	(45)	(45)
Total Re-Estimates	(88)	(335)	(342)	(369)	(367)

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2016-2019
Baseline Total Non-Reimbursable - Reimbursable Positions
Full-Time Positions and Full Time Equivalents by Agency

Category	2014 Actual	2015 November Forecast	2016 Final Proposed Budget	2017	2018	2019
Baseline Total Positions	67,445	70,027	71,485	71,195	71,138	71,270
NYC Transit	47,089	47,706	48,606	48,343	48,101	48,063
Long Island Rail Road	6,906	7,083	7,206	7,127	7,343	7,427
Metro-North Railroad	6,136	6,698	6,829	6,837	6,842	6,847
Bridges & Tunnels	1,522	1,581	1,736	1,743	1,746	1,749
Headquarters	1,680	2,750	2,833	2,849	2,855	2,892
Staten Island Railway	289	317	328	328	329	303
Capital Construction Company	126	140	140	140	140	140
Bus Company	3,697	3,752	3,807	3,828	3,782	3,849
Non-Reimbursable	61,727	63,176	64,360	64,489	64,605	64,826
NYC Transit	42,996	42,650	43,538	43,521	43,445	43,446
Long Island Rail Road	6,060	6,284	6,162	6,243	6,466	6,574
Metro-North Railroad	5,681	6,116	6,243	6,264	6,269	6,274
Bridges & Tunnels	1,434	1,505	1,649	1,656	1,659	1,662
Headquarters	1,624	2,616	2,699	2,715	2,721	2,758
Staten Island Railway	268	291	302	302	303	303
Capital Construction Company	-	-	-	-	-	-
Bus Company	3,664	3,714	3,767	3,788	3,742	3,809
Reimbursable	5,718	6,851	7,125	6,706	6,533	6,444
NYC Transit	4,093	5,056	5,068	4,822	4,656	4,617
Long Island Rail Road	846	799	1,044	884	877	853
Metro-North Railroad	455	582	586	573	573	573
Bridges & Tunnels	88	76	87	87	87	87
Headquarters	56	134	134	134	134	134
Staten Island Railway	21	26	26	26	26	-
Capital Construction Company	126	140	140	140	140	140
Bus Company	33	38	40	40	40	40
Total Full-Time	67,196	69,857	71,265	70,975	70,918	71,050
NYC Transit	46,856	47,552	48,402	48,139	47,897	47,859
Long Island Rail Road	6,906	7,083	7,206	7,127	7,343	7,427
Metro-North Railroad	6,135	6,697	6,828	6,836	6,841	6,846
Bridges & Tunnels	1,522	1,581	1,736	1,743	1,746	1,749
Headquarters	1,680	2,750	2,833	2,849	2,855	2,892
Staten Island Railway	289	317	328	328	329	303
Capital Construction Company	126	140	140	140	140	140
Bus Company	3,682	3,737	3,792	3,813	3,767	3,834
Total Full-Time-Equivalents	249	170	220	220	220	220
NYC Transit	233	154	204	204	204	204
Long Island Rail Road	-	-	-	-	-	-
Metro-North Railroad	1	1	1	1	1	1
Bridges & Tunnels	-	-	-	-	-	-
Headquarters	-	-	-	-	-	-
Staten Island Railway	-	-	-	-	-	-
Capital Construction Company	-	-	-	-	-	-
Bus Company	15	15	15	15	15	15

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2016-2019
Baseline Total Non-Reimbursable - Reimbursable Positions
Full-Time Positions and Full Time Equivalents by Function and Agency

Function	2014 Actual	2015 November Forecast	2016 Final Proposed Budget	2017	2018	2019
Administration	4,139	4,727	4,799	4,814	4,819	4,831
NYC Transit	1,824	1,434	1,473	1,467	1,464	1,461
Long Island Rail Road	600	501	498	498	506	513
Metro-North Railroad	512	574	574	574	574	574
Bridges & Tunnels	128	87	87	87	87	87
Headquarters	915	1,939	1,975	1,991	1,997	2,004
Staten Island Railway	23	28	29	29	29	29
Capital Construction Company	14	17	17	17	17	17
Bus Company	123	147	146	151	145	146
Operations	29,665	30,411	31,315	30,917	31,075	31,142
NYC Transit	22,392	22,958	23,639	23,264	23,263	23,263
Long Island Rail Road	2,322	2,391	2,423	2,391	2,550	2,617
Metro-North Railroad	1,802	1,884	1,935	1,935	1,935	1,935
Bridges & Tunnels	592	619	754	754	754	754
Headquarters	-	-	-	-	-	-
Staten Island Railway	94	107	107	107	107	107
Capital Construction Company	-	-	-	-	-	-
Bus Company	2,463	2,452	2,457	2,466	2,466	2,466
Maintenance	30,045	31,113	31,463	31,551	31,328	31,375
NYC Transit	20,927	21,360	21,485	21,603	21,365	21,330
Long Island Rail Road	3,826	4,009	4,085	4,038	4,087	4,098
Metro-North Railroad	3,731	4,125	4,202	4,210	4,215	4,220
Bridges & Tunnels	339	365	376	378	378	378
Headquarters	-	-	-	-	-	-
Staten Island Railway	154	156	166	166	167	167
Capital Construction Company	-	-	-	-	-	-
Bus Company	1,068	1,098	1,149	1,156	1,116	1,182
Engineering/Capital	1,947	2,038	2,107	2,111	2,114	2,089
NYC Transit	1,343	1,319	1,358	1,358	1,358	1,358
Long Island Rail Road	158	182	200	200	200	199
Metro-North Railroad	91	115	118	118	118	118
Bridges & Tunnels	197	236	245	249	252	254
Headquarters	-	-	-	-	-	-
Staten Island Railway	18	26	26	26	26	-
Capital Construction Company	112	123	123	123	123	123
Bus Company	28	37	37	37	37	37
Public Safety	1,649	1,738	1,801	1,802	1,802	1,833
NYC Transit	603	635	651	651	651	651
Long Island Rail Road	-	-	-	-	-	-
Metro-North Railroad	-	-	-	-	-	-
Bridges & Tunnels	266	274	274	275	275	276
Headquarters	765	811	858	858	858	888
Staten Island Railway	-	-	-	-	-	-
Capital Construction Company	-	-	-	-	-	-
Bus Company	15	18	18	18	18	18

**Metropolitan Transportation Authority
November Financial Plan 2016-2019
Baseline Total Full-time Positions and Full-time Equivalents by Function and Occupational Group
Non-Reimbursable and Reimbursable**

FUNCTION/OCCUPATIONAL GROUP		2014 Actual	2015 November Forecast	2016 Final Proposed Budget	2017	2018	2019
Administration							
	Managers/Supervisors	1,482	1,500	1,503	1,502	1,500	1,495
	Professional, Technical, Clerical	2,632	3,068	3,145	3,157	3,170	3,187
	Operational Hourlies	26	158	150	154	148	148
	Total Administration	4,139	4,727	4,799	4,814	4,819	4,831
Operations							
	Managers/Supervisors	3,447	3,753	3,758	3,741	3,736	3,733
	Professional, Technical, Clerical	970	887	938	938	938	938
	Operational Hourlies	25,248	25,772	26,620	26,239	26,402	26,472
	Total Operations	29,665	30,411	31,315	30,917	31,075	31,142
Maintenance							
	Managers/Supervisors	5,251	5,473	5,540	5,523	5,483	5,476
	Professional, Technical, Clerical	1,830	1,892	1,919	1,919	1,915	1,927
	Operational Hourlies	22,963	23,749	24,005	24,110	23,931	23,973
	Total Maintenance	30,045	31,113	31,463	31,551	31,328	31,375
Engineering/Capital							
	Managers/Supervisors	549	602	622	622	623	619
	Professional, Technical, Clerical	1,383	1,414	1,463	1,467	1,469	1,468
	Operational Hourlies	15	22	22	22	22	2
	Total Engineering/Capital	1,947	2,038	2,107	2,111	2,114	2,089
Public Safety							
	Managers/Supervisors	439	477	491	491	491	491
	Professional, Technical, Clerical	677	154	155	156	156	157
	Operational Hourlies	533	1,107	1,155	1,155	1,155	1,185
	Total Public Safety	1,649	1,738	1,801	1,802	1,802	1,833
Baseline Total Positions							
	Managers/Supervisors	11,168	11,805	11,914	11,879	11,833	11,814
	Professional, Technical, Clerical	7,491	7,415	7,620	7,637	7,648	7,677
	Operational Hourlies	48,786	50,807	51,951	51,679	51,657	51,779
	Baseline Total Positions	67,445	70,027	71,485	71,195	71,138	71,270

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2016-2019
Year to Year Changes for Positions by Function and Agency
Baseline Total Non-Reimbursable - Reimbursable Positions
Full-Time Positions and Full Time Equivalents
Favorable/(Unfavorable)

Function	Change 2014-2015	Change 2015-2016	Change 2016-2017	Change 2017-2018	Change 2018-2019
Baseline Total Positions	(2,583)	(1,458)	290	57	(132)
NYC Transit	(617)	(900)	263	242	38
Long Island Rail Road	(177)	(123)	79	(216)	(84)
Metro-North Railroad	(563)	(131)	(8)	(5)	(5)
Bridges & Tunnels	(59)	(155)	(7)	(3)	(3)
Headquarters	(1,070)	(83)	(16)	(6)	(37)
Staten Island Railway	(28)	(11)	-	(1)	26
Capital Construction Company	(14)	-	-	-	-
Bus Company	(55)	(55)	(21)	46	(67)
Non-Reimbursable	(1,449)	(1,184)	(129)	(116)	(221)
NYC Transit	346	(888)	17	76	(1)
Long Island Rail Road	(224)	122	(81)	(223)	(108)
Metro-North Railroad	(435)	(127)	(21)	(5)	(5)
Bridges & Tunnels	(71)	(144)	(7)	(3)	(3)
Headquarters	(992)	(83)	(16)	(6)	(37)
Staten Island Railway	(23)	(11)	-	(1)	-
Capital Construction Company	-	-	-	-	-
Bus Company	(50)	(53)	(21)	46	(67)
Reimbursable	(1,134)	(274)	419	173	89
NYC Transit	(963)	(12)	246	166	39
Long Island Rail Road	47	(245)	160	7	24
Metro-North Railroad	(128)	(4)	13	-	-
Bridges & Tunnels	12	(11)	-	-	-
Headquarters	(78)	-	-	-	-
Staten Island Railway	(5)	-	-	(5)	26
Capital Construction Company	(14)	-	-	-	-
Bus Company	(5)	(2)	-	-	-
Total Full-Time	(2,662)	(1,408)	290	57	(132)
NYC Transit	(696)	(850)	263	242	38
Long Island Rail Road	(177)	(123)	79	(216)	(84)
Metro-North Railroad	(563)	(131)	(8)	(5)	(5)
Bridges & Tunnels	(59)	(155)	(7)	(3)	(3)
Headquarters	(1,070)	(83)	(16)	(6)	(37)
Staten Island Railway	(28)	(11)	-	(1)	26
Capital Construction Company	(14)	-	-	-	-
Bus Company	(55)	(55)	(21)	46	(67)
Total Full-Time-Equivalents	79	(50)	-	-	-
NYC Transit	79	(50)	-	-	-
Long Island Rail Road	-	-	-	-	-
Metro-North Railroad	-	-	-	-	-
Bridges & Tunnels	-	-	-	-	-
Headquarters	-	-	-	-	-
Staten Island Railway	-	-	-	-	-
Capital Construction Company	-	-	-	-	-
Bus Company	-	-	-	-	-

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2016-2019
Year to Year Changes for Positions by Function and Agency
Baseline Total Non-Reimbursable - Reimbursable Positions
Full-Time Positions and Full Time Equivalents
Favorable/(Unfavorable)

FUNCTION/DEPARTMENT	Change 2014-2015	Change 2015-2016	Change 2016-2017	Change 2017-2018	Change 2018-2019
Administration	(588)	(72)	(15)	(5)	(12)
NYC Transit	390	(39)	6	3	3
Long Island Rail Road	99	3	-	(8)	(7)
Metro-North Railroad	(62)	-	-	-	-
Bridges & Tunnels	41	-	-	-	-
Headquarters	(1,024)	(36)	(16)	(6)	(7)
Staten Island Railway	(5)	(1)	-	-	-
Capital Construction Company	(3)	-	-	-	-
Bus Company	(24)	1	(5)	6	(1)
Operations	(746)	(904)	398	(158)	(67)
NYC Transit	(566)	(681)	375	1	-
Long Island Rail Road	(69)	(32)	32	(159)	(67)
Metro-North Railroad	(82)	(51)	-	-	-
Bridges & Tunnels	(27)	(135)	-	-	-
Headquarters	-	-	-	-	-
Staten Island Railway	(13)	-	-	-	-
Capital Construction Company	-	-	-	-	-
Bus Company	11	(5)	(9)	-	-
Maintenance	(1,068)	(350)	(88)	223	(47)
NYC Transit	(433)	(125)	(118)	238	35
Long Island Rail Road	(183)	(76)	47	(49)	(11)
Metro-North Railroad	(394)	(77)	(8)	(5)	(5)
Bridges & Tunnels	(26)	(11)	(2)	-	-
Headquarters	-	-	-	-	-
Long Island Bus	-	-	-	-	-
Staten Island Railway	(2)	(10)	-	(1)	-
Capital Construction Company	-	-	-	-	-
Bus Company	(30)	(51)	(7)	40	(66)
Engineering/Capital	(92)	(69)	(4)	(3)	25
NYC Transit	24	(39)	-	-	-
Long Island Rail Road	(24)	(18)	-	-	1
Metro-North Railroad	(25)	(3)	-	-	-
Bridges & Tunnels	(39)	(9)	(4)	(3)	(2)
Headquarters	-	-	-	-	-
Staten Island Railway	(8)	-	-	-	26
Capital Construction Company	(11)	-	-	-	-
Bus Company	(9)	-	-	-	-
Public Safety	(89)	(63)	(1)	-	(31)
NYC Transit	(32)	(16)	-	-	-
Long Island Rail Road	-	-	-	-	-
Metro-North Railroad	-	-	-	-	-
Bridges & Tunnels	(8)	-	(1)	-	(1)
Headquarters	(46)	(47)	-	-	(30)
Staten Island Railway	-	-	-	-	-
Capital Construction Company	-	-	-	-	-
Bus Company	(3)	-	-	-	-

November Financial Plan 2016-2019
Year to Year Changes for Positions by Function and Occupational Group
Baseline Total Full-time Positions and Full-time Equivalents
Non-Reimbursable and Reimbursable
Favorable/(Unfavorable)

FUNCTION/OCCUPATIONAL GROUP	Change 2014-2015	Change 2015-2016	Change 2016-2017	Change 2017-2018	Change 2018-2019
Administration					
Managers/Supervisors	(19)	(3)	1	2	5
Professional, Technical, Clerical	(437)	(77)	(12)	(13)	(17)
Operational Hourlies	(132)	8	(4)	6	-
Total Administration	(588)	(72)	(15)	(5)	(12)
Operations					
Managers/Supervisors	(306)	(5)	17	5	3
Professional, Technical, Clerical	83	(51)	-	-	-
Operational Hourlies	(523)	(848)	381	(163)	(70)
Total Operations	(746)	(904)	398	(158)	(67)
Maintenance					
Managers/Supervisors	(221)	(67)	17	40	7
Professional, Technical, Clerical	(62)	(27)	-	4	(12)
Operational Hourlies	(785)	(256)	(105)	179	(42)
Total Maintenance	(1,068)	(350)	(88)	223	(47)
Engineering/Capital					
Managers/Supervisors	(53)	(20)	-	(1)	4
Professional, Technical, Clerical	(32)	(49)	(4)	(2)	1
Operational Hourlies	(7)	-	-	-	20
Total Engineering/Capital	(91)	(69)	(4)	(3)	25
Public Safety					
Managers/Supervisors	(38)	(14)	-	-	-
Professional, Technical, Clerical	523	(1)	(1)	-	(1)
Operational Hourlies	(574)	(48)	-	-	(30)
Total Public Safety	(89)	(63)	(1)	-	(31)
Baseline Total Positions					
Managers/Supervisors	(637)	(109)	35	46	19
Professional, Technical, Clerical	76	(205)	(17)	(11)	(29)
Operational Hourlies	(2,022)	(1,144)	272	22	(122)
Baseline Total Positions	(2,583)	(1,458)	290	57	(132)

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2016-2019
Baseline Change Between 2015 November Financial Plan vs. 2015 July Financial Plan
Total Non-Reimbursable - Reimbursable Positions
Full-Time Positions and Full Time Equivalents by Function and Agency
Favorable/(Unfavorable)

Category	2015	2016	2017	2018	2019
Baseline Total Positions	193	(1,683)	(1,281)	(1,473)	(1,480)
NYC Transit	82	(1,326)	(907)	(1,059)	(1,065)
Long Island Rail Road	(1)	(168)	(129)	(154)	(138)
Metro-North Railroad	5	(31)	(54)	(56)	(61)
Bridges & Tunnels	146	8	1	(2)	(5)
Headquarters	(37)	(114)	(130)	(136)	(143)
Staten Island Railway	(1)	(12)	(12)	(13)	(13)
Capital Construction Company	-	-	-	-	-
Bus Company	(1)	(40)	(50)	(53)	(55)
Non-Reimbursable	20	(1,131)	(899)	(958)	(992)
NYC Transit	78	(912)	(571)	(591)	(618)
Long Island Rail Road	(43)	80	9	(15)	(5)
Metro-North Railroad	(114)	(146)	(151)	(153)	(158)
Bridges & Tunnels	135	8	1	(2)	(5)
Headquarters	(33)	(110)	(126)	(132)	(139)
Staten Island Railway	(1)	(12)	(12)	(13)	(13)
Capital Construction Company	-	-	-	-	-
Bus Company	(1)	(38)	(48)	(51)	(53)
Reimbursable	172	(553)	(383)	(516)	(489)
NYC Transit	4	(414)	(336)	(468)	(447)
Long Island Rail Road	42	(248)	(138)	(139)	(133)
Metro-North Railroad	119	115	97	97	97
Bridges & Tunnels	11	-	-	-	-
Headquarters	(4)	(4)	(4)	(4)	(4)
Long Island Bus	-	-	-	-	-
Staten Island Railway	-	-	-	-	-
Capital Construction Company	-	-	-	-	-
Bus Company	-	(2)	(2)	(2)	(2)
Total Full-Time	205	(1,621)	(1,219)	(1,411)	(1,418)
NYC Transit	94	(1,264)	(845)	(997)	(1,003)
Long Island Rail Road	(1)	(168)	(129)	(154)	(138)
Metro-North Railroad	5	(31)	(54)	(56)	(61)
Bridges & Tunnels	146	8	1	(2)	(5)
Headquarters	(37)	(114)	(130)	(136)	(143)
Staten Island Railway	(1)	(12)	(12)	(13)	(13)
Capital Construction Company	-	-	-	-	-
Bus Company	(1)	(40)	(50)	(53)	(55)
Total Full-Time-Equivalents	(12)	(62)	(62)	(62)	(62)
NYC Transit	(12)	(62)	(62)	(62)	(62)
Long Island Rail Road	-	-	-	-	-
Metro-North Railroad	-	-	-	-	-
Bridges & Tunnels	-	-	-	-	-
Headquarters	-	-	-	-	-
Staten Island Railway	-	-	-	-	-
Capital Construction Company	-	-	-	-	-
Bus Company	-	-	-	-	-

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2016-2019
Baseline Change Between 2015 November Financial Plan vs. 2015 July Financial Plan
Total Non-Reimbursable - Reimbursable Positions
Full-Time Positions and Full Time Equivalents by Function and Agency
Favorable/(Unfavorable)

Function	2015	2016	2017	2018	2019
Administration	(79)	(202)	(188)	(196)	(203)
NYC Transit	(43)	(148)	(117)	(116)	(114)
Long Island Rail Road	2	6	6	6	6
Metro-North Railroad	-	8	8	8	8
Bridges & Tunnels	-	-	-	-	-
Headquarters	(37)	(67)	(83)	(89)	(96)
Staten Island Railway	-	(1)	(1)	(1)	(1)
Capital Construction Company	-	-	-	-	-
Bus Company	(1)	-	(1)	(4)	(6)
Operations	194	(854)	(342)	(515)	(491)
NYC Transit	54	(744)	(235)	(406)	(406)
Long Island Rail Road	1	(38)	(26)	(31)	(7)
Metro-North Railroad	-	(48)	(48)	(45)	(45)
Bridges & Tunnels	139	4	4	4	4
Headquarters	-	-	-	-	-
Staten Island Railway	-	-	-	-	-
Capital Construction Company	-	-	-	-	-
Bus Company	-	(28)	(37)	(37)	(37)
Maintenance	74	(437)	(556)	(563)	(584)
NYC Transit	70	(305)	(426)	(407)	(415)
Long Island Rail Road	(6)	(120)	(93)	(113)	(121)
Metro-North Railroad	5	12	(11)	(16)	(21)
Bridges & Tunnels	6	(1)	(3)	(3)	(3)
Headquarters	-	-	-	-	-
Staten Island Railway	(1)	(11)	(11)	(12)	(12)
Capital Construction Company	-	-	-	-	-
Bus Company	-	(12)	(12)	(12)	(12)
Engineering/Capital	3	(129)	(133)	(136)	(138)
NYC Transit	-	(114)	(114)	(114)	(114)
Long Island Rail Road	2	(16)	(16)	(16)	(16)
Metro-North Railroad	-	(3)	(3)	(3)	(3)
Bridges & Tunnels	1	4	-	(3)	(5)
Headquarters	-	-	-	-	-
Staten Island Railway	-	-	-	-	-
Capital Construction Company	-	-	-	-	-
Bus Company	-	-	-	-	-
Public Safety	1	(61)	(62)	(63)	(64)
NYC Transit	1	(15)	(15)	(16)	(16)
Long Island Rail Road	-	-	-	-	-
Metro-North Railroad	-	-	-	-	-
Bridges & Tunnels	-	1	-	-	(1)
Headquarters	-	(47)	(47)	(47)	(47)
Staten Island Railway	-	-	-	-	-
Capital Construction Company	-	-	-	-	-
Bus Company	-	-	-	-	-
Baseline Total Positions	193	(1,683)	(1,281)	(1,473)	(1,480)

Metropolitan Transportation Authority
November Financial Plan 2016-2019
Baseline Change Between 2015 November Financial Plan vs. 2015 July Financial Plan
Non-Reimbursable and Reimbursable
Full-time Positions and Full-time Equivalents by Occupational Group and Agency
Favorable/(Unfavorable)

FUNCTION/OCCUPATIONAL GROUP	2015 November Forecast	2016 Final Proposed Budget	2017	2018	2019
Administration					
Managers/Supervisors	(1)	(33)	(55)	(54)	(52)
Professional, Technical, Clerical	(12)	(89)	(63)	(72)	(81)
Operational Hourlies	(66)	(80)	(70)	(70)	(70)
Total Administration	(79)	(202)	(188)	(196)	(203)
Operations					
Managers/Supervisors	19	(12)	5	(7)	(5)
Professional, Technical, Clerical	3	(50)	(53)	(53)	(53)
Operational Hourlies	172	(792)	(294)	(455)	(433)
Total Operations	194	(854)	(342)	(515)	(491)
Maintenance					
Managers/Supervisors	(29)	(163)	(151)	(157)	(163)
Professional, Technical, Clerical	17	(73)	(86)	(96)	(117)
Operational Hourlies	86	(201)	(319)	(310)	(304)
Total Maintenance	74	(437)	(556)	(563)	(584)
Engineering/Capital					
Managers/Supervisors	-	(72)	(72)	(73)	(73)
Professional, Technical, Clerical	3	(57)	(61)	(63)	(65)
Operational Hourlies	-	-	-	-	-
Total Engineering/Capital	3	(129)	(133)	(136)	(138)
Public Safety					
Managers/Supervisors	(2)	(17)	(17)	(18)	(18)
Professional, Technical, Clerical	-	-	(1)	(1)	(2)
Operational Hourlies	3	(44)	(44)	(44)	(44)
Total Public Safety	1	(61)	(62)	(63)	(64)
Baseline Total Positions					
Managers/Supervisors	(13)	(297)	(290)	(309)	(311)
Professional, Technical, Clerical	11	(269)	(264)	(285)	(318)
Operational Hourlies	195	(1,117)	(727)	(879)	(851)
Baseline Total Positions	193	(1,683)	(1,281)	(1,473)	(1,480)

III. Other MTA Consolidated Materials

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2016-2019
MTA Consolidated Statement Of Operations By Category
(\$ in millions)

Line No.	Non-Reimbursable	2014 Actual	2015 November Forecast	2016 Final Proposed Budget	2017	2018	2019
10	Operating Revenue						
11	Farebox Revenue	\$5,709	\$5,929	\$6,072	\$6,119	\$6,159	\$6,183
12	Toll Revenue	1,676	1,792	1,809	1,818	1,831	1,844
13	Other Revenue	682	662	661	677	699	724
14	Capital and Other Reimbursements	0	0	0	0	0	0
15	Total Operating Revenue	\$8,068	\$8,382	\$8,542	\$8,614	\$8,688	\$8,752
17	Operating Expense						
18	Labor Expenses:						
19	Payroll	\$4,672	\$4,689	\$4,870	\$5,016	\$5,130	\$5,236
20	Overtime	730	755	735	745	760	775
21	Health & Welfare	962	1,052	1,173	1,241	1,323	1,413
22	OPEB Current Payment	479	529	577	615	663	717
23	Pensions	1,304	1,282	1,285	1,252	1,244	1,269
24	Other-Fringe Benefits	784	644	653	680	708	728
25	Reimbursable Overhead	(350)	(391)	(420)	(407)	(400)	(403)
26	Sub-total Labor Expenses	\$8,582	\$8,560	\$8,874	\$9,141	\$9,428	\$9,736
28	Non-Labor Expenses:						
29	Electric Power	\$516	\$500	\$503	\$527	\$559	\$594
30	Fuel	267	188	180	189	215	241
31	Insurance	51	52	55	60	67	75
32	Claims	269	260	243	247	251	255
33	Paratransit Service Contracts	366	383	407	426	463	502
34	Maintenance and Other Operating Contracts	549	612	714	724	670	684
35	Professional Service Contracts	283	414	458	400	402	410
36	Materials & Supplies	527	558	617	608	601	619
37	Other Business Expenses	180	208	195	195	203	201
38	Sub-total Non-Labor Expenses	\$3,007	\$3,176	\$3,372	\$3,376	\$3,431	\$3,580
40	Other Expense Adjustments:						
41	Other	\$45	\$43	\$45	\$46	\$47	\$49
42	General Reserve	0	0	150	155	160	165
43	Sub-total Other Expense Adjustments	\$45	\$43	\$195	\$201	\$207	\$214
45	Total Operating Expense before Non-Cash Liability Adj.	\$11,634	\$11,778	\$12,441	\$12,718	\$13,065	\$13,530
47	Depreciation	\$2,266	\$2,380	\$2,456	\$2,656	\$2,728	\$2,798
48	OPEB Obligation	2,035	2,030	2,114	2,199	2,287	2,378
49	Environmental Remediation	21	7	7	7	7	7
51	Total Operating Expense after Non-Cash Liability Adj.	\$15,956	\$16,194	\$17,017	\$17,580	\$18,088	\$18,713
53	Conversion to Cash Basis: Non-Cash Liability Adjs.	\$4,322	\$4,416	\$4,576	\$4,862	\$5,022	\$5,183
55	Debt Service (excludes Service Contract Bonds)	(2,249)	(2,383)	(2,660)	(2,888)	(3,071)	(3,204)
57	Total Operating Expense with Debt Service	\$13,882	\$14,161	\$15,101	\$15,606	\$16,136	\$16,734
59	Dedicated Taxes and State/Local Subsidies	\$6,375	\$6,625	\$6,574	\$6,709	\$6,830	\$7,034
61	Net Surplus/(Deficit) After Subsidies and Debt Service	\$561	\$847	\$15	(\$283)	(\$618)	(\$948)
63	Conversion to Cash Basis: GASB Account	(50)	(0)	0	0	(9)	(19)
64	Conversion to Cash Basis: All Other	(496)	(247)	(146)	(78)	(26)	91
66	CASH BALANCE BEFORE PRIOR-YEAR CARRYOVER	\$15	\$600	(\$131)	(\$361)	(\$653)	(\$877)

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2016-2019
MTA Consolidated Statement Of Operations By Category
(\$ in millions)

Line

No	Reimbursable	2014	2015	2016	2017	2018	2019
		Actual	November Forecast	Final Proposed Budget			
10	Operating Revenue						
11	Farebox Revenue	\$0	\$0	\$0	\$0	\$0	\$0
12	Toll Revenue	0	0	0	0	0	0
13	Other Revenue	0	0	0	0	0	0
14	Capital and Other Reimbursements	1,688	1,912	1,978	1,897	1,875	1,886
15	Total Operating Revenue	\$1,688	\$1,912	\$1,978	\$1,897	\$1,875	\$1,886
17	Operating Expense						
18	Labor Expenses:						
19	Payroll	\$537	\$627	\$679	\$669	\$663	\$668
20	Overtime	196	191	150	144	140	142
21	Health & Welfare	52	65	69	69	70	72
22	OPEB Current Payment	7	8	9	10	10	11
23	Pensions	74	87	87	85	84	85
24	Other-Fringe Benefits	178	205	223	218	215	216
25	Reimbursable Overhead	348	391	417	404	397	400
26	Subtotal Labor Expenses	\$1,391	\$1,573	\$1,634	\$1,599	\$1,579	\$1,594
28	Non-Labor Expenses:						
29	Electric Power	\$1	\$1	\$1	\$0	\$0	\$0
30	Fuel	0	0	0	0	0	0
31	Insurance	8	10	12	12	12	12
32	Claims	0	0	0	0	0	0
33	Paratransit Service Contracts	1	0	0	0	0	0
34	Maintenance and Other Operating Contracts	76	68	71	58	59	60
35	Professional Service Contracts	72	92	77	64	64	57
36	Materials & Supplies	128	170	182	163	160	162
37	Other Business Expenses	10	(3)	1	1	1	1
38	Subtotal Non-Labor Expenses	\$296	\$339	\$344	\$298	\$296	\$292
40	Other Expense Adjustments:						
41	Other	\$0	\$0	\$0	\$0	\$0	\$0
42	Subtotal Other Expense Adjustments	\$0	\$0	\$0	\$0	\$0	\$0
48	Total Operating Expense	\$1,688	\$1,912	\$1,978	\$1,897	\$1,875	\$1,886
50	Baseline Surplus/(Deficit)	\$0	\$0	\$0	\$0	\$0	\$0

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2016-2019
MTA Consolidated Statement Of Operations By Category
(\$ in millions)

Line Number	2014 Actual	2015 November Forecast	2016 Final Proposed Budget	2017	2018	2019
7	Non-Reimbursable / Reimbursable					
10	<u>Operating Revenue</u>					
11	Farebox Revenue	\$5,709	\$5,929	\$6,072	\$6,119	\$6,183
12	Toll Revenue	1,676	1,792	1,809	1,818	1,844
13	Other Revenue	682	662	661	677	724
14	Capital and Other Reimbursements	1,688	1,912	1,978	1,897	1,886
15	Total Operating Revenue	\$9,756	\$10,294	\$10,520	\$10,511	\$10,638
17	<u>Operating Expense</u>					
18	Labor Expenses:					
19	Payroll	\$5,209	\$5,316	\$5,549	\$5,685	\$5,904
20	Overtime	926	946	885	889	917
21	Health & Welfare	1,014	1,117	1,242	1,310	1,485
22	OPEB Current Payment	487	537	586	624	728
23	Pensions	1,378	1,368	1,372	1,337	1,354
24	Other-Fringe Benefits	962	850	876	898	944
25	Reimbursable Overhead	(2)	(1)	(3)	(3)	(3)
26	Sub-total Labor Expenses	\$9,973	\$10,133	\$10,508	\$10,740	\$11,330
28	Non-Labor Expenses:					
29	Electric Power	\$517	\$502	\$504	\$528	\$594
30	Fuel	268	188	180	189	241
31	Insurance	59	62	67	71	87
32	Claims	269	260	243	247	255
33	Paratransit Service Contracts	367	383	407	426	502
34	Maintenance and Other Operating Contracts	625	680	785	782	744
35	Professional Service Contracts	355	507	535	464	467
36	Materials & Supplies	655	728	799	771	781
37	Other Business Expenses	190	204	196	196	202
38	Sub-total Non-Labor Expenses	\$3,303	\$3,514	\$3,716	\$3,674	\$3,872
40	Other Expense Adjustments:					
41	Other	\$45	\$43	\$45	\$46	\$49
42	General Reserve	0	0	150	155	165
43	Sub-total Other Expense Adjustments	\$45	\$43	\$195	\$201	\$214
45	Total Operating Expense before Non-Cash Liability Adjs.	\$13,321	\$13,690	\$14,419	\$14,615	\$15,416
47	Depreciation	\$2,266	\$2,380	\$2,456	\$2,656	\$2,798
48	OPEB Obligation	2,035	2,030	2,114	2,199	2,378
49	Environmental Remediation	21	7	7	7	7
51	Total Operating Expense	\$17,643	\$18,106	\$18,995	\$19,477	\$20,599
53	Net Operating Deficit Before Subsidies and Debt Service	(\$7,888)	(\$7,812)	(\$8,475)	(\$8,966)	(\$9,961)
55	Conversion to Cash Basis: Non-Cash Liability Adjs.	\$4,322	\$4,416	\$4,576	\$4,862	\$5,183
57	Debt Service (excludes Service Contract Bonds)	(2,249)	(2,383)	(2,660)	(2,888)	(3,204)
59	Total Operating Expense with Debt Service	\$15,570	\$16,072	\$17,079	\$17,503	\$18,620
61	Dedicated Taxes and State/Local Subsidies	\$6,375	\$6,625	\$6,574	\$6,709	\$7,034
63	Net Deficit After Subsidies and Debt Service	\$561	\$847	\$15	(\$283)	(\$948)
65	Conversion to Cash Basis: GASB Account	(50)	(0)	0	0	(9)
66	Conversion to Cash Basis: All Other	(496)	(247)	(146)	(78)	91
68	CASH BALANCE BEFORE PRIOR-YEAR CARRY-OVER	\$15	\$600	(\$131)	(\$361)	(\$877)

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2016-2019
MTA Consolidated Cash Receipts and Expenditures
(\$ in millions)

Line
No

7	Cash Receipts and Expenditures	2015		2016			
8		2014	November	Final Proposed			
9		<u>Actual</u>	<u>Forecast</u>	<u>Budget</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
10	Receipts						
11	Farebox Revenue	\$5,734	\$5,960	\$6,099	\$6,145	\$6,185	\$6,211
12	Other Operating Revenue	705	730	719	819	744	784
13	Capital and Other Reimbursements	1,492	1,965	1,957	1,866	1,840	1,847
14	Total Receipts	\$7,931	\$8,655	\$8,775	\$8,830	\$8,769	\$8,842
15							
16	Expenditures						
17	Labor:						
18	Payroll	\$5,257	\$5,278	\$5,350	\$5,484	\$5,583	\$5,689
19	Overtime	875	945	854	859	869	886
20	Health and Welfare	975	1,096	1,204	1,275	1,351	1,441
21	OPEB Current Payment	470	517	568	606	654	708
22	Pensions	1,351	1,311	1,338	1,306	1,297	1,311
23	Other Fringe Benefits	738	805	821	835	857	874
24	Contribution to GASB Fund	50	0	0	0	9	19
25	Reimbursable Overhead	0	0	(0)	0	(0)	(0)
26	Total Labor Expenditures	\$9,716	\$9,952	\$10,137	\$10,365	\$10,620	\$10,928
27							
28	Non-Labor:						
29	Electric Power	\$520	\$498	\$500	\$524	\$554	\$589
30	Fuel	264	186	176	186	212	236
31	Insurance	41	52	52	56	63	71
32	Claims	251	257	271	220	224	228
33	Paratransit Service Contracts	366	381	405	424	461	500
34	Maintenance and Other Operating Contracts	526	574	663	653	576	579
35	Professional Service Contracts	304	408	496	408	405	401
36	Materials & Supplies	691	686	774	765	757	778
37	Other Business Expenditures	233	256	224	217	222	219
38	Total Non-Labor Expenditures	\$3,196	\$3,298	\$3,562	\$3,454	\$3,474	\$3,601
39							
40	Other Expenditure Adjustments:						
41	Other	\$25	\$73	\$141	\$121	\$102	\$105
42	General Reserve	0	0	150	155	160	165
43	Total Other Expenditure Adjustments	\$25	\$73	\$291	\$276	\$262	\$270
44							
45	Total Expenditures	\$12,936	\$13,323	\$13,990	\$14,095	\$14,355	\$14,799
46							
47	Net Cash Deficit Before Subsidies and Debt Service	(\$5,005)	(\$4,668)	(\$5,215)	(\$5,265)	(\$5,587)	(5,957)
48							
49	Dedicated Taxes and State/Local Subsidies	\$6,666	\$7,016	\$7,071	\$7,099	\$7,291	\$7,531
50	Debt Service (excludes Service Contract Bonds)	(\$1,646)	(\$1,749)	(\$1,987)	(\$2,195)	(\$2,358)	(\$2,450)
51							
52	CASH BALANCE BEFORE PRIOR-YEAR CARRY-OVER	\$15	\$600	(\$131)	(\$361)	(\$653)	(\$877)

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2016-2019
Cash Conversion Detail
(\$ in millions)

	2014	2015	2016			
	Actual	November Forecast	Final Proposed Budget	2017	2018	2019
<u>Depreciation</u>						
New York City Transit	\$1,520	\$1,638	\$1,688	\$1,863	\$1,913	\$1,965
Long Island Rail Road	325	324	327	330	334	337
Metro-North Railroad	232	227	234	234	234	234
MTA Headquarters	29	29	36	49	58	64
MTA Bus Company	49	42	42	43	44	44
Staten Island Railway	8	8	8	8	8	8
Bridges & Tunnels	104	112	120	128	137	146
<i>Sub-Total</i>	\$2,266	\$2,380	\$2,456	\$2,656	\$2,728	\$2,798
<u>Other Post Employment Benefits</u>						
New York City Transit	\$1,638	\$1,616	\$1,681	\$1,748	\$1,818	\$1,891
Long Island Rail Road	75	75	77	79	81	84
Metro-North Railroad	58	68	68	68	68	68
MTA Headquarters	86	96	111	124	135	147
MTA Bus Company	105	100	100	100	100	100
Staten Island Railway	2	2	2	2	2	2
Bridges & Tunnels	71	72	74	77	81	85
<i>Sub-Total</i>	\$2,035	\$2,030	\$2,114	\$2,199	\$2,287	\$2,378
<u>Environmental Remediation</u>						
New York City Transit	\$12	\$0	\$0	\$0	\$0	\$0
Long Island Rail Road	6	2	2	2	2	2
Metro-North Railroad	2	5	5	5	5	5
MTA Bus Company	1	0	0	0	0	0
Staten Island Railway	(0)	0	0	0	0	0
Bridges & Tunnels	0	0	0	0	0	0
<i>Sub-Total</i>	\$21	\$7	\$7	\$7	\$7	\$7
<u>Net Operating Surplus/(Deficit)</u>						
New York City Transit	(\$231)	(\$5)	(\$3)	(\$20)	(\$29)	(\$38)
Long Island Rail Road	(68)	76	(13)	(4)	(8)	(14)
Metro-North Railroad	(1)	(118)	(64)	(55)	(34)	(18)
MTA Headquarters	53	64	45	182	122	145
MTA Bus Company	3	(4)	10	12	12	15
Staten Island Railway	3	(5)	0	0	(0)	(0)
First Mutual Transportation Assurance Company	(11)	10	(1)	(5)	(14)	(20)
Other	27	24	11	22	24	26
<i>Sub-Total</i>	(\$226)	\$43	(\$15)	\$132	\$74	\$95
<u>Subsidies</u>						
New York City Transit	(\$170)	(\$372)	(\$243)	(\$264)	(\$216)	(\$133)
Commuter Railroads	(161)	104	81	83	104	137
MTA Headquarters	(34)	(22)	(26)	(26)	(25)	(25)
MTA Bus Company	54	8	71	(16)	22	(2)
Staten Island Railway	(9)	(8)	(14)	13	6	(1)
<i>Sub-Total</i>	(\$320)	(\$290)	(\$131)	(\$210)	(\$109)	(\$24)
Total Cash Conversion	\$3,776	\$4,169	\$4,430	\$4,784	\$4,987	\$5,254

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2016-2019
Changes Year-to-Year By Category

Favorable/(Unfavorable)
(\$ in millions)

Line Number	Non-Reimbursable	2015 November Forecast	2016 Final Proposed Budget	Change 2015 - 2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018 - 2019
9										
10										
11										
12	Operating Revenue									
13	Farebox Revenue	\$5,929	\$6,072	\$144	\$6,119	\$46	\$6,159	\$40	\$6,183	\$25
14	Toll Revenue	1,792	1,809	16	1,818	9	1,831	13	1,844	14
15	Other Revenue	662	661	(1)	677	17	699	22	724	25
16	Capital and Other Reimbursements	0	0	0	0	0	0	0	0	0
17	Total Operating Revenue	\$8,382	\$8,542	\$159	\$8,614	\$72	\$8,688	\$75	\$8,752	\$64
18										
19	Operating Expense									
20	Labor Expenses:									
21	Payroll ¹	\$4,689	\$4,870	(\$181)	\$5,016	(\$146)	\$5,130	(\$114)	\$5,236	(\$106)
22	Overtime	755	735	20	745	(9)	760	(15)	775	(16)
23	Health & Welfare	1,052	1,173	(121)	1,241	(68)	1,323	(81)	1,413	(90)
24	OPEB Current Payment	529	577	(48)	615	(38)	663	(49)	717	(54)
25	Pensions	1,282	1,285	(4)	1,252	33	1,244	8	1,269	(25)
26	Other-Fringe Benefits	644	653	(9)	680	(27)	708	(28)	728	(20)
27	Reimbursable Overhead	(391)	(420)	29	(407)	(13)	(400)	(7)	(403)	3
28	Sub-total Labor Expenses	\$8,560	\$8,874	(\$314)	\$9,141	(\$267)	\$9,428	(\$286)	\$9,736	(\$308)
29										
30	Non-Labor Expenses:									
31	Traction and Propulsion Power	\$500	\$503	(\$3)	\$527	(\$24)	\$559	(\$31)	\$594	(\$35)
32	Fuel for Buses and Trains	188	180	9	189	(9)	215	(26)	241	(25)
33	Insurance	52	55	(3)	60	(5)	67	(7)	75	(8)
34	Claims	260	243	17	247	(5)	251	(3)	255	(5)
35	Paratransit Service Contracts	383	407	(24)	426	(20)	463	(37)	502	(39)
36	Maintenance and Other Operating Contracts	612	714	(102)	724	(10)	670	53	684	(14)
37	Professional Service Contracts	414	458	(44)	400	58	402	(2)	410	(8)
38	Materials & Supplies	558	617	(60)	608	9	601	7	619	(18)
39	Other Business Expenses	208	195	13	195	(0)	203	(8)	201	3
40	Sub-total Non-Labor Expenses	\$3,176	\$3,372	(\$196)	\$3,376	(\$4)	\$3,431	(\$55)	\$3,580	(\$149)
41										
42	Other Expense Adjustments:									
43	Other	\$43	\$45	(2)	\$46	(1)	\$47	(1)	\$49	(2)
44	General Reserve	0	150	(150)	155	(5)	160	(5)	165	(5)
45	Sub-total Other Expense Adjustments	\$43	\$195	(\$152)	\$201	(\$6)	\$207	(\$6)	\$214	(\$7)
46										
47	Depreciation	2,380	2,456	(76)	2,656	(201)	2,728	(72)	2,798	(70)
48	OPEB Obligation	2,030	2,114	(84)	2,199	(85)	2,287	(88)	2,378	(91)
49	Environmental Remediation	7	7	(0)	7	0	7	0	7	0
50										
51	Total Operating Expense after Non-Cash Liability Adj.	\$16,194	\$17,017	(\$823)	\$17,580	(\$563)	\$18,088	(\$508)	\$18,713	(\$625)
52										
53	Conversion to Cash Basis: Non-Cash Liability Adjs.	\$4,416	\$4,576	(\$277)	\$4,862	(\$228)	\$5,022	(\$183)	\$5,183	(\$133)
54										
55	Debt Service (excludes Service Contract Bonds)	(2,383)	(2,660)	(277)	(2,888)	(228)	(3,071)	(183)	(3,204)	(133)
56										
57	Total Operating Expense with Debt Service	\$14,161	\$15,101	\$940	\$15,606	\$505	\$16,136	\$531	\$16,734	\$597
58										
59	Dedicated Taxes and State/Local Subsidies	\$6,625	\$6,574	(\$51)	\$6,709	\$136	\$6,830	\$121	\$7,034	\$204
60										
61	Net Surplus/(Deficit) After Subsidies and Debt Service	\$847	\$15	(\$832)	(\$283)	(\$297)	(\$618)	(\$335)	(\$948)	(\$330)
62										
63	Conversion to Cash Basis: GASB Account	(0)	0	(0)	0	0	(9)	9	(19)	10
64	Conversion to Cash Basis: All Other	(247)	(146)	(101)	(78)	(68)	(26)	(52)	91	(117)
65	Net Cash Balance from Previous Year	289	289	0	123	(166)	36	(88)	55	20
66	CASH BALANCE BEFORE PRIOR YEAR CARRYOVER	\$600	(\$131)	(731)	(\$361)	(230)	(\$653)	(293)	(\$877)	(223)

METROPOLITAN TRANSPORTATION AUTHORITY

November Financial Plan 2016-2019

Non-Recurring Revenue and Savings

(\$ in millions)

		2015 November Forecast	2016 Final Proposed Budget	2017 Plan	2018 Plan	2019 Plan
		Explanation	Explanation	Explanation	Explanation	Explanation
Multi-Agency	Hurricane Irene Reimbursement (August 2011)	\$ 1.7 FEMA/FTA reimbursement due to Hurricane Irene	\$ -	\$ -	\$ -	\$ -
LIRR	2014 Prepaid Pension	\$ 28.0 Prepayment was made to MTA DB plan at end of 2014	\$ -	\$ -	\$ -	\$ -
LIRR	Federal Reimbursement for major weather events	\$ 1.2 NEMO, Irene, Rainstorm of 2010	\$ -	\$ -	\$ -	\$ -
Total Non-Recurring Resources (> or = \$1 million)		\$ 30.9	\$ -	\$ -	\$ -	\$ -

METROPOLITAN TRANSPORTATION AUTHORITY
November Financial Plan 2016-2019
Operating Budget Reserves - Baseline
(\$ in millions)

	2015 November <u>Forecast</u>	2016 Final Proposed <u>Budget</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
MTA General Reserve (annual)	\$0.0	\$150.0	\$155.0	\$160.0	\$165.0
GASB Fund Reserve ^{1,2,3}	\$147.4	\$147.4	\$147.4	\$156.7	\$176.4
MTA Retiree Welfare Benefits Trust ¹	\$300.0	\$300.0	\$300.0	\$300.0	\$300.0

¹ Cumulative balances

² MTA will occasionally move funds from the GASB Fund Reserve into the MTA Retiree Welfare Benefits Trust Fund.

³ These figures reflect the below-the-line adjustments that were made to the GASB Fund Reserve, which included a withdrawal of \$254 million as noted in the 2014 July Plan, and a total of \$533 million in suspended contributions from 2014 to 2017 to fund labor settlements.

IV. MTA Capital Program Information

New York City Transit
2015 Commitments Goal
All \$ in millions

ACEP	Project Description	2015 Commitments
2005-2009		
T50414/19	Intermodal: Rockaway Parkway / Canarsie	\$ 1.4
	Element Total	\$ 1.4
T50806/22	PA/CIS: B Division Furnish/Install CIS 89 Stations	\$ 8.4
	Element Total	\$ 8.4
T51199/03	Yard Rehabilitation: Yard Fencing: 2 Locations	\$ 12.9
T51199/04	Yard Rehabilitation: Yard Fencing: Fresh Pond Yard	\$ 8.3
	Element Total	\$ 21.2
T51203/10	Replacement of Existing Roof - Ph1 @ E. NY Bus Depot [SBMP]	\$ 3.1
T51203/11	Replacement of Existing Roof - Ph2 @ E. NY Bus Depot [SBMP]	\$ 2.8
	Element Total	\$ 5.9
T51204/08	BRT: Traffic Signal Priority Hardware (SBS)-200 Buses(Pilot)	\$ 2.1
T51204/13	Replace Generator at Casey Stengel Depot	\$ 4.3
T51204/16	Ulmer Park Depot: Roof Replacement	\$ 2.4
T51204/28	Ulmer Park Depot: Mezzanine Extension [SBMP]	\$ 2.6
	Element Total	\$ 11.3
2010-2014		
ES0702/15	Sandy Repairs: Tower B Employee Facilities - Long Term	\$ 1.5
	Element Total	\$ 1.5
ET0402/19	Sandy Repairs: South Ferry Station Rooms [SBFP]	\$ 3.3
	Element Total	\$ 3.3
ET0403	Sandy Mitigation: Costal Storm MCD	\$ 101.2
ET0403/12	Sandy Mitigation: Stairway CvrMarine Doors"A"Low Mnh-6 Stns[SBFP]	\$ 4.1
ET0403/14	Sandy Mitigation: Stairwell Prot (Flexgates) - 8 stations	\$ 23.5
ET0403/15	Sandy Mitigation: Hatches (5 of 8 Stations) [SBFP]	\$ 3.0
	Element Total	\$ 131.8
ET0502/12	Sandy Repairs: Track - 53 St Tube QBL	\$ 10.5
	Element Total	\$ 10.5
ET0602/16	Sandy Repairs: Tunnel Lighting - Joralemon Tube	\$ 22.0
	Element Total	\$ 22.0
ET0603	Sandy Mitigation: Fan Plant 7207, South Ferry, Manhattan	\$ 98.7
ET0603/06	Sandy Mitigation:14 Fan - Above Grade Surface Protect [SBFP]	\$ 4.6
ET0603/08	Sandy Mitigation:Hatch Repl/MCD Prototype 'A' 14 Fan Plant [SBFP]	\$ 4.3
ET0603/09	Sandy Mitigation:Hatch Repl 'B' 14 Fan Plant [SBFP]	\$ 4.5
ET0603/10	Sandy Mitigation:Conduit/Duct Penetrations-Fac&Mnhhole[SBFP]	\$ 2.3
	Element Total	\$ 114.4
ET0802/15	Sandy Repairs: Signals - 53 St Tube QBL	\$ 11.1
ET0802/19	Sandy Repairs: Revenue Facility Microwave Comm System	\$ 1.8
	Element Total	\$ 12.9
ET0902/18	Sandy Repairs: Substation Equipment - Joralemon Tube	\$ 4.7
ET0902/21	Sandy Repairs: Comm/Power Cable & Ducts - Joralemon Tube	\$ 30.4
ET0902/25	Sandy Repairs: Comm/Power Cable Replacement- 53 St Tube QBL (2014 "Major" Goal Slip)	\$ 40.6
ET0902/26	Sandy Repairs: CBH (#565 & 603) 53 St Tube QBL	\$ 7.9

New York City Transit
2015 Commitments Goal
All \$ in millions

ACEP	Project Description	2015 Commitments
ET0902/38	Sandy Repairs: Substation Equipment (SS#216) - 53 St Tube	\$ 17.0
	Element Total	\$ 100.6
ET1002/09	Sandy Repairs: Power Cable Replacement - 148th St Yard	\$ 10.1
	Element Total	\$ 10.1
ET1003	Long-Term Perimeter Protection, 148 St Yard	\$ 125.0
	Element Total	\$ 125.0
S60701	SIR: Power: New Power Substation: Tottenville *	\$ 5.3
	Element Total	\$ 5.3
T60302/15	Purchase 231 Articulated Buses (2014 "Major" Goal Slip)	\$ 202.0
T60302/17	Purchase 30 Paratransit Vehicles	\$ 1.7
T60302/29	On-Board Audio Visual (OBAV) PILOT: Software Platform Devel	\$ 2.9
T60302	Purchase 138 Standard CNG Buses *	\$ 0.3
T60302/30	Purchase 72 Standard Diesel Buses	\$ 41.8
	Element Total	\$ 248.7
T60404/01	HEET NR Electronics Replacement Ph I	\$ 42.7
	Element Total	\$ 42.7
T60407/05	Elevator Replacement: 7 Hydraulic Elevators / Lexington	\$ 21.2
	Element Total	\$ 21.2
T60412	Station Ventilators: Ph 8 - 3 Loc / Southeast Brooklyn	\$ 5.9
T60412/17	Station Renewal: Kings Highway / Sea Beach (2014 "Major" Goal Slip)	\$ 31.7
T60412/20	Station Renewal: Avenue U / Sea Beach (2014 "Major" Goal Slip)	\$ 33.4
T60412/21	Station Renewal: 86 Street / Sea Beach (2014 "Major" Goal Slip)	\$ 27.4
T60412/60	Station Component: 4 Stations / Jamaica	\$ 37.8
T60412/93	Station Component: 2 Locations / QBL	\$ 10.1
T60412/98	Street Stairs: Ditmars Blvd / Astoria (S2/S3) [SBMP]	\$ 1.3
T60412/A2	Street Stairs: Grand St / Canarsie [SBMP]	\$ 2.2
T60412/A4	Station Component: Eastchester-Dyre Av / Dyre	\$ 22.3
T60412/C2	Station Component: Aqueduct-North Conduit Av / RKY	\$ 3.8
T60412/C3	Station Component: Station Components: 2 Locations / Canarsie	\$ 10.9
T60412/C4	Station Components: 4 Locations / 8th Avenue	\$ 21.3
T60412/C5	2 Street Stairs: Broadway / Astoria (S1/S3) [SBMP]	\$ 1.3
T60412/C7	Station Component: 3 Street Stairs: Rector Street / Broadway (NB) [SBMP]	\$ 2.7
T60412/F2	Station Ventilators: Ph 7 - 8 Loc /Lower Manhattan	\$ 5.1
T60412/F6	4 Street Stairs: Avenue N / Culver [SBMP]	\$ 4.3
T60412/F7	Station Painting at Component Locations: 3 Loc / Jamaica	\$ 4.4
T60412/F8	Platform Components: 50 Street / 8th Avenue (Lower Level)	\$ 2.1
T60412/G1	4 Street Stairs: 23 Street / 8th Avenue (S1-S4) [SBMP]	\$ 1.3
T60412	Station Renewal: Astoria Boulevard / Astoria *	\$ 1.6
T60414	Station Signage (2016) *	\$ 0.5
T60412/G2	5 Street Stairs: 23 Street / 8th Avenue (S7-S11) [SBMP]	\$ 1.5
T60412/G3	Station Component: 2 Street Stairs: 23 Street / 8th Avenue (S5/S6) [SBMP]	\$ 0.8
	Element Total	\$ 233.6
T60413/04	ADA: Platform Gap Retrofit Phase 1 - 14 Stations	\$ 0.2
T60413/07	ADA: 68 St-Hunter College / Lexington	\$ 1.0

New York City Transit
2015 Commitments Goal
All \$ in millions

ACEP	Project Description	2015 Commitments
T60413/11	ADA: Phase 2: 57 Street - 7 Avenue / Broadway (2014 "Major" Goal Slip)	\$ 37.3
	Element Total	\$ 38.4
T60502/15	Mainline Track:2015 DES/EFA	\$ 2.9
T60502	Mainline Track Replacement 2015 / Canarsie *	\$ 158.6
T60502/07	Continuous Welded Rail 2015 / QBL *	\$ 11.8
T60502/21	Mainline Track Replacement 2011 at Dyre Av	\$ 1.1
	Element Total	\$ 174.4
T60503	Mainline Track Switches 2015 / 6th Avenue *	\$ 9.9
T60503/06	Mainline Switches - 2015 DES/EFA	\$ 3.3
	Element Total	\$ 13.2
T60604/04	Pumps: 2 Locations - Manhattan	\$ 0.4
	Element Total	\$ 0.4
T60703/12	Rehab Retaining Walls / Sea Beach (Southern 3)	\$ 19.2
T60703/16	Subway Tunnel Rehabilitation: Priority Repairs: 4th Avenue	\$ 0.5
T60703	Overcoating: Williamsburg Bridge - Myrtle Avenue / Jamaica *	\$ 4.0
T60703/32	Overcoating: Bridge Work at Dyre Ave Station	\$ 2.7
	Element Total	\$ 26.4
T60803/19	CBTC Queens Boulevard West - 50 Street to 71 Av: Phase 1	\$ 213.6
T60803	AC to DC Line Relay Conversions Phase 2 / FUL *	\$ 13.5
T60803/24	CBTC: Equipment Supplier Interoperability	\$ 38.4
	Element Total	\$ 265.5
T60806/05	Comm Room Upgrade And Expansion-Phase 1	\$ 16.9
T60806/10	PBX Upgrade, Phase I	\$ 22.4
T60806/20	Hydrogen Gas Ventilation:19 Communications Rooms	\$ 4.8
T60806/28	ISIMt B-Div: Module 1 GRP1	\$ 12.3
T60806/29	ISIMt B-Div: Module 1 GRP2	\$ 19.1
T60806/30	ISIMt B-Div: Module 1 GRP3	\$ 11.7
T60806/31	Public Address/Customer Info Systems: ISIM B-Div Module 2: Comm Room Upgrades	\$ 45.5
T60806/32	Help Point: 6 Stations (Transit Wireless Ph 3, Part 1)	\$ 16.9
T60806/42	Communications Systems: Penta Radio Communications Consoles	\$ 0.8
T60806/44	Help Point: 2 Stations / New Lots & Jerome [SBMP]	\$ 1.2
T60806	Help Point 80 Stations *	\$ 46.8
T60806	Copper Cable Upgrade/Replacement Phase 4 *	\$ 0.4
T60806/45	Help Point: 2 Stations / Canarsie [SBMP]	\$ 1.2
	Element Total	\$ 200.0
T60902/06	Substation Hatchways: Phase 3	\$ 13.6
	Element Total	\$ 13.6
T60904/08	Negative Cables: 4th Avenue - Phase 2	\$ 3.4
	Element Total	\$ 3.4
T61004/01	HVAC Repair and Maintenance for DCE Facilities, Ph2 (2014 "Major" Goal Slip)	\$ 53.6
T61004/08	Heavy Shop Equipment Replacement	\$ 12.0
T61004/27	Car Washer Repairs: 3 Yards	\$ 12.3
T61004	Yard Lighting: 207th Street *	\$ 1.0
T61004/10	Yard Track - 2015 *	\$ 1.0

New York City Transit
2015 Commitments Goal
All \$ in millions

ACEP	Project Description	2015 Commitments
T61004/16	Yard Switches - 2015 *	\$ 2.0
T61004/28	Car Washer Repairs at Coney Island Yard	\$ 5.3
Element Total		\$ 87.3
T61203/09	Chassis Wash Lift Replacement @ MJ Quill Bus Depot [SBMP]	\$ 3.1
T61203/10	Fireproofing Repair - Tuskegee Airmen's Depot [SBMP]	\$ 1.2
T61203/11	Upgrade 3rd Floor HVAC & Rehab Office - ENY	\$ 4.5
Element Total		\$ 8.8
T61204/03	Bus Radio System - NYCT	\$ 215.0
T61204/14	Automated Fuel Management System Upgrade	\$ 2.5
T61204/22	Manhattanville: Comprehensive Facade Repairs	\$ 8.7
T61204/29	Bus Command Center Construction - NYCT (2014 "Major" Goal Slip)	\$ 50.9
T61204/32	Paint Booth Replacement at Queens Village Bus Depot [SBMP]	\$ 2.0
T61204	Storage Tank Replacement *	\$ 1.0
T61204/34	Chassis Wash Installation at Queens Village Bus Depot [SBMP]	\$ 1.3
T61204/36	Replacement of Oil-Water Separators at 5 Locations	\$ 1.0
Element Total		\$ 282.3
T61302/02	Purchase 54 Flat Cars	\$ 33.5
T61302/07	Work Train & Special Equipment: Vacuum Train	\$ 34.6
Element Total		\$ 68.0
T61604/02	Replace HP SAN: 130 Livingston Plaza	\$ 3.0
T61604/04	Enterprise LAN/WAN Replacement	\$ 9.6
Element Total		\$ 12.6
T61605/11	Concrete Batch Plant (2012)	\$ 0.3
Element Total		\$ 0.3
T61606/06	Fire Alarm: 207 Street Overhaul Shop	\$ 4.2
Element Total		\$ 4.2
T61607/03	RTO Master Tower Hardening	\$ 2.0
T61607/05	Employee Facilities: Chambers St / Nassau Loop	\$ 6.5
T61607/12	Power Upgrade: RCC, PCC	\$ 20.3
T61607/19	DOS Roof Replacement Phase 4	\$ 13.6
T61607/20	RTO Facilities Hardening Ph 2	\$ 7.9
T61607/28	Facilities: Upgrade HVAC 130 Livingston Plaza Data Center	\$ 1.8
Element Total		\$ 52.2
Total 2015 Commitments (includes 2014 "Major" slips)		\$ 2,377.5

MTA Long Island Rail Road
 2015 Commitments Goal
 All \$ in Millions

ACEP	Project Description	2015 Commitments
2005-2009		
L502042E	NEW ELEVATORS-FLUSHING MAIN	\$ 0.63
L502042M	METS WILLETS POINT STATION	\$ -
	Element Total	\$ 0.63
L50206VJ	STATION MASTERS OFFICE DESIGN	\$ 0.34
	Element Total	\$ 0.34
L50304TQ	MLC-HICKSVILLE NORTH SIDING	\$ 1.20
L50304TR	MLC-HICKSVILLE STATION	\$ 55.39
L50304TS	MLC - DIVIDE SUPERVISORY	\$ 0.05
L50304TT	MLC-ELLISON AVENUE BRIDGE	\$ 12.54
	Element Total	\$ 69.18
2010-2014		
PNYH	ROLLING STOCK SUPPORT EQUIPMENT *	\$ 10.00
L60101MD	ALTERNATIVE DIESEL EQUIP	\$ 78.00
	Element Total	\$ 88.00
L60204UE	ESA/ GCT SUPPORT	\$ 8.23
	Element Total	\$ 8.23
L60206VL	PENN STATION HVAC	\$ 1.88
	Element Total	\$ 1.88
PNWA	2015 TRACK PROGRAM *	\$ 25.00
L60301TG	ATLANTIC BRANCH 1/2 TIES	\$ 1.03
	Element Total	\$ 26.03
L60304TU	JAMAICA CAPACITY IMPROVEMENTS	\$ 93.95
L60304TV	MASSAPEQUA POCKET TRACK	\$ 0.20
L60304TX	2ND MAIN LINE TRACK FARM TO KO	\$ 1.28
	Element Total	\$ 95.44
L60502LA	POSITIVE TRAIN CONTROL	\$ 0.70
L60502LC	SPEONK - MONTAUK SIGNALIZATION	\$ 0.50
	Element Total	\$ 1.20
L60601YN	NEW MID SUFFOLK ELECTRIC YARD	\$ 0.58
	Element Total	\$ 0.58
L60604YT	REHAB OF EMPLOYEE FACILITIES	\$ 0.22
	Element Total	\$ 0.22
L60701AR	REPLACEMENT OF RICHMOND HILL	\$ 3.77
L60701AS	PENN STATION TRACTION	\$ 3.00
	Element Total	\$ 6.76
L60904N3	20 SUBSTATIONS CHLORDANE	\$ 0.96
L60904N4	YAPHANK LANDFILL REMEDIATION	\$ 0.13
L60904N6	SMITHTOWN VIADUCT REMEDIATION	\$ 0.24
PNNQ	2015 PROGRAM ADMINISTRATION *	\$ 12.50
L60904NB	PROGRAM DEVELOPMENT	\$ 0.84
	Element Total	\$ 14.66
EL0602ZD	WESTERN RAIL YARDS - (WSY & LIC):	\$ 1.40
EL0602ZL	LONG ISLAND CITY YARD	\$ 1.53
	Element Total	\$ 2.93
EL0303ZH	EMERGENCY MANAGEMENT	\$ 7.45
	Element Total	\$ 7.45
EL0402ZB	SYSTEM-WIDE ASSESS./VAR.	\$ 2.93

MTA Long Island Rail Road
 2015 Commitments Goal
 All \$ in Millions

ACEP	Project Description	2015 Commitments
	Element Total	\$ 2.93
EL0502ZC	LONG BEACH BRANCH - SYS.	\$ 13.40
	Element Total	\$ 13.40
EL0702ZE	SUBSTATION REPLACEMENTS:	\$ 7.00
EL0702ZM	1ST AVENUE SUBSTATION	\$ 2.20
	Element Total	\$ 9.20
	Total 2015 Commitments	\$ 349.06

MTA Metro-North Railroad
2015 Commitments Goal
All \$ in Millions

ACEP	Project Description	2015 Commitments
2005-2009		
M501-01-12	Rolling Stock Signals (PTC)	\$ 0.7
	Element Total	\$ 0.7
M502-02-02	Croton Harmon/Peekskill Station Improvements	\$ 0.2
M502-02-06	Station Building Rehabilitation	\$ 0.0
	Element Total	\$ 0.2
2010-2014		
M602-01-01	GCT Trainshed/Tunnel Structure	\$ 0.0
M602-01-05	GCT Leaks Remediation Phase II	\$ 0.0
M602-01-06	GCT Elevator Rehab Phase 4	\$ 1.7
M602-01-08	GCT Utilities	\$ 21.3
	Element Total	\$ 23.0
M602-02-04	Station Building Rehabilitation/Net Lease	\$ 1.2
M602-02-08	Customer Communications/Connectivity Improve	\$ 0.5
	Element Total	\$ 1.7
M603-01-04	Turnouts - Yards/Sidings	\$ 0.8
M603-01-05	M o f W Equipment/RS	\$ 0.9
M603-01	GCT Turnouts/Switch Renewal *	\$ 3.0
M603-01-14	2014 Cyclical Track Program (2014)	\$ 12.7
	Element Total	\$ 17.4
M603-02-02	Rehab Culverts/Railtop Culvert	\$ 0.1
M603-02-10	Replace/Repair Undergrade Bridges Program	\$ 10.7
M603-02	Replace Timbers-Undergrade Bridges *	\$ 1.0
M603-02-12	Overhead Bridge Program - E of H	\$ 2.1
M603-02-14	Park Avenue Viaduct Direct Fixation	\$ 1.7
	Element Total	\$ 14.7
M604-01-01	Positive Train Control	\$ 17.9
M604-01-02	West of Hudson Signal Improvements	\$ 5.3
M604-01-04	Replace Field code System - Mott Haven	\$ 0.5
M604-01-06	Centralized Train Control/SCADA Intrusion Testing	\$ 0.9
M604-01-18	Harlem & Hudson Wayside Communication & Signal Systems	\$ 0.5
	Element Total	\$ 25.1
M605-01-03	Harlem & Hudson Lines Power Improvements	\$ 1.3
M605-01-04	Replace Motors Alternators	\$ 1.1
M605-01-09	Replace 3rd Rail Brackets - Park Avenue Tunnel	\$ 1.2
	Element Total	\$ 3.5
M606-01-01	Harmon Shop Improvements	\$ 3.6
	Element Total	\$ 3.6
M608-01-01	Systemwide Lead/Asbestos Abatement	\$ 0.5
M608-01-03	Railroad Protective Liability	\$ 0.9
M608-01	2015 Program Administration *	\$ 2.0
M608-01	2015 Program Scope Development *	\$ 1.0
M608-01-04	Independent Engineer	\$ 0.6
M608-01-05	Mentoring Program Administration	\$ 0.4
M608-01-09	Systemwide Security Initiatives	\$ 4.0
	Element Total	\$ 6.4
EM03-03-01	Specialized Equipment (Resiliency)	\$ 6.0
	Element Total	\$ 6.0

MTA Metro-North Railroad
 2015 Commitments Goal
 All \$ in Millions

ACEP	Project Description	2015 Commitments
EM04-02-05	Comm & Signal Infrastructure Restoration Phase 1	\$ 64.1
EM04-02-06	Comm & Signal Infrastructure Restoration Phase 2	\$ 2.6
EM04-02-07	Comm & Signal Infrastr Restoration Eqpmt Replcmt	\$ 3.0
Element Total		\$ 69.8
EM05-02-06	Power Infrastructure Restoration-Phase 1	\$ 53.3
EM05-02-07	Power Infrastructure Restoration-Phase 2	\$ 4.3
EM05-02-08	Power Infrastructure Restoration-Substations (2014)	\$ 49.1
EM05-02-10	Power Infrastr Restoration-Remote Terminal Houses	\$ 1.3
Element Total		\$ 107.9
Total 2015 Commitments (includes 2014 "Major" slips)		\$ 279.9

MTA Bus
 2015 Commitments Goal
 All \$ in millions

ACEP	Project Description	2015 Commitments
2005-2009		
U5030204	Emergency Generators: 6 Depots - Installation	\$8.4M
U5030225	Security Upgrade: Far Rockaway and Baisley Park	\$9.8M
U5030216	Additional Fueling Capacity: JFK, Baisley Park and LaGuardia	\$3.8M
Element Total		\$22.00
2010-2014		
U6030208	New Apron: JFK	\$3.5M
U6030226	Bus Radio System	\$58.5M
U6030225	Bus Command Center (2014 "Major" Goal Slip)	\$17.0M
EU030201	Hurricane Sandy Depot Rehabilitation at Far Rockaway (2014 "Major" Goal Slip)	\$25.0M
Element Total		\$104.0M
Total 2015 Commitments (includes 2014 "Major" slips - current forecasts)		\$126.05

MTA Bridges & Tunnels
 2015 Commitments Goal
 All \$ in millions

ACEP	Project Description	2015 Commitments
2010-2014		
D601MP	MPB Misc. Steel Repairs & Structural Rehabilitation *	\$ 25.3
	Element Total	\$ 25.3
D601QM18	Entrance and Exit Plazas Structural Rehabilitation	\$ 7.8
D601QM40	Tunnel Wall and Ceiling Repairs and Leak Control	\$ 63.1
	Element Total	\$ 71.0
D601RK23	Miscellaneous Rehab - Manhattan Approach Ramps	\$ 1.5
	Element Total	\$ 1.5
D602HH88	Replace Upper & Lower Level Plza & Southbnd. Appr.	\$ 9.4
	Element Total	\$ 9.4
D602MP21	Rehabilitate Rockaway Point Blvd	\$ 8.7
	Element Total	\$ 8.7
D602RK	RFK Construction of New Harlem River Drive Ramp *	\$ 15.0
D602RK75	Interim Repairs - Toll Plaza Deck	\$ 8.5
	Element Total	\$ 23.5
D602TN49	Suspended Span Replacement - Phase A	\$ 8.5
	Element Total	\$ 8.5
D602VN03	Toll Plaza - East & West Bound Ramps Improvements	\$ 1.3
D602VN80	Replace Upper Level Suspended Span	\$ 0.6
	Element Total	\$ 1.9
D604MP	MPB Rehab. PLC & Mechanical System *	\$ 28.2
D604MP03	Programmable Logic Controller & Mechanical Rehab.	\$ 3.5
	Element Total	\$ 31.6
D606AW22	Miscellaneous	\$ 0.3
	Element Total	\$ 0.3
D607MP	Painting of MPB Roadway Structures *	\$ 19.6
	Element Total	\$ 19.6
ED010228	Restore Hugh L. Carey Tunnel - Structural	\$ 1.2
ED010240	Restore Queens Midtown Tunnel - Structural	\$ 106.8
	Element Total	\$ 108.0
ED010304	Queens Midtown Tunnel Mitigation-Flood Gates&Other	\$ 0.5
	Element Total	\$ 0.5
ED020203	Restore Queens Midtown Tunnel Roadway	\$ 1.1
	Element Total	\$ 1.1
ED050301	Flood Mitigation-Backup Communication Room	\$ 5.7
	Element Total	\$ 5.7
ED040207	Replace MPB Electrical Equipmt at North Abutment	\$ 4.3
ED040210	Repl CBB Mech&Elect Equip-S. Abutment & Svc Bldg	\$ 7.5
ED040281	Restore QMT Cntrl/Comm Sys, CCTV,Traffic Signals	\$ 54.0
	Element Total	\$ 65.8
ED040303	Flood Mitigation-Generator at GIVB	\$ 3.3
	Element Total	\$ 3.3
ED050201	Restore CBB Service Bldg	\$ 3.3
ED050203	Queens Midtown Tunnel Environmental Cleanup	\$ 24.1
	Element Total	\$ 27.4
Total 2015 Commitments		\$ 412.9

MTA Capital Construction
 2015 Commitments Goal
 All \$ in Millions

ACEP	Project Description	2015 Commitments
2010-2014		
T60414	Cortlandt Station Reconstruction (MTA CC Managed)	\$110.00
Element Total		\$110.00
G6090101	Program Management - URS	\$6.85
G6090102	Engineering	\$18.75
G6090103	MTA Management	\$8.42
G6090113	Construction Management - LIRR	\$24.79
G6090114	GCT Concrse&Facilities (14A)	\$7.98
G6090115	Vertical Circulation Elements (VM014)	\$40.21
G6090118	Procure Harold Materials Stage 4	\$16.31
G6090131	250 Hz Track Circuits	\$17.84
G6090149	Preparatory Work @ 415 Madison Ave	\$8.45
G6090153	Existing Facilities Maintenance & GCT Final Clean Up	\$5.00
G6090154	Park & Madison Building Owner Work	\$0.57
Multiple	GCT Concourse & Cavern Finishes (CM014B) (2014)	\$324.4
Multiple	Harold Structures Part 3 D Approach, 48th ST Bridge, Loop Box Structure (CH057) (2014)	\$122.5
Element Total		\$602.01
Security	Penn Station Perimeter Protection -7th Ave	\$0.95
Security	Penn Station - Consequence Management Phase I - FLS LIRR Edges	\$5.50
Security	2010-14 Security	\$28.52
Element Total		\$34.97
Total 2015 Commitments (includes 2014 "Major" slips - current forecasts)		\$746.98

MTA Police Department
 2015 Commitments Goal
 All \$ in Millions

ACEP	Project Description	2015 Commitments
2005-2009		
N5100109	MTA PD Metro21 Equipment Install	\$0.6
N5100109	MTA PD Radio Project Penn Station Head End Equip	\$0.5
N5100109	MTA PD Radio Project Install Mobile Units	\$0.1
N5100109	MTA PD Radio D-B (2014)	\$30.0
Element Total		\$31.2
2010-2014		
E6100102	Staten Island District Office Design	\$0.1
E6100101	MTA PD Radio D-B (2014)	\$60.0
Element Total		\$60.1
Total 2015 Commitments (includes 2014 "Major" slips - current forecasts)		\$91.3

New York City Transit
2015-18 Completions

ACEP	Project	Project Amount (\$ in Mil)	Planned Completion Date
T40409/PW	PA/CIS Wrap-Up (TIS)	\$2.66	Jan-15
T60407/O3	Escalator Replacement: 2 Escalators Roosevelt Av / QBL	\$11.16	Jan-15
T40806/T1	TIS Command Center At RCC	\$1.30	Jan-15
S40701/15	SIR: Passenger Stations: Station Security Initiatives	\$22.24	Jan-15
T61607/O2	Jay St Systems Reloc: Signal Facility at 14 St / 8 Ave	\$5.83	Jan-15
T51605/O1	MTA-Indep Engineering Consultant 2009-2010	\$10.52	Jan-15
T60412/E2	Station Components: High St 8AV / York St 6AV	\$0.70	Jan-15
ET0403/O8	Sandy Mitig: Lower Mhntn Hatch Installation - 6 Stns [SBFP]	\$1.33	Feb-15
T61607/13	Consolidated Employee Facilities:Subways: 207 Street / 8th Avenue	\$8.84	Feb-15
ET1003/O6	Sandy Mitigation:Near Term Perimeter Protection Coney Isl Yd	\$13.23	Feb-15
ET0802/18	Sandy Repairs: Install PLC Signal Equipment - Rockaway Line	\$6.03	Feb-15
T60806/22	Help Point: 8 Stations (In-House PSLAN Locations)	\$1.02	Feb-15
T60803/26	ATS-A: Normal Replacement of Hardware & Operating System	\$5.90	Mar-15
T60902/O9	Roof and Enclosure: E. 180th Street, Morris Park [SBMP]	\$2.52	Mar-15
T60412/B6	Station Component: 3 Locs / BWY	\$10.47	Mar-15
T60412/B7	Station Component: 2 Locs / BWY	\$6.57	Mar-15
T61204/28	4 Bus Washers at 2 Depots (East NY & Yukon) [SBFP]	\$4.17	Mar-15
ET0902/O9	Sandy Repairs: Two Substations (Montague Tube)	\$1.36	Mar-15
T61204/27	4 Bus Washers-2 Depots/Flatbush&Ulmer Pk [SBFP]	\$3.97	Mar-15
ET0902/O7	Sandy Repairs: 3 CBHs (Montague Tube)	\$10.86	Mar-15
ET0602/O7	Sandy Repairs: Tunnel Lighting Montague Tube	\$32.34	Mar-15
ET0502/O6	Sandy Repairs: Track (Montague Tube)	\$27.96	Mar-15
T61604/O3	Enterprise Security Network Infrastructure	\$10.39	Mar-15
ET0903/O2	Sandy Mitigation: Power Cable & Ducts Montague Tube	\$56.36	Mar-15
ET0502/O8	Mainline Track Switches: Sandy Repairs: Mainline Switches Montague Tube	\$3.30	Mar-15
ET0602/O8	Sandy Repairs: 2 Pump Room (Montague Tube)	\$9.41	Mar-15
ET0602/O9	Sandy Repairs: 1 Fan Plant (Montague Tube)	\$5.11	Mar-15
T61602/23	Help Point: 2 Stations / Flushing [SBMP]	\$1.51	Mar-15
T61602/22	Help Point: 2 Stations / White Plains Road & Flushing [SBMP]	\$1.55	Mar-15
T61602/21	Help Point: Ave I & Bay Pkwy / Culver [SBMP]	\$1.47	Mar-15
ET0902/O8	Sandy Repairs: Power Cable & Ducts Montague Tube	\$77.93	Mar-15
T61602/20	Help Point: Ave N & Ave X / Culver [SBMP]	\$1.60	Mar-15
ET0802/22	Sandy Repairs: CCTV, Cranberry Tube	\$2.09	Mar-15
T60502/O9	Continuous Welded Rail - 2012	\$9.05	Mar-15
T60503/20	Mainline Track Switches 2013 at Brighton	\$4.78	Mar-15
T60412/12	Station Rehabilitation: Smith-9 Streets / Prospect Park Line	\$34.94	Mar-15
T60803/29	AC to DC Line Relay Conversions Phase 2/FUL - 24 Locations	\$5.81	Mar-15
ET0802/21	Sandy Repairs: CCTV, Rutgers Tube	\$2.04	Mar-15
T61604/O2	Enterprise-Wide SAN/Disaster Recovery Phase 2	\$11.68	Mar-15
T60502/69	Mainline Track Replacement 2013 at Canarsie	\$19.09	Mar-15
T60502/70	Mainline Track Replacement 2013 at Concourse	\$6.57	Mar-15
T60412/O1	Station Component: 4 Avenue / Culver	\$12.17	Mar-15
T60412/D3	Station Ventilators:Clin-Wash Avs (W of Wvryly) / BCT [SBMP]	\$1.06	Apr-15
T60904/12	Install Positive & Control Power Cable 141-147 St / LNX	\$2.44	Apr-15
T60412/C9	Station Component: 1 Street Stair: Jay Street-Metro Tech / Broadway [SBMP]	\$1.01	Apr-15
T60806/19	Communication Room Waterproofing:14 Locations	\$10.23	Apr-15
T60502/84	Mainline Track Replacement 2014 / 8th Avenue	\$12.76	Apr-15
T61602/24	Help Point: 2 Stations / Jerome [SBMP]	\$1.28	Apr-15
T60412/D5	Station Component: 2 Street Stairs: 9 St / 4 Av [SBMP]	\$1.04	Apr-15
ET0602/12	Sandy Repairs: 1 Fan Plant BCT (Greenpoint Tube)	\$9.70	Apr-15
ET0403/O9	Sandy Mitig Manhole Castings & Duct/Cable - 6 Stns [SBFP]	\$1.68	Apr-15
T61004/21	Yard Switches - 2014	\$2.11	Apr-15
ET0602/11	Sandy Repairs: Pump Room (54 Av-Vernon Blvd) Greenpoint Tube	\$5.25	Apr-15
T60412/D1	Station Ventilators: Elmhurst Av (S of Bwy) / QBL [SBMP]	\$1.57	Apr-15
T60412/D2	Station Ventilators: Grand Street / Canarsie [SBMP]	\$1.57	Apr-15
T60902/11	Substn Roof and Enclosure: Secor / Dyre; Astor PI / WPR	\$5.18	Apr-15
ET0602/10	Sandy Repairs: Tunnel Lighting Greenpoint Tube	\$37.67	Apr-15
T60803/25	Replacement of ATS-A & CBTC Status Boards at RCC	\$6.63	Apr-15
T51204/O5	Bus Time Customer Information System: NYCT	\$48.76	Apr-15
T60803/O4	Repl Solid State Sig Equip - 6 Locs	\$10.43	Apr-15
T60412/D4	Station Component: 1 Interior Stair: 49 Street / Broadway (P2) [SBMP]	\$1.04	Apr-15
T60412/A5	Station Ventilators: Ph 5 - 5 Loc / Various	\$5.50	Apr-15
T60502/87	Mainline Track Replacement 2014 / White Plains Road	\$19.96	Apr-15

New York City Transit
2015-18 Completions

ACEP	Project	Project Amount (\$ in Mil)	Planned Completion Date
T61004/15	Yard Track - 2014	\$1.46	Apr-15
T60806/27	Security: Track Intrusion Detection Pilot	\$5.35	May-15
T61203/10	Fireproofing Repair - Tuskegee Airmen's Depot [SBMP]	\$0.04	May-15
T60503/21	Mainline Track Switches 2014 / Eastern Parkway	\$6.19	May-15
ET1602/09	Sandy Repairs: Procure Keene Machines and Audit System	\$1.07	May-15
T60502/83	Mainline Track Replacement 2014 / 4th Avenue	\$5.07	May-15
O00103/01	Security: Backup IESS C3 Center: Graybar Bldg.	\$13.37	May-15
ET0403/07	Sandy Mitigation: Lower Mhtrn Flood Doors / Hatches [SBFP]	\$2.18	May-15
T60806/32	Help Point: 6 Stations (Transit Wireless Ph 3, Part 1)	\$2.02	May-15
ET0802/08	Sandy Repairs: Security Equipment Montague Tube	\$3.22	May-15
E61404/05	Security: 2011-TSG: Electronic Security - URT Phase 2	\$30.95	May-15
T60502/88	Mainline Track Replacement 2014 / Eastern Parkway	\$4.78	May-15
T60502/91	Mainline Track Replacement 2014 / Pelham	\$20.81	Jun-15
T60806/32	Help Point: 8 Stations (Transit Wireless Ph 2B Part 1)	\$2.69	Jun-15
T60502/90	Mainline Track Replacement 2014 / Lexington Ave & 42 Shuttle	\$13.56	Jun-15
T60503/23	Mainline Track Switches 2014 / Queens Blvd	\$6.12	Jun-15
T60502/86	Mainline Track Replacement 2014 / Queens Blvd	\$14.70	Jun-15
T60502/93	Mainline Track Replacement 2014 / Brighton	\$28.41	Jun-15
T60806/32	Help Point: 3 Stations (Transit Wireless Ph 2C)	\$1.01	Jun-15
T61004/25	207 St Overhaul: Equipment for Car HVAC Repair & Maintenance	\$2.24	Jun-15
T61204/02	BRT - Bus Rapid Transit 2010-2014 (SBS)	\$25.00	Jun-15
T60502/16	Continuous Welded Rail - 2014	\$18.44	Jun-15
T51204/31	Concrete Floor Replacement @ Manhattanville Depot [SBMP]	\$1.33	Jun-15
T61204/33	Depot Equipment And Machinery: Removal of In-ground Lifts at 5 Depots	\$3.26	Jun-15
T60412/E4	Station Paint at Comp Loc: Van Cortland Pk-242nd St-Bway/7Av	\$1.13	Jun-15
T60803/12	Signal Control Modifications Phase 5	\$10.00	Jun-15
T60414/02	Station Rehabilitation: Station Entrance Railings	\$4.02	Jun-15
T61604/02	Replace High Speed Printers: 130 LVP and 2 Broadway	\$0.60	Jul-15
T61004/04	207 St Maintenance Shop: DC Power Upgrade	\$15.58	Jul-15
T60412/D8	Station Component: 3 Street Strs: Rockaway Avenue / Fulton (S2/S4/S8) [SBMP]	\$1.16	Jul-15
T60412/D9	Station Component: 3 Street Stairs: Rockaway Avenue / Fulton (S1/S3/S7) [SBMP]	\$1.17	Jul-15
T50803/23	CBTC Test Track Pilot/ Culver Line	\$15.51	Jul-15
T60803/11	CBTC Test Track, Phase 2 / Culver	\$84.90	Jul-15
T60412/D6	Station Component: 3 Street Stairs: Clinton-Washington / FUL (S2/S4/S6) [SBMP]	\$1.51	Jul-15
T60412/D7	Station Component: 3 Street Stairs: Clinton-Washington Av/FUL (S1/S3/S5) [SBMP]	\$1.22	Jul-15
T60703/21	Structural Repairs: Steinway Tube	\$14.45	Jul-15
T61203/08	Sliding Gate Replacement at Jackie Gleason Bus Depot [SBMP]	\$1.16	Jul-15
T60803/22	Duct Rehabilitation & Negative Cable: Steinway / Flushing	\$49.66	Jul-15
S50701/12	SIR: Line Equipment: Signl Sys Mod: St.George-Tottnvil/Wrap-Up	\$1.19	Jul-15
T60412/C6	Station Component: Street Stair: Broadway / Astoria (S2/M2) [SBMP]	\$0.92	Jul-15
ET0602/21	Sandy Repairs: Pump Room Steinway Tube FLS	\$14.06	Jul-15
S60701/01	SIR: Passenger Stations: Station Structural Repairs, 8 Locations	\$16.26	Jul-15
T60604/05	Pump Rehabilitation: Pumps #3 and #4, Steinway Tube, FLS	\$3.07	Jul-15
T50904/14	Misc: Power: Cathodic Protection Manhole Relocation at Queensbridge Park	\$3.50	Jul-15
T60902/04	Substations (IND): Cabling: Central Substation / 6th Av - Phase 2	\$15.00	Jul-15
ET0502/14	Sandy Repairs: Track (Steinway Tube)	\$8.21	Jul-15
T60414/03	Water Condition Remedy - 2013	\$2.80	Aug-15
T61602/01	Capital Revolving Fund - 2010	\$5.00	Aug-15
T60412/08	Station Renewal: Middletown Road / Pelham	\$27.94	Aug-15
T60412/10	Station Renewal: Castle Hill Avenue / Pelham	\$26.79	Aug-15
T60412/07	Station Renewal: Buhre Avenue / Pelham	\$24.67	Aug-15
T60412/09	Station Renewal: Zerega Avenue / Pelham	\$22.57	Aug-15
T60412/06	Station Component: Pelham Bay Park / Pelham	\$6.61	Aug-15
T60414/04	Scrubber Room Drainage: 191 & 181 Sts / Broadway-7th Avenue	\$0.48	Aug-15
T60412/E3	Station Component: Van Cortlandt Park-242 Street / Broadway-7 Avenue	\$4.19	Aug-15
T51204/08	BRT: Traffic Signal Priority Hardware (SBS)-200 Buses(Pilot)	\$3.75	Aug-15
ET0403/10	Sandy Mitig: Sidewalk Vent Covers - 6 Stations [SBFP]	\$2.93	Aug-15
T61302/01	Purchase 87 Non-Revenue Vehicles - 2011	\$13.42	Aug-15
T60412/F4	Station Rehabilitation: Hard Rail Track Panel @ 9 Stations/Sea Beach	\$8.06	Aug-15

New York City Transit
2015-18 Completions

ACEP	Project	Project Amount (\$ in Mil)	Planned Completion Date
T61607/	Facilities: Upgrade HVAC 130 Livingston Plaza Data Center	\$1.84	Sep-15
T60302/29	Radio & Data Communication: On-Board Audio Visual (OBAV) PILOT: 200 Buses	\$1.78	Sep-15
E61404/07	Electronic Security: Wall St Station/Clark St Line (ESS)	\$9.71	Sep-15
T61607/23	Facilities: Sidewalk Shed: Livingston Plaza [SBMP]	\$1.16	Sep-15
ET0402/11	Sandy Repairs: District Office 34: Stillwell Terminal	\$1.16	Sep-15
ET0402/10	Stillwell Terminal Employee Facilities	\$13.26	Sep-15
T60703/13	Structure Repairs / Dyre Avenue Line	\$11.16	Sep-15
T61606/01	Asbestos Abatement: Priority 7	\$5.00	Sep-15
T60703/02	Rehab Emergency Exits: 75 Locs	\$18.00	Sep-15
E61404/02	Electronic Security: 10TSG Boro Hall-Court St	\$18.52	Sep-15
T60412/A3	Station Component: Mezzanine Ceiling/Walls: Morgan Avenue / Canarsie [SBMP]	\$1.48	Sep-15
T61606/08	Consult: UST & Remed (2011)	\$6.00	Oct-15
T60703/03	Elevated Structure Rehabilitation: Culver Viaduct Rehabilitation Phase 3 - Underside	\$63.62	Oct-15
T61607/09	Roofing Repair & Replacement: DOS Roof Replacement Phase 3	\$12.42	Oct-15
ET0603/09	Sandy Mitign:Hatch Repl 'B' 14 Fan Plant [SBFP]	\$4.07	Oct-15
T50703/22	Steel Repair and Abutments: La Salle - 133 St / Bway-7th Ave	\$9.67	Oct-15
T60703/22	122 St &135 St Portal Repairs / Broadway-7th Avenue	\$20.33	Oct-15
T60302/17	Purchase 147 Paratransit Vehicles	\$6.85	Oct-15
T60806/32	Help Point: 14 Stations (JACOBS Package 4, Part 1)	\$4.86	Nov-15
T60806/32	Help Point: 70 Stations - Material Only	\$2.73	Dec-15
T60806/32	Help Point: 70 Stations - EFA & TAL	\$4.84	Dec-15
T30803/CN	Mainline Track Rehabilitation: CBTC Canarsie: I/H Track Wrap-Up	\$5.19	Dec-15
T60806/32	Help Point: 6 Stations (JACOBS Package 5, Part 1)	\$2.08	Dec-15
T60502/21	Mainline Track Replacement 2011 at Dyre Av	\$1.08	Dec-15
ET0902/36	Sandy Repairs: 2 Circuit Breaker Houses (207-8 & 209)	\$6.03	Dec-15
T61604/02	Replace Server Hardware: RCC and BCC	\$1.10	Dec-15
T61604/02	Replace HP SAN: 130 Livingston Plaza	\$1.30	Dec-15
ET0902/37	Sandy Repairs: 2 Circuit Breaker Houses (206 & 212)	\$5.96	Dec-15
T60806/04	PA/CIS: 45 Stations: Install Cable	\$56.06	Dec-15
T60414/07	Station Signage: Station Signage	\$4.83	Dec-15
T60703/06	Demolition of Abandoned Structures - Various - Ph1	\$15.15	Dec-15
T41204/01	Radio & Data Communication: AVL: Paratransit - 2,273 Vehicles	\$39.18	Dec-15
T51302/10	Diesel Particulate Filters: Non-Rev Fleet	\$4.97	Dec-15
T60902/08	Roof and Enclosure: Jerome/Kingsbridge [SBFP]	\$4.33	Dec-15
T61605/04	Independent Eng'g Consultant 2010-2014	\$19.48	Dec-15
T60503/22	Mainline Track Switches 2014 / White Plains Road	\$17.10	Dec-15
T60502/15	Mainline Track:2015 DES/EFA	\$2.00	Dec-15
T61004/26	East 180 St Maintenance Shop: Facility Waterproofing [SBMP]	\$5.61	Dec-15
T60412/95	Station Ventilators: Ph 6 - 5 Loc / Upper Manhattan & Bronx	\$5.87	Dec-15
T61204/34	Chassis Wash Installation at Queens Village Bus Depot [SBMP]	\$1.46	Dec-15
T60902/07	Roof and Enclosure: Concourse E. 144th St [SBMP]	\$1.40	Dec-15
T61302/06	Purchase 65 Non-Rev Vehicles	\$11.22	Dec-15
T61605/08	Construction Support Reserve 2010	\$9.81	Dec-15
T60503/06	Mainline Switches - 2015 DES/EFA	\$2.90	Dec-15
T60703/20	Elevated Structure Rehabilitation: Trackway Stabilization / Franklin Shuttle	\$3.21	Jan-16
T61607/26	Security: Perimeter Hardening: RCC [SBFP]	\$4.60	Jan-16
T60806/34	Help Point: 2 Stations / Myrtle Avenue & Canarsie [SBMP]	\$1.37	Jan-16
T60806/33	Help Point: 2 Stations / Jamaica [SBMP]	\$1.41	Jan-16
T61606/05	Spr & Alarm Sys, Ph 2: 14 St /8 Av Fire Sprinkl & #2 Egres	\$7.16	Jan-16
T60904/05	Rehab CBH 403 Vanderbilt / Flushing	\$15.49	Jan-16
T60806/44	Help Point: 2 Stations / New Lots & Jerome [SBMP]	\$1.21	Jan-16
T60806/22	Help Point Infrastructure: 168 St / BW7	\$0.86	Jan-16
T60412/74	Station Component: 157 Street / Broadway-7th Ave	\$3.39	Jan-16
T60904/04	CBH 74 Havermeyer & 74A Bridge / Jamaica	\$18.94	Jan-16
T60603/03	Vent Plant: Mulry Square / 8AV & BW7	\$71.81	Jan-16
T60412/22	Station Component: Brick Arch Repair: 168 Street & 181 Street / Broadway-7th Av	\$65.33	Jan-16
T61004/09	Yard Lighting: Yard Lighting: (Jerome, Pelham)	\$15.34	Jan-16
T60806/45	Help Point: 2 Stations / Canarsie [SBMP]	\$1.20	Jan-16
T60806/21	PSLAN: 30 Stations	\$26.53	Feb-16

New York City Transit
2015-18 Completions

ACEP	Project	Project Amount (\$ in Mil)	Planned Completion Date
T51203/10	Replacement of Existing Roof - Ph1 @ E. NY Bus Depot [SBMP]	\$0.06	Feb-16
T61204/32	Paint Booth Replacement at Queens Village Bus Depot [SBMP]	\$2.17	Feb-16
T60101/01	Purchase 103 A Division Cars - R188 Option	\$272.39	Feb-16
ET0603/07	Sandy Mitigation: Deployable Vent Covers - 14 FPs [SBFP]	\$3.56	Feb-16
T60803/05	CBTC Flushing: 370 R-142A Conversions	\$224.78	Feb-16
T51204/13	Depot Equipment And Machinery: Depot Equipment 2009	\$5.59	Feb-16
T40404/M6	AFC System Wrap-Up	\$8.10	Feb-16
T51203/11	Replacement of Existing Roof - Ph2 @ E. NY Bus Depot [SBMP]	\$0.06	Mar-16
T61602/02	Capital Revolving Fund - 2011	\$5.00	Mar-16
T60806/32	Help Point: 103 St & 111 St / Flushing [SBMP]	\$1.30	Mar-16
T60412/36	Station Renewal: 80 Street / Liberty	\$15.79	Mar-16
T60806/32	Help Point: 90 St-Elmhurst Ave / Flushing [SBMP]	\$0.65	Mar-16
ET1002/12	Sandy Repairs: Power Cable Replacement - Rockaway Park	\$1.13	Mar-16
T60412/76	Station Component: Mezzanine Ceiling/Walls: Hoyt Street / Eastern Parkway	\$0.89	Mar-16
T60412/33	Station Renewal: 111 Street / Liberty	\$15.02	Mar-16
T60412/31	Station Renewal: 104 Street / Liberty	\$15.64	Mar-16
T60412/34	Station Renewal: Rockaway Boulevard / Liberty	\$15.93	Mar-16
T60412/83	Station Component: 2 Locations / 4 Av	\$13.69	Mar-16
T60412/35	Station Renewal: 88 Street / Liberty	\$15.50	Mar-16
T61204/10	Depot Equipment And Machinery: HVAC Upgrades - Yukon Depot	\$16.95	Mar-16
T61203/09	Chassis Wash Lift Replacement @ MJ Quill Bus Depot [SBMP]	\$3.39	Mar-16
T61204/30	3 Bus Washers at MJQ: 1 New and 2 Rehab	\$5.45	Mar-16
T51204/16	Ulmer Park Depot: Roof Replacement	\$2.44	Mar-16
T60413/12	ADA: Ozone Park-Lefferts Blvd / Liberty	\$21.56	Apr-16
T60806/15	Copper Cable Upgrade/Replacement Phase 3	\$9.80	Apr-16
S60701/08	SIR: Passenger Stations: Station Construction: Arthur Kill	\$27.41	Apr-16
T60413/10	ADA: 23 Street / Lexington	\$20.01	Apr-16
T60703/24	Structural Steel Repair, Lower Level, 9th Ave, West End Ln	\$18.43	Apr-16
ET0402/18	Sandy Repairs: Purchase of Emergency Alarms for South Ferry	\$0.13	May-16
ET0902/40	Sandy Repairs: Purchase of Emergency Alarms for 6 Tubes	\$3.91	May-16
T61607/20	RTO Facilities Hardening Ph 2	\$8.81	May-16
T60412/F2	Station Ventilators: Ph 7 - 8 Loc /Lower Manhattan	\$5.11	May-16
T60806/06	Communications - RTO: RTO: Portable Radio Unit Replacement	\$6.76	May-16
T61004/07	Shop Repairs/ Upgrades: Pitkin and Concourse	\$18.00	Jun-16
T60806/22	Help Point: EFA & TAL	\$1.08	Jun-16
EU0302/01	Reserve: Hurricane Sandy: Depot Rehabilitation, Far Rockaway	\$25.00	Jun-16
T60412/C7	Station Component: 3 Street Stairs: Rector Street / Broadway (NB) [SBMP]	\$2.74	Jun-16
T60302/25	Purchase 300 Express Buses	\$188.88	Jun-16
T60407/04	Elevator Replacement: Replace 11 Hydraulic Elevators	\$27.72	Jul-16
T60302/24	Purchase 324 Standard Buses (Nova)	\$163.32	Jul-16
T60404/07	PSLAN: 8 Stations - Partial Systems	\$3.56	Jul-16
T50302/18	Purchase 90 Standard Buses (Nova)	\$52.42	Jul-16
T60302/28	Purchase 276 Standard Buses (New Flyer)	\$152.49	Jul-16
T60806/08	Communications Systems: VHF Radio System Upgrade	\$220.39	Jul-16
T60404/08	PSLAN: 20 Stations	\$19.97	Jul-16
T60806/20	Hydrogen Gas Ventilation:19 Communications Rooms	\$6.33	Aug-16
T61203/11	Upgrade 3rd Floor HVAC & Rehab Office - ENY	\$0.30	Aug-16
T61604/04	Enterprise LAN/WAN Replacement	\$9.61	Aug-16
ET0402/17	Sandy Repairs: Purchase and Install AFC Equipment	\$10.94	Aug-16
E61404/03	Electronic Security: 10TSG Atlantic/Pacific	\$21.49	Aug-16
T50806/16	HVAC at 7 Locations, Wrap up at 10 Locations	\$12.58	Aug-16
T60803/18	Signal Key-By Circuit Mods: Phase 3	\$13.56	Aug-16
ET0602/20	Sandy Repairs: Pump #2057 / 8 Ave	\$3.43	Aug-16
ET0602/28	Sandy Repairs: 200 St - 207 St Yard Tunnel Lighting	\$17.99	Aug-16
ET0802/19	Facilities: Sandy Repairs: Revenue Facility Microwave Comm System	\$0.49	Aug-16
T60703/19	Overcoating: Broadway Junction - New Lots Avenue / CNR	\$28.18	Sep-16
T60412/C3	Station Component: Station Components: 2 Locations / Canarsie	\$10.88	Sep-16
T60604/03	Pumps: 4 Locations / Pelham - Jerome - Lenox	\$19.05	Sep-16
T60412/32	Station Renewal: Ozone Park-Lefferts Blvd / Liberty	\$7.39	Oct-16
T60412/98	Street Stairs: Ditmars Blvd / Astoria (S2/S3) [SBMP]	\$1.29	Oct-16
T61302/05	Purchase 91 Non-Rev Vehicles 2013	\$15.79	Oct-16
T60703/09	Overcoating: Portal - East 180 Street / White Plains	\$32.01	Oct-16
T60603/04	Vent Plant: 46th Street-Northern Blvd / Queens Blvd Line	\$87.35	Oct-16

New York City Transit
2015-18 Completions

ACEP	Project	Project Amount (\$ in Mil)	Planned Completion Date
T60803/06	CBTC Flushing: Additional Support Costs	\$141.04	Nov-16
T50803/08	CBTC Flushing Line	\$384.83	Nov-16
T51204/28	Ulmer Park Depot: Mezzanine Extension [SBMP]	\$2.89	Nov-16
ET1602/08	Facilities: Sandy Repairs: Facilities Restoration (Vehicle Portion)	\$3.78	Nov-16
T61004/01	HVAC Repair and Maintenance for DCE Facilities, Ph2	\$53.59	Nov-16
ET0902/21	Sandy Repairs: Comm/Power Cable & Ducts - Joralemon Tube	\$2.66	Nov-16
T60803/14	Roosevelt Interlocking / Queens Blvd	\$103.57	Dec-16
T60412/A2	Street Stairs:Grand St / Canarsie [SBMP]	\$2.35	Dec-16
T50803/19	CBTC CNR: Equip R156 Locomotives	\$1.22	Dec-16
T60302/27	Radio & Data Communication: On-Board Audio Visual System (OBAV)	\$26.22	Dec-16
T61607/15	Consolidated Employee Facilities:Subways: 9 Locations / Crosstown	\$7.51	Dec-16
T61607/08	Emergency Generator at Livingston Plaza	\$10.39	Jan-17
T60404/01	AFC Replacement, Phase 2: Electronic Boards	\$30.00	Jan-17
ET0902/25	Sandy Repairs: Comm/Power Cable Replacement- 53 St Tube QBL	\$3.84	Jan-17
ET0602/24	Sandy Repairs: 3 Fan Plants (Southern Manhattan)	\$25.68	Jan-17
ET0602/18	Sandy Repairs: 2 Pump Rooms (Southern Manhattan)	\$7.22	Jan-17
T61607/05	Employee Facilities: Chambers St / Nassau Loop	\$7.07	Jan-17
ET0902/26	Sandy Repairs: CBH (#565 & 603) 53 St Tube QBL	\$0.22	Jan-17
T60302/18	Replace Integrated Farebox Unit (IFU) Components, Phase 2	\$21.94	Jan-17
T61204/22	Manhattanville: Comprehensive Facade Repairs	\$10.00	Feb-17
ES0702/14	Sandy Repairs: St. George Interlocking	\$104.96	Mar-17
ES0702/13	Sandy Repairs: Tower B Restoration - Long Term	\$5.41	Mar-17
S60701/03	SIR: Track: St. George Interlocking	\$14.21	Mar-17
ET0902/20	Sandy Repairs: Comm/Power Cable - Cranberry Tube	\$41.31	Mar-17
ET0602/31	Sandy Repairs: Fan Plant (#6330, #6332)/Cranberry Tube	\$16.62	Mar-17
ET0802/14	Sandy Repairs: Signals in the Cranberry Tube	\$18.04	Mar-17
ET0902/33	Sandy Repairs: Substation Equipment (SS#90)/ Cranberry Tube	\$3.87	Mar-17
ET0902/32	Sandy Repairs: CBH #502/Cranberry Tube	\$1.43	Mar-17
ET0602/30	Sandy Repairs: 2 Pump Rooms (Cranberry Tube)	\$12.50	Mar-17
T51605/24	Concrete Cylinder Testing	\$0.72	Apr-17
T51605/21	Material: Concrete Batch Plant Inspection	\$1.15	Apr-17
T61602/03	Capital Revolving Fund - 2012	\$5.00	Apr-17
T60803/10	2 Interlockings: Union Turnpike & 71 Av	\$310.74	Apr-17
S60701/05	SIR: Power: New Power Substation: Prince's Bay	\$25.19	Apr-17
T60806/28	Integrated Service Information & Mngmnt B-Div: Module 1 GRP1	\$12.32	Apr-17
T60412/94	Station Component: 6 Locations / Canarsie	\$1.51	Apr-17
T60806/29	Integrated Service Information & Mngmnt B-Div: Module 1 GRP2	\$19.14	Apr-17
T60806/30	Integrated Service Information & Mngmnt B-Div: Module 1 GRP3	\$11.72	Apr-17
T61605/14	Boring Services: Bklyn, Qns & SI	\$1.89	May-17
T61605/13	Boring Services: Manhattan & Bronx	\$2.13	May-17
T60414/05	Access Improvements: Grand Central / LEX	\$20.80	May-17
T60703/32	Overcoating: Bridge Work at Dyre Ave Station	\$2.68	May-17
T60412/A4	Station Component: Eastchester-Dyre Av / Dyre	\$24.25	May-17
T60602/03	Tunnel Lighting: 36 St To Jackson-Roosevelt / Queens Blvd	\$52.15	Jun-17
ET0602/23	Sandy Repairs: Fan Plant South Ferry	\$7.31	Jun-17
ET0602/27	Sandy Repairs: South Ferry Tunnel Lighting	\$9.20	Jun-17
ET0402/13	Sandy Repairs: South Ferry Station Complex	\$178.73	Jun-17
T61204/29	Bus Command Center Construction - NYCT	\$54.48	Jun-17
T61204/14	Automated Fuel Management System Upgrade	\$2.50	Jun-17
T61607/27	RTO Facility Hardening: South Ferry Terminal BW7	\$1.19	Jun-17
T50803/32	Alstom Relay Replacement - Room @ 211th St/BW	\$0.21	Jun-17
T60412/F3	Water Conditions Remedy: South Ferry Leak Mitigation	\$11.33	Jun-17
ET0902/35	Sandy Repairs: South Ferry CBHs # 367 & 368	\$18.89	Jun-17
ET0502/16	Sandy Repairs: Mainline Switches South Ferry	\$6.75	Jun-17
ET0802/01	Sandy Repairs: South Ferry Interlocking	\$64.72	Jun-17
ET0502/13	Sandy Repairs: South Ferry Track	\$16.84	Jun-17
ET1602/11	Sandy Repairs: Employee Facility at Whitehall Station BWY	\$2.83	Jun-17
ET0602/17	Sandy Repairs: 1 Pump Room (South Ferry)	\$5.40	Jun-17

New York City Transit
2015-18 Completions

ACEP	Project	Project Amount (\$ in Mil)	Planned Completion Date
ET2301/02	Perimeter Protection: Livingston Plaza	\$0.50	Jul-17
T61607/17	Facilities: Livingston Plaza: Elevators, Roof, Facade	\$27.26	Jul-17
T61607/07	Security: Perimeter Hardening: 130 Livingston	\$7.28	Jul-17
T61605/15	Test Pits Contract (2014)	\$5.41	Jul-17
T60803/13	Dyre Avenue Line Signals	\$226.19	Jul-17
T61607/19	Roofing Repair & Replacement: DOS Roof Replacement Phase 4	\$14.36	Aug-17
ET0403/14	Sandy Mitigation: Stairwell Prot (Flexgates) - 8 stations	\$0.40	Aug-17
T61606/10	Asbestos/Lead: Air Monitor	\$9.12	Sep-17
T61606/04	Asbestos Disposal	\$0.91	Sep-17
T61606/09	Asbestos Abatement - 2013	\$9.66	Sep-17
T61606/06	Fire Alarm: 207 Street Overhaul Shop	\$5.54	Oct-17
T50806/15	PA/CIS: 45 Stns: Furnish-Install Cabinets	\$18.88	Dec-17
T50806/15	PA/CIS: 44 Stns: Furnish-Install Cabinets	\$9.76	Dec-17
T60412/F6	Station Component: 4 Street Stairs: Avenue N / Culver [SBMP]	\$4.28	Dec-17
T60806/31	Public Address/Customer Info Systems: ISIM B-Div: Module 2	\$46.65	Dec-17
T60412/81	Station Component: 2 Locations / Culver	\$20.80	Jan-18
T60412/44	Station Renewal: Avenue I / Culver	\$17.32	Jan-18
T60412/42	Station Renewal: 18 Avenue / Culver	\$19.87	Jan-18
T60412/38	Station Renewal: Avenue X / Culver	\$16.35	Jan-18
T60412/43	Station Renewal: Ditmas Avenue / Culver	\$19.30	Jan-18
T60412/41	Station Renewal: Bay Parkway / Culver	\$13.67	Jan-18
T60412/40	Station Renewal: Avenue P / Culver	\$15.14	Jan-18
T60412/39	Station Renewal: Avenue U / Culver	\$16.89	Jan-18
T60101/02	Purchase 300 B Division Cars - R179	\$735.56	Jan-18
T61606/07	Groundwater & Soil Remed - 2011	\$6.50	Feb-18
T60806/05	Comm Room Upgrade And Expansion-Phase 1	\$17.74	Mar-18
T61605/11	Concrete Batch Plant (2012)	\$1.29	Apr-18
T60603/05	Replace Vent Controls: 22 Locations	\$16.61	Apr-18
T61602/04	Capital Revolving Fund - 2013	\$5.00	Apr-18
ET0802/07	Sandy Repairs: Signals: 200 St - 207 St / 8th Ave	\$3.08	Apr-18
T60412/49	Station Renewal: Sutter Avenue-Rutland Road / New Lots	\$11.98	Jun-18
T60806/10	PBX Upgrade, Phase I	\$23.16	Jun-18
T60412/47	Station Renewal: Saratoga Avenue / New Lots	\$11.58	Jun-18
T60412/45	Station Renewal: Pennsylvania Avenue / New Lots	\$11.20	Jun-18
T60412/92	Station Component: New Lots Av Station / New Lots Line	\$2.68	Jun-18
T60412/48	Station Renewal: Junius Street / New Lots	\$12.44	Jun-18
T61204/36	Replacement of Oil-Water Separators at 5 Locations	\$10.90	Jun-18
T60412/50	Station Renewal: Van Siclen Avenue / New Lots	\$13.42	Jun-18
T60412/46	Station Renewal: Rockaway Avenue / New Lots	\$10.49	Jun-18
T61605/12	Concrete Cylinder Testing (2012)	\$0.75	Aug-18
T60703/16	Subway Tunnel Rehabilitation: Priority Repairs: 4th Avenue	\$15.07	Aug-18
T60806/13	Antenna Cable Upgrade/Replacement Ph 1	\$12.89	Aug-18
T61607/11	Facilities: AFC Equip Qtr: 8Av Str/Sea Beach Ln	\$2.20	Sep-18
T60703/12	Rehab Retaining Walls / Sea Beach (Southern 3)	\$2.82	Sep-18
T60412/14	Station Renewal: 8 Avenue / Sea Beach	\$37.90	Sep-18
T60412/15	Station Renewal: Fort Hamilton Parkway / Sea Beach	\$32.87	Sep-18
T60413/18	ADA: 8 Avenue Northbound Ramp / Sea Beach	\$12.88	Sep-18
T60412/19	Station Renewal: Bay Parkway / Sea Beach	\$41.97	Sep-18
T60412/20	Station Renewal: Avenue U / Sea Beach	\$42.17	Sep-18
T60412/21	Station Renewal: 86 Street / Sea Beach	\$42.66	Sep-18
T60413/17	ADA: New Utrecht Av-62 St. Complex / Sea Beach	\$17.92	Sep-18
T60412/16	Station Renewal: 18 Avenue / Sea Beach	\$37.31	Sep-18
T60412/13	Station Renewal: 20 Avenue/ Sea Beach	\$29.85	Sep-18
T60412/17	Station Renewal: Kings Highway / Sea Beach	\$39.36	Sep-18
T60703/12	Rehab Retaining Walls / Sea Beach (Northern 6)	\$29.71	Sep-18
T60412/18	Station Renewal: New Utrecht Av / Sea Beach	\$29.88	Sep-18
T61606/05	Sprinkler & Fire Alarm System, Ph 2: 6 Av Passageway	\$0.79	Sep-18
T60803/15	Interlocking Modernization: 34 St / 6th Avenue	\$180.06	Sep-18
T60803/16	West 4 St Interlocking / 6th Avenue	\$174.17	Sep-18
T61004/10	Yard Rehabilitation: Yard CCTV, Phase 2	\$17.38	Sep-18
T60803/06	CBTC Flushing: Equipment Removals	\$12.00	Nov-18
T60412/E1	Station Component: 3 Locations / Fulton	\$6.52	Nov-18
T60412/C8	Station Component: 5 Street Stairs: Rector Street / Broadway (SB) [SBMP]	\$3.62	Dec-18

Long Island Rail Road
2015-18 Completions

Project #	Project	Project Amount (\$ in Mil)	Planned Completion Date
PNAP	PNAP NEGATIVE REACTOR UPGRADE	\$ 4.0	Jan-15
PNZN	PNZN LIC SUBSTATION RESTORATION	\$ 1.3	Feb-15
PNAC	PNAC SIGNAL POWER MOTOR GENERATOR REPLACEMENT	\$ 2.0	Mar-15
PNAA	PNAA REPLACE HILLSIDE & KEW GARDENS SUBS.	\$ 25.5	Apr-15
PNTK	PNTK ROW-DRAINAGE CONTROL	\$ 3.5	Apr-15
PNAP	PNAP NEGATIVE REACTOR UPGRADE	\$ 4.0	Jan-15
PNBP	PNBP ERT FIRE & LIFE SAFETY	\$ 16.6	May-15
PNUB	PNUB MASSAPEQUA STATION PLATFORM REPLACEMENT	\$ 20.5	May-15
PNAA	PNAA REPLACE HILLSIDE & KEW GARDENS SUBS.	\$ 25.5	Apr-15
PNBD	PNBD BROADWAY BRIDGE REHABILITATION	\$ 4.8	Jun-15
PNL1	PNL1 FIBER OPTIC NETWORK	\$ 10.0	Jun-15
PNLF	PNLF CENTRALIZED TRAFFIC CONTROL	\$ 12.9	Jun-15
PNTL	PNTL ROW-FENCING	\$ 8.0	Jun-15
PNZN	PNZN LIC SUBSTATION RESTORATION	\$ 1.3	Jun-15
PNTJ	PNTJ ROW-CULVERTS	\$ 2.5	Jul-15
PNU1	PNU1 WYANDANCH PARKING FACILITY	\$ 29.0	Aug-15
PNUB	PNUB MASSAPEQUA STATION PLATFORM REPLACEMENT	\$ 20.5	Aug-15
PNUF	PNUF METS/WILLETS PT STATION RENOVATION	\$ 1.6	Aug-15
PNBB	PNBB BRIDGE PROGRAM	\$ 24.6	Sep-15
PNYN	PNYN NEW MID SUFFOLK ELECTRIC YARD	\$ 3.1	Sep-15
PNBB	PNBB BRIDGE PROGRAM	\$ 24.6	Sep-15
PNAG	PNAG THIRD RAIL SYSTEM - PROTECTION BOARD	\$ 9.2	Dec-15
PNUH	PNUH ELEVATOR REPLACEMENT PROGRAM	\$ 5.0	Jan-16
PNYB	PNYB HILLSIDE FACILITY BLDG REHAB (ROOF)	\$ 4.3	Jan-16
PNAD	PNAD SUBSTATION PILOT WIRE & RELAY REPLACEMEN	\$ 2.0	Feb-16
PNL4	PNL4 IMPROVED RADIO COVERAGE INITIATIVE	\$ 10.3	Jun-16
PNTT	PNTT MLC-ELLISON AVENUE BRIDGE	\$ 10.8	Jun-16
PNL2	PNL2 PBX-WAYSIDE PHONE REPLACEMENT	\$ 9.1	Jul-16
PNZM	PNZM 1ST AVENUE SUBSTATION RESTORATION	\$ 6.3	Jul-16
PNUD	PNUD ESCALATOR REPLACEMENT PROGRAM	\$ 10.9	Sep-16
PNVJ	PNVJ STATION MASTERS OFFICE DESIGN	\$ 1.2	Sep-16
PNVJ	PNVJ STATION MASTERS OFFICE DESIGN	\$ 1.2	Sep-16
PNVL	PNVL PENN STATION HVAC	\$ 1.5	Mar-17
PNLC	PNLC SPEONK - MONTAUK SIGNALIZATION	\$ 53.7	Apr-17
PNYT	PNYT REHAB OF EMPLOYEE FACILITIES	\$ 6.2	Apr-16
PNZB	PNZB SYSTEM-WIDE ASSESS./VAR. REPLACE: SANDY	\$ 2.9	Apr-17
PNZC	PNZC LONG BEACH BRANCH - SYS. RESTORE: SANDY	\$ 18.3	Apr-17
PNAQ	PNAQ REPLACEMENT OF PT. WASH SUBSTATION	\$ 7.3	Dec-17
PNZL	PNZL LONG ISLAND CITY YARD RESTORATION	\$ 0.6	Jun-17
PNTQ	PNTQ MLC-HICKSVILLE NORTH SIDING	\$ 2.3	Jul-17
PNY1	PNY1 Pt. Washington Yard Renconfiguration - Design	\$ 0.5	Aug-17
PNTV	PNTV MASSAPEQUA POCKET TRACK	\$ 19.5	Oct-17
PNZB	PNZB SYSTEM-WIDE ASSESS./VAR. REPLACE: SANDY	\$ 2.9	Apr-17
PNZK	PNZK LONG ISLAND CITY YARD RESILIENCY	\$ 1.9	Nov-17
PNZL	PNZL LONG ISLAND CITY YARD RESTORATION	\$ 0.6	Jun-17
PNAQ	PNAQ REPLACEMENT OF PT. WASH SUBSTATION	\$ 7.3	Dec-17
PN2E	PN2E NEW ELEVATORS-FLUSHING MAIN STREET	\$ 3.5	Jan-18
PNMA	PNMA M9 PURCHASE FOR M3 REPLACEMENT	\$ 0.4	Apr-18
PNZE	PNZE SUBSTATION REPLACEMENTS: SANDY	\$ 19.5	Jan-18
PNUC	PNUC WANTAGH STATION PLATFORM REPLACEMENT	\$ 1.5	Mar-18
PNMA	PNMA M9 PURCHASE FOR M3 REPLACEMENT	\$ 0.4	Mar-18
PNYN	PNYN NEW MID SUFFOLK ELECTRIC YARD	\$ 3.1	Apr-18
PNTU	PNTU JAMAICA CAPACITY IMPROVEMENTS	\$ 69.8	Aug-18
PNZE	PNZE SUBSTATION REPLACEMENTS: SANDY	\$ 19.5	Oct-18
PNLA	PNLA POSITIVE TRAIN CONTROL	\$ 187.2	Dec-18
PNSM	PNSM PTC DESIGN	\$ 9.5	Dec-18
PNTW	PNTW COLONIAL RD IMPRO PROJ-POCKET TRK & DRAN	\$ 23.2	Dec-18
PNUE	PNUE ESA/ GCT SUPPORT	\$ 8.3	Dec-18

Metro-North
2015-18 Completions

ACEP	Project	Project Amount (\$ in Mil)	Planned Completion Date
M8 Cars	M8 Cars; 2 Cars Acceptance (M5010107-M6010101/02)	\$ 1.76	Jan-15
M603-03-06	West of Hudson Rockslope Remediation	\$ 3.65	Jan-15
M604-01-07	Refurbish/Replace Electrical Switch Machine	\$ 0.20	Jan-15
M604-01-11	PBX Equipment Upgrade	\$ 2.43	Feb-15
M603-02-09	Employee Welfare and Storage Facility	\$ 10.00	Mar-15
EM05-02-09	Power Infrastructure Restoration-HRLB	\$ 5.12	Apr-15
M603-02-01	Replace Timbers Undergrade Bridges	\$ 4.98	May-15
M8 S Cars	M8 S Cars; 23 Cars Acceptance (M6010101/02)	\$ 26.68	May-15
M508-01-12	WHRTAS Phase II Study	\$ 4.01	Jun-15
M603-02-05	Bridge Walkways Installation	\$ 0.92	Jun-15
N612-01-03	Tappan Zee Bridge Rail Study	\$ 0.90	Jun-15
M402-03-13	North White Plains Parking Garage	\$ 41.80	Jun-15
M602-02-01	Poughkeepsie Station Building	\$ 1.44	Jul-15
M603-01-05	M o f W Equipment/RS	\$ 5.39	Jul-15
M603-02-11	Harlem River Lift Bridge Cable	\$ 10.50	Aug-15
M605-01-07	Har. River Lift Bridge Breaker Houses/Controls	\$ 14.89	Aug-15
M404-01-07	Optimize Signal Relay Circuits	\$ 2.61	Sep-15
M603-02-02	Rehab Culverts/Railtop Culvert	\$ 2.40	Oct-15
M604-01-09	Replace High Cycle Relays	\$ 0.63	Dec-15
M603-02-04	DC Substation/Signal House	\$ 1.40	Jan-16
M603-01-14	2014 Cyclical Track Program	\$ 13.58	Jan-16
M608-01-01	Systemwide Lead/Asbestos Abatement	\$ 0.50	Jan-16
M608-01-04	Independent Engineer	\$ 6.73	Jan-16
M605-01-09	Replace 3rd Rail Brackets - Park Avenue Tunnel	\$ 6.66	Jan-16
EM03-02-02	Right of Way Restoration: Various Locations	\$ 8.00	Jan-16
M502-02-11	System Wide Vending Machines	\$ 0.57	Jan-16
M603-02-14	Park Avenue Viaduct Direct Fixation	\$ 1.80	Jan-16
M603-01-04	Turnouts - Yards/Sidings	\$ 4.41	Jan-16
M603-03-01	West of Hudson Track Program	\$ 19.78	Jan-16
M502-02-09	Bronx Stations/Capacity Improvements	\$ 10.43	Jan-16
M608-01-03	Railroad Protective Liability	\$ 4.15	Jan-16
M603-01-08	Drainage Improvements	\$ 13.55	Jan-16
M503-02-18	Systemwide Flood Control	\$ 2.17	Jan-16
M608-01-02	Environmental Remediation	\$ 0.20	Jan-16
M608-01-05	Mentoring Program Administration	\$ 0.80	Feb-16
M602-02-02	Fordham Station Improvements	\$ 19.21	Feb-16
M604-01-04	Replace Field code System - Mott Haven	\$ 1.76	Apr-16
M605-01-01	Substation Bridge 23 - Construction	\$ 50.95	Apr-16
M604-01-03	Replace Fiber/Communication & Signals Cables	\$ 4.89	Apr-16
M604-01-18	Harlem & Hudson Wayside Communication & Signal Systems	\$ 10.40	May-16
M502-02-06	Station Building Rehabilitation	\$ 11.31	Jun-16
EM03-03-01	Specialized Equipment (Resiliency)	\$ 12.00	Jul-16
M603-01-07	Rock Slope Remediation	\$ 7.00	Sep-16
EM05-02-10	Power Infrastr Restoration-Remote Terminal Houses	\$ 1.28	Sep-16
M604-01-06	Centralized Train Control/SCADA Intrusion Testing	\$ 0.92	Sep-16
M602-01-06	GCT Elevator Rehab Phase 4	\$ 9.62	Oct-16
M501-01-10	M-9 Specification Development	\$ 2.52	Oct-16
M504-01-07	Signal System Replacement	\$ 54.51	Dec-16
M602-01-05	GCT Leaks Remediation Phase II	\$ 32.22	Dec-16
M603-03-05	W of H Replace/Renew Undergrade Bridges	\$ 7.26	Dec-16
M605-01-03	Harlem & Hudson Lines Power Improvements	\$ 35.74	Jan-17
EM05-02-08	Power Infrastructure Restoration-Substations	\$ 39.54	Jan-17
M503-02-06	Overhead Bridge Program-E of H (MNR Share)	\$ 19.13	Feb-17
M602-01-01	GCT Trainshed/Tunnel Structure	\$ 29.03	Feb-17
M603-01-02	Turnouts - Mainline/High Speed	\$ 63.86	Feb-17
M307-01-06	Penn Station Access	\$ 8.62	Apr-17
EM04-02-05	Comm & Signal Infrastructure Restoration Phase 1	\$ 66.76	May-17
EM05-02-06	Power Infrastructure Restoration-Phase 1	\$ 70.92	May-17
M602-03-02	Strategic Facilities	\$ 16.59	Jul-17
M602-01-08	GCT Utilities	\$ 27.39	Oct-17
M603-02-06	Remove Obsolete Facilities	\$ 3.00	Dec-17
EM04-02-07	Comm & Signal Infrastr Restoration Eqpmt Replcmt	\$ 18.93	Dec-17
M606-01-03	Other Shops/Yards Renewal	\$ 9.33	Dec-17
M602-02-03	Harlem Line Station Renewal	\$ 3.95	Dec-17
M606-01-01	Harmon Shop Improvements	\$ 315.59	Jan-18
M503-02-12	Clearance Inventory and Video	\$ 1.50	Mar-18
M604-01-02	West of Hudson Signal Improvements	\$ 67.60	Jun-18
M605-01-04	Replace Motors Alternators	\$ 8.00	Dec-18
M604-01-01	Positive Train Control	\$ 259.40	Dec-18

MTACC
2015-18 Completions

ACEP	Project	Project Amount (\$ in Mil)	Planned Completion Date
G4090126	Harold Structures (Part 2A)	\$ 34.7	Apr-15
G5090155	Harold Structures (Part 2A)	\$ 32.7	Apr-15
G6090112	55th St. Ventilation Facility	\$ 58.9	Apr-15
G6090114	GCT Concrse&Facilities (14A)	\$ 66.1	May-15
G5090117	Harold Structures (Part 1)	\$ 209.5	May-15
G6090122	Harold Structures (Part 1)	\$ 106.7	May-15
G5110106	Site A Fac; Finishes and Systems	\$ 594.3	Jun-15
G5100108	Contract 3: 63rd St Stn Rehab	\$ 203.3	Sep-15
G6100108	Contract 3: 63rd St Stn Rehab	\$ 5.6	Sep-15
G4120107	FSTC 4F-Transit Center Enclosure	\$ 228.2	Dec-15
G6090141	Manhattan South Structures	\$ 250.1	Feb-16
G6090120	Plaza Substation & Structures	\$ 245.8	Mar-16
G5110112	Construction: Core&Shell (Site P)	\$ 96.4	Apr-16
G6100104	5C: Station Finishes/MEP 86 St	\$ 239.0	Jul-16
G6140103	Harold Structures Part 3A: W-Bnd By-Pass	\$ 147.7	Aug-16
G5100104	Cntract 6: SAS Systems	\$ 321.8	Sep-16
G6100102	4C: Station Finishes/MEP 72 St	\$ 289.5	Sep-16
G6100101	2B/C: Shell/Finishes/MEP 96 St	\$ 378.4	Oct-16
G6090142	Manhattan North Structures	\$ 340.3	Nov-16
G6140112	Harold Structures - Part 3A	\$ 47.8	Mar-17
G6090123	Harold Structures - Part 3A	\$ 94.5	Mar-17
G5090119	Harold & Point CIL	\$ 39.5	Jun-17
G5090118	Harold Interlocking Stage 1-4	\$ 128.8	Dec-17

B&T
2015-18 Completions

ACEP	Project	Project Amount (\$ in Mil)	Planned Completion Date
D602BW89	Deck Replacement - Elevated and On Grade Approach	\$142.5	Jan-15
D503AW37	Operation Centers TS Systems	\$3.3	Jan-15
D602TN82	Rehabilitate Orthotropic Deck - Phase B	\$29.7	Apr-15
D603AW36	Installation of CCTV / Fiber Optic Cable	\$17.3	Apr-15
D607TN82	Paint - Bronx and Queens Approach Spans	\$38.4	May-15
D604BW15	Necklace Lighting	\$12.5	Jul-15
D602VN03	Toll Plaza - East & West Bound Ramps Improvements	\$63.9	Aug-15
D601MP06	Substructure & Underwater Scour Protection	\$26.5	Oct-15
D505QM01	Service & FE Building Rehab	\$13.3	Nov-15
D607AW95	Miscellaneous Agency Wide Painting	\$0.0	Jan-16
D605BB21	Service Building Rehabilitation	\$8.5	Jan-16
D605BB43	Misc. Repairs at BP Garage	\$1.5	Jan-16
D601TN52	Miscellaneous Structural Rehabilitation	\$22.0	May-16
D604VN87	Substation #1 Rehabilitation	\$16.6	Jun-16
D601RK76	Miscellaneous Structural Repair	\$11.2	Jul-16
D602TN49	Suspended Span Replacement - Phase A	\$25.5	Aug-16
D602MP21	Rehabilitate Rockaway Point Blvd Overpass	\$10.8	Sep-16
D607MP21	Paint - Rockaway Point Overpass	\$0.0	Sep-16
D602HH88	Replace Upper & Lower Level Plza & Southbnd. Appr.	\$49.4	Oct-16
D603AW35	Weather Information Systems	\$2.5	Dec-16
D603AW48	2nd Generation E-Zpass In-Lane	\$21.4	Dec-16
D604AW80	Advanced Traveler Information Systems	\$10.3	Dec-16
D703AW61	AVLC - Auto Vehicle Location System	\$2.5	Dec-16
D601VN35	Steel Repair & Concrete Rehab. & Drainage Systems	\$13.6	Jun-17
D607VN35	Paint - Brooklyn&Staten Island Lower Level Ramps	\$17.0	Jun-17
D601RK23	Miscellaneous Rehab - Manhattan Approach Ramps	\$116.0	Jul-17
D604QM30	Tunnel Ventilation Building Electrical Upgrade	\$56.2	Aug-17
D605AW65	Signs	\$6.5	Sep-17
D704BW39	Implementation of Facility-wide Electronic Monitoring and Detection Systerr	\$33.2	Dec-17
D704RK60	Implement Facility-wide Electronic Monitoring and Detection Systems - RFI	\$35.1	Dec-17
D701BW84	Cable Investigation, Replacement of Suspender Ropes, and Eyebar Rehab	\$15.1	Feb-18
D701BW14	Miscellaneous Structural Rehabilitation	\$27.8	Feb-18
D604MP03	Programmable Logic Controller & Mechanical Rehab.	\$8.0	Mar-18
D704TN60	Anchorage Dehumidification	\$17.5	Jun-18
D707BW84	Paint tower interior Base Cells and Struts	\$24.1	Aug-18
D701HH89	Skewback Retrofit	\$104.1	Dec-18
D704RK21	Installation of Fire Standpipe & Upgrade of Fire Protection System	\$26.8	Dec-18

MTA Bus

2015-18 Completions

ACEP	Project	Project Amount (\$ in Mil)	Planned Completion Date
U5030209	Upgrade Parking Lot: JFK and Baisley Park	\$9.2M	Jul-14
U5030205	Relocate Fuel Tanks/Rehabilitation at Eastchester	\$13.5M	Sep-14
U5030204	Emergency Generators: 6 Depots - Purchase (portable: FR/Yonkers)	\$.8M	May-15
U5030226	Far Rockaway Roof Deck Replacement	\$1.7M	Jul-15
U5030205	Eastchester Depot: Purchase AFC Equipment	\$.4M	Sep-15
U6030208	New Apron: JFK	\$2.3M	Jan-16
U6030228	Chassis Wash: LaGuardia and Baisley Park	\$3.3M	Mar-16
U4030214	Bus Time Customer Information System: MTA Bus	\$10.5M	Apr-16
U5030223	Bus Time Customer Information System: Misc Items	\$1.7M	Apr-16
U5030225	Security Upgrade: Far Rockaway and Baisley Park	\$6.8M	May-16
EU030201	Hurricane Sandy Depot Rehabilitation at Far Rockaway	\$25.0M	Nov-16
U5030204	Emergency Generators: 6 Depots - Installation	\$8.2M	Dec-16
U5030216	Additional Fueling Capacity: JFK, Baisley Park and LaGuardia	\$3.5M	Dec-16
U6030217	45 Diesel Buses	\$23.8M	Dec-16
U6030219	75 Articulated Buses	\$61.6M	Dec-16
U6030214	Storeroom Expansion - Baisley Park & JFK	\$3.0M	May-17
U6030225	Bus Command Ctr	\$14.2M	Jun-17
U6030212	CNG Upgrade - College Point	\$5.1M	Dec-17
U6030204	Security Improvements: JFK & Spring Creek	\$9.2M	Sep-18

MTA PD
 2015-18 Completions

ACEP	Project	Project Amount (\$ in Mil)	Planned Completion Date
N5100104	K-9 Facility	\$ 15.80	Apr-15
N5100109	MTAPD Metro21 Procure Equip. Penn Station	\$ 0.50	Jun-16
N5100109	MTAPD Metro21 Equipment Install	\$ 0.60	Jul-17
N5100109	MTAPD Radio Project Tower Design/Build	\$ 2.00	Jul-17
N5100109	MTAPD Radio Project "In-Building" D/B	\$ 25.00	Dec-17
Multiple ACEPs	MTAPD Radio Project Design/Build	\$ 90.00	Dec-18

**OPERATING IMPACTS EXCEEDING \$1 MILLION
FOR CAPITAL PROJECTS REACHING BENEFICIAL USE 2015-2018**

NEW YORK CITY TRANSIT CAPITAL PROJECTS

Project: Second Avenue Subway Phase I – MTA Capital Construction is managing construction of the Second Avenue Subway on Manhattan’s east side from 125th Street to the Financial District in Lower Manhattan. The first phase of this four-phase project will utilize an existing tunnel under Central Park from 57th Street/Seventh Avenue on the Broadway Line to 63rd Street/Lexington. From 63rd Street, a new tunnel will be built along Second Avenue between 63rd Street and 96th Street. The first phase will be served by an extension of the Q Line and have new stations at 63rd Street/Lexington (connection to F train), 72nd Street, 86th Street and finally 96th Street and is slated to open in December 2016. This will result in \$31.7 million in additional annual expenses.

Project: Mother Clara Hale Depot Reconstruction. This is a reconstruction of a bus depot to create a modern facility and increase vehicle handling capacity. The new multi-story depot will replace a single-story structure dating from the 1890’s. The depot is planned to fully open in 2015 with about \$2.2 million of annual expenses.

Project: Enterprise Security Network Infrastructure. This will install unified threat management network security hardware at all the nodes on the new IP-based enterprise data network. The security hardware will protect mission-critical applications like ATS (Automatic Train Supervision), CBTC (Computer based Train Control), and PA/CIS (Public address and Customer Information System), which are planned to be migrated to new network. Installation is projected to be complete by 2016 with full operating budget impacts beginning in 2016. This will result in \$1.2 million in additional annual expenses.

Project: 7 West Extension. This project will extend the Flushing Line (7) southwest from 42 St & 8th Ave to a new station at 34th St & 11th Ave. The construction includes new running tunnels and associated right-of-way equipment; vent plants; and a new terminal station with elevators, escalators, HVAC, and other modern station finishes. Full annual impacts of \$18.0 million in additional expenses are expected.

Project: Fulton Street Transit Center Complex. This is a reconfiguration and reconstruction of an existing complex of subway stations. There is an additional underground concourse extending west to the Cortland St Broadway line station. The complex is being renewed in phases. The renewed complex will be larger and have new escalators and elevators. The complex opened in late 2014. There will be full impacts of \$9.3 million in additional annual expenses.

Project: R188 Subway Car Purchase (126 cars). The purchase of 126 cars is to grow the A-Division fleet in anticipation of beginning CBTC on the Flushing Line and to support the extension of the Flushing Line. Additional new cars to the fleet have maintenance, energy, and personnel costs. Total impacts of 55 cars are included with the 7 West Extension above. NYCT expects to absorb the

additional costs of the remaining 71 cars. The first R188 cars were placed in service in 2013 and all of the 126 cars are expected to be in service by 2016.

Project: R179 Subway Car Purchase. This project is for the purchase of 300 'B' division cars that will replace 272 R32 and R42 cars due for retirement. The operating budget impact is neutral for 272 fleet replacement cars. Total impacts of the 28 fleet expansion cars are not included in the Financial Plan and NYCT is evaluating options regarding the operating impacts of these cars for a future financial plan cycle. The R179 cars are expected to start arriving in 2017.

Project: Public Address/ Customer Information – 89 Stations B Division. This project will install public address speakers and visual information delivered by Customer Information Screens at 89 stations and 2 pilot stations. Impacts are projected to begin in 2017 when much of the equipment would be installed or shortly thereafter. An annual total increase of \$3.3 million is expected.

LONG ISLAND RAIL ROAD CAPITAL PROJECTS

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

Project: Main Line Second Track. The 17.9-mile LIRR Main Line between Ronkonkoma and Farmingdale comprises 12.6 miles of single electrified track and 5.3 miles of double electrified track. The project calls for the addition of a second track and crossovers in the remaining single-track segments of the ROW. The project also includes new, unimproved maintenance roadways parallel to the tracks within the ROW in certain locations, new side-platforms at existing stations (Wyandanch and Pinelawn) and some new retaining walls where required. Construction is underway for Phase 1 from Ronkonkoma to west of Central Islip. Phase 2 begins in the Central Islip area and continues west to Farmingdale and will be divided into east and west segments. Headcount increase is required for Track, Signal and Power maintenance. As the project is being phased in, the full need will not be required until the full project is completed. At completion in 2019 the project is expected to have an operating budget impact of cost of \$1.25M.

Project: Positive Train Control (PTC). This project is for the installation of a PTC system for the LIRR. It is an integrated command, control, communication, and geographic information system designed to prevent train-to-train collisions, over-speed derailments, incursions into established work zone limits, and the movement of a train through a switch left in the wrong position. PTC is composed of five core elements: On-Board Equipment, a Wireless Communication Network, Central Servers, a Dispatching System, and Wayside Equipment. The full operating budget impact has not been identified. However, because of the assets and equipment that will need to be operated and maintained, it is expected that PTC will have an operating budget impact of at least \$1 million a year.

METRO-NORTH RAILROAD CAPITAL PROJECTS

Project: M-8 New Haven Line Purchase. This project is for the design, manufacture, test and delivery of the New Haven Line M8 EMU Cars. The first one hundred cars will be utilized to supplement the existing fleet to fill out trains and reduce standees. The base contract for 210 cars and the first option for 90 additional cars were awarded on August 21, 2006. Two additional options 42 and 38 cars respectively. A change order was executed for 25 Single Cars for a total of 405 cars. Anticipated steady-state Operating Budget Impact of approximately \$4 million (NYS portion) once all 405 cars are in service.

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

Project: Positive Train Control (PTC). Installation of a PTC system is mandated by the Federal Rail Safety Improvement Act of 2008. PTC is an integrated command, control, communication, and geographic information system designed to prevent train-to-train collisions, over-speed derailments, incursions into established work zone limits, and the movement of a train through a switch left in the wrong position. It is composed five core elements: On-Board Equipment, a Wireless Communication Network, Central Servers, a Dispatching System, and Wayside Equipment. There is an anticipated steady-state Operating Budget Impact of approximately \$4 million in costs for this project (NYS portion).

Project: West of Hudson Signal Improvements. The purpose of this project is to install a new 100 Hz Cab Signal system replacing existing antiquated signal system for the West of Hudson Port Jervis Line between Suffern, NY (MP 31.3) and Sparrowbush, NY (MP 89.9). This system will be consistent with NORAC (Northeast Operating Rules Advisory Committee) and NJT (New Jersey Transit) operating rules. This project will extend existing cab signal system from NJT territory (south of Suffern) into MNR territory up to the division post at MP 89.9. This line consists of nine interlockings and four highway grade crossings. MNR rolling stock operated by NJT is already equipped with cab signal system due to its operation south of Suffern. PTC equipment for West of Hudson will be procured as options on New Jersey Transit PTC contract. The West of Hudson Signal Improvements project anticipates a steady-state Operating Budget Impact of approximately \$1 million (NYS portion).

Project: Harmon Shop Replacement-Phase V. The project involves the continuation of MTA Metro-North Railroad's Harmon Shop Replacement Program. Phase V is a two-stage program to design and construct a new Electric Car Shop with a Consist Shop Facility and new Running Repair and Support Shop to replace the existing Harmon Old Main Shop Building. There is a potential for annual savings in excess of \$1 million that could be realized in facility and equipment maintenance and train operations costs.

MTA POLICE DEPARTMENT CAPITAL PROJECTS

Project: Upgrade Police Radio System. This project provides for the upgrade and enhancement of the MTAPD radio system and associated infrastructure through strategic partnerships with local and state agencies, as well as the installation of contemporary equipment and technologies throughout the 14 counties served by the MTAPD. It is expected that at completion the project will result in increased maintenance expenses of approximately \$4.4 million or more per year. These expenses will be partially offset by an estimated \$2.4 million per year of savings as MTAPD moves from 2 person patrols to 1 person patrols in districts outside of New York City. Full budget impacts of the project are expected after 2018.

OTHER AGENCIES

Other MTA agencies have no capital projects entering beneficial use in 2015-2018 that have impacts on the operating budget over \$1 million.

V. Agency Financial Plans

Bridges and Tunnels

MTA BRIDGES AND TUNNELS
2016 Final Proposed Budget
November Financial Plan 2016–2019

FINANCIAL OVERVIEW

MTA Bridges and Tunnels (B&T) continues to be a strong source of fiscal stability to the MTA. In 2015 and 2016 combined, B&T is projected to contribute over \$2.0 billion in Support to Mass Transit.

B&T is able to provide this substantial support to mass transit by efficiently carrying out its operations and maintaining its facilities in a state of good repair, while at the same time providing high levels of customer service and maintaining a strong safety focus for both employees and the travelers utilizing its facilities.

There is no more important priority for B&T than safety. Safe work practices are continually emphasized and safety training is regularly provided to employees. Ongoing efforts in shaping a safety culture at every level of the agency include:

- Utilizing a Special Operations Command unit to provide unified emergency coordination, accident and facility/roadway hazard alerts, safety bulletins, and other vital communications to B&T customers and employees;
- Employing a Safety Task Force to check facilities for hazards and either make immediate improvements or elevate issues to a Safety Action Team when more technical solutions are required;
- Maintaining the effective ACROBAT (Achieve Collision Reduction on Bridges and Tunnels) program which is a joint effort with Engineering and Operations staff aimed at reducing vehicular accidents and customer injuries by pinpointing accident hot spots and implementing a variety of countermeasures ranging from physical improvements to operational actions;
- Continuing asset management best practices such as rigorous bridge and tunnel inspection programs that exceed Federal and New York State requirements to ensure that any observed deficiencies in structural or safety conditions are addressed as promptly as possible to maintain facility integrity and assure public safety;
- Emphasizing inter-departmental initiatives and matrix management principles between Engineering, Operations, Safety and Health and other departments in the areas of safety training, field operations with the FDNY, and support in construction/maintenance activities.

B&T also carries out initiatives that help assure the safe passage of its customers, including identifying collision hotspots, re-evaluating and modifying traffic patterns in construction zones, and improving roadway signage. Through August 2015, the collision rate was 5.6 per million vehicles, which was comparable to the average rate over the past 5 years.

To better enforce weight restrictions and ensure the safety and structural integrity of the facilities, a truck weight enforcement program is in place on B&T's suspension bridges. The program uses a combination of personnel to perform vehicle weight and safety inspections and provide a regular facility presence to conduct credential checks. From the start of the program in 2007 through August 2015, more than 68,000 trucks have been interdicted. In addition, B&T assists the NYC Department of Transportation with inspections and violation assessments of commuter buses.

B&T also monitors its facility operations by tracking key customer service and safety-oriented performance statistics at the bridges and tunnels. Through August, over 3,100 potholes were repaired and over 6,800 miles of roadway were swept across all facilities. Traffic mobility at all facilities was consistently smooth, with 82% of vehicle crossings at bridges during weekday peak periods traveling above 30 mph, and 61% of vehicle crossings at the tunnels (where lower speeds are posted during measured peak periods) traveling above 25 mph.

Another of B&T's key initiatives—to make E-ZPass (which is the least expensive means of collecting tolls) more available to all B&T customers—continues in the November Plan. From January through August of this year, E-ZPass usage averaged 84.8% of total traffic, which is 0.9% points greater than the same period last year. The following efforts have contributed toward this growth in usage.

- B&T began selling E-ZPass “On the Go” pre-paid tags in the cash toll lanes at each facility in 2012. As of the end of September 2015, over 616,000 tags had been sold in the lanes.
- Spanish language versions of the E-ZPass application, interactive website, and the customer service telephone voice response system were introduced in January of 2012.
- B&T introduced the MTA Reload Card in February 2012, an initiative which makes it easier for customers to replenish their E-ZPass account with cash. Customers can go to any Visa ReadyLink retail merchant and use the card to reload their E-ZPass accounts, eliminating the need to travel to one of three walk-in centers in Yonkers, Queens, or Staten Island for that purpose. To date, over 133,000 cards have been issued to customers and nearly 16% of total cash replenishments are currently made using the reload cards.
- In November 2012, B&T introduced E-ZPass “Pay per Trip”, which enables customers to set up an E-ZPass account without a pre-paid balance. Those enrolled in this program pay for their tolls each day through an Automated Clearinghouse (ACH) deduction from their checking account. To date, over 55,000 account holders have signed up for this initiative.

The most potentially far-reaching B&T initiative is the project at the Henry Hudson Bridge (HHB) to test All Electronic Toll (AET) collection operations. In November 2012, B&T implemented a cashless tolling pilot at the HHB. All motorists are now able to use any lane to drive through the toll plaza without stopping. Under the cashless tolling system, automatic billing remains the same for drivers with E-ZPass. For drivers without an E-

ZPass tag, an image is taken of their license plate and a bill for the toll is mailed to the vehicle's registered owner. Currently, approximately 93.6 percent of crossings at the HHB are processed through E-ZPass and 6.4 percent are "toll-by-mail" transactions. Based on the results of the initiative, B&T requested and received Board approval in May 2014 to continue the all-electronic collection of tolls at the HHB following the completion of the pilot at the end of 2014. In 2015, tolls have been and will continue to be collected through the AET system used for the AET pilot, with vehicles traveling in gateless, channelized lanes and tolling equipment mounted on the existing infrastructure. B&T will expand AET through a pilot program at the Marine Parkway and Cross Bay in 2016. Unlike the HHB, the program at the Rockaway crossings would include commercial vehicles.

In the fall of 2016 or early 2017, a gantry-based Open Road Tolling (ORT) system will be put into revenue service at the HHB and the existing toll plazas including the booths will be demolished. It is expected that the new ORT system will continue to utilize the current methods employed at the HHB to capture E-ZPass transponder-reads and license plate images, but will do so in an environment absent a traditional toll plaza, enabling customers to traverse the bridge's two tolling areas in free-flow fashion. This project is being executed in concert with a planned structural reconstruction of the HHB's upper and lower level roadways.

Other significant customer service improvements are also being carried out through the capital program, with some of the most significant improvements taking place at the Verrazano-Narrows Bridge.

- In November 2014, the remaining three unused eastbound toll booths were removed, a new two-lane approach to the lower level was constructed, the Staten Island Expressway approach to the upper level was re-aligned and all on-ramps were reconstructed, improving traffic flow and access to the bridge as part of the overall improvement and rehabilitation of the eastbound toll plaza. This project was completed ahead of schedule.
- In late 2012, a five-year, \$235.7 million construction contract was awarded to replace the original 1960s upper level suspended span roadway of the Verrazano-Narrows Bridge which, once completed, will allow for the agency's first reversible high occupancy vehicle lane. In 2013, the construction of a new bus and HOV ramp was awarded for \$65.7 million. The new reversible lane along with the upper level reconstruction, will allow for a connection to the State Department of Transportation's HOV lanes on either side of the bridge, providing a continuous HOV lane from the Staten Island Expressway straight through to the Hugh L. Carey Tunnel, saving time for thousands of daily bus and HOV car commuters.

In addition to the Verrazano improvements, in August 2014, B&T completed a \$50 million design/build contract which reconstructed the Manhattan/Queens ramp at the Robert F. Kennedy Bridge, providing customers with an improved transition and shoulder, resulting in a much smoother ride through the bridge complex.

At the Bronx Whitestone Bridge, the Bronx and Queens approaches were entirely reconstructed over the past few years providing drivers with wider 12-foot lanes and new safety shoulders. The Bronx approach was completed in August 2012 at a cost of \$212 million and the Queens approach was completed in January 2015 at a cost of \$114 million.

Overtime

B&T utilizes overtime as a managerial tool to maximize operational effectiveness and cost efficiency. Overtime is used to address challenges stemming from:

- Changes in workforce availability due to factors such as short- and long-term absences, training, holidays, FMLA, etc.
- Inclement weather, which requires additional labor for storm preparation measures, snow and debris removal, etc.
- Conditions in the operating environment impacted by security concerns, heavy traffic, law enforcement, special events and maintenance.

Key management programs in place to control overtime expenses include:

- SWEAP (Security, Weather, Emergency, Availability and Pre-Planned), a program that enables more efficient categorization and management of overtime usage.
- A Central Operations Notification Unit which manages absences through centralized reporting and recording of all unscheduled absences.
- A Central Control Unit that manages absences through timekeeping functions.
- An IOD (Injuries on Duty) System which includes extensive case management protocols.

For this November Financial Plan, overtime has been maintained at July Financial Plan levels.

Key changes between the November and July financial plans are outlined below.

2015 November Forecast

In the 2015 November Forecast, a total of \$1,330.7 million is projected in baseline operating income compared to \$1,287.0 million in the 2015 Mid-Year Forecast, an increase of \$43.7 million.

Total revenues are \$1,844.3 million, which is \$25.0 million greater than the Mid-Year Forecast. Toll revenue accounts for 97% of all revenues and is projected at \$1,792.3 million, which is \$23.5 million above the Mid-Year Forecast. The higher revenue forecast is based on actual favorable traffic trends through September and revised upward projections for the rest of the year based on a continuation of relatively low gas prices and modest improvements in the regional economy. Favorable results are also occurring in Other Operating Revenue from income generated by a variety of E-ZPass and other administrative fees. These sources add a combined \$3.0 million to November Plan operating income.

The 2015 November Forecast includes expenses totaling \$513.6 million before depreciation and GASB adjustments. Labor costs are \$272.6 million and non-labor costs are \$241.0 million. Total expenses are \$18.7 million below the Mid-Year Forecast.

Labor expenses have been decreased by \$13.3 million primarily due to payroll and associated fringe benefit savings resulting from vacant positions. Non-labor expenses are lower by \$5.4 million primarily due to the timing of system development costs associated with the Enterprise Asset Management (EAM) program. During previous financial plans, \$6.3 million in non-labor costs had been built into the 2015 baseline for the initial phase of EAM system development. Having analyzed the results of an extensive gap assessment study that was completed during the second quarter of this year, B&T has now developed a strategy, or "roadmap" to developing and implementing a comprehensive EAM system that utilizes state-of-the art technology and aspires to the highest industry standards. The roadmap shifts \$6.3 million in development costs from 2015 into 2016 and 2017. These reductions in 2015 are partially offset by numerous re-estimates across a variety of areas that net an additional total cost of \$0.9 million.

Total Support to Mass Transit is \$1,037.4 million compared to \$987.0 million in the 2015 Mid-Year Forecast, an increase of \$50.4 million resulting from \$25.0 million in revenue gains, a reduction of \$18.7 million in operating expenses and \$6.7 million less in B&T debt service.

In 2015, total planned year-end headcount is 1,581, including 76 capital reimbursable full-time equivalents. Headcount is 146 positions below the Mid-Year forecast level of 1,727 primarily due to vacancies.

2016 Final Proposed Budget - Baseline

In the 2016 Final Proposed Budget, a total of \$1,322.6 million is projected in baseline operating income compared to \$1,298.2 million in the July Financial Plan, an increase of \$24.4 million.

Total revenues are \$1,855.3 million, which is \$20.4 million greater than the July Financial Plan. Toll revenues are increased by \$17.6 million, reflecting the higher plan-to-plan traffic trends from 2015, partially offset by a revised traffic forecast that calls for relatively slower traffic growth based on plan-to-plan changes in economic assumptions. Other Operating Revenue has also been adjusted upward by \$3.0 million to incorporate favorable re-estimates of E-ZPass and other administrative fees.

Expenses before depreciation and GASB adjustments total \$532.7 million and are comprised of \$288.5 million in labor costs and \$244.2 million in non-labor expenses. Overall expenses are \$4.0 million lower than the July Financial Plan.

Labor costs are projected to be lower by \$4.7 million due to savings in payroll and associated fringe benefits from anticipated vacancies in the first quarter and fewer positions dedicated to the EAM program than previously assumed. Non-labor expenses are higher by \$0.7 million primarily due to the timing of EAM program costs (\$3.4 million)

partially offset by favorable re-estimates for energy costs (\$1.3 million), E-ZPass expenses (\$0.6 million), insurance (\$0.3 million) and general inflation (\$0.5 million).

Total Support to Mass Transit is \$996.3 million compared to \$974.9 million in the July Financial Plan, an increase of approximately \$21.4 million resulting from \$20.4 million in revenue gains and a decrease of \$4.0 million in operating expenses, partially offset by an additional \$2.9 million in B&T debt service.

In 2016, total year-end headcount is budgeted at 1,736, including 87 reimbursable positions, which is 8 positions lower than the July Financial Plan. The decrease is the result of 11 fewer positions dedicated to the EAM program and 1 position transferred to MTA Headquarters as part of the Agency-wide consolidation of treasury functions, partially offset by 2 new positions (1 in the area of Internal Security and 1 in E-ZPass Administration) and 2 technical adjustments for positions that were previously budgeted and are now being transitioned into funded headcount.

2017-2019 Projections

The 2017 projection for baseline operating income is \$1,314.6 million compared to \$1,303.2 million in the July Financial Plan. This consists of \$1,865.8 million in revenues less \$551.2 million in expenses. The expenses are comprised of \$299.0 million in labor costs and \$252.2 million in non-labor expenses.

The 2018 projection for baseline operating income is \$1,303.2 million compared to \$1,296.0 million in the July Financial Plan. This consists of approximately \$1,879.2 million in revenues offset by \$576.0 million in expenses. The expenses are comprised of approximately \$308.1 million in labor costs and approximately \$268.0 million in non-labor expenses.

In 2019, the projection for baseline operating income is \$1,294.6 million compared to \$1,286.6 million in the July Financial Plan. This consists of approximately \$1,893.0 million in revenues offset by approximately \$598.5 million in expenses. The expenses are comprised of approximately \$321.4 million in labor costs and approximately \$277.0 million in non-labor expenses.

Total planned headcount is 1,743 in 2017, 1,746 in 2018 and 1,749 in 2019, including 87 reimbursable positions each year. Headcount grows by 3 positions each year due to the planned development of the EAM program.

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

MTA BRIDGES AND TUNNELS
November Financial Plan 2016-2019
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE

	2014	2015	2016			
	Actual	November Forecast	Final Proposed Budget	2017	2018	2019
Operating Revenue						
Vehicle Toll Revenue	\$1,676.445	\$1,792.269	\$1,808.583	\$1,817.819	\$1,830.730	\$1,844.355
Other Operating Revenue	26.521	30.660	23.093	23.093	23.093	23.093
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Investment Income	0.137	0.137	0.427	0.987	1.240	1.240
Total Revenue	\$1,703.103	\$1,823.066	\$1,832.103	\$1,841.899	\$1,855.063	\$1,868.688
Operating Expenses						
Labor:						
Payroll	\$127.814	\$128.828	\$142.089	\$150.280	\$154.503	\$161.388
Overtime	21.421	26.272	26.309	26.658	27.190	27.740
Health and Welfare	26.378	27.033	30.526	32.395	34.032	35.644
OPEB Current Payment	15.978	16.617	18.013	18.301	19.125	19.986
Pensions	31.232	39.442	34.483	33.000	33.908	34.271
Other Fringe Benefits	23.235	17.718	19.007	19.825	20.287	23.166
Reimbursable Overhead	(7.530)	(4.516)	(5.123)	(5.368)	(5.151)	(5.150)
Total Labor Expenses	\$238.528	\$251.394	\$265.304	\$275.091	\$283.894	\$297.045
Non-Labor:						
Electric Power	\$5.699	\$5.470	\$5.604	\$5.858	\$6.258	\$6.715
Fuel	3.152	2.176	2.305	2.441	2.565	2.770
Insurance	16.978	15.276	15.423	16.148	16.929	17.758
Claims	0.135	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	108.892	137.188	144.358	149.136	162.226	168.233
Professional Service Contracts	33.303	43.781	42.171	43.284	43.763	44.415
Materials & Supplies	3.396	4.294	4.011	4.210	4.323	4.427
Other Business Expenses	33.669	32.820	30.354	31.147	31.917	32.698
Total Non-Labor Expenses	\$205.224	\$241.005	\$244.225	\$252.223	\$267.981	\$277.016
Other Expense Adjustments:						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$443.752	\$492.398	\$509.529	\$527.315	\$551.875	\$574.062
Add: Depreciation	\$104.039	\$111.667	\$119.521	\$127.853	\$136.766	\$146.300
Add: OPEB Obligation	71.148	71.700	73.806	77.496	81.371	85.439
Add: Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses After Depreciation and GASB Adjs.	\$618.939	\$675.765	\$702.855	\$732.664	\$770.012	\$805.801
Less: Depreciation	\$104.039	\$111.667	\$119.521	\$127.853	\$136.766	\$146.300
Less: OPEB Obligation	71.148	71.700	73.806	77.496	81.371	85.439
Total Expenses	\$443.752	\$492.398	\$509.529	\$527.315	\$551.875	\$574.062
Net Surplus/(Deficit)	\$1,259.351	\$1,330.668	\$1,322.574	\$1,314.584	\$1,303.188	\$1,294.627

MTA BRIDGES AND TUNNELS
November Financial Plan 2016-2019
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE

	2014	2015	2016	2017	2018	2019
	<u>Actual</u>	<u>November Forecast</u>	<u>Final Proposed Budget</u>			
Revenue						
Vehicle Toll Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	20.980	21.208	23.151	23.873	24.157	24.403
Investment Income	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenue	\$20.980	\$21.208	\$23.151	\$23.873	\$24.157	\$24.403
Expenses						
<u>Labor:</u>						
Payroll	\$8.378	\$9.677	\$9.823	\$9.904	\$9.986	\$10.071
Overtime	0.141	1.531	1.558	1.587	1.616	1.646
Health and Welfare	2.115	2.000	2.427	2.587	2.764	2.835
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	1.791	2.370	2.847	3.008	3.182	3.202
Other Fringe Benefits	1.025	1.114	1.373	1.419	1.458	1.499
Reimbursable Overhead	7.530	4.516	5.123	5.368	5.151	5.150
Total Labor Expenses	\$20.980	\$21.208	\$23.151	\$23.873	\$24.157	\$24.403
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Professional Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Materials & Supplies	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expenses	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Other Expense Adjustments:</u>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$20.980	\$21.208	\$23.151	\$23.873	\$24.157	\$24.403
Add: Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Add: OPEB Obligation	0.000	0.000	0.000	0.000	0.000	0.000
Add: Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses After Depreciation and GASB Adjs.	\$20.980	\$21.208	\$23.151	\$23.873	\$24.157	\$24.403
Less: Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Less: OPEB Obligation	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$20.980	\$21.208	\$23.151	\$23.873	\$24.157	\$24.403
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA BRIDGES AND TUNNELS
November Financial Plan 2016-2019
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE Page 1 of 2

	2014	2015	2016			
	<u>Actual</u>	November <u>Forecast</u>	Final Proposed <u>Budget</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Revenue						
Vehicle Toll Revenue	\$1,676.445	\$1,792.269	\$1,808.583	\$1,817.819	\$1,830.730	\$1,844.355
Other Operating Revenue	26.521	30.660	23.093	23.093	23.093	23.093
Capital and Other Reimbursements	20.980	21.208	23.151	23.873	24.157	24.403
Investment Income	0.137	0.137	0.427	0.987	1.240	1.240
Total Revenue	\$1,724.083	\$1,844.274	\$1,855.254	\$1,865.772	\$1,879.220	\$1,893.092
Expenses						
<u>Labor:</u>						
Payroll	\$136.192	\$138.505	\$151.912	\$160.184	\$164.489	\$171.459
Overtime	21.562	27.803	27.868	28.245	28.806	29.386
Health and Welfare	28.493	29.033	32.953	34.982	36.796	38.479
OPEB Current Payment	15.978	16.617	18.013	18.301	19.125	19.986
Pensions	33.023	41.812	37.330	36.008	37.090	37.473
Other Fringe Benefits	24.260	18.832	20.380	21.244	21.745	24.665
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$259.508	\$272.602	\$288.455	\$298.964	\$308.051	\$321.449
<u>Non-Labor:</u>						
Electric Power	\$5.699	\$5.470	\$5.604	\$5.858	\$6.258	\$6.715
Fuel	3.152	2.176	2.305	2.441	2.565	2.770
Insurance	16.978	15.276	15.423	16.148	16.929	17.758
Claims	0.135	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	108.892	137.188	144.358	149.136	162.226	168.233
Professional Service Contracts	33.303	43.781	42.171	43.284	43.763	44.415
Materials & Supplies	3.396	4.294	4.011	4.210	4.323	4.427
Other Business Expenses	33.669	32.820	30.354	31.147	31.917	32.698
Total Non-Labor Expenses	\$205.224	\$241.005	\$244.225	\$252.223	\$267.981	\$277.016
<u>Other Expense Adjustments:</u>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses Before Depreciation and GASB Adjs.	\$464.732	\$513.606	\$532.680	\$551.188	\$576.032	\$598.465
Add: Depreciation	\$104.039	\$111.667	\$119.521	\$127.853	\$136.766	\$146.300
Add: OPEB Obligation	71.148	71.700	73.806	77.496	81.371	85.439
Add: Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses After Depreciation and GASB Adjs.	\$639.919	\$696.973	\$726.007	\$756.537	\$794.169	\$830.205
Less: Depreciation	\$104.039	\$111.667	\$119.521	\$127.853	\$136.766	\$146.300
Less: OPEB Obligation	71.148	71.700	73.806	77.496	81.371	85.439
Total Expenses	\$464.732	\$513.606	\$532.680	\$551.188	\$576.032	\$598.465
Net Surplus/(Deficit)	\$1,259.351	\$1,330.668	\$1,322.574	\$1,314.584	\$1,303.188	\$1,294.627

MTA BRIDGES AND TUNNELS
November Financial Plan 2016-2019
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE Page 2 of 2
--

	2014 <u>Actual</u>	2015 November <u>Forecast</u>	2016 Final Proposed <u>Budget</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Net Surplus/(Deficit)	\$1,259.351	\$1,330.668	\$1,322.574	\$1,314.584	\$1,303.188	\$1,294.627
<u>Deductions from Income:</u>						
Less: Capitalized Assets	\$17.218	\$16.142	\$17.927	\$18.348	\$18.767	\$20.335
Less: Reserves	26.161	26.382	26.881	27.338	27.824	28.306
Less: GASB 45 Reserves	1.594	0.000	0.000	0.000	0.165	0.337
Adjusted Net Surplus/(Deficit)	\$1,214.378	\$1,288.144	\$1,277.766	\$1,268.898	\$1,256.432	\$1,245.649
Less: Debt Service	\$576.687	\$606.681	\$648.865	\$667.179	\$684.962	\$723.303
Income Available for Distribution	\$637.691	\$681.462	\$628.901	\$601.720	\$571.470	\$522.346
<u>Distributable To:</u>						
MTA - Investment Income	\$0.137	\$0.137	\$0.427	\$0.987	\$1.240	\$1.240
MTA - Distributable Income	371.984	394.269	369.993	356.477	340.774	316.779
NYCT - Distributable Income	265.570	287.056	258.482	244.256	229.455	204.327
Total Distributable Income:	\$637.691	\$681.462	\$628.901	\$601.720	\$571.470	\$522.346
<u>Actual Cash Transfers:</u>						
MTA - Investment Income	\$0.131	\$0.137	\$0.137	\$0.427	\$0.987	\$1.240
MTA - Transfers	367.957	405.118	372.421	357.829	342.345	319.178
NYCT - Transfers	254.811	290.797	261.339	245.678	230.935	206.840
Total Cash Transfers:	\$622.900	\$696.052	\$633.897	\$603.934	\$574.267	\$527.258
<u>SUPPORT TO MASS TRANSIT:</u>						
Total Revenues	\$1,724.083	\$1,844.274	\$1,855.254	\$1,865.772	\$1,879.220	\$1,893.092
Less: Net Operating Expenses	464.732	513.606	532.680	551.188	576.032	598.465
Net Operating Income:	\$1,259.351	\$1,330.668	\$1,322.574	\$1,314.584	\$1,303.188	\$1,294.627
<u>Deductions from Operating Income:</u>						
B&T Debt Service	\$221.617	\$250.776	\$281.476	\$297.978	\$318.190	\$353.382
Capitalized Assets	17.218	16.142	17.927	18.348	18.767	20.335
Reserves	26.161	26.382	26.881	27.338	27.824	28.306
GASB Reserves	1.594	0.000	0.000	0.000	0.165	0.337
Total Deductions from Operating Income:	\$266.590	\$293.299	\$326.284	\$343.664	\$364.947	\$402.360
Total Support to Mass Transit:	\$992.761	\$1,037.368	\$996.290	\$970.920	\$938.241	\$892.267

MTA BRIDGES AND TUNNELS
2015 November Forecast
Non-Reimbursable/Reimbursable Overtime
(\$ in millions)

	Total		
	Hours	\$	%
NON-REIMBURSABLE OVERTIME			
OPERATIONS & MAINTENANCE			
<u>Scheduled Service</u>	56,509	\$3.687	14.0%
<u>Unscheduled Service</u>	10,465	0.664	2.5%
<u>Programmatic/Routine Maintenance</u>	11,617	0.927	3.5%
<u>Unscheduled Maintenance</u>	11,293	0.932	3.5%
<u>Vacancy/Absentee Coverage</u>	181,852	12.313	46.9%
<u>Weather Emergencies</u>	19,640	1.462	5.6%
<u>Safety/Security/Law Enforcement</u>	37,921	2.421	9.2%
<u>Other</u>	4,097	0.321	1.2%
<u>All Other Departments and Accruals¹</u>	0	3.544	13.5%
Subtotal	333,394	\$26.272	100%
REIMBURSABLE OVERTIME	21,851	\$1.531	
TOTAL OVERTIME	355,245	\$27.803	

¹ Includes overtime for all departments other than Operations and Maintenance, and adjustments to reflect the 28-day payroll lag. Does not include hours.

MTA BRIDGES AND TUNNELS
2016 Final Proposed Budget
November Financial Plan 2016–2019
Year-to-Year Changes by Category - Baseline

Toll Revenue

- At current crossing charges, toll revenue is estimated at \$1,792.3 million in 2015 and \$1,808.6 million in 2016, an increase of \$16.3 million primarily due to additional traffic volume resulting from forecast regional employment growth of 1.2%, regional inflation of 1.8%, a full year impact of the toll increase implemented in March 2015, and an extra day in the 2016 leap year. Traffic estimates grow from 295.1 million crossings in 2015 to 296.4 million in 2016.
- Toll revenue increases to \$1,817.8 million in 2017, \$1,830.7 million in 2018 and \$1,844.4 million in 2019, reflecting additional traffic volume from projected regional employment growth of 0.8% in 2017, 0.4% in 2018 and 0.3% in 2019, and average annual regional inflation of approximately 2.5%. Traffic levels are forecast at 298.3 million crossings in 2017, 300.9 million in 2018, and 303.5 million in 2019.

Other Operating Revenue

- Other Operating Revenue is estimated at \$30.7 million in 2015 and \$23.1 million in 2016, a year-to-year decline of \$7.6 million. Revenue in 2015 includes a one-time adjustment of \$7.7 million for E-ZPass and other administrative fees collected in prior years.
- Other Operating Revenue is expected to remain at a level of approximately \$23.1 million from 2017 through 2019.

Capital and Other Reimbursements

- Capital and Other Reimbursements range from \$21.2 million in 2015 to \$24.4 million in 2019 and are tied to expected work to be performed through the Capital Programs.

Investment Income

- The Investment Income plan for 2015 through 2019 reflects earnings on estimated fund balances based on projected short-term investment yields, which continue to be forecast at very low interest rates. This income source is estimated at \$0.1 million in 2015, \$0.4 million in 2016, and between \$1.0 million and \$1.2 million each year thereafter.

Payroll

- Payroll costs grow from \$138.5 million in 2015 to \$151.9 million in 2016, an increase of \$13.4 million primarily resulting from the filling of 2015 vacancies, an additional 12 positions dedicated to the Enterprise Asset Management (EAM) program, contractual step-up increases and inflationary adjustments.
- An additional 7 positions for the EAM program are scheduled to begin in 2017, which, along with contractual step-up increases and inflationary adjustments, bring payroll costs up to \$160.2 million.
- Thereafter, contractual step-up increases and inflationary adjustments explain most of the growth in payroll costs, which are estimated at \$164.5 million in 2018 and \$171.5 million in 2019.
- Salaries for most represented employees are expected to include contract settlements for increases to compensation earned between 2009 and 2011, followed by a five year contract effective through 2016, with CPI-based increases of 2.0% assumed thereafter.
- Wage inflation for non-represented employees is 2.0% annually from 2016 on.

Overtime

- Overtime increases by \$0.1 million in 2016, to \$27.9 million, which is the result of \$0.5 million in wage inflation partially offset by the non-recurrence of a \$0.4 million expense in 2015 associated with the timing of contract settlements.
- Wage inflation rates for overtime are the same as for payroll and result in growth between \$0.4 million and \$0.6 million each year from 2017 through 2019.

Health and Welfare/OPEB Current Payments

- Year-to year expenses grow by \$3.9 million in 2016 primarily due to the filling of 2015 vacancies, the additional EAM positions, and forecast inflation for defined medical programs.
- Expenses increase by \$2.0 million in 2017, primarily due to the 7 additional EAM positions and forecast inflation.
- Expenses grow by \$1.8 million in 2018 and \$1.7 million in 2019 primarily due to inflationary assumptions.
- Inflation rates for defined medical programs are 8.4% in 2016, 1.6% in 2017, and 4.5% each year thereafter.

Pension

- Pension expenses incorporate current projections for NYCERS provided by the NYC Office of the Actuary.
- Costs decline in 2016 and 2017, by \$4.5 million and \$1.3 million respectively, and then increase by \$1.1 million in 2018 and \$0.4 million in 2019.

Other Fringe Benefits

- Year-to-year growth in Other Fringe Benefits is generally proportionate to changes in payroll and overtime.
- Other Fringe Benefits range between \$18.8 million in 2015 to \$24.7 million in 2019.

Electric Power

- Electricity costs increase between \$0.1 million and \$0.5 million in each year of the plan period based on the most recent rate projections.

Fuel

- The expense plan for fuel is driven mainly by the most recent forecast for heating fuel. Expenses grow from \$2.2 million in 2015 to \$2.3 million in 2016, and then rise between \$0.1 million and \$0.2 million each year thereafter.

Insurance

- Based on current insurance policy growth assumptions, costs increase by \$0.1 million in 2016 and between \$0.7 million and \$0.8 million each year thereafter.

Maintenance and Other Operating Contracts

- Year-to-year expenses are projected to be \$7.2 million higher in 2016. The major drivers include expected growth in E-ZPass related costs primarily due to the expansion of All Electronic Tolling (AET) through a pilot program to the Marine Parkway and Cross Bay bridges (\$4.8 million) and additional costs for major maintenance projects (\$2.5 million).
- Expenses increase by \$4.8 million in 2017. E-ZPass administrative costs increase by \$8.6 million in anticipation of a new contract for the E-ZPass Customer Service Center, which may include service expansions and higher account processing fees. Inflationary adjustments to other areas in this category add another \$2.2 million. Partially offsetting these increases is a year-to-year decline of \$5.9 million associated with the expected completion of certain Tropical Storm Sandy restoration work in 2016.
- Expenses grow by \$13.1 million in 2018 largely due to anticipated expansion of services in the new E-ZPass Customer Service Contract (\$6.4 million), higher E-ZPass tag expenses (\$3.2 million) that are driven by the cyclical nature of the Tag Replacement Program, additional EAM program costs (\$1.0 million) and inflationary adjustments.
- In 2019, expenses grow \$6.0 million, which includes \$3.8 million in additional E-ZPass expenses and inflationary adjustments.
- Inflationary adjustments in this category and all that follow are based on a national CPI-U forecast of 1.80% in 2016, 2.29% in 2017, 2.55% in 2018 and 2.41% in 2019.

Professional Service Contracts

- In 2016, expenses decline by \$1.6 million primarily due to lower estimates for outside engineering services totaling \$1.8 million and a non-recurring 2015 expense of \$1.2 million in consulting costs for developing a Request for Proposal for a new E-ZPass Customer Service Center contract. These favorable year-to-year changes are partially offset by inflationary adjustments in other areas.
- Expenses grow between \$0.5 million and \$1.1 million each year from 2017 through 2019, which is largely the result of inflationary adjustments.

Materials and Supplies

- Expenses are \$0.3 million lower in 2016, primarily reflecting a return to baseline projections for de-icing materials after the severe winter of 2015, followed by expense growth between \$0.1 and \$0.2 million each year thereafter based on inflationary adjustments.

Other Business Expenses

- Expenses decline by \$2.5 million in 2016 due to an expected large write-off of outstanding E-ZPass account balances in 2015.
- Estimated costs increase \$0.8 million each year thereafter based on inflationary adjustments.

MTA BRIDGES AND TUNNELS
November Financial Plan 2016-2019
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE

	Favorable/(Unfavorable)								
	2015	2016	Change 2015 - 2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018 - 2019
Revenue									
Vehicle Toll Revenue	\$ 1,792.269	\$ 1,808.583	\$ 16.314	\$ 1,817.819	\$ 9.236	\$ 1,830.730	\$ 12.911	\$ 1,844.355	\$ 13.625
Other Operating Revenue	30.660	23.093	(7.567)	23.093	-	23.093	-	23.093	-
Capital and Other Reimbursements	-	-	-	-	-	-	-	-	-
Investment Income	0.137	0.427	0.290	0.987	0.560	1.240	0.253	1.240	-
Total Revenue	\$ 1,823.066	\$ 1,832.103	\$ 9.037	\$ 1,841.899	\$ 9.796	\$ 1,855.063	\$ 13.164	\$ 1,868.688	\$ 13.625
Expenses									
Labor:									
Payroll	\$ 128.828	\$ 142.089	\$ (13.261)	\$ 150.280	\$ (8.191)	\$ 154.503	\$ (4.223)	\$ 161.388	\$ (6.885)
Overtime	26.272	26.309	(0.038)	26.658	(0.348)	27.190	(0.532)	27.740	(0.550)
Health and Welfare	27.033	30.526	(3.492)	32.395	(1.870)	34.032	(1.636)	35.644	(1.612)
OPEB Current Payment	16.617	18.013	(1.396)	18.301	(0.288)	19.125	(0.824)	19.986	(0.861)
Pensions	39.442	34.483	4.958	33.000	1.483	33.908	(0.908)	34.271	(0.363)
Other Fringe Benefits	17.718	19.007	(1.289)	19.825	(0.819)	20.287	(0.462)	23.166	(2.879)
Reimbursable Overhead	(4.516)	(5.123)	0.607	(5.368)	0.245	(5.151)	(0.217)	(5.150)	(0.001)
Total Labor Expenses	\$ 251.394	\$ 265.304	\$ (13.910)	\$ 275.091	\$ (9.788)	\$ 283.894	\$ (8.803)	\$ 297.045	\$ (13.151)
Non-Labor:									
Electric Power	\$ 5.470	\$ 5.604	\$ (0.134)	\$ 5.858	\$ (0.254)	\$ 6.258	\$ (0.401)	\$ 6.715	\$ (0.457)
Fuel	2.176	2.305	(0.129)	2.441	(0.137)	2.565	(0.124)	2.770	(0.205)
Insurance	15.276	15.423	(0.147)	16.148	(0.725)	16.929	(0.781)	17.758	(0.829)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	137.188	144.358	(7.170)	149.136	(4.779)	162.226	(13.090)	168.233	(6.006)
Professional Service Contracts	43.781	42.171	1.610	43.284	(1.113)	43.763	(0.479)	44.415	(0.652)
Materials & Supplies	4.294	4.011	0.283	4.210	(0.199)	4.323	(0.113)	4.427	(0.104)
Other Business Expenses	32.820	30.354	2.466	31.147	(0.793)	31.917	(0.770)	32.698	(0.781)
Total Non-Labor Expenses	\$ 241.005	\$ 244.225	\$ (3.220)	\$ 252.223	\$ (7.998)	\$ 267.981	\$ (15.758)	\$ 277.016	\$ (9.036)
Other Expenses Adjustments:									
Other	-	-	-	-	-	-	-	-	-
Total Other Expense Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Expenses before Depreciation and GASB Adjs.	\$ 492.398	\$ 509.529	\$ (17.131)	\$ 527.315	\$ (17.786)	\$ 551.875	\$ (24.561)	\$ 574.062	\$ (22.186)
Add: Depreciation	\$ 111.667	\$ 119.521	\$ (7.854)	\$ 127.853	\$ (8.332)	\$ 136.766	\$ (8.913)	\$ 146.300	\$ (9.534)
Add: OPEB Obligation	71.700	73.806	(2.106)	77.496	(3.690)	81.371	(3.875)	85.439	(4.069)
Add: Environmental Remediation	-	-	-	-	-	-	-	-	-
Total Expenses after Depreciation and GASB Adjs.	\$ 675.765	\$ 702.855	\$ (27.090)	\$ 732.664	\$ (29.808)	\$ 770.012	\$ (37.349)	\$ 805.801	\$ (35.789)
Less: Depreciation	\$ 111.667	\$ 119.521	\$ (7.854)	\$ 127.853	\$ (8.332)	\$ 136.766	\$ (8.913)	\$ 146.300	\$ (9.534)
Less: OPEB Obligation	71.700	73.806	(2.106)	77.496	(3.690)	81.371	(3.875)	85.439	(4.069)
Total Expenses	\$ 492.398	\$ 509.529	\$ (17.131)	\$ 527.315	\$ (17.786)	\$ 551.875	\$ (24.561)	\$ 574.062	\$ (22.186)
Net Surplus/(Deficit)	\$ 1,330.668	\$ 1,322.574	\$ (8.093)	\$ 1,314.584	\$ (7.990)	\$ 1,303.188	\$ (11.396)	\$ 1,294.627	\$ (8.561)

MTA BRIDGES AND TUNNELS
November Financial Plan 2016-2019
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

REIMBURSABLE

	Favorable/(Unfavorable)									
	2015	2016	Change 2015 - 2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018 - 2019	
Revenue										
Vehicle Toll Revenue	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Operating Revenue	-	-	-	-	-	-	-	-	-	-
Capital and Other Reimbursements	21.208	23.151	1.943	23.873	0.722	24.157	0.284	24.403	0.247	
Investment Income	-	-	-	-	-	-	-	-	-	-
Total Revenue	\$ 21.208	\$ 23.151	\$ 1.943	\$ 23.873	\$ 0.722	\$ 24.157	\$ 0.284	\$ 24.403	\$ 0.247	
Expenses										
Labor:										
Payroll	\$ 9.677	\$ 9.823	\$ (0.146)	\$ 9.904	\$ (0.081)	\$ 9.986	\$ (0.082)	\$ 10.071	\$ (0.085)	
Overtime	1.531	1.558	(0.027)	1.587	(0.029)	1.616	(0.029)	1.646	(0.030)	
Health and Welfare	2.000	2.427	(0.427)	2.587	(0.160)	2.764	(0.177)	2.835	(0.071)	
OPEB Current Payment	-	-	-	-	-	-	-	-	-	
Pensions	2.370	2.847	(0.477)	3.008	(0.161)	3.182	(0.174)	3.202	(0.020)	
Other Fringe Benefits	1.114	1.373	(0.259)	1.419	(0.046)	1.458	(0.039)	1.499	(0.042)	
Reimbursable Overhead	4.516	5.123	(0.607)	5.368	(0.245)	5.151	0.217	5.150	0.001	
Total Labor Expenses	\$ 21.208	\$ 23.151	\$ (1.943)	\$ 23.873	\$ (0.722)	\$ 24.157	\$ (0.284)	\$ 24.403	\$ (0.247)	
Non-Labor:										
Electric Power	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Fuel	-	-	-	-	-	-	-	-	-	
Insurance	-	-	-	-	-	-	-	-	-	
Claims	-	-	-	-	-	-	-	-	-	
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-	
Maintenance and Other Operating Contracts	-	-	-	-	-	-	-	-	-	
Professional Service Contracts	-	-	-	-	-	-	-	-	-	
Materials & Supplies	-	-	-	-	-	-	-	-	-	
Other Business Expenses	-	-	-	-	-	-	-	-	-	
Total Non-Labor Expenses	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Other Expenses Adjustments:										
Other	-	-	-	-	-	-	-	-	-	
Total Other Expense Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Expenses before Depreciation and GASB Adjs.	\$ 21.208	\$ 23.151	\$ (1.943)	\$ 23.873	\$ (0.722)	\$ 24.157	\$ (0.284)	\$ 24.403	\$ (0.247)	
Add: Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Add: OPEB Obligation	-	-	-	-	-	-	-	-	-	
Add: Environmental Remediation	-	-	-	-	-	-	-	-	-	
Total Expenses after Depreciation and GASB Adjs.	\$ 21.208	\$ 23.151	\$ (1.943)	\$ 23.873	\$ (0.722)	\$ 24.157	\$ (0.284)	\$ 24.403	\$ (0.247)	
Less: Depreciation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Less: OPEB Obligation	-	-	-	-	-	-	-	-	-	
Total Expenses	\$ 21.208	\$ 23.151	\$ (1.943)	\$ 23.873	\$ (0.722)	\$ 24.157	\$ (0.284)	\$ 24.403	\$ (0.247)	
Net Surplus/(Deficit)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

MTA BRIDGES AND TUNNELS
November Financial Plan 2016-2019
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE
(Page 1 of 2)

	Favorable/(Unfavorable)									
	2015	2016	Change 2015 - 2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018 - 2019	
Revenue										
Vehicle Toll Revenue	\$ 1,792.269	\$ 1,808.583	\$ 16.314	\$ 1,817.819	\$ 9.236	\$ 1,830.730	\$ 12.911	\$ 1,844.355	\$ 13.625	
Other Operating Revenue	30.660	23.093	(7.567)	23.093	-	23.093	-	23.093	-	
Capital and Other Reimbursements	21.208	23.151	1.943	23.873	0.722	24.157	0.284	24.403	0.247	
Investment Income	0.137	0.427	0.290	0.987	0.560	1.240	0.253	1.240	-	
Total Revenue	\$ 1,844.274	\$ 1,855.254	\$ 10.980	\$ 1,865.772	\$ 10.518	\$ 1,879.220	\$ 13.448	\$ 1,893.092	\$ 13.872	
Expenses										
Labor:										
Payroll	\$ 138.505	\$ 151.912	\$ (13.407)	\$ 160.184	\$ (8.272)	\$ 164.489	\$ (4.305)	\$ 171.459	\$ (6.970)	
Overtime	27.803	27.868	(0.065)	28.245	(0.377)	28.806	(0.562)	29.386	(0.580)	
Health and Welfare	29.033	32.953	(3.919)	34.982	(2.030)	36.796	(1.813)	38.479	(1.683)	
OPEB Current Payment	16.617	18.013	(1.396)	18.301	(0.288)	19.125	(0.824)	19.986	(0.861)	
Pensions	41.812	37.330	4.481	36.008	1.322	37.090	(1.082)	37.473	(0.383)	
Other Fringe Benefits	18.832	20.380	(1.548)	21.244	(0.864)	21.745	(0.501)	24.665	(2.921)	
Reimbursable Overhead	-	-	-	-	-	-	-	-	-	
Total Labor Expenses	\$ 272.602	\$ 288.455	\$ (15.854)	\$ 298.964	\$ (10.509)	\$ 308.051	\$ (9.087)	\$ 321.449	\$ (13.397)	
Non-Labor:										
Electric Power	\$ 5.470	\$ 5.604	\$ (0.134)	\$ 5.858	\$ (0.254)	\$ 6.258	\$ (0.401)	\$ 6.715	\$ (0.457)	
Fuel	2.176	2.305	(0.129)	2.441	(0.137)	2.565	(0.124)	2.770	(0.205)	
Insurance	15.276	15.423	(0.147)	16.148	(0.725)	16.929	(0.781)	17.758	(0.829)	
Claims	-	-	-	-	-	-	-	-	-	
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-	
Maintenance and Other Operating Contracts	137.188	144.358	(7.170)	149.136	(4.779)	162.226	(13.090)	168.233	(6.006)	
Professional Service Contracts	43.781	42.171	1.610	43.284	(1.113)	43.763	(0.479)	44.415	(0.652)	
Materials & Supplies	4.294	4.011	0.283	4.210	(0.199)	4.323	(0.113)	4.427	(0.104)	
Other Business Expenses	32.820	30.354	2.466	31.147	(0.793)	31.917	(0.770)	32.698	(0.781)	
Total Non-Labor Expenses	\$ 241.005	\$ 244.225	\$ (3.220)	\$ 252.223	\$ (7.998)	\$ 267.981	\$ (15.758)	\$ 277.016	\$ (9.036)	
Other Expenses Adjustments:										
Other	-	-	-	-	-	-	-	-	-	
Total Other Expense Adjustments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Expenses before Depreciation and GASB Adjs.	\$ 513.606	\$ 532.680	\$ (19.074)	\$ 551.188	\$ (18.508)	\$ 576.032	\$ (24.845)	\$ 598.465	\$ (22.433)	
Add: Depreciation	\$ 111.667	\$ 119.521	\$ (7.854)	\$ 127.853	\$ (8.332)	\$ 136.766	\$ (8.913)	\$ 146.300	\$ (9.534)	
Add: OPEB Obligation	71.700	73.806	(2.106)	77.496	(3.690)	81.371	(3.875)	85.439	(4.069)	
Add: Environmental Remediation	-	-	-	-	-	-	-	-	-	
Total Expenses after Depreciation and GASB Adjs.	\$ 696.973	\$ 726.007	\$ (29.034)	\$ 756.537	\$ (30.530)	\$ 794.169	\$ (37.633)	\$ 830.205	\$ (36.036)	
Less: Depreciation	\$ 111.667	\$ 119.521	\$ (7.854)	\$ 127.853	\$ (8.332)	\$ 136.766	\$ (8.913)	\$ 146.300	\$ (9.534)	
Less: OPEB Obligation	71.700	73.806	(2.106)	77.496	(3.690)	81.371	(3.875)	85.439	(4.069)	
Total Expenses	\$ 513.606	\$ 532.680	\$ (19.074)	\$ 551.188	\$ (18.508)	\$ 576.032	\$ (24.845)	\$ 598.465	\$ (22.433)	
Net Surplus/(Deficit)	\$ 1,330.668	\$ 1,322.574	\$ (8.093)	\$ 1,314.584	\$ (7.990)	\$ 1,303.188	\$ (11.396)	\$ 1,294.627	\$ (8.561)	

MTA BRIDGES AND TUNNELS
November Financial Plan 2016-2019
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE
(Page 2 of 2)

	Favorable/(Unfavorable)									
	2015	2016	Change 2015 - 2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018 - 2019	
Net Surplus/(Deficit)	\$ 1,330.668	\$ 1,322.574	\$ (8.093)	\$ 1,314.584	\$ (7.990)	\$ 1,303.188	\$ (11.396)	\$ 1,294.627	\$ (8.561)	
<u>Deductions from Income:</u>										
Less: Capitalized Assets	\$ 16.142	\$ 17.927	\$ (1.786)	\$ 18.348	\$ (0.421)	\$ 18.767	\$ (0.419)	\$ 20.335	\$ (1.568)	
Less: Reserves	26.382	26.881	(0.499)	27.338	(0.457)	27.824	(0.487)	28.306	(0.481)	
Less: GASB 45 Reserves	-	-	-	-	-	0.165	(0.165)	0.337	(0.172)	
Adjusted Net Surplus/(Deficit)	\$ 1,288.144	\$ 1,277.766	\$ (5.809)	\$ 1,268.898	\$ (7.112)	\$ 1,256.432	\$ (10.326)	\$ 1,245.649	\$ (6.340)	
Less: Debt Service	606.681	648.865	(42.183)	667.179	(18.314)	684.962	(17.783)	723.303	(38.341)	
Income Available for Distribution	\$ 681.462	\$ 628.901	\$ (47.992)	\$ 601.720	\$ (25.426)	\$ 571.470	\$ (28.109)	\$ 522.346	\$ (44.682)	
Distributable To:										
MTA - Investment Income	\$ 0.137	\$ 0.427	\$ 0.290	\$ 0.987	\$ 0.560	\$ 1.240	\$ 0.253	\$ 1.240	\$ -	
MTA - Distributable Income	394.269	369.993	(24.276)	356.477	(13.515)	340.774	(15.703)	316.779	(23.996)	
NYCT - Distributable Income	287.056	258.482	(28.575)	244.256	(14.226)	229.455	(14.800)	204.327	(25.128)	
Total Distributable Income:	\$ 681.462	\$ 628.901	\$ (52.561)	\$ 601.720	\$ (27.182)	\$ 571.470	\$ (30.250)	\$ 522.346	\$ (49.124)	
Actual Cash Transfers:										
MTA - Investment Income	\$ 0.137	\$ 0.137	\$ (0.000)	\$ 0.427	\$ 0.290	\$ 0.987	\$ 0.560	\$ 1.240	\$ 0.253	
MTA - Transfers	405.118	372.421	(32.698)	357.829	(14.592)	342.345	(15.484)	319.178	(23.167)	
NYCT - Transfers	290.797	261.339	(29.457)	245.678	(15.661)	230.935	(14.743)	206.840	(24.095)	
Total Cash Transfers:	\$ 696.052	\$ 633.897	\$ (62.155)	\$ 603.934	\$ (29.963)	\$ 574.267	\$ (29.667)	\$ 527.258	\$ (47.009)	
SUPPORT TO MASS TRANSIT:										
Total Revenues	\$ 1,844.274	\$ 1,855.254	\$ 10.980	\$ 1,865.772	\$ 10.518	\$ 1,879.220	\$ 13.448	\$ 1,893.092	\$ 13.872	
Less: Net Operating Expenses	513.606	532.680	(19.074)	551.188	(18.508)	576.032	(24.845)	598.465	(22.433)	
Net Operating Income:	\$ 1,330.668	\$ 1,322.574	\$ (8.093)	\$ 1,314.584	\$ (7.990)	\$ 1,303.188	\$ (11.396)	\$ 1,294.627	\$ (8.561)	
Deductions from Operating Income:										
B&T Debt Service	\$ 250.776	\$ 281.476	\$ (30.700)	\$ 297.978	\$ (16.502)	\$ 318.190	\$ (20.212)	\$ 353.382	\$ (35.192)	
Capitalized Assets	16.142	17.927	(1.786)	18.348	(0.421)	18.767	(0.419)	20.335	(1.568)	
Reserves	26.382	26.881	(0.499)	27.338	(0.457)	27.824	(0.487)	28.306	(0.481)	
GASB 45 Reserves	-	-	-	-	-	0.165	(0.165)	0.337	(0.172)	
Total Deductions from Operating Inc:	\$ 293.299	\$ 326.284	\$ (32.985)	\$ 343.664	\$ (17.380)	\$ 364.947	\$ (21.282)	\$ 402.360	\$ (37.413)	
Total Support to Mass Transit:	\$ 1,037.368	\$ 996.290	\$ (41.078)	\$ 970.920	\$ (25.370)	\$ 938.241	\$ (32.679)	\$ 892.267	\$ (45.975)	

MTA BRIDGES AND TUNNELS
2016 Final Proposed Budget
November Financial Plan 2016–2019
Summary of Major Plan-to-Plan Changes

Non-Reimbursable

2015: November Financial Plan vs. July Financial Plan

Revenues

Revenue adjustments from the July Plan generate an additional \$26.5 million. The major changes include:

- Additional toll revenues of \$23.5 million stemming from more favorable traffic trends compared to the Mid-Year Forecast.
- Increased Other Operating Revenue of \$3.0 million due to upward re-estimates of E-ZPass and other administrative fees.

Expenses

Non-reimbursable expenses are projected to be \$17.2 million less than the July Plan. Labor costs are \$11.8 million lower and non-labor expenses are \$5.4 million lower. The major variances include:

Labor

- Projected vacancies through the end of the year generate savings of \$13.2 million in combined payroll and corresponding fringe benefit costs.
- Changes in capital project implementation schedules have reduced total reimbursable labor expenses by \$1.4 million and the associated work hours have been re-directed to underserved operating areas, which necessitates a comparable increase to non-reimbursable expenses.

Non-Labor

- Lower expenses in Maintenance and Other Operating Contracts (\$7.3 million) resulting primarily from the timing of Enterprise Asset Management (EAM) program development expenses (\$4.4 million), re-estimates of E-ZPass Customer Service Center costs (\$2.0 million), and numerous smaller re-estimates across a variety of other areas.
- Lower Professional Service Contracts (\$0.9 million) largely due to the timing of EAM program development costs.
- Higher Other Business Expenses (\$3.3 million) primarily due to a higher re-estimate for a year-end write-off of debt associated with outstanding E-ZPass account balances.

Deductions from Operating Income

B&T debt service has been decreased by \$6.7 million.

Reimbursable

Reimbursable revenue and expenses have both been decreased by \$1.4 million to reflect fewer labor costs reimbursed from capital programs due to revised project implementation schedules that reflect efficiencies resulting from better coordination and alignment of capital and operating investments.

2016-2019: November Financial Plan vs. July Financial Plan

Revenues

Total revenues are being increased between \$19.6 million and \$20.7 million in each year of the plan period.

- Annual increases to toll revenue range between \$16.8 million and \$17.8 million to reflect the higher baseline traffic from 2015 and current projections for regional employment and inflation (See Traffic/Utilization).
- Other Operating Revenue is \$3.0 million greater each year due to revised estimates for E-ZPass and other administrative fee collections.
- Investment Income is between \$0.1 million and \$0.2 million lower each year based on expected investment activities and yields from projected short-term interest rates.

Expenses

Non-reimbursable expenses decrease by \$4.0 million in 2016 and then increase by \$8.3 million in 2017, \$13.4 million in 2018 and \$12.1 million in 2019.

Labor

Expenses are lower by \$4.7 million in 2016 and higher by \$0.4 million in 2017, \$1.1 million in 2018 and \$1.5 million in 2019 based on the following major changes:

- Lower payroll and associated fringe benefits in 2016 resulting from expected vacancies in the first quarter (\$2.9 million) and changes to the EAM program staffing plan (\$2.0 million), partially offset by a net headcount change (see Positions) of 1 additional line (\$0.2 million).
- Expenses are higher by \$0.4 million to \$1.5 million each year thereafter primarily due to re-estimates of the staffing requirements for the EAM program.

Non-Labor

Non-Labor expenses increase by \$0.7 million in 2016, \$7.9 million in 2017, \$12.4 million in 2018 and \$10.5 million in 2019 based on the following major changes:

- In 2016, a shift of \$3.4 million in EAM development costs from 2015 is partially offset by \$0.6 million in favorable re-estimates for baseline E-ZPass Customer Service Center (CSC) expenses and lower inflation assumptions for energy, insurance, and general operating expense areas, which reduce overall costs by \$2.1 million.
- The primary drivers behind the expense growth from 2017 on are:
 - Additional EAM program costs estimated at \$4.4 million in 2017, \$5.0 million in 2018 and \$4.8 million in 2019;

- Revised estimates and potential expansion of services in the next E-ZPass CSC contract add \$6.1 million in 2017, \$10.6 million in 2018 and \$9.6 million in 2019;
- Partially offsetting these additional expenses are lower inflation assumptions for energy, insurance, and general operating expense areas, which reduce overall costs by \$2.6 million in 2017, \$3.2 million in 2018, and \$3.9 million in 2019.

Deductions from Operating Income

B&T debt service has been increased by \$2.9 million in both 2016 and 2017, by \$5.1 million in 2018, and by \$21.1 million in 2019, associated with changes in the 2015-2019 Capital Program.

Reimbursable

Reimbursable revenue and expenses from 2016 through 2019 are unchanged from the July Financial Plan.

Non-Reimbursable

2015: November Financial Plan vs. February Financial Plan

Revenues

Revenue adjustments from the February Plan generate an additional \$88.6 million. The major changes include:

- o Additional toll revenues of \$76.0 million stemming from more favorable traffic trends compared to the Adopted Budget forecast.
- o Increased Other Operating Revenue of \$13.2 million primarily due to a one-time adjustment of \$7.7 million for E-ZPass and other administrative fees collected in prior years, plus \$5.5 million in favorable fee re-estimates for the current year.
- o Investment Income has been adjusted downward by \$0.6 million to reflect recent investment activities and yields.

Expenses

Non-reimbursable expenses are projected to be \$2.8 million lower than the February Plan, of which \$2.6 million is due to reduced labor costs. The favorable labor changes are primarily due to lower payroll and associated fringe benefit costs associated with vacancies (\$17.9 million), offset by higher pension costs based on NYCERS' current projections (\$10.8 million), higher Overtime (\$2.8 million) primarily to cover staffing needs created by unfilled vacant positions, heightened security coverage and NYS mandated annual compliance training. The favorable non-labor variance of \$0.2 million is due to small re-estimates across a variety of areas.

Deductions from Operating Income

B&T debt service has been reduced by \$3.4 million.

Reimbursable

Reimbursable revenue and expenses have both been decreased by \$0.2 million to reflect fewer labor costs reimbursed from capital programs due to revised project implementation schedules that reflect efficiencies resulting from better coordination and alignment of capital and operating investments.

2016-2018: November Financial Plan vs. February Financial Plan

Revenues

Total revenues are being increased by \$74.5 million in 2016, \$76.3 million in 2017, and \$80.6 million in 2018.

- The toll revenue forecast has been increased by \$70.8 million in 2016, \$72.7 million in 2017, and \$76.8 million in 2018 to reflect higher baseline traffic from 2015 and current projections for regional employment and inflation.
- Other Operating Revenue is \$5.5 million greater each year due to revised estimates for E-ZPass and other administrative fee collections.
- Investment Income is between \$1.7 million and \$1.9 million lower each year based on expected investment activities and yields from projected short-term interest rates.

Expenses

Non-reimbursable expenses increase by \$12.0 million in 2016, \$16.1 million in 2017, and \$23.0 million in 2018.

Labor

Expenses increase by \$8.6 million in 2016, \$11.6 million in 2017, and \$13.1 million in 2018 based on the following major changes:

- Additional headcount across the areas of EAM, Engineering, Safety, Security and E-ZPass Administration (a total of 20 positions in 2016, 27 in 2017, and 30 in 2018) result in additional payroll and associated fringe benefit costs of \$0.9 million in 2016, \$3.3 million in 2017 and \$4.0 million in 2018. The additional costs in 2016 are largely offset by re-estimates netting \$2.0 million less in payroll and fringe benefits combined, primarily due to expected vacancies in the first quarter.
- Additional overtime of approximately \$3.1 million each year for NYS mandated annual compliance training and other coverage needs.
- Higher baseline pension costs of \$6.6 million in 2016, \$5.2 million in 2017, and \$6.0 million in 2018 based on the most recent forecast provided by the NYC Office of the Actuary.

Non-Labor

Non-Labor expenses increase by \$3.3 million in 2016, \$4.5 million in 2017 and \$9.9 million in 2018 based on the following major changes:

- In 2016, additional expenses totaling \$5.9 million have been shifted from 2015 for Tropical Storm Sandy restoration work.
- Projected EAM program costs of \$3.4 million in 2016, \$4.4 million in 2017 and \$5.0 million in 2018 have been included in the baseline non-labor financial plan.

- E-ZPass Customer Service Center (CSC) expenses have been increased by \$6.1 million in 2017 and \$10.6 million in 2018 to include revised baseline estimates and potential expansion of services in the next contract.
- Partially offsetting these additional expenses are favorable re-estimates for energy (\$2.3 million in 2016, \$2.9 million in 2017 and \$3.1 million 2018), insurance (\$3.1 million in 2016, \$3.8 million in 2017 and \$4.6 million in 2018), and several smaller re-estimates in other areas.

Deductions from Operating Income

B&T Debt Service has been increased by \$5.2 million in 2016 and \$1.9 million in 2017, and decreased by \$1.6 million in 2018.

Reimbursable

Reimbursable revenue and expenses have both been increased between \$1.2 million and \$1.3 million each year to incorporate additional overtime needed for projects included in the Capital Program.

MTA BRIDGES AND TUNNELS
November Financial Plan 2016-2019
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE

	2015	2016	2017	2018	2019
2015 July Financial Plan - Adjusted Net Surplus/(Deficit)	\$1,244.442	\$1,253.388	\$1,257.526	\$1,249.216	\$1,237.624
Baseline Changes					
Revenue					
Vehicle Toll Revenue	\$23.466	\$17.562	\$16.831	\$17.750	\$17.171
Other Operating Revenue	3.000	3.000	3.000	3.000	3.000
Investment Income	(0.003)	(0.148)	(0.208)	(0.087)	(0.087)
Total Revenue Changes	\$26.463	\$20.414	\$19.623	\$20.663	\$20.084
Expenses					
<i>Labor:</i>					
Payroll	\$10.408	\$3.602	(\$0.339)	(\$0.925)	(\$0.917)
Overtime	0.000	0.000	0.000	0.000	0.000
Health and Welfare	1.041	0.565	(0.024)	(0.143)	(0.154)
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000
Pensions	(0.318)	0.000	0.049	0.174	(0.286)
Other Fringe Benefits	1.270	0.507	(0.070)	(0.157)	(0.155)
Reimbursable Overhead	(0.558)	0.000	0.000	0.000	0.000
Total Labor Expense Changes	\$11.842	\$4.673	(\$0.383)	(\$1.052)	(\$1.513)
<i>Non-Labor:</i>					
Electric Power	\$0.117	\$0.425	\$0.428	\$0.426	\$0.458
Fuel	0.288	0.873	0.695	0.564	0.579
Insurance	0.000	0.337	0.910	1.572	2.332
Claims	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	7.335	0.565	(6.071)	(11.550)	(10.672)
Professional Service Contracts	0.947	(2.997)	(3.854)	(3.433)	(3.264)
Materials & Supplies	0.037	0.072	0.016	0.017	0.013
Other Business Expenses	(3.327)	0.017	0.008	0.009	0.007
Total Non-Labor Expense Changes	\$5.397	(\$0.708)	(\$7.867)	(\$12.395)	(\$10.546)
Total Expenses before Depreciation and GASB Adjs.	\$17.239	\$3.964	(\$8.250)	(\$13.447)	(\$12.059)
Add: Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Add: OPEB Obligation	0.000	0.000	0.000	0.000	0.000
Add: Environmental Remediation	0.000	0.000	0.000	0.000	0.000
Total Expenses after Depreciation and GASB Adjs.	\$17.239	\$3.964	(\$8.250)	(\$13.447)	(\$12.059)
Less: Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Less: OPEB Obligation	0.000	0.000	0.000	0.000	0.000
Total Expense Changes	\$17.239	\$3.964	(\$8.250)	(\$13.447)	(\$12.059)
Total Baseline Changes	\$43.702	\$24.378	\$11.373	\$7.216	\$8.025
Deductions from Income					
Capitalized Assets	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Capital Reserves	0.000	0.000	0.000	0.000	0.000
GASB 45 Reserves	0.000	0.000	0.000	0.000	0.000
Total Deductions from Income	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Adjusted Baseline Changes	\$43.702	\$24.378	\$11.373	\$7.216	\$8.025
2015 November Financial Plan - Adjusted Net Surplus/(Deficit)	\$1,288.144	\$1,277.766	\$1,268.898	\$1,256.432	\$1,245.649

MTA BRIDGES AND TUNNELS
November Financial Plan 2016-2019
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE

	2015	2016	2017	2018	2019
2015 July Financial Plan - Adjusted Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline Changes					
Revenue					
Vehicle Toll Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursement	(1.444)	0.000	0.000	0.000	0.000
Investment Income	0.000	0.000	0.000	0.000	0.000
Total Revenue Changes	(\$1.444)	\$0.000	\$0.000	\$0.000	\$0.000
Expenses					
<i>Labor:</i>					
Payroll	\$0.064	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	0.000	0.000	0.000	0.000	0.000
Health and Welfare	0.269	0.000	0.000	0.000	0.000
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000
Pensions	0.318	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.235	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.558	0.000	0.000	0.000	0.000
Total Labor Expense Changes	\$1.444	\$0.000	\$0.000	\$0.000	\$0.000
<i>Non-Labor:</i>					
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.000	0.000	0.000	0.000
Professional Service Contracts	0.000	0.000	0.000	0.000	0.000
Materials & Supplies	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$1.444	\$0.000	\$0.000	\$0.000	\$0.000
Add: Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Add: OPEB Obligation	0.000	0.000	0.000	0.000	0.000
Add: Environmental Remediation	0.000	0.000	0.000	0.000	0.000
Total Expenses after Depreciation and GASB Adjs.	\$1.444	\$0.000	\$0.000	\$0.000	\$0.000
Less: Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Less: OPEB Obligation	0.000	0.000	0.000	0.000	0.000
Total Expense Changes	\$1.444	\$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
Deductions from Income					
Capitalized Assets	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Capital Reserves	0.000	0.000	0.000	0.000	0.000
GASB 45 Reserves	0.000	0.000	0.000	0.000	0.000
Total Deductions from Income	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Adjusted Baseline Changes	(\$0.000)	\$0.000	\$0.000	\$0.000	\$0.000
2015 November Financial Plan - Adjusted Net Surplus/(Deficit)	(\$0.000)	\$0.000	\$0.000	\$0.000	\$0.000

MTA BRIDGES AND TUNNELS
November Financial Plan 2016-2019
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2015	2016	2017	2018	2019
2015 July Financial Plan - Adjusted Net Surplus/(Deficit)	\$1,244.442	\$1,253.388	\$1,257.526	\$1,249.216	\$1,237.624
Baseline Changes					
Revenue					
Vehicle Toll Revenue	\$23.466	\$17.562	\$16.831	\$17.750	\$17.171
Other Operating Revenue	3.000	3.000	3.000	3.000	3.000
Capital and Other Reimbursement	(1.444)	0.000	0.000	0.000	0.000
Investment Income	(0.003)	(0.148)	(0.208)	(0.087)	(0.087)
Total Revenue Changes	\$25.019	\$20.414	\$19.623	\$20.663	\$20.084
Expenses					
<i>Labor:</i>					
Payroll	\$10.472	\$3.602	(\$0.339)	(\$0.925)	(\$0.917)
Overtime	0.000	0.000	0.000	0.000	0.000
Health and Welfare	1.310	0.565	(0.024)	(0.143)	(0.154)
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000
Pensions	(0.000)	0.000	0.049	0.174	(0.286)
Other Fringe Benefits	1.505	0.507	(0.070)	(0.157)	(0.155)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000
Total Labor Expense Changes	\$13.286	\$4.673	(\$0.383)	(\$1.052)	(\$1.513)
<i>Non-Labor:</i>					
Electric Power	\$0.117	\$0.425	\$0.428	\$0.426	\$0.458
Fuel	0.288	0.873	0.695	0.564	0.579
Insurance	0.000	0.337	0.910	1.572	2.332
Claims	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	7.335	0.565	(6.071)	(11.550)	(10.672)
Professional Service Contracts	0.947	(2.997)	(3.854)	(3.433)	(3.264)
Materials & Supplies	0.037	0.072	0.016	0.017	0.013
Other Business Expenses	(3.327)	0.017	0.008	0.009	0.007
Total Non-Labor Expense Changes	\$5.397	(\$0.708)	(\$7.867)	(\$12.395)	(\$10.546)
Total Expenses before Depreciation and GASB Adjs.	\$18.683	\$3.964	(\$8.250)	(\$13.447)	(\$12.059)
Add: Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Add: OPEB Obligation	0.000	0.000	0.000	0.000	0.000
Add: Environmental Remediation	0.000	0.000	0.000	0.000	0.000
Total Expenses after Depreciation and GASB Adjs.	\$18.683	\$3.964	(\$8.250)	(\$13.447)	(\$12.059)
Less: Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Less: OPEB Obligation	0.000	0.000	0.000	0.000	0.000
Total Expense Changes	\$18.683	\$3.964	(\$8.250)	(\$13.447)	(\$12.059)
Total Baseline Changes	\$43.702	\$24.378	\$11.373	\$7.216	\$8.025
Deductions from Income					
Capitalized Assets	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Capital Reserves	(0.000)	0.000	0.000	0.000	0.000
GASB 45 Reserves	0.000	0.000	0.000	0.000	0.000
Total Deductions from Income	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Adjusted Baseline Changes	\$43.702	\$24.378	\$11.373	\$7.216	\$8.025
2015 November Financial Plan - Adjusted Net Surplus/(Deficit)	\$1,288.144	\$1,277.766	\$1,268.898	\$1,256.432	\$1,245.649

MTA BRIDGES AND TUNNELS
November Financial Plan 2016-2019
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2015	2016	2017	2018	2019
2015 July Financial Plan - Adjusted Net Surplus/(Deficit)	\$1,244.442	\$1,253.388	\$1,257.526	\$1,249.216	\$1,237.624
Non-Reimbursable Major Changes					
Revenue					
Higher Toll Revenue based on current traffic trends	\$23.466	\$17.562	\$16.831	\$17.750	\$17.171
Additional Other Operating Income primarily from E-ZPass Admin and other fees	3.000	3.000	3.000	3.000	3.000
Investment Income re-estimates	(0.003)	(0.148)	(0.208)	(0.087)	(0.087)
Sub-Total Non-Reimbursable Revenue Changes	\$26.463	\$20.414	\$19.623	\$20.663	\$20.084
Expenses					
Labor savings due to vacancies	\$12.672	\$2.876	\$0.000	\$0.000	\$0.000
Fewer labor costs reimbursed from the capital program due to revised project implementation schedules	(1.444)	0.000	0.000	0.000	0.000
Headcount Changes:					
Revised Enterprise Asset Management (EAM) hiring plan	0.662	1.986	(0.183)	(0.824)	(1.280)
1 additional position in E-ZPass Administration	(0.038)	(0.149)	(0.157)	(0.178)	(0.181)
1 additional Internal Security position	(0.028)	(0.111)	(0.118)	(0.134)	(0.138)
1 less position due to the MTA consolidation of treasury functions	0.018	0.071	0.075	0.085	0.087
E-ZPass Customer Service Center (CSC) baseline re-estimates	2.313	0.592	0.000	0.000	0.000
Revised estimates and expansion of services in the next E-ZPass CSC contract	0.000	0.000	(6.070)	(10.577)	(9.600)
Revised EAM non-labor implementation and support estimates	6.479	(3.389)	(4.386)	(5.004)	(4.805)
Higher anticipated write-off of outstanding E-ZPass account balances	(3.800)	0.000	0.000	0.000	0.000
Inflationary Adjustments:					
Energy	0.405	1.298	1.123	0.989	1.037
Insurance	0.000	0.337	0.910	1.572	2.332
General non-labor expenses	0.000	0.454	0.556	0.624	0.490
Sub-Total Non-Reimbursable Expense Changes	\$17.239	\$3.965	(\$8.250)	(\$13.447)	(\$12.059)
Total Non-Reimbursable Major Changes	\$43.702	\$24.379	\$11.373	\$7.216	\$8.025
Reimbursable Major Changes					
Revenue					
Fewer labor costs reimbursed due to revised capital project implementation schedules	(1.444)	\$0.000	\$0.000	\$0.000	\$0.000
Sub-Total Reimbursable Revenue Changes	(\$1.444)	\$0.000	\$0.000	\$0.000	\$0.000
Expenses					
Lower labor costs due to revised capital project implementation schedules	\$1.444	\$0.000	\$0.000	\$0.000	\$0.000
Sub-Total Reimbursable Expense Changes	\$1.444	\$0.000	\$0.000	\$0.000	\$0.000
Total Reimbursable Major Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Accrual Changes	\$43.702	\$24.379	\$11.373	\$7.216	\$8.025
Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$43.702	\$24.379	\$11.373	\$7.216	\$8.025
2015 November Financial Plan - Adjusted Net Surplus/(Deficit)	\$1,288.144	\$1,277.766	\$1,268.898	\$1,256.432	\$1,245.649

MTA BRIDGES AND TUNNELS
2016 Final Proposed Budget
November Financial Plan 2016–2019
Traffic/Utilization

Year-to-Year

Paid traffic is forecast at 295.1 million crossings in 2015 and increases to 296.4 million crossings in 2016 based primarily on projected regional employment growth of 1.2%, a regional inflation rate of 1.8%, and an extra day in the 2016 leap year. The traffic forecast developed for 2017 through 2019 incorporates the most recent economic projections, which include regional employment growth of 0.8% in 2017, 0.4% in 2018 and 0.3% in 2019, and average annual regional inflation of approximately 2.5%. Paid traffic is forecast at 298.3 million crossings in 2017, 300.9 million in 2018, and 303.5 million in 2019.

Plan-to-Plan

Paid traffic volume is projected to reach 295.1 million crossings in 2015, which is 3.6 million vehicles above the Mid-Year Forecast. Actual volume through August was higher than forecast by 2.4 million crossings, or 1.3%, primarily due to the continuation of relatively low gas prices and modest improvements in the economy. These favorable plan-to-plan trends are expected to continue through the end of the year.

Although the favorable 2015 trend has been baselined in the forecast through 2019, small revisions to regional employment and inflation projections reduce the additional volume somewhat. The resulting plan-to-plan increases are between 2.8 million and 2.9 million crossings each year from 2016 through 2019.

MTA BRIDGES AND TUNNELS
November Financial Plan 2016-2019
Traffic Volume (Utilization)

	2014	2015	2016			
	Actual	November Forecast	Final Proposed Budget	2017	2018	2019
<u>Traffic Volume</u>	286.418	295.140	296.381	298.301	300.886	303.540
<u>Toll Revenue</u>	\$ 1,676.445	\$ 1,792.269	\$ 1,808.583	\$ 1,817.819	\$ 1,830.730	\$ 1,844.355

MTA BRIDGES AND TUNNELS
November Financial Plan 2016-2019
2015 Budget Reduction Plan Summary
(\$ in millions)

	Favorable/(Unfavorable)									
	Pos.	2015	Pos.	2016	Pos.	2017	Pos.	2018	Pos.	2019
Administration										
Miscellaneous Consulting (July Plan)	-	0.385	-	0.473	-	0.495	-	0.495	-	0.495
Subtotal Administration	-	0.385	-	0.473	-	0.495	-	0.495	-	0.495
Customer Convenience/Amenities										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Customer Convenience/Amenities	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Maintenance										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Maintenance	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Revenue Enhancement										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Revenue Enhancement	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Safety/Security										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Safety	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Service										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Service	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Service Support										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Service Support	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Other										
Vacancies - Toll Collection (July Plan)	-	5.181	-	0.000	-	0.000	-	0.000	-	0.000
Vacancies - Toll Plaza Operations	124	12.672	-	2.876	-	0.000	-	0.000	-	0.000
Subtotal Other	124	17.853	-	2.876	-	0.000	-	0.000	-	0.000
Agency Submission	124	\$18.238	-	\$3.349	-	\$0.495	-	\$0.495	-	\$0.495

MTA BRIDGES AND TUNNELS
November Financial Plan 2016-2019
2015 Budget Reduction Plan Worksheet

Category by Function: Administration

Program: Miscellaneous Consulting

Background Details: B&T re-evaluated a variety of planning, research and administrative areas that have historically utilized outside consulting services against the skills and competencies available among current staff in these areas. It was determined that cost reductions could be achieved by relying less on consultants and utilizing existing staff more for certain projects and activities.

Program Description/ Implementation Plan: Various consulting budget lines will be reduced.

Program Implementation Date: June 1, 2015 **When will savings begin?:** June 1, 2015

Are these savings recurring?: Yes

Other Issues:

	Favorable/(Unfavorable)				
<i>Financial Impact (Operating):</i>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Net Cash Savings (in millions)	\$0.385	\$0.473	\$0.495	\$0.495	\$0.495

Total Positions Required:

**MTA BRIDGES AND TUNNELS
November Financial Plan 2016-2019
2015 Budget Reduction Plan Worksheet**

Category by Function: Other

Program: Vacancies - Toll Collection

Background Details: Bridge and Tunnel Officer vacancies will achieve payroll and fringe benefit savings in the current fiscal year.

**Program Description/
Implementation Plan:** Vacancies will remain unfilled until December 2015

Program Implementation Date: January 1, 2015 **When will savings begin?:** January 1, 2015
Are these savings recurring?: No
Other Issues:

	Favorable/(Unfavorable)				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$5.181	\$0.000	\$0.000	\$0.000	\$0.000

Total Positions Required:

**MTA BRIDGES AND TUNNELS
November Financial Plan 2016-2019
2015 Budget Reduction Plan Worksheet**

Category by Function: Other

Program: Vacancies - Toll Plaza Operations

Background Details: Vacancies primarily in the area of uniformed personnel will achieve payroll and fringe benefit savings in the current and next fiscal year.

**Program Description/
Implementation Plan:** Most vacancies will remain unfilled into the first quarter of 2016.

Program Implementation Date: January 1, 2015

When will savings begin?: January 1, 2015

Are these savings recurring?: No

Other Issues:

	Favorable/(Unfavorable)				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$12.672	\$2.876	\$0.000	\$0.000	\$0.000
<i>Total Positions Required:</i>	124	0	0	0	0

MTA BRIDGES AND TUNNELS
2016 Final Proposed Budget
November Financial Plan 2016–2019
Positions

Position Assumptions

Year-to-Year

Total 2015 year-end headcount is projected at 1,581, which assumes 135 vacancies. Year-end headcount in 2016 is budgeted at 1,736 positions, which assumes all vacancies will be filled and includes 20 new positions. The additional headcount includes 12 positions for the Enterprise Asset Management (EAM) program and 8 Engineering lines primarily to cover expanded needs stemming from new Federal mandates for tunnel inspections, additional project management efforts to meet NYS guidelines governing design-build capital projects, and increasing goals in the Small Business Mentoring Program. From 2017 through 2019, year-to-year changes in headcount are due to the planned development of the EAM program. Headcount is 1,743 in 2017, 1,746 in 2018 and 1,749 in 2019.

Total headcount includes 76 capital reimbursable positions in 2015 and 87 reimbursable positions each year thereafter.

Plan-to-Plan

Total 2015 year-end headcount for the November Forecast is 1,581, including 76 capital reimbursable positions, which is 146 positions below the Mid-Year Forecast. The change is the result of 135 vacancies and the delay of 14 planned EAM positions, offset by a net 3 additional positions. The additional headcount includes 2 technical adjustments for positions that were previously included in the baseline budget and are now transitioning into funded headcount, plus 2 new positions (1 in Internal Security and 1 in E-ZPass Administration). These 4 additional positions are partially offset by the reduction of 1 position for B&T's participation in the MTA's consolidation of treasury functions.

Total headcount for 2016 is 1,736, which is 8 positions below the July Financial Plan due to the delay of 11 EAM positions, partially offset by the net 3 additional lines discussed above. Plan-to-Plan changes from 2017 through 2019 reflect revised assumptions regarding EAM program staffing. Compared to the July Plan, 2017 headcount of 1,743 is 1 position lower, 2018 headcount of 1,746 is 2 positions higher, and 2019 headcount of 1,749 is 5 positions higher. These total headcount figures include 87 capital reimbursable positions.

MTA BRIDGES AND TUNNELS
November Financial Plan 2016-2019
Favorable/(Unfavorable)

Total Position Changes at a Glance

	2015	2016	2017	2018	2019
2015 July Plan - Total Positions	1,727	1,744	1,744	1,744	1,744
Total Plan-to-Plan Changes	146	8	1	(2)	(5)
2015 November Plan - Total Positions	1,581	1,736	1,743	1,746	1,749
Total Year-to-Year Changes, November Plan		(155)	(7)	(3)	(3)

Total Plan-to-Plan Changes by Reporting Category:

<i>Non-Reimbursable</i>	135	8	1	(2)	(5)
<i>Reimbursable</i>	11	0	0	0	0
Total	146	8	1	(2)	(5)
<i>Full-Time</i>	146	8	1	(2)	(5)
<i>Full-Time Equivalents</i>	0	0	0	0	0
Total	146	8	1	(2)	(5)
<i>By Function Category</i>					
- Administration	0	0	0	0	0
- Operations	139	4	4	4	4
- Maintenance	6	(1)	(3)	(3)	(3)
- Engineering/Capital	1	4	0	(3)	(5)
- Public Safety	0	1	0	0	(1)
Total	146	8	1	(2)	(5)
<i>By Occupational Group</i>					
- Managers/Supervisors	(6)	(7)	(7)	(8)	(8)
- Professional, Technical, Clerical	8	13	8	6	3
- Operational Hourlies	144	2	0	0	0
Total	146	8	1	(2)	(5)

Total Plan-to-Plan Changes by Major Category:

<i>2015 BRPs</i>	124	0	0	0	0
<i>New Needs</i>	12	9	2	(1)	(4)
<i>Change in Reimbursable Positions</i>	11	0	0	0	0
<i>Re-estimates & All Other</i> ¹	(1)	(1)	(1)	(1)	(1)
Total	146	8	1	(2)	(5)

¹ Includes Full-time Equivalents

MTA BRIDGES AND TUNNELS
November Financial Plan 2016-2019
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-time/Full-time Equivalents

FUNCTION/DEPARTMENT	2014 Actual	2015 November Forecast	2016 Final Proposed Budget	2017	2018	2019
Administration						
Executive	2	11	11	11	11	11
Law ⁽¹⁾	19	13	13	13	13	13
CFO ⁽²⁾	26	25	25	25	25	25
Administration ⁽³⁾	33	36	36	36	36	36
Technology	47	0	0	0	0	0
EEO	1	2	2	2	2	2
Total Administration	128	87	87	87	87	87
Operations						
Revenue Management	36	42	42	42	42	42
Operations (Non-Security)	556	577	712	712	712	712
Total Operations	592	619	754	754	754	754
Maintenance						
Maintenance	169	199	210	212	212	212
Operations - Maintainers	157	166	166	166	166	166
Internal Security - Tech Svcs	13	0	0	0	0	0
Total Maintenance	339	365	376	378	378	378
Engineering/Capital						
Engineering & Construction	158	176	184	188	189	190
Health & Safety	8	11	11	11	11	11
Law ⁽¹⁾	15	23	23	23	23	23
Planning & Budget Capital	16	26	27	27	29	30
Total Engineering/Capital	197	236	245	249	252	254
Public Safety						
Operations (Security)	232	232	232	232	232	232
Internal Security - Operations	34	42	42	43	43	44
Total Public Safety	266	274	274	275	275	276
Total Positions						
	1,522	1,581	1,736	1,743	1,746	1,749
Non-Reimbursable						
	1,434	1,505	1,649	1,656	1,659	1,662
Reimbursable						
	88	76	87	87	87	87
Total Full-Time						
	1,522	1,581	1,736	1,743	1,746	1,749
Total Full-Time Equivalents						
	0	0	0	0	0	0

(1) Includes Legal and Procurement staff.

(2) Includes Accounts Payable, Accounting, Payroll and Operating Budget staff.

(3) Includes Human Resources and Administration staff.

MTA BRIDGES AND TUNNELS
November Financial Plan 2016-2019
Total Positions by Function and Occupation

FUNCTION/OCCUPATIONAL GROUP	2014	2015	2016	2017	2018	2019
	Actual	November Forecast	Final Proposed Budget			
Administration						
Managers/Supervisors	38	34	34	34	34	34
Professional, Technical, Clerical	90	53	53	53	53	53
Operational Hourlies	-	-	-	-	-	-
Total Administration	128	87	87	87	87	87
Operations						
Managers/Supervisors	163	211	211	211	211	211
Professional, Technical, Clerical	34	34	34	34	34	34
Operational Hourlies ⁽¹⁾	395	374	509	509	509	509
Total Operations	592	619	754	754	754	754
Maintenance						
Managers/Supervisors	12	20	20	20	20	20
Professional, Technical, Clerical	15	15	15	15	15	15
Operational Hourlies ⁽²⁾	312	330	341	343	343	343
Total Maintenance	339	365	376	378	378	378
Engineering/Capital						
Managers/Supervisors	39	58	62	62	63	63
Professional, Technical, Clerical	158	178	183	187	189	191
Operational Hourlies	-	-	-	-	-	-
Total Engineering/Capital	197	236	245	249	252	254
Public Safety						
Managers/Supervisors	39	45	45	45	45	45
Professional, Technical, Clerical	29	33	33	34	34	35
Operational Hourlies ⁽³⁾	198	196	196	196	196	196
Total Public Safety	266	274	274	275	275	276
Total Positions						
Managers/Supervisors	291	368	372	372	373	373
Professional, Technical, Clerical	326	313	318	323	325	328
Operational Hourlies	905	900	1,046	1,048	1,048	1,048
Total Positions	1,522	1,581	1,736	1,743	1,746	1,749

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

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

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

Capital Construction Company

MTA CAPITAL CONSTRUCTION COMPANY
2016 Final Proposed Budget
November Financial Plan 2016-2019

Overview

MTACC's core staff directly manages the design and construction of over \$17 billion in capital projects, utilizing dedicated resources to efficiently address the challenges related to the planning, design, construction, regulatory framework, and community participation requirements of large complex capital projects. Labor costs for administrative staff that support system expansion projects, as well as non-project specific costs are charged to the Administration component of the capital budget. Select administrative functions that are highly technical in nature and performed mainly by engineers as well as project-specific costs are funded directly from specific "mega" capital projects.

Since its creation, MTACC has developed and implemented strategies to recruit staff with the experience and technical skills required for MTA's complex construction projects on an as needed basis only. Matrixed employees (employees from other Agencies and under temporary management by MTACC are not included in MTACC's headcount—only their labor costs) and consultants support MTACC in lieu of hiring full-time staff. These expenses will be funded directly from specific capital program projects, including independent engineering and legal expenses that approximate \$14 million.

2015 November Forecast

MTACC's 2015 November Forecast is projected to be \$35.1 million, reflecting a \$0.9 million decrease from the 2015 Mid-Year Forecast. Labor costs are expected to come in at \$25.5 million, a slight increase of 0.1%, with a staffing level of 140 by year-end. The change in Labor is due to the revised payroll projections, benefits and escalation rates. Non-Labor costs are projected at \$9.6 million, a decrease of \$0.9 million, 8.8%, from the Mid-Year Forecast. The revised projections for legal, engineering and program management consulting support have contributed to the decrease in Non-Labor costs. In addition, funds for Small Business Mentoring Program, office space and maintenance charges at 2 Broadway, risk management software, budget system implementation, reimbursement of NYCT for administrative support staff and services, and other office costs, including computer equipment upgrades and supplies, are budgeted in the November Plan.

2016 Final Proposed Budget – Baseline

MTACC anticipates 2016 expenses to be \$37.6 million, a slight decrease of 0.1% from the July Plan, and a headcount of 140 by year-end. Staffing expenditures will be reimbursed by each of the “mega” projects for those employees directly working on projects. Overall Labor and fringe expenses are projected at \$27.8 million reflecting a 0.05% increase from the July Plan. The increase of \$0.01 million in Labor is due to higher fringe and escalation rates in the November Plan.

Non-Labor costs are expected to come in at \$9.8 million, 0.4% lower than the July Plan. The November Plan includes the Small Business Mentoring Program, office space rental and maintenance charges at 2 Broadway, All Agency Protective Liability insurance, and MTA Audit chargebacks. In addition, funds for reimbursement of NYCT for administrative support staff and services, temporary expert services (such as indefinite quantity consultants and firms to support project controls, change order and claims management), legal and engineering services, workforce development through employee training, and other office costs such as communications and computer equipment are also budgeted in the November Plan.

2017 - 2019 Projections

Overall, MTACC expenses are projected to decrease by \$0.09 million in 2017. Expenses will increase by \$0.1 and \$0.2 million respectively in 2018 and 2019, when compared to the July Financial Plan. Revised payroll projections, benefits and escalation rates resulted in the slight change in baselines from 2017 to 2019. Labor costs will decrease by \$0.1 million in 2017 and will increase by \$0.1 and \$0.2 million respectively in 2018 and 2019. Non-Labor expenses will continue to remain on par with the July Plan from 2017 to 2019. The November Plan includes Small Business Mentoring Program, All Agency Protective Liability insurance, MTA Audit chargebacks and office space and maintenance at 2 Broadway costs. Funds for risk management software, budget system post-implementation, reimbursement of NYCT for administrative support staff and services, archeological services, specialized consultants and other office costs are also budgeted in the November Plan. In addition, year-end staffing levels of 140 employees remain constant through 2019.

Year-to-Year, MTACC expenses are expected to increase by \$1.0 and \$1.6 million in 2017 and 2018 respectively. Labor costs will increase by \$0.5 and \$0.9 million in 2017 and 2018 as a result of payroll projections, benefits and escalation rates. Non-Labor costs will also increase primarily due to office space and maintenance charges at 2 Broadway. By 2019, overall expenses are expected to decrease to \$39.8 million. The increase of \$0.9 million in Labor costs are offset by the anticipation of fewer engineering and program management consulting support expenses as MTACC mega projects approach the completion stage.

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

MTA CAPITAL CONSTRUCTION
November Financial Plan 2016-2019
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE						
	2014	2015	2016			
	<u>Actual</u>	<u>November Forecast</u>	<u>Final Proposed Budget</u>	<u>2017</u>	<u>2018</u>	<u>2019</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	29.754	35.086	37.617	38.542	40.170	39.774
Total Revenue	\$29.754	\$35.086	\$37.617	\$38.542	\$40.170	\$39.774
Expenses						
<u>Labor:</u>						
Payroll	\$14.395	\$16.641	\$17.809	\$18.131	\$18.481	\$18.943
Overtime	-	0.002	-	-	-	-
Health and Welfare	1.847	2.442	2.887	2.962	3.101	3.272
OPEB Current Payment	-	-	-	-	-	-
Pensions	2.439	2.900	3.646	3.869	4.024	4.222
Other Fringe Benefits	3.107	3.470	3.480	3.396	3.601	3.673
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenses	\$21.788	\$25.455	\$27.822	\$28.357	\$29.208	\$30.109
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	-	0.004	0.007	0.007	0.007	0.008
Insurance	0.081	0.475	0.523	0.575	0.632	0.696
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	-	2.987	3.410	3.926	4.490	5.137
Professional Service Contracts	2.680	5.972	5.674	5.496	5.642	3.634
Materials & Supplies	0.015	-	-	-	-	-
Other Business Expenses	5.190	0.193	0.181	0.181	0.190	0.190
Total Non-Labor Expenses	\$7.966	\$9.631	\$9.795	\$10.185	\$10.963	\$9.665
<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	\$29.754	\$35.086	\$37.617	\$38.542	\$40.170	\$39.774
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses	\$29.754	\$35.086	\$37.617	\$38.542	\$40.170	\$39.774
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA CAPITAL CONSTRUCTION
November Financial Plan 2016-2019
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2014	2015	2016			
	Actual	November Forecast	Final Proposed Budget	2017	2018	2019
Receipts						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-
Capital and Other Reimbursements	29.754	35.086	37.617	38.542	40.170	39.774
Total Receipts	\$29.754	\$35.086	\$37.617	\$38.542	\$40.170	\$39.774
Expenditures						
<u>Labor:</u>						
Payroll	\$14.395	\$16.641	\$17.809	\$18.131	\$18.481	\$18.943
Overtime	-	0.002	-	-	-	-
Health and Welfare	1.847	2.442	2.887	2.962	3.101	3.272
OPEB Current Payment	-	-	-	-	-	-
Pensions	2.439	2.900	3.646	3.869	4.024	4.222
Other Fringe Benefits	3.107	3.470	3.480	3.396	3.601	3.673
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$21.788	\$25.455	\$27.822	\$28.357	\$29.208	\$30.109
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	-	0.004	0.007	0.007	0.007	0.008
Insurance	0.081	0.475	0.523	0.575	0.632	0.696
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	-	2.987	3.410	3.926	4.490	5.137
Professional Service Contracts	2.680	5.972	5.674	5.496	5.642	3.634
Materials & Supplies	0.015	-	-	-	-	-
Other Business Expenses	5.190	0.193	0.181	0.181	0.190	0.190
Total Non-Labor Expenditures	\$7.966	\$9.631	\$9.795	\$10.185	\$10.963	\$9.665
<u>Other Expenditure Adjustments:</u>						
Other - Restricted Cash Adjustment	\$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
Total Expenditures	\$29.754	\$35.086	\$37.617	\$38.542	\$40.170	\$39.774
Net Cash Deficit	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA CAPITAL CONSTRUCTION
November Financial Plan 2016-2019
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2014	2015	2016			
	Actual	November Forecast	Final Proposed Budget	2017	2018	2019
Receipts						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-
Capital and Other Reimbursements	-	-	-	-	-	-
Total Receipts	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Expenditures						
<u>Labor:</u>						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-
OPEB Current Payment	-	-	-	-	-	-
Pensions	-	-	-	-	-	-
Other Fringe Benefits	-	-	-	-	-	-
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	-	-	-	-	-	-
Insurance	-	-	-	-	-	-
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	-	-	-	-	-	-
Professional Service Contracts	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-
Other Business Expenditures	-	-	-	-	-	-
Total Non-Labor Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Other Expenditures Adjustments:</u>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expenditures Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Cash Conversion Adjustments before Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Depreciation Adjustment	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Cash Conversion Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA CAPITAL CONSTRUCTION COMPANY
2016 Final Proposed Budget
November Financial Plan 2016-2019
Year-to-Year Changes by Category - Baseline

Revenue

Capital and Other Reimbursements:

- All MTACC expenses are reimbursable from the MTA Capital Program.
- Funds are made available in the MTA's Capital Program and are drawn down as expenditures are incurred; therefore, revenues (reimbursements) will always equal expenditures. Consequently, reduced expenses result in lower revenues.
- Costs will be reimbursed from specific capital projects in accordance with how the resources are utilized.

Expenses

Payroll:

- 2016 payroll costs reflect a full year of staffing levels of 140.
- Payroll expenditures will increase annually by 2.0% from 2017 to 2019. Annual staffing levels will continue to remain at 140 throughout the plan.

Other Fringe Benefits:

- In 2016, Health and Welfare, Pension and Other Fringe Benefits costs will increase by 18.2%, 25.7% and 0.3% respectively, due to the different agency billing rates for MTACC employees residing on various payrolls.
- Overall Fringe Benefit expenditures will increase by 2.1%, 4.9% and 4.1% respectively, from 2017 to 2019, as a result of projected escalation rates from multi-agency payrolls.

Fuel:

- 2016 costs are projected to increase by \$0.003 million due to a multi-agency fuel card contract initiative. From 2017 to 2019, expenditures will remain relatively constant.

Insurance:

- Insurance costs are expected to increase annually by 10.0% from 2016 to 2019.

Maintenance and Other Operating Contracts:

- Overall expenditures will increase by \$0.42 million in 2016 due to the increase in MTACC's office space rental and maintenance charges. The occupancy charges are forecasted to increase by \$0.52, \$0.56 and \$0.65 million respectively from 2017 to 2019 (approximately 14% per year).

Professional Service Contracts:

- 2016 Professional Services will decrease by 5.0% related to a decrease in Small Businesses Mentoring Program and budget system post-implementation expenses.
- Expenditures will decrease by 3.2% due to fewer costs associated with Small Business Mentoring Program and archeological services in 2017. Costs will increase in 2018 by 2.7% due to IT equipment upgrades and the timing of required engineering and temporary experts working on mega projects. By 2019, Professional Services will decline to \$3.6 million, 35.6%, due to fewer engineering and program management consulting support expenses as MTACC mega projects approach the completion stage.

Other Business Expenses:

- Expenditures remain relatively constant from 2016 through 2019.

MTA CAPITAL CONSTRUCTION
November Financial Plan 2016-2019
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

REIMBURSABLE

	Favorable/(Unfavorable)								
	2015	2016	Change 2015 - 2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018 - 2019
Revenue									
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue									
Other Operating Revenue									
Capital and Other Reimbursements	35.086	37.617	2.531	38.542	0.925	40.170	1.628	39.774	(0.397)
Total Revenue	\$35.086	\$37.617	\$2.531	\$38.542	\$0.925	\$40.170	\$1.628	\$39.774	(\$0.397)
Expenses									
Labor:									
Payroll	\$16.641	\$17.809	(\$1.168)	\$18.131	(\$0.322)	\$18.481	(\$0.350)	\$18.943	(\$0.462)
Overtime	0.002	0.000	0.002	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	2.442	2.887	(0.445)	2.962	(0.075)	3.101	(0.139)	3.272	(0.170)
OPEB Current Payment									
Pensions	2.900	3.646	(0.746)	3.869	(0.222)	4.024	(0.156)	4.222	(0.198)
Other Fringe Benefits	3.470	3.480	(0.010)	3.396	0.084	3.601	(0.206)	3.673	(0.072)
Reimbursable Overhead									
Total Labor Expenses	\$25.455	\$27.822	(\$2.367)	\$28.357	(\$0.535)	\$29.208	(\$0.850)	\$30.109	(\$0.901)
Non-Labor:									
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.004	0.007	(0.003)	0.007	(0.000)	0.007	(0.000)	0.008	(0.000)
Insurance	0.475	0.523	(0.048)	0.575	(0.052)	0.632	(0.057)	0.696	(0.063)
Claims									
Paratransit Service Contracts									
Maintenance and Other Operating Contracts	2.987	3.410	(0.423)	3.926	(0.516)	4.490	(0.564)	5.137	(0.647)
Professional Service Contracts	5.972	5.674	0.298	5.496	0.179	5.642	(0.147)	3.634	2.008
Materials & Supplies	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.193	0.181	0.012	0.181	(0.000)	0.190	(0.009)	0.190	0.000
Total Non-Labor Expenses	\$9.631	\$9.795	(\$0.164)	\$10.185	(\$0.390)	\$10.963	(\$0.778)	\$9.665	\$1.298
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	\$35.086	\$37.617	(\$2.531)	\$38.542	(\$0.925)	\$40.170	(\$1.628)	\$39.774	\$0.397
Depreciation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$35.086	\$37.617	(\$2.531)	\$38.542	(\$0.925)	\$40.170	(\$1.628)	\$39.774	\$0.397
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	(\$0.000)	\$0.000	(\$0.000)	\$0.000	(\$0.000)

MTA CAPITAL CONSTRUCTION
November Financial Plan 2016-2019
Year-to-Year Changes by Category - Cash Basis
(\$ in millions)

CASH RECEIPTS & EXPENDITURES

	2015	2016	Change 2015 - 2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018 - 2019
Receipts									
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue									
Other Operating Revenue									
Capital and Other Reimbursements	35.086	37.617	2.531	38.542	0.925	40.170	1.628	39.774	(0.397)
Total Receipts	\$35.086	\$37.617	\$2.531	\$38.542	\$0.925	\$40.170	\$1.628	\$39.774	(\$0.397)
Expenditures									
Labor:									
Payroll	\$16.641	\$17.809	(\$1.168)	\$18.131	(\$0.322)	\$18.481	(\$0.350)	\$18.943	(\$0.462)
Overtime	0.002	0.000	0.002	0.000	0.000	0.000	0.000	0.000	0.000
Health and Welfare	2.442	2.887	(0.445)	2.962	(0.075)	3.101	(0.139)	3.272	(0.170)
OPEB Current Payment									
Pensions	2.900	3.646	(0.746)	3.869	(0.222)	4.024	(0.156)	4.222	(0.198)
Other Fringe Benefits	3.470	3.480	(0.010)	3.396	0.084	3.601	(0.206)	3.673	(0.072)
Reimbursable Overhead									
Total Labor Expenditures	\$25.455	\$27.822	(\$2.367)	\$28.357	(\$0.535)	\$29.208	(\$0.850)	\$30.109	(\$0.901)
Non-Labor:									
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.004	0.007	(0.003)	0.007	(0.000)	0.007	(0.000)	0.008	(0.000)
Insurance	0.475	0.523	(0.048)	0.575	(0.052)	0.632	(0.057)	0.696	(0.063)
Claims									
Paratransit Service Contracts									
Maintenance and Other Operating Contracts	2.987	3.410	(0.423)	3.926	(0.516)	4.490	(0.564)	5.137	(0.647)
Professional Service Contracts	5.972	5.674	0.298	5.496	0.179	5.642	(0.147)	3.634	2.008
Materials & Supplies	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	0.193	0.181	0.012	0.181	(0.000)	0.190	(0.009)	0.190	0.000
Total Non-Labor Expenditures	\$9.631	\$9.795	(\$0.164)	\$10.185	(\$0.390)	\$10.963	(\$0.778)	\$9.665	\$1.298
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	\$35.086	\$37.617	(\$2.531)	\$38.542	(\$0.925)	\$40.170	(\$1.628)	\$39.774	\$0.397
Net Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA CAPITAL CONSTRUCTION COMPANY
2016 Final Proposed Budget
November Financial Plan 2016-2019
Summary of Major Plan-to-Plan Changes

2015: November Financial Plan vs. July Financial Plan

The November Financial Plan is projected at \$35.1 million reflecting a decrease of 2.5% from the 2015 Mid-Year Forecast. Labor expenses are \$0.03 million higher than the July Plan, with a staffing level of 140. Non-Labor costs are expected to decrease by \$0.9 million as a result of the Small Business Mentoring Program and revised projections for engineering and program management consulting support.

2016 - 2019: November Financial Plan vs. July Financial Plan

Overall expenses are anticipated to come in lower than the July Financial Plan by \$0.02 and \$0.09 million, respectively, from 2016 to 2017. By 2018, the baseline will increase by \$0.06 million and continue to increase in 2019 by \$0.22 million. The changes in the baseline are primarily due to revised payroll projections, benefits and escalation rates. Professional Services continue to decrease as a result of re-estimates in the engineering and program management consulting support. All other Non-Labor costs remain on par with the July Plan.

2016 - 2019: November Financial Plan vs. February Financial Plan

In comparison to the February Financial Plan, the November Plan expenses are mapped under different generic reporting categories due to a revised chart of accounts (i.e. office space rental, maintenance, IT and fuel related). From 2017 to 2019, the November baseline will increase by \$0.9, \$2.9 and \$2.7 million respectively. Labor expenses are anticipated to decrease annually by \$1.1 million from 2017 to 2019 as a result of revised payroll projections, benefits and escalation rates. The decreases in Labor costs are offset by the re-estimates in the All Agency Protective Liability insurance, MTACC office space and maintenance charges at 2 Broadway, MTA Audit chargebacks, legal, engineering and program management consulting support. Non-Labor expenses are projected to increase by \$2.1, \$4.0 and \$3.7 million respectively from 2017 to 2019.

MTA CAPITAL CONSTRUCTION
November Financial Plan 2016-2019
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE

	2015	2016	2017	2018	2019
July Financial Plan - Net Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline Changes					
Revenue					
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue					
Capital and Other Reimbursement	(0.894)	(0.024)	(0.093)	0.055	0.221
Total Revenue Changes	(\$0.894)	(\$0.024)	(\$0.093)	\$0.055	\$0.221
Expenses					
<i>Labor:</i>					
Payroll	(\$0.220)	\$0.129	\$0.150	\$0.151	\$0.047
Overtime	(0.002)	0.000	0.000	0.000	0.000
Health and Welfare	0.099	0.023	0.023	0.024	0.000
OPEB Current Payment					
Pensions	0.353	(0.033)	(0.105)	(0.103)	(0.124)
Other Fringe Benefits	(0.262)	(0.131)	0.011	(0.136)	(0.149)
Reimbursable Overhead					
Total Labor Expense Changes	(\$0.033)	(\$0.013)	\$0.080	(\$0.064)	(\$0.226)
<i>Non-Labor:</i>					
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.008	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000
Claims					
Paratransit Service Contracts					
Maintenance and Other Operating Contracts	(0.006)	0.000	0.000	0.000	0.000
Professional Service Contracts	0.942	0.035	0.012	0.009	0.005
Materials & Supplies	0.000	0.000	0.000	0.000	0.000
Other Business Expenses	(0.018)	0.001	0.001	0.001	0.000
Total Non-Labor Expense Changes	\$0.926	\$0.037	\$0.013	\$0.009	\$0.006
Total Expense Changes	\$0.894	\$0.024	\$0.093	(\$0.055)	(\$0.221)
<i>Other Expense Adjustments/Gap Closing Actions</i>					
Other - Restricted Cash Adjustment					
Total Other Expenditure Adjustments Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
November Financial Plan - Net Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA CAPITAL CONSTRUCTION
November Financial Plan 2016-2019
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

REIMBURSABLE

	2015	2016	2017	2018	2019
July Financial Plan - Net Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<i>Non-Reimbursable Major Changes</i>					
Revenue					
Sub-Total Non-Reimbursable Revenue Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Expenses					
Sub-Total Non-Reimbursable Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Non-Reimbursable Major Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<i>Reimbursable Major Changes</i>					
Revenue					
Sub-Total Reimbursable Revenue Changes	(\$0.894)	(\$0.024)	(\$0.093)	\$0.055	\$0.221
Expenses					
Sub-Total Reimbursable Expense Changes	\$0.894	\$0.024	\$0.093	(\$0.055)	(\$0.221)
Total Reimbursable Major Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Accrual 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
November Financial Plan - Net Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA CAPITAL CONSTRUCTION COMPANY
2016 Final Proposed Budget
November Financial Plan 2016-2019
Positions

Position Assumptions

All costs are reimbursable from the MTA Capital Program. A shortlist of the “Mega” Projects and associated “direct” position requirements include:

- Second Avenue Subway – 21 positions
- East Side Access – 20 positions
- 7 Line Extension – 12 positions
- Fulton Center – 16 positions
- Security Program -11 positions

By 2015 year-end, staffing levels are projected to be at 140 and are comprised of 60 administrative positions and 80 “direct” project positions. Of the 60 positions, 43 are engineering/capital MTACC technical employees who will be directly charged to the mega projects, based on work assignments. The breakdown of the 140 positions is as follows: 17 MTACC administrative positions and 123 positions implementing East Side Access, Second Avenue Subway, Lower Manhattan, No. 7 Line and the system-wide security program. Annual staffing levels will continue to remain at 140 through 2019.

Staffing needs are also met with a mix of employees matrixed* to the company from other agencies or provided by third party consultants. The actual mix of MTACC employees, matrixed employees and consultant staff are dependent upon the particular needs of each project and the availability of the proper resources. MTACC has carefully timed the hiring of employees to correspond with the needs of the projects and the mix of construction and design activities underway.

As mega projects are completed and fully closed out, employees will be reassigned to other capital projects, where appropriate. The Fulton Center will achieve final completion and close-out in 2017 once the upper floors are commissioned and turned over to the developer for leasing. The secondary entrance at Site P at the 7 Line Extension project will be completed in 2017 with closeout in 2018. Some of these employees will be reassigned to other on-going mega-projects at the Cortlandt Street station, the Second Avenue Subway and East Side Access, resulting in less dependence upon consultant support for those projects. As MTACC transitions away from the final design phases for these projects, support needs will rely less upon consultant design and technical expertise and focus more upon in-house inspection, commissioning and close-out activities.

*Employees of other agencies under temporary management by MTACC

MTA Capital Construction Company
November Financial Plan 2016-2019
 Favorable/(Unfavorable)

Total Position Changes at a Glance

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
2015 July Plan - Total Positions	140	140	140	140	140
Total Plan-to-Plan Changes	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
2015 November Plan - Total Positions	140	140	140	140	140
Total Year-to-Year Changes, November Plan		0	0	0	0

Total Plan-to-Plan Changes by Reporting Category:

<i>Non-Reimbursable</i>	0	0	0	0	0
<i>Reimbursable</i>	0	0	0	0	0
Total	0	0	0	0	0
<i>Full-Time</i>	0	0	0	0	0
<i>Full-Time Equivalents</i>	0	0	0	0	0
Total	0	0	0	0	0
<i>By Function Category</i>					
- Administration	0	0	0	0	0
- Operations	0	0	0	0	0
- Maintenance	0	0	0	0	0
- Engineering/Capital	0	0	0	0	0
- Public Safety	0	0	0	0	0
Total	0	0	0	0	0
<i>By Occupational Group</i>					
- Managers/Supervisors	0	0	0	0	0
- Professional, Technical, Clerical	0	0	0	0	0
- Operational Hourlies	0	0	0	0	0
Total	0	0	0	0	0

Total Plan-to-Plan Changes by Major Category:

<i>2015 BRPs</i>	0	0	0	0	0
<i>New Needs</i>	0	0	0	0	0
<i>Change in Reimbursable Positions</i>	0	0	0	0	0
<i>Re-estimates & All Other¹</i>	0	0	0	0	0
Total	0	0	0	0	0

¹Includes Full Time Equivalents

MTA CAPITAL CONSTRUCTION
November Financial Plan 2016-2019
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

FUNCTION/DEPARTMENT	2014 Actual	2015 November Forecast	2016 Final Proposed Budget	2017	2018	2019
Administration						
MTACC	14	17	17	17	17	17
Engineering/Capital						
MTACC	41	43	44	45	45	45
East Side Access	19	20	22	37	37	37
Security	8	11	11	10	10	10
Second Avenue Subway Lower Manhattan Project	18	21	20	21	21	31
7 Line Extension	15	16	16			
7 Line Extension	11	12	10	10	10	
Total Engineering/Capital	112	123	123	123	123	123
Total Positions	126	140	140	140	140	140
<i>Non-Reimbursable</i>	-	-	-	-	-	-
<i>Reimbursable</i>	126	140	140	140	140	140
<i>Total Full-Time</i>	126	140	140	140	140	140
<i>Total Full-Time Equivalents</i>	-	-	-	-	-	-

MTA CAPITAL CONSTRUCTION
November Financial Plan 2016-2019
Total Positions by Function and Occupation

FUNCTION/OCCUPATIONAL GROUP	2014 Actual	2015 November Forecast	2016 Final Proposed Budget	2017	2018	2019
Administration						
Managers/Supervisors	-	-	-	-	-	-
Professional, Technical, Clerical	14	17	17	17	17	17
Operational Hourlies	-	-	-	-	-	-
Total Administration	14	17	17	17	17	17
Operations						
Managers/Supervisors	-	-	-	-	-	-
Professional, Technical, Clerical	-	-	-	-	-	-
Operational Hourlies	-	-	-	-	-	-
Total Operations	-	-	-	-	-	-
Maintenance						
Managers/Supervisors	-	-	-	-	-	-
Professional, Technical, Clerical	-	-	-	-	-	-
Operational Hourlies	-	-	-	-	-	-
Total Maintenance	-	-	-	-	-	-
Engineering/Capital						
Managers/Supervisors	-	-	-	-	-	-
Professional, Technical, Clerical	112	123	123	123	123	123
Operational Hourlies	-	-	-	-	-	-
Total Engineering/Capital	112	123	123	123	123	123
Public Safety						
Managers/Supervisors	-	-	-	-	-	-
Professional, Technical, Clerical	-	-	-	-	-	-
Operational Hourlies	-	-	-	-	-	-
Total Public Safety	-	-	-	-	-	-
Total Positions						
Managers/Supervisors	-	-	-	-	-	-
Professional, Technical, Clerical	126	140	140	140	140	140
Operational Hourlies	-	-	-	-	-	-
Total Positions	126	140	140	140	140	140

Long Island Rail Road

MTA LONG ISLAND RAIL ROAD

2016 Final Proposed Budget

November Financial Plan 2016 - 2019

FINANCIAL OVERVIEW

The November Financial Plan maintains the MTA Long Island Rail Road's (LIRR) commitment to delivering safe, secure, and reliable transportation while continuing to improve customer service. It contains the resources necessary for the LIRR to achieve its performance goals in train service, fleet performance and service reliability. In addition, the November Financial Plan provides dedicated resources for the LIRR to achieve its most important goal, which is the provision of safe transportation services to its customers, employees and the local community.

Safety Initiatives

The Long Island Rail Road's approach to safety management engages every employee in promoting the value of safety and is a collaborative effort between the Corporate Safety Department and all LIRR operating, support, and administrative departments. Establishing a high level of safety performance positively impacts employee availability, productivity, equipment reliability and customer satisfaction.

The LIRR's System Safety Program Plan is in compliance with Federal Transit Administration (FTA) requirements and is being revised in anticipation of the pending Federal Railroad Administration (FRA) Risk Reduction/System Safety Program Plan rule. The LIRR anticipates anticipate the new FRA Rule to be published by the end of 2015 or beginning of 2016. Further, the LIRR voluntarily invites the American Public Transportation Association (APTA) to conduct an audit of our plan every three years.

The LIRR launched several initiatives designed to improve rail safety. All initiatives are progressing and the November Financial Plan continues to provide funding for these safety initiatives.

- *Quarterly Safety Stand-Downs* – Safety sessions and discussions with staff across the LIRR on the same day to stress the importance of safety and to provide an opportunity for employees to share how they are experiencing safety at the LIRR. An average of 4,000 employees have participated in each Stand-Down.
- *Confidential Close Call Reporting System (C3RS)* – A collaborative effort between Management, Labor Organizations and the Federal Railroad Administration, C-3RS provides a mechanism for employees to confidentially report close calls that could have resulted in operating and safety incidents. All ten labor organizations participate in this effort. C3RS was

launched in March 2015 in a phased roll out and our goal is to be system-wide by March 2016.

- *Accident Investigation Unit* - This unit is tasked with conducting investigations of major accidents and incidents in an objective manner, making recommendations for corrective action, ensuring corrective actions are implemented, providing accident/incident review presentations to senior staff, providing staff development in accident investigation techniques, and leading LIRR's support of major accidents.

The LIRR is progressing on several initiatives first identified in 2014 stemming from studies on track maintenance practices by an outside consultant group, recommendations from the MTA Blue Ribbon Panel on Track Safety, the FRA's analysis and Deep Dive Report reviews.

- *Rail Joint Bar Elimination Initiative* - The goal is to eliminate the backlog of bolted joints requiring welding by 2019. After the existing bolted joints are eliminated, the goal will be to weld newly created bolted joints within 6 months of creation. The Track department is on schedule to reach the weld goal of 1600 for 2015, consistent with the 5 year strategy.
- *Wheel Impact Load Detection and Measurement System* – Install system to provide axle load, tonnage and defective wheel information to Engineering personnel and alert LIRR personnel in the event of excessive wheel force striking the rail due to wheel flat spots. The LIRR and Metro North are working on a joint procurement and anticipate awarding the contract in January 2016.
- *Cameras and Recording Devices On-board Rolling Stock* - Cameras will be placed in the passenger compartments and locomotive engineer cab to record events to allow for future analysis and assist in investigations. Installation will start in 2016 and is scheduled to be completed by 2018.
- *Enterprise Asset Management (EAM) Improvement Program* - Includes the ability to manage physical assets to the lowest whole life cost and provide data for more informed decision making, improve safety, reliability, capability, and maintainability of services while ensuring best value and overall reduction in whole lifecycle costs. The projects included in the program address different areas of LIRR's business model and are grouped into eight different themes. These are: alignment to organizational goals; control of assets (establishing policies, processes and controls); capital planning and delivery; maintenance delivery; defect management; informed decisions; and resource capabilities. These projects are designed to evolve LIRR as an EAM Organization and will impact both operating and capital investment decisions.

The LIRR is upgrading and replacing fire alarm and fire suppression systems throughout its employee facilities and stations. Funding is provided through the LIRR Operating and Capital budgets.

Operational Initiatives

The LIRR's rolling stock maintenance investments are achieving very positive results: Mean Distance Between Failure (MDBF) in 2014 totaled 196,851 miles, or 30% above target; year-to-date through August of 2015, the MDBF is 205,025 miles, or 16.5% above the increased target. The strong performance is led by the M-7 cars, which have a MDBF of 534,896 miles through August 2015. A key ingredient of fleet reliability performance is the LIRR's Reliability Centered Maintenance (RCM) program. Reliability Centered Maintenance is the process of determining the most effective maintenance approach to maintaining rolling stock systems and components. Most importantly, RCM requires that maintenance decisions are based on sound technical and economic justification. The RCM philosophy employs a combination of maintenance techniques in an integrated manner to increase the probability that the equipment will function in the manner required over the cars life cycle with cost effective maintenance. An effective RCM program requires management of a dynamic plan with constant feedback by incorporating maintenance effectiveness reviews, failure reviews, root cause analysis, and condition based monitoring. The financial plan includes funding to support RCM focused maintenance, including revised plans for M-7 Doors, 15-year cycle work on diesel locomotive engines, C-3 Toilet improvements, and starting development work for C-3 Door System failure mitigation. In addition, the budget reflects funding to replace obsolete parts on the M-7 cars and C-3 coaches.

Efficiency Initiatives

The 2015 November Financial Plan includes several initiatives designed to reduce cost or increase non-farebox revenue as part of the MTA's financial efficiency initiatives. The LIRR initiatives include: tighter controls on material procurement and inventory planning and lower projected costs for materials and supplies; increased oversight on contract budgeting; and increased revenue from freight activities and insurance reimbursement. The LIRR continues to subject all areas of the budget to intensive review, specifically payroll-related operational costs, overtime, inventory and administration.

Overtime Management

The LIRR considers overtime management to be one of its highest priorities. Under certain conditions, overtime can be an efficient way to ensure sufficient levels of staff are deployed to complete required work, such as to staff activities that are temporary in nature (unscheduled maintenance and emergency response) or to backfill open jobs on an interim basis while new hires are brought in to the workforce. Nevertheless, it is

critical for the LIRR to maintain tight control of overtime usage in order to ensure that it is used only when needed and that it is the most cost-effective approach.

Compared with the July Financial Plan, overtime expenses increase by \$0.8 million in 2015 and \$11.4 million in 2016. The 2016 increase is associated with weather related overtime, timing adjustments, and Reimbursable Budget overtime. The LIRR establishes the budget for weather related costs based on a five year average. Updating 2016 weather related overtime based on a five year average resulted in an increase of \$1.4 million. Reimbursable overtime increases by \$5.8 million in 2015 and \$8.1 million in 2016. The increase reflects the timing and type of capital projects scheduled in each year as well as the associated track outage schedule.

The LIRR will continue with efforts to manage and monitor overtime. This is accomplished through an internal interdepartmental Overtime Task Force as well as increased scrutiny of individual drivers of overtime during the budget development process. The Overtime Task Force reviews overtime spending with each department by category and drills into targeted areas that have posed challenges in recent years. In 2016, the LIRR will continue to focus on several strategic areas, including: application of an enhanced train crew staffing model to right size headcount and overtime while improving the oversight of overtime due to extra assignments; continuing with tighter controls on the assignment of extra jobs in Stations; implementing a hiring plan that seeks to fill open jobs in all craft positions on a timely basis; and developing a more realistic projection for Engineering maintenance overtime coupled with increased oversight. In addition, the LIRR is nearing completion of a review of internal controls at the department/field level to ensure sufficient controls are in place to govern the overtime approval and verification processes, ensuring the procedures are in compliance with the corporate overtime strategy.

Ridership and Revenue

Through August 2015 ridership is 1.8% greater than 2014 levels (adjusted for the same number of work days) and 0.8% greater than the 2015 Mid-Year Forecast assumption. In fact, ridership has exceeded prior year levels in 18 out of the last 20 months. Preliminary estimates project the 2015 ridership to be 87.5 million passengers, marking the highest ridership since the post-war high in 1949 of 91.8 million passengers - and breaking the previous modern record reach in 2008 of 87.4 million passengers.

The LIRR has posted favorable trends in both Commutation and Non-Commutation ridership. Gains in the local job market continue to support ridership growth in the Commutation market. The Non-Commutation market was influenced favorably by continuing ridership growth to Brooklyn, where ridership has increased due over 150 performances and sporting events at Barclays Center. Other factors influencing ridership growth included: local sports teams reaching their respective post seasons; the emergence of Forest Hills Stadium as a more popular entertainment venue; new promotional partnerships with local sports teams including the NY Mets and the NY

Cosmos; sustained ridership growth at JFK AirTrain and a new bus connection to LaGuardia Airport. Overall, the ridership outlook for the rest of the year remains strong with the NY Islanders making Barclays Center their home, ridership is expected to experience continuing and sustainable healthy growth in 2015.

2015 November Forecast

The LIRR's 2015 November Forecast is comprised of Non-Reimbursable revenue totaling \$746.9 million and Non-Reimbursable expenses including depreciation, other post-employment benefits and environmental remediation of \$1,821.5 million that generate an operating deficit of (\$1,074.6) million. The 2015 November Forecast Reimbursable revenue and expenses each total \$334.2 million.

Total Non-Reimbursable revenue is \$8.3 million higher than the Mid-Year Forecast. Farebox Revenue is \$6.5 million higher due to higher overall ridership than was projected. Other Operating Revenue is \$1.7 million higher due to a gain on the sale of property.

Total Non-Reimbursable expenses (excluding depreciation and Other Post-Employment Benefits (OPEB) are lower by \$16.4 million primarily as a result of lower rates for Fuel, Electric, OPEB Current Payments, vacant positions and associated fringe costs, timing of Reliability Centered Maintenance and Rolling Stock Modification updates, Pension and Reimbursable overhead changes based on capital activity and various other timing adjustments. This is partially offset by expensing unamortized capital investments (accrued only).

The major cash adjustments from the Adopted Budget include non-cash accounting adjustments related to expensing unamortized capital investments, operating funded capital timing adjustments, Depreciation/OPEB/Environmental remediation, Claims/FELA reserves and gain on the sale of property.

Full-time positions total 7,083 in the 2015 November Forecast, with 6,284 Non-Reimbursable positions and 799 Reimbursable positions.

2016 Final Proposed Budget - Baseline

The LIRR's Financial Plan is geared toward achieving several key operational goals in 2016, this includes: maintaining a high level of rolling stock reliability and continually improving on-time performance and a continuing commitment to improve both employee and customer safety and security. Other key assumptions incorporated in the baseline are discussed in a later section, along with the reconciliation to the Adopted Budget.

The 2016 Final Proposed Budget includes revenue totaling \$1,122.8 million, of which \$757.0 million is Non-Reimbursable revenue and \$365.9 million is Reimbursable revenue. The total expense budget is \$2,256.6 million, of which \$1,850.8 million is for operating expenses, and the balance is associated with non-cash items such as

depreciation, other post-employment benefits and environmental remediation liability. Non-Reimbursable operating expenses total \$1,484.9 million in the 2016 Final Proposed Budget, while reimbursable expenses are \$365.9 million.

The cash budget for the 2016 Final Proposed Budget incorporates \$1,096.7 million in cash receipts and \$1,837.4 million in cash disbursements. The baseline cash requirement of \$740.8 million is driven by operating expenses and revenues anticipated in the 2016 Final Proposed Budget and other adjustments to cash flow.

On an accrued basis, revenues and expenses are higher in the 2016 Final Proposed Budget than the 2015 November Forecast. Total revenues for 2016 are \$1,122.8 million, \$41.7 million higher than 2015 with Non-Reimbursable revenues increasing by \$10.0 million and Reimbursable revenues increasing by \$31.6 million. Ridership in the 2016 Final Proposed Budget increases over the 2015 November Forecast by 0.7 million rides, or 0.8%. Total operating expenses before depreciation and OPEB of \$1,850.8 million reflects an increase of \$95.1 million over 2015. Non-Reimbursable expenses increase by \$63.4 million and Reimbursable expenses increase by \$31.6 million. The resulting total operating baseline deficit including non-cash items such as depreciation, OPEB, and environmental remediation increases by \$59.2 million to \$1,133.8 million in the 2016 Final Proposed Budget. The projected baseline cash deficit (or subsidy requirement) of \$740.8 million in the 2016 Final Proposed Budget is \$142.5 million higher than 2015.

Full-time positions total 7,206 in the 2016 Final Proposed Budget, with 6,162 Non-Reimbursable positions and 1,044 Reimbursable positions. Compared to the 2015 November Forecast, this reflects a total increase of 123 positions, a decrease of 122 Non-Reimbursable positions and an increase of 245 Reimbursable positions. The Reimbursable increase is related to increases in Capital Project activity. The non-reimbursable decrease is associated with Engineering resources working on capital project activity instead of non-reimbursable activities in 2015. Compared with the Mid-Year Forecast, there was a total position increase of 168 positions, an increase of 248 Reimbursable positions and a decrease of 80 Non-Reimbursable positions. The net increase of 248 Reimbursable positions is driven primarily by capital project activity. The net decrease of 80 Non-Reimbursable positions results primarily from Engineering workforce working on capital activity instead of non-reimbursable activity in 2015. This was partially offset by new M-7 door related maintenance and timing of AVRМ installation.

Financial Plan 2017-2019 Projections

The baseline projections for 2017 - 2019 reflect continuing initiatives launched in 2015. During this period, the LIRR has increased its investments in the RCM as many components start to enter critical maintenance stages. In addition, in 2017 - 2019, the LIRR financial plan reflects ramp-up costs for East Side Access (ESA) readiness efforts. Enter

The baseline projections for 2017 - 2019 reflect these various impacts. Non-Reimbursable revenues grow by less than 1% each year thereafter, while Reimbursable revenues decrease by 12.7% in 2017, 0.6% in 2018 and increase 0.2% 2019.

The pace of expense growth is higher than the projected revenue growth, driven by rates that exceed inflation in “uncontrollable costs”, such as health insurance (active employees and retirees), Electric Power and Pension costs. Non-Reimbursable expenses (before depreciation) grow by 0.6% from \$1,484.9 million in 2016 to \$1,494.1 million in 2017. They continue to rise by 5.5% in 2018 and 3.8% in 2019, reaching \$1,636.5 million. The higher rate of growth in the out-years is primarily due to ESA readiness efforts. Reimbursable expenses decrease by 12.7% in 2017 and 0.6% in 2018 and increase by 0.2% 2019.

On a year-to-year basis, baseline positions decrease by 79 positions in 2017 and increase by 216 positions in 2018 and 84 positions in 2019. Non-Reimbursable positions increase by 81 positions in 2017, 223 in 2018 and 108 in 2019. The 2017 through 2019 increases are primarily related to ESA readiness efforts. For the period 2017 - 2019, Reimbursable positions decrease by 160 in 2017, 7 in 2018 and 24 in 2019, reflecting the anticipated level of capital activity and the completion of Sandy reconstruction projects and Maintenance of Equipment Positive Train Control (PTC) efforts.

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2016-2019
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE						
	2014	2015	2016			
	Actual	November Forecast	Final Proposed Budget	2017	2018	2019
Operating Revenue						
Farebox Revenue	\$658.822	\$692.275	\$702.622	\$705.571	\$707.194	\$708.747
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	51.233	54.658	54.339	57.267	56.260	57.039
Capital and Other Reimbursements	-	-	-	-	-	-
Total Revenue	\$710.055	\$746.933	\$756.961	\$762.838	\$763.454	\$765.786
Operating Expenses						
<u>Labor:</u>						
Payroll	\$547.678	\$495.108	\$514.940	\$525.005	\$558.184	\$581.472
Overtime	125.497	120.076	115.247	120.727	124.770	126.123
Health and Welfare	92.372	86.779	97.740	100.318	110.291	117.730
OPEB Current Payment	56.655	59.482	66.700	68.144	71.573	75.155
Pensions	177.707	151.062	152.028	153.101	156.348	164.747
Other Fringe Benefits	117.951	125.207	128.502	132.125	140.103	145.244
Reimbursable Overhead	(28.252)	(38.400)	(37.865)	(32.777)	(32.125)	(32.030)
Total Labor Expenses	\$1,089.609	\$999.314	\$1,037.292	\$1,066.643	\$1,129.144	\$1,178.441
<u>Non-Labor:</u>						
Electric Power	\$101.726	\$94.019	\$93.295	\$97.324	\$101.641	\$106.043
Fuel	27.766	18.890	18.483	19.435	21.671	23.764
Insurance	23.378	22.694	24.714	26.651	28.739	31.041
Claims	6.459	4.389	4.303	4.370	4.370	4.419
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	62.379	63.761	85.152	75.679	76.369	84.371
Professional Service Contracts	26.008	60.439	32.103	27.254	29.748	29.469
Materials & Supplies	105.335	142.797	173.866	160.713	163.370	162.047
Other Business Expenses	9.825	15.208	15.736	15.991	21.754	16.881
Total Non-Labor Expenses	\$362.877	\$422.197	\$447.652	\$427.417	\$447.662	\$458.035
<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 Adj.	\$1,452.486	\$1,421.511	\$1,484.944	\$1,494.060	\$1,576.806	\$1,636.476
Depreciation	\$324.840	\$323.830	\$327.053	\$330.308	\$333.596	\$336.916
OPEB Obligation	74.558	74.538	76.744	79.046	81.418	83.860
Environmental Remediation	5.878	1.647	2.000	2.000	2.000	2.000
Total Expenses	\$1,857.762	\$1,821.526	\$1,890.741	\$1,905.414	\$1,993.820	\$2,059.252
Baseline Surplus/(Deficit)	(\$1,147.706)	(\$1,074.593)	(\$1,133.780)	(\$1,142.576)	(\$1,230.366)	(\$1,293.466)
<u>Cash Conversion Adjustments</u>						
Depreciation	\$324.840	\$323.830	\$327.053	\$330.308	\$333.596	\$336.916
Operating/Capital	(14.948)	(14.864)	(32.412)	(10.202)	(13.247)	(13.168)
Other Cash Adjustment	27.495	167.389	98.383	87.697	88.893	84.924
Total Cash Conversion Adjustments	\$337.387	\$476.355	\$393.024	\$407.803	\$409.242	\$408.672
Net Cash Surplus/(Deficit)	(\$810.319)	(\$598.238)	(\$740.756)	(\$734.773)	(\$821.124)	(\$884.794)

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2016-2019
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE						
	2014	2015	2016			
	<u>Actual</u>	<u>November Forecast</u>	<u>Final Proposed Budget</u>	<u>2017</u>	<u>2018</u>	<u>2019</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	279.992	334.235	365.863	319.365	317.293	317.783
Total Revenue	\$279.992	\$334.235	\$365.863	\$319.365	\$317.293	\$317.783
Expenses						
<u>Labor:</u>						
Payroll	\$89.227	\$107.049	\$116.089	\$114.940	\$113.744	\$113.814
Overtime	27.688	30.641	26.807	20.350	19.850	19.827
Health and Welfare	17.988	24.157	25.035	24.059	23.587	23.565
OPEB Current Payment	-	-	-	-	-	-
Pensions	31.150	40.281	40.676	39.089	38.323	38.287
Other Fringe Benefits	19.951	23.317	25.601	24.602	24.120	24.097
Reimbursable Overhead	28.252	38.400	37.865	32.777	32.125	32.030
Total Labor Expenses	\$214.255	\$263.845	\$272.073	\$255.817	\$251.749	\$251.620
<u>Non-Labor:</u>						
Electric Power	\$0.545	\$0.738	\$0.635	\$0.141	\$0.000	\$0.000
Fuel	-	-	-	-	-	-
Insurance	4.403	6.065	8.269	7.763	7.569	7.577
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	12.170	14.767	26.332	12.825	12.418	12.524
Professional Service Contracts	7.394	2.440	3.768	0.952	0.652	0.656
Materials & Supplies	40.360	45.222	54.439	41.533	44.578	45.079
Other Business Expenses	0.865	1.158	0.347	0.334	0.327	0.327
Total Non-Labor Expenses	\$65.738	\$70.390	\$93.790	\$63.548	\$65.544	\$66.163
<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	\$279.992	\$334.235	\$365.863	\$319.365	\$317.293	\$317.783
Depreciation	-	-	-	-	-	-
Total Expenses	\$279.992	\$334.235	\$365.863	\$319.365	\$317.293	\$317.783
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2016-2019
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE						
	2014	2015	2016			
	Actual	November Forecast	Final Proposed Budget	2017	2018	2019
Revenue						
Farebox Revenue	\$658.822	\$692.275	\$702.622	\$705.571	\$707.194	\$708.747
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	51.233	54.658	54.339	57.267	56.260	57.039
Capital and Other Reimbursements	279.992	334.235	365.863	319.365	317.293	317.783
Total Revenue	\$990.048	\$1,081.168	\$1,122.824	\$1,082.203	\$1,080.747	\$1,083.569
Expenses						
Labor:						
Payroll	\$636.905	\$602.157	\$631.029	\$639.945	\$671.928	\$695.286
Overtime	153.185	150.717	142.054	141.077	144.620	145.950
Health and Welfare	110.360	110.936	122.775	124.377	133.878	141.295
OPEB Current Payment	56.655	59.482	66.700	68.144	71.573	75.155
Pensions	208.857	191.343	192.704	192.190	194.671	203.034
Other Fringe Benefits	137.901	148.524	154.103	156.727	164.223	169.341
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenses	\$1,303.864	\$1,263.159	\$1,309.365	\$1,322.460	\$1,380.893	\$1,430.061
Non-Labor:						
Electric Power	\$102.271	\$94.757	\$93.930	\$97.465	\$101.641	\$106.043
Fuel	27.766	18.890	18.483	19.435	21.671	23.764
Insurance	27.781	28.759	32.983	34.414	36.308	38.618
Claims	6.459	4.389	4.303	4.370	4.370	4.419
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	74.550	78.528	111.484	88.504	88.787	96.895
Professional Service Contracts	33.402	62.879	35.871	28.206	30.400	30.125
Materials & Supplies	145.695	188.019	228.305	202.246	207.948	207.126
Other Business Expenses	10.690	16.366	16.083	16.325	22.081	17.208
Total Non-Labor Expenses	\$428.615	\$492.587	\$541.442	\$490.965	\$513.206	\$524.198
Other Expenses Adjustments:						
Other	-	-	-	-	-	-
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adjs.	\$1,732.478	\$1,755.746	\$1,850.807	\$1,813.425	\$1,894.099	\$1,954.259
Depreciation	\$324.840	\$323.830	\$327.053	\$330.308	\$333.596	\$336.916
OPEB Obligation	74.558	74.538	76.744	79.046	81.418	83.860
Environmental Remediation	5.878	1.647	2.000	2.000	2.000	2.000
Total Expenses	\$2,137.754	\$2,155.761	\$2,256.604	\$2,224.779	\$2,311.113	\$2,377.035
Net Surplus/(Deficit)	(\$1,147.706)	(\$1,074.593)	(\$1,133.780)	(\$1,142.576)	(\$1,230.366)	(\$1,293.466)
Cash Conversion Adjustments						
Depreciation	\$324.840	\$323.830	\$327.053	\$330.308	\$333.596	\$336.916
Operating/Capital	(14.948)	(14.864)	(32.412)	(10.202)	(13.247)	(13.168)
Other Cash Adjustment	27.495	167.389	98.383	87.697	88.893	84.924
Total Cash Conversion Adjustments	\$337.387	\$476.355	\$393.024	\$407.803	\$409.242	\$408.672
Net Cash Surplus/(Deficit)	(\$810.319)	(\$598.238)	(\$740.756)	(\$734.773)	(\$821.124)	(\$884.794)

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2016-2019
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2014	2015	2016			
	Actual	November Forecast	Final Proposed Budget	2017	2018	2019
Receipts						
Farebox Revenue	\$679.005	\$714.295	\$723.872	\$726.821	\$728.444	\$729.997
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	44.223	64.423	45.659	48.296	47.037	47.433
Capital and Other Reimbursements	243.550	313.440	327.132	302.743	297.471	297.909
Total Receipts	\$966.778	\$1,092.158	\$1,096.663	\$1,077.860	\$1,072.952	\$1,075.339
Expenditures						
<u>Labor:</u>						
Payroll	\$612.927	\$608.855	\$623.402	\$632.142	\$663.946	\$687.120
Overtime	151.509	154.367	142.054	141.077	144.620	145.950
Health and Welfare	117.315	103.678	122.775	124.377	133.878	141.295
OPEB Current Payment	59.213	57.071	66.700	68.144	71.573	75.155
Pensions	222.166	163.343	192.704	192.190	194.671	203.034
Other Fringe Benefits	137.134	147.118	153.103	155.727	163.223	168.341
GASB Account	5.733	-	-	-	0.686	1.402
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$1,305.997	\$1,234.432	\$1,300.738	\$1,313.657	\$1,372.597	\$1,422.297
<u>Non-Labor:</u>						
Electric Power	\$105.810	\$95.128	\$93.930	\$97.465	\$101.641	\$106.043
Fuel	27.982	19.395	18.483	19.435	21.671	23.764
Insurance	28.048	29.272	33.259	34.042	36.605	38.189
Claims	2.810	1.970	1.733	1.747	1.747	1.748
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	76.628	91.873	107.778	88.504	88.787	96.895
Professional Service Contracts	32.675	24.276	31.479	23.594	25.558	25.041
Materials & Supplies	162.765	157.662	213.803	197.731	203.243	208.386
Other Business Expenses	12.700	15.388	14.966	15.208	20.977	16.520
Total Non-Labor Expenditures	\$449.419	\$434.964	\$515.431	\$477.726	\$500.229	\$516.586
<u>Other Expenditure Adjustments:</u>						
Other	21.835	21.000	21.250	21.250	21.250	21.250
Total Other Expenditure Adjustments	\$21.835	\$21.000	\$21.250	\$21.250	\$21.250	\$21.250
Total Expenditures	\$1,777.251	\$1,690.396	\$1,837.419	\$1,812.633	\$1,894.076	\$1,960.133
Cash Timing and Availability Adjustment	0.153	-	-	-	-	-
Net Cash Surplus/(Deficit)	(\$810.319)	(\$598.238)	(\$740.756)	(\$734.773)	(\$821.124)	(\$884.794)

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2016-2019
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2014	2015	2016			
	Actual	November Forecast	Final Proposed Budget	2017	2018	2019
Receipts						
Farebox Revenue	\$20.183	\$22.020	\$21.250	\$21.250	\$21.250	\$21.250
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	(7.010)	9.765	(8.680)	(8.971)	(9.223)	(9.606)
Capital and Other Reimbursements	(36.443)	(20.795)	(38.731)	(16.622)	(19.822)	(19.874)
Total Receipts	(\$23.270)	\$10.990	(\$26.161)	(\$4.343)	(\$7.795)	(\$8.230)
Expenditures						
Labor:						
Payroll	\$23.978	(\$6.698)	\$7.627	\$7.803	\$7.982	\$8.166
Overtime	1.676	(3.650)	-	-	-	-
Health and Welfare	(6.955)	7.258	-	-	-	-
OPEB Current Payment	(2.557)	2.411	-	-	-	-
Pensions	(13.309)	28.000	-	-	-	-
Other Fringe Benefits	0.767	1.406	1.000	1.000	1.000	1.000
GASB Account	(5.733)	-	-	-	(0.686)	(1.402)
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	(\$2.133)	\$28.727	\$8.627	\$8.803	\$8.296	\$7.764
Non-Labor:						
Electric Power	(\$3.539)	(\$0.371)	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	(0.216)	(0.505)	-	-	-	-
Insurance	(0.267)	(0.513)	(0.276)	0.372	(0.297)	0.429
Claims	3.649	2.419	2.570	2.623	2.623	2.671
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	(2.078)	(13.345)	3.706	-	-	-
Professional Service Contracts	0.727	38.603	4.392	4.612	4.842	5.084
Materials & Supplies	(17.069)	30.357	14.502	4.515	4.705	(1.260)
Other Business Expenditures	(2.010)	0.978	1.117	1.117	1.104	0.688
Total Non-Labor Expenditures	(\$20.805)	\$57.623	\$26.011	\$13.239	\$12.977	\$7.612
Other Expenditures Adjustments:						
Other	(21.835)	(21.000)	(21.250)	(21.250)	(21.250)	(21.250)
Total Other Expenditures Adjustments	(\$21.835)	(\$21.000)	(\$21.250)	(\$21.250)	(\$21.250)	(\$21.250)
Total Cash Conversion Adjustments before Depreciation and GASB Adjs.	(\$68.042)	\$76.340	(\$12.773)	(\$3.551)	(\$7.772)	(\$14.104)
Depreciation Adjustment	\$324.840	\$323.830	\$327.053	\$330.308	\$333.596	\$336.916
OPEB Obligation	74.558	74.538	76.744	79.046	81.418	83.860
Environmental Remediation	5.878	1.647	2.000	2.000	2.000	2.000
Cash Timing and Availability Adjustment	0.153	-	-	-	-	-
Total Cash Conversion Adjustments	\$337.387	\$476.355	\$393.024	\$407.803	\$409.242	\$408.672

MTA Long Island Rail Road
2015 November Forecast
Non-Reimbursable/Reimbursable Overtime
(\$ in millions)

NON-REIMBURSABLE OVERTIME	Total		
	Hours	\$	%
<u>Scheduled Service</u>	392,343	\$23.011	19.2%
<u>Unscheduled Service</u>	105,435	\$5.587	4.7%
<u>Programmatic/Routine Maintenance</u>	656,972	\$36.257	30.2%
<u>Unscheduled Maintenance</u>	10,490	\$0.588	0.5%
<u>Vacancy/Absentee Coverage</u>	710,413	\$39.936	33.3%
<u>Weather Emergencies</u>	224,070	\$12.861	10.7%
<u>Safety/Security/Law Enforcement</u>	0	\$0.000	0.0%
<u>Other</u>	21,562	\$1.836	1.5%
Subtotal	2,121,286	\$120.076	100.0%
REIMBURSABLE OVERTIME	521,885	\$30.641	
TOTAL OVERTIME	2,643,171	\$150.717	

MTA LONG ISLAND RAIL ROAD
2016 Final Proposed Budget
November Financial Plan 2016 – 2019
Year-To-Year Changes by Category - Baseline

Revenue

Farebox Revenue

- The regional economy and employment trends are the primary drivers of Farebox Revenue.
- Farebox revenue is increasing in 2016 over 2015 primarily due to anticipated ridership growth.
- Farebox revenue is increasing by 0.4% in 2017 over 2016 primarily due to anticipated ridership growth.
- Passenger revenue forecasts in the outer years 2018 - 2019 reveal modest annual growth due to increases in projected ridership.

Other Operating Revenue

- Other revenues decrease modestly in 2016 due to one-time payments for federal storm reimbursements and a one-time gain on sale of property in 2015, partially offset by higher interagency reimbursement for Farebox revenue.
- Other Revenues increase in 2017 as a result of one-time higher freight revenue.
- Other Operating Revenue is projected to change each year primarily through contractual and inflationary increases.

Capital and Other Reimbursements

- Reflects the 2015 - 2019 Capital Program and other project activity including overbuilds, Sandy related work, ESA, PTC, M-9 and second track between Farmingdale and Ronkonkoma.

Expenses

Payroll

- Salaries for non-represented employees include a 2% increase effective July 1, 2015 and 2% increases effective January 1, 2016 and each January 1st thereafter.
- Salaries for represented employees include 1.5% increases effective June 16, 2015 and December 16, 2015. 2016 - 2019 includes 2% CPI-based increases upon contract expiration, effective December 16th of each year from 2016 through 2019.
- Almost all the headcount increases from 2017 – 2019 are related to ESA readiness efforts.

Overtime

- 2015 - 2016 overtime decrease is primarily associated with weather-related overtime returning to a 5-year average (excluding Superstorm Sandy), lower vacant position coverage, lower maintenance costs and lower capital project activity on overtime.

- 2016 – 2017 overtime decrease is primarily associated with lower capital project activity, partially offset by the timing of RCM/modification activities and normal wage growth.
- 2018 - 2019 changes primarily reflect normal wage growth.

Health & Welfare

- 2015 - 2019 reflects annual New York State Health Insurance Program (NYSHIP) rate increases of approximately 3.9% (2015), 8.7% (2016), 0.3% (2017), 3.6% (2018) and 3.6% (2019), for individual coverage and 4.0% (2015), 8.4% (2016), 1.6% (2017), 4.5% (2018) and 4.5% (2019) for family coverage.
- Reflects impact of headcount changes each year, including ramp-up costs for ESA beginning in 2017.

Pensions

- Reflects the latest actuarial estimates.

Other Fringe Benefits

- Railroad Retirement Tax maximum limits are based on the projected maximum earnings base from the Railroad Retirement Board and annual CPI increases; the tax rate for each tier is expected to remain unchanged.
- Railroad Unemployment costs reflect a slight annual increase in the monthly charge per employee in each year.
- Federal Employers Liability Act (FELA) Indemnity payments increase by CPI.

Electric Power

- 2015 is based on actuals through July and reflects the latest LIRR consumption estimates and inflationary increases.
- 2016 - 2019 reflects the latest LIRR consumption estimates and inflationary increases.

Fuel

- 2015 is based on actuals through July and reflects the latest LIRR consumption estimates and inflationary increases.
- 2016 - 2019 reflects the latest inflationary increases.

Insurance

- 2015 reflects the latest inflationary increases and Force Account Insurance estimates based on project activity as well as retroactive billing to Amtrak for property insurance.
- 2016 - 2019 reflects the latest inflationary increases and Force Account Insurance estimates based on project activity. Generally, premium rates are assumed to increase by 8%-10% per year.

Claims

- 2015 reflects actual experience through July and the anticipated settlement and payout of claims for the balance of the year.
- 2016 - 2019 reflects inflationary increases.

Maintenance and Other Operating Contracts

- 2015 - 2016 increase due to timing the elevator maintenance overhaul program, various security initiatives, vegetation management and various other maintenance and other operating contracts, higher joint facility related costs due to the Passenger Rail Investment and Improvement Act (PRIIA) and higher vegetation management costs.
- 2016 – 2017 decrease due to completion of various operating funded capital projects, the Lefferts Blvd overpass rehabilitation, the elevator maintenance overhaul program, various security initiatives, vegetation management and various other maintenance and other operating contracts.
- 2017 - 2018 increase due to contractual and normal inflationary increases.
- 2018 – 2019 increase includes ESA readiness efforts.

Professional Service Contracts

- 2015 - 2016 decrease reflect the 2015 one time only write-off associated with East River Tunnel security assets that were rendered useless due to Superstorm Sandy, partially offset by EAM projects and timing of various other professional service contracts.
- 2016 – 2017 decrease reflect lower EAM expenses and completion of certain operating funded capital initiatives including fire alarm upgrades.
- 2017 – 2019 changes reflect investments in EAM and normal inflationary increases.

Material and Supplies

- The increase in materials from 2015 – 2016 is primarily due to timing of Reliability Centered Maintenance, rolling stock equipment modifications, C-3 Communication Control Units (CCU) and Automatic Station Identification (ASI) replacement, station fire alarm upgrades, vehicle replacement, Audio Visual Recording Monitoring (AVRM), ESA material and M-7 and C-3 door.
- 2016 to 2017 decrease due to timing of activity for Reliability Centered Maintenance, production plan material, C-3 CCU and ASI replacement, station fire alarm upgrades, vehicle replacement, AVRM, ESA material and M-7 and C-3 door, partially offset by new M-7 traction motors and timing of M-7 obsolescence materials.
- 2017 - 2019 includes normal inflationary increases, changes in the above initiatives as well as the beginning of the 15/20 year Truck RCM program and various operating budget impacts of Hudson Yards East.
- 2019 includes increases associated with ESA readiness efforts.

Other Business Expenses

- 2015 – 2016 decrease due to lower reimbursable activity, partially offset by lower restitution of property damage and normal inflationary increases.
- 2016 - 2017 reflects normal inflationary increases.
- 2018 includes M3 decommissioning costs.
- 2019 reflects the completion of M-3 decommissioning, partially offset by normal inflationary increases

Depreciation

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

Cash Adjustments

Expense

- Insurance– adjustment to reflect projected payments versus accrued expenses for potential liabilities.
- Deferred GASB contribution payments.
- Depreciation and other non-cash adjustments for each year.
- Material drawdown due to lower material purchases than projected usage.

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2016-2019
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE

	Favorable/(Unfavorable)								
	2015	2016	Change 2015 - 2016	2017	Change 2016 - 2017	2018	Change 2017- 2018	2019	Change 2018 - 2019
Revenue									
Farebox Revenue	\$692.275	\$702.622	\$10.347	\$705.571	\$2.949	\$707.194	\$1.623	\$708.747	\$1.553
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	54.658	54.339	(0.319)	57.267	2.928	56.260	(1.007)	57.039	0.779
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenue	\$746.933	\$756.961	\$10.028	\$762.838	\$5.877	\$763.454	\$0.616	\$765.786	\$2.332
Expenses									
Labor:									
Payroll	\$495.108	\$514.940	(19.832)	\$525.005	(\$10.065)	\$558.184	(\$33.179)	\$581.472	(\$23.288)
Overtime	120.076	115.247	4.829	120.727	(5.480)	124.770	(4.043)	126.123	(1.353)
Health and Welfare	86.779	97.740	(10.961)	100.318	(2.578)	110.291	(9.973)	117.730	(7.439)
OPEB Current Payment	59.482	66.700	(7.218)	68.144	(1.444)	71.573	(3.429)	75.155	(3.582)
Pensions	151.062	152.028	(0.966)	153.101	(1.073)	156.348	(3.247)	164.747	(8.399)
Other Fringe Benefits	125.207	128.502	(3.295)	132.125	(3.623)	140.103	(7.978)	145.244	(5.141)
Reimbursable Overhead	(38.400)	(37.865)	(0.535)	(32.777)	(5.088)	(32.125)	(0.652)	(32.030)	(0.095)
Total Labor Expenses	\$999.314	\$1,037.292	(\$37.978)	\$1,066.643	(\$29.351)	\$1,129.144	(\$62.501)	\$1,178.441	(\$49.297)
Non-Labor:									
Electric Power	\$94.019	\$93.295	\$0.724	\$97.324	(\$4.029)	\$101.641	(\$4.317)	\$106.043	(\$4.402)
Fuel	18.890	18.483	0.407	19.435	(0.952)	21.671	(2.236)	23.764	(2.093)
Insurance	22.694	24.714	(2.020)	26.651	(1.937)	28.739	(2.088)	31.041	(2.302)
Claims	4.389	4.303	0.086	4.370	(0.067)	4.370	0.000	4.419	(0.049)
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	63.761	85.152	(21.391)	75.679	9.473	76.369	(0.690)	84.371	(8.002)
Professional Service Contracts	60.439	32.103	28.336	27.254	4.849	29.748	(2.494)	29.469	0.279
Materials & Supplies	142.797	173.866	(31.069)	160.713	13.153	163.370	(2.657)	162.047	1.323
Other Business Expenses	15.208	15.736	(0.528)	15.991	(0.255)	21.754	(5.763)	16.881	4.873
Total Non-Labor Expenses	\$422.197	\$447.652	(\$25.455)	\$427.417	\$20.235	\$447.662	(\$20.245)	\$458.035	(\$10.373)
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.	\$1,421.511	\$1,484.944	(\$63.433)	\$1,494.060	(\$9.116)	\$1,576.806	(\$82.746)	\$1,636.476	(\$59.670)
Depreciation	\$323.830	\$327.053	(\$3.223)	\$330.308	(\$3.255)	\$333.596	(\$3.288)	\$336.916	(\$3.320)
OPEB Obligation	74.538	76.744	(2.206)	79.046	(2.302)	81.418	(2.372)	83.860	(2.442)
Environmental Remediation	1.647	2.000	(0.353)	2.000	0.000	2.000	0.000	2.000	0.000
Total Expenses	\$1,821.526	\$1,890.741	(\$69.215)	\$1,905.414	(\$14.673)	\$1,993.820	(\$88.406)	\$2,059.252	(\$62.990)
Net Surplus/(Deficit)	(\$1,074.593)	(\$1,133.780)	(\$59.187)	(\$1,142.576)	(\$8.796)	(\$1,230.366)	(\$87.790)	(\$1,293.466)	(\$60.658)

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2016-2019
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

REIMBURSABLE

	Favorable/(Unfavorable)								
	2015	2016	Change 2015 - 2016	2017	Change 2016 - 2017	2018	Change 2017- 2018	2019	Change 2018 - 2019
Revenue									
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	334.235	365.863	31.628	319.365	(46.498)	317.293	(2.072)	317.783	0.490
Total Revenue	\$334.235	\$365.863	\$31.628	\$319.365	(\$46.498)	\$317.293	(\$2.072)	\$317.783	\$0.490
Expenses									
Labor:									
Payroll	\$107.049	\$116.089	(\$9.040)	\$114.940	\$1.149	\$113.744	\$1.196	\$113.814	(\$0.070)
Overtime	30.641	26.807	3.834	20.350	6.457	19.850	0.500	19.827	0.023
Health and Welfare	24.157	25.035	(0.878)	24.059	0.976	23.587	0.472	23.565	0.022
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	40.281	40.676	(0.395)	39.089	1.587	38.323	0.766	38.287	0.036
Other Fringe Benefits	23.317	25.601	(2.284)	24.602	0.999	24.120	0.482	24.097	0.023
Reimbursable Overhead	38.400	37.865	0.535	32.777	5.088	32.125	0.652	32.030	0.095
Total Labor Expenses	\$263.845	\$272.073	(\$8.228)	\$255.817	\$16.256	\$251.749	\$4.068	\$251.620	\$0.129
Non-Labor:									
Electric Power	\$0.738	\$0.635	\$0.103	\$0.141	\$0.494	\$0.000	\$0.141	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	6.065	8.269	(2.204)	7.763	0.506	7.569	0.194	7.577	(0.008)
Claims	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	14.767	26.332	(11.565)	12.825	13.507	12.418	0.407	12.524	(0.106)
Professional Service Contracts	2.440	3.768	(1.328)	0.952	2.816	0.652	0.300	0.656	(0.004)
Materials & Supplies	45.222	54.439	(9.217)	41.533	12.906	44.578	(3.045)	45.079	(0.501)
Other Business Expenses	1.158	0.347	0.811	0.334	0.013	0.327	0.007	0.327	0.000
Total Non-Labor Expenses	\$70.390	\$93.790	(\$23.400)	\$63.548	\$30.242	\$65.544	(\$1.996)	\$66.163	(\$0.619)
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	\$334.235	\$365.863	(\$31.628)	\$319.365	\$46.498	\$317.293	\$2.072	\$317.783	(\$0.490)
Depreciation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$334.235	\$365.863	(\$31.628)	\$319.365	\$46.498	\$317.293	\$2.072	\$317.783	(\$0.490)
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2016-2019
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE

	Favorable/(Unfavorable)								
	2015	2016	Change 2015 - 2016	2017	Change 2016 - 2017	2018	Change 2017- 2018	2019	Change 2018 - 2019
Revenue									
Farebox Revenue	\$692.275	\$702.622	\$10.347	\$705.571	\$2.949	\$707.194	\$1.623	\$708.747	\$1.553
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	54.658	54.339	(0.319)	57.267	2.928	56.260	(1.007)	57.039	0.779
Capital and Other Reimbursements	334.235	365.863	31.628	319.365	(46.498)	317.293	(2.072)	317.783	0.490
Total Revenue	\$1,081.168	\$1,122.824	\$41.656	\$1,082.203	(\$40.621)	\$1,080.747	(\$1.456)	\$1,083.569	\$2.822
Expenses									
Labor:									
Payroll	\$602.157	\$631.029	(\$28.872)	\$639.945	(\$8.916)	\$671.928	(\$31.983)	\$695.286	(\$23.358)
Overtime	150.717	142.054	8.663	141.077	0.977	144.620	(3.543)	145.950	(1.330)
Health and Welfare	110.936	122.775	(11.839)	124.377	(1.602)	133.878	(9.501)	141.295	(7.417)
OPEB Current Payment	59.482	66.700	(7.218)	68.144	(1.444)	71.573	(3.429)	75.155	(3.582)
Pensions	191.343	192.704	(1.361)	192.190	0.514	194.671	(2.481)	203.034	(8.363)
Other Fringe Benefits	148.524	154.103	(5.579)	156.727	(2.624)	164.223	(7.496)	169.341	(5.118)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$1,263.159	\$1,309.365	(\$46.206)	\$1,322.460	(\$13.095)	\$1,380.893	(\$58.433)	\$1,430.061	(\$49.168)
Non-Labor:									
Electric Power	\$94.757	\$93.930	\$0.827	\$97.465	(\$3.535)	\$101.641	(\$4.176)	\$106.043	(\$4.402)
Fuel	18.890	18.483	0.407	19.435	(0.952)	21.671	(2.236)	23.764	(2.093)
Insurance	28.759	32.983	(4.224)	34.414	(1.431)	36.308	(1.894)	38.618	(2.310)
Claims	4.389	4.303	0.086	4.370	(0.067)	4.370	0.000	4.419	(0.049)
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	78.528	111.484	(32.956)	88.504	22.980	88.787	(0.283)	96.895	(8.108)
Professional Service Contracts	62.879	35.871	27.008	28.206	7.665	30.400	(2.194)	30.125	0.275
Materials & Supplies	188.019	228.305	(40.286)	202.246	26.059	207.948	(5.702)	207.126	0.822
Other Business Expenses	16.366	16.083	0.283	16.325	(0.242)	22.081	(5.756)	17.208	4.873
Total Non-Labor Expenses	\$492.587	\$541.442	(\$48.855)	\$490.965	\$50.477	\$513.206	(\$22.241)	\$524.198	(\$10.992)
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.	\$1,755.746	\$1,850.807	(\$95.061)	\$1,813.425	\$37.382	\$1,894.099	(\$80.674)	\$1,954.259	(\$60.160)
Depreciation	\$323.830	\$327.053	(\$3.223)	\$330.308	(\$3.255)	\$333.596	(\$3.288)	\$336.916	(\$3.320)
OPEB Obligation	74.538	76.744	(2.206)	79.046	(2.302)	81.418	(2.372)	83.860	(2.442)
Environmental Remediation	1.647	2.000	(0.353)	2.000	0.000	2.000	0.000	2.000	0.000
Total Expenses	\$2,155.761	\$2,256.604	(\$100.843)	\$2,224.779	\$31.825	\$2,311.113	(\$86.334)	\$2,377.035	(\$63.480)
Net Surplus/(Deficit)	(\$1,074.593)	(\$1,133.780)	(\$59.187)	(\$1,142.576)	(\$8.796)	(\$1,230.366)	(\$87.790)	(\$1,293.466)	(\$60.658)

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2016-2019
Year-to-Year Changes by Category - Cash Basis
(\$ in millions)

CASH RECEIPTS & EXPENDITURES

	Favorable/(Unfavorable)								
	2015	2016	Change 2015 - 2016	2017	Change 2016 - 2017	2018	Change 2017- 2018	2019	Change 2018 - 2019
Receipts									
Farebox Revenue	\$714.295	\$723.872	\$9.577	\$726.821	\$2.949	\$728.444	\$1.623	\$729.997	\$1.553
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	64.423	45.659	(18.764)	48.296	2.637	47.037	(1.259)	47.433	0.396
Capital and Other Reimbursements	313.440	327.132	13.692	302.743	(24.389)	297.471	(5.272)	297.909	0.438
Total Receipts	\$1,092.158	\$1,096.663	\$4.505	\$1,077.860	(\$18.803)	\$1,072.952	(\$4.908)	\$1,075.339	\$2.387
Expenditures									
Labor:									
Payroll	\$608.855	\$623.402	(\$14.547)	\$632.142	(\$8.740)	\$663.946	(\$31.804)	\$687.120	(\$23.174)
Overtime	154.367	142.054	12.313	141.077	0.977	144.620	(3.543)	145.950	(1.330)
Health and Welfare	103.678	122.775	(19.097)	124.377	(1.602)	133.878	(9.501)	141.295	(7.417)
OPEB Current Payment	57.071	66.700	(9.629)	68.144	(1.444)	71.573	(3.429)	75.155	(3.582)
Pensions	163.343	192.704	(29.361)	192.190	0.514	194.671	(2.481)	203.034	(8.363)
Other Fringe Benefits	147.118	153.103	(5.985)	155.727	(2.624)	163.223	(7.496)	168.341	(5.118)
GASB Account	0.000	0.000	0.000	0.000	0.000	0.686	(0.686)	1.402	(0.716)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$1,234.432	\$1,300.738	(\$66.306)	\$1,313.657	(\$12.919)	\$1,372.597	(\$58.940)	\$1,422.297	(\$49.700)
Non-Labor:									
Electric Power	\$95.128	\$93.930	\$1.198	\$97.465	(\$3.535)	\$101.641	(\$4.176)	\$106.043	(\$4.402)
Fuel	19.395	18.483	0.912	19.435	(0.952)	21.671	(2.236)	23.764	(2.093)
Insurance	29.272	33.259	(3.987)	34.042	(0.783)	36.605	(2.563)	38.189	(1.584)
Claims	1.970	1.733	0.237	1.747	(0.014)	1.747	0.000	1.748	(0.001)
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	91.873	107.778	(15.905)	88.504	19.274	88.787	(0.283)	96.895	(8.108)
Professional Service Contracts	24.276	31.479	(7.203)	23.594	7.885	25.558	(1.964)	25.041	0.517
Materials & Supplies	157.662	213.803	(56.141)	197.731	16.072	203.243	(5.512)	208.386	(5.143)
Other Business Expenses	15.388	14.966	0.422	15.208	(0.242)	20.977	(5.769)	16.520	4.457
Total Non-Labor Expenditures	\$434.964	\$515.431	(\$80.467)	\$477.726	\$37.705	\$500.229	(\$22.503)	\$516.586	(\$16.357)
Other Expenditure Adjustments:									
Other	21.000	21.250	(0.250)	21.250	0.000	21.250	0.000	21.250	0.000
Total Other Expenditure Adjustments	\$21.000	\$21.250	(\$0.250)	\$21.250	\$0.000	\$21.250	\$0.000	\$21.250	\$0.000
Total Expenditures	\$1,690.396	\$1,837.419	(\$147.023)	\$1,812.633	\$24.786	\$1,894.076	(\$81.443)	\$1,960.133	(\$66.057)
Cash Timing and Availability Adjustment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Net Cash Surplus/(Deficit)	(\$598.238)	(\$740.756)	(\$142.518)	(\$734.773)	\$5.983	(\$821.124)	(\$86.351)	(\$884.794)	(\$63.670)

MTA LONG ISLAND RAIL ROAD
2016 Final Proposed Budget
November Financial Plan 2016 - 2019
Plan-To-Plan Changes by Generic Category - Baseline

2015: November Forecast vs. Mid-Year Forecast

2015 November Forecast is based on actual performance through July with projections for August through December based on current trends and known activities.

Revenue

- Passenger Revenue is favorable to plan primarily due to overall higher ridership.
- Other Operating Revenue is higher due to a one time gain on the sale of property.
- Capital and Other Reimbursements are slightly higher due to interagency reimbursements, partially offset by timing of capital project activity.

Expense

- Payroll – increased interagency reimbursements partially offset by the existence of vacant positions, lower retiree sick/vacation payments and wage claim accrual reversals.
- Other Fringe, increased due to higher reserves for FELA, partially offset by a decrease of Railroad Retirement Taxes due to the existence of vacant positions.
- Overtime – increased as a result of greater reimbursable activity on overtime, partially offset by lower unscheduled service overtime, vacancy/absentee coverage and weather-related overtime.
- Health and Welfare costs including OPEB Current Payment are lower due to the lower than expected average number of vacant positions and fewer retirees, partially offset by higher rates associated with the Brotherhood of Locomotive Engineers (BLE) union settlement and other contractual impacts.
- Lower Electric Power is due to lower inflationary growth assumptions and lower consumption.
- Lower Fuel is due to lower inflationary growth assumptions.
- Lower Insurance due to lower Force Account insurance associated with capital activity.
- Lower Maintenance and Other Operating Contracts due to elevator/escalator maintenance, vegetation management, security related projects, construction services and various other maintenance and other operating contracts.
- Higher Professional Services primarily due to planning studies originally assumed to be capitalized now captured as an operating expense and non-cash adjustment to accrued budget reflecting early expensing of previously assumed capital charges.
- Lower Material due to rolling stock equipment modifications, C-3 CCU and ASI replacement, station fire alarm upgrades, ESA material, vehicle replacement and lower M-7 running repair.

- Other Business Expense is lower due to higher restitution of property damage and miscellaneous expenses, partially offset by higher debit/credit card fees.

2016 - 2019: November Financial Plan vs. July Financial Plan

Revenue

- Passenger Revenue is favorable to plan primarily due to overall higher ridership.
- Other Operating Revenue is favorable in 2016 and 2018 – 2019 due to interagency reimbursement for Farebox Revenue, partially offset by lower leased line revenue. Other Operating Revenue is lower in 2017 due to lower freight revenue.
- Capital and Other Reimbursements are higher primarily resulting from overall higher capital project activity including PTC and M-9 activities.

Expense

- Payroll – higher from the July Financial Plan primarily due to capital project activity associated with the 2015 – 2019 capital program, third party intercompany reimbursements, PTC and M-9 acceptance and training.
- Overtime - increases primarily driven by capital project activity. Non-Reimbursable overtime expenses remain the same as the July Financial Plan cumulatively across the periods 2015 – 2019 with the exception of weather overtime based on a five year average.
- Health and Welfare costs increase due to higher reimbursable headcount.
- Pension is on forecast with the exception of 2019 where the decrease is based on the latest actuarial estimates.
- Electric Power decreases reflecting lower rates.
- Fuel decreases, reflecting lower rates.
- Higher Insurance costs due to Force Account associated with greater capital project activity, partially offset by lower growth rates for property insurance.
- Changes in Maintenance and Other Operating Contracts in 2016 are due to timing changes include Elevator/Escalator Maintenance, security related initiatives, vegetation management and re-estimates of various maintenance and other operating contracts including higher joint facilities costs associated with PRIIA, higher vegetation management expenses and higher toilet servicing as a result of higher rates in the contract. In 2017 – 2019, increases are associated with higher joint facilities costs associated with PRIIA, higher vegetation management expenses and higher toilet servicing as a result of higher contracted rates.
- Professional Services increases each year due primarily to EAM.
- Material & Supplies increase in 2016 due to timing of Reliability Centered Maintenance, production plan material, C-3 CCU and ASI replacement, station fire alarm upgrades, vehicle replacement, AVRVM, ESA material and M-7 and C-3 door modifications, partially offset by lower M-7 running repair. Changes in the

outer years reflect changes in material needs for the above projects as well as new M-7 traction motors and timing of M-7 obsolescence materials.

- Other Business Expense increases due to higher debit/credit card fees associated with higher farebox revenue.

2015 - 2018: November Financial Plan vs. February Financial Plan

Revenue

- Passenger Revenue is favorable to plan primarily due to overall higher ridership.
- Other Operating Revenue in 2015 is favorable due to reimbursement of farebox revenue associated with inter-agency reimbursements and federal reimbursements for storms, partially offset by property sales not anticipated to occur. 2016 – 2018 is favorable due to reimbursement of farebox revenue associated with inter-agency reimbursements. Other Operating Revenue is also favorable in 2017 – 2018 due to higher freight revenue.
- Capital and Other Reimbursements are higher primarily resulting from overall higher capital project activity including interagency reimbursements (2015) and PTC and M-9 activities (2016 – 2018).

Expenses

- Payroll – decreased in 2015 as a result of the existence of vacant positions and lower required reserves for vacation pay and sick leave buyout. Payroll increased in 2016 – 2018 due to capital project activity associated with the 2015 – 2019 capital program, third party intercompany reimbursements, PTC and M-9 acceptance and training.
- Overtime – increased in 2015 as a result of the impact of weather events as well as higher than expected Engineering maintenance and vacancy/absentee coverage. These increases are partially offset by lower unscheduled service overtime. 2016 – 2018 increases primarily driven by capital project activity, weather-related overtime based on a five year average and additional training needs.
- Health and Welfare costs including OPEB Current Payment are lower in 2015 due to the lower than expected average number of vacant positions and lower rates. Health and Welfare costs increase in 2016 – 2018 due to higher reimbursable headcount.
- Pension costs are lower based on the latest actuarial estimates
- Other Fringe in 2015 is lower as a result of vacant positions, partially offset by higher FELA indemnity accruals. Other Fringe is higher in 2016 – 2018 due to higher reimbursable headcount.
- Electric Power and Fuel decreased due to lower rates.
- Lower Insurance costs due to retroactive billing of Amtrak for their share of property insurance costs and lower overall property and liability insurance costs.
- Changes in Maintenance and Other Operating Contracts in 2015 and 2016 are due to timing changes include Elevator/Escalator Maintenance, security related

initiatives, vegetation management and re-estimates of various maintenance and other operating contracts including higher joint facilities costs associated with PRIIA, higher vegetation management expenses and higher toilet servicing as a result of higher rates in the contract. In 2017 – 2019, increases are associated with higher joint facilities costs associated with PRIIA, higher vegetation management expenses and higher toilet servicing as a result of higher contracted rates.

- Higher Professional Services in 2015 primarily due to planning studies originally assumed to be capitalized now captured as an operating expense and non-cash adjustment to accrued budget reflecting early expensing of previously assumed capital charges. Professional Services increases each year 2016 – 2018 due primarily to EAM.
- Lower Material in 2015 due to rolling stock equipment modifications, C-3 CCU and ASI replacement, station fire alarm upgrades, ESA material, vehicle replacement and lower M-7 running repair. Material & Supplies increase in 2016 due to timing of Reliability Centered Maintenance, production plan material, C-3 CCU and ASI replacement, station fire alarm upgrades, vehicle replacement, AVRMS, ESA material and M-7 and C-3 door modifications, partially offset by lower M-7 running repair. Changes in the outer years reflect changes in material needs for the above projects as well as new M-7 traction motors and timing of M-7 obsolescence materials.
- Other Business Expense in 2015 is higher due to greater debit/credit card fees and travel and meeting related expenses, partially offset by recruitment expenses now being captured in Professional Services. 2016 – 2018 is lower due to reallocation of recruitment expenses from Other Business Expense to Professional Services and miscellaneous contract savings to achieve the 2016 – 2018 budget reduction target, partially offset by greater debit/credit card fees.

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2016-2019
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE

	2015	2016	2017	2018	2019
July Financial Plan - Cash Surplus/(Deficit)	(\$700.153)	(\$714.326)	(\$742.815)	(\$833.010)	(\$909.177)
Baseline Changes					
Revenue					
Farebox Revenue	\$6.543	\$6.768	\$7.336	\$7.971	\$7.902
Vehicle Toll Revenue	-	-	-	-	-
Other Operating Revenue	1.717	0.831	(0.364)	0.970	1.041
Capital and Other Reimbursement	-	-	-	-	-
Total Revenue Changes	\$8.260	\$7.599	\$6.972	\$8.941	\$8.943
Expenses					
<i>Labor:</i>					
Payroll	\$3.358	\$0.075	(\$0.083)	\$1.280	\$2.440
Overtime	5.038	(3.231)	(2.715)	(1.798)	(2.160)
Health and Welfare	0.542	(0.361)	(0.664)	(0.659)	(0.595)
OPEB Current Payment	1.775	-	-	-	-
Pensions	3.524	5.627	5.821	5.472	6.618
Other Fringe Benefits	(0.650)	(1.004)	(0.581)	(0.235)	(0.087)
Reimbursable Overhead	3.790	5.491	4.902	4.589	4.666
Total Labor Expense Changes	\$17.377	\$6.597	\$6.680	\$8.649	\$10.882
<i>Non-Labor:</i>					
Electric Power	\$4.703	\$6.145	\$6.605	\$6.844	\$7.244
Fuel	0.458	1.781	1.374	0.980	0.624
Insurance	0.003	0.251	0.660	1.130	1.667
Claims	(0.160)	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	10.119	(19.268)	(6.401)	(7.586)	(8.060)
Professional Service Contracts	(34.742)	(6.830)	(3.233)	(2.185)	(0.790)
Materials & Supplies	18.047	(15.180)	(4.364)	(4.597)	4.850
Other Business Expenses	0.568	(0.251)	(0.363)	(0.370)	(0.367)
Total Non-Labor Expense Changes	(\$1.004)	(\$33.352)	(\$5.722)	(\$5.784)	\$5.168
Total Expense Changes before Depreciation and GASB Adjs.	\$16.373	(\$26.755)	\$0.958	\$2.865	\$16.050
Depreciation	5.990	6.903	6.972	7.041	7.112
OPEB Obligation	-	0.030	0.031	0.032	0.033
Environmental Remediation	0.353	-	-	-	-
Total Expense Changes	\$22.716	(\$19.822)	\$7.961	\$9.938	\$23.195
Cash Adjustment Changes					
Inventory/Material Management		\$8.000			
Reliability Centered Maintenance Savings		4.500	1.500	1.500	0.840
Amtrak Security Deposit		3.706			
FELA/Claims Reserves	4.030				
Payroll & Overtime Misc adjustments	2.248				
RRT adjustments	0.467				
Expensing Unamortized Capital Investments (Accrued Impact only - no cash impact)	37.259				
Insurance	0.001	0.031	0.036	0.041	0.047
Depreciation/OPEB/Environmental Remediation	(6.343)	(6.933)	(7.003)	(7.073)	(7.145)
Other Misc/includes Gain on Property Sale Reversal	(3.455)	(1.390)	(1.424)	(1.461)	(1.497)
Total Cash Adjustment Changes	\$34.207	\$7.914	(\$6.891)	(\$6.993)	(\$7.755)
Total Baseline Changes	\$65.183	(\$4.309)	\$8.042	\$11.886	\$24.383
November Financial Plan - Cash Surplus/(Deficit)	(\$634.970)	(\$718.635)	(\$734.773)	(\$821.124)	(\$884.794)

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2016-2019
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE

	2015	2016	2017	2018	2019
July Financial Plan - Cash Surplus/(Deficit)	\$16.807	(\$2.000)	\$0.000	\$0.000	\$0.000
Baseline Changes					
Revenue					
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-
Capital and Other Reimbursement	0.840	68.008	39.612	37.593	38.000
Total Revenue Changes	\$0.840	\$68.008	\$39.612	\$37.593	\$38.000
Expenses					
<i>Labor:</i>					
Payroll	(\$4.972)	(\$13.936)	(\$15.623)	(\$14.763)	(\$14.876)
Overtime	(5.815)	(8.139)	(4.108)	(4.155)	(4.239)
Health and Welfare	(1.751)	(3.463)	(3.583)	(3.367)	(3.396)
OPEB Current Payment	-	-	-	-	-
Pensions	(3.524)	(5.627)	(5.821)	(5.471)	(5.518)
Other Fringe Benefits	(1.020)	(3.542)	(3.664)	(3.444)	(3.473)
Reimbursable Overhead	(3.790)	(5.491)	(4.902)	(4.589)	(4.666)
Total Labor Expense Changes	(\$20.872)	(\$40.198)	(\$37.701)	(\$35.789)	(\$36.168)
<i>Non-Labor:</i>					
Electric Power	\$0.051	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000
Insurance	0.487	(1.616)	(1.409)	(1.333)	(1.358)
Claims	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	2.268	(11.879)	(0.451)	(0.424)	(0.427)
Professional Service Contracts	1.997	(2.617)	(0.001)	-	-
Materials & Supplies	15.452	(11.650)	-	-	-
Other Business Expenses	(0.223)	(0.048)	(0.050)	(0.047)	(0.047)
Total Non-Labor Expense Changes	\$20.032	(\$27.810)	(\$1.911)	(\$1.804)	(\$1.832)
Total Expense Changes	(\$0.840)	(\$68.008)	(\$39.612)	(\$37.593)	(\$38.000)
Cash Adjustment Changes					
Operating Funded Capital	19.925	(20.121)			
Total Cash Adjustment Changes	\$19.925	(\$20.121)	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$19.925	(\$20.121)	\$0.000	\$0.000	\$0.000
November Financial Plan - Cash Surplus/(Deficit)	\$36.732	(\$22.121)	\$0.000	\$0.000	\$0.000

MTA LONG ISLAND RAILROAD
November Financial Plan 2016-2019
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE/REIMBURSABLE

	2015	2016	2017	2018	2019
July Financial Plan - Cash Surplus/(Deficit)	(\$683.346)	(\$716.326)	(\$742.815)	(\$833.010)	(\$909.177)
Baseline Changes					
Revenue					
Farebox Revenue	\$6.543	\$6.768	\$7.336	\$7.971	\$7.902
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	1.717	0.831	(0.364)	0.970	1.041
Capital and Other Reimbursement	0.840	68.008	39.612	37.593	38.000
Total Revenue Changes	\$9.100	\$75.607	\$46.584	\$46.534	\$46.943
Expenses					
<i>Labor:</i>					
Payroll	(\$1.614)	(\$13.861)	(\$15.706)	(\$13.483)	(\$12.436)
Overtime	(0.777)	(11.370)	(6.823)	(5.953)	(6.399)
Health and Welfare	(1.209)	(3.824)	(4.247)	(4.026)	(3.991)
OPEB Current Payment	1.775	0.000	0.000	0.000	0.000
Pensions	0.000	0.000	0.000	0.001	1.100
Other Fringe Benefits	(1.670)	(4.546)	(4.245)	(3.679)	(3.560)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000
Total Labor Expense Changes	(\$3.495)	(\$33.601)	(\$31.021)	(\$27.140)	(\$25.286)
<i>Non-Labor:</i>					
Electric Power	\$4.754	\$6.145	\$6.605	\$6.844	\$7.244
Fuel	0.458	1.781	1.374	0.980	0.624
Insurance	0.490	(1.365)	(0.749)	(0.203)	0.309
Claims	(0.160)	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	12.387	(31.147)	(6.852)	(8.010)	(8.487)
Professional Service Contracts	(32.745)	(9.447)	(3.234)	(2.185)	(0.790)
Materials & Supplies	33.499	(26.830)	(4.364)	(4.597)	4.850
Other Business Expenses	0.345	(0.299)	(0.413)	(0.417)	(0.414)
Total Non-Labor Expense Changes	\$19.028	(\$61.162)	(\$7.633)	(\$7.588)	\$3.336
Total Expense Changes before Depreciation and GASB Adjs.	\$15.533	(\$94.763)	(\$38.654)	(\$34.728)	(\$21.950)
Depreciation	\$5.990	\$6.903	\$6.972	\$7.041	\$7.112
OPEB Obligation	0.000	0.030	0.031	0.032	0.033
Environmental Remediation	0.353	0.000	0.000	0.000	0.000
Total Expense Changes	\$21.876	(\$87.830)	(\$31.651)	(\$27.655)	(\$14.805)
Cash Adjustment Changes					
Inventory/Material Management	\$0.000	\$8.000	\$0.000	\$0.000	\$0.000
Reliability Centered Maintenance Savings	0.000	4.500	1.500	1.500	0.840
Operating Funded Capital	19.925	(20.121)	0.000	0.000	0.000
Amtrak Security Deposit	0.000	3.706	0.000	0.000	0.000
FELA/Claims Reserves	4.030	0.000	0.000	0.000	0.000
Payroll & Overtime Misc adjustments	2.248	0.000	0.000	0.000	0.000
RRT adjustments	0.467	0.000	0.000	0.000	0.000
Expensing Unamortized Capital Investments (Accrued Impact only - no cash impact)	37.259	0.000	0.000	0.000	0.000
Insurance	0.001	0.031	0.036	0.041	0.047
Depreciation/OPEB/Environmental Remediation	(6.343)	(6.933)	(7.003)	(7.073)	(7.145)
Other Misc/includes Gain on Property Sale Reversal	(3.455)	(1.390)	(1.424)	(1.461)	(1.497)
Total Cash Adjustment Changes	\$54.132	(\$12.207)	(\$6.891)	(\$6.993)	(\$7.755)
Total Baseline Changes	\$85.108	(\$24.430)	\$8.042	\$11.886	\$24.383
November Financial Plan - Cash Surplus/(Deficit)	(\$598.238)	(\$740.756)	(\$734.773)	(\$821.124)	(\$884.794)

MTA LONG ISLAND RAIL ROAD
2016 Final Proposed Budget
November Financial Plan 2016 - 2019
Summary of Major Plan-To-Plan Changes

Revenue

- Passenger Revenue is favorable to plan primarily due to overall higher ridership.
- With the exception of 2017, Other Operating Revenue is favorable due to higher interagency reimbursements of farebox revenue. 2017 is unfavorable due to lower freight revenue.

Expenses

- Payroll Rates and open position savings and associated fringe costs.
- Timing of expenses
- Reliability Centered Maintenance and Rolling Stock Modification updates including schedule changes for AVRMS, M-7 Obsolescence, Diesel CCU/ASI replacement, PTC training and various production plan respreads. M-7 Observer seat replacement, C-3 Toilet changeout programs and C-3 Phase 3 door NRE
- New M-7 Initiatives including M-7 door and traction motors
- Non-cash adjustments to the accrued budget reflecting early expensing of previously assumed capital charges.
- Penn Station NY higher joint facility costs associated with PRIIA which changes the cost sharing allocation among railroads using Penn Station.
- EAM Improvement Program.
- Lower Non-Reimbursable Pension costs and higher non-reimbursable overhead associated with greater capital project activity including third party intercompany flagging, PTC and M-9 activities.
- Higher weather-related costs based on a five year average in 2016 - 2019.
- Lower Utility rate assumptions for Traction Power and Fuel in 2015 - 2019.

Cash

- Savings associated with the LIRR's continuing efforts to tighten controls on material procurement and inventory planning.
- Planning studies associated with non-cash adjustments to the accrued budget reflecting early expensing of previously assumed capital charges.
- FELA claims reserve adjustments.
- Timing of operating funded capital initiatives.

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2016-2019
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2015	2016	2017	2018	2019
July Financial Plan - Cash Surplus/(Deficit)	(\$683.346)	(\$716.326)	(\$742.815)	(\$833.010)	(\$909.177)
Non-Reimbursable Major Changes					
Revenue					
Passenger Revenue	\$6.543	\$6.768	\$7.336	\$7.971	\$7.902
Interagency Reimbursement of Farebox Revenue		\$1.614	\$1.614	\$1.614	\$1.614
Freight			(1.269)		
Leased Line Revenue	(0.872)	(0.848)	(0.779)	(0.709)	(0.638)
Real Estate Sales/Gain on Sale of Property	2.267				
All Other	0.322	0.065	0.070	0.065	0.065
Sub-Total Non-Reimbursable Revenue Changes	\$8.260	\$7.599	\$6.972	\$8.941	\$8.943
Expenses					
Reliability Centered Maintenance and Rolling Stock Modifications Updates	11.881	(8.310)	(2.992)	(0.075)	7.626
Timing Adjustments	18.255	(18.119)	(0.025)	(0.025)	(0.025)
Payroll Rates, Open Positions and Vacancy Rate Adjustments	17.962	(1.309)	(1.053)	(0.862)	(0.883)
New M7 Maintenance Initiatives		(3.901)	(5.551)	(5.591)	(5.634)
Structural Repairs to Lefferts Blvd Overbuild	(0.200)	(2.000)			
Vegetation Management	0.830	(1.830)	(1.000)	(1.000)	(1.000)
Weather Related Costs	0.806	(1.751)	(1.770)	(1.805)	(1.838)
PSNY Joint Facilities Agreement	0.161	(0.063)	(4.201)	(5.276)	(5.719)
Pension and Reimbursable Overhead Changes based on Capital Activity	4.948	11.118	10.723	10.061	10.184
Enterprise Asset Management	0.553	(2.193)	(1.582)	(0.978)	0.030
Expensing Unamortized Capital Investments (Accrued Impact only - no cash impact)	(37.259)				
Electric and Fuel lower rates	4.348	7.927	7.979	7.824	7.869
Depreciation/OPEB Obligation/Environmental Remediation	6.343	6.933	7.003	7.073	7.145
All Other	(5.912)	(6.324)	0.430	0.592	5.440
Sub-Total Non-Reimbursable Expense Changes	\$22.716	(\$19.822)	\$7.961	\$9.938	\$23.195
Total Non-Reimbursable Major Changes	\$30.976	(\$12.223)	\$14.933	\$18.879	\$32.138
Reimbursable Major Changes					
Revenue					
Capital Reimbursements	\$0.840	\$68.008	\$39.612	\$37.593	\$38.000
Sub-Total Reimbursable Revenue Changes	\$0.840	\$68.008	\$39.612	\$37.593	\$38.000
Expenses					
Pension and Reimbursable Overhead Changes based on Capital Activity	(\$4.948)	(\$11.118)	(\$10.723)	(\$10.061)	(\$10.184)
M9 Delivery and Support		(1.571)	(3.208)	(3.095)	(2.818)
Positive Train Control		2.651	(3.326)	(0.605)	(0.617)
Interagency Reimbursements	(16.281)				
Operating Funded Capital timing	19.925	(20.121)			
Capital Project Activity	0.464	(37.849)	(22.355)	(23.832)	(24.381)
Sub-Total Reimbursable Expense Changes	(\$0.840)	(\$68.008)	(\$39.612)	(\$37.593)	(\$38.000)
Total Reimbursable Major Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Accrual Changes	\$30.976	(\$12.223)	\$14.933	\$18.879	\$32.138
Cash Adjustment Changes					
Inventory/Material Management	\$0.000	\$8.000	\$0.000	\$0.000	\$0.000
Reliability Centered Maintenance Savings	0.000	4.500	1.500	1.500	0.840
Operating Funded Capital	19.925	(20.121)	0.000	0.000	0.000
Amtrak Security Deposit	0.000	3.706	0.000	0.000	0.000
FELA/Claims Reserves	4.030	0.000	0.000	0.000	0.000
Payroll & Overtime Misc adjustments	2.248	0.000	0.000	0.000	0.000
RRT adjustments	0.467	0.000	0.000	0.000	0.000
Expensing Unamortized Capital Investments (Accrued Impact only - no cash impact)	37.259	0.000	0.000	0.000	0.000
Insurance	0.001	0.031	0.036	0.041	0.047
Depreciation/OPEB/Environmental Remediation	(6.343)	(6.933)	(7.003)	(7.073)	(7.145)
Other Misc/includes Gain on Property Sale Reversal	(3.455)	(1.390)	(1.424)	(1.461)	(1.497)
Total Cash Adjustment Changes	\$54.132	(\$12.207)	(\$6.891)	(\$6.993)	(\$7.755)
Total Baseline Changes	\$85.108	(\$24.430)	\$8.042	\$11.886	\$24.383
November Financial Plan - Cash Surplus/(Deficit)	(\$598.238)	(\$740.756)	(\$734.773)	(\$821.124)	(\$884.794)

**MTA LONG ISLAND RAIL ROAD
2016 Final Proposed Budget
November Financial Plan 2016 – 2019
Ridership/(Utilization)**

RIDERSHIP/UTILIZATION PROJECTIONS

Growth in the regional economy and employment are the primary drivers of passenger ridership and revenue. Ridership through August was 0.8% greater than the Mid-Year Forecast and above the 2014 levels by 1.8% (adjusted for the same number of work days). The 2015 November Forecast projects 2015 ridership to be 87.4 million, which is a 0.9% increase over the Mid-Year Forecast. Ridership projections for the outer years of the November Plan 2016-2019 reveal modest annual growth of 0.8% in 2016, 0.2% in 2017, 0.4% in 2018 and 0.2% in 2019.

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2016-2019
Ridership/(Utilization)
(\$ in millions)

	2014 Actual	2015 November Forecast	2016 Final Proposed Budget	2017	2018	2019
<u>RIDERSHIP</u>						
Monthly	47.318	48.325	48.793	48.816	49.086	49.167
Weekly	2.021	2.021	2.035	2.043	2.049	2.053
Total Commutation	49.340	50.346	50.828	50.859	51.135	51.220
One-Way Full Fare	8.269	8.393	8.430	8.465	8.484	8.499
One-Way Off Peak	17.943	18.071	18.175	18.251	18.292	18.323
All Other	10.316	10.560	10.620	10.664	10.689	10.769
Total Non-Commutation	36.529	37.024	37.225	37.380	37.465	37.591
Total Ridership	85.868	87.370	88.053	88.239	88.600	88.811
<u>FAREBOX REVENUE</u>						
Baseline Total Farebox Revenue	\$658.822	\$692.275	\$702.622	\$705.571	\$707.194	\$708.747

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2016-2019
2015 Budget Reduction Plan Summary
(\$ in millions)

	Favorable/(Unfavorable)									
	Pos.	2015	Pos.	2016	Pos.	2017	Pos.	2018	Pos.	2019
<u>Administration</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Administration	-	<u>\$0.000</u>	-	<u>\$0.000</u>	-	<u>\$0.000</u>	-	<u>\$0.000</u>	-	<u>\$0.000</u>
<u>Customer Convenience/Amenities</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Customer Convenience/Amenities	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>
<u>Maintenance</u>										
M7 Running Repair Savings	-	1.800	-	1.800	-	1.800	-	1.800	-	1.800
Subtotal Maintenance	-	<u>1.800</u>	-	<u>1.800</u>	-	<u>1.800</u>	-	<u>1.800</u>	-	<u>1.800</u>
<u>Revenue Enhancement</u>										
Freight Contract Renewal Revenue	-	0.000	-	0.000	-	4.310	-	1.269	-	1.269
Subtotal Revenue Enhancement	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>4.310</u>	-	<u>1.269</u>	-	<u>1.269</u>
<u>Safety</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Safety	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>
<u>Security</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Security	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>
<u>Service</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Service	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>
<u>Service Support</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Service Support	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>
<u>Other</u>										
Inventory Draw Down - Lower Projected New Material Purchases	-	0.000	-	8.000	-	0.000	-	0.000	-	0.000
Amtrak Reimbursement for Property Insurance	-	1.260	-	0.420	-	0.420	-	0.420	-	0.420
Remove funds to lease replacement work locomotives	-	0.000	-	1.260	-	1.260	-	1.260	-	1.260
Inventory Draw Down - Lower Projected New Material Purchases	-	0.575	-	2.100	-	0.100	-	0.100	-	0.100
Non-Payroll Savings	-	<u>0.563</u>	-	<u>1.900</u>	-	<u>1.550</u>	-	<u>1.550</u>	-	<u>1.550</u>
Subtotal Other	-	<u>2.398</u>	-	<u>13.680</u>	-	<u>3.330</u>	-	<u>3.330</u>	-	<u>3.330</u>
Agency Submission	-	\$4.198	-	\$15.480	-	\$9.440	-	\$6.399	-	\$6.399

**MTA LONG ISLAND RAIL ROAD
November Financial Plan 2016-2019
2015 Budget Reduction Plan Worksheet**

Category by Function: Maintenance
Program: M7 Running Repair Savings

Background Details:	The LIRR has been experiencing favorable MDBF and reduced primary failures which has resulted in lower unscheduled repair material consumption. The improved fleet performance can be attributed to a successful Reliability Center Maintenance program and close monitoring of planned work efforts. The retirement of an aged M3 fleet and the arrival of a new M9 fleet will also help to sustain running repair levels over the next few years. Reliability Centered Maintenance program which guides the strategy for rolling stock maintenance, the LIRR is projecting lower running repair costs. The Reliability Centered Maintenance is the process of determining the most effective maintenance approach to maintaining rolling stock systems and components. RCM requires maintenance decisions to be based on sound technical and economic justification.
----------------------------	--

Program Description/ Implementation Plan:			
Program Implementation Date:	1/1/2015	When will savings begin?:	1/1/2015
		Are these savings recurring?:	Yes
Other Issues:	None		

	Favorable/(Unfavorable)				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$1.800	\$1.800	\$1.800	\$1.800	\$1.800
<i>Total Positions Required:</i>	0	0	0	0	0

**MTA LONG ISLAND RAIL ROAD
November Financial Plan 2016-2019
2015 Budget Reduction Plan Worksheet**

Category by Function: Revenue Enhancement
Program: Freight Contract Renewal Revenue

Background Details: Pending 10-year extension of freight contract would result in higher revenue.

**Program Description/
Implementation Plan:**

Program Implementation Date: 1/1/2017 **When will savings begin?:** 1/1/2017
Are these savings recurring?: Yes

Other Issues: None

	Favorable/(Unfavorable)				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.000	\$0.000	\$4.310	\$1.269	\$1.269
<i>Total Positions Required:</i>	0	0	0	0	0

**MTA LONG ISLAND RAIL ROAD
November Financial Plan 2016-2019
2015 Budget Reduction Plan Worksheet**

Category by Function: Other

Program: Inventory Draw Down - Lower Projected New Material Purchases

Background Details: The Inventory Task Force reviews inventory levels and material usage on a regular basis. An evaluation of current inventory levels for specific rolling stock maintenance tasks indicates sufficient inventory on hand to cover a portion of budgeted workload needs in 2016. This will generate Cash Budget savings.

**Program Description/
Implementation Plan:**

Program Implementation Date: 8/1/2015 **When will savings begin?:** 1/1/2016
Are these savings recurring?: No

Other Issues: None

	Favorable/(Unfavorable)				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.000	\$8.000	\$0.000	\$0.000	\$0.000
<i>Total Positions Required:</i>	0	0	0	0	0

**MTA LONG ISLAND RAIL ROAD
November Financial Plan 2016-2019
2015 Budget Reduction Plan Worksheet**

Category by Function: Other

Program: Amtrak Reimbursement for Property Insurance

Background Details:	Amtrak reimbursement for a portion of the property insurance for Penn Station New York (PSNY) and Penn Station Central Control (PSCC) under the Level A Lease amendment.
----------------------------	--

Program Description/ Implementation Plan:			
Program Implementation Date:	12/31/2015	When will savings begin?:	12/31/2015
		Are these savings recurring?:	Yes
Other Issues:	None		

	Favorable/(Unfavorable)				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$1.260	\$0.420	\$0.420	\$0.420	\$0.420
<i>Total Positions Required:</i>	0	0	0	0	0

**MTA LONG ISLAND RAIL ROAD
November Financial Plan 2016-2019
2015 Budget Reduction Plan Worksheet**

Category by Function: Other
Program: Remove funds to lease replacement work locomotives

Background Details: Eliminate funding for the lease of replacement work locomotives. Cost of leasing exceeded initial estimates. The LIRR is considering refurbishing the existing locomotives using Capital funds.

**Program Description/
Implementation Plan:**

Program Implementation Date: 1/1/2016 **When will savings begin?:** 1/1/2016
Are these savings recurring?: Yes

Other Issues: None

	Favorable/(Unfavorable)				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.000	\$1.260	\$1.260	\$1.260	\$1.260
<i>Total Positions Required:</i>	0	0	0	0	0

**MTA LONG ISLAND RAIL ROAD
November Financial Plan 2016-2019
2015 Budget Reduction Plan Worksheet**

Category by Function: Other

Program: Inventory Draw Down - Lower Projected New Material Purchases

Background Details:	The Inventory Task Force reviews inventory levels and material usage on a regular basis. An evaluation of current inventory levels for specific rolling stock maintenance tasks indicates sufficient inventory on hand to cover budgeted workload needs over the next few years. This will generate cash budget savings.
----------------------------	--

Program Description/ Implementation Plan:			
Program Implementation Date:	4/1/2015	When will savings begin?:	4/1/2015
		Are these savings recurring?:	Yes
Other Issues:	None		

	Favorable/(Unfavorable)				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.575	\$2.100	\$0.100	\$0.100	\$0.100
<i>Total Positions Required:</i>	0	0	0	0	0

**MTA LONG ISLAND RAIL ROAD
November Financial Plan 2016-2019
2015 Budget Reduction Plan Worksheet**

Category by Function: Other
Program: Non-Payroll Savings

Background Details:	Non-payroll savings generated from a review of non-payroll budget cost elements and aggressive contract negotiations: Jamaica Central Control (JCC) cleaning, parking garage operations, employee uniforms, unarmed security guard contract, supplies and materials in various departments, and various contracts in Engineering.
----------------------------	---

Program Description/Implementation Plan:	The LIRR has launched an effort to implement tighter controls and oversight on operating and administrative departments non-payroll budgets and spending with particular emphasis on contract services.
---	---

Program Implementation Date:	4/1/2015	When will savings begin?:	4/1/2015
		Are these savings recurring?:	Yes
Other Issues:	None		

	Favorable/(Unfavorable)				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.563	\$1.900	\$1.550	\$1.550	\$1.550
<i>Total Positions Required:</i>	0	0	0	0	0

MTA LONG ISLAND RAIL ROAD
2016 Final Proposed Budget
November Financial Plan 2016 – 2019
Positions
Plan-to-Plan Summary of Changes

Position Assumptions

Positions are identified as of year-end (December 31st) for each year in the financial plan and reflect an estimate of the total number of paid employees required to meet and achieve corporate goals as well as those in line with reimbursable activity. Position totals incorporate seasonal as well as other fluctuations in staffing requirements for capital projects.

2015 Changes

Total Positions of 7,083 in the 2015 November Forecast represents an increase of 1 position from the 2015 Mid-Year Forecast. Year-end Reimbursable positions decreased by 42 and Non-Reimbursable positions increased by 43. The Reimbursable decrease is a result of timing of Maintenance of Equipment PTC activities. The non-reimbursable increase is related to timing of Maintenance of Equipment trainees and other production activity.

2016 Changes

The 2016 Final Proposed Budget totals 7,206 positions, an increase of 168 positions from the Preliminary Budget. The net increase of 248 Reimbursable positions is driven primarily by capital project activity. The July Financial plan was conservative for 2016-2019 and did not take into account the approval of the 2015 - 2019 capital program. The net decrease of 80 Non-Reimbursable positions results primarily from Engineering workforce working on capital activity instead of non-reimbursable activity in 2015. This was partially offset by new M-7 door related maintenance and timing of AVRMM installation.

2017 – 2019 Changes

The November Financial Plan in the years 2017 – 2019 reflects an increase of 129 positions in 2017, 154 in 2018 and 138 positions in 2019. Non-Reimbursable positions decrease by 9 position in 2017, and increase by 15 in 2018 and 5 in 2019. The 2017 through 2019 increases result primarily from M-7 door related maintenance and timing of AVRMM installation and other initiatives. Reimbursable positions increase by 138 in 2017, 139 in 2018 and 133 in 2019 due to project activity.

MTA LONG ISLAND RAIL ROAD
2016 Final Proposed Budget
November Financial Plan 2016 – 2019
Positions
Year-To-Year Summary of Changes

Position Assumptions

Positions are identified as of year-end (December 31) for each year in the financial plan and reflect an estimate of the total number of paid employees required to meet and achieve corporate goals as well as those in line with reimbursable activity. Position totals incorporate the seasonal, as well as other fluctuations in staffing requirements for capital projects.

2015 - 2016 Changes

The 2016 Final Proposed Budget totals 7,206 positions, an increase of 123 positions from the 2015 November Forecast. This includes a decrease of 122 Non-Reimbursable positions and an increase of 245 Reimbursable positions. The Reimbursable increase is related to changes in Capital Project activity. The non-reimbursable decrease is associated with Engineering resources working on capital project activity instead of non-reimbursable activities.

2017 – 2019 Changes

Annual staffing levels decrease by 79 positions in 2017 and then increase by 216 positions in 2018 and 84 positions in 2019. Non-Reimbursable positions increase by 81 in 2017, 223 in 2018 and 108 in 2019. These increases are primarily related to ESA readiness efforts (increases of 19 in 2017 and 184 positions in 2018 and 132 in 2019). Reimbursable positions decreased by 160 in 2017, 7 in 2018, and 24 in 2019 due to changes in project activity and completion of Maintenance of Equipment's PTC initiative in 2017.

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2016-2019
Favorable/(Unfavorable)

Total Position Changes at a Glance

	2015	2016	2017	2018	2019
2015 July Plan - Total Baseline Positions	7,082	7,038	6,998	7,189	7,289
Total Plan-to-Plan Changes	<u>(1)</u>	<u>(168)</u>	<u>(129)</u>	<u>(154)</u>	<u>(138)</u>
2015 November Plan - Total Baseline Positions	7,083	7,206	7,127	7,343	7,427
Total Year-to-Year Changes, November Plan		(123)	79	(216)	(84)

Total Plan-to-Plan Changes by Reporting Category:

<i>Non-Reimbursable</i>	(43)	80	9	(15)	(5)
<i>Reimbursable</i>	42	(248)	(138)	(139)	(133)
Total	(1)	(168)	(129)	(154)	(138)
<i>Full-Time</i>	(1)	(168)	(129)	(154)	(138)
<i>Full-Time Equivalents</i>					
Total	(1)	(168)	(129)	(154)	(138)
<i>By Function Category</i>					
- Administration	2	6	6	6	6
- Operations	1	(38)	(26)	(31)	(7)
- Maintenance	(6)	(120)	(93)	(113)	(121)
- Engineering/Capital	2	(16)	(16)	(16)	(16)
- Public Safety					
Total	(1)	(168)	(129)	(154)	(138)
<i>By Occupational Group</i>					
- Managers/Supervisors	(2)	(54)	(21)	(23)	(21)
- Professional, Technical, Clerical	15	14	6	3	0
- Operational Hourlies	(14)	(128)	(114)	(134)	(117)
Total	(1)	(168)	(129)	(154)	(138)

Total Plan-to-Plan Changes by Major Category:

<i>2015 BRPs</i>					
<i>New Needs</i>		(12)	(12)	(12)	(12)
<i>Change in Reimbursable Positions</i>	42	(248)	(138)	(139)	(133)
<i>Re-estimates & All Other</i> ¹	(43)	92	21	(3)	7
Total	(1)	(168)	(129)	(154)	(138)

¹ Includes Full-time Equivalents

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2016-2019
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full Time Equivalents

FUNCTION/DEPARTMENT	2014 Actual	2015 November Forecast	2016 Final Proposed Budget	2017	2018	2019
Administration						
Executive VP	7	6	2	2	2	2
Sr. VP Engineering	-	-	5	5	5	5
Labor Relations	15	19	19	19	19	19
Procurement & Logistics (excl. Stores)	82	82	82	82	82	79
Human Resources	31	33	33	33	39	49
Sr VP Administration	1	2	2	2	2	2
Strategic Investments	28	35	25	25	25	25
President	4	4	4	4	4	4
VP & CFO	2	5	5	5	5	5
Information Technology	145	-	-	-	-	-
Controller	42	42	42	42	42	43
Management and Budget	19	21	21	21	21	21
Business Process Mgmt Controls & Compliance	7	7	7	7	7	7
Market Dev. & Public Affairs	69	69	69	69	69	69
Gen. Counsel & Secretary	30	32	32	32	32	32
Diversity Management	2	3	3	3	3	3
Security	12	17	12	12	12	12
System Safety	22	36	36	36	36	36
Training	58	64	64	64	64	63
Service Planning	22	22	23	23	25	25
Sr. VP Operations	2	2	12	12	12	12
Total Administration	600	501	498	498	506	513
Operations						
Train Operations	2,023	2,097	2,127	2,096	2,255	2,322
Stations	299	294	296	295	295	295
Total Operations	2,322	2,391	2,423	2,391	2,550	2,617
Maintenance						
Engineering	1,731	1,811	1,866	1,896	1,928	1,945
Equipment	1,997	2,105	2,126	2,049	2,066	2,060
Procurement (Stores)	98	93	93	93	93	93
Total Maintenance	3,826	4,009	4,085	4,038	4,087	4,098
Engineering/Capital						
Department of Project Management	135	139	157	157	157	157
VP - East Side Access & Special Projects	23	43	43	43	43	42
Total Engineering/Capital	158	182	200	200	200	199
Total Baseline Positions	6,906	7,083	7,206	7,127	7,343	7,427
<i>Non-Reimbursable</i>	6,060	6,284	6,162	6,243	6,466	6,574
<i>Reimbursable</i>	846	799	1,044	884	877	853
<i>Total Full-Time</i>	6,906	7,083	7,206	7,127	7,343	7,427
<i>Total Full-Time Equivalents</i>	-	-	-	-	-	-

MTA LONG ISLAND RAIL ROAD
November Financial Plan 2016-2019
Total Positions by Function and Occupation

FUNCTION/OCCUPATIONAL GROUP	2014 Actual	2015 November Forecast	2016 Final Proposed Budget	2017	2018	2019
Administration						
Managers/Supervisors	281	252	249	249	250	248
Professional, Technical, Clerical	319	147	147	147	154	163
Operational Hourlies	-	102	102	102	102	102
Total Administration	600	501	498	498	506	513
Operations						
Managers/Supervisors	287	288	288	286	282	279
Professional, Technical, Clerical	185	101	102	102	102	102
Operational Hourlies	1,850	2,002	2,033	2,003	2,166	2,236
Total Operations	2,322	2,391	2,423	2,391	2,550	2,617
Maintenance						
Managers/Supervisors	691	743	757	723	732	735
Professional, Technical, Clerical	273	260	246	265	270	268
Operational Hourlies	2,862	3,006	3,082	3,050	3,085	3,095
Total Maintenance	3,826	4,009	4,085	4,038	4,087	4,098
Engineering/Capital						
Managers/Supervisors	119	127	141	141	141	141
Professional, Technical, Clerical	39	55	59	59	59	58
Operational Hourlies	-	-	-	-	-	-
Total Engineering/Capital	158	182	200	200	200	199
Public Safety						
Managers/Supervisors	-	-	-	-	-	-
Professional, Technical, Clerical	-	-	-	-	-	-
Operational Hourlies	-	-	-	-	-	-
Total Public Safety	-	-	-	-	-	-
Total Baseline Positions						
Managers/Supervisors	1,378	1,410	1,435	1,399	1,405	1,403
Professional, Technical, Clerical	816	563	554	573	585	591
Operational Hourlies	4,712	5,110	5,217	5,155	5,353	5,433
Total Baseline Positions	6,906	7,083	7,206	7,127	7,343	7,427

[THIS PAGE INTENTIONALLY LEFT BLANK]

Metro-North Railroad

MTA METRO-NORTH RAILROAD
2016 Final Proposed Budget
November Financial Plan 2016-2019

FINANCIAL OVERVIEW

Metro-North's November Financial Plan 2016-2019 reflects the resources required to sustain current operations and fund strategic investments that further promote safe, secure and reliable transportation service for our customers, and a safe and secure working environment for our employees. Over the last several years Metro-North has taken important steps to develop policies and initiatives to meet these objectives. In 2015, efforts are focused on the continued implementation of major initiatives that began in 2013 and 2014 that support four key goals:

- *Promoting a Culture of Safety* in which safety is embedded in all decisions, actions, and initiatives.
- *Adopting Concrete Safety Enhancements* that guarantee safe operations and safe work practices.
- *Restoring Reliable Service* that is safe and of high quality.
- *Improving Communications* of the railroad's goals, operations and policies so customers can make informed choices regarding the use of our service and employees can provide the best customer service possible.

To date, outreach programs have been implemented to reinforce safety as the company's first priority. In addition, safety and training resources have been added and reorganized; employee testing, evaluation, oversight and training practices have been revamped; and the company has instituted a confidential close call reporting system so employees can report safety issues without fear of reprisal.

The comprehensive assessment of Metro-North's infrastructure has identified immediate and long-term needs resulting in a redeployment of existing maintenance forces, the creation of specialized track gangs, and the identification and acquisition of specialized track monitoring equipment. We are continuing with the installation of a new interlocking near Fordham station which will improve operating capabilities in this critical section of the Bronx, as well as stone ballast cleaning or replacement throughout the territory. Specific right-of-way initiatives in 2015 include: creation of two specialized track gangs that will exclusively address drainage improvements and track interlocking tie replacement; the installation of eight miles of continuous welded rail and fiberglass brackets and channels to support new aluminum third rail in key locations; and the replacement of six grade crossings in Connecticut and six grade crossings in New York.

These efforts improve the Railroad's operations, particularly the safety and reliability of the right-of-way infrastructure. They have reduced both the number and duration of unscheduled track outages as maintenance to significant stretches of track has been addressed. This progress has improved safety and also benefits on-time performance as

speed restrictions are reduced or eliminated. This also fosters the identification of new opportunities and maintenance requirements that further support safety and service reliability goals. Consequently, the November Financial Plan incorporates the resources for additional safety investments and other emerging new needs which include:

Additional Safety Investments

- ***Power Control - SCADA Upgrade***

The centralized traction power control system utilizes a Supervisory Control and Data Acquisition (SCADA) system to monitor and control the traction power grid that supports train operations, provides power to Grand Central Terminal (GCT) and outlying shops & yards, and other facilities. This system is beyond its useful life (over 20 years old) and requires an upgrade to improve its functionality, compatibility with current software operating systems and integration with other railroad infrastructure. Moreover, from a safety standpoint and consistent with Federal Railroad Administration (FRA) recommendations (referenced in the Operation Deep Dive Safety Assessment), manual paper-based processes and recordkeeping of the current SCADA system should be automated to ensure the efficient and safe synchronization of SCADA power transmission/lockouts with Centralized Traffic Control (CTC) systems in order to energize or de-energize sections of the right-of-way to ensure safe infrastructure maintenance and train operations.

Other Emerging New Needs

- ***Enterprise Asset Management (EAM)***

In an effort to manage physical assets more efficiently, Metro-North is taking part in an MTA-wide project to develop and implement an Enterprise Asset Management information system. The objective of this system is to enable better management of assets by accurately determining total cost of ownership, improving management of the workforce, and optimizing the use of capital funds to replace assets in a priority manner that ensures safety, reliability and quality of service. There are several key projects supporting this effort totaling approximately \$2-4 million annually for staffing needs and temporary consultant support:

- **EAM - Trouble Desk:**

In 2014, planning began for the development of a Maintenance of Way Trouble Desk to establish a 24/7 presence to receive trouble reports, dispatch personnel, document repairs and provide reports. Metro-North is now ready to fully staff this function which is consistent with the current EAM objectives and electronic infrastructure inspection initiatives (including support to the upcoming Autonomous Track Geometry Inspection Program and the future use of a Track Geometry Vehicle).

- **EAM - Capital Plan Drawing Room Visual Retrieval through Geographic Information System (GIS):**

Provide improved access for all professional, technical, and managerial employees to as-built record drawings of all infrastructure assets including right-of-way, facilities, stations, track assets, signal assets, power assets, and Grand Central Terminal. This project allows as-built drawings to be

searched "by map" using the GIS system, ensures the existing index of as-built drawings are accurate and complete, improves self-service drawing retrieval and resource discovery allowing instant access to as-built drawings of Metro-North's right-of-way and facilities, and progressively converts old drawings into Computer Aided Design (CAD)/GIS format while maintaining a set of current as-built drawings.

- **EAM - Improvement Program Consulting:**

In order to fully develop this system, an expanded scope/use of consulting resources is necessary to ensure the efficient and effective advancement of EAM across Metro-North.

- ***Reorganization of the Communications & Signals (C&S) Operations Center Office Systems Unit***

The C&S Operations Control Center Office Systems Unit maintains the software and hardware that control the centralized signal and power systems that are critical to Metro-North train operations. The work performed by this Unit is highly technical and employs electronic specialists that operate, maintain and improve railroad-specific computer based control systems.

Over the years, the workload of this Unit has expanded with the addition of the Emergency Control Center in North White Plains, communication and signal network expansions, the integration of new customer information systems, and an increase in maintenance work required for aging software systems that need continual work to meet operation requirements. As a result of these issues and succession planning needs, the reorganization and expansion of the C&S Operations Center Office Systems Unit is required to reduce the workload of the current staff, enhance the service and support this Unit provides to Metro-North, and ensure safe and reliable train service. This initiative provides funding for the start of this effort.

- ***Reorganization of the Power Department***

Reorganize and expand the Power Department workforce to ensure an improved safety culture, proper succession planning, and increased managerial oversight to a newly developing workforce. This initiative begins funding the necessary resources for:

- Additional management which is required in day-to-day operations (current ratio is one manager to 70 agreement employees).
- Development of a Compliance Unit to ensure Federal and State Safety and Electrical Codes are met and adhered to.
- An increase in managerial support and oversight to the Power Operation Control Center to accommodate the increasing levels of capital project work and infrastructure remediation programs that are currently underway and require greater coordination of power outages that ensure a safe work environment.
- Provide for succession planning in an area that has been susceptible to retirements and staff attrition.

- **Facility Inspection & Maintenance**

Over the years, as new facilities and structures have been added to Metro-North, maintenance forces have not been concurrently added to achieve a preventive maintenance cycle that meets manufacturer's specifications and Federal Transit Administration (FTA) funding guidelines. To achieve compliance in this regard, additional Structures and Facility maintainers are required to proactively protect New York State facilities and implement the maintenance plans delivered with these assets. The increased staffing will allow Metro-North to initiate more periodic inspections and preventive facility maintenance.

On-going Programs and Assumptions previously included in the July Financial Plan which continue to be included in the 2016 Final Proposed Budget are as follows:

Safety

- **New Haven Line (NHL)** Infrastructure initiatives have been identified for the maintenance or repair of grade crossings, bridges, interlockings and the roadbed. These programs are jointly funded by the MTA and Connecticut Department of Transportation (CDOT) and specifically include:
 - **NHL Branch Line Grade Crossing Gang** – The track infrastructure and roadway surface at the 60 grade crossings on the New Haven Line's Danbury, Waterbury and New Canaan branch lines require replacement due to wear and tear from rail and highway traffic as well as weather conditions. To limit further deterioration and enhance operating safety, a dedicated Grade Crossing Gang will be established to replace approximately six crossings per year. In support of this work, a 13 member gang and equipment is required.
 - **New Haven Line Bridge & Culvert Maintenance** – To enhance maintenance efforts on NHL railroad bridges and culverts, additional track maintenance forces will be hired (one supervisor and two track gangs - one at New Haven and one at Springdale).
 - **East Norwalk to Southport CT Maintenance Gang (CP243 - CP 248)** - A new track interlocking control point (CP 243) will be constructed east of the Walk Movable Bridge on the New Haven Line. It will be a four (4) track universal interlocking whose function is critical in the ability to fully use all tracks east of the bridge for train service and provide operational flexibility during the upcoming replacement of the Walk Movable Bridge. To ensure optimal operation and maintenance of the interlocking during construction and meet FRA inspection and maintenance regulations, an additional six positions and equipment will be required for two-shift coverage, seven days per week to support this capital project.
 - **Track Bed Undercutting** - To ensure compliance with Metro-North clearance standards and ensure a safe route for rail traffic, track bed undercutting (lowering of the track bed) is required to increase clearances at overhead structures and beneath New Haven Line catenary.

- ***Third Rail Construction*** – Recently, the installation of fiberglass brackets and channels to support the third rail structure has been found to completely stop third rail arcing events and will be implemented in other areas of the power system. To progress this important work, two additional third rail construction gangs (12 employees) will be added so that fiberglass material installation and other third rail rehabilitation projects can continue in the Park Avenue Tunnel and on the Harlem & Hudson lines without interruption.
- ***Grand Central Terminal Platform Rehabilitation Gang*** – As part of recent condition assessments of Metro-North’s infrastructure, GCT platform tracks require a more cyclical maintenance program. To achieve this goal, a fully dedicated track gang (eight trackmen plus equipment) will be established to replace rail, block ties and direct fixation fasteners at all GCT platform track locations.
- ***Centralized Traffic Control System Upgrades*** - The current Centralized Traffic Control System is supported by Microsoft Windows XP and Windows Server 2003 equipment that is outdated and no longer supported by Microsoft. Similarly, other supporting hardware and software comprising the CTC system, such as projection engines and the bulbs for display panels, are no longer being manufactured, which reduces the ability to monitor devices on the control system network and provide support to the Operations Control Center (OCC).
- ***Install Cameras and Audio Equipment on West of Hudson Rolling Stock Through New Jersey Transit*** – Similar to the program for the East of Hudson rolling stock fleet, this initiative will equip Metro-North West of Hudson rolling stock with on-board cameras to aid post-accident/incident investigations and form training programs that will promote safe operating practices.
- ***Park Avenue Tunnel Safety Enhancements*** – This program includes improvements to access and egress by first responders and passengers at emergency exits in the Park Avenue Tunnel and will strengthen Metro-North’s compliance with National Fire Protection Association (NFPA) Code 130 with the following actions:
 - Installation of a Dry Standpipe System at each of the Park Avenue Tunnel’s emergency exits to improve the response time of Fire Department first responders by eliminating the need to pull hoses through egress exits.
 - Install emergency exit directional signage at 75 foot intervals throughout the Park Avenue Tunnel. This will help identify the direction and distance of emergency exits in the event of an evacuation.
 - Improve/Update the visibility and lighting to properly illuminate emergency exit areas.
 - Install approximately 40 fire extinguisher cabinets in and around the Park Avenue Tunnel and emergency exits.

Maintenance

- Additional forces or services to address operations improvements or new facility maintenance include:
 - An additional track maintenance gang at Mt. Vernon will improve work productivity, address increased maintenance requirements due to the new interlocking in the Bronx (CP109), and reduce the response time to address track outages.
 - Providing resources to support the new Shop and Yard complex at New Haven including additional maintenance employees for the expanded yard infrastructure as well as the management and cleaning of the new Component Change-Out (CCO) Shop.
 - An increased number of power system Field Managers to ensure a stronger focus on safety and increased management of workforce compliance with maintenance policies and procedures.
- Renovation of the current training facilities in GCT to accommodate current training requirements and increased office space needs at our NY campus to help meet an expanded level of employee training and accommodate recent increases in staff.
- Replacement of outdated train service analysis systems with updated software models to ensure effective and efficient review of passenger utilization, train schedules, and the right-sizing of on-board staff.

Equipment Reliability – Metro-North commits significant resources towards the maintenance and revitalization of its rolling stock fleet, purchasing new equipment and remanufacturing select cars, coaches and locomotives. The November Financial Plan continues funding for the following equipment maintenance programs:

- M8 Cars - In partnership with CDOT, Metro-North has conditionally accepted all 380 multiple unit and 25 single unit M8 cars.
- M7 Cars - This car fleet is in the midst of its 10-year life cycle maintenance program that began in 2014.
- Locomotive life cycle maintenance programs are included in the November Financial Plan and include resources for the continuation of the Genesis locomotive program and the start of the BL20 Reliability Centered Maintenance (RCM) program.
- GP35 locomotives are being overhauled to extend the life of these Units that are used primarily for switching and work train operations.

Customer service

- Efforts continue for the installation of new customer information monitors and the replacement of outdated electronic platform signs at New York State (NYS) outlying stations to improve the quality of information communicated to customers. For Connecticut stations, a plan has been developed for the installation of station monitors which is under review by the Connecticut Department of Transportation for implementation.
- In a joint effort with the LIRR, work continues on the development of a Mobile Ticketing Application which will allow customers to purchase tickets using smartphones and other mobile devices. A customer pilot is anticipated in the first quarter of 2016, with a full rollout by year end.

- The Station Enhancement Program is included in the November Financial Plan in 2016 and beyond, incorporating painting, lighting, signage, “scratchitti” replacement, recycling container rehabilitation, seat replacement and other elements to enhance the station environment.
- Ticket Issuing Machines (TIMs), which were piloted in early 2015, have been accepted and fully implemented into service enabling customers to use their credit cards to purchase tickets onboard trains.
- Metro-North, in conjunction with the LIRR, is engaging in a study to develop a long term ticket sales and fare payment strategy that will define fare collection when current ticket selling equipment, including the MTA MetroCard, becomes obsolete. The study will evaluate current operations, conduct industry and other property reviews, assess emerging fare payment methods, and recommend a comprehensive strategy addressing the operations, financial, labor, customer service, and conversion impacts for both Railroads. Early phases of the study were complete in 2015 including a peer review, industry review, and evaluation of strategies for interoperability with New York City Transit’s Metrocard replacement system.
- A new garage at North White Plains opened in October. The new garage increases parking capacity to 500 spaces and will also include eight electric vehicle charging stations, two Real-time Train Time LCD Kiosks and two elevators.
- Metro-North has significantly reduced parking fees at West-of-Hudson stations to lower the cost of commuting and make the railroad an even better option for those traveling from Orange and Rockland counties. Metro-North plans to extend the pilot program implemented on November 1, 2014 while we continue to assess the success of this program towards increasing ridership. The pilot program offers a “12 for 1” annual parking permit with 12 months of parking available for the cost of just one month – a 91% reduction. Through August 2015, results have been very positive with a 48% increase in parking permit sales, 32% more customers parking per day, and increased utilization of parking capacity from 53% to 85%.

Ridership

- The 2015 November Forecast includes 86.0 million East and West of Hudson riders, an increase of 1.5% over 2014 and the highest ridership in Metro-North’s history.
- 2015 November Forecast is slightly below (0.1%) the Mid-Year Forecast due to lower than projected growth in non-commutation ridership.
- In 2016-2019 ridership is projected to grow by 1.7% in 2016 and 2017, 1.3% in 2018, and 1.2% in 2019 with growth occurring across all commuter lines.
- Financial plan projections assume no fare increases in New York State and annual 1.0% fare increases in Connecticut through 2018.
- Efforts to promote ridership growth continue with increases in parking and promotional advertising.
- Also expected is a modest continuation of regional employment growth.

Overtime

Metro-North’s November Financial Plan, which is unchanged from the July Financial Plan, reflects required overtime expenditures to address operating needs including

train service coverage, maintenance requirements, weather emergencies, employee availability and other programmatic needs.

While efforts continue to control overtime expenditures, non-controllable events continue to impact the overtime budget. The 2015 November Forecast continues to include the operations coverage impact for a record setting cold winter, frequent snow storms and several extraordinary emergency events that occurred earlier in the year. The financial plan also covers recently mandated employee training in 2015 for employee attendance to training classes or coverage of service-critical employees that are in training.

Key Management Efforts in Place to Control Overtime Expenses:

- Specific efforts by Metro-North to control overtime included negotiations with unions on multiple fronts. In Maintenance of Way, this has resulted in specialized track gangs dedicated to weekend and night work paid at straight time rates.
- Maintenance of Equipment (MofE) has a pilot program to utilize an outside vendor to provide management of the Family and Medical Leave Act (FMLA) for up to 1,700 employees. This one year Pilot is expected to increase employee availability through management of FMLA use by a vendor with specific expertise in this field.
- The Human Resources Department continues its aggressive hiring efforts to fill vacancies, especially for critical, must-fill Maintenance positions in all areas and crafts. Human Resources is also working closely with Transportation to right-size the Locomotive Engineer, Conductor and Rail Traffic Controller ranks.

Reorganization of GCT

To enhance operational efficiencies in GCT, Metro-North reorganized the GCT workforce to better align staffing and departmental resources with maintenance and customer service functions.

2015 NOVEMBER FORECAST

The Non-Reimbursable 2015 November Forecast reflects revenue projections totaling \$737.5 million and expenses, including non-cash liability adjustments, of \$1,507.4 million resulting in an operating deficit of \$769.9 million. Operating revenue includes passenger revenues of \$675.7 million that are \$0.3 million favorable versus the 2015 Mid-Year Forecast due to slightly higher commutation ridership. Non-passenger revenues of \$61.8 million are \$0.2 million higher than the Mid-Year Forecast reflecting higher GCT retail revenue partially offset by lower Inter-agency revenue from NYCT. Non-Reimbursable operating expenses of \$1,507.4 million are \$11.7 million lower than the 2015 Mid-Year Forecast primarily due to lower electric propulsion and service contract expenses.

The 2015 Reimbursable November Forecast of expenditures (and receipts) is \$232.4 million, an increase of \$35.6 million relative to the July Financial Plan. This is due primarily to an overall increase in the timing of expenditures for material and contracted services of \$32.5 million for the Power and Communications & Signal Infrastructure Restoration projects, several Mainline Turnout projects, Bronx Stations Capacity Improvements and the Positive Train Control (PTC) project.

2016 FINAL PROPOSED BUDGET

The Non-Reimbursable 2016 Final Proposed Budget reflects revenue projections totaling \$753.6 million and expenses, including non-cash liability adjustments, of \$1,558.3 million that generate an operating deficit of \$804.7 million. Farebox revenue of \$693.3 million is \$1.6 million lower than the 2016 Preliminary Budget reflecting lower ridership growth projections. Non-passenger revenue of \$60.3 million is projected to be \$0.8 lower than the 2016 Preliminary Budget reflecting lower GCT event and Inter-agency revenue from NYCT. Operating expenses of \$1,558.3 million are lower by \$11.7 million reflecting lower electric propulsion and fuel costs as well as increased Reimbursable Overhead credits partially offset by higher service contract and operating contract expense.

The Final Proposed 2016 Reimbursable Budget for expenditures (and receipts) is \$255.9 million, a decrease of \$0.7 million from the 2016 Preliminary Budget of \$256.6 million. This slight decrease is largely due to timing changes in project work.

2017-2019 PROJECTIONS

The 2017-2019 expenditure projections allow Metro-North to continue initiatives that improve safety, maintain train service levels, continue service reliability programs that maintain rolling stock and enhance the right-of-way, and incorporate projected cost changes in labor, energy, employee benefits, insurance and material as well as capital projects. Major assumptions reflected in the 2017-2019 November Financial Plan are furnished later in this document.

Details for the Year-to-Year changes and a reconciliation of the November Plan to the July Plan are discussed in their respective Summary of Changes sections as well as the assumptions guiding ridership and headcount.

MTA Metro-North Railroad
November Financial Plan 2016-2019
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE	2015		2016				
	2014	November	Final Proposed				
	Actual	Forecast	Budget	2017	2018	2019	
Operating Revenue							
Farebox Revenue	\$649.850	\$675.692	\$693.277	\$707.320	\$718.706	\$726.688	
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	
Other Operating Revenue	62.536	61.846	60.341	62.226	63.683	64.212	
MNR - MTA	0.000	0.000	0.000	0.000	0.000	0.000	
MNR - CDOT	0.000	0.000	0.000	0.000	0.000	0.000	
MNR - Other	0.000	0.000	0.000	0.000	0.000	0.000	
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000	
Total Revenue	\$712.386	\$737.539	\$753.618	\$769.546	\$782.389	\$790.901	
Operating Expenses							
Labor:							
Payroll	\$512.139	\$468.600	\$480.363	\$496.923	\$513.145	\$523.548	
Overtime	98.089	96.254	98.451	100.427	102.436	104.484	
Health and Welfare	92.410	94.754	107.051	108.092	113.995	118.829	
OPEB Current Payment	24.103	26.965	27.282	27.779	28.986	30.240	
Pensions	91.385	91.874	91.904	93.020	94.821	98.011	
Other Fringe Benefits	113.054	111.874	117.375	120.765	124.120	126.352	
Reimbursable Overhead	(48.421)	(53.856)	(57.806)	(59.131)	(59.868)	(60.125)	
Total Labor	\$882.759	\$836.465	\$864.620	\$887.876	\$917.637	\$941.338	
Non-Labor:							
Electric Power	\$81.415	\$86.768	\$82.288	\$85.920	\$90.944	\$96.319	
Fuel	27.642	20.432	21.229	22.553	25.275	28.043	
Insurance	17.303	19.064	20.015	21.329	22.914	24.714	
Claims	6.129	1.273	1.000	1.000	1.000	1.000	
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	
Maintenance and Other Operating Contracts	103.253	107.580	127.374	125.503	127.819	127.548	
Professional Service Contracts	24.214	35.291	39.754	38.128	39.698	39.977	
Materials & Supplies	70.434	74.991	78.869	83.662	86.141	88.303	
Other Business Expenses	24.345	25.491	15.754	17.332	16.727	17.147	
Total Non-Labor	\$354.734	\$370.890	\$386.283	\$395.427	\$410.519	\$423.052	
Other Expenses Adjustments:							
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	
Total Expenses before Depreciation and GASB Adjs.	\$1,237.493	\$1,207.354	\$1,250.903	\$1,283.303	\$1,328.155	\$1,364.390	
Depreciation	\$232.100	\$226.647	\$234.092	\$234.092	\$234.092	\$234.092	
OPEB Obligation	58.372	68.316	68.316	68.316	68.316	68.316	
Environmental Remediation	1.632	5.109	5.000	5.000	5.000	5.000	
Total Expenses	\$1,529.598	\$1,507.426	\$1,558.311	\$1,590.711	\$1,635.564	\$1,671.798	
Net Surplus/(Deficit)	(\$817.212)	(\$769.887)	(\$804.693)	(\$821.165)	(\$853.174)	(\$880.898)	
Cash Conversion Adjustments:							
Depreciation	\$232.100	\$226.647	\$234.092	\$234.092	\$234.092	\$234.092	
Operating/Capital	(22.823)	(32.240)	(48.695)	(45.037)	(28.496)	(13.963)	
Other Cash Adjustments	82.291	(12.058)	58.231	63.706	67.952	69.054	
Total Cash Conversion Adjustments	\$291.568	\$182.349	\$243.628	\$252.761	\$273.548	\$289.183	
Net Cash Surplus/(Deficit)	(\$525.644)	(\$587.538)	(\$561.064)	(\$568.404)	(\$579.626)	(\$591.715)	

MTA Metro-North Railroad
November Financial Plan 2016-2019
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE	2015		2016		2017	2018	2019
	2014	November	Final Proposed				
	Actual	Forecast	Budget				
Revenue							
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000
MNR - MTA	95.392	136.303	151.064	154.205	157.749	160.986	
MNR - CDOT	78.834	81.028	88.378	90.337	92.319	94.147	
MNR - Other	17.087	15.055	16.425	16.709	17.063	17.380	
Capital and Other Reimbursements	191.313	232.386	255.867	261.251	267.131	272.513	
Total Revenue	\$191.313	\$232.386	\$255.867	\$261.251	\$267.131	\$272.513	
Expenses							
Labor:							
Payroll	\$42.901	\$46.143	\$44.179	\$45.535	\$46.597	\$47.512	
Overtime	20.813	17.678	18.498	18.813	19.240	19.617	
Health and Welfare	12.461	14.201	14.347	14.416	15.035	15.657	
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000	
Pensions	8.777	9.930	9.439	9.521	9.640	9.964	
Other Fringe Benefits	10.288	9.153	10.977	11.285	11.547	11.774	
Reimbursable Overhead	46.509	52.892	55.007	56.232	56.909	57.135	
Total Labor	\$141.749	\$149.996	\$152.447	\$155.802	\$158.970	\$161.658	
Non-Labor:							
Electric Power	\$0.059	\$0.478	\$0.000	\$0.000	\$0.000	\$0.000	
Fuel	0.000	0.000	0.000	0.000	0.000	0.000	
Insurance	3.405	3.559	3.481	3.557	3.640	3.711	
Claims	0.000	0.000	0.000	0.000	0.000	0.000	
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	
Maintenance and Other Operating Contracts	14.306	12.764	10.803	10.991	11.275	11.558	
Professional Service Contracts	13.845	12.224	28.070	28.290	29.020	29.748	
Materials & Supplies	14.625	52.708	60.630	62.164	63.767	65.368	
Other Business Expenses	3.325	0.658	0.437	0.448	0.459	0.471	
Total Non-Labor	\$49.564	\$82.390	\$103.420	\$105.449	\$108.161	\$110.855	
Other Adjustments:							
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	
Total Other Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	
Total Expenses before Depreciation	\$191.313	\$232.386	\$255.867	\$261.251	\$267.131	\$272.513	
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	
OPEB Obligation	0.000	0.000	0.000	0.000	0.000	0.000	
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000	
Total Expenses	\$191.313	\$232.386	\$255.867	\$261.251	\$267.131	\$272.513	
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	
Cash Conversion Adjustments:							
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	
Operating/Capital	0.000	0.000	0.000	0.000	0.000	0.000	
Other Cash Adjustments	0.000	0.000	0.000	0.000	0.000	0.000	
Total Cash Conversion Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	
Net Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	

MTA Metro-North Railroad
November Financial Plan 2016-2019
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE	2015		2016			
	2014	November	Final Proposed			
	Actual	Forecast	Budget	2017	2018	2019
Revenue						
Farebox Revenue	\$649.850	\$675.692	\$693.277	\$707.320	\$718.706	\$726.688
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	62.536	61.846	60.341	62.226	63.683	64.212
MNR - MTA	95.392	136.303	151.064	154.205	157.749	160.986
MNR - CDOT	78.834	81.028	88.378	90.337	92.319	94.147
MNR - Other	17.087	15.055	16.425	16.709	17.063	17.380
Capital and Other Reimbursements	191.313	232.386	255.867	261.251	267.131	272.513
Total Revenue	\$903.699	\$969.925	\$1,009.485	\$1,030.797	\$1,049.521	\$1,063.414
Expenses						
Labor:						
Payroll	\$555.040	\$514.743	\$524.542	\$542.459	\$559.743	\$571.060
Overtime	118.902	113.932	116.949	119.239	121.677	124.101
Health and Welfare	104.871	108.955	121.398	122.508	129.030	134.486
OPEB Current Payment	24.103	26.965	27.282	27.779	28.986	30.240
Pensions	100.162	101.804	101.343	102.541	104.461	107.975
Other Fringe Benefits	123.342	121.027	128.352	132.050	135.668	138.125
Reimbursable Overhead	(1.912)	(0.965)	(2.799)	(2.898)	(2.958)	(2.990)
Total Labor	\$1,024.508	\$986.460	\$1,017.067	\$1,043.678	\$1,076.607	\$1,102.996
Non-Labor:						
Electric Power	\$81.474	\$87.246	\$82.288	\$85.920	\$90.944	\$96.319
Fuel	27.642	20.432	21.229	22.553	25.275	28.043
Insurance	20.708	22.623	23.496	24.886	26.554	28.425
Claims	6.129	1.273	1.000	1.000	1.000	1.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	117.559	120.344	138.177	136.494	139.094	139.106
Professional Service Contracts	38.059	47.514	67.824	66.418	68.718	69.726
Materials & Supplies	85.059	127.699	139.499	145.825	149.909	153.672
Other Business Expenses	27.669	26.149	16.190	17.779	17.186	17.618
Total Non-Labor	\$404.298	\$453.280	\$489.703	\$500.876	\$518.680	\$533.907
Other Adjustments:						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adjs.	\$1,428.806	\$1,439.740	\$1,506.770	\$1,544.554	\$1,595.287	\$1,636.903
Depreciation	\$232.100	\$226.647	\$234.092	\$234.092	\$234.092	\$234.092
OPEB Obligation	58.372	68.316	68.316	68.316	68.316	68.316
Environmental Remediation	1.632	5.109	5.000	5.000	5.000	5.000
Total Expenses	\$1,720.911	\$1,739.812	\$1,814.178	\$1,851.962	\$1,902.695	\$1,944.311
Net Surplus/(Deficit)	(\$817.212)	(\$769.887)	(\$804.693)	(\$821.165)	(\$853.174)	(\$880.898)
Cash Conversion Adjustments:						
Depreciation	\$232.100	\$226.647	\$234.092	\$234.092	\$234.092	\$234.092
Operating/Capital	(22.823)	(32.240)	(48.695)	(45.037)	(28.496)	(13.963)
Other Cash Adjustments	82.291	(12.058)	58.231	63.706	67.952	69.054
Total Cash Conversion Adjustments	\$291.568	\$182.349	\$243.628	\$252.761	\$273.548	\$289.183
Net Cash Surplus/(Deficit)	(\$525.644)	(\$587.538)	(\$561.064)	(\$568.404)	(\$579.626)	(\$591.715)

MTA Metro-North Railroad
November Financial Plan 2016-2019
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES	2015		2016		2017	2018	2019
	2014 Actual	November Forecast	Final Proposed Budget				
Receipts							
Farebox Revenue	\$655.977	\$680.395	\$698.155	\$712.431	\$724.097	\$732.416	
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	
Other Operating Revenue	86.530	98.209	142.657	97.307	96.644	97.341	
MNR - MTA	80.068	129.603	157.207	153.134	156.406	160.138	
MNR - CDOT	67.296	90.740	88.378	90.337	92.319	94.147	
MNR - Other	13.070	16.863	17.659	16.644	16.968	17.320	
Capital and Other Reimbursements	160.434	237.206	263.244	260.116	265.693	271.604	
Total Receipts	\$902.941	\$1,015.810	\$1,104.055	\$1,069.854	\$1,086.433	\$1,101.361	
Expenditures							
Labor:							
Payroll	\$496.996	\$592.261	\$531.586	\$547.084	\$561.012	\$570.811	
Overtime	100.307	132.358	116.651	119.456	121.326	123.722	
Health and Welfare	115.068	113.621	125.144	126.413	133.085	138.693	
OPEB Current Payment	25.436	25.614	27.282	27.779	28.986	30.240	
Pensions	113.236	90.970	102.525	103.318	105.244	108.440	
Other Fringe Benefits	113.038	128.230	129.421	133.104	136.111	137.870	
GASB Account	4.458	0.000	0.000	0.000	0.000	0.000	
Reimbursable Overhead	0.000	0.255	(0.000)	0.000	(0.000)	(0.000)	
Total Labor	\$968.539	\$1,083.309	\$1,032.608	\$1,057.155	\$1,085.764	\$1,109.776	
Non-Labor:							
Electric Power	\$85.389	\$88.745	\$83.859	\$87.539	\$92.611	\$98.036	
Fuel	28.149	19.558	20.349	21.647	24.341	27.081	
Insurance	20.781	23.306	23.914	25.377	27.080	28.967	
Claims	27.461	22.843	56.473	1.146	1.146	1.146	
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	
Maintenance and Other Operating Contracts	111.664	125.807	156.192	149.286	140.589	136.761	
Professional Service Contracts	38.715	53.322	78.552	77.100	74.748	71.674	
Materials & Supplies	95.696	129.410	149.496	154.917	156.152	154.786	
Other Business Expenses	52.191	57.047	63.678	64.093	63.631	64.851	
Total Non-Labor	\$460.046	\$520.038	\$632.513	\$581.105	\$580.299	\$583.302	
Other Adjustments:							
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	
Cash Timing and Availability Adjustment	0.000	0.000	0.000	0.000	0.000	0.000	
Total Other Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	
Total Expenditures	\$1,428.585	\$1,603.347	\$1,665.121	\$1,638.260	\$1,666.063	\$1,693.078	
Net Cash Surplus/(Deficit)	(\$525.644)	(\$587.537)	(\$561.066)	(\$568.406)	(\$579.630)	(\$591.717)	
Subsidies							
MTA	\$425.094	\$438.601	\$440.679	\$452.569	\$456.693	\$461.862	
CDOT	98.004	148.937	120.385	115.835	122.933	129.853	
Total Subsidies	\$523.098	\$587.538	\$561.064	\$568.404	\$579.626	\$591.715	

MTA Metro-North Railroad
November Financial Plan 2016-2019
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2014	2015	2016			
	Actual	November Forecast	Final Proposed Budget	2017	2018	2019
Receipts						
Farebox Revenue	\$6.127	\$4.703	\$4.877	\$5.111	\$5.391	\$5.728
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	23.994	36.363	82.316	35.081	32.960	33.129
MNR - MTA	(15.324)	(6.700)	6.143	(1.070)	(1.343)	(0.849)
MNR - CDOT	(11.538)	9.712	0.000	0.000	0.000	0.000
MNR - Other	(4.017)	1.808	1.234	(0.065)	(0.095)	(0.060)
Capital and Other Reimbursements	(30.879)	4.820	7.377	(1.136)	(1.438)	(0.909)
Total Receipts	(\$0.758)	\$45.885	\$94.570	\$39.056	\$36.913	\$37.948
Expenditures						
Labor:						
Payroll	\$58.044	(\$77.518)	(\$7.044)	(\$4.626)	(\$1.269)	\$0.248
Overtime	18.595	(18.426)	0.298	(0.217)	0.351	0.378
Health and Welfare	(10.198)	(4.666)	(3.746)	(3.905)	(4.055)	(4.207)
OPEB Current Payment	(1.333)	1.351	0.000	0.000	0.000	0.000
Pensions	(13.074)	10.834	(1.182)	(0.777)	(0.783)	(0.465)
Other Fringe Benefits	10.304	(7.203)	(1.069)	(1.054)	(0.443)	0.255
GASB Account	(4.458)	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	(1.912)	(1.220)	(2.799)	(2.898)	(2.958)	(2.990)
Total Labor	\$55.968	(\$96.849)	(\$15.542)	(\$13.477)	(\$9.158)	(\$6.780)
Non-Labor:						
Electric Power	(\$3.916)	(\$1.499)	(\$1.571)	(\$1.618)	(\$1.667)	(\$1.717)
Fuel	(0.507)	0.874	0.880	0.907	0.934	0.962
Insurance	(0.074)	(0.683)	(0.418)	(0.491)	(0.526)	(0.542)
Claims	(21.332)	(21.570)	(55.473)	(0.146)	(0.146)	(0.146)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	5.895	(5.463)	(18.015)	(12.792)	(1.495)	2.345
Professional Service Contracts	(0.656)	(5.808)	(10.728)	(10.682)	(6.030)	(1.949)
Materials & Supplies	(10.637)	(1.711)	(9.997)	(9.092)	(6.244)	(1.114)
Other Business Expenditures	(24.521)	(30.898)	(47.487)	(46.314)	(46.445)	(47.234)
Total Non-Labor	(\$55.748)	(\$66.758)	(\$142.810)	(\$80.229)	(\$61.619)	(\$49.395)
Other Adjustments:						
Other	\$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
Total Cash Conversion Adjustments before Depreciation and GASB Adjs.						
	(\$0.538)	(\$117.721)	(\$63.782)	(\$54.650)	(\$33.864)	(\$18.228)
Depreciation Adjustment	\$232.100	\$226.647	\$234.092	\$234.092	\$234.092	\$234.092
OPEB Obligation	58.372	68.316	68.316	68.316	68.316	68.316
Environmental Remediation	1.632	5.109	5.000	5.000	5.000	5.000
Total Cash Conversion Adjustments	\$291.567	\$182.350	\$243.626	\$252.758	\$273.544	\$289.181

MTA METRO-NORTH RAILROAD
2015 November Forecast
Non-Reimbursable/Reimbursable Overtime
(\$ in millions)

NON-REIMBURSABLE OVERTIME	Total		
	Hours	\$	%
<u>Scheduled Service</u>	647,379	\$38.116	39.6%
<u>Unscheduled Service</u>	0	0.000	0.0%
<u>Programmatic/Routine Maintenance</u>	575,191	31.134	32.3%
<u>Unscheduled Maintenance</u>	13,387	0.882	0.9%
<u>Vacancy/Absentee Coverage</u>	319,328	16.774	17.4%
<u>Weather Emergencies</u>	163,843	8.930	9.3%
<u>Safety/Security/Law Enforcement</u>	0	0.000	0.0%
<u>Other</u>	0	0.417	0.4%
Subtotal	1,719,129	\$96.254	100.0%
REIMBURSABLE OVERTIME	316,095	\$17.678	
TOTAL OVERTIME	2,035,224	\$113.932	

MTA METRO-NORTH RAILROAD
2016 Final Proposed Budget
November Financial Plan 2016-2019
Year-to-Year Changes by Category - Baseline

REVENUE

FAREBOX REVENUE

Non -Reimbursable

- The \$17.6 million or 2.6% increase in the Final Proposed Budget over the 2015 November Forecast reflects the following impacts:
 - In 2016, ridership is higher by 1.7% reflecting modest employment growth.
 - Revenue includes a 1.0% annual fare increase in the State of Connecticut as of January 1, 2016.
 - No New York State Fare increases are included in the revenue assumptions.
- 2017-2019 revenue of \$707.3 million, \$718.7 million and \$726.7 million, respectively, reflects:
 - A 1.0% annual fare increase in the State of Connecticut in 2017 and 2018.
 - No New York State fare increases.
 - Modest employment and economic growth resulting in East of Hudson ridership increases of 1.7% in 2017, 1.3% in 2018 and 1.1% 2019.

Reimbursable

- Not applicable

Cash

- 2016-2019 cash adjustments include receipts from the sale of MetroCards, Westchester County bus fares and special event promotions partially offset by credit card fees associated with the purchase of passenger tickets.

OTHER OPERATING REVENUE

Non-Reimbursable

- 2016 decrease of \$1.5 million from 2015 reflects a temporary reduction in GCT retail revenues of \$1.4 million resulting from reduced space available for events in Vanderbilt Hall due to the construction of the Claus Meyer Restaurant. In addition, a reduction of \$0.6 million results from the closure of the parking garage at 335 Madison Avenue due to the construction of East Side Access and the Biltmore Room Bathroom project. These reduced revenues are partially offset by higher outlying station rents and concessions.
- 2017 increase of \$1.9 million reflects the increased GCT retail tenant rental income as well as the impact of increased revenues from the opening of the Claus Meyer restaurant. In addition, higher revenues reflect the full year impact of increased parking spaces available in the North White Plains garage and slightly higher advertising revenues.
- 2018-2019 increases of \$1.5 million and \$0.5 million, respectively, results from higher GCT retail and advertising revenue.

Reimbursable

- Not applicable

Cash

- 2016 adjustments primarily reflect a reimbursement from FMTAC for Spuyten Duyvil derailment claims of \$50.4 million.
- 2016-2019 adjustments also include reimbursements from CDOT and reclassifications of Amtrak and other railroad reimbursements as well as reimbursements for scrap material sales and other miscellaneous items.
- 2016-2019 accrued Harlem & Hudson advertising revenues of \$12.0 million, \$12.4 million, \$12.8 million and \$13.2 million, respectively, are removed as a cash reimbursement since these payments are retained by the MTA.

CAPITAL AND OTHER REIMBURSEMENTS

Capital project reimbursements in each year of the financial plan are based on recovering 100% of accrued project expenditures.

- 2016 accrued expenditures (and receipts) totaling \$255.9 million represent a \$23.5 million increase versus 2015. Higher projected reimbursements are attributable to forecasted workflows for the Power and Communications & Signal Infrastructure Restoration projects. Similarly, accelerated activities for the CP-109 interlocking under the Turnouts/Mainline project and an overall increase in activity for Positive Train Control drive higher projected reimbursements.
- 2017-2019 increases reflect the continuation of 2016 project levels adjusted for inflation.

Cash

- 2016-2019 includes adjustments for receipt timing differences.

EXPENSES

PAYROLL

Overall labor growth reflects annual increases in headcount that are consistent with Metro-North's recruiting pattern capacity and attrition trends.

Non-Reimbursable

Management Labor

- 2016-2019 Non-Agreement salaries include a 2.0% annual wage increase effective January 1st of each year.
- 2016-2019 increases of \$8.2 million (2016 and 2017), \$8.7 million and \$5.1 million, respectively, are due to new hires to support safety and infrastructure initiatives, normal turnover and the impact of actions to address wage compression between management and agreement staff.

Agreement Labor

- Agreement salaries include projected wage increases of 1.5% in 2016 with a 2% increase in subsequent years. The agreement labor contracts expire between January and June of 2017.

- 2016-2019 increases of \$3.5 million, \$8.3 million, \$7.6 million and \$5.3 million, respectively, includes the impact of new safety and infrastructure initiatives as well as staff growth.

Reimbursable

- 2016 Payroll costs of \$44.2 million are lower vs. 2015 by \$2.0 million due to refinements in various project estimates.
- 2017-2019 expenses of \$45.5 million, \$46.6 million and \$47.5 million reflect inflation increases.

Cash

- 2016-2019 cash adjustments include timing differences, an Agreement employee allowance for uniforms, tools and shoes as well as employee contributions to healthcare coverage.
- 2016-2019 cash adjustments include technical changes to reduce labor costs for several new initiatives and reallocate capital labor costs to the operating budget.

OVERTIME

Non-Reimbursable

- 2016-2019 expenses are higher by approximately \$2.0 million annually due to projected wage increases of 2.0% each year.

Reimbursable

- 2016-2019 increases reflect refinements to various projects as well as projected wage increase adjustments.

HEALTH AND WELFARE

Non-Reimbursable and Reimbursable

- 2016-2019 include estimated annual rate increases of 8.44% in 2016, 1.44% in 2017, 4.43% in 2018 and 4.40% in 2019.

Cash

- 2016-2019 cash adjustments include current and former management employee contributions toward health insurance costs.

OPEB CURRENT PAYMENT (GASB 45)

Non-Reimbursable

- Other Post Employment Benefit (OPEB) current payments reflect Metro-North's estimated annual cost of health care for current retirees. The 2015 provision increases by \$2.2 million reflecting a growing pool of eligible retirees. The estimated annual costs are \$27.3 million in 2016, \$27.8 million in 2017, \$29.0 million in 2018 and \$30.2 million in 2019. The annual amounts reflect growth in annual health care premiums and an increase in the number of covered retirees.

PENSIONS

Non-Reimbursable and Reimbursable

- The 2016-2019 pension costs represent the inclusion of all non-represented and most represented Metro-North employees in the MTA Defined Benefit Plan (DB Plan). A small number of employees not in the DB Plan are participants in the MTA

401K Plan. Metro-North's projected share of the incremental funding requirements for the DB Plan is based on draft projections prepared by actuarial consultants.

- 2016-2019 includes the impact of the higher wage increase assumptions for Agreement labor.

OTHER FRINGE BENEFITS

Non-Reimbursable

- Railroad Retirement tax rates for Tier I and II remain constant for 2015-2019 at 7.65% and 13.10%, respectively.
- Maximum earnings level for Tier I is estimated at \$118,500 in 2015, \$118,500 in 2016, \$125,700 in 2017, \$129,300 in 2018 and \$134,100 in 2019.
- Maximum earnings level for Tier II is estimated at, \$88,800 in 2015, \$88,200 in 2016 and \$93,300 in 2017, \$96,000 in 2018 and \$99,600 in 2019.
- 2015-2019 includes the impact of wage increases and changes in staffing levels.
- 2016-2019 costs include estimates for employee personal injury claims, which are based upon historical levels, of \$10.7 million for each year.

Cash

- 2016-2019 adjustments include differences between expense accruals and cash disbursements.

REIMBURSABLE OVERHEAD

Non-Reimbursable

- Changes in overhead cost recoveries reflect revisions in capital project cost estimates.

Reimbursable

- Overhead costs of \$55.0 million for 2016 reflect an increase of \$2.1 million relative to 2015. This is driven primarily by Track and Turnout projects, Power Infrastructure Restoration work and the Positive Train Control project.
- 2017-2019 overhead costs of \$56.2 million, \$56.9 million, and \$57.1 million, respectively, are based on a continuation of 2016 forecast levels adjusted for inflationary increases.

ELECTRIC POWER

Traction Power – Revenue

Non-Reimbursable

- 2016 is lower by \$5.1 million due primarily to lower rates.
- 2017-2019 increases of \$3.6 million, \$4.4 million and \$4.6 million, respectively, are due to inflation rates of 5.32% in 2017, 6.08% in 2018 and 6.02% in 2019.

Non-Traction Power – Non-Revenue

Non-Reimbursable

- 2016-2019 is adjusted for rates and inflation factors. Inflation rates for 2017-2019 were 0.08%, 4.67% and 5.36%, respectively.

FUEL

Revenue Vehicle Fuel

Non-Reimbursable

- 2016-2019 is adjusted for inflation factors.

Cash

- 2016-2019 include a credit (reduction to cash disbursements) for accrued fuel costs at New Haven which are paid directly by CDOT.

Non-Revenue Fuel

Non-Reimbursable

- 2016-2019 expenses are adjusted for inflation.

INSURANCE

Non-Reimbursable and Reimbursable

- 2016-2019 costs are higher by \$1.0 million, \$1.3 million, \$1.6 million and \$1.8 million, respectively, due to revised insurance premium estimates.

Cash

- 2016-2019 include the difference between expense accruals and cash payments.

CLAIMS

Non-Reimbursable

- 2016-2019 reflects current claims trends for passenger injuries and miscellaneous claims.

Cash

- 2016 includes \$55.3 million of forecasted claims settlements for the Spuyten Duyvil and Bridgeport derailments. FMTAC will reimburse Metro-North \$50.4 million for Spuyten Duyvil claims (which is recognized in the Other Operating Revenue line).
- 2016-2019 reflects the timing of payments made for passenger injury and miscellaneous claims.

The Remaining Non-Reimbursable Cost Categories were inflated by Regional CPI Increases in 2017-2019 of 2.53%, 2.58%, and 2.51%, respectively.

MAINTENANCE AND OTHER OPERATING CONTRACTS

Non-Reimbursable

- 2016 increase of \$19.8 million reflects:
 - Infrastructure improvement programs of \$6.8 million for:
 - Power Control/Scada Upgrade (\$3.0 million).
 - Centralized Traffic Control (CTC) System upgrades (\$1.4 million).
 - Implementation of the Track Undercutting Program to increase catenary clearances on the New Haven line (\$1.0 million).
 - New Haven Branch Line Grade Crossing project (\$0.7 million).
 - New Haven Line Bridge & Culvert Structures Maintenance (\$0.3 million).
 - Positive Train Control (\$0.2 million) projects.

- Rolling stock maintenance costs of \$9.0 million primarily for:
 - Contracted car repairs for equipment damaged in the Bridgeport derailment (\$2.7 million).
 - Increase in BL20 locomotive overhauls (\$2.6 million).
 - Building management costs for the new Component Change-Out Shop in New Haven (\$1.8 million).
 - M7 Centralized Diagnostic System Replacement (CDS) and Software Support (\$0.4 million).
- Increase in NHL Police services of \$1.5 million due to several one-time 2015 credit adjustments.
- Other miscellaneous expense changes of \$1.8 million include GCT space reconfiguration and Graybar office rental costs (\$1.1 million), maintenance costs for vehicles (\$0.4 million) and the new inventory retrieval system at New Haven (\$0.3 million).
- 2017 decrease of \$1.9 million is primarily due to the completion of the Centralized Diagnostic System (CDS) design phase and the CTC Signal System Upgrade projects as well as lower expense for the Power Control/Scada Upgrade, partially offset by inflation.
- 2018 increase of \$2.3 million reflects an increase in M7 Software Support Agreement and inflation.
- 2019 is essentially flat to the prior year.

Reimbursable

- In 2016, the forecast of \$10.8 million represents a decline of \$2.0 million relative to 2015 due primarily to the completion of the Bridge Timbers at Waterbury Project, the completion of the 2013 and 2014 Cyclical Track programs, and the Merritt Parkway Bridge project where work was essentially completed as of September 2015.
- 2017-2019 estimates of \$11.0 million, \$11.3 million and \$11.6 million, respectively, reflect a continuation of 2016 levels adjusted for inflation.

Cash

- 2016-2019 cash adjustments include the elimination of non-cash GASB 49 environmental accruals and, in accordance with the lease terms, a reduction in cash requirements versus accrued costs for the Graybar Building office space.
- 2016-2019 also includes reimbursements from CDOT for station facilities and from the MTA for utilities as well as adjustments to fund operating capital.

PROFESSIONAL SERVICES CONTRACTS

Non-Reimbursable

- 2016 increase of \$4.5 million is primarily due to the ramp up of EAM, Training expense for outside consultants, higher medical services, Automated Passenger Count Survey (APC), bi-annual market share study, Rail Network Simulation and the Onboard Inspection / Collection Time and Motion Study partially offset by the completion of last year's 3D rendering of the GCT Trainshed.
- 2017 decrease of \$1.6 million primarily reflects the completion of the On-call Track Engineering Service initiative, Automated Passenger Count Survey (APC), bi-annual market share study, Rail Network Simulation and the Onboard Inspection / Collection Time and Motion Study.

- 2018 is higher by \$1.6 million due to increased EAM expense and inflation.
- 2019 is higher by \$0.3 million primarily due to inflation.

Reimbursable

- In 2016, an increase of \$15.9 million to \$28.1 million is largely due to the New Haven Line Signal Improvement project as well as the Waterbury Branch Line Cab Signaling project.
- 2017-2019 reflects inflation-based increases.

MATERIAL AND SUPPLIES

Non-Reimbursable

- 2016-2019 costs were inflated based on the Regional CPI (1.81% in 2016, 2.53% in 2017, 2.58% in 2018 and 2.51% in 2019).
- 2016 increase of \$3.9 million is due primarily to Third Rail Power System Construction, GCT Track Rehabilitation, New Haven Branch Line Grade Crossing, PTC, Park Avenue Tunnel Lighting Replacement project, and the New Haven Line Bridge & Culvert Maintenance projects as well as inflationary increases.
- 2017 increase of \$4.8 million includes the M7 Centralized Diagnostic System Replacement (CDS), the New Haven Signal Motor Operated Disconnect (MOD) Change-out, the Power Reliability Third Rail Bond initiative, PTC, and inflationary increases.
- 2018 increase of \$2.5 million is driven by the H&H Third Rail Sectionalizing Switch Replacement, the Park Avenue Tunnel Lighting Replacement project and inflationary increases.
- 2019 increase of \$2.2 million is driven primarily by inflation.

Reimbursable

- In 2016, an increase of \$7.9 million to \$60.6 million largely reflects higher activity for the Positive Train Control, the Bronx Stations Capacity Improvements, and the Harlem & Hudson Power Rehabilitation projects, partially offset by lower expenditures for Track and Turnout program work.
- In 2017-2019, the forecasts of \$62.2 million, \$63.8 million and \$65.4 million, respectively, reflect ongoing expenses for the Positive Train Control project as well as inflationary growth assumptions.

Cash

- Cash adjustments reflect differences between expense accruals and cash requirements.
- 2016-2019 includes increased cash requirements for the increase in M-8 spare parts inventory of \$1.2 million in 2016 and \$1.4 million in 2018.
- 2016-2019 includes adjustments for obsolete material reserves of \$0.6 million in 2016 through 2018 and \$0.7 million in 2019.

OTHER BUSINESS EXPENSES

Non-Reimbursable

- 2016 decreases by \$9.7 million primarily reflecting the full year impact of the Passenger Rail Investment and Improvement Act (PRIIA) recovery of \$8.8 million and the removal of the 2015 write-off adjustment for equipment damaged in the Valhalla incident of \$2.9 million partially offset by the early implementation of mid-

day service on the Port Jervis line of \$0.9 million, increased inflation of \$0.7 million on the West of Hudson line as well as a \$0.3 million fare hold down increase.

- 2017 increase of \$1.6 million reflects the purchase of winter gear of \$1.0 million, higher inflation on the West of Hudson line of \$0.6 million, increased credit card fees of \$0.2 million and the Rail Network Simulation Package of \$0.2 million partially offset by inflation related increases for Amtrak and Passenger Rail Investment and Improvement Act (PRIIA) recoveries of \$0.5 million.
- 2018 is lower by \$0.6 million due to the prior year's winter weather gear purchases and inflation related increases for Amtrak and Passenger Rail Investment and Improvement Act (PRIIA) recoveries of \$0.7 million partially offset by higher inflation on the West of Hudson line of \$0.7 million.
- 2019 is higher by \$0.4 million due to inflationary increases for West of Hudson of \$0.7 million and higher credit card fees of \$0.2 million partially offset by inflation related increases for Amtrak and Passenger Rail Investment and Improvement Act (PRIIA) recoveries of \$0.6 million.

Reimbursable

- In 2016, the \$0.4 million budget is mostly due to the M-9 Specifications Development project.
- 2017-2019 levels reflect a continuation of baseline forecast levels adjusted for inflation.

Cash

- 2016-2019 cash adjustments include payments to other agencies for MetroCard and Uniticket sales as well as special promotions partially offset by the reclassification of credit card fees as an offset to Farebox Revenue.
- 2016-2019 also includes the reclassification of Amtrak and other railroad reimbursements to the Other Operating Revenue category.

DEPRECIATION

Non-Reimbursable

- 2016-2019 includes provisions for changes in Metro-North's capital assets.

OPEB OBLIGATION (GASB 45)

Non-Reimbursable

- 2016-2019 costs reflect the liability for Post-Retirement Benefits (healthcare costs) for future retirees based on an updated actuarial estimate.

ENVIRONMENTAL REMEDIATION (GASB 49)

Non-Reimbursable

- 2016-2019 costs reflect the estimated liability for environmental remediation costs associated with capital projects.

MTA METRO-NORTH RAILROAD
November Financial Plan 2016-2019
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE

	Favorable/(Unfavorable)								
	2015	2016	Change 2015 - 2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018 - 2019
Revenue									
Farebox Revenue	\$675.692	\$693.277	\$17.585	\$707.320	\$14.043	\$718.706	\$11.385	\$726.688	\$7.982
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	61.846	60.341	(1.505)	62.226	1.885	63.683	1.458	64.212	0.529
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenue	\$737.539	\$753.618	\$16.080	\$769.546	\$15.928	\$782.389	\$12.843	\$790.901	\$8.511
Expenses									
Labor:									
Payroll	\$468.600	\$480.363	(\$11.763)	\$496.923	(\$16.561)	\$513.145	(\$16.222)	\$523.548	(\$10.403)
Overtime	96.254	98.451	(2.197)	100.427	(1.976)	102.436	(2.009)	104.484	(2.047)
Health and Welfare	94.754	107.051	(12.297)	108.092	(1.041)	113.995	(5.903)	118.829	(4.834)
OPEB Current Payment	26.965	27.282	(0.317)	27.779	(0.497)	28.986	(1.207)	30.240	(1.254)
Pensions	91.874	91.904	(0.029)	93.020	(1.116)	94.821	(1.801)	98.011	(3.190)
Other Fringe Benefits	111.874	117.375	(5.502)	120.765	(3.390)	124.120	(3.356)	126.352	(2.231)
Reimbursable Overhead	(53.856)	(57.806)	3.950	(59.131)	1.325	(59.868)	0.737	(60.125)	0.257
Total Labor Expenses	\$836.465	\$864.620	(\$28.155)	\$887.876	(\$23.256)	\$917.637	(\$29.761)	\$941.338	(\$23.702)
Non-Labor:									
Electric Power	\$86.768	\$82.288	\$4.480	\$85.920	(\$3.633)	\$90.944	(\$5.024)	\$96.319	(\$5.374)
Fuel	20.432	21.229	(0.797)	22.553	(1.324)	25.275	(2.722)	28.043	(2.768)
Insurance	19.064	20.015	(0.951)	21.329	(1.314)	22.914	(1.585)	24.714	(1.800)
Claims	1.273	1.000	0.273	1.000	0.000	1.000	0.000	1.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	107.580	127.374	(19.794)	125.503	1.871	127.819	(2.317)	127.548	0.271
Professional Service Contracts	35.291	39.754	(4.464)	38.128	1.626	39.698	(1.570)	39.977	(0.279)
Materials & Supplies	74.991	78.869	(3.878)	83.662	(4.792)	86.141	(2.480)	88.303	(2.162)
Other Business Expenses	25.491	15.754	9.737	17.332	(1.578)	16.727	0.605	17.147	(0.420)
Total Non-Labor Expenses	\$370.890	\$386.283	(\$15.393)	\$395.427	(\$9.144)	\$410.519	(\$15.092)	\$423.052	(\$12.533)
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.	\$1,207.354	\$1,250.903	(\$43.548)	\$1,283.303	(\$32.400)	\$1,328.155	(\$44.853)	\$1,364.390	(\$36.235)
Depreciation	\$226.647	\$234.092	(\$7.445)	\$234.092	\$0.000	\$234.092	\$0.000	\$234.092	\$0.000
OPEB Obligation	68.316	68.316	0.000	68.316	0.000	68.316	0.000	68.316	0.000
Environmental Remediation	5.109	5.000	0.109	5.000	0.000	5.000	0.000	5.000	0.000
Total Expenses	\$1,507.426	\$1,558.311	(\$50.885)	\$1,590.711	(\$32.400)	\$1,635.564	(\$44.853)	\$1,671.798	(\$36.235)
Net Surplus/(Deficit)	(\$769.887)	(\$804.693)	(\$34.805)	(\$821.165)	(\$16.472)	(\$853.174)	(\$32.010)	(\$880.898)	(\$27.723)

MTA METRO-NORTH RAILROAD
November Financial Plan 2016-2019
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

REIMBURSABLE

	Favorable/(Unfavorable)								
	2015	2016	Change 2015 - 2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018 - 2019
Revenue									
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	232.386	255.867	23.481	261.251	5.384	267.131	5.880	272.513	5.382
Total Revenue	\$232.386	\$255.867	\$23.481	\$261.251	\$5.384	\$267.131	\$5.880	\$272.513	\$5.382
Expenses									
Labor:									
Payroll	\$46.143	\$44.179	\$1.964	\$45.535	(\$1.356)	\$46.597	(\$1.062)	\$47.512	(\$0.914)
Overtime	17.678	18.498	(0.820)	18.813	(0.315)	19.240	(0.428)	19.617	(0.377)
Health and Welfare	14.201	14.347	(0.146)	14.416	(0.069)	15.035	(0.620)	15.657	(0.622)
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	9.930	9.439	0.491	9.521	(0.082)	9.640	(0.119)	9.964	(0.324)
Other Fringe Benefits	9.153	10.977	(1.824)	11.285	(0.308)	11.547	(0.262)	11.774	(0.226)
Reimbursable Overhead	52.892	55.007	(2.116)	56.232	(1.225)	56.909	(0.677)	57.135	(0.225)
Total Labor Expenses	\$149.996	\$152.447	(\$2.452)	\$155.802	(\$3.355)	\$158.970	(\$3.168)	\$161.658	(\$2.688)
Non-Labor:									
Electric Power	\$0.478	\$0.000	\$0.478	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	3.559	3.481	0.077	3.557	(0.075)	3.640	(0.083)	3.711	(0.070)
Claims	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	12.764	10.803	1.961	10.991	(0.188)	11.275	(0.284)	11.558	(0.283)
Professional Service Contracts	12.224	28.070	(15.846)	28.290	(0.220)	29.020	(0.730)	29.748	(0.728)
Materials & Supplies	52.708	60.630	(7.921)	62.164	(1.534)	63.767	(1.604)	65.368	(1.601)
Other Business Expenses	0.658	0.437	0.221	0.448	(0.011)	0.459	(0.012)	0.471	(0.012)
Total Non-Labor Expenses	\$82.390	\$103.420	(\$21.029)	\$105.449	(\$2.029)	\$108.161	(\$2.712)	\$110.855	(\$2.694)
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	\$232.386	\$255.867	(\$23.481)	\$261.251	(\$5.384)	\$267.131	(\$5.880)	\$272.513	(\$5.382)
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses	\$232.386	\$255.867	(\$23.481)	\$261.251	(\$5.384)	\$267.131	(\$5.880)	\$272.513	(\$5.382)
Net Surplus/(Deficit)	\$0.000	\$0.000	(\$0.000)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	(\$0.000)

MTA METRO-NORTH RAILROAD
November Financial Plan 2016-2019
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	Favorable/(Unfavorable)								
	2015	2016	Change 2015 - 2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018 - 2019
Revenue									
Farebox Revenue	\$675.692	\$693.277	\$17.585	\$707.320	\$14.043	\$718.706	\$11.385	\$726.688	\$7.982
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	61.846	60.341	(1.505)	62.226	1.885	63.683	1.458	64.212	0.529
Capital and Other Reimbursements	232.386	255.867	23.481	261.251	5.384	267.131	5.880	272.513	5.382
Total Revenue	\$969.925	\$1,009.485	\$39.561	\$1,030.797	\$21.312	\$1,049.521	\$18.723	\$1,063.414	\$13.893
Expenses									
Labor:									
Payroll	\$514.743	\$524.542	(\$9.799)	\$542.459	(\$17.917)	\$559.743	(\$17.284)	\$571.060	(\$11.317)
Overtime	113.932	116.949	(3.017)	119.239	(2.291)	121.677	(2.437)	124.101	(2.424)
Health and Welfare	108.955	121.398	(12.443)	122.508	(1.110)	129.030	(6.522)	134.486	(5.455)
OPEB Current Payment	26.965	27.282	(0.317)	27.779	(0.497)	28.986	(1.207)	30.240	(1.254)
Pensions	101.804	101.343	0.461	102.541	(1.198)	104.461	(1.920)	107.975	(3.514)
Other Fringe Benefits	121.027	128.352	(7.325)	132.050	(3.698)	135.668	(3.618)	138.125	(2.458)
Reimbursable Overhead	(0.965)	(2.799)	1.834	(2.898)	0.100	(2.958)	0.060	(2.990)	0.032
Total Labor Expenses	\$986.460	\$1,017.067	(\$30.606)	\$1,043.678	(\$26.611)	\$1,076.607	(\$32.929)	\$1,102.996	(\$26.390)
Non-Labor:									
Electric Power	\$87.246	\$82.288	\$4.958	\$85.920	(\$3.633)	\$90.944	(\$5.024)	\$96.319	(\$5.374)
Fuel	20.432	21.229	(0.797)	22.553	(1.324)	25.275	(2.722)	28.043	(2.768)
Insurance	22.623	23.496	(0.873)	24.886	(1.390)	26.554	(1.668)	28.425	(1.871)
Claims	1.273	1.000	0.273	1.000	0.000	1.000	0.000	1.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	120.344	138.177	(17.833)	136.494	1.683	139.094	(2.600)	139.106	(0.012)
Professional Service Contracts	47.514	67.824	(20.310)	66.418	1.406	68.718	(2.300)	69.726	(1.008)
Materials & Supplies	127.699	139.499	(11.800)	145.825	(6.326)	149.909	(4.083)	153.672	(3.763)
Other Business Expenses	26.149	16.190	9.958	17.779	(1.589)	17.186	0.593	17.618	(0.431)
Total Non-Labor Expenses	\$453.280	\$489.703	(\$36.423)	\$500.876	(\$11.173)	\$518.680	(\$17.804)	\$533.907	(\$15.227)
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	\$1,439.740	\$1,506.770	(\$67.029)	\$1,544.554	(\$37.784)	\$1,595.287	(\$50.733)	\$1,636.903	(\$41.616)
Depreciation									
Depreciation	\$226.647	\$234.092	(\$7.445)	\$234.092	\$0.000	\$234.092	\$0.000	\$234.092	\$0.000
OPEB Obligation	68.316	68.316	0.000	68.316	0.000	68.316	0.000	68.316	0.000
Environmental Remediation	5.109	5.000	0.109	5.000	0.000	5.000	0.000	5.000	0.000
Total Expenses	\$1,739.812	\$1,814.178	(\$74.366)	\$1,851.962	(\$37.784)	\$1,902.695	(\$50.733)	\$1,944.311	(\$41.616)
Net Surplus/(Deficit)	(\$769.887)	(\$804.693)	(\$34.805)	(\$821.165)	(\$16.472)	(\$853.174)	(\$32.010)	(\$880.898)	(\$27.723)

MTA METRO-NORTH RAILROAD
November Financial Plan 2016-2019
Year-to-Year Changes by Category - Cash Basis
(\$ in millions)

CASH RECEIPTS & EXPENDITURES

	Favorable/(Unfavorable)								
	2015	2016	Change 2015 - 2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018 - 2019
Receipts									
Farebox Revenue	\$680.395	\$698.155	\$17.760	\$712.431	\$14.277	\$724.097	\$11.666	\$732.416	\$8.319
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	98.209	142.657	44.448	97.307	(45.350)	96.644	(0.663)	97.341	0.698
Capital and Other Reimbursements	237.206	263.244	26.038	260.116	(3.128)	265.693	5.577	271.604	5.911
Total Receipts	\$1,015.810	\$1,104.055	\$88.245	\$1,069.854	-\$34.202	\$1,086.433	\$16.580	\$1,101.361	\$14.928
Expenditures									
Labor:									
Payroll	\$592.261	\$531.586	\$60.675	\$547.084	(\$15.499)	\$561.012	(\$13.928)	\$570.811	(\$9.800)
Overtime	132.358	116.651	15.707	119.456	(2.806)	121.326	(1.870)	123.722	(2.396)
Health and Welfare	113.621	125.144	(11.523)	126.413	(1.269)	133.085	(6.672)	138.693	(5.607)
OPEB Current Payment	25.614	27.282	(1.668)	27.779	(0.497)	28.986	(1.207)	30.240	(1.254)
Pensions	90.970	102.525	(11.555)	103.318	(0.793)	105.244	(1.926)	108.440	(3.196)
Other Fringe Benefits	128.230	129.421	(1.191)	133.104	(3.683)	136.111	(3.007)	137.870	(1.759)
GASB Account	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Reimbursable Overhead	0.255	(0.000)	0.255	0.000	(0.000)	(0.000)	0.000	(0.000)	0.000
Total Labor Expenditures	\$1,083.309	\$1,032.608	\$50.701	\$1,057.155	(\$24.546)	\$1,085.764	(\$28.609)	\$1,109.776	(\$24.012)
Non-Labor:									
Electric Power	\$88.745	\$83.859	\$4.886	\$87.539	(\$3.680)	\$92.611	(\$5.072)	\$98.036	(\$5.424)
Fuel	19.558	20.349	(0.791)	21.647	(1.298)	24.341	(2.695)	27.081	(2.740)
Insurance	23.306	23.914	(0.608)	25.377	(1.464)	27.080	(1.702)	28.967	(1.887)
Claims	22.843	56.473	(33.630)	1.146	55.327	1.146	0.000	1.146	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	125.807	156.192	(30.385)	149.286	6.906	140.589	8.697	136.761	3.828
Professional Service Contracts	53.322	78.552	(25.230)	77.100	1.452	74.748	2.352	71.674	3.074
Materials & Supplies	129.410	149.496	(20.086)	154.917	(5.421)	156.152	(1.235)	154.786	1.367
Other Business Expenses	57.047	63.678	(6.631)	64.093	(0.415)	63.631	0.462	64.851	(1.220)
Total Non-Labor Expenditures	\$520.038	\$632.513	(\$112.475)	\$581.105	\$51.408	\$580.299	\$0.806	\$583.302	(\$3.003)
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	\$1,603.347	\$1,665.121	(\$61.774)	\$1,638.260	\$26.862	\$1,666.063	(\$27.803)	\$1,693.078	(\$27.015)
Net Cash Surplus/(Deficit)	(\$587.537)	(\$561.066)	\$26.471	(\$568.406)	(\$7.340)	(\$579.630)	(\$11.224)	(\$591.717)	(\$12.087)
Subsidies									
MTA	\$438.601	\$440.679	\$2.078	\$452.569	\$11.890	\$456.693	\$4.124	\$461.862	\$5.169
CDOT	148.937	120.385	(28.552)	115.835	(4.550)	122.933	7.098	129.853	6.920
Total Subsidies	\$587.538	\$561.064	(\$26.474)	\$568.404	\$7.340	\$579.626	\$11.222	\$591.715	\$12.089

MTA METRO-NORTH RAILROAD
2016 Final Proposed Budget
November Financial Plan 2016-2019
Summary of Plan-to-Plan Changes by Generic Category

November Financial Plan vs. July Financial Plan

REVENUE

FAREBOX REVENUE

Non-Reimbursable

- 2016–2019 reflects adjustments in ridership growth due to revised regional employment projections resulting in lower revenue of \$1.6 million in 2016 and \$0.9 million in 2017, and improving slightly by \$0.7 million in 2018 and \$0.1 million in 2019.

Reimbursable

- Not applicable

Cash

- 2016-2019 cash adjustments include receipts from the sale of MetroCards, Westchester County bus fares and special event promotions partially offset by credit card fees associated with the purchase of passenger tickets.

OTHER OPERATING REVENUE

Non-Reimbursable

- 2015 increase of \$0.2 million from the Mid-Year Forecast reflects higher retail rental revenue at GCT partially offset by lower advertising revenue.
- 2016-2019 decreases reflect a re-estimate of Inter-agency revenue from NYCT and lower GCT event revenue partially offset by higher parking revenues resulting from the full impact of increased spaces in North White Plains starting in 2017.

Reimbursable

- Not applicable

Cash

- 2016 adjustments reflect the timing change from 2015 to 2016 for a reimbursement from FMTAC for the Spuyten Duyvil derailment claims of \$50.4 million (offsetting expenditures recorded in the Claims category).

CAPITAL AND OTHER REIMBURSEMENTS

Reimbursable

- Higher overall reimbursements in 2015 of \$35.6 million are attributable to an overall increase in the timing of expenditures for material and contracted services of \$32.5 million for the Power and Communications & Signal Infrastructure Restoration projects, several Mainline Turnout projects, Bronx Stations Capacity Improvements and the Positive Train Control project.
- 2016-2019 reimbursable project costs (and receipts) reflect scheduling changes for Positive Train Control project work, Track and Turnout programs and New Haven mainline and Waterbury Branch Signal projects.

Cash

- 2015-2019 includes changes in the timing of capital project payments in accordance with billing and payment processing lags.

EXPENSES

PAYROLL

Management Labor

- 2015 is lower by \$4.1 million due a change in the timing of new hires.
- 2016 staff growth rate is the same as projected in the Preliminary Budget.
- 2017-2019 increases of \$2.7 million, \$7.2 million and 8.1 million, respectively, are due to the timing of new hires to support safety and infrastructure initiatives and annual salary increases.

Agreement Labor

- 2015 is higher by \$5.9 million due to the impact of Retroactive Wage Adjustment (RWA) settlements and the redeployment of reimbursable labor forces to non-reimbursable work efforts.
- 2016–2019 expenses are lower by \$1.7 million, \$5.8 million, \$6.8 million and \$9.1 million, respectively, due to the timing of new hires and increased capital work partially offset by the impact of new infrastructure initiatives.

Reimbursable

- The November forecast for 2015 is lower by \$0.8 million.
- 2016 favorable expenses of \$3.7 million are driven by the completion of Cyclical Track programs.
- 2017-2019 reflects a continuation of 2016 baseline project levels adjusted for inflation.

Cash

- 2016-2019 cash adjustments include technical changes to reduce the labor costs of several new initiatives and reallocate capital labor costs to the operating budget.

OVERTIME

Non-Reimbursable

- 2015-2019 remains at the same level as the July Financial Plan.

Reimbursable

- 2015-2019 Overtime project requirements remain at approximately the same level as the July Financial Plan.

HEALTH AND WELFARE

Non-Reimbursable and Reimbursable

- 2015 and 2016 reflects fewer filled positions compared to the July Financial Plan.
- 2015-2019 reflects the same rates used in the July Financial Plan.

OPEB CURRENT PAYMENT (GASB 45)

Non-Reimbursable

- 2015-2019 cash contributions have been adjusted to reflect the latest funding assumption criteria for retirees and premiums.

PENSIONS

Non-Reimbursable and Reimbursable

- The 2015-2019 change in pension costs represents updated actuarial estimates for the Defined Benefit Plan and the impact of the revised wage settlement estimate.

OTHER FRINGE BENEFITS

Non-Reimbursable and Reimbursable

- 2015-2019 reflect changes in Railroad Retirement taxes, adjustments to employee claims and projected wage increases.

REIMBURSABLE OVERHEAD

Reimbursable

- The 2015 November Forecast of \$52.9 million for Reimbursable Overhead expense reflects an increase of \$4.9 million versus the Mid-Year Forecast, largely due to timing changes in the Catenary C1A & C2 Replacement project.
- The 2016 Budget of \$55.0 million reflects the impact of the Cyclical Track program, revised requirements and scheduling for the C-30 Track program and increased workflows for the Positive Train Control project.
- 2017-2019 levels are based upon on-going project activity levels adjusted for the impact of inflation.

ELECTRIC POWER

Traction Power - Revenue

Non-Reimbursable

- 2015-2019 decreases of \$2.6 million in 2015, \$8.2 million in 2016, \$8.4 million in 2017, \$8.9 million in 2018 and \$10.0 million in 2019 are due to lower rates.

Non-Traction Power – Non-Revenue

Non-Reimbursable

- 2015 increases by \$0.7 million due to slightly higher usage.
- 2016-2019 is essentially flat.

FUEL

Revenue Vehicle Fuel

Non-Reimbursable

- 2015-2019 decreases by \$1.9 million in 2015, \$2.0 million in 2016, \$1.6 million in 2017, \$0.9 million in 2018 and \$0.5 million in 2019 due to lower rates.

Cash

- 2016-2019 includes a credit (reduction to cash disbursements) for accrued fuel costs at New Haven which are paid directly by CDOT.

Non-Revenue Fuel

Non-Reimbursable

- 2015-2019 is essentially flat to the July Plan.

INSURANCE

Non-Reimbursable and Reimbursable

- 2015-2019 incorporates the impact of revised premiums.

Cash

- 2016-2019 includes an adjustment for the difference between expense accruals and cash payments.

CLAIMS

Non-Reimbursable

- 2015-2019 reflects current passenger claim trends.

Cash

- 2016 adjustments reflect the timing change from 2015 to 2016 for the settlement of derailment claims totaling \$50.4 million of which \$50.2 million will be reimbursed by FMTAC for Spuyten Duyvil derailment settlements (reimbursement included in Other Operating revenue category).

MAINTENANCE AND OTHER OPERATING CONTRACTS

Non-Reimbursable

- 2015 decrease of \$7.5 million reflects a reduction in Genesis Locomotive Overhauls of \$2.6 million, an accounting adjustment for the straight-line amortization of the Graybar Building office space lease of \$2.3 million, rescheduling of the opening of the New Haven Component Change-Out Shop for \$1.5 million and lower steam costs of \$1.0 million.
- 2016-2019 changes reflect:
 - Power Control/SCADA system Upgrade of \$3.0 million in 2016 and \$1.7 million in 2017.
 - Additional Vehicle Maintenance costs of \$0.4 million annually.
 - Annual maintenance fees of \$0.3 million for the inventory retrieval system in the new Component Change-Out Shop in New Haven.
 - A transfer of \$2.0 million each year to Material & Supplies for Locomotive Overhaul work that will be performed in-house instead of by an outside contractor.

Reimbursable

- 2015 November Forecast expenses of \$12.8 million versus the Mid-Year Forecast of \$8.7 million represents an increase of \$4.0 million. This is largely due to revised project requirements for the C-30 Track program, increases for lagged invoices arising from the completion of the Bridge Timbers at Waterbury project, and the ongoing Positive Train Control project.
- The 2016 decrease of \$25.8 million primarily reflects the rescheduling of the Positive Train Control project.
- 2017-2019 forecasts of \$11.0 million, \$11.3 million, \$11.6 million, respectively, are based upon on-going project activity levels adjusted for inflation.

Cash

- 2016-2019 cash adjustments include timing differences and reallocations to accrued expenses.

PROFESSIONAL SERVICES CONTRACTS

Non-Reimbursable

- 2015 November Forecast is lower by \$1.7 million vs. the 2015 Mid-Year Forecast due primarily to favorable re-estimates of miscellaneous service contracts for medical services, outside training, outside counsel in Claims and EAM consulting fees.
- 2016 plan-to-plan costs increase by \$2.9 million reflecting increased EAM expense, the continuation of the on-call track engineering program originally scheduled to end in 2015 as well as the full year impact of rescheduled 2015 outside training expenses.
- 2017-2019 expenses are higher by \$1.6 million, \$2.7 million and \$2.6 million, respectively, due to increased EAM expense and inflation.

Reimbursable

- 2015 increase of \$4.7 million is largely due to accelerated workflows for Positive Train Control, timing revisions for the Design of Railway C&S Systems project and the new Waterbury Branch Cab Signaling and SAGA Bridge Repair projects.
- In 2016, a significant increase of \$21.1 million to \$28.1 million is driven primarily by the New Haven Line and Waterbury Branch signal projects.
- 2017-2019 forecast levels of \$28.3 million, \$29.0 million, and \$29.7 million are based upon on-going project activity levels adjusted for the impact of inflation.

MATERIAL AND SUPPLIES

Non-Reimbursable

- 2015 is essentially flat to the Mid-Year Forecast.
- 2016-2017 expenses are higher by \$2.5 million and \$3.7 million, respectively, primarily reflecting MNR's performing the Genesis Locomotive overhauls in-house as well as changes in requirements for the M8 fleet coming off warranty and an adjustment to M2, M4 and M6 car disposal costs.
- 2018-2019 expense increases of \$6.3 million annually are primarily due to the above items as well as revisions to the M7 Seat Change-Out Plan.

Reimbursable

- In 2015, the November Forecast expenses are \$52.7 million or higher by \$23.9 million due to the Power Infrastructure Restoration project, Communications & Signal Infrastructure Restoration project, several Turnouts/Mainline projects, Bronx Stations Capacity Improvements project and the Positive Train Control project.
- In 2016, an increase to \$60.6 million is driven largely by the Harlem & Hudson Power Rehabilitation project, Bronx Stations Capacity Improvements, Third Rail Component Replacement Project, the new 2015-2019 Cyclical Track program, and the Turnouts/Mainline High Speed project.
- 2017-2019 levels of \$62.2 million, \$63.8 million and \$65.4 million reflect inflationary increases.

Cash

- 2016-2019 reflects cash adjustments for the difference between expense accruals and cash payments.

OTHER BUSINESS EXPENSES

Non-Reimbursable

- 2015 November Forecast is higher by \$0.7 million versus the Mid-Year Forecast due primarily to higher Madison Avenue relocation expenses of \$0.8 million, and lower expense recoveries from other railroads of \$0.3 million partially offset by lower West of Hudson net subsidies of \$0.7 million related to lower inflation of \$0.6 million and higher ridership revenue of \$0.4 million offset by the early implementation of mid-day service on the Port Jervis line.
- 2016-2019 costs are higher by \$0.7 million in 2016 and \$0.4 million in 2017, then lower by \$2.5 million in 2018 and \$3.6 million in 2019 primarily due to lower Amtrak reimbursements based upon the elimination of the performance bonus that offset revised PRIIA reimbursements. These increases in the out years are partially offset by subsidy reductions in West of Hudson related to the postponement of additional service, higher revenue and lower inflation.

Reimbursable

- In 2015, the \$0.7 million budget includes \$0.3 million expense for the New Haven Yard Component Change-out project.
- In 2016, the \$0.4 million budget is mostly due to the M9 Specifications Development project.
- 2017-2019 levels reflect a continuation of current requirements adjusted for inflation.

DEPRECIATION

Non-Reimbursable

- 2015-2019 includes provisions for changes in Metro-North's capital assets.

OPEB OBLIGATION (GASB 45)

Non-Reimbursable

- 2015-2019 costs reflect the liability for Post-Retirement Benefits (healthcare costs) for future retirees based on an updated actuarial estimate.

ENVIRONMENTAL REMEDIATION (GASB 49)

Non-Reimbursable

- 2015-2019 costs reflect the estimated liability for environmental remediation costs associated with capital projects.

MTA METRO-NORTH RAILROAD
2016 Final Proposed Budget
November Financial Plan 2016-2019
Summary of November Plan-to-Plan Changes by Generic Category

November Financial Plan vs. February Financial Plan

REVENUE

FAREBOX REVENUE

Non-Reimbursable

- 2015–2019 reflects lower ridership growth from the 2015 Adopted Budget resulting in lower revenue of \$8.4 million, \$9.1 million \$11.8 million, \$12.6 million and \$11.5 million, respectively.

Cash

- 2016-2019 cash adjustments include receipts from the sale of MetroCards, Westchester county bus fares and special promotions partially offset by credit card fees associated with the purchase of passenger tickets.

OTHER OPERATING REVENUE

Non-Reimbursable

- 2015 increase of \$3.7 million reflects the inclusion of Inter-agency revenue from NYCTA as well as higher net GCT retail revenue partially offset by the elimination of all tropical storm reimbursements.
- 2016-2019 increases of \$4.6 million in 2016, \$5.1 million in 2017, and \$6.1 million in both 2018 and 2019 reflects the inclusion of Inter-agency revenue from NYCTA as well as higher net GCT retail.

Cash

- 2016-2019 adjustments include the normal reclassifications of Amtrak and other railroad reimbursements, revenue offsets for GCT revenue funded projects, reimbursements from CDOT, and reimbursements for settlements, scrap material sales as well as other miscellaneous items.
- 2016 adjustments reflect the timing change from 2015 to 2016 for a reimbursement from FMTAC for the Spuyten Duyvil derailment claims of \$50.4 million (offsetting expenditures were recorded in the Claims category).

CAPITAL AND OTHER REIMBURSEMENTS

Reimbursable

- Higher overall reimbursements in 2015 of \$30.1 million relative to the February Financial Plan are driven primarily by increases in non-labor expenses arising from revised estimates for various cyclical track and turnouts projects as well as the NHL Grade Crossing Program, Catenary C1 & C2 replacement project and Positive Train Control.
- 2016-2019 reimbursable project costs (and receipts) reflect the ongoing impact of the Positive Train Control (PTC) project as well as other key initiatives including the

Signals Replacement project on the New Haven Line and the Waterbury Branch Line Cab Signaling project.

Cash

- 2016-2019 includes adjustments for receipt timing differences.

EXPENSES

PAYROLL

Management Labor

- 2015-2018 non-agreement salary expense is lower by \$13.3 million, \$11.6 million, \$8.3 million and \$1.9 million, respectively, due a change in the timing of new hires to support safety and infrastructure initiatives partially offset by annual salary increases.
- 2019 is slightly higher by \$1.0 million due to the same reasons as above.

Agreement Labor

- 2015 is higher by \$0.6 million due to the impact of RWA settlements partially offset by a change in the timing of new hires to support safety and infrastructure initiatives.
- 2016–2019 expenses are lower by \$6.8 million, \$10.0 million, \$9.1 million and \$8.9 million, respectively, due to the timing of new hires and increased capital work partially offset by the impact of new infrastructure initiatives.

Reimbursable

- 2015 labor expenses decreased by \$4.8 million largely due to schedule refinements for the West of Hudson Signals project, Harmon Shop Improvements project as well as scheduling delays for the 2015-2019 Cyclical Track program.
- 2016–2019 increases reflect minor project refinements as well as adjustments for inflation.

Cash

- 2016-2019 cash adjustments include timing changes for differences in accrued versus paid days, an Agreement employee allowance (for uniforms, tools and shoes) and employee contributions to healthcare coverage.
- 2016-2019 cash adjustments include technical changes to reduce labor costs for several new initiatives and reallocate capital labor costs to the operating budget.

OVERTIME

Non-Reimbursable

- 2015-2019 includes additional overtime to cover inclement weather emergencies (\$2.4 million), an increase in employee training hours for New York State mandated employee compliance and certification training (\$2.0 million) and adjustments to Infrastructure Improvement Program work requirements.

Reimbursable

- 2015 November Forecast increases of \$2.4 million are driven by revised workflows for the 2013 and 2014 Cyclical Track programs as these projects approach completion.
- 2016–2019 increases reflect adjustments for inflation.

HEALTH AND WELFARE

Non-Reimbursable and Reimbursable

- 2015-2019 November Forecast changes primarily reflect fewer filled positions compared to the 2015 Adopted Budget offset in 2016 by unfavorable changes in premiums.

OPEB CURRENT PAYMENT (GASB 45)

Non-Reimbursable

- 2015-2019 cash contributions have been adjusted to reflect the latest funding assumption criteria for retirees and premiums.

PENSIONS

Non-Reimbursable and Reimbursable

- The 2015-2019 change in pension costs represents updated actuarial estimates for the Defined Benefit Plan and the impact of the revised wage settlement estimate.

OTHER FRINGE BENEFITS

Non-Reimbursable and Reimbursable

- 2015–2019 reflects changes in Railroad Retirement taxes, adjustments to employee claims and the revised wage settlement estimate.

Cash

- 2016-2019 adjustments include differences between expense accruals and cash disbursements.

REIMBURSABLE OVERHEAD

Reimbursable

- 2015 November Forecast for Reimbursable Overhead increased by \$5.5 million versus the 2015 Adopted Budget due primarily to revised workflows for the 2013 and 2014 Cyclical Track programs.
- 2016-2019 levels are based upon ongoing project activity levels adjusted for the impact of inflation.

ELECTRIC POWER

Traction Power - Revenue

Non-Reimbursable

- 2015-2019 decreases by \$1.0 million in 2015, \$5.7 million in 2016, \$9.8 million in 2017, \$11.4 million in 2018 and \$12.5 million in 2019 due to lower rates.

Non-Traction Power – Non-Revenue

Non-Reimbursable

- 2015-2019 primarily reflects the impact of revised inflation factors offset in the outer years by lower usage.

FUEL

Revenue Vehicle Fuel

Non-Reimbursable

- 2015-2019 decreases by \$6.7 million in 2015, \$5.5 million in 2016, \$4.8 million in 2017, \$3.0 million in 2018 and \$1.5 million in 2019 due to lower rates.

Cash

- 2016-2019 includes a credit (reduction to cash disbursements) for accrued fuel costs at New Haven which are paid directly by CDOT.

Non-Revenue Fuel

Non-Reimbursable

- 2015-2019 is essentially flat to the February Financial Plan.

INSURANCE

Non-Reimbursable and Reimbursable

- 2015-2019 incorporates the impact of revised premiums.

Cash

- 2016-2019 includes an adjustment for the difference between expense accruals and cash payments.

CLAIMS

Non-Reimbursable

- 2015-2019 reflects current passenger claim trends.

Cash

- 2016 includes \$55.3 million of forecasted claims settlements for the Spuyten Duyvil and Bridgeport derailments. FMTAC will reimburse Metro-North \$50.4 million for Spuyten Duyvil claims (which is recognized in the Other Operating Revenue line).
- 2016-2019 reflects the timing of payments made for passenger injury and miscellaneous claims.

MAINTENANCE AND OTHER OPERATING CONTRACTS

Non-Reimbursable

- 2015 decrease of \$2.5 million reflects a reduction in Genesis Locomotive Overhauls, rescheduling of the opening of the New Haven Component Change-Out Shop, lower steam costs, and the reclassification of operating expenses for the Terrazzo Floor Replacement and Upper Harlem Line Transformer Refurbishment projects to operating capital. These cost reductions are partially offset by an accounting adjustment for the straight-line amortization of the Graybar Building office space lease, M7 Centralized Diagnostic System (CDS) Implementation and Software Support costs.
- 2016-2019 cost increases include maintenance costs for the following items: Power Control/SCADA System Upgrade, vehicle maintenance, EAM, inventory retrieval system, and start of the Locomotive Overhaul work being performed in-house.

Reimbursable

- 2015 November Forecast expenses increased by \$1.3 million versus the 2015 Adopted Budget largely due to revised scheduling for the Positive Train Control project and the 2013 Cyclical Track program.
- 2016-2019 levels are based upon ongoing project activity levels adjusted for the impact of inflation and select project refinements.

Cash

- 2016-2019 cash adjustments include the elimination of non-cash GASB 49 environmental accruals and, in accordance with the lease terms, a reduction in cash requirements versus accrued costs for the Graybar Building office space.
- 2016-2019 also includes reimbursements from CDOT for station facilities and from the MTA for utilities as well as adjustments to fund operating capital.

PROFESSIONAL SERVICES CONTRACTS

Non-Reimbursable

- 2015 November Forecast is lower by \$2.3 million vs. the Adopted Budget due primarily to favorable re-estimates of miscellaneous service contracts for medical services, outside training, outside counsel in Claims and EAM consulting fees.
- 2016 costs increase by \$3.0 million reflecting increased EAM expense, the continuation of the on-call track engineering program originally scheduled to end in 2015 as well as the impact of rescheduled 2015 outside training expenses.
- 2017-2019 expenses are higher by \$2.0 million, \$3.3 million and \$3.5 million, respectively, due primarily to increased EAM expense and inflation.

Reimbursable

- 2015 November Forecast expenditures increased \$3.6 million largely due to an increase in workflows for the Positive Train Control project as well as the Saga and Devon Bridge repair projects.
- 2016-2019 levels reflect the impact of the Signals Improvement Project on the New Haven Line and the Waterbury Branch Cab signaling project as well as ongoing project workflows adjusted for inflation.

MATERIAL AND SUPPLIES

Non-Reimbursable

- 2015-2016 expenses are essentially flat to the February Financial Plan.
- 2017-2019 expenses are higher primarily due to MNR performing the Genesis Locomotive overhauls in-house, changes in requirements for the M-8 fleet coming off warranty, an adjustment to M2, M4 and M6 car disposal costs and revisions to the M7 Seat Change-Out Plan

Reimbursable

- 2015 November Forecast expenses increased \$22.5 million due to revised requirements for several track and turnouts projects as well as Positive Train Control.
- 2016-2019 reflects increased project requirements for the Harlem & Hudson Power Rehabilitation project, the 2015-2019 Cyclical Track program, the Turnouts/Mainline

High Speed project and Positive Train Control. Additionally, inflationary factors have been applied to the baseline forecast for other projects.

Cash

- Cash adjustments reflect differences between expense accruals and cash requirements.
- 2016-2019 also includes higher cash requirements for the increase in M8 spare parts inventory of \$1.2 million in 2016 and \$1.4 million in 2018.
- 2016-2019 includes adjustments for obsolete material reserves of \$0.6 million in 2016 through 2018 and \$0.7 million in 2019.

OTHER BUSINESS EXPENSES

Non-Reimbursable

- 2015 November Financial Plan is higher by \$12.2 million due mainly to the elimination of the cost recovery from Con Edison for the 2013 New Haven Line power outage losses, the asset value write-down of accident damaged rolling stock and higher Madison Avenue relocation expense.
- 2016-2019 costs are lower due to increased PRIIA reimbursements and lower West of Hudson net subsidy expense partially offset by lower Amtrak reimbursements based upon the elimination of the 2015 performance bonus.

Cash

- 2016-2019 cash adjustments include payments for receipt of MetroCards, Westchester County bus fares and special promotions partially offset by the reclassification of credit card fees as an offset to Farebox Revenue. Also included are reclassifications of Amtrak and other railroad reimbursements to the Other Operating Revenue category.

DEPRECIATION

Non-Reimbursable

- 2015-2019 includes provisions for changes in Metro-North's capital assets.

OPEB OBLIGATION (GASB 45)

Non-Reimbursable

- 2015-2019 costs reflect the liability for Post-Retirement Benefits (healthcare costs) for future retirees based on an updated actuarial estimate.

ENVIRONMENTAL REMEDIATION (GASB 49)

Non-Reimbursable

- 2015-2019 costs reflect the estimated liability for environmental remediation costs associated with capital projects.

MTA METRO-NORTH RAILROAD
November Financial Plan 2016-2019
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE	2015	2016	2017	2018	2019
2015 July Financial Plan - Operating Cash Surplus/(Deficit)	(\$597.495)	(\$569.400)	(\$569.485)	(\$582.916)	(\$601.080)
Baseline Changes					
Revenue					
Farebox Revenue	\$0.323	(\$1.553)	(\$0.918)	\$0.737	\$0.093
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	0.201	(0.796)	(0.359)	(0.366)	(0.372)
Capital and Other Reimbursement	0.000	0.000	0.000	0.000	0.000
Total Revenue Changes	\$0.524	(\$2.349)	(\$1.277)	\$0.370	(\$0.279)
Expenses					
Labor:					
Payroll	(\$1.736)	\$1.698	\$3.017	(\$0.429)	\$1.012
Overtime	(0.000)	0.022	0.027	0.029	0.029
Health and Welfare	1.849	0.738	1.275	0.492	0.969
OPEB Current Payment	(2.166)	(0.390)	(0.500)	(0.500)	(0.500)
Pensions	(0.289)	0.289	0.565	0.071	0.333
Other Fringe Benefits	(1.868)	(1.113)	(0.770)	(1.124)	(0.545)
Reimbursable Overhead	4.442	6.779	7.103	6.840	6.098
Total Labor Expense Changes	\$0.232	\$8.022	\$10.718	\$5.378	\$7.396
Non-Labor:					
Electric Power	\$1.895	\$7.784	\$8.077	\$8.554	\$9.581
Fuel	1.808	2.405	1.833	1.030	0.517
Insurance	0.502	1.575	2.212	2.773	3.318
Claims	(0.268)	0.005	0.005	0.005	0.005
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	7.519	(2.086)	(1.072)	0.595	0.203
Professional Service Contracts	1.699	(2.853)	(1.644)	(2.678)	(2.567)
Materials & Supplies	(0.277)	(2.515)	(3.725)	(6.270)	(6.305)
Other Business Expenses	(0.740)	(0.653)	(0.414)	2.462	3.555
Total Non-Labor Expense Changes	\$12.139	\$3.664	\$5.272	\$6.470	\$8.306
Total Expenses before Depreciation and GASB Adjustments	\$12.371	\$11.685	\$15.990	\$11.848	\$15.702
Depreciation	(\$0.440)	\$0.000	(\$0.000)	(\$0.000)	(\$0.000)
OPEB Obligation	0.000	(0.000)	0.000	0.000	0.000
Environmental Remediation	(0.215)	0.008	0.147	0.284	0.419
Total Expense Changes	\$11.716	\$11.693	\$16.137	\$12.131	\$16.121
Cash Conversion Adjustment Changes					
Depreciation	\$0.440	\$0.000	\$0.000	\$0.000	\$0.000
Operating/Capital	9.657	13.127	(10.589)	(1.677)	3.037
Other Cash Adjustments	(12.380)	(14.136)	(3.189)	(7.535)	(9.514)
Total Cash Conversion Adjustments	(\$2.282)	(\$1.009)	(\$13.778)	(\$9.212)	(\$6.477)
Total Baseline Changes	\$9.957	\$8.336	\$1.081	\$3.290	\$9.364
2015 November Financial Plan - Operating Cash Surplus/(Deficit)	(\$587.538)	(\$561.064)	(\$568.404)	(\$579.626)	(\$591.715)

MTA METRO-NORTH RAILROAD
November Financial Plan 2016-2019
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE	2015	2016	2017	2018	2019
2015 July Financial Plan - Operating Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline Changes					
Revenue					
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursement	35.646	(0.703)	36.717	60.547	62.229
Total Revenue Changes	\$35.646	(\$0.703)	\$36.717	\$60.547	\$62.229
Expenses					
Labor:					
Payroll	\$0.839	\$3.742	\$3.344	\$3.260	\$3.343
Overtime	0.340	(0.120)	(0.067)	(0.120)	(0.114)
Health and Welfare	(0.448)	1.024	1.262	0.956	0.654
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000
Pensions	(0.724)	0.536	0.654	0.738	0.622
Other Fringe Benefits	1.759	0.685	0.610	0.586	0.602
Reimbursable Overhead	(4.866)	(6.011)	(6.238)	(5.898)	(5.089)
Total Labor Expense Changes	(\$3.100)	(\$0.144)	(\$0.434)	(\$0.479)	\$0.018
Non-Labor:					
Electric Power	(\$0.478)	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000
Insurance	0.666	0.836	0.847	0.852	0.871
Claims	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	(4.025)	25.810	8.181	(2.675)	(2.738)
Professional Service Contracts	(4.685)	(21.068)	(21.095)	(21.633)	(22.173)
Materials & Supplies	(23.931)	(4.874)	(24.363)	(36.762)	(38.363)
Other Business Expenses	(0.093)	0.142	0.147	0.152	0.156
Total Non-Labor Expense Changes	(\$32.545)	\$0.847	(\$36.283)	(\$60.068)	(\$62.247)
Total Expense Changes	(\$35.646)	\$0.703	(\$36.717)	(\$60.547)	(\$62.229)
Total Baseline Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
2015 November Financial Plan - Operating Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA METRO-NORTH RAILROAD
November Financial Plan 2016-2019
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2015	2016	2017	2018	2019
2015 July Financial Plan - Operating Cash Surplus/(Deficit)	(\$597.495)	(\$569.400)	(\$569.485)	(\$582.916)	(\$601.080)
Baseline Changes					
Revenue					
Farebox Revenue	\$0.323	(\$1.553)	(\$0.918)	\$0.737	\$0.093
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	0.201	(0.796)	(0.359)	(0.366)	(0.372)
Capital and Other Reimbursement	35.646	(0.703)	36.717	60.547	62.229
Total Revenue Changes	\$36.170	(\$3.052)	\$35.440	\$60.917	\$61.950
Expenses					
Labor:					
Payroll	(\$0.898)	\$5.440	\$6.361	\$2.830	\$4.355
Overtime	0.340	(0.099)	(0.040)	(0.092)	(0.085)
Health and Welfare	1.401	1.762	2.538	1.448	1.624
OPEB Current Payment	(2.166)	(0.390)	(0.500)	(0.500)	(0.500)
Pensions	(1.013)	0.825	1.220	0.809	0.955
Other Fringe Benefits	(0.109)	(0.428)	(0.160)	(0.539)	0.057
Reimbursable Overhead	(0.424)	0.768	0.866	0.942	1.008
Total Labor Expense Changes	(\$2.868)	\$7.878	\$10.284	\$4.899	\$7.414
Non-Labor:					
Electric Power	\$1.417	\$7.784	\$8.077	\$8.554	\$9.581
Fuel	1.808	2.405	1.833	1.030	0.517
Insurance	1.168	2.411	3.059	3.625	4.189
Claims	(0.268)	0.005	0.005	0.005	0.005
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	3.494	23.724	7.109	(2.081)	(2.536)
Professional Service Contracts	(2.986)	(23.920)	(22.739)	(24.311)	(24.740)
Materials & Supplies	(24.208)	(7.389)	(28.088)	(43.033)	(44.668)
Other Business Expenses	(0.832)	(0.510)	(0.266)	2.613	3.711
Total Non-Labor Expense Changes	(\$20.407)	\$4.511	(\$31.011)	(\$53.598)	(\$53.941)
Total Expenses before Non-Cash Liability Adjs.	(\$23.275)	\$12.388	(\$20.727)	(\$48.699)	(\$46.527)
Depreciation	(0.440)	0.000	(0.000)	(0.000)	(0.000)
OPEB Obligation	0.000	(0.000)	0.000	0.000	0.000
Environmental Remediation	(0.215)	0.008	0.147	0.284	0.419
Total Expense Changes	(\$23.930)	\$12.396	(\$20.581)	(\$48.415)	(\$46.109)
Baseline Net Surplus/(Deficit) Changes	\$12.239	\$9.344	\$14.859	\$12.502	\$15.842
Cash Conversion Adjustment Changes					
Depreciation	\$0.440	\$0.000	\$0.000	\$0.000	\$0.000
Operating/Capital	9.657	13.127	(10.589)	(1.677)	3.037
Other Cash Adjustments	(12.380)	(14.136)	(3.189)	(7.535)	(9.514)
Total Cash Conversion Adjustments	(\$2.282)	(\$1.009)	(\$13.778)	(\$9.212)	(\$6.477)
Total Baseline Changes	\$9.957	\$8.336	\$1.081	\$3.290	\$9.364
2015 November Financial Plan - Operating Cash Surplus/(Deficit)	(\$587.538)	(\$561.064)	(\$568.404)	(\$579.626)	(\$591.715)

MTA METRO-NORTH RAILROAD
2016 Final Proposed Budget
November Financial Plan 2016-2019
Summary of Major Plan-to-Plan Changes

Revisions to Metro-North's Financial Plan for years 2015-2019 reflects the effect of evolving economic condition and projected new needs as well as changes in timing of cost assumptions and resource allocations.

2015: NOVEMBER FINANCIAL PLAN vs. JULY FINANCIAL PLAN

The 2015 November Forecast cash subsidy requirement of \$587.5 million for Non-Reimbursable operations is \$10.0 million lower than the 2015 Mid-year Forecast. This is a result primarily of lower non-labor expenses of \$12.1 million driven primarily by lower operating and service contract expense, lower fuel expense, a reduction in Genesis Locomotive Overhauls, and an accounting adjustment for the straight-line amortization of the Graybar Building office space lease. Additionally, Operating Capital is lower by \$9.7 million. These lower expenses are offset by higher payments of capital related purchases due to timing of work being performed of \$11.9 million. Operating revenues of \$737.5 million reflect passenger revenues of \$675.7 million that are \$0.3 million favorable versus the 2015 Mid-Year Forecast resulting from slightly higher commutation ridership. Non-passenger revenues of \$61.8 million are \$0.2 million higher than the 2015 Mid-Year Forecast resulting from higher retail rental revenue at GCT partially offset by lower advertising revenue. Non-Reimbursable operating expenses of \$1,507.4 million reflects a decrease of \$11.7 million, driven primarily by lower fuel expense, lower operating and service contract expense, a reduction in Genesis Locomotive Overhauls, and an accounting adjustment for the straight-line amortization of the Graybar Building office space lease.

The 2015 Reimbursable November Forecast revenue and expense projections total \$232.4 million, which is \$35.6 million higher than the 2015 Mid-Year Forecast. This is largely due to increases in non-labor expenses totaling \$32.5 million as a result of the Power and Communications & Signal Infrastructure Restoration projects, several Turnouts/Mainline projects, and the Positive Train Control project.

2016: NOVEMBER FINANCIAL PLAN vs. JULY FINANCIAL PLAN

The 2016 Final Proposed Budget cash subsidy requirement of \$561.1 million is \$8.3 million lower than the 2016 Preliminary Budget. This is a result primarily driven by favorable operating expenses due to lower energy rates and payroll costs related to the timing of new hires. These decreases are offset by project scheduling changes which increase Operating Capital needs, lower farebox revenues from slightly lower ridership, and other cash timing adjustments.

The 2016 Final Proposed Budget for Reimbursable expenditures (and receipts) are projected at \$255.9 million, which is \$0.7 million lower than the Preliminary Budget of \$256.6 million due to refinements in various project expenditures.

2017-2019: NOVEMBER FINANCIAL PLAN vs. JULY FINANCIAL PLAN

The 2017-2019 November Financial Plan subsidy requirements are lower by \$1.1 million in 2017, \$3.3 million in 2018 and \$9.4 million in 2019 as compared to the July Financial Plan. In general, the decreased subsidies are driven primarily by lower energy costs and lower labor expenses partially offset by the timing of capital project reimbursements.

The 2017-2019 November Financial Plan for Reimbursable expenditures (and receipts) is higher by \$36.7 million in 2017, \$60.5 million in 2018, and \$62.2 million in 2019 as compared to the July Financial Plan. These changes are largely due to the scheduling of Positive Train Control project work, refinements to Track and Turnout programs and New Haven mainline and Waterbury Branch Signal projects.

MTA Metro-North Railroad
November Financial Plan 2016-2019
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2015	2016	2017	2018	2019
2015 July Financial Plan - Operating Cash Surplus/(Deficit)	(\$597.495)	(\$569.400)	(\$569.485)	(\$582.916)	(\$601.080)
Non-Reimbursable Major Changes					
Revenue					
Farebox Revenue	\$0.323	(\$1.553)	(\$0.918)	\$0.737	\$0.093
Other Operating Revenue	0.869	(0.305)	0.132	0.125	0.119
NYCT Fare Revenue Recovery	(0.668)	(0.491)	(0.491)	(0.491)	(0.491)
Sub-Total Non-Reimbursable Revenue Changes	\$0.524	(\$2.349)	(\$1.277)	\$0.370	(\$0.279)
Expenses					
Enterprise Asset Management Program	\$0.000	(\$2.052)	(\$3.086)	(\$3.715)	(\$3.055)
Power Control SCADA Upgrade	0.000	(3.000)	(1.500)	0.000	0.000
Facility Inspection & Maintenance for Harmon Campus	0.000	(0.623)	(0.869)	(0.869)	(0.869)
Operations Center Office Systems Group Reorganization	0.000	(0.696)	(0.959)	(0.959)	(0.959)
Power Department Reorganization	0.000	(0.634)	(0.951)	(0.951)	(0.951)
Revision to Passenger Rail Investment & Improvement Act of 2008 (PRIIA) Recoveries	0.000	0.000	0.000	0.000	0.000
Electric and Fuel Rate Changes	1.747	7.730	7.509	7.286	7.872
Net Labor Changes - Includes Hiring Impacts to Reflect Current Activity, Manager Salary Compression Adjustments, Change of Train & Engine Crew Scheduled Physicals, Increased OPEB (Retiree Medical) Costs, Increased Payroll Tax Rates	0.000	(3.890)	(4.000)	(4.000)	(4.000)
Consolidation of Treasury Function to MTA HQ		0.300	0.304	0.310	0.317
Locomotive Overhaul Reschedule	4.053	(1.400)	0.000	0.000	0.000
Net Occupancy changes due to Timing and Lower Utilities	3.310	0.000	0.000	0.000	0.000
Other Net Expense Changes	2.605	15.959	19.689	15.029	17.766
Sub-Total Non-Reimbursable Expense Changes	\$11.716	\$11.693	\$16.137	\$12.131	\$16.121
Total Non-Reimbursable Major Changes	\$12.239	\$9.344	\$14.859	\$12.502	\$15.842
Reimbursable Major Changes					
Revenue					
Projections for 2016-2019 assume capital project activity levels similar to 2015 MYF adjusted for the winding down / completion / addition of projects, mainly continuation of PTC	\$35.646	(\$0.703)	\$36.717	\$60.547	\$62.229
Sub-Total Reimbursable Revenue Changes	\$35.646	(\$0.703)	\$36.717	\$60.547	\$62.229
Expenses					
Projections for 2016-2019 assume capital project activity levels similar to 2015 MYF adjusted for the winding down / completion / addition of projects, mainly continuation of PTC	(35.646)	0.703	(36.717)	(60.547)	(62.229)
Sub-Total Reimbursable Expense Changes	(\$35.646)	\$0.703	(\$36.717)	(\$60.547)	(\$62.229)
Total Reimbursable Major Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Accrual Changes	\$12.239	\$9.344	\$14.859	\$12.502	\$15.842
Cash Adjustment Changes					
Purchase of two NJT Locos	\$5.000	0.000	0.000	0.000	0.000
Operating Capital Changes	(2.205)	(3.873)	(15.589)	(1.677)	3.037
Other Net Cash Adjustments	(5.077)	2.864	1.811	(7.535)	(9.514)
Total Cash Adjustment Changes	(\$2.282)	(\$1.009)	(\$13.778)	(\$9.212)	(\$6.477)
Total Baseline Changes	\$9.957	\$8.336	\$1.081	\$3.290	\$9.364
2015 November Financial Plan - Operating Cash Surplus/(Deficit)	(\$587.538)	(\$561.064)	(\$568.404)	(\$579.626)	(\$591.715)

MTA METRO-NORTH RAILROAD
2016 Final Proposed Budget
November Financial Plan 2016-2019
Ridership / (Utilization)

Ridership projections are developed primarily by the application of line segment ridership forecasting models that incorporate current trends (excluding anomalies) to create the baseline forecast and updated to incorporate the impact of economic and demographic factors, MTA supplied CPI, employment and population forecasts, and government supported mass transit initiatives. In addition, Metro-North initiatives that enhance service, proposed parking expansions, service expansion and connecting services are incorporated into ridership forecasts.

Total Metro-North ridership in 2015 is 86.0 million, which is 1.5% higher than 2014 – the highest in the railroad's history.

East of Hudson ridership in 2015 is 84.2 million or 1.5% over last year due to growth across all commuter lines for both commutation and non-commutation. Total 2016 East of Hudson ridership is projected at 85.6 million in the Final Proposed Budget, which is 1.7% higher than the 2015 November Forecast. By service line, the 2016 Final Proposed Budget includes a 2.0% increase in the Hudson line, a 2.1% increase in the Harlem line and a 1.3% increase in the New Haven line. In 2017 through 2019, ridership is projected to grow by 1.7%, 1.3%, and 1.1%, respectively.

West of Hudson ridership in 2015 is 1.8 million or 4.9% over last year due to growth in both the Port Jervis and Pascack Valley lines reflecting the continued recovery of ridership losses from service outages from Tropical Storms Irene and Sandy. The 2016 Final Proposed Budget for West of Hudson ridership reflects a 2% increase from the 2015 November Forecast. In 2017-2019, West of Hudson ridership is projected to grow 2.0%, 3.5% and 3.1%, respectively.

Factors affecting ridership growth include continued adjustments in programmed service, increased parking and promotional advertising as well as a modest continuation of regional employment growth. Projections for this period assume no fare increases in New York State and annual fare increases in Connecticut of 1.0% in 2016 through 2018.

Passenger revenue in the 2016 November Forecast totals \$693.3 million, reflecting an East of Hudson increase of \$17.6 million or 2.6% over the 2015 November Forecast. This includes a 1.0% State of Connecticut fare increase effective January 2016 and a 1.7% increase in ridership. The 2017-2019 passenger revenue forecast includes a 1.0% State of Connecticut fare increase effective January of each year through 2018 with no fare increases assumed in New York State during this period. Revenue during this period is projected to grow by 2.0%, 1.6% and 1.1%, respectively.

MTA Metro-North Railroad
November Financial Plan 2016-2019
Ridership (Utilization) *
(in millions)

	2014	2015	2016			
	Actual	November	Final Proposed	2017	2018	2019
		Forecast	Budget			
<u>Ridership</u>						
Harlem Line	27.127	27.426	28.013	28.523	28.900	29.216
Hudson Line	16.237	16.404	16.728	17.061	17.313	17.533
New Haven Line	39.611	40.362	40.871	41.479	41.966	42.421
Total Ridership	82.975	84.192	85.612	87.064	88.178	89.170
<u>Farebox Revenue</u>						
Harlem Line	\$192.203	\$200.717	\$207.053	\$210.885	\$213.679	\$216.048
Hudson Line	140.416	146.569	150.796	153.925	156.293	158.388
New Haven Line	316.805	328.010	335.020	342.094	348.299	351.799
West of Hudson Mail & Ride	0.425	0.396	0.408	0.417	0.435	0.452
Total Farebox Revenue	\$649.850	\$675.692	\$693.277	\$707.320	\$718.706	\$726.688

* Reflects East of Hudson Service

MTA Metro-North Railroad
November Financial Plan 2016-2019
2015 Budget Reduction Plan Summary
(\$ in millions)

	Favorable/(Unfavorable)									
	Pos.	2015	Pos.	2016	Pos.	2017	Pos.	2018	Pos.	2019
<u>Administration</u>										
Ongoing Position Vacancies Resulting from Attrition and Time to Hire (July Plan)	-	\$0.000	-	\$1.920	-	\$1.920	-	1.920	-	1.920
Reductions to Other Business Expenses (July Plan)	-	0.000	-	0.500	-	0.500	-	0.500	-	0.500
<i>Subtotal Administration</i>	-	0.000	-	2.420	-	2.420	-	2.420	-	2.420
<u>Customer Convenience/Amenities</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Customer Convenience/Amenities</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Maintenance</u>										
Miscellaneous Contract Services Reductions (July Plan)	-	0.000	-	1.200	-	1.200	-	1.200	-	1.200
<i>Subtotal Maintenance</i>	-	0.000	-	1.200	-	1.200	-	1.200	-	1.200
<u>Revenue Enhancement</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Revenue Enhancement</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Safety/Security</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Safety</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Service</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Service</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Service Support</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Service Support</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Other</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Other</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Agency Submission	-	\$0.000	-	\$3.620	-	\$3.620	-	\$3.620	-	\$3.620

**MTA Metro-North Railroad
November Financial Plan 2016-2019
2015 Budget Reduction Plan Worksheet**

Category by Function: Administration

Program: Ongoing Position Vacancies Resulting from Attrition and Time to Hire

Background Details:	Over the next several years, vacancies will continue to exceed budgeted levels due to the combination of high attrition levels and challenges in hiring. Human resource outreach and hiring efforts have increased but due to the technical nature of many railroad positions, Metro-North has difficulty finding qualified external candidates. Therefore most of the open positions are filled by existing employees. This in turn creates further vacancies and extends the length of time that positions remain unfilled.
Program Description/ Implementation Plan:	Vacancies continue to exceed budgeted levels due to high attrition levels and issues related to hiring. The higher rate of vacant positions above forecasted levels is expected to continue in 2016 and beyond.
Program Implementation Date:	2016
When will savings begin?:	2016
Are these savings recurring?:	Yes
Other Issues:	

	Favorable/(Unfavorable)				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<i>Financial Impact (Operating):</i>	\$0.000	\$1.920	\$1.920	\$1.920	\$1.920

Net Cash Savings (in millions)

Total Positions Required:

**MTA Metro-North Railroad
November Financial Plan 2016-2019
2015 Budget Reduction Plan Worksheet**

Category by Function: Administration
Program: Reductions to Other Business Expenses

Background Details:	Corporate printing needs have been re-evaluated with the result of less paper-based requirements due to more information posted to internal and external websites.			
Program Description/ Implementation Plan:				
Program Implementation Date:	2016	When will savings begin?:	2016	
		Are these savings recurring?:	Yes	
Other Issues:				

	Favorable/(Unfavorable)				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<i>Financial Impact (Operating):</i>	\$0.000	\$0.500	\$0.500	\$0.500	\$0.500
Net Cash Savings (in millions)					
<i>Total Positions Required:</i>					

**MTA Metro-North Railroad
November Financial Plan 2016-2019
2015 Budget Reduction Plan Worksheet**

Category by Function: Maintenance

Program: Miscellaneous Contract Services Reductions

Background Details:	Misc. Contract Services reduction opportunities are the result of historical spending trends and programmatic initiatives. Several areas of cost saving include: refuse removal, various maintenance repair contracts and facility (elevator /escalator repairs resulting from overhaul improvements and favorable contract terms, material management facilities, reduced equipment rental costs as new equipment is purchased)
----------------------------	--

Program Description/ Implementation Plan:
--

Program Implementation Date:	2016	When will savings begin?:	2016
		Are these savings recurring?:	Yes

Other Issues:

	Favorable/(Unfavorable)				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<i>Financial Impact (Operating):</i>	\$0.000	\$1.200	\$1.200	\$1.200	\$1.200

Net Cash Savings (in millions)

Total Positions Required:

MTA METRO-NORTH RAILROAD
2016 Final Proposed Budget
November Financial Plan 2016-2019
Position Year-to-Year Changes

POSITION ASSUMPTIONS

YEAR-TO-YEAR CHANGES

2015-2016

2016 reflects the reorganization of the GCT & Corporate Development Department which results in the reallocation of all 240 positions to other Metro-North departments as follows: Maintenance of Way (129), Customer Service (99), Corporate & Public Affairs (6), Capital Planning & Programming (3) and Engineering & Design (3) departments.

The 2016 Final Proposed Budget includes a net increase of 131 positions versus the 2015 November Forecast, of which 127 are Non-Reimbursable. This 127 increase is driven by 12 management positions which are discussed later in this section, a reallocation of 12 positions from Reimbursable to Non-reimbursable, and 103 positions in the Maintenance of Way (MW) Department that reflect new initiatives which enhance safety or improve maintenance practices.

The total MW increase is 232 comprised of 129 related to the GCT & Corporate Development reorganization noted above as well as the 103 as described below:

- MW Track increases by 34 positions including 32 additional agreement positions to improve New Haven Branch Line Grade Crossings (13), rehabilitate GCT Platform Tracks (8), create a new track subdivision at Mount Vernon (5), increase staff to maintain the expanded New Haven Yard complex (3), and operate new Track Geometry Car Equipment (3). In addition, two management positions were added to perform quality assurance inspections.
- MW Power has added 22 positions comprised of 12 agreement positions for Third Rail Power System Construction and 10 management positions – 6 for the Power Department Re-organization, one to ensure compliance with electrical code guidelines and three Field Managers to oversee compliance with maintenance procedures and MNR standards.
- MW Communications & Signals (C&S) staffing increases by 12 positions which includes 5 management and one agreement position for the Operations Control Center Office Systems Unit Re-organization as well as six agreement positions to support Positive Train Control maintenance and inspection requirements.
- MW Structures increases by 27 positions including seven management positions for the Grand Central Terminal Train Shed Rehabilitation project (4) and the reorganization of department forces (3), and 20 agreement positions to support New Haven Line Bridge & Culvert maintenance (13) and Facility Inspection & Maintenance (7).

- MW GCT Station & Facilities increases by three management positions to support the Enterprise Asset Management Program.
- MW Administration increases by five management positions to support the Enterprise Asset Management Program (4) and to ensure safe and compliant use of company vehicles (1).

The 12 management positions mentioned above include one in the Security Department for expanded video management requirements, three in Capital Planning to expand the capabilities of the Geographical Information System (GIS), three in Labor Relations for the restructuring of the employee disciplinary function, four positions to support Corporate Compliance and Strategic Development, one to support the Enterprise Asset Management Program, one in the VP Finance Administration Department to coordinate professional development and one Employment Attorney to reduce the use of outside counsel services, partially offset by the removal of 2 agreement positions for the transfer of the Treasury function to MTA Headquarters.

There is a net increase of four Reimbursable positions. This four includes an increase of 16 Reimbursable positions for the installation of cameras on the rolling stock fleet, which is partially offset by a reallocation of 12 positions from Reimbursable to Non-reimbursable reflecting the change in non-reimbursable and reimbursable program requirements at year-end.

2016-2017

2017 includes a net increase of 8 positions. There is an increase of 21 Non-Reimbursable positions consisting of 10 MW (C&S) agreement positions for the inspection and maintenance of the new interlocking in support of the Walk Bridge replacement project (6) and support of the Positive Train Control system (4), as well as 11 MW Administration positions for the Enterprise Asset Management program. Reimbursable agreement positions decrease by 13 as a result of the completion of the Positive Train Control project in Maintenance of Equipment.

2017-2018

2018 includes a net increase of 5 MW Administration positions for the Enterprise Asset Management program.

2018-2019

2019 includes a net increase of 5 MW Administration positions for the Enterprise Asset Management program.

MTA METRO-NORTH RAILROAD					
November Financial Plan 2016-2019					
Favorable/(Unfavorable)					
Total Position Changes at a Glance					
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
2015 July Plan - Total Positions	6,703	6,798	6,783	6,786	6,786
Total Plan-to-Plan Changes	5	(31)	(54)	(56)	(61)
2015 November Plan - Total Positions	6,698	6,829	6,837	6,842	6,847
Total Year-to-Year Changes, November Plan		(131)	(8)	(5)	(5)
Total Plan-to-Plan Changes by Reporting Category:					
<i>Non-Reimbursable</i>	(114)	(146)	(151)	(153)	(158)
<i>Reimbursable</i> ¹	119	115	97	97	97
Total	5	(31)	(54)	(56)	(61)
<i>Full-Time</i>	5	(31)	(54)	(56)	(61)
<i>Full-Time Equivalents</i>	0	0	0	0	0
Total	5	(31)	(54)	(56)	(61)
<i>By Function Category</i>					
- Administration	0	8	8	8	8
- Operations	0	(48)	(48)	(45)	(45)
- Maintenance	5	12	(11)	(16)	(21)
- Engineering/Capital	0	(3)	(3)	(3)	(3)
- Public Safety	0	0	0	0	0
Total	5	(31)	(54)	(56)	(61)
<i>By Occupational Group</i>					
- Managers/Supervisors	0	(10)	(10)	(10)	(10)
- Professional, Technical, Clerical	5	0	(6)	(11)	(16)
- Operational Hourlies	0	(21)	(38)	(35)	(35)
Total	5	(31)	(54)	(56)	(61)
Total Plan-to-Plan Changes by Major Category:					
2015 BRPs	0	0	0	0	0
New Needs	0	(34)	(34)	(34)	(34)
Change in Reimbursable Positions	119	115	97	97	97
Re-estimates & All Other ²	(114)	(112)	(117)	(119)	(124)
Total	5	(31)	(54)	(56)	(61)

¹ The Plan to Plan change reflects the reallocation of 119 positions in 2015 and 131 positions in the remaining years from Reimbursable to Non-reimbursable.

² Includes Full-time Equivalents

MTA METRO-NORTH RAILROAD
2016 Final Proposed Budget
November Financial Plan 2016-2019
Position Plan-to-Plan Changes

PLAN-TO-PLAN CHANGES

There is a reallocation of 119 positions in 2015 and 131 positions 2016-2019 from Reimbursable to Non-reimbursable that reflect a timing change in non-reimbursable and reimbursable program requirements at year-end that have a net zero impact on total positions. The ensuing explanations refer only to the net result of this change.

2015

The 2015 November Forecast shows a net decrease of 5 positions over the Mid-Year Forecast resulting from the change to the Enterprise Asset Management program.

2016

2016 reflects the reorganization of the GCT & Corporate Development Department which results in the reallocation of all 240 positions to other Metro-North departments as follows: Maintenance of Way (129), Customer Service (99), Corporate & Public Affairs (6), Capital Planning & Programming (3) and Engineering & Design (3) departments.

The 2016 Final Proposed Budget shows a net increase of 31 positions over the Preliminary Budget, of which 15 are Non-Reimbursable positions:

- 21 maintenance positions have been added for the following projects: Facility Inspection & Maintenance (7), the Operations Center Office Systems Group Reorganization (6), the Power Department Reorganization (6), GIS Railroad Property Mapping System Personnel and Consulting (1) and GIS Expansion Personnel (1).
- 10 Enterprise Asset Management positions for the Trouble Desk and Mobile Technology Functional Support Group (9) and GIS Capital Plan Drawing Room Visual Retrieval Group (1).
- 3 management positions have been added; two for Corporate Compliance and Strategic Development, and one GPS coordinator to ensure safe and compliant use of company vehicles.
- Offsetting these increases is the rescheduling of 14 positions for the Enterprise Asset Management program approved in a prior plan, removal of 3 Train & Engine (T&E) positions related to service plan changes that are no longer required and 2 agreement positions for the transfer of the Treasury function to MTA Headquarters.

The 2016 Final Proposed Budget also shows a net increase of 16 Reimbursable positions over the Preliminary Budget for the installation of cameras on the rolling stock fleet.

2017

The November Financial Plan for 2017 shows a net increase of 54 positions over the July Financial Plan. Of this total, 20 positions are Non-Reimbursable, of which 15 carry forward from 2016 (described above), five positions are re-instated for the continuation of the Right of Way Clean-Up efforts, the rescheduling of three positions for the Enterprise Asset Management program offset by the removal of three T&E service plan positions no longer required. There is an increase of 34 Reimbursable positions, of which 16 carry forward from 2016 and 18 are retained for the continuation of the Tropical Storm Sandy and Positive Train Control projects.

2018

The November Financial Plan for 2018 shows a net increase of 56 positions over the July Financial Plan. Of this total, 22 positions are Non-Reimbursable, of which 20 carry forward from 2017 (described above) and five are for the Enterprise Asset Management program, offset by the removal of three T&E service plan positions no longer required. Additionally, there is an increase of 34 Reimbursable positions that carry forward from 2016 for PTC, Tropical Storm Sandy and the on-board camera installation project.

2019

The November Financial Plan for 2019 shows a net increase of 61 positions over the July Financial Plan. Of this total, 27 positions are Non-Reimbursable of which 22 carry forward from 2017 (described above) and five positions are for the Enterprise Asset Management program. Additionally, there is an increase of 34 Reimbursable positions that carry forward from 2016 for PTC, Tropical Storm Sandy and the on-board camera installation project.

MTA METRO-NORTH RAILROAD
November Financial Plan 2016-2019
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

FUNCTION/DEPARTMENT	2014	2015	2016	2017	2018	2019
	Actual	November Forecast	Final Proposed Budget			
Administration						
President	2	4	4	4	4	4
Labor Relations	7	15	18	18	18	18
Safety/Security	35	72	73	73	73	73
Corporate & Public Affairs ⁽¹⁾	15	18	28	28	28	28
Customer Service ⁽¹⁾	45	52	62	62	62	62
Legal	19	18	19	19	19	19
Claims	10	14	14	14	14	14
Environmental Compliance & Svce	7	8	8	8	8	8
VP Administration	2	0	0	0	0	0
VP Human Resources	6	7	7	7	7	7
Human Resources & Diversity	25	36	36	36	36	36
Training	50	98	98	98	98	98
Employee Relations & Diversity	5	6	6	6	6	6
VP Planning	2	2	2	2	2	2
Operations Planning & Analysis	15	22	22	22	22	22
Capital Planning & Programming ⁽¹⁾	13	14	20	20	20	20
GCT & Corporate Development ⁽¹⁾	32	31	0	0	0	0
Long Range Planning	6	8	8	8	8	8
VP Finance & Info Systems	1	4	6	6	6	6
Controller	75	81	79	79	79	79
Information Technology & Project Mgmt	93	0	0	0	0	0
Budget	18	20	20	20	20	20
Procurement & Material Management	30	44	44	44	44	44
Corporate	0	0	0	0	0	0
Total Administration	512	574	574	574	574	574
Operations						
Operations Administration	53	89	89	89	89	89
Transportation ⁽²⁾	1,454	1,470	1,470	1,470	1,470	1,470
Customer Service	230	241	330	330	330	330
GCT & Corporate Development ⁽¹⁾	33	38	0	0	0	0
Metro-North West	33	46	46	46	46	46
Total Operations	1,802	1,884	1,935	1,935	1,935	1,935
Maintenance						
GCT & Corporate Development ⁽¹⁾	158	171	0	0	0	0
Maintenance of Equipment	1,607	1,748	1,764	1,751	1,751	1,751
Maintenance of Way ⁽¹⁾	1,848	2,085	2,317	2,338	2,343	2,348
Procurement & Material Management	119	121	121	121	121	121
Total Maintenance	3,731	4,125	4,202	4,210	4,215	4,220
Engineering/Capital						
Construction Management	31	43	43	43	43	43
Engineering & Design ⁽¹⁾	60	72	75	75	75	75
Total Engineering/Capital	91	115	118	118	118	118
Total Positions	6,136	6,698	6,829	6,837	6,842	6,847
<i>Non-Reimbursable</i>	5,681	6,116	6,243	6,264	6,269	6,274
<i>Reimbursable</i>	455	582	586	573	573	573
<i>Total Full-Time</i>	6,135	6,697	6,828	6,836	6,841	6,846
<i>Total Full-Time-Equivalents</i>	1	1	1	1	1	1

⁽¹⁾ Reflects the January 2016 reorganization of the GCT and Corporate Development department and allocates 240 positions to the Maintenance of Way (129), Customer Service (99), COS/Corporate & Public Affairs (6), Capital Planning & Programming (3) and Engineering & Design (3) departments.

⁽²⁾ Please note that the Transportation department has recently undergone a name change and was formerly known as Operation Services.

MTA METRO-NORTH RAILROAD
November Financial Plan 2016-2019
Total Positions by Function and Occupation

FUNCTION/OCCUPATIONAL GROUP	2014	2015	2016	2017	2018	2019
	Actual	November Forecast	Final Proposed Budget			
Administration						
Managers/Supervisors	135	164	162	162	162	162
Professional, Technical, Clerical	378	409	411	411	411	411
Operational Hourlies	-	-	-	-	-	-
Total Administration	512	574	574	574	574	574
Operations						
Managers/Supervisors	130	236	243	243	243	243
Professional, Technical, Clerical	223	199	243	243	243	243
Operational Hourlies	1,449	1,450	1,450	1,450	1,450	1,450
Total Operations	1,802	1,884	1,935	1,935	1,935	1,935
Maintenance						
Managers/Supervisors	489	619	630	630	630	630
Professional, Technical, Clerical	509	529	515	530	535	540
Operational Hourlies	2,732	2,978	3,058	3,051	3,051	3,051
Total Maintenance	3,731	4,125	4,202	4,210	4,215	4,220
Engineering/Capital						
Managers/Supervisors	40	53	55	55	55	55
Professional, Technical, Clerical	51	62	63	63	63	63
Operational Hourlies	-	-	-	-	-	-
Total Engineering/Capital	91	115	118	118	118	118
Public Safety						
Managers/Supervisors	-	-	-	-	-	-
Professional, Technical, Clerical	-	-	-	-	-	-
Operational Hourlies	-	-	-	-	-	-
Total Public Safety	-	-	-	-	-	-
Total Positions						
Managers/Supervisors	794	1,072	1,090	1,090	1,090	1,090
Professional, Technical, Clerical	1,160	1,199	1,232	1,247	1,252	1,257
Operational Hourlies	4,182	4,427	4,507	4,500	4,500	4,500
Total Positions	6,136	6,698	6,829	6,837	6,842	6,847

MTA Headquarters

MTA HEADQUARTERS
2016 Final Proposed Budget
November Financial Plan 2016 – 2019

FINANCIAL OVERVIEW

The MTA Headquarters' November Financial Plan demonstrates the organization's commitment to streamlining operations and maximizing efficiencies and revenue opportunities within the organization and across the MTA. At the same time, the MTA also remains committed to maintaining an organization dedicated to communicating effectively and promoting customer satisfaction, as well as enhancing safety and security throughout the MTA system. MTA Headquarters' operations include four distinct components: Policy and Oversight; Consolidated Functions (those departments that perform services on behalf of MTA agencies and includes the impact of the Information Technology (IT) Transformation); the Business Service Center (BSC); and MTA Security, which includes the MTA Police Department (MTAPD).

Policy, Oversight and Consolidated Functions

MTA Headquarters' November Financial Plan contains self-funded programs and funding for MTA-wide initiatives considered to be the highest priority by executive management. MTA Headquarters conducted a review of operations that identified recurring savings of over \$16.0 million. These savings are captured in the Plan, and are discussed more fully in the Budget Reductions Program (BRPs) section.

The MTA Headquarters' November Financial Plan continues to provide funding for a number of high priority initiatives, many of which provide significant savings throughout the MTA. With the successful completion of the IT Transformation, the November Plan includes MTA-wide savings (captured in the MTAHQ financials) of \$25.5 million resulting from vacancies and headcount reductions in 2015. Recurring savings are approximately \$16.0 million per year thereafter.

The plan also includes investments for the following:

- The PeopleSoft 9.2 Upgrade project necessary for Financial and Human Resources.
- Funding for entirely new Procurement modules providing an improved procurement platform with easier interface with suppliers, a real-time virtual marketplace, and software that will help managers make more strategic sourcing decisions.
- Funding for security projects includes investments to protect the critical infrastructure from cyber threats.
- Funding for an Energy Management System (EMS), a comprehensive All-Agency initiative for the construction and implementation of an Automated Metering Infrastructure and Energy Management software platform to provide project

management of various agency energy management initiatives. Energy savings from this initiative is captured elsewhere in the November Plan.

- Support for the Enterprise Asset Management (EAM) goal of ensuring that the MTA makes informed decisions that balance operating and capital investments, asset performance, and the operational risk inherent in asset management. This includes funding for IT positions to support EAM projects identified by the Agency Gap assessments, as well as for hardware devices and network equipment.
- While the consolidation/relocation of Headquarters staff from Madison Avenue to Two Broadway, as well as the relocation of the MTAPD, was successfully completed in 2015. Reimbursement of the funding will come from the eventual disposition of the Madison Avenue properties. The net proceeds will go to the MTA Capital Program.
- The hiring of 46 new MTAPD police officers to perform counter-terrorism surge assignments in Penn Station and Grand Central Terminal. Assignment on a straight-time basis would reduce the need for deploying officers on overtime.
- Funding for staffing a Safety organization to develop a framework for safety policies and programs across all MTA agencies
- The consolidation of the Treasury function.

While not included in this Plan, efforts continue to consolidate the Procurement function that will ultimately yield savings. Funding in support of the capital program through a Capital Program Outreach is included, as well as for Transit-Oriented Development activities to promote increased ridership, revenues and capital funding from real estate sources. Funding also continues for the West Side Yards Development project which is fully reimbursable from the project developer.

Business Service Center (BSC)

Funding is provided for the BSC to address increased volume needs primarily resulting from the IT Transformation but also attributable to the growing processing needs at the Data Management Center and the Customer Management Center, and for employment testing and training requirements. Funding for functionality requirements are provided for user training and talent management to ensure that the PeopleSoft 9.2 upgrade is understood and used as intended for the upgrade to be successful. Lastly, funding is provided for implementation of Procure-to-Pay recommendations to improve procurement processes.

MTA Security

As the transportation system expands, MTA is taking steps to ensure appropriate protection is provided for our customers, employees and facilities. The most important step is the hiring of 46 police officers beginning in 2016 to perform counter-terrorism surge assignments in Penn Station and Grand Central Terminal. Included in the Financial Plan baseline in 2015 is funding for the hiring of five MTAPD positions for patrolling the Moynihan project - an expansion of the west end concourse at Penn Station. Also included in the baseline is funding in 2019 for the MTAPD to begin a hiring schedule for approximately 30 new officers each year through 2021. These officers will be used to

augment safety and security throughout the MTA system and be available to establish a fully-trained security presence for East Side Access (ESA) when it opens in 2022.

2015 November Forecast

The MTA Headquarters Baseline Deficit of \$666.4 million in the November Plan includes total non-reimbursable operating revenues of \$60.8 million and total expenses before depreciation and other post-employment benefits of \$602.1 million, consisting of \$335.4 million in labor expenses and \$266.6 million in non-labor expenses. Total capital and other reimbursements are projected to be \$126.4 million. Total reimbursable labor expenses are \$76.2 million and non-labor expenses are \$50.2 million. Cash adjustments prior to depreciation and OPEB obligation are favorable by \$63.9 million.

The Baseline Cash Deficit is projected to be \$477.3 million, an \$81.5 million favorable variance from the July Plan of \$558.8 million.

Major operating cash changes include:

Favorable

- Lower IT spending and rollover to 2016 of \$44.3 million.
- Timing of operating capital spending of \$50.0 million.
- Shift in EAM funding of \$4.8 million.
- Lower Materials and Supplies and Other Business Expenses of \$3.8 million mainly due to lower company-wide spending of miscellaneous expenses.

Unfavorable

- Revised salary and fringe of \$10.0 million
- Revised pension costs of \$7.4 million due to revised assumptions.
- Timing of recovery from IT work for Connecticut Department of Transportation (CDOT) and New York City for MTA Bus of \$6.0 million.
- Timing of New York State (NYS) support for Verrazano-Narrows Bridge toll rebate program of \$3.1 million.

Reimbursable expenses are projected to decrease by \$15.4 million in 2015 mainly as a result of lower recoverable expenses from the benefiting agencies.

Total baseline positions are projected to increase by 37 positions to 2,750 positions, resulting from the transfer of 21 New Fare Payment System positions, the consolidation of nine Treasury positions and the addition of 15 New Needs positions, partly offset by reduced EAM of nine positions to reflect revised Agency project timelines. This is discussed more thoroughly in the Positions section.

2016 Final Proposed Budget – Baseline

The MTA Headquarters Baseline Deficit of \$770.6 million in the November Plan includes total non-reimbursable operating revenues of \$60.9 million and total expenses before depreciation and other post-employment benefits of \$683.9 million, consisting of \$348.2 million in labor expenses and \$335.8 million in non-labor expenses. Total capital and other reimbursements are projected to be \$121.4 million. Total reimbursable labor expenses are \$88.8 million and non-labor expenses are \$32.6 million. Cash adjustments prior to depreciation and Other Post-Employment Benefit (OPEB) obligation are favorable by \$45.0 million primarily reflecting advertising revenue receipts reassigned to MTA Headquarters from NYCT and the Commuter Railroads.

The Baseline Cash Deficit is projected to be \$578.0 million, an \$88.1 million unfavorable variance from the July Plan of \$489.9 million.

Major operating cash changes include:

Unfavorable

- Higher IT spending and rollover from 2015 of \$34.5 million.
- Timing of capital spending of \$25.0 million.
- Investments of \$16.0 million including EAM initiative support for positions, devices, network equipment, and timing of spending of \$10.3 million; MTAPD staffing for counter-terrorism surge assignments in Penn Station and Grand Central Terminal of \$1.6 million; Safety-related increases of \$1.4 million; and matching funds for a Workforce Development Grant of \$1.0 million.
- Timing of payments for work performed in 2015 of \$15.0 million.
- Revised IT consulting needs of \$2.7 million.
- Transfer of New Fare Payment System group and consolidation of Treasury function of \$2.2 million.
- Timing of EAM consulting expenditures of \$2.0 million.

Favorable

- Change in recovery levels of \$8.6 million primarily from a shift from 2015 of recoverable IT work and recoverable New Fare Payment Systems.

Reimbursable expenses are projected to decrease by \$4.1 million in 2016 mainly as a result of reduced MTAPD recoverable overtime.

Total baseline positions are projected to increase by 114 positions to 2,833 positions, due to the transfer of 21 New Fare Payment System positions from NYCT, the consolidation of nine Treasury positions, and the addition of 84 New Needs positions mainly for IT positions for the EAM initiative and for new MTAPD police officers to perform counter-terrorism surge assignments in Penn Station and Grand Central Terminal. This is discussed more thoroughly in the Positions section.

2017-2019 Projections

Operating cash deficits are projected to increase by \$51.2 million in 2017, \$26.5 million in 2018, and \$29.8 million in 2019 relative to the July Plan.

Major operating cash changes include:

Unfavorable

- Increased investments of \$25.0 million in 2017, \$26.3 million in 2018 and \$27.6 million in 2019 include EAM initiative support for positions, devices, and network equipment; MTAPD staffing for counter-terrorism surge assignments in Penn Station and Grand Central Terminal; and Safety-related increases.
- Timing of capital spending of \$25.0 million in 2017.
- Revised IT consulting needs of \$2.7 million, \$2.8 million and \$2.9 million in years 2017, 2018, and 2019, respectively.
- Transfer of New Fare Payment System group and consolidation of Treasury function of \$2.3 million in years 2017-2019.
- Reclassification of six IT positions to non-reimbursable status of \$1.1 million in years 2017-2019.

Favorable

- Revised recovery levels of \$2.5 million, \$2.6 million, and \$2.5 million in 2017, 2018, and 2019, respectively.
- The effect of revised CPI inflators is favorable by \$2.8 million in 2017, \$2.9 million in 2018, and \$3.2 million in 2019.

Reimbursable expenses are projected to decrease by \$0.4 million in years 2017-2019 mainly as a result of lower recoverable expenses from the benefiting agencies.

Total baseline positions are projected to increase by 130 positions to 2,849 positions in 2017, 136 positions to 2,855 positions in 2018, and 143 positions to 2,892 positions in 2019, due to the transfer of 21 New Fare Payment System positions, the consolidation of nine Treasury positions and the addition of New Needs positions. This is discussed more thoroughly in the Positions section.

Budget Reduction Program (BRPs)

The November Plan includes baseline BRPs of \$26.5 million in 2015, primarily resulting from administrative reductions as part of the IT Transformation. IT Transformation non-recurring savings of \$16.6 million result from capturing position eliminations and vacancy savings. Recurring savings of \$9.9 million include IT headcount reductions of 59 positions in 2015 result in \$5.5 million in savings. Administrative OTPS reductions of \$3.8 million include IT professional service reductions of \$2.4 million, reduced EDP consultants of \$1.0 million, lower Headquarters' lobbying of \$0.2 million and BSC postage reductions of \$0.1 million. MTAPD savings of \$0.5 million resulted from gas usage efficiencies of \$0.3 million and position downgrades of \$0.2 million. Headquarters also downgraded a number of positions resulting in savings of \$0.2 million.

MTAHQ recurring savings of \$16.8 million in 2016 primarily result from the IT headcount reductions full year impact of \$9.9 million, OTPS reductions of \$6.1 million include IT professional service reductions of 2.9 million, reduced EDP consultants of \$2.8 million, lower Headquarters' lobbying of \$0.2 million and BSC postage reductions of \$0.1 million. MTAPD savings of \$0.5 million resulted from gas and auto usage efficiencies of \$0.4 million and position downgrades of \$0.1 million. Downgraded Headquarters' positions resulted in savings of \$0.2 million.

BRP savings of over \$16.0 million in each year 2017-2019 are inflated at the CPI-Urban rates of 2.29%, and 2.55%, and 2.41%, respectively, wherever applicable.

MTA HEADQUARTERS
November Financial Plan 2016-2019
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE						
	2014	2015	2016			
	<u>Actuals</u>	<u>November Forecast</u>	<u>Final Proposed Budget</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Operating Revenue						
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
<u>Other Operating Revenue</u>						
Rental Income	58.946	46.873	46.788	48.567	50.417	52.340
Advertising	-	-	-	-	-	-
Other	<u>7.054</u>	<u>13.962</u>	<u>14.064</u>	<u>14.168</u>	<u>15.252</u>	<u>14.372</u>
Total Other Operating Revenue	66.000	60.835	60.852	62.735	65.669	66.712
Capital and Other Reimbursements	-	-	-	-	-	-
Total Revenue	\$66.000	\$60.835	\$60.852	\$62.735	\$65.669	\$66.712
Operating Expenses						
<u>Labor:</u>						
Payroll	\$168.265	\$243.171	\$264.754	\$274.214	\$277.370	\$283.442
Overtime	7.517	7.600	7.342	7.251	7.372	7.481
Health and Welfare	25.095	41.821	51.211	52.938	55.263	57.984
OPEB Current Payment	8.934	9.307	10.071	10.232	10.693	11.174
Pensions	45.332	67.198	70.599	69.389	70.624	72.924
Other Fringe Benefits	17.435	22.007	23.131	26.628	27.221	27.764
Reimbursable Overhead	(38.505)	(55.678)	(78.956)	(76.354)	(76.641)	(77.955)
Total Labor Expenses	\$234.072	\$335.425	\$348.153	\$364.300	\$371.903	\$382.815
<u>Non-Labor:</u>						
Electric Power	\$8.399	\$6.936	\$7.142	\$7.018	\$6.998	\$7.369
Fuel	1.148	1.508	1.732	1.820	1.887	2.089
Insurance	3.281	3.499	1.956	2.086	2.305	2.466
Claims	0.573	1.331	1.463	1.609	1.770	1.947
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	66.414	73.033	71.365	71.540	69.099	70.740
Professional Service Contracts	51.994	142.419	212.136	160.954	156.167	161.792
Materials & Supplies	0.000	0.059	1.976	2.011	2.069	2.107
<u>Other Business Expenses</u>						
MTA Internal Subsidy	14.700	25.500	22.400	22.400	22.400	22.400
Other	<u>3.934</u>	<u>12.352</u>	<u>15.583</u>	<u>14.867</u>	<u>14.847</u>	<u>14.916</u>
Total Other Business Expenses	18.634	37.852	37.983	37.267	37.247	37.316
Total Non-Labor Expenses	\$150.443	\$266.636	\$335.753	\$284.304	\$277.542	\$285.826
<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.	\$384.515	\$602.061	\$683.906	\$648.604	\$649.445	\$668.641
Depreciation	29.034	28.779	36.275	49.453	58.300	63.984
OPEB Obligation	85.543	96.439	111.300	123.500	135.400	147.300
Environmental Remediation	-	-	-	-	-	-
Total Expenses	\$499.093	\$727.278	\$831.481	\$821.557	\$843.145	\$879.925
Net Surplus/(Deficit)	(\$433.093)	(\$666.444)	(\$770.629)	(\$758.822)	(\$777.477)	(\$813.213)

MTA HEADQUARTERS
November Financial Plan 2016-2019
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE						
	2014	2015	2016			
	<u>Actuals</u>	<u>November Forecast</u>	<u>Final Proposed Budget</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Revenue						
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
<u>Other Operating Revenue</u>	-	-	-	-	-	-
Rental Income	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total Other Operating Revenue	-	-	-	-	-	-
Capital and Other Reimbursements	83.040	126.417	121.393	109.123	108.527	104.083
Total Revenue	\$83.040	\$126.417	\$121.393	\$109.123	\$108.527	\$104.083
Expenses						
<u>Labor:</u>						
Payroll	\$3.555	\$4.142	\$4.591	\$4.661	\$4.733	\$4.804
Overtime	11.677	14.525	3.000	2.900	2.858	2.815
Health and Welfare	0.588	0.780	0.947	0.961	1.001	1.043
OPEB Current Payment	-	-	-	-	-	-
Pensions	0.633	0.757	0.942	0.857	0.877	0.898
Other Fringe Benefits	0.384	0.366	0.393	0.426	0.434	0.442
Reimbursable Overhead	38.505	\$55.678	\$78.956	\$76.354	\$76.641	\$77.955
Total Labor Expenses	\$55.342	\$76.248	\$88.829	\$86.158	\$86.544	\$87.957
<u>Non-Labor:</u>						
Electric Power	-	-	-	-	-	-
Fuel	-	-	-	-	-	-
Insurance	-	-	-	-	-	-
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	-	0.012	0.020	0.021	0.021	0.022
Professional Service Contracts	27.661	50.069	32.425	22.823	21.837	15.977
Materials & Supplies	-	-	-	-	-	-
<u>Other Business Expenses</u>	-	-	-	-	-	-
<u>MTA Internal Subsidy</u>	-	-	-	-	-	-
Other	0.037	0.087	0.119	0.122	0.125	0.127
Total Other Business Expenses	0.037	0.087	0.119	0.122	0.125	0.127
Total Non-Labor Expenses	\$27.699	\$50.169	\$32.564	\$22.965	\$21.982	\$16.126
<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	\$83.040	\$126.417	\$121.393	\$109.123	\$108.527	\$104.083
Depreciation	-	-	-	-	-	-
Total Expenses	\$83.040	\$126.417	\$121.393	\$109.123	\$108.527	\$104.083
Net Surplus/(Deficit)	\$0.000	(\$0.000)	(\$0.000)	(\$0.000)	\$0.000	\$0.000

MTA HEADQUARTERS
November Financial Plan 2016-2019
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE						
	2014	2015	2016			
	<u>Actuals</u>	<u>Forecast</u>	<u>Final Proposed Budget</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Revenue						
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
<i>Other Operating Revenue</i>						
<i>Rental Income</i>	58.946	46.873	46.788	48.567	50.417	52.340
<i>Advertising</i>	-	-	-	-	-	-
<i>Other</i>	7.054	13.962	14.064	14.168	15.252	14.372
Total Other Operating Revenue	66.000	60.835	60.852	62.735	65.669	66.712
Capital and Other Reimbursements	83.040	126.417	121.393	109.123	108.527	104.083
Total Revenue	\$149.040	\$187.252	\$182.245	\$171.858	\$174.195	\$170.796
Expenses						
<u>Labor:</u>						
Payroll	\$171.820	\$247.312	\$269.345	\$278.876	\$282.103	\$288.247
Overtime	19.194	22.125	10.342	10.151	10.230	10.297
Health and Welfare	25.683	42.601	52.157	53.899	56.264	59.027
OPEB Current Payment	8.934	9.307	10.071	10.232	10.693	11.174
Pensions	45.965	67.955	71.542	70.246	71.501	73.821
Other Fringe Benefits	17.818	22.373	23.524	27.054	27.656	28.206
Reimbursable Overhead	-	0.000	0.000	-	(0.000)	-
Total Labor Expenses	\$289.414	\$411.673	\$436.982	\$450.458	\$458.448	\$470.772
<u>Non-Labor:</u>						
Electric Power	\$8.399	\$6.936	\$7.142	\$7.018	\$6.998	\$7.369
Fuel	1.148	1.508	1.732	1.820	1.887	2.089
Insurance	3.281	3.499	1.956	2.086	2.305	2.466
Claims	0.573	1.331	1.463	1.609	1.770	1.947
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	66.414	73.045	71.385	71.560	69.120	70.762
Professional Service Contracts	79.655	192.489	244.561	183.777	178.004	177.769
Materials & Supplies	-	0.059	1.976	2.011	2.069	2.107
<i>Other Business Expenses</i>						
<i>MTA Internal Subsidy</i>	14.700	25.500	22.400	22.400	22.400	22.400
<i>Other Business Expenses</i>	3.972	12.439	15.702	14.988	14.972	15.044
Total Other Business Expenses	18.672	37.939	38.102	37.388	37.372	37.444
Total Non-Labor Expenses	\$178.142	\$316.805	\$368.317	\$307.269	\$299.524	\$301.952
<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.	\$467.556	\$728.478	\$805.299	\$757.727	\$757.972	\$772.724
Depreciation	29.034	28.779	36.275	49.453	58.300	63.984
OPEB Obligation	85.543	96.439	111.300	123.500	135.400	147.300
Environmental Remediation	-	-	-	-	-	-
Total Expenses	\$582.134	\$853.696	\$952.874	\$930.680	\$951.672	\$984.008
Net Surplus/(Deficit)	(\$433.093)	(\$666.444)	(\$770.629)	(\$758.822)	(\$777.477)	(\$813.213)

MTA HEADQUARTERS
November Financial Plan 2016-2019
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2014	2015	2016			
	<u>Actuals</u>	<u>November Forecast</u>	<u>Final Proposed Budget</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Receipts						
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
<u>Other Operating Revenue</u>						
Rental Income	58.946	46.954	46.788	48.567	50.417	52.340
Advertising	123.957	144.175	148.647	153.060	157.608	162.290
Other	<u>5.146</u>	<u>14.047</u>	<u>14.166</u>	<u>114.764</u>	<u>20.158</u>	<u>33.863</u>
Total Other Operating Revenue	188.049	205.175	209.601	316.391	228.183	248.493
Capital and Other Reimbursements	75.108	126.417	121.393	109.123	108.527	104.083
Total Receipts	\$263.157	\$331.593	\$330.994	\$425.514	\$336.709	\$352.576
Expenditures						
<u>Labor:</u>						
Payroll	\$172.332	240.780	262.640	272.114	275.272	281.417
Overtime	19.194	22.125	10.342	10.151	10.230	10.297
Health and Welfare	23.541	41.601	51.017	52.734	55.074	57.837
OPEB Current Payment	8.935	9.307	10.071	10.232	10.693	11.174
Pensions	39.264	66.205	66.625	68.632	69.867	72.176
Other Fringe Benefits	17.547	22.051	23.459	26.989	27.591	28.141
GASB Account	0.990	0.000	0.000	0.000	0.092	0.188
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$281.803	\$402.069	\$424.155	\$440.852	\$448.820	\$461.231
<u>Non-Labor:</u>						
Electric Power	\$6.648	\$6.936	\$7.142	\$7.018	\$6.998	\$7.369
Fuel	1.461	1.508	1.732	1.820	1.887	2.089
Insurance	4.234	3.523	1.935	2.063	2.280	2.439
Claims	1.493	1.315	1.463	1.609	1.770	1.947
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	66.638	75.489	68.513	68.650	66.163	67.762
Professional Service Contracts	72.929	177.489	253.099	177.335	171.713	171.869
Materials & Supplies	-	0.046	1.976	2.011	2.069	2.107
<u>Other Business Expenses</u>						
MTA Internal Subsidy	14.700	25.500	22.400	22.400	22.400	22.400
Other Business Expenses	<u>60.122</u>	63.954	27.997	22.401	19.206	18.722
Total Other Business Expenses	74.822	89.454	50.397	44.801	41.606	41.122
Total Non-Labor Expenditures	\$228.225	\$355.759	\$386.257	\$305.307	\$294.485	\$296.703
<u>Other Expenditure Adjustments:</u>						
Capital	19.058	51.084	98.618	83.395	55.297	51.776
Unallocated Service Enhancement Policy Action	-	-	-	-	-	-
Total Other Expenditure Adjustments	\$19.058	\$51.084	\$98.618	\$83.395	\$55.297	\$51.776
Total Expenditures	\$529.086	\$808.91	\$909.030	\$829.554	\$798.602	\$809.710
Net Cash Surplus/(Deficit)	(\$265.929)	(\$477.319)	(\$578.036)	(\$404.040)	(\$461.893)	(\$457.133)

MTA HEADQUARTERS
November Financial Plan 2016-2019
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2014	2015	2016			
	<u>Actuals</u>	<u>November Forecast</u>	<u>Final Proposed Budget</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Receipts						
Fare Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<i>Other Operating Revenue</i>						
Rental Income	-	0.081	-	-	-	-
Advertising	123.957	144.175	148.647	153.060	157.608	162.290
Other	<u>(1.908)</u>	<u>0.085</u>	<u>0.102</u>	<u>100.596</u>	<u>4.906</u>	<u>19.490</u>
Total Other Operating Revenue	122.049	144.341	148.749	253.656	162.514	181.780
Capital and Other Reimbursements	(7.932)	-	-	-	-	-
Total Receipts	(\$114.117)	\$144.341	\$148.749	\$253.656	\$162.514	\$181.780
Expenditures						
Labor:						
Payroll	(0.512)	\$6.532	\$6.705	\$6.762	\$6.831	\$6.830
Overtime	(0.000)	0.000	-	-	-	-
Health and Welfare	2.142	0.999	1.140	1.165	1.190	1.190
OPEB Current Payment	(0.001)	(0.000)	0.000	0.000	0.000	0.000
Pensions	6.701	1.750	4.917	1.614	1.634	1.645
Other Fringe Benefits	0.271	0.323	0.065	0.065	0.065	0.065
GASB Account	(0.990)	0.000	0.000	0.000	(0.092)	(0.188)
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$7.611	\$9.604	\$12.827	\$9.606	\$9.628	\$9.542
Non-Labor:						
Electric Power	\$1.751	-	-	-	-	-
Fuel	(0.313)	-	-	-	-	-
Insurance	(0.953)	(0.024)	0.021	0.023	0.025	0.027
Claims	(0.920)	0.016	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	(0.224)	(2.444)	2.872	2.910	2.957	3.000
Professional Service Contracts	6.726	15.000	(8.538)	6.442	6.291	5.900
Materials & Supplies	0.000	0.012	0.000	0.000	0.000	0.000
<i>Other Business Expenses</i>						
MTA Internal Subsidy	-	-	-	-	-	-
Other Business Expenses	(56.150)	(51.516)	(12.295)	(7.413)	(4.234)	(3.678)
Total Other Business Expenses	(56.150)	(51.516)	(12.295)	(7.413)	(4.234)	(3.678)
Total Non-Labor Expenditures	(\$50.083)	(\$38.954)	(\$17.940)	\$1.962	\$5.039	\$5.249
Other Expenditure Adjustments:						
Capital	(19.058)	(51.084)	(98.618)	(83.395)	(55.297)	(51.776)
Total Other Expenditure Adjustments	(19.058)	(51.084)	(98.618)	(83.395)	(55.297)	(51.776)
Total Cash Conversion Adjustments before Depreciation and GASB Adjs.	(175.647)	\$63.907	\$45.018	\$181.829	\$121.884	\$144.795
Depreciation Adjustment	29.034	28.779	36.275	49.453	58.300	63.984
OPEB Obligation	85.543	96.439	111.300	123.500	135.400	147.300
Environmental Remediation	-	-	-	-	-	-
Total Cash Conversion Adjustments	(\$61.069)	\$189.124	\$192.593	\$354.782	\$315.584	\$356.079

MTA Headquarters
2015 November Forecast
Non-Reimbursable/Reimbursable Overtime
(\$ in millions)

NON-REIMBURSABLE OVERTIME	Total		
	Hours	\$	%
<u>Scheduled Service</u>	0	\$0.000	0%
<u>Unscheduled Service</u>	0	0.000	0%
<u>Programmatic/Routine Maintenance</u>	0	0.000	0%
<u>Unscheduled Maintenance</u>	0	0.000	0%
<u>Vacancy/Absentee Coverage</u>	35,633	1.892	25%
<u>Weather Emergencies</u>	0	0.000	0%
<u>Safety/Security/Law Enforcement</u>	90,059	4.602	61%
<u>Other</u>	28,607	1.106	15%
Subtotal	154,299	\$7.600	100%
REIMBURSABLE OVERTIME	295,055	\$14.525	
TOTAL OVERTIME	449,354	\$22.125	

¹ Other & reimbursable budget includes PTE \$'s only. Does not include hours.

MTA HEADQUARTERS
2016 Final Proposed Budget
November Financial Plan 2016-2019
Year-to-Year Changes by Category - Baseline

Receipts:

Rental and Other Income and Reimbursements

- Increased total revenue in 2015 reflects re-estimated advertising revenues, re-estimated charge-backs to Agencies for work performed by MTA Headquarters on their behalf, and NYS support of the Verrazano-Narrows Bridge toll rebate program.
- Excluding NYS support of the Verrazano-Narrows Bridge toll rebate program, revenues in 2016, 2017 and 2018 and 2019 are inflated by the CPI-Urban rate of 1.80%, 2.29%, 2.55% and 2.41%, respectively. Cash revenues in 2017 are higher mainly due to the reimbursement of consolidation/relocation expenses from the disposition of the Madison Avenue buildings.

Expenditures:

Payroll

- Payroll in the November Financial Plan in 2015 reflect re-estimated departmental costs, the transfer of the New Fare Payment System group of 21 positions from NYCT, the consolidation of nine Treasury positions, and 15 New Needs positions.
- Payroll increases in 2016 primarily reflects full-year staffing, the hiring of 46 MTAPD officers and an administrator to perform counter-terrorism surge assignments in Penn Station and Grand Central Terminal, and 13 IT positions to support the EAM initiative. Represented employee wages increase with the terms of collective bargaining agreements. Non-represented MTA Headquarters and MTAPD civilian salaries are inflated by 2%.
- Expenses in 2017, 2018, and 2019 reflect MTA Headquarters and MTAPD civilian salaries inflated by wage growth assumptions of 2% per year.
- MTAPD represented salaries are inflated at 2%, 2%, and 3% in 2015, 2016, and 2017, respectively, in accordance to the terms agreed through the collective bargaining process.
- Also reflected is the increase in IT headcount of 27 positions in 2017, 33 positions in 2018, and 41 positions in 2019 to support the EAM initiative as it takes on more projects identified by the agency GAP assessments.
- The Plan also reflects the increase in patrol force necessary to provide greater coverage on the Moynihan project in 2015, and the ESA Project with hiring beginning in 2019.

Overtime

- Overtime expenses throughout the November Financial Plan are primarily related to MTAPD operations and, to a lesser extent resulting from the IT Transformation.
- In 2015, overtime expenses reflect the full-year impact of the overtime efficiencies agreed to in the ratified Police Benevolent Association (PBA) Contract.

- Reimbursable overtime expenses in 2015 reflect increases due to Directed Patrol activity for the entire year.
- Lower reimbursable overtime expense in 2016-2019 reflects anticipated reduced funding from grants.
- Expenses in 2016, 2017, 2018, and 2019 are unchanged from the July Plan and are inflated by prevailing inflator assumptions.

Health and Welfare

- Based on the most recent Empire Plan cost assumptions provided by the NYS Department of Civil Service, Health and Welfare medical insurance family coverage rates are projected to increase at a rate of 4.0% in 2015, 8.4% in 2016, and 1.6% in 2017, and 4.5% in each year thereafter. Individual coverage rates in 2015 are projected to increase at a rate of 3.9% in 2015, 8.7% in 2016, 0.3% in 2017, and 3.6% in each year thereafter.

OPEB Current Payment

- Year-to-Year increases are based on the projected medical insurance coverage rates to reflect higher coverage for retiree health benefit costs.

Pensions

- Pension costs in 2015 primarily are based on estimated New York State and Local Retirement System (NYSLRS) and MTA Defined Benefits contributions and estimated agency rates for those MTA Headquarters' employees currently on other agency payrolls.
- NYSLRS 2016 estimate is inflated at rates of 3.31%, 3.54% in 2017, 3.33% in 2018, and 3.22% in 2019, and is based on CPI plus one basis point for each year's increase.
- MTA Defined Benefits contributions estimates are based on actuarial growth assumptions through 2019.

Other Fringe Benefits

- Projections are consistent with payroll rate increase assumptions.

Insurance and Claims

- The core of excess liability policies is inflated at 10% annually. Claims expenses are inflated at approximately 9% annually over the Plan period.

Maintenance and Other Operating Contracts

- Maintenance expenses in 2015 and 2017 primarily reflect increases at the Madison Avenue properties due to the timing of the sale of the buildings.
- Expenses decrease in 2016 and 2018 primarily reflecting the reclassification of Two Broadway and IT Transformation expenses from the baseline.
- Expenses in 2018, and 2019 are inflated by the CPI-Urban rates of 2.55%, and 2.41%, respectively.

Professional Service Contracts

- Professional services include the reclassification of professional services to operating capital of \$14.5 million in 2015, \$16.7 million in 2016, \$8.8 million in 2017, and \$7.3 million in each of 2018 and 2019.
- Expenses are higher in 2016 mainly due to the timing of IT Transformation costs.
- Expenses are lower in 2017 mainly due to reduced Procurement and IT-related investments.
- In 2018 and 2019 the majority of expenses are inflated by the CPI-Urban rates of 2.55% and 2.41%, respectively, with adjustments corresponding to the needs of the West Side Yards development and other baseline changes.

MTA Internal Subsidy

- The MTA Internal Subsidy of \$25.5 million in 2015 reflects Verrazano-Narrows Bridge toll rebate program support of \$20.4 million and reflects a timing adjustment of the support sent to MTA B&T. NYS' share of the program is captured as an offsetting revenue. There is also a reduction in NYS fees (captured in Professional Services) in 2015 to reflect timing of NYS support from the prior year. Also captured in this category is the continuing support requirement for the Rockaway Resident Discount Program of \$5.1 million.
- In 2016 and beyond, the MTA Internal Subsidy includes annual support requirements for the Rockaway Resident Discount Program of \$5.1 million, and \$17.3 million for the Verrazano-Narrows Bridge toll rebate program. Reimbursement for New York State's share of the Verrazano-Narrows Bridge toll rebate program is reflected in MTAHQ Other Revenues.

Other Business Expenses

- Expenses in 2015 and thereafter reflect the MTA assuming the on-going costs of Long Island Bus resulting from unsuccessful litigation against Nassau County.
- In 2016, 2017, 2018 and 2019 expenses are inflated by the CPI-Urban rates of 1.80%, 2.29%, 2.55%, and 2.41%, respectively.

Other Expenditure Adjustments:

Capital Expenditures

- Capital spending in 2015 has been reduced due to timing delays of IT projects spending and added to 2016 and 2017 spending.
- Capital expenditures decrease to \$55.3 million in 2018 and reflect further BSC PeopleSoft Finance and Human Resources upgrades.
- Capital expenditures decrease to \$51.8 million in 2019 reflecting mostly IT spending.

MTA HEADQUARTERS
November Financial Plan 2016-2019
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE

	Favorable/(Unfavorable)								
	2015	2016	Change 2016 - 2015	2017	Change 2017 - 2016	2018	Change 2018 - 2017	2019	Change 2019 - 2018
Revenue									
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-	-	-	-
Rental Income	46.873	46.788	(0.085)	48.567	1.779	50.417	1.849	52.340	1.923
Other	13.962	14.064	0.102	14.168	0.104	15.252	1.084	14.372	(0.879)
Capital and Other Reimbursements									
Total Revenue	\$60.835	\$60.852	\$0.017	\$62.735	\$1.883	\$65.669	\$2.933	\$66.712	\$1.044
Expenses									
Labor:									
Payroll	\$243.171	\$264.754	(\$21.584)	\$274.214	(\$9.460)	\$277.370	(\$3.155)	\$283.442	(\$6.073)
Overtime	7.600	7.342	0.258	7.251	0.091	7.372	(0.122)	7.481	(0.109)
Health and Welfare	41.821	51.211	(9.390)	52.938	(1.727)	55.263	(2.325)	57.984	(2.721)
OPEB Current Payment	9.307	10.071	(0.765)	10.232	(0.161)	10.693	(0.460)	11.174	(0.481)
Pensions	67.198	70.599	(3.402)	69.389	1.210	70.624	(1.235)	72.924	(2.300)
Other Fringe Benefits	22.007	23.131	(1.124)	26.628	(3.497)	27.221	(0.593)	27.764	(0.543)
Reimbursable Overhead	(55.678)	(78.956)	23.278	(76.354)	(2.602)	(76.641)	0.287	(77.955)	1.314
Total Labor Expenses	\$335.425	\$348.153	(\$12.728)	\$364.300	(\$16.147)	\$371.903	(\$7.604)	\$382.815	(\$10.912)
Non-Labor:									
Electric Power	\$6.936	\$7.142	(\$0.206)	\$7.018	\$0.124	\$6.998	\$0.020	\$7.369	(\$0.371)
Fuel	1.508	1.732	(0.224)	1.820	(0.088)	1.887	(0.067)	2.089	(0.202)
Insurance	3.499	1.956	1.543	2.086	(0.130)	2.305	(0.219)	2.466	(0.161)
Claims	1.331	1.463	(0.132)	1.609	(0.146)	1.770	(0.161)	1.947	(0.177)
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	73.033	71.365	1.668	71.540	(0.175)	69.099	2.441	70.740	(1.641)
Professional Service Contracts	142.419	212.136	(69.717)	160.954	51.181	156.167	4.787	161.792	(5.625)
Materials & Supplies	0.059	1.976	(1.918)	2.011	(0.035)	2.069	(0.057)	2.107	(0.038)
MTA Internal Subsidy	25.500	22.400	3.100	22.400	-	22.400	-	22.400	-
Other Business Expenses	12.352	15.583	(3.232)	14.867	0.717	14.847	0.019	14.916	(0.069)
Total Non-Labor Expenses	\$266.636	\$335.753	(\$69.117)	\$284.304	\$51.449	\$277.542	\$6.762	\$285.826	(\$8.284)
Other Expenses Adjustments:									
Other	-	-	-	-	-	-	-	-	-
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.	\$602.061	\$683.906	(\$81.846)	\$648.604	\$35.302	\$649.445	(\$0.841)	\$668.641	(\$19.196)
Depreciation									
Depreciation	28.779	36.275	(7.496)	49.453	(13.178)	58.300	(8.847)	63.984	(5.684)
OPEB Obligation	96.439	111.300	(14.861)	123.500	(12.200)	135.400	(11.900)	147.300	(11.900)
Environmental Remediation	-	-	-	-	-	-	-	-	-
Total Expenses	\$727.278	\$831.481	(\$104.203)	\$821.557	\$9.924	\$843.145	(\$21.588)	\$879.925	(\$36.780)
Net Surplus/(Deficit)	(\$666.444)	(\$770.629)	(\$104.185)	(\$758.822)	\$11.808	(\$777.477)	(\$18.655)	(\$813.213)	(\$35.736)

MTA HEADQUARTERS
November Financial Plan 2016-2019
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

REIMBURSABLE

	Favorable/(Unfavorable)								
	2015	2016	Change 2016 - 2015	2017	Change 2017 - 2016	2018	Change 2018 - 2017	2019	Change 2019 - 2018
Revenue									
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-	-	-	-
Rental Income	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Capital and Other Reimbursements	126.417	121.393	(5.025)	109.123	(12.270)	108.527	(0.596)	104.083	(4.443)
Total Revenue	\$126.417	\$121.393	(\$5.025)	\$109.123	(\$12.270)	\$108.527	(\$0.596)	\$104.083	(\$4.443)
Expenses									
Labor:									
Payroll	\$4.142	\$4.591	(\$0.449)	\$4.661	(\$0.070)	\$4.733	(\$0.072)	\$4.804	(\$0.071)
Overtime	14.525	3.000	11.525	2.900	0.100	2.858	0.042	2.815	0.043
Health and Welfare	0.780	0.947	(0.167)	0.961	(0.014)	1.001	(0.040)	1.043	(0.042)
OPEB Current Payment	-	-	-	-	-	-	-	-	-
Pensions	0.757	0.942	(0.185)	0.857	0.086	0.877	(0.020)	0.898	(0.020)
Other Fringe Benefits	0.366	0.393	(0.027)	0.426	(0.033)	0.434	(0.008)	0.442	(0.008)
Reimbursable Overhead	55.678	78.956	(23.278)	76.354	2.602	76.641	(0.287)	77.955	(1.314)
Total Labor Expenses	\$76.248	\$88.829	(\$12.580)	\$86.158	\$2.671	\$86.544	(\$0.386)	\$87.957	(\$1.413)
Non-Labor:									
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	0.012	0.020	(0.008)	0.021	(0.000)	0.021	(0.001)	0.022	(0.001)
Professional Service Contracts	50.069	32.425	17.645	22.823	9.602	21.837	0.986	15.977	5.860
Materials & Supplies	-	-	-	-	-	-	-	-	-
MTA Internal Subsidy	-	-	-	-	-	-	-	-	-
Other	0.087	0.119	(0.032)	0.122	(0.003)	0.125	(0.003)	0.127	(0.003)
Total Non-Labor Expenses	\$50.169	\$32.564	\$17.605	\$22.965	\$9.599	\$21.982	\$0.982	\$16.126	\$5.856
Other Expenses Adjustments:									
Other	-	-	-	-	-	-	-	-	-
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	\$126.417	\$121.393	\$5.025	\$109.123	\$12.270	\$108.527	\$0.596	\$104.083	\$4.443
Depreciation	-	-	-	-	-	-	-	-	-
Total Expenses	\$126.417	\$121.393	\$5.025	\$109.123	\$12.270	\$108.527	\$0.596	\$104.083	\$4.443
Net Surplus/(Deficit)	(\$0.000)	(\$0.000)	\$0.000	(\$0.000)	(\$0.000)	\$0.000	\$0.000	\$0.000	(\$0.000)

MTA HEADQUARTERS
November Financial Plan 2016-2019
Year-to-Year Changes by Category - Cash Basis
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES

	Favorable/(Unfavorable)								
	2015	2016	Change 2016 - 2015	2017	Change 2017 - 2016	2018	Change 2018 - 2017	2019	Change 2019 - 2018
Receipts									
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-	-	-	-
Rental Income	46.954	46.788	(0.166)	48.567	1.779	50.417	1.849	52.340	1.923
Advertising	144.175	148.647	4.472	153.060	4.413	157.608	4.548	162.290	4.682
Other	14.047	14.166	0.119	114.764	100.598	20.158	(94.606)	33.863	13.705
Capital and Other Reimbursements	126.417	121.393	(5.025)	109.123	(12.270)	108.527	(0.596)	104.083	(4.443)
Total Revenue	\$331.593	\$330.994	(\$0.599)	\$425.514	\$94.520	\$336.709	(\$88.805)	\$352.576	\$15.867
Expenditures									
Labor:									
Payroll	\$240.780	\$262.640	(\$21.860)	\$272.114	(\$9.473)	\$275.272	(\$3.158)	\$281.417	(\$6.145)
Overtime	22.125	10.342	11.783	10.151	0.191	10.230	(0.080)	10.297	(0.066)
Health and Welfare	41.601	51.017	(9.416)	52.734	(1.717)	55.074	(2.340)	57.837	(2.763)
OPEB Current Payment	9.307	10.071	(0.765)	10.232	(0.161)	10.693	(0.460)	11.174	(0.481)
Pensions	66.205	66.625	(0.420)	68.632	(2.007)	69.867	(1.235)	72.176	(2.309)
Other Fringe Benefits	22.051	23.459	(1.408)	26.989	(3.530)	27.591	(0.602)	28.141	(0.551)
GASB Account	-	-	-	-	-	0.092	(0.092)	0.188	(0.096)
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
Total Labor Expenditures	\$402.069	\$424.155	(\$22.086)	\$440.852	(\$16.697)	\$448.820	(\$7.968)	\$461.231	(\$12.411)
Non-Labor:									
Electric Power	\$6.936	\$7.142	(\$0.206)	\$7.018	\$0.124	\$6.998	\$0.020	\$7.369	(\$0.371)
Fuel	1.508	1.732	(0.224)	1.820	(0.088)	1.887	(0.067)	2.089	(0.202)
Insurance	3.523	1.935	1.588	2.063	(0.128)	2.280	(0.217)	2.439	(0.159)
Claims	1.315	1.463	(0.148)	1.609	(0.146)	1.770	(0.161)	1.947	(0.177)
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating	-	-	-	-	-	-	-	-	-
Contracts	75.489	68.513	6.976	68.650	(0.138)	66.163	2.487	67.762	(1.598)
Professional Service Contracts	177.489	253.099	(75.610)	177.335	75.764	171.713	5.622	171.869	(0.156)
Materials & Supplies	0.046	1.976	(1.930)	2.011	(0.035)	2.069	(0.057)	2.107	(0.038)
MTA Internal Subsidy	25.500	22.400	3.100	22.400	-	22.400	-	22.400	-
Other Business Expenses	63.954	27.997	35.957	22.401	5.596	19.206	3.195	18.722	0.484
Total Non-Labor Expenditures	\$355.759	\$386.257	(\$30.497)	\$305.307	\$80.950	\$294.485	\$10.822	\$296.703	(\$2.218)
Other Expenditure Adjustments:									
Capital	51.084	98.618	(47.534)	83.395	15.223	55.297	28.098	51.776	3.521
Total Other Expenditure Adjustment	\$51.084	\$98.618	(\$47.534)	\$83.395	\$15.223	\$55.297	\$28.098	\$51.776	\$3.521
Total Expenditures	\$808.912	\$909.030	(\$100.118)	\$829.554	\$79.476	\$798.602	\$30.952	\$809.710	(\$11.108)
Net Cash Surplus/(Deficit)	(\$477.319)	(\$578.036)	(\$100.716)	(\$404.040)	\$173.996	(\$461.893)	(\$57.853)	(\$457.133)	\$4.759

MTA HEADQUARTERS
2016 Final Proposed Budget
November Financial Plan 2016-2019
Summary of Plan-to-Plan Changes by Generic Category

2015: November Financial Plan vs. July Financial Plan

Operating Revenue Changes

Other operating revenues are projected to increase from the July Plan by \$0.9 million mainly due to a timing difference of NYS support of the Verrazano-Narrows Bridge Toll Rebate Program being based on the State's fiscal year. Lower rental revenues are a partial offset.

Operating Expense Changes

Excluding depreciation and post-employment benefits adjustments, operating expenses decreased by \$22.5 million.

Major generic category changes include:

- Lower Professional Services of \$60.2 million primarily reflect the reclassification of IT costs as operating capital and the delay of IT spending until 2016.
- Lower Other Business Expense of \$3.8 million mainly due to lower company-wide spending of miscellaneous expenses.
- Lower Reimbursable Overhead of \$22.6 million results primarily from the timing of IT Transformation charge backs to the Agencies and other recoverable cost reductions.
- Revised pension of \$6.3 million mainly results from re-estimated costs related to the IT Transformation.
- Payroll increases of \$4.1 million primarily reflect the transfer of the New Fare Payment System group of 21 positions from NYCT, the consolidation of nine Treasury positions, and 15 New Needs positions.
- Higher Health and Welfare of \$4.1 million results primarily from increased headcount as noted above as well as reforecasting of benefits incurred for IT employees originally employed by other agencies.
- Revised Internal Subsidy of \$3.8 million reflects timing of reimbursements forwarded to MTA Bridges and Tunnels (B&T) for lost revenues related to the Verrazano-Narrows Bridge toll rebate program.
- Revised insurance expense of \$0.6 million.

2016: November Financial Plan vs. July Financial Plan

Operating Revenue Changes

Operating revenues are unchanged from the July Plan.

Operating Expense Changes

Excluding depreciation and post-employment benefits adjustments, operating expenses increased by \$33.9 million.

Major generic category changes include:

- Higher Professional Services of \$26.7 million primarily reflect higher IT spending due to timing, higher funding for hardware devices and network equipment in support of the EAM initiative, partly offset by the reclassification of IT costs as operating capital.
- Payroll increases of \$6.2 million primarily reflect the transfer of the New Fare Payment System group of 21 positions from NYCT, the consolidation of nine Treasury positions, and 84 New Needs positions.
- Higher Pensions of \$2.6 million are mainly due to higher headcount as explained above.
- Higher Maintenance and Other Contracts of \$2.2 million primarily reflect increased maintenance requirements for hand held devices acquired in support of the EAM initiative.
- Higher Health and Welfare expenses of \$1.5 million results from higher headcount as explained above.
- Higher reimbursable overhead of \$5.7 million results mainly from the charge back of IT expenses to the Agencies and the charge back of New Fare Payment System costs to the Capital Program.

2017 - 2019: November Financial Plan vs. July Financial Plan

Operating Revenue Changes

Operating revenues are unchanged from the July Plan.

Operating Expense Changes

Excluding depreciation and post-employment benefits adjustments, operating expenses increased by \$16.6 million in 2017, \$19.7 million in 2018, and \$23.0 million in 2019.

Major generic category changes include:

- Higher Professional Services of \$4.5 million in 2017 and \$6.6 million in 2018 and \$8.2 million in 2019 primarily reflect higher funding for hardware devices and network equipment in support of the EAM initiative, partly offset by the reclassification of IT costs as operating capital.
- Payroll increases of \$10.3 million in 2017, \$11.0 million in 2018, and \$11.8 million in 2019 primarily reflect the hiring of MTAPD officers to perform counter-terrorism surge assignments in Penn Station and Grand Central Terminal, IT positions to support the EAM initiative, the transfer of the New Fare Payment System group of from NYCT, the consolidation of Treasury positions, and the addition of several New Needs positions.
- Higher Health and Welfare expenses of \$2.5 million in 2017, \$2.7 million in 2018 and \$3.0 million in 2019 result from higher headcount as explained above.
- Higher Maintenance and Other Operating Contracts of \$0.9 million in 2017, 2018, and 2019 primarily reflect increased maintenance cost of hand held devices in support of the EAM initiative.
- Higher reimbursable overhead results from the timing of IT Professional Services of \$2.2 million in 2017, 2018 and 2019 mainly result from the charge back of New Fare Payment System costs to the Capital Program.

MTA HEADQUARTERS
2016 Final Proposed Budget
November Financial Plan 2016-2019
Summary of Plan-to-Plan Changes by Generic Category

2015: November Financial Plan vs. February Financial Plan

Operating Revenue Changes

Other operating revenues are projected to increase from the February Adopted Budget by \$1.7 million mainly due to higher Other Revenues which are projected to increase due to the increase in NYS support of the Verrazano-Narrows Bridge toll rebate offset by the elimination of anticipated Federal Transit Administration (FTA) recovery of operating funds from Tropical Storm Sandy.

Operating Expense Changes

Excluding depreciation and post-employment benefits decreases of \$16.0 million, operating expenses increased by \$11.5 million.

Major generic category changes include:

- Lower reimbursable overhead of \$16.9 million is mainly due to the timing of IT Transformation charge backs to the Agencies.
- Higher pension costs of \$13.3 million primarily reflect revised estimates for the IT Transformation as well as increased headcount reflecting the transfer of the New Fare Payment System group of 21 positions from NYCT, the consolidation of nine Treasury positions, and 15 New Needs positions.
- Higher MTA Internal Subsidy of \$6.4 million reflects additional support for the Verrazano-Narrows Bridge toll rebate program and reimbursement to B&T for lost revenues.
- Higher Other Business Expenses of \$5.7 million primarily reflects the MTA assuming Long Island Bus current costs stemming from unsuccessful litigation against Nassau County.
- Revised insurance estimates of \$0.6 million.
- Professional services decrease by \$15.1 million mainly as a result of timing of investments primarily related to IT activities.
- Payroll decreases of \$10.5 million primarily reflect IT position eliminations and continued vacancies partly offset by the additions noted above.
- Lower Maintenance and Other Operating Contracts of \$3.0 million primarily reflects reallocated expenses from the IT Transformation.
- Revised OPEB estimate of \$1.1 million.
- Lower Health and Welfare costs of \$1.0 million and Other Fringe Benefits of \$0.7 million are mainly attributable to IT position eliminations and higher vacancies partly offset by increased headcount previously noted.

2016: November Financial Plan vs. February Financial Plan

Operating Revenue Changes

Operating revenues are projected to increase from the February Adopted Budget by \$2.3 million mainly due to NYS support for the Verrazano-Narrows Bridge toll rebate program, and higher Two Broadway rentals.

Operating Expense Changes

Excluding depreciation and post-employment benefits decreases of \$10.0 million, operating expenses increased by \$109.4 million.

Major generic category changes include:

- Professional services increase by \$75.0 million mainly due to the timing of IT Transformation costs and as a result of hardware devices and network equipment in support of the EAM initiative.
- Higher pension costs of \$16.5 million primarily reflect revised estimates for the IT Transformation as well as the transfer of the New Fare Payment System group of 21 positions from NYCT, the consolidation of nine Treasury positions, and 84 New Needs positions.
- Higher Other Business Expenses of \$8.9 million primarily reflects the MTA assuming Long Island Bus current costs stemming from unsuccessful litigation against Nassau County, and additional support for the Verrazano-Narrows Bridge toll rebate program.
- Increased Health and Welfare of \$6.5 million is mainly due to higher rates and plan coverage mix as well as the increased headcount previously mentioned.
- Higher payroll expense of \$6.2 million primarily reflects the transfer of the New Fare Payment System group of 21 positions from NYCT, the consolidation of nine Treasury positions, and 84 New Needs positions.
- Higher Internal Subsidies of \$3.3 million reflects additional NYS support for the Verrazano-Narrows Bridge toll rebate program. This is offset by an equal increase in revenue received from NYS and captured in Other Revenues.
- Higher Materials and Supplies of \$2.0 million primarily reflects reallocated expenses from Two Broadway.
- Lower Maintenance and Other Operating Contracts of \$4.9 million primarily reflects reallocated expenses from the IT Transformation, partly offset by increases in maintenance support for the EAM initiative.
- Revised reimbursable overhead costs of \$3.5 million primarily reflects expenses recoverable from New Fare Payments Systems.

2017 and 2018: November Financial Plan vs. February Financial Plan

Operating Revenue Changes

Operating revenues are projected to increase from the February Financial Plan by \$2.3 million in 2017 and \$3.3 million in 2018 mainly due to NYS support for the Verrazano-Narrows Bridge toll rebate program, partially offset by lower rental revenues.

Operating Expense Changes

Excluding depreciation and post-employment benefits increases of \$2.3 million in 2017 and \$18.4 million in 2018, operating expenses are unfavorable by \$73.6 million in 2017, and \$64.3 million in 2018.

Major generic category changes include:

- Professional services increase by \$31.1 million and \$26.5 million in 2017 and 2018, respectively, mainly as a result of hardware devices and network equipment in support of the EAM initiative, higher New Needs and re-estimates primarily related to IT activities.
- Higher pension costs of \$14.7 million in 2017 and \$15.0 million in 2018 primarily reflect revised estimates for the IT Transformation as well as the transfer of the New Fare Payment System group of 21 positions from NYCT, the consolidation of nine Treasury positions, and New Needs positions for IT EAM and for MTAPD officers to perform counter-terrorism surge assignments in Penn Station and Grand Central Terminal.
- Higher Other Business Expenses of \$8.1 million and \$8.0 million in 2017 and 2018, respectively, primarily reflects the MTA assuming Long Island Bus current costs stemming from unsuccessful litigation against Nassau County, and additional support for the Verrazano-Narrows Bridge toll rebate program.
- Higher payroll expense of \$8.1 million and \$8.0 million in 2017 and 2018, respectively, primarily reflect increased headcount as stated above.
- Increased Health and Welfare of \$6.5 million in 2017 and \$7.0 million in 2018 is mainly due to higher headcount, rates and plan coverage mix.
- Higher Internal Subsidies of \$3.3 million is due to additional NYS support for the Verrazano-Narrows Bridge toll rebate program. This is offset by an equal increase in revenue received from NYS and included in Other Revenues.
- Higher Other Fringe Benefits of \$3.0 million in 2017 and \$2.9 million mainly reflects higher headcount and adjustments for other agency employees.
- Higher Materials and Supplies of \$2.0 million and \$2.1 million in 2017 and 2018, respectively, primarily reflects reallocated expenses from Two Broadway.
- Lower Maintenance and Other Operating Contracts of \$6.2 million and \$10.2 million in 2017 and 2018, respectively, primarily reflects reallocated expenses from the IT Transformation.

MTA HEADQUARTERS
November Financial Plan 2016-2019
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE

	2015	2016	2017	2018	2019
July Financial Plan - Cash Surplus/(Deficit)	(\$558.798)	(\$489.875)	(\$352.843)	(\$435.363)	(\$427.304)
Baseline Changes					
Revenue					
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-
Other Income	-	-	-	-	-
Rental Income	(\$0.300)	\$0.000	\$0.000	(\$0.000)	\$0.000
Advertising	-	-	-	-	-
Other	1.193	-	-	-	-
Total Other Operating Revenue	0.893	0.000	0.000	(0.000)	0.000
Capital and Other Reimbursement	-	-	-	-	-
Total Revenue Changes	\$0.893	\$0.000	\$0.000	(\$0.000)	\$0.000
Expenses					
Labor:					
Payroll	(\$4.107)	(\$6.242)	(\$10.267)	(\$10.957)	(\$11.835)
Overtime	(0.000)	-	-	-	-
Health and Welfare	(4.098)	(1.544)	(2.475)	(2.690)	(2.974)
OPEB Current Payment	(0.016)	-	-	-	-
Pensions	(6.259)	(2.620)	(0.152)	(0.195)	(0.612)
Other Fringe Benefits	(0.508)	0.117	(0.431)	(0.502)	(0.702)
Reimbursable Overhead	(22.640)	5.716	2.216	2.216	2.216
Total Labor Expense Changes	(\$37.627)	(\$4.572)	(\$11.110)	(\$12.127)	(\$13.906)
Non-Labor:					
Electric Power	0.000	0.001	0.194	0.152	0.185
Fuel	0.179	0.114	0.072	0.154	0.148
Insurance	(0.640)	0.009	0.010	0.011	0.012
Claims	(0.000)	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	0.287	(2.151)	(0.901)	(0.941)	(0.885)
Professional Service Contracts	60.216	(26.673)	(4.490)	(6.557)	(8.170)
Materials & Supplies	0.034	0.001	0.022	0.025	0.028
MTA Internal Subsidy	(3.760)	-	-	-	-
Other Business Expenses	3.770	(0.602)	(0.403)	(0.392)	(0.378)
Total Non-Labor Expense Changes	\$60.086	(\$29.301)	(\$5.496)	(\$7.548)	(\$9.061)
Gap Closing Expenses:					
Total Gap Closing Expenses	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation and GASB Adjs.					
Depreciation	9.725	12.017	5.774	(9.384)	(13.055)
OPEB Obligation	(7.554)	-	-	-	-
Total Expense Changes	\$24.629	(\$21.856)	(\$10.832)	(\$29.059)	(\$36.022)
Cash Adjustment Changes					
Revenue Adjustments	(0.759)	-	-	-	0.000
Expense Adjustments	56.720	(66.305)	(40.365)	2.530	6.192
Total Cash Adjustment Changes	\$55.960	(\$66.305)	(\$40.365)	\$2.530	\$6.192
Total Baseline Changes	\$81.482	(\$88.161)	(\$51.197)	(\$26.530)	(\$29.830)
November Financial Plan - Cash Surplus/(Deficit)	(\$477.315)	(\$578.036)	(\$404.040)	(\$461.893)	(\$457.133)

MTA HEADQUARTERS
November Financial Plan 2016-2019
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE

	2015	2016	2017	2018	2019
July Financial Plan - Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline Changes					
Revenue					
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-
Rental Income	-	-	-	-	-
Advertising Revenue	-	-	-	-	-
Other	-	-	-	-	-
<u>Capital and Other Reimbursement</u>	<u>(15.387)</u>	<u>4.143</u>	<u>0.448</u>	<u>0.413</u>	<u>0.363</u>
Total Revenue Changes	(\$15.387)	\$4.143	\$0.448	\$0.413	\$0.363
Expenses					
<i>Labor:</i>					
Payroll	(\$0.036)	(\$0.248)	(\$0.248)	(\$0.248)	(\$0.248)
Overtime	(7.520)	2.000	2.100	2.142	2.185
Health and Welfare	(0.038)	(0.090)	(0.092)	(0.096)	(0.100)
OPEB Current Payment	-	-	-	-	-
Pensions	0.035	(0.159)	(0.052)	(0.049)	(0.046)
Other Fringe Benefits	0.008	(0.003)	(0.016)	(0.016)	(0.017)
<u>Reimbursable Overhead</u>	<u>22.640</u>	<u>(5.716)</u>	<u>(2.216)</u>	<u>(2.216)</u>	<u>(2.216)</u>
Total Labor Expense Changes	\$15.089	(\$4.215)	(\$0.523)	(\$0.483)	(\$0.441)
<i>Non-Labor:</i>					
Electric Power	-	-	-	-	-
Fuel	-	-	-	-	-
Insurance	-	-	-	-	-
Claims	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	0.007	0.000	0.000	0.000	0.000
Professional Services	0.258	0.074	0.075	0.069	0.077
Materials & Supplies	-	-	-	-	-
MTA Internal Subsidy	-	-	-	-	-
<u>Other Business Expenses</u>	<u>0.028</u>	<u>(0.001)</u>	<u>(0.000)</u>	<u>(0.000)</u>	<u>0.000</u>
Total Non-Labor Expense Changes	\$0.294	\$0.073	\$0.074	\$0.070	\$0.078
Gap Closing Expenses:					
Total Gap Closing Expenses	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$15.383	(\$4.143)	(\$0.448)	(\$0.413)	(\$0.363)
Depreciation					
Total Expense Changes	\$15.383	(\$4.143)	(\$0.448)	(\$0.413)	(\$0.363)
Cash Adjustment Changes					
	-	-	-	-	-
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	(\$0.004)	(\$0.000)	\$0.000	\$0.000	\$0.000
November Financial Plan - Cash Surplus/(Deficit)	(\$0.004)	(\$0.000)	\$0.000	\$0.000	\$0.000

MTA HEADQUARTERS
November Financial Plan 2016-2019
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON REIMBURSABLE/REIMBURSABLE

	2015	2016	2017	2018	2019
July Financial Plan - Cash Surplus/(Deficit)	(\$558.798)	(\$489.875)	(\$352.843)	(\$435.363)	(\$427.304)
Baseline Changes					
Revenue					
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-
Rental Income	(\$0.300)	\$0.000	\$0.000	(\$0.000)	\$0.000
Advertising Revenue	-	-	-	-	-
Other	1.193	-	-	-	-
<u>Capital and Other Reimbursement</u>	<u>(15.387)</u>	<u>4.143</u>	<u>0.448</u>	<u>0.413</u>	<u>0.363</u>
Total Revenue Changes	(\$14.494)	\$4.143	\$0.448	\$0.413	\$0.364
Expenses					
<i>Labor:</i>					
Payroll	(4.142)	(6.489)	(10.515)	(11.204)	(12.083)
Overtime	(7.520)	2.000	2.100	2.142	2.185
Health and Welfare	(4.136)	(1.634)	(2.567)	(2.785)	(3.073)
OPEB Current Payment	(0.016)	-	-	-	-
Pensions	(6.224)	(2.779)	(0.204)	(0.244)	(0.658)
Other Fringe Benefits	(0.500)	0.114	(0.447)	(0.518)	(0.718)
<u>Reimbursable Overhead</u>	<u>0.000</u>	<u>(0.000)</u>	<u>0.000</u>	<u>0.000</u>	<u>-</u>
Total Labor Expense Changes	(\$22.538)	(\$8.787)	(\$11.633)	(\$12.610)	(\$14.347)
<i>Non-Labor:</i>					
Electric Power	0.000	0.001	0.194	0.152	0.185
Fuel	0.179	0.114	0.072	0.154	0.148
Insurance	(0.640)	0.009	0.010	0.011	0.012
Claims	(0.000)	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	0.295	(2.151)	(0.901)	(0.941)	(0.885)
Professional Services	60.475	(26.599)	(4.416)	(6.488)	(8.093)
Materials & Supplies	0.034	0.001	0.022	0.025	0.028
MTA Internal Subsidy	(3.760)	-	-	-	-
<u>Other Business Expenses</u>	<u>3.798</u>	<u>(0.603)</u>	<u>(0.404)</u>	<u>(0.392)</u>	<u>(0.377)</u>
Total Non-Labor Expense Changes	\$60.379	(\$29.228)	(\$5.422)	(\$7.478)	(\$8.984)
Gap Closing Expenses:					
Total Gap Closing Expenses	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$37.841	(\$38.015)	(\$17.055)	(\$20.089)	(\$23.331)
Depreciation	9.725	12.017	5.774	(9.384)	(13.055)
OPEB Obligation	(7.554)	-	-	-	-
Total Expense Changes	\$40.012	(\$25.999)	(\$11.281)	(29.473)	(36.386)
Cash Adjustment Changes					
Revenue Adjustments	(0.759)	-	-	-	0.000
Expense Adjustments	56.720	(66.305)	(40.365)	2.530	6.192
Total Cash Adjustment Changes	\$55.960	(\$66.305)	(\$40.365)	\$2.530	\$6.192
Total Baseline Changes	\$81.478	(\$88.161)	(\$51.197)	(\$26.530)	(\$29.830)
November Financial Plan - Cash Surplus/(Deficit)	(\$477.319)	(\$578.036)	(\$404.040)	(\$461.893)	(\$457.133)

MTA HEADQUARTERS
2016 Final Proposed Budget
November Financial Plan 2016-2019
Summary of Major Plan-to-Plan Changes

2015: November Financial Plan vs. July Financial Plan

Revenue Changes

Total revenue is projected to increase from the July Plan by \$0.9 million.

Major changes include:

- Rental income unfavorable adjustment of \$0.3 million.
- Other revenues are projected to increase by \$1.2 million primarily due to a timing difference of NYS support of the Verrazano-Narrows Bridge Toll Rebate Program which is based on the State's fiscal year. Lower rental revenues are a slight offset.

Expense Changes

Total expenses decreased by \$24.6 million in 2015.

Major changes include:

Favorable

- Lower IT spending and rollover to 2016 of \$44.3 million.
- Shift in EAM funding of \$4.7 million.
- Lower Materials and Supplies and Other Business Expenses of \$3.8 million mainly due to lower company-wide spending on miscellaneous expenses.
- Reclassification of IT spending to operating capital of \$3.3 million.

Unfavorable

- Revised salary and fringe of \$10.0 million.
- Revised pension costs of \$7.4 million due to revised assumptions.
- Timing of recovery from IT work for CDOT and New York City for MTA Bus of \$6.0 million.
- Timing of NYS support for Verrazano-Narrows toll rebate program of \$3.1 million.
- Revised IT consulting needs of \$2.6 million.

Cash Adjustments

Cash adjustments are favorable by \$56.0 million mainly due to the timing of operating capital project spending.

2016: November Financial Plan vs. July Financial Plan

Revenue Changes

Revenues are unchanged from the July Plan.

Expense Changes

Total expenses are projected to increase by \$21.9 million.

Major changes include:

Unfavorable

- Investments of \$15.9 million including EAM initiative support for positions, devices, network equipment, and timing of spending of \$10.5 million, MTAPD staffing for counter-terrorism surge assignments in Penn Station and Grand Central Terminal of \$1.6 million, Safety-related increases of \$1.4 million, and matching funds for a Workforce Development Grant of \$1.0 million.
- Revised IT consulting needs of \$2.7 million.
- Transfer of New Fare Payment System group and consolidation of Treasury function of \$2.2 million.
- Timing of EAM consulting expenditures of \$2.0 million.

Cash Adjustments

Cash adjustments are projected to be unfavorable by \$66.3 million primarily due to higher operating capital spending and higher IT spending and rollover from 2015.

2017-2019: November Financial Plan vs. July Financial Plan

Revenue Changes

Revenues are unchanged from the July Plan in each of the years.

Expense Changes

Expenses increase by \$10.8 million in 2016, \$29.1 million in 2017, and \$36.0 million in 2018.

Major changes include:

Unfavorable

- Increased investments of \$25.0 million in 2017, \$26.3 million in 2018 and \$27.6 million in 2019 include EAM initiative support for positions, devices, network equipment, MTAPD staffing for counter-terrorism surge assignments in Penn Station and Grand Central Terminal, and Safety-related increases of \$2.2 million.

- Revised IT consulting needs of \$2.7 million in 2017, \$2.8 million in 2018, and \$2.9 million in 2019.
- Transfer of New Fare Payment System group and consolidation of Treasury function of \$2.3 million in year 2017-2019.
- Reclassification of six IT positions to non-reimbursable status of \$1.1 million in years 2017-2019.

Favorable

- Revised recovery levels of \$2.5 million, \$2.6 million, and \$2.5 million in 2017, 2018, and 2019, respectively.
- Revised CPI inflator is favorable by \$2.8 million in 2017, \$2.9 million in 2018, and \$3.2 million in 2019.

Cash Adjustments

Cash adjustments are projected to be unfavorable by \$40.4 million in 2017 mainly due to the timing of operating capital spending. Cash adjustments are \$2.5 million favorable in 2017 and \$6.2 million in 2018 mainly due to favorable depreciation and pension expense cash adjustments offset, in part, by unfavorable changes in Operating Capital expenditure adjustments.

MTA HEADQUARTERS
November Financial Plan 2016-2019
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2015	2016	2017	2018	2019
July Financial Plan - Cash Surplus/(Deficit)	(\$558.798)	(\$489.875)	(\$352.843)	(\$435.363)	(\$427.304)
Non-Reimbursable Major Changes					
Revenue					
Lower rental revenue	(0.300)	-	-	-	-
All other	1.193	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Sub-Total Non-Reimbursable Revenue Change:	\$.893	\$.000	\$.000	\$.000	\$.000
Expenses					
<u>NEW NEEDS:</u>					
Transit Museum Archives	(0.397)	(0.412)	(0.416)	(0.418)	(0.419)
Subscription to NSC Family Health and Safety	(0.378)	(0.378)	(0.385)	(0.391)	(0.398)
Workforce Development Grant	-	(1.000)	-	-	-
CPM Analyst	-	(0.107)	(0.110)	(0.113)	(0.116)
Pension Manager	(0.055)	(0.110)	(0.113)	(0.116)	(0.119)
Exception Processing and MaBSTOA	(0.132)	(0.528)	(0.543)	(0.558)	(0.573)
PCAC position	-	(0.090)	(0.092)	(0.094)	(0.097)
EAM Positions	-	(0.173)	(0.659)	(0.676)	(0.694)
IT Positions supporting EAM	-	(1.458)	(3.727)	(4.652)	(5.907)
IT Devices supporting EAM	-	(1.926)	(3.488)	(3.508)	(3.493)
EAM Network Equipment	-	(6.727)	(10.420)	(10.500)	(10.423)
MTAPD - Increased Staffing	-	(1.580)	(2.881)	(2.987)	(3.068)
Safety Related Increases	(0.401)	(1.431)	(2.197)	(2.248)	(2.303)
Shift in EAM funding	2.000	(2.000)	-	-	-
Re-estimate of EAM requirements	2.696	(0.051)	(0.375)	(0.375)	(0.375)
Re-estimated current year Salary	(5.137)	-	-	-	-
Re-estimated current year Fringe Benefits	(4.849)	-	-	-	-
Re-estimate of Procurement Consultant	-	(1.023)	-	-	-
Re-estimate of MTA IT needs	(2.600)	(2.678)	(2.746)	(2.817)	(2.887)
Change in Pension Assumptions (Non-New Needs)	(7.365)	0.477	0.581	0.698	0.464
Lower Current Year IT Spending and Roll-over to 2016	44.258	(34.500)	-	-	-
Shift in Executive Order 88 related expenses	0.561	-	(0.561)	-	-
Transfer of New Fare Payment Systems from NYCT to MTAHQ	(0.435)	(0.972)	(1.094)	(1.112)	(1.130)
Consolidation of Treasury function from Agencies to MTAHQ	(0.207)	(1.180)	(1.175)	(1.185)	(1.194)
Reclassification of 6 Reimbursable IT heads to Non-Reimbursable	(0.971)	(1.057)	(1.077)	(1.094)	(1.108)
Timing of recovery from IT Work for CDOT and NYC (MTA Bus)	(5.950)	-	-	-	-
Timing of NYS support forwarded to B&T for VNB Toll	(3.100)	0.000	0.000	0.000	0.000
Higher current year Insurance activity & revised 2016 and beyond premiums	(0.641)	0.009	0.010	0.011	0.012
Change in Recovery levels	(16.306)	8.592	2.548	2.556	2.548
Safety Investment Re-estimates	(0.500)	(0.250)	(0.250)	(0.250)	(0.250)
Re-estimate of Safety Office personnel costs	0.040	-	-	-	-
Additional 2015 BRP - Joint Ticket costs	0.100	0.100	0.102	0.105	0.107
Lower current year Materials & Supplies and Other Business Expenses	3.802	-	-	-	-
Effect of revised Electric inflators	\$.000	\$.051	\$.252	\$.215	\$.249
Lower current year Fuel consumption & effect of revised inflators for 2016 and beyond	\$.179	\$.114	\$.072	\$.154	\$.148
Effect of revised CPI	\$.000	\$ 1.389	\$ 2.757	\$ 2.884	\$ 3.202
Re-classification of MTA IT and BSC project work to Operating Capital line	17.867	19.478	9.878	7.261	5.389
All Other changes	(\$ 1.398)	(\$.772)	(\$ 1.23)	(\$.046)	(\$.084)
Sub-Total Non-Reimbursable Expense Change:	\$20.681	(\$30.192)	(\$16.232)	(\$19.256)	(\$22.519)
Total Non-Reimbursable Major Change:	\$21.573	(\$30.192)	(\$16.232)	(\$19.256)	(\$22.519)
Reimbursable Major Changes					
<u>Revised Reimbursable Revenue</u>					
	<u>(\$15.387)</u>	<u>\$4.143</u>	<u>\$0.448</u>	<u>\$0.413</u>	<u>\$0.363</u>
Sub-Total Reimbursable Revenue Change:	(\$15.387)	\$4.143	\$0.448	\$0.413	\$0.363
Expenses					
	\$22.640	(\$5.716)	(\$2.216)	(\$2.216)	(\$2.216)
<u>All Other</u>	<u>(7.257)</u>	<u>1.573</u>	<u>1.768</u>	<u>1.803</u>	<u>1.853</u>
Sub-Total Reimbursable Expense Change:	\$15.383	(\$4.143)	(\$.448)	(\$.413)	(\$.363)
Total Reimbursable Major Change:	(\$0.004)	(\$0.000)	(\$0.000)	\$0.000	\$0.000
Total Accrual Changes	\$21.570	(\$30.192)	(\$16.232)	(\$19.256)	(\$22.519)
Cash Adjustment Changes					
Lower advertising revenue	(0.875)	-	-	-	-
Shift in timing of Operating Capital Spending	50.000	(25.000)	(25.000)	-	-
Re-estimated Operating Capital needs	(2.369)	0.045	-	-	-
Re-classification of IT project work to Operating Capital line	(14.512)	(16.682)	(8.797)	(7.274)	(7.310)
Transit Museum Point of Sale	(0.040)	(0.045)	-	-	-
All Other	27.705	(16.286)	(1.168)	-	-
Total Cash Adjustment Changes	\$59.905	(\$57.968)	(\$34.965)	(\$7.274)	(\$7.310)
Total Baseline Changes	\$81.475	(\$88.160)	(\$51.197)	(\$26.530)	(\$29.829)
November Financial Plan - Cash Surplus/(Deficit)	(\$477.319)	(\$578.035)	(\$404.040)	(\$461.893)	(\$457.133)

MTA HEADQUARTERS
November Financial Plan 2016-2019
2015 Budget Reduction Plan Summary
(\$ in millions)

	Favorable/(Unfavorable)									
	Pos.	2015	Pos.	2016	Pos.	2017	Pos.	2018	Pos.	2019
Administration										
Joint Ticket Reductions	-	0.100	-	0.100	-	0.102	-	0.105	-	0.107
BSC Postage Reduction		0.139		0.139		0.143		0.147		0.150
Position Downgrades		0.207		0.207		0.211		0.216		0.220
Lobbying Reductions		0.172		0.172		0.177		0.181		0.186
IT Headcount Reduction	59	5.490	59	9.915	59	10.123	59	10.205	59	10.294
EDP Consultant		1.000		2.800		2.800		2.800		2.800
Other IT		2.407		2.939		2.490		2.464		2.470
IT Salary Underrun		<u>16.562</u>		<u>0.000</u>		<u>0.000</u>		<u>0.000</u>		<u>0.000</u>
<i>Subtotal Administration</i>	59	<i>\$26.077</i>	59	<i>\$16.272</i>	59	<i>\$16.046</i>	59	<i>\$16.118</i>	59	<i>\$16.228</i>
Customer Convenience/Amenities										
<i>Subtotal Customer Convenience/Amenities</i>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>
	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Maintenance										
<i>Subtotal Maintenance</i>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>
	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Revenue Enhancement										
<i>Subtotal Revenue Enhancement</i>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>
	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Safety										
<i>Subtotal Safety</i>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>
	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Security										
MTAPD Position Downgrades		0.173		0.094		0.100		0.101		0.104
MTAPD Gas Efficiencies		0.301		0.140		0.138		0.141		0.146
MTAPD Auto Efficiencies		0.000		0.225		0.229		0.233		0.237
MTAPD Reduced Auto Repairs	-	<u>0.025</u>	-	<u>0.080</u>	-	<u>0.081</u>	-	<u>0.083</u>	-	<u>0.084</u>
<i>Subtotal Security</i>	-	<i>0.499</i>	-	<i>0.539</i>	-	<i>0.548</i>	-	<i>0.558</i>	-	<i>0.571</i>
Service										
<i>Subtotal Service</i>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>
	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Service Support										
<i>Subtotal Service Support</i>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>
	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Other										
<i>Subtotal Other</i>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>	-	<u>0.000</u>
	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Agency Submission	59	\$26.576	59	\$16.811	59	\$16.594	59	\$16.676	59	\$16.799

MTA HEADQUARTERS
November Financial Plan 2016-2019
2015 Budget Reduction Plan Worksheet

Category by Function: Administrative

Program: Joint Ticket Reductions

Background Details:	MTAHQ pays for the production and postage costs related to Joint Ticket Mail and Ride program per an agreement with MNR and LIRR. These expenses have been slowly declining and can be reduced.
----------------------------	---

Program Description/ Implementation Plan:		
Program Implementation Date:	When will savings begin?:	2015
	Are these savings recurring?:	Yes
Other Issues:	None	

	Favorable/(Unfavorable)				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.100	\$0.100	\$0.102	\$0.105	\$0.107
<i>Total Positions Required:</i>	0	0	0	0	0

MTA HEADQUARTERS
November Financial Plan 2016-2019
2015 Budget Reduction Plan Worksheet

Category by Function: Administration

Program: BSC Postage Reduction

Background Details:	The BSC has rolled out self-service functionality through the BSC portal and has directed customers on how to use the portal which will result in reduced monthly postage costs when higher usage is attained.
----------------------------	--

Program Description/ Implementation Plan:			
Program Implementation Date:	6/1/2015	When will savings begin?:	6/1/2015
		Are these savings recurring?:	YES
Other Issues: None			

	Favorable/(Unfavorable)				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<i>Financial Impact (Operating):</i>	0.139	0.139	0.143	0.147	0.150
Net Cash Savings (in millions)	\$0.139	\$0.139	\$0.143	\$0.147	\$0.150
<i>Total Positions Required:</i>	0	0	0	0	0

**MTA HEADQUARTERS
November Financial Plan 2016-2019
2015 Budget Reduction Plan Worksheet**

Category by Function: Administration

Program: Position Downgrades

Background Details:	MTAHQ has seen a number of retirements in the last year which has enabled several departments to downgrade a number of positions and reduce salaries.
----------------------------	---

Program Description/ Implementation Plan:			
Program Implementation Date:	6/1/2015	When will savings begin?:	6/1/2015
		Are these savings recurring?:	YES
Other Issues: None			

	Favorable/(Unfavorable)				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<i>Financial Impact (Operating):</i>	0.207	0.207	0.211	0.216	0.220
Net Cash Savings (in millions)	\$0.207	\$0.207	\$0.211	\$0.216	\$0.220
<i>Total Positions Required:</i>	0	0	0	0	0

**MTA HEADQUARTERS
November Financial Plan 2016-2019
2015 Budget Reduction Plan Worksheet**

Category by Function: Administration

Program: Reduced Lobbying

Background Details:	With the hiring of the Director, State Legislative Affairs position in Albany there is reduced need for lobbying representation .
----------------------------	---

Program Description/ Implementation Plan:			
Program Implementation Date:	6/1/2015	When will savings begin?:	6/1/2015
		Are these savings recurring?:	YES
Other Issues: None			

	Favorable/(Unfavorable)				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<i>Financial Impact (Operating):</i>	0.172	0.172	0.177	0.181	0.186
Net Cash Savings (in millions)	\$0.172	\$0.172	\$0.177	\$0.181	\$0.186
<i>Total Positions Required:</i>	0	0	0	0	0

MTA HEADQUARTERS
November Financial Plan 2016-2019
2015 Budget Reduction Plan Worksheet

Category by Function: Administration

Program: IT Headcount Reduction

Background Details:	IT Headcount reductions due to efficiencies resulting from the IT Transformation and vacancy reductions.
----------------------------	--

Program Description/ Implementation Plan:			
Program Implementation Date:	5/1/2015	When will savings begin?:	5/1/2015
		Are these savings recurring?:	YES
Other Issues: None			

	Favorable/(Unfavorable)				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<i>Financial Impact (Operating):</i>	5.490	9.915	10.123	10.205	10.294
Net Cash Savings (in millions)	\$5.490	\$9.915	\$10.123	\$10.205	\$10.294
<i>Total Positions Required: (List Title of Positions)</i>	59	59	59	59	59

MTA HEADQUARTERS
November Financial Plan 2016-2019
2015 Budget Reduction Plan Worksheet

Category by Function: Administration

Program: EDP Consultant

Background Details:	Reduction of EDP consultant services resulting from the elimination of Unisys Contract for Desktop Support.
----------------------------	---

**Program Description/
Implementation Plan:**

Program Implementation Date:	5/1/2015	When will savings begin?:	5/1/2015
		Are these savings recurring?:	YES
Other Issues: None			

	Favorable/(Unfavorable)				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<i>Financial Impact (Operating):</i>	1.000	2.800	2.800	2.800	2.800
Net Cash Savings (in millions)	\$1.000	\$2.800	\$2.800	\$2.800	\$2.800
<i>Total Positions Required:</i>	0	0	0	0	0

MTA HEADQUARTERS
November Financial Plan 2016-2019
2015 Budget Reduction Plan Worksheet

Category by Function: Administration

Program: Other IT

Background Details:	Other OTPS reductions for IT Maintenance & Repairs, IT Hardware and Software reductions, and professional service contracts.
----------------------------	--

Program Description/ Implementation Plan:			
Program Implementation Date:	5/1/2015	When will savings begin?:	5/1/2015
		Are these savings recurring?:	YES
Other Issues: None			

	Favorable/(Unfavorable)				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<i>Financial Impact (Operating):</i>	2.407	2.939	2.490	2.464	2.470
Net Cash Savings (in millions)	\$2.407	\$2.939	\$2.490	\$2.464	\$2.470
<i>Total Positions Required:</i>	0	0	0	0	0

MTA HEADQUARTERS
November Financial Plan 2016-2019
2015 Budget Reduction Plan Worksheet

Category by Function: Administration

Program: IT Salary Underrun

Background Details:	Due to prolonged vacancies IT has payroll savings for the first 5 months of 2015.
----------------------------	---

Program Description/ Implementation Plan:				
<table style="width: 100%;"> <tr> <td style="width: 30%;">Program Implementation Date: 1/1/2015</td> <td style="width: 30%;">When will savings begin?: 1/1/2015</td> </tr> <tr> <td></td> <td>Are these savings recurring?: NO</td> </tr> </table>	Program Implementation Date: 1/1/2015	When will savings begin?: 1/1/2015		Are these savings recurring?: NO
Program Implementation Date: 1/1/2015	When will savings begin?: 1/1/2015			
	Are these savings recurring?: NO			
Other Issues: None				

	Favorable/(Unfavorable)				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<i>Financial Impact (Operating):</i>	16.562	0.000	0.000	0.000	0.000
Net Cash Savings (in millions)	\$16.562	\$0.000	\$0.000	\$0.000	\$0.000
<i>Total Positions Required:</i>	0	0	0	0	0

MTA HEADQUARTERS
November Financial Plan 2016-2019
2015 Budget Reduction Plan Worksheet

Category by Function: Security

Program: MTAPD Position Downgrades

Background Details:	MTAPD will downgrade a Deputy Chief to a police officer and use some of the savings for promotions
----------------------------	--

Program Description/ Implementation Plan:			
Program Implementation Date:	6/1/2015	When will savings begin?:	6/1/2015
		Are these savings recurring?:	YES
Other Issues: None			

	Favorable/(Unfavorable)				
	2015	2016	2017	2018	2019
<i>Financial Impact (Operating):</i>	0.173	0.094	0.100	0.101	0.104
Net Cash Savings (in millions)	\$0.173	\$0.094	\$0.100	\$0.101	\$0.104
<i>Total Positions Required:</i>	0	0	0	0	0

MTA HEADQUARTERS
November Financial Plan 2016-2019
2015 Budget Reduction Plan Worksheet

Category by Function: Security

Program: MTAPD Gas Efficiencies

Background Details:	MTAPD will be able to reduce gas expenses due to efficiencies from new vehicles.
----------------------------	--

Program Description/ Implementation Plan:			
Program Implementation Date:	6/1/2015	When will savings begin?:	6/1/2015
		Are these savings recurring?:	YES
Other Issues: None			

	Favorable/(Unfavorable)				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<i>Financial Impact (Operating):</i>	0.301	0.140	0.138	0.141	0.146
Net Cash Savings (in millions)	\$0.301	\$0.140	\$0.138	\$0.141	\$0.146
<i>Total Positions Required:</i>	0	0	0	0	0

MTA HEADQUARTERS
November Financial Plan 2016-2019
2015 Budget Reduction Plan Worksheet

Category by Function: Security
Program: MTAPD Auto Efficiencies

Background Details:	MTAPD will reduce outside services and other professional service contracts mainly in office maintenance.
----------------------------	---

Program Description/ Implementation Plan:			
Program Implementation Date:	1/1/2016	When will savings begin?:	1/1/2016
		Are these savings recurring?:	YES
Other Issues: None			

	Favorable/(Unfavorable)				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<i>Financial Impact (Operating):</i>	0.000	0.225	0.229	0.233	0.237
Net Cash Savings (in millions)	\$0.000	\$0.225	\$0.229	\$0.233	\$0.237
<i>Total Positions Required:</i>	0	0	0	0	0

MTA HEADQUARTERS
November Financial Plan 2016-2019
2015 Budget Reduction Plan Worksheet

Category by Function: Security
Program: MTAPD Reduced Auto Repairs

Background Details:	MTAPD will reduce auto repairs and other purchases due to efficiencies from new vehicles.
----------------------------	---

Program Description/ Implementation Plan:			
Program Implementation Date:	1/1/2015	When will savings begin?:	1/1/2015
		Are these savings recurring?:	YES
Other Issues: None			

	Favorable/(Unfavorable)				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<i>Financial Impact (Operating):</i>	0.025	0.080	0.081	0.083	0.084
Net Cash Savings (in millions)	\$0.025	\$0.080	\$0.081	\$0.083	\$0.084
<i>Total Positions Required:</i>	0	0	0	0	0

**MTA HEADQUARTERS
2016 Final Proposed Budget
November Financial Plan 2016-2019
Positions**

POSITION ASSUMPTIONS

2015: November Plan vs. July Plan

Total baseline positions are projected to increase by 37 positions, due to the following:

New Needs (total increase of 15 Non-Reimbursable positions) include:

- Staffing for the Safety Management Office of seven positions.
- Seven Pension positions including a Manager to assist in the PeopleSoft upgrade, three positions for MaBSTOA plan requirements and three positions for an Exception Processing Unit.
- One position for Capital Program Management making permanent an Excelsior Fellow position originally budgeted for two years duration.

Change in Reimbursable Positions (total increase of four positions):

- Transfer of 14 New Fare Payment System positions from NYCT and reimbursable from the Capital Program.
- Reduction of 10 positions due to IT adjustments.

Change in Re-estimates and All Other (total increase of 18 positions):

- Increase of 10 positions due to IT adjustments.
- Consolidation of the Treasury function comprising nine positions.
- Transfer of seven non-reimbursable New Fare Payment System positions from NYCT.
- Reduction of eight IT EAM positions to reflect revised Agency project timelines.

Position changes by occupational group are: Managers/Supervisors increase by 15 positions, Professional, Technical, Clerical positions increase by 22 positions.

2016 -2019: November Financial Plan vs. July Financial Plan

Total baseline positions are projected to increase by 114 positions in 2016, 130 in 2017, 136 in 2018, and 143 in 2019 as follows:

New Needs (total increase of 84 Non-Reimbursable positions in 2016, 100 in 2017, and 106 in 2018 and 113 in 2019) include:

- MTAPD to hire 46 police officers to perform counter-terrorism surge assignments in Penn Station and Grand Central Terminal, and one civilian administrator.
- IT to hire 13 positions in 2016, 29 in 2017, and 35 in 2018 and 42 in 2019 for EAM initiative support.
- Staffing for the Safety Management Office of 11 positions.

- Seven Pension positions including a Manager to assist in the PeopleSoft upgrade, three positions for MaBSTOA plan requirements and three positions for an Exception Processing Unit.
- Four positions for EAM oversight.
- One position for Capital Program Management making permanent an Excelsior Fellow position originally budgeted for two years duration.
- One position for the Permanent Citizens Advisory Committee (PCAC) to assist the three Commuter Councils.

Change in Reimbursable Positions (total increase of four positions):

- Transfer of 14 New Fare Payment System positions from NYCT and reimbursable from the Capital Program.
- Reduction of 10 positions due to IT adjustments.

Change in Re-estimates and All Other (total increase of 16 positions):

- Increase of 10 positions due to IT adjustments.
- Consolidation of the Treasury function comprising nine positions.
- Transfer of seven non-reimbursable New Fare Payment System positions from NYCT.

Administration positions increase by 67 positions in 2016, 83 in 2017, 89 in 2018, and 96 in 2019. Public Safety positions increase by 47 positions in 2016-2019.

Position changes by occupational group are: Managers/Supervisors increase by 25 positions in 2016-2019. Professional, Technical, Clerical positions increase by 43 positions in 2016, 59 positions in 2017, 65 positions in 2018, and 72 positions in 2019. Operational Hourlies increase by 46 positions in 2016-2019.

Year over Year

2016 over 2015

Total positions increase by 83 non-reimbursable positions to 2,833 positions mainly due to the addition of 47 MTAPD positions to perform counter-terrorism surge assignments in Penn Station and Grand Central Terminal, 29 IT positions for EAM initiative support, four Safety Management Office positions, four EAM positions and one PCAC position. Non-reimbursable positions are 2,699 in 2016, and reimbursable positions are 134. Occupational group increases include 27 positions for Professional, Technical, Clerical to 1,613 positions. Managers/Supervisors increase by 10 positions to 598 positions. Operational Hourlies increase by 46 positions.

2017 over 2016

Positions increase to 2,849 positions in 2017, an increase of 16 non-reimbursable positions from 2016 due to additional IT positions for EAM initiative support. Non-reimbursable positions are 2,715 in 2017, and reimbursable positions are 134. Occupational group increases include 16 positions for Professional, Technical, Clerical to

1,629 positions. Managers/Supervisors remain at 598 positions, and Operational Hourlies remain at 622 positions.

2018 over 2017

Positions increase to 2,855 positions in 2018, an increase of six non-reimbursable positions from 2017 due to additional IT positions for EAM initiative support. Non-reimbursable positions are 2,721 in 2017, and reimbursable positions are 134. Occupational group increases include six positions for Professional, Technical, Clerical to 1,635 positions. Managers/Supervisors remain at 598 positions, and Operational Hourlies remain at 622 positions.

2019 over 2018

In 2019, positions increase by 37 non-reimbursable positions due to the MTAPD hiring plan of 30 officers for ESA that anticipates a projected opening in 2022, coupled with seven non-reimbursable positions IT positions for EAM initiative support. Non-reimbursable positions are 2,758 in 2018, and reimbursable positions are 134. Occupational group increases include seven positions for Professional, Technical, Clerical to 1,642 positions. Managers/Supervisors remain at 598 positions, and Operational Hourlies increase by 30 positions to 652 positions.

MTA HEADQUARTERS
November Financial Plan 2016-2019
Favorable/(Unfavorable)

Total Position Changes at a Glance

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
2015 July Plan - Total Baseline Positions	2,713	2,719	2,719	2,719	2,749
Total Plan-to-Plan Changes	(37)	(114)	(130)	(136)	(143)
2015 November Plan - Total Baseline Positions	2,750	2,833	2,849	2,855	2,892
Total Year-to-Year Changes, November Plan	0	(83)	(16)	(6)	(37)

Total Plan-to-Plan Changes by Reporting Category:

<i>Non-Reimbursable</i>	(33)	(110)	(126)	(132)	(139)
<i>Reimbursable</i>	(4)	(4)	(4)	(4)	(4)
Total	(37)	(114)	(130)	(136)	(143)
<i>Full-Time</i>					
<i>Full-Time Equivalents</i>	-	-	-	-	-
Total	0	0	0	0	0
<i>By Function Category</i>					
- Administration	(37)	(67)	(83)	(89)	(96)
- Operations	-	-	-	-	-
- Maintenance	-	-	-	-	-
- Engineering/Capital	-	-	-	-	-
- Public Safety	-	(47)	(47)	(47)	(47)
Total	(37)	(114)	(130)	(136)	(143)
<i>By Occupational Group</i>					
- Managers/Supervisors	(15)	(25)	(25)	(25)	(25)
- Professional, Technical, Clerical	(22)	(43)	(59)	(65)	(72)
- Operational Hourlies	-	(46)	(46)	(46)	(46)
Total	(37)	(114)	(130)	(136)	(143)

Total Plan-to-Plan Changes by Major Category:

<i>2015 BRPs</i>					
<i>New Needs</i>	(15)	(84)	(100)	(106)	(113)
<i>Change in Reimbursable Positions</i>	(4)	(4)	(4)	(4)	(4)
<i>Re-estimates & All Other (xfer from agencies)</i>	(18)	(26)	(26)	(26)	(26)
Total	(37)	(114)	(130)	(136)	(143)

¹ Includes Full-time Equivalents

MTA HEADQUARTERS
November Financial Plan 2016-2019
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

FUNCTION/DEPARTMENT	2014 Actual	2015 November Forecast	2016 Final Proposed Budget	2017	2018	2019
MTA HQ, Policy & Oversight						
Office of Chairman	5	4	4	4	4	4
Chief Operating Officer	1	2	2	2	2	2
Chief Safety Officer	0	8	12	12	12	12
Office of Counselor to the Chairman	2	2	2	2	2	2
Office of Chief of Staff	6	7	7	7	7	7
Federal Affairs	0	1	1	1	1	1
Intergovernmental Relations	5	5	5	5	5	5
Spec. Project Develop/Planning	8	8	8	8	8	8
Corporate Account	0	4	4	4	4	4
Human Resources	17	24	24	24	24	24
Labor Relations	6	8	8	8	8	8
PCAC	4	4	5	5	5	5
General Counsel						
Office of Ded General Counsel	29	35	35	35	35	35
Record Management	2	2	2	2	2	2
General Counsel	31	37	37	37	37	37
Office of Diversity						
Office of Diversity	1	2	2	2	2	2
Office of Civil Rights	14	14	14	14	14	14
Office of Diversity	15	16	16	16	16	16
Corporate & Internal Communications						
Office of DED Corp. Affairs and Comm.	0	1	1	1	1	1
Marketing	10	11	11	11	11	11
Corporate & Internal Communications	10	12	12	12	12	12
Chief Financial Officer						
Office of Chief Financial Officer	3	4	4	4	4	4
Comptroller's Office	20	22	22	22	22	22
Management & Budget	22	23	23	23	23	23
Strategic Initiatives	3	8	8	8	8	8
Chief Financial Officer	48	57	57	57	57	57
Environmental, Sustainability & Compliance						
Environmental, Sustainability & Compliance	5	6	6	6	6	6
New Fare Payment System	0	21	21	21	21	21
Capital Programs	5	27	27	27	27	27
Total MTA HQ, Policy & Oversight	163	226	231	231	231	231

MTA HEADQUARTERS
November Financial Plan 2016-2019
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

FUNCTION/DEPARTMENT	2014 Actual	2015 November Forecast	2016 Final Proposed Budget	2017	2018	2019
MTA Consolidated Functions						
External Communication	14	14	14	14	14	14
Audit	83	85	85	85	85	85
Office of Diversity - MWDBE/ DBE Contract Integrity	12	16	16	16	16	16
Pensions	44	63	63	63	63	63
Information Technology	102	1,002	1,029	1,045	1,051	1,058
General Counsel/Compliance						
Compliance	4	7	7	7	7	7
Chief Financial Officer						
Director of Finance	6	6	6	6	6	6
Treasury	9	18	18	18	18	18
Risk and Insurance Management	20	22	22	22	22	22
Real Estate	57	68	68	68	68	68
Office of Capital Programs	2	1	1	1	1	1
Construction Oversight	4	5	5	5	5	5
Federal Policy	0	1	1	1	1	1
Enterprise Asset Management	1	6	10	10	10	10
Capital Program Management	12	15	15	15	15	15
Capital Program Funding	10	11	11	11	11	11
Total Capital Programs	29	39	43	43	43	43
Chief Financial Officer	121	153	157	157	157	157
Internal Communications	2	3	3	3	3	3
Arts for Transit	7	8	8	8	8	8
Transit Museum Operations	11	15	15	15	15	15
Retail Operations	5	3	3	3	3	3
Corporate and Internal Communications	25	29	29	29	29	29
Total MTA Consolidated Functions	405	1,369	1,400	1,416	1,422	1,429
Business Service Center	347	344	344	344	344	344
Public Safety	765	811	858	858	858	888
Baseline Total Positions	1,680	2,750	2,833	2,849	2,855	2,892
<i>Non-Reimbursable</i>	1,624	2,616	2,699	2,715	2,721	2,758
<i>Reimbursable</i>	56	134	134	134	134	134
<i>Full-Time</i>	1,680	2,750	2,833	2,849	2,855	2,892
<i>Full-Time Equivalents</i>	0	0	0	0	0	0

MTA HEADQUARTERS
November Financial Plan 2016-2019
Total Positions by Function and Occupation

FUNCTION/OCCUPATIONAL GROUP		2014 Actual	2015 November Forecast	2016 Final Proposed Budget	2017	2018	2019
Administration							
	Managers/Supervisors	398	431	441	441	441	441
	Professional, Technical, Clerical	517	1,508	1,534	1,550	1,556	1,563
	Operational Hourlies						
	Total Administration	915	1,939	1,975	1,991	1,997	2,004
Operations							
	Managers/Supervisors	-	-	-	-	-	-
	Professional, Technical, Clerical	-	-	-	-	-	-
	Operational Hourlies	-	-	-	-	-	-
	Total Operations	-	-	-	-	-	-
Maintenance							
	Managers/Supervisors	-	-	-	-	-	-
	Professional, Technical, Clerical	-	-	-	-	-	-
	Operational Hourlies	-	-	-	-	-	-
	Total Maintenance	-	-	-	-	-	-
Engineering/Capital							
	Managers/Supervisors	-	-	-	-	-	-
	Professional, Technical, Clerical	-	-	-	-	-	-
	Operational Hourlies	-	-	-	-	-	-
	Total Engineering/Capital	-	-	-	-	-	-
Public Safety							
	Managers/Supervisors	154	157	157	157	157	157
	Professional, Technical, Clerical	611	78	79	79	79	79
	Operational Hourlies (Uniformed)		576	622	622	622	652
	Total Public Safety	765	811	858	858	858	888
Total Positions							
	Managers/Supervisors	552	588	598	598	598	598
	Professional, Technical, Clerical	1,128	1,586	1,613	1,629	1,635	1,642
	Operational Hourlies	-	576	622	622	622	652
	Total Baseline Positions	1,680	2,750	2,833	2,849	2,855	2,892

MTA Headquarters

MTA Headquarters includes four distinct components: Policy & Oversight, MTA Consolidated Functions including Information Technology and Non-Information Technology, the Business Service Center, and MTA Security:

- MTA HQ, Policy & Oversight includes MTA executive leadership and policy/oversight functions including the Chairman's Office, Chief of Staff, Office of the Chief Financial Officer, Human Resources, Labor Relations, and Corporate and Community Affairs.
- MTA Consolidated Functions includes areas where savings have been achieved through function consolidations or areas where the work can be more efficiently performed at Headquarters. Previous Plans included the consolidation of the Pension function. This Plan includes the consolidation of the Information Technology and Treasury functions. The Procurement consolidation will be completed in a future Plan. As MTA consolidates functions across the Agencies, it is likely that the net budget change associated with those functions will increase Headquarters' costs, while staffing and expense levels decrease at a higher level at the Agencies.
- The Business Service Center provides shared back-office financial, payroll, procurement, and human resource services to all agencies.
- Public Safety includes the MTA Police which patrols the MTA's commuter railroads, and provides MTA-wide oversight of security and safety services. Public Safety also leads emergency preparedness, and interfaces with multiple city, state and federal law enforcement agencies.

The following tables breaks out the MTA HQ personnel Budgets by these categories.

MTA HEADQUARTERS
November Financial Plan 2016 - 2019
Accrual Statement of Operations By Major Function
(\$ in Millions)

Non-Reimbursable	2015 November Forecast	2016 Final Proposed Budget	2017	2018	2019
<u>MTA Consolidated Functions</u>					
Operating Revenue	\$3.213	\$6.096	\$6.201	\$7.285	\$6.405
Labor Expenses (non-IT)	13.703	14.435	14.873	15.225	15.608
Labor Expenses (IT Transformation)	135.835	129.846	139.748	143.788	146.801
Non-Labor Expenses (non-IT)	22.186	23.590	21.278	17.958	18.445
Non-Labor Expenses (IT Transformation)	100.678	159.292	125.208	126.754	131.297
Depreciation / OPEB Obligation (non-IT)	1.010	0.734	0.728	0.728	0.728
Depreciation / OPEB Obligation (IT Transformation)	4.813	14.154	35.496	46.449	52.133
Total Expenses	\$278.225	\$342.050	\$337.332	\$350.903	\$365.013
Baseline Deficit	(\$275.012)	(\$335.954)	(\$331.131)	(\$343.618)	(\$358.608)
<u>MTA HQ, Policy & Oversight</u>					
Operating Revenue	\$57.622	\$54.756	\$56.534	\$58.384	\$60.307
Labor Expenses	32.869	43.660	44.512	45.794	47.119
Non-Labor Expenses	129.760	122.672	115.877	113.714	115.651
Depreciation / OPEB Obligation	110.182	124.406	129.700	140.984	152.884
Total Expenses	\$272.811	\$290.738	\$290.089	\$300.492	\$315.654
Baseline Deficit	(\$215.189)	(\$235.981)	(\$233.555)	(\$242.108)	(\$255.347)
<u>Business Service Center</u>					
Operating Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Labor Expenses	31.671	35.773	35.053	35.842	36.495
Non-Labor Expenses	5.808	19.390	11.966	8.845	9.067
Depreciation / OPEB Obligation	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$37.479	\$55.163	\$47.019	\$44.687	\$45.562
Baseline Deficit	(\$37.479)	(\$55.163)	(\$47.019)	(\$44.687)	(\$45.562)
<u>Public Safety</u>					
Operating Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Labor Expenses	121.346	124.440	130.114	131.255	136.793
Non-Labor Expenses	8.204	10.809	9.974	10.271	11.365
Depreciation / OPEB Obligation	9.213	8.281	7.029	5.538	5.538
Total Expenses	\$138.763	\$143.531	\$147.117	\$147.064	\$153.696
Baseline Deficit	(\$138.763)	(\$143.531)	(\$147.117)	(\$147.064)	(\$153.696)

MTA HEADQUARTERS
November Financial Plan 2016 - 2019
Total Positions by Function
Non-Reimbursable/Reimbursable and Full-Time Positions/Full-Time Equivalents

FUNCTION	2015 Mid-Year Forecast	2016 Preliminary Budget	2017	2018	2019
MTA Consolidated Functions	349	353	353	353	353
MTA HQ, Policy & Oversight	244	249	249	249	249
Business Service Center	344	344	344	344	344
Information Technology (IT)	1,002	1,029	1,045	1,051	1,058
Public Safety	811	858	858	858	888
Total Positions	2,750	2,833	2,849	2,855	2,892
Non-Reimbursable	2,616	2,699	2,715	2,721	2,758
MTA Consolidated Functions	297	301	301	301	301
MTA HQ, Policy & Oversight	230	235	235	235	235
Business Service Center	344	344	344	344	344
Information Technology (IT)	934	961	977	983	990
Public Safety	811	858	858	858	888
	-	-	-	-	-
Reimbursable	134	134	134	134	134
MTA Consolidated Functions	52	52	52	52	52
MTA HQ, Policy & Oversight	14	14	14	14	14
Business Service Center	68	68	68	68	68
Information Technology (IT)	-	-	-	-	-
Public Safety	-	-	-	-	-

**MTA INSPECTOR GENERAL
2016 Final Proposed Budget
November Financial Plan 2016 - 2019**

Financial Overview

The forecast for the Office of Inspector General for the years 2016 - 2019 reflects the guidelines and assumptions used by MTA Headquarters, and provides adequate resources used to investigate and audit matters of concern throughout the MTA and its subsidiaries.

2015 November Forecast

In the 2015 November Forecast, a total of \$12.6 million is projected in baseline expenses compared to the July Plan of \$13.5 million. The variance is mainly due to lower payroll and fringe benefits resulting from vacancies.

2016 Final Proposed Budget – Baseline

In the 2016 Final Proposed Budget, a total of \$15.0 million is projected in baseline expenses compacted to the July Financial Plan of \$14.8 million. The variance is mainly due to the re-estimation of pension expenses.

2017- 2019 Projections

The forecast for the Office of Inspector General for the years 2017 - 2019 reflects inflationary growth according to the prevailing guidelines and assumptions.

MTA INSPECTOR GENERAL
November Financial Plan 2016 - 2019
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE						
	2014	2015	2016			
	<u>Actual</u>	<u>November</u>	<u>Final Proposed</u>	<u>2017</u>	<u>2018</u>	<u>2019</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	11.598	12.590	14.962	14.981	15.320	15.669
Total Revenue	\$11.598	\$12.590	\$14.962	\$14.981	\$15.320	\$15.669
Expenses						
<u>Labor:</u>						
Payroll	\$6.539	\$7.024	\$8.194	\$8.326	\$8.460	\$8.597
Overtime	-	-	-	-	-	-
Health and Welfare	0.728	1.040	1.655	1.682	1.753	1.828
OPEB Current Payment	-	-	-	-	-	-
Pensions	0.949	1.043	1.431	1.208	1.248	1.288
Other Fringe Benefits	0.476	0.503	0.616	0.627	0.639	0.651
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenses	\$8.692	\$9.610	\$11.896	\$11.843	\$12.100	\$12.364
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.032	0.031	0.039	0.041	0.042	0.046
Insurance	0.030	0.020	0.025	0.028	0.030	0.033
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	2.532	2.633	2.694	2.754	2.825	2.895
Professional Service Contracts	0.188	0.146	0.199	0.203	0.209	0.214
Materials & Supplies	-	-	-	-	-	-
Other Business Expenses	0.114	0.121	0.109	0.112	0.114	0.117
Total Non-Labor Expenses	\$2.896	\$2.951	\$3.066	\$3.138	\$3.220	\$3.305
<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	\$11.588	\$12.561	\$14.962	\$14.981	\$15.320	\$15.669
Depreciation	\$0.010	\$0.029	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses	\$11.598	\$12.590	\$14.962	\$14.981	\$15.320	\$15.669
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA INSPECTOR GENERAL
November Financial Plan 2016 - 2019
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2014	2015	2016			
	Actual	November	Final Proposed	2017	2018	2019
		Forecast	Budget			
Receipts						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-
Capital and Other Reimbursements	11.588	12.561	14.962	14.981	15.320	15.669
Total Receipts	\$11.588	\$12.561	\$14.962	\$14.981	\$15.320	\$15.669
Expenditures						
<u>Labor:</u>						
Payroll	\$6.539	\$7.024	\$8.194	\$8.326	\$8.460	\$8.597
Overtime	-	-	-	-	-	-
Health and Welfare	0.728	1.040	1.655	1.682	1.753	1.828
OPEB Current Payment	-	-	-	-	-	-
Pensions	0.949	1.043	1.431	1.208	1.248	1.288
Other Fringe Benefits	0.476	0.503	0.616	0.627	0.639	0.651
GASB Account	-	-	-	-	-	-
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$8.692	\$9.610	\$11.896	\$11.843	\$12.100	\$12.364
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.032	0.031	0.039	0.041	0.042	0.046
Insurance	0.030	0.020	0.025	0.028	0.030	0.033
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	2.532	2.633	2.694	2.754	2.825	2.895
Professional Service Contracts	0.188	0.146	0.199	0.203	0.209	0.214
Materials & Supplies	-	-	-	-	-	-
Other Business Expenses	0.114	0.121	0.109	0.112	0.114	0.117
Total Non-Labor Expenditures	\$2.896	\$2.951	\$3.066	\$3.138	\$3.220	\$3.305
<u>Other Expenditure Adjustments:</u>						
Other - Operating Capital	\$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
Total Expenditures	\$11.588	\$12.561	\$14.962	\$14.981	\$15.320	\$15.669
Net Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA INSPECTOR GENERAL
November Financial Plan 2016 - 2019
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2014	2015	2016			
	<u>Actual</u>	<u>November Forecast</u>	<u>Final Proposed Budget</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Receipts						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-
Capital and Other Reimbursements	(0.010)	(0.029)	-	-	-	-
Total Receipts	(\$0.010)	(\$0.029)	\$0.000	\$0.000	\$0.000	\$0.000
Expenditures						
<u>Labor:</u>						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-
OPEB Current Payment	-	-	-	-	-	-
Pensions	-	-	-	-	-	-
Other Fringe Benefits	-	-	-	-	-	-
GASB Account	-	-	-	-	-	-
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	-	-	-	-	-	-
Insurance	-	-	-	-	-	-
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	-	-	-	-	-	-
Professional Service Contracts	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-
Other Business Expenditures	-	-	-	-	-	-
Total Non-Labor Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Other Expenditures Adjustments:</u>						
Other - Operating Capital	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expenditures Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Cash Conversion Adjustments before Depreciation	(\$0.010)	(\$0.029)	\$0.000	\$0.000	\$0.000	\$0.000
Depreciation	\$0.010	\$0.029	\$0.000	\$0.000	\$0.000	\$0.000
Total Cash Conversion Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA INSPECTOR GENERAL
November Financial Plan 2016 - 2019
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

REIMBURSABLE

	Favorable/(Unfavorable)								
	2015	2016	Change 2015 - 2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018 - 2019
Revenue									
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-	-	-	-
Capital and Other Reimbursements	12.590	14.962	2.372	14.981	0.019	15.320	0.339	15.669	0.349
Total Revenue	\$12.590	\$14.962	\$2.372	\$14.981	\$0.019	\$15.320	\$0.339	\$15.669	\$0.349
Expenses									
Labor:									
Payroll	\$7.024	\$8.194	(\$1.170)	\$8.326	(\$0.132)	\$8.460	(\$0.134)	\$8.597	(\$0.137)
Overtime	-	-	-	-	-	-	-	-	-
Health and Welfare	1.040	1.655	(0.615)	1.682	(0.027)	1.753	(0.071)	1.828	(0.075)
OPEB Current Payment	-	-	-	-	-	-	-	-	-
Pensions	1.043	1.431	(0.388)	1.208	0.223	1.248	(0.040)	1.288	(0.040)
Other Fringe Benefits	0.503	0.616	(0.113)	0.627	(0.011)	0.639	(0.012)	0.651	(0.012)
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
Total Labor Expenses	\$9.610	\$11.896	(\$2.286)	\$11.843	\$0.053	\$12.100	(\$0.257)	\$12.364	(\$0.264)
Non-Labor:									
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.031	0.039	(0.008)	0.041	(0.002)	0.042	(0.001)	0.046	(0.004)
Insurance	0.020	0.025	(0.005)	0.028	(0.003)	0.030	(0.002)	0.033	(0.003)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other	-	-	-	-	-	-	-	-	-
Operating Contracts	2.633	2.694	(0.061)	2.754	(0.060)	2.825	(0.071)	2.895	(0.070)
Professional Service Contracts	0.146	0.199	(0.053)	0.203	(0.004)	0.209	(0.006)	0.214	(0.005)
Materials & Supplies	-	-	-	-	-	-	-	-	-
MTA Internal Subsidy	-	-	-	-	-	-	-	-	-
Other Business Expenses	0.121	0.109	0.012	0.112	(0.003)	0.114	(0.002)	0.117	(0.003)
Total Non-Labor Expenses	\$2.951	\$3.066	(\$0.115)	\$3.138	(\$0.072)	\$3.220	(\$0.082)	\$3.305	(\$0.085)
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	\$12.561	\$14.962	(\$2.401)	\$14.981	(\$0.019)	\$15.320	(\$0.339)	\$15.669	(\$0.349)
Depreciation	\$0.029	\$0.000	\$0.029	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses	\$12.590	\$14.962	(\$2.372)	\$14.981	(\$0.019)	\$15.320	(\$0.339)	\$15.669	(\$0.349)
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	(\$0.000)	\$0.000	\$0.000

MTA INSPECTOR GENERAL
November Financial Plan 2016 - 2019
Year-to-Year Changes by Category - Cash Basis
(\$ in millions)

CASH RECEIPTS & EXPENDITURES

	Favorable/(Unfavorable)								
	2015	2016	Change 2015 - 2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018 - 2019
Receipts									
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-	-	-	-
Capital and Other Reimbursements	12.561	14.962	2.401	14.981	0.019	15.320	0.339	15.669	0.349
Total Receipts	\$12.561	\$14.962	\$2.401	\$14.981	\$0.019	\$15.320	\$0.339	\$15.669	\$0.349
Expenditures									
Labor:									
Payroll	\$7.024	\$8.194	(\$1.170)	\$8.326	(\$0.132)	\$8.460	(\$0.134)	\$8.597	(\$0.137)
Overtime	-	-	-	-	-	-	-	-	-
Health and Welfare	1.040	1.655	(0.615)	1.682	(0.027)	1.753	(0.071)	1.828	(0.075)
OPEB Current Payment	-	-	0.000	-	0.000	-	0.000	-	0.000
Pensions	1.043	1.431	(0.388)	1.208	0.223	1.248	(0.040)	1.288	(0.040)
Other Fringe Benefits	0.503	0.616	(0.113)	0.627	(0.011)	0.639	(0.012)	0.651	(0.012)
GASB Account	-	-	-	-	-	-	-	-	-
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
Total Labor Expenditures	\$9.610	\$11.896	(\$2.286)	\$11.843	\$0.053	\$12.100	(\$0.257)	\$12.364	(\$0.264)
Non-Labor:									
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.031	0.039	(0.008)	0.041	(0.002)	0.042	(0.001)	0.046	(0.004)
Insurance	0.020	0.025	(0.005)	0.028	(0.003)	0.030	(0.002)	0.033	(0.003)
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other	-	-	-	-	-	-	-	-	-
Operating Contracts	2.633	2.694	(0.061)	2.754	(0.060)	2.825	(0.071)	2.895	(0.070)
Professional Service Contracts	0.146	0.199	(0.053)	0.203	(0.004)	0.209	(0.006)	0.214	(0.005)
Materials & Supplies	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
MTA Internal Subsidy	-	-	-	-	-	-	-	-	-
Other Business Expenses	0.121	0.109	0.012	0.112	(0.003)	0.114	(0.002)	0.117	(0.003)
Total Non-Labor Expenditures	\$2.951	\$3.066	(\$0.115)	\$3.138	(\$0.072)	\$3.220	(\$0.082)	\$3.305	(\$0.085)
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	\$12.561	\$14.962	(\$2.401)	\$14.981	(\$0.019)	\$15.320	(\$0.339)	\$15.669	(\$0.349)
Net Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA INSPECTOR GENERAL
November Financial Plan 2016 - 2019
Summary of Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE

	2015	2016	2017	2018	2019
2015 July Financial Plan - Operating Cash Income/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline:					
Changes					
Revenue:					
Capital and Other Reimbursements	(\$0.871)	\$0.121	(\$0.160)	(\$0.174)	(\$0.188)
Sub-Total Revenue Changes	(\$0.871)	\$0.121	(\$0.160)	(\$0.174)	(\$0.188)
Expenses:					
Payroll	\$0.300	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	-	-	-	-	-
Health and Welfare	0.175	0.000	(0.001)	0.000	(0.001)
OPEB Current Payment	-	-	-	-	-
Pensions	0.279	(0.139)	0.128	0.135	0.146
Other Fringe Benefits	0.019	(0.001)	0.000	(0.001)	(0.001)
Reimbursable Overhead	-	-	-	-	-
Fuel	0.009	0.003	0.001	0.004	0.004
Insurance	0.017	0.000	0.000	0.000	0.000
Claims	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other					
Operating Contracts	0.012	0.016	0.031	0.034	0.038
Professional Service Contracts	0.050	0.002	0.003	0.003	0.003
Materials & Supplies	-	-	-	-	-
Other Business Expenses	(0.016)	(0.002)	(0.002)	(0.001)	(0.001)
Depreciation	0.026	0.000	0.000	0.000	0.000
Sub-Total Expense Changes	\$0.871	(\$0.121)	\$0.160	\$0.174	\$0.188
Cash Adjustments:					
Revenue					
Expense					
Sub-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)
Total Changes	\$0.000	(\$0.000)	\$0.000	\$0.000	(\$0.000)
2015 November Financial Plan - Operating Cash Income/(Deficit)	\$0.000	(\$0.000)	\$0.000	\$0.000	(\$0.000)

MTA INSPECTOR GENERAL
November Financial Plan 2016 - 2019
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time Positions/Full Time Equivalents

FUNCTION/DEPARTMENT	2014 Actual	2015 November Forecast	2016 Proposed Budget	Final 2017	2018	2019
Administration						
Office of the Inspector General	69	86	86	86	86	86
Total Administration	69	86	86	86	86	86
Baseline Total Positions	69	86	86	86	86	86
Non-Reimbursable	-	-	-	-	-	-
Reimbursable	69	86	86	86	86	86
Total	69	86	86	86	86	86
Total Full-Time	69	86	86	86	86	86
Total Full-Time Equivalents	-	-	-	-	-	-

**First Mutual Transportation Assurance Co.
(FMTAC)**

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
2016 Final Proposed Budget
November Financial Plan for 2016 - 2019

Mission Statement and Highlights of Operations

The mission of the First Mutual Transportation Assurance Company (FMTAC) is to act as a pure captive insurance company under Section 7005, Article 70 of the Insurance Law and Section 1266 subdivision 5 of the Public Authorities Law of the State of New York. FMTAC's mission is to continue, develop, and improve the insurance and risk management needs as required by the MTA. FMTAC was established to maximize the flexibility and effectiveness of the MTA's insurance program, while minimizing costs.

FINANCIAL OVERVIEW

FMTAC continues to utilize dedicated resources to efficiently address the challenges related to insurance and risk management for the MTA. FMTAC continues to draw from the expertise and support services available in other MTA agencies and outside service providers to support risk management. This is reflected in the current budget proposal.

For all years, on a cash basis, FMTAC generates a net cash deficit of zero, which is the true cash impact of FMTAC on MTA cash balances. FMTAC cash reserves are separate and distinct from MTA and are necessary to maintain the appropriate capital and reserve levels pursuant to the State of New York Insurance guidelines.

Insurance premiums from the Agencies (revenue) are recorded as credits to the Insurance expense line. Premiums generally are increasing 10% annually with the exception of the Casualty Owner-Controlled Insurance Program (OCIP) programs which earn premium based on a percentage of contract completion calculation.

Additional expenses consist primarily of Claims and Other Business Expenses.

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
2016 Final Proposed Budget
November Financial Plan 2016 - 2019

2015 November Forecast

In the 2015 November Forecast, a total of \$10.0 million is projected in Baseline Deficit compared to the \$3.6 million Baseline Surplus in the 2015 Mid-Year Forecast. This consists of a \$13.6 million decrease in revenues and no change in expenses. The unfavorable outcome is a result of lower Investment Income (change in net unrealized gains and losses from investments) than projected in the 2015 Mid-Year Budget. Claims are based on actuarial analysis of claim activity on an estimated basis. Revenue and Other Business Expenses are based on trending actual results through August 2015.

2016 Final Proposed Budget

In the 2016 Final Proposed Budget, a total of \$1.0 million is projected in Baseline Surplus compared to the \$14.9 million Baseline Surplus in the 2016 Preliminary Budget. This consists of a \$13.9 million decrease in revenues and no change in expenses. The unfavorable outcome is a result of lower Investment Income (change in net unrealized gains and losses from investments) than projected in the 2016 Preliminary Budget. Claims are based on actuarial analysis of claim activity on an estimated basis.

2017 – 2019 Projections

2017 – 2019 Projections are representative of 2015 projections with market increases. Investment Income and Other Operating Revenue are estimated to increase over 2015 projections at a rate equal to CPI. Claims are based on actuarial analysis of projected claim activities and adjustments, whether favorable or unfavorable in required reserves. Other Business Expenses are estimated to increase over 2015 at a rate of 2% each year.

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
November Financial Plan 2016 - 2019
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE						
	2014	2015	2016			
	Actual	November Forecast	Final Proposed Budget	2017	2018	2019
Operating Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	12.997	11.823	12.037	12.342	12.660	12.978
Investment Income	3.449	(8.738)	(8.896)	(9.121)	(9.357)	(9.591)
Capital and Other Reimbursements	-	-	-	-	-	-
Total Revenue	\$16.446	\$3.085	\$3.141	\$3.220	\$3.303	\$3.386
Operating Expenses						
<u>Labor:</u>						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-
Pensions	-	-	-	-	-	-
Other Fringe Benefits	-	-	-	-	-	-
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenses	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	(84.027)	(87.496)	(92.776)	(99.928)	(108.068)	(117.260)
Claims	75.946	87.537	81.700	84.327	83.994	86.222
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	-	-	-	-	-	-
Professional Service Contracts	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-
Other Business Expenses	13.030	13.000	13.260	13.525	13.796	14.072
Total Non-Labor Expenses	\$4.949	\$13.041	\$2.184	(\$2.076)	(\$10.278)	(\$16.966)
<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	\$4.949	\$13.041	\$2.184	(\$2.076)	(\$10.278)	(\$16.966)
Depreciation	-	-	-	-	-	-
Total Expenses	\$4.949	\$13.041	\$2.184	(\$2.076)	(\$10.278)	(\$16.966)
Net Surplus/(Deficit)	\$11.497	(\$9.956)	\$0.957	\$5.296	\$13.582	\$20.353

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
November Financial Plan 2016 - 2019
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2014	2015	2016			
	<u>Actual</u>	<u>November Forecast</u>	<u>Final Proposed Budget</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Receipts						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	12.997	11.823	12.037	12.342	12.660	12.978
Investment Income	3.449	(8.738)	(8.896)	(9.121)	(9.357)	(9.591)
Capital and Other Reimbursements	-	-	-	-	-	-
Total Receipts	\$16.446	\$3.085	\$3.141	\$3.220	\$3.303	\$3.386
Expenditures						
<u>Labor:</u>						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-
Pensions	-	-	-	-	-	-
Other Fringe Benefits	-	-	-	-	-	-
GASB Account	-	-	-	-	-	-
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	(84.027)	(87.496)	(92.776)	(99.928)	(108.068)	(117.260)
Claims	75.946	79.579	74.282	76.661	76.358	78.384
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	-	-	-	-	-	-
Professional Service Contracts	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-
Other Business Expenses	13.030	13.000	13.260	13.525	13.796	14.072
Total Non-Labor Expenditures	\$4.949	\$5.083	(\$5.234)	(\$9.742)	(\$17.914)	(\$24.804)
<u>Other Expenditure Adjustments:</u>						
Other - Restricted Cash Adjustment	\$11.497	(\$1.998)	\$8.375	\$12.962	\$21.218	\$28.191
Total Other Expenditure Adjustments	\$11.497	(\$1.998)	\$8.375	\$12.962	\$21.218	\$28.191
Total Expenditures	\$16.446	\$3.085	\$3.141	\$3.220	\$3.303	\$3.386
Net Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
November Financial Plan 2016 - 2019
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2014	2015	2016			
	<u>Actual</u>	<u>November Forecast</u>	<u>Final Proposed Budget</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Receipts						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-
Investment Income	-	-	-	-	-	-
Capital and Other Reimbursements	-	-	-	-	-	-
Total Receipts	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Expenditures						
<u>Labor:</u>						
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	-	-	-	-	-	-
Health and Welfare	-	-	-	-	-	-
Pensions	-	-	-	-	-	-
Other Fringe Benefits	-	-	-	-	-	-
GASB Account	-	-	-	-	-	-
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	-	-	-	-	-	-
Insurance	-	-	-	-	-	-
Claims	0.000	7.958	7.418	7.666	7.636	7.838
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	-	-	-	-	-	-
Professional Service Contracts	-	-	-	-	-	-
Materials & Supplies	-	-	-	-	-	-
Other Business Expenditures	-	-	-	-	-	-
Total Non-Labor Expenditures	\$0.000	\$7.958	\$7.418	\$7.666	\$7.636	\$7.838
<u>Other Expenditures Adjustments:</u>						
Other	(\$11.497)	\$1.998	(\$8.375)	(\$12.962)	(\$21.218)	(\$28.191)
Total Other Expenditures Adjustments	(\$11.497)	\$1.998	(\$8.375)	(\$12.962)	(\$21.218)	(\$28.191)
Total Cash Conversion Adjustments before Depreciation						
	(\$11.497)	\$9.956	(\$0.957)	(\$5.296)	(\$13.582)	(\$20.353)
Depreciation Adjustment	-	-	-	-	-	-
Total Cash Conversion Adjustments	(\$11.497)	\$9.956	(\$0.957)	(\$5.296)	(\$13.582)	(\$20.353)

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
November Financial Plan 2016 - 2019
Year-to-Year Changes by Category Baseline Narrative

Revenue

Investment Income

- Investment income is the change in net unrealized gains or losses on investments.
- Investment income is projected based on the MTA Region All Urban Consumer CPI inflation rates as provided in the Economic and Demographic Forecasts, dated August 7, 2015.

Other Operating Revenue

- This is the realized gains or earned investment income from bonds and equity investments (dividends, interest).
- Other Operating Revenue is projected based on the MTA Region All Urban Consumer CPI inflation rates as provided in the Economic and Demographic Forecasts, dated August 7, 2015.

Expenses

Insurance

- Insurance (premiums paid to FMTAC) is from the 2015 Mid-Year Forecast of the MTA Summary & Detailed Agency Insurance Cash Budgets and are based on increases in the market and exposure, as well as increases in the claims expense and reserve adjustments. For the Casualty Owner-Controlled Insurance Program (OCIP) programs, an estimated of earned premium is also included, which is calculated based on percentage of contract completion.
- Insurance (premiums) are estimated to generally increase 10% per annum.
- The premium assumptions contained in the July Plan have not been changed in the November Plan.

Claims

- Claims expenses are determined by actuarial projection for 2016 – 2019 actual claim expense paid and any adjustment either favorable or unfavorable to reserves. In addition to the actuarial analysis, the claims increase follows simultaneously with the factors of the growth in exposure (i.e. vehicle count) and higher insurance premiums.

Other Business Expenses

- Other Business Expenses increased 2% for 2016 – 2019 and are representative of general increases for professional services provided and expenses not directly related to claims.

Restricted Cash Adjustment

- Restricted cash grows as the net baseline surplus increases. Factors attributing to this growth are insurance premiums and related claims expenses.

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
November Financial Plan 2016 - 2019
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE

	Favorable/(Unfavorable)								
	2015	2016	Change 2016 - 2015	2017	Change 2017 - 2016	2018	Change 2018 - 2017	2019	Change 2019 - 2018
Revenue									
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	0.000	-	0.000	-	0.000	-	0.000
Other Operating Revenue	11.823	12.037	0.214	12.342	0.305	12.660	0.318	12.978	0.318
Investment Income	(8.738)	(8.896)	(0.158)	(9.121)	(0.225)	(9.357)	(0.235)	(9.591)	(0.235)
Capital and Other Reimbursement									
Total Revenue	\$3.085	\$3.141	\$0.056	\$3.220	\$0.079	\$3.303	\$0.083	\$3.386	\$0.083
Expenses									
Labor:									
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	-	-	0.000	-	0.000	-	0.000	-	0.000
Health and Welfare	-	-	0.000	-	0.000	-	0.000	-	0.000
OPEB Current Payment	-	-	0.000	-	0.000	-	0.000	-	0.000
Pensions	-	-	0.000	-	0.000	-	0.000	-	0.000
Other Fringe Benefits	-	-	0.000	-	0.000	-	0.000	-	0.000
Reimbursable Overhead	-	-	0.000	-	0.000	-	0.000	-	0.000
Total Labor Expenses	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Non-Labor:									
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Insurance	(87.496)	(92.776)	5.280	(99.928)	7.152	(108.068)	8.140	(117.260)	9.192
Claims	87.537	81.700	5.837	84.327	(2.627)	83.994	0.333	86.222	(2.228)
Paratransit Service Contracts	-	-	0.000	-	0.000	-	0.000	-	0.000
Maintenance and Other Operating Contracts	-	-	0.000	-	0.000	-	0.000	-	0.000
Professional Service Contracts	-	-	0.000	-	0.000	-	0.000	-	0.000
Materials & Supplies	-	-	0.000	-	0.000	-	0.000	-	0.000
Other Business Expenses	13.000	13.260	(0.260)	13.525	(0.265)	13.796	(0.271)	14.072	(0.276)
Total Non-Labor Expenses	\$13.041	\$2.184	\$10.857	(\$2.076)	\$4.260	(\$10.278)	\$8.202	(\$16.966)	\$6.688
Other Expenses Adjustments:									
Other	-	-	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	\$13.041	\$2.184	\$10.857	(\$2.076)	\$4.260	(\$10.278)	\$8.202	(\$16.966)	\$6.688
Depreciation	-	-	0.000	-	0.000	-	0.000	-	0.000
Total Expenses	\$13.041	\$2.184	\$10.857	(\$2.076)	\$4.260	(\$10.278)	\$8.202	(\$16.966)	\$6.688
Net Surplus/(Deficit)	(\$9.956)	\$0.957	\$10.913	\$5.296	\$4.339	\$13.582	\$8.286	\$20.353	\$6.771

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
November Financial Plan 2016 - 2019
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

CASH RECEIPTS & EXPENDITURES

	Favorable/(Unfavorable)								
	2015	2016	Change 2016 - 2015	2017	Change 2017 - 2016	2018	Change 2018 - 2017	2019	Change 2019 - 2018
Receipts									
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	0.000	-	0.000	-	0.000	-	0.000
Other Operating Revenue	11.823	12.037	0.214	12.342	0.305	12.660	0.318	12.978	0.318
Investment Income	(8.738)	(8.896)	(0.158)	(9.121)	(0.225)	(9.357)	(0.235)	(9.591)	(0.235)
Capital and Other Reimbursement									
Total Receipts	\$3.085	\$3.141	\$0.056	\$3.220	\$0.079	\$3.303	\$0.083	\$3.386	\$0.083
Expenditures									
Labor:									
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	-	-	0.000	-	0.000	-	0.000	-	0.000
Health and Welfare	-	-	0.000	-	0.000	-	0.000	-	0.000
OPEB Current Payment	-	-	0.000	-	0.000	-	0.000	-	0.000
Pensions	-	-	0.000	-	0.000	-	0.000	-	0.000
Other Fringe Benefits	-	-	0.000	-	0.000	-	0.000	-	0.000
GASB Account	-	-	0.000	-	0.000	-	0.000	-	0.000
Reimbursable Overhead	-	-	0.000	-	0.000	-	0.000	-	0.000
Total Labor Expenditures	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Non-Labor:									
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Insurance	(87.496)	(92.776)	5.280	(99.928)	7.152	(108.068)	8.140	(117.260)	9.192
Claims	79.579	74.282	5.297	76.661	(2.379)	76.358	0.303	78.384	(2.026)
Paratransit Service Contracts	-	-	0.000	-	0.000	-	0.000	-	0.000
Maintenance and Other Operating Contracts	-	-	0.000	-	0.000	-	0.000	-	0.000
Professional Service Contracts	-	-	0.000	-	0.000	-	0.000	-	0.000
Materials & Supplies	-	-	0.000	-	0.000	-	0.000	-	0.000
Other Business Expenses	13.000	13.260	(0.260)	13.525	(0.265)	13.796	(0.271)	14.072	(0.276)
Total Non-Labor Expenditures	\$5.083	(\$5.234)	\$10.317	(\$9.742)	\$4.508	(\$17.914)	\$8.172	(\$24.804)	\$6.890
Other Expenditure Adjustments:									
Other	(1.998)	8.375	(10.373)	12.962	(4.587)	21.218	(8.256)	28.191	(6.973)
Total Other Expenditure Adjustments	(\$1.998)	\$8.375	(\$10.373)	\$12.962	(\$4.587)	\$21.218	(\$8.256)	\$28.191	(\$6.973)
Total Expenditures	\$3.085	\$3.141	(\$0.056)	\$3.220	(\$0.079)	\$3.303	(\$0.083)	\$3.386	(\$0.083)
Net Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
November Financial Plan 2016 - 2019
Summary of Changes Between Financial Plans by Category

2015 – 2019 November Financial Plan vs July Financial Plan

Revenue

Revenue changes from the July Plan over the 2015 – 2019 periods include:

- The decreased baseline estimate for 2015 is due to decreases in Other Operating Revenue and Investment Income (change in net unrealized gains and losses from investments) for the first eight months of 2015. For 2016 – 2018, the decreased baseline estimate for 2015 is then projected based on the MTA Region All Urban Consumer CPI inflation rates as provided in the Economic and Demographic Forecasts August 7, 2015.

Expenses

Expense changes from the July Plan over the 2015 – 2019 periods include:

- No change to the Insurance (premium revenue) as projected in the 2015 Mid-Year Forecast of the MTA Summary & Detailed Agency Insurance Cash Budgets.
- No change to Claim expenses as projected in the 2015 Mid-Year Forecast.
- Other Business Expenses did not change as the Other Business Expenses for both plans were based on prior year actual. The inflation rate for Other Business Expenses is expected to increase 2% per year.

2015 – 2019 November Financial Plan vs February Financial Plan

- Investment Income: When comparing the 2015 November Financial Plan versus 2015 February Financial Plan, Investment Income is unfavorable by \$16.7 million due to the estimated income from the change in net unrealized gains and loss on investments moving to a loss position from gain position based on the actual 2015 YTD results.

MTA FIRST MUTUAL TRANSPORTATION ASSURANCE COMPANY
November Financial Plan 2016 - 2019
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE	2015	2016	2017	2018	2019
July Financial Plan - Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline Changes					
Revenue					
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-
Other Operating Revenue	(0.942)	(1.039)	(1.096)	(1.135)	(1.170)
Investment Income	(12.629)	(12.882)	(13.217)	(13.561)	(13.904)
Capital and Other Reimbursement	-	-	-	-	-
Total Revenue Changes	(\$13.571)	(\$13.922)	(\$14.313)	(\$14.696)	(\$15.074)
Expenses					
<i>Labor:</i>					
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
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>					
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Insurance	-	-	-	-	-
Claims	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	-	-	-	-	-
Materials & Supplies	-	-	-	-	-
Other Business Expenses	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<i>Total Expenses before Depreciation and GASB Adjs.</i>					
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
OPEB Obligation	-	-	-	-	-
Environmental Remediation	-	-	-	-	-
Total Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Cash Adjustment Changes					
<i>Revenue:</i>					
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000
<i>Expenses:</i>					
Claims	-	-	-	-	-
Other Business Expenses	-	-	-	-	-
Total Expense Changes	-	-	-	-	-
Restricted Cash Adjustment	13.571	13.922	14.313	14.696	15.074
Total Cash Adjustment Changes	\$13.571	\$13.922	\$14.313	\$14.696	\$15.074
Total Baseline Changes	\$0.00	\$0.000	\$0.000	\$0.000	\$0.000
November Financial Plan - Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

[THIS PAGE INTENTIONALLY LEFT BLANK]

New York City Transit

MTA NEW YORK CITY TRANSIT
2016 Final Proposed Budget
November Financial Plan 2016 – 2019

FINANCIAL OVERVIEW

MTA New York City Transit's November 2015 Financial Plan continues to build on programs initiated in previous years that advance our mission in providing safe, secure and reliable transportation services. An MTA-wide Enterprise Asset Management (EAM) Project is being started in this plan with the goals of improving maintenance effectiveness and maximizing the beneficial use of all NYCT assets.

Continued subway ridership growth is projected in this plan, but at a slower pace than assumed in July. This growth has created significant challenges in service quality. Increases in subway service delays have been a major concern and a multi-faceted approach to reducing this problem has been undertaken. Last year, we began the process of adjusting scheduled subway running times and this process is expected to be completed in the December 2015 subways schedule. This year, as reflected in the July Plan, NYCT has begun a comprehensive delay mitigation program, featuring an extensive deployment of platform controllers on critical lines, designed to reduce dwell time and associated delays. Building on last year's initiative to add critical maintenance staff to quickly respond to right-of-way service disruptions, this year's July Plan added Road Car Inspectors at key locations to quickly respond to car equipment breakdowns, as well as additional resources to reduce track defects. In this November Plan, additional funding is being provided to reduce structure and third rail defects.

Current projections of bus ridership are relatively flat over the November Plan period, partly due to long term trends of increasing street congestion and associated slower bus travel times. An important part of our bus service strategy is the continued expansion of Select Bus Service (SBS), which significantly reduces bus travel time. Ten new SBS routes are planned to start during this Financial Plan period through 2018, including the Q44 (fall 2015), the B46 (spring 2016), the M23 (summer 2016) and the B82 (fall 2016). The November Plan provides additional funding for some of these new routes primarily for additional service costs.

Overtime is an important management tool that enables NYCT to deliver safe, reliable service to its 8 million daily riders. Over the past two years, NYCT has systematically reviewed overtime spending in an effort to properly reflect baseline spending levels. Overall, the November Financial Plan assumes only minor changes in overtime spending from the July Plan. NYCT intends to manage the use of overtime as efficiently as possible, including reducing vacancies where possible, and continuing efforts to reduce controllable leaves including sick leave and workers compensation which are expected to moderate overtime absence coverage requirements.

This financial plan provides for a number of programmatic investment initiatives, a budget reduction initiative, as well as re-estimates and plan adjustments, detailed below.

Programmatic Investment Initiatives:

- **Enterprise Asset Management (EAM) Project.** This significant project is intended to maximize the safety, service life and efficiency of each and every asset at NYCT. The initial objectives of the Subways EAM rollout include automation of track inspection and joint switch inspection reports, the replacement of historical paper and pencil “butcher block” manuals with mobile devices, and greatly improved management of infrastructure defects and signal relay information. The overall goal is the establishment of a single platform for all asset-related information, migration to paperless reporting, and greatly improved maintenance and capital planning. The initial Bus EAM rollout will focus on improving the accuracy of data in the current Spear maintenance management system and gradually apply reliability-based maintenance (RBM) practices to critical bus component maintenance issues. Additional positions of 3 in 2015, 57 in 2016, 95 in 2017, 119 in 2018 and 146 in 2019 will be required. Increased costs are projected at \$3.8 million in 2015, \$9.1 million in 2016, \$17.6 million in 2017, \$20.0 million in 2018 and \$23.4 million in 2019.
- **Second Avenue Subway Increased Costs.** The first segment of the Second Avenue Subway is scheduled to open in December, 2016. Operating costs to support the new service were developed in 2011, but since then, it has been determined that the new stations and their associated support areas are much larger than typical stations, and will contain greatly augmented equipment inventory. For example, the new stations will be air-conditioned, resulting in a large increase in cooling and power supply equipment. The larger station facilities also results in a large increase in cleaning requirements and other station maintenance needs. Additional position requirements are 91 in 2017, 86 in 2018 and 83 in 2019 with additional cost requirements of \$12.2 million in 2017, \$11.6 million in 2018 and \$11.2 million in 2019.
- **Select Bus Service Expansion.** The July Plan assumed an expansion of ten Select Bus Service (SBS) routes through 2018. SBS provides riders with substantially faster bus service through a combination of off-board fare collection, special bus lanes, real-time information, and traffic signal priority. The three routes planned for 2016 require additional funding primarily due to higher service costs. An additional 75 positions will be required beginning 2016 with expenses of \$0.9 million in 2016 and \$4.1 million in subsequent years.
- **Structure Defect Backlog Reduction.** The growth in structure defects throughout the subway system necessitates an increase in headcount dedicated to repairing defects as well as addressing the growing backlog. The additional resources will address iron and structural defects and provide additional water

remediation in the subway. The increased headcount of 58 beginning 2016 will help address new defects as well as the growing backlog of defects in the system. Additional costs of \$6.0 million in 2016 and subsequent years will be needed.

- **Third Rail Defect Reduction.** The number of Third Rail defects has increased significantly since 2010, due to increased standards and inspections. New Third Rail responsibilities include: inspection and maintenance of third rail equipment in train yards (since 2010), representing an 18% increase in track mileage, an aggressive trash removal program intended to reduce track fires and improve cleanliness of the right-of-way, and an enhanced inspection program that identifies significantly more defects, while also meeting goals for visual inspections. In order to meet these increased requirements, an additional 42 positions will be needed beginning 2016 with costs of \$4.4 million in 2016 and subsequent years.
- **Department of Law-Additional Support.** Additional resources are required to buttress the administration of public liability and workers compensation claims, in recognition of the rapid increase in these costs over the past 6 years. In Torts, additional headcount will be utilized to augment support for pre-trial and litigation phases of claims and to improve the preparation for major case defenses with the anticipation of improved outcomes. It is also planned that outside counsel support will be reduced effective 2017, to partly offset the additional position requirements. This resource requirement also involves staffing for Special Investigations to meet increased demand for anti-fraud measures in Workers' Compensation and No-fault areas. 6 positions are required for 2015 and 36 positions are required in subsequent years. Additional cost requirements are \$0.2 million in 2015, \$3.5 million in 2016 and \$2.5 million in subsequent years.

The 2015 BUDGET REDUCTION PROGRAM

- **Prescription Drug Rebid.** The current pharmacy benefits management (PBM) contract with Optum Rx expires 3/31/16. Through a competitive RFP procurement process, NYCT has selected a new vendor, Express Scripts (ESI), as the replacement. The Contract is expected to yield significant savings from increased discounts on retail brand prescription drugs, reduced retail dispensing fees, and rebates for prescriptions processed at retail sites & through the mail. Projected budget savings are \$5.9 million in 2016, \$10.5 million in 2017, \$14.0 million in 2018 and \$15.0 million in 2019.

2015 November Forecast

MTA NYC Transit's 2015 November Forecast includes total expenses before depreciation and other post-employment benefits of \$8,460.8 million, consisting of \$7,308.0 million of non-reimbursable expenses and \$1,152.8 million of reimbursable expenses. Total revenues are projected to be \$5,924.1 million, of which \$4,771.2 million

are operating revenues and \$1,152.8 million are capital reimbursements. Total baseline full-time and full-time equivalent positions are 47,706 (42,650 non-reimbursable positions and 5,056 reimbursable positions).

The 2015 net operating cash deficit is projected to decrease by \$52.7 million from the 2015 Mid-Year Forecast.

Major operating cash changes include:

- Savings of \$24.1 million, resulting from an increase in reimbursable overhead credits driven by higher reimbursable work requirements.
- Departmental re-estimates, resulting in savings of \$15.2 million mostly from payroll vacancies.
- Other-than-personal service expense adjustments, resulting in savings of \$18.2 million, primarily from a reduction in painting contract expenses.
- Net favorable cash adjustments of \$4.0 million, including the favorable timing of student fare reimbursements of \$30.0 million, partly offset by an unfavorable capital reimbursement timing lag of \$12.5 million and an unfavorable timing of materials inventory buildup of \$10.0 million.

Reimbursable expenses are projected to increase in 2015 by \$62.1 million, due to requirements for the Capital Program and several other Capital Program Management (CPM) needs.

Plan to plan, total baseline positions are projected to decrease by 82, including 78 non-reimbursable positions and a 4 reimbursable positions.

2016 Final Proposed Budget

MTA New York City Transit's 2016 Final Proposed Budget includes total expenses before depreciation and other post-employment benefits of \$8,730.0 million, consisting of \$7,568.8 million of non-reimbursable expenses and \$1,161.1 million of reimbursable expenses. Total revenues are projected to be \$6,052.1 million, of which \$4,891.0 million are operating revenues and \$1,161.1 million are capital reimbursements. Total baseline full-time and full-time equivalent positions are 48,214, including 43,146 non-reimbursable positions and 5,068 reimbursable positions.

The 2016 net operating cash deficit is projected to increase by \$64.7 million from the July Financial Plan.

Major operating cash variances include:

- Unfavorable re-estimates of farebox revenue/receipts of \$45.3 million.

- The unfavorable timing of student fare reimbursements of \$30.0 million, which were received in 2015.
- Investment in programmatic initiatives (summarized at the beginning of this narrative) of \$24.0 million.
- An unfavorable capital reimbursement lag of \$9.2 million.
- Savings of \$27.6 million, resulting from an increase in reimbursable overhead credits driven by higher reimbursable work requirements.
- More favorable inflation assumptions, mostly in energy costs, resulting in \$25.7 million of expense savings.

Reimbursable expenses are projected to increase in 2016 by \$105.4 million, due to several important requirements, including the Capital Track Program, Sandy recovery/resiliency, interagency support from MTA, bus shuttle support, Electronic maintenance, engineering, new car acceptance and signals.

Plan-to-Plan, total baseline positions are projected to increase by 934, including a non-reimbursable increase of 520 and a reimbursable increase of 414. The non-reimbursable increase includes 282 in support of new programmatic initiatives (see beginning of this narrative for more detailed information). The remaining non-reimbursable increases include mostly re-estimates for training float, platform budget for normal business, and availability adjustments. The reimbursable position increase is for support of the Sandy Recovery and Resiliency and Capital Track projects and for several other project work requirements.

2017-2019 Projections

Net operating cash deficits are projected to increase by \$27.5 million in 2017, \$27.8 million in 2018 and \$31.8 million in 2019, relative to the July Financial Plan.

Major operating cash changes include:

- Investment in programmatic initiatives (summarized at the beginning of this narrative) of \$46.8 million in 2017, \$48.5 million in 2018 and \$51.6 million in 2019.
- Unfavorable re-estimates of farebox revenue/receipts of \$26.5 million in 2017, \$18.0 million in 2018, and \$19.0 million in 2019.
- Savings of \$24.2 million in 2017, \$24.7 million in 2018 and \$24.1 million in 2019, resulting from an increase in reimbursable overhead credits driven by higher reimbursable work requirements.

- More favorable inflation assumptions, mostly in energy costs, resulting in \$21.9 million of expense savings in 2017, \$18.5 million in 2018 and \$19.0 million in 2019.

Reimbursable expenses are projected to increase in 2017 by \$102.4 million, \$111.2 million in 2018 and \$109.8 million in 2019, due to several important requirements, including the Capital Track Program, Sandy recovery/resiliency, interagency support from MTA, and bus shuttle support.

Plan-to-Plan, total baseline positions are projected to increase by 907 in 2017, 1,059 in 2018 and 1,065 in 2019, including non-reimbursable increases of 571 in 2017, 591 in 2018 and 618 in 2019. Reimbursable increases are 336 in 2017, 468 in 2018 and 447 in 2019. The non-reimbursable increases include 397 in 2017, 416 in 2018 and 440 in 2019 in support of new programmatic initiatives (see beginning of this narrative for more detailed information). The remaining non-reimbursable increases include mostly re-estimates for training float, platform budget for normal business, and availability adjustments. The reimbursable position increase is for support of the Sandy Recovery and Resiliency and Capital Track projects and for several other project work requirements.

It is expected that the bulk of the capital work being performed under the federally financed Sandy Recovery and Resiliency program will be completed by 2020. As a result, the 332 reimbursable positions added for this program in 2018 and 2019 are largely phased out in 2020 and eliminated altogether in 2021.

MTA NEW YORK CITY TRANSIT
November Financial Plan 2016 - 2019
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE						
	2014	2015	2016			
	Actual	November	Final Proposed			
		Forecast	Budget	2017	2018	2019
Operating Revenue						
<u>Farebox Revenue:</u>						
Subway	\$3,171.793	\$3,303.475	\$3,397.986	\$3,416.390	\$3,437.621	\$3,449.442
Bus	949.898	960.608	977.116	986.540	990.205	991.830
Paratransit	15.957	17.823	19.751	21.034	22.402	23.858
Fare Media Liability	53.391	61.900	60.400	60.400	60.400	60.400
Farebox Revenue	\$4,191.039	\$4,343.806	\$4,455.253	\$4,484.364	\$4,510.628	\$4,525.530
Vehicle Toll Revenue	\$0.000					
<u>Other Operating Revenue:</u>						
Fare Reimbursement	84.016	84.016	84.016	84.016	84.016	84.016
Paratransit Reimbursement	178.139	187.634	191.981	197.738	211.760	230.534
Other	174.846	155.779	159.704	163.318	167.037	170.865
Other Operating Revenue	\$437.001	\$427.429	\$435.701	\$445.072	\$462.813	\$485.415
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenue	\$4,628.040	\$4,771.235	\$4,890.954	\$4,929.436	\$4,973.441	\$5,010.945
Expenses						
<u>Labor:</u>						
Payroll	\$3,041.049	\$3,079.089	\$3,184.516	\$3,278.871	\$3,336.338	\$3,396.015
Overtime	415.599	450.310	431.700	434.215	442.186	452.791
Total Salaries & Wages	3,456.648	\$3,529.399	\$3,616.216	\$3,713.086	\$3,778.524	\$3,848.806
Health and Welfare	666.761	741.101	822.482	885.243	950.148	1,025.083
OPEB Current Payment	352.674	393.258	429.574	464.474	505.998	552.660
Pensions	907.877	879.805	883.171	849.684	833.397	842.297
Other Fringe Benefits	437.921	316.714	310.876	326.384	339.060	346.615
Total Fringe Benefits	2,365.233	2,330.878	2,446.103	2,525.785	2,628.603	2,766.655
Reimbursable Overhead	(226.548)	(237.290)	(238.558)	(231.927)	(224.539)	(226.161)
Total Labor Expenses	\$5,595.333	\$5,622.987	\$5,823.761	\$6,006.944	\$6,182.588	\$6,389.300
<u>Non-Labor:</u>						
Electric Power	\$312.554	\$301.437	\$309.334	\$325.326	\$346.347	\$370.321
Fuel	172.346	121.376	111.557	117.217	135.466	152.950
Insurance	68.879	72.439	77.779	85.127	95.025	106.860
Claims	147.420	135.827	125.145	126.455	129.333	130.909
Paratransit Service Contracts	365.599	383.014	406.636	426.203	463.349	501.931
Maintenance and Other Operating Contracts	186.056	191.323	218.500	204.467	185.826	187.577
Professional Service Contracts	125.757	104.301	104.742	102.699	104.881	106.256
Materials & Supplies	302.697	294.125	312.227	314.636	309.152	322.837
Other Business Expenses	76.132	81.139	79.149	75.868	77.963	79.545
Total Non-Labor Expenses	\$1,757.440	\$1,684.981	\$1,745.069	\$1,777.998	\$1,847.342	\$1,959.186
<u>Other Expense Adjustments:</u>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before						
Depreciation and GASB Adjustments	\$7,352.773	\$7,307.968	\$7,568.830	\$7,784.942	\$8,029.930	\$8,348.486
Depreciation	\$1,519.813	\$1,638.144	\$1,688.144	\$1,863.292	\$1,913.292	\$1,964.634
OPEB Obligation	1,638.388	1,616.261	1,680.911	1,748.148	1,818.074	1,890.797
Environmental Remediation	12.478	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$10,523.452	\$10,562.373	\$10,937.885	\$11,396.382	\$11,761.296	\$12,203.917
Net Surplus/(Deficit)	(\$5,895.412)	(\$5,791.138)	(\$6,046.931)	(\$6,466.946)	(\$6,787.855)	(\$7,192.972)

MTA NEW YORK CITY TRANSIT
November Financial Plan 2016 - 2019
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE						
	2014	2015	2016			
	Actual	November Forecast	Final Proposed Budget	2017	2018	2019
Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	1,075.088	1,152.817	1,161.145	1,133.930	1,107.713	1,117.906
Total Revenue	\$1,075.088	\$1,152.817	\$1,161.145	\$1,133.930	\$1,107.713	\$1,117.906
Expenses						
Labor:						
Payroll	\$375.367	\$438.567	\$481.746	\$471.157	\$464.633	\$468.631
Overtime	135.102	126.397	98.364	98.656	95.876	97.794
Total Salaries & Wages	510.469	\$564.964	\$580.110	\$569.813	\$560.509	\$566.425
Health and Welfare	15.922	20.221	21.982	22.896	23.852	24.852
OPEB Current Payment	7.421	7.854	9.131	9.522	10.032	10.569
Pensions	28.543	30.097	28.947	27.917	27.680	27.748
Other Fringe Benefits	142.713	167.410	180.667	176.726	172.936	174.234
Total Fringe Benefits	194.599	225.582	240.727	237.061	234.500	237.403
Reimbursable Overhead	226.548	237.290	238.558	231.927	224.539	226.161
Total Labor Expenses	\$931.616	\$1,027.836	\$1,059.395	\$1,038.801	\$1,019.548	\$1,029.989
Non-Labor:						
Electric Power	\$0.371	\$0.252	\$0.252	\$0.252	\$0.252	\$0.252
Fuel	0.019	0.023	0.023	0.023	0.023	0.023
Insurance	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	1.189	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	49.151	37.219	30.133	30.209	30.173	30.173
Professional Service Contracts	20.747	21.720	6.983	6.699	6.688	6.688
Materials & Supplies	71.140	71.349	64.401	57.989	51.072	50.822
Other Business Expenses	0.855	(5.582)	(0.042)	(0.043)	(0.043)	(0.041)
Total Non-Labor Expenses	\$143.472	\$124.981	\$101.750	\$95.129	\$88.165	\$87.917
Other Expense Adjustments:						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$1,075.088	\$1,152.817	\$1,161.145	\$1,133.930	\$1,107.713	\$1,117.906
Depreciation	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$1,075.088	\$1,152.817	\$1,161.145	\$1,133.930	\$1,107.713	\$1,117.906
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA NEW YORK CITY TRANSIT
November Financial Plan 2016 - 2019
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE/REIMBURSABLE						
	2014	2015	2016			
	Actual	November	Final Proposed			
		Forecast	Budget	2017	2018	2019
Revenue						
<u>Farebox Revenue:</u>						
Subway	\$3,171.793	\$3,303.475	\$3,397.986	\$3,416.390	\$3,437.621	\$3,449.442
Bus	949.898	960.608	977.116	986.540	990.205	991.830
Paratransit	15.957	17.823	19.751	21.034	22.402	23.858
Fare Media Liability	53.391	61.900	60.400	60.400	60.400	60.400
Farebox Revenue	\$4,191.039	\$4,343.806	\$4,455.253	\$4,484.364	\$4,510.628	\$4,525.530
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
<u>Other Operating Revenue:</u>						
Fare Reimbursement	84.016	84.016	84.016	84.016	84.016	84.016
Paratransit Reimbursement	178.139	187.634	191.981	197.738	211.760	230.534
Other	174.846	155.779	159.704	163.318	167.037	170.865
Other Operating Revenue	\$437.001	\$427.429	\$435.701	\$445.072	\$462.813	\$485.415
Capital and Other Reimbursements	1,075.088	1,152.817	1,161.145	1,133.930	1,107.713	1,117.906
Total Revenue	\$5,703.128	\$5,924.052	\$6,052.099	\$6,063.366	\$6,081.154	\$6,128.851
Expenses						
<u>Labor:</u>						
Payroll	\$3,416.416	\$3,517.656	\$3,666.262	\$3,750.028	\$3,800.971	\$3,864.646
Overtime	550.701	\$576.707	\$530.064	\$532.871	\$538.062	\$550.585
Total Salaries & Wages	\$3,967.117	\$4,094.363	\$4,196.326	\$4,282.899	\$4,339.033	\$4,415.231
Health and Welfare	682.683	\$761.322	\$844.464	\$908.139	\$974.000	\$1,049.935
OPEB Current Payment	360.095	\$401.112	\$438.705	\$473.996	\$516.030	\$563.229
Pensions	936.420	\$909.902	\$912.118	\$877.601	\$861.077	\$870.045
Other Fringe Benefits	580.634	\$484.124	\$491.543	\$503.110	\$511.996	\$520.849
Total Fringe Benefits	\$2,559.832	\$2,556.460	\$2,686.830	\$2,762.846	\$2,863.103	\$3,004.058
Reimbursable Overhead	0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Labor Expenses	\$6,526.949	\$6,650.823	\$6,883.156	\$7,045.745	\$7,202.136	\$7,419.289
<u>Non-Labor:</u>						
Electric Power	\$312.925	\$301.689	\$309.586	\$325.578	\$346.599	\$370.573
Fuel	172.365	121.399	111.580	117.240	135.489	152.973
Insurance	68.879	72.439	77.779	85.127	95.025	106.860
Claims	147.420	135.827	125.145	126.455	129.333	130.909
Paratransit Service Contracts	366.788	383.014	406.636	426.203	463.349	501.931
Maintenance and Other Operating Contracts	235.207	228.542	248.633	234.676	215.999	217.750
Professional Service Contracts	146.504	126.021	111.725	109.398	111.569	112.944
Materials & Supplies	373.837	365.474	376.628	372.625	360.224	373.659
Other Business Expenses	76.987	75.557	79.107	75.825	77.920	79.504
Total Non-Labor Expenses	\$1,900.912	\$1,809.962	\$1,846.819	\$1,873.127	\$1,935.507	\$2,047.103
<u>Other Expense Adjustments:</u>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expense Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before						
Depreciation and GASB Adjustments	\$8,427.861	\$8,460.785	\$8,729.975	\$8,918.872	\$9,137.643	\$9,466.392
Depreciation	\$1,519.813	\$1,638.144	\$1,688.144	\$1,863.292	\$1,913.292	\$1,964.634
OPEB Obligation	1,638.388	1,616.261	1,680.911	1,748.148	1,818.074	1,890.797
Environmental Remediation	12.478	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$11,598.540	\$11,715.190	\$12,099.030	\$12,530.312	\$12,869.009	\$13,321.823
Net Surplus/(Deficit)	(\$5,895.412)	(\$5,791.138)	(\$6,046.931)	(\$6,466.946)	(\$6,787.855)	(\$7,192.972)

MTA NEW YORK CITY TRANSIT
November Financial Plan 2016 - 2019
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2014	2015	2016			
	Actual	November	Final Proposed	2017	2018	2019
		Forecast	Budget			
Receipts						
Farebox Revenue	\$4,189.443	\$4,348.703	\$4,455.453	\$4,484.564	\$4,510.828	\$4,525.730
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
<u>Other Operating Revenue:</u>						
Fare Reimbursement	84.052	114.016	54.016	84.016	84.016	84.016
Paratransit Reimbursement	195.035	173.091	192.252	197.738	211.594	230.285
Other	68.510	47.496	48.173	48.441	48.713	48.992
Other Operating Revenue	\$347.597	\$334.603	\$294.441	\$330.195	\$344.323	\$363.293
Capital and Other Reimbursements	973.279	1,236.854	1,191.717	1,139.105	1,112.678	1,115.274
Total Receipts	\$5,510.319	\$5,920.160	\$5,941.611	\$5,953.864	\$5,967.829	\$6,004.297
Expenditures						
<u>Labor:</u>						
Payroll	\$3,627.729	\$3,530.080	\$3,628.734	\$3,721.374	\$3,771.490	\$3,834.111
Overtime	581.898	580.846	527.193	531.307	536.454	548.896
Total Salaries & Wages	\$4,209.627	\$4,110.926	\$4,155.927	\$4,252.681	\$4,307.944	\$4,383.007
Health and Welfare	648.477	773.167	837.578	905.832	966.042	1,041.380
OPEB Current Payment	360.095	401.112	438.705	473.996	516.030	563.229
Pensions	923.540	934.828	919.187	883.829	868.094	865.850
Other Fringe Benefits	416.716	451.010	457.506	460.994	469.017	476.971
Total Fringe Benefits	\$2,348.828	\$2,560.117	\$2,652.976	\$2,724.651	\$2,819.183	\$2,947.430
GASB Account	35.786	0.000	0.000	0.000	8.305	17.637
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$6,594.241	\$6,671.043	\$6,808.903	\$6,977.332	\$7,135.432	\$7,348.074
<u>Non-Labor:</u>						
Electric Power	\$316.106	\$301.689	\$309.586	\$325.578	\$346.599	\$370.573
Fuel	166.510	121.399	111.580	117.240	135.489	152.973
Insurance	68.067	72.822	77.321	86.155	95.220	108.607
Claims	110.864	125.197	112.360	113.670	116.548	118.124
Paratransit Service Contracts	366.243	381.014	404.636	424.203	461.349	499.931
Maintenance and Other Operating Contracts	245.600	239.242	259.333	245.376	226.699	228.450
Professional Service Contracts	138.974	115.194	99.725	97.398	99.569	100.944
Materials & Supplies	386.284	356.689	360.128	366.125	358.724	372.159
Other Business Expenditures	73.614	77.557	79.107	75.825	77.920	79.504
Total Non-Labor Expenditures	\$1,872.262	\$1,790.803	\$1,813.776	\$1,851.570	\$1,918.117	\$2,031.265
<u>Other Expenditure Adjustments:</u>						
Other	\$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
Total Expenditures	\$8,466.503	\$8,461.846	\$8,622.679	\$8,828.902	\$9,053.549	\$9,379.339
Net Cash Deficit	(\$2,956.184)	(\$2,541.686)	(\$2,681.068)	(\$2,875.038)	(\$3,085.720)	(\$3,375.042)

MTA NEW YORK CITY TRANSIT
November Financial Plan 2016 - 2019
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

	2014	2015	2016	2017	2018	2019
	Actual	November Forecast	Final Proposed Budget			
Receipts						
Fare Revenue	(\$1.596)	\$4.897	\$0.200	\$0.200	\$0.200	\$0.200
Vehicle Toll Revenue	0.000					
Other Operating Revenue:						
Fare Reimbursement	0.036	30.000	(30.000)	0.000	0.000	0.000
Paratransit Reimbursement	16.896	(14.543)	0.271	0.000	(0.166)	(0.249)
Other	(106.336)	(108.283)	(111.531)	(114.877)	(118.324)	(121.873)
Other Operating Revenue	(\$89.404)	(\$92.826)	(\$141.260)	(\$114.877)	(\$118.490)	(\$122.122)
Capital and Other Reimbursements	(101.809)	84.037	30.572	5.175	4.965	(2.632)
Total Receipt Adjustments	(\$192.809)	(\$3.892)	(\$110.488)	(\$109.502)	(\$113.325)	(\$124.554)
Expenditures						
Labor:						
Payroll	(\$211.313)	(\$12.424)	\$37.528	\$28.654	\$29.481	\$30.535
Overtime	(31.197)	(4.139)	2.871	1.564	1.608	1.689
Total Salaries & Wages	(\$242.510)	(\$16.563)	\$40.399	\$30.218	\$31.089	\$32.224
Health and Welfare	34.206	(11.845)	6.886	2.307	7.958	8.555
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	12.880	(24.926)	(7.069)	(6.228)	(7.017)	4.195
Other Fringe Benefits	163.918	33.114	34.037	42.116	42.979	43.878
Total Fringe Benefits	\$211.004	(\$3.657)	\$33.854	\$38.195	\$43.920	\$56.628
GASB Account	(35.786)	0.000	0.000	0.000	(8.305)	(17.637)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	(\$67.292)	(\$20.220)	\$74.253	\$68.413	\$66.704	\$71.215
Non-Labor:						
Electric Power	(\$3.181)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	5.855	0.000	0.000	0.000	0.000	0.000
Insurance	0.812	(0.383)	0.458	(1.028)	(0.195)	(1.747)
Claims	36.556	10.630	12.785	12.785	12.785	12.785
Paratransit Service Contracts	0.545	2.000	2.000	2.000	2.000	2.000
Maintenance and Other Operating Contracts	(10.393)	(10.700)	(10.700)	(10.700)	(10.700)	(10.700)
Professional Service Contracts	7.530	10.827	12.000	12.000	12.000	12.000
Materials & Supplies	(12.447)	8.785	16.500	6.500	1.500	1.500
Other Business Expenditures	3.373	(2.000)	0.000	0.000	0.000	0.000
Total Non-Labor Expenditures	\$28.650	\$19.159	\$33.043	\$21.557	\$17.390	\$15.838
Other Expenditure Adjustments:						
Other	\$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
Total Expenditure Adjustments	(\$38.642)	(\$1.061)	\$107.296	\$89.970	\$84.094	\$87.053
Total Cash Conversion Adjustments						
before Depreciation and GASB Adjustments	(\$231.451)	(\$4.953)	(\$3.192)	(\$19.532)	(\$29.231)	(\$37.501)
Depreciation Adjustment	\$1,519.813	\$1,638.144	\$1,688.144	\$1,863.292	\$1,913.292	\$1,964.634
OPEB Obligation	1,638.388	1,616.261	1,680.911	1,748.148	1,818.074	1,890.797
Environmental Remediation	12.478	0.000	0.000	0.000	0.000	0.000
Total Cash Conversion Adjustments	\$2,939.228	\$3,249.452	\$3,365.863	\$3,591.908	\$3,702.135	\$3,817.930

MTA New York City Transit
2015 November Forecast
Non-Reimbursable/Reimbursable Overtime
(\$ in millions)

NON-REIMBURSABLE OVERTIME	Total		
	Hours	\$	%
<u>Scheduled Service</u>	4,018,020	\$122.715	27.3%
<u>Unscheduled Service</u>	3,468,851	109.294	24.3%
<u>Programmatic/Routine Maintenance</u>	4,472,576	143.106	31.8%
<u>Unscheduled Maintenance</u>	0	0.000	0.0%
<u>Vacancy/Absentee Coverage</u>	929,675	29.517	6.6%
<u>Weather Emergencies</u>	762,657	28.793	6.4%
<u>Safety/Security/Law Enforcement</u>	105,815	3.360	0.7%
<u>Other ¹</u>	181,254	13.525	3.0%
Subtotal	13,938,848	\$450.310	100.0%
REIMBURSABLE OVERTIME	3,828,307	\$126.397	
TOTAL OVERTIME	17,767,155	\$576.707	

¹ Other & reimbursable budget includes PTE \$'s only. Does not include hours.

**2016 Final Proposed Budget
November Financial Plan 2016 – 2019
Year-to-Year Changes by Category-Baseline**

TOTAL REVENUE/RECEIPTS

Farebox Revenue

- Subway/bus farebox revenue annual growth is based largely on the regional economy and updated NYC employment projections. The increase in 2016 from 2015 of \$111.4 million includes the impact of severe winter weather in early 2015 not recurring in 2016.
- Farebox cash receipts include adjustments for expired MetroCards and the timing of cash receipts from counting and depositing, which can cause some fluctuations in cash received from year to year.

Other Operating Revenue

- NYC paratransit reimbursements are capped at annual increases (based on the lowest of 120 percent of the prior calendar year total amounts billed or 33% of the current year net expenses subject to reimbursement).
- Other revenues include annual increases mostly from advertising revenues, based upon current contracts in place.

Capital and Other Reimbursements

- Annual reimbursement levels fluctuate year-to-year based upon reimbursable expense levels driven mostly by capital project requirements.
- Annual cash adjustments are included to recognize changes in the timing of receipts.

TOTAL EXPENSES/EXPENDITURES

Payroll

- Represented employee wage increase assumptions follow the TWU pattern upon expiration of existing contracts as follows: 0.87%, 0.95%, 2.23%, 2.22% and 1.88% for years 1,2,3,4, and 5. CPI-based increases of 2.00% are assumed for each year upon expiration of the pattern,
- Salaries for non-represented employees are projected at 2.00% for each plan year beginning 2015.
- 2015 includes \$6.1 million of unfavorable cash timing adjustments from 2014.

Overtime

- 2016-2019 payroll wage rate increase assumptions apply.
- 2016 expenses decrease from 2015 by \$18.6 million, due to lower projected adverse weather requirements than 2015. Subsequent year-over-year increases of \$2.5 million, \$8.0 million and \$10.6 million are due mostly to planned wage increases.

Health & Welfare

- Inflation assumptions for 2016-2019: Annual employees: 2016 = 5.5%, 2017 - 2019 = 4.3%; hourly employees = 8.5% per year.

Pension

- Projections are consistent with current actuarial information.

Other Fringe Benefits

- Projected increases year-to-year reflect staffing levels, programmatic changes, inflationary payroll rate assumptions and Workers' Compensation cost assumptions.
- Increased direct overhead credits in 2016, based on higher Capital Program work requirements.
- 2015 includes \$13.5 million of unfavorable cash timing adjustments from 2014.

Electric Power

- The financial plan reflects projected New York Power Authority and Con Edison energy rate increases for both traction and non-traction power.
- 2015 includes \$3.7 million of unfavorable cash timing adjustments from 2014.

Fuel

- The financial plan reflects diesel, CNG and heating fuel price assumptions.

Insurance

- Annual expenses include premium rates provided by MTA.
- 2015 includes \$4.2 million of unfavorable cash timing adjustments from 2014.

Paratransit Service Contracts

- The primary driver of expense increases is projected annual ridership growth of 6.5% effective 2016.
- Cost-per-trip inflation projections reflect carrier contracts, which provide for annual rate increases based on CPI.

Maintenance and Other Operating Contracts

- Inflation assumptions are as follows: 2016=1.80%, 2017=2.29%, 2018=2.55% and 2019=2.41%.
- The increase of \$27.2 million in 2016 over 2015 is mostly due to the timing of bus shop requirements, an Electronic Maintenance New Need for a lease/facility build-out and the purchase of a track rail grinder. The decreases of \$14.0 million in 2017 over 2016 and of \$18.6 million in 2018 over 2017 are both due to the timing of bus shop requirements.
- 2015 includes \$7.6 million of unfavorable cash timing adjustments from 2014.

Professional Service Contracts

- Inflation assumptions are as follows: 2016=1.80%, 2017=2.29%, 2018=2.55% and 2019=2.41%.

- 2015 includes \$13.8 million of unfavorable cash timing adjustments from 2014.

Materials and Supplies

- Inflation assumptions are as follows: 2016=1.31%, 2017=1.61%, 2018=1.69% and 2019=1.84%.
- 2015 includes \$22.1 million of unfavorable cash timing adjustments from 2014.
- Non-reimbursable expense levels fluctuate year-to-year, primarily due to the timing of subway and bus fleet maintenance program requirements.
- The increase in 2016 over 2015 of \$18.1 million is due primarily to the timing of bus shop and subways fleet maintenance requirements. The increase of \$2.4 million from 2016 to 2017 and the decrease of \$5.5 million from 2017 to 2018 are mainly due to the timing of bus/subway maintenance programs. The increase of \$13.7 million in 2019 from 2018 is due mostly to the timing of bus shop requirements.

Other Business Expenses

- Inflation assumptions are as follows: 2016=1.80%, 2017=2.29%, 2018=2.55% and 2019=2.41%.
- 2015 includes \$2.0 million of unfavorable cash timing adjustments from 2014.

Depreciation (non-cash)

- Annual expense increases are due to projections of additional capital assets reaching beneficial use. Examples of these assets include subway station rehabilitations, track & switches, and new subway cars and buses.

MTA New York City Transit
November Financial Plan 2016 - 2019
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE

	Favorable/(Unfavorable)								
	2015	2016	Change 2016-2015	2017	Change 2017-2016	2018	Change 2018-2017	2019	Change 2019-2018
Revenue									
Farebox Revenue:									
Subway	\$3,303.475	\$3,397.986	\$94.511	\$3,416.390	\$18.404	\$3,437.621	\$21.231	\$3,449.442	\$11.821
Bus	960.608	977.116	16.508	986.540	9.424	990.205	3.665	991.830	1.625
Paratransit	17.823	19.751	1.928	21.034	1.283	22.402	1.368	23.858	1.456
Fare Media Liability	61.900	60.400	(1.500)	60.400	0.000	60.400	0.000	60.400	0.000
Total Farebox Revenue	\$4,343.806	\$4,455.253	\$111.447	\$4,484.364	\$29.111	\$4,510.628	\$26.264	\$4,525.530	\$14.902
Vehicle Toll Revenue									
Other Operating Revenue:									
Fare Reimbursement	84.016	84.016	0.000	84.016	0.000	84.016	0.000	84.016	0.000
Paratransit Reimbursement	187.634	191.981	4.347	197.738	5.757	211.760	14.022	230.534	18.774
Other	155.779	159.704	3.925	163.318	3.614	167.037	3.719	170.865	3.828
Total Other Operating Revenue	427.429	435.701	8.272	445.072	9.371	462.813	17.741	485.415	22.602
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenue	\$4,771.235	\$4,890.954	\$119.719	\$4,929.436	\$38.482	\$4,973.441	\$44.005	\$5,010.945	\$37.504
Expenses									
Labor:									
Payroll	\$3,079.089	\$3,184.516	(\$105.427)	\$3,278.871	(\$94.355)	\$3,336.338	(\$57.467)	\$3,396.015	(\$59.677)
Overtime	450.310	431.700	18.610	434.215	(2.515)	442.186	(7.971)	452.791	(10.605)
Total Salaries & Wages	\$3,529.399	\$3,616.216	(86.817)	3,713.086	(96.870)	3,778.524	(65.438)	3,848.806	(70.282)
Health and Welfare	741.101	822.482	(81.381)	885.243	(62.761)	950.148	(64.905)	1,025.083	(74.935)
OPEB Current Payment	393.258	429.574	(36.316)	464.474	(34.900)	505.998	(41.524)	552.660	(46.662)
Pensions	879.805	883.171	(3.366)	849.684	33.487	833.397	16.287	842.297	(8.900)
Other Fringe Benefits	316.714	310.876	5.838	326.384	(15.508)	339.060	(12.676)	346.615	(7.555)
Total Fringe Benefits	2,330.878	2,446.103	(115.225)	2,525.785	(79.682)	2,628.603	(102.818)	2,766.655	(138.052)
Reimbursable Overhead	(237.290)	(238.558)	1.268	(231.927)	(6.631)	(224.539)	(7.388)	(226.161)	1.622
Total Labor Expenses	\$5,622.987	\$5,823.761	(\$200.774)	\$6,006.944	(\$183.183)	\$6,182.588	(\$175.644)	\$6,389.300	(\$206.712)
Non-Labor:									
Electric Power	\$301.437	\$309.334	(\$7.897)	\$325.326	(\$15.992)	\$346.347	(\$21.021)	\$370.321	(\$23.974)
Fuel	121.376	111.557	9.819	117.217	(5.660)	135.466	(18.249)	152.950	(17.484)
Insurance	72.439	77.779	(5.340)	85.127	(7.348)	95.025	(9.898)	106.860	(11.835)
Claims	135.827	125.145	10.682	126.455	(1.310)	129.333	(2.878)	130.909	(1.576)
Paratransit Service Contracts	383.014	406.636	(23.622)	426.203	(19.567)	463.349	(37.146)	501.931	(38.582)
Mtce. and Other Operating Contracts	191.323	218.500	(27.177)	204.467	14.033	185.826	18.641	187.577	(1.751)
Professional Service Contracts	104.301	104.742	(0.441)	102.699	2.043	104.881	(2.182)	106.256	(1.375)
Materials & Supplies	294.125	312.227	(18.102)	314.636	(2.409)	309.152	5.484	322.837	(13.685)
Other Business Expenses	81.139	79.149	1.990	75.868	3.281	77.963	(2.095)	79.545	(1.582)
Total Non-Labor Expenses	\$1,684.981	\$1,745.069	(\$60.088)	\$1,777.998	(\$32.929)	\$1,847.342	(\$69.344)	\$1,959.186	(\$111.844)
Other Expense 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 Adjustments	\$7,307.968	\$7,568.830	(\$260.862)	\$7,784.942	(\$216.112)	\$8,029.930	(\$244.988)	\$8,348.486	(\$318.556)
Depreciation	\$1,638.144	\$1,688.144	(\$50.000)	\$1,863.292	(\$175.148)	\$1,913.292	(\$50.000)	\$1,964.634	(\$51.342)
OPEB Obligation	1,616.261	1,680.911	(64.650)	1,748.148	(67.237)	1,818.074	(69.926)	1,890.797	(72.723)
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$10,562.373	\$10,937.885	(\$375.512)	\$11,396.382	(\$458.497)	\$11,761.296	(\$364.914)	\$12,203.917	(\$442.621)
Net Surplus/(Deficit)	(\$5,791.138)	(\$6,046.931)	(\$255.793)	(\$6,466.946)	(\$420.015)	(\$6,787.855)	(\$320.909)	(\$7,192.972)	(\$405.117)

MTA New York City Transit
November Financial Plan 2016 - 2019
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

REIMBURSABLE

	Favorable/(Unfavorable)								
	2015	2016	Change 2016-2015	2017	Change 2017-2016	2018	Change 2018-2017	2019	Change 2019-2018
Revenue									
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	1,152.817	1,161.145	8.328	1,133.930	(27.215)	1,107.713	(26.217)	1,117.906	10.193
Total Revenue	\$1,152.817	\$1,161.145	\$8.328	\$1,133.930	(\$27.215)	\$1,107.713	(\$26.217)	\$1,117.906	\$10.193
Expenses									
Labor:									
Payroll	\$438.567	\$481.746	(\$43.179)	\$471.157	\$10.589	\$464.633	\$6.524	\$468.631	(\$3.998)
Overtime	126.397	98.364	28.033	98.656	(0.292)	95.876	2.780	97.794	(1.918)
Total Salaries & Wages	\$564.964	\$580.110	(\$15.146)	\$569.813	\$10.297	\$560.509	\$9.304	\$566.425	(\$5.916)
Health and Welfare	20.221	21.982	(1.761)	22.896	(0.914)	23.852	(0.956)	24.852	(1.000)
OPEB Current Payment	7.854	9.131	(1.277)	9.522	(0.391)	10.032	(0.510)	10.569	(0.537)
Pensions	30.097	28.947	1.150	27.917	1.030	27.680	0.237	27.748	(0.068)
Other Fringe Benefits	167.410	180.667	(13.257)	176.726	3.941	172.936	3.790	174.234	(1.298)
Total Fringe Benefits	225.582	240.727	(15.145)	237.061	3.666	234.500	2.561	237.403	(2.903)
Reimbursable Overhead	237.290	238.558	(1.268)	231.927	6.631	224.539	7.388	226.161	(1.622)
Total Labor Expenses	\$1,027.836	\$1,059.395	(\$31.559)	\$1,038.801	\$20.594	\$1,019.548	\$19.253	\$1,029.989	(\$10.441)
Non-Labor:									
Electric Power	\$0.252	\$0.252	\$0.000	\$0.252	\$0.000	\$0.252	\$0.000	\$0.252	\$0.000
Fuel	0.023	0.023	0.000	0.023	0.000	0.023	0.000	0.023	0.000
Insurance	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Mtce. and Other Operating Contracts	37.219	30.133	7.086	30.209	(0.076)	30.173	0.036	30.173	0.000
Professional Service Contracts	21.720	6.983	14.737	6.699	0.284	6.688	0.011	6.688	0.000
Materials & Supplies	71.349	64.401	6.948	57.989	6.412	51.072	6.917	50.822	0.250
Other Business Expenses	(5.582)	(0.042)	(5.540)	(0.043)	0.001	(0.043)	0.000	(0.041)	(0.002)
Total Non-Labor Expenses	\$124.981	\$101.750	\$23.231	\$95.129	\$6.621	\$88.165	\$6.964	\$87.917	\$0.248
Other Expense Adjustments:									
Other									
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	\$1,152.817	\$1,161.145	(\$8.328)	\$1,133.930	\$27.215	\$1,107.713	\$26.217	\$1,117.906	(\$10.193)
Depreciation									
Total Expenses	\$1,152.817	\$1,161.145	(\$8.328)	\$1,133.930	\$27.215	\$1,107.713	\$26.217	\$1,117.906	(\$10.193)
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	0.000	\$0.000	0.000	\$0.000	0.000	\$0.000

MTA New York City Transit
November Financial Plan 2016 - 2019
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

**NON-REIMBURSABLE and
REIMBURSABLE**

	Favorable/(Unfavorable)								
	2015	2016	Change 2016-2015	2017	Change 2017-2016	2018	Change 2018-2017	2019	Change 2019-2018
Revenue									
Farebox Revenue:									
Subway	\$3,303.475	\$3,397.986	\$94.511	\$3,416.390	\$18.404	\$3,437.621	\$21.231	\$3,449.442	\$11.821
Bus	960.608	977.116	16.508	986.540	9.424	990.205	3.665	991.830	1.625
Paratransit	17.823	19.751	1.928	21.034	1.283	22.402	1.368	23.858	1.456
Fare Media Liability	61.900	60.400	(1.500)	60.400	0.000	60.400	0.000	60.400	0.000
Total Farebox Revenue	\$4,343.806	\$4,455.253	\$111.447	\$4,484.364	\$29.111	\$4,510.628	\$26.264	\$4,525.530	\$14.902
Vehicle Toll Revenue									
Other Operating Revenue:									
Fare Reimbursement	84.016	84.016	0.000	84.016	0.000	84.016	0.000	84.016	0.000
Paratransit Reimbursement	187.634	191.981	4.347	197.738	5.757	211.760	14.022	230.534	18.774
Other	155.779	159.704	3.925	163.318	3.614	167.037	3.719	170.865	3.828
Total Other Operating Revenue	427.429	435.701	8.272	445.072	9.371	462.813	17.741	485.415	22.602
Capital and Other Reimbursements	1,152.817	1,161.145	8.328	1,133.930	(27.215)	1,107.713	(26.217)	1,117.906	10.193
Total Revenue	\$5,924.052	\$6,052.099	\$128.047	\$6,063.366	\$11.267	\$6,081.154	\$17.788	\$6,128.851	\$47.697
Expenses									
Labor:									
Payroll	\$3,517.656	\$3,666.262	(\$148.606)	\$3,750.028	(\$83.766)	\$3,800.971	(\$50.943)	\$3,864.646	(\$63.675)
Overtime	576.707	530.064	46.643	532.871	(2.807)	538.062	(5.191)	550.585	(12.523)
Total Salaries & Wages	\$4,094.363	\$4,196.326	(\$101.963)	\$4,282.899	(\$86.573)	\$4,339.033	(\$56.134)	\$4,415.231	(\$76.198)
Health and Welfare	761.322	844.464	(83.142)	908.139	(63.675)	974.000	(65.861)	1,049.935	(75.935)
OPEB Current Payment	401.112	438.705	(37.593)	473.996	(35.291)	516.030	(42.034)	563.229	(47.199)
Pensions	909.902	912.118	(2.216)	877.601	34.517	861.077	16.524	870.045	(8.968)
Other Fringe Benefits	484.124	491.543	(7.419)	503.110	(11.567)	511.996	(8.886)	520.849	(8.853)
Total Fringe Benefits	2,556.460	2,686.830	(130.370)	2,762.846	(76.016)	2,863.103	(100.257)	3,004.058	(140.955)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$6,650.823	\$6,883.156	(\$232.333)	\$7,045.745	(\$162.589)	\$7,202.136	(\$156.391)	\$7,419.289	(\$217.153)
Non-Labor:									
Electric Power	\$301.689	\$309.586	(\$7.897)	\$325.578	(\$15.992)	\$346.599	(\$21.021)	\$370.573	(\$23.974)
Fuel	121.399	111.580	9.819	117.240	(5.660)	135.489	(18.249)	152.973	(17.484)
Insurance	72.439	77.779	(5.340)	85.127	(7.348)	95.025	(9.898)	106.860	(11.835)
Claims	135.827	125.145	10.682	126.455	(1.310)	129.333	(2.878)	130.909	(1.576)
Paratransit Service Contracts	383.014	406.636	(23.622)	426.203	(19.567)	463.349	(37.146)	501.931	(38.582)
Mtce. and Other Operating Contracts	228.542	248.633	(20.091)	234.676	13.957	215.999	18.677	217.750	(1.751)
Professional Service Contracts	126.021	111.725	14.296	109.398	2.327	111.569	(2.171)	112.944	(1.375)
Materials & Supplies	365.474	376.628	(11.154)	372.625	4.003	360.224	12.401	373.659	(13.435)
Other Business Expenses	75.557	79.107	(3.550)	75.825	3.282	77.920	(2.095)	79.504	(1.584)
Total Non-Labor Expenses	\$1,809.962	\$1,846.819	(\$28.960)	\$1,873.127	(\$10.316)	\$1,935.507	(\$41.359)	\$2,047.103	(\$87.622)
Other Expense 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	\$8,460.785	\$8,729.975	(\$261.293)	\$8,918.872	(\$172.905)	\$9,137.643	(\$197.750)	\$9,466.392	(\$304.775)
Depreciation	\$1,638.144	\$1,688.144	(\$50.000)	\$1,863.292	(\$175.148)	\$1,913.292	(\$50.000)	\$1,964.634	(\$51.342)
OPEB Obligation	1,616.261	1,680.911	(64.650)	1,748.148	(67.237)	1,818.074	(69.926)	1,890.797	(72.723)
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$11,715.190	\$12,099.030	(\$375.943)	\$12,530.312	(\$415.290)	\$12,869.009	(\$317.676)	\$13,321.823	(\$428.840)
Net Surplus/(Deficit)	(\$5,791.138)	(\$6,046.931)	(\$247.896)	(\$6,466.946)	(\$404.023)	(\$6,787.855)	(\$299.888)	(\$7,192.972)	(\$381.143)

MTA New York City Transit
November Financial Plan 2016 - 2019
Year-to-Year Changes by Category - Cash Basis
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES

	Favorable/(Unfavorable)								
	2015	2016	Change 2016-2015	2017	Change 2017-2016	2017	Change 2018-2017	2019	Change 2019-2018
Receipts									
Farebox Revenue	\$4,348.703	\$4,455.453	\$106.750	\$4,484.564	\$29.111	\$4,510.828	\$26.264	\$4,525.730	\$14.902
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue:									
Fare Reimbursement	114.016	54.016	(60.000)	84.016	30.000	84.016	0.000	84.016	0.000
Paratransit Reimbursement	173.091	192.252	19.161	197.738	5.486	211.594	13.856	230.285	18.691
Other	47.496	48.173	0.677	48.441	0.268	48.713	0.272	48.992	0.279
Total Other Operating Revenue	334.603	294.441	(40.162)	330.195	35.754	344.323	14.128	363.293	18.970
Capital and Other Reimbursements	1,236.854	1,191.717	(45.137)	1,139.105	(52.612)	1,112.678	(26.427)	1,115.274	2.596
Total Receipts	\$5,920.160	\$5,941.611	\$21.451	\$5,953.864	\$12.253	\$5,967.829	\$13.965	\$6,004.297	\$36.468
Expenditures									
Labor:									
Payroll	\$3,530.080	\$3,628.734	(\$98.654)	\$3,721.374	(\$92.640)	\$3,771.490	(\$50.116)	\$3,834.111	(\$62.621)
Overtime	580.846	527.193	53.653	531.307	(4.114)	536.454	(5.147)	548.896	(12.442)
Total Salaries & Wages	\$4,110.926	\$4,155.927	(\$45.001)	\$4,252.681	(\$96.754)	\$4,307.944	(\$55.263)	\$4,383.007	(\$75.063)
Health and Welfare	773.167	837.578	(64.411)	905.832	(68.254)	966.042	(60.210)	1,041.380	(75.338)
OPEB Current Payment	401.112	438.705	(37.593)	473.996	(35.291)	516.030	(42.034)	563.229	(47.199)
Pensions	934.828	919.187	15.641	883.829	35.358	868.094	15.735	865.850	2.244
Other Fringe Benefits	451.010	457.506	(6.496)	460.994	(3.488)	469.017	(8.023)	476.971	(7.954)
Total Fringe Benefits	2,560.117	2,652.976	(92.859)	2,724.651	(71.675)	2,819.183	(94.532)	2,947.430	(128.247)
GASB Account	0.000	0.000	0.000	0.000	0.000	8.305	(8.305)	17.637	(9.332)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$6,671.043	\$6,808.903	(\$137.860)	\$6,977.332	(\$168.429)	\$7,135.432	(\$158.100)	\$7,348.074	(\$212.642)
Non-Labor:									
Electric Power	\$301.689	\$309.586	(\$7.897)	\$325.578	(\$15.992)	\$346.599	(\$21.021)	\$370.573	(\$23.974)
Fuel	121.399	111.580	9.819	117.240	(5.660)	135.489	(18.249)	152.973	(17.484)
Insurance	72.822	77.321	(4.499)	86.155	(8.834)	95.220	(9.065)	108.607	(13.387)
Claims	125.197	112.360	12.837	113.670	(1.310)	116.548	(2.878)	118.124	(1.576)
Paratransit Service Contracts	381.014	404.636	(23.622)	424.203	(19.567)	461.349	(37.146)	499.931	(38.582)
Mtce. and Other Operating Contracts	239.242	259.333	(20.091)	245.376	13.957	226.699	18.677	228.450	(1.751)
Professional Service Contracts	115.194	99.725	15.469	97.398	2.327	99.569	(2.171)	100.944	(1.375)
Materials & Supplies	356.689	360.128	(3.439)	366.125	(5.997)	358.724	7.401	372.159	(13.435)
Other Business Expenditures	77.557	79.107	(1.550)	75.825	3.282	77.920	(2.095)	79.504	(1.584)
Total Non-Labor Expenditures	\$1,790.803	\$1,813.776	(\$22.973)	\$1,851.570	(\$37.794)	\$1,918.117	(\$66.547)	\$2,031.265	(\$113.148)
Other Expenditure Adjustments:									
Other									
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$8,461.846	\$8,622.679	(\$160.833)	\$8,828.902	(\$206.223)	\$9,053.549	(\$224.647)	\$9,379.339	(\$325.790)
Net Cash Deficit	(\$2,541.686)	(\$2,681.068)	(\$139.382)	(\$2,875.038)	(\$193.970)	(\$3,085.720)	(\$210.682)	(\$3,375.042)	(\$289.322)

MTA NEW YORK CITY TRANSIT
2016 Final Proposed Budget
November Financial Plan 2016 – 2019
Summary of Major Plan-to-Plan Changes by Generic Categories

2015: November Financial Plan vs. July Financial Plan

Operating Revenue Changes

Operating revenues are projected to decrease from the July Financial Plan by \$6.9 million, due to:

- A reduction in farebox revenue of \$8.6 million, based on projected ridership losses.
- An increase in other operating revenue of \$1.7 million, due to updated projections of paratransit UrbanTax revenues, partly offset by a corresponding reduction in NYC partial reimbursement of paratransit expenses.

Operating Expense Changes

Operating expenses are projected to decrease by \$55.6 million from the July Financial Plan.

Major generic category changes include:

- Payroll is projected to decrease by \$7.6 million, due mostly to vacancies.
- Health & welfare/OPEB current payment expenses are projected to decrease by \$6.9 million, due to favorable rates/credits.
- Other fringe benefits are projected to increase by \$5.3 million, due mainly to higher Workers' Compensation expenses.
- Reimbursable overhead credits increase by \$24.1 million, due to increased reimbursable work requirements.
- Electric power expenses are projected to decrease by \$2.4 million, due mostly to projected lower prices.
- Claims expenses are projected to increase by \$4.6 million, based on higher anticipated payouts.
- Maintenance contract expenses are projected to decrease by \$11.1 million, due mostly to station painting contract savings.

- Professional service contract expenses are projected to decrease by \$11.2 million, due re-estimates of several accounts, including mostly structural inspections.
- Materials and supplies expenses are projected to decrease by \$6.6 million, due largely to expense rollovers to 2016.
- Other business expenses are projected to increase by \$1.7 million, caused mainly by increases in MVM debit/credit card charges.

2016-2019: November Financial Plan vs. July Financial Plan

Operating Revenue Changes

Operating revenues are projected to decrease from the July Financial Plan by \$35.1 million in 2016, \$18.0 million in 2017, \$9.4 million in 2018, and \$10.3 million in 2019 due to:

- Reductions in farebox revenue of \$35.3 million in 2016, \$16.5 million in 2017, \$8.0 million in 2018, and \$9.0 million in 2019, based on projected ridership losses.
- Revisions in other operating revenue of an increase of \$0.2 million in 2016, and decreases of \$1.6 million in 2017, \$1.4 million in 2018, and \$1.3 million in 2019, due to updated projections of paratransit Urban Tax revenues, adjusted by corresponding changes in NYC partial reimbursement of paratransit expenses.

Operating Expense Changes

Operating expenses decrease from the July Financial Plan by \$20.8 million in 2016 and \$1.7 million in 2017, and increase by a net \$0.2 million in 2018, and \$5.6 million in 2019.

Major generic category changes include:

- Payroll is projected to increase by \$19.5 million in 2016, \$36.4 million in 2017, \$39.3 million in 2018, and \$42.8 million in 2019, due mostly to investments in new programmatic initiatives (see summary at the beginning of this narrative).
- Pension expenses are projected to increase by \$5.5 million in 2016, \$7.0 million in 2017, \$8.2 million in 2018, and \$8.5 million in 2019, based on increased headcount requirements.
- Other fringe benefits are projected to increase by \$5.1 million in 2016, \$2.7 million in 2017, \$4.9 million in 2018, and \$5.5 million in 2019, based on increased

direct overhead credits resulting from higher reimbursable project work requirements.

- Reimbursable overhead credits increase by \$28.4 million in 2016, \$25.3 million in 2017, \$26.1 million in 2018, and \$26.0 million in 2019, due to increased reimbursable work requirements.
- Electric power expenses are projected to decrease by \$10.9 million in 2016, \$11.1 million in 2017, \$11.0 million in 2018, and \$12.4 million in 2019, based on projected lower prices.
- Fuel expenses are projected to decrease by \$14.0 million in 2016, \$11.7 million in 2017, \$8.2 million in 2018, and \$7.1 million in 2019, due largely to projected lower prices.
- Maintenance contract expenses are projected to increase by \$2.5 million in 2016, decrease by \$0.4 million in 2017, and increase by \$1.1 million in 2018 and \$3.2 million in 2019, due mainly to the timing of subways scheduled maintenance requirements.
- Professional service contract expenses are projected to increase by \$6.4 million in 2016, \$6.1 million in 2017, \$5.1 million in 2018, and \$4.7 million in 2019, due primarily to EAM consulting services support requirements.
- Materials & supplies expenses are projected to decrease by \$3.7 million in 2016, \$3.6 million in 2017, \$5.2 million in 2018, and \$3.2 million in 2019, due largely to favorable obsolescence adjustments.
- Other business expenses are projected to increase by \$3.6 million in 2016, \$3.8 million in 2017, \$4.5 million in 2018, and \$5.4 million in 2019, due mainly to projected increases in MVM debit/credit card charges.

**MTA New York City Transit
2016 Final Proposed Budget
November Financial Plan 2015 – 2018
Summary of Major Plan-to-Plan Changes by Generic Categories**

2015-2018: November Financial Plan vs. February Financial Plan

Operating Revenue Changes

Operating revenues are projected to decrease from the February Financial Plan by \$35.8 million in 2015, \$5.2 million in 2016, \$31.2 million in 2017 and \$47.1 million in 2018 due to:

- Reductions in farebox revenue of \$10.7 million in 2015, \$0.9 million in 2016, \$10.7 million in 2017 and \$23.2 million in 2018, based on projected ridership losses, including the impact of adverse weather early in the year,
- Revisions in other operating revenue of decreases of \$25.1 million in 2015, \$4.3 million in 2016, \$20.5 million in 2017 and \$23.8 million in 2018, due to the elimination of assumed Sandy insurance reimbursements in 2015 and updated projections of paratransit Urban Tax revenues and expenses, resulting in corresponding changes in NYC partial reimbursement of paratransit expenses.

Operating Expense Changes

Operating expenses decrease from the February Financial Plan by \$78.0 million in 2015, \$88.6 million in 2016 and \$139.4 million in 2017, and \$154.1 million in 2018.

Major generic category changes include:

- Payroll is projected to decrease by \$3.4 million in 2015, and increase by \$32.7 million in 2016, \$63.9 million in 2017, and \$80.1 million in 2018, due mostly to investments in new programmatic initiatives and wage rate adjustments.
- Overtime expenses are projected to increase by \$65.6 million in 2015, \$45.6 million in 2016, \$41.3 million in 2017 and \$42.9 million in 2018, based on adverse weather in 2015 and additional track/operational requirements.
- Health & Welfare/OPEB current expenses are projected to increase by \$2.7 million in 2015, \$25.4 million in 2016, \$20.6 million in 2017 and \$16.0 million in 2018, based on mostly projected rate increases.
- Pension expenses are projected to decrease by \$78.1 million in 2015, \$69.8 million in 2016, \$85.6 million in 2017 and \$105.2 million in 2018, based on current actuarial information and increased headcount requirements.

- Other fringe benefits are projected to increase by \$0.7 million in 2015, and decrease by \$17.8 million in 2016, \$14.6 million in 2017, and 13.1 million in 2018, based on increased direct overhead credits beginning 2016, resulting from significant increases in reimbursable program work requirements.
- Reimbursable overhead credits are projected to increase by \$32.2 million in 2015, \$38.9 million in 2016, \$35.0 million in 2017, and \$30.1 million in 2018, due to significant increases in reimbursable program requirements.
- Electric power expenses are projected to increase by \$9.8 million in 2015, and decrease by \$8.6 million in 2016, \$35.0 million in 2017 and \$43.0 million in 2018, based on projected lower prices.
- Fuel expenses are projected to decrease by \$44.4 million in 2015, \$49.3 million in 2016, \$48.0 million in 2017 and \$36.9 million in 2018, due largely to projected lower prices.
- Insurance expenses are projected to decrease by \$6.0 million in 2015, \$9.9 million in 2016, \$13.1 million in 2017 and \$15.5 million in 2018, based on updates of MTA insurance projections.
- Claims (Public Liability) expenses are projected to increase by \$28.8 million in 2015, \$13.5 million in 2016, \$12.3 million in 2017 and \$12.6 million in 2018, based on recent claims experience of a higher rate of payouts.
- Paratransit service contract expenses are projected to decrease by \$2.5 million in 2015, \$14.0 million in 2016, \$47.6 million in 2017 and \$52.8 million in 2018, based on current 2015 results.
- Maintenance contract expenses are projected to decrease by \$8.7 million in 2015, increase by \$0.4 million in 2016, and decrease by \$3.6 million in 2017 and \$8.5 million in 2018, due mainly to the timing of subways scheduled maintenance and bus shop requirements.
- Professional service contract expenses are projected to decrease by \$4.4 million in 2015 and increase by \$9.2 million in 2016, \$5.9 million in 2017 and \$4.5 million in 2018, due primarily to EAM consulting services support requirements.
- Materials & supplies expenses are projected to decrease by \$2.6 million in 2015 and \$0.2 million in 2016, and increase by \$6.1 million in 2017 and \$1.5 million in 2018, due largely to favorable obsolescence adjustments and the timing of subways scheduled maintenance requirements.
- Other business expenses are projected to decrease by \$3.0 million in 2015, \$7.0 million in 2016, \$7.1 million in 2017 and \$6.4 million in 2018, due mainly to the transfer of railroad passes provided to TWU employees to other fringe benefits.

MTA New York City Transit
November Financial Plan 2016 - 2019
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE	2015	2016	2017	2018	2019
July Financial Plan - Cash Surplus/(Deficit)	(\$2,594.376)	(\$2,616.381)	(\$2,847.540)	(\$3,057.941)	(\$3,343.268)
Baseline Changes					
Revenue					
Farebox Revenue	(\$8.598)	(\$35.319)	(\$16.452)	(\$8.002)	(\$9.037)
Other Operating Revenue	1.678	0.214	(1.578)	(1.388)	(1.276)
Capital and Other Reimbursement	0.000	0.000	0.000	0.000	0.000
Total Revenue Changes	(\$6.920)	(\$35.105)	(\$18.030)	(\$9.390)	(\$10.313)
Expenses					
<i>Labor:</i>					
Payroll	\$7.556	(\$19.548)	(\$36.361)	(\$39.288)	(\$42.848)
Overtime	(2.525)	1.029	0.870	0.887	\$0.904
Health and Welfare	23.861	8.734	8.143	7.080	\$7.293
OPEB Current Payment	(16.924)	(11.668)	(8.998)	(6.589)	(\$5.604)
Pensions	(0.713)	(5.464)	(7.005)	(8.183)	(\$8.487)
Other Fringe Benefits	(5.341)	5.051	2.724	4.907	\$5.464
Reimbursable Overhead	24.090	28.389	25.268	26.107	\$26.027
Total Labor Expense Changes	\$30.004	\$6.523	(\$15.359)	(\$15.079)	(\$17.251)
<i>Non-Labor:</i>					
Electric Power	\$2.373	\$10.865	\$11.085	\$10.993	\$12.448
Fuel	0.113	13.992	11.727	8.166	7.051
Insurance	0.553	0.689	1.232	2.241	\$3.396
Claims	(4.618)	(2.425)	(0.986)	(1.048)	(\$1.112)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	11.070	(2.531)	0.403	(1.116)	(\$3.184)
Professional Service Contracts	11.212	(6.409)	(6.121)	(5.057)	(\$4.716)
Materials & Supplies	6.640	3.673	3.562	5.200	\$3.156
Other Business Expenses	(1.744)	(3.559)	(3.829)	(4.536)	(\$5.383)
Total Non-Labor Expense Changes	\$25.599	\$14.295	\$17.073	\$14.843	\$11.656
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expense Changes	\$55.603	\$20.818	\$1.714	(\$0.236)	(\$5.595)
Cash Adjustment Changes					
Revenue	\$24.795	(\$39.768)	(\$10.031)	(\$10.031)	(\$10.029)
Expense	(8.263)	(1.456)	(1.759)	(6.301)	(\$6.120)
Depreciation	0.000	0.000	0.000	0.000	\$0.000
Total Cash Adjustment Changes	\$16.532	(\$41.224)	(\$11.790)	(\$16.332)	(\$16.149)
Total Baseline Changes	\$65.215	(\$55.511)	(\$28.106)	(\$25.958)	(\$32.057)
November Financial Plan - Cash Surplus/(Deficit)	(\$2,529.161)	(\$2,671.892)	(\$2,875.646)	(\$3,083.899)	(\$3,375.325)

MTA New York City Transit
November Financial Plan 2016 - 2019
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE	2015	2016	2017	2018	2019
July Financial Plan - Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline Changes					
Revenue					
Farebox Revenue					
Other Operating Revenue					
Capital and Other Reimbursement	62.089	105.365	102.449	111.197	\$109.848
Total Revenue Changes	\$62.089	\$105.365	\$102.449	\$111.197	\$109.848
Expenses					
Labor:					
Payroll	\$27.308	(\$27.104)	(\$28.437)	(\$36.768)	(\$35.680)
Overtime	(52.062)	(21.185)	(21.367)	(21.148)	(\$21.571)
Health and Welfare	0.264	(0.955)	(1.575)	(1.547)	(\$1.515)
OPEB Current Payment	0.210	(0.360)	(0.373)	(0.394)	(\$0.416)
Pensions	(0.007)	(0.924)	(1.483)	(1.525)	(\$1.360)
Other Fringe Benefits	1.223	(13.898)	(13.140)	(16.842)	(\$16.412)
Reimbursable Overhead	(24.090)	(28.389)	(25.268)	(26.107)	(\$26.027)
Total Labor Expense Changes	(\$47.154)	(\$92.815)	(\$91.643)	(\$104.331)	(\$102.981)
Non-Labor:					
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	(6.828)	(2.791)	(2.791)	(2.790)	(2.790)
Professional Service Contracts	(10.407)	1.000	1.000	1.000	1.000
Materials & Supplies	0.713	(12.725)	(10.983)	(7.043)	(7.043)
Other Business Expenses	1.587	1.966	1.968	1.967	1.966
Total Non-Labor Expense Changes	(\$14.935)	(\$12.550)	(\$10.806)	(\$6.866)	(\$6.867)
Total Expense Changes	(\$62.089)	(\$105.365)	(\$102.449)	(\$111.197)	(\$109.848)
Cash Adjustment Changes					
Capital Reimbursement Timing	(12.525)	(9.176)	0.607	(1.822)	0.281
Total Cash Adjustment Changes	(\$12.525)	(\$9.176)	\$0.607	(\$1.822)	\$0.281
Total Baseline Changes	(\$12.525)	(\$9.176)	\$0.607	(\$1.822)	\$0.281
November Financial Plan - Cash Surplus/(Deficit)	(\$12.525)	(\$9.176)	\$0.607	(\$1.822)	\$0.281

MTA New York City Transit
November Financial Plan 2016 - 2019
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE	2015	2016	2017	2018	2019
July Financial Plan - Cash Surplus/(Deficit)	(\$2,594.376)	(\$2,616.381)	(\$2,847.540)	(\$3,057.941)	(\$3,343.268)
Baseline Changes					
Revenue					
Farebox Revenue	(\$8.598)	(\$35.319)	(\$16.452)	(\$8.002)	(\$9.037)
Other Operating Revenue	1.678	0.214	(1.578)	(1.388)	(1.276)
Capital and Other Reimbursement	62.089	105.365	102.449	111.197	109.848
Total Revenue Changes	\$55.169	\$70.260	\$84.419	\$101.807	\$99.535
Expenses					
<i>Labor:</i>					
Payroll	\$34.864	(\$46.652)	(\$64.798)	(\$76.056)	(\$78.528)
Overtime	(54.587)	(20.156)	(20.497)	(20.261)	(20.667)
Health and Welfare	24.125	7.779	6.568	5.533	5.778
OPEB Current Payment	(16.714)	(12.028)	(9.371)	(6.983)	(6.020)
Pensions	(0.720)	(6.388)	(8.488)	(9.708)	(9.847)
Other Fringe Benefits	(4.118)	(8.847)	(10.416)	(11.935)	(10.948)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000
Total Labor Expense Changes	(\$17.150)	(\$86.292)	(\$107.002)	(\$119.410)	(\$120.232)
<i>Non-Labor:</i>					
Electric Power	\$2.373	\$10.865	\$11.085	\$10.993	\$12.448
Fuel	0.113	13.992	11.727	8.166	7.051
Insurance	0.553	0.689	1.232	2.241	3.396
Claims	(4.618)	(2.425)	(0.986)	(1.048)	(1.112)
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	4.242	(5.322)	(2.388)	(3.906)	(5.974)
Professional Service Contracts	0.805	(5.409)	(5.121)	(4.057)	(3.716)
Materials & Supplies	7.353	(9.052)	(7.421)	(1.843)	(3.887)
Other Business Expenses	(0.157)	(1.593)	(1.861)	(2.569)	(3.417)
Total Non-Labor Expense Changes	\$10.664	\$1.745	\$6.267	\$7.977	\$4.789
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expense Changes	(\$6.486)	(\$84.547)	(\$100.735)	(\$111.433)	(\$115.443)
Cash Adjustment Changes					
Revenue	\$24.795	(\$39.768)	(\$10.031)	(\$10.031)	(\$10.029)
Expense	(8.263)	(1.456)	(1.758)	(6.301)	(6.120)
Capital Reimbursement Timing	(12.525)	(9.176)	0.607	(1.821)	0.283
Depreciation	0.000	0.000	0.000	0.000	0.000
Total Cash Adjustment Changes	\$4.007	(\$50.400)	(\$11.182)	(\$18.153)	(\$15.866)
Total Baseline Changes	\$52.690	(\$64.687)	(\$27.498)	(\$27.779)	(\$31.774)
November Financial Plan - Cash Surplus/(Deficit)	(\$2,541.686)	(\$2,681.068)	(\$2,875.038)	(\$3,085.720)	(\$3,375.042)

NEW YORK CITY TRANSIT
2016 Final Proposed Budget
November Financial Plan 2016 – 2019
Summary of Major Plan-to-Plan Changes

2015: November Financial Plan vs. July Financial Plan

Revenue Changes

Total revenue changes from the July Financial Plan increased by \$55.2 million.

Major changes include:

- Farebox revenue decreased by \$8.6 million, due primarily to projected ridership losses.
- An increase in other operating revenue of \$1.7 million, due to updated projections of paratransit Urban Tax revenues, partly offset by a corresponding reduction in NYC partial reimbursement of paratransit expenses.
- Capital reimbursements increase by \$62.1 million to provide for reimbursement of reimbursable expense increases.

Expense Changes

Total expenses increase from the July Financial Plan by a net \$6.5 million.

Major changes include:

- Reimbursable expenses are projected to increase in 2015 by \$62.1 million, due mostly to additional requirements for the Capital Track Program and several Capital Program Management needs.
- Savings of \$24.1 million, resulting from an increase in reimbursable overhead credits driven by higher reimbursable work requirements.
- Departmental re-estimates, resulting in savings of \$15.2 million mostly from payroll vacancies.
- Other-than-personal service expense adjustments, resulting in savings of \$18.2 million, primarily from a reduction in painting contract expenses.

Cash Adjustments

Cash adjustments are projected to be a favorable by \$4.0 million.

Major changes include:

- The favorable timing of student fare reimbursements of \$30.0 million.
- An unfavorable capital reimbursement lag of \$12.5 million.
- An unfavorable timing of materials inventory buildup of \$10.0 million.
- A re-estimate of farebox cash receipts, resulting in a reduction of \$5.3 million.

2016-2019: November Financial Plan vs. July Financial Plan

Revenue Changes

Total revenue changes from the July Financial Plan represent increases of \$70.3 million in 2016, \$84.4 million in 2017, \$101.8 million in 2018 and \$99.5 million in 2019.

Major changes include:

- Farebox revenue is projected to decrease by \$35.3 million in 2016, \$16.5 million in 2017, \$8.0 million in 2018 and \$9.0 million in 2019, based on lower projected ridership levels.
- Other operating revenue increases by \$0.2 million in 2016, and decreases by \$1.6 million in 2017, \$1.4 million in 2018 and \$1.3 million in 2019, due to updated projections of paratransit UrbanTax revenues, adjusted by corresponding reduction in NYC partial reimbursement of paratransit expenses.
- Capital reimbursements increase by \$105.4 million 2016, \$102.4 million in 2017 \$111.2 million in 2018 and \$109.8 million in 2019, in order to provide for reimbursement of reimbursable expense increases.

Expense Changes

Total expenses increase by \$84.5 million in 2016, \$100.7 million in 2017, \$111.4 million in 2018 and \$115.4 million in 2019.

Major changes include:

- Reimbursable expenses are projected to increase by \$105.4 million in 2016, \$102.4 million in 2017, \$111.2 million in 2018 and \$109.8 million in 2019, due to several important requirements, including the Capital Track Program, Sandy recovery/resiliency, interagency support from MTA, and bus shuttle support and several Capital Program Management needs.
- Investment in programmatic initiatives (summarized at the beginning of this narrative) of \$24.0 million in 2016, \$46.8 million in 2017, \$48.5 million in 2018 and \$51.6 million in 2019.
- Savings of \$27.6 million in 2016, \$24.2 million in 2017, \$24.7 million in 2018 and \$24.1 million in 2019, resulting from an increase in reimbursable overhead credits driven by higher reimbursable work requirements.

- More favorable inflation assumptions, mostly in energy costs, resulting in expense savings of \$25.7 million in 2016, \$21.9 million in 2017, \$18.5 million in 2018 and \$19.0 million in 2019.

Cash Adjustments

Cash adjustments are projected to be unfavorable by \$50.4 million in 2016, \$11.2 million in 2017, \$18.2 million in 2018 and \$15.9 million in 2019. Major changes include:

- The unfavorable timing of receipt of \$30.0 million of student fare reimbursements in 2016, actually received in 2015.
- Unfavorable farebox receipt cash adjustments of \$10.0 million each year.

MTA NEW YORK CITY TRANSIT
November Financial Plan 2016 - 2019
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

TOTAL NON-REIMBURSABLE and REIMBURSABLE

	2015	2016	2017	2018	2019
July Financial Plan - Cash Surplus/(Deficit)	(\$2,594.376)	(\$2,616.381)	(\$2,847.540)	(\$3,057.941)	(\$3,343.268)
Non-Reimbursable Major Changes					
Revenue					
Farebox	(\$8.598)	(\$35.319)	(\$16.452)	(\$8.002)	(\$9.037)
Other Operating Revenue	1.678	0.214	(1.578)	(1.388)	(1.276)
Sub-Total Non-Reimbursable Revenue Changes	(\$6.920)	(\$35.105)	(\$18.030)	(\$9.390)	(\$10.313)
Expenses					
Programmatic Initiatives:					
Enterprise Asset Management (EAM) Project	(\$3.849)	(\$9.117)	(\$17.550)	(\$19.971)	(\$23.438)
Second Avenue Subway Re-estimate	\$0.000	\$0.000	(\$12.213)	(\$11.563)	(\$11.172)
Select Bus Service Re-estimate	0.000	(0.942)	(4.054)	(4.054)	(4.054)
Structure Defect Backlog Reduction	0.000	(5.992)	(5.992)	(5.992)	(5.992)
Third Rail Defect Reduction	0.000	(4.430)	(4.430)	(4.430)	(4.430)
Department of Law-Additional Support	(0.182)	(3.495)	(2.511)	(2.497)	(2.497)
Sub-total Programmatic Initiatives	(\$4.031)	(\$23.976)	(\$46.750)	(\$48.507)	(\$51.583)
Budget Reduction Program:					
Health & Welfare-Prescription Drug Rebid	\$0.000	\$5.917	\$10.460	\$13.998	\$14.977
Sub-total Budget Reduction Program	\$0.000	\$5.917	\$10.460	\$13.998	\$14.977
Inflation-Related:					
Electric Power	\$2.373	\$10.833	\$11.483	\$11.391	\$12.846
Bus/Heating Fuel	(0.237)	13.831	12.009	8.448	7.333
Health & Welfare Rates	(1.228)	2.993	3.577	5.352	7.076
Materials, Rentals and Miscellaneous Expenses	0.000	(1.982)	(5.151)	(6.733)	(8.269)
Sub-total Inflation-Related	0.908	25.675	21.918	18.458	18.986
Technical Adjustments/Re-estimates:					
Reimbursable Adjustments-Overhead Credits from Increased Work	\$24.091	\$27.608	\$24.240	\$24.711	\$24.143
Departmental Re-estimates-Mostly Vacancies in 2015	15.202	(1.911)	(1.724)	(1.737)	(2.095)
OTPS Adjustments-Mostly Painting Contract Savings in 2015	18.156	3.830	4.440	6.127	5.497
Workers' Compensation Re-estimate	(2.713)	(4.929)	(5.035)	(5.138)	(5.247)
Pension Re-estimate	(0.713)	1.039	1.056	1.070	1.052
Insurance Re-estimate	0.553	0.689	1.232	2.241	3.396
All Other Re-estimates/Adjustments	4.150	(13.124)	(8.123)	(11.459)	(14.721)
Sub-total Technical Adjustments/Re-estimates	58.726	13.202	16.086	15.815	12.025
Sub-Total Non-Reimbursable Expense Changes	\$55.603	\$20.818	\$1.714	(\$236)	(\$5.595)
Total Non-Reimbursable Major Changes	\$48.683	(\$14.287)	(\$16.316)	(\$9.626)	(\$15.908)
Reimbursable Major Changes					
Revenue					
Higher Reimbursements-Increased Expenses	\$62.089	\$105.365	\$102.449	\$111.197	\$109.848
Sub-Total Reimbursable Revenue Changes	\$62.089	\$105.365	\$102.449	\$111.197	\$109.848
Expenses					
Increased Expenses-Additional Work Requirements	(\$62.089)	(\$105.365)	(\$102.449)	(\$111.197)	(\$109.848)
Sub-Total Reimbursable Expense Changes	(\$62.089)	(\$105.365)	(\$102.449)	(\$111.197)	(\$109.848)
Total Reimbursable Major Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Accrual Changes	\$48.683	(\$14.287)	(\$16.316)	(\$9.626)	(\$15.908)
Cash Adjustment Changes					
Farebox Revenue-Mostly Fare Media Liability Re-estimates	(\$5.334)	(\$10.031)	(\$10.031)	(\$10.031)	(\$10.031)
Student Fare Reimbursement Timing	30.000	(30.000)	0.000	0.000	0.000
Capital Reimbursement Lag/Timing	(12.525)	(9.176)	0.607	(1.822)	0.281
Salaries & Wages Payment Timing	1.577	0.567	0.315	0.322	0.338
Other Fringe Benefits-Workers' Compensation Payments	(0.414)	(1.522)	(1.574)	(1.605)	(1.635)
Materials & Supplies-Timing of Inventory Levels/Cash Adjustments	(10.000)	2.500	2.500	(2.500)	(2.500)
Professional Service Contracts-Offset to Expense Revisions	0.000	(3.000)	(3.000)	(3.000)	(3.000)
All Other	0.703	0.262	0.001	0.483	0.681
Total Cash Adjustment Changes	\$4.007	(\$50.400)	(\$11.182)	(\$18.153)	(\$15.866)
Total Baseline Changes	\$52.690	(\$64.687)	(\$27.498)	(\$27.779)	(\$31.774)
November Financial Plan - Cash Surplus/(Deficit)	(\$2,541.686)	(\$2,681.068)	(\$2,875.038)	(\$3,085.720)	(\$3,375.042)

MTA NEW YORK CITY TRANSIT
2016 Final Proposed Budget
November Financial Plan 2016 – 2019

RIDERSHIP/ (UTILIZATION)

The November 2015 Financial Plan baseline ridership forecast assumes that the weather-adjusted April-August 2015 subway ridership trend, which was 0.1% above budget, and the weather-adjusted April-August 2015 bus ridership trend, which was 2.6% below budget, will continue for the rest of the year. The November Plan subway ridership forecast is lower than the 0.9% positive ridership variance assumed in the July 2015 Plan, and the 2.6% negative ridership variance for bus is more negative than the 1.1% negative variance assumed in the July Plan. As a result, projected 2015 ridership is 15.5 million lower than the July 2015 Plan.

In developing the 2016 ridership forecast, subway ridership is projected to increase by approximately 1.2% over 2015 based on the revised 2016 employment forecast, which was lower than the February 2015 forecast used in the July 2015 Plan. 2016 bus ridership is projected to increase by approximately 0.5%, based on an elasticity factor applied to the June employment forecast. The bus factor is based on an analysis of historical bus ridership showing a lower employment elasticity on bus than on subway. As a result of lower 2015 subway and bus ridership and a lower 2016 employment forecast, projected 2016 subway and bus ridership is 28.0 million lower than the July Plan.

Working off the revised 2016 baseline projection, 2017-2019 subway and bus ridership growth forecasts are based on the June 2015 employment forecast, which projects higher employment increases in 2017-2018 and a slightly lower 2019 increase than the forecast used in the July 2015 Plan. The resulting ridership is expected to be 25.0 million lower than the July Plan in 2017, 20.1 million lower in 2018 and 20.7 million lower in 2019.

MTA NEW YORK CITY TRANSIT
November Financial Plan 2016 - 2019
Ridership/Traffic Volume (Utilization)
(\$ in millions)

	2014 Actual	2015 November Forecast	2016 Final Proposed Budget	2017	2018	2019
RIDERSHIP						
Subway	1,751.288	1,763.213	1,801.642	1,811.038	1,821.877	1,827.912
Bus	667.051	652.005	661.215	661.204	663.452	664.449
Paratransit	8.884	8.808	9.573	10.195	10.858	11.564
Total Ridership	2,427.223	2,424.026	2,472.430	2,482.437	2,496.187	2,503.925

FAREBOX REVENUE (Excluding fare media liability)

Subway	\$ 3,171.793	\$ 3,303.475	\$ 3,397.986	\$ 3,416.390	\$ 3,437.621	\$ 3,449.442
Bus	949.898	960.608	977.116	986.540	990.205	991.830
Paratransit	15.957	17.823	19.751	21.034	22.402	23.858
Total Farebox Revenue	\$ 4,137.648	\$ 4,281.906	\$ 4,394.853	\$ 4,423.964	\$ 4,450.228	\$ 4,465.130

MTA New York City Transit
November Financial Plan 2016-2019
2015 Budget Reduction Plan Summary
(\$ in millions)

	Favorable/(Unfavorable)									
	Pos.	2015	Pos.	2016	Pos.	2017	Pos.	2018	Pos.	2019
Administration										
Corporate Communications Savings		0.128		0.263		0.263		0.263		0.263
Subways Timekeeping Consolidation		0.000	30	1.913	50	4.632	50	5.141	50	5.141
Prescription Drug Rebid		0.000	-	5.917	-	10.460	-	13.998	-	14.977
<i>Subtotal Administration</i>		0.128	30	8.093	50	15.355	50	19.402	50	20.381
Customer Convenience/Amenities										
None		0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Customer Convenience/Amenities</i>		0.000	-	0.000	-	0.000	-	0.000	-	0.000
Maintenance										
Operations Planning Fastrack Suppt. Reduction	6	0.154	6	0.332	6	0.332	6	0.332	6	0.332
Supply Logistics Efficiencies		0.262	2	0.577	2	0.577	2	0.577	2	0.577
<i>Subtotal Maintenance</i>	6	0.416	8	0.909	8	0.909	8	0.909	8	0.909
Service Support										
Revenue Collection Efficiencies	7	0.578	7	0.640	7	0.640	7	0.640	7	0.640
<i>Subtotal Service Support</i>	7	0.578	7	0.640	7	0.640	7	0.640	7	0.640
Safety										
None		0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Safety</i>		0.000	-	0.000	-	0.000	-	0.000	-	0.000
Security										
Security Efficiencies	1	0.298	2	0.660	2	0.660	2	0.660	2	0.660
<i>Subtotal Security</i>	1	0.298	2	0.660	2	0.660	2	0.660	2	0.660
Service										
None		0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Service</i>		0.000	-	0.000	-	0.000	-	0.000	-	0.000
Other										
None		0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Other</i>		0.000	-	0.000	-	0.000	-	0.000	-	0.000
Agency Submission	14	\$1.420	47	\$10.302	67	\$17.564	67	\$21.611	67	\$22.590

**NEW YORK CITY TRANSIT
November Financial Plan 2016 - 2019
2015 Budget Reduction Plan Worksheet**

Category by Function: Administration
Program: Subways Timekeeping Consolidation

Background Details:	To achieve efficiencies, Subways will initiate a phased-in centralization of some of its timekeeping functions, through 2017. Full savings of 50 positions and \$5.3M will be achieved annually beginning in 2018.
----------------------------	--

Program Description/ Implementation Plan:	Subways will realize timekeeping efficiencies by centralizing functions. Savings start in April 2016 with full implementation scheduled by EOY 2017.			
Program Implementation Date:	4/1/2016	When will savings begin?: 4/1/2016		
Other Issues:	Are these savings recurring?: Yes			

	Favorable/(Unfavorable)				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.000	\$1.913	\$4.632	\$5.141	\$5.141
<i>Total Positions Required:</i>	0	30	50	50	50

**NEW YORK CITY TRANSIT
November Financial Plan 2016 - 2019
2015 Budget Reduction Plan Worksheet**

Category by Function: Administration

Program: Prescription Drug Re-Bid

Background Details:	Active and retired employees of NYCT (and eligible dependents) receive prescription medication benefits as part of their H&W benefits package. Current pharmacy benefits management (PBM) contract with Optum RX expires March 31st, 2016. In response to RFP, Express Scripts (ESI) was selected with its Commercial and Employee Group Waiver Plan (EGWP) offerings.
----------------------------	--

Program Description/ Implementation Plan:	ESI will assume PBM services April 1st, 2016. Contract will yield the following savings: discounts on retail brand & generic prescription drugs; retail dispensing fees; rebates for prescriptions processed at retail sites & through the mail.
--	--

Program Implementation Date:	4/1/2016
	Savings are recurring

Other Issues:

	Favorable/(Unfavorable)				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.000	\$5.917	\$10.460	\$13.998	\$14.977
<i>Total Positions Required:</i>	0	0	0	0	0

NEW YORK CITY TRANSIT
November Financial Plan 2016 - 2019
2015 Budget Reduction Plan Worksheet

Category by Function: Service Support
Program: Operations Planning - FasTrack Support Reduction

Background Details:	The initiative shuts down night service along a line enabling the fast tracking of critical repair work which can be performed more safely and efficiently in the absence of train service. FastTrack maintenance work includes signal / track inspections and repairs as well as spot station painting, replacing lighting and repairing platform edges. NYCT Traffic Checkers post signs and notices to inform riders of planned work and closures.
----------------------------	---

Program Description/ Implementation Plan:	Reduce the number of traffic checkers dedicated to support FasTrack signage. During 2015, there will be 22 FasTrack occasions (down from 26 events in 2014) and 20 of the 22 planned occasions will occur in the same corridor on back to back weeks, resulting in less signage support required.
Program Implementation Date:	7/1/2015
	When will savings begin?: 7/1/2015
	Are these savings recurring?: Yes
Other Issues:	

	Favorable/(Unfavorable)				
<i>Financial Impact (Operating):</i>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Net Cash Savings (in millions)	\$0.154	\$0.332	\$0.332	\$0.332	\$0.332
<i>Total Positions Required:</i>	6	6	6	6	6

**NEW YORK CITY TRANSIT
November Financial Plan 2016 - 2019
2015 Budget Reduction Plan Worksheet**

Category by Function: Maintenance
Program: Supply Logistics Efficiencies

Background Details:	The Supply Logistics Division manages the warehouse stores for NYCT and is responsible for receiving materials from outside suppliers and then delivering these materials to storerooms at various work locations. The division is also responsible for maintaining appropriate inventory controls until materials are withdrawn for use.
----------------------------	---

Program Description/ Implementation Plan:	Management will continue to monitor staffing and the use of overtime in line with operational needs.			
Program Implementation Date:	7/1/2015	When will savings begin?:	7/1/2015	
Other Issues:	Are these savings recurring?: Yes			

	Favorable/(Unfavorable)				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.262	\$0.577	\$0.577	\$0.577	\$0.577
<i>Total Positions Required:</i>	0	2	2	2	2

**NEW YORK CITY TRANSIT
November Financial Plan 2016 - 2019
2015 Budget Reduction Plan Worksheet**

Category by Function: Service Support
Program: Revenue Collection Efficiencies

Background Details:	This initiative reflects reductions in labor costs resulting from the implementation of the Green Fee and other operational efficiencies. Savings in revenue collections reflect position vacancies and a reduction in the number of collecting agents (7) based on historical operations.
----------------------------	--

Program Description/ Implementation Plan:	Reductions in budgeted staff began in January 2015.	
Program Implementation Date:	1/1/2015	When will savings begin?: 1/1/2015
Other Issues:	Are these savings recurring?: Yes	

	Favorable/(Unfavorable)				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.578	\$0.640	\$0.640	\$0.640	\$0.640
<i>Total Positions Required:</i>	7	7	7	7	7

**NEW YORK CITY TRANSIT
November Financial Plan 2016 - 2019
2015 Budget Reduction Plan Worksheet**

Category by Function: Security
Program: Security Efficiencies

Background Details:	Management reduced budgeted levels of overtime and night differential in line with operational efficiencies. In addition, two positions were eliminated, and contracted security service was scaled back at one location.
----------------------------	---

Program Description/ Implementation Plan:	Management will continue to monitor staffing in line with operational needs and the use of overtime.		
Program Implementation Date:	1/1/2015	When will savings begin?:	1/1/2015
Other Issues:	Are these savings recurring?: Yes		

	Favorable/(Unfavorable)				
<i>Financial Impact (Operating):</i>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Net Cash Savings (in millions)	\$0.298	\$0.660	\$0.660	\$0.660	\$0.660
<i>Total Positions Required:</i>	1	2	2	2	2

MTA NEW YORK CITY TRANSIT
2016 Final Proposed Budget
November Financial Plan 2016 – 2019
Positions

POSITION ASSUMPTIONS

2015: November Financial Plan vs. July Financial Plan

Total baseline positions are projected to decrease by 82, including a non-reimbursable decrease of 78 and a reimbursable decrease of 4. Specifically:

New Needs (total increase of 9 positions) includes:

- 3 positions for EAM
- 6 positions for Law Support

(These initiatives are summarized at the beginning of the introductory narrative.)

Re-estimates (decrease of 87 positions) include:

- -81 positions for Platform Budget – Normal Business
- -7 positions for New Fare Payments Transfer to MTA HQ
- 1 position for miscellaneous other

The breakdown of the 82 position decrease by function is as follows:

Administration (total increase of 43 positions) includes:

- -18 positions in the President's Office due mainly to the transfer of New Fare Payments Transfer to MTA HQ
- 61 positions mainly due to the removal of provision for vacancies and allocated to specific departments as part of estimate
- 5 positions in Law to support workload increase
- -5 positions for miscellaneous other

Operations (total decrease of 54 positions) include:

- -81 positions for Platform Budget – Normal Business
- 17 positions in Operations Planning due to part-time traffic checkers
- 10 positions for miscellaneous other

Maintenance and Public Safety (total decrease of 71 positions) includes:

- -61 positions due to the allocation of vacancy provision from administration to maintenance.
- -10 positions for miscellaneous other

Position increases by occupational group are: Managers/Supervisors -11, Professional, Technical, Clerical -6, and Operational Hourlies -65.

For further details, please see position tables.

2016: November Financial Plan vs. July Financial Plan

New Needs (total increase of 268 positions) includes:

- 57 positions for EAM
- 36 positions for Law Support
- 42 positions for Third Rail Defect Reduction
- 58 positions for Structure Defect Backlog Reduction
- 75 positions for Select Bus Service

Reimbursable (total increase of 414 positions) includes:

- 165 positions for Sandy Recovery & Resiliency extension
- 109 positions for TA Labor
- 40 positions for MOW Engineering support
- 39 positions for EMD support
- 35 positions for CPM increased workload
- 33 positions for Subways Capital Program Support
- 22 positions for Signals Support
- 20 positions for Buses Shuttle Support
- -51 positions for Third Rail Defect Conversion to Non-reimbursable
- -14 positions for New Fare Payments Transfer to MTA HQ
- 16 positions for other capital support

Re-estimates (increase of 252 positions) include:

- 34 positions for Platform Budget – Normal Business
- 47 positions for Availability Adjustment
- 95 positions for Training Float
- 17 positions for Bus Maintenance Support
- 49 positions for full-time equivalents in various areas
- 14 positions for Subways Other
- -4 positions for miscellaneous other

The breakdown of the 934 position increase by function is as follows:

- Administration (total increase of 148 positions) – mainly due to Law additional support and EAM project management office (PMO) staff
- Operations (total increase of 352 positions) – mainly due to platform budget changes and TA Labor adjustments
- Maintenance (total increase of 305 positions) – mainly due to new needs noted above, reimbursable capital support and bus maintenance support

- Engineering (total increase of 114 positions) – mainly due to the extension of Sandy positions and increased capital support
- Public Safety (total increase of 15 positions) – mainly due to SBS support costs for eagle teams.

Position increases by occupational group are: Managers/Supervisors +193, Professional, Technical, Clerical +245, and Operational Hourlies +496.

2017 - 2019: November Financial Plan vs. July Financial Plan

New Needs (total increase of 397 positions in 2017, 416 positions in 2018, and 440 positions in 2019) includes:

- 95 positions for EAM (119 positions in 2018, 146 positions in 2019)
- 91 positions for Second Avenue Subway (86 positions for 2018, 83 positions in 2019)
- 36 positions for Law Support
- 42 positions for Third Rail Defect Reduction
- 58 positions for Structure Defect Backlog Reduction
- 75 positions for Select Bus Service 2016 routes

Reimbursable (total increase of 336 positions in 2017, 468 positions in 2018, 447 in 2019) includes:

- 161 positions for Sandy Recovery & Resiliency (332 positions in 2018/19)
- 109 positions for TA Labor (109 positions in 2018/19)
- 24 positions for MOW Engineering support (21 positions in 2018, 2 in 2019)
- 19 positions for EMD support (0 positions for 2018/19)
- 35 positions for CPM increased workload (35 positions for 2018/19)
- 25 positions for Subways Capital Program Support (8 positions for 2018, 6 in 2019)
- 20 positions for Buses Shuttle Support for 2017/18/19
- 13 positions for full-time equivalents, mainly in CPM for 2017/18/19
- -51 positions for Third Rail Defect Conversion to Non-reimb for 2017/18/19
- -14 positions for New Fare Payments Transfer to MTA HQ for 2017/18/19
- -5 positions for other capital support for 2017/18/19

Re-estimates (total increase of 174 positions in 2017, 175 positions in 2018, 178 positions in 2019) include:

- 30 positions for Platform Budget – Normal Business
- 47 positions for Availability Adjustment
- 21 positions for Training Float
- 17 positions for Bus Maintenance Support
- 49 positions for full-time equivalents in various areas
- 14 positions for Subways Other
- -4 positions for miscellaneous other (-3 positions in 2018, 0 positions in 2019)

The breakdown of the 907 position increase in 2017 and 1,059 positions in 2018 by function is as follows:

- Administration (total decrease of 184 positions in 2017, 185 positions in 2018, and 187 positions in 2019) – mainly due to classification change of Second Avenue Subway to Operations and Maintenance
- Operations (total increase of 383 positions in 2017, 554 positions in 2018, and 568 positions in 2019) – mainly due to platform budget changes, TA Labor adjustments and Second Avenue Subway adjustment
- Maintenance (total increase of 579 positions in 2017, 560 positions in 2018, and 568 positions in 2019) – mainly due to new needs noted above, reimbursable capital support, bus maintenance support and Second Avenue Subway adjustment
- Engineering (total increase of 114 positions in 2017, 2018 and 2019) – mainly due to the extension of Sandy positions and increased capital support
- Public Safety (total increase of 15 positions in 2017 and 16 positions in 2018 and 2019) – mainly due to SBS support costs for eagle teams.

Position increases by occupational group in 2017 are: Managers/Supervisors +218, Professional, Technical, Clerical +205, and Operational Hourlies +484. In 2018, positions increase among Managers/Supervisors +234, and Professional, Technical, Clerical +207 and Operational Hourlies +618. In 2019, positions increase among Managers/Supervisors +238, and Professional, Technical, Clerical +220 and Operational Hourlies +607.

Year over Year

2016 over 2015

Total positions increase by 508 positions. The increase is mainly due Sandy staffing extension, TA Labor and Training Float requirements, EAM, Structure Defect Backlog Reduction, Select Bus Service and other New Needs as described above.

2017 over 2016

Total positions increase by 129 positions, mainly due to operating staff requirements for 2nd Avenue Subway.

2018 over 2017

Total positions decrease by 242 positions, mainly due to changes in Subways SMS program and capital project completion.

2019 over 2018

Total positions decrease by 38 positions, mainly due to changes in Subways SMS program.

Note: The MTA consolidated position tables reflect full staffing for a Second Avenue Subway opening date of December 1. Due to time constraints, the NYCT submission did not include certain cost and headcount projections that supported this opening date assumption; instead they are captured in MTA consolidated projections. Technical reallocation adjustments will be made in the February Plan.

MTA NEW YORK CITY TRANSIT
November Financial Plan 2016 - 2019
Favorable/(Unfavorable)

Total Position Changes at a Glance

	2015	2016	2017	2018	2019
2015 July Plan - Total Positions	47,788	47,280	47,436	47,042	46,998
Total Plan-to-Plan Changes	82	(934)	(907)	(1,059)	(1,065)
2015 November Plan - Total Positions	47,706	48,214	48,343	48,101	48,063
Total Year-to-Year Changes, July Plan		(508)	(129)	242	38

Total Plan-to-Plan Changes by Reporting Category:

<i>Non-Reimbursable</i>	78	(520)	(571)	(591)	(618)
<i>Reimbursable</i>	4	(414)	(336)	(468)	(447)
Total	82	(934)	(907)	(1,059)	(1,065)
<i>Full-Time</i>	94	(872)	(845)	(997)	(1,003)
<i>Full-Time Equivalents</i>	(12)	(62)	(62)	(62)	(62)
Total	82	(934)	(907)	(1,059)	(1,065)
<i>By Function Category</i>					
- Administration	(43)	(148)	184	185	187
- Operations	54	(352)	(383)	(554)	(554)
- Maintenance	70	(305)	(579)	(560)	(568)
- Engineering/Capital	0	(114)	(114)	(114)	(114)
- Public Safety	1	(15)	(15)	(16)	(16)
Total	82	(934)	(907)	(1,059)	(1,065)
<i>By Occupational Group</i>					
- Managers/Supervisors	11	(193)	(218)	(234)	(238)
- Professional, Technical, Clerical	6	(245)	(205)	(207)	(220)
- Operational Hourlies	65	(496)	(484)	(618)	(607)
Total	82	(934)	(907)	(1,059)	(1,065)

Total Plan-to-Plan Changes by Major Category:

<i>2015 BRPs</i>	0	0	0	0	0
<i>New Needs</i>	(9)	(268)	(397)	(416)	(440)
<i>Change in Reimbursable Positions</i>	4	(414)	(336)	(468)	(447)
<i>Re-estimates & All Other</i> ¹	87	(252)	(174)	(175)	(178)
Total	82	(934)	(907)	(1,059)	(1,065)

¹ Includes Full-time Equivalents

Note: The MTA consolidated position tables reflect full staffing for a Second Avenue Subway opening date of December 1. Due to time constraints, the NYCT submission did not include certain cost and headcount projections that supported this opening date assumption; instead they are captured in MTA consolidated projections. Technical reallocation adjustments will be made in the February Plan.

MTA New York City Transit
November Financial Plan 2016 - 2019
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

	2014 Actual	2015 November Forecast	2016 Final Proposed Budget	2017	2018	2019
Administration						
Office of the President	59	54	64	63	63	62
Law	272	285	312	312	312	312
Office of the EVP	42	45	46	46	46	46
Human Resources	232	227	232	232	230	229
Office of Management and Budget	36	42	42	42	42	42
Capital Planning & Budget	30	35	35	35	35	35
Corporate Communications	259	261	260	260	260	260
Technology & Information Services	409	-	-	-	-	-
Non-Departmental	-	(33)	(34)	(34)	(34)	(34)
Labor Relations	87	97	98	98	98	98
Materiel	264	284	290	285	284	283
Controller	134	137	128	128	128	128
Total Administration	1,824	1,434	1,473	1,467	1,464	1,461
Operations						
Subways Service Delivery	7,806	7,814	8,029	7,959	7,958	7,958
Subways Operation Support /Admin	355	365	365	365	365	365
Subways Stations	2,610	2,640	2,632	2,628	2,628	2,628
Subtotal - Subways	10,771	10,819	11,026	10,952	10,951	10,951
Buses	10,628	10,946	11,028	11,005	11,005	11,005
Paratransit	205	213	213	213	213	213
Operations Planning	386	401	401	401	401	401
Revenue Control	402	579	579	579	579	579
Non-Departmental	-	-	-	114	114	114
Total Operations	22,392	22,958	23,247	23,264	23,263	23,263
Maintenance						
Subways Operation Support /Admin	204	184	157	141	145	144
Subways Engineering	349	363	381	361	339	322
Subways Car Equipment	4,310	4,450	4,390	4,366	4,260	4,218
Subways Infrastructure	1,408	1,528	1,594	1,595	1,542	1,542
Subways Elevator & Escalators	361	442	454	455	450	455
Subways Stations	3,606	3,691	3,722	3,727	3,723	3,709
Subways Track	2,738	2,805	2,819	2,824	2,827	2,813
Subways Power	558	597	596	596	585	584
Subways Signals	1,374	1,505	1,510	1,473	1,449	1,450
Subways Electronics Maintenance	1,433	1,578	1,595	1,563	1,543	1,539
Subtotal - Subways	16,341	17,143	17,218	17,101	16,863	16,776
Buses	3,804	3,644	3,692	3,648	3,653	3,707
Revenue Control	137	-	-	-	-	-
Supply Logistics	563	558	560	561	561	562
System Safety	82	99	99	99	99	99
Non-Departmental	-	(84)	(84)	194	189	186
Total Maintenance	20,927	21,360	21,485	21,603	21,365	21,330
Engineering/Capital						
Capital Program Management	1,343	1,319	1,358	1,358	1,358	1,358
Total Engineering/Capital	1,343	1,319	1,358	1,358	1,358	1,358
Public Safety						
Security	603	635	651	651	651	651
Total Public Safety	603	635	651	651	651	651
Total Baseline Positions	47,089	47,706	48,214	48,343	48,101	48,063
Non-Reimbursable	42,996	42,650	43,146	43,521	43,445	43,446
Reimbursable	4,093	5,056	5,068	4,822	4,656	4,617
Total Full-Time	46,856	47,552	48,010	48,139	47,897	47,859
Total Full-Time Equivalents	233	154	204	204	204	204

Note: The MTA consolidated position tables reflect full staffing for a Second Avenue Subway opening date of December 1. Due to time constraints, the NYCT submission did not include certain cost and headcount projections that supported this opening date assumption; instead they are captured in MTA consolidated projections. Technical reallocation adjustments will be made in the February Plan.

MTA New York City Transit
November Financial Plan 2016 - 2019
Total Positions by Function and Occupation

FUNCTION/OCCUPATIONAL GROUP	2014 Actual	2015 November Forecast	2016 Final Proposed Budget	2017	2018	2019
Administration						
Managers/Supervisors	564	545	542	540	539	536
Professional, Technical, Clerical	1,234	858	900	896	894	894
Operational Hourlies	26	31	31	31	31	31
Total Administration	1,824	1,434	1,473	1,467	1,464	1,461
Operations						
Managers/Supervisors	2,561	2,712	2,709	2,694	2,693	2,693
Professional, Technical, Clerical	471	500	506	506	506	506
Operational Hourlies	19,360	19,746	20,032	20,064	20,064	20,064
Total Operations	22,392	22,958	23,247	23,264	23,263	23,263
Maintenance						
Managers/Supervisors	3,848	3,862	3,901	3,918	3,869	3,859
Professional, Technical, Clerical	1,010	1,067	1,116	1,082	1,068	1,077
Operational Hourlies	16,069	16,431	16,468	16,603	16,428	16,394
Total Maintenance	20,927	21,360	21,485	21,603	21,365	21,330
Engineering/Capital						
Managers/Supervisors	331	339	339	339	339	339
Professional, Technical, Clerical	1,010	978	1,017	1,017	1,017	1,017
Operational Hourlies	2	2	2	2	2	2
Total Engineering/Capital	1,343	1,319	1,358	1,358	1,358	1,358
Public Safety						
Managers/Supervisors	236	261	275	275	275	275
Professional, Technical, Clerical	34	39	39	39	39	39
Operational Hourlies	333	335	337	337	337	337
Total Public Safety	603	635	651	651	651	651
Total Baseline Positions						
Managers/Supervisors	7,540	7,719	7,766	7,766	7,715	7,702
Professional, Technical, Clerical	3,759	3,442	3,578	3,540	3,524	3,533
Operational Hourlies	35,790	36,545	36,870	37,037	36,862	36,828
Total Baseline Positions	47,089	47,706	48,214	48,343	48,101	48,063

Note: The MTA consolidated position tables reflect full staffing for a Second Avenue Subway opening date of December 1. Due to time constraints, the NYCT submission did not include certain cost and headcount projections that supported this opening date assumption; instead they are captured in MTA consolidated projections. Technical reallocation adjustments will be made in the February Plan.

[THIS PAGE INTENTIONALLY LEFT BLANK]

MTA Bus Company

MTA BUS COMPANY
2016 Final Proposed Budget
November Financial Plan 2016 – 2019

FINANCIAL OVERVIEW

MTA Bus Company (MTABC) remains committed to providing safe, secure, reliable and cost efficient transportation service that fosters the continued vibrancy and prosperity of the New York region. To that end, the November Financial Plan presents the means to meet those needs and includes funding for several important programmatic initiatives critical to meeting MTA Bus Company's operational and maintenance needs. All other expense/cash changes result from either re-estimates, adjustments reflecting the impact of inflation, or the projected timing of expenses, payments or reimbursements.

The November Plan captures the projected cost of the labor settlement with the Transport Workers Union (TWU), and assumes the same pattern for employees represented by unions without contract agreements.

Important programmatic initiatives are included in this financial plan, and are summarized as follows:

Enterprise Asset Management (EAM): The initiative will improve the management of assets and the accuracy of data in the maintenance system and apply reliability-based maintenance practices to critical bus maintenance work. EAM will maximize the safety, service life, and efficiency of each physical asset.

Platform Budget: MTA Bus is refining all 80 bus routes over the course of the Plan to more accurately reflect traffic trends and operating conditions. Also included is the conversion of three routes to articulated service, one route transfer, and four service-related changes to existing routes.

Tires & Tubes: The bus tire contract with the existing vendor has been extended. The terms of the extension allow for the continued testing/evaluation of all season traction tires, covers costs associated with high and low floor buses, and replacement costs.

Depot Wireless: MTA Bus will upgrade its Wi-Fi infrastructure to support operations at all eight depots. Resources are appropriated for equipment, installation, a three-year warranty, and maintenance costs.

MTA Bus continues to take steps to improve employee availability through enforcement of disciplinary measures designed to reduce excessive sick and Injury-On-Duty usage. In addition, management will continue to monitor and implement safety initiatives focused on reducing the number of employee accidents and related IOD absences.

2015 November Forecast

MTA Bus Company's 2015 November Forecast includes total expenses before depreciation and other post-employment benefits of \$644.2 million, consisting of \$638.5 million of non-reimbursable expenses and \$5.7 million of reimbursable expenses. Total revenues are projected to be \$236.7 million, of which \$210.4 million is Farebox Revenues, \$20.6 million is Other Operating Revenue and \$5.7 million is Capital and Other Reimbursements. Total baseline full-time and full-time equivalent positions are 3,752 (3,714 non-reimbursable positions and 38 reimbursable positions).

The 2015 net operating cash deficit is projected to increase by \$3.8 million from the Mid-Year Forecast.

Major operating cash changes include:

- A Farebox Revenue increase of \$1.5 million due to an increase in average fares;
- New Needs Investment increase of \$1.8 million as a result of several programmatic initiatives (see detailed information at the beginning of this narrative);
- Payroll expenses net increase of \$0.8 million is primarily due to demographic wage progression;
- Health & Welfare/OPEB current payment re-estimate resulted in an expense increase of \$4.3 million based on the latest rates; and
- Fuel expenses are projected to decrease by \$1.8 million due to lower rates.

Reimbursable expenses are projected to remain unchanged from the July Plan.

Positions are projected to increase by one non-reimbursable administrative position.

2016 Final Proposed Budget

MTA Bus Company's 2016 Preliminary Budget includes total expenses before depreciation and other post-employment benefits of \$676.6 million, consisting of \$670.5 million of non-reimbursable expenses and \$6.0 million of reimbursable expenses. Total revenue is projected to be \$241.2 million, of which \$214.5 million is farebox revenues, \$20.7 million is other operating revenue and \$6.0 million is capital and other reimbursements. Total baseline full-time and full-time equivalent positions are 3,807 (3,767 non-reimbursable positions and 40 reimbursable positions).

The 2016 net operating cash deficit is projected to increase by \$8.3 million from the July Plan.

Major operating cash changes include:

- A Farebox Revenue increase of \$2.1 million;
- Payroll expense increase of \$3.3 million due to several programmatic initiatives;
- Health & Welfare (including OPEB current payments), increase of \$3.9 million, reflecting latest growth rate assumptions;
- Fuel expense decrease of \$3.3 million, reflecting latest forecast assumptions;
- Maintenance and Other Operating Contracts increase of \$3.7 million primarily due to Shop Overhaul changes;
- Professional Services expenses increase of \$1.5 million due to several programmatic initiatives, including outsourcing the management of Family Medical Leave Act; and
- Material & Supplies increase of \$0.8 million primarily due to Shop Overhaul Program changes.

Reimbursable expenses increase by \$0.2 million due to an increase of two positions.

Total baseline positions are projected to increase by 40.

2017 - 2019 Projections

Net operating cash deficits are projected to increase by \$4.9 million in 2017, \$1.3 million in 2018 and decrease by \$2.6 million in 2019, relative to the July Plan. Major operating cash changes include:

- Revenue increases of \$2.2 million in 2017, and \$2.4 million in 2018 and 2019, due to a higher projected ridership.
- Payroll increases of \$3.9 million in 2017, \$4.2 million in 2018 and \$4.5 million in 2019 primarily due to initiatives referenced in the overview.
- Health & Welfare expense (including OPEB current payments) decreases of \$0.2 million in 2017, \$5.3 million in 2018 and \$9.9 million in 2019 primarily due to employee eligibility and implementing the Employer Group Waiver Plan (EGWP).
- Fuel decreases of \$3.1 million in 2017, \$2.4 million in 2018 and \$2.1 million in 2019 as a result of revised forecast assumptions.

- Maintenance and Other Operating Contracts increase of \$3.2 million in 2017, \$5.1 million in 2018, and \$3.5 million in 2019, primarily due to Shop Overhaul changes.
- Professional Services increase of \$1.1 million in 2017, \$0.9 million in 2018, and \$0.8 million in 2019, due to several programmatic initiatives, including EAM.
- Material & Supplies increase of \$1.3 million in 2017, \$0.2 million in 2018 and \$2.0 million in 2019 primarily due to Shop Overhaul program changes.

Reimbursable expenses increase by \$0.2 million in 2017-2019 due to an increase of two positions.

Total Baseline positions are projected to increase by 50 in 2017, 53 in 2018, and 55 in 2019.

MTA BUS COMPANY
November Financial Plan 2016 - 2019
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE	2014	2015	2016			
	Actual	November Forecast	Final Proposed Budget	2017	2018	2019
Operating Revenue						
Farebox Revenue	\$203.591	\$210.400	\$214.471	\$214.485	\$215.271	\$215.613
Other Operating Revenue	20.094	20.560	20.724	21.089	21.471	21.650
Capital and Other Reimbursements	-	-	-	-	-	-
Total Revenue	\$223.685	\$230.960	\$235.195	\$235.574	\$236.742	\$237.263
Operating Expenses						
<u>Labor:</u>						
Payroll	\$254.708	\$251.409	\$261.513	\$268.151	\$267.857	\$266.956
Overtime	58.921	52.841	52.900	53.702	54.307	55.306
Health and Welfare	54.590	56.928	60.015	57.926	54.401	52.737
OPEB Current Payment	19.641	22.098	23.955	24.339	25.433	26.578
Pensions	44.956	46.240	47.044	47.743	48.493	50.324
Other Fringe Benefits	69.131	47.437	50.329	50.186	53.083	55.095
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenses	\$501.947	\$476.954	\$495.757	\$502.047	\$503.575	\$506.996
<u>Non-Labor:</u>						
Electric Power	\$1.503	\$1.773	\$1.837	\$1.955	\$2.080	\$2.173
Fuel	35.099	23.661	24.131	25.181	28.166	30.786
Insurance	3.354	5.345	6.166	6.521	7.370	7.820
Claims	32.222	28.768	29.000	29.447	29.977	30.490
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	21.190	32.772	40.363	68.371	27.085	23.696
Professional Service Contracts	20.481	27.281	26.443	26.627	26.662	27.170
Materials & Supplies	43.097	39.509	44.282	41.750	34.849	37.982
Other Business Expenses	3.856	2.441	2.557	3.715	3.789	3.008
Total Non-Labor Expenses	\$160.802	\$161.549	\$174.779	\$203.567	\$159.977	\$163.125
<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 & GASB Adj.	\$662.749	\$638.503	\$670.536	\$705.614	\$663.551	\$670.121
Depreciation	\$48.530	\$42.236	\$42.236	\$42.887	\$43.658	\$43.657
OPEB Obligation	105.049	100.150	100.150	100.150	100.150	100.150
Environmental Remediation	0.610	-	-	-	-	-
Total Expenses	\$816.938	\$780.889	\$812.922	\$848.651	\$807.359	\$813.928
Net Surplus/(Deficit)	(\$593.253)	(\$549.929)	(\$577.727)	(\$613.077)	(\$570.617)	(\$576.665)

MTA BUS COMPANY
November Financial Plan 2016 - 2019
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE	2014 <u>Actual</u>	2015 <u>November Forecast</u>	2016 <u>Final Proposed Budget</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Revenue						
Farebox Revenue	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-
Capital and Other Reimbursements	6.148	5.738	6.039	5.857	5.960	5.925
Total Revenue	\$6.148	\$5.738	\$6.039	\$5.857	\$5.960	\$5.925
Expenses						
<u>Labor:</u>						
Payroll	\$2.804	\$2.714	\$2.892	\$2.682	\$2.731	\$2.586
Overtime	-	-	-	-	-	-
Health and Welfare	0.749	1.038	1.093	1.101	1.121	1.214
OPEB Current Payment	-	-	-	-	-	-
Pensions	0.442	0.470	0.498	0.498	0.508	0.508
Other Fringe Benefits	0.419	0.462	0.482	0.486	0.495	0.495
Reimbursable Overhead	0.093	-	-	-	-	-
Total Labor Expenses	\$4.507	\$4.684	\$4.965	\$4.767	\$4.855	\$4.803
<u>Non-Labor:</u>						
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	-	-	-	-	-	-
Insurance	-	-	-	-	-	-
Claims	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	-	0.227	0.231	0.235	0.238	0.242
Professional Service Contracts	-	-	-	-	-	-
Materials & Supplies	1.641	0.827	0.843	0.855	0.867	0.881
Other Business Expenses	-	-	-	-	-	-
Total Non-Labor Expenses	\$1.641	\$1.054	\$1.074	\$1.090	\$1.105	\$1.122
<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 & GASB Adj.	\$6.148	\$5.738	\$6.039	\$5.857	\$5.960	\$5.925
Depreciation	-	-	-	-	-	-
Total Expenses	\$6.148	\$5.738	\$6.039	\$5.857	\$5.960	\$5.925
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA BUS COMPANY
November Financial Plan 2016 - 2019

Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE						
	2014	2015	2016			
	Actual	November Forecast	Final Proposed Budget	2017	2018	2019
Revenue						
Farebox Revenue	\$203.591	\$210.400	\$214.471	\$214.485	\$215.271	\$215.613
Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	20.094	20.560	20.724	21.089	21.471	21.650
Capital and Other Reimbursements	6.148	5.738	6.039	5.857	5.960	5.925
Total Revenue	\$229.833	\$236.698	\$241.234	\$241.431	\$242.702	\$243.188
Expenses						
<u>Labor:</u>						
Payroll	\$257.512	\$254.123	\$264.405	\$270.833	\$270.588	\$269.542
Overtime	58.921	52.841	52.900	53.702	54.307	55.306
Health and Welfare	55.339	57.966	61.109	59.027	55.522	53.951
OPEB Current Payment	19.641	22.098	23.955	24.339	25.433	26.578
Pensions	45.398	46.710	47.542	48.241	49.001	50.832
Other Fringe Benefits	69.550	47.899	50.811	50.671	53.578	55.590
Reimbursable Overhead	0.093	-	-	-	-	-
Total Labor Expenses	\$506.454	\$481.638	\$500.722	\$506.814	\$508.429	\$511.799
<u>Non-Labor:</u>						
Electric Power	\$1.503	\$1.773	\$1.837	\$1.955	\$2.080	\$2.173
Fuel	35.099	23.661	24.131	25.181	28.166	30.786
Insurance	3.354	5.345	6.166	6.521	7.370	7.820
Claims	32.222	28.768	29.000	29.447	29.977	30.490
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	21.190	32.999	40.594	68.606	27.323	23.937
Professional Service Contracts	20.481	27.281	26.443	26.627	26.662	27.170
Materials & Supplies	44.738	40.336	45.125	42.605	35.716	38.863
Other Business Expenses	3.856	2.441	2.557	3.715	3.789	3.008
Total Non-Labor Expenses	\$162.443	\$162.603	\$175.853	\$204.657	\$161.082	\$164.247
<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 & GASB Adj.	\$668.897	\$644.241	\$676.575	\$711.471	\$669.511	\$676.046
Depreciation	\$48.530	\$42.236	\$42.236	\$42.887	\$43.658	\$43.657
OPEB Obligation	105.049	100.150	100.150	100.150	100.150	100.150
Environmental Remediation	0.610	-	-	-	-	-
Total Expenses	\$823.086	\$786.627	\$818.961	\$854.508	\$813.319	\$819.853
Net Surplus/(Deficit)	(\$593.253)	(\$549.929)	(\$577.727)	(\$613.077)	(\$570.617)	(\$576.665)

MTA BUS COMPANY
November Financial Plan 2016 - 2019
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2014	2015	2016			
	Actual	November Forecast	Final Proposed Budget	2017	2018	2019
Receipts						
Farebox Revenue	\$203.251	\$210.650	\$214.471	\$214.485	\$215.271	\$215.613
Other Operating Revenue	19.508	21.560	20.724	21.089	21.471	21.650
Capital and Other Reimbursements	7.438	11.790	9.227	11.048	11.244	14.575
Total Receipts	\$230.197	\$244.000	\$244.422	\$246.622	\$247.986	\$251.838
Expenditures						
<u>Labor:</u>						
Payroll	\$274.384	261.251	\$262.376	\$268.793	\$268.509	\$270.921
Overtime	58.921	52.841	52.900	53.702	54.307	55.306
Health and Welfare	59.262	57.552	60.692	58.607	55.094	53.951
OPEB Current Payment	18.505	22.098	23.955	24.339	25.433	26.578
Pensions	44.065	46.537	47.370	48.071	48.827	50.658
Other Fringe Benefits	46.779	49.863	50.638	50.498	53.401	55.413
GASB Account	2.586	0.001	-	-	-	0.094
Reimbursable Overhead	-	-	-	-	-	-
Total Labor Expenditures	\$504.502	\$490.144	\$497.931	\$504.011	\$505.571	\$512.921
<u>Non-Labor:</u>						
Electric Power	\$1.699	\$1.773	\$1.837	\$1.955	\$2.080	\$2.173
Fuel	39.313	23.661	24.131	25.181	28.166	29.363
Insurance	3.190	8.245	6.166	6.521	7.370	7.820
Claims	32.257	24.768	25.000	25.385	25.842	26.355
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	23.778	31.999	40.594	68.607	27.323	22.449
Professional Service Contracts	16.994	31.281	26.443	26.627	26.662	27.170
Materials & Supplies	43.941	40.336	45.125	42.605	35.716	38.863
Other Business Expenses	1.059	3.441	2.558	3.715	3.788	3.008
Total Non-Labor Expenditures	\$162.231	\$165.503	\$171.854	\$200.596	\$156.946	\$157.201
<u>Other Expenditure Adjustments:</u>						
Other	-	-	-	-	-	-
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$666.733	\$655.647	\$669.785	\$704.607	\$662.517	\$670.122
Net Cash Surplus/(Deficit)	(\$436.536)	(\$411.647)	(\$425.363)	(\$457.985)	(\$414.531)	(\$418.284)

MTA BUS COMPANY
November Financial Plan 2016 - 2019
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS						
	2014	2015	2016			
	Actual	November	Final Proposed	2017	2018	2019
		Forecast	Budget			
Receipts						
Farebox Revenue	(\$0.340)	\$0.250	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	-	-	-	-	-	-
Other Operating Revenue	(0.586)	1.000	-	-	-	-
Capital and Other Reimbursements	1.290	6.052	3.188	5.191	5.284	8.650
Total Receipts	\$0.364	\$7.302	\$3.188	\$5.191	\$5.284	\$8.650
Expenditures						
Labor:						
Payroll	(\$16.872)	(\$7.128)	\$2.029	\$2.040	\$2.079	(\$1.379)
Overtime	-	-	-	-	-	-
Health and Welfare	(3.923)	0.414	0.417	0.420	0.428	-
OPEB Current Payment	1.136	-	-	-	-	-
Pensions	1.333	0.173	0.172	0.170	0.174	0.174
Other Fringe Benefits	22.771	(1.964)	0.173	0.173	0.177	0.177
GASB Account	(2.586)	(0.001)	-	-	-	(0.094)
Reimbursable Overhead	0.093	-	-	-	-	-
Total Labor Expenditures	\$1.952	(\$8.506)	\$2.791	\$2.803	\$2.858	(\$1.122)
Non-Labor:						
Electric Power	(\$0.196)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	(4.214)	-	-	-	-	1.423
Insurance	0.164	(2.900)	-	-	-	-
Claims	(0.035)	4.000	4.000	4.062	4.135	4.135
Paratransit Service Contracts	-	-	-	-	-	-
Maintenance and Other Operating Contracts	(2.588)	1.000	-	(0.001)	-	1.488
Professional Service Contracts	3.487	(4.000)	-	-	-	-
Materials & Supplies	0.797	-	-	-	-	(0.001)
Other Business Expenditures	2.797	(1.000)	(0.001)	-	0.001	-
Total Non-Labor Expenditures	\$0.212	(\$2.900)	\$3.999	\$4.061	\$4.136	\$7.045
Other Expenditures Adjustments:						
Other	-	-	-	-	-	-
Total Other Expenditures Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Cash Conversion Adjustments before Depreciation	\$2.528	(\$4.104)	\$9.978	\$12.055	\$12.278	\$14.574
Depreciation Adjustment	\$48.530	\$42.236	\$42.236	\$42.887	\$43.658	\$43.657
OPEB Obligation	105.049	100.150	100.150	100.150	100.150	100.150
Environmental Remediation	0.610	-	-	-	-	-
Total Cash Conversion Adjustments	\$156.717	\$138.282	\$152.364	\$155.092	\$156.086	\$158.381

MTA BUS COMPANY
2015 November Forecast
Non-Reimbursable/Reimbursable Overtime
(\$ in millions)

NON-REIMBURSABLE OVERTIME	Total		
	Hours	\$	%
<u>Scheduled Service</u>	627,139	\$25.966	49.1%
<u>Unscheduled Service</u>	126,886	\$5.545	10.5%
<u>Programmatic/Routine Maintenance</u>	208,369	\$9.416	17.8%
<u>Unscheduled Maintenance</u>	0	\$0.000	0.0%
<u>Vacancy/Absentee Coverage</u>	262,441	\$8.398	15.9%
<u>Weather Emergencies</u>	72,311	\$3.071	5.8%
<u>Safety/Security/Law Enforcement</u>	2,641	\$0.128	0.2%
<u>Other¹</u>	3,802	\$0.316	0.6%
Subtotal	1,303,588	\$52.841	100.0%
REIMBURSABLE OVERTIME	0	\$0.000	
TOTAL OVERTIME	1,303,588	\$52.841	

¹ Other & reimbursable budget includes PTE \$'s only. Does not include hours.

MTA BUS COMPANY
2016 Final Proposed Budget
November Financial Plan 2016 – 2019
Year-to-Year Changes by Category-Baseline

TOTAL REVENUE/RECEIPTS

Farebox Revenue

- MTA Bus Farebox Revenue is tied to annual growth forecasts based largely on the regional economy and updated NYC employment projections.
- Year-to-year increases are as follows: 2016=1.9%; 2017=N/C; 2018=0.4%; 2019=0.2%.
- An increase in Farebox Revenue as follows: \$4.1 million in 2016; no change in 2017; \$0.8 million in 2018 and \$0.3 million in 2019.

Other Operating Revenue

- The changes in other operating revenue for 2016-2018 are primarily due to the annual increase in advertising revenues, which are based upon current contracts in place and other miscellaneous recoveries.

Capital and Other Reimbursements

- Year-to-year changes in capital and other reimbursements is as follows: increase of \$0.3 million in 2016, a decrease of \$0.2 million in 2017, and an increase of \$0.1 million in 2018, and no change in 2019.

TOTAL EXPENSES/EXPENDITURES

Projections include additional Payroll and Other Fringe Benefits expenses for those employees without contract agreements that are patterned after the TWU settlement.

Payroll

- Represented employee wage increase assumptions follow the TWU pattern upon expiration of existing contracts starting in 2012 as follows: 0.87% 0.95% 2.23%, 2.22% and 1.88% for years 1,2,3,4, and 5, respectively. CPI-based increases of 2% are assumed for each year upon expiration of the pattern.
- Non-Reimbursable payroll expenses are projected to increase by \$10.1 million in 2016 (mainly due to \$4.7 million – Platform Budget, \$2.2 million – Employee Availability, and \$2.1 million – Intelligent Vehicle Network (IVN)); \$6.6 million in 2017 (mainly due to Shop Overhaul \$4.8 million – Platform Budget \$1.0 million), and decreases of \$0.3 million in 2018 and \$0.9 million in 2019.

Overtime

- Non-Reimbursable overtime expenses are projected to increase by \$0.1 million in 2016, \$0.8 million in 2017, \$0.6 million in 2018 and \$1.0 million in 2019. The increases are due mainly to the impact of the Shop Overhaul Program changes and CPI based rate increases.

Health & Welfare and OPEB Current

- Inflation assumptions for 2016-2019 are: 2016=8.4%; 2017=1.6%; 2018=4.5%; 2019=4.5%.

Pension

- Projections are consistent with current actuarial information.

Other Fringe Benefits

- Increase of \$2.9 million in 2016, a decrease of \$0.1 million in 2017, and increases of \$2.9 million in 2018, and \$2.0 million in 2019, due to miscellaneous base pay of \$2.5 million budgeted in Other Fringe Benefits for the out years, as well as staffing levels and programmatic changes.

Electric Power

- Projections are consistent with NYPA, LIPA and Con Ed delivery energy forecast guidelines.

Fuel

- Diesel fuel inflation assumptions are as follows: 2016=2.00%; 2017=4.35%; 2018=11.85%; 2019=9.30%.

Insurance

- On average, insurance premium rates reflect guidelines.

Claims

- Projections are consistent with the current actuarial information.

Maintenance and Other Operating Contracts

- The 2016 increase of \$7.6 million is mainly due to Shop Program changes for Hybrid Bus conversion. The 2017 increase of \$28.0 million is primarily for the Shop Overhaul Program. The 2018 decrease of \$41.3 million reflects the completion of the Shop Overhaul Program in 2017, and the decrease of \$3.4 million in 2019 is due to reclassification adjustments.

Professional Service Contracts

- 2016 – 2019 remained relatively unchanged.

Materials and Supplies

- Projections mainly reflect resources needed to support the Shop Overhaul Program i and needs based on the work scopes developed. As a result, the year-to-year changes in Materials and Supplies are primarily due to timing of the bus fleet maintenance program requirement.

Other Business Expenses

- Expenses increase by \$0.1 million in 2016, \$1.2 million in 2017, and \$0.1 million in 2018, then decrease by \$0.8 million in 2019. The 2016 - 2018 increases are due mainly to increased spending on office supplies, automatic fare collection and ticket printing fees/charges, training courses, and travel & meetings. The 2019 decrease is due to reclassification adjustments.

Depreciation (non-cash)

- Annual expense increases are due to projections of additional capital assets reaching beneficial use.

MTA BUS COMPANY
November Financial Plan 2016 - 2019
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE

	2015	2016	Change 2015 - 2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018 - 2019
Revenue									
Farebox Revenue	\$210.400	\$214.471	\$4.071	\$214.485	\$0.014	\$215.271	\$0.786	\$215.613	\$0.342
Other Operating Revenue	20.560	20.724	0.164	21.089	0.365	21.471	0.382	21.650	0.179
Capital and Other Reimbursements	-	-	-	-	-	-	-	-	-
Total Revenue	\$230.960	\$235.195	\$4.235	\$235.574	\$0.379	\$236.742	\$1.168	\$237.263	\$0.521
Expenses									
Labor:									
Payroll	\$251.409	\$261.513	(\$10.104)	\$268.151	(\$6.638)	\$267.857	\$0.294	\$266.956	\$0.901
Overtime	52.841	52.900	(0.059)	53.702	(0.802)	54.307	(0.605)	55.306	(0.999)
Health and Welfare	56.928	60.015	(3.087)	57.926	2.089	54.401	3.525	52.737	1.664
OPEB Current Payment	22.098	23.955	(1.857)	24.339	(0.384)	25.433	(1.094)	26.578	(1.145)
Pensions	46.240	47.044	(0.804)	47.743	(0.699)	48.493	(0.750)	50.324	(1.830)
Other Fringe Benefits	47.437	50.329	(2.892)	50.186	0.143	53.083	(2.897)	55.095	(2.012)
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
Total Labor Expenses	\$476.954	\$495.757	(\$18.803)	\$502.047	(\$6.290)	\$503.575	(\$1.528)	\$506.996	(\$3.421)
Non-Labor:									
Electric Power	\$1.773	\$1.837	(\$0.064)	\$1.955	(\$0.118)	\$2.080	(\$0.125)	\$2.173	(\$0.093)
Fuel	23.661	24.131	(0.470)	25.181	(1.050)	28.166	(2.985)	30.786	(2.620)
Insurance	5.345	6.166	(0.820)	6.521	(0.356)	7.370	(0.848)	7.820	(0.451)
Claims	28.768	29.000	(0.232)	29.447	(0.447)	29.977	(0.530)	30.490	(0.513)
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	32.772	40.363	(7.591)	68.371	(28.008)	27.085	41.286	23.696	3.389
Professional Service Contracts	27.281	26.443	0.837	26.627	(0.184)	26.662	(0.035)	27.170	(0.508)
Materials & Supplies	39.509	44.282	(4.773)	41.750	2.532	34.849	6.901	37.982	(3.133)
Other Business Expenses	2.441	2.557	(0.116)	3.715	(1.158)	3.789	(0.074)	3.008	0.781
Total Non-Labor Expenses	\$161.549	\$174.779	(\$13.229)	\$203.567	(\$28.788)	\$159.977	\$43.590	\$163.125	(\$3.148)
Other Expenses Adjustments:									
Other	-	-	-	-	-	-	-	-	-
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.	\$638.503	\$670.536	(\$32.032)	\$705.614	(\$35.078)	\$663.551	\$42.063	\$670.121	(\$6.569)
Depreciation	\$42.236	\$42.236	-	\$42.887	(0.651)	\$43.658	(0.771)	\$43.657	0.001
OPEB Obligation	100.150	100.150	-	100.150	-	100.150	-	100.150	-
Environmental Remediation	-	-	-	-	-	-	-	-	-
Total Expenses	\$780.889	\$812.922	(\$32.032)	\$848.651	(\$35.729)	\$807.359	\$41.292	\$813.928	(\$6.568)
Net Surplus/(Deficit)	(\$549.929)	(\$577.727)	(\$27.797)	(\$613.077)	(\$35.350)	(\$570.617)	\$42.460	(\$576.665)	(\$6.047)

MTA BUS COMPANY
November Financial Plan 2016 - 2019
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

REIMBURSABLE

	2015	2016	Change 2015 - 2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018 - 2019
Revenue									
Farebox Revenue	-	-	-	-	-	-	-	-	-
Vehicle Toll Revenue	-	-	-	-	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-	-	-	-	-
Capital and Other Reimbursements	5.738	6.039	0.301	5.857	(0.182)	5.960	0.103	5.925	(0.034)
Total Revenue	\$5.738	\$6.039	\$0.301	\$5.857	(\$0.182)	\$5.960	\$0.103	\$5.925	(\$0.034)
Expenses									
Labor:									
Payroll	\$2.714	\$2.892	(\$0.178)	\$2.682	\$0.210	\$2.731	(\$0.049)	\$2.586	\$0.145
Overtime	-	-	-	-	-	-	-	-	-
Health and Welfare	1.038	1.093	(0.055)	1.101	(0.008)	1.121	(0.020)	1.214	(0.093)
OPEB Current Payment	-	-	-	-	-	-	-	-	-
Pensions	0.470	0.498	(0.028)	0.498	(0.000)	0.508	(0.009)	0.508	(0.000)
Other Fringe Benefits	0.462	0.482	(0.020)	0.486	(0.003)	0.495	(0.009)	0.495	(0.000)
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
Total Labor Expenses	\$4.684	\$4.965	(\$0.281)	\$4.767	\$0.198	\$4.855	(\$0.088)	\$4.803	\$0.051
Non-Labor:									
Electric Power	-	-	-	-	-	-	-	-	-
Fuel	-	-	-	-	-	-	-	-	-
Insurance	-	-	-	-	-	-	-	-	-
Claims	-	-	-	-	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	0.227	0.231	(0.004)	0.235	(0.004)	0.238	(0.003)	0.242	(0.004)
Professional Service Contracts	-	-	-	-	-	-	-	-	-
Materials & Supplies	0.827	0.843	(0.016)	0.855	(0.012)	0.867	(0.012)	0.881	(0.014)
Other Business Expenses	-	-	-	-	-	-	-	-	-
Total Non-Labor Expenses	\$1.054	\$1.074	(\$0.020)	\$1.090	(\$0.016)	\$1.105	(\$0.015)	\$1.122	(\$0.017)
Other Expenses Adjustments:									
Other	-	-	-	-	-	-	-	-	-
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	\$5.738	\$6.039	(\$0.301)	\$5.857	\$0.182	\$5.960	(\$0.103)	\$5.925	\$0.034
Depreciation	-	-	-	-	-	-	-	-	-
Total Expenses	\$5.738	\$6.039	(\$0.301)	\$5.857	\$0.182	\$5.960	(\$0.103)	\$5.925	\$0.034
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA BUS COMPANY
November Financial Plan 2016 - 2019
Year-to-Year Changes by Category - Cash Basis
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES

	2015	2016	Change 2015 - 2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018 - 2019
Receipts									
Farebox Revenue	\$210.650	\$214.471	\$3.821	\$214.485	\$0.014	\$215.271	\$0.786	\$215.613	\$0.342
Vehicle Toll Revenue									
Other Operating Revenue	21.560	20.724	(0.836)	21.089	0.365	21.471	0.382	21.650	0.179
Capital and Other Reimbursements	11.790	9.227	(2.563)	11.048	1.821	11.244	0.196	14.575	3.332
Total Receipts	\$244.000	\$244.422	\$0.422	\$246.622	\$2.200	\$247.986	\$1.364	\$251.838	\$3.853
Expenditures									
Labor:									
Payroll	\$261.251	\$262.376	(\$1.125)	\$268.793	(\$6.417)	\$268.509	\$0.284	\$270.921	(\$2.412)
Overtime	52.841	52.900	(0.059)	53.702	(0.802)	54.307	(0.605)	55.306	(0.999)
Health and Welfare	57.552	60.692	(3.140)	58.607	2.085	55.094	3.513	53.951	1.143
OPEB Current Payment	22.098	23.955	(1.857)	24.339	(0.384)	25.433	(1.094)	26.578	(1.145)
Pensions	46.537	47.370	(0.833)	48.071	(0.702)	48.827	(0.755)	50.658	(1.831)
Other Fringe Benefits	49.863	50.638	(0.775)	50.498	0.140	53.401	(2.903)	55.413	(2.012)
GASB Account	0.001	-	0.001	-	-	-	-	0.094	(0.094)
Reimbursable Overhead	-	-	-	-	-	-	-	-	-
Total Labor Expenditures	\$490.144	\$497.931	(\$7.788)	\$504.011	(\$6.080)	\$505.571	(\$1.560)	\$512.921	(\$7.350)
Non-Labor:									
Electric Power	\$1.773	\$1.837	(\$0.064)	\$1.955	(\$0.118)	\$2.080	(\$0.125)	\$2.173	(\$0.093)
Fuel	23.661	24.131	(0.470)	25.181	(1.050)	28.166	(2.985)	29.363	(1.197)
Insurance	8.245	6.166	2.080	6.521	(0.356)	7.370	(0.848)	7.820	(0.451)
Claims	24.768	25.000	(0.232)	25.385	(0.385)	25.842	(0.457)	26.355	(0.513)
Paratransit Service Contracts	-	-	-	-	-	-	-	-	-
Maintenance and Other Operating Contracts	31.999	40.594	(8.595)	68.607	(28.013)	27.323	41.284	22.449	4.874
Professional Service Contracts	31.281	26.443	4.838	26.627	(0.184)	26.662	(0.035)	27.170	(0.508)
Materials & Supplies	40.336	45.125	(4.789)	42.605	2.520	35.716	6.889	38.863	(3.147)
Other Business Expenses	3.441	2.558	0.883	3.715	(1.157)	3.788	(0.073)	3.008	0.780
Total Non-Labor Expenditures	\$165.503	\$171.854	(\$6.350)	\$200.596	(\$28.742)	\$156.946	\$43.650	\$157.201	(\$0.255)
Other Expenditure Adjustments:									
Other	-	-	-	-	-	-	-	-	-
Total Other Expenditure Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenditures	\$655.647	\$669.785	(\$14.138)	\$704.607	(\$34.822)	\$662.517	\$42.090	\$670.122	(\$7.605)
Net Cash Surplus/(Deficit)	(\$411.647)	(\$425.363)	(\$13.715)	(\$457.985)	(\$32.622)	(\$414.531)	\$43.454	(\$418.284)	(\$3.752)

MTA BUS COMPANY
2016 Final Proposed Budget
November Financial Plan 2016 – 2019
Summary of Major Plan-to-Plan Changes by Generic Category

2015: November Financial Plan vs. July Financial Plan

Operating Revenue Changes

Operating revenues are projected to increase from the July Financial Plan by \$1.5 million.

Major generic category changes include:

- An increase in Farebox Revenue of \$1.5 million due to higher ridership.

Operating Expense Changes

Operating expenses increased from the July Financial Plan by \$5.3 million.

Projections include additional Payroll and Other Fringe Benefits expenses for those employees without contract agreements that are patterned after the wage settlement.

Major generic category changes include:

- Payroll is projected to increase by \$0.8 million primarily due to wage progression and reflects the impact of programmatic initiatives (discussed in the financial overview).
- Health & Welfare/OPEB current payment expenses are projected to increase by \$4.3 million.
- Fuel expenses are projected to decrease by \$1.8 million as a result of lower fuel prices.

2016-2019: November Financial Plan vs. July Financial Plan

Operating Revenue Changes

Operating revenues are projected to increase from the July Financial Plan by \$2.1 million in 2016, \$2.2 million in 2017, and \$2.4 million in 2018 and 2019.

Major generic category changes include:

- An increase in Farebox Revenue of \$2.1 million in 2016, \$2.2 million in 2017, and \$2.4 million in 2018 and 2019, in accordance with the latest ridership projections.

Operating Expense Changes

Operating expenses increased from the July Plan by \$10.5 million in 2016, \$7.2 million in 2017, \$3.7 million in 2018 and decrease by \$0.1 million in 2019.

Major generic category changes include:

- Payroll is projected to increase by \$3.3 million in 2016, \$3.9 million in 2017, \$4.2 million in 2018 and \$4.5 million in 2019, primarily due to labor settlement assumptions and programmatic initiatives (described above), and Shop Other Programs.
- Health & Welfare/OPEB current payment expenses are projected to increase by \$3.9 million in 2016, decrease by \$0.2 million in 2017, \$5.3 million in 2018 and \$9.9 million in 2019, based on the latest projected inflation rates.
- Pension expenses are projected to increase by \$0.5 million in 2016, \$0.7 million in 2017 and 2018, and by \$0.8 million in 2019, based on the most current actuarial re-estimate.
- Fuel expenses are projected to decrease by \$3.3 million in 2016, \$3.1 million in 2017, \$2.4 million in 2018, and \$2.1 million in 2019, due to revised forecast assumptions.
- Maintenance and Other Operating Contract expenses are projected to increase by \$3.7 million in 2016, \$3.2 million 2017, \$5.1 million in 2018 and by \$3.5 million in 2019. This is primarily due to additional tire costs, CNG engines and transmission work, and Life Extension Work on MCI buses.
- Materials and Supplies expenses are projected to increase by \$0.8 million in 2016, \$1.3 million in 2017, \$0.2 million in 2018 and \$2.0 million in 2019, primarily due to changes in the Shop Overhaul and other shop programs.

MTA BUS COMPANY
2016 Final Proposed Budget
November Financial Plan 2016 – 2019
Summary of Major Plan-to-Plan Changes by Generic Category

2015: November Financial Plan vs. February Financial Plan

Operating Revenue Changes

Operating revenues are projected to decrease from the February Financial Plan by \$5.2 million.

Major generic category changes include:

- An increase in Farebox Revenue of \$1.0 million due to higher ridership.
- A decrease in Other Operating Revenue of \$6.2 million due to the elimination of Super storm Sandy recoveries.

Operating Expense Changes

Operating expenses increased from the February Financial Plan by \$6.6 million.

Projections include additional Payroll and Other Fringe Benefits expenses for those employees without contract agreements that are patterned after the recent TWU settlement.

Major generic category changes include:

- Payroll is projected to increase by \$2.2 million primarily due to demographic wage progression and includes programmatic initiatives (discussed in the financial overview).
- Health & Welfare/OPEB current payment expenses are projected to increase by \$4.3 million.
- Fuel expenses are projected to decrease by \$12.0 million as a result of lower fuel prices.

2016-2018: November Financial Plan vs. February Financial Plan

Operating Revenue Changes

Operating revenues are projected to increase from the February Financial Plan by \$2.4 million in 2016, \$2.0 million in 2017, and \$1.8 million in 2018, due to an increase in Farebox Revenue in accordance with the latest ridership projections.

Operating Expense Changes

Operating expenses increase from the February Plan by \$11.8 million in 2016 and \$0.5 million in 2017, and decrease by \$6.6 million in 2018.

Major generic category changes include:

- Payroll is projected to increase by \$4.2 million in 2016, \$4.9 million in 2017, and \$5.2 million in 2018, primarily due to labor settlement assumptions and programmatic initiatives (described above), and other shop programs.
- Health & Welfare/OPEB current payment expenses are projected to increase by \$2.6 million in 2016, and decrease by \$6.1 million in 2017 and \$16.7 million in 2018, based on the latest projected rates.
- Pension expenses are projected to increase by \$0.8 million in 2016, \$1.0 million in 2017, and \$1.2 million in 2018, based on the most current actuarial re-estimate.
- Fuel expenses are projected to decrease by \$10.9 million in 2016, \$10.7 million in 2017, and \$8.8 million in 2018, due to revised forecast assumptions.
- Maintenance and Other Operating Contract expenses are projected to increase by \$6.4 million in 2016, \$4.7 million 2017, and \$6.2 million in 2018. This is primarily due to additional tire cost, CNG engines and transmission work, and Life Extension Work on MCI buses.
- Materials and Supplies expenses are projected to increase by \$3.2 million in 2016, \$2.8 million in 2017, and \$1.7 million in 2018, primarily due to changes in the Shop Overhaul and other shop programs.

MTA BUS COMPANY
November Financial Plan 2016 - 2019
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE	2015	2016	2017	2018	2019
July Financial Plan - Net Cash Surplus/(Deficit)	(\$407.858)	(\$417.027)	(\$453.050)	(\$413.238)	(\$420.840)
Baseline Changes					
Revenue					
Farebox Revenue	\$1.467	\$2.119	\$2.240	\$2.437	\$2.418
Vehicle Toll Revenue	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-
Capital and Other Reimbursements	-	-	-	-	-
Total Revenue Changes	\$1.467	\$2.119	\$2.240	\$2.437	\$2.418
Expenses					
Labor:					
Payroll	(\$0.758)	(\$3.263)	(\$3.914)	(\$4.231)	(\$4.480)
Overtime	-	-	(0.098)	(0.100)	(0.095)
Health and Welfare	(3.106)	(2.438)	0.022	3.939	5.932
OPEB Current Payment	(1.193)	(1.456)	0.175	1.374	3.920
Pensions	(0.126)	(0.541)	(0.665)	(0.718)	(0.759)
Other Fringe Benefits	(0.067)	(0.290)	(0.357)	(0.385)	(0.407)
Reimbursable Overhead	-	-	-	-	-
Total Labor Expense Changes	(\$5.251)	(\$7.989)	(\$4.837)	(\$1.122)	\$4.111
Non-Labor:					
Electric Power	\$0.031	\$0.138	\$0.127	\$0.130	\$0.143
Fuel	1.820	3.322	3.083	2.365	2.106
Insurance	(0.000)	0.015	0.039	0.064	0.095
Claims	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	(1.125)	(3.684)	(3.158)	(5.053)	(3.468)
Professional Service Contracts	(0.535)	(1.480)	(1.130)	(0.881)	(0.841)
Materials & Supplies	(0.178)	(0.793)	(1.308)	(0.238)	(2.010)
Other Business Expenses	(0.019)	0.016	0.009	0.003	0.002
Total Non-Labor Expense Changes	(\$0.005)	(\$2.466)	(\$2.338)	(\$3.609)	(\$3.973)
Other Expenditure Adjustments:					
Other	-	-	-	-	-
Total Other Expenditure Adjustments	-	-	-	-	-
Total Expenses before Depreciation and GASB Adj:	(\$5.256)	(\$10.455)	(\$7.175)	(\$3.730)	\$1.138
Depreciation	-	-	-	-	-
OPEB Obligation	-	-	-	-	-
Environmental Remediation	-	-	-	-	-
Total Expense Changes	(\$5.256)	(\$10.455)	(\$7.175)	(\$3.730)	\$1.138
Cash Adjustment Changes					
Total Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	(\$3.789)	(\$8.336)	(\$4.935)	(\$1.293)	\$2.556
November Financial Plan - Net Cash Surplus/(Deficit)	(\$411.647)	(\$425.363)	(\$457.985)	(\$414.531)	(\$418.284)

MTA BUS COMPANY
November Financial Plan 2016 - 2019
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE	2015	2016	2017	2018	2019
July Financial Plan - Net Cash Surplus/(Deficit)	\$0.000	(\$0.000)	(\$0.000)	\$0.000	\$0.000
Baseline Changes					
Revenue					
Farebox Revenue	-	-	-	-	-
Vehicle Toll Revenue	-	-	-	-	-
Capital and Other Reimbursements	-	0.227	0.232	0.237	0.241
Total Revenue Changes	\$0.000	\$0.227	\$0.232	\$0.237	\$0.241
Expenses					
Labor:					
Payroll	\$0.000	(\$0.149)	(\$0.152)	(\$0.155)	(\$0.158)
Overtime	-	-	-	-	-
Health and Welfare	-	(0.040)	(0.041)	(0.042)	(0.043)
OPEB Current Payment	-	-	-	-	-
Pensions	-	(0.025)	(0.025)	(0.026)	(0.026)
Other Fringe Benefits	-	(0.013)	(0.014)	(0.014)	(0.014)
Reimbursable Overhead	-	-	-	-	-
Total Labor Expense Changes	\$0.000	(\$0.227)	(\$0.232)	(\$0.237)	(\$0.241)
Non-Labor:					
Electric Power	-	-	-	-	-
Fuel	-	-	-	-	-
Insurance	-	-	-	-	-
Claims	-	-	-	-	-
Paratransit Service Contracts	-	-	-	-	-
Maintenance and Other Operating Contracts	-	-	-	-	-
Professional Service Contracts	-	-	-	-	-
Materials & Supplies	-	-	-	-	-
Other Business Expenses	-	-	-	-	-
Total Non-Labor Expense Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
<i>Total Expenses before Depreciation</i>					
Depreciation	-	-	-	-	-
Total Expense Changes	\$0.000	(\$0.227)	(\$0.232)	(\$0.237)	(\$0.241)
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
November Financial Plan - Net Cash Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA BUS COMPANY
2016 Final Proposed Budget
November Financial Plan 2016 – 2019
Summary of Major Programmatic Plan-to-Plan Changes

2015: November Financial Plan vs. July Financial Plan

Revenue Changes

Total revenue increases by \$1.5 million from the July Financial Plan.

Major changes include:

- An increase in Farebox Revenue of \$1.5 million due to higher average fares.

Expense Changes

Operating expenses increased from the July Financial Plan by \$5.3 million.

Projections include additional Payroll and Other Fringe Benefits expenses for those employees without contract agreements that are patterned after the TWU settlement.

Major changes include:

- Fuel expenses are projected to decrease by \$1.8 million as a result of lower fuel prices.
- Health & Welfare/OPEB current payment expense increases of \$4.3 million.
- Other non-programmatic initiatives costing \$1.2 million.
- New programmatic initiatives costing \$1.8 million.

2016-2019: November Financial Plan vs. July Financial Plan

Revenue Changes

Total revenue changes from the July Financial Plan result in an increase of \$2.1 million in 2016, \$2.2 million in 2017, and \$2.4 million in 2018 and 2019.

Major changes include:

- An increase in Farebox Revenue of \$2.1 million in 2016, \$2.2 million in 2017, and \$2.4 million in 2018 and 2019, due to higher ridership projections.

Expense Changes

Total expenses increase by \$10.5 million in 2016, \$7.2 million in 2017, \$3.7 million in 2018, and decrease by \$0.1 million in 2019. Projections include changes in Payroll, Overtime, Pension, Health & Welfare, Other Fringe Benefit, and Other Business Expense, attributable to the recent labor settlement with the TWU and the assumption that the same pattern will be applied for those employees without contract agreements.

Major changes include:

- New programmatic initiatives costing \$6.2 million in 2016, \$5.9 million in 2017 \$6.7 million in 2018 and \$7.1 million in 2019.
- Fuel expenses are projected to decrease by \$3.3 million in 2016; \$3.1 million in 2017, \$2.4 million in 2018 and \$2.1 million in 2019 based on lower rates.

MTA BUS COMPANY
November Financial Plan 2016 - 2019
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

TOTAL NON-REIMBURSABLE and REIMBURSABLE

	2015	2016	2017	2018	2019
July Financial Plan - Net Cash Surplus/(Deficit)	(\$407.858)	(\$417.027)	(\$453.050)	(\$413.238)	(\$420.840)
Non-Reimbursable Major Changes					
Revenue					
Farebox Revenue	1.467	2.119	2.240	2.437	2.418
Other Operating Revenue	-	-	-	-	-
Sub-Total Non-Reimbursable Revenue Changes	\$1.467	\$2.119	\$2.240	\$2.437	\$2.418
Expenses					
Programs:					
- NAMS Bus Radio Repairs & Radio Logging System	\$0.000	(\$0.578)	(\$0.875)	(\$0.897)	(\$0.919)
- Farebox Component Replacements SOGR / Farebox Maintenance	-	(1.479)	(1.219)	(1.250)	(1.282)
- Cubic Maintenance Training	-	0.000	(0.030)	-	(0.031)
- Motorola Antenna Site Lease	(0.500)	(0.509)	(0.257)	(0.265)	(0.272)
- Handheld Radio Replacement	-	(0.082)	(0.021)	(0.022)	(0.022)
- Underground Storage Tank Testing (Maintenance and other Operating)	(0.075)	(0.413)	(0.423)	(0.433)	(0.443)
- FMLA Outsourcing	(0.030)	(0.100)	(0.102)	(0.105)	(0.107)
- Consolidation back fill	(0.041)	(0.171)	(0.174)	(0.178)	(0.181)
- Bus Technology	-	(0.352)	(1.010)	(1.677)	(1.777)
- Depot Wireless Network	(0.187)	(0.916)	(0.516)	(0.528)	(0.531)
- Tires & Tubes	(0.300)	(0.600)	(0.614)	(0.629)	(0.645)
- Overage Fleet	(0.489)	(0.244)	-	-	-
- Converted Containers - LGA Depot	-	(0.075)	-	-	-
- Metallurgical & Structural Consultant	-	(0.033)	(0.034)	(0.035)	(0.035)
- Summit Security	(0.134)	(0.534)	-	-	-
- EAM	-	0.024	(0.452)	(0.532)	(0.872)
- On-Call GC Interior Construction and Office Renovation	-	(0.167)	(0.173)	(0.175)	-
Sub-Total Programs	(\$1.756)	(\$6.229)	(\$5.899)	(\$6.726)	(\$7.117)
Major Re-estimates/Technical Adjustments/Other:					
- Employee Availability	\$0.000	(\$2.213)	(\$2.257)	(\$2.303)	(\$2.349)
- Wage Progression	(1.629)	(1.662)	(1.695)	(1.729)	(1.763)
- Platform Budget	0.000	(1.668)	(2.647)	(2.701)	(2.746)
- CPI - OTPS Inflation	(0.169)	0.130	0.125	0.014	0.007
- Health & Welfare	(2.901)	(1.757)	0.725	4.605	6.631
- OPEB Current Payment	(1.193)	(1.672)	(0.206)	0.864	3.374
- Insurance	(0.000)	0.015	0.039	0.064	0.095
- Fuel	1.820	3.371	3.098	2.380	2.121
- Energy - Electric Power	0.031	0.138	0.127	0.130	0.143
- Treasury Consolidation	0.041	0.171	0.174	0.178	0.181
BRP Prescription Drug Savings	0.000	0.420	0.742	0.992	1.062
Additional 2015 BRP - Programmatic Reductions	0.500	0.500	0.500	0.500	0.500
Sub-Total Non-Reimbursable Expense Changes	(3.500)	(4.226)	(1.276)	2.995	7.255
Total Non-Reimbursable Major Changes	(\$3.789)	(\$8.336)	(\$4.935)	(\$1.293)	\$2.556
Reimbursable Major Changes					
Revenue					
Reimbursement of Increased Expense Requirements	-	-	-	-	-
Capital and Other Reimbursements	-	0.227	0.232	0.237	0.241
Sub-Total Reimbursable Revenue Changes	\$0.000	\$0.227	\$0.232	\$0.237	\$0.241
Expenses					
-New Bus Catalog Position	0.000	(0.227)	(0.232)	(0.237)	(0.241)
Sub-Total Reimbursable Expense Changes	\$0.000	(\$0.227)	(\$0.232)	(\$0.237)	(\$0.241)
Total Reimbursable Major Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Accrual Changes	(\$3.789)	(\$8.336)	(\$4.935)	(\$1.293)	\$2.556
Cash Adjustment Changes					
	0.000	0.000	0.000	0.000	0.000
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	(\$3.789)	(\$8.336)	(\$4.935)	(\$1.293)	\$2.556
November Financial Plan - Net Cash Surplus/(Deficit)	(\$411.647)	(\$425.363)	(\$457.985)	(\$414.531)	(\$418.284)

MTA BUS COMPANY
2016 Final Proposed Budget
November Financial Plan 2016– 2019
RIDERSHIP/ (UTILIZATION)

Ridership

The 2015 November Financial Plan baseline ridership forecast assumes that the weather adjusted April-August 2015 local bus ridership trend, which was 1.7% above budget, and the April August express bus trend, which was 5.0% below budget, will continue for the rest of the year. The November Plan local bus ridership forecast is an improvement over the July 2015 Plan, which assumed no change from budget from May through December 2015, while the express bus forecast is more negative than the 4.1% negative variance assumed in the July Plan forecast. As a result of lower than expected express bus ridership and student ridership, mostly offset by higher than expected local bus ridership, projected 2015 local and express ridership is 0.1 million lower than the July 2015 Plan.

In developing the 2016 local and express bus ridership forecast, 2015 ridership was adjusted upward to account for lower ridership resulting from multiple snowstorms in January and February 2015. The 2016 local and express bus ridership is projected to increase by approximately 0.49% from the weather adjusted 2015 base, based on an elasticity factor applied to the most recent (June 2015) employment forecast. The elasticity factor is based on an analysis of historical bus ridership showing lower employment elasticity on bus than on subway. The resulting projected 2016 local and express ridership is 1.0 million higher than the July Plan.

Working off the revised 2016 baseline projection, 2017-2019 local and express bus ridership growth forecasts are based on the June 2015 employment forecast (with an elasticity factor), which projects higher employment increases in 2017 and 2018, and a slightly lower increase in 2019 than the forecast used in the July Plan. The resulting ridership is expected to be 0.8 million higher than the July Plan in 2017 and 0.7 million higher in 2018 and 2019.

Revenue

Projected Farebox Revenue is \$1.5 million higher than the July Plan in 2015, \$2.1 million higher in 2016, \$2.2 million higher in 2017, \$2.4 million higher in 2018 and 2019. The more positive revenue variances compared to ridership are mainly due to higher pass average fares.

MTA BUS COMPANY
November Financial Plan 2016 - 2019
Ridership/(Utilization)
(in millions)

	2014	2015	2016			
	Actual	November	Final Proposed	2017	2018	2019
		Forecast	Budget			
<u>RIDERSHIP</u>						
Fixed Route	125.581	125.700	127.401	127.403	127.833	128.023
Total Ridership	125.581	125.700	127.401	127.403	127.833	128.023
<u>FAREBOX REVENUE</u>						
Fixed Route	\$203.591	\$210.400	\$214.471	\$214.485	\$215.271	\$215.613
Total Revenue	\$203.591	\$210.400	\$214.471	\$214.485	\$215.271	\$215.613

MTA BUS COMPANY
November Financial Plan 2016 - 2019
2015 Budget Reduction Plan Summary
(\$ in millions)

	Favorable/(Unfavorable)									
	Pos.	2015	Pos.	2016	Pos.	2017	Pos.	2018	Pos.	2019
<u>Administration</u>										
Payroll	-	\$0.500	-	\$0.500	-	\$0.500	-	\$0.500	-	\$0.500
Subtotal Administration	-	\$0.500	-	\$0.500	-	\$0.500	-	\$0.500	-	\$0.500
<u>Customer Convenience/Amenities</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Customer Convenience/Amenities	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Maintenance</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Maintenance	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Revenue Enhancement</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Revenue Enhancement	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Safety/Security</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Safety	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Service</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Service	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Service Support</u>										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Subtotal Service Support	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<u>Other</u>										
Health & Welfare	-	0.000	-	0.420	-	0.742	-	0.992	-	1.062
OTPS (July Plan)	-	2.500	-	1.900	-	3.000	-	3.000	-	3.000
Subtotal Other	-	2.500	-	2.320	-	3.742	-	3.992	-	4.062
Agency Submission	-	\$3.000	-	\$2.820	-	\$4.242	-	\$4.492	-	\$4.562

**MTA Bus Company
November Financial Plan 2016 - 2019
2015 Budget Reduction Plan Worksheet**

Category by Function: Administration

Program: Payroll Savings

Background Details: MTA Bus Company utilizes the expertise of NYC DOB personnel to avoid duplication of functions and to benefit from other economies of scale. This was achieved through various arrangements with NYCT, via primarily MOU's utilizing NYC DOB personnel to provide necessary service, that would be invoiced to and approved for payment by MTA Bus Company. Although many of these arrangements are still required and will remain in effect, MTA Bus recently reviewed and restructured the functions and approval processes of such arrangements and identified some tasks that are no longer necessary. This review/revision is the basis behind the targeted BRP amount of \$0.5 million as outlined in the 2015 November Financial Plan.

**Program Description/
Implementation Plan:**

Program Implementation Date: When will savings begin?: 1/1/2015

Other Issues:

	Savings/(Cost)				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<i>Financial Impact (Operating):</i>					
Net Impact (in millions)	\$0.500	\$0.500	\$0.500	\$0.500	\$0.500

Total Increase in Positions Required:

(List Title of Positions)

MTA BUS COMPANY
November Financial Plan 2016 - 2019
2015 Budget Reduction Plan Worksheet

Category by Function: Other
Program: Prescription Drug Savings

Background Details:	These savings are resulting from the recent RFP award to Express Scripts (ESI) and are expected to begin to take effect on April 1, 2016.
----------------------------	---

Program Description/ Implementation Plan:		
Program Implementation Date:	When will savings begin?:	4/1/2016
	Are these savings recurring?:	
Other Issues:		

	Favorable/(Unfavorable)				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.000	(\$0.420)	(\$0.742)	(\$0.992)	(\$1.062)
<i>Total Positions Required:</i>					

**MTA BUS COMPANY
November Financial Plan 2016 - 2019
2015 Budget Reduction Plan Worksheet**

Category by Function: Other

Program: OTPS

Background Details:	These savings are based on a continued top down review of controllable non-labor categories specifically maintenance and other operating contracts, Professional Service and Other Business Expenses resulting in recurring savings up to \$3.0M from 2017.
----------------------------	---

Program Description/ Implementation Plan:			
Program Implementation Date:	2015	When will savings begin?:	2015
		Are these savings recurring?:	Yes
Other Issues:			

	Favorable/(Unfavorable)				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$2.500	\$1.900	\$3.000	\$3.000	\$3.000
<i>Total Positions Required:</i>					

MTA BUS COMPANY
2016 Final Proposed Budget
November Plan 2016 – 2019
Positions

POSITION ASSUMPTIONS

2015: November Financial Plan vs. July Financial Plan

Total positions for 2015 in the July Plan were 3,751. There is an increase of 1 position which will result in 3,752 positions for the 2015 November Plan. The change is as follows:

- 1 position in Support for Depot Wireless

Reimbursable positions remain the same

2016: November Financial Plan vs. July Financial Plan

Total positions for 2016 in the July Plan were 3,767. There is an increase of 40 positions which will result in 3,807 positions for the 2015 November Plan. The changes are as follows:

- 1 position to support UST testing
- 1 position to support Depot Wireless
- 1 position to support Controller Backfill
- -1 position (Decrease for EAM)
- 22 positions to support Employee Availability.
- 15 positions to support the Platform Budget
- -1 position (Transfer to support Treasury Consolidation)
- 2 reimbursable positions for Bus Catalog

2017: November Financial Plan vs. July Financial Plan

Total positions for 2017 in the July Plan were 3,778. There is an increase of 50 positions which will result in 3,828 positions for the 2015 November Plan. The changes are as follows:

- 1 position to support UST testing
- 1 position to support Controller Backfill
- 1 position to support Enterprise Asset Management (EAM)
- 22 positions to support Employee Availability
- 24 positions to support the Platform Budget
- -1 position (Transfer to support Treasury Consolidation)
- 2 reimbursable positions for Bus Catalog

2018: November Financial Plan vs. July Financial Plan

Total positions for 2018 in the July Plan were 3,729. There is an increase of 53 positions which will result in 3,782 positions for the 2015 November Plan. The changes are as follows:

- 1 position to support UST testing
- 1 position to support Controller Backfill
- 4 positions to support EAM
- 22 positions to support Employee Availability
- 24 positions to support the Platform Budget
- -1 position (Transfer to support Treasury Consolidation)
- 2 reimbursable positions for Bus Catalog

2019: November Financial Plan vs. July Financial Plan

Total positions for 2019 in the July Plan were 3,794. There is an increase of 55 positions which will result in 3,849 positions for the 2015 November Plan. The changes are as follows:

- 1 position to support UST testing
- 1 position to support Controller Backfill
- 6 positions to support EAM
- 22 positions to support Employee Availability
- 24 positions to support the Platform Budget
- -1 position (Transfer to support Treasury Consolidation)
- 2 reimbursable positions for Bus Catalog

Year-to-Year Changes

2016 Changes Over 2015:

The total number of positions in 2016 increased by 55 for a total of 3,807. The changes are as follows:

2016 - Net increase of 55 Positions

- 2 positions in support of EAM
- 31 positions in support of the Shop Overhaul Program
- 2 positions in support of Bus Trek Training
- 1 position in support of Employee Availability
- 15 positions in support of Platform Budget
- 2 positions in support of Bus Technology
- 2 positions in support of for Bus Catalog

2017 Changes Over 2016:

The total number of positions in 2017 increased by 21 for a total of 3,828. The changes are as follows:

2017 - Net increase of 21 Positions

- 11 positions in support of the Shop Overhaul Program
- 9 positions in support of Employee Availability
- 2 positions in support of EAM
- -1 position (Decrease for Depot Wireless Network)

2018 Changes Over 2017:

The total number of positions in 2018 decrease by 46 for a total of 3,782. The changes are as follows:

2018 - Net decrease of 46 Positions

- -48 positions decrease for Shop Overhaul Program
- -1 position decrease for Bus Camera Security System
- 3 positions in support of EAM

2019 Changes Over 2018:

The total number of positions in 2019 increase by 67 for a total of 3,849. The changes are as follows:

2019 - Net increase of 67 Positions

- 66 positions increase for Shop Overhaul Program
- -1 position decrease for bus technology
- 2 positions in support of EAM

MTA BUS COMPANY
November Financial Plan 2016-2019
Favorable/(Unfavorable)

Total Position Changes at a Glance

	2015	2016	2017	2018	2019
2015 July Plan - Total Positions	3,751	3,767	3,778	3,729	3,794
Total Plan-to-Plan Changes	(1)	(40)	(50)	(53)	(55)
2015 November Plan - Total Positions	3,752	3,807	3,828	3,782	3,849
Total Year-to-Year Changes, November Plan		(55)	(21)	46	(67)

Total Plan-to-Plan Changes by Reporting Category:

<i>Non-Reimbursable</i>	(1)	(38)	(48)	(51)	(53)
<i>Reimbursable</i>	0	(2)	(2)	(2)	(2)
Total	(1)	(40)	(50)	(53)	(55)
<i>Full-Time</i>	(1)	(40)	(50)	(53)	(55)
<i>Full-Time Equivalents</i>	0	0	0	0	0
Total	(1)	(40)	(50)	(53)	(55)
<i>By Function Category</i>					
- Administration	(1)	0	(1)	(4)	(6)
- Operations	0	(28)	(37)	(37)	(37)
- Maintenance	0	(12)	(12)	(12)	(12)
- Engineering/Capital	0	0	0	0	0
- Public Safety	0	0	0	0	0
Total	(1)	(40)	(50)	(53)	(55)
<i>By Occupational Group</i>					
- Managers/Supervisors	0	(4)	(5)	(5)	(5)
- Professional, Technical, Clerical	(1)	(4)	(4)	(7)	(9)
- Operational Hourlies	0	(32)	(41)	(41)	(41)
Total	(1)	(40)	(50)	(53)	(55)

Total Plan-to-Plan Changes by Major Category:

<i>2015 BRPs</i>	0	0	0	0	0
<i>New Needs</i>	(2)	(2)	(3)	(6)	(8)
<i>Change in Reimbursable Positions</i>	0	(2)	(2)	(2)	(2)
<i>Re-estimates & All Other</i> ¹	1	(36)	(45)	(45)	(45)
Total	(1)	(40)	(50)	(53)	(55)

¹ Includes Full-time Equivalents

MTA BUS COMPANY
November Financial Plan 2016 - 2019
Total Positions by Function & Department
Non-Reimbursable/Reimbursable and Full-Time/Full-Time Equivalents

FUNCTION/DEPARTMENT	2014 Actual	2015 November Forecast	2016 Final Proposed Budget	2017	2018	2019
Administration						
Office of the EVP	3	6	6	6	6	6
Human Resources	10	16	16	16	16	16
Office of Management and Budget	11	17	17	17	17	17
Technology & Information Services	14	-	-	-	-	-
Materiel	16	18	18	18	18	18
Controller	19	15	15	15	15	15
Office of the President	7	2	2	2	2	2
System Safety Administration	1	5	5	5	5	5
Law	24	21	21	21	21	21
Corporate Communications	3	-	-	-	-	-
Strategic Office	12	16	23	24	26	27
Labor Relations	3	4	4	4	4	4
Non Departmental	-	27	19	23	15	15
Total Administration	123	147	146	151	145	146
Operations						
Buses	2,198	2,220	2,227	2,236	2,236	2,236
Office of the Executive Vice President, Regional	3	4	4	4	4	4
Safety & Training	67	29	29	29	29	29
Road Operations	122	119	117	117	117	117
Transportation Support	22	22	22	22	22	22
Operations Planning	30	31	31	31	31	31
Revenue Control	21	27	27	27	27	27
Total Operations	2,463	2,452	2,457	2,466	2,466	2,466
Maintenance						
Buses	762	756	755	751	757	757
Maintenance Support/CMF	168	176	225	236	190	256
Facilities	47	73	74	74	74	74
Supply Logistics	91	93	95	95	95	95
Total Maintenance	1,068	1,098	1,149	1,156	1,116	1,182
Engineering/Capital						
Capital Program Management	28	37	37	37	37	37
Public Safety						
Office of the Senior Vice President	15	18	18	18	18	18
Total Positions	3,697	3,752	3,807	3,828	3,782	3,849
Non-Reimbursable	3,664	3,714	3,767	3,788	3,742	3,809
Reimbursable	33	38	40	40	40	40
Total Full-Time	3,682	3,737	3,792	3,813	3,767	3,834
Total Full-Time Equivalents	15	15	15	15	15	15

MTA BUS COMPANY
November Financial Plan 2016 - 2019
Total Positions by Function and Occupation

FUNCTION/OCCUPATIONAL GROUP	2014	2015	2016	2017	2018	2019
	Actual	November Forecast	Final Proposed Budget			
Administration						
Managers/Supervisors	50	57	58	59	57	57
Professional, Technical, Clerical	73	65	71	71	73	74
Operational Hourlies	-	25	17	21	15	15
Total Administration	123	147	146	151	145	146
Operations						
Managers/Supervisors	304	301	302	302	302	302
Professional, Technical, Clerical	55	50	50	50	50	50
Operational Hourlies	2,104	2,101	2,105	2,114	2,114	2,114
Total Operations	2,463	2,452	2,457	2,466	2,466	2,466
Maintenance						
Managers/Supervisors	199	220	220	220	220	220
Professional, Technical, Clerical	21	18	21	21	21	21
Operational Hourlies	848	860	908	915	875	941
Total Maintenance	1,068	1,098	1,149	1,156	1,116	1,182
Engineering/Capital						
Managers/Supervisors	17	21	21	21	21	21
Professional, Technical, Clerical	11	16	16	16	16	16
Operational Hourlies	-	-	-	-	-	-
Total Engineering/Capital	28	37	37	37	37	37
Public Safety						
Managers/Supervisors	10	14	14	14	14	14
Professional, Technical, Clerical	3	4	4	4	4	4
Operational Hourlies	2	-	-	-	-	-
Total Public Safety	15	18	18	18	18	18
Total Positions						
Managers/Supervisors	580	613	615	616	614	614
Professional, Technical, Clerical	163	153	162	162	164	165
Operational Hourlies	2,954	2,986	3,030	3,050	3,004	3,070
Total Positions	3,697	3,752	3,807	3,828	3,782	3,849

[THIS PAGE INTENTIONALLY LEFT BLANK]

Staten Island Railway

MTA STATEN ISLAND RAILWAY
2016 Final Proposed Budget
November Financial Plan 2016 - 2019

FINANCIAL OVERVIEW

The 2015 November Forecast, 2016 Final Proposed Budget and projections for the years 2017-2019 provide sufficient funding to maintain current service levels as well as to maintain MTA's commitment to safety and security. This plan includes funding for implementation of an Enterprise Asset Management (EAM) Program, important safety-related investments, and additional support for maintenance requirements. Performance indicators including mean distance between failures and on-time performance remain within targeted levels.

Non-reimbursable overtime expense levels in this plan reflect the delay of project implementation expenses from 2015 to 2016 involving the following three projects: Arrival Clock Installation; Yard Lighting at the Clifton Shop and Station/Track Platform access. Historically, SIR continues to utilize a multi-tasking approach in order to help achieve efficient overtime utilization. During this plan period, SIR will strive to identify possible overtime savings by an overall reassessment of employee efficiency in the completion of their assigned workloads and tasks within allotted hours and shifts. Current agency information regarding employee time management and task prioritization will be reviewed to determine appropriateness. SIR also plans to tighten where appropriate the current authorization/approval procedures in assigning overtime work. The agency's overall goal is to optimize the balance between personnel efficiency and overtime requirements.

SIR is committed to implementing Enterprise Asset Management in a manner that improves asset performance and maximizes resource efficiency. To accomplish this, an additional 3 positions are included in this plan in 2016 and 2017 and 4 positions in subsequent years with expenses of \$0.264 million in 2016, \$0.364 million in 2017, \$0.347 million in 2018 and \$0.399 million in 2019. These resources will be focused on achieving the following:

- Improve maintenance and capital planning (e.g. work planning, defect management, and failure analysis)

- Implement a paperless reporting system, with a heavy focus on mobile devices

- Migrate to a single platform for capturing and analyzing asset and maintenance information.

Also included in this plan are the following important safety/maintenance requirements, which are summarized as follows:

- **Composite Third Rail Safety Project Installation.** \$0.990 million of operating funds are required over five years to improve the Railway's Third Rail to a "state of good repair."
- **Signal & Switch Replacement Program.** Required expenses of \$0.190 million in order to bring this system up to a future "state-of-good-repair", by providing spare parts for signal, electrical and communications needs.

Major changes from the February 2015 Financial Plan include the following:

- Maintenance contract expenses decreased by \$8.215 million in 2015 and increased by \$7.226 million, due primarily to a five month delay from July through November in 2015 pertaining to an 18 month comprehensive car fleet maintenance project, which then necessitated extending the project to include the first five months in 2017.
- Other operating revenue results decreased by \$1.689 million, due to the elimination of assumed Sandy insurance reimbursements that were not realized.

2015 November Forecast

MTA Staten Island Railway's 2015 November Forecast reflects total expenses before depreciation and other post-employment benefits (OPEB) of \$53.645 million, including \$49.774 million of non-reimbursable expenses and \$3.871 million of reimbursable expenses. Total revenues are projected to be \$12.730 million, of which \$8.859 million are operating revenues and \$3.871 million represent capital reimbursements. Total full-time positions are 317, including 291 non-reimbursable positions and 26 reimbursable positions.

The 2015 November Forecast operating cash deficit is projected to decrease by \$2.869 million in comparison with the 2015 Mid-Year Forecast. Major variances include:

- Project timing delays to 2016 for the following major projects: Station Arrival Clock installations of \$1.000 million and Yard Lighting at the Clifton Maintenance Shop of \$0.950 million.
- The timing of non-revenue vehicle purchases of \$0.560 million to 2016.
- Favorable inflation adjustments of \$0.349 million, primarily lower insurance and electric power expenses.
- Additional Workers' Compensation expenses of \$0.300 million.

Reimbursable expenses of \$3.871 million did not change from the Mid-Year forecast.

Total positions increase by 1 managerial position, required for technical support in the management of various high priority software programs.

2016 Final Proposed Budget

MTA Staten Island Railway's 2016 Final Proposed Budget reflects total expenses before depreciation and OPEB of \$75.099 million, including \$68.228 million of non-reimbursable expenses and \$6.871 million of reimbursable expenses. Total revenues are projected to be \$16.174 million, of which \$9.303 million are operating revenues and \$6.871 million represent capital reimbursements. Total full-time positions are 328, including 302 non-reimbursable positions and 26 reimbursable positions.

The 2016 Final Proposed Budget operating cash deficit is projected to increase by \$4.195 million. Major changes include:

- Project timing delays from 2015 to 2016 for the following major projects: Station Arrival Clock installations of \$1.000 million and Yard Lighting at the Clifton Maintenance Shop of \$0.950 million.
- An additional 8 maintenance positions with an annual cost of \$0.645 million to process train cars in support of the soon-to-begin fleet maintenance program, and ongoing additional maintenance requirements.
- An additional 3 positions with a cost of \$0.264 million in support of the Enterprise Asset Management Program.
- The unfavorable timing of non-revenue vehicle purchases of \$0.560 million from 2015.
- The cost of new safety/maintenance projects: Composite Third Rail of \$0.198 million and a Signal & Switch Replacement Program of \$0.100 million.
- Estimated additional Workers' Compensation requirements of \$0.300 million.

Reimbursable expenses of \$6.871 million increased from the July Financial Plan by \$3.000 million, including \$1.500 million of materials in support of the Station Arrival Clock installation and \$1.500 million of labor expenses required to implement an NTSB mandated worker protection requirement, funded by the NYCT Capital Program.

Total non-reimbursable positions increased by 12, including 8 maintenance support positions, 3 positions to support EAM implementation, and one managerial position required for technical support for in the management of various high priority software programs.

Financial Plan 2017-2019 Projections

Operating cash deficits are projected to increase by \$1.462 million in 2017, \$1.315 million in 2018 and \$1.337 million in 2019. Major changes include:

- An additional 8 maintenance positions with an annual cost of \$0.645 million for each year to process train cars in support of the soon-to-begin fleet maintenance program, and ongoing additional maintenance requirements.
- An additional 3 positions in 2017 and 4 positions in subsequent years with a cost of \$0.364 million in 2017, \$0.347 million in 2018 and \$0.399 million in 2019 in support of the Enterprise Asset Management Program.
- The cost of a new Composite Third Rail safety/maintenance project of \$0.198 million for each year.
- Estimated additional Workers' Compensation requirements of \$0.300 million for each year.

Reimbursable expenses in 2017 of \$5.371 million increased from the July Financial Plan by \$1.500 million, representing labor expenses required to implement an NTSB mandated worker protection project, funded by the NYCT Capital Program. Reimbursable expenses of \$3.871 million in both 2018 and 2019 did not change from the July Financial Plan.

Non-reimbursable positions increase by 12 in 2017, including 8 maintenance support positions, 3 positions in support of the EAM implementation, and one managerial position required for technical support in the management of various high priority software programs. Non-reimbursable positions increase by 13 in 2018 and 2019, due to a further addition of 1 position in support of EAM.

MTA STATEN ISLAND RAILWAY
November Financial Plan 2016-2019
Accrual Statement of Operations by Category
(\$ in millions)

Non-Reimbursable						
	2014	2015	2016			
	<u>Actual</u>	<u>November Forecast</u>	<u>Final Proposed Budget</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Operating Revenue						
Farebox Revenue	\$5.898	\$6.373	\$6.735	\$6.769	\$6.816	\$6.839
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	2.593	2.486	2.568	2.589	2.612	2.635
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenue	\$8.491	\$8.859	\$9.303	\$9.358	\$9.428	\$9.474
Operating Expenses						
<u>Labor:</u>						
Payroll	\$20.011	\$22.715	\$22.117	\$22.549	\$22.973	\$23.470
Overtime	3.156	1.780	3.342	1.588	1.402	1.416
Health and Welfare	4.296	3.938	4.310	4.361	4.543	4.732
OPEB Current Payment	1.094	1.309	1.420	1.437	1.498	1.561
Pensions	5.865	6.007	6.133	6.220	6.306	6.541
Other Fringe Benefits	5.417	3.437	3.756	3.739	3.823	3.910
Reimbursable Overhead	(0.514)	(1.754)	(1.754)	(1.754)	(1.754)	(1.754)
Total Labor Expenses	\$39.325	\$37.432	\$39.324	\$38.140	\$38.791	\$39.876
<u>Non-Labor:</u>						
Electric Power	\$4.244	\$3.837	\$3.945	\$4.085	\$4.342	\$4.636
Fuel	0.342	0.216	0.217	0.229	0.238	0.261
Insurance	1.594	1.241	1.590	1.610	1.780	1.806
Claims	0.283	0.904	0.085	0.089	0.089	0.091
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.833	3.396	20.049	9.019	1.829	1.893
Professional Service Contracts	1.247	0.754	0.766	0.784	0.802	0.820
Materials & Supplies	1.766	1.964	2.222	1.332	1.346	1.359
Other Business Expenses	0.210	0.030	0.030	0.030	0.030	0.030
Total Non-Labor Expenses	\$10.519	\$12.342	\$28.904	\$17.178	\$10.456	\$10.896
<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.	\$49.844	\$49.774	\$68.228	\$55.318	\$49.247	\$50.772
Depreciation	\$7.923	\$8.300	\$8.300	\$8.300	\$8.300	\$8.300
OPEB Obligation	2.398	2.300	2.300	2.300	2.300	2.300
Environmental Remediation	(0.042)	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$60.123	\$60.374	\$78.828	\$65.918	\$59.847	\$61.372
Net Surplus/(Deficit)	(\$51.632)	(\$51.515)	(\$69.525)	(\$56.560)	(\$50.419)	(\$51.898)

MTA STATEN ISLAND RAILWAY
November Financial Plan 2016-2019
Accrual Statement of Operations by Category
(\$ in millions)

REIMBURSABLE						
	<u>2014</u>	<u>2015</u>	<u>2016</u>			
	<u>Actual</u>	<u>November</u>	<u>Final Proposed</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
		<u>Forecast</u>	<u>Budget</u>			
Revenue						
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	1.250	3.871	6.871	5.371	3.871	3.871
Total Revenue	\$1.250	\$3.871	\$6.871	\$5.371	\$3.871	\$3.871
Expenses						
<u>Labor:</u>						
Payroll	\$0.447	\$1.717	\$1.717	\$1.717	\$1.717	\$1.717
Overtime	0.131	0.400	1.794	1.794	0.400	0.400
Health and Welfare	0.000	0.000	0.000	0.000	0.000	0.000
OPEB Current Payment	0.016	0.000	0.000	0.000	0.000	0.000
Pensions	0.000	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.000	0.000	0.106	0.106	0.000	0.000
Reimbursable Overhead	0.514	1.754	1.754	1.754	1.754	1.754
Total Labor Expenses	\$1.108	\$3.871	\$5.371	\$5.371	\$3.871	\$3.871
<u>Non-Labor:</u>						
Electric Power	\$0.007	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Professional Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Materials & Supplies	0.135	0.000	1.500	0.000	0.000	0.000
Other Business Expenses	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expenses	\$0.142	\$0.000	\$1.500	\$0.000	\$0.000	\$0.000
<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	\$1.250	\$3.871	\$6.871	\$5.371	\$3.871	\$3.871
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses	\$1.250	\$3.871	\$6.871	\$5.371	\$3.871	\$3.871
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA STATEN ISLAND RAILWAY
November Financial Plan 2016-2019
Accrual Statement of Operations by Category
(\$ in millions)

NON-REIMBURSABLE / REIMBURSABLE						
	2014	2015	2016			
	Actual	November	Final Proposed	2017	2018	2019
		Forecast	Budget			
Revenue						
Farebox Revenue	\$5.898	\$6.373	\$6.735	\$6.769	\$6.816	\$6.839
Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	2.593	2.486	2.568	2.589	2.612	2.635
Capital and Other Reimbursements	1.250	3.871	6.871	5.371	3.871	3.871
Total Revenue	\$9.741	\$12.730	\$16.174	\$14.729	\$13.299	\$13.345
Expenses						
<u>Labor:</u>						
Payroll	\$20.458	\$24.432	\$23.834	\$24.266	\$24.690	\$25.187
Overtime	3.287	2.180	5.136	3.382	1.802	1.816
Health and Welfare	4.296	3.938	4.310	4.361	4.543	4.732
OPEB Current Payment	1.110	1.309	1.420	1.437	1.498	1.561
Pensions	5.865	6.007	6.133	6.220	6.306	6.541
Other Fringe Benefits	5.417	3.437	3.862	3.845	3.823	3.910
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenses	\$40.433	\$41.303	\$44.695	\$43.511	\$42.662	\$43.747
<u>Non-Labor:</u>						
Electric Power	\$4.251	\$3.837	\$3.945	\$4.085	\$4.342	\$4.636
Fuel	0.342	0.216	0.217	0.229	0.238	0.261
Insurance	1.594	1.241	1.590	1.610	1.780	1.806
Claims	0.283	0.904	0.085	0.089	0.089	0.091
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.833	3.396	20.049	9.019	1.829	1.893
Professional Service Contracts	1.247	0.754	0.766	0.784	0.802	0.820
Materials & Supplies	1.901	1.964	3.722	1.332	1.346	1.359
Other Business Expenses	0.210	0.030	0.030	0.030	0.030	0.030
Total Non-Labor Expenses	\$10.661	\$12.342	\$30.404	\$17.178	\$10.456	\$10.896
<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	\$51.094	\$53.645	\$75.099	\$60.689	\$53.118	\$54.643
Depreciation	\$7.923	\$8.300	\$8.300	\$8.300	\$8.300	\$8.300
OPEB Obligation	2.398	2.300	2.300	2.300	2.300	2.300
Environmental Remediation	(0.042)	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$61.373	\$64.245	\$85.699	\$71.289	\$63.718	\$65.243
Net Surplus/(Deficit)	(\$51.632)	(\$51.515)	(\$69.525)	(\$56.560)	(\$50.419)	(\$51.898)

MTA STATEN ISLAND RAILWAY
November Financial Plan 2016-2019
Cash Receipts & Expenditures
(\$ in millions)

CASH RECEIPTS AND EXPENDITURES						
	2014	2015	2016			
	<u>Actual</u>	<u>Forecast</u>	<u>Final Proposed Budget</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Receipts						
Farebox Revenue	\$5.859	\$5.932	\$6.735	\$6.769	\$6.816	\$6.840
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	3.005	3.396	2.568	2.589	2.612	2.635
Capital and Other Reimbursements	2.592	3.871	6.871	5.371	3.871	3.871
Total Receipts	\$11.456	\$13.199	\$16.174	\$14.729	\$13.299	\$13.346
Expenditures						
<u>Labor:</u>						
Payroll	\$18.827	\$28.137	\$23.834	\$24.266	\$24.690	\$25.187
Overtime	2.971	2.380	5.136	3.382	1.802	1.816
Health and Welfare	6.452	3.938	4.310	4.361	4.543	4.732
OPEB Current Payment	0.460	1.309	1.420	1.437	1.498	1.561
Pensions	5.995	6.007	6.133	6.220	6.306	6.541
Other Fringe Benefits	3.769	3.644	3.862	3.845	3.823	3.912
GASB Account	0.464	0.000	0.000	0.000	0.007	0.017
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$38.938	\$45.415	\$44.695	\$43.511	\$42.669	\$43.766
<u>Non-Labor:</u>						
Electric Power	\$4.228	\$3.837	\$3.945	\$4.085	\$4.342	\$4.636
Fuel	0.123	0.430	0.217	0.229	0.238	0.257
Insurance	0.892	2.092	1.590	1.610	1.780	1.806
Claims	0.041	1.039	0.085	0.089	0.089	0.091
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	1.423	3.396	20.049	9.019	1.829	1.893
Professional Service Contracts	0.889	0.754	0.766	0.784	0.802	0.820
Materials & Supplies	2.789	1.964	3.722	1.332	1.346	1.359
Other Business Expenses	0.097	0.030	0.030	0.030	0.030	0.030
Total Non-Labor Expenditures	\$10.482	\$13.542	\$30.404	\$17.178	\$10.456	\$10.892
<u>Other Expenditure Adjustments:</u>						
Other	\$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
Total Expenditures	\$49.420	\$58.957	\$75.099	\$60.689	\$53.125	\$54.658
Net Cash Surplus/(Deficit)	(\$37.964)	(\$45.758)	(\$58.925)	(\$45.960)	(\$39.826)	(\$41.312)

MTA STATEN ISLAND RAILWAY
November Financial Plan 2016-2019
Cash Conversion (Cash Flow Adjustments)
(\$ in millions)

CASH FLOW ADJUSTMENTS

	2014	2015	2016			
	Actual	November Forecast	Final Proposed Budget	2017	2018	2019
Receipts						
Farebox Revenue	(\$0.039)	(\$0.441)	\$0.000	\$0.000	\$0.000	\$0.001
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	0.412	0.910	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	1.342	0.000	0.000	0.000	0.000	0.000
Total Receipts	\$1.715	\$0.469	\$0.000	\$0.000	\$0.000	\$0.001
Expenditures						
<u>Labor:</u>						
Payroll	\$1.631	(\$3.705)	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	0.316	(0.200)	0.000	0.000	0.000	0.000
Health and Welfare	(2.156)	0.000	0.000	0.000	0.000	0.000
OPEB Current Payment	0.650	0.000	0.000	0.000	0.000	0.000
Pensions	(0.130)	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	1.648	(0.207)	0.000	0.000	0.000	(0.002)
GASB Account	(0.464)	0.000	0.000	0.000	(0.007)	(0.017)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$1.495	(\$4.112)	\$0.000	\$0.000	(\$0.007)	(\$0.019)
<u>Non-Labor:</u>						
Traction and Propulsion Power	\$0.023	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel for Buses and Trains	0.219	(0.214)	0.000	0.000	0.000	0.004
Insurance	0.702	(0.851)	0.000	0.000	0.000	0.000
Claims	0.242	(0.135)	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	(0.590)	0.000	0.000	0.000	0.000	0.000
Professional Service Contracts	0.358	0.000	0.000	0.000	0.000	0.000
Materials & Supplies	(0.888)	0.000	0.000	0.000	0.000	0.000
Other Business Expenditures	0.113	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expenditures	\$0.179	(\$1.200)	\$0.000	\$0.000	\$0.000	\$0.004
<u>Other Expenditures Adjustments:</u>						
Other	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Other Expenditures Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Cash Conversion Adjustments before Depreciation and GASB Adjs.	\$3.389	(\$4.843)	\$0.000	\$0.000	(\$0.007)	(\$0.014)
Depreciation Adjustment	\$7.923	\$8.300	\$8.300	\$8.300	\$8.300	\$8.300
OPEB Obligation	2.398	2.300	2.300	2.300	2.300	2.300
Environmental Remediation	(0.042)	0.000	0.000	0.000	0.000	0.000
Baseline Total Cash Conversion Adjustments	\$13.668	\$5.757	\$10.600	\$10.600	\$10.593	\$10.586
Total Cash Conversion Adjustments	\$13.668	\$5.757	\$10.600	\$10.600	\$10.593	\$10.586

MTA STATEN ISLAND RAILWAY
2016 Final Proposed Budget
November Financial Plan 2016 - 2019
Year-to-Year Changes by Category-Baseline

TOTAL REVENUES/RECEIPTS

Farebox Revenue

- Farebox revenue is projected to improve by \$0.362 million or 5.7% in 2016, \$0.034 million or 1.0% in 2017, \$0.047 million or 0.7% in 2018 and \$0.023 million or 0.3% in 2019. The increase in 2016 over 2015 is due to the annualization of the March 2015 fare increase and adverse weather in 2015. 2015 also includes an unfavorable cash timing adjustment of \$0.440 million, due to the timing of farebox receipt settlements with NYCT from 2014.

Other Operating Revenue

- Other operating revenue projections have not changed versus the July Financial Plan.
- The major unfavorable cash change in 2016 over 2015 of \$0.828 million or 24.4% was due to the favorable timing from 2014 of student fare reimbursements in 2015 not recurring in 2016.

Capital and Other Reimbursements

- Reimbursements are projected to increase by \$3.000 million in 2016 to provide for reimbursement of \$1.500 million of materials in support of the Station Arrival Clock installation and \$1.500 million of labor expenses required to implement an NTSB mandated worker protection requirement, funded by the NYCT Capital Program. In 2017, reimbursements are projected to increase by \$1.500 million, again to provide for reimbursement in support of the NTSB mandated worker protection requirement.

TOTAL EXPENSES/EXPENDITURES

Payroll

- Represented employee wage increase assumptions follow the MTA Railroad pattern upon expiration of existing contracts as follows: 0.99%, 3.27%, 3.02%, 3.03% and 1.39% for years 1,2,3,4, and 5. The next two years are as follows: 2.87%, 0.76%, and then 2.00% for each subsequent year, assumed to follow CPI-based increases.
- Salaries for non-represented employees are projected at 2.00% for each plan year beginning 2015, assumed to follow CPI-based increases.
- 2015 includes \$1.960 million of unfavorable payment timing from 2014.

Overtime

- Includes projected wage inflation increases as noted above for represented employees.
- 2015 includes \$0.200 million of unfavorable payment timing from 2014.

Health & Welfare/OPEB Current Payment

- 2016-2019 includes projected rate increases of 8.50%, 1.20%, 4.20% and 4.20%, respectively.

Pension

- Projections are based on current actuarial information.

Other Fringe Benefits

- 2016-2019 includes inflation increases of 1.80%, 2.29%, 2.55% and 2.41%, respectively.
- 2015 includes \$0.073 million of unfavorable payment timing from 2014.

Electric Power (Traction/Non-Traction)

- 2016-2019 inflation assumptions are based on projected New York Power Authority (NYPA)/Con Edison rate increases provided by MTA.

Fuel (Heating/Diesel)

- 2016-2019 reflects inflationary assumptions provided by MTA.
- 2015 includes \$0.214 million of unfavorable payment timing from 2014.

Insurance

- 2016-2019 reflects inflationary assumptions provided by MTA.
- 2015 includes \$0.851 million of unfavorable payment timing from 2014.

Claims

- 2016-2019 reflects inflationary assumptions of 1.80%, 2.29%, 2.55% and 2.41%, respectively.

Maintenance and Other Operating Contracts

- 2016-2019 reflects inflationary increases of 1.80%, 2.29%, 2.55% and 2.41%, respectively. The increase in 2016 from 2015 of \$16.653 million is due mostly to the R44 car fleet maintenance program, representing 12 months of work in 2016 versus one month (December) in 2015. The decrease in 2017 versus 2016 of \$11.030 million is due largely to a reduction of fleet maintenance work from 12 months in 2016 to five months in 2017, with the program planned to be completed by May 2017.

Professional Service Contracts

- 2016-2019 reflects inflationary increases of 1.80%, 2.29%, 2.55% and 2.41%, respectively.

Materials and Supplies

- 2016-2019 reflects inflationary increases of 1.31%, 1.61%, 1.69% and 1.84%, respectively.

Other Business Expenses

- 2016-2019 reflects inflationary increases of 1.80%, 2.29%, 2.55% and 2.41%, respectively.

MTA STATEN ISLAND RAILWAY
November Financial Plan 2016-2019
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

NON-REIMBURSABLE

	Favorable/(Unfavorable)								
	2015	2016	Change 2015 - 2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018 - 2019
Revenue									
Farebox Revenue	\$6.373	\$6.735	\$0.362	\$6.769	\$0.034	\$6.816	\$0.047	\$6.839	\$0.023
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	2.486	2.568	0.082	2.589	0.021	2.612	0.023	2.635	0.023
Capital and Other Reimbursements	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Revenue	\$8.859	\$9.303	\$0.444	\$9.358	\$0.055	\$9.428	\$0.070	\$9.474	\$0.046
Expenses									
Labor:									
Payroll	\$22.715	\$22.117	\$0.598	\$22.549	(\$0.432)	\$22.973	(\$0.424)	\$23.470	(\$0.497)
Overtime	1.780	3.342	(1.562)	1.588	1.754	1.402	0.186	1.416	(0.014)
Health and Welfare	3.938	4.310	(0.372)	4.361	(0.051)	4.543	(0.182)	4.732	(0.189)
OPEB Current Payment	1.309	1.420	(0.111)	1.437	(0.017)	1.498	(0.061)	1.561	(0.063)
Pensions	6.007	6.133	(0.126)	6.220	(0.087)	6.306	(0.086)	6.541	(0.235)
Other Fringe Benefits	3.437	3.756	(0.319)	3.739	0.017	3.823	(0.084)	3.910	(0.087)
Reimbursable Overhead	(1.754)	(1.754)	0.000	(1.754)	0.000	(1.754)	0.000	(1.754)	0.000
Total Labor Expenses	\$37.432	\$39.324	(\$1.892)	\$38.140	\$1.184	\$38.791	(\$0.651)	\$39.876	(\$1.085)
Non-Labor:									
Electric Power	\$3.837	\$3.945	(\$0.108)	\$4.085	(\$0.140)	\$4.342	(\$0.257)	\$4.636	(\$0.294)
Fuel	0.216	0.217	(0.001)	0.229	(0.012)	0.238	(0.009)	0.261	(0.023)
Insurance	1.241	1.590	(0.349)	1.610	(0.020)	1.780	(0.170)	1.806	(0.026)
Claims	0.904	0.085	0.819	0.089	(0.004)	0.089	0.000	0.091	(0.002)
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	3.396	20.049	(16.653)	9.019	11.030	1.829	7.190	1.893	(0.064)
Professional Service Contracts	0.754	0.766	(0.012)	0.784	(0.018)	0.802	(0.018)	0.820	(0.018)
Materials & Supplies	1.964	2.222	(0.258)	1.332	0.890	1.346	(0.014)	1.359	(0.013)
Other Business Expenses	0.030	0.030	0.000	0.030	0.000	0.030	0.000	0.030	0.000
Total Non-Labor Expenses	\$12.342	\$28.904	(\$16.562)	\$17.178	\$11.726	\$10.456	\$6.722	\$10.896	(\$0.440)
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.	\$49.774	\$68.228	(\$18.454)	\$55.318	\$12.910	\$49.247	\$6.071	\$50.772	(\$1.525)
Depreciation	8.300	8.300	0.000	8.300	0.000	8.300	0.000	8.300	0.000
OPEB Obligation	2.300	2.300	0.000	2.300	0.000	2.300	0.000	2.300	0.000
Environmental Remediation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$60.374	\$78.828	(\$18.454)	\$65.918	\$12.910	\$59.847	\$6.071	\$61.372	(\$1.525)
Net Surplus/(Deficit)	(\$51.515)	(\$69.525)	(\$18.010)	(\$56.560)	\$12.965	(\$50.419)	\$6.141	(\$51.898)	(\$1.479)

MTA STATEN ISLAND RAILWAY
November Financial Plan 2016-2019
Year-to-Year Changes by Category - Accrual Basis
(\$ in millions)

REIMBURSABLE

	Favorable/(Unfavorable)								
	2015	2016	Change 2015 - 2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018 - 2019
Revenue									
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Vehicle Toll Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursements	3.871	6.871	\$3.000	5.371	(\$1.500)	3.871	(\$1.500)	3.871	\$0.000
Total Revenue	\$3.871	\$6.871	\$3.000	\$5.371	(\$1.500)	\$3.871	(\$1.500)	\$3.871	\$0.000
Expenses									
Labor:									
Payroll	\$1.717	\$1.717	\$0.000	\$1.717	\$0.000	\$1.717	\$0.000	\$1.717	\$0.000
Overtime	0.400	1.794	(1.394)	1.794	0.000	0.400	1.394	0.400	0.000
Health and Welfare	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Pensions	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.000	0.106	(0.106)	0.106	0.000	0.000	0.106	0.000	0.000
Reimbursable Overhead	1.754	1.754	0.000	1.754	0.000	1.754	0.000	1.754	0.000
Total Labor Expenses	\$3.871	\$5.371	(\$1.500)	\$5.371	\$0.000	\$3.871	\$1.500	\$3.871	\$0.000
Non-Labor:									
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Operating Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Professional Service Contracts	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Materials & Supplies	0.000	1.500	(1.500)	0.000	1.500	0.000	0.000	0.000	0.000
Other Business Expenses	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expenses	\$0.000	\$1.500	(\$1.500)	\$0.000	\$1.500	\$0.000	\$0.000	\$0.000	\$0.000
Other Expenses Adjustments:									
Other	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Adjustments	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Expenses before Depreciation	\$3.871	\$6.871	(\$3.000)	\$5.371	\$1.500	\$3.871	\$1.500	\$3.871	\$0.000
Depreciation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Expenses	\$3.871	\$6.871	(\$3.000)	\$5.371	\$1.500	\$3.871	\$1.500	\$3.871	\$0.000
Net Surplus/(Deficit)	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA STATEN ISLAND RAILWAY
November Financial Plan 2016-2019
Year-to-Year Changes by Category - Cash Receipts and Expenditures
(\$ in millions)

	Favorable/(Unfavorable)								
	2015	2016	Change 2015 - 2016	2017	Change 2016 - 2017	2018	Change 2017 - 2018	2019	Change 2018 - 2019
Receipts									
Farebox Revenue	\$5.932	\$6.735	\$0.803	\$6.769	\$0.034	\$6.816	\$0.047	\$6.840	\$0.024
Other Operating Revenue	3.396	2.568	(0.828)	2.589	0.021	2.612	0.023	2.635	0.023
Capital and Other Reimbursements	3.871	6.871	3.000	5.371	(1.500)	3.871	(1.500)	3.871	0.000
Total Receipts	\$13.199	\$16.174	\$2.975	\$14.729	(\$1.445)	\$13.299	(\$1.430)	\$13.346	\$0.047
Expenditures									
Labor:									
Payroll	\$28.137	\$23.834	\$4.303	\$24.266	(\$0.432)	\$24.690	(\$0.424)	\$25.187	(\$0.497)
Overtime	2.380	5.136	(2.756)	3.382	1.754	1.802	1.580	1.816	(0.014)
Health and Welfare	3.938	4.310	(0.372)	4.361	(0.051)	4.543	(0.182)	4.732	(0.189)
OPEB Current Payment	1.309	1.420	(0.111)	1.437	(0.017)	1.498	(0.061)	1.561	(0.063)
Pensions	6.007	6.133	(0.126)	6.220	(0.087)	6.306	(0.086)	6.541	(0.235)
Other Fringe Benefits	3.644	3.862	(0.218)	3.845	0.017	3.823	0.022	3.912	(0.089)
GASB Account	0.000	0.000	0.000	0.000	0.000	0.007	(0.007)	0.017	(0.010)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Total Labor Expenditures	\$45.415	\$44.695	\$0.720	\$43.511	\$1.184	\$42.669	\$0.842	\$43.766	(\$1.097)
Non-Labor:									
Electric Power	\$3.837	\$3.945	(\$0.108)	\$4.085	(\$0.140)	\$4.342	(\$0.257)	\$4.636	(\$0.294)
Fuel	0.430	0.217	0.213	0.229	(0.012)	0.238	(0.009)	0.257	(0.019)
Insurance	2.092	1.590	0.502	1.610	(0.020)	1.780	(0.170)	1.806	(0.026)
Claims	1.039	0.085	0.954	0.089	(0.004)	0.089	0.000	0.091	(0.002)
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	3.396	20.049	(16.653)	9.019	11.030	1.829	7.190	1.893	(0.064)
Professional Service Contracts	0.754	0.766	(0.012)	0.784	(0.018)	0.802	(0.018)	0.820	(0.018)
Materials & Supplies	1.964	3.722	(1.758)	1.332	2.390	1.346	(0.014)	1.359	(0.013)
Other Business Expenses	0.030	0.030	0.000	0.030	0.000	0.030	0.000	0.030	0.000
Total Non-Labor Expenditures	\$13.542	\$30.404	(\$16.862)	\$17.178	\$13.226	\$10.456	\$6.722	\$10.892	(\$0.436)
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	\$58.957	\$75.099	(\$16.142)	\$60.689	\$14.410	\$53.125	\$7.564	\$54.658	(\$1.533)
Net Cash Surplus/(Deficit)	(\$45.758)	(\$58.925)	(\$13.167)	(\$45.960)	\$12.965	(\$39.826)	\$6.134	(\$41.312)	(\$1.486)

MTA STATEN ISLAND RAILWAY
2016 Final Proposed Budget
November Financial Plan 2016-2019
Summary of Plan to Plan Changes-Baseline

2015: November Financial Plan vs. July Financial Plan

Major Revenue Re-estimates

- An increase in farebox revenue of \$0.010 million, due to projected higher pass average fares.
- Other operating revenue assumptions did not change from the July Financial Plan.

Major Expense Re-estimates

- Overtime expenses decreased by \$1.248 million, due mostly to the timing delay of implementation of the Station Arrival Clock installation to 2016.
- Other fringe benefit expenses increased by \$0.192 million, due largely to additional Workers' Compensation requirements.
- Maintenance contract expenses decreased by \$0.872 million, due mostly to the timing of non-revenue vehicle purchases to 2016.
- Materials & Supplies expenses decreased by \$0.684 million, due primarily to the re-categorization of funding of Arrival Clock materials requirements to non-capital funding, partly offset by additional car fleet maintenance material requirements for maintaining the fleet before scheduled maintenance program processing.
- Insurance expenses were reduced by \$0.209 million, due to updated supporting information.

Cash Adjustments

- No additional cash adjustments were recorded in the November Plan.

2016-2019: November Financial Plan vs. July Financial Plan

Major Revenue Re-estimates

Farebox Revenue

- Farebox revenue is projected to improve by \$0.182 million or 2.8% in 2016, \$0.194 million or 3.0% in 2017, \$0.211 million or 3.2% in 2018 and \$0.210 million or 3.2% in 2019, due to estimated higher pass average fares.

Other Operating Revenue

- Other operating revenue projections have not changed versus the July Financial Plan.

Major Expense Re-estimates

- Payroll expenses increase by \$0.887 million in 2016, \$0.983 million in 2017, \$0.967 million in 2018 and \$1.015 million in 2019, due to additional position requirements, including 8 maintenance positions, 3 positions in 2016/2017 and 4 positions in 2018/2019 in support of Enterprise Asset Management (EAM), and 1 position required for technical support in the management of various high priority software programs.
- Overtime expenses increase by \$1.248 million in 2016, due to the timing of three project implementations delayed from 2015.
- Other fringe benefit expenses increase by \$0.616 million in 2016, \$0.591 million in 2017, \$0.632 million in 2018 and \$0.678 million in 2019, due mostly to additional Workers' Compensation requirements and the FICA impact of additional project payroll requirements.
- Electric power expenses decrease by \$0.286 million in 2016, \$0.303 million in 2017, \$0.305 million in 2018 and \$0.333 million in 2019, based on projected lower prices.
- Maintenance contract expenses increase by \$0.990 million in 2016, due mainly to the unfavorable timing of purchases of non-revenue vehicles from 2015.
- Materials & Supplies expenses increase by \$0.833 million in 2016, including mostly the unfavorable timing of \$0.350 million from 2015 of material requirements as part of the installation of Yard Lighting at the Clifton Shop project, \$0.198 million of material requirements as part of the Composite Third Rail Project installation and \$0.100 million of materials for the Signal & Switch Replacement Project.

MTA STATEN ISLAND RAILWAY
November Financial Plan 2016-2019
Changes Between Financial Plans by Generic Categories
(\$ in millions)

NON-REIMBURSABLE

	2015	2016	2017	2018	2019
July Financial Plan Net Cash Deficit	(\$48.627)	(\$54.730)	(\$44.498)	(\$38.511)	(\$39.975)
Baseline Changes					
Revenue					
Farebox Revenue	\$0.010	\$0.182	\$0.194	\$0.211	\$0.210
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursement	0.000	0.000	0.000	0.000	0.000
Total Revenue Changes	\$0.010	\$0.182	\$0.194	\$0.211	\$0.210
Expenses					
<i>Labor:</i>					
Payroll	(\$0.020)	(\$0.887)	(\$0.983)	(\$0.967)	(\$1.015)
Overtime	1.248	(1.248)	0.000	0.000	0.000
Health and Welfare	(0.007)	(0.017)	(0.013)	0.001	0.017
OPEB Current Payment	0.000	(0.033)	(0.038)	(0.058)	(0.077)
Pensions	(0.007)	(0.046)	(0.046)	(0.045)	(0.046)
Other Fringe Benefits	(0.192)	(0.616)	(0.591)	(0.632)	(0.678)
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000
Total Labor Expense Changes	\$1.022	(\$2.847)	(\$1.671)	(\$1.701)	(\$1.799)
<i>Non-Labor:</i>					
Electric Power	\$0.089	\$0.286	\$0.303	\$0.305	\$0.333
Fuel	0.020	0.033	0.027	0.032	0.031
Insurance	0.209	0.031	0.075	0.130	0.190
Claims	0.000	0.001	0.001	0.001	0.001
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.872	(0.990)	(0.128)	0.024	0.021
Professional Service Contracts	(0.037)	(0.058)	(0.065)	(0.120)	(0.127)
Materials & Supplies	0.684	(0.833)	(0.198)	(0.197)	(0.197)
Other Business Expenses	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expense Changes	\$1.837	(\$1.530)	\$0.015	\$0.175	\$0.252
Total Expense Changes before Depreciation & GASB Adjs.	\$2.859	(\$4.377)	(\$1.656)	(\$1.526)	(\$1.547)
Depreciation	0.000	0.000	0.000	0.000	0.000
OPEB Obligation	0.000	0.000	0.000	0.000	0.000
Environmental Remediation	0.000	0.000	0.000	0.000	0.000
Total Depreciation and GASB Adjs. Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Cash Adjustment Changes					
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$2.869	(\$4.195)	(\$1.462)	(\$1.315)	(\$1.337)
November Financial Plan Net Cash Deficit	(\$45.758)	(\$58.925)	(\$45.960)	(\$39.826)	(\$41.312)

MTA STATEN ISLAND RAILWAY
November Financial Plan 2016-2019
Changes Between Financial Plans by Generic Categories
(\$ in millions)

REIMBURSABLE

	2015	2016	2017	2018	2019
July Financial Plan Net Cash Deficit	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Baseline Changes					
Revenue					
Farebox Revenue	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000
Capital and Other Reimbursement	0.000	3.000	1.500	0.000	0.000
Total Revenue Changes	\$0.000	\$3.000	\$1.500	\$0.000	\$0.000
Expenses					
<i>Labor:</i>					
Payroll	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Overtime	0.000	(1.394)	(1.394)	0.000	0.000
Health and Welfare	0.000	0.000	0.000	0.000	0.000
OPEB Current Payment	0.000	0.000	0.000	0.000	0.000
Pensions	0.000	0.000	0.000	0.000	0.000
Other Fringe Benefits	0.000	(0.106)	(0.106)	0.000	0.000
Reimbursable Overhead	0.000	0.000	0.000	0.000	0.000
Total Labor Expense Changes	\$0.000	(\$1.500)	(\$1.500)	\$0.000	\$0.000
<i>Non-Labor:</i>					
Electric Power	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Fuel	0.000	0.000	0.000	0.000	0.000
Insurance	0.000	0.000	0.000	0.000	0.000
Claims	0.000	0.000	0.000	0.000	0.000
Paratransit Service Contracts	0.000	0.000	0.000	0.000	0.000
Maintenance and Other Operating Contracts	0.000	0.000	0.000	0.000	0.000
Materials & Supplies	0.000	(1.500)	0.000	0.000	0.000
Other Business Expenses	0.000	0.000	0.000	0.000	0.000
Total Non-Labor Expense Changes	\$0.000	(\$1.500)	\$0.000	\$0.000	\$0.000
Total Expense Changes	\$0.000	(\$3.000)	(\$1.500)	\$0.000	\$0.000
Cash Adjustment Changes					
	0.000	0.000	0.000	0.000	0.000
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
November Financial Plan Net Cash Deficit	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000

MTA Staten Island Railway
November Financial Plan 2016-2019
Summary of Major Programmatic Changes Between Financial Plans
(\$ in millions)

NON-REIMBURSABLE and REIMBURSABLE

	2015	2016	2017	2018	2019
July Financial Plan Net Cash Deficit	(\$48.627)	(\$54.730)	(\$44.498)	(\$38.511)	(\$39.975)
Non-Reimbursable Major Changes					
Revenue					
Farebox Revenue	\$0.010	\$0.182	\$0.194	\$0.211	\$0.210
Other Operating Revenue	0.000	0.000	0.000	0.000	0.000
Sub-Total Non-Reimbursable Revenue Changes	\$0.010	\$0.182	\$0.194	\$0.211	\$0.210
Expenses					
Enterprise Asset Management (EAM) Support	\$0.000	(\$0.264)	(\$0.364)	(\$0.347)	(\$0.399)
SIR Local Maintenance Shop-Additional 8 Support Positions	0.000	(0.645)	(0.645)	(0.645)	(0.645)
Composite Third Rail Safety Project Installation	0.000	(0.198)	(0.198)	(0.198)	(0.198)
Signal & Switch Replacement Program-Safety Project	(0.090)	(0.100)	0.000	0.000	0.000
Station Arrival Clock Installation-Timing of Installation	1.000	(1.000)	0.000	0.000	0.000
Yard Lighting at the Clinton Maintenance Shop-Timing of Installation	0.950	(0.950)	0.000	0.000	0.000
Timing of Non-Revenue Vehicle Purchases	0.560	(0.560)	0.000	0.000	0.000
New Managerial Position-Technical Support-Safety Requirement	(0.036)	(0.140)	(0.140)	(0.140)	(0.140)
Estimated Additional Workers' Compensation Requirements	(0.300)	(0.300)	(0.300)	(0.300)	(0.300)
Inflation/Other Changes	0.775	(0.220)	(0.009)	0.104	0.135
Sub-Total Non-Reimbursable Expense Changes	\$2.859	(\$4.377)	(\$1.656)	(\$1.526)	(\$1.547)
Total Non-Reimbursable Major Changes	\$2.869	(\$4.195)	(\$1.462)	(\$1.315)	(\$1.337)
Reimbursable Major Changes					
Sub-Total Reimbursable Revenue Changes	\$0.000	\$3.000	\$1.500	\$0.000	\$0.000
Arrival Clock Installation-Non-Capital Funding of Material Requirements	0.000	(1.500)	0.000	0.000	0.000
Enhanced-Employee Protection System Mandatory Implementation-Safety (Non-Reporting Blocks Software Capital Program Funding)	0.000	(1.500)	(1.500)	0.000	0.000
Sub-Total Reimbursable Expense Changes	\$0.000	(\$3.000)	(\$1.500)	\$0.000	\$0.000
Total Reimbursable Major Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Accrual Changes	\$2.869	(\$4.195)	(\$1.462)	(\$1.315)	(\$1.337)
Cash Adjustment Changes					
Depreciation	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Cash Adjustment Changes	\$0.000	\$0.000	\$0.000	\$0.000	\$0.000
Total Baseline Changes	\$2.869	(\$4.195)	(\$1.462)	(\$1.315)	(\$1.337)
November Financial Plan Net Cash Deficit	(\$45.758)	(\$58.925)	(\$45.960)	(\$39.826)	(\$41.312)

MTA STATEN ISLAND RAILWAY
2016 Final Proposed Budget
November Financial Plan 2016-2019
Ridership/(Utilization)

- Based on preliminary ridership through August 2015 ridership is projected to be virtually the same as the July Financial Plan.
- After a positive adjustment to 2015 ridership to account for severe winter weather, 2016-2019 ridership growth is based on the June 2015 employment forecast, which projects lower employment growth in 2016, higher growth in 2017-2018, and slightly lower growth in 2019 than the February 2015 forecast used for the July Financial Plan. As a result, ridership increases from the July Plan throughout the plan period.
- Annual ridership is projected to be above the July Financial Plan by 0.006 million in 2016, 0.012 million in 2017, 0.022 million in 2018 and 0.021 million in 2019.

MTA STATEN ISLAND RAILWAY
November Financial Plan 2016-2019
Ridership/(Utilization)
(\$ in millions)

	2014 Actual	2015 November Forecast	2016 Final Proposed Budget	2017	2018	2019
--	------------------------	---------------------------------------	---	-------------	-------------	-------------

RIDERSHIP

Fixed Route	4.368	4.533	4.660	4.680	4.708	4.721
-------------	-------	-------	-------	-------	-------	-------

Baseline Total Ridership	4.368	4.533	4.660	4.680	4.708	4.721
---------------------------------	--------------	--------------	--------------	--------------	--------------	--------------

FAREBOX REVENUE

Fixed Route	\$5.898	\$6.373	\$6.735	\$6.769	\$6.816	\$6.839
-------------	---------	---------	---------	---------	---------	---------

Baseline Total Revenue	\$5.898	\$6.373	\$6.735	\$6.769	\$6.816	\$6.839
-------------------------------	----------------	----------------	----------------	----------------	----------------	----------------

STATEN ISLAND RAILWAY
November Financial Plan 2016-2019
2015 Budget Reduction Plan Summary
(\$ in millions)

	Favorable/(Unfavorable)									
	Pos.	2015	Pos.	2016	Pos.	2017	Pos.	2018	Pos.	2019
Administration										
Lower Audit Fees/Workers' Comp. Board Costs (July Plan)	-	\$0.074	-	\$0.074	-	\$0.074	-	\$0.074	-	\$0.074
<i>Subtotal Administration</i>	-	0.074	-	0.074	-	\$0.074	-	\$0.074	-	\$0.074
Customer Convenience/Amenities										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Customer Convenience/Amenities</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Maintenance										
Reduced Tire/Tube and Diesel Valve Cost (July Plan)	-	0.026	-	0.026	-	0.026	-	0.026	-	0.026
<i>Subtotal Maintenance</i>	-	0.026	-	0.026	-	0.026	-	0.026	-	0.026
Revenue Enhancement										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Revenue Enhancement</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Safety										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Safety</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Security										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Security</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Service										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Service</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Service Support										
None	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
<i>Subtotal Service Support</i>	-	0.000	-	0.000	-	0.000	-	0.000	-	0.000
Other										
Extend Deferral for Filling Vacancies (July Plan)	-	0.111	-	0.111	-	0.111	-	0.111	-	0.111
<i>Subtotal Other</i>	-	0.111	-	0.111	-	0.111	-	0.111	-	0.111
Agency Submission	-	\$0.211	-	\$0.211	-	\$0.211	-	\$0.211	-	\$0.211

**MTA STATEN ISLAND RAILWAY
November Financial Plan 2016-2019
2015 Budget Reduction Plan Worksheet**

Category by Function: Administration
Program: Audit/Workers Compensation Board Cost Savings

Background Details:	It is projected that \$37K of audit fees and \$37K of Workers' Compensation Board expenses will be saved for each plan year.
----------------------------	--

Program Description/ Implementation Plan:			
Program Implementation Date:	2015	When will savings begin?:	2015
		Are these savings recurring?:	Yes
Other Issues:			

	Favorable/(Unfavorable)				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.074	\$0.074	\$0.074	\$0.074	\$0.074
<i>Total Positions Required:</i>					

**MTA STATEN ISLAND RAILWAY
November Financial Plan 2016-2019
2015 Budget Reduction Plan Worksheet**

Category by Function: Maintenance

Program: Reduced Tire/Tube and Diesel Valve Costs

Background Details:	New fleet of Non-Revenue Vehicles will reduce purchases of tires/tubes.
----------------------------	---

Program Description/ Implementation Plan:	Valve repair will avoid new valve purchases
--	---

Program Implementation Date:	2015	When will savings begin?:	2015
		Are these savings recurring?:	Yes

Other Issues:	
----------------------	--

	Favorable/(Unfavorable)				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.026	\$0.026	\$0.026	\$0.026	\$0.026

Total Positions Required:

**MTA STATEN ISLAND RAILWAY
November Financial Plan 2016-2019
2015 Budget Reduction Plan Worksheet**

Category by Function: Other
Program: Extend Deferral for Filling Vacancies

Background Details:

Program Description/ Implementation Plan:	Deferral based on assessment of risk of expertise/level of vacant position			
Program Implementation Date:	2015	When will savings begin?:	2015	
		Are these savings recurring?:	Yes	
Other Issues:				

	Favorable/(Unfavorable)				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
<i>Financial Impact (Operating):</i>					
Net Cash Savings (in millions)	\$0.111	\$0.111	\$0.111	\$0.111	\$0.111

Total Positions Required:

**MTA STATEN ISLAND RAILWAY
2016 Final Proposed Budget
November Financial Plan 2016-2019
Positions**

2015-2019: November Financial Plan vs. July Financial Plan

Total non-reimbursable positions increase by 1 in 2015, by 12 in 2016 and 2017, and by 13 in the plan years 2018 and 2019. There were no changes to the July Plan reimbursable positions. The non-reimbursable changes are summarized as follows:

- One managerial position added for each year for technical support in the management of various high priority software programs.
- Eight maintenance positions are required to prepare train cars for the fleet maintenance program to begin this December 2015 and to support ongoing additional maintenance requirements.
- Three positions in 2016 and 2017 and four positions in 2018 and 2019 to support implementation of the Enterprise Asset Management (EAM) program.

MTA STATEN ISLAND RAILWAY
November Financial Plan 2016-2019
Favorable/(Unfavorable)

Total Position Changes at a Glance

	2015	2016	2017	2018	2019
2015 July Plan - Total Positions	316	316	316	316	290
Total Plan-to-Plan Changes	(1)	(12)	(12)	(13)	(13)
2015 November Plan - Total Positions	317	328	328	329	303
Total Year-to-Year Changes, November Plan		(11)	0	(1)	26

Total Plan-to-Plan Changes by Reporting Category:

<i>Non-Reimbursable</i>	(1)	(12)	(12)	(13)	(13)
<i>Reimbursable</i>	0	0	0	0	0
Total	(1)	(12)	(12)	(13)	(13)
<i>Full-Time</i>	(1)	(12)	(12)	(13)	(13)
<i>Full-Time Equivalents</i>	0	0	0	0	0
Total	(1)	(12)	(12)	(13)	(13)
<i>By Function Category</i>					
- Administration	0	(1)	(1)	(1)	(1)
- Operations	0	0	0	0	0
- Maintenance	(1)	(11)	(11)	(12)	(12)
- Engineering/Capital	0	0	0	0	0
- Public Safety	0	0	0	0	0
Total	(1)	(12)	(12)	(13)	(13)
<i>By Occupational Group</i>					
- Managers/Supervisors	(1)	(4)	(4)	(4)	(4)
- Professional, Technical, Clerical	0	(4)	(4)	(4)	(4)
- Operational Hourlies	0	(4)	(4)	(5)	(5)
Total	(1)	(12)	(12)	(13)	(13)

Total Plan-to-Plan Changes by Major Category:

<i>2015 BRPs</i>	0	0	0	0	0
<i>New Needs</i>	(1)	(12)	(12)	(13)	(13)
<i>Change in Reimbursable Positions</i>	0	0	0	0	0
<i>Re-estimates & All Other</i> ¹	0	0	0	0	0
Total	(1)	(12)	(12)	(13)	(13)

¹ Includes Full-time Equivalents

MTA STATEN ISLAND RAILWAY
November Financial Plan 2016-2019
Total Positions by Function and Department
Non-Reimbursable/Reimbursable and Full-Time/Full Time Equivalents

FUNCTION/DEPARTMENT	2014 Actual	2015 November Forecast	2016 Final Proposed Budget	2017	2018	2019
Administration						
Executive	11	13	13	13	13	13
General Office	7	9	10	10	10	10
Purchasing/Stores	5	6	6	6	6	6
Total Administration	23	28	29	29	29	29
Operations						
Transportation	94	107	107	107	107	107
Maintenance						
Mechanical	40	43	52	52	52	52
Electronic/Electrical	13	15	15	15	15	15
Power/Signals	24	26	26	26	26	26
Maintenance of Way	50	47	48	48	49	49
Infrastructure	27	25	25	25	25	25
Total Maintenance	154	156	166	166	167	167
Engineering/Capital						
None	18	26	26	26	26	-
Public Safety						
Police	-	-	-	-	-	-
Baseline Total Positions	289	317	328	328	329	303
Non-Reimbursable	268	291	302	302	303	303
Reimbursable	21	26	26	26	26	-
Total Full-Time	289	317	328	328	329	303
Total Full-Time Equivalents						

MTA STATEN ISLAND RAILWAY
November Financial Plan 2016-2019
Total Positions by Function and Occupation

FUNCTION/OCCUPATIONAL GROUP	2014 Actual	2015 November Forecast	2016 Final Proposed Budget	2017	2018	2019
Administration						
Managers/Supervisors	16	17	17	17	17	17
Professional, Technical, Clerical	7	11	12	12	12	12
Operational Hourlies	-	-	-	-	-	-
Total Administration	23	28	29	29	29	29
Operations						
Managers/Supervisors	2	5	5	5	5	5
Professional, Technical, Clerical	2	3	3	3	3	3
Operational Hourlies	90	99	99	99	99	99
Total Operations	94	107	107	107	107	107
Maintenance						
Managers/Supervisors	12	9	12	12	12	12
Professional, Technical, Clerical	2	3	6	6	6	6
Operational Hourlies	140	144	148	148	149	149
Total Maintenance	154	156	166	166	167	167
Engineering/Capital						
Managers/Supervisors	3	4	4	4	4	-
Professional, Technical, Clerical	2	2	2	2	2	-
Operational Hourlies	13	20	20	20	20	-
Total Engineering/Capital	18	26	26	26	26	-
Public Safety						
Managers/Supervisors	-	-	-	-	-	-
Professional, Technical, Clerical	-	-	-	-	-	-
Operational Hourlies	-	-	-	-	-	-
Total Public Safety	-	-	-	-	-	-
Total Positions						
Managers/Supervisors	33	35	38	38	38	34
Professional, Technical, Clerical	13	19	23	23	23	21
Operational Hourlies	243	263	267	267	268	248
Baseline Total Positions	289	317	328	328	329	303